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PROCEEDINGS AND DEBATES OF THE 93^{d} CONGRESS, SECOND SESSION

HOUSE OF REPRESENTATIVES—*Monday, April 22, 1974*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

God hath not given us the spirit of fear; but of power, and of love, and of a sound mind.—II Timothy 1: 7.

Almighty God, our Heavenly Father, who art the Life of those who put their trust in Thee and the Light of those who walk in Thy ways, make us truly conscious of Thy presence as we enter the gateway of another week. In all the trials and tribulations of these troubled times let us not lose heart nor hope and certainly let us never forget Thee who art with us all our days.

We pray for our President, our Speaker, the Members of this House of Representatives, and all who work with them and for them. May the power of Thy spirit live within them as they labor for the good of our Nation, for peace in our world, and for the welfare of all mankind.

In the spirit of Christ we pray. Amen.

THE JOURNAL

The **SPEAKER.** The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Marks, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and a joint resolution of the House of the following titles:

On April 11, 1974:

H.J. Res. 941. Joint resolution making an urgent supplemental appropriation for the fiscal year ending June 30, 1974, for the Veterans' Administration, and for other purposes.

On April 12, 1974:

H.R. 1321. An act for the relief of Dominga Pettit;

H.R. 5106. An act for the relief of Flora Datiles Tabayo;

H.R. 7363. An act for the relief of Rito E. Judilla and Virna J. Pasicaran;

H.R. 12341. An act to authorize sale of a former Foreign Service consulate building in Venice to Wake Forest University; and

H.R. 12465. An act to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations for the fiscal year 1974.

On April 17, 1974:

H.R. 6186. An act to amend the District of Columbia Revenue Act of 1947 regarding taxability of dividends received by a corporation from insurance companies, banks, and other savings institutions; and

H.R. 12627. An act to authorize and direct the Secretary of the Department under which the U.S. Coast Guard is operating to cause the vessel *Miss Keku*, owned by Clarence Jackson of Juneau, Alaska, to be documented as a vessel of the United States so as to be entitled to engage in the American fisheries.

On April 18, 1974:

H.R. 12253. An act to make certain appropriations available for obligation and expenditure until June 30, 1975, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 8101. An act to authorize certain Federal agencies to detail personnel and to loan equipment to the Bureau of Sport Fisheries and Wildlife, Department of the Interior.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 1647. An act to extend the Environmental Education Act for 3 years;

S. 3044. An act to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns; and

S. 3292. An act to authorize appropriations to the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes.

MISSISSIPPIANS OPPOSE IMPEACHMENT OR RESIGNATION

(Mr. **MONTGOMERY** asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. **MONTGOMERY.** Mr. Speaker, the Easter recess proved to be a most rewarding and refreshing experience as it gave me an opportunity to visit in 17 of the counties I have the privilege to represent.

I say refreshing because it proved to me once again that you have to leave Washington and the constant barrage of the national news media to find out what the people of America are thinking. My travels in the district left no doubt in my mind that a majority of the people of Mississippi are opposed to President Nixon being impeached or resigning. Rather than dwelling on the allegations made against the President, they choose to point to his many accomplishments, especially in the field of foreign affairs. I think it would be beneficial for some of the national reporters to get out of Washington for a few days and mix and mingle with the American voters.

TIME FOR ACTION BY THE FBI

(Mr. **SIKES** asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. **SIKES.** Mr. Speaker, the time is growing late for results from the FBI's work on the Hearst case. More than 2 months have elapsed since the kidnaping. It is policy for the FBI to delay action on kidnaping cases in an effort to protect the life of the victim if the relatives request it. This was done in the Hearst case. Yet the fact remains that the FBI cannot choose to ignore or not to ignore a crime. They have a responsibility to the public to take action to foil crime and to apprehend criminals.

Now it appears the Hearst girl has joined her kidnapers, though possibly to save her life. This does not change the situation materially. If she joined the kidnapers willingly, she is part of an extortion plot and a bank robbery. If she joined them unwillingly, she was kidnaped and forced to participate in crimes.

A very large number of FBI agents have been assigned to the Hearst case from the beginning. There is evidence the group they are seeking is small, and the FBI has leads which long ago should have been productive. The public will soon begin to question the delays in solving this case, and rightly so.

The FBI is the Nation's chief bulwark against crime. For years the FBI has received all the money the agency requested from Congress. The public has been taught to expect results from the FBI. Undoubtedly they will produce results in the Hearst case, but action appears to be overdue. The question is when will there be results.

INFLATION OUTSTRIPS SOCIAL SECURITY BENEFIT INCREASE

(Mr. **OBEY** asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OBEY. Mr. Speaker, social security beneficiaries have lost ground to inflation over the 18 months between benefit increases.

They have just received a 7-percent increase, effective for March, as part of an 11-percent increase that will be effective for June, payable in July. It is their first increase since September 1972.

However, the Consumer Price Index has risen 11.7 percent over that 18-month period. The CPI stood at 126.2 in September 1972, and at 143.1 in March 1974—an increase of 11.7 percent in the cost of living.

This is what we mean when we talk about the difficulties of people who are trying to get by on fixed incomes. They are receiving periodic increases, yes, but increases that are smaller than the increase in the cost of living.

Quite simply, it means that a social security pension will not buy as much today as it would 18 months ago. The dollar figures are higher, but the purchasing power is not. The scourge of inflation is putting the elderly deeper and deeper into the hole.

REPORT ON FEDERAL EXPENDITURES IN SUPPORT OF PRIVATE PRESIDENTIAL PROPERTIES

(Mr. HINSHAW asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. HINSHAW. Mr. Speaker, tomorrow the Government Operations Committee, of which I am a member, will consider a report prepared by the staff of the Government Activities Subcommittee dealing with the topic of Federal expenditures in support of private Presidential properties.

The investigation, which began last July as an inquiry into the entire history of protection and support for Presidents, has been severely limited in scope because of the lack of adequate information on previous administrations.

The General Accounting Office acknowledged this in their report of last December when they stated that material on past Presidents, including the late President Lyndon B. Johnson, was incomplete.

A major portion of the problem centers around work done by the various military departments before and after the death of President Kennedy.

Title 44 U.S.C. 3101 and 41 C.F.R. 101–11 require that all agencies keep financial records of expenditures until GAO completes an audit or GAO authorizes destruction of the records.

Because of the importance of this issue, and the continuing desire of the Republican members of the subcommittee to obtain all pertinent information on expenditures in support of previous Presidents, I am today introducing a series of resolutions of inquiry directing the Secretaries of Defense, Army, Navy, Air Force, and Transportation, as well as the Administrator of the General Services Administration and the Director of the Secret Service, to provide all available information concerning the support and protection of the Presidents of the United States from Franklin D. Roosevelt through Lyndon B. Johnson.

I am taking this action because it seems essential that this information be made available. The records of the Nixon administration have been provided in great detail. In order to understand the scope of such support, a complete record of the past is also essential.

COUNTDOWN ON CONTROLS

(Mr. STEELMAN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. STEELMAN. Mr. Speaker, after 2½ years of wage and price controls we are still faced with soaring prices as the following article from U.S. News & World Report outlines. Fortunately we are almost at the end of this disastrous policy and can now look forward to letting the forces of supply and demand stabilize the economy.

The article follows:

As the Nation's 2½ year experiment with wage and price controls draws to an end this month, this is what Americans are up against:

Living costs are still soaring upward—at a rate now of roughly 10 per cent a year, or twice the rate before controls were begun in August, 1971.

Food prices have climbed more than 20 per cent in a year, a 27-year record.

Gasoline and fuel prices, after a winter of severe energy shortages, are up by nearly a third, and Government experts predict a further rise as more high-priced Mideast oil flows in.

Wholesale prices, often an indication of what's ahead for future retail prices, climbed again in March at a seasonally adjusted rate of 15.6 per cent a year. This latest increase, announced on April 4, reflected substantial price hikes for metals and other products required by industry, plus higher prices for fuels of all kinds. The jump would have been greater except for recent reductions in farm prices.

NOT GOING AWAY

In short, inflation is still on a rampage. With an end to most or all controls assured by April 30, the basic problem that they were supposed to solve remains. John T. Dunlop, Director of the Cost of Living Council, warns: "The inflation problem is simply not going to go away quietly."

Not that there are no encouraging signs as the April 30 deadline approaches. Prices of some important, basic commodities are finally beginning to come down, with more likely to follow if the weather permits a normal growing season in the months just ahead.

Wheat, the nation's most important basic food, dropped in price from a high of $6.20 a bushel on February 25 to $3.88 on April 2, then recovered to $4.12 the next day.

Meat prices also found lower levels. Strong consumer resistance to the high supermarket prices of past months has resulted in beef and pork dropping by 15 to 60 cents a pound on meat counters from coast to coast. As a result, cattle prices were down from the recent high of $56 a hundredweight to be low $41 in early April.

Food prices in general, which accounted for a good deal of last year's galloping inflation, actually dropped on wholesale markets in March for the first time in four months. A 4.2 per cent decline reflected price cuts in livestock, grains, raw cotton, eggs, fresh fruits, vegetables and poultry.

But much of this good news is offset by the near certainty of further big price increases ahead. By May or June, effects of the big increase in energy costs are expected to work their way through the economy and result in higher prices of many basic products including cement and steel.

EXPENSIVE SCRAP

Prices of scrap, now decontrolled, are soaring out of sight. Iron and steel scrap rose 14.7 per cent in March alone.

All of the country's major railroads announced on April 3 and 4 that they plan to file for a 10 per cent boost in freight rates. That would be the largest in many years. It comes on top of increases based on rising fuel costs.

And if Congress fails to continue controls on health services and construction—requested by the Cost of Living Council as exceptions to the general ending of controls—steep increases in those areas are predicted by Dr. Dunlop.

As it is, building costs are rising rapidly.

The Associated Building Industry of Northern California predicts a 20 per cent advance in prices of new homes in that State this year. Already, the group says, there have been increases of 40 per cent for asphalt this year and 35 per cent for sheet metal and 50 per cent for plastic pipe.

On April 4, Administration officials let it be known that they would not press for power to control construction and health care, provided the Cost of Living Council is given an extension of authority to serve as a monitoring agency.

The dropping of mandatory controls from other industries—except for petroleum, covered by a separate law—is widely expected to result in a bulge of price increases in early May, even though the Council has been lifting price lids from scores of industries beforehand in exchange for promises of moderation.

In one fell swoop, 165 industries were freed of controls on April 1. Government rules then applied only to 24 per cent of consumer prices, 37 per cent of wholesale prices, and 27 per cent of workers in the American labor force.

Still remaining under controls were some foods, steel, copper, automobile parts and retail auto sales, some machinery, construction, health, and wages of State and local government employes.

WHERE THERE IS DISCORD

In the second half of the year, if the Government economists are right, the cost of living will go up only about half as fast as now—at about 5 per cent a year.

A good many private experts disagree. They look for a steeper rise in living costs than that.

In short, Consumers cannot look for today's high cost of living to decline in the foreseeable future. The best that is hoped is that it will not go up quite so fast after mid-1974.

WHERE INFLATION HITS HARDEST

Consumer prices, on the whole, have climbed 10 per cent in the past year. Look behind the averages and you find that many items have risen much faster in price, and some much more slowly. A sampling—

Change in past 12 months

(*In percent*)

Home fuel oil	Up	61.6
Gasoline	Up	32.7
Cereal and bakery products	Up	31.1
Poultry	Up	28.2
Dairy products	Up	23.4
Meats	Up	21.4
Fruits and vegetables	Up	17.0
Mortgage interest	Up	14.1
Gas and electricity	Up	10.3
Home maintenance	Up	10.0
Legal services	Up	8.4
Personal-care services	Up	7.7
Auto repairs	Up	6.9
Furniture	Up	6.6

Clothing	Up	5.3
Hospital care	Up	5.1
Physician's fee	Up	4.8
Dentist's fee	Up	4.7
Alcoholic beverages	Up	4.5
Tobacco products	Up	3.3
New car	Up	1.5
Drugs and prescriptions	Up	1.1
Appliances	Up	0.9
Local transit fare	Down	1.2
Used car	Down	8.4

Source: U.S. Dept. of Labor.

THE LATE KARL C. KING

(Mr. BIESTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BIESTER. Mr. Speaker, it is with deep regret that I rise to announce the death last week of a former member of this body, the Honorable Karl C. King of Pennsylvania.

Mr. King recently had been in ill health and passed away on April 16th at age 77. Funeral services were held this past Friday with interment in Newtown, Pa.

Karl King came to the House to fill a vacancy caused by the death of Albert Vaughn and continued his service in the 83d and 84th Congresses. He was not a candidate for reelection in 1956.

During his 5 years in the House, Mr. King served with distinction and ability. A successful farmer and businessman, he made valued contributions to farm policy as a member of the Agriculture Committee. Upon his retirement in 1957, he returned to his farm in Morrisville, Pa., and to the recreation and sports club he had developed thereto.

It has been my pleasure to know Karl King and his family. Not only was Mr. King a distinguished Member of this body, but he was a warm and devoted citizen of this Nation—proud of his country and proud of his service to it.

I will later request a special order so that other Members who knew and served with Karl King may express themselves on the passing of this fine gentleman and former colleague.

THE UNITED STATES IN SPACE—A SURVEY

(Mr. FREY asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. FREY. Mr. speaker, within the next few weeks, my colleagues will be considering the NASA authorization bill for fiscal year 1975. In drawing up this bill, the Science and Astronautics Committee has given due weight to the recommendations of many experts from the aeronautical and space fields.

Past hearings of the committee have revealed that this country has enjoyed a leadership in space which dates back over a decade. The many "firsts" the United States has recorded have so far outpaced the accomplishments of the other members of the international space community that this Nation now takes very much for granted our leadership in the field. My own theory is that we have moved at such an accelerated pace—and have been so successful—that we appear to have lost interest in our challenge and dedication to the space program. I therefore hope to inject some reality into an evaluation of the space program in order that we might be better able to appreciate the need to rededicate ourselves to the effort.

Witnesses during the past month have provided the committee with a fascinating account of the space program's 1973 accomplishments, highlighted by the results of the recently completed Skylab mission. The Skylab crew's medical tests, experiments involving the behavior of materials in zero gravity, and a unique opportunity to observe the comet, Kohoutek, are but a few examples of the information which provides exciting prospects for down-to-earth applications of space technology. Skylab, however, is only another "beginning." But it is a most important step in our Nation's ongoing space effort, which has taken man to the Moon and back, proven his adaptability to prolonged periods of weightlessness, and provided a wealth of experimental data directly related to our earthly needs. Certainly, this very crucial period in our space history is not the time to reduce support for our space effort.

I fear, however, that we may be on the verge of such a misdirected reduction in our space program unless we begin to stop thinking of the total space program as a past endeavor which ended with our lunar successes. Rather, we must look toward the future and the ever increasing potential applications of space technology.

I, for one, cannot minimize the shortsightedness in reducing the pace of our space activity. To do so is to turn our back on a field of endeavor which is contributing as much to the economic growth, progress, and welfare of our Nation as any other single element of activity. The space program is a vital part of our total national effort and can and should exist side by side with other positive programs aimed at our many domestic priorities. I respect the opinion of those who would further cut, or even abandon, the space program. However, I feel that their opinion is based on a lack of information and understanding of this important effort.

My hope therefore is to provide my colleagues the same unique insight which I was afforded through my participation with the Science and Astronautics Committee. I do this as a means not only to express my own concern but as one measure by which to reverse this downturn in our space program.

What I intend to do is to include a series of articles in the Record over the next few weeks which will examine and explore our U.S. space program. I do this in order to provide a backdrop for later congressional consideration of the fiscal year 1975 NASA authorization bill. As a basic part of this discussion, the various aspects of international cooperation in space as well as the technological benefits which we have enjoyed from our expenditures on space will also be highlighted.

By way of brief introduction, my primary concern over this Nation's general deemphasis for space stems from two causes. The first is the more than $50 billion this country has invested in space over the last 15 years. The experiments we have performed and the technology and techniques we have perfected, can now be transformed into operational costsaving, laborsaving, in fact, lifesaving systems.

Within the framework of our space program, this Nation's taxpayers have funded the development of over 2,000 patented inventions—a number which is growing exponentially with each passing year. Yet, this is only the most incidental indication of the ultimate benefits of our work in space. While the benefits of today are measured in terms of microminiaturized consumer electronics, the dimensions of the next generation of benefits are telephone communications at one-tenth today's cost, the elimination of the mid-air aircraft crash, the accurate prediction of weather a number of days in advance, the location of valuable Earth resources, and the detection of pollution sources. My interest and my concern is therefore one of the American people failing to capitalize on a technology more than a decade into its development—a technology leading to a better tomorrow.

Focusing more specifically on current activities, the data acquired by the Skylab crews and experiments will provide raw material for over a decade of scientific research and analysis, with the potential applications not even begun to be measured. We are also looking forward to the Apollo-Soyuz test project, ASTP, the first international manned space flight, which is scheduled for July, 1975, as a joint United States-Soviet mission. The ASTP mission will test a rendezvous and docking system contributing to the development of an international space rescue capability and future cooperation in manned as well as other space missions. Besides providing the first manned cooperative effort in space, the ASTP mission is expected to yield a wealth of data from at least 18 scientific and space applications experiments which are currently being planned. Four of the experiments will be in astronomy and space physics, and five will be in the life sciences field. In addition, there will be eight space applications experiments, six of which are to be conducted in a small electric furnace similar to the one in the Skylab space station.

During the past decade, the United States has given all mankind vast new space capabilities and resources. Fifteen years ago, almost all of these achievements would have been viewed as quite impossible. Yet, we realize from these accomplishments that we have attained only a small "beachhead" in our new domain of space. Furthermore, accomplishments must not be viewed as an end in themselves, but rather as proof of our wisdom in undertaking such space ventures, and as providing a hint of the scope of space accomplishments in the future.

Mr. Speaker, I look forward to discussing the various aspects of the NASA bill during the next few weeks. I am sure that careful study of the background I provide will result in this year's NASA authorization being offered the most enthusiastic support by my colleagues.

CALL OF THE HOUSE

Mr. GOODLING. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McFALL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device and the following Members failed to respond:

[Roll No. 170]

Abdnor
Abzug
Addabbo
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Arends
Ashbrook
Aspin
Badillo
Bafalis
Barrett
Beard
Bell
Bevill
Biaggi
Bingham
Blackburn
Blatnik
Boland
Brademas
Brasco
Bray
Breaux
Brinkley
Broomfield
Brown, Mich.
Broyhill, Va.
Burke, Calif.
Burton
Butler
Carey, N.Y.
Carter
Chisholm
Clancy
Clark
Clausen, Don H.
Clay
Cleveland
Collier
Conable
Conte
Cotter
Cronin
Culver
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, S.C.
Dellums
Dent
Diggs
Dingell
Donohue
Dorn
Dulski
du Pont
Eckhardt
Edwards, Calif.
Eshleman
Fascell
Findley
Fish
Flood
Flowers
Foley
Ford
Forsythe
Froehlich
Fulton
Gaydos
Gettys
Grasso
Gray
Green, Oreg.
Green, Pa.
Grover
Gubser
Gunter
Haley
Hanna
Hansen, Wash.
Harrington
Harsha
Hastings
Hébert
Heinz
Helstoski
Henderson
Hillis
Holifield
Holtzman
Howard
Huber
Hudnut
Hunt
Jarman
Johnson, Pa.
Jones, Okla.
Jordan
Kazen
Kluczynski
Koch
Kuykendall
Landgrebe
Landrum
Lent
Litton
Long, La.
Long, Md.
McCloskey
McDade
McKinney
McSpadden
Macdonald
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathis, Ga.
Matsunaga
Mayne
Meeds
Metcalfe
Milford
Mills
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mizell
Moakley
Moorhead, Calif.
Moorhead, Pa.
Morgan
Murphy, Ill.
Myers
Nelsen
Nichols
Nix
O'Neill
Patten
Pepper
Pettis
Pickle
Pike
Podell
Powell, Ohio
Price, Ill.
Price, Tex.
Pritchard
Quillen
Rarick
Regula
Reid
Reuss
Rinaldo
Rodino
Roe
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Rousselot
Roy
Roybal
Ruppe
Ryan
Sandman
Seiberling
Shipley
Shuster
Sisk
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Staggers
Steele
Steiger, Wis.
Stephens
Stokes
Stratton
Stubblefield
Talcott
Taylor, Mo.
Teague
Thompson, N.J.
Towell, Nev.
Udall
Van Deerlin
Vander Veen
Veysey
Vigorito
Waldie
Walsh
Wampler
Ware
Whitehurst
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wolff
Wright
Wydler
Wyman
Yatron
Young, Ga.
Young, S.C.
Zablocki
Zwach

PARLIAMENTARY INQUIRY

Mr. GROSS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. GROSS. Mr. Speaker, what constitutes a reasonable time under the expiration of the taking of the roll on a quorum call?

The SPEAKER. Well, I am not aware of what is reasonable, but the Chair will refer to the rule. The rule says, and the Chair has read this rule many times, and the gentleman has amended it many times without taking action from the floor

Mr. GROSS. Well, the gentleman from Iowa did not amend it.

The SPEAKER. The rule states that Members shall have not less than 15 minutes from the ordering of a rollcall or quorum call to have their vote or presence recorded.

Mr. GROSS. Mr. Speaker, is this a short or a long quorum call?

The SPEAKER. This is a quorum call within the rules.

On this rollcall 217 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

TWELFTH ANNUAL MANPOWER REPORT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 93-288)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Education and Labor and ordered to be printed with illustrations:

To the Congress of the United States:

As required by section 107 of the Manpower Development and Training Act of 1962, as amended, and by section 605 of the Comprehensive Employment and Training Act of 1973, I am sending to Congress the 12th annual Manpower Report of the President.

When I signed the CETA into law on December 28, 1973, I expressed considerable gratification with the new legislation, noting that it represented "a significant shift in intergovernmental responsibilities." The Manpower Report I am sending you today provides important new information concerning the step-by-step implementation of this long-needed transfer of manpower program planning and design responsibilities to units of government which are best equipped to measure and meet local needs. From now on, State and local governments will be able to decide for themselves what kind of manpower services they require, for how long and in what quantity—and I am convinced that they will be able to provide such services more efficiently and more promptly than was possible under the preceding system of federally managed categorical programs.

Among other important topics discussed in this report is the energy shortage and the measures taken by the Department of Labor and other agencies of Government to minimize the temporary disruptions of the labor market caused by the energy crisis. The report reveals that, in spite of these disruptions, 1973 was a good year for labor. The number of those employed as of December numbered nearly 86 million. In the past 2 years alone, over 4.1 million Americans entered the labor force, including significant numbers of women and younger workers. While the unemployment rate has moved upward temporarily after many months of steady decline, we should not overlook the sizable increases during the same timespan in the number of new jobs and newly employed Americans.

For the convenience of the Congress, this edition of the Manpower Report brings together in one volume an overview of numerous manpower activities carried out under separate legislative mandates.

RICHARD NIXON.

THE WHITE HOUSE, *April 22, 1974.*

ANNUAL REPORT OF THE NATIONAL COUNCIL ON THE ARTS AND THE NATIONAL ENDOWMENT FOR THE ARTS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Education and Labor:

To the Congress of the United States:

It is my great pleasure to transmit to the Congress the Annual Report of the National Council on the Arts and the National Endowment for the Arts for fiscal year 1973.

The cultural heritage of this Nation—enormously rich and diverse—is a strength to millions of Americans who turn to the arts for inspiration, communication, and creative self-expression.

This annual report reflects the vital role which the Government performs in making the arts more available to all our people, by encouraging original fresh expression and sustaining the great traditions of our past artistic accomplishments.

The National Endowment for the Arts has an exceptional record of achievement in advancing the broad artistic development of this Nation, reaching into every State and special jurisdiction. Its funding at $38,200,000 in fiscal year 1973 was nearly a third more than the previous year, and with these additional monies the Endowment was able to continue and expand critically important support for our orchestras, operas, theatres, dance companies, and museums as well as encourage our artists, and open new opportunities for talented young actors and performers.

With the Bicentennial near at hand, the creative gifts of our artists and the production and presentation skills of our great institutions will be indispensable components of the national celebration. Through the arts we will be able to express most fully the ideals of this Nation.

I hope that every Member of the Congress will share my enthusiasm about the many meaningful achievements of the National Council on the Arts and the National Endowment for the Arts and will continue to support the Endowment with the resources needed to sustain the cultural heritage of this Nation, and give it abundant opportunity for growth.

RICHARD M. NIXON.

THE WHITE HOUSE, *April 22, 1974.*

ECONOMIC OPPORTUNITY MUST BE CONTINUED

(Mr. ASHLEY asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. ASHLEY. Mr. Speaker, on Tuesday, April 9, the House Subcommittee on Equal Opportunities reported out a new bill to continue Federal support for programs now operated by local community action agencies. If passed, the bill will combine the Office of Economic Opportunity and Action—the Federal agency for volunteer programs—into a single, independent agency—the Agency for Development, Volunteer, and Other Community Assistance Programs—responsible for funding and supervising a wide range of human service programs begun and operated by local community agencies.

I am convinced that the Federal Government must continue to provide funds and other assistance to community action agencies, and I believe that this bill is a good way to do just that. Thus, I strongly support the bill, and I will advocate for its passage by the full House and by the Senate.

The reasons for my support are simple. In my own district, the community action agency is EOPA—the Economic Opportunity Planning Association. Quietly, without fanfare or publicity, EOPA has developed an impressive track record as a grass roots and successful community service arm, moving people out of poverty into skilled employment, mobilizing support for the poor, the aged, and the disabled, widening opportunities and services for all the people of greater Toledo. For example, during 1973 alone, nearly 2,000 people were placed in paid jobs through the efforts of EOPA's programs; better than 4,000 received legal help; housing was located for more than 200 families—and these figures do not include the hundreds who have received health care through EOPA clinics, the thousands of meals provided through nutrition programs, the rides to doctors and stores, the friendly visits and counseling, the emergency financial help which EOPA has provided for people throughout the entire community.

Nor does a numerical recap of all the direct services provided by EOPA describe what has happened to the community itself because EOPA has been here. The agency—as all community action agencies—is founded in citizen participation: decisions are made by the community, not the agency; planning is grass roots, not imposed from on high. We hear a great deal lately about local communities taking responsibility for defining their own needs and then starting and running programs with Federal money to meet those needs. That is what community action has been about since its first day, and the results are clear—EOPA has made people feel a part of the system, because it has actually made them a real part of the system; EOPA has made programs successful, because it has put the authority for programs into the hands of the people themselves.

I know from my colleagues in the House that Toledo's experience is not unique. Community action agencies have been successfully providing that same combination of services and participation to local communities all across the country. If we take away the Federal money that supports community action, it is certain that local governments will be unable to carry the entire load, and not only will we lose the jobs that community action provides, and the funds which stimulate local economies, we will also lose the services and community participation which EOPA represents in Toledo. Agencies like EOPA do not have high public relations visibility or political clout—what they have is a solid track record of successful performance. On that basis, we need them to continue, and on that basis I will support them and the new bill to the fullest.

TO REPEAL ECONOMIC SANCTIONS AGAINST CUBA

The SPEAKER. Under a previous order of the House, the gentleman from Ohio (Mr. WHALEN), is recognized for 5 minutes.

Mr. WHALEN. Mr. Speaker, last year I was the spokesman for a group of my Republican colleagues who presented to the House a study of the possibilities of normalizing relations with Cuba. In our report, we recommended that the Congress and the executive branch take several steps that, hopefully, would lead to the accomplishment of this objective. Since that time, a number of our proposals have been carried out by both branches.

In Congress, subcommittees of the House Foreign Affairs and Senate Foreign Relations Committees have held the hearings we urged. While the House review covered other Carribean countries in addition to Cuba, the Senate study focused specifically on that country.

In the executive branch, the Hijacking Accord was reached on February 15, 1973, just 2 weeks after the issuance of our paper.

This year there have been further encouraging developments. It is reported that Soviet General Secretary Leonid Brezhnev, when visiting Havana in January, urged Premier Castro to soften his posture toward the United States. Indeed, the joint "Cuba-Soviet Declaration" of February 2, 1974, which Castro and Brezhnev signed, states:

> Cuba and the Soviet Union declare themselves in favor of the full validity of the principles of equality, respect for sovereignty and territorial integrity and the renouncing of the use of force and the threat of using it in relations among the nations of Latin America, as well as in the other areas of the world.

Just last week there were two significant announcements. First, our Government lifted the ban on the sale of cars and trucks to Cuba by American-owned companies in Argentina. Second, at the conference of the foreign ministers of 24 Latin American and Carribean countries, a decision was made to explore the possibility of inviting Cuba to their next meeting in Buenos Aires in March 1975.

In light of these circumstances, I believe it would be particularly timely for Congress to act now on legislation which would be designed to move toward a détente with Cuba. Therefore, I am introducing this afternoon a bill to revise or repeal certain laws which prohibit transactions with that country. I am joined in making this proposal by Congressmen ALPHONZO BELL, PAUL N. "PETE" MCCLOSKEY, JR., and JOEL PRITCHARD.

Mr. Speaker, my colleagues and I offer a three-point approach.

First, our bill would amend section 620 of the Foreign Assistance Act of 1961 by removing the prohibition against providing economic aid to Cuba. However, the restrictions on military assistance would continue as would those against countries which provide military aid to Cuba or whose ships or aircraft transport military items to Cuba. The part of the act authorizing the President to establish and maintain an embargo of all trade between the United States and Cuba is repealed.

Second, our measure would lift the prohibition on sales of U.S. commodities to countries which sell, furnish, or permit their ships or aircraft to carry any equipment, materials, or commodities to Cuba. This would be done by deleting the references to Cuba in title I, section 103 of the Agricultural Trade Development and Assistance Act of 1954.

Third, our legislation repeals Public Law 87–733, the so-called Cuban Revolution. That enactment expressed the U.S. policy toward Cuba in October 1962, a time when that country was involved in subversive activities in Latin America. Now, 12 years later, that involvement has substantially subsided, if not terminated.

Mr. Speaker, the climate on both sides of the Caribbean Sea today is one leaning toward cooperation rather than alienation. Seven nations of this hemisphere already have resumed relations with Cuba and more are expected to follow. Therefore, we believe that by approving our proposal, Congress will be appropriately responding to these changing attitudes. We strongly urge consideration of our bill, the text of which follows:

H.R. 14281

A bill to repeal economic sanctions against Cuba which are contained in certain Acts of Congress

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 620 of the Foreign Assistance Act of 1961 (22 U.S.C. 2370) is amended—

(1) by inserting "military" before "assistance" the first and third times it occurs in paragraph (1) of subsection (a);

(2) by striking out the last sentence in paragraph (1) of subsection (a);

(3) by striking out paragraph (2) of subsection (a); and

(4) by amending paragraph (3) of subsection (a) to read as follows:

"(3) No funds authorized to be made available under this Act (except under section 214) shall be used to furnish assistance to any country which fails to take appropriate steps to prevent ships or aircraft under its registry from transporting to Cuba (other than to United States installations in Cuba) any items which are, for the purposes of title I of the Mutual Defense Assistance Control Act of 1951, arms, ammunition, and implements of war, atomic energy materials, or items of primary strategic significance used in the production of arms, ammunition, and implements of war."

SEC. 2. Section 103 of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1703) is amended by striking out everything after "Cuba or North Vietnam" in clause (3) of subsection (d) and inserting "North Vietnam any equipment, materials, or commodities so long as it is governed by a Communist regime, or" in lieu thereof.

SEC. 3. The joint resolution entitled "Joint resolution expressing the determination of the United States with respect to the situation in Cuba", approved October 3, 1962 (76 Stat. 697), is repealed.

TOWARD NEW PROSPERITY

The **SPEAKER**. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, there is not a single day that passes in which every citizen of our country is not made painfully aware of the single most persistent and painful problem confronting the country—the problem of high prices and hard times.

We have had a serious problem with inflation since 1968. Our national leadership has applied all the known economic cures for inflation, and still it persists, and even grows worse.

First, we applied tax restraints, but that did not work. The new taxes, it was said, came too late and were too small to take the heat out of the economy, and that accounted for the persistence of inflation.

Then President Nixon came into office with his much-touted "game plan" which was really nothing more than deliberate monetary and fiscal policies aimed at inducing recession. The President felt that if a modest recession could be brought about, it would be worth the pain of high unemployment and economic stagnation, in order to bring inflation under control. But that did not work either.

Not only did these classic solutions fail; inflation got worse. We had by 1971 the worst of all possible worlds: simultaneous inflation and economic stagnation. Wags called this "stagflation" and correctly labeled the "game plan" so proudly brought out by President Nixon a failure.

By late summer 1971, President Nixon was ready to admit failure, and try yet another prescription, strict controls on wages and prices. First, he shocked the Nation by imposing a complete freeze on wages and prices. Then he moved to establish a complete, complex program of controls over wages and prices. Congress hoped for the best, and went along with the President's request in 1972 for renewed authority to carry out his controls program. The dollar was devalued, the President given powers over the economy rivaling those of any dictator, powers such as no President ever before had asked for, let alone received, in time of peace or war.

For a while things looked a little better. But it was not long before the patchwork of controls was revealed as an unworkable, hopeless sham. Early last year price controls were largely lifted, and a price explosion followed promptly. By last spring, inflation was worse than ever before. Once again the President tried shock treatment and new, stringent controls. This did not work either, and the country grew ever more bitter and disillusioned.

The President has time and again forecast an end to inflation, a turning of the corner, and repeated the incantation that he had produced prosperity without war for the first time in over a decade. But the boast had a hollow ring: inflation is worse now than ever, and the economy is in the midst of recession once again. Prices are rising twice as fast as they were in 1971, and there is no end in sight. No one in the administration even speaks of turning the corner any more. The gross national product has for months shown hardly any growth at all, and during the first quarter the national economy probably shrank a little. Unemployment is rising, interest rates are rising, and the Nation confronts it all with an attitude of numbness. Nobody professes to know what to do now. The President has been through all his prescriptions, some of them twice. Congress, having yielded up all powers to him and seen that fail, now sullenly withdraws its grant of power, but offers no hint of any program of its own.

The economists confess dismay. Some frankly admit that they do not know what to do; others retreat to old principles and stand by them, more firm than ever.

The popular economist Robert Heilbroner says bluntly:

> Nobody has any constructive ideas.

Gardner Ackly, a former member of the Council of Economic Advisers, merely shrugs when he is asked about the prospects for controlling inflation, and suggests that astrologers probably have as good a chance at an accurate forecast as any economist. The New York Times business editor is moved to say that economic policy is "hopelessly adrift." And an anonymous Government economist says wistfully:

> If I were God—and I had a computer . . .

Devotees of monetary theory argue about the money supply, trying to find a magic number that will control inflation without bringing on depression. The Federal Reserve speaks sternly, and interest rates rise; but then so does the price index.

Some say that inflation is a worldwide disease, and indeed it is. But no one suggests that a worldwide program to control it is possible, or even claims to have an idea of what any such program should be.

As matters stand now we do not have any growth in the economy, and little prospect of any. We do not have full employment. We have high and rising interest rates. We have scarcity of one degree or another in many areas. And still we have higher inflation than before. All the cures have left the economy more diseased than ever.

TIME FOR NEW THINKING

After this extended period of trial and failure, many are tempted to throw up their hands and hope that inflation will somehow burn itself out. Others hope that tax cuts might stimulate the economy and produce fresh growth, *but their* hopes are bound to be dashed by monetary policies aimed squarely at preventing just such growth. The President has no policy at all; his budget message says that he will hold down spending to fight inflation, but promises that spending will go up in order to prevent recession. The Nation's leadership is producing economic plans that are self-defeating because they contradict one another.

What is worse, economists, themselves, are in a state of complete disarray, and the frankest among them will freely admit that they have no more understanding of the economic ills that we face than 18th century doctors understood the cause and cure of infectious diseases. But we cannot afford to depend on vague hopes, or expect to find an astrologer who can offer the right prescription for the restoration of prosperity and stability. What we need is to do some basic thinking. Maybe our understanding of economics has been wrong all along, just as the understanding of disease was wrong for so long. Physicians had to learn a whole new way of thinking before disease could be conquered. Possibly our whole understanding of economic management, or at least a major part of it, has been in error. We know that the answers that have been tried in these last 6 years have been wrong: consistently, persistently wrong, and that we are worse off now than at almost any time in recent history. If the treatment has only complicated the disease, it is time to consider a new approach. It is a time for new thinking.

SCARCITY VERSUS PLENTY

Classic economic theory says that when you have inflation, slowing down the economy will lessen pressures for price increases. The idea is that inflation is caused by excessive demand, and the aim is to cool off demand, usually by making it harder for people to get their hands on money. Hence, interest rates go up, in the classical anti-inflation tactic; this makes mortgages harder to get and cools off the demand for housing. A variation of this is to raise taxes, thereby giving people less of their income to spend. All of this, and other tools as well, are aimed at regulating scarcity. By making credit scarce, the classic solution produces more housing than there is demand, thereby dampening the demand-pull on housing prices. By increasing taxes, the classic solution makes spending money scarce, and theoretically lessens pressures on prices of consumer goods. But as we all know too well, this idea of creating scarcity has not been working. Could it be wrong?

Maybe what we need is a new answer—instead of producing scarcity, it could be that the real need is to produce plenty. Perhaps what we need is not a dose of austerity, but a generation of abundance.

The traditional thinking says that when demand goes down, prices follow. But this has not been happening in large segments of our economy, for several reasons.

For one thing, many prices now are administered; they do not so much reflect competition or demand as they do the predetermined goal of a company to produce a certain return on investment. Today we have a fantastic inventory of automobiles, but I have heard of no manufacturer cutting his prices in order to stimulate sales. Far from it; prices are going up despite a glut on every dealer's lot.

Another problem is that our economy in many segments is inextricably linked to that of other nations. If our food prices are low, there is huge demand from other countries for our food. Even if our food prices are not low, and we have no big surpluses, factors like a Russian crop failure can induce greater shortages and higher prices than would exist if our market were insulated and isolated from the rest of the world.

And another reason that the classic dose of tight money does not work so well is that so many of our people are more or less insulated from the effects of this counter inflationary device. If unemployment goes up, our social insurance programs absorb much of the shock, and keep demand fairly high. Millions of people work for governments of one kind or another, and are exempt from the fluctuations that take place in the fortunes of corporations and small businesses. Millions more are on social welfare programs of one sort or another, and are likewise unaffected by tight money policies, or largely insulated from their pinch.

But even without these complications, the creation of scarcity might not work to control inflation anyway. It is possible that a policy of abundance might work better; it is possible that what we have is not a problem with overproduction, but one of underconsumption. Today there is huge inflation in the cost of housing. Probably half the people of this country cannot afford to buy decent housing—and so are not even in the market. Housing production is low, terribly low in relation to our needs. If unused capacity would lower prices, it would do so in the field of housing, but this has not happened. If there were plenty of production; if the real needs of the people were really being met, possibly the story would be different; possibly abundant housing would reduce the intolerable rate of inflation in this field.

It may well be that tight money policy aggravates inflation rather than curing it. There has been no sign that tight money, high-interest policies worked in the early days of the Nixon administration, or that they are working now. We have been through four rounds of this policy in less than a decade, but we are worse off now than when interest rates were only half what they are now. It may be that abundant money is the real answer, rather than scarce money.

Economic controls produce scarcity and shortages. They discourage production by making it unprofitable; and controls discourage the growth of productivity as well, partly by dampening the zeal of workers, and partly by discouraging new investment. Yet despite this creation of shortages and scarcity, inflation is nearly twice as bad as when the controls program started.

We have enormous unmet needs in this country. Millions are without decent housing, or the prospect of ever acquiring it. Millions cannot afford adequate food, and probably less than half those eligible for food stamps are getting any help. Medical care is beyond the reach of many. The basic necessities of life are hard to get for millions, and grow more dear every day.

Yet inflation persists, despite these scarcities, and despite the growing scarcity of jobs, which for some is so severe as to be catastrophic. Young, black, unskilled workers, find themselves in virtually no hope of getting a decent job. Women, mature men, and others likewise confront what amounts to an outright depression. But in the face of this inflation persists.

We should have learned by now that the creation of scarcity has not worked. Maybe it is time to try abundance.

Suppose that interest rates were reduced to 5 percent again. That should stimulate investment in new plants, something that has been lagging for years in this country, and one reason for our continually falling productivity. This should make goods more readily available all across the board. And there is no doubt in my mind that there is a market for those goods.

Suppose that our tax structure were revised, so that instead of the present situation in which, all things considered, the poor pay about as much of their income out in taxes as the affluent do. In recent years our Federal tax structure has reduced taxes for the low-income, but at the same time piled on huge increases in social security taxes, which are extremely regressive in their effect. So, overall the tax changes in recent years have not been much help to the poor or to the ordinary worker. The wage-earner today pays about the same percentage of his income in taxes as does the affluent executive. But if the tax structure were truly progressive, would we not have a situation in which workers would be able to buy more of this country's goods? Would not more of this country's people be in the market for housing, for food, for clothing and the other needs and comforts of life?

If all this sounds like heresy, perhaps it is. But if ever there was a time when heresy was needed, it is in the field of economics today.

We need to adopt a system in which economic policies do not work against each other, but in concert. We need a system that aims to provide affirmative national goals, and lays out the means to achieve those goals.

I am introducing today a bill suggested by Prof. Leon Keyserling, which is aimed at doing just that. His contention is that creating scarcity not only has failed, but has complicated our national economic ills. It is a conception well worth considering. We ought to move away from the grim science of producing inequity and hardship. We need to move toward a policy of equity and plenty. Let us have done with scarcity and project an economy of abundance.

If we can so organize ourselves that it is possible to place men on the moon, and send robots to scan the planets about us, it is also possible for us to organize our economy in a way that brings its benefits to everyone, alleviates poverty and squalor, and produces the abundance that this country is capable of, for the uplifting and lasting benefit of every citizen in this rich land. We have only to use our imagination, reject the idea that suffering produces a sound economy, and embrace the idea of prosperity and stability for all.

It is time to move toward prosperity—not the old prosperity of much for the few, but a decent and stable life for all, a new prosperity that makes good the promise of this country.

The text of the bill follows:

H.R.—

A bill to enlarge the results thus far achieved under the Employment Act of 1946; to promote full and sustained achievement of the maximum employment, production, and purchasing power objectives under that Act; to assure that a sufficient portion of our growing economic production of goods and services be allocated to great priorities of our domestic and international needs, including eradication of poverty and freedom from want; to provide for a National Purposes Budget toward these ends and to encourage more national unity; and for related purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "National Purposes Act of 1974".

DECLARATION OF POLICY

SEC. 2 (a) The Employment Act of 1946 has contributed substantially to economic stability and growth. But the application of economic science and other tools to the needs of today and tomorrow require reexamination and readjustment. Economic instability is still recurrent, and inflation far too severe. Chronic unemployment among vulnerable groups has remained too high for many years, and this problem will be augmented further by technological change. The long-term rate of economic growth has not been sufficiently high to maintain maximum utilization of growing productive resources, which is imperative in view of heavy and growing domestic and international obligations. Measurements of economic progress have concentrated relatively too heavily upon rising indices of production and employment, without sufficient attention to the quality of American life, insofar as it is affected by the allocation and use of economic resources. An insufficient portion of economic growth has been devoted toward the priority public interest in natural resource and energy development and sources adequate to the tasks at hand and the needs of the future; improvement of the urban environment; satisfactory housing and educational and health facilities and services for all at costs within their means; modernized systems of social security and welfare; adequate development of transportation; antipollution efforts, and purification of airs and waters; movement toward parity of incomes and public services in agriculture and other rural areas; and reduction of poverty and deprivation at the rapid pace which our resources permit. Inadequate attention to these great national priorities obviously impedes long-range economic growth and opportunity, and has spawned a large amount of juvenile delinqency, crime, and civil tensions.

(b) It is hereby declared to be the policy of the Congress to develop additional directives and machinery, under the Employment Act of 1946, so that national economic programs and policies shall be broadened to encourage more effectively not only the growth of production, employment, and purchasing power, fortified by ample resources and energy supply, but also use of sufficient portions of this growth to serve those priorities of social and human purposes which depend upon allocation and use of economic resources.

NATIONAL PURPOSES BUDGET

SEC. 3. Section 3 of the Employment Act of 1946 (15 U.S.C. 1022) is amended by adding at the end thereof the following new subsections:

"(d) The needed maximum levels of employment, production, and purchasing power shall be quantified as goals in a National Purposes Budget (hereinafter referred to as the 'Purposes Budget') in the Economic Report. This Purposes Budget shall be developed on a short-range basis looking one year ahead, and on a long-range basis looking at least five years ahead, and ten years ahead insofar as feasible. The needed maximum employment goals shall be set at levels consistent with unemployment of not more than 3 percent of the civilian labor force beginning within one year after the first Economic Report transmitted subsequent to enactment of this subsection. The needed maximum production goals shall be set at levels estimated to be yielded by maximum employment (commensurate with genuine freedom of choice between employment and leisure) and by maximum productivity under conditions reflecting optimum utilization of scientific knowledge, technological improvements, labor force, and managerial ability, and shall take account of the long-term trend toward accelerating productivity gains in a favorable economic environment. The needed maximum purchasing power goals shall be set at levels estimated to be necessary to maintain maximum employment and production, but not so high as to generate the type of inflation which results from excessive purchasing power.

"(e) The goals set forth in subsection (d) shall also contain estimates of needed levels of voluntary private investment to establish an adequate base in support of maximum employment and production, so that public policies and programs may encourage and facilitate such levels of private investment, and help to remove bottlenecks working against their attainment.

"(f) The goals for maximum employment, production, and purchasing power shall indicate what portions of the totals should be allocated toward the great priorities of our domestic and international needs. The Purposes Budget shall contain, both short-range and long-range:

"(1) Specific goals for investment in resource conservation and development, and energy supply, allowing for importation but not relying excessively upon it;

"(2) Specific goals for investment in urban renewal, housing in urban and other areas, and educational and health facilities and personnel, designed to assure within a decade a decent home for every American family in a greatly improved living environment, educational opportunity for all in line with their facilities and ambitions at costs within their means, and modern medical care for all at costs within their means;

"(3) Specific goals for investment in mass transportation, to provide an adequate underpinning for economic growth and for the other purposes stated in the National Purposes Act of 1974, and to overcome within a decade the serious quantitative and qualitative deficiencies in these sectors;

"(4) Specific goals for the virtual liquidation of poverty within the United States within a decade, and for substantial income progress year by year for those who live above poverty but in deprivation nonetheless, with incomes insufficient to yield a minimum adequacy standard of living. Model budgets of the incomes required by families and unattached individuals to rise above poverty, and also to achieve a minimum adequacy standard of living, shall be set forth in terms of the great and ever-increasing productive power of the United States economy. Estimates shall be set forth as to the benefits to the entire economy and people which will result from lifting the portion of the nation who are poor or deprived toward acceptable standards of income;

"(5) Specific goals, through improved social security, for lifting all of our senior citizens and their dependents, and those disabled or subject to other disabilities, out of poverty within ten years, and year by year bringing those among these groups now living in deprivation closer to a minimum adequacy standard of living, and compatible goals for those dependent upon various types of welfare payments;

"(6) Specific goals for maximum prosperity for agriculture, for its own value and as a factor in maximum prosperity for others. These goals shall take into account (A) maximum production of foods and fibers, geared to the needs of the domestic economy operating at maximum levels, adequate reserves, and export levels consistent with progressive use of our farm products in aid of underdeveloped peoples overseas, (B) maximum employment for farmers, in terms of the requirements for maximum production, and reconciled with maximum employment oportunity elsewhere in the economy for those who voluntarily leave the farm, (C) maximum purchasing power for farm families, which shall mean purchasing power moving year by year toward full parity of income for farm families within a decade, and (d) nationwide equalization efforts, designed to promote parity between public services in rural areas and in other areas;

"(7) Specific goals for investment in basic science and research, to promote maximum private economic progress, and in the aid of the other objectives set forth in the National Purposes Act of 1974;

"(8) Specific goals to assure that maximum employment shall embrace minorities, women, and other groups who have been subject to discrimination in employment or in terms of employment, and to assure that those previously not regarded as being in the civilian labor force are encouraged and facilitated to qualify for such inclusion, and to be employed if they so desire:

"The goals set forth in paragraphs (1) through (8) of this subsection shall be reconciled with (1) specific estimates, insofar as feasible, of requirements for national defense in an evolving worldwide situation, and related activities such as space exploration, and (2) specific goals for outlays for international economic cooperation, especially with the underdeveloped peoples, consistent with the fundamental purposes of our international policies to promote worldwide economic and social progress as a prime condition of worldwide peace."

DIRECT RESPONSIBILITIES OF THE FEDERAL GOVERNMENT; COMBATING INFLATION; GENUINE ECONOMY IN GOVERNMENT

SEC. 4. The Employment Act of 1946 (15 U.S.C. 1021–1025) is amended by redesignating sections 4 and 5 thereof as sections 7 and 8, respectively, and by inserting after section 3 thereof the following new sections:

"DIRECT RESPONSIBILITIES OF THE FEDERAL GOVERNMENT, ALLOWING FOR THE RESPONSIBILITIES OF OTHERS

"SEC. 4. (a) The goals designated in section 3(f) shall be developed in the Purposes Budget only in such broad perspective as will serve to portray how the use of our economic resources may take due account of priority needs, and not in such detail as these goals may need to be developed by other specialized agencies. Within this broad perspective, the Economic Report shall set forth programs and policies to promote an economic environment in which private industry, voluntary associations, and State and local governments are encouraged and faciliated to do as much as they can toward achieving the goals set forth in the Purposes Budget. Insofar as estimates in the Economic Report indicate that activities at these levels, facilitated by Federal action and cooperation, will fall substantially short of achieving these goals, programs, and policies shall be set forth whereby the Federal Government itself, within the limits of our growing national resources and within a system of free, competitive enterprise, shall promote full achievement of these goals.

"(b) Maximum employment opportunity represents bedrock civilized responsibility. The Economic Report shall set forth such Federal programs and policies, both direct and indirect, including relevant programs of training and guidance, as are needed to close any substantial gap between actual and maximum employment. These programs and policies shall stress types of employment which are noncompetitive with private enterprise, and which help to service the priorities set forth in the Purposes Budget.

"(c) The Economic Report shall contain recommendations pointed toward developing and financing, as soon as feasible, some form of effective nationwide income floor to provide an income above the poverty level, and moving gradually toward a minimum adequacy standard of living, for all consumer units which are not being enabled, even assuming appropriate efforts on their part, to achieve these goals through gainful employment at adequate standards of compensation. This nationwide income floor shall be designed to substitute gradually for some aspects of the wide array of inadequate welfare programs now in use, and to reinforce, to the extent needed, some of the established programs of social insurance and welfare, including income programs and programs related to training and other aspects of personal adaptation.

"(d) The Economic Report shall contain, as an integral part thereof, the essential features of the Federal Budget, both on a short-range and a long-range basis. Outlays in the Federal Budget should be devised basically to serve national needs which cannot otherwise be served, or served so well. Federal spending shall be used primarily, not to speed up or slow down the economy, but rather to allocate to public purposes that portion of maximum employment and production, actual or estimated, which is essential, in combination with the efforts of those other than the Federal Government, to achieve the priority goals set forth in the Purposes Budget, and to meet other obligations imposed upon the Federal Budget. With appropriate allowance for these other obligaations, including national defense and related purposes, the Economic Report shall be guided by the principle, insofar as feasible, that proposed outlays in the Federal Budget for the domestic priorities set forth in the Purposes Budget shall rise substantially year by year in ratio to the total Federal Budget. Despite this gradual restructuring of priorities in the Federal Budget, the objective shall be to hold total Federal Budget outlays during the ten years subsequent to enactment of this section to an average annual ratio to maximum total national production, actual or estimated, not higher than the average annual ratio to actual total national production during the ten years preceding the first Federal Budget submitted after enactment of this section.

"(e) Having determined the spending side of the Federal Budget in accord with the above national needs, fiscal policy directed toward economic stabilization shall rely primarily upon tax policy. Under conditions of maximum employment and production, tax policy shall be at least stringent enough to balance the Federal Budget, in order to serve as a brake upon inflation. Under conditions of substantial economic slack, the Federal deficit should be of sufficient size to avoid a fiscal drag upon the national economy. The tax policies set forth in the Economic Report shall also take account of the impact of the tax burden and its distribution upon equity in the imposition of the tax burden (with stress upon the objective set forth in section 3(f)(4) bearing upon the reduction of poverty and deprivation), economic growth, and maintenance of reasonable price stability.

"(f) The essentials of the Federal Budget set forth in the Economic Report shall indicate the true economic consequences of the Federal Budget, with special emphasis upon the distinction between capital expenditures which add to the wealth and human well-being of the country and other expenditures.

"(g) Each January Economic Report shall contain an independent statement of the Board of Governors of the Federal Reserve System, setting forth its intentions for the year ahead with respect to monetary policies. The Board of Governors shall explain fully how these intended policies (subject to variation in the event of changed economic circumstances) will be consistent with the purposes of this Act and the goals set forth in said Economic Report. If the President feels that these policies run counter to these purposes and goals, he shall so state in the Economic Report, exert his influence upon Federal Reserve policies, and propose policies to the Congress if necessary.

"COMBATING INFLATION

"SEC. 5. In addition to utilizing the Federal Budget as indicated in section 4 to combat inflation, the President shall state in the Economic Report whether he finds that any serious conflict might result between the goals set forth in the Purposes Budget and maintenance of reasonable price stability. If any such conflict is indicated, the President shall propose policies and programs whereby tax and other policies may be utilized to restrain nationwide activities of lesser importance, rather than to sacrifice these of high priority or the maximum goals of this Act. To the extent that this is not fully practical, the President shall state explicitly the extent to which a choice is being made between the full attainment of the objectives set forth in the Purposes Budget and the objective of reasonable price stability, and he shall justify this choice in terms of the national interest as a whole.

"GENUINE ECONOMY IN GOVERNMENT

"SEC. 6. The Purposes Budget, by facilitating a more comprehensive and consistent portrayal of national economic developments, objectives, programs, and policies, should provide an improved perspective for public understanding and for the mutual efforts of responsible free enterprise and responsible free government in line with the purposes of this Act and the Economic Reports, including encouragement of a system of free, competitive enterprise. This improved perspective should help to maximize the efforts of private enterprise and of State and local governments, and should help also to check the undue proliferation of policies and programs at the Federal level, to reduce cross purposes and duplication, and thus to promote genuine and constructive economy in government. The Economic Report shall contain an account of efforts being made in this direction."

NATIONAL ECONOMIC ADVISORY COUNCIL

SEC. 5. Section 7 (as redesignated by section 4 of this Act) of Employment Act of 1946 (15 U.S.C. 1023) is amended by adding at the end thereof the following new subsections:

"(g) There is thereby established a National Economic Advisory Council (hereinafter referred to as the 'Advisory Council'). The Advisory Council shall have two main functions: (1) to serve in a consultative relationship to the President and to the Council of Economic Advisers in the development of the Economic Report, and especially regarding the Purposes Budget, and (2) to maintain a two-way line of contact between the President and the Council of Economic Advisers and those others throughout the nation whose decisions importantly affect the performance and purposes of the national economy, in order that the views of these others may be more effectively available to the President and to the Council of Economic Advisers, and in order that the maximum participation of these others in achieving the goals set forth in the Economic Report may be encouraged in all practical ways. The Advisory Council shall consist of twenty members to be appointed by the President from among representatives of industry, agriculture, labor, consumers, public interest groups, and State and local governments. Members of the Advisory Council shall serve for terms of two years, except that members appointed to fill vacancies by death or resignation shall be appointed for the unexpired terms of their predecessors. One of the members shal be designated by the President as Chairman. Members of the Advisory Council shall be entitled, while attending its meetings, to receive compensation at a rate to be fixed by the President, but not exceeding $100 per diem, including travel time, and, while away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence as authorized by law for persons in the Government service employed intermittently. The Chairman of the Council of Economic Advisers shall furnish the Advisory Council with such personnel, facilities, and services as may be necessary to enable it to perform its functions.

"(h) The President shall arrange for annual National Economic Conferences, to be attended by the Council of Economic Advisers, the Advisory Council, invited representatives of private enterprise, voluntary associations, and Federal, State, and local governments, and others whose attendance the President may deem desirable. The purpose of the annual National Economic Conferences shall be to enlarge further the opportunities for obtaining advice, broadening understanding, and facilitating cooperation toward achieving the goal set forth in this Act and in the National Purposes Act of 1974. Those attending such conferences, other than Federal employees located in Washington, D.C., shall be entitled to receive compensation and travel expenses, on the same basis as members of the Advisory Council. The Council of Economic Advisers shall provide necessary assistance toward the organization and conduct of the annual National Economic Conferences."

SEC. 6. The Employment Act of 1946 (15 U.S.C. 1021–1025) is amended by adding at the end thereof the following new section:

"CONSTRUCTION OF TERMS

"SEC. 9. Wherever the terms 'maximum employment, production, and purchasing power,' 'economic policy,' 'economic developments,' and 'economic trends' (or their equivalents) appear in this Act, they shall be construed in accord with the broader purposes of economic policies and programs set forth in amendments to this Act enacted in the National Purposes Act of 1974."

RAVENSWOOD MANOR CELEBRATES DIAMOND JUBILEE

The SPEAKER. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, it is with pride that I bring to the attention of my colleagues the 60th anniversary of the Ravenswood Manor Improvement Association, a community organization of the people of Ravenswood Manor on Chicago's northwest side, which is located in the 11th Congressional District I am honored to represent.

I am looking forward to attending the grand diamond jubilee dinner on April 26 and to joining the outstanding citizens of Ravenswood Manor as they celebrate their association's 60 years of accomplishment and service. The creative and resourceful officers and board of directors of the Ravenswood Manor Improvement Association include: Mrs. Virginia Boyd, president; Mrs. Margaret Hall, vice president; Ms. Carol Liebers, secretary; Mr. Daniel W. Anderson, treasurer; and the board of directors includes: Mr. Edward Paluch, Mr. James V. Chambers, Mr. Anton Sommer, Jr., Mr. John J. Moore, Mrs. Sophie Grossman, Ms. Patricia Noyes, Mr. Arthur LaPointe, Mrs. Patricia Rodwell, Mrs. Kitty Mason, Mr. William C. Nicholl, Mr. John Adelizzi, and Mr. Leonard Stemm.

Ravenswood Manor, through the energetic efforts of the improvement association, has maintained its character through the years with vigilant enforcement of zoning laws and close coordination with public officials and city agencies. Hard work, planning, and civic pride are also part of Ravenswood Manor's brilliant record of success in maintaining a community of all ethnic and racial groups.

Ravenswood Manor is unique as a Chicago community in many ways, but particularly because it is surrounded by parks on all sides—all offering an ever-increasing variety of recreational activities.

The Ravenswood Manor Improvement Association, now with the largest membership in its 60-year history, has underwritten performances of a ballet company and has sponsored classical concerts. It is also a supporting member of the Chicago Art Institute, the Field Museum of Natural History, and the National Trust for Historic Preservation.

In 1973 the association filed an injunction against the Chicago Transit Authority to prevent the closing of the Francisco and Rockwell stations and won. Cooperation with groups from other adjoining areas as well as those throughout Chicago plays a major part in the function of the association, which is a respected influence in the area and whose advice is frequently sought because of experience.

Mr. Speaker, with two annual meetings, various town hall meetings on immediate issues, and monthly board meetings throughout the year, the Ravenswood Manor Improvement Association represents true involvement in community affairs by the people and they can be proud of its vitality. I extend my congratulations to Mrs. Virginia Boyd, the association's officers, the board of directors, and all of the members of this fine organization for their dedication and leadership.

On March 22, 1974, the Chicago Daily News printed an article on the effect of Ravenswood community stability on property values and I am inserting that article at this point in the Record for the attention of my colleagues. The article follows:

North Side River People: Community Stability Lifts Property Values

(By Don DeBat)

The North Branch of the Chicago River meanders through a secluded, wooded world between Montrose and Lawrence avenues on the Northwest Side.

River people of the Ravenswood Manor and Gardens neighborhood live there in big homes and trim bungalows on the sloping banks with quiet waters and cottonwood trees for backyards.

In earlier years residents were predominantly of German and Scandinavian descent. Today, the neighborhood—bounded by Rockwell on the east and Sacramento on the west—is a mix of ethnic and economic groups.

Edmund L. Kelly, general superintendent of the Park District, lives on Windsor Av. in the Gardens section east of the river, and disk jockey Eddie Hubbard resides on Leland, near the west bank in the Manor.

Other residents include University of Chicago professors, tradesmen, lawyers, firemen, doctors, policemen, ministers, a real estate broker, an artist and a journalist.

Some homeowners dock pleasure craft at piers adjoining their gardens. A retired naval officer, R. Breault moors a tugboat near his bungalow.

Ravenswood Manor and Gardens has experienced steadily rising property values and stability for decades.

When Mrs. Winifred Donahue moved to the Gardens as a child in 1915, her family paid $7,500 for a four-bedroom, two-story stucco home, including an extra 30-by-125-foot lot. Now real estate brokers say the home is valued in the mid-$30,000 price range.

Nearby, a seven-room stucco home that sold for $21,000 in 1948 is valued at $35,000, and two-flats in the neighborhood are going for $40,000, said realtor Arthur Sallas.

Mr. and Mrs. Samuel Boyd paid $22,000 in 1962 for their tidy Manor bungalow on Francisco. After extensive remodeling and interior decorating, they recently were offered $42,000 for the home.

"Some of the posh Georgian homes on corner lots on the river have sold for as much as $50,000-plus," noted Gardens resident and real estate broker, William J. Eitel.

A big pastime in the neighborhood is swapping stories about the river, which was rerouted in 1907 by the Chicago Sanitary District, dividing the Manor and Gardens into separate enclaves.

George C. Maggio, a Virginia Av. resident, likes to tell tales of Prohibition days when night-time "rum runners" would dock boats at piers in the area and unload booze for sale on the Northwest Side.

Then there are the Roaring 20s stories of riverboat parties thrown by chums of Mayor Big Bill (The Builder) Thompson.

Although hundreds of years have passed since Miami Amis and Potawatomi Indians hunted and fished in the area, it still has a rustic atmosphere.

Neighborhood residents say the Ravenswood Manor-Garden Improvement Assn., founded in 1914, is the oldest independent community organization in the city.

"Many Chicago communities have more fancy homes and more wealthy residents, but you won't find one more organized and well-maintained," said Virginia Boyd, president of the neighborhood group.

Residents chip in $5 a year dues per family. This is used for such down-home festivities as an annual country fair, complete with a flea market, flower and bake sale, pony rides and a dog show.

There's also live country music, an art exhibit, an antique auto show and garden displays. This June they plan to add an old-fashioned auction.

Over the last four years Ravenswood Manor has sponsored spring and winter "sociables" with a ragtime revue, concerts in miniature, opera soloists, a children's film series and LeBallet Petit, a local dance company.

During this time the Manor membership has grown to more than 350 families—or some 900 persons—from 120 families.

The 129 homeowners in the Gardens have held summer picnics in the smallest park in Chicago. It covers only one city lot. They also hold garage sales to raise funds for neighborhood improvements.

On April 26, residents plan a banquet to celebrate the association's 60th anniversary.

Mayor Richard J. Daley, Lt. Gov. Neil Hartigan, Sen. Charles Percy (D-Ill.) and Rep. Frank Annunzio (D-Ill.) are among the expected guests. The program will include entertainment by the Chicago Stock Yard Kilty Band and Margaret Baikie MacDonald's Highland Dancers.

All this bustling activity has two major goals: to promote community unity and raise funds to improve the neighborhood, said Mrs. Boyd.

Perhaps the biggest battle the improvement association has won was joined last year when the Chicago Transit Authority proposed service cutbacks at two Ravenswood L stations at Rockwell and Francisco.

More than 600 neighborhood residents ride the CTA to their jobs each day.

"We filed suit in Circuit Court against the CTA and obtained an injunction to keep the stations open," said Mrs. Boyd. "However, justice sometimes is expensive. Resident families each were assessed $3 to cover the $642 in legal fees."

The association also fought for construction of a sports center at 3901 N. California in California Park and collected 40,000 signatures on petitions favoring the complex.

The center will have 24 indoor tennis courts and an indoor hockey and ice-skating rink when completed in the fall.

"We've also worked with the city to halt zoning violations and to create and maintain playground and park facilities," Mrs. Boyd noted.

"Some community groups create neighborhood news rather than report it to their members. Some are selfish and ambitious; others stir up more problems than they solve."

"Our goal is to maintain the community in spirit and physical well-being through good government, good housekeeping and good manners," she said.

NATO'S 25TH ANNIVERSARY

(Mr. SIKES asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, the NATO Alliance does not attract a great deal of attention nowadays. Yet, there are many who feel that for 25 years it has been the central foundation of a stable period in European history. During these 25 years, the independence of the members of the Atlantic communities has not been threatened, their frontiers have not seen substantial change, and the alliance has continued to enjoy the confidence of its members.

A strong argument that NATO is a success is in the recapitulation of what might have happened. Just before NATO, the Soviets seized control of Czechoslovakia which had proclaimed its neutrality. The first Berlin blockade followed soon afterward. Communist Parties began stepping up their campaigns of internal subversion in most countries of Western Europe.

It was at that time that the Western Europeans bound themselves *together for* the collective defense of the area; the United States joined in the effort and the NATO Treaty was signed on April 4, 1949. Soon afterward, the Russians lifted the blockade of Berlin. Although there have been subsequent gestures from Moscow which appeared to threaten Europe, none of them materialized into action. The alliance grew stronger and understanding between nations improved.

France dealt the alliance a severe blow by ordering out services and supply centers which had been placed in that country because of its key location to the common defense. Possibly this was because NATO refused to assist the French in Southeast Asia. However, other European partners in NATO rose to the occasion and preserved the form and structure of the organization.

Many believe the United States provides a disproportionately large share of the manpower and weapons required for NATO. Nevertheless, other nations have continued to improve their own defense resources and generally to add to the strength of NATO. It is now stronger than at any previous time.

No one can determine the actual contribution of NATO to the preservation of Western Europe from a communistic takeover, but undoubtedly, it has played an important part. There are many who consider it the rock on which the security of the Atlantic community rests. It is well to reaffirm our confidence in NATO and our appreciation to the nations that had the courage and the determination to maintain NATO as an effective orgation.

IS IT NOT ABOUT TIME TO PRACTICE SOME COMMONSENSE AND RESTRAINT ON THIS IMPEACHMENT BUSINESS?

(Mr. FISHER asked and was given permission to extend his remarks at this point in the Record).

Mr. FISHER. Mr. Speaker, although the Judiciary Committee, to which 5 months ago was referred the impeachment charges, has thus far held no hearings and has made no findings, it is rather sad and depressing to see a sprinkling of people, both in and out of Congress, sounding off and jumping at totally unproven conclusions. This is being done even before there is any consensus as to what constitutes an impeachable offense.

While there is no consensus of what constitutes an impeachable offense, there should be universal consensus of the many things that do not constitute impeachable offenses.

One would think the tragic blunder that was made by the House of Representatives when it voted impeachment articles against President Andrew Johnson would rise up to plague those eager beavers today who show so little regard for what under our Constitution forms an impeachable offense. It is now universally recognized by all responsible authorities that Johnson was impeached on nonimpeachable charges. The guilty Members thereby condemned themselves to posterity as authors of one of the blackest pages in American history.

Even some members of the President's own party, for reasons best known to themselves, have criticized the President and indicated they may vote for impeachment simply because the President did not turn over to the Judiciary Committee all requested privately owned tape recordings of conversations Mr. Nixon may have held with aides, plus some White House documents. Personally, I do not get exercised about such side issues.

DOES AN ACCUSED HAVE RIGHT TO KNOW WHAT HE IS ACCUSED OF?

Under our cherished system of Anglo-Saxon jurisprudence, did not the President have the right to do as he did—request a bill of particulars regarding the specific complaints to which such requested evidence would relate? Was that not a reasonable request? I am under the impression it is inherent in our system to inform an accused what he is accused of. To say the committee is all-powerful and may therefore ignore such concepts is to make the committee oblivious to sacred rights of a citizen, whether applied to an impeachment case, a criminal case, or what-have-you. And impeachment is based upon criminal acts.

The press reported that finally, on April 4, 1974, after weeks of what appears to have been unnecessary delay, the committee counsel did make a response to the President's request.

In any event, this is a procedural matter, one which conceivably might properly require judicial review. They are plowing in new ground. Delays are unfortunate on either side. Certainly the squabble over tapes of itself throws no light on the question of guilt or innocence. If some tapes or documents are pertinent to a specific charge, then the request should be negotiated and if any are actually relevant they should be provided.

IS TAPE BUSINESS OVERBLOWN?

After all, has not this tape business been overblown? From reading the press one would conclude the tapes form the only hope the committee relies upon to make a case. Yet, we are dealing here with privately owned property belonging to the President which, had he chosen to do so, a year ago the President could have destroyed and with complete legality and propriety. I am sure every Member of the Congress, certainly those who have been here very long, owns taped recordings of radio or political programs which any one of us could throw in the river if we liked.

Has it come to pass in this country that a President is required to provide evidence against himself? Is the committee so desperate for evidence that to make out the semblance of a case it is found appropriate and necessary to resort to such extreme measures? With a room full of lawyers on the payroll, one would think the committee could do better than that, if they have anything to go on. Would this not indicate the committee counsel are grabbing for straws?

Even though there is thus far no indication any of the tapes would implicate the President in an impeachable offense, have we reached the point where, to hopefully make out a case, it is in accord with basic principles of American justice to require a President to thus indirectly testify against himself? While it is true the courts have upheld subpenas of tapes in other situations, we still face basic principles of what is right and just. In fishing for evidence to make out an impeachment case against any person, just how justified are we in resorting to such tactics?

Where are all those civil liberty people who are prone to howl to the high heavens about individual rights and their boasted regard for protection of privacy? Are they moved to action only when the right ox is gored?

A CONSPIRACY TO KEEP THE PRESIDENT FROM KNOWING

Now let us briefly examine the developments in this impeachment clamor. A burglary was committed. The culprits were caught in the act, tried and convicted. But thereafter there was evidence of coverup activities. Two people, James McCord—one of the burglars—and a discredited former White House counsel, John Dean, himself of admitted coverup guilt, both admittedly striving to avoid prison terms and in order to promote sale of books on Watergate they were writing, told off on others. They sought limelight and got it. With such motivations the veracity of each became highly dubious.

There is much evidence that a conspiracy developed among certain White House aides and subordinates to prevent the President from knowing about so-called coverup activities. This is understandable. Evidently some of them felt the thing would blow over and their jobs and reputations would be spared. Hence, some false statements were made and perjury indictments resulted.

THE WOLVES THAT POUNCED ON NIXON

As grand jury and committee leaks became rampant, wolves lurking in the wings were ready to spring into action. Even though armed with flimsy evidence, here was their chance to magnify the tidbits they could grasp. They tasted Presidential blood and they would not be denied. Among them were certain elements of the news media, the traditional Nixon-haters, the partisan extremists, and certain special interest groups. They left no stone unturned in pursuit of their prey.

Among the blood-thirsty pursuers were such notables as crusty old George Meany, Ralph Nader, John Gardner, and practically every radical and extremist organization in the country. The latter included such notorious outfits as the American Civil Liberties Union—ACLU—and the ultraliberal Americans for Democratic Action—ADA. Bolstered by news media confederates, they closed ranks and pulled out all the stoppers.

Impeachable offense? Who among this crowd would care? Who, I ask in all seriousness, thinks for a moment that George Meany, Ralph Nader, John Gardner, the ACLU or the ADA gives a hoot whether the charges against the President actually make out impeachable offenses as contemplated by the Constitution? The real truth is that most if not all of these people would have favored impeachment before they ever heard of Watergate.

And, as I pointed out earlier, even a few members of the President's own party have threatened to board the impeachment train.

NO IMPEACHABLE OFFENSE REVEALED THUS FAR

In my own case I know how I would vote on impeachment today, in view of the record that has thus far been revealed. I reserve final judgment, however, until the committee reports and I have an opportunity to examine the basis for its conclusions. As of this time, in view of the gravity of the decision, it is inconceivable to me that a majority of the responsible Members of the House would vote for impeachment. This issue transcends partisan politics. We all know that impeachment of any President would shake this Nation to its very foundations, and the vibrations of such a tragic action would reach around the world.

Under our American system you simply do not go around impeaching Presidents willy-nilly. Yet, if we are honest with ourselves, we know there are people, including some Members of the Congress, who would get rid of a President they do not like much like they would get rid of a football coach they do not like. And we know such an attitude is irresponsibility at its very worst. I had hoped lynch law had forever disappeared from the American scene, but we now see signs it may be attempting to raise its ugly head again.

SHOULD PRESIDENTS BE IMPEACHED BECAUSE OF POPULARITY POLLS?

It is being said some Members of Congress may be impelled to vote in accordance with public opinion, which some pollsters say now runs on the order 50-50 on the impeachment issue. And some proimpeachment people are saying low level of personal popularity may pull some of the more wishy-washy over, those who know better but are fearful a vote against impeachment might be unpopular in their own districts. I believe too strongly in the basic integrity and statesmanship of the membership of this body to believe very many will play in that kind of a game.

After all, popularity is an elusive thing. It may ride on the waves of emotionalism, going up and down much like the mercury in a thermometer. The opinion polls tell us the Congress enjoys a lower level of esteem at this time than does the President. Remember, for example, that when Harry Truman left office the popularity barometer rated him lower than it does President Nixon at this time. Yet Mr. Truman's public image today is extremely high.

The point is that the Constitution does not include popularity ratings as a basis for impeachment of a President. For a Member of Congress to be controlled by such a thing would be to violate his oath to uphold the Constitution, and I cannot believe we have many weaklings of that type in this body.

Moreover, let us identify some of the probable reasons for the President's current low rating. When we consider the size of the crowd that is after his scalp at any cost, the weapons they have at their disposal, with all the harassment from the news media, it is a wonder Mr. Nixon's rating is not even lower than it is. One needs only to read the Washington Post, the New York Times, Time, and Newsweek, a few other publications, and listen to the daily hostile outpourings from radio and TV commentators, to understand why the public is subjected to such bewilderment. Mr. Nixon has deserved certain criticisms, but so has every other President in the past.

MOST CARTOONISTS FOUND TO BE VICIOUS

The gentleman from Louisiana (Mr. WAGGONNER) recently inserted in the RECORD on April 10, 1974, page 10678, a significant article by Charles Phillips, an editor of the Shreveport Journal. The writer made a study and analysis of syndicated cartoons which are sent to newspapers throughout the country and selected ones are pulled out and used by some editors when relevant to a news story being carried. Such cartoons undoubtedly wield a considerable influence upon the unsuspecting public. After describing and analyzing many such cartoons which had accumulated in his files, Mr. Phillips concludes:

> It's a cold day in August when one of the nationally syndicated cartoonists draws something favorable toward the President or even mildly objective toward him. Some depict Mr. Nixon as a common criminal, convicting him long before he has been impeached or tried.
>
> Many of these cartoons, if not all, and others like them are being printed in some, maybe most, parts of the United States. What amazes me is that the President has as much popular support as he does.

The public thus becomes innocent victims of this type of subtle journalistic poison. "Yes," they declare, "but this is freedom of the press." This causes one to wonder if abuse of that freedom cannot be worse than no freedom at all.

Indeed the disrespect that some people show toward the office of the Presidency is appalling. It bespeaks a decadence completely out of character in our great Republic, more like what you would expect in less civilized and backward countries.

OTHER CHARGES

Mr. Speaker, the Nixon critics, striving desperately to bolster their case against the President and arouse as much public indignation as possible, have seized upon other Presidential activities that have been questioned. An example was Mr. Nixon's allegedly incorrect income tax returns and another example was his increase in support prices for milk following a milk industry political contribution. And there were loud ravings of irregularities in Federal funding on two Presidential offices outside of Washington.

I would not comment on the tax matter other than to point out that the committee found no willful or fraudulent intentions on the part of Mr. Nixon. The President's returns were prepared by private tax accountants, and they evidently made some mistakes, the larger one being a technical thing relating to the exact effective date of donation of Mr. Nixon's Vice-Presidential papers, as related to date of the repeal of the law which made such deductions legal. The appraised value of the Nixon papers was made by the same expert who appraised papers donated to the Government by President Johnson and by former Vice President HUMPHREY—whose donations in kind were admittedly legal because the repeal date of the law did not affect their actions. And admittedly Mr. Nixon was not allowed certain deductions for travel by members of his family which were allowed for prior Presidents, thus applying to Mr. Nixon a double standard.

On the tax issue, it is said Mr. Nixon did what no other President in American history has done, by voluntarily exposing 5 years of his personal income tax returns to the light of the mid-day sun for every one to see. For this flourish of unprecedented good faith I have heard not one word of praise from his opponents. Have his critics suggested comparable exposure of the locked-up tax reports of his predecessors, or others?

Speaking of prior Presidents, the Ways and Means Committee received a letter recently from M. B. Schnapper, a nationally recognized expert on the subject of tax deductions for papers donated by high officials. He reported that based upon circumstantial evidence and confidential information, the late President Lyndon B. Johnson over a 4-year period donated papers which Mr. Schnapper said amounted to a value of at least $10 million and possibly as much as $29 million, for which tax deductions were presumably properly allowed. Mr. Schnapper's estimates may or may not be correct, though he did cite some documentary support.

I mention it to illustrate the custom related to donation of official papers. And, incidentally, Mr. Nixon's papers in controversy were valued at $576,000. If reclaimable, and if the donation should be determined to be noneffective, a firm offer has been publicly made of $1 million to Mr. Nixon for the papers in question.

RAISE IN MILK PRICE SUPPORT WARRANTED

In regard to the price support issue on milk, it has been disclosed that heavy congressional pressure for the increase came from Members of Congress, including Senators HUMPHREY and MCGOVERN. Many of us believed then and believe now there was sound reason for the increase which was allowed. Incidentally, it has been disclosed that milk producers made scores of political contributions to members of both parties about the time they donated to Mr. Nixon's campaign.

Federal funding for security and official uses of Mr. Nixon's places in Florida and California was found to have been proper and legal by the Comptroller General. And the President has announced the eventual donation of the San Clemente property to the Federal Government. Let us remember, too, that much of this work was done under mandate of the Congress.

Thus, while one can argue all day about the propriety of these various things, the fact is they were perfectly legal, except for the erroneous judgment by the tax accountants who prepared the Nixon returns. Yet, added up, with all the attendant headlined publicity, often repeated and in some instances distorted, they undoubtedly contributed to the popularity ratings to which I have referred.

Who can say comparable airing of similar activities of prior Presidents would not have depressed the popularity ratings of Mr. Nixon's predecessors?

WHAT ABOUT THE NIXON PLUSES?

Mr. Speaker, lost or clouded in all the hullabaloo about Watergate and these other things, the public tends to lose sight of the great achievements of President Nixon during his tenure. I am one of those who believes we should give credit where credit is due. Let us remember and never forget that it was Mr. Nixon's statesmanship and courage which mined Haiphong Harbor, interdicted massive enemy supply dumps and arteries in the Hanoi area, and triggered the bombing blitz, which brought the enemy to his knees and brought an honorable peace, however tenuous it may be. That alone should endear him to all Americans from now on.

It was President Nixon, not fate, who brought 500,000 American servicemen home after the successful conclusion of a tragic war the President inherited.

It was the intercession of President Nixon and his able Secretary of State that brought the Middle-East war to a halt and prevented the Soviets from pursuing their announced threat to move troops into that stricken area. The status quo and continued availability of future fuel supplies from the oil-rich Arab States were thereby assured.

One other thing, and then I will conclude. This Nation is forever indebted to Mr. Nixon for the four outstanding judicial-minded men he has appointed to fill vacancies on the Supreme Court. If he did nothing more, his prudence in this regard should likewise endear him to the American people for generations to come. The President's practice of minimizing politics and avoiding cronyism in choosing judges is highly commendable and long overdue.

Mr. Speaker, can you imagine the magnitude of the combine which has been arrayed against the President? More than $7 million have thus far been expended on the investigations and hearings. A total of more than 100 highly skilled lawyers have been hired to supplement the normal legal staffs. And an equal number of additional special investigators have been employed. One could include extra costs incurred by John Sirica, who in regard to Watergate matters performed in two roles—that of judge and that of prosecutor.

Now of all times responsible Americans need to keep their cool, strive to distinguish between facts and propaganda, and patiently wait out the resolution of these many troublesome problems. Let us hope and pray they may be resolved in accordance with what is right, fair, and just.

My constituents are sick and tired of Watergate. They think 6 months is long enough for the Judiciary Committee to consider impeachment charges. If impeachment is to be voted on, they want it done right away in order that the Nation may be spared further punishment and in order that the operation of our Government may get back on the track.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. Matsunaga (at the request of Mr. McFall), for today, on account of official business.

To Mr. Gettys (at the request of Mr. McFall), for April 22 through 29, on account of official business.

To Mr. Haley (at the request of Mr. Sikes), until May 6, 1974, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. McCollister) to revise and extend their remarks and include extraneous material:)

Mr. Kemp, for 15 minutes, today.

(The following Members (at the request of Mr. Owens) to revise and extend their remarks and include extraneous material:)

Mr. Vanik, for 5 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Mr. Addabbo, for 15 minutes, on April 23, 1974.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. McCollister) and to include extraneous material:)

Mr. Kemp.
Mr. Symms.
Mr. Archer.
Mr. Gilman.

(The following Members (at the request of Mr. Owens) and to include extraneous material:)

Mr. Rees.
Mr. Vanik in two instances.
Mr. Annunzio in six instances.
Mr. Gonzalez in three instances.
Mr. Rarick in three instances.
Mr. Stokes in 10 instances.
Mr. Lehman in 10 instances.
Mr. Wolff in five instances.
Mr. McCormack.
Mr. Rodino in two instances.
Mr. Madden.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 3044. An act to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns; to the Committee on House Administration.

BILL PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on April 12, 1974, present to the President, for his approval, a bill of the House of the following title:

H.R. 12109. An act to amend the District of Columbia Self-Government and Governmental Reorganization Act to clarify the provision relating to the referendum on the issue of the advisory neighborhood councils.

ADJOURNMENT

Mr. OWENS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 35 minutes p.m.) the House adjourned until tomorrow, Tuesday, April 23, 1974, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2188. A letter from the Acting Director, Office of Management and Budget, Executive Office of the President, transmitting plans for works of improvement in various watersheds, none of which involves a structure which provides more than 4,000 acre-feet of total capacity, pursuant to 16 U.S.C. 1005; to the Committee on Agriculture.

2189. A letter from the Acting Secretary of the Navy, transmitting notice of the transfer of certain funds between major subdivisions of the appropriations for "Operation and Maintenance, Navy" in the Department of Defense Appropriation Act, 1974, pursuant to title III of the act (Public Law 93-238); to the Committee on Appropriations.

2190. A letter from the Deputy Assistant Secretary of Defense (Installations and Housing), transmitting notice of the location, nature, and estimated cost of various facilities projects proposed to be undertaken for the Air National Guard, pursuant to 10 U.S.C. 2233a(1); to the Committee on Armed Services.

2191. A letter from the Chief of Legislative Affairs, Department of the Navy, transmitting notice of the proposed donation of certain surplus property to the U.S.S. *Constitution* Museum Foundation, Portsmouth, R.I., pursuant to 10 U.S.C. 7545(c); to the Committee on Armed Services.

2192. A letter from the U. S. Commissioner of Education, Department of Health, Education, and Welfare, transmitting the annual reports of three advisory councils not included in his previously submitted annual report, pursuant to 20 U.S.C. 1233b(2); to the Committee on Education and Labor.

2193. A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a draft of proposed legislation to amend the Federal Property and Administrative Services Act of 1949, as amended, the Armed Services Procurement Act of 1947, as amended, and the TVA Act of 1933, as amended, to authorize the negotiation of contracts where the aggregate amount involved does not exceed $10,000; to the Committee on Government Operations.

2194. A letter from the Acting Deputy Assistant Secretary of the Interior, transmitting notice of a proposed contract with the White Pine Copper Co., White Pine, Mich., for a research project entitled "Evaluating Resin and Mechanical Roof Bolting Systems for Strata-Bound Deposits," pursuant to 42 U.S.C. 1900(d); to the Committee on Interior and Insular Affairs.

2195. A letter from the Chairman, Pennsylvania Avenue Development Corporation, transmitting the first annual report of the Corporation, pursuant to 40 U.S.C. 880; to the Committee on Interior and Insular Affairs.

2196. A letter from the Director, Administrative Office of the U.S. Courts, transmitting a draft of proposed legislation to enlarge the trial jurisdiction of U.S. magistrates in misdemeanor cases to make technical and administrative amendments in the Federal Magistrates Act, and for other purposes; to the Committee on the Judiciary.

2197. A letter from the Director, Administrative Offices of the U.S. Courts, transmitting a draft of proposed legislation to amend section 2254, title 28, United States Code; to the Committee on the Judiciary.

2198. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting reports concerning visa petitions approved according certain beneficiaries third and sixth preference classification, pursuant to section 204(d) of the Immigration and Nationality Act, as amended [8 U.S.C. 1154(d)]; to the Committee on the Judiciary.

2199. A letter from the Acting Administrator, American Revolution Bicentennial Administration, transmitting the final report of the American Revolution Bicentennial Commission, pursuant to Public Law 89-491; to the Committee on the Judiciary.

2200. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a determination by the Acting Secretary of State that it is in the national interest not to transfer to the account established in the Treasury pursuant to section 7(c) of the Fishermen's Protective Act of 1967, as amended, funds from the Foreign Assistance Act of 1961 programed for Ecuador and Peru, equal to the amounts paid to the owners of fishing vessels seized by those Governments, pursuant to 22 U.S.C. 1975(b); to the Committee on Merchant Marine and Fisheries.

2201. A letter from the Secretary of the Treasury, transmitting the annual report covering 1973 on the operation of the last proviso of section 27 of the Merchant Marine Act, 1920 (46 U.S.C. 883), involving exemptions from the coastwise prohibition for certain barges of foreign registry on the basis of reciprocity granted by a foreign country, pursuant to section 2 of Public Law 92-163; to the Committee on Merchant Marine and Fisheries.

2202. A letter from the Acting Secretary of Commerce, transmitting the first annual report on the designation of marine sanctuaries, pursuant to 16 U.S.C. 1432(d); to the Committee on Merchant Marine and Fisheries.

2203. A letter from the Acting Secretary of Commerce, transmitting a draft of proposed legislation to extend the provisions of title XII of the Merchant Marine Act, 1936, relating to war risk insurance, for an additional 5 years, ending September 7, 1980; to the Committee on Merchant Marine and Fisheries.

2204. A letter from the President, Panama Canal Company, transmitting a draft of proposed legislation to increase the borrowing authority of the Panama Canal Company and revise the method of computing interest thereon; to the Committee on Merchant Marine and Fisheries.

2205. A letter from the Acting Director, Office of Management and Budget, Executive Office of the President, transmitting plans for works of improvement in various watersheds, each of which involves at least one structure which provides more than 4,000 acre-feet of total capacity pursuant to 16 U.S.C. 1005; to the Committee on Public Works.

2206. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, submitting a report on Freeport Harbor, Tex.

(45-foot project) (H. Doc. No. 93-289); to the Committee on Public Works and ordered to be printed with illustrations.

2207. A letter from the Administrator of General Services, transmitting prospectuses proposing alterations to Federal buildings at various locations, pursuant to 40 U.S.C. 606; to the Committee on Public Works.

2208. A letter from the Administrator of General Services, transmitting the annual report for calendar year 1973 on the status of public buildings projects, pursuant to 40 U.S.C. 610(a); to the Committee on Public Works.

2209. A letter from the Administrator, National Aeronautics and Space Administration, transmitting a report on the proposed disposal of NASA land at the Michoud Assembly Facility, New Orleans, La., pursuant to section 207 of the National Aeronautics and Space Act of 1958, as amended (42 U.S.C. 2476(a); to the Committee on Science and Astronautics.

2210. A letter from the Secretary of the Treasury, transmitting his annual report on the operation and effect legislation authorizing the creation of domestic international sales corporations (DISC's), pursuant to section 506 of Public Law 92-178; to the Committee on Ways and Means.

2211. A letter from the Secretary of Labor, transmitting the second in a series of reports on the effects of extending unemployment insurance coverage to agricultural labor; to the Committee on Ways and Means.

Received From the Comptroller General

2212. A letter from the Comptroller General of the United States, transmitting a list of reports issued or released by the General Accounting Office during March 1974, pursuant to 31 U.S.C. 1174; to the Committee on Government Operations.

2213. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Rural Telephone Bank, Department of Agriculture, for fiscal year 1973, pursuant to 31 U.S.C. 841 (H. Doc. No. 93-290); to the Committee on Government Operations and ordered to be printed.

2214. A letter from the Comptroller General of the United States, transmitting a report on the examination of financial statements of the Government Printing Office for fiscal year 1973, pursuant to 44 U.S.C. 309 (c); to the Committee on Government Operations.

2215. A letter from the Comptroller General of the United States, transmitting a report on comprehensive health planning as carried out by State and areawide agencies in three States; Department of Health, Education, and Welfare; to the Committee on Government Operations.

2216. A letter from the Comptroller General of the United States, transmitting a review of testing and evaluation policies and procedures of the Department of Defense; to the Committee on Government Operations.

2217. A letter from the Comptroller General of the United States, transmitting a report on the increased efficiency predicted if information processing systems of the Social Security Administration are redesigned; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[*Pursuant to the order of the House on April 10, 1974, the following report was filed on April 15, 1974*]

Mr. TEAGUE: Committee on Science and Astronautics. H.R. 13999. A bill to authorize appropriations for activities of the National Science Foundation, and for other purposes (Rept. No. 93-995). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FRASER:

H.R. 14275. A bill to amend title XVI of the Social Security Act to provide for emergency assistance grants to recipients of supplemental security income benefits, to authorize cost-of-living increases in such benefits and in State supplementary payments, to prevent reductions in such benefits because of social security benefit increases, to provide reimbursement to States for home relief payments to disabled applicants prior to determination of their disability, to permit payment of such benefits directly to drug addicts and alcoholics (without a third-party payee) in certain cases, and to continue on a permanent basis the provision making supplemental security income recipients eligible for food stamps; to the Committee on Ways and Means.

By Mr. KEMP:

H.R. 14276. A bill to amend the Export-Import Bank Act of 1945 to strengthen the oversight role of Congress with respect to extension of credit by the Bank, and for other purposes; to the Committee on Banking and Currency.

By Mr. ROGERS:

H.R. 14277. A bill to amend section 620, title 38, United States Code, to authorize the Administrator of the Veterans' Administration to permit the direct admission of veterans into community nursing homes; to the Committee on Veterans' Affairs.

H.R. 14278. A bill to amend section 105(d) of the Internal Revenue Code of 1954 to provide that the excludability from gross income of disability pension payments to an individual shall be determined without regard to whether or not the individual has reached retirement age; to the Committee on Ways and Means.

By Mr. ST GERMAIN:

H.R. 14279. A bill to authorize the Secretary of the Interior to establish national parks or national recreation areas in those States which presently do not have a national park or national recreation area; to the Committee on Interior and Insular Affairs.

By Mr. STEELMAN (for himself, Mr. Fraser, Mr. Biester, Mr. Sarbanes, Mr. Bergland, Mr. Hawkins, Mr. Roe, Mr. Stark, Mr. Stokes, Mrs. Heckler of Massachusetts, Miss Holtzman, and Mr. Blatnik):

H.R. 14280. A bill to amend the Public Health Service Act to provide for the making of grants to assist in the establishment and initial operation of agencies and expanding the services available in existing agencies which will provide home health services, and to provide grants to public and private agencies to train professional and paraprofessional personnel to provide home health services; to the Committee on Interstate and Foreign Commerce.

By Mr. WHALEN (for himself, Mr. Bell, Mr. McCloskey, and Mr. Pritchard):

H.R. 14281. A bill to repeal economic sanctions against Cuba which are contained in certain acts of Congress; to the Committee on Foreign Affairs.

By Mr. ROGERS:

H.J. Res. 981. Joint resolution to authorize and request the President to proclaim the second week in May of each calendar year as National Juvenile Diabetes Week; to the Committee on the Judiciary.

H. Con. Res. 479. Concurrent resolution expressing the sense of the Congress with respect to the imprisonment in the Soviet Union of a Lithuanian seaman who unsuccessfully sought asylum aboard a U.S. Coast Guard ship; to the Committee on Foreign Affairs.

By Mr. HINSHAW:

H. Res. 1040. Resolution directing the Secretary of Defense to furnish information concerning the expenditure of Federal funds on private property owned by certain Presidents of the United States; to the Committee on Armed Services.

H. Res. 1041. Resolution directing the Secretary of Defense to furnish information concerning the expenditure of Federal funds for administrative support and personnel at or near private residences of certain Presidents of the United States; to the Committee on Armed Services.

H. Res. 1042. Resolution directing the Secretary of the Army to furnish information concerning the expenditure of Federal funds on private property owned by certain Presidents of the United States; to the Committee on Armed Services.

H. Res. 1043. Resolution directing the Secretary of the Army to furnish information concerning the expenditure of Federal funds of administrative support and personnel at or near private residences of certain Presidents of the United States; to the Committee on Armed Services.

H. Res. 1044. Resolution directing the Secretary of the Navy to furnish information concerning the expenditure of Federal funds on private property owned by certain Presidents of the United States; to the Committee on Armed Services.

H. Res. 1045. Resolution directing the Secretary of the Navy to furnish information concerning the expenditure of Federal funds for administrative support and personnel at or near private residences of certain Presidents of the United States; to the Committee on Armed Services.

H. Res. 1046. Resolution directing the Secretary of the Air Force to furnish information concerning the expenditure of Federal funds on private property owned by certain Presidents of the United States; to the Committee on Armed Services.

H. Res. 1047. Resolution directing the Secretary of the Air Force to furnish information concerning the expenditure of Federal funds for administrative support and personnel at or near private residences of certain Presidents of the United States; to the Committee on Armed Services.

H. Res. 1048. Resolution directing the Administrator of the General Services Administration to furnish information concerning the expenditure of Federal funds on private property owned by certain Presidents of the United States; to the Committee on Government Operations.

H. Res. 1049. Resolution directing the Administrator of the General Services Administration to furnish information concerning the expenditure of Federal funds for administrative support and personnel at or near private residences of certain Presidents of the United States; to the Committee on Government Operations.

H. Res. 1050. Resolution directing the Secretary of Transportation to furnish information concerning the expenditure of Federal funds on private property owned by certain Presidents of the United States; to the Committee on Interstate and Foreign Commerce.

H. Res. 1051. Resolution directing the Secretary of Transportation to furnish information concerning the expenditure of Federal funds for administrative support and personnel at or near private residences of certain Presidents of the United States; to the Committee on Interstate and Foreign Commerce.

H. Res. 1052. Resolution directing the Director of the Secret Service to furnish information concerning the expenditure of Federal funds on private property owned by certain Presidents of the United States; to the Committee on Ways and Means.

H. Res. 1053. Resolution directing the Director of the Secret Service to furnish information concerning the expenditure of Federal funds for administrative support and personnel at or near private residences of certain Presidents of the United States; to the Committee on Ways and Means.

By Mr. WALSH (for himself and Mr. RHODES):

H. Res. 1054. Resolution to require the administration of an oath to each Member of the House prior to the consideration of any resolution of impeachment; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

424. By the SPEAKER: A memorial of the Legislature of the State of Hawaii, relative to the appropriation of funds to implement title V of the Older Americans Act; to the Committee on Appropriations.

425. Also, memorial of the Legislature of the State of California, relative to the California Air National Guard; to the Committee on Armed Services.

426. Also, memorial of the Legislature of the State of Hawaii, relative to wage and price controls; to the Committee on Banking and Currency.

427. Also, memorial of the Senate of the State of Oklahoma, relative to inflation; to the Committee on Banking and Currency.

428. Also, memorial of the Legislature of the State of Idaho, relative to exemption of the range sheep industry from the foreign labor housing regulations; to the Committee on Education and Labor.

429. Also, memorial of the Legislature of the State of Oklahoma; relative to urban and rural community development programs under the Economic Opportunity Act of 1964; to the Committee on Education and Labor.

430. Also, memorial of the Legislature of the State of Hawaii, relative to geothermal research; to the Committee on Interior and Insular Affairs.

431. Also, memorial of the Legislature of the Commonwealth of Virginia, relative to land use policy legislation; to the Committee on Interior and Insular Affairs.

432. Also, memorial of the Legislature of the Commonwealth of Virginia, relative to the observance of American Business Day; to the Committee on the Judiciary.

433. Also, memorial of the Legislature of the Commonwealth of Virginia, relative to the construction of water pollution abatement facilities; to the Committee on Public Works.

434. Also, memorial of the Legislature of the State of Hawaii, relative to retention of the House Committee on Merchant Marine and Fisheries; to the Committee on Rules.

435. Also, memorial of the Legislature of the Trust Territory of the Pacific Islands, relative to eligibility for social security benefits of certain trust territory citizens; to the Committee on Ways and Means.

436. Also, memorial of the Legislature of the Trust Territory of the Pacific Islands, relative to the payment of Federal income taxes collected from U.S. citizens working in Micronesia into the Congress of Micronesia General Fund; to the Committee on Ways and Means.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

421. By Mr. MOAKLEY: Petition of Jay Dixon, Norwood, Mass., and others, relative to impeachment of the President; to the Committee on the Judiciary.

422. By the SPEAKER: Petition of the mayor and city council, Seattle, Wash., relative to increased funding for summer youth employment; to the Committee on Appropriations.

423. Also, petition of Wilma D. Boslaugh and others, Tulsa, Okla., relative to a painting at the District of Columbia Bicentennial Center; to the Committee on the District of Columbia.

424. Also, petition of the Federation of Jewish Women's Organizations of Maryland, Baltimore, Md., relative to the Middle East; to the Committee on Foreign Affairs.

425. Also, petition of the counsels for the plaintiffs and defendants in Civil No. 74-12, *Kila* v. *Hawaiian Homes Commission*, in the U.S. District Court for the District of Hawaii, relative to assistance of the Congress in the case; to the Committee on Interior and Insular Affairs.

426. Also, petition of the board of commissioners, Ingham County, Mich., relative to a National Day of Humiliation, Fasting, and Prayer; to the Committee on the Judiciary.

427. Also, petition of the town board, Rush Springs, Okla., relative to curtailment of recreational activities in the Wichita Mountain Wildlife Refuge; to the Committee on Merchant Marine and Fisheries.

428. Also, petition of the board of commissioners, Johnson City, Tenn., relative to the establishment of a medical school in conjunction with Veterans' Administration facilities; to the Committee on Veterans' Affairs.

SENATE—*Monday, April 22, 1974*

The Senate met at 12 o'clock noon and was called to order by Hon. WILLIAM D. HATHAWAY, a Senator from the State of Maine.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Eternal Father, we thank Thee for life and for a vocation of service to the people of this Nation. Grant us grace and wisdom to live by the truth of Thy Word.

Trust in the Lord with all thine heart; and lean not unto thine own understanding. In all thy ways acknowledge Him, and He will direct thy paths.—Proverbs 3: 5, 6.

Thus may we fulfill our vocation to the glory of Thy name and the advancement of Thy kingdom. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., April 22, 1974.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. WILLIAM D. HATHAWAY, a Senator from the State of Maine, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. HATHAWAY thereupon took the chair as Acting President pro tempore.

MESSAGE FROM THE PRESIDENT RECEIVED DURING ADJOURNMENT

Under authority of the order of the Senate of April 11, 1974, the Secretary of the Senate, on April 17, 1974, received a message from the President of the United States submitting a nomination, which was referred to the Committee on Armed Services.

REPORTS OF COMMITTEES SUBMITTED DURING ADJOURNMENT

Under authority of the order of the Senate of April 11, 1974, the following reports of committees were submitted:

On April 12, 1974:

By Mr. MAGNUSON, from the Committee of Commerce, with amendments:

S. 1485. A bill to establish an International Commerce Service within the Department of Commerce (Rept. No. 93-782);

S. 1486. A bill to authorize the Secretary of Commerce to engage in certain export expansion activities, and for related purposes (Rept. No. 93-783); and

S. 1488. A bill to provide for a system of uniform commodity descriptions and tariffs filed with the Federal Maritime Commission (Rept. No. 93-784).

On April 19, 1974:

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, with an amendment:

S. 3267. A bill to provide standby emergency authority to assure that the essential energy needs of the United States are met, and for other purposes (Rept. No. 93-785).

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, April 11, 1974, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had passed the bill (H.R. 13113) to amend the Commodity Exchange Act to strengthen the regulation of futures trading, to bring all agricultural and other commodities traded on exchanges under regulation, and for other purposes, in which it requests the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H.R. 13113) to amend the Commodity Exchange Act to strengthen the regulation of futures trading, to bring all agricultural and other commodities traded on exchanges under regulation, and for other purposes, was read twice by its title and referred to the Committee on Agriculture and Forestry.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries, and he announced that on April 12, 1974, the President had approved and signed the following acts:

S. 71. An act for the relief of Uhel D. Polly;

S. 205. An act for the relief of Jorge Mario Bell;

S. 507. An act for the relief of Wilhelm J. R. Maly;

S. 816. An act for the relief of Mrs. Jozefa Sokolowska Domanski;

S. 912. An act for the relief of Mahmood Shareef Suleiman;

S. 969. An act relating to the constitutional rights of Indians;

S. 1341. An act to provide for financing the economic development of Indians and Indian organizations, and for other purposes;

S. 1836. An act to amend the act entitled "An act to incorporate the American Hospital of Paris", approved January 30, 1913 (37 Stat. 654);

S. 2112. An act for the relief of Vo Thi Suong (Nini Anne Hoyt); and

S. 2441. An act to amend the act of February 24, 1925, incorporating the American War Mothers, to permit certain stepmothers and adoptive mothers to be members of that organization.

MANPOWER REPORT OF THE PRESIDENT—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. HATHAWAY) laid before the Senate a message from the President of the United States, which with the accompanying report, was referred to the Committee on Labor and Public Welfare. The message is as follows:

To the Congress of the United States:

As required by section 107 of the Manpower Development and Training Act of 1962, as amended, and by section 605 of the Comprehensive Employment and Training Act of 1973, I am sending to Congress the 12th annual Manpower Report of the President.

When I signed the CETA into law on December 28, 1973, I expressed considerable gratification with the new legislation, noting that it represented "a significant shift in intergovernmental responsibilities." The Manpower Report I am sending you today provides important new information concerning the step-by-step implementation of this long-needed transfer of manpower program planning and design responsibilities to units of government which are best equipped to measure and meet local needs. From now on, State and local governments will be able to decide for themselves what kind of manpower services they require, for how long and in what quantity—and I am convinced that they will be able to provide such services more efficiently and more promptly than was possible under the preceding system of federally-managed categorical programs.

Among other important topics discussed in this report is the energy shortage and the measures taken by the Department of Labor and other agencies of Government to minimize the temporary disruptions of the labor market caused by the energy crisis. The report reveals that, in spite of these disruptions, 1973 was a good year for labor. The number of those employed as of December numbered nearly 86 million. In the past 2 years alone, over 4.1 million Americans entered the labor force, including significant numbers of women and younger workers. While the unemployment rate has moved upward temporarily after many months of steady decline, we should not overlook the sizable increases during the same time-span in the number of new jobs and newly employed Americans.

For the convenience of the Congress, this edition of the Manpower Report brings together in one volume an overview of numerous manpower activities carried out under separate legislative mandates.

RICHARD NIXON.

THE WHITE HOUSE, *April 22, 1974.*

REPORT OF THE NATIONAL COUNCIL ON THE ARTS AND THE NATIONAL ENDOWMENT FOR THE ARTS—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. HATHAWAY) laid before the Senate a message from the President of the United States, which, with the accompanying report, was referred to the Committee on Labor and Public Welfare. The message is as follows:

To the Congress of the United States:

It is my great pleasure to transmit to the Congress the Annual Report of the National Council on the Arts and the National Endowment for the Arts for fiscal year 1973.

The cultural heritage of this Nation—enormously rich and diverse—is a strength to millions of Americans who turn to the arts for inspiration, communication, and creative self-expression.

This annual report reflects the vital role which the Government performs in making the arts more available to all our people, by encouraging original fresh expression and sustaining the great traditions of our past artistic accomplishments.

The National Endowment for the Arts has an exceptional record of achievement in advancing the broad artistic development of this Nation, reaching into every State and special jurisdiction. Its funding at $38,200,000 in fiscal year 1973 was nearly a third more than the previous year, and with these additional monies the Endowment was able to continue and expand critically important support for our orchestras, operas, theatres, dance companies, and museums as well as encourage our artists, and open new opportunities for talented young actors and performers.

With the Bicentennial near at hand, the creative gifts of our artists and the production and presentation skills of our great institutions will be indispensable components of the national celebration. Through the arts we will be able to express most fully the ideals of this Nation.

I hope that every Member of the Congress will share my enthusiasm about the many meaningful achievements of the National Council on the *Arts and* the National Endowment for the Arts and will continue to support the Endowment with the resources needed to sustain the cultural heritage of this Nation, and give it abundant opportunity for growth.

RICHARD NIXON.

THE WHITE HOUSE, *April 22, 1974.*

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. HATHAWAY) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of Senate proceedings.)

WAIVER OF THE CALL OF THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the call of the legislative calendar, under rule VIII, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETING DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

INFLATION

Mr. MANSFIELD. Mr. President, during the week in which the Senate has been in recess, I have been very much concerned about the official reports emanating from the Government and from business analysts to the effect that we are now approaching a runaway inflation rate.

In the past 7 years—I believe that is the correct number—we have endured a 43-percent inflation rate.

It is my understanding that in the 1-year period from the end of March 1973 to the end of March 1974, the inflation rate for that year was 10.5 percent.

It is my further understanding that in the first 3 months of this year, January, February, and March, the rate of inflation in this country has been 14.5 percent. That, of course, has to be tied in with the previous 9 months, to arrive at the figure of 10.5 percent.

Banking Committees in both bodies I understand, as of a few weeks back have not recommended renewing any sort of control measures which would tend to keep down the inflationary spiral.

It is my recollection that before the Senate went out for the Easter recess, the distinguished Senator from Maine (Mr. MUSKIE) introduced a proposal, in which

I joined, which would at least keep the Cost of Living Council under Mr. John Dunlop in operation so that at least a monitoring service could be maintained and perhaps used to forewarn the people and the Government as to where prices were going to increase and increase drastically.

We know that a number of union contracts are up this year with the inevitable prospect of substantial wage hikes on the horizon—many of them justified on a "catch-up" basis no doubt.

If we allow things to get out of hand, however, then I am afraid we will be doing a disservice to the country and we will be foregoing the responsibilities which I think belong to the Congress in this regard.

So I rise today only to serve notice that we have approached a most dangerous inflationary stage and that something should be done, hopefully between the administration and Congress, in an attempt to bring about a degree of control before it gets out of hand.

We can no longer point to the inflation rate in Western Europe or in Japan and take any solace from that, because at the rate we are going we are rapidly approaching the situation which they have already reached.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the time allotted to the distinguished minority leader be made available to the distinguished Senator from Nebraska (Mr. CURTIS).

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CURTIS. Mr. President, I share the concern expressed by the distinguished majority leader (Mr. MANSFIELD) over the inflation in this country. I believe the time is long past due when we must deal with the causes of inflation and not be content to try to curb them by governmental action.

There are certain phases of inflation which, without a doubt, are worldwide in their causes. However, I am convinced that much of the responsibility for the inflation of the past few months, as well as over the past number of years, must rest squarely on the Government of the United States and, to a great degree, on Congress.

Those who advocate great expenditures on the part of the Government seldom admit that deficits are inflationary. Yet, if we look back over the years, high deficits have been followed by marked inflation.

In fiscal year 1973, we had a deficit of $14.3 billion. That had a great deal to do with setting in motion the inflation about which we are all now so concerned.

In 1974 the projected deficit is about $4.6 billion, admittedly less, but the momentum for the inflation started back with the higher deficits. This deficit of $4.6 billion would have been higher if there had not been some withholding of funds, impoundments, and a few other actions taken.

It is anticipated, however, that the deficit for fiscal year 1974, the fiscal year that will start July 1 next, will be $9.4 billion.

Mr. President, if we are serious about curbing inflation, it is time for us to inform the American people that we have the courage to deal with the causes of inflation.

What we need more than anything else is a balanced budget. Yet, at this very time, there are those who are advocating tax cuts. With a deficit of $14.3 billion, another one of $4.6 billion, and an anticipated deficit of $9.4 billion, is no time to cut taxes.

There are some people who are out of work, the cause of which is related to the fuel crisis. But with fewer people making automobiles because of the problems arising out of the fuel crisis, a tax cut will not help them. A tax cut will not materially change the fuel crisis situation. It is not going to change the resistance to buying cars and larger cars that put more people to work. The individual who has lost his job because of the fuel crisis will not be helped by having his taxes reduced. If you do not have an income, how can you be helped by having your taxes reduced? Basically, the Federal Government relies upon income taxes.

Mr. President, what we should be doing here instead of talking about a tax cut is talking about a balanced budget. A balanced budget is a good thing, it is said, but not right now; let us put it off until some more convenient time. I believe that this Government should go permanently on a pay-as-you-go basis. I have introduced a constitutional amendment that would provide it. This amendment, if passed by both Houses of Congress and ratified by the required number of States, would make a balanced budget automatic; because it would provide that if our expenses exceeded our revenues, a finding would have to be made as to what amount of surtax must be applied in order to bring the budget into balance. A surtax of 5 percent would mean that everybody would figure their income taxes and add 5 percent.

I am convinced that if those of us in office had to face the hard facts of a tax increase or reduced spending, we would reduce spending. Therefore, I believe that automatic machinery that would put in motion right away a surtax whenever we ran a deficit not only would balance the budget but also would raise the purchasing power of our money, would bring respect to the American Government at home and abroad, and would promote general prosperity. It is not true that you have to have a deficit in order to have prosperity. That is not borne out by the facts.

Mr. President, some day our grandchildren are going to rise up and are going to ask, "Does Uncle Sam ever pay his debts? Does Uncle Sam ever pay off a Government bond by surplus financing, by having taken in more money than is spent, or does Uncle Sam just renew the bond and just issue more bonds to pay the interest?" We will have to answer that question.

We would be contributing to the well-being of every person in the country if we would place this Government on a pay-as-you-go basis and provide a small increment in payment on the national debt.

The constitutional amendment I have pending takes cognizance of the fact that in time of war, we should not bind our hands by a constitutional amendment. We could not defend ourselves. Therefore, it provides that in time of war, it could be set aside for 1 year at a time. The next year, we would have to take another vote, by a three-fourths vote of Congress. The amendment also takes cognizance of the fact that sometimes when a great disaster occurs, the Federal Government is the only place we can turn to; so in time of grave national emergency, the constitutional amendment could be set aside for a year at a time.

Mr. President, let us deal with the causes of inflation and quit fooling the American people. Now is no time for a tax cut.

Mr. MANSFIELD. Mr. President, I listened with interest to the remarks of the distinguished Senator from Nebraska. I believe that a step toward a balanced budget could be brought about through a sizable decrease in defense expenditures, by appropriating only sums that are necessary, by getting away from the superfluity of general officers and admirals and colonels, by reducing the size of our forces in Western Europe on a gradual basis, by cutting down on the space program, by cutting down very harshly on the AID program, and by doing something about the military aspects of the atomic energy program.

This is a serious situation which confronts this Nation today, and in my opinion a mandatory system of wage and price controls should be imposed. The controls would cover all products, including raw agricultural products, which nobody seems to want to touch anymore. It should be coupled with strong export control procedures, so that people could not use an excuse to fly away with their goods and capital to foreign countries, where they would use the excuse that labor was cheaper or the price was more profitable.

I point out that Congress gave the President the authority to control prices and wages, standby wage and price controls, when the inflation rate was about 4 percent. Now it is 14.5 percent. I think it is time to act before conditions get out of hand and before a real recession is upon us; because if we face a recession, the next step will be a depression, and this country can afford neither.

Mr. PROXMIRE. Mr. President, I concur heartily in what the distinguished majority leader has just said.

I would simply add that it is perfectly possible for the President of the United States, without any additional legislation, to take decisive action to cope with the inflation problem which is now the principal economic problem we face. The majority leader has just indicated that we can be helpful in this regard by holding down military spending. The President is in charge of outlays. He has constantly asked Congress, every year for the last 6 years, for more money in the military area than we have appropriated. We have cut his budget and will cut it again this year. We have also cut his requests for foreign military aid and total foreign military aid, both that which is overt and that which is hidden in the defense budget amounts and other appropriations and amount to $6 billion.

Also, the President has a continuing price control law which does not expire until February of next year, which covers the fuel emergency—not the only element—in the overall inflationary situation. Congress has passed legislation which would roll back those prices to some extent. There is no question that the administration, in my view, has gone much too far in permitting energy prices to rise much further than required to get the kind of exploration and production we need.

In addition, the President could help us with respect to the inflation situation by providing for a food reserve program, a program which would insulate us against the other big area of inflation—the food area.

Also, the situation could be helped by more vigorous prosecution of the antitrust laws and eliminating the general high living, through limousines and helicopters and so forth, that has characterized too much of our Federal Government for too long.

Mr. President, this morning I would like to continue my speeches on what is right with the Federal Government, after having got into the little imbroglio.

ORDER FOR RECOGNITION OF SENATOR MONDALE TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that on tomorrow, after the joint leadership has been recognized, the distinguished Senator from Minnesota (Mr. MONDALE) be recognized for 15 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Wisconsin (Mr. PROXMIRE) is recognized for not to exceed 15 minutes.

WHAT IS RIGHT WITH THE FEDERAL GOVERNMENT: NATION'S MEDIA

Mr. PROXMIRE. Mr. President, when historians a thousand years from now look back on the past 15 years, or so, they will remark especially the giant strides this Nation's media took in translating the coincidental arrival of television and a professional press into an astonishing transformation in the power of public opinion.

What I am saying is that television has revolutionized the people's power over their Government in this country. Consider: the vast majority of Americans now know instantly and directly when any big event—a battle in Vietnam, a revelation about Watergate, a moral blunder or a diplomatic coup by the President.

At the same time this technical marvel burst forth, the Nation enjoyed an explosion of professionalism in its communications media.

This is something new. Throughout all of human history, events not only tended to creep up on the people. But the reporting of those events lacked the standards of accuracy, objectivity, balance, comprehensiveness that virtually every reporter in every city room and television and radio studio is held to today. What I am saying is that for the first time in this Nation's history we have a professional and far more competent press.

This is not to say that we have reached the ultimate in perfect reporting. But it is ironic—that just as the Federal Government is catching it on the chin at the very time when the Government is doing the most productive job it has ever done in providing for education, consumer and environmental protection, civil liberties, civil rights, and so forth—so the press is enduring its most bitter criticism at precisely the time when it is doing the best most professional work it has ever done and using the technological marvel of the news media to give that professionalism a super impact.

All of us can recall many occasions when the press has blundered—cruelly and meanly—in the past year or week or month—or yesterday for that matter.

The press is human. It is fallible. It still is just beginning to toddle in doing the great job it can and I think will do.

But, Mr. President, the fact is that the press has some remarkable achievements in the last few years.

Achievement No. 1: The first war in this Nation's history stopped by popular demand—as a direct result of television bringing the war into every American living room, and reporters describing the war to us proud and nationalistic Americans as it really was.

Achievement No. 2 is in progress right now: A President who has just won the biggest popular mandate in American history—brought within a year and a half into jeopardy by an astonishing job by the Nation's press in reporting the facts.

Of course, the full consequences of this latter achievement are not known. But whether President Nixon is impeached by the House and if so removed from office by the Senate, this sudden sharp reversal of public opinion—this amazing demonstration of popular power would have been impossible without the twin developments of television impact and the new professionalism—the reporter—proud of his accuracy, objectivity, and completeness in telling the story as it is.

Whatever happens from here on out in the Watergate matter, we now know that the free and aggressive American press using its new media power can bring the occupant of the most powerful office in the world—the Presidency—to full account before the people. This is a new and reassuring dimension for democracy.

Now, Mr. President, the title of this series of speeches is not what is good about this country. It is what is good about the Federal Government. So what has this remarkable revolution in communications to do with whether or not the Federal Government has improved in the past 15 years?

The point is that like it or not, willing or not—the President, the Congress, the courts are now more promptly and fully accountable to popular judgment than ever before.

Knowledge is power. The Constitution gives our people the ultimate authority to change the officials who govern them, to change the law and to change the Constitution itself. But that power only means something to the extent that the people cannot be deceived or manipulated by those who do govern.

A generation ago in the wake of the Hitler nightmare in Germany, Sinclair Lewis wrote a chilling novel entitled: "It Can Happen Here." And in spite of the reassuring recent developments I have been talking about it still can happen here. But the tradition of a professional press, dedicated to try hard to tell the truth and instruments of communication that make that reporting known by tens of millions of Americans overnight, the prospects that it can happen here have been greatly reduced.

Furthermore the remarkable progress that I have been outlining in the past few weeks and will continue to outline in education, civil liberties, civil rights, social security, women's rights have been achieved in these past 15 years or so, very largely because this vastly improved communication system is working better. The Government is more responsive because the people have a power—far more accurate and more swiftly delivered information presented in a format they can easily and swiftly digest, and we in positions of governmental power know it.

In a sense this is the most encouraging aspect of the profound impact of the new communications technology and professionalism. It means that governmental progress is not conditional on the happenstance of particular personalities. The institutional force of an informed public opinion is likely to continue to force Federal Government progress regardless of who is President or who are in Congress.

First consider the technology. In the past few years these advances have made communication more direct, instantaneous, and almost universal. We recognize at once the mamouth impact of television on the American people. Educators tell us that television has a greater impact on the American child than the school or church and perhaps than mother or father.

The President of the United States explains his downhill plunge in public esteem in terms of the interpretations of the news on nightly television networks. Whether it is the interpretation or the facts themselves, there is no dispute that it is indeed the explosive impact of television reporting and analysis on the American public that has wrought this remarkable political change.

But television is only one of our technological marvels. At the very time when our educational and research revolution has seemed to swamp us in facts that are too overwhelming to organize and classify so they can be put to use along comes another technological breakthrough to the rescue like the marines.

Computers are the marvel of our era. They can store billions of items of information, which translate into millions of ideas, which can be assembled, sometimes in fractions of seconds into answers. The computer has become the prime tool of the scientific theorist, the applied scientist, the social scientist in extending the frontiers of knowledge. It also has become a vital part of business. It has been adapted to perform or to enhance every business function from designing and operating products to selling them, not to mention doing the bookkeeping.

By helping us to use masses of statistics the computer greatly advances our ability to adapt policies that will help solve the problems of this complex society of more than 200 million persons.

The revolution in communications has shifted power to the people as never before in our history. Except for our first amendment freedom, Government would as it always has in other societies try to dominate and control communications. The first amendment has stopped that. But Government can still within that great restriction drag its feet or work to expand the availability of information. In the past 15 years the Congress has done pretty well. It has strengthened the rights of citizens through freedom of information legislation to get facts out of the Government. Particular progress has been made in opening more and more committee hearings and markups.

The press has done more and more in recent years to scrutinize business and other institutions as the consumer movement has grown. Newspapers and broadcasting stations have devoted space and time to ombudsman activity—getting the answers to immediate, everyday problems.

The emergence of the op-ed page in the last few years is evidence of the increased recognition by newspapers of their responsibility to offer opinions that contradict their editorial policies. This is recent vital progress that is essential as more and more cities have become one newspaper towns.

But the giant step that greatly dwarfs the diminution in the number and variety of newspapers has been the professionalization of newspaper reporters and editors. The quiet, little noticed revolution that has converted the reporter from an on-the-job trained mouthpiece of the owner's biases and prejudice to a university trained professional committed to standards of accuracy, objectivity, fairness, and balance has massively improved public communications in the past generation or two.

Our Government is better because of it. This professional reporting together with the technology of radio, television, and computers has brought this country—and indeed much of the developed world a revolution in government responsive to a people that is far better informed than ever before.

QUORUM CALL

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. GRIFFIN. Mr. President, with the authority of the distinguished majority leader, I ask unanimous consent that there be a period for the transaction of routine morning business of not to exceed 30 minutes, with statements therein limited to 3 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HRUSKA. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. HATHAWAY) laid before the Senate the following letters, which were referred as indicated:

REPORT OF COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a secret report relative to a "Study of Alternative Courses of Action for the Strategic Manned Bomber," dated April 16, 1974 (with an accompanying report). Referred to the Committee on Government Operations.

TRANSFER OF RESEARCH AND DEVELOPMENT FUNDS BY THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

A letter from the Administrator of the National Aeronautics and Space Administration reporting, pursuant to law, on the proposed use of an additional $4.2 million of research and development funds to complete the modifications of certain Government-owned contractor-operated facilities at Santa Susana, Calif. Referred to the Committee on Aeronautical and Space Sciences.

APPROVAL OF LOANS BY THE RURAL ELECTRIFICATION ADMINISTRATION

A letter from the Administrator of the Rural Electrification Administration furnishing certain information, pursuant to law, concerning the approval of a loan to Tri-State Generation and Transmission Association, Inc., of Denver, Colo., to finance the construction of certain transmission facilities (with accompanying papers). Referred to the Committee on Appropriations.

A letter from the Administrator of the Rural Electrification Administration furnishing certain information, pursuant to law, concerning the approval of a loan to Arizona Electric Power Cooperative, Inc., of Benson, Ariz., for the financing of certain generation and transmission facilities (with accompanying papers). Referred to the Committee on Appropriations.

TRANSFER OF FUNDS BETWEEN MAJOR SUBDIVISIONS OF THE OPERATION AND MAINTENANCE, NAVY APPROPRIATIONS

A letter from the Acting Secretary of the Navy reporting, pursuant to law, on the approval of the transfer of certain funds between major subdivisions of the operation and maintenance, Navy appropriation (with accompanying papers). Referred to the Committee on Appropriations.

REPORTS OF THE SECRETARY OF DEFENSE

A letter from the Deputy Secretary of Defense transmitting, pursuant to law, reports of violation of section 3679, Revised Statutes, and of Department of Defense Directive 7200.1, "Administrative Control of Appropriations within the Department of Defense" (with accompanying papers). Referred to the Committee on Appropriations.

REPORT OF THE OFFICE OF MANAGEMENT AND BUDGET

A letter from the Deputy Director of the Office of Management and Budget reporting, pursuant to law, that the appropriation to the Bureau of Accounts of the Department of the Treasury for "Salaries and Expenses," for the fiscal year 1974, has been reapportioned on a basis which indicates the necessity for a higher supplemental estimate of appropriation. Referred to the Committee on Appropriations.

ANNUAL REPORT ON RESERVE FORCES FOR 1973

A letter from the Deputy Secretary of Defense transmitting, pursuant to law, the annual report on Reserve forces for fiscal year 1973 (with an accompanying report). Referred to the Committee on Armed Services.

REPORT ON THE NATIONAL INDUSTRIAL RESERVE

A letter from the Acting Assistant Secretary of Defense transmitting, pursuant to law, a report on the National Industrial Reserve Act of 1948 for the calendar year 1973 (with an accompanying report). Referred to the Committee on Armed Services.

PROPOSED FACILITIES PROJECTS

A letter from the Deputy Assistant Secretary of Defense transmitting, pursuant to law, a list of 19 facilities projects proposed to be undertaken for the Air National Guard (with accompanying papers). Referred to the Committee on Armed Services.

REPORT ON PROPERTY ACQUISITIONS AND EMERGENCY SUPPLIES

A letter from the Director of the Defense Civil Preparedness Agency reporting, pudsuant to law, on property acquisitions of emergency supplies and equipment for the quarter ending March 31, 1974. Referred to the Committee on Armed Services.

DONATION OF CERTAIN SURPLUS PROPERTY

A letter from Chief of Legislative Affairs of the U.S. Navy reporting, pursuant to law, the intention of the Department of the Navy to donate certain surplus property to the U.S.S. *Constitution* Museum Foundation, Portsmouth, R.I. (with accompanying papers). Referred to the Committee on Armed Services.

TRANSFER OF SURPLUS AIRCRAFT CARRIER

A letter from the Assistant Secretary of the Navy reporting, pursuant to law, on the proposed transfer of the aircraft carrier ex-*Yorktown* (ex CVS-10) to the State of South Carolina represented by the Patriots Point Development Authority (Patriots Point Naval Museum), Charleston, S.C. Referred to the Committee on Armed Services.

REPORT ON DEPARTMENT OF DEFENSE PROCUREMENT

A letter from the Assistant Secretary of Defense transmitting, pursuant to law, a report on Department of Defense procurement from small and other business firms for July–December 1973 (with an accompanying report). Referred to the Committee on Banking, Housing and Urban Affairs.

REPORT OF THE DEPARTMENT OF HEALTH EDUCATION, AND WELFARE

A letter from the Secretary of Health, Education, and Welfare transmitting, pursuant to law, a report of the Department of Health, Education, and Welfare regarding the administration of the Fair Packaging and Labeling Act during the fiscal year 1973 (with an accompanying report). Referred to the Committee on Commerce.

Report of the Secretary of Transportation

A letter from the Secretary of Transportation transmitting, pursuant to law, a report on the progress in carrying out the purposes of title I, section 112, of the Motor Vehicle Information and Cost Savings Act of 1972 (with an accompanying report). Referred to the Committee on Commerce.

Upstream Watershed Protection

A letter from the Acting Director of the Office of Management and Budget reporting, pursuant to law, four work plans for upstream watershed protection. Referred to the Committee on Agriculture and Forestry.

Report of the Federal Power Commission

A letter from the Chairman of the Federal Power Commission transmitting a publication entitled "Typical Electric Bills, 1973" (with an accompanying publication). Referred to the Committee on Commerce.

Proposed Legislation by the Secretary of Commerce

A letter from the Secretary of Commerce transmitting a draft of proposed legislation to extend the provisions of the Merchant Marine Act of 1936 relating to war risk insurance for an additional 5 years ending September 7, 1980 (with accompanying papers). Referred to the Committee on Commerce.

Proposed Legislation by the Office of Telecommunications Policy

A letter from the Director of the Office of Telecommunications Policy transmitting a draft of proposed legislation to amend the Communications Satellite Act of 1962 (with accompanying papers). Referred to the Committee on Commerce.

Proposed Legislation by the Secretary of Transportation

A letter from the Secretary of Transportation transmitting a draft of proposed legislation to permit the financing of certain airport and airway system operating costs from the airport and airway trust funds, and for other purposes (with accompanying papers). Referred to the Committee on Commerce.

Report of the Consumer Product Safety Commission

A letter from the Director, Division of Budget and Finance, of the Consumer Product Safety Commission transmitting, pursuant to law, a report on budget execution for the month of December 1973 (with an accompanying report). Referred to the Committee on Commerce.

Report of the National Railroad Passenger Corporation

A letter from the Chairman of the National Railroad Passenger Corporation transmitting, pursuant to law, a report of the Amtrak for the month of December 1973 (with an accompanying report). Referred to the Committee on Commerce.

Proposed Legislation for the District of Columbia

A letter from the Mayor-Commissioner of the District of Columbia transmitting a draft of proposed legislation relating to crime and law enforcement in the District of Columbia (with accompanying papers). Referred to the Committee on the District of Columbia.

Report of the Department of Labor

A letter from the Secretary of Labor transmitting, pursuant to law, the first regional report on the effects of extending unemployment insurance coverage to agricultural labor (with an accompanying report). Referred to the Committee on Finance.

Report of the Secretary of the Treasury

A letter from the Secretary of the Treasury transmitting, pursuant to law, a report setting forth an analysis of the operation and effect of the provisions of the Revenue Act of 1971 which authorizes the creation of domestic international sales corporations (with an accompanying report). Referred to the Committee on Finance.

International Agreements Other Than Treaties

A letter from the Assistant Legal Adviser for Treaty Affairs of the Department of State transmitting, pursuant to law, copies of international agreements other than treaties entered into by the United States within the past 60 days (with accompanying papers). Referred to the Committee on Foreign Relations.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. Hathaway):

A joint resolution of the Legislature of the State of California. Referred to the Committee on Post Office and Civil Service:

"Assembly Joint Resolution No. 60

"Joint resolution relative to population estimation

"Whereas, The Department of Finance within California state government has, for the past 15 years, conducted an outstanding program of population estimation, including preparation of population estimates and projections of counties, and current estimates of city population; and

"Whereas, The estimates developed by the Department of Finance are used as the official estimates for revenue allocation purposes by state government and for planning purposes by cities and counties, private utilities, lending institutions and other groups and individuals in the state; and

"Whereas, Recent provisions of state law require the State Department of Finance, for purposes of administering property tax rate limitations, to expand and place on an annual basis its estimates of city and county population in the state; and

"Whereas, The federal government proposes to share revenues with cities and counties in California based upon population; and

"Whereas, The United States Bureau of the Census presently prepares official estimates of statewide population and California's total share of federal revenue will be based on this estimate; and

"Whereas, The United States Bureau of the Census proposes to establish procedures for estimating population of cities and counties in each state; and

"Whereas, The existence of two official sets of population estimates for cities and counties in California will result in duplication, confusion and possible litigation; now, therefore, be it

"Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the President to direct the United States Bureau of the Census to utilize, for federal revenue sharing and other appropriate purposes, the official estimates of city and county population prepared annually by the California State Department of Finance; and be it further

"Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A resolution of the Senate of the State of Hawaii. Referred to the Committee on Foreign Relations:

"S.R. No. 102

"Senate resolution condemning the threats to resume the South Vietnam war and supporting the position of noninvolvement

"Whereas, the United States has fully honored its commitment in Southeast Asia by engaging in a costly seven-year war to insure the right of the people of South Vietnam to determine their own political future without outside interference; and

"Whereas, fifty-four thousand Americans have died by enemy action since 1961 to insure this right; and

"Whereas, the war in Southeast Asia has diverted more than $128,000,000,000 of American funds from urgent domestic needs and fostered deep divisions in American society; and

"Whereas, at a time when cooperative efforts are essential to achieve and maintain total peace, President Thieu's attitude is in direct contrast to the cease-fire agreement; and

"Whereas, Thieu has announced to his nation that, "There is no peace yet," and that, "This is only a standstill cease-fire." Thieu has invited further bloodshed by directing his countrymen to shoot any stranger entering the villages; and

"Whereas, in direct violation of the Geneva Agreement, Thieu has continued the war, suspended elections which would permit the exercise of certain rights by its citizenry, by still holding over two thousand six hundred women and children as political criminals and threats to the state, and by continuing to engage in the rampant and medieval torture of its own citizens imprisoned for political offenses; and

"Whereas, any support of such an authoritarian government which suppresses its citizenry and acts in violation of the cease-fire agreement should not be tolerated by the American people; and

"Whereas, the termination of major U.S. commitments in South Vietnam allows the return of sorely needed funds for domestic demands; and

"Whereas, a position of noninvolvement into the internal, political affairs of South Vietnam should be the intent of the administration at this time, for the Secretary of Defense testified in January of 1973, that the South Vietnamese people are fully capable of providing for their own in-country security against the North Vietnamese; and

"Whereas, since nearly seventy-five per cent of South Vietnam's gross national product growth stems from war related service industries financed directly or indirectly by the United States, a position of noninvolvement will sever this dependency on the U.S. dollar and leave the people of South Vietnam to decide their own political and economic fate; now, therefore,

"Be it resolved by the Senate of the Seventh Legislature of the State of Hawaii, Regular Session of 1974, that this body condemns the threats by the Nixon administration to resume the war in South Vietnam and supports the position of noninvolvement; and

"Be it further resolved that certified copies of this Resolution be transmitted to the President, the President of the U.S. Senate, the Speaker of the U.S. House of Representatives, and each member of Hawaii's delegation to Congress."

A concurrent resolution of the Legislature of the State of Hawaii. Referred to the Committee on Labor and Public Welfare:

"SCR No. 21

"Senate concurrent resolution requesting funds for title V of the Older Americans Act

"Whereas, the role of older people in American life has changed dramatically in recent decades; and

"Whereas, the number of Americans 65 and over is more than six times as great today as it was in 1900; and

"Whereas, most elderly citizens manage their own affairs; however, by the mere fact of growing older, they encounter a broad range of problems that require special types of assistance; and

"Whereas, retirement often means loss of income and social status and almost always means adjustments in living patterns; and

"Whereas, health declines with advancing years and the likelihood of serious disability increases; furthermore, all these and other problems create a need for various types of supportive facilities, programs, and services; and

"Whereas, national and state policy should guarantee to all older persons real choices as to how they shall spend their later years; and

"Whereas, older persons should be enabled to maintain their independence and their usefulness at the highest possible levels; and

"Whereas, they must have the opportunity for continued growth, development, and self-fulfillment and for expanded contributions to a variety of community activities; and

"Whereas, very often the elderly need a single place, a focal point, where they can gather, receive a variety of services, and be referred to other services they need; and

"Whereas, the location of services in a single place is one effective way of making the range of services for personal needs accessible to him; and

"Whereas, Title V of the Older Americans Act, as amended in 1973, would provide the Commission on Aging with the authorization to make grants to public and nonprofit private agencies for the acquisition, alteration, and renovation of multipurpose senior centers, and for initial staffing of such centers; and

"Whereas, such senior centers have proven to be most effective in meeting the needs of the elderly in various communities as evidenced by the Kalihi-Palama area which has a well-developed center; and

"Whereas, if these needs are to be continually met, more funding is needed; now, therefore,

"Be it resolved by the Senate of the Seventh Legislature of the State of Hawaii, Regular Session of 1974, the House of Representatives concurring, that the Congress of the United States is hereby respectfully requested to fund Title V of the Older Americans Comprehensive Services Amendments of 1973; and

"Be it further resolved that certified copies of this Concurrent Resolution be transmitted to the President of the Senate, the Speaker of the House of Representatives, the members of Hawaii's delegation to Congress, President of the United States, President of the United States Senate, and to the Speaker of the United States House of Representatives."

Resolutions of the Commonwealth of Massachusetts. Referred to the Committee on Finance:

"Resolutions Memorializing the Congress of the United States To Enact Legislation To Balance Our Imports and To Decrease Incentives To Invest Overseas

"Whereas, Legislation has been presented to the Congress of the United States known as the Burke-Hartke bill; and

"Whereas, Said legislation covers all trade imports and would establish a base period which would serve as a model of import relationship to domestic consumption; and

"Whereas, Said legislation restricts not only imports into our market but it requires control on the export of American technology and investments; and

"Whereas, As far as steel imports are concerned, a provision of the Burke-Hartke bill would recognize voluntary agreements on quotas in place of the quota mandates of the base period; now, therefore, be it

"*Resolved,* That the Massachusetts General Court respectfully urges the Congress of the United States to enact the Burke-Hartke bill; and be it further

"*Resolved,* That copies of these resolutions be transmitted forthwith by the Secretary of the Commonwealth to the President of the United States, to the presiding officer of each branch of Congress and to the members thereof from the Commonwealth."

A joint memorial of the Legislature of the State of New Mexico. Referred to the Committee on the Judiciary:

"HJM 11

"A joint memorial requesting the Congress of the United States to enact legislation making the robbery of a pharmacy a Federal crime under certain circumstances

"Whereas, a current survey conducted in New Mexico indicated a three hundred fifty percent increase in armed robbery in which controlled substances have been the main target since the beginning of Federal programs designed to stop illicit drug trafficking; and

"Whereas, robberies of pharmacies involving the taking of large quantities of addictive drugs have increased in all states; and

"Whereas, pharmacy robberies have resulted in the funneling of large quantities of drugs into an illicit market, thereby creating a swelling crime wave out of each single robbery;

"Now, therefore, be it resolved by the Legislature of the State of New Mexico that the Congress of the United States be respectfully requested to enact legislation making the robbing of a pharmacy, in which controlled substances are taken, a federal crime; and

"Be it further resolved that copies of this memorial be transmitted to the president of the United States, the speaker of the United States house of representatives, the president pro tempore of the United States senate and the members of the New Mexico delegation to the congress of the United States."

A joint memorial of the Legislature of the State of New Mexico. Ordered to lie on the table:

"HJM 12

"A joint memorial to the Congress of the United States expressing condemnation of the mural in the Bicentennial Center for the District of Columbia

"Whereas, it is reported in the January 28, 1974 issue of U.S. News & World Report that a mural painted for the Bicentennial Center for the District of Columbia depicts such personages as Karl Marx, Friedrich Engels, Joseph Stalin and Mao Tse-tung, a pantheon of Communism and totalitarianism; and

"Whereas, the Bicentennial Center is one of many hundred federally-funded activities throughout our country to commemorate and honor the 200th anniversary of the founding of our Republic; and

"Whereas, if such report is factual, a tasteless, practical joke or a coarse insult has been perpetrated, at the expense of 210 million Americans and their country;

"Now, therefore, be it resolved by the Legislature of the State of New Mexico that if such report be factual concerning the mural in the Bicentennial Center for the District of Columbia, the elected senators and representatives of the state of New Mexico do hereby officially condemn the inclusion of personages who had nothing to do with the founding or building of this great nation, some of whom, indeed, heartily advocated its destruction, in any effort to commemorate the 200th anniversary of the United States; and

Be it further resolved, this legislature deplores the offensive taste of those persons who conceived, executed and are otherwise responsible for the painting of said mural; and

"Be it further resolved, that a copy of this memorial be sent to the President Pro Tempore of the United States Senate, the Speaker of the United States House of Representatives and to each member of the New Mexico congressional delegation."

A resolution of the Senate of the State of Pennsylvania. Referred to the Committee on Agriculture and Forestry:

"S. Res. 244

"Whereas, Historically the U.S. Department of Agriculture has purchased and distributed government-donated foods to needy persons in households, schools operating a non-profit school feeding program, non-profit summer camps for children, eleemosynary institutions, child care centers, orphanages, shelter houses and to the elderly; and

"Whereas, The purchase of these foods has benefited our Nation's agricultural economy through surplus removal, price support, and direct purchase programs; and

"Whereas, The distribution of these foods has resulted in the establishment of an effective food distribution system throughout the Nation which should be maintained at this time because of the uncertain directions of our economy and food production both Nationally and world-wide; and

"Whereas, The availability of reserve stockpiles in States of government donated foods have frequently provided essential relief to hunger victims of numerous natural disasters; and

"Whereas, The availability of these foods has made possible the service of nutritionally balanced meals to all eligible persons at low cost; and

"Whereas, In 1973 the Congress and the President recognized the vital need of continuing these programs by expediting the passage of and enacting Section 4(a) of Public Law 93-86 which authorized the Secretary of Agriculture to purchase agricultural commodities from Sections 32 and 416 funds without regard to any other restrictions in existing law for the purpose of maintaining an annually programmed level of food distribution assistance adequate to meet the nutritional needs of eligible groups; and

"Whereas, More than ever with spiraling costs, schools, service institutions, child care centers, eleemosynary institutions, and summer camps continue to be dependent on the availability of government donated foods in order to maintain their food services at adequate nutritional levels; therefore be it

"Resolved, (the House of Representatives concurring), That the General Assembly of the Commonwealth of Pennsylvania memorialize the Congress of the United States of America to enact an extension of Section 4(a) of Public Law 93-86 so as to authorize a continuance of the Commodity Purchase Program at existing levels through the fiscal year ending June 30, 1974; and be it further

"Resolved, That the General Assembly of the Commonwealth of Pennsylvania urges the U.S. Department of Agriculture to maintain an on-going Food Distribution Program during this period of short food supply sufficient to preclude the loss of the food distribution organization and facilities provided by the states. By maintaining the program, schools and other recipient agencies will continue to benefit from U.S. Department of Agriculture's volume and quality purchasing which is based on expert guidance on availability; and be it further

"Resolved, That copies of this document be delivered to the presiding officers of each House of the Congress of the United States, to each Senator and Representative from the Commonwealth of Pennsylvania, and to the Secretary of Agriculture."

A joint resolution of the General Assembly of the Commonwealth of Virginia. Referred to the Committee on the Judiciary:

"House Joint Resolution No. 151

"Joint resolution memorializing the Congress of the United States to enact legislation to declare an American Business Day

"Whereas, there is a most obvious need to carry forward the message of the basic integrity and importance of American business to teacher and student, government procurator and spiritual leader, wage-earner and profit-maker alike; and

"Whereas, these underlying principles

should be clearly understood by all who share in its benefits since its impairment does inevitably create a decline in employment and diminished incomes; and

"Whereas, the vast economic and social well-being programs serving the more than two hundred ten million people of the United States and countless millions around the world are so indisputably linked to its continuing success; and

"Whereas, the free-market price mechanism, built by the investment of private capital and maintained by our demand and supply system is the most efficient manner to distribute our country's resources and wealth and the by-products they produce; and

"Whereas, the continuing independence and security of all our countrymen depend on the freedom as well as the inherent ability of American business to develop the products, services and jobs a constantly growing population—twenty-seven million new workers by nineteen hundred ninety—will need in the future; and

"Whereas, we favor and advocate that one day, to be selected and made law by the United States Senate and the House of Representatives, be declared a time of national commemoration and celebration, so that all Americans may reaffirm their fundamental dependence on the keystone of the archway to the total American Experience, American business, and the free exchange of goods and services in an open market with guaranteed protections; now, therefore, be it

"Resolved by the House of Delegates, the Senate concurring, That the Congress is hereby memorialized to enact legislation to declare an American Business Day.

"Resolved, further, That the Clerk of the House of Delegates is instructed to send copies of this resolution to the President of the Senate and Speaker of the House of Representatives and the Virginia Delegation of the Congress of the United States."

A resolution of the 12th Guam Legislature. Referred to the Committee on Armed Services:

"RESOLUTION No. 220

"Resolution relative to requesting the Department of Defense not to construct military housing on that parcel of government land between Route No. 2 and the Naval Magazine, abutting the Bachelor Civilian Quarters at Apra Housing and Camp Roxas, but to restore this tract of land now idle to the people of Guam so that pre-war Sumay may be reconstituted threat and a new civilian community be constructed at this ideal place for such purpose, any necessary additional military housing to be constructed at the Naval Communications Station where a good deal of idle residential land is available within the military reservation area

"Be it resolved by the Legislature of the Territory of Guam:

"Whereas, a two-hundred acre parcel of land owned by the Federal government, situated between the new Seabee cantonment and Apra Housing, between Route No. 2 and the U.S. Naval Magazine, now lies vacant and unoccupied, although its suitability for residential development is clear, the Legislature being advised in that connection that the Commander, Naval Forces Marianas is considering the construction of additional Naval housing on this parcel; and

"Whereas, the people of Guam, represented by the Eleventh Guam Legislature, having already gone on record in requesting that this Federal land be returned to the people of Guam so that it may be used to reconstitute the pre-war community of Sumay now totally destroyed, this expression of the people's will having been contained in Resolution No. 624 of the Eleventh Guam Legislature, which resolution was introduced by all twenty-one members of the Legislature, and was unanimously adopted on August 14, 1972, a copy of which resolution is attached hereto and is incorporated herein by reference; and

"Whereas, the tragic history of Sumay, Guam's second largest city before the Second World War and its principal port, is never far from the minds of the people of Guam, the people of Sumay having suffered probably more than those of any other Guam community during the enemy occupation, having been forceably removed from Sumay by the Japanese and badly mistreated by the imperial troops, but who never lost their faith in the return of the American Forces, although when the island was rescued from the Japanese, the unfortunates from Sumay were not permitted to return to their village but were relocated in areas in Santa Rita and Toto, both of which were totally unsuitable for residential development, it now being clear that the reason for the establishment of these particular relocation settlements being the convenience of the military command in Guam, the new settlers in Toto being expected to work at the Fifth Field Depot and those of Santa Rita at the Naval Supply Depot, all this despite promises made to the people of Sumay that they would ultimately be returned to their prewar town; and

"Whereas, the people of Sumay now living in Santa Rita and Toto are in desperate straits because these areas are basically unlivable; there is no room for expansion and no additional land for the children, the pressures on the extremely limited usable areas in these two districts being much too great in view of their unsuitability for further development; and

"Whereas, ironically, although the Chamorros were forceably removed from Sumay allegedly because of the exigencies of military necessity, the bulk of the area from which they were so evicted is used for military housing, and thus what really occurred was the eviction of brown skinned natives from a beautiful and highly livable seaside area to be replaced by white military families, a blatant example of racism and colonialism completely contrary to the basic human rights as guaranteed to the people of Guam by the United Nations Charter, as well as being contrary to the ideals and democratic spirit that has animated the government of the United States since its founding; and

"Whereas, this rape of the people of Sumay should be corrected by returning them to their pre-war locale which still pretty much exists without any real military use, the old pre-war houses in many areas still standing and much of pre-war Sumay being like a ghost town inhabited only by the memories of those countless generations of Chamorros who dwelled there, or, in the alternative, in the event this return to Sumay is impossible because of defense requirements, that parcel of land previously described which is next to the Apra Heights housing area should be utilized to provide the people of Sumay with a new and suitable location for reconstituting their village; and

"Whereas, the people of Guam are determined to resist the construction of additional military housing at the area in question, this site being at a central point where the highways connecting north, south and central Guam meet, and therefore should not be reserved for military use, particularly when there is most suitable other land available for such purpose in the many other military holdings in Guam, it being arbitrary actions of this nature by the military command that lead to communal strife in places such as Guam, the military housing areas being placed off-limits to local people although they must necessarily drive through the environs every day on their way to and from work, and the beach development in the area being stalemated although there are three miles of beaches that would be ideal for community development but under military control will remain exclusively the province of the military forces; and

"Whereas, it is the view of the people of Guam that the territorial government is not a real government unless it can make plans for the whole island, plans that both military and civilian users adhere to, and clearly this central area should not be utilized without first being examined in light of the pressing civilian needs of the territory, it being the holding of the Legislature that military housing has no priority in Guam over other housing needs and that all of the needs of the territory must be considered in determining where military housing should be placed: now therefore be it

"Resolved, that the Twelfth Guam Legislature does hereby on behalf of the people of Guam respectfully request the President of the United States and the Congress of the United States to direct the Department of Defense to give up any plans to utilize that parcel of land described herein that would be so suitable for reconstituting the village of Sumay and instead utilize other areas in Guam, more particularly the Naval Communications Station, for any additional military housing if the same be required; and be it further.

"Resolved, that the Legislature declares as a matter of public policy that it does not recognize the right of the Navy or any other agency of the Federal government to utilize its idle and vacant land in Guam wrongfully obtained prior to local self-government, without consultation with the government of this territory, it being clear that the central area which is the subject of this resolution is a most important piece of Guam real estate and its utilization should be for the benefit of all the people of Guam and not really for one fraction or element thereof, it also appearing that unless some civilian use is made of this land, there will be a military enclave in Guam running all the way from the village of Piti to Agat and this in and of itself is undesirable, the Legislature now going on record on behalf of the people of Guam that it will undertake all legal means necessary to safeguard the precious land of Guam and the rights of the people of Sumay as well as those other inhabitants of Guam whose land has been wrongfully taken from them by an outside government; and be it further.

"Resolved, that the Speaker certify to and the Legislative Secretary attest the adoption hereof and that copies of the same be thereafter transmitted to the President of the United States, to the President of the Senate, to the Speaker of the House of Representatives, to the Secretary of Defense, to the Secretary of the Navy, to the Secretary of Housing and Urban Development, to the Secretary of the Interior, to the Chairman of the Senate Committee on Interior and Insular Affairs, to the Chairman of the House Committee on Interior and Insular Affairs, to Guam's Washington Delegate, to the Commissioner of Mongmong-Toto-Maite, to the Commissioner of Santa Rita, and to the Governor of Guam."

A joint resolution of the Fifth Congress of Micronesia. Referred to the Committee on Interior and Insular Affairs:

"SENATE JOINT RESOLUTION No. 90

"A Senate joint resolution requesting U.S. congressional funding of the Bikini rehabilitation projects be separate and distinct from annual United States Congress grant funds for the Trust Territory of the Pacific Islands

"Whereas, the United States Government is responsible for atomic testing on Bikini Atoll which now is in the process of being rehabilitated for the eventual return of the Bikini people; and

"Whereas, the funding for this rehabilitation process has been taken out of the Marshall Islands total district allocation for all operations and capital improvement projects; and

"Whereas, this system of funding has severely curtailed the systematic development of the Marshall Islands, particularly in the areas of education and economic and resource development; and

"Whereas, by continuing to divert funds away from necessary projects in the Marshall Islands fosters resentment and distrust in the minds of the Marshallese people; and

"Whereas, while every district in the Trust Territory is burdened by this method of funding the Bikini rehabilitation project, the Marshall Islands district has suffered disproportionately; now, therefore,

"Be it resolved by the Senate of the Fifth Congress of Micronesia, Second Regular Session, 1974, the House of Representatives concurring, that the United States Congress is respectfully requested to establish the Bikini Rehabilitation Project in the Marshall Islands as a separate, distinct, and independent project for United States congressional funding; and

"Be it further resolved, that certified copies of this Senate joint resolution be transmitted to the Speaker of the House of Representatives and President of the Senate of the United States Congress; the chairmen of the House and Senate Subcommittees on Territorial and Insular Affairs of the Committees on Interior and Insular Affairs; the chairmen of the House and the Senate Subcommittees on Territorial and Insular Affairs of the Committees on Appropriations; Secretary of the Department of the Interior; Secretary of the Department of Defense; Chairman of the Atomic Energy Commission; and the High Commissioner."

A joint resolution of the Legislature of the Commonwealth of Virginia. Referred to the Committee on Interior and Insular Affairs:

"House Joint Resolution No. 37

"Joint resolution memorializing Congress to take no legislative action on the National Land Use Policy Act of 1973 or any other legislation of similar purport.

"Whereas, traditionally, the constitutional power to regulate the use of land for the promotion and protection of the health, safety and welfare of all citizens has been exercised at the state level in our federal system; and

"Whereas, in recent years, the federal government pursuant to acts of Congress has increasingly preempted the states' control of their own land; and

"Whereas, any federal law must necessarily be applied on a uniform basis to all the states in the Union regardless of the differences in their geographic, demographic and economic characteristics; and

"Whereas, only the several states can properly assess their own needs and requirements for constitutional state and local regulation of land use for the best interest of all their citizens; now, therefore, be it

"Resolved by the House of Delegates, the Senate concurring, That the Congress of the United States is respectfully memorialized to take no legislative action on the National Land Use Policy Act of 1973 or any other legislation of similar purport; and be it

"Resolved further, That the Clerk of the House of Delegates is directed to forward a copy of this resolution to the Clerks of the Senate and the House of Representatives of the United States, and to each member of the Virginia delegation to to Congress."

A letter of appreciation for the passage of S. 3066, the Housing and Community Development Act of 1974, from the Region VII Citizens Participation Council, Kansas City, Missouri. Referred to the Committee on Banking, Housing and Urban Affairs.

A resolution of the Board of Supervisors of Sacramento County, California, urging certain routes of train service in California. Referred to the Committee on Commerce.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on April 15, 1974, he presented to the President of the United States the enrolled bill (S. 1866) to provide increases in certain annuities payable under chapter 83 of title 5, United States Code, and for other purposes.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. PROXMIRE:

S. 3361. A bill to assure the continuation of the compilation and publication of the Consumer Price Index. Referred to the Committee on Labor and Public Welfare.

By Mr. JACKSON (for himself and Mr. HATFIELD, Mr. MAGNUSON, Mr. MANSFIELD, Mr. CHURCH, and Mr. PACKWOOD) (by request):

S. 3362. A bill to enable the Secretary of the Interior to provide for the operation, maintenance and continued construction of the Federal transmission system in the Pacific Northwest by use of the revenues of the Federal Columbia River Power System and the proceeds of revenue bonds, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. PELL:

S. 3363. A bill to encourage the conservation of energy by requiring that certain buildings financed with Federal funds are so designed and constructed that the windows in such buildings can be opened and closed manually. Referred to the Committee on Banking, Housing and Urban Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. PROXMIRE:

S. 3361. A bill to assure the continuation of the compilation and publication of the Consumer Price Index. Referred to the Committee on Labor and Public Welfare.

A BILL TO ASSURE THE CONTINUATION OF THE COMPILATION AND PUBLICATION OF THE CONSUMER PRICE INDEX

Mr. PROXMIRE. Mr. President, today I introduce a bill to prohibit the Bureau of Labor Statistics from scrapping the present Consumer Price Index, which is their announced intention.

As chairman of the Joint Economic Committee's Subcommittee on Priorities and Economy in Government, which has jurisdiction over Federal statistical programs, we have gone into this matter in some detail. In particular we held a hearing on April 5 at which time the Commissioner of the Bureau of Labor Statistics and Mr. Leonard Woodcock, president of the UAW, both appeared.

If the BLS is allowed to dismantle the present Consumer Price Index—CPI—in favor of a more broadly based index it will create absolute chaos.

PAY OF 50 MILLION PEOPLE BASED ON INDEX

Presently some 50 million people receive automatically escalated payments based on the present CPI, which is an index of prices paid by "urban wage earners and clerical workers."

This figure includes 29 million social security recipients, over 5 million workers covered by union contracts, almost 2 million retired military and civilian Federal employees, over a half million postal workers, and 13 million food stamp recipients.

One union, the United Auto Workers, has over 2,000 contracts affecting 1.3 million workers which are based on the present CPI for urban wage earners and clerical workers.

CAN HAVE OTHER INDEXES BUT MUST CONTINUE PRESENT CPI

Because of the overriding importance of the Consumer Index my bill mandates its continuation no matter what additional consumer or other indexes are published.

The BLS is spending some $38.7 million to develop a new CPI based on a sample of 80 percent or more of the population. They intend to substitute this for the present CPI in April of 1977. There are many reason why such a substitution would be a disaster.

First, the timing is bad. In 1976, the UAW renegotiates most of its contracts. It will be impossible to do that based on a nonexistent CPI under which they have had no experience.

Second, a rise of 1 percent in the present index triggers as much as a billion dollars of benefits. Even small differences between the two indexes would have a profound effect on those whose incomes and earnings are tied to the CPI.

Third, the old index is based on what low- and middle-income workers actually buy. The new index would include high-paid executives, professional men and women, and the self-employed businessmen who spend a wholly different and generally much lower portion of their income on the basic necessities of life—food, rent, heat, clothing, and so forth.

Fourth, since the basic necessities have been the items where inflation has hurt most, the effect of the new index could be to distort and reduce the real effect of inflation on lower and middle class workers.

Fifth, the matter is of immediate urgency. Because of the long leadtimes involved in setting up the samples and programing the computers, the point of no return will soon be at hand even though the new index will not be substituted finally for the old one until early 1977.

Sixth, there has been some 30 years of experience with the present CPI. Its strengths and weaknesses are known to those who use it intensively. Its behavior is predictable. It is ridiculous to scrap it when it would cost only $1.5 to $2 million annually to continue it.

CAN UPDATE PRESENT INDEX

My bill does not prohibit the BLS from compiling and publishing a new CPI, or a CPI for the aged, or any other new index. Further, it does not prohibit the BLS from updating the present CPI in terms of the items in their market basket, the proportion of expenditures for food and other items, or the shift in retail outlets where purchases are made. It is important that the CPI be updated in the future as it routinely has been updated in the past.

But my bill does prohibit the BLS from dropping the present CPI no matter what other indexes it chooses to publish.

The full text of the bill reads:

Notwithstanding the compilation or publication of any other index, the Secretary of Labor through the Bureau of Labor Statistics shall continue to compile and publish a consumer price index measuring the changes in consumer prices of goods and services which is based upon prices paid by urban wage earners and clerical workers.

By Mr. **JACKSON** (for himself, Mr. HATFIELD, Mr. MAGNUSON, Mr. MANSFIELD, Mr. CHURCH, and Mr. PACKWOOD) (by request):

S. 3362. A bill to enable the Secretary of the Interior to provide for the operation, maintenance and continued construction of the Federal transmission system in the Pacific Northwest by use of the revenues of the Federal Columbia River Power System and the proceeds of revenue bonds, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. JACKSON. Mr. President, I send to the desk for appropriate referral a bill to enable the Secretary of the Interior to provide for the operation, maintenance and continued construction of the Federal transmission system in the Pacific Northwest.

Mr. President, this bill which was recommended by the Secretary of the Interior is intended to allow the Secretary to provide for the continued construction, operation and maintenance of the Federal transmission system in the Pacific Northwest by use of a self-financing system. This bill will shift the financing of the Department of the Interior's electric power transmission program in the Pacific Northwest from the appropriations method to a system that permits the use of, first, revenues of the Federal Columbia River power systems; and second, proceeds of revenue bonds.

The Federal Government has a substantial investment in the vast hydroelectric power potential of the Pacific Northwest. The Department of the Interior, acting through the Bonneville Power Administration, has constructed a transmission system that provides approximately 70 percent of the bulk power transmission grid in the Pacific Northwest.

The Bonneville Power Administration is continuing to work with the 108 utilities in the Pacific Northwest to coordinate the planning and construction of Federal and non-Federal electric power facilities. Much of Bonneville's responsibility in coordinating the planning and construction of power facilities is a part of the Pacific Northwest hydrothermal power program which was approved by Congress in 1969.

This bill recognizes the unique relationship between Bonneville and the electric power industry of the Pacific Northwest. By authorizing the Secretary of the Interior to finance the operation and maintenance and future construction of the Federal Columbia River transmission system from revenues and from proceeds of revenue bonds, the measure would reduce the uncertainties associated with the appropriations process and assure more timely construction of needed facilities. However, the Bonneville Power Administration would continue to have its budget reviewed by the Appropriations Committees of the Congress and all Bonneville activities would be subject to the provisions of the Government Corporation Control Act. This bill would not alter the existing laws relating to the Bonneville Power Administration except in those specific changes required to accommodate the new financing method.

Bonneville's operations are similar to those of an electric utility, and the Administration's revenues from the sale and transmission of electric power would be adequate to, first, cover annual operationg costs; second, repay the Federal investment; and third, amortize the investment in new transmission facilities financed from the proceeds of revenue bonds. The proposed approach, in effect, would put Bonneville in a "pay as you go" status for future investments. This bill would authorize the Administrator of Bonneville Power Administration to issue and sell bonds to the Secretary of the Treasury up to a maximum amount of $1.25 billion outstanding at any time.

I understand that the proposed measure is the result of extensive discussions among the Federal agencies and public and private utilities which serve the electric power needs of the Pacific Northwest. There can be no doubt about the significance of the Bonneville system to the future economic and social well-being of the region. It is essential that the Federal responsibility for the planning, construction, and management of power facilities be adequately carried out. I am hopeful that this measure can provide the vehicle for the development of congressional policy assuring that objective.

Mr. President, I ask unanimous consent that the letter of transmittal from the Secretary of the Interior recommending the measure be inserted in the RECORD at the conclusion of my remarks, along with the full text of the measure and a brief section-by-section analysis submitted by the Secretary.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 3362

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That

SHORT TITLE

SECTION 1. This Act may be cited as the "Federal Columbia River Transmission System Act."

DEFINITIONS AND INTERPRETATION

SEC. 2. (a) Congress finds that in order to enable the Secretary of the Interior to carry out the policies of Public Law 88-552 relating to the marketing of electric power from hydroelectric projects in the Pacific Northwest, Public Laws 89-448 and 89-561 relating to use of revenues of the Federal Columbia River Power System to provide financial assistance to Reclamation projects in the Pacific Northwest, the treaty between the United States and Canada relating to the cooperative development of the resources of the Columbia River Basin, and other applicable law, it is desirable and appropriate that the revenues of the Federal Columbia River Power System and the proceeds of revenue bonds be used to further the operation, maintenance and further construction of the Federal transmission system in the Pacific Northwest.

(b) Other than as specifically provided herein, the present authority and operations of the Secretary of the Interior relating to the Federal Columbia River Power System shall not be affected by this Act. Powers and duties of the administrator referred to herein are subject to the supervision and direction of the Secretary.

SEC. 3. As used in this Act—

(a) The term "administrator" means the Administrator, Bonneville Power Administration.

(b) The term "electric power" means electric peaking capacity or electric energy or electric power and energy.

(c) The term "Pacific Northwest" means (1) the region consisting of the states of Oregon, Washington, and Idaho, the state of Montana west of the Continental Divide, and such portions of the states of Nevada, Utah, and Wyoming as are within the Columbia drainage basin, and (2) any contiguous areas, not in excess of seventy-five airline miles from said region, which are a part of the service area of a distribution cooperative which has (i) no generating facilities, and (ii) a distribution system from which it serves both within and without said region.

THE FEDERAL COLUMBIA RIVER TRANSMISSION SYSTEM

SEC. 4. The Secretary of the Interior, acting by and through the administrator, shall operate and maintain the Federal transmission system within the Pacific Northwest and shall construct improvements, betterments and additions to and replacements of such system within the Pacific Northwest as he determines are appropriate and required to:

(a) integrate and transmit the electric power from existing or additional Federal or non-Federal generating units;

(b) provide service to the administrator's customers;

(c) provide interregional transmission facilities; and

(d) maintain the electrical stability and electrical reliability of the Federal system.

SEC. 5. (a) Unless specifically authorized by Act of Congress, the administrator shall not pursuant to the authority of this Act:

(1) acquire any operating transmission facility by condemnation, provided that this provision shall not restrict the acquisition of the right to cross such a facility by condemnation.

(2) construct additional transmission facilities which duplicate existing facilities or will duplicate transmission facilities which a utility (or utilities) commits itself to construct unless such facilities are required for one or more of the purposes specified in section 4 hereof, and the administrator, at or prior to the time the administrator's budget is submitted to Congress for the use of revenue or the issuance of revenue bonds to finance the construction of such transmission facilities, after good faith negotiations, is unable to make arrangements for the use of non-Federal transmission facilities which shall be at least equivalent in electrical capability to the proposed Federal facilities and which arrangements shall be no less favorable to the Government than the financing and construction of the proposed Federal facilities.

(b) At least 60 days prior to the time the budget for the Bonneville Power Administration is sent to Congress, the administrator shall notify utilities in the Pacific Northwest of the new transmission facilities proposed for construction therein. If the administrator, after good faith negotiations with a utility desiring to provide all or a part of such facilities, retains an item in his budget for a transmission facility, such utility may bring suit in the Federal District Court for Oregon for the purpose of determining if the administrator has complied with the provisions of this section. The administrator shall not begin construction of such a facility until at least 150 days after the budget proposing to initiate such facility has been presented to both houses of Congress and he has given such utility at least 30 days prior written notice of his intent to begin such construction. No such suit may be brought by such utility after the later of (1) said 150 days or (2) 30 days after notice by the administrator of his intent to begin construction.

SEC. 6. The administrator shall make available to all utilities on a fair and nondiscriminatory basis, any capacity in the Federal transmission system which he determines to be in excess of the capacity required to transmit electric power generated by, acquired by, or under the control of the United States.

Sec. 7. Subject to the provisions of section 5 of this Act the administrator may purchase or lease or otherwise acquire and hold such real and personal property in the name of the United States as he deems necessary or appropriate to carry out his duties pursuant to law.

MARKETING AUTHORITY

Sec. 8. The administrator is hereby designated as the marketing agent for all electric power generated by Federal generating plants in the Pacific Northwest, constructed by, under construction by, or presently authorized for construction by the Bureau of Reclamation or the United States Corps of Engineers except electric power required for the operation of each Federal project and except electric power from the Green Springs Project of the Bureau of Reclamation.

RATES AND CHARGES

Sec. 9. Schedules of rates and charges for the sale, including dispositions to Federal agencies, of all electric power made available to the Administrator pursuant to section 8 of this Act or otherwise acquired, and for the transmission of non-Federal electric power over the Federal transmission system, shall become effective upon confirmation and approval thereof by the Federal Power Commission. Such rate schedules may be modified from time to time by the Secretary of the Interior, acting by and through the administrator, subject to confirmation and approval by the Federal Power Commission, and shall be fixed and established (1) with a view to encourage the widest possible diversified use of electric power at the lowest possible rates to consumers consistent with sound business principles, (2) having regard to the recovery (upon the basis of the application of such rate schedules to the capacity of the electric facilities of the projects) of the cost of producing and transmitting such electric power, including the amortization of the capital investment allocated to power over a reasonable period of years, and (3) at levels to produce such additional revenues as may be required, in the aggregate with all other revenues of the Administrator, to pay when due the principal of, premiums, discounts, and expenses in connection with the issuance of, and interest on all bonds issued and outstanding pursuant to this Act, and amounts required to establish and maintain reserve and other funds and accounts established in connection therewith.

Sec. 10. The said schedules of rates and charges for transmission, the said schedules of rates and charges for the sale of electric power, or both such schedules, may provide, among other things, for uniform rates or rates uniform throughout prescribed transmission areas. The recovery of the cost of the Federal transmission system shall be equitably allocated between Federal and non-Federal power utilizing such system.

BONNEVILLE POWER ADMINISTRATION FUND

Sec. 11. (a) There is hereby established in the Treasury of the United States a Bonneville Power Administration fund (hereinafter referred to as the "Fund"). The Fund shall consist of (1) all receipts, collections and recoveries of the Administrator in cash from all sources, including trust funds, (2) all proceeds derived from the sale of bonds by the Administrator, (3) any appropriations made by the Congress for the Fund, and (4) the following funds which are hereby transferred to the Administrator: (i) all moneys in the special account in the Treasury established prusuant to Executive Order No. 8526 dated August 26, 1940, (ii) the unexpended balances in the continuing fund established by the provisions of section 11 of the Bonneville Project Act of August 20, 1937 (16 U.S.C. 831, et seq.), and (iii) the unexpended balances of funds appropriated or otherwise made available for the Bonneville Power Administration. All funds transferred hereunder shall be available for expenditure by the Secretary of the Interior, acting by and through the Administrator, as authorized in this Act and any other Act relating to the Federal Columbia River transmission system, subject to such limitations as may be prescribed by any applicable appropriation Act effective during such period as may elapse between their transfer and the approval by the Congress of the first subsequent annual budget program of the Administrator.

(b) The Administrator may make expenditures from the Fund, which shall have been included in his annual budget submitted to Congress, without further appropriation and without fiscal year limitation, but within such specific directives or limitations as may be included in appropriation Acts, for any purpose necessary or appropriate to carry out the duties imposed upon the Administrator pursuant to law, including but not limited to—

(1) construction, acquisition, and replacement of (i) the transmission system, including facilities and structures appurtenant thereto, and (ii) additions, improvements and betterments thereto (hereinafter in this Act referred to as "transmission system");

(2) operation, maintenance, repair and relocation, to the extent such relocation is not construction, operation, and maintenance of the transmission system;

(3) electrical research, development, experimentation, test, and investigation related to construction, operation, and maintenance of transmission systems and facilities;

(4) marketing of electric power;

(5) transmission over facilities of others and rental, lease, or lease-purchase of facilities;

(6) purchase of electric power (including the entitlement of electric plant capability) (i) on a short-term basis to meet temporary deficiencies in electric power which the administrator is obligated by contract to supply, or (ii) if such purchase has been heretofore authorized or is made with funds expressly appropriated for such purchase by the Congress;

(7) defraying emergency expenses or insuring continuous operation;

(8) paying the interest on, premiums, discounts and expenses, if any, in connection with the issuance of, and principal of all bonds issued under section 13(a) of this Act, including provision for and maintenance of reserve and other funds established in connection therewith;

(9) making such payments to the credit of the reclamation fund as are required by or pursuant to law to be made into that fund: *Provided,* That this clause shall not be construed as permitting the use of revenues for repayment of costs allocated to irrigation at any project except as otherwise expressly authorized by law;

(10) making payments to the credit of miscellaneous receipts of the Treasury for all unpaid costs required by or pursuant to law to be charged to and returned to the General Fund of the Treasury for the repayment of the Federal investment in the Federal Columbia River Power System from electric power marketed by the administrator; and

(11) acquiring such goods and services, and paying dues and membership fees in such professional, utility, industry, and other societies, associations and institutes, together with expenses related to such memberships, including but not limited to the acquisitions and payments set forth in the General Provisions of the annual appropriations acts for the Department of the Interior, as the administrator determines to be necessary or appropriate in carrying out the purposes of this Act.

(c) Moneys heretofore or hereafter appropriated shall be used only for the purposes for which appropriated, and moneys received by the administrator in trust shall be used only for carrying out such trust. The provisions of the Government Corporation Control Act (31 U.S.C. 841, et seq.) shall be applicable to the administrator in the same manner as they are applied to the wholly owned Government corporations named in section 101 of such Act (31 U.S.C. 846), but nothing in the proviso of 31 U.S.C. 850 shall be construed as affecting the powers granted in subsection (b)(11) of this section and in sections 2(f), 10(b), and 12(a) of the Bonneville Project Act (16 U.S.C. 832, et seq.).

Sec. 12. (a) If the administrator determines that moneys in the Fund are in excess of current needs he may request the investment of such amounts as he deems advisable by the Secretary of the Treasury in direct, general obligations of, or obligations guaranteed as to both principal and interest by, the United States of America.

(b) With the approval of the Secretary of the Treasury, the administrator may deposit moneys of the Fund in any Federal Reserve bank or other depository for funds of the United States of America, or in such other banks and financial institutions and under such terms and conditions as the administrator and the Secretary of the Treasury may mutually agree.

REVENUE BONDS

Sec. 13. (a) The administrator is authorized to issue and sell to the Secretary of the Treasury from time to time in the name and for and on behalf of the Bonneville Power Administration bonds, notes, and other evidences of indebtedness (in this Act collectively referred to as "bonds") to assist in financing the construction, acquisition and replacement of the transmission system, and to issue and sell bonds to refund such bonds. Such bonds shall be in such forms and denominations, bear such maturities and be subject to such terms and conditions as may be prescribed by the Secretary of the Treasury taking into account terms and conditions prevailing in the market for similar bonds, the useful life of the facilities for which the bonds are issued and financing practices of the utility industry. Refunding provisions may be prescribed by the administrator. Such bonds shall bear interest at a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities, plus an amount in the judgment of the Secretary of the Treasury to provide for a rate comparable to the rates prevailing in the market for similar bonds. The aggregate principal amount of any such bonds outstanding at any one time shall not exceed $1,250,000,000.

(b) The principal of, premiums, if any, and interest on such bonds shall be payable solely from the administrator's net proceeds as hereinafter defined. "Net proceeds" shall mean for the purposes of this section the remainder of the administrator's gross receipts from all sources after first deducting the costs listed in section 11(b)(2) through 11(b)(7) and 11(b)(11), and shall include reserve or other funds created from such receipts.

(c) The Secretary of the Treasury shall purchase forthwith any bonds issued by the administrator under this Act and for that purpose is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as now or hereafter in force, and the purposes for which securities may be issued under the Second Liberty Bond Act, as now or hereafter in force, are extended to include any purchases of the bonds issued by the administrator under this Act. The Secretary of the Treasury may, at any time, sell any of the bonds acquired by him under this Act. All redemptions, purchases, and sales by the Secretary of the Treasury of such bonds shall be treated as public debt transactions of the United States.

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., April 3, 1974.
Hon. GERALD R. FORD,
President, U.S. Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed is a bill "To enable the Secretary of the Interior to provide for the operation, maintenance and continued construction of the Federal transmission system in the Pacific Northwest by use of the revenues of the Federal Columbia River Power System and the proceeds of revenue bonds, and for other purposes." Also enclosed is a section-by-section analysis of the bill.

We recommend that this proposed legislation be enacted.

The purpose of this bill is to shift the financing of the Department of the Interior's electric power transmission program in the Pacific Northwest from the present arrangement of funding through Federal appropriations to a self-financing basis.

The Pacific Northwest is liberally endowed with hydroelectric power potential, and over the period of the last sixty years the Federal Government, acting through the Department of the Interior and the Department of the Army has invested heavily in the construction of some two dozen dams and generating plants to develop this significant energy resource. The Department of the Interior acting through the Bonneville Power Administration has also constructed an extensive transmission system to market the electric power and energy from these projects and to interconnect these projects and the load centers of the Pacific Northwest. Today the Federal transmission system in the Pacific Northwest incorporates over 12,000 circuit miles of 115kv to 500 kv ac and 800 kv dc transmision lines, and over 330 substations, representing a Federal investment of $1.3 billion. This system provides approximately 70 percent of the bulk power transmission grid in the Pacific Northwest.

As the construction and improvement of hydroelectric projects in the region approaches the level of full development of the energy resource, the utilities in the Pacific Northwest have turned to the construction of large thermal generating plants to meet the continually growing requirements of their customers for electric power. The remaining hydro projects to be developed will be essentially peaking projects. Working through the Joint Power Planning Council and the Pacific Northwest Utilities Conference Committee, the Bonneville Power Administration has cooperated with the 108 utilities in the region to coordinate the planning and construction of Federal and non-Federal facilities. This effort has resulted in the Pacific Northwest Hydro-Thermal Power Program. Phase 1 of the program, adopted in 1969 and approved by Congress, is expected to meet the power needs of the region for generation and transmission facilities through the early 1980's, and the recently proposed Phase 2 extends the program and proposes a schedule of generating projects through 1986.

The hydro-thermal power program involves contributions by each of the cooperating entities. The non-Federal utilities have sole responsibility for the construction of the new thermal generating plants, which will be fueled by coal mined in the Pacific Northwest or adjacent areas, or by nuclear energy. This constitutes the largest amount of new investment. The Bureau of Reclamation and the Corps of Engineers have the responsibility for the installation of additional generating units at Federal hydroelectric power projects as now authorized. The continuation of the Federal Columbia River transmission grid under the Bonneville Power Administration is looked upon as the most feasible and efficient approach for interconnecting the new generating units with the rest of the system and for transmitting their output throughout the region.

The enclosed bill would deal with a separate issue relating to the unique situation in the Pacific Northwest by authorizing the Secretary of the Interior to finance the operation and maintenance and the future construction of the Federal Columbia River transmission system from revenues and from the proceeds of revenue bonds. This will free BPA from the constraints inherent in the appropriations process that impede compliance with financing and construction schedules. As in the past, all capital and O&M costs of the Federal Columbia River Power System will be fully recovered from the power users of the region. However, the proposed legislation would alleviate the demand on appropriated Federal funds resulting from BPA's transmission system financial requirements.

The Bonneville operations are comparable to those of an electric utility. The revenues from the sale and the transmission of electric power will be more than adequate to cover annual operating costs, repay the Federal investment in both generation and transmission facilities as required by law, and amortize the investment in new transmission facilities financed from the proceeds of revenue bonds. The ability of BPA to construct modifications or additions to the transmission system on a timely schedule is highly important in order to assure reliability of the system and to assure that the needed transmission facilities are in place and operational at the time that the power from the new generating units comes on line. The appropriations method of financing is not satisfactory for this kind of a program because delays are often encountered that are caused by other budgetary considerations which are not related to the merits of the construction program.

It would put Bonneville on a "pay as you go" basis for future investments utilizing revenue bonds on a business-like repayment basis and giving the flexibility in obtaining financing that is considered necessary in carrying out this utility-like transmission function.

The bill would authorize the Bonneville Power Administration to construction transmission facilities in the Pacific Northwest that are needed additions to the regional grid. Restrictions are included, however, which would prevent encroachment upon the opportunity for non-Federal utilities to construct facilities which are equally adequate to serve the regional purposes.

The Federal transmission system will carry both power generated or acquired by the Government and power generated at non-Federal facilities owned and controlled by others. Rates for transmission of non-Federal power over the Federal system are subject to review and approval by the Federal Power Commission.

The BPA activities would be subject to the provisions of the Government Corporation Control Act. The budget would be submitted to Congress for review by the appropriations committees and be subject to limitations or directives contained in appropriations acts.

The Administrator would be authorized to issue and sell bonds to the Secretary of the Treasury up to a maximum amount outstanding at any time of $1.25 billion. This amount is estimated to be sufficient to meet borrowing needs for approximately 10 years. The Secretary of the Treasury will prescribe the form and denomination, maturities, and terms and conditions relating to the bonds issued, taking into account terms and conditions prevailing in the market for similar bonds, the useful life of the facilities for which the bonds are issued and the financing practices of the utility industry. The interest rate is also determined by the Secretary of the Treasury to provide rates comparable to those prevailing in the market for similar bonds.

Other than the specific changes required to accommodate the new financing method, the bill preserves the existing provisions of law relating to the Bonneville Power Administration. Among other things, this leaves unchanged the preference rights of public bodies and cooperatives to acquire Federal power.

Because this bill deals primarily with the method of financing the Federal transmission program in the Pacific Northwest rather than the program itself, the proposal does not significantly affect the quality of the human environment. Accordingly, no environmental impact statement is submitted herewith.

The Office of Management and Budget has advised that enactment of the proposed bill would be in accord with the program of the President.

Sincerely yours,

ROG MORTON,
Secretary of the Interior.

SECTION-BY-SECTION ANALYSIS OF THE FEDERAL RIVER TRANSMISSION SYSTEM ACT

Sec. 1. The short title is the "Federal Columbia Transmission System Act."

Sec. 2. The general purposes of the Act are set forth. The current authority of the Secretary of the Interior regarding the Federal Columbia River Power System is not affected by the Act unless specifically provided. The general intent of the Act is to provide for the use of revenues and revenue bond financing as a substitute for the appropriations presently used to finance the operation, maintenance and continued construction of the Federal transmission system in the Pacific Northwest. The provisions of the Bonneville Project Act, the Flood Control Act of 1944 and the Reclamation Project Act of 1939 giving preference and priority to public bodies and cooperatives for power produced by Federal projects is not affected by the Act. The powers and duties designated to the administrator under the Act are made subject to the supervision and direction of the Secretary of Interior.

Sec. 3. The definition of "Pacific Northwest" encompasses the boundaries of the region which have priority on hydroelectric generation from the Federal Columbia River Power System pursuant to Public Law 88–552. This definition is important in defining the areas in which the Bonneville Power Administration may use revenue financing to construct transmission facilities.

Sec. 4. The Secretary of Interior, acting by and through the administrator, is authorized to construct additions to the Federal transmission in the Pacific Northwest for four specific purposes. These are (1) the transmission of the output from new Federal or non-Federal generating units, (2) for additional service to Bonneville's customers, (3) for inter-regional transmission facilities, and (4) maintain electrical stability and reliability on the Federal system.

Sec. 5. Unless specifically authorized by Act of Congress, including appropriations acts, the administrator has no authority under the Act to condemn non-Federal transmission facilities and his authority to construct duplicating facilities is specifically limited. The administrator is obligated to enter into good faith negotiations with any utility which proposes to provide facilities in lieu of Federal construction on a time, facility and cost equivalency. This section also provides that a utility which contests Federal construction of new transmission facilities will be given adequate notice of Bonneville's intent to construct and time to bring legal action to challenge such construction in the Federal District Court of Oregon. Specific time periods are allowed so that there will be no cloud upon any bonds which

Bonneville issues to finance a contested transmission facility.

Sec. 6. This section provides that any capacity in the Federal transmission system excess to the needs of the Government will be made available to all utilities on a fair and nondiscriminatory basis. It is anticipated that firm long term contracts for the transmission of non-Federal power will be executed by the administrator in the same manner as has been previously the case.

Sec. 7. This section gives the administrator the right to enter into such real and personal property transactions as are necessary to carry out his responsibilities under this and the Bonneville Project Act. No change is anticipated in current procurement and property transactions of the administrator.

Sec. 8. This section designates the administrator as the marketing agent for all Federal hydroelectric projects constructed, under construction, or authorized in the Pacific Northwest excepting the Bureau of Reclamation's Green Springs Project in Southern Oregon currently under long term contractual arrangements with Pacific Power & Light Company. The administrator is presently designated as marketing agent of excess power from most federal projects by Secretarial Order which could be withdrawn at any time. Since Bonneville revenues will be used to secure bonds issued to finance future construction it is important that this marketing authority be designated by statute.

Sec. 9. This section restates the standards for Bonneville's wholesale power rates which are provided in existing law, applies these standards to the rates for the transmission of non-Federal power, and adds the requirements to provide revenue sufficient to pay debt services on revenue bonds issued. All rates are made subject to the approval of the Federal Power Commission.

Sec. 10. This section allows the administrator to establish uniform rates throughout the region or throughout prescribed transmission areas. It also places an obligation to equitably allocate transmission system costs between Federal and non-Federal utilization.

Sec. 11. This section establishes the Bonneville Power Administration Fund which will be the depository of all funds which are received by Bonneville. The administrator is authorized to make expenditures from the Fund for any purpose which is necessary under this Act, the Bonneville Project Act, or for any legally incurred expenses. Specific categories of expenditure are outlined to make clear the extent of this authority. The Fund will also include trust funds deposited by non-Federal agencies to pay the cost of power purchased or facilities constructed in behalf of such agencies by the administrator. The variety, size and quantity of trust fund transactions entered into by the administrator are expected to increase substantially in the future.

Bonneville is subject to the budget and audit provisions of the Government Corporation Control Act. This would require the administrator to submit a budget through the Department of the Interior to the OMB for review and then to the congressional appropriations committees which currently review Bonneville's appropriation requests. This method would allow for the same kind of review that BPA appropriations currently undergo. Specific reference is made to 31 U.S.C. 850 and its relationship to several sections of the Bonneville Project Act. There is no intent in this section to change the interpretation which Bonneville and the General Accounting Office have made of these sections and their relationship to current legal requirements upon Bonneville.

Sec. 12. This section allows Bonneville to request investment of surplus funds by the Secretary of the Treasury in direct, general obligations of, or obligations guaranteed as to both principal and interest by the United States. With the approval of the Secretary of the Treasury he may deposit moneys from the Fund in any Federal Reserve Bank or other United States depository.

Sec. 13. The administrator is authorized to issue and sell bonds to the Secretary of the Treasury to finance construction of the transmission system. The maximum amount outstanding at any time is limited to $1.25 billion.

Debt service on the bonds is payable from Bonneville's net proceeds. Net proceeds are the amounts remaining in the Bonneville Fund after paying Bonneville's O&M and other related costs. The administrator is prohibited from making a payment from the net proceeds to the Reclamation fund or the miscellaneous receipts of the Treasury until he has met such of the currently due debt service on the revenue bonds.

The bonds sold to the Secretary of the Treasury will be in the form, of the maturities and subject to the terms and conditions prescribed by the Secretary of the Treasury, taking into account the terms and conditions prevailing in the market for similar bonds, the useful life of the facilities for which the bonds are issued, and the financing practices of the utility industry. The interest rate on the bonds will be determined by the Secretary of the Treasury so as to provide an interest rate comparable to that for bonds of a similar quality.

By Mr. PELL:

S. 3363. A bill to encourage the conservation of energy by requiring that certain buildings financed with Federal funds are so designed and constructed that the windows in such buildings can be opened and closed manually. Referred to the Committee on Banking, Housing and Urban Affairs.

OPEN WINDOWS IN AMERICA TO SAVE FUEL

Mr. PELL. Mr. President, open the windows, America. Think how often we have all been in airtight buildings in which we stifled or shivered. Increasingly, we in the United States have been shutting ourselves into these airtight, air-conditioned, tomb-like buildings that use up and waste immense amounts of energy.

Unfortunately, however, one of the features of most modern office and commercial buildings is that they are constructed with permanently sealed windows that cannot be opened. These buildings are designed to provide a completely controlled artificial environment—heat in the winter and air-conditioning in the summer regardless of outside weather conditions.

The result is an immense waste of energy resources on the many days when reasonable comfort could be achieved simply by opening a window.

As a step toward opening the windows in America, I am today introducing a bill that would require that all buildings constructed or financed by the Federal Government in the future must have windows that can be opened.

Air-conditioning now consumes about 4 percent of the total energy used each year in the United States. That percentage, however, understates the impact of air-conditioning demands on our national energy supply. For example, at a time when we have realized belatedly the need for a long-term and continuing energy conservation program, energy use for air-conditioning is growing at a rapid rate—about 15 percent each year.

In addition, the demand for electricity for air-conditioning obviously is not spread evenly through the year. It is concentrated into a few short months. To meet the relatively brief peak demand for electricity for air-conditioning requires the use of relatively inefficient and costly peakload electrical generating equipment.

We can reduce to some degree our growing use of energy for air-conditioning by the simple step of constructing buildings so our offices and shops can be opened to the natural environment.

The Federal Government, I believe, should provide leadership in energy conservation in the design of its own buildings and of the buildings it helps to finance.

The General Services Administration has recognized this responsibility and will begin construction this spring of a new Federal office building designed specifically for energy conservation. Innovations in this pilot project are expected to reduce energy consumption by 30 to 50 percent.

I think, however, we need not wait for the results of that pilot project to move ahead with this one basic requirement for new Federal or federally financed buildings. Let us make it possible to open the windows in America.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 411

At the request of Mr. McGEE, the Senator from Texas (Mr. TOWER), the Senator from New York (Mr. JAVITS), the Senator from Washington (Mr. JACKSON), the Senator from Massachusetts (Mr. KENNEDY), and the Senator from Ohio (Mr. METZENBAUM) were added as cosponsors of S. 411, a bill to amend title 39, United States Code, relating to the Postal Service, and for other purposes.

S. 2871

At the request of Mr. McGOVERN, the Senator from Hawaii (Mr. INOUYE), the Senator from Rhode Island (Mr. PELL), the Senator from New York (Mr. JAVITS), and the Senator from Maryland (Mr. MATHIAS) were added as cosponsors of S. 2871, the food program technical amendments bill.

S. 3163

At the request of Mr. McGOVERN, the Senator from New Mexico (Mr. MONTOYA) and the Senator from Alaska (Mr. GRAVEL) were added as cosponsors to S. 3163, relating to budget requests for the advance funding of certain education programs.

SENATE JOINT RESOLUTION 202

At the request of Mr. GRIFFIN, the Senator from West Virginia (Mr. RANDOLPH), and the Senator from Maine (Mr. HATHAWAY) were added as cosponsors of Senate Joint Resolution 202, designating the premises occupied by the Chief of Naval Operations as the official residence of the Vice President, effective upon the termination of service of the incumbent Chief of Naval Operations.

ADDITIONAL COSPONSORS OF A CONCURRENT RESOLUTION

SENATE CONCURRENT RESOLUTION 74

At the request of Mr. McGovern, the Senator from New Mexico (Mr. Montoya) and the Senator from Alaska (Mr. Gravel) were added as cosponsors of Senate Concurrent Resolution 74, expressing the sense of the Congress that certain education programs should be funded on an advance basis.

ADDITIONAL COSPONSORS OF AMENDMENT

AMENDMENT NO. 1026

At the request of Mr. McGovern, the Senator from Minnesota (Mr. Humphrey), the Senator from Connecticut (Mr. Ribicoff), the Senator from North Dakota (Mr. Young), the Senator from California (Mr. Tunney) and the Senator from Alaska (Mr. Gravel) were added as cosponsors to Amendment No. 1026, relating to payments under the impact aid program to school districts which have a high concentration of children who reside on, or whose parents work on, Federal property.

ANNOUNCEMENT OF HEARINGS ON FENCING OF STOLEN GOODS

Mr. BIBLE. Mr. President, as chairman of the Senate Select Committee on Small Business, I wish to announce that the full committee has scheduled hearings on April 30 and May 2, 1974, at 10 a.m., into criminal redistribution or fencing of stolen goods and its impact on legitimate business activities. The hearings on April 30 will be held in room 1224, and on May 2 in room 1318, both in the Dirksen Senate Office Building. A complete list of witnesses will be released by the committee at a later date.

These sessions will mark a continuance of hearings into this subject area begun last year when the committee began its overview of criminal redistribution of stolen goods in the Los Angeles and New York City areas, and how they are supportive of the $16 billion that the Commerce Department estimates is the yearly cost of property thievery nationally and the $1½ billion in hijacking and thievery losses yearly from air, truck, rail, and maritime carriers.

Further information regarding these hearings can be obtained from the offices of the Senate Select Committee on Small Business, extension 5–5175.

NOTICE OF HEARINGS BY SUBCOMMITTEE ON PARKS AND RECREATION

Mr. JACKSON. Mr. President, I wish to announce for the information of the Senate and the public that open public hearings have been scheduled by the Subcommittee on Parks and Recreation on May 9, 1974, at 10 a.m. in room 3110 Dirksen Senate Office Building, on the following bills:

S. 605, to amend the act of June 30, 1944, an act to provide for the establishment of the Harpers Ferry National Monument, and for other purposes.

S. 2661, to amend the Land and Water Conservation Fund Act of 1965 so as to authorize the development of indoor recreation facilities in certain areas.

S. 3301, to amend the act of October 27, 1972—Public Law 92–578—Pennsylvania Avenue Development Corporation Act of 1972.

ADDITIONAL STATEMENTS

THE PANAMA CANAL

Mr. WILLIAM L. SCOTT. Mr. President, I ask unanimous consent to have printed in the Record the text of a joint resolution adopted by the Senate of the Commonwealth of Virginia dealing with the sovereignty of the United States over the Panama Canal.

There being no objection, the joint resolution was ordered to be printed in the Record, as follows:

SENATE JOINT RESOLUTION 51

Whereas, in nineteen hundred and three, the United States of America was granted sovereignty over the Panama Canal Zone in perpetuity; and

Whereas, the Panama Canal is essential to the defense and national security of the United States of America; and

Whereas, the Panama Canal is of vital importance to the economy and interoceanic commerce of the United States of America and the remainder of the free world; and

Whereas, valuable exports from Virginia go through the Panama Canal to distant reaches of the globe, and

Whereas, under the sovereign control of the United States of America, the Panama Canal has provided uninterrupted peacetime transit to all nations; and

Whereas, the traditionally unstable nature of Panamanian politics and government poses an implicit threat to the security of the interests of the United States of America served by the Panama Canal; and

Whereas, the Republic of Panama possesses neither the technical and managerial expertise to effectively operate and maintain the Canal nor the capability to meet the growing demands placed upon the Canal; and

Whereas, the Canal represents a five billion dollar investment on the part of the people of the United States of America; now, therefore, be it

Resolved by the Senate, the House of Delegates concurring, That the General Assembly of Virginia requests that the Congress of the United States reject any encroachment upon the sovereignty of the United States of America over the Panama Canal and insist that the terms of the Hay-Bunau-Varilla Treaty of 1903 as subsequently amended be adhered and and retained; and

Be it further resolved, That the Clerk of the Senate send copies of this resolution to Richard M. Nixon, President of the United States; Gerald R. Ford, Vice President of the United States; Henry A. Kissinger, Secretary of State; Carl Albert, Speaker of the House; J. William Fulbright, Chairman, Senate Foreign Relations Committee; and to each member of the Virginia Delegation to the Congress of the United States.

SENATOR METCALF'S ADDRESS TO THE NORTH AMERICAN WILDLIFE CONFERENCE

Mr. MANSFIELD. Mr. President, earlier this month my colleague from Montana, Senator Lee Metcalf, prepared an address for the North American Wildlife Conference held in Denver, Colo. Senator Metcalf is one of the Nation's leading experts in the field of legislation as it affects preservation and protection of our wildlife and in all matters relating to natural resource development. I was especially impressed with his address in view of his detailed consideration of public land policies as they relate to wildlife management and the growing concern over the development of Federal coal deposits. I am confident that the conference found his advice and counsel valuable and I was especially pleased with his strong endorsement of my amendment to S. 425, the Surface Mining Reclamation Act. Senator Metcalf speaks not only from many years of involvement in conservation and resource development but, also, as one of the keen legal minds in the Senate. Mr. President, I ask unanimous consent that the April 3 address be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

ADDRESS BY SENATOR LEE METCALF

Since mailing you a first draft of a speech under the title assigned, I have held some hearings on mining in the West and have had second thoughts about my topic to cover your conference. Consequently I changed my topic to cover mining and the public's resources.

Today we are faced with the fact that there is a wide movement for the greatest giveaway of public lands and public resources in history.

The hearings just completed are on the various phases of hard rock mining, including the Mining Law of 1872. This is the only law that puts the land use decision entirely in the hands of the developer. The miner—individual or corporation—alone decides that mining development is the best use of public lands, without regard to other values. Nor are there requirements for rehabilitation.

Under the 1872 law, individuals or corporations go onto the people's land without paying a fee, with a minimum of regulation, file a claim on the resources of the land which does not belong to them and without paying the people who own these resources.

Other minerals—among them oil, gas and coal—are developed under leases by our Federal government. The leasing system does give the landowner—the people of the United States through our Federal government—a role in deciding the proper use of the land. It also provides for payment to the owner for the use of the land and protection for other resource values.

So it seems to me there should be great concern from great national organizations dedicated to preservation of the rights of the public to continue wise land use, a vital part of our national heritage. I am concerned and hope that you will make this a high point on your agenda.

But even more than my concern over continued use of the Mining Law of 1872 to exploit the people's resources is my concern over the strip mining of coal in the West and the potentials contained in the recent act passed by the Senate and under consideration by the House of Representatives. This is the range where the buffalo roamed. Today it abounds in deer, antelope, pheasant and grouse. Recently, there was a wild turkey season in southeastern Montana.

Now for some history.

The concern with land and minerals dates back to Colonial times when the original colonies ceded claims to the western lands and minerals to the Federal government. The Land Ordinance of 1785 reserved one-third of certain minerals automatically to the Federal government. Congress in turn began selective mineral reservation and preservation policies in 1807. There is no question about the right of Congress to regulate and dispose of public land.

It is interesting to note that Congressional and public concern over minerals in public land originally dealt mainly with "scarce" and "valuable" minerals—such as gold, silver and copper. Coal and coal ownership questions were not originally a major concern of those interested in minerals. Coal land administration, however, was treated in the same ambiguous fashion.

Public land and mineral policy grew from a classic conflict between groups with a laissez faire development attitude and groups who, for various reasons, wanted public control and planned development of the virgin frontiers. Although the lines of conflict were seldom clearly and easily drawn between these groups, this basic clash was the undercurrent in almost all of the debates surrounding public land and public minerals.

The movement for land use reform grew in the 1880's mingling with several other movements. They included Greely's land settlement movement and the idea of some economic theorists who saw the public lands as a "safety valve" bleeding off surplus labor from the East. These forces pushed for some form of federally controlled, cheap system of land settlement. These same forces were concerned that any land development policy would quickly be exploited by speculators who would rip off tremendous profits while scuttling the program's intent.

This possibility of exploitation inhibited enactment of settlement laws for years. President Buchanan vetoed forerunners of the Homestead Act of 1862. Among other things he feared that such legislation would enable capitalists using dummy entrymen to accumulate large tracts of land solely for corporate profit. Reacting to this veto, Congress amended what became the Homestead Act of 1862 to require homesteading applicants to swear they would use their land for settlement and cultivation.

But Congressional safety measures, for reasons including an inadequate and sometimes corrupt administration, were insufficient to prevent widescale misuse of public lands. Misuse of the lands aroused indignation in the mid-1800's when land scandals were common. In 1886 Governor Alvin Saunders of Nebraska urged his legislature to petition Congress to prohibit disposal of public lands for any purpose other than actual settlement.

The actual beginning of the movement away from exploitation of minerals and government laissez faire attitude began in 1851 when Secretary of the Interior Thompson found it difficult to reconcile the inconsistent Federal minerals policy. While he was looking for uniformity of policy, his actions did bring the question of disposal of public resources into the light once more.

Congress tried many methods to deal with the minerals on public lands problem subsequent to reserving certain minerals (including coal) in the Homestead Act.

Congressional intent and government interest manifested themselves in curious ways from 1866 to 1870, but the strictly laissez faire policies were by now at least officially not in vogue. For the rest of the 19th Century fuel minerals were handled by piecemeal legislation which, for the most part, failed to consider the whole range of the policy problems.

While Congress began to change its policies, the Federal agencies responsible for administering the public lands began to change theirs. As early as 1875, S. S. Burdett, then the Land Commissioner, expressed fears speculation would preempt settlement. The first actions to classify and thereby reserve and prescribe land use came from pressure exerted by Major Powell and the Public Land Commission in 1879. By then valuable public domain augmented the work of conservation and settlement-oriented factions to control and preserve mineral deposits.

A series of executive and Congressional actions in the latter part of the 19th Century tightened public control over public land and resources. Promotion of homesteading rather than outright sales of lands was one method the government used to foil concealed commercial exploitation. That tactic was not exceptionally successful. Homestead revision legislation began to reflect more concern over misuse of homestead land. Provisions in the 1904 Kinkaid and Enlarged Homestead Acts limited entries and implied a type of classification (and therefore regulation) of the lands, but since there were no enforcement provisions, restrictions were not significant. Even President Taft, who had some reservations about government interference, used a measure providing for the classification of the remaining public lands "according to their principal value or use." Taft's measures won Congressional approval.

The preservation-conservation attitude toward public minerals and public lands found one of its most ardent and active spokesmen in Taft's predecessor, Theodore Roosevelt. Roosevelt wondered whether the government and the people were getting their fair share from Federally-owned coal lands. To remedy this he began "withdrawing" large acreages of mineral lands from disposal under the mining law while advocating the then novel "multiple use" idea. The opposition included speculators and developers, Westerners interested in attracting more people and money to their areas, and those who wanted to settle on public lands.

In 1907, Roosevelt asked Congress to pass preservation-oriented legislation on the coal lands. He primarily stressed the need for conservation of the remaining mineral fuels in the public domain, not only to prevent waste but also to preserve a portion of the remaining coal resources for future generations. He felt that "mineral fuels, like the forests and navigable streams, should be treated as public utilities."

Roosevelt recommended that the most effective way to deal with this resource would be to enact "such legislation as would provide for title to and development of the surface land as separate and distinct from the right to the underlying mineral fuels in regions where these may occur, and the disposal of these mineral fuels under a leasing system on conditions which would inure to the benefit of the public as a whole."

Although he did not specify the details of such legislation, he felt the system should be administered "in the spirit of generosity" which had characterized our earlier disposition of public lands. After noting that 30 million acres of coal fields had already passed into private ownership, he suggested that legislation of the type he proposed would give the Congress ample opportunity to determine how the two systems—private ownership and public leasing—operating side by side, actually worked.

In the second session of the 59th Congress several Congressmen introduced a number of bills to implement Roosevelt's concept providing for both severance of surface rights from underlying minerals and for leasing. Partially because of Congressional lethargy and partially because of strong opposition, none of the first series of bills ever made it out of committee.

Roosevelt did not give up. Later in 1907 he announced to Congress that experience in other countries of the world had proved that coal mining and agriculture need not be mutually exclusive. On his last day in office, Roosevelt signed an act permitting severance. The statute provided that a good faith entryman under the non-mineral laws of land later classified as valuable for coal might nevertheless receive a patent to the surface, subject, however, to a reservation of the coal to the United States with a right to prospect for and mine the coal.

In the early days of the Taft administration (1910) this act was liberalized to permit entry under the nonmineral land acts even after land withdrawal or coal land classification.

With this background, the measure which became the 1916 Stock Raising Homestead Act was introduced, first in 1914 by New Mexico Congressman Harvey B. Ferguson. The measure was pushed through Congress in a slightly different form two years later by Colorado Congressman Edgar T. Taylor, who lived to regret his accomplishment. One of the major selling points of the Stock Raising Homestead Act was that the land to be homesteaded was "chiefly valuable for grazing and raising forage crops." According to Ferguson, the main object of such a measure was to "restore and promote the livestock and meat producing capacity of the semi-arid states, and . . . to furnish homes to landless and homeless citizens of our country." As with the other homestead measures, coal and other mineral rights were *to be retained by the government and no commutation was to be allowed.* Less than 18 years later, Taylor concluded that these grazing lands should be retained in Federal ownership. The Taylor Grazing Act of 1934 so provided, and, for all practical purposes repealed the Stock Raising Homestead Act.

And so today in the West we have more than 60 million acres of divided ownership, divided ownership of two main types. We have land where the ranchers and suburban homeowners own surface rights and the people of the United States have reserved for themselves the mineral rights. This was one of the great conservation victories of that time. Men and women interested in wise use for the benefit of all people were told they had won a great victory in saving these resources for the Nation and maintaining the mineral rights in the ownership of the Federal government.

This divided ownership of surface rights and mineral rights exists not only where the government has never given its mineral rights, but sometimes occurs when the mineral rights are sold separately from surface rights. So one man owns the surface—and another the underlying minerals. Then there is a third type of divided ownership. An example is in Southeastern Montana, where the Tongue River Reservation of Northern Cheyennes was opened for settlement after the land had been taken from the Indians. The Federal government retained mineral rights. Then Congress decided it had been wrong to take that land away from the Indians and so Congress returned to the Northern Cheyenne Tribe the mineral rights to that land. In that area, surface rights are owned by ranchers, livestockmen and farmers and mineral rights are owned by the Indian Tribe.

The issue of divided ownership of minerals, especially coal, has become more pressing with the energy crisis-inspired push to develop all coal. This push for development could result in the greatest American land resources giveaway in history. There are those in the House of Representatives who would give to the surface owner the public right to strip mine the publicly-owned coal—give the surface owner the veto power over development of a public resource—allow the surface owner to built a toll gate on the way to access to public resources. Enactment of such legislation could lead to purchase of these public rights by the coal companies. Such action would reverse the victories won not long ago by conservationists and government officials who wanted to protect the people's interest. The giveaway would entail billions of tons of coal—gold, if you will—that belong to all of the people of the United States.

We would all lose in that giveaway—lose to the enormous profit of coal companies and surface landowners. The landowners by and large are descendants of homesteaders who have already profited from the land by its agricultural settlement. The giveaway would be an undreamed of bonus, a bonus which the original homesteaders thought would never be theirs. Those homesteaders went in to develop that land agriculturally, not to develop it for mining. Theirs was an investment for agriculture-related gain, not for mineral-related gain. The Federal government in allowing the homesteaders to enter that land while reserving the minerals to all the people of the United States recognized that the minerals belong to everyone, were for everyone's use and profit.

Senator Mansfield has tried to meet the issue of the people's coal and the people's minerals under the grazing, homestead and other laws by saying we will not disturb the surface rights, we will leave that coal in the ground preserving it for use only in a grave national emergency, rather than strip mining it.

Under the Mansfield amendment, publicly-owned coal beneath privately-owned surface land can only be mined by underground methods. His amendment complements existing law. It recognizes our Federal government's rights to regulate and protect our public resources in the public interest. That coal will stay in the bank. The use of that coal is not "lost forever." Congress can always change the law and provide for the mining of coal.

Despite industry claims to the contrary, the Mansfield amendment does not prevent strip mining of all publicly-owned coal. As a matter of fact there is more coal that would not be affected by the Mansfield amendment than would be. The Mansfield amendment is concerned solely with divided ownership.

But one thing Congress can never do: Congress can never regain our public resources once they are given away. Congress can never restore resources that are wasted. Congress can and must protect our public resources, for the next and succeeding generations.

You should take an active role in Congressional action. You should let your Senators and Congressmen know how you feel about the surface mining reclamation act and the Mansfield amendment to S. 425.

ARBOR DAY

Mr. HRUSKA. Mr. President, today marks the 102d anniversary of Arbor Day. This annual observance which began in my home State of Nebraska has spread throughout the United States and into a number of foreign countries as well.

The philosophy behind Arbor Day is simple. The idea is to devote 1 day each spring to the planting of trees. Behind such a simple thought, however, rested the dreams of one man who cared deeply about the beauty of the American countryside.

I refer to the man responsible for Arbor Day: J. Sterling Morton. Morton was not a native Nebraskan. He moved to the flat plains of Nebraska as a young man. His combined interests of horticulture, journalism, and public service gave birth to Arbor Day.

As a horticulturist, Morton appreciated the beauty of the land. He transformed his 160 acres along the banks of the Missouri River into a beautiful setting filled with trees and shrubbery. As a newspaperman, he used the printed word to encourage his neighbors to do likewise. As a public servant, he carried his message throughout Nebraska and throughout the Nation.

J. Sterling Morton was a secretary of the Nebraska Territory, president of the State board of agriculture, and Secretary of Agriculture under President Grover Cleveland. He is remembered most as the father of Arbor Day.

In 1872 Morton told Nebraskans:

> If every farmer in Nebraska will plant out and cultivate an orchard and a flower garden, together with a few forest trees, this will become mentally and morally the best agricultural state in the Union.

Nebraskans responded to the challenge. That first year more than a million trees were planted. By the time the mass tree-planting day became an official State observance in 1888, some 600 million trees had been planted. The idea spread quickly into other States. Today it is nationwide.

Mr. President, 7 years ago a delegation from Nebraska brought a ginkgo tree from Arbor Lodge, Mr. Morton's home, to the Nation's Capital. That tree was planted on the grounds of Capitol Hill to commemorate Arbor Day. Just recently, I had a chance to pause and take note of the growth of that tree in these past 7 years.

It has grown almost three times its original size. It is becoming tall and sturdy. It stands proudly to remind us of J. Sterling Morton's dream. A nation can only be as beautiful as its people will permit. That ginkgo tree calls attention to the fact that each of us has an obligation to make America a better and more beautiful place in which to live.

Some may question the merit of setting aside 1 day each year for Arbor Day. Such people do not care about conservation and preservation of the environment. They do not care to leave their children a home that is made pleasant because of its beautiful setting.

Arbor Day 1974 is more of a challenge than it was in the time of J. Sterling Morton. I hope the American people are as willing to meet the challenge as were our ancestors a hundred years ago.

SOLAR ENERGY AND FOOD PRODUCTION

Mr. McGOVERN. Mr. President, I have been convinced for some time that solar energy can prove its real value by more intensive application on the farm. To that end, I have sponsored legislation in this session of Congress which would not only provide for the accelerated development of solar research on the farm but would also establish a solar/agricultural research center. I have suggested that such a center might be attached to the EROS complex in Sioux Falls, S. Dak.

The wisdom of that suggestion is demonstrated by the imaginative work of Solar Gardens in Sioux Falls, S. Dak. Under the direction of Mr. Tom Lackey, they are growing tomatoes by making intensive use of the Sun's energy. I am confident that South Dakota farmers and EROS scientists could make an effective team if their efforts were joined on behalf of accelerated solar energy research. The work of Solar Gardens is a fine demonstration of the potential for expanded solar energy in South Dakota.

I ask unanimous consent that a news article explaining the work of Solar Gardens be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Sioux Falls (S. Dak.) Argus-Leader, Apr. 14, 1974]

Hydroponics Used To Grow Tomatoes Indoors at Solar Gardens Plant Near Sioux Falls

(By Tom Graves)

If Tom Lackey is a prophet, farmers of the future will stop tilling the soil and concentrate on growing crops through hydroponics.

"Hydroponics," the system of growing plants in a solution of water and nutrients, is being demonstrated at the Solar Gardens, East Highway 16, where "Big Red" tomatoes are grown for commercial sale.

The tomato plants are grown in three giant greenhouses, lighted and warmed by the sun and fed by a system of constant irrigation.

"We completely control the environment in the greenhouses," Lackey, a part-owner of the enterprise, said. "We try to provide as perfect a temperature for the plants as we can."

The main temperature problem, he said, is heat, not cold, even in the winter.

"On days when it is only 10 degrees outside," Lackey said, "we pump heat out." The abundance of heat, created by solar energy, is combated by an exhaust system, a fan system and finally a pad which circulates water and cools the plants by evaporation.

During the night, or particularly cold days, heat is pumped in by furnaces in each house. The temperature and humidity are automatically controlled without manual interference.

The plants also are automatically irrigated three or four times daily. The water has been premixed with the nutrients necessary for plant growth.

It takes about four months from the day the seeds are planted until they produce a ripened tomato. For two months, vine ripened tomatoes are picked and then the plants are uprooted and the process starts over again.

With the use of three greenhouses, one of the crops is in production at all times. A fourth greenhouse, soon to open, will also grow tomatoes and one of the original houses will be converted to grow cucumbers.

Lackey said each greenhouse could produce a maximum of 90,000 pounds of tomatoes a year, all to be distributed to Sioux Falls. "We don't need to distribute outside this area," he said. "Three million pounds of tomatoes are consumed in Sioux Falls annually," he said.

Lackel said the four owners of the gardens had planned originally to build 10 greenhouses for vegetable production. "The shortage prevented us from doing that," he said.

Regardless of the gas shortage, Lackey said he believes that hydroponics is the future of agriculture. "Not only agriculture," Lackey said, "but the drug industry." Lackey said many drugs are manufactured from agricultural products.

He said there are a number of advantages to the hydroponics system. One, naturally, is that the crop need not rely on weather. Another, Lackey said, is that more vegetables can be raised on less space. He estimated that 10 times as much ground is necessary to raise tomatoes by the natural method.

Finally, no chemical sprays are necessary and there is no pollution involved with hydroponics. "No pollutants leave this plant," he said, "it's a closed system."

The tomatoes grown at Solar Gardens will be more expensive than the natural variety, he admitted. But, Lackey said, the quality makes up for the difference in price.

"We grow a tasty tomato," he concluded.

SENATOR RANDOLPH CONTINUES ENERGY STABILIZATION EFFORTS

Mr. MANSFIELD. Mr. President, editorials in three West Virginia newspapers earlier this month clearly point to the leadership role the editors feel that their

State's senior U.S. Senator, JENNINGS RANDOLPH, performs on energy matters. And they are right: JENNINGS RANDOLPH is the most senior of the congressional workers for sound national fuels and energy policies; and a willing, tenacious and effective worker for energy supply improvement is our distinguished colleague from West Virginia. He is a leading advocate of United States energy self-sufficiency.

The Wheeling News-Register of Thursday, April 4, 1974, called attention to a speech Senator RANDOLPH recently made in this Chamber, and gave emphasis to these paragraphs:

> Unless we can quickly advance the technologies for mining, transporting, and burning coal—and then master the techniques for converting it to synthetic natural gas and oil—our energy self-sufficiency cause is lost.
>
> Past research efforts in the United States have been seriously flawed by the inability of officials to assess the coal industry as a coal delivery system. It is important to underscore the fact that the coal delivery system extends from the mine face where it is dug to the point of end-use products. Most of the efforts have been at only a fraction of the industry's technology needs—utilization—even though key subsystems, such as extraction, call for major improvements.
>
> We lost time and momentum when, in the early 1950's the administration in power during that period stopped funding—and thereby stifled—the then ongoing research into synthetic liquid fuels and into coal gasfication. . . . I don't want to see that happen again.
>
> But I fear that the people might become complacent and apathetic once the present crisis seems to have abated and the urge may be to "go back to doing business as usual."

The News-Register editorial appropriately concluded:

> Thus we should be reminded that, as Senator Randolph has noted, the lifting of the Arab oil embargo is conditional. It could be reimposed at any time. The need for action to cope with our energy problems is as great now as in the months past.

Then, in the Huntington Herald-Dispatch of Monday, April 8, 1974, there is a timely and appropriate editorial under the headline, "Having 'Mothballed' Coal Research Once, Will We Make the Same Mistake Again?" That is a pertinent question and, again, Senator RANDOLPH supplied a basis for the question and reasoning for the answers.

The Fairmont Times of Thursday, April 11, 1974, also gave editorial attention to that State's senior Senator's speech in these Chambers under the headline "Randolph's Warning."

Mr. President, I ask unanimous consent that all three of the editorials from the West Virginia newspapers cited be printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Wheeling (W. Va.) News-Register, Apr. 4, 1974]

SENATOR RANDOLPH'S TIMELY WARNING

U.S. Senator Jennings Randolph of West Virginia delivered a very important warning in an address on the floor of the Senate last week in calling attention to the fact that the Arabs lifted the oil embargo only on a probationary basis. They are giving it a try until June and as the Senator cautioned, after that they can do what they want to do.

Now that gasoline supplies are flowing again in this country and the winter heating season has passed, the danger exists that Americans will become complacent in the belief that the energy crisis has been whipped.

Senator Randolph hopes that does not become the case for there is an urgent need to push ahead on research and development of alternate energy supplies. He is especially interested in the coal industry which he sees as the major contributor to any program designed to give the United States energy self-sufficiency.

However, such a move will require unprecedented growth in coal production from today's 590 million tons to almost 2 billion annual tons by 1985. But as Senator Randolph pointed out the coal industry is technologically deficient. Expert skills are needed in systems analysis, research management, and technical areas as diverse as process chemistry and environmental monitoring. Frankly, Sen. Randolph said, the coal industry today lacks the technology to mine enough coal. And once coal is mined, the technology to make its use completely acceptable is still lacking.

"Unless we can quickly advance the technologies for mining, transporting, and burning coal and then master the techniques for converting it to synthetic natural gas and oil, our energy self-sufficiency cause is lost," Sen. Randolph told fellow Senators.

Fortunately, the Senator from West Virginia does not believe money will be a major obstacle. There seems to be a new willingness on the part of government and industry to spend what is required to get the research job done. What is needed is an agreement on the course which is to be followed. There must be a unified policy if progress is to be achieved.

Sen. Randolph said that past research efforts in the United States have been seriously flawed by the inability of officials to assess the coal industry as a coal delivery system. He said it is important to underscore this—that the coal delivery system extends from the mine face to the point of the end-use product. As a result, he said, most of the efforts have been aimed at only a fraction of the industry's technology needs—utilization—even though key subsystems, such as extraction, call for major improvement.

"We lost time and momentum when, in the early 1950's the administration in power during that period stopped funding and thereby stifled the then ongoing research into synthetic liquid fuels and into coal gasification," Sen. Randolph said.

He doesn't want to see that happen again. But he fears that the people might become complacent and apathetic once the present crisis seems to have abated and the urge may be to "go back to doing business as usual."

Thus we should be reminded that as Sen. Randolph has noted, the lifting of the Arab oil embargo is conditional. It could be reimposed at any time. The need for action to cope with our energy problems is as great now as in the months past.

[From the Huntington (W. Va.) Herald-Dispatch, Apr. 8, 1974]

HAVING "MOTHBALLED" COAL RESEARCH ONCE, WILL WE MAKE SAME MISTAKE AGAIN?

The other day an impressive contingent of reporters and photographers turned to report on a demonstration out in Illinois in which Gov. Walker filled the tank of a compact car with "gasoline" made from coal, then set off for a spin.

It was an impressive example of why coal truly can be—with the proper research and development—the "fuel of the future."

But it ought to be emphasized that the idea of "liquid coal" just isn't really all that new. In fact, the technology involved has been around for a long time. Just how long was pointed out in recent Senate remarks by Sen. Jennings Randolph, D-W. Wa.

Taking due note of Gov. Walker's little demonstration spin, Randolph recalled making a World War II flight from Morgantown, W. Va., to Washington National Airport in a light plane fueled with aviation fuel made from coal.

"At the time," Randolph recounted, "we were faced with the menace of the (German) U-boats along the eastern coast of the United States and other coastal and deeper waters. The U-boats were stopping the flow, then, of needed oil into the United States."

Because of the U-boat menace and the threatened oil cutoff, the federal government authorized experiments to see if plentiful coal could be converted into scarce gasoline. Indeed it could. Thus it was that Randolph took that history-making flight from Morgantown.

But turning out a few gallons of "liquid coal" on an experimental basis and putting the process into large-scale production proved two different things. Before the problems associated with making the process practical could be licked, the war came to a halt. And coal research became a casualty of the post-war demobilization.

With no money available to continue work on it, the fact that coal could be converted into a liquid or a gas remained little more than a laboratory curiosity.

In recent years, with the onset of fears that we might be running out of petroleum and natural gas, there's been renewed attention paid coal research. But, even so, the funding still hasn't been of the size needed to lick the problems involved.

Only with the advent of the Mideast oil embargo did there seem at last the possibility that coal research was going to be properly funded.

Now, however, with the conditional lifting of the embargo, already there's talk about getting back to "business as usual." It is, as Randolph pointed out, the same sort of talk that resulted in those early experiments being "mothballed" at the end of war.

Are we going to repeat the same mistake?

[From the Fairmont (W. Va.) Times, Apr. 11, 1974]

RANDOLPH'S WARNING

While Marion Countians, and we suspect most West Virginians, have had plenty of gasoline to go around since the days of the long lines back in early February, this is not the case throughout the entire country.

And even though the thoughts of those endless lines are only unpleasant memories that make for interesting stories now, Sen. Jennings Randolph still feels there is a definite need for gas rationing in the United States.

In a speech before the American Hotel and Motel Association, the West Virginia Senator claimed that rationing may be the only sure way all Americans will be provided a sufficient amount of gasoline to plan their recreation and travel for the summer months.

Calling the energy crisis as still "a serious threat," Randolph said that "although the Arab embargo has been lifted, we must not discount the seriousness of present energy problems. In the years ahead we may be forced by circumstances to change our patterns of living."

He warned Americans not to return to their old driving habits and against their excessive use of air conditioners in the summer months.

"In fact, rationing may be the only method for providing each family with sufficient gasoline and the confidence to plan their recreation and travel," the state's senior senator stated.

Since Senator Randolph was one of the first to warn the nation of the possibility of an energy crisis as far back as 1960, his words can't be taken lightly.

Yet some of the rationing plans that had been suggested when the topic was top priority around the country a few short months ago didn't offer a family much gasoline to use for their regular day-to-day business, let alone for vacation trips.

With seemingly plenty of gasoline to go around these days, the idea of rationing seems ridiculous. But that doesn't mean that with the good driving months beginning, and many motorists probably becoming careless with their driving habits once again, that another severe shortage could not creep up.

FERTILIZER SITUATION REMAINS UNCERTAIN

Mr. McGOVERN. Mr. President, as the warm sunshine and gentle breezes of springtime make their entrance to the grain producing areas of the Midwest, farmers are taking to the fields to begin the essential process of food production. While their national government has asked them to produce at maximum levels this year, many U.S. farmers today may be kept from responding to that call—not because of any lack of cooperation on the farmer's part—but because some of the inputs essential to his reaching that goal may not be provided to him. And, most important among those inputs he may be short of this year's fertilizer.

While other members of our Senate Committee on Agriculture and Forestry and I have done about as much as could be expected in assisting efforts to get maximum production and equitable distribution of fertilizer supplies, this year, a shortage of these essential materials is still expected. An updated report on this situation, prepared by Donna Russell, appeared recently on the Commodity News Service wire.

Mr. President, I would like to ask unanimous consent that a copy of that report, plus a copy of another CNS wire story regarding fertilizer stocks estimates, be printed in the RECORD following the completion of my remarks.

These reports further confirm that we learned in our February 19 and March 8 hearings on fertilizer which were held by the subcommittee I chair. While I and other members of the subcommittee continue to press for some additional steps to be taken to ease this situation, time has all but run out on us as far as our being able to do much more to increase fertilizer supplies between now and the completion of spring planting.

We do, however, expect to secure some general improvements regarding increased supplies of fertilizer in the future. About 2 weeks ago the Interstate Commerce Commission took action to increase the availability of rail hopper cars needed to move fertilizer supplies from production to use in farming areas. Last week, the Federal Energy Office accepted our advice and included the fertilizer industry as part of agriculture for purposes of allocating liquid fuels to that industry based upon 100 percent of needs. Within the next week to 10 days we hope to hear further from the Federal Power Commission regarding an emergency study it is conducting on the natural gas requirements of nitrogen fertilizer producers. We hope, based upon the findings of this study that further action will be taken to eliminate natural gas supply interruptions to such producers. Also we hope that the Commission will soon be prepared to take action which will guarantee future supplies of natural gas to those producers wanting to expand the production of nitrogenous fertilizers.

The Cost of Living Council, through the offices of the Internal Revenue Service is now investigating allegations of fertilizer price gouging at the local level and withdrawal from certain market areas by some fertilizer manufacturers.

And, on March 20, 1974, I convened a meeting of Federal officials here in Washington at which time I presented them with an outline of suggested points I asked them to review and consider regarding the development of a fertilizer production and distribution action plan for next year—during which period I regret to report, the fertilizer situation is likely to be as bad, if not worse, than this year.

Mr. President, I intend to continue my efforts to monitor this situation very closely. As I stated in opening our February 19 hearings on fertilizer, I believe the problem we face regarding this matter is nothing short of a "national emergency". Our Nation's future food supply is involved, along with that of many people throughout the world who depend upon us for their grain imports.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FERTILIZER UPDATE—SHORTAGE RECONFIRMED

(By Donna Russell)

CHICAGO, April 3.—The U.S. ten major corn producing counties, again queried by CNS about the fertilizer situation, agreed at the end of last week that shortages will cause reduced application of nitrogen—100 pounds per acre, about 20 percent lower than last year's rate. They also agreed that USDA's planting intention estimates would probably be fulfilled.

There was also consensus that nitrogen prices averaged about $180.00 per ton, although all farm advisers questioned had heard of black market charges of as much as $300.00.

Reports from the counties (in order of magnitude within the ranked states) follow:

Kossuth County, Iowa: Information not available.

Pottawattamie County, Iowa: "On an average we are about 15 percent short of fertilizer. We have, however, 50 percent of the potash and phosphate we'll need applied, but only about 10 percent of the nitrogen," the adviser said.

The price of nitrogen is between $180.00 and $200.00 a ton, about 100 percent higher than last year, he said.

McClean County, Illinois: On availability of fertilizer "we get all kinds of stories—some suppliers say they'll have only 30 percent of what they had last year, others 70 percent, and other 100 percent. Anything with nitrogen in it is very short," the adviser said.

He estimated that on an average only 15 to 20 percent of the county's fertilizer needs had been applied last fall.

Rumors of black market anhydrous ammonia, the kind of shortest supply and most crucial in fulfilling corn planting intentions, are heard in McLean County. "I've heard $300.00 a ton, but I don't know if anyone bought it. Anhydrous is just above $200.00 a ton around here."

He added that if corn prices stay at present levels, it would still be profitable to apply 200 pounds of $200.00 nitrogen per acre if it were available. Since it will not be available, he said farmers will have to settle for 100 to 125 pounds per acre. If less than that is available, farmers will probably not plant corn.

"Most farmers are looking at 1974 as one of the most uncertain years they've faced in a long time—both from the supply of product view and the erratic nature of prices," he said.

Champion County, Illinois: "Supplies have eased in the last month and a half, but things are still in the same state of flux. If anything there is more uncertainty in the minds of farmers and dealers about adequate fertilizer," the adviser said.

Although 80 to 90 percent of the fieldwork was done, little fertilizer has been applied. The price of anhydrous is currently about $180.00 a ton, but the adviser said he think it will come down toward $150.00 because of dealer price wars as planting time approaches.

He has also heard rumors of anhydrous at $300.00 a ton but doubts local farmers will buy even a portion of their needs at those prices. "They won't let anyone hold them up without a gun," he said.

Hamilton County, Nebraska: Dealers are supplying on an average 85 pct. of last year's totals that allows farmers to apply 150 lbs. of nitrogen per acre compared to last year's 180 to 200 lbs.

Application has begun this spring and 80 to 90 pct. of required nitrogen has been applied.

Hall County, Nebraska: Fertilizer supplies vary from a general estimate of 20 pct. short to 40 pct. short for anhydrous, the adviser said. "And farmers are more discouraged about having enough by planting time." Only about 10 to 15 pct. of the county's needs were applied last fall.

Some dry, bulk potash and phosphate have been applied this spring, he reported. Although farmers are running the risk of losing some by leaching in spring rains, "they will take that risk rather than pass up a supply that may not be there later," he said.

Farmers will have to "settle for" 100 pounds per acre, but will not plant corn with much less than that. Later side-dressing is complicated by uncertainty over supply, weather, and shortage of applicators. One possible alternative is to put nitrogen in the irrigation system, since most of Hall's corn acreage is irrigated.

Although there are "more and more" reports of black market anhydrous at $300.00 a ton, prices are generally under $200.00. In general, he said, "farmers are uneasy. They have made a lot of commitments on the assumption of corn in the $2.00 to $2.50 range."

Redwood County, Minn.: "Supplies are 10 to 20 pct. below last year's, but distribution will make for spot shortages," the adviser said. About 50 pct. of Redwood's needs were applied last fall, but nitrogen remains a big problem.

Prices for anhydrous are about $180.00 a ton, about double last year's. Some is quoted at over $300.00 a ton, but its location and sale have not been verified.

The adviser said that local farmers will plant corn with as little as 1P lbs. of nitrogen per acre, but that weather would be a greater factor than fertilizer in changing planting intentions.

Renville County, Minn.: Farmers will probably get an adequate 80 pct. of what they need—about 100 pounds per acre. Almost 60 pct. of non-nitrogenous and 40 pct. of nitrogenous fertilizers have been applied. Cost of anhydrous is between $80.00 and $300.000 a ton.

Jasper County, Indiana: "Individual dealers talk about being 30 to 50 pct. short, but most of it in the county comes from a co-op elevator that has 100 pct. of last year's supply," the adviser said.

Farmers are "still very concerned", he said, and as a consequence are applying fertilizer as soon as they get it in spite of possible losses up to 20 pct. because of leaching. It is being applied at the rate of 100 lbs. per acre compared with a "regular" application of 125 lbs.

"Legitimate prices for anhydrous are about $200.00 a ton, but "scalpers" are charging up to $400.00.

He said farmers are accustomed to uncertainty, and had a particularly good year so the present doesn't look any worse than the planting season two and three years ago.

Montgomery County, Ind.: "Dealers say they're getting 80 to 90 to 100 pct. of what they had last year," the adviser said. Most farmers are pleased with those supplies, but those who lost their suppliers have nowhere to go.

The price for nitrogen varies from $180.00 a ton for the amount that was bought last year to $300.00 for any amount over that. "I guess that means 'I'll buy it on the black market for you if you want more,' " he said.

Nitrogen will be applied at the rate of about 100 lbs. per acre compared to last year's 150 lbs. About 30 to 50 pct. of all fertilizer was applied last fall.

FEO Allows Petroleum Price Hikes

Washington, April 2.—The Federal Energy Office will permit price boosts on various petroleum products at both the wholesale and retail levels effective the first of this month to cover increased marketing costs, it was announced today.

Gasoline wholesalers who sold 188 million gallons or more last year may raise their prices ¼ cent per gallon, while those who did less than 100 million gallons of business last year may raise the per gallon price by ½ cent.

Retailers of middle distillates may raise their prices a penny a gallon, while wholesalers above the 100 million gallons volume level may raise prices ¼ cent and those under that level are allowed a ½ cent hike.

Residual fuel retailers will be permitted a ¾ cent per gallon price hike, and wholesalers allowed a ¼ cent hike. Propane retailers may raise their prices 1 cent and wholesalers ½ cent per gallon.

The price hike allowances, detailed in Tuesday's Federal Register, apply variously to jobbers, resellers-retailers, and retailers in certain areas. The wholesale price hikes may not be pasesd along automatically by retailers.

In addition, an increase of up to 10 per cent in the commissions paid consignees distributing various covered products to purchasers under contractual agreements with refiners was also announced, but it is expected to have a very minor impact at the retail level.

Fertilizer Shortages May Force Crop Shifting

Washington, April 2.—In its latest production and inventory figures, the Fertilizer Institute claims that farmers will have to be careful with acreage application rates this spring and that shifting some crops may be the only alternative left to some fertilizer-needy farmers.

The institute continues to contend that even plants running at maximum capacity cannot meet spring needs. A serious shortage of fertilizer stocks at retail and intermediate levels stems most directly from lower February end producer inventories.

TFI figures show that at the end of February, supplies equaled just over a month's production of nitrogen products, about a half month's production of phosphate, and 25 days' worth of potash production. Overall inventory was down 47 percent from a year ago and the TFI warns that supplies moving to end-users for the next several months will depend on how fast the supplies can move from plant to retailer.

The TFI listed the following stock estimates for the July 1973–February 1974 ending period:

Nitrogen Products—Anhydrous ammonia production, basic to all nitrogen products, was up 2 percent. Domestic disappearance was 6 percent higher and ending stocks down 40 percent. Only low-pressure nitrogen solutions (down 13 percent) and urea (down 9 percent) declined in production for the period and the month of February. Ammonium sulfate led other nitrogen products in percentage increases of domestic use—189 percent in February over February a year ago. Present inventory is equivalent to 18 days' production.

Phosphate Products—Production and domestic disappearance of phosphate products July–February lagged 2 percent from last year. February ending inventories were 36 percent below 1973 for finished products. Phosphate rock inventories were down 23 percent, equivalent to less than 2.5 months' production.

Potash Products—For the six product group through February, production was up 20 percent and domestic use up 33 percent. Low inventories and shortages of rail cars likely account for slackening in use during February.

THE COST OF LIVING COUNCIL

Mr. HATHAWAY. Mr. President, during the years I have been in the Congress, I have noticed that we have a tendency to react to problems in an all or nothing kind of way. We seem to have a desire to go after "once and for all" solutions to major problems which end up being abandoned entirely if they fail to measure up to our initial expectations. A good recent example of this is the Economic Stabilization Act where we have gone from thoroughgoing and strict economic controls to a position of almost complete laissez faire with regard to wages and prices in a period of 30 months.

No one would argue that the controls have been particularly effective in stemming the tide of inflation; in fact, a strong case can be made that in some cases they did more harm than good. But by simply letting the Economic Stabilization Act expire at the end of this month, we are, in effect, throwing up our hands in the face of inflation and assuming that it will somehow just go away. I am afraid that this will not be the case. And our constituents are going to wonder what we were doing while inflation continued to eat away at their paychecks.

I, along with several of my colleagues, have supported a middle position which would maintain the Cost of Living Council as a monitoring agency and leave them at least some "jawboning" authority. To do less, it seems to me, is to ignore the fact that abandonment of an unsuccessful solution still leaves the problem, itself, intact.

Dr. Walter Heller makes this point forcefully in a recent article published in the Wall Street Journal. I urge my colleagues to give serious consideration to Dr. Heller's position.

Mr. President, I ask unanimous consent that the article referred to be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Wall Street Journal April 15, 1974]

The Untimely Flight From Controls

(By Walter W. Heller)

Congress is about to outdo the White House in running away from the inflation problem:

While correctly observing that business and labor are bitterly opposed to wage-price controls—and that consumer views range from skeptical to cynical—Congress is mistakenly walking away from its responsibility to assert the public interest in wage-price moderation in an economy plagued by softening demand and rising unemployment.

While correctly concluding that broad-scale mandatory controls had outlived their usefulness in an excess-demand, shortage-plagued economy, Congress is mistakenly walking away from its responsibility to assert the public interest in price-wage moderation in an economy plagued by softening demand and rising unemployment.

While correctly observing that the White House has done its level worst to discredit controls, Congress is mistakenly refusing even to give John Dunlop and the Cost of Living Council the leverage they need to insure that the pledges of price moderation and supply increases made in exchange for early de-control by many industries will be redeemed.

Granting that controls are in ill repute, one wonders how Congress can explain to itself today—let alone to voters next fall—the discarding of all wage-price restraints in the face of record rates of inflation of 12% in the cost of living and 15% in wholesale prices (including an ominous 35% rate of inflation last month in industrial commodity prices). It is the product of a growing "what's-the-use" attitude? It is an implicit surrender to an inflation that is deemed in part to be woven into the institutional fabric of our economy and in part visited upon us by uncontrollable external forces like world food and material shortages and oil cartels? In short, is inflation now thought to be not just out of control but beyond our control?

MILTON FRIEDMAN'S STREAK

An affirmative answer to these brooding questions seems to underlie Milton Friedman's recent economic streak—one which evokes surprise, astonishment, and disbelief in the best streaking tradition—from Smithian laissez-faire to Brazilian indexation. At present, we use the cost-of-living escalator selectively to protect 32 million Social Security and civil service beneficiaries and 13 million recipients of food-stamps and to hedge inflation bets in wage contracts for 10% of the labor force. Mr. Friedman would put all groups—those who profit from inflation and those who suffer from it alike—on the inflation escalator and thus help institutionalize our present double-digit rates of inflation.

Meanwhile, interest rates are soaring as Arthur Burns and the Fed man their lonely ramparts in the battle against inflation. With wage-price control headed for oblivion in the face of seething inflation, the Fed apparently views itself as the last bastion of inflation defense. So it is adding to the witches' brew by implicitly calling on unemployment and economic slack to help check the inflation spiral.

In this atmosphere, and deafened by the drumfire of powerful labor and business lobbies, Congress seems to have closed its mind to the legitimate continuing role of price-wage constraints. What is that role in an economy relying primarily, as it should, on the dictates of the marketplace?

First are the important transitional functions of the Cost of Living Council for which Mr. Dunlop, with vacillating support from the White House, asked congressional authority. In its new form after April 30 the Council would have:

Enforced commitments made by the cement, fertilizer, auto, tire and tube, and many other de-controlled industries to restrain prices and-or expand supplies—commitments that would become unenforceable when COLC goes down the drain with the Economic Stabilization Act on April 30;

Protected patients against an explosion of hospital fees by keeping mandatory controls on the health-care industry until Congress adopts a national health insurance plan;

Prevented an early explosion of construction wages and the associated danger that housing recovery might be crippled;

Maintained veto power over wage bargains that are eligible for reopening when mandatory controls are lifted.

Beyond Phase 4's post-operative period, government needs to assert its presence in wage-price developments in several critical ways.

The first would be to continue the important function of monitoring other government agencies, of keeping a wary anti-inflationary eye on their farm, labor, trade, transport, energy and housing policies. The point is to protect consumers from the price consequences of the cost-boosting and price-propping activities of the producer-oriented agencies. The White House could continue this function without congressional authority, but a statutory base would give the watchdog agency much more clout.

Second would be the task of working with industry, labor, and government units to improve wage bargaining and relieve bottleneck inflation by encouraging increased production of scarce goods and raw materials.

Third, and by far the most important, would be the monitoring of major wage bargains and price decisions and spotlighting those that flout the public interest.

The trauma of Phases 3 and 4 has apparently blotted out memories of the painfully relevant experiences of 1969–71:

The school's-out, hands-off policy announced by Mr. Nixon early in 1969 touched off a rash of price increases and let a vicious wage-price spiral propel inflation upward even while the economy was moving downward.

Only when Mr. Nixon finally moved in with the powerful circuit-breaker of the 90-day freeze was the spiral turned off.

Today, the urgent task is to see that it's not turned on again. In that quest, some forces are working in our favor:

Much of the steam should be going out of special-sector inflation in oil, food, and raw materials.

The pop-up or bubble effect of ending mandatory controls should work its inflationary way through the economy by the end of the year.

As yet, wage settlements show few signs of shooting upwards as they did in 1969–70, when first-year increases jumped from 8% to 16% in less than a year. Wage moderation in 1973—induced in part by wage controls, but even more by the absence of inordinate profits in most labor-intensive industries and by the fact that the critical bottlenecks were in materials and manufacturing capacity rather than in labor supply—has set no high pay targets for labor to shoot at.

Thus far in 1974, the aluminum, can, and newly signed steel settlements won't greatly boost those targets. So the wage-wage spiral is not yet at work. Since in addition, cost-of-living escalators apply to only one-tenth of the U.S. work force, the ballooning cost of living has not yet triggered a new price-wage spiral. Still, there is a distinct calm-before-the-storm feeling abroad in the land of labor negotiations.

A MODERATION IN INFLATION

With demand softening and shortages easing in large segments of the economy, the old rules of the marketplace would suggest that inflation is bound to moderate. And the odds are that it will—but how fast, how far, and how firmly is another matter. And that's where a price-wage monitor with a firm statutory base is badly needed. It could play a significant role in inducing big business to break the heady habit of escalating prices and in forestalling big labor's addiction to double-digit wage advances.

Industry after industry has gotten into the habit of raising prices on a cost-justified basis as energy, food, and raw material prices skyrocketed. De-control will reinforce that habit.

Once these bulges have worked their way through the economy, we tend to assume that virulent inflation will subside. Indeed, in some areas such as retailing, farm products, small business, and much of unorganized labor, competitive market forces will operate to help business and labor kick the inflationary habit.

But in areas dominated by powerful unions and industrial oligopolies, a prod is needed if habitual inflation—inflation with no visible means of support from underlying supply and demand conditions in the economy—is to be broken. If it is not, the threat of a wage break-out will loom large in upcoming wage negotiations in the construction, communications, aerospace, shipbuilding, airlines, mining, and railroad industries. In those critical negotiations, the wage moderation of the past two years could go in smoke if the ebbing of non-labor cost pressures is simply converted into profits rather than being shared with consumers in price moderation.

Congress and the White House are taking undue risks if they rely entirely on market forces to achieve this end, especially in those large areas of the economy where competitive forces are not strong enough to protect the consumer. To serve as his ombudsman and to help prevent the picking of his pocket by a management-labor coalition, the consumer needs a watchdog agency that will bark and growl and occasionally bite. Such an agency—which could accomplish a good deal by skillful exercise of the powers of inquiry and publicity and much more if it were able to draw, sparingly, on powers of suspension and rollback when faced with gross violations and defiance—could provide substantial insurance against inflation by habit.

CONTENTS OF AN ACTION PROGRAM

An action program to accomplish the foregoing would have included—indeed, given a miracle of courage, conviction and speed, could still include—the following elements:

A quick and simple extension of the standby powers of the Economic Stabilization Act.

Granting of the authority requested by John Dunlop for the transitional period.

The establishment of a monitoring agency—preferably by statute and equipped with last-resort suspension and rollback powers, but if that is not to be, then by White House action and relying mainly on instruments of inquiry and publicity—to look over the shoulder of big business and big labor on behalf of the consumer.

To declare open season on wage-price decisions under present circumstances—as we seem hell-bent to do in our disenchantment with controls and sudden revival of faith in the market system—would be one more example of the classic action-reaction pattern that excludes the middle way. The Congress and the country may well rue the day when, largely at the behest of big business and organized labor, the government presence in their price and wage decisions was mindlessly liquidated, leaving the consumer to fend for himself.

UNEMPLOYMENT AMONG VIETNAM VETERANS

Mr. McGOVERN. Mr. President, the Department of Labor recently released a report showing that the unemployment rate among Vietnam veterans has jumped considerably in the last few months. The current rate of unemployment among Vietnam-era veterans is 5.1 percent compared to 4.1 percent just last December. For those in the age group 20 to 24, the rate is up 9.9 percent compared to 7.7 percent for nonveterans of the same age. Unemployment rates for minority veterans are higher still.

These recent statistics point out once again the failure of the Nation to respond to the needs of the young men who fought in Vietnam and came home to a less than hearty welcome.

Much has been made in recent months of the need to increase GI bill benefits up to a level where young veterans can afford to go to school and actively compete in today's job market. I take pride in my own part of that effort. The Congress is responding to the need and I am confident that the Senate Veterans' Affairs Committee will be reporting amendments to title 38 within the next few months that will vastly improve the opportunities available to young veterans intent on completing a college education or a vocational training program.

It is obvious, however, that our efforts to increase educational assistance will solve only part of the problem. We must still face up to the fact that there are thousands of young veterans, both with and without a college education, who are finding it terribly difficult to get a decent job. Recent developments in administrative policy have not made it any easier.

In a letter to President Nixon dated April 17, Commander Ray Soden of the Veterans of Foreign Wars points out the Government's expanding practice of contracting out for personal services. Commander Soden notes that these services have traditionally been performed by Government employees, half of whom are veterans.

I want to commend Commander Soden and the VFW for their timely response to a problem that refuses to go away. It is a matter that deserves the attention of all my Senate colleagues and I ask unanimous consent that Commander Soden's letter be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Veterans of Foreign Wars
of the United States,
Washington, D.C., April 17, 1974.

The President,
The White House,
Washington, D.C.

Dear Mr. President: This is to inform you of the deep concern of the Veterans of Foreign Wars with regard to the Government's expanding practice of contracting out for personal services which, in our opinion, should be performed by its own employees—more than half of whom are veterans.

Over the years the Congress and many Presidents, including you, have passed laws and issued executive orders which have given our Nation's veterans varying amounts of preference in Federal Employment—including the setting aside of certain types of jobs for disabled veterans.

Such lawful preference in Federal employment is directly circumvented when a Federal function is performed by a personal services contract. Veterans are deprived of lawful job opportunities because the contractor in the private sector is not subject to veterans preference legislation.

Ordinarily the one and only reason given by Federal officials for contracting out for personal services is that it is cheaper. Our organization certainly supports economy in

Government, but we strongly believe that cost estimates submitted by the contractor too often prove to be erroneous and that the final cost of the contract far exceeds the real cost had the function been performed in-house by the Government's own employees.

We also have reason to suspect the quality of performance of most personal services performed by contractor employees. Contractors usually employ minimally qualified persons, with a high rate of turnover, and little or no interest in the Federal mission. The result, too often, is poor performance at a cost in excess of its value. Government workers, on the other hand, do identify with their employing agencies and usually care about their own performance in the knowledge that it builds advancement and rewarding careers in the Federal service.

It is apparent that the U.S. Civil Service Commission is without authority to direct agencies not to utilize contracts for personal services nor to order discontinuance of such widespread contracts. Whatever influence the Commission may have exerted to persuade agencies not to use contract personnel for work that should be done in-house has not forestalled the increased utilization of going outside.

You have personally and publicly expressed strong support of job placement of veterans, including hiring by Federal agencies—and we applaud your fine efforts. While legislative amendment might be a suitable remedy to curb contracting out, we believe that the power of your office is sufficient—added to the small voice of the Civil Service Commission—to reverse the tide. We urge that you direct all Federal agencies to discontinue future contracts for personal services when those services are available or can be made available without undue disruption within the Federal establishment.

A response at your convenience will be genuinely appreciated.

Sincerely yours,

RAY R. SODEN,
Commander-in-Chief.

THE BIBLE—A DANGEROUS BOOK?

Mr. ALLEN. Mr. President, a good friend and observant constituent, Mr. G. V. Timmons of Carrollton, Ala., recently sent me a copy of a perceptive article which appeared in the March 26 edition of the "Methodist Christian Advocate." The article, by Bishop Carl J. Sanders of the Birmingham area United Methodist Church, sets in proper perspective the notion that Bible-reading is some kind of "crime" as interpreted by the nine robed gentlemen who sit not far from this Chamber.

Bishop Sanders states the case for a consideration of the teachings of the Bible alongside the teachings of those philosophies which, now, have become enshrined under the banner of academic freedom. The paradox is clear and Bishop Sanders makes it uncomfortably plain.

Believing that more citizens should be exposed to the thoughts expressed in the article, I therefore ask, Mr. President, for unanimous consent to have the full text of Bishop Sanders' article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Methodist Christian Advocate]

THE BISHOP'S CORNER

(By Carl J. Sanders)

"DANGEROUS BOOK?"

While waiting for a plane in the Cincinnati airport on March 15, I read a copy of The Indianapolis News for March 14, 1974. An editorial caught my attention. I give it to you in its entirety:

"Indiana State University at Terre Haute recently fired a mathematics professor who on several occasions started his classes by reading from the Bible. Officials found that simply reading from the Bible without comment in a public classroom is a clear violation of the law.

"If that interpretation of the law is correct, it is a curious commentary on the times. Academic freedom protects the reading of Hitler, Machiavelli, Marx, Lenin, and the thoughts of Mao. It even protects advocacy of atheism, revolution, sexual perversion, witchcraft, astrology, and other weirdo causes. But the law, we are now informed, shields students from the most dangerous of literature, the Bible. It's not surprising. The Scriptures have frightened kings, rulers—and educators—for centuries."

So much for the editorial. Lest we forget, look at a few historical facts. Perhaps no other nation has been founded upon conditions so distinctly religious as ours. The deepest and mightiest thing in any nation's heart is its religion; therefore, as is the religion, so is the nation. The Temple at Jerusalem was built by a sacred patriotism and under the benediction of a favorable Providence; but not more so than were the Colonial governments of this new world. Christian teachings were the seedthoughts of our political constitutions. America has had a unique place among the nations of the earth.

Even Christopher Columbus regarded himself as engaged in a distinctly Christian mission when, after committing himself and his company in prayer to the guidance of God, he went forth to discover unknown worlds. "Christopher" his baptismal name, means "Christbearer." And he even regarded himself as being, by his very Christening, called of God. When this new world was discovered, he lost no time in claiming it for Christ. Erecting a cross on land, he christened the new world "San Salvador" (St. Saviour), and joined with his companions in singing "Gloria in Excelsis."

The first permanent English settlement in the new world at Jamestown in 1607 was founded under a charter giving special emphasis to the large place the Christian religion was to have in the life of the new colony.

The Mayflower Compact of 1620 declared that foremost among the objects that brought the Pilgrim Fathers to this country was the glory of God and the advancement of the Christian faith.

America was of a distinctly Christian origin. The foundation of this nation was laid by men and women who believed in God and were not ashamed of it.

In 1954 when Congress wrote into the pledge to the American flag the words "under God," they were historically correct. Our nation was born believing it was a child of God. Read your history! What happens when a nation forgets God? Read your Bible! "The nation that forgets God shall be turned into hell"—the hell of oblivion and destruction. To put it simply—the nation that forgets God shall die!

What about America?

AGRICULTURAL POLICY AND SCHOOL LUNCH

Mr. McGOVERN. Mr. President, I note with interest the Department of Agriculture's prediction that this year's expected carryover of 180 million bushels of wheat may climb to 500 million bushels in 1 year.

There can be little doubt that it was this beilef that precipitated USDA's all-out opposition to my effort to continue commodity support for our Nation's schools and institutions. For as Mr. Yeutter noted in his memorandum to Secretary Butz, if they are not able to kill the program during a period of shortage, they will "be forced back into the commodity procurement business if and when surpluses develop."

This effort is simply an extension of Mr. Butz' total laissez-faire agricultural philosophy that threatens to cripple family farmers as well as school lunch programs throughout the country.

During the Senate agricultural hearing last week on S. 2871, the Food Program Technical Amendments, there was a difference in agreement over how much money was saved by Government purchase of commodities for schools during periods of shortage. But there can be no dispute about the amount of savings that will result from Government procurement of commodities if, as USDA predicts, surpluses again appear.

I ask unanimous consent that the attached article which appeared in this morning's Wall Street Journal be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BACK TO NORMAL?—WORLD WHEAT MARKETS SEEM TO SETTLE DOWN AFTER 2 HECTIC YEARS; PRICES DECLINE AS SUPPLIES OF MOST VARIETIES RISE; U.S. EXPORTS MAY DROP; SECRETARY BUTZ TAKES TRIP

(By Stephen Josefik)

NEW YORK.—For the first time since the massive Russian grain deal of 1972, wheat markets in the U.S. and abroad appear to be returning to normal.

Which is to say that while supplies of some kinds of wheat remain abnormally small, enough of the golden grain is pouring into world trade channels to cool the speculative fever that pushed U.S. wheat prices up as much as 137% in the eight months ending in February. There's no danger of a glut reappearing soon—at least not this year—but gloom-and-doom predictions of $1 loaves of bread and no more birthday cakes are equally farfetched.

The most obvious barometer of this turnabout is prices. Wheat futures in Chicago hit a record $6.45 a bushel in late February, but have since dropped about 35% to $4.21. Prices have fallen similarly in Kansas City, and in Minneapolis the premiums being charged for spring wheat used to make bread and rolls have been almost halved to 20 cents a bushel, one miller says. Flour prices have fallen, too. In New York a 100-pound sack now goes for $11.60, down 28% since Feb. 25.

Other signs are apparent in the export trade, which is transforming into a buyer's from a seller's market. For instance, wheat orders placed with exporters last week by the United Arab Republic called for shipments from whatever country has the lowest price at the time deliveries are to be made from May through September. This practice has been unheard of in the past two years of short supplies.

TAKE IT OR LEAVE IT

Even India, which is running short of food and came into the market this week for an unexpectedly large amount of grain, including wheat, was telling exporters what it would pay—take it or leave it. India's indicated price was, incidentally, several cents a bushel lower than the U.S. market prices, which had risen on news of India's interest.

The basic reason for this transformation is that there is more wheat available than people had thought—both right now and later this year when the big Northern Hemisphere harvests come in. Earlier this year, when there was speculation that the U.S. could run out of wheat by late spring, U.S. officials asked major export customers, such as the Soviet Union, to hold off shipments awhile; they also asked other countries to help ease the supply strain.

These requests have paid off. For the week ended March 29, the Agriculture Department's report showed no wheat-export clearances to Russia for the first time since July 28, 1972. The European Common Market has made more than 45 million bushels available, and France has even more to sell if the price is right, one exporter says. Additional wheat also is coming from Canada and Australia, which just completed harvesting a crop more than twice as big as last year's. Most of Australia's wheat already has been sold, filling many pipelines and relieving pressure on U.S. stocks.

With the international supply situation thus eased, exporters began unlocking some of the wheat they had stashed away. "A lot of wheat is coming on the market from exporters; several weeks ago there wasn't an exporter in sight who had wheat to sell," says R. H. Uhlmann, president of Standard Milling Co. in Kansas City. He adds: "Many farmers also are selling wheat now to make room for the new crop."

EBBING EXPORTS?

This sudden flush of wheat has raised some doubts that the U.S. will actually export 1.2 billion bushels by the end of the crop year on June 30. The Agriculture Department is sticking by that projection, but grain dealers say the outflow could be some 50 million bushels less than that.

Looking ahead, the Agriculture Department's Foreign Agricultural Service thinks supplies will be ample: "Responding to rising world demand and strong price incentives, the world's output of grains in fiscal 1974–75 could approach (one) billion tons for the first time in history, rising 31 million tons over this fiscal year's outturn." As a result, the service continues, grain stocks in major exporting countries, which are projected at about 111 million tons by June 30, could increase by roughly 26 million tons by the end of fiscal 1975.

Richard E. Bell, assistant agriculture secretary, says recent moisture has improved the outlook for the 1974 U.S. wheat crop and says he sticks with the Agriculture Department's 2.1 billion-bushel production estimate, up from the 1973 record of 1.71 billion bushels. He adds that he expects the U.S. to export one billion bushels of wheat in the 1974–75 season, which could be about 200 million bushels more than some trade observers estimate.

But the prospect of bigger crops overseas means there will be considerable competition in world markets. There are indications that Agriculture Secretary Earl L. Butz, currently on a swing of Far East countries, is talking to Asian customers about buying more U.S. wheat next season—in an effort to preserve the billion-bushel export estimate.

The Agriculture Department expects the U.S. to have 180 million bushels of wheat left over when the crop year ends June 30, the lowest carryover in 20 years. But a department economist, Dawson Ahalt, figures that if the harvest is as big as expected, and if export and domestic requirements are about 1.76 billion bushels, the reserve at the end of the 1974–75 season could be around 500 million bushels.

ADDRESSES BEFORE THE U.N. BY SECRETARY-GENERAL KURT WALDHEIM AND SECRETARY OF STATE HENRY KISSINGER

Mr. McGEE. Mr. President, on April 15, Secretary of State Henry Kissinger delivered an exceptional speech to the special session of the General Assembly of the United Nations.

In that speech, the Secretary of State called for world cooperation in developing natural resources. He pointed to the oil crisis, the shortage of food grains, and increasing global inflation as examples of where solutions can come only through international cooperative efforts:

Dr. Kissinger pointed out:

> The great issues of development can no longer be realistically perceived in terms of confrontation between the haves and the have-nots.

This is the major question which hovers over the conference as all nations seek constructive means to break down the wall of suspicion which separates the developed and developing nations of the globe.

In his address to the special session on April 9, United Nations Secretary General Kurt Waldheim expressed his concern over such fears and suspicions as he pleaded for a recognition of the critical need for a policy of interdependence and for agreements which would render that interdependence "a positive rather than a negative force." He stated forcibly that the political will for action is required as the current conditions of acute maldistribution of raw materials will propel mankind toward starvation and industrial breakdown, respectively, in poor and rich nations alike with disastrous social, economic, and political consequences.

Secretary Kissinger, in speaking for U.S. policy, called for world cooperation by saying that neither the rich nor the poor nations could hope to impose their views on the world.

> The U.S. will never seek stability at the expense of others.

Secretary Kissinger's call to help the poorest countries by a further contribution to the International Development Association of $1.5 billion indeed places the administration firmly on record as supporting efforts to reverse the unfortunate vote against such a contribution in the House of Representatives this year.

I would sincerely like to commend Secretary Kissinger for his remarkable statement to the member nations of the United Nations, as he clearly placed U.S. policy on an affirmative basis. I feel that with Secretary Kissinger's address, the United States is expressing a political will to work toward global interdependence and cooperation.

I ask unanimous consent that Secretary-General Waldheim's address, a New York Times editorial of April 9, Secretary Kissinger's address, and a New York Times editorial of April 16, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT OF SECRETARY-GENERAL KURT WALDHEIM TO THE SIXTH SPECIAL SESSION OF THE UNITED NATIONS GENERAL ASSEMBLY

It is an honour for me to address this Special Session of the General Assembly, which has convened as the result of a most kindly and opportune initiative by President Houari Boumediemme of Algeria in his capacity as Chairman of the Non Aligned Countries.

The Special Session of the General Assembly has usually dealt with specific problems which affect world peace. The question before this Sixth Special Session is no less directly related to the future peace of the world, yet it also reaches far beyond specific current issues. It encompasses problems which affect the lives of virtually every man, woman, and child on earth. It holds vast significance for future generations. It raises the fundamental questions of the kind of world economic system and social order we wish to establish and live under. It challenges us to make a series of agreed choices which may be decisive in determining the quality and conditions of mankind's future life on this planet.

It is now a commonplace that the nations of the world are interdependent and that their interdependence will inevitably and rapidly increase. The forces—economic, social and political—which have led up to this Special Session, have been building up for many years, culminating in a variety of developments and uncertainties which affect the stability and growth capacity of the world economy and also have the most fundamental political implications. What is new is the sudden and dramatic urgency of the present situation and the acute acceleration of the historical process which have brought us face to face with a global emergency. The question arises whether this Special Session, animated by this high sense of urgency, can ensure that interdependence will be a positive rather than a negative force; whether it is possible to agree on the basis for a more equitable and workable global economic system—a system which takes into account, not only the interests and needs of our nations, but also the imperative interrelationships of the several parts of the problem—and just apportionment—poverty, population, food, the conservation of natural resources, the preservation of the environment and the problems of the trade and monetary systems.

There is a natural human tendency to look to the past in times of crises. But today we are facing a world of accelerating change and an entirely new range of interlocking problems—political, economic and social. We cannot return to the conditions of the past. We have no option but to concentrate on the realities of the present and on the prospects for the future. And the problems now confronting national governments and international organizations are so vast and so complex that we *have* to deal with them in cooperation and as a community of nations.

If this is a sobering thought, it is also an inspiring one for the very gravity of the situation may bring about those developments in international relations which all appeal to reason and good will have so far been unable to achieve.

The pursuit of short-term national interests by any nation or group of nations can no longer provide even a brief reprieve from the inevitable results of the present trends. The Members of this Organization herefore have to decide whether they are willing to act collectively in a manner which will ensure that the United Nations system works effectively in the long-term interests of all.

The perspectives of different nations or groups vary enormously. To one group of nations, the rise in prices, including those of industrial products, and the shortages of foodstuffs and fertilizers are of paramount importance. To another group, the complexity of problems which have come to be known as the "energy crises" is of prime significance. To a third group of countries, the rate of depletion of their raw materials and its relationship to their future development is the main preoccupation. To yet another group, the present emergency represents a threat to the very lives of many of their people. On all sides there is now, a constant preoccupation to protect and improve our environment.

These different perspectives can be freely expressed in this hall and can be considered as essential factors in the common endeavour. Differences can be expressed and taken into account here in a spirit of cooperation rather than of confrontation. The Assembly also provides a unique opportunity to put before world opinion, the different concerns and point of view of the various sectors of the world community. This process of education is essential to create the kind of public understanding which alone will make it possible to evolve a new and better system of international relationships. In its First Article, the Charter assigns to our Organization, the purpose of being a center for harmonizing the actions of nations in the attainment of common goals. This special Session challenges us to a task of harmonization of unique complexity.

These different perspectives will naturally lead to a vast array of problems and proposals being presented to this Assembly. While each of them will undoubtedly receive the necessary consideration I am convinced that the interest of the world community will be served best by the Assembly's giving priority to those fundamental issues which now increasingly threaten economic relations between all Member States, and which, all too easily, could lead to political disaster and intensify still further the conditions of social injustice which have always plagued this world.

I have no intention of suggesting to this Assembly how it should go about its business, but I should be failing in my responsibility as Secretary-General, if I did not draw attention to those fundamental issues which, I believe now constitute a potential threat to world peace and well-being.

The main theme of this Assembly is to secure the optimum use of the world's natural resources with the basic objective of securing better conditions of social justice throughout the world. Let me suggest six primary issues which demand immediate action if progress is to be made in achieving that objective.

First: Mass Poverty.—The single most devastating indictment of our current world civilization is the continued existence of stark pervasive mass poverty among two-thirds of the world's population. It permeates every stage of life in developing countries: in the malnutrition of children, in the outbreaks of diseases, in widespread unemployment, in low literacy rates, in overcrowded cities. How can we renew our determination to erradicate mass poverty?

Second: The Population of the World.—It is anticipated that this Special Session will meet for three weeks. In that time the number of human beings on this planet will increase by 4 million. The increasing population of the world presents a constantly growing demand on our limited natural resources. How can we meet this pressure?

Third: Food.—Never in recent decades, have world reserves been so frighteningly low. The production of enough food to feed, even reasonably well, people all over the world—let alone to transport and distribute it—most certainly represents the largest single pressure on our natural resources. How can we produce more food, create the necessary reserves, and prepare contingency plans to meet global emergencies?

Fourth: Energy.—The world at large has suddenly realized the critical importance of energy in our daily lives. The natural resources which provide the world with energy, represents one of our most valuable heritages. What can we do to conserve this most precious resource? What can we do to eliminate waste?

Fifth: Military Expenditure.—During the three weeks of this Assembly Session, some 14 million dollars will have been spent on armament. This enormous expenditure by itself, represents yet another vast pressure on our natural resources. The imperative need for substantive disarmament becomes more urgent as each day passes.

Sixth: World Monetary System.—An effective world monetary system is essential if our natural resources are to be used to the best advantage. The existng system is not working efficiently. It contains a most dangerous, cancer-like disease—inflation. Unless inflation can be controlled, no international monetary system can work efficiently. Unless inflation can be controlled, it is futile to talk about prices. At present it is impossible for anyone to forecast what may happen in the future. I repeat, unless inflation can be controlled, it is impossible to secure the optimum use of our natural resources.

Each of these six problems—all directly related to our natural resources—have a direct bearing on the future peace and stability of the world. No Member State can insulate itself from their effects. And, if these problems individually were not bad enough, we must recognize that they are all interconnected, and interact on each other, and in so doing have a multiplier effect.

Not all the elements of the question before the Assembly are new. In fact, most of them have been considered by the international community for many years. The sense of urgency, however, even of emergency—is relatively new for the events of recent months have dramatized the dangers of draft and inaction in such a way as to alarm all governments—even the richest and most powerful. We are moving toward a more meaningful dialogue precisely because the well-being and prosperity of *all* nations are now threatened. I hope that in this sense this Special Session will be a turning point.

Most of the framework for a solution of the problems we face, and many of the directions which must be followed, are already indicated in previous decisions of the United Nations system. What has so far been lacking is the political will to put these decisions into effect. One of the main aims of this Session, it seems to me, must be to seek ways of strengthening and intensifying that political will.

Many aspects of the topics on our agenda are identified in the International Development Strategy adopted by the Assembly at the Twenty-Fifth Anniversary of the Organization in 1970. The key to our difficulties was concisely put by the Assembly at its last Session in the review and appraisal of that Strategy, in which it was stated that "the International Development Strategy remains much more a wish than a policy." Let us hope that the sense of urgency imparted by recent developments may provide a new opportunity and a new momentum to convert aspirations previously expressed, into active policies.

In the coming months there will be a sharp focus on particular aspects of the problem now before the Assembly, culminating the Special Session on development and international economic cooperation which is to take place next year. This year we have the World Population Conference and the World Food Conference. Another highly important meeting will be the UN Conference on the Law of the Sea. In 1975 there will be mid-decades revision of the International Development Strategy, followed by the Fourth Session of UNCTAD in 1976. The process of constructing an effective world-wide environmental protection system is well underway. The role of multinational corporations continues to be under active examination. Elsewhere, other vitally important aspects of the problem are being dealt with simultaneously—for example, the critically important work on a new world monetary system and the continuing GATT negotiations.

Thus, we have an agenda for the near future which includes the principle elements required for a long-term policy. It is essential that these elements ultimately become integrated in the framework of a new international economic and social system—a system in which the role, the rights and the aspirations of the developing countries are fully recognized in practice as well as in principle, and which also takes account of the interests and preoccupations of other sectors of the world community. The Special Session has the opportunity to begin to develop, on the basis of all the work previously done, an over-all and global long-term policy for the future. Progress in this task would certainly give the more specialized activities I have mentioned, a heightened sense of purpose and direction.

It is important, I believe, both for governments and for the public at large, to keep constantly in mind what can be done and what cannot be done in the United Nations. The General Assembly can delineate the main elements of a global approach. It can set principles and guidelines. It can begin to formulate a plan of action. It can define short-term emergency measures to assist those members of the world community which are especially hard hit by the present situation. It must be remembered, however, that, whatever can be agreed on here, most of the necessary executive decisions will be largely a matter for governments, or in some cases, for more specialized international bodies. Only through their actions can this Assembly's decisions be translated into effective reality. The new complexity and interdependence of problems also provides the opportunity to the Economic and Social Council, under the aegis of the General Assembly, to ensure that the collective endeavours of the world community are pursued in a rational and cohesive manner.

Mr. President, this Special Session is a recognition of the necessity to redress the disparities that afflict our world and the contrast between affluence and poverty, frustration and opportunity, conspicuous consumption and destitution. It recognizes the need to reconcile sovereignty over natural resources, the availability of raw materials and the way in which they are used. It recognizes both the necessity of conserving natural resources and of distributing them more equitably. It recognizes the burning need for greater international economic and social justice. It recognizes the role of international cooperation and organizations as the lifeline to the future. Finally, it recognizes that today no one can benefit from a sterile confrontation. This Assembly affords an opportunity, provided we maintain the presence of urgency, to lay the foundations for a world-wide economic system founded in equity and justice.

[From the New York Times, Apr. 15, 1974]

Global Independence

In his opening address to the special session of the United Nations General Assembly, Secretary General Waldheim dealt persuasively with issues whose urgency has unfortunately been overshadowed by divisive international politics. Many of Mr. Waldheim's arguments in support of a rational approach to the production and consumption of the world's resources deserve a sympathetic response from Washington, when Secretary of State Kissinger speaks to the Assembly today.

The question that hovers over the conference is how to break through the wall of suspicion that the proceedings may merely be a pretext for another round in the power struggle between the developing and the industrialized nations. Indeed, the representatives of China and the Soviet Union have already availed themselves of the forum to replay the record of their own hostilities, along with a bid for the allegiance of the have-not countries and the politics of the Third World.

Even many delegates who applaud the special session's stated purpose simply believe that President Boumediene of Algeria proposed the conference primarily to divert attention from the Arab nations' recent oil manipulations, with their catastrophic impact on many developing countries.

Conscious of such fears and suspicions, Mr. Waldheim pleaded for recognition of a new need for a policy of interdependence and for agreements which would render that interdependence "a positive rather than a negative force."

Without what Mr. Waldheim called "the political will" for action, the conditions of acute maldistribution of raw materials, dramatized by the recent confrontations over oil, will propel mankind either toward starvation or to industrial breakdown respectively in poor and rich nations, with similarly disastrous social, economic and political consequences in both.

There are many legitimate differences in perspective among various nations and groups, as they contemplate the effects of rising prices or growing shortages in raw materials and food, and as they try to balance instant demands for natural resources with the long-term necessity of preserving man's natural environment. Such differences, however, must not be allowed to detract from what Secretary General Waldheim called the main theme of the special session—"to secure the optimum use of the world's natural resources with the basic objective of securing better conditions of social justice throughout the world."

It is to this theme that we hope Secretary Kissinger will respond today, in an effort to persuade the Assembly that the United States is not so engrossed with Operation Independence that it fails to comprehend the risk of standing apart in an interdependent world.

ADDRESS BY THE HONORABLE HENRY A. KISSINGER, SECRETARY OF STATE, BEFORE THE SIXTH SPECIAL SESSION OF THE UNITED NATIONS GENERAL ASSEMBLY, NEW YORK, APRIL 15, 1974

THE CHALLENGE OF INTERDEPENDENCE

Mr. President, Mr. Secretary General, Distinguished Delegates, Ladies and Gentlemen:

We are gathered here in a continuing venture to realize mankind's hopes for a more prosperous, humane, just and cooperative world.

As members of this Organization we are pledged not only to free the world from the scourge of war, but to free mankind from the fear of hunger, poverty and disease. The quest for justice and dignity—which finds expression in the economic and social articles of the United Nations Charter—has global meaning in an age of instantaneous communication. Improving the quality of human life has become a universal political demand, a technical possibility and a moral imperative.

We meet here at a moment when the world economy is under severe stress. The energy crisis first dramatized its fragility. But the issues transcend that particular crisis. Each of the problems we face—of combating inflation and stimulating growth, of feeding the hungry and lifting the impoverished, of the scarcity of physical resources and the surplus of despair—is part of an interrelated global problem.

Let us begin by discarding outdated generalities and sterile slogans we have—all of us—lived with for so long.

The great issues of development can no longer be realistically perceived in terms of confrontation between the haves and the have nots or as a struggle over the distribution of static wealth. Whatever our ideological belief or social structure, we are part of a single international economic system on which all of our national economic objectives depend. No nation or bloc of nations can unilaterally determine the shape of the future.

If the strong attempt to impose their views, they will do so at the cost of justice and thus provoke upheaval.

If the weak resort to pressure, they will do so at the risk of world prosperity and thus provoke despair.

The organization of one group of countries as a bloc will sooner or later produce the organization of the potential victims into a counterbloc. The transfer of resources from the developed to the developing nations—essential to all hopes for progress—can only take place with the support of the technologically advanced countries. The politics of pressure and threats will undermine the domestic base of this support. The danger of economic stagnation stimulates new barriers to trade and the transfer of resources.

We in this Assembly must come to terms with the fact of our interdependence.

The contemporary world can no longer be encompassed in traditional stereotypes. The nation of the northern rich and the southern poor has been shattered. The world is composed not of two sets of interest but many: developed nations which are energy suppliers and developing nations which are energy consumers; market economies and non-market economies; capital providers and capital recipients.

The world economy is a sensitive set of relationships in which actions can easily set off a vicious spiral of counteractions deeply affecting all countries, developing as well as technologically advanced. Global inflation erodes the capacity to import. A reduction in the rate of world growth reduces export prospects. Exorbitantly high prices lower consumption, spur alternative production and foster development of substitutes.

We are all engaged in a common enterprise. No nation or group of nations can gain by pushing its claims beyond the limits that sustain world economic growth. No one benefits from basing progress on tests of strength.

For the first time in history mankind has the technical possibility to escape the scourges that used to be considered inevitable. Global communication ensures that the thrust of human aspirations becomes universal. Mankind insistently identifies justice with the betterment of the human condition. Thus economics, technology and the sweep of human values impose a recognition of our interdependence and of the necessity of our collaboration.

Let us resolve to act with both realism and compassion to reach a new understanding of the human condition.

On that understanding, let us base a new relationship which evokes the commitment of all nations because it serves the interests of all peoples.

We can build a just world only if we work together.

THE GLOBAL AGENDA

The fundamental challenge before this session is to translate the acknowledgement of our common destiny into a new commitment to common action, to inspire developed and developing nations alike to perceive and pursue their national interest by contributing to the global interest. The developing nations can meet the aspirations of their peoples only in an open expanding world economy where they can expect to find larger markets, capital resources and support for official assistance. The developed nations can convince their people to contribute to that goal only in an environment of political cooperation.

On behalf of President Nixon, I pledge the United States to a major effort in support of development. My country dedicates itself to this enterprise because our children must not live in a world of brutal inequality, because peace cannot be maintained unless all share in its benefits and because America has never believed that the values of justice, well-being and human dignity could be realized by one nation alone.

We begin with the imperative of peace. The hopes of development will be mocked if resources continue to be consumed in an ever increasing spiral of armaments. The relaxation of tensions is thus in the world interest. No nation can profit from confrontations that can culminate in nuclear war. At the same time, the United States will never seek stability at the expense of others. It strives for the peace of cooperation, not the illusory tranquility of condominium.

But peace is more than the absence of war. It is ennobled by making possible the realization of humane aspirations. To this purpose this Assembly is dedicated.

Our goal cannot be reached by resolutions alone or prescribed by rhetoric. It must remain the subject of constant, unremitting efforts over the years and decades ahead.

In this spirit of describing the world as it is, I would like to identify for the Assembly six problem areas which in the view of the United States delegation must be solved to spur both the world economy and world development. I do so not with the attitude of presenting blueprints but of defining common tasks to whose solution the United States offers its wholehearted cooperation.

First, a global economy requires an expanding supply of energy at an equitable price.

No subject illustrates global interdependence more emphatically than the field of energy. No nation has an interest in prices that can set off an inflationary spiral which in time reduces income for all. For example, the price of fertilizer has risen in direct proportion to the price of oil, putting it beyond the reach of many of the poorest nations and thus contributing to worldwide food shortages. A comprehension by both producers and consumers of each other's needs is therefore essential:

Consumers must understand the desires of the oil producers for higher levels of income over the long-term future.

Producers must understand that the recent rise in energy prices has placed a great burden on all consumers, one virtually impossible for some to bear.

All nations have an interest in agreeing on a level of prices which contributes to an expanding world economy and which can be sustained.

The United States called the Washington Energy Conference for one central purpose: to move urgently to resolve the energy problem on the basis of cooperation among all nations. The tasks we defined there can become a global agenda for action.

Nations, particularly developed nations, waste vast amounts of existing energy supplies. We need a new commitment to global conservation and to more efficient use of existing supplies.

The oil producers themselves have noted that the demands of this decade cannot be met unless we expand available supplies. We need a massive and cooperative effort to develop alternative sources of conventional fuels.

The needs of future generations require that we develop new and renewable sources of supply. In this field, the developed nations can make a particularly valuable contribution to our common goal of abundant energy at reasonable cost.

Such a program cannot be achieved by any one group of countries. It must draw on the strength and meet the needs of all nations in a new dialogue among producers and consumers. In such a dialogue the United States will take account of the concern of the producing countries that the future of their peoples not depend on oil alone. The United States is willing to help broaden the base of their economies and develop secure and diversified sources of income. We are prepared to facilitate the transfer of technology and assist industrialization. We will accept substantial investment of the capital of oil producing countries in the United States. We will support a greater role for the oil producers in international financial organizations as well as an increase in their voting power.

Second, a healthy global economy requires that both consumers and producers escape from the cycle of raw material surplus and shortage which threatens all our economies.

The principles which apply to energy apply as well to the general problem of raw materials. It is tempting to think of cartels of raw material producers to negotiate for higher prices. But such a course could have serious consequences for all countries. Large price increases coupled with production restrictions involve potential disaster: global inflation followed by global recession from which no nation could escape.

Moreover, resources are spread unevenly across the globe. Some of the poorest nations have few natural resources to export, and some of the richest nations are major commodity producers.

Commodity producers will discover that they are by no means insulated from the consequences of their restrictions on supply or the escalation of prices. A recession in the industrial countries sharply reduces demand. Uneconomical prices for raw materials accelerate the transition to alternatives. And as they pursue industrialization, raw material producers will ultimately pay for exorbitant commodity prices by the increased costs of the goods they must import.

Thus the optimum price is one that can be maintained over the longest period at the level that assures the highest real income. Only through cooperation between consumers and producers can such a price be determined. And an expanding world economy is an essential prerequisite. Such a co-operative effort must include urgent international consideration of restrictions on incentives for the trade in commodities. This issue must receive high priority in GATT—dealing with access to supply as well as access to markets—as we seek to revise and modernize the rules and conditions of international trade.

In the long term, our hope for world prosperity will depend on our ability to discern the long-range patterns of supply and demand and to forecast future imbalances so as to avert dangerous cycles of surplus and shortage.

For the first time in history it is technically within our grasp to relate the resources of this planet to man's needs. The United States therefore urges that an international group of experts, working closely with the United Nations divisions of resources, be asked to undertake immediately a comprehensive survey of the earth's nonrenewable and renewable resources. This should include the development of a global early warning system to foreshadow impending surpluses and scarcities.

Third, the global economy must achieve a balance between food production and population growth and must restore the capacity to meet food emergencies. A condition in which one billion people suffer from malnutrition is consistent with no concept of justice.

Since 1969, global production of cereals has not kept pace with world demand. As a result current reserves are at their lowest level in 20 years. A significant crop failure today is likely to produce a major disaster. A protracted imbalance in food and population growth will guarantee massive starvation—a moral catastrophe the world community cannot tolerate.

No nation can deal with this problem alone. The responsibility rests with all of us. The developed nations must commit themselves to significant assistance for food and population programs. The developing nations must reduce the imbalance between population and food which could jeopardize not only their own progress but the stability of the world.

The United States recognizes the responsibility of leadership it bears by virtue of its extraordinary agricultural productivity. We strongly support a global cooperative effort to increase food production. This is why we proposed a world food conference at last year's session of the General Assembly.

Looking toward that conference, we have removed all domestic restrictions on production. Our farmers have vastly increased the acreage under cultivation and gathered record harvests in 1973. 1974 promises to be even better. If all nations make a similar effort, we believe the recent rise in food prices will abate this year, as it has in recent weeks. Indeed the price of wheat has come down 35 percent from its February peak and the price of soybeans 50 percent from its peak last summer.

The United States is determined to take additional steps. Specifically:

We are prepared to join with other governments in a major worldwide effort to rebuild food reserves. A central objective of the World Food Conference must be to restore the world's capacity to deal with famine and other emergencies.

We shall assign priority in our aid program to helping developing nations substantially raise their agricultural production. We hope to increase our assistance to such programs from $258 to $675 million this year.

We shall make a major effort to increase the quantity of food aid over the level we provided last year.

For countries living near the margin of starvation, even a small reduction in yields can produce intolerable consequences. Thus the shortage of fertilizer and the steep rise in its price is a problem of particular urgency—above all for countries dependent on the new high-yield varieties of grain. The first critical steps is for all nations to utilize fully existing capabilities. The United States is now operating its fertilizer industry at near capacity. The United States is ready to provide assistance to other nations in improving the operation of plants and to make more effective use of fertilizers.

But this will not be enough. Existing worldwide capacity is clearly inadequate to present needs. The United States would be prepared to offer its technological skills to developing a new fertilizer industry especially in oil-producing countries using the raw materials and capital they uniquely possess.

We also urge the establishment of an international fertilizer institute as part of a larger effort to focus international action on two specific areas of research: improving the effectiveness of chemical fertilizers, especially in tropical agriculture, and new methods to produce fertilizers from non-petroleum resources. The United States will contribute facilities, technology and expertise to such an undertaking.

Fourth, a global economy under stress cannot allow the poorest nations to be overwhelmed.

The debate between raw material producers and consumers threatens to overlook that substantial part of humanity which does not produce raw materials, grows insufficient food for its needs and has not adequately industrialized. This group of nations, already at the margin of existence, has no recourse to pay the higher prices for the fuel, food and fertilizer imports on which their survival depends.

Thus, the people least able to afford it—a third of mankind—are the most profoundly threatened by an inflationary world economy. They face the despair of abandoned hopes for development and the threat of starvation. Their needs require our most urgent attention. The nations assembled here in the name of justice cannot stand idly by in the face of tragic consequences for which many of them are partially responsible.

We welcome the steps the oil producers have already taken toward applying their new surplus revenues to these needs. The magnitude of the problem requires, and the magnitude of their resources permits, a truly massive effort.

The developed nations too have an obligation to help. Despite the prospect of unprecedented payments deficits, they must maintain their traditional programs of assistance and expand them if possible. Failure to do so would penalize the lower income countries twice. The United States is committed to continue its program and pledges its ongoing support for an early replenishment of the International Development Association. In addition we are prepared to consider with others what additional measures are required to mitigate the effect of recent commodity price rises on low-income countries least able to bear this.

Fifth, in a global economy of physical scarcity, science and technology are becoming our most precious resource. No human activity is less national in character than the field of science.

No development effort offers more hope than joint technical and scientific cooperation.

Man's technical genius has given us labor-saving technology, healthier populations, and the green revolution. But it has also produced a technology that consumes recources at an ever-expanding rate; a population explosion which presses against the earth's finite living space; and an agriculture increasingly dependent on the products of industry.

Let us now apply science to the problems which science has helped to create.

To help meet the developing nations' two most fundamental problems—unemployment and hunger—there is an urgent need for farming technologies that are both productive and labor-intensive. The United States is prepared to contribute to international programs to develop and apply this technology.

The technology of birth control should be improved.

At current rates of growth, the world's need for energy will more than triple by the end of this century. To meet this challenge, the United States Government is allocating $12 billion for energy research and development over the next five years, and American private industry will spend over $200 billion to increase energy supplies. We are prepared to apply the results of our massive effort to the massive needs of other nations.

The poorest nations, already beset by man-made disasters, have been threatened by a natural one: the possibility of climatic changes in the monsoon belt and perhaps throughout the world. The implications for global food and population policies are ominous. The United States proposes that the International Council of Scientific Unions and the World Meterorological Organization urgently investigate this problem and offer guidelines for immediate international action.

Sixth, the global economy requires a trade, monetary and investment system that sustains industrial civilization and stimulates its growth.

Not since the 1930s has the economic system of the world faced such a test. The disruptions of the oil price rises; the threat of global inflation; the cycle of contraction of exports and protectionist restrictions; the massive shift in the world's financial flows; and the likely concentration of invested surplus oil revenue in a few countries—all threaten to smother the once-proud dreams of universal progress with stagnation and despair.

A new commitment is required by both developed and developing nations to an open trading ssytem, a flexible but stable monetary system, and a positive climate for the free flow of resources, both public and private.

To this end the United States proposes that all nations here pledge themselves to avoid trade and payments restrictions in an effort to adjust to higher commodity prices.

The United States is prepared to keep open its capital markets, so that capital can be recycled to developing countries hardest hit by the current crisis.

In the essential struggle to regain control over global inflation, the United States is willing to join in an international commitment to pursue responsible fiscal and monetary policies. To foster an open trading world, the United States, already the largest importer of developing nation manufactures, is prepared to open its markets further to these products. We shall work in the multilateral trade negotiations to reduce tariff and non-tariff barriers on as wide a front as possible.

In line with this approach we are urging our Congress to authorize the generalized tariff preferences which are of such significance to developing countries.

CONCLUSION

All too often international gatherings end with speeches filed away and resolutions passed and forgotten. We must not let this happen to the problem of development. The complex and urgent issues at hand will not yield to rhetorical flourishes or eloquent documents. Their resolution requires a sustained and determined pursuit in the great family of United Nations and other international organizations that have the broad competence to deal with them.

As President Nixon stated to this Assembly in 1969:

"Surely if one lesson above all rings resoundingly among the many shattered hopes in this world, it is that good words are not a substitute for hard deeds and noble rhetoric is no guarantee of noble results."

This Assembly should strengthen our commitment to find cooperative solutions within the appropriate forums such as the World Bank, the International Monetary Fund, the GATT, and the World Food and Population Conferences.

The United States commits itself to a wide-ranging multilateral effort.

Mr. President, Mr. Secretary General, we gather here today because our economic and moral challenges have become political challenges. Our unprecedented agenda of global consultations in 1974 already implies a collective decision to elevate our concern for man's elementary well-being to the highest political level. Our presence implies our recognition that a challenge of this magnitude cannot be solved by a world fragmented into self-contained nation states or competing blocs.

Our task now is to match our physical needs with our political vision.

President Boumediene cited the Marshall Plan of a quarter century ago as an example of the possibility of mobilizing resources for development ends. But then the driving force was a shared sense of purpose, of values and of destination. As yet we lack a comparable sense of purpose with respect to development. This is our first requirement. Development requires above all a spirit of cooperation, a belief that with all our differences we are part of a larger community in which wealth is an obligation, resources a trust, and joint action a necessity.

We need mutual respect for the aspirations of the developing and the concerns of the developed nations. This is why the United States has supported the concept of a Charter of Economic Rights and Duties of States put forward by President Echeverria of Mexico.

The late President Radhakrishnan of India once wrote:

"We are not the helpless tools of determination. Though humanity renews itself from its past, it is also developing something new and unforeseen. Today we have to make a new start with our minds and hearts."

The effort we make in the years to come is thus a test of the freedom of the human spirit.

Let us affirm today that we are faced with a common challenge and can only meet it jointly.

Let us candidly acknowledge our different perspectives and then proceed to build on what unites us.

Let us transform the concept of world community from a slogan into an attitude.

In this spirit let us be the masters of our common fate so that history will record that this was the year that mankind at last began to conquer its noblest and most humane challenge.

[From the New York Times, Apr. 16, 1974]

Resources for Mankind

Secretary of State Kissinger's stress at the United Nations on the interdependence of developed and developing nations points the way to progress on excruciating resource problems now facing mankind.

Confrontation, cartels, production restrictions and steep price rises by other raw material producers on the model of the Organization of Petroleum Exporting Countries can only lead to global inflation and global recession, from which no one would ultimately benefit. The developing nations that lack the few key resources susceptible to this treatment would be the chief immediate victims of such an approach.

Even the raw material cartels are unlikely to benefit very long. Alternative sources will be developed. And raw material producers would ultimately pay for exorbitant commodity prices by the increased costs of the goods they must import.

The "new dialogue" Mr. Kissinger has proposed between producers and consumers must face up to the problem of defining the "optimum price" for scarce materials—one "that can be maintained over the longest period at the level that assures the highest real income. . . . Only through cooperation between consumers and producers can such a price be determined," he noted. "And an expanding world economy is an essential prerequisite."

Within this concept of expanding world production and income, more equitably distributed at fair prices, Mr. Kissinger committed the United States to a major effort at world cooperation in the common interest. It is a commitment that, despite some vagueness in detail, the General Assembly would be wise to seize and explore.

The six "problem areas" Mr. Kissinger sketched out for international cooperation, with the United States offering to make major contributions, address the central dilemmas of development in the poor nations—and the collaboration of rich poor and newly-rich that must be achieved. It is a global vision of the kind that long has been needed in Washington. It now has to be filled in.

Neither in detail nor in machinery proposed is Kissinger's speech the be-all and end-all. But it is a challenge to mankind that the nations whose representatives are assembled at the U.N. would be wise to accept in a vigorous new effort to substitute the concept of world community for national egoism.

RESTORING FAITH IN POLITICAL CAMPAIGNS

Mr. McGOVERN. Mr. President, as we debate the Federal Election Campaign Amendments of 1974, I want to call to the attention of my colleagues an article written by Vern McKee, the executive manager of the Greater South Dakota Association, which in effect is the State chamber of commerce in my State.

Mr. McKee makes two points with which I concur heartily:

First, the way to restore the political system for the people is for more of them to take part. "Do not stay away," the message which I have told numerous student groups in the past year, is a

Second, it is important to broaden the
theme of this column.
base of political contributions so that a large number of people of modest means are involved in campaigns.

During my 1972 Presidential campaign, we demonstrated that it is possible to run a national campaign based almost entirely on small contributions. Our contributions averaged about $25 apiece. To date, contributions to my 1974 campaign are running about $11 each.

So I want to take this opportunity, Mr. President, to salute the Greater South Dakota Association and its executive manager, Vern McKee, for offering an insight into American political financing, and would like to commend his column to the attention of my colleagues by asking unanimous consent that it be printed in the Record.

There being no objection, the column was ordered to be printed in the Record. as follows:

The Real Base of South Dakota Politics

Pierre—Current political news in our country and state might just make some citizens of South Dakota cynical and apprehensive about becoming involved in politics. It is important to recognize that political corruption is not the result of our political process. People get into trouble because they are people, not politicians, nor mechanics, or real estate salesmen.

How do we keep politicians honest? How do we police the system so that no one attempts to tamper with our vote or alter public opinion by trickery or fraud? One way that you can't do it is by staying out of politics, particularly at the local level in your own community—the real base of American politics.

You and I, as South Dakotans, cannot produce good government by allowing cynicism to make us turn our backs on political involvement. Deciding that politics is too dirty for the involvement of good men in an open invitation to take over our system by misguided men and women who would fleece the taxpayers with no misgivings whatsoever.

We as South Dakotans are also justifiably shocked when we hear about secret funds and huge cash contributions that sometimes flow under the table to politicians. Modern political campaigns require enormous amounts of money. It is tempting for the politicians in either party to simplify fund raising by accepting large contributions.

In the 1974 elections it is important that more people of modest means give modest support to candidates. As the 1974 elections approach, let us make sure to broaden the base of political fund raising and support our local candidates. Politicians will then be more accessible and a special interest group will be the people at large who support them.

Your Greater South Dakota Association, the voice of the South Dakota business community, once again encourages the South Dakota citizenry to become involved to offset and stop this current trend in America and South Dakota.

UNITED STATES-SOVIET RELATIONS

Mr. HATHAWAY. Mr. President, May 6 will mark an event of historic import to our Nation. On that day a delegation of members of the legislative bodies of the Union of Soviet Socialist Republics will arrive in Washington to visit with their peers, Members of the U.S. House and Senate as well as other Federal officials

This will be the first such visit by Soviet officials in the history of Soviet-American relations and must be viewed as heralding further and most welcome progress in the normalization of relations between the world's two most influential nations.

The purpose of this visit by such distinguished men is to expand our understanding of each other. It will be an effort to promote greater tolerance for our differences, to reconcile such misunderstandings as may exist for simple lack of communication, to discuss our common interests and goals and to plan for more frequent exchanges of visits between us.

This is a most desirable and valuable program, and I know that all of us will warmly welcome these honored guests and extend them every courtesy and cooperation.

Let us seize this opportunity to visit with these honored guests that we may get to know each other better and gain a better understanding of each other in order that we may all become better able to expand and deal with mutual concerns and problems.

This mission of Soviet officials cannot help but succeed if, in our discussions with them, we are guided by the 12 basic principles endorsed by President Nixon and General Secretary Leonid Brezhnev at Moscow on May 29, 1972.

These principles could serve admirably as basic guidelines for relations between any two nations and, in my view, should be read by all citizens of the United States and the Soviet Union alike.

Mr. President, I respectfully request unanimous consent that this document be printed in the RECORD.

There being no objection, the Statement of Principles was ordered to be printed in the RECORD, as follows:

BASIC PRINCIPLES OF MUTUAL RELATIONS BETWEEN THE UNION OF SOVIET SOCIALIST REPUBLICS AND THE UNITED STATES OF AMERICA

The Union of Soviet Socialist Republics and the United States of America,

Guided by their obligations under the Charter of the United Nations and by a desire to strengthen peaceful relations with each other and to place these relations on the firmest possible basis;

Aware of the need to make every effort to remove the threat of war and to create conditions which promote the reduction of tensions in the world and the strengthening of universal security and international cooperation;

Believing that the improvement of Soviet-U.S. relations and their mutually advantageous development in such areas as economics, science and culture, will meet these objectives and contribute to better mutual understanding and business-like cooperation, without in any way prejudicing the interests of third countries;

Conscious that these objectives reflect the interests of the peoples of both countries;

Have agreed as follows:

First. They will proceed from the common determination that in the nuclear age there is no alternative to conducting their mutual relations on the basis of peaceful coexistence. Differences in ideology and in the social systems of the USSR and the USA are not obstacles to the bilateral development of normal relations based on the principles of sovereignty, equality, non-interference in internal affairs and mutual advantage.

Second. The USSR and the USA attach major importance to preventing the development of situations capable of causing a dangerous exacerbation of their relations. Therefore, they will do their utmost to avoid military confrontations and to prevent the outbreak of nuclear war. They will always exercise restraint in their mutual relations, and will be prepared to negotiate and settle differences by peaceful means. Discussions and negotiations on outstanding issues will be conducted in a spirit of reciprocity, mutual accommodation and mutual benefit.

Both Sides recognize that efforts to obtain unilateral advantages at the expenses of the other, directly or indirectly, are inconsistent with these objectives. The prerequisites for maintaining and strengthening peaceful relations between the USSR and the USA are the recognition of the security interests of the Parties based on the principle of equality and the renunciation of the use of threat of force.

Third. The USSR and the USA have a special responsibility, as do other countries which are permanent members of the United Nations Security Council, to do everything in their power so that conflicts or situations will not arise which would serve to increase international tensions. Accordingly, they will seek to promote conditions in which all countries will live in peace and security and will not be subject to outside interference in their internal affairs.

Fourth. The USSR and the USA intend to widen the juridical basis of their mutual relations and to exert the necessary efforts so that bilateral agreements which they have concluded and multilateral treaties and agreements to which they are jointly parties are faithfully implemented.

Fifth. The USSR and the USA reaffirm their readiness to continue the practice of exchanging views on problems of mutual interest and, when necessary, to conduct such exchanges at the highest level, including meetings between leaders of the two countries.

The two governments welcome and will facilitate an increase in productive contacts between representatives of the legislative bodies of the two countries.

Sixth. The Parties will continue their efforts to limit armaments on a bilateral as well as on a multilateral basis. They will continue to make special efforts to limit strategic armaments. Whenever possible, they will conclude concrete agreements aimed at achieving these purposes.

The USSR and the USA regard as the ultimate objective of their efforts the achievement of general and complete disarmament and the establishment of an effective system of international security in accordance with the purposes and principles of the United Nations.

Seventh. The USSR and the USA regard commercial and economic ties as an important and necessary element in the strengthening of their bilateral relations and thus will actively promote the growth of such ties. They will facilitate cooperation between the relevant organizations and enterprises of the two countries and the conclusion of appropriate agreements and contracts, including long-term ones.

The two countries will contribute to the improvement of maritime and air communications between them.

Eighth. The two Sides consider it timely and useful to develop mutual contacts and cooperation in the fields of science and technology. Where suitable, the USSR and the USA will conclude appropriate agreements dealing with concrete cooperation in these fields.

Ninth. The two sides reaffirm their intention to deepen cultural ties with one another and to encourage fuller familiarization with each other's cultural values. They will promote improved conditions for cultural exchanges and tourism.

Tenth. The USSR and the USA will seek to ensure that their ties and cooperation in all the above-mentioned fields and in any others in their mutual interest are built on a firm and long-term basis. To give a permanent character to these efforts, they will establish in all fields where this is feasible joint commissions or other joint bodies.

Eleventh. The USSR and the USA make no claim for themselves and would not recognize the claims of anyone else to any special rights or advantages in world affairs. They recognize the sovereign equality of all states.

The development of Soviet-US relations is not directed against third countries and their interests.

Twelfth. The basic principles set forth in this document do not affect any obligations with respect to other countries earlier assumed by the USSR and the USA.

THE NUTRITION FACTOR

Mr. McGOVERN. Mr. President, there has been increasing talk of late regarding the impending food crisis.

The soaring demand for food, spurred by growing population and rising affluence, is outrunning the ability of the world to produce food.

World food reserves are at a critically low point and millions of poor may be facing mass starvation unless a plan is worked out to prevent that catastrophe.

The dimensions of this potential tragedy are difficult to comprehend. If such starvation should occur, widespread death will, of course, become commonplace.

But there will be tragedy and damage that will linger in the minds and bodies of millions who may survive death itself. The effects of malnutrition remain for years, for generations, with those who suffer from it.

This world hunger problem is set forth with great precision in "The Nutrition Factor," a book by Alan Berg, now a nutrition development advisor with the World Bank. Drawing on his years of experience with AID in India, Mr. Berg outlines the wide choice of policy options open to those trying to cope with the world's food problems. It may turn out that, even with the best will and effort, it is not possible to eliminate the tragedy of malnutrition altogether. "The Nutrition Factor" at least gives the kind of guidelines that could minimize the extent of the tragedy. I commend this very important book to my colleagues in the Congress, as well as policy makers in our Government and governments abroad.

I request unanimous concent that an excerpt from this book be printed in the Record.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

The Malnutrition Problem

"I think it could be plausibly argued," wrote George Orwell in *The Road to Wigan Pier*, "that changes of diet are more important than changes of dynasty or even of religion." As with other things Orwellian, people are starting to take heed. In policy-making quarters in several parts of the world, nutrition has begun to strike a sensitive chord. Disturbing research findings about the effects of malnutrition on childhood death rates, on the frequency and severity of illness, on physical growth, on productivity, and on mental development have stirred concern. For years it has been assumed that, given educational opportunities and other environmental advantages, a child had every reason to be as bright, imaginative, and productive as other children of his age. Now it is being suggested that the child behind the empty-eyed face commonly seen in poor countries may be backward.

The greater interest of policy makers in nutrition also reflects their growing disenchantment with accepted economic development dogma. To masses of people in low-income countries, the so-called Development Decade of the 1960s did not fulfill its promise. Rising expectations are giving way to rising frustrations. New solutions are being sought.

At the same time, nutrition is becoming a more relevant policy issue—and remedial action more feasible—as countries are relieved of the pressure of an inadequate food supply. Several countries whose food shortages in the mid-1960s prompted U.S. congressional hearings on the apparent inevitability of famine in the 1970s have achieved or are approaching self-sufficiency in cereal grain production. For many of them, growing enough food is not longer the most immediate concern. In fact, there is or soon will be broadened choice of land use. Should a country use the land to plant crops for export, to increase production of domestically needed industrial raw materials, or to raise more nutritious foods to improve the local diets?

Nutrition, as a result of all this is being discussed outside its traditional confines of scientific forums. Senior planning officials of fifty-five countries, for instance, gathered with nutrition experts in late 1971 at the Massachusetts Institute of Technology for the first International Conference on Nutrition, National Development, and Planning. Added stimulus comes from a special UN commission on malnutrition convened by Secretary-General U Thant and from World Bank President McNamara's policy pronouncements favoring greater emphasis on the problem.

The new interest in nutrition, however, is mixed with curiosity, and the attention devoted to it is often mixed with skepticism. Interest rarely has been translated at the operating level into action; few countries have nutrition programs, and fewer still have nutrition plans or policies. Partly this reflects the traditional view of malnutrition as a welfare rather than as a development problem. Welfare is not ignored by development planners; but, except in emergencies, it falls outside their primary focus of attention.

Also, for those unfamiliar with the field, malnutrition is not dramatically visible. Unlike famine, which attracts national and international attention—and usually prompts substantial response—most malnutrition is unobtrusive. The day-in, day-out erosion of health it causes may reach epidemic proportions—malnutrition has been identified as the world's number-one health problem and is associated with more deaths and disease than the occasional famines—but it lacks drama. (Once certain forms of malnutrition become severe, they become less unobtrusive. The despair one feels when seeing a blind child prompts voluntary donations to special schools for the blind; but a drive to provide the vitamin A—at less than 2 cents a child per year—that would have prevented the blindness does not arouse like concern.)

The most telling reason for the neglect of the problem of malnutrition may be the isolation of the power structure from its effects. Malnutrition does not raise the pervasive concern of the politically and socially vocal classes that an ailment like malaria, which knows no class bounds, arouses. Nor has it the urgency of a contagious diease—like smallpox.

Communication of the problem from the nutrition to the development communities also has been an impediment. Most advocates of better nutrition are scientists—pediatricians, biochemists, pathologists, plant geneticists, physiologists, microbiologists, and food technologists—who seldom think and talk in the same language as those who are responsible for development policies. Nutritionists often are ill-equipped to deal with the kinds of questions posed by the development planner, whom they see as hard-fisted and insensitive to human need; the planner, in turn, is uncomfortable in dealing with the nutritionist, who often appears to him to be professionally parochial and unable to see the problem in broad perspective.

Unfortunately, nutrition has no group of programmers or operational entrepreneurs—common in other fields—to push through its findings. Nor have leadership entities emerged to pave the way for action of consequence. (For more than two decades UN technical agencies have tried to fill this need. They have successfully attracted attention to the problem, but they have not been able to mobilize a serious attack on malnutrition.) The difficulties are in part organizational. Because nutrition cuts across conventional functional responsibilities and national organization charts, it is difficult to discuss within a standard operational framework. Its blurred and sometimes pejorative public connotation does nothing to compensate for that ambiguousness; to many, the word *nutrition* conjures up images of vitamin pills and canned peaches, and the nutritionist is seen as a medical clinician or a dietician—home economist. Clearly there is a label problem.

THE MALNOURISHED

Given the limited resources at the disposal of developing countries and the plethora of needs competing for them, why should a government finance major programs to combat malnutrition? To most planners in developing countries the answer is not at all clear. The magnitude of the malnutrition problem can best be appreciated by considering the amount of child mortality, the relationship of malnutrition to that mortality, and the extent of malnutrition among the survivors.

Available child mortality data are probably understated; in many instances children who are born today and die tomorrow are not recorded. One Latin American clergyman reportedly did not register children until they were two years old "because so many die before that it isn't worth it." In parts of Ghana the naming of a child is postponed eight days; if it does not survive that long, it is not counted as a birth. Generally, the more poverty stricken the area, the higher the death rate, and the higher the death rate, the poorer the available records.

Nonetheless, figures still show that child mortality in developing countries is of staggering proportions. Children under five years of age in Brazil constitute less than one-fifth of the population but account for four-fifths of all deaths; in India, for 65 percent of the deaths; in Egypt, for 68 percent. (In the United States, children at this age account for 8.8 percent of the population and 4.8 percent of deaths.) In Pakistan the percentage of one-to-four-year-olds who die is 40 times higher than in Japan and 80 times higher than in Sweden. In rural Punjab, one of India's strongest and healthiest areas, the death rate at that age is 72 times higher than in Sweden; in Egypt, 107 times higher; and in The Gambia, 111 times higher.

If India's child death rate were the same as Taiwan's, 5.6 million fewer Indian children would die every year. A Guinean at birth can expect a life span of 26 years, one-third the life expectancy of a Japanese.

There is little dispute that "malnutrition is the biggest single contributor to child mortality in the developing countries." In parts of Latin America, where the making and selling of minicaskets are common sights, malnutrition has been identified as the primary or an associated cause in 57 percent of all deaths of one-to-four-year-olds; it is an important factor in more than half of infant deaths and a contributor to the immaturity responsible for half to three-quarters of deaths in the first month of life.

Malnutrition causes otherwise minor childhood diseases to become killers. For example, respiratory and gastrointestinal infections in Nicaragua are responsible for 15.3 percent of all deaths compared to 0.4 percent in North America. In Guatemala, 500 times as many preschool-aged children die of diarrheal diseases as in the United States. The death rate from measles, an especially virulent killer when accompanied by malnutrition, was more than a thousand times greater in Guatemala than in the United States in 1965.

Deaths are measurable. The toll among the survivors is less dramatic and less visible. Yet, more than two-thirds of the 800 million children now growing up in developing countries are expected to "encounter sickness or disabling diseases either brought on or aggravated by protein-calorie malnutrition." In Latin America, South Africa, and India, studies have shown that 20–30 percent of the time the young child is experiencing acute infection. The UN World Health Organization (WHO) states that, on the average, 3 percent of children under five in low-income countries suffer from protein-calorie malnutrition (third degree malnutrition, or below 60 percent of standard body weight per age). Thus at any given time there are approximately 10 million severely malnourished preschool-aged children. Commonly 25 percent, or an additional 80 million preschoolers, are estimated to be suffering from moderate malnutrition (second degree, or 60–75 percent of norm), and an additional 40–45 percent, or 130–160 million children, it is generally agreed, have mild malnutrition (first degree, or 75–90 percent of norm).

Whatever the technique for measuring the extent of malnutrition—food-balance sheets, food consumption surveys, consumer expenditure surveys, medical nutrition surveys—the different methods present a consistent and reasonably reliable picture of a problem of major magnitude; white adults are included, something on the order of a billion and a half persons.

GENOCIDE TREATY—OUR RESPONSIBILITY

Mr. PROXMIRE. Mr. President, in the whirl of events that sometimes overwhelms us, the Members of this body can lose track of what should be one of our main reasons for being here: To serve not only America but all of humanity as well by our actions. We often have the opportunity, as lawmakers, to help make the world as a whole a better place to live.

Such an opportunity is before us now with our consideration of the United Nations Genocide Convention Treaty. This document, ratified by the great majority of the nations of the world including most of our closest allies and neighbors, is a valuable expression of concern and compassion for mankind. Yet in one way or another, it has been stalled in the Senate of the United States for over a quarter of a century.

The time has come to give it our active consideration, however. There is no justification for any further delay, for it can only add to the suspicion that we in some way disapprove of the noble sentiments expressed in the treaty. Both our own national heritage and common humanity demand that we sweep that suspicion aside now, and add the name of this Nation to the list of signatures of this worthwhile agreement.

SECRETARIES WEEK

Mr. McGOVERN. Mr. President, April 21–27, has been set aside by the National Secretaries Association—International—as Secretaries Week. I am pleased to participate in this tribute.

The theme of the week is "Better Secretaries Mean Better Business." Certainly that formula cannot be denied or ignored. Secretaries have played an integral role in the function of government, business, industry, and education ever since the very first secretary demonstrated his ability to keep an office organized and operational.

The position a secretary holds is no longer relegated to someone who can type or make coffee, nor should it be. The field has become so highly regarded that excellent and extensive secretarial training programs are now available to interested men and women. Secretaries today must be able to handle administrative responsibilities, contribute to the creative input and output of the office and assume important decisionmaking duties. They must possess good writing skills, expertise in public relations, and technical know-how in many areas.

In sum, a secretary does not hold down just one job—but many professions, and a week's tribute is small recognition for such outstanding service.

INTERNATIONAL DEVELOPMENT ASSOCIATION

Mr. McGEE. Mr. President, I have been gratified by the outpouring of editorial sentiment around this Nation in support of the U.S. contribution to the fourth replenishment of the International Development Association.

The vote in the House of Representatives in January rejecting the IDA contribution apparently stunned many across our Nation, just as I was stunned.

Today, I would like to have additional editorial comment printed in the Record. I believe this expression of support for IDA, as well as previous editorials I have had printed in the Record, give us an accurate picture of what the real sentiment of the American people is on this question.

Editorials to be printed in the Record today are from the Cleveland Press; Milwaukee Journal; Newport, N.H., Argus-Champion; Catholic Voice of Oakland, Calif.; Houston Post; Baltimore Sun; Staten Island, N.Y., Advance; National Review; Fort Worth Star-Telegram; Monterey, Calif., Peninsula Herald; Saginaw, Mich., News; Morristown, Tenn., Citizen Tribune; Newark Advocate Weekly; Columbus, Ohio, Citizen Journal; Atlanta Constitution; the Christian Science Monitor; Waco, Tex., Times-Herald and Tribune-Herald; Kannapolis, N.C., Independent.

I ask unanimous consent that the above-mentioned editorials be printed in the Record.

There being no objection, the editorials were ordered to be printed in the Record, as follows:

[From the Cleveland (Ohio) Press, Jan. 26, 1974]

A Slap at Poor Nations

The House should reconsider its lopsided 248–156 vote against a new $1.5 billion U.S. contribution to the International Development Assn. (IDA), the branch of the World Bank that makes "soft" loans to the poorest of the world's poor nations.

The Nixon Administration bill to fund the IDA was beaten by a combination of circumstances, chief among which was the oil price squeeze and the widespread suspicion in the House that a great deal of the $1.5 billion would ultimately find its way into the treasuries of extortionate Arab oil princes.

Lending credence to this theory was a World Bank calculation that for 41 of the have-not nations the increases in the price of the oil they must import would more than eat up the total foreign aid they will receive from all sources this year. Hence, the House reasoned, the U.S. contribution to IDA would do no more than further enrich oil-producing nations that are plucking the industrial Western world like a helpless chicken.

As tempting as the theory is, it won't stand analysis. If the U.S. reneges on its promised contribution to IDA, so will other wealthy nations. Thus the total cost to poor countries will be some unknown multiple of $1.5 billion, and it is going to hurt them cruelly. More than the oil imports they need, it will deprive them of public health services, improved agriculture, power and water projects, roads and bridges—in short, everything they need to lift their people out of the hopeless morass of poverty into which they were born.

If the poor nations of the world conclude that there is no compassion left among the wealthy countries, and no hope of further help in improving the lot of their woefully needy people, the ultimate price to the United States and the rest of the Western World might be very high indeed.

Ever since the Marshall Plan foreign aid has been firmly based on the enlightened self interest of the United States. It would be a pity to abandon this philosophy now in an attempt to strike back at oil blackmail.

[From the Milwaukee (Wis.) Journal, March 29, 1974]

Revive the Aid Program

Congress did not do much for its own or America's reputation when earlier this year it killed legislation that would have renewed our contribution to the World Bank's International Development Association, the multilateral lending institution's "soft loan" window for needy underdeveloped countries. Now, with new legislation before it to help IDA, Congress has a chance to redeem itself.

Congress is not being asked to give an arm or a leg, only $1.5 billion over four years. The first installment would be $375 million, less than this nation has given in the past. The sum won't break America's trillion dollar plus economy.

More important than the dollar amount, however, is the renewal of the American commitment to a worthy effort at an extremely original time. Developing countries, faced with extremely high costs for oil, confront a bleaker development picture than they have for years. High prices for petroleum imports threaten to eat up available capital required just to keep these countries on the ladder of growth. In this period, IDA becomes extremely important to them.

As Treasury Secretary Shultz told the Senate Foreign Relations Committee last week, IDA lends money for specific development projects. It does not finance oil purchases or line Arab pockets! And there is a better than even chance that the money will be spent in the US for project purchases. These are the programs that keep development and hope for progress alive in these poor countries. Despair only breeds discontent and instability.

The multilateral, no strings-attached economic aid granted by the World Bank is the kind of foreign assistance that the US should support. "It would be especially cruel, and inappropriate to the United States legitimate world leadership role," said Secretary of State Kissinger, "if we were to cut our concessional aid at the very time when the poorest countries most need assistance."

[From the Newport (N.H.) Argus Champion, Jan. 30, 1974]

Demeaning America

The United States of America has the world's most honorable record for compassion. This nation has given massive help to the hungry, the sick and the homeless of the world, frequently, in the tradition of Abraham Lincoln, without regard to whether or not the victims' governments have been our friends or foes.

That is why it is so depressing, now that we are beset by an energy crisis, deterioration of morality in high places, and growing unemployment, that we are caving in, growing selfish and turning our backs on the starving of the world. Our noble record would be tarnished if, in the end, we were shown to share with others only when we had more than we could use.

Last week the House of Representatives rejected President Nixon's bill to provide funds for the International Development Assn., an arm of the World Bank. The funds were to have been used to head off the mass starvation in such places as Bangladesh, India and sub-Sahara Africa.

Whatever the vote may signify about the attitude of Congressmen toward President Nixon, it was at least non-partisan, for the Republicans voted against Mr. Nixon's bill 130–47 and the Democrats voted against it 118–108.

It is a sad commentary on our nation, however, to recognize that the vote was probably not as much a rejection of President Nixon as a rejection of the whole concept of aiding our overseas neighbor. It appears that the vote in Congress may have accurately reflected public opinion in the country, which makes it worse.

There are, to be sure, millions of Americans who are hungry, sick and homeless, and they surely should be our concern. If rejection of the President's bill could have meant funds would be available to help them, or if the rejection would have meant that funds would be available for any of the myriad other ills that beset this nation, the action might have had a modicum of justification.

But it won't, any more than ending the Vietnam tragedy has meant more funds for such ills.

By turning down the International Development Assn. funds, Congress has profaned the glorious record of America's help to the needy, regardless of what other nations did to help them or us.

[From the Oakland (Calif.) Catholic Voice, Mar. 13, 1974]

ABANDONING THE THIRD WORLD

Will we abandon the Third World countries where 1,000 million people live on a per capita income of $100 or less?

Many countries of Asia and Africa depend on free or low-interest loans from the World Bank (International Development Association) and IFC (International Finance Corporation) for financial and technical help to improve their living standards and economies.

Last summer, Treasury Secretary George Schultz negotiated a $1.5 billion loan as America's share in a $4.5 billion contribution from the world's richer nations to IDA.

To everyone's dismay last January, the House of Representatives voted 248–155 to reject the loan which represented one-third of IDA total funds and a 40 per cent reduction in the amount provided previously by the United States.

Opponents of the loan stated that, although it may be true that these nations have genuine needs, such arguments would no longer wash with their constituents as numerous domestic projects still went begging for funds.

What the House overlooked in their vote was the far more drastic and damaging effect on these poorest people of the earth than on ourselves or anything we are experiencing now—rising food costs and interest rates, critical shortages and unemployment.

It is our contention that American voters would respond favorably if the conditions of impoverishment for millions of people were presented to the public.

Another bill, S. 2665, identical to the one defeated in the House, is now pending in the Senate Foreign Relations Committee. Catholic interest in support of IDA loans and a letter writing campaign to chairman William Fulbright would signify our desire to confront the real causes of poverty either here or abroad.

[From the Houston (Tex.) Post, Mar. 30, 1974]

LET'S NOT JILT IDA

The International Development Association (IDA), one of the two main branches of the World Bank, will run out of operating funds by June 30 and is calling on member nations to replenish them. Unless the U.S. contribution, now blocked by Congress, is forthcoming, IDA operations may have to be reduced. The organization provides an efficient method of helping poorer nations help themselves. It should continue to get U.S. backing.

IDA is the World Bank's facility for financing aid projects in the developing nations through long-term, low-interest loans. The administration request to contribute $1.5 billion over three years to the replenishment fund was blocked by Congress in January when sentiment ran high against the entire $8.5 billion U.S. foreign aid program.

The rejection by the House of the IDA contribution came while our commitment to the association fund was being reduced from 40 per cent to a third through negotiations with the 34 other contributing nations which have pledged $3 billion. Reluctance on our part to continue participation in this multilateral assistance program could discourage efforts to attract greater participation by other countries.

Aside from humanitarian motives, IDA's programs yield returns in the form of curtailment of political unrest brought on by poverty and deprivation. Even more tangible returns are possible. Many of the developing countries have potential for furnishing raw materials now in short supply. Loans and shared technology through IDA can help those nations develop their natural resources to the benefit of themselves and other countries while guarding against exploitation of populaces.

Whatever kind of foreign aid program we have, IDA participation should be a part of it. An acceptable compromise might be found in Treasury Secretary George Shultz' suggestion to the Senate Foreign Relations Committee. He said the U.S. contribution, perhaps a smaller one than requested by the administration, might be offered on the condition that there is a greater participation by other major nations. Congress should consider this approach.

[From the Baltimore Sun, Jan. 28, 1974]

THE WRONG CUTBACK ON FOREIGN AID

The House of Representatives has just spitefully pulled the rug from under one of the Nixon administration's tortuously negotiated important agreements with the rest of the world. It has refused to authorize an American contribution of $1.5 billion spread over four years to the International Development Association. Secretary of the Treasury Shultz worked this schedule out at the World Bank meeting in Nairobi last September, as part of a new formula in which the United States share of contributions is reduced and those of Japan and West Germany increased. If one nation welshes on its commitments, the others are not obliged to live up to theirs.

The International Development Association is an arm of the World Bank that advances "soft loans" (long term, low interest) for technological aid and development of the poorest countries, which have largely exhausted more conventional credit. The provision of funds for it to lend, by the wealthier nations, is one of the purest forms of foreign aid. It is not something else labeled foreign aid, as for instance, military grants are.

The enlargement of the International Development Association lending power, reached in the "Fourth Replenishment" agreed to at Nairobi, is really an attempt to catch up with world inflation in behalf of the poorest countries, which are in a rat race to do more than just maintain their current standards of subsistence for growing populations. The increased emphasis on international financial institutions is the worthiest turn that foreign aid has taken, and owes its impetus largely to the United States.

None the less, because foreign aid has turned sour in the minds of many congressmen, they are taking it out on the least offending part. Although Democrats were rather evenly divided in this decisively negative vote, Republicans were more than two-to-one against. The anguish of Treasury Secretary Shultz and Secretary of State Kissinger was evident. The President's loss of Republican support for what is, after all, a presidential program was never more poignant. Since the United States is the largest contributor to the International Development Association, there may be a sentiment in Congress that it is being taken. But as a percentage of the nation's gross national product, the American contribution rates well down the list of the developed countries.

There is a catch to all this. Congress has time to undo its damage. The United States is behind in its payments to the International Development Association. Congress has just recently appropriated the second of three installments to the ""Third Replenishment." What the House has now rejected is a four year authorization for a "Fourth Replenishment." It can change its mind, and the sooner the better in the interest of keeping other contributing countries to their commitments, and retaining some residue of goodwill in the Third World.

[From the Staten Island (N.Y.) Advance, Feb. 7, 1974]

WRONG TIME TO DENY AID

In a period of rampant global inflation, the harshest impact is on the poor of the world, a fact that apparently escaped the House of Representatives in its insensitive denial of new U.S. contributions to the World Bank's International Development Association.

The funds are desperately needed for alleviating the plight of hundreds of millions of people in the poorest nations of the world, some of them facing mass starvation in Bangladesh, in sub-Sahara Africa and in India.

Ironically, this country was being called on to give a smaller share than it had in the past—a reduction from 40 per cent to a third of the $4.5 billion fund that would underwrite subsistence and development grants over a three-year period. And even at the higher rate, the U.S. would have been putting up less of its gross national product than 14 of the 16 most prosperous industrial nations. Inflation has sharply reduced the value of IDA loans by 30 per cent in recent years.

None of this, unfortunately, was sufficient to impress House members with the urgency of an affirmative action. The unthinking rejection no doubt reflects growing disillusionment with foreign aid and the lack of influence of a weakened Presidency. It should be apparent—but it wasn't on Capitol Hill—that this is not a "give away" program but an enlightened, reasonable approach to foreign aid.

Under its broadened structure, the IDA is now able to enlist the resources of oil-rich countries as well as the traditional donors for redistribution among countries still in need of investment capital. These projects provide direct benefits to the impoverished elements in less developed countries, rather than pumping funds into institutions at the top, as was the practice in the past when there was the unrealized hope that these benefits would filter through to the poor.

There is a practical aspect to this type of foreign aid—a constructive economic rapport between prosperous and poor nations that has long-range advantages that no longer can be ignored in the face of the economic confrontation generated by self-serving Mideast oil countries. The ill-advised House action should be reversed if at all possible—before it is too late.

[From the National Review Mar. 15, 1974]

MUDDLING OUT

The House of Representatives, in a surprise vote a few weeks ago, rejected an Administration foreign aid bill, 248 to 155, which is a significant surprise if, like Secretary of the Treasury George P. Shultz, you didn't doubt the bill would pass. Only 47 out of 177 Republicans supported the measure—a contribution of $1.5 billion to the World Bank's funds for "soft" (i.e., fiscally low grade) loans. The Democrats opposed it, 118 to 108. World Bank President Robert S. McNamara, whose credibility after eight years as Secretary of Defense is nearly 1,000 per cent, called the vote "an unmitigated disaster." The House may get a second chance at the bill if the Senate proceeds to pass it in spite of the House's action, but a 47-vote spread is not inconsiderable.

At least one reason for the vote had to do with the price of oil. For a number of countries the recent increase in the cost of their oil will be greater than the foreign aid they would have received. The bill would have channeled funds from the United States, through the World Bank, to the aided countries, and on to the Arab oil states, a result that a majority of the House was understandably reluctant to approve.

But uncertainty about the role of the U.S. in the world was also involved. Doubt, anger, guilt, raised in the minds of many by the experience in Vietnam, remain. The function of the U.S. as a world power, with responsibilities to itself and others, is unclear—if the concept is still accepted at all. The nation, cuddling up to one principal enemy (China), trading with another (Soviet Union), banning trade with a friendly country (Rhodesia), and unable to bring itself to support another friend (Cambodia) sufficiently to ensure its survival, has an acute identity problem, one manfestation of which is the powerful impulse to opt out of foreign aid.

[From the Fort Worth (Tex.) Star-Telegram, Feb. 20, 1974]

AID LOAN FUND VOTE BLOW TO U.S. INTERESTS

In what seems to have been an overreaction to the frustrations of the energy crisis, the House rejected an administration request for a $1.5 billion three-year contribution to the International Development Association.

The vote was 248–155, and it was a case of 248 congressmen being dead wrong.

The IDA, soft-loan arm of the World Bank, makes loans to poor countries for economic development. Treasury Secretary Shultz had worked out a formula that would have increased America's annual contribution to the fund from $300 million to $500 million. But because of the bigger contributions being made by other industrial nations—such as Japan and West Germany—the U.S. share of the total fund would have dropped from 40 per cent to 33 per cent under the proposal.

On the homefront, the plan represented a compromise between views calling for no donation at all and those demanding not only an increased amount but a bigger U.S. share in the total.

When the plan was defeated, Mr. Shultz and Secretary of State Henry Kissinger termed it a major setback for U.S. foreign policy.

World Bank President Robert S. McNamara saw it as an "unmitigated disaster" for poor countries.

Both may be right, if Congress stands by its decision.

IDA funds expire June 20. If the United States fails to live up to its projected increase, other donor nations may hold back on their commitments. Mr. McNamara probably hit the nail on the head when he said the result could be that "worthwhile, needed development" will not take place.

In addition to the usual arguments against foreign aid, one of the chief objections raised in the House was that aid money going to oil-starved poor countries would simply wind up in Arab hands.

This was not a valid position. Use of IDA money is restricted to the development projects for which it is lent. But the argument triumphed on a wave of energy crisis emotion.

There are more than just altruistic reasons for the U.S. contribution to the IDA. The United States needs to be on the best possible terms with the developing nations for geopolitical reasons that have bearing on national security. Also, there are shortages of things other than just oil. Some of these items, important to American industry, are found in certain of the poor countries.

The House members who voted against the IDA bill apparently didn't think of all these things. They should have. And, since the administration is giving them a second shot at the plan, perhaps next time they will.

[From the Monterey (Calif.) Peninsula Herald, February 20, 1974]

ISOLATIONISM REVISITED

When the House voted recently to refuse to authorize a $1.5 billion contribution to the International Development Association, an agency of the World Bank, it took a long step toward isolationism and dealt a critical blow to the struggling countries on the United Nations' "least developed" list. It was a selfish, negative and short-sighted decision.

It was selfish because the United States has traditionally extended a helping hand to less fortunate countries; negative because the IDA effort represents a multilateral aid attempt by several of the most affluent nations; and shortsighted because one of the major aims of such aid is to foster mutually helpful economic ties between the developed and the underdeveloped countries.

Most of the nations affected are small and most are in Africa. They rely on the World Bank for assistance, and in the words of its president, Robert McNamara, this threatens "an unmitigated disaster to hundreds of millions of persons" in such places as Niger, Upper Volta, Mali, Mauritania, Senegal and Chad, which are in the grip of one of the worst droughts on record, and in Pakistan and Bangladesh, where drought is compounded by tripled grain prices.

There has been much agitation in Congress for changes in our system of foreign aid, and strong popular dissatisfaction with the billions of dollars that this country has spent overseas since World War II. Presumably the House vote, an impressive 248–155, reflects recent American disenchantment with oil-rich countries, developed with this country's assets, which now have turned against us.

But as the oil shortage itself has proved, there is no longer any way that the United States can build a fence around its shores and huddle behind it. Perhaps the World Bank can pursuade some of the newly rich oil nations to contribute to this current need. It should certainly try.

But that does not excuse the U.S. action, which is subject to reversal in the Senate if more thoughtful minds can be brought to bear. The need is clear, our responsibilities are unmistakable, and the potential benefits in terms of long-range investment in world development are well worth the effort.

[From the Saginaw (Mich.) News, Feb. 4, 1974]

AID CUTOFF A DISASTER

(By Chuck Stone)

There were cruel and ironic coincidences in the recent House of Representatives vote to kill an Administration-sponsored $1.5 billion contribution to the World Bank Development Fund.

By 248 to 155, Congress, representing citizens who have been weary good Samaritans to the world's poor for the past 30 years, rejected funding to improve agricultural production in the world's poorest countries.

In a rare public statement, Robert S. McNamara, president of the World Bank, labeled the House vote, "an unmitigated disaster."

Almost at the same time the vote was taken, the director of the Food and Agricultural Organization, Dr. Addeke H. Boerma, was completing a tour of drought-stricken African areas, where hundreds of thousands have starved to death in the last year.

"The situation is not improved. The rains were too short," he told newsmen last week in Nigeria. "Some crops came up during the rains, but they withered and died and people are continuing to move south. It is necessary to ask again for the world to help."

Help, he continued, would require a minimum of 500,000 tons of grain. So far only 300,000 tons have been committed to FAO.

This is why FAO darkly estimates that six million people in the six Sahara African countries of Senegal, Mauritania, Mali, Upper Volta, Niger and Chad may well perish in the five-year-old drought. Most Americans simply do not comprehend the magnitude of six million Africans starving to death.

While Congress was busy voting down funds which might have helped the countries to survive and Dr. Boerma was sadly predicting another year of crop failures and starvation, a Rockefeller Foundation-sponsored meeting was explaining the climatic causes of the drought.

Life-giving monsoons, said climate and agricultural experts, are shifting southward, pushing the Sahara desert in the same direction at a rate of 30 mile a year.

Such information documents the need for a long-range program of agricultural developments assistance, rather than short-term emergency aid, to those six countries which lie south of the Sahara.

Recognizing this imperative, leaders of the six countries jointly proposed a series of programs last September to improve irrigation, soil conservation, forestation and animal husbandry over a 10-year period. The cost—$1.5 billion, exactly the amount the House rejected last week.

The larger tragedy of last week's House vote, however, is its reflection of understandable American disenchantment with foreign aid.

American voters are disgusted with playing "Uncle Sap." Our billion-dollar giveaway programs have often been merely a source of cash for the Swiss bank accounts of corrupt officials. The primary result of American foreign aid to South Vietnam, for example, has been to stimulate one of the world's largest black markets.

But do previous failures justify America now turning its back on starving millions in Africa?

Black American political leaders have become increasingly disturbed by the political shifts in attitude towards foreign aid. Such shifts, they angrily maintain, are occurring at a time when Africans are due their turn at the bat of economic aid, after waiting for a quarter of a century while Europe and Asia enjoyed American largess.

For years Congressional junkets have been a respectable-looking excuse for Congressional vacations abroad. At a time when a full 2 per cent of an entire continent's population may be wiped out by starvation, it might not be a bad idea to send some of the Senate and House leaders—especially Texan Representative George H. Mahon, chairman of the House Appropriations Committee—to see firsthand the deplorably inhuman conditions under which millions of humans are suffering.

The idea of gas rationing, fuel shortages and orbiting prices imprison American families in a cell of formenting anxiety. But millions of families in the United States are not starving to death as they are in Africa. Maybe Americans are indeed fatigued with being their brother's keeper. But they ought not to become their brother's destroyer.

[From the Morristown (Tenn.) Citizen Tribune, Feb. 10, 1974]

Disaster Ignored

More than half of the total population of six West African nations is facing famine and economic disaster. Mali, Mauritania, Senegal, Chad, Niger and Upper Volta are suffering the worst drought in 60 years. Almost no rain has fallen for five years.

Mali and Mauritania need immediate aid, with 80 percent of the population barely alive. In the entire sub-Saharan zone, 13 million are in grave peril. Half are children under 16 years of age. Livestock losses are from 60 percent to 95 percent.

If the rest of the world fails to respond to this magnitude of agony and death, very terrible consequences could follow. European countries have sent relief to a certain degree, but in no way matching the amount that is necessary.

President Nixon sent a very urgent bill to Congress, providing relief to the world poor. But the House, with an unusual alliance of Democrats and Republicans, was so intent on showing their Republican President that they would not conform to his wishes, that they turned it down overwhelmingly.

Other donor nations had voted their share of aid. The United States, realizing the strength of the opposition, had been able to secure a cut in overall contributions to the World Bank to $1.5 billion, one third of the $4.5 billion needed. Now the effort will move to the Senate in the hope of keeping it alive. With West Africa as an example, failure now will be a tragedy. Meantime, individuals are being urged to fill in the gap, and should.

[From the Newark (N.J.) Advocate Weekly, Feb. 7, 1974]

Rejection of IDA Loan Deplored by Churchmen

South Bend, Ind.—Rejection by the House of Representatives of a proposed $1.5 billion loan to the International Development Association (IDA) marks "a new low in U.S. moral awareness" of its global responsibilities, according to a Church expert on international social justice.

Msgr. Joseph Gremillion, a member and former secretary of the Pontifical Commission for Justice and Peace, said that the unexpected turndown of the loan raises questions of conscience especially for Christians called to bring a message of love and liberation to the world's poor.

The general secretary of the U.S. Catholic Conference characterized the rejection of the loan as "humanly appalling" and "potentially devastating." Bishop James S. Rausch said in Washington that the vote reflects "the profound malaise which presently dominates the American scene" and exposes once again the "terrible vulnerability of the poor to the actions of the powerful."

Pointing out that the other nations involved in the lending plan are released from their obligations if one member defaults, he said: "The entire program was literally devastated in the House."

The bishop called on Congress to reconsider the bill and to inform the American people of the conditions in which millions of the world's poor subsist. He said the annual per capita income is below $100 in many of the countries and people in some of them face starvation in the coming year.

Treasury Secretary George P. Shultz negotiated the loan last summer, pending congressional approval, as America's share in a $4.5 billion contribution from the world's richer nations. IDA, called the "soft-loan window" of the World Bank, is the largest single source of easy-payment loans for undeveloped countries.

The $1.5 billion represented one-third of the total contribution and was a reduction from the 40 per cent of the total which the U.S. had formerly assumed. Proponents of the measure pointed out that the countries which benefit from the loans purchase more from America than America purchases from them and provide the U.S. with one-third of its raw material imports. Opponents asked how Congress could authorize low-interest loans abroad while American citizens were paying 8 and 9 per cent on mortgage loans. They also charged that much of the loan would go to purchase high priced Arab oil.

Msgr. Gremillion, now on the theology faculty at the University of Notre Dame here, called the 248–155 vote "a new low in U.S. moral awareness of its world responsibility in view of our domestic possession . . . of such bountiful resources, of our control through multinational businesses and politico-military power of such a large portion of all the planet's goods and of our relatively wasteful use of this abundance."

Noting that "the lot of some 1,000 million of the human family is grievously worse than that of the 10 million poorest Americans," Msgr. Gremillion urged Americans—especially those engaged in social ministry—to join the struggle of America's poor more closely with the struggle of the oppressed throughout the world.

Msgr. Gremillion pointed out that "Capitol Hill is to the world's poorest what city hall is to the inner city." He urged ministers involved in advocacy and political action ministry to "lobby with unified clout" and to generate ground-swell support for international social justice legislation.

He praised the work of right-to-life groups, but he also urged them to "devote some greater fraction of their time for the right-to-continue-living among the malnourished of the world, the millions who are fetal-like with their shrunken limbs, protruding bellies and bulbous heads."

He wondered what percentage of Americans prayed for passage of the IDA loan or sent a wire or a letter in support of the bill.

[From the Columbus (Ohio) Citizen Journal, Jan. 25, 1974]

Crisis Victims: Poor of the Earth

(By James Reston)

Washington.—One of the bitter tragedies of the present world crisis is that the heaviest blows are falling, as usual, on the poor of the earth.

For the rich, inflation, the energy shortage and rising food prices and unemployment are an irritation and at worst an inconvenience, but for the poor they are a disaster.

The point is obvious, but it seems to have been missed by the House of Representatives in its recent vote to kill President Nixon's bill to aid the world's poorest countries through the World Bank's International Development Association (IDA).

This vote tells a lot about the present mood of the Congress and the state of presidential and Democratic leadership. Though the danger of mass starvation in sub-Sahara Africa and in India and Bangladesh is now alarming, the House voted 248–155 against the relief sought by the Administration, with 108 Democrats voting for it and 118 against it, and 130 Republicans voting against the President and only 47 Republicans supporting him.

Now we are beginning to see the consequences of Vietnam, Watergate, and the turmoil of the Middle East. The House is surly and frustrated, disillusioned with foreign aid and foreign adventures, and hostile to a President who impounds funds for the poor at home while seeking more aid for countries overseas.

President Nixon anticipated this mood but he underestimated it. By diligent private negotiating over the last year, and with the help of Robert McNamara, the head of the World Bank, he managed to persuade the other industrial nations of the world to increase their "soft loans" to the poorest countries from 40 per cent to 66 and two-thirds per cent, allowing the United States to reduce its contributions to one-third from 40 per cent.

Even at 40 per cent of the total funds contributed by the rich nations through IDA to the poor nations, the United States was putting up less of its gross national product than 14 of the 16 most prosperous countries.

Nevertheless, though inflation has reduced the value of IDA's soft loans by almost 30 per cent in the last few years, and though starvation is an immediate problem in most of the countries concerned, the vote for relief in the House wasn't even close.

If this were an isolated case of nationalism, it might be passed over as a regrettable and correctable offense, but the tide of nationalism is running strong in the world again, and there is little doubt that the vote in the House will probably be popular with the voters in this country.

Wherever you look in the advanced countries today you will find leaders arguing for a new world order and pointing to the monetary crisis and the energy crisis as evidence that this is an increasingly interdependent world, requiring mutual aid and cooperative action between nations.

But at the same time many of these same nations turn protectionist whenever they get in trouble. Europe is trying to form a more cooperative union but when Holland irritates the Arab oil-producing countries, the Europeans leave the Dutch to fend for themselves.

Likewise, though Europe is engaged in the most delicate monetary negotiations in order to bring stability to its currencies, the French float and devalue the franc on their own. Now it is the House of Representatives that recognizes the danger of world hunger but votes against relief.

The leadership on both sides of the aisle was appalling during the debate. A White House preoccupied with its personal and legal problems gave its bill very little support—in fact, the President's name was seldom mentioned by his own House leaders—and the Democrats were just as bad.

Rep. George Mahon of Texas, who is normally a sensible man except in election years, warned the House that he wouldn't be for appropriating the money requested by the President, even if the House authorized it, and Rep. Wayne Hays, Ohio's gift to diplomacy, was even worse.

He argued that money voted for the poor countries would merely be used to pay for higher gas and oil prices, and thus would probably wind up in the pockets of the oil sheiks. This was like saying that if you're gouged by the rich, you are justified in turning round and kicking the poor.

The situation is particularly awkward now, not only because the World Bank will run out of "soft-loan" funds at the end of June, but because no nation is obliged to meet its commitments to IDA if other nations refuse to meet their quotas.

Secretary of State Henry A. Kissinger and Secretary of the Treasury George P. Shultz reacted immediately and strongly against the House vote, but the following day, Kissinger was condemned on Capitol Hill for doing so.

Accordingly, they are now turning to the Senate for a more careful reappraisal of the problem. Their aim is to get the decision reversed or at least modified before Feb. 11, when the world oil producers and consumers meet here to discuss cooperative action on the cost and distribution of fuel.

"How can we expect cooperation on oil if we will not cooperate to relieve hunger?" Kissinger asks. But Congress has its mind on other things and so has the President.

[From the Atlanta (Ga.) Journal, Jan. 20, 1974]

THE CASE FOR IDA

Recent events have underscored the economic interrelationships between developed and developing countries. There must be economic give and take for all to flourish.

It is with that in mind that the International Development Association (IDA), an affiliate of the World Bank is seeking a fourth replenishment of its financial resources. The United States and the other 23 members of IDA, plus Switzerland who is a nonmember contributor, are being asked to replenish the equivalent of $4.5 billion.

The United States' share, $1.5 billion, is less than that asked in the third replenishment, Japan is tripling her contributions and the Federal Republic of Germany is doubling hers.

IDA provides loans to the poorer developing countries on terms they can afford which enables them to achieve substantial economic growth.

Supporting the IDA is both altruistic and pragmatic. On the one hand we are helping those who cannot help themselves alone. On the other hand, we are contributing to the growth in the world economy and in world trade—which improves the position of everyone concerned.

We depend upon other countries, developed and developing alike, as markets for our exports and as sources for materials and products. They depend upon us in the same manner.

It is in this context that we urge support of the IDA replenishment. The House Committee on Banking and Currency has unanimously approved it. Action by the entire House must be taken, as well as action in the Senate by committee and the full Senate.

We urge the Congress to give expeditious approval to the IDA request.

[From the Christian Science Monitor, Feb. 1, 1974]

CONGRESS' SMOOT-HAWLEY, 1974

(By Richard L. Strout)

Washington.—The House of Representatives slapped the poor people of the world in the face last week when it rejected, 248 to 155, an administration plan to subscribe funds to the International Development Association (IDA) to make loans to have-not countries.

The United States may some day rue the House action.

America's proposed quota was $1.5 billion over four years, worked out by IDA with some 42 nations. The funds would be for loans, not gifts, supervised by the World Bank, and carrying little or no interest. For each $1 pledged by the U.S. other countries would put up $2. The House veto may kill the international plan. It was the first significant vote of the new session, and it indicated a go-it-alone, isolationst mood in Congress.

Historians declare that America's Smoot-Hawley tariff in the '30's which put the highest trade barriers in history around the U.S., helped produce Hitler. Now the world faces a possible recession of a unique sort. "Why should we aid underdeveloped countries with easy money," cried opponents in the House, "when voters in our own constituencies have to pay 8 or 9 percent interest?" It sounded plausible enough, like the argument for Smoot-Hawley in the '30's—"Why should we let in foreign goods when Americans walk the streets because they can't sell their own goods?"

The economic answer in the '30's was that if world trade collapsed on top of the local recessions in individual countries, it would make things infinitely worse, which is what happened. And the world today is vastly more integrated than 40 years ago. The U.S. has just found out how dependent it is on foreign oil; but America imports only 20 percent of its oil. It imports 94 percent of its manganese, the great bulk of its aluminum ore, 90 percent of its natural rubber, every ounce of its tin. Much of these things come from developing countries. Although some of them are desperately poor they bought $14.6 billion of goods from the U.S. in 1972, more goods than the U.S. bought from them.

Compassion is another factor. High food costs may bring famine before long. Hunger brings riots, instability, revolution. There are some nations today that could collapse in 1974—a temptation for big power interference. For reasons of trade, security, and humanity affluent nations have tried to aid the poorest lands.

The vote in the House, Jan. 23, was a strange experience. The administration was unable to deliver its Republican supporters. Its liaison with the GOP in Congress broke down. It illustrated how devastating the effect of Watergate may be. It was a debacle for the White House.

Four Presidents, Eisenhower, Kennedy, Johnson, and Nixon, have given IDA their strong support. It was fostered at American initiative and has operated successfully since 1960. The proposal on which the House voted was an international agreement worked out by the Nixon administration at the Nairobi conference last September. It scaled down the percentage of American support from a previous 41 percent, to 33 percent. It was a bipartisan proposal supported by George Shultz, Henry Kissinger, and the President.

Yet when the vote was flashed on the electronic scoreboard of the House it showed the Democrats had split almost evenly (108 for, 118 against), but the Republicans were overwhelmingly opposed, 47 for, 137 against, more than 2 to 1.

Democratic leaders were upset. Almost half of the Democrats supported the bill, noted Rep. Henry B. Gonzalez (D) of Texas, the bill's manager, although they had seen Mr. Nixon veto or impound their own favorite funds for schools, urban development, and the like. Democrats rejected the opportunity to make political hay, he said.

"I had been promised Republican support," he added bitterly, "but it did not come. If there was ever an indication of how little the administration is in touch with the people and its own party, this vote is it."

Efforts will be made to reverse the House vote, says Representative Gonzalez.

World Bank president Robert S. McNamara termed it an "unmitigated disaster" for the world's poor. A joint statement by Messrs. Kissinger and Shultz called it "a major setback." And those with a sense of history called it Smoot-Hawley, 1974.

[From the Waco (Tex.) Times-Herald, Feb. 12, 1974]

SHOOTING WRONG TARGET COULD BRING DISASTER

The vote in the House of Representatives cutting off U.S. funds for the International Development Association is interpreted as "backlash" against the exorbitant prices being charged by the Arab states for their oil. It takes some circuitous logic to see the connection.

The IDA provides low-interest loans for poor countries to develop their economies. Few if any countries selling oil to the United States of America—or currently refusing to sell it to us—are prospective clients for IDA loans. House members decided, however, that since the most urgent economic problem of undeveloped countries is paying a new high price for the oil they import, the funds appropriated for IDA would eventually wind up in Arab pockets.

It is true that as long as the oil-consuming nations are willing and able to pay whatever the oil-producing nations demand, there is less likelihood that the price will come down to a more reasonable level. The problem is that suspending IDA aid could hasten the collapse of Third World economies.

Sometime during the energy conference that opened yesterday in Washington, the advanced nations which support IDA need to decide how that agency and its economic aid can be used best to avert economic catastrophe in the Third World from which they receive many of their natural resources.

REPRESSION OF VIETNAMESE BUDDHISTS

Mr. McGOVERN. Mr. President, since our own troop withdrawal from the war in Indochina, we have been too easily diverted from the distressing events which continue in South Vietnam, many of them in flagrant violation of the provision in the Paris agreement calling for freedom of political activity.

One such matter I find particularly disturbing is the struggle of South Vietnamese Buddhist monks. Presently 300 Buddhist monks in a Saigon prison are fasting for their release. They were imprisoned on charges of civil disobedience and insubordination. Their courageous fast for freedom began on March 1, over 50 days ago.

If we are to have a continued commitment to the Government of Saigon, then we ought to at least be aware of what sort of government it is we are underwriting. Therefore, I ask unanimous consent that letters from a reprsentative of the fasting monks, Thich Minh Hoang, and from the Venerable Thich Nhat Hanh, director of the Vietnamese Buddhist Peace Delegation in Paris, be printed in the Record.

There being no objection, the letters were ordered to be printed in the Record, as follows:

THE VIETNAMESE BUDDHIST
PEACE DELEGATION,
March 15, 1974.

Dear Friends, on the morning of March 1, 1974, 300 Buddhist monks detained at Chi Hoa Detention Center in Saigon began fasting and praying in silence to demand their release. In a letter sent to Thích Pháp Lan, Chairman of the Buddhist Committee for the Release of Political Prisoners, written on

March 5, 1974, the monk Thích Minh Hoàng, Representative of the 300 fasting monks, said that 20 of them had fainted on that day and 5 had been carried to the Prison Medical Center. He said that the monks are only living on prayer and water, and have decided to go on with the fasting and silent praying, indefinitely until their demand is met. He said on that day a team of opposition senators came to the prison, but the fasting monks were not allowed to talk to them.

On March 12, Thích Pháp Lan, Thích Nhâts Thu'ò'ng and 20 other Buddhist leaders came to the Chi Hoa prison to visit the fasting monks. Several newsmen came with them. They were not allowed to enter the Prison. Films and tapes of CBS and NBC newsmen were confiscated. When the Buddhist delegation left, 15 newsmen were detained by the police. The delegation returned to the prison later and tried to push through the gate but were chased off by police who fired shots into the air. Efforts by the Buddhist delegation to get sugar and lemon to the fasting prisoners also failed. The guards of the prison refused to take these items. On the same day, the Associated Press reported that 142 more monks were arrested in Cần Giuôc, 12 miles south of Saigon.

We enclose the translation of the letter of prisoner Thích Minh Hoàng to Thích Pháp Lan and a photocopy of the original. We urge you to take whatever action you can to support the fasting prisoners. We will be very grateful for your support.

Thích Nhất Hanh.

Homage to Our Lord and Teacher the Enlightened Sakya Muni

Our Dear Venerable: In the name of 300 monks who started last week fasting and praying in silence in this Detention Center in Saigon, imprisoned on charges of civil disobedience and insubordination, we request you to raise your voice so that the public within and without the country will be aware of what is going on here.

Venerable, all of us declared that we would begin on the 27th of February 1974 fasting and praying in complete silence to transmit our request to the government, asking the government to free us so we can go back to our monasteries, pagodas, and institutes to continue our religious study and practice. On that day the lieutenant colonel chief of the Detention Center asked us to postpone our action for 3 days, so that he could intervene with the Ministry of the Interior. He said that if the result was negative, he would not prevent us from the action.

We complied with his request, and the result was that we started the fast and silent prayer on the morning of March 1, 1974. Today, after 5 days living exclusively on prayer and water, most of us feel physically exhausted. More than 20 have fainted and 5 among them have just been carried to the Medical Center of this Detention House.

Today we notice that the administration of the Detention Center is trying to hide our action from the public. At 9:30 this morning when a delegation of Senators came to investigate the aspiration of the prisoners, the Administration prevented us to meet with the delegation. It is our intention to pursue our action of fasting and praying in complete silence not only for 7 days as we decided at the bureau of the lieutenant colonel chief of the Detention Center on the 4th of March 1974, but *indefinitely* until our aspiration is met.

For the sake of the lives of 300 of us, we respectfully request you, Venerable, to present this case to the Central Executive Council of the Unified Buddhist Church, and ask the Council to intervene with the government to save us from slowly dying in this prison.

Also we request that you and the Central Executive Council of the Unified Buddhist Church present our case widely to the public. We shall be grateful to you for our whole life and we pray that our Lord and Teacher will bring you peace and the full accomplishment of your task.

Respectfully,

Thích Minh Hoàng,
Prison No. 5848 QPTA.

ADDING UP THE GLOBAL CHALLENGE

Mr. McGOVERN. Mr. President, last Monday Secretary of State Henry Kissinger delivered an extremely important address before the sixth special session of the United Nations General Assembly.

In that statement, Dr. Kissinger provided a sensitive and constructive description of six major problem areas which now demand our attention. In each case he outlined the steps the United States is prepared to take, in cooperation with other countries that are advanced or rich in resources, to fashion workable global answers in such areas as energy, fertilizer production, food reserves, population control, and economic development.

Several recommendations were especially noteworthy. Secretary Kissinger urged on behalf of the United States, for example, that—

> An international group of experts, working closely with the United Nations Division on Resources, be asked to undertake immediately a comprehensive survey of the earth's nonrenewable and renewable resources. This should include the development of a global early warning system to foreshadow impending surpluses and scarcities—

Considering the billions of dollars that have gone into sophisticated programs to monitor military plans and weapons development around the globe, it is both startling and sad to realize that we are largely in the dark about what precious commodities are likely to run short next. Any listing of resources which both developed and developing nations must acquire through import makes clear the growing interdependence of the planet. Secretary Kissinger's recommendation makes eminent good sense.

In light of threatening starvation in many parts of the world, Secretary Kissinger also pledged that the United States would undertake a major effort to increase food aid. And he said the United States is—

> Prepared to join with other governments in a major worldwide effort to rebuild food reserves.

Almost 1 year ago the senior Senator from Vermont (Mr. Aiken) and I joined in offering a resolution to urge American leadership in steps to develop global food reserves. The world has lived too long on the precarious margin between sufficiency and scarcity, with unforeseen crop failures in a few countries capable of producing shortages in all countries and of driving the price of food out of the market for the poor. Again in this case Secretary Kissinger addressed a pressing need in a direct and constructive way.

Most of my colleagues have doubtless seen the press accounts of Secretary Kissinger's address. However, I believe the complete text merits careful study by every Member of the Congress, Therefore, I ask unanimous consent that his remarks be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Address by the Honorable Henry A. Kissinger

THE CHALLENGE OF INTERDEPENDENCE

Mr. President, Mr. Secretary General, Distinguished Delegates, Ladies and Gentlemen:

We are gathered here in a continuing venture to realize mankind's hopes for a more prosperous, humane, just and cooperative world.

As members of this Organization we are pledged not only to free the world from the scourge of war, but to free mankind from the fear of hunger, poverty and disease. The quest for justice and dignity—which finds expression in the economic and social articles of the United Nations Charter—has global meaning in an age of instantaneous communication. Improving the quality of human life has become a universal political demand, a technical possibility and a moral imperative.

We meet here at a moment when the world economy is under severe stress. The energy crisis first dramatized its fragility. But the issues transcend that particular crisis. Each of the problems we face—of combating inflation and stimulating growth, of feeding the hungry and lifting the impoverished, of the scarcity of physical resources and the surplus of despair—is part of an interrelated global problem.

Let us begin by discarding outdated generalities and sterile slogans we have—all of us—lived with for so long.

The great issues of development can no longer be realistically perceived in terms of confrontation between the haves and the have nots or as a struggle over the distribution of static wealth. Whatever our ideological belief or social structure, we are part of a single international economic system on which all of our national economic objectives depend. No nation or bloc of nations can unilaterally determine the shape of the future.

If the strong attempt to impose their views, they will do so at the cost of justice and thus provoke upheaval.

If the weak resort to pressure, they will do so at the risk of world prosperity and thus provoke despair.

The organization of one group of countries as a bloc will sooner or later produce the organization of the potential victims into a counterbloc. The transfer of resources from the developed to the developing nations—essential to all hopes for progress—can only take place with the support of the technologically advanced countries. The politics of pressure and threats will undermine the domestic base of this support. The danger of economic stagnation stimulates new barriers to trade and the transfer of resources.

We in this Assembly must come to terms with the fact of our interdependence.

The contemporary world can no longer be encompassed in traditional stereotypes. The notion of the northern rich and the southern poor has been shattered. The world is composed not of two sets of interest but many: developed nations which are energy suppliers and developing nations which are energy consumers; market economies and non-market economies; capital providers and capital recipients.

The world economy is a sensitive set of relationships in which actions can easily set off a vicious spiral of counteractions deeply affecting all countries, developing as well as technologically advanced. Global inflation erodes the capacity to import. A reduction in the rate of world growth reduces export prospects. Exorbitantly high prices lower consumption, spur alternative production and foster development of substitutes.

We are all engaged in a common enterprise. No nation or group of nations can gain by pushing its claims beyond the limits that sustain world economic growth. No one benefits from basing progress on tests of strength.

For the first time in history mankind has the technical possibility to escape the scourges that used to be considered inevitable. Global communication ensures that the thrust of human aspirations becomes universal. Mankind insistently identifies justice with the betterment of the human condition. Thus economics, technology and the sweep of human values impose a recognition of our interdependence and of the necessity of our collaboration.

Let us resolve to act with both realism and compassion to reach a new understanding of the human condition.

On that understanding, let us base a new relationship which evokes the commitment of all nations because it serves the interests of all peoples.

We can build a just world only if we work together.

THE GLOBAL AGENDA

The fundamental challenge before this session is to translate the acknowledgement of our common destiny into a new commitment to common action, to inspire developed and developing nations alike to perceive and pursue their national interest by contributing to the global interest. The developing nations can meet the aspirations of their peoples only in an open expanding world economy where they can expect to find larger markets, capital resources and support for official assistance. The developed nations can convince their people to contribute to that goal only in an environment of political cooperation.

On behalf of President Nixon, I pledge the United States to a major effort in support of development. My country dedicates itself to this enterprise because our children must not live in a world of brutal inequality, because peace cannot be maintained unless all share in its benefits and because America has never believed that the values of justice, well-being and human dignity could be realized by one nation alone.

We begin with the imperative of peace. The hopes of development will be mocked if resources continue to be consumed in an ever increasing spiral of armaments. The relaxation of tensions is thus in the world interest. No nation can profit from confrontations that can culminate in nuclear war. At the same time, the United States will never seek stability at the expense of others. It strives for the peace of cooperation, not the illusory tranquillity of condominium.

But peace is more than the absence of war. It is ennobled by making possible the realization of humane aspirations. To this purpose this Assembly is dedicated.

Our goal cannot be reached by resolutions alone or prescribed by rhetoric. It must remain the subject of constant, unremitting efforts over the years and decades ahead.

In this spirit of describing the world as it is, I would like to identify for the Assembly six problem areas which in the view of the United States delegation must be solved to spur both the world economy and world development. I do so not with the attitude of presenting blueprints but of defining common tasks to whose solution the United States offers its wholehearted cooperation.

First, a global economy requires an expanding supply of energy at an equitable price.

No subject illustrates global interdependence more emphatically than the field of energy. No nation has an interest in prices that can set off an inflationary spiral which in time reduces income for all. For example, the price of fertilizer has risen in direct proportion to the price of oil, putting it beyond the reach of many of the poorest nations and thus contributing to worldwide food shortages. A comprehension by both producers and consumers of each other's needs is therefore essential:

Consumers must understand the desires of the oil producers for higher levels of income over the long-term future.

Producers must understand that the recent rise in energy prices has placed a great burden on all consumers, one virtually impossible for some to bear.

All nations have an interest in agreeing on a level of prices which contributes to an expanding world economy and which can be sustained.

The United States called the Washington Energy Conference for one central purpose: to move urgently to resolve the energy problem on the basis of cooperation among all nations. The tasks we defined there can become a global agenda for action.

Nations, particularly developed nations, waste vast amounts of existing energy supplies. We need a new commitment to global conservation and to more efficient use of existing supplies.

The oil producers themselves have noted that the demands of this decade cannot be met unless we expand available supplies. We need a massive and cooperative effort to develop alternative sources of conventional fuels.

The needs of future generations require that we develop new and renewable sources of supply. In this field, the developed nations can make a particularly valuable contribution to our common goal of abundant energy at reasonable cost.

Such a program cannot be achieved by any one group of countries. It must draw on the strength and meet the needs of all nations in a new dialogue among producers and consumers. In such a dialogue the United States will take acount of the concern of the producing countries that the future will take acount of the concern of the producing countries that the future of their peoples not depend on oil alone. The United States is willing to help broaden the base of their economies and develop secure and diversified sources of income. We are prepared to facilitate the transfer of technology and assist industrialization. We will accept substantial investment of the capital of oil producing countries in the United States. We will support a greater role for the oil producers in international financial organizations as well as an increase in their voting power.

Second, a healthy global economy requires that both consumers and producers escape from the cycle of raw material surplus and shortage which threatens all our economies.

The principles which apply to energy apply as well to the general problem of raw materials. It is tempting to think of cartels of raw material producers to negotiate for higher prices. But such a course could have serious consequences for all countries. Large price increases coupled with production restrictions involve potential disaster; global inflation followed by global recession from which no nation could escape.

Moreover, resources are spread unevenly across the globe. Some of the poorest nations have few natural resources to export, and some of the richest nations are major commodity producers.

Commodity producers will discover that they are by no means insulated from the consequences of their restrictons on supply or the escalation of prices. A recession in the industrial countries sharply reduces demand. Uneconomical prices for raw materials accelerate the transition to alternatives. And as they pursue industrialization, raw material producers will ultimately pay for exorbitant commodity prices by the increased costs of the goods they must import.

Thus the optimum price is one that can be maintained over the longest period at the level that assures the highest real income. Only through cooperation between consumers and producers can such a price be determined. And an expanding world economy is an essential prerequisite. Such a cooperative effort must include urgent international consideration of restrictions on incentives for the trade in commodities. This issue must receive high priority in GATT—dealing with access to supply as well as access to markets—as we seek to revise and modernize the rules and conditions of international trade.

In the long term, our hopes for world prosperity will depend on our ability to discern the long-range patterns of supply and demand and to forecast future imbalances so as to avert dangerous cycles of surplus and shortage.

For the first time in history it is technically within our grasp to relate the resources of this planet to man's needs. The United States therefore urges that an international group of experts, working closely with the United Nations division of resources, be asked to undertake immediately a comprehensive survey of the earth's non-renewable and renewable resources. This should include the development of a global early warning system to foreshadow impending surpluses and scarcities.

Third, the global economy must achieve a balance between food production and population growth and must restore the capacity to meet food emergencies. A condition in which one billion people suffer from malnutrition is consistent with no concept of justice.

Since 1969, global production of cereals has not kept pace with world demand. As a result current reserves are at their lowest level in 20 years. A significant crop failure today is likely to produce a major disaster. A protracted imbalance in food and population growth will guarantee massive starvation—a moral catastrophe the world community cannot tolerate.

No nation can deal with this problem alone. The responsibility rests with all of us. The developed nations must commit themselves to significant assistance for food and population programs. The developing nations must reduce the imbalance between population and food which could jeopardize not only their own progress but the stability of the world.

The United States recognizes the responsibility of leadership it bears by virtue of its extraordinary agricultural productivity. We strongly support a global cooperative effort to increase food production. This is why we proposed a world food conference at last year's session of the General Assembly.

Looking toward that conference, we have removed all domestic restrictions on production. Our farmers have vastly increased the acreage under cultivation and gathered record harvests in 1973. 1974 promises to be even better. If all nations make a similar effort, we believe the recent rise in food prices will abate this year, as it has in recent weeks. Indeed the price of wheat has come down 35 percent from its February peak and the price of soybeans 50 percent from its peak last summer.

The United States is determined to take additional steps. Specifically:

We are prepared to join with other governments in a major worldwide effort to rebuild food reserves. A central objective of the World Food Conference must be to restore the world's capacity to deal with famine and other emergencies.

We shall assign priority in our aid program to helping developing nations substantially raise their agricultural production. We hope to increase our assistance to such programs from $258 to $675 million this year.

We shall make a major effort to increase the quantity of food aid over the level we provided last year.

For countries living near the margin of starvation, even a small reduction in yields can produce intolerable consequences. Thus the shortage of fertilizer and the steep rise in its price is a problem of particular urgency—above all for countries dependent on the new high-yield varieties of grain. The first critical step is for all nations to utilize fully existing capabilities. The United States is now operating its fertilizer industry at near capacity. The United States is ready to provide assistance to other nations in improving the operation of plants and to make more effective use of fertilizers.

But this will not be enough. Existing worldwide capacity is clearly inadequate to present needs. The United States would be prepared to offer its technological skills to developing a new fertilizer industry especially in oil-producing countries using the raw materials and capital they uniquely possess.

We also urge the establishment of an international fertilizer institute as part of a larger effort to focus international action on two specific areas of research: improving the effectiveness of chemical fertilizers, especially in tropical agriculture, and new methods to produce fertilizers from non-petroleum resources. The United States will contribute facilities, technology and expertise to such an undertaking.

Fourth, a global economy under stress cannot allow the poorest nations to be overwhelmed.

The debate between raw material producers and consumers threatens to overlook that substantial part of humanity which does not produce raw materials, grows insufficient food for its needs and has not adequately industrialized. This group of nations, already at the margin of existence, has no recourse to pay the higher prices for the fuel, food and fertilizer imports on which their survival depends.

Thus, the people least able to afford it—a third of mankind—are the most profoundly threatened by an inflationary world economy. They face the despair of abandoned hopes for development and the threat of starvation. Their needs require our most urgent attention. The nations assembled here in the name of justice cannot stand idly by in the face of tragic consequences for which many of them are partially responsible.

We welcome the steps the oil producers have already taken towards applying their new surplus revenues to these needs. The magnitude of the problem requires, and the magnitude of their resources permits, a truly massive effort.

The developed nations too have an obligation to help. Despite the prospect of unprecedented payments deficits, they must maintain their traditional programs of assistance and expand them if possible. Failure to do so would penalize the lower income countries twice. The United States is committed to continue its program and pledges its ongoing support for an early replenishment of the International Development Association. In addition we are prepared to consider with others what additional measures are required to mitigate the effect of recent commodity price rises on low-income countries least able to bear this.

Fifth, in a global economoy of physical scarcity, science and technology are becoming our most precious resource. No human activity is less national in character than the field of science.

No development effort offers more hope than joint technical and scientific cooperation.

Man's technical genius has given us labor-saving technology, healthier populations, and the green revolution. But it has also produced a technology that consumes resources at an ever expanding rate; a population explosion which presses against the earth's finite living space; and an agriculture increasingly dependent on the products of industry.

Let us now apply science to the problems which science has helped to create.

To help meet the developing nations' two most fundamental problems—unemployment and hunger—there is an urgent need for farming technologies that are both productive and labor-intensive. The United States is prepared to contribute to international programs to develop and apply this technology.

The technology of birth control should be improved.

At current rates of growth, the world's need for energy will more than triple by the end of this century. To meet this challenge, the United States Government is allocating $12 billion for energy research and development over the next five years, and American private industry will spend over $200 billion to increase energy supplies. We are prepared to apply the results of our massive effort to the massive needs of other nations.

The poorest nations, already beset by man-made disasters, have been threatened by a natural one: the possibility of climatic changes in the monsoon belt and perhaps throughout the world. The implications for global food and population policies are ominous. The United States proposes that the International Council of Scientific Unions and the World Meterorological Organization urgently investigate this problem and offer guidelines for immediate international action.

Sixth, the global economy requires a trade, monetary and investment system that sustains industrial civilization and stimulates its growth.

Not since the 1930s has the economic system of the world faced such a test. The disruptions of the oil price rises; the threat of global inflation; the cycle of contraction of exports and protectionist restrictions; the massive shift in the world's financial flows; and the likely concentration of invested surplus oil revenue in a few countries—all threaten to smother the once-proud dreams of universal progress with stagnation and despair.

A new commitment is required by both developed and developing nations to an open trading system, a flexible but stable monetary system, and a positive climate for the free flow of resources, both public and private.

To this end the United States proposes that all nations here pledge themselves to avoid trade and payments restrictions in an effort to adjust to higher commodity prices.

The United States is prepared to keep open its capital markets, so that capital can be recycled to developing countries hardest hit by the current crisis.

In the essential struggle to regain control over global inflation, the United States is willing to join in an international commitment to pursue responsible fiscal and monetary policies. To foster an open trading world, the United States, already the largest importer of developing nation manufactures, is prepared to open its markets further to these products. We shall work in the multilateral trade negotiations to reduce tariff and non-tariff barriers on as wide a front as possible.

In line with this approach we are urging our Congress to authorize the generalized tariff preferences which are of such significance to developing countries.

CONCLUSION

All too often international gatherings end with speeches filed away and resolutions passed and forgotten. We must not let this happen to the problem of development. The complex and urgent issues at hand will not yield to rhetorical flourishes or eloquent documents. Their resolution requires a sustained and determined pursuit in the great family of United Nations and other international organizations that have the broad competence to deal with them.

As President Nixon stated to this Assembly in 1969:

"Surely if one lesson above all rings resoundingly among the many shattered hopes in this world, it is that good words are not a substitute for hard deeds and noble rhetoric is no guarantee of noble results."

This Assembly should strengthen our commitment to find cooperative solutions within the appropriate forums such as the World Bank, the International Monetary Fund, the GATT, and the World Food and Population Conferences.

The United States commits itself to a wide-ranging multilateral effort.

Mr. President, Mr. Secretary General, we gather here today because our economic and moral challenges have become political challenges. Our unprecedented agenda of global consultations in 1974 already implies a collective decision to elevate our concern for man's elementary well-being to the highest political level. Our presence implies our recognition that a challenge of this magnitude cannot be solved by a world fragmented into self-contained nation states or competing blocs.

Our task now is to match our physical needs with our political vision.

President Boumediene cited the Marshall Plan of a quarter century ago as an example of the possibility of mobilizing resources for development ends. But then the driving force was a shared sense of purpose, of values and of destination. As yet we lack a comparable sense of purpose with respect to development. This is our first requirement. Development requires above all a spirit of cooperation, a belief that with all our differences we are part of a larger community in which wealth is an obligation, resources a trust, and joint action a necessity.

We need mutual respect for the aspirations of the developing and the concerns of the developed nations. This is why the United States has supported the concept of a Charter of Economic Rights and Duties of States put forward by President Echeverria of Mexico.

The late President Radhakrishnan of India once wrote;

"We are not the helpless tools of determinism. Though humanity renews itself from its past, it is also developing something new and unforeseen. Today we have to make a new start with our minds and hearts."

The effort we make in the years to come is thus a test of the freedom of the human spirit.

Let us affirm today that we are faced with a common challenge and can only meet it jointly.

Let us candidly acknowledge our different perspectives and then proceed to build on what unites us.

Let us transform the concept of world community from a slogan into an attitude.

In this spirit let us be the masters of our common fate so that history will record that this was the year that mankind at last began to conquer its noblest and most humane challenge.

DR. WILLIAM J. RONAN'S LEADERSHIP IN TRANSPORTATION RECOGNIZED WITH HIS ELECTION AS CHAIRMAN OF PORT AUTHORITY OF NEW YORK AND NEW JERSEY

Mr. RANDOLPH. Mr. President, throughout the United States today there is a reawakening of the people of the importance to our cities of strong public transportation systems. For years one of our most able and articulate advocates of improved public transportation is Dr. William J. Ronan, chairman of the Metropolitan Area Transit Authority in New York City.

Dr. Ronan has had an illustrious career as a mass transit administrator and authority on public finance. His experience and his ability were accorded further recognition on April 18 when he was unanimously elected chairman of the Port Authority of New York and New Jersey. Dr. Ronan is expected to give new emphasis to port authority mass transit operations in our Nation's largest metropolitan area.

Dr. Ronan is well known in Washington. He has appeared as a witness before the Senate Committee on Public Works on several occasions and he has advocated improved Federal support for public transportation throughout the Federal Government. I have known him for a number of years. It was my privilege a few months ago to commend Dr. Ronan when he was honored by the Traveler's Aid Society of New York at its first Annual Award dinner in New York City. I know that he will accept the charge of new duties with the same intelligence and enthusiasm that have characterized his previous work.

Mr. President, I ask unanimous consent that an article in the New York Times on Dr. Ronan's election be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Apr. 19, 1974]

RONAN IS ELECTED HEAD OF PORT UNIT

(By Edward C. Burks)

Dr. William J. Ronan was unanimously elected chairman of the Port Authority of New York and New Jersey yesterday, and the prosperous bistate agency simultaneously announced its "dedication" to improve mass transit in the region.

His elevation to the chairmanship becomes effective the day after he resigns his $75,000-a-year post as chairman of the financially strapped Metropolitan Transportation Authority.

Dr. Ronan had already indicated to Port Authority commissioners that their condition that he resign from the M.T.A. was acceptable.

During a brief meeting of the commissioners at the World Trade Center, Dr. Ronan referred indirectly to the long-time advocacy of greater involvement of the authority in mass transit when he said. "The authority faces a new road that all of us [commissioners] are decidated to moving down."

He said he would make an announcement "before Wednesday" of next week dealing with his resignation from the M.T.A. and other plans.

Since the Port Authority chairmanship is a nonsalaried position, it has been widely speculated in the transportation field that he will also take a job in private industry, perhaps as a consultant, or that he will join one of former Governor Rockefeller's many enterprises. The two have long been close associates.

Transportation specialists in the region view Dr. Ronan's elevation to the chairmanship as marking a new turn toward major involvement in mass transit by the Port Authority.

SHOULDERS TO THE WHEEL

In the half-century history of the Port Authority, the chairmanship of the 12 policy-making commissioners has often been more honorary than powerful. But Port Authority commissioners are making it clear this time—and Dr. Ronan M.T.A. record attests to it—that he will be a strong leader.

The outgoing chairman, James C. Kellogg 3d of Elizabeth, N.J., who headed the authority for six years, said: "We're got a great person now to head up the authority. We are in troubled times and we need a very strong hand on the tiller.

"We're all dedicated to mass transit and we've told the two Governors we're going to put our shoulders to the wheel."

Dr. Ronan, who is 61 years old, has been a Port Authority commissioner for six and a half years and vice chairman since 1972. After commissioners elected him chairman yesterday, they picked W. Paul Stillman of Fair Haven, N.J., as vice chairman.

Mr. Kellogg spoke of "legal and financial problems" ahead. But Dr. Ronan, who acquired a national reputation in largely re-equipping the rundown subway system and dilapidated metropolitan commuter lines during his five-year stewardship at the M.T.A., remarked, "I've rounded a few Cape Horns in my time."

The basic difference between the two agencies is that the M.T.A., aside from its Triborough Bridge and Tunnel Authority revenues, has money-losing ventures: the subway and the commuter lines. But the Port Authority for decades has prospered from the ever-mounting toll collections from its automobile-oriented facilities, including the George Washington Bridge, and the Holland and Lincoln Tunnels.

Altogether it has 26 facilities, including the three major jetports, sprawling port facilities and the World Trade Center. At present mass-transit advocates, including Dr. Ronan, are backing attempts in both states to repeal legislation limiting the Port Authority's transit activities.

Its only transit operation at present is the PATH rapid-transit line, 14 miles long. Plans call for extending the line from Newark to Newark Airport and Plainfield, N.J.

THE INDIAN POLICY REVIEW

Mr. McGOVERN. Mr. President, last year, Senator JIM ABOUREZK, my colleague from South Dakota focused attention on the unique relationship between the American Indian and the Federal Government through his proposal to establish the American Indian Policy Review Commission.

That bill has been adopted by the Senate, and the Norwich Bulletin of Norwich, Conn., recently carried an editorial commenting on our action and on Senator ABOUREZK's leadership in this area. The Bulletin recognizes the Abourezk bill as a "constructive step" to fulfill a "pressing need."

Mr. President, I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE INDIAN POLICY REVIEW

The Senate took the constructive step with its passage of legislation establishing an American Indian Policy Review Commission.

The measure was introduced by Sen. James Abourezk of South Dakota as an outgrowth of the tragic and prolonged Wounded Knee episode, in which Indian dissidents and their supporters held the historic town against federal marshals.

That protest turned out to be more or less a fiasco, but it did serve to intensify the national focus on problems of this beleaguered minority.

The purpose of the legislation is sweeping. It would "authorize a congressional review of the legal and historical background which serves as the basis for the unique relationship between the Indian people and the federal government in order to bring about a fundamental reform."

There is a pressing need for such a review. The shortcomings of the present system, whereby the Bureau of Indian Affairs has primary responsibility for Indians' welfare, are grave and far-reaching.

It would be foolishly optimistic to assume that the contemplated Indian Policy Review Commission will be able to resolve the many difficulties that have beset the government's relations with the Indians over the past century.

Such a commission would, however, offer a reasonable prospect of reform. It should be set to work on this complex matter as soon as possible.

REAP PROGRAM

Mr. ROBERT C. BYRD. Mr. President, on behalf of the distinguished Senator from Arkansas (Mr. FULBRIGHT) I ask unanimous consent to have printed in the RECORD a statement by him, together with an insertion.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR FULBRIGHT ON REAP PROGRAM

I have been, and continue to be, strongly opposed to the Administration's impoundment of funds for needed domestic programs. There are two basic reasons for my opposition. First, the President's impoundments are, in my opinion, unconstitutional. Second, these impoundments are severely handicapping and, in some cases, destroying valuable domestic programs.

I have spoken in protest on a number of occasions about the impoundment of rural water and sewer funds. Many towns and cities in rural areas of our country are unable to build needed water and sewer facilities because Federal money is not available in sufficient amounts.

Another program which has been adversely affected by Administration action is REAP. A June, 1972, USDA release described REAP as follows:

"REAP is the principal channel through which the Federal Government, in the national interest and for the public good, shares with farmers and ranchers the cost of carrying out approved soil, water, woodland, and wildlife conservation and pollution abatement practices on their land that are directed to: (1) help maintain the productive capacity of American agriculture, and (2) help assure the nation's growing population an increased supply of clean water, reduced air pollution, and enhanced natural beauty, more opportunities for the enjoyment of outdoor recreation, improvements in the quality of the environment, and better ecological balance."

Recently, the USDA announced that it would release to the states the impounded $85.5 million which is the balance of the $225.5 million authorized for the 1973 REAP. However, it should be noted that this action was taken only after a U.S. District Court Judge ordered that the 1973 REAP be implemented at the level contemplated by Congress. While I am certainly glad that these funds are being released, I would like to point out that funds for the 1974 program remain impounded and that bureaucratic red tape associated with the 1974 REAP is drastically reducing its effectiveness.

I have sent the following letter to Secretary of Agriculture Butz urging him to release funds appropriated for the 1974 REAP and to take action to improve its administration. I am bringing this letter to the attention of my colleagues so that they may be more fully aware of the grave threat to this program.

U.S. Senate,
Washington, D.C.

Hon. Earl L. Butz.
Secretary of Agriculture,
Washington, D.C.

Dear Mr. Secretary: I want to congratulate you on the release of the full $225.5 million which Congress authorized for the 1973 REAP. However, at the same time, I must protest the Administration's action of impounding $85 million of the $175 million which was authorized by Congress for the 1974 REAP program. These funds are badly needed, and I urge you to release them immediately.

I also urge you to take all action necessary to improve the administration of the 1974 REAP in order to remove the bureaucratic red tape which is further threatening the effectiveness of the program. The administrative discrepancies between the 1973 and the 1974 programs will increasingly cause confusion among farmers.

It is difficult to understand why an Administration that generally calls for a decentralization of government because the people at the grass roots better understand local conditions should now be lessening the authority and flexibility of the county committees. These farmer-elected committees have, throughout the history of this program, had a voice in deciding which practices were best for their area. I believe the members of these committees, elected by the farmers in their areas, should continue to have a strong voice in formulating the REAP programs.

With best wishes, I am
Sincerely yours,
J. W. Fulbright.

FOOD STAMPS

Mr. McGOVERN. Mr. President, recently I was proud to release a publication of the Select Committee on Nutrition and Human Needs entitled "Food Program Technical Amendments—A Working Paper." This publication contained the results of a nationwide survey conducted by the Nutrition Committee to ascertain the amount of financial support the Federal Government contributes toward the administration of the food stamp program.

The study shows that the Federal Government is currently reimbursing the States and counties only 28 percent of the total cost of the administration of the food stamp program.

With the mandate for a nationwide food stamp program, and the concomitant elimination of the operating expense fund which helped defray the administrative costs of the family commodity program to poorer counties, I believe that the Congress should raise that 28 percent substantially. The food program technical amendments bill, S. 2871, which I have introduced, would raise that percentage 62.5 percent.

The President's budget for next year requests an appropriation for the food stamp program of almost $4 billion. Yet last year the Federal Government paid to the States a mere $43 million for administrative expenses—1 percent of its investment in the program. If this program is going to work effectively—reaching those too poor to provide an adequate diet for themselves, and disqualifying those who are ineligible for the program—the States must have the money needed to hire the outreach workers and the investigators alike.

The importance of this legislation to the county governments across the country was discussed in the latest report of the National Association of Counties.

I ask unanimous consent that the following article which appeared in the April 8 edition of the County News be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Food Stamp Act Changes Offered

The latest bill to amend the Food Stamp Act is pending in the Congress. The bill does two things which are of vital importance to county interest: it extends some commodity distribution programs beyond June 30, and it increases federal participation in administrative costs of food stamp programs.

Currently in the Senate Agriculture and Forestry Committee the bill (S. 2871, also H.R. 12168) was introduced by Senator George McGovern (D.-S. Dak.) on January 21 for himself and 13 other senators.

The bill specifically deals with the Department of Agriculture's authority to purchase commodities on the open market, the administrative cost of the food stamp program, the food stamp program on Indian reservations, and the right of the Secretary of Agriculture to waive compliance with the law and regulations for pilot and demonstration projects.

The bill empowers the secretary to use available funds to purchase agricultural commodities to maintain the food assistance programs, including the school lunch, institutions, supplemental feeding and disaster relief programs.

Arguments in support of that action include the inability of many institutions to continue operating without the subsidy provided through the food stamp program and the inappropriateness of cash, rather than actual commodity allotments for areas forced to buy in inflated markets. Many details compiled in the Select Committee report show the local areas as suffering when comparing the costs of food locally and in the ideal marketplace available to the USDA.

The second issue, administrative costs of the highly burdensome food stamp program, is of major concern—as many counties have repeatedly contended.

The bill extends the federal share of the administrative costs—by widening the range of reimbursable costs, at the same rate of 62.5 percent. It would include the administrative costs of certification of households; acceptance, storage, and protection of coupons after their delivery to receiving points; the issuance of such coupons to eligible households, as well as outreach, required fair hearings, and the control and accounting of coupons. (For all areas the reimbursement rate is 62.5 percent except for Indian reservations, where administrative costs will be reimbursed 100%.)

Though the rate is currently more than 50 percent, actual amounts repaid the state and counties are not that high. The recent study of the Senate Select Committee on Nutrition and Human Needs shows that federal reimbursement amounted to an average of 28 percent of each state's total administrative cost—the highest rate being 54 percent; the lowest, 11 percent. All states received some federal reimbursements. The federal government paid a total of $43 million but for state and local governments the total cost for FY 73 was $154 million!

Of the states responding to the survey, 11 paid the entire non-reimbursed share of administrative costs. In 22 states, the non-reimbursed share was divided between the state and local governments. In California and Maine the costs were borne entirely by local governments.

In contrast, the total administrative cost of the family commodity distribution program in FY 73 was $27 million. Of the total $15 million paid as reimbursement to the states for this program, the average percentage was 54 percent with 100 highest and 0 the lowest rates. In most states, fitting in between the two extremes, local government either paid all or shared with the state the administrative costs.

Data from 37 states offers statistics on an issue of long-term concern to counties: the increased administrative costs to the states as the result of the mandated statewide food stamp program which becomes effective at the end of the current fiscal year.

The total administrative cost of a nationwide food stamp program in FY 75 will be $287 million. Sixty percent of this increase is caused by counties participating in the commodity program in FY 73 switching to the food stamp program under the federal mandate.

Under present law, Agriculture will reimburse the states about 28 percent of administrative costs, a total of $80 million, leaving $207 million as the state and county share—an increase of 70 percent in two years.

If the USDA were to reimburse the states and counties, 62.5 percent of all administrative costs, the federal share would be $179 million. States and counties would have to make up the remaining $108 million—almost $100 million less.

A GRAIN RESERVE

Mr. ROBERT C. BYRD. Mr. President, on behalf of the distinguished Senator from Iowa (Mr. Clark), I ask unanimous consent to have printed in the Record a statement by him and an insertion.

The PRESIDING OFFICER. Without objection, it is so ordered.

Statement by Senator Clark—The Urgent Need for a Grain Reserve

Late last month, the Senate Subcommittee on Agricultural Production, Marketing, and Stabilization of Prices held hearings on the question of a grain reserve. A number of grain reserve proposals have been introduced in the Senate—including one by Senator Humphrey and my own bill (S. 2831)—and the Subcommittee heard testimony on these plans, as well as more general testimony on the entire issue of a grain reserve.

In my judgment, a grain reserve program is essential to the well-being and economic livelihood of this country.

This year, the American farmer probably will produce a record crop of food and feed grains. But there are now, and there will continue to be, serious food shortages in some parts of the world. A good grain reserve system would help prevent this, and it would provide protection for both the farmer and the consumer from the threat of sharp price and supply fluctuations.

I add for the Record my statement at the hearings in support of a grain reserve and S. 2831.

Statement Presented to Grain Reserve Hearings of the Senate Agriculture Committee Subcommittee on Agricultural Production, Marketing, and Stabilization of Prices, March 21, 1974

Mr. Chairman, you should be commended for holding these hearings now, at a time when the farmers of this country are preparing to produce what may well be the largest crop of food grain and feed grain ever produced in a single season.

After the last two years of record high and low commodity prices, and, with them, unprecedented fluctuations, it certainly is appropriate to take up the question of a strategic grain reserve. A study released in February by the National Planning Association put it best:

"The world food and agricultural situation is balanced precariously between a little too much—feast—and a little too little—famine—with inadequate reserve stocks, in which it is impossible to predict the supply disposition beyond the current crop year."

Mr. Chairman, I am especially pleased to note that Lauren Soth—the chairman of the Planning Association's Agriculture Committee, and the Editorial Page Editor of the Des Moines Register—will be testifying before the subcommittee today. In every sense of the word, his work and that of the Committee is the work of experts. I found their report both enjoyable and informative, and I am looking forward to his testimony on it.

As Mr. Soth's Committee report concluded, the need for a strategic grain reserve should be obvious.

We need a grain reserve program as part of our national policy, to stabilize prices and supplies for cattle, hog, dairy and poultry producers—the farmers who account for two-thirds of the grain produced in this country.

We need a grain reserve that—by stabilizing prices and supplies for the livestock producer—stabilizes prices and supplies for the consumer.

And we need a grain reserve program that stabilizes prices and supplies for this country's foreign trade, a program that assures our regular customers that we are a dependable supplier.

In summary, we need a grain reserve to maintain this country's position as the leading agricultural nation in the history of the world.

There are a number of different grain reserve proposals—including my own, the Food Bank Act, S. 2831. Each proposal has its strengths and weaknesses, and I hope the subcommittee can take the best of each of them to build the most comprehensive and the most effective grain reserve system.

There are several aspects of the grain reserve proposal that deserve consideration, and during these hearings four areas need particular attention: supply and price stabilization and production incentive, consumer protection and world trade, humanitarian needs, and implementation.

SUPPLY AND PRICE STABILIZATION AND PRODUCTION INCENTIVE

Price instability is one of the chronic problems of agriculture. Farm production and farm prices have consistently fluctuated more from year to year than the prices of any other products. Grain markets have great fluctuations: a 5 percent change in supply means a 10 to 20 percent change in price. Historically, grain production has varied from year to year, and prices, predictably, have bounced up and down.

Whatever the short term impact, no one ever really gains from severe price fluctuations. Cattle feeders, hog producers, dairymen and poultrymen who can plan on stable prices and costs do better than those who cannot. Farmers would much rather have stability—and so would consumers.

The Agriculture and Consumer Protection Act of 1973 now offers the only protection from falling prices and the only "guarantee" of stability. That law established minimum prices at guaranteed disaster levels (the corn target price is $1.38 per bushel, and the loan rate is $1.10 per bushel)—hardly enough to help stabilize the market. So, obviously, something more is needed.

A reserve plan that "skims off" part of any surplus would provide a sound alternative for stabilizing markets. My bill, S. 2831, does just this.

If it is possible to err by overproduction, then we know that under today's circumstances it is equally probable that the harvest can fall short, especially if weather and crop conditions are bad. Under such circumstances, clearly, the grain in reserve would need to be put back into the market.

Wildly fluctuating grain prices, followed by fluctuating livestock supplies and prices, will bankrupt more farmers—and hurt more consumers—than necessary.

Fluctuating grocery prices that eventually follow the pattern of farm prices will frustrate consumers, create inflationary pressures and upset the national economy. This situation can be prevented—or at least curbed—through a grain reserve.

Food is too precious a commodity, agriculture too important an industry, to continue to allow wild scrambles for supplies with sharply rising prices, whenever total supplies become just a little short, or sharply falling farm prices whenever supplies become just a little long.

CONSUMER PROTECTION AND WORLD TRADE

The American farmer provides food for the best-fed nation in the world, and he's a residual supplier for nearly all of the rest of the people of the world.

Every person in this country should be able to have an adequate, wholesome diet at a price he or she can afford. Over the last few years, we've come very close to attaining that goal, closer than any other nation in history.

But are we doing anything to plan for the next two years, the next ten years, the next 20 years?

Given the absence of reserve stocks in the granaries today, we can hardly feel assured—right now the country is well, but living hand-to-mouth just the same. No one can anticipate a major crop failure, a drought or any other natural disaster of national proportions, but that doesn't mean the country should not be prepared for them. Most people don't plan on a flat tire on the car or a fire in the home either. But prudent people carry a spare tire and maintain insurance on their homes.

The crop disaster of 1934 did happen. It was real and it could happen again. We saw corn production drop sharply in 1970 due to corn blight, for example. If a major crop disaster had happened in 1960, no one would have lost much weight—the granaries were full then. But if it happened today, the result would be catastrophic.

It may cost money to accumulate a reserve food supply and to maintain it, and there will have to be a government agency to help manage it. But if a guaranteed supply of food for 200 million Americans is not worth the cost, what is? What did it cost us to run short of soybeans last year?

And we're not just talking about food for the country, because American farmers help feed the entire world. When Russian farmers produce a good crop of wheat, the Russian government does not buy wheat from the United States. But when Russia—and China—needed wheat, soybeans and other grain in 1972 and 1973, they came to the United States and bought it. They may not buy that much again for several years, but then, again they may be back with larger orders in 1974 or 1975.

This country should not store stocks of grain for foreign buyers, but it would be wise to set aside a supply of grain that would meet our own short-term needs if foreign buyers would again purchase a large portion of our free stocks.

This country is a major influence in world trade because it has the resources and the technology to produce the most needed commodity in the world—food.

This is an enviable position. But only if it is used correctly. In fact, if this country is to significantly expand its export markets for agricultural products, it must certainly establish a grain reserve. Other governments, prospective trading partners, have made it clear that they are reluctant to become dependent upon the U.S. for food. They are reluctant to lower tariffs because they are worried that this country will not always be able to supply them when they need the food. They fear that we may once again resort to export embargoes—like the abortive soybean embargo of last year—unless there is an adequate reserve. So the establishment of a grain reserve may be something indispensable to lower trade barriers, and the farmer who is worried that a reserve may depress the price of food should realize that he may be able to sell more over a period of years if there is a reserve than if there is not.

HUMANITARIAN NEEDS

One half of the population of the world is at or near starvation. In about 30 underdeveloped nations, it does not take very much bad weather to produce a major national disaster. A dry month, a storm of moderate proportions, or an earthquake can so upset growing conditions to change crop conditions from adequate to support life to failure and famine.

Historically, this country has been a good samaritan to less fortunate people of the world. And there is little indication that the American people are inclined to forfeit that role. Food for peace is always much less expensive than war, and the results are infinitely more gratifying.

Although I've listed "Humanitarian Purposes" third on my list of reasons for a reserve supply of grain, in the minds of many, many people, this moral responsibility would rank first.

IMPLEMENTATION

In my judgment, there are a number of prerequisites for a sound and effective grain reserve bill:

1. The reserve inventories must strike a balance—be large enough to supply emergency needs but not so large that they are an unreasonable expense to the federal treasury.
2. Reserve stocks must be purchased at a price that will provide an incentive for production.
3. Reserve stocks must be stored in facilities and at locations that make their use practical.
4. In years of overproduction, the act must have the capability to remove price-depressing surpluses from the open market.
5. The program must be so administered through the Department of Agriculture that producers of grain can and will participate in the accumulation of stocks.
6. The program must have provisions to permit rotation of stocks to insure desired quality and nutritional value.
7. The act must provide safeguards for producers against any price-depressing influences of the reserve stocks. Stocks must not be released except when annual production is inadequate to supply domestic and export demand.
8. The act must require the administra-

tors to make adequate reports to Congress describing transactions, commodities in store, sales and purchases and such other information necessary for Congress to maintain oversight jurisdiction of the program.

Several sound proposals for a bill to create a reserve supply of grain and soybeans have been introduced in Congress. As I mentioned earlier, S. 2831, the "Food Bank Act," meets these prerequisites. In my judgment, it best meets the goals of any grain reserve proposal. It provides government ownership and control of reserve supplies, it guarantees that they will be marketed only when such action is warranted.

My proposal is far from perfect, but I offer S. 2831 again this morning asking that it be given serious consideration as a proposal that would do what needs to be done for the farmers and consumers of the United States. And when reserve supplies have been accumulated to protect our domestic need according to the tenets of this bill, foreign sales can be promoted without fear of depleting stocks needed by our own people.

WOMEN OF THE YEAR 1974

Mr. McGOVERN. Mr. President, millions of Americans recently watched on nationwide television the tributes paid to eight "Women of the Year 1974."

I would like to add my congratulations to these outstanding women, and single out for special praise the winner of the award in community service.

She is Ms. Barbara McDonald, a consultant in early childhood education who designed a program of day-care centers on the Rosebud Indian Reservation in my State.

Mr. President, I ask unanimous consent that extracts from an article in the April Ladies Home Journal, together with profiles of each of the eight honorees, be printed in the Record.

There being no objection, the extracts were ordered to be printed in the Record, as follows:

Women of the Year 1974

Once again, it is a time for heroines: women who through their own achievements inspire other women to new heights. . . . The eight women who have been selected as recipients of the second annual Ladies' Home Journal Women of the Year awards . . . represent themselves—and will also be surrogates for countless other women who are making contributions, known and unknown, to our society. The activities of our Women of the Year are diverse; their backgrounds vary. But all are women. And that, as we pointed out last year, is the point. That is the significance. That is the glory.

Women of the Year, 1974, were selected by a process representing both popular and specialized opinion. In its January, 1974, issue, the Journal asked readers to check the names of candidates supplied by the editors, or to submit their own candidates in eight different categories. Thousands and thousands of ballots came in and were counted and registered. At the end of January, a distinguished jury of women leaders met for a day, sifted the reader selections, and finally selected the eight Women of the Year for 1974.

We believe that these LHJ honors . . . again make an important and popular statement about women in our time. Women today are moving forward. Even to those women who serve in smaller spheres—or who express their talents in the creation of a home and the nurturing of a family—the achievements of our Women of the Year cannot help but encourage all women, everywhere, to fulfill their highest ambitions, and to live their lives with a heightened sense of dedication and purpose. Congratulations to the Women of the Year, 1974.

MARTHA W. GRIFFITHS

Public affairs

Martha W. Griffiths of Michigan has been a U.S. Representative in Congress since 1955. In her unrelenting fight for social reform, she is best known as sponsor of the Equal Rights Amendment. She has introduced a major health insurance proposal designed to make comprehensive health-care services available to all. She is a member of the House Ways and Means Committee and of the Joint Economic Committee. Mrs. Griffiths, a judge and lawyer, has directed her legislative energies through the years toward Social Security, Medicare, tax and welfare reform.

KATHARINE HEPBURN

Creative arts

In the more than 50 plays and films in which she has starred, both here and abroad, Katharine Hepburn has portrayed women of character and conviction. Her distinguished career as an actress, begun in 1933, has earned her four Academy Awards and international reknown. In such memorable films as *Little Women* (and in 1942, *Woman of the Year!*), *The Philadelphia Story, African Queen, Guess Who's Coming to Dinner, Lion in Winter, A Delicate Balance,* and in plays by Shaw and Shakespeare. Katharine Hepburn epitomizes the woman of continuous creative talent, projecting personal strength and integrity.

BARBARA WALTERS

Communications

A reporter and broadcast journalist, Barbara Walters has toured the world interviewing figures from politics, arts, business and science. Her knowledgeable and incisive reporting have made the NBC-TV news show *Today* the strongest of its kind in morning television. Her own program, *Not for Women Only,* is a nationally syndicated discussion show on which she tackles vital social issues with specialists not usually seen on television. Ms. Walters often writes, films and edits her own stories, and has published a book, *How to Talk With Practically Anybody About Practically Anything*. Her style is candid, innovative and unrestricted; her career is a series of "firsts."

DOROTHY I. HEIGHT

Human rights

Dorothy Height is Director of the Center for Racial Justice of the national YWCA, and National President of the National Council of Negro Women. On the staff of the National Board of the YWCA since 1944, Ms. Height has directed its national program of volunteer and staff training. In 1966 she won the John F. Kennedy Memorial Award for distinguished service in humanitarian causes. She also serves on the board of the National Center for Voluntary Action.

PATRICIA ROBERTS HARRIS

Business and professions

Patricia Roberts Harris, former U.S. Ambassador to Luxembourg, is an attorney and partner in the firm of Fried, Frank, Harris, Shriver & Kampelman. She is Chairman of the Commission on Women in Higher Education. As an activist lawyer, she has fought against sexist and racial discrimination both publicly and privately. On numerous public service committees and boards, she is dedicated to criminal reform and civil liberties. She also serves on the board of directors of IBM, the Scott Paper Company, Chase Manhattan Bank, Georgetown University and others.

BILLIE JEAN KING

Sports

Billie Jean King focused unprecedented attention on the sport she loves during the most widely watched tennis match in history when she defeated Bobby Riggs in the Houston Astrodome last year. More than an outstanding tennis player (she has won 14 world titles and 52 national championships from 11 nations), Ms. King has lobbied ardently for the cause of women's tennis and women in sports. She is a member of the President's Council on Physical Fitness and Sports and publisher of the new magazine *Women Sports*. An exceptional athlete, she represents the American ideal of fair play.

BARBARA M'DONALD

Community service

The Rosebud Sioux Indians in South Dakota asked Barbara McDonald, a consultant in Early Childhood Education, to design a child-care program that would provide meaningful child care, leaving parents free to develop tribal-owned businesses to raise their present subsistence-level standard of living. Ms. McDonald redesigned training materials and teaching methods to create bi-lingual and bi-cultural day-care centers totally staffed by Sioux Indians and located near the business centers. This self-help program also includes family day-care homes for children under two.

DIXY LEE RAY

Science and research

Dixy Lee Ray is the first woman to be Chairman of the Atomic Energy Commission. Before this appointment, Dr. Ray, a marine biologist, was Director of the Pacific Science Center, an organization dedicated to improved public understanding of science. Dixy Lee Ray has also worked tirelessly for the cause of human ecology and responsible use of our environment. Author of numerous scientific papers and recipient of several science awards, she radiates boundless enthusiasm for the wonders of the world around us, and is fearless in blasting misconceptions of the role of science in the course of human life. In response to the energy crisis, Dr. Ray is vehement about the need for full and public information on the use of nuclear technology.

A colorful individual, Dr. Ray received her M.A. in zoology from Mills College, and Ph.D. in biology from Stamford.

INDEMNIFICATION OF POULTRY AND EGG PRODUCERS

Mr. ROBERT C. BYRD. Mr. President, on behalf of the distinguished Senator from Wisconsin (Mr. Nelson), I ask unanimous consent to have a statement by him and certain insertions printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

Statement by Senator Nelson

The Senate will shortly have before it S. 3231, a bill to establish a program, through 1977, for the compensation or indemnification of poultry and egg producers, growers, and processors whose products have become unmarketable because of chemical contamination, in this case, by the insecticide Dieldrin.

Such contamination is not an isolated incident.

The Environmental Protection Agency has been conducting hearings on the question of the safety of Aldrin/Dieldrin. A cancellation notice of the registration of the insecticide was first published in 1971.

Recent communications submitted by EPA to the docket of the cancellation proceeding show that: Aldrin/Dieldrin has permeated the environment and virtually everyone's human tissues; that it is extremely carcinogenic; that it causes birth defects; that alternative chemicals exist; and that numerous previous incidents of contamination resulting in substantial economic loss to the agricultural community have been recorded by the U.S. Department of Agriculture.

The USDA testified April 10 before the House Dairy and Poultry Subcommittee that, since, 1968, there have been 18 such incidents involving poultry in 20 states, and another 6 incidents in 5 states involving livestock (cattle, swine or lambs).

Because I believe the EPA information is pertinent to a discussion of federal indemnity or compensation for losses caused by the Dieldrin contamination, I am inserting the following docket material in the Congressional Record:

U.S. Environmental Protection Agency,
Washington, D.C., April 5, 1974,
Re Aldrin/Dieldrin.
Mr. William D. Rogers,
Arnold and Porter,
Washington, D.C.

Dear Mr. Rogers: This letter is to advise you that, in light of the evidence which has been introduced in the cancellation hearings, we are presently considering the entry of an order suspending the further manufacture of aldrin-dieldrin, as well as the further distribution or sale of the unformulated technical product. It would be useful to us to know, in reaching a decision on the suspension issue, whether Shell Chemical Company is willing to enter into a commitment not to engage in any further manufacture of aldrin-dieldrin or any further distribution or sale of the unformulated technical product, pending completion of the present cancellation hearings and the decision of the Administrative Law Judge.

We would appreciate a response by close of business on Wednesday, April 10, so that we may make an expeditious determination in this matter.

Sincerely yours,
Alan G. Kirk II,
Assistant Administrator for Enforcement and General Counsel.

Arnold & Porter,
Washington, D.C., April 8, 1974.
Re Aldrin/Dieldrin.
Alan G. Kirk, II, Esquire
Assistant Administrator for Enforcement and General Counsel, Environmental Protection Agency, Washington, D.C.

Dear Mr. Kirk: We have your letter of April 5.

Be good enough to specify the new "evidence which has been introduced in the cancellation hearings" which the statute requires "pertaining to the question of 'imminent hazard,'" which was not available to the Administrator at the time of his earlier determination not to suspend and not forecast in your Pretrial Brief.

When we are in receipt of this specification, we can prepare our response to your inquiry. We suggest that you allow us to deliver that response to you in person twenty-four hours after receipt of this specification.

Sincerely yours,
William D. Rogers.

April 8, 1974.
Re Aldrin/Dieldrin.
William D. Rogers, Esq.
Arnold & Porter,
Washington, D.C.

Dear Mr. Rogers: Thank you for your letter of April 8, 1974, in response to my communication of April 5, 1974, concerning the Agency's consideration of an order suspending Aldrin Dieldrin.

Our consideration of a suspension order is based primarily on the following evidence on record in the case, most of which was not available at the time of the Administrator's prior order:

1. For the most recent reporting period of fiscal year 1973, measurable amounts of Dieldrin were found in composite samples of 83% of all dairy products, 88% of all garden fruits (e.g., tomatoes, green peppers, cucumbers), 96% of all meat, fish and poultry samples and in percentages which range from 12% to 42% in other food composites of grain and cereal products, potatoes, leafy vegetables, oil, fats and shortening, and fruit. In the normal diet at least 75% of total Dieldrin intake is due to the residues in dairy products and meat, fish and poultry. These residues are generally attributable to the major soil use on corn which accounts for 80%–90% of all total use of Aldrin/Dieldrin.

2. Based on a designed national human monitoring survey, tissue samples taken during therapeutic surgery or at autopsy revealed that in 1970 96.5% of all individuals tested had detectable residues of Dieldrin in their adipose tissue ranging from 0.02 ppm to 15.20 ppm. For the year 1971, 99.5% of all those sampled had detectable amounts that ranged from 0.01 to 2.91 ppm. The average human residues, based on the arithmetic mean expressed on a % lipid basis, for those two years (which are the most recent available) are .27 to .29 ppm respectively.

3. Dieldrin causes tumors in three different strains of mice now tested and there is positive evidence in two different strains of rats as well. Most of these tumors have been diagnosed unequivocally as malignant by at lease four eminent pathologists. There is further positive evidence of malignancy based on metastasis to other organs and transplantability into untreated host animals. Dieldrin-caused tumors in both mice and rats appear at a variety of sites within the body, including the liver, lungs, lymphoid tissue, thyroid, uterus and mammary glands. These tumors have resulted at highly statistically significant levels from dietary dosages as low as 0.1 ppm in the diet, which is the lowest dosage ever tested. In short, even the very lowest levels produced significant malignant effects.

These data have been confirmed by world renowned cancer experts. This evidence is of course, vastly more extensive than that involving the single strain of mouse discussed in the December 7, 1972, Order by the Administrator. This is not to say that a compound should not be considered carcinogenic merely because the first and only evidence of carcinogenicity is based on the results of a single experiment in a single strain of one particular test species. In fact, recent observations made by scientists in the World Health Organization's International Agency for Cancer Research and others indicate that it is unlikely that a compound shown to be carcinogenic in one species will not similarly be carcinogenic when adequately tested in another test species. The more extensive data which have now been developed on the carcinogenicity of Dieldrin confirm and augment the original data from the single strain of mouse.

4. While there is no known way of extrapolating absolute conclusions from animals to man, we do know that the basic overall similarity of the experimental animal to man from the standpoint of carcinogenicity is clear in principle. This principle is recognized by all United States Government Agencies. One method that has been used to estimate the cancer risk to humans corresponding to a varying range of exposure levels is the method devised by Nathan Mantel and W. Ray Bryan of the National Concer Institute.[1]

Such estimates are, of course, premised on the results of the laboratory experiments in test animals. When applied to the carcinogenicity results of the principal test in mice conducted at the laboratory of the manufacturer of Aldrin/Dieldrin, the estimated level of cancer risk of 1/1,000 (an extraordinarily high risk situation) [2] corresponds to an intake level of Dieldrin of 0.002 ppm. A similar risk level of 1/1,000 based on a carcinogenicity study conducted in rats at the same laboratory, corresponds with an even lower level of Dieldrin intake, 0.00,475 ppm.

The addition of a necessary safety factor, which assumes that humans may be up to approximately 100 times more susceptible than the test animals, places these 1/1,000 risk levels at 0.00002 and 0.000,004,750 ppm of Dieldrin intake based on the mouse and rat data respectively. The daily human dietary intake based on current and proposed Dieldrin tolerance levels is computed to be 0.042851 ppm. This figure is generally considered to be higher than the actual average intake figures because tolerance levels are not normally reached for the various agriculture products. One published estimate of the actual average daily dietary intake by humans of Dieldrin has been put at 0.01 ppm. Furthermore, these computations consider dietary sources only. We have recently learned that 85% of the 3345 air samples taken nationally by EPA during the years 1970–1972 contained measurable amounts of Dieldrin, so that respiration must be considered an additional source of daily intake.

In short the present average human daily dietary intake of Dieldrin, irrespective of which best estimates are used, is far in excess of the levels at which the human population is placed at an extremely high cancer risk as computed by this method.

5. While most of the data with respect to daily intake of Aldrin/Dieldrin are computed on an average basis, it is obvious that based on differences in dietary composition some segments of the population will greatly exceed that average. In fact, we have now learned from a national dietary survey and young children, particularly infants from birth to one year of age, because of their high dairy product diets, consume considerably more Dieldrin on a body-weight basis than any other age segment of our population. Evidence from laboratory experiments has shown that the newborn is usually, but not always, more sensitive to the response of carcinogens. If this is true for humans we are running a considerable increased risk in permitting the continued exposure of children to Dieldrin starting as early as the womb, since Dieldrin is transferred during pregnancy from mother to fetus across the placental barrier.

6. A report was prepared by the manufacturer which purported to show that among production workers who have been exposed to these compounds daily at levels higher than the general population no unusual occurrence of adverse long term effects was observed. Upon scrutiny by representatives of the American Cancer Society, National Cancer Institute and a committee of experts assembled by the International Agency for Cancer Research, the unanimous conclusion

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[1] Other Federal agencies have recently expressed interest in adoption of this or a similar method for estimating "virtual safe" as opposed to "absolutely safe" levels for carcinogens. See Fed. Reg., Vol. 38, No. 138, at p. 19226 (published July 19, 1973).

[2] By comparison Mantel-Bryan set an upper limit of 1/100,000,000 as the "virtually safe" level. Based on the mouse and rat experimentation utilized here the "virtually safe" levels for Dieldrin, according to Mantel-Bryan, correspond to 0.00,007 and 0.000,001 respectively, prior to the addition of the 100 times safe factor for extrapolation to man. As applied to the total U.S. population of 230 million people (essentially all of whom are exposed to Dieldrin residues), the Mantel-Bryan formula predicts 230,000 cancer cases from exposure for a year to a year and a half to the levels of Dieldrin now present in the average American diet.

reached was that this observational study was actually very limited in scope and does not allow any conclusions on the existence an excess risk of developing cancer. Thus, the evidence which must be relied upon is the laboratory test results in experimental animals.

7. Additional evidence, based generally on dosages somewhat higher than the very low levels causing cancer, offers well documented evidence of other adverse toxicological effects of Aldrin/Dieldrin. These include birth defects caused by Aldrin and Dieldrin in hamsters and mice, adverse effects on learning capabilities in monkeys, and adverse effects on reproduction both in male and female dogs and mice.

8. Evidence as to both lethal and sublethal effects on wildlife species is a further factor not to be ignored. Examples include evidence showing that levels of Dieldrin, comparable to levels encountered in mid-West areas of Aldrin usage, have quite severe effects on raccoon populations both lethally and sublethally with respect to male and female reproduction. Additionally, direct lethal effects of Dieldrin, though normally very difficult to isolate, have nonetheless been observed. In fact, based on Dieldrin residues measured in the brain, a little over 10% of all the bald eagles analyzed by the Department of Interior's Bureau of Sport Fisheries and Wildlife during the period 1964 through 1972 were suspected of dying from Dieldrin poisoning.

9. Finally, a review of the corn situation in the mid-West indicates that there are at least one, in most cases two or three, environmentally preferable pesticide alternatives that can be used by corn farmers against the soil insects which are of economic consequence to them. It should be further kept in mind that approximately 70% of corn farmers use no soil insecticide whatsoever, so that the issue itself is somewhat limited, albeit of major concern in those areas where insecticide is actually required. Approximately 12% of the national corn acreage is currently treated with Aldrin.

In addition to the foregoing evidence, we cannot ignore information we have recently received showing that on a number of occasions, illegal Dieldrin residues have been responsible for the contamination of large numbers of agricultural products, leading to a substantial economic loss to the agriculture community. For example, we are informed that USDA has documented evidence concerning the following losses for the last five years.

Year	State	Contaminated animal	Economic loss
1969	Mississippi	Cattle	$50,000
1969	Oregon	do	2,500,000
1970	New York	Chickens	500,000
1971	Mississippi	do	50,000
1971	Georgia	do	2,500
1971	North Carolina	Swine	10,000
1972	Maine	Chickens	150,000
1972	Missouri	Turkeys	78,000
1972	California	do	90,000
1973	North Carolina	do	88,000
1973	Louisiana	Chickens	20,000

I am having this letter delivered by hand; in accordance with the commitment in your letter of April 8, we will expect a response by close of business Wednesday, April 10.

Sincerely yours,

ALAN G. KIRK II,
Assistant Administrator for Enforcement and General Counsel.

[U.S. Environmental Protection Agency, before the Administrator, F.I.F.R.A. Dockets Nos. 154 et al.]

(In Re: Shell Chemical Company, et al., Registrants (Consolidated Aldrin/Dieldrin Hearing))

MOTION TO ADD ADDITIONAL EVIDENCE IN SUPPORT OF RESPONDENT'S DIRECT CASE FOR THE CANCELLATION OF ALDRIN/DIELDRIN

Respondent hereby moves to add additional evidence, as soon as possible, in support of our direct case for the cancellation of products containing Aldrin or Dieldrin. Respondent requests that time be reserved for the taking of further evidence showing the "unreasonable adverse effects on the environment" resulting from continued use of Aldrin and Dieldrin. As defined by Section 2(bb) of the Federal Insecticide, Fungicide and Rodenticide Acts, as amended, 7 U.S.C. 136 *et seq.*, the term "unreasonable adverse effects on the environment" means "any unreasonable risk to man or the environment, taking into account the economic, social, and environmental costs and benefits of the use of any pesticide."

The evidence to be adduced by Respondent is two-fold in nature. It will involve newly uncovered evidence as to the staggering economic costs that illegal Dieldrin residues are having nationally on the poultry and livestock industries in this country.

Secondly, Respondent finds it necessary to recall Dr. Adrian Gross to introduce not only proposed Exhibit 506 (to which Shell has objected) showing the statistical significance of the multi-site Dieldrin induced cancers in mice, but also additional evidence showing that continued usage of Aldrin and Dieldrin for the next year to year and a half, resulting in those levels of Dieldrin currently estimated to be present in the average American family's diet, is predicted to cause cancer in as many as 230,000 people in this country.*

Evidence of the disastrous economic costs imposed on certain affected industries as a result of illegal Dieldrin residues was recently highlighted by the condemnation by the U.S. Department of Agriculture of some 8–10,000,000 chickens in the State of Mississippi having a dollar value of approximately $10,000,000. We have now learned that the Mississippi chicken incident was by no means an isolated event. In fact, there is a regular pattern of detection of illegal Dieldrin residues and condemnation of poultry and livestock that only now has shockingly begun to surface. A few examples from the many which are documented at USDA are listed below. These examples have been conveyed by word of mouth only. In a separate document Respondent has requested production of documented evidence of these and all other recorded incidents in USDA files for the last five years.

Year	State	Contaminated animal	Economic loss
1969	Mississippi	Cattle	$50,000
1969	Oregon	do	2,500,000
1970	New York	Chickens	500,000
1971	Mississippi	do	50,000
1971	Georgia	do	2,500
1971	North Carolina	Swine	10,000
1972	Maine	Chickens	150,000
1972	Missouri	Turkeys	78,000
1972	California	do	90,000
1973	North Carolina	do	88,000
1973	Louisiana	Chickens	20,000

One Department of Agriculture employee has been quoted as saying that there are "many more" similar *recorded* incidents. There is evidence that while some of these incidents are due to accidents or misuse of Aldrin or Dieldrin, it can be shown that others are very likely a direct consequence of certain of the uses at issue in this proceeding. However, even if it were established that every one of these incidents were attributable to misuse (something which cannot be done), the regular and widespread pattern of these occurrences is convincing evidence that this large-scale contamination of meat and poultry products is inevitable as long as Aldrin and Dieldrin are permitted to be used, and thus a basis for cancellation.

Finally, Dr. Gross will reappear to testify that to permit the continued use of Aldrin and Dieldrin is to put the American people at an extraordinarily high risk of cancer, as computed by the Mantel-Bryan procedure, even for a relatively short period of exposure. In fact, current exposure levels as earlier stated can cause more than 230,000 cancers in the U. S. These new data have been derived from Shell's own limited duration mouse feeding experiment showing that as a result of feeding test animals Dieldrin for only a brief few weeks cancer still develops in the treated animals.

This evidence to be adduced is not cumulative but rather sets forth additional evidence as to the unreasonable adverse environmental effects of Aldrin and Dieldrin. Had Respondent been aware of this evidence at the time it presented its direct case, it most assuredly would have then been entered into the record.

Respondent respectfully requests that at some point, as soon as can be reasonably determined, it be permitted to adduce this evidence in the proceeding as a part of the direct case for cancellation of Aldrin/Dieldrin.

Respectfully submitted,

JOHN C. KOLOJESKI,
WILLIAM E. REUKAUF,
Counsel for Respondent.

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*This evidence rests on calculations based on the Mantel-Bryan formula, a technique for extrapolating animal test results to humans. The formula rests on the basic assumption that humans are as susceptible to cancer as the test animals. In fact, humans are more susceptible than test animals to the effects of some chemicals, less susceptible for other chemicals. The relative susceptibility for Aldrin/Dieldrin is not known. If humans are less susceptible than test animals for Aldrin/Dieldrin, the figure of 230,000 cancer cases in this country is too high. If, as could be the case, humans are more susceptible, *the figure of 230.000 cancer cases in this country is too low.*

[U.S. Environmental Protection Agency, before the Administrator, F.I.F.R.A. Dockets Nos. 145 et al.]

AMENDMENT TO RESPONDENT'S MOTION TO ADD ADDITIONAL EVIDENCE IN SUPPORT OF ITS DIRECT CASE FOR THE CANCELLATION OF ALDRIN/DIELDRIN

(In Re: Shell Chemical Company, et al., Registrants (Consolidated Aldrin/Dieldrin Hearing))

On April 8, 1974, Respondent was compelled by important events to move to add additional evidence in support of its direct case for the cancellation of Aldrin/Dieldrin. Once again because of recent significant events which have come to the attention of this Agency, Respondent must move to amend that motion in order to add additional evidence into the record. It should be noted that Respondent, of all parties, is most anxious to conclude this proceeding so that a decision on the final ban of Aldrin/Dieldrin may become effective as soon as possible. On the other hand, Respondent has the duty to make certain that all relevant and material evidence relating to the effects on the environment from Aldrin/Dieldrin usage is introduced into the record of this proceeding. Despite Shell's ad nauseam complaints directed toward the alleged lengthy "kitchen-sink approach" to the case that it has been "burdened" with, (a spurious claim of prejudice which has been totally rebuffed by Judge Perlman) Respondent remains determined to meet its responsibilities and make known to the trier-of-fact the full extent of the environmental effects of Aldrin/Dieldrin, irrespective of when such information surfaces prior to the close of the proceeding.

In Shell's response to our earlier April 8 Motion to Add Additional Evidence, it was stated by counsel, inter alia, that there was no basic difficulty with the substance of the matters sought to be introduced by Respondent and that, in fact, the contaminated poultry and livestock incidents merely "support our point about misuse." Shell's smokescreen theory about misuse is apparently now its catch-all defense for all Dieldrin contamination of food and feeds.

The evidence which Respondent proposes to introduce is of a highly revealing and relevant nature since it involves the contamination of vegetable oils (including, but apparently not limited to, the principal Midwest crops of both soybeans and corn) derived from commodities which can be directly linked to the massive 10–15 million pounds of Aldrin currently applied. Only on Tuesday afternoon, April 16, was this Agency first informed by the Food and Drug Administration that, as a result of spot checking of vegetable oils following the Mississippi chicken contamination incident, there appeared to be a potentially widespread and massive Dieldrin contamination of certain vegetable feed oils used in the poultry-livestock industry.

We have been informed that on the basis of the first confirmed results of the investigation, nearly 1,000,000 pounds of vegetable oils, involving three feed storage areas located in the Midwest and South, will have to be condemned. Residues in the range of 15 to 25 ppm Dieldrin have been reported in these vegetable oils. No legal tolerance or action-level guideline exists for vegetable feed oils. However, the action-level guideline for finished animal feed, which is a composite of oils, fats, grains, etc., is 0.03 ppm. In another storage area in which further testing is being done levels as high as 50 ppm Dieldrin have been reported in fish oil. The contamination appears to be widespread according to FDA and additional tests are currently being run in more than 400 other vegetable oil feed storage areas at this time. We are awaiting further word as to additional test results as well as the condemnation and final disposal of the condemned oil.

There are many questions raised here that we intend to ask FDA, and possibly USDA, officials to comment on in this proceeding. For example, what of Shell's persistent defense that all contamination is due to misuse and in no way connected with the main use of 10–15 million pounds of Aldrin on corn land and citrus? If all of these events are the result of misuse, then are we not seeing the most massive degree of the misuse of a pesticide ever recorded? In other words, this contamination would appear to be the result of "widespread and commonly recognized practice," within the meaning of Section 6(b) of the FIFRA. If the vegetable oil contamination is reasonably linked to the current use, then should we make all the affected industries, or the taxpayer, bear the economic consequences of protecting the public health by keeping these residues out of food and feeds?

These are the facts as we know them now. There are clearly many important questions to be asked. While additional information may be made known at any time with respect to these and other new incidents, Respondent would hope to be able to present all of these data during a one-week period to be scheduled by the Administrative Law Judge upon the granting of this and related motions.

Respectfully submitted,
John C. Kolojeski,
William E. Reukauf,
Counsel for Respondent.

U.S. Environmental Protection Agency,
Washington, D.C. April 9, 1974.
Re Aldrin/Dieldrin.
Hon. Jamie L. Whitten,
House of Representatives,
Washington, D.C.

Dear Mr. Whitten: I appreciate your expression of concern over this Agency's consideration of a possible order suspending the manufacture of aldrin/dieldrin.

You will note from the copy you have of my April 5, 1974 letter to Mr. William D. Rogers of Arnold and Porter, counsel for Shell Chemical Co., that I simply asked if his client would commit itself not to build up an inventory for 1975 use until the Administrative Law Judge had made his decision in the present cancellation hearings.

We would be glad to send you any other material you may desire on this matter.

Sincerely yours,
Alan G. Kirk II,
Assistant Administrator for Enforcement and General Counsel.

Washington, D.C., *April 16, 1974.*
Re Aldrin/Dieldrin.
Mr. Alan G. Kirk II,
Assistant Administrator for Enforcement and General Counsel, U.S. Environmental Protection Agency, Washington, D.C.

Dear Alan: In the wake of our meeting on Friday, we concluded that we should enter a response to your letters of April 5 and 8. This is so for two reasons. First, we need to set down for your consideration the reasons why EPA would be doing a disservice to its own administrative processes if it were to suspend a compound in the midst of cancellation hearings, after only one side of the case has been presented. Second, Mr. Kolojeski's press interview and the preoccupation of your staff with the coming Senate consideration of the chicken indemnity legislation both suggest that we would be well advised to get our side on paper for a possibly broader audience.

In your letter of April 5, you request that Shell agree voluntarily to stop the manufacture and distribution of aldrin/dieldrin, before the cancellation hearing instituted three years ago has run its course. For the reasons we shall discuss below, which we respectfully commend to your personal consideration, Shell feels that it cannot give an open-end blank-check commitment not to manufacture the compound until the present proceeding, which after all has been going on for three years now, has run its course. We can agree that Shell will not start manufacturing for the 1975 planting season before a date certain in the fall of 1974. We also can agree that Shell will not otherwise take advantage of the length of the hearing—which, as we point out, is basically OGC's fault—to begin manufacture earlier than the economics and logistics of the industry command. But to give up all Shell's rights, as a matter of compromise, before those rights are determined as a matter of law, solely to avoid what your staff points out would be damaging publicity which EPA would generate in connection with such a suspension, would be, we think, to plead guilty before the trial is complete.

And, with all due respect, we also suggest that this would be the worst possible time for EPA, from the standpoints both of public perception of the integrity of its FIFRA proceedings and of administrative efficiency, to reverse its earlier determinations and attempt to suspend.

We commend the following for your consideration:

1. The Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), Section 6(c)(1), permits the Administrator of EPA to issue a suspension order if such "action is necessary to prevent an imminent hazard" during the pendency of cancellation proceedings. The issue of whether aldrin/dieldrin constitute an imminent hazard so as to necessitate a suspension order alredy has been decided by the Environmental Protection Agency—twice.

In his Order of March 18, 1971, Administrator Ruckelshaus determined that aldrin/dieldrin do not pose an imminent hazard and therefore refused to issue a suspension order. After reviewing the possible danger to humans and wildlife at certain residue levels, he said:

"[B]ecause the vast majority of the present use of these products is restriced to ground insertion, which presents little foreseeable damage from general environmental mobility, because of the pattern of declining gross use, and because the lower historic introduction of these products into the environment has left a *significantly* lower environmental residue burden to be faced by man and the other viota, *the delay inherent in the administrative process does not present an imminent hazard.*" Order at 19 (emphasis added).

Consequently, Mr. Ruckelshaus concluded that the "Agency has determined that the present uses *do not pose an immediate threat* to the public such as to require immediate action pending the outcome of the administrative process;" hence, "the statutory remedy of suspension will not be ordered." *Id.* at 18 (emphasis added).

Almost two years later, the Court of Appeals for the District of Columbia Circuit requested further clarification of the Administrator's decision not to suspend aldrin/dieldrin (*Environmental Defense Fund, Inc.* v. *Environmental Protection Agency,* 465 F. 2d 528 (D.C. Cir. 1972). The Administrator reaffirmed his earlier decision not to suspend, *only fifteen months ago:*

"I am convinced that the evidence does not require an immediate cessation of those uses of aldrin/dieldrin that have not *already been reregistered. It would confuse the test for initiating cancellation, i.e., the existence of a 'substantial question of safety,' with the criteria for suspension, were the latter course to be followed in this case.*" Determination and Order of December 7, 1972, 37 Fed. Reg. 26463 at 26464 (December 12, 1972) (emphasis added).

In the December 7, 1972, Determination and Order, in addition to reaffirming his prior determination not to suspend, the Administrator, at the behest of the Court of Appeals, addressed himself specifically to the evidence on possible carcinogenic risk of continued use of aldrin/dieldrin. He concluded that the limited evidence of *dieldrin's carcinogenicity in test animals was "tentative evidence of a 'risk,' but not sufficient proof that aldrin/dieldrin is a carcinogen in human beings.* If unrebutted, this evidence would be a caution signal as to long-term exposure, but *does not amount to a red light requiring immediate elimination of all dieldrin residues in the diet.*" *Id.* at 26463 (emphasis added).

As in his earlier order, the Administrator again noted the declining use of aldrin/dieldrin, including aldrin soil agricultural use. He went on to say that "there is no evidence at this juncture suggesting that the continued dietary exposure from aldrin/dieldrin during the next year or so will increase body burdens." *Ibid.* He, therefore, found "that *there is not a substantial likelihood that serious harm will be experienced by the present uses of these compounds pending the completion of this proceeding. . . .*" *Ibid.* (Emphasis added).*

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* He also decided finally that some uses—for termite control—should be approved indefinitely. Would EPA reverse this decision too?

Suspension now would reverse the two previous decisions by Administrator Ruckelshaus. We are constrained to suggest that there is no legal basis for doing so. We have quoted at length from these two prior orders because we believe that the same factors which resulted in a no-imminent-hazard determination in March 1971 and again in December 1972 are still controlling. No compelling new data has been presented which would alter these findings or suggest now, for the first time, that the cancellation hearing must be short-circuited.

When Mr. Ruckelshaus issued these orders, he had before him the same basic human risk considerations to which you allude in your letter of April 8: that dieldrin is in the diet (Paragraph 1); that it is present in the adipose tissue of most humans (Paragraph 2); that infants consume more dieldrin per pound than adults (Paragraph 5); that at levels higher than dietary levels it can have adverse effects (Paragraph 6); and that dieldrin increases tumors in mice (Paragraph 3).

The issue, raised in Paragraph 3 of your letter, whether the compound induces tumors in laboratory rats is a matter of great controversy. But it is captious to suggest—or perhaps OGC's collective memory is deficient—that the facts are new. Respondent's First Pretrial Brief, which came to hand a few days after Ruckelshaus' decision of December 12, 1972, contains an extensive discussion of the same 20-year-old rat experiment, and contended then—as your April 8 letter suggests now—"that dieldrin causes an increase in the incidence of tumors in rats." *Id.*, at pp. 19–20. Unless OGC held out on Ruckelshaus in late 1972, one must conclude that OGC was just as persuaded of rat carcinogenicity then as it is now. In other words, the rats are not new. The crucial experiment in fact is 20 years old. If so, why is peremptory suspension necessary now but not 15 months ago?

The Mantel-Bryan formula, as "one" possible way to express "the cancer risk to humans corresponding to a varying range of exposure levels" in test animals (Paragraph 4), also is not new. There was ample opportunity for Ruckelshaus to consider it. It was published in 1961. Moreover, its utility also is the subject of great dispute; no other agency of government has yet accepted it in the form proposed.

By the same token, the fact that in 1969 cattle with excessive dieldrin residues were destroyed is not a new factor—nor is it grounds for a finding that there is an imminent hazard in 1973.

Furthermore, the facts cited by Administrator Ruckelshaus to justify this conclusion that there would not be serious harm from use of dieldrin during the cancellation proceeding—that the uses were restricted to soil incorporation, that there are lower environmental levels, and that the human exposure levels are decreasing—are still true. We do not mean to minimize the seriousness of the risk considerations which he weighed, and which you have repeated, but they were then, as they are now, considerations which impel the deliberate conclusion of the cancellation case, not reasons for a sudden suspension at this time.

2. In addition, suspension now—at this late state in the cancellation proceeding—would raise profound questions about the integrity of the administrative processes of this Agency. Is it good practice and precedent for the Administrator to issue an inflammatory "suspension" order as soon as the OGC has presented its own case-in-chief in a cancellation case, ignoring not only the cross-examination of the OGC witnesses, but more importantly, as a practical matter, cutting the registrant off before he has had his right of reply? Such a practice would not say much for the objectivity or balance with which the Agency was approaching an issue.

How can the Agency defend the integrity of its administrative process when it institutes a cancellation proceeding, appoints a Judge, brings the registrants in for six months of solemn hearing, insists on the right to go first, and then—as soon as it puts on its own evidence, before hearing the other side—announces, as your staff did Friday, that it need be convinced that only 50 percent of the evidence were true, and suspends. What does this say to other registrants in similar cancellation proceedings? Will they be caught in a similar swinging door?

What is the point of commencing a cancellation case in the first instance if the Administrator and the Agency hear only one side of the case and then, for all practical purposes, enter judgment?

Moreover, does the Agency mean to suggest that once it has introduced its case-in-chief to the Administrative Law Judge assigned to the matter, that it can, by means of a suspension order, then remit the consideration of the responsive evidence by the registrant to another trier of fact? Or must a registrant present its evidence twice before two different judges—the judge in the cancellation proceeding and another judge in the suspension proceeding? Or will Judge Perlman be asked to hear two cases at once on the same compounds and render a "recommended decision" on one case and then an "initial decision" in the other.

Suspension in the middle of cancellation hearings, in short, is a procedural nightmare.

Furthermore, the impropriety and procedural unfairness of a suspension at this time is nicely illustrated by your letter to us of April 8. As you know, Respondent has presented its side of the case for the past six months. The Administrative Law Judge ordered that the parties file interim briefs as to the lastest evidence, referring to EPA/EDF's toxicology and lack-of-benefits case. Briefs have already been filed regarding the "field" hearing and EPA/EDF's "environmental risks case." The "toxicology and lack of benefits" briefs are due May 17. Your letter of April 8 is essentially an abbreviated restatement only of Respondent's interim briefs in the cancellation case. It ignores our cross examination of Respondent's witnesses. And, of course, it could take no account of the evidence Shell and USDA propose to introduce.

We do not intend to attempt a refutation of your letter now. Shell's responsive evidence will serve that purpose. But we do say that your letter summarizes only the direct testimony, and that the summary is inaccurate. We will present our general case at the time and place we thought the Administrator had appointed for that purpose—in the cancellation hearing room.

We make two exceptions to this, however. We are constrained to comment now about the proposed Gross testimony on the Mantel-Bryan formula, and the evidence about destroyed poultry and livestock. Neither has been introduced into evidence thus far, but Respondent has filed a formal motion to reopen its case to permit this new evidence.

As we said in our response to OGS's motion, we do not oppose this motion. However, we find it anomalous indeed that Respondent on the one hand should be attempting to introduce even more evidence in support of its cancellation position, while on the other we are being asked to stop manufacturing while the case is extended to consider that evidence. Is OGS trying to have it both ways?

In any event, evidence of poultry and meat intercepted before it reached market indicates that the USDA/FDA monitoring system is working. It hardly supports the notion of an imminent hazard; in fact, the opposite.

As to Gross' proposed new testimony about 230,000 cancer cases from dieldrin, this is irresponsible and inflammatory, and EPA should be extremely reluctant to embrace it. Dieldrin has been used—and used extensively—for 20 years. There are only 545,000 non-skin cancer cases each year in the entire United States, from all causes. Gross' figure of 230,000 cases from dieldrin alone is a kind of legal terrorism which responsible public policy-making should avoid, not advance as a reason for suddenly banning a compound which it has decided on prior occasions did not present an imminent hazard to human health, and particularly when it defended those decisions successfully in the Court of Appeals by representing exactly the contrary of what Gross will say.

Does the Agency, by adducing Gross' new calculations, really mean to suggest that it can halve the non-skin cancer cases in the United States by the simple expedient of banning dieldrin? Does it mean to say that dieldrin is really a more serious cancer threat than cigarettes, in the light of what the Administrator previously told the Court of Appeals? Does it mean to tell the American people that the fight against cancer is so easy and inexpensive? Such suggestions hardly contribute to the public impression of the seriousness of the Agency's deliberations.

In any event, Mantel-Bryan can hardly be cited as a piece of new information. The Mantel-Bryan formula was published in 1961, some eleven years before the decisions made by Administrator Ruckelshaus and by the Court of Appeals. Is EPA not aware of the intensive activity going on within FDA right now reevaluating the Mantel-Bryan formula?

3. Furthermore, a suspension order at this time would be a legally fruitless gesture which could serve no purpose but to greatly damage and prejudice Shell in terms of both public relations and the pending cancellation proceeding. Under the statute, the Administrator may suspend when he finds an imminent hazard, but he must grant a hearing nevertheless prior to the effective date of that suspension. Section 6(c)(1). We already are in the midst of a hearing. For the last six months Respondent has been putting in its case, summarized (inaccurately, as we point out) in your April 8 letter. Shell is poised to respond. To pretend to switch now from a "cancellation" to a "suspension" hearing would have very little effect as far as the logistics and timing of the legal proceeding are concerned. A hearing is a hearing, as the Administrator's Order of March 18, 1971, at 10–12, makes clear. The hearing in which we are now engaged is not only "expedited," it is in full flight. If the label on the hearing were changed from "cancellation" to "suspension," Shell would present the same responsive evidence to the allegations in your very letter of April 8, as it is now prepared to present in the cancellation proceeding.

The only effects then of suspension now would be, as Mr. Zener so clearly pointed out to us, publicity about the Agency's action and a signal that the Agency has decided the issue prior to hearing both sides of the evidence. This, of course, would do great damage to Shell—needless damage, since changing the title of the hearing is without any evident advantage to the public or to the environment.

It is theoretically possible, in some circumstances, for the Administrator to suspend without a hearing, under Section 6(c)(3), if there is not only an "imminent hazard" under Section 6(c)(1) and 6(c)(2) but also something more—an "emergency", so grievous that a shutdown must be had even before an expedited hearing can be held. Section 6(c)(3) is hardly applicable here however. We gather you have concluded as much. Your letter to Mr. Whitten, and your assurances to me in our telephone conversation, indicated that you are not attempting to affect the ongoing 1974 planting operations. This makes sense. To try to do so would throw the Corn Belt into chaos. The country needs this year's corn crop.

Moreover, Mr. Zener made fairly clear on Friday that his proposed timing was not dictated by any environmental "emergency"; "D-Day," for him, as he said, is the date the chicken indemnification bill comes to the Senate floor for a vote. (We have struggled to assure ourselves that Mr. Zener did not mean this statement as a threat. We reject the notion that the prime consideration in suspension is political. This would hardly be an appropriate posture for an agency in connection with a matter that is at the moment under the active and judicious consideration of its own Chief Administrative Law Judge.)

In any event, it is quite clear that there is no environmental "emergency" under Section 6(c)(3). So a hearing is required for suspension. We have a hearing in process.

4. Suspension of aldrin/dieldrin would raise other problems, in addition to the procedural difficulties. Chlordane and heptachlor are the alternatives of choice for the farmers of the Corn Belt. Ban one, and they will simply switch to the other. Is it the scientific wisdom of the Agency that aldrin under corn constitutes an "imminent hazard" but that heptachlor/chlordane do not? Unless the agency can say that—and we would like to know if it is so, since Shell has the option to manufacture those compounds—then the Agency must face up to another question—what purpose is served by the suspension of aldrin/dieldrin? In other words, we inquire whether EPA can give the kind of assurances about the effects of a sudden, disruptive and damaging suspension which a Federal Court would require. Will it make a real difference? It would be a serious affront to the integrity of public health regulation to ban one compound and force farmers to use another which may be equally risky—or safe.

5. We are anxious for a final decision in the aldrin/dieldrin cancellation proceeding. Shell does not benefit by indecision. We think the compounds will be vindicated, on the basis of the record evidence. We have made every effort to expedite this case, and to dissuade your lawyers from putting in all kinds of irrelevant evidence. It is they who have dragged this matter out. The decision to cancel in the first instance was made in March of 1971; your Agency only now has gotten around to putting in its own evidence—*more than three years later*. And it has put on a kitchen sink case.

Everything is in the record. OGC already has presented—along with EDF—almost 70 witnesses on the environment and toxicology alone. Those witnesses have filled about 8,000 pages of transcript. They have each introduced a written direct statement. Some written statements are over 100 pages long. There has been great duplication. The OGC and EDF witnesses have now graced the record with a grand total of almost 500 exhibits. We have not counted the exhibit pages.

Nor has this great enterprise been carried out with dispatch. The judge has on many occasions taken OGC attorneys to task for failing to have backup witnesses available so that a hearing day need not end at noon with half a day wasted. EPA still has three witnesses on benefits to present; two are EPA employees who surely, one would have thought, could have prepared their testimony within the year and a half since December 12, 1972, when Mr. Ruckelshaus committed the case to hearing. This is scarcely an admirable record of regulatory dispatch.

It is hardly seemly, given these circumstances of EPA long-windedness and delay, to suggest that there is now, of a sudden, an emergent cause for suspension so vital and threatening to the American public that you cannot even pause to listen to our side.

For these reasons, we are persuaded that a suspension order would be unfair, publicly inflammatory, without purpose and unlawful as well. Shell cannot voluntarily bind itself in effect to suspend by agreeing not to manufacture or distribute aldrin/dieldrin, since that would be essentially a predetermination of the final result in the cancellation case.

Sincerely yours,

William D. Rogers,
Counsel,
Shell Chemical Co.

FOOD, ENERGY, AND MATERIALS SHORTAGES

Mr. HUDDLESTON. Mr. President, on Easter Sunday, the occasion of his 85th birthday, the historian Arnold Toynbee warned that "man's plundering of nature now threatens him with pollution and depletion." And, indeed, the threat of both is very real. We have witnessed in recent months shortages in the food and energy fields, and the difficulties which have resulted therefrom. At the same time, there has been a growing recognition of various materials shortages—minerals, nonfood agricultural products, secondary and derived items and end products.

Increasingly, industry has complained about the unavailability or delayed delivery of such supplies as aluminum—bauxite and alumina—iron and steel, copper, zinc, paper products, textiles, plastics, lead and rubber.

Consumers have been asked to return paper bags to local grocery stores and hangers to the neighborhood cleaners. Farmers have been unable to locate baling wire or twine, machinery tires and parts. Magazine publishers have bartered for newsprint.

It is a simple fact that there is an urgent need for action to meet existing and developing materials shortages and to seek to preclude additional shortfalls in the future.

This is, however, no easy task. The management of resources and goods in an era of scarcity raises a variety of questions: scientific, technological, economic and political.

There are questions about the existence and extent of reserves—where are they, how long will they last, what is their quality, can they be easily mined and transported?

What are the other possibilities for supplies—are there substitute materials, to what extent can recycling be used, will new technology lead to increased use of lower grade ores?

In the case of nonfood agricultural commodities, can production be expanded?

What is the status of the processing and refining stage—where are facilities located, at what capacity do they operate, can capacity meet demand, what are the prospects for construction of plants and facilities for future needs?

What are the economic implications of materials availability in both the industrialized and less-developed world—what will materials availability mean in terms of employment, how will it impact on business and industry, what will it do to the cost of consumer goods?

What are the prospects for international relations—what can we anticipate in terms of trade patterns, what affect will materials distribution have on efforts to create a new monetary order, what demands will producing nations make upon importing nations, will there be a scramble among industrialized nations for access to raw materials?

What is the proper role of Government in relation to the availability of materials. What should the strategic stockpiling policy be, how should the Government utilize federally-owned resources, how do its various economic policies impact upon the availability of materials, what tax policies should be pursued?

What influence will all this have on the life style of Americans?

To develop some background on these issues, I requested the Congressional Research Service to prepare a summary of U.S. resources and U.S. dependence upon foreign sources of materials and I conducted a survey of industries in my State of Kentucky to determine what items were actually in short supply.

Both undertakings produced some interesting and, I believe, valuable information.

The CRS report documents quite clearly the seemingly contradictory situation of substantial resource endowment in the United States and Western Hemisphere but growing U.S. reliance on imports for a large portion of raw materials. It also discusses the possibility of cartel development among mineral-exporting nations and the potential for material substitution.

In addition, CRS prepared a chart detailing the pattern of U.S. imports of certain materials from foreign nations and the dollar value of those imports in 1972.

The poll of Kentucky industries employing 10 or more persons, which was conducted between November 1973 and February 1974, brought more than 340 replies and indicated a broad range of materials shortages—from natural resources to derived and secondary products to end items. Major shortfalls were reported for steel and steel products, plastics and plastic products, paper and paper products, chemicals and aluminum.

Mr. President, I ask unanimous consent that the data to which I have just referred be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

U.S. Raw Materials Resources, Production, and Demand: Imports From Abroad

THE SUPPLY/DEMAND SITUATION FOR SOME BASIC INDUSTRIAL RAW MATERIALS

Introduction

The United States is the world's most insatiable consumer of industrial raw materials. In 1970, with only five percent of the world's population, United States industry consumed about 27 percent of the raw materials produced.[1] Although the United States is itself blessed with vast natural resources of many of the basic raw materials that industry requires, large quantities of such materials are imported each year from foreign producers. This growing dependence upon foreign sources of supply, coupled with the broadening specter of materials shortages of all kinds, has raised several serious questions regarding the Nation's basic materials posture. Among these questions are:

(a) Is the Nation's future industrial growth likely to suffer from lack of adequate supplies of basic industrial raw materials?

(b) Is the increasing dependence of the Nation's industry upon imports of foreign raw materials a cause for national concern?

(c) Have current widespread materials shortages resulted from increased dependence upon imported raw materials?

(d) Should an effort be made to attain self-sufficiency in basic industrial raw materials, as is currently being considered for energy materials?

(e) Is materials self-sufficiency both a technologically-practical and economically-feasible goal?

The "basic 13" industrial raw materials

Reference is increasingly made to the "basic 13" industrial raw materials needed by highly-industrialized society: aluminum, chromium, copper, iron, lead, manganese, nickel, phosphorus, potassium, sulfur, tin, tungsten, and zinc. This list, derived from Department of the Interior data,[2] has received relatively widespread distribution and attention.[3] Although these 13 materials do indeed represent essential basic industrial raw materials, it can be argued that they are by no means the only such basic materials, nor are they necessarily more important than some other equally basic materials not included on the list. Necessarily, the compilation of such a list is a subjective matter. Lists may vary greatly depending upon the underlying criteria: gross amount of material consumed; dollar value of annual consumption; extent of domestic reserves and natural resources; the Nation's dependence upon foreign producers; lack of adequate substitute materials; and even the politics of the primary foreign producers. Clearly, compilation of a basic list of any arbitrary number of key industrial raw materials is a difficult endeavor, at best. Furthermore, it has the disadvantages of potentially focusing undue attention upon some materials to the possible exclusion of others which may merit equal or greater interest.

The Nation's current materials posture

A comprehensive analysis of the Nation's current materials posture was recently completed by the National Commission on Materials Policy (NCMP), which was established by Title II of the Resource Recovery Act of 1970 (P.L. 91-512).[4] Included in this analysis was a chart showing 40 materials of importance to the Nation's economy which are imported to a significant extent, as reproduced in Figure 1.[5] Estimates of percentages imported, as derived from the figure, are given in Table 1. Although this list was not intended necessary to represent the degree of importance attributed to each material listed, it nonetheless included 10 of the 13 materials appearing on the "basic 13" list, omitting only phosphorus and sulfur (which are not imported to any significant extent) and tungsten. As shown by Table 1, during 1972 the Nation imported 50 percent or more of its primary requirements for 20 of these 40 materials.

In discussing raw materials imports in terms of their respective percentages of the Nation's industrial requirements, it is important to consider the extent to which many of these materials are currently reclaimed for recycling and reuse. Clearly, to the extent that recycled materials increasingly contribute an appreciable fraction of industrial requirements, the percentage of material imported is thereby reduced. Similarly, in discussing requirements over a particular period of time, the extent to which industrial requirements were partially met by releases of material from the Nation's materials stockpiles during that period further distort the relative import picture. Thus, for example, although the Nation imports essentially all of its tin, only 78 percent of its 1972 requirements was actually imported, as shown in Table 1. The remaining 22 percent was derived from such sources as recycling, stockpiles, and local inventories. A clearer picture of the Nation's actual dependence upon foreign sources may therefore be obtained by omitting recycled or stockpile materials and averaging imports over a number of years, as shown in Table 2 (Bureau of Mines data). This table lists 63 basic industrial raw materials imported by the Nation to a significant extent. For comparison purposes, over 20 materials which the Nation does not import to a significant extent are listed in Table 3 (Bureau of Mines data). All of the materials included on the "basic 13" list appear in either Table 2 or 3, and are so indicated. It should be emphasized that, because of the wide variation in the methods of compilation employed by the various agencies that assemble and record statistics on commodities, all data of this kind must be considered as quite approximate. This qualification is particularly important as regards calculations of ratios of imports to apparent consumption, figures for which frequently vary widely from one another, depending upon the source of the data.

Table 2 permits an assessment of the extent to which the Nation imports industrial raw materials to meet its primary requirements, above and beyond requirements satisfied by materials recycling and inventory depletion. Of the 63 materials listed in the table, 37 were imported to the extent of over 50 percent during the base period 1969-1972, and 29 were imported to the extent of over 75 percent. It would thus seem clear that the United States is highly dependent upon foreign producers for much of its basic industrial raw materials needs. Yet, as demonstrated by the NCMP report, the Nation possesses vast resources of most of these same basic industrial raw materials that are currently being imported.[6] These resources include actual reserves (at 1971 prices), known and identified resources, and hypothetical resources. Actual reserves (at 1971 prices) are those resources which, according to the Bureau of Mines, have been identified and appear to be economically extractable at 1971 prices. Known, identified resources include not only those resources defined as reserves, but also include resources "essentially well known as to location, extent, and grade, and which may be exploited in the future under more favorable economic conditions or with improvements in technology".[7] Hypothetical resources are those not yet discovered and identified but which, in the opinion of geologists and mining engineers, are geologically predictable because of marked similarity to already-discovered and identified resources. Identified resources are continuously being converted into actual reserves as materials prices increase and as materials extraction technologies improve, thereby making extraction economically feasible.

The NCMP has contrasted these three categories of resources vis-a-vis the minimum anticipated cumulative demand (MACD) through the year 2000 for 65 basic raw materials; that is, the amount of each material necessary to satisfy minimum projected needs of the Nation's economy from 1971 to the year 2000. The NCMP table, reproduced as Table 4, thus provides insight regarding the extent to which the Nation's domestic raw materials resources and reserves are capable of meeting projected future demands.[8] Table 4 has been rearranged in Table 5 to show this relationship more clearly. As is evident from Table 5, the Commission found that the Nation's resources for 50 of the 65 materials were adequate to meet anticipated needs for at least the next 30 years, as shown by columns 1-3 of the table.[9]

It is of particular interest to compare the Commission's finding, above, with the Nation's raw materials import posture as previously indicated in Table 2. This comparison is given in Table 6: materials which the Nation imports in insignificant quantities (from Table 2) are classified in terms of known and hyothetical resources (from Table 5). The percentage imported is given in parentheses for each material. It is immediately evident from Table 6 that the Nation imports considerable percentages of its industrial raw materials needs from abroad despite the possession of adequate, and sometimes vast, domestic resources of these same materials. Of the 58 materials listed in Table 6, over half (33) appear in the first two columns of the table, indicating resources equal to or in excess of the estimated MACD. This classification is conservative, since undoubtedly some of the materials listed in the last two columns of Table 6 (materials for which the resource picture is unclear, or materials not included in the NCMP analysis), also belong in the "adequate" resources category. An obvious case is that of silicon, not included in the NCMP analysis, but for which the Nation clearly possesses vast domestic resources. Thus, future analysis based upon further data may well demonstrate a domestic resource posture even better than that indicated by Table 6. With regard to resources definitely shown unlikely to exist within the United States in significant quantities, there appear to be only six which are currently imported to any significant extent: chromium, indium, antimony, asbestos, fluorine, and tungsten (column 3, Table 6).

Recently concern has been expressed that natural resources of basic industrial raw materials may be depleted within the next few centuries unless the current rate of consumption of these resources is drastically reduced.[10] Other studies have pointed out that such extreme pessimism is unwarranted.[11] There appears little doubt, based upon current evidence, that the earth's materials resources should prove sufficient for at least tens of thousands of years. Although specific materials may become scarce, or their costs of extraction prohibitive, other materials will no doubt be used in their place. Such adjustments may at times prove awkward, difficult, and expensive, but usually will provide additional options and choices. As shown in Table 4, the United States alone possesses identified resources of 17 of the 65 listed materials, sufficient to last at least another 300 years, and possesses equally-large hypothetical resources of another 8 materials. Nor have complete surveys of the mineral resources of the Nation been carried out: even surface mineral con-

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tent is not completely known, let alone what lies deeper down.

With regard to materials appearing on the "basic 13" materials list, adequate domestic resources exist for 10: manganese, aluminum, nickel, zinc, potassium, lead, iron, and copper (which are now imported, as shown in Table 6, column 1), and phosphorus and sulfur (which are not imported, as shown in Table 3). Domestic resources appear definitely lacking for two, chromium and tungsten (Table 6, column 3). The domestic resource situation for the remaining material, tin, was not assessed by the NCMP (Table 6, column 5), but U.S. tin resources are generally considered to be negligible. In general, whether one considers only the "basic 13" or a much broader number of industrial raw materials, the Nation's resource posture appears relatively strong.

Rationale for industrial raw materials imports

A number of reasons, all of which are primarily economic, can be cited as to why the Nation imports significant quantities of basic industrial raw materials despite existence of adequate domestic resources of most of these materials. First, the United States already has depleted many of its richest and most readily-accessible deposits of some essential materials. Exhaustion of these primary deposits was accelereated by rapid national growth and the development of an essentially wasteful, throw-away, life style. As these deposits were exhausted, it became more economically attractive to exploit rich, readily available deposits in foreign countries, rather than to develop secondary domestic deposits. This development of foreign resources was undoubtedly accelerated by the growth of international corporations whose primary concern reflected global rather than national considerations. From a purely economic point of view, development of materials resources on a global basis makes considerable sense. Increasingly, however, such development has tended to reflect political rather than strictly economic realities. Hence, the operations of international corporations may impact upon the various nations served by such corporations in either a possitive or negative sense. A typical example of this duality is the recent call for the building of aluminum production facilities within the primary bauxite-producing nations [12], an event which could conceivably result in a transfer of jobs from the aluminum-consuming nations to the bauxite-producing nations.

Second, imports are sometimes justified on the basis that the United States must make maximum use of foreign resources for the present in order to conserve its own natural resources for the future. Other than perhaps for petroleum, this line of reasoning appears largely ignored in past resource development and exploitation. Certainly it has had little or no effect upon past development of the Nation's primary materials deposits, many of which are now exhausted. Currently this view is reflected in calls for national stockpiling of basic industrial raw materials as an economic device, rather than as a purely military or strategic device. Thus, the Nation's depleted primary resources would be replaced (to a limited extent) by stockpiles of imported resources of equal, or superior, quality to those depleted, and would in general be much more readily accessible. This view appears to have found little support except for a moderate interest in short-term buffer stocks arrangements. Rather, interest in maintenance of large volumes of raw materials stockpiles even for strategic military purposes appears diminished.

Third, materials reserves are highly dependent upon both the current price of the extracted, processed material and the technology available for its extraction and processing. As the price increases or the technology is improved, it becomes feasible to mine secondary and even tertiary materials deposits. In a purely national market, development would proceed in an orderly manner from primary to secondary to tertiary resources as permitted by both the economy and the technology. In a global market, however, international forces become dominant: as primary resources in the vicinity of major consumption centers in one nation or geographical region are depleted, secondary resources are not necessarily developed. Rather, primary resources further from the major consumption centers are developed, most often in a different nation or geographical region. Nations depleted of their primary resources thus find it economically beneficial to forego development of their secondary resources in favor of importing primary resources from abroad. Indeed, it is doubtful that much conscious national thought has been expressed in this decision-making in the past; rather, it appears more likely that decisions have been made as matters of business policy by international corporations. Today, however, nations are beginning to question whether the economic benefits derived from these international corporate decisions are worth the potential political risks that may be involved. Those, for example, who advocate national self-sufficiency appear willing to pay the increased costs for domestic secondary resource development rather than suffer a continued dependency upon cheaper, primary resources from abroad.

A fourth reason for the large scope of materials imports has to do with higher extraction and production costs reflected from increased concern for a cleaner environment. Typically, developed countries are the first to feel the impact of environmental concerns in the form of added costs for preventing degradation of land, air, and water. These costs can be very substantial, and may be the governing factor in favoring development of materials resources abroad, where environmental concerns may still remain less important than are concerns for general economic well-being. This observation is particularly relevant to those materials whose extraction and processing is especially environmentally degrading.

A further reason for the relatively high level of the Nation's basic raw materials imports may be the lack of adequate exploration to discover new, possibly primary, domestic resources to replace those that have been depleted. Exploration is both expensive and risky, and is unlikely to be undertaken by an international corporation having elsewhere available to it adequate resources not yet fully exploited. Again, such behavior may be entirely rational when viewed on a global basis, but may not work to the best interests of individual nations when political considerations distort the economic picture.

Prospect of materials cartels from the Third World

The increasing reliance of United States industry upon basic industrial raw materials imported from abroad has raised the question of whether the Nation might not be vulnerable to cartels formed by exporting nations to increase raw materials prices or to influence United States foreign policy. The recent, striking success of the major oil-exporting nations through the Organization of Petroleum Exporting Countries (OPEC) in both raising prices and exerting increased political influence has given impetus to the view that other nations may envision similar success with other basic raw materials. Recent moves by the primary bauxite-producing nations to discuss possible coordination of their activities has served to increase the concern of importing nations that future cartels may indeed be formed, and thus to heighten debate on this issue.

Observers who reject the likelihood of additional future OPEC-like cartels to control other raw materials emphasizes that OPEC cannot be taken as a representative example. Petroleum, they contend, represents a special case, quite different from other basic industrial raw materials.[13] They point out that both supply and demand for petroleum are, at least in the short term, much less responsive to price increases than is the case for any other primary commodity. Demand is less responsive primarily because consumers cannot readily do without petroleum, nor can they turn to other energy sources, since alternative adequate sources are not readily available. Coupled with this demand situation is the fact that the supply of petroleum is capable of manipulation by a very few supplier countries (particularly Saudi Arabia and Kuwait) which by cutting production can make a marked difference in the quantity available in world markets. This supply/demand situation, it is claimed, is virtually unique: for no other materials is it possible to find similar circumstances, either because of the existence of adequate substitutes or alternatives, or because the primary producers are either unwilling or unable to sufficiently control the supply.[14] Furthermore, it is argued, common economic, political, or social bonds do not exist among major producers of most materials, as they do among the major oil exporters, thus making concerted activity less likely.[15] Also, it is claimed, the OPEC success was facilitated by the corporate behavior of the major oil companies, a special situation not duplicated by producers of materials other than oil.[16] Hence, it is argued, formation of cartels to control basic industrial commodities other than petroleum is unlikely.

Should a materials cartel be formed, however, its chance for success is said to be low, for a number of reasons. First, such attempts in the past, largely for food products (especially cocoa and tea), have been failures, for one reason or another.[17] Second, the chances that some cartel members might cheat, as with the "leakage" of Persian Gulf oil to the United States during the Arab oil embargo, is quite high, and would reduce the cartel's effectiveness.[18] Third, most producer nations are quite poor and need to sell everything they are able to produce, rather than hold back production for possible future gain.[19] And forth, it is maintained that for most non-energy raw materials, consumption could be reduced or suitable substitute materials could readily be found. Thus, it is argued, the possibility of the formation of materials cartels is not only remote, but the possibility of success of such ventures, if indeed formed, is unlikely.

Despite the above rationale for discounting the possible formation of raw materials cartels, deep concern has been expressed that such cartels nonetheless may become a future reality. Such concern has been indicated by Members of Congress, [20] [21] [22] [23] [24] as well as by Administration policymakers [25] who contend that relative lack of success of past efforts at materials cartel formation do not necessarily reflect lack of future attempts or success—particularly in the light of the OPEC activity. Past attempts, they maintain, took place largely during periods when buyers' markets existed for morst world commodities, whereas at present, sellers' markets appear to be the general rule.[26] Under certain circumstances, it is maintained, the less-developed, mineral-abundant nations may very well join together to make the best use of their mineral resources.[27] Although cartel activity to achieve political ends is largely discounted, such activity to enhance the economic positions of the exporting nations is seen as a definite possibility.[28] Commonly-shared values, whether social or political, are not viewed as essential; rather, the existence of mutual economic incentives is seen as the primary motivation. It is also maintained that producer nations, repeatedly frustrated

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in their attempts to achieve their primary goals, may be driven to adopt extreme, perhaps even entirely irrational, policies in the management of their primary minerals resources.[29] Should this happen, especially during a period of rapidly growing demand and overall scarcities, major importing nations could be faced with reduced materials imports and skyrocketing prices. Neither reduced consumption nor use of substitute materials is seen as panacea for such problems. Hence, it is maintained, the possibility of materials cartels for economic purposes cannot be ruled out entirely, however unlikely, and should be given serious consideration.

Thus, in general, the situation regarding potential formation of materials cartels by Third World nations is unclear. Powerful arguments can be raised on both sides of the question. Possibilities for cartel formation for the most-frequently mentioned industrial raw materials—bauxite, tin, copper, lead, nickel, and chromium—can be argued from many points of view: number of producers and their respective shares of the global export market; resource availability in consuming countries that could be put into competitive production; availability of possible substitute materials; possibilities for reduction of consumption in the face of higher prices and reduced materials availability; need for concerted action among producers, based upon common economic, social, and political interests; economic reserve capacity of producers should coordinated resistance be encountered from consuming nations; and availability of stockpiled materials in importing nations.

Arguments can be made that in some respects the OPEC situation represents a very special case, but arguments can also be made that in some respects other materials represent even better opportunities for cartel formation than does petroleum. Consequently, it appears at present that no definitive statement concerning the possibility can be made. However, in view of the increasing dependence of the United States upon many of these cartel-candidate materials, it is clear that the possibility of cartels cannot be dismissed out of hand.

Materials substitution

Should a Third World cartel for a particular material be formed to increase prices, one of the more likely responses would be an attempt to use substitute materials to provide essentially the same functions but at lower cost. Widespread use of substitute materials, however, would not be a simple task. A major limiting factor in materials substitution is time: it is doubtful that any major industry could respond quickly to a sudden cutoff of a critical raw material. Fortunately, unlike the politically-motivated OPEC case, cutoffs of specific industrial raw materials appear unlikely. Rather, major price increases for cartel-controlled commodities, or efforts by raw materials produces to acquire a share of the global market for intermediate materials or even completely processed goods, appear more likely. The search for substitute materials would thus represent largely an effort to reduce overall costs, rather than an absolute new need for a different raw material.

Nevertheless, several major difficulties would still be encountered. First, any attempt to design around a particular material is made difficult by the sheer complexity of basic industry. The state-of-the-art would be stretched to the utmost in many cases, creating considerable hardship in some industries. Second, substitution would of necessity involve changes in innumerable combinations of various other materials, as for example were chromium to be replaced with other materials in the thousands of alloys used in virtually millions of different engineering applications. Third, problems would be encountered in finding substitute materials having lower cost than the original material, as well as reliable availability in sufficient quantity so as not to risk the necessity of further substitution. And fourth, care would have to be taken to assure that the substitute material was not itself a likely candidate for cartel formation.

The Nation's industry has shown considerable skill in the past, particularly during wartime, in effecting technological substitutes for scarce materials. However, the growing sophistication of modern hardware, in both service and durable goods industries, has added a new dimension to the Nation's materials requirements. Although the technological opportunities for substitution are almost without limit, the time required for adaptation could range from a year, for some materials, to possibly as long as 10 or 20 years for others. Much would depend upon such factors as how widespread the use of a particular material was, the engineering expertise required in its substitution, and the need for new tooling and the overall cost of new capital investment.

It would be difficult to attempt to catalog the various possible substitutes possible even for the few materials previously mentioned as possible candidates for cartel operations. Too many alternatives exist, as well as too many applications. In general, substitution takes place on a functional basis, each case having its own unique characteristics. Tin cans may be replaced in some instances by glass jars or bottles, in other cases by aluminum-coated steel, and in still other applications by plastic-impregnated paper. Tin in bearing metal may be replaced in antimony, where as in engine cylinder walls it might be replaced by aluminum. Tin solder might be replaced by cadmium solder or even by silver-manganese brazing alloy. Thus, to determine whether one material may be substituted for another, it is necessary to examine the potential effects of the substitution in each proposed application. The following examples provide only a few of the many possibilities that might be considered, but which would have to be further explored prior to actual use:

Chromium: substitution of aluminum for chromium in stainless steel; of titanium or aluminum for stainless steel itself; of boron for chromium in nickel-chromium alloy steel.

Copper: substitution of aluminum for copper in electrical conductors; aluminum and stainless steel for copper for interior architectural hardware; nickel or cadmium-plated stainless steel for copper for interior architectural hardware; aluminum for copper in heat exchangers and radiators; and plastics or stainless steel for some plumbing tubing.

Tin: substitution of antimony for tin for bearing bronze; aluminum for tin in foil; plastics for tin alloys for consumer packaging (toothpaste tubes, etc.).

Tungsten: substitution of molybdenum for tungsten in hardwearing tool steel alloys; soft copper and abrasive slurry ultrasonic drilling instead of cutting with tungsten carbide tools; synthetic diamond for tungsten carbide drilling tips; and fluorescent lamps for incandescent lamps.

Summary

The insatiable appetite of the United States for basic industrial raw materials, coupled with a growing dependence upon foreign sources of supply has raised serious questions regarding the nature of this dependency and possible strategies for dealing with it. Although reference is frequently made to the so-called "basic 13" industrial raw materials, in assessing the Nation's overall materials posture it is difficult to limit consideration to any such arbitrarily small number. If instead one considers the 63 basic industrial raw materials for which the Bureau of Mines has released recent data, one finds that 37 were imported to the extent of more than 50 percent during 1969–1972, and 29 were imported to the extent of more than 75 percent. These imports occurred primarily for economic reasons, despite the existence of vast domestic natural resources of most of these same materials. Considerable concern has been expressed as to whether domestic resources ought not be developed rather than to place continued reliance upon the availability of these materials abroad. Special concern has been given the possibility that foreign producers of some materials might form cartels, in OPEC fashion, to control availability of specific materials to force substantial price increases. Powerful arguments can be raised both for and against this possibility. Should a cartel be formed to control a specific raw material, and should the price be raised dramatically, a search for substitute materials would be among the more likely responses from importing nations. Use of substitutes, though feasible, might take considerable time and most certainly would create considerable hardship in some industries. Ways in which these problems might be avoided, and the Nation's overall materials posture improved, remain among the most important considerations in the formulation of a satisfactory national materials policy.

FOOTNOTES

[1] National Commission on Materials Policy. Materials Needs Today and Tomorrow. Washington, U.S. Govt. Print. Off., June 1973, p. 9–4.

[2] U.S. Department of the Interior. First Annual Report to the Secretary of the Interior under the Mining and Minerals Policy Act of 1970. Washington, U.S. Department of the Interior, March 1970, pages 63–64. Derived primarily from the data of Tables 9 and 10 by Lester R. Brown, Senior Fellow, Overseas Development Council (private communication).

[3] The list appears to have been compiled originally for Lester R. Brown's book, World Without Borders (New York, Random House, 1972, 395 pages), appearing on page 194. This list has since been widely referred to and quoted.

[4] National Commission on Materials Policy. Material Needs and the Environment Today and Tomorrow. Final Report. Washington, U.S. Gov't. Print. Off., June 1973, approximately 300 pages. The Commission expired on September 30, 1973 ninety days following submission of its report.

[5] NCMP Final Report, page 2–25.

[6] Ibid, Table 4. B. 1, pp. 4B–8, 9.

[7] Ibid, p. 4B–9.

[8] Ibid, Table 4.B.1, pp. 4B–8, 9.

[9] No resource data were given for two materials—cesium and columbium—in Table 4. Hence these two materials have been omitted from Table 5.

[10] For a widely-publicized and discussed study, see: Meadows, Donnella H., Dennis L. Meadows, Jorgan Randers, and William W. Behrens III. The Limits to Growth, New York, Signet Books, New American Library, 1972, 207 pages.

[11] See, for example: H. S. D. Cole, et al. Models of Doom: A Critique of The Limits to Growth, New York, Universe Books, 1973. 244 pages.

[12] Bauxite Export Nations Eying Ingot Output. Journal of Commerce, March 8, 1974; 7.

[13] Trezise, Philip, M. How Many OPEC's in Our Future? The New York Times, February 10, 1974: 3.

[14] Ibid.

[15] Krasner, Stephen D. One, Two, Many OPEC's . . .? (2) Oil Is the Exception. Foreign Policy, No. 14, Spring 1974: 79.

[16] Ibid. pp. 77–78.

[17] Trezise, loc. cit.

[18] Krasner, p. 69.

[19] Wade, Nicholas. Raw Materials: U.S.

Grows More Vulnerable to Third World Cartels. Science, v. 183, January 18, 1974: 186.

[20] Hamilton, Lee H. Interdependence. Congressional Record, January 18, 1974: 186.

[21] Miller, Clarence E. A Coming Crisis in Raw Materials. Congressional Record, February 5, 1974; 2249.

[22] Burke, Yvonne B. Beyond the Tip of the Iceberg. Congressional Record, February 18, 1974; 3225–27.

[23] Domenici, Pete V. Minerals Availability. Congressional Record, March 5, 1974: 5209–11.

[24] Stevens, Ted. The Mineral Crisis. Congressional Record, March 6, 1974: 5587–88.

[25] In particular, Interior Secretary Rogers Morton, Federal Reserve Board Chairman Arthur Burns, and Energy Administrator William Simon. See: Levine, Richard J. America's Dependence On Imported Metal Seen Leading to New Crisis. Wall Street Journal, December 26, 1973: 1, 7.

[26] Bergsten, C. Fred. One, Two, Many OPEC's . . .? (3) The Threat Is Real. Foreign Policy, No. 14, Spring 1974: 85.

[27] Domenici, p. 3226.

[28] Bergsten, p. 89.

[29] Bergsten, C. Fred. The Threat from the Third World. Foreign Policy, No. 11, Summer 1973: 106.

TABLE 1. *U.S. imports of some basic industrial raw materials* [1]

[Percent imported]

Platinum	100
Mica (sheet)	100
Chromium*	100
Strontium	100
Cobalt	98
Tantalum	96
Aluminum (ores and metal)*	96
Manganese*	95
Fluorine	90
Titanium (rutile)	90
Asbestos	88
Tin*	78
Bismuth	76
Nickel*	74
Columbium	67
Antimony	65
Gold	60
Phosphorus.*	
Mercury	57
Zinc*	55
Silver	45
Barium	45
Gypsum	40
Selenium	37
Tellurium	37
Vanadium	32
Petroleum (and LNG)	30
Iron*	30
Lead*	27
Cadmium	25
Copper*	17
Titanium	17
Rare earths	15
Pumice	14
Salt	8
Cement	7
Magnesium	7
Natural gas	7
Rhenium	5
Stone	3

[1] Estimated from chart of Figure 1. See: final report of the National Commission on Materials Policy, page 2.25. Data appear to reflect recycled material and (in some instances) releases from the National stockpiles.

*Typically included on the list of the "basic 13" industrial raw materials.

TABLE 2.—U.S. IMPORTS OF BASIC INDUSTRIAL RAW MATERIALS, 1969-72 AVERAGES [1]

Material	Percent imported	Current import cost (millions)
Cesium	100	(2)
Chromium [3]	100	100
Cobalt	100	100
Columbium	100	(2)
Corundum	100	(2)
Hafnium	100	(2)
Indium	100	(2)
Mica, sheet	100	(2)
Rhodium	100	(2)
Rubidium	100	(2)
Scandium	100	(2)
Strontium	100	(2)
Tantalum	100	(2)
Tin [3]	100	300
Titanium (rutile)	100	(2)
Zirconium (metal concentrate)	100	(2)
Platinum	99	100
Manganese [3]	98	100
Palladium	98	(2)
Graphite	97	(2)
Antimony	95	(2)
Aluminum (Bauxite) [3]	90	400
Arsenic	90	(2)
Nickel [3]	90	500
Iodine	86	(2)
Asbestos	84	(2)
Mercury	83	(2)
Gold	80	700
Fluorine	77	100
Yttrium	73	(2)
Silver	70	300
Zinc [3]	68	500
Gallium	64	(2)
Bismuth	62	(2)
Cadmium	62	(2)
Thorium	60	(2)
Beryllium (ore)	53	(2)
Potassium [3]	45	(2)
Tungsten [3]	40	(2)
Barium	39	(2)
Zirconium (nonmetallic)	38	(2)
Lead [3]	36	100
Tellurium	36	(2)
Gypsum	34	(2)
Peat	34	(2)
Germanium	33	(2)
Petroleum (and liquid natural gas)	32	7,500
Titanium (metal)	31	(2)
Titanium (Ilmenite)	30	(2)
Iron (ore) [3]	28	500
Vanadium	27	(2)
Selenium	25	(2)
Iron and steel	20	340
Copper [3]	15	400
Pumice	14	(2)
Aluminum (metal)	10	300
Thallium	10	(2)
Stone-dimension	8	(2)
Rare earths	6	(2)
Magnesium (nonmetallic)	5	(2)
Silicon	5	(2)
Sodium	5	(2)
Natural gas	4	400

[1] Source: U.S. Bureau of Mines. Data based on 1969–72 averages. Percentages are for primary needs only, hence do not include such secondary sources as recycled or stockpiled material.

[2] Annual imports amount to less than $100,000,000.

[3] Typically included on the list of the "basic 13" industrial raw materials.

TABLE 3. *Basic industrial raw materials not imported by the United States to any significant extent.* [1]

Boron.
Bromine.
Calcium.
Chlorine.
Clays.
Diatomite.
Feldspar.
Garnet.
Kyanite.
Lithium.
Magnesium (metal).
Mica (flake, scrap).
Molybdenum.
Nitrogen (compounds).
Nitrogen (gas, liquids).
Perlite.
Phosjphorus.*
Rhenium.
Sand and gravel.
Stone (crushed).
Sulfur.*
Talc.
Uranium.
Vermiculite.

[1] Source: U.S. Bureau of Mines, based on 1969–1972 averages.

* Typically included on the list of the "basic 13" industrial raw materials.

TABLE 4.—U.S. RESERVES AND RESOURCES OF SELECTED MINERAL COMMODITIES [1]

Commodity	Units	Probable cumulative primary mineral demand 1971–2000 [2]	Reserves at 1971 prices [1]	Identified resources [3, 4]	Hypothetical resources [4, 5]
Aluminum	Million short tons	370	13	Very large	KDI.
Antimony	Thousand short tons	822	110	Small	Small.
Arsenic	do	800	700	(6)	(6).
Asbestos	Million short tons	43	9	Small	Insignificant.
Barium	do	31	45	Very large	Very large.
Beryllium	Thousand short tons	28	28	do	Huge.
Bismuth	Million pounds	81	10	(6)	(6).
Boron	Million short tons	5	40	Very large	Huge.
Bromine	Billion pounds	12	17	Huge	Do.
Calcium	Billion short tons	5	Adequate	Very large	Do.
Cadmium	Million pounds	560	264	(6)	(6).
Cesium	Thousand pounds	350		(6)	(6).
Chlorine	Million short tons	645	Adequate	Huge	Do.
Chromium	do	19		Insignificant	Insignificant.
Clay	Billion short tons	3	Adequate	Large	Very large.
Coal	do	21	Adequate	Huge	Huge.
Cobalt	Million pounds	540	56	(6)	(6).
Columbium	do	288		(6)	(6).
Construction Stone:	Billion short tons	41	Adequate	Large	KDI.
Crushed Dimension	Million short tons	79	Adequate	do	KDI.
Copper	do	93	81	do	Large.
Diatomite	do	29	40	Huge	KDI.
Feldspar	Million long tons	38	500	do	Huge.
Fluorine	Million short tons	39	6	Small	Small.
Gallium	Thousand kilograms	281	Adequate	(6)	(6).

TABLE 4.—U.S. RESERVES AND RESOURCES OF SELECTED MINERAL COMMODITIES[1]—Continued

Commodity	Units	Probable cumulative primary mineral demand 1971–2000[2]	Reserves at 1971 prices[2]	Identified resources[3][4]	Hypothetical resource[4][5]
Germanium	Thousand pounds	1,600	900	(6)	(6).
Gold	Million troy ounces	293	82	Large	KDI.
Graphite	Million short tons	2		Very large	KDI.
Gypsum	do	726	350	Huge	Huge.
Hafnium	Short tons	1,280	Adequate	(6)	(6).
Indium	Million troy ounces	19	11	(6)	(6).
Iodine	Million pounds	269	225	Very large	Do.
Iron	Billion short tons	3	2	do	Do.
Kyanite	Million short tons	9	15	Huge	Do.
Lead	Million short tons	34	17	Large	Moderate.
Limestone and dolomite				do	KDI.
Lithium	Thousand short tons	183	2,767	Huge	Huge.
Magnesium	Million short tons	52	Adequate	do	Do.
Manganese	do	50		Large	KDI.
Mercury	Thousand flasks[7]	1,730	75	Small	KDI.
Mica, sheet	Million pounds	62		Insignificant	Very large.
Mica, scrap and flakes	Million short tons	7	250	Huge	Huge.
Molybdenum	Billion pounds	3	6	do	Do.
Natural Gas	Trillion cubic feet	1,098	279	Moderate	Large.
Nickel	Billion pounds	14	(8)	Large	KBI.
Nitrogen	Million short tons	1,018	Adequate	Huge	Huge.
Peat	Million short tons	43	Adequate	do	KDI.
Petroleum	Billion barrels[9]	276	38	Large	Large.
Phosphorus	Million short tons	208	39	Very large	Huge.
Planinum	Million troy ounces	16	1	Moderate	Large.
Potassium	Million short tons	216	50	Very large	Huge.
Pumice	do	208	200	(6)	(6).
Rare earths	Thousand short tons	452	5,045	Huge	KDI.
Rhenium	Thousand pounds	360	400	(6)	(6).
Sodium	Million short tons	1,160	Adequate	Huge	Huge.
Sand and gravel	Billion short tons	54	Adequate	Large	KDI.
Scandium	Kilograms	554	Adequate	(6)	(6).
Silver	Million troy ounces	4,400	1,300	Moderate	Large.
Strontium	Thousand short tons	771		Huge	Huge.
Sulfur	Million long tons	514	75	do	Do.
Talc	Million short tons	52	150	Very large	Do.
Thorium	Thousand short tons	21	2	do	KDI.
Titanium	Million short tons	32	33	do	Very large.
Tungsten	Million pounds	1,000	175	Moderate	Moderate.
Uranium	Thousand short tons	1,240	130	Large	Large.
Vanadium	do	471	115	Very large	KDI.
Zinc	Million short tons	62	30	do	Very large.
Zirconium	do	4	4	Large	KDI.

[1] From: Final report of the National Commission on Materials Policy. table 4. B.I., pp. 4B8–9.

[2] As estimated by U.S. Bureau of Mines, 1973.

[3] Identified resources are defined as including reserves and materials other than reserves which are essentially well known as to location, extent and grade and which may be exploitable in the future under more favorable economic conditions or with improvements in technology.

[4] Resource appraisal terms: Huge—Domestic resources (of the category shown) are greater than 10 times the minimum anticipated cumulative demand (MACD) between the years 1971 and 2000. Very large—Domestic resources are 2 to 10 times the MACD. Large—Domestic resources are approximately 75 percent to twice the MACD. Moderate—Domestic resources are approximately 35 to 75 percent of the MACD. Small—Domestic resources are approximately 10 to 35 percent of the MACD. Insignificant—Domestic resources are less than 10 percent of the MACD. KDI—(Known data insufficient)—Resources not estimated because of insufficient geological knowledge of surface or subsurface

[5] Hypothetical resources are undiscovered, but geologically predictable, deposits of materials similar to identified resources.

[7] 76 lb. flasks.

[8] Less than 1 unit.

[9] 42 gal.

TABLE 5.—U.S. RESERVES (1971 PRICES) AND KNOWN, IDENTIFIED MINERAL COMMODITY RESOURCES IN TERMS OF MINIMUM ANTICIPATED CUMULATIVE DEMAND (MACD) TO THE YEAR 2000[1]

Resources adequate to meet MACD			Inadequate to meet MACD	
>10	2 to 10	0.75 to 2	0.35 to 0.75	<0.35
Bromine	Aluminum[2]	Arsenic.[3]	Cadmium[3]	Antimony.
Chlorine	Barium	Clay.	Germanium[3]	Asbestos.
Coal	Beryllium	Construction stone.	Indium[3]	Bismuth.[3]
Diatomite	Boron	Copper.[2]	Natural gas[5]	Chromium.[2]
Feldspar	Calcium	Galium.[4]	Platinum[5]	Cobalt.[3]
Gypsum	Graphite	Gold.	Silver[5]	Fluorine.
Kyanite	Iodine	Hafnium.[4]	Tungsten[2]	Mercury.[3]
Lithium	Iron[2]	Lead.[2]		Mica, sheet.[5]
Magnesium	Phosphorus[2]	Limestone and dolomite.		
Mica (flake, scrap)	Potassium[2]	Manganese.[2]		
Molybdenum	Talc	Nickel.[2]		
Nitrogen	Throium	Petroleum.		
Peat	Titanium	Pumice.[3]		
Rare earths	Vanadium	Rhenium.[3]		
Sodium	Zinc[2]	Sand and gravel.		
Strontium		Scandium.[4]		
Sulfur[2]		Uranium.		
		Zirconium.		

[1] NCMP final report, table 4.B.1, pp. 4B–8, 9.

[2] Typically included on the list of the "basic 13" industrial raw materials.

[3] Based upon reserves (1971 prices). Identified resources not given.

[4] Reserves (1971 prices) considered "adequate." Identified resources not given.

[5] Resources considered adequate provided hypothetical resources are included.

TABLE 6.—DOMESTIC RESOURCE SITUATION FOR BASIC INDUSTRIAL RAW MATERIALS CURRENTLY IMPORTED IN SIGNIFICANT AMOUNTS[1]

Resources≥MACD		All resources≤MACD	Resource picture unclear	Resources not mentioned in NCMP table
Known	Hypothetical			
Hafnium (100)	Mica (sheet) (100)	Chromium (100)[2]	Cesium (100)	Corundum (100).
Scandium (100)	Platinum (99)	Indium (100)	Cobalt (100)	Rhodium (100).
Strontium (100)	Silver (70)	Antimony (95)	Columbium (100)	Rubidium (100).
Titanium (rutile) (100)	Natural gas (4)	Asbestos (84)	Mercury (83)	Tantalum (100).
Zirconium (100)		Fluorine (77)	Bismuth (62)	Tin (100).[2]
Manganese (98)[2]		Tungsten (40)[2]	Cadmium (62)	Palladium (98).
Graphite (97)			Germanium (33)	Yttrium (73).
Aluminum (bauxite) (90)[2]			Pumice (14)	Tellurium (36).
Arsenic (90)				Selenium (25).
Nickel (90)[2]				Thallium (10).
Iodine (86)				Silicon (5).
Gold (80)				
Zinc (68)[2]				
Gallium (64)				
Thorium (60)				
Berryllium (53)				
Potassium (45)[2]				
Barium (39)				

Resources≥MACD				
Known	Hypothetical	All resources≤MACD	Resource picture unclear	Resources not mentioned in NCMP table
Lead (36) [2]				
Gypsum (34)				
Peat (34)				
Petroleum (32)				
Iron (ore) (28) [2]				
Vanadium (27)				
Copper (15) [2]				
Stone (dimension) (8)				
Rare earths (6)				
Magnesium (5)				
Sodium (5)				

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[1] Classified according to resource estimates of table 4. Values in parentheses are percentages imported, taken from table 2.

[2] Typically included on the list of the "basic 13" industrial raw materials.

CHART: U.S. DEPENDENCY ON FOREIGN SOURCES FOR SELECTED RAW MATERIALS, 1972

Item	Percent	Percent imported	Value of 1972 imports (thousands)
Artificial and natural abrasives		(34)	$40,941
Canada	93.7		
France	1.8		
Aluminum (unwrought excluding ore)		(15)	345,305
Canada	76.9		
Norway	8.9		
Ghana	5.7		
United Kingdom	4.0		
Antimony (including unwrought ore)		[1] (48)	11,754
South Africa	47.8		
Mexico	24.2		
Bolivia	11.3		
China	7.7		
China (Mainland)	2.8		
Asbestos (crude)		[2] (90)	87,732
Canada	97.2		
South Africa	2.1		
Bauxite		[1] (92)	151,012
Jamaica	63.6		
Surinam	19.6		
Dominican Republic	7.9		
Haiti	3.8		
Guyana	2.8		
Beryllium (ore)		[2] (39)	1,101
Brazil	52.5		
South Africa	24.5		
Argentina	7.4		
Angola	3.3		
Bismuth		[2] (70)	6,090
Peru	28.1		
Mexico	25.8		
United Kingdom	21.0		
Japan	10.4		
Cadmium (metal)		[1] (33)	5,572
Mexico	35.6		
Canada	30.0		
Australia	11.4		
Peru	8.3		
Belgium	6.1		
Chrome (ore)		[1] (100)	27,627
U.S.S.R	40.9		
South Africa	23.5		
Philippines	12.4		
Turkey	9.5		
Rhodesia	8.7		
Cobalt (unwrought)		[1] (100)	30,650
Zaire	38.9		
Belgium	25.6		
Finland	9.9		
Zambia	8.2		
Norway	7.0		
Columbium and tantalum (ores)		[2] (100)	4,590
Brazil	60.8		
Nigeria	14.6		
Australia	9.0		
Canada	4.1		
Copper (unmanufactured)		[1] (16)	345,305
Canada	45.4		
Peru	18.6		
Chile	11.4		
Philippines	12.2		
Mexico	3.9		
Feldspar and other natural mineral fluxes		[2] (40)	6,072
Canada	98.8		
Ferronickel		[2] (68)	35,857
French Pacific Islands	71.1		
Dominican Republic	13.0		
Greece	7.9		
Japan	4.1		
Ferrochromium (not over 3 percent carbon)		[1] (52)	23,322
South Africa	31.2		
Japan	20.8		
Sweden	15.4		
Turkey	10.2		
Norway	9.7		
Rhodesia	4.7		
Ferrochromium (over 3 percent carbon)		[1](29)	$11,266
South Africa	41.7		
Rhodesia	15.4		
Finland	8.2		
Yugoslavia	7.2		
Brazil	5.8		
Norway	5.2		
Japan	5.1		
Ferromanganese		[1] (27)	49,846
South Africa	44.0		
France	28.5		
Japan	8.5		
Norway	7.3		
India	3.6		
Fluorspar (over 97 percent calcium fluoride)		[2] (87)	34,425
Mexico	66.0		
Spain	18.9		
Italy	10.4		
South Africa	2.0		
Fluorspar (not over 97 percent calcium fluoride)		[2] (81)	13,426
Mexico	96.3		
South Africa	3.1		
Graphite		[2] (99)	3,791
Mexico	28.5		
Malagasy	22.1		
Ceylon	16.9		
West Germany	15.7		
Norway (based on value)	11.0		
Gypsum (crude)		[2] (40)	18,342
Canada	76.6		
Mexico	16.0		
Jamaica	5.7		
Iron ore		[1] (32)	415,943
Canada	50.3		
Venezuela	30.2		
Liberia	7.6		
Peru	3.6		
Brazil	3.1		
Iron and steel scrap		[2] (29)	14,741
Canada	77.2		
Mexico	16.9		
Jamaica	11.7		
Jet fuel		[1] (18)	223,084
Netherlands Antilles	29.7		
Trinidad	19.2		
Venezuela	16.5		
Bahamas	9.9		
Bahrain	4.2		
Mercury		[2] (83)	6,211
Canada	47.9		
Mexico	19.2		
Algeria	10.5		
Spain	6.3		
Norway	4.6		
Natural rubber		[1] (100)	160,594
Malaysia	37.7		
Indonesia	36.0		
Singapore	8.3		
Liberia	6.8		
Thailand	5.4		
Potash (potassium chloride)		[2] (59)	116,651
Canada	94.3		
Israel	3.6		
Silver (ore and metal)		[2] (44)	59,948
Canada	56.1		
Peru	19.1		
Mexico	17.9		
Lead (unmanufactured)		[1] (21)	76,291
Canada	32.5		
Peru	20.2		
Australia	18.6		
Mexico	12.9		
United Kingdom	3.9		
Magnesium (unwrought, waste, and scrap)		[2] (5)	2,454
Canada	36.0		
West Germany	24.6		
Netherlands	11.5		
Belgium	6.7		
South Africa	4.2		
Manganese (ore)		[1] (78)	$34,346
Gabon	32.0		
Brazil	24.4		
Zaire	15.7		
South Africa	6.7		
Australia	5.1		
Mexico	4.9		
Natural gas		[1] (5)	403,360
Canada	99.1		
Nickel (ore)		[2] (57)	57,091
Canada	99.8		
Platinum group (ore and metals)		[2] (100)	148,480
United Kingdom	48.3		
U.S.S.R	40.5		
South Africa	13.5		
Japan	6.1		
Sodium chloride		[1] (7)	11,979
Mexico	36.4		
Canada	28.4		
Bahamas	25.5		
Chile	5.3		
Sulfur		[1] (14)	16,288
Canada	76.3		
Mexico	23.6		
Tin (unwrought, including ore)		[1] (75)	211,820
(a) Ore: Bolivia	100.0		
(b) Unwrought tin alloys:			
Malaysia	61.2		
Thailand	21.9		
Australia	4.0		
Indonesia	3.7		
Petroleum (crude)		[1] (21)	2,369,176
Canada	35.3		
Venezuela	18.4		
Nigeria	9.6		
Saudi Arabia	8.2		
Indonesia	6.4		
Libya	4.6		
Algeria	3.5		
Residual fuel		[1] (63)	1,170,172
Venezuela	43.5		
Netherlands Antilles	20.1		
Trinidad	9.1		
Bahamas	8.3		
Italy	3.6		
Unfinished oil		[1] (47)	223,431
Venezuela	32.1		
Netherlands Antilles	19.2		
Canada	15.7		
Trinidad	5.3		
Distillate fuel oil		[1] (10)	254,530
Venezuela	31.0		
Netherlands Antilles	16.1		
Bahamas	15.3		
Italy	10.8		
Tungsten (ore)		[2] (43)	12,31
Canada	28.0		
Thailand	15.1		
Peru	13.9		
Bolivia	13.4		
Korea (South)	8.0		
Australia	6.7		
West Germany	4.4		
Zinc (unmanufactured)		[1] (47)	202,857
Canada	55.5		
Mexico	7.3		
Australia	6.0		
Peru	5.6		
Belgium	5.6		
West Germany	4.5		
Japan	4.3		

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[1] Percentage in parentheses is the estimated 1972 ratio of importation to apparent domestic consumption as calculated by the U.S. Tariff Commission. See Briefing Paper No. 2 prepared for the House Ways and Means Committee entitled "Comparison of Ratios of Imports to Apparent Consumption, 1968–72," May 1973.

[2] Estimated percentage.

Source for basic data for country shares: U.S. Bureau of the Census. "U.S. Imports for Consumption and General Imports. TSUSA Commodity and Country." Report FT 246, 1972 annual. Washington, 1973.

SURVEY OF SHORTAGES EXPERIENCED BY KENTUCKY INDUSTRIES

	No materials shortages	All	Aluminum	Asphalt/asphalt products	Brass	Cement	Chemicals and allied products (including petrochemicals)	Copper	Corn sirup	Electronical parts and products	Ferrochromium and stainless steel	Fertilizer	Flour and wheat	Glass/glass products	Inks and pigments	Insulation	Iron/iron products	Lacquer/lacquer sealer	Lumber	Lumber—hardwoods	Magnesium	Metals/metal alloys (all)	Milk	Motors, machines and parts	Newsprint	Paint	Paper packaging/paper products	Pesticides and herbicides	Plastic packaging/plastic products	Plumbing fixtures	Refractory brick	Roofing materials (tar and pitch)	Rubber	Salt	Solvents	Starch and glue	Steel	Steel—Billets	Steel—Casting	Steel—Channels	Steel—Cold-rolled	Steel—Flat	Steel—Forging	Steel—Hot-rolled	Steel—Plate	Steel—Pregalvanized	Steel—Rebar	Steel—Reinforcing	Steel—Sheet	Steel—Structural	Steel products	Sugar	Textiles—Natural (cotton and wool)	Textiles—synthetics	Tools	Wire and cable	Wood products	Zinc
Agriculture sector of the economy: Includes bakers; bottling companies; manufacturers of dairy products, feeds and meals; farmers food processors; tobacco companies; leather tanning and products; agricultural lime quarry	13		1				16		2	1		1	4	7					1				2	3		1	10	1	12				1	1																	2	3	3	1				
Apparels industry and textiles: Hosier mills and manufacturers of a variety of garments	3	1			1		1																				4		3																								6	2				
Chemical companies							7							2								1		3			3								2																1					1		
Contractors and construction companies		1	1	4		4	1					3				1	4					3		5					3			3					5			1		1			1			19	1	6	15					8	4	
Construction related products: Includes makers of doors, windows, mobile homes, etc.; a supply company, plumbing and related producers; paving, mortar and brick companies; producers of explosive products	2		4	2		2	2	1			1			1										3			1		4	1		1	1				1		2		1							2		1	8			2			2	1
Electronics and related products		1	2					2		4						2	2										3		1		1						2																1			3	1	
Heavy industrial concerns: Companies that produce a wide variety of products which (1) are components for other products (such as swivel bases), or (2) require further processing. These concerns cannot be classified as purely paper, plastics, or any other category listed	2	2	13	1	1		3	4		1					1		6		1		2	1		7		1	12		8			1	1		1		33	1	6				2	3	5	1			4		28		3	1	2			3
Paints		2					4								3																				2																							
Paper/wood and related products: Includes furniture manufacturers; lumber companies manufacturers of paper products, such as containers, and wood products; and printing companies, including newspapers	4		2				2								3			3	3	2				3	4		13		7							3															5		3	6			1	
Plastics products: Including packaging products; straws, plates, pipe and parts for automobiles, appliances, typewriters, etc.	2																							1		1	6		1								1																					
Transportation and related products: Manufacturers of railroad equipment, truck axles, tires, truck radiators, truck bodies, transmission engine rings; a motor freight tariff association; and rebuilder of automobile engines	2		1				1																3				2									4		2				2								1								
Miscellaneous: Includes charitable organizations which make small items for sale; consumer products such as lamp bulbs, strollers, playpens and high chairs, wastebaskets, dustpans, etc.; optical company; pharmaceuticals; recreational products such as bowling balls, tents, campers and trailers, tackle boxes; sign and advertising companies; plus replies with no return address or indication of the type of activity the respondent is involved in	1	1	1		1	1	1						1		1	2					3		2			11		7						1		5		1							1		5			7		7	1			2		

Mr. HUDDLESTON. Perhaps as important as the information provided directly by the attached data, are some of the implications which must be derived from it.

One is that the distance between the extraction of a mineral or material and its conversion into a consumer product is a wide one, involving the complexity of industrial structure and various economic realities.

There are three basic stages in converting raw materials to a usable item: extraction or growth, processing and refining, and manufacturing of goods.

In the production of some items—cars and trucks, for example, different companies may be involved: one may mine iron ore, another process it into pig iron and steel, and still another manufacture the end item or even parts for it.

The same is true of furniture. One entity may grow timber, another process it into lumber, and a third convert it into tables or chairs.

In other cases, companies are integrated. A single company, for example, may own bauxite mines in Jamaica, refining and processing facilities, and plants which manufacture aluminum foil and other end products.

The first step in obtaining materials is taking them from their raw state. In the case of ores, this generally means mining. In the case of nonfood agricultural products, such as rubber and cotton, it means growth and harvesting.

While there are a number of companies involved in the extraction of ores, a small number are said to dominate. Statistics developed by the Japanese Government, for example, indicate that most of the free world copper industry is under the control of 10 companies, the aluminum industry, 6; and the nickel industry 4.

Whether large or small, extraction companies face a number of difficulties. In the United States and, to a lesser extent, in the world at large, many of the richest and easiest to mine ores—such as the Mesabi Range—have already been claimed. Thus, less rich and less accessible ores must be used, at increased costs. Furthermore, the extraction process creates a number of environmental problems. Waste is one. Often 4 or 5 tons of earth are required to produce 1 ton of minerals. In the case of copper, the situation is particularly striking: only 8 to 10 pounds of copper can be extracted from a ton of ore.

For those companies which have sought foreign sources, there are another set of factors with which to deal. Foreign countries today want greater control over their resources, greater financial returns, and increased investment in processing and manufacturing plants.

At the processing and refining stage, there are apparently as many difficulties as at the extraction stage. In fact, some have argued that the critical issue is not the availability of natural resources, but the lack of processing and refining facilities.

There is some evidence to substantiate this. U.S. zinc smelting capacity has dropped by half in recent years. The capacity to produce finished steel products is probably greater than the capacity to produce iron ingot. It has been estimated that $150 billion will have to be invested in new plants and facilities before the end of the century if demand is to be met.

In addition, there are major environmental difficulties at the processing level, with sulfur pollution being a main one. A second implication relates to the impact on the economic system.

First, there is employment. Millions of Americans are employed in the extraction, processing, or refining of materials. As an example, in 1972, some 15,000 were involved in iron ore mining, 40,000 in scrap, but 795,000 in the total iron and steel industry. Furthermore, materials translate directly into jobs in all segments of manufacturing. If there is no steel, no machinery parts, trucks or cars cannot be built. If there is no aluminum, there will be no manufacturing of aluminum cans.

Second, materials mean products—items we all need, want and expect, items which make our living easier, safer, healthier, and more enjoyable. Materials obviously contribute to the cost of products although the contribution is, in some cases, rather small. For some 20 years, the costs of metals, building materials, and wood products has, in relative terms, been rather stable, but rising materials costs could have far-reaching implications for product prices in the future.

Third, materials availability and cost bear directly on the profits of industry, the amount of capital investments it can make in future facilities, the revenue it pays the government, the dividends it pays its stockholders and the increased benefits it can provide for its employees.

Fourth, there is the impact on trade and the balance of payments.

Materials policy is also deeply intertwined with governmental economic decisions. Two devaluations of the dollar made U.S. imported materials higher than they had been. The devaluations plus price ceiling at home made some U.S. products—fertilizer and copper, for example—not only good buys on the world market but also more profitable to sell there, reducing U.S. supplies.

A third implication concerns the increasing interdependence among nations.

No single nation is self-sufficient in all the materials needed for an industrial society. The result is that trade is a lifeline of development and economic growth. In addition, many nations seek materials abroad because they can be obtained less expensively there.

The industrial nations of the world are currently responsible for the production of some 66 percent of the world's metals, but they use some 90 percent. Copper is a good example. While production in the industrialized world runs about 62 percent, use is 94 percent.

At present, most of the Western Industrialized nations depend on trade among themselves and trade with less developed nations for raw materials, but the Soviet Union, which has been working to develop its mineral resources, and China are potential suppliers of additional materials in the future.

Finally, there is the implication that the U.S. Government is and must continue to be involved in materials availability and policy.

The Government is, first of all, a stockpiler of those items which it considers vital in the event of an emergency. While the stockpile is maintained for security purposes, its existence—and the amount of the various materials which it contains—have an economic impact, simply because they are there and are sometimes sold.

The Government is also involved in the materials field because of the large expanses of federally owned resources. It is estimated that the U.S. Government has right to over 1.2 billion acres with mineral resources, including public lands, the Continental Shelf, and mineral, but not surface land, rights. For these resources, it must pursue a balanced policy of conservation, use and, where appropriate, resource renewal.

Finally, the policies of the Government impinge directly upon the activities of private enterprise in the materials field: from strip mining and land use, to pollution controls, to depletion allowances, to tax credits and deferrals, to trade and tariff policies, to assistance through such agencies as the Export-Import Bank, to general economic policies such as interest rates, rates of inflation which are permitted, and economic stabilization moves.

At the moment, some 50 departments and agencies of Government have responsibilities in the materials fields. In many instances, the scope of activities is specialized and limited. All are, however, ultimately interrelated, and there is undoubtedly a need for consolidation of responsibilities and a more comprehensive policy.

Development of such a comprehensive policy and creation of a proper mechanism for monitoring and evaluating developments in the materials field are needed now, and I hope we can move toward the accomplishment of those objectives in the near future.

CONCLUSION OF MORNING BUSINESS

Mr. MOSS. Mr. President, since it does not appear that anyone is waiting for the conduct of morning business, I ask unanimous consent that morning business be closed at this point.

The **ACTING PRESIDENT** pro tempore. Is there morning business? If not, morning business is closed.

NATIONWIDE SYSTEM OF NO-FAULT MOTOR VEHICLE INSURANCE—PRIVILEGE OF THE FLOOR

Mr. HRUSKA. Mr. President, I ask unanimous consent that during the debate and any votes which might occur on S. 354, the following staff members be granted the privileges of the floor: Mr. Kenneth Lazarus, Mr. Peter Chumbris, and Mr. Michael Granfield.

The **ACTING PRESIDENT** pro tempore. Without objection, it is so ordered.

Mr. MOSS. Mr. President, I ask unanimous consent that the following members of the Committee on Commerce be given floor privileges at all times during the debate and votes on S. 354: Mr. Sutcliffe, Mr. Pankopf, Mr. Joost, Mr. Clanton, Mr. Merlis, Mr. Sterrett, Mr. Allison, Ms. Lieber, and Mr. Condos; and from the Committee on the Judiciary, Mr. Mullen and Mr. Sharp.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

NATIONAL NO-FAULT MOTOR VEHICLE INSURANCE ACT

Mr. MOSS. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the unfinished business, and that it be laid before the Senate.

The ACTING PRESIDENT pro tempore. The clerk will state the bill by title.

The assistant legislative clerk read the bill by title, as follows:

> A bill (S. 354) to establish a nationwide system of adequate and uniform motor vehicle accident reparation acts and to require no-fault motor vehicle insurance as a condition precedent to using a motor vehicle on public roadways in order to promote and regulate interstate commerce.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. MOSS. Mr. President, I ask unanimous consent that the committee amendments to S. 354, the National No-Fault Motor Vehicle Insurance Act, be considered and agreed to en bloc and that the bill as thus amended be considered as original text for the purpose of further amendment.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. GRIFFIN. Mr. President, reserving the right to object, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MOSS. Mr. President, I ask unanimous consent that the order of the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MOSS. Mr. President, on advice of the Parliamentarian, it is apparently unnecessary, at least at this time, to ask that the amendments be considered en bloc, and therefore I withdraw that request.

The ACTING PRESIDENT pro tempore. The request is withdrawn.

Mr. MOSS. Mr. President, as the Senate begins its consideration of S. 354, the National No-Fault Motor Vehicle Insurance Act, I think it is of great importance that we understand the history of this legislation and the events that have preceded it. Indeed, for about 5 years we have been concerned with a national no-fault insurance bill, and as the President of the United States is wont to say, I am convinced that its time has come and that we must move on with this legislation.

THE FAULT WITH NIXONIAN NO-FAULT

Mr. President, on April 5, 1974, President Nixon again turned his back on the consumers of the United States and personally decided to continue to support certain segments of the insurance industry and those lawyers of the United States who earn a comfortable living at the expense of automobile accident victims. On April 5, the President ignored the advice of his advisers in the Department of Transportation who support S. 354, the National No-Fault Motor Vehicle Insurance Act. He professed his support for no-fault as "an idea whose time has come," but washed his hands of the matter by insisting on State, rather than Federal, legislation. The President maintained that:

> Legislative action in this area should be left up to the States, who are in a better position to know the specific needs of their people.

When it comes to the issue of health insurance, however, the President wisely rejects the argument that the States are in a better position to know the specific needs of their people and advocates Federal legislation to establish Federal standards for health insurance reform.

The President's decision once again to abandon the American consumer adds fuel to the fire of those who argue that the President has lost the ability to govern wisely—that he ignores the advice of his own departmental representatives and follows the counsel of those who examine issues only from the standpoint of political expediency.

Let me, review for the Senate the Nixon administration's record on no-fault automobile insurance reform. This record will permit Senators to judge whether the President's latest decision with regard to no-fault automobile insurance reform was based on political expediency or considered judgment.

The Nixon administration first became involved in the question of no-fault automobile insurance reform when it took charge of the congressionally mandated Department of Transportation study of the automobile compensation system which had been initiated in 1968. The Department of Transportation did not falter at this juncture, but proceeded with diligence and dedication to probe the weaknesses of the present liability-based automobile insurance system and to examine the advantages of a new system of no-fault insurance.

By June of 1970, the Department of Transportation had completed its basic studies and begun preparing its final report. By August of 1970, a draft of the report had been presented to Secretary Volpe, and the Senate Commerce Committee had scheduled hearings for September to receive the final report. Secretary Volpe went so far as to draft a statement recommending a quick phasing in of a no-fault system to be introduced nationwide on a uniform time schedule in accordance with national standards. The draft statement continued:

> A national approach seems best for a number of reasons. Motor vehicle travel as an interstate activity of major proportions and a consistent minimum standard for accident reparations involving all of the motoring public, wherever they travel, would be sound public policy. If basic reparations reform is left wholly to individual State initiative, it will most likely be exceedingly slow in coming and involve a number of different, perhaps conflicting, approaches.

Unfortunately, the White House did not permit Secretary Volpe to present his testimony. Instead, the administration instructed Secretary Volpe to tell the Senate Commerce Committee that the Department had found many weaknesses in the present system and would submit its final report early in the 92d Congress. By adopting this course of action, the Nixon administration avoided going on record for no-fault insurance prior to the November 1970, congressional elections.

In March 1971, the Nixon administration was asked to present its final report on the automobile compensation system and its recommendations for change. Prior to the presentation of the report and recommendations, press accounts related how the administration, represented by Peter Flanagan in the White Honse, tried to arrive at a position that was satisfactory to the insurance industry. It was reported that the administration's position was watered down considerably after representatives of Allstate Insurance Co. met with then Secretary of Commerce Maurice Stans, who intervened in their behalf in the White House decisionmaking.

On March 18, 1971, Secretary Volpe put the Nixon administration squarely on record in favor of no-fault automobile insurance reform. The reform plan favored by the administration was not minimal no-fault automobile insurance reform, which has been passed by many States. The report recommended very high levels of medical and rehabilitation expense, at least 3 years of wage loss protection, 3 years of lost services benefits, and limitations on the right to sue. With respect to intangible losses, the administration recommended that:

> No person should recover for intangible losses unless he establishes that he suffered permanent impairment or loss of function, or permanent disfigurement, or that he incurred personal medical expenses (excluding hospital expenses) as a result of the accident in excess of a rather high dollar threshold.

While endorsing a rather comprehensive no-fault insurance program, Secretary Volpe put the administration firmly on record against any Federal legislation at that time. Secretary Volpe, speaking for President Nixon, said that the States should move to enact no-fault plans and ask Congress to pass a resolution urging the States to act in compliance with the recommendations included in the final report. Secretary Volpe said:

> Both the Congress and the Executive Branch should measure the state's progress toward these goals over a reasonable period of time.

Congressional proponents of no-fault automobile insurance reform were not persuaded that the States would take appropriate uniform action within a reasonable period of time. Several of us held the view expressed in the initial Volpe statement that was never delivered. That statement said:

> If basic reparations reform is left wholly to individual state initiative, it will most likely be exceedingly slow in coming and involve a number of different, perhaps conflicting, approaches.

Therefore, the Senate Commerce Committee continued to consider proposals creating a national system of no-fault automobile insurance. As the Senate Commerce Committee and the House Interstate and Foreign Commerce Committee proceeded to develop national legislation, the Nixon administration continued to reiterate its opposition to Federal action and expressed its confidence that the States in their 1971 and 1972 legislative sessions would undertake meaningful reform. At the end of 1971, 39 States had considered no-fault at some time during their legislative sessions. Only one State had enacted a no-fault plan that even began to approach the recommendations of the Nixon administration. That State was Florida. Massachusetts had enacted a minimal no-fault plan in 1970.

Concerned about the lack of State progress and the failure to achieve any kind of uniformity, the Nixon administration turned to the National Conference of Commissioners on Uniform State Laws and asked them to begin drafting a model State no-fault insurance plan.

Aware than the proponents of Federal legislation would watch very closely the progress of State no-fault legislation in the early months of the 2d session of the 92d Congress, the Nixon administration began early in 1972 to threaten the States with Federal action if they did not move in the area of no-fault automobile insurance reform. In a Chicago speech, January 10, 1972, Mrs. Knauer, the President's Special Assistant for Consumer Affairs, said emphatically that the President would press for a national no-fault automobile insurance law unless the States enacted such legislation.

Recognizing the strangle-hold that trial lawyers had on many State legislatures, Mrs. Knauer on behalf of the administration wrote to the President of the American Bar Association on January 25 and asked that organization to investigate the lobbying techniques of the American Trial Lawyers Association, which she branded as "devious, misleading, and blatantly self-serving." Needless to say, the American Bar Association rejected Mrs. Knauer's request to investigate the American Trial Lawyers Association.

State reform was effectively stymied as one by one the legislatures considered and rejected no-fault or appointed a study commission.

As the Senate Commerce Committee began executive consideration of the national no-fault proposal in April 1972, Secretary Volpe was given a chance to respond favorably to Federal initiatives when asked for a summary of State action and the administration position in light of the deplorable record of State inaction.

The Nixon administration remained immovable, even though Secretary Volpe wrote to Senator **Magnuson** that:

> In all candor, those of us who would like to see the States do the job themselves can hardly be heartened by their actions to date this year.

Secretary Volpe said, however, that it was "too early to pass final judgment" because there were more than 20 State legislatures still capable of taking some kind of action.

By the end of May there were only a handful of States still actively considering no-fault insurance reform. On the basis of this State inaction and their own predisposition toward national uniformity, 13 members of the Senate Commerce Committee—including a majority of the Republican members—voted to report out a national no-fault motor vehicle insurance bill which would force States to enact reform plans meeting Federal standards.

To this threat of Federal-State action the President himself responded. The President sent a telegram to Gov. Arch A. Moore, Jr., chairman of the National Governor's Conference. In that telegram, the President urged the States to act and stated that "no-fault insurance is an idea whose time has come." Even though it was an idea whose time had come, the President said:

> I oppose involving the Federal Government in this insurance reform.

The next day Mrs. Knauer, speaking at a press conference in California where a crucial battle on no-fault was being waged, let loose another salvo at the trial lawyers to try to break the impasse of State reform. In that speech, Mrs. Knauer pointed to the fact that certain segments of the insurance industry and the trial lawyers had teamed up to defeat no-fault proposals in 38 of the 40 legislatures that had considered no-fault plans during their 1972 legislative sessions, oftentimes by parliamentarily maneuvering the legislation into hostile committees. She urged the State of California not to let the reform go down to defeat, after expressing her disappointment with the New York experience. She stated:

> In New York State, some 300 trial lawyers descended on the State legislature in Albany and killed a no-fault bill which the Governor wanted, and the Nixon administration wanted.

And afterward, according to a press report, the lawyers "celebrated their victory over champagne and lobster."

But Mrs. Knauer's attempt to prod California into action failed. Proponents of meaningful no-fault reform in California went down to defeat as did those in Pennsylvania and Louisiana.

Despite the intense pressure of the administration to try to get the States to act, and the threat of Federal legislation, only two States moved in the 1972 legislative session to establish minimum no-fault insurance plans. On June 22, 1972, Mr. George Bernstein, the Federal Insurance Administrator, stated that the States would have until the spring of 1973. At that time, the administration promised to carefully review State progress and reassess its position with regard to Federal involvement in the no-fault automobile insurance effort.

Despite the failure of the States to respond to the call to action by the administration, the administration did everything that it could to foil the attempts of no-fault proponents in the Senate to bring the issue of no-fault insurance to the floor for a vote on the merits in the Senate. When the Senate Commerce Committee in 1972 favorably reported to the Senate floor a no-fault measure establishing minimum Federal standards which the States would have to meet in enacting their own no-fault program, the administration joined forces with certain segments of the insurance industry—represented principally by Allstate and Kemper Insurance Companies—and together with these insurance companies worked hand-in-hand with the American Trial Lawyers Association and the American Bar Association to defer action on no-fault in the Senate by referring the bill to the Senate Judiciary Committee for its consideration. By a close vote of 49 to 46, the minimum Federal standards bill reported by the Senate Commerce Committee in the 92d Congress was referred to the Senate Judiciary Committee where, unfortunately, it languished and died.

In January 1973, the sponsors of Federal no-fault legislation establishing minimum national standards which States would have to meet or exceed when establishing their own plans of no-fault motor vehicle insurance, reintroduced and began hearings on a bill very similar to the one we are now debating. In June 1973, 2 years after the administration first espoused its position of support for State-by-State enactment of no-fault automobile insurance, the administration—in the person of John Barnum, Undersecretary of Transportation—testified with regard to S. 354, the National No-Fault Motor Vehicle Insurance Act.

Despite the failure of the States to undertake significant movement toward no-fault automobile insurance reform, and despite the fact that the Uniform Motor Vehicle Accident Reparations Act, drafted by the National Conference of Commissioners on Uniform State Laws, had received very little consideration on the State level, the administration reiterated its position that it was in favor of comprehensive no-fault automobile insurance reform, but preferred to see such reform take place at the State level.

Mr. Barnum predicted that, in the 1973 legislative session, significant progress would be made in several populous States. He predicted the States of Ohio, Pennsylvania, Illinois, and California would enact no-fault motor vehicle insurance plans. Despite the optimism of Mr. Barnum, each of these States considered and rejected no-fault automobile insurance reform.

Meanwhile, the Senate Commerce Committee, by a bipartisan vote of 15–3, favorably reported S. 354, the bill now before the Senate. With the assurances that the Senate Judiciary Committee would actively consider S. 354, the sponsors of the measure agreed to have it referred to the Senate Judiciary Committee for consideration of matters ostensibly within the jurisdiction of that committee. Despite the fact that those persons publicly opposed to any Federal legislation on the Senate Judiciary Committee tried desperately to discredit the measure, a majority of the members of the Senate Judiciary Committee voted favorably to report S. 354. Again, there was a bipartisan vote in support of the measure.

To the credit of the Department of Transportation and Secretary Brinegar and Under Secretary Barnum, the Department undertook a review of the no-fault situation in anticipation of floor action on S. 354. After carefully reviewing the situation, the Department of Transportation prepared an options paper for the Office of Management and Budget and the White House. The paper recommended that the administration now support the very reasonable Federal standards approach set out in S. 354.

Curiously, during the State and Federal debates on no-fault automobile insurance reform, Mrs. Knauer, a former advocate of no-fault automobile insurance reform and a severe critic of the legal profession, was not heard from. She has still not been heard from.

Meanwhile, the opponents and proponents of S. 354, aware of the significant shift in the Department of Transportation's position, began intensive lobbying efforts within the Office of Management and Budget and the White House Domestic Council. Advocates of the status quo and defenders of a large segment of the insurance industry and the Association of Trial Lawyers of America were able to block the Department of Transportation's advocacy in support of S. 354. Because of the large divergencies of the Presidential advisers, Mr. Cole reported to the press the position of the administration would be finally formulated by the President himself.

The President reiterated his position that no-fault is "an idea whose time has come." This has become his standard reply to insurance matters at the Federal level, since in February he had used identical language in reference to his Federal standards legislation in the health insurance area.

The decision of the President was announced through communications to two different Senators from two different Presidential advisors. William E. Timmons responded to Senator HRUSKA's letter requesting the President to oppose S. 354. Mr. Timmons said,

> We strongly oppose any federal legislation in this area.

Mr. Ken Cole, Assistant to the President for Domestic Affairs, responded to Senator SCOTT's letter urging the President to support S. 354 by saying that,

> We will continue to oppose any federal no-fault legislation.

Mr. Cole went on to say,

> This decision was obviously a difficult one because of the merits both positions present.

In reaching this decision, the President has retreated significantly from his 1971 position where he threatened Federal action if the States did not, in a 2-year period, make significant progress toward no-fault automobile insurance reform. The President's latest position insists on State, not Federal, legislation. No longer is there the threat that the administration will support a Federal approach if the States do not act.

In my opinion, the President can no longer be considered a proponent of no-fault automobile insurance reform. While he continues to say that no-fault is an idea whose time has come, he does nothing to bring the idea to fruition.

In fact, the letter from William E. Timmons, the President's congressional representative, suggests that he will actively oppose meaningful no-fault. Nixonian no-fault appears to be "no no-fault."

Despite the support of S. 354 from a number of Republicans, including the minority leader and the minority whip, and particularly my colleague on the Senate Commerce Committee from Alaska (Mr. STEVENS), minions from the White House will in all likelihood be scurrying around this Chamber in an attempt to once again derail meaningful Federal no-fault automobile insurance reform.

I urge my colleagues to listen to those voices in the administration who have lived and worked with the issue of no-fault insurance reform for the past 6 years. I urge them to follow the leads of Secretary Brinegar and Under Secretary John Barnum rather than the uninformed views of the President's Hill lobbyists. I urge them to recognize the fault with Nixonian no-fault and support the reasonable Federal standards bill.

Mr. HRUSKA. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HUDDLESTON). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HRUSKA. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HRUSKA. Mr. President, today we start discussion and debate upon S. 354, which is commonly referred to as the National No-Fault Motor Vehicle Insurance Act.

I oppose S. 354. As a lawyer, I believe that the bill is unconstitutional. It forsakes the basic tenets of federalism on which our system of government is founded. As a consumer, I fear that the enactment of S. 354 would lead to increased costs for automobile insurance premiums; and as a Senator, I believe that the approach of S. 354 is extremely ill-advised, on the grounds of policy and actual practice.

Unfortunately, I fear that the discussion of S. 354 is confusing the issues. Quite simply, it appears that the proponents of this bill are boxing shadows. The debate on this bill reminds me of the story of Plato's cave. Plato told us about a man who lived in a cave who was reluctant and even afraid to leave that cavern. He would continuously keep a fire going and would never venture outside, because he thought there were mammoth wild beasts lurking out there. But what did he see as he remained in seclusion and in that self-imposed confinement? He saw there huge shadows dancing from the fire-light on the walls of the cave. To him, small animals appeared as giants. He confused the shadow with the real thing—and that, Mr. President, is what is happening here.

It is extremely important to determine what is and what is not at issue here. We are not discussing the virtues of no-fault automobile insurance over the tort system. That is not the overriding consideration. It is true that S. 354 proposes a no-fault insurance plan. But opposing this bill is not, and I repeat, is not—the same as opposing no-fault insurance. Indeed, there are many variations of no-fault insurance. Of the 21 States that already have adopted no-fault plans, only few States have the same type of plan. The record contains testimony to the effect that there are as many as 200 plans and variations of no-fault automobile insurance. Testimony to that effect came to us from the head of the insurance department of one of the great northwestern States.

There is testimony in the record, brought to us by representatives of the National Association of Insurance Commissioners, that that association authorized and executed a study and report on no-fault automobile insurance and that that study and survey and the report were founded upon the consideration of more than 100 different plans and variations of plans for no-fault automobile insurance.

What I am opposing—and what like-minded Senators are opposing, and what we ask our colleagues to consider opposing is the type of no-fault insurance that S. 354 adopts and the means by which the bill seems to bludgeon the States into following suit and adopting the Commerce Committee contrived, federally prescribed no-fault plan.

In other words, many of us do not like the idea that a single committee or committees of the Senate or the Senate itself will designate a particular plan of no-fault insurance out of the scores that are available and say somewhat regally and perhaps almost arrogantly to all the 50 States and to 211 million people, "This is the plan you must have and, if you do not adopt it and put into force this plan under force of the law of the State, we will impose it upon you." That is the overshadowing issue in the matter we debate today. So in the debate on this bill, Mr. President, I ask Senators not to equate S. 354 with the only concept of no-fault insurance. No-fault insurance is not monolithic; there are many different forms. Let us not confuse the shadow with the real thing, like Plato's caveman did. A vote against S. 354 is not a vote against no-fault insurance as a concept. Instead, a vote against S. 354 is a vote for Federalism, a vote to grant the States the opportunity to adopt a no-fault plan, if they wish, which is tailored to their own needs.

Mr. President, there are six basic reasons why the Senate should not adopt S. 354:

First and foremost, S. 354 is unconstitutional. Under the bill, if a State decides that it does not want the no-fault plan contemplated by title II, the State nevertheless will have a no-fault plan imposed on it by title III. Thus, the bill compels the States to create agencies and to staff and fund them to administer a Federal law, even if the States do not desire such a plan. In essence, S. 354 forces the States to become agents of the Federal Government.

Mr. President, few more powerful instruments for the centralization of the Government could be devised. Under such an approach, the Federal Government could sit here in Washington and dictate to the States to build superhighways with their own funds, to set up restaurants on interstate highways, and to perform a whole host of other functions all in the name of regulating interstate commerce. This is not cooperative federalism as envisioned by the Founding Fathers of our Nation. It is an approach that interferes with, indeed violates, the sovereignty of the States as manifested in the 10th amendment.

Second. S. 354 may jeopardize the citizen's right of recovery. Suppose a State refuses to adopt legislation under title II and to administer the Federal no-fault under title III. Or suppose title III of S. 354 were held unconstitutional. What would be the consequences? Quite simply, the citizen's right to recover or even pretected by coverage would be jeopardized. Because S. 354 by and large abolishes the tort remedy, and because the no-fault plan would not be implemented, a citizen could not recover under either tort or no-fault.

In this connection we should remember that litigation involving issues of this kind are usually quite protracted, taking them all the way from the inferior courts of either the State or Federal system and necessarily going to the highest authority in the land for ultimate resolution, and a long period of time would ensue before that final decision were made. If the decision were adverse to the contention that the bill is constitutional, it would be a decision that ad initio, from the very beginning, all that proceeds therefrom and under its auspices would not be final and the interim would be a period of uncertainty and great jeopardy to all citizens under its terms and conditions. In my mind, such a risk on such a massive scale in 50 States and involving over 200 million people is not worth taking.

Third. S. 354 violates the basic tenets of federalism as manifested in the McCarran-Ferguson Act. This Nation has been nurtured on the idea that the country will fare best if the States, which are closest to the people, are capable of responding to the needs of its citizens. However, S. 354 constitutes another attempt to rectify perceived problems by encroaching on the power of the State. It is an attempt to arrogate to the Federal Government another incident of power that has been traditionally retained by the States. Our citizens have fared well under the McCarran-Ferguson Act.

That act, continued in force and effect the rule that the world of insurance should be regulated and supervised by the individual several States. That has been the rule that has been followed in this country since the conception of the insurance system well over a century ago. Congress should not disturb its underlying, well-considered, well-advised policy, as it is embodied in the McCarran-Ferguson Act.

Fourth. S. 354 presents serious inequities. It will grant a tremendous windfall to truckers, rental vehicle owners and other commercial vehicle owners. And this windfall will be at the expense of the common consumer. Moreover, the bill discriminates against the rural States. Consumers in the rural States will have to pay higher premiums but premiums for urban consumers will not be increased as much.

Should we penalize those who want to live in those parts of the country which are more sparsely settled? I would say no, and those who oppose the bill say no.

A fifth reason why the bill is vulnerable and should not be approved is as follows: Testimony before the Senate Judiciary Committee revealed that S. 354 is antismall business and anticompetitive. One president of a small insurance company located in North Dakota said that the year of enactment of S. 354 could be the last year of his company's existence.

If it fails, it will fail for the reasons stated during the course of this debate. Mr. President, in the past, we have steadfastly rejected any bills that jeopardize small businesses—the mainstay of our economy—and that give some companies a competitive advantage over others. We should reject S. 354 for the same reason.

Sixth. The last and probably the crucial issue, at least to consumers, is that S. 354 will increase, not decrease costs of auto insurance to the consumer. The early promise of the pending bill, S. 354, was that it would cut costs. But, it does not. An analysis derived from the Milliman and Robertson report reveals that consumers in 44 States will experience an increase in costs. During the course of this debate, we will cite to other figures and tables that will prove that S. 354 will not lower costs.

It should be noted and it will be belabored later that the Milliman and Robertson report was a report on rates and the proposed fund for this insurance based on economical models that are built up in the computations that are engaged in by the drafters of the report, Milliman and Robertson, and those economical models are applied to New Jersey, Montana, Florida, Hawaii, and Alaska equally. Based as they are upon conjecture and upon supposition and upon the necessarily theoretical approach, it can hardly be accepted by the logical mind that economical models so contrived and so used can be of much value in determining what the future really holds for the consumer of automobile insurance, and that is the person who is most vitally interested in the debate and in the measure which is before the Senate at this time.

Mr. President, these are six basic reasons why we should reject the plan proposed in S. 354. Any one of the six reasons could stand by itself to justify rejection of S. 354. Taken together, they should illustrate how ill-advised and irreparable S. 354 really is.

Again, I want to say that there are a number of no-fault plans available to this Congress. The pending bill picked the wrong one; that is to say, a federally contrived no-fault plan which S. 354 seeks to forcibly impose on all the States. I believe it bears repeating that a vote against S. 354 is not a vote against the concept of no-fault insurance. It is a vote against a bill that will significantly increase costs to the consumer, that will interpose an interim of confusion and jeopardy to all drivers of automobiles, and a bill that is contrary to our system of government.

I urge my colleagues to consider carefully and reject S. 354 and to await the presentation of a legislative proposal that is more in keeping with traditional Federal initiatives and more responsive to the enlightened needs of the Nation.

Mr. President, at this point I offer for inclusion in the Record, and ask unanimous consent to have printed, a letter dated April 19, 1974 to Judiciary Chairman Eastland from Assistant Attorney General Robert Dixon, setting forth the view of the Department of Justice to the effect that S. 354 is based upon an extremely tenuous constitutional footing.

There being no objection, the letter was ordered to be printed in the Record, as follows:

April 19, 1974.

Hon. James O. Eastland,
Chairman, Committee on the Judiciary, U.S. Senate, Washington, D.C.

Dear Mr. Chairman: In response to the request of the Committee staff, we send this letter commenting on the constitutionality of S. 354, the bill which would establish a nationwide system for no-fault automobile insurance. According to its sponsors, the purpose of the bill is to provide virtually automatic payment of losses to almost all victims of automobile accidents, without proof that the injuries sustained were the result of another's misfeasance. In effect this means the substitution of what the insurance industry refers to as first party coverage (indemnification) for third party coverage (liability).

To this end, S. 354 would create uniform, nationwide, procedures governing the recovery of losses suffered as a result of motor vehicle accidents and would implement a system of no-fault insurance in all States. Title I of the bill imposes certain requirements on all automobile insurance systems. Title II permits a State to establish its own no-fault insurance plan provided it meets the national standards set forth in that title. All State laws, including State constitutional provisions, precluding the creation or administration of a no-fault plan are preempted. In the event a State fails to enact a suitable plan prior to the completion of its first regular legislative session commencing after the bill's enactment, Title III provides that an alternative no-fault system based upon the federal standards will go into effect in the State even if a State is opposed to the system. Further, the State would be required to supervise, operate, administer, and fund the no-fault plan, whether it voluntarily adopts its own plan under Title II or has the alternative plan imposed upon it under Title III. All regulatory activities involved in administrating the plan would be performed by State agencies and personnel subject to the approval of the Secretary of Transportation.

As a matter of constitutional law, it would appear that Congress, acting under the powers conferred by the Commerce Clause of the Constitution (Art. I, § 8), can enact a national, Federally directed and administered system of compensation for automobile injuries without constitutional impediment. See *United States* v. *South Eastern Underwriters Association,* 322 U.S. 533 (1944). Moreover, by virtue of the Supremacy Clause (Art. VI § 2), no State constitution or statute could interfere with the exercise of that direct power.

It is also clear that Congress can constitutionally enact an automobile reparations system that would encourage States to adopt conforming legislation. Courts have frequently sustained this approach, whether it takes the form of conditioning federal grant-in-aid on satisfactory State action, or as an alternative imposing direct Federal intervention and regulation in any State failing to adopt legislation satisfying federal standards. *Steward Machine Co.* v. *Davis,* 301 U.S. 548 (1936). For example, the conditional grant-in-aid approach was recently utilized with respect to securing State enforcement of the 55 M.P.H. speed limit.

None of these approaches is embodied in the regulatory scheme of S. 354. No sanction of federal withdrawal of funds is contained in the bill, nor are federal personnel assigned to implement or enforce a no-fault plan in the event a State either lacks the resources or refuses to cooperate.

On the other hand, several provisions of the bill require burdensome affirmative State actions to meet the federal standards imposed whether or not the State is operating under a Title II or Title III plan. For example, § 105 requires the State to establish and administer an assigned risk plan; § 105 (a), among other things, requires the State insurance commissioner to approve insurance company agreements and set favorable rates for the economically disadvantaged; § 108 requires a State to establish an assigned risk claims fund; and § 109 requires the State insurance commissioner to establish and maintain a program for the regular evaluation of medical and rehabilitation services.

While it is true that a few States which already have implemented state no-fault insurance plans along these lines would probably not be burdened appreciably by these requirements, it is also true, according to the record developed by the Commerce and Judiciary Committees in hearings on this issue, that imposition of these requirements would impose substantial burdens on the majority of the States and would necessitate not only the creation of several new agencies within each State, but also the appropriation of State funds to finance their operations.

It is these features of the bill and their practical effect upon the fundamental tenets of Federalism that give rise to issues concerning the bill's constitutionality. The specific question involves the authority of Congress to employ a regulatory scheme that requires the States to devote their funds and personnel, and to create agencies and facilities to administer a federal law, regardless of local feeling.

So far as we have been able to determine, the use of federal power in the manner envisaged by S. 354 and the concomitant intrusion into state control of its administrative structure and personnel is unprecedented. The materials generated and cited by proponents of the bill's constitutionality do not, in our view, support such a use of federal powers.

It is clear that Congress and the courts can require a State either not to violate a national standard or to take corrective action once a violation occurs. For example, in the reapportionment cases cited on page 12 of the majority report of the Judiciary Committee on S. 354, the courts, having determined that a State had violated the constitutional principle of "one man-one vote", accordingly ordered such practices to be rectified. Similarly, if Congress has set a limit on the amount of water which could be drawn from navigable waters and a State officer violated that standard, that officer could be required to take corrective action. *Sanitary District of Chicago* v. *United States,* 266 U.S. 405 (1925). It is equally well settled that States when acting in a proprietary capacity are subject to the same standards imposed by Congress on individual citizens of that State, *Maryland* v. *Wirtz,* 392 U.S. 183 (1968), and that if a State has existing and adequate agencies and personnel to undertake certain federal duties, Congress can authorize, and in some cases, compel the State to make those resources available for federal purposes. *Testa* v. *Katt,* 330 U.S. 386 (1947).

But these cases in our opinion are readily distinguishable from the thrust of the regulatory scheme involved in S. 354. It is one thing to say that a State cannot violate a federal law enacted pursuant to a valid grant of constitutional authority and quite another to hold that such a power can require burdensome affirmative conduct by a State to enforce a federal law, particularly where the State does not have an established administrative structure for dealing with such matters. A reading of the opinion in *Testa* v. *Katt* demonstrates the importance the Court placed upon the fact that the Rhode Island courts had jurisdiction adequate and appropriate under established local law to enforce the federal price control laws in issue. As noted above, most States do not now have the requisite administrative structure or implementing legislation to operate or enforce the regulatory program of S. 354.

Moreover, reliance on other legislation somewhat similar to S. 354 which has been passed by Congress does not provide support for the power of Congress to enact this bill. In this respect, primary resort for the purpose of establishing the bill's constitutionality is made to the Clean Air Act, 42 U.S.C. 1857. It is true that there is a certain resemblance between that Act's enforcement scheme and the enforcement pattern of S. 354. Nevertheless, as the minority report of the Judiciary Committee on S. 354 notes, a basic difference exists between that Act and the present bill. Under the Clean Air Act, the Administrator of the Environmental Protection Agency is authorized, in the event a State fails to discharge its responsibilities, to displace State enforcement and assume total federal control. At that point, enforcement would not involve State agencies, but only federal enforcement personnel. As indicated earlier, this approach of providing the alternative of ultimate federal control has traditionally been sanctioned by the courts. Under S. 354, there is no comparable provision for direct federal intervention.

In contrast to these arguments, courts have consistently recognized that the exercise of Congressional powers is limited by principles of Federalism. A steady illustration is the constitutional immunity vested in certain State institutions from Federal taxation. The Supreme Court, at an earlier stage convincingly held that the Constitution will not permit the taxing power to eviscerate State sovereignty. *McCullough* v. *Maryland,* 4 Wheat. 316, 431 (1819). In a broader sense, Justice Frankfurter, speaking for the Court in *Polish Alliance* v. *N.L.R.B.,* 322 U.S. 643 (1944), reaffirmed the limitations on federal power inherent in the concept of Federalism when he noted:

"The interpretations of modern society have not wiped out state lines. It is not for us to make inroads upon our federal system either by indifference to its maintenance or excessive regard for the unifying forces of modern technology. Scholastic reasoning may prove that no activity is isolated within the boundaries of a single State, but that cannot justify absorption of legislative power by the United States over every activity." 322 U.S. at 649–650.

Of course, Federalism never has been and never can be a matter of separating federal and state functions into water-tight compartments. Still, at their core the state and federal governments are viable and independent units and must remain so if federalism is not to be reduced to a formal shell. Because of the unprecedented nature of S. 354's intrusion into state control of its administrative structure and personnel, its taxing and spending priorities, and the involuntary nature of this intrusion, the bill, we fear, goes to the core of State independence in our federal system. S. 354 is not supported by limited past examples of "cooperative federalism", such as voluntary conditional grant-in-aid or tax offset devices, limited use of state courts in special situations, or the option of federal administration of a program if a state chooses not to assume the function.

Therefore, we believe the bill raises constitutional issues that strike at the traditional balance of our federal system. These novel and substantial constitutional questions cannot be overlooked.

Sincerely yours,
ROBERT G. DIXON, JR.,
Assistant Attorney General,
Office of Legal Counsel.

Mr. HRUSKA. Mr. President, in that connection, I should like to read brief excerpts from the opinion and the views that I have just referred to:

> As a matter of constitutional law, it would appear that Congress, acting under the powers conferred by the Commerce Clause of the Constitution (Art. I, § 8), can enact a national, Federally directed and administered system of compensation for automobile injuries without constitutional impediment. See *United States* v. *South Eastern Underwriters Association,* 322 U.S. 533 (1944). Moreover, by virtue of the Supremacy Clause (Art. VI § 2), no State constitution or statute could interfere with the exercise of that direct power.

Still quoting from the part of the opinion, I read:

> It is also clear that Congress can constitutionally enact an automobile reparations system that would encourage States to adopt conforming legislation. Courts have frequently sustained this approach, whether it takes the form of conditioning federal grant-in-aid on satisfactory State action, or as an alternative imposing direct Federal intervention and regulation in any State failing to adopt legislation satisfying federal standards. *Steward Machine Co.* v. *Davis,* 301 U.S. 548 was recently utilized with respect to securing State enforcement of the 55 M.P.H. speed limit.
>
> None of these approaches is embodied in the regulatory scheme of S. 354. No sanction of federal withdrawal of funds is contained in the bill, nor are federal personnel assigned to implement or enforce a no-fault plan in the event a State either lacks the resources or refuses to cooperate.
>
> On the other hand, several provisions of the bill require burdensome affirmative State actions to meet the federal standards imposed whether or not the State is operating under a Title II or Title III plan. For example, § 105 requires the State to establish and administer an assigned rick plan; § 105(a), among other things, requires the State insurance commissioner to approve insurance company agreements and set favorable rates for the economically disadvantaged; § 108 requires a State to establish an assigned risk claims fund; and § 109 requires the State insurance commissioner to establish and maintain a program for the regular evaluation of medical and rehabilitation services.

Then skipping a couple of paragraphs,

in order to shorten the reading of the futher excerpts of this opinion, we find this language:

> So far as we have been able to determine, the use of Federal power in the manner envisaged by S. 354 and the concomitant intrusion into state control of its administrative structure and personnel is unprecedented. The materials generated and cited by proponents of the bill's constitutionality do not, in our view, support such a use of federal powers.

Mr. President, I ask unanimous consent that the text of this particular opinion be printed at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit I.)

Mr. HRUSKA. Mr. President, in addition to and in accordance with the view of the Department of Justice, I ask unanimous consent to have printed in the RECORD a letter from Prof. Philip Kurland, of the University of Chicago School of Law. Professor Kurland is a renowned constitutional scholar, having served as a clerk on the Supreme Court of the United States during his formative legal years, and is currently a respected author and chief consultant, since 1967, to the Subcommittee on Separation of Powers, under the chairmanship of the distinguished senior Senator from North Carolina (Mr. ERVIN). I trust that Senators will be vitally interested in reviewing these opinions as the Senate proceeds to a consideration of S. 354.

I read from an except from a statement made by Professor Kurland:

> Federalism, the division of authority between the nation and the states, has been all but destroyed. The result has been that local problems demanding solutions adopted to local conditions have been turned over to the national government, which can only provide a uniform solution for all. Frequently that solution doesn't meet any of the local problems well, and sometimes it does no more than exacerbate them.
>
> I think it incumbent on the national legislature, nevertheless, to ask itself, before it assumes the task of writing nationwide no-fault legislation, whether this is an area in which a uniform, national rule is necessary or even desirable. I know of no evidence that supports the proposition that liability for automobile accidents is that kind of a subject-matter which ought to be removed from the control of the states—and the majority of the people within each state—in order to have the representatives of the majority of the nation impose a single rule on all.

Mr. President, it is obvious from the rest of his letter that Professor Kurland had in mind that conditions just are different in Tombstone, Ariz., from what they are in Hackensack, N.J. Certainly we can multiply the type of contrast furnished by that reference many times, and even more dramatically:

UNIVERSITY OF CHICAGO,
Chicago, Ill., April 4, 1974.

Senator ROMAN L. HRUSKA,
U.S. Senate, Committee on the Judiciary, Washington, D.C.

DEAR SENATOR HRUSKA: I write in response to your inquiry about S. 354. I do so without any claim to knowing whether the no-fault bill's substantive provisions are good, bad, or indifferent. I address myself rather to institutional aspects of our American constitutional system which, admittedly, have long been in the process of erosion at a price that we are just beginning to recognize as exorbitant.

There are constitutional principles and constitutional provisions. I address myself first to the former.

2. When the nation was founded and for many years thereafter, it was recognized that one of the basic safeguards against tyranny was the dispersal of power. This was planned by making the national government a government of limited, delegated authority as well as providing for a system of checks and balances that was intended to avoid the concentration of authority within any one branch of the national government itself.

Federalism, the division of authority between the nation and the states, has been all but destroyed. The result has been that local problems demanding solutions adapted to local conditions have been turned over to the national government, which can only provide a uniform solution for all. Frequently that solution doesn't meet any of the local problems well, and sometimes it does no more than exacerbate them.

I think it incumbent on the national legislature, nevertheless, to ask itself, before it assumes the task of writing nationwide no-fault legislation, whether this is an area in which a uniform national rule is necessary or even desirable. I know of no evidence that supports the proposition that liability for automobile accidents is that kind of a subject matter which ought to be removed from the control of the states and the majority of the people within each state in order to have the representatives of the majority of the nation impose a single rule on all.

I respectfully submit that if this is to be done in the area of no-fault insurance, there is no local subject matter, whether it be permitting a turn to be made on a red light or a charge for local garbage removal, that is not equally amenable to national legislation.

My point is that even if there were authority in the national legislature to act on this subject matter, it would be the better part of discretion for the Congress to abstain. We are badly in need of returning government to local control, not removing it simply because the national legislators think they know better than do local legislators what is best for the people of the local communities. That is a sort of mistaken paternalism that underlies too much legislation. This legislation, however, is not only undesirable, I think it is unconstitutional.

3. I have no question that Congress could constitutionally enact a uniform statute governing no-fault insurance applicable to the entire nation. The Commerce Clause is now a carte blanche to Congress to enact legislation, subject only to the limitations of the bill of rights. The proposal in question, however, goes beyond this power. It says, in effect, the states shall be free to impose their own laws which shall be controlling, unless those laws are inconsistent with Congress's ideas, in which event, Congress shall make the laws for the states.

This is, to me, a clear invasion of the local legislative power which has no precedent of which I am aware. It is true that Congress has conditioned the grants of moneys on state acquiescence to Congressional standards. And this was sustained by a long line of cases following *Massachusetts* v. *Mellon*. But it should be remembered that the rationale for the decision in *Massachusetts* v. *Mellon* was that the state need not accept the moneys and, therefore, need not abide the conditions ordained by Congress. This legislation, S. 354, gives no such alternative to the states. If they choose not to follow Congessional command, it will nevertheless be imposed upon them. If there is anything at all left of the constitutional concepts of federalism, this bill surely violates them.

* * * * *

With all best wishes,
As always,

PHILIP B. KURLAND.

Mr. WILLIAM L. SCOTT. Mr. President, will the Senator yield?

Mr. HRUSKA. I am happy to yield.

Mr. WILLIAM L. SCOTT. Mr. President, I should like to commend the distinguished Senator from Nebraska for the train of thought that he is expressing in the Senate. I am interested in the comments and quotations from the distinguished members of the bar and of the legal profession about the relationship between the State governments and the Federal Government, and the powers given to each of the levels of government. It does not seem to me that one has to be an expert on constitutional law to understand that. I think that every lawyer knows that the powers not delegated to the Federal Government belong to the States and to the people. Our Constitution provides that the police power resides in the States and not in the Federal Government.

It seems to me to be elementary that by our efforts to establish no-fault insurance, we are invading a field that has been expressly reserved to the States.

So I wish to commend in every way that I can the remarks of the distinguished Senator from Nebraska. What I am saying is that it should not be necessary for Senators to refer to these distinguished authorities. We ought to know this from our own educational background, without going any further. I hope that the Senate, in its wisdom, will see fit to leave this important right in the hands of the States.

My own State of Virginia has twice rejected the no-fault insurance program. The State Legislature of Virginia has rejected it. I think it would be unwise for me as a Member of the U.S. Senate to overrule by my vote what the Legislature of Virginia has done.

The Legislature of Virginia will have other opportunities to decide whether we want the so-called no-fault insurance program; but in my opinion it is up to the people of Virginia and of each of the other States to decide for themselves whether they want to enact such a law. As I understand the proposal before us pressure would be put on the States to make them have no-fault insurance whether they want it or not. To me it is up to each State and if they do not want it, the Federal Government should not force it upon them.

I thank the Senator from Nebraska for yielding.

Mr. HRUSKA. I thank the Senator from Virginia for these words of encouragement and for his concept that there are many no-fault insurance plans and variations thereof.

This bill has a broad, specific thrust as it comes from the Committee on Commerce. That is a fine committee. I respect it for its competence. It has done the best it can with a sorry subject. I say it is a sorry subject for this reason:

They have taken a broad design, a broad blueprint, and put it before the States, saying, elegantly, "This is what you are going to have to do; this is what you must do. If you do not adopt it, we will impose it upon you."

It might be that such a plan would be fine for the State of Michigan or the State of New York. But in the opinion of the Virginia Legislature—and it has had this plan before them to decide—such a program would not be acceptable. Is that the thrust of the Senator's statement?

Mr. WILLIAM L. SCOTT. Yes. Massachusetts has a no-fault insurance program. If the people of Massachusetts want it, that is all well and good for Massachusetts. But I do not think that the Senate should say to other States, "Massachusetts has it; therefore it must be good for other States." Let Virginia decide whether it wants it. That is where the power of the State lies.

Mr. HRUSKA. The State of Delaware has a program. It has worked well. We have a statement from the Commissioner of Insurance of Delaware. They are happy with their program. It has achieved good results within the State of Delaware, including the motorists of Delaware who venture across State lines, and including the people outside the State of Delaware who enter that State.

Mr. WILLIAM L. SCOTT. It is not true that under the heading "no-fault insurance" there is a wide spectrum of measures that could be adopted that do not bear any real relationship, one to another Some might provide compensation only for minor accidents of damaged automobiles, in which no personal injuries are involved. Others might provide limited compensation. Would it not be better under such conditions to allow the States to decide for themselves?

Mr. HRUSKA. Yes. The answer is yes. The National Association of Insurance Commissioners testified that they based their survey and report on hundreds of different plans and variations of no-fault insurance.

Mr. MOSS. Mr. President, will the Senator from Nebraska yield?

Mr. HRUSKA. I yield.

Mr. MOSS. Following the reasoning of the Senator from Virginia, who said that the State of Massachusetts had a no-fault program, but who said that he could see no reason why Virginia should have one, I simply wonder whether the Senator would recommend that on each of the Federal highways that are being built with Federal money in the various States we should not have signs reading, "We have no-fault insurance," but in Virginia signs reading, "This State does not have no-fault insurance because we do not want it here."

Or would the Senator prefer to have, rather, uniform insurance coverage, the same as we have uniform highways and uniform highway signs? Almost everything we do, we do on a national level.

Mr. WILLIAM L. SCOTT. I would respond to the distinguished Senator by saying we do not have a sign at the State line showing what the divorce laws are in the State of Massachusetts, the State of Nebraska, or the State of Virginia, though we have different divorce laws in each of these States.

While we must have the roads in one State join the roads from another State, and we have such necessary joining of highways from State to State, it does not mean we should abolish our State governments.

If we keep enacting measures in fields reserved for the States, as we have been, why have a State government at all? Why not just let the Federal Government take care of everything?

Mr. MOSS. Has the Senator read the bill before us?

Mr. WILLIAM L. SCOTT. I have read excerpts and am generally familiar with it. I have not read the bill in its entirety. But I do know that the State Legislature of Virginia has twice had no-fault insurance bills before it, and has twice rejected them.

What I am saying is that I, as a representative of the people of Virginia, should not tell Virginia, "You must have no-fault insurance," when the State Legislature has twice rejected it on behalf of the people of Virginia.

Mr. MOSS. If the Senator had read the bill, I am sure he would not make the statement that the States are moved out of it and the Federal Government is going to have everything to do with the insurance field. The very purpose of the bill is to say that the States shall have the responsibility of administering their own insurance laws, including automobile insurance. All it does is say there will be a standard of benefits at the no-fault level.

Mr. WILLIAM L. SCOTT. Since the Senator is familiar with the contents of the bill, is it not true that the bill provides that if States do not do what the measure says they should do, Federal provisions will become effective, thus providing a leverage over the States to make them have no-fault insurance whether they want it or not?

Mr. MOSS. That is true; the minimum standards go into effect if the State refuses to act. But even with the minimum standards in force, the State operates it. There is no prerogative of the Federal Government to operate State insurance programs of the State of Utah, the State of Virginia, or the State of Nebraska.

Mr. WILLIAM L. SCOTT. Mr. President, while I have the highest regard for the Senator from Utah and for his committee, we do have a difference of opinion on this measure.

Mr. HRUSKA. Mr. President, at the outset of my remarks I referred to the man who lived in the cave, as told in the story by Plato. He built a fire at the mouth of that cave to keep out the savage beasts roaming over the face of the Earth. He did not wish to expose himself to whatever ravages might be involved on his body and his person.

As he sat in the cave, images of little animals near the fire cast their shadows on the walls of that cave.

We heard, in a question propounded by the Senator from Utah, a description of one of those shadows when he asked the question, "Shall the modern motorist, when he crosses from the State of Utah into the State of Idaho, be confronted with a sign saying, You are now entering a State that does not have no-fault insurance; you do not know whether you are afoot or on horseback. There will be great confusion, and motorists will not understand whether they are under no fault or not, or whether the consequences are good or bad.

Mr. President, this is not the first time the insurance world has been faced with something like this. The policy carried on the car that is driven in my family was issued in the State of Nebraska. The car is used there from time to time. When the policy was renewed, no too long ago, it bore the endorsement that is borne on virtually all automobile insurance policies that are issued today; to wit, that in whatever State that automobile travels that has a no-fault insurance law, the provisions of the policy will cover any obligations that the driver of that car may experience within a no-fault State.

The testimony in the Record is further to the effect, Mr. President, that when a motorist whose car is licensed in a no-fault State, he crosses a State boundary and goes into a State that is still under tort law, any obligations imposed upon him as a result of his operation within the tort action State will be covered, and he will be amply protected by the provisions of that policy.

So that contingency, that bugaboo, that shadow on the cave wall, Mr. President, is one of the shadows that we should disregard, and thrust it behind us. We are going to have it raised from time to time during this discussion, but let me, for the elucidation on the subject that it will afford, ask unanimous consent to have printed in the Record at this point the text of an out-of-State insurance endorsement, which is the endorsement the substance of which I have described in these brief remarks.

There being no objection, the endorsement was ordered to be printed in the Record, as follows:

Automobile Out-of-State Insurance Endorsement

It is agreed that, subject to all the provisions of the policy except where modified herein, the following provision is added:

If, under the provisions of the motor vehicle financial responsibility law or the motor vehicle compulsory insurance law or any similar law of any state or province, a non-resident is required to maintain insurance with respect to the operation or use of a motor vehicle in such state or province and such insurance requirements are greater than the insurance provided by the policy, the limits of the company's liability and the kinds of coverage afforded by the policy shall be as set forth in such law, in lieu of the insurance otherwise provided by the policy, but only to the extent required by such law and only with respect to the operation or use of a motor vehicle in such state or province; provided that the insurance under this provision shall be reduced to the extent that there is other valid and collectible insurance under this or any other motor vehicle insurance policy. In no event shall any person be entitled to receive duplicate payments for the same elements of loss.

Instruction

This endorsement must be attached to—or its provisions made a part of (by overprinting upon or incorporation into)—all Policies which afford Motor Vehicle Liability Insurance.

Mr. HRUSKA. That problem will be taken care of and is being taken care of today, so that as far as the cry for uniformity is concerned, it is being provided by that body economic and that body commercial in character known as the insurance industry.

They have met other issues of this kind. They have dealt with problems, and examples of that will be elucidated. They will be amplified as the debate proceeds.

For example, the problems of insolvency among automobile insurance companies has been solved and treated favorably, successfully, and effectively without a national law.

Another problem that seemed to appear—and it, too, was a shadow on the cave wall—was in connection with the qualification of alien excess coverage insurers. That seemed to be a problem, but it was dealt with. How? By a national law. Not at all. It was dealt with by the insurance companies and by the States, by regulating and supervising insurance, the insurance industry in the 50 States and the territories that are involved.

So, as we proceed with this discussion, Mr. President, I do believe that when we start classifying these shadows cast upon the wall as being for real or being merely shadows, we will find that there will be good ground for this body to reject the idea of a Federal no-fault insurance law, thrusting the Federal Government for the first time into this type of area, the insurance business. I say that not out of deference nor out of solicitude for the insurance industry, Mr. President, but out of deference to and consideration for the needs and the requirements and the best interests of the consumer, to wit, the insured automobile owner and driver.

So that is what the debate is about, and I look forward to further exchanges with the Senator from Utah on this or any other point in the debate, as well as with other Senators.

Mr. MOSS. Mr. President, I have listened with great interest to the remarks made by the distinguished Senator from Nebraska (Mr. HRUSKA) and also the distinguished Senator from Virginia (Mr. WILLIAM L. SCOTT), concerning the pending bill and their concern that in some way or other the States would be preempted and excluded from the field of insurance regulation within their States.

The opponents suggest that S. 354 will provoke confrontations between State and Federal authorities because State insurance regulatory officials either could not or would not implement a no-fault program which had gone into effect in their States pursuant to provisions of S. 354, particularly the alternative State no-fault plan which would come into effect pursuant to Title III.

To the extent that this argument has any weight at all, it would only be applicable to those States which did not voluntarily adopt a plan of no-fault motor vehicle insurance in compliance with title II of S. 354. Given the very substantial incentives which all States, and concerned private interests, will have to adopt the relatively moderate standards of title II, title III is likely to take effect in only a very few States, if any. But even in those few title III States, there seems to us no basis for the charge that implementation of the bill would force dramatic confrontations between State and Federal authority, and that the result would be chaos in the administration of the automobile accident reparation system.

In the first place, no legal impediments would prevent the State insurance commissioners from undertaking regulatory duties ascribed to them under title III. The State law would be superseded by the Federal law under the express provision in section 201(a) of S. 354.

Furthermore, none of the State constitutional provisions alleged to be in conflict with S. 354 would in fact act as an impediment to implementing the insurance regulatory aspects of a title III no-fault program. The State constitutional provisions that are cited as creating a supposed constitutional dilemma relate solely to a change in the State tort law, as it is applied in State courts in the conduct of accident litigation. Whatever response State courts register in response to tort suits initiated after enactment of S. 354, insurance commissioners will in no way be barred from discharging their particular regulatory responsibilities under State insurance laws.

State insurance commissioners can and do implement Federal policy in the insurance area. Thus, regulation of a title III program by a State insurance commissioner would promote no more confrontation than is presently promoted when State insurance commissioners implement Federal policy in other insurance areas. For example, no Federal-State confrontation has resulted between the State insurance departments and the Federal Cost of Living Council when a comprehensive set of Federal regulations is entrusted to State insurance commissioners for their certification as to compliance with the Federal procedures. Some of the Federal criteria for measuring the appropriateness of rate changes differ substantially from those normally considered in the administration of State ratesetting laws. Nevertheless, this joint Federal-State implementation machinery does work harmoniously.

The framework of S. 354 was created by a State organization. The technical basis for S. 354 is the Uniform Motor Vehicle Accident Reparations Act—hereinafter UMVARA—which has promulgated in August 1972 by the National Conference of Commissioners on Uniform State Laws, an organization of State government officials named pursuant to the laws of each of the 50 States to promote uniform laws in areas of common concern, rather than to think there would not be impingement upon the overriding of the States. Indeed, the impetus for this proposed law we are now discussing has come largely from the States. The drafting work has been done by the National Conference of Commissioners on Uniform State Laws and that is where we get nearly all the language in the bill.

The Senator also worried about the constitutionality of the bill. Again, there was comment about that. I read from an opinion written by the Justice Department, because there was this question of constitutionality raised. Of course the bill was referred to the Committee on the Judiciary after the Commerce Committee had completed its work on the bill. The Judiciary Committee considered the bill at length and heard witnesses and then by majority vote of the committee reported the bill back to the Senate recommending its passage.

In the report of the Committee on the Judiciary, on which the distinguished Senator from Nebraska is a ranking member, the following matter was presented to the Senate on constitutionality. The Committee on the Judiciary said that—

> We agree with the opinion of former Solicitor General Erwin N. Griswold, a witness before the Committee, that the bill is constitutional "both overall and with respect to each of its provisions."
>
> The Constitution permits legislative substitution of the right to recover first-party benefits for the right to sue in tort for damages. *New York Central Railroad Company* v. *White*, 243 U.S. 188 (1917) (workman's compensation laws).
>
> S. 354 does not violate the Equal Protection Clause of the Constitution by restricting the right to sue in tort to cases involving serious and permanent injury or death (or more than six months of total incapacity to work in one's occupation). The Supreme Court has made clear that legislation establishing rational classifications is not in violation of the Equal Protection Clause. *Dandridge* v. *Williams*, 397 U.S. 471 (1970) (maximum limit set by a State on welfare benefits).
>
> Finally, we believe that the limited extent to which S. 354 compels States to take affirmative action in the administration of national no-fault standards is well within constitutional boundaries. The Supreme Court has many times confirmed that, under the Necessary and Proper Clause, the Federal Government may compel States to take action, when such approach is appropriate to achievement of a proper Federal legislative objective. See, *Sanitary District of Chicago* v. *United States*, 266 U.S. 405 (1925); *Board of Trustees of the University of Illinois*, 289 U.S. 48 (1933); *Parden* v. *Terminal Railway of the Alabama State Docks Dept.*, 277 U.S. 184 (1964); *Petty* v. *Tennessee Missouri Bridge Comm'n*, 359 U.S. 275 (1959); *United States* v. *California*, 297 U.S. 175 (1936); and *Maryland* v. *Wirtz*, 392 U.S. 183 (1968).
>
> We believe that the creation of a national no-fault system under State administration is an eminently proper objective. Congress has used this approach in the past, most recently in the Clean Air Act. That Act, as Dean Griswold explained, "is a far more thoroughgoing imposition of mandatory requirements on the states than is S. 354." S. 354, though it does not go nearly so far as the Clean Air Act in imposing mandatory responsibilities on State governments, is based on the same moderate approach to meshing a vital national objective with a tradition of predominant State administrative authority.

In this case, the Federal objective is to establish within the United States and within our mobile population, so dependent on the automobile, a standard of recovery to help a person suffering injury from an automobile accident or collision to be reimbursed for his necessary medical expenses forthwith, to be promptly reimbursed and not have to go through the lengthy proceeding of trying to determine who was at fault because of that accident, in which case, if it gets into litigation sometimes stretches out for a matter of 1 or 2 or even 5 years, so that a person of limited means oftentimes cannot wait to pay his obligation for medical care even though he is totally innocent of any fault. That is the reason so many cases are settled at a figure far less than the damage incurred by that person through injury, loss of work, and loss of services.

Consequently, the Federal objective is clear and the necessity for it, because of our interrelation of ombility of States, as we were discussing earlier with the Senator from Virginia, and the fact that the Federal Government has financed and put into effect a great network of interstate highways just so that people could more readily travel back and forth.

That has increased with the mobility of the population and the increased exposure to injury as a result of an automobile accident at a place far from home.

For that reason, there is every basis for the Federal Government to say that it is necessary we have certain minimum standards in this area.

Everyone seems to be for the proposition. I have quoted the President again and again saying that no-fault's time has come, except we drop back to the question of whether we will sit around waiting for the States individually to do it or whether we are going to set a Federal standard and say that the States will institute at least this minimum standard that may go higher if they want to—but at least this minimum standard. If we do that, we can get into effect the no-fault reform we are talking about.

We have waited about 6 years. We have had deadlines set upon the States, saying that if in their next set of legislative sessions they do not do it, we will have a Federal program. The administration has threatened that before. But when it comes down to it, the kind of lobbying pressures we have been talking about on this floor have been successful in many, many State legislatures in choking off and defeating the efforts to get no-fault there.

It may be recalled that on April 2 of this year, I called to the attention of my colleagues the most recent and unique lobbying technique against national no-fault automobile insurance legislation. This technique consisted of telegrams opposing the no-fault legislation from 31 individuals in the Baltimore-Washington area to each of the 100 Senators. Although the message varied somewhat, all of them consisted of a series of pithy, two line, blanket allegations about the supposedly disastrous effects which would result from enactment of national no-fault legislation; no factual information backed up the allegations. Moreover, there was no indication that any of the signatories were parties at interest to the legislation or that they were anything more than concerned citizens.

I posed the question, why should 31 seemingly unrelated individuals from this area decide simultaneously to invest their time, energy and perhaps their own money to wire distant Senators, as well as their own, about no-fault? In answer, I pointed out that a little research had revealed that each of these individuals was an attorney and that it cost each sender $200 for his set of one telegram to each Senator. However, I now find that I was wrong in concluding that this research had "revealed all" for in fact, a little more research has revealed a great deal more.

I have now determined that these 31 sets of 100 telegrams were sent by a single individual, Mr. Jack Olender, and that this individual is secretary to the Maryland-Washington district representative of the Association of Trial Lawyers of America. Thus, there is reason to believe that all of the individuals who were signatories to the telegrams are members of the Association of Trial Lawyers. However, Mr. Olender has refused to discuss, or to allow his secretary to discuss, whether or how permission was obtained from these individuals for the use of their names, or who paid for the telegrams. Incidentally, I have also determined that the cost of each set of 100 telegrams is $80 and not $200 as I originally thought.

Mr. President, I also want to warn my colleagues that they can expect a lot more of this type of activity as the debate on S. 354 proceeds. I have learned that more than 10,000 mailgrams have already been sent by the Trial Lawyers Association of America concerning this legislation. In addition, I have learned that a special no-fault operator has been designated in each of Western Union's three central telephone bureaus to take telephone orders to send an anti-no-fault message, composed and filed by the Trial Lawyers Association to nine specific Senators and the President of the United States. The nine Senators were also designated by the trial lawyers. The cost per telegram is $2 each, or $20 for the 10, which is billed to the sender's telephone.

Mr. President, the Trial Lawyers Association or any other group or individual has every right to oppose any legislation pending before the Senate, and to express their opinion and any factual basis therefor to any individual Senator. However, I believe that these new techniques employing electronic technology to disguise a highly organized lobbying effort by an affected interest group which is disguised as a groundswell of opinion from ordinary citizens is questionable. I do not believe that Senators want to be misled in this manner and I hope that my colleagues will evaluate any last minute flood of opposition to S. 354 in the form of telegrams or other media in the context of the facts I have set forth.

Mr. President, the reason why there is great need for this bill is that the premiums paid in for automobile insurance now are approximately $16 billion a year in the United States. Of that $16 billion in premiums paid in, only $8 billion or a little less than $8 billion is returned to claimants who have been injured in some way and seek recovery under their insurance. Someplace or other, $8 billion has evaporated, and one of the places much of it has gone is in the trial of tort suits in all the jurisdictions of our State courts in the United States.

Of course, the trial lawyers do have a personal interest. After all, those who represent tort claimants and those who represent the defendants make some of their income, some of their living, in this manner; and I suppose it is natural that for that reason they would not want to see the system changed. But the viewpoint that has to be taken by this body and this Congress is what is in the general interest of the American public. What does the consumer get? What is he entitled to get for his premium?

After a long and monumental study by the Department of Transportation, which was financed by Congress, and after studies by actuaries, it has been determined that the best way to reach the problem here is to have a uniform no-fault system of insurance, removed from the field of litigation and tort law, that is administered with quick payment of benefits to those who are injured, to take care of the immediate problem.

What we have determined in writing the legislation is that, yes, there are areas above this restoration to health and well being and ability to work where, because of tort liability, perhaps there should be litigation to determine who has a further obligation than can be satisfied by general no-fault. Therefore, the right to sue is not taken away. It is simply limited to that first area of restoration of a person's health and well-being; beyond that, the tort law, whatever it is in the States, would prevail.

Moreover, it will be observed that the bill deals only with bodily injury and loss of ability to work in the personal field. It does not touch the property damage that may occur from automobile collisions. The States may deal with that as they wish, and many of them may want to put that under no-fault, also. I think that would be a fine idea. But there is no mandate in this bill that that be done. If the States wish to leave property damage under some system other than no-fault that is not precluded in any way by the proposed legislation.

Finally, this is an effort to secure real improvement that everyone says we need, to get it quickly and with some degree of uniformity—at least, a uniform floor—and to leave intact the powers and functions of the States. There will be no Federal supervision of rates or regulations of court procedures or anything of this sort. That remains with the States. Virtually all bodily injury, anyway, comes within the State court jurisdiction, and it is therefore the States that are involved firsthand with this.

Mr. President, the Senator from Virginia wondered why he could vote for this measure when his State legislature might have taken another way. I say to the Senator from Virginia that he was elected by the people of Virginia, elected to come to the U.S. Senate and to consider on a national basis legislation of benefit to the whole country and all the 50 States. If in considering this matter he considers it to be in the interest of all States, and not just his own, certainly he should not be concerned with respect to what some of his fellow legislators determined for the one State of Virginia. I see no violence in that. So I urge strongly the Senate to proceed to the passage of this bill. I think with the action of the House we likely will be able to finish our work and have on the books a no-fault automobile injury insurance bill which not only will give the people security and immediate restoration, but also cost them less in premiums paid. The work that has been done by the actuaries, and the names of the firms have been placed in the RECORD, shows that every State in the Union would be able to reduce its premiums, some much more than others, but every State, rural States and urban States alike will be able to reduce premiums.

The Senator from Nebraska worried a little about whether the rural States would profit as much as the urban States, but all States would get some benefit. All premiums would go down. For that reason I strongly urge that the bill be passed.

Mr. President, before yielding the floor, earlier I asked unanimous consent for staff members to be on the floor. At this time I ask unanimous consent that the name of John Kirtland be added to that list.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Nebraska is recognized.

Mr. HRUSKA. Mr. President, it would appear from the remarks so far on the pending measure that there is an auspicious beginning for a very wide scope of discussion and debate. The points made here for and against the bill are many; they are meaningful, very important, and they are vital. It is not my purpose today to comment on the several ideas and aspects of the debate that have been raised this afternoon, but I would like to touch on one, two, or three of them in order that there may be some sense of balance, an appearance of balance, and the existence of balance in the discussion which occurs today.

First of all, there will be attempts, there will be further attempts to allay the fears of the States and the people of the States and the Members of this body as to a possible preemption of the present powers of the States over the field of insurance. It is alleged that the proposed bill will leave intact in the States the powers of regulation and the powers of responsibility of the States in the field of automobile insurance.

Mr. President, I am here to state deliberately and categorically it is not a fear of presumption; it is an actual, built-in necessary preemption, an inevitable preemption of the powers of the States of supervising and regulating insurance on automobiles that exists in the bill.

The reason is easy to perceive. There is not a single State of the 50 States of the Union today that has a program that will qualify under title II or title III of the pending bill. That means there will be wiped out of existence every one of the no-fault automobile insurance State laws that are on the statute books of the 21 States that have such a plan now.

If I understand the meaning of preemption, that is what preemption is: Where the Federal Government will come along and say, "Whatever the States have done in this field, we hold for naught, we nullify, and we put in the place thereof this particular statutory measure, to wit, title III of the bill."

So it is not a fear of what might happen; there is built into the bill a necessarily inevitable and inescapable actual preemption of the States' powers and responsibilities in this field.

Arguments will be made and repeated on this floor from time to time, "Oh, but the commissioners on uniform insurance have come along and blessed this idea of a no-fault plan." Indeed, they have, but I wish to give two or three caveats in that regard.

First, a Commissioner of Uniformity for State Law uttered such a report and published it for the purpose of States adopting that type of law for the field of automobile insurance within their respective boundaries, and nowhere in that report or in the deliberations was there any pretext that it would form the basis of the Federal Government getting into the business of automobile insurance, whether it is no-fault or any other kind of automobile insurance.

I wish to carry the suggestion a litle further. When we had before us the president of the American Bar Association, testifying before the Committee on the Judiciary, he was asked what action, if any, did the American Bar Association take with reference to the report of the Commissioners on Uniform State Laws. His answer was in substance that the American Bar Association refused to endorse, they refused to adopt the report of the Commissioners on Uniform State Laws. He said, in fact, affirmatively they disapproved it on the ground that the Commissioners on Uniform State Laws have for their objective, they have for their mission, the taking of a body of law that has arisen in the several States on a given subject. And there are differences in the several States on a particular subject. For example, there is the subject of contract law, the subject of the conflict of laws, the subject of tort liability, the subject of negotiable instruments. Every State has laws on subjects such as those.

It was in an effort to get as uniform a law among all the States as possible that the Commission on Uniform State Laws was created. Mr. Chesterfield Smith, president of the American Bar Association, has said that is not true in the case of automobile insurance coverage, because there is no law developed in the United States on the subject of no-fault insurance that is worthy of such precedential value as to enable the Commissioners on Uniform State Laws to go in and resolve those differences and try to evolve a plan.

The oldest of these plans is only 3 or 4 years old, at the very most, and that is all there is. For this reason, the American Bar Association disregarded and refused to endorse the report of the Commissioners on Uniform State Laws on the idea of no-fault insurance.

Again I refer to one other point made by the Senator from Nebraska earlier this afternoon: To disavow or to approve the concept of no-fault insurance does not mean we are for or against no-fault insurance. That is not the point at issue in this Chamber. The point at issue in this Chamber—the overriding issue—is whether there shall be Federal no-fault insurance. That is where the issue is. It is in that context that we shall get into this discussion in the ensuing days.

There will be further pleas for uniformity, and I ask this very simple question: Does it not make sense that where there are different conditions prevailing in a given field, there must be different treatment in each of those fields? Otherwise we will have uniformity as to a statute, but we will have nonuniformity as to its application in the several States where conditions differ widely and where the well-being of the automobile owner and driver is at stake. That obsession with uniformity in the one field and the necessary consequence thereof of its nonuniformity of action upon drivers the Nation over is something we will have to reconcile during the consideration of this measure.

I recall, in the brief discussion we had on this bill a year and a half or 2 years ago, repeatedly we had discussion of the President's saying the no-fault idea is an idea whose time had come. Of course that is what he said. He said that, but he also said, Mr. President, that the time has not come, and it is not proper, for a nationalized Federal no-fault automobile insurance system.

So let us get the whole story into the mill. Let us get all these factors out and consider them in that light.

One final point, and I shall yield the floor. References have been and will be made to lobbying. Lobbying is not per se bad. It is the exercise of a proper and legal objective. It is bottomed on the right of petition contained in the Bill of Rights. Lobbying can be abused, and frequently is. Reference has been made to tremendous pressures, not only here, but in other discussions of the subject, and that brought to bear upon State legislatures, and perhaps here in this Congress.

Mr. President, let me suggest that there is lobbying on this bill. There is lobbying on both sides of the issue. It is not confined to the trial lawyers of America. It is not confined on either side to insurance companies. It is not confined to only one type of legislation or another. Among those who advocate the no-fault insurance bill are some of the largest insurance companies in the business. They are for it, and, of course, they are lobbying for it. They appeared before our committee and before the Committee on Commerce and they testified for it. And they since have lobbied in favor of the bill. There were some insurance companies, also—giant in size—who opposed it. So when we speak of lobbying, when we speak of pressure, by those who want and do not want this type of legislation, let me suggest that there are two sides to the scale—there are those who lobby against the bill and there are those who lobby for it.

Again, in order to get the complete picture, let us get all the facts and consider them in their totality.

Mr. President, with those remarks, I yield the floor.

Mr. MOSS. Mr. President, I agree with my colleague, of course, and I tried to say, in the few remarks I made, that there is nothing wrong with lobbying. As a matter of fact, it is expected, and every person has his right to his viewpoint and to try to communicate to Senators and Congressmen his point of view. I was trying to point out that it was done under a cover, to make it seem as though it came from a different source and a different group, when, as a matter of fact, it was controlled by one person and one group, and therefore there was a concealment of the source of the lobbying.

I agree that there will be lobbying both for and against, and I certainly will not object to that, except to try to bring the facts into the open, so persons will know whence the lobbying effort comes.

I appreciate what has been said by my colleague from Nebraska. He has made an eloquent argument against various phases of the bill or the thrust of the bill. I would like, however, to underline and call to the attention of my colleagues the report that was made by the Senate Committee on the Judiciary, when a majority of the committee voted to report the bill to the Senate. The arguments made by the Senator from Nebraska, I think, are all dealt with rather tersely and sharply in the report, and therefore I would hope that my colleagues, in picking up the Record in the morning and before we begin our discussion tomorrow on the bill, will read the report of the Judiciary Committee, at least those parts which were discussed today, because I think the answers are very well written in that report.

Mr. President, the senior Senator from Minnesota (Mr. Mondale) has prepared an amendment to S. 354, together with some remarks. I ask unanimous consent that the statement of the Senator from Minnesota (Mr. Mondale) be printed in the Record, and that the amendment offered by him—which I now offer on his behalf—be printed in the Record, so that it will be known to Senators when the matter comes up, probably tomorrow.

The PRESIDING OFFICER. The amendment will be received, printed, and lie on the table, and, without objection, the statement and amendment will be printed in the Record.

The statement and amendment are as follows:

Statement by Senator Mondale

Mr. President, I introduce for consideration an amendment to S. 354, the National No-Fault Motor Vehicle Insurance Act.

This amendment would further insure that the benefits of no-fault insurance would be available to the consumer at the lowest possible cost. The amendment would permit health insurers a role in the new nationwide auto insurance systems if they can provide no-fault benefits for allowable expense losses at a lower cost to the consumer than auto insurers can. Not only the consumer, but the free enterprise system of insurance, will benefit because the amendment will foster competition in the insurance industry. It is consistent with the overall philosophy of this legislation which is to provide protection to the American motorist at the lowest possible cost in his role as a consumer of auto insurance and in his possible future role as a victim in an automobile accident.

The amendment provides, as a national standard, that the obligation of a motor vehicle owner to purchase no-fault insurance can be satisfied, if certain conditions are met, in an alternative way with respect to the allowable expense portion of the no-fault package. (Allowable expense benefits are those for professional medical treatment and care; emergency health services; medical and vocational rehabilitation services; and funeral expenses in case of death.) Subject to certain conditions, the owner can satisfy the requirement to provide allowable expense protection by having a group health insurance policy provide the allowable expense benefits.

The non-auto insurer *must*, like the auto insurer, pay all reasonable medical and rehabilitation and other allowable expenses without limitation; *must* subject itself to the same responsibilities under the law such as the obligation under section 111(d) to "promptly refer each victim to whom . . . benefits are expected to be payable for more than two months to the State vocational rehabilitation agency"; and *must* share, on an equitable basis, in the financial burdens and costs of operation of the plans which national standards require for the hard-to-place risk and the victim of an uninsured motorist. Unless all categories of insurance companies are on the same footing, there can be no meaningful competition. In addition, this arrangement or option can only apply if the benefit source other than no-fault insurance is true group insurance, as defined, because this is the only area in which these savings to the consumer are at all likely and only where the members of the group are first notified of this arrangement and hopefully advised on what steps to take to make sure that their auto insurance premiums are reduced accordingly.

Finally, this arrangement, like all others in S. 354, *must* be subject to and approved by the State insurance commissioner of the applicable State on the basis of hearings and a finding by him that it "will result in economic benefits greater than those which would result" from the national standard on coordination between auto and health insurance to avoid duplication and produce cost savings (section 204(f)). The conditions or prerequisites to the applicability of this option are designed to assure that both health and auto insurers will be, in fairness, on the same basis so far as the obligations and responsibilities are concerned and to assure that the consumer will be protected such that the savings will be real rather than illusory.

I have heard a great many arguments from different interested parties with respect to this issue, and I frankly do not know whether or not the consumer will save if health insurance is made "primary," but I think that it is fair to permit the health insurers to participate on an equal footing if they can save consumers money without lessening the protection of the buyer of insurance and the victim of highway accidents.

Amendment No. 1197

On Page 109, between lines 17 and 18, insert the following new subsection:

"(c) Allowable Expense Deduction Option—

Benefits or advantages that an individual receives or is entitled to receive for allowable expense from a source other than no-fault insurance shall be subtracted from loss in calculating net loss for allowable expense where—

"(1) such source other than no-fault insurance provides or is obligated to provide such benefits or advantages for allowable expense, as defined in section 103(2) of this Act, without any limitation as to the total amount of such benefits or advantages obligated to be provided.

"(2) such benefits or advantages are provided by such source other than no-fault insurance on terms and conditions which comply wholly with the provisions of sections 103(6), (7), and (16), 109(c), and (d), and 111(d) of this Act and subject to all authority set forth therein;

"(3) such source other than no-fault insurance is required by the applicable State no-fault plan for motor vehicle insurance in accordance with this Act to share, on an equitable basis, in the financial burdens and costs of operation of plans established pursuant to sections 105 and 108 of this Act;

"(4) such benefits or advantages are provided by such source other than no-fault insurance through group insurance where the individuals who are likely to be the beneficiaries under such group insurance have received notice that there will be such subtraction; and

"(5) the commissioner finds that such subtraction will result in economic benefits greater than those which would result from coordination pursuant to section 204(f) of this Act, on the basis of a hearing in which interested parties present competent evidence.

The commissioner shall promulgate rules to assure that the economic benefits found under paragraph (5) of this subsection are realized. As used in this subsection (A), 'group insurance' means any plan of insurance offered or provided to members of a group not organized solely for the purpose of obtaining insurance, under the terms of a master policy or operating agreement between an insurer and the group sponsor, and incorporating group average rating, guaranteed issue with or without minimum eligibility requirements, group experience rating, employer contributions, and any other benefit to the members as insureds that they may be unable to obtain in the ordinary channels of insurance marketing on an individual basis; and (B) 'group sponsor' means the employer or other representative entity of an employment-based group. Sections 103(10), (11), and (12) of this Act are inapplicable with respect to such definitions.

Mr. MOSS. Mr. President, we have had a good discussion today, but it is obvious that we cannot continue very much further. We have some amendments that are coming up in which Senators preparing the amendments are not present to bring them before the Senate today.

Therefore, I am prepared at this time to yield the floor, with the statement that it is hoped by the managers of the bill and the Commerce Committee, and I assume the Judiciary Committee, that within the next day or two we can proceed with the bill and vote on it up or down. I do not expect any delay on the bill. I think we will have sharp debate and very reasonable discussion on it, but I would expect it to move now, and I would like to say to my colleagues that I would hope that those who have amendments will bring them to the floor tomorrow so that we can deal with those amendments and can approve or reject them, as is the will of this body, and get on with final passage of the bill.

ORDER FOR ADJOURNMENT UNTIL 11 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until the hour of 11 a.m. tomorrow .

The PRESIDING OFFICER (Mr. BARTLETT). Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR EAGLETON AND SENATOR ROBERT C. BYRD TOMORROW, FOR TRANSACTION OF ROUTINE MORNING BUSINESS, CONSIDERATION OF S. 3231, AND RESUMPTION OF CONSIDERATION OF S. 354

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow after the distinguished Senator from Minnesota (Mr. MONDALE) has been recognized under the order previously entered, the distinguished Senator from Missouri (Mr. EAGLETON) be recognized for not to exceed 15 minutes, that he be followed by the junior Senator from West Virginia (Mr. ROBERT C. BYRD) for not to exceed 15 minutes, after which there be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements limited therein to 5 minutes, at the conclusion of which the Senate proceed to a consideration of S. 3231, and that upon disposition of S. 3231 the Senate resume its consideration of the unfinished business, S. 354.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR PROXMIRE ON THURSDAY, APRIL 25, 1974, AND ON MONDAY, APRIL 29, 1974

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Thursday, April 25, 1974, after the two leaders or their designees have been recognized under the standing order, the Senator from Wisconsin (Mr. PROXMIRE) be recognized for not to exceed 15 minutes, and that on Monday, April 29, 1974, after the two leaders or their designees have been recognized under the standing order the distinguished Senator from Wisconsin (Mr. PROXMIRE) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene tomorrow at 11 o'clock a.m.

After the two leaders or their designees have been recognized under the standing order, the distinguished Senator from Minnesota (Mr. MONDALE) will be recognized for not to exceed 15 minutes. The distinguished Senator from Missouri (Mr. EAGLETON) will then be recognized for not to exceed 15 minutes. Following the conclusion of Mr. EAGLETON's remarks, the Senator from West Virginia (Mr. ROBERT C. BYRD) will be recognized for not to exceed 15 minutes.

There will then be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 5 minutes each.

At the conclusion of the transaction of morning business, the Senate will proceed to the consideration of S. 3231, to provide indemnity payments to poultry and egg producers and processors. Yea-and-nay votes are expected to occur on that bill and on amendments thereto.

Upon the disposition of S. 3231, the Senate will resume the consideration of S. 354, the no-fault insurance bill. Yea-and-nay votes are expected to occur on that bill.

ADJOURNMENT

Mr. MOSS. Mr. President, in accordance with the previous order, I move that the Senate adjourn until 11 o'clock a.m. tomorrow.

The motion was agreed to; and at 2:41 p.m. the Senate adjourned until tomorrow, Tuesday, April 23, 1974, at 11 o'clock a.m.

NOMINATIONS

Executive nomination received by the Senate on April 17, 1974, pursuant to the order of April 11, 1974:

IN THE ARMY

The following-named person for appointment in the Regular Army of the United States, in the grade specified, under the provisions of title 10, United States Code, sections 3283 through 3294 and 3311:

To be captain

McCandless, Sally Ann, [redacted]

Executive nominations received by the Senate on April 22, 1974:

DEPARTMENT OF THE TREASURY

William E. Simon, of New Jersey, to be Secretary of the Treasury.

INTERNATIONAL MONETARY FUND

Sam Y. Cross, of Virginia, to be U.S. Executive Director of the International Monetary Fund for a term of 2 years, vice William B. Dale, resigned.

DEPARTMENT OF DEFENSE

David P. Taylor, of Virginia, to be an Assistant Secretary of the Air Force, vice Richard J. Borda, resigned.

THE JUDICIARY

Philip W. Tone, of Illinois, to be U.S. circuit judge for the Seventh Circuit, vice Roger J. Kiley, retired.

Robert W. Porter, of Texas, to be U.S. district judge for the northern district of Texas, vice Leo Brewster, retired.

DEPARTMENT OF JUSTICE

Max E. Wilson, of North Carolina, to be U.S. marshal for the western district of North Carolina for the term of 4 years, vice Seibert W. Lockman, resigned.

Lawrence A. Carpenter, of Texas, to be a member of the Board of Parole for the term expiring September 30, 1977, vice Gerald E. Murch, retired.

COMMODITY CREDIT CORPORATION

Richard L. Feltner, of Illinois, to be a member of the Board of Directors of the Commodity Credit Corporation, vice Carroll G. Brunthaver, resigned.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Virginia Y. Trotter, of Nebraska, to be Assistant Secretary for Education in the Department of Health, Education, and Welfare, vice Sidney P. Marland, Jr., resigned.

Terrell H. Bell, of Utah, to be Commissioner of Education, vice John R. Ottina.

BOARD FOR INTERNATIONAL BROADCASTING

Foy D. Kohler, of Florida, to be a member of the Board for International Broadcasting for a term of 3 years. (Initial appointment.)

ENVIRONMENTAL PROTECTION AGENCY

Roger Strelow, of Maryland, to be an Assistant Administrator of the Environmental Protection Agency, vice Robert Lewis Sansom, resigned.

U.S. TARIFF COMMISSION

Catherine May Bedell, of Washington, to be a member of the U.S. Tariff Commission for the term expiring June 16, 1980. (reappointment.)

IN THE ARMY

The following-named officers to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be lieutenant general

Lt. Gen. Phillip Buford Davidson, Jr., [redacted], Army of the United States (major general, U.S. Army).

Lt. Gen. George Marion Seignious II, [redacted], Army of the United States (major general, U.S. Army).

Lt. Gen. Robert Clinton Taber, [redacted], Army of the United States (major general, U.S. Army).

IN THE NAVY

Vice Adm. Damon W. Cooper, U.S. Navy, for appointment to the grade of vice admiral, when retired, pursuant to the provisions of title 10, United States Code, section 5233.

Rear Adm. Harry D. Train II, U.S. Navy, having been designated for commands and other duties determined by the President to be within the contemplation of title 10, United States Code, section 5231, for appointment to the grade of vice admiral while so serving.

IN THE MARINE CORPS

The following-named (U.S. Naval Academy) graduates for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Dunn, Kenneth D.
Robinson, Charles.

The following-named warranted officers, U.S. Marine Corps Reserve, for appointment to commissioned grade in the Marine Corps, subject to the qualifications therefor as provided by law:

Barton, Charles H. Jr.
Craynon, Charles R.

The following-named (Naval Reserve Officer Training Corps) graduates for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Kepher, Stephen.
Pease, Mark S.
Potocki, Mark L.
Thomas, James P.
Washington, Emmett T.

EXTENSIONS OF REMARKS

GHANA IS 17 YEARS OLD

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, April 22, 1974

Mr. STOKES. Mr. Speaker, on March 6, 1974, Ghana celebrated her 17th year of independence. It was an occasion of great moment. In honor of it I would like to share with this House a statement which the Embasssy of Ghana has prepared:

Ghana Is 17 Years Today—March 6, 1974

Since independence 17 years ago, Ghana has made remarkable progress in all fields of development. She has built roads, hospitals, new townships, developed rural electrification and has supplied her people with pipe borne water, and other social amenities. New schools have been built and the old educational system has been changed to reflect the needs of our society.

The Government of the National Redemption Council, led by Colonel Ignatius Kutu Acheampong, has shown practical understanding of our problems by injecting strict discipline into the economy. Imports have been controlled to appreciable levels and every effort has been made to boost exports in textiles, wood products, aluminum alloys, processed cocoa products, etc. This has yielded positive results; the high price of cocoa, timber and gold on the world market has also added more inputs into the economy and, as a result, unemployment, inflation and high prices show a downward trend. The third phase of "Operation Feed Yourself" was launched in Northern Ghana recently with the object of increasing agricultural production of food and industrial crops and diversifying Ghana's economy in order to reduce over dependence on cocoa and timber. Ghanaians are determined to make the nation self-reliant and economically viable.

Ghana's economic and industrial policies provide for viable foreign investment and partnership in certain economic areas. The Capital Investment Board provides incentives and liberal concessions to prospective investors who are willing to co-operate with us on equal terms in prescribed areas of operation.

The expansion of Ghana's trade with the the United States and other North and South American countries, including the Caribbean, will be vigorously pursued by the National Redemption Council.

With regard to Foreign Affairs, Ghana has continued to build effective links with her neighbors, worked towards a Common Market in West Africa and supported vigorously the Organization of African Unity, the United Nations and its Specialized Agencies, the Third World, the Non-aligned Group and other regional groups in their efforts to free Africa from colonialism and racialism. Within these organizations, Ghana will continue to join all peace-loving nations in their programmes to raise the living standards of peoples all over the world.

It is our hope and belief that the current achievements of the National Redemption Council will continue to inspire Ghanaians in all walks of life so that Ghana shall be a shining example to all lovers of peace, freedom, justice and human progress.

THE SENATE VOTE ON CAMPAIGN REFORM

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 22, 1974

Mr. FRENZEL. Mr. Speaker, reason emerged in today's lead editorial in the Washington Post. The editorial represents a real breakthrough in the paper's attitude on public financing of elections.

The Post finds it "premature and unfeasible" to extend "the concept of public financing to general and primary elections for all Federal offices."

The Post says:

> It can't be done . . . And very possibly it shouldn't be done at all.

A lot of us here have said that same thing for a long time.

One wonders what the Post, after beating the drums for public financing for over a year, does want. Today's editorial says, in effect, no public financing of congressional elections. It almost says, or at least its italics hint, no public financing for Presidential primaries.

If that's what it really means, then the Post is apparently supporting the public financing section of Chairman Hays' draft election reform bill. That proposal is now receiving consideration in the House Administration Committee.

The Post article follows:

The Senate Vote on Campaign Reform

First the Senate broke the filibuster. Then it broke the bank. By a vote of 53 to 32, it passed a campaign financing reform bill on Thursday that is awesome in its ambition and its potential effect. As with most matters that inspire awe, both however, admiration and apprehension are both called into play. Admiration seems to us to be merited by the dogged commitment and persistence of that majority of senators who clearly regarded campaign reform as an idea whose time had come. Given the squalid and seemingly endless Watergate-related disclosures concerning the raising and spending of political money, and given the accumulated knowledge of campaign corruption that predated this whole sorry affair, the American public has both desired and deserved evidence that its elected representatives were prepared to do something substantial about it.

The objective has been to break up the furtive and unhealthy relationship between money and elective office that has been institutionalized in our political system. The Senate, in legislation previously passed, took some important steps toward this objective. Among them were financial disclosure provisions, the establishment of limits on campaign expenditures and contributions and the creation of much needed independent enforcement machinery. The newly passed bill includes these crucial features and it also improves the law governing current public financing of presidential general election campaigns, removing the all-or-nothing condition that hedges the existing tax check-off plan. The result is that, under the new bill's terms, a presidential candidate would be free to mix public and private funds up to the prescribed expenditure limit.

All this seems to us to be to the good, as does the general reforming spirit in which the legislation was contrived and passed. Which brings us to our apprehensions—and they are strong. We will leave aside for the time being reservations concerning certain lesser features of the legislation which are probably, in any event, likely to vanish before final enactment of any reform. The central aspect of the bill which we find disturbing is the premature and (we think) unfeasible extension of the concept of public financing to general elections *and* primary elections for *all* federal offices. In our view, it can't be done—not all at one bite. And very possibly it shouldn't be done at all. The point is that the experience of the public, of candidates for office and of federal election officials with this type of financing is so limited as to be practically nonexistent, and the potential for chaos, new corruption, inequity and abuse would be enormous should legislation go into effect providing at one fell swoop even limited public funds for some 900 congressional candidates—not to mention for their challengers in the primaries.

It is generally conceded that this prospect stands little chance of becoming a reality, owing to the fact that the Senate's exuberance for comprehensive legislation on this issue seems matched only by the snails pace hesitation and reluctance of the House—or at any rate of the House Administration Committee where campaign reform legislation now reposes and which is presided over by Ohio's Representative Wayne Hayes. Not only are Mr. Hayes and other key House members opposed to anything like the sweeping public financing section of the newly passed Senate bill, they are not even agreeable to the essential provisions, such as that establishing independent enforcement machinery, which the Senate has previously committed itself to. It is conceivable that out of this rather unpromising situation—too much *versus* too little, too soon *versus* too late—some kind of good and useful compromise legislation could emerge. But that is a possibility which presupposes a degree of restraint on one side and an infusion of spirit on the other that is by no means guaranteed. There is, at this point, at least equal reason to suppose that the outcome will be nothing—or an amalgam of some of the worst and least well-matched features of the efforts of the two bodies of Congress.

Since President Nixon has already threatened to veto any measure with public financing features of a consequential sort, it would seem obvious that the only chance of enacting a sound reform in this Congress—*with* a sound start on public financing—resides in the achievement of a strong and sensible Senate-House bill that is practical and manageable as a start on long-range, comprehensive reform and which enjoys a strong measure of support in both bodies. To the extent that the Senate's action on Thursday evinced an overwhelming dedication to campaign reform here and now, it is good news. To the extent that it may make more difficult the emergence of the required kind of bill, it is not.

CAPT. HOUSTON GORDON RECEIVES CITATION

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, April 22, 1974

Mr. JONES of Tennessee. Mr. Speaker, I would like to take this opportunity to commend Capt. Houston Gordon, of Covington, Tenn., upon receiving the U.S. Army Meritorious Service Medal. The award is the highest one given to an officer of Captain Gordon's rank by the Army Legal Services Agency. It is reserved for those who provide outstanding service to the Army or to an individual soldier.

While in the U.S. Army, Houston defended Lt. William Calley before the U.S. Army Court of Appeals.

The Covington, Tenn., Leader, printed an article on Captain Gordon, the text of which follows:

Captain J. Houston Gordon, son of Mr. and Mrs. H. D. Gordon of Covington, was awarded the Meritorious Service Medal by the United States Army last Wednesday. Gordon is married to the former Charlotte Stitt of Covington.

"This award is the highest commendation given by the United States Army Legal Services Agency to an officer of Capt. Gordon's rank and is reserved for only those who provide exceptional service to the Army or the individual soldier," said Capt. Denis E. Hynes, Gordon's supervisor for the past two years.

Capt. Gordon served in the Defense Appellate Division of the Judge Advocate General's Corps. He was assigned there after graduation from the Basic Class at the Judge Advocate General's School in Charlottesville, Va., in January, 1971.

Capt. Gordon was selected from a group of 25 officers to represent Lieutenant William L. Calley in the appeal of his court-martial conviction for premeditated murder in connection with the My Lai incident in 1968. It was one of the most celebrated cases ever tried by a court-martial.

Capt. Gordon was credited with preparing an exhaustive appeal before the United States Army Court of Military Review. Capt. Gordon read the 5077 page record of trial and nearly 10,000 pages of exhibits and had drafted substantial portions of the appellate pleadings.

The citation read in part, "Capt. Gordon's preparation of the written pleadings was painstaking and his efforts resulted in one of the most exhaustive and comprehensive legal briefs ever filed with the military appellate courts. His oral presentation before the United States Court of Military Review were exemplary in every respect and serve as a model of appellate advocacy."

Capt. Gordon graduated from Byars-Hall School in Covington and received a B.S. degree from the University of Tennessee at Martin in 1968. He graduated from the U-T College of Law with a B.D. degree in 1970 and finished the George Washington University National Law Center in Washington, D.C., with a L.L.M. in 1973.

POTENTIAL PROBLEMS ASSOCIATED WITH SENSITIVITY TRAINING

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 22, 1974

Mr. KEMP. Mr. Speaker, I insert in the RECORD the concluding part of Prof. James Likoudis' article on sensitivity training:

THE MENACE OF SENSITIVITY TRAINING:

THE MIND MANIPULATOR

(By Prof. James Likoudis)

Such efforts to provide "intensive group experiences," or "peak experiences," to attain "new levels of open behavior," greater "awareness," "greater honesty and authenticity" and "intimacy" in interpersonal relationships, "a higher level of consciousness" are obviously (since their participants are *usually unaware of the group dynamics set in motion to manipulate them*) *coercive* attempts to change human personality. As Prof. Birnbaum explains: *"The devilish seductivity of human relations training stems from the fact that it can reduce individual resistance to change more effectively than any other known means."*

No wonder, therefore, that opponents of Sensitivity Training continually characterize it as "mind-bending," "brain washing," "manipulative thought reform," "organized thought control" and "Group Tyranny." Whatever the claimed goals of Sensitivity Training: namely, love, trust, openness of communication, and a greater sensitivity to the feelings or "felt needs" of others, expert testimony is conclusive that Sensitivity Training all too often constitutes a "perversion of group therapy that can make healthy minds sick" and "a totalitarian instrusion" on man's personal privacy and religious dignity. *Time* magazine has fulsomely described the "T-group bums" endlessly circuiting the so-called "human growth centers" and the "alarming numbers of refugees from reality" who, exhibiting their "new sensory awareness," "leave their wives, families, jobs and communities." (*op. cit.*)

Where adults are concerned, as Prof. Birnbaum mentions, the dangers and difficulties of Sensitivity Training are many. He notes among other things:

"Even at its most effective, the encounter session is a shocking and bruising experience. . . ." "Confrontation sessions . . . evoke profound guilt feelings among participants by employing the tactics of staged aggression. . . ."

"The most serious threat to sensitivity training comes first from its enthusiastic but frequently unsophisticated supporters, and second from a host of newly hatched trainers, long on enthusiasm or entrepreneur expertise, but short of professional experience, skill, and wisdom."

". . . Changing individual behavior and organizational structure are extraordinarily difficult and thorny objectives. . . . The longer one works in the field of planned change, the more difficult the task appears."

". . . Because some of these (non-verbal) exercises involve body contact of a quasi-intimate nature, it is questionable whether students, especially teen-agers, should be so encouraged. Under normal circumstances, teenagers do not need the sanction of the school to become so engaged." (*op. cit.*)

These critical comments of Prof. Birnbaum added to the studies of expert psychologists and psychiatrists marking "a rather high incidence of psychopathological reactions in participants of T-groups," (Dr. Frank J. Ayd, Jr.), would seem to utterly rule out the introduction of any Sensitivity Training in our children's schools. But the opposite is the case! Sensitivity Training has spread like wildfire in both public and parochial schools—to the consternation of concerned parents. Oftentimes teachers without the knowledge or consent of School Boards and principals will use these procedures on their unsuspecting students. Sensitivity Training is particularly utilized in schools which have usurped the prerogatives of parents in the matter of Sex Education. It is important to remember that *human personalities cannot be manipulated in the direction of accepting the changes determined by Liberal and Radical educators without changing these persons' sexual morality*. One social scientist put it very well when he accurately perceived: "Total control of a human personality hinges on the control of his sexuality"—which should give one second thoughts at the spread of *government sex education* in our public schools. Such "education" is clearly intent upon promoting public acceptance of the *contraceptive mentality*, the unspeakable practice of abortion, population controls, and, as Mr. Becwar openly avows, a more tolerant and permissive view of sexual deviations. Sensitivity Training via Sex Education reeks with the spirit of an unbridled sensualism.

Sensitivity Training has penetrated many schools with its ethos of permissiveness. Sensitivity Training *insists*, in fact, upon a permissive atmosphere—one in which students are to be free to express themselves. Psychodrama and role-playing require students to divulge home-family situations, and family and parental authority are undermined by their being subjected to group scrutiny and the judgment of the peer-group (which, in turn, is being manipulated by the teacher-trainer!). Assignments will include writing diaries or essays revealing the students' innermost feelings and attitudes. Self-confession or self-criticism (or group confession) comes into play here. Students may volunteer for Peer Analysis (criticism by classmates) and are encouraged to make those personality changes deemed by the class to be necessary. The "Discussion" method is relied on primarily to steer students to accept, generally, more liberal views on sex, abortion, narcotics, the "generation gap," war, poverty, race, the growth of governmental functions, etc. etc.

Insofar as Sensitivity Training is based on the declared failure of parents and society ("the system") to deal with the "new Technological age," pronounced revolutionary expectations are inculcated in the sensibilities of students. New visions of "democratic man" and a "scientific-democratic order for the future" emphasize the obsolescence of traditional morality, traditional organized religion ("the Institutional Church"), and the traditional American system of politics. Education must be made relevant by a *revolutionary restructuring* that will meet the needs of a Cultural Revolution which is *total* in scope. The result is the "Romantic Religion" which grips our schools today. A leading Canadian critic of progressive education, Dr. James W. Daly of McMaster University, has given us a colorful picture of this "Romantic Religion" which has, in turn, eagerly embraced the revolutionary phenomenon of Sensitivity Training:

"Every once in a while a new religion appears on the human scene. The generation that witnesses its appearance is in for stirring times, as incense rises around new altars, devotees chant strange incantations, and glittering temples produce a new skyline. . . . It is complete with everything that we have come to associate with the ecclesiastical forms of traditional Christianity.

"Its god is children, its dogma the free development of the individual, its priests the educational experts and critics who preach the Good News of liberation.

"Like any priests worth their salt, they have miraculous powers, and are able to change failure into success merely by defining it as such, and bad work into good by the same magical operation.

"It has a devil, which is the intellectual and moral structure heretofore imposed by the adult world on the young. Naturally, it has a hell for the devil to inhabit, and that hell is the here and now, the actual educational world through which we have come.

"To keep things symmetrical, it also has a heaven, that Consciousness Three toward which we must all strive by emptying our minds of rational inhibition. And it has its own Commandments, the first and greatest of which is, "Thou shalt not say 'Thou shalt not' to young people."

". . . The Creed of this church involves a confidence in the natural or instinctive powers and desires of children, and a corresponding suspicion of anything imposed upon the free-flowing expression of those powers or desires.

". . . And *faith* our romantics have, in plenty, a faith so complete that any evidence which might prove their theories defective is by that very fact assumed to be false.

"Do tests or examinations show lack of knowledge in their students? The tests are a fault. Abolish them.

"Do students speak poor English? Grammar is unimportant, and so-called poor English is merely a dialect.

"Are students unprepared to shoulder responsibility later in life? Most work is meaningless drudgery and the young are right not to do it well. Etc., etc.

". . . It radiates a bland secular humanism, a vague conviction that people ought to be nice to people, without supplying any reason for this essentially religious imperative. . . . Romantic education now looms as the educational church of the future. . . ." (*Toronto Daily Star* 7–6–72)

The Romantic School has been elevated to a lofty position indeed. As the agent of social change (designed to effect behavioral changes in youth through a combination of guidance, counseling, occupational training, instruction in basic education, sex instruction and sensitivity training)—it impinges on the growing student at every turn, determined to shape his entire consciousness. In the judgment of the Staff Review Committee of the Maryland State Superintendent of Schools, for example, "The public school is a positive intervening agent in the life of an individual and presents a higher code of ethics than prejudicial homes or communities." (quoted in *Catholic Current* 4–30–71)

There we have, neatly expressed, the totalitarian pretensions of the modern school vis-a-vis parental rights in education. Such a school does not hesitate in the least to use the highly questionable and dangerous techniques of Sensitivity Training to educate youngsters beyond the religious moral political and social values of their parents. This revolutionary role of the school in undermining the influence of home and church has caused the most intense dissatisfaction with both public and parochial schools throughout the United States. Thus the increased efforts of parents to establish independent private schools that will be free from the abominations of sex education, forced sensitivity training, and the spirit of pagan permissiveness.

Parents would do well to acquaint themselves with the illustrations of Sensitivity Training and Group Dynamics found in the curricula and practices of their schools. For example, in the N.Y. State Education Mental Health Curriculum (under which sex instruction has been cleverly subsumed), we read:

"Have children write a short autobiography, telling name, age, birthday, family structure, etc." (K–3 grades)

"Have pupils tell about themselves through 'role playing' . . . Have a problem box into which pupils might deposit brief descriptions of problems they have in getting along with people their own age and with members of their own family. These may be used as a guide to classroom discussions. . . ."

"Create a situation where members of class would play the roles of siblings in conflict."

"Discuss reasons for such feelings as jealousy toward the new baby; hate, anger, fear, resentment, etc."

"Role-play tension arousing situations. Discuss the possible solutions." (these above involve Grades 4–5–6)

"Ask the question: If you were a parent, in what way would you be similar to, or different from, your parents?"

"Have members of the class play roles of siblings in conflict. . . ."

"Have students list or 'role-play' their values regarding appropriate areas—for example, family relationships, relations with people outside the family."

"Use the homogeneous discussion Circle to demonstrate the feelings of each sex toward the other. Place all boys in the center of the circle to discuss their feelings and attitudes, with all the girls on the outer circle as listeners. Then switch." (these involve Grades 7–8–9 with the last listed under *Factors influencing Dating Behavior*.)

The following are a few examples of Sensitivity Training devises which saturate the *Becoming a Person* sex education program which has been widely adopted in Catholic Schools. The teacher is informed in the Teacher's Manual for Grade 7:

"Have the students arrange (their moveable desks) so that they can face and see each other. This is a real advantage during some discussions. Have the students place themselves in a semi-circle, or a horseshoe configuration; or perhaps the rows could turn left and the other half could turn right, so both sections face the center of the room. These chair arrangements have symbolic value. They make the discussion time 'different,' a time when the teacher assumes more of a listener-participant role, when the students do not have to be inhibited by the fear that their responses have something to do with their marks or grades." (p. xxiii)

"Try having one half of the class wear red ribbons, one half blue one's and make a rule that no blues speak to any reds for one day. Or apply the rule to all redheads, if there are any in your class. The teacher should participate, too, by assuming one side or the other." (p. 9) (Cf. this writer's extensive critique of the *Becoming a Person* series in *Fashioning Persons for a New Age?* Catholics United for the Faith, 222 North Ave., New Rochelle, N.Y. 10801—60c copy)

Perhaps no other author has depicted the dangerous character of Sensitivity Training and its absurdities as the renowned Catholic philosopher, Dr. Dietrich von Hildebrand:

"When I witness these modern superstitions, these insane illusions for improving the personality and for helping man to 'grow,' I would not be surprised if tomorrow, someone proclaims as a great new discovery the desirability of regular visits to a brothel—a wonderful combination of a refined sex education and sensitivity training—in order to make a man more aware of his neighbor, more filled with community sense, more sensitive, and more liberated from all inhibitions.

"The worst and most depressing part of all this is that the disastrous and insane superstition of sensitivity . . . have begun to infect Catholics. They believe themselves to be progressive and scientific if they enthusiastically accept the most nonsensical superstitions—for no other reason than they happen to be fashionable at the present moment.

"Catholics, especially priests and religious, have had ample occasion to be familiar with the truth of the Depositum Catholicae Fidei (deposit of Catholic faith) with the glory of the life of the saints, with the moving depth of the writings of the great mystics, with the true ways of inner growth: the overcoming of our sinful tendencies, the reaching of true freedom from all illegitimate inhibitions, the being liberated from fear, discouragement and inferiority complexes which the imitation of Christ offers. It now seems incredible that such Catholics should be impressed by the diabolical manipulation with souls. The techniques and 'cures' of Sensitivity Training are absolutely incapable of helping anyone attain a real growth of soul . . . (for) Christ alone can heal all wounds, perversions, and distortions in our souls." (*The superstition of Sensitivity Training*—an address, C.U.F., 222 North Ave., New Rochelle, N.Y. 10801—25c copy)

In the above remarks Dr. von Hildebrand may be said to have singled out—at the deepest level of analysis—the fundamental heresy underlying Sensitivity Training: namely, the denial of original sin and its effects upon human personality and the parallel necessity of supernatural grace to restore authentic *communion with God* and *community with one's fellow men*. Christ does *not* elevate our human nature to supernatural perfection by means of group psychology, but rather by sanctifying and actual grace given through prayer and the sacraments of the Church.

Therefore, from a religious perspective (which alone may be said to safeguard adequately today the human person from the idolatries of modern secular humanists), Sensitivity Training is an ersatz religion, a pseudo-mysticism, a modern offshoot of that ancient Pelagian heresy which denied the healing power of divine grace in establishing authentic love and communion with other persons. It stands condemned as an enthusiastic Gnostic cult practiced by romantic educationists who preach a utopian gospel of salvation through emotional and psychological regression! The sober conclusion of von Hildebrand should burn itself into the consciousness of all those charged with the moral formation of Catholic children:

"Let us not be fooled. Sensitivity Training, like sex education in the classroom, is a diabolic attack on man's nature and dignity, and especially on his vocation as a Christian. . . . It destroys dignity, spiritual freedom, veracity, moral responsibility, and holy bashfulness, and it thereby undermines our life as Christians, our relation to Christ, and the sanctification to which we are called. Let us fight with all our means to insure that Sensitivity Training never becomes a part of education in our schools or in any religious communities." (*Op cit.*, p. 16)

Mr. Speaker, I commend this article to all my colleagues, particularly the members of the House Committee on Education and Labor, and to all who are interested in sincerely learning some of the facts on this matter.

THE PRESIDENT CHOSE HIS TAX RETURN AUDITORS

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 22, 1974

Mr. FRASER. Mr. Speaker, if my mail is an indication, a few citizens question the Joint Internal Revenue Taxation Committee's decision in the case involving President Nixon's 1969, 1970, and 1972 Federal income tax returns.

I recently exchanged letters with a constituent on this matter. I believe the exchange is worth recording in the Congressional Record:

April 5, 1974.

Congressman Donald Fraser,
Washington, D.C.

Dear Sir: I read that a hand picked committee has assessed damages of $472,000.00 to be paid by the President to the Internal Revenue Service.

Would you please give me the names of these persons with addresses, occupations and political affiliation if available.

Thanking you in advance, I am

Very truly yours,

——— ———.

House of Representatives,
Washington, D.C., April 9, 1974.

Dear ———: Thanks for your letter on the President's tax returns investigation.

The committee which studied the President's returns was the Congress' Joint Internal Revenue Taxation Committee. This is a permanent committee which serves both the House and the Senate in drafting and analyzing tax legislation.

You referred to this committee as "hand picked." If this term is accurate at all, the person who "hand picked" the investigators was Mr. Nixon. I quote from his letter to the Joint Committee:

"In order to resolve these issues [questions concerning his tax returns] to the full satisfaction of the American people, I hereby request the Joint Committee on Internal Revenue Taxation to examine both of these transactions and to inform me whether, in its judgment, the items have been correctly reported to the Internal Revenue Service."

Although the request was most unusual, the Committee agreed to conduct the investigation.

Enclosed is an insert from the Congressional Record [April 8, 1974, p. 10062] with some information about the committee staff. As the article points out, this committee is highly regarded by congresspersons for the professionalism of the staff.

With best wishes.

Sincerely,

DONALD M. FRASER.

EBRASKA WATTS, OHIO TEACHER OF THE YEAR

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, April 22, 1974

Mr. STOKES. Mr. Speaker, it was recently my privilege to serve as guest speaker at a banquet given in honor of Mrs. Ebraska Watts, Ohio Teacher of the Year. Mrs. Watts is a good friend of mine whom I have known all my life. I am very pleased that she has received the recognition which she so richly deserves. She is the pride of the East Cleveland Public Schools, and the East Cleveland School Board and Leonard Visci, superintendent of schools, are to be commended for the very fine banquet they sponsored in her honor.

I would like to share with my colleagues the story of this remarkable woman, Ebraska Watts. Accordingly, I offer to the RECORD this short biography of a very warm, imaginative, and dynamic teacher, Ebraska Dalton Watts:

BIOGRAPHICAL SKETCH

Life for Ebraska Dalton Watts has been a steady uphill climb, but she has traveled in high, seldom shifting gears, and with plenty of spark to get over the knocks. It will be extremely difficult for her to slow down to a pace of 50 mph to conserve energy. Her determined drive from childhood has brought her to a destination with distinction, "The Ohio Teacher of the Year". There can be no doubt that after fifty-three years, "Ebraska Dalton Watts has overcome!"

She was born on June 15, 1920, in a little white house at 142 Green Top Street in Hartsville, Tennessee. She was the fifth child in a family of six, three girls and three boys. The family moved to Cleveland in 1923, where her father died in 1925, and her mother, who had only an eighth grade education, was left with the difficult task of raising six children ranging in age from three to twelve. She did a great job! All the children graduated from Central High School, and three of them received Masters Degrees.

They lived in the Ghetto, but didn't feel poor. They always had good food, good clothing and a clean house. The family sat down together for meals, at a table that was fully set with paper napkins and occasionally flowers.

As a child, Ebraska was the organizer on the block, writing and producing backyard shows, playing school, planning picnics, and organizing clubs. She had a very happy childhood!

She attended various elementary schools in the Central Area, they moved a lot, and entered the famous Central High School in the seventh grade in September, 1932, graduating with honors in June, 1937. Her many high school activities indicated the versatility of her interests and talents.

She married her childhood sweetheart a month before her eighteenth birthday. They had two children, Emery, Jr., born May 9, 1939, and Joyce, born January 10, 1941. Her husband entered the armed services in March 1941, and they were divorced in January, 1945. Now she was faced with the difficult task of raising her children without a father.

She lived with her mother for the next ten years while she was on welfare, did housework, and finally in 1950 enrolled at Fenn College in the evening school. She graduated with a B.A. degree in Sociology in June, 1959, with an enviable academic and activity record, although she was working full time and caring for her children. She had the highest scholarship in the School of Arts and Sciences, Evening School, Class of 1959.

While working at Mather Day Nursery for The Day Nursery Association of Cleveland, Mrs. Watts decided that she wanted to be a teacher and enrolled in Western Reserve University. The Day Nursery Association paid one half of her tuition. She received a Masters Degree in Education in June, 1963. At last she could teach in the public schools, and for the last ten years she has been doing just that in addition to being an extremely active member of her church and community organizations.

Ebraska Watts has come a long way up the road from the ghetto. She has boundless energy, joy and zeal, and sets a good example for students, teachers, and parents. She has known poverty and has overcome. Ebraska came "up by her bootstraps" and as a kindergarten teacher it is fitting that she should help many more children with their boots.

EDUCATIONAL AND CIVIC SERVICES

Received a Martha Holden Jennings Summer Teacher-Leadership Award in 1972. This project was a "Summer Fun School" for forty youngsters, ages four to twelve. Fifteen teen-age helpers and two adult assistants also participated. The project was held at Parkwood Christian Methodist Episcopal Church in the Glenville area.

Received another Martha Holden Jennings Summer Teacher-Leadership Award in 1973 (the first teacher in East Cleveland to receive the Award twice). This time, she directed a unique and innovative class for preschoolers and their parents, with ten teenage assistants.

Active in Parkwood Christian Methodist Episcopal Church since she was nine years old, serving as: Sunday School teacher, Superintendent of Young People's Department, President and Secretary of Women's Missionary Society, District Director of Young People, Director of Christian Education, Administrative President of Board of Directors of Parkwood Church Community Developmental Complex. In 1969, she chaired the Church's 50th Anniversary Celebration, a week-long series of events, including a Pageant written by Mrs. Watts, depicting the Church's history, a Senior Citizen's Night, Youth Night, Musical Extravaganza, Picnic, and Formal Banquet.

At Marty B. Martin School in Cleveland, she wrote and directed two Spring Festivals. At Chambers School in East Cleveland, she has successfully produced a Kindergarten Circus every other spring, to which all students and parents and kindergarten classes of other East Cleveland schools have been invited.

PROFESSIONAL DEVELOPMENT

Member of the Social Studies Curriculum Committee, East Cleveland, 1968–1969.

Member of the Kindergarten Curriculum Committee, East Cleveland, 1970–1973.

Member of Board of Trustees of HELP for Retarded Children and Chairman of its Personnel Committee, 1969–1971.

Treasurer of Board of Trustees of Cleveland State Alumnae Association.

Parent Teacher Association.

North Eastern Ohio Teachers' Association.

Ohio Education Association.

East Cleveland Education Association.

CAMPAIGN REFORM

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 22, 1974

Mr. UDALL. Mr. Speaker, in light of the 1972 election and specifically the illegalities and misuses of the electoral process, never before has campaign reform been more called for. The Christian Science Monitor printed a superb editorial on April 3, 1974, concerning the need for campaign reform, and I am honored today to insert this editorial in the CONGRESSIONAL RECORD. I believe it adequately deciphers the situation, and the individual way in which the different campaign reform bills now pending in Congress would help to clean up our elections. The article follows:

CAMPAIGN FINANCE REFORM

Campaign reform, made daily more imperative by the continuing flood of disclosures of massive abuses during the 1972 campaign, is not moving ahead through the Congress as fast as we would like. But it is moving. And prospects are reasonably good for a healthy reform bill.

The legislative situation is as follows:

The Senate has before it a comprehensive reform bill which was approved by the Rules Committee last month. It has been on the floor of the Senate for the last week. Sen. James Allen of Alabama, who was outvoted by the Rules Committee 7-to-1, is running a sophisticated filibuster effort on the floor. The first stage of his delay campaign was to offer a series of amendments. Fortunately these were defeated. He may next try to provoke a series of cloture votes and delay action long enough so the senators may feel compelled to move on to something else. The public should support a cloture move to cut short delay and let the Senate vote on the bill on its merits.

In the House, too, public backing is needed to keep campaign reform action going. The House is considering two bills. The first, the Anderson-Udall bill which was submitted to the House last year, embraces most of the Senate bill's desirable campaign reforms. The second bill is that emerging from the House Administration Committee under Chairman Wayne Hays. The Hays bill appears to be shaping up as a version asking the least change—but unfortunately it, not the Anderson-Udall bill, will be the basis for House action. Thus the task in the House will be to beef up the eventual Hays bill in the three areas it appears likely to be weak—in providing for a strong enforcement arm under an independent Federal Election Commission; in making sure campaign spending limits are set high enough so that rivals will have a fair chance to unseat incumbents; and in providing public financing for congressional as well as presidential races.

Representative Hays only a couple of weeks ago seemed determined to clamp procedural restrictions on his bill so the House would have to pass it or reject it, without democratic debate and amendment. Fortunately, after a stiff public rebuke catalyzed by a full-page Common Cause ad, Representative Hays has reportedly decided to let his committee's bill get the review by the House that it needs.

ITS SHAPE

What are the campaign finance reforms it is now hoped Watergate will bring?

Reform advocates put them into four main groups:

1. An independent enforcement body. Both the Senate bill and the Anderson-Udall bill would create a Federal Election Commission (FEC) with its own power to prosecute offenders. The Hays bill would omit the FEC and would leave enforcement in the Justice Department. The Nixon proposal would create an FEC, but would follow the Hays bill in leaving enforcement to the Justice Department. A conflict is posed by having the Justice Department—a Cabinet department within the executive branch shown vulnerable to political pressure by Watergate—police election finances. Reform advocates think the Senate/Anderson-Udall provision for independent enforcement will likely be passed.

2. Limits on contributions. The amount individuals or interest groups could contribute to campaigns varies in the Senate, Anderson-Udall, Hays, and Nixon versions. But limits appear likely to pass. The Senate bill would allow individuals to give a candidate $3,000 for a primary race, another $3,000 for the general election, for a total of $6,000 per candidate. An individual could give no more than $25,000 for all campaigns he wanted to cover. In the various versions, interest groups—such as the political action committees of business, labor, and public interest organizations—could be limited to a ceiling ranging from $2,500 to $6,000 in contributions to single candidates. But they could give in all House and Senate as well as presidential contests, without the $25,000 aggregate limit individuals would face.

3. Limits on campaign spending. The Nixon administration is against limits on campaign spending; the Hays and Senate versions include them, using different formulas. The Hays bill would set a $20 million limit on a presidential race, which appears a sufficient sum. But it would set a low House race ceiling, say of $50,000 or $60,000. Since in most recent tight House races spending passed the $100,000 mark, the low ceiling has been dubbed an ‘incumbents protection act" by reform advocates. Ironically, then, reformers want to keep campaign spending high enough so that incumbents don't swap the 2-to-1 advantage they now hold in attracting funds, for a law that would keep challengers from mounting a viable campaign.

4. Public subsidies for primary and general elections. Emerging proposals vary on this issue. The administration opposes any mandatory or voluntary public financing for any election. The Hays bill would make public financing of presidential general elections mandatory, the revenue to come from the existing tax checkoff system; but it would skip public financing for presidential primaries or for congressional races. The Senate bill would allow full public funding for presidential and congressional general elections, plus public funds in primaries on a matching basis. Some compromise is likely to develop.

The healthy inflow of tax-checkoff money on federal income tax returns now indicates there would be plenty in the Treasury to pay for a presidential primary and general elections in 1976. Raising the money for public funding of all federal elections thus should be no problem.

PURPOSE

The purpose of campaign finance reform is to reduce the influence of special interest money-givers to tolerable limits.

Reducing the amount an interest group can give any office-seeker to, say, $2,500 in a $100,000 campaign should keep politicans from being pocketed by big givers. When contributors can give as much as $20,000 or more as they do now, it is much harder for office holders to ignore their wishes.

The purpose of campaign finance reform is not to do away with influence groups, however. Lobbies presenting the views of business or labor or of the environmentalists should have the right to petition congressmen openly and to present their cases to the public. This is democratic procedure.

Nor is the purpose of campaign reform to weaken the present political system and eliminate entirely such rites as the fund-raising dinner. Abuses should be stopped. Interest groups should not be able to buy up seats at party dinners or earmark gifts for specific candidates. Functions like dinners help in rallying the faithful. But with such events as the $1,000-a-plate Republican and $500-a-plate Democratic fund-raising bashes in recent days, with most giving coming from interest groups, rallying the voters seems less the goal then ranking in the dollars.

Nor need parties be weakened because candidates would be less dependent on them for financial support. The two major parties have been losing voter allegiance as it is, under the present system. They could perhaps regain influence among thoughtful voters if the parties stressed platform and politics more, and financial power less.

Again, the purpose of campaign finance reform is to hold the influence of money giving to tolerable limits. When 90 percent of campaign contributions come from only 1 percent of the people, as is now the case, too much influence is clearly in too few hands.

NATURAL GAS DEAL UNDERLINES THE DANGERS OF DEREGULATION

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, April 22, 1974

Mr. VANIK. Mr. Speaker, the tremendous potential dangers of rapid deregulation of natural gas prices was recently revealed in an agreement between Amoco Production Co., a subsidiary of Standard of Indiana, and Cities Service Gas Co., a subsidiary of Cities Service. Under this agreement, Amoco will explore for additional supplies of natural gas in southern Wyoming with Cities Service having the rights to purchase up to 2 trillion cubic feet of any discovered gas. In return for these rights, Cities Service agrees to pay Amoco an increase of 20 cents per 1,000 cubic feet on its existing purchases of gas from Amoco. This price increase, obviously, will be passed directly on to the consumer. In short, this neat "I'll scratch your back, you scratch mine" arrangement between Amoco and Cities Service presents a bonanza opportunity for two oil companies with the consumer as the fall guy. Rather than seeking conventional financing for this exploration project, Amoco and Cities Service are simply shifting the cost burden directly forward to the users of Cities Service gas.

The projected cost of Amoco's exploration program will be $32 million. Amoco plans to spread this cost over roughly 3 years. The financing is conveniently arranged by the price increase. Currently, Cities Service buys 100 billion cubic feet of natural gas each year from Amoco. A 20 cents per 1,000 cubic feet price increase will net $20 million a year for Amoco on existing contracts. That means that over the 3-year duration of Amoco's $32 million exploration project, Amoco stands to increase its revenue by $60 million. But that is not all. Also as part of the arrangement, Amoco has agreed to increase its production from existing fields. So, Amoco's $60 million revenue increase will balloon even further.

In the end, Amoco is guaranteed over $60 million on a $32 million investment—regardless of whether any new gas is found. Cities Service receives clear rights to 2 trillion cubic feet of new gas, if it is found, plus an expansion of supplies from existing contracts. The natural gas consumer is left on the sidelines, while he pays an additional $20 million in utility bills.

Fortunately for the consumer there is a last line of defense. The Federal Power Commission must approve any rate increases. Let us hope for the sake of the consumer, that the FPC sees through this scheme of easy financing for a golden egg project. This scheme of "no chance" of loss to Amoco will simply become an unjust and heavy burden on the customers of Cities Service natural gas in Kansas and Missouri. The principal metropolitan areas which are served by the Cities Service Gas Co. are Kansas City, Mo.; Springfield, Mo.; St. Joseph, Mo.; Witchita, Kans.; and Topeka, Kans. The FPC should reject this blatant attempt to manipulate and trample the natural gas consumers of these cities.

FEDERAL DEPOSITS GROW AT ONE MINORITY BANK

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 22, 1974

Mr. FRENZEL. Mr. Speaker, in the January/February 1974 issue of Access, a U.S. Department of Commerce publication from the Office of Minority Business Enterprise, is an article pointing out that Federal deposits have increased by 15 percent at the First Plymouth National Bank of Minneapolis, Minn., a minority bank.

The article further points out that the deposit increase was reached 6 months ahead of the schedule set by the task force of bank and Federal employees working on deposit growth. I congratulate those Federal agencies whose deposits accounted for this growth, the Office of Minority Business Enterprise, the Federal personnel involved, the First Plymouth National Bank and its president, John Warder. I believe their second 15 percent is going to be easier.

The article follows:

Federal Deposits Grow at One Minority Bank

Federal Government deposits have increased 15 percent at a minority bank in Minneapolis, Minn. as a result of the efforts of a special task force.

But that's not all the members of the task force had to celebrate when they gathered recently at the bank, First Plymouth National. The group had met its 15 percent increase goal six months ahead of schedule.

The task force is part of the Minority Business Opportunity Committee (MBOC), a working committee of the Twin Cities Federal Executive Board (FEB). It was established in response to a national objective of the FEBs to better utilize Federal resources in response to the needs of the minority business community.

Task force members met initially with First Plymouth President John Warder to discuss possible untapped sources of deposits. Their goal for FY 73/74 was to increase Government deposits in the minority bank by 15 percent (a $50,000 increase in average daily deposits or total deposits for the year of $15 million). The first deposit account from the U.S. Customs Service enabled the task force to reach its goal.

Task force Chairman George Carlson, group manager, Internal Revenue Service, said, "We have really only scratched the surface. We are negotiating now on a second $15 million annual combined deposit from several state and Federal agencies, and we have identified other possible sources of deposits."

Obviously enthusiastic about the task force's success, Bank President Warder sees a number of ways that deposits can be put to work. "The deposits from the U.S. Customs Service will enable us to finance five $15,000 homes or support loans totaling $75,000," he said.

First Plymouth is presently very active in the local minority community. The bank also works closely with the Metropolitan Economic Development Association (MEDA), a local business development organization funded by OMBE and the private sector. Charles W. Poe, Jr., MEDA president, is a member of the task force.

"The success of this task force can be attributed to the diverse membership of the group," Carlson said, "By having a broad representation of various Government agencies in the Twin Cities, we are able to identify deposit sources fairly easily." The task force is also broadening its scope to include assisting minority credit unions. The group has identified two, one in St. Paul and one in Minneapolis, and are looking into ways to assist them.

Other members of the task force are: Joseph Anaya, MEDA; Don Finn, Minnesota League of Credit Unions; James Hammill, Federal Reserve Bank; Earl Hampton, Bureau of Sport Fisheries and Wildlife; John Lynch, MBOC chairman; Marjorie Maki, U.S. Customs Service; Mike Rajacich, Public Safety Department; and Bob Worcester, Federal Reserve Bank.

SOLOMON SOLUTION GRACES OPA-LOCKA

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 22, 1974

Mr. LEHMAN. Mr. Speaker, what happened in a recent city election in the 13th Congressional District can serve as a guidepost in human relations. The event is examined in the following editorial from the Miami Herald:

Solomon Solution Graces Opa-locka

Working in highest cooperation—and with a three-year grant—a university's political science and social studies departments would be unlikely to come up with as happy a result as an old-fashioned gentlemen's agreement has in Opa-locka.

The two candidates for mayor wound up in a dead heat for the office, tied at 819 votes apiece. Nobody claimed fraud, nobody demanded a recount; the impending mayors just decided to split the term. Kenton Wells, who is white, will be mayor the first year; Albert Tresvant, who is black, will be mayor the second. Meanwhile both will be city commissioners when they are not mayor.

All it takes, for such an agreement, is a tie vote and a couple of old-fashioned gentlemen.

Neither Kenny Wells nor Al Tresvant played to the emotions of their supporters and by their actions indicated the good of the community was their first concern.

When such men of good will of both races assert such leadership, racial tensions will become a matter of history.

CHILD ABUSE

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 22, 1974

Mr. HARRINGTON. Mr. Speaker, I wish to insert in the RECORD an article which recently appeared in the Education Commission of the State's bimonthly magazine entitled "Compact," in which Mr. Brian G. Fraser discusses the changes occurring in the law regarding the many aspects of child abuse.

Child abuse has been with us for many years, but efforts are now being made to alleviate it. There are several bills which I have cosponsored concerning the situations which restrict normal development of children into full maturity. These bills, H.R. 6483, H.R. 6818, and H.R. 11328, are pending before the Select Subcommittee on Education of the House Committee on Education and Labor and all define the issues and prescribe remedial legislation which would fund programs to provide therapy to those parents who contribute to the deficiencies in their child's growth.

Mr. Fraser's article points out what changes have and should be made in the laws pertaining to child abuse and I wish to call it to the attention of my colleagues.

The article follows:

The Tragedy of Child Abuse—"Momma Used To Whip Her . . ."

(By Brian G. Fraser)

Nine-year-old Donna S. died last May 1. She had been severely beaten. Fifty per cent of her body was covered with second- and third-degree burns. Donna's father and stepmother were charged with first-degree murder. Her 15-year-old stepsister testified:

"Momma used to whip her, mostly on the bottom, but sometimes on the arms and the legs with a belt or a paddle. When she got the burns and the whippings . . . it was either red to purple or black. . . . It was different colors."

According to the court record, Donna suffered continual and systematic punishment in her final weeks: whippings with a plastic brush or having an electric iron placed to her buttocks. The deputy state attorney contended that, two days before her death, Donna's feet and arms were bound with heavy tape and she was placed in a closet for an entire day. When she thumped on the wall to be released, her stepmother complained to her husband and he yelled to the girl to be quiet. On the next day, the attorney added, Donna's stepmother bathed her, put bleach and peroxide on her open wounds and scrubbed the wounds with a scouring pad.

The inscription over Donna's simple grave gives only her name and the dates of her birth and death. In the corner is a small angel. It cost $150.—Based on reports in the Washington Post.

Tragically, the fate of Donna S. is not particularly unusual. Today we estimate that at least 72,000 children are seriously abused by their caretakers each year. Other estimates put the figure close to 150,000.

Moreover, the statistics refer to a traditional definition of child abuse as "a non-accidental physical injury." This says nothing of the thousands of serious incidences of neglect, sexual abuse and emotional abuse of children that many experts feel may be even more extensive than physical abuse.

More and more, the problem is attracting the attention of legislators, educators and others concerned about the welfare of children. One reason is that information about the extent of child abuse is becoming more readily available.

Until 1962, there were few factual indications that child abuse existed to any significant degree, and it was not until relatively recently that we began to realize how widespread it is. In decades not long past, children's injuries were simply thought to have been caused by accident. Then, and to a certain extent now, people simply could not believe that parents could strike, strangle, molest, burn, fracture, starve or torture their offspring. Today, we are somewhat more sophisticated; we know that they can.

In general, however, society has not only largely failed to recognize the extent of the problem; it has done little to protect the victim after the abuse has been identified.

Western civilization is replete with phrases like "blood is thicker than water," "children should be seen and not heard," "spare the rod and spoil the child" and "a man's home is his castle." In simple terms when parental rights have collided with children's rights, the legal presumption of validity has rested with the rights of the caretaker. Our courts have tacitly recognized these clichés (and the presumption of the validity of parental rights), and for decades they have refused to pierce the veil of family privacy that allows parents to raise and discipline their children in the manner they deem appropriate.

But the law, like other great institutions, is changing. Today we can say that a child has the right not to be abused and the right not to be neglected. These may be negative rights, but they are legal rights all the same. Three states—New York, Colorado and Kansas—provide a special legal guardian to protect these rights in court suits and another 20 states give the child access to legal representation.

However, identification of abuse by a knowledgeable physician is one thing. Trying to define standards that a hesitant court will use to measure a violation of the child's "rights" is another.

In the early 1960s, legislators, lawyers and physicians recognized that they were dealing with a problem of epidemic proportions. Their response was to create mandatory child-abuse reporting statutes. Today all states have laws requiring certain persons to report suspected incidences of child abuse. The original statutes required only physicians to report such cases. As more research material and data became available, however, it became clear that most cases of child abuse involved not a single attack, but a continual battering that became more severe as time went on.

As a result, the reporting statutes were amended in the late 1960s to include other persons within the community who came into early contact with children. For example, 22 states now specifically require teachers to report incidences of suspected child abuse, 26 states specifically require social workers to report such cases and four states specifically require day-care personnel to report.

Another possible responsibility of teachers and schools is to provide students with the information and guidance they need to be sensitive to the issue of child abuse. This can be accomplished in part through "education for parenthood" classes, but many school districts are still reluctant to get involved in such things. People in the community tend to complain and say, "Education for parenthood is our problem; you leave it alone." Other current problems:

Educating all segments of society about how parents can and do abuse their children.

Showing teachers and others how to identify cases of child abuse as early as possible and where to turn for help.

Standardizing the states' response by establishing a uniform system.

Idaho, Florida and New York have taken a rather novel, innovative and educational approach. Each state has advertised (Florida and Idaho through a professional ad agency) in newspapers, pamphlets, billboards and radio and television announcements about child abuse—what it is, how to recognize it and how to report it. Each state advertises a toll-free telephone line, open 24 hours a day throughout the year, to receive all reports (including anonymous reports) of suspected child abuse.

In New York, the WATS operator in Albany has on call one social worker in each county who is available 24 hours a day. If a report indicates suspected imminent danger to a child, the social worker in that particular county is notified and an immediate investigation is made. By law, the social worker is required to make a follow-up report to a central registry in Albany within 7 days, 30 days, 60 days and 90 days until the case has been resolved.

The advertising campaign in all three states seems to have worked exceedingly well. In Idaho, the number of reports in a three-month period was double the number in a comparable period the preceding year. In Florida, reports have risen from 250 in 1971, before the telephone line was established and the advertising campaign initiated, to 28,022 in the year ending Jan. 31, 1973, at the conclusion of the advertising campaign.

And in New York, where the WATS line has been in existence since last September, there were as many substantiated reports during the first month as there were in all of the preceding year. From all indications, it seems that the number of reported and substantiated reports from these states will continue to rise.

Courts, lawyers and legislators also are beginning to recognize that a punitive approach to child abuse may not be pragmatic. In most cases, the act of abuse is not premeditated. It is the result of conditioned behavior that has been learned and passed along from one generation to another. The abusing parent was, in all likelihood, abused himself as a child, and his children, if they are abused, will probably grow up abusing their own children.

A parent who is prosecuted through our state criminal courts is not necessarily helped to recognize his deficiencies or to understand his problem. He is also likely to become more hostile to the efforts of social workers and others to help him.

Thirty-five states make child abuse a specific crime. and the other states may successfully prosecute the same under assault-and-battery statutes. But while a jail sentence may satisfy our need for retribution, it does nothing to cure the abusing parent or to stop the vicious cycle of abuse. There must be some form of therapeutic intervention.

A pioneer in developing therapeutic programs is the National Center for the Prevention and Treatment of Child Abuse and Neglect, located in Denver. In one program it works with abusing parents, helping them to recognize their susceptibility to strike out in times of crisis. In another, a group of "lay therapists" is on call 24 hours a day, serving as a lifeline or rescue operation for abusing parents. The center also has a "crisis nursery" that offers supervised 24-hour care for children during periods of family crisis.

In addition, a multidisciplinary team consisting of a pediatrician, a psychiatrist, a social worker, a psychiatric social worker, a registered nurse and a lawyer is available to decide if abuse has occurred in a particular case, if court action should be taken and what therapy is available and would be beneficial.

The center acts as a training institution, too, teaching newly developing techniques and programs to workers throughout the country.

While every state requires certain persons to report suspected child abuse after the fact, every state seems to define child abuse differently (nonaccidental serious physical injury, nonaccidental injury plus neglect, or sexual or emotional abuse, etc.).

Some states, such as Colorado, go somewhat further and require that conditions or circumstances that would reasonably result in abuse also be reported.

There also is variation in the investigations states require upon receipt of the reports and in the treatment to be offered. Some states provide absolute immunity for persons reporting abuse cases. Others totally abrogate privileged communications in the adjudication of child abuse. Some states grant physicians the right to assume temporary custody of a child when they feel it would be dangerous to send him home.

With all these differences, among others, the Education Commission of the States (ECS) has proposed alternatives for state legislation to help standardize the definitions and procedures for investigations, provide guidelines to protect abused children and provide a free flow of information among the agencies involved.

The ECS statutory proposal expands the definition of child abuse to include nonaccidental physical injury, sexual abuse, emotional abuse and neglect. Other features:

It requires a large number of professionals within the community, including teachers and day-care officials, to report suspected cases of child abuse.

It provides complete immunity from civil and criminal suits to all persons making reports in good faith.

It provides civil and criminal penalties for willful failure to report.

It creates a central registry, with appropriate safeguard, to house reports of child abuse for statistical, diagnostic and tracking purposes.

It allows a physician to take custody of a child he believes would be in danger if returned home and provides the child with a special legal guardian to represent his interests in any subsequent court proceedings.

(Copies of the ECS proposal are available for $2.50 each from Suite 300, 1860 Lincoln St., Denver, Colo. 80203.)

Federal legislation introduced by Senator Walter Mondale, D-Minn., and signed by President Nixon on Jan. 30 will allocate $85 million to individual states over a four-year period to combat child abuse. As a condition to receiving funds, however, each state's definition of abuse will have to include the element of neglect, each state will have to provide legal representation for the abused child, and each will have to attack the problem from a truly multidisciplinary point of view.

With state and federal efforts like those under way, perhaps, there will be far fewer cases like Donna's in the years ahead.

DON KING—PROMOTER EXTRAORDINAIRE

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, April 22, 1974

Mr. STOKES. Mr. Speaker, Don King is a Clevelander who has made it big in the boxing world. He has always been controversial and he has attracted the attention of the news media around the Nation. His most recent coup is the Muhammed Ali-George Foreman fight, which will be held in the Republic of Zaire on September 30.

To introduce my colleagues to this extraordinary man I am submitting here three articles from newspapers in Cleveland, Chicago, and Washington, D.C.:

[From the Cleveland Plain Dealer, Mar. 31, 1974]

King Already Nets Tidy Sum

(By Dan Coughlin)

Don King, the Clevelander who put together the George Foreman-Muhammed Ali heavyweight championship fight for Sept. 30 in Africa, modestly admitted that his promotion already has turned a $1.4 million profit.

"Even if nobody shows up to see the fight live in Africa," he revealed.

In six weeks of traveling. King constructed a package that cost his promotional partners nothing, unless you count the government of Zaire, which hopes to buy prestige with the biggest money fight in history.

"The government of Zaire put up $10 million for the fighters and bought out the stadium for $1.4 million," King revealed.

Ali and Foreman are fighting for a flat guarantee of $5 million each. Their money was first deposited in the New York branch of Barclay's Bank of London. Each fighter was then advanced $200,000 in cash to cover training expenses. The remaining $4.8 million each was deposited in their individual bank accounts, Foreman's at the Central Bank of Oakland and Ali's in the Guarantee and Trust of Chicago.

King's odyssey began six weeks ago when he left Cleveland with a letter of credit for $1 million from Cleveland builder Carl Lombardo and other associates to nail down a commitment in Chicago from Ali. His original intent was to bring the fight to Cleveland, but it quickly outgrew Cleveland's resources.

From Chicago, King's travels went this way: New York, Chicago, Oakland, Chicago, Paris, London, New York, Caracas, New York.

Numerous entrepreneurs came in and out of the picture until King and Hank Schwartz of Video Techniques of New York met with government officials of Zaire in Paris two weeks before Foreman successfully defended his title against Ken Norton in Caracas last Tuesday.

The final lineup of King's partners includes Hemdale, a British conglomerate headed by Londoner John Daley; Risenella of Switzerland; and Telemedia de Panama. This package will market the fight on television.

The fight will be held at 3 a.m. in Africa to accommodate the lucrative television market of the eastern United States and South America, which will witness the fight on closed circuit TV at 10 p.m.

En route to assembling the most expensive single sports promotion in history, King became vice-president of Video Techniques, the closed circuit TV outfit formed 4½ years ago by Schwartz, a New York electronics engineer.

King's association with Video Techniques began last summer when he was grooming two of his own heavyweights, Earnie Shavers and Jeff Merritt, to fight for the title, through King, Video Techniques landed contracts for Foreman's first two title defenses, against Jose (King) Roman in Tokyo and against Norton, matches which King was instrumental in making.

King, 42, a former Cleveland gambling figure who served four years in the penitentiary for manslaughter, has soared to the pinnacle of boxing promotions.

Undoubtedly the fight will be seen by more persons via closed circuit television than either of the Ali-Joe Frazier fights, which held the previous record. Video Techniques is negotiating with Russia to beam the fight live behind the Iron Curtain, which would be a first for boxing. Previously, Russians saw major fights on a delayed basis.

King admitted to some anxieties during the course of his quest, but he insisted none involved Foreman's ability to dispose of challenger Norton.

Had Norton upset Foreman, the multimillionaire African attraction probably would have collapsed.

King was so confident, in fact that be began leaking news of the African fight last weekend, while Foreman and Norton were still disputing over officials for their fight.

Others, however, were less certain. Cleveland attorney Clarence D. Rogers Jr., the former Cleveland police prosecutor, admitted to some concern.

"I'll be handling the legal work for the fight in Africa," Rogers said as he entered the Music Hall for the closed circuit showing of the Foreman-Norton fight.

King is certain the legal entanglements resulted from the fight in Caracas.

The Venezuelan government promised us there would be no tax at all," King said. "They haven't lived up to their contract. There's no chance it will happen in Zaire."

Foreman and Norton were detained in Caracas last Thursday by customs officials because of a dispute over an 18% income tax.

"Essentially, what it amounts to is that they were under house arrest in Caracas. They couldn't leave the city. You can't hold the heavyweight champion for ransom like that. It's an international disgrace. They've embarrassed the country of Venezuela and destroyed tourism."

King said the experience in Venezuela was enlightening.

"We can now bring up questions with the country of Zaire that heretofore we hadn't thought to ask," said King. "In that respect, it was a profitable experience."

King says the fight in Zaire will climax the greatest festival in the country's 14-year history.

"It will be a return home for these two great representatives of their race," King declared.

The question most frequently asked is: Where is Zaire?

Formerly the country was known as the Belgian Congo. The name was changed in 1971 to Zaire, which means "river" and is pronounced "Zi-AIR," according to King. It is located in west central Africa roughly on the Equator.

The fight will be held in a soccer stadium with a capacity of 80,000 in the capital city of Kinshasa, formerly Leopoldville, population 2 million.

King said that in discussion with leaders of Zaire, he concluded that the country is not necessarily seeking tourism, because its natural resources include 70% of the world's diamonds and 90% of the world's bauxite. Prestige was the major factor, said King.

Tourism, however, will receive a major boost as a result of the fight, which will attract thousands of spectators from all over the world, many from the United States. Two tour groups in Cleveland alone already are planning to charter planes.

"It will be a festival like you have never seen," King promised. "It will go on for a month before the fight. You will see all the animals and the mysteries of Africa."

The most ferocious "animal" of all, it was speculated, would be a heavyweight boxer imported from the United States with the name of George Foreman.

[From the Chicago Press]

CLEVELAND'S KING SHOCKS BOXING'S WHITE ESTABLISHMENT

(By Dave Nightingale)

CARACAS, VENEZUELA.—The towering black man in the gold and white suit strode into the conference room where they were about to officially announce that George Foreman and Muhammad Ali would hold a September title fight in the Republic of Zaire.

Somebody handed him a mimeographed sheet of paper. He read it quickly . . . than a wave of anger shot across his impassive face, he crumpled the paper into a ball, flung it across the room and stalked out of the assembly hall.

The paper said the Foreman-Ali fight would be co-promoted by the Hemdale Leisure Corp. and Video Techniques.

And way down on the 15th line, it added: "In association with Don King Productions."

Promoter Don King, a Clevelander, is not about to let himself be declared an "also ran" in the big one. Not on your life, baby!

Hank Schwartz, executive veep of Video Techniques, was hardly blinded to the whole scene. And he tried hard to make amends.

"This paper should have said that Don is a vice president of and major stockholder in Video Techniques," said Hank. "He is mainly responsible for this fight. With the diverse personalities of Foreman and Ali, he was the only one in the world capable of bringing them together. He's a welcome addition to our company and he'll probably have me riding in the back of the bus in a couple of months."

The hair on Don King's head stands straight up—like a caricature of a man who has just received an electric shock. But that's nothing like the shock he's starting to lay on some members of boxing's white establishment.

"Well, I'm the one who is riding in the back of the bus right now," King shot back at Schwartz. "In the interests of our new partnership, I don't want to cause any trouble. But I would remind my partners that I expect to be treated as an equal."

Dick Sadler, Foreman's mouthy manager, broke into some inane chatter at that point and it eased the strain of the moment. But, later, King made no bones about the importance of people not taking him lightly.

"I am the first strong black promoter of national repute," he said, "which, I would like to believe is a tribute to my credibility.

"Sure, I'm a little too flamboyant for some people, but I have to be that way. Doing anything in white America is difficult for a black man. But I'm not trying to drown in my own tears over past injustices. I am very pragmatic. When I got my foot in the door, I kept pushing. And here I am. With this bout, I have arrived."

If, indeed, he has arrived, then Herbert Muhammad (Ali's manager) provided the vehicle, as King is the first to admit.

"I have known Ali for a long time," said King, "and I had made Foreman's acquaintance. When I decided to try for this bout, I naturally went first to the Ali camp—because I knew Muhammed was eager for the fight . . . and because he is my friend.

"During my promotion days (in Ohio), I felt I had established respect and credibility. I had always produced and performed according to my commitments. Herbert Muhammad decided to stand with me. He told me: 'You get Foreman and you got us.' It was finally settled in the simplest method of sincerity, a handshake with both fighters."

Negotiations for the bout started before Ali won his January rematch with Joe Frazier . . . and, of course, before Foreman flattened Ken Norton here Tuesday night. Both victories were "musts," naturally, to produce the $10 million payday in Zaire.

Unfortunately, the news of the Zaire fight leaked out before Foreman was able to dispatch Norton, a leak that obviously had a decided effect on a rather low Foreman-Norton theater-TV gate.

And the leak was the direct result of a power struggle in the Ali camp between King and Ali's attorney Bor Arum, a white. "I will never work with Arum again," snarled King. "He misled me . . . he misled me . . . he doesn't keep his commitments. (Don alleges that Arum promised him Ohio theater-TV rights for the Ali-Frazier rematch, then reneged at the last minute.)

"Arum was trying to push Ali into a fight with Jerry Quarry instead of Foreman . . . which I felt would have been bad for Ali. And Herbert Muhammad agreed with me, so we got some quick signatures for the bout in Zaire. (Which means, of course, that Arum is on the outside, looking in.)

"In regard to my role," said Don King, "in regard to putting the fight in Zaire, we are not trying to shove the white man out of the scene. We are just trying to prove to the world that blacks can do the job with efficiency. And beyond that, with sophistication.

"I think sophistication is the key word, because it is a word that the world is reluctant to associate with black people. The production in Zaire will have that sophistication."

[From the Washington Star-News, Mar. 28, 1974]

COME SEPTEMBER—IN ZAIRE

(By Tom Dowling)

CARACAS.—Video Techniques, Inc., held a press conference at the Hilton Hotel yesterday to announce the "supercolossal" Muhammad Ali-George Foreman match in Zaire, Africa in September, a fight which had already been announced to the world last Sunday. That was boxing for you: three minutes of championship heavyweight fisticuffs a year, interspersed with 364 days, 23 hours and 57 minutes of announcement, each more grotesquely redundant than the last.

Yet, boxing was, in part, a delectable circus precisely because the men who ran, promoted and clung parasitically to the sport were entirely shameless. They could, and in fact would, repeat the same Ali-Foreman information from now until September, adding an outrageous flourish here and there to lend some vitality to the performance. Ah, what rogues and merry andrews they all were.

Sitting at the press conference dais were, from left to right:

Dick Sadler, Foreman's manager with his curious taste for battered haberdashery, who would barely keep a straight face when asked solicitously about the condition of big George's tender knee.

Hank Schwartz of Video Techniques, in his space glasses, houndstooth suit and shaggy head of middle-aged hair, trying to look as entrepreneurially solemn as David Rockefeller.

Bula Mandunga and Dshimpumpu (pronounced to sound like Chief Poo Poo), the two representatives from Zaire in their Chairman Mao suits. Dshimpumpu, who evidently speaks no English, is known as the "Henry Kissinger of Zaire," according to Don King of Video Techniques. As nearly as can be determined, this designation was awarded to Dshimpumpu for his travel schedule, rather than any negotiating feats or polished one-liners on the cocktail circuit. Bula Mandunga, the spokesman for the Zaire fight delegation, is, like his colleague Dshimpumpu, an assistant to President Mobutu.

Don King, the "new vice president and major stockholder" in Video Techniques, who served as the intermediary, signing Ali and Foreman for Kinshasa's May 20th Stadium. King, a portly former "numbers baron" in Cleveland, was recently released from a four-year manslaughter sentence for, as he good naturedly puts it, "beating up a friend of mine in an altercation which led to incarceration when he expired 11 days later."

Those who have spoken to King here, however, find this incident to be King's most memorable attribute. There are some who give the vote to his Afro, which stands straight up on his skull, like a cartoon figure who has just put a penny in the fuse box. Others are more smitten with King's memorized rhetoric, a combination of gibberish, Mrs. Malaprop and Palgrave's Golden Treasury of English Verse. "No man is an island in the conglomoration of things as the poet John Don said," King is fond of telling journalists.

These men, if you can believe it, claim to have found $11 million in backing to put on a championship match, perhaps THE championship match, in Kinshasa. As nearly as could be learned from the smiling, moon-faced, but somewhat acerbic Bula Mandunga, Kinshasa's major claim for being the host for the fight is that its president "is a sportsman and the people are sportsmen."

Hotel, telecommunications and venue considerations remained somewhat obscure. In a brief rundown Mandunga explained that Zaire means "river" in one of the national tongues. Zaire, which gained independence in 1960 under the name Congo, acquired its new moniker in 1971, Mandunga said.

He noted that Zaire would not insist on local referees and judges, a demand which so bedeviled the Foreman camp here. "As far as we're concerned there will be no problem except accommodation." This stroke of candor was not well received by the boxing journalists, who nourished a suspicion that grim as the accommodation picture might be, that was not even the half of it.

For my part, I had to concede that point. Foreman-Ali could well turn Paris and New York into urban versions of Shelby, Mont. You could scarcely expect Kinshasa to weather the onslaught with any greater equanimity.

Still, it takes two to tango. And my own instincts told me that Kinshasa's bedlamite experiences were bound to dwindle into insignificance compared to the chaos wrought by the Schwartz-King handling of the event.

Neither man had ever been to Zaire, had no first hand notion of the facilities on the ground, no apparent inkling of the labor and weather disasters that lay ahead. King's rhetoric—"there will be no Big I, little you. This is a team, locked in determination, efficiency, proficiency in the desire to bring the heritage of America's prodigal sons back to their homeland"—sounded soothing enough in the coffee shop of the Hilton Hotel.

But, his promise to "seek sophisticated expertise from all walks of life to overcome the problems," may ring somewhat hollow in the sweltering lobbies of Kinshasa's hotels, where thousands of visitors face the news that there is no more room at the inns.

Looking at the team up on the dais in the Hilton Hotel salon, you knew that the laughter in your throat would rattle come September. Yet, even though you sensed what lay ahead, the event had an inner logic of its own. Six months of tubthumping announcements for the fight lay ahead. The fascination of it all was too powerful to resist, a suicidal mania that could not be reversed.

They said boxing was a dying sport, Zaire was its death wish. And the logic of it all said that the appointment there would be kept.

FEW ADVANTAGES TO THE ELECTORATE

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 22, 1974

Mr. FRENZEL. Mr. Speaker, nowadays it has become fashionable for elected and appointed officeholders to provide information on their personal finances. My personal feeling is that such revelations bring few significant advantages to the electorate, while at the same time they bring some opportunity for political mischief, such as in the Ohio Democratic senatorial primary.

My preference is for sealed disclosures, or general disclosures. The electorate deserves notice of potential conflicts, but not necessarily a penny-by-penny review of family, assets and liabilities. I believe the recent Washington State law requiring complete disclosure of such items as one's partner's law clients is a prime example of overdoing a good thing. It simply meant that a certain class of citizens, lawyers, admittedly overrepresented in legislative halls everywhere, would be less likely to run for office.

In my judgment, the key is potential conflict of interest. Conflicts are not uncovered by the revelation of the amount of one's home mortgage or the listing of equity assets where there is no control, or no significant size of holding.

A few Members, including myself, have been embarrassed when others have held or purchased equities, revealed under House rules, because they thought the Congressman had some special inside information.

With some reluctance I am putting this very general description as of December 31, 1973, in the RECORD. Whoever examines it might want to consider at least the following caveats. Some of the assets noted have no market. Most of the equities are pretty bland, because since elected I have not wanted to purchase banks or other federally regulated companies, construction or building materials companies, oils, et cetera. I hold no tax-exempt bonds now, but I have owned some during my congressional service. That leaves me with some local stuff and some retail firms. It is not the type of portfolio I would recommend to anyone.

None of the holdings amounts to a significant ownership position. I sit on no corporate boards, hold no management positions, and participate in no decision-making. My counsel is not sought by business managers. I do receive income from some of these assets. I receive no income for services rendered, except my congressional salary. I receive some income from the estate of a deceased relative, but have no interest in the principal.

In lieu of honorariums which might otherwise come to me, I have asked groups to make contributions to activities in my home area. In 1973 the list was as follows:

Date of speech (1973)	Donor	Amount	Recipient
Feb. 13	Mortgage Bankers	$500.00	Youth Emergency Service.
Feb. 27	Brookings Institution.	150.00	MN Teen Corps.
Mar. 8	National Association of Manufacturers.	500.00	Washburn Child Guidance Center.
June 22	Protective Group	150.75	YMCA Building Fund.
June 22	Macalester College.	200.00	Macalester Student Scholarship Fund.
July 25	Baltimore Sun	30.00	Anna Mae Hunter Home for the Blind.
Oct. 1	U.S. Chamber	$250.00	Sister Kenny Institute.
Oct. 7	Presbyterian Homes.	250.00	Presbyterian Homes.
Sept. 21	MN Association of Realtors.	150.00	Islands for Peace.
Oct. 18	U.S. Chamber	200.00	Greater Minneapolis Day Care Association.
Nov. 28	Public Affairs Council, District of Columbia.	500.00	Childrens Hospital.

I am a trustee of the Frenzel Foundation, a charitable foundation established by P. W. Frenzel, my father. It files reports as directed by law. I receive no fees or expenses for this service.

I am a member of the Advisory Board of the Distributive Education Clubs of America.

I am a member of the board of the National Cystic Fibrosis Research Foundation.

The following assets are held by Mrs. Frenzel and myself, some joint, some several and some in the name of a brokerage house or trust department:

ASSETS HELD

COMMERCIAL PAPER

J. C. Penney Credit Corp.
Sears, Roebuck Acceptance Corp.
Northwestern Bell Telephone Co.

SECURITIES

American Express Co.
Beneficial Corp.
Bristol Meyers
Cabot, Cabot and Forbes Land Trust.
Cambridge Corp.
Consolidated Foods.
Dart Industries.
Digital Equipment Corp.
Edison Bros. Stores.
General Electric Co.
Household Finance Co.
IBM.
IDS Realty Trust.
Loews Corp.
Nortronics.
Tampax.
TCIT, Inc.
Textron, Inc.
Twin City Barge & Towing.
Wang Labs, Inc.

OTHER ASSETS

Limited partnership, Hanover Apartments, St. Paul, MN (FHA guaranteed mortgage; acquired 1968).

Bank Accounts—Camden NW State Bank, Minneapolis; The McClean Bank, McLean, Virginia; The House of Representatives Bank, Washington, D.C.

Home with furnishings, McLean, Virginia.

Three automobiles.

Ownership in various life insurance policies.

Personal property, clothing and petty cash.

LIABILITIES

Mortgage on McLean home with First Federal Savings & Loan of Arlington.

Ordinary current obligations.

PUBLIC FINANCIAL DISCLOSURE

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 22, 1974

Mr. BIAGGI. Mr. Speaker, members of the news media and of various public interest groups have been calling for full public disclosure of the tax returns and personal finances of Members of Congress and holders of other public offices. For years, we in Congress have had a reporting procedure and have provided for the examination of our personal finances by members of the House Committee on Standards and Official Conduct.

What is most disturbing about the recent requests is that the call for such disclosure seems to imply that all persons in public life are guilty of misconduct until they can prove themselves innocent. Others say that those who hold the public trust have no claim to personal privacy.

I disagree with both these views. The vast majority of those in public life are honest, dedicated men willing to give up a great deal of their personal privacy and family life to serve the people. Public service, however, does not mean the public owns your life and is entitled to know everything about you.

There are proper procedures for investigation which safeguard personal rights and liberties, in the event a political figure is considered suspect of some crime. Investigatory authorities can inspect the personal papers and finances of any individual through the grand jury process. Full public disclosure to the extent that some media individuals and public interest groups are seeking would amount to turning every citizen, group, or publication into an investigatory authority. This should not be their purpose.

Moreover, it would totally deny the public official any of the rights to privacy afforded other citizens. It makes a mockery of our tax laws with their protection of personal privacy and in fact weakens our very Constitution by permitting rights guaranteed under that sacred document to be abrogated by the demands of certain interest groups or media spokesmen.

Despite my personal views on the subject and my feeling that a person's finances are his own business, I did take the extraordinary step last spring of releasing copies of my income tax returns for 3 years and a full personal financial statement listing all assets and liabilities. None of this information appeared in the press because there was nothing of interest to them, nothing to criticize. I pay my taxes like most every other citizen.

Once again, despite my personal view that such information should only be subject to the review of legally constituted investigative authorities, I am releasing a statement of my taxes paid, my sources of income, and my assets and liabilities.

In addition to my congressional salary, I receive income from the law firm of Biaggi, Ehrlich, and Lang; from interest on savings accounts and insurance policies; from dividends, from securities; and from investments in the following businesses: D. J. Cogan, Bohemia Operating Co., Carlton House, McCray, Fox/2+4, Capital Gain Realty, and Selzer-Dalto Co.

My assets include my interest in the above businesses, 1,213 shares of Century National Bank stock and 20 shares of Biltmore Corp. stock. I have no unsecured indebtedness other than normal monthly running charge accounts and the usual running household bills and expenses.

In 1971, I paid Federal taxes of $12,734, State taxes of $4,906, and city taxes of $1,221. In 1972, I paid Federal taxes of $9,990, State taxes of $4,659, and city taxes of $1,081. An extension has been filed for completion of my 1973 tax returns, but my accountant advises me that those taxes will be approximately the same as was paid in 1972.

Now that I and many other Members of Congress and public officials have made financial disclosures to this extent, I think it only fair to call on those members of the news media who consider themselves protectors of the public trust, guardians of the people's right to know, and the consciences of politicians to reveal their personal finances and taxes paid.

Certainly those who report the news are as easily subject to corruption, bribes, and payoffs as those about whom they report. Since they consider themselves so very much involved with protecting the public from so-called corrupt public officials, they should demonstrate to that public the confidence placed in them is well deserved.

A very few recent examinations of the media have found payoffs and bribes of news reporters and company officials seem to be commonplace. The scandal at CBS involving their record division was quickly hushed up. The New York magazine report of special treatment of sports reporters never saw the light of day in the mass media. The people have a right to know whether those who report the news are doing so out of dedication to their work or because someone might have paid them off or because they have a beneficial interest in promoting a certain story. After all, what is fair is fair for all those who hold the public trust.

TRIBUTE TO JOHN BURROUGHS JUNIOR HIGH SCHOOL

HON. THOMAS M. REES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 22, 1974

Mr. REES. Mr. Speaker, on April 27 at the Los Angeles Convention Center celebrations will be held commemorating the 50th anniversary of John Burroughs Junior High School. As a graduate of John Burroughs, I would like to insert in the CONGRESSIONAL RECORD a history of this very prestigious school.

Its graduates have numbered many distinguished community and national leaders in the fields of government, industry, sports, and entertainment. It is an honor for me to congratulate all of those who have helped to build this school which has contributed so much to the Los Angeles community.

HISTORY OF JOHN BURROUGHS JUNIOR HIGH SCHOOL

John Burroughs Junior High School first opened its doors in February, 1924, with 400 students and 23 teachers. Our first principal was Robert A. Thompson. The present athletic field bordering Wilshire Boulevard was not in existence and fields stretched on either side. The lower grounds were covered with underbrush through which a small creek ran. Jack rabbits lived near the creek. There were no houses within one-half mile and the school boundaries extended from Jefferson to Santa Monica Boulevards. Many students and parents complained about the muddy streets around Burroughs and hoped that McCadden Place, a dirt road, would soon be paved. Buses ran west on Wilshire to Rossmore Avenue, but to accommodate the new school, extended the route past McCadden Place.

Student activities were instituted from the start. The first student body assembly was held in the auditorium on March 7, after new seats had been installed. Green and white were selected as the school colors. In May, Horace Miller was elected first student body President. Evening movies, open to the public, were held once a monh with the 15 cent admission charge going to a special fund to help pay for the "moving picture machine." In September, the enrollment jumped to 900. Assemblies were now held every Friday. Jack Dempsey appeared and gave free boxing lessons to interested boys. On another occasion, Eugene List, age 8 years, performed. He later became a famous concert pianist of international repute. The annual Honor Society picnic was a huge success. It began with the usual hike up Mount Hollywood and ended with a banquet under the trees. The student newspaper, *Far and Near*, was published from the start and every student became a subscriber. There were three Glee Clubs at J. B.—one for boys with "changed voices." Students driving their cars through the 6th Street driveway ran over a hedge of rare plants that were being carefully nurtured by the agriculture classes. No hope was given for their survival.

Two important pieces of memorabilia were acquired during the early years. In May, 1926, a painting by the noted landscape artist, William Wendt, was presented to the school by the P.T.A. Entitled "Sunny Slopes" it hangs on the east wall of the library today. An original letter from John Burroughs to Miss Alice Syar of Minnesota was presented by Miss Hurst, school librarian. Miss Hurst paid a collector $10.00 for the letter. It may be seen in the library today.

During the Second World War the school did its part in the war effort. Monthly stamp and bond drives were scheduled. By March of 1943 Burroughs reached its goal of $75,000 in stamp and bond sales making it possible for the student body to purchase a P–51 Mustang pursuit plane inscribed with the school's name. J. B. reached another goal in bond sales with plans to buy a jeep a day. $900 daily bond sales made this possible. Many boys gathered after school to build model airplanes which were presented to the Navy and used for instructional purposes by them. In addition, Andre Previn, a talented student, entertained troops in Santa Ana with the California Junior Symphony. Mr. Previn is now a renowned conductor and numbers among many famous J. B. Graduates.

"The John Burroughs Creed" was adopted in June of '42 from a suggestion submitted to the Student Board of Representatives by Worth Blaney, then a 7th grader. The official school creed follows:

I believe in the John Burroughs way of democratic and helpful teachings, upon which I am given the opportunity to build a just and normal future. I, therefore, believe it my duty to John Burroughs to support its cause, to hold its ideals always before me, to obey its rules and regulations, and to be kind, generous, loyal, and helpful.

In June, 1946, after 22 years of outstanding leadership, Robert A. Thompson retired as Principal. He was succeeded by Ellis A. Jarvis. Although Mr. Jarvis later served as Superintendent of Schools, he always remained strongly attached to John Burroughs. During Mr. Jarvis' years as Principal, Burroughs became a center for various community endeavors. Operas, concerts, athletic events, organization and club meetings were just a few of the activities held at the school. During these years. J. B. had twice the amount of civic center permits issued than any other school in Los Angeles. The P.T.A. continued to grow and on October 17, 1947, Goodwin J. Knight, then Lieutenant-Governor of California and member of the Burroughs P.T.A. addressed the first meeting of the year to an overflow crowd in the auditorium.

John Burroughs celebrated its Silver Anniversary in 1949. A special anniversary luncheon was held in the Home Economics demonstration room. Mr. Thompson, first Principal, talked about past memories. Miss Baller, Girls' Vice Principal, was presented with a pair of silver trays by the P.T.A. They are currently used at parties and teas. The 25th Anniversary Open House was undoubtedly the biggest in John Burroughs' history with 3,750 guests attending the dancing, music, exhibits and other activities featured at the school. The *Burr*, student body annual, of 1949 honored several famous graduates. Among them was Robert Hightower, a leading actor in many Broadway shows who had given several command performances for the royal family of England. Also mentioned were Jim Hardy and Don Paul, both active in athletics as pupils and who later went on to play football with the Los Angeles Rams.

Before the present permit policy was established, a unique situation ensued at Burroughs between 1964 and 1966. Being the prestigious school that it is, parents living outside the school's attendance area were anxious to obtain the limited number of permits available for their children to attend J. B. Inasmuch as permit day was on a Monday at 8:00 a.m. each semester, parents began lining up outside the school on the Friday evening before. Tents were pitched, parents took turns saving places in line, some brought barbecue dinner for all, and a general festive mood permeated as anxious parents camped out on the front lawn for the weekend. The metropolitan newspapers soon picked up this story, and the fame of John Burroughs was spread throughout the entire Los Angeles area.

At various times the *Far and Near* has reported that John Burroughs' graduates include such prominent personalities as Max Factor Jr., Piper Laurie, Tab Hunter, Dustin Hoffman, John Barrymore Jr., Leonard Slatkin, Associate Director of the St. Louis Symphony; William Sackheim, MCA Corporation; Matthew Rapf, TV Producer; and Zina Schiff, concert violinist.

Principals at Burroughs have been: Robert A. Thompson, 1924–1946; Ellis A. Jarvis, 1946–1949; Dr. James W. Lloyd, 1949–1960; Crawford Peek, 1960–1966; Dr. Richard Hammerle, 1966–1967; Dr. Genevieve McDermott, 1967–1972; John Fox, Jr., 1972–1973; and Walker Carlton, 1973.

EAST TECHNICAL HIGH SCHOOL SALUTES ITS SPORTS GREATS

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, April 22, 1974

Mr. STOKES. Mr. Speaker, on April 7, 1974, it was my privilege to participate in the Sports Hall of Fame banquet for the Superstars of Cleveland's East Technical High School.

Jesse Owens is the most famous of East Tech's great athletes. But together with Jesse seven other men were inducted into the Hall of Fame, and I will bet there is hardly another high school in America which can boast as illustrious a roster.

In honor of East Tech and these men who are her special pride, I take the liberty of sharing their stories with my colleagues in the House.

Salute the Scarabs.

The material follows:

EAST TECHNICAL HIGH SCHOOL HALL OF FAME INDUCTEES 1974—WE SALUTE OUR SCARABS!

DAVID D. ALBRITTON

David Albritton attended "Tech 1933–36. He was one of the most outstanding athletes ever to be numbered among its students. He was an end on the football team during his years there and a center on the basketball squad. He was a state champ in the high jump, ran relays and hurdles for the track team, and was a boxing champ for two years in the Golden Gloves.

Albritton placed second in the high jump in the Olympic Games in Germany in 1936. He set a world high jump record while at Ohio State University and was the Big Ten and National Collegiate high jump champion. Dave Albritton was recently named "Outstanding High Jumper from 1930 to the Present" by the Inter-Collegiate Conference Athletic Association. He is also a member of Helms Foundation Hall of Fame.

Mr. Albritton has served six terms in the Ohio House as Representative of District 85. He is president of his own insurance firm and founder of the Unity State Bank of Dayton, Ohio. He also has produced many outstanding track champions and teams while coaching at Dayton Dunbar High School.

JOHN A. BEHM

John Behm attended East Tech 1918–22. He played football for 3 years. The first year as an end, then as a halfback and as a quarterback in his last year. He played basketball and was All-scholastic as a guard when scores of games ended 10–7. In track he ran the 100 yard dash and was a pole vaulter. John Behm also starred as a swimmer and a hockey player for Tech. He played on the team that played in The National Football Championship game in Everette, Washington in which East Tech lost 16–7. This represented the only loss in three years for the team.

Johnny Behm is perhaps best known as the guy who won a football game with Drake University by running backwards for three safeties. Following his graduation from Iowa State, Behm coached football at Colgate University 1926–27. In 1928 he returned to East Tech as football coach. He coached until 1932. Dave Albritton and Jerry Williams were two who starred on his teams.

He holds a school record for points after touchdowns. Presently John Behm operates his own insurance agency which he founded in 1932.

FRANK J. CIVILETTO (DECEASED)

The name Frank Civiletto is one of the most well-known among athletes of old Central High School. He rolled up an enviable record during his four years there, starring in football, basketball, track and tennis. In basketball, he was high point man for three years in the city. Central's Varsity Five won the Scholastic, City and Mid-West titles in 1916. In 1917, the three Cleveland Dailies selected the entire Central High Five for the Scholastic team making "first time" news. Civiletto set records in the shotput and discus in '17 and coached as well as played on the tennis team.

Frank won letters in all sports at Springfield College, Massachusetts, and was captain of the football team in '22. He was All-American among small colleges and was sought by West Point but preferred to return to Ohio.

Civiletto coached football, basketball, track, bowling and tennis at Central for '23–'41. He completed his career in high school coaching at Glenville, where he worked from '41–'62. Under his astute direction, Central High won the Scholastic Championship (with Paul Rose as captain) and was pitted against Latin for the City Championship in the first charity game in the Cleveland Staduim.

The name Civiletto is being honored in like manner April 20 of this year, where Springfield College will name him posthumously to the Springfield College Athletic Hall of Fame.

HARRISON DILLARD

W. Harrison Dillard's career in sports at East Tech and Baldwin Wallace, Berea, Ohio reads like "Who's Who".

Following his years at 'Tech, '38–'41, where he became City and State champion in high and low hurdles, Dillard established the following outstanding record at Baldwin-Wallace and beyond.

His records include: 4 Gold Medals in the G.I. Olympics in Germany; 17 National AAU and National Collegiate Championships; Four Gold Medals: 100 meter dash and 400 meter relay in the 1948 Olympic Games in London, England and 110 meter high hurdles and 400 meter relay in the 1952 Olympic Games at Helsinki, Finland; Holder of the all-time record for consecutive races won at 82; At one period, held simultaneously 11 World, Olympic and American records.

Voted the Sullivan Award in 1955 as the Nation's Outstanding Amateur Athlete; and winner of the following hurdles championships: Cleveland K of C (12 times); Millrose Games Champ (9 years); Chicago Daily News (10 years); Boston, K of C (10 years); Boston A.A. (10 years).

Presently, Dillard works as Director of Purchasing for the Cleveland Board of Education and writes a weekly column for the Cleveland Press.

IVAN GREENE

Ivan Greene came to East Tech in 1925 after a stint in World War I and a college career at Wooster, Ohio. He coached football at Tech for three years and then for about ten years devoted full time to teaching. He returned in 1937 to take over the helm as head track coach. His records as a track coach remain unparalleled in the nation. Just a few of his accomplishments are listed here: 8 State Championships, 16 District Championships, 19 Indoor Senate Championships, 18 Outdoor Senate Championships, 9 West Tech Relays Championships, 9 Mansfield Relays Championships, 8 Salem Relays Crowns, 7 Ohio Wesleyan, 4 East Tech Relay, 2 Ohio University, and 2 Canton McKinley Championships also.

Ivan Greene's coaching career ended in 1960. He retired in 1965 after coaching many individual champions. He will long be remembered by the many champions he influenced in a winning way. Ivan Greene was more than a coach, for many of his young men he served as a "father," "counselor" and loyal friend.

JESSE OWENS

Jesse Owens is considered by many sports experts to be the "greatest track and field star of the half century."

At East Tech, Owens won all major track events and was a member of the state championship team for three consecutive years. In the NIS meet, Chicago, he set a new scholastic world record by running the 100 in 9.4 seconds and tied the world record. He also set a world record in the 220 by running the distance in 20.7 seconds. Owens previously set a new world record in the broad jump with 24'–11¾''.

As an OSU sophomore, he had the distinction of being the only track athlete in history to set three world records and to tie a fourth in a single track meet. He ran the 100-yard dash in 9.4 seconds, tying the world's record and set world's records in the 220-yard dash in 20.2 seconds, the 220 low hurdles at 22.6 seconds and the broad jump at 26'–8¼''.

At the 1936 Olympic games held in Berlin, Germany, Owens gained international distinction by setting four new Olympic records, in winning individual titles in the 100-meters, 200-meters and broad jump, and running on the victorious 400-meter relay team.

LAMOYNE PORTER

LaMoyne Porter showed signs of greatness even as a student at Kennard Junior High School where he was on the honor roll and played basketball and volleyball. His goal was to attend East Tech seeking the best education he could get with hopes of playing basketball.

That's history now as LaMoyne excelled in the classroom, was State High Jump champ and proved to be one of the mainstays of the Senate, City, and State champion basketball teams coached by John Broski in 1958 and 1959. He was also a school leader, elected president of his class.

LaMoyne went to the U. of Washintgon, became discouraged, and left to enter the Air Force. He played basketball for the All-Air Force team for eight years, was a member of the inter-service team and was cited as an outstanding drill instructor, while stationed in Texas.

He returned to Cleveland, enrolled at CSU, and broke the CSU basketball scoring record under Coach Ray Deiringer. Today LaMoyne coaches Glenville's basketball team and recently guided them to a Sectional Championship.

SAM WILLAMAN (DECEASED)

Born and bred in Ohio, Sam Willaman was a product of Alliance High School and Ohio State University—1918. He was a task master in the aesthetics of sportsmanship, demanding clean speech, clean living and clean morals of those he coached. His goals were not only to win games but to win young men.

He coached football, track and basketball teams at East Tech and turned out star football and basketball teams. On the track, Coach Willaman's teams took the 1919 North Eastern Ohio title. In '20 they were Ohio Scholastic champions and repeated the feat in '21. Coach Willaman left Tech to coach at Iowa State as head football coach and took four East Tech stars with him; John and Norton Behm, Jack Trice and Champ Hardy. He later coached at Ohio State and won all but the Michigan games in his years there. He coached at Western Reserve when Doc Kelker was a Freshman. Two years later, the world lost one of its most illustrious coaches—Sam Willaman.

CONGRATULATIONS TO RAYMOND PRUSINSKI AND THE MEN OF THE 85TH BATTALION

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 22, 1974

Mr. ANNUNZIO. Mr. Speaker, I rise to bring to the attention of my colleagues the outstanding community service performed by the 85th Support Battalion of the U.S. Army Reserves in Illinois, which is active on the northwest side of Chicago in the 11th District I am honored to represent, and to the dedicated leadership of the battalion's resourceful special projects officer, Mr. Raymond Prusinski.

The 85th was nominated for the Department of Defense Community Service Program Award and Mr. Prusinski, in addition to his nomination for a Sustained Superior Performance Award, has received an Outstanding Performance Award and also a promotion of two grades.

Time and time again, the members of the 85th Support Battalion have proven their willingness to aid in community projects. In 1973 they conducted four separate blood drives for individual children and sponsored or aided youth activities with the YMCA, the Cook County Public Aid Department Youth Groups, and the McCormick Boys Club.

The 85th also has a proud record of sustained action in the Portage District Boy Scout project, Save Our American Resources (SOAR), and the entire battalion will join some 3,000 Scouts, scouters, and community residents on April 27 in helping to make the North Branch of the Chicago River a more scenic and cleaner area for all of the people of Cook County.

This year, the cleanup effort will center around the Whealan Pool area, and I am looking forward to joining area residents on Saturday. In addition to the Boy Scouts, Girl Scouts, and the 85th Battalion, members from the Parkview Civic Association, the North Branch Coalition, and the United Independent Community Associations will be there to lend a hand.

The 85th has consistently supported these community cleanup efforts, which last year resulted in the removal of 3,720,000 pounds of debris from the river, and Project SOAR Chairman John M. Andersen informs me that without the help and ability of Raymond Prusinski, this project would not have the proud record of accomplishment it holds.

Mr. Prusinski has since been transferred to the Reserves' 366th Transportation Group but true to his personal principles of loyalty and dedication to service for others, not himself, he will have a detachment from the 366th out on Saturday, April 27, helping in SOAR's annual clean-up project.

Mr. Speaker, I congratulate Raymond Prusinski, and the men of the 85th Support Battalion, and extend my greetings to them as they continue to contribute to the community. Their fellow citizens who have given so much of their own time and effort to improve our community and its resources are proud of them and grateful for their competent and inspiring assistance.

ARMOND L. "BILLY" ROBINSON

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, April 22, 1974

Mr. STOKES. Mr. Speaker, Armond Robinson was a friend and a fellow lawyer for whom I had great respect. He was dedicated to his family, his church, and his profession. He had a strong, abiding love for his alma mater, Morehouse College.

Unfortunately, I was in Africa at the time of his death. But I wish to pay tribute to Armond Robinson today. I take the liberty of publishing a moving eulogy of the man by Charles H. Loeb, city editor of the Call and Post of Cleveland:

TRIBUTE TO A MOREHOUSE MAN

(By Charles H. Loeb)

Armond L. "Billy" Robinson, whose sudden death several weeks ago brought shock and genuine sadness to thousands of Clevelanders, left behind him an involvement with people and events that will keep his memory fresh for many years to come.

Of all the positions, honors and titles Billy accumulated during his 62 years of productive living, he was proudest of all of being identified as "A Morehouse Man," one of that rare breed that seems to find a special inspiration for service to the hundreds of fortunate black communities throughout the nation that are blessed with their citizenship.

Cleveland has been fortunate in attracting not only its "fair share" of Morehouse Men, but some of its most brilliant graduates. Some names that stand out at the moment are the late Wade H. McKinney of Antioch Baptist Church, William Hamilton, nationally respected leader of the Realist Association, Appeals Court Judge Leo Jackson, Educator John Turner of Case Western Reserve University; Rev. James Stallings, Executive Secretary of the Cleveland Branch, NAACP; Rev. Luther Hill of Second Mt. Sinai Baptist Church; Lawrence Powell of the Department of Parole, among others.

Internationally renowned Dr. Martin Luther King, of course, now at rest on the Morehouse campus, is easily among the most distinguished and widely-publicized of the unique breed of Morehouse Men.

In this light, it is easy to understand that the family of Armond L. Robinson, is echoing a commitment that Billy made throughout his adult life—zealous and continuing support not only at Morehouse but of the Negro College Fund that supports Morehouse and 39 other black private colleges that help 45,000 students find their way out of rural backwaters and urban ghettos of this country and into 20th century America.

The finest tribute to his contributions we believe should take the form of contributions in Billy's memory to Morehouse College, his beloved Alma Mater. Contributions should be sent directly to President Hugh M. Gloster.

POLITICAL PRISONERS IN VIETNAM

HON. ANDREW YOUNG

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 22, 1974

Mr. YOUNG of Georgia. Mr. Speaker, it is distressing that the U.S. State Department tries to maintain the fiction that no political prisoners are being held by the Thieu regime in South Vietnam. Two recent reports confirm the existence of the political prisoner system there.

One report, which comes to me by way of the Fellowship of Reconciliation, tells of the plight of some 300 Buddhist monks detained at Chi Hoa Dentention Center in Saigon, where on March 1 they began fasting and praying in silence to demand their release. A letter from Thich Nhat Hanh of the Vietnamese Buddhist Peace Delegation, together with a letter from Thich Minh Hoang—one of the imprisoned monks—provide descriptions of this terrible situation.

The second report is a dispatch from Saigon by United Press International, reporting some details on the number and location of political prisoners in South Vietnam. This dispatch appeared in the April 18 issue of the Atlanta Journal.

The articles follow:

THE VIETNAMESE BUDDHIST
PEACE DELEGATION,
Paris, France, March 15, 1974.

DEAR FRIENDS: On the morning of March 1, 1974, 300 Buddhist monks detained at Chi Hoa Detention Center in Saigon began fasting and praying in silence to demand their release. In a letter sent to Thich Phap Lan, Chairman of the Buddhist Committee for the Release of Political Prisoners, written on March 5, 1974, the monk Thich Minh Hoang, Representative of the 300 fasting monks, said that 20 of them had fainted on that day and 5 had been carried to the Prison Medical Center. He said that the monks are only living on prayer and water, and have decided to go on with the fastings and silent praying, indefinitely until their demand is met. He said on that day a team of opposition senators came to the prison, but the fasting monks were not allowed to talk to them.

On March 12, Thich Phap Lan, Thich Nhat Thuong and 20 other Buddhist leaders came to the Chi Hoa prison to visit the fasting monks. Several newsmen came with them. They were not allowed to enter the Prison. Films and tapes of CBS and NBC newsmen were confiscated. When the Buddhist delegation left, 15 newsmen were detained by the police. The delegation returned to the prison later and tried to push through the gate but were chased off by police who fired shots into the air. Efforts by the Buddhist delegation to get sugar and lemon to the fasting prisoners also failed. The guards of the prison refused to take these items. On the same day, the Asociated Press reported that 142 more monks were arrested in Can Giuoc, 12 miles south of Saigon.

We enclose the translation of the letter of prisoner Thich Minh Hoang to Thich Phap Lan and a photocopy of the original. We urge you to take whatever action you can to support the fasting prisoners. We will be very grateful for your support.

THICH NHAT HANH.

[Translated from the Vietnamese]

HOMAGE TO OUR LORD AND TEACHER THE ENLIGHTENED SAKYA MUNI

OUR DEAR VENERABLE: In the name of 300 monks who started last week fasting and praying in silence in this Detention Center in Saigon, imprisoned on charges of civil disobedience and insubordination, we request you to raise your voice so that the public within and without the country will be aware of what is going on here.

Venerable, all of us declared that we would begin on the 27th of February 1974 fasting and praying in complete silence to transmit our request to the government, asking the government to free us so we can go back to our monasteries, pagodas, and institutes to continue our religious study and practice. On that day the lieutenant colonel chief of the Detention Center asked us to postpone our action for 3 days, so that he could intervene with the Ministry of the Interior. He said that if the result was negative he would not prevent us from the action. We complied with his request, and the result was that we started the fast and silent prayer on the morning of March 1, 1974. Today, after 5 days living exclusively on prayer and water, most of us feel physically exhausted. More than 20 have fainted and 5 among them have just been carried to the Medical Center of this Detention House.

Today we notice that the administration of the Detention Center is trying to hide our action from the public. At 9:30 this morning when a delegation of Senators came to investigate the aspiration of the prisoners, the Administration prevented us to meet with the delegation. It is our intention to pursue our action of fasting and praying in complete silence not only for 7 days as we decided at the bureau of the lieutenant colonel chief of the Detention Center on the 4th of March 1974, but *indefinitely* until our aspiration is met.

For the sake of the lives of 300 of us, we respectfully request you, Venerable, to present this case to the Central Executive Council of the unified Buddhist Church, and ask the Council to intervene with the government to save us from slowly dying in this prison.

Also we request that you and the Central Executive Council of the Unified Buddhist Church present our case widely to the public. We shall be grateful to you for our whole life and we pray that our Lord and Teacher will bring you peace and the full accomplishment of your task.

Respectfully,

THICH MINH HOAG,
Prison No. 5848 QPTA, for the Representative Committee of the Fasting 300.

SAIGON HOLDS POLITICAL PRISONERS

SAIGON.—The Saigon government denies holding any political prisoners, but well-informed South Vietnamese sources say several thousand of the detained are languishing in jails.

Many political prisoners are non-Communist pawns in a cold-blooded negotiating game between the government of President Nguyen Van Thieu and the Viet Cong.

The political prisoner issue has led to many charges, but few facts have come to light. There has been charged that as many as 200,000 political detainees are held by Saigon.

Officially, the government claims all the detainees—about 5,080 "Communist agents"—have been turned over to the Viet Cong. Officials admit privately, however, to an unspecified number of pro-Communists still in jail.

One source closely involved with political detainees agreed to provide secret information to United Press International on condition he remain unidentified.

The source said South Vietnam's total civil prison population of about 37,000 on March 1 included about 8,500 persons who could be classed as political detainees under a broad classification of "disturbers of the peace."

Of these, somewhat more than half are considered actual Communists or Viet Cong agents. About 4,500 have never been formally sentenced. At least 600 are women.

Prisoner exchanges have halted with a breakdown in negotiations, but the source said many prisoners have been kept in jail for possible use in future exchanges.

"It is sort of like an account in a bank," he said, "You want to keep money on hand for things that may come up."

The source gave this description of the political detainee situation:

In addition to actual Communists or sympathizers, prisoners include persons who have been caught with antigovernment literature, activists accused of "'going against the currents of the government."

Some prisoners seized under the U.S.-sponsored Phoenix program, started to eradicate the Viet Cong leadership, were victims of mistaken arrests or personal grudges on the part of officials or informers.

Others were ordinary people who cooperated in such ways as buying rice for Communists, either because they needed money or feared reprisals against families in Viet Cong-controlled areas.

A detailed breakdown of detainees shows most are held in four national prisons. Con Son, a maximum security institution on an island off the southern coast, has the biggest number.

Chi Hoa prison in Saigon holds a number of politically sensitive cases. Tan Hiep prison on the outskirts of Bien Hoa, about 20 miles from the capital, is an almost exclusively political jail with many hard-core Communist inmates. The fourth, Thu Duc, is a women's prison.

Prisoners at Tan Hiep have tight discipline and virtually run their compounds with little interference from officials. Guards are in physical fear of entering.

In some cases, the source said non-Communists might have switched sides in prison because of exposure to Viet Cong cadres or bitterness over jail life.

"It could happen that we drive people into the hands of the Communists while they are in prison," he said. "They become convinced that on this side there is injustice and on the other side there is justice." One prisoner held in Chi Hoa is Tran Ngoc Chau, best known of all political detainees. A controversial opposition politician, he was jailed in 1969 for contacts with his brother, an admitted North Vietnamese agent.

According to the source, Chau was placed on a list for exchange to the Viet Cong last summer, but his name was removed at the last moment on orders from high government officials.

Sources close to negotiations for civilian prisoner exchanges say they resemble a horse-trading process with each side holding back senior people in order to get someone they want in return.

There has been cheating on both sides, with one or the other sometimes reneging on an agreement to deliver a particular prisoner appearing on the exchange list.

ARKANSAS TRANSPLANT JOHN CANFIELD IS NOW A CREDIT TO MICHIGAN

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 22, 1974

Mr. ALEXANDER. Mr. Speaker, on Sunday, the citizens of Dearborn Heights, Mich., paid tribute to their mayor, John L. Canfield. Although Michigan now claims John Canfield and would like to take credit for his many contributions to the political system and the people there, it was his Arkansas upbringing which was responsible for his successful and dedicated life of public service.

Mayor Canfield moved to Clarendon, Ark., at age 8 and in 1928 moved to Piggott where he went to Haywood School. His mother, Mrs. Ethel Canfield and his sister, Mrs. Dorothy Graddy, still live in Piggott. In 1940, he moved to Detroit where he worked in the automobile industry, became very active in the union and moved up through the ranks. This set the background for his interest in politics, for it did not take long for John Canfield to put down his roots and become a man to be listened to.

John Canfield was supervisor of Dearborn Township from 1959 until 1963 when the community was incorporated as a city, and he was elected its first mayor. He has held the post since that time. Earlier, he had served as a park commissioner and a township board trustee.

John Canfield also served as chairman of the Wayne County Board of Supervisors, was a "favorite son" candidate for Michigan Lieutenant Governor in 1966, and was the first chairman of the 15th Congressional District of Michigan when it was created in 1964.

Mr. Speaker, many times you have heard me take the House floor to discuss the plight of rural America whose citizens are leaving their homes and families and migrating to other States where jobs are more plentiful. John Canfield is an example of the talent our State has lost.

Our loss was Michigan's gain. The tributes paid to him yesterday by his friends illustrate the high esteem in which he is held in his adopted State.

I would like to join his friends in Michigan in commending John Canfield for his devotion to his life's work and his dedication to his fellow man.

AN ENERGY CRISIS AND AN ECOLOGY CRISIS

HON. HUGH L. CAREY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 22, 1974

Mr. CAREY of New York. Mr. Speaker, there is no question that this Nation faces over the next two decades both an energy crisis and an ecology crisis. One of the best answers to both of these crises is an adequate system of rail mass transportation. I would like to bring to the attention of my colleagues testimony before the Interstate and Foreign Commerce Commission on March 11, 1974, by the distinguished borough president of the Bronx, Robert Abrams:

TESTIMONY DELIVERED BY BRONX BOROUGH PRESIDENT ROBERT ABRAMS BEFORE THE INTERSTATE COMMERCE COMMISSION, MARCH 11, 1974

I am Bronx Borough President Robert Abrams. After careful study of the Federal Department of Transportation's plan for the core system of the proposed Consolidated Rail Corporation, I am convinced that this document is a prescription for economic and environmental disaster for New York State. The abandonment of 34% of the rail trackage in the entire State, concentrated as it is in the upstate area, will not only have a devastating effect on hundreds of cities and towns in that immediate region but will create cascading unemployment and rising consumer prices for all of our citizens—wherever they live.

In fact, this plan is nothing more than an instant replay of the same outdated concepts which led to the collapse of the highly touted Penn Central merger only a few years ago. We have heard all of these nostrums before: abandon track, fire workers, close "unprofitable" stations. We have done all of these things in the last five years throughout the Northeast and Midwest and the situation today is worse, not better. Surely, the wreck of the Penn Central should teach us that these are exactly the things we should not do if we sincerely seek to build a balanced transportation ssytem which will sustain economic health and at the same time help us to stretch our uncertain fossil fuel supplies.

The simple reality is that the D.O.T. proposal fails entirely to meet the basic goals set by Congress when it adopted the Rail Reorganization Act of 1973. This is a plan to minimize Federal expenditures for rail service, not a plan to provide the significantly upgraded railroad system we need to restore effective competition among different modes of transportation in order to reduce transportation costs and ultimately, to provide a greater variety of goods to consumers at lower prices. For decades America's railroads have been allowed to deteriorate while competing forms of transportation—trucks, airlines and water transport—received massive Federal subsidies. We can not now expect that this pattern of neglect can be rectified in a few short years, or that a first class rail system can be created without far more significant Federal investment than is contemplated in the current proposal.

Even the inadequate amounts provided turn out to be largely mythical. Therefore, of the $2.2 billion "subsidy" figure quoted by proponents of this plan, $1.5 billion—roughly three-quarters of the total commitment—are loan guarantees, not actual cash contributions. Given the generally expressed doubt that the railroads can return to profitable operation within the next decade, this means that even with Federal guarantees any new system would still be forced to borrow at destructively high interest rates in the open market. Similarly, the current plan offers only $180 million in matching subsidies to localities or states which want to maintain vital track links which are absolutely necessary to regional growth but can never become "profitable" in an exclusively cash-producing sense. Thus half the cost of maintaining vital service is foisted onto those branches of government least able to pay, and who face the equally staggering task of providing massive amounts of funds to save local mass transit systems. Local government is therefore asked to carry the lion's share of the burden in both passenger and freight traffic because of this national Administration's default in these vital areas.

D.O.T.'s obvious attempts to accomplish rail reorganization without an adequate investment of Federal funds therefore must inevitably lead to the continuation of a deteriorating rail system and severe additional costs to consumers throughout the State as well as totally unnecessary unemployment and economic decline in upstate New York. This misguided attempt to restructure rail service "on the cheap" is particularly ludicrous in light of the Administration's stated commitment to continue building $5 billion worth of highways each year despite the current fuel drought and the prospect of limited supplies and chronic high prices for gasoline and diesel fuel in the foreseeable future.

In this regard, it must be emphasized again and again that rail transport is the most fuel and cost efficient means of moving goods—four times more efficient than trucks and 60 times more efficient than planes.

Given the severe limitations on testimony time, I want to focus on two key items relating to the goals of this legislation in the few minutes remaining. I trust that the many citizens groups present here today will cover many of the other crucial issues which I am forced to neglect.

First, I want to draw your attention to what seems to me the missing link in the plan before us. While much of the discussion about the disastrous state of our railroads has focused on restoring deteriorating roadbeds, the final bill adopted by Congress and signed by the President completely ignored the serious shortage of rolling stock. The lack of an adequate supply of boxcars, refrigerator and tank cars has led to price increases for every product and service we need from the food on our tables to lumber to build new homes.

The original Rail Reorganization Bill set the establishment of a Railroad Equipment Authority to provide the railroads with new rolling stock as one of its major objectives. Unfortunately, the false economy which permeates the final version of this proposal led to the scrapping of this vital provision.

The Senate Commerce Committee's report on the original proposal sets forth the shortage of rolling stock in succinct and compelling terms:

"The shortage of freight cars is a long standing problem of nationwide scope. Shippers are often unable to obtain sufficient number of freight cars to move their products. As a result, grain is piled in the streets of Midwestern towns, manufactured goods stack up on shipper's docks, vital coal stockpiles are diminished, and lumber prices skyrocket because the products cannot be moved to the location of demand for them. . . . The nation is experiencing its greatest freight car shortage in history."

The report cites a shortage of 38,883 freight cars a day during the week ending November 3, 1973. It goes on to point out that the greatest shortage today is being experienced by those railroads in the weakest financial shape, and they must cut back on their service to shippers because of their inability to borrow funds for the desperately needed new equipment. The paradox here is that as more and more shippers turn to the rails in the midst of the fuel crisis, the railroads must turn away this profitable new business because of unavailability of equipment capacity.

The Senate report goes on to quote a D.O.T. forecast that we need $2.3 billion worth of new cars immediately—more than the entire Federal contribution for upgrading all aspects of rail performance in the current legislation. An additional $8 billion will be needed to meet the demands of the next decade. Therefore, even if consolidation could produce a condensed system of shiny new tracks, what good would it be if we lack the rolling stock needed to carry our goods to market?

The answer is inescapable: only a massive, immediate Federal investment in rolling stock can give the nation's railroads the new equipment they need to become profitable again. Without this critical additional component, all of our efforts to restore the nation's rail system will simply constitute another step in a long line of failures.

I am hopeful that the necessary changes can still be made. I believe that the uniform resistance to this initial reorganization plan which has emerged from communities across the Northeast and Midwest will result in a major revision of the plan before it is presented to Congress next year. The American people realize that we simply can not face an uncertain future fuel situation without a national commitment to thoroughly rebuilding our rail lines.

I would also add that one of the most hopeful aspects of the process through which this new national consensus is being shaped has been the inclusion of public counsels within the Interstate Commerce

Commission. This is an innovative, and long overdue, recognition that it is government's responsibility to maximize the public's participation in the planning process. We will all be watching very carefully to see that the public counsels receive the support and freedom of operation necessary to make this experiment a success.

In closing, I would like to read to you a letter which was recently published in the Washington Post from a Mr. Bruse Johnson of Cambridge, England. After praising America's belated recognition of the need to rebuild our rail lines as a result of the fuel crisis, Mr. Johnson cites the basic mistake which was made in restructuring rail service in Britain. It is advice we should heed.

"I am disheartened to hear, however that the new corporation will begin its life by paring 7,000 to 11,000 miles of 'unprofitable' tracks from the 26,000 miles acquired from the seven bankrupt railroads included in the recent act. British Rail, which took over the British railway network several years ago, made this same mistake. It slashed 'unprofitable' branch lines in the name of efficiency which, naturally enough, cut the volume of traffic flowing into other lines, which made them, in turn, 'unprofitable' and forced further cuts all along the rail network. Now, as this process has continued, rail business in Britain has continued to worsen and the road haulers have begun to introduce juggernaut lorries to handle the freight forced off the rails."

I think Mr. Johnson's letter sums up quite well the paradoxical situation we face under this proposed plan. Let us not continue to make the same mistake made abroad or at home by accepting the siren call of "profitability through abandonment." We should focus instead on expanding rail service, creating more—not fewer jobs—on the nation's railways, and considering transportation as an inter-related system, rather than a series of unrelated problems each to be solved by a new remedy. Transportation financing and planning should be given a total approach by the Federal government, and we must build a balanced, fuel efficient and environmentally sound transit system for moving people and goods as one of our highest national priorities.

MARTZES OF MARYLAND

HON. GOODLOE E. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, April 22, 1974

Mr. BYRON. Mr. Speaker, I want to congratulate Ralph F. Martz of Frederick County, Md., on the recent publication of his book, "Martzes of Maryland." The book is a history of the Martz family in the State of Maryland and other members of the family outside the State.

Mr. Martz became interested in the subject of his family tree after being inspired by his schoolteacher, Miss Mary Ott. The book took him 35 years to research and compile with many trips to churches and courthouses. After his research, it took 2 years to complete the book.

The book lists Martzes who have fought in various conflicts from the American Revolution through World War II. There were about 25 Martzes who fought for the Republic during the Revolution. The original Martz settlers were Germans who arrived in the United States in 1732–33 in Germantown, Pa.

I am sure Ralph Martz' book will be of great historical interest not only to the members of the family but to people everywhere interested in the history of their country as the Bicentennial celebration approaches.

"SPINOFF FROM DOD R&D? NOT MUCH, STUDY FINDS," AN ARTICLE IN SCIENCE AND GOVERNMENT REPORTS

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 22, 1974

Mr. BRADEMAS. Mr. Speaker, I insert in the RECORD a most thoughtful article in the April 15, 1974, issue of "Science and Government Report" entitled, "Spin-off from DOD R&D? Not Much, Study Finds."

The article follows:

SPINOFF FROM DOD R&D? NOT MUCH, STUDY FINDS

A committee working under the auspices of the National Academy of Engineering, the nation's most prestigious organization for engineers, has come close to labeling as a sham the oft-made claim that the massive amount of money which has been poured into space and defense research has resulted in widespread spinoff benefits to society.

"With a few exceptions, the vast technology developed by federally-funded programs since World War II has not resulted in widespread 'spinoffs' of secondary or additional applications of practical products, processes, and services that have made an impact on the nation's economic growth, industrial productivity, employment gains, and foreign trade," the committee states.

It goes on to note that there is a huge amount of technology developed in federal laboratories which could be exploited for the public good, but "a plethora of structural and institutional barriers exist in the federal government and the private economy to prevent the efficient and effective use of this technology."

In 1972, when the now-defunct Office of Science and Technology put together Nixon's historic message on science and technology, the talk then was of finding ways of putting R&D to work in solving "critical national problems." Nixon's message promised that the federal government would seek to find ways to stimulate private investment in R&D and to get technology which had been developed in federal laboratories out into the marketplace.

But about the only federal project to emerge from the gusher of talk was the Experimental Technology Incentives Program (ETIP), jointly funded and administered by the National Science Foundation and the National Bureau of Standards. NBS is only now getting round to announcing its first contracts, and NSF's part of the operation has been reduced from an $11 million a year enterprise to a miniscule $1 million. According to NSF Director Guyford Stever, the program is now in an "evaluation mode."

The accomplishments have therefore so far failed to live up to the rhetoric of Nixon's message, and the NAE committee—which was in fact convened through a grant from the NSF ETIP program—has suggested that so far the Adminstration has been taking too timid an approach.

For a start, the committee believes that the federal government has been spending a paltry sum of money encouraging technology utilization—in 1973, it spent $43 million, or 0.25 per cent of the total research budget on such activities. The NAE committee reckons that the figure should be pumped up to $1 billion.

The money would be used to fund a search of projects supported by federal agencies, to determine which have developed products likely to be useful to society, and then to fund a variety of incentives to industry to exploit them. Such incentives as exclusive licenses, and "imaginatively bold financial aid to users in the private and public sectors in order to accelerate the direct implementation or to stimulate financial institutions to provide greater investment in new technology enterprises" should be tried, the committee suggested.

Most of the committee's suggestions and recommendations are familiar stuff, and reflect the industrial bent of the majority of its members. Like similar recommendations made last year by representatives from state and local governments for harnessing federal R&D for the common good, they will probably be quietly forgotten.

The committee was chaired by Joseph H. Newman, senior vice president, Tishman Research Corp., New York City. The report, titled, Technology Transfer and Utilization, is available without charge from the Printing and Publishing Office, National Academy of Sciences, 2101 Constitution Ave., NW., Washington, D.C. 20418.

PLEDGES U.S. SUPPORT FOR DEVELOPING WORLD'S RESOURCES

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, April 22, 1974

Mr. OBEY. Mr. Speaker, last Monday Secretary of State Henry Kissinger delivered a very important speech to the United Nations. The general theme was the interdependence of nations, and his message was simple:

> The great issues of development can no longer be realistically perceived in terms of confrontation between the haves and the have nots. The transfer of resources from the developed to the developing countries—essential to all hopes for progress—can only take place with the support of the technologically advanced countries. The politics of pressure and threats will undermine the domestic base of this support.

While cautioning developing nations against the use of pressure or force, the Secretary also pledged U.S. support for developing the world's resources. He also outlined six problem areas of particular concern: an expansion of energy supplies at equitable prices; stable prices and supplies of raw materials; food shortages and an expanding world population; economic assistance for the poorest of nations; increased use of science and technology to overcome problems; and equitable trade and monetary policies.

I am particularly pleased to see the Secretary's proposal that an international group of experts work with the United Nations in surveying resources and developing an early warning system for scarcities and surpluses. In my judgment, such an early warning system is crucial if people and nations are to avoid starvation and economic disruptions or chaos.

Mr. Speaker, a recent analysis of economic events which have occurred in the past several months—including escalating costs for fuel, food, and fertilizer—indicates that an additional $9 billion burden has been placed on developing nations if they are just to maintain their present progress of economic development in 1974 and 1975. That startling statistic alone should make us give particular attention to what Secretary Kissinger said last week.

The fact is that we no longer live in a world divided between the haves and the have nots. The United States must now depend upon others just as they must depend upon us. That idea may be uncomfortable for many people because it is new. But it is a fact, nonetheless, and will be true for a long time to come.

Mr. Speaker, I include Secretary Kissinger's speech below as well as editorials on it from the New York Times and Washington Post and an excellent article by James Reston on the special session on raw materials now going on at the United Nations:

[From the New York Times, Apr. 17, 1974]

RESOURCES FOR MANKIND

Secretary of State Kissinger's stress at the United Nations on the interdependence of developed and developing nations points the way to progress on excruciating resources problems now facing mankind.

Confrontation, cartels, production restrictions and steep price rises by other raw material producers on the model of the Organization of Petroleum Exporting Countries can only lead to global inflation and global recession, from which no one would ultimately benefit. The developing nations that lack the few key resources susceptible of this treatment would be the chief immediate victims of such an approach.

Even the raw material cartels are unlikely to benefit very long. Alternative sources will be developed. And raw material producers would ultimately pay for exorbitant commodity prices by the increased costs of the goods they must import.

The "new dialogue" Mr. Kissinger has proposed between producers and consumers must face up to the problem of defining the "optimum price" for scarce materials—one "that can be maintained over the longest period at the level that assures the highest real income. . . . Only through cooperation between consumers and producers can such a price be determined," he noted. "And an expanding world economy is an essential prerequisite."

Within this concept of expanding world production and income, more equitably distributed at fair prices, Mr. Kissinger committed the United States to a major effort at world cooperation in the common interest. It is a commitment that, despite some vagueness in detail, the General Assembly would be wise to seize and explore.

The six "problem areas" Mr. Kissinger sketched out for international cooperation, with the United States offering to make major contributions, address the central dilemmas of development in the poor nations—and the collaboration of rich, poor and newly-rich that must be achieved. It is a global vision of the kind that long has been needed in Washington. It now has to be filled in.

Neither in detail nor in machinery proposed is Mr. Kissinger's speech the be-all and end-all. But it is a challenge to mankind that the nations whose representatives are assembled at the U.N. would be wise to accept in a vigorous new effort to substitute the concept of world community for national egoism.

[From the New York Times, Apr. 15, 1974]

GLOBAL INTERDEPENDENCE

In his opening address to the special session of the United Nations General Assembly, Secretary General Waldheim dealt persuasively with issues whose urgency has unfortunately been overshadowed by divisive international politics. Many of Mr. Waldheim's arguments in support of a rational approach to the production and consumption of the world's resources deserve a sympathetic response from Washington, when Secretary of State Kissinger speaks to the Assembly today.

The question that hovers over the conference is how to break through the wall of suspicion that the proceedings may merely be a pretext for another round in the power struggle between the developing and the industrialized nations. Indeed, the representatives of China and the Soviet Union have already availed themselves of the forum to replay the record of their own hostilities, along with a bid for the allegiance of the have-not countries and the politics of the Third World.

Even many delegates who applaud the special session's stated purpose simply believe that President Boumediene of Algeria proposed the conference primarily to divert attention from the Arab nations' recent oil manipulations, with their catastrophic impact on many developing countries.

Conscious of such fears and suspicions, Mr. Waldheim pleaded for recognition of a new need for a policy of interdependence and for agreements which would render that interdependence "a positive rather than a negative force."

Without what Mr. Waldheim called "the political will" for action, the conditions of acute maldistribution of raw materials, dramatized by the recent confrontations over oil, will propel mankind either toward starvation or to industrial breakdown respectively in poor and rich nations, with similarly disastrous social, economic and political consequences in both.

There are many legitimate differences in perspective among various nations and groups, as they contemplate the effects of rising prices or growing shortages in raw materials and food, and as they try to balance instant demands for natural resources with the long-term necessity of preserving man's natural environment. Such differences, however, must not be allowed to detract from what Secretary General Waldheim called the main theme of the special session—"to secure the optimum use of the world's natural resources with the basic objective of securing better conditions of social justice throughout the world."

It is to this theme that we hope Secretary Kissinger will respond today, in an effort to persuade the Assembly that the United States is not so engrossed with Operation Independence that it fails to comprehend the risk of standing apart in an interdependent world.

THE FORGOTTEN REALITIES

(By James Reston)

UNITED NATIONS, N.Y., April 11.—The nations of the world are gathered here at the big peace palace on the East River to discuss one of the most fundamental questions of the future—the supply, price and distribution of food, oil and the other essential raw materials of life—and the odd and tragic thing about it is that very few people, newspapers, or networks are paying any attention to the debate.

This is very strange. Nothing touches the life of the people more than the supply and cost of essential commodities. Even in America, citizens have been lining up, on odd and even days, for gas, and fairly soon there will be shortages of aluminum, copper and other metals necessary to the industries of the United States.

What is going on here at the U.N. is a discussion between the producers and consumers of oil, bauxite, food and other raw materials. They have come together to get beyond their immediate arguments and find out whether they can reach agreement about fair supplies, distribution and prices for the future.

It is interesting that this conference was called by President Houari Boumediene of Algeria, who has no diplomatic relations with the United States, but who is asking for a new relationship between the industrial world and the developing world, and has come to the United States for the first time.

He was very careful here to open the way to compromise, but he insisted on the rights of the nations that produce the oil and other essential raw materials.

"The raw-material producing countries," he said, "insist on being masters in their own houses." He was expressing ancient grievances of the poor countries against the rich countries, and asking what could be done about it, and threatening that if nothing was done about it, the underdeveloped nations would create more cartels, like the oil cartel, and confront the industrial nations in a struggle for survival.

In many ways, this is a silly threat. It is easier to create an oil cartel than a cartel for bauxite, copper or coffee, but strange things are happening in this fight over raw materials. For example, spectacular new resources of copper have been discovered in Iran, which may now have more copper resources in the future than Chile, so the industrial nations have to pay attention to what is happening in their relationships with the underdeveloped nations that are producing more and more of the raw materials essential in the West.

If this is right, it is curious that the American press has paid so little attention to President Boumediene, particulary since all the major nations have sent their foreign ministers here to participate in the debate.

Andrei Gromyko is here, watching this confrontation between the poor producing countries and the rich consuming countries. Henry Kissinger will be here next week. Michel Jobert of France has been in the General Assembly, despite all the political struggles in Paris, to state his country's views of the problem.

Yet what they all had to say about this worldwide crisis has had less space in the papers or on the television in America than President Nixon's political adventure into Michigan, or Hank Aaron's home run, or Randolpht Hearst's missing daughter.

This is not an argument for ignoring the Watergate controversy, or all the maneuvers and manipulations in the impeachment process, but merely a reminder that other things are going on in the world, more important and enduring than what happens to President Nixon.

It is sad to watch Secretary General Waldheim here at the United Nations trying to get a hearing for the fundamental question in the world. He is concerned about this problem of raw materials. He sees the 100 nations in the United Nations, representing two billion people, almost half of them living below the level of poverty, and he cries out to the world to look at the elemental facts of the human condition.

But nobody listens to him. He has press conferences and makes speeches, but they end up behind the obits. How can we bring the great questions of life to the attention of the people, he asks, and it is hard to answer.

Henry Kissinger agrees with this, and longs for attention to Secretary Waldheim's questions. But the press and the television pay more attention to Mr. Kissinger's marriage than to his policies, and he wonders why. Next week he will be here at the United Nations, arguing for historic perspective, insisting on some order about the supply, distribution and prices of raw materials, but he is not very optimistic. There is something about the fundamental things that are real but don't seem real to the press and the television, something too complicated or abstract.

Still, Mr. Kissinger insists, he will try to make clear that this question of raw materials, prices and distribution may be more important than anything else we are now discussing.

[From the Washington Post, Apr. 17, 1974]

MORALITY AND THE WORLD'S RESOURCES

The sweep and range of Secretary of State Henry Kissinger's address on resources at the United Nations constitute its virtue, and a very great one. The address was a noble declaration of intentions. Its defect was, of course, that the world has no machinery to carry out these purposes. The goals that Mr. Kissinger listed are the right ones. The large question now is whether this country can find practical ways to move the world toward achieving them.

It has to be noted, unfortunately, that the United Nations has become notorious as a place where statesmen give speeches of the most elevated character, and are warmly applauded—and that is that. It also has to be noted, equally unfortunately, that the administration's broadcast statements of high intention also tend not to be well prepared. It is just about a year since Mr. Kissinger's Year of Europe speech which, as time passed, proved an affront to our friends and an embarrassment to its author. It is clearly better for the Secretary of State to give good speeches than not—even when, like other sensible men, he knows that the consequences are in doubt. But having given the speech, it is also better to pursue forcefully the ideals that it declares.

The Secretary's address to the United Nations described the world that a wise and well-informed man sees when he raises his eyes from the daily minutiae of diplomatic negotiation. It is a world in which high oil prices cause fertilizer shortages which, in turn, create food shortages and starvation. It is a world in which sudden unexpected swings in prices have disrupted production and destabilized economies, not only among the poor and traditionally vulnerable nations. It is a world in which the rich nations are beginning to see that inflation is not simply the opposite of unemployment but, in itself, a rising threat to their prosperity.

Much of the address follows lines sketched out in earlier administration statements over the past several months, particularly in President Nixon's Economic Report two months ago. Then the President was mainly speaking to Americans, while at the United Nations Mr. Kissinger was mainly speaking to the rest of the world. But the same point is cardinal to both documents: We cannot afford to define our own national interests in terms antagonistic to the rest of the world's. As the world's richest nation, we continue to have the responsibility to exercise a stabilizing influence on the world's markets. There is also a second muted but explicit message: The United States understands the change that has come over the world's economic geography within the past two or three years. We are no longer the world's only really rich nation. We are no longer immune to foreign competition, or able merely to turn it away when it proves irritating. We are no longer guaranteed an unrestricted first choice of our agricultural production, with the luxury of treating the rest of the world as a dumping market.

Secretary Kissinger's speech is not simply a statement of good intentions. More substantially, it is an acknowledgment that things have changed fundamentally since the last period, nearly two decades ago, in which American Secrtaries of State were compelled to take a serious and sustained interest in economic development.

The practical difficulties in pursuing Mr. Kissinger's objectives are only too evident. The developed nations, he says, must maintain their traditional programs of foreign aid. Very true. But the House of Representatives voted last January to kill the crucial U.S. contribution to the World Bank. "A new commitment is required by both developed and developing nations to an open trading system . . ." Quite right. Does that mean that the Nixon administration is prepared to reconsider the quotas that it has imposed on a vast variety of imports from textiles to steel? The prevailing restrictions on trade "must receive high priority." Also right. But the administration's trade bill, on which its whole trade policy rests, is now a full year behind schedule and remains entangled in the issue of Jewish emigration from Russia.

Mr. Kissinger repeated his call for a world food conference. "A protracted imbalance in food and population growth will guarantee mass starvation—a moral catastrophe the world community cannot tolerate." Exactly so. But rebuilding the world's food reserves implies a system of price stabilizers to which all nations would agree. Coming closer to home, it would require the Nixon administration to find a new Secretary of Agriculture who, unlike Earl Butz, would not be single-mindedly committed to getting the highest possible price for every last bushel of grain that has gone abroad. While everyone understands the damage that the new oil prices are doing to the economies of the poor countries, Americans need to keep it in mind that over the past two years the soaring prices of our grain and soybeans have directly imperiled the food supplies of some of those same countries.

On the matter of oil, Mr. Kissinger calls for "a new dialogue among producers and consumers." The address to the United Nations was doubtless not the place to take up in any detail the recent tribulations of oil diplomacy. But the Secretary's phrase slides a bit too easily past the dismaying experience of the past winter, when competing American and French initiatives succeeded, at least for the time being, in stalemating each other to the benefit of no one.

One signal merit of the address is that the administration no longer speaks solely in terms of forcing down world oil prices. Secretary Kissinger was most emphatic and explicit on the technical and financial opportunities that this country is prepared to extend to the oil-producing countries to ensure their future prosperity. "Reasonable cost" is still the aim, but the administration is now evidently prepared to be a good deal more explicit about the benefits to Arabs, Iranians and Venezuelans in being reasonable.

The true weight and importance of the Secretary's address cannot be discovered in the text itself, but only in its consequences as they unfold over the months to come. If they are vigorous and well-conceived, it may very well be seen in restrospect as a statement of large historical importance. Secretary Kissinger has greatly elevated the country's foreign economic policy. But having done this much, he has committed himself to doing much more.

THE CHALLENGE OF INTERDEPENDENCE

(Address by the Honorable Henry A. Kissinger, Secretary of State, before the sixth special session of the United Nations General Assembly, New York, April 15, 1974)

Mr. President, Mr. Secretary General, Distinguished Delegates, Ladies and Gentlemen, we are gathered here in a continuing venture to realize mankind's hopes for a more prosperous, humane, just and cooperative world.

As members of this Organization we are pledged not only to free the world from the scourge of war, but to free mankind from the fear of hunger, poverty and disease. The quest for justice and dignity—which finds expression in the economic and social articles of the United Nations Charter—has global meaning in an age of instantaneous communication. Improving the quality of human life has become a universal political demand, a technical possibility and a moral imperative.

We meet here at a moment when the world economy is under severe stress. The energy crisis first dramatized its fragility. But the issues transcend that particular crisis. Each of the problems we face—of combating inflation and stimulating growth, of feeding the hungry and lifting the impoverished, of the scarcity of physical resources and the surplus of despair—is part of an interrelated global problem.

Let us begin by discarding outdated generalities and sterile slogans we have—all of us—lived with for so long.

The great issues of development can no longer be realistically perceived in terms of confrontation between the haves and the have nots or as a struggle over the distribution of static wealth. Whatever our ideological belief or social structure, we are part of a single international economic system on which all of our national economic objectives depend. No nation or bloc of nations can unilaterally determine the shape of the future.

If the strong attempt to impose their views, they will do so at the cost of justice and thus provoke upheaval.

If the weak resort to pressure, they will do so at the risk of world prosperity and thus provoke despair.

The organization of one group of countries as a *bloc* will sooner or later produce the organization of the potential victims into a counterbloc. The transfer of resources from the developed to the developing nations—essential to all hopes for progress—can only take place with the support of the technologically advanced countries. The politics of pressure and threats will undermine the domestic base of this support. The danger of economic stagnation stimulates new barriers to trade and the transfer of resources.

We in this Assembly must come to terms with the fact of our interdependence.

The contemporary world can no longer be encompassed in traditional stereotypes. The notion of the northern rich and the southern poor has been shattered. The world is composed not of two sets of interest but many: developed nations which are energy suppliers and developing nations which are energy consumers; market economies and non-market economies; capital providers and capital recipients.

The world economy is a sensitive set of relationships in which actions can easily set off a vicious spiral of counteractions deeply affecting all countries, developing as well as technologically advanced. Global inflation erodes the capacity to import. A reduction in the rate of world growth reduces export prospects. Exorbitantly high prices lower consumption, spur alternative production and foster development of substitutes.

We are all engaged in a common enterprise. No nation or group of nations can gain by pushing its claim beyond the limits that sustain world economic growth. No one benefits from basing progress on tests of strength.

For the first time in history mankind has the technical possibility to escape the scourges that used to be considered inevitable. Global communication ensures that the thrust of human aspirations becomes universal. Mankind insistently identifies justice with the betterment of the human condition. Thus economics, technology and the sweep of human values impose a recognition of our interdependence and of the necessity of our collaboration.

Let us resolve to act with both realism and compassion to reach a new understanding of the human condition.

On that understanding, let us base a new relationship which evokes the commitment of all nations because it serves the interests of all peoples.

We can build a just world only if we work together.

THE GLOBAL AGENDA

The fundamental challenge before this session is to translate the acknowledgement of our common destiny into a new commitment to common action, to insure developed and developing nations alike to perceive and pursue their national interest by contributing to the global interest. The developing nations can meet the aspirations of their peoples only in an open expending world economy where they can expect to find larger markets, capital resources and support for official assistance. The developed nations can convince their people to contribute to that goal only in an environment of political cooperation.

On behalf of President Nixon, I pledge the United States to a major effort in support of development. My country dedicates itself to this enterprise because our children must not live in a world of brutal inequality, because peace cannot be maintained unless all share in its benefits and because America has never believed that the values of justice, well-being and human dignity could be realized by one nation alone.

We begin with the imperative of peace. The hopes of development will be mocked if resources continue to be consumed in an ever increasing spiral of armaments. The relaxation of tensions is thus in the world interest. No nation can profit from confrontations that can culminate in nuclear war. At the same time, the United States will never seek stability at the expense of others. It strives for the peace of cooperation, not the illusory tranquility of condominium.

But peace is more than the absence of war. It is ennobled by making possible the realization of humane aspirations. To this purpose this Assembly is dedicated.

Our goal cannot be reached by resolutions alone or prescribed by rhetoric. It must remain the subject of constant, unremitting efforts over the years and decades ahead.

In this spirit of describing the world as it is, I would like to identify for the Assembly six problem areas which in the view of the United States delegation must be solved to spur both the world economy and world development. I do so not with the attitude of presenting blueprints but of defining common tasks to whose solution the United States offers its wholehearted cooperation.

First, a global economy requires an expanding supply of energy at an equitable price.

No subject illustrates global interdependence more emphatically than the field of energy. No nation has an interest in prices that can set off an inflationary spiral which in time reduces income for all. For example, the price of fertilizer has risen in direct proportion to the price of oil, putting it beyond the reach of many of the poorest nations and thus contributing to worldwide food shortages. A comprehension by both producers and consumers of each other's needs is therefore essential:

Consumers must understand the desires of the oil producers for higher levels of income over the long-term future.

Producers must understand that the recent rise in energy prices has placed a great burden on all consumers, one virtually impossible for some to bear.

All nations have an interest in agreeing on a level of prices which contributes to an expanding world economy and which can be sustained.

The United States called the Washington Energy Conference for one central purpose: to move urgently to resolve the energy problem on the basis of cooperation among all nations. The tasks we defined there can become a global agenda for action.

Nations, particularly developed nations, waste vast amounts of existing energy supplies. We need a new commitment to global conservation and to more efficient use of existing supplies.

The oil producers themselves have noted that the demands of this decade cannot be met unless we expand available supplies. We need a massive and cooperative effort to develop alternative sources of conventional fuels.

The needs of future generations require that we develop new and renewable sources of supply. In this field, the developed nations can make a particularly valuable contribution to our common goal of abundant energy at reasonable cost.

Such a program cannot be achieved by any one group of countries. It must draw on the strength and meet the needs of all nations in a new dialogue among producers and consumers. In such a dialogue the United States will take account of the concern of the producing countries that the future of their peoples not depend on oil alone. The United States is willing to help broaden the base of their economies and develop secure and diversified sources of income. We are prepared to facilitate the transfer of technology and assist industrialization. We will accept substantial investment of the capital of oil producing countries in the United States. We will support a greater role for the oil producers in international financial organizations as well as an increase in their voting power.

Second, a healthy global economy requires that both consumers and producers escape from the cycle of raw material surplus and shortage which threatens all our economies.

The principles which apply to energy apply as well to the general problem of raw materials. It is tempting to think of cartels of raw material producers to negotiate for higher prices. But such a course could have serious consequences for all countries. Large price increases coupled with production restrictions involve potential disaster: global inflation followed by global recession from which no nation could escape.

Moreover, resources are spread unevenly across the globe. Some of the poorest nations have few natural resources to export, and some of the richest nations are major commodity producers.

Commodity producers will discover that they are by no means insulated from the consequences of their restrictions on supply or the escalation of prices. A recession in the industrial countries sharply reduces demand. Uneconomical prices for raw materials accelerate the transition to alternatives. And as they pursue industrialization, raw material producers will ultimately pay for exorbitant commodity prices by the increased costs of the goods they must import.

Thus the optimum price is one that can be maintained over the longest period at the level that assures the highest real income. Only through cooperation between consumers and producers can such a price be determined. And an expanding world economy is an essential prerequisite. Such a cooperative effort must include urgent international consideration of restrictions on incentives for the trade in commodities. This issue must receive high priority in GATT—dealing with access to supply as well as access to markets—as we seek to revise and modernize the rules and conditions of international trade.

In the long term, our hopes for world prosperity will depend on our ability to discern the long-range patterns of supply and demand and to forecast future imbalances so as to avert dangerous cycles of surplus and shortage.

For the first time in history it is technically within our grasp to relate the resources of this planet to man's needs. The United States therefore urges that an international group of experts, working closely with the United Nations division of resources, be asked to undertake immediately a comprehensive survey of the earth's non-renewable and renewable resources. This should include the development of a global early warning system to foreshadow impending surpluses and scarcities.

Third, the global economy must achieve a balance between food production and population growth and must restore the capacity to meet food emergencies. A condition in which one billion people suffer from malnutrition is consistent with no concept of justice.

Since 1969, global production of cereals has not kept pace with world demand. As a result current reserves are at their lowest level in 20 years. A significant crop failure today is likely to produce a major disaster. A protracted imbalance in food and population growth will guarantee massive starvation—a moral catastrophe the world community cannot tolerate.

No nation can deal with this problem alone. The responsibility rests with us all. The developing nations must commit themselves to significant assistance for food and population programs. The developing nations must reduce the imbalance between population and food which could jeopardize not only their own progress but the stability of the world.

The United States recognizes the responsibility of leadership it bears by virtue of its extraordinary agricultural productivity. We strongly support a global cooperative effort to increase food production. This is why we proposed a world food conference at last year's session of the General Assembly.

Looking toward that conference, we have removed all domestic restrictions on production. Our farmers have vastly increased the acreage under cultivation and gathered record harvests in 1973. 1974 promises to be even better. If all nations make a similar effort, we believe the recent rise in food prices will abate this year, as it has in recent weeks. Indeed the price of wheat has come down 35 percent from its February peak and the price of soybeans 50 percent from its peak last summer.

The United States is determined to take additional steps. Specifically:

We are prepared to join with other governments in a major worldwide effort to rebuild food reserves. A central objective of the World Food Conference must be to restore the world's capacity to deal with famine and other emergencies.

We shall assign priority in our aid program to helping developing nations substantially raise their agricultural production. We hope to increase our assistance to such programs from $258 to $675 million this year.

We shall make a major effort to increase the quantity of food aid over the level we provided last year.

For countries living near the margin of starvation, even a small reduction in yields can produce intolerable consequences. Thus the shortage of fertilizer and the steep rise in its price is a problem of particular urgency—above all for countries dependent on the new high-yield varieties of grain. The first critical step is for all nations to utilize fully existing capabilities. The United States is now operating its fertilizer industry at near capacity. The United States is ready to provide assistance to other nations in improving the operation of plants and to make more effective use of fertilizers.

But this will not be enough. Existing worldwide capacity is clearly inadequate to present needs. The United States would be prepared to offer its technical skills to developing a new fertilizer industry especially in oil-producing countries using raw materials and capital they uniquely possess.

We also urge the establishment of an international fertilizer institute as part of a larger effort to focus international action on two specific areas of research; improving the effectiveness of chemical fertilizers, especially in tropical agriculture, and new methods to produce fertilizers from non-petroleum resources. The United States will contribute facilities, technology and expertise to such an undertaking.

Fourth, a global economy under stress cannot allow the poorest nations to be overwhelmed.

The debate between raw material producers and consumers threatens to overlook that substantial part of humanity which does not produce raw materials, grows insufficient food for its needs and has not adequately industrialized. This group of nations, already at the margin of existence, has no recourse to pay the higher prices for the fuel, food and fertilizer imports on which their survival depends.

Thus, the people least able to afford it—a third of mankind—are the most profoundly threatened by an inflationary world economy. They face the despair of abandoned hopes for development and the threat of starvation. Their needs require our most urgent attention. The nations assembled here in the name of justice cannot stand idly by in the face of tragic consequences for which many of them are partially responsible.

We welcome the steps the oil producers have already taken towards applying their new surplus revenues to these needs. The magnitude of the problem requires, and the magnitude of their resources permits, a truly massive effort.

The developed nations too have an obligation to help. Despite the prospect of unprecedented payments deficits, they must maintain their traditional programs of assistance and expand them if possible. Failure to do so would penalize the lower income countries twice. The United States is committed to continue its program and pledges its ongoing support for an early replenishment of the International Development Association. In addition we are prepared to consider with what additional measures are required to mitigate the effect of recent commodity price rises on low-income countries least able to bear this.

Fifth, in a global economy of physical scarcity, science and technology are becoming our most precious resource. No human activity is less national in character than the field of science.

No development effort offers more hope than joint technical and scientific cooperation.

Man's technical genius has given us labor-saving technology, healthier populations, and the green revolution. But is has also produced a technology that consumes recourse at an ever-expanding rate; a population explosion which presses against the earth's finite living space; and an agriculture increasingly dependent on the products of industry.

Let us now apply science to the problems which science has helped to create.

To help meet the developing nation's two most fundamental problems—unemployment and hunger—there is an urgent need for farming technologies that are both productive and labor-intensive. The United States is prepared to contribute to international programs to develop and apply this technology.

The technology of birth control should be improved.

At current rates of growth, the world's need for energy will more than triple by the end of this century. To meet this challenge, the United States Government is allocating $12 billion for energy research and development over the next five years, and American private industry will spend over $200 billion to increase energy supplies. We are prepared to apply the results of our massive needs of other nations.

The poorest nations, already beset by man-made disasters, have been threatened by a natural one: the possibility of climatic changes in the monsoon belt and perhaps throughout the world. The implications for global food and population policies are ominous. The United States proposes that the International Council of Scientific Unions and the World Meteorological Organization urgently investigate this problem and offer guidelines for immediate international action.

Sixth, the global economy requires a trade, monetary and investment system that sustains industrial civilization and stimulates its growth.

Not since the 1930s has the economic system of the world faced such a test. The disruptions of the oil price rises; the threat of global inflation; the cycle of contraction of exports and protectionist restrictions; the massive shift in the world's financial flows; and the likely concentration of invested surplus oil revenue in a few countries—all threaten to smother the once-proud dreams of universal progress with stagnation and despair.

A new commitment is required by both developed and developing nations to an open trading system, a flexible but stable monetary system, and a positive climate for the free flow of resources, both public and private.

To this end the United States proposes that all nations here pledge themselves to avoid trade and payments restrictions in an effort to adjust to higher commodity prices.

The United States is prepared to keep open its capital markets, so that capital can be recycled to developing countries hardest hit by the current crisis.

In the essential struggle to regain control over global inflation, the United States is willing to join in an international commitment to pursue responsible fiscal and monetary policies. To foster an open trading world, the United States, already the largest importer of developing nation manufactures, is prepared to open its markets further to these products. We shall work in the multilateral trade negotiations to reduce tariff and non-tariff barriers on as wide a front as possible.

In line with this approach we are urging our Congress to authorize the generalized tariff preferences which are of such significance to developing countries.

CONCLUSION

All too often international gatherings end with speeches filed away and resolutions passed and forgotten. We must not let this happen to the problem of development. The complex and urgent issues at hand will not yield to rhetorical flourishes or eloquent documents. Their resolution requires a sustained and determined pursuit in the great family of United Nations and other international organizations that have the broad competence to deal with them.

As President Nixon stated to this Assembly in 1969:

> "Surely if one lesson above all rings resoundingly among the many shattered hopes in this world, it is that good words are not a substitute for hard deeds and noble rhetoric is no guarantee of noble results."

This Assembly should strengthen our commitment to find cooperative solutions within the appropriate forums such as the World Bank, the International Monetary Fund, the GATT, and the World Food and Population Conferences.

The United States commits itself to a wide-ranging multilateral effort.

Mr. President, Mr. Secretary General, we gather here today because our economic and moral challenges have become political challenges. Our unprecedented agenda of global consultations in 1974 already implies a collective decision to elevate our concern for man's elementary well-being to the highest political level. Our presence implies our recognition that a challenge of this magnitude cannot be solved by a world fragmented into self-contained nation states or competing blocs.

Our task now is to match our physical needs with our political vision.

President Boumediene cited the Marshall Plan of a quarter century ago as an example of the possibility of mobilizing resources for development ends. But then the driving force was a shared sense of purpose, of values and of destination. As yet we lack a comparable sense of purpose with respect to development. This is our first requirement. Development requires above all a spirit of cooperation, a belief that with all our differences we are part of a larger community in which wealth is an obligation, resources a trust, and joint action a necessity.

We need mutual respect for the aspirations of the developing and the concerns of the developed nations. This is why the United States has supported the concept of a Charter of Economic Rights and Duties of States put forward by President Echeverria of Mexico.

The late President Radhakrishnan of India once wrote:

> "We are not the helpless tools of determinism. Though humanity renews itself from its past, it is also developing something new and unforeseen. Today we have to make a new start with our minds and hearts."

The effort we make in the years to come is thus a test of the freedom of the human spirit.

Let us affirm today that we are faced with a common challenge and can only meet it jointly.

Let us candidly acknowledge our different perspectives and then proceed to build on what unites us.

Let us transform the concept of world community from a slogan into an attitude.

In this spirit let us be the masters of our common fate so that history will record that this is the year that mankind at last began to conquer its noblest and most humane challenge.

AMNESTY: "A MORAL FORGIVENESS"—POSITION PAPER OF THE SOUTHERN CHRISTIAN LEADERSHIP CONFERENCE

HON. ANDREW YOUNG

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 22, 1974

Mr. YOUNG of Georgia. Mr. Speaker, on April 4, 1974—exactly 6 years after the assassination of Dr. Martin Luther King, Jr.—Dr. Ralph David Abernathy, president of the Southern Christian Leadership Conference, presented to the Congressional Black Caucus a position paper on amnesty. SCLC is, of course, the organization through which Dr. King worked as its founding president. This paper is consistent with the organization's advocacy of nonviolent social change which includes reconciliation of human conflict. I submit the paper for the RECORD:

AMNESTY: "A MORAL FORGIVENESS"—THE OFFICIAL POSITION OF THE SOUTHERN CHRISTIAN LEADERSHIP CONFERENCE

Presented to the Congressional Black Caucus, Mr. Augustus Adair, executive director, the Honorable Charles B. Rangel, chairman.

MEMBERS

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Andrew Young, Ga.
April 4, 1974, Washington, D.C.
Ralph David Abernathy, president.

WHAT IS AMNESTY?

Amnesty is the discretionary act of a sovereign state of deciding to abstain from prosecuting groups of citizens who may be in conflict with the law for political reasons. Amnesty is the law's "forgetting" (cf. amnesia) of certain acts, in the interest of social justice and reconciliation. It is the law's way of undoing what the law has done. Like pardon, amnesty is not a right but a matter of grace which a government may perform in the interest of society at large. Unlike pardon, amnesty affects not a single person but entire classes of possible law violators, and unlike pardon it does not remit further punishment for someone already convicted of a crime. Rather it is a decision not to raise the issue of whether there has been any criminal conduct.

WHY SHOULD AMERICA GRANT AMNESTY?

We in the Southern Christian Leadership Conference feel America owes itself the enactment of unconditional amnesty for all war registers of the Viet Nam era. Those who refused to participate in the war in Southeast Asia and the ones who did participate but were given less than honorable discharges—a governmental undertaking of great moral, political and constitutional courage—ought not to be subject to criminal or administrative punishment. It would be compounding the injustices of this tragic episode in American history if the only people to suffer criminal penalties would be those of the young generation who had the courage to say "NO" to the Viet Nam war. They made the crucial decision of their young lives in the light of what millions of Americans and many of our political and religious leaders said: that the war in Viet Nam was a terrible mistake. And also a ghastly crime because it violated the Constitution of the United States and was not sanctioned by the Congress.

WHO SHOULD BE GRANTED AMNESTY?

The Southern Christian Leadership Conference advocates universal and unconditional amnesty for all those who have suffered or face criminal or administrative penalties for non-violent acts of evasion or resistance to the draft, to the military, or to the war in Southeast Asia. We seek amnesty for draft refusers, deserters, persons convicted by courts-martial for military offenses not punishable under civilian law, veterans with less-than-honorable discharges, and civilian protesters and resisters to the war.

HOW MANY PEOPLE WOULD UNCONDITIONAL UNIVERSAL AMNESTY AFFECT?

Draft refusers: Some 8,400 men have been convicted by the federal courts for draft violations during the Viet Nam era. The Selective Service System has referred to the Department of Justice for prosecution some 49,000 additional draft violators. There are about 6,700 draft indictments pending. Unknown thousands never registered for the draft and therefore have no present record of delinquency but are subject to prosecution whenever their violation comes to the attention of the government. No one knows how many files lies unexamined in the draft boards around the country that will reveal draft law violations when someone gets around to checking them.

Deserters: According to the Department of Defense, there are now over 45,000 deserters "at large." They are either in exile abroad or they live underground in this country. (Almost 150,000 men deserted from the military *per year* during the height of the Viet Nam war. Most of them were either apprehended or voluntarily returned to military control.) Many of the deserters did not have the benefits of an advanced education or much reading and discussion about the merits of the war. They could determine only *after* entering the armed services that they could not accept the depersonalization and racism of military life or the brutalities and insanities of the war. Many saw active and honorable front-line service in Viet Nam only to be so appalled by the senseless destruction of a people and their country that they left the military on their own. To discriminate against deserters in any amnesty would mean to make of amnesty another instrument of discrimination on grounds of class and race, just as the burdens of the draft and of combat fell disproportionately on the poor and the black elements of our society.

Exiles: An estimated 40,000 to 55,000 war resisters are in exile abroad, most of them in Canada. A few hundred are in Sweden, Cuba, Algeria, England, France and other countries. The exiles comprise both draft refusers and deserters. Canada admitted about 30,000 draft-age American men as "landed immigrants" during the Viet Nam era, but many of the exiles could not meet the stringent Canadian qualifications for becoming "landed." They entered Canada as "tourists" and have remained there beyond the expiration of their tourist permits. Their "illegal" status is a severe disability (for example, they cannot legally hold jobs), but the Canadian government has not deported or extradited any American who is charged only with violation of the draft law or with desertion.

Court-martial convictions: 600,000 men were convicted by military courts of offenses that would not be crimes in a civilian context, over half of them for absence without leave, about one-tenth for disobedience, others for conduct bringing discredit upon the armed forces, and the like. Since these men would not have been in the military but for a war and draft of doubtful constitutionality, their records should be cleared. The proportion of black GI's court-martialed was many times the ratio of the white GI's.

Less-than-honorable discharges: About 500,000 Viet Nam-era veterans have less-than-honorable discharges. Such discharges are given either "administratively," that is, without any due process whatever ("general" and "undesirable" discharges), or as a result of court-martial ("bad conduct" and "dishonorable" discharges). Less-than-honorable discharges carry with them severe disabilities, including loss of veterans' benefits, disqualifications for civil service and other employment, for licenses, and the like. Even "honorable" discharges bear code numbers which indicate to government agencies and prospective employers the arbitrary opinion of the military that the veteran was guilty of drug abuse, bed-wetting, disloyalty, apathy, and similar bad habits, thus severely prejudicing the veteran's opportunities. Less-than-honorable discharges have been the military's favorite device to rid the services of "troublemakers" or to summarily cashier out of the service men who became victims of drug abuse that was so epidemic in Viet Nam and elsewhere in the military. In greatly disproportionate numbers, less-than-honorable discharges were imposed upon men from black communities and from the less well educated and poorer segments of society.

Civilian protesters and resisters: During the years of the war in Southeast Asia, hundreds of thousands of Americans protested the war in demonstrations and acts of resistance. Thousands were arrested on charges ranging from the minor, such as disturbance of the peace or trespass, to the very serious, such as conspiracy and violation of the espionage acts. Principled, nonviolent disobedience and resistance to the war in Viet Nam should not carry criminal penalties.

WILL A POST-VIETNAM BE UNPRECEDENTED?

No. Because amnesty has a long and distinguished tradition in American history. After almost every military engagement in our history, whether at home or abroad, America has extended amnesty to those who found themselves in conflict with national authority over those wars. President Washington extended an amnesty to the Pennsylvania farmers who engaged in the "Whiskey Rebellion." The most famous example is the Civil War, in which the Southern states committed what the Constitution defines as high treason, namely levying war against the United States; yet not a single political or military leader of the Confederacy was ever tried for treason because of the series of amnesties proclaimed by Presidents Lincoln and Johnson. After World War I, President Harding individually pardoned some of the war resisters of that period, including Eugene V. Debs. After World War II, President Truman established an "Amnesty Board," which tried to make judgments about the merits of each of the over 16,000 men convicted of draft violation. The board ultimately recommended only about 11 per cent of the draft violators for presidential pardon, and the selection process discriminated systematically against the black, the poor, the less articulate members of minority groups, and adherents of certain religious sects.

The most recent case of amnesty of great notoriety is the case of former Vice-President Spiro Agnew. Mr. Agnew as we all know was caught "red-handed," charged and convicted of embezzlement and stealing. Yet he was given the very light sentence of a 3-year probation and fined only $10,000. This of course was a great show of forgiveness by the U.S. government. But really it was amnesty. And these men today deserve it just as Mr. Agnew received it. But amnesty for them should be unconditional because they never committed any crimes.

WHO CAN GRANT AMNESTY?

The Constitution of the United States gives the President the power to grant pardons for federal crimes and, by extension, to grant amnesties. But amnesty can also be enacted by the Congress. A number of amnesty bills have been introduced in the Congress recently and some hearings have been held, but no bills have been passed from this body as of yet. Why?

We support the intent and purposes of those House bills now under discussion such as H.R. 236, H.R. 3100 and H.R. 5195, which provide for general and unconditional amnesty for all who may be deemed to have violated United States law with regard to the war in Indochina.

SOME ASK, SHOULD THERE BE AN AMNESTY BOARD TO REVIEW EACH CASE ON THE MERITS?

We feel that this would be a waste of time. Amnesty by its very nature relates to whole classes of political offenders. A case-by-case adjudication of the moral, religious, ideological or political bona fides of hundreds of thousands of young men is uncalled for. Aside from the overwhelming administrative or judicial burden such a process would entail, it must also be remembered that any tribunal would have to make extremely delicate judgments about the personal convictions held by these young men years earlier when the act of war resistance occurred. Case-by-case examination of the war resisters would discriminate in favor of the white educated and articulate, who can communicate a philosophical position about the war to persuade some tribunal of the depth of their convictions. The black and the poor would not receive justice by using this process.

SHOULD SOME FORM OF ALTERNATIVE SERVICE BE DEMANDED FROM THE ONES GRANTED AMNESTY?

Absolutely not. Alternative service is a form of punishment. All the resisters have already suffered either the pains of prison, the terrors of underground life, or the hardship of exile. There should be no additional punishment exacted from them. Moreover, no system of forced labor is likely to be socially constructive. They have been punished enough.

WILL AMNESTY CREATE DISRESPECT FOR THE LAW?

No, it will not. Amnesty does not do away with law. Amnesty is a lawful way to undo injustices and destructive hardships created by the law. Since amnesty is a discretionary act, it does not create an incentive for others to ignore or violate laws with impunity, because in the ordinary course of events criminals cannot routinely expect amnesty or pardon. But after the war in Viet Nam, amnesty would enhance a sense that the law is not an instrument of repression against those who act non-violently in the light of their conscientious commitments.

SOME PEOPLE MAY WONDER, WILL AMNESTY DISHONOR THOSE WHO FOUGHT AND DIED IN VIET NAM?

The war in Viet Nam produced neither victory nor honor. It produced only victims—in Southeast Asia and in America. Those who served in the war, those who were wounded, and those who died were victims of the war, just as those who went to jail or into underground life or into exile were victimized by it. Most men who were ordered to fight assumed that they had an obligation to follow the government's orders. Some were eager to do so. They did not act dishonorably or uncourageously by obeying. At the same time, those who thought the war immoral and illegal showed extraordinary courage by defying the power of the United States Government.

HERE IS WHAT NEEDS TO BE DONE TO OBTAIN UNCONDITIONAL AMNESTY

A. Confront your elected officials on this issue.

B. Obtain and publicize information about war resisters and amnesty through personal contacts, the media, meetings, and the like.

C. Arrange for public and organizational meetings on amnesty.

D. Identify the families of war resisters in your community and help them organize into an outspoken and visible part of the amnesty movement in conjunction with veterans, ex-prisoners of war, Gold Star Families, and ther war victims who support amnesty.

E. Establish and maintain contact with the American and exile organizations (civic, religious, peace, etc.) that work for universal and unconditional amnesty.

F. Urge your local community groups, churches, organizations, legislative bodies and the like to adopt resolutions in support of unconditional amnesty, and send these resolutions to the press, to your Washington representatives and to the President and all of your elected officials.

G. Circulate petitions for amnesty.

H. Urge your local newspaper, radio and television stations to make space and time available for discussions of amnesty.

I. Make amnesty part of your political platform if you are seeking political office.

FACTS AND FIGURES

Men convicted of Draft violations during the Viet Nam Era	8,400
Number of prosecutions pending at the Department of Justice	49,000
Number of Draft Indictments pending	6,700
Deserters "At Large"	45,000
Number of men deserting from the Military per year during the height of the Viet Nam War	150,000
Men in Exile abroad	55,000
Court-Martial Convictions during Viet Nam Era	600,000
Number of Viet Nam Era Veterans with less than honorable discharges	500,000

Most recent case of amnesty being granted to a convicted felon—Spiro T. Agnew, former Vice President of the United States and former Governor of Maryland.

The Southern Christian Leadership Conference at this very moment officially requests of you to use your resources and influence, and to do all within your power to bring about the passage of Legislation (or force the President to use his executive powers) that will grant AMNESTY to these innocent men who are facing many years in prison because they refused to participate in the illegal, immoral and unconstitutional Viet-Nam War and also those who did fight courageously in the war but were given less than honorable discharges.

These men stood up for freedom. Now it is time for us to stand up for them. We need YOU to help us win this victory. Will you?

Thanking you in advance for your cooperation.

RALPH DAVID ABERNATHY,
President.

JUSTICE DELAYED IS JUSTICE DENIED

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, April 22, 1974

Mr. STOKES. Mr. Speaker, Stanley Tolliver is a friend of mine, a highly respected lawyer and a long-time fighter for civil rights. He is also the only black lawyer to have been involved in the defense of Kent State students indicted for riot in the tragic events of May 1970. As the result of his tireless efforts, his client, Thomas D. Miller, was acquitted of the charge of second degree riot.

Recently, eight National Guardsmen were indicted for violating the civil rights of the four Kent State students who were slain, and for the others who were injured. On the occasion of those indictments, Mr. Tolliver issued a statement with which I agree completely, and which I wish to share with my colleagues:

CLEVELAND, OHIO,
April 1, 1974.

As one of the lawyers who was involved in the defense of the persons indicted for crime in the Kent State incident, I am very familiar with the old law axiom: "Justice delayed is justice denied."

The recent indictment by the Federal Court illustrates this point. President Nixon's Commission on Campus Violence and Unrest recommended this action several years ago, yet the indictments were returned only a few days ago. This is *Justice Delayed.*

The same commission found the killings of black students at Jackson State College by local police to be unjustified, but no indictments were returned.

Black students were also killed at Southern University, Baton Rouge, La., and at South Carolina State at Orangeburg, but there still are no indictments issued. This is *Justice Denied.*

The lesson that America must learn is that so long as it tolerates Southern Universities, South Carolina States, and Jackson States, there will be further Kent States, tolerated or not.

TRAGIC MILESTONE REACHED IN NORTH IRELAND

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 22, 1974

Mr. BIAGGI. Mr. Speaker, a tragic milestone was reached this past weekend as the death toll reached 1,000 from the sectarian violence which has devastated Northern Ireland. The killings of both Protestants and Catholics, of soldiers and innocent children continues as a way of life in this troubled nation. We can only hope and pray that an alternative to violence can begin to be practiced but unless we find it soon, these 1,000 dead are likely to be followed by countless thousands more.

At this point in the RECORD, I insert an article which was printed in the April edition of Triumph magazine entitled "North Ireland, Why the Violence?":

NORTH IRELAND: WHY THE VIOLENCE?

A short time ago. Triumph received a report from Father Denis Faul, a pacifist priest who watches closely the fate of the Catholic people of the North of Ireland. Father Faul condemns all violent acts—whether of the British army, Ulster Protestants or the IRA. But his unswerving dedication to the peace of Christ does not allow him to avert his gaze from the essentially violent and vicious political and social milieu that Britain has maintained in the North's Six Counties in collaboration with her loyalists. The following condensation of the report from Belfast is one case history of such institutionalized violence:

Newtownabbey was . . . formed in 1958 from seven old villages and a number of post-World War II housing estates on the north side of Belfast. . . .

Up to 1969 there was one Catholic parish covering the whole area. In that year, due to the rapid increase in the number of Catholics in the area, the parish was divided into five new parishes. These were:

Whitehouse, 4,000; Greencastle, 3,500; Whiteabbey, 2,400; Glengormley, 3,200.

St. Gerard's (Antrim Road), 1,600.

At the time of the division these numbers were increasing, especialy in Whiteabbey and Glengormley which are dveloping areas. In 1969 Catholics formed about 28% of the total population. The expectations were that this percentage would increase. . . .

The position in 1974 is:

Whitehouse, 1,800; Greencastle, 3,100; Whiteabbey, 1,300; Glengormley, 5,500.

St. Gerard's (Antrim Road), 1,850.

Catholics now form about 22% of the total population of Newtownabbey.

Why are Catholics leaving?

Catholics are leaving Whiteabbey and [Whitehouse] for two reasons: intimidation and fear of being assassinated.

1. INTIMIDATION

Until comparatively recently, most of those who left were either actually intimidated, or feared that they would be, due to the general atmosphere of intimidation which prevailed in the area. Protestant extremist groups such as the UVF, UFF, UDA, LAW and Tartans are particularly strong in the district. From time to time members of the UDA in paramilitary dress patrol openly . . . without interference by the security forces [Royal Ulster Constabulary and the British army]. Catholics have sometimes been imprisoned behind UDA barricades. Catholic homes have been petrol-bombed. Young Catholics frequently have been stabbed and beaten. . . .

The following extract from an as yet unpublished report of the Committee Relations Commission indicates the attitude of the police in the area:

"Definite sympathies with the UDA have come to light in our investigations. The loyalist outlook of certain members of the RUC at Whiteabbey and York Road colors their perception, judgment and response in dealing with intimidation and its attendant problems."

2. ASSASSINATION

In recent weeks there is alarming evidence of an organized campaign to assassinate Catholics in the Newtownabbey area. The following [partial] diary of events supports this belief.

December 4, 1973

Catholic home in Greymount Drive, Greencastle, petrol-bombed. Father escaped through the back door; mother, son, and daughter jumped from an upstairs window. All hospitalized for burns. . . .

January 8, 1974

Two Catholic families in Clonbegg Drive, Rathcoole, petrol-bombed.

January 31, 1974

Gunmen robbed a group of 13 workers who were playing cards in their hut at lunch time. . . . Two Catholics were shot dead. . . .

February 11, 1974

A carload of five Catholics from the Brawnmore area of Greencastle was ambushed as it arrived at the Abbey Meat factory, Glenville Road, Whiteabbey, at 7:56 A.M. Thomas Donaghy, 16, was killed; Margaret McErlena, 18, is still critically ill in the hospital; Alice Hughes, less seriously injured, is also in the hospital. The UFF . . . claimed responsibility for the shooting. . . .

February 12, 1974

About midnight, shots were fired into the Poland home at Downpatrick Green, Monkstown. A bullet was found in the mattress on which a young child was sleeping. The Poland family and another Catholic family left the area the next day. . . .

The security forces are not following an impartial line in stamping out terrorism. It is particularly noticeable that in [majority] Protestant areas like Newtownabbey, where the RUC can patrol freely, extremist groups have a free hand to intimidate and assassinate Catholics. On February 15, 1974, a reporter wrote in the [Belfast] *News Letter:*

"Why choose Newtownabbey for the butchery? One theory is that the random attacks on Roman Catholics within the 60,000 population are aimed at driving them out of the area."

Unless the security forces, particularly the RUC, change their present policy, the assassins will succeed in their objective.

SHOULD OIL BE PROFITABLE?

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Monday, April 22, 1974

Mr. SYMMS. Mr. Speaker, there is still much interest in the economics of oil and energy production with attention being focused on the causes of the energy crisis. And, as expected, there is wide variation of opinion and thought on this matter. The May 1974 issue of the Alternative contains an article on oil economics by Alan Reynolds which I think would be interesting reading for my colleagues in the House.

The article is as follows:

[From the Alternative, May 1974]

SHOULD OIL BE PROFITABLE?

(By Alan Reynolds)

It is no excuse for presumptuous ignorance that it is directed by insolent passion.—Edmund Burke (1777)

You already know the story. Oil companies created the shortage to drive up prices, push the Alaskan pipeline through, soften environmental roadblocks, and weed-out those pesky independents. That is, big oil cut supplies to increase supplies, and raised prices to squeeze competitors. "There are some," wrote Brit Hume (Jack Anderson's Sancho Panza), "who believe the major oil companies conspired to bring about these results." The oil majors "wallowed in profits," added *Time*, "after-tax earnings at Exxon in the third quarter, for example, soared 80 per cent." Such profit increases, reports the *National Observer*, "set off a wave of criticism from lawmakers concerned that the industry may be reaping a windfall from the hardships of millions of citizens."

But third quarter profits obviously had no bearing on the oil crunch, which wasn't even announced until the fourth quarter. To imply that third quarter profits resulted from scarcity ignores the fact that unit sales of the big seven oil companies were up 6 percent in the first three quarters of 1973. Exxon's 80 percent gain in the third quarter was well above the 46 percent average for the "seven sisters." Taking the first nine months of 1973 as a whole, Exxon's profits rose 59 percent above the level of a year before, and sales were up 40 percent. Note that this compares with a 93 percent profit increase for the *New York Times* during the same period, and 57 percent for the *Washington Post*. The brokerage house of Wagenseller & Durst compared the return on stockholder equity of eleven oil majors with the combined return of ABC, CBS, the *New York Times, Time, Times Mirror,* and the *Washington Post*. The result: 14.7 percent for oil, 22 percent for the oil critics.

The percentage increase game was played again in the fourth quarter, but one had to be even more selective. I don't recall any headlines about the fact that Standard of Ohio's profits were down 40 percent. Significantly, Sohio ranks first among oil companies in domestic reserves per dollar of common stock. So much for self-sufficiency.

Many oil companies continued to do well, however, and Exxon's profits maintained that 59 percent lead. Booming profits were common in 1973, partly because everything expressed in dollars went up (dollars expressed in terms of everything went down). The Department of Commerce attributes 42 percent of the increase in pretax profits of nonfinancial corporations in the first nine months of 1973 to "inventory profit"—i.e., the effect of inflation in raising the value of inventories. Profits last year were generally exaggerated and overtaxed because of temporary inventory profits, depreciation being allowed only on the preinflation costs of machinery, and the general erosion of the purchasing power of a buck. George Terborgh has adjusted accordingly, and found that after-taxprofits of nonfinancial corporations, expressed in 1965 dollars, fell from $36.1 billion in 1965 to $18.6 billion in 1973. Adjusted retained earnings, after paying dividends, fell from $19.2 billion to $2.1 billion—which is surely a major explanation for the widespread "failure" of industries to invest enough to eliminate shortages.

With this in mind, it is not as easy to be upset because Del Monte's profits were up 82.5 percent in the fourth quarter, or because U.S. Steel's profits were up 91.1 percent, not to mention MGM (profits up 289 percent—I told you not to mention it).

But percentage increases convey no information whatsoever. My weight is up 25 percent—am I fat or thin? My income rose 100 percent in two years—am I rich or poor? In the New York Times (January 13, 1974) Tom Wicker reported that Occidental Petroleum had a 417 percent increase in net profits in the first nine months of 1973. What wasn't mentioned is the fact that Occidental's 1972 profits were only four-tenths of one percent of sales, and that Occidental's petroleum operations are almost entirely overseas. Gulf's 1972 profits were a modest 3.2 percent of sales, so they too showed a sizeable (79 percent) increase. Tom Wicker even managed to get a column out of being outraged about Gulf's best quarter.

If oil is so profitable, one would expect critics to put their money where their mouths are. There are more than enough critics to drive the stock prices sky-high. But Exxon's stock rose only 8 percent last year, Mobil's fell 28 percent, and Texaco's fell 22 percent. These are the oil companies with the highest profit gains in the fourth quarter. The apparent paradox is explained by the fact that stock purchases are geared to future earnings, not to the recent past.

Before we get into the prospects for oil profits, several complications should be mentioned. First, most multinationals sell more abroad than they do here. A sizable part of last year's "windfall" (about 30 percent of the increase in Texaco's foreign earnings) was due to the effect of dollar devaluation on foreign currencies held by foreign subsidiaries. Exxon's 59 percent profit gain translates into an 83 percent gain in earnings from over 100 foreign countries, and a 16 percent gain in the United States. Only 16 percent of Exxon's production and 32 percent of its sales are from the United States. Texaco earned 65 percent of its profits abroad, and had only a 3.6 percent gain in profits from U.S. operations. Most European governments attracted ample supplies, and cut demand, by letting gasoline prices rise by about as much as the total price here (the U.S. price if you subtract excise taxes, is still about the same as for distilled water). The "socialist" government of West Germany relied completely on a free-market solution, and now faces the highest growth and lowest inflation in Europe. Italy, like the United States, tried "tough" (stupid) price controls, and thus drained the blood from its economy. No other country has matched our insanity in allocating fuel according to "priorities" (favoritism) and 1972 use.

Second, with all the loose talk about big fish swallowing little fish, it isn't widely noticed that the big fish are foreign: Burmah Oil (London Exchange) acquired Signal, the half-nationalized British Petroleum company will soon have a controlling chunk of Sohio. "I don't think that we should be unnecessarily pressuring multinational corporations that are based here," warns Attorney General William Saxbe, "they'll just base someplace else. They'll have to." With huge national oil companies developing in most of the oil rich nations, current congressional proposals could help translate the names of the biggest companies into Arabic or Spanish. If we levy stiff U.S. taxes on oil produced and sold abroad, that would put U.S. multinationals at an enormous disadvantage in competition with foreign-based giants like British Petroleum and Royal Dutch Shell. If we keep domestic crude at half the price of foreign crude (Henry Jackson's brainstorm), foreign producers will be able to attract the lion's share of equipment and expertise.

Third, the oil companies don't just sell oil. Cities Service and Continental Oil are definitely conglomerates; Sohio, Continental, and Occidental own very sizable U.S. coal companies; Gulf operates the new town of Reston, Virginia, and is considering buying Ringling Brothers-Barnum & Bailey Circus. In view of the threats of nationalization, even here, there is every reason to expect more and more oil companies to move out of oil and into other fields. That would certainly be my advice to the oil majors—if they must stay in countries where they aren't welcome, like the United States. There's enough risk in the oil business without adding political caprice.

Fourth, the enormous size of the industry simply means that people choose to buy a lot of their products. *U.S. News & World Report says,* "The oil business is huge . . . its total profits are larger than for any other industry." Tom Wicker complains that "Exxon recently announced the largest annual profit ever earned by any industrial company." These statements have no economic significance whatsoever; both are logically compatible with inadequate profits, or with the absence of a dominant firm within this large international market.

These caveats aside, the oil companies definitely *did* earn "windfall" and "excess" profits in 1973. When inventories have been purchased at a low price, and rising demand allows these inventories to be sold at a high price, the result is an unanticipated "windfall." If the outcome had been widely anticipated, it would not have been possible to purchase the inventories at a low price. This is why windfalls are, by definition, ephemeral. When the oil companies go to replenish their inventories, all concerned—from foreign governments to domestic laborers—will get a piece of the action. Costs will rise to eliminate the windfall. Yet those who are talking about taxing-away the windfall profits (windfalls to governments are apparently o.k.) are not talking about 1973 profits, but about 1974 and beyond.

Few investment advisers are confident that oil company profits are secure, and most are suggesting investing in companies that supply the oil companies (e.g., by building refineries). This indicates that costs are expected to rise more than revenues. About a fourth of the cost of operating a refinery, for example, is fuel to run its boilers: Ironically, this fuel is usually imported from Venezuela, and the cost has soared. I seriously doubt that 1974 oil industry profits on U.S. operations will be as high, as a percentage of sales or equity, as in 1973. Total dollar profits will drop sharply if federal allocation and price controls keep U.S. refineries from drawing foreign oil away from Europe's relatively free markets. Contrary to the prevailing demonology, it is very hard to make as much money on a much smaller volume.

"Excess" profits seems to mean above the average for either the industry or nation. George Shultz, my favorite treasury secretary, figures that the rate of return for twenty-two large oil companies averaged 15.1 percent in 1973. That compares with 10.9 percent for those companies in the previous decade, and about 13 percent for all manufacturing in 1973. Thus, oil profits, at least for these twenty-two firms, were clearly "excessive." Of course, it isn't too hard to beat the industry's own average return on equity, which fell each year from 12.5 percent in 1967 to 8.7 percent in 1972, and was usually below the average for manufacturing.

Now while windfall profits from devaluation or inflation are just a lucky break, excess profits are the stuff that spark, fuel, and lubricate our economy. Even in a hypothetical stationary equilibrium, some profits must be above average to compensate for risk. Excess *losses* also serve the vital function of telling capital and labor to switch to new techniques or products.

THE COMPARISON OF PROFITS TO INVESTMENT FOR TEXACO

[In millions of dollars]

Year	Net income	Capital and exploratory expenditures
1973	1,292.4	1,333.9
1972	889.0	1,192.9
1971	903.9	1,162.2
1970	822.0	906.1
1969	769.8	791.9
1968	819.6	1,065.3
1967	750.5	893.7
1966	671.8	737.4
1965	590.9	718.9
1964	540.7	604.8

Note: Direct taxes (foreign and domestic) exceeded net income in every year since 1967. About 55 percent of capital and exploratory expenditures were in the United States in 1973.

Yet Congress would, on a dare, tax away excess profits and subsidize excess losses (e.g., Lockheed, Penn Central). "We should consider taxing excessive profits wherever they occur," says Senator Jennings Randolph of West Virginia, "not only petroleum or energy companies, but across the board and throughout industry." The underlying notion is to level every firm up or down to a "fair return"—a variant of the "just price." To the degree that this is tried, and it has been, resources are immobilized and entrepreneurship is stifled (congressmen should be required to read Israel Kirzner's *Competition & Entrepreneurship*). Profits must be free to deviate from the norm, because such deviations are signals for capital to move from losers to winners.

Resources can be devoted to current consumption (making food or fuel) or to expanding capacity for future production (making fertilizer plants or refineries). Land, labor, and machinery can't be doing two things at the same time. Tax and monetary policies encourage consumption and indebtedness, while many government policies discourage or even penalize saving and private investment. Banks, for example, aren't allowed to offer more than about 6 percent interest to small savers—even during a 9 percent inflation. The flood of government bonds is a drain on the private capital market—not a "fiscal stimulus." The result of this sort of thing is that people have the dollars and desire to buy more than can be produced.

Given this shortage of capital, which investment adviser T. J. Holt estimates at $75 billion, we should nonetheless want to see a sizable chunk being attracted to oil and other goods that are getting scarce and therefore profitable. John Winegar of Chase Manhattan's Energy Economics Division estimates that even the 1973 oil profits will fall short "by more than a billion dollars" of meeting capital needs. Between 1970 and 1985, says Winegar, the petroleum industry will need $1.35 trillion to keep up with demand—which implies an annual earnings growth of 18 percent. Banks turn out some pretty scholarly research, as a service to their customers (banks, like all industries where competition is banned, compete in frills). But "asking Chase's view of oil company profits," according to John Lee of the *New York Times,* is like asking Herbert Stein's opinion of President Nixon's budget message. *Time* said something equally cute, and equally libelous, implying that it's all a matter of opinion and bank opinions are too biased to deserve serious consideration. If one must reduce matters so, it should be noted that when the oil companies can't finance operations out of profits, they borrow from banks. Banks do control a lot of oil stock (through pension funds and the like), but it is a simple matter to switch to something more profitable, like soft drinks.

The other side of keeping some profits down, as we noted, is keeping others up. Federal Energy Office favoritism for industries that use a lot of energy is a serious obstruction to necessary adjustments. The rationale, as always, is to "save jobs." But industries that use a lot of energy don't use a lot of labor. Energy-intensive industries should not be artifically insulated, through "priority" allocations, from resource scarcity. If they can't bid oil away from competing uses, that means consumers prefer the other uses—including driving their cars. This isn't an either/or decision, but a matter of marginal adjustments: a decline in the use of plastic containers and aluminum beer cans, an increase in the use of cotton textiles instead of polyester.

Ecologist Barry Commoner wrote a column entitled, "Profit Motive is Root of Our Crises." He reasons that "as power has been increasingly introduced there has been a comparable decrease in labor needed . . . Thus, as power productivity declined [*sic*], labor productivity increased. . . . Profits depend on labor productivity." The conclusion is absolutely wrong, of course. Profits depend on the difference between how much money you take in and how much you spend. Low labor productivity can be very profitable if wages are also low (e.g., Hong Kong). Firms substituted energy for labor partly because energy hase been cheaper (not that one can make paint out of labor alone). Labor has been relatively costly because "labor" productivity rose, which in turn is largely due to the use of energy-using machines. Commoner's theory would lead one to believe that labor productivity (and real wages) should fall, and that we should substitute human for nonhuman energy—a strange conclusion indeed. As energy costs rise, events may follow Commoner's prescription. But it is incredible to claim that only profits would be affected. The real motivation behind the use of energy is the desire to have more goodies with less work. That's the definition of an increase in the real wage.

As an illustration of his theory, Commoner complains that "we now use . . . high-compression smog-generating engines instead of low-compression smog-free engines." Commoner must own a very old car. Since the Clean Air Act of 1970, cars have had inefficient low-compression engines with elaborate smog devices, and these changes have increased gasoline consumption by some 300,000 barrels a day. That may be a necessary cost of reasonable air quality, though even Congress is having doubts, but it is hardly a result of the "profit motive." New models are carrying an extra couple of hundred pounds of costly bumpers, which few would voluntarily pay for, and this too cuts mileage. More than half the new cars sold are compact or mini, but they don't get better mileage than a 1954 Cadillac.

I have been accused of simply making "a concise summary of the oil industry's arguments," and favoring "artificial devices which interfere with the free-market mechanisms" (Brit Hume, the *New York Times Magazine,* January 6, 1974). So, I will now demonstrate the proper way to attack the oil industry. First, I have always openly opposed oil import quotas, and would

have few objections to eliminating depletion allowances on new wells. But it seems silly to blame special-interest legislation on the special interests rather than on (a) the mixed economy which allows such things, and (b) corrupt and foolish legislation. Second, the oil industry wrongly blames high consumption on naughty consumers rather than on low prices. Most industry spokesmen have also supported government allocation (with favoritism to big business) and rationing, which is hardly the essence of my position. I have seen few things that I disagreed with more strongly than an obnoxious speech by the president of the American Petroleum Institute in Los Angeles, December 4, 1973: "We are all going to have to really tighten our energy belts," said Frank Ikard. "This will means . . . fuels allocation, and it probably will mean fuels rationing . . . But any rationing program must be predicated on a sound priorities system. . . . Personal comfort below the priority classes. . . ." Ugh. It wouldn't surprise me a bit if the scoundrels were behind all this talk about federal regulation, since everyone (except Tom Wicker) knows that's the road to minimum price enforcement and taxpayer underwriting of losses (e.g. airlines, trucks, railroads, telephones, stock brokers. . . . Have you ever heard of a regulated industry asking to be deregulated? Okay, one—natural gas—but no others.

Third, the Wall Street Journal (February 7, 1974) notes that after-tax profits in oil have not been quite as high as elsewhere, despite supposedly preferential tax treatment. "So far as we can see," says the Journal, "the only possible interpretation of this is that profit margins in the oil industry have been under competitive pressure, and because of the same pressure the effect of tax breaks has been passed along in lower prices to the consumer." Well, if we knew for sure that the corporate tax was completely shifted to consumers, rather than also coming out of stockholder income and funds available for growth, then we might be able to say that reductions in the corporate tax only benefit consumers. But tax subsidies, and direct subsidies, are usually at least partly capitalized within the price of the favored commodity.

Thus, tax advantages for homeowners drive up the price of houses and residential property. Those who are buying at this late date get no net advantage. Making municipal bonds tax-free drives up their prices and lowers the yield. Similarly, when the depletion allowance was introduced in 1926 it presumably increased the price of oil stock, and attracted producers who would otherwise be unable to cut the mustard. The latter, after all, was the intended effect. Among stockholders, however, only those who got in before the tax break would stand to benefit from it. Conversely, reducing the depleting allowance in 1969 imposed a rather unfair windfall loss on those who had purchased stock at a price reflecting any tax advantage. This surely contributed to the paucity of investment capital in the industry, which is sometimes (e.g., by Tom Wicker) called a "failure" to build sufficient capacity. Thus, while many tax breaks may have been a mistake from the start, they are not easy to get rid of.

Finally, the monopoly issue is as irrelevant as it is implausible. "In theory," says S. David Freeman, director of the Ford Foundation Energy Policy Project, "higher prices will not only dampen demand but provide the incentive for increased supply. This is true if an industry behaves in a competitive manner. But is there competition in the American energy industry?" Freeman doesn't bother to answer the question, but it's a red herring anyway. Once a monopoly has found the wealth-maximizing combination of price and output, it responds to changing supply and demand conditions exactly as a competitive firm would. If that sounds strange, you have been listening to the Big Lie too often, instead of browsing through any good economics text. Try Alchian & Allen's *University Economics* or Roger Miller's *Economics Today*. A hint: If the oil industry could increase profits by cutting supply, why did it wait until 1972–1973 to do so?

Well, these are complex matters. And people are talking economics even when they don't realize it. The trouble is that the discussion is so uniformly poor, especially when conducted by natural scientists and journalists. These people simply don't understand the significance of statistics, the role of profit, or the nature of taxes and monopolies. So why don't they have the decency and humility to just shut up?

GILMAN OPPOSES CANAL GIVEAWAY

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 22, 1974

Mr. GILMAN. Mr. Speaker, with the convening of the Organization of American States this week, debate over the role of the United States in the Panama Canal is still an issue. I rise in opposition to any further weakening of our sovereignty in that critical region of the Western Hemisphere.

Over the last decade, the United States has been labeled an aggressor in many parts of the world. We have been depicted as the "ugly Americans" by many of our South American neighbors—we have been called "unnecessary intervenors" in Southeast Asia—and that we "carry a big stick" with relation to our European allies. While some of this criticism may in some instances be justified, the growing feeling that the United States should isolate itself and relax its presence in other parts of the world is a naive assessment of our role in international affairs.

The United States is a world leader, mandating our continuing presence in those parts of the world where we have most at stake.

The Panama Canal Zone is not a remote corner of the globe, the canal and Canal Zone are an integral part of the North American coastline. The canal's importance to us, geographically, militarily, and economically is of great consequence to our overall foreign policy.

Historically, the 1903 Hay-Bunau-Varilla Treaty granted the United States use of a 10-mile-wide zone across Panama for the "construction, maintenance, operation, and protection" of a canal.

It is most important that we bear in mind that this territory is a constitutionally acquired domain of the United States, our Nation having paid Panama for this grant and, in addition, the United States having purchased from individual property owners the titles to all privately owned land in the zone. This was a costly acquisition which has become more expensive through the years—it is estimated that our overall investment in Panama having cost the U.S. taxpayers more than $5 billion.

Our exclusive rights to the zone are attributable to the initial title, the purchase of the territory and the recognition of our sovereignty by Colombia which was sovereign in the isthmus prior to the Panamanian Revolution of 1903.

Rescinding cur sovereignty, in the face of opposition from the existing Government of Panama, would emasculate our ability to defend this strategic military and commercial vantage point.

Over the past few years, our Nation's international diplomacy and progress has flourished. We have made tangible gains in our relationships with formerly estranged nations throughout the world. We have been effective bargainers in some very delicate negotiations. But our successes in international policy have resulted from our ability to deal from a position of strength.

In the years ahead, we must enhance and continue our ability to negotiate by maintaining our strength. In the Western Hemisphere, that means retaining our sovereignty over the Panama Canal Zone.

Accordingly, I urge my colleagues to oppose any attempts to weaken our position in Panama. Maintaining our sovereignty in the zone is a realistic posture for insuring and protecting viability of the strategic Panama Canal Zone.

A POET SPEAKS OF IMPEACHMENT

HON. HUGH L. CAREY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 22, 1974

Mr. CAREY of New York. Mr. Speaker, earlier this year, Chairman Rodino of the House Judiciary Committee, spoke at the St. John's law alumni luncheon in Brooklyn.

His remarks on this occasion were filled with insight, not only into himself and what he must bring to the terribly momentous task in which he is involved in behalf of the Nation and its constitutional underpinnings, but insight into the process of impeachment. He speaks of principles that men must bring to the founding of a Nation—principles which are the "bedrock" upon which civilization stands.

The chairman quotes the great lawgiver, Justinian, whose bas-relief profile is displayed in the Rayburn Building:

> I live and I am free to be myself, under God, and just law, fairly enforced—to live honorably, to injure no other man, to render every man his due.

Mr. Speaker, poetry, the art to which the distinguished chairman is so devoted and in which he is equally practiced, is by its nature universal and transcendant—it must communicate and instill a sharing of a spark of the human mind with all human kind. We are very fortunate in having Chairman Rodino conducting the present inquiry and proceedings. His understanding of the law and the Constitution are blended with the stringent intellectual honesty of a poet, with the sensitivity of a human and humane judge of man's inconsistencies, and with an acute awareness not only of his awesome responsibilities but with history's judgment.

Mr. Speaker, I include in the RECORD at this point Chairman RODINO's extremely interesting and vitally significant remarks.

ADDRESS BY REPRESENTATIVE PETER W. RODINO, JR.

Judge Re, Colonel Fromkes, Dean Murphy, Reverend Father Dirvin, members of the faculty, distinguished graduates of St. John's, ladies and gentlemen:

Thank you for your kind words and your warm welcome. It is a pleasure to be with you on a day when so many old friends are getting together and so many memories are being shared.

My own law school, you may know, was across the river, the Newark Law School. You know it today as Rutgers.

The law was not my first choice as a lifetime occupation. I had some early inclinations to be a poet. But it is very difficult to be a successful poet. Some of you may have tried it and know what I mean. It's much easier to be a successful lawyer. Recognizing that, I went into law.

Little did I realize that following that course I would one day be chairman of the House Judiciary Committee, having responsibility for managing the first vice presidential succession in our history, and at the same time being responsible for management of a full-scale presidential impeachment inquiry. Had I had an inkling of things to come, I might have tried a little harder with my poetry.

One thing I have learned from a lifetime in public service is that the people who serve in Congress and in the White House are quite mortal. They are subject to ordinary human strengths and weaknesses. They are capable of rising to incredible heights of wisdom and strength and accomplishment. And they are capable of saying the most stupid things and making the most awful mistakes.

Yet, while public officials are very human, they are set apart from other citizens by the power they are called upon to exercise. As a Member of Congress, and more recently as chairman of the House Judiciary Committee, I am called upon daily to participate in the making of decisions that directly affect people's lives. It is an invigorating process, but one which raises the most fundamental personal questions about one's right and one's ability to act on behalf of others.

What does a person bring to this process? One hopes he brings the sum of what he is: His knowledge, his beliefs, the hopes and aspirations he has for those he serves.

We are what we are. As we grow older we not only accumulate knowledge, but just as important, we undergo rearrangements of perspective.

And there is nothing wrong with the kind of inconsistency that might flow over a lifetime from this constant development of one's educational process. For judges, the changes show up in their record of decisions over a period of time. I'm sure most judges and lawyers have noticed that phenomenon. For Congressmen, there is the sometimes inconsistent voting record to reflect upon—and defend at election time. Who among us has not looked back at some point in our lives and wishes we had acted or spoken differently?

To reach for an old phrase, someone once said that consistency was the hobgoblin of small minds. I think there's a lot to that.

My years in Congress have made me more tolerant of inconsistency. But at the same time I have become more conscious of the areas of life where consistency is essential. For there are certain bedrock principles upon which our civilization stands, and which must never be abandoned.

Certainly, one such principle is that a truly legitimate government is a government of laws, not men.

There dwells in all of us the spirit that says, "I live and I am free to be myself, under God, and just law, fairly enforced—to live honorably, to injure no other man, to render every man his due—this from the code of Justinian, one of history's great lawmakers.

Without dedication to this principle, no man is ever truly certain of where he stands in relation to another, or to his government. People will accept the rule of just law, fairly enforced. They will rebel at the prospect of living under more arbitrary systems.

We who work at the Capitol have the opportunity to live with the works of a little known artist by the name of Constantino Brumidi. He was a painter and a sculptor. We remember him as the "Michelangelo of the Capitol" for his many creations. Brumidi signed his great works simply "C. Brumidi, artist, citizen of the United States." Citizen of the United States—what a statement of pride in his citizenship. Why?

That kind of pride and devotion to one's nation stems from the knowledge that one is truly free, and equal to any man, and that his worth as an individual will be protected in full measure by the authority and power of the state, justly administering its laws, which derive from the people. Allegiance is given to a nation which has dedicated itself to the exaltation of the individual and to the dignity of the individual. One pledges allegiance to the American flag—not because it flies over oil wells, skyscrapers, coal mines, great landmarks and vast expanses, or because so much personal wealth can be accumulated under its protection. We honor our flag and our Nation for what it represents to the human spirit.

We all know without reciting them again here, the difficult questions our Nation faces today.

Our system of government is being tested as it has at no time since the Civil War.

The greatest threat, I believe, is posed by an increasing doubt on the part of our citizens that the rule of law is truly supreme in this Nation. No principle is more dear to this Nation than the tenet that ours must be a government of laws and not of men. Just laws, fairly enforced. Laws that stem from sensitivity and compassion, exalting the spirit and dignity of man as well as protecting his property and possessions.

Brumidi exalted this spirit in his art, we have exalted it in our Constitution.

A Constitution that envisioned times of crisis and of peril and which provided the means for the governed to protect themselves from threats to their sovereignty.

As you know, the Congress is now engaged in the exercise of a great constitutional responsibility which will enable the Nation to be assured one way or the other, of the legitimacy of its current executive government. I have the responsibility and the privilege of chairing the committee that will be making a recommendation to the full House of Representatives regarding the first serious presidential impeachment inquiry in more than a century.

I am sure that you are all interested and concerned with specific questions related to the impeachment inquiry. I will say as much as I can on the subject. Article one, section two, clause three of the Constitution provides—"the House has the sole power of impeachment."

The House Committee on the Judiciary has had referred to it a number of resolutions, sponsored by several dozen members of the House, dealing with the subject of the impeachment of the President.

I recall making a statement at the time the Speaker assigned these resolutions to my committee that I hoped that this time would never have come, and it would never have been necessary to consider the possibility of impeaching the President of the United States. I accepted that responsibility to preside over such a momentous task with a deep sense of sadness.

I felt as any responsible American must feel—a terrible sense of concern as to how this whole process will affect the future of our country, that is the way I felt then and I feel more deeply now.

Since the introduction of these resolutions, the committee has moved in what I consider to be a responsible manner in attempting to deal with all of the many considerations involved in the awesome impeachment process.

We have a staff of nearly fifty, engaged in researching all legal and factual issues raised by the resolutions. The staff is headed by John Doar, a distinguished attorney whom many of you may know personally.

During the Congressional recess, which ended Monday, an advisory panel of senior committee members worked with the staff on various aspects of the inquiry. We are working with other committees of Congress, as well as directing the efforts of our own committee investigators. As with any investigation, the nature of the material developed sometimes dictates the manner of the proceeding. Therefore, as I am sure you can well understand, it is difficult to place a timetable on the conclusion of our efforts, but the committee is surely pledged to an expeditious and just investigation.

Every member of the committee shares a belief that the sooner this issue is resolved, the sooner we can all feel a needed sense of stability in the prospects for our National Government. Yet, it would be legally improper and totally out of keeping with the common view of the permanence of our institutions to do less than a thorough and careful job of sorting out the evidence and its implications.

Trial on articles of impeachment, of course, is for the Senate. The impeachment, in this sense, is sometimes seen as merely an analysis of preliminary evidence, which requires no more time than an indictment in an ordinary criminal prosecution.

While there is an analogy to be made between a grand jury indictment and a House approval of impeachment, we must face the very important fact that impeachment is a totally misunderstood concept in our society. Most of our people equate impeachment with conviction. The very act of impeachment by the House might carry to the American people a presumption of guilt against the President, far more so than in a normal pre-trial accusation.

And so we must move with care, because that is our responsibility and our constitutional duty. We owe it to any accused person, and certainly to the President of the United States—the person who is the very embodiment of the national spirit as expressed by tens of millions of people voting in free elections.

I pledge to you that our work will be thorough, that it will be conscientious, and that we will be as fair-minded as mortal men can be in the discharge of such a grave responsibility.

One of the questions that must be answered in the process is whether our dedication to the rule of law is as great as it was at the time of our Nation's founding. It is truly a time of testing for our institutions.

And how ironic that this is occurring so near the solemn anniversary of our Nation's founding. Two hundred years later we are being challenged to renew our confidence in the integrity and validity of our Nation's continuing charter for freedom. I hope that we shall be as equal to this task as others who have come before us, facing similar challenges.

Our actions must stand the test of fairness. They must meet the requirements of legal discipline. And they must be performed with full recognition of a spirit acknowledged by the great law-giver Justinian who gave us this code: "I live and am free to be myself, under God and just law, fairly enforced—to live honorably, to injure no other man, to render every man his due."

Judge Re, distinguished guests, let me again say how very nice it is to be here at St. John's. I thank you for the privilege of speaking today. I am grateful for the opportunity and honored by your invitation.

WHAT A PROFESSOR LEARNED WHEN HE BECAME A "COP"

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 22, 1974

Mr. YOUNG of Florida. Mr. Speaker, I wish to commend to my colleagues as must reading, the account of a "professor-turned policeman," who has now had the opportunity to be on both sides of the fence in dealing with criminal elements.

Dr. George L. Kirkham, an assistant professor of criminology at Florida State University, had dealt with criminals often in his job as a correctional counselor and mental health worker, but he had never had the benefit of the policeman's point of view and everyday experience first hand.

Dr. Kirkham decided to find out in the only way possible—as a policeman—so he attended a police academy and temporarily became a patrolman in the 800-man Jacksonville-Duval County, Fla., police force. Some very interesting changes took place in this man's perception of the average policeman and the often difficult situations encountered daily by policemen.

The article that follows was printed in the April 22, 1974, issue of U.S. News & World Report by permission of the "FBI Law Enforcement Bulletin" of March 1974:

WHAT A PROFESSOR LEARNED WHEN HE BECAME A "COP"

(By Dr. George L. Kirkham)

Persons such as myself, members of the academic community, have traditionally been quick to find fault with the police.

From isolated incidents reported in the various news media, we have fashioned for ourselves a stereotyped image of the police officer. . . . We see the brutal cop, the racist cop, the grafting cop, the discourteous cop. What we do not see, however, is the image of thousands of dedicated men and women struggling against almost impossible odds to preserve our society and everything in it which we cherish.

For some years, first as a student and later as a professor of criminology, I found myself troubled by the fact that most of us who write books and articles on the police have never been policemen ourselves. . . . I decided to take up this challenge: I would become a policeman myself. . . .

As I write this, I have completed over 100 tours of duty as a patrolman. Although still a rookie officer, so much has happened in the short space of six months that I will never again be either the same man or the same scientist who stood in front of the station on that first day. . . .

I had always personally been of the opinion that police officers greatly exaggerate the amount of verbal disrespect and physical abuse to which they are subjected in the line of duty. . . . As a college professor, I had grown accustomed to being treated with uniform respect and deference by those I encountered. I somehow naively assumed that this same quality of respect would carry over into my new role as a policeman. . . .

I quickly found that my badge and uniform, rather than serving to shield me from such things as disrespect and violence, only acted as a magnet which drew me toward many individuals who hated what I represented. . . .

Several hours into my first evening on the streets, my partner and I were dispatched to a bar in the downtown area to handle a disturbance complaint. Inside, we encountered a large and boisterous drunk who was arguing with the bartender and loudly refusing to leave.

As someone with considerable experience as a correctional counselor and mental-health worker, I hastened to take charge of the situation. "Excuse me, sir." I smiled pleasantly at the drunk, "but I wonder if I could ask you to step outside and talk with me for a minute?"

The man stared at me through bloodshot eyes in disbelief for a second, raising one hand to scratch the stubble of several days' growth of beard. Then suddenly, without warning, it happened: He swung at me, luckily missing my face and striking me on the right shoulder.

I couldn't believe it. What on earth had I done to provoke such a reaction? Before I could recover from my startled condition, he swung again—this time tearing my whistle chain from a shoulder epaulet. After a brief struggle, we had the still-shouting, cursing man locked in the back of our cruiser. I stood there, breathing heavily with my hair in my eyes as I surveyed the damage to my new uniform and looked in bewilderment at my partner, who only smiled and clapped me affectionately on the back.

"Something is very wrong," I remember thinking to myself in the front seat as we headed for the jail. I had used the same kind of gentle, rapport-building approach with countless offenders in prison and probation settings. It had always worked so well there.

What was so different about being a policeman? In the days and weeks which followed, I was to learn the answer to this question the hard way. As a university professor, I had always sought to convey to students the idea that it is a mistake to exercise authority, to make decisions for other people or rely upon orders and commands to accomplish something.

As a police officer myself, I was forced time and again to do just that. For the first time in my life, I encountered individuals who interpreted kindness as weakness, as an invitation to disrespect or violence. I encountered men, women and children who, in fear, desperation or excitement, looked to the person behind my blue uniform and shield for guidance, control and direction. As someone who had always condemned the exercise of authority, the acceptance of myself as an unavoidable symbol of authority came as a bitter lesson.

I found that there was a world of difference between encountering individuals, as I had, in mental-health or correctional settings and facing them as the patrolman must: when they are violent, hysterical, desperate. When I put the uniform of a police officer on, I lost the luxury of sitting in an air-conditioned office with my pipe and books, calmly discussing with a rapist or armed robber the past problems which had led him into trouble with the law.

Such offenders had seemed so innocent, so harmless in the sterile setting of prison. The often-terrible crimes which they had committed were long since past, reduced like their victims to so many printed words on a page.

Now, as a police officer, I began to encounter the offender for the first time as a very real menace to my personal safety and the security of our society. The felon was no longer a harmless figure sitting in blue denims across my prison desk, a "victim" of society to be treated with compassion and leniency. He became an armed robber fleeing from the scene of a crime, a crazed maniac threatening his family with a gun, someone who might become my killer crouched behind the wheel of a car on a dark street.

Like crime itself, fear quickly ceased to be an impersonal and abstract thing. It became something which I regularly experienced. It was a tightness in my stomach as I approached a warehouse where something had tripped a silent alarm. I could taste it as a dryness in my mouth as we raced with blue lights and siren toward the site of a "Signal Zero" (armed and dangerous) call. For the first time in my life, I came to know—as every policeman knows—the true meaning of fear. . . .

I recall particularly a dramatic lesson in the meaning of fear which took place shortly after I joined the force. My partner and I were on routine patrol one Saturday evening in a deteriorated area of cheap bars and pool halls when we observed a young male double-parked in the middle of the street. I pulled alongside and asked him in a civil manner to either park or drive on, whereupon he began loudly cursing us and shouting that we couldn't make him go anywhere.

An angry crowd began to gather as we got out of our patrol car and approached the man, who was by this time shouting that we were harassing him and calling to bystanders for assistance. As a criminology professor, some months earlier I would have urged that the police officer who was now myself simply leave the car double-parked and move on rather than risk an incident.

As a policeman, however, I had come to realize that an officer can never back down from his responsibility to enforce the law. Whatever the risk to himself, every police officer understands that his ability to back up the lawful authority which he represents is the only thing which stands between civilization and the jungle of lawlessness.

The man continued to curse us and adamantly refused to move his car. As we placed him under arrest and attempted to move him to our cruiser, an unidentified male and female rushed from the crowd which was steadily enlarging and sought to free him. In the ensuing struggle, a hysterical female unsnapped and tried to grab my service revolver, and the now-angry mob began to converge on us.

Suddenly, I was no longer an "ivory-tower" scholar watching typical police "overreaction" to a street incident—but I was part of it and fighting to remain alive and uninjured. I remember the sickening sensation of cold terror which filled my insides as I struggled to reach our car radio. I simultaneously put out a distress call and pressed the hidden electric release button on our shotgun rack as my partner sought to maintain his grip on the prisoner and hold the crowd at bay with his revolver.

How harshly I would have judged the officer who now grabbed the shotgun only a few months before. I rounded the rear of our cruiser with the weapon and shouted at the mob to move back. The memory flashed through my mind that I had always argued that policemen should not be allowed to carry shotguns because of their "offensive" character and the potential damage to community relations as a result of their display.

How readily as a criminology professor I would have condemned the officer who was now myself, trembling with fear and anxiety and menacing an "unarmed" assembly with an "offensive" weapon. But circumstances had dramatically changed my perspective, for now it was *my* life and safety that were in danger, *my* wife and child who might be mourning. Not "a policeman" or Patrolman Smith—but *me*, George Kirkham!

I felt accordingly bitter when I saw the individual who had provoked this near riot back on the streets the next night, laughing as though our charge of "resisting arrest with violence" was a big joke. Like my partner, I found myself feeling angry and frustrated shortly afterward when this same individual was allowed to plead guilty to a reduced charge of "breach of peace."

As someone who had always been greatly concerned about the rights of offenders, I now began to consider for the first time the rights of police officers. As a police officer, I felt that my efforts to protect society and maintain my personal safety were menaced by many of the very court decisions and lenient parole-board actions I had always been eager to defend.

An educated man, I could not answer the questions of my fellow officers as to why those who kill and maim policemen, men who are involved in no less honorable an activity than holding our society together, should so often be subjected to minor penalties. I grew weary of carefully following difficult legal restrictions while thugs and hoodlums consistently twisted the law to their own advantage.

I remember standing in the street one evening and reading a heroin pusher his rights, only to have him convulse with laughter halfway through and finish reciting them word for word, from memory. He had been given his "rights" under the law, but what about the rights of those who were the victims of people like himself? For the first time, questions such as these began to bother me.

As a corrections worker and someone raised in a comfortable middle-class home, I had always been insulated from the kind of human misery and tragedy which become part of the policeman's everyday life. Now, the often-terrible sights, sounds and smells of my job began to haunt me hours after I had taken the blue uniform and badge off. . . .

In my new role as a police officer, I found that the victims of crime ceased to be impersonal statistics. As a corrections worker and criminology professor, I had never given much thought to those who are victimized by criminals in our society. Now the sight of so many lives ruthlessly damaged and destroyed by the perpetrators of crime left me preoccupied with the question of society's responsibility to protect the men, women and children who are victimized daily. . . .

The same kinds of daily stresses which affected my fellow officers soon began to take their toll on me. I became sick and tired of being reviled and attacked by criminals who could usually find a most sympathetic audience in judges and jurors eager to understand their side of things and provide them with "another chance." I grew tired of living under the ax of news media and community pressure groups, eager to seize upon the slightest mistake made by myself or a fellow police officer.

As a criminology professor, I had always enjoyed the luxury of having great amounts of time in which to make difficult decisions. As a police officer, however, I found myself forced to make the most-critical choices in a time frame of seconds rather than days: to shoot or not to shoot, to arrest or not to arrest, to give chase or let go—always with the nagging certainty that others, those with great amounts of time in which to analyze and think, stood ready to judge and condemn me for whatever action I might take or fail to take. . . .

I found myself progressively awed by the complexity of tasks faced by men whose work I once thought was fairly simple and straightforward. Indeed, I would like to take the average clinical psychologist or psychiatrist and invite him to function for just a day in the world of the policeman, to confront people whose problems are both serious and in need of immediate solution. I would invite him to walk, as I have, into a smoke-filled pool room where five or six angry men are swinging cues at one another. I would like the prison counselor and parole officer to see their client, Jones—not calm and composed in an office setting but as the street cop sees him: beating his small child with a heavy belt buckle, or kicking his pregnant wife.

I wish that they, and every judge and juror in our country, could see the ravages of crime as the cop on the beat must: innocent people cut, shot, beaten, raped, robbed and murdered. It would, I feel certain, give them a different perspective on crime and criminals, just as it has me.

For all the human misery and suffering which police officers must witness in their work, I found myself amazed at the incredible humanity and compassion which seems to characterize most of them. My own stereotypes of the brutal, sadistic cop were time and again shattered by the sight of humanitarian kindness on the part of the thin blue line. . . .

As a police officer, I found myself repeatedly surprised at the ability of my fellow patrolmen to withstand the often-enormous daily pressures of their work. Long hours, frustration, danger and anxiety—all seemed to be taken in stride as just part of the reality of being a cop. I went eventually through the humbling discovery that I, like the men in blue with whom I worked, was simply a human being with definite limits to the amount of stress I could endure in a given period of time.

I recall in particular one evening when this point was dramatized to me. It had been a long, hard shift—one which ended with a high-speed chase of a stolen car in which we narrowly escaped serious injury when another vehicle pulled in front of our patrol car.

As we checked off duty, I was vaguely aware of feeling tired and tense. My partner and I were headed for a restaurant and a bite of breakfast when we both heard the unmistakable sound of breaking glass coming from a church and spotted two long-haired teen-age boys running from the area. We confronted them, and I asked one for identification, displaying my own police identification. He sneered at me, cursed and turned to walk away.

The next thing I knew I had grabbed the youth by his shirt and spun him around, shouting, "I'm talking to you, punk!" I felt my partner's arm on my shoulder and heard his reassuring voice behind me, "Take it easy, Doc!" I released my grip on the adolescent and stood silently for several seconds, unable to accept the inescapable reality that I had "lost my cool."

My mind flashed back to a lecture during which I had told my students, "Any man who is not able to maintain absolute control of his emotions at all times has no business being a police officer." . . .

As a police officer myself, I found that society demands too much of its policemen: not only are they expected to enforce the law but to be curbside psychiatrists, marriage counselors, social workers and even ministers and doctors. . . .

I have often asked myself the questions: "Why does a man become a cop? What makes him stay with it?" . . . The only answer to this question I have been able to arrive at is one based on my own limited experience as a policeman. Night after night, I came home and took off the badge and blue uniform with a sense of satisfaction and contribution to society that I have never known in any other job. . . .

For too long now, we in America's colleges and universities have conveyed to young men and women the subtle message that there is somehow something wrong with "being a cop." It's time for that to stop.

THE RIGHT OF PRIVACY

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 22, 1974

Mr. ARCHER. Mr. Speaker, a combination of expanding computer technology and the growing power of the Federal Government has posed a threat to one of the most basic liberties of a free people—the right of privacy.

An increasing involvement of the National Government in almost every aspect of an individual's life has led to an enormous collection of data gathered by a multiplicity of Federal agencies. It has been estimated that the U.S. Government has the capacity to secure about 20 pages of information on almost every man or woman in this country within 30 seconds by feeding a social security number into a data bank. In the hands of powerful bureaucrats, this information reported by a computer can be utilized in such a way as to invade the private lives of millions of Americans.

The effects of "Big Brother" government utilizing science and technology as a means of control have been portrayed in works like Aldous Huxley's "Brave New World" and "Brave New World Revisited," and George Orwell's "Nineteen Eighty-Four." Orwell described a vast records department, a branch of the Government's Ministry of Truth, which contained "every conceivable kind of information, instruction, or entertainment, from a statue to a slogan, from a lyric poem to a biological treatise, and from a child's spelling book to a Newspeak dictionary." Many of the dangers to individual privacy contained in these fictional works appear to be reaching a reality in our own day.

Information fed into a data bank can reach enormous proportions when it is handled by the Federal Government. The Internal Revenue Service, the Federal Housing Administration, and the Social Security Administration are only a handful of Government agencies possessing extensive information on millions and millions of Americans. It is of great concern how rapidly this material can be disseminated throughout the Government to provide a complete profile on an individual.

Recently, this concern was expressed over the announced intention of the Department of Agriculture to look into the income tax returns of farmers as part of its statistic gathering operations. Fortunately, this permission was revoked by the President.

A prominent assistant professor in the field of urban studies at a leading midwestern university, critical of the accuracy of census data, proposed a system of permanent registration for everyone in the United States. This proposed permanent registration system would begin at birth and would include periodically cross-matching social security numbers with data obtained from birth and school records, the Internal Revenue Service, and other Federal and State statistical sources.

If adopted, this system would reduce

each person to a mere number or statistic with the Government maintaining an up-to-date file on everyone in the United States. The justification for this type of information system would be easier to imagine in a totalitarian society; it is difficult to justify for a nation based on the right of individual freedom and privacy. Our Nation would be establishing its own records department so aptly described in Orwell's "Nineteen Eighty-Four."

If we are to maintain the rights of individuals in our society, we need to be especially cognizant of the right of privacy or the right to be left alone as an essential element in a free and democratic society. Realizing that everyday operations of government—local, State, and Federal—require the disclosure of some material facts, there must be a careful balance to preserve the individual's right to privacy by recognizing that he should be able to decide for himself when, how, and to what extent his attitudes, beliefs, behavior, and opinions should be disclosed to others. He should also have the right to exercise certain controls over the disclosure and nondisclosure of information to other people. It is unfortunate for freedom and dangerous to individual liberties that in the whole cycle of information collection and dissemination, the people most directly involved are excluded from the decision-making process. Justice Brandeis put it very effectively in Olmstead against United States:

> They (the makers of our Constitution) sought to protect Americans in their beliefs, their thoughts, their emotions and their sensations. They conferred, as against the Government, the right to be let alone—the most comprehensive of rights and the right most valued by civilized man.

It is encouraging that the President has established a Domestic Council Committee on Privacy, headed by the Vice President, which has as its task the examination of the whole range of data collection and to recommend actions which would provide each American a personal shield to protect his right to privacy. This concern for privacy has cut across party lines with the introduction of a great number of bills in the Congress to protect the various abuses of the right to privacy.

We should give priority consideration to legislation like H.R. 11276 which would prohibit the use of an individual's social security number or related record without his consent unless it is specifically required by law. This legislation would guarantee that an individual's social security number could only be used for matters directly related to the operation of old age, survivors, and disability insurance programs. Restrictions on the use of the social security number will prevent the individual from becoming a mere number or statistic in government records and prevent government from obtaining unnecessary information from private companies and other government agencies on an individual for a massive government file. This bill would be an important step in the direction of preserving individual privacy.

It is essential that we act to preserve the right of privacy by making ourselves aware of the problem and adopting proper safeguards.

A CALL FOR PEACE WITH JUSTICE IN RHODESIA

HON. ANDREW YOUNG

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 22, 1974

Mr. YOUNG of Georgia. Mr. Speaker, on March 2, Bishop Abel Tendekayi Muzorewa, president of the African National Council in Zimbabwe (Rhodesia), delivered an address to that organization's Inaugural Congress. The speech, which I submit for the RECORD, proposes a peaceable, democratic, and just settlement of the conflict in that country.

Bishop Muzorewa's address should remind us that our country can have a role in a legitimate solution to the crisis in Rhodesia. For one thing, Congress should halt the importation of Rhodesian chrome until the Rhodesian regime agrees to the creation of a democratic government.

The address follows:

AFRICAN NATIONAL COUNCIL

(Presidential Address to Inaugural Congress)

Mr. Chairman, sons and daughters of Zimbabwe, this is an historic hour and a time of reckoning! While Zimbabwe is gathered here to take a thoughtful look at the continuing struggle for our freedom, we gather fully aware of the presence of Almighty God and with full blessing of those political martyrs and heroes in Zimbabwe's struggle for self-determination. The names of Drs. Samuel Parirenyatwa, Elisha Mutasa, Mr. L. Takawira and all those pioneer leaders of the struggle rotting in indefinite detention and restriction whose names cannot be mentioned by the dictators of the so-called laws of this country, are remembered by all of us with loving concern and inspiration.

I greet you with great admiration, gladness and gratitude. Your presence from the four corners of Rhodesia, from branches and the eight provinces representing the very grassroots of people of this country through the ANC, the organization of the masses, is a clear demonstration of your deepest desire to have Zimbabwe free. And, your presence is evidence of the unquestionable overwhelming majority which we have always claimed. Last but not least I welcome all the invited guests and observers present, and all those of goodwill among us today.

While I am still thinking of those to whom I am indebted, I trust you will agree with me that I should include those who have continually given us moral support and exerted their political pressure in our favour at home and abroad. The free African States cannot go unmentioned for their concern toward our need for liberation. For example, Zambia has gone out of its way, and sacrificed economically for our liberation. The same goes for other O.A.U. member states.

Now, Mr. Chairman, Ladies and Gentlemen, it should be my primary task to praise and thank you and all those who sent you here to this Congress, for despite the evil forces that laboured to divide us, you remained calm, determined and united. At a time when some of our brothers endured detention without trial, harassment and intimidation by the authorities and in the face of the murder of our innocent and unnamed brothers and sisters by the RF Government troops in the city of Umtali, Salisbury and Gwelo at the time of the Pearce Commission, you faced it all with an indomitable courage. And still you continued to carry out your duties with determination. Here I want us to stand up and pause and in a moment of silence remember those who died while exercising their democratic right by registering their "No" vote to the Pearce Commission. (Stand)

While talking about troops, I call for a joint ANC-Government Commission to go into the question of the relationship between security forces and civilians in the north-east border and alleged atrocities which have repeatedly come to our ears.

Furthermore, you have persevered in the face of the most discouraging and harsh circumstances. You amazed me for your insight and assessment of the political dynamics of our country. Your ability to distinguish genuine African leaders from the money seekers is praiseworthy.

Now as you are all aware the purpose of our organization and of this Congress is to seek for and try to achieve majority rule and end the RF totalitarianism and fascism which have haunted us for the last painful and wasted eleven years. This period has created miserable conditions for Africans, and since Pearce Commission left, more segregatory and repressive laws have been passed. In my opinion the most damaging, and inhuman one is the cruel collective punishment. Our people are being damaged mentally, physically and economically. The RF Government may never realize that by these deporable actions, they are writing the blackest chapter in the history of this country. This black chapter will not only be printed as history but stamped indelibly in the hearts and minds of the African people of this and future generations. In short, let me emphasize that laws such as these engender feelings of hostility between races, the government and the Africans.

When we stop to think that there are people who are languishing in prisons, detention and restriction camps and of the innocent persons dying in the north-eastern border area, we are motivated incessantly to demanding our immediate emancipation. We often cry out "When Lord, will we be a free people? When? When Lord?" I wonder whether the blood of our innocent brothers and sisters will permit us to rest, to enjoy ourselves in our comfortable positions as African businessmen, teachers, lawyers, doctors, ministers of religion, Members of Parliament, nurses, policemen, students, even money mongers and Africans of all walks of life in Rhodesia while the country continues to be devoured by the oppressive laws which haunt us from the cradle to the grave!

To mention a few I repeat the most terrible so-called law of (1) collective punishment. (2) the Land Tenure Act (3) the Stupid Stupa Bill, (4) the practice of job reservation and now (5) the Settlers for '74 Campaign, to mention only a few. (6) Day-to-day humiliation and insults through racial discriminations.

Although the above oppressive measures are directed to persecuting the Africans, let me remind you that the black people are not the only ones who need to be freed. White people need freedom, too, now and especially in the future. But of course, the way they are treating Africans now will determine how free they will be in the future. For instance, the whites in the North-eastern Border Area know more and better than I do how much they desperately need freedom. They are fast becoming slaves of fear. As we read, they are a people who go to bed and hide behind a wall of sand bags; a people who are scared of their employees day and night; a people who hesitate to use the roads they helped to construct; a people who leave their comfortable beds and pets to suffer over-night and return home the next morning. Such a people cannot claim to be psychologically, socially and politically free.

When we presented our evidence to the Pearce Commission, the ANC had enough foresight and we duly warned the country of the violence and bloodshed that have now become the order of the day particularly in the North-Eastern border area, but it was received with scorn and shrinking resistance. For instance when I was in London in February, 1972, while I was speaking to the Members of British Parliament in the House of Commons, a woman MP reacted with emotion to my prediction.

She alleged that I was merely threatening the whites in Rhodesia. I told her that I was not praying for the coming of the dark days in Rhodesia, but I was only making a sincere analytic observation of a serious concern. One of her colleagues asked me when I thought that racial hatred and confrontation would deteriorate to the stage of bloodshed. I said then in five years time. But I was proved wrong—it came in a matter of months. It has continued intermittently and there is no sign of it ever stopping in spite of the dangerous wishful thinking that the security forces are "getting on top of the situation." At times I wonder what is getting on top of what. Can the white Rhodesians continue to ignore our call for a concerted effort to iron out our dispute and stalemate as a people in one country?

Now Mr. Chairman and Countrymen, as we try to solve our problems and pursue the cause of freedom and justice, we must be aware of the enemies of Zimbabwe's freedom. You will sadly remember that some of the enemies of our cause once succeeded in working out a split and put us in a political coma while setting back the clock of Zimbabwe's freedom 10 years. I am sure, as certain as the fact that we are here meeting in Stodart Hall, that we should have been a free nation by now if we had remained bound together in the name of unity. However, let us not cry over spilt milk. Let us beware of being nose-dragged into the same kind of pit we fell into before.

You know there are some people who have prayed to the devil for our split. Count how many times for example we have read and heard the words about the "ANC Split," in the white-owned and controlled news media. The reasons are clear. That this is something some of them would have printed in bold headlines if it had happened and the RBC would have put it in the loudest possible volume, and the RF would have danced on top of Milton Buildings if the split had taken place. These news media have also written a few times the word "ousted" in reference to your President. The ANC, like any other democratic organization, believe in changing its leaders whenever necessary. But it must be made clear that our enemies must not think that by repeating falsehoods about the change of leadership they can change it. Our enemies have failed in the past to detract the African people from their true leadership. They will fail now and will continue to do so in the future.

I want to stress that the forces that can cripple this organization for Zimbabwe's freedom are lively at work. Now, therefor, watch out for people who are intoxicated and obsessed with tribalism—people who see everything through tribal spectacles. Take note of the people who seem to think that chickens, pigs, and cows raised among their own tribe produce eggs, pork and milk which taste better and sweeter than those of other tribes. Watch out for people who have ill and cheap ambitions in so much that they backstab their colleagues, high lighting their faults without appreciating their strong points. There are the people who are mainly interested in enhancing their personal prestige at the expense of the freedom of the masses. Such people do not know what loyalty means except when they want others to be loyal to them. Watch for leaders who do not know how to follow other leaders. Don't forget to watch for those whose gods are their stomachs—those who worship their bellies like the Biblical Judas Iscariot who would sell even persons to get money. Again, people like Esau of the Old Testament who sold his own precious birthright for a plate of porridge. These are materialistic people who are moved by the money-pulse. Watch out for people who tragically lack self-respect and suffer severely from that old disease of inferiority complex. Don't forget the cowardly who do nothing because they are afraid. Beware of the cheap informers. Watch out for people who are counting on what position they will hold personally, or their friends or their tribe in the event of majority rule—people who are more personality and party politically-centred than purpose-centred.

Countrymen, our only serious purpose should and must be the freedom of Zimbabwe! We must have the purpose clearly defined and in full focus. And we must accept the fact that if it should be a healthy struggle, it cannot be one man's struggle, it cannot be a struggle for an individual, organization or movement, or any party or group. It must be, and is, a struggle of all the people of Zimbabwe, by all the people of Zimbabwe, for all the people of Zimbabwe, to paraphrase Mr. Abraham Lincoln.

And yet Mr. Chairman and Countrymen, I, for one, am not in any doubt as to the precious loyalty to the struggle of you ANC members—true sons and daughters of this land which you have demonstrated beyond doubt over the last two years now.

We must not be like five brothers who went out hunting and when they saw a kudoo almost pausing for them they started quarreling. One started demanding that he would have the chest, the other one said "the chest would be his" and so on until they started fighting. The kudoo ran when it heard the noise of the fighting brothers. Now Countrymen, let me remind you again that this happened before without politics and it can happen many times over if we are not clever and wise enough to learn by our past mistakes. You know the English adage, "A wise man learns by the mistakes of others, but a fool will never learn."

Before I turn directly to speak on some points surrounding the Settlement issue I want to clear the air about a number of things. First, Mr. Smith said recently that some Africans who had been talking to him had said they were being intimidated not to settle by people from outside. I can assure you that this does not include the ANC. If the ANC were susceptible to intimidation by anybody we would have been intimidated into accepting the 1971 Settlement Proposals. Also, I have heard that there are people who dislike our idea of talking with other political bodies, including the Government, while our brothers are in detention. I have stated before, and I want to repeat it now, that whatever discussions we are having with the Rhodesian Front Government and other political bodies, we are aiming at the total emancipation of all our people. We are not indifferent to the continued detention of our brothers. My thinking and feeling is that those of us who are out of goal and detention should help bring about the majority rule, and have everybody free, i.e. Those who are in prisons and restriction and those who are refugees in other countries as well. Brothers and sisters, that is our goal—total liberation of Zimbabwe.

Consistent with our stand of not negotiating in public, I do not believe it is politically wise at this stage to go into details of what has transpired so far in the talks we have held with the RF and the RP. Suffice to say that we want to continue to talk until we reach a happy solution. All I can do at present is to assure you that we will press and strive for justice to be done. There will be no settlement which will be acceptable unless it is an honourable and just settlement.

There can never be a sellout! There can never be a betrayal of the aspirations of the African people. Anyone suggesting that is engaging in cheap political propoganda.

Before I go any further, I want to say that all true members of ANC know this by now, that our organization is committed to achieving our goal of freedom by non-violent means. It means that we need to know what tools and non-violent weapons we should and must use to achieve our goal peacefully. It means we must talk, or negotiate on Constitutional problems that should be put right or the elimination or amendment of such documents. It means we must always be ready to exercise our voting rights whenever or wherever it is wise and beneficial to do so. It means we must give our service to ANC whenever the country's interest and necessity calls for it. It means we use our money where it is needed in the promotion of the cause of our freedom. It also means making a stand by speech, and writing where one's civil rights may be violated against. It means we have to be individuals endowed with psychological liberty, self-respect and dignity. You would be surprise by how fast we would gain our freedom if more people than we have now were aware of who they were and had pride in themselves.

Although it is the declared policy of the ANC to pursue the goal of freedom non-violently, yet a violent situation has already been created in our country. And we are, unfortunately, in a civil war now. We want to state that there is no country anywhere in the world which can survive and make progress through the tempest of a civil war.

Past and contemporary political history proves we are in the right by advocating non-violent action in solving our Constitutional difficulties. Citing a few examples around the world—the Israelis and the Arabs started by an exchange of fire across the Suez Canal, but they are now at a negotiating table—talking. Capitalist America and Communist Russia have regarded each other traditionally as ideological and economic enemies. They have actually fought a bitter war in Vietnam but they ended in France at a negotiating table. And now America and Red China have exchanged high level diplomats and official visits and yet in the past they were hostile to each other. You can multiply more such examples of the modern world where fighting ended by talking. Some people thing it is weakness to talk to your enemy or someone you do not agree with.

This is why we think the present confrontation should come to a Conference table. Are we going to wait and inevitably come to the negotiating table in wheel chairs, with broken arms and spines, limping and struggling to talk about the atrocities which we could well avoid now before it is too late? I believe with good will, political integrity and statemanship we can do it now.

While I am still on this issue of Civil War, I must dismiss as false the recurring sentiment that put the blame for the whole Civil War on external forces, which they call communism. I want to be brutally frank and say that these people are Rhodesians by birth and are motivated to fight the oppressive legislation and deprivation of their self-determination. And those who fight from inside are also Rhodesians. Where are the Communists then? It seems, therefore, that to remedy the situation we need to eradicate the internal, rather than the external, anomalies that have provoked the situation.

Mr. Chairman, we have so far been talking about every important issue which affect the achieving of our independence. I want to refer again to the Settlement issue. We cannot help starting by reminding ourselves of the fact, which is known universally, that we rejected the 1971 Settlement Proposals. We have reiterated for the last two years why we rejected the terms. Now we need not take time to repeat the reasons. Suffice it to summarize in one sentence that the proposals were unacceptable and from an overall observation and analysis—a sell-out.

The time we rejected the proposals was, and is, similar to the time of preparation in the renovation of a house. A builder may tear down a building in order to rebuild. Hence in the same spirit we rejected the terms in order to build an acceptable deal. We, therefore, called for a Constitutional Conference, a period of negotiation, and dialogue of reflection and talks. We also made it clear that we would welcome talking to anybody, black or white, individual or group, that was interested in achieving a just and honourable settlement. We also maintained that we would not negotiate in public. In fact your President was and is very surprised when some people criticise him for not letting them know what has been going on in regard to the talks. How could this be done without negotiating in public? At any rate we don't rush to the public with little things. Time will be ripe when there are important things to share with everybody in public.

As I have already said there was a time to destroy in order to build during the test of acceptability, we were asked to say either "Yes" or "No" but now a time of talking is a time to sort out the good points and leave out the bad ones. Just like a builder does not throw away the steel windows and door frames with the debris—in like manner, we should look at any of the Constitutions, including the ANC Proposals, and choose the best points and leave the bad ones and build a Constitution acceptable to Rhodesians as a whole—one that can ensure democratic sharing of power and would inevitably effect majority rule.

But it must be stressed that the ANC does not believe in a Constitution that would deprive the white man of all political influence. The ANC does not aim at driving the white man out of the country or of confiscating his property. We believe in a Constitution that will safeguard the rights of all and will assure all races that they have a place here if they wish to stay.

But the white man must accept the fact that the ANC insists on a Common Roll. We believe in a franchise qualification that will give the vote to the majority of the people of Rhodesia as a whole. We will accept representation in parliament which is a satisfactory sharing of power. We believe that once representation and the franchise have been satisfactorily dealt with, the other matters which are normally part of a Constitution would be easy to deal with. I, therefore, repeat the ANC call to a Constitutional Conference, and have it immediately, as the only way we can achieve a permanent and healthy solution.

I would go further and suggest that Rhodesians must come together and talk. Only some form of Treaty can stop the current confrontation in this country. Treaties have been signed in Europe and have worked, so why not in Rhodesia?

In view of the fact that the issue of the detainees is a hyper-sensitive one, and that it has been too long since those people have been deprived of leading a normal life, we call the government in the name of humanitarianism and justice to review their cases with immediate effect.

Before I sit down, I want to call upon all the people of Rhodesia to work hard in their respective areas and capacities of work.

We call upon the African businessmen to support the organization of the people, their own organization, the ANC.

We call upon the African teachers, doctors, nurses, policemen, youths, students and the Africans from all walks of life, to support their organization very seriously, morally, intellectually, and financially. On a financial point I want to challenge the whole African population and other races of goodwill, to each give a special donation. Do you know that if every adult African would give at least 10 cents this month, ANC would raise over $20,000 in addition to the normal subscriptions! Now I call upon you to contribute to this special fund in cash or in postage stamps and send it to the Treasurer-General, ANC Headquarters, P.O. Highfield, in Salisbury.

We call upon our churchmen to do more than praying for the country. They should help make their people politically aware of themselves as persons in need of freedom. I wish to remind you that it was the Christian Church which remained the whole voice of justice during the days of Nazi Hitler. A similar situation is here in Rhodesia now.

I want to draw your attention to a matter of politics as an ethical concern. Countrymen, the struggle for freedom is a very serious business which demands characters of high morality with a high degree of self-control and personal integrity, dedication, and commitment to our cause. One of the practices that we must try to refrain from is excessive drinking.

We cannot afford to lose the brains we need to think clearly, and to perform intellingently the great task for leading people from their political bondage to their political promised land. Think of the thousands of dollars that the men and women of our land are wasting throughout the country by drinking. Think of the children and wives who are living like widows and orphans because their bread-winners have become slaves of liquor, and it seems as if they are dead. How can we succeed in our struggle if we are crippled in this way. We need to be our very best physically, intellectually and economically. Liquor does not help us.

I call upon each of you here and in the country as a whole to observe Sunday, March 10, 1974 as a day of mourning for all our country.

Finally, I want to summon all of us to march with perseverence, courage, endurance, determination and in unity as one people of Zimbabwe. And though thousands fall by arbitrary detention, restriction, imprisonment and wanton murder, though a thousand are scattered homeless in the Inyanga Mountain area and in refugee camps elsewhere in the world, though our membership cards and parties get banned, though our people are harrassed from time to time, let not the struggle of the freedom of Zimbabwe be given up, but let the struggle be vigorously pursued until the freedom chimes ring from the tower of Zimbabwe. Free—Free—Free Zimbabwe shall be free!

OFFSHORE OIL

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 22, 1974

Mr. HARRINGTON. Mr. Speaker, I would like to bring to the attention of the House my comments on the Council on Environmental Quality's recently released preliminary impact statement on Outer Continental Shelf oil and gas development.

This critique is based entirely on the findings contained in the statement—findings which, in my opinion, indicate that further consideration is absolutely necessary before we embark on action with such potentially dangerous implications:

CRITIQUE OF THE COUNCIL ON ENVIRONMENTAL QUALITY'S IMPACT STATEMENT ON OFFSHORE OIL

(By the Honorable MICHAEL J. HARRINGTON)

The Council on Environmental Quality is today making public the results of its year-long study of the impacts of oil and gas production on the Atlantic Outer Continental Shelf and in the Gulf of Alaska. In its summary and conclusions, the CEQ maintains that development of the OCS should proceed at this time. Having studied the CEQ report in detail, I have reached a different conclusion.

The CEQ should be commended for the report which, in my opinion, is a well balanced and well documented study of a very complex problem. But, as most initial surveys do, the report raises more questions than it answers. I view the report as a useful first step in evaluating the off-shore oil issue, but only as a first step.

The report itself points out numerous areas that need further research, numerous public policy decisions which must be made, and numerous changes which must be made in our presently existing regulatory and administrative agencies before off shore oil development should be permitted to take place. In no way can today's report be considered the final, or definitive statement on the environmental and economic impacts of OCS development. Rather, the study should be seen as pointing the way toward further consideration and action on the issue.

All too often in the past, we have undertaken massive new enterprises without adequately thinking about their impact on the economy, on the environment, and on people's lifestyles. We have the opportunities, with regard to OCS, to carefully consider these impacts. We should not be forced to hastily gloss over the issues involved simply in order to meet the arbitrary time limit imposed for national energy self-sufficiency by Project Independence.

Specifically, I would like to discuss six issues raised in the report which I believe merit further attention. Each of these issues presents public policy challenges which must be resolved before OCS should be approved by the government.

I. THE UNITED STATES DIMINISHING SUPPLY OF OIL

One of the most illuminating, and potentially disturbing, aspects of the CEQ's report is its discussion of the nation's remaining petroleum reserves. According to the report, we simply do not have adequate information on the status of our oil supplies. This is especially true with regard to off-shore oil.

"Whether oil and gas are present in the Atlantic and Gulf of Alaska OCS areas is highly speculative. There may be large commercial reservoirs in these regions exploitable with today's technology or only small, noncommercial reservoirs or only trace amounts." (CEQ study, P. 2–1)

However, the CEQ goes on to discuss the best estimates of a variety of government and nongovernment sources with respect to our recoverable oil reserves.

Based on the National Petroleum Council's estimates (the official organ of the oil industry), the total U.S. recoverable oil reserves, both proven and undiscovered amounts to only 317 billion barrels. Other estimates are even lower (CEQ study, P. 2–8).

To put this figure in perspective, total daily demand for oil in the U.S. today is 17 million barrels, or 6.2 billion barrels a year. If then, we rely on our domestic supplies for oil, as Project Independence would have us do, and assume a zero demand growth for oil, then we have, at most, about a 50-year supply of oil left.

The estimates of total oil supply on the Outer Continental Shelf are also revealing. According to best estimates, the Atlantic OCS contains about 5–20 billion barrels of oil, enough to supply the U.S. anywhere from 10 months to 3 years (p. 2–13). In 1985, daily production from the New England off-shore oil fields is estimated at 500,000 barrels a day—about enough to supply one large modern refinery (p. 3–9).

While I support the concept of energy self-sufficiency for the United States, a program which will make us completely self-sufficient in 1980 and leave our grandchildren, 50 years from now, completely dependent on foreign sources for oil because we have exhausted our domestic reserves, is short-sighted.

While coal can replace a segment of our oil supply—chiefly that going to generate electric power—it cannot replace oil in a large variety of uses. (It is questionable whether replacing residual oil with coal will lower the demand for petroleum, since oil production is largely geared to the demand for gasoline, not residual oil.) The one which comes most immediately to mind is transportation; we need petroleum to run our cars, buses and airplanes. But perhaps the most important use of petroleum is not as an energy fuel at all, but as a raw material or feedstock for over 80,000 petroleum-derived products. Chief among these products are medicines and drugs, plastics, and synthetic materials. While oil shale and synthetic oil may provide adequate oil in the future, they have not as yet been either economical or technically proven.

At the very least, the Federal Government should undertake a thorough audit of our energy resources, including exploratory drilling on the OCS in order to determine just how much oil we actually do have. Whether to proceed with the all-out development of our remaining oil reserves or whether to set aside some resources for the benefit of future generations and concentrate today on a massive energy conservation program is probably the most important public policy decision confronting the American people today.

This question should not be glossed over, influenced in part by an energy industry which is more interested in extracting profits today, than preserving supplies for the future.

II. THE IMPACT OF INTENTIONAL POLLUTION

While most of the controversy surrounding the development of off-shore oil revolves around the posibility of a disastrous oil spill (the CEQ finds that oil cleanup technologies in rough waters are largely ineffective (p. 4–23, 8–20), the study indicates that most of the pollution created by off-shore oil development is intentionally created.

"The major source of pollution from tankers is intentional discharge—the pumping of oil ballast water and tank washings into the oceans. Over 70 percent of all oil released from tankers is due to routine operations. In addition to oil pollution, tankers and barges pollute with their sewage, untreated garbage, and human wastes. The typical tanker of 30,000 deadweight tons generates 1,000 gallons per day of sewage and domestic wastes. If they are not treated, they can significantly degrade water quality, particularly in harbors and bays." (p. 4–20)

Off-shore drilling operations also create daily polution. "Daily operational discharges of oil, drilling muds, cuttings and other material may result in sublethal or long-term ecological damage to an area." (p. 6–46).

Pipelines contribute their part to the non-accident related pollution created by off-shore oil development: "Pipelaying in wetlands can cause serious adverse physical and biological impacts. Disturbance of marshlands can change turbidity, salinity, acidity, hydrogen sulfide toxicity and biological oxygen demand. (p. 4–19)

The sum of all these regularly occurring discharges is significant. The study concludes that: "Scientists believe that over the life of a field, intentional releases may damage the environment as much as the large accidental oil spill." (p. 4–33)

These types of releases are, in my opinion, the kind that can be controlled by effective policing legislation. The question is whether to pass the legislation now, before drilling is permitted to start, or wait until the pollution becomes intolerable and then react to the crisis.

In a region which is as economically dependent on a clean environment as New England is, I believe the former approach makes far more sense.

III. THE IMPACT OF OCS DEVELOPMENT ON FISHING

Coming from a District in which fishing is a major livelihood, I am particularly sensitive to the impact of OCS on this important industry. Three statements in the CEQ study stand out:

"How oil discharged into the marine environment affects it and life within it is particularly controversial. Although studies, reviews and conferences have addressed this general question, few consenses have been reached." (p. 6–27)

"Daily operational discharges of oil, drilling muds, cuttings and other material may result in sublethal or long-term ecological damage to an area. In several recent studies, significant concentrations of heavy metals were found near platforms. They enter the food chain and could pose problems for human health. Potential impacts on commercial fisheries should be assessed *before* development begins." (p. 6–46)

"New employment in primary industries may be offset by losses of jobs in the resort, tourism, and fishing businesses. Although total fishing catch may rise, average per capita income of fishermen may decrease, as has happened in Kenai, Alaska." (p. 7–13)

The oil industry has aired a number of commercials showing how the shrimp catch has improved around the Louisiana oil fields. I agree with the CEQ's staff that a more scientific analysis of OCS impact on fish, and the fishing industry, is in order before the leasing program gets underway.

IV. THE IMPACT ON ONSHORE DEVELOPMENT

The major impacts of OCS development will not be offshore, but rather will be onshore. Off-shore oil fields will have to be augmented by tank farms, tanker berths, pipelines, refineries, and petrochemical plants. These facilities will have to be integrated into the already existing economic and environmental structures. The potential impact, both positive and negative is enormous.

"As the development of offshore oil and gas proceeds from the initial exploratory phase through drilling, production, and transportation, substantial onshore activity will be generated from which both positive and negative impacts can be expected. The degree to which on balance these effects are positive is related to the ability of public officials to plan for and direct the onshore development that is integral to OCS development and for that growth that onshore facilities generate throughout the region. OCS operations will result in massive development in areas where there is little or no experience in land use planning and regulatory activities. Unless this capability is quickly developed in such areas, the result could be permanent degradation of the environment and unnecessary disruption of traditional values and lifestyles for those living there now." (p. 7–1)

If the recent experience in Durham, New Hampshire, is any indication, the possibility exists that the people of the coastal zone do not want to change their present economic lifestyles for one based on heavy industry—even if the industrialization will produce economic benefits as they are commonly defined.

In any case, OCS development does not make sense in an area where the processing facilities are not available. Offshore and onshore development must be considered as an integral unit and the basic questions of onshore facility siting must be resolved before the massive investment in offshore development is begun.

V. THE NEED FOR IMPROVED REGULATORY MECHANISMS

In large measure, the success or failure of OCS development will rest on the ability of the coastal zone states to deal with the problems created by the development. This involves establishing a regulatory capability that can deal effectively with a large array of complex problems.

"The Council's Public hearings reflect a belief that, regardless of the adequacy of OCS oil and gas technology, the regulation of OCS development can only be as effective as the legal and institutional mechanisms for its implementation. An effective regime for regulating OCS activities should include at least the followng elements:

A rational allocation of regulatory rights and responsibilities and an efficient means of coordination among entities sharing such authority;

A provision for ensuring that necessary information is obtained and analyzed prior to regulatory action and that the public has sufficient information to allow informed participation in the process;

An ongoing systemative evaluation of OCS technologies and practices and incorporation into OCS regulations specific requirements necessary for environmentally sound operations;

Enforcement of the requirements through effective inspections and sanctions for noncompliance; and

Means for compensation of injured parties when mishaps occur." (p. 9–11)

In my opinion, the New England states presently lack these needed capabilities, although a number of states, including Massachusetts, are working toward this end. The CEQ staff offers some advice on what steps the states should begin to take:

"In the Atlantic and New England states, and in Alaska, there has been little governmental experience with offshore oil and gas development. Affected states should strengthen their coastal zone management programs by developing special technical expertise in all phases of OCS development and its onshore and offshore impacts. Such augmented state coastal zone management agencies should attempt to insure that state interests and regulatory agencies are fully coordinated with Federal OCS technical and management activities. Federal agencies should make every effort to cooperate with state coastal zone management agencies on an ongoing basis, at all stages of the management process.

"Simply establishing technical expertise at the state level and calling on Federal agencies to cooperate will not, however, necessarily yield effective coordination. The decision making process itself must provide regularized mechanisms for effecting interaction." (p. 9–6)

The critical question is whether we should develop and then attempt to regulate, or whether we should first regulate, and then permit development according to the regulations.

VI. OVERRELIANCE ON THE PETROLEUM INDUSTRY FOR DATA

The federal government's reactions to the crisis created by the Arab oil boycott, and subsequent Congressional investigations of those reactions, underscores how dependent the U.S. government is on the major oil companies for basic data regarding our nation's most valuable commodity. It is no different with regard to OCS development.

"In practical effect, the industry has determined the information requirements of government for OCS leasing. Industry's incentives, however, are not always sufficient to generate all the data necessary for effective environmental regulation. Prior to a lease sale, industry understandably concentrates on obtaining and analyzing data that locate petroleum deposits. After the lease sale, there is little economic incentive for industry to acquire data solely for assessment of environmental risks.

"The present system in short, permits environmental risks which a prudent regulatory official might well choose to avoid if he considered all available information earlier in the process." (p. 9–15)

Even when the information is available, there is no guarantee that the government agencies involved will make the best use of it.

"The fact that the Interior Department treats industry data as proprietary severely restricts the effectiveness of the public review process, particularly in commenting on environmental impact statements. Although there may well be sound reasons for withholding some data in some circumstances, their competitive justification for a blanket prohibition of public disclosure is not clear." (p. 9–16)

However, the reason why Interior does keep the data secret was adequately analyzed in an earlier CEQ statement:

"In the absence of formal procedures for planning and coordination, the inevitable result has been that Federal officials have tended to promote their own particular programs and respond primarily to the interests and demands of their agency's clients." (p. 9–10)

There are alternatives to complete reliance on industry data. Since the Outer Continental Shelf is all public lands, the most obvious answer is to permit the federal government to develop at least part of the OCS for the exclusive benefit of the American people. The Federal Oil and Gas Corporation legislation now pending in House and Senate committees would permit public development of part of the OCS, and the data developed by the Corporation—as well as the oil—would be publicly available.

Unfortunately, the CEQ study did not devote attention to any nonprivate development of OCS resources.

In conclusion, I do not question that OCS development may be in the best economic interest of the United States; or that it can be developed without damaging the environment and disrupting the lifestyles of the people of the coastal zone.

However, based on my reading of the CEQ study, I am not convinced that those determinations have been made. The study raises many important questions which should be answered before, not after, we commit ourselves to a large, and possibly irreversible, program of offshore oil development.

The federal government should make as vigorous an effort in analyzing the wisdom of its potential policies as it does in protecting and defending those policies once they have been initiated.

Experience should have taught us by now that hasty reaction to a perceived crisis rarely produces wise policy in the long run. Before embarking on OCS development, we should have a far more accurate idea of where we are going than is provided in the CEQ study.

ARKANSAS CAGER DEADLY FROM FREE-THROW LINE

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 22, 1974

Mr. ALEXANDER. Mr. Speaker, Rickey Medlock, a native of Cave City, Ark., and a junior at the University of Arkansas, has recently been named college basketball's free throw shooting champion for the 1973–74 season by the National Collegiate Athletic Association.

The 6 foot-2 inch guard sank 87 of 95 attempts, for a .916 average, the fifth highest ever recorded by a major college player. Rickey follows an impressive array of Arkansas athletes into the record books.

I urge my colleagues to join me in saluting this fine college basketball player. We from Arkansas applaud him and anxiously await another record smashing performance in his senior season as a Runnin' Razorback.

ATOMIC ENERGY COMMISSION STAFF STUDY PROPOSES AGGRESSIVE SOLAR PROGRAM

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, April 22, 1974

Mr. VANIK. Mr. Speaker, in our efforts to devise a program for energy independence, we must pay special attention to the contributions of solar energy. Solar energy offers a limitless, nonpolluting energy source. Recently, the House considered and passed legislation to provide for a significant Federal involvement in the promotion of solar energy for the heating and cooling of buildings. In conjunction with its own studies of available energy technologies, the staff of Atomic Energy Commission has examined in depth the obstacles to commercial development of solar heating and cooling. This staff study recommends a 5-year, $850 million program for the advancement of this technology to widespread application in residential and commercial buildings.

Because of this study's contribution to outlining the problems ahead in solar energy development, I am submitting a copy of this study to the RECORD:

PROGRAMS

A. Discussion

Three basic Federally supported programs (see Tables 3, 4, 5 and 6, pages 25, 26, 27, & 29) were developed reflecting differing levels of solar system production and deployment in Federal versus private buildings. The production rates assumed as of the end of the fifth year of program operation were one per cent, five per cent and twenty per cent of the estimated new construction starts of two million annually. Production rates assumed at the ends of the first, second, third, and fourth years for each of these percentage assumptions represent reasonable yearly increases in annual production leading to the fifth year's desired production rate. Unit costs for the solar systems which include collector and necessary support system purchase and installation were based on the number produced in prior and current years and the reduction in unit cost inherent in the build up to mass production levels.

For the purpose of pricing each program, a residential solar system for domestic hot water and space heating was assumed which includes collector square foot coverage of fifty per cent of the floor space of a typical residence (50% of 1500 ft^2=750 ft^2). The cost of the residential unit was then computed by multiplying the solar system cost per ft^2 by the 750 ft^2 of required collector area.

Because of the requirement for collector area at approximately fifty per cent of the floor area, it would be difficult to implement solar energy systems in high rise commercial buildings. Emphasis therefore should be given to residential units with attention given to commercial buildings in the appropriate mix to achieve early commercialization. In determining the solar system cost for commercial buildings, they were assumed to be 15,000 ft^2 in floor area or approximately ten times the average sized residence.

In an effort to encourage the acceptance of solar energy, all programs in this study propose that schools be used as an integral part of the demonstration program. School buildings, in general, are somewhat more amenable to solar heating than high density commercial buildings. They are frequently single story and often of a design which offers some unobstructed southern exposure which is highly desirable for solar systems. They are generally centrally located in neighborhoods (particularly elementary schools), familiar to many young families of a house-building age, and thus have the very high visibility desired in solar energy demonstrations. The program should offer Federal funding and technical assistance to local school boards nationwide for solar energy heating, both for buildings under construction and for solar energy retrofits. For the purposes of this study, the average school was assumed to be 30,000 ft^2 in floor area or approximately twenty times the average sized residence.

Present local building codes and design standards do not provide for solar systems; therefore, the first units to be so equipped would be in the Federal sector which is not subject to these codes and standards. Subsequent to the installation in Federal buildings and the increased experience and knowledge in solar system design and construction, units should be made available to schools and to the private sector. The mechanics of this subsidy by the Federal Government, whether by aid in financing, tax incentives or other methods, is not known at present, and for the purpose of this study, all costs associated with the integration of the solar units in schools and in the private sector are assumed to be Federal costs. Subsequent to the determination as to how the Federal support will be accomplished, any reduction in the Federal subsidy below full cost can be expected to reduce total Federal expenditures. The program thus emerges initially using only Federal buildings in order to get demonstrations fielded. Two of the three programs presented are phased toward the end of the five year period to an almost total private program. A guiding principle in organizing the proposed program has been initially to maximize the role of the Federal Government.

The installation of solar systems on new Federal construction would be easier to perform than the retrofitting of existing Federal buildings. The buildings could be designed to optimize the cost-effectiveness of the solar systems, and could incorporate the solar collectors into a pleasing architectural design. The operation of these systems could provide data on system performance in a variety of conditions. The new Federal construction is so small in comparison to the private sector (0.04 billion ft^2 Federal vs 3 billion ft^2 private annual construction) that this program would not create an industry large enough to have significant impact in the private sector. Solar installation in new Federal construction alone would not lead to the immediate widespread use of solar energy. To assure this result it is necessary to include a program of retrofitting Federal buildings. The Federal Government will take the risks involved in installing innovative heating and cooling systems and will pay the development costs. In the programs outlined in this study, whenever possible in Federal buildings, fifty per cent of the available units have been assigned to new construction and the other fifty per cent to retrofitting existing structures. In contrast, no breakdown is shown for new versus retrofit in the private sector. This distinction is purely academic as far as total program costs are concerned since new and retrofitted installation and other associated costs have been estimated at the same cost.

There are a number of activities common to all programs. The first of these activities estimated at the same total cost in all programs is a survey of existing technology in solar energy systems for buildings. After this data has been evaluated, general design and performance criteria will be developed for adapting solar systems to buildings for domestic hot water and space heating.

Work to be undertaken after this establishment of system design criteria includes a study to determine the appropriate geographical areas where solar units should be installed. Such a study would result in area selections representing the varying climatical conditions with the heavier concentration of units in those areas most receptive to solar systems including major population centers. Subsequently, a survey will be made of existing Federal and private buildings to identify those which would receive solar units.

The cost of architectural engineering services to incorporate the solar heating system in the designs of new Federal and private buildings as well as the retrofitting of existing buildings has been included at fifteen per cent of the solar systems cost.

A program should be established after design criteria have been developed for the education of architects and engineers in the design of solar systems, for the training of technicians in the installation and maintenance of the systems and to encourage additional industry participation in the manufacture and fabrication of these systems. This educational and training program should eventually lead to the production of off-the-shelf systems such that installation and maintenance is within the capability of normal construction craftsmen. Funds are also provided for a continuing program evaluation in order to determine the need for adjusting the number of solar units in the proposed program as a result of production or application experience. A thorough evaluation is considered advisable prior to the inclusion of solar systems in schools and in the private sector in order to evaluate previous progress and solar system economies. The Federal investment at this point in time would have been wholly in Federal buildings and if the program were to be terminated, this investment would have a continuing pay-off in the operations of these buildings.

Solar cooling technology should be subjected to continued development throughout the five year period. After a year or two of additional development (varies with different programs), initial deployment of cooling systems should be implemented. For the purpose of costing these programs, the cost per unit of adding a cooling system to an existing heating system, including design and necessary retrofitting, has been estimated at fifty per cent of the solar heating system cost.

B. Medium program—Table 3

This program, totaling approximately $850 million over the five year period, is based on attaining a solar system production capability at the end of the five year period for producing solar units for five per cent of the estimated new construction starts of two million units annually or 100,000 units.

During the first year, only Federal residences would receive solar heating units with Federal commercial size units receiving solar systems during the second year. During the third year, schools and private residential would be added and the first cooling units would be installed. Private commercial buildings would receive units in the fourth year and fifth year. The majority of units installed in the fourth and fifth year would be in the private sector.

C. Maximum program—Table 4

This program, totaling approximately $2600 million over the five year period, is based on attaining a solar system production capability at the end of the five years for producing solar units for twenty per cent of the estimated new construction starts of two million units annually or 400,000 units.

During the first year units would be installed in Federal buildings, both commercial as well as residential. Private commercial and schools should start receiving units in the second year and the first cooling units would be installed. Private residential installations are added to the list starting in the third year.

D. Minimum program—Table 5

This program, totaling approximately $275 million over the five year period, is based on attaining a solar system production capability at the end of the five years for producing solar units for one per cent of the estimated new construction starts of two million units annually or 20,000 units.

This program is based on the installation of all units for the entire five years in Federal buildings. As previously stated, an all-Federal program does avoid a lot of problems arising out of conflicts of solar systems with existing building codes and standards as well as the mechanics involved in establishing the procedures and dollar limits of Federal support for these solar units in the private sector. By not resolving these problems, this program will delay the transition from Federal to private sector involvement.

As in the medium program, initial installation of cooling units begins during the third year.

TABLE 3.—MEDIUM PROGRAM

[Based on attaining production capability of 5 percent of estimated new construction starts]

	Years 1	2	3	4	5	Total
Solar system cost (per square foot)[1]	$20	$15	$10	$7	$5	
Cost residential unit[2]	$15,000	$11,250	$7,500	$5,250	$3,750	
Total units residential	50	1,000	10,000	40,000	100,000	
Total buildings	50	910	8,150	32,600	81,500	
Federal residential:						
New	25	600	3,000	5,000	5,000	
Retrofit	25	300	3,000	5,000	5,000	
Federal commercial:[3]						
New		5	50	100	250	
Retrofit		5	50	100	250	
Schools:[4]						
New			25	100	100	
Retrofit			25	100	400	
Private residential[5]			2,000	22,000	70,000	
Private commercial[3]				200	500	
Subtotal units (cost M$)	0.75	11.25	75	210.0	375.0	672.0
Technical survey and design criteria (M$)	1.0	.5				
Site location study (M$)	.5	.5				
Building survey (M$)	5.0	3.0	2.0	1.0		
AE—Design (M$)[6]	.1	1.6	11.3	36.0	56.3	
Training (M$)	1.0	3.0	2.0	2.0	2.0	
Program evaluation (M$)	.1	.5	.5	.3	.2	
Cooling development (M$)	2.0	5.0	10.0	5.0	2.0	
Cooling implementation (M$)[7]			[8].4	[9]3.0	[10]18.8	
Subtotal	9.7	14.1	26.2	47.3	79.3	176.6
Total	10.45	25.35	101.2	257.3	454.3	848.6

[1] System cost per ft² of collector.

[2] Residential unit cost based on collector area equal to 50 percent of typical residence floor area (1,500 ft²), i.e., 50 percent (1,500) equals 750 ft² of collectors times system cost per ft².

[3] Commercial unit based on 15,000 ft² of floor space (2 floors) therefore using 15,000 (50 percent) equals 7,500 ft² collector ft² or 10 equivalent residential units.

[4] School unit based on 30,000 ft² of floor space (2 floors) therefore using 30,000 (50 percent) equals 15,000 ft² collector ft² or 20 equivalent residential units.

[5] Based on typical residential ft² of 1,500 ft² (floor space) see note No. 2. If mobile home units are to be separately identified, assume mobile home of 750 ft² floor space with collector ft² requirement of 50 percent 750 equals 375 ft² or ½ equivalent residential unit.

[6] Architect-Engineer (AE) cost at 15 percent of total units cost.

[7] Capital cost of installing cooling equipment estimated at 50 percent of heating system cost including necessary design services.

[8] 100 units.

[9] 1,000 units.

[10] 10,000 units.

TABLE 4.—MAXIMUM ALTERNATIVE PROGRAM

[Based on attaining production capability of 20 percent of estimated new construction starts]

	Years 1	2	3	4	5	Total
Solar system cost (per square foot)[1]	$20	$15	$8	$5	$4	
Cost residential unit[2]	$15,000	$11,250	$6,000	$3,750	$3,000	
Total units residential	200	4,000	40,000	160,000	400,000	
Total buildings	182	3,564	32,600	130,400	348,800	
Federal residential:						
New	90	1,760	5,000	5,000	5,000	
Retrofit	90	1,760	5,000	15,000	15,000	
Federal commercial:[3]						
New	1	10	100	400	500	
Retrofit	1	10	100	400	500	
Schools:[4]						
New		2	100	100	100	
Retrofit		2	100	700	700	
Private residential[5]			22,000	108,000	324,000	
Private commercial[3]		20	200	800	3,000	
Subtotal units (cost M$)	3.0	45.0	240.0	600.0	1,200.0	2,088.0
Technical survey and design criteria (M$)	1.0	.5				
Site location study (M$)	1.0	1.0				
Building survey (M$)	10.0	6.0	4.0	2.0		

	Years					
	1	2	3	4	5	Total
AE—Design (M$) [6]	0.5	6.8	36.0	90.0	180.0	
Training (M$)	2.0	6.0	4.0	4.0	4.0	
Program evaluation (M$)	.2	1.0	1.0	.5	.5	
Cooling development (M$)	2.0	5.0	10.0	5.0	2.0	
Cooling implementation (M$)		[8]0.6	[9]3.0	[10]18.8	[11]60.0	
Subtotal	16.7	26.9	58.0	120.3	246.5	468.4
Total	19.7	71.9	298.0	720.3	1,446.5	2,556.4

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[1] System cost per ft² of collector.

[2] Residential unit cost based on collector area equal to 50 percent of typical residence floor area (1,500 ft²), i.e., 50 percent (1,500) equals 750 ft² of collectors times system cost per ft².

[3] Commercial unit based on 15,000 ft² of floor space (2 floors) therefore using 15,000 (50 percent) equals 7,500 ft² collector ft² or 10 equivalent residential units.

[4] School unit based on 30,000 ft² of floor space (2 floors) therefore using 30,000 (50 percent) equals 15,000 ft² collector ft² or 20 equivalent residential units.

[5] Based on typical residential ft² of 1,500 ft² (floor space) see note No. 2. If mobile home units are to be separately identified, assume mobile home of 750 ft² floor space with collector ft² requirement of 50 percent 750 equals 375 ft² or ½ equivalent residential unit.

[6] Architect-Engineer (AE) cost at 15 percent of total units cost.

[7] Capital cost of installing cooling equipment estimated at 50 percent of heating system cost including necessary design services.

[8] 10 units.

[9] 100 units.

[10] 1,000 units.

TABLE 5.—MINIMUM ALTERNATIVE PROGRAM

[Based on attaining production capability of 1 percent of estimated new construction starts]

	Years					
	1	2	3	4	5	Total
Solar system cost (per square foot) [1]	$20	$15	$12	$10	$8	
Cost residential unit [2]	$15,000	$11,250	$9,000	$7,500	$6,000	
Total units residential	10	200	2,000	8,000	20,000	
Total buildings	10	182	1,630	6,520	16,300	
Federal residential:						
New	5	90	800	3,200	5,000	
Retrofit	5	90	800	3,200	11,000	
Federal commercial: [3]						
New		1	10	40	100	
Retrofit		1	10	40	100	
Schools: [4]						
New			5	20	50	
Retrofit			5	20	50	
Private residential [5]						
Private commercial [3]						
Subtotal units (cost M$)	0.15	2.25	18.0	60.0	120.0	200.40
Technical survey and design criteria (M$)	1.0	.5				
Site location study (M$)	.3	.3				
Building survey (M$)	3.0	2.0	1.0	1.0		
AE—Design (M$) [6]	.1	.3	2.7	9.0	18.0	
Training (M$)	.5	1.0	2.0	1.0	1.0	
Program evaluation (M$)	.1	.2	.3	.2	.1	
Cooling development (M$)	2.0	5.0	10.0	5.0	2.0	
Cooling implementation (M$) [7]			[8].1	[9].8	[9]3.0	
Subtotal	7.0	9.3	16.1	17.0	24.1	73.5
Total	7.15	11.55	34.1	77.0	144.1	173.90

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[1] System cost per ft² of collector.

[2] Residential unit cost based on collector area equal to 50 percent of typical residence floor area (1,500 ft²), i.e., 50 percent (1,500) equals 750 ft² of collecters times system cost per ft².

[3] Commercial unit based on 15,000 ft² of floor space (2 floors) therefore using 15,000 (50 percent) equals 7,500 ft² collector ft² or 10 equivalent residential units.

[4] School unit based on 30,000 ft² of floor space (2 floors) therefore using 30,000 (50 percent) equals 15,000 ft² collector ft² or 20 equivalent residential units.

[5] Based on typical residential ft² of 1,500 ft² (floor space) see note No. 2. If mobile home units are to be separately identified, assume mobile home of 750 ft² floor space with collector ft² requirement of 50 percent 750 equals 375 ft² or ½ equivalent residential unit.

[6] Architect-Engineer (AE) cost at 15 percent of total units cost.

[7] Capital cost of installing cooling equipment estimated at 50 percent of heating system cost including necessary design services.

[8] 100 units.

[9] 1,000 units.

[10] 10,000 units.

[11] 40,000 units.

TABLE 6.—PROGRAM IMPACT

Program 5th year	Total Federal expenditures (in millions of dollars)	Total residential unit equivalents	Annual energy saved starting 5th year (in millions barrels of oil)
Medium:			
Heating	800	151,050	2.4
Air-conditioning	50	11,100	.2
Total	850		
Maximum:			
Heating	2,490	604,200	10.3
Air-conditioning	110	51,100	1.3
Total	2,600		
Minimum:			
Heating	245	30,210	.5
Air-conditioning	30	1,110	.02
Total	275		

CONCLUSIONS

1. The medium program will accomplish the stated objective of achieving commercial production of solar heating systems on a national scale within five years.

2. The program that penetrates one per cent of the new housing market will permit it to be carried forward without Federal subsidies to the private sector. However, the time required for the program to have significant impact on the current energy requirement will be extended beyond the other two programs.

3. The program that penetrates twenty per cent of the new housing market within five years, is a very aggressive option that will achieve the stated objectives. The cost of these additional Federal subsidies may be desirable to accelerate penetration of the new housing market.

4. Establishing the program first in the Federal domain and then phasing it into the private sector provides additional time to resolve difficult institutional problems.

5. After completion of the recommended program, solar systems should be in mass production and cost competitive with other heating and cooling systems. Therefore, the appropriate stimulus would be available for industry to continue the program at an increasing rate without Government support.

RECOMMENDATIONS

1. We recommend the program that will achieve solar heating systems in five per cent of the estimated annual new construction starts in the fifth year. We feel that, based on the time and information available, this program will demonstrate solar heating of buildings and create the capacity to produce a sufficient number of units at the end of the program to have an impact on our national energy requirements.

2. We recommend that in an effort to expedite the program, first units should be built in the Federal sector with a phasing of the building program into the private sector. It is imperative that the transition be made between the Federal and private sector in order to achieve the stated objective. It appears advantageous to begin the early experimental units in the Federal sector immediately and thus provide additional time to solve a number of difficult problems that need to be addressed in the private sector.

PERSONAL STATEMENT

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, April 22, 1974

Mrs. SCHROEDER. Mr. Speaker, this first legislative business day after April 15—a blue Monday if there ever was one—seems an appropriate time to publish my income and taxes for 1973.

My personal income tax return, filed jointly with my husband Jim, declares my congressional salary of $38,722—eleven-twelfths of $42,500, because I was not in office in 1972—plus interest income of $774 and dividend income of $510. In addition we reported income from Jim's law practice, my income from speaking honoraria, and net rental income from our home in Denver, all totaling $6,620. Taking offsets and adjustments to income—investment losses, moving expenses, et cetera—our adjusted gross income—form 1040, line 15—was $38,895. After exemptions of $750 each for the four of us in our family and itemized deductions—taxes, interest, business expenses, et cetera—our taxable income—form 1040, line 48—was $21,962. On this was paid a total of $6,577 in taxes—30 percent: Federal income tax $5,008; social security self-employment tax $503; and Colorado and Virginia State income taxes $1,066.

Under the Federal Election Campaign Act of 1971 all receipts and expenditures of campaign funds are made by the Schroeder for Congress Committee, Richard Freese, Jr., treasurer, 1200 American National Bank Building, Denver, Colo. That committee filed its own income tax returns for 1972 and 1973, and showed no taxable income and, therefore, no income tax due.

REPRESENTATIVE JACK KEMP INTRODUCES LEGISLATION TO TIGHTEN POLICY FOR BACKED CREDITS TO OUR ADVERSARIES

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 22, 1974

Mr. KEMP. Mr. Speaker, despite its denial of even the most basic of human rights to its citizens—including the right to emigrate, despite its continuing and expanding program of developing even more massive and sophisticated offensive weapon systems, despite its blatant arming of the Arab powers prior to and during the recent Yom Kippur war in the Middle East, despite its support of the Arab oil embargo following that war, and despite its never-renounced policies of achieving a world dominated by it, the Soviet Union is still continuing to receive credits, backed by the United States and its taxpaying citizens, through the Export-Import Bank.

Today, I have introduced legislation which would put the brakes on the highly questionable policies of this Administration in this regard. Specifically, I have introduced a bill to amend the Export-Import Bank Act of 1945 to tighten up the procedures under which such loans and credits could be made—to the Soviet Union and other Communist countries, or to those nations engaged in armed conflict with the United States, or to those nations which deny to their citizens the right to emigrate.

ADMINISTRATION POLICY IS MISDIRECTED

It is particularly distressing to me that the administration is circumventing the clear intent of the Congress, as well as a recent ruling by the Comptroller General of the United States, in continuing to make these credit extensions.

The Comptroller General, recently ruled that the President of the United States should have to make a finding, with respect to each potential credit transaction, that the extension of credit to a Communist country was "in the national interest" of the United States. I repeat—"the national interest" of the United States—not that of the Soviet Union.

The Comptroller General's ruling was made public by the senator from Pennsylvania, Mr. SCHWEIKER, and Representative BLACKBURN from Georgia, who, together with many Members of the Senate and House, myself included, have opposed the extension of credits to the Soviet Union, unless such credits were predicated upon an actual showing by the Soviet Union that it was relaxing significantly its internal restraints on political freedom. Such demonstrations have not, of course, been shown.

In the face of nearly three-fourths of the Senators supporting the holding back of credit extensions until reforms are instituted in the Soviet Union, in face of the House-passed version of the proposed Trade Reform Act containing such a holdback requirement, and in face of the specific ruling of the Comptroller General, the administration, through the Attorney General, has proceeded to OK massive credits to the Soviet Union.

On Friday, March 22, the administration resumed credits, announcing a $44.4 million loan package with the Soviet Union. The administration announced, at that time, that it was also going ahead with such trade packages for three other Communist nations. The total approved that day—for the Soviet Union, Poland, Romania, and Yugoslavia—totaled $74.9 million. These credits are underwritten by the credit of the United States, through the Export-Import Bank, and to the degree that those credit arrangements are at an interest less than that borrowed by the Government of the United States to stand behind them, they actually constitute a subsidy to those Communist nations.

These matters cannot be allowed to go either unnoticed or without restriction.

On March 26, I introduced a bill, H.R. 13730, the proposed Soviet Energy Investment Prohibition Act, to prohibit the extensions of Export-Import Bank credits to aid the Soviet Union in the development of a vast energy program. I think we ought to use American tax dollars to build up our own energy reserves, not those of the Soviet Union, which—all the talk of détente notwithstanding—remains our principal potential adversary. H.R. 13730 is the House companion version of the bill introduced in the Senate by Senator SCHWEIKER, S. 3229.

CONGRESS SHOULD EXERT ITS CONSTITUTIONAL POWERS

Article I, section 8, of the Constitution of the United States specifically grants to the Congress the power "to regulate commerce with foreign nations." That constitutional grant of power should be exercised. The new bill, which I introduced today, is designed to achieve, in great measure, such an objective.

That bill would amend the Export-Import Bank Act of 1945 to prohibit that Bank from guaranteeing, insuring, or extending credit, or participating in any extension of credit, to:

A Communist country, unless the Congress determines each such transaction would be in the national interest through the adoption of a concurrent resolution;

Any nation which is engaged in armed conflict with the Armed Forces of the United States, unless Congress makes such a similar determination; and

Any nonmarket economy country which denies to its citizens the right to emigrate.

The bill would also amend the act by repealing that section which permits the extension of credits to those nations in default of payments of debts owed to the Government of the United States.

Let me explain these proposed amendments in more detail.

CREDIT EXTENDED TO COMMUNIST COUNTRIES: TIGHTEN

As I have indicated, a controversy has recently arisen over the fact that the Export-Import Bank has been extending credits to the Soviet Union without the President making a determination that each individual transaction was in the national interest and then reporting this finding to the Congress, as the law now requires.

It is the administration's, and the Bank's, position that on October 18, 1972, President Nixon determined it to be in the national interest for Eximbank to extend credits to the Soviet Union, and a separate determination of national interest for each individual transaction is not required.

Senator SCHWEIKER requested a ruling from the General Accounting Office, and in response, Comptroller General Staats stated in a March 8 letter to the Senator:

> Thus the language of section 2(b)(2) of the present act, together with its legislative history, clearly requires a separate determination for each transaction.

Because of this ruling, on March 11 Eximbank suspended consideration of credits to the Soviet Union and three other Communist countries pending clarification of this point. Yet Attorney General Saxbe upheld the legality of the Bank's actions determining that the law does not require a separate Presidential determination and report to Congress for each transaction. The Bank then celebrated by approving a package of loans to the Soviet Union that same day to finance the construction of the trade center, as well as the shipment and installation of machinery for a motor factory, a canal, and a valvemaking plant.

The provisions of my new bill would remove any doubt that a determination is required for each individual transaction, and would provide that Congress, not the President, make this determination through the adoption of a concurrent resolution.

I believe Congress has delegated away too many of its constitutional responsibilities to the executive branch, and this amendment would give us the opportunity to grasp control of a most important constitutional prerogative.

CREDITS EXTENDED TO BELLIGERENTS: TIGHTEN

My bill would also amend section 2(b)(3) of the act to prohibit the Bank from guaranteeing, insuring, or extending credit, or participating in the extension of credit to any nation which is engaged in armed conflict with the Armed Forces of the United States unless Congress determines each such transaction to be in the national interest through the approval of a concurrent resolution.

I think the need for a change on the law in this regard is self obvious.

THE RIGHT TO EMIGRATE IS AMONG THE MOST BASIC OF HUMAN RIGHTS

The right to emigrate—the right to leave and return to one's own country without fear of reprisal or without being denied that right altogether—is among the most basic of all human rights and liberties. This is a right which has been continually denied in the Soviet Union and most other Communist countries.

My bill would amend section 2(b) of

the act to prohibit the Bank from guaranteeing, insuring, or extending credit, or participating in the extension of credit with respect to any nonmarket economy country which denies its citizens the right of emigration.

This amendment would incorporate the language of the Mills-Vanik amendment as it applies to the operations of the Export-Import Bank. By a recorded vote of 319 to 80, the House adopted a floor amendment offered by Congressman VANIK to the Trade Reform Act, H.R. 10710, which would deny loans, credits, and guarantees to any nonmarket economy country which does not recognize the right of its citizens to emigrate.

My amendment to the act would be consistent with the strong position taken by the House when it overwhelmingly approved the Vanik amendment to the trade bill.

DEBTS IN DEFAULT TO BECOME A PROHIBITION AGAINST CREDIT EXTENSIONS

This section allows private participation in the operations of Eximbank in spite of the provisions in the Johnson Debt Defaut Act, 18 U.S.C. 955. The Johnson Debt Default Act prohibits private parties from making loans to a foreign government which is in default in the payment of its obligations to the United States—with the exception of foreign governments which are members of both the International Monetary Fund and the International Bank for Reconstruction and Development.

The U.S.S.R. is clearly in default of its payments on debts owed to the United States. More than $11 billion was made available to the U.S.S.R. for defense-related items in the years 1941–46. Under the terms of the October 18, 1972, Lend Lease Settlement, the U.S.S.R. will only repay $722 million of this $11 billion. To date only $36 million has been paid, and the next payment of $12 million is not scheduled to be made until July 1, 1975. The U.S.S.R. is attempting to blackmail the United States into extending most-favored-nation status by requiring MFN treatment as a condition before payments on the remaining $674 million will be scheduled.

This is an intolerable situation, and one which Congress must take a position on, to demonstrate to the Soviet Government that we will not be coerced into submission.

CALL FOR HEARINGS

Mr. Speaker, I call upon the distinguished leadership of the Committee on Banking and Currency, which has jurisdiction over the Export-Import Bank Act, to hold public hearings on this measure at the earilest possible date. This legislation is needed, and it is needed now.

THE SINGING ANGELS

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, April 22, 1974

Mr. STOKES. Mr. Speaker, on Sunday, May 5, 1974, the famous Singing Angels will present their 10th Annual Spring Benefit Concert at Cleveland Music Hall. It will be an exciting anniversary. Since they were founded by Bill Boehm in 1964, the Angels have quickly gained national recognition as the most representative youth chorus in the country. Two hundred and fifty Singing Angels represent every neighborhood, race, creed, and ethnic group in Cleveland, and Cleveland is America in miniature. The slogan of the Singing Angels is "Democracy in Action Through Music." I am particularly proud that my daughter, Shelley, was at one time a member of the troupe.

The 250 Angels, who range in age from 6 to 18, number 150 performing members, with an additional 100 reserve "rookie" members. They give about 50 shows throughout Greater Cleveland every year. Among their now traditional activities is the Caroling Crusade they conduct for 80 nursing homes and hospitals during the 12 days of Christmas. Their annual "Songs of Christmas" special won an Emmy Award in 1970 as the best entertainment program on Cleveland television.

The fame of the Singing Angels has not been restricted to northern Ohio. They have performed for nationwide audiences at half-time at the Browns-Colts 1971 championship playoff on NBC. They have performed on NBC's Kraft Music Hall. They gave a command performance at the White House in 1969, and in 1973 they led the Inaugural Parade on the theme float "Spirit of '76," representing American youth.

This coming summer, for the first time, the Singing Angels will take their talents on a good-will tour abroad. They have scheduled nine concerts in Romania, and will, in fact, be the youngest entertainers ever to appear in concert in a Soviet bloc country. I think it is fair to predict that these musical ambassadors before long will be representing the youth of the United States in all the major capitals of the world.

In view of their achievements and their exciting promise for the future, I wish to take this opportunity to say: Singing Angels, I salute you. You are the pride of Cleveland and you will be the pride of America.

THE WARSAW GHETTO UPRISING

HON. HUGH L. CAREY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 22, 1974

Mr. CAREY of New York. Mr. Speaker, April 19 marked the 31st anniversary of the Warsaw ghetto uprising. It was on that tragic day that the Nazi armies under Hitler's orders chose to make Warsaw the symbol of the Nazi plan to exterminate the entire Jewish race.

That episode in our history, along with countless others during those tragic years when Hitler sought to murder innocent men, women, and children, should not be forgotten. It did not occur in the Dark Ages—it was part of modern times, when men were allegedly enlightened and civilized.

The uprising in the Warsaw ghetto demonstrated the courage and determination of a people who have been oppressed for centuries and who have faced persecution, slavery and even death, because of their faith in God.

It is not a mere accident that this event occurred on Passover eve—the holiday commemorating the liberation of the Jews in biblical times from the bond of slavery. For the Warsaw uprising also stood for Jewish determination to rise above the shackles of persecution and to fight for freedom.

I, therefore, would like to take this opportunity to pay homage to those who died in the Warsaw ghetto on that fateful day, and to urge all of us in Congress to pause for a moment, not only to reflect on that event, but to recommit ourselves to the achievement of freedom for all citizens of the world, whatever their religion, race, or creed. Unless we actively seek to insure the freedom of all men, we will always stand in the shadow of those heartbreaking events in Warsaw.

ARIZONA HIGH SCHOOL STUDENTS TO VISIT WASHINGTON

HON. JOHN B. CONLAN

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 22, 1974

Mr. CONLAN. Mr. Speaker, this week marks the visit of 51 outstanding Arizona high school students to Washington as part of my second annual congressional scholars program. These are top-ranking high school juniors, selected by their principals and a district-wide selection committee of educators and citizens, representing almost every private and public high school in my 36,000-square-mile congressional district.

I am particularly proud of this program. These are exceptionally high quality students, selected for scholarships because their contributions to good citizenship are prized in their own communities. And rather than being just a sightseeing trip to the Nation's Capital, this program provides a deep exposure to the values of constitutional government and our free enterprise system.

Its success was perhaps best capsulized last year by David Arenson, a student at Globe High School, who wrote me following his return to Arizona:

> In one week, 46 young people had come to a fuller realization of just what our country is about. There were tears in many eyes—not just because we were leaving, but also because we felt a deep love and respect for this large and varied land—America.

This past weekend, following their arrival from Phoenix, my 1974 congressional scholars toured the U.S. Naval Academy at Annapolis and attended chapel there. They also visited Mount Vernon, the home of George Washington near Alexandria.

Earlier today, I discussed with them the function of Congress and how our legislative work gets done. They visited the Library of Congress, and had an excellent lunchtime seminar on the interrelationships between constitutional government, economics, and personal freedom. And this afternoon they are meeting with U.S. Supreme Court Justice William H. Rehnquist from Arizona, who is discussing justice in America and answering questions about our court system and legal issues.

Throughout the remainder of this week, my congressional scholars will have indepth briefings at the Pentagon, State Department, Federal Bureau of Investigation, Treasury Department, and the British Embassy. They will attend a House session and meet with several Members of Congress, including Arizona Senator PAUL FANNIN. And they will visit the Smithsonian Institution and major historic sites, attend a concert at the Kennedy Center for the Performing Arts, explore Georgetown, enjoy a moonlight cruise on the Potomac, and spend an evening with Mrs. Conlan and myself at home for a picnic dinner and further discussion.

The scholars program is being totally financed by private contributions, which this year have totaled more than $25,000. This generosity on the part of many individuals and companies has provided transportation, lodging, and entertainment for the scholars. But more importantly, it has brought alive to them the beauty and vitality of our Nation's institutions and how they work to provide a better life for us all.

Following are the names of my 1974 congressional scholars and the schools they represent in the Fourth Congressional District of Arizona:

CONLAN SCHOLARS

Kelly O. Anderson, Maricopa High School.
Teddi L. Baird, Joseph City High School.
Mark D. Baker, Casa Grande Union High School.
Erin Barkley, Ray High School.
Bill O. Boyles, Brophy College Prep.
Maureen B. Brady, Sunnyslope High School.
Michael J. Buehler, Superior High School.
Ernest Calderon, Morenci High School.
Cheryl F. Cowan, Miami High School.
Darrell D. Done, Cortez High School.
Daniel J. Fairbanks, Thatcher High School.
Elvin L. Farr, Ft. Thomas High School.
Kathy L. Finnerty, Gerard High School.
Douglas H. Frazier, Arcadia High School.
Mary Lou Gentry, Duncan High School.
Genevieve A. Gray, Monument Valley High School.
Rossland C. Hall, St. Johns High School.
David Harvey, Alchesay High School.
Mary Ann Hemstreet, Window Rock High School.
Wanda J. Hickenlooper, Young High School.
Denise J. Huebner, Scottsdale High School.
Gary A. Husk, Florence High School.
Royann Jordan, Phoenix Christian High School.
Renae Kellis, Snowflake High School.
Bobby O. Klassen, Ganado High School.
David B. Kluge, Apache Junction Senior High School.
Diane B. Kohrn, Paradise Valley High School.
Leandro Lucio, Valley High School.
Jan E. Lindsey, Safford High School.
Jess A. Lorona, Santa Cruz Valley High School.
Frank McCord, McNary High School.
Terri M. McDermitt, Bourgade High School.
Glenn L. Miller, Saguaro High School.
Mary Ann Moore, Xavier High School.
Janice L. Mullins, Clifton High School.
Dawn C. Neisser, Chaparral High School.
Tod H. Norman, Camelback High School.
John C. Parker, Hayden High School.
Jeff Patten, Thunderbird High School.
Scott Powell, Pima High School.
Matthew S. Payne, Washington High School.
Steven A. Rabogliatti, Globe High School.
Darlene Rawlins, Show Low High School.
Ian Schmidt, Chinle High School.
Charles B. Sema, Winslow High School.
Walter (Gil) Shaw, Blue Ridge High School.
Cherri D. Stafford, Payson High School.
Carol C. Stroud, Moon Valley High School.
William (Jeff) Udall, Round Valley High School.
Lucinda W. Whiteaker, Central High School.
Susan E. Wuertz, Coolidge High School.

I WAS JUST 17 THEN

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 22, 1974

Mr. BRADEMAS. Mr. Speaker, on April 1, 1974, I inserted in the RECORD the remarks before my subcommittee of our distinguished colleague from Florida, the Honorable CLAUDE PEPPER, with respect to H.R. 70, a bill to expand Federal assistance to the States for the education of handicapped children.

I called to the attention of my colleagues the fact that CLAUDE PEPPER had, in 1937, when he first entered the Senate, introduced a bill remarkably similar to H.R. 70.

On April 3, Mr. Speaker, a handicapped woman, Ms. Esther Odell of Reston, Va., wrote to me having just finished reading in the RECORD of Mr. PEPPER's 1937 bill. Said Ms. Odell:

> I was just 17 then, and if this bill had become law, it strikes me that my whole life might have been more productive in every way, to my country, to my loved ones, and to myself.

And she continued:

> It is heartbreaking to realize how many children's lives hang in the balance while legislators feel they even have the time to debate such a bill as you seem to have proposed.

Mr. Speaker, because Ms. Odell's letter is such a powerful and moving expression of the need for Congress to approve H.R. 70, the Education of Handicapped Children bill, I include her letter at this point in the RECORD.

RESTON, VA.,
April 3, 1974.

HON. JOHN BRADEMAS,
Rayburn Building,
Washington, D.C.

DEAR MR. BRADEMAS: I have just read your remarks printed at the back of the April first (1974) Congressional Record, where you reported the progress of H.R. 70 and mentioned the bill sponsored in 1937 by Senator Pepper. I was just 17 then, and if his bill had become law, it strikes me that my whole life might have been more productive in every way, to my country, to my loved ones, and to myself. It is heartbreaking to realize how many children's lives hang in the balance while legislators feel they even have the time to debate such a bill as you seem to have proposed. I have not seen the bill, but descriptions of it seem to provide an opportunity to open doors that must remain closed unless handicapped children are given more help.

Having worked at many different jobs, I realize that an individual even though partially paralyzed by polio—can earn a living on a competitive basis if given half a chance. Such an individual—partly because he or she cannot move around a lot—will put in many hours and a great deal of thought to a job which possibly an able-bodied individual would resent. I am not referring to "make-work" positions, but to the real world of employment. The curriculum in the schools should not be geared only to vocational or factory jobs, but to creative and career positions.

Please, Sir, do not lose hope in pushing your bill through. We need you for the future good of our country as well as for the Thank you. I wish I had known a bit more about legislation when I was 17 years old, but whatever I can do now will help future citizens to lead productive and useful lives. What can I do?

Sincerely,

ESTHER ODELL.

WARSAW GHETTO UPRISING ANNIVERSARY

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 22, 1974

Mr. BIAGGI. Mr. Speaker, little did the Jewish combat organization—ZOB—realize on April 19, 1943, when it began its armed resistance against the Nazi troops in the ghetto of Warsaw that it was writing one of the bravest chapters in modern history.

Warsaw was for hundreds of years previous to the Nazi invasion of Poland the flower of Jewish civilization in Eastern Europe. Having seen the legacy of Nazi concentration camps elsewhere in Europe, Mordecai Anzelwicz, commander of the ZOB, decided that his outnumbered, hungry forces would battle to the death in an effort to secure their freedom. Coincidentally, the Warsaw uprising was launched in the season of Passover, one of mankind's earliest festivals commemorating freedom and opposition to any form of enslavement.

As we know, the Warsaw uprising ended with the slaying of over 56,000 Jews who had been forced into the ghetto and the devastation of over 800 acres. But the destruction of the Warsaw ghetto was no easy task. Many hundreds of Nazis were killed by the defenders, and the uprising was only quelled when Hitler ordered some of his most trusted units to destroy the defenders. The image of tanks pitted against desperate men flinging stones stands out as a sign of the odds in this last battle.

Some of the Jewish defenders of the ghetto lived to tell the story; some resettled in Israel. Understandably, the survivors of this ghetto and their children and their children's children are ever vigilant against other political forces which seek to root out the Jewish "strangers" in their midst. Whether they be Israelis defending their homeland, Russian Jews who defiantly wear the Star of David, or Jews in the United States who battle more sophisticated types of anti-Semitism, the heritage of the Warsaw ghetto has not been lost: Freedom is precious to the Jew and Jews everywhere must be tenaciously committed to their brethren.

SENATE—*Tuesday, April 23, 1974*

The Senate met at 11 a.m. and was called to order by Hon. HAROLD E. HUGHES, a Senator from the State of Iowa.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Eternal Father, while the heavens are declaring Thy glory and the firmament showing Thy handiwork, help us to attune our hearts to the music and the beauty of the Creator. Push back our horizons that creatively we may pursue only the beautiful, the good, and the true.

Take from us, O Lord, all ugly thoughts and mean attitudes. Motivate our lives by love—the love which suffereth long and is kind, which envieth not, vaunteth not itself, is not puffed up, doth not behave itself unseemly, seeketh not her own, is not easily provoked, thinketh no evil, rejoiceth not in iniquity, but rejoiceth in the truth.

Through Jesus Christ our Lord. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The second assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., April 23, 1974.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. HAROLD E. HUGHES, a Senator from the State of Iowa, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. HUGHES thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Monday, April 22, 1974, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Nos. 756 and 757.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

OMNIBUS EXPORT EXPANSION ACT OF 1974

The Senate proceeded to consider the bill (S. 1486) to authorize the Secretary of Commerce to engage in certain export expansion activities, and for related purposes, which had been reported from the Committee on Commerce with an amendment to strike out all after the enacting clause and insert:

That this Act may be cited as the "Omnibus Export Expansion Act of 1974".

DECLARATION OF POLICY

SEC. 2. (a) FINDINGS.—The Congress hereby finds and declares that:

(1) In 1960 the United States produced 25 per centum of the manufactured goods sold in the world market, but by 1971 the United States-produced percentage of the manufactured goods sold in the world market had dropped to less than 20 per centum. From 1960 to 1971, the United States share of the world's export markets declined from 21 per centum to 16 per centum. Such decrease represents approximately $8,000,000,000 in lost American exports and five hundred thousand lost job opportunities for Americans.

(2) In 1971 and 1972 the United States experienced balance-of-trade deficits for the first time since 1893. The deficit for 1971 was more than $2,000,000,000 and the deficit for 1972 was more than $6,000,000,000.

(3) The standard of living of Americans, the Nation's ability to finance imports, the maintenance of high domestic employment, and the capacity of the United States to contribute to peace and international development and to discharge its international responsibilities and national security needs are all dependent in significant part upon maintenance of favorable international trade balances. Progressive devaluations of the value of the dollar have provided temporary relief but the real solution to the problem of avoiding chronic balance-of-trade deficits without periodic devaluations lies in increasing the amount and value of American exports.

(4) The amount of assistance given to producers of American goods, products, and services by the Federal Government in finding and taking advantage of marketing opportunities in foreign nations is very limited compared to the Federal aid and incentive credits extended to domestic industrial and commercial interests and in contrast to the export promotion program maintained by many foreign nations. Since foreign commerce has been, until recently, of only limited significance to the national well-being compared with interstate and local commerce, American policymakers were in the past unaccustomed to recognizing and evaluating international economic policy considerations, and small businessmen who have traditionally produced only for the domestic market lack the experience to sell in foreign markets.

(5) The cooperation of all sectors of American society, including industry, labor, consumers, agriculture, and government at all levels can result in an expansion of American exports and more favorable business performance abroad.

(b) PURPOSES.—It is therefore declared to be the purpose of Congress in this Act to provide Federal Government assistance and to stimulate export expansion through—

(1) grants to sponsoring governments;

(2) establishment of export training programs;

(3) establishment of regional export assistance centers;

(4) simplification and standardization of international trade documentation and procedural requirements;

(5) establishment of the Federal Export Agency;

(6) certifying and assisting United States Export Associations; and

(7) requiring all agencies of the Federal Government to give greater recognition and priority in decisionmaking to the improvement of the international economic relations and balance of payments and balance of trade of the United States.

DEFINITIONS

SEC. 3. As used in this Act—

(1) "Agency" means the Federal Export Agency established under section 8 of this Act.

(2) "Agency of the Federal Government" means any department, agency, bureau, commission, or other office in the executive branch of the Federal Government; any independent agency or establishment of the United States, including a corporation primarily acting as an instrumentality of the United States; and any regional, State, or local agency which is empowered by Congress to issue standards, orders, permits, or other administrative regulations which may become effective without the necessity for approval by any other agency of the Federal Government.

(3) "Association" means a United States export association organized under section 11 of this Act.

(4) "Center" means a United States Regional Export Assistance Center established under section 6 of this Act.

(5) "Director" means the Director of the Agency.

(6) "Export activity" means any activity which may, directly or indirectly, alone or in conjunction with any other such activity, result in the sale of any American goods, products, or services in a foreign nation. The term includes, but is not limited to, advertising, marketing, publicity, and sales activity in any foreign nation; participation in trade exhibitions; product use familiarization; supplying samples, models, and technical data; preparing bids on projects in foreign nations; operating market development and sales offices, showrooms, warehouses, repair or service centers in foreign nations; and transportation services; and trade or documentation procedures.

(7) "Export group" means any combination of two or more persons organized and operated solely for the purpose of carrying on export trade.

(8) "Foreign commerce" means selling or providing goods, commodities, products, data, or transportation, insurance, tourism, or other services, including export activity services, outside the United States.

(9) "Person" means an individual or an association, corporation, partnership, or other organization existing under or recognized by the laws of the United States or the laws of any foreign country.

(10) "Secretary" means the Secretary of Commerce.

(11) "Small business" means a corporation, partnership, joint venture, proprietorship, or other business entity which is independently owned and operated and which is not dominant in its field of operation.

(12) "Sponsoring government" means any State, municipality, regional, or local government agency which undertakes an export expansion project pursuant to section 4 of this Act.

(13) "State" means any State, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Canal Zone, and the Trust Territory of the Pacific Islands.

(14) "United States" means the several

States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Canal Zone, and the Trust Territory of the Pacific Islands.

GRANTS TO SPONSORING GOVERNMENTS

Sec. 4. (a) General.—The Secretary is authorized to make a grant or loan or provide technical assistance to a sponsoring government for any project which is likely to result in an increase in American exports and which is endorsed and supported by such governments: *Provided*, That the amount of any Federal financial assistance shall never exceed 50 per centum of the total cost of the project.

(b) Procedure.—The Secretary shall prescribe such rules, regulations, and procedures as he deems necessary or appropriate for the administration of this section.

(c) Factors.—In determining whether to make a grant or loan or provide technical assistance to a sponsoring government, which has filed an application in writing with him for assistance with respect to a particular project which is described in such form and with such particularity and information as he requests, the Secretary shall consider all relevant factors, including, but not limited to—

(1) the sales potential of such project;

(2) the qualifications and capability of the exporters who would benefit from such assistance;

(3) the availability of assistance through other facilities and programs maintained by the Secretary or other agencies of the United States. The Secretary shall direct sponsoring governments and exporters to utilize such other facilities and programs to the extent possible;

(4) the extent to which the sponsoring government is following and using innovative and imaginative methods and approaches.

(5) the willingness of the sponsoring government and project participants to cooperate with other American exporters and agencies of the United States to increase the total value and amount of American exports; and

(6) the impact of such project on United States demand, supply, and prices.

(d) Records.—Each sponsoring government shall keep such records as the Secretary shall require including records which fully disclose the amount and disposition by all direct or indirect recipients of assistance under this section; the total cost of the project for which such assistance was rendered; the amount of such total cost which was supplied by sources other than the Federal Government; the amount, if any, by which exports of project participants one year after the termination of the project exceed exports by such participants before the project was approved for assistance under this section; and such other records as the Secretary determines will facilitate an effective financial and performance audit.

(e) Audit and Examination.—The Secretary and the Comptroller General of the United States, or any of their duly designated representatives, shall have access for the purpose of audit and examination, to any books, documents, papers, and records of sponsoring governments and other project participants which are pertinent to the assistance received under this section.

EXPORT TRAINING PROGRAMS

Sec. 5. (a) General.—The Secretary, in cooperation with other Federal agencies, is authorized to establish, maintain, and conduct educational and training programs to increase the expertise, capability, and interest of American citizens and businesses in the export trade and to facilitate the efforts of small, new, or potential American exporters. Such educational and training programs may be designed to—

(1) train appropriate persons, including new and potential exporters and their employees and such other persons as the Secretary selects, in technical export problems, such as transportation services, trade documentation and procedures, currency and credit, financing, tariffs, and nontariff barriers to trade;

(2) teach and provide information on effective export and marketing techniques and approaches;

(3) familiarize participants in such programs with previous United States experience in particular markets and any special opportunities, difficulties, and problems likely to be encountered in such markets; and

(4) introduce such participants to all the relevant services and programs maintained by Federal agencies in the United States and in foreign nations and by appropriate international organizations.

(b) Authority.—The Secretary is authorized to—

(1) contract with American or foreign universities or private individuals or firms to establish, operate, teach or in other ways to assist in maintaining and conducting export training programs under this section. Such contracts may be entered into, without regard to section 3709 of the Revised Statutes, as amended (41 U.S.C. 5) and the temporary and intermittent services of individuals may be procured to the same extent as if authorized under section 3109 of title 5, United States Code, at rates not to exceed $100 a day for qualified individuals. Each department, agency, and instrumentality and each independent regulatory agency of the United States is authorized to furnish to the Secretary, upon written request, on a reimbursable basis or otherwise, such assistance as the Secretary deems necessary or appropriate to the carrying on of export training programs under this section, including but not limited to, transfer of personnel with their consent and without prejudice to their position and rating;

(2) issue such rules, regulations, forms, and procedures as he deems necessary or appropriate for the administration of this section; and

(3) acquire by purchase, lease, or otherwise such facilities or other property as may be necessary or appropriate to carry out the provisions of this section.

(b) Fees.—The Secretary shall charge each participant in an export training program a fee sufficient to cover not less than one-half of the total cost of such program for such participant or student, including indirect and overhead costs. The Secretary, in his discretion, may admit to participate without payment of any fee, a limited number of employees of the Federal agencies and the United States Congress who are directly involved in international commerce.

REGIONAL EXPORT ASSISTANCE CENTERS

Sec. 6. (a) General.—(1) The Secretary shall maintain in developing markets United States regional export assistance centers (defined in section 3(4) in accordance with this section.

(2) In the first three years after the date of enactment of this Act, the Secretary shall establish and maintain not more than five centers or expand existing trade facilities to provide such services authorized in this section. Thereafter, he is authorized to establish and maintain, expand, modify, or terminate centers as he deems necessary or appropriate. Each center shall be located in a foreign nation in an area which the Secretary determines offers good marketing prospects for American goods, products and services.

(3) The Secretary, in consultation with the Secretary of State, shall designate the geographical areas to be included in the region serviced by each center and select the location at which each center is to be situated. Existing trade facilities shall be used to be extent feasible.

(b) Director and Personnel.—(1) Each center shall be administered and supervised by a Director who shall be an individual trained and experienced in export promotion and foreign commerce and familiar with the geographical areas services by the Center of which he shall be the Director. Each Director shall be compensated at a rate to be set by the Secretary without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification and General Schedule pay rates, but at rates not in excess of the maximum rate of GS–18 of the General Schedule under section 5332 of such title.

(2) Qualified personnel likely to be helpful in advancing the policy of this Act shall be assigned by the Secretary to each center, including appropriate Foreign Service officers.

(c) Functions and Services.—Each Center shall function as a storage, distribution, and service headquarters, for small, medium-sized, new-to-export, and new-to-market American exporters providing a comprehensive range of services for such exporters. A Center may—

(1) lease office, warehouse, and marketing space;

(2) provide legal and financial assistance;

(3) compile and provide marketing and related data and services;

(4) provide information about transportation services and trade documentation and procedures;

(5) establish, maintain, and provide translation services, language training, and instruction in local practices and customs in areas serviced by the Center;

(6) maintain communications between such exporters and appropriate American Government employees in the region serviced by the Center;

(7) schedule meetings and conduct conferences for American exporters and potential purchasers and distributors of the goods, products, and services of such exporters;

(8) provide display areas and organize exhibitions;

(9) coordinate American export activities with the activities in the region of other agencies of the United States and appropriate international organizations;

(10) contract for service, studies, and professional assistance; and

(11) provide such other services as may be helpful to American exporters served by such Center.

(d) Fees.—The Secretary shall establish a fee for each service provided by a Center. The amount of such fee shall vary depending upon the size of the exporter's business, his export history, export potential, and cost of the service. Three years after the establishment of a Center income from such fees must be adequate to sustain at least one-half of the total cost of such Center.

SIMPLIFICATION OF DOCUMENTATION

Sec. 7. (a) Program.—(1) The Secretary of Commerce, in cooperation with other Federal agencies, in implementing and administering this Act, shall design rules and regulations, requirements for reportng, conduct of programs, recordkeeping, furnishing and compilation of data, inspection of documents, application requirements, and the like in such a manner as to reduce the cost of and expedite the administration, reporting, recordkeeping, and trade documentation and procedures required under this Act. Rules and regulations, reporting recordkeeping, and trade documentation and procedural requirements under this Act shall be periodically reviewed and revised in the light of developments in the field of information technology.

(2) The Secretary of Transportation is authorized and directed to encourage, develop, and promote the improvement,

formulation, and adoption of simplified and standardized international trade documentation and procedural requirements. In performing this function, the Secretary shall consult with all Federal Government agencies involved in international trade on ways to reduce the costs of trade documentation and procedures and shall consult and work with such other qualified and interested persons as he deems appropriate.

(b) Implementation.—The Secretary of Transportation shall take all steps necessary to implement each of the following if after consultation and review, he determines that implementation is likely to further the policy of this Act;

(1) Acceleration of business and Government programs to adopt simplified standardized trade and transportation documentation and procedures;

(2) Encouragement of international agreements on the acceptance of common invoice forms, including the elimination of unnecessary language translation of documentation;

(3) Simplification of documentation identification through the use of standard control numbers;

(4) Replacement of the Government bill of lading with commercial bill of lading;

(5) Review of all existing, new, or revised transport documents on a centrally coordinated basis;

(6) Sponsorship and encouragement of programs of statistical exchange between the United States and other countries on a bilateral basis to reduce trade documentation and simplify the collection of import-export data;

(7) Simplification, standardization, and coordination of import entry documentation with standardized forms to reduce the complexity of import documentation;

(8) Examination of customs forms, practices, and procedures relating to the administration of customs drawback;

(9) Promotion of intergovernmental programs to eliminate conflicting and/or retaliatory documentation requirements;

(10) Review of customs requirements on the methods of payment of import duties;

(11) Replacement of all special foreign assistance international forms with standard commercial documents; and

(12) Simplification of regulations and procedures for the issuance of export licenses and temporary export licenses.

(c) Report.—The Secretary of Transportation shall issue a report to the Congress and the President not later than ninety days after the end of each fiscal year with respect to actions taken to simplify and standardize international trade documentation and procedures together with plans for the following year and legislative recommendations, if any. Such report shall be submitted to the Congress without prior review, clearance, or submission to any other agency or officer of the United States.

UNITED STATES FEDERAL EXPORT

Sec. 8. (a) Establishment.—There is hereby established in the Department of Commerce an agency to be known as the Federal Export Agency.

(b) Director.—The Agency shall be administered and supervised by a Director, who shall be appointed by the President, by and with the advice and consent of the Senate. The Director shall receive compensation at the rate now and hereafter prescribed for offices and positions at level V of the Executive Schedule (5 U.S.C. 5316).

(c) Deputy Director.—The Director shall appoint a Deputy Director, who shall serve as Acting Director during any period of absence or incapacity of the Director and who shall carry out any duties delegated or assigned to him by the Director. The Deputy Director shall receive compensation at a rate now and hereafter prescribed for offices and positions at level of GS–18 on the General Schedule (5 U.S.C. 5332).

(d) Intermittent Services.—The Director may procure the temporary or intermittent services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code. Persons so employed shall receive compenation at a rate to be fixed by the Agency, but not in excess of the maximum amount payable under such section. While away from his home or regular place of business and engaged in the performance of services for the Agency, any such person may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703(b) of title 5, United States Code, for persons in the Government service employed intermittently.

(e) Assistance and Cooperation.—The Agency may secure from any agency of the United States any information relating to international trade and United States foreign policy necessary to enable it to carry out its duties under this Act. Upon request of the Director, each such department or agency is authorized to furnish such information to the Agency on a reimbursable basis or otherwise. The provisions of section 1905 of title 18, United States Code, shall apply to the Agency, its officers and employees, with respect to information obtained under this subsection or in any other manner. The Agency shall not release, without written permission of each person to whom it relates, any information described in section 552(b) of title 5, United States Code.

(f) Reorganization.—The Secretary is authorized, after investigation, to transfer the whole or part of the functions of any office subject to his jurisdiction to the Agency, upon the preparation of a reorganization plan for the making of the reorganizations as to which he has made findings and which he includes in the plan and the submission of such plan to Congress together with a declaration that such reorganization is necessary or appropriate to further the declaration of policy of this Act: *Provided*, That such reorganization plan shall not become effective if either House of Congress within sixty days after the date of transmittal passes a resolution stating in substance that such House does not favor the reorganization plan.

DUTIES OF AGENCY

Sec. 9. (a) General.—The Agency shall, in coordination with other Federal agencies—

(1) foster the development of United States export associations or joint export projects composed of businesses which have not actively engaged in substantial export sales operations, or which, in the opinion of the Director, may have potential for further exports;

(2) survey and identify small businesses which possess undeveloped export potential and which are interested in joining with other small businesses in United States export associations or in joint export projects in order to develop a joint export operation;

(3) obtain operating and other business information from such small businesses, from export management concerns, export groups, and from any other person engaged in exporting in order to provide assistance and advice to such small businesses, export groups, or persons engaged in exporting, with respect to the identification of products which have export potential, the combination of products for efficient exportation, and the development of export markets;

(4) provide technical assistance, advice, and financial support through grants, loans, and cost-sharing contracts in accordance with the provisions of sections 12 and 13 of this Act;

(5) provide institutional leadership to bring together small businesses who are interested in entering into joint exporting arrangements through the formation of a United States export association or export groups and to provide assistance in the formation of such associations or groups;

(6) encourage the use of export management companies, and export management personnel and divisions of other companies, by associations or groups wherever appropriate; and

(7) establish and conduct programs for the development of technical, professional, and managerial skills necessary to the establishment and operation of United States export associations and necessary to successful operations by export groups or persons engaged in exporting, and for the development of liaison between the Agency, United States export associations, export groups, and international financial, investment, and marketing institutions.

(b) Annual Report.—The Director shall, not later than ninety days after the end of each fiscal year, make a report in writing to the Congress and the President on the activities of the Agency, during the preceding fiscal year. The report shall not be subject to prior submission, review, of clearance of any other agency or officer of the United States. The report shall include, but not be limited to, the following:

(1) number of associations, export groups, persons, and sponsoring governments operating under this Act during the fiscal year;

(2) number of companies which are members of such associations or which are participating in joint export projects;

(3) amount and purpose of grants and loans, and cost-sharing contracts provided;

(4) an evaluation of the operations of firms which have formed associations or export groups or persons who have entered into cost-sharing contracts under section 13 of this Act in increasing exports;

(5) any recommendations, including recommendations for legislation, which may be necessary or desirable to improve export performance; and

(6) the activities of the Agency in stimulating an export consciousness within the United States business community.

POWERS OF THE AGENCY

Sec. 10. The Agency is authorized—

(a) to adopt a seal, which shall be judicially recognized;

(b) to issue such rules and regulations, in accordance with section 553 of title 5, United States Code, as it deems necessary and appropriate to carry out the provisions of this Act;

(c) to the extent necessary or appropriate to the policy of this Act, to acquire and maintain property (real, personal, or mixed, tangible, or intangible, or any interest therein) by purchase, lease, condemnation, or in any other lawful manner; to sell, lease, or otherwise dispose of such property in any manner; and to construct, operate, lease, and maintain buildings, facilities, or other improvements on such property;

(d) to accept gifts or donations or services, money, or property in any form;

(e) to collect, analyze, and publish data and information related to exports and export promotion; to maintain such information offices and answering services as the Director determines necessary to give prompt, accurate, and meaningful responses to questions from potential exporters; and to maintain a continuous market survey of the most profitable export opportunities for American goods, products, and services. To the extent possible, the Agency shall utilize programs, data, and information already available in other Federal Government departments and agencies. The Agency shall provide liaison at an appropriate organization level to insure coordination of its activities with such other agencies, departments, bureaus, or offices;

(f) to enter into contracts or other arrangements or modifications thereof, with any person, any department or agency of the United States, and any State government or political subdivision thereof;

(g) to make advance, progress, or other payments which the Director deems necessary or appropriate to further the policy of this Act;

(h) to propose, in the discretion of the Director, additional programs in furtherance of the policy of this Act to the Committee on Commerce of the Senate and the Committee on Interstate and Foreign Commerce of the House of Representatives without prior submission, review, or clearance of any other agency or officer of the United States; and

(i) to take such other action as may be necessary to carry out the provisions of this Act.

UNITED STATES EXPORT ASSOCIATIONS

SEC. 11. (a) ELIGIBLE BUSINESS.—Upon application in writing by a small business, the Agency shall certify such business as eligible to participate in a United States export association if—

(1) its average annual sales during the five calendar years preceding the year in which such application is made were less than $30,000,000;

(2) not more than 5 per centum of its average annual sales during such period consisted of sales to foreign markets, not including Canada and Mexico, except insofar as the Director determines that such small business has the potential for substantially increased export;

(3) it is not already a member of more than one United States export association; and

(4) on the basis of an examination and estimate of the quality and appeal of its products in relation to demand in foreign markets, the Director determines that membership in a United States export association would likely result in an increase in the export sales of such business.

(b) FORMATION.—Three or more businesses, which have been certified as eligible businesses under section 11 of this Act may combine for the limited purpose of forming a United States export association subject to the provisions of this title. Such an association shall be a corporation formed organized to operate as a cooperative marketing entity exclusively to—

(1) enter foreign markets and engage in export sales of American goods, products, and services; and

(2) provide members of such associations with appropriate international trade assistance and export activity services, including but not limited to—

(A) identification of foreign markets for the goods, products, and services sold by such members;

(B) promotion of goods, products, and services sold by such members in foreign markets; and

(C) assistance to such members in technical aspects of exporting such as obtaining necessary licenses, financing, and guarantees.

(c) QUALIFICATION.—A United States export association formed in accordance with the requirements of subsections (a) and (b) of this section may qualify for assistance from the Agency if—

(1) the association is composed of at least three businesses, each of which has been certified as an eligible business under section 11 of this Act;

(2) the association files an application for qualification with the Agency. Such application shall be presented in such manner and shall contain and be accompanied by such information as the Director may require. Each such application shall provide that—

(A) any assistance received under this title shall be used exclusively for the purposes authorized under this title; and

(B) the association and each of its members agree to observe the rules and regulations promulgated under this title;

(3) each business which is a member of the association has paid not less than $1,000 into a common escrow account; and

(4) the association has appointed a chief executive officer who demonstrates to the satisfaction of the Director that he is qualified to direct the export activities of the association, or the association has retained an export management firm which demonstrates to the satisfaction of the Director that it is qualified to carry out such export activities.

(d) LIABILITY.—A United States export association formed and qualified under this section shall be liable to the United States for repayment of the full principal, interest, and any penalty due on any loan received from the Agency. If such association breaches such obligation, in whole or in part, each of the businesses which is a member of such association shall be directly liable, jointly and severally with the other members, for repayment of the loan, including any unpaid principal, interest, and penalty amounts. Termination of membership in such an association on the part of any business shall not operate to terminate the liability of such business for association debts as of the date of withdrawal.

(e) ANTITRUST LAWS UNIMPAIRED.—Nothing in this Act shall be construed to modify or repeal any provision of any of the antitrust laws of the United States, including any laws prohibiting restraints of trade, unfair trade practices, or impairment of competition.

AGENCY ASSISTANCE TO ASSOCIATION

SEC. 12. (a) TECHNICAL ASSISTANCE GRANT.—The Agency is authorized to make a technical assistance grant to a United States export association which is formed and qualified under section 11 of this Act. The amount of such grant shall be not less than the amount of money in the common escrow account maintained by such association and not more than $75,000. Technical assistance grant funds may be used by such association for a period of not more than two years after the date of application for such grant to—

(1) secure expert advice and assistance in developing the operating agreements necessary to further joint export operations by members of such associations;

(2) finance management seminars and teaching programs for members of such associations with respect to operating export information including export market analysis, export marketing, channels of export distribution, and identification of promising market areas for products;

(3) develop common catalogs and other marketing aids for such association and its members; and

(4) develop such other operating export information as is determined by the Agency to be appropriate.

(b) LOAN.—The Agency is authorized to make a loan to a United States export association which is formed and qualified under section 11 of this Act. The amount of such loan shall be not in excess of the amount paid in by the members of such association to provide funds for the employment of management and other personnel and to provide working capital for the development of international representation of goods, products, and services sold by such members. The interest rate of such loan shall be not less than the average annual interest rate on all interest-bearing obligations of the United States having maturities of twenty years or more and forming a part of the public debt as computed at the end of the fiscal year next preceding the date of the loan, adjusted to the nearest one-eighth of 1 per centum.

(c) LIMIT.—No United States export association (including any successor association or any association composed of substantially the same members) shall receive from the Agency more than one technical assistance grant and one loan.

(d) RECORDS.—(1) Each recipient of Federal assistance under sections of this Act, pursuant to grants, subgrants, contracts, subcontracts, loans, or other arrangements, entered into other than by formal advertising, and which are otherwise authorized by sections 12 and 13 of this Act, shall keep such records as the Agency shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with such assistance is given or used, the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(2) The Director of the Agency, in the administration of these sections, shall minimize recordkeeping and documentation in a manner consistent with sound commercial and administrative practice and shall design rules and regulations, and requirements for reporting conduct of programs, recordkeeping, furnishing and compilation of data, inspection of documents, application requirements, and other such matters in such a manner as to reduce the cost of reporting, recordkeeping, and export documentation required.

(e) AUDIT AND EXAMINATION.—The Director of the Agency and the Comptroller General of the United States, or any of their duly authorized representatives shall, until the expiration of three years after completion of the project or undertaking referred to in subsection (d) of this section, have access for the purpose of audit and examination to any books, documents, papers, and records of such recipients which in the opinion of the Director or the Comptroller General may be related to or pertinent to the grants, subgrants, contracts, subcontracts, loans, or other arrangements referred to in such subsection.

AGENCY ASSISTANCE FOR JOINT EXPORT PROJECTS

SEC. 13. (a) JOINT EXPORT PROJECTS.—The Agency is authorized to enter into a cost-sharing contract with any export group or persons comprising such group to further the purposes of this Act and to foster, promote, and develop the export trade of the United States. Such a cost-sharing contract may be entered into by the Agency if—

(1) the export activity to be undertaken will be in addition to any export activity which such export group or persons comprising such groups are likely to have undertaken at such time in the absence of such contract;

(2) the recipient of such Agency assistance demonstrates to the satisfaction of the Director that the chief operating officer of such project is qualified to direct such project;

(3) the cost shared by the Agency will be incurred on behalf of such export group or persons comprising such group in carrying on export trade;

(4) the Agency's share of any costs shall not exceed 50 per centum of the total costs or $100,000, whichever is less;

(5) such export group or persons comprising such group has not received a technical assistance grant or loan authorized under section 12 of this Act or a prior contract authorized under this section; and

(6) the Director determines that such export activity will not have an adverse effect on United States supply, demand, and prices of those goods or services to be exported.

(b) PROCEDURE AND CONDITIONS.—(1) Any export group or persons comprising such group seeking to enter into a cost-sharing contract with the Agency shall file an application in writing with the Director in such form and containing such information as he shall by regulation prescribe. Such application shall be acted upon in accordance with regulations of the Agency.

(2) Any cost-sharing contract that may be entered into under this section shall include a provision requiring the Agency's share of the cost incurred to be repaid from gross profits earned by the export group or persons comprising such group from sale of goods or services resulting from such cost-sharing contract, together with any other reasonable conditions as the Director shall impose.

ASSESSMENT STATEMENT

Sec. 14. General.—Each agency of the Federal Government shall include in each recommendation of or report on any Federal action or proposal which significantly affects or could significantly affect international economic relations, the balance of payments, or the balance of trade of the United States, a detailed statement by the responsible official of such agency on the probable international economic consequences of such action for the United States. The statement should include—

(1) an assessment of the impact of the proposed action on the international economic relations or position of the United States;

(2) an assessment of the impact of the proposed action on the United States balance of payments;

(3) an assessment of the impact of the proposed action on the United States balance of trade;

(4) an assessment of the impact of the proposed action on employment in the United States; and

(5) a presentation of alternatives to the proposed action and a comparative analysis of such alternatives in terms of factors (1) through (4) of this subsection. The responsible official of such agency shall, prior to making any such statement, consult with and obtain the comments of any other agency of the Federal Government which has official responsibility or special expertise as to international economic or trade policy or the matters set forth in such factors. Copies of such statement together with the comments and views of all agencies consulted shall be made available to the President, to the Congress, and to the public, pursuant to section 552 of title 5, United States Code, and shall accompany the proposal through all agency review procedures.

(b) Guidelines.—The Council on International Economic Policy, in consultation with the Secretary of Commerce, the Secretary of the Treasury, and other appropriate officials, not less than ninety days after the date of enactment of this Act, shall formulate, issue, and publish guidelines—

(1) identifying those actions or proposals which significantly affect or could significantly affect international economic relations, the balance of payments, or the balance of trade of the United States;

(2) identifying the agencies of the United States which do or may take actions or consider proposals which significantly affect or could significantly affect international economic relations, the balance of payments, or the balance of trade of the United States, and which accordingly are required to file assessment statements under subsection (a) of this section; and

(3) specifying the procedures to be followed by agencies of the United States in preparing assessment statements under subsection (a) of this section.

(c) Judicial Review Prohibited.—Nothing in this section shall be construed to authorize or give rise to a cause of action or claim for relief in any court for breach of any obligation imposed by this section.

(d) Effective Date.—This section shall take effect July 1, 1974.

(e) Short Title.—This section may be cited as the "International Economic Impact Assessment Act".

AMENDMENTS TO THE EXPORT TRADE ACT

Sec. 15. (a) Section 1 of the Export Trade Act (40 Stat. 516; 15 U.S.C. 61) is amended to read as follows:

"As used in this Act—

"(1) 'Antitrust laws' means the laws defined as such in sections 12 and 44 of title 15, United States Code, the Federal Trade Commission Act (15 U.S.C. 41–58), and other laws of the United States in pari materia, including State laws on antitrust and unfair methods of competition, and all amendments to the foregoing.

"(2) 'Association', wherever used in sections 1 through 5 of this Act, means any combination, by contract or other arrangement, of two or more persons who are citizens of the United States or which are created under and exist pursuant to the laws of any State or of the United States.

"(3) 'Export trade' means exclusively trade or commerce in goods, products, merchandise, or architectural, engineering, construction, training, financing, insurance or project or general management services or the licensing for distribution or exhibtion of motion pictures or television films or tapes or similar services which are exported, or in the course of being exported, from the United States to any foreign nation. The term does not include—

"(A) the production, manufacture, or sale for consumption or for resale within the United States of such goods, products, merchandise, or services, or any act in the course of such production, manufacture, or sale for consumption or for resale;

"(B) any act, practice, agreement, or course of conduct a substantial effect of which is to constitute a restraint of trade or commerce, including foreign commerce, in the United States; or

"(C) trade or commerce in patents, licenses, or know-how except as incidental to the sale of such goods, products, merchandise, or services.

"(4) 'United States' means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, the Canal Zone, American Samoa, Guam, and the Trust Territory of the Pacific Islands.

"(5) 'Trade within the United States', wherever used in sections 1 through 5 of this Act, means trade or commerce between two or more States.".

(b) Section 2 of the Export Trade Act (40 Stat. 517; 15 U.S.C. 61) is amended by inserting "(a)" before the first sentence thereof, deleting "therein" at the end thereof, and adding the following: "therein: *Provided further*, That a person is eligible to participate in an association if, upon application in writing, the Federal Trade Commission finds that—

"(1) a partnership's, person's, or corporation's export sales are likely to be substantially increased as a result of membership in an association and that it is not likely to increase export sales significantly without membership in an association, or

"(2) a partnership's, person's, or corporation's membership in an association is essential to the effective functioning of such association.".

(c) Section 2 of such Act is further amended by adding at the end thereof the following two new subsections:

"(b) The Secretary of Commerce, in consultation with the Chairman of the Federal Trade Commission, shall establish within the Department of Commerce a program to promote and maximize the formation of associations and the use of the provisions of this Act in a manner consistent with this Act and the antitrust laws.

"(c) The Chairman of the Federal Trade Commission and the Attorney General of the United States and their duly authorized representatives shall meet and discuss periodically as necessary to avoid conflicting positions regarding the formation and maintenance of associations.".

CONFORMING AMENDMENTS

Sec. 16. (a) Section 207(a) of the International Economic Policy Act of 1972 (22 U.S.C. 2846(a)) is amended: (a) by striking out "and" at the end of paragraph (5) thereof; (b) by striking out "." and inserting in lieu thereof "; and" at the end of paragraph (6) thereof; and (c) by inserting the following new paragraph at the end thereof:

"(7) a status report on the International Economic Impact Assessment Act with respect to the adoption of reporting procedures required of agencies of the United States and a summary of actions taken by such agencies which significantly affect or could significantly affect international economic relations, the balance of payments, or the balance of trade of the United States and for which assessment statements have been prepared under such Act.".

(b) Section 5316 of title 5, United States Code, is amended by adding at the end thereof the following:

"(133) Director, Federal Export Agency."

AUTHORIZATION FOR APPROPRIATIONS

Sec. 17. There are hereby authorized to be appropriated such sums as are necessary—

(a) for the fiscal year ending June 30, 1974, not to exceed to—

(1) $5,300,000 for purposes of carrying out section 4 (grants to sponsoring governments);

(2) $800,000 for purposes of carrying out section 5 (export training programs);

(3) $2,500,000 for purposes of carrying out section 6 (regional export assistance centers); and

(4) $25,000,000 for programs carried out by the Agency.

(b) for the fiscal year ending June 30, 1975, not to exceed—

(1) $8,000,000 for purposes of carrying out section 4;

(2) $1,500,000 for purposes of carrying out section 5;

(3) $4,000,000 for purposes of carrying out section 6; and

(4) $35,000,000 for programs carried out by the Agency.

(c) for the fiscal year ending June 30, 1976, not to exceed—

(1) $8,000,000 for purposes of carrying out section 4;

(2) $1,500,000 for purposes of carrying out section 5;

(3) $4,000,000 for purposes of carrying out section 6; and

(4) $35,000,000 for programs carried out by the Agency.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill to regulate commerce by authorizing and establishing programs and activities to promote the export of American goods, products, and services and by increasing the recognition of international economic policy considerations in Federal decisionmaking, and for other purposes."

TARIFF SIMPLIFICATION AND FREIGHT RATE DISPARITIES ACT OF 1974

The Senate proceeded to consider the bill (S. 1488) to provide for a system of uniform commodity descriptions and tariffs filed with the Federal Maritime Commission, which had been reported from the Committee on Commerce with an amendment to strike out all after the enacting clause and insert:

That this Act may be cited as the "Tariff Simplification and Freight Rate Disparities Act of 1974".

Sec. 2. Section 18 of the Shipping Act, 1916 (46 U.S.C. 817), is amended by adding a new subsection (c) as follows:

"(c)(1) Within one hundred and eighty days after enactment of the Tariff Simplification and Freight Rate Disparities Act of 1974, the Commission shall publish proposed regulations for comment by interested parties and after consideration of such comments shall adopt a system of uniform commodity descriptions and codes to be used by all common carriers by water in foreign commerce and all conferences of such carriers, when filing any rate, charge, or tariff with the Commission.

"(2) Within sixty days after adoption of the uniform commodity descriptions and codes provided for in paragraph (1) of this subsection, the Commission shall propose regulations requiring all common carriers by water in foreign commerce and all conferences of such carriers (A) when filing any outbound rate or charge with the Commission, to include with such filing a statement of the applicable inbound rate or charge for the movement of the identical commodity between the same two points, the same ports, or between the same point and the same port, and (B) when filing any inbound rate or charge with the Commission to include with such filing a statement of the applicable outbound rate or charge for the movement of the identical commodity between the same two points, the same ports, or between the same point and the same port.

"(3) After the effective date of the Commission's regulations issued under paragraph (2) of this subsection, which shall not be later than twelve months after the effective date of the regulations issued under paragraph (1) of this subsection, no common carrier by water in foreign commerce and no conference of such carriers shall have on file or file with the Commission, or maintain in effect, or apply, any inbound or outbound rate or charge for the transportation of a commodity without including therewith a statement of the applicable rate or charge for the movement in the opposite direction of the identical commodity between the same two points, the same ports, or between the same point and the same port. The Commission may reject the filing of any rate or charge if it determines that such filing does not include a statement of the applicable rate or charge for the movement in the opposite direction of the identical commodity as required by this subsection.

"(4) Whenever any common carrier by water in foreign commerce or any conference of carriers files any schedule with the Commission, the Commission is authorized to order a public hearing to determine whether such schedule is in compliance with this subsection and regulations issued under this Act. Such a hearing may be ordered by the Commission upon the giving of reasonable notice to the interested carrier or carriers and other interested persons and publication of notice of such hearing in the Federal Register. The Commission may commence such a proceeding upon its own motion or upon complaint by any person. The Commission shall order such a hearing if—

"(A) such schedule states a new or initial rate, charge, classification, rule, or regulation, or makes any change in an existing rate, charge, classification, rule, or regulation; and

"(B) any provision of such schedule results or will result in—

"(i) the outbound rate from the United States being greater than the inbound rate to the United States on identical commodities between the same two points, the same ports, or between the same point and the same port; or

"(ii) an increase in any existing disparity between such outbound rate and inbound rate."

Pending such hearing and the decision thereon, the Commission, by filing with such schedule, and delivering to the carrier or carriers affected thereby, a statement in writing of its reasons for such suspension, may from time to time suspend the operation of such schedule and defer the use of such rate, charge, classification, rule, or regulation, for a period or periods not exceeding one hundred and eighty days in the aggregate beyond the time when it would otherwise go into effect. If the proceeding has not been concluded and an order made within the period of suspension, the proposed change of rate, charge, classification, rule, or regulation shall go into effect at the end of such period. At any hearing under this section the burden of proof to show that the disparity is justified, based upon cost, value of service, or other transportation conditions, shall be upon the carrier or carriers. If, after hearing, the Commission determines that the disparity is in violation of this Act it may reject the filed schedule. Upon rejection by the Commission the schedule shall be void and its use unlawful. The Commission shall give preference to the hearing and decision of such questions and decide the same as speedily as possible.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill to provide for a system of uniform commodity descriptions and codes and tariffs filed with the Federal Maritime Commission, and for other purposes."

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the Executive Calendar, beginning with the National Corporation for Housing Partnerships.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER (Mr. Stafford). The nominations on the Executive Calendar, beginning with the National Corporation for Housing Partnerships, will be stated.

NATIONAL CORPORATION FOR HOUSING PARTNERSHIPS

The second assistant legislative clerk proceeded to read sundry nominations in the National Corporation for Housing Partnerships.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

FEDERAL COMMUNICATIONS COMMISSION

The second assistant legislative clerk read the nomination of James H. Quello, of Michigan, to be a member of the Federal Communications Commission.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

OFFICE OF TELECOMMUNICATIONS POLICY

The second assistant legislative clerk read the nomination of John Eger, of Virginia, to be Deputy Director of the Office of Telecommunications Policy.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

ROUTINE NOMINATIONS PLACED ON THE SECRETARY'S DESK

The second assistant legislative clerk proceeded to read sundry nominations in the Air Force, in the Army, in the Navy, and in the Marine Corps, which had been placed on the Secretary's desk.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

INFLATION AND THE STATUS OF THE ECONOMY

Mr. MANSFIELD. Mr. President, yesterday, I addressed the Senate on the question of the current status of the economy; particularly as it has been devastated by an inflationary rate that has mushroomed to the brink of crisis proportions. I urged that steps be taken to retain some facility within the wage and price framework to keep abreast of inflation, to monitor it and, if need be, to act immediately in order to avert a national crisis. It is a proposition in which I have joined along with Senator Muskie, Senator Stevenson, and many other Senators.

Yesterday the Wall Street Journal published an article by Dr. Walter Heller on this issue. As one of the Nation's leading economists, Dr. Heller's views are always welcome and I ask unanimous consent that his article be printed in the Record to enable all Senators to know his thoughts and suggestions on this matter.

There being no objection, the article was ordered to be printed in the Record, as follows:

The Untimely Flight From Controls

(By Walter W. Heller)

Congress is about to outdo the White House in running away from the inflation problem:

While correctly observing that business and labor are bitterly opposed to wage-price controls—and that consumer views range from skeptical to cynical—Congress is mistakenly sending such controls to the gas chamber rather than putting them in cold storage.

While correctly concluding that broad-scale mandatory controls had outlived their usefulness in an excess-demand, shortage-plagued economy, Congress is mistakenly walking away from its responsibility to assert the public interest in price-wage moderation in an economy plagued by softening demand and rising unemployment.

While correctly observing that the White House has done its level worst to discredit controls, Congress is mistakenly refusing even to give John Dunlop and the Cost of

Living Council the leverage they need to insure that the pledges of price moderation and supply increases made in exchange for early de-control by many industries will be redeemed.

Granting that controls are in ill repute, one wonders how Congress can explain to itself today—let alone to voters next fall—the discarding of all wage-price restraints in the face of record rates of inflation of 12% in the cost of living and 15% in wholesale prices (including an ominous 35% rate of inflation last month in industrial commodity prices). Is it the product of a growing "what's-the-use" attitude? Is it an implicit surrender to an inflation that is deemed in part to be woven into the institutional fabric of our economy and in part visited upon us by uncontrollable external forces like world food and material shortages and oil cartels? In short, is inflation now thought to be not just out of control but beyond our control?

MILTON FRIEDMAN'S STREAK

An affirmative answer to these brooding questions seems to underlie Milton Friedman's recent economic streak—one which evokes surprise, astonishment, and disbelief in the best streaking tradition—from Smithian laissez-faire to Brazilian indexation. At present, we use the cost-of-living escalator selectively to protect 32 million Social Security and civil service beneficiaries and 13 million recipients of food-stamps and to hedge inflation bets in wage contracts for 10% of the labor force. Mr. Friedman would put all groups—those who profit from inflation and those who suffer from it alike—on the inflation escalator and thus help institutionalize our present double-digit rates of inflation.

Meanwhile, interest rates are soaring as Authur Burns and the Fed man their lonely ramparts in the battle against inflation. With wage-price control headed for oblivion in the face of seething inflation, the Fed apparently views itself as the last bastion of inflation defense. So it is adding to the witches' brew by implicitly calling on unemployment and economic slack to help check the inflation spiral.

In this atmosphere, and deafened by the drumfire of powerful labor and business lobbies, Congress seems to have closed its mind to the legitimate continuing role of price-wage constraints. What is that role in an economy relying primarily, as it should, on the dictates of the marketplace?

First are the important transitional functions of the Cost of Living Council for which Mr. Dunlop, with vacillating support from the White House, asked congressional authority. In its new form after April 30 the Council would have:

Enforced commitments made by the cement, fertilizer, auto, tire and tube, and many other de-controlled industries to restrain prices and-or expand supplies—commitments that would become unenforceable when COLC goes down the drain with the Economic Stabilization Act on April 30;

Protected patients against an explosion of hospital fees by keeping mandatory controls on the health-care industry until Congress adopts a national health insurance plan;

Prevented an early explosion of construction wages and the associated danger that housing recovery might be crippled;

Maintained veto power over wage bargains that are eligible for reopening when mandatory controls are lifted.

Beyond Phase 4's post-operative period, government needs to assert its presence in wage-price developments in several critical ways.

The first would be to continue the important function of monitoring other government agencies, of keeping a wary anti-inflationary eye on their farm, labor, trade, transport, energy and housing policies. The point is to protect consumers from the price consequences of the cost-boosting and price-propping activities of the producer-oriented agencies. The White House could continue this function without congressional authority, but a statutory base would give the watchdog agency much more clout.

Second would be the task of working with industry, labor, and government units to improve wage bargaining and relieve bottleneck inflation by encouraging increased production of scarce goods and raw materials.

Third, and by far the most important, would be the monitoring of major wage bargains and price decisions and spotlighting those that flout the public interest.

The trauma of Phases 3 and 4 has apparently blotted out memories of the painfully relevant experience of 1969–71:

The school's-out, hands-off policy announced by Mr. Nixon early in 1969 touched off a rash of price increases and let a vicious wage-price spiral propel inflation upward even while the economy was moving downward.

Only when Mr. Nixon finally moved in with the powerful circuit-breaker of the 90-day freeze was the spiral turned off.

Today, the urgent task is to see that it's not turned on again. In that quest, some forces are working in our favor:

Much of the steam should be going out of special-sector inflation in oil, food, and raw materials.

The pop-up or bubble effect of ending mandatory controls should work its inflationary way through the economy by the end of the year.

As yet, wage settlements show few signs of shooting upwards as they did in 1969–70, when first-year increases jumped from 8% to 16% in less than a year. Wage moderation in 1973—induced in part by wage controls, but even more by the absence of inordinate profits in most labor-intensive industries and by the fact that the critical bottlenecks were in materials and manufacturing capacity rather than in labor supply—has set no high pay targets for labor to shoot at.

Thus far in 1974, the aluminum, can, and newly signed steel settlements won't greatly boost those targets. So the wage-wage spiral is not yet at work. Since, in addition, cost-of-living escalators apply to only one-tenth of the U.S. work force, the ballooning cost of living has not yet triggered a new price-wage spiral. Still, there is a distinct calm-before-the-storm feeling abroad in the land of labor negotiations.

A MODERATION IN INFLATION

With demand softening and shortages easing in large segments of the economy, the old rules of the marketplace would suggest that inflation is bound to moderate. And the odds are that it will—but how fast, how far, and how firmly is another matter. And that's where a price-wage monitor with a firm statutory base is badly needed. It could play a significant role in inducing big business to break the heady habit of escalating prices and in forestalling big labor's addiction to double-digit wage advances.

Industry after industry has gotten into the habit of raising prices on a cost-justified basis as energy, food, and raw material prices skyrocketed. De-control will reinforce that habit.

Once these bulges have worked their way through the economy, we tend to assume that virulent inflation will subside. Indeed, in some areas such as retailing, farm products, small business, and much of unorganized labor, competitive market forces will operate to help business and labor kick the inflationary habit.

But in areas dominated by powerful unions and industrial oligopolies, a prod is needed if habitual inflation—inflation with no visible means of support from underlying supply and demand conditions in the economy—is to be broken. If it is not, the threat of a wage break-out will loom large in upcoming wage negotiations in the construction, communications, aerospace, shipbuilding, airlines, mining, and railroad industries. In those critical negotiations, the wage moderation of the past two years could go up in smoke if the ebbing of non-labor cost pressures is simply converted into profits rather than being shared with consumers in price moderation.

Congress and the White House are taking undue risks if they rely entirely on market forces to achieve this end, especially in those large areas of the economy where competitive forces are not strong enough to protect the consumer. To serve as his ombudsman and to help prevent the picking of his pocket by a management-labor coalition, the consumer needs a watchdog agency that will bark and grow and occasionally bite. Such an agency—which could accomplish a good deal by skillful exercise of the powers of inquiry and publicity and much more if it were able to draw, sparingly, on powers of suspension and rollback when faced with gross violations and defiance—could provide substantial insurance against inflation by habit.

CONTENTS OF AN ACTION PROGRAM

An action program to accomplish the foregoing would have included—indeed, given a miracle of courage, conviction and speed, could still include—the following elements:

A quick and simple extension of the standby powers of the Economic Stabilization Act.

Granting of the authority requested by John Dunlop for the transitional period.

The establishment of a monitoring agency—preferably by statute and equipped with last-resort suspension and rollback powers, but if that is not to be, then by White House action and relying mainly on instruments of inquiry and publicity—to look over the shoulder of big business and big labor on behalf of the consumer.

To declare open season on wage-price decisions under present circumstances—as we seem hell-bent to do in our disenchantment with controls and sudden revival of faith in the market system—would be one more example of the classic action-reaction pattern that excludes the middle way. The Congress and the country may well rue the day when, largely at the behest of big business and organized labor, the government presence in their price and wage decisions was mindlessly liquidated, leaving the consumer to fend for himself.

The PRESIDING OFFICER. Does the acting minority leader seek recognition?

Mr. GRIFFIN. Yes, Mr. President.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

INFLATION

Mr. GRIFFIN. Mr. President, the junior Senator from Michigan listened with interest on yesterday to the distinguished majority leader as he spoke on the subject of inflation.

I have also noted news reports that some of the Members of this body are proposing a tax cut as the answer to the current economic problems of the Nation.

A newspaper that does not ordinarily find itself in agreement with policies of the administration carried an interesting and incisive editorial this morning concerning the wisdom—or rather the lack of wisdom—of proposing a tax cut at this time. Because I believe it would be worthwhile reading for those in and out of the Senate, I ask unanimous consent that an editorial published in this morning's Washington Post, entitled "The Rising Inflation," be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

The Rising Inflation

Everybody knew that the country was in the midst of a savage inflation and, simultaneously, a decline in economic production. The importance of the statistics over the past several days is the revelation that the reality is a good deal worse than the expectation. What ought the President and his administration do about it?

The practice of American politics is based on the premise that the government has a duty to respond, immediately and visibly, to every instance of severe public distress. The activist impulse urges an attack of some sort, on the assumption that doing anything is better than doing nothing in a time of public anxiety. But this case is the exception, and for the time being it is clearly wiser and better for the administration not to try to change policy. It is not a good time to start fiddling loudly with the valves and throttles on the great and intricate machine that is the national economy.

As the figures show, the quarterly drop in the Gross National Product is the most severe in the 14 years since the Eisenhower administration's last and worst recession. The last time the quarterly inflation reached the present level was in the Truman administration, early in the Korean war. In each case the trouble, although serious, was comprehensible and there was an obvious remedy for it. When the Korean war sent prices up, the proper response was price controls and tighter credit. Prices returned to relative stability with remarkable speed. As for the 1958 drop in GNP, it was painful and damaging but it followed the normal postwar pattern of recessions and responded fairly well to the normal strategies of economic stimulation. The trouble now is that we are not dealing simply with 1951's inflation or 1958's recession, but with both of them together and the cure for each aggravates the other.

A great deal of attention is now being squandered on the doctrinal debate as to whether we are in a recession. Since President Nixon guaranteed the country several months ago that there would be no recession, the topic naturally draws a certain amount of polemic interest. But the debate over the term only obscures a clear view of our present condition. Calling it a recession suggests that we are merely dealing with another swing in the familiar business cycle, to be remedied by the familiar antidotes like, for example, cutting taxes.

On cue, Sens. Edward M. Kennedy, Walter F. Mondale and Hubert Humphrey now propose a huge $5.9 billion tax cut. There is a long list of good reasons why this conventional response is the wrong one. As the administration observes, the effect of a tax cut would only begin to appear many months from now around the beginning of next year. Another reason—one that the administration does not make—is that the prospective impeachment of President Nixon makes it utterly unlikely that Congress will have the time or attention for the intricate, carefully crafted legislation that taxation requires. It is also necessary to point out that there have been two heavy cuts in income taxes since Mr. Nixon took office, and they are part of the reason for our present trouble with inflation. The federal government has large and growing social responsibilities to the American people and it cannot meet those responsibilities if it keeps cutting taxes.

Tax cut proposals on these customary lines assume that production is down because consumers have no money with which to buy. They assume that there is widespread unused capacity in American industry. But that is hardly a recognizable description of the present case. The main reasons for the precipitous fall in GNP last winter were confined, to an extraordinary degree, to two industries: automobile and housing. Automobile sales were down, obviously, because of the oil crisis. Housing declined because of unprecedentedly high interest rates. They are still climbing, by the way, and a number of big banks have now posted their prime rates over 10 per cent, a hair-raising figure.

At this point it is worth considering the administrations analysis of the dilemma. The inflation has overtaken the rise in income, and that is why consumers are not buying as much as they did a year ago. They are spending more of their money, as the decline in savings shows, but the money buys less in volume. That, the administration now believes, is the most serious of the threats to the prospect of getting the GNP moving upward again. It follows that the proper response is cutting the inflation rate rather than resorting to standard antirecession remedies that will make inflation worse.

Regarding inflation, the administration continues to hope that the worst will be over by summer. The theory is that we are now absorbing the worst effects of last year's spectacular runup of world commodity prices—most notoriously oil and foodstuffs, but also a wide variety of metals and fibers. Oil prices now seem likely to come down a bit, and food prices are already declining in anticipation of a very good crop. By summer, the theory continues, the American inflation rate will fall back to what the economists are now calling the "underlying" rate. That means about 6 per cent a year, compared with the present 11 per cent . If this drop occurs, interest rates will also come down and the administration will have much wider latitude in dealing with an unemployment rate which, by then, will probably be moving up.

For the present, it is most important not to introduce any change that would make the inflation worse. In its social effects, the rising inflation is currently the greater menace than unemployment. For at least another month, the best course is the present one. Although it goes against the grain to say so, the most sensible thing to do right now is nothing.

ORDER OF BUSINESS

The PRESIDING OFFICER. Under the previous order, the distinguished Senator from Minnesota (Mr. Mondale) is now recognized for not to exceed 15 minutes.

THE NEED FOR AN EMERGENCY INTERNATIONAL CONFERENCE ON INFLATION

Mr. MONDALE. Mr. President, I have just returned from a week in Europe where I talked at length with the business, industrial, and political leaders of the major Western European countries. My purpose was to learn what I could about the future unity of Europe and the viability of the Atlantic Alliance. I have returned with the conviction that this unity, that our alliance, and indeed the foundations of Western democratic society, are in great jeopardy.

One year ago today, the Secretary of State made his year of Europe speech in which he sought a new Atlantic Charter. As I set out for Europe, I wanted to know whether that impulse to rebuild our neglected relations with Europe was still operative. I wondered whether we cared any longer about the Atlantic relationship; whether we still supported the goal of a united Europe; or whether we had become lost in bickering and polemics over secondary issues such as the wording of declarations and the protocol of how to consult among the allies.

I am sorry to say that my concerns on these points were all reinforced. The year of Europe has not only failed to reinvigorate the alliance, but even more important, it has diverted our attention from the most significant issue facing the United States, our allies, and indeed the entire non-Communist world.

This issue is inflation. It was the overriding concern of virtually everyone I saw. And this concern was not simply economic or financial. It was not confined to bankers and industrialists. Inflation was the concern of people who are worried that the structure of our democratic societies cannot endure the level of inflation which is now ravaging every democratic country in the world.

All the major industrial nations now suffer from double digit inflation. Our consumer inflation is the worst since World War II, more than 14 percent; Great Britain may approach 16 percent; France has more than 11 percent; Italy 13 percent; Japan a massive 26 percent. We have not had such a period of inflation in the industrialized world since the 1920's. We all know how the inflation that swept the world in the 1920's paved the way for the Great Depression, for the destitution of the middle classes, for tyranny, and, finally, for World War II.

During my visit to Europe it was frequently brought to my attention that no nation has ever experienced inflation of greater than 20 percent and survived as a democratic society. Today, we are all pushing toward that 20 percent breaking point.

There are wide differences over the cause of the current inflation. Some believe it is the traditional problem of too much demand—too many dollars, marks, yen, chasing too few goods. This view leads to traditional prescriptions, reduced national budgets, and tighter monetary policies.

Yet, in many countries such as in the United States, *productivity is falling* even as inflation accelerates. In my view, this is the clearest indication that we are not faced with a traditional situation, nor can traditional remedies alone be successful.

There may be excess demand in certain countries and fiscal irresponsibility in certain governments. Indeed, we have seen major mismanagement of our economy by this administration. But there is also a profound *cost-push* dimension to the current worldwide inflation. Oil is an obvious example; food yet another; the overall price of remaining basic commodities last year rose an estimated 70 percent.

A second major point that emerged from my talks in Europe is that no one really knows what to do about this inflation. Some solutions are dangerous—for example, exporting inflation to other countries by imposing export limitations. This can lead to retaliation and even greater international economic instability.

In addition, there are dangers of further international cartels along the lines of OPEC, cartels covering everything from coffee and bananas to bauxite. Indeed, while in Europe, I heard very compelling warnings that OPEC has just begun and that we can expect spectacularly rising prices if OPEC can have its way—even above those we now suffer from. But the most worrisome fact, in my view, is that no concerted effort is being made to deal with the problem of inflation on the scale that is required.

Inflation is an international problem and the solution requires international action. This does not mean that we can blame others for our own shortcomings, nor fail to act where we can. But it does mean that we must enlist the help of our European allies, of Japan, of the other industrialized countries. We must involve the third world of developing nations which are the source of many basic commodities. And we must provide a role for what has become the "fourth world"—those countries that have neither adequate financial resources nor natural resources, and in which inflation is in fact a threat to human life.

We must abandon the notion that we can cope with inflation by ourselves or bilaterally, or with a handful of major powers. There must be a new bargain between the developed countries and the developing countries, and a joint effort among the industrialized nations for solutions to the problems of inflation.

Above all, we must make this issue a central concern of our foreign policy before it devours our Western democratic institutions. We must put aside petty maneuvering with our allies. We must take some time out from the status symbols of international relations—SALT, Middle East, personal diplomacy—and devote real effort to this problem that affects all Americans everyday—the increasing cost of living, and the corresponding decreasing quality of our lives.

The industrialized countries of the world today share not only inflation, but also weak governments. Minority governments in Great Britain and Canada, realinements in Scandanavia, declining popularity for the governments in West Germany and Japan, uncertainty in France, and at home the threat of impeachment. There is clearly widespread disillusion with the democratic process. If we add to this malaise a failure to deal with inflation—which can destroy the economic security upon which democracy is based—then all the superpower arrangements, all the arms control agreements, all the diplomatic maneuvering in the world will not save our way of life, nor insure international peace, nor provide a future that is economically secure and yet free.

As inflation has risen over the last several years, the number of democratic governments has declined. I cannot prove a direct connection but I believe that inflation is the most reactionary force in the world today—one which eats at the heart of popular support for democracy.

I, therefore, call on this administration to seek urgently a broad international conference on inflation. Just as the United Nations and the North Atlantic Alliance were based on the concept of collective international security, the purpose of this conference would be to hammer out the basis of a new collective economic security. The first task would be to understand causes of the current world inflation. The second task would be to develop the programs and institutions required to deal with it.

I realize that international conferences can be a waste of time. However, I believe that if we take the leadership to raise this issue with other countries, they would not fail to respond. If we carefully consult others and seriously prepare its work, this conference can begin to come to grips with a problem that no longer respects national boundaries. But for such a conference to succeed, it must develop a vision of a new relationship between the developed northern and developing southern halves of our world. Without such a vision and without such an effort, there can be no lasting economic stability. And it has been this stability and the resulting prosperity which has provided the foundation for democratic governments for the last quarter century.

The time for action is now. The problem will not wait. The point at which hyperinflation breaks out, where inflation feeds on itself, may be only a few digits away. Once it strikes, the world may never again be the same.

ORDER OF BUSINESS

The PRESIDING OFFICER. Under the previous order, the Senator from Missouri (Mr. EAGLETON) is recognized.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order recognizing Mr. EAGLETON be vacated.

The PRESIDING OFFICER. Without objection, it is so ordered.

Under the previous order, the Senator from West Virginia (Mr. ROBERT C. BYRD) is recognized for not to exceed 15 minutes.

ORDER FOR ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that my time be vacated and that morning business be substituted therefor, with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there morning business?

Mr. STAFFORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

GREAT OPPORTUNITY FOR CONGRESS

Mr. MANSFIELD. Mr. President, it was with great interest that I read an editorial in the Baltimore Sun under date of Saturday, April 20, 1974. I think it was a good editorial. The title of it is "Great Opportunity for Congress."

Under that caption, the editorial recited seven—to use its words—"significant" or "historic" proposals on which Congress has yet to act during this session.

With regard to these seven, may I say that, for its part, the Senate has acted or is presently acting on all save one of the items mentioned, and with regard to that one, it involves funding of a national health care plan on which, under the Constitution, action must be initiated by the House of Representatives. As for the others—campaign reform, budget reform, land use planning, strip mining safeguards and pension reform—the Senate has already passed strong and effective measures. The remaining item mentioned is the proposal to reduce insurance costs and expedite the handling of claims through a system of no-fault insurance. That measure, of course, is the pending order of business in the Senate.

Not only has the Senate addressed and disposed of the tasks enumerated by this editorial; it has accomplished a great deal more.

Just taking the first 2½ months of this session, the record is as fine as any before compiled. In that brief period, 142 measures have passed the Senate. In addition to campaign and budget reform, the list includes an increased and expanded minimum wage authority, the creation of a legal services corporation, a comprehensive housing and community development program and of course the comprehensive emergency energy program that ultimately was cut down by the President's veto. The entire list was incorporated in the record on April 11, the day the Senate went out for its Easter recess.

Of course, there is more to do and the Senate will do it. Following the no-fault measure, the Senate will take up the education bill. The measure to create a consumer protection agency will soon be ready for floor action. Health insurance and tax reform proposals will be addressed as soon as the House and the Senate Finance Committee have finished their work. There may soon be a vehicle ready on which to effect an increase in the personal exemption in the lower income group.

Of course, a number of proposals remain in the energy area including the Energy Resources and Development Act, the Energy Corporation proposal now pending in the Commerce Committee and others.

What the Senate has demonstrated so far this session is a capacity to address the major issues and dispose of them. It will continue to do so.

I ask unanimous consent that the Baltimore Sun editorial be printed at this point in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Great Opportunity for Congress

The 93d Congress is likely to be remembered in history as the Congress that did or did not impeach Richard Nixon. But as fate would have it, a lot of other historic legislative choices have been forced upon the 93d, and its reputation is also going to be affected by its response to those choices. Unfortunately, there is only so much time, and if Congress tries to conduct business as usual in 1974, it may find it cannot act at all on some of the priority legislation pending. After all, an impeachment debate in the House and an impeachment trial in the Senate (that those two events will occur is becoming increasingly probable) will take up a great deal of time, perhaps a total of two months or more. This is an election year, which means Congress will try to adjourn by October. So when the members return from the Easter vacation next week, there will only be five months left in the session if no August recess is taken. That is enough to do what must be done only if Congress puts aside business-as-usual methods.

Ironically, one significant piece of legislation that may not become law because of the business-as-usual mood of the House Democratic leaders is a campaign reform bill. Watergate has made the public acutely aware of reform in this area. The Senate has now passed two far-reaching bills dealing with spending, contributions and other murky areas of campaigning. One bill goes too far for us and many other advocates of reform. That bill would provide full federal funding for candidates for federal offices. But House leaders have used opposition to this to justify inactivity on any reform. Promises by House leaders to let the House vote on reform measures have gone unkept. If delays continue, the question of the motives of the leadership will have to be answered.

Another historic reform in the field of government has passed both House and Senate in different forms and awaits conference agreement. That is the legislation to give Congress—for the first time—apparatus to allow it to oversee the federal budget from the same perspective as the executive branch. That is, to see it whole. Now Congress approaches the budget like the blind men approached the elephant. Everybody is familiar with a little of it and no one is familiar with all of it.

The House has let its committees get awfully out of date. It has been over a quarter of a century since the committee structure was rearranged. A special panel has proposed some changes. The time seems ripe for it. It would be a shame if the House allowed the press of impeachment and the looming election to cause it to slip for the moment.

The time is also ripe for a major departure in the way health care is provided and paid for. Conservatives and liberals, Democrats and Republicans agree on that. There is remarkable agreement among the experts in both parties on what should be done. Congress has not yet acted on this legislation, however, not even in committee. The need for urgency after the recess should be evident to all.

An unusual amount of other new-departure legislation is being considered on Capitol Hill—land use, no-fault insurance, federal standards for private pensions, tough new standards for strip mining, and a few other measures. If Congress comes back from the recess determined to do more than business as usual, the 93d could be an important one regardless of what turn the impeachment story takes.

ORDER FOR DIVISION OF TIME DURING CONSIDERATION OF S. 3231

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that time on the bill S. 3231, poultry and egg producers indemnity payments, be divided between the manager of the bill and Mr. Clark, the chief opponent of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. Hughes) laid before the Senate the following letters, which were referred as indicated:

International Agreements Other Than Treaties

A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, international agreements other than treaties, entered into by the United States, with accompanying papers. Referred to the Committee on Foreign Relations.

Proposed Legislation by Office of Management and Budget

A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a draft of proposed legislation to amend the Federal Property and Administrative Services Act of 1949, as amended, the Armed Services Procurement Act of 1947, as amended, and the TVA Act of 1933, as amended, to authorize the negotiation of contracts where the aggregate amount involved does not exceed $10,000, with accompanying papers. Referred to the Committee on Government Operations.

Monthly List of GAO Reports

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a list of reports of the General Accounting Office of the previous month, with an accompanying report. Referred to the Committee on Government Operations.

Reports of Comptroller General

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Audit of the Rural Telephone Bank for Fiscal Year Ended June 30, 1973," Department of Agriculture, dated April 12, 1974 with an accompanying report. Referred to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Comprehensive Health Planning as Carried Out by State and Areawide Agencies in Three States," Department of Health, Education, and Welfare, dated April 18, 1974 (with an accompanying report). Referred to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Review of Testing and Evaluation Policies and Procedures," Department of Defense, dated April 18, 1974 (with an accompanying report). Referred to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Examination of Financial Statements, Government Printing Office, Fiscal Year 1973," dated April 15, 1974 (with an accompanying report). Referred to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Examination of Financial Statements, Inter-American Foundation, Fiscal Year 1973," dated April 11, 1974 (with an accompanying report). Referred to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Better Use Should Be Made of Physicians and Dentists in Health Centers," Office of Economic Opportunity, Department of Health, Education, and Welfare, dated April 9, 1974 (with an accompanying report). Referred to the Committee on Government Operations.

Report of Pennsylvania Avenue Development Corporation

A letter from the Chairman, Pennsylvania Avenue Development Corporation, transmitting, pursuant to law, a report of the Corporation dated March 1974 (with an accompanying report). Referred to the Committee on Interior and Insular Affairs.

Report of Department of the Interior

A letter from the Deputy Assistant Secretary of the Interior, transmitting, pursuant to law, a report giving a description of a project tentatively selected for funding through grants, contracts, and matching or other arrangements with educational institutions, private foundations or other institutions, and with private firms, as authorized under the Water Resources Research Act of 1964 (with an accompanying report). Referred to the Committee on Interior and Insular Affairs.

Proposed Contract of Department of the Interior

A letter from the Acting Deputy Assistant Secretary of the Interior, transmitting, pursuant to law, a copy of a proposed contract for a research project entitled "Evaluating Resin and Mechanical Roof Bolting Systems for Strata-Bound Deposits (with an accompanying paper). Referred to the Committee on Interior and Insular Affairs.

Report of Advisory Council on Historic Preservation

A letter from the Vice Chairman, Advisory Council on Historic Preservation, transmitting, pursuant to law, a report on its meeting to consider GSA's proposed construction of a new Federal Home Loan Bank Board building in Washington, D.C. (with an accompanying report). Referred to the Committee on Interior and Insular Affairs.

Proposed Legislation by Attorney General

A letter from the Attorney General of the United States, transmitting a draft of proposed legislation to amend the Antitrust Civil Process Act to increase the effectiveness of discovery in civil antitrust investigations (with accompanying papers). Referred to the Committee on the Judiciary.

Report of the American Academy of Arts and Letters

A letter from the President, the American Academy of Arts and Letters, reporting, pursuant to law, on its activities for the year ended December 31, 1973 (with an accompanying report). Referred to the Committee on the Judiciary.

Report of American Revolution Bicentennial Commission

A letter from the Acting Administrator, American Revolution Bicentennial Administration, transmitting, pursuant to law, its 1973 final report (with an accompanying report). Referred to the Committee on the Judiciary.

Report of the Secretary of Health, Education, and Welfare

A letter from the Secretary of Health, Education, and Welfare transmitting, pursuant to law, the first interim report on the administration of the Health Professions Educational Assistance Act, and its subsequent amendments (with an accompanying report). Referred to the Committee on Labor and Public Welfare.

Reports of the Office of Education

A letter from the Commissioner of Education transmitting, pursuant to law, three final reports of certain advisory groups to the Office of Education (with accompanying reports). Referred to the Committee on Labor and Public Welfare.

Report of the National Advisory Council on Adult Education

A letter from the Chairman of the National Advisory Council on Adult Education transmitting, pursuant to law, the annual report on adult education (with an accompanying report). Referred to the Committee on Labor and Public Welfare.

Report on Nurse Training

A letter from the Secretary of Health, Education, and Welfare transmitting, pursuant to law, the first interim report on the administration of title VIII (Nurse Training) of the Public Health Service Act (with an accompanying report). Referred to the Committee on Labor and Public Welfare.

Upstream Watershed Protection Plans

A letter from the Acting Director of the Office of Management and Budget transmitting, pursuant to law, four work plans for upstream watershed protection (with accompanying papers). Referred to the Committee on Public Works.

Report of John F. Kennedy Center for the Performing Arts

A letter from the Chairman, John F. Kennedy Center for the Performing Arts, transmitting, pursuant to law, a report for fiscal year 1973 (with an accompanying report). Referred to the Committee on Public Works.

Proposed Legislation by Secretary of Transportation

A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the Highway Beautification Act of 1965, as amended (with accompanying papers). Referred to the Committee on Public Works.

Proposed Alterations to Federal Buildings

A letter from the Administrator, General Services Administration, transmitting, pursuant to law, prospectuses which propose alterations to certain Federal buildings (with accompanying papers). Referred to the Committee on Public Works.

FEDERAL ENERGY ADMINISTRATION ACT OF 1974—CONFERENCE REPORT—(S. REPT. NO. 93–788)

Mr. RIBICOFF. Mr. President, from the committee of conference on H.R. 11793, I submit the report of the conferees.

I ask unanimous consent that the report with the statement of managers be printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

Conference Report (S. Rept. No. 93–788)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 11793) to reorganize and consolidate certain functions of the Federal Government in a new Federal Energy Administration in order to promote more efficient management of such functions, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

SHORT TITLE

Section 1. This Act may be cited as the "Federal Energy Administration Act of 1974".

DECLARATION OF PURPOSE

Sec. 2. (a) The Congress hereby declares that the general welfare and the common defense and security require positive and effective action to conserve scarce energy supplies, to insure fair and efficient distribution of, and the maintenance of fair and reasonable consumer prices for, such supplies, to promote the expansion of readily usable energy sources, and to assist in developing policies and plans to meet the energy needs of the Nation.

(b) The Congress finds that to help achieve these objectives, and to assure a coordinated and effective approach to overcoming energy shortages, it is necessary to reorganize certain agencies and functions of the executive branch and to establish a Federal Energy Administration.

(c) The sole purpose of this Act is to create an administration in the executive branch, called the Federal Energy Administration, to vest in the Administration certain functions provided in this Act, and to transfer to such Administration certain executive branch functions authorized by other laws, where such transfer is necessary on an interim basis to deal with the Nation's energy shortages.

ESTABLISHMENT

Sec. 3. There is hereby established an independent agency in the executive branch to be known as the Federal Energy Administration (hereinafter in this Act referred to as the "Administration").

OFFICERS

Sec. 4. (a) There shall be at the head of the Administration an Administrator (hereinafter in this Act referred to as the "Administrator"), who shall be appointed by the President, by and with the advice and consent of the Senate. The Administrator shall receive compensation at the rate prescribed for offices and positions at level II of the Executive Schedule (5 U.S.C. 5313). The Administration shall be administered under the supervision and direction of the Administrator.

(b) (1) The functions and powers of the Administration shall be vested in and exercised by the Administrator.

(2) The Administrator may, from time to time and to the extent permitted by law, consistent with the purposes of this Act, delegate such of his functions as he deems appropriate.

(c) There shall be in the Administration two Deputy Administrators, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall receive compensation at the rate prescribed for offices and positions at level III of the Executive Schedule (5 U.S.C. 5314)

(d) There are authorized to be in the Administration six Assistant Administrators, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall receive compensation at the rate prescribed for offices and positions at level IV of the Executive Schedule (5 U.S.C. 5315).

(e) There shall be in the Administration a General Counsel, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall receive compensation at the rate prescribed for offies and positions at level IV of the Executive Schedule (5 U.S.C. 5315).

(f) (1) There are authorized to be in the Administration not more than nine additional officers who shall be appointed by the Administrator and shall receive compensation at the rate prescribed for offices and positions at level V of the Executive Schedule (5 U.S.C. 5316).

(2) If any person, other than an officer within subsections (c), (d), or (e) of this section, is to be assigned principal responsibility for any program that shall be instituted in the Administration for either (i) allocation, (ii) pricing, (iii) rationing (if effected), or (iv) Federal and State coordination, he shall be one of the officers authorized by paragraph (1) of this subsection except that he shall be appointed by the President by and with the advice and consent of the Senate.

(3) Appointments to the positions described in this subsection may be made without regard to the provisions of title 5 of the United States Code governing appointments in the competitive service.

(g) Subject to subsection (f) of this section, officers appointed pursuant to this section shall perform such functions as the Administrator shall specify from time to time.

(h) The Administrator shall designate the order in which the Deputy Administrators and other officials shall act for and perform the functions of the Administrator during his absence or disability or in the event of a vacancy in his office.

(i) (1) For the purposes of this Act, section 208(b) of title 18, United States Code, relating to conflicts of interest, can be invoked and implemented only by the Administrator personally. Such subsection shall not be invoked as to any person unless and until—

(A) the Congress has received, ten days prior thereto, a written report containing notice of the Administrator's intention so to invoke such subsection, a detailed statement of the subject matter concerning which a conflict exists; and in the case of an exemption set forth in clause (1) of such subsection, the nature of an officer's or employee's financial interest; or in the case of an exemption set forth in clause (2) of such subsection, the name and statement of financial interest of each person who will come within such exemption; and

(B) such written report is published in the Federal Register.

(2) Nothing contained in this subsection shall affect in any way the applicability or operation of other laws relating to officers and employees of the United States Government.

(j) No individual holding any of the positions described in subsection (a), (c), (d), and (e) of this section may also hold any other position in the executive branch during the same period.

FUNCTIONS AND PURPOSES OF THE FEDERAL ENERGY ADMINISTRATION

SEC. 5. (a) Subject to the provisions and procedures set forth in this Act, the Administrator shall be responsible for such actions as are taken to assure that adequate provision is made to meet the energy needs of the Nation. To that end, he shall make such plans and direct and conduct such programs related to the production, conservaation, use, control, distribution, rationing, and allocation of all forms of energy as are appropriate in connection with only those authorities or functions—

(1) specifically transferred to or vested in him by or pursuant to this Act;

(2) delegated to him by the President pursuant to specific authority vested in the President by law; and

(3) otherwise specifically vested in the Administrator by the Congress.

(b) To the extent authorized by subsection (a) of this section, the Administrator shall—

(1) advise the President and the Congress with respect to the establishment of a comprehensive national energy policy in relation to the energy matters for which the Administration has responsibility, and, in coordination with the Secretary of State, the integration of domestic and foreign policies relating to energy resource management;

(2) assess the adequacy of energy resources to meet demands in the immediate and longer range future for all sectors of the economy and for the general public;

(3) develop effective arrangements for the participation of State and local governments in the resolution of energy problems;

(4) develop plans and programs for dealing with energy production shortages;

(5) promote stability in energy prices to the consumer, promote free and open competition in all aspects of the energy field, prevent unreasonable profits within the various segments of the energy industry, and promote free enterprise;

(6) assure that energy programs are designed and implemented in a fair and efficient manner so as to minimize hardship and inequity while assuring that the priority needs of the Nation are met;

(7) develop and oversee the implementation of equitable voluntary and mandatory energy conservation programs and promote efficiencies in the use of energy resources;

(8) develop and recommend policies on the import and export of energy resources;

(9) collect, evaluate, assemble, and analyze energy information on reserves, production, demand, and related economic data;

(10) work with business, labor, consumer and other interests and obtain their cooperation;

(11) in administering any pricing authority, provide by rule, for equitable allocation of all component costs of producing propane gas. Such rules may require that (a) only those costs directly related to the production of propane may be allocated by any producer to such gas for purposes of establishing any price for propane, and (b) prices for propane shall be based on the prices for propane in effect on May 15, 1973. The Administrator shall not allow costs attributable to changes in ownership and movement of propane gas where, in the opinion of the Administrator, such changes in ownership and movement occur primarily for the purpose of establishing a higher price; and

(12) perform such other functions as may be prescribed by law.

TRANSFERS

SEC. 6. (a) There are hereby transferred to and vested in the Administrator all functions of the Secretary of the Interior, the Department of the Interior, and officers and components of that Department—

(1) as relate to or are utilized by the Office of Petroleum Allocation;

(2) as relate to or are utilized by the Office of Energy Conservation;

(3) as relate to or are utilized by the Office of Energy Data and Analysis; and

(4) as relate to or are utilized by the Office of Oil and Gas.

(b) There are hereby transferred to and vested in the Administrator all functions of the Chairman of the Cost of Living Council, the Executive Director of the Cost of Living Council, and the Cost of Living Council, and officers and components thereof, as relate to or are utilized by the Energy Division of the Cost of Living Council.

ADMINISTRATIVE PROVISIONS

SEC. 7. (a) (1) The Administrator may appoint, employ, and fix the compensation of such officers and employees, including attorneys, as are necessary to perform the functions vested in him, and prescribe their authority and duties. In addition to the number of positions which may be placed in GS-16, 17, and 18 under existing law, not to exceed 91 positions may be placed in GS-16, 17, and 18 to carry out the functions under this Act: *Provided*, That the total number of positions within the Administration in GS-16, 17, and 18 shall not exceed 105: *And provided further*, That, except as provided in paragraph (2) of this subsection, the authority under this subsection shall be subject to the standards and procedures prescribed under Chapter 51 of title 5, United States Code, and shall continue only for the duration of the exercise of functions under this Act.

(2) Twenty-five of the GS-16, 17, and 18 positions authorized by paragraph (1) of this subsection may be filled without regard to the provisions of title 5 of the United States Code governing appointments in the competitive service.

(b) The Administrator may employ experts, expert witnesses, and consultants in accordance with section 3109 of title 5 of the United States Code, and compensate such persons at rates not in excess of the maximum daily rate prescribed for GS-18 under section 5332 of title 5 of the United States Code for persons in Government service employed intermittently.

(c) The Administrator may promulgate such rules, regulations, and procedures as may be necessary to carry out the functions vested in him; *Provided*, That:

(1) The Administrator shall, before promulgating proposed rules, regulations, or policies relating to the cost or price of energy, transmit notice of such proposed action to the Cost of Living Council and provide a period, which shall not be less than five days from the receipt of such notice, for the Cost of Living Council to approve or disapprove such proposed action. If during the period provided, the Cost of Living Council—

(A) approves such proposed action, it may take effect;

(B) disapproves such proposed action, it shall not take effect; or

(c) fails to either approve or disapprove such proposed action, it may take effect in the same manner as if the Cost of Living Council had given its approval.

(2) The Administrator shall, before promulgating proposed rules, regulations, or policies affecting the quality of the environment, provide a period of not less than five days from receipt of notice of the proposed action during which the Administrator of the Environmental Protection Agency may provide written comments concerning the impact of such rules, regulations, or policies on the quality of the environment. Such comments shall be published along with public notice of the proposed action.

The review required by paragraphs (1) and (2) of this subsection may be waived for a period of fourteen days if there is an emergency situation which, in the judgment of the Administrator, requires immediate action.

(d) The Administrator may utilize, with their consent, the services, personnel, equipment, and facilities of Federal, State, regional, and local public agencies and instrumentalities, with or without reimbursement therefor, and may transfer funds made available pursuant to this Act, to Federal, State, regional, and local public agencies and instrumentalities, as reimbursement for utilization of such services, personnel, equipment, and facilities.

(e) The Administrator shall cause a seal of office to be made for the Administration of such design as he shall approve, and judicial notice shall be taken of such seal.

(f) The Administrator may accept unconditional gifts or donations of money or property, real, personal, or mixed, tangible or intangible.

(g) The Administrator may enter into and perform contracts, leases, cooperative agreements, or other similar transactions with any public agency or instrumentality or with any person, firm, association, corporation, or institution.

(h) The Administrator may perform such other activities as may be necessary for the effective fulfillment of his administrative duties and functions.

(i) (1) (A) Subject to paragraphs (B), (C), and (D) of this subsection, the provisions of subchapter II of chapter 5 of title 5, United States Code, shall apply to any rule or regulation, or any order having the applicability and effect of a rule as defined in section 551 (4) of title 5, United States Code, issued pursuant to this Act, including any such rule, regulation, or order of a State or local government agency, or officer thereof, issued pursuant to authority delegated by the Administrator.

(B) Notice of any proposed rule, regulation, or order described in paragraph (A) shall be given by publication of such proposed rule, regulation, or order in the Federal Register. In each case, a minimum of ten days following such publication shall be provided for opportunity to comment; except that the requirements of this paragraph as to time of notice and opportunity to comment may be waived where strict compliance is found to cause serious harm or injury to the public health, safety, or welfare, and such finding is set out in detail in such rule, regulation, or order. In addition, public notice of all rules, regulations, or orders described in paragraph (A) which are promulgated by officers of a State or local government agency shall to the maximum extent practicable be achieved by publication of such rules, regulations, or orders in a sufficient number of newspapers of statewide circulation calculated to receive widest possible notice.

(C) In addition to the requirements of paragraph (B), if any rule, regulation, or order described in paragraph (A) is likely to have a substantial impact on the Nation's economy or large numbers of individuals or businesses, an opportunity for oral presentation of views, data, and arguments shall be afforded. To the maximum extent practicable, such opportunity shall be afforded prior to the issuance of such rule, regulation, or order, but in all cases such opportunity shall be afforded no later than forty-five days after the issuance of any such rule, regulation, or order. A transcript shall be kept of any oral presentation.

(D) Any officer or agency authorized to issue the rules, regulations, or orders described in paragraph (A) shall provide for the making of such adjustments, consistent with the other purposes of this Act, as may be necessary to prevent special hardship, inequity, or unfair distribution of burdens and shall, by rule, establish procedures which are available to any person for the purpose of seeking an interpretation, modification, rescission of, exception to, or exemption from, such rules, regulations, and orders. If such person is aggrieved or adversely affected by the denial of a request for such action under the preceding sentence, he may request a review of such denial by the officer or agency and may obtain judicial review in accordance with paragraph (2) of this subsection when such denial becomes final. The officer or agency shall, by rule, establish appropriate procedures, including a hearing where deemed advisable by the officer or agency, for considering such requests for action under this paragraph.

(E) In addition to the requirements of section 552 of title 5, United States Code, any agency authorized to issue the rules, regulations, or orders described in paragraph (A) shall make available to the public all internal rules and guidelines which may form the basis, in whole or in part, for any such rule, regulation, or order with such modifications as are necessary to insure confidentiality protected under such section 552. Such agency shall, upon written request of a petitioner filed after any grant or denial of a request for exception or exemption from rules or orders, furnish the petitioner with a written opinion setting forth applicable facts and the legal basis in support of such grant or denial. Such opinions shall be made available to the petitioner and the public within thirty days of such request, with such modifications as are necessary to insure confidentiality of information protected under such section 552.

(2)(A) Judicial review of administrative rulemaking of general and national applicability done under this Act, except that done pursuant to the Emergency Petroleum Allocation Act of 1973, may be obtained only by filing a petition for review in the United States Court of Appeals for the District of Columbia within thirty days from the date of promulgation of any such rule, regulation, or order, and judicial review of administrative rulemaking of general, but less than national applicability done under this Act, except that done pursuant to the Emergency Petroleum Allocation Act of 1973, may be obtained only by filing a petition for review in the United States Court of Appeals for the appropriate circuit within thirty days from the date of promulgation of any such rule, regulation, or order, the appropriate circuit being defined as the circuit which contains the area or the greater part of the area within which the rule, regulation, or order is to have effect.

(B) Notwithstanding the amount in controversy, the district courts of the United States shall have exclusive original jurisdiction of all other cases or controversies arising under this Act, or under rules, regulations, or orders issued thereunder, except any actions taken to implement or enforce any rule, regulation, or order by any officer of a State or local government agency under this Act: *Provided*, That nothing in this section affects the power of any court of competent jurisdiction to consider, hear, and determine in any proceeding before it any issue raised by way of defense (other than a defense based on the unconstitutionality of this Act or the validity of action taken by any agency under this Act). If in any such proceeding an issue by way of defense is raised based on the unconstitutionality of this Act or the validity of agency action under this Act, the case shall be subject to removal by either party to a district court of the United States in accordance with the applicable provisions of chapter 89 of title 28, United States Code. Cases or controversies arising under any rule, regulation, or order of any officer of a State or local government agency may be heard in either (1) any appropriate State court, or (2) without regard to the amount in controversy, the district courts of the United States.

(3) The Administrator may by rule prescribe procedures for State or local government agencies authorized by the Administrator to carry out functions under this Act. Such procedures shall apply to such agencies in lieu of paragraph (1) of this subsection, and shall require that prior to taking any action, such agencies shall take steps reasonably calculated to provide notice to persons who may be affected by the action, and shall afford an opportunity for presentation of views (including oral presentation of views where practicable) at least ten days before taking the action.

(j) The Administration, in connection with the exercise of the authority under this Act, shall be considered an independent Federal regulatory agency for the purposes of sections 3502 and 3512 of title 44 of the United States Code.

TRANSITIONAL AND SAVINGS PROVISIONS

SEC. 8. (a) All orders, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges—

(1) which have been issued, made, granted, or allowed to become effective by the President, by any Federal department or agency or official thereof, or by a court of competent jurisdiction, in the performance of functions which are transferred under this Act, and

(2) which are in effect at the time this Act takes effect,

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked by the President, the Administrator, other authorized officials, a court of competent jurisdiction, or by operation of law.

(b) This Act shall not affect any proceeding pending, at the time this Act takes effect, before any department or agency (or component thereof) regarding functions which are transferred by this Act; but such proceedings, to the extent that they relate to functions so transferred, shall be continued. Orders shall be issued in such proceedings, appeals (except as provided in section 7(i)(2) of this Act) shall be taken therefrom, and payments shall be made pursuant to such orders, as if this Act had not been enacted; and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law. Nothing in this subsection shall be deemed to prohibit the discontinuance of any such proceeding under the same terms and conditions, and to the same extent, that such proceeding could have been discontinued if this Act had not been enacted.

(c) Except as provided in subsection (e)—

(1) the provisions of this Act shall not affect suits commenced prior to the date this Act takes effect, and

(2) in all such suits proceedings shall be had, appeals taken, and judgments rendered, in the same manner and effect as if this Act had not been enacted.

(d) No suit, action, or other proceeding commenced by or against any officer in his official capacity as an officer of any department or agency, functions of which are transferred by this Act, shall abate by reason of the enactment of this Act. No cause of action by or against any department or agency, functions of which are transferred by this Act, or by or against any officer thereof in his official capacity shall abate by reason of enactment of this Act. Causes of actions, suits, actions, or other proceedings may be asserted by or against the United States or such official as may be appropriate and, in any litigation pending when this Act takes effect, the court may at any time, on its own motion or that of any party, enter any order which will give effect to the provisions of this section.

(e) If, before the date on which this Act takes effect, any department or agency, or officer thereof in his official capacity, is a party to a suit, and under this Act any function of such department, agency, or officer is transferred to the Administrator, or any other official, then such suit shall be continued as if this Act had not been enacted, with the Administrator, or other official as the case may be, substituted.

(j) Final orders and actions of any official or component in the performance of functions transferred by this Act shall be subject to judicial review to the same extent and in the same manner as if such orders or actions had been made or taken by the officer, department, agency, or instrumentality in the performance of such functions immediately preceding the effective date of this Act. Any statutory requirements relating to notices, hearings, action upon the record, or administrative review that apply to any function transferred or delegated by this Act shall apply to the performance of those functions by the Administrator, or any officer or component of the Administration. In the event of any inconsistency between the provisions of this subsection and section 7, the provisions of section 7 shall govern.

(g) With respect to any function transferred by this Act and performed after the effective date of this Act, reference in any other law to any department or agency, or any officer or office, the functions of which are so transferred, shall be deemed to refer to the Administration, Administrator, or other office or officers in which this Act vests such functions.

(h) Nothing contained in this Act shall be construed to limit, curtail, abolish, or terminate any function of the President which he had immediately before the effective date of this Act; or to limit, curtail, abolish, or terminate his authority to perform such function; or to limit, curtail, abolish, or terminate his authority to delegate, redelegate, or terminate any delegations of functions.

(i) Any reference in this Act to any provision of law shall be deemed to include, as appropriate, references thereto as now or hereafter amended or supplemented.

INCIDENTAL TRANSFERS

SEC. 9. The Director of the Office of Management and Budget is authorized and directed to make such additional incidental dispositions of personnel, personnel positions, assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds held, used, arising from, available to, or to be made available in connection with, functions which are transferred by or which revert under this Act, as the Director deems necessary and appropriate to accomplish the intent and purpose of this Act.

DEFINITIONS

SEC. 10. As used in this Act—

(1) any reference to "function" or "functions, shall be deemed to include the exercise to duty, obligation, power, authority, responsibility, right, privilege, and activity, or the plural thereof, as the case may be; and

(2) any reference to "perform" or "performance", when used in relation to functions, shall de deemed to include the exercise of power, authority, rights, and privileges.

APPOINTMENTS

SEC. 11. (a) Funds available to any department or agency (or any official or component thereof), and lawfully authorized for any of the specific functions which are transferred to the Administrator by this Act, may, with the approval of the President, be used to pay the compensation and expenses of any officer appointed pursuant to this Act until such time as funds for that purpose are otherwise available.

(b) In the event that any officer required by this Act to be appointed by and with the advice and consent of the Senate shall not have entered upon office on the effective date of this Act, the President may designate any officer, whose appointment was required to be made by and with the advice and consent of the Senate and who was such an officer immediately prior to the effective date of this Act, or any officer who was performing essentially the same functions immediately prior to the effective date of this Act, to act in such office until the office is filled as provided in this Act: Provided, That any officer acting pursuant to the provisions of this subsection may act no longer than a period of thirty days unless during such period his appointment as such an officer is submitted to the Senate for its advice and consent.

(c) Transfer of nontemporary personnel pursuant to this Act shall not cause any such employee to be separated or reduced in grade or compensation, except for cause, for one year after such transfer.

(d) Any person who, on the effective date of this Act, held a position compensated in accordance with the Executive Schedule prescribed in chapter 53 of title 5 of the United States Code, and who, without a break in service, is appointed in the Administration to a position having duties comparable to those performed immediately preceding his appointment, shall continue to be compensated in his new position at not less than the rate provided for his previous position.

ACCESS TO INFORMATION BY THE COMPTROLLER GENERAL

SEC. 12. (a) For the duration of this Act, the Comptroller General of the United States shall monitor and evaluate the operations of the Administration including its reporting activities. The Comptroller General shall (1) conduct studies of existing statutes and regulations governing the Administration's programs; (2) review the policies and practices of the Administration; (3) review and evaluate the procedures followed by the Administrator in gathering, analyzing, and interpreting energy statistics, data, and information related to the management and conservation of energy, including but not limited to data related to energy costs, supply, demand, industry structure, and environmental impacts; and (4) evaluate particular projects or programs. The Comptroller General shall have access to such data within the possession or control of the Administration from any public or private source whatever, notwithstanding the provisions of any other law, as are necessary to carry out his responsibilities under this Act and shall report to the Congress at such times as he deems appropriate with respect to the Administration's programs, including his recommendations for modifications in existing laws, regulations, procedures, and practices.

(b) The Comptroller General or any of his authorized representatives in carrying out his responsibilities under this section may request access to any books, documents, papers, statistics, data, records, and information of any person owning or operating facilities or business premises who is engaged in any phase of energy supply or major energy consumption, where such material relates to the purposes of this Act, including but not limited to energy costs, demand, supply, industry structure, and environmental impacts. The Comptroller General may request such person to submit in writing such energy information as the Comptroller General may prescribe.

(c) The Comptroller General of the United States, or any of his duly authorized representatives, shall have access to and the right to examine any books, documents, papers, records, or other recorded information of any recipients of Federal funds or assistance under contracts, leases, cooperative agreements, or other transactions entered into pursuant to subsection (d) or (g) of section 7 of this Act which in the opinion of the Comptroller General may be related or pertinent to such contracts, leases, cooperative agreements, or similar transactions.

(d) To assist in carrying out his responsibilities under this section, the Comptroller General may, with the concurrence of a duly established committee of Congress having legislative or investigative jurisdiction over the subject matter and upon the adoption of a resolution by such a committee which sets forth specifically the scope and necessity therefor, and the specific identity of those persons from whom information is sought, sign and issue subpenas requiring the production of the books, documents, papers, statistics, data, records, and information referred to in subsection (b) of this section.

(e) In case of disobedience to a subpena issued under subsection (d) of this section, the Comptroller General may invoke the aid of any district court of the United States in requiring the production of the books, documents, papers, statistics, data, records, and information referred to in subsection (b) of this section. Any district court of the United States within the jurisdiction where such person is found or transacts business may, in case of contumacy or refusal to obey a subpena issued by the Comptroller General, issue an order requiring such person to produce the books, documents, papers, statistics, data, records, or information; and any failure to obey such order of the court shall be punished by the court as a contempt thereof.

(f) Reports submitted by the Comptroller General to the Congress pursuant to this section shall be available to the public at reasonable cost and upon identifiable request. The Comptroller General may not disclose to the public any information which concerns or relates to a trade secret or other matter referred to in section 1905 of title 18, United States Code, except that such information shall be disclosed by the Comptroller General or the Administrator, in a manner designed to preserve its confidentiality—

(1) to other Federal Government departments, agencies, and officials for official use upon request;

(2) to committees of Congress upon request; and

(3) to a court in any judicial proceeding under court order.

INFORMATION-GATHERING POWER

SEC. 13. (a) The Administrator shall collect, assemble, evaluate, and analyze energy information by categorical groupings, established by the Administrator, of sufficient comprehensiveness and particularity to permit fully informed monitoring and policy guidance with respect to the exercise of his functions under this Act.

(b) All persons owning or operating facilities or business premises who are engaged in any phase of energy supply or major energy consumption shall make available to the Administrator such information and periodic reports, records, documents, and other data, relating to the purposes of this Act, including full identification of all data and projections as to source, time, and methodology of development, as the Administrator may prescribe by regulation or order as necessary or appropriate for the proper exercise of functions under this Act.

(c) The Administrator may require, by general or special orders, any person engaged in any phase of energy supply or major energy consumption to file with the Administrator in such form as he may prescribe, reports or answers in writing to such specific questions, surveys, or questionnaires as may be necessary to enable the Administrator to carry out his functions under this Act. Such reports and answers shall be made under oath, or otherwise, as the Administrator may prescribe, and shall be filed with the Administrator within such reasonable period as he may prescribe.

(d) The Administrator, to verify the accuracy of information he has received or otherwise to obtain information necessary to perform his functions under this Act, is authorized to conduct investigations, and in connection therewith, to conduct, at reasonable times and in a reasonable manner, physical inspections at energy facilities and business premises, to inventory and sample any stock of fuels or energy sources therein, to inspect and copy records, reports, and documents from which energy information has been or is being compiled, and to question such persons as he may deem necessary.

(e) (1) The Administrator, or any of his duly authorized agents, shall have the power to require by subpena the attendance and testimony of witnesses, and the production of all information, documents, reports, answers, records, accounts, papers, and other data and documentary evidence which the Administrator is authorized to obtain pursuant to this section.

(2) Any appropriate United States district court may, in case of contumacy or refusal to obey a subpena issued pursuant to this section, issue an order requiring the party to whom such subpena is directed to appear before the Administration and to give testimony touching on the matter in question, or to produce any matter described in paragraph (1) of this subsection, and any failure to obey such order of the court may be punished by such court as a contempt thereof.

(f) The Administrator shall collect from departments, agencies and instrumentalities of the executive branch of the Government (including independent agencies), and each such department, agency, and instrumentality is authorized and directed to furnish, upon his request, information concerning energy resources on lands owned by the Government of the United States. Such information shall include, but not be limited to, quantities of reserves, current or proposed leasing agreements, environmental considerations, and economic impact analyses.

PUBLIC DISCLOSURE OF INFORMATION

SEC. 14. (a) The Administrator shall make public, on a continuing basis, any statistical and economic analyses, data, information, and whatever reports and summaries are necessary to keep the public fully and currently informed as to the nature, extent, and projected duration of shortages of energy supplies, the impact of such shortages, and the steps being taken to minimize such impacts.

(b) Subject to the provisions of this Act, section 552 of title 5, United States Code, shall apply to public disclosure of information by the Administrator: *Provided*, That notwithstanding said section, the provisions of section 1905 of title 18, United States Code, or any other provision of law, (1) all matters reported to, or otherwise obtained by, any person exercising authority under this Act containing trade secrets or other matter referred to in section 1905 of title 18, United States Code, may be disclosed to other persons authorized to perform functions under this Act solely to carry out the purposes of the Act, or when relevant in any proceeding under this Act; and (2) the Administrator shall disclose to the public, at a reasonable cost, and upon a request which reasonably describes the matter sought, any matter of the type which could not be excluded from public annual reports to the Securities and Exchange Commission pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934 by a business enterprise exclusively engaged in the manufacture or sale of a single product, unless such matter concerns or relates to the trade secrets, processes, operations, style of work, or apparatus of a business enterprise.

(c) To protect and assure privacy of individuals and confidentiality of personal information, the Administrator is directed to establish guidelines and procedures for handling any information which the Administration obtains pertaining to individuals. He shall provide, to the extent practicable, in such guidelines and procedures a method for allowing any such individual to gain access to such information pertaining to himself.

REPORTS AND RECOMMENDATIONS

SEC. 15. (a) Six months before the expiration of this Act, the President shall transmit to Congress a full report together with his recommendations for—

(1) disposition of the functions of the Administration upon its termination;

(2) continuation of the Administration with its present functions; or

(3) reorganization of the Administration; and

(4) organization of the Federal Government for the management of energy and natural resources policies and programs.

(b) Not later than one year after the effective date of this Act, the Administrator shall submit a report to the President and Congress which will provide a complete and independent analysis of actual oil and gas reserves and resources in the United States and its Outer Continental Shelf, as well as of the existing productive capacity and the extent to which such capacity could be increased for crude oil and each major petroleum product each year for the next ten years through full utilization of available technology and capacity. The report shall also contain the Administration's recommendations for improving the utilization and effectiveness of Federal energy data and its manner of collection. The data collection and analysis portion of this report shall be prepared by the Federal Trade Commission for the Administration. Unless specifically prohibited by law, all Federal agencies shall make available estimates, statistics, data and other information in their files which, in the judgment of the Commission or Administration, are necessary for the purposes of this subsection.

(c) The Administrator shall prepare and submit directly to the Congress and the President every year after the date of enactment of this Act a report which shall include—

(1) a review and analysis of the major actions taken by the Administrator;

(2) an analysis of the impact these actions have had on the Nation's civilian requirements for energy supplies for materials and commodities;

(3) a projection of the energy supply for the midterm and long term for each of the major types of fuel and the potential size and impact of any anticipated shortages, including recommendations for measures to—

(A) minimize deficiencies of energy supplies in relation to needs;

(B) maintain the health and safety of citizens;

(C) maintain production and employment at the highest feasible level;

(D) equitably share the burden of shortages among individuals and business firms; and

(E) minimize any distortion of voluntary choices of individuals and firms;

(4) a summary listing of all recipients of funds and the amount thereof within the preceding period; and

(5) a summary listing of information-gathering activities conducted under section 13 of this Act.

(d) Not later than thirty days after the effective date of this Act, the Administrator shall issue preliminary summer guidelines for citizen fuel use.

(e) The Administrator shall provide interim reports to the Congress from time to time and when requested by committees of Congress.

SEX DISCRIMINATION

SEC. 16. No individual shall on the grounds of sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity carried on or receiving Federal assistance under this Act. This provision will be enforced through agency provisions and rules similar to those already established, with respect to racial and other discrimination, under title VI of the Civil Rights Act of 1964. However, this remedy is not exclusive and will not prejudice or remove any other legal remedies available to any individual alleging discrimination.

ADVISORY COMMITTEES

SEC. 17. (a) Whenever the Administrator shall establish or utilize any board, task force, commission, committee, or similar group, not composed entirely of full-time Government employees, to advise with respect to, or to formulate or carry out, any agreement or plan of action affecting any industry or segment thereof, the Administrator shall endeavor to insure that each such group is reasonably representative of the various points of view and functions of the industry and users affected, including those of residential, commercial, and industrial consumers, and shall include, where appropriate, representation from both State and local governments, and from representatives of State regulatory utility commissions, selected after consultation with the respective national associations.

(b) Each meeting of such board, task force, commission, committee, or similar group, shall be open to the public, and interested persons shall be permitted to attend, appear before, and file statements with, such group, except that the Administrator may determine that such meeting shall be closed in the interest of national security. Such determination shall be in writing, shall contain a detailed explanation of reasons in justification of the determination, and shall be made available to the public.

(c) All records, reports, transcripts, memoranda, and other documents, which were prepared for or by such group, shall be available for public inspection and copying at a single location in the offices of the Administration.

(d) Advisory committees established or utilized pursuant to this Act shall be governed in full by the provisions of the Federal Advisory Committee Act (Public Law 92-468, 86 Stat. 770), except as inconsistent with this section.

ECONOMIC ANALYSIS OF PROPOSED ACTIONS

SEC. 18. (a) In carrying out the provisions of this Act, the Administrator shall, to the greatest extent practicable, insure that the potential economic impacts of proposed regulatory and other actions are evaluated and considered, including but not limited to an analysis of the effect of such actions on—

(1) the fiscal integrity of State and local governments;

(2) vital industrial sectors of the economy;

(3) employment, by industrial and trade sectors, as well as on a national, regional, State, and local basis;

(4) the economic vitality of regional, State, and local areas;

(5) the availability and price of consumer goods and services;

(6) the gross national product;

(7) low and middle income families as defined by the Bureau of Labor Statistics;

(8) competition in all sectors of industry; and

(9) small business.

(b) The Administrator shall develop analyses of the economic impact of various conservation measures on States or significant sectors thereof, considering the impact on both energy for fuel and energy as feed stock for industry.

(c) Such analyses shall, wherever possible, be made explicit, and to the extent possible, other Federal agencies and agencies of State and local governments which have special knowledge and expertise relevant to the impact of proposed regulatory or other actions shall be consulted in making the analyses, and all Federal agencies are authorized and directed to cooperate with the Administrator in preparing such analyses: *Provided*, That the Administrator's actions pursuant to this section shall not create any right of review or cause of action except as would otherwise exist under other provisions of law.

(d) The Administrator, together with the Secretaries of Labor and Commerce, shall monitor the economic impact of any energy actions taken by the Administrator, and shall provide the Congress with a report every six months on the impact of the energy shortage and the Administrator's actions on employment and the economy. Such report shall contain recommendations as to whether additional Federal programs of employment and economic assistance should be put into effect to minimize the impact of the energy shortage and any actions taken.

(e) The Administrator shall formulate and implement regulatory and other actions in a manner (1) which does not unduly discriminate against any industry or any region of the United States; and (2) designed to insure that, to the greatest extent possible, the costs and burdens of meeting energy shortages shall be borne equally by every sector and segment of the country and of the economy.

MANAGEMENT OVERSIGHT REVIEW

SEC. 19. The Administrator may, for a period not to exceed thirty days in any one calendar year, provide for the exercise or performance of a management oversight review with respect to the conduct of any Federal or State (with consent of the Governor) energy program conducted pursuant to this Act. Such review may be conducted by contract or by any Federal department or agency. A written report shall be submitted to the Administrator concerning the findings of the review.

COORDINATION WITH, AND TECHNICAL ASSISTANCE TO, STATE GOVERNMENTS

SEC. 20. (a) The Administrator shall—

(1) coordinate Federal energy programs and policies with such programs and policies of State governments by providing—

(A) within sixty days of the effective date of this Act, the Congress and State governments with a report on the manner in which he has organized the Administration based upon the functions delegated by the President or assigned to the Administrator by this Act or under the authority of other Acts; and

(B) within one hundred and twenty days of the effective date of this Act, the public, State governments, and all Members of the Congress with a report in nontechnical language which—

(i) describes the functions performed by the Administration;

(ii) sets forth in detail the organization of the Administration, the location of its offices (including regional, State, and local offices), the names and phone numbers of Administration officials, and other appropriate information concerning the operation of the Administration;

(iii) delineates the role that State, and Federal governments will or may perform in achieving the purposes of this Act; and

(iv) provides the public with a clear understanding of their duties and obligations, rights, and responsibilities under any of the programs or functions of the Administration;

(2) before promulgating any rules, regulations, or policies, and before establishing any programs under the authority of this Act, provide, where practicable, a reasonable period in which State governments may provide written comments if such rules, regulations, policies, or programs substantially affect the authority or responsibility of such State governments;

(3) provide, in accordance with the provisions of this Act, upon request, to State governments all relevant information he possesses concerning the status and impact of

energy shortages, the extent and location of available supplies and shortages of crude oil, petroleum products, natural gas, and coal, within the distribution area serving that particular State government; and

(4) provide for a central clearinghouse for Federal agencies and State governments seeking energy information and assistance from the Federal Government.

(b) Pursuant to his responsibility under this section, the Administrator shall—

(1) provide technical assistance—including advice and consultation relating to State programs, and, where necessary, the use of task forces of public officials and private persons assigned to work with State governments—to assist State governments in dealing with energy problems and shortages and their impact and in the development of plans, programs, and policies to meet the problems and shortages so identified;

(2) convene conferences of State and Federal officials, and such other persons as the Administrator designates, to promote the purposes of this Act, and the Administrator is authorized to pay reasonable expenses incurred in the participation of individuals in such conferences;

(3) draft and make available to State governments model legislation with respect to State energy programs and policies; and

(4) promote the promulgation of uniform criteria, procedures, and forms for grant or contract applications for energy proposals submitted by State governments.

OFFICE OF PRIVATE GRIEVANCES AND REDRESS

SEC. 21. (a) The Administrator shall establish and maintain an Office of Private Grievances and Redress, headed by a director, to receive and evaluate petitions filed in accordance with subsection (b) of this section, and to make recommendations to the Administrator for appropriate action.

(b) Any person, adversely affected by any order, rule, or regulation issued by the Administrator in carrying out the functions assigned to him under this Act, may petition the Administrator for special redress, relief, or other extraordinary assistance, apart from, or in addition to, any right or privilege to seek redress of grievances provided in section 7.

(c) The Administrator shall report quarterly to the Congress on the nature and number of the grievances which have been filed, and the action taken and relief provided, pursuant to this section; and he shall make recommendations to the Congress from time to time concerning legislative or administrative actions which may be taken to better assist persons adversely affected by the energy shortages and to distribute more equitably the burdens resulting from any measures adopted, or actions taken, by him.

COMPREHENSIVE ENERGY PLAN

SEC. 22. (a) Pursuant and subject to the provisions and procedures set forth in this Act, the Administrator shall, within six months from the date of the enactment of this Act, develop and report to the Congress and the President a comprehensive plan designed to alleviate the energy shortage, for the time period covered by this Act. Such plan shall be accompanied by full analytical justification for the actions proposed therein. Such analysis shall include, but not be limited to—

(1) estimates of the energy savings of each action and of the program as a whole;

(2) estimates of any windfall losses and gains to be experienced by corporations, industries, and citizens grouped by socioeconomic class;

(3) estimates of the impact on supplies and consumption of energy forms consequent to such price changes as are or may be proposed; and

(4) a description of alternative actions which the Administrator has considered together with a rationale in explanation of the rejection of any such alternatives in preference to the measures actually proposed.

(b) The Administrator may, from time to time, modify or otherwise alter any such plan, except that, upon request of an appropriate committee of the Congress, the Administrator shall supply analytical justifications for any such alterations.

(c) The Administrator shall be responsible for monitoring any such plans as are implemented with respect to their effectiveness in achieving the anticipated benefits.

PETROCHEMICAL REPORT

SEC. 23. (a) Within ninety days after he has entered upon the office of Administrator or has been designated by the President to act in such office, the Administrator, or acting Administrator, as the case may be, with the assistance of the Department of Commerce, the Cost of Living Council, and the United States Tariff Commission shall, by written report, inform the Congress as to the—

(1) effect of current petrochemical prices upon the current level of petrochemical exports, and export levels expected for 1975;

(2) effect of current and expected 1975 petrochemical export levels upon domestic petrochemical raw materials and products available to petrochemical producers, converters, and fabricators currently and in 1975;

(3) current contribution of petrochemical imports to domestic supplies and the expected contribution in 1975;

(4) anticipated economic effects of current and expected 1975 levels of domestic supplies of petrochemicals upon domestic producers, converters, and fabricators of petrochemical raw materials and products; and

(5) exact nature, extent, and sources of data and other information available to the Federal Government regarding the matters set forth in paragraphs (1) through (4) of this subsection, including the exact nature, extent, and sources of such data and information utilized in connection with the report required by this subsection.

(b) As used in this section, the term "petrochemical" includes organic chemicals, cyclic intermediates, plastics and resins, synthetic fibers, elastomers, organic dyes, organic pigments, detergents, surface active agents, carbon black and ammonia.

HYDROELECTRIC GENERATING FACILITIES

SEC. 24. Within ninety days of the effective date of this Act, the Administrator of the Federal Energy Administration, in consultation with the Secretary of the Interior and the Secretary of the Army, shall—

(1) transmit to the Congress—

(A) a list of hydroelectric generating facilities and electric power transmission facilities which have been authorized for construction by the Congress and which are not yet completed, and

(B) a list of opportunities to increase the capacity of existing hydroelectric generating facilities; and

(2) provide, for each such facility which is listed—

(A) a construction schedule and cost estimates for an expedited construction program which would make the facility available for service at the earliest practicable date, and

(B) a statement of the accomplishments which could be provided by the expedited completion of each facility and a statement of any funds which have been appropriated but not yet obligated.

INFORMATION CONCERNING TRANSACTION, SALE, EXCHANGE OR SHIPMENT INVOLVING THE EXPORT FROM THE UNITED STATES TO A FOREIGN NATION OF COAL AND ANY REFINED PETROLEUM PRODUCT

SEC. 25. (a) The Administrator is authorized and directed to establish and maintain a file which shall contain information concerning every transaction, sale, exchange or shipment involving the export from the United States to a foreign nation of coal, crude oil, residual oil or any refined petroleum product. Information to be included in the file shall be current and shall include, but shall not be limited to, the name of the exporter (including the name or names of the holders of any beneficial interests), the volume and type of product involved in the export transaction, the manner of shipment and identification of the vessel or carrier, the destination, the name of the purchaser if a sale, exchange or other transaction is involved, and a statement of reasons justifying the export.

(b) Upon request of any committee of Congress or the head of any Federal agency, the Administrator shall promptly provide any information maintained in the file and a report thereon to such committee, or agency head, except where the President finds such disclosure to be detrimental to national security.

(c) Notwithstanding any other provision of law, any Federal agency which collects or has information relevant to the functions required by this section shall make such information available to the Administrator.

FOREIGN OWNERSHIP

SEC. 26. The Administrator shall conduct a comprehensive review of foreign ownership of, influence on, and control of domestic energy sources and supplies. Such review shall draw upon existing information, where available, and any independent investigation necessary by the Administration. The Administrator shall, on or before the expiration of the one hundred and eighty day period following the effective date of this Act, report to the Congress in sufficient detail so as to apprise the Congress as to the extent and forms of such foreign ownership of, influence on, and control of domestic energy sources and supplies, and shall thereafter continue to monitor such ownership, influence and control.

SEPARABILITY

SEC. 27. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the remainder of this Act, and the application of such provision to other persons or circumstances, shall not be affected thereby.

REVERSION

SEC. 28. Upon the termination of this Act, any functions or personnel transferred by this Act shall revert to the department, agency, or office from which they were transferred. An officer or employee of the Federal Government who is appointed, without break in service of one or more workdays, to any position for carrying out functions under this Act is entitled, upon separation from such position other than for cause, to reemployment in the position occupied at the time of appointment, or in a position of comparable grade and salary.

AUTHORIZATION OF APPROPRIATIONS

SEC. 29. There are hereby authorized to be appropriated to the Administrator, to remain available until expended, $75,000,000 for fiscal year 1974, and $200,000,000 annually for each of fiscal years 1975 and 1976 to carry out the purposes of this Act.

EFFECTIVE DATE; TERMINATION DATE

SEC. 30. This Act shall become effective sixty days after the date of enactment or sooner if the President publishes notice in the Federal Register. This Act shall terminate June 30, 1976.

And the Senate agree to the same.

CHET HOLIFIELD,
BENJAMIN S. ROSENTHAL,
FERNAND J. ST GERMAIN,
DON FUQUA,
FRANK HORTON,

JOHN N. ERLENBORN,
JOHN W. WYDLER,
Managers on the Part of the House.
ABRAHAM RIBICOFF,
SAM J. ERVIN, Jr.,
HENRY M. JACKSON,
EDMUND S. MUSKIE,
LEE METCALF,
CHARLES H. PERCY,
JACOB K. JAVITS,
EDWARD J. GURNEY,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 11793) to recognize and consolidate certain functions of the Federal Government in a new Federal Energy Administration in order to promote more efficient management of such functions, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

Except for certain clarifying, clerical, conforming and other technical changes, the changes made to deal with the differences between the House bill and the Senate amendment are noted below.

SECTIONS 1–3—TITLE AND DECLARATION

The conferees agreed not to carry "emergency" in the title of the act and the Administration and made conforming changes in the text. The conference substitute adopts the House bill's sections 1 through 3 with an amendment retaining the wording in Senate section 102(b) emphasizing that the sole purpose of the act is to reorganize certain governmental functions on an interim basis to deal with the Nation's energy shortages.

SECTIONS 4 AND 7(a)—OFFICERS AND EMPLOYEES

The House bill provided for two Deputy Administrators (section 4(c)). The Senate amendment provided for one Deputy Administrator (section 103(a)) and other personnel requirements, not contained in the House bill, as follows: (1) Officers in charge of five specific programs — allocation, rationing, pricing, State and local coordination, and economic impact analysis—were to be not lower than executive level V officers, appointed by the President with the advice and consent of the Senate (section 107(b), (c)); and (2) one hundred new GS-16, 17, and 18 positions were authorized, of which twenty-five were to be filled without regard to the laws governing appointments in the competitive civil service (section 106(a) (1)).

The conference substitute incorporates (1) the House provision for two Deputy Administrators (section 4(c)); (2) a modified Senate provision for Presidential appointment of officers principally in charge of four specified programs; allocation, rationing, pricing, and Federal and State coordination (section 4(f) (2)); and (3) a modified Senate provision for additional supergrades, reduced in number to ninety-one, with the total number of supergrades in the agency limited to one hundred and five (section 7(a)). Twenty-five of the ninety-one positions may be filled without regard to the laws governing appointment in the competitive civil service. This exemption applies to individual appointments, not to job classification and qualifications.

The conferees agreed that, in view of the extraordinary scope and complexity of the Administrator's responsibilities, two Deputy Administrators were justified. It is contemplated that one will be in charge of the Administration's program operations and the other will develop the Administration's policies and plans.

The conferees also agreed that the additional supergrades were warranted in view of the importance of the Administrator's responsibilities and need to pay salaries adequate to assure hiring the most qualified personnel possible. The Administrator would be expected to exercise judgment in filling these positions, so that they will be utilized only when necessary to administer the programs of the agency.

In concurring in the provision for Presidential appointment of executive level V officers with principal responsibility for specified programs, the conferees agreed that the four program areas of rationing, pricing, allocation, and Federal and State coordination were of such importance to the purposes of the act that they should be directed by officers subject to Senate confirmation. The conference substitute requires that officials having principal responsibility for these four programs be placed in positions not lower than executive level V. The Administrator is not precluded from distributing responsibility for these programs among the four officers in a manner which separates operations from planning. The provision applies to current and future pricing, allocation, and Federal-State coordination, but to rationing only if and when a Federal rationing program is actually implemented pursuant to authority granted under other legislation.

The provisions of the House bill governing the order in which other officers would serve in the absence of the Administrator (section 4(h)) mandated a more specific order of succession than the corresponding section of the Senate amendment (section 103(f)). The conferees adopted in subsection 4(h) the language of the Senate amendment.

SECTION 4(i)—CONFLICT OF INTEREST

Both the House bill and the Senate amendment contain similar provisions governing use of the waiver provisions under 18 U.S.C. 208. That law prohibits a Government officer or employee from acting in circumstances where he may have a conflict of interest unless he gets a waiver from his supervisor. The House bill (section 4(i)) provided that the Administrator alone could authorize such a waiver, and required 30 days' advance notice to Congress with a detailed description of the conflicting interest. The Senate amendment (section 106(b)) provided that a waiver must be personally authorized by the Administrator, Deputy Administrator, or General Counsel, and required public notice of each such waiver, along with a detailed statement justifying the waiver.

The conference substitute retains the wording in the House version with an amendment requiring only 10 days' advance notice to Congress and with a further amendment requiring that the report sent to Congress also be published in the Federal Register (section 4(i)). The conferees recognized that waivers may be justified in special cases, but the provision adopted reflects the view of the conferees that extreme caution should be taken in waiving the applicability of section 208; and that such waivers should be granted only when absolutely necessary to obtain the services of persons with special competence.

SECTION 4(j)—PROHIBITION AGAINST DUAL EMPLOYMENT

The conference substitute incorporates a provision, found in the House bill (section 8(e)) but not in the Senate amendment, prohibiting the Administrator, Deputy and Assistant Administrators, and General Counsel from holding other positions in the executive branch.

The conferees wish to make clear that this prohibition applies only to full-time positions and does not preclude additional service as part-time advisers or as part-time members of committees in the executive branch performing coordinating or consulting functions.

SECTION 5—FUNCTIONS AND PURPOSES

The House bill (section 5) enumerated 14 functions of the Administrator. The Senate amendment (sections 104 and 108(i)) included a general statement of his responsibilities. Both bills contained specific provisions to make it clear that the statements of responsibilities and functions did not grant new program authority to the Administrator.

The conference substitute is a composite of the House and Senate versions. The Administrator will have only the authorities specifically transferred or vested in him by the act, delegated to him by the President pursuant to specific authority of law, or otherwise specifically vested in the Administrator by Congress (section 5(a)). The conferees included in section 5(a) of the substitute the substance of both Senate section 104, describing the Administrator's authority, and section 108(i), which prohibits the Administrator from exercising any authority except that specifically conferred upon him.

The conference substitute is not intended to preclude the Administrator, as the head of a Federal agency, from acting under delegations based on statutory provisions which expressly enable one agency head to delegate certain authority to any other agency head. For example, the Administrator of General Services may make delegations of this type, to the extent authorized by law, with respect to such matters as automatic data processing, property disposal, and public buildings.

The conference substitute modifies slightly the list of functions in the House bill (section 5) which the Administrator may perform, to the extent authorized by other provisions of the act. One of the 14 listed functions, requiring the Administrator to expedite development of energy resources, was eliminated to emphasize that the Administrator's primary concern should be to alleviate immediate energy shortages and administer conservation measures rather than to engage in long-range research and development. The conferees did not intend, however, that FEA be precluded from undertaking efforts to promote the increased utilization of known energy resources through application of currently available technologies. Another function, relating to summer guidelines for citizen fuel use, was changed to a requirement for a report by the Administrator (section 15(d)).

SECTION 7(c)—COORDINATION WITH COST OF LIVING COUNCIL AND WITH ENVIRONMENTAL PROTECTION AGENCY

The Senate amendment, but not the House bill, contained provisions requiring the Administrator to submit proposed rules, regulations, or policies relating to energy pricing to the Cost of Living Council, and proposed energy regulations affecting the environment to the Environmental Protection Agency (section 106(a) (3)). As set forth in the Senate amendment both COLC and EPA are to receive notice at least 5 days in advance. The COLC may disapprove the proposed regulation within the period provided. The EPA may offer comments for the consideration of the Administrator, and these must be published along with the Administrator's proposed action. In an emergency these requirements may be suspended for 14 days.

The conference substitute incorporates the substance of the Senate provision with technical and clarifying amendments which make it clear that the Administrator must inform

EPA and COLC prior to providing the public with any notice that it is proposing to take certain actions. In the case of actions affecting the environment, EPA's comments must accompany the first public notice of the Administration's proposals.

SECTION 7(d)—VOLUNTARY AND UNCOMPENSATED SERVICES

The House bill included a provision allowing the Administrator to accept voluntary and uncompensated services (section 7(f)). Both the House bill and the Senate amendment permitted the Administrator to utilize the services of Federal and State agencies and instrumentalities with or without reimbursement, but the House version extended this provision to "private" agencies or instrumentalities (House bill, section 7(e); Senate amendment, section 106(a)(4)).

The conference substitute deletes the provision for acceptance of voluntary and uncompensated services and limits the provision for utilization of agency services, with or without reimbursement, to "public" agencies (section 7(d)). The conferees agreed that it is important to preclude any possibility or appearance that private interests exercise undue influence on the Administration by providing special uncompensated services.

SECTION 7(g)-(h)—ADMINISTRATIVE PROVISIONS

Both the House bill and Senate amendment authorized the Administrator to enter into contracts, leases and cooperative agreements, but the Senate amendment added "other transactions" (House bill, section 7(i); Senate amendment, section 106(a)(7)).

The conference substitute authorizes the Administrator to enter into contracts, leases, cooperative agreements and "similar" transactions. Though this language was adopted to give the Administrator needed flexibility, the conferees do not intend thereby to authorize the Administrator to make grants or grants-in-aid. The conferees deleted the requirement in the Senate provision that such transactions be entered into "subject to appropriation acts," since the Administrator, under other law, will be subject to this limitation in any event.

The conference substitute also incorporates an administrative provision found in the Senate amendment (section 106(a)(8)), but not in the House bill, authorizing the Administrator to perform such other activities as may be necessary for the fulfillment of his administrative duties and functions. The intent is to give him incidental powers of an administrative nature necessary for the efficient running of the Administration, and not to expand in any way his substantive authority beyond the limitations of section 5(a) of the conference substitute.

SECTION 7(i)—ADMINISTRATIVE PROCEDURE AND JUDICIAL REVIEW

Both the House bill and the Senate amendment include similar provisions establishing administrative and judicial review procedures for the Administration (House bill, section 7(j); Senate amendment, sections 121 and 122). However, the House bill and Senate amendment differed in such matters as the application of the procedures to State and local government actions, the functions covered, the number of provisions of the Administrative Procedure Act applicable, and the time allowed for public comment and hearing.

The conference substitute in section 7(i)(1) and (3) adopts substantially the House provisions as being somewhat more detailed and complete. The subsection applies with modifications, Administrative Procedure Act provisions not only to rules and regulations, but also to orders similar to a rule or regulation. This reflects the conferees' intent that the Administrator should provide notice and opportunity for comment whenever his proposed action could have an impact on more than the few persons who, in the absence of such public notice, would be likely anyway to receive personal notice of the proposed action. It is expected that the exception to the notice of the proposed provision in paragraph (B) of section 7(i) of the conference substitute will be used very sparingly.

Paragraph (C) requires that opportunity for oral comments be provided if the rule, regulation, or order is likely to have a substantial impact on the Nation's economy or large numbers of individuals or businesses. The number of individuals or businesses need not necessarily be large relative to the entire population, but should be substantial in a given sector of the country or the economy. The conferees intend that if the Administrator is in doubt about the applicability of any of the standards provided in this section, he will resolve the doubt in favor of the fullest application of procedural safeguards.

The House bill and the Senate amendment differed with respect to appeals from general administrative rulemaking. The conference substitute, in section 7(i)(2), adopts the House language with technical amendments to make clear that with respect to judicial review of general rulemaking under the act, actions taken pursuant to the Emergency Petroleum Allocation Act of 1973 will continue to follow the special procedures provided in the Allocation Act for facilitating appeals through the use of the Temporary Emergency Court of Appeals. This clarification comports with the provisions in section 7(i)(2)(B), adopting language in both the House bill and the Senate amendment, which provides that the U.S. district courts shall have jurisdiction over all other cases or controversies arising under the Federal Energy Administration Act. Appeals from the district courts in cases involving Allocation Act matters presently go to the Temporary Emergency Court of Appeals, and nothing in either the House bill, Senate amendment, or conference substitute alters this procedure.

The conference substitute in section 8(b) and (f) makes it clear that in the event of any inconsistency between the administrative and judicial review procedures presently applicable to functions transferred by the act, and the procedures specifically established by section 7, the provisions in section 7 shall govern.

SECTION 12—ACCESS TO INFORMATION BY COMPTROLLER GENERAL

Both the House bill and the Senate amendment authorized the Comptroller General to monitor Administration operations, to make his reports available to the public, and to gain access to certain Administration and private records. The House bill limited such access to information in the possession of the Administration and to certain records of Government contractors and recipients of Federal funds (section 14(a)). The Senate amendment was considerably broader. It granted the Comptroller General the right of access to data from any public or private source or organization relating to the management and conservation of energy, permitted him to obtain information from persons under oath, and authorized the issuance of subpenas for the production of records (section 119 (a)-(c)).

The conference substitute follows the Senate version but with signficant limitations and controls. It authorizes the Comptroller General to request information or records only from owners or operators of business premises engaged in any phase of energy supply or major consumption of energy, and it authorizes the Comptroller General to issue subpenas for the production of such business records, provided he first obtains the concurrence by resolution of a duly established committee of the Congress having legislative or investigative jurisdiction over the subject matter. The resolution must set forth the necessity and scope of the subpenas and the identity of the persons to be served.

The conference substitute also incorporates a provision in the House bill (section 14(b)) reiterating the prohibition in 18 U.S.C. 1905 against disclosure to the public of trade secrets and other confidential data but making such information available by the Comptroller General or the Administrator to Congress, courts and Federal agencies for official use. The Senate amendment (section 119(e)) contained a comparable provision, but it did not specifically provide that confidential information could be disclosed to Congress, courts, or agencies.

The provisions for disclosure by the Administrator contained in section 12(f) refer only to information received from the Comptroller General under section 12. Disclosure of information obtained by the Administrator from other sources is subject to section 14 of the conference substitute.

SECTION 13—INFORMATION GATHERING BY THE ADMINISTRATOR

Both the House bill and the Senate amendment contained comparable provisions giving the Administrator extensive information-gathering powers, including the right to conduct investigations; to require that persons provide information, reports, or responses to specific questions or to general surveys or questionnaires; to make on-site investigations, including the examination of records; to subpena witnesses and documentary material; to administer oaths; and to seek the aid of a Federal court in the enforcement of subpena rights (House bill, section 15(a)-(c); Senate amendment, section 116(a)-(d)). The House bill differed primarily in requiring categorical groupings of information; in limiting the persons subject to the Administrator's information-gathering powers to owners or operators of business premises engaged in energy supply or major energy consumption rather than to persons subject to any rule, regulation or order of the Administrator; and in providing for an administrative warrant before inspecting premises. The warrant provision was drawn from the Comprehensive Drug Abuse Prevention and Control Act (21 U.S.C. 880).

The conference substitute is a composite of the House and Senate versions. It incorporates the House provisions prescribing categorical groupings and limits the Administrator's information-gathering powers to owners or operators of business premises engaged in energy supply or major energy consumption. However, it omits the wording with regard to use of administrative warrants for inspection of premises so as to eliminate any possibility that the provision would be interpreted as permitting unjustified invasions of a person's rights of privacy. If the Administrator encounters any difficulty in obtaining access to premises to conduct inspections, he will be able to seek the aid of a court for appropriate enforcement of his right of inspection through judicial warrant or other legal process.

The conference substitute (section 13(f)) retains a provision found in the House bill (section 15(d)) giving the Administrator access to data in other agencies concerning energy resources on Government-owned lands.

SECTION 14(a)-(b)—PUBLIC DISCLOSURE OF INFORMATION

The conference substitute incorporates a provision of the Senate amendment (section 117(a)) imposing upon the Administrator an affirmative duty to keep the public fully informed by publicizing information concerning energy shortages and supplies, the impact of shortages on the economy, and steps being taken to minimize such impact (section 14(a)).

Both bills contained provisions relating to public access to information. The House bill reiterated the protection given trade secrets and other confidential information under 18 U.S.C. 1905 (section 16(a)). The Senate amendment directed the withholding of information protected from disclosure by the Freedom of Information Act (5 U.S.C. 552), but specifically required disclosure of certain corporate financial data.

The conference substitute incorporates a provision authorizing disclosure of confidential information under 18 U.S.C. 1905 to persons performing functions under this act, or in court proceedings. It also requires public disclosure, upon request, of information of the type which could not be excluded from public annual reports to the Securities and Exchange Commission.

In other respects, the Freedom of Information Act will govern. The Administrator may withhold matters within the exemptions provided by that act, but there is nothing in the conference substitute requiring him to do so. In determining whether to disclose information under the Freedom of Information Act, the conferees expect that the Administrator will give consideration, among other things, to his affirmative duty imposed by section 14(a) to keep the public informed.

SECTION 14(3)—HANDLING PERSONAL DATA

The House bill contained a provision directing the Administrator to establish guidelines for handling data pertaining to individuals, giving them notice, access, and opportunity to contest the accuracy, pertinency, and inclusion of such data. The Administrator also was directed to protect such data against "indiscriminate" transfers to other persons, organizations, or agencies (section 16(b)).

The Senate amendment contained no comparable provision.

The conference substitute incorporates the House provision, but modifies it to require the Administrator to provide guidelines for the handling of information pertaining to individuals which shall, to the extent practicable, afford each affected individual access to information pertaining to himself. It was the intent of the conferees that this provision apply only to information concerning individuals in their strictly personal capacity, and not to information which relates in any way to an individual's business activities covered by this act.

SECTION 16—SEX DISCRIMINATION

The conference substitute incorporates a provision against sex discrimination. The House bill (section 21), but not the Senate amendment, included such a provision.

SECTION 17(a)—ADVISORY COMMITTEES

The House bill authorized the Administrator to appoint advisory boards in accordance with the provisions of the Federal Advisory Committee Act (U.S.C. App. I (1972 Supp.)) and directed him to establish a separate advisory board of State public utility commissioners (section 7(c)).

The Senate amendment (section 118) directed the Administrator to assure that each advisory group was reasonably representative of the different interests affected, including State and local governments and public utility commissions. It also required each meeting of an advisory group to be open to the public unless closed for national security reasons, and gave the public ready access to all records, reports, and transcripts of group meetings. In other respects it made the Federal Advisory Committee Act controlling.

The conference substitute incorporates, with minor amendments, the provisions in the Senate amendment.

SECTION 21—OFFICE OF PRIVATE GRIEVANCES AND REDRESS

The Senate amendment (section 124) had a provision not in the House bill creating an Office of Private Grievances and Redress. The conference substitute adopts the Senate provision with technical amendments to make it clear that the Director of the Office of Private Grievances and Redress will have no independent statutory authority, apart from the Administrator, to grant relief to petitioners, and that the procedures established by this section are in addition to those provided under section 7. The reporting requirements also were amended to make them the formal responsibility of the Administrator rather than the Director.

SECTION 29—AUTHORIZATIONS

In place of the House provision authorizing appropriations as necessary (section 13), the conference substitute incorporates the Senate provision (section 132(a)) authorizing appropriations of $75 million for fiscal year 1974, and $200 million each for fiscal years 1975 and 1976. The conference substitute omits provisions in the Senate amendment for additional appropriations if a rationing program is adopted, and for mandatory apportionment of appropriations during the fiscal year for which such sums were appropriated (section 132 (b)-(c)).

SECTION 30—TERMINATION DATE

In place of the House provision for termination of the act in two years (section 19), and the Senate provision for termination on June 30, 1975 (section 131), the conference substitute provides for termination of the act on June 30, 1976.

REPORTS, ANALYSES, AND REVIEWS

The conference substitute includes provisions for the following:

Section 15(a)—A report by the President six months before expiration of the act, with recommendations concerning (1) the disposition or possible continuance of the Administration's functions, and (2) a Federal organization for energy and natural resources. This was a consolidation of language in the House bill (section 17(a)) and the Senate amendment (section 126).

Section 15(b)—A report within a year on oil and gas reserves. The conference substitute adopts with amendments the House provision (section 17(b)) in lieu of the Senate provision (section 127(a)(5)). The House provision requires that the data collection and analysis portion of the report be prepared by the Federal Trade Commission for the Administration.

Section 15(c)—A yearly report describing the Administration's actions and predicting the Nation's future energy supply. The conference substitute was adapted from the Senate amendment (section 127(a)(1)-(4), (b)).

Section 18—Analysis of the impact of proposed actions by the Administrator, including a requirement for a single report every six months prepared by the Administrator and the Secretaries of Labor and Commerce, and a requirement for nondiscriminatory and equal apportionment of the burdens of energy shortages among all sectors of the country and the economy. This was adapted from the Senate amendment (section 113). The Administrator's actions under this section do not create any new right of review or cause of action.

Section 19—Management oversight reviews by the Administrator of Federal and State energy programs conducted under this act. This was adapted from a Senate provision (section 114).

Section 20—Coordination with, and technical assistance to, State governments. The conference substitute is identical to section 115 of the Senate amendment, except that the Administrator's responsibility for providing coordination and technical assistance need not go beyond State governments. Coordination and assistance to local governments was considered important by the conferees, but as a practical matter it was agreed that in most cases such coordination and assistance would be obtained more expeditiously if provided through State governments.

Section 22—A comprehensive plan for alleviating energy shortages during the period covered by the act, to be developed by the Administrator and submitted to Congress and the President. This was adapted from a Senate provision (section 125).

Section 23—A report on the effect of energy shortages and current prices on the petrochemical industry. This was adapted from a Senate provision (section 128).

Section 24—A report on opportunities for expediting the construction or enlargement of hydroelectric generating facilities, to be prepared by the Administrator in conjunction with the Secretaries of the Interior and Army. This was adapted from a Senate provision (section 129).

Section 25—Compilation and report of information on coal and petroleum product exports. This was adapted from a Senate provision (section 130), with an amendment giving primary responsibility for obtaining the information to the Administrator rather than the Department of Commerce. It is expected that the Department and other Federal agencies will cooperate fully with the Administrator and provide the assistance he needs in compiling data and reporting on coal and petroleum product exports. To enable other agencies to cooperate with the Administrator, subsection (c) exempts them from laws limiting the transfer of information to other agencies. To qualify under this exemption, however, the information must be directly relevant to the purposes of this section.

Section 26—A report on the extent of foreign ownership or control of domestic energy sources and supplies. The Administrator is further charged with continuing responsibility for monitoring such foreign ownership. This was adapted from a Senate provision (section 116(e)).

Changes were made in connection with a number of the above items to allow more time for preparing the reports and to reduce their frequency.

The other reporting requirements contained in the Senate amendment were deleted by the conferees.

MISCELLANEOUS

Other miscellaneous differences between the House bill and the Senate amendment were reconciled as follows:

The Senate amendment, but not the House bill, permitted the President to transfer additional agency functions to the Administrator if Congress specifically approved the transfer after considering it on an expedited basis (section 105(c)). The conference substitute omits the Senate provision.

The conference substitute omits, as unnecessary, a House bill provision (section 9(a)) stating that offices in the Department of the Interior and the Cost of Living Council shall lapse when all their functions are transferred to the Administration.

Section 9—The conference substitute follows the Senate language (section 109) governing incidental transfers by the Director of the Office of Management and Budget. The effect is to direct, as well as authorize, the Director of OMB to make such incidental transfers of personnel, property and funds, etc., as are necessary. The wording in section 10 of the House bill applying this section to the reversion of functions upon the expiration of the act was retained.

Section 11(a)-(b)—The conference substitute adopts with minor changes the Senate version governing interim appointments. As a result, the Administrator's use of funds of other agencies to pay agency officials is limited to those funds applicable to functions transferred to the Administration (Senate amendment, section 111(a); House bill, section 12(a)). Section 11(b) of the conference substitute also incorporates a provision in the Senate amendment (section 111(b)) that temporary transitional appointments by the President of officers requiring Senate confirmation be effective for only 30 days, unless during that time the names of such officers are submitted to the Senate for confirmation. The 30-day limitation was changed from the 60 days originally provided in the Senate amendment to accord with existing law governing Presidential appointments.

Section 11(c)-(d)—The conference substitute incorporates Senate language (section 111(c)-(d)) protecting the employment rights of employees upon transfer to the Administration.

Section 28—The conference substitute governing the reversion of functions for personnel upon the termination of the act makes clear that the section applies to functions for personnel transferred from any executive department, agency, or office. It retains the House provision (section 20) protecting an employee's rights on reversion of functions to other parts of the executive branch. In addition to being assured a job of comparable grade and salary, the employee also will be given credit, upon transfer back to his former agency, of any seniority rights accumulated while working for the Administration. The employee protection rights provided by sections 11 and 28 do not apply to persons who are separated or reduced in grade for cause.

ELIMINATION OF TITLE II OF SENATE AMENDMENT

The Senate amendment (title II) created a three-member Council on Energy Policy to advise the President and Congress, coordinate Federal Govrenment energy activities, collect and analyze energy data, prepare a comprehensive energy plan, and perform other functions.

The House bill had no provisions for a council.

The conference substitute includes no provision for a council. The conferees agreed that establishment of the Council on Energy Policy as a permanent agency would be more appropriate for consideration in connection with permanent legislation than legislation establishing a temporary agency to deal with the current energy shortages.

The elimination of title II does not preclude the establishment by the President, within existing authority, of any council or other organization to coordinate Federal energy policies.

Abraham Ribicoff,
Sam J. Ervin, Jr.,
Henry M. Jackson,
Edmund S. Muskie,
Lee Metcalf,
Charles H. Percy,
Jacob K. Javits,
Edward J. Gurney,
Managers on the Part of the Senate.

Chet Holifield,
Benjamin S. Rosenthal,
Fernand J. St Germain,
Don Fuqua,
Frank Horton,
John N. Erlenborn,
John W. Wydler,
Managers on the Part of the House.

Mr. RIBICOFF. Mr. President, I further ask unanimous consent that the conference report, together with the statement of managers, be printed as a Senate report.

The PRESIDING OFFICER. Without objection, it is so ordered.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. LONG, from the Committee on Finance, with an amendment:

H.R. 8217. A bill to exempt from duty certain equipment and repairs for vessels operated by or for any agency of the United States where the entries were made in connection with vessels arriving before January 5, 1971. (Rept. No. 93-786).

By Mr. TUNNEY, from the Committee on Commerce, with amendments:

S. 1018. A bill to create a National Commission on the Olympic Games to review the question of U.S. participation in the Olympic games and to evaluate and formulate recommendations concerning such participation (Rept. No. 93-787). Referred to the Committee on Foreign Relations.

Mr. TUNNEY. Mr. President, I am reporting herewith a copy of the Commerce Committee report on S. 1018 the National Olympic Commission Act of 1974.

Mr. President, I am asking that this legislation be referred to the Senate Foreign Relations Committee.

The PRESIDING OFFICER. Without objection, it is so ordered.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. CURTIS:

S. 3364. A bill relating to acquiring of certain narcotics by force, violence, or intimidation. Referred to the Committee on the Judiciary.

By Mr. STEVENS:

S. 3365. A bill to amend section 6161(b) of the Internal Revenue Code of 1954 (relating to extension of time for paying tax) to require repayment of deficiencies by installments in cases of undue hardship. Referred to the Committee on Finance.

By Mr. BELLMON:

S. 3366. A bill to amend title 38 of the United States Code to provide for cost-of-living increases in compensation, dependency, and indemnity compensation, and pension payments. Referred to the Committee on Veterans' Affairs.

S. 3367. A bill to revise the period used for determining changes in the index of prices paid by farmers and in the national average yield per acre for the purpose of making adjustments in the target price of the 1976 crops of wheat, feed grains, and cotton. Referred to the Committee on Agriculture and Forestry.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. STEVENS:

S. 3365. A bill to amend section 6161 (b) of the Internal Revenue Code of 1954 (relating to extension of time for paying tax) to require repayment of deficiencies by installments in cases of undue hardship. Referred to the Committee on Finance.

Mr. STEVENS. Mr. President, the bill I am introducing today would allow individual citizens to pay tax deficiencies to the Internal Revenue Service by installment payments in cases in which the immediate payment of such deficiencies would pose an undue hardship to them. I believe that such an amendment to the Internal Revenue Code would alleviate much of the difficulties which presently face medium- and lower-income Americans who, whether through oversight or inadvertence, are determined to owe sums to the Service.

Through the nearly 6 years in which I have been a Member of the Senate, my office has received numerous complaints from American taxpayers regarding the treatment which they have received from the Internal Revenue Service and its employees. Many of my colleagues must have received similar reports from their constituents. Although I know that the majority of the employees working for the Service are well-meaning public servants, too often the American taxpayer comes away from his encounters with the Service with complaints of discourteous treatment and inflexible attitudes on the part of Service employees. Although the Federal Government requires that a diligent effort be maintained to insure the prompt payment of tax obligations by citizens, I believe that this effort can be conducted in an open, courteous, and fair manner by our public employees. For these reasons, I have supported various legislative proposals to help establish certain safeguards to protect the rights of taxpaying Americans. The legislation I am sponsoring today would constitute one additional step toward achieving this goal.

One of the most disturbing problems which has been brought to my recent attention concerns the very real hardships which are posed to many medium- and lower-income taxpayers by being forced to pay immediately tax deficiencies which they are held to owe to the Service. I have been informed that the Internal Revenue Service today, even though it has no statutory authority to do so, will make installment payment arrangements with taxpayers for the liquidation of their tax deficiencies. I am also advised, however, such arrangements are made only when the respective district director of the Service determines that immediate payment of the delinquency would pose an undue hardship to the respective taxpayer. In short, it is entirely up to the discretion of the various district directors as to whether or not to arrange for such a plan. As a result, the standards and criteria which are observed are not uniform on a national basis, but in large part are personal to the Director involved.

Mr. President, I believe that this gap in the Internal Revenue Code's statutory authority should no longer remain unfilled. The American *economy today* operates on and indeed requires the extension of credit and the free transfer of debt obligations. Americans today purchase all kinds of retail consumer goods, automobiles, and homes through installment payments. Likewise, American industry and business finances many of its investments and purchases of equipment, raw materials, and services through installment payments. Indeed, chapter XIII of the Federal Bankruptcy Act allows debtors to arrange court-approved extension plans to liquidate their obligations over time. When, then, should the middle- or lower-income American taxpayer who through a mistake or inadvertence incurs a Federal income tax deficiency be forced to make immediate and total payment of such an obligation—regardless of the particular hardships and adverse consequences

which may be forced upon him or his family? I am well aware that the smooth functioning of our Federal Government requires that citizens pay their tax obligations on time, but there should be provisions for flexibility in cases of undue hardship.

The legislation I am proposing would provide for installment payment plans only for individual taxpayers and not for corporations or other legal entities. Moreover, to insure that such a plan would not be abused, I have included a provision declaring that such installment payments may not be employed in cases in which an individual taxpayer is determined to have deficient tax obligations due to gross negligence, intentional disregard of the rules and regulations of the Internal Revenue Code, or fraud with intent to evade his lawful tax. I believe that these provisions will confine the operation of installment payment plans to taxpayers who have incurred deficiencies through bona fide mistakes.

Finally, in order for a deficient taxpayer to qualify for the operation of such a plan, I have included a provision that requires the taxpayer to show to the satisfaction of officials of the Internal Revenue Service that, first, he does not have sufficient assets in excess of the amount of assets he requires to subsist and conduct his business, if any, which he can convert into a sum sufficient to pay the entire amount of the deficiency; second, he cannot borrow at a reasonable rate of interest a sum sufficient to pay the entire amount of the deficiency; and third, he provides IRS officials with a complete statement of his financial worth on appropriate forms.

These provisions will insure that a taxpayer with modest income will not be forced to sell his business, borrow money at unreasonable or usurious rates, or have his standard of living fall below a subsistence level in order to liquidate a tax deficiency. Moreover, if an installment plan is arranged, I have included a section limiting the amount that can be required to be paid in any one installment period. For this purpose, I have adopted the wording of section 303 of the Consumer Credit Protection Act of 1968 (Public Law 90-321, 15 U.S.C.A. 1613) which restricts the amount of an individual's weekly disposable earnings that is subject to garnishment. Thus, a taxpayer who has arranged such an installment plan with the IRS and who is paid on a weekly basis will not be required to pay more than 25 percent of his weekly disposable earnings for that week or more than the amount by which his weekly disposable earnings exceed thirty—30—times the Federal hourly minimum wage, whichever is less. For taxpayers who are paid on other than a weekly basis, the same limitations would exist, but multiplied to correspond with the length of their respective payment interval.

Mr. President, I am sponsoring this legislation to add a limited degree of flexibility to the operation of the Federal income tax laws, so that middle- and lower-income taxpayers can better meet their lawful tax obligations without undue hardship to themselves or their families. In light of the great current interest which is being manifested regarding proposals for tax reform, it is my earnest hope that my colleagues will favorably examine this proposal, so that the days ahead will see positive action for its implementation.

I ask unanimous consent that the text of my bill be included at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3365

A bill to amend section 6161(b) of the Internal Revenue Code of 1954 (relating to extension of time for paying tax) to require repayment of deficiencies by installments in cases of undue hardship

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 6161(b) of the Internal Revenue Code of 1954 (relating to extension of time for paying tax) is amended to read as follows:

"(b) Amount Determined as Deficiency.—

"(1) Conditions for periodic payments.— In the case of a tax imposed by chapter 1, 12, or 42 the Secretary or his delegate shall extend, in the manner provided in paragraph (2), the time for payment of the amount determined as a deficiency if—

"(A) it is shown to the satisfaction of the Secretary or his delegate that—

"(i) the taxpayer does not have sufficient assets in excess of the amount of assets he requires to subsist and to conduct his business, if any, which he can convert into an amount of money sufficient to pay the entire amount of the deficiency; and

"(ii) the taxpayer cannot borrow at a reasonable rate of interest an amount of money sufficient to pay the entire amount of the deficiency; and

"(B) the taxpayer provides the Secretary or his delegate with a complete statement of his financial worth in the form prescribed by the Secretary or his delegate.

"(2) Manner of payment.—

"(A) If an extension of time for payment is required under paragraph (1), the Secretary or his delegate shall require the taxpayer to pay the amount of the deficiency in periodic payments at such equal intervals of time as the Secretary or his delegate determines are reasonable under the circumstances.

"(B) In the case of a taxpayer whose periodic payment interval is one week, no payment may exceed the lesser of—

"(i) 25 per cent of the taxpayer's disposable earnings for that week, or

"(ii) the amount by which the taxpayer's disposable earnings during that week exceeds 30 times the hourly minimum wage prescribed under section 6 of the Fair Labor Standards Act of 1938.

In the case of any other taxpayer, the Secretary or his delegate shall prescribe a multiple of the hourly minimum wage equivalent in effect to that set forth in clause (ii).

"(C) For purposes of subparagraph (b), the term 'disposable earnings' means that part of the compensation paid or accrued for personal services (whether denominated wages, salary, commission, bonus, or otherwise including periodic payments pursuant to a pension or other retirement program) to any taxpayer minus any amounts required by law to be withheld.

"(3) Denial of extension.—No extension of time for payment shall be granted if the deficiency is due to gross negligence, to intentional disregard of rules and regulations, or to fraud with intent to evade tax.".

SEC. 2. Effective date.—The amendment made by this Act applies to dificiencies for taxable years beginning after December 31, 1974.

By MR. BELLMON:

S. 3366. A bill to amend title 38 of the United States Code to provide for cost-of-living increases in compensation, dependency, and indemnity compensation, and pension payments. Referred to the Committee on Veterans' Affairs.

Mr. BELLMON. Mr. President, today I introduce legislation providing for systematic cost-of-living increases in veterans' benefits.

Mr. President, the need for this legislation is well documented by the present status of our economy. During the past few years, the citizens of this country, especially those on fixed incomes, have suffered from unprecedented inflation. Increases in the cost of living have become a normal expectation. The Government should act effectively to stabilize the cost of living. If this is done, the provisions of this bill will not apply. However, if the cost of living does continue to rise, this bill will provide a means of protection to veterans, the one group which most needs and merits such attention.

In the past 5 years, the cost of living has increased nearly 30 percent. This is the fastest rate of increase in a quarter of a century. The average family in America has seen the price of food go up 22 percent in the last year. In 1973 alone, consumer prices jumped 8.8 percent, and prices in the first months of 1974 continue to rise. Through various means, Congress and the executive branch have attempted to neutralize the effect of rapidly rising prices, yet Americans continue to see their dollar buy less and less.

Every American has felt the squeeze of higher prices. However, the veterans and those dependent on veterans' benefits for economic survival have been especially hard hit. Many veterans and their families rely heavily on these benefits as their major source of income. However, because of the fixed income nature of these benefits, as prices rise their dollar is worth less, and hence the veterans' "benefit" is swallowed by inflation.

Mr. President, Congress has already recognized a proposal analogous to the one I present here today. I refer to the automatic cost-of-living increase which was written into the social security law last year, providing much needed relief for millions of fixed income Americans. Although this legislation was vital to the economic needs of many, certain inequities have resulted which have adversely affected the veteran. In attaching a cost-of-living escalator clause to social security benefits, Congress intended to offset the dollar lost in purchasing power resulting from inflation. However, the subsequent loss in veterans' benefits inadvertently neutralized the intended objective. Figures from the Congressional Research Service indicate that 1.2 million pensioners have had their veterans' benefits reduced as a result of social security increases. Approximately 20,000 pensioners have been dropped from the rolls because of social security increases, and 15,000 have experienced income losses ranging from $38 to $168 annually, with the average loss around $108 annually. Certainly Congress did not intend an overall reduction of veterans benefits, but in many cases this is exactly what happened. In effect, Congress failed to protect the purchasing power of the veterans' dollar and those reliant on veterans' benefits, while at the same time granting nonveterans the full measure of cost-of-living increases. What we have given with one hand we have taken away with the other. This is simply not fair. Corrective action by Congress is badly needed.

Mr. President, this Government is committed toward the goal of insuring the veteran certain benefits for service to our country. This commitment is irreversible. Hence, Mr. President, if we are to keep our promise to the veteran, let us remove the present inequities that have resulted from our own inability to stabilize our unpredictable economy and give the veterans a fair chance to fight the rising cost of living.

Mr. President, the bill I propose today is a workable approach aimed at protecting the purchasing power of the veterans' dollars. I propose a cost-of-living escalator be attached to veterans' benefits to included cases of compensation to veterans for wartime and peacetime service connected disabilities, wartime and peacetime service connected death compensation, dependency compensation, and indemnity compensation paid to surviving spouses, children, and dependent parents, pensions paid for nonservice connected disabilities, and service in specific wars and pensions of widows of wartime veterans. At the beginning of each calendar quarter, the Veterans' Administration would automatically increase veterans' benefits if the consumer price index during the preceding quarter has increased by three-fourths of 1 percent—3 percent annually. Payments would be increased by a percentage equal to the rise in the consumer price index figured to the nearest 0.1 percent. Thus, as the cost of living is pushed up by inflation, benefits provided by the Federal Government will more fully and fairly compensate the veterans for the years of sacrifice and service they have given to our country.

Mr. President, this country owes a great debt of gratitude to its veterans. This legislation is vital to the lasting economic well being of America's veterans. It is my hope that the Senate will act promptly in consideration of this matter.

Mr. President, I ask unanimous consent that the full text of my bill be printed in the Congressional Record at this point.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3366

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) chapter 1 of title 38, United States Code, is amended by adding at the end thereof the following new section:

"§ 113. Cost-of-living increases in benefits

"(a) As soon as possible after the beginning of each calendar quarter, the Administrator shall determine the extent by which the price index in the preceding calendar quarter was higher than the price index in the applicable base period (as those terms are defined in subsection (e)). If he determines that the price index had risen by a percentage (of its level in the base period) equal to 3 per centum or more, the amount of each benefit otherwise payable under this title or the first sentence of section 9(b) of the Veterans' Pension Act of 1959 shall be increased by the same percentage (adjusted to the nearest one-tenth of 1 per centum), effective with respect to benefits for months after the quarter in which the determination is made.

"(b) In the case of any individual who first becomes entitled to a benefit in or after the month in which an increase becomes effective under subsection (a), the amount of the benefit payable to or with respect to him on the basis of such entitlement shall be determined by applying such increase (or, if more than one increase has become effective under subsection (a), by applying all such increases successively) to the amount of the benefit which would be payable under the provisions of this title or the first sentence of section 9(b) of the Veterans' Pension Act of 1959 without regard to this section.

"(c) Any increase under subsection (a) shall apply with respect to all benefits payable under this title or the first sentence of section 9(b) of the Veterans' Pension Act of 1959 during the period in which such increase is effective regardless of the provisions under which such benefits are payable or the manner in which the amounts payable are determined, but shall be applied with respect to the benefit payable to or with respect to any particular individual only after all of the other provisions of this title or the first sentence of section 9(b) of the Veterans' Pension Act of 1959 which relate to eligibility for the amount of such benefit, and all prior increases made in such benefit under this section, have been applied.

"(d) If the amount of the increase in any benefit under subsection (a) is not a multiple of $0.10 it shall be raised to the next higher multiple of $0.10 in the case of a multiple of $0.05 or adjusted to the nearest multiple of $0.10 in any other case.

"(e) For purposes of this section—

"(1) the term 'price index' means the Consumer Price Index (all items, United States city average) published monthly by the Bureau of Labor Statistics; and the average level of the price index for the three months in any calendar quarter shall be deemed to be the level of the price index in such quarter; and

"(2) the term 'base period' means—

"(A) the calendar quarter commencing January 1, 1974, with respect to the first increase under subsection (a), and

"(B) the calendar quarter immediately preceding the quarter in which the determination constituting the basis of the most recent increase under subsection (a) was made, with respect to any increase under subsection (a) after the first such increase.

"(3) the term 'benefit' means compensation, dependency and indemnity compensation, or pension payable under chapter 11, 13, or 15 of this title or pension payable under the first sentence of section 9(b) of the Veterans' Pension Act of 1959."

(b) The table of sections at the beginning of chapter 1 of title 38, United States Code, is amended by adding at the end thereof the following:

"113. Cost-of-living increases in benefits."

Sec. 2. The amendments made by the first section of this Act shall apply only with respect to increases in benefits under title 38, United States Code, or the first sentence of section 9(b) of the Veterans' Pension Act of 1959 for months in and after the second calendar quarter beginning after the date of the enactment of this Act on the basis of determinations made (under section 113 of such title, as added by the first section of this Act) in and after the first calendar quarter beginning after the date of the enactment of this Act.

By Mr. BELLMON:

S. 3367. A bill to revise the period used for determining changes in the index of prices paid by farmers and in the national average yield per acre for the purpose of making adjustments in the target price of the 1976 crops of wheat, feed grains and cotton. Referred to the Committee on Agriculture and Forestry.

Mr. BELLMON. Mr. President, I am introducing today legislation to amend the Agriculture and Consumer Protection Act of 1973.

During the Senate-House conference on that legislation there was considerable give and take between the conferees in an effort to arrive at provisions which we felt would be agreeable to all parties concerned, including the President.

One of the compromises was to restrict the cost of production adjustment formula with regard to the target prices to the final 2 years of the program—1976 and 1977. However, it has come to my attention that in the bill finally adopted, the change in the target prices in 1976 will be determined only on the change in the cost of production index in 1975.

In the 7 months since adoption of the Agriculture and Consumer Protection Act, the cost of production index has increased 46 points. There have been very dramatic increases in most farm production inputs. For example, the price of fertilizer has tripled and even quadrupled in some areas, fuel costs have doubled and tripled, and the price of farm machinery and other production items have greatly increased. Under present law these cost of production increases would not be taken into account in determining the 1976 and 1977 target prices.

Mr. President, this Government has asked American farmers to produce at maximum capacity to meet the food and fiber needs of a growing world population. At the same time Government policies have contributed in part to the shortages of fertilizer and other products which has resulted in production cost increases.

The bill I introduce today would amend current law to provide that any changes in the cost of production between the date of enactment of the act August 10, 1973, through calendar year 1975 shall be considered in determining the 1976 and 1977 target prices.

Mr. President, simple justice demands that this action be taken promptly. I ask unanimous consent that the full text of this bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3367

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That—

(a) Section 107(c) of the Agricultural Act of 1949, as amended, is amended by changing in the first sentence the words "during the calendar year 1975" to read "during the period August 10, 1973 through December 31, 1975" and by deleting the proviso clause in such sentence and substituting in lieu thereof the following: "*Provided,* That any increase that would otherwise be made in the established price to reflect a change in the index of prices paid by farmers shall be adjusted to reflect any change in (i) the national average yield per acre of wheat for the calendar years 1973 through 1975 over the national average yield per acre of wheat for the calendar years 1970 through 1972 in the case of the 1976 crop and (ii) the national average yield per acre of wheat for the calendar years 1974 through 1976 over the national average yield per acre of wheat for the calendar years 1973 through 1975 in the case of the 1977 crop.";

(b) Section 105(b)(1) of the Agricultural Act of 1949, as amended, is amended by changing in the second sentence the words "during the calendar year 1975" to read "during the period August 10, 1973 through December 31, 1975" and by deleting the proviso clause in such sentence and substituting in lieu thereof the following: "*Provided,* That any increase that would otherwise be made in the established price to reflect a change in the index of prices paid by farmers shall be adjusted to reflect any change in (i) the national average yield per acre of feed grains for the calendar years 1973 through 1975 over the national average yield per acre of feed grains for the calendar years 1970 through 1972 in the case of the 1976 crop and (ii) the national average yield per acre of feed grains for the calendar years 1974 through 1976 over the national average yield per acre of feed grains for the calendar years 1973 through 1975 in the case of the 1977 crop."; and

(c) Section 103(e)(2) of the Agricultural Act of 1949, as amended, is amended by changing in the first sentence the words "during the calendar year 1975" to read "during the period August 10, 1973 through December 31, 1975" and by deleting the proviso clause in such sentence and substituting in lieu thereof the following: "*Provided,* That any increase that would otherwise be made in the established price to reflect a change in the index of prices paid by farmers shall be adjusted to reflect any change in (i) the national average yield per acre of cotton for the calendar years 1973 through 1975 over the national average yield per acre of cotton for the calendar years 1970 through 1972 in the case of the 1976 crop and (ii) the national average yield per acre of cotton for the calendar years 1974 through 1976 over the national average yield per acre of cotton for the calendar years 1973 through 1975 in the case of the 1977 crop."

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 200

At the request of Mr. McIntyre, the Senator from Arizona (Mr. Fannin) was added as a cosponsor of S. 200, to require that new forms and reports, and revisions of existing forms, resulting from legislation be contained in reports of committees reporting the legislation.

S. 411

At the request of Mr. McGee, the Senator from California (Mr. Cranston), the Senator from Iowa (Mr. Clark), and the Senator from South Carolina (Mr. Thurmond) were added as cosponsors of S. 411, to amend title 39, United States Code, relating to the Postal Service, and for other purposes.

S. 649

At the request of Mr. Javits, the Senator from Ohio (Mr. Metzenbaum) was added as a cosponsor of S. 649, to provide for the use of certain funds to promote scholarly, cultural, and artistic activities between Japan and the United States, and for other purposes.

S. 1742

At the request of Mr. Williams, the Senator from Maryland (Mr. Mathias) was added as a cosponsor of S. 1742, to prohibit the use of steel jaw traps.

S. 1812

At the request of Mr. McIntyre, the Senator from Arizona (Mr. Fannin) was added as a cosponsor of S. 1812, to improve the coordination of Federal reporting services.

S. 2165

At the request of Mr. Abourezk, the Senator from Rhode Island (Mr. Pastore), the Senator from Wisconsin (Mr. Nelson) and the Senator from South Dakota (Mr. McGovern) were added as cosponsors of S. 2165, to require that any single company be limited to operation in only one phase of the petroleum industry—production, refining, transportation by pipeline, or marketing.

S. 2445

At the request of Mr. McIntyre, the Senator from Arizona (Mr. Fannin) was added as a cosponsor of S. 2445, to amend the provisions of the Social Security Act to consolidate the reporting of wages by employers for income tax withholding and old-age, survivors, and disability insurance purposes, and for other purposes.

S. 2757

At his own request, the Senator from New Mexico (Mr. Montoya) was added as a cosponsor of S. 2757, to prevent windfall profits by automobile insurance companies during any period when the casualty rates of such companies are reduced as a result of official action in connection with the energy crisis.

S. 2854

At the request of Mr. Cranston, the Senator from Tennessee (Mr. Brock) was added as a cosponsor of S. 2854, to amend the Public Health Service Act to expand the authority of the National Institute of Arthritis, Metabolic, and Digestive Diseases in order to advance a national attack on arthritis.

S. 2899

At the request of Mr. Abourezk, the Senator from South Dakota (Mr. McGovern) was added as a cosponsor of S. 2899, to amend the Clayton Act to prevent major oil companies from controlling alternative sources of energy, such as coal, oil shale, tar sands, uranium, geothermal steam, and solar energy.

S. 2969

At his own request, the Senator from New Mexico (Mr. Montoya) was added as a cosponsor of S. 2969, to require a reduction in motor vehicle insurance premiums in the District of Columbia, and for other purposes.

S. 2983

At the request of Mr. Javits, the Senator from Massachusetts (Mr. Brooke), the Senator from Alaska (Mr. Gravel), the Senator from Michigan (Mr. Hart), the Senator from Iowa (Mr. Hughes), the Senator from Minnesota (Mr. Humphrey), and the Senator from California (Mr. Tunney) were added as cosponsors of S. 2983, the Urban Hospital Emergency Assistance Act of 1974.

S. 3063

At the request of Mr. Abourezk, the Senator from Minnesota (Mr. Humphrey) was added as a cosponsor of S. 3063 to repeal the depletion allowance on mineral production on lands owned by the U.S. Government.

S. 3090

At the request of Mr. Abourezk, the Senator from Minnesota (Mr. Humphrey) was added as a cosponsor of S. 3090 to amend the Internal Revenue Code of 1954 to deny a deduction for the depletion of any mine, well, or timber located on or within lands belonging to the United States.

S. 3097

Mr. TAFT. Mr. President, I ask unanimous consent that the Senator from Rhode Island (Mr. Pell), be added as a cosponsor to S. 3097 as well as the Senator from Michigan (Mr. Hart). This bill will amend the Rail Passenger Service Act of 1970 in order to provide for a demonstration project providing certain rail transportation for highway recreational vehicles.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 3266

At the request of Mr. McIntyre, the Senator from New York (Mr. Javits) was added as cosponsor of S. 3266, to establish a Commission on Electronic Fund Transfers.

S. 3188

At the request of Mr. Jackson, the Senator from Ohio (Mr. Metzenbaum) was added as a cosponsor of S. 3188, to establish the Sewall-Belmont House National Historic Site.

S. 3215

At the request of Mr. Brock, the Senator from Utah (Mr. Bennett), the Senator from Kentucky (Mr. Cook), the Senator from Kansas (Mr. Dole), and the Senator from Texas (Mr. Tower), were added as cosponsors of S. 3215, to authorize the Secretary of Commerce to enhance and validate certain export expansion activities.

S. 3259

At the request of Mr. Taft, the Senator from Connecticut (Mr. Ribicoff) and the Senator from Pennsylvania (Mr. Schweiker) were added as cosponsors to S. 3259, to amend the Rail Passenger Service Act of 1970 in order to authorize certain use of rail passenger equipment by the National Railroad Passenger Corporation.

S. 3267

At the request of Mr. Jackson, the Senator from Missouri (Mr. Eagleton) was added as a cosponsor of S. 3267, the Standby Energy Emergency Authorities Act.

S. 3277

At the request of Mr. Domenici, the Senator from North Dakota (Mr. Young), the Senator from Maine (Mr. Hathaway), and the Senator from Oregon (Mr. Packwood) were added as cosponsors to S. 3277, to amend the Solid Waste Disposal Act, to encourage full recovery of energy and resources from solid waste, to protect health and the environment from the adverse effects of solid waste disposal, and for other purposes.

S. 3335

At the request of Mr. MAGNUSON, the Senator from Alaska (Mr. STEVENS) was added as a cosponsor of S. 3335, the Marine Fisheries Conservation and Management Fund bill.

S. 3334

At the request of Mr. MONDALE, the Senator from Connecticut (Mr. RIBICOFF) was added as a cosponsor of S. 3334, to amend the Interstate Commerce Act in order to improve service in the transportation of household goods by motor common carriers.

S. 3352

At the request of Mr. MUSKIE, the Senators from Florida (Mr. CHILES), Massachusetts (Mr. KENNEDY), South Dakota (Mr. McGOVERN), West Virginia (Mr. RANDOLPH), and Wyoming (Mr. McGEE) were added as cosponsors to S. 3352, to provide for continued monitoring of the economy, and for other purposes.

S. 3352

At his own request the Senator from Connecticut (Mr. RIBICOFF) was added as a cosponsor of S. 3352, to provide for continued monitoring of the economy, and for other purposes.

S. 3357

At the request of Mr. BURDICK, the Senator from South Dakota (Mr. ABOUREZK) was added as a cosponsor of S. 3357, to restore to Federal civilian employees their rights to participate, as private citizens, in the political life of the Nation, and for other purposes.

SENATE JOINT RESOLUTION 188

At the request of Mr. HELMS, the Senator from Florida (Mr. CHILES), the Senator Illinois (Mr. STEVENSON), the Senator from Minnesota (Mr. HUMPHREY), the Senator from North Carolina (Mr. ERVIN), and the Senator from Virginia (Mr. WILLIAM L. SCOTT) were added as cosponsors of Senate Joint Resolution 188, to authorize the President to declare by proclamation Aleksandr I. Solzhenitsyn an honorary citizen of the United States.

SENATE JOINT RESOLUTION 202

At the request of Mr. GRIFFIN, the Senator from Idaho (Mr. CHURCH) was added as a cosponsor of Senate Joint Resolution 202, designating the premises occupied by the Chief of Naval Operations as the official residence of the Vice President, effective upon the termination of the service of the incumbent Chief of Naval Operations.

ADDITIONAL COSPONSORS OF CONCURRENT RESOLUTION

SENATE CONCURRENT RESOLUTION 79

At the request of Mr. GOLDWATER, the Senator from Nevada, Mr. BIBLE; the Senator from Massachusetts, Mr. BROOKE; the Senator from New Hampshire, Mr. McINTYRE; and the Senator from Minnesota, Mr. MONDALE; were added as cosponsors of Senate Concurrent Resolution 79, expressing the sense of the Congress with respect to the celebration of the 100th anniversary of the birth of Herbert Hoover.

SENATE RESOLUTION 310—SUBMISSION OF A RESOLUTION AUTHORIZING ADDITIONAL COPIES OF THE REPORT ENTITLED "DEVELOPMENTS IN AGING: 1973 AND JANUARY–MARCH 1974"

(Referred to the Committee on Rules and Administration.)

Mr. MOSS (for Mr. CHURCH) submitted the following resolution:

SENATE RESOLUTION 310

Resolved, that there be printed for the use of the Special Committee on Aging 1,200 additional copies of its report to the Senate entitled "Developments in Aging: 1973 and January–March 1974."

ADDITIONAL COSPONSORS OF RESOLUTIONS

At the request of Mr. BROOKE the Senator from Connecticut (Mr. RIBICOFF), the Senator from Louisiana (Mr. JOHNSTON), and the Senator from California (Mr. TUNNEY) were added as cosponsors of Senate Resolution 302, on the river blindness rehabilitation program for the Sahelian countries of Africa.

NATIONWIDE SYSTEM OF NO-FAULT MOTOR VEHICLE INSURANCE—AMENDMENT

AMENDMENT NO. 1137, AS MODIFIED

(Ordered to be printed and to lie on the table.)

Mr. BAKER. Mr. President, on April 2, I filed an amendment to S. 354, the Federal no-fault insurance bill which is the pending business before the Senate. I send to the desk a modified version of that amendment and ask that it be appropriately filed. I also ask unanimous consent that it be printed in full in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BAKER. My purpose in proposing this amendment is to bring the first party benefits and tort restriction provisions of S. 354 into line with the several State programs which represent sound no-fault insurance reform and which are cited as "genuine no-fault laws" by the proponents of S. 354—see the report of the Senate Commerce Committee on S. 354, report No. 93–382, page 17.

The amendment replaces the provision in S. 354 which prohibits the States from limiting the amount of first party medical expense benefits with a performance standard requiring that the States provide such benefits in an amount sufficient to pay the total medical expenses of 98 percent of the injured victims eligible to recover such benefits under the State program. Based upon data compiled by the Department of Transportation in its report to Congress on automobile insurance and compensation this standard should identify nationwide a level of benefits averaging around 3,000. In the event actuarial information is not available, sufficient to make an accurate determination based upon the foregoing performance standard, the State must provide benefits in the amount of $5,000 multiplied by an index reflecting the average daily hospital costs within that State in comparison to the national average. This alternative standard would apply under the terms of the amendment only until such time as data which enables an accurate determination of the percentage standard becomes available.

The definition of "medical expense" in the amendment is drawn from the definition of "allowable expense" which appears in the bill but with a clarification to assure that hospitalization expenses are covered. Since the amendment supplants the term "allowable expense" which also includes funeral expenses in title II of S. 354, an additional subsection is added providing funeral expenses in at least the amount of $1,000, which is the present intent of the bill.

The performance standard approach of the amendment will serve to keep the benefits provisions of complying programs abreast of medical cost inflation but without adding impetus to already rapidly inflating medical costs. Under the bill the Secretary is required every 3 years to review State programs to determine that they are still in compliance with the standard. This review process will also serve as a mechanism to keep the benefits levels in State programs up with changes in medical service experience, for example the increased utilization of medical and vocational rehabilitation programs which the bill encourages.

The amendment replaces the work loss benefits standards of the bill and replaces them with a simple performance standard requiring that such benefits be afforded in at least the amount of the average statewide wage for at least 1 year. Under the standard in the amendment any periodic payment made under the State program must at least equal the average statewide wage for that period and must equal in the aggregate the statewide average wage for a period of 1 year.

The amendment does not alter eligibility for wage replacement benefits under the bill and leaves intact provisions dealing with periodic adjustments of individual claimant's wages, reduction to reflect income tax savings, and payments to persons not regularly employed at the time of the accident but who would probably have entered the work force but for their injury.

A further modification made by the amendment to section 207(d)(2) of the bill requires that the States recalculate the average statewide wage at least every 3 years. The bill presently requires revision every 5 years, but a shorter review period will more accurately reflect fluctuations in wages.

The amendment modifies section 206 of S. 354 dealing with restrictions on tort liability to bring the Federal minimum standard into close approximation of the Department of Transportation's definition of serious injury which furnished the basis for the serious injury evaluation in the "Automobile Insurance and Compensation Study." The standard also conforms to tort restriction provisions adopted in Georgia, New York, Utah, Colorado, Kansas, and Massachusetts.

The amendment basically requires that the State abolish tort liability except for death and for injuries which meet a broad definition of serious or permanent injury. The definition is stated in the disjunctive so that the States are free to choose upon what basis lawsuits will be restricted, that is, a State may choose under the provision to limit access to lawsuits for negligent harm upon the basis of any one or more of catastrophic injury—such as disfigurement or loss of sight, et cetera—disability—either temporary or permanent—the cost of required medical treatment, or the length of required hospitalization.

However, whatever basis chosen the limit must meet the minimum definition specified in the amendment—for instance, medical expense thresholds must be in at least the amount of $500 but may be more, occupational disability thresholds must require 3 weeks of such disability but may be longer, and so on.

The most easily understood and applied threshold—and the one in widest use—is the medical expense limitation. Under the amendment this threshold, if used, must provide for an expense limit of $500. One of the problems with this type of threshold is that medical costs vary among the regions of a State and among varying economic classes. The amendment addresses this problem in the manner suggested by Senate bill No. 10, January 8, 1972, and cited in the Institute for the Future—NSF–RANN—analysis of no-fault insurance, by providing that medical expenses be calculated for the purpose of the tort restriction upon the basis of the reasonable average costs in the State of the same or similar services. Such a provision was included in the recently enacted Georgia no-fault plan.

Dollar medical expense thresholds are beginning to come under criticism on the basis that they tend to inflate medical expenses and lead to fraudulent claims practices. The experience in Florida, where chicanery is apparently so widespread that premiums are being driven up, is very disturbing. The experience in Massachusetts, which has an even lower dollar threshold than Florida, has been to the contrary very encouraging. The Institute for the Future in an analysis of no-fault mechanisms funded by the National Science Foundation states:

> In a negligence-based suit, medical bills of even a modest amount strengthen the innocent victim's pain-and-suffering claim. However, under the Massachusetts no-fault plan, a suit is not possible unless the victim's total medical expenses exceed $500. Hence, those victims who believe that their injuries are not serious and think that, if pursued, the medical expenses would be nominal are likely to do nothing at all. They face the prospect of incurring, say, $200 in medical bills, for which they would undergo considerable inconvenience. All they would receive for this would be reimbursement for the actual expenses they paid for these medical services. The leverage that these small medical expenses had in strengthening their pain-and-suffering claims is eliminated by the threshold provision." (Institute for the Future, *Some Impacts of No-Fault Automobile Insurance*, Vol. 1, page 16).

The amendment does not require the use of a medical expense threshhold. It permits the States to employ such a threshhold but only in the minimum amount of $500. In view of the disparity in the experience of States which have employed such thresholds, the flexibility of the amendment would appear to be totally justified in this specific regard.

Other items suggested as the basis for the tort restriction include items of catastrophic injury such as dismemberment—traumatic or surgical amputation as the result of an automobile accident—serious and permanent disfigurement—presently included in the bill—the permanent loss of a bodily function—a term widely used in States plans—and the permanent partial or total loss of sight or hearing.

Additionally, the State may elect to define "serious or permanent injury" upon the basis of hospitalization reasonably required as a result of an accident for a period of at least 2 weeks or upon the basis of temporary or permanent disability. The definition of serious injury in terms of temporary disability—3 weeks of disability preventing a victim from working at his normal occupation, or 6 weeks of disability to engage in a substantial part of normal daily activities—is derived from the Department of Transportation study cited above.

The amendment also provides that an injured victim whose economic loss exceeds the benefits provided under the State plan may bring an action to recover the amount of their loss in excess of those limits. This is in consonance with the present provisions of S. 354, except in one significant regard. Under S. 354 an injured victim whose monthly wages exceeds the monthly limitation upon wage replacement benefits in the applicable State plan may not seek to recover that excess in a legal action even after he has exhausted all wage replacement benefits under such program. Under the amendment the State plan could provide that the victim could seek to recover any and all economic loss for which benefits are not provided.

This amendment addresses only those sections of the bill dealing with benefits levels for first-party coverages and restrictions on actions based upon negligence. I consider these to be the heart of this Federal minimum no-fault standards bill and to be the heart of the problem as regards unwarranted Federal intrusion into developing State programs. However, it is clear that in many additional regards this bill draws substantial practical and constitutional issues which need to be resolved before final action. While this amendment does not presume to address all of these serious questions, it does, I hope, reflect a concern to make more constructive the basic import of this legislation.

As I said at the time of the introduction of the amendment—I do not believe that standards which would arrogantly supplant the efforts of the States with an untried program of extended no-fault benefits can be fairly characterized as Federal minimum standards legislation. Passage of such standards would end experimentation with various types of no-fault insurance and would cast in concrete a program which, though it might serve some jurisdictions well, could certainly ill-serve others.

EXHIBIT 1

AMENDMENT NO. 1137

On page 100, strike everything beginning with line 10 through and including line 13 on page 101 and insert in lieu thereof the following (and renumber subsequent subsections):

"(a) must provide medical expense benefits sufficient to fully compensate at least 98 per centum of all eligible motor vehicle accident victims for such expenses; Provided, That if the Secretary determines that statistical data is not reasonably available to accurately determine the level of benefits required to meet the foregoing standard in a State, benefits for medical expense shall be provided in the amount of $5,000 multiplied by a fraction, the numerator of which is the average daily hospital costs in that State and the denominator of which is the average daily hospital cost nationally;

(b) must provide benefits for work loss which shall not be less than the average statewide wage and for a period of one year or longer; provide that no periodic payment during the first year for which work loss benefits are payable shall be less than the average statewide wage for such period.

(c) must provide-benefits for expenses directly related to the funeral, burial, cremation, or other form of disposition of the remains of a deceased victim of not less than $1,000.00.".

On page 104 in line 8 delete the word "is" and insert in lieu thereof the words "must be".

On page 105 strike everything beginning with the word "section" in line 3 through the word "Act" in line 6, and insert in lieu thereof "section 204(a), (b), (c), (d) or (e) of this Act.".

On page 105 in line 8 strike everything beginning with the phrase "in excess of" through the word "activities" in line 18 and insert in lieu thereof the following and renumber the remaining subsection:

"if the accident results in:

(A) death, or

(B) serious or permanent injury.

(b) For the purposes of this section the State may define

"serious or permanent injury" upon the basis of any one or more of the following:

(1) dismemberment, or

(2) serious and permanent disfigurement, or

(3) the permanent loss of a bodily function, or

(4) the permanent, partial or total loss of sight or hearing, or

(5) medical expenses of $500 or more, or

(6) two weeks or more of hospitalization, or

(7) three weeks or more of disability which prevents a victim from working at his normal occupation, or

(8) six weeks or more of disability which prevents a victim from engaging in a substantial part of their normal daily activities,

(9) permanent disability which at a minimum prevents a person from engaging in a significant portion of their normal daily activities;

provided that an approved State plan elects to define "serious injury" upon the basis of the dollar cost of medical expenses must provide that the value of any product, service or accommodation which is included or includable as a portion of medical expenses for the purpose of meeting such limitation shall be equal to the reasonable average cost of the same or similar product, service, or accommodation in that State as determined and specified by the Commissioner."

On page 60, after line 5 insert the following:

"(4) 'Average statewide wage' shall be determined by dividing the total annual wages of covered workers under the State unemployment insurance program and the total annual wages of Federal and military personnel within a State covered under unemployment compensation for Federal employees and unemployment compensation for veterans by the average monthly employment for such categories of employees during the most recent year for which such data is available. The State in the determination of the average statewide wage may supplement the foregoing with wage and employment data covering State and local employees not covered under the State unemployment insurance program.".

On page 105 after line 25 insert the following and renumber the subsequent sections:

SEC. 207. MEDICAL EXPENSES.—As used in this title the term "medical expenses"

"(a) means reasonable charges incurred for, or the reasonable value of (where no charges are incurred), the reasonably needed and used products, services, and accommodations for professional medical treatment and care, emergency health services, hospital accommodations and services, and medical and vocational rehabilitation services;

(b) shall not include that portion of a charge for a room in a hospital, clinic, convalescent, or nursing home, or any other institution engaged in providing nursing care and related services in excess of a reasonable and customary charge for semi-private accommodations, unless more intensive care is medically required;

(c) may be subject to such specific exclusions as a State may deem appropriate and reasonable in the definition of serious injury for the purpose of Sec. 206.

On page 107 strike the phrase "at five-year intervals" in line 8 and insert in lieu thereof the phrase "at three-year intervals".

On page 107 strike everything from and including line 10 through the word "Labor" in line 16 and insert in lieu thereof the following:

"the State shall recalculate the average statewide wage based upon the most current year for which statistics are then available and, if necessary, revise the work loss benefits provisions of the State plan to conform to any change in average statewide wage."

EXTENSION OF POSTAL RATE ADJUSTMENTS—AMENDMENT

AMENDMENT NO. 1198

(Ordered to be printed and to lie on the table.)

Mr. BEALL submitted an amendment intended to be proposed by him to the bill (S. 411) to amend title 39, United States Code, relating to the Postal Service.

FARM LABOR CONTRACTOR REGISTRATION ACT AMENDMENTS OF 1974—AMENDMENT

AMENDMENT NO. 1199

(Ordered to be printed and referred to the Committee on Labor and Public Welfare.)

Mr. CURTIS submitted an amendment intended to be proposed by him to the bill (S. 3202) to amend the Farm Labor Contractor Registration Act of 1963 to provide for the extension of coverage and to further effectuate the enforcement of such act.

EXPORT ADMINISTRATION AMENDMENTS OF 1974—AMENDMENT

AMENDMENT NO. 1200

(Ordered to be printed and referred to the Committee on Banking, Housing and Urban Affairs.)

Mr. PROXMIRE. Mr. President, I am submitting today an amendment intended to be proposed by me to S. 3282, which extends the Export Administration Act of 1969. The act will expire on June 30 of this year and is presently being considered for renewal by the Subcommittee on International Finance of the Senate Banking Committee.

The purpose of my amendment is to exclude from the act's coverage exports of iron and steel scrap that are sent out of the United States for casting and which will subsequently be returned to this country in the form of cast ferrous products.

In 1969 Congress passed the Export Administration Act authorizing the Secretary of Commerce to impose export restrictions when he deemed such restrictions necessary to protect the domestic economy from the excessive drain of scarce materials and to reduce the serious inflationary impact of abnormal foreign demand, to further the foreign policy of the United States, and to further the national security of the United States.

In July 1973, the Secretary determined that ferrous scrap was in short supply on the domestic market. Consequently, he imposed a quota system on future exports. Under the present quota system, total exports of scrap for 1974 will be restricted to approximately 8.4 million net tons.

This limitation has had a disruptive impact on the operations of certain domestic companies who have relied historically on cast ferrous products produced in foreign foundries. A prime example can be found in my own State of Wisconsin. The largest employer in my State is American Motors Corp. In Wisconsin alone, American Motors employs approximately 17,000 people. For over 10 years American Motors has obtained its six-cylinder engine block castings from Holmes Foundry in Sarnia, Ontario, a wholly owned subsidiary of American Motors since 1970. Since the imposition of the export controls on scrap iron and steel, American Motors has found it exceedingly difficult to obtain adequate supplies of ferrous scrap for Holmes Foundry in order to meet its needs for engines. This has had the effect of restricting American Motors' ability to increase production at the very time when this country's need for fuel-economy cars is most critical. This inadequate supply situation has become so severe that at times during this past year American Motors was working on a production inventory of engine blocks equivalent to less than 1 day's assembly line time. If the problem is not corrected American Motors may be forced to severely cut back production schedules or to shut down assembly lines entirely for sporadic periods. Such cutbacks would affect not only employees in Wisconsin but also in Ohio, Michigan, and Indiana. They would also have an indirect but substantial impact on employees of American Motors' suppliers.

The amendment I have introduced today provides appropriate relief for this critical problem but does not disrupt our original objectives embodied in the Export Administration Act. The amendment permits domestic companies to export iron and steel scrap if at the time of shipment the exporter has obtained a commitment for the reimportation of cast ferrous product produced from the exported scrap. The requirement of reimportation of an equivalent weight of product guarantees that the United States will not suffer a drain on its ferrous scrap resources as a result of this exemption. Furthermore, the amendment does not affect the power of the Secretary to impose export controls on iron and steel scrap when such restrictions are necessary to further our foreign policy or protect our national security.

In short, this amendment is designed to eliminate a very specific but potentially far-reaching problem. It accomplishes this with minimal disruption of the present structure of the act. I believe the amendment should receive the careful consideration of this body. I feel sure my colleagues will agree that the problem is real and the need for relief immediate.

NATIONWIDE SYSTEM OF NO-FAULT MOTOR VEHICLE INSURANCE—AMENDMENT

AMENDMENT NO. 1201

(Ordered to be printed and to lie on the table.)

Mr. HATHAWAY submitted an amendment intended to be proposed by him to the bill (S. 354) to establish a nationwide system of adequate and uniform motor vehicle accident reparation acts and to require no-fault motor vehicle insurance as a condition precedent to using a motor vehicle on public roadways in order to promote and regulate interstate commerce.

AMENDMENT NO. 1202

(Ordered to be printed and to lie on the table.)

NO-FAULT INSURANCE OVERSIGHT AMENDMENT

Mr. PERCY. Mr. President, the No-Fault Motor Vehicle Insurance Act, S. 354 is now being considered by the Senate. I have been carefully studying this proposal as well as the lengthy reports of the Commerce and Judiciary Committees. While not an expert in insurance matters, I have learned much from the scholarly debate that is now being conducted in the Senate.

As a general principle, I am strongly in favor of allowing the States to act in a field of governmental activity as they see fit. I recognize the desirability, indeed the need, for encouraging different States to use different approaches to social problems at different times. This is the essence of federalism which goes to the very heart of our governmental system. It is for this reason that I supported the Nixon administration's proposal that the States be given several years in which to adopt genuine no-fault statutes of their own. Unfortunately, in the face of mounting evidence of the inadequacies of the present automobile liability insurance system, many States have done nothing or have not acted in a meaningful fashion.

Because of this unreasonable delay and the manifest need of all Americans for better automobile insurance coverage, I support the adoption of a national no-fault insurance system by means of establishing reasonable minimum standards applicable to all of the States. A Federal no-fault insurance system offers the possibility of lower premium rates for most drivers, broader coverage for most victims, and quicker, more equitable payment to those most seriously injured.

While I have not yet made a final decision about S. 354, and will want to carefully study alternate proposals, I do feel that the operation of any Federal no-fault insurance system requires close legislative and executive branch scrutiny. As a result, I am today introducing an amendment to S. 354 designed to enable the Congress and the President to undertake this important oversight function.

The amendment directs the Secretary of Transportation to annually analyze the operation of the various State no-fault insurance plans that would be established under S. 354 in order to determine their effect on insurance premium costs, on various economic, and social groups, on court backlogs, and on the state of competition within the insurance industry. Under this amendment the Secretary of Transportation would be required to include in his report recommendations on how any cost savings resulting from the creation and operation of a national no-fault insurance system could be best passed on to the motoring public. We need to know whether the fears of the opponents of S. 354 are well founded or whether the arguments of its supporters are sustainable.

I ask unanimous consent that this amendment be inserted in the RECORD at this point for the benefit of my colleagues.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT No. 1202

On page 98, between lines 14 and 15, insert the following:

(g) REPORTING REQUIREMENTS.—The Secretary, in cooperation with the commissioners, shall annually review the operation of State no-fault plans for motor vehicle insurance established in accordance with this Act and report on—

(1) the cost-savings resulting from the institution of any such plan which meets or exceeds the national standards set forth in this Act and any subsequent savings resulting from the continuing operation of such plans;

(2) appropriate methods for refunding to members of the motoring public any cost-savings realized from the institution and operation of such no-fault insurance plans;

(3) the impact of no-fault insurance on senior citizens; those who live in farming and rural areas; those who are economically disadvantaged, and those who live in inner cities;

(4) the impact of no-fault insurance on the problem of duplication of benefits when an individual has other insurance coverage which provides for compensation or reimbursement for lost wages or for health and accident (including hospitalization) benefits;

(5) the effect of no-fault insurance on court congestion and delay resulting from backlogs in State and Federal courts;

(6) the impact of no-fault insurance, reduced speed limits and other factors on automobile insurance rates; and

(7) the impact of no-fault insurance on competition within the insurance industry, particularly with respect to the competitive position of small insurance companies.

The Secretary shall report to the President and Congress simultaneously on July 1 each year on the results of such review and determination together with his recommendations thereon.

TRADE EXPANSION ACT—AMENDMENTS

AMENDMENT NO. 1203

(Ordered to be printed and referred to the Committee on Finance.)

Mr. BENTSEN. Mr. President, I am today submitting to H.R. 10710, the Trade Expansion Act, an amendment intended to be proposed by me to provide for an import information system to facilitate the location of supplies of raw materials and other commodities necessary to the U.S. economy abroad when they become unavailable domestically. Current shortages of vital primary materials for industry and agriculture are becoming increasingly critical and widespread. The most obvious—but far from the only—is petroleum, but we are beginning to experience increasingly serious shortages of non-fuel materials as well.

Clearly, Mr. President, adequate supplies of primary commodities and industrial materials are essential to allow American industry to respond to consumer and manufacturing needs. In a world increasingly characterized by shortages of supply, the location of commodities can be crucial to continued production. Adequate supplies are a major prerequisite to insure uninterrupted domestic production, acceptable levels of employment and prosperity. In addition, uninterrupted flows of commodities are basic to a continued U.S. ability to export finished and intermediate products in a competitive world market.

The United States is rapidly joining the rest of the industrial world in depending on third-world countries for its supplies of raw materials. According to the U.S. Department of the Interior, the United States already depends on imports for more than half of its supply of 6 of 13 basic raw materials required by an industrial society. Raw material needs of U.S. industry can no longer be satisfied from domestic supplies under present conditions of available technology. When commodities for industrial usage cannot be supplied by American extractive industry, we must move to facilitate the location of alternative sources of supply abroad.

Present programs and facilities used by the U.S. Department of Commerce in export promotion programs can and must be adapted to deal with commodity shortages. The current U.S. system of export promotion has various programs and a considerable deal of expertise that can readily be employed to locate potential sources of supply when there are none available domestically. The Commerce Department has country expert teams, commodity experts, and a regional network of offices throughout the United States involved in the stimulation of exports. This structure can be hooked up with commercial attachés in our embassies abroad to pinpoint potential foreign supplies. This network of commercial offices at home and abroad can readily be adapted to supply information about potential sources of primary products and industrial inputs. Some information relating to prospective supplies is already furnished U.S. industry on an informal basis. But the system has not been developed to the degree where it is meaningful or extensive enough to meet the needs of industry. And there is sufficient demand to indicate that such a system is potentially very useful. For example, the regional office of the Commerce Department in Dallas consistently receives numbers of inquiries about raw materials in short supply but simply does not have the information available on potential foreign supplies. With over half our commodity needs supplied from abroad, such a lack of information could be disastrous for large as well as small companies which can no longer obtain sufficient supplies from domestic sources.

Clearly, Mr. President, information on sources of raw materials on an up-to-date basis is indispensable. The computerized export program at the Department of Commerce, which matches prospective foreign buyers with registered domestic producers, can easily be turned around to match domestic manufacturers with foreign suppliers when the commodity in demand is not available domestically.

In a world economic situation where the prospect of recurring shortages has become more and more a reality, and where there is growing dependence on foreign sources of supply, small business will be at a definite disadvantage. Large companies with a knowledge of alternative sources of supply will have relatively less difficulty in locating primary materials for their ongoing operations than small business. However, in a continuing tight world supply situation, even these companies face competitors who are supported and aided in numerous ways by their governments. This puts the American businessman at a distinct disadvantage.

My amendment, providing important information to American industry and thereby facilitating the expansion of export facilities, would complement the other forms of relief now included in the Trade Expansion Act. We must insure that American industry has the materials it needs to continue to produce and to provide the jobs we need in this country. In no way, Mr. President, does my amendment intend to increase the dependence of U.S. industry on foreign sources of supply. I am very concerned over our growing reliance on foreign sources of raw materials and I am strongly in favor of developing the large, presently untapped sources we have available domestically as well as developing alternative metals from domestic resources. But this will take time and meanwhile, when we face domestic shortages of commodities, we will have to continue importing foreign supplies in order to prevent disruption of American production.

Increasing world economic interdependence has a direct influence on domestic employment, production, and standards of living. Relatively inflexible supplies and rising demand for many goods has, in a short period of time, transformed the world from a buyers' to a sellers' market, making it increasingly difficult to find adequate supplies. To produce goods for the American market, and to be able to export, there must be adequate supplies of primary materials. I believe the location of supplies can be greatly facilitated and improved by adequate import information as provided by this amendment. This amendment will contribute to the alleviation of pressures caused by a tight commodity and materials market and I urge the Senate Finance Committee to give it favorable consideration.

NATIONWIDE SYSTEM ON NO-FAULT MOTOR VEHICLE INSURANCE—AMENDMENTS

AMENDMENT NO. 1204

(Ordered to be printed and to lie on the table.)

Mr. **ABOUREZK** submitted an amendment intended to be proposed by them jointly, to the bill (S. 354) to establish a nationwide system of adequate and uniform motor vehicle accident reparation acts and to require no-fault motor vehicle insurance as a condition precedent to using a motor vehicle on public roadways in order to promote and regulate interstate commerce.

AMENDMENTS NOS. 1205 AND 1206

(Ordered to be printed and to lie on the table.)

Mr. **ABOUREZK** submitted two amendments intended to be proposed by him to the bill (S. 354), supra.

AMENDMENT NO. 1207

(Ordered to be printed and to lie on the table.)

Mr. **HELMS** submitted an amendment intended to be proposed by him to the bill (S. 354), supra.

VETERANS' EDUCATION AND REHABILITATION AMENDMENTS ACT OF 1974—AMENDMENT

AMENDMENT NO. 1208

(Ordered to be printed and referred to the Committee on Veterans' Affairs.)

Mr. **CRANSTON** submitted an amendment intended to be proposed by him to the bill (H.R. 12628) to amend title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowances paid to eligible veterans and other persons; to make improvements in the educational assistance programs; and for other purposes.

The amendment, ordered to be printed in the RECORD, is as follows:

AMENDMENT No. 1208

On page 13, beginning with line 6, strike out all down through line 3 on page 15, and insert in lieu thereof the following:

SEC. 6. (a) Title 38, United States Code, is amended by adding at the end thereof the following new part:

"PART VII. OVERVIEW AND EVALUATION OF VETERANS' AFFAIRS

"Chapter Sec.
"100. Commission on Veterans' Rights__10001

"CHAPTER 100—Commission on Veterans' Rights; Monitoring of Veterans' Administration Operations

"SUBCHAPTER I—Commission on Veterans' Rights

"Sec.
"10001. Establishment of the Commission; compensation of members.
"10002. Duties of the Commission.
"10003. Powers of the Commission.
"10004. Rules of procedures of the Commission.
"10005. Veterans' complaints.
"10006. Information disclosure.
"10007. Cooperation with veterans' organizations; advisory committees.
"10008. Authorization for appropriations.

"SUBCHAPTER II—Monitoring of Veterans' Administration Operations

"Sec.
"10101. Commmission Representatives.
"10102. Function of Commission Representatives.
"10103. Rules for Commission Representative operation.

"§ 10001. Establishment of Commission; compensation of members.

"(a) There is created in the executive branch of the Government an independent Commission on Veterans' Rights (hereinafter called the 'Commission').

"(b) The Commission shall be composed of 15 members who shall be appointed as follows:

"(1) nine members to be appointed by the President, by and with the advice and consent of the Senate, from recommendations submitted to the President and Congress by Federally-chartered and other national veterans' organizations, at least three of whom shall be veterans of the Vietnam era and not more than five of whom shall, at any one time, be members of the same political party;

"(2) three members to be appointed by the Speaker of the House of Representatives, not more than two of whom shall be members of the same political party, upon the recommendation of the majority and minority memberships, respectively, of the Committee on Veterans' Affairs of the House of Representatives; and

"(3) three members to be appointed by the majority leader of the Senate upon the recommendations of the majority and minority memberships of the Committee on Veterans' Affairs of the Senate, not more than two of whom shall be members of the same political party.

"(c) The President shall designate one of the members of the Commission as Chairman and one as Vice Chairman, and such members shall serve as Chairman and Vice Chairman, respectively, for period of one year following the initial appointment of the Commission members. Thereafter, the Chairman and Vice Chairman shall be chosen by a majority vote of the total membership of the Commission. The Vice Chairman shall act as Chairman in the absence or disability of the Chairman, or in the event of a vacancy in that office.

"(d) Any vacancy in the Commission shall not affect its powers and shall be filled in the same manner, and subject to the same limitation with respect to party membership, as the original appointment.

"(e) Ten members of the Commission shall constitute a quorum.

"(f) (1) The terms of office of members first appointed to the Commission shall expire as follows:

"(A) In the case of members appointed by the President, three at the end of one year, three at the end of three years, and three at the end of five years, as designated by the President at the time of appointment.

"(B) In the case of members appointed by the Speaker of the House of Representatives, one at the end of five years, as designated by the Speaker at the time of appointment.

"(C) In the case of members appointed by the majority leader of the Senate, one at the end of one year, one at the end of three years, and one at the end of five years, as designated by the majority leader at the time of appointment.

The terms of office of all successors shall expire 5 years after the terms for which their predecessors were appointed, but any member appointed to fill a vacancy occurring before the expiration of the term for which his predecessor was appointed may be appointed only for the unexpired term of his predecessor.

"(2) A member of the Commission may be removed by a vote of 9 other members for malfeasance in office or for persistent neglect of, or inability to discharge his duties, or for offenses involving moral turpitude and for no other cause.

"(g) Each member of the Commission who is not otherwise employed by the United States Government shall receive an amount equal to the daily rate paid a GS-18 under the General Schedule contained in section 5332 of title 5 (including travel time) during which he is engaged in the actual performance of his duties as a member of the Commission. A member of the Commission who is an officer or employee of the United States Government shall serve without additional compensation. All members of the Commission shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties.

"(h) The Administrator of General Services is authorized and directed to furnish the Commission with such offices throughout the United States as are necessary to the proper execution of the purposes of the Commission, together with such equipment, supplies, and services as are necessary, to the same extent as the Administrator of General Services is authorized to furnish to any other Federal agency.

"§ 10002. Duties of the Commission

"(a) The Commission shall—

"(1) review the effectiveness and appropriateness of all laws providing rights and benefits for veterans, the regulations issued under such laws by the Federal agency (which for the purposes of this chapter shall include any department, agency, or instrumentality of the United States) charged with the responsibility for administering such laws, and the method of implementing, and the operation of, the programs designed to provide such rights and benefits;

"(2) make special studies of the effectiveness and appropriateness of all laws, regulations, and programs provided for, or applicable to, veterans of the Vietnam era;

"(3) monitor and evaluate the effectiveness of veterans' programs provided pursuant to State and local laws, particularly where Federal funds may be involved;

"(4) investigate patterns of allegations indicating that veterans are being denied rights or benefits authorized by law or regulation, or that the hospital care or medical services, nursing home care, or domiciliary care is inadequate, or that payments of benefits under any law are being delayed or otherwise being inefficiently administered;

"(5) appraise the adequacy and equitability of the laws, appropriations, and policies of the Federal Government with respect to meeting the needs of veterans to readjust to civilian life and compensating them for their losses attributable directly or indirectly to their service in the Armed Forces, and make recommendations and draft proposed legislation to improve the adequacy and equitability of such laws and policies where indicated;

"(6) serve as a national clearinghouse and dissemination center for information relating to the needs and problems of veterans and the resources available and required to meet such needs and solve such problems;

"(7) advise the President and the Congress regarding the effectiveness and appropriateness of all proposed legislation and new programs affecting veterans' rights and benefits; and

"(8) serve as an advocate for the correction of problems, and the enactment and full implementation of adequate and equitable laws providing for veterans' rights and benefits, as may be revealed through the activities of the Commission.

"(b) The Commission shall submit a report to the President and the Congress setting forth its findings and recommendations, with respect to its activities carried out pursuant to this chapter, at such intervals as it shall determine, but its initial report shall be submitted not later than six months after the first meeting of the Commission, and thereafter reports shall be submitted at least annually. The Commission shall submit to the President, each agency, department, and instrumentality of the United States concerned, and the appropriate Committees of the Senate and House of Representatives a report on all legislation introduced in the Congress affecting veterans' rights and benefits, and shall submit to such Committees of the Congress, within sixty days after the submission to the Congress of the President's annual budget request, its assessment of the adequacy of such request to provide sufficient funds to carry out effectively all existing laws and programs affecting veterans' rights and benefits.

"(c) (1) Whenever the Commission submits any budget estimate or request to the President or the Office of Management and Budget, it shall concurrently transmit a copy of that estimate or request to the Congress.

"(2) Whenever the Commission submits any legislative recommendations, or testimony, or comments on legislation to the President or the Office of Management and Budget, it shall concurrently transmit a copy thereof to the Congress. No officer or agency of the United States shall have any authority to require nor shall require the Commission to submit its legislative recommendations, or testimony, or comments on legislation, to any officer or agency of the United States for approval, comments, or review, prior to the submission of such recommendations, testimony, or comments to the Congress.

"§ 10003. Powers of the Commission

"(a) In carrying out its functions under this chapter, the Commission is authorized to—

"(1) determine the qualifications of, appoint, assign the duties of, and fix the compensation of, in accordance with civil service and classification laws, such officers and employees, including attorneys, as are necessary to perform the functions vested in it, including a full-time Executive Director, Deputy Executive Director, and General Counsel;

"(2) employ experts, expert witnesses, and consultants in accordance with section 3109 of title 5 and compensate such persons at rates not in excess of the maximum daily rate prescribed for GS-18 under section 5332 of title 5 for each day they are so employed;

"(3) appoint advisory committees composed of such private citizens and officials of Federal, State, and local governments as it deems desirable to advise it, and compensate such persons other than those employed by the Federal Government at rates not in excess of the maximum daily rate prescribed for GS-18 under section 5332 of title 5 for each day they are engaged in the actual performance of their duties as members of a committee and pay such persons travel expenses and per diem in lieu of subsistence at rates authorized by section 5703 of title 5 in connection with such persons' participation at such meetings as are open to the public;

"(4) promulgate such rules, regulations, and procedures as may be necessary to carry out the functions vested in it and delegate authority for the performance of any such function only to any officer or employee under its direction and supervision;

"(5) utilize, with their consent, the services, personnel, and facilities of Federal, State, regional, local, and private agencies and instrumentalities, with or without reimbursement therefor, and transfer funds made available under this chapter to Federal, State, regional, local, and private agencies and instrumentalities as reimbursement for utilization of such services, personnel, and facilities;

"(6) accept voluntary and uncompensated services, except where such services involve administrative proceedings, investigations, or enforcement powers, notwithstanding the provisions of section 3679 of the Revised Statutes (31 U.S.C. 665);

"(7) adopt an official seal, which shall be judicially noticed;

"(8) establish such regional offices as the Commission determines to be necessary to serve the interests of veterans;

"(9) conduct conferences and hearings and otherwise secure data and expressions of opinion;

"(10) accept unconditional gifts or donations of services, money or property, real, personal, or mixed, tangible or intangible, except that the acceptance of donations of services shall be subject to the provisions of paragraph (6) of this subsection;

"(11) without regard to section 3709 of the Revised Statutes (41 U.S.C. 5), enter into contracts, leases, cooperative agreements, or other transactions with any public agency or instrumentality or with any person;

"(12) designate representatives to serve or assist on such committees as the Commission may determine to be necessary to maintain effective liaison with Federal agencies and with State and local agencies carrying out programs and activities related to the interests of veterans; and

"(13) perform such other administrative activities as may be necessary for the effective fulfillment of its duties and functions.

"(b) Upon written request by the Commission, each Federal agency is authorized and directed to allow access to all documents, papers, and records in its possession which the Commission deems necessary for the performance of its functions and to furnish at cost copies of specified documents, papers, and records. Notwithstanding this subsection, a Federal agency may deny the Commission access to and copies of—

"(1) information properly classified in the interest of national defense or national security by an individual authorized to classify such information under the terms of Executive Order 10501 of November 5, 1953, and Executive Order 11652 of March 10, 1972, or any orders amending or superseding such orders, and restricted data whose dissemination is controlled pursuant to the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.);

"(2) policy and prosecutorial recommendations by agency personnel intended for internal agency use only;

"(3) information concerning routine executive and administrative functions which is not otherwise a matter of public record;

"(4) personnel and medical files and similar files the disclosure of which would constitute a clearly unwarranted invasion of personal privacy;

"(5) information which such agency is expressly prohibited by law from disclosing to another Federal agency; and

"(6) trade secrets and commercial or financial information descibed in subsection (b)(4) of section 552 of title 5—

"(A) obtained prior to the effective date of this chapter by a Federal agency, if the agency had agreed to treat and has treated such information as privileged or confidential and states in writing to the Commission that, taking into account the nature of the assurances given, he character of the information requested, and the stated purpose for which access is sought, to permit such access would constitute a breach of faith by the agency; or

"(B) obtained subsequent to the effective date of this chapter by a Federal agency, if such agency has agreed in writing as a condition of receipt to treat such information as privileged or confidential, on the basis of a reasonable determination (by the head of such agency) set forth in writing that such information was not obtainable without such an agreement and that failure to obtain such information would seriously impair the carrying out of the agency's program, and access to which is likely to cause substantial competitive injury to the person who provided the information.

Before granting the Commission access to any such trade secrets and commercial or financial information, the agency shall notify the person who provided such information of its intention to do so and the reasons therefor, and shall afford such person a reasonable opportunity, not to exceed ten days, to comment or seek injunctive relief. Where access to information is denied to the Commission by a Federal agency pursuant to this paragraph, the head of the agency and the Commission shall seek to find a means of providing the information in such other form, or under such conditions, as will meet the agency's objections.

"(c) The Commission, or on the authorization of the Commission any subcommittee of two or more members, at least one of whom shall be of each major political party, may, for the purpose of carrying out the provisions of this chapter, hold such hearings and act at such times and places as the Commission or such authorized subcommittee may deem advisable. Subpenas for the attendance and testimony of witnesses or the production of written or other matter may be issued in accordance with such rules as the Commission may adopt, consistent with the provisions of section 10004 of this chapter, over the signature of the Chairman of the Commission or of such subcommittee, and may be served by any person designated by such Chairman. The holding of hearings by the Commission, or the appointment of a subcommittee to hold hearings pursuant to this subsection, must be approved by a majority of the Commission, or by a majority of the members present at a meeting at which a quorum of members is present.

"(d) In case of contumacy or refusal of any person to obey a subpena, any district court of the United States or the United States court of any territory or possession, or the District Court of the United States for the District of Columbia, within the jurisdiction of which the inquiry is carried on or within the jurisdiction of which such person alleged to be guilty of contumacy or refusal to obey is found or resides or is domiciled or tranacts business, or has appointed an agent for receipt of service of process, upon application by the Attorney General of the United States shall have jurisdiction to issue to such person an order requiring such person to appear before the Commission or a subcommittee thereof, there to produce pertinent, relevant, and nonprivileged evidence if so ordered, or there to give testimony touching the matter under investigation; and any failure to obey such order of the court may be punished by such court as a contempt thereof.

"(e) Each member of the Commission shall have the power and authority to administer oaths or take statements of witnesses under affirmation.

"(f) (1) Whenever the Commission determines that the result of any Federal agency proceeding which is subject to the provisions of section 553, 554, 556, or 557 of title 5, relating to administrative procedure, or which involves a hearing pursuant to the administrative procedural requirements of any other statute, regulation, or practice, or which is conducted on the record after opportunity for an agency hearing, or with public notice and opportunity for comment, may substantially affect the rights or benefits of veterans, the Commission may intervene as of right as a party or otherwise participate for the purpose of representing the interests of veterans in such proceeding. The Commission shall comply with agency statutes and rules of procedure of general applicability governing (A) intervention or participation in such proceeding and (B) the conduct of such proceeding. In any such proceeding, the Commission shall refrain from intervening as a party, unless it determines that such intervention is necessary to represent adequately an interest of veterans. The intervention of the Commission in any such proceeding shall not affect the obligation of the Federal agency conducting such proceeding to assure procedural fairness to all parties thereto.

"(2) With respect to any Federal agency proceeding not covered by paragraph (1) of this subsection, or any other Federal agency activity, which the Commission determines may substantially affect the interests of veterans, the Commission may participate by presenting written or oral submissions, and the Federal agency shall give full consideration to such submissions of the Commission. Such submissions shall be presented in orderly manner and without causing undue delay.

"(3) Each Federal agency concerned with any rights or benefits of veterans shall review its rules of procedure of general appliability, and, after consultation with the Commission, issue any additional rules which may be necessary to provide for the Commission's orderly intervention or participation, in accordance with this subsection, in its proceedings and activities which may substantially affect the interests of veterans. Such additional rules shall be published in proposed and final form in the Federal Register.

"(4) Whenever the Commission determines that it would be in the interests of veterans to do so, it may request or petition any Federal agency to initiate a proceeding or activity or to take such other action as may be within the authority of such agency. If such agency fails so to act in any civil matter, it shall promptly notify the Commission in writing of the reasons therefor and such notice shall be a matter of public record.

"(5) In any Federal agency proceeding or activity in which it is intervening or participating, the Commission is authorized to request the Federal agency to issue such orders as are appropriate under the agencies rules of practice and procedure consistent with paragraph (3) of this subsection with respect to the summoning of witnesses, copying of documents, papers, and records, production of books and papers, and submission of information in writing. Such Federal agency shall issue such orders unless it reasonably determines that any such order requested is not relevant to the matter at issue, would be unnecessarily burdensome to the person specified, or would unduly interfere with such Federal agency's discharge of its own statutory responsibilities.

"(6) The Commission is authorized to represent an interest of veterans which is presented to it for its consideration upon petition in writing by a substantial number of veterans or by any organization named in section 3402 of this title. The Commission shall notify the principal sponsors of any such petition within a reasonable time after receipt of any such petition of the action taken or intended to be taken by it with respect to the interest of veterans presented in such petition. If the Commission declines or is unable to represent such interest, it shall notify such sponsors and shall state its reasons therefor.

"(7) Nothing in this chapter shall be construed to limit the discretion of any Federal agency or court, within its authority, to grant the Commission additional participation in any proceeding or activity, to the extent that such additional participation may not be as of right, or to provide additional notice to the Commission concerning any agency proceeding or activity.

"(g) (1) The Commission shall have standing to obtain, in the manner prescribed by law, judicial review of any Federal agency action reviewable under law. The Commission may intervene as of right as a party or otherwise participate in any civil proceeding in a Federal court which involves the review or enforcement of a Federal agency action if it determines that such action substantially affects the interests of veterans and it intervened or participated in the Federal agency proceeding or activity out of which such court proceeding arises, or where it did not so intervene or participate, unless the court determines that intervention or participation under this subsection would adversely affect the interests of justice.

"(2) Before instituting a proceeding in a Federal court to obtain review of any Federal agency action where it did not intervene or participate in the agency proceeding or activity out of which such action arose, the Commission shall file, in the manner prescribed by law, a petition before such agency for rehearing or reconsideration if a petition for rehearing or reconsideration is authorized by law. Such agency shall act upon such petition within sixty days, except where otherwise expressly provided by statute.

"(3) The participation of the Commission in a proceeding for judicial review of a Federal agency action shall not alter or affect the scope of review otherwise applicable to such agency action.

"(h) Nothing in this chapter shall be construed to prohibit the Commission from communicating with Federal, State, and local agencies and courts at any time and in any manner consistent with law.

"(i) Appearances by the Commission under this chapter shall be in its own name and shall be made by attorneys designated by the Commission.

"(j) The Commission shall have the power to make such rules and regulations as are necessary to carry out the purposes of this chapter.

"(k) The provisions of section 709 of title 18 shall apply to the use of the official seal of the Commission after its adoption and publication in the Federal Register, except as authorized under rules and regulations issued by the Commission.

"§ 10004. Rules of procedure of the Commission

"(a) At least 10 days prior to the commencement of any hearing, the Commission shall cause to be published in the Federal Register notice of the date on which such hearing is to commence, the place at which it is to be held, and the subject of the hearing. The Chairman or Vice Chairman or a Member designated by the Chairman to act as Chairman at a hearing of the Commission, shall announce in an opening statement the subject of the hearing.

"(b) A copy of the Commission's rules shall be made available in advance to any witness called before the Commission, and a witness compelled to appear before the Commission or required to produce written or other matter shall be served with a copy of the Commission's rules at the time of service of the subpena.

"(c) Any person compelled to appear in person before the Commission shall be accorded the right to be accompanied and advised by counsel, who shall have the right to subject his client to reasonable examination, make objections on the record, and argue briefly the basis for such objections. The Commission shall proceed with reasonable dispatch to conclude any hearing in which it is engaged. Due regard shall be had for the convenience and necessity of witnesses.

"(d) The Chairman or Acting Chairman may punish breaches of order and decorum at any hearing conducted by the Commission by censure and exclusion from such hearings.

"(e) If the Commission determines that evidence or testimony at any hearing may tend to defame, degrade, or incriminate any person, it shall receive such evidence or testimony or a summary of such evidence or testimony in executive session. The Commission shall afford any such person an opportunity to appear and be heard in executive session, with a reasonable number of additional witnesses requested by him, before deciding to use such evidence or testimony. In the event the Commission determines to release or use such evidence or testimony in a manner that will reveal publicly the identity of such person, such evidence or testimony shall, prior to public release or use thereof, be given at a public session, and the Commission shall afford such person an opportunity to appear as a voluntary witness or to file a sworn statement in his or her own behalf and to submit brief and pertinent sworn statements of others.

"(f) Subject to the provisions of section 10003(f) of this title, the Chairman shall receive and the Commission shall dispose of requests to subpena additional witnesses.

"(g) No evidence or testimony or summary of evidence or testimony taken in executive session may be released or used in public sessions without the consent of the Commission.

"(h) In the discretion of the Commission, witnesses may submit brief and pertinent sworn statements in writing for inclusion in the record. The Commission shall determine the pertinency of testimony and evidence adduced at its hearings.

"(i) Every person who submits data or evidence shall be entitled to retain or, on payment of lawfully prescribed costs, procure a copy or transcript thereof, except that a witness in a hearing held in executive session may for good cause be limited to inspection of the official transcript of his testimony. Transcript copies of public sessions may be obtained by the public upon the payment of the cost thereof. An accurate transcript shall be made of the testimony of all witnesses at all hearings, public or executive, of the Commission or any subcommittee thereof.

"(j) A witness attending any session of the Commission shall receive a per diem allowance in an amount authorized by section 5703 of title 5 for each day's attendance and for the time necessarily occupied in going to and returning from the same, and the mileage and related allowances prescribed in section 5704 of title 5 for going from and returning to places of residence. Mileage payments shall be tendered to the witness upon service of a subpena issued on behalf of the Commission or any subcommittee thereof.

"(k) The Commission shall not issue any subpena for the attendance and testimony of witnesses or for the production of written or other matter which would require the presence of the party subpenaed at a hearing to be held outside of the State wherein the witness is found or resides or is domiciled or transacts business or has appointed an agent for receipt of service of process.

"(l) The Commission shall separately state and currently publish in the Federal Register (1) descriptions of its central and field organization including the established places at which, and methods whereby, the public may secure information, make requests, or submit complaints; (2) statements of the general course and method by which its functions are channeled and carried out; and (3) rules and regulations proposed to be and those finally adopted as authorized by law. No person shall in any manner be subject to or required to resort to rules, regulations, organization, or procedures not so published.

"§ 10005. Veterans' complaints

"(a) Whenever the Commission receives from any person any signed complaint or other information which discloses—

"(1) an apparent violation of law, agency rule or order, or a judgment, decree, or order of a State or Federal court relating to an interest of veterans; or

"(2) a commercial, trade, or other practice which is detrimental to an interest of veterans;

the Commission shall, unless it determines that such complaint or information is frivolous, promptly transmit such complaint or information to any Federal, State, or local agency which has the authority to enforce any relevant law or to take appropriate action. Federal agencies shall keep the Commission informed to the greatest practicable extent of any action which they are taking on complaints transmitted by the Commission pursuant to this section.

"(b) The Commission shall promptly notify persons against whom any complaint has been registered of all complaints of any significance concerning them received or developed under this section unless the Commission determines that to do so is likely to prejudice or impede an action, investigation, or prosecution concerning an alleged violation of law.

"(c) (1) Each Federal agency considering any action which may substantially affect an interest of veterans shall, upon request by the Commission, notify it of any proceeding or activity at such time as public notice is given.

"(2) Each Federal agency considering any action which may substantially affect an interest of veterans shall, upon specific request by the Commission, promptly provide it—

"(A) a brief status report which shall contain a statement of the subject at issue and a summary of proposed measures concerning such subject; and

"(B) such other relevant notice and information, the provision of which would not be unreasonably burdensome to the agency and which would facilitate the Commission's timely and effective participation under section 1004(f) of this title.

"(d) Nothing in this section shall affect the authority or obligations of the Commission or any Federal agency under section 1003(b) of this title.

"§ 10006. Information disclosure

"(a) The Commission is authorized, subject only to the provisions of this section, to disclose to the public or any member thereof so much of the information subject to its control as it determines appropriate in carrying out the purposes of this chapter.

"(b) The Commission or any officer or employee of the Commission shall not disclose any information which has been obtained from a Federal agency or as a result of access to its records where such agency has specified that such information is exempted from disclosure under section 552 of title 5 or any other applicable Federal statute and should not be disclosed. If such agency has specified that information is exempted from required disclosure, but that it may be disclosed in accordance with a particular form or manner of disclosure which such agency has prescribed, the Commission shall follow such form and manner.

"(c) The Commission or any officer or employee of the Commission shall not disclose any trade secret or other confidential business information described by section 1905 of title 18 which it obtained other than pursuant to section 1003(b) of this title, except that such information may be disclosed (1) to the public only if the Commission determines it necessary to protect the rights and benefits of veterans, and (2) in a manner designed to preserve confidentiality, to duly authorized committees of the Congress, to courts and Federal agencies in representing the interests of veterans, and to other officers and employees of the Commission or other Federal officials concerned with the subject matter in issue.

"(d) In the release of information to the public, the Commission shall take all reasonable measures to assure that such information is accurate and not misleading or incomplete. If such information is inaccurate, misleading, or incomplete, the Commission shall promptly issue a retraction, take such other reasonable action to correct any error, or release significant additional information which is likely to affect the accuracy or completeness of information previously released. Where the release of information is likely to cause substantial injury to the reputation or goodwill of a person or company, or its products or services, the Commission shall notify such person or company of the information to be released and afford an opportunity for comment or injunctive relief, unless immediate release is necessary to protect the rights and benefits of veterans.

"§ 10007. Cooperation and consultation with veterans' organizations; advisory committee

"(a) In carrying out its function under this chapter, the Commission shall consult with and, to the maximum extent feasible and appropriate, utilize the services and technical expertise of Federally-chartered and other recognized and appropriate veterans' organizations and State departments of veterans' affairs. Where the Commission determines to utilize the service of any such organization, or State department, or any other appropriate organization, it is authorized to contract for, and compensate for, such services, in accordance with the provisions of section 302 of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 252).

"(b) In addition to advisory committees authorized by section 10003(c) of this title, the Commission may establish such other advisory committees composed of members of or representatives proposed by veterans' organizations and other organizations as have special interests or expertise and competence in fields concerned with or relating to veterans benefits as the Commission finds would assist it in effectively carrying out its functions. In its discretion, the Commission may appoint experts and consultants to such advisory committees and request representation thereon from any Federal agency.

"§ 10008. Authorization for appropriations

"There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this subchapter and subchapter II for the fiscal year ending June 30, 1975, and the two succeeding fiscal years.

"SUBCHAPTER II—Monitoring of Veterans' Administration Operations

"§ 10101. Commission Representatives

"(a) The Commission shall appoint, subject to the requirements set forth in subsections (b) and (c) of this section, such numbers of individuals (to be known as 'Commission Representatives') as it determines are needed to provide meaningful input and feedback from all areas of the country concerning the operation of veterans programs and problems of veterans in the area to which each such Commission Representative is assigned.

"(b) At least one Commission Representative, with appropriate clerical/secretarial support, shall be assigned to each Veterans' Administration hospital, center, domiciliary residence, and independent outpatient clinic, unless the Commission finds that the anticipated workload at such a site would not justify the assignment. Where it finds that such is needed, the Commission may assign a Commission Representative to a Veterans' Administration regional office, Veterans' assistance center, or other facility.

"(c) In appointing Commission Representatives under this section, the Commission shall give preference to the appointment of qualified individuals with substantial experience as veterans service officers and to veterans of the Vietnam era. In no event shall less than one-third of all such Commission Representatives be veterans of the Vietnam era, nor shall there be any less than one such veteran serving as a Commission Representative in any one State.

"§ 10102. Function of Commission Representatives

"(a) The primary function of Commission Representatives shall be to monitor and evaluate the programs at the facility to which assigned, to review the needs of veterans in the area served by such facility, and to advise the Commission of their findings with respect to these functions, with particular emphasis on the needs of, and adequacy of programs for, veterans of the Vietnam era.

"(b) Any Commission Representative may also be directed by the Commission to survey and evaluate the programs of other Federal departments and agencies, and those of State and local agencies, in the area to which such Representative is assigned.

"(c) Any Commission Representative may also be directed by the Commission to carry out special investigative activity. In carrying out any such special investigation activity, such Representative shall, to the maximum extent feasible and appropriate, utilize the available resources of veterans' service organizations and volunteers.

"(d) Each Commission Representative, subject to rules and regulations prescribed by the Commission, shall act as an advocate for veterans who are receiving (or are entitled to receive) medical care and treatment or other benefits from the Veterans' Administration. Commission Representatives shall deal directly with appropriate Veterans' Administration officials to resolve informally grievances, misunderstandings, and complaints brought to such Representative's attention, especially problems attendant upon patient institutionalization and adequacy of health care.

"§ 10103. Rules of Commission Representative operation

"The Commission shall establish rules and procedures to guide Commission Representatives in carrying out their functions. Such rules and procedures shall contain provisions directed especially to assuring that the activities of the Commission Representatives under this subchapter supplement, and do not conflict with, the established responsibilities of representatives recognized by the Administrator under section 3402 of this title.".

(b) The table of parts and chapters at the beginning of title 38, United States Code, immediately under the heading "VETERANS' BENEFITS", is amended by adding at the end thereof the following:

"VII. Overview and Evaluation of Veterans' Affairs ________________ 10001."

(c) Such table is further amended by adding immediately after the table of chapters appearing under the heading "PART VI. ACQUISITION AND DISPOSITION OF PROPERTY" the following:

"PART VII. OVERVIEW AND EVALUATION OF VETERANS' AFFAIRS

"Chapter Sec.
"100. Commission on Veterans Rights ________________________ 10001".

(d) (1) Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following:

"(99) Executive Director of the Commission on Veterans' Rights."

(2) Section 5316 of title 5, United States Code, is amended by adding at the end thereof the following:

"(135) Deputy Executive Director of the Commission on Veterans' Rights.

"(136) General Counsel of the Commission on Veterans' Rights."

(e) (1) Except as provided in subsection (b) of this section, this section shall take effect ninety calendar days following the date on which this Act is enacted. The Commission on Veterans' Affairs may not intervene or otherwise participate as a matter of right in any Federal agency or Federal court proceeding which is pending on the effective date of this Act if argument has concluded or the record has been closed and all that remains before completion of such agency or court proceeding is the rendering or issuance of a decision or the promulgation of a final order or rule by such agency or court.

(2) Any of the officers provided for in this section may be appointed in the manner provided for in the amendment made by subsection (a) of this section at any time after the date of enactment of this Act. Such officers shall be compensated from the date they first take office at the rates authorized for in such amendment.

At the end of the bill add the following:

SEC. 9. If any provision of this Act is declared unconstitutional, or the applicability thereof to any person or circumstance is held invalid, the constitutionality and effectiveness of the remainder of this Act and the applicability thereof to any persons and circumstances shall not be affected thereby.

ADDITIONAL COSPONSORS OF AMENDMENTS

AMENDMENT NO. 1194

At the request of Mr. DOMINICK, the Senator from New Mexico (Mr. DOMENICI), and the Senator from South Carolina (Mr. HOLLINGS) were added as cosponsors of amendment No. 1194, intended to be proposed by him, to H.R. 10710 to amend the Trade Reform Act for cooperation in locating personnel missing in action.

NOTICE OF HEARINGS ON S. 2591, THE FINANCIAL INSTITUTIONS ACT OF 1973

Mr. McINTYRE. Mr. President, I am pleased to announce that the Subcommittee on Financial Institutions will continue hearings during the week of May 13 on S. 2591, the Financial Institutions Act of 1973.

During these hearings, testimony will be received from organizations representing State regulatory agencies and various segments of the financial community. The hearings will commence each morning at 10 a.m. in room 5302, Dirksen Senate Office Building.

Anyone who wishes further information regarding these hearings should contact Mr. T. J. Oden, room 5300, Dirksen Senate Office Building, 225-7391.

NOTICE OF HEARINGS ON SENATE JOINT RESOLUTION 119 AND SENATE JOINT RESOLUTION 130

Mr. BAYH. Mr. President, the Senate Subcommittee on Constitutional Amendments is scheduling further hearings on two proposed amendments to the Constitution: Senate Joint Resolution 119, for the protection of unborn children and other persons, and Senate Joint Resolution 130, to guarantee the right of life to the unborn, the ill, the aged, or the incapacitated.

The next day of hearings will be held on Thursday, April 25 in room 2221, Dirksen Senate Office Building beginning at 10 a.m. A further day has been scheduled for Tuesday, May 7 in room 1202, Dirksen Senate Office Building beginning at 2 p.m.

Any persons wishing to submit statements for the hearing record should contact the Subcommittee on Constitutional Amendments, room 300, Russell Senate Office Building, Washington, D.C. 20510.

NOTICE OF HEARINGS ON S. 1933 AND S. 2474

Mr. WILLIAMS. Mr. President, I should like to announce that the Subcommittee on Securities of the Committee on Banking, Housing and Urban Affairs will hold 3 days of hearings on S. 2474 and S. 1933. S. 2474, which I introduced with Senators BIDEN and BROOKE, deals with the Federal regulation of broker-dealers and banks engaged in the municipal securities business. S. 1933 introduced by Senator PROXMIRE concerns the authorization of national banks to underwrite and deal in certain securities issued by State and local governments.

The hearings will be held on May 6, 7, and 8 at 10 a.m. in room 5302 of the Dirksen Senate Office Building.

The subcommittee will welcome statements for inclusion in the record of hearings.

ADDITIONAL STATEMENTS

AUTO INSURANCE RATES

Mr. MONTOYA. Mr. President, it is imperative that no segment of the business community be allowed to reap excess profits as a result of actions taken to alleviate the fuel shortage. We must all share the burden equally. It is in this spirit that I am pleased to cosponsor S. 2757, a bill introduced by Senator EAGLETON to prevent windfall profits by automobile insurance companies during any period when the casualty rates of such companies are reduced as a result of official action in connection with the energy crisis. In addition, I am glad to lend my cosponsorship to another important bill introduced by Senator EAGLETON, S. 2969, to require a reduction in motor vehicle insurance premiums in the District of Columbia.

All statistics gathered to date bear out the fact that various energy conservation measures, specifically the reduced speed limits and the reduced amount of driving on the part of most people, have brought about substantial reductions in fatalities and accident rates. The Department of Transportation has released figures showing that on a nationwide basis highway fatalities decreased by approximately 23 percent during the month of January 1974, as compared to the corresponding period in January 1973. The National Safety Council notes that traffic deaths for the first 2 months of 1974 are 25 percent below what they were for the first 2 months of 1973. In addition, the District of Columbia reports that accidents are down by a total of 46 percent in the District.

Insurance companies have attempted to counter statistics such as these by claiming that it is too early to tell just what effect energy conservation measures will have. They also argue that inflation is bound to increase the cost of providing insurance coverage. Moreover the claim is made that as more people drive small cars there are likely to be more injuries and thus more insurance claims.

However, instead of getting embroiled in hypothetical arguments about future events, I think that the best position to take in this instance is the one represented by the bill which I am cosponsoring, S. 2757, which provides that effective January 1, 1974, the insurance companies would be required to give rebates to their customers in the event of windfall profits resulting from energy conservation measures. The other related measure which I wholeheartedly support provides for a 10-percent reduction in insurance rates, subject to periodic review, in the District of Columbia.

Mr. President, the recent fuel shortage has had many deleterious side effects, but one very beneficial effect of energy conservation measures has been the reduction in highway fatalities and accidents. Certainly it would be unjust to allow the insurance industry to benefit unduly from increased safety through the maintenance of excessively high rates and profits. Everyone—rather than any one segment of the business community—should benefit from increased safety.

Mr. President, I ask unanimous consent that two press releases, one from the Department of Transportation and one from the National Safety Council, documenting the decrease in traffic fatalities and accidents this year, be printed in the RECORD.

There being no objection, the press releases were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF TRANSPORTATION,
Washington, D.C., February 26, 1974.

Figures for January from the 50 States show a significant reduction nationally in the number of highway fatalities, the Department of Transportation's National Highway Traffic Safety Administration (NHTSA) announced today. There were 853 fewer deaths last month than for the corresponding period in January 1973, a reduction of almost 23 percent.

The Federal Safety Agency attributed the reduction to lowered maximum speed limits in at least half the States, voluntary action on the part of motorists in reducing speeds, and a decrease in total driving as a result of the energy shortage.

Some of the larger States with lowered maximum speed limits showed remarkable declines in January. Pennsylvania for example, which had an estimated 217 fatalities in January 1973, had by NHTSA's report only 109 last month—a drop of 50 percent. New Jersey was down 42 percent with 67 deaths for January 1974 compared to 117 in January 1973. New York, which showed a 46 percent reduction for December, had 151 fatalities in January 1974 as compared to 237 a year earlier—a 36 percent decline. Florida had a 25 percent reduction with 183 deaths compared to 244 fatalities in January 1973.

Dr. James B. Gregory, NHTSA Administrator, said he is encouraged by the reduction in highway deaths. "No one is happy with the stresses brought about by the energy shortage, but the accompanying effects on highway safety should remind everyone that something can be done to reduce the slaughter that has grown over the years.

"With this increased awareness, the American public, I believe, can maintain this reduction in fatalities and can cut into the toll even more by buckling their safety belts and working effectively to keep drunk drivers off our streets and highways."

The NHTSA earlier reported a 15–20 percent drop in fatalities among those States which had reduced their speed limits in November and an overall reduction of 25 percent in the 18 States which had lower speed limits in December 1973, as compared to the corresponding months in 1972.

NATIONAL SAFETY COUNCIL,
Chicago, Ill.

LOWER SPEEDS CUT TRAFFIC DEATHS, NATIONAL SAFETY COUNCIL PRESIDENT SAYS

CHICAGO.—Lower speeds brought on by the energy crisis are playing a powerful role in reducing the number of traffic deaths on our highways, National Safety Council President Vincent Tofany said.

"Last February's traffic fatality dropped 25 per cent from the fatality total recorded for February, 1973—a savings of 880 lives," Tofany said. "The number of traffic deaths recorded for January, 1974, also was down 25 per cent from the number of deaths recorded for January, 1973," he added, "which means traffic deaths for the first two months of 1974 are 25 per cent below what they were for the first two months of 1973."

In the first two months of 1973, according to Tofany, 7,560 persons were killed in traffic accidents. By comparison, he said, in the first two months of 1974, 5,680 persons were killed in traffic accidents.

"Certainly some of this reduction comes from a reduced number of miles driven," Tofany continued, "but the preliminary information we have does not justify the assertion that reduced driving is the dominant cause for the drop in fatalities. A large part of the drop seems to be due to a general, and largely voluntary, reduction in speed," he said.

According to Tofany, NSC traffic statistics for tunrpikes show a 13 per cent drop in turnpike travel in January, 1974, as compared with January, 1973. Turnpike fatalities, however, dropped 67 per cent in the same period, he said.

"This same trend, showing a reduction in traffic fatalities far out of proportion with any reduction in travel, also was present in our turnpike statistics for last November and December, the first two months the American people really felt the energy crisis," Tofany said.

The safety leader said that November, 1973, turnpike mileage increased two per cent over the mileage recorded for November, 1972. Turnpike traffic deaths for November, 1973, however, dropped 52 per cent below the November, 1972, level, he said.

Turnpike mileage dropped 12 per cent in December, 1973, compared with the mileage recorded for December, 1972, according to Tofany. But turnpike deaths for December, 1973, dropped 65 per cent as compared with December, 1972, he added.

"Now that the energy crisis appears to be easing," Tofany said, "there will be calls to raise speed limits. In light of the apparent safety advantage of lower speeds," he continued, "we advocate that no speed increases be made without careful consideration of their possible safety effects."

According to the safety council, 2,660 traffic fatalities were recorded for February, 1974, while 3,540 traffic fatalities were recorded for February, 1973.

Disabling injuries and traffic accident costs also were down in the first two months of 1974 as compared with first two months of 1973. According to the council, about 210,000 disabling injuries occurred during the first two months of 1974, while about 250,000 disabling injuries occurred during the same period in 1973. The cost of the traffic deaths and injuries to the nation's economy in the first two months of 1974 was estimated by the council at $1.9 billion, while costs for the same period in 1973 were estimated at $2.1 billion.

DOMENICI SUPPORTS WHITE HOUSE CONFERENCE ON EDUCATION

Mr. DOMENICI. Mr. President, our educational system has undergone many criticisms, evaluations, and changes since its beginnings in the 18th century. But there has been no time in our educational system's history which has been more dynamic and electric than right now. The word "education" has taken on a multifaceted meaning. Today the evaluation of our national educational system encompasses such issues as school finance, preschool education, child nutrition, child care, equal educational opportunity for the handicapped, disadvantaged and bilingual, postsecondary education, career education, vocational education, technical education, guidance and counseling, teacher education, elementary education, higher education, and adult education.

With the growth of our country as a Nation of many peoples and with the ever expanding role of technology in our society, our system of education is confronted with what can be an overwhelming task of preparing America's men and women for a productive life as worker, citizen, consumer, thinker and individual.

These challenges face all of the United States, not just a few geographical areas. The entire country needs to work together to see that these challenges are met. The Senate Committee on Labor and Public Welfare recently reported out S. 1539, the Elementary and Secondary Education Amendments. Among other provisions, these amendments also call for a White House Conference on Education. The object of this conference is seen as bringing together people from various backgrounds to assess, describe and suggest changes for the total educational structure. At this time, many of our educational programs are administered by local educational agencies with guidance and suggestions from the State educational agencies. Each State has its own educational priorities and problems; and many States have convened their own conferences to oversee their educational needs. But now is the time for us to work together as a Nation. We must mobilize representatives from all levels of education to discuss the future of our total educational structure. Evaluation, research, and demonstration endeavors of the many individual school districts and research institutes must come together and present this country with a total picture of the present educational situation and suggestions for future actions in this area.

Mr. President, as you know, the Federal Government has been very involved with this country's education system—and rightly so. But, at the same time, I have been concerned with the lack of a regular evaluation of what, I believe, is the Federal Government's role in aiding States in directing their activities toward high national ideals of quality education. Instead of finding opportunities to do this, we in Congress spend much of our time quibbling about the application of new census statistics to new formulas and about supplemental appropriation bills that help school districts with too little, too late. We do not spend enough time on what is really needed. I believe this provision will furnish an opportunity to look at the whole education picture instead of the past pick-and-choose, hit-and-miss approach to quality education.

These are some of the reasons I am speaking in strong support of the White House Conference on Education provision of S. 1539. We can no longer function in our own little isolated worlds. We must start to see the problems of education in a broad national perspective. We must begin now before our educational programs become unwieldy monsters. If we are to provide our children and our men and women with the kind of life preparation they need as individuals in this society, we must work together as a united whole. I believe a White House

Conference on Education can start us on this necessary road.

THE COST OF LIVING ACT

Mr. **MUSKIE**. Mr. President, I ask unanimous consent that a cosponsorship statement of my distinguished colleague from Florida, Senator Chiles, on S. 3352 be printed in the Record.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Statement by Senator Chiles

Mr. President, on April 30th price control authority will expire and the Cost of Living Council will cease to exist. This will happen at a time when inflation is at its highest level in twenty-three years. It is senseless that we should be dismantling our government machinery and strip away the policy instruments which are designed to deal with the inflation when there is so much inflationary pressure building in the economy.

On April 4th I made a floor speech outlining the approach I think would be most desirable. I called for stand-by authority on price controls to allow them to be used if and when that becomes necessary in crucial commodities. I called for some specific "jaw boning" authority for the government to have the ability to keep labor and management talking to each other until agreements are reached which are in the public interest. And I called for authority for the Cost of Living Council to be able to enforce commitments made by producers as price controls are lifted. I think these are necessary elements to deal with inflation as we phase out price controls. I will continue to argue for these.

On April 11th Senator Muskie introduced legislation (S. 3352) which will extend the life of the Cost of Living Council for one year and empower it with monitoring authority. Under the Cost of Living Act, the Council's authority to impose or reimpose price controls will expire on April 30th but the Council would continue and have as its function the review of prices, supplies, and economic activity to keep the President and the Congress informed on how the economy is working without price controls.

I endorse the Cost of Living Act but along with the Senator from Maine I think that this is the minimum that we can do and that we should indeed go further than this if we want to be effective in restoring price stability to our economy. Just because we are fed up with price controls doesn't mean that we should abandon them. But as a minimum we need to have a central focus for keeping an inflation alert to keep public officials and the public at large informed on what is happening. Inflation will not disappear just because we don't look at it. I urge all my colleagues to support this bill as the very least that we should responsibly do to maintain the purchasing power of the public.

SECRETARY KISSINGER'S ADDRESS TO THE ORGANIZATION OF AMERICAN STATES

Mr. **JAVITS**. Mr. President, after extensive meetings with the foreign ministers of the Latin American countries and Members of Congress in Washington, which I attended, and the communique of which is appended, Secretary of State Kissinger addressed the General Assembly of the Organization of American States in Atlanta, Ga., the opening session of which I also attended.

Here he put forward the succeeessor policy to the "good neighbor' of the 1930's as the new policy among equals of the "good partner."

In my judgment, the Secretary's address is a most significant one: a deep and far reaching development has occurred in Latin America. Latin America is industrializing and is molding a strong sense of national and regional self identity. This fact, taken in combination with the economic and political stresses the world is facing today makes the new dialog between the United States and our Latin American neighbors imperative. Secretary Kissinger addresses these issues earnestly and cogently. I ask unanimous consent that his address to the General Assembly of the Organization of American States and the communique of the foreign ministers' meeting in Washington be inserted in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Address by the Honorable Henry A. Kissinger, Secretary of State, Before the General Assembly of the Organization of American States, Atlanta, Ga., April 20, 1974

As this General Assembly of the Organization of American States convenes, a special session of the General Assembly of the United Nations is underway in New York.

This is more than a coincidence. In this continent as in the world, our nations face, together, a broad agenda of interdependence. Instantaneous communications, global economics, and weapons of vast destructiveness have thrust mankind into a proximity which transforms world community from a slogan into a necessity. Our problems are unprecedented, in type and scale. But our purpose is age-old: to realize man's eternal aspiration for a life of peace, well-being, dignity and justice.

The challenge before the Americas is to define *our* place in this global quest. What should be this Hemisphere's purposes in the modern world? How can the distinctive and special bonds that have united us, and that cooperation among the nations assembled are reflected in this Organization, foster here and all of the nations of the world?

Montaigne once wrote:

"The archer must first know what he is aiming at and then set his hand, his bow, his strength, his arrow and his movements for that goal. Our plans go astray because they have no direction."

The Americas have identified their target: to make our mutual dependence define a program for effective cooperation.

We have come a long way together in the past six months.

We we began our dialogue in New York last October, many feared that we might repeat the familiar cycle of new slogans followed by renewed neglect. We asked of each other: Could we make our diversity a source of strength, drawing on the richness of our material and spiritual heritage? Could we define together a concrete and realistic role for the United States to support the development efforts of our neighbors? Could the nations of the Hemisphere fashion a vision of the world as it is so that we could move together towards the achievement of common goals while retaining individual dignity and uniqueness?

In Bogota last November, the nations of Latin America and the Caribbean took the initiative in providing an answer and proposed an agenda for action. In Mexico City in February, we came together again and launched a new process of collaboration based on this agenda and inspired by a new attitude—the spirit of Tlatelolco. This week in Washington, we reaffirmed our mutual commitment and moved toward concrete achievements.

What is the spirit of Tlatelolco that has given such impetus to our current efforts?

On one level, it is the enduring recognition that our nations are joined by unique and special bonds—of geography, tradition, self-interest and common values. For all our differences, the nations of the Americas share a common origin, a history of mutual support and a common devotion to national independence, social progress and human dignity. For centuries we have seen ourselves as a beacon to the world, offering mankind the hope of leaving behind its eternal tragedies and achieving its enduring dreams. For decades we have been linked in an Inter-American System that has been a vehicle for joint action.

But on a deeper level, the spirit of Tlatelolco defines something new and vital, of importance not only in the Hemisphere but across the oceans. For most of our shared history the United States alone determined the pattern and set the pace of our cooperation. With our great material and technical resources we were often tempted to do for others what we thought was best for them.

That attitude no longer shapes our relationships.

We in the United States have come to recognize that a revolution has taken place in Latin America. Industrialization and modern communications have transformed economic and social life. A new generation is molding strengthened institutions. A sense of national and regional identity has acquired new force. The commitment to modernization has become fundamental. Brazil's gross national product approachs that of Japan less than two decades ago. The countries of the Andean Group have begun a major collaborative effort to hasten development. Argentina and Mexico are industrializing rapidly. And the newly independent countries of the English-speaking Caribbean have brought different perspectives and traditions, a fresh vitality, and a new charm to hemispheric relations.

The United States, too, has changed enormously in the last decade. We have learned that peace cannot be achieved by our efforts alone, and that development is far more than simply an economic problem. Through years of anguish and trial we have found that the United States cannot remake the world, and that neither peace nor development is achievable unless it engages the effort and commitment of other nations.

This is why our new dialogue is not a concession by the United States, but a necessity for us all. We convene as equals, on the basis of mutual respect—each recognizing that our special relationship can be preserved only if we transform it to meet the new conditions of our time and the aspirations of our peoples.

In the 19th century, the United States declared what those outside the Hemisphere should not do within it. In the 1930s we proclaimed what we would no longer do *within* it—the policy of the Good Neighbor. In 1974 in Mexico City, in Washington and now in Atlanta we jointly proclaim our cooperative actions—the policy of the Good Partner.

Our new dialogue has already been marked by substantial progress.

We have committed ourselves to a cooperative development effort, and to the creation of a system of collective economic security.

We have agreed to devote special attention to the needs of the poorest countries of the Hemisphere.

We have agreed to consult in order to develop common positions, so far as possible, in major international negotiations, especially on economic issues.

We have established a working group to develop principles for the conduct of transnational enterprises.

We have set up a Working Group on Science and the Transfer of Technology to strengthen our cooperation in the process of industrialization.

We have decided on multilateral financial institutions to deal with those natural disasters and economic crises that our countries cannot deal with alone.

Above all, we agreed in the Declaration of Tlatelolco that "interdependence has become a physical and moral imperative, and that a new, vigorous spirit of Inter-American solidarity is therefore essential."

For its part, the United States knows that if the answers to the great dialogue between the developed and the developing countries cannot be found in the Western Hemisphere they may not be found at all. We seek a Hemisphere lifted by progress, not torn by divisions. We are committed to shaping our action to accelerate Latin America's efforts to fulfill the aspirations of its peoples. We will do our utmost to expand Latin American access to US markets, maintain our assistance levels, and consult on political and economic issues of common concern. We have moved to resolve old disputes with Peru, Panama and Mexico that have blocked progress along our common road.

Together we must now ask ourselves: what are our ultimate goals? We in the Americas have always believed that our efforts and our achievements had relevance beyond our shores. Thus it is clear that our special relationship cannot mean the formation of an exclusive bloc. The world has already seen enough of pressure groups, exclusive spheres and discriminatory arrangements.

A bloc implies a rigidity that would deny our different perspectives and constrain our reach in different directions. Some of us have global responsibilities, some feel affinities with the third world; developing ties with many regions attracts us all. We seek not a common front against others, but rather a common effort with others toward the global cooperation which is dictated by political and economic realities.

A healthy special relationship is not a bloc. Working together the Western Hemisphere can lead the world toward solutions to those basic problems of the contemporary period that are now being discussed in New York. Rejecting autarky, respecting diversity, but in a spirit of solidarity—we in the Americas can both promote our common objectives and strengthen the fabric of global cooperation.

THE INTER-AMERICAN AGENDA

In this context of our wider purposes, let me outline for your consideration some principles and tasks to guide our common efforts.

Inter-American solidarity must be rooted in a free association of independent peoples. The spirit of dialogue—of give and take—that has so enriched our meetings in Mexico and Washington must be perpetuated. For its part, the United States pledges that it will not seek to impose its political preferences, and that it will not intervene in the domestic affairs of its Western Hemisphere neighbors.

Effective collaboration requires continuing and close consultation. The United States understands that its global policies and actions can have a major impact upon the other nations of this Hemisphere. Therefore we have pledged ourselves to a constant and intimate process of consultation.

We look forward to periodic meetings of America's Foreign Ministers to discuss issues of mutual concern in the Americas and in the world. We will consult closely with you in the global monetary and trade talks, and in other international negotiations, including the Law of the Sea Conference. We do not expect an identity of views. We do believe that better comprehension and sensitivity to one another's positions will benefit us all.

Our relationship must assure progress and decent life for all our peoples. The ultimate test of our relations will be to translate our aspirations into concrete programs, especially in the decisive field of development.

Earlier this week before the Special Session of the United Nations I listed six principles which economic reality and our common humanity dictate should be the guiding principles for international action to spur development:

We need to expand the supply of energy at an equitable price;

We need to free the world from the cycle of raw material shortages and surpluses;

We need to achieve a balance between food production and food demand;

We need to extend special consideration to the poorest nations;

We need to accelerate the transfer of science and technology from developed to developing nations;

We need to preserve and enlarge a global trade, monetary and investment system which will sustain industrial civilization and stimulate its growth.

The Hemisphere has a vital stake in the world community's response to these challenges. Some of these problems—such as an inventory of resources in relation to needs—are best carried out on a global basis. But on many of them the nations of this Hemisphere can provide leadership and inspiration and advance the welfare of their peoples through joint actions.

In the field of energy, the Hemisphere uniquely emcompasses both producers and consumers. The United States is ready to collaborate with its Hemisphere partners in a major way, both bilaterally and multilaterally.

The Working Group on Science and the Transfer of Technology established by the Foreign Ministers two days ago in Washington can be charged with setting up programs for sharing information on energy conservation and for pooling our efforts to expand available supplies, to develop alternative sources of conventional fuels, and to encourage the discovery of new and renewable energy sources. The Latin American Energy Organization (OLADE) and the United Nations Economic Commission for Latin America (ECLA) provide additional mechanisms for cooperation.

Finally, the United States is prepared to link its technology with the resources and capital of the Hemisphere's oil producers to help them expand their production and diversify their economies.

The Western Hemisphere has a special role to play in overcoming the world food shortage. This continent, even as it is scarred by malnutrition and hunger, has vast agricultural potential.

President Nixon is asking the Congress to raise our assistance to food production programs in the Americas by 50%—from $86 million to $128 million. We have, as well, lifted our own domestic production restrictions.

The shortage of fertilizer and the steep rise in its price are a problem of particular urgency. The United States will give high priority to linking our technological skills with the raw material and capital of oil producing countries to encourage the development of new fertilizer capacity.

In a collective effort, I propose that we cooperate in a program to increase food production in this Hemisphere substantially by the end of this decade. This program should encompass research, the application of science and technology, and the intensified application of foreign and domestic resources:

As an initial step we should ask the Inter-American Economic and Social Council to help focus our efforts to increase production and productivity. The Working Group on Science and the Transfer of Technology should explore new ways to increase agricultural productivity, especially in the continent's vast, underutilized tropical zones.

A comprehensive hemispheric agricultural survey would be an important contribution to the success of the World Food Conference.

Food processing is another high priority field for cooperation and innovation.

Only this week the Foreign Ministers of the Americas pledged to give special attention to the problems of the least developed among us. To this end, the Inter-American Development Bank should adapt its lending policies to ease the shock of rising energy prices on the poorest nations in the Hemisphere. We welcome the decision of Venezuela to assist the Bank in this task, including concessional lending assistance to those who require it most.

The United States, as the Hemisphere's richest nation, also has a particular obligation. We will urge our Congress to maintain our assistance levels to the Hemisphere. It is an expression of our special relationship that United States bilateral and multilateral aid to the Hemisphere is larger on a per capita basis than to any other region of the globe. In accordance with the recommendations of the recent Washington Conference, we are now examining whether Latin America's share can be further increased.

The transfer of science and technology may be an even more important bottleneck in the development effort than capital. The United States, as a technologically advanced nation, recognizes a special responsibility in this regard. We believe that normally private investment is the most efficient vehicle for the large scale transfer of these resources, but governments can facilitate the transfer of advanced technology to stimulate balanced development.

The Working Group on Science and the Transfer of Technology established by the Washington Conference will seek to overcome obstacles to the flow and use of productive technology. In addition to those I have already mentioned relating to energy and agriculture, its tasks should encompass:

Improving the dissemination of information on available technologies, including managerial and engineering skills;

Spurring the search for new technologies in such areas as marine sciences and labor intensive industry; and

Identifying how to adapt technology most effectively to different national circumstances and industries.

In addition to these projects, all of which require improved cooperation among governments and the producers and users of technology, current OAS programs aimed at strengthening university and basic research and training institutions in Latin America and the Caribbean should continue to receive the wholehearted support of this Assembly.

The Americas are in a position to participate effectively and to make an important contribution to the reform of the international systems that govern trade, monetary and investment relations. The United States will support such efforts.

Trade is critical in the development process. The United States is strongly committed to a system of generalized tariff preferences and once this legislation is enacted, we will consult closely with our partners in this Hemisphere on how it can be made most beneficial to your needs. Despite the uncertainties arising from the energy crisis, we will do our utmost to avoid new restrictions on Latin America's access to our markets.

The United States recognizes that trade within this Hemisphere depends significantly on global patterns. Trade expansion worldwide is one of our long-standing objectives. Mutual support in the forthcoming Multilateral Trade Negotiations can help us overcome many bilateral trade problems within the Hemisphere.

In the spirit of Tlatelolco, the United States is prepared to adjust its position on specific issues in the MTN to take account of Latin American objectives. As a first step, the President's Special Trade Representative, Ambassador Eberle, departs today to begin bilateral consultations with many of your governments. Similar efforts are planned through organs of the OAS and in Geneva.

Private investment is crucial to development. At times it has also been a source of friction. At the Washington Foreign Ministers' Conference we agreed to join with you in a study commission which would prepare guidelines applicable to the conduct of transitional corporations. We cannot afford to let our political relations and our economic cooperation be distorted by commercial quarrels.

Finally, a modern inter-American System requires that the Treaty of Rio and the OAS be strengthened and adjusted to new conditions. The Inter-Amercan System is the oldest major association of nation states. It has pioneered the concept of international organization and collective security. It has been in the forefront of the development of international law. It has championed the principles of self-determination and non-intervention. It has functioned productively for more than seventy years because it has been adaptable. Today, as we contemplate past experience and future needs, we see that further modification is necessary.

Let me outline the approach of the United States.

First, development is impossible without security. The Rio Treaty has helped keep this Hemisphere largely free of turmoil and conflict. We should modernize it, in keeping with our times, but we should preserve its essentials.

Second, we need to reform the OAS so that it becomes a more effective instrument for hemispheric cooperation. It is overly rigid in its structures; unnecessarily formal in its procedures, and insufficiently broad in its membership. To remedy these weaknesses, we propose the following:

All major OAS meetings, including the General Assembly, should be made less formal;

The Permanent Council should be recognized as the central executive body of the OAS;

OAS membership should be open to all the nations who have attended the recent Foreign Ministers conferences; and

The OAS should be restructured to become a more effective instrument for our economic consultations.

One of our principal tasks should be to bring about institutions to implement the decisions of the new dialogue.

BROADENING THE DIALOGUE

Our dialogue will remain formal if confined to diplomats or officials. It must involve our peoples, catching their imagination and liberating their abilities. The efforts on which we are embarked require all the human and intellectual resources of our Continent.

To this end, the United States will see to it that its cultural and educational exchange programs make a more important contribution to cooperation as well as to mutual understanding. We will:

Increase our emphasis on professional exchanges designed to link comparable institutions in the United States and Latin America;

Encourage seminars and joint research on such topics as urbanization, protection of the environment, and other problems common to all our countries; and

Stimulate awareness of the extraordinary cultural richness of the Americas by promoting tourism, exhibitions, and other activities to expand our awareness of each other and our appreciation of our common humanity.

CONCLUSION

Mr. Secretary General, Ministers, Delegates:

The warmth of the welcome you have received here testifies to the friendship of the American people for our neighbors to the South. The ultimate hemispheric solidarity comes from the heart, not solely from the mind. It is rooted in history and inspired by our common traditions.

As our Mexican colleague said at Tlatelolco, we of the Americas have advanced from political speeches to political dialogue, and now to political consultation.

This must be the design for our new purpose, for great challenges lie before us. We hear the demand of our peoples for justice and dignity; we know their yearning for security and progress. We cannot give them less, for it is their birthright.

In 1900 Jose Enrique Rodo wrote his classic *Ariel*. He viewed the two Americans at the turn of the century as in fundamental opposition. Yet he foresaw another kind of relationship eventually emerging. He wrote:

"To the extent that we can already distinguish a higher form of cooperation as the basis of a distant future, we can see that it will come not as a result of unilateral formulas, but through the reciprocal influence and skillful harmonization of those attributes, which give our different peoples their glory."

Let us here choose such a future. Let us realize the glory of our peoples by working together for a better life for our children. In so doing we shall realize the final glory and common destiny of the New World.

COMMUNIQUE

(Meeting of Foreign Ministers, Washington, D.C., April 18, 1974)

1. Accepting the invitation of the United States Secretary of State, the Foreign Ministers of Latin America met April 17–18 in Washington to resume the dialogue begun at the Conference of Tlatelolco in Mexico eight weeks ago. Attending this meeting were the Foreign Ministers of Argentina, the Bahamas, Barbados, Bolivia, Brazil, Chile, Colombia, Costa Rica, the Dominican Republic, Ecuador, El Salvador, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Trinidad and Tobago, the United States of America, Uruguay and Venezuela, and the representative of the Foreign Minister of Guatemala.

2. The meeting of Foreign Ministers continued in the atmosphere of cordiality and openness which characterized the Conference of Tlatelolco. The Foreign Ministers reiterated their conviction that these meetings contribute to greater inter-American cooperation and solidarity. The topics discussed were: Structure of International Trade and the Monetary System; Cooperation for Development; Transnational Enterprises; Solution of the Question of the Panama Canal; Coercive Measures of an Economic Nature; and Transfers of Technology.

3. The Foreign Ministers of the Latin American countries presented their views and positions on the several topics covered by the agenda. The Secretary of State of the United States responded, stating United States policy on the respective subjects and expressing the intention and desire of the United States to cooperate effectively in the integral development of the Latin American countries.

4. On the subject of trade, the Foreign Ministers of Latin America attached special importance to the standstill commitment made by the United States in Caracas in February 1970 and reaffirmed by Secretary Kissinger at Tlatelolco, and to the urgency of eliminating restrictions on access to the United States market for products of special interest to Latin America. They stressed that, in order to improve trade relations and promote new flows of trade from Latin America to the United States, as a minimum, no new import restrictions should be applied and existing import restrictions should not be expanded.

5. The Secretary of State recognized the importance of the United States market for the economies of Latin America. In the new spirit growing out of the Conference of Tlatelolco, he expressed his support of Latin America's aspirations in the trade field. In particular, he stressed the intention of his Government to refrain to the extent possible from establishing new trade restrictions. He reiterated the interest of his Government in achieving enactment of the proposed Trade Reform Act which would authorize generalized preferences, including in them the products of interest to Latin America, and in further liberalizing the access of Latin American products to the United States market. Similarly, he reaffirmed the commitments of his Government under resolution REM 1/70, and especially stated his agreement to hold consultations with Latin America on the inclusion in the GSP products of special interest for the area before making final decisions. Secretary Kissinger also expressed his Government's intention to support the effective participation of Latin America in reform of the international monetary system.

6. The Secretary of State of the United States considered favorably the views held by Latin America in the matter of Multilateral Trade Negotiations as regards nonreciprocity, differentiated and most favored treatment of the Generalized System of Preferences toward the developing countries and indicated his agreement to hold consultations with a view to the harmonization of positions on this subject.

The Foreign Ministers of the Latin American countries noted with satisfaction the fact that the Special Representative of the President of the United States for Trade Negotiations is initiating extensive bilateral consultations with the countries of Latin America to promote the achievement of these objectives.

7. The Foreign Ministers emphasized the importance of hemispheric cooperation in the field of economic development and the establishment of an international system of collective economic security for development. They stressed the importance of increasing the volume of real resource transfers to Latin America. The Ministers of Foreign Affairs recognize the importance of the policy of export diversification for the developing countries of the region and believe that this policy should be supported as an essential aspect of the progress of Latin America.

8. The Foreign Ministers stressed the need to provide preferential attention to the less developed countries of the region, especially the land-locked countries and those of insufficient internal market. They expressed their conviction concerning the importance of concessionary loans for the financing of enterprises and projects that are fundamental to the economic and social development process in those countries. They furthermore agreed on the usefulness of multilateral financial mechanisms to provide help in cases of emergency with which they are unable to cope by themselves.

9. The Foreign Ministers discussed the problems of economic coercion and the desirability of their elimination from relations among the countries of the Americas which would contribute in a positive manner to a more authentic spirit of cooperation. The Foreign Ministers of Latin America also expressed concern over proposals that would tend to restrict the access of products of developing countries to the United States market.

10. The Foreign Ministers of Latin America reiterated in its entirety the Declaration adopted in Bogota at the "Conference of Chancellors of Latin America for Continental Cooperation" as regards the solution of the Panama Canal question and reaffirmed it without change during the course of the new dialogue begun at the Conference of Tlatelolco.

The Foreign Ministers reiterated their confidence that the bilateral negotiations presently in progress between the governments of Panama and the United States would continue in a positive tone and conclude as soon as possible with satisfactory results in conformity with the spirit of the new dialogue.

11. The Foreign Ministers decided to estab-

lish a Working Group, consisting of governmental representatives from all of the participating states, with the mandate to prepare for submission to the consideration of the next meeting, a document that would contain principles to be applicable to transnational enterprises. The Working Group will meet at least two months prior to the date on which the Conference of Buenos Aires will convene. In the preparation of the document, the Working Group should bear in mind the Report that the United Nations Organization has prepared on the subject, as well as those that are emanating from other international forums.

12. The Foreign Ministers, recognizing the importance of technology in social and economic development, agreed to convene a Working Group of Governmental representatives to study the possibility of creating a Committee on Science and the Transfer of Technology, that would have as its objective matching scientific capability with practical needs, and overcoming obstacles to the flow and use of technology in the industrialization process. For this purpose, and at the earliest possible moment, the members of that Working Group will be designated and requested to submit their report within a period of not more than six months. Without prejudice to the foregoing, the United States and Latin America will continue supporting and encouraging the existing technological development programs, especially the OAS Inter-American Committee on Science and Technology. Their efforts must be coordinated in order to avoid duplication of programs.

13. In approving this communique, the Foreign Ministers reaffirmed the value and promise of the new dialogue in inter-American relations. They believe that their meeting just concluded in Washington has given additional impulse to achievement of progress on matters of common concern.

14. The Foreign Ministers agreed to meet again in Buenos Aires in March 1975.

ARMS REDUCTION, DÉTENTE AND SALT

Mr. MANSFIELD. Mr. President, as Senator JACKSON said in his address of April 22 to the Overseas Press Club:

> The issue facing us is not whether we want a détente, but how to achieve a real détente that will produce results favorable to a more peaceful world.

We are now negotiating with the Soviets in SALT II, and the outcome of these negotiations can decisively affect the real meaning détente will have. I believe it is of the utmost importance that SALT II follow a course that is consistent with the national security of the United States and the prospects for a SALT II treaty based on United States-Soviet equality.

In this spirit, Senator JACKSON has set forth a U.S. SALT proposal to stabilize the strategic balance through substantial reductions in the strategic forces of both the United States and the Soviet Union. As he said:

> It is time for serious arms reductions by both sides—a stabilizing disarmament.

I wish to bring to the attention of my colleagues the full text of Senator JACKSON's constructive and statesmanlike address. I urge the widest reading of his remarks. If agreed to, Senator JACKSON's program would mark an historic turning point in East-West relations, and could dramatically increase the confidence of all the world's people in the prospects for a cooperative and stable peace.

I ask unanimous consent that the full text of Senator JACKSON's address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

DÉTENTE AND SALT

(By Senator HENRY M. JACKSON)

In recent years, and especially in recent months, the foreign policy of the Nixon Administration has been centered on the development of a relationship between East and West which they have called detente. No matter how hard or in which direction it has been punched—in the Middle East, in the SALT negotiations, on matters of human rights—the foreign policy of the Administration has revolved, like a tether ball, around the pole of that detente.

The detente has gone from a dream to an incantation without acquiring a definition along the way. And we have been left without a clear sense of where we are going or, for that matter, a common understanding of where we have been.

In its most fundamental sense detente must mean a relaxation of tensions accompanied by an effort to achieve mutual accommodation through the negotiating process. Defined in this manner, as a process of negotiation, it has the broad support of the American people. But like any process, the process of detente must be judged by the substantive results of the negotiations themselves and by the actual behavior that follows after agreements are negotiated.

Thus the issue facing us is not whether we want a detente, but how to achieve a real detente that will produce results favorable to a more peaceful world.

The centerpiece of the 1972 Moscow summit and the first test of the product of detente was the treaty on anti-ballistic missiles and the interim agreement on strategic offensive weapons—SALT I. I had considerable misgivings about the SALT I outcome, especially the interim agreement. The military advantage that the interim agreement conferred on the Soviets was, in my judgment, an inauspicious beginning.

Now we are engaged in SALT II; and it is this set of negotiations, perhaps more than any other, that will determine what real meaning detente will have. I welcome this opportunity to share with you a proposal that could stabilize the strategic balance through substantial reductions in the strategic forces of both the United States and the Soviet Union. In the course of my remarks tonight, which are directed to the SALT II negotiations, I have tried to develop a new direction in the effort to bring strategic arms under control—a direction based on the search for the sort of wide-ranging disarmament that would do much to bring us closer to a genuine detente and a more peaceful world.

In recent months we have seen the development by the Soviet Union of a significant number of new weapon systems incorporating an impressive range of new and costly technology. Not only have the Soviets achieved a genuine MIRV capability, but they have done so by developing two quite distinct MIRV technologies. They have tested a whole new generation of intercontinental ballistic missiles, land and sea based, incorporating new technologies as well as new launch techniques. They have developed a mobile, land-based ICBM. They have moved to increase by a very substantial factor the throw weight of their missile forces despite the fact that they already enjoy a threefold advantage in this area. These developments, all of which have come to light since the SALT interim agreement which was supposed to limit offensive weapons, have, individually and in combination, added significantly to the offensive potential of the Soviet missile forces.

In assessing the significance of these developments, all of which are consistent with the often ambiguous terms of the SALT interim agreement, it is necessary to digress for a moment to consider the rationale by which the interim agreement was defended.

The numerical disadvantage into which the United States was frozen by the SALT I interim agreement was held by some to be effectively offset by our technological superiority. The most obvious American technological advantage—obvious in part because of the frequency with which Dr. Kissinger reiterated it—lay in the fact that we had achieved a MIRV capability and the Soviet Union had not. Today our monopoly in MIRV technology has vanished like last year's snow and the lead in this area that we still possess by virtue of our earlier development of MIRVs can be expected to diminish rapidly as time goes on. This is neither novel nor surprising. In the long run—made longer if we find ourselves forced into a technological arms race and shorter if we do not—technology tends to even out. That is the history of technology; and it is, in particular, the history of military technology. Given the numbers and throw weights agreed to in the SALT I interim agreement, under which the Soviets enjoy a protected advantage, technological equality will mean Soviet superiority in strategic weapons.

In the final analysis, an arms control agreement will not be stable if it freezes for one side an advantage in quantity while the other has to rely on an edge in quality that it cannot maintain. In the interim agreement we agreed to inferior numbers but the Soviets did not agree to inferior technology. We should never have presumed—I, for one, did not—that they would fail to seek the combination of superior numbers and comparable technology that add up to overall superiority; and this is precisely the direction that they have chosen.

In the current SALT II negotiations the Soviets are seeking to consolidate the advantage they obtained in the interim agreement while pressing for equality in technology. Again and again when the interim agreement was before the Senate I warned that this would be the Soviet strategy at SALT II. My amendment to the authorization for the interim agreement placed the Congress and the Administration on record on this issue by insisting that the interim agreement was not an acceptable basis for a SALT II treaty.

Now, with negotiations underway, we find that, just as expected, the Soviets have actually hardened their position. Far from viewing SALT II as an occasion to search for the sort of stable strategic balance that can result only from equality, they are insisting on a SALT II arrangement that would widen and deepen their strategic margin still further.

The response of the Administration to this situation has been disappointing in the extreme. For rather than concentrating on the design and presentation of an arms control proposal that could form the basis for a long-term stabilization of the strategic balance, the Administration has concentrated on quick-fix, short term proposals that can be readied in time for the forthcoming June summit meeting in Moscow.

In their desire to preserve the impression of momentum in the SALT negotiations, the Administration has abandoned its previous conviction that the essential purpose of a follow-on agreement should be to rectify the imbalance of SALT I. In their haste to meet an arbitrary and politically expedient self-imposed June deadline, the Administration has now begun to entertain Soviet proposals which are inimical to the national security of the United States and to the prospects for a SALT II treaty based on U.S.-Soviet equality.

Kept on such a course, SALT II is doomed to fail in the supreme mission of reducing the risk of mutual destruction. Indeed, instead of putting a damper on the arms race, such a failure would add fuel to the fire.

Given this situation, I am persuaded the time is ripe for the United States to put forward a bold and imaginative proposal for serious disarmament—a proposal that will test uncertain Soviet intentions by inviting them to join with us in concluding a far-reaching agreement to bring about a measure of stability in the nuclear balance at sharply reduced levels of strategic forces.

Instead of arms limitation agreements that do not limit, it is time for serious arms reductions by both sides—a stabilizing disarmament.

In outlining my proposal it is useful to begin by recalling the numbers agreed to under the terms of the SALT I interim agreement, according to which the United States may have no more than 1,054 intercontinental ballistic missiles. This force consists principally of Minuteman missiles that are termed "light" (in contrast to "heavy") under the definitions worked out in conjunction with the interim agreement. For their part, the Soviets are permitted 1,618 intercontinental ballistic missiles of which approximately 1,300 are of the "light" variety. The other 300 Soviet ICBMs are "heavy"—so heavy, in fact, that these 300 alone carry as much "throw weight" as the entire permitted U.S. force of 1,000 Minuteman missiles. With respect to the Soviet missile force the terms "light" and "heavy" are misleading because the missile that the Soviets apparently intend to deploy as a substitute in the "light" category for the missiles in that category at the time of the interim agreement are several times more powerful, several times "heavier" than our comparable systems.

At sea the interim agreement provides that the United States may have up to 44 missile-firing nuclear submarines containing 710 launch tubes. The Soviets are permitted up to 62 comparable submarines, with 950 launch tubes, in addition to a number of older type submarines. The Soviets are now engaged in building up to these levels.

I believe that strategic forces on both sides are larger than they need to be, *provided* that we can negotiate with the Soviets toward a common ceiling at a sharply lower level. Therefore I propose that we invite the Soviets to consider a SALT II agreement in which each side would be limited to 800 ICBMs and to no more than 560 submarine-launched missiles, equivalent to 35 missile-firing submarines of the Poseidon type. Long range strategic bombers, which were not included under the interim agreement, would also be limited to 400 on each side. Because the throw weight of the Soviet missile force is so much greater than that of our own, the two SALT delegations would be instructed to negotiate a formula for varying these basic numbers so as to bring the throw weight of the two intercontinental strategic forces into approximate equality.

The numbers resulting from the negotiating process need not be precisely the numbers outlined here, although I believe that significant variation from these numbers, if essential to successful negotiation, ought to move in the direction of further reductions rather than upward adjustments. Because the strategic forces of the countries are structured differently at present and because we are always searching for ways in which to reduce the potential vulnerability of our deterrent, the treaty need not follow the precise numbers for each type of weapon system I have suggested—so long as the aggregate total of intercontinental strategic launchers was 1,760 or less. Reductions to a level of equality would be carried out, in phases, over a period of time to be negotiated.

A treaty reflecting the essential features that I have outlined here would represent a real and significant step in the direction of stabilizing disarmament. It would put to rest many of the misgivings that we now have that the Soviets are seeking to attain strategic superiority by consolidating their advantage in SALT I. It would permit both sides to shift their resources from the building up of nuclear arsenals to the building up of their economies.

The Soviet Union has turned to the United States for economic assistance, for our capital, our agricultural produce and our advanced technology. So long as the Soviets support the greatly exaggerated military sector of their economy at anything approaching current levels, an American program of subsidized economic transactions and the transfer of sophisticated technology, whatever its intended purpose, will inevitably amount to aid to the Russian army, naval and air forces.

At a time when the Soviet economy is in great difficulty we ought to be able to persuade them that a reordering of their priorities away from the military sector is the best way to achieve economic well-being. Adoption of my proposal could be an important step along a path that could lead eventually to billions of dollars in savings on strategic weapons systems.

It would enable us *both* to reorder our priorities.

If agreed to, it would mark a turning point in U.S.-Soviet relations of historic proportions. It would carry us to the brink of peace.

Such an accord could transform the atmosphere of mistrust and apprehension that has clouded the horizon of East-West relations since the end of World War II. It would add immeasurably to the confidence of both our peoples, indeed, of all mankind, that the grim prospect of thermonuclear war can be set aside and our energies devoted to purposes more constructive and more enduring than the amassing of the weapons of war. It would be, if ever there was one, a genuine conceptual breakthrough.

In the new and more hopeful world that would result, we could look forward to a broadening of the foundation of mutual accommodation, a deepening of the spirit of cooperation in trade and commerce, science and technology and the arts, and in the freer movement of people and ideas.

This is a program for the beginning of a more peaceful world. It is worthy of our best efforts. And I am committed to do whatever I can to bring it about.

I am under no illusion about the difficulty of negotiating an arms reduction agreement along the lines outlined here. It will take time and hard bargaining. The view of some in the Administration that force reductions are not negotiable is premature; and there are many who do not share this judgment. After all, it was Henry Kissinger himself, who warned—in his book *The Necessity for Choice*—that to reject sound proposals because they appeared to be non-negotiable was to acquiesce in negotiating on Soviet terms.

Some weeks ago I urged the President to consider the program that I have outlined here tonight. The response has not been encouraging. The refusal of the Administration to consider seriously a program for Soviet-American force reductions is as disappointing as the tendency to seek a quick cosmetic agreement in June is dangerous.

There is no critical point for negotiations that will be passed if June comes and goes without a follow-on SALT arrangement. There is nothing unique about the month of June that would justify an extension of the SALT I interim agreement and thereby legitimize its terms beyond 1977 and prejudice the prospects for a meaningful and stabilizing SALT II treaty.

I am not content to let the matter rest upon the complex and multi-purpose judgments of an embattled White House, or with a Department of State whose passion for momentum is sometimes indifferent to the direction in which it is headed. I have today requested, as Chairman of the Arms Control Subcommittee of the Senate Committee on Armed Services, that the Secretary of Defense undertake an immediate and thorough assessment of my arms reduction proposal for transmission to the Subcommittee.

Adoption of this proposal would mark a radical departure from the tentative and often marginal approach to arms control that we have followed in SALT. Reductions on the scale I am proposing will encounter opposition, not least of all from those in the military services whose training, experience and orientation are likely to militate against strategic force reductions in general, and extensive reductions in particular. While it would be imprudent to discard the professional judgment of the military and irresponsible to ignore their advice, I believe that we must not allow their skepticism to stand in the way of a proposal which will enhance our security.

I am confident that American military planners can be persuaded of the advantages of bilateral cutbacks in strategic weapons and that they too, in the final analysis, reflect the hopes we all share for a more stable strategic balance and a more peaceful world. I would hope that the Soviet military, which has been unreceptive to proposals such as this in the past, would give careful consideration to the promise of a better life for the Soviet people, who could be freed from part of the enormous burden of the arms they now bear. Here the job of persuasion must fall to the Politburo, and to them I am simply saying: Let us break with the troubled past and seek a more fruitful and secure future for both our peoples.

UNFAIR LABOR PRACTICES IN THE FEDERAL COURTS

Mr. TOWER. Mr. President, the Senate will soon consider S. 3203, a bill to extend the National Labor Relations Act to nonprofit hospital employees. The Senate will then have an opportunity to consider the Tower-Ervin-Griffin amendment No. 1143 which would transfer the jurisdiction of unfair labor practices from the National Labor Relations Board to th Federal district courts.

This proposal has received a great deal of study and consideration for a number of years. The Subcommittee on Separation of Powers of the Senate Judiciary Committee, chaired by Senator Ervin, has examined the National Labor Relations Board at great length in the 90th, 91st, and 92d Congresses. As part of its review of the agency it issued a committee report which concluded that the agency has not followed the intent of Congress, and in fact, was structured in such a manner that it was incapable of performing effectively.

So as to better acquaint the Senate with the issues involved in our amendment, I ask unanimous consent that excerpts from the subcommittee's report be inserted in the RECORD at this time. While the findings do not include a review of the Board under President Nixon, its importance is not at all diminished since it is readily apparent that most of the defects are inherent, a result of the institutional framework in which the Board operates.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

UNFAIR LABOR PRACTICES IN THE FEDERAL COURTS

SUMMARY OF FINDINGS

On the basis of its study, the subcommittee has found that in choosing between conflicting values—in difficult cases and in some that are not so difficult—the National Labor Relations Board has of late unreasonably emphasized the establishment and maintenance of collective bargaining and strong unions to the exclusion of other important statutory purposes which often involve the rights of individual employees. Unions unable to persuade a majority of employees to opt for collective bargaining have been able to get the Board to impose it for them. And the Board has been able to do this by a freewheeling interpretation of the statute's more general provisions, by applying double standards, and by ignoring plain legislative mandates. The Board has also, we find, in matters going beyond recognition and the establishment of bargaining, given interpretations to the statute which reflect an overemphasis on helping unions impose their will on employers and individual employees. The Board clearly believes that it knows what is best for employees and all too frequently subordinates individual rights to the interests of organized labor.

We have further found that Board doctrine is susceptible to changes in the political climate and, most particularly, to changes in the Presidency. Because of the ambiguous nature of some of the statutory language and the short term of Board members, some sensitivity to the winds of politics is to be expected. We conclude, however, that the Board has of late been overly sensitive to one set of political forces and to those policies of the act which they support, and increasingly insensitive to other legitimate interests which the NLRA also seeks to foster. One reason for this is that the political forces which operate on the presidential appointment power are too narrow and tend to focus only on achieving prounion or promanagement biases rather than on gaining a fair and intelligent weighing of all the various policies of the act. Another reason is that the Board seeks to conceal its rather narrow views of the act's purposes and its reaction to changes in the political climate (indeed, to conceal that it is making policy) by engaging in rulemaking in the guise of adjudication. This practice, a deliberate and flagrant violation of the Administrative Procedure Act, further narrows the forces which come to bear on the Board when it decides between conflicting values and thereby narrows the focus of the Board itself when it makes such decisions.

The net result is that the Board, in the exercise of broad delegated powers, has viewed the act largely in terms of union-management conflicts, and has given excessive weight to the development of unionism to the detriment of other purposes of the statute. In pursuing this one goal so doggedly, the Board has frequently exercised power that has not been delegated to it, has applied double standards, and has acted in other ways inconsistent with the act and the intent of Congress.

Judicial review has failed to check the Board's misuse of its power. In some ways, the Board's failures are not susceptible to correction by judicial review. Beyond the evidence shows that, if anything, the courts, and especially the Supreme Court, have to some extent taken advantage of the delegation of broad powers to the Board and have written their own notions of labor policy into the act. These courts intrude upon the legitimate area of discretion assigned by Congress to the agency. They give nothing more than lip service to congressional expressions of policy and to the Board applications of that policy founded upon experience and familiarity with the subject matter. Moreover, just as Board exercise of delegated power has changed with the political climate, so some courts, again primarily the Supreme Court, tend to favor one "Board" over another and to emphasize one purpose—the maintenance of strong unions—over other congressionally endorsed goals.

The subcommittee has also examined in detail the role of the NLRB's General Counsel. In 1947, Congress made his office independent of the Board. This restructuring eliminated the danger that involvement of the Board at the investigative stage would cause it to prejudge particular cases. However, the Board's jurisdiction, and judicial review of its decisions, were thereby made completely dependent upon the General Counsel's decision to issue the formal complaint which initiates the processes of the law. The exercise of this power lies within the complete discretion of the General Counsel, and there is no remedy for his failure or delay in issuing a complaint: not by the Board, nor the courts, nor even the Congress. The General Counsel thus controls the access of unions, employers, and employees to the protection of the act. The subcommittee has been unable to determine what, if any, standards are employed by the General Counsel in determining whether a complaint shall issue. The unreviewable nature of many of his powers creates a risk that they may be misused. And, unfortunately, we find that has been the case.

On the basis of these findings the subcommittee has made several recommendations. Principal among these are suggestions as to how the Board can be made to listen to a wide range of criticism and to use its rulemaking power when appropriate. The subcommittee also has made recommendations as to how congressional oversight of the agency can be systematized.

ADMINISTRATION OF THE ACT BY THE NLRB

The National Labor Relations Act which Congress authorized the Board to enforce is the product of three great legislative efforts: the Wagner Act of 1935, the Taft-Hartley Act of 1974, and the Landrum-Griffin Act of 1959. In each case the Congress, after much work and in an atmosphere of the greatest controversy, sought to fashion law which would recognize many different and conflicting interests, give them the protection of law, and try to bring them into some degree of harmony and balance. As a result, the labor statute contains many generalities, ambiguities, and seemingly conflicting purposes. The Board is faced with the difficulty of applying this complex statutory fabric to varied factual disputes. Because the statute is a reflection of competing interests, the Board has at its disposal statutory language, policy, or legislative history to buttress any one of a wide range of decisions it might render in a particular instance. In highly controversial areas, where competing interests—each recognized in some degree in the statute—come to bear, it is often difficult to say that a Board decision is completely unsupported by any part of the law.

Nevertheless, selective interpretation of any statute cannot be considered proper administration of the law. Every statute must be interpreted as a whole. The Board is required to accommodate conflicting goals, and if it must choose among them it must at least give all of the purposes fair weight. The statute should not be regarded as offering a series of alternative provisions which the Board is free to pick and choose from as it wishes. Because it is often difficult in particular cases to tell whether the Board is exercising its discretion properly and is fairly weighing all relevant considerations and seeking generally to maintain the accommodations which Congress sought to make, it is necessary to compare the results over time in these cases to determine whether a pattern exists. Such a pattern would in time reveal how the Board exercises discretion, and whether it gives all purposes of the act fair weight.

During the hearings defenders of the Board's work, often from the academic community, made much of the fact that many provisions of the National Labor Relations Act are very general or very ambiguous. And, because they generally focused on certain celebrated decisions rather than the work of the Board as a whole, these witnesses argued that the Board cannot be faulted for exercising its judgment in interpreting statutory mandates which seem to have more than one permissible interpretation. But this truism conceals the real issues underlying charges that the Board has not been faithful to congressional purpose. As Prof. Harry Wellington of the Yale Law School noted, "the NLRA does not have a purpose", and interpretation of its provisions often requires the Board to accommodate conflicting goals and to choose among them. In exercising such a choice, it is to be expected that reasonable men frequently will differ. But it is plain that the act contemplates a process of decision-making which fairly weighs all the various purposes of the act and that one goal will not be unreasonably emphasized to the exclusion of others. The authority that Congress delegated to the Board is predicated on the agency's remaining faithful to the adjustments between the competing interests that Congress made. The Board's function is neither to strike new balances nor to destroy or ignore those that Congress decided upon. The establishment of collective bargaining, for instance, should not always be thought to outweigh freedom of choice on the part of the employees. Nor should the Board be permitted, no matter how general the statutory language, to be unprincipled and to apply a double standard. It should, in sort, be consistent in applying the rules it purports to adopt. Finally, not all the statutory language is ambiguous or general. Some, in fact, is very precise. In such cases, the Board has no discretion to exercise and its failure to comply with the statutory mandate cannot be excused. The failure of the Board to comply with precise statutory language, however, serves to illuminate the narrow way in which it goes about deciding cases where discretion exists and several goals of the act must be accommodated.

The following discussion will focus on several areas of the law which reflect some of the more controversial interpretations and doctrines established by the Board. They are by no means the only areas in which the Board has thwarted congressional will. Secondary picketing, multiemployer bargaining, the statutory definition of employee, other unit determination problems, etc., might also be discussed. This, however, would be cumulative as far as the subcommittee's conclusions are concerned. The issues discussed below are both sufficiently representative and important. Nor have we attempted to include within the report a complete catalog of Board decisions relating to particular problems. Rather, for purposes of brevity and clarity, we have dealt only with the leading or seminal cases where important issues are involved.

Representation elections, speech, and authorization cards

The Board has long purported to test the validity of a representation election by determining whether it was held in "laboratory conditions." Two avenues of attack on the validity of an election are commonly used. The first is proof that a party committed a preelection unfair labor practice which affected the election. The second is proof of conduct which is not itself a violation of the statute but is otherwise thought by the Board to destroy the "laboratory conditions." Plainly, the Board has an enormous amount of discretion within this very general framework and, in the exercise of this discretion, must accommodate various conflicting purposes of the statute. Equally plain, though, is the fact that the basic goal is to determine the free and informed choice of a majority of employees. But the infinite range of campaign tactics and number of incidents which will be alleged to have occurred in a preelection period call for a case-by-case development and elaboration of legal standards by the Board.

One example is the problem of individual discussions with employees. The Board in *Peoria Plastic Co.*, 117 NLRB 545 (1957), stated clearly that use of "the technique of calling all or a majority of the employees * * * into the employer's office individually or calling upon them at their homes to urge them to reject a union * * *" would be sufficient to upset an election. In *Plant City Welding and Tank Co.*, 119 NLRB 131 (1957), on the other hand, the Board indicated, although the facts seem not to have required it to do so, that calls by union organizers at the homes of individual employees did not destroy the desired "laboratory conditions". The Board's rationale was that the unions have less of an opportunity than employers to speak to employees in formal or informal groups and that an interview by an employer representative is inherently more coercive than one by someone from an organizing union. Even though this reasoning seems seriously weakened by decisions such as *May Department Stores Co.*, 136 NLRB 797 (1962), which enlarged the relative ability of unions to speak to groups of employees, one might still say that such a result, viewed in isolation, had been reached by a tribunal seriously concerned with the need for employees to hear both sides and exercise free choice. Such a result, in short, was not necessarily dictated solely by a desire to help union organizers. But these decisions ought not be viewed in isolation, for they are part of a whole fabric of law governing election campaigns and their real significance may be determined only in the light of other decisions.

One of the most vexing legal problems of preelection conduct involves the issue of what kind of speech constitutes an unfair labor practice or sufficiently inhibits free choice to upset an election. Because of section 8(c),[1] speech alone cannot be the basis of an unfair labor practice charge unless it coerces or promises some benefit. What is coercive speech, however, is again a question on which reasonable men can differ in particular cases. But one thing is clear and that is that the present Board has initiated a "trend * * * toward ever increasing restrictions on employer speech * * *," *NLRB* v. *Golub Corp.*, 388 F. 2d 921, 926 (1967), and has gone to the limit and beyond in finding a coercive impact in isolated and relatively innocuous remarks by employers. The most significant line of cases here involves the Board's attempts to find "threats" in predictive statements.[2] In *Golub*, for instance, the employer had merely pointed out to the employees what economic effects were possible results of aggressive unionism—unemployment, etc.—and that a collective agreement with rigid rules might preclude individual discretionary benefits. That such consequences are in fact quite plausible results of unionization was of little import to the Board. More significantly, the Board failed to take into account a very real disparity in ability to engage in campaign rhetoric when it formulated severe restrictions on employer predictions. The union is always free to promise increased benefits as a result of its efforts. The only effective response the employer has is the one used in *Golub*. To prohibit such a response is either to deny an elementary fact of economics and collective bargaining or to conceal from employees an important issue on which their vote might turn.[3]

But speech need not be found "coercive" only to support an unfair labor practice charge, for the Board decided soon after passage of the Taft-Hartley Act that section 8(c) did not prevent the Board from invalidating an election because noncoercive speech had disturbed the "laboratory conditions."[4] That reading of the statute, unsupported as it is by statutory language and surely in conflict with the spirit of section 8(c), is itself hardly mandatory. Needless to say, the concept of "laboratory conditions" for elections has no counterpart in American political practice. Indeed, the idea that speech of any kind, much less "protected speech," can invalidate an election is unacceptable outside of labor law, and is dubious within it. The application of this principle, moreover, appears to give the Board a great deal of leeway to apply double standards. Testimony before the subcommittee indicated, for instance, that whereas racial appeals by an employer will be closely scrutinized, similar tactics by unions find the Board more tolerant. In *Sewell Mfg. Co.*, 138 NLRB 66 (1962), an employer has emphasized to a group of presumably white employees the role the labor movement and unions generally had played in the struggle for racial integration. The Board, finding that such an appeal to racial prejudice had destroyed the "laboratory conditions," invalidated the election. In *The Archer Laundry Co.*, 150 NLRB 1427 (1965), however, a union, in seeking to organize a group of Negro employees, had analogized the campaign for representation to the struggle for civil rights in the South, depicted those who oppose unions as automatically racist, and pictured the employer as an analog to brutal police, dogs and firehoses: the symbols of southern racism. Although this was an obvious attempt to equate the employer with white racism, the Board, suddenly seized by a concern for free speech, found this to be merely a permissible appeal to racial pride.

The Board's rule has not been limited merely to inhibiting employers from presenting the arguments against unionization to employees. Under *Bernel Foam Products Co.*, 146 NLRB 1277 (1964), which overruled *Aiello Dairy Farms*, 110 NLRB 1365 (1954), a union may proceed to an election without waiving preelection unfair labor practices by the employer which may have affected the election. Although the Board has sought to justify *Bernel Foam* on the grounds "that the public interest in protecting free employee choice does not require a union to forego the right of employees to a secret ballot election as the price of remedying"[5] an unfair labor practice, the Board itself does not necessarily decree such an election as a remedy. Instead, the Board frequently directs the employer to bargain with the union on the basis of authorization cards signed by the employees before the election.

Testimony before the subcommittee has indicated a lack of agreement on whether Congress intended by the Taft-Hartley Act to eliminate the issuance of bargaining orders based on card checks. That statute eliminated from section 9(c) the words "other suitable method," thus leaving in that provision "election by secret ballot" as the only specified means for resolving questions of representation. Those who believe that authorization cards may still be relied on in fashioning remedies under section 8(a)(5), however, note that Congress specifically rejected an amendment to that section which would limit to certified unions alone the employer's duty to bargain. In the subcommittee's view, the weight of the evidence shows a decision on the part of Congress to rely upon the election process as the only authorized method of determining the wishes of employees on the question of organization. The persistent use of the card check to replace the election process is, therefore, a violation of the Board's obligation to enforce the terms and intent of the statute.

Whatever their views on the legislative history, however, most observers believe authorization cards are not a trustworthy method of determining employee choice. At the time of signing the employee may well not have thought much about the issues involved or have heard conflicting arguments. His signature may in fact be solicited under circumstances which distract him from the problem entirely: at a party, in a tavern, etc. The exercise of "choice" is not secret but open, and thereby likely to be influenced by subtle, as well as not so subtle pressures.

As a result, the unreliability of authorization cards is legion. Chairman McCulloch himself reported in a speech in 1962:

"In 58 elections, the unions presented authorization cards from 30 to 50 percent of the employees; and they won 11 or 19 percent of them. In 87 elections, the unions presented authorization cards from 50 to 70 percent of the employees; and they won 42 or 52 percent [sic] of them. In 57 elections, the unions presented authorization cards from over 50 percent of the employees and they won 42 or 74 percent of them."[6]

And yet the Board does not give serious consideration to the efficacy of a rerun secret election. It issues bargaining orders based solely on authorization cards from a bare majority of employees whenever it can in *Barnel Foam* cases. The Board not only relies on what is conceded by everyone, including Mr. McCulloch, to be a generally unreliable indicator of employee opinion but it also has constructed rules which minimize the impact of evidence indicating in particular cases that cards were secured by questionable conduct. The Board requires, for instance, that each card be invalidated individually by proof as to how it was secured. It gives no consideration to the totality of the atmosphere. It permits union organizers to indulge in the pretense that the purpose of the cards is merely to bring about an election and will not invalidate them unless it was represented that was the *sole* purpose.[7] See *NLRB* v. *Golub Corp.*, 388 F.2d 921, 923 (1967).

This compares unfavorably with its contrary attitude toward employer action and speech which is suspected of poisoning the election atmosphere. Employer representations are held to vary strict standards, and no proof of specific effect is required. The conclusion is inescapable that the agency is concerned with the preservation of white glove "laboratory conditions" only when it considers preelection conduct by employers. The net result in the card cases has been that very often unions are imposed as bargaining representatives on employees who have not registered their choices in the manner and according to the conditions Congress set forth. Because of substantial delays in agency processing, often the employees so subjected are substantially different from those who signed cards years before. In *Bryant Chucking Grinder Co.* v. *NLRB*, 389 F. 2d 565 (1967), for instance, the bargaining order was enforced nearly 5 years after the union lost the election. And lest one be prompted to repeat the well-worn refrain that any other result would encourage employers to engage in delay, we note that in this case, as in most, responsibility for the delay goes to the General Counsel, the trial examiner and the Board. The Board's claim that such rules are necessary to preserve the "right of employees to a secret ballot"[8] rings rather hollow in light of the practical effect of Board decisions, which is to deemphasize the election procedure.

The Board's disregard of secret elections as the best means of determining employee choice and its determination to impose unionism whether or not the employees want it is exemplified by its decision in *Conren Inc.*, 156 NLRB 592 (1966). Section 9(c)(3) forbids the holding of valid elections within

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12 months of each other. The section clearly is intended to establish industrial stability and peace for 1 year after an election. The Board in *Conren* held the employer violated 8(a) (5) when he refused to recognize a union with authorization cards from 28 to 53 employees 9 months after the union lost a valid election. The Board's holding that the employer did not have a good faith doubt as to majority status seems unbelievable in light of the previous election and the slim majority of authorization cards. Indeed, given the Board's experience, as reflected in Chairman McCulloch's speech, on the unreliability of cards, an employer who recognized a union on the basis of 28 cards with 53 employees might more plausibly be found to have committed the unfair labor practice of recognizing a minority union.

But we must not exaggerate the Board's faith in authorization cards. For where two unions are competing for representation status, the Board has found cards to be "notoriously unreliable" [9] and has in fact held employers who recognized a union, subsequently found not to have a majority, on the basis of a card check to have committed an unfair labor practice.[10] The contrast between the Board's attitude toward cards in union-versus-employer cases as opposed to union-versus-union cases is further evidence of its use of double standards in administering the act.

The effect of these decisions is to disregard the right of a majority of employees in an appropriate unit to make a free and informed choice of whether or not to be represented by a union. Union representatives, unlike those from management, may visit employees in their homes to persuade them to sign authorization cards. Authorization cards may be so drafted or explained verbally as to emphasize their role in obtaining an election—which even antiunion employees might desire as a matter of principle—and to minimize the fact they also authorize the union to represent the employees. They may be obtained in circumstances which prevent a reflective decision. On the other hand, the employer must be careful when rebutting union promises of increased benefits not to estimate what the cost of those benefits may be lest he "threaten" rather than "predict". Nor should he interrogate employees to determine the validity of cards presented to him. For if he does "threaten" or "interrogate," he will have to prove the invalidity of each card individually with evidence as to how it was obtained. Nor will he be able to claim that cards are "notoriously unreliable", for only a union can successfully make that argument. Such a legal structure can be based only on the Board's belief that it knows better than the employees what is good for them and on its determination to encourage unionism to the point of preventing a free and informed choice by a majority of employees. And that is a misuse of the power Congress had delegated to it.

Further evidence of misuse is found in Board rules—disapproved by the Supreme Court in *Leedom* v. *Kyne* [11]—on decertification. Although the act specifically requires that professional employees are to vote separately on whether they wish to be included in a unit with nonprofessionals, the Board, overruling an earlier decision, held in *Westinghouse Electric Co.*, 115 NLRB 530 (1956) that such a separate vote would not be held in decertification cases. Certified unions generally are well-protected by other rules, such as the one which bars an employee from testing the majority status of a certified union through an election unless he can show on the basis of "objective considerations" that he believes the status to be doubtful.[12] And since he may not poll employees himself and a large turnover since the last election is not an "objective consideration," the thrust of section 9(c) (2)[13] is wholly blunted by Board decisions. Again, statutory mandates give way to the Board's policy of encouraging unionism.

The best example of unevenhandedness of Board decisions in this area is *Herbert Harvey, Inc.* v. *NLRB*, 385 F. 2d 684 (1967). In that case a union petitioned for election, the Board asserted jurisdiction, and the union was certified. The employer refused to bargain, however, and the principal defense to the unfair labor practice charge related to the jurisdiction of the Board. The merits of this issue need not concern us because in a prior unpublished decision, *Specialized Maintenance Services, Inc.*, case No. 22–RM–222, (1966), the Board had refused to assert jurisdiction in indistinguishable circumstances. The court of appeals noted, "From that case we perceive an inconsistency which remains totally unexplained." And, indeed, the only distinguishing feature was that in *Specialized Maintenance* the employer was the petitioning party while in *Herbert Harvey* it was a union. And that well demonstrates what factors seem to weigh heavily with the Board in adjudicating cases under the act.

The right to refrain from concerted activities

A major change of direction in American labor law came when Congress, by the Taft-Hartley Act, gave Federal protection to the right of individual employees to refrain from, as well as to engage in, concerted union activities. The protection granted, however, extended only to rights other than internal union rights. Thus, while a union may expel an individual from membership for failing to live up to a requirement imposed by the union, it may not affect his employment status or harm him physically. The separation of union rights from job and other rights is reflected in section 8(a) (3) [14] and section 8(b) (2) [15] which, although permitting union shop clauses, prohibit unions from affecting the employment relationship for any reason other than employee's failure to tender periodic dues. And section 8(b) (1) makes it an unfair labor practice for a union "to restrain or coerce (a) employees in the exercise of the right guaranteed in section 7: *Provided*, That this paragraph shall not impair the right of a labor organization to prescribe its own rules with respect to the acquisition or retention of membership therein * * *."

There should, therefore, be no doubt that a union may expel a member for refraining from concerted activities which violate union rules when those rules do not frustrate statutory processes essential to the administration of the law. What other penalties it may resort to, however, is not so clear. May it, for instance, impose a fine?

Although the question is not without much controversy, the testimony before the subcommittee is strongly persuasive of the conclusion that Congress did not intend to include fines as permissible means of enforcing union rules. Section 8(b) (1) (A) speaks only of "acquisition or retention of membership," thus indicating that Congress left the union with expulsion as its only weapon. A union then is permitted to restrict employee rights only at the risk of depleting its membership. Such a reading of the statute by the Board would strike a balance between union and employee rights entirely in keeping with the spirit of the law.

It has, however, been argued that payment of a fine is no more than a condition of retaining membership, and that a fine is a "lesser included" penalty which does not violate section 8(b) (1) (A). These arguments, however, would be strengthened if the Board required that fines be imposed only after notice to the union member that he had the option to leave the union rather than pay the fine. But the Board has not stopped with the arguably permissible. It not only has sanctioned the imposition of fines without notice that payment was merely a condition of retaining union membership, but has also permitted unions to bring suits for collection in State courts. (See *NLRB* v. *Allis-Chalmers Mfg. Co.*, 388 U.S. 175 (1967).) Court suits to collect fines plainly go beyond the statutory restriction of discipline "to rules with respect to the acquisition or retention of membership therein * * *." When imposed on an employee for crossing a picket line, or for exceeding union-imposed work or wage limitations, moreover, such actions infringe on job rights because they seek to deprive the employee of the economic gain achieved by violating the union rules. By holding such actions are protected by the proviso to section 8(b) (1) (A), therefore, the Board has frustrated the legislative purpose embodied in that provision as well as the basic intent of Taft-Hartley to separate job rights from internal union rights. And it has done so, once again, in a way which helped unions impose their will on individual employees.

The Supreme Court had difficulty with the Board's rationale and did not, as did the Board, casually sweep aside the quite evident problems of reading the section 8(b) (1) (A) proviso to permit court enforcement of fines. Rather, a badly divided Court resorted to the even more indefensible argument that court actions to collect fines do not "restrain or coerce". That such a reading of the statute makes no sense—absent a judicially established policy to aid unions in compelling adherence to their rules—seems beyond argument. As Mr. Justice Black said in dissent, " * * * It ill behooves this Court to seek so diligently to defeat this unequivocably declared purpose of Congress [to protect employees in their right to refrain from concerted activities], merely because this Court believes that too much freedom of choice for workers will impair the effective power of unions."

The impact of *Allis-Chalmers* may be great, for its doctrine extends beyond cases in which employees have merely refrained from concerted activities to situations in which they seek to employ the Board's statutory processes. The Board has limited the union's disciplinary powers in cases where members seek to file unfair labor practices in disobedience to the union's rules. See *Skura*, 57 LRRM 1009. However, in *Price* v. *NLRB*, 373 F. 2d 443 (1967), the Board permitted a union to discipline a member who invoked the processes of the Board in order to obtain a decertification election. Although in *Price*, no fine was ultimately levied, the rationale of *Allis-Chalmers* would seem to permit court-enforced fines for resorting to the Board's statutory processes. Thus, while the Board will protect the act's processes in some instances, it will not do so when the union's life is at stake. It has determined that the union's right to defend itself is more important than the right of employees to employ statutory processes to rid themselves of a union which no longer commands the adherence of a majority.

Subsequent cases, especially that of *Scofield* v. *NLRB*, 394 U.S. 423 (1969), which involved a fine for exceeding union-imposed production ceilings, further elaborate on the union-fine rules and give valuable insight into the Supreme Court's approach to its functions under the act. The Court's opinion in *Scofield* announces a rule of law having few if any points of contact with the Board's view of the Statute and, needless to say, one which has no relationship to the statutory language.

The upshot of the union-fine cases is that while unions may not affect the employee's job rights, they can prevent him from actually working and, if he works, prevent him from getting paid. The statutory protection of job status is reduced merely to the right to remain on the company books as an employee.

THE INFLUENCE OF POLITICS ON THE BOARD

Because of its structure, its history, and the nature of the controversies with which

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it deals, the Board has always demonstrated a susceptibility to political influences. Ambiguities in the statute and the necessity to delegate power to apply more or less general statutory principles to differing factual situations create room for large amounts of agency discretion. Given the impossibility of enacting foolproof or tamperproof statutory language in such a controversial and complicated field of law, and given the necessity to delegate discretion in the resolution of issues, some degree of political responsiveness is probably unavoidable—and when kept within close bounds, perhaps tolerable—in an institution which is imperfectly judicialized.

Interested parties, particularly employers and unions, feel they have an important stake in how this discretion is exercised. There is a strong incentive on the part of the more organized groups representing these interests to attempt to influence appointments to the Board in order to have appointed men sympathetic with their views of the statute. The pressures with muscle behind them represent narrow interests: prounion and certain kinds of unions, and promanagement, and certain kinds of management. The pressures are intense. They are not diffused, as in the case of judicial appointments, by the variety of other forces and considerations which are reflections, in part, of the more general subject matter presented to courts. Members appointed to the Board, therefore, come to office with definite viewpoints and rarely change their views during the time they serve.

The alternative of longer terms for Board members will not eliminate the responsiveness to politics inherent in the nature of the appointment process. Indeed, longer terms may increase these pressures because of the relative permanence of the influence of the members.

The importance of the relatively short 5-year term lies in the fact that it injects into the Board a sensitivity to changing political climates as new members with different views are appointed. Thus, theoretically at least, short terms offer the promise that all parties to the legislative compromise and all competing interests affected by the statute will not be permanently shut out of the Board and that, while doctrine may change, it will change within the limits of discretion confirmed by Congress.

As the hearings demonstrate, however, this theoretical advantage of short terms has not generally been demonstrated in practice. The orientation and personal views of the members have tended to be so strong that the Board has deliberately frustrated congressional purpose by exceeding the limits of its discretion. The Board should serve, not compete, with Congress. Second, the Board exhibits a tendency to be so responsive to selected interests as to give these views overwhelming weight. These interests remain strong even with changing administrations. The appointment process has not produced different Boards which weigh conflicting goals of the statute and evolve law that gives recognition and balance to all interests.

Service on the Board has not served to broaden the views of the Board members. On key issues a built-in polarization—or consensus—exists which eliminates any hope that discussion and persuasion with other members will have any effect. Broader viewpoints on issues such as freedom of contract or the rights of individual employees are viewed as makeweights designed to reach a particular result. And there is no incentive for Board members to seek out other views, because criticism appears narrow and unfair and is looked upon as a politically motivated attack rather than a source of information. Chairman McCulloch's testimony before the subcommittee, for instance, was in large part concerned with questioning the motives of the Board's critics. The implication was plain. Critics were either ill-informed or acting from malice, a conclusion buttressed by the number of management attorneys—usually unnamed or deceased—who had, he testified, told him privately that the Board was doing a fine job. Such a viewpoint in turn creates a temptation to conceal the rationale of decisions and to act as though the Board has no policymaking functions. Criticism is answered by questioning the motives of critics or by referring them to Congress with a helpless shrug. In one sense, then, the Board's problem is not that it is thinly insulated from outside forces, but that it is altogether too isolated from them. This singleminded obtuseness in turn heightens the frustrations of those subject to the law who feel their legitimate interests are ignored. Criticism and the inevitable Board reaction increase in stridency until the agency begins to take on the appearance of a besieged band of diehards rather than a quasi-judicial government body.

It is the view of the subcommittee that the present structure and operation of the Board tend to lead to an overly narrow view of the goals of the act by the agency and to encourage it to give one value overwhelming weight. Nothing else explains the vulnerability of these decisions to the charge that they infringe on the right of individuals to refrain from union activities or hamper a majority of employees in an appropriate unit from deciding not to be represented by a union. And, on occasion, as in *Herbert Harvey* or *Golub*, the Board's rulings seem based more on a guess as to how much it can get away with than on a fair balancing of conflicting considerations.

The evidence adduced at the hearings substantiates the view that the Board is politically responsive. The rule as to whether a union waives preelection employer unfair labor practices by proceeding to an election, the rules governing captive audience speeches and doctrine concerning the permissibility of craft severance have changed each time a different party captured the White House. Much of the doctrine discussed in the previous section was developed by the "Kennedy Board" and could not conceivably have been established by the preceding "Eisenhower Board." The initial interpretations of section 8(b)(7) were made by a Board dominated by appointees of President Eisenhower. Before the decisions became final, however, Kennedy appointees gained a majority and the very same cases were reheard and the initial interpretations reversed. Indeed, much of the controversy surrounding the Board results from a frustration caused by the belief that new appointees to the Board after 1961 were favorable to strong unions and were able to effect greater changes in the law as it stood in 1959 than did Congress by enactment of the Landrum-Griffin Act. And this in turn has aggravated the feeling that Congress has lost control of labor law to an overly powerful Board which writes its own policies into the act. Thus, it is not unreasonable to think that those seeking to limit organizational picketing were far better off with the "Eisenhower Board" and the vague mandates of section 8(b)(1)(A) than with the "Kennedy Board" and the relatively specific section 8(b)(7).

None of this is to suggest that Board members are dishonest. Quite the contrary: for it seems fairly certain that only an honestly and deeply held belief that employees would be better off with unions could have led to many of the decisions described above. Nor is it to say that only Democratic appointees come to the Board with a narrow view of the act. During the 1950's, the "Eisenhower Board" was criticized as being "promanagement" no less severely than the present Board has been for being "prounion." The present Board's desire to help unions, however, has not stopped merely with the overriding of precedents from the Eisenhower era. In fact, it has supplanted decisions of the "Truman Board" in its zeal to rewrite the law.

JUDICIAL REVIEW

At the outset, it must be noted that judicial review cannot be a complete remedy for every failing of the Board. Within restricted areas of the statute, and usually in those that leave limited discretion to the Board, courts with considerable experience in labor cases have some opportunity to form judgments of the Board's approach over time. In some circuits, repeated exposure to Board methods and decisions may result in court reversals and harsh correctional language designed to chastise what the court considered abusive tendencies and inadequate procedures. As a general matter, however, this is of limited usefulness and has limited effect on the Board, which tends to characterize the judges as "anti-Board" rather than helpful critics. Where the statute delegates large doses of discretion to the Board to interpret a number of very general provisions, however, the Board is required to weigh a number of competing values and to find an accommodation between them. And although we cannot expect different boards to agree on which values govern the decisions of individual cases, we do expect that fair consideration will be given to all the purposes of the act and that no interest will always dominate. Judicial review must proceed on a case-by-case basis. In areas in which the Board has discretion a court cannot know whether the Board gave fair consideration to all of the conflicting values involved. In reviewing a Board decision holding that subcontracting is a mandatory subject of bargaining or that a district office is an appropriate unit in the insurance industry, for instance, a court can say only that the result is a permissible one under the statute. It simply cannot evaluate whether that result was reached by a fair weighing of all the considerations involved rather than by an automatic application of one policy, for example, the establishment and maintenance of strong unions. Statistics showing court approval of the Board and recitations of affirmances in individual cases prove little if anything about the way the Board administers the law. Thus, even if the overall approval rate were higher than the mediocre 62.3 percent that it is, or the 23.5 percent it fell to in one circuit, this would not be useful evidence upon which one could make judgments about the Board.[16] Whether the Board's discretion is being exercised properly can be determined only by an overall, rather than case-by-case, view of the Board's work which compares the results reached in different parts of the statute and the interpretations given in discretionary areas with those reached where the statutory language is more precise. Only then can a pattern, if one exists, be determined.

Judicial review, therefore, even when carried on in an ideal fashion, would not be a great check on the exercise of the Board's power. But the hearings also clearly demonstrated that the courts' review of the Board is itself hardly carried on in an ideal fashion. Although the statute gives the Board large amounts of discretion because it is a specialized agency, the Supreme Court particularly does not show any great deference to the Board's exercise of that discretion. And even where language indicating deference is used, it has been suggested that this is only a makeweight for a particular result. There are many examples of cases in which the Supreme Court has either affirmed the Board by agreeing that "the" correct rule was applied, thereby treating the issue as though it was not discretionary, or has reversed and applied its own rule. In other cases it has affirmed, but only after substituting its own rationale.

In *Allis-Chalmers*, for instance, the Court

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rejected the Board's reading of the rather specific proviso to section 8(b)(1). Rather, it turned to the generalized language "restrain or coerce" and placed its own narrow interpretation on those words. Assuming *arguendo* that such an interpretation is permissible, clearly it ought to come from the specialized agency first and not from the reviewing court. Other decisions confirm the Supreme Court's usurpation of a policymaking function in labor law. Although it has prevented the Board from controlling the results of negotiations in interpreting section 8(a)(5), it has achieved the same result under its reading of the vague language of section 301 [17] of Landrum-Griffin.

Finally, the hearings indicated that the courts have tended to favor the "prounion Boards" over the "promanagement Boards." Both Mr. Ratner and Chairman McCulloch noted the frequency with which the courts rejected interpretations of the "Eisenhower Board." It was also made clear that in areas in which the Board's exercise of discretion has shifted with changes in composition of the Board's membership, the courts are gradually insuring that future changes will not occur and that the interpretation they favor will predominate. Thus, it was indicated that the "Kennedy Board" rule on union waiver of preelection unfair labor practices cannot be reversed because of judicial decisions.

A good and recent example of this is the Supreme Court's decision in *NLRB* v. *Gissell Packing Co., Inc.*, 37 U.S. Law Week 4536 (1969). In that case, the Court held that authorization cards can be used as evidence of a prior majority and thus support a bargaining order. As discussed above, that interpretation is by no means a mandatory reading of the act. Indeed, the contrary view seems preferable. The Court's view of the reliability of cards, for instance, is rather peculiar:

"The employers argue that their employees cannot make an informed choice because the card drive will be over before the employer has had a chance to present his side of the unionization issues. Normally, however, the union will inform the employer of its organization drive early in order to subject the employer to the unfair labor practice provisions of the Act; the union must be able to show the employer's awareness of the drive in order to prove that his contemporaneous conduct constituted unfair labor practices on which a bargaining order can be based if the drive is ultimately successful. See e.g., *Hunt Oil Co.*, 157 NLRB 282 (1966); *Don Swart Trucking Co.*, 154 NLRB 1345 (1965). Thus, in all of the cases here but the Charleston campaign in *Heck's* the employer, whether informed by the union or not, was aware of the union's organizing drive almost at the outset and began his antiunion campaign at that time; and even in the *Heck's-Charleston* case, where the recognition demand came about a week after the solicitation began, the employer was able to deliver a speeech before the union obtained a majority. Further, the employers argue that without a secret ballot an employee may, in a card drive, succumb to group pressures or sign simply to get the union "off his back" and then be unable to change his mind as he would be free to do once inside a voting booth. But the same pressures are likely to be equally present in any election, for election cases arise most often with small bargaining units where virtually every voter's sentiments can be carefully and individually canvassed. And no voter, of course, can change his mind after casting a ballot in an election even though he may think better of his choice shortly thereafter." [18]

Such reasoning, however, wholly ignores the fact that the whole point of the secret ballot is to permit a public stance which differs from one's conduct in the ballot box. It is, moreover, wholly *a priori* and totally ignores the Board's experience. Chairman McCulloch's speech quoted above indicated that if a union was unable to obtain cards from more than 70 percent of the employees in a unit, its chances of winning a secret election are hardly better than even. *In three of the four cases before the Court in* Gissell, *therefore, according to Chairman McCulloch, it was virtually indeterminate whether the union actually had a majority.* The Court did not, moreover, give weight to the fact that Board itself believes cards to be "notoriously unreliable" when that view leads to the result it prefers.

Nor did the Court indicate that it was prepared to police the solicitation of cards so as to increase their reliability. The Court unequivocally endorsed the Board's *Cumberland Shoe* doctrine,[19] which permits union organizers to emhpasize the function of cards in getting an election—a process which anti-union employees might want to invoke on principle—rather than their function as the basis for bargaining orders. In one of the cases before the Court in the *Gissell* determination, the vast majority of card signers were told one or more of the following: (1) the card would be used to get an election, (2) that card signers would be free to vote against the union and (3) that the cards were secret and would be shown only to the Board to get an election. The Court agreed with the Board that none of these circumstances mattered since the cards on their face authorized the union to represent the employee. And so, where unions are concerned, the white glove "laboratory conditions" fall before the doctrine of *caveat signor*. The Court's outright refusal to consider the totality of the thrust of the union's campaign because "employees should be bound by the clear language of what they sign" [20] is shocking—and surely not less so because a number of the employees involved were illiterate or semiliterate.

In sharp contrast to this hands-off attitude is the Court's stand on speech by employers. Section 8(c) is virtually torn from the pages of the United States Code as the Court instructs employers not to predict dire economic consequences as a result of aggressive unionism unless they are based on "objective fact" which is "demonstrably provable." That an increase in the price of labor will usually result in the substitution of machines or in lowered sales because of higher prices is virtually an economic truism. The outlawed prediction, therefore, is presumptively true. The net result is that unions may promise the millennium regardless of "objective fact" and may solicit cards without much concern for disturbing the "laboratory conditions." Employers, on the other hand, may not point out a most relevant consideration to the employees.

This disregard for the first amendment rights of employers is disturbing. When the Board ignored them in the 1940's Congress enacted section 8(c). And now once again they are flagrantly violated. If such rules were applied to unions one would expect to hear the gnashing of judicial teeth over the "chilling effect'" of such restrictions on speech. Perhaps, however, employers have a recourse. It may well be that the Court will protect their predictions if they are cast in the form of pornographic literature.

The net result of all this is that large amounts of discretion delegated to the Board by Congress are now exercised by the courts, and that the courts have thereby usurped a significant policymaking role. And there are many indications that the courts, like the Board, do not always give fair weight to all the considerations involved.

THE GENERAL COUNSEL

Before 1947, the General Counsel of the National Labor Relations Board was subject to the authority and direction of the Board. Believing that such a structure combined the functions of judge and prosecutor in a way which prevented a fair hearing on unfair labor practice charges, Congress separated the prosecutory and adjudicatory functions by creating a General Counsel independent of the Board. But while this structure avoids prejudged adjudications, it creates a new danger that the power of the General Counsel may be exercised arbitrarily. The statute is quite vague as to what standards are to guide the General Counsel's determination of whether to issue a complaint. And because his decision is itself unreviewable, the failure to issue a complaint on the basis of a meritorious charge, therefore, has the same effect as a negative adjudication on the merits even though the Board itself has taken no action. If a complaint is issued on the basis of a frivolous charge, on the other hand, needless harassment results. Finally, if the General Counsel deliberately delays his decision, he may as a practical matter affect substantive rights.

The subcommittee is unable to determine what standards the General Counsel, at least in recent years, applies in exercising his exclusive power to issue complaints, other than to say that it is often exercised arbitrarily. One important issue is whether, when the present case law is not dispositive of a particular issue, the General Counsel should issue complaints no matter what his own view in order to let the Board and the courts rule on that issue. If he decides to permit his own view of the law to govern and that view is against the merits of the charge, the lack of review would make his ruling final. Thus we have an anomalous structure in which the General Counsel's negative views are conclusive while his decisions to issue complaints are fully reviewed. It is not at all clear what the General Counsel's view of his functions is in this respect. After the Supreme Court ruled in the *Allis-Chalmers* case, a number of charges raising issues concerning the excessiveness of fines imposed by unions were dismissed by his office. These dismissals were based on his view that the excessiveness of a fine was irrelevant. But that view was not explicitly endorsed by a majority of the Court and was in fact an open question. The General Counsel, however, seemed at that time to believe that he was empowered to render a conclusive decision. Subsequently, however, he changed his mind and later rulings have gone the other way, for after an inquiry by Senator Ervin, the General Counsel began to issue complaints which raised the issue of excessive fines. That the General Counsel finally came around to thinking that issue ought to be determined by the Board and courts rather than himself is not of much comfort to those members of unions who were compelled to accept his earlier rulings.

But if the standards which govern issuance of complaints by the General Counsel are unclear, it is clear that many rulings are arbitrary. One case, *Group Health Association*, case No. 5–CA–4122, which has come to the subcommittee's attention seems particularly noteworthy. In that case a consent election had been held and the union, which was not opposed by the employer, won by a small margin. An employee-composed grievance committee challenged this on the grounds that the unit was wholly inappropriate and arbitrary and that unfair labor practices had been committed. The petition for an election was then withdrawn and the union and employer entered into a contract recognizing the union as the exclusive representative of the employees who were members of the union. There was no evidence that the union had a majority in an appropriate unit. The union then sent a letter to all the employees indicating that retroactive benefits would be paid only to union members and that the employer had agreed to end endorsed this plain discrimination. At all times thereafter, union members were paid more than non-union employees. It is not worth the printing expense to go into detail as to the merits of the charge since so many *per se* violations are obvious. The General Counsel did not, however, issue a complaint. On the other hand, an opinion of the U.S. Court of Appeals for the Sixth Circuit indicates that the General Counsel has issued a complaint against an employer based on a provision in a collective agreement six or seven times in spite of the fact of a specific judicial ruling on that very agreement to the contrary.[21] Although the court held it lacked jurisdiction to enjoin such patent harassment because his decisions are unreviewable, it went out of its way to say that his refusal to abide by the court's rulings was "little less than an affront." It should be noted that a similar provision was apparently also involved in *Group Health,* in addition to the other flagrant violations, and not one complaint was forthcoming. Such behavior by a public officer smacks of lawlessness.

But it is not merely in issuing or in declining to issue complaints that the General Counsel exercises arbitrary power. By delaying a ruling, he can as a practical matter affect substantive rights. Thus, by delaying a ruling in *Bryant Chucking* and many similar cases until the "Kennedy Board's" overruling of *Aiello Dairy,* the General Counsel was able to increase the retroactive effect of *Bernel Foam.* This not only aggravates the Board's failure to utilize prospective rulemaking procedures but also increases the danger of imposing a minority union through reliance on authorization cards signed by employees years before.

Delay in the issuance of a complaint can also be utilized for extrastatutory purposes where an injunction may be involved. Thus, in the copper strike,[22] which was of emergency proportions, the General Counsel took 3 months to decide that an unfair labor practice was being committed—although every other labor lawyer in the country knew that one was—and then deliberately delayed issuance of a complaint for another 6 weeks in deference to the mediatory efforts of the President. All this time an illegal strike was taking place. Mr. Ordman's statement at the hearings that he believed a settlement might be hampered by NLRB action was little more than a reflection of his belief that a settlement reached by forcing an employer to accede to illegal demands is better than the effectuation of the act. This reluctance to get involved in litigation, however, seems limited to cases brought against unions. In the *General Electric*[23] case, the General Counsel sought an injunction against the employer before a strike began, even though difficult and novel issues were involved. And for that reason the court of appeals for the second circuit refused to grant the injunction.

It is the subcommittee's conclusion that the General Counsel's independent and unreviewable authority to issue complaints has been abused and that the lack of any check on that power has permitted it to be exercised arbitrarily and lawlessly. As a result, congressional policy has not been effectuated.

FOOTNOTES

[1] Sec. 8(c) provides in part: "The expressing of any views, argument, or opinion, or the dissemination thereof, whether in written, printed, graphic, or visual form, shall not constitute or be evidence of an unfair labor practice * * * if such expression contains no threat of reprisal of force or promise of benefit."

[2] See e.g. *S.N.C. Manufacturing Co., Inc.,* 147 NLRB 809 (1964).

[3] For a discussion of the Supreme Court's view of sec. 8(c), see p. 48 infra.

[4] *General Shoe Corp.,* 77 NLRB 124 (1948).

[5] NLRB hearings, "Supplemental Memorandum of the NLRB to the Subcommittee on the Separation of Powers," Committee on the Judiciary, vol. 2, p. 1668.

[6] "A Tale of Two Cities: Or Law in Action" address by Chairman McCulloch at the annual meeting of the Labor Relations Law Section, American Bar Association, Aug. 7, 1962.

[7] *Cumberland Shoe Corp.,* 144 NLRB 1268 (1963).

[8] *Bernel Foam Products Co.,* 146 NLRB 1277 (1964).

[9] *Sunbeam Corp.,* 99 NLRB 546, 550 (1952).

[10] *Wheland Co.,* 120 NLRB 814 (1958).

[11] 358 U.S. 184 (1958).

[12] *U.S. Gypsum Co.,* 157 NLRB 652 (1966).

[13] *Laystrom Manufacturing Co.,* 151 NLRB 1482 (1965) enf. denied 359 F. 2d 799 (7 Cir. 1966). Sec. 9(c)(2) provides that the rules which govern whether a question of representation exists shall be the same whether the petition is filed by an employer or a union. The Board's decisions plainly place a heavier burden on employer petitions.

[14] Sec. 8(a)(3) provides in part that it shall be an unfair labor practice for an employer "by discrimination in regard to hire or tenure of employment or any term or condition of employment to encourage or discourage membership in any labor organization * * *." A proviso to 8(a)(3) permits execution of a unionship agreement compelling the payment of periodic dues. Beyond that, job rights may not be affected adherence, or the failure to adhere, to union rules.

[15] Sec. 8(b)(2) provides that it is an unfair labor practice for a union to cause an employer to violate sec. 8(a)(3).

[16] These figures are for fiscal 1967 and are taken from the annual report of the NLRB for fiscal year ending June 30, 1967—the latest available. Equivalent figures for the years 1962–66 are 5.7 percent and 42.4 percent, respectively.

[17] See Wellington, *Freedom of Contract and the Collective Bargaining Agreement,* 1963 Lab. L.J. 1016.

[18] *NLRB* v. *Gisell Packing Co., Inc.* 37 Law Week 4536, at 4543 (1969).

[19] *Cumberland Shoe* v. *NLRB,* 351 F. 2d 917 (1965).

[20] *NLRB* v. *Gisell Packing Co.,* 37 Law Week 4536 (1969).

[21] *Armco Steel Corp.* v. *Ordman,* 70 LRRM 3181 (6 Cir. 1969).

[22] *Kennecott Copper,* case No. 27–CB–453.

[23] *McCleod* v. *General Electric,* 366 F. 2d 847 (2 Cir. 1966).

THE ADMINISTRATION'S PROPOSED CUTBACKS IN MENTAL HEALTH FUNDING

Mr. HUMPHREY. Mr. President, last week the Washington Post carried an article by Geri Joseph, a contributing editor to the Minneapolis Tribune. Ms. Joseph's article clearly described the plight of our national health programs under the Nixon administration.

The symptoms of the administration's disinterest in the mental health sphere of national health services include diminished authority of the National Institute of Mental Health and the low priority of mental health services in President Nixon's proposed budget.

The budget prepared by the executive branch provides for a 6-percent reduction from last year's allocation. However, as with all programs, current economic trends necessitate increased financing simply to maintain existing programs. With reduced funding, NIMH will be forced to curtail current studies and eliminate innovative research endeavors.

Ms. Joseph provides an effective analysis of the ramifications of a reduction of the NIMH training budget. It seems clear that the elimination of stipends for psychiatric training would induce students to switch to other specialties or become involved in a more lucrative private practice to repay the debts they incurred in obtaining their education.

Mr. President, I ask unanimous consent that this enlightening article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Washington Post, Apr. 17, 1974]

Mental Health's Bureaucratic Pains

(By Geri Joseph)

Mental health programs are not faring well in Washington these days. Somebody in the White House cares neither for the problem nor the profession. Or at least that is what a number of experts believe.

And they have good reason. One is the reduced authority of the National Institute of Mental Health (NIMH), the big, influential, federal agency that has had a marked, progressive impact on mental-health efforts in this country. The other is the low place on the totem poll given key mental-health programs in President Nixon's budget for the fiscal year beginning July 1.

Both setbacks lend credence to the distinct impression that overall-all health policy—if there is one—is based on something other than common sense and the needs of particular problems. NIMH difficulties also encourage the articulated suspicion that Mr. Nixon is "anti-psychiatry."

Last September, after months of controversy, two major programs—alcohol and drug abuse—were removed from NIMH's control and put on equal footing in a new and controversial agency, the Alcohol, Drug Abuse and Mental Health Administration.

Presumably, the change was to give more visibility to alcohol and drug programs. But almost no one approved to the new agency—not the alcohol or drug people and certainly not NIMH staff. All feared a smothering, bureaucratic superstructure, a not uncommon design in government.

Many alcohol and drug professionals would like their own agency for the same reasons mental-health specialists wanted that identity many years ago. Visibility helps both in rallying supporters and in getting congressional financing. (It can, on the other hand, provide an easy target, as NIMHers are learning).

But alcohol and drug problems fit logically under the broad aegis of NIMH. And last December, Roger Egeberg, acting head of the Alcohol, Drug Abuse and Mental Health Administration, admitted that while "we need to give alcoholism its head for a while," both programs probably *would* be back within NIMH within three to five years.

To mental-health workers, it is a political game of musical chairs, partly to cut NIMH down to size, partly to give the appearance—though not the budget reality—of greater administration support for drug and school efforts.

But the cut in authority is only part of the story. Proposed NIMH budget cuts may be more destructive than the agency's reduced size. There is particular concern in three areas—training, research and the community mental health centers program.

In both training and research, NIMH has been a leading source of funds. Neither program was cheap. The community mental health centers were intended to provide a nationwide network of psychiatric services closer to patients' homes than the remote state mental hospitals. The goal was 1,500 by 1980. Fewer than half that many now exist.

If the administration's proposed budget of $80 million for research is approved—a 6-percent cut from 1972—NIMH will for the first time receive less than other health institutes. Research budgets for heart and cancer, for example, are the same as last year. With fewer dollars and more inflation, NIMH will have no new money for research proposals, and some current studies may need to be curtailed.

Reductions in the training budget could be no less serious. NIMH has been the major source of support for graduate training in mental-health fields. The majority of all psychiatric residencies in the country, for example, are supported in full or part by NIMH stipends. Medical schools rely on them, too, to underwrite some salaries and administrative costs. In 1973, NIMH spent about $100 million for 923 grants to institutions and stipends to 5,216 individuals. For 1975, the Nixon budget proposes $65 million.

Most NIMH-supported students—psychologists, nurses and social workers—go into community practice, which reaches more people than private psychiatry. An increasing number of NIMH-funded psychiatrists—perhaps 30 percent—also are choosing community psychiatry.

The administration believes that students in mental health fields should rely on loans, not stipends. But the cost of psychiatric training is so prohibitive that mental health officials claim that many students would switch to other specialties rather than assume the heavy debt. Or, on graduation, they would enter private practice where financial rewards would permit them to repay loans more quickly. The loser would be the patient who cannot afford private care.

Among other losers if training money is cut would be minority students who, helped by NIMH stipends, have been enroling in increasing numbers, particularly in psychiatric nursing and social work.

As for the community mental health centers, they have been targeted for a phasing out of the federal budget by June 30. The Congress, however, has expressed continuing support for the centers program, and it is to the Congress that mental-health professionals and citizen groups are turning for help.

They expect no help from the administration. Not only is there a strong conviction that the president is uninterested, even antagonistic. But one knowledgeable mental health executive said, "We think this administration is trying to come up with a health system that is brilliantly simplistic but leaves out difficult things."

Apparently the huge challenge presented by mental illness is one of those difficult things.

FRED FREED, 1920–74—A DISTINGUISHED AMERICAN PUBLICIST

Mr. JAVITS. Mr. President, the powerful influence of our society is heavily attributable to men and women who find their mission and our inspiration in the particular field in which they are situated by life and training.

I ask unanimous consent to have printed in the RECORD two articles on the life of Fred Freed.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

FRED FREED, 1920–74

(By Reuven Frank)

Fred Freed's distinction as a producer of television documentaries was not in his Peabody awards, not in his duPonts, nor his Emmys, nor in the University of Missouri's Honor Award for Distinguished Service in Journalism, accepted for him posthumously 10 days ago.

It was in his straight-line manner of developing a subject, masking prodigies of research and sophisticated complexities of technique; in his concern for the world he lived in, and in his repugnance for extreme positions.

In his last programs, the pair about the search for American solutions to the energy crisis, he dealt with shale, with strip-mining coal, with off-shore platforms, with large companies and small adventurers. But over and over again, he wrote the line, "There is no energy crisis; there is only a money crisis." We could have as much energy as we were willing to pay for.

I asked him, "How often do you have to say that?"

He said, "I have been working on this for months, reading everything I could find, talking to experts on every side and that's all there is. Maybe if we say it often enough, they'll believe it."

In recent years he developed a concern for Americans and what had gone out of their lives, how difficult living was becoming, how different from his boyhood in Oregon. Workers without satisfaction, city-dwellers living in fear, the poor preying on each other. Most of all, the problem facing everyone: too many choices and too few certainties.

In program after program, the recurrent theme: "We must decide what kind of country we want to be." "We must decide what it is we want." Always "we" and always "decide"—in programs about pollution, in programs about energy, in programs about cities, in programs about work. More and more, he thought of his function as equipping people to decide, but never telling them what to decide.

No producer has a favorite program. For a producer, the memory of each is more involved with the agonies of gestation than with achievement. But often he will talk about a favorite program, and each time it will be a different one. Once, Fred told me his favorite program was "Pollution Is a Matter of Choice." It was about a community in Maine needing jobs and the jobs available if an oil installation were admitted, with all its threat to the matchless coast. He understool their pain, and considered this a paradigm of modern America.

His earliest reputation came from historical recapitulation, "The Death of Stalin" and "Summer of '67: What We Learned" and the rest. My own favorite among his programs was "Vietnam Hindsight," a two-part examination of how, all unwitting, we had gone deeper and deeper where neither we nor our leaders had wanted to go. There was little in these programs we did not know, but until we saw them we did not know how much we knew. Fred Freed could do that. He could crystallize and underscore as no one else I have ever worked with.

His world had few heroes and no villains. He pointed no fingers; he propounded dilemmas. He saw us as all bound together in the complexities of the human condition. He tried to help us find our way out, at least part way.

But I remember his brilliant, slashing exposé of the methods of Jim Garison in New Orleans. That one was long ago. It exhillirated him. We were talking about another one like that. But he ran out of time. He never had enough time.

[From the New York Times, Apr. 1, 1974]

FRED FREED, NBC PRODUCER OF PRIZE DOCUMENTARIES, DEAD—WON EMMYS AND PEABODYS FOR SHOWS ON WORKERS, POLLUTION AND POLITICS

Fred Freed, executive producer and writer of documentary news programs for the National Broadcasting Company television network, who won many awards for his shows, was found dead yesterday at his home, 1170 Fifth Avenue. His age was 53.

A maid discovered his body in bed at 11 A.M. The cause of death was not immediately determined.

Mr. Freed produced a score of "N.B.C. News White Papers," and won seven Emmy awards on such subjects as blue-collar workers, pollution, the Cuban missile crisis and the American military in the nineteen-seventies.

An N.B.C. spokesman said Mr. Freed was to receive the George Foster Peabody award for a three-hour "N.B.C. Reports: The Energy Crisis—An American White Paper, which was shown last Sept. 4. His most recent shows were two one-hour programs on the energy crisis broadcast March 21 and 28.

PEABODY AWARDS

Mr. Freed won earlier Peabody awards for "Organized Crime in the United States," shown in 1966, and "Who Killed Lake Erie?" shown in 1969.

He won two Alfred I. duPont-Columbia University awards in broadcast journalism in 1970 for his "Pollution Is a Matter of Choice" and in 1971–72 for "The Blue Collar Trap," about assembly line workers.

His other shows included "The Ordeal of the American City," "United States Foreign Policy" and "Summer, 1967," a study of black rioting. Based on the show, "The Decision to Drop the Bomb," Mr. Freed and Len Giovannitti wrote the book of the same title, which was published in 1965.

Mr. Freed was described as "the very model of the modern major newsman—tweedy, serious, cautiously skeptical—a tireless stalker of the specters of social unrest that haunt the television-watching average American."

As a television documentary producer, Mr. Freed was a combination reporter, movie producer, movie director and executive in a large corporation. Assisted by a large staff, he directed every aspect of making the programs: formulating the idea, hiring consultants (often statesmen and educators), researching locations, interviewing, film editing and script writing. "The only thing I don't do," he once said, "is appear on the screen."

He was born in Portland, Ore., on Aug. 25, 1920, was graduated from Princeton University in 1941 and served in the Navy in World War II as a communications and gunnery officer on destroyers.

Mr. Freed began as a magazine writer and editor, becoming assistant managing editor of Esquire magazine. He entered broadcasting in 1949 and joined the staff of the Columbia Broadcasting System's radio program "This Is New York" and then became editor-writer of the Ford Foundation-backed radio series "The People Act." He won his first broadcasting award—from Ohio State University—for a program in this series.

He joined N.B.C. in 1955 as script editor of the "Home" TV series and later returned to C.B.S. to produce such documentaries as "The Dollar Debate," "The World of Ideas" and "Politics, U.S.A." He won a Sylvania television award for writing and producing the "Woman" series.

Mr. Freed rejoined N.B.C. in 1961, first a producer of Dave Garroway's "Today" show, later as a member of the producing staff of the "N.B.C. White Paper Series." He also produced several programs in the "Du Pont Show of the Week" series on N.B.C. television.

Surviving are two daughters, Lisa and Katherine Celia; his parents, Mr. and Mrs. Edgar Freed of Portland, and two sisters.

A funeral service is scheduled for 1 P.M. Wednesday at Frank E. Campbell's, Madison Avenue and 81st Street.

NATIONAL SECRETARIES WEEK, APRIL 21–27, 1974

Mr. ABOUREZK. Mr. President, the last full week in April, for the 23d consecutive year, Secretaries Week will be observed, with Wednesday of that week highlighted as Secretaries Day, as acknowledgment of the contributions of all secretaries to the vital roles of business, industry, education, government, and the professions. Official proclamations are issued throughout the United States and Canadian governments.

The National Secretaries Association—International, cooperating with the U.S. Department of Commerce, originated Secretaries Week. The involvement of all secretaries for this observance emphasizes the theme "Better Secretaries Mean Better Business" to promote the significance of teamwork throughout the business world.

RESOLUTION OF THE WESTERN STATES WATER COUNCIL REGARDING THE WATER RESOURCES PLANNING ACT OF 1965

Mr. DOMENICI. Mr. President, as I have stated so often here in the Senate, in order to realize their vast potential, many of the Western States such as my own, depend so utterly on water that the development and efficient utilization of our water resources holds the key to all the other potential I have mentioned. I would like to call to the attention of my distinguished colleagues a resolution of the Western States Water Council regarding the Water Resources Planning Act of 1965. This resolution was adopted by the Council in Boise, Idaho, on April 12 when the representatives of the 11-member States met to discuss items of mutual concern related to water resources programs in those States.

The primary concern was about Federal funding for on-going water planning efforts which have in the past been supported by title III of the Water Resources Planning Act of 1965.

That act, in recognition of the need for increased State participation in water resources planning, authorized appropriations of $5 million annually for grants to assist States in those planning efforts. Experience under the act indicates that States have consistently demonstrated both the interest and the need for increased grants by consistently overmatching the funds available.

For these reasons, the Western States Water Council urged the Executive and the Congress to take all necessary and proper action to insure that the full $5 million for title III of the Water Resources Planning Act of 1965 will be available for the very important purposes for which it is intended.

I intend to do all I can in that regard and I urge all Members of this body and the other body to do likewise. I request unanimous consent that the resolution I have mentioned be printed in the Record.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

Resolution of the Western States Water Council Regarding the Water Resources Planning Act of 1965

Whereas, the Water Resources Planning Act of 1965 was passed to help meet the rapidly expanding demands for water by encouraging the conservation, development and utilization of water and related land resources through coordinated and cooperative planning efforts; and

Whereas, that Act recognized the need for increased state participation in water and land related resources planning and authorized appropriations of $5 million annually for grants to assist the states in their planning efforts; and

Whereas, the states have demonstrated their interests and needs for increased grants by consistently over-matching the funds available; and

Whereas, the Executive Budget has been prepared; and

Whereas, Congress is considering the budget

Now, therefore be it resolved, that the Western States Water Council urges the President to include a full $5 million for Title III of the Water Resources Planning Act of 1965 in the Executive Budget for fiscal year 1976; and

Be it further resolved, that the Western States Water Council urges Congress to appropriate $5 million out-right for fiscal year 1975.

Be it further resolved, that the Western States Water Council urges Congress to extend provisions of Title III funding at a rate of not less than $5 million per year for an additional ten year period.

Be it further resolved, that a copy of this resolution be transmitted to the Governors of the Eleven Western States, to Congressional Delegates of the Eleven Western States and to any other parties of interest and concern as deemed appropriate by the Executive Director.

The foregoing resolution is a true and accurate statement of the unanimous position adopted by the Western States Water Council on April 12, 1974, Boise, Idaho.

AN AGENDA FOR DEMOCRATS

Mr. HUMPHREY. Mr. President, yesterday I was privileged to have the opportunity to deliver the keynote address at the Democratic Governors Conference in Chicago, Ill. Chairman Robert Strauss of the Democratic National Committee shared the program with me.

Both Chairman Strauss and I stressed the need for Democrats in Congress and elsewhere in government to develop programs and policies which respond to the real needs of the American people. I strongly believe that the Democratic Party—if it is to be successful in 1974 and 1976—must do more than criticize the failures of Republican leadership. We must develop constructive alternatives. And we must have the courage and the foresight to enact into law the programs we propose to the American people. It is clear that the voters—Democrats, Republicans, and Independents—are demanding governmental accountability from their elected officials. They want action and performance, and they want the truth about the serious nature of problems which government faces today.

In the spirit of contributing to what I hope will become a Democratic agenda for the remainder of the 93d Congress and for the 94th, I outlined a number of proposals in Chicago which I believe merit consideration by my Democratic and Republican colleagues.

Mr. President, I ask unanimous consent that the full text of my address to the Democratic Governors be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Remarks by Senator Hubert H. Humphrey, Democratic Governors Conference, Chicago, Ill., April 22, 1974

I have come to Chicago to engage in a frank dialogue with you and to share my perspective on the key Democratic issues facing Congress.

We meet today at a critical juncture for the Democratic Party and for our nation.

The November elections are slightly more than six months away. The Presidential election of 1976 looms over the horizon just two and a half years into the future.

For the men and women who lead the Democratic Party in Congress, in the state houses, the legislatures and in the cities, the period from now until November 1976 will be a crucial time of testing.

All of us must pass a test.

We will have to prove to the American people that we can respond to their real needs and govern America.

We will have to prove that our economy can be made healthy once again.

And as Democrats we must prove that we can govern the nation equitably, permitting no favor for the powerful and showing compassion for the weak.

If we pass these tests we can transform a substantial congressional majority *into* a Presidential victory.

To put it bluntly: 1974 and 1975 are years of decision and years of opportunity for Democrats. In the next two years we will either pass these tests demonstrating that we are capable of effective action and restoration of trust, or we will forfeit our claim to progressive political leadership capable of governing this great nation.

It will do little good to tell the American people what could be done if a *Democrat* were sitting in the White House today. Nor will future promises of what may be possible after 1976 serve us well. The people expect and demand our Party to act decisively to solve their problems from the position of trust and responsibility we now hold.

This is not an ordinary election year and our nation does not face routine problems. After many long years of dissension within our society at home and in war overseas, the American people have witnessed a series of events which every day erodes their trust in government.

We have seen the bounty of our great nation mismanaged at home and squandered for short-term advantage abroad.

We have seen our economy neglected.

We have seen shortages and scarcity grow through private greed and government shortsightedness.

We have seen our Constitutional system of delicate checks and balances dangerously tilted in favor of one branch of government at the expense of all others.

We have seen our political processes corrupted.

We have seen political power abused, and money abused as means of buying power.

We have seen highly placed trustees of the public confidence betray their trust, and act as though they were above the law—indeed, they have acted as though they were the law.

The unprecedented corruption and governmental mismanagement of the Nixon Administration may offer Democrats a unique political opportunity.

Watergate may offer us a momentary reprieve from the challenges of a President who threatened to use his electoral mandate to demolish our efforts to achieve greater social justice and progress in human rights. But it does not lift the burden from our shoulders of mustering the will and the vision to clean up the mess and to govern America so that the people can once again believe that government is run for them and not for the special interests.

The job to be done, the challenges to be faced are not only in Washington. Anyone who believes so doesn't understand our government, our people, their needs and expectations.

The American people don't compartmentalize government, as those who serve in it are prone to do. All government, from the federal level to the state houses, from city hall to county court house, has failed in the public's view. And the political institutions which are supposed to nurture our system of government often do not work effectively. The public searches in vain for performance to follow the political promise—it searches for accountability after political leaders have been granted the responsibility of governing.

Public disillusionment with government and political parties occurs just at the time when the Democratic Party seems to be emerging from a decade of internal strife, division and turmoil. The long night of our despair seems to be over.

No longer are we divided over a war.

No longer are we locked in fierce battle over who should run our party.

We have grown stronger from our disagreements. We have become enriched by our self-imposed diversity.

I believe the Congressional Democrats must recognize the new strength of the Democratic Party—a party reformed, united anud strengthened after its long and agonizing ordeal.

And Democrats on Capitol Hill must now work closely with party leaders at all levels of government to fashion a Democratic program for the Congress—a program which will allow Democrats to go to the American people and say:

"We see how skyrocketing inflation destroys wage increases, making it impossible for families to make ends meet, and we are ready to act.

"We see how you pay your fair share of taxes while some Americans take advantage of gaping tax loopholes, and we are ready to act.

"We see how your family can be wiped out by medical bills when one member is afflicted with a serious ilness, and we are ready to act.

"We see how months of joblessness and the constant threat of layoff demoralizes your family, and we are ready to act.

"We see how your children may be denied a college education because you just can't afford the high costs, and we are ready to act."

Yes, we will develop a program of legislative action which is relevant to the needs of the average American working family and which recognizes the values of self-reliance as well as governmental incentive.

And this program will demonstrate that we don't need an abdication of Republican leadership—that we don't need a Watergate—in order to govern sensibly and fairly in the name of all the people.

What are some of the essential items on this Democratic agenda?

First, Democrats must take immediate action to preserve the hard-won economic gains that American families have earned over the years despite the frequent economic setbacks during the Nixon Administration. This means the enactment of a strong anti-recession and anti-inflation legislative package.

Something must be done to curb an inflation rate of nearly 11% coupled with an alarming decline in total industrial output.

The cruel irony of unchecked, double-digit inflation combined with rising levels of unemployment affecting millions of Americans must be halted. In order to achieve these goals I suggest Democrats in Congress consider the following measures for action:

A significant tax cut of 5 to 10 billion dollars aimed at inflation-battered lower income taxpayers, with the reduction in revenue being offset by elimination or sharp reduction of such items as the oil depletion allowance, foreign tax credits and strengthening the minimum tax.

A public employment program and an expansion in the coverage and duration of unemployment benefits. We can pay for this program by extremely modest reductions of waste in defense spending.

A new government program to make credit more readily available to consumer borrowers, small businesses (including home builders), state and local governments, and to home buyers. The inequity of soaring interest rates strikes hardest at those who can least afford it.

A permanent mechanism to administer a set of largely voluntary price-wage policies. This mechanism is badly needed as the present system of uneven and poorly managed wage and price controls comes to an end.

Limited standby authority for the President to reimpose wage and price controls on particular sectors of the economy.

Second, Democrats must take immediate action to bring equity, sanity and reform to the American tax system. The tax abuses of our President only highlight the need to act. And no other issue goes to the fundamental moral question concerning the uneven distribution of wealth in America. Our Democratic program must courageously move forward in the field of tax reform and consider the following items for action:

Elimination of various tax preferences which inordinately favor the wealthy, while also strengthening minimum tax.

Elimination or sharp reduction of special tax benefits to oil companies and to American firms operating abroad.

Enactment of Senator Mondale's proposal to allow families to substitute a $200 tax credit for the current personal exemption. This would greatly aid low income taxpayers.

Reform of the Social Security payroll tax to relieve its heavy burden on middle income wage earners.

Enactment of a comprehensive program of welfare reform which provides work incentives as well as a decent standard of living for those who need such assistance.

Third, Democrats must take immediate action to provide every American family with what it deserves in a modern, industrialized society: a system of national health insurance which would at least protect families against catastrophic illness. As health costs have skyrocketed, too many families have suffered extreme economic hardship. The enactment by Congress this session of a comprehensive national health insurance plan will go a long way toward improving a national health care system which has been marked by retrenchment and retreat.

Congress must act soon to guarantee the right of the American people to effective health care at the lowest possible cost.

And as the Congress considers this plan for health insurance it must also move to increase health care delivery and disease research budgets, expand health manpower programs, continue to enlarge our drug abuse efforts and restore reductions in the programs designed to serve the mentally and physically handicapped.

Last but not least, a system of comprehensive maternal and child health care should be enacted for the mothers and children of this nation.

Fourth, Democrats must take immediate action to develop a national energy policy. If this policy area is neglected in the future as it has been in the past, our economic situation will further deteriorate and millions of Americans will personally suffer for our inaction. With such a comprehensive policy, Congress should take action on the following energy issues:

Control oil prices to prevent excessive profits while maintaining investment incentives.

Develop a better fuel allocation system to minimize employment losses if supplies worsen.

Vertical integration in the oil industry should be reduced and ownership of multiple energy sources by one oil company should be eliminated.

A government corporation should be created to develop and produce energy resources in the public domain, and to assure their fair allocation.

An expanded and significant program of research in alternative energy sources—particularly solar energy—should be launched.

Fifth, it is essential that a Democratic-controlled Congress enact effective measures to address an increasingly severe food crisis.

At home, we are confronted with continually rising consumer food prices. Yet, our farmers face increasing production costs and limited supplies of essential materials, such as fertilizer, as well as severe constraints in moving commodities from farm to market. And our current grain reserves have dropped to their lowest levels since World War II.

Abroad, millions of people in the developing nations of the Third World face the threat of hunger and starvation, as widespread drought continues and the costs and demands of food production rise sharply.

I have called for a sound, sensible food policy to replace policies of the Nixon Administration that emphasize commodity export sales almost to the exclusion of meeting our own domestic requirements, and that leave our farmers with the threat of a "boom-and-bust" cycle of sharply fluctuating prices.

The food policy I have proposed would include, at a minimum:

Establishment of a modest food reserve program, and initiating monitoring systems on export sales, both to meet our food needs at home and to reasonably service all our export markets;

And maintaining our commodity distribution programs, utilizing the open market when surpluses are not available, to serve the crucial nutrition needs of our children, the elderly, and lower-income families.

Finally, Democrats must take immediate action to design and institute a system of long-range policy planning in Congress and in the Executive Branch. Stop-gap solutions to long-range problems are at the heart of public discontent.

American government presently has absolutely no means to identify future problems and plan solutions which go beyond the one or two year budgetary outlay. Whether in housing, transportation, agriculture, or a host of other areas we have no way to assess future needs and prepare an adequate response. We are playing catch-up ball while the crises come fast and thick.

I believe any Democratic legislative agenda must include the enactment of a Balanced National Growth and Development Act to provide government at all levels with planning mechanisms to make rational decisions on how our nation should grow and how policy makers should organize government to meet future needs.

These are some of the basic items which should be included in any list of Democratic priorities. There are many others, including the vital issue of campaign reform bolstered by strong legislation mandating public financing for all elected federal offices.

But I do not consider this brief agenda as a party platform. As we all know, platforms collect dust on library shelves. These proposals and others must see the light of day.

They must be debated and considered by the people's representatives, because they reflect the areas of concern in which Americans seek involvement, commitment and action by their government.

If Democrats in Congress develop a progressive legislative agenda, we will still have not done the job expected of us by the American people.

Until Democrats in Congress have the courage and the foresight to reform our own institution, the voters will continue to give the Legislative branch a low rating.

According to a national poll taken in 1966, 42 percent of those polled expressed "a great deal of confidence in Congress." When the same question was asked in 1973, only 21 percent responded in the same fashion. This precipitous loss of confidence is due to the inability of Congress to act in a way to make itself worthy of trust and confidence.

To be sure, the American people are concerned with the ends of government—the programs and policies which directly affect their lives. But they also care about the means—how government is conducted and the integrity of the political and governmental processes.

A 20th century Congress cannot be content with employing 18th and 19th century techniques. If the Congress is to be taken seriously by the public and by the President, it must make itself a truly coequal and effective branch of government. Congressional reform must be a Democratic priority, and I would suggest consideration of the following steps:

Strengthen the policy making role of the Democratic Caucus in both bodies and give it the opportunity to propose a comprehensive Democratic program as well as a legislative timetable to avoid undue delay.

Establish a more formal working relationship between House and Senate Democratic leaders.

End the outmoded system of seniority and replace it with the election of Committee Chairmen in the Caucus.

Open meetings to the public of all committee sessions where legislation is voted upon, unless a majority of the Committee votes otherwise.

Televise, when appropriate, House and Senate sessions.

Initiate a thorough budget analysis process that also assures on-time funding of federal assistance programs, such as urban renewal and aid to our schools, critically needed by our states and cities.

Provide members of Congress and Committees with adequate staff to study and evaluate policies as well as assure the effective administration and funding of federal programs enacted by Congress.

These would be the first steps we should take toward reform and modernization of Congress. Election of a veto-proof Congress in 1974 will do Democrats little good unless fundamental changes are undertaken to allow Congress to do the job the American people elected it to do.

A former Democratic National Committee official, John Stewart, writing recently about our Party's future in the period from 1974 to 1976 hit the nail on the head when he said that ". . . governmental performance is the key to electoral success for the balance of the 1970's."

Those who look toward Watergate and the personal misfortunes of Richard Nixon to propel a Democrat into the White House in 1976 are deceiving themselves. In the coming months and years the American people will expect more from the Democrats than outrage at Republican scandals. The people want action and performance and the truth about the serious nature of our problems.

People ought to remember that it has been under Democratic leadership that they have pulled themselves up:

Under Roosevelt, from a Great Depression;

Under Truman, from the threat of severe post-war economic dislocation at home and major political and economic destabilization in Europe;

Under Kennedy, from a serious recession;

And under Johnson, toward implementing the ideals of hope and opportunity for all Americans.

Our people today have a right to expect the same kind of Democratic leadership.

It is up to you as Governors and to the Congress to demonstrate to the people our capacity to govern. This is the only way that we can assure the election of a Democrat as President in 1976.

MALTREATMENT OF JEWS IN SYRIA

Mr. JAVITS. Mr. President, in 1840, when ours was a small, young Nation, President Martin Van Buren protested to the mighty Ottoman Empire concerning the persecution of Jews in Damascus, now the capital of Syria but then under Turkish rule. Van Buren's Secretary of State, John Forsyth, referred to the American concern as a subject "which appeals so strongly to the universal sentiments of justice and humanity."

This enunciation of American concern is still applicable today, more than 130 years later, as the Syrian Government obliges its Jewish citizens to live in an oppressive darkness, restricted in their movements and their ability to earn even a livelihood and subject to the terror of midnight arrests and violence against their homes and families. Once again, the American conscience is aroused to the plight of the centuries-old Syrian Jewish community and the dire necessity to relieve their pitiable condition.

The New York Times of April 14 featured a news article detailing the status of Syrian Jewry, a situation which has deteriorated with the passage of time. I ask unanimous consent that this article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Syrian Jews Suffer Under Harsh Curbs

(By Henry Kamm)

Paris, April 13—About 1,000 Damascus Jews are reliably reported to have streamed out of the ghetto to which they are confined to demonstrate last month against the slaying of four young Jewish women attempting to cross into Lebanon.

A similar number of other Syrians, most of them believed to be Christians, were reported to have joined the demonstration in the center of Damascus shouting demands that they be allowed to leave Syria.

Since 1947 the Syrian Government has refused to allow Jews to emigrate and has subjected the country's Jews, who number between 4,000 and 5,000, to restrictions and mistreatment.

A RELEASE FROM TERROR

The demonstration was only the second of its kind—the first in Damascus took place in August, 1972. In the view of expert sources, it represented a kind of release from the terror that has affected the 2,000 or so Damascus Jews since the Mideast war last October.

Following the demonstration, which took place in the first week of March after the burial of the four women, Syrian authorities delivered to the Jewish community of Damascus the bodies of two young men missing for six months in a similar attempt to flee the country.

The two were identified as Natan Shaya, 18 years old, and Kassam Abadi, 20. The women, whose slaying has been announced by the Syrian authorities, were Eva Saad, 18, and three sisters, Toni Zebah, 22, Laura, 23, and Farah, 24.

The Syrian announcement described the slaying of the women, whose bodies were delivered to their mothers in a sack, as the work of a band of four "murderers and smugglers"—two Jews and two Moslems who were said to have confessed. The announcement was silent on the women's unsuccessful attempt to flee Syria and on the question of what Jews were doing near the Lebanese border. A Syrian regulation restricts Jews to a radius of about three miles from the Damascus ghetto.

SCOFF AT CHARGES

One of the two Jews under arrest, Yosif Shalouah, is reliably reported to be a brother-in-law of one of the victims. A source who knows the two youths scoffs at the contention that they might be killers.

Reliable sources reported that the women had left Damascus by car with two Moslems who were supposed to guide them across the border. The men forced them into a cave in the mountainous border region, according to the account, and robbed, raped and killed them. A finger of one of the girls was chopped off, presumably to remove a ring.

Reporting on the atmosphere of fear, sources who were in Damascus during and after the October war said that Jews had remained in their houses during the 18 days of the war, rarely venturing to the edge of the ghetto to buy food.

After the fighting ended, Palestinian refugees who for years have been assaulting Jews on the street were frequently joined by Syrians who claimed revenge against the Jews for Syrian casualties caused by Israel.

As a result, the Jews of Damascus walk the streets even more rarely than before the war, and many go to work only occasionally. The desire to leave the country, according to the source, has become the almost exclusive subject of conversation.

Although communications between the three Jewish communities in Syria is meager because of the nearly total ban on internal travel, a refusal to allow Jews to have telephones and mail censorship, the atmosphere in the communities in Aleppo and El Qamishliye, near the Turkish border, was said to be similarly fearful.

In Damascus, on each street leading out of the ghetto Moslem shopkeepers keep a watch on comings and goings. While outwardly on good terms with the Jews, who are their customers, they are believed to fulfill the role of police informers.

Surveillance is intensified with frequent summonses for Jews to appear before military intelligence for long interrogations.

A 10 P.M. curfew for Jews is strictly enforced. In El Qamishliye 24-hour curfews have been imposed on occasions.

Jews are forbidden to work in the Government, in nationally owned enterprises or in banks. State employes and members of the military are reminded by notices displayed in many offices that they may not buy from Jews.

Jews live largely by manufacturing in family workshops silver and copper articles that are sold in the souvenir shops of the souk, or ancient covered market, where they are not allowed to own shops themselves.

Many of the teen-age boys and girls work in a Jewish-owned clothing factory that is reported to manufacture uniforms for the Syrian Army.

When the head of a Jewish family dies, his property is forfeited to the state and even members of his family may not remain in their house without paying rent to the state.

A handful of favored Jews have been allowed to live outside the Damascus ghetto and have been exempted from some of the restrictions.

Mr. JAVITS. Mr. President, I have urged Secretary of State Kissinger to utilize the good offices of the United States in an effort to alleviate this situation. Such an effort is in the best traditions of our Republic and consistent with well-established American policy of long standing. I feel certain that the conscience of this Nation has not abated since the Van Buren protest of 1840.

FOURTH REPLENISHMENT TO THE INTERNATIONAL DEVELOPMENT ASSOCIATION

Mr. McGEE. Mr. President, the U.S. Catholic Conference, through its spokesman, the Most Reverend James S. Rausch, has submitted a very moving statement to the Senate Committee on Foreign Relations, expressing the organization's support for the fourth replenishment to the International Development Association.

This statement represents what I believe to be the best in our Nation's moral and intellectual fiber. It is a very important analysis of the ramifications involved in the Senate's consideration of the IDA replenishment legislation.

I ask unanimous consent that this statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF REV. JAMES S. RAUSCH ON S. 2665, APRIL 5, 1974

The issue put before the U.C. Congress and the American people by the International Development Association authorization is multidimensional. The technical details of the authorization, the use of the funds involved and the conditions surrounding the participation by the United States in the I.D.A. program have been explored in the House and by witnesses appearing before the Senate Foreign Relations Committee. Rather than rehearse the same technical data, I wish to focus on two broader, less technical, aspects of our role in the I.D.A. program. One aspect concerns the character of the international system in which we live; the second concerns the domestic support for foreign assistance of the type represented by the I.D.A. program of the World Bank.

First, I wish to illustrate the significance of the I.D.A. legislation in light of some basic trends existing in the international system today. These trends keep pointing to a central characteristic: we live in an increasingly interdependent world, a world becoming more materially interdependent each day. By interdependence I mean two things: first, we are linked together so that we touch each other's lives in human terms across state boundaries, across regions, across continents more directly than at any other period of human history; secondly, we live in a limited world, characterized by shrinking resources, finite limits to growth and the need to look at both our productive processes and consumptive habits. Material interdependence, a linked and limited existence in the globe, is manifested in economic relations, technological and communications systems, even in the strategy of deterrence where the superpowers "depend upon" the rationality of the adversary to avoid nuclear war. Material interdependence, however, is an ambiguous reality: it can be a cause of chaos or an invitation to community in the globe. The margin of difference depends upon whether we can develop the sense and strategy of responsibility for each other which interdependence requires. In brief, the challenge before us is whether we can move from material interdependence to moral interdependence. Moral interdependence means developing both the psychological awareness and the political relationship which brings us to choose interdependence as a way of life rather than simply having it forced upon us as a fate.

The I.D.A. authorization places the question of moral interdependence directly before the Congress, the churches, and our shared constituency, the American people. If one aspect of material interdependence is the problem of limited resources, then the correlative aspect of moral interdependence is the question of distribution of resources in the globe. How are we going to organize the distribution of resources when they are in short supply? The I.D.A. authorization presents an early test in this newly interdependent age of how Americans are going to answer this question. The I.D.A. program seeks to provide one institutional means in the international order of procuring a minimal share of essential resources like food and water for the very poorest members of the global family. The poor nations served by the I.D.A. funds contain precisely those people who because of their critical need for the most basic necessities of life lay the greatest claim upon the consciences of the rest of the globe. The force of this claim stems not only from the fact that the resources they need are in limited supply, but also from the other aspect of interdependence, their needs are linked to our decisions. How we decide on I.D.A., for example, will determine at least in some measure, the shape of resources which these nations will receive in the next four years. In an interdependent world we cannot escape the responsibility which flows from our ability to directly influence the lives of each other on questions of distribution of the goods of the earth.

To state the fact of material interdependence and moral responsibility is, however, only the first step in probing the question of distributive justice in an interdependent world. The essence of the question is the need to balance competing claims placed before us as a nation. Mr. McNamara has termed this judgment the need to adjudicate the claims of absolute poverty in the developing world against the relative poverty which we still find in our own country and in other developed nations. There is no sense politically or ethically in simply stressing the conditions of absolute poverty in the world without recognizing that part of the question I.D.A. places before us is that legislators and plain people in our country face intractable problems of inflation; shortages and hardcore poverty in our midst.

Yet, it is precisely in the face of these competing claims upon us that I am arguing in this testimony that we should support the I.D.A. authorization and not default on our international commitments. I support this authorization for two reasons: first, to default on our commitments means in the moral order that we shall know in the coming four years that a certain number of nameless and faceless people will die partly as a result of our decision not to share limited resources in an interdependent world; secondly, to refuse to share when we are in control of scarce resources works against our own long-term interest—we set a precedent which others, controlling resources which we need, can simply follow in reciprocal fashion.

How shall we decide when faced with competing claims of absolute and relative need? This question is at the heart of the domestic issue. How Congress decides is in part dependent upon how legislators perceive the way in which their constituents are deciding. The theme was very visible in the House debt on I.D.A. Again and again the theme surfaced that a legislator could not face his constituency after voting to send 1.5 billion dollars out of the country in a time of domestic inflation and unemployment. To face this question clearly I think it is necessary to distinguish between the instinctive reaction of our constituencies and the informed reaction of the same people. In times of domestic shortages the instinctive reaction of any of us is not to share widely the short supplies we have to meet our own needs. But the central question is whether this instinctive reaction would prevail if the concrete facts of absolute versus relative poverty were made known in a forceful way. For example, every housewife in America knows there is a food crisis because of what she presently has to pay for a loaf of bread. Few, however, have ever heard of what the food crisis means for many in the six Sahelian countries—absolute starvation. Few have heard what it means in other developing nations when the need to pay increasing costs for oil has undercut funds needed for other absolutely essential resources like food and health care and rural development projects.

My point is not to contrast in detail the elements of absolute and relative poverty, but to say that part of assessing the domestic willingness to share or distribute scarce resources in an interdependent world depends upon whether the specifics of poverty here and in other places are known to the American electorate. For my part, I do not think the specifics are known and for this the churches must assume a good part of the blame; on a central moral problem of our day we have not yet communicated the issues to our own constituencies.

This approach argues for a kind of preparation of people that cannot happen before the vote on I.D.A. is taken. What I am saying is that the need for leadership on this question does not rest with Congress alone, but it does rest with Congress in a unique way. The task before Congress is to take the lead in its way on I.D.A. by voting the needed funds; the task for others like the churches is to provide the means of moving from instinctive response to informed response. Congressmen interacting with their constituents, of course, will be part of this informing process. I believe the process will receive a hearing, a sufficient hearing to dispel the doubts expressed in the House debate. For my part, I think that debate underestimated the latent potential of the American people for justice. I hope the Senate will give us all a chance to demonstrate our support for the idea of moral interdependence by voting the needed authorization for the I.D.A.

REFORM OF FEDERAL PRISON INDUSTRIES: NEW OPPORTUNITIES FOR PUBLIC OFFENDERS

Mr. PERCY. Mr. President, a publication which should be of interest to every individual concerned about our criminal justice system has issued its first volume. The Justice System Journal will be published three times a year by the Institute for Court Management. Its goal is to transcend the compartmentalization of specialties within the criminal justice system. This is a need I have been keenly aware of for many years. I have often repeated the conclusion of the National Commission on the Causes and Prevention of Violence that the criminal justice system is less of a system and more of a process. The different component parts of the process rarely act in a systematic or coordinated fashion. Instead, they tend to fall prey to tunnel vision, resulting in duplication of effort, and often ignoring significant inroads in other parts of the process which can have a significant impact on every part of the process.

By trying to bridge this gap, the Justice System Journal will help the different parts of the process become aware of each other, and thus make the first necessary step toward transforming this process into a system.

The first volume contains an excellent article, "Reform of Federal Prison Industries: New Opportunities for Public Offenders," by Neal Miller and Walter Jensen, Jr. It deals with a subject which I have been deeply involved in, and in regard to which Senators BAKER, BROCK, HUMPHREY, MATHIAS, MOSS, TAFT, and I have introduced S. 2161. One of the authors, Neal Miller, a former consultant to the American Bar Association Commission on Correctional Facilities and Services, has been most helpful to me and my staff in our efforts to comprehend the legal and historical complexity of the issue of prison industries. He served as a valued adviser as we fashioned the language of S. 2161.

Mr. President, this very comprehensive and enlightening article puts the whole issue of prison industries—its history, its present legal status, and its potential future—in proper perspective. I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

REFORM OF FEDERAL PRISON INDUSTRIES: NEW OPPORTUNITIES FOR PUBLIC OFFENDERS

(By Neal Miller* and Walter Jensen, Jr.**)

INTRODUCTION

Correctional processes in the United States are today in the midst of change. Approximately 95 percent or more of all offenders who are convicted of serious crimes and are thereafter sent to penal or correctional institutions eventually return to society, most often as hardened criminals.[1] Therefore, it is obvious that our correctional institutions have, for the most part, failed to achieve society's objectives. Currently, approximately 50 to 80 percent of all crimes are committed by persons who have spent time in our criminal justice system. Almost 50 percent of all serious crimes are committed by persons who have previously been convicted of a criminal offense.[2] The rate of recidivism for persons on parole is about 61 percent; for persons under mandatory release, 75 percent; and for those on probation, 56 percent,[3] notwithstanding the fact that more than two billion dollars is being spent each year on an outdated, ineffective correctional system.

Recidivism, which lies at the roots of the nation's perplexing crime problem, frustrates current efforts to reintegrate[4] former public offenders into society. When two out of every three offenders return to a life of crime,[5] as is thought to be the case today, then bold, innovative programs are nedeed to reverse this trend. A number of imaginative proposals to restructure the system of criminal justice in the United States have been introduced into Congress.

This paper explores the use of prison industries as a means to rehabilitate offenders so that they can return to society as productive, useful citizens. Therefore, it will describe and analyze the following principal areas of concern: (1) the evolution of legal restrictions on the sale of prison-made goods and on the employment of inmate labor in competition with free market labor and goods; (2) the modification of the existing prison industries structure to achieve the objectives of correctional reform, to reduce recidivism and to effectively reintegrate the ex-offender as a productive member of society; (3) an examination of recent legislative proposals designed to restructure the current system of employment of offenders; and (4) an analysis of the strengths and weaknesses of today's prison industries and the authors' suggestions as to how they can be improved.

EVOLUTION OF LEGAL RESTRICTIONS ON PRISON LABOR

It must be recognized that any serious efforts to change the framework of prison industries as it exists today is dependent upon the willingness of lawmakers, judges, and society to modify or repeal a large number of current statutes and constitutional prohibitions which are designed to restrict the use of inmate labor and the distribution of prison-made products. The bulk of this restrictive legislation was enacted before the early part of the twentieth century. As a result, the sale of prison-made goods on the free market in open competition with private industry had, for the most part, ceased to exist by 1940. A general policy of opposition to the use of prison labor and products is also reflected in recent legislation and judicial decisions, emphasizing the fact that the problem is one of a recurring nature.

The state-use system

The "state-use system" which is, by far, the most prevalent policy in this country today with respect to the employment of prison labor, had its origins in New York in 1842. It developed in response to labor practices which many persons, manufacturers and labor groups deemed to be unfair competition. Pursuant to the "state-use system," state authorities not only control the employment and activities of prisoners, but also restrict the sale of prison-made goods to governmental agencies. The "state-use system" gradually superseded a number of other competing employment systems.[6]

In the latter part of the eighteenth century and the early part of the nineteenth century, two competing philosophies of penal discipline developed: (1) the Pennsylvania system, which emphasized prayer, meditation and solitary confinement under conditions whereby the prisoners were not actively employed on a full-time basis, and (2) the Auburn system, which provided full-time work during the day and confinement at night. The Auburn system was so successful that it soon became the dominant correctional theme in this country, most likely because the industrial revolution expanded the use of machinery and created a demand for new sources of labor.[7] The financial successes of the Auburn system, however, generated complaints from free workers that the use of convict labor resulted in unemployment and created an unfair source of competition. Complaints such as these culminated in prohibitory legislation in New York which formed the basis of the state-use system. Restrictive laws, such as those described below, reduced the percentage of persons employed in productive labor from 75 percent in 1885 to 44 percent in 1940.[8]

An unfair source of competition

Many of the current legal impediments to employment of ex-offenders in private industry and to the use of prison-made goods and convict labor had their origins in laws which were enacted decades ago under conditions which were quite different from those which exist today. Historically, prison labor had been exploited by private industry which was able to contract for the services of inmates at a cost that was far below its market value. Convict labor was used in direct competition with free market labor, to the latter's distinct disadvantage. Prison-made goods were sold on the open market at such a low cost that competitive industries, compelled to pay prevailing wage rates, were unable to compete effectively. Moreover, inmates were often the victims of abusive practices designed to exploit a cheap source of labor.[9] As might be expected, demands to forbid the use of prison-made goods and to restrict the use of convict labor led to enactment of legal barriers designed to minimize the economic effect of what was generally regarded to be an unfair source of competition.[10] Unionized labor found natural allies among industrial and agricultural interests that also feared and distrusted these new competitors. Although the motivation for such legal proscriptions is understandable, an unfortunate result was the erection of formidable legal barriers to the effective assimilation of ex-offenders into society. The removal of these legal prohibitions is regarded by many persons as an essential prerequisite to the operation of a successful prison industries scheme.

Federal legislation

Restrictions upon the use of convict labor and the sale of prison-made goods are found not only in federal and state statutes but also in the constitutions of a number of states. Among these prohibitory laws, federal statutes and a Presidential executive order have had the most significant effect, although state statutory and constitutional proscriptions have also had an impact upon the employment status of prisoners.

Federal prohibitory legislation and an executive order can be categorized as follows: (1) Goods manufactured by prison labor cannot be sold or distributed in interstate commerce[11] if the state of destination, by statute or constitutional provision, forbids their importation.[12] (2) Prison labor cannot ordinarily be used to fulfill federal government contracts.[13] (3) Inmate labor cannot be used as an integral part of highway[14] or airport[15] construction, unless the offenders employed in such projects are on parole or probation. (4) The Postmaster General is forbidden by law to purchase supplies and equipment manufactured by inmate labor for use in the postal service.[16] (5) With the exception of products manufactured by prisoners on parole or probation, all packages which contain goods produced by prison labor, if distributed through interstate commerce, must be clearly labelled as prison-made goods.[17] (6) Such goods are exempted from a wide range of products purchased pursuant to federal government procurement policies intended to encourage the employment of the blind and other handicapped persons.[18] (7) Foreign-made goods cannot be imported into the United States if they were manufactured by forced labor or by penal sanctions.[19] (8) A Presidential executive order forbids the use of prison labor in all contracts made by or on behalf of the United States Government.[20] (9) The Social Security Act defines employment to exclude prisoners in the District of Columbia and also excludes inmates in a federal penal institution from coverage as employees of a state.[21] Federal agencies are required to purchase prison-made goods from federal penal institutions for governmental use when the prices are comparable to those available on the free market.[22]

Federal Prison Industries, Inc.

Federal Prison Industries, Inc., a governmental corporation of the United States, was chartered in 1934 to provide employment and training for prisoners incarcerated in federal correctional institutions. Its board of directors was instructed, by statute, to: (1) provide employment for all physically fit inmates of all federal penal and correctional institu-

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tions, (2) diversify prison industrial operations, (3) reduce the burden of competition from prison-made goods as much as possible so that no single private industry would be compelled to bear a disproportionate burden of competition, and (4) minimize competition with free labor and private industry.[23] Its board of directors is also empowered to determine the manner and extent to which industrial operations are conducted in federal penal and correctional institutions to produce commodities to be consumed in such institutions or to be sold to agencies and departments of the United States Government. However, prison-made goods should not be made for sale to the general public in competition with private enterprise. Prison industries established pursuant to this statute are not permitted to curtail the production of other government workshops, arsenals, and navy yards. Industries may be established either within the confines of a penal or correctional institution or in any other "convenient locality" where an existing property can be obtained by purchase or lease.[24]

Employment of prison labor in federal correctional institutions

Federal departments, agencies and institutions are directed to purchase available prison-made products which meet their requirements, provided no more than the current market price is paid for them.[25] The Attorney General is empowered to make prisoners available to aid in the construction or repair of roads, in the maintenance, clearing and reforestation of public lands, in the construction of levees, and in the repair or construction of other public works which are financed by federal funds.[26] However, inmate labor cannot be employed to construct state highways located on a federal-aid system unless these convicts are on parole or probation.[27] Military correctional facilities are, by statute, authorized to usefully employ offenders in the best interests of their health and reformation so that they can be restored to active duty or returned to civilian life. Military supplies can be made and repaired at these sites, if economically feasible.[28] The establishment, control and management of federal correctional and penal institutions, except those of a military or naval character, are vested in the Attorney General.[29] Federal prisoners may be imprisoned in state institutions or in those of a political subdivision of a state for a period not to exceed three years. Such inmates may be employed only in the manufacture of commodities and supplies for the maintenance and care of these institutions or in the construction of public works relating thereto.[30] The Attorney General is also authorized to extend the limits of the place of confinement of a prisoner on work release so that he may be properly employed in the community for a period not to exceed thirty days, provided that: (1) community work or training is conducted on a purely voluntary basis, (2) local union representatives are consulted, (3) such paid employment will not displace local workers or be used in trades, skills or crafts where a surplus of labor exists or interferes with existing service contracts, and (4) the rates of pay are not less than the prevailing wage rate in the locality. Prisoners working in the community are required to pay into the United States Treasury a reasonable portion of their earnings incidental to the costs of their confinement.[31]

State restrictions

State restrictions on the sale and distribution of prison-made goods and on the employment of prison labor usually take the form of constitutional or statutory prohibitions designed to limit the sale of such products so that competition with privately manufactured goods and commodities can be minimized. State statutory restrictions follow diverse patterns, but in general they: (1) require that the origin of prison-made goods be clearly marked or labelled, (2) impose a duty on persons who buy and sell goods of prison origin to obtain a license to do business, (3) prescribe a special tax or duty for prison-made goods, (4) allow goods manufactured in penal institutions and commodities grown on prison farms to be sold to that state's institutions, agencies and governmental bodies, and (5) restrict the entry of prison-made goods from other states, while permitting the sale and use of goods made in local correctional or penal institutions. Statutes of the latter type have been declared to be an unconstitutional burden on interstate commerce. In enacting such prohibitory legislation, states typically relied upon the police power, maintaining that the sale of prison-made goods and commodities in competition with goods manufactured by the free sector of the economy unlawfully infringed upon the health, safety or general welfare of its citizens.[32] Similarly, it was argued, the employment of convict labor to grow commodities on privately owned farms or to bolster the labor force in industrial or manufacturing concerns could result in a source of unfair competition to free labor sources. In view of the prevailing attitudes critical of the sale of prison-made goods and the employment of inmate labor, it was not surprising that the federal government sought to aid the states in their efforts to restrict the free flow of convict-made goods. The Hawes-Cooper Act,[33] mentioned above, did not forbid the transportation of convict-made goods in interstate commerce but instead provided that such shipments shall lose their interstate character upon arrival at their destination; hence such goods can be regulated by state laws in the same manner as though they had been manufactured in that state initially. The constitutionality of the Hawes-Cooper Act was subsequently upheld in spite of objections that it constituted an unlawful delegation of congressional legislative power to the states.[34]

The courts have held that there is nothing inherently wrong with goods manufactured in whole or in part with prison labor, nor are such goods or commodities of such a character that their sale to the general public without being clearly labelled as "prison-made" would constitute a fraudulent or deceptive practice.[35] Goods made by convict labor are proper subjects of interstate commerce and cannot lawfully be discriminated against. Neither state nor federal governments have the power to forbid the shipment, in interstate or intrastate commerce, of convict-made goods since such goods and commodities are lawful subjects of commerce; hence in the past, outright prohibitions of prison-made goods in commerce have usually been struck down by the courts.[36]

Statutes requiring that goods manufactured by prison labor be clearly labelled as "prison-made" when shipped in interstate commerce have been upheld by the courts even though such restrictions are not imposed upon similar goods manufactured on the free market.[37] State statutes which impose labelling requirements such as these on all prison-made goods and commodities originating outside the state but do not similarly restrict convict-made products of local origin have, however, been struck down by the courts as an unlawful discrimination against interstate commerce.[38] An Ohio statute which required persons offering convict-made goods manufactured outside the state to first obtain a license but did not require a license to sell goods made in the state of Ohio was held to be an unlawful attempt to discourage importation of prison-made goods into the state to protect domestic citizens, laborers and markets from competition. The court recognized the reserved power of the several states to protect the health and welfare of their citizens but said that convict-made goods are proper subjects of interstate commerce entitled to be protected against discrimination.[39] Labelling statutes have been enforced against state officers such as wardens of state correction agencies in spite of sovereign immunity objections to suits of this kind.[40]

State statutes restricting the sale of prison-made goods or commodities have occasionally been struck down by the courts as an unconstitutional impairment of the obligation of contracts. A Colorado statute which forbade the sale of products of state reformatory and penal institutions in competition with similar products produced by free labor was held to violate the federal constitutional provision that no state shall impair the obligation of contracts. Colorado prison authorities had previously entered into contracts with private persons for the lease of land on which inmates would work, and the commodities produced were sold to state governmental departments and on the open market.[41] Similar statutes which authorize the manufacture of prison-made goods for sale on the open market have been upheld by the courts. An Indiana statute that authorized state reformatories, prisons and farms to manufacture articles for the use of state institutions and agencies and to sell the surplus on the open market was sustained by the courts even though prison-made floral baskets were sold almost entirely on the open market rather than to state institutions and agencies.[42]

In a recent case, the use of prison labor on private farms during periods of labor shortages was contested by union members who argued that they would suffer irreparable harm if inmates were allowed to harvest California's grape and fig crops, even though inmates were paid at prevailing wage rates on a piece-work basis.[43] The court held that the use of prison labor to harvest crops was not done to rehabilitate the prisoners but rather was intended primarily to furnish convict labor for the use of private growers, in violation of the California constitution.[44]

Although convict labor directly competes with free market labor, this fact does not justify unreasonable limitations upon the use of inmate labor. Successful rehabilitation requires that prisoners receive training in all basic skills which are needed to obtain suitable jobs on the free labor market after their release. Even though the use of convict labor might, perhaps, create a hardship for free market labor, the law does not afford an appropriate remedy.[45] Although the welfare of both inmates and the general population are proper subjects for legislation,[46] the crucial problem that legislation should address is the exploitation of prison labor and its use in such a manner that it becomes unfair competition to free market labor.

With the exceptions of Alaska, Delaware, Maine, Massachusetts, Mississippi and Nevada, all the states have restrictions prohibiting the sale of prison-made goods on the open market in free and open competition with goods manufactured in the private sector. Massachusetts has only recently repealed its state prohibitions.[47]

In 1973, the Minnesota legislature enacted a statute which authorizes the establishment of private industry on the grounds of state correctional institutions for the manufacture and processing of products, goods and

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merchandise.[48] Factories established pursuant to this statute are regarded by law as private corporations, and all products manufactured are exempted from other state provisions which forbid the sale of goods produced in whole or in part by inmate labor.[49] Inmates conditionally released by the state adult corrections commission and the youth conservation commission for purposes of employment in private industry or to participate in community vocational programs[50] and parolees[51] may be employed.

The recently modified correctional code in Illinois permits nonprofit corporations to purchase prison-made goods but retains its general prohibitions against others purchasing convict-made goods.[52] With these exceptions, states generally do not permit the sale of prison-made goods to outside purchasers, but rather restrict their sale to the use of state agencies and institutions.

INADEQUACIES OF TODAY'S PRISON INDUSTRIES

Persons who are confined in penal or correctional institutions or who are on parole or probation must be regarded as a source of manpower to be utilized by society for its own needs as well as for rehabilitation of the individuals concerned. Past experience of the Federal Bureau of Prisons has demonstrated that prison labor can be utilized effectively as a manpower resource. However, the role of correctional industries has remained relatively unchanged for more than forty years and today is characterized by: (1) the employment of inmates in unskilled jobs or in prison maintenance tasks, (2) the manufacture of products which are purchased solely by governmental institutions and agencies, (3) low-level occupational training for inmates in trades which are typically not in demand by the free labor market, and (4) the operation of prison industries in such a manner that competition with private industries and private labor sources will be kept to a minimum.[53] In addition, prison industries are compelled to function within an economic system that imposes constraints upon their effective operation, such as (a) restricted markets for prison products and labor, (b) the employment of a large labor force with relatively low levels of productivity, (c) a lack of effective capital with which to modernize obsolescent equipment, (d) the employment of persons who lack ordinary job skills, education, training, motivation and proper work habits, and (e) a high degree of labor turnover which tends to frustrate long-range educational endeavors and job skill training programs.[54] At the same time, prison administrators are under pressure to keep the inmates busy, even though adequate work outlets for prison labor might not exist. The labor supply is relatively constant, since inmates cannot ordinarily leave the premises; hence industrial supervisors are not able to adjust the labor force to actual needs. The entire prison operation tends to lack proper incentives, production goals, worker efficiency and modern managerial motivation and direction.

Legal restrictions on the kinds of goods which prison industries can produce and the markets in which they can be sold also tend to minimize the quality and character of an inmate's work experience. The free labor market, for example, has relatively little demand for persons trained in the manufacture of license plates, bookbinding or furniture refinishing. The quality of workmanship of prison-made goods is substantially inferior to those made by free market labor. Materials, power and equipment are typically wasted, and worker idleness is highly prevalent.[55]

The employment of prisoners in penal and correctional institutions has traditionally represented a compromise between the wishes of correctional officials on the one hand and the needs of society on the other. To reduce the budgetary costs of prisons, inmate labor is widely used in maintenance tasks such as the repair of prison equipment, in janitorial, cooking and laundry services, and in administrative and clerical jobs. Inmates employed solely in maintenance tasks ordinarily do not receive sufficient vocational training and experience while in prison to afford a reasonable opportunity to obtain satisfactory employment upon discharge. Correctional officials often look upon prison labor as a surplus commodity, to be used as lavishly as needed to maintain a smoothly functional institution so that maintenance and other costs can be kept to a minimum. Because of this, many prisons are characterized by worker indifference, low productivity, minimal pay levels, inadequate equipment, and inefficient allocation of resources.[56]

Education and training

Prison industries generally do not provide inmates with training, experience, education and skills with which they can effectively compete in the free labor market upon release.[57] Prisoners typically are not given a choice as to their job assignment, wages are usually measured in cents rather than in dollars, and much of their work experience is not only degrading, but also is not truly relevant to the needs of the free labor market.[58] Job assignments, which tend to be made without regard to an inmate's previous training and experience, emphasize considerations such as seniority, cooperation with correctional personnel, the length of time remaining in an inmate's sentence, and race.[59] Because of these and other factors, prisoners have few incentives other than attempting to obtain early release through parole or to achieve short-term benefits in the form of favorable treatment by correctional authorities during their terms of imprisonment. Similarly, prison administrators employ a large number of inmates in prison maintenance tasks to lower costs to an absolute minimum, in accordance with the wishes of society to reduce the overall tax burden.

Administrators' efforts to improve the quality of vocational programs and training are often handicapped by the fact that many prisoners have been sentenced to prison for relatively short periods. Hence, the kind and quality of job training provided is usually dictated by the length of time an inmate must remain in prison rather than on considerations of his job preference, aptitudes, abilities and the free market's need for job skills of this kind after release. The duration of an inmate's sentence is especially important in job training endeavors which require long periods to provide basic educational skills. Prisoners who are relatively young and can therefore benefit by having received basic educational training often are denied such advantages because their sentences are of short duration. Similarly, older prisoners and others serving long sentences typically are denied remedial education, most likely because some correctional officers believe that it would tend to benefit them the least. In contrast, the authors suggest that prisoners confined for relatively short sentences can still benefit from properly conducted vocational programs.[60] The prevalence of obsolescent equipment and antiquated production techniques in many federal and state prisons exacerbates the artificial quality of the job training, skills and experience which inmates typically receive.

The work ethic

With respect to the rehabilitation of prisoners and the reduction of recidivism, perhaps the most important single factor in the achievement of a successful corrections program is an opportunity for offenders to work in a job, trade or occupation of their own choosing. Although any structured work program which provides skills, education, experience and training in marketable trades or occupations would be invaluable to inmates, perhaps equally important is an ability to get along with co-workers and a proper attitude toward itself.[61] Previous successful employment is a principal rehabilitative factor in the success of ex-offenders after their release from confinement. According to two recent studies on the relationship between vocational training while in prison and success in the free labor market upon discharge from confinement, it was discovered that: (1) The regularity of employment patterns is more significant to post-release job success than the type of work actually performed. (2) Most of the prisoners studied had not engaged in a pattern of continuous work for even such a short period of time as twelve months. (3) Employment in the free labor market after release does not ordinarily include a job skill which required a substantial amount of previous training or education. (4) For those persons who acquired skills and training while in confinement, however, their work experience proved to be a significant factor in their overall rehabilitation. (5) Employment while in prison and after release from confinement is directly correlated with patterns of recidivism. (6) With respect to post-release employment success, the achievement of regular work habits and a favorable attitude toward work itself seemed to be even more important than an acquisition of job skills and training during confinement.[62] The existence of a close relationship between a carefully structured work program and the achievement of the ultimate goal of rehabilitation for offenders and their reintegration into society is generally accepted by most writers who have examined the problem in depth. In spite of these considerations, a genuine work experience comparable to that received by free market employees is not being provided to inmates; rather, an environment of idleness, with all its concomitant disadvantages, is so prevalent on both state and federal levels that it substantially impedes the effective operation of a successful program of rehabilitation.

Unfortunately, the period of idleness during an inmate's confinement does not cease after he has been discharged from prison. Former public offenders have an unemployment rate that is four or five times greater than the general populace, their salaries are considerably lower than the free market labor force, and most former inmates are employed in unskilled or semi-skilled, but generally low-paying jobs. Especially oppressed are former inmates who, like their nonoffender equivalents, are poorly educated, lacking in job skills, the very young and older applicants, unmarried, blacks and other racial minority groups.[63]

LEGISLATIVE PROPOSALS FOR REFORM OF PRISON INDUSTRIES

A legislative proposal designed to reform the existing prison industries scheme has been introduced into Congress by Senator Charles Percy (R. Ill.) as the Offender Employment and Training Act.[64] The Act is intended to modernize and reorganize existing prison industries and to coordinate federal and state efforts.[65]

Senator Percy's legislation would authorize Federal Prison Industries to contract with businesses, corporations or other private groups to establish factories or projects within federal prison walls, or perhaps nearby, for the purpose of employing or training offenders. Provision is made for supportive

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services for offenders such as training, education, counselling and aftercare. Federal Prison Industries is authorized to make loans, not to exceed 6% annually, to any corporation, association, labor organization, private nonprofit organization or federal agency associated with penal or correctional institutions for the purpose of employment and training of inmates. Prisoners would receive training in the manufacture of marketable products which could then be sold in competition with goods made by private industry using free market labor. Federal restrictions on the sale and distribution of prison-made goods and on the employment of inmate labor in direct competition with free market labor would be repealed or modified. Accordingly, the legislation proposes certain conditions which would have to be met before these restrictions are removed: (1) A private employer seeking to qualify under the Act would have to agree to pay the offender-employee a wage comparable to prevailing wages paid for work or training in the locality where the work is to be performed. (2) The offender-employee's wages would be subject to federal and state taxes and social security charges; he would pay the reasonable costs incidental to his confinement, and support for his dependents would be deducted. (3) The offender-employee would be required to contribute not more than 10 percent of his wages to a fund to be established by law to compensate victims of crime. Participation in the program by offender-employees would be voluntary, and they would have to agree to these conditions in advance. In essence, the plan would treat the offender-employee substantially like any free-market worker and would subject his wages to the same deductions as the latter's wages. The only principal difference is that the offender-employee would be required to help compensate the victims of crime. The money remaining after these deductions are made, if any, would be paid into a special account to be saved for his use after release.

State participation in this federal program requires that prison-made goods be allowed to enter freely from other states. To participate, many states will have to amend their existing legislation to permit intrastate and interstate sales of inmate-produced goods of nonlocal origin. The proposed legislation also contains several provisions which are designed to finance the program, to safeguard the funds set aside for the offender-employee's use, and to forestall any unauthorized use of funds. A Federal Employment and Training Fund is to be created, and all moneys covered by the act are to be earmarked for this Fund and paid into the federal Treasury. Proceeds received from the sale of any products or goods manufactured pursuant to this plan and rentals in connection with leases made with private industry are to be paid into this Fund. The federal government would appropriate not less than 10 million dollars for fiscal year 1974 and for each year thereafter to enable the plan to be put into operation. The Comptroller General of the United States would be required to conduct periodic audits of expenditures of funds.

The act also amends a restriction in the Social Security Act, mentioned above, which defines "employment" to exclude service performed by an inmate in a federal penal institution [66] and deletes a clause in the Internal Revenue Code which excludes from the term "employment" any service performed by an inmate in a federal penal institution.[67]

When introducing the measure, Senator Percy emphasized that care would be taken not to train workers in jobs for which little or no demand exists in the free labor market. The proposed legislation was not intended to make it more difficult for veterans, racial minorities and others to obtain employment. Significantly, the new legislation is not intended to make the federal government an employer in this new prison program; rather, the private sector of the economy would be encouraged to participate in the general training, employment and rehabilitation of offenders so that they can return to the outside world as productive, responsible citizens.[68]

Part Two of the proposed legislation authorizes the Attorney General of the United States to make contracts and agreements designed to financially assist state representatives in establishing programs for the training and employment of offenders in state penal or correctional institutions. Products manufactured pursuant to this program are exempted from federal statutes which impose fines and prison terms for persons who knowingly transport prison-made goods in interstate commerce.[69]

Congressman Edward R. Roybal (D. Calif) introduced two companion bills into the House of Representatives recently which would modify the employment status of prisoners. The first bill [70] would amend Title II of the Social Security Act to permit coverage under old-age, disability and survivors insurance programs with respect to services performed by prisoners in state and local penal, correctional and mental institutions. The bill provides that inmates will be deemed to be receiving compensation at minimum wage levels in accordance with the Fair Labor Standards Act,[71] and such compensation will be regarded as wages. The second bill [72] provides that persons confined in federal, state and local correctional and mental health institutions who are employed during their confinement shall receive as compensation not less than the highest minimum wage rate in effect under the Fair Labor Standards Act. Offenders would also receive time and one-half pay for all employment in excess of forty hours during any seven-day period. If enacted, these two bills would make significant changes in the employment status of prisoners. Under the present system, remuneration received by inmates while employed in correctional institutions is not regarded as wages but rather is treated as a gratuity; hence no federal income tax is ordinarily paid on these sums. By designating these sums as wages, social security benefits which are currently denied to prisoners would be extended to them and would help to remedy an extremely inequitable situation. Moreover, benefits of the minimum wage law and its overtime provisions would accrue to prisoners engaged in gainful employment.

ANALYSIS AND CONCLUDING REMARKS

Today's prison industries can be transformed into competitive, efficient economic units only by farsighted, systematic reform measures. Mere tinkering with the current system will not only fail to accomplish needed changes but also might exacerbate existing difficulties. Only scant evidence exists to support the contention that prison industries operate effectively not only in monetary and economic terms but in sociological and human terms as well. Although prison industries cannot be realistically considered as a microcosm of free world industrial organizations due to the unique chracter of their labor supply, managerial staff, obsolescent plant and equipment, and limited market outlets, the potential to create viable, effective economic units nonetheless does exist. A central problem which must be solved is the manner in which free market expertise can be brought to bear to overhaul the present antiquated arrangement. The authors suggest that the most pragmatic approach to the problem is to completely restructure the current system by which public offenders are employed, trained, educated and released to the free world. What is needed is a bold, imaginative approach that does not hesitate to discard those aspects of today's prison industries scheme which have been proven to be unworkable, ineffectual or too costly in economic and human terms while retaining its favorable features in a new or modified form. If such changes and modifications result in the demise of the prison industries framework as it is known today, then society must be encouraged to face reality and accept this result.

Total expenditures for the nation's criminal justice system exceed $10.5 billion annually, whereas federal, state and local expenditures for corrections surpass 2 billion.[73] When welfare charges [74] for prisoners' families are added to this massive outlay, the total costs represent an enormous drain on the country's resources. Such massive outlays cannot be justified unless adequate returns to society are clearly demonstrated.

An overhaul of the nation's prison industries cannot realistically be considered apart from other aspects of general correctional reform such as (1) manpower programs which seek to provide former offenders with jobs as a necessary precondition of their effective rehabilitation, (2) innovations such as halfway house and work release plans designed to ease the offenders' transition to the free world, (3) removal of employment restrictions that operate as legal barriers to former inmates' acquisition of satisfactory jobs, (4) pretrial intervention as an alternative to actual confinement, and (5) other proposals intended to successfully reintegrate former offenders into community life. Alteration of the prison industries structure affords an opportunity to coordinate various reform proposals required to provide offenders with additional services, such as remedial education, on-the-job training and acquisition of skills, and an increase in the level of personal and career counselling. Today's prison industries do not offer enough positive opportunities to enable an offender to compete effectively in the job market after release. Former inmates must be fully reintegrated into the free labor markets so that they can receive the rewards of accomplishment and achieve a stake in society. Unless this reintegration occurs in a meaningful way and in substantial numbers, the recidivism rate will, most likely, remain at its present unacceptable level.

Reform of prison industries in the United States is merely a domestic reflection of a global effort to improve the lot of prisoners in various parts of the world. Initiatives which have been taken in a number of countries, such as Sweden, are far more sweeping than proposals currently under consideration in Congress.[75] The lessons which have been learned in a number of foreign countries can probably be applied here so that many mistakes can be avoided and money saved.

Private Industry Expertise

Perhaps the most significant feature of the proposed legislation is its attempt to bring the expertise of private industry into corrections. In contrast with previous attitudes and anxiety about the potential competition of prison industries which led to enactment of restrictive legislation at the turn of the century, evidence of an enlightened disposition by industrial leaders toward the development of a new prison industries structure is apparent. The cooperation of industry and labor is essential if these major changes in prison industry programs are to succeed in actual practice. Industrial and employment programs must be changed so that inmates can receive essential skills,

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training and industrial experience related to the new jobs they will hold after release from confinement. Ideally, industrial programs should expose inmates to a work experience that will enhance their opportunities to acquire suitable free world employment rather than merely use their talents to manufacture products for governmental consumption. Carefully tailored work programs should not only result in production of an economically useful product but also should enable inmates to acquire self-respect and the satisfaction of a job well-done. A proper use of offenders in the operation of private industry inside or outside of prison[76] assumes that they will be trained for specific jobs within the company's normal operations. A diligent effort should be made to initiate the manufacture of products which are in demand on the free market so that not only can the industry itself remain profitable, but also offenders can transfer their newly acquired job skills into meaningful employment after release.

The industrial expertise, managerial techniques and experience which private industry offers are, perhaps, unobtainable elsewhere in the required amounts. Cooperation between private industry and correctional personnel offers new opportunities for innovation and problem-solving. Perhaps industrial concerns could be prevailed upon to locate factory branches at prison facilities or nearby so that offenders could continue working for the same employer after discharge. Such continuity of employment patterns would not only reduce the overall costs of training new personnel but also would provide the offender with an opportunity to effectively bridge the gap between the prison community and the outside world. Enlistment of the profit motive in the creation of economically self-sustaining manufacturing and distribution units offers the most promising solution to the problem. Obsolescent plants and equipment would be replaced with modern machinery, overstaffing and make-work practices would be gradually eliminated, quality control measures would be enforced, and large numbers of prisoners who are currently engaged in maintenance tasks would be transferred to production jobs. Private managerial expertise would be employed to solve the multitude of problems inherent in the creation of modern, competitive industrial operations. Moreover, the need for another costly federal bureaucracy to administer the program could be avoided by allowing private industry to assume a major innovative role. This is especially important since many members of Congress are reluctant to create new governmental agencies. An accurate reporting system that is subject to review by the General Accounting Office should be established. The proposed legislation is intended to guarantee that federal funds are spent properly.

Private industry can be encouraged to participate in the program in a number of ways. Federal and state governments could lease land, buildings and perhaps equipment to private industry to reduce capital costs. Differential payments can be made in return for management's assumption of the financial costs of providing training and education for offender-employees and for the initial losses in efficiency while prisoners are being assimilated into the work force. Rather than have the government make direct payments to improve today's outmoded prison industries system, a subtle program of tax credits or grants to the private sector on a contract fee basis would be more politically acceptable to the voters. Payments can be made for the delivery of educational information systems[77] so that highly qualified offenders can acquire educational skills needed to establish a foundation for future achievement. During the transitional period, existing prison industries can be expected to increase the amount of subcontracting with private industry, thereby acquiring its expertise as an immediate benefit.

A central concept in the reform of prison industries is enhancement of the work ethic. Many studies have shown that an offender's inability to acquire a suitable job after release has a direct correlation with the likelihood of his return to prison at some future time. A significant correlation between offender unemployment and recidivism exists.[78] Failure to obtain suitable employment after release provides the former offender with an incentive to return to a life of crime since he has not been afforded a reasonable alternative. Moreover, a satisfactory job enhances the individual's self-respect, reduces the risks of excessive idleness and offers him a stake in society. It must be emphasized, however, that an offender's desire to obtain work is often different from his capabilities to assume suitable employment; hence educational and vocational training is needed to properly prepare him for rewarding employment after release. Offenders should be encouraged to adopt the work patterns and norms of the free world so that they can become productive, useful citizens. A primary goal to be attained is the *employability* of the offender, i.e., his ability to obtain and retain employment; therefore, an immediate objective must be to provide him with the education, skills, training and attitudes that are required to achieve success in a work-oriented society. Training and education must be related to a meaningful work experience.

Offenders will normally choose remunerative work in prison for the short-term monetary rewards that it offers rather than opt for vocational education and training which would be more beneficial to them in the long run. The proposed legislation lacks provisions relating to prisoners who are in need of full-time educational programs. If highly qualified offenders were paid a minimum wage to acquire needed educational skills, they could advance at their own achievement levels to increase their employability after release. A contrary view often stated by correctional officials is that prisoners should work during the day and attend school on a part-time basis at night, as in the outside world. One must remember, however, that these offenders are in prison because they have already failed in the real world, so is it realistic to expect that they will succeed in such difficult endeavors? The proposed legislation leaves the question open.

Prevailing wage rates

The utilization of private enterprise to expand the operation of prison industries and the removal of market restrictions on the sale of prison-made goods will facilitate payment of wages comparable to union scales or at the prevailing rates in the locality. The spectre of unfair competition from a cheap labor source can be minimized by insisting that all prison workers, including those engaged in prison maintenance tasks, be paid at prevailing wage rates. At the present time, hourly compensation for workers employed in federal prison industries ranges between 19¢ and 46¢ per hour. Although incentive payments can increase the daily rate of pay, prisoners rarely earn in excess of $100 per month.[79] Payment of prisoners at prevailing wage scales would minimize risks of exploitation of prison workers, provide a realistic work environment for offender-workers, allow deductions for room and board, dependents' support, taxes and similar free world charges, and establish a substantial financial base for the prisoners' subsequent discharge. Deduction of reasonable room and board charges from prisoners' salaries would reduce the costs of correctional programs. Similarly, deductions for dependents' support would not only help to alleviate staggering welfare costs by eliminating many prisoners' families from the country's welfare rolls, but also would provide psychological advantages as inmates realize that they are making effective contributions to the support of their families.

The issue whether prisoners should be paid wages at current market rates is also important when the prison climate within which inmates must live and work is examined. The existence of an effective prison subculture that dominates the daily lives of offenders, often adversely, has been well documented and analyzed.[80] Within the "inmate society," prison leaders help to maintain internal control over other inmates in return for custodial largess in the form of immunities from enforcement of prison rules, rewards and special treatment. In this manner, inmate leaders help to control visible violence such as riots and disturbances which wardens are especially anxious to avoid while distributing custodial largess to fellow prisoners in return for their cooperation and recognition of their positions of leadership. The full force of prison sanctions is brought to bear against "troublemakers" who lose their immunity from small violations of strict prison rules. The covert operation of a prison subculture enables prison authorities to exert far greater control over large numbers of persons with fewer correctional personnel than would otherwise be the case. Private bargains between correctional authorities and inmate leaders determine the actual allocation of punishment within the confines of the prison walls. An unfortunate result in this informal system of rewards and punishment is that the system operates unequally so that the most inexperienced, weakest, most disliked or most racially disadvantaged groups are compelled to bear the brunt of daily sanctions. Even more significant is the fact that the rule of law is being replaced by rule of individuals who do not possess legally constituted authority.[81]

The payment of wages to prisoners according to prevailing wage scales in the community will have a definite impact upon the prison subculture, although the extent and nature of its effect is subject to conjecture. A recent study indicates that as the percentage of prison employees assigned to work release programs increased, the prevalence of prison subculture patterns tended to decrease.[82] The managerial effect of real wages on the inmate society would tend to reduce an individual prisoner's reliance upon the disbursement of custodial largess by prison leaders, hopefully eliminating many of the arbitrary punishments which characterize today's prisons. An increase in the remuneration that inmates receive and the employment of industrial managerial personnel from private industry would tend to reduce much of the manipulation, favoritism and discrimination that characterized existing prison societies.

Free world mix

With respect to the kind of employees hired to work in the new prison industries, the authors suggest a "free world mix" which would include free market employees working alongside prisoners. Selection of workers from among those in the free world as well as those in the prison population would, of course, have to be done with care if the project is to be successful. Hopefully, an acquisition of proper work habits and the attainment of an acceptable attitude toward work itself, a characteristic already present among free world workers, would be adopted

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Footnotes at end of article.

by offenders to strengthen the work ethic. An optimum "free world mix" might consist of about 50 percent offenders and 50 percent nonoffenders to increase the efficiency and continuity of plant operations, maintain a stable work force to counteract the relatively large turn-over of prison workers due to release from confinement, and to lighten the burden of training new workers. Moreover, the attraction of new industry to a locality with its promise of jobs and a broader tax base would help to overcome traditional community opposition to the location of prison facilities nearby.

Victim's compensation fund

The establishment of a victim's compensation fund whereby an offender would be required to contribute not more than 10 percent of his salary[53] is perhaps subject to constitutional objections of a denial of property without due process of law. Although the proposed legislation conditions participation in the program upon a prisoner's waiver of his rights not to participate in a contribution of this kind, it is extremely doubtful whether a voluntary waiver can exist. Nonetheless, the establishment of a victim's compensation fund is preferable to a direct monetary payment to the victim or his family since this would eliminate any incentive to murder the victim to avoid payment of damages.[54] It would still be necessary to obtain a civil order, based on the extent of actual injury, to compensate individual victims of crimes. With respect to rehabilitation of offenders, however, correctional personnel regard compensation of victims to be preferable to mere incarceration.

Public Agency

A crucial element in the success of a modified prison industries program is the concept of a public agency which channels funds through prison industries for the ultimate benefit of the entire correctional process.[55] The authors advocate a new reorientation of the correctional system to focus upon the ultimate employability of offenders so they can return to free society as useful productive citizens. Even after these programs have been successfully implemented, the costs to society will be great due to the inherent nature of the work force, rapid labor turn-over, and substantial investments in training and facilities. It is unrealistic to assume that prison industries can become as efficient as their free-world counterparts. In the short run, we can expect to spend more money, not less. In the long run, however, we can achieve a number of notable goals, such as the reduction of crime, a diminution in welfare payments to prisoners' families, a decrease in expenditures for prison facilities, and the achievement of unmeasurable humanitarian goals as individual offenders realize their true potential as human beings.[56] Correctionl success today is viewed in a context that emphasizes reintegration of the offender into the community. A reorientation of the prison industries structure along the lines advocated here would institutionalize community corrections. Even more important would be the involvement of private industry and organized labor in such a manner that the community itself would be encouraged to assume a large share of the responsibility for correctional success. Community acceptance of the offenders is desperately needed for reintegration to succeed.

Removal of Legal Restrictions

Any serious efforts to reform prison industries in the United States can be successful only by dismantling the elaborate network of statutes, constitutional prohibitions and executive orders on both federal and state levels. Prison industries cannot be effectively developed until prison-made products are allowed to be sold in open competition with free market goods. The sale of prison-made goods, currently limited to governmental agencies, institutions and the armed forces, should be expanded to take advantage of new product lines, distribution patterns and customers. Antiquated pricing policies which reflect the costs of obsolescent machinery, plant and equipment must be updated and revised. Sales of prison-made goods far below the open-market price[57] would not occur if modern business practices were adopted. Product lines[58] could then be enlarged to generate sufficient volume to allow efficient and profitable operation. As a practical matter, repeal of these laws might have to be tied to guarantees that inmates be paid union wages or perhaps be allowed to unionize on a limited basis to achieve their demands for better prison conditions.[59]

Recent developments in community correctional programs have tended to minimize distinctions between community supervision of corrections activities on the one hand and actual confinement on the other. Since the bulk of the country's restrictive laws were enacted before community correctional facilities existed, the latter's legal foundations are, at best, uncertain. Prison industries must be effectively sold to the communities where they are to be located. Community resistance to prison industries and other programs such as half-way house can be moderated by offering local residents an opportunity to obtain employment in these new facilities. The attraction of jobs for local residents will also underscore the argument that a person need not have committed a crime to obtain suitable employment. Community support is also needed to attract additional funds from private industry to expand community-based programs for occupational and educational training.

Reform of today's prison industries will be a difficult, costly, perhaps unpopular task. However, the alternative of continuing the current haphazard approach to corrections is unacceptable in economic, financial and human terms. Something must be done to enable offenders to have a reasonable chance to return to society as worthwhile, respected citizens. Reform of prison industries presents an unique opportunity to take a long stride in that direction.

FOOTNOTES

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[1] National Advisory Commission on Criminal Justice, Standards and Goals, A National Strategy to Reduce Crime, Report to the National Conference on Corrections (Washington, D.C.: U.S. Government Printing Office, 1973) p. 144.

[2] The median sentence served is two years. U.S. Congressional Record, 93d. Cong., 1st Sess., 1973, vol. 109, p. 13, 175. Crimes for which penalties up to six months can be imposed are considered "petty offenses" whereas "serious crimes" ordinarily exceed this limit, *Duncan v. Louisiana,* 391 U.S. 145 (1968).

[3] United States Department of Justice, Uniform Crime Reports, 1970 (Washington, D.C.: U.S. Government Printing Office, 1971) p. 39. Similar figures are unavailable in the 1972 edition which merely lists the total percentage of repeaters during 1970–72 for all major crimes as 65%. United States Department of Justice, Uniform Crime Reports, 1972 (Washington, D.C.: U.S. Government Printing Office, 1972) p. 37. cf. Hans Zeisel, "F.B.I. Statistics—A Detective Story," American Bar Association Journal, vol. 59 (May, 1973) pp. 510–512.

[4] The term "reintegration"was first used by the President's Commission on Law Enforcement and Administration of Justice, Task Force on Corrections, Report: Corrections, (Washington, D.C., 1967) p. 28. Cited hereafter as Task Force Report. "Recidivism," as used in the Uniform Crime Reports, refers to an individual's arrest rather than to his conviction.

[5] U.S., Congressional Record, 93d. Cong., 1st. Sess., 1973, vol. 119, p. 13, 178.

[6] The "contract system" permitted outside contractors to employ prison labor in the manufacture of products using private supervision, materials and equipment. Under the "lease system," prisoners were dispatched to employers' work sites where their activities were supervised. The "public account" system received its name from the practice of state supervision of inmates and the sale of their products on the open market. The "piece-price system" referred to the practice of contractors furnishing raw materials to correctional institutions which used prison labor and collected for the finished product. For a detailed discussion of the historical evolution of the state use system, see the Select Committee on Crime, Reform of Our Correctional Systems, (Washington, D.C.: U.S. Government Printing Office, 1973) pp. 25–28. Cited hereafter as Reform of Our Correctional Systems.

[7] Ibid. pp. 25–27. The "Pennsylvania system" had its origin in the religious views of the Quakers, whereas the "Auburn System" received its designation from the Auburn prison in New York which, in 1821, employed convict labor in manufacturing goods.

[8] Ibid. p. 27. Note, however, that many persons who are classified as prison industry employees are, in actuality, engaged in janitorial work and other prison maintenance tasks.

[9] Utah Manufacturers' Assn. v. Mabey, 226 P. 189 (Utah Sup. Ct., 1924); Price v. Mabey, 218, P. 724 (Utah Sup. Ct., 1923).

[10] People v. Hawkins, 157 N.Y. 1, 51 N.E. 257 (1898); State ex rel Greaves v. Henry, 87 Miss. 125, 40 So. 152 (1906).

[11] Whoever transports or imports "any goods, wares or merchandise manufactured, produced or mined . . . by convicts or prisoners . . . shall be fined not more than $1,000, or imprisoned not more than one year, or both." Agricultural commodities, parts for farm machinery, and commodities manufactured for the use of the federal government, states and political subdivisions thereof are excluded. Goods manufactured by prisoners on parole or probation are excluded from the proscriptions of this statute, 18 U.S.C. § 1761 (1948). The constitutionality of this statute was upheld in Kentucky Whip and Collar Co. v. Illinois Central Railway Company, 299 U.S. 334 (1937).

[12] In effect, convict-made goods are subjected to the laws of the state to which they are transported by divesting these goods of their interstate character, the Hawes-Cooper Act, 49 U.S.C. § 60 (1929). Congress has such authority over interstate commerce, State v. Whitfield, 216 Wis. 577, 257 N.W. 601 (1934). An Ohio statute prohibiting the sale of inmate-made goods on the basis of the federal statute was upheld in Whitfield v. State, 49 Ohio App. 530, 197 N.E. 605 (1935), aff'd. 297 U.S. 431 (1936). See also State of Alabama v. State of Arizona, 291 U.S. 286 (1934).

[13] The Walsh-Healey Act forbids the use of convict labor by contractors in the "manufacture . . . production or furnishing of any . . . materials, supplies, articles or equipment" used in government contracts where the amount thereof exceeds $10,000, 41 U.S.C. § 35–45 (1936). The Act does not apply to

industry in general but rather to contractors who voluntarily compete to obtain government business, Endicott Johnson Corporation v. Perkins, 317 U.S. 501 (1943) and it does not apply to contracts for war materials, 40 Op. Att'y Gen. 207 (1942).

[14] 23 U.S.C. §114(b) (1958).

[15] 49 U.S.C. § 1722(c) (1970).

[16] 39 U.S.C. § 2010 (1960); 39 U.S.C. § 2201 (1970).

[17] 18 U.S.C. § 1762 (1948). A $1,000 fine can be imposed on any goods which are not properly marked, and they can be seized by government authority. The constitutionality of labeling requirements for prison-made goods was attacked in a number of early cases, People v. Hawkins, 85 Hun. 43, 51 N.E. 257 (N.Y. Ct. App. 1898); In re Opinion of the Justice, 211 Mass. 605, 98 N.E. 334 (1912); Hessick v. Moynihan, 83 Colo. 43, 262 P. 907 (1927); State v. Whitfield, 216 Wis. 577, 257 N.W. 601 (1934) as an interference with interstate commerce. But recently, the constitutionality of these labelling statutes has been upheld, Kentucky Whip and Collar Co. v. Illinois Central Railroad Company, 299 U.S. 334 (1937).

[18] 41 U.S.C. § 48 (1971).

[19] 19 U.S.C. § 1307 (1930).

[20] Exec. Order No. 325A (1905).

[21] 42 U.S.C. § 410 (1950).

[22] 18 U.S.C. § 4124 (1951) and 18 U.S.C. § 4161 (1970); 40 Op. Att'y Gen. 207 (1942).

[23] 18 U.S.C. § 4122 (1967).

[24] 18 U.S.C. § 4123 (1948).

[25] 18 U.S.C. § 4124 (1951.

[26] 18 U.S.C. § 4125 (1948).

[27] 23 U.S.C. § 114 (1958).

[28] 10 U.S.C. § 951 (1968).

[29] 18 U.S.C. § 4001 (1955).

[30] 18 U.S.C. § 4002 (1955).

[31] 18 U.S.C. § 4082 (1965).

[32] *Kentucky Whip and Collar Co.* v. *Illinois Central Railroad Co.*, 299 U.S. 334 (1937) cf. *People* v. *Hawkins*, 157 N.Y. 1, 51 N.E. 257 (1898) which held that citizens are not constitutionally entitled to know the source or origin of goods; hence, a New York statute requiring prison-made goods to be clearly labeled as such was not justified on the basis of the police power. In *Hessick* v. *Moynihan*, 83 Colo. 43, 262 P. 907 (1927) a statute prohibiting the sale of goods or commodities produced or grown by convict labor was not a valid exercise of the state's police power.

[33] 49 U.S.C. § 60 (1929).

[34] *Whitfield* v. *Ohio*, 297 U.S. 431 (1936).

[35] Opinions of the Justices, 211 Mass. 605, 98 N.E. 334 (1912); Hessick *v.* Moynihan, 83 Colo. 43, 262 P. 907 (1927).

[36] Arnold v. Yanders, 56 Ohio St. 417, 47 N.E. 50 (1897); People v. Hawkins, 157 N.Y. 1, 51 N.E. 257 (1898); Opinion of the Justices, 211 Mass. 605 98 N.E. 334 (1912); Kentucky Whip and Collar Co. v. Illinois Central Railroad Co., 299 U.S. 334 (1937).

[37] Whitfield v. Ohio, 297 U.S. 431 (1936).

[38] People v. Hawkins, 85 Hun. 43, 32 N.Y. Supp. 524 (1895); State v. Whitfield, 216 Wis. 577, 257 N.W. 601 (1934).

[39] Arnold v. Yanders, 56 Ohio St. 417, 47 N.E. 50 (1897). See also People ex rel Phillips v. Raynes, 136 App. Div. 417, 120 N.Y.S. 1053 (1910).

[40] Choctaw Pressed Brick Co. v. Townsend, 108 Okla. 235, 236 P. 46 (1925).

[41] Hessick v. Moynihan, 83 Colo. 43, 262 P. 907 (1927).

[42] Ove Gnatt Co. v. Jackson, 205 Ind. 51, 184 N.E. 553 (1933).

[43] Pitt v. Reagen, 14 Cal. App. 3d. 112, 92 Cal. Rptr. 27 (Cal. Ct. App., 1971).

[44] The California constitution, Art. x Sec. 1, provides that convict labor shall not be the subject of a contract with any private person, partnership or corporation.

[45] Hessick v. Moynihan, 83 Colo. 43, 262 P. 907 (1927).

[46] People v. Hawkins, 157 N.Y. 1, 51 N.E. 257 (1898); Hessick v. Moynihan, 83 Colo. 43, 262 P. 907 (1927).

[47] Mass. Gen. Laws, Correctional Reform Act, Sen. No. 1330 (1972).

[48] Minn. Stat., ch. 145, S.F. No. 197 (1973).

[49] Minn. Stat., § 243.86 (1967).

[50] Minn. Stat., § 241.26 (1971).

[51] Offenders designated "parolees" are persons within the purview of 49 U.S.C. § 60 (1929).

[52] Crushed limestone and lime dust for agricultural and horticultural purposes can, however, be purchased by the general public, Council on the Diagnosis and Evaluation of Criminal Defendants, Illinois Unified Code of Corrections (St. Paul, Minnesota: West Publishing Company, 1972) 1003-12-7.

[53] For an analysis of prison industries in Canada, see Robert Evans, Jr., Prison Industries in the Canadian Penitentiary Service (Ottawa, Canada: The Canadian Welfare Council, 1970).

[54] National Institute of Law Enforcement and Criminal Justice, The Role of Correctional Industries: A Summary Report (Washington, D.C.: U.S. Government Printing Office, 1972) p. 9.

[55] An analysis of the economics of prison labor is found in Neil M. Singer, "Incentives and the Use of Prison Labor," Crime and Delinquency, vol. 19 (April, 1973) pp. 200–211.

[56] Robert Taggart, The Prison of Unemployment: Manpower Programs for Offenders (Baltimore, Maryland: Johns Hopkins Press, 1972) p. 55.

[57] Sterling Institute, To Help Men Change (Washington, D.C.: U.S. Bureau of Prisons, 1970) pp. 9–10; George Pownall, "Employment Problems of Released Prisoners," Manpower, Vol. 3 (January, 1971) pp. 27–30.

[58] In sharp contrast to these statements are the programs funded under the Manpower Development and Training Act. For a discussion of these programs, see Taggart, pp. 44–60. While in prison, the average worker receives from 10 cents to 65 cents a day, National Council on Crime and Delinquency, "Compensation of Inmate Labor: A Policy Statement," Policies and Background Information (Hackensack, N.J.: National Council on Crime and Delinquency, 1972) p. 8.

[59] A classic study which delves into these matters is by George Pownall, Employment Problems of Released Prisoners (College Park, Maryland: University of Maryland Press, 1969).

[60] A twelve-week program at Hagerstown, Maryland, and remedial education programs at Pace Institute, Cook County, Illinois jail, are examples of highly successful projects.

[61] "Compensation of Inmate Labor: A Policy Statement," pp. 8–9.

[62] Daniel Glaser, The Effectiveness of a Prison and Parole System (New York: Bobbs-Merrill, 1969); Pownall, "Employment Problems of Released Prisoners," Manpower, pp. 27–30.

[63] Reform of Our Correctional Systems, p. 30.

[64] The Federal Criminal Justice System Reorganization Act, S. 2160–2164, 93d. Cong., 1st Sess. (1973), was introduced on July 12, 1973. It has five principal parts, as follows: (1) the Federal Criminal Justice System Reorganization Act, (2) Offender Employment and Training Act, (3) amendment of the Voting Rights Act of 1965, (4) rights of federal parolees, and (5) rights of parolees in the District of Columbia.

[65] Titles I and II of Senate bill, S. 2161, 93d. Cong., 1st Sess. (1973), are pertinent to prison industries reform.

[66] 42 U.S.C. § 410 (1972).

[67] 26 U.S.C. § 3121 (1972).

[68] U.S., Congressional Record, 93d. Cong., 1st Sess., 1973 vol. 109, p. 13, 178.

[69] 18 U.S.C. § 1761 (1948).

[70] H.R. 6747, 93d. Cong., 1st Sess. (1973).

[71] 29 U.S.C. § 206 (1938).

[72] H.R. 6745, 93d. Cong., 1st Sess. (1973).

[73] Total expenditures for the criminal justice system in 1971 were $10,513,358,000. Reflected in this amount was $1,448,223,000 spent on the federal level, $2,920,751,000 on the state level, and $6,662,697,000 on the local level. For corrections, total expenditures were $2,291,073,000, including $121,258,000 spent on the federal level, $1,387,331,000 by the states and $895,420,000 disbursed locally. The totals for corrections include expenditures for local jails. Expenditure and Employment Data for the Criminal Justice System, 1970–1971 (Washington, D.C.: U.S. Department of Commerce, 1973) Table 2, p. 11.

[74] More than 55,000 prisoners' families are on welfare. Welfare costs exceed $250,000 annually. U.S., Congressional Record, 93d Cong., 1st Sess., 1973, vol. 109, p. 13, 178.

[75] In Sweden, for example, a basic decision is made to locate a factory in a particular geographical area so that products in demand on the free market sector can be manufactured. Thereafter, the prison facility is constructed within and around the industrial site. For a discussion of the correctional apparatus in a number of foreign countries, see John P. Conrad, Crime and Its Correction: An International Survey of Attitudes and Practices (Berkeley, Calif.: University of California Press, 1967).

[76] Senator Percy's bill defines an "offender" as anyone ". . . charged with or convicted of a criminal offense . . .," Tit. I, § 4129, S. 2161, 93d Cong., 1st Sess., 1973. Persons arrested are clearly included in the bill, thus making pretrial diversion programs fundable. S. 3185, 92d. Cong., 2d. Sess., 1972 would have authorized programs within the exterior boundaries of penal institutions. Cf. the present bill which allows funding for prison industries inside and outside prison walls.

[77] R.C.A. Education Systems, Inc., Cherry Hill, N.J., can, for example, provide complete correctional service programs for offenders.

[78] Roberta Rovner-Pieczenik, The First Decade of Experience: A Synthesis of Manpower Research and Development Projects in Criminal Justice and Corrections, 1963–1973 (Cambridge, Mass.: Criminal Justice Research, Inc., 1973) pp. 26–30.

[79] United States Senate Subcommittee on Business, Commerce and Industry, Hearings on the Impact of the Court Reform and Criminal Procedure Act of 1970 on Correctional Institutions in the District of Columbia (Washington, D.C.: U.S. Government Printing Office, 1971) pp. 32–33.

[80] For an exhaustive study of the manner in which the prison sub-culture dominates offenders' daily lives, see Note, "Bargaining in Correctional Institutions: Restructuring the Relation between the Inmate and the Prison Authority," Yale Law Journal, vol. 81 (March, 1972) pp. 726–757.

[81] Ibid, pp. 738–745.

[82] Robert Swanson, Work Release: Toward An Understanding of the Law, Policy and Operation of Community-Based State Corrections, Final Report Summary (Carbondale, Illinois; Center for Study of Crime, Deliquency and Corrections, 1973) p. 18.

[83] A total maximum deduction limited to not more than 10 percent of a prisoner's salary is probably needed to guarantee the effectiveness of the incentive of earning money as an aid in rehabilitation.

[84] The authors have on file, at the American Bar Association's Commission on Correctional Facilities and Services, records of at least one case where this has actually occurred.

[85] The President's Task Force Report, 1970, recommended that a public corporation be

established which would have as its function ". . . the adoption of programs for the employment and training of criminal offenders . . ." p. 11.

[86] C.f. John F. Holahan, A Benefit-Cost Analysis of Project Crossroads (Washington, D.C.: National Committee on Children and Youth, 1970) for an extensive cost-benefit analysis utilizing long-run savings from crime reduction.

[87] A New York State audit disclosed recently that the state Department of Correctional Services had sold inmate-produced goods in 1973 far below the open-market price. Metal products manufactured at the Attica prison, for example, were sold at 1968 prices, and in some cases comparable items were sold at one-third of their current market value. The New York Times, Aug. 16, 1973, p.. 27 col. 8.

[88] For decades, prison industries have limited their product lines to government and institutional needs such as the manufacture of license plates, metal highway signs, nameplates, playground equipment, office furniture, clothing and uniforms, tin cans, reflective decals, identification badges, etc. The Howard Eglit Study, an unpublished survey of state correctional facilities made available to the authors, 1972, f.f. Howard Eglit is former Corrections Counsel, Committee on the Judiciary, U.S. House of Representatives.

[89] For a discussion of the practical limitations of litigation to achieve redress of inmate grievances, see Linda R. Singer and J. Michael Keating, "The Courts and the Prisons: A Crisis of Confrontation," Criminal Law Bulletin, vol. 9 (May, 1973) pp. 337–357.

NIXON ADMINISTRATION ECONOMIC FAILURES

Mr. HUMPHREY. Mr. President, the current state of our Nation's economy demands immediate attention. As chairman of the Consumer Economics Subcommittee of the Joint Economic Committee, I am particularly well aware of the alarming deterioration in the Nation's economic condition.

Inflation rages while the country plunges deeper into the current recession. This nightmarish combination will not be alleviated by administration efforts to redefine the word "recession" or by making empty promises that the end of inflation is just around the corner. The unbearable situation of the American consumer is worsening, necessitating the immediate formulation of effective policies to both combat inflation and get the economy moving again.

A New York Times editorial of April 22, 1974, describing the symptoms of "slumpflation," a phrase describing the combination of broadly based inflation and steadily declining output, questions the wishful forecasts and lack of tangible action which comprise the Nixon administration's economic policy.

In a statement released on Monday, I commented on the failures of the administration's economic policy. In the midst of a recession, a very high level of unployment, and staggering price increases, the President continues to avoid economic reality, merely providing the public with unfounded prophecies of an improved economic outlook.

Mr. President, I ask unanimous consent that my statement and the New York Times editorial be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HUMPHREY BLASTS NIXON ADMINISTRATION ECONOMIC FAILURES

(By Senator HUBERT H. HUMPHREY)

WASHINGTON, D.C., Apr. 22.—Senator Hubert H. Humphrey, chairman of the Consumer Economics Subcommittee, Joint Economic Committee, today issued the following statement on the deterioration in the nation's economic condition:

For generations economists have claimed that a high rate of inflation could not exist side by side in our economy with a drop in economic activity, high levels of unemployment and high interest rates. Unfortunately, they will have to rewrite all their textbooks.

The Nixon Administration has clearly proved that, with its economic policies, you can have all of this bad news at the same time.

We have experienced a 5.8 percent nose dive in the real value of the gross national product, the worst drop in total economic activity since the major Republican recession of 1957–58. But we have also suffered a red-hot and broadly based inflation, pushing prices up 10.8 percent in the last three months—the steepest quarterly increase since 1951.

The latest figures confirm that the glowing State of the Union rhetoric about "no recession" and "reduced inflation" was simply the empty promises of a beleaguered President who confused what he would like to see with the hard facts of economic life.

I see no reason to share the optimism regarding hoped for economic performance in the second half of 1974 that is being voiced by the Administration. Its failure to project accurately economic conditions in the last several years has only been surpassed by its inability to deal with our nation's economic woes.

We are now in the midst of a recession. Economic activity has declined in each of the past three months and a further drop in output is expected by many observers.

The unemployment rate has jumped from 4.6 percent in October 1973 to 5.1 percent in March 1974. But this highly unsatisfactory level is expected to go even higher in the next several months.

There is little evidence to support the White House expectation that inflation has reached its peak.

There may be some leveling off of food price increases temporarily during the harvest season.

But it is my judgment that higher prices for raw material to the industrial sector, rising labor costs after a year of relative wage stability, and soaring interest rates will result in pushing prices up at similarly high rates for the remainder of 1974.

As the staggering wholesale price rise of 19 percent during the last 12 months works its inevitable way into retail sales, the harassed American consumer will be faced with yet another big dose of inflation this fall.

With prices racing way ahead of wages for the second straight year, the total failure of Nixon economic policy is painfully evident to American's working families.

We learned Friday that real weekly spendable earnings fell an incredible 12 percent during the past quarter.

To reverse the failures of Nixon economic policy we must immediately:

Reduce taxes for low and middle income families in order to stimulate the economy through consumer demand;

Mount an expanded program of public service jobs for the unemployed;

Replace the mismanaged wage/price control program with a permanent inflation monitoring institution, with largely voluntary wage/price guidelines, but some limited stand-by authority to prevent highly inflationary wage and price increases.

While the Administration has consistently argued against such measures, I believe that, in light of its most recent failures, a completely new approach to economic policy is warranted.

In all my years in government, it is hard to remember a failure of leadership any more glaring than the failure of this Administration to develop effective policies to deal with inflation.

[From the New York Times, Apr. 22, 1974]

RECORD SLUMPFLATION

The nation's economic performance in the first quarter of this year was almost certainly the most alarming of the entire postwar period. Real output declined at an annual rate of 5.8 per cent, the sharpest drop in gross national product in sixteen years. The over-all price level increased at an annual rate of 10.8 per cent—the steepest climb in 23 years. Most disturbing of all, slump and inflation worsened in parallel. By an "index of economic disorder"—combining the rate of decline in real G.N.P. with the rate of inflation—this slumpflation provides the poorest record since World War II put an end to the Great Depression.

The first quarter's dismal record cannot be dismissed as a fluke, a stroke of bad luck caused by the energy crisis. Unquestionably, the oil embargo and soaring fuel prices did help to depress the economy and exacerbate inflation. The energy-cost squeeze has still not ended and could even intensify in the months ahead.

But the American economy had entered a slump even before the Mideast war broke out in October. Housing had fallen precipitiously due to tight money and high interest rates. Analysts had hoped that a gradual slowing of the economy and lower interest rates would boost housing. Instead, accelerating inflation has raised rates to peak levels and housing is slumping again.

Inflation has also worsened the cash problems of many businesses, especially such heavy borrowers as the real estate investment trust. Even with heavier carrying costs, business inventories are still rising. Since much inventory building was involuntary, such as the pile-up of unsold autos, production-depressing cuts in stocks appear to lie ahead.

Inflation is practically out of control. Nationally, consumer prices rose at an annual rate of 13.2 per cent in March; in the New York area, the cost of living climbed at a 14.4 per cent annual rate. Relentlessly, the Administration goes on removing controls day by day, and Congress shows no disposition to design an effective new anti-inflation program to replace the shattered ruins of the existing one after April 30.

The new temptation—sponsored, curiously enough by libertarian economists—is to learn to live with inflation by imitating authoritarian Brazil and attaching all incomes and bonds to a price-index escalator. But without waiting for the United States Government to go Brazilian, American labor is producing an "indexing" solution of its own through an automatic tie of higher wages to higher prices. Understandable as labor's pressure is, the reality is that sharp rises in wages, far in excess of productivity gains, threaten either to intensify unfairnesses in the distribution of inflation—or to create a profit squeeze and deepen the recession.

The Administration is apparently counting on a slowdown (which President Nixon has forbidden his underlings to call a recession) to check the inflation. At the same time, it is counting on a second-half recovery to keep unemployment from growing significantly. But what plans has the Administration, if these wishful forecasts go awry?

Flying without flight plans or controls, the Administration's top policy makers are jostling for the pilot's seat. Mr. Nixon has announced that he intends to take personal charge of "economic policy." "What policy?" one might well ask. On the record to date, this could be the most disturbing news of all.

AN EXEMPLARY RIGHT TO READ PROGRAM

Mr. JAVITS. Mr. President, as New York's Senator and as a member of the Subcommittee on Education, I take an especial pride in inviting to the attention of my colleagues the article in the current issue of American Education, the monthly publication of the U.S. Office of Education, which singles out the Sinclairville Elementary School as having an exemplary right to read program. Sinclairville, a small community in the beautiful farm country of western New York State, is not a principal population center although its proximity to the State University College at Fredonia has been a factor in its success, the school having been able to draw upon the talents of Dr. John E. Connelly, a professor of education at Fredonia. Nor is it located in an academic center. Yet its right to read program has such a proven success that the U.S. Office of Education has devoted 6 pages of its monthly publication to the Sinclairville experience.

I was also pleased to note the important role of community participation and understanding in contributing to the accomplishments of Sinclairville's right to read program. The children have considerably benefitted from this important link between the school and the home.

Sinclairville may be small but its schools have made it large in the eyes of the Nation and my State.

I ask unanimous consent that the article from the April issue of American Education, "Delivering on the Right to Read," be printed in the RECORD as part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DELIVERING ON THE RIGHT TO READ

(By Jeffrey B. Nelson)

The no-nonsense sign at the front door of the Sinclairville Elementary School says, "Visitors must report to school office." That's good practice anywhere, but in Sinclairville it's been a matter of necessity ever since the "Right to Read" was proclaimed as inalienable in this tiny hill-country community on the western edge of New York State.

Visitors from far and near have found their way here in droves. Even the State Commissioner of Education, Ewald Nyquist, dropped in to look at what many consider to be one of the best programs in the Right to Read stable.

A couple of years ago, the thought of anyone coming to observe a reading program at Sinclairville would have been a joke. "The scores our youngsters were making in reading were pretty poor," concedes Elmer Horey, who was principal at the time Sinclairville applied for assistance from the U.S. Office of Education's new Right to Read program. A demonstrable need for help, coupled with a "demonstrated faculty interest in doing something about it" may have strengthened Sinclairville's case in Washington, Horey believes. That and the community's rural character, the other three original Right to Read schools in the State all being in the New York City area.

After a planning year in 1971–72, the program got rolling last year. News of interesting things happening here quickly spread, and, in reading circles at least, Sinclairville Elementary was on its way to gaining some national notice. The day *American Education* representatives arrived at the school happened to be a light one for visitors. Only one other group had dropped in, and Principal Larry Griffin took advantage of the situation to break in two parent volunteers as official greeters and guides for the school. "If after saying hello, I could have these parents take over and show people around, it would really be a help," says Griffin. "I could then get back together with our guests over lunch."

Showing people around would also include presenting the tape-slide program the school has developed to orient outsiders, and distributing a things-to-see guide which directs visitors to where they can view certain types of instructional techniques being employed or special kinds of equipment or materials in use.

At most schools having parents serve as guides might seem too demanding. At Sinclairville, however, lots of parents are around and doing even more complicated tasks—like teaching. School officials have been known to bet you your lunch you can't walk into a typical classroom and tell which is the teacher, the aide, the student teaching intern, or the parent volunteer. The visitor should be prepared to lose the bet, since all the adults in the room are engaged in instruction and all appear equally authoritative. Even the children seem unaware of any flow chart of competence or authority. "They'll ask anybody for help," says Griffin. "If you're bigger than they are, they think you're an expert." Parent volunteers drop in often, Griffin points out, and "pupil-teacher ratio gets pretty near one-to-one in a classroom sometimes."

Most teachers seem grateful for the extra help, though there is some variance of opinion among staff members about which kinds of instructional tasks a parent is qualified to perform. Arlene Josephson, a teacher and primary unit leader, notes that the number of parent volunteers in the school dropped last year and concedes that "some gave up in boredom, because we didn't use them to the best advantage." She believes steadfastly, however, that parents can be effective teaching assistants. "These are intelligent, interested people. They've worked with children in Scouts, 4–H, and elsewhere. They can do it."

Mrs. Josephson and her own classroom volunteer, Marilyn Desnerck, appear to get along famously. Mrs. Desnerck, an attractive, thirtyish brunette, had worked that morning with a group of six first-graders who had problems concentrating. She had read stories to the group, then heard their explanations of the content. After that she circulated around the room helping children with their question sheets, assisting others with their dot-to-dot pictures, and generally making herself available to any youngster who needed individual attention. The thing she and other parent volunteers judiciously stay away from is the assignment of specific remedial tasks. "I can see in which areas a student is having trouble," says Mrs. Desnerck, "but I just relate my findings to the teacher."

Mrs. Desnerck first signed on as a volunteer at Parent's Club, a PTA-like organization in which the school has undertaken a major information effort on Right to Read and has pushed to get parents involved in the program. She comes in on Wednesday mornings, leaving two preschoolers with a sister-in-law. On Thursdays the two women switch duties, the sister-in-law coming to the school while Mrs. Desnerck minds the children.

Such parental enthusiasm has been hard-won in this farming-area village of 700. It's an economically hard-pressed community, and many of the 498 students bused in to the relatively new brick school building have been less than superior academically. Moreover, most parents were not reading types themselves, and when it came time to appoint community members to the Right to Read Planning Task Force, most had to be sold on the assignment. Parents were placed on the task force not especially for their advice on academic matters but to add community perspective. They've reportedly done yeoman duty as information conduits and rumor-spikers.

As the program began to evolve, school personnel assiduously sought community involvement. Numerous special meetings—some in the form of covered-dish suppers and usually with baby-sitter service provided—began to draw bigger and bigger crowds. Whether they're involved in publishing the local Right to Read newsletter or in actually teaching students, "parents appreciate being involved, and we have had a say right from the start," says Mrs. Desnerck. She adds that parental involvement helped nip any potential community disquiet in the bud, and a community survey showing 78 percent approval of the program backs her up.

"Oh, sure, there's been a little controversy," Mrs. Desnerck notes. "Some people are always suspicious of change. You know, they say, 'It's not the way I was taught.' "

There's no question that education at Sinclairville Elementary is different than it once was. Classroom activities here—which sometimes spill out into the hallways—may go on in an "open" classroom with different grade levels mixed together or in a "contained" classroom with fewer distractions. Instructional techniques may be as simple as children reading stories to one another or as exotic as gaming-simulation, in which students do original research in order to act out some real world situation. Teaching materials and equipment may vary from the familiar old flash card up to wireless headsets and videotape cameras.

One thing is certain. When it comes to teaching reading, they don't mess around at Sinclairville. Almost everything that goes on has reading as its base. In Ann Murtaugh's second- and third-grade room, youngsters were making decorations for the bulletin board. They were cutting out and filling a toy truck with pictures of objects that begin with "tr," which they found after looking them up in the index of a battered Sears catalog.

Eight-year-old Darrin Saxton was finding the activity a nice break. He had just wrapped up his "contract" for that week with Mrs. Murtaugh, the contract being a written agreement between teacher and student in which the student agrees to reach a certain level of reading skill for which the teacher promises to award a particular grade or similar perquisite. The contract is based on each child's reading level and is written to ensure, with a little bit of effort, a "success experience" for the student. The Sinclairville system puts a lot of stock in these success experiences—building them into many activities—because it's felt that increasing a youngster's self-confidence is an important part of academic progress.

It is particularly important that a child experiences success in reading, says John E. Connelly, project coordinator and the key man in Sinclairville's Right to Read program. "Reading is not a subject like arithmetic or geography," says Dr. Connelly, who is also a professor of education at the nearby State University College at Fredonia. "It's a process. It goes on all day long. It's the foundation on which all other courses are built."

Reading, Connelly feels, is too important to be left to a "reading coordinator." He says, "I don't believe in reading coordinators, in sending three or four kids down the hall to a converted broom closet for remedial work. Better everyone should be a reading specialist."

Nor does the Cassadaga Valley School District of which Sinclairville is a part have a district-wide reading coordinator. Connelly had been helping out there even before Right to Read came along, and when it did, the district grabbed him as project chief.

Griffin notes that Right to Read schools have access to reading consultants who'll fly in for periodic visits, and Sinclairville has had all the outside help it requested. But he credits Connelly as "the brains behind the operation," and says, "Having John here and available two days a week has been just invaluable."

One piece of advice Connelly gave the Sinclairville school people—later ratified by the Right to Read Task Force of administrators, teachers, and community members—was to spend their grant money on people first, not gadgets. Larry Griffin, new as principal this year, readily agrees with the decision. "The individualized approach we strive for can't be done without extra hands," he contends.

Besides staffing up with teacher aides, Sinclairville undertook an intensive program to prepare the existing faculty for the rigorous new approach to reading instruction. A no-holds-barred workshop, four weeks long, was held in the summer of 1972, for which teachers received extra compensation. Teachers were also paid for taking a series of ten inservice workshops during the last school year. These were held after school hours, from 3:30–7:30 p.m.

Why all the extra work? Frankly, say Connelly and fellow members of the reading staff at Fredonia State, until very recently most education majors have not been taught to teach reading and therefore have been woefully unprepared to handle the job. Consequently, a primordial step in the process at Sinclairville was diagnosing the weaknesses of the teaching staff in both reading and the teaching of it. Testimony to the need for that step came when Sinclairville teachers took the 16-page "Connelly Diagnostic Test"; one top teacher read so slowly she completed only 38 of the 100 questions.

Of the $137,000 the Sinclairville school has received so far in its three- to five-year Right to Read program, only a relatively small amount has gone for equipment and materials. Some money was spent on beefing up individual classroom libraries, other funds went for the various types of reading kits, workbooks, and tests that stock the main school library, which goes by the somewhat pretentious name of the Human Potential Learning Center (HPLC).

Yet Sinclairville is by no means lacking in either equipment or materials. The staff is particularly proud of the school's wireless headset system—purchased with Right to Read funds—which allows youngsters to wander freely in their classrooms as they listen to four channels' worth of cassette tapes containing stories, reading exercises, and the like. The school is wired for television, and such shows as "Sesame Street" and "The Electric Company" are screened twice a day because Connelly endorses the reading-teaching methods employed in both programs. The school also owns a sophisticated telebinocular machine for eye testing.

Although, according to one administrator, "salesmen came out of the woodwork when they found out we had money," Sinclairville was hardly guilty of throwing handfuls of bucks into the air to be caught by the purveyors of gadgetry. Connelly says he insisted that teachers take a hard look first at the stuff already gathering dust on the shelves. Each new piece of equipment or each new materials system had to be justified prior to purchase by the person ordering it. The same tight control prevails today, with the six college student interns giving the acid test to the wares of salesmen and reporting thumbs up or down to the school administration.

Any new gear has to meet strict criteria for utility in either the diagnosing or the correcting of a child's reading weakness. The Sinclairville Right to Read program follows the diagnostic/prescriptive concept like a religion, its bible being the "Diagnostic/Prescriptive Reading Handbook," an 80-page blueprint that not only sets down the goals and objectives of the program but goes on to state how they will be achieved.

From the mere letter designation HPLC for the learning center and, of course R2R for Right to Read, the Sinclairville school acquired a taste for acronyms ("They're almost a Federal requirement," cracks Griffin). For example, the school now boasts:

SILO—The Sinclairville Individualized Learning Organizer, a farm-country sobriquet for the grey file cabinet which serves as a storage place for the numerous skill packages and teaching techniques developed by teachers and their assistants.

PET—Parent Effectiveness Training, a program that encourages parental interest in the child's reading activities.

CAPE—Case Approach to Physical Education, which provides classic evidence of how all school subjects become supportive of the reading program. Control of the motor skills has a high relationship to reading ability, it's believed here, and a child who can't skip, for example, will be mustered off for special skipping practice with gym teacher Art Asquith.

"I was skeptical at first of this supposed correlation between body coordination and reading ability," says Asquith. He now pronounces himself "a believer," particularly keen on the body alphabet in which teams of two youngsters each form letters with their bodies.

At this point in the R2R program Sinclairville teachers share that belief in the system, but it was not always thus. One veteran teacher admits that she and other colleagues greeted the initial announcement of Sinclairville's selection for R2R with a "here-we-go-again attitude." "We'd been in several programs before on one subject or another," she says, "and so our skepticism was somewhat conditioned."

Now, however, school administrators are defining "staff commitment" as perhaps the essential difference between Sinclairville's success with the program and the experiences of some other schools. This commitment didn't come automatically from all hands, of course, but when foot-draggers were invited to transfer out to some other school in the district, the enthusiasm level shot up markedly.

The school administration still maintains a wary watchfulness that the program's hallmarks are strictly observed in every classroom. One of these is that each child be treated individually. Another, which might be referred to as the "diagnostic imperative," says, in essence, "You can't help a student until you learn what his problem is."

Marcia Peck, a teacher for 15 years says, "We're still just getting our feet on the ground in the program," but she sees plenty of promise in it. She appreciates particularly the way the scheme sets down a teacher's responsibilities and gives "a systematic way to attach each problem a child may have." The method has dramatically enhanced a youngster's chance of learning to read well at a young age—and enjoying it in the process, she maintains.

As the system calls for, Mrs. Peck keeps detailed records on each child's strengths and weaknesses in reading. She employs different workbooks and materials to test such reading skills as vocabulary, comprehension, speed, phonetics, word structure, and study skills. A 350-item checklist, the "Continuous Pupil Progress Profile," also aids the effort by providing a running record of progress in the various reading skills and suggesting either "proceed" or "reteach" for each one of them.

Once a problem area is identified and the prescription written to remedy it, the teacher, her aide, an intern, or a parent may work with the youngster on a particular skill. The children also drill one another, usually with flash cards.

The only drawback, as Mrs. Peck sees it, is the enormous chore of preparing materials, a task that sometimes keeps her up until the morning's small hours. "I'm gung-ho on this, I really am," she emphasizes. "But I do get frustrated when I don't have the time to do all the class preparation I'd like to do."

This comment exemplifies some of the pressure attendant in mounting a program of the intensity of Sinclairville's Right to Read. All the changes over such a short span of time, all the crash preparation work, all the visitors, the overseers, all the probing questions. It's been tough on some of those in the hurricane's eye. Former Principal Horey, who stepped down from the top job this year, admits that Right to Read wasn't the best thing that ever happened to his nervous system, even though it probably was the best thing that ever happened to his school.

Few of the school's staff would trade all the recognition they've received, of course, or the feeling, as expressed by one teacher aide, "of being part of something exciting happening here." In fact two of the aides have become so exhilarated by the whole business that they plan to quit their jobs, go to college, and come back as full-fledged teachers.

That indeed might be one way for an aide to get a little better job security. School personnel are fully aware that "one day the money is going to run out" for this program, putting the employment of many of the aides in jeopardy. Hoping to cushion the impact of that eventuality, the school plans a renewed campaign for parental interest in Right to Read, perhaps even through radio spots that promote parent-child reading activities in the home.

One hoped-for result of such a campaign would be the recruitment of a solid base of parent classroom volunteers for the future. But it goes deeper than that, John Connelly emphasizes. "Really, the reading skills we teach the children at school are nothing unless there are some language development activities in the home. We can't have parents feeling that teaching the kids to read 'is only the school's job.' We want the parents to turn off the TV and read to their kids, and let the kids read to them. We've got to have that backup encouragement."

There's every indication that Sinclairville's infectious Right to Read program will yield precisely that kind of community support, a fact that has not gone unnoticed at school district headquarters. Sam Danton, chief school officer for the district, calls the Sinclairville experiment "a very dynamic thing, the way they've gotten so many people involved—really a tremendous thrust."

Though plainly proud and acutely aware of the implications for the rest of this school district, if not the State (the State Education Department is using Sinclairville as its model in a new Right to Read program of its own), Danton presses a note of caution upon those panegyrists who would oversell Sinclairville's success in teaching reading: "People say to me, 'Hey, you've found the answer.' Heck, we haven't done that. We've just got a group of people concerned about finding some answers that may be applicable in Sinclairville, New York." And at that, he contends, "It will be three to five years before we find out if we've made a dent."

At this point, possibly the most important things Sinclairville has to tell the world about, Danton believes, are its community involvement and needs assessment methods, either of which might well be modified for any type of major pilot program in any school system. Connelly agrees that "the process we went through" is the thing that makes the program go. "We really looked at ourselves critically—evaluated the students, the teachers, the materials we had. It wasn't one expert coming in with some sure-fire cure-all program."

Whether the "cure" they've finally settled on will be tonic for the school's former reading anemia is still uncertain. Iowa Tests administered last year, in the first year of the program, did reveal measureable gain in reading skills, schoolwide. But it's early yet, too soon to tell. No one's boasting.

"Of course we want to be able sometime to wave impressive test scores and other data," says teacher Arlene Josephson. "But I think the gain we'd really like to see is, simply, to have more children who like to read—more children with a good feeling about themselves."

FOR MORE INFORMATION

Additional information about the Sinclairville Right to Read program may be obtained by writing to Dr. John E. Connelly, Reading Center, Thompson Hall, State University College, Fredonia, N.Y. 14063.

EARTH DAY—1970 AND 1974

Mr. MUSKIE. Mr. President, on April 22, 1970, I was privileged to participate in the first Earth Week activities which were organized as a national movement by our distinguished colleague from Wisconsin, Senator NELSON.

In preparation for an Earth Day speech which I delivered yesterday, April 22, 1974, at the University of Indiana, I reviewed the speech which I delivered 4 years ago at the Philadelphia Earth Week Rally.

I was struck by the fact that I could have delivered the same speech yesterday; that, notwithstanding the legislation we have enacted, and the public awareness which has been stimulated, we have achieved so little in dealing with the problem.

And the little we have achieved has been put in jeopardy by the attacks of those who would use the energy crisis to reestablish the national ethic which I described in the following words 4 years ago:

Man has burst upon the environment like an invader—destroying rather than using, discarding rather than saving, and giving the environment little chance to adapt.

We have depleted our resources and cluttered our environment—and only recently have we been shocked by the enormity of our errors.

As long as Americans could escape the confines of the soot and clutter of our cities, the voices of those who were trapped and the warnings of those who understood were never really heard.

Pollution was isolated by the size and openness of America. A river here, a forest there, a few industrialized cities—these examples of environmental destruction seemed a small price to pay for prosperity.

This was the frontier ethic: America pushing ahead and getting ahead. We had an unlimited future under "manifest destiny."

Now we find that we have over-reached ourselves. The frontier ethic helped us build the strongest nation in the world. But it also led us to believe that our natural and human resources were endless, that our rivers could absorb as much sewage as we could pour into them, that there was automatic, equal opportunity for everyone, that our air would always be clean, and that hunger and poverty were always a temporary condition in America.

Early in the life of our country, we were absorbed in harnessing the energy of a people and the resources of the land and water.

But we are finding today—hopefully in time—that we have done much more than harness our resources: we have conquered them and we are on the verge of destroying them in the process.

We moved and changed and grew so fast that tomorrow came yesterday.

Man has always tended to use up his resources, but never have so many used up so much. We have behaved as if another Creation were just around the corner, as if we could somehow manufacture more land, more air, and more water when we have destroyed what we have.

I ask unanimous consent, Mr. President, that the speech of 4 years ago as well as that of yesterday be printed in the RECORD.

There being no objection, the speeches were ordered to be printed in the RECORD, as follows:

A WHOLE SOCIETY

(By U.S. Senator EDMUND S. MUSKIE (Democrat of Maine) at the Philadelphia Earth Week Rally, Fairmount Park, Philadelphia, April 22, 1970—3:30 p.m.)

One hundred and eighty-three years ago, a a small group of men gathered in this city in an effort to bring order out of chaos. They met in the shadow of failure. America had won her independence but was now in danger of breaking up into small and quarrelsome states. Their objective was to build "a more perfect union."

We have met in this city to help build a *whole society*—for we have seen the birthright of a free nation damaged by exploitation, spoiled by neglect, choked by its own success, and torn by hatred and suspicion.

The Founding Fathers did build "a more perfect union." They created a nation where there was none, and they built a framework for a democratic society which has been remarkable for its successes. We are now concerned with its failures.

We have learned that their creation was not infallible, and that our society is not indestructible.

We have learned that our natural resources are limited and that, unless those limitations are respected, life itself may be in danger.

We have also learned that, unless we respect each other, the very foundations of freedom may be in danger.

And yet we act as though a luxurious future and a fertile land will continue to forgive us all the bad habits which have led us to abuse our physical and our social environment.

If we are to build a whole society—and if we are to insure the achievement of a life worth living—we must realize that our shrinking margins of natural resources are near the bottom of the barrel.

There are no replacements, no spare stocks with which we can replenish our supplies.

There is no space command center, ready to give us precise instruction and alternate solutions for survival on our spaceship earth.

Our nation—and our world—hang together by tenuous bonds which are strained as they have never been strained before—and as they must never be strained again.

We cannot survive an undeclared war on our future.

We must lay down our weapons of self-destruction and pick up the tools of social and environmental reconstruction.

These are the dimensions of the crisis we face:

No major American river is clean anymore, and some are fire hazards.

No American lake is free of pollution, and some are dying.

No American city can boast of clean air, and New Yorkers inhale the equivalent of a pack and a half of cigarettes every day—without smoking.

No American community is free of debris and solid waste, and we are turning to the open spaces and the ocean depths to cast off the products of our affluent society.

We are horrified by the cumulative impact of our waste, but we are told to expect the use of more than 280 billion non-returnable bottles in the decade of the seventies.

Man has burst upon the environment like an invader—destroying rather than using, discarding rather than saving, and giving the environment little chance to adapt.

We have depleted our resources and cluttered our environment—and only recently have we been shocked by the enormity of our errors.

As long as Americans could escape the confines of the soot and clutter of our cities, the voices of those who were trapped and the warnings of those who understood were never really heard.

Pollution was isolated by the size and openness of America. A river here, a forest there, a few industrialized cities—these examples of environmental destruction seemed a small price to pay for prosperity.

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Now we find that we have over-reached ourselves. The frontier ethic helped us build the strongest nation in the world. But it also led us to believe that our natural and human resources were endless, that our rivers could absorb as much sewage as we could pour into them, that there was automatic, equal opportunity for everyone, that our air would always be clean, and that hunger and poverty were always a temporary condition in America.

Early in the life of our country, we were absorbed in harnessing the energy of a people and the resources of the land and water.

But we are finding today—hopefully in time—that we have done much more than harness our resources: we have conquered them and we are on the verge of destroying them in the process.

We moved and changed and grew so fast that tomorrow came yesterday.

Man has always tended to use up his resources, but never have so many used up so much. We have behaved as if another Creation were just around the corner, as if we could somehow manufacture more land, more air, and more water when we have destroyed what we have.

We have reached the boundaries of the land, and the tide of our civilization has now washed back into our cities.

Today's frontier is internal and personal. We now face—collectively and individually—a moral frontier.

That frontier is the point at which we are willing to cut back selfish exploitation in favor of selfless conservation.

That frontier is marked by the extent of our concern for future generations. They deserve to inherit their natural share of this earth—but we could pass on to them a physical and moral wasteland.

We have reached a point where (1) man, (2) his environment, and (3) his industrial technology intersect. They intersect in America, in Russia and in every other industrial society in the world. They intersect in every country which is trying to achieve industrial development.

On this day, dedicated to the preservation of man's earth, we confront our deteriorated environment, our devouring technology, and our fellow man. Relative harmony has become the victim of a three-cornered war—a war where everyone loses.

Our technology has reached a point where it is producing more kinds of things than we really want, more kinds of things than we really need, and more kinds of things than we can really live with.

We have to choose, to say no, and to give up some luxuries. And these kinds of decisions will be the acid test of our commitment to a healthy environment.

It means choosing cleaner cars rather than faster cars, more parks instead of more highways, and more houses and more schools instead of more weapons and more wars.

The whole society that we seek is one in which all men live in brotherhood with each other and with their environment. It is a society where each member of it knows that he has an opportunity to fulfill his greatest potential.

It is a society that will not tolerate slums for some and decent houses for others, rats for some and playgrounds for others, clean air for some and filth for others.

It is the only kind of society that has a chance. It is the only kind of society that has a future.

To achieve a whole society—a healthy total environment—we need change, planning more effective and just laws and more money better spent.

Achieving that whole society will cost heavily—in foregone luxuries, in restricted choices, in higher prices for certain goods and services, in taxes, and in hard decisions about our national priorities. It will require a new sense of balance in our national commitments.

Consider the national budget for 1971. That "balanced budget" represent unbalanced priorities.

That budget "balances" $275 million for the SST against $106 million for air pollution control.

That budget "balances" $3.4 billion for the space program against $1.4 billion for housing. And that budget balances $7.3 billion for arms research and development against $1.4 billion for higher education.

It does not make sense to say we cannot afford to protect our environment—just yet.

It does not make sense to say that we cannot afford to win the fight against hunger and poverty—just yet.

It does not make sense to say we cannot afford to provide housing and needed medical care—just yet.

We can afford to do these things, if we admit that there are luxuries we can forego, false security we can do without, and prices we are willing to pay.

I believe that those of you who have gathered here to save the earth are willing to pay the price to save our environment.

I hope, however, that your view of the environment will not be a narrow one.

The environmental conscience which has been awakened in our nation holds great promise for reclaiming our air, our water and our land. But man's environment includes more than these natural resources. It includes the shape of the communities in which he lives: his home, his schools, his places of work, and those who share this planet and this land.

If the environmental conscience which has brought us together this day is to have any lasting meaning for America, it must be the instrument to turn the nation around. If we use our awareness that the total environment determines the quality of life, we can make those decisions which can save our nation from becoming a class-ridden and strife-torn wasteland.

The study of ecology—man's relationship with his environment—should teach us that our relationships with each other are just as intricate and just as delicate as these with our natural environment. We cannot afford to correct our history of abusing nature and neglect the continuing abuse of our fellowman.

We would have learned by now that a whole nation must be a nation at peace with itself.

We should have learned by now that we can have that peace only by assuring that all Americans have equal access to a healthy total environment.

That can mean nothing less than equal access to good schools, to meaningful job opportunities, to adequate health services, and to decent and attractive housing.

For the past ten years we have been groping toward the realization that the total environment is at stake.

We have seen the destructiveness of poverty, and declared a war on it.

We have seen the ravages of hunger, and declared war on it.

We have seen the costs of crime, and declared a war on it.

And now we have awakened to the pollution of our environment, and we have declared another war.

We have fought too many losing battles in these wars to continue this piecemeal approach to creating a whole society.

The only strategy that makes sense is a total strategy to protect the total environment.

The only way to achieve that total strategy is through an Environmental Revolution—a commitment to a whole society.

The Environmental Revolution must be one of laws, not men; one of values, not ideology; and one of achievement, not unfulfilled promises.

We are not powerless to accomplish this change, but we are powerless as a people if we wait for someone else to do it for us.

We can use the power of the people to turn the nation around—to move toward a whole society.

The power of the people is in the ballot box—and we can elect men who commit themselves to a whole society and work to meet that commitment.

The power of the people is in the cash register—and we can resolve to purchase only from the companies that clean themselves up.

The power of the people is in the stock certificate—and we can use our proxies to make industries socially and environmentally responsible.

The power of the people is in the courts—and through them we can require polluters to obey the law.

The power of the people is in public hearings—where we can decide on the quality of the air and the water we want.

And the power of the people is in peaceful assembly—where we can demand redress of grievances—as we are doing here today and all across the land.

Martin Luther King once said that "Through our scientific and technological genius we have made of this world a neighborhood. Now through our moral and spiritual genius we must make of it a brotherhood."

For Martin Luther King, every day was an Earth Day—a day to work toward his commitment to a whole society. It is that commitment we must keep.

THE ENVIRONMENTAL AGENDA: PAST AND FUTURE

(Remarks by Senator EDMUND S. MUSKIE)

It is a pleasure to be with you this evening to talk about the progress and future of the environmental movement. Some of you may have participated in high school Earth Days in 1970, and are aware of the issues that dominated our discussion at that time.

At this time in 1970, Congress was warming up to a debate on the need to preserve clean air and clean up that which was already polluted. This effort culminated in the Clean Air Act of 1970.

We passed a tough water pollution control law in 1972, enacted the Resource Recovery Act, placed laws on the books to control noise, regulate coastal zone development, protect the public against toxic substances, control ocean dumping.

Now in the spring of 1974 the clock appears to have come full circle. We are once again fighting the issue of clean air, just as we were when the first Earth Day began.

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Ever since then, opponents have waited for an opportunity to create an environmental backlash and then exploit it. They have chosen the energy crisis as the issue to fuel that backlash and are now attempting to reverse the environmental gains of the last several years.

The automobile companies who brought you ten miles per gallon now urge that the Clean Air Act be amended;

The oil companies who brought you 60 cents per gallon now urge that the Clean Air Act be amended;

The power companies who brought you their highest rates for small consumers now urge that the Clean Air Act be amended;

The copper companies who brought you lead poisoning in Smeltertown, Texas, now urge that the Clean Air Act be amended; and

The land developers who brought you exurban blight now urge that the Clean Air Act be amended.

They are mobilizing their propaganda efforts to challenge the validity of the environmental standards on the books. I am talking about attacks upon the health basis of the Clean Air Act—and the argument used is that "the public doesn't need and can't afford these goals."

Virtually every major company and industrial sector in America is now pressing forward with this argument. But all the information at hand to date indicates that if these standards are changed at all, they must be strengthened, not weakened. The more we discover about pollutants, the more we come to realize that Americans have suffered for decades from increased colds, increased bronchial attacks, increased heart disease, increased respiratory ailments, and increased death rates because we did not understand and did not make the proper connection between pollutants and public health.

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To date, these attempts have failed to generate broad public support—and for a very simple reason which has not escaped the attention of the would-be exploiters.

The people are aware of what is at stake and will resist such exploitation when given the chance!

Predictably, therefore, virtually every proposal discussed in Washington to weaken the Clean Air Act now carries the direct threat of eliminating local involvement in the decision-making process:

They would deny localities the right to control decisions to locate energy facilities in local areas.

They would deny local bodies the right to vote local segments of highway networks.

They would deny people at the grass roots the right of determining whether or not their community should be altered forever by the construction of an oil refinery.

In short, the proponents of the environmental backlash would like to preempt local decision-making and deny public access to decisions that may totally change the nature of communities.

The energy crisis has shocked us into an awareness of the fact that we are moving from any age of apparently unlimited abundance to one of potential scarcities and shortages—shortages of air and water, shortages of energy, shortages of a growing list of essential resources.

Those shortages will trigger intense competition for such resources and for the right to decide how such resources should be used and allocated.

The effect can be to impose limits upon our freedom—and it is to that subject that I would like to devote the remainder of this talk.

These days when a political speaker mentions freedom, his listeners naturally expect to hear about wiretapping, snooping, invasions of privacy, government law-breaking and the other evils we have come to lump under the heading of Watergate. I feel strongly about those abuses of government authority. I have spoken of them often and angrily.

But the freedoms I have in mind are the diversity of choice Americans expect in their lives; the independence of action that has made it possible for individuals to better their communities by bettering themselves; the latitude in social and economic behavior that comes from knowing that there is always a new place to go to, that there is more land to farm, more wood to cut, and more water to drink than we need.

Our political liberty is unique in the history of the world because it has been supported by a natural abundance that was unique. That abundance called to our ingenuity, and a uniquely American imagination, an experimental spirit, answered back with the courage to exploit our vast resources.

You are familiar with the bleak mathematics of our energy supplies and the demand we put on them. You know that with six percent of the world's population, we consume 35 percent of its total energy. You know that our 111 million vehicles consume six million barrels of gasoline a day, one-third of all the petroleum products we use in a year—an amount roughly equal to what we now must import from abroad. And you know how wasteful that use is—with automobiles shooting 87 percent of their energy intake right out their exhaust pipes. You know that per passenger mile, a car uses five times as much fuel as a train and six times as much as a bus.

You also know that while our population doubled in the last fifty years, our use of energy quadrupled. You know that the rate of increase in energy consumption in recent years has been running at five percent annually. And you know that if that rate continues, we are likely to be reliant on foreign oil to supply half our consumption in 1980.

You probably know as well that we depend on imports for many of the minerals that are crucial to our industrial processes. Eighty percent or more of the chromium, manganese, bauxite, tin and nickel we use now comes from abroad. By the end of the century experts estimate, we will be importing more than half the tungsten, zinc, copper, iron, lead and sulfur we need.

When you look behind those calculations, you see that they rest on two assumptions. One is that our growth will continue more or less at present rates. And the other is that raw materials will continue to be available to sustain such growth indefinitely.

Neither assumption is realistic. There is increasing evidence that accessible supplies of many vital materials are dwindling as the world's appetite for them grows.

Abundant coal, some argue, is a viable alternative energy source as oil becomes scarce and costly. But stripmining of coal ruins land that could be used for farming. And conversion of coal into energy requires vast amounts of water we do not have. A resource that is too expensive to use either in economic or social terms is not a reserve on which we can plan to draw extensively.

Once we recognize that resources are limited either by their availability in nature or by the environmental cost of converting them to our consumption, then we have to recognize that growth, too, must be limited. And the question to ask is how those limits will be fixed.

Will those limits be imposed by the rich nations using their power over the poor to sustain the existing gap between standards of living? The oil embargo has answered that question.

Many economically backward countries, in fact, control the mineral deposits the industrial world needs. They will not give them up cheaply, and they can be expected to insist that the advanced nations pay the bill for the catch-up efforts of the have-nots.

Then will limits be set only after population and per capita consumption have created demands so far beyond supply that anarchy and social collapse bring the world back to reality through catastrophe?

Such destructive events occur often in nature when herds of animals grow too large for their feeding grounds. Mass starvation follows, and the surviving, smaller animal population, having lost much of its supporting pasture through overgrazing, stabilizes at a lower level than it had in an earlier, healthier state.

Men, however, are social animals, capable of forethought, self-discipline and planning. Since we are blessed with that capacity, I do not fear that only disaster will make us use it.

But I do recognize—and this is the theme I stated at the beginning—that the imposition of limits on our growth inevitably requires limits on our freedoms. And the real question is how a democratic government can set those limits with the consent of the governed.

Let me just suggest some of the obvious—even easy—restrictions that would become part of the pattern of our lives if we just set as our goal a 2.5 percent per year increase in our energy demand—half the present growth rate. We would have to cut the average weight of our cars from 3,500 pounds to 2,900 pounds. We would have to legislate standards for space heating in new buildings and restrict commercial lighting by law. And we would have to keep the population growth rate in this country at its present level.

Some of those decisions—really allocations of scarce energy—could be made by the government and the market without enormous difficulty. Consumers are already signalling their preference for smaller cars to the automobile makers, but customers and manufacturers alike might agree that a law banning the construction of large automobiles would represent an intolerable intrusion on free choice. And a family planning law prohibiting more than two children per couple would be dictatorial.

Yet, if our goal is to be more ambitious than that of cutting growth in half—if our need is a system of resource replacement equal to resource consumption—then no easy conservation measures will serve. An economy grounded on the necessity to recycle everything from solar energy to human waste will require the toughest kind of restrictions on consumption, the most drastic changes in behavior.

Imagine laws that require you not just to separate your garbage into three or four different categories—metal, glass, wood products, and animal fats, for instance—but to deliver bottles and cans to central community pick-up points and to make your own household wastes into compost for fertilizer. Or imagine whole neighborhoods being put on timetables governing when housewives can and cannot run their washing machines. Or imagine gas rationing that makes it impossible for you to use your private car to take vacations more than 150 miles from your home. Or imagine downtown parking restrictions that force you to use public instead of private transportation during the work week.

The fact is that such restrictions are imaginable. Scarcity makes them conceivable, just as abundance made the wastefulness of our past practices tolerable.

Any such restrictions—and they could span the range of social choices from the kind of car you drive to the kind of house you live in to the opportunity you have to change your job and your home—run completely counter to all our American precepts of liberty. Those values define the freedom which distinguishes our Nation and our history from that of the rest of the world. They have made our society open and our lives rich, and we cannot afford to lose them.

Yet we know that we must conserve, we must restrict, we must limit ourselves and the use of our resources. The facts give us no choice if we are to survive and prosper. The only way to balance the preservation of our freedom with the preservation of our planet is to adopt a new ethic, a style of cooperation in allocating resources that insures that we join in deciding the confines of our lives.

The alternatives are either coercion from above—based on the physical reality of scarcity—or cooperation from below—based on our common appreciation that independence cannot be total, that self-sufficiency in a mass society on a crowded globe is self-delusion.

Nine years ago, just before he died, Adlai Stevenson coined the idea of a "spaceship earth" when he said, "We travel together, passengers on a little spaceship, dependent on its vulnerable reserves of air and soil." We know now that spaceships can support life only as long as they use and reuse every life-sustaining element they carry in what is called a "steady *state*." We know that any waste, whether accidental or selfish, in such an environment destroys the steady state and dooms the ships to disaster.

On our planet, as on a spaceship, we must implement the concept of a steady state by accepting our mutual dependence. Politically, that acceptance means an active role for every citizen in analyzing the choices to be made and in helping make the choices which offer the most people the greatest opportunities for valuable lives. The decisions will be difficult and painful, but just because of that, they must be completely understood in advance and widely shared.

I know that the phrase "participatory democracy" was recently regarded as a radical utopian concept. I would leave you tonight with the thought that participation and cooperation are the only means to preserve democracy under the imperatives of scarcity.

When the poet, Archibald MacLeish, first saw the pictures of our planet taken from the moon, he wrote:

"To see the earth as it truly is, small and blue and beautiful, in the eternal silence where it floats, is to see ourselves as riders on the earth together, brothers on that bright loveliness in the eternal cold—brothers who know they are truly brothers."

Brotherhood is both a form of freedom and a promise of sacrifice. As we learn that our planet is a fragile physical support, we learn as well that cooperation is what holds it and us together. We learn to see ourselves as free men able to give up that part of our freedom which is license, and able to give it up by our own choice in order to preserve freedom for all men.

THE ESQUIRE CLUB, INC., OF CINCINNATI

Mr. TAFT. Mr. President, it is with sincere pleasure that today I salute an organization that has performed almost four decades of service in promoting civic leadership, and recognizing standards of academic achievement among teenagers. I pay this honor to the Esquire Club, Inc., of Cincinnati.

The Esquire Club was organized in Cincinnati in May of 1939. The founder and first president was Amos Rice who fostered a vision of togetherness among men for the purpose of promoting closer relationship among friends of the community.

Mr. Rice was joined by eight associates who shared his views and it was through their collaboration the Esquire Club embarked upon its mission. From its meager beginning when its civic work consisted primarily of helping needy families at Christmas time and donations to various charitable organizations, the Esquire Club today has attracted the membership of many of Cincinnati's black citizens and has directed the activities of the club toward the building of character and promoting a higher sense of moral values and standards, socially and educationally among the teenagers.

In 1955 the Esquire Club conducted its first annual Debutante Cotillion, thereby affording the club the opportunity to pay tribute to deserving high school seniors and making possible their formal debut to society. In 1963 the Esquires established a scholarship fund for girls with outstanding scholastic achievements in finishing high school. This program has met with much success. Through its scholarship program, the Debutante Cotillion, and its donations to other civic and charitable groups, the Esquire Club has made an invaluable contribution to the Cincinnati community.

On April 27, 1974, the Esquire Club will conduct its 19th annual Debutante Cotillion at which time four more young ladies will be chosen to participate in its scholarship program. I wish to enter into the Record a letter of recognition of the Esquire Club for its unselfish contributions and leadership and a personal recognition of its members. Louis B. Williams, president; Walter Hill, vice president; Richard C. Lovell, recording secretary; Dr. George Colin, corresponding secretary; William Owens, treasurer; Dwight Potter, president emeritus; Jack Browning, Louis Davis, Frederick Haygood, John Mitchell, Dudley Riley, Sr., Sandy Sherman, Ted Smith, Ernest Thatcher, Carl Triplett, and Dudley Riley III.

SENATOR CLARK ON RURAL DEVELOPMENT

Mr. HUMPHREY. Mr. President, I wish to bring to the attention of the Senate the remarks by my colleague, Senator Dick Clark, on April 11 before the Coalition for Rural Development.

Senator Clark has done an outstanding job in the brief time he has been in the Senate in providing leadership in the field of rural development.

This is indeed, a difficult and complex area, but I agree with Senator Clark that our track record in getting the rural development program started is just not adequate. There are a wide variety of issues affecting rural people from energy and transportation to health and dental care which require prompt attention.

Senator Clark announced that the Subcommittee on Rural Development of the Senate Committee on Agriculture and Forestry will hold hearings on May 8 and 9. At this time, it will be possible to explore these and other critical rural development issues in greater detail.

Mr. President, I commend the remarks of Senator Clark to the attention of this body and I ask unanimous consent that the full text of his speech be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Remarks by Senator Dick Clark

Although I am an optimist by nature, it would be safe to say that when it comes to the subject of rural development, I am an unhappy and dissatisfied man.

I am not altogether naive—I was once a Congressional assistant—but I had a rather unusual thought: that when Congress passed a law, the Executive department made sure that it was carried out.

Despite what the civics books say, that has not been the case with the Rural Development Act of 1972, and you all know it better than most people.

All of us know that there are start-up problems with any new legislation. All of us know that the Rural Development Service has had staffing problems, that the Soil Conservation Service, the Farmers Home Administration, and the Forest Service have been hampered by staff and money cutbacks.

And all of us have been sympathetic with these problems. We have attempted to hold rural development oversight hearings in a non-partisan manner, and we told Assistant Secretary Irwin that we would delay the hearings for a while to permit his staff time to get the business and community-facility loan programs started.

I do want to say that I have found Secretary Irwin and his staff to be congenial and cooperative. And there is no question of their commitment to rural development. Unfortunately, the same cannot be said for the administration as a whole.

The Rural Development Subcommittee agreed to postpone oversight hearings, but we did not agree to abandon the commitment to rural development.

As of March 1st, the Department had requests for 1,540 business and industrial loans. As of April 5th, only 31 have been approved. As of March 1st, there were 235 requests for $77.8 million in loans for essential community facilities, but as of April 5th, only seven loans had been made. There is a small appropriation of $10 million for grants for industrialization support facilities in the Act. So far, there have been 134 requests for this money, but, to date, only five grants have been made. And all of this is just the tip of the iceberg.

Under the law, every business and industrial loan and grant request must be sent to the Department of Labor for certification that a new project is not taking jobs from one place only to put them in another place. The Labor Department arranged with the Economic Development Administration to handle a part of this work, but it did not see fit to reimburse EDA for its expenses on the work—so the applications just sat there. No one worked on them.

When it comes to rural development, all we ever seem to hear is: "We can't do this, we can't do that. Because of this problem and that problem."

All of this shows that after almost two years, there has been virtually no significant benefit to the people of rural America under the Rural Development Act. I can understand the argument for easing into the build-up period—but not at this rate.

There's an agency in the Agriculture Department—with dedicated people—and there are programs on paper. But that's not the real test of legislation. The real test is the beneficial impact and effect of the legislation on people, on farms, on rural towns and communities. And by that standard, the Rural Development Act has not succeeded.

This government is the most powerful single institution in the world. Excuses will not work. Let me give you an example of what can be done, even by a reluctant administration: Several years ago, Senator George Aiken, a distinguished Republican, proposed the rural water and sewer program. He was vigorously opposed by the Democratic administration, then in the White House. But Senator Aiken won that battle, and he was invited to the White House for a bill-signing ceremony. The following day, the Senator was flown aboard Air Force One to Vermont, to preside over the ground-breaking of the first rural water and sewer project.

The administration originally opposed the measure. No regulations were written. There was no appropriation. They just got the job done.

There is no need to mention, I suppose, the efforts of this administration to take steps toward the elimination of Senator Aiken's vital program.

The contrast between action and inaction, commitment and excuses is clear. And it is no wonder that the people of this country look at the government as some sort of inept giant . . . making promises which it does not fulfill.

On May 8 and 9, my subcommittee on rural development will resume its hearings to try to get the grants funded on rural development. Let me review some of the things we plan to look into:

First and foremost, we will want to consider the quality of implementation of the Rural Development Act, and the plans for implementation during fiscal 1975.

I have asked the General Accounting Office—the investigative arm of Congress—to do an evaluation of the regulations under Title One and Title Five of the Act. Senator Bellmon has asked GAO for a similar analysis on Section 603. So we're going to be ready to discuss these areas with the Department spokesmen when they come to testify.

We also will want to discuss with the Assistant Secretary the proposed budget for fiscal 1975, and the plans of Farmers Home to shift its emphasis to housing rehabilitation rather than housing construction.

As you all know by now, the President has sent the public works committees a new Economic Adjustment Act. Where this proposal would affect rural development we will examine it during the hearings for its good points and its bad points. For my own part, I see little need at this time to abandon EDA, which is one of the best functioning programs in the government.

The Executive Committee of the National Governors Conference has offered its own development proposal. It calls for wall-to-wall regional agencies, modeled somewhat after the Appalachian program and backed up by multi-county planning and development agencies and multi-district agencies. We will take a close look at this plan.

I think all of us have been concerned in the back of our minds about what long-term effect the energy crisis will have on rural economic development. For example, you probably know that Mr. Guntharp has asked the Economic Research Service for a report on this. And I have sent 12 pages of questions on this subject to USDA and to the Federal Energy Office. When this material is returned, I plan to combine it with a report on the environment and rural development, being prepared by the Congressional Research Service, and a report on energy and rural development being put together by the National Area Development Institute. This should constitute an important committee print.

Incidentally, we now have three committee prints at GPO. There is one on rural industrialization—in addition to being a how-to manual, it also talks about problems and promises associated with rural industrial development. Secondly, there's a print pending on the use of the land and its relationship to rural development. This one is heavily oriented toward agriculture and the ability of land use planning to protect agricultural and forested acreage. Finally, we are complementing the two prints on the problems of moving things in rural areas with a print on moving people—a print on rural transportation. The full committee also is reprinting the recent transportation report submitted to Congress by USDA. I hope that you have these reprints and use them.

But back to our hearing. The Comprehensive Employment and Training Act authorizes the continuation and merger of many different manpower development and training programs. I want to ask the Department of Labor how they intend to provide manpower service to rural Americans, and how they intend to replace existing programs for public service employment for older rural workers under Title Nine of the Older Americans Act of 1973. What will happen to operation Green Thumb? What will happen to concerted in-service training and education?

The administration's actions under these programs is a source of great concern. As a matter of fact, when the manpower program was proposed for Lexington, Kentucky, and the surrounding rural areas, the state ruled that the money only could be spent in the metropolitan Lexington area. If this is the case nationwide, we've got a real problem, and we'll ask about this as well.

Naturally, we strongly urge the coalition and its members to testify on any subject which might have any relevance to the broad area of rural development.

In conclusion, let me tick off some issues all of us should be watching.

Rural health is one of the biggest. We haven't come close to solving the problem But we have made a beginning—the new law setting up health maintenance organizations. 30 percent of these HMOs will be rural. But that's only a beginning. Like the weather, rural health care is something everybody discusses, but few can do anything about. It is an issue that has surfaced again this year, one in which all of us have a vital stake.

As the Senate and House of Representatives begin debate on proposals for a new or drastically revised health care system, we have to ask ourselves one question: will the Congress recognize the special needs and problems of our rural population?

As a nation, we have failed miserably to protect the health of people in rural areas. The health services that generally are available are not only inadequate in coverage, but deficient in quality. What we find in rural America in the area of health care is not what is needed or desired, but rather what has been left behind. One health expert put it best when he said: "Rural health conditions in this country today are the heritage of decades of indifference."

The problems of health care in rural areas are complex, serious, and above all persistent. The health care crisis experienced by the entire nation—in terms of poor access to services, shortages of manpower and high costs—are severely aggravated in rural America.

We know that:

Rural areas are isolated from centers of care;

Fewer and fewer doctors tend to locate in rural communities;

The health needs of rural populations are greater than those in metropolitan areas.

As a nation, we must have the courage and the strength to make the commitment to make rural health care what it should be and what it can be in this country.

The economic and social conditions in rural America have had a profound impact on the health of its people. Poverty is a dominant theme in rural life. One of every six rural persons is poor, and, as we all know, if you're poor, access to health care is more difficult. It's harder to locate health care, harder to reach it, and harder to pay for it. And poverty also means greater susceptibility to ill health.

Even rural Americans who are not poor have great difficulty obtaining adequate health services. The more rural a county, the more inadequate its health services are likely to be. Sparse populations make it difficult for rural communities to compete with metropolitan areas. High and rapidly-spiralling costs of modern medical equipment and services only serve to increase the disadvantage.

The shortage of physicians is most severe in non-metropolitan communities. In Iowa, half the state's doctors are located in the six most populated counties. And in one-fourth of Iowa's counties, there is not one specialist. Nationwide, more than 87 percent of all physicians in medical specialties are located in metropolitan areas.

The distribution of dentists in rural areas tells the same story—rural America is not getting its fair share. While it may be safe to say that there is neither a shortage of hospitals nor hospital beds in rural areas, that doesn't tell the full story. The adequacy of hospital care cannot be measured solely in numbers. Rural hospitals are usually smaller, more often inadequately staffed, poorly equipped, and lacking out-patient and extended-care facilities. Add to these factors the special characteristics of rural populations, and you come out with a very grim picture.

In rural areas, infant mortality rates are higher. The incidence of chronic conditions and work-related injuries are greater than in urban areas. Heart disease, asthma and diabetes—conditions which cause the greatest drain on family finances—are clearly more prevalent in rural areas. Rural people have almost twice as many activity-limiting illnesses as urban populations, and rural men employed in blue collar jobs have the highest rate of work-related injuries in the nation.

The health problems of rural America are readily apparent and terribly complex. In extremely isolated areas, there may be no ambulance, no hospital, no doctor, no help at all. The solutions to these problems will not occur overnight. They will take years and years of the combined efforts of thousands of individuals, communities and institutions.

Within the next few years, possibly even this year, the nation can anticipate some form of national health insurance. Ten major plans have been proposed in the 93rd Congress so far, and they represent widely varying and divergent viewpoints. None, however, in my opinion, deal adequately with the unique health problems of rural America. Indeed, a number of them ignore the problem entirely.

As a group that represents the best interests of rural America, you can and should play a major role in shaping national health insurance legislation. Representative Mills, chairman of the House Ways and Means Committee, will be holding hearings later this month and next month on this issue. He has invited a number of public witnesses, and I can think of no better forum for our voices to be heard. We need to express the interests of rural citizens to ensure that "the decades of indifference" end. That way, we'll make sure that this is a nation that lives up to its principles—and a nation that is stronger because of that conviction.

But rural health is only the beginning of the unfinished business that faces us. There has been a great deal of parochialism expressed about the energy crisis—will major rural development tend to gravitate to the energy-rich states? What effects are 75 and 85-cent-a-gallon gasoline prices going to have on the rural poor?

And what about agriculture? What will be the effects of inflation and shortages on the cost of production, a cost that rose 17 percent last year? The Farm Credit Administration predicts it will go up 15 or 20 percent more this year. We must insure that farmers get fair and reasonable prices for their labor, and we must see that the housewife is able to get abundant food at fair prices.

In that light, I am very concerned about the ability of the transportation system to move crops to market this year and in years to come, especially if railroads are allowed to abandon lines indiscriminately.

Following on the heels of the energy crisis, we can expect to see growing shortages of non-renewable raw materials. It will require some significant switch-overs in technology and the American way of living, now epitomized in many respects by the garbage disposal and trash masher. We will have to apply the ancient art of husbandry throughout our society. We will have to turn problems like animal and human wastes into assets such as fertilizer and methane gas.

If you hadn't noticed, the Environmental Protection Agency is making millions of dollars more in sewer grants in rural areas than the FHA, and EPA does not see sewer systers as tools for development. What effects will this have on rural development? I'm not sure.

Now, let me say a final word on housing. The House should adopt the rural provisions of the Senate-passed housing bill. Senator Hathaway did a fine job for rural people in this legislation, and I hope that his good work can be preserved on the House floor. This bill represents a major breakthrough for dealing with housing the rural poor. It must be enacted.

More importantly, it must be repeated in many other areas—in job training, in health care, in education. The farms and small towns of this country have made a very significant contribution to the success and prosperity of America. In return for that contribution, they have a right to expect more than the inadequate health care, the inadequate educational assistance, and the indifference of government that they have been receiving.

I think Congress can make a difference. I think you can make a difference. Whatever the outcome, the cause is well worth the effort.

BEYOND PHILANTHROPY: CULTURE AND THE CORPORATION

Mr. JAVITS. Mr. President, in a significant address to the Business Committee for the Arts on April 4, David Rockefeller, chairman of the board of the Chase Manhattan Corp., discussed how business can help the arts. Mr. Rockefeller pointed out that the arts are in financial trouble despite an increase in funds contributed by the private factor. He urged that corporations should go "beyond philanthropy" in helping the arts become more self supporting through such means as budget and accounting assistance to nonprofit arts groups and through utilizing advertising and public relations skills to help organizations reach larger audiences.

Mr. Rockefeller stressed that the American business community must help hard-pressed arts institutions to "create a sounder, less-inflation-prone economic footing" and also increase its efforts to "make a case for the arts to government officials at all levels and to the general public."

I ask unanimous consent that the text of Mr. Rockefeller's speech be printed in the RECORD as part of my remarks:

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

BEYOND PHILANTHROPY: CULTURE AND THE CORPORATION

(Remarks by David Rockefeller)

It's a special pleasure for me to be able to participate in this 7th annual meeting of the Business Committee for the Arts.

After such a splendid dinner, however, it is an assignment I take on with considerable trepidation. It's bad enough to have the dour image of a banker, but even worse to be the only thing standing between a satiated audience and sleep!

Of course, performers in the arts must endure this challenge daily, and I have the distinct advantage tonight of a highly dramatic setting. This includes, I am glad to note, a fine example of corporate cultural support—the exhibition of Giacometti's work sponsored by Alcoa.

I've also been warned that, during my talk, First National City Bank may sponsor a streaker!

Henry James once wrote that the typical American viewed culture as the special concern of "women, foreigners, and other unpractical persons!"

While I certainly hope that these people maintain their concern, I'm delighted this evening to see as well so many specimens of the native American male!

Despite its youth, the Business Committee has clearly made its mark on our cultural scene. Serving as a catalyst of corporate interest, it has had a profound effect on the perception by business of the arts in America. Through its educational programs, its counseling services and its nationwide conferences, it has made an eloquent and convincing case for corporate cultural involvement.

Corporate contributions to arts organizations have risen from $22 million in 1965 to over $140 million in 1972. The arts still receive only a tiny fraction of total corporate giving, but I believe this increase is significant given the other social challenges that business has taken on in recent years.

I am tempted on this pleasant occasion to offer some traditionally uplifting remarks on the role of the arts in a democracy, and how they enrich our lives. It is obvious, however, that neither our society nor its culture thrives on rhetoric. Despite progress, the arts are in grave trouble on many fronts.

Tonight I would like to focus briefly on how I believe the arts might attain more self-sufficiency. First, I will make some general observations on the challenges faced by non-profit arts organizations. Then I will suggest two specific areas where I believe steps can and must be taken to improve the situation.

In surveying our artistic landscape, one is struck by a number of paradoxes.

At the same time that a major symphony orchestra must suspend its operations because of lack of funds, a folk hero can gross over $5 million on a national tour.

At the same time that a major opera company must curtail its performances, a popular motion picture can gross tens of millions of dollars at the box office.

Or again, even as some new cultural centers continue to spring up all over the country, seemingly similar institutions in many other communities are on the verge of financial collapse.

Ironically, the very success that brings massive income to commercial cultural ventures is posing major financial difficulties for non-profit arts organizations. Even as they attract larger audiences and extend the reach of their operations, they are being asked to involve themselves in a whole range of additional services to the community.

Such non-profit arts institutions do not, however, have regular sources of revenue to make possible expanded services and higher labor costs, and cannot easily pass these costs on to their consumers. If only because of inflation, some price increases *have* been necessary, but the danger of losing audiences prevents increases that could narrow the gap between earned income and expenses.

Such dilemmas have profound side effects beyond cultural facilities. It has been estimated, for instance, that recent strikes at arts centers in New York cost local businesses more than $1 million. Diminished cultural activity can bring economic chaos to a city, affecting not only business specifically dependent on tourism—such as hotels, restaurants, and stores—but all commercial enterprise. Certainly, at Chase, we would have a hard time attracting managers without New York's cultural vitality, and our recruiters have become well aware of the competition as regional cultural centers emerge.

Other cities from Washington to Houston, from Saratoga to Akron, have found how much excitement is generated by a community's artistic rejuvenation. At the very least, the construction of arts facilities has the effect of increasing real estate values and stimulating the local economy. In New York, it is estimated that Lincoln Center has spurred the erection of other new buildings in the neighborhood which have increased the City's annual tax revenues by over $30 million.

So, at this point in history, I believe the general case for business support of the arts has been well made. The pioneering effort of the BCA has definitely brought home to the corporate conscience the economic significance of cultural vitality.

Yet I am not sure the charge to business has been broad enough. Though many means of support beyond money have been generated, the concept of help has tended to remain narrowly philanthropic—a question solely of direct financial support rather than active participation. Of course, direct assistance must be increased, but I am convinced we must also vigorously seek out ways in which business can help the arts transform their economic base to become more capable of bridging the ever-present gap between costs and income.

There are two areas in particular I would like to touch on.

1. How the private sector can help support the arts through more imaginative use of its non-financial resources.
2. How both the public and private sectors can work together to generate a stronger base for the arts through more effective non-philanthropic approaches to cultural activity.

On the first point, let me say that corporate efforts to aid the arts must continue to be innovative over and above direct financial support.

Business can provide budget and accounting assistance to non-profit arts groups. Advertising and public relations skills can be of immeasurable value in enabling organizations to reach wider audiences. Real estate experts and attorneys can often make the difference between the life and death of struggling non-profit institutions. Locally, to focus such efforts, the New York Business Resource Center is harnessing the expertise of business school graduates from Harvard and other institutions on a volunteer basis.

Corporations can heighten interest on the part of their employees by providing greater cultural exposure, through lunchtime events and after-hours programs, as well as through an aesthetically stimulating work environment. Employees can also be encouraged, by matching grants from the corporation, to donate to cultural institutions. Excellent plans have already been adopted by such companies as Corning Glass, Gulf & Western and Cerro, and it is an idea that deserves wider implementation.

Multinational corporations can also play an important role in facilitating the exchange of writers, musicians, dancers and other artists between countries. Greater cultural interactions among nations can do much to bridge the tragic differences and misunderstandings that divide the global community.

Business, through direct personal involvement, can help dispel the uncertainty regarding the financial aspect of arts activity. The arts have long been hampered by lack of clarity about their fiscal structure. Solid data has been extremely difficult to uncover, and it is only in the last decade that systematic efforts have been made to study the arts in depth as an economic force. Establishing a more comprehensive data base is key to enlisting further support for the arts, and this could constitute an important subsidiary role for businessmen to play.

In addition, if cultural vitality is in the interest of business, as I believe it is, then business must increase its efforts to make a case for the arts to governmental officials at all levels, and to the general public. Here, the media can be especially important in deepening public understanding of this issue and encouraging more governmental financial backing for the arts.

There are clearly many more ways in which business can help. Indeed, the Business Committee has come up with 126 suggestions—a rather impressive list.

What does not seem to have happened, however, is a basic re-thinking of how fundamental business techniques might be employed to create a sounder, less inflation-prone, economic footing for non-profit organizations. Perhaps given more innovative marketing approaches, the symphony might be able to share some of the revenues, as well as the prestige, of the folk hero.

In addition, better management, tighter financial controls, and more sophisticated labor relations techniques are badly needed by many organizations. There is, of course, a limit to how much one can increase the productivity of an orchestra, a museum, or an opera company. There is no known way, I am happy to say, to automate a singer or dancer or musician. Yet certainly business experience should be called on more extensively to help non-profit organizations with the full range of their labor relations and fiscal management problems. After all, if business is providing financing to the arts, it is in its own interest to see that this has maximum impact.

This brings me to the *second* area I would like to touch on—the need to accelerate joint efforts by both the public and private sectors to make our cultural institutions increasingly self-sufficient.

Federal support for the arts through the National Endowment has increased from $2.5 million in 1966 to over $60 million in 1974. Here in New York State, support has grown from a mere $50,000 in 1961 to at least $19 million—and hopefully substantially more—this year. Similar programs in other states are also blossoming, and many cities, including New York, are stepping up their efforts to aid the arts.

The rate of growth of public support for the arts during this period has considerably exceeded that of business support, although government subsidies remain far lower on a per capita basis here than is to be hoped for. There are, I believe, fundamental implications in these facts for our cultural institutions which have traditionally relied—and still rely—primarily on private patronage.

Many feared that public funding would mean subtle state control or inept meddling. Indeed, the painter Larry Rivers likened government involvement in the arts to a gorilla trying to thread a needle!

Happily, these dire prophecies have not come true—at least up to the present. As we look to the future and to rapidly escalating costs, however, it is clear that the public sector must play a larger and larger role.

On the other hand, private funds have provided continuing flexibility and a buffer against potential interference. Last year it is estimated that well over $1 billion was donated to the arts by the private sector—individuals, foundations, and corporations. Since this funding pattern is such a critical source of artistic pluralism, it is vital that it continue to increase along with public funding.

Beyond who will pay for the arts, there are basic issues of how enough money can be raised and how all of the various participants can work together more successfully. The resources of both the public and private sectors must be harnessed more creatively.

A number of highly imaginative proposals and actions toward this end have recently been developed.

In New York City, a Special Theater District was created through revised zoning provisions which allowed office building developers certain space concessions if they included theaters in their structures. Five new theaters have already resulted from this collaboration, helping to rejuvenate New York's principal entertainment center.

Another city—San Francisco—earmarks a portion of its hotel room taxes for support of cultural institutions, an approach which recognizes the impact of the arts on a city's economic health. A good deal of attention is also being given in some cities to the appropriation of a perecntage of other taxes and capital budgets for public art and better design. Again, this device acknowledges the fact that a pleasing environment nourishes both the human spirit and the municipal coffers.

Restoring districts and structures that can provide a continuing link with the past is also important in keeping alive our nation's cultural heritage. One innovative example in New York, combining new funding techniques and commercial usage, is the proposed renovation of the U.S. Custom House. Though still in the formative state, this project is designed to transform a venerable landmark into a vital, functioning cultural institution. Moreover, through continuing commercial income for programing, it can in effect be self-endowed.

The distinctive quality of these undertakings is that they go beyond philanthropy. By combining commercial potential with cultural substance, they allow for the alleviation of capital expenses and, in some cases, for generating revenues to offset operating expenses. I am sure many other similar approaches could be developed if we scrutinized existing laws carefully and employed business expertise imaginatively.

A proposal now exists to explore in detail the potential of such ingenious methods. This seems to me to be the sort of effort business should vigorously support and in which its talents should be called upon extensively.

The desirability of more complex and sophisticated forms of support underscores the need for more effective coordinating mechanisms among all organizations concerned with the arts.

I am not suggesting that any new permanent organization be established. Rather, what is needed is more effective liaison between existing organizations—in the arts, in business, in government, and in philanthropy. We are fortunate, indeed, to have such fine groups as the BCA, the Associated Councils of the Arts, and the National Endowment, as well as many state and local arts councils and chambers of commerce. If separate roles are better clarified, and cooperative efforts augmented, the arts can only benefit.

The most important form of cooperation is that which will generate ideas and methods to improve the basic economic footing of the arts. In this regard, I feel that it might be helpful if BCA would take the lead in establishing a task force of representatives from business and the arts to explore mechanisms for cultural self-sufficiency and more substantive involvement by the business community. Calling on corporate expertise in systems analysis, real estate, taxation, law, economics and other areas, as well as specialists in the arts, this task force could help organizations examine the feasibility of new concepts and suggest procedures for their implementation. It might focus initially on three major challenges I have mentioned—improved labor relations, better fiscal controls, and the design of innovative funding techniques.

It is vital to dispel the perennial suspicion that has existed between business and the arts. Just as some in business have often criticized the allegedly non-productive nature of arts activity, members of the artistic community have decried the callous inattention to human values on the part of business. Ideally, closer participation in arts activities by business will give it a more sensitive understanding of how culture can ennoble a society. At the same time, greater adherence by arts organizations to a more "businesslike" approach to their own operations will make it easier for them to generate needed support.

As we approach the bicentennial celebration of the founding of this country, it would be tragic if the momentum gained through the work of the BCA and other groups were lost because of a failure of energy or imagination. We must intensify our conventional means of aid to the arts, but today's challenges cannot be met by yesterday's responses. Growing governmental funding is both necessary and inevitable, but broader private support is absolutely essential as well if the arts are to maintain their independence and vitality. Toward this end, we must seek out pioneering ways beyond traditional philanthropy to strengthen our cultural institutions.

A nation's health is measured not only by its gross national product, but also by the richness and diversity of the creations of its artists, writers, composers, and painters. Each of us, as members of the business community and concerned citizens, justly proud of our nation's cultural heritage, must make a determined and continuing effort to nourish this vital segment of American life.

DÉTENTE NOURISHES A NEW U.N.

Mr. McGEE. Mr. President, the March 23 issue of the Saturday Review World contains an interesting and useful article on the U.N. by Max Jakobson entitled "Détente Nourishes a New U.N."

I believe this article deserves widespread attention and I ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Détente Nourishes A New U.N.

(By Max Jakobson)

When the Arab-Israeli war flared last October 6, many people instinctively asked, What is the United Nations doing about it? Hardly anyone expected a reassuring answer: The question was asked in despair or in scorn. Like an atheist's prayer, it expressed a deep-seated longing for some higher international authority that would stop other nations from disturbing our peace—a deity we know does not exist.

The answer to the question was, of course, that the United Nations was quite obviously doing nothing at all. The Security Council took more than two days from the outbreak of fighting to arrange a meeting. When it did meet, on October 8, its members staged a pointless and largely irrelevant debate. Four days later the speeches petered out, but the fighting in the Middle East grew fiercer. In the meantime the real search for peace went on elsewhere. The cease-fire agreement was made in Moscow, not in the Security Council. The warring parties were brought to the conference table by Henry Kissinger, while the United Nations mediator, Gunnar Jarring, remained unemployed. The United Nations stock declined to a point at which Secretary-General Kurt Waldheim himself felt the need to express "profound concern" about the role of the United Nations. Failure to act for the maintenance of peace, he said on October 11, night "jeopardize the central point of the organization's existence."

Yet even the superpowers found that they could not do entirely without the United Nations. The cease-fire agreement negotiated between the United States and the Soviet Union was legitimized by the Security Council. Supervision on the ground was provided by the United Nations. The sight of the blue berets along the banks of the Suez Canal revived faith among the believers: The United Nations was needed after all. On the political level, too, the superpowers were finally persuaded by the other members of the Security Council to accept a United Nations role. Waldheim was allowed to preside over the formal opening session of the Geneva peace conference, and Maj. Gen. Ensio Siilasvuo, the Finnish commander of the United Nations Emergency Force (UNEF), was assigned the chairmanship of the military working group.

The events of recent months have, in fact, had a profound impact on the organization. The latest phase of the Middle East conflict has revealed the extent to which détente shapes the course of events. This, in turn, has led to a reassessment of the function of the United Nations in international politics and a redefinition of the role of the secretary-general.

The office of secretary-general has been clouded in ambiguity since its inception. The charter offers no clear guidance, for the founding fathers of the United Nations were deeply divided over this issue and failed to resolve their differences. The Soviet Union wished to place the secretary-general firmly under the control of the Security Council by proposing that each of the Big Five in turn nominate one of their nationals to serve for two years at a time. Many of the smaller states, alarmed at the extent of the veto power the Big Five insisted on reserving for themselves, strove to give the secretary-general some degree of political independence. No real compromise was reached, but instead both concepts were written into the charter. As a result the chapter on the secretary-general turned out to be like a photograph with a double exposure. It describes him as the chief administrative officer whose task is to carry out decisions adopted by the competent organs of the organization: a manager, not a policy maker. But it also grants him the right to take political initiatives by virtue of Article 99, which empowers him to draw the attention of the Security Council to situations likely to endanger international peace and security.

The conflict over the role of the secretary-general has come to be associated with Dag Hammarskjöld. But it did not begin with him: He was supposed to put an end to it. Trygve Lie's political pretensions had annoyed the big powers; they wanted a faceless bureaucrat to administer the organization; Hammarskjöld seemed perfect for the part. He himself had no preconceived idea of the role of the secretary-general, and for a while he did concentrate on his administrative duties. But the affair of the American airmen captured in Communist China gave him a first taste of independent political action, and the Suez crisis propelled him into the center of the world stage. On the occasion of his election to a second term in 1957, Hammarskjöld was ready to put forward the view that it was "in keeping with the philosophy of the charter that the secretary-general should be expected to act also without . . . guidance [found in the charter or in the decisions of the main organs of the United Nations], should this appear to him necessary in order to help in filling any vacuum that may appear in the systems which the charter and traditional diplomacy provide for the safeguarding of peace and security."

This revolutionary concept went unchallenged at the time. Governments seldom engage in debate on a philosophical plane: They react to events, not ideas. Besides, Hammarskjöld's baroque prose style may have helped to obscure his meaning.

What he did mean became apparent through his actions. The cold war created a continuous vacuum at the heart of the international community, and time and again Hammarskjöld succeeded in filling it, employing for the purpose a number of new diplomatic methods and devices, such as the United Nations Emergency Force in the Suez, observers in Lebanon, or a "presence" in Laos. For a few exciting years the United Nations became an autonomous influence in international politics, an influence not based on power but representing, in Hammarskjöld's words, "the detached element in international life." He saw himself as the ombudsman of the small nations, entitled to "voice the wishes of the peoples against this or that government," and guardian of the new states emerging from colonial rule, with the mission of keeping them out of the cold war—that is, independent of the big powers.

Hammarskjöld's last years at the United Nations can now be seen as an effort to transform it from an organ of cooperation among sovereign states into an instrument of the collective responsibility of the membership: a heroic effort doomed to failure. He was well aware of the political risks. In the midst of the Suez crisis in 1956 he wrote to a friend: ". . . no one in my job can run this properly, short of a miracle, without breaking his neck politically." And during the Congo crisis in 1961: "I have had to choose between the risk that the organization would break down and die out of inertia and inability and the risk that it might break up and die because I overstretched its possibilities. . . ."

In the end the challenge to the sovereign rights of the big powers posed by Hammarskjöld's dynamic concept of his function did bring the organization to the brink of disintegration.

U THANT, on his appointment as secretary-general in 1961, was left with a mixed and contradictory inheritance. The refusal of the Soviet Union and France to pay for peacekeeping operations they regarded as illegal jeopardized not only the solvency but even the constitutional foundations of the United Nations. The first duty of the new secretary-general was to keep the organization from falling apart. But he was also heir to the ideology of a politically independent and active secretary-general: an ideology strongly entrenched in Western countries and supported, though more vaguely, by a large part of the Third World.

It is Article 99 of the charter that gives the secretary-general explicit political responsibility in his own right. But Article 99 has been specifically invoked only once, in 1960, when Hammarskjöld used it to call the Security Council into session over the Congo. Of greater practical significance for the day-to-day conduct of the secretary-general was Hammarskjöld's legacy in the field of peacekeeping operations. There he had staked out an area of independent action by keeping operational control of United Nations peacekeeping forces firmly in his own hands. In Hammarskjöld's time the secretary-general would receive from a competent organ of the United Nations a general mandate for mounting an operation. He would then negotiate the necessary agreements with the states involved, determine the composition of the United Nations force, appoint its commander, and issue political instructions for the conduct of the operation. U Thant, by and large, maintained this practice, in spite of continued opposition from the Soviet Union and France.

Originally, the great debate on peacekeeping was concerned less with the role of the secretary-general than with the relative competence of the Security Council and the General Assembly. The Soviet Union, representing a strict constructionist view of the charter, has always insisted that only the Security Council is entitled to decide on the use of United Nations armed forces.

Actually, of course, the charter makes no mention of peacekeeping operations as we today understand the term—that is, the use of police or supervision forces or observers with the consent of the states involved as a means of containing conflicts and thus facilitating a peaceful settlement of disputes. The charter speaks only of the use of armed forces to enforce peace by suppressing an act or threat of aggression. However, in practice the Soviet Union has never objected to peacekeeping in the modern sense; it has objected only to peacekeeping operations carried on outside the reach of the veto.

The United States, however, used to defend the right of the General Assembly to initiate peacekeeping operations in situations in which the council is paralyzed by the use of the veto. But this was at the time when the United States could count on an automatic majority in the assembly. As the balance of voting power shifted, the United States became less and less interested in what was called the assembly's residual competence," until in 1965 it abandoned its attempt to force the Soviet Union and France to pay their share of past peacekeeping operations. This was the beginning of an American-Soviet détente in the United Nations context.

But the differences over the secretary-general's role in peacekeeping persisted. The Soviet position was shaped by the experience of the Congo operation, which, in the Soviet view, showed that a force set up by the Security Council could nonetheless be used by the secretary-general in a manner inconsistent with the council's intentions. For this reason, it was argued, the council had to retain strict control of a peacekeeping force during its entire operation. The United States continued to defend the practice of operational control by the secretary-general, on the grounds of efficiency and practicality.

The fact, remained, however, that the practice established by Hammarskjöld and continued by U Thant was designed at every stage to exclude the Soviet Union and its allies from participation in, or even direct insight into, the conduct of peacekeeping operations. The chain of command bypassed the Soviet citizens in the United Nations Secretariat, and in the field no personnel of allies of the Soviet Union were ever used. Soviet officials, it was reasoned, could not be trusted to act impartially. Peacekeeping was strictly a Western affair. This, more than any doctrinal considerations, was at the back of Soviet suspicion that operational control in the hands of the secretary-general was in fact a subtle way of getting around the veto.

Paradoxically, the most dramatic show of independence on the part of a secretary-general has not been any action taken to circumvent the Soviet veto, but rather U Thant's decision in May 1967 to withdraw the United Nations Emergency Force from the Sinai. This time criticism of his acting on his own without referring the matter to the Security Council came from the Western side: Was not this an obvious case for invoking Article 99 in order to draw the attention of the Security Council to a "situation likely to endanger international peace and security"?

U Thant himself and his principal adviser, the late Ralph Bunche, explained time and again that they had no choice but to agree to the Egyptian request for the withdrawal of the force. The presence of the force on Egyptian territory was based on Egyptian consent; it could not stay there against the will of a sovereign state. As for referring the matter to the Security Council, that would have been an act of cowardice, simply passing the buck: It was obvious in advance that the council was hopelessly divided on the Middle East issue. "Nothing could be more divisive and useless," U Thant said, "than for the secretary-general to bring a situation publicly to the Security Council where there is no practical possibility of the council agreeing on effective or useful action."

Presumably U Thant also considered what effect invoking Article 99 might have had on his own position. The Security Council was in the midst of a debate on the situation in the Middle East. Western representatives, prompted by Israeli concern about military moves on the Arab side, urged the council to take steps to prevent war, while Soviet and Arab spokesmen dismissed such warnings as alarmist talk. Invoking Article 99 on the grounds that the Egyptian request for the withdrawal of UNEF was creating a situation likely to endanger peace would have injected the secretary-general into an acute controversy between East and West. No doubt he would have been accused of partisanship; he could even have risked sharing the fate of his two predecessors—that is, losing the confidence of the Soviet Union.

To take such a risk was not in keeping with U Thant's philosophy as secretary-general. He liked to call himself "moderator," a term once used by President Roosevelt to indicate the function of the chief officer of the United Nations. "I know of no better single word to describe my own idea of the office," U Thant has said. "I have always felt that the most important political duty of the secretary-general was to concentrate on the harmonizing functions of the United Nations. . . . I have been at pains to understand, and to remain on cooperative terms with, all the governments. . . ."

Unlike Trygve Lie and Dag Hammarskjöld, U Thant did succeed in remaining on cooperative terms with all governments. But the events of May and June 1967 nevertheless had other consequences for the future role of the secretary-general. The abrupt withdrawal of UNEF could not fail to impair the credibility of United Nations peacekeeping arrangements. In Israel the tendency to go it alone gained strength; elsewhere it was recognized that future peacekeeping operations would have to be anchored in something more secure than the discretion of the secretary-general. And the credibility of Article 99 of the charter was not only impaired: It suffered a fatal blow. Having failed to invoke it on the eve of the Six-Day War, U Thant was not likely to find another occasion even more dangerous to peace.

Later he claimed that the responsibilities of the secretary-general under Article 99 could be fulfilled in many different ways: Quiet diplomacy, he suggested, could be more effective than the specific invocation of Article 99. He used the method of quiet diplomacy in the summer of 1971 to warn the members of the Security Council in a confidential memorandum of the impending conflict between India and Pakistan. But governments are seldom moved by private advice or exhortation. The original intent of Article 99 was to give the secretary-general the possibility of confronting member states with world public opinion—the only force he could mobilize. But in this sense, Article 99 now seems to have become atrophied.

The American-Soviet dispute over the secretary-general's role in peacekeeping operations survived U Thant's term of office. The Soviet Union continued to insist that "having authorized a United Nations peacekeeping operation, the Security Council shall continue to exercise supreme control with regard to all aspects of the establishment of this operation and the direction of it throughout the entire operation." The United States, however, wished to grant the secretary-general "sufficient discretion to assure managerial effectiveness," which in practice meant that his decisions about such questions as the composition of the United Nations force and choice of commander would not be subject to the veto. On this issue, negotiations on guidelines for peacekeeping operations remained stalled when the General Assembly met for its regular session in September 1973.

The first hint of a change came in Henry Kissinger's speech before the assembly on September 24, his first public appearance as secretary of state. After referring to the "fruitless debate" on the issue, Kissinger said:

"The time has come to agree on peacekeeping guidelines so that this organization can act swiftly, confidently and effectively in future crises. To break the deadlock, the United States is prepared to consider how the Security Council can play a more central role in the conduct of peacekeeping operations."

The aftermath of the Yom Kippur war provided the first test of Kissinger's statement. On October 25 the Security Council decided to set up a United Nations Emergency Force "under its authority." The practical implications of this phrase became quickly apparent. Each step taken by the secretary-general to carry out the council's decision was submitted to the council itself for approval. The appointment of Major General Siilasvuo as force commander was explicitly endorsed, and so was the composition of the force. For the first time in history a member of the Warsaw Pact, Poland, was included among the nations whose troops take part in the United Nations operation. Detailed reports on the operations of the force have been distributed to council members on a daily basis. The authority of the Security Council is indeed supreme. This may detract from "managerial effectiveness." But it adds an indispensable element of political reliability: The new United Nations force obviously cannot be withdrawn without the decision of the Security Council.

The method used in the establishment of the United Nations force has not yet been translated into a formal agreement on principles and procedures to be followed in future cases. It is merely an ad hoc arrangement. The same is true of the decision to finance the operation through the regular budget. But the precedent now set is in effect binding for the future—unless, of course, the world is again plunged into a new cold war, which inevitably would paralyze the central organs of the United Nations.

All this means a change in the role of the secretary-general. To those who saw in Hammarskjöld's virtuoso performance a promise of an emerging international authority, it may seem like a setback. "Working at the edge of the development of human society is to work on the brink of the unknown," Hammarskjöld once said. He was an explorer who set out to find a new world and never reached his goal. Now his ghost has finally been exorcised. His successors backed away from the dangerous edge into the safer regions of established international cooperation. The present-day role of the secretary-general is less heroic, but it is more in keeping with the realities of prevailing power. The continued dispute over his functions in peacekeeping operations maintained a state of permanent tension between the secretary-general and two of the permanent members of the Security Council and lessened the usefulness of the United Nations as an instrument for peace. Now that this dispute is fading away, the services of the United Nations can be more effectively employed.

What happened at the United Nations last autumn was in fact an inevitable consequence of the improvement in the relations between the Soviet Union and the United States. American support for a more independent secretary-general goes back to the battles of the cold war. It was used as a counterweight to the Soviet veto. With the development of an American-Soviet détente, such a posture became obsolete and illogical. The Kissinger vision of a structure of world peace based on a balance between the great powers obviously does not include an autonomous role for the United Nations. But the United Nations does have some role even within the framework of the present détente. The Brezhnev-Nixon agreement of cooperation for the prevention of conflicts could not be effectively carried out without the services of an international peacekeeping agency. The need for a United Nations force in the Middle East proves the point. It follows that the two powers must agree on the methods and procedures to be followed in using those services.

The change in U.S. policy reflected in Kissinger's speech in the General Assembly can also be seen as a move toward the original concept of the United Nations. President Roosevelt spoke of the "Five Policemen" who, acting through the United Nations, were charged with the responsibility of keeping law and order in the world. But today one of the five, China, has disassociated itself from the Middle East operation: a note of uncertainty for the future. And the remaining two, Britain and France, also show uneasiness in the face of the concentration of power into the hands of the two superpowers. Significantly, it was the lesser members of the Security Council who insisted on giving the secretary-general a kind of watching brief at the Geneva peace talks. There is, after all, a deeply felt need for precisely that "detached element" in world affairs that Hammarskjöld tried, at times successfully to inject into the international political process. And this need will surely grow.

IMMUNITY AND AMNESTY

Mr. TAFT. Mr. President, the issues of earned immunity and amnesty have recently received substantial attention in the media. I am hopeful that the public will carefully consider the points raised in many of these analyses, particularly with respect to the merits of an alternative service proposal, S. 2832, I have advanced with Senator PELL. Only by a rational and thoughtful approach to this issue will a constructive congressional solution be possible.

Examples of three recent editorials on this topic include: "A Qualified Amnesty Plan Can Ease War's Wound" from the Detroit Free Press, March 14, 1974; "Taft's 'Qualified Amnesty' Is in the National Interest" from the Philadelphia Inquirer, March 15, 1974, and "Senator Taft on Amnesty" from the Philadelphia Evening Bulletin, March 18, 1974.

I ask unanimous consent that they be printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

A Qualified Amnesty Plan Can Ease War's Wounds

The problem of what kind of amnesty, if any, to offer America's young men who fled the country or went into hiding to avoid service in the Vietnam war was put off by mutual consent until the war's end. Now, however, the issue is once again joined in Congress.

Deserters and draft dodgers have been with us before, in the wake of other wars—but never to such an extent as this time around, when those who chose to evade military service on grounds of conscience are regarded by many as heroes in an oblique campaign against an unpopular and unjust war.

So there are demands for complete forgiveness by church groups, the anti-war movements of past years and parents who want their sons to come home or out of hiding.

The idea has great emotional appeal. It was indeed a questionable war. Yet the sacrifices made in Vietnam were so grievous that the nation is not likely to offer those who skipped them a place in society without asking of them some sort of amends.

From 1961 until war's end a total of 45,937 Americans died as a result of battle action. Many of them were no more enthusiastic about the war's objectives than those who avoided combat.

Then there were the 3,600 imprisoned for up to five years for violating Selective Service regulations, a large number of them deliberately.

The number of voluntary exiles is difficult to arrive at. Government figures indicate 7,000 to 10,000 are living in Canada, but the exiles themselves believe they number 40,000.

In addition there are about 29,300 deserters, most of them underground in the United States, with about 2,500 in foreign countries.

In the past the problem of the deserters has been split off from the conscience cases. They have been dealt with by military law, and none too gently.

This time, there are so many that such a stringent handling will be difficult to apply. And there is a strong argument that handling the deserters and the moral fugitives differently would discriminate against the under-educated.

The evaders included a large number of thoughtful, educated young men who figured out beforehand their reasons for not taking the oath to serve.

The deserters included a large number of young men of unsophisticated philosophies who signed up without much thought of what kind of a war it was but were troubled later by such things as burning villages in free-fire zones.

In more orderly times the evaders would be dealt with by civil law and the deserters by military. Congress will have to decide if the two groups should be handled separately, or as part of the same problem.

The nation has a precedent in President Truman's committee to deal with 15,000 convicted of draft evasion in World War II. About one in 10 was found deserving of presidential pardon.

A similar case-by-case procedure was proposed by Sen. Robert Taft Jr. in 1971, with the proviso that draft evaders would be able to leave prison or return from exile if they agreed to serve up to three years in the armed forces or in civilian service programs, such as VISTA, a kind of domestic peace corps.

There are a half a dozen other bills in Congress also, ranging from variations of the Taft proposal to outright amnesty. Their backers are wrestling with the difference between amnesty, which is a forgetting, and forgiveness which is an admission and the evaders were wronged.

A number of exiles probably will not settle for either, convinced in the first place that their resistance should not be forgotten and in the second that they have done nothing that requires forgiveness.

But after so many young men have gone routes that either cost them their lives or years in prison, neither complete forgetting nor complete forgiving will do.

Qualified amnesty, requiring some form of compensatory service, must be offered, however. Sen. Taft spoke the first word on this and it still holds:

"Neither out of remorse or sympathy . . . it would be simply a practical solution to a national concern."

Taft's "Qualified Amnesty" Is in the National Interest

The war in Vietnam is over, at least so far as America's fighting forces are concerned. The question of what to do about the Americans who refused to fight, however, is not resolved. It is as steeped in passions as the war itself, and we doubt that anyone can find absolute answers to satisfy everyone.

Still, with as many as 70,000 young men in exile or fugitive status, answers must be found, and it seems to us that Sen. Robert Taft Jr. has the right approach.

Sen. Taft, son of the late "Mr. Republican" of Ohio, is author of the first amnesty proposal to be introduced in Congress, back in December, 1971. As the lead-off witness at House subcommittee hearings on the subject, the Ohio Republican outlined his legislation.

The senator takes a position between the extremes. He does not think that draft evaders and deserters should be brought home, or out of hiding, as unconquering heroes. Neither, though, does he agree with the implacable position staked out by President Nixon more than a year ago—that "those who deserted must pay the price" and "the price is a criminal penalty for disobeying the laws of the United States."

Sen. Taft recognizes that circumstances alter cases—that there is, for example, a difference between the man who deserted his unit under fire and the man who, out of idealism, refused to fight in what he considered to be an unjust war.

Thus, the senator would grant not "blanket" but "conditional" amnesty. He would create an immunity board to review applications on a case-by-case basis. And he would require that young men earn their immunity from prosecution by agreeing to two years' "alternative service" or service in the armed forces.

"I believe," Sen. Taft has declared, "that the qualified amnesty offered would be neither out of remorse nor out of sympathy for these men, but rather in national interest, a practical solution to what should be a great national concern. A solution that, hopefully, would do something to unite those men with their native land."

And it is a solution, as he also points out, in accord with an American tradition of granting amnesty, complete or qualified, that began with President Washington and continued through Presidents Adams, Jefferson, Madison, Jackson, Lincoln, Andrew Johnson, Grant, Coolidge and Truman.

Sen. Taft's approach, in short, is that justice must be served—justice to the nation as well as justice to the individuals. Obviously, whatever the penalty paid by the men who opted out, it cannot be as heavy as that paid by the 55,000 young Americans who went to Vietnam and never returned, except in boxes.

Yet justice should be tempered by mercy. As Lincoln once said, "A government can properly have no motive of revenge, no purpose to punish merely for punishment's sake."

The war, we repeat, is over. The time has come to make peace among ourselves.

Senator Taft on Amnesty

It seems too harsh to say that the United States will never give the antiwar youth who evaded the Vietnam draft an opportunity to return to their native land and their families or to pick up their lives again as Americans until they have paid a penalty as criminals.

It seems too soft to say that they shall be welcomed home with complete forgiveness and forgetfulness of the past when other young Americans, who perhaps did not want to fight in Vietnam either, nevertheless suffered and died there.

Testifying before a House Judiciary subcommittee hearing on the amnesty issue, Republican Senator Robert Taft Jr., advocates perhaps the most acceptable course.

He would set up a board to review on a case by case basis the applications of draft evaders who wished to earn immunity from prosecution by two years' service in the armed forces or up to two years of "alternative service, public or private, contributing to the national health, safety, or welfare." An estimated 30,000 draft evaders could return to this country or cease to be fugitives under this procedure.

Legislation that Mr. Taft has proposed in the Senate does not cover deserters. The cases of deserters is intertwined with the concept of military discipline. Deserters are subject to the military code of justice. Many deserters undoubtedly went "over the hill" for reasons that had nothing to do with scruples against the Vietnam War. Some who deserted combat units might well have cost their comrades in arms dearly. There may be inequities in military justice that should be explored, however, and deserters' cases should be scrutinized with this possibility in mind to distinguish circumstances.

Even the draft evaders left others to assume a military role they refused, and so a case by case review seems called for . But the alternate service proposal of Senator Taft and others—conditional amnesty—appears satisfactory as a general approach.

The draft evaders cannot return as "heroes." They cannot return without some amends. That would offend too gravely the feelings of Vietnam survivors and the families of those who died. It would offend against the concept of duty. Too broad amnesty legislation would make a future draft unworkable.

But neither should the United States be willing to see many of its sons banished forever on pain of criminal penalties as the result of a war which has already done so much violence to American institutions and the American spirit.

The process of healing must begin.

MOBILE HEALTH CARE CLINICS IN APPALACHIA

Mr. HUMPHREY. Mr. President, increasing interest is being expressed from various sectors of the Nation suffering from severe shortages in physicians and health care facilities, in legislation I introduced in March, S. 3106, the Child and Maternal Health Care and Extension Act. A key feature of this legislation is the authorization of grants to the States to establish mobile health care facilities in physician-shortage areas.

An excellent example of what could be accomplished under my legislation is provided in the program of mobile health care services in Appalachia—specifically several counties in Tennessee—operated by Project Concern, an international nonprofit medical and dental assistance program, which also operates health care projects in the Navajo Nation, Vietnam, Ethiopia, Hong Kong, and Mexico. Founded by Dr. James W. Turpin, Project Concern is presently headquartered in San Diego, Calif.

Mr. President, I ask unanimous consent that the following items be printed in the RECORD: an article in the August 1973 issue of Reader's Digest, entitled "Doctors to the World at Large"; a brochure description, "Project Concern—Appalachia"; and two statements, entitled "Project Concern's Approach to Health Delivery Care in Appalachia," and "The Problem: National."

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DOCTORS TO THE WORLD AT LARGE

(By William D. Ellis)

(Condensed from the Atlanta Journal and Constitution Magazine)

Driving down one Upper Cumberland mountain and starting up to next, Dr. James Turpin laid so much foot on the accelerator that the steel medical-record boxes slammed against the back of the van. Turpin was in a hurry—a phoned message from his Pine Haven "country clinic" reported that emphysema patient Datus Gunn was fighting harder than usual for breath. Now, spiraling around the mountain curves, the doctor listened as two nurses refreshed his memory from the medical cards of the other patients. There would be a couple dozen of them, waiting to be treated by the only doctor many of them had ever seen.

Dr. Turpin's medical and dental vans arrived here in eastern Tennessee in 1968, to serve an area of seven economically depressed counties. Pickett County's situation was typical: the entire medical establishment for 4400 people was one pharmacist and one public-health nurse. (The two nearest hospitals, too many miles and dollars away, had long waiting lists.) At the tiny settlement of Pine Haven, the emphysema sufferer is the first to enter the van. Next, a weathered, overweight woman with a painful back, then an 80-year-old with high blood pressure. After treatment, one patient says, "How much do I owe you, Doctor?" Turpin has found he has to charge a fee or people won't come. If they don't have the cash, they'll bring vegetables, wild game, knitwear. But no matter what the problem is, the fee is the same. "A dollar," he says.

"I'd like to make it two dollars," the man says in a frail voice. "It's good to find a doctor who's concerned about us."

Concern is exactly what Dr. Jim Turpin and his pert doctor wife, Mollie, had in mind from the start. As founders of the international medical-relief organization, Project Concern, they operate 22 thriving hospitals and clinics in some of the world's most medically desperate places. In Vietnam, Hong Kong, Mexico, Ethiopia and the United States, men and women of 27 nationalities have traded lucrative careers—temporarily or full time—for three squares a day and a bunk in a Project Concern medical compound or trailer.

As recently as 1961, Jim Turpin was a sports-car-driving doctor in Coronado, Calif. Life seemed a golden stairway. But a boyhood sense of mission gnawed at Jim. In the slums of nearby Tijuana, he found a small charity clinic, Casa de Todos, established and maintained by Señora Maria Meza, and he and Mollie contributed their services Thursday and weekends. Even that was not enough to cure the restlessness.

Then a patient, a Navy lieutenant just back from the Orient, told Jim about Hong Kong. Thousands of sick, homeless Chinese were streaming into the city, refugees from Red China. It meant hunger, sleeping in the streets, epidemic disease. That same evening, the San Diego *Evening Tribune* featured pictures of the refugees. And Jim continued to hear about the disastrous medical problems.

One night after dinner, he said, "Mollie, let's go to Hong Kong and help."

She looked at him. Plainly, he was serious.

The preparations took months, but the people of Southern California took the plan to their hearts, coming forward with medicine and money, legal and management expertise. An optometrist contributed a supply of used eyeglasses; the U.S. Navy offered transportation for some personnel. Local volunteers sorted, classified and packed tons of supplies for shipment.

On an advance exploratory trip to Hong Kong, Jim visited the notorious Walled City, where 10,000 people live in eight-by-ten-foot hovels with no running water, no sewers except the gutters. Surely a clinic was needed here. But Jim also had his eye on the harbor, where some 135,000 Chinese live on sampans and junks floatingso close together one can walk across their decks for great distances and never touch water. Supersitious about moving ashore, generations are born, live and die in this fantastic floating city, plagued by poverty, hunger and disease. Turpin launched a search for a boat that could be turned into a floating clinic.

At this point came an unexpected break: Jim Turpin was selected by the U.S. Jaycees as one of the "Ten Outstanding Young Men for 1962." Invited to speak to Jaycee groups in the United States, Australia and New Zealand, he told them about the Hong Kong clinic. Over 300 people volunteered to serve different lengths of time in various Project Concern jobs. Another quick benefit was cash—contributions enough to buy the floating clinic that Jim had envisioned. On the afternoon of March 19, 1963, moored amid acres of junks and sampans, the *Yauh Oi* (Brotherly Love) opened shop, and patients timorously started trickling aboard. Soon the sick load was nearing 200 per day.

A time came when the Hong Kong project was operating effectively, and growing, by itself. Then Jim paid his first visit to South Vietnam. In Tuyen Duc Province in the Central Highlands he saw Montagnard Kohos living in the 15th century. The diseases were the same as those plaguing the Walled City—acute malnutrition, respiratory problems, skin lesions, parasites—but here they were being treated by witch-doctor incantations and animal sacrifices. Turpin located an abandoned Green Beret camp at Da Mpao and returned to Hong Kong to get supplies and staff.

Back at Da Mpao one thing became immediately clear: these mountain people lived in tiny isolated villages, and many who needed help would not venture out to find the clinic. To make a real dent in the medical need, Project Concern must spread to them.

Out of this situation came a concept which has become a Project Concern trademark. From each village within jeep range the staff began to recruit one bright young man or woman. After training, each Village Medical Assistant (VMA) returned to his or her village to teach hygiene and treat common illnesses, backed up by the Project Concern medical team which came periodically and held clinic for the most serious cases.

As Vietcong activity increased in the area, Jim sent Mollie and their four children back to the United States. There Mollie enrolled in medical school. (She graduated in 1970, and is now practicing as a full-time Project Concern doctor.)

Jim, meanwhile, was trying to expand his operations to villages even beyond the secure area. The Army heard about his efforts, and one afternoon, kicking up a tornado of dust, a military helicopter landed on the Da Mpao field. "Doc," said Lt. Jim Wilkie, "I hear you need transportation. Where to?"

Thus the village-clinic sessions spread. And as the VMAs and the Vietnamese government took over the Da Mpao operation, Jim suddenly found himself thinking about the Casa de Todos clinic in Tijuana and a promise he had made to Maria Meza that one day he would come back and bring the Casa into Project Concern.

Thus it happened that in June of 1967, Jim Turpin walked into Casa de Todos and said, "Maria, it's time now." Señora Meza burst into tears.

Dr. Jim and his corps of veterans brought to Casa de Todos all the know-how and reputation acquired by Project Concern's experience in Hong Kong and Vietnam. Señora Meza suddenly found herself in the midst of California medical-school volunteers and high-powered Mexican and U.S. businessmen working on the planning and building of her dream—a 54-bed children's hospital.

Today, while the Turpins concentrate their personal efforts in Tennessee, Project Concern continues to open clinics in other medically desperate areas. To serve the Navajos, a clinic was opened in Bisti, N.M., in 1971. The project was recently extended to Ethiopia, and a clinic in Bali is being established in October. The Turpins and their colleagues are constantly torn between wanting to help all the sick in the world and fear of overextension.

What makes Project Concern such a success in so many diverse cultures? Jim's answer: selflessness. "We are the kind of people who need patients just as much as they need us," he says. "And that changes the whole approach to our patients. We don't come in flapping big white wings to have humanity. Heck, we're saving ourselves."

Driving the medical van around the mountain curves of Tennessee, Jim adds, "*Very* important in what we do is the one-to-one relationship."

Then he grins and, as a five-word summary of Project Concern's philosophy, quotes something he once heard Maria Meza say to a child in the Casa de Todos clinic: "Love you? . . . I *am* you."

PROJECT CONCERN APPALACHIA: ONE DENTAL AND ONE MEDICAL VAN TAKE HEALTH CARE TO THE NEEDY

THE CHILDREN OF POVERTY ARE CALLING YOUR NAME

Whether in the Highlands of Vietnam, or the Highlands of Appalachia, the facts of economic disadvantage are related strongly to malnutrition, area economic depression, and the scarcity of medical facilities, if, indeed, they exist at all. Not only are the poor more liable to physical disorders, they suffer psychological disabilities. The haunting fact remains that it is very hard to pull yourself up by the bootstraps if you are physically or emotionally debilitated by malnutrition and lack of health care.

"She was twelve years old and she said to me, 'I thought teeth was allus s'posed to hurt.' "—Jeanne Gehan, Project Concern Appalachia.

The lack of human ecology goes hand in claw with the lack of natural ecology. Appalachia, once rich in natural resources, in coal, timber, copper, zinc—has been brutally exploited. Magnificent stands of timber were cut off, and the lumber companies moved on, leaving behind devastated acres and devastated men crippled in timbering accidents. Men no longer able to work, if work were to be had. When the deep coal mines ceased to be productive economically the industry turned to automated strip-mining which has shorn away mountain tops, turned rivers red, and left thousands of miners, who know no other skill, unemployed.

These men—and their families—are tied to their small cabins hidden in remote hollows. They are tied by bonds of ill health, of poor education, of economic levels well below the national poverty level. Here they are doomed to remain unless those bonds can be broken.

In Appalachia, Project Concern has brought its expertise, and is now providing medical, dental and nutritional assistance, in an area which lacked these essential services.

Pickett County, site of Project Concern's first medical/dental Appalachian clinic, was third from the bottom in terms of per capita income in Tennessee, but now, among 93 counties, is among the top three in terms of health improvement, according to a survey done by the State government.

Now in its sixth year, and headquartered in Clarkrange, Tennessee, the Project Concern program is striving for that same effect in the seven counties it is presently serving with its mobile dental and medical vans . . . but the real job lies ahead . . . that of bringing improved economic conditions to the area. To do this for themselves the people must at least be physically healthy.

Project Concern's programs, both domestic and foreign, are small when compared to the size of the problem. This growing movement, however, is bringing care . . . and hope for the future . . . to many small corners of the world.

We have lit candles against the darkness with the help of many, many dedicated people. We can keep them lit, and even light more, if YOU care . . . care enough to become "Involved in Mankind".

Project Concern's Approach to Health Delivery Care in Appalachia

An essential element in establishing a program and ensuring its future success is to provide the community with a convincing demonstration of improved health services in action. This impact is necessary to overcome the skepticism of people who have resigned themselves to poor health as a way of life, after doubting that change can be effected, and to overcome the superstition, ignorance and fear prevailing in backwoods areas, and to change ingrained habits handed down from generation to generation.

In the international programs of Project Concern in Ethiopia, Hong Kong, Viet Nam, and Mexico, this impact has been most dynamic and forceful in the varying cultures of the countries, and has been accomplished despite difficult language barriers.

With this experience which increases with success of various programs in those countries, it has been relatively simple to transfer the skills, experience and expertise of those specialists who have served overseas to be brought to bear on the health problems of indigents of the Appalachia area.

The delivery system which has been established has some unique features, is innovative and attractive, and contains elements which would have applicability in other parts of the country. Its essential feature is the ability to deliver those health services while gaining the full and complete confidence of the patients, a long neglected segment of the population.

I. GENERAL OBJECTIVES

The Project Concern medical staff serves the people of Overton, Fentress, Morgan and Cumberland Counties, who have for many years lacked proper medical attention due to the scarcity of facilities and personnel in the area.

Therefore, the objective of the Project Concern medical program is to attempt to fill the void in medical care which is due to a lack of personnel in the area. The program hopes to provide medical treatment and preventive medical education for the children, adolescents and adults of the groups of people considered to be below the poverty line. Family income and size are taken into consideration in determining whether or not a family is below the poverty line.

The Project Concern medical program operates four clinics in different areas from Monday through Thursday. Two of the clinics are located in mobile home/offices, one of which was donated by the Priest Lake Jaycees from Nashville, Tennessee. One clinic operates in buildings that are donated by the local community. The fourth clinic is still served by a mobile medical van, but the community there is currently renovating the community center to be used as the clinic. Soon the van will be retired for use as an additional dental van.

The medical staff consists of one physician, two registered nurses, a registrar, a pharmacy technician, and many volunteer physicians, lab technicians, and medical students. On Fridays the physician does surgery in a local hospital, the nurses conduct preventive medical education clinics, and the remainder of the staff works in the warehouse.

The objective of the preventive medicine clinics is to acquaint the patients with early signs of illness and to encourage them to seek treatment before the problem becomes an emergency. Many patients can be instructed on how to manage problems such as diabetes and hypertension without the continued need for a doctor. For a period of time, one nurse was conducting well baby clinics at each of the clinic locations. However, lack of attendance has caused this project to be discontinued. Instead, she is now working with the local county health departments to set up prenatal/well baby clinics.

II. GOALS

The goal of the Project Concern medical program is to develop a medical care and education delivery system in an area with a shortage of medical personnel. It is hoped that in the future the medical needs of the communities served will be met by either existing or new facilities and Project Concern can look to other areas of the state where they can be of service.

A medical care system is being realized by use of the four medical clinics. Many patients who either had no transportation or were too poor to afford medical treatment before have now been diagnosed and are receiving continuous treatment from the Project Concern medical staff. They feel they have a family physician on whom they can rely in case of emergency and, if they must be hospitalized, they are sure somebody will be there to take care of them.

A medical education delivery system is slowly being realized through the use of the Friday educational clinics. The nurses have met with prospective and new mothers to teach them how to care for their babies properly and to prevent illness in their children as much as possible. Family planning is encouraged, especially in those families with many children, and many women have learned how to prevent having unwanted children.

Achieving complete preventive medicine in the areas served is a long way off, although certain areas have been improved. Of course, it takes time to change the habit structures of people who had previously not sought medical treatment until an emergency arose. Physicals on a yearly basis, pap smears, and tuberculin tests were not heard of, although attitudes revolving around these subjects are slowly changing.

In general, there has been an improvement in the health of many people being served by Project Concern. However, optimum medical care is something to look forward to.

The Problem: National

Vernon E. Wilson, M.D., stated at the 24th National Conference on Rural Health in Atlanta last year that "rural health is a problem of two basic dimensions: financial and geographic location . . . rural areas are characterized by below average incomes and considerable poverty; the greatest majority of the poorest counties in the United States are rural . . . the term rural generally means a cluster of factors that are adverse to adequate health services. Along with population densities that range from low to sparse, rural areas usually have a limited tax base, scarce and widely disbursed health facilities, extreme shortages of health manpower, and negative attraction for new manpower."

Fifty-four million Americans live in rural areas, and most of them face acute problems in obtaining health care services. The rural crisis stems in large part from the rapid urbanization of the country over the past two decades—a development that has created a very severe maldistribution of economic and medical resources. Developments and medical technology in increased specialization have further compounded the problem. In fact, compared to the urban and suburban portion of the nation, rural people in sparsely populated areas have only half as many physicians.

The health problems of people in rural areas are further complicated by the following special conditions:

1. Rural populations have a greater percentage of very old people, a group that has higher health needs than working age people;
2. Rural people have over 50% more chronic activity—limiting conditions—than do urban populations;
3. Rural people are more subject to accidents than their urban counterparts;
4. Rural populations generally have lower levels of family income and education;
5. Ethnic and cultural customs and traditions have erected economic and health barriers for Indian and migrant citizens.

Rural Americans account for 25% of America's total population, but 40% of America's poor live in rural areas. As is well-known, low levels of income and education are both related to increased individual health care needs and decreased ability to obtain care. Many rural people are caught up in a vicious cycle: Poverty contributes to their ill health and their ill health contributes to their poverty. This grave national problem has been growing much more acute each year, and has prompted some experts to predict "catastrophic eventualities" in health care unless systems are soon developed that will contribute to significant improvements.

FRANK McGEE: A JOURNALIST OF GREAT STATURE

Mr. JAVITS. Mr. President, a courageous and gifted reporter is gone. The fourth estate and the Nation are poorer without Frank McGee.

Mr. McGee practiced a keen and incisive journalism which gained the respect of all who saw his work. His professionalism was marked with a quiet understatement. He respected his audience to judge the facts objectively—and that's how he delivered them. This respect was returned to him by millions of viewers.

In the 1950's, television journalism was still in its formative stages. Frank McGee's thorough and thoughtful practice of the journalistic art did much literally to transform the intellectual impact of the television media.

He was a man of integrity, a reporter of great stature.

Mrs. Javits' and my heartfelt sympathy goes to his widow, his son and daughter, his mother and family upon this tragic loss.

I ask unanimous consent that the obituary of Frank McGee which was printed in the New York Times of April 18, 1974, be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Frank McGee of NBC Dead; Newsman and "Today" Host, 52

(By Farnsworth Fowle)

Frank McGee, since 1957 one of the most respected newsmen of the National Broadcasting Company network, died yesterday morning in the Columbia-Presbyterian Medical Center. He was 52 years old and lived in Manhattan.

The immediate cause of death was pneumonia, but his physician, Dr. Frank Southworth, disclosed that Mr. McGee had known for four years that he had multiple myeloma, a cancer of the bone marrow, for which he was under treatment at the hospital.

"During the last few months he suffered severely from back pain due to his disease, but he insisted on carrying on with his program," Dr. Southworth said. "Finally, the combination of the disease and the treatment for it, which enabled him to continue working, overcame his immunity mechanism and he died rapidly of an overwhelming pneumonia."

Mr. McGee entered the hospital last Thursday after his regular appearance that morning on the "Today" show, on which he had been host since Oct. 12, 1971.

In the mid-nineteen-fifties, Mr. McGee was head of news at an N.B.C. affiliate in Montgomery, Ala., WSAF–TV, where his coverage of racial frictions won the attention of Julian Goodman, now the network's chairman and chief executive officer. After being hired for the network's Washington staff, Mr. McGee, on one of his first assignments was in Little Rock, Ark., where Federal troops were flown in to back the integration of Central High School in September, 1957.

CALM AND CLEAR REPORTER

A national audience soon recognized the qualities that remained Mr. McGee's hallmark—calmness in describing turbulent events, clarity in presentation and freedom from the temptation to pontificate on the one hand and to reach for witticisms on the other.

Soon he was covering presidential conventions and elections and space shots as well as everyday network assignments. In 1965 when he was anchorman for N.B.C. on the Gemini space flight that included Maj. Edward H. White 2d's space walk, Jack Gould, radio and television critic of The New York Times, praised Mr. McGee's "uncanny knack for flawless delivery under any and all circumstances." He had been anchorman on "Monitor," on the WNBC–TV "Sixth Hour News" in New York and, with John Chancellor and David Brinkley, on the "N.B.C. Evening News" which succeeded the "Huntley-Brinkley Report" in 1970.

Some of his most distinguished work was on documentary shows. His gift of quick mastery of the medium perhaps was best shown in the early sixties on suddenly scheduled shows, sponsored by the Gulf Oil Corporation, pegged to a news break.

"I love it," Mr. McGee told a Times broadcast reporter in 1961. "Often the things that we feel are important are very obscure and it's hard to develop interest in them. But in the case of a major news story . . . you get a chance to give them information about something when they are predisposed to absorb it."

He expressed at that time a firm belief in writing his own scripts because "you can ad lib your way far more smoothly, when it's necessary, than if you're bound to someone else's material and not familiar with it."

Mr. McGee's easy, softspoken delivery suggested his birth in Monroe, La., and schooling in Oklahoma, where his mother took him after her divorce and remarriage. After high school in Seminole and Norman, he entered the Army as an enlisted man in 1940.

After World War II, with G.I. Bill of Rights benefits, Mr. McGee studied at the University of Berkeley and did a variety of odd jobs on the side before transferring to the University of Oklahoma. While there he found employment at a small radio station, KGFF, in nearby Shawnee, where his assignments ran the gamut from advertising salesman to music librarian. In 1950 he joined WKY in Oklahoma City, where he was a newscaster until he went to Montgomery in 1955.

WON PEABODY AWARD

Mr. McGee won the 1966 Peabody Award for his running coverage of Pope Paul VI's visit to New York. In 1967, he received a Brotherhood Award from the National Conference of Christians and Jews for a one-hour documentary, "Same Mud, Same Blood," about the relations between black and white soldiers in the Vietnam conflict. He spent a month there with two camera teams collecting his material.

Among many tributes to Mr. McGee yesterday was one from Walter Cronkite of the N.B.C. rival, the Columbia Broadcast System, who observed: "Behind Frank's soft-spoken, almost courtly, manner one sensed character and integrity of iron."

Mr. McGee is survived by his widow, the former Nialta Sue Beaird, whom he married in 1941; a son, Michael; a daughter, Mrs. Peter Labovitz of Washington, Va.; his mother, Mrs. Floyd Wiverley of Eureka, Calif.; two sisters, Mrs. George Wilcox and Mrs. Joseph Bell, and two grandchildren.

Mrs. McGee announced last evening that the family had established a Frank McGee research fund at the College of Physicians and Surgeons of Columbia University.

There will be a memorial service at 1 P.M. tomorrow at Frank E. Campbell's, Madison Avenue at 81st Street.

NATIONAL LIBRARY WEEK

Mr. HATHAWAY. Mr. President, this week is National Library Week, a time to remind ourselves of the unique role played by America's libraries in the cultural, educational, and recreational life of this country. Libraries provide an intellectual focus for our community life, a source of wisdom and inspiration for our schoolchildren and a reservoir of knowledge for our colleges and universities.

Yet for the second year in a row we find that the administration is attempting to cut off Federal money for library programs. Last year they put no money at all in the budget for library programs but Congress put the money back in. This year, taking a different tack, they have budgeted a pittance for libraries, and now claim to be supporting "effective library services in our society."

According to the administration's recommendations, funds for public libraries would be nearly halved and money for school libraries would be eliminated in favor of consolidation which ends up leaving librarians holding an empty bag. A program to promote interlibrary cooperation is being touted about as a new invention, while in fact it is only an anemic substitute for existing programs authorized by the Congress but never adequately supported by the administration. And money for academic libraries, the most hard hit of all institutions in today's education climate, has been completely cut off.

Mr. President, it is the failure of the administration to budget any money at all for academic libraries which has me the most concerned. Without a good library, a college cannot survive. The whole theory of higher education is based on the premise that a student, properly inspired by a professor, can acquire knowledge on his own through reading and doing research. Without a strong library to provide him with the stuff of learning, the student is lost.

But this administration has decided that colleges no longer need assistance in building and keeping up these research collections, even though the newspapers are filled with stories about the desperate financial plight of all aspects of higher education. The administration says it is discontinuing title II–A of the Higher Education Act, which provides grants to colleges to purchase books and audio-visual materials for their libraries, because the $5,000 maximum grants are too small to help anyone. On the other hand, they claim too many big universities are soaking up the $5,000 grants.

If the $5,000 grant is too small to be of any use, why are so many *institutions* applying for it that last year the money had to be prorated because there were too many to each receive a full grant? In my own State of Maine, a total of $82,050 was divided between 17 colleges in fiscal year 1973. They thought it was worth applying for.

The fact is that the costs of higher education are so great, and climbing so fast, that colleges and universities are looking everywhere for money, According to a recent report by the college entrance examination board, the average parent sending his child to a private 4-year college will pay upwards of $4,000 next year. The cost of a college education, according to this study, has risen more than 35 percent in the last 4 years. And this is just the cost to the parent.

Inflation has eaten into endowments while jacking up the costs of services. The price of something as essential as a history book has nearly doubled in the last 5 years, jumping from an average of $8.73 in 1967 to $15.56 in 1973 according to publishing industry figures.

Yet the administration is saying that now is the time to cut back aid to our much-beleagured colleges, substituting a pittance in federally guaranteed student loans in the place of solid assistance to the institutions themselves. The administration's budget is currently being reviewed by the House and will soon come before the Senate. I would urge my colleagues to take a close look at the way this administration claims it supports college libraries and all libraries. Now is the time for Congress again to show that it believes in the necessity of good libraries and that it is willing to support them.

AID TO SOUTH VIETNAM

Mr. TAFT. Mr. President, recently there appeared in the Cincinnati Enquirer of April 14, an excellent article by Thomas Gephardt, on Southeast Asia. I ask that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHY THE FRESH DETERMINATION TO SEE SOUTH VIETNAM LOST?

(By Thomas Gephardt)

As the 1972 presidential campaign reached its climax, there were times when it seemed that Sen. George S. McGovern was campaigning less against Richard M. Nixon, President of the United States, than against Nguyen Van Thieu, president of South Vietnam. President Thieu had become, in McGovern's eyes and in the eyes of most of his supporters, not only the principal obstacle to peace in Southeast Asia, but also the embodiment of all that is wrong with today's troubled world.

Indeed, Senator McGovern predicted, at one point in the campaign, that if U.S. forces, which he viewed as the Thieu government's sole prop, should be withdrawn, President Thieu and his "cohorts" would flee the country within six months.

Nguyen Van Thieu thereby took his place in the liberals' hierarchy of demons—a hierarchy reserved for those who stand in the way of Communist dictatorships: Chiang Kai-shek, Fulgencio Batista, Syngman Rhee and even, for a time, Harry S Truman.

As matters have turned out, of course, U.S. forces *have* been withdrawn from South Vietnam for a year, and the Thieu government *has* survived. Indeed, astute observers like Dr. R. Eric Weise, associate professor of political science at the University of Cincinnati, have returned from South Vietnam with such diagnoses as this one, which Professor Weise offered in this space on March 16:

"In November, 1973, in dozens of conversations in Saigon, the support for President Thieu was firm. Thieu was viewed as a strong, stable, and personally honest leader. . . . The high level of approval of President Thieu's performance while in office is an amazing contradiction to most American critics who said Thieu wouldn't last six months after the withdrawal of U.S. troops. The evidence available today suggests that the Thieu government grows stronger with the passage of each month, and that the public support for the government follows the same upward curve."

Such circumstances as these may suggest why those who have had such a vital personal stake in the inglorious downfall of the Thieu government have now mounted so furious an assault on further military aid for South Vietnam. Having been proved wrong in what they purported to believe about President Thieu's durability, they now seek to leave the South Vietnamese government defenseless in the face of the continuing attacks of the North Vietnamese and the Viet Cong. Thus, they hope, their predictions may yet be redeemed.

The U.S. Ambassador to South Vietnam, Graham Martin, signified an awareness of what is afoot when he spoke, in a cablegram to the State Department last month, of "those whose objective is to aid Hanoi by seriously crippling the Republic of (South) Vietnam through a drastic reduction of economic and military aid." (Someone in the State Department evidently stole a copy of the ambassador's cable and sent it to Sen. Edward M. Kennedy, who read it on the Senate floor.)

What is at stake, in reality, is an effort by the Nixon administration to increase the ceiling on military aid to South Vietnam from the $1.126-million level ordered by Congress in 1973 to $1.6 billion—an increase of $474 million.

That, to be sure, is a lot of money in the layman's view. But it is a drop in the bucket compared with the $56 billion the United States has invested in military grants to friendly powers around the world in the post-World War II years, or, in particular, compared with the $130 billion the United States invested in its own military effort to establish South Vietnam's right to self-determination.

There is, nonetheless, a do-or-die effort under way to deny the South Vietnamese whatever they need to sustain their freedom.

In anticipation of that drive for South Vietnam's extinction, the American Security Council, a nonpartisan, nongovernmental organization concerned with the nation's security, dispatched a mission to South Vietnam to determine, if it could, the prospects for its survival.

The council enlisted, as mission members, John Moore Allison, former assistant secretary of state for Far Eastern affairs and former U.S. ambassador to Japan, Indonesia and Czechoslovakia; Rep. Philip M. Crane (R-Ill.) and a former history professor at Indiana and Bradley Universities; Dr. Anthony Kubek, research professor at the University of Dallas; Elbridge Durbrow, director of the Freedom Studies Center and former ambassador to South Vietnam, and Philip C. Clark, correspondent and commentator for the Mutual Broadcasting System.

The mission sought to delve into all the allegations that are periodically advanced against the Thieu government.

It took particular interest in the charge that President Thieu is keeping 202,000 "political prisoners" and found that South Vietnam's prison population was actually 43,717—no significant number of them incarcerated for political reasons.

It delved also into allegations that South Vietnam is a police state and concluded: "While President Thieu is reviled by enemies of his government as a corrupt dictator, he moves almost daily among the people with only a minimum of personal protection. The son of a humble fisherman from the central coast, he talks the language of the people and is accepted by them. Thieu scoffs at the notion he covets power, saying: 'If the people or the army would want me to go, I would go.' So far, there is no other leader in South Vietnam who comes anywhere close to Thieu in popularity—and that popularity appears to be solid, despite the severe economic hardships brought on by the U.S. withdrawal."

Perhaps it is the circumstance that there is no readily available substitute for President Thieu as a national leader that has made him a marked man for his critics in the United States. For the destruction of President Thieu, if the mission members' assessment is correct, would leave the South Vietnamese leaderless and adrift.

The missoin also brought back this message from President Thieu for the American people:

"The American people and Congress should realize that the Vietnamization task has been successful. You may report back to the United States that we have done everything we can here to survive on our own and to defend our freedom. The most important thing we need is guaranteed peace."

If peace is indeed guaranteed in South Vietnam, it will be because the South Vietnamese possess the military power—entrusted to them under the Vietnamization program—to resist crushing at Hanoi's hands.

Yet it is precisely that capacity that the opponents of U.S. aid to South Vietnam are determined to eliminate.

Hence, the mission's conclusion that "the struggle for South Vietnam ultimately may be decided not on the battlefield but by the false facts and wrong impressions given to Congress and the American public by anti-Vietnam propagandists."

The fact that the anti-Thieu campaign has continued beyond the extrication of U.S. forces from Vietnam raises some interesting questions about the nature of the dogged campaign against the U.S. role in Southeast Asia through the late 1960s and early 1970s.

While Americans were being shot at—and many of them were being killed—the antiwar movement's goals were rarely questioned, Vietnam *was* a long way from home, and U.S. objectives in Vietnam *did* seem, to some, unclear.

But now the Americans are home. Yet the antiwar movement is as zealous as ever to see even the remaining strings cut so that, apparently, South Vietnam may fall into the abyss.

When the history of the Vietnam War period is written, there will be many questions demanding answers. This one will be near the top of the list.

THE THREAT OF FAMINE

Mr. HUMPHREY. Mr. President, the New Republic of April 20, 1974, contains an editorial entitled "Death in Living Color." This seemingly macabre title refers to the potential for famine in the Third World nations—and the fact that Americans may be able to view this horror in their living rooms. When Lord Snow envisioned this possibility some years ago, the idea seemed somewhat remote and unreal. The title now seems more straightforward, and it may shock the United States out of its complacency and help it to deal with this immense problem.

World reserves of grain are the lowest in history. The high cost of fuels and fertilizers will negate much of the progress developing nations have achieved so far in improving their agricultural production. Robert McNamara, head of the World Bank, says that if aid is not increased to the developing nations, "there are going to be millions of people dying in the world."

The United States is about the only country that could take the lead in solving the dilemma. We are still a rich and prosperous nation, and our farm production is booming. James P. Grant, head of the Overseas Development Council, says Americans could lead a food crusade, eating less beef and thus conserving grain.

The problem has largely been ignored, with the administration's interest focused on increasing exports. But if the importance of the American role in ending the crisis is brought forward forcefully enough, we may not have to watch millions dying on television.

Mr. President, I ask unanimous consent that the New Republic editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New Republic, Apr. 20, 1974]

DEATH IN LIVING COLOR

What with the wonders of electronic communication and the enterprise of our news media we should have a very good close-up next year of the world's greatest famine. Computers will be able to reckon up the score of those who perish from month to month and with even a mediocre television set it will be possible to bring into the living room the full drama of the big spectacular, and count the ribs of the dying children.

If the United States is going to do anything to avert the expected famine the time, of course, is now, but there seems very little interest. The situation is fairly clear. The world's reserves of grain are the lowest in history (the normal supply is two or three months, but it is now down to about 27 days—hardly enough to fill the pipelines). The other big factor is oil. The price of oil has tripled and the world fertilizer price has soared (oil is used to extract nitrate fertilizer from the air). Oil is needed to run all those chugging little pumps that keep the life-giving irrigation ditches flowing in places like India. (As a human interest item, Director-General A. H. Boerma of the Food and Agriculture Organization came back from India recently and told how peasants are waiting two or three days at fuel stations with their battered containers for five gallons of fuel to keep their pumps working. Americans can sympathize with them, for many of us have waited an hour or even longer to fill up our Fords and Chevvies. Of course with the peasant it's a matter of life and death.) India is the easiest country to talk about because it has 600 million people and is the biggest of the 40 nations whose populations total one billion which are the poorest of the poor, and comprise what the Overseas Development Council calls the "Fourth World" in its new paperback *Agenda For Action 1974* (Praeger; $3.95). At best of times India needs a foodgrain harvest of 108 to 110 million metric tons to prevent famine, but the latest US Department of Agriculture report (April) estimates the crop at 102 million tons.

Food riots and political turbulence have begun in parts of India and some aren't sure democracy will survive. It's worse elsewhere. You have probably been reading of starvation in parts of Africa and Asia, and the same conditions are apt to hit sections of Central America. The richer nations have been helping these non-oil producing developing countries for some time but unfortunately the increased cost of fuel and fertilizer will now more than wipe out what they have been receiving in grants. Oil alone will cost about $19 billion more. As for fertilizer a virtual embargo on exports is now in effect from the U.S. and Japan.

Father Hesburgh, president of Notre Dame University, heads the Overseas Development Council. Unless something is done quickly he predicts "a food crisis that will make the energy crisis look like a picnic." Other nations are ready to go, he says, but the United States is holding back. "We are about the only people in the world who are dragging our feet," he said here last week. "There will be a cataclysmic kind of revolution if we don't have the sense to act while there is still time, and there isn't very much." It will be a great show to watch on television.

World authorities are getting almost hysterical. Here is Robert McNamara, head of the World Bank, interviewed on *Meet the Press* the other day, saying that if aid isn't increased "there are going to be millions of people dying in the world." He says "800 million of them live on, in our terms, 30 cents a day, and are barely on the margin of life."

America isn't much interested. That's not the mood. UN Secretary-General Waldheim called it a "global emergency." James P. Grant, president of the Development Council, says that we ought to organize world action right away for otherwise "large-scale disaster" looms. He urges that Americans eat less beef and more chicken because it takes about seven pounds of grain to produce a pound of beef and only two or three pounds of grain to produce a pound of chicken. (The famine countries, you see, eat their grain straight without going through the meat process, and Grant thinks we might send them the extra grain and save "millions from premature deaths." He says beef is the counterpart of the big highway gas guzzler, while chicken is the "subcompact" in the food energy field.)

This may be true enough, but we aren't going to have any great food crusade; that takes leadership. Does anybody see any of that kind of moral leadership in Washington today? The awkward fact is that we have run out of food surpluses and there is only one way to give food to poor countries: through higher prices. Can you imagine Mr. Nixon appealing to the country to accept the burden of higher food prices in order to send aid to foreigners, a lot of them with dark skins?

The United States is about the only country that could give a lead. Last year the Era of Plenty may have permanently tipped over into the Era of Scarcity. World population will reach four billion next year and will double not long after 2000 AD by present projections. Where will supplies come for this enormous passenger list on Spaceship Earth? Prices go up as too many people chase too few goods. But the United States is still the soundest and richest country. It depends less on fuel imports than the rest and the prices of its own great export, farm goods, are booming. The United States and Canada dominate world food supplies as the Arabs do oil.

Obviously oil-rich Arabs and food-rich Americans should agree to help the poor countries. Such action requires planning, cooperation and sacrifice. But Mr. Nixon is in poor condition just now to ask for sacrifice. And his past policy has been to save on welfare at home, and to go easy on aid abroad. The volume of US help in the "Food for Peace" program in 1973 dropped to one third.

There is the moral argument. "I think that in all of human history it has been accepted that the strong will help the weak," Mr. McNamara said the other day. That has been the American tradition in times past. There is also the selfish consideration that hunger topples governments and brings riots, revolutions and war. America is going to take the risk.

The official attitude is to ignore the problem. In one international conference after another the US keeps a low profile. But the problem is there and will be seen before long; maybe on TV.

NATIONAL FEDERATION OF BUSINESS AND PROFESSIONAL WOMEN'S CLUBS, INC.

Mr. PERCY. Mr. President, the 1974 National Convention of the National Federation of Business and Professional Women's Clubs will be held in Chicago from July 21–25. I am pleased to extend the Federation's invitation to all of my colleagues to either attend one of the convention's sessions or to send a message to the delegates from their respective States.

I am delighted that the president of the Federation this year is Jean McCarrey of Villa Grove, Ill., and want to take this opportunity to add my own welcome to the delegates who will attend the convention in July.

I ask unanimous consent that a letter from Audrey Harris, national hospitality chairman for the convention, as well as a list of the objectives of the Federation, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NATIONAL FEDERATION OF BUSINESS
AND PROFESSIONAL WOMEN'S
CLUBS, INC.,
Chicago, Ill.

Senator CHARLES H. PERCY,
Washington, D.C.

DEAR SENATOR: We would appreciate your efforts to notify your colleagues that the National Federation of Business and Professional Women's Clubs, Inc., will be holding the National Convention on July 21–25, 1974 at the Hilton Hotel in Chicago, Illinois. The Federation will have delegates from every state in the union. We want to extend invitation to all your colleagues to make a special effort to attend one of the sessions, if unable to attend to send a special message to the delegates from their states. This Federation has a membership over 165,000 and indicates a powerful voting power.

We in Illinois are most proud for this year the President Miss Jean McCarrey is from the state of Illinois. For this reason, I would like this to be placed in the Congressional Record of the United States of America.

Respectfully,

AUDREY C. HARRIS,
National Hospitality Chairman.

OBJECTIVES OF THE FEDERATION

To elevate the standards for women in business and the professions.

To promote the interests of business and professional women.

To bring about a spirit of cooperation among the business and professional women of the United States.

To extend opportunities to business and professional women through education along lines of industrial, scientific and vocational activities.

U.N. SESSION ON RAW MATERIALS AND ECONOMIC DEVELOPMENT

Mr. HUMPHREY. Mr. President, on April 15, Secretary of State Henry Kissinger addressed the United Nations General Assembly special session on raw materials and economic development.

The theme of the Secretary's speech was the interdependent nature of the world economy and the inability of our nation or bloc of nations to determine the shape of the world.

He outlined six problem areas including the need to expand energy supplies, escaping from the raw-material surplus and shortage cycle, achieving balance between food and population, making provision to meet food emergencies, protection for the poorest countries, placing greater reliance on science and technology and revising trade and monetary policies.

I might add that the New York Times on April 14 included a summary of U.N. Secretary General Waldheim's statement to the General Assembly identifying six related problems leading to what he described as the "global emergency" facing both rich and poor nations. The six problems outlined by the Secretary General are mass poverty, rapid population growth, food shortage, energy scarcity, rampant military expenditures and a cumbersome monetary system.

It is not difficult to find evidence of the impact of these problems. We are told that 80 percent of Indian children below the age of 12 suffer from moderate to severe malnutrition and an equally high percentage of pregnant women in India suffer from nutritional anemia.

The poorer nations are compelled to spend their meager foreign exchange to meet food and energy needs at vastly inflated prices. The governments of these countries are consequently undermined by these combined pressures.

These problems, as outlined by both of these distinguished speakers, are certainly at the heart of the current world disorder. We are currently going through a period of very rapid change, but I think we need much more than fine speeches.

My concern is whether someone will pick up the challenge and provide the necessary leadership. We do not need further studies or reports. We need action.

The United States must take the lead in this effort. We need to find short-term answers to these issues wherever possible.

Mr. President, I ask unanimous consent that the speech of Secretary Kissinger and the summary of Secretary General Waldheim's remarks be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ADDRESS BY SECRETARY OF STATE HENRY A. KISSINGER

Mr. President, Mr. Secretary General, Distinguished Delegates, Ladies and Gentlemen:

We are gathered here in a continuing venture to realize mankind's hopes for a more prosperous, humane, just and cooperative world.

As members of this Organization we are pledged not only to free the world from the scourge of war, but to free mankind from the fear of hunger, poverty and disease. The quest for justice and dignity—which finds expression in the economic and social articles of the United Nations Charter—has global meaning in an age of instantaneous communication. Improving the quality of human life has become a universal political demand, a technical possibility and a moral imperative.

We meet here at a moment when the world economy is under severe stress. The energy crisis first dramatized its fragility. But the issues transcend that particular crisis. Each of the problems we face—of combating inflation and stimulating growth, of feeding the hungry and lifting the impoverished, of the scarcity of physical resources and the surplus of despair—is part of an interrelated global problem.

Let us begin by discarding outdated generalities and sterile slogans we have—all of us—lived with for so long.

The great issues of development can no longer be realistically perceived in terms of confrontation between the haves and the have nots or as a struggle over the distribution of static wealth. Whatever our ideological belief or social structure, we are part of a single international economic system on which all of our national economic objectives depend. No nation or bloc of nations can unilaterally determine the shape of the future.

If the strong attempt to impose their views, they will do so at the cost of justice and thus provoke upheaval.

If the weak resort to pressure, they will do so at the risk of world prosperity and thus provoke despair.

The organization of one group of countries as a bloc will sooner or later produce the organization of the potential victims into a counterbloc. The transfer of resources from the developed to the developing nations—essential to all hopes for progress—can only take place with the support of the technologically advanced countries. The politics of pressure and threats will undermine the domestic base of this support. The danger of economic stagnation stimulates new barriers to trade and the transfer of resources.

We in this Assembly must come to terms with the fact of our interdependence.

The contemporary world can no longer be encompassed in traditional stereotypes. The notion of the northern rich and the southern poor has been shattered. The world is composed not of two sets of interests but many: developed nations which are energy suppliers and developing nations which are energy consumers; market economies and nonmarket economies; capital providers and capital recipients.

The world economy is a sensitive set of relationships in which actions can easily set off a vicious spiral of counteractions deeply affecting all countries, developing as well as technologically advanced. Global inflation erodes the capacity to import. A reduction in the rate of world growth reduces export prospects. Exorbitantly high prices lower consumption, spur alternative production and foster development of substitutes.

We are all engaged in a common enterprise. No nation or group of nations can gain by pushing its claims beyond the limits that sustain world economic growth. No one benefits from basing progress on tests of strength.

For the first time in history mankind has the technical possibility to escape the scourges that used to be considered inevitable. Global communication ensures that the thrust of human aspirations becomes universal. Mankind insistently identifies justice with the betterment of the human condition. Thus economics, technology and the sweep of human values impose a recognition of our interdependence and of the necessity of our collaboration.

Let us resolve to act with both realism and compassion to reach a new understanding of the human condition.

On that understanding, let us base a new relationship which evokes the commitment of the human condition.

On that understanding, let us base a new relationship which evokes the commitment of all nations because it serves the interests of all peoples.

We can build a just world only if we work together.

THE GLOBAL AGENDA

The fundamental challenge before this session is to translate the acknowledgement of our common destiny into a new commitment to common action, to inspire developed and developing nations alike to perceive and pursue their national interest by contributing to the global interest. The developing nations can meet the aspirations of their peoples only in an open expanding world economy where they can expect to find larger markets, capital resources and support for official assistance. The developed nations can convince their people to contribute to that goal only in an environment of political cooperation.

On behalf of President Nixon, I pledge the United States to a major effort in support of development. My country dedicates itself to this enterprise because our children must not live in a world of brutal inequality, because peace cannot be maintained unless all share in its benefits and because America has never believed that the values of justice, well-being and human dignity could be realized by one nation alone.

We begin with the imperative of peace. The hopes of development will be mocked if resources continue to be consumed in an ever increasing spiral of armaments. The relaxation of tensions is thus in the world interest. No nation can profit from confrontations that can culminate in nuclear war. At the same time, the United States will never seek stability at the expense of others. It strives for the peace of cooperation, not the illusory tranquility of condominium.

But peace is more than the absence of war. It is enobled by making possible the realization of humane aspirations. To this purpose this Assembly is dedicated.

Our goal cannot be reached by resolutions alone or prescribed by rhetoric. It must remain the subject of constant, unremitting efforts over the years and decades ahead.

In this spirit of describing the world as it is, I would like to identify for the Assembly six problem areas which in the view of the United States delegation must be solved to spur both the world economy and world development. I do so not with the attitude of presenting blueprints but of defining common tasks to whose solution the United States offers its wholehearted cooperation.

First, a global economy requires an expanding supply of energy at an equitable price.

No subject illustrates global interdependence more emphatically than the field of energy. No nation has an interest in prices that can set off an inflationary spiral which in time reduces income for all. For example, the price of fertilizer has risen in direct proportion to the price of oil, putting it beyond the reach of many of the poorest nations and thus contributing to worldwide food shortages. A comprehension by both producers and consumers to each other's needs is therefore essential:

Consumers must understand the desires of the oil producers for higher levels of income over the long-term future.

Producers must understand that the recent rise in energy prices has placed a great burden on all consumers, one virtually impossible for some to bear.

All nations have an interest in agreeing on a level of prices which contributes to an expanding world economy and which can be sustained.

The United States called the Washington Energy Conference for one central purpose: to move urgently to resolve the energy problem on the basis of cooperation among all nations. The tasks we defined there can become a global agenda for action.

Nations, particularly developed nations, waste vast amounts of existing energy supplies. We need a new commitment to global conservation and to more efficient use of existing supplies.

The oil producers themselves have noted that the demands of this decade cannot be met unless we expand available supplies. We need a massive and cooperative effort to develop alternative sources of conventional fuels.

The needs of future generations require that we develop new and renewable sources of supply. In this field, the developed nations can make a particularly valuable contribution to our common goal of abundant energy at reasonable cost.

Such a program cannot be achieved by any one group of countries. It must draw on the strength and meet the needs of all nations in a new dialogue among producers and consumers. In such a dialogue the United States will take account of the concern of the producing countries that the future of their peoples not depend on oil alone. The United States is willing to help broaden the base of their economies and develop secure and diversified sources of income. We are prepared to facilitate the transfer of technology sources of income. We are prepared to facilitate the transfer of technology and assist industrialization. We will accept substantial investment of the capital of oil producing countries in the United States. We will support a greater role for the oil producers in international financial organizations as well as an increase in their voting power.

Second, a healthy global economy requires that both consumers and producers escape from the cycle of raw material surplus and shortage which threatens all our economies.

The principles which apply to energy apply as well to the general problem of raw materials. It is tempting to think of cartels of raw material producers to negotiate for higher prices. But such a course could have serious consequences for all countries. Large price increases coupled with production restrictions involve potential disaster: global inflation followed by global recession from which no nation could escape.

Moreover, resources are spread unevenly across the globe. Some of the poorest nations have few natural resources to export, and some of the richest nations are major commodity producers.

Commodity producers will discover that they are by no means insulated from the consequences of their restrictions on supply or the escalation of prices. A recession in the industrial countries sharply reduces demand. Uneconomical prices for raw materials accelerate the transition to alternatives. And as they pursue industrialization, raw material producers will ultimately pay for exorbitant commodity prices by the increased costs of the goods they must import.

Thus the optimum price is one that can be maintained over the longest period at the level that assures the highest real income. Only through cooperation between consumers and producers can such a price be determined. And an expanding world economy is an essential prerequisite. Such a cooperative effort must include urgent international consideration of restrictions on incentives for the trade in commodities. This issue must receive high priority in GATT—dealing with access to supply as well as access to markets—as we seek to revise and modernize the rules and conditions of international trade.

In the long term, our hopes for world prosperity will depend on our ability to discern the long-range patterns of supply and demand and to forecast future imbalances so as to avert dangerous cycles of surplus and shortage.

For the first time in history it is technically within our grasp to relate the resources of this planet to man's needs. The United States therefore urges that an international group of exports, working closely with the United Nations division of resources, be asked to undertake immediately a comprehensive survey of the earth's non-renewable and renewable resources.

Third, the global economy must achieve a balance between food production and population growth and must restore the capacity to meet food emergencies. A condition in which one billion people suffer from malnutrition is consistent with no concept of justice.

Since 1969, global production of cereals has not kept pace with world demand. As a result current reserves are at their lowest level in 20 years. A significant crop failure today is likely to produce a major disaster. A protracted imbalance in food and population growth will guarantee massive starvation—a moral catastrophe the world community cannot tolerate.

No nation can deal with this problem alone. The responsibility rests with all of us. The developed nations must commit themselves to significant assistance for food and population programs. The developing nations must reduce the imbalance between population and food which could jeopardize not only their own progress but the stability of the world.

The United States recognizes the responsibility of leadership it bears by virtue of its extraordinary agricultural productivity. We strongly support a global cooperative effort to increase food production. This is why we proposed a world food conference at last year's session in the General Assembly.

Looking toward that conference, we have removed all domestic restrictions on production. Our farmers have vastly increased the acreage under cultivation and gathered record harvests in 1973. 1974 promises to be even better. If all nations make a similar effort, we believe the recent rise in food prices will abate this year, as it has in recent weeks. Indeed the price of wheat has come down 35 percent from its February peak and the price of soybeans 50 percent from its peak last summer.

The United States is determined to take additional steps. Specifically:

We are prepared to join with other governments in a major worldwide effort to rebuild food reserves. A central objective of the World Food Conference must be to restore the world's capacity to deal with famine and other emergencies.

We shall assign priority in our aid program to helping developing nations substantially raise their agricultural production. We hope to increase our assistance to such programs from $258 to $675 million this year.

We shall make a major effort to increase the quantity of food aid over the level we provided last year.

For countries living near the margin of starvation, even a small reduction in yields can produce intolerable consequences. Thus the shortage of fertilizer and the steep rise in its price is a problem of particular urgency—above all for countries dependent on the new high-yield varities of grain. The first critical step is for all nations to utilize fully existing capabilities. The United States is now operating its fertilizer industry at near capacity. The United States is ready to provide assistance to other nations in improving the operation of plants and to make more effective use of fertilizers.

But this will not be enough. Existing worldwide capacity is clearly inadequate to present needs. The United States would be prepared to offer its technological skills to developing a new fertilizer industry especially in oil-producing countries using the raw materials and capital they uniquely possess.

We also urge the establishment of an international fertilizer institute as part of a larger effort to focus international action on two specific areas of research: improving the effectiveness of chemical fertilizers, especially in tropical agriculture, and new methods to produce fertilizers from non-petroleum resources. The United States will contribute facilities, technology and expertise to such an undertaking.

Fourth, a global economy under stress cannot allow the poorest nations to be overwhelmed.

The debate between raw material producers and consumers threatens to overlook that substantial part of humanity which does not produce raw materials, grows insufficient food for its needs and has not adequately industrialized. This group of nations, already at the margin of existence, has no resource to pay the higher prices for the fuel, food and fertilizer imports on which their survival depends.

Thus, the people least able to afford it—a third of mankind—are the most profoundly threatened by an inflationary world economy. They face the despair of abandoned hopes for development and the threat of starvation. Their needs require our most urgent attention. The nations assembled here in the name of justice *cannot stand* idly by in the face of tragic consequences for which many of them are partially responsible.

We welcome the steps the oil producers have already taken towards applying their new surplus revenues to these needs. The magnitude of the problem requires, and the magnitude of their resources permits, a truly massive effort.

The developed nations too have an obligation to help. Despite the prospect of unprecedented payments deficits, they must maintain their traditional programs of assistance and expand them if possible. Failure to do so would penalize the lower income countries twice. The United States is committed to continue its program and pledges its ongoing support for an early replenishment of the International Development Association. In addition we are prepared to consider with others what additional measures are required to mitigate the effect of recent commodity price rises on low-income countries least able to bear this.

Fifth, in a global economy of physical scarcity, science and technology are becoming our most precious resource. No human activity is less national in character than the field of science.

No development effort offers more hope than joint technical and scientific cooperation.

Man's technnical genius has given us labor-saving technology, healthier populations, and the green revolution. But it has also produced a technology that consumes resources at an ever expanding rate; a population explosion which presses against the earths finite living space; and an agriculture increasingly dependent on the products of industry.

Let us now apply science to the problems which science has helped to create.

To help meet the developing nations' two most fundamental problems—unemployment and hunger—there is an urgent need for farming technologies that are both productive and labor-intensive. The United States is prepared to contribute to international programs to develop and apply this technology.

The technology of birth control should be improved.

At current rates of growth, the world's need for energy will more than triple by the end of this century. To meet this challenge, the United States Government is allocating $12 billion for energy research and development over the next *five years*, and American private industry will spend over $200 billion to increase energy supplies. We are prepared to apply the results or our massive effort to the massive needs of other nations.

The poorest nations, already beset by man-made disasters, have been threatened by a natural one: the possibility of climatic changes in the monsoon belt and perhaps throughout the world. The implications for global food and population policies are ominous. The United States proposes that the International Council of Scientific Unions and the World Meterorological Organization urgently investigate this problem and offer guidelines for immediate international action.

Sixth, the global economy requires a trade, monetary and investment system that sustains industrial civilization and stimulates its growth.

Not since the 1930s has the economic system of the world faced such a test. The disruptions of the oil price rises; the threat of global inflation; the cycle of contraction of exports and protectionist restrictions; the massive shift in the world's financial flows; and the likely concentration of invested surplus oil revenue in a few countries—all threaten to smother the once-proud dreams of universal progress with stagnation and despair.

A new commitment is required by both developed and developing nations to an open trading system, a flexible but stable monetary system, and a positive climate for the free flow of resources, both public and private.

To this end the United States proposes that all nations here pledge themselves to avoid trade and payments restrictions in an effort to adjust to higher commodity prices.

The United States is prepared to keep open its capital markets, so that capital can be recycled to developing countries hardest hit by the current crisis.

In the essential struggle to regain control over global inflation, the United States is willing to join in an international commitment to pursue responsible fiscal and monetary policies. To foster an open trading world, the United States, already the largest importer of developing nation manufactures, is prepared to open its markets further to these products. We shall work in the multilateral trade negotiations to reduce tariff and nontariff barriers on as wide a front as possible.

In line with this approach we are urging our Congress to authorize the generalized tariff preferences which are of such significance to developing countries.

CONCLUSION

All too often international gatherings end with speeches filed away and resolutions passed and forgotten. We must not let this happen to the problem of development. The complex and urgent issues at hand will not yield to rhetorical flourishes or eloquent documents. Their resolution requires a sustained and determined pursuit in the great family of United Nations and other international organizations that have the broad competence to deal with them.

As President Nixon stated to this Assembly in 1969:

"Surely if one lesson above all rings resoundingly among the many shattered hopes in this world, it is that good words are not a substitute for hard deeds and noble rhetoric is no guarantee of noble results."

This Assembly should strengthen our commitment to find cooperative solutions within the appropriate forums such as the World Bank, the International Monetary Fund, the GATT, and the World Food and Population Conferences.

The United States commits itself to a wide-ranging multilateral effort.

Mr. President, Mr. Secretary General, we gather here today because our economic and moral challenges have become political challenges. Our unprecedented agenda of global consultations in 1974 already implies a collective decision to elevate our concern for man's elementary well-being to the highest political level. Our presence implies our recognition that a challenge of this magnitude cannot be solved by a world fragmented into self-contained nation states or competing blocs.

Our task now is to match our physical needs with our political vision.

President Boumediene cited the Marshall Plan of a quarter century ago as an example of the possibility of mobilizing resources for development ends. But then the driving force was a shared sense of purpose, of values and of destination. As yet we lack a comparable sense of purpose with respect to development. This is our first requirement. Development requires above all a spirit of cooperation, a belief that with all our differences we are part of a larger community in which wealth is an obligation, resources a trust, and joint action a necessity.

We need mutual respect for the aspirations of the developing and the concerns of the developed nations. This is why the United States has supported the concept of a Charter of Economic Rights and Duties of States put forward by President Echeverria of Mexico.

The late President Radhakrishnan of India once wrote:

"We are not the helpless tools of determinism. Though humanity renews itself from its past, it is also developing something new and unforeseen. Today we have to make a new start with our minds and hearts."

The effort we make in the years to come is thus a test of the freedom of the human spirit.

Let us affirm today that we are faced with a common challenge and can only meet it jointly.

Let us candidly acknowledge our different perspective and then proceed to build on what unites us.

Let us transform the concept of world community from a slogan into an attitude.

In this spirit let us be the masters of our common fate so that history will record that this was the year that mankind at last began to conquer its noblest and most humane challenge.

Waldheim's List of the Great Crises

United Nations Secretary General Waldheim last week set the tone for a special General Assembly session on raw materials by referring to the "global emergency" that faces both rich and poor nations. In his speech, Mr. Waldheim raised six related world problems:

"First, mass poverty. The single most devastating indictment of our current world civilization is the continued existence of stark, pervasive poverty among two-thirds of the world population. It permeates every phase of life in developing countries: in the malnutrition of children, in the outbreaks of diseases, in widespread unemployment, in low literacy rates, in overcrowded cities. . . .

"Second, the population of the world. It is anticipated that this special session will meet for three weeks. In that time the number of human beings on this planet will increase by four million. . . .

"Third, food. Never in recent decades, have world reserves been so frighteningly low. The production of enough food to feed . . . people all over the world—let alone transport and distribute it—almost certainly represents the largest single pressure on our natural resources. . . .

"Four, energy. The world at large has suddenly realized the critical importance of energy in our daily lives. . . . What can we do to conserve this most precious resource? What can we do to eliminate waste?

"Fifth, military expenditure. During . . . this Assembly session some $14-billion will have been spent on armaments. . . . The imperative need for substantial disarmament becomes more urgent as each day passes.

"Sixth, the world monetary system. . . . The existing system is not working efficiently. It contains a most dangerous, cancer-like disease—inflation. . . . Unless inflation can be controlled it is impossible to secure the optimum use of our nature resources."

FEO AUDIT FINDS OIL DATA CORRECT

Mr. FANNIN. Mr. President, last week while the Senate was in recess, a report appeared in several of the newspapers, including the New York Times and the Washington Post, of findings by the then Director of the Federal Energy Office, Mr. William Simon. The story indicated that the FEO audit finds the oil data correct. Mr. Simon's office has conducted audits and, on the basis of them, it appears that the major oil companies have been telling the truth about their supplies.

Mr. Simon further indicates that the ongoing energy office audits of refineries have turned up no evidence that oil companies are lying about their inventories. He said that the Government has made giant strides in convincing the American people that the fuel shortage is real. Further congressional hearings and Government investigations eventually will remove much of the emotion from the debate which surrounds the fuel shortage and Americans will come to realize that the energy crisis is real.

There are, of course, many actions which need to be taken in order to reduce our dependency on foreign sources of crude oil and natural gas and to stimulate the exploration and production of oil and gas in the United States. Not only must we encourage the domestic exploration efforts both onshore and offshore but at the same time promote the conservation ethic in order to reduce demand below projected levels of consumption.

Among the effective means to produce both those goals is the elimination of price controls on crude oil or its derivative products. Free market prices for the raw material will certainly act as an incentive and this is needed particularly in the search for new gas. At the same time a price rise if any in petroleum products will tend to diminish slightly our current high rate of demand.

I believe that the article from the Washington Post of April 18, 1974 will be of interest and therefore ask unanimous consent that it be printed in full at this point.

There being no objection, the article was ordered to be printed in the Record, as follows:

FEO Audit Finds Oil Dat.. Correct

The major oil companies apparently are telling the truth about their supplies, based on audits by the Federal Energy Office, energy chief William E. Simon says.

Simon said that the ongoing energy office audits of refineries have turned up no evidence that oil companies are lying about their inventories.

In an interview, the energy chief said that the government has made giant strides in convincing the American people that the fuel shortage is real. "We're still going through the scapegoat phase in this country," he said.

But Simon added that congressional hearings and government investigation eventually will remove much of the emotion from the debate and Americans will realize the energy crisis is real.

Simon who is expected to be named Treasury Secretary today, said that first-quarter profits of the oil companies as well as second-quarter profits will be embarrassing to the oil firms.

He also said that with the end of the Arab oil embargo, conservation efforts by Americans are continuing. "I am optimistic that demand will not explode," he said.

Simon declined to discuss specific questions about economic policy, but he did say that wage-price controls have introduced distortions and inequities in the nation's economy. But he said he wouldn't rule out the possibility that one day they might be reimposed.

He said he subscribed to President Nixon's statement that the American people are taxed enough, but he said the tax system is in constant need of study to make sure, it is equitable.

"We must continue to look at our tax system and make sure it is being brought up to date," Simon said. "Nothing is perfect."

The price of gasoline will rise only a few cents a gallon on the average nationally, but there will be significant regional price increases in areas or by oil companies that depend heavily on imported oil, he said.

That is true even if it is assumed that imports will peak at about 7½ million barrels a day this summer, he said.

Asked if he regretted calling the Shah of Iran reckless and irresponsible for the Shah's statement that the United States received greater oil shipments during the embargo, Simon said he had only called the statement reckless and irresponsible.

There's a big difference, he said, adding that the nation's system of monitoring oil imports "is as foolproof as any system we have in this country."

Although it had been reported that the White House was upset because of Simon's reply to the Shah of Iran, Simon said he had no trouble with the White House for the statements.

Simon said he couldn't answer questions on the appointment of the Treasury Secretary. But when asked how the secretary fits into the scheme of running economic policy, he said, "The Secretary of the Treasury is the chief financial officer of the United States."

GENOCIDE CONVENTION: A MATTER OF CONSCIENCE

Mr. PROXMIRE. Mr. President, I sometimes wish that I did not find it necessary to stand up here every day and speak in support of the United Nations Genocide Convention. As you know, I have been doing this on every day of every session for the past 8 years, and I would not mind at all if I were able to cease it in good conscience.

But conscience is the very reason why I cannot—my own conscience, that of our Nation, and that of mankind as a whole. For the Genocide Convention is that rarity among international agreements, a document that deals not with economic or military arrangements but with a matter of basic morality—the right of all peoples to freedom and security. It is a statement that puts all the signatories to it on record in defense of that right, and pledging to do all that they can to protect it. It is a worthwhile document that more than merits our approval.

And so, Mr. President, I intend to continue speaking in favor of this treaty, as a matter of conscience, until it is once again brought before this body for debate. I believe that simple humanity demands that I do no less.

OCEAN POLICY STUDY

Mr. HOLLINGS. Mr. President, as chairman of the Senate's National Ocean Policy Study, I will be working with our colleagues on looking at many ocean-related issues. One of the foremost among them is the possible utilization of ocean sources of energy.

A special request recently has been made of the National Academy of Engineering and the National Academy of Science to examine this issue.

I ask unanimous consent, Mr. President, that a report on this request, drafted by Mr. Robert Kay of the National Oceanic and Atmospheric Administration, be printed in its entirety in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

A STUDY TO EVALUATE ENERGY FROM THE OCEAN

On February 25 and 26, 1974, at the University of Miami Rosenstiel School of Marine and Atmospheric Science, an Ocean Energy Systems Workshop was held with scientists, engineers, and administrators from academia, government, and the private sector in attendance. The resolution of the Workshop was that there were various alternative ways of extracting energy from the ocean that could have a significant impact upon the total energy supply of the United States, at costs that could be competitive with other energy sources. It was recommended that the National Academy of Engineering and the National Academy of Science assemble suitable committees drawn from academia, government and industry to

Conduct an overview study of ocean energy systems.

Establish priorities for the scientific and engineering tasks associated with those energy-from-the-ocean alternatives which were determined to be most promising.

Identify desirable executive or legislative initiatives and institutional frameworks.

The need for such a study arises from various factors. First, among these, is the question of the allocation of limited Federal financial resources: of the many schemes of extracting energy from the ocean, which one(s) is (are) the most promising and should receive the largest proportion of funds? Closely associated with this question, is the need for a rationale to determine appropriate annual funding levels. Another important requirement is the need for reliable and sound information on the feasibility, costs, and environmental effects of energy from the ocean. Such information is required as input to the Environmental Statement of other power plants entering the construction phase, such as the Liquid Metal Fast Breeder Reactor.

A comprehensive National Academies' study of energy from the ocean can also identify what new institutional arrangements may be necessary. For example, by analogy with atomic energy, does energy from the ocean need

A new lead focal agency, like the Atomic Energy Commission;

A central single minded leader, like Admiral Rickover;

Subsidies to private industry, like the uranium fuel subsidy or the Price Anderson Third Party Liability Act

A means for international cooperation, like the International Atomic Energy Administration, etc.

Such a study could also be an important and timely input to Senate Resolution S. 222, the Congressional Study (currently getting under way) to determine a National Policy for the Ocean.

DISCUSSION

A study to evaluate energy-from-the-ocean should consider various factors and criteria. Some of these are identified and discussed below.

Sources of energy-from-the ocean

Energy-from-the-Ocean, as used in this study, consists primarily of the energy from solar or gravitational radiation as it acts on or over the ocean. It specifically excludes all petroleum, natural gas, coal or materials for fission or fusion that may be obtainable from offshore locations.

Energy-from-the-Ocean can be classified into two groups, as follows:

1. Sources of Energy Unique to the Ocean
   Ocean Thermal Differences;
   Waves (wind derived);
   Currents;
   Tides;
   Salinity Gradient; and
   Electromagnetic Induction

II. Sources of Energy from Ocean locations, available also on land
   Wind;
   Photosynthesis (bioconversion);
   Photothermal effect;
   Photovoltaic effect; and
   Geothermal sources.

Utilizing the above dichotomy, it is expected that enhanced clarity can be obtained for those sources in Group II, relating to advantages, disadvantages, costs, and effects of ocean locations vs. land locations.

Evaluation of source

A primary consideration for evaluating any source of ocean energy is the magnitude of the resource (available to the United States and worldwide) to determine its significance to the Nation (and the World's) projected energy requirements. This is important, because what may appear surficially to be a very large source of power may be large only when compared to a limited geographical need, and not to the future National (or World) need.

Other considerations for evaluating the source relate to the spatial density of its power (e.g. watts/sq. meter) and its time variability. Both of these latter factors are important in their effect on the size and control characteristics of the conversion plant.

Near-term and long-term development

Sources of energy that can meet all or a major portion of the Nation's present or future (e.g. year 2000 and beyond) requirements, are possible contenders for major governmental developmental assistance. Thus, controlled thermonuclear fusion continues to receive governmental support, more for its promise than its reality.

At the other end of the spectrum of technological feasibility, are the vocal advocates who unwittingly espouse a course that can be summarized as "Because it can be built, it should be built." It is hoped that this study would clarify a rational path for governmental actions that can wisely assist in meeting near-term and/or long-term energy requirements of the Nation (and World).

Engineering and technology

The stages in the development of advanced technological applications can be identified as follows:

Technical Feasibility—This is the stage, consisting primarily of R&D, where basic technical aspects are confirmed through analytical investigation, laboratory scale experiments, and conceptual engineering.

Proof-testing—This is the phase in which engineering, manufacturing, and test capabilities are developed to assure adequate understanding of the performance characteristics of first-of-a-kind components.

Demonstration Plant—This is the phase that precedes commercial application. It refers to the design, fabrication and operation of a plant, in the 1–10 Mwe output range, in which the operational reliability, safety and economics can be evaluated for application by private utilities.

As a result of the Study, it would be expected that estimates of the costs, schedules and detailed engineering needs of desirable systems will be provided.

A long-range environmental factor

It is important, when evaluating energy production alternatives, that consideration be given to long-term fundamental investigations that provide options for the United States many decades into the future.

It is well known—but often overlooked—that all energy consumed is eventually degraded to heat and discharged into the environment. Thus all of today's energy consumption ends up as heat, which represents an additional load that the atmosphere must radiate to outer space.

To place the heat release from man's energy use in perspective, one needs to consider the total energy received by the earth's atmosphere from the sun. At present, the ratio of heat from energy consumed to solar energy absorbed is a very small factor amounting to only 0.6×10^{-4}.

However if one considers the world population at four times today's and a per capita energy consumption about twice today's U.S. consumption, one can calculate a ratio of heat release from energy consumption to solar energy absorption of about 0.4%. This is a ratio large enough to be of considerable concern to the global impact on climatic conditions of the earth.

At the current 5.5% annual growth rate of world energy consumption, the consumption level postulated in the last paragraph would be reached in 75 years. Recognizing that the period of rapid growth in energy use for western society dates from the Industrial Revolution, beginning approximately 150 years ago, it is not impossible, or even improbable, for developing societies to absorb and use already developed energy-intensive technology in 75 years.

Summarizing, as world-wide energy use increases, in as short a time as a century, the large scale consumption of the internal energy of chemical fission, or fusion energy degraded to heat and injected into the atmosphere could make possible world-wide effects which are unknown, but potentially disastrous.

To alleviate this condition, it is only necessary for energy used by man to be derived from solar energy, gravitational energy, or geothermal energy instead of from the release of the internal latent energy of fission, fusion, or oxidation. This environmental characteristic is common to all forms of energy-from-the-ocean.

Environmental impacts

Although energy from the ocean does not have associated with it any form of particulate pollution, it should be recognized that there is associated with each variety, environmental effects which may or may not be favorable. For example, utilizing the Gulf Stream as a power source may affect the turbulent vortices on its "edges," thereby affecting the movement of the larvae of Coastal fish or shellfish and thus the geographic location of specific inshore fisheries. Similarly utilizing wave energy at an offshore location may affect the movement of sand beaches in a mode that may cause either replenishment or erosion. Likewise, thermal ocean difference conversion may set up an upwelling, with possible algal growth, that may be beneficial for marine life, but undesirable for water sports or aesthetics.

This study should identify possible environmental impacts with suitable recommendations for their negation or evaluation.

Cost benefits and research

At present, criteria for government action are based on early consequences and results. The activity most closely resembling a long-term approach is a cost-benefit analysis based on interest rates that are pegged to today's cost of investment capital, modified to account for uncertainty and risk. Within this context, energy-from-the-ocean must compete with energy from fossil and nuclear fuels.

However, there is a vast difference in the response times between marketplace economics, technology, development, basic research, and the biological and physical processes of our ecosphere. What is therefore also needed are suggested governmental actions, adjustments to domestic policy, and action programs, including basic and applied research, that would more adequately deal with future uncertainty and global risk.

New institutional requirements or thrusts

To stimulate more effective responses to changing domestic and world needs for energy, various questions arise:

Are any new national or international mechanisms or thrusts required?

What is necessary for greater industry participation?

Do ocean energy sources need a sharper governmental focus to prevent their being overlooked?

What are proper roles of industry, academic and government in energy from the sea?

It is hoped that the Study will offer appropriate perspective and response to these questions.

A NIGHT PROSECUTOR'S PROGRAM

Mr. TAFT. Mr. President, on February 18 of this year the night prosecutor's program in Columbus, Ohio, was designated as an exemplary project by the National Institute of the Law Enforcement Assistance Administration—LEAA. This program staffed by law students from the Capital University Law School has been extremely successful in reducing the criminal docket of the city of Columbus courts and has provided great personal assistance to many citizens in the community.

The basic procedure through the night prosecutor program includes a pretrial diversion program whereby law school students are involved in an informal administrative proceeding to determine whether a criminal warrant should be issued in particular cases. The jurisdiction of the program primarily has been interpersonal disputes, although the program recently has been extended to cover bad check cases. Prior to implementation of this program in November of 1971 most disputes in Columbus resulted in an affidavit being filed, and a warrant issued. The procedure now applied through the night prosecutor program involves an informal pretrial hearing procedure in which the complainant, witnesses, and the accused, are provided the opportunity to present their side of a particular dispute. The hearing officer acts more in the role of a mediator and conciliator and attempts to bring in the expertise of social agencies where possible. At no time is a criminal record made and the formal rules of evidence are not applied. Experience has shown that quite often the charging party was initially acting on emotional instinct and the case is dropped without even the administrative hearing.

In a number of other cases an informal forum for considering the case resulted in a settlement or expeditious solution to the dispute without a criminal hearing. This approach has obvious advantages for parties involved and does not burden the judicial system. The cost savings to a city can be sizable. The experience of the night prosecutor program in Columbus shows a total of 3,992 cases diverted out of the criminal justice system in the fiscal year ending September 1, 1973. Estimating that the cost of processing one criminal case in Columbus to be $200, a savings of $798,400 was realized for an initial outlay of $60,000 Federal funds and $20,000 city funds.

This program, indeed, deserves the praise of the LEAA. Hopefully Prof. John Palmer, director of the program, and students of the Capital University Law School, will continue to provide this valuable community service and other cities throughout the country can benefit from their excellent work.

DEATH OF JOHN F. GRINER

Mr. McGEE. Mr. President, the news out of Cairo, Ga., yesterday was sad. John F. Griner, former president of the American Federation of Government Employees and a member of the executive council of the AFL–CIO, died at his home there after a long illness.

Mr. Griner was 66 when he passed from this world, which he enjoyed so thoroughly. He was at home, in Cairo, with his wife Claranell, who survives him along with two sons and two grandchildren.

To those of us who knew John as the result of his leadership of the AFGE, the man was something of a diamond in the rough. He could be stubborn and hard-bitten in the interests of the Federal work force. But he was filled with kindness for people in all walks of life. For a decade this strong but sensitive man led the American Federation of Government Employees, increasing its membership from barely 100,000 when he was first elected president in 1962 to more than 325,000 when he left that post in 1972 and went back home to Georgia. He did not exactly retire, however. John remained an active member of the AFL–CIO executive council to the end.

John's career as a Federal employee began in Chicago in 1936 when be began work as an adjudicator for the Railroad Retirement Board, with which he served until his election as president of AFGE. At that time, in 1962, he was the agency's labor relations officer and had 16 years of experience as the Midwest vice president of the union which he has built into a very significant power.

Mr. Griner's accomplishments already have embellished the history of the Federal civil service.

Public Law 92–392, the Wage Board Act, was one of John Griner's fondest goals, and one he achieved before stepping down as president of AFGE. But it was not the only example of legislation bettering the conditions of Federal employees which became law during his tenure at AFGE. Indeed, the decade from 1962 to 1972 marked a great upswing in the status of Federal workers, and the evidence is great that this was no coincidence. The principle of pay comparability was established in this era, and other benefits such as improved health benefits were enacted.

All in all, an impressive record was established, due in large part to aggressive leadership on the part of John Griner who represented well the interests of the civil servant.

Mr. President, we who serve on the Post Office and Civil Service Committee have in particular lost a friend. John was, as I have said, a sometimes stubborn, and always tenacious, advocate of the employee's interest, but he was reasonable and honorable and has left behind many fond memories. Mrs. Griner and her family have lost more, of course. They have lost a warmhearted husband and father.

TRADE REFORM ACT OF 1973

Mr. PACKWOOD. Mr. President, the Committee on Finance has concluded its hearings on the Trade Reform Act. A significant volume of testimony was received during the course of those 3 weeks. A principal point of concern that was explored by the committee was with respect to the need for international agreements on access to supplies.

Of particular value to the committee was the testimony and response to questions of Prof. Richard Gardner of Columbia University. Dick Gardner has pointedly reviewed the history associated with international concern over the access to supplies of raw materials. His statement is a valuable resource for anyone seeking to better understand the background of this issue and the implications that flow from actions to restrict access to supplies.

I ask unanimous consent that Dick Gardner's statement before the Senate Finance Committee be printed in the Record in its entirety at the conclusion of my remarks. Also, I strongly urge my colleagues to examine Dick Gardner's statement. To understand this statement will do much to enable each of us to rationally respond to the problems we face as a nation and to develop appropriate policies to solve these problems.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement of Richard N. Gardner[1]

I am grateful for this opportunity to testify before the Senate Finance Committee on the Trade Reform Act of 1973. In accordance with your request, I shall focus on the so-called "Mondale amendments" and then go on to offer some specific suggestions for strengthening the legislation in other respects.

Let me state at the outset that I consider the Trade Reform Act of 1973 to be, on the whole, a good piece of legislation. I believe its enactment this year to be highly important to the national interest of the United States, for two main reasons:

First, the rules and institutions governing world trade are in dangerous disarray. They must be revised and strengthened—soon—if we wish to preserve and enlarge the benefits of a cooperative world trading order and avoid a further drift toward economic conflict. Without the negotiating authority provided in this bill, the United States will be powerless to work for a new trading order in its own and the general world interest.

As this Committee is well aware, major changes are required in our trade relations with every part of the world—with the developed non-Communist countries, with the Communist nations, and with the developing areas. If we do not pass a trade bill this year, it will be difficult to pass one before 1977. Thus we may lose our last clear chance to reform the world trading system in this decade and avoid an irreversible deterioration in our relations with these key groups of nations.

Second, the energy crisis has added an even greater urgency to world trade negotiations. Faced with large trade deficits from sharply higher oil costs, virtually all the world's major nations will be under severe pressure to resort to trade restrictions or trade-distorting measures to protect their trade positions and push the burden of adjustment onto others. This would be a serious problem even in a world with strong institutions for trade cooperation and clear and equitable ground rules covering resort to tariff and non-tariff barriers. It could prove an unmanageable problem in the world in which we now find ourselves—a world with a debilitated GATT and with outmoded, ambiguous, and, on some subjects, non-existing trading rules. Without this bill, one would have to view with profound pessimism the prospects of finding cooperative solutions for the trade problems caused by the energy crisis.

THE MONDALE AMENDMENTS

Last fall, in a statement before the National Foreign Trade Convention, I urged that the Trade Reform Act of 1973 should be revised to focus on access to supplies as well as access to markets. Senator Mondale has introduced a number of amendments to the bill to accomplish this purpose. They deserve the most careful and sympathetic consideration. Our national interest, and the interest of the world community generally, would be served by the adoption of amendments along the lines which Senator Mondale has proposed.

The case for such amendments was developed fully in Senator Mondale's statement to the Senate on December 3. But perhaps I may add a few thoughts on the history, the law, and the politics of this difficult and complex subject.

In August 1941, Franklin Roosevelt and Winston Churchill met on a destroyer off Newfoundland to draft the Atlantic Charter, a statement of postwar aims which could unite freedom-loving people everywhere in the fight against fascism. The fourth paragraph of the Charter proclaimed the principle of "access, on equal terms, to the trade and to the raw materials of the world."

The motivation behind the fourth paragraph of the Atlantic Charter was simple. The leaders of the wartime alliance believed that peace could not be achieved unless it had a sound economic basis. The experience of the first four decades of this century suggested that if countries were denied access to raw materials and markets, they might be tempted to secure them by resort to force—or a least would seek to justify aggression on the grounds that they were denied the opportunity to meet their economic requirements through peaceful means.

Cordell Hull, the father of the trade agreements program, was a believer in the theory that "if goods can't cross borders, armies will." This perception of the close relation between economic policies and peace had a profound influence not only on the Atlantic Charter but on other wartime statements and on postwar planning.

Yet despite this background, international economic negotiations from the end of the Second World War to the present time have focused almost entirely on access to markets and have virtually ignored the problem of access to supplies. The reason for this one-sided emphasis is obvious—for most of the postwar period the central problem seemed to be how to avoid depression and unemployment by selling goods to other countries. Now, however, we are moving into an era of resource scarcity and accelerating inflation—an era which requires a new approach to international economic policy, or perhaps we should say a return to the old and forgotten perceptions which lay behind the fourth paragraph of the Atlantic Charter.

Raw material access has acquired a new importance for the United States. By 1985 our country, even if it achieves energy self-sufficiency will be primarily dependent on imports for nine of the thirteen basic minerals required by a modern industrial economy. As Lester Brown has pointed out, within the relatively brief fifteen year span of 1970–1985, "we will have made the transition from being an essentially self-sufficient country to—at least in terms of raw materials—a have-not country. We do not yet appreciate the economic, social, and political consequences of this historically abrupt transition."

The Arab oil embargo was undertaken with the explicit purpose of forcing the United States and its allies in Europe and Japan to change their policies on the Middle East. It has been lifted, but subject to further review in the light of progress toward a Middle East settlement. Moreover, output is being held well below capacity for economic as well as political reasons.

Other raw material suppliers, encouraged by the success of the oil embargo, now threaten to follow suit. Representatives from 16 East and Central African countries meeting in Dar-Es-Salaam, Tanzania on November 24, 1973, called for diplomatic, economic and other sanctions against the United States, Britain, France, West Germany, Japan and Brazil unless they ceased "support" for white minority regimes in Southern Africa. The Chairman of the conference, Foreign Minister John W. S. Malecela of Tanzania, said the sanctions could include a ban on both exports to and imports from the United States and the other named countries. Although most of the sixteen countries do not posses materials of vital importance to us, some of them, such as Zaire, the former Belgain Congo, clearly do.

What is perhaps more to the point, many developing countries are now tempted to form producer cartels for the purpose of raising prices and achieving international transfers of wealth that seem otherwise impossible. One well informed observer, Ugandan social scientist Ali Mazrui, sums up their attitude as follows:

"From the point of view of millions of Asians and Africans, the Arab oil sanctions against select Western countries will probably rank in history alongside Japan's victory over Russia in 1905—as milestones in the story of how Asians and Africans discovered their own potential power against Caucasian might . . . As a lever against the rich, certain Third World resources will become the equivalent of organized labor in the history of the industrialized countries—as a basis for collective bargaining."

Statements to the same effect were made recently by Algerian representatives at a meeting of developing countries in preparation for the forthcoming U.N. General Assembly on raw materials and economic development.

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[1] Richard N. Gardner, Professor of Law and International Organization at Columbia University, served as Deputy Assistant Secretary of State for International Organization Affairs in the Kennedy Administration and was a member of President Nixon's Commission on International Trade and Investment Policy in 1970–71.

Economists disagree as to the probable success of price-raising producer cartels for materials other than petroleum. My own view is that growing resource pressures do promise some additional bargaining power to many developing countries, but that outside of oil the possibilities for successful producer cartels to raise prices are very doubtful—either the producers lack the identity of interest and the necessary foreign exchange reserves for a collective cutback in supply, or the consumers have too many other options in the form of large stockpiles, home-based production, and the availability of substitutes.

Producer cartels may achieve some results for their organizers in the short run, but in the middle and long run they are likely to backfire. The danger is that a policy of confrontation could push developed countries into policies of self-sufficiency, denying developing countries the technical assistance, the capital and the market access without which they cannot meet their development goals. In the economic and political backlash, even the resource-rich developing countries would lose; and the have-not countries would lose most of all. The role of international law and organization, in my view, should be to reinforce cooperative behavior that will serve the long-run interest of all. Specifically, this would mean restricting the right of producer nations to form price-raising cartels except as part of mutually-agreed commodity arrangements in cooperation with consuming countries, as was proposed in the Charter for an International Trade Organization 25 years ago.

Lest we adopt an unduly self-righteous attitude on these matters, we should recognize frankly that the United States itself has been one of the worst offenders in using export controls in ways which have adversely affected other countries. For years we have applied an embargo on trade with Cuba. Last summer, we unilaterally cut off exports of soybeans and other agricultural products to our trading partners in Europe at the very time that we were pressing them to modify policies of agricultural self-sufficiency and become dependent on our production.

It is obvious from these examples that the whole concept of an open and cooperative trading system is under serious attack. International trade is becoming heavily "politicized." This trend is destroying the traditions of reasonably free and non-discriminatory access to markets and supplies that are essential in an increasingly interdependent world.

Since the U.N. Charter, countries are no longer permitted to use force to back up their economic claims. Quite apart from legal prohibition, such actions now entail costs and risks that make them politically undesirable. But if the Atlantic Charter concept of equal access to raw materials cannot be guaranteed by the use of force, we need to consider guaranteeing it in some other way.

There is no easy solution to this problem, but it is certainly in our own and the general interest to try to develop some new international rules and procedures to assure reasonable access to raw materials. The present state of international law in this area is not satisfactory. The General Agreement on Tariffs and Trade does contain a general prohibition on the use of export and import controls (Article XI) as well as a requirement that both export and import controls should not discriminate between countries (Article I). Article XX of GATT permits measures deviating from these and other GATT rules "relating to the conservation of exhaustible natural resources if such measures are made effective in conjunction with restrictions on domestic production or consumption." The same article also permits measures "essential to the acquisition or distribution of products in general or local short supply; *Provided* that any such measures shall be consistent with the principle that all contracting parties are entitled to an equitable share of the international supply of such products . . ." These authorizations of export restrictions are subject to the requirement that such measures "are not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination between countries where the same conditions prevail, or disguised restrictions on international trade . . ."

In this tangle of rules, exceptions to the rules, and exceptions to the exceptions to the rules, it is extremely difficult to discern any coherent guidelines for national policy. And, what is more to the point, all of these principles are effectively vitiated by a subsequent GATT article (XXI) which declares that nothing in the GATT shall be construed "to prevent any contracting party from taking any action which it considers necessary for the protection of its essential security interests . . . taken in time of war or other emergency in international relations . . ."

It seems to me that a major U.S. objective in the forthcoming trade negotiations should be to incorporate some new and stronger rules in the GATT limiting the resort to export controls. At a minimum, the new rules should prohibit the use of export or other controls for political purposes. A country should not be permitted to cut off or threaten to cut off exports in order to change another country's policies (although exceptions would be granted to permit countries to restrict the export of weapons and national security information and also to restrict trade in the course of actual hostilities). The new rules should also seek to define more precisely the economic, conservation and other purposes for which exports can be limited and should place greater emphasis on the need to take account of the interests of others. Most important of all, since the rules on this complex subject will inevitably require interpretation in specific circumstances, new GATT procedures should be created requiring advance notice, consultation, authoritative interpretation of the rules and settlement of disputes by impartial conciliation and arbitration commissions under GATT auspices.

Where countries are found to have violated the new principles and fail to adjust their policies in accordance with multilateral decisions, they should face the possibility of multilateral reprisals. If this cannot be done through the GATT, it may have to be undertaken through the OECD or some other multilateral forum. In extreme situations, multilateral sanctions may even have to be applied to countries that are not GATT members, on the theory that their violation of broadly agreed community standards are gravely threatening community interests. If we can propose cutting off air service to countries that give refuge to hijackers, if we can contemplate denying port facilities to nations that pollute the oceans with their tankers, we should certainly explore the possibility of multilateral trade, aid and investment embargoes on nations that threaten the world economy by arbitrarily withholding vital raw materials.

None of the Arab oil producing countries is a party to GATT except for Kuwait and many of the sixteen African countries who made the declaration referred to earlier are also outside the GATT. However, a number of these Arab and African countries who are not GATT members (including Saudi Arabia) have committed themselves in bilateral treaties with us to refrain from the very measures of trade discrimination which they recently aimed in our direction. Moreover, all of these countries voted for U.N. Resolution 2625 of the 25th General Assembly, entitled "Declaration of Principles of International Law Concerning Friendly Relations and Cooperation Among States in Accordance with the Charter of the United Nations." In promulgating this resolution, the General Assembly declared that "the principles of the Charter which are embodied in this Declaration constitute basic principles of international law, and consequently appeals to all States to be guided by these principles in their international conduct and to develop their mutual relations on the basis of their strict observance."

One of the key principles of the Declaration is the following: "No State may use or encourage the use of economic, political or any other type of measures to coerce another State in order to obtain from it the subordination of the exercise of its sovereign rights and to secure from it advantages of any kind."

It was the Afro-Asian group in the United Nations, including the Arab countries, that pressed hardest for the principle quoted above for the proposition that this principle was already part of international law. Of course, their motive was to prevent the United States and other industrialized countries from using economic power as an instrument of political pressure. It is interesting that not a single voice has been raised in the United Nations to cite this authoritative declaration of the General Assembly since the Arab oil embargo began.

In his speech to the General Assembly in September, Secretary of State Henry Kissinger announced the willingness of the United States to negotiate a new instrument on the "Economic Rights and Duties of States" as proposed by the Government of Mexico. The Department of State has hitherto been reluctant to raise the issue of access to resources in these negotiations because of our own use of export controls. We certainly cannot have it both ways. I believe we should offer to reform our practices in this area in return for reciprocal changes in the practices of others.

In implementing a new international economic policy of access to supplies we should seek to act multilaterally, not bilaterally, for at least three reasons. The first is that in most cases a threat of reprisals against raw material cut-offs will have little practical significance unless we have our OECD partners with us. The second is that unilateral U.S. action will look to others as a destructive act of nationalism unless it is related to multilateral rules and multilateral procedures. The third is that such an effort of "collective economic security" could degenerate into a North-South economic war unless it is based on principles that are acceptable to a substantial number of developed and developing countries.

I would hope that the Mondale amendments in their final form would specify that the President should exercise his authority to retaliate in conformity with GATT or multilateral agreements, once these have been renegotiated to deal adequately with supply access. Pending such renegotiation, the United States would reserve the right to retaliate without multilateral approval. It should be understood, however, that the President would use this authority only as a last resort, and in conjunction with other consuming countries wherever possible.

Obviously codes of conduct by themselves are not enough. On both sides of the great economic divide, there will need to be more enlightened perceptions of national interest. In recent years, the developed countries have manifestly failed to discharge the aid and trade obligations that were necessary to make a success of the Development Decade. Partly in response to this failure, partly out of a misguided nationalism, many developing countries enlisted under the banner of "sovereignty over natural resources"—failing to see that developed countries also have "sovereignty" over their capital resources, their technology and their internal markets, and that some mutually agreed limitations of sovereignty are essential to give full possibilities to the sovereignty of all. Ironically, the greatest victims of the "sovereignty" that the OPEC countries exercised in quadrupling oil prices in 1973 were the developing countries themselves.

To sum up, I doubt that new rules and procedures assuring reasonable access to supplies can be negotiated except in a much broader context involving a fundamental restructuring of international economic relations between developed and developing countries. The developed countries are rightly concerned about secure access to raw materials at reasonable prices. But the developing countries are rightly concerned about other kinds of access—access to markets, to capital, to technology, to management skills, and to an adequate voice in decision-making in international economic forums. The challenge facing U.S. foreign economic policy in the next few years is to help fashion the "world order bargain" that will make access to resources a negotiable element in a new system of collective economic security that works in the interests of developed and developing countries.

OTHER FEATURES OF THE BILL

The trade bill could be strengthened by a number of other changes, the most important of which are suggested below:

1. Tariff authority

Section 101 gives the President authority to eliminate tariffs of 5% or less, to cut by 60% tariffs of from 5% to 25%, and to cut by 75% tariffs which are over 25%—provided that no rate over 25% is reduced below the level of 10%. I believe the national interest would be better served by replacing this formula with the zero-tariff authority contained in the original Administration bill. This would enable us to work more effectively for the objectives of the legislation set out in Section 2, particularly the goal of "open and non-discriminatory world trade." Zero-tariff authority is particularly important if we are to reduce the margin of discrimination against American trade by bargaining down the common external tariff of the enlarged European Community and the tariffs of other countries in association with it. As the President's Commission on International Trade and Investment Policy stated in its Report (p. 14):

"Our objective should be the progressive elimination of most tariffs over the next 10 years, and of all tariffs over the next 25 years. Progress toward this objective would gradually eliminate the discriminatory effects on the United States and other nonmember countries of the European Community and its preferential trading arrangements."

Even if the goal of tariff elimination proves impossible, it is still in our interest to reduce world tariff levels as far as possible. We have a comparative advantage in many products, such as agricultural produce and high technology manufactures, that are currently subject to a high rate of protection by other nations. If we are restricted in the concessions that we can make in other areas, we may not be able to achieve the necessary competitive opportunities for our export industries or reach the general level of reciprocity in overall reductions that is so essential to a successful trade negotiation. Trade negotiations are a two-way street; and if one partner will go only a certain distance, the other partner cannot be expected to go any further. We should not jeopardize the trade negotiations by limiting unduly the negotiating authority of our representatives.

If the Senate is not prepared to grant zero tariff authority in the form originally proposed by the Administration, a useful compromise would be the formula adopted in the Trade Expansion Act of 1962 authorizing the elimination of duties on products for which the Community and the United States account for 80% or more of world trade. That formula was of little use in the Kennedy Round when the U.K. failed to join the Community, but it could be extremely valuable now.

2. Non-tariff barrier authority

The otherwise excellent formula for negotiating on non-tariff barriers is flawed by the provisions for "sectoral equivalence" inserted by the House Ways and Means Committee. Section 102 states that a principal negotiating objective in the field of non-tariff barriers is to obtain, with respect to "each product sector of manufacturing" and with respect to the agricultural sector, "competitive opportunities" for U.S. exports to developed countries that are equivalent" to the competitive opportunities" afforded to these products in the U.S. In pursuit of this objective, the President is required to negotiate trade agreements "to the extent feasible" on a sector by sector basis and to indicate with respect to each trade agreement submitted to Congress the extent to which equivalent access in each sector has been achieved. Although these provisions do not appear in the section of the bill covering the President's tariff-cutting powers, the report of the Ways and Means Committee states (on page 19) that the objective of sectoral equivalence is also to be applied "to the extent feasible" in the tariff area as well.

I believe it would serve the national interest if these provisions for "sectoral equivalence" could be removed from the legislation or at least substantially modified. In the forty years since the trade agreements program was inaugurated, we have conducted our trade negotiations on the basis of overall reciprocity, permitting concessions in one product sector to be reciprocated by concessions in another, subject only to the requirement that there be a balance of advantage in the total package. Trade-offs between product sectors have been and will continue to be necessary for the achievement of substantial progress in the reduction of trade barriers—particularly non-tariff barriers—because in individual product sectors we and our trading partners differ in trading interests, productive efficiency, and the type of trade barriers we employ. It might conceivably be appropriate to require that the President seek reciprocity within the manufacturing sector as a whole in order to prevent excessive concessions here on behalf of our agricultural and service exports—although even this kind of requirement would need careful examination.

But requiring that equivalence must henceforth be achieved in thirty or forty product sectors—which is apparently the way the legislation is interpreted by the Ways and Means Committee and the Executive Branch—risks placing insuperable handicaps on our negotiators before the negotiations even begin. It would make it extremely difficult—perhaps impossible—to negotiate new rules in GATT on such non-tariff barriers as subsidies and government procurement, since the competitive effects of such new rules will inevitably differ from one product sector to another. In one product, we may gain somewhat greater than equivalent competitive opportunities from the new rules; for another product, somewhat less, depending on our comparative advantage or disadvantage in production.

It is significant that the idea of sectoral equivalence was carefully considered and firmly rejected by the President's Trade Commission in 1971. I believe the reasons given by the Commission's Report (p. 12) are as timely now as they were then:

"Reciprocity should be conceived in terms of the whole set of negotiations rather than as an objective to be achieved within self-contained compartments. . . . In some cases, of course, it may be possible to arrive at mutually advantageous solutions within specific industrial sectors, and efforts should be made to find such solutions. On the other hand, in many cases a country will have to give more than it gets in one sector or functional area, and recoup by securing an equivalent advantage in another."

If the Senate is not prepared to drop the sectoral equivalence provisions or to modify them substantially, I would recommend, as an absolute minimum, that Section 102(c) be amended to make it clear that its provisions are to be implemented only to the extent consistent with the overall objectives of the legislation laid down in Section 2.

3. GATT revision

Section 121(a) directs the President to take such action as may be necessary to bring trade agreements to which the U.S. is a party—primarily the GATT—into conformity with certain "principles." GATT urgently needs revision, and this Section would raise no problem if the "principles" subsequently enumerated were limited to broad statements of the kinds of rules sought to be achieved. Unfortunately, however, some of the numbered paragraphs appear to prejudge the question of what specific institutional means should be employed to improve the trade rules.

For example, Article 121(a)(1) requires "the revision of decision-making machinery in the GATT to more nearly reflect the balance of economic interest" and Section 121 (a)(3) requires "the extension of GATT articles to conditions of trade not presently covered in order to move toward more fair trade practices." Given the fact that GATT now has more than 80 members and follows the rule of one-nation one-vote, amendments of the GATT articles to achieve U.S. objectives in these areas are not likely to prove feasible. A more practical approach would be to negotiate a new Code of Trade Liberalization, supplementary to GATT and supportive of it, open to participation by those relatively few key trading nations economically capable of assuming the new responsibilities, as has been proposed by the Special Advisory Panel to the Trade Committee of the Atlantic Council under the chairmanship of Ambassador John Leddy. The GATT members accepting the Code (which would deal, among other things, with non-tariff barriers not now adequately covered in GATT) could then apply between themselves in its administration such new and more realistic decision-making arrangements as they would agree upon.

I would, therefore, recommend revising Section 121(a) along the following lines: "The President shall, as soon as practicable, take such action as may be necessary to strengthen the GATT and other trade agreements heretofore entered into to make them more effective instruments for the development of an open, nondiscriminatory and fair world economic system, including (but not limited to) . . ." The six numbered paragraphs that follow would then be reworded to eliminate specific references to the GATT articles individually or as a whole, leaving the President sufficient negotiating flexibility to accomplish the objectives laid down in the opening paragraph of Section 121(a) by whatever means proved most practicable.

4. Import relief under the "Escape Clause"

Title II of the bill is too permissive in allowing U.S. industries to resort to tariff and other forms of protection in the face of import competition. True, this part of the bill does emphasize adjustment to import competition, provides more ample assistance for this purpose than ever before to workers and firms, and favors relief through tariffs and tariff quotas over quantitative limitations and orderly marketing agreements. But other innovations in the bill could substantially increase the number of successful applications for escape clause relief which will go from the Tariff Commission to the President.

For example, the existing requirement that imports be the "major" or principal cause of injury to a domestic industry is changed to a requirement that they be only a "substantial" cause—a cause defined as "important and not less than any other cause." Alongside the existing law's tight definition of "serious injury"—the significant idling of productive facilities, the inability to operate at a reasonable profit, significant unemployment, etc.—we have a new standard relating to a "threat" of serious injury on the basis of which relief can be granted. The "threat" can take the form of a decline in sales, a growing inventory, and a downward trend in production, profits and employment—obviously a much easier test to meet.

Those who believe in freer world trade might be reconciled to these new provisions if relief in the form of higher tariffs or other restrictions were clearly limited to a short time period. Unfortunately, the legislation provides for a five year period of protection renewable by an additional two years—with the opportunity to apply for yet another period of relief after a two year interval. If the concept of the legislation is to grant temporary protection to permit industries to become more competitive or to change into another line of production, one seven year period ought to be enough.

No less disturbing is the legislation's ambiguity on the key question of whether the more permissive standards for import relief are to constitute the exclusive mode of protecting domestic industries—or whether such industries will continue to have access to non-legislated methods such as the special international arrangements on textiles and steel. If we are going to set a new and easier standard by which industries are to get temporary relief from imports for the purpose of making competitive adjustment, I believe these standards should apply to everyone. At the very least the bill should provide that no new restrictions, "voluntary" or otherwise, should be imposed to take care of industries that are unable to satisfy the new standard, and existing special arrangements that are not embodied in multilateral agreements under the GATT should be rapidly phased out. This would mean phasing out the steel agreement but not the multilateral textile agreement.

The American people are justifiably fed up with a double standard of law and justice—one standard for the rich and powerful and another for the rest of us. One place to start rectifying the double standard is in this new trade bill.

Some loosening of the current escape clause provisions is obviously necessary as the price for passing a trade bill, but I fear the loosening in the House version has gone too far. The new provisions would mean many more recommendations for trade restrictions by the Tariff Commission—and much more political pressure on the President under the escape clause than he has faced in recent years. I hope the Senate will tighten up the escape clause both with respect to the criteria of causality and injury and with respect to the other matters mentioned above. And it is absolutely essential to retain the discretion the President has under existing law and in the proposed legislation to deny the application of an industry for new trade restrictions in the light of broader national and international considerations.

5. Countervailing duties

There is no valid national interest in countervailing against foreign subsidies which neither cause injury to an American industry nor prevent one from being established. Other countries recognize this fact and require that injury be shown before countervailing duties are imposed. The prevailing practice in this regard is embodied in Article VI of GATT, which requires "material injury" as a prerequisite to the imposition of countervailing duties. Yet the United States continues to apply a countervailing duty law that has no injury requirement, taking advantage of the "grandfather clause" of GATT permitting contracting parties to maintain pre-1947 legislation inconsistent with the GATT rules.

I would favor amendments to Section 331 of the bill bringing us into line with GATT standards by requiring proof of "material injury" before countervailing duties are applied. On the other hand, I can understand the argument that in order to maximize our negotiating leverage, we should postpone such a change in our legislation pending the negotiation of new rules on subsidies that are consistent with our national interests. But if we are to follow that negotiating strategy, we should certainly provide the Secretary of the Treasury with the temporary discretionary authority included on page 123 of the bill not to impose countervailing duties which would jeopardize the satisfactory completion of the trade negotiations. The provision beginning on the bottom of that page requiring the mandatory application of countervailing duties with respect to articles produced by a government-owned subsidized facility in a developed country could complicate our negotiating problems and should be removed.

6. Preferences for developing countries

Title V of the legislation constitutes an important step forward by recognizing the important national interest of the United States in assisting the developing countries to increase their export earnings and thus accelerate their economic development. However, tariff preferences are not available with respect to articles that are subject to "escape clause" actions under old or new legislation, nor will they have much value with respect to articles subject to "voluntary" or other forms of quantitative restrictions. This underlines the importance of tightening up our policies for "import relief" along the lines outlined earlier. We should not be in the position of taking back from the developing countries with one hand what we are giving with the other. In the long run, we should be moving with our developed trading partners toward a system of one-way free trade on behalf of the developing countries.

I would also recommend deleting paragraph (c)(1) of Section 504, which makes preferential treatment unavailable for the product of a beneficiary developing country when that country supplies more than $25 million of that product during a calendar year. It is inconsistent with the purposes of tariff preferences to limit the trade benefits so severely.

On the other hand, I support the provision in Section 504(c)(2) withholding preferential treatment from the product of a developing country when that country secures more than 50 percent of U.S. imports of that product in a calendar year. The 50% limitation serves a useful purpose in preventing a few relatively advanced developing countries from gaining most of the benefits of tariff preferences at the expense of all the others.

THE BEST OF BOTH

Mr. McINTYRE. Mr. President, in the last decade we have become increasingly aware of the delicate balance which exists between man and environment and how we must, in order to maintain this balance, respect the laws of the environment. Sadly, man's desires often run contrary to these laws, and so he is confronted with the dilemma of attempting to maintain his environment while at the same time trying to satisfy perfect legitimate desires.

In New Hampshire, a State of great natural beauty and equally great tourist and industrial potential, we are often beset with such problems. In at least one such instance, however, New Hampshire citizens have overcome such a dilemma. Combining forces, conservationists and developers worked together to build an esthetically pleasing and commercially sound ski resort on Rosebrook Mountain. In doing so, the White Mountain Development Co. and the Soil Conservation Service struck the most desirable and elusive balance between man and his environment; they satisfied the needs of man but not at the expense of the environment. Though the region was altered, it was not harmed.

As a record of their achievements, I ask unanimous consent that the article "No Scars on the Lansdcape," by Calvin Perkins, which first appeared in the January issue of Soil Conservation be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NO SCARS ON THE LANDSCAPE

(By Calvin J. Perkins)

Two winters ago I was driving east on U.S. Route 302 near Carroll, New Hampshire, and saw trees on the steep slopes of Rosebrook Mountain being cut and large piles of brush being burned. Work had started on the area's new ski development.

My thoughts quickly turned to beautiful snow-covered Mount Washington to my left and the ice-laden Ammonoosuc River that flows peacefully along the base of Rosebrook Mountain to my right. Was this to be a haphazard development that would interrupt the picturesque views of the White Mountains and contaminate the clean water of this mountain stream?

No. It wasn't. Early into those winter months a representative of the Mount Washington Development Company contacted leaders of the North County Resource Conservation and Development Project. He was looking for technical assistance in planning and applying conservation practices in the ski development area to reduce erosion and sediment and protect the natural environment.

That contact resulted in a meeting of SCS people with planners, engineers, contractors, and others associated with the new ski complex. And it was the beginning of a successful effort to incorporate conservation concepts into the ski development.

The Soil Conservation Service, through the Coos County and Grafton County Conservation Districts, provided soil survey data on 2,500 acres. Soil data are basic to planning, and these data were used in planning the ski development, including 100 acres of cleared ski trails and sites for lift lines, underground snowmaking equipment, maintenance buildings, a lodge, condominiums, access roads, parking lots, and other related facilities.

The soil information included interpretative maps depicting various land use limitations.

Construction was halted late in winter because of the heavy snow accumulation. Fortunately, snowmelt the next spring did not cause excessive erosion. As soon as the land was dry enough for construction activity, the work was renewed.

SCS suggested improved methods of erosion control during construction. These were quickly adopted. They included two large sediment basins at the base of the mountain to settle out loose sediment and prevent it from entering the Ammonoosuc River. All of the small streams and surface water channels within the construction area were directed into two major drainageways that flowed into and through these sediment basins.

Culverts up to 6 feet in diameter were used to conduct water safely under access roads and across critical points on the ski slopes. Each culvert had stone headwalls at each end to prevent erosion and to provide a rustic appearance in keeping with the setting.

Temporary diversions were roughed in across the ski slopes after stumps and boulders were removed and were kept free of debris at all times. These were spaced about 50 feet apart on slopes greater than 35 percent and not more than 200 feet apart on slopes of less than 35 percent.

These diversions broke long slopes into short ones, reduced the potential for erosion, and took the excess water off the area in an orderly manner.

During the final grading, which began at the top of the slopes, workers seeded, fertilized, and mulched as they moved downslope, never leaving more than 500 feet without proper cover or exposed to erosion.

Permanent diversions were installed where necessary on a grade of 1 percent or less. Each of these diversions was constructed to outlet into wooded space between trails and lift lines where a natural surface water channel carried the water safely downhill without erosion and into the sediment basins.

As access roads were constructed, surface-water ditches were also constructed; all cut and fill slopes were seeded and mulched immediately after construction.

With all of this construction activity, one could almost visualize a scarred landscape. But there is none. Engineers designed the ski trails so that they are not visible from the highway from either direction of approach until the viewer is directly opposite the ski development.

The Mount Washington Development Company has demonstrated that when conservation practices are included in development plans, the adverse effects on the area and its environment are minimal.

The White Mountains have retained their magnificent splendor, and the Ammonoosuc River continues along its path unaware of man's activity nearby.

THE DEATH OF ARTHUR KROCK

Mr. THURMOND. Mr. President, one of the Nation's foremost journalists, Arthur Krock, died April 12, 1974, at the age of 86, after a distinguished career which dated from the early years of the 20th century.

The expertise of his pen was widely known and respected as he wrote with depth and fairness of our Nation's leading figures and events. Government and public affairs were his field, and he made outstanding contributions to the understanding of our national activities in these areas—and America was improved.

Mr. Krock established his greatest reputation as the Washington correspondent of the New York Times. He wrote about Presidents from Theodore Roosevelt to Richard Nixon and his journalistic career went back even farther. During his years devoted to a probing and perceptive view of our Government and its political system, he won four Pulitzer awards. It was an indication of the eminence of his work.

The column entitled "In the Nation," which Mr. Krock wrote for many years, was a model of analytical objectivity in journalism. It focused on the myriad of problems and personalities which were part of our national life. His standards of professionalism and his technique of presentation could well be emulated by many people today whose business is news.

Mr. President, when Arthur Krock died there were numerous articles written about him in the newspapers of the Nation. I ask unanimous consent that one such article from the New York Times news service be printed in the Record, entitled "Arthur Krock, Noted Reporter, Editor and Columnist, Dies at 86," and published in the Washington Star-News, Washington, D.C., on April 13, 1974.

There being no objection, the article was ordered to be printed in the Record, as follows:

Arthur Krock, Noted Reporter, Editor and Columnist, Dies at 86

Arthur Krock, one of the great figures of American journalism, died last night. He was 86.

Death of natural causes came at 10:20 p.m. in his home on Connecticut Avenue. He had been in ill health for nearly six months.

He leaves a widow, the former Martha Granger Blair, a son, Thomas P. Krock of Dallas, and two stepsons, William Granger Blair, an executive of the New York Times and the newspaper's broadcast correspondent, and Robert H. Blair of Corpus Christie, Tex.

Funeral services will be private.

The death of Mr. Krock ended one of the longest and most distinguished careers in American journalism. His 60 years as a reporter, editor and columnist spanned whole eras—from the magic lantern to color television, from the Wright brothers to supersonic jets and space flights, from William Jennings Bryan to Richard Milhous Nixon.

But Arthur Krock's fame as a newspaperman was based far more on talent than durability. He was the only man selected four times for a Pulitzer award—two prizes, a special commendation and a special citation.

So great was his knowledge of politics and government that presidents sought his advice and, possibly in return, granted him exclusive interviews.

During his 34 years in the Washington Bureau of the New York Times—more than 20 of them as the Washington correspondent—Mr. Krock became noted for exclusive front-page stories that he developed and wrote and a column he created.

The lucid analyses in "In the Nation," his signed editorial-page column from 1933 until his retirement in 1966, both intimidated and edified Washington officialdom and informed Times readers the world over.

Mr. Krock believed that "every man should take his job seriously, but himself, never." When Mr. Krock nearing retirement, a new teletype operator, on seeing the many insertions and corrections Krock had penciled into his copy, remarked that "this guy must write his stuff in longhand and correct it on the typewriter." Mr. Krock laughed about it for weeks.

There was humor, too, in Mr. Krock's articles and his style employed the rapier thrust of understatement by which more than a few public officials found themselves dehided.

He once wrote of Harry L. Hopkins, President Roosevelt's confidant, that he "may, at times, have thought that something the president said or did was not perfect. If so, he suppressed the unworthy thought with ease."

Mr. Krock's first Pulitzer Prize came in 1935 for the "General Excellence" of his Washington coverage during the beginning of the New Deal.

Then, in 1937, Roosevelt granted Mr. Krock an exclusive interview. Other members of the press fumed over the exclusive interview. At his next news conference, Roosevelt apologized and promised never to do it again. He didn't, but to Mr. Krock the interview brought his second Pulitzer Prize.

In 1950, the Times published a similarly exclusive interview with President Harry S. Truman, and a majority of the Pulitzer awards board nominated Mr. Krock for a third prize.

At the suggestion of Mr. Krock, then a member of the Pulitzer advisory board, the third prize was withheld to avoid charges of favoritism. However, his interview was cited as "the outstanding instance of national reporting in 1950," and the board made no other award in that category for the year.

His fourth Pulitzer award came in 1955, when he received a special citation for distinguished correspondence from Washington.

In his news dispatches and columns, Mr. Krock covered many fields, including foreign policy. But he always returned to his first love—politics. He wrote the "lead" story in the Times of every biennial election from 1932 to 1952.

Mr. Krock got his first taste of national political reporting when he helped cover the 1908 conventions of both major parties for the Louisville (Ky.) Herald.

The previous year he had gotten his first newspaper job as a general assignment reporter on the Herald. He had returned to his native state after half a year at Princeton University and two years at Chicago's Lewis Institute, where he earned an associate of arts degree in 1906.

Mr. Krock was editor in chief of the Louisville Times from 1919 to 1923. But it was as editorial manager that he had covered the Versailles Peace Conference. He was one of three correspondents who prevailed on the principals to open up their general sessions for press coverage.

Before leaving for Paris, Mr. Krock had arranged for the sale of the Courier-Journal and the Times to Judge Robert W. Bingham of Louisville, who was later U.S. Ambassador to the Court of St. James's.

Upon Mr. Krock's return to Louisville, he and Bingham argued over editorial policy, and Mr. Krock left the Louisville papers for New York. There he accepted an interim post in public relations as assistant to Will Hays, head of the Motion Picture Producers and Distributors of America.

At the invitation of Adolph S. Ochs, then publisher of the New York Times, Mr. Krock came to the newspaper on May 1 1927, to write editorials and to establish across the nation a network of correspondents for the Sunday paper.

When Richard V. Oulahan, the Time's Washington correspondent, died in 1931, Krock was named as his successor, beginning in January 1932.

In 1967, he received the John Peter Zenger Award "for distinguished service in support of freedom of the press" from the University of Arizona.

Mr. Krock was married twice. His first wife, the former Marguerite Polleys, daughter of a Minneapolis railroad official, died in 1938.

They had been married 27 years and had a son, Thomas Polleys Krock, now of Dallas.

Mr. Krock met his second wife frequently on the capital's cocktail and dinner circuit when Mrs. Blair was writing a society column for the Washington Times-Herald.

In February 1939, Mrs. Blair did a short pen portrait of Mr. Krock, placing him among Washington's "glamour boys." Six months after the column appeared they were wed. Mrs. Blair had two children by her previous marriage.

In his last years Mr. Krock continued to go each day to his office in the Times bureau, where he worked on a succession of books. Soon after his retirement, he published a selection of his columns, "In the Nation, 1932–1966."

In 1968 Mr. Krock wrote "Memoirs: 60 Years on the Firing Line," which made the best-seller list for more than six months. His memoirs were followed by "The Consent of the Governed and other Deceits" in 1971. And in the final year of his life he turned back to his youth and wrote "Myself When Young: Growing Up in 1890's."

HUD AND INDIAN HOUSING

Mr. ABOUREZK. Mr. President, the U.S. Senate can be proud of its record on behalf of decent housing for the Indian people.

The Omnibus Housing Act passed recently by the Senate contains a landmark in the effort to provide that decent housing. It earmarks funding for 7,500 units annually of Indian low-rent housing and contains two further provisions to make that program workable in Indian communities, most of which are extremely poor—one specifies that the turnkey or conventional programs must be used—instead of the leasing, which would not work on reservations; the other requires that HUD include sufficient funding in its contracts to make Indian projects feasible.

I am uncertain as to whether the House Subcommittee on Housing has acted on these proposals, but I am hopeful that they will find some way to assure a continuing, workable, and realistic program in our Indian communities.

Once we get the legislation passed, of course, the battle is only half-won. The buck passes to OMB and HUD.

On the basis of some news articles which appeared recently in the Albuquerque press, though, HUD's real commitment to work with Indians—aside from its rhetoric—remains an open question.

Mr. President, I ask unanimous consent that a few news articles on this point be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Albuquerque (N. Mex.) Tribune, Apr. 16, 1974]

WASHINGTON "TOO BUSY" FOR TRIBAL LEADERS

(By Gene Goldenberg)

WASHINGTON.—When the 1974 "Maid of Cotton" wanted to see President Nixon recently, an appointment was arranged in less than 24 hours.

And when Mrs. Corinne Okum of Cincinnati showed up in town with a 14,000-signature petition supporting the President, she too received a quick escort into the Oval Office.

But when tribal leaders representing more than 250,000 American Indians sought a meeting with just about anyone important in the Nixon administration, they received a frigidly cold shoulder.

Unlike the "Maid of Cotton" and Mrs. Okum, the Indians wanted something concrete from the administration—assurances that Indian needs would be considered in new federal housing programs.

And such selfish motives apparently were sufficient to sweep the welcome mat right off the front steps.

Housing and Urban Development (HUD) Secretary James Lynn not only refused to meet with the 165 Indian housing executives gathered here for a national conference, but failed even to respond to their invitation.

And taking their cue from Lynn, every under secretary, deputy under secretary, assistant secretary or deputy assistant secretary at HUD found more important things to do during the two days the tribal leaders were here.

What the Indians were left with was a reluctant HUD underling who holds the impressive title of "Indian coordinator" in HUD's Office of Equal Opportunity Compliance.

And true to the finest traditions of bureaucratic independence, even this gentleman protested that he was attending the Indian Housing Conference only as an "observer." He had to get approval from above before he would address the session as an "official" HUD representative.

Such treatment from HUD did not surprise the Indian housing officials, who have been trying unsuccessfully for several months now to arrange a meeting with Lynn or one of his top aides.

"The HUD people have nothing to offer us, so they don't want to see us," explained one tribal housing executive.

Indian leaders are most upset over the Nixon administration's failure to provide any special reservation housing programs in the new fiscal 1975 budget.

Instead, HUD is asking that Indian housing be included under the proposed Section 23 subsidized public housing program now under congressional consideration as part of the 1974 Omnibus Housing Act.

This program, argue Indian housing authorities and their sympathetic supporters in the federal government, would not meet reservation needs because it requires that private developers construct the housing in return for certain federal subsidies on the portion of the units devoted to public housing.

The tribal leaders point out that developers and bankers are reluctant to sink money into reservation housing because such projects inevitably become entangled in red tape and title problems associated with Indian lands.

And as more than one Indian official is quick to point out, the states have now begun trying to tax leasehold interests on Indian reservations—a discouraging factor for prospective housing developers.

"Section 23 leased housing would be a disaster on Indian reservations," commented Ronald Peake, the man in charge of housing programs at the Bureau of Indian Affairs (BIA).

Unfortunately for the Indians, however, BIA does not administer the government's housing programs for Indians, but instead works in an advisory role to HUD.

Despite Peake's personal opposition to the proposed Section 23 program, BIA Commissioner Morris Thompson has remained mysteriously quiet on the subject.

In fact, BIA has so far failed to take an official position on the Section 23 controversy.

Further infuriating the Indian leaders is the bureaucratic mismanagement of HUD in putting together a long-promised manual for Indian housing programs.

After more than a year on the drawing boards, the comprehensive guidebook is finally ready for review by tribal leaders—a subject to be taken up at a meeting in Albuquerque Wednesday.

To the consternation and chagrin of tribal officials, however, the new manual covers only the existing mutual help housing and other soon-to-be-phased-out programs and contains not a word on how Section 23 will be applied on the reservations.

"That's like sending someone out to fix a 1974 model car and giving him the owner's manual for the 1951 model," quipped one bitter tribal leader.

The major hope for Indian housing right now is an amendment sponsored by Sens. Joseph Montoya, D-N.M., and Pete Domenici, R-N.M., which was added to the Senate version of the Omnibus Housing Act.

This plan would earmark $15 million a year for two years to insure continuation of current reservation housing programs.

House leaders have so far been reluctant to adopt a similar approach, but a spirited lobbying effort by the tribal officials here last week may have changed this attitude.

HUD OFFICIALS, INDIAN LEADERS CLASH

(By Charles Wood)

Federal officials and Indian leaders clashed verbally in Aubuquerque yesterday over alleged government inaction in reservation housing programs.

The clash occurred at a meeting of federal and Indian housing leaders at the Airport Marina Hotel.

The incident was sparked by statistics from the U.S. Department of Housing and Urban Development (HUD) that showed funds for 4,900 reservation housing units would not be available until July 1.

"It's about time HUD started re-evaluating its Indian priority—if they have one," said Roland Chico, regional director of the Housing Assistance Council.

"HUD made a commitment to build these units about three and a half years ago," he said. "Why is it taking so long?"

"It is still a priority commitment," replied Philip Salimine, representing HUD's Housing Production division in Washington, D.C.

Another federal official, James Mullin, said he felt the delays were not the fault of HUD, but were caused by the White House's freeze on housing funds two years ago.

The purpose of the meeting was to discuss a proposed manual setting guidelines for the allocation and operation of reservation housing units.

But most Indian leaders expressed disappointment with the gathering, which drew about 45 persons.

Mr. Chico called the meeting "the same old merry merry-go-round.

"We've asked a lot of these questions before that we're asking today," he said.

Pat Chee Miller, Navajo Housing Authority chairman, called the meeting "poorly organized."

"Whoever is moderating the meeting simply jots down the things HUD wants to hear instead of the adverse comments," Mr. Miller said.

He also said he was disappointed that only 12 tribal housing authorities were invited to the meeting "even though 110 tribes will be subject to the proposed manual."

Ronald Froman, interim chairman of the National American Indian Housing Council, said he also was "kind of disappointed" with the meeting.

"HUD is not advocating the proposals we need to meet many of our needs," said Mr. Froman, a Creek Indian from Okmugee, Okla.

The meeting is sponsored by HUD and the National Association of Housing and Redevelopment Council. The conference is scheduled to continue through Friday morning.

Highlighting the conference was a talk today by Joseph Burstein, assistant general counsel for Pueblo Housing.

Indian Housing Equity Topic

A federal official Thursday said the U.S. government is not trying to build reserves in equity payment accounts in its Indian housing programs.

The official, Joseph Burstein, assistant general counsel for Pueblo Housing, made his comments at a meeting at the Airport Marina Hotel.

"The equity payment account is not a reserve," Mr. Burstein told the gathering.

He said when the account becomes larger than federal officials feel it should be, the excess money is used to retire the debt on the housing.

An equity payment is a payment made towards the value of an asset over and above debts outstanding against it.

The purpose of the meeting is to discuss a proposed manual setting guidelines for the allocation and operation of Indian housing units.

About 30 people attended today's gathering, almost all of them federal officials and Indian housing leaders.

The three-day meeting is scheduled to end Friday.

Problems Aired in Indian Housing

(By Carol Cohea)

Indian Housing Authorities agreed current federal urban housing programs are not the answer for Indian reservations and a change to a viable program is necessary.

The statements were made by the Indian Housing Authorities meeting with Dept. of Housing and Urban Development (HUD) officials in Albuquerque to review a draft handbook for construction and processing of Indian housing.

The meeting will run through Friday at the Airport Marina Hotel.

The long-awaited handbook covers procedures for Mutual Help Home Ownership Program and Turnkey III housing.

"We're pushing to get this into effect so HUD can show the administration that there is a viable program, for Indian housing on reservations," said Jim Womack, head of the All Indian Pueblo Housing Authority out of Albuquerque.

He said the program would hopefully allow the balance of some 30,000 units promised by the government to be built under the programs. Both programs allow for eventual ownership by the buyer of the home through monthly payments based on income.

"We hope the balance of the houses—an estimated 4900—will be changed to Mutual Help," otherwise they will be built under urban lease housing programs which we have said we won't accept," Womack explained.

"Unless there is new authorization for conventional public housing, we won't be able to build Mutual Help Housing," said Ron Froman, newly-elected and temporary chairman of the National American Indian Housing Council.

Executive director of Papago Housing Authority Hilda Garcia cited slowness of application processing as one of her problems with HUD responsiveness to Indian housing. She explained that currently any documents involving housing requests must be sent first to Los Angeles then to the regional office at San Francisco and then to the central office in Washington, D.C. "Then everything has to come back down the line," she said.

She said the Papago Authority currently has 102 housing units in management, 80 to be completed, another 174 in the works and over 300 applications.

In another instance, Roger L. Shourds, chairman of the Northern Plains Indians Housing Authority Assn., representing seven tribes in Montana and one in Wyoming, said he has 4000 applications for housing.

"We currently have 1500 under management, and 335 under construction," Shourds said, noting that his authority represents 35,000 Indians.

"We're hoping for the first time HUD will listen to Indians on something that will involve Indians. So far all the programs were drawn up by non-Indians in Washington for Indians," Shourds said.

When one HUD official was asked if the meeting here to review the proposed handbook was an attempt to be more responsive to Indian needs, he said, "I do view it as an attempt to be more responsive to Indian Housing Authorities. We're trying to receive advice and consultation on the program."

STOP THE ECONOMIC STABILIZATION PROGRAM

Mr. PACKWOOD. Mr. President, as we approach April 30, we get closer to the end of the frightful tunnel that has constricted this Nation's economy to the point of near strangulation in several cases. At midnight on that day, the Economic Stabilization Act will expire.

I supported the move in the Banking Committee last month to shelve pending wage and price control legislation. I did so for the simple reason that to continue this benighted experiment in central economic control would be absurd and fly in the face of the evidence that is before us. It is clear to those of us who have studied this program's impact closely that it no longer has a role to play in America. To continue any form of wage and price controls akin to the Economic Stabilization Act would be folly.

And yet, there are voices calling for the maintenance of "some form" of control authority. Others argue the need for a monitoring agency. To the former, I reply face reality. To the latter, I ask what point is to be served by the erection of yet another Federal agency to sift economic data and publish reports. Surely somewhere in our vast Federal bureaucracy there exist just a few people who are quite capable of massaging such data and publishing such reports. We do not need another group of statisticians squandering the taxpayers' money.

Lest there be any remaining among us who would respond favorably to the siren song that tantalizingly urges us to keep the program for just a little while longer. I urge them to read the analysis prepared by the economics staff of the First National City Bank of New York. This article, "Price Controls: A Case for Retiring the Regulators" is an excellent summary of the compelling need for allowing the law to expire on April 30 without further ado.

I ask unanimous consent that this article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Price Controls: A Case for Retiring the Regulators

The issue is familiar, but the protagonists—like teams in college debating contests—have switched sides. At least that's the impression as Congress and the Administration joust over the future of price-and-wage controls. The Administration in the past proclaimed its abhorrence of such regulations. But now it champions legislation that would allow the federal government to keep a foot in the controls door for some time to come. Only a year ago, there was considerable sentiment in Congress for stricter, more formal price-and-wage controls. Now Congress seems disposed to scrap them by allowing the Economic Stabilization Act to expire as scheduled on April 30.

At this juncture, it looks as if Congress will refuse to heed the arguments advanced by John Dunlop, director of the Cost of Living Council, and controls will lapse. But this won't settle the issue, for Congress could be persuaded to reexamine the question at a later time. So it is useful to examine the positions of the two parties.

Both agree that the controls the nation has lived under since August 1971 haven't been very effective in repressing inflation. Moreover, they have imposed costs in terms of dislocations and distortions in return for any impact they may have had on the price indexes.

POOR SHOWING

The record is well documented in material prepared by the Cost of Living Council staff. Reviewing the year 1973, the council frankly concludes that controls were of little use in checking price rises. Approximately two-thirds of the inflation in the period was attributed to food and energy despite the fact that these areas were under more strict controls than those applied in Phase II. The experience prompted Mr. Dunlop to declare that the record "renders ludicrous" the view that inflation could have been curbed if only the stick had been taken from the closet more frequently or if the rules were made more stringent. His conclusion was that price-and-wage controls "may" have a "small and incremental" effect on inflation "for short periods" but "tend to run down" and can have adverse effects on output and collective bargaining.

Few argue that controls were more effective than the council admits. Conclusions from econometric studies of 1973 range from a verdict of no impact at all to the conclusion that both wages and prices rose by roughly 1 percentage point less than they would have in the absence of controls.

The council also acknowledges that the program had produced some distortions. By freezing domestic copper and copper scrap prices below levels in world markets in mid-1973, the program contributed to a surge in exports of these materials. Placing a ceiling on beef prices the same year caused beef producers to withhold animals from the market. Profit-margin rules led to a shift from the production of lightweight papers, where margins were very low, to heavier weight papers. A greater number of sheets of paper would have been available to meet the strong demand, however, if more lightweight papers had been produced. And others can cite additional examples.

HANGING ON TO THE REINS

On the basis of the council's assessment and the dissatisfaction perceived to be growing in business, labor and the public at large, Mr. Dunlop urged Congress to allow the Administration to continue its policy of gradual decontrol. But the director's subsequent recommendations make it clear the decontrol he has in mind pertains more to the Phase IV form of controls than to the substance of direct government intervention in private price-and-wage decisions.

The Administration wants to retain controls on hospital charges and doctors' fees and perhaps the construction industry as well. Moreover, removal of Phase IV controls in many cases has been linked to a commitment to limit price or margin increases in the future. Such commitments are simply price controls under another guise. And the Administration has recommended that the Cost of Living Council be perpetuated so it could monitor decontrol commitments.

The council's work wouldn't be limited to such monitoring, however. The Administration envisions a wider role for the agency, including working with labor and management in sectors judged to be having special problems with the goal of restraining price increases. The council would, in addition, review the demand and supply outlook in various sectors and work with appropriate industry groups and government agencies to hold down prices in those sectors.

These are vague phrases, to be sure, and just what they would entail in practice is not at all clear. But they strongly imply continued action by government to restrain prices through active intervention on an industry-by-industry basis. This impression is reinforced by the recommendation that the Cost of Living Council not only be given the authority to require reports on prices, wages, imports and exports but also to compel attendance at public hearings to explain price-and-wage decisions. And this in turn would be simply a new form of direct controls, albeit not as formal and probably not as costly as the various types inflicted on the nation since the freeze of August 1971.

WHY HOLD ON?

The Administration's motives have naturally been the subject of speculation. Some believe the recommendations were shaped largely to appease those congressmen who might be expected to press for a retention of tight controls over prices and wages. But if that's the case, the Administration failed to appreciate how much support for controls has waned.

It is also suggested that the Administration was motivated by fears of a post-controls surge in prices and would like to cushion the shock by enforcing decontrol commitments, and by maintaining an active presence generally. Congress is understandably less anxious to soften the post-controls bulge and more concerned about inequities to the relative handful of groups whose prices or wages would be held down.

There may be a third motive as well. Poor as the record under controls has been, the idea that government intervention in specific private price-and-wage decisions is helpful in slowing inflation lingers on within the Administration. Mr. Dunlop and others are persuaded that insinuating a government representative in labor-management negotiations will improve the chances of securing less inflationary settlements. And they apparently believe that an active government presence will improve business planning so that fewer bottlenecks arise and capacity expands more rapidly in certain areas.

But Congress is rightly concerned that any results the proposed system might achieve would be outweighed by the inequities and distortions that would be perpetuated or created. There is little evidence to suggest that government participation in labor-management decisions can bring about a measurable improvement for all parties concerned—business, labor and the public—over what would otherwise have been obtained. On the other hand, by the council's admission, in the recent past government attempts to control price-and-wage decisions for the purpose of reducing inflation have aggravated rather than alleviated supply shortages in certain cases.

Moreover, the idea that government intervention in individual price-and-wage decisions can contribute significantly to reducing inflation on a continuing basis rests on a misconception about the nature of the inflationary process. Even if it is true that the price level in some industries could be reduced if conditions in those markets more closely approximated the textbook model of competitive markets, it does not follow that prices in those industries will rise more rapidly than prices in others. The council's records indicate that there is no correlation between the degree of concentration in an industry—the shares of the market accounted for by the three or four largest firms—and the speed with which that industry's prices rose.

THE NATURE OF INFLATION

Inflation basically has little to do with the structure of private markets, which change only slowly. Rather, it depends on the relation between two growing aggregates, the level of monetary demand and the level of physical supply. When money demand grows faster than real output, the price level ultimately rises.

To cool inflation, government must either speed up output or slow the increase in monetary demand. Accelerating real growth, toward whch some of the proposals outlined by Mr. Dunlop point, is an intriguing solution but one that has little chance of success when the inflation rate is high. The more effective course is to slow the growth of monetary demand. And it isn't necessary for federal authorities to intervene in individual price-and-wage decisions to perform this task. They already have ample power in the form of authority to direct monetary policy and determine the shape of the budget. Congress has, therefore, swung over to the winning side of the debate by resisting the extension of controls. Federal efforts would be better focused on guiding monetary and fiscal policies back to noninflationary paths.

OPPORTUNITIES, OBSTACLES FOR FARMING

Mr. MOSS. Mr. President, on Friday last in Salt Lake City, Utah, the Senate Committee on Agriculture held a public hearing in conjunction with the Conference of Western and Midwestern Governors. The senior Senator from South Dakota (Mr. McGovern) conducted the hearing. His opening remarks should be read by all. The thoughtful and balanced discussion which the Senator presented to the large gathering of agriculture experts from the Western States reminds us of our need to concern ourselves with this great national resource.

I ask unanimous consent that the remarks of Senator McGovern be printed in the Record.

There being no objection, the remarks were ordered to be printed in the Record, as follows:

Opening Remarks of Senator George McGovern

We meet at a turbulent time for western agriculture.

Two months ago, the average U.S. price of wheat reached 148 per cent of parity.

Some U.S. grain stocks have been depleted to nearly all-time low levels. The financial squeeze on livestock producers is driving some near the point of bankruptcy.

Farm production costs have moved relentlessly higher.

In this context we know that steadily increasing population is a fact of life. It is the strongest factor in rapidly increasing demand for food. A close second is the continuing growth in income in many countries, especially in Western Europe and Japan. And that trend multiplies the demand for food by allowing people to fulfill their preference for higher quality products—livestock products, fruits and vegetables—all important commodities in the western States.

Inexorably, we are moving from the age of abundance to the age of scarcity. Now, as we once learned to share our abundance, we are obliged to allocate the shortages.

So, we have no time to lose in developing more prudent uses of our land, water, minerals and other resources which sustain human life.

Beyond that, we must find better ways to plan and cooperate with other nations of the world. For American agriculture today operates in a world food economy. We can capitalize on opportunities around the globe or we can retreat into protectionism. In my view, and the view of this Committee, there is no turning back.

American agriculture influences, and is influenced by, the rest of the world. One of every four acres in the U.S. is devoted to production for export. Farmers in these western States have an even greater stake in world trade—70 per cent of western wheat, rice and cotton is exported, and substantial percentages of your fruits and nuts are sold abroad.

Yet, despite those opportunities, our agricultural producers are facing a whole new set of challenges—shortages of fuel, fertilizer, baling wire, binder twine, and spare parts—cost increases which hit 19 per cent last year, and will jump at least 14 per cent more this year.

And there is increasing anxiety that prices may fall disastrously within a year or two. Already, livestock prices have collapsed—some cattle feeders are losing up to $200 a head.

Difficult as our problems may be, they are minor compared with those of the less developed countries. The past year's increases in petroleum and fertilizer prices may cost the oil-short, developing countries an additional $15 billion. The shortage of fertilizer in India alone may reduce grain production by 5 million tons this year—sending India into the world grain market for at least 2 million tons of grain annually for the next five years.

If the western Governors had called this meeting two years ago, we would have been dealing with massive surpluses and low prices. We would have been concerned with programs to restrict production.

Two years ago we had little difficulty meeting the urgent needs of peoples unable to produce or buy enough food to subsist.

But today, we are urging all-out food production. The Soviet Union and China accounted for perhaps half of the sharp increases in grain, cotton and soybean exports in the past two years. Sharply increased foreign demand exhausted our soybean stocks last year and depleted our wheat reserves this year.

Stocks of food and feed grains were drawn down to the point that Food for Peace shipments have been all but eliminated. In a sense, Food and Peace has been subverted into Food for War—the bulk of remaining shipments is now in the form of relief to Laos, South Vietnam and Cambodia.

Our challenge, as responsible officials of State and Federal governments and as people concerned with humanity, is to develop food and agricultural policies which will meet the following goals:

1. Provide a fair return for the investment and labor of the farm families of this nation.
2. Assure production of goods and fiber to meet domestic needs, an expanding export market, and our share of the needs of hungry countries which do not have the wealth to buy all they need.

The Agriculture and Consumer Protection Act of 1973 makes a good start in those directions. But the cost of everything the farmers buy has gone up so sharply since our bill was written a year ago that we need substantial updating of both target prices and loan levels.

Farmers are planting crops this morning with no assurance of market prices above $1.37 a bushel for wheat and $1.10 per bushel of corn, the loan levels in the 1973 act. Yet, production costs will be fully 50 per cent higher than in 1972. Last year's loan levels are ridiculously low in light of this year's production costs.

In 1972, fertilizer and fuel costs averaged 20 to 25 cents a bushel for corn or wheat. Today, in many instances, they are double that.

The Secretary of Agriculture has adequate administrative discretion to improve incentives and to guarantee price protection for farmers under the farm program. But he has made it clear that he wants no increases whatsoever.

In a similar vein, the Secretary insists that he wants no part of a Government system of grain reserves which, he says, would take us back to the days of price-depressing surpluses. Instead, he apparently wants reserves to be held by farmers who would bear the full cost, and by private traders and foreign governments who could dump stocks and depress prices as easily as any Secretary of Agriculture and with less concern for the farmer's interest or public good.

Many of us in the Congress take a different view.

The surpluses of the past, and the shortages of the present, have a lesson for us. They demonstrate the need to find a reserve mechanism which can prevent another collapse in farm prices, absorb any overproduction, and assure that we have enough on hand should weather or abnormal foreign demand leave us without.

Today, American agriculture is on the crest of a sellers' market. World buyers are ready to take all we can produce, at a favorable price. But it will not last forever. Memories of 75-cent corn, $1 wheat and bursting grain bins are still etched in memory.

So, we must not let the advantages of the present lull us into the complacent belief that we have reached the promised land. For much remains to be done on better price protection, on food reserves, and on a long list of other farm problems.

I am concerned, for example, that the policies of the Federal and State governments are not giving family farmers the protection they need to survive the tax-subsidized competition of conglomerates and other nonfarm institutions.

I am concerned too, about our agricultural plant. In the age of surplus, we tend to conclude that our agricultural capacity would be sufficient to meet expanding needs through the foreseeable future. There is good reason today to question such an assumption. It may now be wise to begin rethinking those policies with respect to reclamation of additional land, through irrigation and perhaps drainage, to meet projected food demand.

I am especially concerned by the fuel and fertilizer shortages which have involved my Subcommittee heavily in the past few months. It is clear by now that the fertilizer shortage is not temporary. We need substantial increases in fertilizer production capacity, especially nitrogen. If we are to have those adequate supplies, we must assure manufacturers of the necessary raw materials, especially natural gas.

We must be concerned too by the chronic rural transportation problem. In addition to hampering the delivery of fertilizer, our transportation bottleneck has delayed the movement of crops. It will require some inventive approaches, and no little haste, if we are to restore our rural transportation system so it will function in an orderly manner. Finally, we must be deeply concerned about the overall trade picture. In my opening remarks I mentioned the large stake of American farmers in world trade. Agriculture and related industries have a vital interest in the Trade Reform Act which is being considered in the Senate, and in this year's multilateral trade negotiations.

In the past, agricultural producers have been interested primarily in obtaining free access to more markets—especially the protected markets of western Europe—but also more open access to markets for fruits and livestock products in Japan.

Many countries have protective limitations on imports of agricultural products. Japan, Canada and some European countries have only recently stiffened their protective import barriers to meat products. It is essential that our negotiators see these barriers diminished substantially.

But the stake of the American farmers now goes clearly beyond better access to markets. In view of our recent experience with the Arab oil embargo and other world shortages of critical materials, we are increasingly concerned about access to supplies of raw materials.

Hence, we must shape our policies, and the trade negotiations which grow from them, in the knowledge that essential raw materials are not limitless. And we must keep at the forefront of the debate the realization that scarcity and higher prices, however hard they strike our industrial nations, are painfully harder on the poorest nations.

As a modest first step, I have argued that we must establish a system of cooperation with other nations, and with international organizations, to at least monitor food, fiber and other critical, scarce resources. We need this step because our most pressing requirement now is just to know where we are and where we are headed.

The counsel of the Governors of these western States, and that of the distinguished public witnesses, will be a great help to us in developing policies to assist the farm and ranch families of America in securing a strong and viable economic future, and then in meeting a truly global food challenge.

THE DEATH OF ROBERT BEVERLEY HERBERT

Mr. THURMOND. Mr. President, one of America's eminent men of the law died March 10, 1974, in Columbia, S.C. He was Robert Beverley Herbert who moved to Columbia from his native northern Virginia in 1897 to attend law school at the University of South Carolina. He was graduated in 1899 and stayed to practice law for 75 years.

During that span of time he established a distinguished career as a lawyer, public leader, civic official and writer. Primarily, however, he was an outstanding citizen whose eloquence and understanding made him an invaluable part of his time in history.

Mr. Herbert was truly a man of dedication to high principle and diligence to fairness and constitutional government. In the election campaign of 1960 he was my opponent for the seat I hold in the U.S. Senate. Although he was 80 years of age at the time he was a most worthy opponent and pursued his campaign with vigor and honor.

Mr. Herbert had been recognized early in his career for his outstanding community leadership, having served as president of the Columbia Chamber of Commerce in 1912. Through the years that followed, he served in a number of official capacities, including president of the Richland County Bar Association, president of the Columbia Museum of Art Commission, chairman of the board of trustees of South Carolina State College, chairman of the Columbia Academy board, chairman of the board of Good Samaritan-Waverley Hospital and membership on a number of boards and commissions.

The University of South Carolina recognized the distinction and effectiveness of his service by presenting him, first, with the Algernon Sydney Sullivan Award and, then, the honorary degree of doctor of laws.

Always interested in the public affairs of his State, Mr. Herbert had served in the South Carolina House of Representatives in the late 1920's and early 1930's. While he was well into his 90's he still was engaged in the active practice of law and was concerned with the issues of public debate.

His legal stature was well known among his peers and several times during his career he was appointed a special circut judge, most recently in 1954. His abilities were widely recognized and respected among all with whom he was associated.

I extend my deepest sympathy to his family and many friends over the death of this outstanding man. Surviving are his wife, Mrs. Georgia Hull Herbert; 2 sons, Robert Beverley Herbert, Jr., of Columbia, and Maj. James H. Herbert, of Woodside Plantation, Delaplane, Va.; 2 daughters, Mrs. George C. Hart and Mrs. Edmund R. Taylor, of Columbia; and 16 grandchildren and 2 great-grandchildren.

Mr. President, at the time of Mr. Herbert's death a number of newspaper articles and editorials were published about him. I ask unanimous consent that four of these accounts be printed in the RECORD at the conclusion of my remarks, as follows: "R. Beverley Herbert Dies," the State, Columbia, S.C., March 11, 1974; "Local Civic Leader R. Beverley Herbert Services Held Today," the Columbia Record, Columbia, S.C., March 11, 1974; "A Legacy of Service," the State, Columbia, S.C., March 13, 1974; and "R. Beverley Herbert, Attorney and Writer," the Fauquier Democrat, Warrenton, Va., March 14, 1974.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Columbia (S.C.) State, Mar. 11, 1974]

R. BEVERLEY HERBERT DIES

R. Beverley Herbert, former member of the S.C. House of Representatives, civic and state leader, and unsuccessful candidate for national office, died Sunday afternoon in Richland County Memorial Hospital after a long illness.

Mr. Herbert came from his native Virginia to Columbia in 1897 and remained to become a leading attorney and citizen.

He served in the *state* House of Representatives in 1928 and 1929 and again in 1931 and 1932.

In the meantime he had run, in 1930, unsuccessfully for governor. In 1960, he ran for the United States Senate and was defeated, as he said he expected to be, by incumbent Sen. Strom Thurmond.

In the many years that he was a resident of Columbia and a citizen of South Carolina, Mr. Herbert entertained and implemented an outspoken interest in public affairs, statewide as well as local.

As far back as 1912 he was president of the Columbia Chamber of Commerce. He was president of the Richland County Bar Association in 1948. His interest in the cultural advancement of the city, and the state was shown in his active and successful presidency of the Columbia Museum of Art Commission in the early stages of that movement and of the museum's life.

In the field of education, he was once chairman of the Board of Trustees of South Carolina State College at Orangeburg. For more than half a century he had served as chairman of the Columbia Academy Board, a body which is charged with the responsibility of naming two members of the Board of Trustees of Richland School District No. 1.

Also, he was a former chairman of the Board of the Good Samaritan-Waverley Hospital and had served as a member of the Board of the Columbia Hospital, and on the Athletic Board of the University.

In recognition of his interest in, and services to, the institution, the University of South Carolina in 1959 presented him with the Algernon Sydney Sullivan Award. And in 1962, the same institution awarded him the honorary degree of Doctor of Laws. The citation described him as "One of the state's most distinguished lawyers . . . a lifelong student of sound government . . . a scholar and patron of the arts."

Known even beyond the borders of South Carolina for his interest in good race relations, Mr. Herbert, in 1969, received the honorary degree of Doctor of Humane Letters from Benedict College.

Born near The Plains, in Fauquier County, northern Virginia, in 1879, Mr. Herbert was the son of William P. Herbert and Rebecca Beverley Herbert. It was after attending boarding schools in Virginia that he came to Columbia to attend the Law School of the University of South Carolina from which he was graduated in 1899. Then came the decision to make Columbia his home.

Even beyond his 90th year Mr. Herbert was still active in the practice of law in the firm of Herbert, Dial and Windham. Nor had his interest in public matters and the public good diminished.

Mr. Herbert was in the earlier movements to improve the lot of the Negro and stabilize race relations.

Yet aspects of the growing integration movement in the 1950s and later seemed to give him some pause, and to general surprise he announced he would run against Senator Thurmond for the United States Senate.

"I am running," he said, "for the United States Senate against Senator Thurmond not because I expect to be elected, or to defeat him, but because it is the best chance I see to say things I think should be said."

In announcing, he said that he had been thinking of running "for more than a year unless the matter (of the South's side in the integration-segregation issue) was presented better than it has been.

And his announcement added: "I do not accuse Senator Thurmond or anyone else of playing politics, but, regardless of the NAACP vote and the teacher vote and any other kind of vote, our cause must be presented in its strongest form and this has not been done.

"All my life I have tried to help Negroes. It will not help to put them in a position beyond their capacity. I hope to say nothing to set race against race in South Carolina. In my opinion, both races have shown good sense and patience in this situation that has been forced on us by the infamous Supreme Court decision."

In 1968, Mr. Herbert published a book, titled "Life on a Virginia Farm." This was a compilation of columns he had written over a period of many years for "The Fauquier Democrat," the newspaper of his native Virginia county.

The book recalled his youthful life in rural Virginia at a time when the South was still suffering from the effects of the War Between the States and life was difficult.

But Mr. Herbert's recollections of that period caused him to look upon it as a toughening experience, in which joys and lessons were mixed with hardships.

He was reared on a farm named Avenel, home of his Beverley grandparents, and located in the foothills of the Blue Ridge Mountains, 50 miles due west of Washington. In his book he wrote: "My Beverley grandfather said that in his day Fauquier County is all right for oxen and men but rough on horses and women."

While Mr. Herbert became and remained a loyal and enthusiastic South Carolinian, he never neglected his Virginia origin and visited Fauquier County at least once every year.

Surviving are his widow, Mrs. R. Beverley Herbert of Columbia; two sons, Robert Beverley Herbert Jr., of Columbia and Maj. James H. Herbert of Woodside Plantation, Delaplane, Va.; two daughters, Mrs. George C. Hart and Mrs. Edmund R. Taylor of Columbia, and 16 grandchildren.

Services will be 4:30 p.m. today in Trinity Episcopal Church, conducted by the Rev. Dr. James Stirling. Burial will be in Emanuel Episcopal Church Cemetery in Delaplane, Va.

Dunbar Funeral Home, Gervais Street Chapel, is in charge.

[From the Columbia (S.C.) Record, Mar. 11, 1974]

Local Civic Leader R. Beverley Herbert Services Held Today

Funeral services for R. Beverley Herbert were held today in Trinity Episcopal Church, conducted by the Rev. Dr. James Stirling. Burial will be in Emanuel Episcopal Church Cemetery in Delaplane, Va.

Mr. Herbert, legislator, civic and state leader, died yesterday in Richland County Memorial Hospital.

Mr. Herbert came from his native Virginia to Columbia in 1897 and remained to become a leading attorney and citizen.

He served in the state House of Representatives in 1928 and 1929 and again in 1931 and 1932.

In the meantime he had run, in 1930, unsuccessfully for governor. In 1960, he ran for the United States Senate and was defeated, as he said he expected to be, by incumbent Sen. Strom Thurmond.

As far back as 1912 he was president of the Columbia Chamber of Commerce. He was president of the Richland County Bar Association in 1948. His interest in the cultural advancement of the city and the state was shown in his active and successful presidency of the Columbia Museum of Art Commission in the early stages of that movement and of the museum's life.

In the field of education, he was once chairman of the Board of Trustees of South Carolina State College at Orangeburg. For more than half a century he had served as chairman of the Columbia Academy Board.

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Yet aspects of the growing integration movement in the 1950s and later seemed to give him some pause, and to general surprise he announced he would run against Senator Thurmond for the United States Senate.

"I am running," he said, "for the United States Senate against Senator Thurmond not because I expect to be elected, or to defeat him, but because it is the best chance I see to say things I think should be said."

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In 1968, Mr. Herbert published a book, titled "Life on a Virginia Farm." This was a compilation of columns he had written over a period of many years for "The Fauquier Democrat," the newspaper of his native Virginia county.

Surviving are his wife, Mrs. Georgia Hull Herbert, two sons, Robert Beverly Herbert Jr. of Columbia and Maj. James H. Herbert of Woodside Plantation, Delaplane, Va.; two daughters, Mrs. George C. Hart and Mrs. Edmund R. Taylor of Columbia; and 16 grandchildren and 2 great grandchildren.

Pallbearers will be Carrington Herbert, George L. Dial Jr., Frank H. Gibbes III, Edwin R. Herbert Jr., O. Frank Hart II, George C. Hart Jr., R. Beverley Herbert III and William E. Smith.

[From the Columbia (S.C.) State, Mar. 13, 1974]

A Legacy Of Service

Were there such an office in South Carolina as "lawyer laureate," it would long since have been bestowed upon R. Beverley Herbert, the distinguished Columbia attorney who died here Sunday at the age of 94.

Mr. Herbert was the epitome of a scholar and a gentleman, although neither characteristic dimmed the vigor of his conviction or the steel of his resolution. If anything, his courteous traits enhanced the effectiveness of his dedication to causes which he considered helpful to his community or his country.

Remarkably active even after passing the "four score and ten" mark of his useful life, Mr. Herbert maintained a continuing interest in public affairs, world events, and the legal profession. His observations in these and other fields brought him both the respect and the appreciation of his fellow citizens.

Mr. Herbert will be buried in Virginia, the state from whence he came to Columbia in 1897. But his good name and his good works will be cherished by hosts of South Carolinians who regarded him—with good cause—as being one of us.

[From the Warrenton (Va.) Fauquier Democrat, Mar. 14, 1974]

R. BEVERLEY HERBERT, ATTORNEY AND WRITER

Robert Beverley Herbert, attorney and author, of The Plains, Va., and Columbia, S.C., died March 10 in Columbia at the age of 95.

Vigorous and, despite his age, never "old," he continued to practice law with the firm he founded, Herbert, Dial and Windham, in Columbia, and was at work on a book about his early experiences in South Carolina.

His earlier book, Life on a Virginia Farm, published by The Fauquier Democrat in 1968, was a collection of articles about growing up in Fauquier County after the Civil War.

Born in 1879 at Avenel Farm, the home of his Beverly grandparents, he attended a one-room school at Rectortown, a boys' boarding school, Locust Dale Academy in Madison County, and South Carolina College, now the University of South Carolina.

When in 1962 he was awarded an honorary Doctor of Laws degree by the university, the citation described him as "one of the state's most distinguished lawyers, a lifelong student and advocate of sound government (who) served in the (N.C.) General Assembly, a scholar and patron of the arts."

He loved to hunt and fish, play bridge and hike in the pinewoods. He wrote a great deal—straightforward letters to the editor, correspondence to other attorneys, many of them young, and to men in public life, "encouraging, recording, protesting and praising."

Last year he was interviewed, with Mrs. Emily Ramey of Rectortown, on a WNVT–53 program exploring farm life as it used to be in Northern Virginia.

Mr. Herbert is survived by his wife, the former Georgia Hull, and four children, Mrs. George Hart, Mrs. Edmund Taylor and Robert B., Jr., all of Columbia, James H. Herbert, Delaplane, and 16 grandchildren.

Services were held for him in Columbia March 11. Graveside services were conducted March 12 at Emanuel Episcopal Church, Delaplane.

PAUL SAMUELSON SUPPORTS ANTI-RECESSION TAX CUT

Mr. MONDALE. Mr. President, Nobel laureate Paul Samuelson has joined with a number of other eminent economists in calling for an antirecession tax cut.

I asked Dr. Samuelson for his views on my proposal for a $200 optional tax credit in lieu of the $750 personal exemption. In his response, he said:

> I believe . . . that a majority of mainstream American economists would favor this proposal on the basis of a broad nonpartisan consensus.

According to Dr. Samuelson, the economy is now in a state of "stagflation":

> Real family incomes have not been growing in the way considered par for our system. If ever there were a good time for introducing this reform, with its implied $6 billion revenue loss, this would seem to be it.

I ask uanimous consent that the full text of Dr. Samuelson's letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MASSACHUSETTS INSTITUTE
OF TECHNOLOGY,
Cambridge, Mass., March 27, 1974.
Senator WALTER F. MONDALE,
U.S. Senate, Washington, D.C.

DEAR SENATOR MONDALE: I am glad to respond to your request of March for my views on your proposal to give taxpayers the option of taking a $200 credit for themselves and each dependent if they prefer that over the current $750 exemption.

I do favor this proposal. Perhaps the three most important considerations in its favor are the following:

1. Because of the rise in prices and cost of minimum living standard in the 30 years since World War II, the present exemption level is increasingly inadequate, being more onerous than was thought appropriate even in the middle of World War II when our system was fighting for its life. So an increase in effective tax reduction at the bottom, such as you are recommending, has been long overdue regardless of the state of the business cycle.

2. Currently the U.S. economy is in a state of stagflation. Real family incomes have not been growing in the way considered par for our system. If ever there were a good time for introducing this reform, with its implied $6 billion revenue loss, this would seem to be it. I say this taking due regard of the fact that as I write the consumers price index is soaring around the 10 percent annual rate. However, the causes of the most recent acceleration of the price level are not to be found primarily in an excess of consumer purchasing power, but rather in the realm of energy, food, and other staple prices. Reducing the onerous tax burden on the middle and low-income taxpayers is not calculated to worsen this kind of inflation—and indeed a powerful case can be made, as Dr. Heller has recently shown, that the moderation in wage settlements of recent times can be best preserved by just such tax reform.

3. Finally, there is the point that energy costs will be irreversibly higher than before the October Mideast War. This hits middle and low income families particularly. Even the Administration economists agreed, at the time when they were fearing political pressures for gasoline and fuel rationing in the interests of equity, that a strong economic case could be made for offsetting some of the rise in market prices for energy by middle- and low-income tax adjustments. Your bill, it seems to me, achieves this vital purpose with a minimum of administrative difficulty. So, aside from the long-term and the cyclical arguments for your proposal, I think there is a powerful reinforcing argument from the standpoint of efficiency and equity in adjusting to the higher costs of energy that will be with us in the longer run.

I have not exhausted the arguments for the tax-credit proposal, nor commented in detail on the counter arguments. But I believe I have said enough to indicate that a majority of mainstream American economists would favor this proposal on the basis of a broad nonpartisan consensus.

Sincerely yours,
PAUL A. SAMUELSON,
Institute Professor.

THE INDIAN ACHIEVEMENT AWARD FOR 1973 PRESENTED TO AN ALASKAN NATIVE

Mr. STEVENS. Mr. President, I am very proud to call the attention of my colleagues to a recent award: The Indian Achievement Award for 1973 has been presented to an Alaska Native—a Tlingit from the village of Yakatat—Mrs. Elaine Ramos. Mrs. Ramos was given the achievement citation recently here in Washington by the president of the Indian Council Fire organization, Forrest Gerrard. Mrs. Ramos was chosen from over 200 competitors from across the country. This is the first time in the award's 40-year history it has been presented to an Alaska Native. Another Alaska Native, Commissioner of Indian Affairs Morris Thompson, delivered the keynote address. Also taking part in the luncheon ceremony were former award winners George Lavatta, special assistant to Commissioner Thompson; Louis R. Bruce, Assistant Director of the Coalition of Eastern Native Americans; Council Fire President Forrest Gerrard; Wilma Victor, Assistant to the Secretary of the Interior for Indian Affairs. Mrs. Ramos, in accepting the award, said:

> The Indian Council Fire brings pride to the Indian people. When I knew I was to get this award, it was like the sun breaking through to my people—Rays of hope, rays of sunlight to my people in Alaska.

In remarks prepared for the occasion, Commissioner Thompson described Mrs. Ramos' unique contributions to her people which so well qualify her for this distinguished honor.

Mr. President, I ask unanimous consent that the keynote address of Commissioner Thompson be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS OF MORRIS THOMPSON

Alaska Natives are in the headlines of this Nation's newspapers today because land and dollars are flowing to them through provisions of the Alaska Native Claims Settlement Act. That act put more land into the hands of Native people than has any other single action on the part of the United States Government. It is a unique solution to an unusual situation.

Alaska Natives will be in the Nation's headlines tomorrow because of the lifetime dedication of a single Alaska Native—Elaine Abraham Ramos. She is the first Alaska Native to win the Indian Council Fire Achievement Award, Inc., and the 38th Native American to be so honored. As an Alaska Native myself, I am particularly proud to bask in the reflected glory of her achievement, and I am grateful to the Indian Council Fire that I have been asked to make a few remarks.

It is perhaps an omen that an Alaska Native of the caliber of Elaine Ramos has emerged to be singled out for the Indian Council Fire Achievement Award, Inc., at this time.

Alaska Natives are in the process of changing their ways of life. Not each one of them, by any means. But as a group, few would deny that they are. For Alaska Natives to move successfully into the the future that is before them demands skills and contributions of all kinds from their numbers.

It is perhaps unnecessary to point out that good health is the foundation of individual and family stability and the basis for successful transitions of any type. But that involvement in the health of Alaska Natives is now coming from *within* the Native population is perhaps less obvious and worthy of highlighting. Mrs. Ramos brought medical quality to her own people—the Tlinget Indians of Southeast Alaska—then went on to help all Native Alaskans participate in medical progress in their own behalf.

A second important need of all Native Americans is education. Mrs. Ramos holds a post in education that is a credit to her, to the Tlinget Indians, and to all Alaska Natives. It is also an inspiration to Alaska Natives of all ages. She is vice-president of Sheldon Jackson College, Sitka, the oldest college to hold classes without interruption in the State of Alaska.

On a year's leave-of-absence now from this post, she is administrative director of the new Alaska Native Language Center at the University of Alaska. In this capacity, Mrs. Ramos visits Native villages and arranges for language workshops with persons fluent in both English and one of the 19 different Indian or Eskimo languages native to Alaska.

I am happy to say that the Bureau of Indian Affairs has been a part of the bilingual program in effect now in the Kuskokwim Valley near Bethel, Alaska, with which Mrs. Ramos works. This is a pilot program involving Yupik Eskimo and English, and is being watched with considerable interest for the lessons it holds for all Native American education.

Mrs. Ramos has indicated her pride in her own Tlinget heritage by sponsoring, with her family, the Ravan dancers. The Tlinget legend of the Ravan, parallels that of the flood told in the Christian Old Testament. By enabling Natives and non-Natives alike to see the beauty of one of the oldest religions on the North American continent she has created a bridge between Americans of many ethnic backgrounds.

I would like, today, to compliment the Tlinget Indians who have given us Elaine Ramos. They number about 8,000 today, and were, in the past, renowned as totem pole builders. These totem poles were clan records—the Ravan is one clan—but today they are to many, a symbol of all Alaskan Indians. The Tlingets also founded the Alaska Native Brotherhood, the oldest continuously functioning fraternal organization of American Indians, and a leader in the effort to successfully bring to a conclusion the claims of Alaska Natives for land.

Before I close I would like to pay my respects to Marion Gridley, a guiding hand behind the Indian Council Fire Achievement Award, Inc., since it was first bestowed—in 1933—upon Dr. Charles A. Eastman, a Sioux, at the Chicago Century of Progress. The Indian Council Fire itself, was founded ten years before, she tells me, by her family. Ten thousand people watched at the Chicago Fair as the council fire was lit by the light of a star with the help of the most recent technological innovation of the day. It was the "moon walk" of its time.

Mrs. Gridley has dedicated her life to seeing that contemporary Indian life is acknowledged and respected. She has published a number of books that are unique contributions to that purpose and that are, I might add, used by the Bureau of Indian Affairs schools where they enhance the self-image of the coming generation of Native Americans.

Again, I am pleased to congratulate Elaine Abraham Ramos for the honor that has come to her and to say—as an Alaska Native myself—that I hope she will not be the last Alaska Native to be honored. I know Elaine Ramos will be the first Alaska Native to agree.

TAX REFORM

Mr. CANNON. Mr. President, it is with a deep sense of urgency and grave concern that I urge substantial revision of our present income tax structure. The patience of middle- and lower-income taxpayers is exhausted with the tax loopholes for the rich and with a tax burden in 1974 that will eat away 2½ hours of wages every working day for the average family. Smoldering discontent breaks into anger over revelations of the Nixon tax dodges and disgraceful statistics that last year some 402 wealthy Americans were able to earn over $100,000 and not pay 1 penny in income tax. Congress cannot remain mute in the face of ever-growing and justified public cries for positive action. Tax reform in 1974 should have an indispensable place on the legislative calendar of Congress.

I would like to address my remarks to one of the most flagrant loopholes in the present system, minimum tax assessed against tax preference items. Mr. President, this is the worst of all situations: Not only does it deceive the public into believing the rich are being forced to pay their fair share but it is preserving some of the most unfair loopholes in the tax code.

The minimum tax, enacted into law in 1969, has failed to insure the wealthy pay at least some minimum amount of tax on their earnings. Applied against the nine tax preference items, such as accelerated depreciation of property and percentage depletion of oil and gas wells, and capital gains it assesses a flat 10-percent tax against deduction well below even the 14-percent threshold rate applied to less fortunate taxpayers earning below the poverty level.

In addition to this exceptionally low flat rate of 10 percent, there is also an automatic $30,000 exclusion and a deduction of regular taxes paid. Subtracting these two deductions means that an individual with $130,000 of preference income will pay no minimum tax if he pays tax on regular income of $100,000. It should be no surprise that the minimum tax generated little revenue—about $164 million in calendar year 1972.

The income between $100,000 and $130,000 under the Internal Revenue Code should be taxed at the regular progressive rates, but since the code sidepasses income from tax-preference items and the extremely lax minimum tax provision has no effect, the $30,000 will go untaxed.

Mr. President, there are viable remedies to this inequity. As a consistent supporter of the Kennedy-Reuss proposal, I believe the most productive avenue to pursue is a tightening of the present minimum tax law rather than its repeal and replacement with other concepts such as minimum tax income and limitation on artificial accounting losses proposed by the administration. The Kennedy-Reuss proposal reduces the $30,000 automatic exclusion to $10,000; eliminates the deductibility of regular income taxes paid, and assesses a more reasonable progressive rate—from 7 percent to 35 percent—on the tax-preference items.

A revealing study by the Joint Committee on Internal Revenue Taxation indicates that an additional 71,000 tax returns of individuals earning over $50,000 would be affected by the adoption of the Kennedy-Reuss minimum tax proposal. The additional tax collected under this legislation would amount to $1.3 billion to those taxpayers who earn over $100,000 per year, having little effect on the middle- and lower-income taxpayer.

I would also urge priority congressional consideration in the area of tax-free bonds. This $2.5 billion annual Treasury drain, that is noteworthy in its concept to encourage investment into municipal and State bonds, but amounts to more than tax savings for corporations and wealthy individuals, and an extremely costly method of financing public projects. The top one-tenth of 1 percent of the Nation's wealthiest individuals own 70 percent of municipal bonds. The Bank of America, the Nation's largest bank, owns about $3 billion in bonds, which generates $150 million of tax-free income annually. Translated another way, it means the average taxpayer had to offset the $72 million tax break given the Bank of America.

It is clear the Treasury loses far more in revenues than local governments save in lower borrowing costs through the tax-free bond concept. The Federal Government taxing these bonds could give local governments up to a 50-percent interest subsidy and still break even on revenue. In operation this means the State could issue an 8-percent bond, receive a 4-percent subsidy from the Federal Government, and end up paying only 4 percent, less than their borrowing costs are at the present. The vast improvement in the equity of the tax structure is obvious.

Making the wealthy pay their fair share is only half the story. The additional revenue gained from closing the loopholes must go to offset the tax burden of the wage earner who bears the brunt of uncontrollable inflation. I have cosponsored with Senator MONDALE a bill to provide a $200 credit in lieu of the $750 personal exemption. This will provide an average tax savings of $200 to the middle- and lower-income families. I hope the House and Senate will act quickly so we can undercut the effects of a pending recession by pumping this more than $6.5 billion into the economy.

Mr. President, as April 15 passed and the corporations and the wealthy skated through loopholes in the tax laws and the less fortunate paid up, I hope my distinguished colleagues will take a critical look at the present income tax laws, and effect these long overdue reforms.

THE DEATH OF MAJ. GEN. LEWIE GRIFFITH MERRITT

Mr. THURMOND. Mr. President, an outstanding South Carolinian, Maj. Gen. Lewie Griffith Merritt, U.S. Marine Corps, retired, who served both his State and Nation with distinction throughout his life died March 24, 1974, at the age of 76.

After 30 years in the U.S. Marine Corps, during which he established a distinguished record, General Merritt retired to his native State. This was during my term as Governor of South Carolina and I asked him to become director of the newly organized Legislative Council of the South Carolina General Assembly. During the next 18 years in this position he continued to provide highly capable public service to the legislature and to the people of our State.

A native of Ridge Spring, S.C., he was graduated from The Citadel in 1917 and was commissioned a second lieutenant in the Marine Corps. His duty stations extended from the battlefields of Europe in World War I to the embattled skies over the Pacific in World War II, and beyond. A brigadier general by 1942, he was often a key figure in the development and implementation of new air warfare tactics.

At the conclusion of World War II, General Merritt returned to the United States and commanded the Marine Air Station at Cherry Point, N.C., until his retirement. After a short period, during which he practiced law, he began in the State Capitol of South Carolina his second distinguished public career.

The contributions he was to make as director of the legislative council were many. In addition to drafting prospective legislation, he also supervised the revision of the South Carolina Code of Laws in 1962. He served on a special reapportionment committee, the Council of State Governments and the Uniform Code Commission of the council.

The energetic and skillful way in which General Merritt discharged his duties has brought lasting and beneficial rewards to his State and Nation.

I extend my deepest sympathy to his family, friends, and associates who mourn his passing. Surviving are his wife, Mrs. Grace Marie Comerford Merritt; a son, Lewie G. Merritt, Jr.; and three grandchildren.

Mr. President, at the time of his death a number of newspaper articles and tributes appeared around South Carolina about this outstanding man. I ask unanimous consent that three of these be printed in the Record at the conclusion of my remarks, as follows: "Maj Gen. Merritt Plans Incomplete," The Columbia Record, Columbia, S.C., March 25, 1974; "Marine, S.C. Administrator Gen. Merritt Dies at 76," the State, Columbia, S.C., March 26, 1974; and "Maj. Gen. Lewie G. Merritt Services Scheduled Thursday," the Columbia Record, Columbia, S.C., March 26, 1974.

There being no objection, the articles were ordered to be printed in the Record, as follows

[From the Columbia Record, Mar. 25, 1974]

MAJOR GENERAL MERRITT PLANS INCOMPLETE

Maj. Gen. Lewie G. Merritt died Saturday in Fort Sam Houston, Texas, after a long illness.

Funeral plans will be announced.

General Merritt was a graduate of The Citadel. He entered the Marine Corps, retiring in 1947 as a major general.

He was appointed, by then Governor Strom Thurmond in 1948, as director of the Legislative Council, shortly after his retirement from the service. In 1954, General Merritt took on the added duties of code commissioner, retiring in 1971.

Born June 26, 1893 in Ridge Spring, he was a son of the late James Albert Merritt and Blanche Griffith Merritt.

Surviving are his wife, Mrs. Grace Marie Comerford Merritt; a son, Lewie G. Merritt Jr.; and three grandchildren.

[From the State, Mar. 26, 1974]

MARINE, SOUTH CAROLINA ADMINISTRATOR, GENERAL MERRITT, DIES AT 76

Major Gen. Lewie Griffith Merritt (USMC-ret.), 76, who ended a distinguished 30-year career with the Marine Corps only to begin an able career of public service as director of the Legislative Council of the South Carolina General Assembly, died Sunday in Fort Sam Houston, Tex., after a long illness.

Born in Ridge Spring, he was a son of the late James Albert and Blanche Griffith Merritt. He graduated in 1917 from The Citadel with a commission as second lieutenant in the Marine Corps.

He served in Santo Domingo and as an infantry officer in France during World War I.

Following the war he was graduated from Naval Aviation Training School at Pensacola, Fla.; the Air Corps, Tactical School, Langley Field, Va.; and from the Command and General Staff School at Fort Leavenworth, Kans. He also served aboard the U.S.S. New Mexico.

He was later in command of Aircraft Two, Fleet Marine Force, Naval Air Station, San Diego, Calif.

Gen. Merritt was a pioneer in Marine aviation. He was the first American shot down by enemy forces in the European Theater during World War II. His plane crash-landed in the Libyan Desert near enemy gun positions; however, he and the crew averted capture when two British armored cars appeared and rescued them. He had been assigned to British forces in North Africa to observe British tactics.

He became a brigadier general in 1942.

Later in the war he commanded the Fourth Marine Air Wing in the Central Pacific, directing a part of the air support for Marine ground forces in the invasions of the islands of Tarawa and Kwajalein.

After World War II, Gen. Merritt took part in the President's Strategic Bombing Survey special study of U.S. assaults against Japanese defenses.

Gen. Merritt was one of the first aviators to use dive bombing, one of the most important combat tactics in modern air warfare.

He received the Bronze Star with combat V and the Legion of Merit for exceptionally outstanding performance of duty to country.

From the end of World War II until his retirement from the Marine Corps in 1947 as a major general. Gen. Merritt commanded the largest Marine Air Base in the United States at Cherry Point, N.C.

In 1928 Gen. Merritt had earned a law degree from George Washington University and so, upon retirement, he began a law practice in West Columbia.

He was appointed by then-governor Strom Thurmond in 1949 as first director of the newly created S.C. Legislative Council, which drafts legislation of the South Carolina General Assembly. He took on the added duties of Code Commissioner in 1954 when that constitutional office was combined with the Legislative Council.

As director of the Legislative Council, Gen. Merritt supervised the "ghost-writing" of South Carolina legislation and its incorporation into permanent statutes. The Legislative Council is located in the State House, midway between House and Senate chambers.

When not drafting bills and codifying laws, Gen. Merritt's staff assisted special study committees of the General Assembly.

Gen. Merritt was in charge of the revision of the Code of Laws of South Carolina completed in 1962.

In 1965 he was a member of a special reapportionment committee to study court-ordered reshuffling of seats in the state Senate.

Gen. Merritt retired from the Legislative Council in 1967.

In his offices with the Council of State Governments, Gen. Merritt was a booster for South Carolina, drawing interest in his native state by force of his magnetic personality. He was past president of the National Legislative Conference of the Council, a past member of the Uniform Code Commission of the Conference and past chairman of the Southern Regional Conference of the Council.

In these posts he was responsible for simplifying and standardizing the maze of overlapping state laws into a code of laws for use throughout the nation.

In 1954 Gen. Merritt was campaign manager for Lt. Gov. George Bell Timmerman Jr. in his successful first bid for the governor's office.

In 1966 Gen. Merritt served as Lexington and Richland County chairman of the Christmas Seal Campaign against tuberculosis and other lung diseases.

Gov. John C. West said Monday of Gen. Merritt, "I am deeply saddened to learn of Gen. Lewie G. Merritt's death. He was not only a good personal friend for 25 years, but a man whose judgment and wisdom I respected highly. By serving as parade marshall for my inaugural parade in 1971, he did me a great honor and I shall always treasure the memory of his friendship.

"He served his nation with distinction as a general in the Marine Corps, and he brought great leadership to South Carolina as director of the Legislative Council and as a citizen of great energies and devotion to his native state."

Surviving are his widow, Mrs. Grace Marie Comerford Merritt; a son; and three grandchildren.

Plans will be announced by Dunbar Funeral Home, Devine Street Chapel.

The family suggests that those who wish may make memorials to medical research.

[From the Columbia Record, Mar. 26, 1974]

MAJ. GEN. LEWIE G. MERRITT SERVICES SCHEDULED THURSDAY

A Funeral Mass for Maj. Gen. Lewie Griffith Merritt (USMC, ret.) will be said Thursday at 11 a.m. at St. Joseph's Catholic Church. Burial is tentatively set for Friday in Arlington National Cemetery.

A Rosary will be recited tomorrow at 7:30 p.m. at Dunbar Funeral Home, Devine Street Chapel.

General Merritt, 76, died Sunday in Fort Sam Houston, Tex. Prior to moving to Mexico over a year ago, he had made his home in West Columbia.

Born in Ridge Spring, he was a son of the late James Albert and Blanche Griffith Merritt. He graduated in 1917 from The Citadel with a commission as second lieutenant in the Marine Corps.

He served in Santo Domingo and as an infantry officer in France during World War I.

Following the war he was graduated from Naval Aviation Training School at Pensacola, Fla.; the Air Corps, Tactical School, Langley Field, Va.; and from the Command and General Staff School at Fort Leavenworth, Kans. He also served aboard the U.S.S. New Mexico.

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In 1966 General Merritt served as Lexington and Richland County Chairman of the Christmas Seal Campaign against tuberculosis and other lung diseases.

SPACE EXPLORATION

Mr. MOSS. Mr. President, in a recent review titled "Exploration of the Solar System," the contributing scientists have given a cogent explanation of the importance of understanding the solar system—both now and in the future. As a Member of Congress interested in the future of our society, I believe that many solutions to present problems can be found in our space programs. I, therefore, commend the review for my colleagues' reading. I ask unanimous consent that an extract of this review be printed in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

SPACE EXPLORATION

WHY IS UNDERSTANDING OF THE SOLAR SYSTEM IMPORTANT TO US, NOW AND IN THE FUTURE?

Man's exploration of the solar system is often considered to be no more than an exercise in his intellectual curiosity, and of value only to further the understanding of his origins and to aid his purely intellectual development. This view is, however, a limited one. As we have seen in the preceding paragraphs and as will be discussed further in some detail, from the work of the earliest astronomers, mankind has derived tangible benefit from such exploration in virtually all areas of human endeavor. And, although the past is no guarantee for the future, it appears that today, with our advanced state of technology and manifest needs, the potential for such benefits is greater than ever before.

It must be made clear, however, that these potential benefits, like those of any research program whose time scales are measured in decades, cannot be subjected to the usual criteria employed in the analysis of benefits and costs. History has clearly marked the progress which is directly traceable to non-directed basic research, and it is this aspect of solar system exploration which constitutes its primary motivation.

Even at this early stage in solar system exploration, however, several potential benefits are beginning to surface. For example, solar radiation is not only the source of all life (as well as a danger to life) but also is one of our two principal potential sources for future energy supplies. Furthermore, the Sun has served as a model for many of our other energy-source developments. The basic concept for nuclear fusion, our other principal potential source of energy, was derived originally from studies of the Sun, as will be discussed later.

Disturbance in the solar wind, as produced by solar flares, cause corresponding disturbances in the Earth's magnetosphere (magnetic storms). These storms are responsible for communications disruptions as well as brilliant auroral displays. They can be quite hazardous to astronauts, but may also affect aircraft crews and passengers. We need to understand more about these spectacular phenomena. Statistical studies suggest that magnetic storms may appreciably affect global aspects of our terrestrial weather. Thus, monitoring of the solar wind may become an essential element in complete terrestrial weather forecasting.

The ultraviolet and X-rays emitted by the Sun are responsible for the terrestrial ionosphere, a phenomenon essential to long-distance radio communication. Another vital product of solar ultra-violet radiation is the terrestrial ozone layer. Ozone has the important property of absorbing ultraviolet light and preventing it from reaching the surface of the Earth. Without this protection, life as we know it would be very difficult or impossible. Thus, it is of great practical importance that we understand variations in solar ionizing radiation.

The planets of the solar system are natural laboratories for observing the extension of the ranges and scales of phenomena also present on Earth. For instance, exploration of the trapped radiation and magnetic fields of other planets is an important tool in understanding the formation and development of all planets, including our own. This understanding may bear upon problems of preserving Earth's water supply and controlling the long-term development of our atmosphere.

Further, man cannot ignore the possibility that he may require the use of the uninhabited planets as cosmic laboratories to conduct experiments and operations necessary for his survival but far too dangerous to conduct on Earth. For example, we are already considering using the Sun or interplanetary space to dispose of future radioactive wastes from nuclear powerplants.

We can ask many even more specific questions in solar system exploration whose answers are directly applicable to Earth interests. Highly accurate distance measuring on interplanetary scales is currently being applied to intercontinental surveying on Earth. This research is the basis for study of the mechanics of earthquakes and volcanic activity. Sterilization techniques originally developed for planetary quarantine have so far surpassed conventional methods that they are being rapidly incorporated by large general hospitals across the country, and are beginning to contribute to the success of sophisticated medical procedures—just 16 years from the first space launch. The concepts of reliability and miniaturization, needed to make long deep-space missions a reality, are already at work for us in radios, television sets, computers, communication devices, and innumerable other applications.

In a few years the impetus from development of our outer-planet spacecraft, faced by communication turnaround times measured in hours, will make "self-repairing" mechanical/electrical systems feasible. These spacecraft will also have to incorporate enough "artificial intelligence" to enable them to react to events requiring near-instant decisions. Such systems will have considerable potential for improvement of our Earth-based transportation and communications systems.

Although many of the "visible" benefits of solar system exploration are in these indirect "spin-offs," we must never lose track of the basic truth that they are not by any means the sole or even the main justification for space spending. As Senator Lowell Weicker of Connecticut has warned us:

"Much of the emphasis of the space program lately has been pointed toward Earth's benefits of the program. Fair enough; in a time of lagging interest, it's proper to remind the public of the tangible benefits that have spun out of the space program. But let's remember one thing: the space program did not set out to find these specific off-shoots. They emerged and were seized on as part of the more difficult, almost impossible, effort to get on the Moon. And so we can cite such accomplishments as the communications satellites and the special weather-forecasting satellites, indisputable great boons to mankind. But remember, we came upon them on our way to the stars—not by grubbing around in the ledgerbooks."

And it is "on our way to the stars" that the greatest benefits to mankind will be reaped. First, from an international viewpoint, the solar system belongs to all men, and man's common goals for its exploration have served to unite nations in ways that can only benefit all concerned.

In a sense, science, like the arts, offers an opportunity for cultural exchange—a common ground for men to meet in cooperation rather than conflict. One principal bonus of cooperation in international space exploration is the relief of the binding tie in formal or informal treaty arrangements. International cooperation also paves the way for a certain amount of technological cross-fertilization and elimination of duplication of effort. These factors associated with the involvement of other nations help to justify continuation of specific programs. The current involvement of the European Space Research Organization in developing a Spacelab to be used with the U.S. space shuttle is a case in point.

There also is a part to be played by competition. Man, as sociologists are rediscovering, is still a contentious, envious creature. Without competition, his projects may lose their spark and drive. Much of our technological progress in the past, with its consequent impact on the dominant industrial and economic factors which govern our present civilization, has been made through war. The exploration of space offers a far more attractive motivation for broad advances in technology, particularly if a proper balance can be struck between international cooperation and a healthy rivalry in space exploration achievements.

Also, space exploration brings our goal-seeking youth new horizons to be explored; new areas to occupy and exercise their intellects. Finally, a fundamental drive of man in his exploration beyond the Earth is the search for extraterrestrial life.

At present, there is no direct evidence for life on any of the other planets, but the observations to date would hardly be capable of detecting life on Earth. It has been said that if life *of any kind* is discovered elsewhere in our own solar system, we can assume that it will occur wherever conditions amenable to the origin of life exist—and, hence, that intelligent civilizations probably exist elsewhere in our galaxy. Nothing could have a greater impact on man, his philosophy or his institutions than the discovery of intelligent life elsewhere, and the subsequent need to cope with it.

It is in such a framework that the motivations for solar system exploration should be viewed, rather than in the immediate "marketplace" of cost and benefit comparisons with other critically important but necessary short-range national needs.

COPPER EXPORTING COMPANIES CONVENING TO REGULATE PRICES

Mr. DOMENICI. Mr. President, I wish to thank the distinguished Senator from Alaska (Mr. Stevens) for his kind remarks. I know that he, and the distinguished Senator from Kentucky (Mr. Huddleston) have expressed great interest in our minerals availability problem, as have others in this Nation. I hope that we may work together to formulate policy and a way to implement that policy though the legislative process.

My concerns expressed last week in my home State have been realized sooner than anyone would have dared predict. Yesterday's New York Times contained a story outlining the proposed meeting among the four largest copper exporters in the world. The meeting would be for the purpose of establishing world prices. The handwriting is on the wall and I believe that it will be the need for foreign capital in ever-larger amounts that provides the primary motivation for the activities of the minerals-producing and exporting nations. This means we must develop a policy to deal with new demands and to discover mineral substitutes. Above all, it means that this Nation is going to have to forge a viable third-world policy. I noted the remarks last week by Secretary of State Henry Kissinger, who implied much the same sentiment—we need to recognize that minerals production is in the interests of all nations. A third-world policy based on both the realities of industrial needs and underdeveloped countries' terrible capital shortage will serve us in good stead during the next decade.

I ask unanimous consent that the New York Times article, "Copper Exporting Countries Convening To Regulate Prices" be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Copper Exporting Counties Convening To Regulate Prices

The oil countries' successful assault on the treasuries of the industrialized world in the last year has already inspired the principal bauxite countries to take concerted action, and now the major copper exporting countries are going to try it, too.

Next week the four biggest copper exporters—Chile, Peru, Zaire and Zambia—will meet in Austria to draw up their demands.

According to trade sources, the group will probably seek to set minimum copper prices in a range of 75 to 90 cents a pound. The present free market price of copper is $1.30 a pound.

However, domestic copper has been 68 cents under price controls due to expire next week.

The price of copper has tripled from a low of 42 cents a pound in the seven years since the four countries formed themselves into the Intergovernmental Committee of Copper Exporting Countries. The often-volatile movements have caused severe problems to the four developing countries, which account for 80 per cent of the world's copper exports.

The volatile price movements have upset their developments over the years.

WHAT 1-CENT MOVE REPRESENTS

Each 1-cent move represents $11-million for Chile, somewhat less for Peru and considerably more for the two African producers because of their different levels of output.

The reaction by the copper trade in the industrialized lands to the four countries' moves to create a cartel patterned after that formed by the Organization of Petroleum Exporting Countries has varied over the years.

"We were amused," an executive of a big commodity-trading house said here the other day, "when OPEC was formed in 1960. We were even more amused when the copper group was created six years later.

"But we stopped being amused last September when both groups managed to bury their internal political differences, which we thought were too great to permit effective coordination of strategy.

"After what OPEC managed to do last October, anyone who is still amused is mad."

Although the copper exporters do not have anywhere near the economic influence of the oil producers, that commodity is nevertheless vital to a multitude of industries—in the industrial countries.

Moreover, any moves by the copper group are expected to be quickly followed by other basic-commodity exporters.

The big aluminum companies—Alcoa, Kaiser, Reynolds, Revere, and the Aluminum Company of Canada—resume price negotiations today with Jamaica, the second major bauxite producer. Indicating how these things are intertwined, one source close to those talks said last week that "Jamaica would be negotiating with the eye on the copper group, because aluminum was copper's chief competitor in the metals industry."

There is substantial disagreement among economists, businessmen, politicians and others concerned about the nonpetroleum commodity exporters, including copper producers, actually could form successful cartels for extracting larger profits from the industrialized countries. In copper's case, for instance, they point out that the United States produces almost 90 per cent of what it needs.

Further, the doubters point out that the four principal exporters produce only 40 percent of world copper supplies and that they are far less independent economically than the big oil producers.

This reasoning has been debated by many speakers at the current special United Nations General Assembly meeting on the world commodity crisis.

For one thing, many of them have said, the ability to export a commodity today is often far more important than filling domestic needs. They said this was particularly true for developing nations that required vast amounts of foreign exchange.

Indeed, most speakers have warned that the very need for foreign exchange is forcing the poorer raw-material exporting countries to form cartels, whether they like it or not, as a means of raising the money to pay for vital imported goods. The cost of the manufactured goods and foodstuffs bought by the developing countries is exceeding prices of the raw materials that they sell, according to United Nations surveys being used during the three-week conference.

The commodity specialists also note that, in the case of both oil and the metals, the producers and exporters are, like as not, the processors and fabricators of the finished products.

Thus, while the host country can regulate output and price levels, its exportable commodity often is produced by the company that will buy, import, process and market it.

In both cases—fuel oil and metals—the ability to pass along higher raw-material costs is governed only by the availability of substitute commodities and the consumers' willingness or ability to pay.

DEPUTY CHIEF NOEL A. McQUOWN

Mr. TUNNEY. Mr. President, I would like to share with my colleagues the outstanding record of Deputy Chief Noel A. McQuown of the Los Angeles Police Department and to extend the Senate's commendation and best wishes for a happy and productive retirement to Deputy Chief McQuown as he terminates 37 years of dedicated service in the public interest.

Chief McQuown joined the department on January 2, 1937, and will be honored at a retirement dinner to be held at the Los Angeles Police Academy on Friday, May 3, 1974.

It is a distinct pleasure for me to enter this chronology of outstanding achievement into the Congressional Record.

Chief Noel A. McQuown joined the Department on January 2, 1937. He was promoted to sergeant on February 1, 1942 and rose to the rank of lieutenant on August 17, 1944. He attained the rank of captain August 28, 1949, and was advanced to inspector November 14, 1952, and achieved the rank of deputy chief August 31, 1960. His service time at retirement totaled 37 years and 3 months.

Among his many innovative and functional contributions, Chief McQuown completely redesigned the department's role in planning and policing parades resulting in many commendations. He authored department training bulletins, "McQuown on Parades."

Deputy Chief McQuown organized the first department special events planning section.

In 1950, he developed the still-used reporting districts system enabling the use of statistics already available, for example, population, racial composition, and so forth, and the car assignment field unit identification system.

One of the real pioneers in emphasizing the role of the police in human relations, Chief McQuown has been selected for the award of merit from the National Conference of Christians and Jews.

Chief McQuown has notably represented the department as a speaker to civic, service, and fraternal organizations, having lectured extensively in seven States on police community relations and police professionalism.

In addition to his outstanding contributions to the people of Los Angeles as a career police officer, Chief McQuown has exemplified continuing commitment to his fellow man by his years of dedicated devotion to the Masonic Order and most notably, the Shrine of North America.

In this capacity, he is currently or has been: Associate Guardian of Jobs Daughters, Associate Patron of the Eastern Star, president of the Shrine Directors Association of North America, and writer for the Al Malaikah Temple monthly paper. He has received the Bob Hope "Thanks for the Memory Award" for his tireless efforts on behalf of crippled children.

In 1973, Chief McQuown produced a slide/sound history of the Shrine which is being shown in southern California and is to be presented to the National Convention of the Shrine of North America.

MINERALS POLICY AND AMERICAN SECURITY

Mr. STEVENS. Mr. President, I expressed my concern about the minerals shortage this country is facing last month on the floor of the Senate. I have recently had brought to my attention a speech by my distinguished colleague from New Mexico, Senator DOMENICI. I believe his remarks and suggestions merit the attention of this body. Therefore, I ask unanimous consent that his speech, "Minerals Policy and American Security," be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

MINERALS POLICY AND AMERICAN SECURITY

Let's start with a basic fact: this nation has become distressingly dependent on foreign minerals and raw resources. We imported in 1973 more than 25 per cent of 30 vital minerals and oil and gas raw materials. Our magnificent industrial machine runs on the materials provided by a range of foreign nations with varying political and social ideologies, some quite at odds with American concepts. This may shock few of you here, because you are professionals in your fields. You are used to dealing with these facts of life every day. But perhaps I may be able to shock you with this concept; there is a wide body of opinion in this nation that believes we could soon be prey to a minerals embargo similar to the oil embargo we just suffered.

Let me make it clear: no one is ready to predict that next year all the producers of bauxite are going to get together and decide to withhold their product for more money. But just three months ago Guinea called a meeting of other major bauxite producers and importing countries to discuss policy. That government is bluntly "leftist" in quality. Two months ago Zaire and Zambia met to develop what they called "a common front" to fight for the highest possible prices for Africa's natural resources. What must concern us in this nation, as political leaders and as people involved in finding, developing, and producing minerals is the lack of a coherent and positive minerals policy in this nation that will lead us to self-sufficiency in most minerals in the next two decades. If we don't develop this self-sufficiency, we could see the rise of minerals-producing cartels devoted to maximizing their profits to such an extreme degree that grave international diseconomies could result.

Just for the record, let me outline the state of our dependency right now in minerals:

This nation imports 100 per cent of four platinum group metals, mica, chromium and strontium. We import 98 per cent of our cobalt, 96 per cent of our aluminum, 95 per cent of our manganese, 86 per cent of our titanium, 77 per cent of our tin, 74 per cent of our nickel, and on and on. Fully 80 per cent of this world's copper exports, by the way, come from Chile, Peru, Zambia and Zaire. Although America imports only 18 per cent of her copper, that percentage will rise.

Think about an America without iron—we import almost 30 percent of the iron we use. Some of you here are aware that Algeria has called for a United Nations conference to discuss raw materials and the needs of developing countries that produce most of them—iron included. That meeting is unabashedly an attempt by the producing nations to form marketing groups to control the sale of their products. Right now we are confident that such an attempt will fail. We are told by very bright men that these producing nations are so dependent upon the revenue produced by their sale of raw materials that they must export to us. They also argue that these nations are so diverse that they could never get together and form a cooperative venture. I have two answers to those arguments. One, time changes all things quickly, and greed changes things even more quickly. Governments in these developing nations will change, common interest will prevail. We cannot depend upon our position as biggest customer to insure that we will always get what we need when we need it. My point then is this: despite our relatively secure position now, the future could prove to be catastrophic for this nation unless we move right now, not 10 years from now, to develop policy and maximize minerals production.

Here's what I propose we must do to protect our economy and the American people:

In the next few weeks, I will introduce a bill to establish a Council on Mineral Resources. This Council will be responsible for coordinating the policy spelled out in the Mining and Minerals Policy Act, so that we have a clear understanding of what we are striving for. Currently, information about our minerals needs and resources is scattered among a number of agencies. This Council will provide a government organization to gather information for the public and private sectors. It will establish an organization to provide a factual basis for formulation and implementation of our minerals policy. As you know, we did not have independent facts available to us during much of the energy crisis. My proposal would insure that during the impending minerals crisis we do have such an independent source of information.

Reevaluate the whole question of depleting our stockpiles of key defense materials. I have spoken out about the copper stockpile depletion and will soon speak out again in the Senate. But the situation in tin, aluminum, tungsten, lead, manganese, cobalt, nickel and chromite is the same: we have depleted our holdings during the past seven years. We don't know how soon we may need these holdings. But we all know that we will need them someday.

We must reduce demand for virgin material. That means we must move toward monitoring and control of wasteful and nonnecessary use.

I believe we must enact my legislation calling for a maximum technological use of recycling and energy development from recovered materials. I have hopes that my bill, in some form, will pass the Congress by next year. It will be expensive to reach this goal, but not nearly so expensive as the $5 billion we spend annually to bury and burn our garbage.

We must increase production of scarce minerals by full development and use of new techniques.

We must move toward increased recovery of seabed minerals, such as manganese.

We must use our great scientific brainpower to develop "substitution methods" in which plentiful minerals can be used instead of scarce minerals in industrial processes.

New Mexico, of course, has an enormous stake in the whole field of minerals and oil and gas. We are blessed with many natural resources needed by our fellow Americans. Oil, gas, coal, copper, zinc, and, of course, potash, are just a few of our riches. Right now, mining is the strongest sector in this state's economy. It outshines every other sector by far.

Mining's $100 million in taxes and royalties to the state annually have sent thousands of New Mexico children through public school. Two years ago minerals production reached the $1 billion mark in the state. I know that our colleges and universities are working with private industry to try to increase these figures, to employ more New Mexicans. But we are not doing another important thing we must do; we are not yet telling the story of mining to our citizens.

Basic mining employs only about one percent of U.S. working people. Basic metallic production uses less than three-tenths of one per cent of the U.S. surface area. Most mineral activities are in remote and far removed geographical areas. These are the reasons that too many citizens don't realize how vital mining is. We are now a "have-not" nation in many minerals. Our citizens don't realize this, nor do they realize the importance of minerals production, nor do they realize that foreign nations, some of whom are not friendly to us, control our minerals destiny. We should not expect that all Americans know these facts; they have other jobs to do. But I fear that too many leaders don't know these facts. I would ask you to help me get the message out. I ask you to be activists in telling the minerals story. If we do our job right, then we can move toward my dream of an overall national minerals policy and self-sufficiency. If we don't do our job right, then someday American steel mills may stand cold, out of iron; American farmers look at barren fields, without enough fertilizers; and the American people may have to face a world of scarcity and deprivation. I think we have the means to avoid such a future, if we will begin now, while we have time, to do the job we need to do.

In closing, let me reassure you and the rest of my friends in the state. I'm not calling for a rape of the landscape. I don't want to see more Gillete, Wyomings; I don't want the precious environment we all value so much lost in our rush toward independence. I think we can develop self-sufficiency in minerals and oil and gas, and still restore and protect the landscape. It will take compromise and good will on all sides. But perhaps we will find that adversity brings us closer together again, and that the minerals and energy crises are long-term blessings in disguise.

Thank you.

NO ALTERNATIVE TO NATO

Mr. TUNNEY. Mr. President, few congratulatory messages were sent to NATO on its 25th anniversary. The event was celebrated quietly, with a simple flag-raising ceremony at NATO headquarters outside of Brussels and with one speaker, NATO's Secretary General Joseph M. A. H. Luns. Joseph Luns' speech dwelt more on the troubles besetting NATO than on its achievements, as did most news commentaries reporting the event. Papers ran headlines such as "Unhappy Birthday to NATO," "Fading Prospects of the NATO Alliance," or "NATO: Trouble at Twenty-Five."

That NATO is indeed in trouble cannot be denied; but that this should be the case is not in the least surprising. The world into which NATO was born and was designed to defend differs radically from that in which we now live. NATO was born out of the fear that Soviet aggression would spread from Eastern to Western Europe. When the alliance was founded, Albania, Bulgaria, Rumania, Poland, East Germany, Hungary, and Czechoslovakia had fallen under Communist domination; Greece and Turkey were threatened. The Berlin blockade was jeopardizing the freedom of that city and the role of the Western Powers in the Government of occupied Germany. Western Europe's ability to withstand a possible attack was minimal. The idea of a mutual assistance treaty and a grand alliance, to be underwritten in large part by the United States, was envisaged and on April 4, 1949, the North Atlantic Treaty was signed in Washington by the United States, Canada, Britain, France, the Benelux countries, Denmark, Iceland, Italy, Norway and Portugal, Greece and Turkey acceded in 1952, West Germany in 1955.

Today, the fear of Russian military aggession has receded. The nature of the threat that prompted the birth of NATO is perceived to have changed. Confrontation has given way to an era of negotiation in the hope that a modus vivendi between East and West can be achieved. Most Western nations are now actively pursuing, either jointly or separately, policies of détente and cooperation with the Soviet Union. Yet, although it may be said that we have emerged from the Cold War and that a relaxation in tensions has taken place, no one can safely say that an era of true détente has been reached. The Warsaw Pact countries' invasion of Czechoslovakia in the summer of 1968 and the Mideast War of October 1973 are sharp reminders of this fact. Nor can anyone ignore the impressive build-up in Soviet military capabilities which has continued in eastern Europe as well as along the China frontier.

The changed environment—this betwixt and between stage in which we now find ourselves, has led to considerable confusion over NATO's present role and purpose and is responsible for many of the strains now afflicting the Alliance. Yet it should not be forgotten that the security afforded by NATO has helped to enable the West to engage in policies of détente with the Soviet Union. In the words of the Harmel report on the Future Tasks of the Alliance, published in 1967:

> Military security and a policy of détente are not contradictory but complementary. . . . The ultimate political purpose of the Alliance is to achieve a just and lasting peaceful order in Europe accompanied by appropriate security guarantees.

NATO has succeeded in maintaining peace in Europe over the past 25 years and has played a vital role in the quest for a lasting one.

More disturbing perhaps to the future of NATO than the changed nature of the external threat has been the change which has occurred in transatlantic relationships since 1949. Thanks to the protective shield provided by the existence of NATO, Western Europe is no longer the collection of weak, destitute, war-torn countries it was 25 years ago. But here again we find ourselves in a transitional phase which has caused much friction and misunderstanding on both sides of the Atlantic. Whereas Western Europe has achieved economic prosperity, it is still lagging in political and military strength. The imbalance between Western Europe's economic strength and its political and military weakness has been a source of frustration among Alliance partners. Western Europe's new prosperity has led to endless calls for a more equitable sharing of the defense burden within the Alliance. Rivalries over trade and monetary policies, areas in which Western Europe can now make its weight felt, have had repercussions within the Alliance. Western Europe's failure, to date, to unite politically has disappointed the United States, which had hoped that a united Europe would emerge from its regional preoccupations and assume more world responsibilities.

It is distressing to think that NATO could fall victim to its own success. Indeed, we all look forward to the day when NATO will no longer be necessary, when Western Europe will be strong politically and will be able to play a role on the world scene commensurate with its potential strength, and when we will have achieved a true détente with the Soviet Union. But that day has not arrived. Until then, I do not see any alternatives to NATO.

Deprived of the U.S. nuclear shield, Western Europe would face two choices, neither one conducive to a genuine détente. Western nations could either seek accommodation with the Soviet Union, which from a position of weakness, would be on less than favorable terms, or they could attempt to build an independent Western European defense. A defense system based on the French and British nuclear deterrents, however, presents another set of problems. It would require centralized control by some all-Western European political authority and would have to include West German participation on a greatly increased scale. Even if undertaken, it could not match the overall military power of the Soviet Union. Do we want a proliferation of nuclear weapons? Would it be in the interest or world stability? Would the Soviet Union accept a German finger on the nuclear trigger? It seems to me that these alternatives might impede détente rather than promote it.

The effort required of NATO to adapt to the impact of détente as well as to the changing relationships within Europe and across the Atlantic is indeed a tremendous one, but I am confident that NATO will prove equal to the task. I am confident because, when all is said and done, the Alliance is still in the fundamental interest of the United States and our West European allies. NATO has weathered many crises before, and this present crisis will not be the last one. However, by gaining a better understanding of the changes which have occurred in the world in the past 25 years, and NATO's role in them, I believe we will be able to adopt a more patient attitude toward our crises, and work more constructively toward their resolution.

ARTICLE IN FRENCH MAGAZINE REALITES POINTS OUT VETERAN FRENCH JOURNALIST'S DECEPTION BY HANOI GOVERNMENT

Mr. HELMS. Mr. President, the French magazine, Realites, is a well-respected publication widely read in intellectual circles both in France and throughout Europe. In the September 1973 edition of Realities, there appeared an article on the Vietnam situation, written by British-born writer Oliver Todd. Mr. Todd is a long-time associate of Le Nouvel-Observateur, a leading left-of-middle French weekly, and is a contributor-editor for Newsweek magazine. As Mr. Todd states in his article, he is no newcomer to the Vietnam situation, nor is he one of those observers who has made assessments on Vietnam from afar or on the basis of a few short trips in the presence of one of the combatants. Rather, he has wandered throughout the north and the south of Vietnam for nearly two decades, maintaining uninterrupted contacts with people on both sides of the conflict there.

What Mr. Todd has to say about the situation in Vietnam is important. Especially is this true with regard to the ongoing deception by the Hanoi government of journalists from around the world, and including many from this country. If, as this article points out, we in the United States are not getting the truth about the situation in Vietnam, then how can we be expected to make enlightened, indeed crucial, decisions affecting the lives of millions of human beings in Vietnam?

Mr. President, Mr. Todd does not write this article from a viewpoint favorable to the Saigon government; in fact, far from it. Yet, though no friend of the Saigon government, Mr. Todd does have the intellectual honesty to point out that he has been deceived by Hanoi. In his article, he attempts to set straight some of the deceptions and lies that have been reported faithfully as factual news stories.

While I do not agree with all of Mr. Todd's conclusions regarding the current situation in Vietnam, I admire his attempt to correct some of the false statements that have been made in the past about conditions there.

Mr. President, so that our fellow Senators may have the actual facts about the current situation in Vietnam, throughout the next several weeks I will be placing in the Record factual data on the numerous issues that we in the Congress will be facing in the coming months regarding Vietnam.

Mr. President, I ask unanimous consent that the September 1973, Realites article by Oliver Todd entitled "How I Let Myself Be Deceived by Hanoi," be printed in the RECORD at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

How I Let Myself Be Deceived by Hanoi

(By Oliver Todd)

"David poised against Goliath, the 'pure' people of Hanoi and the *Maquis* against the 'corrupt' of Saigon, the standing-up of a nation of peasants, armed with guns, against the armada of the Pentagon." Here are some of the biting views and passionate reactions generated by the Vietnam war among the liberal circles—especially in France—without anyone taking his time to submit these *clichés* to the test of realities. I do not pretend to be a "Vietnamologist," but, because I have wandered through this country from North to South and watched closely the events in Vietnam during almost two decades, because I have visited the bombed villages in the North as well as the paddy-fields in the South and the areas still under the control of the National Liberation Front (NLF), because, in the lobbies of the negotiating rooms in Paris as well as in Indochina, I have maintained uninterrupted contacts with people from all sides, from the Communists to the Americans passing by the followers of the Saigon regime, the Buddhists, the partisans of the "Third Force," etc., I think I have acquired a direct, a true-to-life knowledge of the Vietnam problem, when most of observers have either assessed the situation from a remote place or made only very short trips on the spot and often in only one of the two sides in presence. Recently, a long journey in the Vietcong *maquis*—where until now Western journalists have ventured for no more than 48 hours—coming after a new visit to Hanoi, has enabled me to complete the puzzle, the pieces of which I have been trying to assemble for years.

A PIECE OF PUZZLE

It was in the province of Camau, at the southernmost part of Vietnam, that I discovered the true nature of the National Liberation Front. During almost two weeks, I roamed over this "Liberated" zone, where only townships and communications axes are controlled by Saigon troops. I was greeted and guided during all of this time by the people from the Front, who did their best to make my task easier, following obviously for this matter orders received from the top: the objective of this "open door" operation was to administer the proof, in contrast to the Saigon line, the partisans of the PRG (Provisional Revolutionary Government) are well dug-in in their zone.

This certainly was the case. But, on the same occasion, I came to realize how much the "pluralism" of the Front is far from fitting into reality. The distinguished old ladies and the decorative monks who were introduced to me as Front leaders in order to convince me of the fiction, could not create the illusion. And when I mentioned the "Third Force" to NLF cadres their sudden silences and their skepticism convinced me that they did not pay much importance to the "Third Force" in their plans for the future. In the Camau area, pictures and statements of Ho Chi Minh could be seen anywhere, but there was not a single reference to the leaders of the Front and the PRG. Here Mrs. (Nguyen Thi) Binh seems to be a remote figure. Besides, I suspect that her visits to the combatants were much less frequent than what her associates wanted us to believe: when, between two negotiating sessions at Avenue Kleber she left Paris "to visit the *maquis*" via Hanoi, the difficulty and the length of communications between North Vietnam and the "liberated zones" in the South, just forbade—if only for lack of time—Mrs. Binh to realize everytime such a performance.

The truth is that the Front is a monolithic Communistic body in which the non-communist elements have as much substance as the Agrarian Party in East Germany. Also, *Maquisards* think only in terms of reunification with the North and relentlessly come back to this theme. Their other favorite subject of discussion is the "re-education" of city residents in the South, a task they intend to tackle, as soon as a general election—they are certain to win in a landslide—gives them the power in Saigon. Yet, nothing is less sure than this electoral triumph. The offensives of 1968 and 1972 have left bad memories among the urban population, traumatized by the atrocities committed by the guerillas who, notably in Hue, murdered without any justification low-ranking civil-servants and simple civilians. It can be understood therefore that, in the cities of South Vietnam, people do not trust the Front and do not feel any desire to fall in its arms.

The members of the maquis are convinced of the contrary, victims of their ignorance of "South Vietnamese realities" that they pretend to take into consideration. How will they be able to assess them correctly when they are living in a closed-circuit, in the exaltation of their beliefs, and the objectives which they are fighting for, their such exclusive sources of information being Radio Hanoi and Radio "Giai Phong" (Liberation), the broadcasting station of the PRG? In every communist regime, actual history is discarded in favour of the history in the making, what is desirable is taken to be the possible. It is the same with the communists in Vietnam. To that situation, one should add the legacy of secret societies set up over the years in the Indochinese peninsula to fight against foreign invaders: in their own way, the men of the Front are following that tradition. In short, they live enclosed in a world folding on itself, linked to the communist regime in the North by an umbilical cord symbolized by the fact that in the PRG zone, watches are adjusted to the Hanoi time. one hour ahead of South Vietnam's.

SCHIZOPHRENIA STRUCK

To understand the implications of this relationship, let it be said that North Vietnam is relentlessly advocating a rather simplistic form of marxism. The Vietnamese language, very repetitive in its character, emphasizes the incantation side of this Stalinist rhetoric which appeared to me, during my last trip, to be frozen more and more in an "integrist" catechism.

First credo: the world revolution flies from victory to victory—no matter how much this assertion can go against the realities of the contemporary world. All but one of these is as follows: the recent Nixon-Brezhnev encounter has administered the proof that the USSR, fatherland of Communism, has her hands tied tight in the economical field. The North Vietnamese, closing their eyes on the facts, are hit with a schizophrenia—well-illustrated by this map of the world mounted in the centre of Hanoi on which the Socialist countries are represented by a large red spot which is supposed to extend indefinitely.

Second and third postulates: We, Vietnamese Communists, constitute the vanguard of this world revolution and we are always right—whatever the Russians, the Chinese and, of course, the Americans—and also smaller nations such as the Poles and the Hungarians whose representatives at the International Commission of Control and Supervision (ICCS) are bewildered by the immoderate pride of Hanoi and the Front—may say. This unreserved arrogance is understandable to some extent: at the time of decolonization, the party of Ho Chi Minh was the country's only notable force of liberation; more recently, it has succeeded in bending the United States. But from there to pretend that they have inflicted a decisive defeat to the U.S., there is quite a gap. The Vietnamese Communists jumped over this gap without any misgiving with the fourth article of their faith: we have achieved a total victory over the United States. Mr. (Henry) Kissinger is more accurate when he said: "When an army of guerilleros does not lose a war, it may be considered as having won it; when a conventional army does not win a war, it may be considered as having lost it."

It is false indeed to state that the U.S. had used all of its means on the Indochina theatre. The U.S. was far from having applied the strategy advocated by certain augurs, such as General Curtis Le May, who suggested "to bomb North Vietnam back to the stone age." Surely, U.S. pilots had destroyed many civilian installations—but for two main reasons only. On the one hand, the U.S. had obviously sought to score direct hits at the bases of North Vietnam's economy—I have more than once been shown such non-military targets as a pigfarm repeatedly visited by B–52s—and of such terror attacks, Washington has never given a full account. But on the other hand, the geography in the North is such that most dwellings, schools, pagodas and hospitals are located along the main roads: aiming from high above and looking forward to destroying axes of communication on which reinforcements to the South were being moved, the Americans were bound to cause more damage than they had intended to.

Two pilots held prisoners in Hanoi whom I interviewed several years ago once explained to me how their missions were carried out: "We came over the targets in full speed, dropped our cargoes and sped away as quickly as we came because the anti-aircraft defense was so thick we had the impression, in case we left the cockpit, that we could walk on a carpet of shells."

AUTOMATS

It is not at all my intention to swing from one mythology to another and to whitewash the U.S. whose behaviour in Vietnam was thoroughly disturbing. But, on their part, the Communists in Hanoi are not beyond reproach and they have applied methods to which their co-religionists in power in other parts of the world have accustomed us. The treatment inflicted upon American prisoners is precisely a good illustration. We now know, through statements by released pilots, that a good number of them had been submitted to "brain-washing."

As early as November 1967, I had had a foreboding of it while I interviewed two of them, Major David Everson and Lieutenant Thomas Joseph Barrett. When they entered the room where I had been waiting for them, they bowed deeply. This gesture, which took me by surprise, was part of a sort of coded language: it was meant to indicate that they were not in control of what they were going to tell me, so it was revealed by American prisoners after their return to America. Then, behaving like automats, Everson and Barrett delivered such stereotyped statements and in such monochord tone that they should have awakened further my suspicion. But, at that time, I attributed these symptoms to the conditions of their detention and to their compunction for having destroyed civilian installations.

Since then, testimonies provided by other prisoners have opened my eyes, especially the odyssey of this civilian from Canada, who served in South Vietnam as a technical assistant and was abducted by the Viet Cong during the Tet offensive in 1968. After his release, it was learned that he had been kept in Hanoi for two years with one whole year locked up in an individual cell, in complete isolation. Brainwashing, moral or physical tortures are definitely in contravention of statements by the Hanoi leaders, namely Prime Minister Pham Van Dong who once praised in my presence the Vietnamese "humanism," citing as an example the fact that his government had never installed American POW camps near the targets bombed by B-52's.

Moreover, such bad treatments do not in any way match the assuaging picture of North Vietnam commonly circulated all over Europe, especially since Hanoi, did not resort to these techniques to extract military information but just in order to humiliate and degrade the captured pilots. Then, why should we make an exemplary country out of North Vietnam? In a closely-knit communist regime, I do not believe at all there can be torture "by accident," abuses committed by sadistic subordinates who act outside the supervision and without the knowledge of their superiors.

If I insist on the treatment of prisoners, it is because this problem means something essential to me, because it happens to be at the meeting point between the political and the human: it exposes the true nature of the Hanoi regime which one can perceive during one or several extended stays north of the 17th parallel.

A form of Stalinism *à la Confucéenne*, the country is structured by a pyramid of surveillance, the degrees of which are those of the traditional Asian community: the family, the ward, the hamlet, etc. Spying on a foreign visitor, discreet in the past, is now so very conspicuous and awkward that during my last visit, I was interrogated quite openly about the object of this or that encounter after I returned to my hotel. I do not think that this situation will change much with the return of peace or with any modification in the present leadership. Some observers would look for nuances, even differences between pro-Russian and pro-Chinese elements, but, in fact, the North Vietnamese leaders are all governed by the same Marxist nationalism which has been tested in the fire of the struggle for a long, long time and which constitutes the most durable cement. In brief, North Vietnam has become a kind of Communist Prussia in the heart of Southeast Asia.

WHO WANTS REUNIFICATION!

Of this country with its steel-like ambitions and nuanceless ideological intransigence—which are shared by the National Liberation Front—we have tried to make a white peace-loving and wisdom-loving dove. Liberals and left-wing intellectuals have tried to spread this picture, inspired by a kind of inverted racialism which the Chinese also have profited from. It is as though today the light must necessarily come from the Asians. This pro-Vietnamese behaviour comes in part from the anti-American feelings harboured by the intelligentsia and in part from a complex of guilt developed by the white race with regard to third-world countries.

Beyond that, it represents an escape from the complexity of internal French problems: rather than face them, it is easier to live a struggle by proxy by identifying oneself to the Cubans, the Fedayins or the Vietnamese. The Cubans having ceased to be "saleable" a long time ago, and the credibility of the Fedayins having been largely eaten up, the North Vietnamese have little by little capitalized on the noisy sympathy of the Left, without anyone asking any question about this propensity to make out of guerilleros the heroes of our times. Thus, the "Rousseauism" of the *Maquis* is mixing curiously with the dream of a return to nature. To that we should add, of course, the will to abstain from any criticism against a small country which was standing up to the strongest military power of the planet.

For all these reasons, we have raised North Vietnam on a pedestal. When I say we, I think most of the newsmen—of whom I am—who "covered" the Indochina war during the recent years. In our defence mention must be made of the traumatic impact of any story written from a North Vietnam constantly pounded by B–52 bombers. Very cleverly, the North Vietnamese limited the stays of correspondents in their country to one or two weeks, making it impossible for members of the Press to get away from the obsessions created by the air raids. Moreover, as, soon as they arrived in Hanoi, journalists were solidly taken in hands by the authorities and were allowed little freedom of movement outside the capital city, being all the time with an escorting officer and an interpreter. Thus, one can explain these dithyrambic articles in favour of the North Vietnamese, which were a great disservice to them in their messianic illusions. Through our compassion for their hardships, we forgot the true nature of their regime, its adherence to the communist camp in its most obscurantist aspect.

While the North was idealized, the South was crucified—the mythic pictures of the two Vietnams reinforcing each other. However, a few indisputable truths should be underlined here. On the one hand, contrary to the forecasts so often repeated, especially since the withdrawal of the American forces, Saigon did not collapse militarily. The army of President (Nguyen Van) Thieu is powerful and not disorganized at all. On the other hand, this regime is stable if it is not very popular; the Administration at its top level as well as the military hierarchy are not as corrupt as it was fashionable to assume, there exists a young generation of competent civil servants, very much aware of the necessity of the necessity of reforms. Thirdly, even if South Vietnam is not a model democracy, there is a pluralism of political parties; in Saigon and other big cities where public opinion is not easy to control, "Third Force" elements have achieved non-negligible results.

Finally—and this is without doubt the most important factor—the population as a whole does not long for reunification with the North under the latter's terms. During their military offensives in 1968 and 1972, the Communist had nurtured the hope that they would be welcomed with flowers and that a big popular uprising would tip the balance in their favour. They were cruelly deceived.

No doubt, there was a degree of admiration for the NLF for having stood up against the Americans and for the North for having withstood B–52 raids but there was fear for both, too. The population's feelings might be reminiscent of what Hong Kang bourgeois felt when they celebrated the explosion of the first Chinese atomic device without wishing to live under the Peking regime. The South Vietnamese people have remained faithful to their own way of life and their standard of living which has been considerably improved during the last several years. Urban residents have acquired a taste for the Honda civilization and do not want to return to that of the bicycle promised by the Communists.

As to the peasants in the countryside, their sympathies lie with those who allow them to till and to keep their lands and, of course, to own some land if they do not possess it yet. In fact, the land distribution programme implemented by Saigon has effectively taken place, it does not exist only on paper. To these earthly considerations, one should add the fact that the majority of the population is less than 30 years old; practically having always lived in a divided country, they have gotten used to it. Reunification therefore is not their primary concern.

In spite of their divergences, the Northern and Southern regimes have many points in common. Both are police states. The Saigon leader, who likes to be called "Comrade Thieu," borrows many things from his estranged brothers in Hanoi: forced participation by civil servants in the government party, omnipresence of political slogans of a style dear to the hearts of those living North of the 17th Parallel—i.e., "every citizen is a soldier." These constant exhortations demonstrate a profound relationship that can only spell more sufferings for the country. Indeed, the two systems are somewhat entrapped in the war, which has become their *raison d'être*. Military activities, directly or indirectly, is the source of living of an important segment of the population. The familiarity of death, notably in the North and in PRG areas, where one unceasingly says that every Vietnamese "must be ready to die so that the fatherland may live," has somewhat distorted the mind. Particularly the target of this exhaltation to war, the young people of Vietnam probably will be affected by it for many long years. As for the leaders, they do not appear to be ready for the political confrontation provided for by the Paris accords. On the Hanoi side, the final aim remains the reunification of the country under Communist leadership. In his will, Ho Chi Minh mentioned this goal several times and his successors are still obsessed with the feeling of having been denied the fruits of victory at the time of the Geneva Accords in 1954. Nineteen years later, avenue Kleber (in Paris), the Communist negotiators went out of their way to secure guarantees and, in spite of the solemn commitment with regard to the withdrawal of foreign troops—"all foreign troops" as Premier Pham Van Dong confirmed to me—North Vietnamese divisions have not left Cambodia, which serves as a rear base for Hanoi's ambitions. As for the presence of North Vietnamese troops in the South, the Paris Agreements did not even mention it. Meantime, in the South, neither Thieu nor the PRG is ready to play the election game although both sides claim to be sure of an electoral landslide. In consideration of the tiredness of the population, either side may fear that such a contest may simply be won by the Third Force. The latter, for the time being, appear to wait and see, unwilling as it is to show all of its cards long as Article 11 of the Paris agreement—individual and collective liberties—has not been respected.

LITTLE REJOICE

Such is the assessment that I think can be made of the present situation in Vietnam after my recent visits to the two parts of the country. There is little to be rejoiced, indeed, and I would willingly subscribe to the view of John Kenneth Galbraith when he stated that the fame of this small country should not have been allowed to exceed the modest proportions which everything appears to have confined it to, if a war—characterized by a quarter of a century of uninterrupted fighting and millions of dead—had not given it a renown so dearly purchased.

CAPT. JOHN H. ANTHONY

Mr. TUNNEY. Mr. President, I am pleased to advise my colleagues that Capt. John H. Anthony, president of Metropolitan Stevedore Co., Inc., of Wilmington, Calif.. has been designated as the recipient of the 1974 Man of the Year Award for the city of Hope in recognition of his outstanding humanitarian contributions to his community and his fellow man. Captain Anthony has had an illustrious career in the maritime industry and it is with particular pride that

I enter into the RECORD some of his distinguished background.

Captain Anthony was born and educated in England. His 50-year career and romance with the sea began in 1924 when he joined the prestigious Furness-Withy and Co. as a cadet. He held increasingly important and challenging duties until achieving the rank of master in 1941, at the age of 32. Captain Anthony then left F-W for the duration of World War II, serving with distinction in the British merchant navy. He saw continuous action in the North Atlantic from 1939–41 and participated in the major Allied forces landings in North Africa and Italy, and made the infamous Murmansk-Archangel run. In 1945 Captain Anthony was appointed to command of troopships and finished his sea duty in that capacity in 1947. After World War II he returned to F-W and was promoted to superintendent in charge of Pacific coast operations, headquartered in Los Angeles.

Captain Anthony's fortunes were irrevocably tied to the United States when he became a naturalized citizen on July 29, 1954.

In 1955 he joined Associated Banning Co. as executive assistant to the president and succeeded to the presidency in 1964, and maintaining that post when Associated Banning was merged with Metropolitan Stevedore Co. in 1967.

In addition, Captain Anthony serves as president of the Marine Exchange, Los Angeles/Long Beach Harbors; president of the Los Angeles Steamship Association; member of the board of directors of Master Contracting Stevedores Association of the Pacific Coast; and a member of the board of directors of the Pacific Maritime Association.

Totally committed to his extensive and demanding duties in the maritime industry, Captain Anthony has generously given of his time and substance in humanitarian endeavors.

The city of Hope testimonial committee will hold its annual dinner on Friday evening, May 31 at the Long Beach Elks Club at which time Captain Anthony will receive this well-deserved tribute and I am certain that my colleagues join with me in commending Captain Anthony and saluting the worthy aims and goals of the city of Hope.

THE SIGNING OF H.R. 12253

Mr. BENTSEN. Mr. President, I am very pleased that over the Easter recess President Nixon decided to sign H.R. 12253, which provides for a liberalized guaranteed student loan program and for allowing local educational agencies to carry over unspent fiscal 1973 and 1974 education funds into the following fiscal year.

Since September, when I introduced S. 2478 to provide that families earning less than $15,000 need not submit to a "means test" to apply for guaranteed student loans, the controversy surrounding the student loan program has intensified.

The guaranteed student loan program, which is the only Federal aid program offering some assistance to moderate income students, had a projected 29 percent drop in loans this year; last year the drop was even more severe.

In my view, that drop was largely the result of language in the 1972 Education Amendments, which initiated the so-called means test for low- and moderate-income families. Because the test was complicated and poorly administered, students formerly receiving guaranteed loans frequently found themselves to be ineligible. Now, with the signing of H.R. 12253, that will no longer be the case.

The legislation provides that there need be no "means test" for families with incomes under $15,000 and wishing to borrow up to $2,000 a year. Considering the skyrocketing costs of a higher education today, that seems to be a fair way to resolve the difficulties caused by the 1972 amendments. Because of the action taken by the Congress and approved by the President, thousands of young men and women will find student financial aid once more available to them as they enter the fall semester of college.

The second provision of H.R. 12253 was contained in my bill, S. 2907, introduced in January of this year. It will allow thousands of local school districts to more effectively budget their funds both this year and next by carrying over any unspent funds into the next fiscal year. The Tydings amendment, which allowed such a practice in the past, had expired, and this new provision was necessary to avoid hasty and wasteful spending of funds that frequently become available to school districts late in the year. I received considerable mail from school administrators in my State about this measure, and I am most pleased to see it successfully resolved.

Mr. President, these education provisions are of very high priority in our efforts to pass domestic legislation during this year of stress. We must see that the Nation's business continues to be done, and the President's approval of these measures is an encouraging sign.

I would hope that the same constructive attitude will prevail in our deliberations on the Elementary and Secondary Education Act, surely one of the most significant education bills to come before the Congress in several years. Unfortunately, the early response from the White House to the Senate bill has been substantially negative.

During the next several weeks, when we debate and refine S. 1539, I would urge administration officials to cooperate with Members of the Senate who will be trying to work out the differences between the administration and Senate bill. In the past Congress has shown its willingness to negotiate and to receive the administration's views. That cooperation should be continued. Indeed, Mr. President, neither the administration nor the Congress should play politics with the education of our children.

We owe the American people a constructive attitude toward important legislation, even in the most trying times.

50TH ANNIVERSARY OF A RACE FOR LIFE

Mr. STEVENS. Mr. President, in January of 1925, the inhabitants of the city of Nome were faced with possible near annihilation from a diphtheria epidemic. The city and the surrounding villages were saved by the timely delivery of essential diphtheria serum. This delivery was made possible by the heroic efforts of man and dog in the famous diphtheria sled dog run to Nome. This run covered some 678 miles, taking just over 5 days in 50 below zero weather. Next year will be the 50th anniversary of this event, an event illustrative of the unique conditions and hardships that even now face Alaskans.

Mr. President, I ask unanimous consent to have printed in the RECORD an excellent article in the March 30 edition of the National Observer on this event.

There being no objections, the article was ordered to be printed in the RECORD, as follows:

A STIRRING RACE FOR LIFE

(By Lou Torok)

At first 6-year-old Richard Stanley's mother thought his illness was merely a cold; no need to bother the doctor. Then, as Richard's condition rapidly worsened, she sent for Dr. Curtis Welch. One look at the dirty-white splotches lining the feverish lad's throat told Welch that his vulnerable community was in imminent peril: Richard had diphtheria, a contagious, often fatal disease.

Welch's diagnosis started the clock on a frenzied race against time. It pitted 20 mushers and their dog sleds against the potential diphtheria epidemic that threatened 10,000 lives. And when word of it reached "the lower 48," millions of Americans waited in helpless fascination for the news bulletins that chronicled the mushers' progress across 674 miles of snow, storms, ice, and paralyzing cold.

[A report on Rod Perry and Fat Albert, The Observer's entry in the current Anchorage-to-Nome race, is on Page 6.]

The place: Nome, Alaska. The time: January 1925. Winter lay icily over the windswept tundra. The Bering Sea was frozen over. In its isolation, Nome might as well have been on the moon. No railroad had yet reached Nome; the nearest railhead was at Nenana, near Fairbanks, 674 miles east. A pilot attempting to fly serum in through that weather, in a poorly instrumented plane without de-icers, quite likely would have died trying. If Nome were saved, it would have to be saved by mushers and their dogs.

Two other factors made Nome's plight even more poignant.

The first was that diphtheria is likelier to kill children than adults. The diphtheria bacillus causes an air-blocking membrane to form over the mucous membranes of the mouth, throat, and respiratory passages. A child's larynx, being much smaller than an adult's, is more susceptible to total blockage, resulting in death. Moreover, even uninoculated adults may have partial immunity from having contracted mild, undiagnosed diphtheria earlier.

THE RELAY BEGINS

The second factor was that the indigenous Eskimo and Indians of northwest Alaska were not yet immune to white men's diseases. Welch was aware that in 1900 and again in 1919 whose villages had been wiped out by epidemics of measles and flu—diseases far less virulent than diphtheria.

And so, when he diagnosed young Richard's diphtheria, Welch acted immediately. He ordered a quarantine, but the next morning Richard was dead. Two Eskimo children died too. Welch's small supply of diphtheria antitoxin soon ran out.

Mayor George Maynard called the Nome City Council into session to organize the community against an epidemic. Diphtheria antitoxin had to be found and brought in. If someone could locate the serum and get it to Nenana, the mushers could rush it relay-style to Nome.

News of Nome's predicament flashed over wire-service telegraphs across the nation. Stories about Nome crowded news about Prohibition, gangland slayings, and speakeasies off the front page. The '20's were roaring, but they hushed momentarily as each bulletin from Nome arrived.

The City Council had planned to obtain serum in Seattle for shipment by train from Anchorage to Nenana. But a supply of 300,000 units was located in the Alaska Railroad Hospital at Anchorage. There Dr. J. B. Beeson had it packaged and put on a train for Nenana.

At 11 p.m. on Tuesday, Jan. 27, 1925, the dog-sled relay began. "Wild Bill" Shannon, the first musher in the chain, lashed the precious 20-pound package to his sled and set off westward. His nine Malemutes strained at the harness in response to his urging to go faster, faster. Except for the Malemutes' barking and the swooshing of runners on snow, there was no other sound on the trail.

But there was, besides urgency, another sense. An experienced musher, Shannon knew simply by sniffing the air that the temperature was dropping fast. It was 30 below zero when he started. Now it was 35 . . . 40 . . . 45 . . . 50 below. On he rushed, mindless of the cold, until he handed over the cylindrical package of serum to Dan Green at Tolovana, 52 miles from Nenana.

While the relay teams were carrying the serum westward as fast as humanly possible, an act of incredible courage was being carried out from the other direction by Leonhard Seppala. Only 5 feet 4 and 144 pounds, Seppala had gone to Nome to make a fortune as a gold miner. Instead he earned the reputation of the world's greatest dog-sled racer. He won the first dog-sled race in Nome, in 1908, and in the ensuing years he raced 250,000 miles and won 43 silver cups and 8 gold medals. He once covered 102 miles by dog sled in a single day, carrying an injured comrade to medical help.

Sepalla did not know that a relay team had been set up. So, moved by the diptheria threat to Nome's children, he set out by himself to go to Nenana, pick up the serum, and bring it back—a distance of 1,348 miles. It was a superhuman undertaking, motivated only by a concern for human life.

As Seppala pushed eastward toward Nenana, the relay teams were challenging the limits of endurance in bringing the serum westward toward Nome. On Jan. 28 Dan Green handed the packages to Johnny Folger at Manley Hot Springs, having carried it 31 miles. Folger took it the 28 miles to Fish Lake in just over 3 hours, averaging an astonishing 9 miles per hour.

On and on the mushers went. From Folger the serum passed to Sam Joseph to Titus Nikoli to Dave Corning to Edgar Kalland to Harry Pitka to Bill McCarty to Edgar Nollner to George Nollner to Charlie Evans to Tommy Patsy to a man named Jackscrew to Victor Anagick to Myles Gonangnan to Henry Ivanoff. . . . From frozen hand to frozen hand the serum passed, itself frozen solid until it thawed in one of the relay-point shelters, only to freeze solid again out on the trail.

Seppala had come 169 miles from Nome when, on Jan. 31, he met Ivanoff, who was to carry the serum the 91 miles from Shaktolik to Golovin. Seppala had brought two teams of Siberian Huskies; one team rode and rested while the other pulled harness.

Seppala took the serum, turned his teams around, and mushed 84 miles before finally stopping at Isaacs Point, on the frozen shore of Norton Sound, to rest and feed the dogs. Although his dogs had slashed their feet on the sharp Bering Sea ice, Seppala nonetheless pushed on, face into a blizzard. He fully intended to carry the serum all the way to Nome—by himself.

But at Golovin, 78 miles from Nome, Seppala met mine owner Charlie Olson, an acquaintance who had driven his dogs out to meet Seppala. Wisely, Seppala turned over the serum to Olson and his fresh team.

Seppala had traveled about 260 miles, 91 with the serum, over the most hazardous part of the route.

It took Olson 5 hours to cover the 25 miles to Bluff, the next relay point. When he arrived, his dogs feet were bleeding badly and his hands were frozen.

CHALLENGING HUMAN EXISTENCE

It was 8 p.m. when Olson handed over the serum to Gunnar Kaasen, a miner whose six-year-old lead dog, Balto, was reputedly half wolf. Both Kaasen and Balto had been on one of Norwegian explorer Roald Amundsens Arctic expeditions. Kaasen had to wait two hours for the wind to die down enough for him to travel. Even then the 30-below-zero temperature and the wind produced a chill factor that challenged human existence.

Kaasen planned to turn over the serum to the last musher, Ed Rohr, at Point Safety, 25 miles from Nome. As he plunged on, the wind rose higher and higher. Ice and snow whipsawed Kaasens face. He could hardly see Balto, but he said later: "I gave Balto his head and trusted to him. He never once faltered.

In the pitch blackness and swirling snow, Kaasen drove his team past the shelter where Rohr was waiting. When he discovered his error he had no choice but to go on. Through the night Kaasen drove his team until finally, at 5:30 a.m. Feb. 2, he staggered into Nome. He could barely walk. He was nearly blind. Four of his 13 dogs were partly frozen. The serum was a canister of ice.

A FINAL TRIBUTE

But the serum *had* arrived—just 127½ hours after the first dog sled had set out on a run that usually took a month. Dr. Welch thawed the serum and administered it. It proved effective: Only one more death from diphtheria occurred. Nome was saved.

Later children in Cleveland, Ohio, donated $2,363.94 in pennies and nickels and bought Balto and Kaasens other dogs for Cleveland's Brookside Zoo. When Balto died after years of being idolized by Ohio children, his body was mounted and displayed in the Cleveland Museum of Natural History.

And in New York City, citizens donations paid for a Central Park statute of Balto that still stands—its nose rubbed smooth by the hands of thousands of children who have climbed it. The inscription on the statue says simply: "Endurance, Fidelity, Intelligence."

A SECURITY POSTURE FOR THE PURSUIT OF PEACE

Mr. GOLDWATER. Mr. President, from time to time, it has been my pleasure to offer for the RECORD papers by the Association of the U.S. Army. One that is rather recent that covers the general subject of our military position in the world is one that I think my colleagues should read. I ask unanimous consent, therefore, that the paper entitled "A Security Posture for the Pursuit of Peace" be printed in the RECORD.

There being no objection, the paper was ordered to be printed in the RECORD, as follows:

A SECURITY POSTURE FOR THE PURSUIT OF PEACE

INTRODUCTION

This is the season of the year when, within our democratic society, we make an effort to assess our problems and opportunities, both at home and abroad, so that we can establish our priorities for action and provide for them in our national budget. The furious and unremitting pace of world affairs makes calm judgments of conflicting options most difficult. Security threats, political ambitions and unilateral actions of other countries, as well as economic pressures, impact constantly on our cumbersome decision-making process.

In recent months and weeks, we have seen again some rather dramatic examples of just how inextricably interwoven the affairs of this nation are with those of the rest of the world. These examples have again highlighted how essential our trade all over the world is to the economic welfare and progress of our nation. We have been reminded again that factors which affect world peace and stability have a serious influence on our well-being and what we are able to do.

To most of us, the pace of world affairs appears to have accelerated in recent times. Perhaps because so much has taken place that has affected our daily lives and the operation of our government, we can see more clearly how these will influence materially the budgetary proposals which the Congress is considering.

The energy crisis would, of course, be the most dramatic example. But there are others which, in the long view, may be even more important. To what extent, and how quickly, can we restore cooperative relations and efforts throughout all of the NATO community? A very basic and most important question. The implications in the progress, if any, in the reduction of the arms race which may come out of the current second round of the Strategic Arms Limitation Talks could affect our future endeavors tremendously. Similarly, we will be greatly intrigued to see which paths are indicated by our somewhat diminished détente with the Soviet Union. We have a big stake in the successful establishment of a meaningful peace in the Mid-East and the Arab attempts to hold the industrial world hostage of the flow of oil. The potentials of an expanded dialogue with the Peoples' Republic of China under an umbrella of détente are yet to be explored.

In this dynamic world in which we live and upon which we are so dependent, we must insure that we have the strength and policies which will enable us to encourage progress and capitalize on opportunities. Strength equates in great measure with security—and security is not something we can trade for something else, for without security there is nothing else.

Secretary of Defense James R. Schlesinger, in the introduction to his first Defense Department Report to the Congress, philosophized briefly about one of the paradoxes of our world today:

"A policy requiring us to maintain strength and alliances while we are actually pursuing détente with the Soviet Union and the Peoples' Republic of China may appear incongruous to some. We have a long tradition in this country of arming with great haste when a war comes upon us, and disarming with even greater haste when the war is over; and we have tended, often, to view our relations with other nations in terms of absolutes—friend or foe, ally or adversary, cold war or détente. Unfortunately, the real world is more complicated.—Our experience in this century has amply demonstrated that satiating our military establishment in wartime and starving it in peace time brings us neither peace nor long-term alleviation of the heavy burden of defense. In both blood and treasure, it will cost us less to maintain a reasonably stable level of defense effort until it is possible to achieve genuine mutual reductions in armaments."

Taking the historical perspective, Geoffrey Blainey contributes a worthwhile observation on this subject in his book, "The Causes of War:"

"The most popular vision of peace is of nations living independently, each respecting the rights and territories of others; and each belonging to a kind of brotherhood. The brotherhood of nations tends to be hierarchial and opportunist. Peace depends directly or indirectly on military power. While we observe the role of military power when it dramatically breaks the peace, we tend to ignore its role when it ends a war and preserves the peace. We thus conceal from ourselves the close relation between the causes of war and the causes of peace."

Defense budgets and forces exist only to support our national objectives and our foreign policy. They exist primarily to enable the national leadership to search for peace from a position of adequate, discernible and credible strength. It is this dynamic relationship between military strength and the pursuit of peace as a national objective that is not clearly understood.

This is a particularly complex period in which our government must make grave decisions, some of which affect the security of our nation. As a professional association, we feel it imperative for the American people to understand more clearly the basic issues most deeply affecting our country and its security posture. It is to this end that this paper is directed.

THE UNITED STATES IN WORLD AFFAIRS

Though our optimism about detente with the Soviets was jolted by our confrontation in the Mid-East, we continue discussions with the Soviets which we hope will contribute to true reduction in arms, troops and tensions. A continuing closer exchange with the People's Republic of China provides also the opportunity to develop a more viable and visible Far Eastern policy for our country.

EUROPE-NATO

We continue to be a "Europe First" nation—and for a variety of self-interest reasons. Not only do the roots of most of our people go back to European soil, but our commerce and intercourse has been of the closest over all the years of our history. Western Europe accounts for over 25% of the world's gross national product and, as a consequence, is a major and crucial trading partner of ours. The NATO alliance, which has been the most viable pact of its kind in the history of the world, has been a living pledge of the terrors and hardships mutually shared in World War II. So the antecedents of our relationship with Western Europe transcend even defense considerations which are, nonetheless, crucial to our current considerations.

There is much ferment in Western Europe these days, and events of recent months have exposed our Atlantic alliance to the most severe strains since its inception. The energy crisis focused on the fragility of the relationships between nations in times of economic stress.

In addition to the stresses brought on by the energy crisis and the continual intransigence of France, there are also on-going negotiations that involve Western Europe and vitally affect our interests in this area as well.

If we are sincere in our avowed intention to reduce the prospects for conflict, we must give the Mutual Balanced Force Reduction talks which are now taking place in Vienna a chance to prosper. These talks, which opened in January of 1973, offer the possibility for substantial reductions in the Warsaw Pact and NATO forces which confront each other in Central Europe. Such a reduction of forces would be a major step forward in achieving a stable relationship that would materially lessen the risks of future hostilities. This, in turn, could lead to other arms control measures. A unilateral reduction of U.S. forces in Europe at this time would eliminate any incentive for the Soviets and the Warsaw Pact nations to negotiate for that which they can get for nothing.

Similarly, the dialogue which has been established in the Conference on Security and Cooperation in Europe needs to be nurtured. This important conference at Geneva, involving 35 nations, is bringing into focus principles of interstate relations which could lead to greater East-West economic cooperation and on into other fields. Again, these talks continue to progress because we help provide a balance of power that fosters negotiation.

Any successful conclusion of either of these two conferences overshadows completely the comparatively minor reduction in costs, if any, that would result from reducing our forces in Europe.

In a recent article, General Andrew J. Goodpaster, the Supreme Commander, Europe, reminds us of the objectives of the NATO alliance. He cites four: deterrence, defense, solidarity and détente.

He points out that deterrence is not limited simply to the prevention of an overt military attack by the Soviet Union and its Warsaw Pact allies against the area of Western Europe. Deterrence also includes dissuading the Soviets from indirect military pressure.

For defense, he says: "We must convince the Soviet leaders that our defense could impose costs on them that would far outweigh any expected gains."

The objective of solidarity has recently been under great strain. But, as General Goodpaster so rightly points out, solidarity—collective action and unity in the alliance, is essential to its viability.

And, of course, détente—the relaxing of tensions, is especially crucial in these days of serious negotiation. General Goodpaster makes the point that "a meaningful and durable détente must be based on reducing and removing the causes of tension, while at the same time preserving the security, the integrity and the values of our societies. A reduction in tensions, if it is to be meaningful, must be coupled with a reduction in the dangers which beset us—dangers which derive from the massive forces of the Warsaw Pact arrayed against us. A reduction in tensions without a reduction in these dangers could give our people a false sense of security and thereby actually increase the risks and dangers in our position."

The existence of a stable, free and prosperous Europe is basic to the economic well-being of this country. That it exists today is in great measure because of the consistent non-partisan effort we have put into the NATO alliance over the past quarter of a century. History records no more successful venture. Not only has Western Europe been completely rebuilt from the devastation of World War II, but along with the material prosperity which we have both enjoyed as a result, free political institutions have flourished.

Our country has benefited greatly from this arrangement. The favorable climate for American business in Europe has been a strong buttress to our economy. And the stationing of our troops in Europe gives the United States a political influence that it could obtain in no other way.

The Administration has supported these views in its budget presentations for FY75. As an answer to some of the criticism which has been voiced about our continued European presence, Secretary Schlesinger articulated two fundamental security objectives which he will pursue:

"First, the construction of a satisfactory basis for maintaining an adequate overall NATO security posture for the long haul, including balanced forces, with rational missions credible to our adversaries and ourselves.

"Second, an equitable adjustment of burdens to put U.S. participation in NATO, and the United States military presence in Europe, on a solid, durable foundation acceptable to both the United States Congress and public, and to our allies." The press is already reporting the successful completion of a new two-year agreement with the West German government on this latter objective.

MID-EAST

We applaud the rigorous efforts now going on to establish a peaceful settlement between the Arabs and the Israelis. But even with the implementation of such a peace and the reopening of the Suez Canal, our interests will continue to be heavily influenced by what is going on in that whole area. We have a big stake in assuring adequate petroleum supplies for Western Europe, Japan and our other important trading partners. Japan imports more than 85% of her oil requirements and Western Europe as an entity over 80%. Incidentally, oil may be only the first of many vital resources used as strategic weapons against us. With Mid-East oil so essential to the very economic existence of so much of the industrial world, the temptations for serious mischief will be difficult to curtail.

The opening of the Suez Canal improves materially the Soviet Navy's ability to get far more mileage out of its steaming time and will undoubtedly result in greater activity for her in both the Mediterranean and the Indian Ocean. The Soviets themselves have long recognized the desirability of greatly expanding their influence in that area and can be expected to implement that desire in a variety of ways during the years ahead. Thus it is clear that we will be facing tests of will and resolution in the Mid-East for some time to come. Meaningful military strength appropriately displayed could go a long way toward keeping such adventures in bounds.

ASIA

In his report to the Congress, Secretary Schlesinger made this brief summary of his long view of our defense requirements in the Far East: "We see the most useful role for the United States forces in the Pacific as providing a strong measure of visible support for our allies, a credible deterrent to those who might risk new hostilities, and a general umbrella under which our allies can pursue negotiations and internal development in an environment that encourages cooperation and discourages hostilities. Therefore, our present plans call for maintaining forward deployments in the Pacific."

This policy is encouraging to have on the record. Since 1969, significant reductions in the size of our forces in Asia have taken place. Our withdrawal from Vietnam, our establishment of greatly improved relations with the People's Republic of China, along with the drawdown of our forces elsewhere in Asia had been perceived by some Asian observers as presaging a greater withdrawal from the Western Pacific and a diminution of our interests there.

Actually, our interests in Asia are increasing. There are fourteen major independent countries east of India and west of Hawaii containing more than two-thirds of the human race. Most of these are dynamic countries whose growth rate is outstanding. They are well on their way to becoming one of the largest markets in the world. We will be dealing with them on an ever-increasing basis at whatever level the wisdom of our policies permits.

But we do need to maintain credible defense policies and postures in that area, where our principal objective is stability.

Our relationship with Japan, our second largest trading partner, has undergone some rather severe buffeting in the past two or three years. Most recently, of course, Japan discovered that friendship and alliance with the United States was no guarantee against Arab oil blackmail. On her own, Japan had to work out a separate agreement with the Arabs to insure an adequate supply of petroleum, the lifeblood of her booming economy.

Having been committed by the fortunes of war to the care and protection of the United States, Japan relies entirely on us for her security. They were astonished, along with the rest of the world, when the President, in July of 1971, surprised everyone by reversing our hardline anti-Communist policies, with the announcement that he would go to Peking and Moscow. Japan has adjusted to this new arrangement by concluding her first formal trade pact with the PRC. Two devaluations of the dollar by the United States and our imposition of a 10% surcharge on foreign goods have added a further measure of strain on our intercourse with Japan since we are her largest customer. The Japanese must now decide whether or not to entrust their future to a special relationship with the United States or to cut loose and make new arrangements with the rest of the world.

Elsewhere in Asia, the prospects are varied. Peace is not in sight in Cambodia, Laos or Vietnam. But neither have the Communists succeeded in establishing a takeover in any of these beleaguered countries.

The South Korean forces appear to be gaining in strength and self-sustenance. It is the considered opinion of most that they could handle alone any unaided attempt of the North to invade their territory. Certainly their economy is expanding greatly without interference from the North.

Malaysia, Indonesia and the Philippines need more time free of outside pressures to develop their potentials.

There is no greater frontier for human progress and development than in this dynamic Pacific basin. Its true importance to us and to the world is only beginning to be understood. Here we must be certain that we maintain a fully credible defense. In this area particularly, we see clearly the potential defeat of our interests, without armed conflict, if our military posture and perceived intentions are not credible.

Secretary Schlesinger has summed up the role of the U.S. in world affairs this way:

"The United States today, as opposed to the period before 1945, bears the principal burden of maintaining worldwide military equilibrium which is the foundation for the security and survival of the Free World. This is not a role we have welcomed; it is a role that historical necessity has thrust upon us. The burden of responsibility has fallen on the United States and there is nobody else to pick up the torch if the United States fails to carry it."

In this look around the globe, we have not suggested that any of the troubled areas mentioned is a direct threat to our homeland, but rather they threaten our freedom of action or our economic well-being. This has been the type of threat that has involved us in most of the conflicts in which our country has been engaged. As General Abrams so aptly pointed out in his recent posture statement to the Congress, the issues involved prior to World Wars I and II, Korea and the Gulf of Tonkin or the mining of Haiphong Harbor were not threats to our national survival, but whether or not American freedom of action was threatened seriously enough to warrant the use of military force.

STRATEGIC FORCES

Our defense budget reflects our growing concern with the speed with which the Soviets have been catching up with the United States in strategic nuclear weapons. They have built up their ICBM force at a rapid rate over the past several years, and they are completing construction of more hardened silos and developing newer type missiles of greater throw weight. While they have stayed within the technical bounds of the agreements which grew out of SALT I, they certainly have viewed the spirit of those talks in a different light than we had hoped.

UNITED STATES AND U.S.S.R. STRATEGIC FORCE LEVELS

	Mid-1973		Mid-1974	
	United States	U.S.S.R.	United States	U.S.S.R.
Offensive:				
ICBM launchers [1]	1,054	1,550	1,054	1,575
SLBM launchers [2]	656	550	656	660
Intercontinental bombers [3]	496	140	496	140
Force loadings weapons (warheads)	6,784	2,200	7,940	2,600
Defensive: [4]				
Air defense:				
Interceptors [5]	559	2,800	532	2,600
SAM launchers	481	9,800	261	9,800
ABM defense launchers		64		64

[1] Excludes launchers at test sites.

[2] Excludes launchers on diesel-powered submarines.

[3] Excludes bombers configured as tankers and reconnaissance aircraft.

[4] Excludes launchers at test sites.

[5] These numbers represent total active inventory (TAI).

Their substantial nuclear-powered ballistic missile submarine fleet is presently the fastest growing element of the strategic threat. They have submarines comparable in size and fire-power to our Polaris-Poseidon force, and at their current production rate, the U.S.S.R. will deploy a force of this type larger than the size of our present similar force.

The Soviet intercontinental bomber force is much smaller than ours. They have one new bomber, the Backfire, in flight test. It is a supersonic machine with a variable-geometry wing and is capable of intercontinental missions. There is no indication of the quantities of these that will be produced.

The Soviets continue extensive deployment of aircraft defense and have continued their anti-ballistic missile (ABM) defense around Moscow. There have not been the significant improvements in their strategic defensive forces that have been noted on the offensive side.

A true strategic nuclear threat from the Peoples' Republic of China is estimated to be a few years off as of this time. It is possible that some small number of intercontinental ballistic missiles (ICBM) could be deployed by mid-1977.

Perhaps the most significant feature of our current defense planning has been the change in our strategic planning to give us what President Kennedy described as "alternatives other than suicide or surrender."

This need for options is more important to us now than at any time in our history, because of the growth in the capabilities possessed by other powers. Secretary Schlesinger highlighted in his report to Congress one significant aspect that pervades our strategic planning: *"These additional options do not include the option of a disarming first strike. Neither the U.S.S.R. nor the United States has, or can hope to have, a capability to launch a disarming first strike against the other, since each possesses, and will possess for the foreseeable future, a devastating second-strike capability against the other."* (Italic added.)

What has changed about our current strategy is the greater weight being given to flexibility in response and more options for our National Command Authority. It has popularly been referred to as a "counterforce" strategy rather than that of "mutually assured destruction" which has been the basis for our strategic nuclear strategy in the past.

Here is how Secretary Schlesinger describes it: ". . . If, for whatever reason, deterrence should fail, we want to have the planning flexibility to be able to respond selectively to the attack in such a way as to (1) limit the chances of uncontrolled escalation and (2) hit meaningful targets with sufficient accuracy-yield combination to destroy only the intended target and to avoid widespread collateral damage." Fortunately, our technological development in guidance accuracy will permit adding these options.

With this strategy in mind, as well as the momentum of the Soviets in the strategic offensive weapons field, the defense budget request proposes continuing improvements in our Minuteman missile force, including more MIRVs (Multiple Independently Targeted Reentry Vehicles) and improved accuracy; hardening of missile silos; and completing the conversion of our current nuclear submarine fleet to Polaris A3 missiles. We will also continue work on our Trident submarine and the C–4, 4000 nautical mile missile which should enter the force in FY78. In addition, we are working on a 6,500 nautical mile Submarine Launched Ballistic Missile (SLBM). Our B–1 bomber development program has been plagued with skyrocketing cost increases and, as a result, the program has been slowed. In the interim, we will continue modification on the B–52s to prolong their active status until the B–1 can be brought into the inventory.

Our one ABM site at Grand Forks, North Dakota, is due to become operational within the year. To insure that we do not fall behind the Soviets in this area, we must continue a vigorous R&D program. Our Site Defense program is intended to provide the rapid potential to upgrade our ABM defenses of Minuteman missile fields should that become necessary. It must be considered one of our urgent programs. Additionally, we must be sure that we are not caught short by technological breakthroughs, and need to continue our extensive advanced ballistic missile defense technology program.

SOME MAJOR STRATEGIC FORCES MODERNIZATION AND IMPROVEMENT PROGRAMS

[Dollars in millions]

	Fiscal year 1973 actual funding	Fiscal year 1974 planned funding	Fiscal year 1975 proposed funding
STRATEGIC OFFENSE			
Continued procurement of Minuteman III missiles, Minuteman silo upgrading and other related programs	816	730	758
Conversion of SSBN's to Poseidon configuration, continued procurement of Poseidon missiles and associated effort	698	313	192
Development, procurement, and military construction—Trident submarines and missiles	794	(25)1,435	2,043
Initiation of design for a new SSBM			16
Development of advanced ballistic reentry systems and technology (ABRES)	93	90	120
B-52D modifications	46	38	73
Continued development of new strategic bomber, B-1	445	449	499
Development of the bomber-launched and submarine-launched versions of the strategic cruise missile	53	14	125
Initial development of advanced tanker/cargo aircraft			20
STRATEGIC DEFENSE			
Continued deployment of Safeguard	599	341	61
Continued development of site defense	80	110	160
Development of advanced ballistic missile defense technology	93	62	91
Development and acquisition of the SLBM phased array radar warning system			50
COMMAND AND CONTROL			
Development and procurement of advanced airborne command post (AABMCP)	117	50	90
Development of Sanguine Elf system	9	13	13

Secretary Schlesinger has described the objectives of our strategic nuclear force as follows:

"Deterrence has been and remains the fundamental objective of our strategic nuclear forces. But what precisely do we want these forces to deter? Clearly, we expect them to forestall direct attacks on the United States; at the same time, however, we accept the equally heavy responsibility to deter nuclear attacks on our allies. To some extent, we also depend on the strategic forces to exert a deterrent against massive non-nuclear assaults, although we now place the main emphasis on U.S. and allied theater forces for that purpose. We also view our strategic forces as inhibiting coercion of the U.S. by nuclear powers and, in conjunction with other U.S. and allied forces, helping to inhibit coercion of our allies by such powers."

While we are having to respond to Soviet strategic arms growth at a faster rate than we had wished, it seems clear that the balance of nuclear terror is being maintained.

Because the Soviets have not slowed their strategic arms development to any extent, there has been much uniformed criticism of what we supposedly "gave away" in the SALT I (Strategic Arms Limitation Talks) agreements. It should be understood that the Soviets have not to our public knowledge violated the letter of SALT I nor the Interim ABM agreement that accompanied it. Nor is there any evidence, given Congressional resistance to greater spending in this area, that we would have any new weapons systems or, in fact, would have gone any faster on our present programs if we had not signed SALT I. We had hoped at best to show the pace of Soviet programs, but this has not happened. It is obvious until we can get a meaningful SALT II agreement, and the prospects seem meager at the moment, we have no choice but to continue these terribly expensive programs so that we may maintain the strategic safety of our nation, the viability of our allies and trading partners and the freedom of action we need to pursue our national objectives.

U.S. FORCE LEVELS

	Actual June 30, 1964	Actual June 30, 1973	Estimated June 30, 1974	Estimated June 30, 1975
Strategic forces:				
Intercontinental ballistic missiles:				
Minuteman	600	1,000	1,000	1,000
Titan II	108	54	54	54
Polaris-Poseidon missiles	336	656	656	656
Strategic bomber squadrons	78	30	28	27
Manned fighter interceptor squadrons	40	7	7	6
Army air defense firing batteries	107	21	21	0
General purpose forces:				
Land forces:				
Army divisions	16⅓	13	13	14
Marine Corps divisions	3	3	3	3
Tactical air forces:				
Air Force wings	21	22	22	22
Navy attack wings	15	14	14	14
Marine Corps wings	3	3	3	3
Naval forces:				
Attack and antisubmarine carriers	24	16	14	15
Nuclear attack submarines	19	60	61	67
Other warships	368	242	186	191
Amphibious assault ships	133	66	65	65
Airlift and sealift forces:				
Strategic airlift squadrons:				
C-5A	0	4	4	4
C-141	0	13	13	13
Troopships, cargo ships, and tankers	100	53	32	32

GENERAL PURPOSE FORCES

In this era of nuclear stand-off, the true deterrence against war lies in our general purpose forces. They provide the means to deter or repel limited threats by limited means. They give us "a capability to place boundaries on conflicts and exercise some degree of control over the escalation of violence in the event deterrence should fail."

General purpose forces include the Army, Navy, Marine Corps, the tactical units of our Air Force, our airlift and sealift and most of our National Guard and Reserve forces. Roughly 70% of our defense expenditures are attributable to these forces and their activities.

Our basic concept plans for our forces to deal with a major conflict in Europe or Asia and to respond simultaneously to a minor conflict elsewhere. This is what we term our one and one-half war strategy.

Obviously, the principal contingencies we must consider in planning our general purpose forces are:

An attack on the NATO nations by the nations of the Warsaw Pact led by Russia, and

An attack in Asia with the direct involvement of the forces of a major power.

Beyond these are a whole host of smaller conflict possibilities which hopefully we can deter but, if not, that we can contain and defuse in the least amount of time.

We start off our consideration of the FY 75 budget knowing that we have fewer divisions, fewer ships and fewer aircraft than at any time since the Korean War in the early fifties. Secretary Schlesinger's modest appraisal of the state of our general purpose forces is that our general purpose structure is "on the thin side." There is ample evidence to support that evaluation.

General Abrams, the Army's Chief of Staff, testifying before Congress, described the Army's strength shortfall this way:

"I can tell you how much we need to assure a high probability of accomplishing our national strategy without using nuclear weapons—which would be on the order of 30 divisions—and I can also point out a level below which we would have no better than a marginal chance of succeeding. The end strength we have asked for—13⅓ active divisions and 8 Reserve Component divisions—permits us to field a force which gives us that chance and allows us to sustain it, but will leave virtually no room for error."

Secretary Schlesinger expressed his own judgments concerning general purpose forces as follows:

"The general purpose forces will continue to grow in importance as nuclear parity continues."

"We have a minimum of these forces considering the extent of our interests and responsibilities and the capabilities of potential opponents."

"To reduce the force structure further would undermine the stability that comes from a basic equilibrium, and would lower the chances for a more enduring peace."

"We are, however, reassessing the types of forces we have and, in particular, the size and contribution of the support structure, to see whether adjustments can produce a more effective overall force balance with greater combat capability."

AMERICA'S SHRINKING ARMED FORCES

	Size of service in—		
	July, 1969, height of Vietnam involvement	December 1972, last month of draft	February, 1974
Army	1, 512, 169	862, 262	784, 039
Navy	775, 869	581, 874	553, 908
Marines	309, 771	196, 722	190, 422
Air Force	862, 353	707, 032	673, 381
Total	3, 460, 162	2, 347, 890	2, 201, 750

Note: By mid-1975: The total number of servicemen will be cut further—to 2,152,000—according to Pentagon estimates. If targets are reached, the size of the Marines will grow slightly, the Army will remain about the same—with further reductions in the Air Force and Navy.

Source: U.S. Department of Defense.

The table indicates the steady decline in the strength of our armed forces since the height of our buildup for Vietnam. The cuts have been both precipitous and alarming.

In presenting the FY75 budget as it pertains to land forces, the Secretary of Defense discusses Division Force Equivalents (DFE) "a rational concept in the sense that it is an average used for planning and management of the overall force structure, particularly the Army." In the Army (Active and Reserve) a DFE encompasses the division itself plus two support increments (SIS) totaling about 48,000 men.

So, for the FY75 budget, the Department of Defense requests funding of more than 25 division force equivalents, i.e. 21½ active Army and Reserve Component divisions and 4 Marine Corps active and reserve divisions. In manpower, we are talking about an increase in the authorized end strength of the active Army of 3,000 to 785,000.

The planning encompassed by this budget includes an increasingly active role for some of our Army Reserve Component units. The 25th Infantry Division, with only six active maneuver battalions, will continue to rely on one National Guard infantry brigade (two battalions) plus one separate Reserve infantry battalion to round out the division combat units.

Four Reserve brigades are being converted to two mechanized and two armored brigades earmarked for early deployment in a major contingency.

Additionally, plans are going forward to affiliate a substantial number of Reserve Component battalions with the active Army divisions and the early deployment Reserve brigades. These units will not only train with the active duty units, but will have the mission of deploying with these units in an emergency.

From the standpoint of authorized strength for our general purpose forces, the FY75 budget represents an overall reversal of the downward trend.

MILITARY MANPOWER REQUIREMENTS

[Active duty end strengths in thousands]

	Fiscal year—		
	1973 (actual)	1974 (estimated)	1975 (estimated)
General purpose forces	909	901	929
Land forces	512	513	537
Tactical air forces	165	169	169
Naval forces	190	178	176
Mobility forces	43	41	47

The Army has already taken the lead in efforts to streamline its operations and to bring more combat units from existing strength by reducing overhead, cutting back headquarters and similar actions. In Pentagon parlance, this is known as adding more teeth and reducing the tail.

The following table indicates the principal thrust in the FY75 budget to modernize our land forces. In addition to continuing the modernization of our land forces, there is a need to improve substantially the material readiness of our general purposes forces, including replacement of assets provided to Israel or otherwise consumed in the Mid-East conflict.

Among the lessons learned in the Mid-East war reflected in this budget were the effectiveness of our anti-tank weapons fired from both the ground and the air and hence the increased purchases of TOW and DRAGON missiles and the program to arm the Cobra helicopter with the TOW missile.

The FY75 budget for the land forces recognizes that past manpower cuts have gone too deeply and that our stockpiles of many basic equipment items were allowed to get too low. Similarly, the equipping of our Reserve Components has not reflected the needs of their growing responsibilities in our total force.

However, it is our considered view that, were the Congress to approve this budget as it pertains to our land forces, marked improvements could be effected in these forces.

MILITARY MANPOWER REQUIREMENTS

[Active-duty end strengths in thousands]

	Fiscal year—		
	1973 actual	Estimated 1974	1975
General purpose forces	909	901	929
Land forces	512	513	537
Tactical air forces	165	169	169
Naval forces	190	178	176
Mobility forces	43	41	80

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ARMY WEAPONS PROCUREMENT, RESEARCH AND DEVELOPMENT, FISCAL YEAR 1975 BUDGET

	Procurement		
	Quantity	Amount (millions, including spares)	R.D.T. & E. (millions)
AH-1Q attack helicopter (TOW/Cobra)	21	$28.7	
Advanced attack helicopter (AAH)			$60.8
Heavy lift helicopter (HLH)			57.7
CH-47C helicopter	27	60.4	3.0
UH-1H helicopter	205	69.0	
Utility tactical transport aircraft system (UTTAS)			54.1
Safeguard ABM system			60.8
Site defense ABM system			160.0
Surface-to-air missile development (SAM-D)			111.2
Hawk air defense missile[1]	750	100.9	8.5
Low-altitude, forward-area air defense system (LOFAADS)			44.7
Stinger man-portable air defense missile			33.7
AN/TSQ73 air defense control system		5.7	1.2
Pershing surface-to-surface missile		8.9	

	Procurement		
	Quantity	Amount (millions, including spares)	R.D.T. & E. (millions)
Lance surface-to-surface missile	194	$64.7	
M60A1 tank[1]	664	229.2	$7.9
XM1 tank			68.8
Turret trainer for M60A1 tank	34	6.0	
Armored reconnaissance scout vehicle	35	25.3	8.1
M125A1 81-mm mortar carrier	13	0.8	
M578 recovery vehicle	180	27.9	
M88A1 medium recovery vehicle	77	33.6	
M85 .50-caliber vehicle machine gun	1,682	10.7	
XM198 towed 155-mm howitzer		1.3	6.1
TOW antitank missile[1]	30,319	138.4	10.7
Dragon antitank missile[1]	16,578	129.4	
M202A1 66-mm flame rocket launcher	3,049	2.6	
M60 7.62-mm machine gun	6,000	5.0	
M16A1 rifle	9,114	1.3	

[1] Includes Marine Corps procurement.

NAVAL FORCES

During a period when the Soviet Union has been expanding its Navy at a record pace, the number of ships in our general purpose forces fleet has been reduced from 951 at the end of FY68 to a programmed 522 at the end of FY75. So it is obvious that, even with our reliance on our allies, we have not been meeting our objective of maintaining an appropriate naval balance with the Soviet Union. If the budget for FY75 is approved, it will be the first time in many years that we would be adding almost as many new ships to the fleet as are being retired.

In an effort to expand our naval forces in the face of rampant inflation and unusually high costs, a program of more austere vessels is being put forward. A smaller aircraft carrier, known as the Sea Control Ship, is a good example. This ship, which will launch up to 21 helicopters and VSTOL aircraft, is programmed at less than $120 million per ship as opposed to the Nimitz class carrier now being built, the last of which is expected to cost about one billion dollars. The Sea Control Ship is intended for low threat situations, escorting merchant or naval supply ships outside the range of Soviet land based aircraft. It is currently planned to build eight of these ships.

In order to continue an adequate forward deployment of our big carriers, a decision has been made to hold the carrier force at 15, rather than reduce it to 13 as originally planned for FY75.

Significant buys of anti-submarine warfare aircraft (ASW) are contained in the budget. Two other new type ships are included also, the Patrol Frigate (PF) and the Patrol Hydrofoil (PH).

NAVY GENERAL PURPOSE FORCE LEVELS

	Fiscal year—		
	1964	1968	1975
SHIPS			
Aircraft carriers	24	23	15
Other combatant ships	364	388	168
Attack submarines	104	105	77
Amphibious ships	133	157	65
Auxiliary and patrol ships	271	262	142
AIRCRAFT			
Combat aircraft	3,710	3,877	3,012
Training/support aircraft[1]	3,239	3,226	2,558
Pipeline aircraft	1,442	1,388	713

[1] Including all USNR and USMCR aircraft.

The Navy is asking for funds for 229 combat aircraft. These include the F–14A fighter equipped with the Phoenix missile; the S3A Viking for ASW work; ATE light attack aircraft; AGE all-weather medium attack aircraft; and A4M light attack aircraft.

Vigorous pursuit of these and the other modernization programs in the Navy budget will be essential to keep pace with the momentum of the Soviet naval programs. It is imperative that we be able to control our sea lines of communication in our worldwide involvement. This becomes a greater task in the face of the expanding strength and range of the Soviet navy.

MARINE CORPS

The two principal problems confronting the Marine Corps at this point in time are a shortage of amphibious assault ships and manpower. Last year, the first of five multipurpose amphibious ships, called LHAs, was launched and, as the others in the program enter the system, we will perhaps reverse the decline in amphibious shipping which we have undergone for a number of years.

The Commandant of the Marine Corps has testified that to maintain the three active division-wing Marine teams at a desired level of readiness requires a minimum strength of 205,000. For FY75, he is requesting an authorized strength of 196,398 or 8,700 less than the requirement. This means that the third division team will not be fully structured and would need conscripted fillers before being readied for combat deployment.

GENERAL PURPOSE AIR FORCES

The active Air Force will have at the end of FY75 a total of 69 squadrons in 22 wings. It is proposed that the equipment in these units will be substantially modernized during that period. It is planned, for example, that the A–7 squadrons would be phased out and replaced by the new A–10 close support aircraft. Similarly, about half of the A–4 squadrons would be replaced by the new F–15 fighter aircraft, which is specifically designed to excel in air to air combat.

Two new lightweight prototype fighters, the Y16 and Y17 will be put through a comprehensive flight test program during the coming year to assess their combat value.

[In millions of dollars]

	Fiscal year—		
Air Force aircraft	1973, actual funding	1974, planned funding	1975, proposed funding
Continued development/procurement of F–15 air superiority fighter	908	1,129	1,076
Development of lightweight fighter prototypes (including engine)	43	47	23
Development of air combat fighter			36
Development and advanced procurement of A–10 close-air support aircraft	48	107	268
Acquisition of Maverick missiles	79	61	88
Development and procurement of E–3A (AWACS)	194	163	770
Development of EF–111 jamming system	3	15	37

There are also provisions to place greater emphasis on at least eleven separate defense suppression weapons and equipment.

The Air Force is also continuing its development of aircraft to provide all-altitude surveillance and warning and command forces worldwide.

Another program of interest is the advanced medium short take off and landing transport (AMST) which is now in development. It is to be a rugged tactical transport, wide body design, capable of carrying most of the Army's equipment and designed to operate in short fields.

The lessons of the recent war in the Mid-East add substantial support for most of these programs to modernize our tactical aircraft, to give them greater survivability and more punch.

AIRLIFT AND SEALIFT

Strategic mobility has to be considered the Achilles tendon of our total defense establishment. We simply do not have adequate air or sealift to give us the ability to exploit the full deterrent or response capability of the forces we have. The airlift equipment that we have, particularly our C5A transport, is excellent, as the performance in the Mid-East war proved again, but we don't have enough.

Our planners tell us that one of our principal needs is to be able to reinforce NATO Europe rapidly in the event that the Warsaw Pact should launch an intense attack aimed at overwhelming Western Europe in a relatively short period.

At the present time, our strategic airlift consists of 79 C5A aircraft and 275 C141s. Additionally, there are 246 long-range commercial aircraft (153 cargo-convertible and 93 passenger). These latter, of course, are not immediately available in an emergency. (Their crews, for example, cannot be forced to fly in a combat environment.) But they do constitute a usable reserve, but with a built-in time lag in availability.

In the late 1970s, DOD-controlled sealift is expected to consist of only two roll-on/roll-off cargo ships and eight tankers, plus three cargo ships and ten tankers on controlled fleet charter. To meet wartime needs, DOD relies heavily on U.S. commercial shipping, which can be mobilized under Presidential authority. During a NATO contingency, DOD would rely also on the commercial shipping assets of our NATO allies. In any case, it is obvious that some time would be consumed after an emergency was declared before adequate shipping could be organized.

Secretary Schlesinger outlines the problem thusly, "As matters now stand, it would take an average of about 19 days per division to move to Europe a force of several divisions with their initial support increments and all of their combat essential equipment if we were to move them by airlift only." A little simple arithmetic will show that with maximum utilization of aircraft on a fully sustained effort, it would take 133 days, or over four months, to move by air the seven CONUS Army divisions only, if no other lift were available. This assumes that we could move the additional supplies they would need by supplemental air or sea. Even assuming some additional lift could be obtained quickly from our civilian resources, it is not likely that we could improve the deployment time much in the early stages of a conflict.

The equipment for an Army infantry division weighs about 30,000 tons. The equipment for support units for the division weighs about 86,000 tons. The division and its support elements consume supplies at the rate of 2,300 tons per day in sustained combat. Hence our strategic lift needs must be greatly enhanced if we are to come anywhere near to meeting our planning deployment goals.

The FY 75 budget contains requests that would 1) step up utilization of C5As and C141s by assigning more crews, 2) lengthening C141s' fuselage by 280 inches and installing equipment for inflight refueling. When all of this is done, it is hoped that air deployment time can be reduced to an average of 12½ days per division.

Since the C5A is the only aircraft which can carry the outsize combat equipment our troops need, whatever else we do, our deployment capability will continue to be constrained by the number of C5As we have on hand. Hence, we reiterate our earlier recommendation that we do the intelligent and cost effective thing and buy several more squadrons of C5As. That will give us the quantum increase in airlift we require. We must not let past political problems or production difficulties penalize our defense capabilities.

The sad state of our sealift pinpoints another dilemma that confronts our military establishment increasingly, and that is its ability to attract industry interest to defense programs. Low profitability, Congressional and bureaucratic harassment has turned much of industry to civilian pursuits. Last year, for example, it was planned to acquire two multimission ships through a build and charter arrangement. A lack of response from the shipbuilding industry because of the limited number of ships contemplated and the general harassment and low level of profitability in building ships for the government caused this program to be sidetracked.

It seems incredible that the greatest industrial nation in the history of the world would have its defense capability and deterrence so constrained by its inability to move sufficient numbers of troops and equipment by air or sea. We couldn't do it by rail within CONUS either, for that matter.

RESERVE COMPONENTS

The state of our Reserve Components has had a high state of visibility lately through recent Congressional testimony, the DOD Total Force Study Group, and a recent study by the Brookings Institution to which this Association responded in considerable detail.

The three basic concerns with these forces are manning, equipment and readiness or training. The Secretary of Defense's annual report reflects considerable upgrading in Reserve and U.S. Marine Corps Reserve.

As the chart indicates, as of this time the only serious shortfalls in strength, at least on a percentage basis, are the U.S. Army Reserve and U.S. Marine Corps Reserve.

The strength situation will be further changed by the mandatory 48,000 man cut which the Department of Defense has directed be absorbed by the Army National Guard and the Army Reserve. Presumably, this cut includes the previously announced elimination of the Nike Hercules air defense units and their manning table of 4,500. It undoubtedly will be possible to absorb some of the people who are not in units being eliminated by the 48,000 cut into other units which will remain. To the extent that this is possible, the strength situation will be further alleviated. But the answer to strength problems is not the elimination of units. What we should be seeking is how to produce a more effective total force, not to consider reductions. If we have units whose state of training or equipment level is currently inadequate, it is our view that a great effort should be made to correct these deficiencies rather than to give consideration to the elimination of the units.

There have been determined efforts to improve the equipment picture in the Reserve Components, even though the drawdown for the Mid-East war plus those for Vietnam have made it impossible to reach established goals. Some items in the communications area, anti-tank missiles, tanks and ammunition, for example, are in short supply, and there are other deficiencies as well. The Army Guard and Reserve are $2.5 billion short of having their full TO&E equipment.

The Navy and Marine Corps Reserve equipment picture is good with the possible exception of the need for more modern aircraft for the Marine Air Wing. The Air Guard and Reserve continue to modernize their aircraft. The Air Guard has recently lost its air defense units and a decision will have to be made by DOD as to whether these units are to be re-equipped with other aircraft for different missions to make use of the highly trained people who are available.

Among those who would degrade or diminish the worth of our Reserve Components to our total defense posture, there is a great deal of hand-wringing about readiness. We agree that Reserve Component units and/or individuals who cannot be ready to perform when needed are indeed of little use. However, we suggest that a more effective and less emotional readiness program could be effected that would utilize the great bulk of our Reserve Component units if we were more realistic.

It is difficult to reconcile on the one hand the insistence of the Department of Defense that all Reserve Component divisions and supporting units be ready to deploy in at least 30 to 60 days with the Secretary of Defense's description of airlift and sealift capabilities, on which we commented earlier. Under present airlift capabilities, it would take at least 80 to 100 days under ideal conditions to move all our CONUS active divisions by air. Under DOD's present timetable, Reserve Component divisions are being asked to be ready to move out a month or so before we could deploy them. Moreover, in his annual report, Secretary Schlesinger makes a further point:

"We will still need a substantial sealift capability to sustain and augment the forces initially deployed by airlift. Even in a NATO-Warsaw Pact conflict, some of the later deploying forces (*e.g. Army Reserve Component divisions and their support increments*) *would have to move by sea*, as would the bulk of the resupply for all the U.S. forces already deployed." (Italics added)

With this movement plan and the current shortfalls in Reserve Component essential equipment, it would appear that there is adequate time for a more orderly mobilization and deployment of our Reserve Component units than we have been led to believe.

This is not to say that we should not proceed with a firm sense of urgency to improve to the maximum extent possible the readiness time of our Reserve Component units. What this does suggest is that we can arrange to deploy our Reserve Component units in an order of priority of readiness, which should enable us to make use of all of them, if need be, and avoid elimination of some units only because they couldn't be ready to deploy overseas in 60 days, but could be ready in plenty of time to meet a realistic schedule of when we could actually move and use them.

It is imperative at this time to recognize the very major efforts which are being made in all of the services to improve the management and readiness assistance to the Reserve Components. These efforts show great promise and should be given an opportunity to demonstrate what can be accomplished by this extra effort that has not been possible previously. Project STEADFAST in the Army, which gave to the three Continental Armies and nine Readiness Regions the sole mission of supporting and assisting the Reserve Components, as well as the realignment of Navy Reserve forces and the improved equipment picture in the Air Force all will, we feel sure, contribute importantly to the betterment of our Reserve Forces. But they need time to work, and we would oppose strongly further major reorganization and upheaval within the Reserve Components until such time as we are able to evaluate the improvements resulting from these initiatives.

We shall continue to urge strongly the enactment by Congress of the special pay legislation which has been pending for the last year which would assist the Reserve Components with their recruiting efforts. This becomes even more important as the pool of prior service prospects diminishes, so a greater effort is needed amongst those who have not previously served. It is our feeling that, had the Department of Defense vigorously pushed for this legislation in the past, it would have passed the Congress and be available for use now.

We recognize that world affairs, changing technology and national strategy are constantly impacting on our requirements for military forces, and we do not support the status quo for the sake of the status quo. However, it is our view that our defense forces could be improved if it were possible to avoid any further reorganization of major Reserve Component units and to maintain the integrity of the smaller supporting type units to the maximum extent possible. If we can avoid the disruption and harassment that stem from reorganization and change for a period of time, we can get a good assessment of all those things we need to do to insure that our Reserve Components can, in fact, contribute to the National Defense that which we ask of them.

There is evidence from all sides that the Reserve Components are responding admirably to the additional challenges that have been given to them in their role of active partnership under the total force concept. The fact that the great majority of Reserve Component units are at the highest levels of readiness they ever attained is a clear indication of their ability to develop a greater capability for earlier response and to meet their mission commitments. In our view, this can be accomplished most quickly in a stable environment.

THE ALL-VOLUNTEER FORCE

We have had much to say about the all-volunteer force and its prospects over the past few years. It has been playing to mixed reviews. Neither the optimists nor the pessimists have seen all of their predictions come true, but there is no gainsaying that a truly massive effort is under way to try to make it work.

The chart indicates the results to date. But it doesn't really give the full picture. Calendar year 1974 will be needed to make a sounder judgment. This will be the year when the full impact should be felt from all the programs which have been instituted to attract sufficient volunteers. Congress recognized this when the FY74 defense budget was being passed.

But Congress has not been entirely helpful to the program. In an effort to establish a set basis for maintaining the quality of the armed forces, Congress requires that 55% of the new enlistees be high school graduates. Obviously, this puts a brake on some recruiting, and unnecessarily, in the view of Department of Defense officials, who point out that a high school diploma per se is an artificial measurement of a man's ability to perform well in the service. We discussed in a previous paper the new tests and screening procedures that better select those who can best adapt and progress.

Since there is still a reluctance on the part of Congress and elsewhere to embrace the all-volunteer concept without reservation, we still adhere to our view that the prudent course for the country would be to reinstate the President induction authority under Selective Service to be used if needed to fill shortfalls. We may be approaching the time when it would be desirable to offer the present premium rates of pay and other options to those who volunteer and a lesser rate to those who are conscripted. Such a plan would encourage volunteers without adding to personnel costs.

By the year's end, we should have a much better picture of our ability to attract volunteers to military service. It will be increasingly important to know this, for we cannot cut the size of our active forces further and maintain our global commitments and responsibilities.

CONCLUSION

During his first year of office, President Nixon outlined the parameters of our basic national security strategy as including the following:

1. The United States will keep all of its treaty commitments.

2. We shall provide a shield if a nuclear power threatens the freedom of a nation whose survival we consider vital to our security.

3. In cases involving other types of aggression, we shall furnish military and economic assistance when required in accordance with our treaty commitments. But we shall look to the nation directly threatened to assume the primary responsibility of providing the manpower for its defense.

The fundamental objective of U.S. military policy is to deter armed conflict. This requires maintaining a clear and evident capability and resolve to fight, in concert with our allies, at any level of hostilities so that any potential opponent will assess his risk of defeat to be unacceptable. Should deterrence fail, the objective is to terminate hostilities on terms favorable to the United States and its allies, while preserving our security interests.

What we have tried to point up in this paper is an appreciation of our worldwide interests which affect our defense planning. We have called attention to the opposing capabilities, particularly those of the Soviet Union against which we must measure our adequacy. And we have commented on our commitments with more than 40 nations which we have pledged to honor.

On balance, estimates of the international situation have become more optimistic in recent months. We are out of Vietnam; we do have a measure of detente with the Soviet Union and the Peoples' Republic of China; there are on-going negotiations to try to find acceptable ways to limit the proliferation of strategic arms and to reduce on a balance basis the forces opposing each other in Central Europe; and to try to find an intrastate agreement to lessen tensions and increase trade and intercourse throughout Europe.

But the fact of the matter is that the sheer physical threats, as measured by the military capabilities of political adversaries, have increased impressively in recent years. So have our foreign interests, with a larger volume of international trade and expanded external investments. Even more significant is our growing dependence on raw materials from sources overseas. Some 69 out of 73 strategic materials we require are imported.

In the face of all this, we find that over the recent years our defense posture has declined dramatically. There can be no doubt that the cuts have gone too deep and that we need vigorous programs to restore the balance. The FY75 defense budget, which has been presented to the Congress, makes a start at redressing our most perilous shortfalls But, in the Congressional testimony and committee hearings thus far, there has been no discernible sense of urgency, and this we must impart. Beguilement with other pressing problems which face the nation must not further erode our military strength.

There has been much discussion in the media and the Congress about the FY75 defense budget being the biggest in the nation's history—and in today's inflated dollars, it is. But there are other measuring sticks that make the story clearer. It is only 5.9% of our gross national product as compared to 9.4% in 1968. And it represents only 27.2% of our total federal budget outlays as opposed to 42.5% in FY68. These figures and those in the graph make it clear that our priorities have been reordered and that a great deal has been taken from defense for our country's social welfare programs. We need not be defensive when we ask for public support for an adequate military force.

While we reach out hungrily for the solace of detente, we must also be wary. Secretary of the Army Howard H. Callaway reminded us of this in his testimony before Congress when he said: "Governments change, as do policies and intentions and perceptions of issues that warrant the use, or threatened use, of military force. It is rare in history that a power preferred the use of force to that of achieving the same ends through the threat of force. It is freedom from coercion, from the threat of force, which we gain by being ready to fight if necessary."

If we are to cope with what President Kennedy has called the rising tide of human expectations, we must do so in a dynamic society operating in a peaceful environment held secure by an adequate, credible defense establishment.

So national security is the first challenge of the peace-makers. It is, in fact, the urgent challenge and opportunity that confronts us all today.

SENATOR ROBERT C. BYRD FACES THE QUESTION OF POSSIBLE ENLARGED SERVICE AS HE WORKS EFFECTIVELY FOR WEST VIRGINIA AND THE NATION

Mr. RANDOLPH. Mr. President, over the next 32 months the American public will be studying the qualities of many men to decide who shall lead in the perilous times ahead. It is an understandable action that they turn first to those potential candidates they know best. Consequently, boomlets for parochial candidates arise. But the critical examination for those needed qualities of integrity, wisdom, and the ability to lead will certainly narrow the field. One who can and will survive this winnowing is my colleague, Senator ROBERT C. BYRD of West Virginia.

On April 19, the Mineral County News Tribune published a thoughtful editorial by Patricia Wagner about an appearance by Senator BYRD in Keyser, W. Va. It tells of the growing speculation that Senator BYRD possesses those qualities required of a Presidential candidate. The writer comments:

> Robert Byrd has come a long way and that way has been both difficult and rewarding. Lesser men would have floundered many times along the way, but fate, or what have you, deemed difficult. His destiny may hold still more important tasks for him to accomplish.

Mr. President, the editorial sets forth the pride and respect we West Virginians hold for BOB BYRD. I ask unanimous consent that it be placed in the RECORD so that others share the editorial accolades that years of unstinting service to a constituency can evoke.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Mineral Daily News Tribune, Apr. 19, 1974]

BYRD FACES SAME BIG QUESTION

Tomorrow Senator Robert C. Byrd comes to town again. He is no stranger here. In fact, there are few places in this Mountain State he has not visited.

His gracious lovely lady, Emma Byrd, told us a couple of years ago that he likes to get out, walk around by himself and visit and talk with people.

Several times we saw him introduce himself to persons standing trying not to stare with mouths agape. They knew who he was but felt shy. Other times, citizens would literally run up to him—sometimes big men who would stare down at him, looking him square in the eyes, and demand that he run for President.

We were most interested to hear just how he answered. He smiled, treated the demand (sometimes a request or question) as a compliment. He thanked them and added that he was working fulltime to serve West Virginia and the county in the United States Senate.

Wednesday this newspaper ran a UPI story saying the state chairman of the Democratic Executive Committee has approached him on the subject of making a bid for the nomination. Chairman J. C. Dillon reported Sen. Byrd did not say yes or no.

Years ago we felt Sen. Byrd should run for President just because we admire him so. Now times have changed and we want Sen. Byrd to be President because we are alarmed about the future of this country and even our form of government.

He knows how we feel and we trust him to make the right moves.

From the exposure he has had lately on TV and in the national media, we believe more and more that others outside West Virginia are interested in his views, too. When other leaders are headline hunting, he appears confident, knowledgeable and wise. He can turn a phrase with the best of them but his long suit is reason, not emotion.

Robert Byrd has come a long way and that way has been both difficult and rewarding. Lesser men would have floundered many times along the way, but fate, or what have you, deemed different. His destiny may hold still more important tasks for him to accomplish.

One man the other day stated flatly that if Sen. Byrd did not run for the office, he just wouldn't vote for anybody for President.

Maybe if others around the country had a chance to compare the Senator from West Virginia with the others in the field, they will see what we see—he stands out above all the rest.

Tomorrow night he'll get a special welcome here at the Inter-Club dinner and he will enjoy being here and he'll remember. This time maybe we can beat him to the punch and ask him (before he can ask us) "What can we do to help you?" He is always offering assistance to others, maybe some way we "others" can assist him.

In years past, we have cast our votes for him—trusting he would make the right decisions and take appropriate action for the good of us all. We know he continues to do just that and we are for him whether he be in the Senate or the White House.

JOHN F. GRINER PROVIDED LEADERSHIP TO GOVERNMENT EMPLOYEES

Mr. RANDOLPH. Mr. President, on Monday Federal employees lost an advocate whose deeds will forever endear him in their hearts and minds. This man was president of the American Federation of Government Employees from 1962 until his resignation in 1972 because of ill health. He was my very dear friend of 15 years and during his tenure the union membership expanded to over 300,000.

John F. Griner was a true American in every sense. His legislative battles were fought for the sole purpose of aiding those who most required help and were unable to help themselves. His work benefited citizens generally. President Griner was loved and respected by a multitude of men, his colleagues in the labor unions, here in the Senate and the House, but most of all by the civil servants he represented.

As president of AFGE, John's leadership was an inspiration to all the members of that organization. He was the guiding light in the legislative proposals which Government oriented unions set forth. He accepted challenges and met them with wisdom and affirmative action.

To the widow and children of John Griner, I extend heartfelt sympathy; to the members of the AFGE my sincerest thanks for having given me an opportunity to work with this helpful man. He was a source of sound counsel to me, as I know he was to other Members of the Congress.

We shall remember our friend from Georgia.

He was a man of courage, who fought with his mind and heart and spirit for the principles in which he believed. We honor the memory of John Griner as a good and great American.

STEEL INDUSTRY AGREEMENT

Mr. JAVITS. Mr. President, the Senate should take note of the recent collective-bargaining agreement reached in the steel industry under which 6 years of peace on the collective-bargaining front will be assured for this vital sector of the economy. The agreement reached this week is obviously good for steel workers; it provides substantial wage increases and equally important, substantial improvement in pension benefits. From the management standpoint, the assurance of 6 more years of labor peace will greatly facilitate the kind of advanced planning concentration on productivity and supply stability which will make it much easier for American steel companies to compete with their foreign counterparts.

In all respects this agreement is a complete vindication of the farsightedness of management and labor in the steel industry in entering into the experimental no-strike contract under which the current negotiations were conducted. It took faith and courage to enter the original agreement and it will still require the utmost good faith to see that the extension of this no-strike principle for another 6 years works out to the satisfaction of both management and labor.

Finally, I think this agreement is really a tribute to the institution of collective bargaining as it has developed in America. It shows that our thinking is not frozen or politicized when it comes to labor-management relations in key industries and it augurs well for the future economic health of our country. Indeed, now that the initial experiment in steel has been so successful, I hope that other unions in other industries will also try similar approaches to their collective-bargaining problems.

Mr. President, I ask unanimous consent that an article about the steel industry appearing in the New York Times on Friday, April 12, 1974, be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Steel Union Wins Pay, Pension Gain in 3-Year Accord

(By Philip Shabecoff)

Washington, April 12.—The United Steelworkers of America accepted today—more than three months before their old wage contract expires—a new three-year agreement providing increases in pay, cost of living allowances, pensions and other benefits.

I. W. Abel, president of the union, and R. Heath Larry, chief negotiator for the steel companies, said at a news conference that the experimental no-strike agreement under which the contract had been negotiated was an unqualified success and that the two sides had agreed to use the same technique for the next negotiations three years from now.

This decision virtually guarantees labor-management peace in the steel industry for the next six years at least because the pattern has been for three-year or multi-year contracts.

The new contract will increase hourly wages by 60.9 cents or more than 10%, over the three-year period, with the first raise going into effect in May 1. Union spokesmen said today that the lastest cost-of-living increases, average steel wages were $5.88 an hour.

AFFECTS 386,000

The new contract immediately affects 386,000 workers in the basic steel industry.

Under the new cost-of-living formula, according to the union, there will be a 1 cent an hour wage increase for each three-tenths of 1 per cent increase in the Consumer Price Index compiled by the Bureau of Labor Statistics of the Department of Labor. Previously, the 1 cent raise was given for each increase of four-tenths of 1 per cent in the index.

Under the pension agreement, the retirement age for receiving a full pension is reduced from 65 to 62. Minimum pension rates have been increased at all levels. Thus a 30-year employe who had received a basic $265-a-month pension will now receive $352.50 a month.

The new contract also provides for a "retiree inflation adjustment," which will be added to the monthly payment as a hedge against inflation during the life of the contract. While not the same thing as a cost of living escalator tied to the Consumer Price Index, it does deal with the erosion of fixed pensions by inflation.

This is a new approach to pension payments. The first time it was incorporated into a major contract was earlier this year in a settlement between the United States Steel Workers and the aluminum industry.

Under the contract announced today, the monthly pension payments will be augmented by 5 per cent over the life of the new contract.

COST PUT AT $3 AN HOUR

Mr. Abel and Mr. Larry both declined to set any cost figure for the wage package or to estimate a percentage increase. Both said that there were many factors in the contract that could not be predicted.

An industry official said, when pressed for an estimate, that the cost per worker would be substantially over $3 an hour.

Other estimates put the increased cost of the new wage and benefit package as high as 40 per cent.

Mr. JAVITS. Mr. President, I also ask unanimous consent that a copy of a telegram I have sent to I. W. Abel, president of the United Steelworkers of America and R. Heath Larry, the chief management representative for the steel companies, also be printed in the Record.

There being no objection, the telegram was ordered to be printed in the Record, as follows:

April 22, 1974.

Mr. R. Heath Larry, *Vice-Chairman*
Board of Directors, U.S. Steel
600 Grant Street
Pittsburgh, Pennsylvania

Congratulations on achieving a collective bargaining settlement and the further extension of another six years of the experimental no-strike approach to collective bargaining in the steel industry. Not only does your agreement guarantee stability and progress in a vital sector of our economy, but it also serves as a tremendous example which I hope will be followed in other critical industries.

Jacob K. Javits,
U.S. Senator.

CONCLUSION OF MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, is there further morning business?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

POULTRY INDEMNITY PAYMENTS

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of S. 3231, which the clerk will state.

The legislative clerk read as follows:

A bill (S. 3231) to provide indemnity payments to poultry and egg producers and processors.

The Senate proceeded to consider the bill which had been reported from the Committee on Agriculture and Forestry with an amendment to strike out all after the enacting clause and insert:

That the Secretary of Agriculture is directed to pay compensation for poultry, eggs, and poultry and egg products, including the costs of disposal of such items, at a fair value, to poultry and egg producers, growers, and processors who have been specifically advised, under the authority of the United States, after January 1, 1974, that their poultry, eggs, or poultry or egg products contained residues of chemicals registered and approved for use by the Federal Government at the time of such use, except that no compensation shall be paid to any producer, grower, or processor who suffered loss as a result of his willful failure to follow provisions of law or procedures prescribed by the Federal Government in connection with the use of the chemicals or feed or other products containing the chemicals or in connection with the disposition of the contaminated poultry, eggs, or poultry or egg products, and no compensation shall be paid to any producer, grower, or processor to cover that portion of a loss for which he has been compensated by a third party.

Sec. 2. The Secretary of Agriculture is also directed to compensate employees of poultry and egg producers, growers, and processors for any lost wages as a result of the condition which qualifies the producer, grower, or processor for compensation under section 1 of this Act. In determining such compensation, the Secretary shall take into account any amount received by an employee as wages, earnings, and other benefits. The compensation to such employee shall continue only so long as the poultry or egg producer, grower, or processor is unable to resume normal operations because of the condition which qualifies the producer, grower, or processor for compensation under section 1 of this Act.

Sec. 3. The acceptance of any compensation under this Act shall constitute an assignment to the United States of any claim which the person accepting such compensation may have against any third party, to the extent—

(a) such claim arises from the existence of the residue of chemicals referred to in section 1 of this Act; and

(b) the amount recoverable by the United States does not exceed the amount of the compensation paid by the United States.

Sec. 4. The Secretary is authorized to issue such regulations as he deems necessary to carry out the purposes of this Act.

Sec. 5. There is hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

Sec. 6. The authority granted under this Act shall expire on December 31, 1977.

RECESS TO 12:30 P.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent, without any time therefor being charged against the bill, that there be a recess until the hour of 12:30 p.m. today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Thereupon, at 11:25 a.m., the Senate took a recess until 12:30 p.m.; whereupon the Senate reassembled when called to order by the Presiding Officer (Mr. Haskell).

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting nominations, was communicated to the Senate by Mr. Marks, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer (Mr. Haskell) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of Senate proceedings.)

POULTRY INDEMNITY PAYMENTS

The Senate continued with the consideration of the bill (S. 3231) to provide indemnity payments to poultry and egg producers and processors.

The PRESIDING OFFICER. Who yields time?

Mr. EASTLAND. Mr. President, I yield myself 6 minutes.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. EASTLAND. Mr. President, S. 3231, as reported unanimously by the Senate Committee on Agriculture, will go far toward alleviating the disastrous conditions that exist in the Mississippi poultry industry due to the contamination of the broilers by Dieldrin, a chemical regulated by the Food and Drug Administration.

The plight in which these broiler producers find themselves was not of their own making. It entered the feed chain through some feed ingredient that was contaminated by the regulated pesticide Dieldrin. The losses sustained should not be borne by the individuals but by the Federal Government which is responsible for regulating the use of this chemical product.

It was the unanimous judgment of the Senate Committee on Agriculture that the growers, producers, and processors should be indemnified for their losses and that the employees should receive remuneration in excess of available programs and employment for the time lost from their normal employment.

Mr. President, the concept of compensating farmers for losses due to regulated chemicals by the Federal Government is not new. We have made provisions to indemnify dairy farmers, beekeepers, and cranberry growers when their products were removed from the market.

We compensate the hog producer for the swine that he must destroy due to cholera infection. We compensate the cattle farmer who must dispose of the cow with Bang's disease. In the farm bill of 1973 we compensate the grower against the loss of crops due to conditions beyond his control.

The immediate passage of this legislation is essential to the continuing production of broilers by many of the producers and growers involved in this calamity. The loss of the birds in which feed, labor, and other costs have been invested is staggering.

The last study showed profits of only slightly more than half of 1 percent. Those involved in this unfortunate and disastrous incident cannot recover and continue to contribute to our food needs on their own. There is no financial fat in these operations. They are small- and medium-sized home grown and owned businesses from the grower through the processor.

This bill does not provide a windfall for anyone, no profits will be realized, and only verified costs and labor lost will be compensated. It assures that every individual will receive his just share of compensation.

The USDA already has records of the number of chicks placed in each grower's broiler house—the date they were put in—the age and date of the chickens destroyed and disposed of under Government supervision. The Department knows the feed conversion rate for chickens as well as having access to the records of the amount and price of feed bought and delivered. From the beginning, the producers disposed of chickens in a manner that USDA can use—weight, age or number, or all three—in arriving at a "fair value" for each grower's and producer's share of indemnity in each lot or house of chickens.

Mr. President, the cooperation of those involved in this incident has been complete and open—and will be.

Dr. G. H. Wise was Acting Administrator of the Animal and Plant Health Inspection Service of USDA on April 4. Let me quote from his letter to me on that date:

> We can report that in all cases the cooperation has been excellent. . . . All records have been made available to authorized officials who were tracing the source of the contamination. They decided to destroy the birds and accepted the requirements placed on them in carrying out this disposition.
>
> Other Federal agencies were equally cooperative. The Food and Drug Administration immediately set up an on-site investigation which has been expanded to a traceback of feed ingredient sources. The Environmental Protection Agency rapidly responded to all requests for participation during the last weekend in March and had a disposal team on site Monday morning, April 1.

You will note that Dr. Wise said "all records have been made available to authorized officials." This letter is in the report on the bill and so is a letter from Mr. Charles L. Elkins of EPA, let me read you excerpts from his letter to me of the same date:

> As soon as a question was raised as to the possibility of dieldrin contamination, the producers involved took immediate steps to withhold their flocks from the processors, to avoid even the slightest possibility that contaminated chickens might get to market. They also undertook an immediate testing program to determine the extent and severity of the contamination.
>
> In addition to these actions to safeguard the consuming public, the producers were also most responsive to our requests for information on feeding procurement and practices, possible contamination routes, and any other information needed . . .
>
> The producers were quick to accept the decisions of Federal and State agencies as to the need for disposal of the contaminated birds, and moved immediately to undertake destruction and burial of the contaminated flocks. We feel that their cooperation at every step of the process has earned them the respect and thanks of the Government and the public. . . .

Mr. President, in spite of this cooperation there has been bad publicity in the press concerning this incident. The honor, integrity, and motives of Members of Congress have been impugned by innuendo and smear language concerning the introduction of this bill. I am proud to be one of the authors of this bill. I would have been derelict in my duty as one of their representatives in the Senate if I had failed to try to help them after we have passed indemnity legislation that has compensated our beekeepers, dairymen, and cranberry growers for injury suffered from Federal Government regulated chemical contamination of their products. To fail to act on their behalf would have been, and will be, discrimination.

In the bill we have gone further to be sure no payments are made that are not justified than in similar legislation. The Government's right of subrogation has had to be obtained by regulation in the other indemnity acts—we have spelled it out in this bill. As additional assurance I have agreed to accept Senator HART's amendments that will require the Government agencies to pursue diligently the source of the contamination, and for the Justice Department to use every legal means to recover from those responsible. The amendment further requires the Comptroller General to oversee the USDA's handling of the incident and for all agencies involved to report to the Congress in 1 year. The same procedures would apply to any other incident that might occur during the life of the legislation, which runs concurrently with the beekeepers and dairy provisions. Should we do less for our poultry producers?

This bill needs no further amendments. It needs passage immediately so that the nearly 3,000 injured persons can recover and continue to produce the needed and wholesome food they produced in the past.

The Government can document the losses and determine the guilt in this incident and go to court and recover from those responsible. I do know that each of the injured parties cannot afford to go to court, develop a case, and recover individually. In nearly all cases the costs would exceed the returns, but regardless of the amount, it is the living of those involved during this period and possibly their future employment and business. The Government has the time and resources to recover—these people have neither. They need help—now. I hope you will support me in the passage of the bill.

Mr. AIKEN. Mr. President, will the Senator yield just a minute?

Mr. EASTLAND. I yield.

Mr. AIKEN. I think the Senator from Mississippi is completely justified in the requests which are embodied in this bill. I believe the poultry growers of Mississippi were not responsible for their losses, and that the people who really were responsible should be held accountable for them.

Mr. EASTLAND. That is correct.

Mr. AIKEN. That is all I have to say.

Mr. EASTLAND. I thank the distinguished Senator.

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Who yields time?

Mr. STAFFORD. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time not be charged against either side.

Mr. CLARK. Mr. President, will the Senator withhold that request?

Mr. STAFFORD. Mr. President, I withhold that request.

Mr. CLARK. Mr. President, I yield myself 15 minutes.

Mr. President, I ask unanimous consent that two members of the staff, Bill Albrecht and Brady Williamson, be given privileges of the floor during consideration of S. 3231.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CLARK. Mr. President, I would like to correct the RECORD to this extent: I voted against the bill in the Senate Agriculture Committee when it was considered. I voted that way——

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. CLARK. I yield.

Mr. EASTLAND. Does the Senator mean to state that he voted against this bill in the Agriculture Committee ?

Mr. CLARK. That is exactly what I mean.

Mr. EASTLAND. Nobody else did.

Mr. CLARK. I voted against it. I spoke against it. I raised several serious questions about it, and I announced myself clearly against it in committee; and I did that, not necessarily because I am opposed to its substance, but because the bill should not be passed without closely examining the issues involved.

In my opinion, S. 3231 should be sent back to the Agriculture Committee for public hearings and for closer consideration. It has received virtually no consideration in the Agriculture Committee to date except for the four or five questions which I raised at that time. I am sympathetic to the plight of the Mississippi poultry industry and its employees, but I question the wisdom of the Federal Government's assuming full responsibility for the cost of this incident and future incidents like it without the benefit of full hearings and debate.

If the bill is not recommitted for further consideration, I will propose several amendments. They will improve the bill, but these very amendments demonstrate the complex nature of the problem.

The issues involved in the amendments should have been considered fully in committee before the bill was reported. It is my hope that the Senate will direct the Agriculture Committee to address itself to them.

The issue before us today is not whether poultry producers and processors should be reimbursed for their losses due to dieldrin poisoning. The issue is whether the Senate could pass S. 3231 without careful consideration. The issue is whether the Senate should act without following the normal practice of holding hearings, gathering public testimony, evaluating the impact of the legislation, examining alternate methods of resolving this problem, and determining the cost of the proposed legislation. The House Agriculture Committee has held hearings—hearings which raise serious questions—so why should the Senate not hold hearings in an attempt to get answers to some of these questions?

The 1 day of hearings held by the House subcommittee served primarily to demonstrate the need for additional hearings. On April 22, 10 days after the House hearing, the Department of Agriculture told me that much more information is needed before it can state whether it is for or against S. 3231. The Department believes that it must still learn the cause of the problem, the extent of the liability to be assessed against the source of contamination and what remedial steps can be taken to prevent its recurrence.

The FDA has indicated that the contamination may be more widespread than initially suspected. There are allegations that some of it may have been deliberate. The EPA now wants to ban dieldrin altogether. Surely we need to know more about these related developments before enacting legislation which may cost many times more than the estimate of $10 million for the birds already destroyed.

It is not yet possible to trace the full extent of the problem in Mississippi, or what will happen during the 3½-year life of the bill, so it is not possible to estimate the cost of an indemnity or compensation program at this time.

A number of similar incidents have occurred in past years. Although none has been of the magnitude of the current Mississippi situation. Since 1968, there have been 18 such incidents of pesticide contamination involving poultry in 20 States. Livestock—cattle, swine, or lambs—have been involved in another six incidents in five States during the same period. None of these losses has been indemnified by the Government. If the current estimates—12 million birds either voluntarily destroyed or awaiting possible destruction—prove correct, the losses to the poultry industry in Mississippi could amount to $7.5 to $10 million. My questions to the staff of the Agriculture Committee about who would receive the bulk of the indemnity benefits have been met with the response that it is still impossible to determine the answer. I accept that explanation. It is a good reason to have hearings, so that we will know who benefits and in what amounts.

However, it appears very possible, from reading the House hearings, that approximately 90 percent of the indemnity payments will go to just five large producers. One of these producers indicated, after these hearings, that he expects to receive close to $2 million and to pay $225,000—less than one-quarter—to farmers under contract to his farm. That is his testimony. Despite the claim that indemnity is necessary to prevent bankruptcy, evidence to substantiate that has not been presented. I have been told that one of the firms involved operates in several States and has annual sales of $38 million. Will it go bankrupt? The need for further investigation is obvious.

There are many factors which must be considered in determining how—or whether—to indemnify the producers and processors. We need to know how much money is involved, exactly who will receive the benefits, what steps are being taken to assign responsibility for the loss, and what efforts are being made to prevent this from occurring again.

There is serious concern that the immediate indemnification under this bill will remove any incentive to recover the loss through civil action. I interpret the comments of the distinguished Senator from Vermont (Mr. AIKEN) to raise that point.

It also will reduce the incentive to determine the cause of the contamination and take steps to prevent it from happening again. If those responsible for permitting the dieldrin to get into the feed are not made to account for it, what incentive is there for them to spend their own funds to ensure that it does not happen again?

The businesses involved are highly competitive. The margin of profit in the poultry business is less than 1 percent of sales. Under these conditions, there is an understandable reluctance to spend any more than is absolutely necessary. It seems inevitable that the existence of a Government guarantee will increase the possibility that one or more firms will fail to take the necessary precautions. Even if we do agree to indemnify the current losses, it seems unwise also to guarantee indemnification of all similar losses for the next 4 years.

While the bill's subrogation provisions in section three do allow the Federal Government to seek recovery from the parties at fault, the administrative cost of this recovery places an unnecessary and improper burden upon the taxpayer. Although the producers have suffered loss through no fault of their own, they may recover directly from any parties whose negligence caused the loss. If it is now to become the business of the Federal Government to sue private companies for other private companies, then we have established a very new and different kind of precedent. Many Senators have spoken in this Chamber over the years about the Federal Government usurping the rights and privileges of private individuals. Why should we now argue that it is the business of the Federal Government to enter private lawsuits on behalf of other private companies and the public?

However, the most important question, the fundamental issue, which we must consider is determining the proper role of Government in protecting individuals and businesses against financial losses.

There are many risks involved in running a business in the free enterprise system. The profit a business earns is, in large measure, a return for undertaking those risks. For the Government to insure a business against all risks would eliminate the incentive for efficient operation, and it would insure that there would be no penalty for bad judgment or reward for good judgment. It eventually would destroy the vitality of a free enterprise, competitive economic system.

Everyone in the Senate would surely agree that there are circumstances in which it is appropriate for the Government to provide some protection, but certainly no one would argue that the Government should guarantee protection against all financial loss.

One essential criterion in determining when the Government should give assistance is the matter or responsibility. If the loss is due to one's own negligence, bad judgment or irresponsible behavior, Government reimbursement is not appropriate. I think we would all agree with that. If the poultry producers knowingly had fed the chickens contaminated feed there would be no justification for reimbursement and the bill as written provides for that. But a lack of knowledge alone should not relieve anyone of responsibility for the contamination of chickens. We need to know what steps were taken to insure that their feed did not contain any harmful substances. Ignorance is no excuse if reasonable caution has not been exercised.

The second question that should be raised in connection with subsidies concerns the form of the Government assistance. Should it be in direct payments or in loans? Most Government assistance for disaster relief is in the form of loans. Why can we not take some time to discuss the appropriateness of this remedy for the problem in Mississippi?

There is another reason why there ought to be hearings on this most important subject: we have just seen a series of disastrous tornadoes, and the victims are not going to be fully reimbursed; instead, they are going to get low-interest loans. We have seen a series of disastrous floods, including some floods in Missisippi. Those people who had their homes and businesses destroyed are not going to be fully indemnified; they are going to get low-interest loans. So that alternative should be considered in this case as well.

Should Government reimbursement be on the basis of need, or should it go to all who suffer some financial loss? Surely it should be only on the basis of need.

Profit is a reward for undertaking risk, and risk is one of the normal costs of doing business, reflected in the price of the product.

Sometimes, "acts of God" or other unforeseen events impose tremendous financial hardship. When these events lie well outside the normal course of events, and people are seriously hurt financially, only then is there good reason for Government economic assistance to those in need.

The situation in Mississippi may well lie outside the normal range of expectations and have been beyond the control of those involved. But the evidence has not been developed or presented—at least so far. But, even if no one is to blame for the contaminated chickens in Mississippi, the Federal Government should assist only those who really need help. Perhaps everyone involved meets this requirement, but again, the evidence has not been systematically developed or presented.

Given all of this, it should be worthwhile to examine some of the specifics of the bill and the situation of the affected growers, producers, and processors.

We do know this much:

The contamination of the poultry apparently is the result of dieldrin in the poultry-feed oils mixed with other feed grains.

The major losses have been sustained by five integrated feeding companies. These five broiler feeding operators have contracted with about 700 growers as well as one or more broiler breeder operators. These large companies conduct operations which involve combinations of either feed mixing, hatching, breeding, growing, slaughtering, and/or processing.

The **PRESIDING OFFICER**. The Senator's 15 minutes have expired.

Mr. **CLARK**. I yield myself 4 additional minutes.

The approximately 700 growers are primarily family farmers who contract to provide buildings, equipment, and labor for the grower phase of the operation. They are normally paid according to the number of birds grown.

The contract grower typically does not buy either the chickens or the feed and so stands to lose the price of his labor, overhead, and profit if the integrator does not make his payment. Each contaminated flock will represent up to 25 percent of the total grown by a contract grower this year.

Losses for the integrator—who contracts, manages, and owns the chickens—are expected to range from 75 cents to $1 for each bird.

The Food and Drug Administration is investigating the possibility that the contamination was deliberate.

However, there are many things we do not know about this situation:

We do not know the final number of contaminated chickens.

We do not yet know precisely how the contamination entered the feeding process.

We do not know the Department of Agriculture's position on the bill, because the Department says it needs more information before it can take a position.

We do not know if independent growers are affected as well as those growers under contract to integrated operators.

We do not know the extent of liability which might be assessed against the source of the contamination.

We do not know whether the parties that may be at fault are insured against damages resulting from contamination.

We do not know whether the innocent parties are insured against loss.

We do not know what specific precautions must be taken to prevent such cases in the future.

It is clear that much more information is needed before the Senate can act responsibly.

People often perceive the Congress as slow moving, unresponsive, and influenced by special interests. S. 3231 may or may not qualify as "special interest" legislation, but some people consider it to be just that. If the Senate rushes to pass this legislation without hearings, while many other urgent needs are not resolved, its reputation cannot be enhanced. If it is good legislation, it can withstand the scrutiny of public hearings. Its sponsors should welcome the opportunity to demonstrate the need for S. 3231 in public hearings.

The Committee on Agriculture and Forestry apparently is sympathetic to this bill and it certainly will provide for hearings at the earliest possible time. I am sure the chairman would agree to that, and then we could consider the matter, then we could get people here to tell us where the money is going and in what amounts.

Mr. President, I ask unanimous consent that supporting documents, including letters from the Department of Agriculture and the Food and Drug Administration, and several newspaper articles be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Department of Agriculture,
Washington, D.C., April 22, 1974.
Hon. Dick Clark,
U.S. Senate,

Dear Senator Clark: The following information is provided in response to a telephone call this morning from Mr. Williamson of your staff to Dr. F. J. Mulhern, Administrator, Animal and Plant Health Inspection Service.

The Department's position regarding H.R. 13747, H.R. 13906, and on S. 3231 is that much more information is needed before it can state whether it is for or against these bills. For example, we must still learn the cause of the problem, the extent of liability to be assesed against the source of the contamination, and what remedial steps can be taken to prevent its recurrence.

Any compensation legislation should be carefully tailored to meet unique needs in the instant situation and should specify remedial conditions. It should remain in effect only until such remedial conditions are met but in no event later than December 31, 1974.

Sincerely,
John C. Foltz,
Deputy Under Secretary for Legislative Affairs.

Food and Drug Administration,
Rockville, Md., April 23, 1974,
Hon. Dick Clark,
U.S. Senate,
Washington, D.C.

Dear Senator Clark: This is in reply to a telephone request of April 22, 1974, from Mr. Williamson of your staff, for information concerning dieldrin in animal feeds.

On March 14, the Food and Drug Administration (FDA) was advised by the U.S. Department of Agriculture that chickens in Mississippi had been contaminated with the insecticide dieldrin. Following this report, FDA embarked on an extensive investigational program to determine the cause of the contamination. The following explains actions to this time:

The Food and Drug Administration has collected over 600 samples of feed and feed constituents, such as animal and vegetable oils. The majority have been analyzed and have been free of dieldrin. Evaluation of the data collected thus far indicates that the source of the contamination is primarily the blended fats and oils used in the poultry feed. Four recalls of such oil products are underway. They are being made by:

Mississippi Vegetable Oil Company, Pearl, Mississippi.

Dixie Industries, Jackson, Mississippi.

Southern Rendering Company, Little Rock, Arkansas.

Ultra Life Laboratories, Inc., Holland, Illinois.

The necessity for other recalls and legal actions is currently under evaluation.

There are no established tolerances for residues of dieldrin in animal feeds and animal feed ingredients. The Environmental Protection Agency (EPA), which has responsibility to set tolerances for insecticides, has advised FDA that in the absence of such tolerances feed constituents above 0.15 parts per million (ppm) and finished feeds above 0.03 ppm are actionable. FDA is working with EPA to assure that disposal of contaminated oil stocks will not result in environmental pollution.

The Food and Drug Administration's investigation has also disclosed that some vegetable oil designed for industrial use may have been diverted to feed use. Such oil, called "deodorized distillate" or "clabberstock" is a by-product of the vegetable oil refining process. If impurities such as dieldrin are present in the original oil, they will be concentrated in the "deodorized distillate." A common use for this by-product is as a lubricant for oil well drilling operations. FDA has analyzed a number of samples of this type of product and has found dieldrin levels of up to 58 ppm. Other samples have, however, been free of dieldrin.

Additional details on this continuing survey program will be provided as they become available.

If we can be of further assistance, please let us know.

Sincerely yours,
ROBERT C. WETHERELL,
Acting Director Office of Legislative Services

[From the New York Times, Apr. 19, 1974]

ANIMAL FEED OILS TAINTED BY INSECTICIDE RECALLED

(By Victor K. McElheny)

Several hundred thousand pounds of vegetable and animal oils, intended for mixing with the feed of chickens and other animals but contaminated with the insecticide dieldrin, have been recalled from sale by dealers in Mississippi and Arkansas, spokesmen for the Food and Drug Administration said yesterday.

The F.D.A. requested recalls followed the slaughter of several million chickens by Mississippi growers. Testing by the United States Department of Agriculture had shown the chickens and their oil feed supplements contained dangerous amounts of the insecticide traces of which cause cancer in laboratory mice and rats.

The dieldrin contamination problem with chickens in Magee and Pearl, Miss., disclosed by the Department of Agriculture to the F.D.A. March 14, set off a national program of sampling batches of feed constituents and animal and vegetable oils used as feed supplements.

The spokesmen said the sampling was continuing, and that further recall actions had been requested or were being studied.

According to the drug agency, most of the 608 samples taken to date have been analyzed and "a large majority" of the oil batches did not contain dieldrin.

PROBLEM IS RESTRICTED

The F.D.A. does not have evidence, of dieldrin contamination of the highly filtered vegetable oils used in such human food as oleomargarine.

So far, the problem has been restricted to chicken growers and oil dealers in the Deep South. Thus, there is no evidence to date that the main sources of chicken reaching East Coast areas such as New York City are affected.

So far the sampling program has not traced to the orgins of the contamination. Don Berreth, F.D.A.'s press officer, said the investigation had begun with the assumption that the source was a single accident.

But the discovery of dieldrin in several different types of batches, he said, did not point to a single source. "We have not found any single accident to this point. We're still looking," Mr. Berreth said.

Attention is focusing now on a second possibility, the diversion of a dieldrin-contaminated fraction of vegetable oil—the so-called "deodorized distillate" normally sold as an industrial lubricant—into oil feed-supplements. The reasons for this diversion, if it has occurred, would be "economic," investigators assume.

The F.D.A.'s understanding of vegetable oil refining indicates that these processes would virtually eliminate any contamination by chlorinated hydrocarbon insecticides, such as dieldrin, from all fraction of the oil except the "deordorized distillate" residue.

Refining Process

After the oil is squeezed out of such sources as soybeans, it is treated with sodium hydroxide and spun in centrifuges. Lighter oils, including those that will end up as human and animal food, rise to the top. Alkaline substances to be used for such things as soap sink toward the bottom.

After the oil is separated from the "soapstock," it is treated with more alkaline agents and filtered and bleached, and perhaps treated with hydrogen.

Then, the oils are distilled and deodorized by such means as repeated "purgings" with steam, leaving behind a kind of sludge containing chemicals called stearols, tocopherols, coloring matter, and possibly insecticides. This "deodorized distillate" is also called "clabber stock," and is not intended for sale as food.

Citing an article published in a chemical journal in 1968, an internal F.D.A. memorandum prepared this month states:

"Research has been done on the removal of chlorinated pesticides from crude vegetable oil, and it has been found that hydrogenation and deodorization-distillation eliminates chlorinated pesticides from commercially processed vegetable oils for human consumption."

ENVIRONMENTAL FEARS

Disclosure of the animal feed contamination by dieldrin aroused strong interest in the Environmental Protection Agency, which has been conducting hearings since last summer on moves to end agricultural use of dieldrin and a related chemical aldrin.

Scientists advising the E.P.A. have been interested in the possibility that aldrin and dieldrin sprayed to combat insects that attack the roots of corn plants could enter the food chain to man by way of soybeans planted on fields where corn was planted the previous year. The soybeans help restore nitrogen pulled from the soil by the corn plants.

In the hearings before Judge Herbert L. Perlman, the E.P.A. has cited evidence that soybean plants take up dieldrin from the soil far more readily than corn plants. The dieldrin taken up results from conversion in nature from the aldrin originally sprayed.

In the current situation, scientists advising E.P.A. have raised the possibility that the contamination noted in Mississippi would result from normal agricultural use of aldrin. Thus, the contamination might be widespread.

Reducing such a risk, it is acknowledged, is that fact that only a portion of the nearly 60 million acres planted for soybeans last year had been planted for corn before and the finding that vegetable oil processing seems to put insecticides like dieldrin into only one fraction of the oil—one that is not intended for animal or human use but which could be "diverted."

[From the Washington Star-News, Apr. 20, 1974]

DIELDRIN IN FEED DELIBERATE?

(By Judith Randal)

A nationwide sampling of feed and feed supplements set off by the discovery last month that millions of Mississippi chickens were tainted by large residues of insecticides has led the Food and Drug Administration to suspect that the contamination may have been—at least in part—a deliberate move to cut production costs.

According to Don Berreth of the FDA press office, some of the 608 samples of feed and feed supplements collected to date have been analyzed and mostly found free of dieldrin—a pesticide which in trace amounts is known to cause cancer in mice and rats and is suspect as a cause of cancer in man.

But there is at least one exception among the samples, he added, and legal action, including injunctions against those involved, is a definite possibility. He would not specifically identify the product or its manufacturer.

Vegetable oils and some solids that become feed components, Berreth explained, are derived from plants like soybeans that have been exposed to dieldrin because they are grown—to restore nitrogen to the soil—on the same land as crops such as cotton which are sprayed with the pesticide.

But under normal circumstances centrifuging and other processing separates the oil into two kinds of fractions—those for industrial purposes which retain some dieldrin and those intended for poultry and livestock feed from which the chemical is supposed to be removed.

While it was first thought that cheaper industrial grade oil accidentally had been substituted for the feed grade oils, Berreth said, there is now growing reason to ask if the diversion may not have been intentional. Levels of dieldrin as high as 58 parts per million have been found in some feed oil samples. As few as 1 part per million is enough to cause cancer in some strains of mice.

Adding fuel to the speculation is a bill that has not yet been reported out of committee in the House, but which is scheduled for debate in the Senate Tuesday. Introduced in early April by Sen. James O. Eastland, D-Miss., it would indemnify farmers who have to slaughter their chickens because of dieldrin contamination for about $1 a bird through 1977. With several million chickens already killed, the bill might cost the taxpayer $1 billion or more eventually should it become law.

Sources familiar with both the history of the problem and the proposed legislation point out that the farmers who raise most of the chickens in question do so under contract with feed companies which typically supply nutrients for the poultry flocks as part of the deal.

Thus, they say, substitution of cheaper industrial grade material for feed grade nutrients could have served as a cost cutting measure for these companies in many cases had it not been discovered. Moreover, they add, the feed companies could well benefit more than individual farmers if the indemnity measure became law.

The Nixon administration has, for the most part, been lobbying behind the scenes in support of the measure, according to congressional sources. Some feel that this may be because the bill's sponsors—in addition to Eastland—include Sen. Edward Gurney, D-Fla., Sen. John Sparkman, D-Ala., and other conservative senators of both parties whom President Nixon hopes he can count on to find him innocent if he is tried on impeachment charges brought by the House.

The Agriculture Department, however, is opposed to the indemnity bill. "We want maximum encouragement for industry to assume responsibility for its products," Dr. F. J. Mulhern, USDA administrator of the animal and plant health inspection service, told a House Agriculture subcommittee during a hearing April 10th.

"The chief incentive is fear of financial loss if products are banned. When all losses are paid back by the federal government, the incentive is destroyed. Open-ended indemnities provided at no cost to the businessman could work to reward those businessmen who ignore the risks."

With indemnity action pending in Congress, the FDA has meanwhile recalled hundreds of thousands of pounds of dieldrin-adulterated vegetable and animal oils. The action, taken Thursday, involved products made by three companies supplying feed dealers in Mississippi and Arkansas.

Dieldrin, however, is also of interest to the Environmental Protection Agency. The EPA has since February 1971 sought to ban the manufacture and distribution of the insecticide and a related agricultural chemical called aldrin because of growing evidence that they get into the food chain and are consumed by man even when not incorporated into animal feeds.

Both products are made by the Shell Chemical Co., an affiliate of the Shell Oil Co. Shell was asked by EPA in a letter written April 5th if it would consider not making next year's supply of the pesticides. Acting for the company, William D. Rogers of the

Washington Law firm of Arnold and Porter has so far refused to consider such a move.

[From the Washington Post, Apr. 23, 1974]

QUESTIONS ON INDEMNIFICATION

About a month ago, news reports from Mississippi told of poultry farmers there whose flocks of chickens had to be destroyed because of excessive levels of dieldrin, a powerful insecticide that is potentially harmful to human beings. The poultry industry is a large one in Mississippi, and an estimated 22 million birds have been banned from the market. Acting on behalf of this part of their constituency, Mississippi's senators James O. Eastland and John C. Stennis, quickly introduced legislation to indemnify the growers, producers and processors of poultry products who suffered economic losses. The bill is scheduled for debate in the Senate today.

There is little to recommend the bill. In the first place, it has come to the Senate floor, via the Agriculture Committee, without the benefit of hearings. You would think that if the public's money is going to be spent—an estimate of $10 million is being discussed—then the public or some of its representatives would have a chance to express their views. In the past, when proposals have come up on spending public money on foodstamps or agricultural commodities for the poor, Senator Eastland and the Agriculture Committee usually have shown intense interest in full hearings. The House, not in such a hurry as the Senate Agriculture Committee, did hold hearings. Dr. F. J. Mulhern of the U.S. Department of Agriculture, noted that "there are many things we do not yet know about the Mississippi situation." He said that while the USDA "is sympathetic to the plight of the [poultry] industry and its employees, it does not recommend full assumption by the federal government of the indemnity cost of this and future incidents." Mr. Mulhern went on to discuss any new indemnity legislation, noting that when losses are paid back by the government, "incentive is destroyed. Open ended indemnities provided at no cost to the businessman could work to reward those businessmen who ignore the risks."

Aside from the quickie nature of this bill, another argument against it is that the Food and Drug Administration is currently investigating the larger issue of dieldrin, of which the Mississippi case is but a part. The FDA has already asked for the recall of four vegetable oil products intended for use in animal feed because the level of dieldrin is higher than what is acceptable for safety. The FDA has yet to discover that dieldrin has gotten into the animal feed chain by an accident. Instead of hastily rushing in with money for this industry, it would be wiser to learn more facts about how it has been using this potent chemical.

Indemnification bills have come up in Congress before. A recent well-known case involved cyclamates. Segments of the soft drink industry came to Congress with open hands, but they were turned away when Congress had the opportunity to consider their case. In the poultry indemnity bill, what is needed is at least to recommit the bill to the Agriculture Committee, as provided for by an amendment introduced by Sen. Richard C. Clark (D-Iowa). But even recommittal might be too generous a fate for this bill. Its hasty preparation, the questions raised by the FDA and the precedent it might establish all suggest that the bill's sponsors have a misguided view of the purposes of the public treasury.

Mr. CLARK. Mr. President, after all the time has expired—but before amendments are offered—I will move to recommit the pending legislation.

I reserve the remainder of my time.

Mr. EASTLAND. Mr. President, I ask unanimous consent for the following members of the staff of the Senate Committee on Agriculture and Forestry to be on the Floor of the Senate during debate on S. 3231, the Poultry Indemnity Payments legislation: Michael McLeod, Carl Rose, Henry Casso, Forest Reece, and Dale Stansbury.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EASTLAND. I yield to my colleague such time as he may require.

Mr. STENNIS. Mr. President, I thank my colleague from Mississippi. I shall not take a great deal of the Senate's time.

Let me point out, I hope with emphasis, Mr. President, that there is nothing new and nothing unusual about this kind of legislation. In fact, I know that we have statutes on our books in Mississippi, and have had for 35 or 40 years or more, providing for indemnity or partial indemnity for livestock that was diseased and ordered destroyed by the State or the Federal Government. In this case these chickens were not, of course, directly subjected to a disease that affects simply poultry; it was a contamination that could also affect human beings.

Mr. President, I want to emphasize that there is nothing new or novel about this matter. It is a State policy in our State and I think in many other States. The statute to which I refer, passed some 40 years ago, as I recall, gave partial indemnification for cattle destroyed for foot and mouth disease, and certain other diseases of cattle.

We have a statute in Mississippi now whereby the legislature has empowered the Governor at any time to spend or borrow a certain amount of money to compensate the owners for the cattle that might have been condemned by State or Federal authorities because of foot and mouth disease.

I have served on the Appropriations Committee for a good number of years and over and over again we have made appropriations, when brucellosis was involved, for instance, trying to eliminate it. The Department of Agriculture and the beef cattle association would come in and testify and the money would be appropriated. We have had a milk indemnity program here within the past 10 years. I remember that we appropriated money for that. Bees that had been affected by poisons were also involved. Now we have chickens as another illustration. None of them are exactly on all fours. Each case is a little different. But basically the principle is the same.

The growers and their employees were complying with the law in doing what they thought was the safe thing and had no indication whatever to the contrary. The Federal inspectors found this situation to exist and they got 100 percent cooperation from every single grower involved. Some of the operators living next door, so to speak, had chickens which were not affected. So this shows how innocent the grower and their employees were in this entire matter.

I remember one thing about it, that there had been arrangements made to destroy the chickens that were dangerous for human consumption. There was some delay. The growers spent thousands of dollars a day feeding the chickens that they knew within a few days would have to be destroyed under the Government mandate. They did not have to be driven to it. They knew they would have to destroy them in order to meet a situation that would be safe for the American consumer.

Through their cooperation, the promptness of the growers and the efficiency of the Federal inspectors, this thing was taken care of and not one single contaminated chicken reached the counter of any store. Not one. So human life was protected. The innocent were protected and effectively protected. It was promptly done. The growers did everything that could possibly be done under the circumstances.

We are not asking for any favors. Of course not. There is no guilt involved here. The law has been followed to protect the public.

Some of the chickens in Mississippi go to California, Illinois, Michigan—everywhere. People everywhere were protected. We got results. Everything came out all right. I believe that when this matter is understood, and understood by the membership here, we will have an overwhelming vote in favor of the bill. No one Senator wants to do the wrong thing or to do the unjust thing. It is a matter of understanding the situation as it is.

Mr. LONG. Mr. President, will the Senator from Mississippi yield?

Mr. STENNIS. I am happy to yield to the Senator from Louisiana.

Mr. LONG. I will vote with the Senator on this matter. If the Senate should fail to provide this relief, then it would, indirectly, be providing an incentive for producers to gloss over or to cover up contamination were it to exist. So that the last thing on Earth we want done is for anyone to think that food might be contaminated. We would not want that passed on to the consumer. But if there is no relief provided, where it is not the fault of the producer, we would be setting an example so that people might be willing to take a chance and pass on to the public something that might not be safe.

Mr. STENNIS. That is an excellent point. The Senator has made an excellent point. In this case, the housewife, the purchaser, did not have to take a chance. The thing was nipped in the bud effectively. There was no worry on the part of the housewife who buys her groceries. The word went out from the Department of Agriculture promptly that this thing had been stopped.

Mr. President, S. 3231 would compensate egg producers, growers and processors who have had to destroy their poultry due to it being contaminated with a pesticide called dieldrin. The bill would also compensate the producers for the cost of disposing of their flocks. It would also compensate the employees of the producers for lost wages as a result of this catastrophe.

It would not pay those persons who lost poultry by not following Federal law and procedures prescribed in the use of chemicals or feed. It only seeks to help the innocent producer.

Five poultry producers and over 2,000 employees are involved here. These producers, all from Mississippi, took immediate action after learning that some of their chicken flocks contained an excess level of dieldrin. Meetings in Washington were set up right away with appropriate government officials. Shortly thereafter, personnel from the U.S. Department of Agriculture, Environmental Protection Agency and the Food and Drug Administration were at work in my State to try and discover the source of contamination and prevent the affected poultry from reaching the market. The affected producers cooperated fully with the U.S. Department of Agriculture, Environmental Protection Agency and the Food and Drug Administration, and as a result none of the contaminated poultry reached the market.

The source of contamination was a feed ingredient sold and delivered to the five affected producers. In no way were the producers responsible for the contamination.

Mr. President, it may be necessary to eventually destroy 8 million chickens. It will be weeks before these producers can be fully operational again. During this period of time plants will be idle, employees will be jobless and the economy in general will suffer.

Chicken is a low-cost food item, and to keep it that way it is necessary to produce as much poultry as possible. We cannot do this with idle plants and idle workers.

Every Government agency connected with this matter has offered nothing but praise for the cooperative attitude displayed by the five producers. I believe it is imperative that we pass this bill and get these people back on their feet.

We have helped the dairy people and the bee people in the past when such catastrophes struck them. I think we can do no less for these people involved in the poultry business. This relief is desperately needed. I commend the Senate Agriculture Committee for its expeditious handling of this bill. I hope the Senate will act likewise.

Mr. President, I yield back the remainder of my time, and I yield the floor.

Mr. GRIFFIN. The time agreement previously entered into, it has been observed by some Senators, provides a relatively short period of time for the consideration of amendments. I believe it now provides for 20 minutes on 2 amendments and 10 minutes on other amendments. I wonder if the distinguished majority leader would agree to a half hour on any amendment, with the time to be equally divided.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the previous order be changed accordingly and that there be one-half hour on each amendment, to be equally divided and controlled on the same basis as originally entered into.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CLARK. Mr. President, how much time remains on each side?

The PRESIDING OFFICER (Mr. HATHAWAY). The Senator from Iowa has 11 minutes remaining, and the Senator from Mississippi has 13 minutes remaining.

Mr. CLARK. I thank the Chair.

Mr. President, I yield myself such time as I may require.

There are several significant differences between the dairy indemnity—now in its 10th year—and the proposed poultry indemnity program.

Hearings—the dairy indemnity program went through normal legislative channels with full hearings in both Houses. Furthermore, in its entire 10 years, it does not begin to compare with the cost of this program.

Cost—the dairy program has been in operation since 1964, and the total payments made in its 10 years come to only $1.5 million, with a maximum of $275,000 in 1 year. In this bill, the poultry bill, we are talking of spending $10 million for this one incident, and it may eventually cost many times that amount.

Distribution of payments—no one farmer has received a large payment for dairy indemnification. None. Under the poultry bill, several individuals apparently would each receive more than the total that has been paid in 10 years of dairy indemnification.

Sharing of financial responsibility—under the dairy program, farmers must starve their cattle to make them lose the contaminated fatty tissue.

The milk produced during this process is destroyed, and then paid for by the Government. However, milk production falls substantially due to the starving process. The farmer is paid only for the milk produced and then destroyed. He is not paid for the lost milk production. So, he still absorbs a significant financial loss and has a strong financial incentive to prevent the use of contaminated feed.

The beekeeper indemnity program is similar to this bill. It is the only other example that does compare with it. That legislation indemnifies beekeepers on losses of stands of bees killed by insecticides, rather than on pollution of the honey. In 1972, $2.9 million were paid, in 1973, the total was $6.6 million. There is no significant financial responsibility assumed by the beekeeprs, as in the dairy program. This is undoubtedly one of the reasons that the beekeeper indemnity program is becoming so expensive.

Now, I think that the very fact this program of bee indemnification has become so expensive should give us some warning that we should move carefully and cautiously before we go into a second program of that nature.

Mr. President, before yielding back my time and offering my motion for recommittal, I should like briefly to summarize why I think we should recommit the bill.

First of all, we should not undertake a measure of this kind without hearings, without very careful consideration. That is not asking very much. As I said earlier, I am confident that the Agricultural Committee will hold hearings very soon, that we could bring in all interested parties on both sides, that we could in a very few days have the bill back on the floor after it had been considered carefully. That is really all I am asking—that we give careful consideration. That has not yet been done. We have had only the very briefest discussion in the committee, and that is the basis of my opposition here.

Above all else, I am concerned about who is going to get the money. There are good indications that 90 percent of the money is going to go to just five large companies. That is information from the House hearings, and perhaps that is not really the case. But certainly, before we start indemnifying a few companies with $8 million to $10 million, that ought to be considered very, very carefully. Who is going to receive the money, and in what amounts?

Finally, I think we ought to be very concerned about the Federal Government conducting private lawsuits against other private companies to recover these indemnity payments. Why should not the private parties who were damaged sue? Why the Federal Government? To the best of my knowledge, we have never done that before in any piece of legislation.

Those are the basic reasons why I want to recommit this bill. It raises so many questions, so many doubts.

If the sponsors of the bill are prepared to yield back their time, I am prepared to yield back my time and to move for recommittal.

Mr. EASTLAND. I yield myself 3 minutes.

Mr. President, rumors are being spread that some of these producers have insurance. That is untrue. No insurance is available.

The Senator from Iowa compares the dairy program with this bill. In the dairy program, the farmer keeps a cow; he is compensated for the milk. In the broiler program, the chicken is destroyed and disposed of.

Here, 7,600,000 broilers were ordered killed, and that slaughter was supervised by the Environmental Protection Agency. They have all the facts, the numbers, the figures, the amounts, and it is something that would be handled very easily.

I am informed that the dairy amendment was offered to another bill here on the floor, without hearing. I think it is a good bill, a good program that has worked well.

Mr. CLARK. Mr. President, I ask for the yeas and nays on my motion

The PRESIDING OFFICER. Has the Senator from Iowa made the motion to recommit?

Mr. CLARK. I do not think the motion is in order yet.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. HELMS. I ask unanimous consent that the time not be charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CLARK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr CLARK. Mr. President, I move to recommit the pending bill, S. 3231, and I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. CLARK. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. CLARK. The time to be charged to neither side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I ask unanimous consent that the vote on the motion to recommit occur at 1:45.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS TO 1:45 P.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess until the hour of 1:45 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Thereupon, at 1:21 p.m., the Senate took a recess until 1:45 p.m.; whereupon the Senate reassembled when called to order by the Presiding Officer (Mr. Hathaway).

The PRESIDING OFFICER (Mr. Hathaway). The Senate will come to order.

The question is on agreeing to the motion to recommit the bill.

Mr. CLARK. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CLARK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CLARK. Mr. President, on this question, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. EASTLAND. Mr. President, will the distinguished Senator from Iowa yield back his time?

Mr. CLARK. I yield back the remainder of my time.

Mr. EASTLAND. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the motion to recommit the bill. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Nevada (Mr. Bible), the Senator from Florida (Mr. Chiles), the Senator from North Carolina (Mr. Ervin), the Senator from Arkansas (Mr. Fulbright), the Senator from Alaska (Mr. Gravel), the Senator from Indiana (Mr. Hartke), the Senator from Massachusetts (Mr. Kennedy), the Senator from Montana (Mr. Metcalf), the Senator from Ohio (Mr. Metzenbaum), and the Senator from Wisconsin (Mr. Nelson) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Massachusetts (Mr. Brooke), the Senator from Hawaii (Mr. Fong), and the Senator from Ohio (Mr. Taft) are necessarily absent.

I also announce that the Senator from Utah (Mr. Bennett), the Senator from Maryland (Mr. Mathias), the Senator from Delaware (Mr. Roth), and the Senator from Pennsylvania (Mr. Scott) are necessarily absent on official business.

I further announce that, if present and voting, the Senator from Ohio (Mr. Taft) would vote "yea."

The result was announced—yeas 36, nays 47, as follows:

[No. 147 Leg.]

YEAS—36

Abourezk
Beall
Biden
Buckley
Byrd, Harry F., Jr.
Cannon
Church
Clark
Cook
Cotton
Dominick
Eagleton
Griffin
Hart
Haskell
Hatfield
Hathaway
Hruska
Hughes
Mansfield
McIntyre
Moss
Muskie
Packwood
Pastore
Pell
Percy
Proxmire
Ribicoff
Schweiker
Scott, William L.
Stafford
Stevens
Stevenson
Tower
Weicker

NAYS—47

Aiken
Allen
Baker
Bartlett
Bayh
Bellmon
Bentsen
Brock
Burdick
Byrd, Robert C.
Case
Cranston
Curtis
Dole
Domenici
Eastland
Fannin
Goldwater
Gurney
Hansen
Helms
Hollings
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Long
Magnuson
McClellan
McClure
McGee
McGovern
Mondale
Montoya
Nunn
Pearson
Randolph
Sparkman
Stennis
Symington
Talmadge
Thurmond
Tunney
Williams
Young

NOT VOTING—17

Bennett
Bible
Brooke
Chiles
Ervin
Fulbright
Fong
Gravel
Hartke
Kennedy
Mathias
Metcalf
Metzenbaum
Nelson
Roth
Scott, Hugh
Taft

So the motion to recommit was rejected.

Mr. CLARK. Mr. President, I ask unanimous consent that it may be in order to order the yeas and nays on three amendments which I intend to call up, amendments Nos. 1191, 1192, and 1193, and that the yeas and nays be in order following debate on all three amendments.

Mr. GRIFFIN. Mr. President, reserving the right to object, is there an agreement that the Senator from Iowa will be recognized for each of those amendments in succession? That has not been agreed to yet, has it?

The PRESIDING OFFICER (Mr. Helms). It has not.

Mr. GRIFFIN. This request is merely to ask for the yeas and nays then.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that it be in order at this time to ask for the yeas and nays on all three amendments enunciated by the Senator from Iowa (Mr. Clark).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CLARK. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

AMENDMENT NO. 1192

Mr. CLARK. Mr. President, I call up my amendment No. 1192 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 4, line 13, strike out "1977" and insert "1974".

Mr. CLARK. Mr. President, this amendment changes the expiration date of the act from December 31, 1977, to December 31, 1974. The reason for this amendment is a simple one, and it has been well explained in my previous statements on the bill.

The growers and producers in Mississippi who have suffered losses due to the recent dieldrin poisoning will still receive their indemnity payments, but there is simply no reason to write an open ended guarantee of indemnification until the end of 1977. An extended guarantee would only reduce the incentive for producers, feed manufacturers, dealers, and distributors to insure that dieldrin and other chemicals are not present.

As written, the bill provides a guarantee that is not available to any other livestock producers, and it would commit the Government to spending an unknown amount of money.

Mr. EASTLAND. Mr. President, will the Senator from Iowa yield?

Mr. CLARK. I yield.

Mr. EASTLAND. We will accept that amendment.

Mr. CLARK. Mr. President, I ask unanimous consent to withdraw the yeas and nays on my amendment No. 1192.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment of the Senator from Iowa (Mr. Clark) No. 1192.

The amendment was agreed to.

AMENDMENT NO. 1191

Mr. CLARK. Mr. President, I call up my amendment No. 1191 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

On page 2, line 24, after "use," insert "and who are limited in their ability to absorb losses and costs resulting therefrom,".

Mr. CLARK. Mr. President, this amendment limits payment to those "who are limited in their ability to absorb losses" resulting from the dieldrin contamination.

I have serious reservations about the need for any indemnity payment. But, if payments are to be made, they should go only to those who are threatened with serious financial trouble as a result of the contamination. Any responsibility of the Government to assume part of the risk of doing business should be limited to instances of severe financial hardships brought on by unexpected and uncontrollable losses. As I mentioned earlier, there are many risks involved in running any business, and only in exceptional circumstances should the Government assume some of these risks.

Mr. PASTORE. Mr. President, we can hear everyone except the man who has the right to the floor at this time. May we have order in the Senate?

The PRESIDING OFFICER. The Senator's point is well taken.

The Senate will please come to order.

Mr. CLARK. Mr. President, there is a limit to the financial hardship that an individual or company can withstand. If financial ruin is the result of the contamination, it may be altogether proper for the Government to provide some assistance.

However, this is not the same as saying that all financial losses should be reimbursed, or even that all large financial losses should be reimbursed. The size of the loss should not be the decisive factor. The financial condition of the individual or company after the loss should determine whether payment is to be made. If they are still financially sound, there should be no indemnification regardless of the magnitude of the loss.

It has been argued that the chicken producers in Mississippi will be bankrupt or destitute if payment is not made. If that is the case, then the sponsors of the bill under consideration should not object to this amendment.

Mr. EASTLAND. Mr. President, as has been brought out in debate, we have a number of these programs—on bees, milk, Newcastle disease, cranberries, where we bought the crop when it could not be sold. This provision has been in none of them. We are giving it—we are paying it—in case of loss instead of in place of need. I think it is a bad amendment. It is discrimination of the rankest kind, because all these other programs contain no such provision.

In the Senator's own State, the Government has paid $26,323 for bees, with no provision such as this. It has paid $64,162 under the milk indemnity program without any provision such as this. Why does the Senator pick on one State?

We spent $400 million in Mexico to clean up hoof-and-mouth disease and then made them a present of thousands of mules to do the work down there, without any provision such as this. Why pick on my State? Why discriminate against my State? That is what this is.

I hope the amendment will be defeated.

The PRESIDING OFFICER. Who yields time?

Mr. CLARK. I yield myself 1 minute.

Mr. President, I believe that the major problem most people have with regard to this bill is the fear that a few companies—perhaps as few as five, will receive as much as 90 percent of this $8 million to $10 million indemnity. This amendment is designed to prevent that abuse of the indemnity program. If those companies are not able to absorb the loss, they will be indemnified, but not under any other circumstances.

There is a vast difference between the State of Iowa receiving $40,000 in 1 year and five companies receiving $8 million to $10 million in 1 year.

I think the dairy indemnity bill has been a very modest bill. It has done well what it was designed to do. We have spent only $1.5 million in a decade. I believe that is a reasonable amount to spend. But when we propose now to indemnify as few as five companies with millions of dollars, when those companies may be able to stand that loss, then it seems to me that we have simply gone too far.

I urge the adoption of this amendment, and I am prepared to yield back the remainder of my time.

Mr. STENNIS. Mr. President, will the Senator yield me 1 minute?

Mr. EASTLAND. I yield.

Mr. STENNIS. Mr. President, I should like to make one point. This may look good on paper, but even the larger companies were all small. They started out with virtually nothing. They fed these chickens for a week or more, while testing was completed, as I understand. It cost them many thousands of dollars, when they knew they were going to slaughter them and bury them later. But to meet all requirements—and they were cooperating in every possible way—they went to this extra expense, through the Government's demands. As my colleague has said, this proposed amendment is rank discrimination, and I hope the amendment will be rejected.

Mr. EASTLAND. Mr. President, I yield to the distinguished Senator from Vermont.

Mr. AIKEN. Mr. President, I may be offering a little ancient history, but I believe that two disasters occurred in this country in 1948. One was in the city of Ottumwa, Iowa, which was virtually submerged by a flood. The other was in Texas City, Tex., which had been blown to pieces by an explosion.

At that time I offered an amendment to a then pending bill which established the first general Federal disaster assistance program for all parts of this country. It was accepted at that time. Ever since then I have felt that a disaster is a disaster, whether it is $10 million worth of chickens lost or a city devastated by an explosion or by a flood.

I believe that what is fair for one State is fair for another. That is why I was extremely disappointed 2 weeks ago, when the tornado disaster legislation was being considered, that States that suffered damage prior to April 1 of this year were not included in the special disaster grant program that is proposed in the new legislation.

But as I say, if you lose a million dollars from chickens, you have lost it just as thoroughly as if you lost it from an explosion or a flood. What was good for Ottumwa, Iowa, and Texas City, Tex., should be good for Mississippi.

Mr. GRIFFIN. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. GRIFFIN. Mr. President, earlier I voted to recommit this bill to the Committee on Agriculture because I believe hearings should at least be held. Furthermore, I believe a general policy should be developed—a policy that would apply, with appropriate limitations in other similar situations as well as in this one.

The pending amendment offered by the Senator from Iowa seeks to limit recovery and I can agree with his objective. But I shall vote against his amendment because the language he proposes would impose an impossible job on the Secretary of Agriculture. The amendment would allow indemnification to those "who are limited in their ability to absorb losses and costs resulting therefrom."

Those words provide no standard at all. Everyone, even the wealthiest chicken farmer, is limited to some extent in his ability to absorb losses.

If adopted, the amendment would hand the Secretary of Agriculture an impossible job to perform with no real standards or limits to apply.

Since I do not believe the amendment would improve the bill, I shall vote against it.

The PRESIDING OFFICER. Who yields time?

Mr. CLARK. I yield myself 2 minutes.

Mr. President, I am very much in favor of providing assistance to people who suffer from natural disasters. I voted for the disaster relief bill and worked on the disaster relief bill that passed 2 weeks ago. But each of those disaster relief bills provided low-interest loans. The people in Xenia, Ohio, are not going to be fully indemnified; neither are the other people who have suffered from floods or tornadoes or any other natural disaster. We have never provided full indemnity for such natural disasters.

From time to time, we have provided some additional grant money, as we did in the bill 2 weeks ago. There was a great controversy a year ago, when I first came to the Senate, over the $5,000 forgiveness feature for people who had suffered losses, regardless of need. I recall well that in the Committee on Agriculture and Forestry and in the Committee on Public Works we felt that that was bad legislation—simply to turn over $5,000 to anybody who had suffered from a natural disaster, regardless of need. We voted very wisely not to do that.

Now we are suggesting that we ought to be prepared to turn over millions of dollars to four or five companies, regardless of need.

If we can have some assurance from the sponsors of the bill that that is not going to happen—that four or five companies are not going to receive 90 percent—many of us would view this legislation differently.

Mr. President, I am prepared to yield back the remainder of my time if the opponents of the amendment are prepared to yield back their time.

Mr. EASTLAND. I yield back my time.

Mr. CLARK. I yield back my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment of the Senator from Iowa. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Nevada (Mr. BIBLE), the Senator from Florida (Mr. CHILES), the Senator from North Carolina (Mr. ERVIN), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Indiana (Mr. HARTKE), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Ohio (Mr. METZENBAUM), and the Senator from Wisconsin (Mr. NELSON) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Massachusetts (Mr. BROOKE), and the Senator from Hawaii (Mr. FONG) are necessarily absent.

I also announce that the Senator from Utah (Mr. BENNETT), Senator from Maryland (Mr. MATHIAS), Senator from Delaware (Mr. ROTH), and the Senator from Pennsylvania (Mr. SCOTT) are absent on official business.

The result was announced—yeas 23, nays 62, as follows:

[No. 148 Leg.]

YEAS—23

Baker
Church
Clark
Cook
Cranston
Eagleton
Hart
Haskell
Hatfield
Hruska
Hughes
Javits
McIntyre
Metcalf
Moss
Pastore
Percy
Proxmire
Ribicoff
Schweiker
Scott, William L.
Stevenson
Weicker

NAYS—62

Abourezk
Aiken
Allen
Bartlett
Bayh
Beall
Bellmon
Bentsen
Biden
Brock
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Cotton
Curtis
Dole
Domenici
Dominick
Eastland
Fannin
Goldwater
Griffin
Gurney
Hansen
Hathaway
Helms
Hollings
Huddleston
Humphrey
Inouye
Jackson
Johnston
Long
Magnuson
Mansfield
McClellan
McClure
McGee
McGovern
Mondale
Montoya
Muskie
Nunn
Packwood
Pearson
Pell
Randolph
Sparkman
Stafford
Stennis
Stevens
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Williams
Young

NOT VOTING—15

Bennett
Bible
Brooke
Chiles
Ervin
Fong
Fulbright
Gravel
Hartke
Kennedy
Mathias
Metzenbaum
Nelson
Roth
Scott, Hugh

So Mr. CLARK's amendment (No. 1191) was rejected.

Mr. CLARK obtained the floor.

Mr. CLARK. Mr. President, I yield to the Senator from Hawaii (Mr. INOUYE).

Mr. INOUYE. Mr. President, I send to the desk an amendment, and ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment offered by Mr. INOUYE is as follows:

On page 4, line 12, after "under" insert "the preceding sections of".

On page 4, after line 13, insert the following:

SEC. 7. The Court of Claims shall have jurisdiction to render judgment upon any claim for losses sustained by a domestic grower or canner of seasonal fruits or vegetables, or of fruit juices, fruit nectars, or fruit drinks prepared from such seasonal fruits (all of which are hereinafter referred to as "seasonal fruit or vegetable products") which were packed in hermetically sealed containers and sterilized by heat, arising from the actions relating to cyclamic acid and its salts (hereinafter referred to as "cyclamic sweeteners") taken by the United States under the Federal Food, Drug, and Cosmetic Act as amended, on October 18, 1969, and thereafter. If said court finds that in sweetening such seasonal fruit or vegetable products with a cyclamic sweetener, the claimant relied in good faith and to his detriment upon the safety of such cyclamic sweetener by reason of its inclusion on the GRAS list promulgated by the Commissioner of Food and Drugs (25 F.R. 9368; 26 F.R. 983; 21 CFR 121.101) and upon the safety of such cyclamic sweetener by reason of the Commissioner's proposed food additive regulation entitled "Food Additives, Cyclamic Acid and Its Salts, Safe Usage" prescribing the conditions under which such cyclamic sweetener could be safely used, published in the Federal Register (34 F.R. 6194) on April 5, 1969, judgment shall be rendered for the claimant. The term "losses" as used herein includes direct and indirect costs and damages, but not lost profits. Suits under this Act must be instituted within one year after enactment hereof.

Mr. INOUYE. Mr. President, if there is a case for indemnity payments to poultry and egg producers and processors, there is no less a case for indemnification of those small canners and processors who were hard hit when the Government abruptly reversed itself on the use of cyclamates. Prior to October 18, 1969, cyclamates were included on the Food and Drug Administration list of "generally regarded as safe"—GRAS—additives. This list includes such items as vitamins, salt, and pepper, and other similar and widely used items. On October 18, 1969, the Government suddenly banned the continued use of cyclamates, and as a result those canners and growers of domestic seasonal fruits or vegetables, or fruit juices, fruit nectar, and fruit drinks suffered severe, unequal, and irreparable damage.

During the decade cyclamates were carried on the GRAS list, the Government several times reaffirmed its belief in the safety of cyclamates.

In May 1965, FDA stated a review of recent studies on artificial sweeteners shows that they were safe as presently used.

In the fall of 1967, the FDA issued a public statement saying that—

> The safety of artificial sweeteners has been reviewed periodically for more than a decade, and that there was no scientific evidence available that showed that the artificial sweeteners are a hazard to the health of man and that such sweeteners are among the additives generally recognized as safe by scientists in and out of the FDA.

In April 1969, FDA published a proposal to establish cyclamates as a safe food additive and maintained cyclamates in food standards of identity, giving them the same legal status as sugar.

On July 24, 1972, the House of Representatives passed H.R. 13366 to provide for the payment of loss incurred by domestic growers, manufacturers, packers, and distributors as a result of the Government action barring the use of cyclamates in food after extensive inventories of foods containing such substances had been prepared or packed in good-faith reliance of the confirmed official listing of cyclamates as generally recognized as safe for use in foods under the Federal Food, Drug, and Cosmetic Act.

On April 12, 1973, I cosponsored, in conjunction with Senators CRANSTON, MAGNUSON, FONG, PACKWOOD, and ABOUREZK, Senator TUNNEY's bill S. 1563, which was referred to the Committee on the Judiciary. There has been no action on that measure by the committee to date. My amendment adds the language of that bill to S. 3231, the measure under consideration here today.

This amendment would not compensate the firms for legal fees, lost profits, lost opportunities due to drain of working capital, and necessary cutbacks on production. It would merely permit them to pursue their case in the Court of Claims and if the court decides in their favor, they will recover only direct and indirect losses. Under the provisions of this amendment no claimant can fully recover for all losses.

Any claim under this amendment will be subject to strict scrutiny in adversary proceedings before the Court of Claims. The burden of proof will be on the claimant who must prove to the court's satisfaction that he relied on good faith on FDA's listing of cyclamates as generally regarded as safe and later upon the published proposal to establish cyclamates as a safe additive to foods.

This amendment simply assures fair and full hearings for the canners and growers who suffered such loss before the Court of Claims. Because of the time of the ban of cyclamates—shortly after the end of the growing and canning season—the resultant loss and maximum possible recovery is estimated at between $100 and $120 million. Not all packers or canners suffered equally. Some were packing the majority of their production output with cyclamates as the artificial sweetener. Others used little if any in their pack.

Mr. President, realizing that this amendment is not germane to the bill pending before us, I will withdraw the amendment. However, I would hope that the chairman of the Committee on the Judiciary, the sponsor of the measure pending before us, can give some assurance that this amendment, which is now pending in his committee, will be given some consideration.

Mr. EASTLAND. It will be. We will give full consideration to it.

Mr. INOUYE. I thank the Senator. Mr. President, I withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

AMENDMENT NO. 1193

Mr. CLARK. Mr. President, I call up my amendment No. 1193 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be read.

The assistant legislative clerk proceeded to read the amendment.

Mr. CLARK. Mr. President, I ask

unanimous consent that the further reading of the amendment be dispensed with, and that the amendment be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment ordered to be printed in the RECORD is as follows:

On page 3, line 6, after "products," insert "or who knew, or should have known had he exercised the prudence of a reasonable man, that the poultry, eggs, or poultry or egg products were contaminated,".

Mr. CLARK. Mr. President, as written, the bill prohibits payments to anyone who suffered a loss due to a willful failure to follow the law concerning the use of chemicals.

This amendment would prohibit payments as well to those who failed to exercise normal caution to insure that their products were not contaminated. Surely, the Congress should not be in a position of indemnifying individuals and companies that were negligent. Nor should the Congress encourage negligence. But without this amendment, that might well be the case.

The bill now prohibits payments to those who knew the feed they were using was contaminated. However, it would still permit payment to those who did not exercise normal caution to be certain that no dieldrin or other contaminating chemical was present.

In its current form, the bill provides a disincentive to check for chemicals. It says that if one checks for chemicals and finds them he cannot use the feed. However, if he does not check for chemicals and uses contaminated feed, he can then be indemnified for his contaminated chickens.

The principle of equity, as well as the incentive for responsible, self-policing behavior, argue in favor of this amendment.

Mr. President, the Senate seems to have spoken very clearly on S. 3231 and the proposed amendments. Therefore, I ask unanimous consent that the previous order for the yeas and nays be rescinded, and that we have a voice vote on the amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the order for the yeas and nays is rescinded.

Mr. EASTLAND. Mr. President, this amendment will accomplish nothing but to confuse the administration of the bill by the Department of Agriculture. Of course, if a man knew that his feed was contaminated, he could not collect anything under the bill. Nobody in the entire industry sends every sample from every car to the laboratory to be tested. He could not do business on such a basis.

This is a bad amendment. I hope the Senate will reject it.

The PRESIDING OFFICER. Do the Senators yield back the remainder of their time?

Mr. CLARK. I yield back the remainder of my time.

Mr. EASTLAND. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Iowa.

The amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. HART. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be read.

The assistant legislative clerk proceeded to read the amendment.

Mr. HART. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with. I shall make a brief explanation.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Redesignate sections 4 through 6 as sections 5 through 7 and insert after section 3 a new section 4 as follows:

SEC. 4. (a) The Secretary of Agriculture shall conduct a thorough investigation into the circumstances resulting in the economic loss for which indemnity payments are authorized to be made under this Act and shall report the results of such investigation to the Congress within one year after the date of enactment of this Act. The Secretary shall indicate in such report what actions has been taken on behalf of the United States by him or the Attorney General of the United States to collect damages by means of the prosecution of subrogated claims against parties who may be liable for the loss sustained by poultry and egg producers and processors described in the first section of this Act.

(b) The Comptroller General of the United States shall conduct an audit of the indemnity program provided for in this Act one year after the date of enactment of this Act and shall submit to the Congress the results of such audit together with such comments and recommendations as he deems appropriate.

Mr. HART. Mr. President, it will be noted that the amendment is offered on behalf of a number of other Senators. I believe that the able manager of the bill (Mr. EASTLAND), whom we have consulted with respect to its development, may find it a worthwhile offering.

The bill as reported contains a provision for a subrogation of claims that requires the recipient of an indemnity to assign to the Secretary of Agriculture his claims for damages against those who are responsible, if it is possible to identify them, for the contamination.

The track record of the Department of Agriculture in pursuing recovery from the culprit, even in earlier instances where subrogation was provided for, is not impressive.

This amendment seeks to insure that the Secretary shall proceed to recover damages if fault is found. He is also required to report back to us within a period of 12 months a description of the efforts he has made to obtain recovery. Additionally, the amendment requires the Comptroller General to audit the indemnity program and to report back to us.

All who have joined in the amendment feel strongly that if indemnity is to be paid, the Department on behalf of the taxpayers should seek to identify the individual or individuals who caused the loss.

Having found one, the Department must make a good faith effort to identify him and then proceed to effect a recovery for the taxpayer. I think the bill is subject to very serious challenge without the amendment, but I think there are many of us who would support the bill with the amendment included.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. HART. I am glad to yield.

Mr. DOLE. Mr. President, I support the amendment of the Senator from Michigan. In fact, I raised substantially the same question in committee. It was a point that I think bothered some of us in committee. A good faith effort should be made to effect recovery, and this amendment would take care of that.

Mr. HART. The Senator from Kansas is a cosponsor, as are many other Senators.

Mr. EASTLAND. Mr. President, of course, the Senators are exactly correct. This is a good amendment. We are willing to accept it.

I am prepared to vote.

The PRESIDING OFFICER. Do the Senators yield back their time?

Mr. EASTLAND. I yield back the remainder of my time.

Mr. HART. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Michigan.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. CLARK. Mr. President, how much time remains on the bill?

The PRESIDING OFFICER. No time remains on the bill. Are there further amendments?

The question is on agreeing to the committee amendment, as amended.

Mr. CLARK. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. CLARK. There was an hour on the bill, to be equally divided. Has that time all expired?

The PRESIDING OFFICER. That time has expired.

Mr. CLARK. I ask for the yeas and nays on passage.

Mr. MANSFIELD. Mr. President, because of the difficulties in arriving at a time allocation, how much time would the distinguished Senator like to have?

Mr. CLARK. One minute.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senator from Iowa be given 2 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MANSFIELD. And I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. CLARK. Mr. President, I urge that the Senate defeat this measure. What we are doing here today is establishing a precedent of fully reimbursing businesses which suffer financial losses regardless of how big they may be, regardless of their need, and regardless of who is responsible for the losses. It seems to me that this is a very, very dangerous precedent.

We have provided, through the years, as the Senator from Vermont has stated, for people who suffer from natural disaster. But we have done that almost without exception through low-interest loans.

We have seen that in the case of the dairy indemnity bill and the bee indemnity bill, we made exceptions, but those were very careful exceptions, particularly with regard to the dairy indemnity, and we spent only $5.1 million in a decade in that bill.

We are asked today to provide $8 million to $10 million, without any concept in regard to who will receive that money in terms of amounts. I have asked repeatedly whether we will have assurances that five companies will not receive virtually all of the money, and the question has not been answered.

For those reasons, Mr. President, I urge the defeat of the bill.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment in the nature of a substitute, as amended.

Mr. EASTLAND. Mr. President, I ask unanimous consent to proceed for 1 minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EASTLAND. Mr. President, this is a Government-regulated chemical. Its use was authorized by the U.S. Government. These chickens were contaminated and they were ordered killed by the U.S. Government.

My friend from Iowa tries to draw a distinction between this measure and the milk programs, because his State benefited there.

This bill is in line with every single program the U.S. Government has. If we are going to defeat it, then the next thing will be a fight in the farm bill, not by me, but against these programs for the dairy industry and others in the farm bill.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, as amended.

The committee amendment, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill (S. 3231) was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDING OFFICER (Mr. HELMS). The bill having been read the third time, the question is, Shall it pass? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Nevada (Mr. BIBLE), the Senator from Florida (Mr. CHILES), the Senator from North Carolina (Mr. ERVIN), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Indiana (Mr. HARTKE), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Ohio (Mr. METZENBAUM), and the Senator from Wisconsin (Mr. NELSON) are necessarily absent.

I further announce that, if present and voting, the Senator from Ohio (Mr. METZENBAUM) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Hawaii (Mr. FONG) is necessarily absent.

I also announce that the Senator from Utah (Mr. BENNETT), the Senator from Maryland (Mr. MATHIAS), the Senator from Delaware (Mr. ROTH), and the Senator from Pennsylvania (Mr. SCOTT) are absent on official business.

The result was announced—yeas 55, nays 31, as follows:

[No. 149 Leg.]

YEAS—55

Abourezk
Aiken
Allen
Baker
Bartlett
Bayh
Bellmon
Bentsen
Brock
Burdick
Byrd, Robert C.
Cannon
Case
Church
Cranston
Curtis
Dole
Domenici
Dominick
Eastland
Fannin
Goldwater
Gurney
Hansen
Hart
Hatfield
Helms
Hollings
Huddleston
Humphrey
Inouye
Jackson
Johnston
Long
Magnuson
Mansfield
McClellan
McClure
McGovern
McIntyre
Mondale
Montoya
Moss
Nunn
Pearson
Randolph
Scott, William L.
Sparkman
Stennis
Symington
Talmadge
Thurmond
Tunney
Williams
Young

NAYS—31

Beall
Biden
Brooke
Buckley
Byrd, Harry F., Jr.
Clark
Cook
Cotton
Eagleton
Griffin
Haskell
Hathaway
Hruska
Hughes
Javits
McGee
Metcalf
Muskie
Packwood
Pastore
Pell
Percy
Proxmire
Ribicoff
Schweiker
Stafford
Stevens
Stevenson
Taft
Tower
Weicker

NOT VOTING—14

Bennett
Bible
Chiles
Ervin
Fong
Fulbright
Gravel
Hartke
Kennedy
Mathias
Metzenbaum
Nelson
Roth
Scott, Hugh

So the bill, S. 3231, was passed, as follows:

S. 3231

An act to provide compensation to poultry and egg producers, growers, and processors and their employees

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Agriculture is directed to pay compensation for poultry, eggs, and poultry and egg products, including the costs of disposal of such items, at a fair value, to poultry and egg producers, growers, and processors who have been specifically advised, under the authority of the United States, after January 1, 1974, that their poultry, eggs, or poultry or egg products contained residues of chemicals registered and approved for use by the Federal Government at the time of such use, except that no compensation shall be paid to any producer, grower, or processor who suffered loss as a result of his willful failure to follow provisions of law or procedures prescribed by the Federal Government in connection with the use of the chemicals or feed or other products containing the chemicals or in connection with the disposition of the contaminated poultry, eggs, or poultry or egg products, and no compensation shall be paid to any producer, grower, or processor to cover that portion of a loss for which he has been compensated by a third party.

SEC. 2. The Secretary of Agriculture is also directed to compensate employees of poultry and egg producers, growers, and processors for any lost wages as a result of the condition which qualifies the producer, grower, or processor for compensation under section 1 of this Act. In determining such compensation, the Secretary shall take into account any amount received by an employee as wages, earnings, and other benefits. The compensation to such employee shall continue only so long as the poultry or egg producer, grower, or processor is unable to resume normal operations because of the condition which qualifies the producer, grower, or processor for compensation under section 1 of this Act.

SEC. 3. The acceptance of any compensation under this Act shall constitute an assignment to the United States of any claim which the person accepting such compensation may have against any third party, to the extent—

(a) such claim arises from the existence of the residue of chemicals referred to in section 1 of this Act; and

(b) the amount recoverable by the United States does not exceed the amount of the compensation paid by the United States.

SEC. 4. (a) The Secretary of Agriculture shall conduct a thorough investigation into the circumstances resulting in the economic loss for which indemnity payments are authorized to be made under this Act and shall report the results of such investigation to the Congress within one year after the date of enactment of this Act. The Secretary shall indicate in such report what actions has been taken on behalf of the United States by him or the Attorney General of the United States to collect damages by means of the prosecution of subrogated claims against parties who may be liable for the loss sustained by poultry and egg producers and processors described in the first section of this Act.

(b) The Comptroller General of the United States shall conduct an audit of the indemnity program provided for in this Act one year after the date of enactment of this Act and shall submit to the Congress the results of such audit together with such comments and recommendations as he deems appropriate

SEC. 5. The Secretary is authorized to issue such regulations as he deems necessary to carry out the purposes of this Act.

SEC. 6. There is hereby authorized to be appropriated such sums as may be necessary to carry out the purpose of this Act.

SEC. 7. The authority granted under this Act shall expire on December 31, 1974.

The title was amended, so as to read: "A bill to provide compensation to poultry and egg producers, growers, and processors and their employees."

Mr. STENNIS. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Several Senators moved to lay that motion on the table.

The motion to lay on the table was agreed to.

LEAVE OF ABSENCE

Mr. GOLDWATER. Mr. President, I ask unanimous consent, in conjunction with my duties as a member of the board of visitors to the U.S. Military Academy at West Point, that I may be excused from attendance on the Senate tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2770) to amend chapter 5 of title 37, United States Code, to revise the special pay structure relating to medical officers of the uniformed services.

NATIONAL NO-FAULT MOTOR VEHICLE INSURANCE ACT

The PRESIDING OFFICER (Mr. HELMS). Under the previous order, the Senate will now resume consideration of the unfinished business (S. 354), which the clerk will report.

The legislative clerk read as follows:

> S. 354, to establish a nationwide system of adequate and uniform motor vehicle accident reparation acts and to require no-fault motor vehicle insurance as a condition precedent to using a motor vehicle on public roadways in order to promote and regulate interstate commerce.

The Senate resumed consideration of the bill.

Mr. BAKER. Mr. President, I have been involved in the Senate Commerce Committee's consideration of no-fault insurance programs for over 2 years. As a proponent of the no-fault concept, which is now evolving at the State level in programs endorsed by the proponents of S. 354 as "genuine no-fault programs," I am disappointed that there has been little study of existing State programs and that the Commerce Committee legislation, while it has responded to some aspects of the conflict between the national standards under consideration and these State programs, remains substantially and fundamentally at variance with all of these programs wtih the exception of the Michigan program.

There is a need, I believe, for Federal standards legislation specifying a level of first party benefits and requiring coordination of tort claims for noneconomic loss, but I feel that these Federal standards should truly identify a basic program of no-fault insurance and should not preclude the States from exploring the veritable forest of issues involved in the designing of no-fault insurance programs. Too much is unknown—statistics and experience with no-fault are as yet sketchy and sometimes contradictory—and the needs of the States vary from region to region.

At the appropriate time in the debate on S. 354, I will call up my amendment No. 1137, as modified, which proposes to bring the standards of the bill into line with a genuine Federal minimum standards approach.

The subject of automobile accident reparations is a very complex matter. Many of the options in the design of no-fault programs have ramifications far beyond their direct purpose and the development of a final, no-fault program thus involves many balancing decisions. It is a difficult process requiring pragmatic judgment. Unfortunately, many of the complexities of the no-fault issue have been glossed over and much of the debate directed toward devising Federal minimum standards legislation has been clouded by massive sales campaigns on both sides of the issue. Large national labor organizations and a portion of the insurance industry see no-fault insurance as an opportunity to increase medical and disability insurance activities. Trial lawyers, who for years have been remiss in their responsibility to reform the tort reparations system, now rally to keep that system still unchanged.

I am convinced by the record of performance of the tort system in providing compensation for injuries caused in automobile accidents, as evidenced both in the DOT automobile insurance and compensation study and in testimony before the Commerce Committee, that it is past time for a critical reassessment of the present system. It is apparent that the fault concept is often a too cumbersome and costly procedure for the payment of claims arising out of an automobile accident—especially small claims. And the limits of liability insurance required by the States are woefully inadequate to pay any but those same small claims.

It remains my hope that the warring factions on no-fault insurance—those who oppose the concept totally or would advocate palliative programs and those who would rush headlong to put into effect untested, unproven no-fault schemes based upon tenuous assumptions and claims efficiency—can be overcome by those advocating reasoned and rational reform.

Although their statistical arguments have not been very analytical, the proponents of the total no-fault program contained in S. 354 have asserted that modified no-fault programs will not work because the tort system does not adequately compensate the seriously injured. It is obvious to anyone aware of the problems of the present reparations system that this situation is the result primarily of state requirements for liability insurance coverage, which are woefully inadequate to compensate any but the small to moderate award. However, it is interesting to note that the no-fault approach to reparations also experiences problems in compensating serious injury.

An interesting and revealing commentary on this particular problem inherent in total no-fault insurance schemes is found in the testimony of Mr. Thomas C. Morrill, vice president of the State Farm Insurance Co.'s, in the record of the hearings of the Commerce Committee on S. 354, volume 1, page 249. Mr. Morrill, whose company supports the basic approach of S. 354, states:

> State Farm's actuarial studies show that a $5000 economic loss package per person will compensate 98 percent of all injury cases in full and pay 85 percent of all economic loss. A $25,000 package per person will compensate 99.94 percent of all cases in full and pay 97 percent of all economic loss. In contrast, a $50,000 per person package with a $100 deductible will leave 45 percent of the cases with no compensation and will pay only 86 percent of the total economic loss.
>
> The report on S. 945 calls attention to the degree of uncompensated economic loss for the seriously injured under the present system. The figures just recited underscore the options. Someone must make a choice. Benefit packages of $5000 to $25,000 that pay from the first dollar of loss cover all but a slender segment of economic loss. Extremely high benefit packages with high deductibles or waiting periods cover the rare case of exceptional injury but may leave almost half or all victims with no recovery at all—people to whom $100 is important money. The cost of covering all losses at both ends of the spectrum would run insurance rates well beyond their present levels.

It is obvious that the staunch proponents of S. 354 have made their choice, but so have several of the States and the decisions unfortunately are not compatible.

It is my contention that the State programs already in existence will both provide valuable experience as to the ability of no-fault insurance to respond to different categories of claims and will provide valuable insight into the desires of the people with regard to what elements of loss should be covered under first party insurance.

The Institute for the Future in a report on no-fault insurance conducted under a grant from the National Science Foundation stated in analysis of two State programs presently in effect in New York and Connecticut:

> Although each of these plans has its unique characteristics, they appear to be trying to bridge the philosophical gap between a total no-fault plan and the Massachusetts plan. However, what they are really doing is asking people to decide what other compensation should be included in the equitable resolution of automobile accidents.

If the proponents of Federal minimum standards no-fault legislation leave the States sufficient flexibility to test these programs, in a reasonably short time we will have the answers to these questions.

While I support no-fault insurance reform, I am afraid that its proponents have inflated its potential to mythical proportions. It must be remembered that no-fault insurance is basically nothing more than first party insurance providing medical and disability coverage. Such insurance has been available for many years.

No-fault motor vehicle insurance programs simply tie such insurance to injury caused by a motor vehicle accident and then—to coordinate existing protections and to reduce costs—limit access to the tort reparations system.

Modification of the existing reparations system involves some sizable risks. If Congress adopts an unworkable program of no-fault insurance, the damage and disruption will be great and will be extremely widespread. And the people who will be worst hurt will be the consumer and the injured claimant.

No-fault insurance is not a panacea. It will provide, I believe, a tremendous improvement in the efficiency of motor vehicle accident reparations. But in the development of Federal minimum standards, Congress must be aware also of the many unanswered questions—questions which, with a little patience, will be answered.

We can make tremendous progress by enacting a standards program which stays within the range of our knowledge, pushing ahead of the beginnings of no-fault insurance reform but not arrogantly pretending to surpass the expertise of our partners in the States who have already brought this reform a great distance.

Unless the standards of S. 354 are brought into line with genuine State no-fault reform programs, I will urge my colleagues to reject it. If we endorse a program which would abrogate these programs, it will be a defeat—not a victory—for "no-fault."

Mr. MANSFIELD. Mr. President, is there a time limitation on the pending business?

The PRESIDING OFFICER. There is no time limitation.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, without losing my right to the floor.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

REVISION OF SPECIAL PAY BONUS STRUCTURE TO MEMBERS OF THE ARMED FORCES—CONFERENCE REPORT

Mr. STENNIS. Mr. President, I submit a report of the committee of conference on S. 2771, and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. HELMS). The report will be stated by title.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two House on the amendments of the House to the bill (S. 2771) to amend chapter 5 of title 37, United States Code, to revise the special pay bonus structure relating to members of the Armed Forces, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of April 10, 1974, at p. 10623.)

Mr. STENNIS. Mr. President, S. 2771 is a bill which revises the existing reenlistment bonus program for the Department of Defense and expands the enlistment bonus authority provided for in current law. There were four substantive differences in the House and Senate versions of S. 2771. I will describe briefly what the differences are. More details can be obtained from the joint explanatory statement of the Committee of Conference which has been filed with the conference report.

DIFFERENCE 1—MAXIMUM REENLISTMENT BONUS

The Senate bill provided for a maximum reenlistment bonus of $12,000 as opposed to $15,000 in the House bill. Present law provides bonus authority of up to $15,000 for personnel in the Navy nuclear power field, and up to $10,000 for reenlistments in other skill areas. The Department of Defense testified that its present plans call for using a $15,000 bonus only for personnel in nuclear power fields when present authority for that amount expires on June 30, 1975. The Senate conferees agreed to a maximum of $15,000 in the House bill, with the understanding that this maximum would be limited to the nuclear field only.

The average reenlistment bonus under the new authority, for other than those in the nuclear field, is estimated to be $5,300.

DIFFERENCE 2—MULTIPLE BONUS RESTRICTION

The House bill contained a provision that a member's total reenlistment bonus for two or more reenlistments could not exceed the amount to which he would have been entitled had he initially reenlisted for a total period equal to the two or more reenlistments. The intent of the House amendment was to preclude service members from receiving more money for several short periods of reenlistments than for a single maximum reenlistment. The Senate conferees understood the intent of the House amendment, but they pointed out that it would hamper the Department of Defense's administration of the reenlistment bonus program by limiting the amount that could be paid for future reenlistments of shorter periods. The Department expressed serious concern that this amendment would limit its flexibility in this area. The House conferees receded on their amendment.

DIFFERENCE 3—EXPIRATION DATE FOR REENLISTMENT BONUS

The Senate bill provided that the new reenlistment bonus program in the bill would become part of permanent law just as the current reenlistment bonus authority is part of permanent law. The House bill provided an expiration data of June 30, 1977, for the reenlistment bonus authority. The House conferees stated that it would be advisable to have this authority reviewed by the Congress after a reasonable period of operation. The Senate conferees agreed that such a review would be wise, and they agreed to an expiration date of June 30, 1977, for the reenlistment bonus.

DIFFERENCE 4—ADMISSION OF WOMEN TO SERVICE ACADEMIES

The bill as passed the Senate contained a Senate floor amendment which would have authorized the attendance of women at the service academies. The House bill contained no such provision. The Senate conferees strenuously maintained their position on this amendment and agreed only to recede after the leadership of the House Armed Services Committee indicated its intention to hold hearings on this matter. The House conferees pointed out that an amendment of this kind would have a number of possible implications, such as new construction at the academies, et cetera, which should be thoroughly investigated through hearings. The Senate conferees reluctantly receded on this amendment, and I assure you they will follow with great interest any House action on this matter.

ENLISTMENT BONUS

Both the House and Senate bills provided a bonus of up to $3,000 for an enlistment of at least 4 years in any critical skill area in any service. This program will cost about $75 million in fiscal year 1975 and should be of significant help in making the all-volunteer force a success. I would note here that both House and Senate bills limit payment of the enlistment bonus to those in the top three mental categories on the Armed Forces qualification test.

Mr. President, I am pleased with the action of the House and Senate conferees on S. 2771, and I urge prompt adoption of the conference report on this bill.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

REVISION OF PAY STRUCTURE FOR MEDICAL OFFICERS OF THE UNIFORMED SERVICES—CONFERENCE REPORT

Mr. STENNIS. Mr. President, I submit a report of the committee of conference on S. 2770, and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated by title.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2770) to amend chapter 5 of title 37, United States Code, to revise the special pay structure relating to medical officers of the uniformed services, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of April 10, 1974, at pp. 19622–10623.)

Mr. STENNIS. Mr. President, S. 2770 is a bill which revises the special pay structure for medical officers of the uniformed services. There were four substantive differences in the House and Senate versions of S. 2770. I will describe briefly what the differences are. More details can be obtained from the joint explanatory statement of the Committee of Conference which has been filed with the conference report.

DIFFERENCE 1.—INCLUSION OF DENTISTS, OPTOMETRISTS, AND VETERINARIANS IN THE BILL

The Senate bill limited the increased monthly special pay and new bonus authority to physicians only. The House included physicians along with dentists, optometrists, and veterinarians under both the special pay and bonus payment provisions of the bill.

The Senate conferees pointed out that the Deputy Secretary of Defense and the Assistant Secretary of Defense for Health and Environment has recently advised the Armed Services Committee that there is no need for special legislation for other than physicians.

In addition, these officials indicated that the possible need for additional compensation for health professionals, other than physicians, would be kept under close review and appropriate recommendations would be made to the Congress if found essential.

The Senate conferees were adamant in their position in limiting the bill to physicians and the House conferees receded.

DIFFERENCE 2.—BONUS ELIGIBILITY FOR O–6'S—COLONEL

The Senate bill limited the new bonuses in the bill to officers in the pay grade of O–5—lieutenant colonel—and below and provided that those medical officers in pay grades of O–6—colonel—and above would remain under their present pay system.

The House bill included O–6's under the new bonus system.

The House conferees pointed out that testimony from the Surgeon General indicated that individuals in the O–6 grade are at a critical point in service where they are in important positions, such as department head and teaching positions, among many others, and failure to include these officers under the bonus provisions of the bill would have an adverse effect on their retention. The Senate conferees agreed that O–6's form an important part of a viable Medical Corps and, therefore, agreed to the House's inclusion of O–6's in the bill.

DIFFERENCE 3.—MAXIMUM BONUS AMOUNT

The Senate bill limited the maximum bonus for physicians to $10,000 per year, for each year's extension of active duty, compared to $15,000 per year under the House bill. The Department of Defense had requested $15,000 in bonus authority and the House conferees were adamant that something more than $10,000 in the Senate bill was necessary to retain sufficient numbers of physicians in the services.

The House conferees noted that even with a $15,000 bonus there could be between $1,000 to $5,000 difference between a physician's military and civilian income.

The Senate conferees noted the significant fringe benefits available to physicians in the uniformed services, such as a generous noncontributory retirement system, post exchange and commissary privileges, free medical care, and the like.

After considerable discussion the conferees agreed to a maximum bonus of $13,500 and a requirement that the Department of Defense report in detail on a fiscal-year basis on the operation and progress of the bonus program.

DIFFERENCE 4.—INCLUSION—OF THE PUBLIC HEALTH SERVICE OFFICERS

The Senate bill contained no provision for payment of bonuses to health professionals of the Public Health Service, whereas the House bill authorized bonuses for Public Health Service physicians, dentists, veterinarians, and optometrists. The House conferees noted that the Department of Health, Education, and Welfare appeared before the House Armed Services Committee and testified as to the need for bonus authority for the Public Health Service and that this position was supported by the administration. The conferees agreed that only physicians of the Public Health Service would be included under the bonus provisions of the bill.

CLARIFYING LANGUAGE ON RESTRICTION OF BONUS PAYMENT

Mr. President, the conferees agreed on clarifying language in the bill concerning the restriction of bonus payments. The House bill contained language which had the effect of excluding certain officers from bonus eligibility who were serving their initial active duty obligation or who were undergoing intern or residency training. The Senate bill contained no such specific prohibition on bonus payments. The Senate conferees noted that many military physicians do not enter subspecialty residency training until later in their careers and that volunteers in such subspecialty residency programs would be seriously limited if physicians were not eligible for the bonus during that period. The conferees, therefore, agreed that exclusion from the bonus would be limited to those undergoing initial residency training.

In addition, the conferees agreed that exclusion from new bonuses for physicians would apply only up to the first 4 years of initial obligated service. The conferees felt that it might be inequitable to prohibit a physician from receiving a bonus for a long initial service obligation period. For example, under various procurement programs a physician may incur an initial obligation for as long as 9 years. Under the conference report language a physician would be ineligible for a bonus only for up to the first 4 years of initial obligated service and thereafter be eligible for a bonus at a reduced rate for the additional years of obligated service.

Mr. President, I believe the conference report on this important bill to be a reasonable and fair compromise, and I urge its prompt adoption.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

THE DISASTER RELIEF ACT AMENDMENTS OF 1974

Mr. BURDICK. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 3062.

The PRESIDING OFFICER (Mr. HELMS) laid before the Senate the amendment of the House of Representatives to the bill (S. 3062) entitled "Disaster Relief Act Amendments of 1974", which was to strike out all after the enacting clause, and insert:

That this Act may be cited as the "Disaster Relief Act Amendments of 1974".

SEC. 2. Title II of the Disaster Relief Act of 1970 is amended by adding at the end thereof the following new section:

"INDIVIDUAL AND FAMILY GRANT PROGRAMS

"SEC. 256. (a) The President is authorized to make a grant to a State for the purpose of such State making grants to meet extraordinary disaster-related expenses or needs of individuals or families adversely affected by a major disaster in those cases where assistance under other provisions of this Act, or from other means, is insufficient to allow such individuals or families to meet such expenses or needs. The Governor of a State shall administer the grant program authorized by this section.

"(b) The Federal share of a grant to an individual or a family under this section shall be equal to 75 per centum of the actual cost of meeting such an extraordinary expense or need and shall be made only on condition that the remaining 25 per centum of such cost is paid to such individual or family from funds made available by a State or a political subdivision of a State. Where a State or a political subdivision is unable immediately to pay its share, the President is authorized to advance to such State such 25 per centum share, and any such advance is to be repaid to the United States when such State or political subdivision is able to do so. No individual and no family shall receive any grant or grants under this section aggregating more than $5,000 with respect to any one major disaster.

"(c) The President shall promulgate regulations to carry out this section and such regulations shall include national criteria, standards, and procedures for the determination of eligibility for grants and the administration of grants made under this section.

"(d) A State may expend not to exceed 3 per centum of any grant made by the President to it under subsection (a) of this section for expenses of administering grants to individuals and families under this section.

"(e) This section shall take effect as of March 31, 1974."

SEC. 3. Section 102(1) of the Disaster Relief Act of 1970 is amended by inserting immediately after "earthquake," the following: "mud slide,".

Mr. BURDICK. Mr. President, I move that the Senate disagree to the amendment of the House to the Senate bill (S. 3062) entitled the "Disaster Relief Act Amendments of 1974" and agree to the request of the House for a conference on the disagreeing vote of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. BURDICK, Mr. CLARK, Mr. BIDEN, Mr. RANDOLPH, Mr. DOMENICI, Mr. BUCKLEY, and Mr. BAKER conferees on the part of the Senate.

ORDER FOR ADJOURNMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12 o'clock noon tomorrow.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

ORDER FOR EXECUTIVE SESSION TOMORROW

Mr. **MANSFIELD.** Mr. President, it is my understanding that up to this time there is one special order for tomorrow. I ask unanimous consent that beginning at 12:45 p.m., the Senate go into executive session to consider nominations on the calendar.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. **MANSFIELD.** I ask unanimous consent that once the Senate goes into executive session on the nominations, the distinguished Senator from Wisconsin (Mr. PROXMIRE) be recognized for not to exceed one-half hour.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. **MANSFIELD.** I ask unanimous consent that at the conclusion of that time, there be a time limitation of one-half hour each on two general nominations, the time to be equally divided between the distinguished Senator from Iowa (Mr. HUGHES) and the distinguished chairman of the committee, the Senator from Mississippi.

The **PRESIDING OFFICER.** Is there objection? The Chair hears none, and it is so ordered.

ORDER FOR YEAS AND NAYS ON NOMINATIONS OF BRIG. GEN. CHARLES A. GABRIEL AND MAJ. GEN. ALTON D. SLAY

Mr. **ROBERT C. BYRD.** Mr. President, I ask unanimous consent, as in executive session, that it now be in order to order the yeas and nays on two nominations, the nomination of Brig. Gen. Charles A. Gabriel and the nomination of Maj. Gen. Alton D. Slay.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. **ROBERT C. BYRD.** Mr. President, I ask for the yeas and nays on both nominations.

The **PRESIDING OFFICER.** Is there a sufficient second? There is a sufficient second. The yeas and nays are ordered.

NATIONAL NO-FAULT MOTOR VEHICLE INSURANCE ACT

The Senate continued with the consideration of the bill (S. 354) to establish a nationwide system of adequate and uniform motor vehicle accident reparation acts and to require no-fault motor vehicle insurance as a condition precedent to using a motor vehicle on public roadways in order to promote and regulate interstate commerce.

Mr. **BAKER.** Mr. President, will the Senator yield?

Mr. **MOSS.** I yield.

Mr. **BAKER.** Mr. President, I ask unanimous consent that Mr. Richard Harrid may be permitted the privilege of the floor during the consideration of S. 354.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. **MOSS.** Mr. President, I ask unanimous consent that Mr. Mike Purchuk be permitted the privilege of the floor during the consideration of S. 354.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. **MOSS.** Mr. President, I informed my colleagues of how the American Trial Lawyers Association is employing electronic techniques to disguise a highly organized lobbying effort against the national no-fault insurance legislation as a groundswell of opinion from ordinary citizens. I have now obtained documents which demonstrate the methodology of that deception and how the trial lawyers are using Western Union to lobby their own local associations and members.

Apparently the idea originated with the Los Angeles Trial Lawyers Association which on March 30 sent mailgrams to over 2,900-member attorneys bearing the following message:

> Urgent act instantly. Minutes count. Just learned federal no-fault will be voted in U.S. Senate Thursday with marginal passage likely, repeat likely. In its area this will end tort system, jury system, adversary system, reparations system and state's right and reduce injured citizen to little-brother numbers with massive life-control in Washington, D.C.
>
> Please, please this instant telephone Western Union toll free, 800–648–4100. Ask for telebook no-fault. Give operator only names and addresses of your associates, secretaries, clients, relatives, friends in whose names you want to protest federal no-fault. All the rest is automatic.
>
> For each name you give 10 protest messages will be delivered tomorrow to key Senators and Government leaders holding crucial vote. Or you may dictate your own message to Western Union operator. Your phone will be billed $2.00 per each message.
>
> Urgent act instantly minutes count.

Within 2 days, as a result of this plea, 4,300 mailgrams had been sent to Senators from Western Union's Reno Central Telephone Bureau alone.

The success of this effort apparently suggested to the Trial Lawyers Association the idea of using Western Union's sales force to stimulate its own State and local associations and other organizations to send similar messages to Senators. As a result a complete roster of the Trial Lawyer Association, nationwide, was provided to Western Union's area vice presidents for distribution to the sales staff. In addition, the area vice presidents were informed that the names and telephone numbers of their district sales managers had been provided to the president of the Los Angeles Trial Lawyers Association and that he might be calling them direct.

The same day, April 1, a telegram was sent from Western Union's national sales office to all area managers suggesting that their sales force contact Trial Lawyer Association, mutual insurance agents, associations of insurance adjusters and State, county, and city bar associations, recounting the Los Angeles experience and trying to sell them a similar program or "book."

The telegram also contained instructions to the central telephone bureaus—CTB's—which read as follows:

> Below we are transmitting 10 names of Senators and President to whom you will send messages and also we are sending 30 messages. You at the CTB are to take the calling names and phone numbers and at random (get good mixture) pick a message and send it to the 10 names provided. The above text tells the sendor that they will be billed on their phone so they will receive a bill of 20 dollars for each name they give you on phone.
>
> Example one:
>
> I call CTB give my name and phone number. You pick a message and sign it with my name and send it to the nine senators and the President and bill me 20 dollars.
>
> Example two:
>
> I call CTB give my name and phone number. You pick a message and sign it with my name and send it to the nine Senators and the President. Then I also say to send for my wife Carole, my brother Jerry. You pick one message at random for each, my wife and brother and send that to the Senators and President and bill me 60 dollars.

Following these instructions is a list of the nine Senators to receive mailgrams and a list of 30 anti-no-fault messages which are to be rotated. The telegram concludes with an instruction to "contact directly the president of the local Trial Lawyers Association immediately," and to "keep in touch with the CTB's directly and report your success as the numbers mount."

Mr. President, I believe that these documents, which I ask be appended to my statement, prove quite conclusively that the Trial Lawyers Association, realizing the dependence of Western Union salesmen on commissions, has in fact made that sales force the unwitting instrument by which to lobby its own State and local associations and other organizations to protest against enactment of the national no-fault legislation.

Mr. President, I ask unanimous consent that the telegrams from which I have quoted and the list of names be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TELEGRAM

Reference the Trial Lawyers Asso Book.

Following is the complete roster of the Association's nationwide. It was current as of 1973. Suggest your repr. contact immediately. Text previously furnished you by Jack Cochran. Your CTB has all data and can reconfirm with Bob Griffth in Reno. FYI name of your DSM and phone number has been provided Hill Sayele president of the Los Angeles chapter who may be calling him direct. FYI the Losa Com book was in excess of 2900 messages as of 2 p.m. today 4300 mailgrams were filed through Reno CTB and 519 confirmation copies. The main point is that the calls to the CTB be directed to telebook no fault and name of State party calling from. Calls should be made tomorrow as bill is scheduled for vote on Thursday.

TELEGRAM

AREA SALES MANAGER,
Washington, D.C.

Urgent—for immediate dissemination.

The following has been received from Larry Noelker in Los Angeles and should be acted upon immediately.

It is suggested that your sales force contact trial lawyers assns.—mutual ins. agents, assoc. of ins. adjusters and state, county and city bar associations regarding the following.

2900 mailgrams were sent out for receipt today by Los Angeles attys. who in turn have already sent over 500 mailgrams in response as of 10:15 a.m. today.

Repeat—this is urgent for immediate attention:

The following message was transmitted Saturday 3/30/74 to over 2900 members of the Trial Lawyers Association from Los Angeles and Orange counties.

Urgent act instantly minutes count. Just learned Federal no-fault will be voted in U.S. Senate Thursday with marginal passage likely, repeat likely.

In its area this will end tort system, jury system, adversary system, reparations system and State's rights and reduce injured citizens to little-brother numbers with massive life-control in Washington, D.C.

Please, please this instant telephone Western Union toll free 800-648-4100. Ask for Telebook No-Fault. Give operator only names and addresses of your associates, secretaries, clients, relatives, friends in whose names you wish to protest Federal no-fault, all the rest is automatic.

For each name you give 10 protest messages will be delivered tomorrow to key Senators and Government leaders holding crucial vote. Or you may dictate your own message to Western Union operator. Your phone will be billed $2.00 per each message.

Urgent, act instantly, minutes count.

HILL SAYBLE, *President,*
L–O–T–A.
EARL FRANK, *President,*
O–C–T–L–A.
WYLIE AITKEN,
Coordinator, A.T.L.A.

CTB INSTRUCTIONS

Below we are transmitting 10 names of Senators and President to whom you will send messages and also we are sending 30 messages. You at the CTB are to take the calling names and phone numbers and at random (get good mixture) pick a message and send it to the 10 names provided. The above text tells the seller that they will be billed on their phone so they will receive a bill of 20 dollars for each name they give you on phone.

Example one: I call CTB give my name and phone number. You pick a message and sign it with my name and send it to the nine Senators and the President and bill me 20 dollars.

Example two: I call CTB give my name and phone number. You pick a message and sign it with my name and send it to the nine Senators and the President. Then I also say to send for my wife Carole, my brother Jerry. You pick one message at random for each my wife and brother and send that to the Senators and President and bill me 60 dollars.

Here are the Senators and President names and addresses, people to whom the no-fault messages should be sent. Please rotate messages.

Senator Alan Cranston, New Senate Office Building, Washington, D.C. 20515.

Senator John Tunney, New Senate Office Building, Washington, D.C. 20515.

Senator Barry Goldwater, New Senate Office Building, Washington, D.C. 20515.

Senator Walter Mondale, New Senate Office Building, Washington, D.C. 20515.

Senator Hugh Scott, New Senate Office Building, Washington, D.C. 20515.

Senator Mike Mansfield, New Senate Office Building, Washington, D.C. 20515.

Senator Charles Percy, New Senate Office Building, Washington, D.C. 20515.

Senator Henry Jackson, New Senate Office Building, Washington, D.C. 20515.

Senator Howard Baker, New Senate Office Building, Washington, D.C. 20515.

President Richard M. Nixon, United States Capitol, Washington, D.C. 20515.

NO-FAULT MESSAGES

1. No-fault insurance is a matter which should be left to the States. I urge you to oppose S354.

2. Most no-fault plans have raised premiums, not reduced them. Please oppose S354.

3. S354 is an unconstitutional usurpation of State rights. I urge you to oppose federal no-fault.

4. S354 takes away the rights of injured traffic victims, on behalf of them please oppose S354.

5. If S354 passes, thousands of Americans will be forced to buy insurance they do not need. Please oppose it.

6. S354, Federal no-fault will not benefit the public but the insurance industry. Please oppose it.

7. Until we have had more experience with the States, it is unwise to pass a plan for Federal no-fault insurance. Please oppose S354.

8. Experience indicates that no-fault raises premiums while taking away rights. Please oppose S354.

9. On behalf of retired people, housewives and students who are forced to buy insurance they don't need. Please oppose S354 (Federal no-fault).

10. S354 represents a windfall for insurance companies, and a set back for the insurance. Please oppose Federal no-fault.

11. S354 represents compulsory insurance and discriminates against the poor. Please oppose Federal no-fault.

12. S354 takes away one's rights to recover for pain and suffering, while rewarding the wrongdoer. Please opposed Federal no-fault.

13. The State is the proper laboratory to experiment with no-fault insurance. Please oppose S354.

14. Under S354, taxpayers of the various States will be forced to spend their money to implement an unproven Federal plan. Please oppose it.

15. Innocent traffic victims are entitled to full compensation for their injuries. S354 Federal no-fault should be opposed.

16. Please oppose S354, a Federal no-fault plan backed by insurance interests.

17. S354 Federal no-fault, forces on the States a plan of insurance which will raise premiums and take away rights. Please oppose it.

18. The experience in the States casts doubt on the entire concept the no-fault insurance. Please oppose S354.

20. S354 Federal no-fault embodies a plan which takes away rights and appears to be failing on the State level. Please oppose it.

21. 100 million Americans will lose benefits under Federal no-fault. I urge you to oppose S354.

22. Proposed Federal legislation on no-fault insurance takes away the rights of the injured. Please oppose S354.

23. S354 takes away valuable rights from the elderly and the retired. Please oppose Federal no-fault.

24. The parents of innocent traffic victims lose rights under Federal no-fault. Why? I urge you to oppose S354.

25. We do not need a national no-fault bill. The individual states are where the issue should be debated and considered. Oppose S354.

26. Loss of rights, a rise in premiums, a loss of our cherished adversary system, this is what we can expect from S354. Please oppose Federal no-fault.

27. I want to register my opposition to S354, Federal no-fault. Please oppose it.

28. The State of Massachusetts and Florida had a premium increased under so called no-fault insurance. Please oppose S354, Federal no-fault.

29. No-fault is really not fair. We need meaningful insurance reform, not an insurance hoax. I urge you to oppose S354.

30. We need meaningful insurance reform. Federal no-fault does not answer the basic ills in the system. Oppose S354.

Again, you are urged to contact directly the president of local trial lawyers assn. immediately.

The CTB's have the texts and the address tapes and are set up and ready to go.

Many thanks to Larry and the Los Angeles Area for this hot and timely application. If you have any questions, headquarters staff will be calling you directly for further explanations, or you can contact Larry directly at his OFC 213-627-4321 and this evening at home 213-330-0358.

Please keep in touch IXXX with the CTB's directly and report your success as the numbers mount.

Mr. MOSS. Mr. President, as I stated yesterday, of course I recognize the right of any person or any group to lobby for or against any piece of legislation and to contact Members of the Senate and the House. But I wish to bring to the attention of this body the tactics used and the disguises of the effort made to lobby to cover the tracks of those doing it and make it appear to come from large groups of people who are in no way involved.

The bill before us is one that has gone through a long consideration stretching over a period of years. I think the Senate is ready to proceed and I would suggest that if there are any amendments to be offered we would now be willing to consider those amendments because we would like to get to the point where we could vote on final passage, up or down, on this legislation.

Mr. ABOUREZK. Mr. President, I call up an amendment I have at the desk.

Mr. COTTON. Mr. President, will the Senator yield for a moment?

Mr. ABOUREZK. I yield.

Mr. COTTON. I will not hold up this amendment. It was my purpose to make an opening statement after the distinguished Senator from Utah and the distinguished Senator from Nebraska had finished their remarks. I would just as soon defer so that the Senator from South Dakota can proceed with his amendment.

Mr. MOSS. Very good.

Mr. President, I ask unanimous consent that the Senator from New Hampshire be recognized immediately following this amendment for his opening remarks, since I did not realize he was prepared to proceed at this time.

The PRESIDING OFFICER. Will the Senator restate the request?

Mr. MOSS. The request is as follows:

I ask unanimous consent that following disposition of the amendment now being called up by the Senator from South Dakota that the Senator from New Hampshire be recognized because he has an opening statement and he was precluded by calling up this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ABOUREZK. Mr. President, before the clerk states the amendment, I would not mind yielding now to the distinguished Senator from New Hampshire for his opening statement, just so this amendment would be the pending business at the conclusion thereof. I would like to yield to the Senator at this time.

Mr. COTTON. The Senator is ready with his amendment. I would suggest that he go ahead.

Mr. ABOUREZK. I have more than one amendment.

Mr. COTTON. I might be holding up the Senator. Go ahead with the amendment.

Mr. President, I ask unanimous consent that the request of the Senator from Utah be vacated. I will wait until a later time.

The PRESIDING OFFICER. The Senator from New Hampshire requests that the previous order that he be recognized, as requested by the Senator from Utah, now be vacated. Is there objection?

Mr. MOSS. I join with the Senator from New Hampshire.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ABOUREZK. Mr. President, I call up my amendment designated "A," and I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 104, delete lines 24 and 25 and insert in lieu thereof the following:

"(3) An individual remains liable for injuring another individual, either intentionally or as a consequence of intending to injure himself.

On page 105, line 8, delete "in excess of $2,500."

On page 105, between lines 18 and 19 insert the following new paragraph:

"(6) A person or Government remains liable if such injury was caused or not corrected by an act or omission not connected with the maintenance of a motor vehicle."

Mr. ABOUREZK. Mr. President, the amendment I offer would make certain changes and improvements in S. 354, the National No-Fault Motor Vehicle Insurance Act by permitting lawsuits in certain cases where I believe they should be permitted and by eliminating the deductible feature which applies to recovery for noneconomic detriment—that is pain and suffering.

Some people have ridiculed the language which seems to say that a person remains liable for intentionally injuring himself. While the language does not actually say that, I have offered perfecting language to make better sense out of the provision which preserves the right to sue for persons injured by intentional acts.

In that respect the language specifically states:

(3) An individual remains liable for injuring another individual, either intentionally or as a consequence of intending to injure himself.

That would mean removal from no-fault because the person would be liable under tort recovery.

Then, on page 105, line 8 there is a $2,500 deductible feature which applies to recoveries for noneconomic detriment which I think makes no sense at all. I would remove that deductible completely.

Finally, I would add a new exception to section 206 which would permit a person to sue someone if he were injured through a negligent act which was not associated with the maintenance or use of a motor vehicle.

For example, a person by this amendment, would be able to sue the railroad whose freight car broke loose and crashed into a vehicle or he would be able to sue the contractor who failed to put up proper warning signs and thereby caused a person to be injured in an auto accident.

Mr. MOSS. Mr. President, if the Senator will yield, is this amendment printed?

Mr. ABOUREZK. No, it is not printed. I have a copy here, if the Senator would like one.

Mr. MOSS. I would appreciate receiving a copy.

Mr. President, this amendment goes to deleting lines 24 and 25 on page 104, where it talks about the liability for injuring another individual intentionally or as a consequence of an intent to injure himself; but on page 105, where it refers to "in excess of $2,500," does that apply to the same subject matter?

Mr. ABOUREZK. I think it does.

Mr. President, I ask that those amendments be considered en bloc.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. COTTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COTTON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. COTTON. Does the Senator have the floor?

The PRESIDING OFFICER. The Senator from New Hampshire has the floor.

Mr. COTTON. Mr. President, this whole bill is a highly complicated and technical one. Insurance commissioners of various States—including my own, incidentally—testified before the Judiciary Committee that to decrease the $2,500 mentioned in section 206(a)(5), as the Senator's amendment proposes, would increase the cost of insurance, especially in the rural States.

On the other hand, the deductibility in itself may work a certain injustice on the insured.

The point I am making is that, although there may be merit to the several parts of the amendment offered by the Senator from South Dakota, it is unprinted. We have been trying, with the assistance of both the majority and the minority staffs, to realize its impact.

I do not seek any delay, because I have discussed with the Senator from West Virginia the possibility of an agreement to dispose of the matter within a reasonable time.

However, I think that amendments that go to the somewhat technical provisions of the bill ought to be printed and lie on the table. They can be studied and taken up.

Mr. ABOUREZK. Mr. President, will the Senator yield?

Mr. COTTON. I am happy to yield.

Mr. ABOUREZK. I would be very happy to have these amendments printed, provided they could be taken up tomorrow and considered, so that we may have a vote on them tomorrow.

I should like to withdraw the amendment that we are now considering, with the approval of the Senator from Utah (Mr. Moss).

Mr. MOSS. Mr. President, would the Senator from South Dakota consider a slight modification of the amendment, to perfect a few words in the last line? Where the amendment reads: "Maintenance of the vehicle," I suggest making it "maintenance and use of the motor vehicle."

Mr. ABOUREZK. That is acceptable.

Mr. MOSS. I understand the Senator has withdrawn his amendment.

Mr. ABOUREZK. Mr. President, I ask unanimous consent that the amendment be printed as modified.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment will be printed and lie on the table.

Mr. ABOUREZK. Mr. President, I have two other amendments at the desk that I ask to have printed. I shall call them up at the proper time tomorrow.

Mr. MOSS. The Chair has indicated that it takes unanimous consent to modify the amendment. Therefore, I ask unanimous consent that the words "maintenance of the vehicle" in the last line of the amendment be modified to read "maintenance or use of the motor vehicle."

The PRESIDING OFFICER. Is there objection The Chair hears none, and it is so ordered.

Mr. ABOUREZK. Mr. President, I ask unanimous consent that my amendment which has just been withdrawn be the pending business when the Senate resumes its consideration of the bill tomorrow.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MOSS. I thank the Senator from South Dakota. I think that when the amendment is printed, so that all Senators can see it, we can then proceed rather quickly with the debate.

Mr. MAGNUSON. Mr. President, I suggest to the Senator from South Dakota that his amendment is a good one. I think it better that all Senators see it in printed form. But I may say for the RECORD today that the modification is a good one and that it will improve the bill considerably.

Mr. ABOUREZK. I thank the Senator.

Mr. COTTON. Mr. President, I wish to express my opposition to the bill, S. 354, which is now pending before the Senate.

When the bill, S. 354, was considered by our Committee on Commerce, I joined with several of my colleagues in voting for the motion to order this legislation reported. I did so in order to enable its consideration by the Committee on the

Judiciary. But in so voting, I set forth in the committee report an express reservation, reserving all rights, including, if need be, the right to oppose the bill during Senate consideration, which I now am constrained to do.

While I disagree neither with the need for reform by the several States of the automobile reparation system, nor with the concept of no-fault insurance, I am concerned about the means proposed in S. 354 to obtain its objectives and their possible, if not probable, impact.

Mr. President, some of my concerns with respect to this proposed "National No-Fault Motor Vehicle Insurance Act" have been set forth in the minority views to be found in the report of the Committee on the Judiciary, accompanying S. 354.

For example, in the first instance, I share the concerns of those on the judiciary with respect to the probable constitutional issue raised by the legislation. As pointed out in those minority views, there is a question as to whether the Congress has the power to compel the States to administer a Federal law even if those States are not willing to adopt such a no-fault plan as required pursuant to the provisions of S. 354. The seven members of the Committee on the Judiciary joining in the minority views on S. 354 conclude that, with respect to this question, "it is doubtful that the Congress possesses the power to force unwilling States to take any affirmative action in administering a federally imposed no-fault plan".

Second, notwithstanding some actuarial studies to the contrary, such as the studies prepared by the firm of Milliman & Robertson, Inc., which indicate a potential cost-saving in insurance premiums among the several States, I, too, have duly noted the caveats expressed with respect to such studies. Therefore, there is a lack of certitude with respect to the findings of such studies. And, this might result in actually increasing the cost of automobile insurance for citizens of such rural States as New Hampshire with cost-saving benefits inuring only to the more densely populated urban areas of the country. Thus, I find myself sharing the concern expressed in the minority views of the Judiciary Committee report that "the measure generally operates to the detriment of rural and semi-rural populations."

Finally, I also am concerned that the no-fault insurance being proposed in S. 354, with its mandate for unlimited medical and rehabilitation coverage, coupled with Federal regulation, may jeopardize the ability of many small but financially stable casualty companies to grow and to compete effectively in the automobile insurance market. Such a result could lead inevitably to greater concentration and possible monopoly by the large insurance companies. It thus could lead to the gradual elimination of many of the small insurance companies that are not only rendering good service, but which, because their insurance is written largely in their own section and not diversified throughout the Nation, are even more efficient in dealing with those victims who have had casualties suffered in automobile accidents.

In conclusion, Mr. President, I do not feel that the seat of the Federal Government here in Washington, D.C., and its attendant bureaucracy is the sole repository of all of wisdom of this great Nation of ours. There are some matters which would best be left with the States in order that each of our several States may fashion the remedy best suited to meet the needs of its citizens. This, Mr. President, is what the Congress declared in 1945 with the McCarran-Ferguson Act, that "the continued regulation * * * by the several States of the business of insurance is in the public interest * * *," and I see no valid reason to alter that public interest concept in the manner proposed by S. 354. I therefore feel compelled to oppose this proposed "National No-Fault Motor Vehicle Insurance Act" in its present form.

Mr. President, it has been clearly pointed out already in this debate that the movement toward reformation of our insurance system not only is taking place, but has been taking place. Some of us who in the practice of the law in the past—and this Senator is one—had a good deal to do with the trial and settlement and the adjustment of automobile insurance claims and are well aware of what has been taking place.

First, may I say that in determining my attitude as a Senator on this measure, I want it to be distinctly and definitely understood that I am not representing the viewpoint of the trial lawyers of this country, who have, as their legitimate right, been rather active in opposing this legislation. As I have stated already, during my law practice I represented many insurance companies and engaged in constant jury trial work, involving automobile cases.

I am well aware that there were many faults in the system that needed correction. I am perfectly aware of the fact that insurance companies could postpone cases if the attorney for the injured party—the plaintiff who was seeking a settlement from an insurance company—was not an active or aggressive trial lawyer. It was not a difficult thing, nor an unusual thing in those days to employ dilatory tactics. It might be 1 or 2 years before the case actually got to the doors of the courtroom and before a jury adjudicated the damages suffered or alleged to have been suffered by the plaintiff. If the plaintiff were a person of limited means, it became a great hardship.

The first step that was taken to remedy this situation was to enable payment of doctor and hospital bills. Fortunately, I had no immediate worries in this regard because the practice of my insurance company was to take care of those bills to a very substantial extent. Then, when the case was finally adjudicated—and I am still talking about the old style tort system—whichever company was ultimately liable reimbursed the others under subrogation for these charges.

So it has been some time, now, since we have been up against such a severe injustice of having unfortunate people with serious and disabling injuries, requiring long hospitalization, but without funds and left at the mercy of the slow process of litigation in the courts.

I am not suggesting, Mr. President, that this cured the situation. I am merely suggesting that that was the first step. It is a step that has already been taken, to relieve the most distinct harshness involved in the old system.

In addition, there have been further steps taken. People have become more and more of the opinion that the automobile reparation system can be improved. Many States now have some form of no-fault insurance. These State no-fault laws are not all alike.

Then, there arose a potential problem that worried a great many Senators, I remember, when we were considering this matter in the last Congress. Senators were very much perturbed as to what the situation would be if a person living in a State which did not have no-fault insurance should drive his car into a no-fault State and find himself in an accident, and vice versa. What would happen? Would he, under the laws of the different States, find himself incurring personal liability which might run into very substantial sums and work a great hardship?

Well, that has been taken care of. It has been taken care of by the insurance companies themselves so that, without extra charge, riders are attached to the policies. So, living in my State of New Hampshire, when I drive into Massachusetts, which is a no-fault State, and I find myself in an accident, my policy covers me just as much under the laws of that jurisdiction as it would under the laws of my own State in which my car is registered and insured. This is true throughout the country. So that problem has been removed. But the significance of its removal does not mean that that is all we need to do. Its real significance is that we are not under the gun to enact some nationwide system, without moving with great care to know what we are doing.

So, this year, we come to the point where some 20 State legislatures have enacted some form of no-fault insurance law. Others are or will be considering enactment of such laws.

Thus, we are not standing still. We are not facing the desperate situation we were facing a few years ago. Rather, we are dealing with a problem that is being considered in practically every State of the Union. It has been the subject of careful study by several State legislatures. It has been the subject of constant consideration, discussion, and debate by the various insurance commissioners of all the States as they meet from time to time. All of these things have taken place. We are not running to a fire and yet we are behaving as though we were. I say, this without any criticism of any of my colleagues, and certainly not of the leadership, or the chairmen of the committees involved.

But, our Committee on Commerce did order S. 354 reported and it was referred to the Judiciary Committee.

I, too, voted to send the bill along. I did not think we were getting anywhere with it. Frankly, I hoped that the Judiciary Committee, with all its experience, ability, and knowledge of the law would be able to accomplish what we in the Commerce Committee had not been able to do.

I do not know what happened in the Judiciary Committee, but apparently, it too, found a maze of confusion.

However, the Judiciary Committee did report the bill by, I believe, a vote of 8 to 7. It was a very close vote.

This bill, which contains many meritorious features, and whose purpose is good, proposes the establishment of nation standards for no-fault automobile insurance.

To get down to brass tacks, this Senator finds certain specific objections to it from the standpoint of the people he represents. It is the opinion of this Senator that this bill must, of necessity—and you cannot dodge it or escape it—take something from the pockets of the people who live in the small and rural and sparsely populated States and communities and while relieving the burden in the densely populated metropolitan areas. It cannot help but work that way. As a matter of fact, settlements in a rural State, such as mine, are much less than in the densely populated metropolitan areas.

If a standardized system is adopted, it may well reduce the premiums on insurance in New York City, or in Chicago, or in Los Angeles, or in some smaller cities, where there is some density of population. But, if it does, it is bound to increase somewhat the premiums in my own State and other sparsely populated States.

For example, it is characteristic—and I think it expresses a sincere desire on the part of Members of Congress—always to help, to extend a helping hand to everyone who needs it. It is a policy we have been following until we are almost in national bankruptcy.

Thus, in S. 354, on page 55, section 102(a)(2), congressional findings expressly include one that motor vehicle transportation significantly affects interstate commerce, "particularly in metropolitan areas encompassing more than one State * * *." There you have written right into this bill, in plain, straight English, an acknowledgment that this bill is weighted toward the inhabitants, as is expressed in the language of the bill on page 55, "particularly in metropolitan areas."

On page 58, section 102(b)(2), a congressional policy is expressed to establish "minimum standards which each State must meet or exceed." I repeat, "must meet or exceed." This, in itself, militates against rural States, since it is inherent that higher costing urban areas are to be averaged into the system.

It also means that rural States with a greater number of single-car accidents will have to take up such costs in no-fault claims.

Continuing to call attention to some of the specifics of this bill, on page 72, section 105(a)(5) requires a rating plan by the several States which "shall afford required coverages for motor vehicles to any economically disadvantaged individual." This obviously is directed to large urban areas.

We are not considering a charity bill. This is a business bill. This is not aid for the blind or for the disabled veterans. This is to set up some kind of national insurance system for which people must pay the premiums and receive the benefits. Yet, written into it is the direction that the Federal Government will require the States to have a rating plan that "shall afford required coverages for motor vehicles to any economically disadvantaged individual." What do they mean by an "economically disadvantaged individual"?

I recall a discussion in the committee during which I raised this inquiry. Somebody said they meant poor people who needed a car to get to their work, and who could not make a living for their family unless they had an automobile. Thus, this concept was added. But, who would pay for it? If special, low-rate automobile insurance is to be furnished, in all likelihood, it will be paid by a slightly higher cost for insurance premiums by the average citizen who cannot claim to be a disadvantaged person.

Section 109(b) on page 87 requires State insurance commissioners to provide cost comparisons for "rates being charged by insurers for no-fault benefits and tort liability coverage." Unfortunately, rural States, unlike urban States, may not have the capability to perform this task, except at additional administrative costs.

Section 109(c) on page 87 requires State insurance commissioners to "establish and maintain a program for the regular and periodic evaluation of medical and vocational rehabilitation services." Again, rural States, unlike urban States, may not have the capability to perform this task except at additional administrative costs.

It goes further than this. On page 88, section 109(d) authorizes the State insurance commissioners to "assure that emergency health services are available for each victim suffering injury in the State." Commissioner Whaland of my State of New Hampshire, in his testimony before the Judiciary Committee, suggested that this puts "the insurance commissioner in the role of regulating and developing the State's health care delivery system." Also, in rural areas involving considerable distances and inaccessibility to medical facilities, how can a State commissioner be accountable "for each victim"? And, does this provision mean a State commissioner is mandated to so perform without regard to the wishes of the State's Governor, or its legislature in this matter?

Mr. President, let me read from the bill rather than from the summary with respect to availability of services. On line 20, page 88, it provides the following:

> (d) Availability of Services.—The commissioner is authorized to coordinate with appropriate government agencies in the creation and maintenance of an emergency health services system or systems, and to take all steps necessary to assure that emergency health services are available for each victim suffering injury in the State. The commissioner is authorized to take all steps necessary to assure that medical and vocational rehabilitation services are available for each victim resident in the State.

Now, I emphasize this:

> Such steps may include, but are not limited to, guarantees of loans or other obligations of suppliers or providers of such services, and support for training programs for personnel in programs and facilities offering such services.

Mr. President, this is not a health bill. It does not come from the Department of Health, Education, and Welfare or any of its organizations. It is supposed to be a business bill concerning automobile insurance. I am sure its framers earnestly want it to be designed to be a national no-fault insurance law. But, there creeps into it all these other provisions. Thus, under this bill when one buys a policy to put his car on the road—whether he lives in New Hampshire, North Carolina, Alabama, or California—he is paying something to enable the State to comply with a Federal law that says each victim—every single person within the confines of the State who suffers from an automobile accident—shall be assisted in rehabilitation, whatever that means.

That could go a long way. But, so there will be no misunderstanding with regard to rehabilitation, let me place in the Record the language which appears on page 64, line 3:

> (16) "Medical and vocational rehabilitation services" means services necessary to reduce disability and to restore the physical, psychological, social, and vocational functioning of a victim. Such services may include, but are not limited to, medical care, diagnostic and evaluation procedures, physical and occupational therapy, other medically necessary therapies, speech pathology and audiology, nursing care under the supervision of a registered nurse, medical social services, vocational rehabilitation and training services, occupational licenses and tools, and transportation where necessary to secure medical and vocational rehabilitation services.

Now, that is a beautiful concept, Mr. President, but for the Congress of the United States to try to force every State in this Union to add to the cost of the insurance policies of its citizens to run that kind of rehabilitation program for "each victim" is just not what we up in New England, to use a favorite old Yankee expression, call commonsense. It simply is not practical.

If there is any doubt about this bill putting the Federal Government in the saddle and putting every State under its heel, I call attention to page 96 of the bill, section 201(d). As I read that provision, Mr. President, State insurance commissioners are made subservient to the Secretary of Transportation by mandating that they "shall submit to the Secretary periodically all relevant information which is requested by the Secretary."

I have just one more provision to mention. On page 100, section 204 restricts the authority of the States to limit benefits, providing, for example, unlimited medical and rehabilitation benefits, wage loss of not less than $15,000, and so forth. These limits are so high as to be directed to urban, not rural, needs which may be capable of being met with lower limits and at a lesser cost.

Those are some of the provisions. Standing alone, each does not constitute a particular problem, but when we tie them all together, do not tell me that the passage of this bill in its present form is not going to cost more and make insurance more costly to the American people, certainly more costly in the rural States. It discriminates. It, in effect, takes money from my pocket in New Hampshire and puts it in the pocket of someone who lives in Chicago.

Incidentally, what happens to the small companies? Oh, I have heard so many speeches made on this floor in the 20 years I have been here. I have seen so many tears flow about small business. We are always solicitous about small business. Well, it is rather interesting to me that when we first began to struggle with this idea of a Federal standards bill for no-fault automobile insurance, some of the large insurance companies in this country seemed somewhat apprehensive and not too enthusiastic. But, that situation apparently has changed, because it is my understanding now that the large companies in this country like this bill.

Why? Well, there may be various reasons, but one reason is that, in the opinion of this Senator, we will put some very sound, fine small insurance companies out of business. I am thinking of three or four good, sound companies in my State. The Farm Bureau, the Northern Grange Insurance Co., and others have gone on to take private names in order not to confine themselves or restrict themselves to people of one vocation. But, we have half a dozen such companies. Their purpose is sound. They render good service. They pay up their claims promptly. In fact, they are noted for prompt attention when accidents occur.

As appears on page 978 of the hearings, we had the testimony before the Judiciary Committee of the president of one of those companies, a man whom I have known for 40 years, and I knew his father before he was president of that company, one of the most reliable businesses in the State. He said:

> We are opposed to this bill because insurance conditions in New Hampshire, Maine, Vermont, and, we believe, most of the other States in the Nation are not comparable to those in the larger metropolitan areas. But in forcing a single system on the States, Senate bill 354 disregards these differences and unfairly favors metropolitan areas. The bill, in fact, would relieve a few urban problems at the expense of the remainder of the country. Since approximately 80 percent of Concord General's 65,000 policyholders reside outside urban centers, we are alarmed by the discrimination against them that we think would result from the enactment of Senate bill 354.

Mr. President, I notice that my chairman and dear friend, the distinguished Senator from Washington (Mr. Magnuson), had to leave the Chamber a short time ago, because the members of his subcommittee are marking up an appropriations bill. I myself must join them as soon as possible. I wish he were here, because I should like to read into the record some of the testimony of Karl Herrmann, commissioner of insurance of the State of Washington, who incidentally is quite obviously a close friend and admirer of the distinguished Senator from Washington (Mr. Magnuson). This is what he said, starting on page 394 of the Judiciary Committee hearings:

> I want to say first, that I have a great repect for our senior Senator, Senator Magnuson, from the State of Washington. I do not think that it has been any accident that he has stayed in the U.S. Senate to become one of the top ranking Members with seniority. I believe the record will show that Senator Magnuson has always been on the side of the people, especially those who are the breadwinners for the family, those people who are having a hard time making ends meet. The people that are living from paycheck to paycheck have had their causes championed by Senator Magnuson. I do not know of any instance where he has not been on the side of the consumer and on the side of his constituents.
>
> Now, I am not here to cross swords with him. I differ in the method of approach, but as far as the end result is concerned, of coming up with a better product, coming up with a better method of covering the people who are insured by automobile accidents, I believe we are in entire accord.

Then he goes on to say:

> I believe in State regulation. I think that the Congress under the McCarran-Ferguson Act was wise in leaving it where it has always been historically. I think this would be just letting the camel getting his nose under the tent. Therefore, even though I agree with Senator Magnuson that this matter of leaving the auto accident victims out in the cold has to be remedied. I just believe that you must give the States a chance to act. I know you say: Well, they have had that for a long time. We have got 19 States moving now and we will come up with some real-world experience. Then we won't be depending on the guess work of actuarial studies that will prove anything they start out to prove.

Although it is not strictly pertinent to the bill, but because of my warm personal friendship and great admiration for my distinguished chairman, Mr. Magnuson, I shall not refrain from placing in the Record the concluding words of Mr. Herrmann, the insurance commissioner of the State of Washington. He said:

> Senator, I just want to say this about Senator Magnuson. The Good Book says in substance: Rebuke a fool and he will hate you, but if you differ with a wise man, he will love you. And I think Senator Magnuson fits in the latter category. I have never seen him ruffled because you didn't agree with him if he feels that your motives are sincere and that you believe in what you are saying when you oppose some of his ideas.

I think that is a rather remarkable characterization of the chairman of the Commerce Committee. In the many years I have served with him, I have found this to be true. One can differ with him as long as he knows you are sincere, and nothing ruffles him because of that.

I regret to disagree with him on this bill. It is a dangerous bill. It is an unnecessary bill. This picture is moving, and moving rapidly, in the right direction. The bill is filled with experiments that have not been justified.

I believe that the bill is an entering wedge, quite possibly for the taking over by the Government of insurance in this country. It certainly invades the province of the States and invades those places where the States are in a position to act much more wisely, with greater knowledge of their own circumstances and of the needs of their own citizens, than are we in the Halls of Congress.

In view of the progress that has been made, and the fact that the real damages and injuries that have been suffered, because of the inadequacy of the old tort system, have, one by one, been remedied to the point where there is at present no real injustice that cries out for instant and hasty remedy, I feel that this measure is not needed.

I am going to say, without reflection on any of my colleagues, that in this Senator's opinion this measure is being acted upon without adequate consideration. Already we are being asked to adopt, very shortly, a time limitation to force the measure to a vote. Important amendments are to be offered. I hope they will be carefully considered. The bill might even be remedied to the point where some of the unjust features might be taken from it, so as to provide flexibility to each of the several States.

I may say to the distinguished Senator from Utah that I did not intend to take so much time. I appreciate his courtesy and his patience.

Mr. President, this concludes my general statement on the bill.

Mr. HELMS. Mr. President, I commend the distinguished Senator from New Hampshire, and desire to associate myself with the very fine and penetrating analysis he has just offered with respect to S. 354.

I would add a few thoughts to what the distinguished Senator has so eloquently said about this measure—and the whole question of "no-fault" insurance.

Mr. President, the so-called National No-Fault Motor Vehicle Insurance Act, if approved, would constitute a radical departure from a longstanding congressional policy—a policy that provides very plainly that the State governments are the most appropriate level for the regulation of insurance. In fact, they are the only—and I stress the word—the only appropriate level.

From its beginning the business of insurance has been regarded as a local matter, to be subject to and regulated by the laws of the various States. This view was fostered and augmented by decisions of the U.S. Supreme Court for a period of 75 years beginning with the case of *Paul* v. *Virginia* in 1869, 75 U.S. (8 Wall.) 168, 183, which held that insurance was not interstate commerce and that the State of Virginia could properly regulate the business of insurance within its borders.

This ruling was reiterated by the Supreme Court in the 1895 case of *Hooper* v. *California*, 155 U.S. 648, 654, and again in the 1913 case of *New York Life Insurance Co.* v. *Deer Lodge County*, 231 U.S. 495, 503.

Then, in the 1944 case of *United States* v. *Southeastern Underwriters Association*, 322 U.S. 533, the Supreme Court held for the first time that insurance transactions across State lines constituted interstate commerce. This decision, of course, was a virtual invitation to Congress to regulate this area of control that throughout our national history had been left to the individual States. Within less than 1 year following the Court decision, Congress passed the McCarran-Ferguson Act, which provides in part as follows:

> Congress hereby declares that the continued regulation and taxation by the several states of the business of insurance is in the public interest, and that silence on the part of the Congress shall not be construed to impose any barrier to the regulation or taxation of such business by the several states.

This declaration of policy currently appears as section 1011 of title 15 of the United States Code.

In 1959, Justice Douglas expressed the opinion of the Court in these words:

> We start with a reluctance to disturb the State regulatory schemes that are in actual effect, either by displacing them or by superimposing federal requirements on transactions that are tailored to meet State requirements. When the States speak in the field of "insurance," they speak with the authority of a long tradition. For the regulation of "insurance," though within the ambit of federal power, has traditionally been under the control of the States. *Securities and Exchange Commission v. Variable Annuity Life Insurance Company of America,* 359 U.S. 65.

If this legislation is approved, it not only will disrupt existing State regulations and the present structure of the insurance industry in many areas, but it also will create yet another Federal bureaucracy within the Department of Transportation to monitor State governments in an unceasing effort to determine whether they are complying with the so-called "national standards." Federal bureaucrats will be mandated to make such determination as whether the terms and conditions of insurance contracts approved by a State insurance commissioner are "consistent with the purposes of this act." One might well wonder what kind of proliferating "redtape" and general harassment our State officials will be subjected to at the taxpayer's expense.

By the end of 1972, 35 State legislatures had considered a no-fault plan and rejected it. This should tell us something. In any event, it is a State decision. I urge that the States be allowed to make it.

Mr. FANNIN. Mr. President, I rise to state my opposition to S. 354, the no-fault motor vehicle insurance bill. This bill was voted out of committee by an almost equally divided vote. I have studied the lengthy majority and minority views of the report and am more convinced than ever before that this is a bad bill and should not pass.

Perhaps my greatest concern is with its effect on Federal-State relationships. As I understand the bill, each State could establish a State no-fault plan which meets or exceeds the national standards set forth in S. 354. If a State does not establish a no-fault plan in accordance with title II during its first legislative session, an alternative State no-fault plan, title III of the bill, would become applicable and go into effect in that State 9 months later. Thus, by compelling the States to create agencies and to staff and fund them to administer a Federal law, this bill forces the States to become agents of the Federal Government.

Mr. President, I am shocked that we may have reached the point where we are seriously considering a measure which provides the ultimate in the centralization of our government. I leave to the constitutional lawyers of the Senate to argue the constitutionality of this bill. To me, it appears to violate the sovereignty of the States as provided by the 10th amendment.

The McCarran-Ferguson Act of 1945 established the principle that insurance is a matter left to the States to deal with. The Nation will fare best if the States, which are closest to the people, can respond to the needs of its citizens. The power to regulate insurance has been traditionally retained by the States. Mr. President, the States have been extremely active in this field of no-fault insurance. Twenty-one States have enacted no-fault insurance laws. While my State of Arizona is not among the 21, it is a matter which our legislature has been considering for the last several years. Perhaps one of the compelling reasons for such inaction is the pendency of this bill and previous bills in the last Congress. Why pass a State law which may not meet the standards imposed by the almighty U.S. Congress, only to see it repealed because of the preemption of Federal law? What will happen to the no-fault law already enacted by the 21 States? How many, if any, will meet the standards of S. 354? It is my understanding that their laws differ in many respects. It is only normal that they should differ because State legislatures respond to the needs of the citizens of their States. I would expect the most recently passed no-fault law of Kentucky to differ from the earlier passed law of Massachusetts.

Mr. President, the McCarran-Ferguson Act enacted by Congress in order to establish a national policy governing the regulation of the insurance industry clearly demonstrates that Congress intended to reaffirm the States' power to regulate insurance and to insure that State regulation would not be impaired or overridden except by specific and explicit congressional enactments. S. 354 contradicts this long-established policy by incorporating provisions which are in direct conflict with this national policy and which interfere with existing State automobile insurance laws and regulations.

Mr. President, my second reason for opposing this bill is that it will substantially increase the rates which residents of my State of Arizona and residents of the majority of the States will pay for their automobile insurance. Arizona has continued to be a great State for retired people. Their numbers multiply from decade to decade. My mail from these senior citizens of Arizona is overwhelmingly in favor of this bill, S. 354. All express the same reason for urging me to vote "yes." They say it will greatly reduce their insurance rates, and are for anything that lessens the inflationary effect upon their fixed incomes. Mr. President, this is a cruel hoax. I have studied the tables which are a part of the minority appendices of the report starting on page 63. They demonstrate that the citizens of Arizona will pay at least 16.6 percent more for their insurance if this bill becomes law (page 83). True, citizens of New York, New Jersey, Massachusetts, and Connecticut will pay less for their insurance. In general, there may be a saving in premium costs in the highly industrial States, but in the overwhelming majority of the States, the cost will be more. I urge the Senators to study these tables before voting on this bill.

If this bill becomes law, the increased rates will fall more heavily on residents of rural areas and low-income people who can least afford them. In addition, expert analysis of S. 354 reveals its cost impact would fall hardest on the private passenger driver. At the same time, windfall savings of $700 million annually would be given to commercial vehicle operators, such as truckers, rental car firms and taxi fleets. Quoting from page 54 of the report:

> Using the State of California as a model, under tort, about 20% of the liability premium is paid by commercial operators; but under no-fault they will pay only about 10% after the threshold savings take effect.

One of the advantages that arises for the commercial operator is that his insurance premiums are deductible for income tax purposes while this is not true with respect to the private car owner.

Mr. President, my third reason for opposing this bill is that it is anticompetitive. We are told that the insurance industry and negligence lawyers are the only source of opposition to this bill. Not true. S. 354's mandate for unlimited medical and rehabilitation coverage and Federal regulation could drive small and marginal insurance companies out of business. Medium-sized insurers would be dealt a heavy blow. These smaller companies now comprise approximately one-half of the industry. Competition has played a major part in making America great. The small companies through their innovative efforts and expertise in meeting the special insurance needs of their customers are indispensable. I cannot vote for a bill which could create a monopoly for the giant insurance companies.

Mr. President, there is another aspect of no-fault which has always troubled me. Actuarially, a driver's past accident record is a good indicator of his probable future accident frequency. I believe the accident-prone driver should pay a higher premium rate and the safe driver should be given the benefit of a lower rate. This merit rating concept is now followed by most automobile insurance companies. If we embark upon a system under which the wrongdoer pays the same as the careful driver, there is not the deterrent psychological effect. I strongly believe in the person's accountability principle. The idea of abandoning responsibility is based in part on the assumption that auto crashes are really nobody's fault—that they are more or less random events, the inevitable consequence of a motorized society. But there is strong evidence to the contrary. A startling high percentage of all serious auto accidents involve flagrant driver negligence.

Mr. President, 21 States have now enacted no-fault laws, and it appears there will be more within the next year. We have been in a period of testing and proving. If we are to pass a Federal law, no matter how much I disapprove of federalization, I want the best law possible and we do not, as yet, have sufficient State experience to guide us.

Mr. President, the statements that this bill does not federalize automobile insurance regulation cannot be accepted in light of the bill requirements themselves. The bill contains requirements which would exceed existing authority of State insurance regulators; which would overlap existing State automobile insurance laws and regulations and which would require substantial State legislative action; and regulations which are in direct conflict with existing State automobile insurance regulatory laws.

The clear and unambiguous language of McCarran-Ferguson was intended to reaffirm the States' power to regulate insurance and to insure that State legislative plans would not be impaired or overridden except by specific and explicit congressional enactments. Indeed, drafters of S. 354 recognized this congressional policy and give token acknowledgment of their acceptance of it. Section 102 of the bill sets out the need to "recognize, respect, and avoid interfering with the historical role of the States in regulating a legislative authority over the business of insurance." However, having thus piously acknowledged the desirability of continuing this long established public policy, the framers of the bill proceeded to incorporate into the bill provisions which are in direct conflict with this national policy and which contradict and interfere with existing State automobile insurance laws and regulations.

S. 354 directs that the ultimate judgment as to whether automobile insurance business is being regulated be made not by the States, nor by Congress, but by a Federal administrative agency, the Department of Transportation. Consider, for example, the Department of Transportation's role under this bill. It would determine whether a State insurance commissioner has established and maintained a medical and vocational rehabilitation program; whether the law of the State complies with title II; whether a State insurance commissioner has established an assigned claims plan; whether a State insurance commissioner has established a consumer information system; whether a State insurance commissioner has established an insurance system through which required no-fault benefits and tort liability coverages will be offered to consumers; whether a State insurance commissioner has regulated self insurance; whether the automobile insurance rates of the State are unreasonable and not unfairly discriminatory among similarly situated applicants; whether a State insurance commissioner has submitted data to the Department of Transportation; whether the terms and conditions of the insurance contract approved by the State insurance commissioners are consistent with the purposes of the act and fair and equitable to all persons whose interest may be affected.

Mr. President, I submit that this bill follows the legislative pattern of other Federal regulatory legislation, wherein Congress enacts broad regulatory policies and charges Federal administrative agencies with the responsibility for implementing those policies. Mr. President, I cannot reconcile this with the existing policy to leave regulation of insurance to the States.

Mr. President, most specifically, consider the following sections of the bill in light of the McCarran-Ferguson Act policy and the bill's own acknowledgment of this policy.

Section 109(c) would require the insurance commissioner to establish and maintain, for automobile accident victims, medical and vocational rehabilitation programs, including the establishment of procedures to evaluate treatment rendered, charges for services and the rendering of periodic reports. Not a single State insurance commissioner has such authority today. To the extent that such authority does exist in the States it is being exercised by State vocational rehabilitation agencies. For the State insurance commissioner to involve himself as required by S. 354 would necessitate specific State legislative action. Moreover, it is questionable whether the States would respond to this Federal mandate, since it is poor management to detach responsibility for the rehabilitation of automobile accident victims from another State agency which has the expertise in rehabilitation.

Section 109(d) "authorizes" the State insurance commissioner to coordinate with other appropriate Government agencies "in the creation and maintenance of an emergency health services system." First of all, no State insurance commissioner has such authorization; other State officials have this responsibility. Again, the desirability of establishing an emergency care system for automobile accident victims is highly questionable. However, apart from this, it is wrong to assume that Federal legislation is either required to permit the States to grant this authority to their insurance commissioner or that Federal legislation can, by itself, provide this increased authority to the State insurance commissioners. This "authorization" is illustrative of the basic fallacy in which this bill views State-Federal relations.

Section 108(b) would require State insurance commissioners to establish assigned claims plans. Few State insurance commissioners have this power today, and their authority to establish such plans must come from State laws and not from Congress.

Section 109(b) requires commissioners to establish a consumer information system to permit purchasers of automobile insurance to compare prices, rates, et cetera. The establishment of such programs would require the gathering of statistical data at costs often beyond that permitted by the budgets of some State insurance departments. Thus, this provision would require, at the very least, substantial increases in those budgets.

Today, every State insurance law requires the State insurance commissioner to regulate self-insurance. But, the methods of regulations vary as the need for regulations vary among the States. Under this bill no longer would State officials be able to carry on with their administration of self-insurance under their State insurance law.

Section 105(a) would require each State insurance commissioner to establish and implement an insurance system through which any required no-fault benefits and tort liability coverages will be conveniently and expeditiously available. Each State has a plan through which any licensed automobile insurance driver can secure insurance today. But, as should be expected, because of local situations, these plans vary substantially among the States. However, section 105 sets forth specific standards for the operations of these plans. For instance, commissioners would be required to insure that these plans provide coverage to the economically disadvantaged in need of their automobiles for work-related purposes at a subsidy. Not only is this particular requirement absent from any existing State plan, but on its face it is discriminatory, and contrary to the basic foundation of every single State rating law, which, without a single exception, are predicated on the requirements that rates shall not be excessive, inadequate, or discriminatory.

Section 201(d) would require the State insurance commissioner to submit to the Federal Department of Transportation "periodically for all relevant information which is requested by the Secretary" for the purpose of evaluating whether the State automobile insurance reparation plan is in accordance with Federal requirements. This would require the State insurance commissioner to collect, on a periodic or routine basis data requested by a Federal agency which may be of little or no value in assisting him in discharging his obligations. Moreover, the collection of data and information is a costly undertaking. Insurance commissioners do collect a considerable amount of data today to assist them in implementing their responsibilities. However, in order to avoid conflicting data collection systems, existing statistical gathering programs would have to be abandoned if they are different from Federal requirements. Thus, the quality of State insurance regulations may very well suffer because of an inadequacy of information which State insurance commissioners may feel is needed for proper implementation of State laws.

Section 211(b) limits the powers of the State insurance commissioners to approve the terms and conditions of any contracts, certificates, or other evidence of insurance to those which "are consistent with the purposes of this act and fair and equitable to all persons whose interests may be affected." Thus, very clearly, "the purposes of this act" vary from the purposes of a specific State law, that insurance commissioners would be powerless to approve those terms and conditions of insurance contracts which attempt to implement State insurance requirements.

Section 105(b) deals with cancellation, refusal to renew, or termination of the automobile insurance contract. Every single State insurance law does restrict substantially the right to cancel automobile insurance contracts. But, not a single State follows the detailed and often unrealistic provisions contained in this section.

Section 108(a) (D) would require that in case of an insolvent insurer, the insured shall collect his basic restoration insurance benefits from the assigned claims plan. This provision is in direct conflict with laws existing in 47 States and the District of Columbia for the payment of benefits and the reimbursement for unearned premiums to victims of insolvent property and casualty insurance companies. Ironically, the Federal insolvency program which would be imposed by this section and which would vacate existing State plans falls far short of the protection which consumers presently enjoy. State plans reimburse policyholders of insolvent companies for unearned premiums. Section 108(a) (D) contains no such protection. Let it be noted that the Senate Commerce Committee, when studying the automobile insurance insolvency question was very critical of then existing State plans because of their failure to provide reimbursement to policyholders for unearned premiums. Accordingly, all existing State insolvency plans were amended to provide for such consumer protection and no plan enacted thereafter failed to so provide.

Section 209 requires that insurers make available certain automobile insurance coverages over and above "basic restoration benefits." These mandatory offerings are in direct conflict with existing State insurance law provisions. Thus, once again, the Federal insurance law and regulations and requirements would preempt and replace existing State insurance codes.

This has not been an exhaustive presentation of the substantive provisions of S. 354 which not only conflict, contradict and interfere with existing State automobile insurance laws and regulations but also fly in the face of the avowed purposes of S. 354. The examples are merely illustrative in order to demonstrate that S. 354 is in direct contradiction with national policy as reflected in the McCarran-Ferguson Act.

Mr. President, I am not arguing that Congress is forever bound to the policy established in McCarran-Ferguson. However, I believe that if there is to be any change in such a policy, such a change should be confronted squarely by Congress rather than affecting a repeal through this bill. Again, Mr. President, I do not believe that this long established national policy should be overturned without careful consideration as to the total impact which such change would bring about, including the probable increase in the concentration of the automobile insurance business in a few companies since the smaller companies would find it difficult to compete and would ultimately be merged into the larger ones.

Mr. President, supporters of this bill would like for us to believe that the Federal regulatory requirements imposed on the States by this bill are mere details. But, these details are the nuts and bolts which allow the insurance companies to provide automobile insurance protection to consumers. These details are the State automobiles insurance codes. They represent carefully evaluated legislative plans which balance out the interests of consumers and the business community. This assures that healthy competition can strive among the companies while proper protection can be provided to consumers.

Mr. President, we are also being told that the insurance regulatory plan under this bill is no different from those plans which Congress authorized under the National Flood Insurance Act, the Federal Crime Insurance Act, or the Federal Riot Reinsurance Program. But, Mr. President, even if this were so, let us see how this so-called State-Federal relationship has evolved.

First, as to the flood insurance program. In a letter dated March 1, 1974, to all Federal and State agencies, the Federal Insurance Administrator stated that—

> It is the view of the Federal Insurance Administration that the intent of the Congress in the Flood Disaster Protection Act requires the exclusive use of the federal flood insurance policy issued by the National Flood Insurance Association under the National Flood Insurance Act of 1968 and know as the Standard Flood Policy.

Thus, Mr. President, has a Federal monopoly in the area of flood insurance been created. I would hesitate, Mr. President, to call this a good example of constructive federalism.

As to the Federal crime insurance program which has also been cited as an excellent example of constructive federalism, I found the following statements in the regulations issued by the Department or Housing and Urban Development:

> The crime insurance program authorized by the Act is a direct federal program and its operations, receipts, and funds are exempt from any form of federal, state or local taxation.

And again—

> No federal crime insurance policy issued by or on behalf of the insurer shall be subject to any state or local tax or insurance law or regulation.

Mr. President, these statements are hardly in support of constructive federalism.

As to the Federal riot reinsurance program, in a recent address delivered by the Federal Insurance Administrator, a statement was made to the effect that as a direct result of the regulations issued by the Federal Government under this program, the Federal Insurance Administrator now effectively controls the regulation of property insurance in the United States. Again, Mr. President, not a very good example of constructive federalism.

Mr. President, even if I could be persuaded that the national policy established in McCarran-Ferguson should be reversed, I could not vote for this bill, since it is structurally sound and is based on constitutional theories of State-Federal relations which are beyond the realm of possibility.

I will not argue the constitutional issue. It stretches the boundaries of my imagination to be able to accept the fact that Congress could enact a Federal law which would be applicable in a State and which would mandate State legislatures to appropriate funds and State officials to implement the law. If Congress is to impose its will on a State it can do so, but it must use its own money and Federal manpower unless the States voluntarily cooperate with the Federal mandate.

Mr. President, we are told that we should not worry about this, since the State will unquestionably cooperate and knuckle under the Federal mandate for the privilege of staying in the business of regulating automobile insurance. I would not depend on this. I believe that recent history has demonstrated that when Congress has attempted to impose its regulatory will on the States in fields which have been previously regulated by the States, States have withdrawn from the field. Many of the regulatory requirements of S. 354 are highly controversial. They will require expensive legislative action before becoming amenable to State administrations. I firmly believe that some States will refuse to enact these Federal automobile regulatory requirements. In those States, insurance commissioners will find it impossible either to administer their State insurance laws which are contrary to the Federal requirements or the Federal law.

Since the bill fails to provide for the establishment of a Federal agency to implement the regulatory functions in S. 354, I am convinced, Mr. President, that within a very short time we will be asked, by emergency legislation, to establish such a Federal automobile insurance administration in order to avoid the inevitable chaos which the displacement of State regulation will create. Mr. President, it is imperative that we recognize that if we vote for this bill today, we will be asked tomorrow to establish a Federal automobile insurance regulatory administration, funded by Federal funds, placing additional pressures on the Federal Treasury and Federal budget.

Supporters of the bill, Mr. President, have told us that the States will cooperate. They have pointed to the excellent cooperation afforded the Cost of Living Council by State insurance commissioners regarding insurance price control regulation. Let me say, Mr. President, that I applaud the cooperation offered by State insurance commissioners to the Cost of Living Council. But, Mr. President, there were some exceptions, notably the commissioner of insurance from the State of Pennsylvania, who rejected any assistance to the Cost of Living Council and refused to cooperate to assist the Council in implementing the regulations related to insurance price controls.

Mr. President, the bill which we have before us today is neither fish nor fowl. It says that it wants to maintain State regulation of automobile insurance business, but it does impose a Federal regulatory scheme on the States. It says that it wants to depend on State administrators to implement the law, but it knows that what it proposes stretches the limits of federalism and begs for sequel legislation establishing a Federal automobile insurance regulatory agency.

Mr. President, the issue of no-fault by itself is sufficiently fraught with constitutional questions to make it totally unwise and unwarranted to further burden no-fault legislation with grave constitutional impediments. This is what has been done in S. 354. I do not believe, Mr. President, that it would be responsible on the part of Congress to enact legislation which affects the daily lives of practically every individual in this country, and which contains so many unrelated constitutional problems.

AMENDMENT NO. 1132

Mr. MOSS. Mr. President, is the bill open to amendment at this time?

The PRESIDING OFFICER (Mr. HELMS). The bill is open to amendment.

Mr. MOSS. I call up amendment No. 1132. The principal sponsor of this amendment is the Senator from Washington (Mr. MAGNUSON), and I am a cosponsor. The Senator from Washington has asked me to call it up at this time, and therefore I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment (No. 1132), which is as follows:

AMENDMENT No. 1132

On page 91, line 6, delete "(2) and (3)" and insert in lieu thereof "(2), (3), and (4)".

On page 91, lines 14 and 15, delete "based upon a determination of fault".

On page 92, line 5, delete "(3)" and insert in lieu thereof "(4)".

On page 92, between lines 4 and 5, insert the following new paragraph:

"(3) Notwithstanding the provisions of paragraph (1)(B) of this subsection, a State may grant a right of reimbursement among and between restoration obligors based upon a determination of fault, where such restoration obligors have paid or are obliged to pay benefits for loss arising out of an accident resulting in injury in which one or more of the motor vehicles involved has an unladen weight in excess of eight thousand pounds: *Provided*, That in such event such right of reimbursement may be granted only with respect to benefits paid for loss in excess of $5,000.".

Mr. MOSS. Mr. President, several of my colleagues have expressed concern over S. 354, the National No-Fault Motor Vehicle Insurance Act, because they fear that owners of heavy commercial vehicles will experience a substantial savings in their vehicle insurance premiums. They point out that these savings in their vehicle insurance premiums may very well surpass the savings of the ordinary passenger car owner and argue that such a savings constitute a "windfall."

The Senate Commerce Committee was aware of the possibility that owners of heavier commercial vehicles would experience substantial premium savings. Therefore, the committee provided a mechanism whereby a State could provide for the redistribution of the insurance premium burden by allowing the insurers of passenger cars to be reimbursed by the insurers of passenger cars on some basis other than fault—on the basis of weight, for example.

Because some people have argued that loss shifting on the basis of weight would not be adopted by the States and that loss shifting on the basis of fault for heavy commercial vehicles would be more appropriate, I call up for the consideration of my colleagues on the Senate floor the following amendment to S. 354.

The amendment would permit reallocation of loss between heavy vehicles—over 8,000 pounds unladen weight—and other vehicles based upon fault if a State decided such reallocation was necessary to prevent a "windfall." This determination of fault would be at the insurer level, and would not affect the ability of the accident victim to recover timely compensation without regard to fault. In order to insure owners of heavy commercial vehicles some advantages under a no-fault system the amendment preserves a no-fault, even at the insurance company level, for the first $5,000 of loss.

Mr. President, that is the thrust of this amendment. It makes a differentiation between large trucks and other passenger vehicles below 8,000 pounds in unladen weight. The amendment has been considered and discussed.

As the Senate will notice, of course, this places an option with the State as to whether it decides such reallocation is necessary to prevent windfalls. Since the thrust of this bill is to leave with the States the maximum degree of administrative function in the no-fault law, it is felt that this would be a proper amendment to the pending bill.

I offer this proposal for the consideration of the Senate. The amendment, I might note, was submitted on the first of April, and there has been plenty of time for consideration. So far as I know, there has been no opposition expressed to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Utah.

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS HARRY F. BYRD, JR., AND BAYH TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders or their designees have been recognized under the standing order, the distinguished Senator from Virginia (Mr. HARRY F. BYRD, JR.), and the distinguished Senator from Indiana (Mr. BAYH) be recognized each for not to exceed 15 minutes, and in that order.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent, that after the two orders for the recognition of Senators have been completed tomorrow, there be a period for the transaction of routine morning business, not to extend beyond 12:45 p.m., with statements therein limited to 5 minutes each. I believe that the distinguished majority leader has already gotten consent that at 12:45 p.m. tomorrow the Senate will go into executive session.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I shall suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF WILD AND SCENIC RIVERS ACT

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 9492.

The PRESIDING OFFICER (Mr. HELMS) laid before the Senate the amendment of the House of Representatives to the amendment of the Senate to the bill (H.R. 9492) to amend the Wild and Scenic Rivers Act by designating the Chattooga River, North Carolina, South Carolina, and Georgia as a component of the National Wild and Scenic Rivers System, and for other purposes, which was, on page 2 of the Senate engrossed amendment, strike out all after line 8 over to and including line 4 on page 5, and insert:

(b) In section 4 delete subsection (a) and insert in lieu thereof the following:

"SEC. 4. (a) The Secretary of the Interior or, where national forest lands are involved, the Secretary of Agriculture or, in appropriate cases, the two Secretaries jointly shall study and submit to the President reports on the suitability or nonsuitability for addition to the national wild and scenic rivers system of rivers which are designated herein or hereafter by the Congress as potential additions to such system. The President shall report to the Congress his recommendations and proposals with respect to the designation of each such river or section thereof under this Act. Such studies shall be completed and such reports shall be made to the Congress with respect to all rivers named in subparagraphs 5(a) (1) through (27) of this Act no later than October 2, 1978. In conducting these studies the Secretary of the Interior and the Secretary of Agriculture shall give priority to those rivers with respect to which there is the greatest likelihood of developments which, if undertaken, would render the rivers unsuitable for inclusion in the national wild and scenic rivers system. Every such study and plan shall be coordinated with any water resources planning involving the same river which is being conducted pursuant to the Water Resources Planning Act (79 Stat. 244; 42 U.S.C. 1962 et seq.).

"Each report, including maps and illustrations, shall show among other things the area included within the report; the characteristics which do or do not make the area a worthy addition to the system; the current status of land ownership and use in the area; the reasonably foreseeable potential uses of the land and water which would be enhanced, foreclosed, or curtailed if the area were included in the national wild and scenic rivers system; the Federal agency (which in the case of a river which is wholly or substantially within a national forest, shall be the Department of Agriculture) by which it is proposed the area, should it be added to the system, be administered; the extent to which it is proposed that such administration, including the costs thereof, be shared by State and local agencies; and the estimated cost to the United States of acquiring necessary lands and interests in land and of administering the area, should it be added to the system. Each such report shall be printed as a Senate or House document."

(2) In section 5 delete subsection (b) and reletter subsections (c) and (d) as (b) and (c), respectively.

(3) In section 7(b) (i) delete all after "Act" and insert in lieu thereof "or for three complete fiscal years following any Act of Congress designating any river for potential addition to the national wild and scenic river system, whichever is later, and".

(4) In section 7(b) (ii) delete "which is recommended", insert in lieu thereof "the report for which is submitted", and delete "for inclusion in the national wild and scenic rivers system".

(c) In section 7 (b) (i) delete "five-year" and insert in lieu thereof "ten-year" and delete "publish" and insert in lieu thereof "notify the Committees on Interior and Insular Affairs of the United States Congress in writing, including a copy of the study upon which his determination was made, at least 180 days while Congress is in session, prior to publishing".

(d) In section 15(c) delete "for the purpose of protecting the scenic view from the river," and insert in lieu thereof "within the authorized boundaries of a component of the wild and scenic rivers system, including the protection of the natural qualities of a designated wild, scenic or recreational river area,".

(e) Delete section 16 and insert in lieu thereof:

"SEC. 16. (a) There are hereby authorized to be appropriated, including such sums as have heretofore been appropriated, the following amounts for land acquisition for each of the rivers described in section 3(a) of this Act:

Clearwater, Middle Fork, Idaho, $2,909,800;
Eleven Point, Missouri, $4,906,500;
Feather, Middle Fork, California, $3,935,700;
Rio Grande, New Mexico, $253,000;
Rogue, Oregon, $12,447,200;
St. Croix, Minnesota and Wisconsin, $11,768,550;
Salmon, Middle Fork, Idaho, $1,237,100; and
Wolf, Wisconsin, $142,150.

"(b) The authority to make the appropriations authorized in this section shall expire on June 30, 1979."

Mr. JACKSON. Mr. President, the purpose of this measure is to include the Chattooga River in the Wild and Scenic Rivers System and also to make various general amendments to the Wild and Scenic Rivers Act in order to strengthen the act in several respects.

H.R. 9492, which passed the House of Representatives on December 3, 1973, is virtually identical to S. 2385, introduced by Senators TALMADGE and NUNN. At the October 10, 1973, Public Lands Subcommittee hearing on S. 2385 and H.R. 9492, administration representatives, State officials, and public witnesses gave unanimous support to the designation of the Chattooga as a component of the Wild and Scenic River System. On the basis of that testimony on December 3, 1973, the full Committee on Interior and Insular Affairs unanimously agreed to report H.R. 9492 to the Senate. In addition, the committee agreed to add the provisions of S. 921—containing certain amendments to the original Wild and Scenic Rivers Act, 82 Stat. 906—which previously passed the Senate on September 24, 1973. The addition of this amendment was made necessary when the Senate was prevented from insisting on its language in S. 921 because the bill had been amended too many times to allow for a conference.

On March 22, 1974, the Senate passed H.R. 9492, as amended. In addition to designating the Chattooga River as a national wild and scenic river, the bill, as amended by the Senate, provided for five changes to the original act.

First, it would extend the moratorium on water resource projects for study rivers from 5 years from the date of enactment of the original Wild and Scenic Rivers Act to 10 years—thus shifting the moratorium deadline from October 2, 1973, to October 2, 1978.

Second, it would increase the funding authorization of $17,000,000 in the original act by $20,600,000 for a total authorization of $37,600,000.

Third, it would remove the authority of either the Secretary of Agriculture, without reporting to Congress, at his discretion to terminate the study of and remove protection for any river which Congress has designated for a study. The amendment would provide a minimum 3-year period for Congress to review a river study report whether it is positive or negative.

Fourth, it would place a definite 3 fiscal year limit on the studies by the Secretaries for all rivers designated for study by Congress either in the original act or any subsection act.

Finally, it would require the President, rather than one of the Secretaries, to report to Congress on each river study.

I ask unanimous consent to insert in the RECORD at this point a more detailed discussion of these provisions which appeared in our committee report—report No. 93–738—on H.R. 9492.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

BACKGROUND AND ANALYSIS

Clause (b). The Wild and Scenic Rivers Act provided for the study of 27 rivers for possible inclusion in the national wild and scenic rivers system. A 10-year study period (until October 2, 1978) was established. However, under section 7(b) (i), the study areas were protected from water resources projects for only 5 years (until October 2, 1973). To date, only five river studies have been transmitted to Congress. The Administration has discarded entirely its earlier schedule calling for completion of all 27 studies by the October 2, 1973, termination date of the protection period. A newer schedule prepared early last year called for completion of most of the studies by midsummer 1974. However, this schedule is already outdated. The most recent schedule, prepared by the Bureau of Outdoor Recreation and the Forest Service at the request of Senators Haskell and McClure places the completion dates for a number of rivers three to five years from now. To insure the continued protection of these areas while the studies are being completed, clause (b) of H.R. 9492, as ordered reported, would extend the protection period for an additional five years so as to make it correspond to the study period (both periods concluding on October 2, 1978).

Clause (c). Section 16 of the original Act authorized the appropriation of not more than $17,000,000 for the acquisition of the initial components of the national wild and scenic rivers system. Some $16.9 million have been appropriated, but acquisitions have not been completed for seven of the eight original wild and scenic rivers. In testimony before the Subcommittee on Public Lands, Mr. James G. Watt, Director of the Bureau of Outdoor Recreation of the Department of the Interior, presented the breakdown of the estimated additional costs necessary to complete the acquisitions planned in each river area:

Clearwater, Middle Fork, Idaho	$2, 160, 000
Eleven Point, Mo	2, 900, 000
Feather, Middle Fork, Calif	3, 850, 000
Rio Grande, N. Mex	100, 000
Rogue, Oreg	9, 040, 000
Saint Croix, Minn. and Wis	1, 450, 000
Salmon, Middle Fork, Idaho	1, 100, 000
Total	20, 600, 000

The Committee amendment would add the $20.6 million sum to the original funding authorization, thus providing a new authorization total of $37,600,000.

Clause (d). This clause would:

(1) put a definite time limit on the studies for all rivers designated for study by Congress in either the original Act or any subsequent Act;

(2) remove the authority of either Secretary, without ever reporting to Congress, at his discretion, to terminate a study of, and remove protection for, any river which Congress has designated for study; and

(3) provide that the President, rather than one of the Secretaries, report to Congress on each river study.

The original Act provided a ten-year time period for study of the 27 rivers designated for study in the Act. There was no provision similar to subsection (c) of section 3 of the Wilderness Act (78 Stat. 890) providing that "not less than one-third of the areas . . . (shall) be reviewed . . . within three years after enactment . . ., not less than two-thirds within seven years of enactment . . ., and the remainder within ten years of enactment. . . ." As noted in the discussion of clause (b), only five studies have been transmitted to Congress and the most recent schedule suggests that three to five more years will be required for completion of some of the studies. It was pointed out at the Public Lands Subcommittee hearing that long delays in completing studies not only endanger system status for rivers threatened by development, but also leave property owners in the unfortunate position of not knowing for an extended period what will be the future of their property.

A ten-year study period was, of course, logical for the original Act which called for 27 studies. However, future additions to the study category will be done on a case-by-case basis usually by separate Acts of Congress. This process insures the spacing of studies. In addition, as manifested in the recent schedule, studies or the original 27 rivers are now spaced as to degree of completion. As time requirements on staggered studies would not appear to be onerous, part (1) of clause (d) provides a three complete fiscal year time limit on all river studies. The time limit runs from the date of enactment of any Act, subsequent to the original Wild and Scenic Rivers Act, which mandates the study of additional rivers and from the date of enactment of H.R. 9492 for the 27 original study rivers. The period is based on fiscal years to insure three complete rounds of appropriations for each study.

Presently, the original Act allows the relevant Secretary to terminate a study of a river at any time and remove the protection of the river should be decided that the river should not be included in the national wild and scenic rivers system. (In fact, Congress has received notice that two study rivers do not meet the criteria for inclusion in the Wild and Scenic Rivers System. This notification was provided in the form of brief letters from the Secretary of the Interior. No study report justifying these decisions was submitted, thus placing Congress in the position of being unable to evaluate whether such decisions were justified.)

In contrast to this approach, the Wilderness Act requires that all studies be completed and reported to Congress whether or not the recommendations are favorable or unfavorable to inclusion of the relevant areas in the national wilderness preservation system. Protection cannot be removed from certain areas under subsection 3(b) of the Wilderness Act until the reports are completed and submitted and "until Congress has determined otherwise".

Clause (d) takes a compromise position. It does not call for the unlimited protection provided in the Wilderness Act, but it does require completion of the river studies and allows Congress the opportunity to review them before releasing the river areas from protection. Parts (1) and (4) of clause (d) provide for *completion* of *all* studies mandated by Congress. (As noted above, this clause would also provide a study deadline of three fiscal years from enactment of this bill for the 27 rivers included in the original Act and three fiscal years for each river added to the study category by Congress subsequent to the original Act.) The protection period for rivers under study would be extended to October 2, 1978 by clause (b). However, in addition, the protection would be provided by part (3) of clause (d) for the three full fiscal year study periods for any rivers added to the study category if such periods would extend beyond the October 1, 1978 deadline (which would be the case for all Acts of Congress enacted after October 1, 1975). (Clause (d) does not afford protection indefinitely beyond these periods until Congress acts as does the Wilderness Act, rather it *preserves* the language of the original Wild and Scenic Rivers Act (clause 7(b)(ii)) which extends the protection for not more than three years to allow Congress to consider the reports. The original language is amended by part (4) of clause (d) only to comply with the intent of clause (d) to insure that Congress receives and will have the three-year opportunity to deliberate on reports on *all* the rivers it has directed to be studied, not just those which the relevant Secretary finds worthy of addition to the system.

Finally, to better provide for timely completion of the river studies, part (1) of clause (d) transfers the responsibility for reporting to Congress on the studies from the Secretaries of the Interior and of Agriculture to the President. As Senator McClure pointed out in the Public Lands Subcommittee hearing, the Wilderness Act language which places the duty of reporting the wilderness studies directly on the President was effectively evoked by Congress and the conservationists in their effort to expedite completion of the studies after early delays. It is expected that the provision of a similar responsibility for river studies will have a similar result.

Mr. JACKSON. Mr. President, the House, on April 10, 1974, agreed to the Senate amendment to H.R. 9492, and added an amendment of its own. H.R. 9492, as amended, which is before the Senate again today, preserves all of the provisions which were added in the Senate with one exception: The 3-year study limitation on any new rivers designated for study by the Congress is deleted. The House Interior Committee has informed our committee that it would prefer to place a time limitation for study in each bill which designates a new study river. This way the study period can be tailored at the time of passage of each bill to meet the unique circumstances concerning the particular river to be studied and the immediate capability of the relevant agency to conduct the study.

This appears eminently reasonable and my colleagues on the committee have informed me that they are perfectly agreeable to this approach.

The House amendment of April 10, 1974, made three additional changes in H.R. 9492. Two of these three changes were originally part of a separate House bill which was reported by the House Interior Committee, adopted by the House without opposition, and added to S. 921. The changes would: First, redefine the purpose for which scenic easements may be acquired within the river corridor to include not just the protection of the "view from the river" as the original act provides but rather the protection of the "natural qualities" of the river area; second, take the $20.6 million new moneys authorized by H.R. 9492, as amended by the Senate, for acquisitions in the corridors of the wild and scenic rivers designated in the original act, and the $17 million already expended on those rivers and divide the total into individual authorizations for each of those rivers; and third, establish a deadline of June 30, 1979, for expenditure of the authorized funds.

Mr. President, I believe the House amendment strengthens the Wild and Scenic Rivers Act and fully coincides with the purpose of the Senate language in H.R. 9492. There are, however, several technical changes which must be made before this bill can be sent to the President. I, therefore, send to the desk an amendment to make the necessary changes and move that the Senate concur in the amendment of the House to H.R. 9492, with an amendment.

Mr. ROBERT C. BYRD. Mr. President, now, on behalf of Senator Jackson, I move that the Senate concur in the House action with an amendment.

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk read as follows:

(a) In subsection (b):

(1) between "(b)" and "In" insert "(1)"; and

(2) delete paragraph (3) and insert in lieu thereof the following:

"(3) In section (7)(b) delete clause (i) and insert in lieu thereof the following:

'(i) during the ten year period following enactment of this Act or for a three complete fiscal year period following any Act of Congress designating any river for potential addition to the national wild and scenic rivers system, whichever is later, unless, prior to the expiration of the relevant period, the Secretary of the Interior and, where national forest lands are involved, the Secretary of Agriculture, on the basis of study, determine that such river should not be included in the national wild and scenic rivers system and notify the Committees on Interior and Insular Affairs of the United States Congress, in writing, including a copy of the study upon which the determination was made, at least 180 days while Congress is in session prior to publishing notice to that effect in the Federal Register, and' ".

(b) Delete subsection (c) in its entirety.

(c) In subsection (d):

(1) delete "(d)" and insert in lieu thereof "(c)", and

(2) delete "including the protection of" and insert in lieu thereof "for the purpose of protecting".

(d) In subsection (e) delete "(e)" and insert in lieu thereof "(d)".

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from West Virginia (Mr. Robert C. Byrd).

The motion was agreed to.

NATIONAL NO-FAULT MOTOR VEHICLE INSURANCE ACT

The Senate continued with the consideration of the bill (S. 354) to establish a nationwide system of adequate and uniform motor vehicle accident reparation acts and to require no-fault motor vehicle insurance as a condition precedent to using a motor vehicle on public roadways in order to promote and regulate interstate commerce.

Mr. MOSS. Mr. President, it is my understanding that further action on the Magnuson amendment is now to go over until tomorrow. Is that correct?

The PRESIDING OFFICER. Will the Senator from Utah restate his question?

Mr. MOSS. It is my understanding that inasmuch as we have proceeded to this point on the Magnuson amendment and are unable to complete it, it would go over until tomorrow. Or has there been any decision on that?

The PRESIDING OFFICER. There has been no agreement.

The Chair is advised by the Parliamentarian that both amendments cannot be pending at the same time. However, there can be a request for the Magnuson amendment to come up following the Abourezk amendment.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. MOSS. I Yield.

Mr. ROBERT C. BYRD. The request has already been entered for the Abourezk amendment to be the pending question immediately after the Senate disposes of the nominations in executive session on tomorrow and returns to legislative session. That being the case, would not the Magnuson amendment, if it is not disposed of today, automatically be the pending question upon the disposition of the Abourezk amendment tomorrow?

The PRESIDING OFFICER. The Senator is correct.

Mr. MOSS. So far as I am concerned, I am ready to act on the Magnuson amendment right now. However, I will not make any motion on the Magnuson amendment and will expect that we will return to it immediately tomorrow. I do have two or three points I wish to make on the bill in general, after which I will move that we adjourn.

The Senator from New Hampshire (Mr. COTTON), who serves on the Committee on Commerce, made a rather lengthy speech about the bill, which we have considered for years in our committee, which we have discussed thoroughly, it seems to me. He raised several points that I wish to indicate I think have been discussed and I believe have been answered in the committee.

He raised the question of constitutionality, which the Commerce Committee satisfied itself was not a real question, and that without question it is constitutional to have this bill. Then the bill was referred to the Committee on the Judiciary, and that committee, by majority vote, made a specific finding that it was constitutional. Therefore, I believe the question of constitutionality has been pretty well answered. We discussed that yesterday.

Second, he worried about the setting of rates by the States. The bill leaves the setting of rates to each State, and there can be no subsidy by New Hampshire residents of the insurance cost of New York residents. I believe that a careful review of the bill with respect to this point would make it apparent that each State is in control of its own rate structure and its own actuarial projections on what losses would be and the claims. Therefore, if it is a rural State, the rates would conform with whatever the experience of rural areas is. The same would be true with respect to metropolitan areas.

He was concerned about the definition of medical and vocational rehabilitation and emergency medical services. The terminology in the bill was taken from existing public law. It is not new or unexpected or broadened over what is used now in describing those services in other acts that have been passed by Congress and have been signed into law.

He also indicated that he was afraid that the small insurance companies, for some reason, would be disadvantaged and could not survive under this bill. On page 20 of the report of the Committee on the Judiciary, this matter was discussed rather fully. The casualty insurance industry has been writing and reinsuring contracts calling for the payments of unlimited medical, hospital, and rehabilitation benefits for several decades, with no problem whatever. The States of Michigan, and New Jersey have no-fault laws providing unlimited medical, hospital, and rehabilitation benefits already in effect. There are numerous small companies competing for automobile insurance in these States, with no apparent reinsurance difficulties.

Third, many of the companies raising the reinsurance argument against unlimited medical, hospital, and rehabilitation benefits in S. 354 are domiciled and competing for workmen's compensation business in States whose workmen's compensation laws provide for unlimited medical, hospital, and rehabilitation benefits. At least one of these companies, American Family Mutual Insurance Co. of Madison, Wis., is also licensed to write automoble insurance in Michigan. (See Best's Insurance Reports (1973).)

Fourth, the trade association representing the majority of the Nation's professional reinsurers has studied S. 354 and concluded that "there will undoubtedly be adequate reinsurance capacity available in the American market in the event that S. 354 becomes law . . . at a cost commensurate with the experience and exposure of that particular primary company."

Fifth, the reinsurance needs of individual insurance companies vary substantially according to such things as company size, capital and surplus, the nature of the business written by the company, its areas of operations, its loss experience, and its growth objectives. Thus, it is impossible for any one company or group of companies to generalize about the reinsurance needs or problems of the entire industry on the basis of its own experience.

I think, therefore, that the small insurance companies would have no more difficulty functioning under this National No-Fault Motor Vehicle Insurance Act than they have now. As a matter of fact, each of the States would have its own regulation and its own control over these companies and there would be no different relation than now.

THE SEARCH FOR RELIABLE COST INFORMATION

During the debate on no-fault automobile insurance at the Federal and State levels, a wide variety of cost estimates have been provided by both proponents and opponents. The estimates of opponents usually show a cost increase, and those of proponents generally show a cost decrease for a given no-fault plan. In order to eliminate the bias and guesswork in the costing of no-fault automobile insurance plans, the National Association of State Insurance Commissioners, in cooperation with the Department of Transportation, conducted a search for a reliable actuarial firm that could cost various no-fault plans at the State and Federal level upon which policymakers could rely. After an intensive search, the National Association of Insurance Commissioners selected the actuarial firm of Milliman and Robertson to develop a standardized computer costing model which could be applied to various no-fault plans to produce reliable and comparable costing results.

EVALUATION OF THE JUDICIARY MINORITY STAFF ANALYSIS OF THE COST IMPLICATIONS OF S. 354

In the minority appendices to the Senate Judiciary Committee report, there are a number of cost figures pertaining to no-fault bills. For example, in appendix A the minority appendices present projected cost information of the National Association of Independent Insurers who are strongly opposed to S. 354. The cost information presented in appendix A, however, pertains to the no-fault bill reported by the Senate Commerce Committee in the 92d Congress (S. 945). That bill was substantially different from the minimum benefit levels required in S. 354. For example, a minimum of $50,000 of wage loss was required, whereas the minimum in S. 354 is $15,000 of wage loss.

Under S. 354, it is axiomatic that the higher the percentage of drivers purchasing compulsory insurance, the lower the cost of the insurance to each individual motorist. Milliman and Robertson, Inc., have assumed that under the compulsory insurance features of S. 354 there will be only a 50-percent improvement in each State in the percentage of insured motorists. On the basis of experience with present compulsory insurance programs, it is reasonable to assume that a State could achieve greater than a 50-percent improvement in its uninsured motorist population. Were this to happen, the projected percentage of average personal injury premium savings would be increased.

Milliman and Robertson also assumed when costing S. 354 that each State would choose to include motorcycles in their no-fault automobile insurance plan. Most States that have already enacted no-fault automobile insurance or add-on programs, for the most part, have excluded motorcycles. If a State were to exclude motorcycles from its no-fault insurance plan, total and average cost of the no-fault insurance system would be reduced, thereby increasing the savings projected.

Perhaps the most significant understatement of savings in Milliman and Robertson's report occurs because of their assumption that no purchaser of automobile insurance would select the permissible deductibles under S. 354. Experience under present no-fault automobile insurance coverages, such as automobile collision coverage, suggests that the selection of deductibles would be the rule rather than the exception. Selection of deductibles would significantly reduce the total and average insurance costs of S. 354.

The minority staff analysis compares total insurance company payout costs, not premium costs. For example, in appendix E on page 83, their staff table shows the total increase in claims cost; that is, payments to victims—increase under S. 354 compared to total system claims costs under the present system. This comparison could mislead the reader in two respects. In the first place, the "claims costs" of the present insurance system include not only the benefits which can be used to compensate injury, but also the amount which the insurance company pays to the policyholder, who in turns pays his attorney. Under S. 354, the claims costs all inure to the benefit of the injured automobile accident victim as compensation for his losses resulting from injury. In the second place, by comparing claims costs, the administrative efficiency of the no-fault bill, as previously mentioned, is not reflected. In other words, there would be little if any increase in total premium costs, even though the claims costs show an increase. If a person is interested in ascertaining the change in total personal injury premiums under S. 354, he should consult the chart marked as exhibit A–3 on page 70 of the Senate Judiciary Committee and read down the column noted as, "Low-Benefit Level, Tight Threshold Provision."

The relevant comparison for fair evaluation between the present system and the cost of a no-fault system such as S. 354 is the change in the average personal injury premium not total premium collected in the entire State. This figure gives the policymaker the best indication of what effect S. 354 would have on the present insurance buyers' automobile insurance premium. As is the case with any average, of course, some people will experience savings less than the average, and some people will experience savings greater than the average projected. See table B on page 23 of the Senate Judiciary Committee report for the Milliman and Robertson estimates of change in average personal injury premiums where a savings would result in all States.

If the average cost of the total automobile insurance package under the present system is compared with the projected total average cost under S. 354, each State is still projected to produce an overall savings. See exhibit A–1 on page 68 of the Senate Judiciary Committee report, and read the column labeled, "Low-Benefit Level, Tight Threshold Provision." It should be noted that exhibit A–1 on page 68—and the "Low-Benefit Level, Tight Threshold Provision"—reflects the same absolute savings as is reflected in the percentage indications in table B on page 24 of the Senate Judiciary Committee report. The only difference is that property damage, liability insurance, and collision coverage have been thrown into the comparison, thus reducing the percentage savings indicated even though the absolute savings remains constant; that is, 10 percent of 100 equals 5 percent of 200.

Because S. 354 requires all owners of motor vehicles to purchase insurance, thereby creating a compulsory insurance plan, the overall premium collected in the State may be greater in some States, because a significantly greater number of people would be purchasing insurance. While this figure is not relevant to a comparison of average costs of the present system and average costs under S. 354, the positive percentage figures have been seized upon by opponents to S. 354 to indicate that Milliman and Robertson has projected a cost increase in a particular State. See exhibit A–3 on page 70 of the Senate Judiciary Committee report, column labeled, "Low Benefit Level, Tight Threshold Provision."

The interesting thing about exhibit A–3 is that even though S. 354 creates a compulsory insurance plan and therefore requires more people to pay for insurance, even the total premium in most States is reduced.

RESPONSE TO THE ALLEGATION THAT S. 354 WOULD INCREASE COSTS IN RURAL AREAS WHILE DECREASING COSTS IN URBAN AREAS

S. 354 would not increase costs in rural States or rural areas and decrease costs in urban States or urban areas. In the first place, S. 354 specifically preserves the present system of establishing rates. Premiums under S. 354 would vary according to each State's own experience. There would be no sharing of experience between a rural State in the Midwest and an urban State in the East.

A variation of the rural State/urban State argument suggests that while S. 354 will create average insurance premium savings in every State, the average savings will occur only in urban areas while cost increases will actually result in rural areas. This argument is clearly erroneous, because it ignores the fact that rates are, and will continue to be, established on a territorial basis within the State. There will be no cross-subsidy between urban areas and rural areas. It is necessary to point out, however, that there will be in all likelihood differences in average premium savings in rural areas and average premium savings in urban areas in any given State. As a general rule, the average premium savings in a rural area will be less than the average premium savings in an urban area because:

First. There is at present more litigation in urban areas, elimination of which will produce greater savings than in the rural area where there is less litigation; and

Second. There are more single car accidents in rural areas whose costs are not picked up by the liability insurance system but whose cost would be picked up by a no-fault system.

Nevertheless, any differences in average premium costs are not the result of any subsidization by the residents of the rural community for the benefit of residents of urban communities; and average premium costs in rural areas under S. 354 will not go up above present average premium costs in rural areas.

It should also be noted that S. 354 recognizes the variance in wage and cost levels from State to State and requires minimum wage benefits to be calculated according to the relationship between each State's average weekly wage and a national weekly wage. See section 204b. The S. 354 formula produces monthly limitations on maximum work loss recovery under basis restoration benefits ranging from $684.01 in Mississippi to $1,425 in the District of Columbia. This particular provision further ensures premium savings in rural States.

RESPONSE TO THE ARGUMENT THAT S. 354 WOULD PROVIDE "WINDFALL SAVINGS" TO COMMERCIAL VEHICLE OPERATORS AT THE EXPENSE OF THE OWNERS OF PRIVATE PASSENGER VEHICLES

Under S. 354, each State would be permitted to decide whether commercial vehicle operators would receive savings which exceeded the average savings. Under S. 354, as favorably reported by the Senate Commerce Committee and the Senate Judiciary Committee, the State could set up a program of reimbursement based upon a factor such as vehicle weight, which would decrease the saving available to commercial vehicles and bring them more into line with the average premium saving.

In addition, an amendment to S. 354 is being offered which would permit the States to reduce the saving for heavier vehicles by permitting a State to provide for inter-insurer subrogation on the basis of fault for persons owning vehicles weighing more than 8,000 pounds when the loss caused by such vehicles exceeds $5,000.

The decision as to whether or not commercial vehicles in fact would sustain a windfall would be left to the State, and the State would have the option of rectifying any inequity it believes would occur.

Mr. President, I shall have more to say on this subject when we have further discussion but I thought today following the report of the Senator from New Hampshire I should call these matters to the attention of the Senate.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, I shall state the program for tomorrow.

On tomorrow, the Senate will convene at 12 o'clock noon.

Immediately after the two leaders or their designees have been recognized under the standing order, Mr. HARRY F. BYRD, JR., and Mr. BAYH will be recognized, each for not to exceed 15 minutes and in that order.

There will then be a period for the transaction of routine morning business, not to extend beyond 12:45 p.m., with statements therein limited to 5 minutes each.

At 12:45 p.m., the Senate will go into executive session to consider certain nominations—the nominations of Brig. Gen. Charles A. Gabriel and Maj. Gen. Alton D. Slay, among others. Mr. PROXMIRE will be recognized for 30 minutes, after which there will be 1 hour of debate on the two nominations I have mentioned specifically, the hour to be equally divided between Mr. HUGHES and Mr. STENNIS.

At about 2:15 p.m., therefore, or at the conclusion of the time allotted, there will be two yea-and-nay votes, back to back, on those two nominations, the yeas and nays having already been ordered. Senators are reminded, therefore, that at about 2:15 p.m., give or take a little, there will be two yea-and-nay votes, back to back, on the nominations of Brig. Gen. Charles A. Gabriel and Maj. Gen. Alton D. Slay.

Upon the disposition of the nominations, the Senate will return to legislative business, with the resumption of consideration of the unfinished business, the no-fault insurance bill, S. 354.

The pending question at that time will be on amendment No. 1204, by Mr. ABOUREZK. There is no time limitation on the amendment.

Upon the disposition of that amendment, the Senate will resume consideration of the pending Magnuson amendment, and there is no time limitation on that amendment.

Yea-and-nay votes on amendments to the bill are expected throughout the afternoon of tomorrow.

ADJOURNMENT

Mr. MOSS. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 12 o'clock noon tomorrow.

The motion was agreed to; and at 5:26 p.m. the Senate adjourned until Wednesday, April 24, 1974, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate April 23, 1974:

DEPARTMENT OF STATE

Rodger P. Davies, of California, a Foreign Service Officer of the Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Cyprus.

DEPARTMENT OF THE TREASURY

Mary T. Brooks, of Idaho, to be Director of the Mint for a term of 5 years. (Reappointment.)

COASTAL PLAINS REGIONAL COMMISSION

Russell Jackson Hawke, Jr., of North Carolina, to be Federal Cochairman of the Coastal Plains Regional Commission, vice G. Fred Steele, Jr.

FEDERAL COMMUNICATIONS COMMISSION

James H. Quello, of Michigan, to be a member of the Federal Communications Commission for a term of 7 years from July 1, 1973.

OFFICE OF TELECOMMUNICATIONS POLICY

John Eger, of Virginia, to be Deputy Director of the Office of Telecommunications Policy.

(The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

IN THE AIR FORCE

Air Force nominations beginning John T. Abell, to be colonel, and ending Vincent T. Penikas, to be colonel, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on March 7, 1974.

Air Force nominations beginning Ralph E. Andrews, to be captain, and ending Bruce D. Pauls, to be first lieutenant, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on March 11, 1974.

IN THE ARMY

Army nominations beginning Lawrence A. L. Sheftel, to be lieutenant colonel, and ending Anthony H. Young, to be second lieutenant, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on March 19, 1974.

Army nominations beginning Edward Abercrombie, to be lieutenant colonel, and ending George A. Lynn, to be first lieutenant, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on March 19, 1974.

Army nominations beginning Jerry D. Rose, to be captain, and ending Andrew T. Zygmuntowicz, to be second lieutenant, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on March 26, 1974.

IN THE NAVY

Navy nominations beginning William Benjamin Abbott II, to be captain, and ending Charlotte Romaine Stone, to be captain, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on March 4, 1974.

Navy nominations beginning John M. Ambrose, to be a permanent lieutenant (junior grade) and a temporary lieutenant, and ending Joseph P. Commette to be a permanent lieutenant and a temporary lieutenant commander, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on March 19, 1974.

Navy nominations beginning Walter P. Ablowich, to be lieutenant commander, and ending Raleigh Louis Walker, Jr., to be lieutenant, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on March 21, 1974.

Navy nominations beginning Adrian J. Adams, to be lieutenant (junior grade), and ending George L. Russell, to be ensign, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on March 21, 1974.

Navy nominations beginning Walter P. Adams, Jr., to be captain, and ending Nellie J. Hjaltalin, to be commander, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on March 26, 1974.

Navy nominations beginning Robert Charles Adams, to be commander, and ending Dorothy Ann Yelle, to be commander, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on March 26, 1974.

IN THE MARINE CORPS

The nomination of Gerald P. Carr, U.S. Marine Corps, for permanent promotion to the grade of colonel, which nomination was received by the Senate and appeared in the CONGRESSIONAL RECORD on March 11, 1974.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 23, 1974:

NATIONAL CORPORATION FOR HOUSING PARTNERSHIPS

The following-named persons to be members of the Board of Directors of the National Corporation for Housing Partnerships for the terms indicated:

For the remainder of the term expiring October 27, 1974:

Henry F. Trione, of California.

For the term expiring October 27, 1975:

Charles J. Urstadt, of New York.

For the term expiring October 27, 1976:

Raymond Alexander Harris, of South Carolina.

HOUSE OF REPRESENTATIVES—*Tuesday, April 23, 1974*

The House met at 12 o'clock noon.

Dr. Greg Dixon, Baptist Temple, Indianapolis, Ind., offered the following prayer:

Our Father, we give thanks today for Thy great blessings upon us all. We are grateful for Thy loving kindness and that Thou hast not dealt with us after our sins nor rewarded us according to our iniquities.

We pray today for our leaders and our Nation. Forgive our sins and transgressions, collectively and individually. We pray for national repentance. We especially pray for each of these ladies and gentlemen in this House which represents the people of our country. They have given themselves sacrificially for the general welfare of all of us and we are grateful and now, our Father, may we not forget that righteousness exalteth a nation and sin is a reproach to any people and blessed is that nation whose God is the Lord. These things we pray in the name of our blessed Lord and Saviour, Jesus Christ. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

CONGRESSMAN HUDNUT WELCOMES GREG DIXON

(Mr. HUDNUT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUDNUT. Mr. Speaker, I am very proud to say that the opening prayer for today's session was delivered by my very good friend, and former colleague in the ministry, Rev. Greg Dixon, pastor of the Indianapolis Baptist Temple, Indianapolis' largest Sunday school, and the 11th largest Protestant church in the Nation. It is also listed in Dr. Elmer Town's recent book, "America's 10 Fastest Growing Churches." Reverend Dixon's prayer was sincere, meaningful, and appropriate and I am sure that I speak for all of us in welcoming him and expressing appreciation to him for being with us today.

In addition to his pastoral duties, Rev. Greg Dixon is well known in Indianapolis for his involvement in community activities. He has served as president for the Indiana Baptist Bible Fellowship and the Fundamental Baptist Association of Greater Indianapolis.

For more than 13 years, Dr. Dixon has conducted a weekly television show in Indianapolis, and has a daily radio broadcast.

Dr. Dixon has served as a director of the Baptist Bible Fellowship International, as a trustee for the Baptist Bible College, and founded the Indianapolis Baptist High School.

Besides traveling extensively throughout the United States, Reverend Dixon has visited 11 foreign countries, including the Holy Land.

It is a great pleasure to have him with us today.

PERMISSION FOR MR. J. ROBERT TRAXLER TO TAKE THE OATH OF OFFICE

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan, Mr. J. ROBERT TRAXLER, be permitted to take the oath of office today. His certificate of election has not arrived, but there is no contest, and no question has been raised with regard to his election.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CALL OF THE HOUSE

Mr. RIEGLE. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 171]

Addabbo
Andrews, N.C.
Arends
Aspin
Barrett
Blackburn
Blatnik
Brown, Mich.
Burke, Calif.
Carey, N.Y.
Chappell
Chisholm
Clancy
Clark
Clay
Cleveland
Conyers
Daniels,
 Dominick V.
de la Garza
Dellums
Diggs
Dingell
Dorn
Drinan
Frelinghuysen
Gettys
Gray
Green, Oreg.
Gunter
Haley
Hanna
Hansen, Wash.
Harsha
Hébert
Heinz
Johnson, Pa.
Jones, Okla.
Kazen
Kuykendall
Landgrebe
Lott
McKinney
McSpadden
Macdonald
Maraziti
Murphy, N.Y.
Myers
Nix
Pickle
Powell, Ohio
Reid
Reuss
Roncallo, N.Y.
Rooney, N.Y.
Rooney, Pa.
Ruppe
Shipley
Steiger, Wis.
Stephens
Stokes
Teague
Tiernan
Young, Ga.

The SPEAKER. On this rollcall 369 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

HON. J. ROBERT TRAXLER

Mrs. GRIFFITHS. Mr. Speaker, I present J. Robert Traxler from the Eighth District of Michigan to take the oath of office.

Mr. TRAXLER appeared at the bar of the House and took the oath of office.

CHANGES IN MEMBERSHIP OF REPUBLICAN OBJECTORS COMMITTEES

(Mr. RHODES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RHODES. Mr. Speaker, I wish to inform the House of changes in the membership of the Republican objectors committees for the Consent and Private Calendars.

On the Consent Calendar, a change has been required because of the resignation of the Honorable William Keating of Ohio. The membership for that committee will be as follows: Mr. Johnson of Pennsylvania, Mr. Frey, of Florida, and Mr. Hinshaw, of California.

On the Private Calendar, the gentleman from Michigan, Mr. Brown, will no longer be serving as an objector. The membership on the Private Calendar objectors will now be as follows: Mr. Rousselot, of California, Mr. Wylie, of Ohio, and Mr. Bauman, of Maryland.

PERMISSION FOR COMMITTEE ON RULES TO FILE CERTAIN REPORTS

Mr. MADDEN. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain reports.

The SPEAKER. Is there objection to the request of the gentlman from Indiana?

There was no objection.

ENVIRONMENTAL EDUCATION ACT EXTENSION

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate bill (S. 1647) to extend the Environmental Education Act for 3 years.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

Mr. GROSS. Mr. Speaker, reserving the right to object, will the gentleman please explain the amendment he will propose?

Mr. BRADEMAS. Mr. Speaker, an almost identical bill was passed by the House last year. The bill, H.R. 3927, was approved in the House on October 24, 1973, by a vote of 335 to 60, an indication of the broad bipartisan support which the Environmental Education Act enjoys.

Mr. Speaker, let me explain the difference between the bill before us today and the one approved by the House last year.

First, I should point out that the bill before us is basically the version passed by the House. The Senate bill would extend the act for 3 years, as does the House bill, but would begin the extension in fiscal 1975, whereas the House bill began the extension in fiscal 1974. Therefore, the Senate bill would extend the act through fiscal 1977.

Second, the bill before us today provides for authorizations for fiscal 1975 through fiscal 1977 of $30 million. This represents a reduction of $15 million in the amount authorized by the House bill.

In addition, the bill before us today mandates the creation of an Advisory Council on Environmental Education whereas the House version of the bill had made the creation of the Council permissible. The amendment which I have just offered would retain the House provision.

Mr. Speaker, I believe that the Senate bill with this amendment should be acceptable to the House and, accordingly, I hope the House will approve S. 1647 as amended.

Funds under the environmental education program are used for developing teaching materials for environmental studies, training teachers, and supporting courses on ecology in schools. The law also provides for community conferences on the environment for business, labor and government leaders.

Mr. Speaker, I take further time to pay tribute to those in the House who have made significant contributions to the extension of the Environmental Education Act. In particular, I wish to commend the gentleman from Kentucky, the chairman of the Education and Labor Committee (Mr. Perkins), as well as the gentleman from Minnesota, the ranking minority leader (Mr. Quie), the gentleman from Idaho (Mr. Hansen), the gentlelady from Hawaii (Mrs. Mink), and the gentleman from New York (Mr. Peyser).

Finally, Mr. Speaker, I want to express my appreciation to the distinguished Senator from Wisconsin the Honorable Gaylord Nelson, to whose leadership in the Senate we are much indebted for sponsoring this legislation.

Mr. Speaker, action today by Congress will be a splendid and practical way to take note of what has become known as "Earth Day," and serves as a reminder to the Nation of the continuing need for a national commitment to protecting our environment.

Indeed, Mr. Speaker, the President today proclaimed the week beginning April 21, 1974, as "Earth Week," 1974. Mr. Speaker, I insert the text of the President's proclamation:

EARTH WEEK, 1974

(By the President of the United States)

A Proclamation

To love America is not to care only for her freedoms, her promise, her institutions through which our great people strive for larger greatness. It is also to love the land and to cherish that which has sustained our people both in body and spirit from our earliest days on this vast continent.

In recent times we have understood that however rich and beautiful, our land is finite and that our waters and air must be used as any other resource—with care and respect for their value. The celebration of Earth Day in 1970 was the first national acknowledgement of this understanding, and in the succeeding four years we have done much to insure that America the beautiful—the heritage of our generation—will be preserved and passed on as a legacy to generations yet unborn.

But for all that we have done, much remains to be done. We must constantly rededicate ourselves to the great task of preserving our environment. Earth Week, 1974, gives us the opportunity to devote special attention to this purpose.

Now, therefore, I, Richard Nixon, President of the United States of America, do hereby designate the week beginning April 21, 1974, as Earth Week, 1974. I call upon Federal, State, and local officials to foster the purposes of Earth Week and to arrange for its proper observance. I ask that special attention be given to personal voluntary activities and educational efforts directed toward protecting and enhancing our life-giving environment.

In witness whereof, I have hereunto set my hand this twentieth day of April in the year of our Lord nineteen hundred seventy-four, and of the Independence of the United States of America the one hundred ninety-eighth.

RICHARD NIXON.

Mr. Speaker, I would also like to insert in the Record an outstanding speech given by Senator Gaylord Nelson at the Burlington High School, Burlington, Wis., yesterday on the occasion of Earth Day:

EARTH DAY 1974: TIME FOR RENEWED CONCERN

Today is Earth Day, the beginning of Earth Week.

On the first Earth Day four years ago, thousands of "teach-ins," convocations, speeches, church services, cleanup campaigns and other events occurred around the country, demonstrating deep-seated and urgent concern about environmental pollution and the rapid depletion of irreplaceable natural resources.

That outward urgency is not evident now, prompting declarations that interest in a clean environment has declined. In fact, some claim there is an environmental backlash. They cite accusations that environmentalists contributed to the energy crisis.

This charge is pure hogwash. For the last 25 years conservationists and resource experts have warned that we were consuming resources at too great a rate. They predicted resource crises, including an energy crisis.

The people are well aware of this. Dr. Gallup convincingly demonstrated how limited the tendency to blame environmentalists is when he asked: "Who caused the energy crisis?" Only 2% of the nation answered "environmentalists."

The fact is that the enormous demonstration of public concern expressed on Earth Day 1970 set the stage for major strides in environmental protection. Now environmental awareness pervades the national consciousness, and is a moving force in American life. In that sense we celebrate Earth Day daily.

Because of his concern, Congress was able to take a strong effective pro-environmental stance in the National Environment Policy Act, and enact clean air and clean water laws. The President was able to create a soundly funded Environmental Protection Agency. Today virtually every state and every nation has an environmental protection agency and a set of antipollution laws. The United Nations is very much involved too.

Throughout the world numerous private organizations have sprung up to protect the environment, while the fortunes of various affluent foundations are committed to that cause. Important universities have created environmental departments and courses of study and built impressive buildings to house them. Thousands of individual universities, colleges, high schools and technological institutions have courses on the subject. Magazines have environmental sections, and newspapers ecological columns. Thousands of books have been written.

In other words, there is a massive amount of ongoing activity to maintain environmental quality. And there is no convincing evidence of any significant slackening in the support of these activities.

Indeed, there now is widespread understanding that we must carefully manage our natural resources and protect the integrity of the environment or we soon will experience major economic disruptions and environmental disasters.

And that leads to the new concern about the environment caused by some foreboding developments.

Response to the energy crisis

One relates directly to our response to the energy crisis. There is ample reason to fear that in our rush to replace Mideastern oil with domestic energy resources we could do serious damage to the environment which can be avoided by careful planning.

We are about to begin widespread oil drilling on the continental shelf, to exploit oil and gas resources in Alaska, to construct refineries in coastal areas, to expand coal mining, to break up shale in the West for its oil content, and to speed construction of nuclear power plants.

The environmental dangers are obvious. If the public does not demand emphasis on environmental consideration we could wind up with beaches and marine life ruined by oil, depleted water supplies and ravaged landscapes in the western oil shale areas, ecological trauma on the tundra, and perhaps even a nuclear catastrophe.

The other concern is of even greater magnitude, and will be hard for Americans to understand because throughout our national history we have presumed "Mother Earth's" unlimited bounty.

We have entered a new age of shortages.

Paper, lumber, automobile and other manufacturing parts, protein, asphalt, baling wire, chlorine, cotton, wool, various minerals—all have turned up in short supply in the U.S. within the last year or so. New studies show increasing U.S. dependence on foreign countries for minerals vital to our industrial complex and our national security.

This does not come as a surprise to resource experts.

Twenty-five years ago Aldous Huxley was predicting worldwide shortages. "World resources," he said in 1949, "are inadequate to world production."

In the early 1950s, mineral experts began predicting metal shortages. In 1969, a U.S. Interior Department study concluded that the U.S. had become dependent on other countries for more than 63% of 30 minerals and metals designated as critical to national security. Fred Bergsten of the Brookings Institution has pointed out that the United States today depends on imports for over half of its supply of 13 basic raw materials (chromium, nickel, rubber, aluminum, tin and zinc). Department projections suggest the number will rise to nine by 1983.

Data from the U.S. Geological Survey indicates that the U.S. presently is moderately to heavily dependent on foreign sources for the following minerals:

1. Aluminum and Bauxite (mainly Jamaica Surinam, Australia and Guinea).
2. Antimony (South Africa, Mexico and Bolivia).
3. Chromium (U.S.S.R., South Africa, Rhodesia and Turkey).
4. Copper (Chile, Peru, Zambia and Zaire).
5. Fluorine (Mexico, Spain and Italy).
6. Gold (South Africa).
7. Manganese (Brazil, Gabon, South Africa, Zaire and Ghana).
8. Nickel (Canada).
9. Oil and Gas (Canada, Saudi Arabia, Iran, Persian Gulf States, Venezuela and Nigeria).
10. Tin (Malaysia, Thailand, Bolivia, Brazil and Zaire).
11. Titanium (Australia).
12. Tungsten (Canada, Australia, Bolivia, Peru, Portugal and South Korea).
13. Zinc (Canada, Peru, Mexico and Australia).

A Library of Congress study on resource supply and demand, made at my request, reported that "U.S. population will probably increase by approximately 50% by the year 2000, and world population may double.

"Total U.S. materials consumption may double or triple by the year 2000 with similar trends in the rest of the world . . . what is certain (from all of this) is that there will be constraints upon the world supply of materials throughout the remainder of the 20th century. There will probably be periodic materials shortages, and materials costs are likely to rise."

Complicating the whole issue is the possibility of a handful of raw material-exporting nations banding together in an Arab oil producers OPEC arrangement to withhold resources from the rest of the world. The possibility is not farfetched. Guinea, Australia, Guyana, Jamaica and Surinam, the principal producers of bauxite, a basic ingredient in aluminum, recently discussed such an arrangement. Zaire and Zambia, suppliers of 70% of the world's tin exports could also make a similar arrangement. And the pattern could be repeated by the four countries controlling more than 80% of the world supply of copper and the four controlling half the supply of natural rubber.

We are well aware now of the havoc a resource shortage can cause. Last winter's energy crisis provided dramatic evidence. It triggered unemployment, more inflation, strikes and other social upset, and unplanned change in virtually every aspect of life. It restricted mobility and retarded economic growth.

This crisis too should not have come as a surprise. There were warnings enough so that 10 years ago we should have had ready contingency short-range plans for any crisis and long-range plans to meet our continuing energy requirements. Although for over two decades a small number of individual experts repeatedly warned about the impending energy crunch, the President, the Congress, the press, and the public paid scant if any attention to it. They probably did not notice the warnings at all. It was not current news. It was not today. And for most of those who did notice the warnings it was considered alarmist nonsense because, after all, some magic technology would solve the problem in timely fashion anyhow.

ENERGY INFORMATION ACT

It should be specifically noted that environmentalists and resource experts understood the problem and issued the warnings.

Late last year I introduced a bill—the Energy Information Act—which is intended to avoid these mistakes in the future.

It does so by establishing a National Energy Information System to be operated by a new agency, the Bureau of Energy Information, which will be a co-equal sister agency of the Bureau of the Census. The Bureau, together with the Department of the Interior, will have all necessary powers to correct old failures.

The bill would direct the Interior Department to complete an initial inventory of energy resources, then begin a monitoring program, including geological surveys and on-site inspections to validate reports of reserves from private oil firms as necessary.

Using modern information facilities and personnel, the Energy Information System would pull together energy data and identify information critical to making correct energy decisions.

I cannot emphasize enough the need to do this. Anyone who now wishes to keep 'informed' about oil, for example, must consult an extraordinary number of weekly, monthly and quarterly publications by national governments, states, trade associations, reporting organizations and educational institutions. And then he is only seeing the tip of the iceberg because of secrecy the oil companies impose on information about their reserves and production.

By the time oil data are pulled together now in one reasonably complete and fairly well organized—although unindexed—source, the 'Mineral Yearbook,' they are at least two years old.

The energy crisis prompted serious consideration of the total world oil supply, with alarming results.

There is little doubt that the world has considered oil an inexhaustible resource. World consumption of petroleum products more than doubled in the decade between 1961 and 1971 from 352.8 billion gallons to 730.8 billion. In the United States, more than 100.8 billion gallons of gasoline were consumed in 1973, compared to 63 billion in 1960, 41.7 billion in 1950, 24.7 billion in 1940 and 16.6 billion in 1930.

Now we are turning up impressive evidence that unless the world consumption rate slows significantly this immensely valuable resource could be exhausted in 40 to 50 years!

What an incredible thought! No wonder the Shah of Iran and King Faisal want to slow the flow of oil. They fear they may have nothing to sell in a few decades. The Shah correctly points out that the petro-chemical industry, which needs oil to produce plastics, medicine and numerous other products, is particularly threatened by the possibility of exhausting the world's oil supply.

A variety of estimates of oil reserves and consumption are available, but figures compiled by the U.S. Bureau of Mines are widely accepted and are used in federal planning.

According to the International Petroleum Annual for 1972, soon to be published by the Bureau, the world had 667 billion barrels of economically recoverable oil in proved reserves at the end of 1972. Consumption that year was 18.7 billion barrels.

The Massachusetts Institute of Technology, in an important study commissioned by the Club of Rome, called "The Limits of Growth," had predicted oil depletion rates on the basis of high, medium and low population growth. At medium growth, world oil consumption would increase at a rate of 3.9% a year over the previous year, according to the study. (Consumption actually increased

3.9% in 1971 and 7.4% in 1972, according to bureau figures.)

At this rate the current known proved reserves would be exhausted by 1994.

Of course, more easily recoverable oil will be discovered under the sea or under the ice or under the sand, and as oil becomes harder to get, oil not considered economically recoverable now will acquire greater value, expanding "proved reserves."

Or suppose we are forced to large scale recovery of oil from shale, with all the environmental consequences involved, including ravaged land and possible depletion of previous water supplies in critical areas. What would we have? With the bureau estimating that 80 billion barrels are recoverable in the U.S., utilizing current technology, we'd get a few more years.

All this may not make any difference if we believe a recognized oil scientist, M. King Hubbert of the U.S. geological Survey. He made this extraordinary statement recently: "A person born in 1970 who lives 65 years will see the whole world use up its oil in his lifetime."

In a world 4.6 billion years old, and with mankind on it about 2.8 million years, the prospect of one of earth's most valuable resources—easily recoverable oil—being exhausted in a mere 40 or 50 years is awesome.

This generation bears an enormous responsibility to conserve on one hand, and to vigorously develop new and plentiful sources of nonpolluting energy on the other. The energy crisis has dramatically underscored both these points, and we must not forget it and lose our momentum as gasoline flows back into automobile tanks.

Energy conservation efforts could move forward on many levels, ranging from development of good urban mass transportation systems throughout the U.S., to wholesale revamping of building codes, to thorough retooling in Detroit to produce cars that run on substantially less gasoline, to savings by individual families.

Automobiles and home heating together account for 56% of all energy use in the U.S., and technology will allow us to make significant strides there.

RESEARCH

Meanwhile, research must move ahead briskly to develop such energy sources as sun heat and light, hot water and steam from the earth, coal from deep deposits that cannot be mined economically now, hydrogen that is available in enormous quantities from sea water, heat generated where layers of warm and cold water meet in the sea, and organic wastes.

New energy producing processes and devices that should get attention in a research program include conversion of coal into gas and oil (gasification and liquefaction), hydrogen fusion (the same process as in the sun), photovoltaic cells (direct conversion of solar energy), magnetohydrodynamic power (electricity from coal gas), fuel cells, breeder reactors, and cryogenic storage and transmission of energy.

SHORTAGES

Mineral shortages and the energy shortage are only part of our scarcity problem. We now face the terrifying prospect of a food shortage and even famine.

The prestigious journal "Foreign Policy" recently said that a combination of factors "suggest that the world food economy is undergoing a fundamental transformation, and that food scarcity is becoming chronic."

Protein supplies are overburdened, and most arable cropland already is being farmed. The ocean, viewed historically as an inexhaustible source of protein in fish and algae, also is being depleted—a condition few expected until five years ago. And climate experts led by Dr. Reed Bryson of the University of Wisconsin predict long-range worsening weather conditions that could spell famine for tens of millions of people.

Changing weather, Bryson points out, is a major contributing factor to starvation conditions in the Sahel in Africa and in northern India. The world is experiencing a disastrous food crunch—all the rosy public relations announcements about the Green Revolution notwithstanding. Agriculture development expert William Paddock has stated that "the truth is that, while the new wheat and rice varieties are excellent, high yielders under certain specialized conditions (controlled irrigation, high fertilization), they have done little to overcome the biological limits of the average farm."

Population growth has exceeded increases in food production in those areas of the world where the Malthusian food production squeeze has always been the most acute. Andrew J. Mair, of the Office of Food for Peace of the A.I.D. has recently stated that agricultural production, on a per capita basis, had actually fallen 2% in the underdeveloped countries over the 10-year period 1963–72. "Without an eventual reduction in the rate of growth of world population," he concluded, "there can be no long-run solutions to the world food problem."

Food expert Lester Brown seconds that conclusion: "At the global level, population growth still generates most of the additional demand (for food). Expanding at about 2% per year, world population will double in little more than a generation. If growth does not slow dramatically, merely maintaining current per capita consumption levels will require a doubling of food production over the next generation."

Increasing demand for food is also generated by growing affluence and new tastes for meat in some developing nations. The average person in a poor country, where the diet is predominantly cereal, eats 400 pounds of grain a year. But in the U.S. and Canada, per capita grain use is approaching a ton a year. Of this total, only about 150 pounds are consumed directly in bread, cake or breakfast cereal. The rest is consumed indirectly in the form of meat, milk and eggs, which inefficiently convert grain to protein.

We in the United States are experiencing shortages in the form of spiraling food prices. 1973 was the year of the biggest jump in grocery prices in more than 25 years. However, the London Economist's index of world commodity prices shows that while food prices were up last year by 20% in this country, food prices were up an average of 50% worldwide. (Prices for fibers have risen 93% and metals 76%).

Whereas the American consumer will have to pay more for his food, millions of human beings in this world cannot afford any food at all. For individuals living on marginal incomes—the vast majority of the world population—the fact that food prices are up less than other prices is no comfort. When one spends about 30% of one's income on food, as a large portion of mankind does, any price rise—and indeed a price hike of 50%—"drive(s) a subsistence diet below the subsistence or survival level," according to Mr. Brown.

INFORMATION SHORTAGE

Shortages of basic minerals and proteins are matched by the equally serious shortage of knowledge about U.S. and world reserves of essential materials and foodstuff. For a quarter of a century resources experts have been writing, speaking and pleading for the preservation of our resources, but few at the political level bothered to listen. Similarly, for a quarter of a century the U.S. has ignored warnings of an information shortage.

The last four Presidents and the Congress consistently failed to recognize that our knowledge is insufficient for wise policy choices concerning the world's resources. Twenty-two years ago the Paley Commission, the familiar title for The President's Materials Policy Commission, concluded in its report, "Resources for Freedom" dated June 1952:

"There must be, somewhere, a mechanism for looking at the problem as a whole, for keeping track of changing situations and the interrelation of policies and programs. This task must be performed by a Federal agency near the top of the administrative structure. . . . Such an agency . . . should maintain, on a continuing basis, the kind of forward audit which has been this Commission's one time function, but more detailed than has been possible here; collect and collate the facts and analyses of various agencies; and recommend appropriate action for the guidance of the President, the Congress, and the Executive agencies.

"No single organization is today discharging these overall functions. In this Commission's opinion, this lack must be made good . . . The forward audit of the proposed organization should be directed at least 10 years ahead of current activity and look as far ahead as 25 years. . . .

"The organization proposed would be concerned with such subjects as the total pattern of activities in their materials and energy field, the relationships of individual programs to each other; the scope and dimensions of foreign production materials programs and their relationship to domestic programs; the probable effects of current production programs on the long-term materials position; the selection and development of current programs in the light of long-term requirements; programs for both scientific and technological research on materials, and their interrelations; and the relationship of materials policies to manpower, and to fiscal and foreign policies which may in various measure bear on materials. . . .

"Such an organization should issue periodic reports so that Government, business, and the general public could be kept informed of leading developments in all the related materials field. It would hold a watching brief for the entire field of materials policy."

Since the Paley Commission filed its report 22 years ago, nothing yet has been done to implement its recommendations. Then in June 1973, history repeated itself with the National Commission on Materials Policy proposal that "a comprehensive Cabinet-level agency be established for materials, energy and the environment."

The Library of Congress study conducted at my request, echoed the conclusion that ". . . the most pressing management requirement in the field of materials policy is increased information about the basic parameters of materials supply and demand . . ."

Resources experts throughout history have become a chorus of Cassandras. They have the blessed gift of being able to predict the future and the curse of no one believing them. But unless we act, the entire world will suffer the consequences of Cassandra's predicament.

The time is long past due for adjusting the government apparatus to the problems of resource scarcity. In fact, there are many agencies in the government charged with the task of monitoring the status of the nation's major commodities. But therein lies the problem: an overabundance of agencies with a paucity of coordinated information monitoring and forecasting capability is fragmented and scattered in the Departments of Agriculture, Commerce, Interior, State, and even the CIA. A November 1968, Library of Congress report counted 58 U.S. governmental agencies with, in the words of the report, "a materials function."

The Department of Agriculture has 500 Ph.D,'s concerned with agriculture commodities. There are 50 people looking at cotton alone. In the Department of Commerce, there are 160 people in the Office of Business Research and Analysis, 20 to 30 of whom are concerned with industrial commodities; two of them are Ph.D.'s. The State Department has six people involved in commodity questions. And the Department of the Interior has a vast staff of resource experts, geologists, etc.

And yet—all these experts notwithstanding—the U.S. has been plagued by shortages in every sector of the economy. The problem is poor coordination of would-be valuable information. For example, we and the rest of the world face serious fertilizer shortages. In this period of grave world food shortages, fertilizer is all the more essential a factor. Fertilizer depends on natural gas for energy and phosphates and nitrogen as basic raw materials; the availability of these items, therefore, involves the Departments of Interior and Commerce. Moreover, the Agriculture Department is also concerned with fertilizer for the nation's crop production. Plus the State Department is no doubt involved in jawboning foreign demand on fertilizer.

Furthermore, official information often suffers from the fact that agencies address client audiences more than the general public. For example, the chemical experts at the Commerce Department seem to be reporting to the chemical industry. The cotton people at the Department of Agriculture serve as a reporting network for the cotton industry.

The disastrous consequences of limiting distribution of agency information was demonstrated in the Russian Wheat Deal. Starting in June 1972, one half of America's wheat crop was sold to the Russians without the appropriate U.S. government authorities even knowing. According to G.A.O. investigators, as late as September 1972, Agriculture officials "told us (they) were still unaware of the magnitude of the sales made by the trade." There is evidence, however, that some individuals in the government were knowledgeable but that their information was not properly channeled to the public or even the upper echelons of the government.

The grain deal disaster was followed by the June 1973 soybean embargo. Had the government been properly monitoring supply and demand on soybeans and soybean related products, the drastic measure of export controls perhaps would have been unnecessary. There again was a problem of information scarcity complicating market scarcity of a vital resource.

The government does not have a clearcut statement of procedure or systematic requirements for reporting. There is no model building or systems analysis to deal with forecasting per se.

Reporting is purely crisis-oriented. For example, in the Commerce Department, experts are spread thin and jump from commodity to commodity depending upon how many inquiries and complaints they receive from industry, Congress, etc.

Decisions—when they are made—are based on inadequate information gathered unsystematically and in an ill-coordinated fashion. Simply stated, there is no coordinated reporting and forecasting system in the U.S. Government.

NATIONAL RESOURCE INFORMATION SYSTEM

In light of all this I have proposed the creation of a National Resource Information System.

It will give one agency sole monitoring responsibility for collecting all data in the government on supply and demand of major raw materials and foodstuffs.

It will make an annual report to Congress and the public on critical resources.

It will make regular projections of future demand and supply for major resources based on such factors as per capita consumption rates and population growth for example, the next five, ten, fifteen years.

It will have authority to contract for research in academic institutions to augment agency work.

It will have the authority to subpena industrial information necessary for maintaining accurate and adequate national resource inventories.

It wil provide for guarding confidentiality of company information of a competitive nature.

Perhaps the greatest benefit would be to forcefully focus public attention on these matters. For 25 years resource authorities warned of an impending energy crisis, but no one was listening. Unfortunately, resource experts read what resource experts write, but decision makers do not. That must change.

A handful of thoughtful writers have begun to discuss the momentous problem of shortages. Nevertheless, we are only at the beginning of a national and global waking-up process, similar to the one about the environment that culminated in the first Earth Day and gave birth to a national commitment to clean up the environment.

How long will this awakening take? It is difficult to forecast. Rachel Carson wrote her influential book "Silent Spring" in 1962. It took eight years after that to recognize our new condition and to get our first significant environmental protection laws, and we still need laws to protect us from the effects of tons of pesticides and herbicides dumped on the land and water each year, or from the thousands of chemicals ingested by men and animals in the form of food additives and medicines. We know little or nothing about the long term effects of the materials. We may be implanting disastrous time bombs that could alter the human race genetically.

Finally, let me speak to the long range implications of our new era of shortages.

If we allow ourselves to even approach the limits of important resources, men everywhere can expect the hand of authority to tighten its grip to stave off disaster. Personal freedoms would be severely restricted. Some could vanish. Nationalism would lead to international conflict over resources, as it has in the past.

On the other hand, if we resolve here and now to remove impossible burdens from earth's precious resources by acting with restraint, then we can solve this dilemma. The first step is to get the tools to plan intelligently.

Another way to say this is to repeat what we have heard preached—and what we have ignored—for years. We must conserve. We must honestly embrace the conservation ethic. We must learn to live in harmony with the earth and its creatures and things. We must become humble, outwardly directed people, concerned about our neighbors as much as ourselves.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1647

An act to extend the Environmental
Education Act for three years

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Environmental Education Amendments of 1974".

SEC. 2. Section 3(c)(1) of the Environmental Education Act (20 U.S.C. 1532) is amended by adding at the end thereof the following new sentence: "Notwithstanding section 448(b) of the General Education Provisions Act, the Advisory Council shall continue to exist until July 1, 1977.".

SEC. 3. Section 7 of such Act is amended by striking out "and" after "1972," and by inserting after "1973" a comma and the following: $5,000,000 for the fiscal year ending June 30, 1975, $10,000,000 for the fiscal year ending June 30,1976, and $15,000,000 for the fiscal year ending June 30, 1977.".

SEC. 4. Section 2(b) of such Act is amended by inserting after "maintain ecological balance" the following: "while giving due consideration to the economic considerations related thereto".

SEC. 5. Section 3(b)(2) of such Act is amended by inserting after "technology," the following: "economic impact,".

SEC. 6. Section 3(c)(1) of such Act is further amended by inserting "economic," after "medical,".

AMENDMENT OFFERED BY MR. BRADEMAS

Mr. BRADEMAS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BRADEMAS: On page 1, line 7, strike the word "Notwithstanding" and insert in lieu thereof "Subject to".

Mr. GROSS. Mr. Speaker, will the gentleman yield for a question?

Mr. BRADEMAS. Mr. Speaker, I will be glad to yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, does this conference report have anything to do with the National Institute of Education?

Mr. BRADEMAS. Mr. Speaker, I would say to my friend, the gentleman from Iowa, that it does not. It is not a conference report, but to answer the substance of the gentleman's question, the answer is "no."

Mr. GROSS. Mr. Speaker, I thank the gentleman.

The amendment was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE SKYLAB ASTRONAUTS

(Mr. FUQUA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FUQUA. Mr. Speaker, I am happy to inform my colleagues that the crew of Skylab IV is now in the Rayburn Room and would be happy to have their pictures taken and to visit with the Members of the House.

Lt. Col. Gerald P. Carr, Dr. Edward Gibson, and Lt. Col. William P. Pogue set a world record of 89 days in space—a tremendous advance.

They are in the Rayburn Room now and would be happy to receive Members of Congress.

(Mr. FLYNT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FLYNT. Mr. Speaker, it was with sadness that I learned yesterday of the passing of my friend John F. Griner, president emeritus of the American Federation of Government Employees and member of the AFL–CIO Executive Board.

He was born in Camilla, Ga., on August 9, 1907, and began his career with the Georgia Northern Railroad. He later worked for the Atlantic Coastline, Seaboard, and Southern Pacific Railroads. Among his assignments was telegrapher, agent, train dispatcher and assistant car accountant.

In 1936 he became a Federal employee

as an adjudicator for the Railroad Retirement Board, and in 1946 he became a member of the National Executive Council of AFGE and held this position for 16 years. John left the Railroad Retirement Board in 1962 after spending his last 11 years as Labor Relations Officer with the Board.

While with the Railroad Retirement Board, he attended night school at Columbus University—now American University—and received a law degree in 1940.

Mr. Griner left the Railroad Retirement Board to become president of the American Federation of Government Employees and held that position until he retired in October of 1972 because of failing health.

During John Griner's term as president of AFGE, its membership increased from 100,000 to 300,000 making AFGE larger than all other Federal employee organizations combined, excluding postal unions.

John Griner was untiring in his efforts to better the lot of those whom he represented and to improve their working conditions and relationships. He was completely dedicated to his work and was respected and admired by those who were privileged to know and work with him. A tangible monument to his memory is the John F. Griner Building, the home of the National Headquarters, American Federation of Government Employees, in our Nation's Capital.

Upon his retirement, he moved to Cairo, Ga., where he and his wife, Claranell, lived together until his death at 66 years of age on April 22, 1974. He is survived by his wife, two sons, John, Jr., and Remer Griner, two sisters, and two grandchildren.

CALLS FOR TAX CUTS

(Mr. CONABLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONABLE. Mr. Speaker, we seem to have a bandwagon building. Many of the vocal leaders of the majority party in both Houses of the Congress are calling for a substantial tax cut, in some cases with such urgency that the announcement is coming from as far away as Moscow.

This may be traditional politics, but I do not think it is good politics at this time. I know it is not good economics. The American people are entitled to straight talk from leaders who tell it like it is. The public will not regain its confidence in a Congress which plays games with them and damages them while pretending to help.

This is not the time for a tax cut. If there is slack in the economy, it is because of the shortages resulting from too much governmental control activity. Even with these shortages, industrial capacity utilization is now generally running over 90 percent. Outside the auto and housing industries, which are soft for reasons other than a lack of consumer interest, basic shortages cannot be dealt with by short-term stimulation and so the only result of more consumer buying power can be to drive up already unstable prices. Our budget deficit this year has been projected to be about $5 billion and almost twice that next year, with likely prospects for even much larger deficits. We do not need any more Government borrowing than that. Are not interest rates already high enough?

Mr. Speaker, under some conditions a tax cut can provide the kind of boost for a sluggish economy that will move it out of the doldrums. But the circumstances have to be right, or the panacea is poison. Right now I would rather tax people through a soundly based progressive income tax than by short-sighted policies which hit the poor hardest by the robbery of inflation. Let us stop this crazy bandwagon before it gets out of control.

HARMFUL FEDERAL POWER COMMISSION DELAYS

(Mr. ARCHER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ARCHER. Mr. Speaker, on March 4 I asked the Federal Power Commission to explain its administrative delays that are causing hundreds of gas wells to be capped off in the Gulf of Mexico. FPC footdragging is preventing billions of cubic feet of natural gas from being delivered to consumers.

I repeated my request on March 29, and yet did not receive even the courtesy of an acknowledgment until today.

If the Commission is so ensnarled in its own bureaucratic redtape that it cannot even respond to congressional inquiries, it is little wonder that its unnecessary lengthy delays in granting pipeline permits are the rule rather than the exception. In one case alone, these delays have cost the country 200 million cubic feet of natural gas per day since 1972. Such delays are not at all unusual, even in cases where there is apparently little or no opposition.

The people of this Nation deserve much better from their Government. Inefficiency on the part of the energy-regulating Federal Power Commission is inexcusable. There are already enough real problems associated with the energy shortage without our having to tolerate artificially imposed problems.

The Congress, after years of inaction, has been quick to find a scapegoat for the Nation's energy problems. Perhaps we would be well-advised to look into the Federal Government's own backyard for a close examination of its continuing failures in the area of energy.

TAX CUT SEEN AS INFLATIONARY

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, some of the very same people—particularly over in the other body—who are now calling for a tax cut—were calling for gasoline rationing just a few months ago. They were wrong then and they are wrong now.

The underlying problem in our economy is inflation—too much money in the system driving up the cost of goods and services. Cutting taxes, in any bracket, would just put more money into circulation and add fuel to the inflationary fire. By the time the tax cut had driven up prices more, those additional dollars in the taxpayer's pocket would buy nothing.

We did have a slowdown in the first quarter, but everyone knows that was primarily because of a shortage of energy. Cutting taxes will not add any more energy, it will just give a shot in the arm to an inflation that is too strong already, the slowdown is ending as energy supplies become more secure and the automobile industry retools to make smaller cars. But a tax cut would just send the price index into an orbit from which we would have a heck of a time shooting it down. When are we going to learn that we cannot spend our way out of inflation?

THE RIGHT TO STRIKE AND THE POSTAL SERVICE

(Mr. ROUSSELOT asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. ROUSSELOT. Mr. Speaker, there are a great many Members of the House who support legislation to give U.S. postal workers the legal right to strike, and, in fact, legislation directly patterned after Canadian law has already been reported by a subcommittee and is pending action by the full Committee on Post Office and Civil Service.

Before some of my colleagues get themselves overly committed to this legislation, I suggest they take a look at what is going on in Canada. Employees of the Canadian Government have the right to strike, and 2 weeks ago the postal workers in the Montreal District exercised this right. One of the effects on U.S. citizens is the embargo placed on all classes of mail destined to anywhere in Canada from all areas of the United States, an embargo that was imposed by our Postal Service at the request of the Canadian Government.

Last year I had the opportunity as a member of a congressional delegation to visit with Canadian Government and Postal Union officials, and to discuss with them the Canadian strike law. While I was impressed by the quality of leadership in Canada, I cannot endorse the Canadian law and I cannot endorse the legalization of strikes by employees who perform Government services.

Mr. Speaker, I believe I can safely predict at least one result of the current Canadian postal strike. When it is all over, the postal workers, the government, and the citizens of Canada will all be the losers.

CONFERENCE REPORT ON S. 2770, SPECIAL PAY FOR MEDICAL OFFICERS OF THE UNIFORMED SERVICES

Mr. STRATTON. Mr. Speaker, I call up the conference report on the Senate bill (S. 2770) to amend chapter 5 of title 37, United States Code, to revise the special pay structure relating to medical officers of the uniformed services, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore (Mr. O'NEILL). Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of April 10, 1974.)

Mr. STRATTON (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement of the managers be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. GROSS. Mr. Speaker, reserving the right to object, may I ask, does the gentleman propose to take some time in order to explain the conference report?

Mr. STRATTON. Mr. Speaker, I intend to make that explanation now in my own language.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. The Chair recognizes the gentleman from New York (Mr. STRATTON).

Mr. STRATTON. Mr. Speaker, this is the bill that the House spent some time on a couple of weeks ago, the doctors bonus bill, which was necessitated by the end of the doctor draft and the necessity for retaining qualified medical personnel in the armed services after the 1st of June when some 3,500 doctors who are now serving under the terms of the draft will be getting out into private life.

Mr. Speaker, the bill that the House passed a couple of weeks ago differed from the Senate version in a couple of respects. First, it provided for a $15,000 bonus in place of the $10,000 bonus provided in the Senate bill, and also, as Members will recall, it added dentists, optometrists, and veterinarians as being eligible for the bonus, although Members will also recall when an effort was made to strike the dentists, optometrists, and veterinarians from the bill it failed by a margin of only 8 votes.

I am very happy to report to the House on this conference that the House fared very well. Basically, the Senate accepted the House bill with a few modifications. The major modification was the insistence on the part of the Senate that the dentists, optometrists, and veterinarians should not be included. The Senate conferees were adamant on that point, pointing out that they had had no hearings on the matter and that the Department of Defense had taken a position that special pay legislation is not necessary for the other health professions at this time.

They indicated strongly to us that they would never have taken the bill up in the first place had it not been in response to the urgent request from the Department of Defense that a bonus was vitally needed in order to retain physicians in the armed services.

So in view of the agreement of the Senate to most other provisions of the House bill, the House reluctantly receded on this point, particularly in view of the narrow vote that was taken when the actual amendment was adopted.

The other points on which the Senate went along with the House to a large extent had to do with the bonus itself. We compromised between the $10,000 of the Senate and the $15,000 of the House on a figure of $13,500.

The Senate accepted the action of the House in including bonus pay for colonels and for Navy captains. They receded from their position and went along with the House in including the physicians in the Public Health Service.

So the basic substance of the bill, as I indicated, is the House bill except for the elimination of the other health professions.

I want to mention two other points where the conferees made adjustments in the legislation.

One of them had to do with the wording in the House bill that no bonus would be paid to anyone during his initial obligated service or during his residency. The Senate pointed out to us, however, that the requirements for obligatory service in the armed services varied considerably depending on what particular program you are under and what particular service you are in. In some cases they go as high as 7 or 9 years of obligated service. The feeling there was that there would be a counterproductive effect of this legislation if in some cases you were requiring officers to forego the bonus, which their colleagues were getting, for a period of as long as 9 years. What the conferees agreed is that the 4 years of obligatory service would be the period during which there would be no bonus paid, and after that period it would be possible for a bonus to be paid.

Similarly, the Senate conferees pointed out some objections with respect to our provision that there be no bonus paid during residency. They pointed out that in some cases doctors in the armed services will undertake a residency training program during the middle of their career so as to improve their technical knowledge, and that they would be less likely to undertake this additional training that would make them more valuable to the service if they had to give up a substantial part of their income during that period. So the conferees agreed on some changed language which simply provides that there be no bonus paid during the period of obligated service up to 4 years, not to exceed 4 years, and during the "initial" residency period.

Finally, Mr. Speaker, the effective date was amended to make it the first of the month following the enactment of the legislation which, hopefully, will be the first of May.

Mr. LEGGETT. Mr. Speaker, will the gentleman yield?

Mr. STRATTON. I am happy to yield to the gentleman from California.

Mr. LEGGETT. Mr. Speaker, I would like to commend the gentleman from New York (Mr. STRATTON) for bringing this bill back from conference as quickly as the gentleman has, because I think we all recognized as the Department of Defense also recognizes, that the criticality in this general area has been the threat of the doctor draft being reinstituted because of the shortage of doctors. We all know that we have a lot of military hospitals that we cannot use at the present time simply because we do not have the physicians needed to staff those hospitals.

Notwithstanding that, we did go through quite a popular campaign here a few weeks ago talking about the criticality with regard to the other physicians, although not quite so great, involving the dentists, optometrists, and veterinarians.

I am sure that the gentleman from New York went to conference and very tenaciously held out for the House version of the bill, but unfortunately the gentleman was probably overrun by power, or numbers, and undoubtedly the position of the Pentagon and the very volatile Pentagon letter that was floating around here on the floor of the House.

But I am wondering, Mr. Speaker, considering the fact that we have gone through a preliminary skirmish on the other professions, and we do know that there are going to be major shortages in these other professions over the next several years, if the gentleman's subcommittee has been authorized yet by the chairman of the main committee, to hold further hearings on these other health professions which are in shortage?

And, further, was there any indication from the Senate conferees that if we were to produce a separate bill on the other professions as to whether the Senate then would review the matter seriously and hold hearings on the same problem?

Mr. STRATTON. Mr. Speaker, I will say to the gentleman from California that on the last question the impression that I have received, and that the House conferees got from the comments of the Senate conferees, is that if we were to come in with a bill now or in the next couple of weeks, or another month from now, that I think it is almost certain that the Senate would simply ignore such a bill.

They indicated further, that the only reason they had gotten into this legislation in the first place was because of the urgent situation with regard to the physicians. And I think it is clear that if the Senate is going to continue in this position, that there is no point in trying to come up with some other legislation in the very near future that would simply do what this bill would have done.

However, we indicated to the Senate conferees, and I am happy to reiterate, that it was the intention of the House Committee on Armed Services, to reexamine this question in further detail, in an effort to try to meet some of the objections of the Senate conferees. And I have been considering a scaled-down bill that would apply specifically to dentists, optometrists and veterinarians, one on which we could come up with a bill that would be adjusted more to the actual situation that will be developing in the future, and on which we could perhaps hold hearings and and perhaps then get the Senate to accept.

Mr. LEGGETT. I intend to cooperate with the gentleman on that legislation.

Mr. STRATTON. And I intend to cooperate with the gentleman. He certainly was of very strong assistance when this bill was in the House a couple of weeks ago.

Mr. Speaker, I now yield to the distinguished gentleman from New Jersey, the ranking minority member of the subcommittee (Mr. HUNT).

Mr. HUNT. I thank my colleague for yielding to me.

I take this opportunity to commend him on his professional handling of this bill in its entirety and also on the personal handling that he has given it to bring the conference report to the floor. I am certain that no one in this body can guess or even surmise what the course of the Senate might be. It is very difficult sometimes to understand what the other body is doing, especially when they are off on a vacation. But I do say to the Members that the proposed hearings that might come about in the future I would hope would be as a result of the Department of Defense's indicating that there was a critical shortage, a pending critical shortage, if it were to be, of dentists and veterinarians and optometrists.

The evidence that we have had so far in the comparative fields, at least of the professions, would indicate to me that sooner or later we are going to have a critical shortage in the veterinarian, optometrist, and dentist field; but until they come into the hearings with evidence that they are in this position, I think that the conference report at this time is a wise measure.

As my colleagues know, I was very reluctant to remove the dentists and veterinarians and optometrists from this bill. The conference report, like the original Senate bill, indicates only medical officers. I would hope that as we do progress we would take a very strong look at this. There is no way for us to retain dentists, veterinarians, or optometrists any longer through a draft. That has gone by. I do not think anyone in this House in his right mind, or over in the Senate, would even consider a draft for these special services in the medical field and the health field.

So I compliment the chairman on his foresight in saying that we will consider these things and that we will abide by the critical shortage that does exist, as indicated by the Department of Defense.

Mr. STRATTON. I thank the gentleman from New Jersey for his remarks. I want to compliment him again on the way in which he defended the House position on this bill. As he indicated, he was very reluctant, indeed, to agree to the pressure of the other body for the elimination of these other health professions. I think the gentleman from New Jersey has made a very good point that one of the reasons for our difficulties in holding out was the uncertain trumpet sound for this issue that we got from the Pentagon. They had given us testimony in our subcommittee, and then Dr. Cowan sent a completely different letter over to the Senate conferees. Certainly if they expect us to carry the ball on this legislation again, they are going to have to come forward, as the gentleman has said, with a clear indication of what the shortages are and a clear indication of what their intentions are with respect to the extent of this bonus pay.

I hope that that will be the case. I think certainly that is what we are going to have to have if we can get agreement in the other body.

I would also say to the gentleman that I think it is very likely that once the obligations because of the draft period has come to an end for the dentists and the optometrists and the veterinarians, we may find that there is a greater shortage than the Pentagon has anticipated, and if we can get that kind of information, that might speed up action on this legislation.

Mr. HUNT. I thank the gentleman for his clarifying remarks.

Mr. RANDALL. Mr. Speaker, will the gentleman yield?

Mr. STRATTON. I yield to the gentleman from Missouri.

Mr. RANDALL. I thank the gentleman for yielding.

I want to compliment the gentleman from New York. I know of his work in other areas of the Committee on Armed Services. We all know what went on in the other body, and we all hoped to have the veterinarians and optometrists and dentists included. He has indicated this morning he is going to make another effort. I think it would be worthwhile because during the recess we heard again and again from those who are not only servicemen but those who have the benefit of medical service of the Armed Services about instances of the medical profession simply moving out.

There is a shortage. If the situation is bad now, it is going to become worse. That is why it is so important we have taken this step.

I would hope we would recognize there is an area for further action. I do not know what difference there is between the necessity for a doctor and a dentist. I would think they would be pretty much equally needed. One might save a person's life but the other, of course, can contribute much to that life, so I hope we will be able to go back at a future date.

Mr. Speaker, for now let us rejoice that we are going to be doing something for those who must have treatment. We are losing doctors all the time from the services now.

Mr. STRATTON. Mr. Speaker, I thank the gentleman for his comments and certainly very much for the point he made.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. STRATTON. I yield to the gentleman from Iowa.

Mr. GROSS. I thank the gentleman for yielding.

Mr. Speaker, I opposed the bill because of the inclusion of the three categories which I thought were not necessary at this time. I support the conference report, however.

Mr. STRATTON. The gentleman apparently has a great deal of influence in the other body because the gentleman's views were strongly reflected by the Senate conferees and we found them immovable. The gentleman did not quite achieve that situation in the House.

Mr. GROSS. If the gentleman will yield further, I am not too sure that is a compliment.

Mr. MITCHELL of New York. Mr. Speaker, will the gentleman yield?

Mr. STRATTON. I yield to the gentleman from New York (Mr. MITCHELL).

Mr. MITCHELL of New York. Mr. Speaker, I am pleased at the announcement that we will be holding hearings in these other areas in the near future.

I thought, as I testified, ample evidence was available to include the other health professions of dentistry, optometry, and veterinary medicine. I am hopeful the other gentlemen will be helpful in prevailing on the other body to see the light in this area.

These health services are badly needed. There is leadership needed to bring the other body to our view, and I look forward to working with the chairman in helping to provide the needed incentive to insuring that the uniformed services will have the health care they need.

Mr. STRATTON. I thank the gentleman. The gentleman has been very helpful on the subcommittee in this connection.

Let me just make it perfectly clear, as I indicated earlier to the gentleman from California (Mr. LEGGETT), I do not think there is any point in trying to hold hearings on legislation at this time and trying to get something through because the position of the Senate is so strong. But I am seriously considering, as I indicated, putting in a scaled-down bill, and when that is put in, if we can get some comments from the Defense Department the committee would be in a position to determine when to have hearings and consider reporting the bill out. It would be necessary to have a reasonable position from the Department of Defense.

Mr. MONTGOMERY. Mr. Speaker, I rise in support of the conference report, but am disappointed that the dentists, veterinary medicine, and optometry were taken out of the special pay bill.

For years it has been my feeling that dentists have been discriminated against in the regular forces. This should be corrected and this bill would have helped.

In the near future we are going to have a severe shortage in the military of veterinaries and optometrists, and surely we should start hearings of considering special pay for these three professional groups.

GENERAL LEAVE

Mr. STRATTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the substance of the conference report on S. 2770, special pay for medical officers of the uniformed services.

The SPEAKER. Is there objection to the request if the gentleman from New York?

There was no objection.

Mr. STRATTON, Mr. Speaker, I move

the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 372, nays 17, not voting 44, as follows

[Roll No. 172]

YEAS—372

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N. Dak.
Annunzio
Archer
Armstrong
Ashbrook
Ashley
Bafalis
Baker
Bauman
Beard
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Boggs
Boland
Bolling
Bowen
Brademas
Brasco
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Butler
Byron
Camp
Carey, N.Y.
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Corman
Cotter
Coughlin
Crane
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Donohue
Downing
Drinan
Dulski
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Fish
Fisher
Flood
Flowers
Flynt
Foley
Ford
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Gray
Green, Pa.
Gross
Grover
Gubser
Gude
Guyer
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Harsha
Hastings
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Holtzman
Horton
Hosmer
Howard
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jordan
Karth
Kastenmeier
Kemp
Ketchum
King
Kluczynski
Koch
Kyros
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
Luken
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McKay
McKinney
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Miller
Mills
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Nichols
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pike
Poage
Podell
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rarick
Rees
Regula
Reuss
Rhodes
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Roybal
Runnels
Ruppe
Ruth
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Scherle
Schneebeli
Schroeder
Seiberling
Shoup
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Steed
Steele
Steelman
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Veysey
Vigorito
Waggonner
Waldie
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Charles H., Calif.
Winn
Wolff
Wright
Wyatt
Wylie
Wyman
Yatron
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Zablocki
Zion
Zwach

NAYS—17

Badillo
Carney, Ohio
Conyers
Dingell
Duncan
Findley
Fulton
Griffiths
Harrington
Nedzi
Sebelius
Shuster
Stark
Wilson, Bob
Wydler
Yates
Young, Tex.

NOT VOTING—44

Andrews, N.C.
Arends
Aspin
Barrett
Blackburn
Blatnik
Brown, Mich.
Burgener
Daniels, Dominick V.
Diggs
Dorn
Gettys
Green, Oreg.
Gunter
Haley
Hanna
Hansen, Wash.
Hawkins
Hébert
Johnson, Pa.
Jones, Tenn.
Kazen
Kuykendall
Landgrebe
McFall
McSpadden
Maraziti
Milford
Mollohan
Myers
Nelsen
Nix
Pickle
Reid
Roncallo, N.Y.
Rooney, N.Y.
Rooney, Pa.
Shipley
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Wilson, Charles, Tex.
Young, Ga.

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Arends.

Mr. Rooney of New York with Mr. Dorn.

Mr. Barrett with Mrs. Green of Oregon.

Mr. Dominick V. Daniels with Mr. Aspin.

Mr. Nix with Mr. Mollohan.

Mr. Rooney of Pennsylvania with Mr. Roncallo of New York.

Mr. Shipley with Mr. Blackburn.

Mr. Young of Georgia with Mr. Reid.

Mr. Diggs with Mr. Hanna.

Mr. Kazen with Mr. Brown of Michigan.

Mr. Hawkins with Mr. Blatnik.

Mr. Jones of Tennessee with Mr. Bergener.

Mr. McFall with Mr. Johnson of Pennsylvania.

Mr. Stokes with Mr. Gettys.

Mr. Milford with Mr. Gunter.

Mr. McSpadden with Mr. Nelsen.

Mr. Pickle with Mr. Kuykendall.

Mr. Stephens with Mr. Landgrebe.

Mrs. Hansen of Washington with Mr. Maraziti.

Mr. Haley with Mr. Steiger of Arizona.

Mr. Andrews of North Carolina with Mr. Myers.

Mr. Charles Wilson of Texas with Mr. Steiger of Wisconsin.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AUTHORIZING THE SPEAKER TO DECLARE A RECESS ON THURSDAY, JUNE 13, 1974, FOR THE OBSERVANCE OF FLAG DAY

Mr. NICHOLS. Mr. Speaker, Friday, June 14, 1974, will mark the 197th anniversary of Flag Day. For many years the House has commemorated Flag Day here in the House Chamber by appropriate ceremonies.

I, therefore, ask unanimous consent that it may be in order at any time on Thursday, June 13, for the Speaker to declare a recess for the purpose of observing and commemorating Flag Day in such manner as the Speaker may deem appropriate.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

DESIGNATION OF MEMBERS OF COMMITTEE FOR FLAG DAY CEREMONIES

The SPEAKER. The Chair will state for the information of the House that, after consultation with the distinguished minority leader, the Chair has informally designated the following Members to constitute a committee to make the necessary arrangements for appropriate ceremonies in connection with the unanimous-consent agreement just adopted:

The gentleman from Alabama, Mr. NICHOLS; the gentleman from Maine, Mr. KYROS; the gentleman from California, Mr. GOLDWATER; and the gentleman from Ohio, Mr. REGULA.

PROVIDING FOR CONSIDERATION OF H.R. 13919, AUTHORIZING APPROPRIATIONS FOR ATOMIC ENERGY COMMISSION FOR FISCAL YEAR 1975

Mr. MURPHY of Illinois. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1030 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 1030

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 13919) to authorize appropriations to the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes, and all points of order against sections 104 and 105 of said bill for failure to comply with the provisions of clause 4, rule XXI are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Joint Committee on Atomic Energy, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Illinois is recognized for 1 hour.

Mr. MURPHY of Illinois. Mr. Speaker, I yield the usual 30 minutes to the minority to the distinguished gentleman from Illinois (Mr. ANDERSON) pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1030 provides for an open rule with 1 hour of general debate on H.R. 13919, a bill to authorize appropriations to the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended.

House Resolution 1030 provides that all points of order against sections 104 and 105 of the bill for failure to comply with the provisions of clause 4, rule XXI of the Rules of the House of Representatives—prohibiting appropriations in a legislative bill—are waived.

H.R. 13919 authorizes $2,551,533,000 for operating expenses and $1,125,300,000 for plant and capital equipment for the fiscal year 1975.

Mr. Speaker, I urge the adoption of House Resolution 1030 in order that we may discuss and debate H.R. 13919.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as has been noted, House Resolution 1030 provides an open rule with 1 hour of general debate for the consideration of H.R. 13919, the Atomic Energy Commission Authorization for fiscal year 1974.

In addition, this rule provides a waiver of points of order against sections 104 and 105 of the bill for failure to comply with clause 4 of Rule XXI. Clause 4 is the provision which prohibits appropriations language on a legislative bill.

Section 104 of this bill allows the AEC to spend money that it takes in without returning it to the Treasury. The effect of this provision is to appropriate funds which normally would have been returned to the Treasury, and therefore, the waiver is required.

Section 105 provides transfer authority. The effect of this provision is to allow funds to be used for a purpose different than the purpose for which they were originally appropriated. This also can be construed to constitute appropriations language on a legislative bill.

Mr. Speaker, this is the rule requested by the distinguished chairman of the Joint Committee on Atomic Energy. I urge the adoption of this rule so that the House may proceed to debate the bill, H.R. 13919.

The purpose of H.R. 13919 is to authorize appropriations for the Atomic Energy Commission for fiscal year 1975. The total authorization is $3,676,833,000 of which $2,551,533,000 is for operating expenses and $1,125,300,000 for plant and capital equipment. Certain program titles and descriptions in the AEC's fiscal year 1975 budget request differ from those in the 1974 request. Changes were made by the AEC to make its budget more in line with the reorganizations which took place within the AEC since May of 1973.

The committee realined the AEC's request to provide for a higher level of effort on several of the Commission's high-priority programs, while reducing the authorization recommended for certain other Commission programs. The recommended authorization for fiscal year 1975 of $3,676,833,000 is $76,560,000 more than the amount requested.

In general, the Commission's authorization request covers estimated costs in two broad categories; namely, military and civilian applications. The military applications include primarily the nuclear weapons and naval propulsion reactors programs as well as a portion of the nuclear materials program: $1,531,867,000 is attributable to military applications—$1,257,557,000 in operating costs and $274,310,000 in plant and capital equipment. The civilian applications of atomic energy totals $2,138,036,000—$1,715,986,000 for operating costs and $422,050,000 for plant and capital equipment.

The change of civilian versus military applications estimated costs from 1974 to 1975 is also reflected in the priority increases the AEC proposes to give to energy development programs and basic and supporting energy research, which would contribute most directly to solving energy related problems and to maintaining the quality of our Nation's environment.

The following two charts are estimates from the Commission covering expense for the next 5 fiscal years:

Net operating costs

Fiscal year:	*Millions*
1976	$2,282
1977	2,489
1978	2,688
1979	2,623

Plant and capital equipment costs

[In millions of dollars]

Fiscal year:	*AEC estimate*	*JCAE estimate*
1975	696	713
1976	826	827
1977	989	972
1978	1,072	1,062
1979	1,021	1,018

The Joint Committee on Atomic Energy reported the bill by a voice vote.

Separate views were filed by Hon. TENO RONCALIO in opposition to the Plowshare project. AEC's Chairman Dixy Lee Ray testified that each of our national energy research programs "should be funded on its merits, accelerated when it succeeds, and terminated or cut back severely when it fails after a reasonable amount of effort." He contends the Plowshare program has been afforded more than a reasonable amount of time, money, and effort, and that it has failed in virtually all of its endeavors. He will offer some amendments on the floor.

Mr. MURPHY of Illinois. Mr. Speaker, I have no requests for time.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 12799, AMENDING THE ARMS CONTROL AND DISARMAMENT ACT

Mr. MURPHY of Illinois. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1009, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1009

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12799) to amend the Arms Control and Disarmament Act, as amended, in order to extend the authorization for appropriations, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Illinois (Mr. MURPHY) is recognized for 1 hour.

Mr. MURPHY of Illinois. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from Ohio (Mr. LATTA), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1009 provides for an open rule with 1 hour of general debate on H.R. 12799, a bill to amend the Arms Control and Disarmament Act.

H.R. 12799 authorizes an appropriation of $10.1 million to fund the operations of the Arms Control and Disarmament Agency through the fiscal year 1975.

H.R. 12799 amends the Agency's authority to procure the services of consultants by increasing the existing $100 per day limitation to approximately $138 per day.

H.R. 12799 also directs the Director of the Arms Control and Disarmament Agency to file an arms control impact report with the Congress on new strategic weapons systems costing more than $50 million.

Mr. Speaker, I urge the adoption of

House Resolution 1009 in order that we may discuss and debate H.R. 12799.

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I heard the statements just made by my friend, the gentleman from Illinois (Mr. MURPHY). I hasten to point out that this is more than just an authorization of the Arms Control and Disarmament Act. As pointed out in the minority views, this legislation contains what has become known as the Harrington amendment which would require the Director of the Arms Control Agency to report to the Congress within 30 days the nature, scope, purpose, cost, and impact of any strategic weapons system for which he determines a program of research, development, testing, engineering, or deployment has been funded by the Department of Defense or the Atomic Energy Commission, if the estimated cost of the program will exceed $50 million for any fiscal year.

Mr. Speaker, I think this is a dangerous amendment that could and probably would do irreparable harm to the defense system of this country. I do not believe it has any place in this legislation and, hopefully, under the 5-minute rule the minority will prevail and the defense of this country will not be hindered by the Harrington amendment in that it will be stricken out.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Iowa.

Mr. GROSS. I thank my friend, the gentleman from Ohio, for yielding. I only want to say that this is a wide open rule. This is the kind of a rule the House ought to have from the Committee on Rules except in the event of an emergency. No points of order are waived; there are no other restrictions on the consideration of the legislation. This marks, it seems to me, a red letter day in the House of Representatives. I cannot recall when we last had a completely open rule, I say again, the kind of rule that the House ought to have except in the event of an emergency.

Mr. LATTA. Let me say to my good friend, the gentleman from Iowa, it is not often that he commends the House Committee on Rules for its action, and we accept his commendation.

Mr. GROSS. If the gentleman will yield, I was not aware that I commended the committee. I did that once, 2 or 3 years ago, and if I remember correctly the next rule we considered was a gag rule.

Mr. LATTA. Let me say to my friend, the gentleman from Iowa, that we will probably have some of those gag rules in the future.

Mr. Speaker, I have no requests for time and reserve the balance of my time.

Mr. MURPHY of Illinois. Mr. Speaker, I have no additional requests for time.

I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING APPROPRIATIONS FOR THE ATOMIC ENERGY COMMISSION FOR FISCAL YEAR 1975

Mr. PRICE of Illinois. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 13919) to authorize appropriations to the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Illinois.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 13919, with Mr. BURLISON of Missouri in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule the gentleman from Illinois (Mr. PRICE) will be recognized for 30 minutes and the gentleman from California (Mr. HOSMER) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Illinois (Mr. PRICE).

Mr. PRICE of Illinois. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the bill now under consideration, H.R. 13919, would authorize total appropriations of $3,676,833,000 for fiscal year 1975 for the Atomic Energy Commission's "operating expenses" and "plant and capital equipment." That amount is approximately 2 percent more than the amount requested by the Commission. About 58 percent of the Commission's fiscal year 1975 estimated program costs will be for civilian applications, with the balance for military applications. For the current year the portion for the civilian program is about 54 percent. This indicates a continued shift of the fraction of work toward civilian programs. The proposed authorization also emphasizes energy R. & D. programs, whose estimated costs in this authorization bill are 32 percent greater than the current year's estimated costs. The civilian applications portion includes $132.2 million in operating costs for the high energy physics program for which the AEC acts as principal funding agent for the entire Federal Government.

OPERATING FUNDS

Turning to the bill itself, the individual sections are explained in the section-by-section analysis beginning at page 46 of the committee report. Very briefly, section 101(a) would authorize $2,551,533,000 for operating expenses, which consists of the individual program amounts listed in the table on page 3 of the committee report. A detailed discussion of the individual program amounts begins on page 7 of the committee report. You will note from the table on page 3 that the committee has recommended several adjustments to the AEC's requested authorization, the net effect of which is an increase of $82,110,000.

I would like to highlight some of the significant areas affected by the committee's recommendations. Recognizing the Nation's need for increasing amounts of clean energy, the committee recommended an increase of $9.2 million for the light water breeder reactor program, $8.9 million for nonnuclear energy programs and $9 for controlled fusion energy research. We have also recommended an increase of $12.7 million for the Commission's regulatory program which should permit a reduction in the licensing review time for powerplants, while at the same time maintaining the high quality of these reviews.

The committee also is recommending a $15 million increase in the nuclear weapons program. Although the increase is only about 1½ percent above the Commission's request, it is for the testing program—a very critical aspect of our nuclear weapons program. We have examined this matter very carefully and have concluded that if this work is not strengthened, there is a high probability that our nuclear weapons technology would be frozen.

CONSTRUCTION FUNDS

With regard to plant and capital equipment, section 101(b) of the bill recommends a total authorization of $1,125,300,000, which is a reduction of $5,550,000 from the amount requested by the AEC. The bill authorizes $273,300,000 for new construction projects, $208,850,000 for capital equipment not related to construction, and $643,150,000 for increases to previously authorized projects.

The major changes recommended in this area are a $26.6 million reduction for two reactor development facilities and an increase of $7.1 million for improving our uranium enrichment plants.

Sections 102, 103, and 106 of the bill set forth certain limitations regarding the application of the funds authorized by this bill. These are similar to provisions incorporated in previous authorization acts.

Section 107 provides required legislation concerning the Commission's highest priority reactor development program which is the liquid metal fast breeder program. This section concerns indemnification and ownership of the first LMFBR demonstration plant which is being carried out as a cooperative project with industry.

CONCLUSION

These are the highlights of the bill. The Joint Committee believes that the bill provides for the minimum authorization necessary to carry out at a viable level the essential programs and activities of the Commission. It was reported out without dissent by either House or Senate members of the committee, and I urge its favorable consideration.

These are the main highlights of the bill. The Joint Committee believes that the bill provides the minimum authorization necessary to carry out at a viable level the essential activities to protect this country.

Ms. ABZUG. Mr. Chairman, will the gentleman yield?

Mr. PRICE of Illinois. I yield to the gentlewoman from New York.

Ms. ABZUG. I would be glad to wait until the gentleman has concluded. He said these are the main highlights. I wanted to ask a number of questions on this section concerning the amounts to be authorized.

Mr. PRICE of Illinois. Yes, that is all right.

Ms. ABZUG. On page 10 of the report it states that the AEC requested $152,152,000 for testing of atomic weapons and $8,500,000 for special test detection activities, the total of which I think comes to roughly $161.7 million, the amount Dr. Ray testified to.

On page 11 the committee recommends authorization of $112,552,000 for on-continent tests, with an increase of $15 million that the committee decided to impose, in spite of the fact the AEC did not request it. This leaves a difference of $49 million. Can the gentleman indicate what that $49 million is to be used for?

Mr. PRICE of Illinois. This is all in the area of weapons testing. I do not have the committee report in front of me right now.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. PRICE of Illinois. I yield to the gentleman from California.

Mr. HOSMER. That is the balance for the weapons testing program, in accordance with the need for information, and it will provide about 10 additional experiments of a classified nature, but which are quite important if this program is to be carried forward.

Now, I would say "take the money out" to the gentlewoman from New York, and any person who feels that the weapons program is unnecessary, and who feels that we no longer have countries in the world that need to be deterred by this kind of weaponry. On the other hand I would advise "leave it in" those who do believe that peace has not settled down all around us, and that a certain amount of muscle is still needed with respect to potential enemies, that the guard should be kept up in a nuclear fashion. We should go along with the committee recommendation. It will afford a balanced funding for weapons work. It is carefully calculated to produce the maximum amount of national protection for the dollars invested.

Ms. ABZUG. Mr. Chairman, will the gentleman yield further?

Mr. PRICE of Illinois. I yield to the gentlewoman from New York.

Ms. ABZUG. I thank the gentleman very much for his advice. I will try following it subsequent to this debate. I will bring out an amendment appropriate to the welfare of America; but at the same time, I would appreciate an answer to my question, and that is, What does the balance of $49 million represent? It is not, I take it, for on-continent tests. That is stated to be $112 million or so. Is it for underwater tests or is it just for laboratory tests?

Mr. PRICE of Illinois. For the weapons program, for research and development assigned to new weapons.

Ms. ABZUG. Is there not a separate section for research and development?

Mr. PRICE of Illinois. There is a separate section for research and development. Most of the weaponry items are research and development themselves.

Ms. ABZUG. I see; so this is for laboratory tests? Is the amount specifically budgeted or just left open for possible future authorization?

Mr. PRICE of Illinois. It is specifically budgeted for weapons.

Ms. ABZUG. Could we get an enumeration of which laboratories are in the process of doing this?

Mr. PRICE of Illinois. It is in the weapons program at Los Alamos and probably Livermore.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. PRICE of Illinois. I yield to the gentleman from California.

Mr. HOSMER. Part of that money is used for the Nevada test site and the laboratories. These complexes all work together, the test sites and Los Alamos and Livermore, and these funds go to the common support of the triplex.

Ms. ABZUG. Mr. Chairman, I have one more question. Would the gentleman from Illinois give an indication as to whether it is the opinion of this committee that it is in a better position than the AEC to determine whether there should be an increase in authorization? Does the gentleman believe his opinion to be better than that of the AEC?

As I understand from the gentleman's remarks and from reading the report, he has increased the request of the AEC.

Mr. PRICE of Illinois. Mr. Chairman, I yielded to the gentlewoman from New York for a question. I think our judgment is based on the information that we do get from the AEC and the laboratory personnel engaged in this field of research.

Ms. ABZUG. Mr. Chairman, we must not let the actions of this House be controlled by panic. The recent energy shortage, however real or permanent, must not blind us to other realities. In our eagerness to develop new sources of energy, we are rushing recklessly into situations that we may live to regret—if indeed we live through them at all.

Nuclear power is by no means our only alternative, but it is certainly our most dangerous alternative. Yet the bulk of the funding for developing new sources of energy is going to nuclear methods, rather than to exploration of far safer and less costly ways—in particular, solar energy. Once again those with vested interests are using a crisis to grab money, while gambling with our very lives. The Commission that should be a watchdog for such interests has instead become their tool.

The present request represents a 45-percent increase over last year's funding. Yet both the military and civilian uses proposed in this authorization pose the most ominous threats. Over the years we have developed a kind of contemptuous familiarity with the atom. We seem to feel that because we haven't destroyed the earth in almost 30 years, we can continue playing with this lethal toy; We can become even more careless, as this bill proposes to do. Yet the threat today is ever more real as nuclear capabilities proliferate.

The military portion of this bill asks $859 million for weapons, including production and surveillance, research and development, test detection and testing. The Joint Committee has actually increased the AEC's request for on-continent testing by $15 million, which involves continuous daily hazards to residents of the States involved, to those living on routes where nuclear materials are transported, and in fact to everyone. Is it going to take some fantastic nuclear accident to awaken us to the danger? We have already had many close calls in which during production or transportation, workers and whole communities have been threatened. The stockpiling and storage and testing of such weapons—and the impossibility of destroying the residue safely—is a constant threat to us all; yet we treat requests such as this, as though they were routine authorizations.

Parity with the Soviet Union is always given as the necessary justification for continued development and testing. But please consider these figures: In mid-1973, the United States had 6,784 strategic nuclear warheads—in simple language, H-bombs; the Soviet Union had 2,200. In mid-1974, the United States possesses 7,940 H-bombs; the Soviets, 2,600. There are great technical arguments about the various kinds of bombs and their potential; the basic fact is that we have a preponderance of bombs and the Soviet Union is ringed with our bases.

The new nuclear strategy, which looks like conversion to first-strike capacity, cannot be very reassuring to the Soviets in the SALT talks. We cannot expect disarmament to be anything but a pious wish so long as we continue to arm ever more heavily. Even our relations with our neighbors are threatened: The radioactivity from our underground tests forms into clouds that drift across international borders. The U.S. disarmament agency continues to express its concern that we are violating the present ban on atmospheric testing.

Turning to civilian uses, Dr. Fred C. Ikle, director of ACDA is also concerned about the use of nuclear explosions to recover gas locked deep beneath the ground, as proposed by the AEC. Such experiments if not properly handled, he says, might jeopardize the U.S. long-standing policy of opposing nuclear proliferation. Yet dozens of large financial interests are anxious to experiment with such underground explosions. And Edward Fleming, information officer of the AEC, can only say that such experiments "never hurt anybody." What will he say when they do?

A report made last October by the AEC's own task force—Department of Regulation—gives very clear warning of the dangers of the nuclear power plants which we are asked to approve for civilian use, in this authorization. Here are a few of the comments from that report:

> . . . There is still an unanswered question as to the quantified degree of safety (or conversely, the level of risk) of a nuclear power plant. (pp. 10–11)
>
> The ultimate determination of the acceptable level of public risk is actually a matter which should be debated and established in the public arena. (p. 11)
>
> The risk to the public from a reactor is truly a value judgement . . . Quantification of these risks is complicated since identification of all possible accident combinations has not been accomplished. (p. 12)
>
> Review of the operating history associated with 30 operating nuclear reactors indicated that during the period 1/1/72–5/30/73 approximately 850 abnormal occurrences were reported to the AEC. Many of the occurrences were significant and of a generic nature requiring followup investigations at other plants. Forty percent of the occurrences were traceable to some extent to design and/or fabrication related deficiencies. The remaining incidents were caused by operator error, improper maintenance, inadequate erection control, administrative deficiencies, random failure and combination thereof.

The task force recommends a tenfold increase in surveillance. This seems to me totally inadequate.

I believe we should follow some such course as that charted by the Waldie-Aspin bill which requires an immediate moratorium on new construction licenses for nuclear powerplants, and directs the Office of Technology Assessment to submit an independent assessment of nuclear safety problems, economics, and net energy production to Congress within 5 years.

At the same time, we should greatly increase funding for solar and other energy sources. A report made by Subpanel IX of the AEC states that—

> At an average energy conversion efficiency of 5%, less than 4% of the US continental land mass could supply 100% of the nation's current energy needs. Thus, solar energy could contribute significantly to the national goal of permanent self-sufficiency while minimizing environmental degradation . . .

With these studies and experiments we should make a thorough re-evaluation of the role of the military and its current weapons program. In an interdependent world, running short of resources, we simply cannot afford to continue our present wasteful and dangerous ways.

I intend to offer amendments to delete funds for nuclear testing, to delay construction of nuclear reactors pending further study, and to support every amendment that furthers the cause of peace by limiting military spending.

Mr. HOSMER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I yield to the gentleman from Illinois (Mr. Anderson) such time as he may consume.

Mr. ANDERSON of Illinois. Mr. Chairman, I thank the gentleman from California for yielding.

Mr. Chairman, I rise in support of H.R. 13919, the bill authorizing appropriations to the Atomic Energy Commission for fiscal year 1975.

Mr. Chairman, I just want to make one additional observation in view of the colloquy that has just taken place between the chairman of the committee, the gentleman from Illinois (Mr. Price), and the gentlewoman from New York. That is, that I think it is not commonly realized the extent to which the budget for the Atomic Energy Commission does increasingly represent the devotion of our resources in this area to the peaceful use of the atom. For example, as late as 1962, more than 70 percent of the AEC budget was earmarked for military and weapons costs, but because of the growing realization that has taken place and because of the dwindling fossil fuel supplies, it is important to increase authorizations for the purpose of developing nuclear power as an alternative source of energy.

Mr. Chairman, it is interesting, I think, and significant to note that over the decade, about 12 years since 1962, we have seen a decline in that percentage of the AEC budget, the 70 percent which I mentioned was earmarked for military and weapons costs. We have seen that drop to slightly less than 42 percent during the coming fiscal year, during fiscal year 1975, so three-fifths of the total budget of some $3.6 billion now is going to develop the peaceful use of the atom.

Mr. Chairman, in the remarks that I will insert in the Record, I will point out at some length the extent to which, particularly in recognition of the growing energy problem that we face in this country, work under the sponsorship of the Atomic Energy Commission will be conducted in the coal liquefaction area, in the development of a catalytic process for converting sulfuric coal to oil for powerplants as well as transportation fuel.

Mr. Chairman, an effort is being made to utilize the existing facilities, AEC facilities, in chemical engineering and process development in such places as Oak Ridge National Laboratory and Argonne National Laboratory in my own State of Illinois and elsewhere around the country to use the tremendous investment that we have already made in these facilities for the further development, for the good of mankind, and with particular reference to the solution of the energy problem that confronts the Nation and the world.

Mr. Chairman, I rise in support of the activities being requested for general energy development. With the funds being provided for this program, the AEC laboratories will be able to conduct research and development on a number of energy technologies—including coal gasification and liquefaction, geothermal, solar, batteries, and other energy storage systems, and underground electrical transmission.

While the funds being requested are relatively modest, the activities they will support represent an important part of the effort for achieving the national goal of energy self-sufficiency for the United States. There is no longer any question that this country must significantly increase its R. & D. efforts to develop new energy technologies as well as to improve existing technologies.

It is generally recognized that the AEC research and development laboratories represent a truly unique and great national asset. These laboratories employ about 25,000 scientists and engineers representing all technical skills and disciplines. The labs are equipped with some of the finest equipment and testing facilities available in the country. It makes eminent sense to utilize this national resource to help develop nonnuclear energy technologies.

In reviewing these programs, the committee found that the OMB had deleted funds for several promising activities proposed by the AEC—notably solar energy and coal liquefaction. It is our understanding that these programs were not deleted due to a lack of technical justification, but rather to an OMB decision that R. & D. in these two areas should be conducted under the jurisdiction of other agencies. It was also indicated that there was a possibility that these other agencies might fund the programs at the AEC laboratories, although no firm guarantee that this would happen was provided. In view of these considerations, the committee determined that direct authorization was the only way reasonable assurance could be provided that these programs would be continued to be funded on a timely basis. Accordingly, the committee recommended that $7.7 million be added for coal liquefaction and $1.2 million for solar energy to carry forward the following work.

COAL LIQUEFACTION

In the coal liquefaction area, work is to be conducted on the development of a catalytic process for converting high-sulfur coal to oil for powerplant use as well as for transportation fuel. The program will utilize the existing AEC capabilities in chemical engineering and process development at Oak Ridge National Laboratory and other locations. The major project goal will be to achieve a commercial-scale demonstration of one promising coal liquefaction process in the early 1980's.

SOLAR ENERGY

In the solar energy area, the funds added by the committee will assure the continuation of work started in fiscal year 1974 as a result of an add-on of funds by the Joint Committee.

Specifically, work in fiscal year 1975 will continue at Sandia on studies aimed at demonstrating the feasibility of making practical use of solar energy to serve community and commercial power requirements. This work is aimed at developing a system for large-scale utilization within 10 years. In addition, work will be continued on developing an expanded metal type of roof panel construction for collection of solar energy at Los Alamos and for work on nonfocusing mirrors at Argonne.

In summary, I strongly urge that my colleagues support the programs on general energy development recommended by the Joint Committee. These energy R. & D. programs offer the promise of significant payoffs with respect to helping meet the Nation's future energy needs.

Mr. PRICE of Illinois. Mr. Chairman, I yield 10 minutes to the distinguished gentleman from California (Mr. Holifield).

Mr. HOLIFIELD. Mr. Chairman, this, to me, is in a way an historic time, because, having been on the Joint Committee on Atomic Energy since its inception and having fought alongside the gentleman from Illinois (Mr. Price) for civilian control of atomic energy when the House passed the bill giving it over to the military, I recall that we later saw the civilian control of atomic energy adopted by both the Senate and the House. I have served all these years, 28 years, on this committee, and since I have announced my retirement at the end of this year, of course, this will be the last year in which I will be able to participate in the consideration of this program.

I take a great deal of pride in the work that the Joint Committee on Atomic Energy has done. We have developed the atomic program in accord with the principles set forth in the act.

For the first 6 or 7 years we were engaged in weapon production, and that was as it should be, because at that time we were in a race against the Soviets to maintain nuclear weapon superiority.

Over the years, however, and since 1954—and I would like to ask the gentlewoman from New York, who is so critical of this program, to listen to this—we have changed the appropriation. As a result of the efforts of the Joint Committee on Atomic Energy, we have changed the appropriation from zero percent for peacetime application to a figure of around 58 percent application for peacetime uses and 42 percent for weapon uses. We have done this without weakening the Nation from the standpoint of weaponry.

We did that, Mr. Chairman, because we felt that we had achieved the degree of strength that would make this Nation secure against nuclear attack and, more importantly it would prevent a nuclear attack, because we look upon the atomic arsenal of this Nation as not a provocative program of armament but as a form of security insurance against the possibility of attack by the only other nation in the world that is equal to ourselves today in terms of atomic strength.

I might point out that that atomic weapon equality has come about in the last 4, 5, or 6 years between the U.S.S.R. and the United States.

Mr. Chairman, I want to make one further observation. At the time of the Cuban episode, when President Kennedy told the Soviets to turn their missile ships around—we should recall that they were installing intercontinental missiles and intermediate missiles in Cuba at that time—it developed that they turned those ships around. I will say for the benefit of the gentlewoman from New York, who is so critical of the military parts of this program, that if it had not been for the strength of the United States in the military field—and it was 4 to 1 at that time—the Soviets would not have turned those ships around.

I would fear today that if the same proposal were made, at a time when they have now achieved parity with the United States and are going ahead at a rate greater than ours in the building of weapons, including the research and development in the United States, at a time where they are proceeding at a far greater rate in the field of atomic warmaking machinery, I quaver today when I consider as to whether such an ultimatum by a President of the United States would be obeyed or simply laughed at.

So I say that I am proud that this committee has upheld the strength of the United States in the weapons field, not to make aggressive war on other nations, because that is not the desire nor the goal of the American people. We are a peace-loving people, but we are also a people that want to preserve the liberties and the freedoms that we have. That is why we have built up this atomic strength that we have today.

Mr. Chairman, I say that any attempt to weaken ourselves or to diminish that strength is a move in the direction of hazard to this country. It is a move in the direction of producing an outbreak of war; it would be an imposition of danger upon other nations which have no atomic strength of the will of the Soviet Union.

So, therefore, I take a great deal of pride in the work of this committee over the years as we have moved toward peacetime applications. Today there are many thousands of peacetime applications of atomic energy. One of the most important items is the fact that we now stand ready to fill in this gap in energy, in electrical energy, which has come about.

Mr. PRICE of Illinois. Mr. Chairman, will the gentleman yield to me?

Mr. HOLIFIELD. Of course I yield to the distinguished gentleman.

Mr. PRICE of Illinois. Mr. Chairman, I want to say how much the committee and the Congress are going to miss the distinguished gentleman from California.

As he stated in his opening remarks, he has been a charter member of the Joint Committee on Atomic Energy. He and I were the only two members of the old Military Affairs Committee that fought for civilian control of the atomic energy program. We were successful in that fight and lived with that program for a total of about 28 years now. No one in this country has contributed more to the atomic energy program than has the gentleman from California.

I will miss him as a personal friend and as a close associate on this committee. It is a little difficult to look forward to a session of Congress when Chet Holifield will not be down in the well presenting this authorization bill to the House and defending the program and defending it for the reasons he stated in his earlier remarks this afternoon.

Mr. HOLIFIELD. I thank the distinguished gentleman for those kind remarks.

Mr. HOSMER. Will the gentleman yield?

Mr. HOLIFIELD. I yield briefly to the gentleman.

Mr. HOSMER. Mr. Chairman, I would like to echo the remarks of the gentleman from Illinois and say to my good friend from California that I am happy to have had the privilege of serving with him on this Joint Committee on Atomic Energy. It is an experience for which I shall be forever grateful. It has been intellectually stimulating and inspiring from the standpoint of the opportunity over these years to share our efforts and work with men of such dedicated patriotism as the gentleman from California (Mr. Holifield) and the gentleman from Illinois (Mr. Price) who share the honor of being the final survivors of the original membership of this Joint Committee on Atomic Energy.

Mr. HOLIFIELD. I thank the gentleman.

I want to say that over all the 18 years that I have worked on this committee with the gentleman from California (Mr. Hosmer) he has been most dedicated in looking after the welfare of America and has been absolutely indispensable in our deliberations. There has never been any partisanship or rivalry between us, but the committee has only worked for the security and the benefit of America. We have many accomplishments to our record.

I started to say one of the great accomplishments was the development of the electric producing reactors. We are facing a decline in fossil fuels. There is a shortage of 6 million barrels of oil per day as against the 17 million that we are using now. We are going to keep going forward in an attempt to fill that gap, and we believe we can do it so that we can come up with self-sufficiency in this country. The legislation we have already passed dealing with establishment of the Energy Research and Development Administration will help to accomplish this by looking into all types of potential uses of any fuel resource that we have domestically. We believe that this in time will fill the gap, which we need to fill if this Nation is to endure and is to continue with a standard of living which is commensurate with what it has now, and if it is to endure as a free nation.

I want to say this to the gentlewoman from New York. She asked if we on the Joint Committee put ourselves above the Atomic Energy Commission in knowledge. I will tell her that yes we do and we have. We have eliminated programs that the Atomic Energy Commission wanted and we have imposed programs upon them that we thought the people of the United States needed.

Our judgment, the judgment of the Congress of the United States, has prevailed and not a constantly changing judgment of a constantly changing commission that may have membership which remains the same for a period of 2, 3, 5, or 7 years and whose interest would then move on to other fields. We have had a continuity of policy direction which has been expressed on the part of a number of members on our committee who have had knowledge which was gained not only from the records of the Atomic Energy Commission but information that was developed on our own which has given us the ability and the judgment to say when the Atomic Energy Commission is right and when they are wrong. We have done that as our responsibility to the Members of this House. We, the Congress of the United States, have set this program up and not the Atomic Energy Commission and not some laboratory that had a pet project that they wanted to go forward with.

Not some laboratory man that had a particular project to go on. And as this day goes on——

The **CHAIRMAN**. The time of the gentleman has expired.

Mr. **PRICE** of Illinois. Mr. Chairman, I yield 1 additional minute to the gentleman from California (Mr. HOLIFIELD).

Mr. **HOLIFIELD**. Mr. Chairman, I thank the gentleman for the additional time.

Mr. Chairman, as I started to say, as this day goes on we will exercise that judgment. We will explain to the House the judgment that we have utilized in making these decisions which in some instances have added to and in some instances have taken from programs of the Joint Committee on Atomic Energy. We consider this our responsibility, and we consider we have discharged this responsibility. As long as there are members on this committee I am sure they will continue to use judgment that they have accrued over the years, and to make that judgment known to the Members of the House so that they can substantiate that judgment and then go forward with the vital programs which are so valuable to the future of America.

The **CHAIRMAN**. The time of the gentleman has again expired.

Mr. **HOSMER**. Mr. Chairman, I yield 3 minutes to the gentleman from Idaho (Mr. HANSEN).

Mr. **HANSEN** of Idaho. Mr. Chairman, I thank the gentleman for yielding.

I rise in support of the authorization bill which is now before the House. The programs included in the bill and the funding levels authorized, reflect the progress that we have made over the past more than two decades in building the very strong nuclear energy base. We must now build on that to help our country achieve the goal of energy self-sufficiency. The authorization also reflects the high priority being assigned to many of the Nation's most promising energy research and development programs.

Because of the past leadership of this committee and the support of the Congress, we have a system of national laboratories and engineering and test facilities and thousands of technicians and scientists whose talents and capabilities can now be applied to the whole range of energy research and development programs.

Mr. Chairman, in pointing to past progress, I want to pay tribute to two outstanding leaders in the Congress who have contributed so much to the development of our Nation's nuclear energy programs and whose exceptional talents will be sorely missed in the future because of their announced intention to retire from the House of Representatives at the end of the year.

I want to acknowledge our indebtedness to the gentleman from California (Mr. HOLIFIELD) who, as it has been mentioned, is one of the charter members of the Joint Committee on Atomic Energy, and to our colleague on this side of the aisle, the gentleman from California (Mr. HOSMER) the ranking minority member on the House side of the Joint Committee on Atomic Energy.

These two gentlemen are indeed architects of our atomic energy programs. They are builders. Their exceptional leadership talents have contributed enormously to our past progress. I would not want this occasion to pass without acknowledging the debt of gratitude that the Congress and the country owes to CHET HOLIFIELD and CRAIG HOSMER.

Mr. Chairman, I would like to discuss in more detail some of the specific programs that are covered in the authorization bill before us today: Reactor safety; waste management and transportation; regulation; and weapons program.

REACTOR SAFETY

In order to appreciate the magnitude of the Commission's reactor safety research effort, one should recognize that this activity is carried out under two different budget categories. Under the civilian reactor development program the nuclear safety effort is directed principally toward safety phenomena associated with the breeder reactor and the high temperature gas reactor.

In a second budget category is an independent safety program carried out under the Reactor Safety Research Division. The principal focus here is on the light water reactors—the type now operating throughout this country. A major portion of this program includes the conduct of large-scale reactor tests associated with the light water safety program which are to be carried out at the National Reactor Testing Station in Idaho.

The budget figures submitted to the Congress and recommended for approval by the committee for AEC's reactor safety research program are as follows: in the Reactor Development Division $40,110,000; and, in the Reactor Safety Research Division, $52,940,000, for a total of $93,050,000. This compares to an estimate for fiscal 1974 of $72,200,000. The budget now before us represents an increase of 28 percent over the previous year. In addition, the Electric Power Research Institute, through contributions by utility organizations throughout the country, is planning to finance additional reactor safety efforts which will supplement the information to be obtained through Commission programs. Still further, the reactor vendors themselves carry out special reactor safety tests and assessments related to the specific needs of their designs.

As you can see, the totality of the efforts which I have described represents a large and comprehensive program. The joint committee has received detailed testimony on these research efforts presented by those who will carry out the programs, as well as testimony on the adequacy of the overall programs by those who will utilize the data produced in assessing the safety of reactors—the AEC regulatory staff, the Atomic Safety and Licensing Board Panel and the Advisory Committee on Reactor Safeguards.

There is, of course, **no limit to the** amount of research which can be carried out in the name of safety. The joint committee believes, however, that those who will utilize this information believe that the program proposed is a reasonable one and the committee concurs in that conclusion.

I urge rejection of the amendment.

WASTE MANAGEMENT AND TRANSPORTATION

The Joint Committee has recommended authorization of $28,570,000 for the Commission's waste management program for fiscal year 1975. This is the full amount requested by the AEC and represents an increase of $11,890,000 or 72 percent over the previous year.

The principal effort of this program is directed toward the development of retrievable surface storage facilities for early storage of solidified waste resulting from the civilian nuclear power program. The waste products from civilian reactors accumulate at a predictable rate which can be handled in an orderly fashion. The first such waste products are expected to be delivered to the AEC by industry in 1983.

The Commission program contemplates development of a satisfactory retrievable storage approach which should provide more than enough lead time to fully explore ultimate disposal techniques. The disposal approach which continues to offer the most promising satisfactory solution is disposal in geologic salt formations. Other geologic formations, however, are being explored.

The waste products from our nuclear weapons development and production programs were accumulated at a rapid rate beginning in the late 1940's. This waste, in the millions of gallons in volume, is in liquid or salt cake form and is stored in tanks at the Hanford and Savannah River installations of the Commission. There have been leaks from time to time but the Commission has shown by its extensive monitoring programs that no radioactive material has leaked into underground water supplies at either facility. A program is underway to install new improved tankage and to speed the solidification of this material so that it will be in a less mobile form, thus further reducing the risk of release of material to nearby water supplies.

In the area of transportation of radioactive wastes the Commission is continuing the development of technology for improved design and increased reliability of shipping casks so that these high level wastes can be safely shipped from reactor facility to fuel reprocessing plants and from reprocessing plants to retrievable storage facilities. These containers must pass rigorous drop tests, fire tests, and other safety checks to assure that they will maintain their integrity in the event of a possible transportation shipping accident.

REGULATION

The committee has recommended authorization of $80,500,000, $12,665,000 above the amount requested in the President's budget for the regulatory program in fiscal year 1975. The total figure is actually slightly above the amount that the Commission requested of the OMB.

The principal cost of the regulatory

program is for salaries of the scientists and engineers who carry out the detailed safety review of license applications. The funds in this portion of the AEC budget pertain to the conduct of the safety and environmental reviews, the compliance or enforcement functions, and other such activities of the licensing program.

The regulatory program should not be confused with the AEC's reactor safety research program. The Commission's reactor safety research program is carried out in two parts. The first is the effort carried out by the Division of Reactor Research and Development and the second is a separate Reactor Safety Research Division which reports directly to the General Manager. The combined efforts of these safety programs planned for fiscal year 1975 total $93,000,000—an increase of 28 percent over the previous year.

The conduct of reactor safety research is important to the Commission's regulatory effort. Those involved in the regulatory program must continue to make their needs known to the reactor safety research program personnel in order to assure that the questions which need to be answered are indeed studied and researched by those who carry out the safety research programs.

The joint committee believes that the regulatory program of the Commission has been growing at a rapid pace, but believes that the recommended addition of personnel and funds is appropriate in order to maintain the high quality of the technical review and concurrently provide for a speeding up of the licensing process.

WEAPONS PROGRAM

I rise in support of the authorization of funds for the Atomic Energy Commission weapons activities.

In looking at the fiscal year 1975 AEC budget authorization request for the weapons activities, the increase of $39.2 million represents only about a 4.7-percent increase, an increase less than the inflation rate of the past year. Further, if you remove that portion which is devoted to funding the laser fusion program—a predominantly civilian power oriented program—the increase is only about 3.5 percent. This would have required the layoffs of between 850 to 1,000 persons in the laboratories for weapons work, in the production complex and within the test programs. The Joint Committee on Atomic Energy is examining the weapons program concluded that the on-continent test program had been so reduced in funding by the Administration that no advanced technology experiments could be conducted within the fiscal year 1975. In order not to freeze weapons technology at the 1974 level, the committee recommended that an additional $15 million be added to the on-continent test program. This would raise the increase in the weapons program—without laser fusion—from 3.5 percent to about 5.3 percent. This is still below the inflation rate and will still require the AEC to lay off about 400 to 500 persons—of which about 200 must be professionals within the two nuclear weapons laboratories. Thus, the real effect of the fiscal year 1975 budget, even with the $15 million testing increase, does not cause an expansion of the weapons program, but a slight cutback. This is being done at a time when the necessity to sustain a strong research and development effort in nuclear weapons technology has not diminished. It is the heart of the past progress in gaining an effective arms control agreement with the Soviet Union and must continue to be the basis for any future agreements. Thus, the authorization request now being considered appears to be about the minimum in order to maintain proper support in holding our present position in our national security posture in this time of great international uncertainty.

Mr. HOSMER. Mr. Chairman, I yield such time as he may consume to the gentleman from Tennessee (Mr. BAKER).

Mr. BAKER. Mr. Chairman, I rise in support of H.R. 13919, authorizing appropriations for the Atomic Energy Commission for fiscal year 1975.

This bill represents a response to the energy shortage, a response that will carry on through the rest of this century. We are all aware of the long lead times involved in nuclear power plant construction and basic research. There is also greater time added since we now realize that cautionary safety measures are needed to protect the environment and the health of our citizens. All this means long lead times to get power plants "online." For this reason I certainly agree with my good friend and distinguished colleague, the senior Senator from Tennessee (Mr. BAKER), that we must go forward with the development of a number of new technologies in the atomic energy field.

I am highly pleased to see that the Joint Committee has once again proposed an increase in operating funds of $9,000,000 over the AEC's request of $82,000,000 for the Controlled Thermonuclear Research program. This increase is needed to advance the completion date for the operation of a CTR demonstration powerplant before the present schedule of the later nineties. The competence and expertise of the scientists working on this program is outstanding. The problems they have solved and the ones they must still solve are extremely complex.

Authorization is included for $19.2 million for heavy ion research facilities. This funding is essential. An ad hoc panel of the National Academy of Sciences has praised very highly the benefits of developing the heavy ion concept.

It had been decided to conclude work on molten salt technology during this fiscal year. However, study has been resumed principally as a supplement to the development of the liquid metal fast breeder reactor. An additional $1.5 million authorization has been requested by the committee for a molten salt breeder reactor demonstration plant. This is seed money to determine the possible benefits of undertaking a program in the area of molten salt as has been done with the liquid metal fast breeder reactor.

I have been greatly encouraged by the decision to provide $250,000 to Anderson County, Tenn., and $295,000 to Roane County, Tenn., as payments in lieu of taxes under section 168 of the Atomic Energy Act. The AEC commissioners have acknowledged that Anderson and Roane Counties have peculiar fiscal problems because of their proximity to and interrelationship with AEC's operations. There is no question that AEC's activities constitute a special burden on Roane and Anderson Counties. A private industrial-type complex with comparable facilities would be paying millions of dollars annually in property taxes to these counties. What this means is that the residents and small businesses in Roane and Anderson Counties have been forced to bear a much heavier share of the cost of governmental services than nonindustrial taxpayers in other counties. I am glad to see some action on this problem, and I urge the committee to continue to study the situation.

Mr. Chairman, I rise in support of the many vital activities of the Atomic Energy Commission in all its many areas. The benefits of this research and development of atomic power do and will continue to benefit all of us. Our fossil fuel resources are limited, as was brought home often painfully to all of us during the last 6 months. This winter has taught us the dangerous folly of dependence on foreign countries for supplies of energy. We must meet the energy demands of the future, but we can no longer afford to use up our fossil fuel resources at our current rate. It is imperative that we begin to diversify our energy sources. One of the ways to do this is to develop our nuclear power technology. I urge my colleagues to support H.R. 13919.

Mr. HOSMER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of H.R. 13919, a bill to authorize appropriations to the Atomic Energy Commission for fiscal year 1975.

My distinguished colleague from Illinois (Mr. PRICE), has already summarized the highlights of the bill, including special coverage of those committee actions which constitute a significant increase or decrease to the program amounts requested by the administration. The accompanying table indicates various differences between fiscal year 1974 AEC costs and fiscal year 1975 administration requests and committee actions respecting numerous categories of the proposed authorization. I would like to invite your attention to a few items which, in my view, are truly significant and for which the committee report contains specific recommendations.

One of the few actions this Nation can take to become independent in the energy field, without awaiting the results of research and development and without depending on foreign assistance of any kind, is to build both nuclear and fossil-fueled powerplants. As concerns nuclear plants the time has come to make plans for the design and construction of the additional uranium enriching capacity which will be needed to meet the fuel needs of these future plants. A decision on this matter must be made very soon and the committee is presently considering what these plans should be. In the interim the most important thing we can do is to improve and upgrade the capacity of the Government's enrichment plants to pre-produce the maximum amount of enriched uranium. To take advantage of this the committee recommends the addition of $7,100,000 for the program to improve our plants. As explained on page 43 of the report the additional production obtainable from this action will, besides making more enriched uranium available to meet our needs in the early 1980's permit us to produce the additional material at a very low incremental cost. The nature of the improvement program, which is called the Cascade improvement program (CIP), is such that the additional material can be produced without an increase in operating cost. As stated in our report, the incremental cost of the gain in capacity is about $20 per unit of production which compares very favorably with the estimated cost of about $47 per unit from a new diffusion plant.

Another important matter I would like to bring to your attention is the financial benefits of the Government's uranium enrichment efforts. Our foriegn sales of enriched uranium are a major contribution to our Nation's balance of payments. In addition, as stated on page 9 of the report, the overall sales of enriched uranium in fiscal year 1975 are estimated at $547,230,000. An AEC analysis shows these revenues will essentially offset the total operating and construction costs of the production program as well as the costs of modernizing and expanding existing plants and the costs of developing new enrichment capacity.

I would also like to invite your attention to the word of caution the committee expresses in the report starting at the bottom of page 9. This word of caution stems from the announcement by the Secretary of State at the recent Washington conference of oil using nations—February 14—that uranium enrichment technology would be an area of discussion and cooperation in future meetings. Since our Nation's enrichment technology has been acquired at considerable expense and with the use of our best scientific talents, it is of great importance not only to our economic welfare but also to our national security. Accordingly, the committee believes that the Atomic Energy Commission should not take any action, however preliminary, to release to foreign nationals our uranium enrichment technology without first discussing the matter with the committee. As stated in the report, the committee takes its responsibilities to the Congress in this respect most seriously.

The positron-electron joint project is described on pages 39 and 40 of the committee report. This project is a collaborative effort between Lawrence Berkeley Laboratory and the Stanford Linear Accelerator Center. Aside from the scientific need for the facility, this cooperative aspect of the project is worthy of some note. In these years of inflation and declining availability of support for the programs of the Stanford and Berkeley Laboratories, as well as other high energy physics facilities, joint efforts such as this one can effectively take advantage of the unique facilities and skills of each laboratory involved to provide unusually high management and technical competence for such projects, while at the same time helping to maintain the viability of the laboratories.

The project will provide for partial design services necessary to develop engineering drawings and specifications for an advanced high-energy electron-positron colliding beam facility.

The particles will be injected into the storage ring by the existing linear accelerator at the Stanford Linear Accelerator Center. The collision energies for electrons in this facility will equal, or possibly exceed, the highest proton collision energies available in the world, and will thus provide insight into the structures of the new particles discovered by the proton accelerators.

This project has been included in the 5-year AEC program and was reviewed by the joint committee during hearings on the AEC physical research budget for 1975. It has been the subject of a 2-year joint study by Berkeley and Stanford which will culminate in a detailed construction proposal to AEC this spring. Preconstruction research and development has also been carried out at both laboratories. In order that the project can get off to an early start, the committee recommends authorization of $900,000 to permit preliminary design work during fiscal year 1975. Full authorization will be considered when more complete figures and design parameters are available.

In summary I join with Chairman Price in the support of this legislation. In my view the Committee's recommendations provide a good balance between supporting our national security while concurrently supporting our efforts toward total independence in meeting our energy needs.

I join with Chairman Price in urging favorable consideration of this bill. The authorization table follows:

FISCAL YEAR 1975 AEC AUTHORIZATION

[In millions]

Category	Fiscal year— 1974 estimated costs	1975 request	1975 authorization	Percent change From fiscal year 1974 costs	From fiscal year 1975 request
Operating expenses:					
Nuclear materials	$531.8	$654.6	$654.6	23.1	
Weapons	836.1	875.2	890.2	6.5	1.7
Naval reactor development	149.5	161.5	170.3	13.9	5.0
Civilian reactor R. & D	270.4	371.5	381.7	41.2	2.7
Reactor safety research	40.7	52.9	52.9	30.1	
Applied energy technology	14.6	32.3	41.2	183.0	27.5
Space nuclear systems	26.1	27.0	27.0	3.4	
Physical research	252.3	286.8	286.8	13.7	
Controlled thermonuclear research	53.0	82.0	91.0	71.7	11.0
Biomedical and environmental research and safety	122.5	166.5	166.5	36.0	
Regulation activities	54.4	67.8	80.5	47.9	18.7
Program support	154.3	170.1	170.6	10.6	.3
Cost of work for others	11.9	9.1	9.1	−23.5	
Revenues applied	$−805.3	$−669.6	$−669.6	−16.9	
Changes in selected resources	240.0	181.6	198.6	−17.3	9.4
Unobligated balance brought forward	−221.8			−100.0	
Total operating expenses authorization	1,735.1	2,469.4	2,551.5	47.1	3.3
Plant and capital equipment:					
New construction projects	175.2	297.8	273.3	56.0	−8.2
Capital equipment not related to construction	172.3	204.1	208.9	21.2	2.4
Increases in prior year authorizations	370.8	629.0	643.2	73.5	2.2
Total plant and capital equipment authorization	718.3	1,130.9	1,125.3	56.7	−.5
Grand total	2,453.4	3,600.3	3,676.8	49.9	2.1

Mr. PRICE of Illinois. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Wyoming (Mr. Roncalio).

Mr. RONCALIO of Wyoming. Mr. Chairman, I want to thank my able chairman, the gentleman from Illinois (Mr. Price), for a few minutes on this legislation.

Mr. Chairman, I would join also with my good friend, the gentleman from Idaho (Mr. Hansen), in his observation of the historic significance of this day. Chet Holifield is, indeed, a notable, competent, wonderful man.

I also commend the gentleman for his many years of work and experience.

I passed up an assignment on the Committee on Appropriations of the House because I felt that the Joint Committee on Atomic Energy is a committee for the coming nuclear option, particularly to solve the energy shortage and to stop the seemingly endless consumption of fossil fuels which have such a severe impact on many parts of the country.

So I hope that we will have the gentleman from California (Mr. Holifield) around for many years to help and guide us, as well as Mr. Hosmer, and I hope they will stay active in the advent of the nuclear power age.

Mr. Chairman, I rise in support of H.R. 13919. I should like to think that this will be passed with one amendment that I will offer to cut a few dollars, a minute portion, off the total appropriation.

I consider ploughshare to be a wasteful, foolish program, a program that is, in fact, costing the nuclear business some of its finest support from millions of American citizens who want to help it, but who cannot understand why we continue to waste money and pursue programs that have proven time and time again to be wasteful of our resources.

At the time that amendment is offered, it will be rebutted quite vocally and competently and probably successfully, and some will argue at that time—and I will not have the time to rebut them—that we have a nuclear proliferation treaty to provide assurances that we have to share with Russia, and other nations which signed it, the benefits of the peaceful application of nuclear explosive devices, and, therefore, we must waste $4 million to do so. I submit it is nonsense.

Granted we share whatever research we have with them, that does not mean we have to appropriate billions of dollars for wasteful research.

I have here the publication of every shot made in Russia for the last 20 years, before and during the nonproliferation treaties. If anyone would like to see how wasteful their shots have been, they can look these over. Their primary purpose in Russia is to dig canals and underground storage reservoirs for gas and other minerals. Like our programs, theirs also have proven nothing. Here they are, in this publication, if the Members want to look at them.

Another objection to my amendment will be that it will terminate experiments and planning which might unlock some of our energy reserves in addition to natural gas. This is another way of saying if you let us have $1,900,000 of this $4 million, we will go out and make a mess of the shale fields, such as we now have with the tight gas fields, where we contaminate gas and make it unusable. Please understand that fact.

The recovery of oil shale by atomic detonations is objectionable. Secretary of the Interior, Mr. Rogers, C. B. Morton, and others, say so—the General Accounting Office, the Secretary of the Interior, the Shell Oil Co., and others agree we should not continue that program; it just is not economical or beneficial.

But my basic reason is not the tritium leak in the Fawn Creek well publicized last week in Colorado that has everyone shaken up now. The basic reason is this overall reactor program needs our help.

It is the finest and ultimate accomplishment of American science to carry out the project and alleviate the needs man will have for fossil fuel. The great breakthrough is just around the corner. Yet we have citizens by the thousands resisting every power plant site, every plan for nuclear power, no matter how safe.

We need their help, and we are not going to get it if we scare them away with this foolish program.

Mr. HOSMER. Mr. Chairman, I yield to the gentleman from Minnesota (Mr. FRENZEL) such time as he may consume.

Mr. FRENZEL. Mr. Chairman, I rise in qualified support of H.R. 13919 and in unqualified praise of the two gentlemen from California (Mr. HOLIFIELD and Mr. HOSMER).

When last year's AEC authorization, H.R. 8662, was before this Committee of the Whole on June 25, 1973, I had a brief discussion with the distinguished gentleman from Illinois (Mr. PRICE) about the possibilities of some small amount of control going to the States under agreement with AEC.

At that time, the Podell amendment was under discussion. I did support that amendment, but suggested that a bill I had offered provided a better chance to bridge the gap between those who favor Federal preemption of regulation, and those who favor allowing States to set more rigid standards.

I sense that there is less interest today than a year ago in either the Podell amendment, or in my compromise to allow those States who have executed agreements with AEC, and have been judged competent by AEC, to exercise some controls of their own. For this reason I shall not move either the Podell amendment or my own.

I do, however, rise today to remind this House that as States grow in competency, their desires to control some aspects of nuclear generation within their borders must be recognized. I believe that the nuclear electric generating capability of our country will be relied on increasingly as the various aspects of our energy problems unfold over the next 25 years. This seems merely another reason to rely on the States to help manage and police the system. I do hope the Joint Committee will give more attention to this question of improving the working of our Federal system by giving more decisionmaking to the States.

Mr. HOSMER. Mr. Chairman, I yield 4 minutes to the gentleman from Colorado (Mr. JOHNSON).

Mr. JOHNSON of Colorado. Mr. Chairman, I thank the gentleman from California for yielding.

I would like to engage in a colloquy with the gentleman from California, if I might, because two of the three Plowshare experiments were conducted in my district and the third one is still being evaluated.

I would like to discuss this with the gentleman so we can understand the full impact of what we are discussing today. As I understand it, the Atomic Energy Commission has requested authorization for $4.4 million for the Plowshare portion of its budget. Is that correct?

Mr. HOSMER. That is correct.

Mr. JOHNSON of Colorado. And none of that money would be spent for a nuclear explosion during fiscal year 1975. Is that correct?

Mr. HOSMER. That is correct.

Mr. JOHNSON of Colorado. And the gentleman would also confirm that it is the present status of the law and present intention of the AEC that there will be no further underground explosions under the Plowshare program until the AEC comes to the Congress and gets an additional authorization?

Mr. HOSMER. That is correct. There will be none until fiscal year 1977 which will require an authorization.

However, I will say to the gentleman that there is planned a Plowshare event, if there is authorization and appropriation for 1977 to be conducted at the Nevada test site in a geological formation which is similar to that of oil shale so that information may be obtained on the effects of the underground explosions in this particular kind of formation.

Mr. JOHNSON of Colorado. That is the point I was leading up to, that this $4 million, while it does not contemplate actual use of a nuclear explosion, is leading up to the planned development of a $107.6 million program for experimentation in the field of oil shale and gas release. Is that correct?

Mr. HOSMER. If the gentleman will yield further, that is not entirely correct. If step by step each one of these experiments, each one of these inquiries, each one of these pieces of research and development goes along in a satisfactory fashion from the public health standpoint and from the economic standpoint and from all other standpoints of concern, including the environment, they will move up to that amount but certainly not without all of these preconditions.

Mr. JOHNSON of Colorado. As I understand it, the Chairman of the Atomic Energy Commission wrote Representative RONCALIO of Wyoming earlier this year, on January 24, and he released this letter at the time, so there is nothing I am privy to, but in her letter she said the nuclear gas stimulation technology which they were talking about would amount to $56.2 million over a 5-year period and include demonstration field experiments with the stimulation of 5 or 6 wells with 3 or 5 explosives per well, so we are talking about planned nuclear explosions amounting to perhaps 30 explosions, are we not?

Mr. HOSMER. That would depend on whether or not, if the gentleman will yield, the programs that were outlined for energy development over a 5-year period for $10 billion or over a 20-year period for $20 billion, whatever it was, is carried forward in this particular category. And, that would be, from this standpoint, a conceptualization of what might occur. I would say to the gentleman that in such shots as might be fired for Plowshare gas stimulation purposes we would have the simultaneous shots, shots occurring at the same time or within microseconds of each other at the same location. So we really have to consider these as one shot.

Mr. JOHNSON of Colorado. That is correct, and they are also planning for sequential firing.

If the gentleman will respond further, as part of this $107 million, it is estimated $51.4 million is planned for the program, is that not correct?

Mr. HOSMER. Yes. I would state that as I understand it, that would be correct; however, again that depends on each step moving forward, one upon the other.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HOSMER. I yield the gentleman an additional 1 minute.

Mr. HOSMER. That would be $51.4 million for all the work that is necessary. The actual nuclear work would be a very modest fraction of that total.

Mr. JOHNSON of Colorado. I thank the gentleman for his answer. As the gentleman knows, if these steps are completed and the full $107 million is spent, ultimately the product that is achieved from all this will be used in my district for the development of oil shale and gas.

Mr. HOSMER. I would say, if the gentleman will yield further, that vis-a-vis the Nation's energy problem, and from statements made by people inside and outside of government, that the necessity for the augmentation of our energy resources, with emphasis upon natural gas and petroleum from shale, it seems to me that this kind of modest expenditure to give ourselves a technological base to determine if we actually can do this, as a precondition to a decision whether or not we ought to do it with these technologies is, indeed, a wise and a provident course. One would be conforming strictly to the scientific method and one which seems to conform strictly to the logic of the requirements for energy as we see them ahead.

Mr. JOHNSON of Colorado. The gentleman is aware the oil companies have embarked upon a several billion dollar program for extraction of oil shale. They have made commitments for this vast program.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. HOSMER. I yield the gentleman 1 additional minute.

Mr. JOHNSON of Colorado. Why should the Government go in this project when we still have not got the full reports back from these projects to give us enough information to make a solid decision to go ahead? Why should we go ahead with this program, when the oil companies are already in the process of expending billions of dollars for the purpose of extraction of oil from shale?

Mr. HOSMER. The oil companies still depend upon the additional information needed from AEC continued research and development.

Secondly, the oil shale program as visualized by industry has not yet come up with a technology that satisfactorily obtains petroleum from the underground by in situ techniques which do not disturb the surface.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. HOSMER. I yield the gentleman 1 additional minute.

Mr. HOSMER. If we are going to get this energy out from under the real estate of the gentleman's State, we need knowledge that we do not now have in order to be able to do it without scarring and environmentally violating the surface of the ground; so if the gentleman is interested in the compatibility of these recovery processes with the environment, I would say that one of the highest priorities should be in this very area of learning about in situ recovery which leaves the surface undisturbed.

Mr. JOHNSON of Colorado. I would say to the gentleman that I am not yet willing to embark on a $107-million program that would result in the number of atomic blasts that may be required. I do not think we can yet make that environmental choice between surface damage from extraction as presently used in the oil shale business versus nuclear blasts. I do think we can wait for the final data to get back from the nuclear shocks.

Mr. HOSMER. Mr. Chairman, actually, if the gentleman will yield again, we are willing to wait. We are not asking for $107 million. We are only asking for $4.4 million. The gentleman will have year by year, assuming that the wisdom of his constituency returns the gentleman to this body, the opportunity to evaluate annually whether to go ahead or stop.

Mr. JOHNSON of Colorado. Mr. Chairman, I think I had better quit at this point.

Mr. PRICE of Illinois. Mr. Chairman, I yield 3 minutes to the gentleman from California (Mr. WALDIE).

Mr. WALDIE. Mr. Chairman, may I ask a question? Is it my understanding that the private insurance industry will not today insure the full risk presented by a nuclear powerplant accident.

Mr. PRICE of Illinois. I did not get the first part of the gentleman's question.

Mr. WALDIE. Mr. Chairman, is it my understanding that the private insurance industry will not today insure the full risk of an accident occurring at a nuclear powerplant?

Mr. PRICE of Illinois. Mr. Chairman, the private insurance industry has insured up to $100 million.

Mr. WALDIE. And the remainder of the $560 million or $600 million maximum liability is borne by the Government?

Mr. PRICE of Illinois. Of course, no one knows whether there will be any accident that would ever require anything in excess of $100 million.

The gentleman must recall that the reason that we have Federal indemnification legislation is to avoid a situation like the Texas City catastrophe. Of course, this was in the early days of the atomic energy program when people envisioned many things. But over the years during which we have had this indemnification, there has not been a single claim made on it.

Mr. WALDIE. Mr. Chairman, I understand that. But may I restate the question: Is it true that the private insurance industry will not bear the full risk of an accident occurring at a nuclear powerplant?

Mr. PRICE of Illinois. They have never been asked to bear the full risk.

Mr. WALDIE. Why have they not been asked to bear the full risk?

Mr. PRICE of Illinois. Mr. Chairman, no one knows what the full risk is, but they do insure up to $100 million. That may well be the full risk.

Mr. WALDIE. Is it the Chairman's understanding that if we repeal the Price-Anderson bill, the private insurance industry will then grant insurance covering the risks to the nuclear power plants in this country?

Mr. PRICE of Illinois. Mr. Chairman, the private insurance industry has increased the coverage almost periodically. It was a very much lower figure.

Mr. WALDIE. Would the Chairman accept an amendment repealing any contribution by the Federal Government to any cost of insurance or the payment of any claims for any accident that might occur in the operation or in the failure of a nuclear power plant?

Mr. PRICE of Illinois. Particularly, in this bill I would not because this is an authorization bill for the operating funds of the Commission. Such legislation would not be germane on this particular bill.

Mr. WALDIE. Mr. Chairman, I thank the Chairman. In the few moments remaining, it is my understanding that, in fact, the private insurance carriers would in no way assume the responsibility of insuring the potential loss and damage that would occur from a nuclear accident at a nuclear power plant. That is the only industry that exists in this country that is not insured by the private insurance industry. The private insurance industry has made a determination that the risks of the operation of nuclear power plants are much too hazardous for them to fully insure those risks and so the taxpayer must subsidize that insurable risk and the risk, by definition, is limited far below the multimillion dollar risk that exists in actuality.

Mr. PRICE of Illinois. I do not think they have made that determination at all. They do insure up to $100 million.

Mr. WALDIE. In response, I only reaffirm my view that the actual risk of a nuclear power plant is so large that the private insurance industry won't touch it. That is a fair but disturbing assessment of the extent of danger and hazard presented to the neighbors and "other living things" of nuclear power plants—I wish to include further remarks relative to this legislation.

Mr. Chairman, my concern regarding the question of nuclear powerplants gives me cause to rise in opposition to H.R. 13919. While I realize there has never been a major nuclear accident, there does exist today a tremendous difference of opinion within the scientific community about the safety and security of the nuclear industry.

H.R. 13919 would seem to recognize the apparent safety issues involving the expansion of nuclear powerplants. Authorization for safety has risen markedly in apparent recognition of the growing concern of many Americans in the safety question.

Yet it would seem, Mr. Chairman, that an increase in safety research would, or at least should, be accompanied by a period of reassessment pending the outcome of those safety studies.

I have introduced legislation, H.R. 13716, which provides a five year period of reassessment during which time the Office of Technology Assessment conducts an independent study. I realize the doubtful fate of that bill during a time when the AEC is rushing along on a grand design of nuclear powerplants that would bring the number of operating nuclear powerplants up to 1,200 by the turn of the century.

I have similar concerns about the question of possible illegal diversion of nuclear materials in transit or in a place at a nuclear powerplant. A study by Dr. Theodore B. Taylor says the AEC's program of safety against theft or diversion is not adequate.

Therefore, Mr. Chairman, I propose that the AEC design safeguard systems for each stage of the nuclear fuel cycle as well as a set of procedures for all AEC license holders to protect against theft and sabotage.

Additionally, Mr. Chairman, we should impose a limit on the AEC's issuance of operating licenses. It is my view that we should halt the issuance of all new operation licenses pending the outcome of perhaps the most critical and basic safety study yet undertaken by the Commission.

That study, the loss of fluid test, is nearing completion at the National Reactor Testing Station in Idaho. It is my understanding that this test will determine the validity of safety procedures and hardware in the event of a sudden loss of coolant during full power operation.

I am surprised that this basic test has not been completed before this time. With some 42 powerplants now in operation and many more in some stage of construction or planning, I think it would be an altogether wise decision on the part of the Congress and the AEC to suspend the granting of new operating licenses until the data is assessed from the loss of fluid test in 1975.

Finally, Mr. Chairman, I want to briefly touch on the question of liquid metal fast breeder reactors.

Some weeks ago I wrote to Ms. Dixy Lee Ray, Chairman of the AEC, regarding my own doubts and reservations about the Breeder reactor program. I expressed my concern that the AEC was putting all its research "eggs" in the breeder project and that the breeder fuel, plutonium, was the source of very real fear on the part of many scientists. I have not received a satisfactory response to this inquiry. Today's bill has a large amount budgeted for breeder research—too much in light of the real questions about this program—its costs, its safety and its efficiency.

Mr. HOSMER. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I think that my colleague, the gentleman from California (Mr. WALDIE) has committed the classic fallacy of post hoc ergo propter hoc, which means that when things look that way, maybe they are not.

The insurance companies now offer $110 million of liability insurance for a nuclear incident, and they do so on an actuarial basis. Since the nuclear industry in the United States has never had a nuclear power reactor accident, there simply exists no actuarial statistics upon which that industry can base any further insurance limits. They can only base their limits on the amount of money which they have collected and have got in the pot.

There are two different ways to go about this insurance business. The actuarial way to determine maximum insurers liability is not available and for that reason, this is an anomalous situation.

The gentleman from California makes a totally erroneous inference from it. Instead of criticizing, he should be complimenting the Commission and the Congress for taking the Price-Anderson approach to the problem.

Mr. VANIK. Mr. Chairman, we are being called upon today to consider H.R. 13919, a bill to authorize appropriations to the Atomic Energy Commission for fiscal year 1975. The Joint Committee on Atomic Energy has reported out a bill that authorizes appropriations of over $3.6 billion, a 45-percent increase over last year.

Mr. Chairman, I am inclined to vote against this legislation for several reasons.

First, despite almost doubling the authorization, little if any additional consideration and funding is being given to non-nuclear energy research and development. Instead, millions of dollars are being poured into continuing fission and fast-breeder reactor nuclear research, an area that shows signs of never being made a healthy and fail-safe part of the American environment.

Although true "alternative" energy resources are available, this legislation continues to largely ignore their existence except for relatively tiny amounts of funding. Solar energy, a source of practically infinite amounts of clean and safe energy that I have long advocated, has been almost completely forgotten in this bill. A paltry $1.2 million is included for solar. Coal liquefaction research receives only $7.7 million. There is $10.7 million for geothermal, $4.5 million for in-situ coal gasification, and $9.2 million for energy shortage and transmission. It is interesting to note that although AEC plans to spend hundreds of millions of dollars to generate electricity by one method or another, they are spending less than $10 million to find and promote ways to efficiently transmit and store this energy, thus losing huge amounts of the generated energy.

The total non-nuclear applied energy technology budget amounts to only $33.3 million. This means that less than 1 per cent of the $3.6 billion is devoted to non-nuclear energy research.

While I am particularly concerned with the lack of nonnuclear energy funding, I am also disturbed at the very low level of spending priority given to controlled thermonuclear research—CTR—fusion energy. The joint committee also expresses in their committee report their disappointment that the fusion development timetable has been lengthened several years. The committee said that the fusion program had already shown "sufficient continued progress" to warrant emphasis. Additionally, fusion successfully avoids the horrible problems with waste containment associated with light-water reactors.

Although I support the objectives of the amendment of the gentleman from New York (Mr. ROBISON) to increase the spending for fusion, I think that the money for such an increase should be obtained from within the authorization presented to us by the joint committee, and should not consist of additional moneys that serve to further bloat the already huge AEC budget.

It is difficult to understand why the Atomic Energy Commission seems to minimize programs, nuclear or nonnuclear, that appear to hold promise of providing large benefits to the American energy-consuming public. The attitude seems to be, "If it works, stifle it."

An area of concern that continues to upset me is the issue of nuclear safety. Despite AEC and Chairman Ray's protestations to the contrary, it simply has not been shown that we do not stand to lose more at the hands of a nuclear accident than we can gain by a hell-bent development of light-water reactors.

At this stage it appears that the only way we can really express our concern with the safety issue is to show it in a "no" vote of concern today. The AEC has rendered itself practically immune from popular criticism—classifying it as either uninformed or a roadblock to progress. Some of their spokesmen have gone so far as to imply that continued criticism, whatever its validity, is likely to provoke Commission irresponsibility that will lead to the accidents critics seek to avoid. Their attitude seems to be: "Just leave us alone and everything will be all right." This is preposterous.

An indication of the real chance of nuclear accidents is the unwillingness of the private sector to insure nuclear plants. Private insurance companies deemed the risks unacceptable, thus forcing the Congress to provide the Price-Anderson act as a means of covering otherwise uninsurable plants. This amounts to a public subsidy for the private utility companies—the potential victims of nuclear accidents are being forced to pay premiums on facilities owned and operated by profit-making companies.

Most of this potential for nuclear accidents lies in the area of water-cooled reactors—both in the actual operation of the controlled thermonuclear reaction that creates heat to drive electrical generators, and in the disposal of the resulting nuclear wastes. Although engineering and technology have improved much since the first nuclear generator in 1957, accidents and mishaps have not been eliminated.

Because of these basic questions and uncertainities, a select committee of the British House of Commons recommended against purchase of American light-water reactors by their country.

To compound public concern over these accidents, the AEC has generally been reluctant to come clean with descriptions of mishaps, interagency communications, and the results of post-accident studies.

In addition to AEC self-protectionism, utility company operators of nuclear generating plants have been often unresponsive to safety needs. Just as we have been disappointed with Commerce's response to consumer issues, environmental protection, and community awareness, the same profit-motive philosophy will serve to promote industry neglect of the safety needs of nuclear power plants. A local example of utility irresponsibility is Vepco, which has been cited for a host of violations, and has been heavily fined. Another company is constructing a nuclear power plant on top of an old geological fault. We obviously cannot leave the safety of the American populace in the hands of people more interested in profit than reliability.

Another area of much concern to me is the level of spending authorized under the "weapons" category of this legislation. This category calls for $890,230,000—a quarter of the entire AEC budget—all of it in areas of military activity, with little or no immediate domestic benefit whatsoever.

While I believe that necessary military research must be continued, I believe this bill neglects equally an important domestic consideration—adequate supplies of safe energy necessary for energy independence.

It is interesting and ironic, Mr.

Chairman, that on the same day we vote on $890 million for weapons in this AEC authorization, we are also being asked to authorize appropriations for the Arms Control and Disarmament Agency—the Agency charged with responsibility for reducing the enormous escalation of arms expenditures and deployment—including implementation of the Nuclear-Proliferation Treaty (NPT) and work with the International Atomic Energy Agency.

While the AEC authorization allocates almost $1 billion for "Weapons," the ACDA authorization seeks $10 million. This is certainly pitiful evidence of our commitment to real control of the arms which could destroy the world.

Mr. Chairman, approximately 42 percent of the $3.6 billion in this bill is devoted to military applications of atomic energy. Although this percentage is down several percentage points from last year's authorization, the doubling of the overall AEC authorization completely negates any claims to a reduction in military dominance. There is absolutely no indication that there is any shift away from military programs. Indeed, it appears that what we are seeing is an escalation of military application by increasing gross AEC moneys under the scare of "energy crisis" and the pretension that the AEC is an "energy agency."

Mr. Chairman, in our debate over this legislation, I hope all of my colleagues will give serious consideration to the possibility of creating a National Energy Laboratory to take over the tasks of organization, development, and commercial stimulation of non-nuclear energy resources. Such an agency could be established within the AEC itself—taking advantage of the many gifted non-nuclear scientists already there, or as an independent body started from scratch.

The last 10 months have vividly shown us that we can no longer afford, financially, environmentally, or otherwise, to continue on a relatively unplanned course of national energy consumption. We need a national body that can avoid the biases of the energy industry while understanding the demands of the consumer—an agency that can delve into aspects of energy supply that will otherwise go unexploited because they are not presently profitable or they perhaps threaten the profitability of other industries.

In conclusion, Mr. Chairman, I must repeat that I find this legislation disappointing in its neglect of non-nuclear energy alternatives and conservation. We cannot rely entirely on nuclear energy no matter what its promised potential. If we are earnest about achieving a national self sufficiency, we must also diversify our research and development in safe, non-nuclear energy resources.

Ms. HOLTZMAN. Mr. Chairman, I must regrettably voice my opposition to this bill, H.R. 13919, which appropriates $3.6 billion to the Atomic Energy Commission.

I object, first, because at least 42 percent of the funds in this bill—more than $1.5 billion—are being spent on nuclear weapons—despite the fact that we are in the midst of an energy crisis, and the United States already has overwhelming nuclear superiority. Nuclear energy, properly developed and used, can provide relief from the scarcity of fossil fuels. Unfortunately, this bill continues the short-sighted policy of placing much too much emphasis on military uses of atomic energy at the expense of peaceful uses.

Second, in addition to putting too many of our energy eggs in the military basket, we are allocating too many of these eggs for nuclear fission. We ought instead to be diversifying our energy research into areas of solar energy, fusion, geothermal energy, and the like. Among the nuclear alternatives, fusion in particular should be given more attention. Fusion would not create the radioactive wastes that are produced by nuclear fission powerplants. We simply cannot dispose of these wastes safely.

Furthermore, the lack of security for nuclear materials is of grave concern to me. I recently read that a terrorist in Austria was carrying out his activities by placing radioactive materials on the seats of trains. It would be an incredible horror if entire populations were terrorized by lunatics with easy access to nuclear materials. This bill is defective because it lacks adequate provision to insure the security of nuclear materials and improve the safety of nuclear plants.

Finally, I am disturbed over the substantial sum which this bill allocates for nuclear testing. The pollution of our atmosphere is already approaching intolerable levels without adding to it the hazards of radioactive fallout. At this time, in view of the SALT talks and our overwhelming superiority in nuclear weapons systems, there seems to be no justification for continuing a costly nuclear testing program.

Mr. PRICE of Illinois. Mr. Chairman, I have no further requests for time.

Mr. HOSMER. Mr. Chairman, I have no further requests for time.

The CHAIRMAN The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 101. There is hereby authorized to be appropriated to the Atomic Energy Commission in accordance with the provisions of section 261 of the Atomic Energy Act of 1954, as amended:

(a) For "Operating expenses", $2,551,553,000 not to exceed $132,200,000 in operating costs for the high-energy physics program category.

(b) For "Plant and capital equipment", including construction, acquisition, or modification of facilities, including land acquisition; and acquisition and fabrication of capital equipment not related to construction, a sum of dollars equal to the total of the following:

(1) NUCLEAR MATERIALS.—

Project 75–1–a, additional facilities, high-level waste handling and storage, Savannah River, South Carolina, $30,000,000.

Project 75–1–b, replacement ventilation air filter, H chemical separations area, Savannah River, South Carolina, $6,000,000.

Project 75–1–c, new waste calcining facility, Idaho Chemical Processing Plant, National Reactor Testing Station, Idaho, $20,000,000.

Project 75–1–d, waste management effluent control, Richland, Washington, $3,500,000.

Project 75–1–e, retooling of component preparation laboratories, multiple sites, $4,500,000.

Project 75–1–f, atmospheric pollution control facilities, stoker fired boilers, Savannah River, South Carolina, $7,500,000.

(2) NUCLEAR MATERIALS.—

Project 75–2–a, additional cooling tower capacity, gaseous diffusion plant, Portsmouth, Ohio, $2,200,000.

(3) WEAPONS.—

Project 75–3–a, weapons production, development, and test installations, $10,000,000.

Project 75–3–b, high energy laser facility, Los Alamos Scientific Laboratory, New Mexico, $22.600,000.

Project 75–3–c, TRIDENT production facilities, various locations, $22,200,000.

Project 75–3–d, consolidation of final assembly plants, Pantex, Amarillo, Texas, $4,500,000.

Project 75–3–e, addition to building 350 for safeguards analytical laboratory, Argonne National Laboratory, Illinois, $3,500,000.

(4) WEAPONS.—

Project 75–4–a, technical support relocation, Los Alamos Scientific Laboratory, New Mexico, $2,800,000.

(5) CIVILIAN REACTOR RESEARCH AND DEVELOPMENT.—

Project 75–5–a, transient test facility, Santa Susana, California, $4,000,000.

Project 75–5–b, advanced test reactor control system upgrading, National Reactor Testing Station, Idaho, $2,400,000.

Project 75–5–c, test reactor area water recycle and pollution control facilities, National Reactor Testing Station, Idaho, $1,000,000.

Project 75–5–d, modifications to reactors, $4,000,000.

Project 75–5–e, high temperature gas reactor fuel reprocessing facility, National Reactor Testing Station, Idaho, $10,100,000.

Project 75–5–f, high temperature gas reactor fuel refabrication pilot plant, Oak Ridge National Laboratory, Tennessee, $3,000,000.

Project 75–5–g, molten salt breeder reactor (preliminary planning preparatory to possible future demonstration project), $1,500,000.

(6) PHYSICAL RESEARCH.—

Project 75–6–a, accelerator and reactor improvements and modifications, $3,000,000.

Project 75–6–b, heavy ion research facilities, various locations, $19,200,000.

Project 75–6–c, positron-electron joint project, Lawrence Berkeley Laboratory and Stanford Linear Accelerator Center, $900,000.

(7) BIOMEDICAL AND ENVIRONMENTAL RESEARCH AND SAFETY.—

Project 75–7–a, upgrading of laboratory facilities, Oak Ridge National Laboratory, Tennessee, $2,100,000.

Project 75–7–b, environmental research laboratory, Savannah River, South Carolina, $2,000,000.

Project 75–7–c, intermediate-level waste management facilities, Oak Ridge National Laboratory, Tennessee, $9,500,000.

Project 75–7–d, modifications and additions to biomedical and environmental research facilities, $2,850,000.

(8) BIOMEDICAL AND ENVIRONMENTAL RESEARCH AND SAFETY.—

Project 75–8–a, environmental sciences laboratory, Oak Ridge National Laboratory, Tennessee, $8,800,000.

(9) GENERAL PLANT PROJECTS.—$55,650,000.

(10) CONSTRUCTION PLANNING AND DESIGN.—$2,000,000.

(11) CAPITAL EQUIPMENT.—Acquisition and fabrication of capital equipment not related to construction, $208,850,000.

(12) REACTOR SAFETY RESEARCH.—

Project 75–12–a, reactor safety facilities modifications, $1,000,000.

(13) APPLIED ENERGY TECHNOLOGY.—

Project 75–13–a, a hydrothermal pilot plant, $1,000,000.

SEC. 102. LIMITATIONS.—(a) The Commission is authorized to start any project set forth in subsections 101(b) (1), (3), (5), (6), (7), (12), and (13) only if the currently estimated cost of that project does not exceed by more than 25 per centum the estimated cost set forth for that project.

(b) The Commission is authorized to start any project set forth in subsection 101(b) (2), (4), (8), and (10) only if the currently estimated cost of that project does not exceed by more than 10 per centum the estimated cost set forth for that project.

(c) The Commission is authorized to start any project under subsection 101(b) (9) only if it is in accordance with the following:

(1) The maximum currently estimated cost of any project shall be $500,000 and the maximum currently estimated cost of any building included in such project shall be $100,000: provided that the building cost limitation may be exceeded if the Commission determines that it is necessary in the interest of efficiency and economy.

(2) The total cost of all projects undertaken under subsection 101(b) (9) shall not exceed the estimated cost set forth in that subsection by more than 10 per centum.

(d) The total cost of any project undertaken under subsection 101(b) (1), (3), (5), (6), (7), (12), and (13) shall not exceed the estimated cost set forth for that project by more than 25 per centum, unless and until additional appropriations are authorized under section 261 of the Atomic Energy Act of 1954, as amended, provided that this subsection will not apply to any project with an estimated cost less than $5,000,000.

(c) The total cost of any project undertaken under subsection 101(b) (2), (4), (8), (9), and (10) shall not exceed the estimated cost set forth for that project by more than 10 per centum, unless and until additional appropriations are authorized under section 261 of the Atomic Energy Act of 1954, as amended, provided that this subsection will not apply to any project with an estimated cost less than $5,000,000.

Sec. 103. The Commission is authorized to perform construction design services for any Commission construction project whenever (1) such construction project has been included in a proposed authorization bill transmitted to the Congress by the Commission, and (2) the Commission determines that the project is of such urgency that construction of the project should be initiated promptly upon enactment of legislation appropriating funds for its construction.

Sec. 104. Any moneys received by the Commission (except sums received from the disposal of property under the Atomic Energy Community Act of 1955, as amended (42 U.S.C. 2301)), may be retained by the Commission and credited to its "Operating expenses" appropriation notwithstanding the provisions of section 3617 of the Revised Statutes (31 U.S.C. 484).

Sec. 105. Transfers of sums from the "Operating expenses" appropriation may be made to other agencies of the Government for the performance of the work for which the appropriation is made, and in such cases the sums so transferred may be merged with the appropriation to which transferred.

Sec. 106. When so specified in an appropriation Act, transfers of amounts between "Operating expenses" and "Plant and capital equipment" may be made as provided in such appropriation Act.

Sec. 107. Amendment of Prior Year Acts.—(a) Section 101 of Public Law 89–428, as amended, is further amended by striking from subsection (b) (3) project 67–3–a, fast flux test facility, the figure $87,500,000", and substituting therefor the figure $420,000,000".

(b) Section 101 of Public Law 91–273, as amended, is further amended by striking from subsection (b) (1), project 71–1–f, process equipment modifications, gaseous diffusion plants, the figure "$172,100,000" and substituting therefore the figure $295,100,000".

(c) Section 106 of Public Law 91–273, as amended, is further amended by striking from subsection (a) the figure "$2,000,000" and substituting therefor the figure "3,000,000," and by adding thereto the following new subsection (c):

"(c) The Commission is hereby authorized to agree, by modification to the definitive cooperative arrangement reflecting such changes therein as it deems appropriate for such purpose, to the following: (1) to execute and deliver to the other parties to the AEC definitive contract, the special undertakings of indemnification specified in said contract, which undertakings shall be subject to availability of appropriations to the Atomic Energy Commission (or any other Federal agency to which the Commission's pertinent functions might be transferred at some future time) and to the provisions of section 3679 of the Revised Statutes, as amended; and (2) to acquire ownership and custody of the property constituting the Liquid Metal Fast Breeder Reactor powerplant or parts thereof, and to use, decommission, and dispose of said property, as provided for in AEC definitive contract."

(d) Section 101 of Public Law 92–314, as amended, is amended by striking from subsection (b) (4), project 73–4–b, land acquisition, Rocky Flats, Colorado, the figure "$8,000,000" and substituting therefor the figure "$11,400,000".

(e) Section 101 of Public Law 93–60 is amended by (1) striking from subsection (b) (1), project 74–1–a, additional facilities, high level waste storage, Savannah River, South Carolina, the figure $14,000,000" and substituting therefor the figure $17,500,000", (2) striking from subsection (b) (1), project 74–1–g, cascade uprating program, gaseous diffusion plants, the words "(partial AE and limited component procurement only)" and further striking the figure "$6,000,000" and substituting therefor the figure "$183,100,000", and (3) striking from subsection (b) (2), project 74–2–d, national security and resources study center, the word "(AE only), site undesignated" and substituting therefor the words "Los Alamos Scientific Laboratory, New Mexico" and further striking the figure "$350,000" and substituting therefor the figure "$4,600,000".

Sec. 108. Rescission.—(a) Public Law 91–44, as amended, is further amended by rescinding therefrom authorization for a project, except for funds heretofore obligated, as follows:

Project 70–1–b, bedrock waste storage (AE and site selection drilling only), Savannah River, South Carolina, $4,300,000.

(b) Public Law 92–84, as amended, is further amended by rescinding therefrom authorization for a project, except for funds heretofore obligated, as follows:

Project 72–3–b, national radioactive waste repository, site undertermined, $3,500,000.

(c) Public Law 92–314, as amended, is further amended by rescinding therefrom authorization for a project, except for funds heretofore obligated, as follows:

Project 73–6–c, accelerator improvements, Cambridge Electron Accelerator, Massachusetts, $75,000.

TITLE II

Sec. 201. Section 157b.(3) of the Atomic Energy Act of 1954, as amended, is amended by striking out "upon the recommendation of" and inserting in lieu thereof "after consultation with".

Mr. PRICE of Ilinois (during the reading) Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

AMENDMENT OFFERED BY MR. RONCALIO OF WYOMING

Mr. RONCALIO of Wyoming. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Roncalio of Wyoming: Section 101, (a), Page 1, line 7, strike the figure "$2,551,533,000" and insert in lieu thereof "$2,547,508,000".

Mr. RONCALIO of Wyoming. Mr. Chairman, at the outset of my remarks, I ask that the following extrinsic material, which I have already been granted permission for, be included in my remarks. One item will be an article from the Denver Post of Thursday, April 18, 1974, entitled "Rio Blanco Tritium Leak Reported." The second is an article in the Denver Post on April 19, 1974, entitled "Blanco Well Ordered Sealed."

The material is as follows:

[From the Denver Post, Apr. 18, 1974]

Radioactive Water Detected: Rio Blanco Tritium Leak Reported

(By Steve Wynkoop)

The Colorado Water Quality Division is investigating reports that radioactive water produced along with gas at Project Rio Blanco has leaked out of a nearby deep-disposal well.

The well was used for disposal of water containing tritium during flaring operations which ended Feb. 16 at the site, 30 miles southwest of Meeker, Colo.

Word of the leakage came as a surprise to some project officials contacted Wednesday and Thursday.

H. H. Aronson, vice president of CER Geonuclear Corp., the project's industrial sponsor acknowledged the leak but said he assumed the radioactive water would flow downwards into the well.

"HAVEN'T LOOKED"

"I really have to admit I haven't looked very closely at the injection system," he admitted.

Gary Countryman, assistant manager of the Casper, Wyo., office of Continental Oil Co., said he was unaware of any leakage.

Continental is operating reentry and testing efforts at the site.

John Toman, Project Plowshare group leader at Lawrence Livermore Laboratories, Livermore, Calif., said he understood there had been a leak, but the water contained "only slightly more than background levels of tritium."

Sources at the Environmental Protection Agency (EPA), which was asked to analyze natural gas containing the tritium, said the gas contained 1,000 times normal background levels of tritium.

PINHOLE LEAK

Aronson said the source of the tritium is a pinhole leak in the pipe used to force water into the well.

The well is also used as a source of gas for the project, and the leaking water apparently vaporized in the gas, which was subsequently burned, releasing tritium to the atmosphere, the EPA sources said.

Aronson said the well wasn't used to produce gas. Aronson couldn't explain the conflicting versions of the tritium-release incident.

ENGINEER TO VISIT

Frank Rozich, director of the Colorado Water Quality Division, said a division engineer would visit the site Thursday.

Al Hazle, Colorado radiological health officer, said the state was informed of the problem by a Mr. Bainbridge of CER Geonuclear. Aronson and Countryman said they were unaware of a Mr. Bainbridge.

Rozich said it was his understanding

that about a gallon of radioactive water a day was leaking out of the well.

"So far the amount detected is well below drinking-water standards, and they have shut down all operations," Rozich said.

Aronson said operations hadn't been shut down because of the leak. Operations were suspended at the site with the end of testing in February.

The state issued CER and Continental a permit Oct. 16 to use the Fawn Creek Government No. 1 well for disposal purposes.

Under the plan submitted by the firms, the water was to be disposed of at 5,600 to 6,072 feet at the rate of 600 barrels a day during flairing.

[From the Denver Post, Apr. 19, 1974]

BLANCO WELL ORDERED SEALED

The Colorado Department of Health Friday ordered the sealing of the Project Rio Blanco disposal well that is leaking radioactive water into the environment.

In a letter to H. H. Aronson, who is vice president of CER Geonuclear, cosponsor of the nuclear gas stimulation project, Robert Siek, acting director of environmental health, said he was "deeply concerned" about the situation.

"We were not notified of this incident when it was first detected, which we understand was a significant period of time prior to the health department being informed," Siek said.

The department learned of the leak late Tuesday. Apparently, the Atomic Energy Commission and CER knew of it as early as Feb. 15, more than two months ago, The Denver Post learned.

REVIEW SEEN

Siek said that because of the uncertainty of information and lack of data on the situation, the well should be sealed until the department has reviewed the situation and has been able to evaluate it and potential health consequences.

CER officials confirmed the leak, but had little data on it available Friday. The radioactive water (tritium) is from natural gas stimulated by underground May 17 detonation of three 30-kiloton nuclear devices about 30 miles southwest of Meeker, Colo.

The water was pumped down a nearby disposal well to keep the tritium out of soil, air and water, thus reducing the man-made radiation going into the environment from the project.

When the leak was discovered, a conventional gas well nearby was reopened, the radioactive water introduced into the gas and the gas burned, putting the tritium into the air.

EPA REPORT

An Environmental Protection Agency official said the tritium level in the gas is 1,000 times that found naturally in the environment.

Health department officials Friday said they couldn't evaluate the potential health consequences, because they had little information on the incident and were having difficulty finding persons who have the data.

The radioactive water was to have been pumped more than a mile underground where it couldn't contaminate underground or surface water. Several barrels of the water, at 42 gallons per barrel, were thus disposed of during gas testing last fall and earlier this year.

The source of the leak apparently is a small hole in the well pipe carrying the water underground.

Mr. Chairman, this was not a leak of tritium of ionized radioactivity from the well itself. This was a leak from an adjacent waste disposal well some distance away, into which the tritiated water was being pumped down into the ground as it was being collected from natural gas that was being flared or wasted at Rio Blanco, on what is called a work-down on the Rio Blanco well. The well was ordered sealed last week, and that item has also been included in the RECORD for the sake of those who will be reading of this.

These two items only report the last incident that raises the fears of many people in the West, and it endangers the confidence of the people for the sorely needed nuclear reactor program, and other AEC sponsored matters that, fortunately, are at least free of the wasteful, inefficient record of the Plowshare deteriorations.

Mr. Chairman, I would like to express my support for authorization of full funding for most of the Atomic Energy Commission's carefully planned programs. I am especially pleased to see their plans for greater effort toward solution to our growing national energy needs. I am very pleased to see the increased effort planned in thermonuclear fusion research and in the civilian reactor program, especially the renewed effort in development of molten salt breeder technology. I concur with authorization of their requests for increased funding of the nuclear source materials program, for updating appraisal of U.S. uranium reserves, and of the nuclear materials industrial participation program for encouraging development and transfer to industry.

I also heartily endorse their request for more than doubling of the funding for their applied energy technology programs which will attempt development of new energy—hydrothermal, geothermal, and synthetic fuel—sources and of improved energy storage and transmission technology. All of these promising energy-related programs certainly deserve our prompt approval.

NOT WORTHY

Mr. Chairman, I oppose authorization of only one of the AEC's proposed fiscal year 1975 programs, and that is its applications of underground explosions program. The very real hazards posed by this program, which proposes using nuclear explosives for natural resource recovery, were demonstrated just a few days ago. As noted in these news releases which I would like to insert in the RECORD today, the Colorado Department of Health announced last Friday, April 19, that it has ordered sealing of the Project Rio Blanco disposal well, following an Environmental Protection Agency report that radioactive water has been leaking for about 2 months.

Mr. Chairman, this incident, is another concrete, not-to-be-ignored proof of the dangers of using nuclear explosives in this manner. To put an end to continuation of this hazardous effort, I would like to offer today amendments deleting $4.025 million of the $4.4 million requested for the operating expenses, and deleting the $310,000 requested for the plant and capital equipment expenses of the applications of underground explosions program.

I would like to assure my colleagues that the revisions I propose in my amendments are a direct reflection of recommendations made by the Joint Committee on Atomic Energy in their recent report No. 93–969, authorizing appropriations for the Atomic Energy Commission for fiscal year 1975; and I quote from page 27 of this report:

> The Committee notes . . . that satisfactory results have not been forthcoming from the fiscal year 1974 Rio Blanco event. The Committee considers that the Commission must place strong emphasis on resolving the uncertainties in results from that experiment before proceeding with other major experiments. Further, the Joint Committee believes it important that the AEC complete the conventional hydrofracturing experiment it started near the Rio Blanco site during fiscal year 1974.

WOULD LOUSE UP SHALE FIELDS

Without my amendments, the AEC program plans for fiscal year 1975 call for $1.935 million for developing nuclear explosive methods for in situ recovery of oil from shale, $1.6 million for research, development, and testing of nuclear explosives for natural resource recovery, $300,000 for studies of nuclear explosive effects, $200,000 for development of nuclear methods for in situ mining of large ore bodies, and $310,000 for new plant facilities and equipment.

Contrary to the Joint Committee on Atomic Energy directives I just mentioned, all of this $4.335 million is earmarked for funding of virtually new, major experiments. Only $375,000 is requested for nuclear gas stimulation, and only a portion of that is earmarked for evaluation of the disappointing results of the Rio Blanco experiment. No funding is requested for hydrofracturing, since all of that work is being transferred to the Department of the Interior.

Mr. Chairman, I view the fiscal year 1975 AEC budget plans for its applications of underground explosions programs as directly counter to the JCAE's recommendation that Rio Blanco's uncertainties be resolved before proceeding with other major experiments.

PLOWSHARE IS A FAILURE

I would also like to point out to my colleagues that continuation of this program, now in progress for more than 16 years and still remaining without successful recovery of any useable natural resource, is even contrary, in my judgment, to recent statements by AEC Chairman Dixy Lee Ray. In testimony before the JCAE, on her report to the President on "The Nation's Energy Future," Dr. Ray said that each of our national energy research programs "should be funded on its merits, accelerated when it succeeds, and terminated or cut back severely when it fails after a reasonable amount of effort." I think that you will have to agree that Government investment—not to mention that of industry—of more than $150 million and more than 16 years of study and experimentation is more than a reasonable amount of time, money, and effort. Since the Plowshare program, which is now included in the AEC program and budget under its applications of underground explosions program, still remains unsuccessful in virtually all of its endeavors, I must contend that it should be subject to the drastic cutbacks called for in my amendments.

Before closing, I would like to emphasize one point for my colleagues, and that is the fact that I do not stand alone in my objections to this program. Secretary Rogers Morton of the U.S. Department of the Interior concurs with my views. I submit for the Record a copy of his February 22, 1974, letter advising me of his Department's position. I ask that you carefully note his statement that—

> Indeed it has been the position of the Department that implementation of the full-field Rio Blanco development would preclude orderly and efficient development of the overlying oil shale resource. . . .

The Comptroller General of the United States has also now joined me in questioning both the economics of nuclear natural gas recovery and its compatibility with oil shale mining. In an April 2, 1974, General Accounting Office report to the Congress, entitled "Progress and Problems in Developing Nuclear and Other Experimental Techniques for Recovering Natural Gas in the Rocky Mountain Area," it is clearly stated that—

> AEC and Bureau officials disagree as to whether fractures in the Gasbuggy and Rulison experiments are closing. Our analysis showed that, if fractures created by nuclear detonation close, the wellhead cost of gas increases significantly, depending on how quickly the fractures close.
>
> Because this issue is important to the economics of nuclear stimulation and its cost comparison with massive hydraulic fracturing, more should be done to minimize the uncertainty on this issue before nuclear stimulation can be considered economically acceptable. . .

And that—

> According to the Department of the Interior, underground mining of oil shale might be incompatible with the prior or concurrent use of nuclear stimulation because fractures created by the nuclear explosives might collapse underground mines in the area of the explosion . . . we consider it important to resolve this question as soon as practicable. . .

Former Governor of Colorado and Director of the Energy Policy Office John Love has also voiced objection to nuclear stimulation. When asked by Executive magazine, August 1973, page 48:

> What is your opinion of the use of underground nuclear explosions to release natural gas and thereby hasten its exploitation.

Governor Love replied:

> On nuclear stimulation of tight sands, I cannot foresee and do not now support full-field development or a large number of shots based on our current situation. I think that a better solution to that situation is again through the pricing structure. Natural gas at a more realistic price would justify, I believe, conventional fracturing of those sands and would be a better solution.

The U.S. Geological Survey, in a September 1972, "Study Group Report on Project Rio Blanco," has also taken a strong position against nuclear methods of gas recovery, noting that nuclear stimulation would be incompatible with underground mining of shale, that it would cause increases in conventional mining costs, and that its potential seismic hazards and radioactivity would cause serious reservations on the part of industry regarding undertaking of future conventional extraction of natural resources in the same area.

The Shell Oil Co. has also objected in its August 1973 report on "The National Energy Problem," challenging that nuclear stimulated gas is "substandard and that volume was less than expected."

Mr. Chairman, I have just recited for you the viewpoints of but a few of those who believe as I do in these matters. My colleagues, I firmly believe that "full-field" use of the literally thousands of nuclear explosions required for effective energy resource recovery will never receive the approval of the people of this Nation. This being the case, I respectfully ask your support for my amendments which insure compliance with Joint Committee recommendations against Plowshare's expansion into new areas and compliance with Dr. Ray's own standards by deleting fiscal year 1975 funding for all work other than completion of Rio Blanco's evaluation. In my view, it is unconscionable for us to authorize $4.335 million for experiments which will again allow Plowshare to leave its most recent failures in gas stimulation and move on into another new area of disappointment.

I appeal to all of you to vote for the amendments I am submitting here today.

The Secretary of the Interior,
Washington, February 22, 1974.

Hon. Teno Roncalio,
House of Representatives,
Washington, D.C.

Dear Teno: I had the opportunity to review your paper on the nuclear extraction program with some of our people. There seems to be very little disagreement with your conclusions.

As you may remember, the Department of the Interior participated as a co-sponsor in Project Gas Buggy and Project Rulison. Subsequent to the Rulison Project all of the funds available to the Department for gas stimulation investigations have been expended on development of various forms of hydrofracturing technology which we in the Department feel have more favorable cost-benefit ratios and also have potential applications in oil recovery.

The Department was not a co-sponsor of Rio Blanco and indeed it has been the position of the Department that implementation of the full field of Rio Blanco development would preclude orderly and efficient development of the overlying oil shale resource.

I hope this finds you fully recovered from your bout in the hospital.

Yours sincerely,
Rogers C. B. Morton.

Mr. JOHNSON of Colorado. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I shall not take the full 5 minutes, but I would like to point out to my colleagues that of the $4.4 million which we have been asked to grant here, $375,000 of that is being used for evaluation of the Rio Blanco shot; $4.1 million is being used for the purpose of preparing for additional shots. I can say to the Members that they are not going to spend $4 million and then say, "OK, now we have got it all prepared we will not use it." We know that they will be asking for more money to continue with additional shots. But it would seem to me to use this amount of money in this fashion at this time does not make sense. I believe that we should wait until we have the necessary information.

Mr. Chairman, I think the gentleman from Wyoming (Mr. Roncalio) has offered a tremendously sensible amendment. I for one am not willing to say that we should not continue with nuclear shots. I am not willing to draw that line as yet, but I do believe that until we have the final reports back from the AEC as to their final evaluation of the Rio Blanco shot that we should hold up on this matter. I do not see why we should go ahead at this time and spend that amount of money in preparation for the next series of tests which will ultimately have to take place if the reports are favorable. I believe we should not do that until we get the final evaluations. I say let us just call a halt to these shots until we get the final evaluation, and then we can make the determination as to whether we want to go ahead with this testing.

Mr. RONCALIO of Wyoming. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Colorado. I yield to the gentleman from Wyoming.

Mr. RONCALIO of Wyoming. Mr. Chairman, I thank the gentleman for yielding to me, and I want to thank the gentleman from Colorado for the observations the gentleman has made in such a quiet and calm manner.

The amount of money asked for concerning the Rio Blanco shot, we can have that spent in the next year, but I think that if we are wise we will hold up on that money until we have the final evaluation report. If we were sure that this would be safe, then certainly I would be for it. But I believe we should wait until we have the final analysis so that we can have the proper knowledge that is needed so that we will be ready to continue on down the road in this development. When we have this knowledge and it warrants support, then we will have support for this type of program. But if we go ahead without that necessary information then we will continue to have criticism of these programs, especially if we continue to do wasteful things like this appears to be.

Mr. JOHNSON of Colorado. Mr. Chairman, I thank the gentleman from Wyoming.

Mr. Chairman, I yield back the balance of my time.

Mrs. SCHROEDER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Wyoming.

Mr. Chairman, there is a principle called Murphy's Law, which states "If anything can go wrong, it will." I have with me copies of two articles from the Denver Post of last week which report that a pin hole leak in a disposal well for *radioactive* water from the Rio Blanco gas stimulation project has caused the release of this water back into the environment. Notwithstanding this hazard and notwithstanding the reported 2-month delay in notifying the Colorado Department of Health, so that it could close off the well (something which deserves examination at some other time), the Atomic Energy Commission wants to plow ahead with more of the same, now proposing also to develop nuclear explosive methods of in-situ recovery of oil from oil shale, recovery of ore, and the like.

The Atomc Energy Commission is calling on Congress to authorize blind expenditures—to spend money without any real idea of the economic, environmental, or social impact of the projects which it proposes. It wants to go on spending the public money when, at the same time and under Government subsidies private industry is going ahead on its own with innovative non-nuclear procedures to do these same things. I agree with the Joint Committee on Atomic Energy that we should await the results of the Rio Blanco project before authorizing further funds for more Plowshare projects. We do not know, but can only guess, what other byproducts and hazards Rio Blanco may ultimately produce.

The Plowshare experiments are the Atomic Energy Commission's answers to the questions of peaceful uses for atomic energy. As Mr. RONCALIO has stated on prior occasions, what it all boils down to is that it is a technology in search of a peaceful use. Perhaps what is needed here more than anything is a definition of what is in fact "peaceful," because I am just not sure in this case. I am not at peace awaiting further disclosure of Rio Blanco problems. And I am not at peace in looking forward to a multiplicity of such projects without first determining what the economic, social, and environmental impacts of these projects are likely to be.

Mr. Chairman, we all recognize the need to develop new technologies in the search for new energy sources, but at the same time we must explore the limitations of those new technologies before striking out on new adventures. We do not yet know the full effects of Rio Blanco, or indeed, whether it is even economically feasible. Pending the results of the final Rio Blanco study, we simply do not need further authorizations. I urge my colleagues to join Mr. RONCALIO in deleting the $4.025 million from the Atomic Energy Commission authorization that is requested for Project Plowshare.

Mr. EVANS of Colorado. Mr. Chairman, I rise to speak in favor of the amendment.

energy. As Mr. RONCALIO has stated on

Mr. Chairman, I would like to direct a question to my good friend, the chairman of the committee, the gentleman from Illinois (Mr. PRICE). For many years the United States has tried to take atomic energy and apply it to peaceful uses. I know we have tried this in many, many areas. Now directing our attention to the question of extracting sources of energy, I should like the gentleman to tell me whether or not over this period we have ever been successful as of this moment in extracting sources of energy for use in this country by means of underground atomic detonations.

Mr. PRICE of Illinois. Will the gentleman yield?

Mr. EVANS of Colorado. I yield to the gentleman from Illinois.

Mr. PRICE of Illinois. Of course, the gentleman knows there have been experiments to determine whether or not we can successfully do it, and I would suggest the Rulison test and other tests indicate that it is possible to extract energy from the earth by this process. But the money in this particular bill is not for any experiment in the fiscal year ahead; it is to evaluate and to determine the results of the previous tests.

Mr. EVANS of Colorado. That is true in relation to the $375,000.

Mr. PRICE of Illinois. If the gentleman will yield, that is true in relation to almost all of the $4,025,000.

Mr. EVANS of Colorado. May I inquire of the gentleman whether or not any of the $4 million which this amendment would strike would be used for programing and planning for future underground shots such as Rio Blanco?

Mr. PRICE of Illinois. If the gentleman will yield, it is possible it could be, but eventually they would have to come in for additional funds, and Congress would then have to determine whether or not to permit them to go ahead with another test, based on the need for additional funds.

Mr. EVANS of Colorado. We have a separation here of this sum that we are talking about. There are two parts, one, the $4 million which the gentleman from Wyoming describes as funds which would be used for future planning of additional shots; and, two, the $375,000 which he leaves in the bill, which he describes as funds which are necessary to continue the studies of those shots that have already taken place.

My question to the distinguished gentleman is this: Does he agree that that is a correct division of the funds that we are talking about?

Mr. PRICE of Illinois. If the gentleman will yield, no, I do not agree to that at all.

Mr. EVANS of Colorado. May I ask the gentleman, then, to tell me what the testimony was before his committee with relation to the use of these funds? How much of these funds was for the study of past explosions, and how much of these funds was for future planning for additional explosions?

Mr. PRICE of Illinois. If the gentleman will yield, we do not have the detailed breakdown of the whole $4 million, but the greater portion of that $4 million was for the evaluation. The gentleman from Colorado will notice the gentleman from Wyoming said $375,000 was necessary for the evaluation of the Rio Blanco tests, but there were two other tests that are under evaluation.

Mr. EVANS of Colorado. Does the gentleman have any idea how much money they need to evaluate those other shots which have taken place in the past?

Mr. PRICE of Illinois. Most of the $4 million.

Mr. EVANS of Colorado. How much, then, in here is there for planned future explosions? Can the gentleman tell me?

Mr. PRICE of Illinois. A very limited amount.

Mr. EVANS of Colorado. How many dollars would that be?

Mr. PRICE of Illinois. I do not have the exact figure.

Mr. JOHNSON of Colorado. Mr. Chairman, will the gentleman yield? I have those figures.

Mr. EVANS of Colorado. I yield to the gentleman from Colorado.

Mr. JOHNSON of Colorado. I thank the gentleman for yielding.

The figures provided to me this morning came from the Joint Committee staff, and they are $1,925,000 for investigation of the techniques to use nuclear methods for the possible recovery of oil from oil shale by in situ methods in which the processing occurs in place under the earth's surface. No actual nuclear experiment will be conducted during fiscal year 1975.

Two hundred thousand dollars for investigation of techniques for underground extraction of minerals, principally low-grade copper ores, by in situ leaching.

Three hundred thousand dollars for continued investigation of explosion effects.

Three hundred and seventy-five thousand dollars for completing the analysis of the Rio Blanco experiment.

One million six hundred thousand dollars for research and development directed toward appropriate nuclear explosive designs for use in applications foı recovery of natural resources.

This is to make them cheaper and cleaner. Obviously the $4.4 million is designed for additional planning of these shots under that $107 million program.

Mr. EVANS of Colorado. I thank the gentleman. I would simply say trying to get some usable energy, we have not yet been successful in developing a usable energy and it is my belief that until we have the knowledge it seems unwise to go ahead and plan additional explosions.

Mr. HOLIFIELD. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I ask if I may have the attention of the gentleman from Colorado (Mr. EVANS).

In the field of research and development a great deal of study, a great deal of design and other factors go into any kind of program before experiments are conducted. In many instances there are a number of experiments that have to be conducted sequentially and each experiment proves something or disproves some theory that the people who are engaged in the development have to know about.

The money that has been spent in the field of fracturing underground rocks to increase the flow of gas was successful in its goals. There was an increase of flow of gas at Gasbuggy and some other experiments. The rate of and duration of that increase is of course a matter of evaluation.

The contamination that had occurred as a result of using nuclear devices was also a matter of evaluation. There was contamination which the scientists expected. We expect it because it is very difficult to have a nuclear shot without contamination, but contamination has a life and a half life, and there comes a time when contamination dies down, and there are ways of cleaning up contamination.

Remember, this occurs underground. There is no hazard in the air itself. So each one of these experiments has proven certain things and disproven certain things. This is the ordinary course in research and development.

We would not ask for adoption of a theory until we have done a certain amount of experimentation in it.

Let me say this to the gentleman. I understand the opposition that comes from the people of Colorado about having anything like this occur in their area. The people in my area are just as much opposed to having a fossil fuel plant for electricity and yet they want electricity. The people of this country are going to have to have electricity and fuel of one kind or another.

Is it or is it not better to experiment in the methods of opening up a completely new source of gas or of oil or should we depend upon the importation of some 33 percent, as we do today, of the oil we use in this country, a difference between 11 billion of domestic production and 17 billion of total requirements? Are we going to not remain dependent upon the unstable sources and in some instances excessive price of sources abroad?

Should we try to develop our coal so we can use it? Every ton of coal throws 300 pounds of contaminants into the air.

We want to experiment and take the contaminants out so we can use the coal. We want to do the same thing with oil. We want to do the same thing with gas. We want to do the same thing with any other fuel that might have a contaminating possibility.

Let us take for instance the billions of tons of shale in Colorado. Are we going to try to experiment to find a way to bring that shale into use through heating that shale in situ, in place, or are we going to dig it and bring it out and then heat it, burn it, and create millions of tons of waste? If we try to bring out the shale and get oil from the shale deposits, we are going to have to move six times as much dirt as we moved in the construction of the Panama Canal.

We have to find a way to get this fuel in a way which is economical and safe for the American people. This is what we are trying to do. We have been told we are continuing to develop devices to reduce contamination. We have been told plans will have to be submitted to Congress in the future before we go ahead and fund more experiments.

I would leave it up to the intelligence of this Congress and to the need of the American people whether we go ahead in this field or not. In the meantime, I say the wise thing to do is study it and find out what the limits are.

The CHAIRMAN. The time of the gentleman has expired.

(At the request of Mr. EVANS of Colorado and by unanimous consent, Mr. HOLIFIELD was allowed to proceed for an additional 3 minutes.)

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. Yes, I yield to the gentleman.

Mr. EVANS of Colorado. I agree with the ideas the gentleman has in mind; but there is one thing that strikes me as illogical. We have these underground explosions and it is true, as the gentleman from Illinois said, that gas has been produced; but it is also true that this gas is unusable.

Mr. HOLIFIELD. That is true. I said it was contaminated.

Mr. EVANS of Colorado. Here is what strikes me as illogical. No matter what we do with these underground explosions with the timing or what have you, unless we have an underground explosion that is clean it would seem wiser to clean up the gas that has been produced, because if the gas from other explosions is contaminated, we will still be producing gas that cannot be used.

Mr. HOLIFIELD. We use different kinds of gases. Some are contaminated and some are not. We have been moving toward a low degree of contamination. We have spent millions and millions of dollars moving away from radiation in certain weapons and we have brought it way down. We will also bring it down in the devices that we use for cracking shale or gas rock. We will bring down that contamination, but it takes study and research in the laboratories to build those devices. This is part of the work that is going on.

True, it is a small sum, relatively speaking.

Mr. EVANS of Colorado. I just wish to express my serious reservation about planning additional explosions before we have the knowledge that as a result of those explosions the gas we produce will be capable of being used.

Mr. HOLIFIELD. The gentleman cannot have that knowledge until we have that research and development. The gentleman is confusing the money in this bill for the development of fusion.

Mr. EVANS of Colorado. It is a most interesting undertaking.

Mr. HOLIFIELD. It certainly is. Does the gentleman realize we have spent $669 million and we have not yet produced 1 second of fusion? Does the gentleman also realize that fusion has contamination?

Mr. EVANS of Colorado. I just wish we would understand when we look at the cost ratio, the program is still unsuccessful.

Mr. HOLIFIELD. Very little cost has gone into this program in relation to fusion.

Mr. EVANS of Colorado. I was not talking about fusion.

Mr. HOLIFIELD. There is over $100 million in this bill today for fusion and we are continuing to develop this because we hope to arrive at a point that it will be beneficial to the Nation.

Mr. EVANS of Colorado. I was talking about the further explosions in the producing of gas.

Mr. HOSMER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, during the debate earlier, Murphy's law was mentioned, the law that says that anything that can go wrong will go wrong. Let me say that I think Murphy's law applies more precisely here to the debate on this bill than it has perhaps ever applied before, both as to logic and as to the facts.

Now, first, the facts. The gentleman from Wyoming is basing a large part of his argument for this intellectually atavistic amendment on the basis of a newspaper article that he is going to insert in the RECORD.

Now, what are the facts? The facts are, as to the discovery of tritium in this well on January 25, 1974, that Mr. Belmont Evans of the Department of Health of the State of Colorado was notified promptly of the discovery at the site. He then notified his home office.

Mr. Chairman, if that news did not percolate around the public health department of Colorado, that certainly is not the fault of the Congress of the United States or the AEC. AEC has received confirmation that this information was so passed along on that date.

Mr. Chairman, that is fact No. 1.

What is fact No. 2? This newspaper article that the gentleman refers to says that another man by the name of Robert Siek, S-i-e-k, who is Acting Director of Environmental Health, apparently, for Colorado, is "deeply concerned" about the situation of this leak of tritium, "deeply concerned."

Mr. Chairman, what is the fact about whether or not this gentleman should be deeply concerned? There was discovered coming out of this well into which tritiated water from the main Rio Blanco well had been injected for disposal, natural gas containing 800 to 1,000 pico-curies per millimeter of tritium, just a trace.

What is that besides being a number?

Mr. RONCALIO of Wyoming. Mr. Chairman, will the gentleman yield so that I may answer that?

Mr. HOSMER. No, I decline to permit the gentleman to answer it because I will answer it myself. I know the answer probably better than the gentleman from Wyoming does.

Mr. Chairman, one pico-curie per milliliter of water is one trillionth of a curie—one trillionth of a curie. That is natural background. That is the background radiation from tritium, one trillionth of a curie. This tritium radiation that was discovered was 800 to 1,000 times that amount.

What does that mean?

For drinking water the health standard is still one-third, the amount of tritium, needed to exceed health limits for safe-to-drink water. So this is one-third less than that, the drinking water limit. Fact No. 2 is that there is absolutely no basis for any "deep concern" here. Mr. Chairman, this is absolutely ridiculous, to oppose this kind of work for that specious reason.

Now as to logic.

What about the logic of coming in here and saying, "Cut it off. Cut it all off. This has to go. It leads to one hundred and bumpteen millions of dollars expenditure"?

Mr. Chairman, that has already been disposed of *during my* colloquy with the gentleman from Colorado (Mr. JOHNSON).

I am sure that some of the gentlemen, at least within the sound of my voice, listened to the colloquy respecting this $4.4 million that is in here, respecting the fact that every single year the AEC has to come before this body for authorization, a building block has to be built on last year's experience in order to convince this body that any more money should be authorized for this program.

Mr. Chairman, this is the kind of thing that anybody with an intelligent scientific approach to getting the knowledge that is necessary to solve that——

Mr. RONCALIO of Wyoming. Mr. Chairman, would the gentlemen yield?

Mr. HOSMER. Mr. Chairman, I will not yield to the gentleman, and I would appreciate it if he would stop interrupting me until I give him the opportunity to do so.

This is the kind of approach that anybody will take with an ounce of sense, if he wants to find out something on which to base an intelligent decision later. We have to find out the facts sought to be discovered—researched—here to determine whether or not to move ahead in later years.

The possibility of using nuclear explosives for peaceful purposes has long been a hope of the Atomic Energy Commission—and that hope has been regularly supported by the Congress. This program was known as Plowshare, is now called applications of underground explosives, because the program now includes underground explosions from chemical—or conventional—explosives as well as the nuclear explosives. For the past few years the objective of this potentially important effort has been to develop techniques which could unlock some of our heretofore unavailable energy resources such as oil shale and the natural gas in tight geological formations in the Rocky Mountain area. The recent emphasis of Plowshare has been upon the recovery of natural gas by nuclear stimulation. This involves the detonating of nuclear explosives in a wellbore to enlarge greatly its effective diameter and cause more gas to flow. The Gasbuggy experiment was conducted in 1967 in New Mexico, the Rulison experiment conducted in the Piceance Basin of Colorado in 1969, and the Rio Blanco experiment also in Colorado in May 1973.

The Rio Blanco experiment was fired successfully, but the testing of gas production which began in November 1973 showed that gas was being released from only one of the three cavities created by the three nuclear devices fired underground. Analysis is continuing in order to find out the reasons for that result, and funds are included in the authorization bill of $375,000 to complete both the analysis and production testing of the well. The Joint Committee feels that until those answers are provided and understood, that there should be no further nuclear experiments. There are no nuclear experiments planned by the Atomic Energy Commission for fiscal year 1975. The next one planned is not until 1977 and is proposed to be conducted at Nevada test site to develop the technique which might later be used in in situ recovery of oil shale. That experiment would not be a part of the on-continent nuclear test program and will be requested for authorization in a subsequent year under the applied technology portion of the AEC request.

The proposed amendment of the gentleman from Wyoming would delete $4,025,000 from the Plowshare budget, leaving only $375,000 to complete the work on Rio Blanco. What would be the effect of that amendment?

First, it would terminate the development of technology of conducting underground nuclear explosions for peaceful purposes. The United States incurred an obligation under article V of the Non-Proliferation Treaty to provide assurances to the nonnuclear parties that they will share in the benefits of peaceful application of nuclear explosive devices. Therefore, because of this obligation alone, we must continue the development of both techniques and devices at this minimal funding level.

Second, it would terminate experiments and planning which might unlock some of our energy reserves in addition to natural gas. The AEC, in cooperation with industry is engaging in experiments and planning which might make in situ recovery of oil from oil shale by explosives—chemical as well as nuclear. This might turn out to be the most economical method of obtaining tremendous amounts of oil and with the least effect on the environment.

Third, it would terminate laboratory experimentation on the development of a method for in situ chemical mining of primary sulfide ores. This project has had considerable industrial interest. Related to this is a small effort in the chemical leaching of copper.

Therefore, in order to continue the investigation of efforts which could lead to an economical method of unlocking our energy resources—and to continue to be able to respond to our treaty obligations, I believe that the Plowshare program should continue.

Now, specifically as to the status of Project Rio Blanco tritiated water disposal. As a result of the mid-November 5-day Rio Blanco production test, 3,378 barrels of water have been injected into the Fawn Creek Government No. 1 well, also known as RB–E–01. Average tritium concentration in the injected water has been 0.03 micro Ci/ml with a maximum of 0.041 micro Ci/ml and a minimum of 0.014 micro Ci/ml. Before injection, the water was cooled by dilution for surface handling purposes. Prior to dilution, tritium concentrations have averaged about 0.058 micro Ci/ml with a maximum of 0.065 micro Ci/ml. The November 9, 1973, permit for subsurface disposal issued by the Colorado Water Quality Control Division allows disposal of up to 24,000 barrels of water at a maximum tritium concentration of 0.05 micro Ci/ml. The 0.05 micro Ci/ml maximum concentration specified in the permit was taken from hearing testimony for the permit where it was indicated that an average level of 0.05 micro Ci/ml was "our best estimate, based on experience from Rulison and Gasbuggy," but that it contained "some probable error."

CER and Conoco requested by letter dated January 16, 1974, that the permit be amended to allow a maximum tritium concentration of 0.075 micro Ci/ml in injected water. Heat exchangers had been obtained to cool the gas stream and, thus, dilution would no longer be necessary except to satisfy the permit requirements. The request reviewed by the staff of the Colorado Water Quality Control Division, who advised that the 60-day hearing process would be required for such an amendment. Rather than wait 60 days it was decided to dilute to meet the permit requirements.

The Fawn Creek well was an existing well at the initiation of the Rio Blanco Project. This well was identified with State approval as a disposal well for tritiated water produced with the gas from the Rio Blanco project. The tritiated water is disposed of at an interval of about 6,000 feet. The well is also used by the Continental Oil Co., Conoco, for gas production from a high interval or formation at about 4,000 feet. The two are not connected. The gas is produced only for use at the site and is not commercially available. Other than its disposal function, the well serves to help Conoco meet some of its requirements under its Federal unit agreement.

The Fawn Creek Government No. 1 well is located approximately 1,300 feet southwest of the Rio Blanco emplacement well. Its lower zones act as a disposal facility for the injection of low level tritiated water produced from the RB–E–01 emplacement well during drawdown testing. This water is injected under relatively low pressure so as to preclude unnecessary fracturing of the injection zone. The gas producing zone above the water injection zone is separated by an impermeable zone in the formation and by a packer in the well that should preclude the mixing of injected water and producible gas. The gas produced from the Fawn Creek well is used to pilot the RB–E–01 flare stack and to heat the water in the tritiated water holding tanks until it is injected into the Fawn Creek well.

During drawdown testing of the RB–E–01 and injection of the tritiated water, the Fawn Creek gas is sampled and analyzed continously to see if any tritium is associated with the gas. On January 25, 1974, during phase II drawdown operations, some tritium in the water phase of the gas was thought to be observed. However, these levels were so low that they approached the limits of resolution of the detection equipment. The State of Colorado was notified at once and concurred with the decision to make further measurements in order to reliably identify the amount of tritium with laboratory instruments having greater sensitivity.

Since January 25, exhaustive sampling has taken place and analysis is presently in progress. While final conclusions have not been reached, analysts agree that there is no tritium in the Fawn Creek gas, but that there are minute traces of tritium in water produced with the gas. Furthermore, these levels are only a fraction of the quantity allowed by Federal radiation protection standards for drinking water for individual consumption in an uncontrolled area.

AEC is attempting to identify the avenue by which this small quantity of injection water is entering the gas production zone. Very minute quantities of RB–E–01 injection water are thought to be entering this zone through a leak in the tubing or around the packer, although a definite mechanism is not known at this time. The State of Colorado is aware of the current investigation and will soon be issued a full report.

Mr. Chairman, I urge defeat of the amendment.

Mr. BROWN of California. Mr. Chairman, I rise in general support of this amendment.

Mr. RONCALIO of Wyoming. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. I yield to the gentleman from Wyoming.

Mr. RONCALIO of Wyoming. Mr. Chairman, I hate to do this, but I am going to take the floor in order to answer that display of wisdom which was just given by my good friend from California.

One year ago, on this very occasion, my good friend, the gentleman from California, Mr. Craig Hosmer, stood in this well, and he said to me standing over there, "Do you not know what connate water is? You do not, do you?" He said, "It is not possible to have a leak in an atomic well. It is impossible for water to leak." He said that in his wisdom 1 year ago, and now we have these leaks all over the place today. So let us not get emotional today, nor give heed to his argument.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. After the gentleman from Wyoming has finished, I will yield to the gentleman from California.

Mr. RONCALIO of Wyoming. Mr. Chairman, I had a bad enough time this afternoon getting a few minutes.

I will state that I am fond of the gentleman from California. I hold the gentleman from California in great respect, and I will go to bat for him on his nuclear enrichment idea, USEC. I will be on the platform with him side by side defending atomic peaceful purposes, and the necessity for power generation by reactors, breeders and all.

However, I say to the gentleman that I would be here asking for adoption of this amendment even if there had been nothing in last week's Denver Post. Last week's item in the Denver Post had nothing to do with my offering this amendment. This amendment has been ready for months, and I would withdraw it now if I could see that one cubic foot of gas has been useful or can be proven useful. I will say to the gentleman from California (Mr. Holifield) not one cent herein goes to clean the gas accumulated now in these chimneys.

If I could be shown that this money would be used to recover the gas and make it usable, I would withdraw my amendment now.

Mr. Chairman, this is not what the money is for. The money is for sequential detonations experiments not unlike the Wagon Wheel concept which called for 30-minute intervals, and I will point out that was the game plan 3 years ago and that was scrapped.

Mr. Chairman, I hope that my good friend, the gentleman from California (Mr. Hosmer) will help me rest the fears of many people mentioned by the gentleman from California (Mr. Waldie) and toward this program and we can go along for the good of the nuclear power programs which are so sorely needed today.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. I yield to the gentleman from California.

Mr. HOSMER. Mr. Chairman, I just think that the record should be clear as to where this particular tritium is coming from.

The Rio Blanco well produced about 3,000 barrels of tritiated water. This was injected for disposal into a well nearby which was known as RB–E–01, and this particular minuscule amount of tritium escaped back from that well in gas coming from it. This is not big leakage all over the bottom of the State of Colorado or anything like that. This is a case of the injection of tritiated water into a well, and a tiny amount coming back out, very minor, so minor that one could still drink that water without any risk to his health.

This is what the argument is all about. Nothing.

Mr. Chairman, I thank the gentleman from California for yielding.

Mr. PRICE of Illinois. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think the members of the Committee are informed concerning this program. I would just like to correct one or two apprehensions the Members may have.

First of all, concerning the use of the funds, the $4,400,000 is almost exclusively for research, for investigation of the techniques so that at some time in the future, if this is acceptable to more people in more areas, they will have the latest and the most satisfactory techniques in order to avoid any situation that would not be acceptable.

It is said that the gas may not be usable. Most scientists believe it is usable right now, even the gas from the Rulison project, the first test. It is not licensed, but knowledgeable scientists believe it is usable.

Of course, another reason for the $4,400,000 is to refine the techniques to such a point that there would be no question about the usability of the gas. I would think that the people from the State of Colorado would be vitally interested in this program, because of future development of oil shale deposits. They are going to get oil from shale and they are going to get it in whatever fashion they can get it in. It would appear to me that the experiments in this particular program might develop the cleanest extraction process, and would do the least harm to the environment of any program now known. I think if I were from the State of Colorado, I would be wholeheartedly in favor of this program.

I hope the committee will reject the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wyoming (Mr. Roncalio).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. RONCALIO of Wyoming. Mr. Chairman, on that I demand a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. LUJAN

Mr. LUJAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Lujan: Page 10, line 14 strike out "$4,000,000" and insert "$4,600,000".

Mr. LUJAN. Thank you, Mr. Chairman.

Mr. Chairman, the amendment that I have offered asks for the authorization to be increased by $600,000. It is really very simple and does not take a lot of understanding to know what it is all about.

Mr. Chairman, in Los Alamos there is authorized a building called the National Security and Resource Study Center. That building is in this authorization bill today. What prompts me to offer this amendment today is that we have been talking about all the research that needs to be done on solar energy systems. We know a lot of ways in which we can use the sun in order to heat and cool buildings. The technology is nothing new. We know that the sun will heat water and if you circulate the water around a building you will heat the building. We also know that if you put certain equipment into the building, you can chill or air condition the building during the summertime using the same energy. So the building is in the process of being designed now, and I thought it would be a good idea to incorporate into the design a solar system for heating and cooling that building.

The picture on my left shows how a very simple system can be put in. I hope nobody asks me how this really works basically, but I will say the scientists who have been working on it tell me that it will work.

Now, we know that these things will work. I will not go into how the whole system works, Mr. Chairman, but for those who would have an interest in it and so that it will be a matter of record, I will get unanimous consent later on when we are in the House to include this material.

Without saying anything further on the subject, I think the idea is perfectly well understood and a very simple thing to do at this point when the building is being designed.

I urge the support of my amendment and at this point will put the material I have been referring to into the Record.

Mr. PRICE of Illinois. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New Mexico (Mr. Lujan).

Mr. Chairman, I hesitate to be in opposition to the amendment offered by my good friend from New Mexico. As a matter of fact, in the committee we gave considerable thought to this proposal. We thought for a time we might include it in the bill before us this afternoon. However, we went into it thoroughly, and we were in contact with the AEC but the Commission had not reviewed the proposal.

This idea is very much in the conceptual stage, and there is a valid question as to whether the concept has been developed to the point where a construction project is justified or can be carried out with reasonable hope of success.

I think that we should at least delay further consideration of such an idea until we do get more information. Perhaps if the concept is developed and ready by next year, we could give it consideration then. But at this time I think that we should reject this amendment.

Mr. LUJAN. Mr. Chairman, will the gentleman yield?

Mr. PRICE of Illinois. I yield to the gentleman from New Mexico.

Mr. LUJAN. Mr. Chairman, there is nothing new in the solar heating system. As I said earlier, we know just by everyday experience that the sun will heat the water, and if that water circulates through the building, then obviously it is going to heat that building. Also we have a water absorption chiller that will serve for cooling the building. The scientists there tell me that they know that it will work.

Second, if we delay this—and I would say that there has been some legislation that has passed this House on solar energy demonstrations.

Mr. PRICE of Illinois. Mr. Chairman, let me say that I fully understand the point the gentleman is making. There is nothing new in the idea, and there is nothing new in the fact that through solar energy you can heat and cool, but there is a lot to be learned about how to store the heat, and how to produce energy from it. All you can do is possibly warm the building and maybe cool it, but you cannot provide the other functions that are required of energy. So I think there is a lot more to be studied about it. For that reason I ask that the amendment be rejected.

Mr. HOSMER. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment offered by the gentleman from New Mexico (Mr. LUJAN).

Mr. Chairman, I should like to call the attention of the Members of this body to the very nice drawing of this building that the gentleman from New Mexico has presented. One can see the front door there, and if one looks at it carefully one can get an idea of maybe the building is possibly 50 by 100 feet in size, or possibly 5,000 square feet in all.

Now, in terms of the $600,000 that the gentleman wants to put in for heating and cooling, plus building, I think that a couple of facts should be understood.

First, if we took that money in dollar bills and plastered them on the roof instead of this solar material that is shown in the drawing, it would stack it 433 dollar bills deep, each stack would be 433 dollar bills. That will indicate how much money we would be spending on this.

Second, the Members cannot see from this drawing what is around this building. What is in fact around this building are a lot of other buildings where we already have the utilities in, such as the steam for heating in the winter time. So this $600,000 is simply to air-condition a 5,000-square-foot building at the astronomical cost of $120 per square foot. That does not seem to me to make good sense.

I think if we want to get into this kind of experimental work that we should have a lot more facts and figures in front of us than the gentleman from New Mexico has given us.

The gentleman from New Mexico himself says that he cannot explain how this thing would work. As a consequence, I think that it is up to us as responsible legislators to wait until ERDA or somebody comes along with an equivalent type of program in experimental solar heating and cooling. Then we will get the government dollar's full use instead of stacking dollars 433 deep on top of a building at Los Alamos.

Mr. LUJAN. Mr. Chairman, will the gentleman yield?

Mr. HOSMER. I yield to the gentleman from New Mexico.

Mr. LUJAN. Mr. Chairman, the gentleman from California knows that I am not an engineer, and therefore I cannot tell the gentleman how the heating and cooling system works. All I know is that it does work, and the scientists have told me so.

If the gentleman from California really wants to know how it works then I have a book right here that I am sure the gentleman from California could understand.

Mr. HOSMER. Mr. Chairman, I did not say that I did not understand how it works; I said the gentleman from New Mexico said that he did not understand how it works.

Mr. LUJAN. Well, if the gentleman from California understands how it works, then undoubtedly it is a good and workable project.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. HOSMER. I yield to the gentleman.

Mr. HOLIFIELD. The gentleman from New Mexico, of course, is making a plea for something to go on an experimental project, to go on a building in his area in New Mexico. He is to be commended for looking out for his people. He said there is nothing new about the sun heating water. Of course, there is nothing new about the sun heating water. Everybody knows that who has ever been out in the sun and who has had a little water on him. He knows the sun will dry the water up by evaporation.

The point missed completely is: Is it economic? Is this an economic way to do this thing? Are we ready yet to spend that much money on an old-fashioned method of heating water? The time may very well come, and we have money in this program for various kinds of experiments, some of them on various kinds of things. The point is that in the solar field the time has not come. They are doing this in Japan all the time, but they are not doing it economically. They are doing it as a matter of desperation because they do not have fossil fuels or nuclear power except what they buy from us. So this is a premature idea. The AEC did not ask for it; the committee did not approve it; and I do not blame the gentleman for advocating it, but it is just simply a local improvement which the gentleman would like to have. I would like to have it, but I do not think the Congress is yet ready to endorse an engineering facility on top of a building that we are going to build out there. It should take its time. The project should be brought before us and explained, and its economic costs should be made known to us, and then let the committee approve or disapprove of the project, not because we have a picture here in front of us.

Mr. ROBINSON of Virginia. Mr. Chairman, will the gentleman yield?

Mr. HOSMER. I yield to the gentleman from Virginia.

Mr. ROBINSON of Virginia. I thank the gentleman for yielding.

In order to reassure my colleague from New Mexico and perhaps inform some of my other colleagues, I should like to say that 1-hour's drive from here in Fauquier, Va., there is a high school, the Fauquier County High School, which has received a National Science Foundation grant of $400,000, taxpayers' dollars, to heat and cool a high school and do exactly the kind of research which I believe the gentleman's amendment would advise that we get into. That project is under way.

Mr. HOSMER. I thank the gentleman for pointing out the redundancy of the amendment.

Mr. BROWN of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of this legislation and in support of this amendment. I do so because possibly I am one of the half dozen or so Members who has visited the installation at Los Alamos and who has reviewed with the staff at Los Alamos the plans for this building.

This is an extremely small item in a rather large budget. The whole building, I think, is scheduled for something like $4 million. The authorization bill before us is close to $4 billion, $3⅔ billion, and obviously the members of the committee, and the staff, have not been able to give the close attention to this very small item which it deserves.

I got the impression, and perhaps it was erroneous, from the distinguished chairman of the committee that he thought the building was already under construction. On the other hand I think the gentleman from New Mexico (Mr. LUJAN), the author of the amendment gave the impression that this was a sort of spur-of-the-moment type of amendment, which really does not do it justice.

A group of members from the Committee on Science and Astronautics, which is also concerned with solar energy, visited Los Alamos a few months ago and we were given a rather extensive briefing on this building and the plans to heat it and cool it by use of solar technology. The briefing in fact included showing us the types of hardware that were proposed, for example a new type of solar panel that had been developed by U.S. Steel for use in large buildings of this sort.

I think it is also regrettable that the impression has been given that this is a matter just of concern to the Members from New Mexico because the installation happens to be in their State.

The contract for this building will not, to the best of my knowledge, necessarily be let to New Mexico contractors. The competition for the architects for this building has been going on for several months and the final selection between two eminent firms, one on the east coast and one on the west coast, was just announced last week. The competition for the architects specified that they would have to have the capability to do the solar engineering design that was necessary for this particular building. I am very happy to announce that it was a distinguished California firm of architects, working in collaboration with solar heating engineers from the California Institute of Technology, which was successful in winning the architectural design contract just within the last few days.

The point is that now after all this preparatory work, which goes back for several months, aimed at using this as a demonstration by the Federal Government of solar heating and cooling technology, including the selection of qualified engineers and experts in solar heating and cooling as a part of the architectural team, unfortunately we are now at the point where the authorization for the building by, I think, inadvertence more than anything else, does not include the slight additional amount of money required to do the detailed design of the solar heating and cooling and to pay for the slight additional cost that would be required.

It will be more expensive to include a solar heating and cooling capability in this building, but I might point out that the General Services Administration has already been authorized to contract for several governmental buildings which will use solar heating and cooling in several parts of the United States. This will be the first time that the Atomic Energy Commission has undertaken such a task to complement the very excellent work which they are doing in energy research in other ways, and I think it would be a fundamental error not to add this very tiny bit of money to demonstrate that in New Mexico as well as Virginia and Maryland, we can have a successful heating and cooling installation. Hence, I am very much in support of this particular amendment.

Mr. SMITH of New York. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. I yield to the gentleman from New York.

Mr. SMITH of New York. Mr. Chairman, when the gentleman was out there, did they have any estimates on the comparative cost of a solar heating and cooling system as compared to using traditional systems such as, for example, one powered by fuel oil, coal, gas, or electricity?

Mr. BROWN of California. They had some. The initial costs are higher and I think we all recognize that. They do not have firm estimates on what the lifetime costs would be. In part, the reason for doing this project would be to acquire data as to lifetime costs of using solar heating and cooling, rather than fossil fuels.

Mr. McCORMACK. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I would like to make several points in support of those made by the gentleman from California (Mr. Brown), and the gentleman from New Mexico (Mr. Lujan) has said.

First, this is not a research project. It is a demonstration project, of a technogoly that we know exists. What we are trying to do is demonstrate how well solar energy will work and how much it will cost, for a multistory building of this type.

I visited Los Alamos as chairman of the Subcommittee on Energy of the House Committee on Science and Astronautics. We examined the design of this building and we examined physical models of solar energy collectors.

On of the reasons that the proposal before us is a little more expensive than we might ordinarily assume, is because the cost includes the cost of the roof of the building itself.

This is a new technique for demonstrating the use of solar energy for heating and cooling a large multistory building. In this case double sheets of steel will be used for the solar collector, and water will be pumped between them.

The gentleman from California (Mr. Holifield) should be aware of the fact that the same excellent engineering skills that goes into the designing of nuclear weapons has gone into designing the heating and cooling system of this building. It is the estimate of the designers that they can save 96 percent of the fuel costs for heating and cooling this building using solar energy.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from California.

Mr. HOLIFIELD. All the gentleman has to do is pay a fee to an architect or an engineer and they will design anything in the world. Once having it installed, maybe the heat is cheaper; but how much does it cost to install it over the period of years it will be used?

Mr. McCORMACK. This is, of course, exactly what we are trying to demonstrate in this particular instance. This is why it is so important that we have the good technology that we have at Los Alamos working on this project to demonstrate this sort of system to the rest of the country. We will be building many multistory buildings collecting solar energy, and GSA is already having various solar heated Federal buildings built.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield further?

Mr. McCORMACK. I will not yield further until I am finished.

I think the important point to remember is that we have the top engineers in the country who have already done the design work on this project.

It is the first major solar demonstration program in this country of a multistory building.

It is cheaper than any system that has been proposed by the National Science Foundation in any of its demonstrations for solar energy on a per-square-foot basis. These things recommend it very highly.

It is perhaps the most advanced demonstration program for solar heating and cooling that we have in this country. For these reasons, the fact it is for both heating and cooling, the fact it is the most advanced and the most efficient and the least expensive per square foot, recommends it to us.

I firmly and sincerely recommend this farsighted demonstration program to the Members of the House.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from California.

Mr. BROWN of California. I want to stress the point that the gentleman touched on lightly; that is, we were actually shown a model of the solar collection panels which have been fabricated by United States Steel for this building. The key thing that is going to make solar energy economically competitive is the availability of a technology of an actual commercial construction process for a solar panel. We have had difficulty getting major firms, such as United States Steel, to take an interest in this. In the case of this building they have done so. We feel to give them the opportunity of going into this fairly large scale project of manufacturing solar collectors, as they would in this building, will give powerful impetus to a whole new industry which is vitally necessary in this field.

Mr. McCORMACK. I thank the gentleman from California.

Mr. GROSS. Mr. Chairman, I move to strike the next to last word.

Mr. Chairman, I rise to ask someone who may be knowledgeable on the subject if the House did not pass a bill a few weeks ago to provide for the research, experimentation, and demonstration, in the field of solar energy? It there anyone here who remembers the details of that bill?

Mr. McCORMACK. Will the gentleman yield?

Mr. GROSS. Mr. Chairman, yes, I yield to the gentleman from Washington.

Mr. McCORMACK. Mr. Chairman, I will be happy to respond. As you know, I was a cosponsor of this demonstration bill. The bill is over in the Senate. Unfortunately, it is becoming bogged down over there in a large number of solar energy bills, and we have no knowledge of how long or how soon that bill is going to come out of the Senate.

This demonstration project we are talking about here is one which is a specific project, and a very important one. In any event, I think there is plenty of room to do both even if the solar energy demonstration bill we have enacted does pass.

Mr. GROSS. Mr. Chairman, how much does that bill authorize for spending?

Mr. McCORMACK. For $50 million over a period of 5 years, but only $4.5 million for this coming year, most of which is for designing prototypes and that sort of thing.

Mr. Chairman, it is a longer range program, and the specific building we are talking about here is already being designed and is funded, so it is one specific program in Los Alamos. The long-range demonstration program will be enacted under the Solar Energy Demonstration Act.

Mr. BROWN of California. Will the gentleman yield to me?

Mr. GROSS. Mr. Chairman, yes, I yield to the gentleman from California.

Mr. BROWN of California. Mr. Chairman, I might point out another difference with regard to the bill that the House passed; that is, it was aimed entirely at residential structures and was to be under the general auspices of HUD. This applies to a large commercial building which would not be included in the bill the House passed.

Mr. GROSS. Mr. Chairman, it does seem to me that this $600,000 project ought to be financed out of the $50 million when the solar energy bill is passed. I know of no emergency in connection with this particular project unless it is payment of the firm of architects who have worked on it. We are running out of $600,000 donations for special privilege projects in the operation of this Government. The $50 million in the other solar energy bill ought to be adequate. Let this project in New Mexico take its place in line along with all other solar experiments. It has no place in this atomic bill.

Mr. Chairman, I urge the House to defeat the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Mexico (Mr. LUJAN).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. LUJAN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device and there were—ayes 275, noes 122, not voting 36, as follows:

[Roll No. 173]

AYES—275

Abdnor
Abzug
Adams
Addabbo
Anderson, Calif.
Anderson, Ill.
Armstrong
Ashley
Badillo
Baker
Bell
Bennett
Bergland
Bevill
Biester
Bingham
Boggs
Brasco
Bray
Breaux
Breckinridge
Broomfield
Brotzman
Brown, Calif.
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Calif.
Burke, Mass.
Burton
Byron
Camp
Carey, N.Y.
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chappell
Chisholm
Clancy
Clark
Clausen, Don H.
Clay
Cleveland
Cochran
Cohen
Collins, Ill.
Conable
Conlan
Conte
Conyers
Cotter
Coughlin
Cronin
Culver
Daniel, Dan
Davis, Ga.
Davis, S.C.
de la Garza
Dellenback
Dellums
Denholm
Dennis
Derwinski
Drinan
Dulski
du Pont
Edwards, Calif.
Eilberg
Eshleman
Fascell
Findley
Fish
Flood
Flowers
Flynt
Foley
Ford
Forsythe
Fountain
Fraser
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Grasso
Green, Pa.
Griffiths
Grover
Gubser
Gude
Guyer
Hamilton
Hammerschmidt
Hanley
Hanrahan
Harrington
Harsha
Hastings
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hillis
Hogan
Holt
Holtzman
Horton
Howard
Huber
Hudnut
Hungate
Hunt
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Karth
Kastenmeier
Kemp
King
Koch
Kyros
Lagomarsino
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
Luken
McCloskey
McCollister
McCormack
McDade
McEwen
McKay
McKinney
Macdonald
Madigan
Maraziti
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Milford
Miller
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Moorhead, Calif.
Morgan
Mosher
Moss
Nedzi
Nelsen
Obey
O'Brien
O'Hara
Owens
Parris
Perkins
Pettis
Peyser
Pike
Poage
Podell
Powell, Ohio
Preyer
Price, Tex.
Pritchard
Quie
Railsback
Randall
Rangel
Rarick
Rees
Regula
Reuss
Riegle
Rinaldo
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Rose
Rosenthal
Rostenkowski
Rousselot
Roy
Runnels
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Schroeder
Sebelius
Seiberling
Shoup
Shriver
Shuster
Skubitz
Smith, Iowa
Smith, N.Y.
Spence
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Ariz.
Stephens
Stratton
Stuckey
Studds
Sullivan
Symington
Talcott
Thompson, N.J.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Veysey
Waldie
Walsh
Whalen
White
Whitehurst
Widnall
Williams
Wilson, Bob
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wylie
Wyman
Yatron
Young, Alaska
Young, Ill.

NOES—122

Alexander
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Ashbrook
Bafalis
Bauman
Beard
Biaggi
Boland
Bolling
Bowen
Brademas
Brinkley
Brooks
Brown, Ohio
Burgener
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Butler
Chamberlain
Clawson, Del
Collier
Collins, Tex.
Corman
Crane
Daniel, Robert W., Jr.
Danielson
Davis, Wis.
Delaney
Dent
Devine
Dickinson
Dingell
Downing
Duncan
Edwards, Ala.
Erlenborn
Esch
Evans, Colo.
Evins, Tenn.
Fisher
Frelinghuysen
Goodling
Gray
Gross
Hansen, Idaho
Hays
Henderson
Hicks
Hinshaw
Holifield
Hosmer
Hutchinson
Ichord
Jarman
Johnson, Calif.
Jordan
Ketchum
Kluczynski
McClory
McFall
Madden
Mahon
Mallary
Mann
Martin, Nebr.
Martin, N.C.
Mills
Mizell
Montgomery
Moorhead, Pa.
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Nichols
O'Neill
Passman
Patten
Pepper
Price, Ill.
Quillen
Rhodes
Roberts
Robinson, Va.
Roush
Roybal
Ruppe
Ruth
Satterfield
Scherle
Schneebeli
Shipley
Sisk
Slack
Snyder
Staggers
Stubblefield
Symms
Taylor, Mo.
Taylor, N.C.
Teague
Thomson, Wis.
Vigorito
Waggonner
Wampler
Ware
Whitten
Wiggins
Wilson, Charles H., Calif.
Wydler
Yates
Young, Fla.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NOT VOTING—36

Aspin
Barrett
Blackburn
Blatnik
Brown, Mich.
Daniels, Dominick V.
Diggs
Donohue
Dorn
Eckhardt
Gettys
Green, Oreg.
Gunter
Haley
Hanna
Hansen, Wash.
Hawkins
Hébert
Johnson, Pa.
Kazen
Kuykendall
Landgrebe
Landrum
McSpadden
Myers
Nix
Patman
Pickle
Reid
Roncallo, N.Y.
Rooney, N.Y.
Rooney, Pa.
Sikes
Steiger, Wis.
Stokes
Young, Ga.

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. ROBISON OF NEW YORK

Mr. ROBISON of New York. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. ROBISON of New York: On page 1, line 7, strike "$2,551,533,000," and insert: "$2,572,533,000, including $21,000,000 for the controlled thermonuclear research program, and"

Mr. ROBISON of New York. Mr. Chairman, those who know me, through my years of service here, know that I am neither a chronic "big-spender" nor a compulsive "boat-rocker." Seldom, for instance, have I concerned myself directly in the work of other committees than those I have served on; and I only do so, now, with substantial reservations for I have a high regard for the Joint Committee, members and staff, and value their judgment.

However, the subject matter before us does involve an issue with which the Public Works-AEC Subcommittee of the Appropriations Committee—on which I do serve—is annually involved, that being the funding level for the various programs carried on by the Atomic Energy Commission. And the funding level we are now considering, for authorization purposes, insofar as the same relates to the AEC's research work on the so-called fusion process for producing electrical energy in a nuclear reactor, also happens to involve a specific issue with which, over the years, I have become personally interested.

Hence, I fell compelled to offer the amendment now before you.

It is a simple amendment, What it would do is add $21 million to the authorized level of what is called "operating expenses," in this bill, so that the fusion research program can proceed according to the Atomic Energy Commission's own stated capability for conducting that research.

Following upon the recommendations of Chairman Dixy Lee Ray's formal Energy Research and Development Report to the President, the AEC proposed to OMB that the Controlled Thermonuclear Research program—what I have been calling fusion research—should receive $112 million for operating expenses during fiscal 1975. OMB sliced that request by $30 million to an administration budgetary recommendation of $82 million. As my colleagues understand, the bill before us proposes to add $9 million to that administration recommendation and, thereby, give the fusion research program an operating budget of $91 million.

Now, fusion power research has shown some encouraging experimental progress during the past year. From testimony presented before the Public Works-AEC Appropriations Subcommittee, it is apparent that the fusion reactor program is beginning to move away from theoretical research and into the practical engineering problems of building an energy-producing fusion reactor.

Although this is not yet a highly dramatic turn of events, it is evidence of the kind of progress we are all going to have to pay careful attention to in the next few years.

In this sense, I hope my amendment will help frame an immensely important question this body will have to answer, in large and small ways, during the coming decade. That is: Are we going to remain flexible enough in our energy research and development programs, and in our allocation of capital and material resources to them, so as to be capable of developing the most promising energy alternatives as they may come along. Put another way: Though we know we have only so many "eggs" to put in so many energy-research "baskets," are we going to avoid the mistake of putting too many of them in just the handiest or more-obvious "baskets"?

If commercial development of the fusion reactor is ever achieved, we would have a source of power with limitless fuel. The basic fusion fuels are effectively in infinite supply. It has been estimated that the fusion fuel in the ocean will last until the earth falls into the sun, which is—one hoped—a long time in the future, so that is really, for us, an infinity. The extraction of that fuel from water has no adverse effects. It leaves no holes; it in no significant way alters water chemistry. The byproducts of extraction are valuable fresh water, hydrogen gas and oxygen gas. In other words, there is no known negative environmental impact associated with fusion fuel production.

Second, there is inherent safety, with no possibility of "nuclear run-away" for two reasons. One is associated with the fact that the plasma, which is the vital agent in the fusion reaction, will not allow all of the particles in the core of the reactor to fuse at one time. The other reason is that the total amount of fuel in a fusion reactor at any moment would be in the order of a gram; so if you made all of that "'go" at once, it would only cause a relatively minor temperature increase in the system.

There will be no emergency core cooling problems in these systems, and they do not require any weapons grade materials, so there is no possibility of a diversion for clandestine purpose.

Yet, it is important to emphasize again that the only real certainty about the fusion reactor program is that we still know more about its promise than its prospects. Unlike the "fast-breeder," fusion is clearly still far away from commercial demonstration. However, we are nearing that point of decision when we will have enough experimental data available to begin some long-term energy planning—with or without fusion—as the case may be.

I argue we should move toward that day as expeditiously as sound budgeting practice will allow. The President's Task Force on Energy Research and Development, chaired by AEC Chairman Dixy Lee Ray tells us that the AEC is capable of doing more on fusion power research—and should do more—than is provided in the bill before us. I suggest to my colleagues that we let the AEC proceed, and so I urge adoption of my amendment.

The CHAIRMAN. The time of the gentleman from New York has expired.

(On request of Mr. RHODES, and by unanimous consent, Mr. ROBISON of New York was allowed to proceed for 2 additional minutes.)

Mr. RHODES. Mr. Chairman, will the gentleman yield?

Mr. ROBISON of New York. I yield to the gentleman from Arizona.

Mr. RHODES. Mr. Chairman, I thank my good friend, the gentleman from New York, for yielding.

As I understand it the amendment offered by the gentleman from New York would actually provide authorization and not appropriation.

Mr. ROBISON of New York. That is correct.

Mr. RHODES. It would authorize the sums of money which the Atomic Energy Commission feels it can efficiently spend on the fusion reactor for the next fiscal year. Is that correct?

Mr. ROBISON of New York. That is correct.

Mr. RHODES. It is also my understanding that the fusion process is almost to the point where we hope for a significant breakthrough which will bring closer by many years the time when this particular means of providing power to the earth without radioactive residue can be accomplished. Is that correct?

Mr. ROBISON of New York. That is my understanding.

Mr. RHODES. Mr. Chairman, the United States has embarked on Operation Independence aimed at supplying our own energy needs in the future.

The nuclear potential offers us a great opportunity to develop safe and dependable power sources independent of imports. We already have made progress, with 6 percent of our power originating from atomic fuel.

The fast-breeder reactor research program is moving ahead. The fusion process offers an alternative with many advantages, and I believe that we should invest research funds to develop technology and pilot programs to determine if it can be brought to commercial feasibility.

I support the amendment of my colleague, Mr. ROBISON, to add $21 million to the Atomic Energy Commission authorization, to step up research on the fusion approach to solving our long-term energy demands. We will need to develop many alternative sources to shed dependence on foreign petroleum, and it behooves us to investigate those that appear to have a high potential energy yield.

I hope the gentleman's amendment will be adopted.

Mr. ROBISON of New York. I appreciate the gentleman's help.

Mr. McCORMACK. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I find myself in a peculiar position. During the last 2 years now I have worked to increase the fusion budget, last year I worked successfully to increase it by $8.5 million, and this year I worked successfully in the committee to increase it by $9 million. However, I rise to oppose this amendment, agreeing with the gentleman from New York on all points except that this extra $21 million could really be used advantageously by the Atomic Energy Commission in the fusion research and development program during fiscal year 1975.

I agree with him that we are on a new plateau in fusion research and development, that now for the first time the physicists who are operating in fusion research programs understand the physics and dynamics of the plasma in which the fusion reaction must occur.

Now for the first time we can with reasonable accuracy predict success; but we are in the midst of an orderly program which the committee considered very seriously in authorizing a total of $91 million, a $9 million increase over the OMB recommendation.

Now, let me explain some of the background in this matter. We are almost doubling the amount of money available for magnetic fusion research development in 1 year's time. At the present time, in fiscal year 1974, the total budget for magnetic fusion is $57 million. This includes capital equipment and construction costs. We are increasing it, according to the committee request, to $111.3 million, almost doubling it in 1 year's time.

That is not all, Mr. Chairman. We are in the midst of a 5-year program for research and development. Let me read the figures for the next 4 fiscal years; going from a total of $111.3 million for fiscal year 1975, we plan for fiscal year 1976 to go to $180 million; in fiscal year 1977 to about $250 million; in fiscal year 1978 to $330 million; in fiscal year 1979 to $340 million, for a total of $1.2 billion.

In addition to that, we will be spending $440 million for laser research, including military and civilian applications. This is a total of 1.6 billion that has been funded for this program.

Now, we must have a controlled and orderly program. We cannot produce fusion just by spending dollars.

The recommendation made by the Atomic Energy Commission for a total of $21 million more than the present budget was made last fall, about 6 months ago.

The OMB recommendations were made last December and the AEC has been operating on these recommendations since that time. When the committee increased the OMB figure by $9 million, it did so for four specific areas of operations which the AEC has agreed to follow; in materials research, in new exploratory concepts, in neutral beam concepts and in superconducting magnetic development.

Now, it is not realistic to imagine that because we put more money into the research budget, research can be accelerated overnight. It has to be planned and programed. The program under which the AEC is conducting fusion R. & D. is a well-organized one, and I recommend, as much as I respect the gentleman from New York, that we vote down the amendment.

Mr. ROBISON of New York. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I will be happy to yield to the gentleman from New York.

Mr. ROBISON of New York. I understand that Chairman Ray in the AEC recommended a 5-year program for fusion of $1.340 billion. What we have now is the OMB 5-year program of $1.2 billion, this being the first installment of it. It is some $14 million below overall what AEC thought was an orderly program to begin with.

The CHAIRMAN. The time of the gentleman has expired.

Mr. McCORMACK. Mr. Chairman, I request 1 additional minute to respond to this question.

(By unanimous consent Mr. McCormack was allowed to proceed for an additional 1 minute.)

Mr. McCORMACK. I can only say in answer to the question the gentleman has raised that the AEC budget was prepared last fall, that the AEC has been operating on the OMB recommendations of a reduced figure since December, and that their present programs are based on these reduced figures.

Mr. Chairman, I am perfectly willing to join the gentleman, because I think I am as enthusiastic a supporter of the fusion program as he is, in a serious reevaluation of this program for the next fiscal year to see whether the $180 million should be increased at that time, but I do not think it is practical to increase it for fiscal year 1975.

Mr. HOSMER. Mr. Chairman, will the gentleman yield

Mr. McCORMACK. I will be glad to yield to the gentleman from California.

Mr. HOSMER. Mr. Chairman, I wish to compliment the gentleman for his very, very perspicacious observations on the nature of the subject. He properly points out that the Dixie Lee Ray estimates were made as a part of the overall energy estimate and not as a part of this AEC budget; later the OMB comes along and identifies on a more precise basis the amount of money that might be more desirable to be spent, but that in this instance can be spent.

Fusion is an area in which we have very few scientific disciplines active and doing the work. We are training them, creating Ph. D.'s in this area and engineers in this area capable of going ahead, which we do not have now. It is a problem of how much money to spend.

The CHAIRMAN. The time of the gentleman from Washington has again expired.

(By unanimous consent and at the request of Mr. Hosmer, Mr. McCormack was allowed to proceed for 1 additional minute.)

Mr. HOSMER. Mr. Chairman, therefore, I suggest that the gentleman has stated the case properly, and I do hope that the amendment will be voted down.

Mr. McCORMACK. Mr. Chairman, I thank the gentleman from California for his comments. I want to say, with all due respect to the gentleman from New York, the sponsor of the amendment, that no one can be a stronger enthusiast for the fusion program than I am, and as the members of the joint committee will tell the gentleman, we considered this matter seriously in committee. In addition, I spoke last week to an American Nuclear Society Fusion Conference in San Diego, to several hundred leading researchers. They were all very happy with the level of funding for fusion research that has been recommended by the committee. I think we should be certain that the program is never budget-limited in the future, and I will be happy to join in future studies with the gentleman from New York to be certain that does not happen.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. Robison).

The question was taken; and the Chairman announced that the "noes" appeared to have it.

RECORDED VOTE

Mr. ROBISON of New York. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 115, noes 283, not voting 35, as follows:

[Roll No. 174]

AYES—115

Abdnor
Abzug
Addabbo
Andrews, N. Dak.
Armstrong
Badillo
Bennett
Biester
Bingham
Brasco
Broomfield
Brotzman
Brown, Calif.
Buchanan
Cederberg
Chamberlain
Chisholm
Cleveland
Cohen
Conable
Conlan
Conte
Cotter
Coughlin
Dellenback
Dellums
Duncan
du Pont
Edwards, Calif.
Esch
Fascell
Findley
Fish
Flynt
Fraser
Frelinghuysen
Frenzel
Froehlich
Gaydos
Giaimo
Gibbons
Gilman
Grasso
Green, Pa.
Griffiths
Gude
Hanley
Hansen, Idaho
Harsha
Hastings
Hechler, W. Va.
Heinz
Hillis
Hinshaw
Holtzman
Horton
Huber
Kastenmeier
Kemp
King
Koch
Lujan
McCollister
McEwen
McKinney
Mallary
Maraziti
Martin, N.C.
Mathis, Ga.
Mazzoli
Melcher
Miller
Minish
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Mosher
Nelsen
Obey
O'Brien
Peyser
Pike
Podell
Quie
Railsback
Rangel
Regula
Rhodes
Riegle
Roberts
Robison, N.Y.
Rosenthal
Runnels
Sarasin
Sarbanes
Schroeder
Shuster
Smith, N.Y.
Stanton, J. William
Stark
Steed
Steele
Teague
Towell, Nev.
Ullman
Waldie
Walsh
Whalen
Widnall
Wilson, Bob
Wright
Wyatt
Young, Tex.

NOES—283

Adams
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Annunzio
Archer
Arends
Ashbrook
Ashley
Bafalis
Baker
Bauman
Beard
Bell
Bergland
Bevill
Biaggi
Boggs
Boland
Bolling
Bowen
Brademas
Bray
Breaux
Breckinridge
Brinkley
Brooks
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Butler
Byron
Camp
Carney, Ohio
Carter
Casey, Tex.
Chappell
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clay
Cochran
Collier
Collins, Tex.
Conyers
Corman
Crane
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Dingell
Donohue
Downing
Drinan
Dulski
Eckhardt
Edwards, Ala.
Eilberg
Erlenborn
Eshleman
Evans, Colo.
Evins, Tenn.
Fisher
Flood
Flowers
Foley
Ford
Forsythe
Fountain
Frey
Fulton
Fuqua
Ginn
Goldwater
Gonzalez
Goodling
Gray
Gross
Grover
Gubser
Guyer
Hamilton
Hammerschmidt
Hanrahan
Harrington
Hays
Heckler, Mass.
Helstoski
Henderson
Hicks
Hogan
Holifield
Holt
Hosmer
Howard
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Ketchum
Kluczynski
Kyros
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
Luken
McClory
McCloskey
McCormack
McDade
McFall
McKay
Macdonald
Madden
Madigan
Mahon
Mann
Martin, Nebr.
Mathias, Calif.
Matsunaga
Mayne
Meeds
Metcalfe
Mezvinsky
Michel
Milford
Mills
Mink
Mizell
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Nedzi
Nichols
O'Hara
O'Neill
Owens
Parris
Passman
Patten
Pepper
Perkins
Pettis
Poage
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quillen
Randall
Rarick
Rees
Reuss
Rinaldo
Robinson, Va.
Rodino
Roe
Rogers
Roncalio, Wyo.
Rose
Rostenkowski
Roush
Rousselot
Roy
Roybal
Ruppe
Ruth
Ryan
St Germain
Sandman
Satterfield
Scherle
Schneebeli
Sebelius
Seiberling
Shipley
Shoup
Shriver
Sisk
Skubitz
Slack
Smith, Iowa
Snyder
Spence
Staggers
Stanton, James V.
Steelman
Steiger, Ariz.
Stephens
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Traxler
Treen
Udall
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Veysey
Vigorito
Waggonner
Wampler
Ware
White
Whitehurst
Whitten
Wiggins
Williams
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wydler
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Zablocki
Zion
Zwach

NOT VOTING—35

Aspin
Barrett
Blackburn
Blatnik
Brown, Mich.
Carey, N.Y.
Collins, Ill.
Daniels, Dominick V.
Diggs
Dorn
Gettys
Green, Oreg.
Gunter
Haley
Hanna
Hansen, Wash.
Hawkins
Hébert
Johnson, Pa.
Kazen
Kuykendall
Landgrebe
McSpadden
Myers
Nix
Patman
Pickle
Reid
Roncallo, N.Y.
Rooney, N.Y.
Rooney, Pa.
Sikes
Steiger, Wis.
Stokes
Young, Ga.

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MS. ABZUG

Ms. ABZUG. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Ms. Abzug: Page 1, line 7 delete section (a) and insert the following:

"(a) For "Operating expenses", $2,438,981,000 of which no more than $762,678,000 shall be used as operating funds for the weapons program and no more than $132,200,000 as operating costs in the high-energy physics program category. None of these funds shall be used for conducting underground nuclear testing."

Ms. ABZUG. Mr. Chairman, this amendment seeks to strike $112,552,000 from this bill, which is presently suggested as an authorization for the testing of nuclear weapons. During the general debate, the gentleman from California (Mr. Holifield), the gentleman from

Illinois (Mr. Price), the gentleman from California (Mr. Hosmer), and others, and Mr. Anderson indicated that it was very important to recognize that over the years there has been a shift in the balance between the civilian and military use and expenditures of money for nuclear power. The important task is trying to find ways in which nuclear energy can be used in a safe manner, and I am glad that the gentlemen referred to it.

There was also reference to the fact that our nuclear position in the world had been a very important deterrent in dealing with the enemies of this country, and that because we have this enormous deterrent power, we have prevented any country from using power against us. That may also be true. The fact is that we may presently be witnessing, however, a different situation. There is a current debate over retargeting of missiles and a proposed shift in our entire nuclear strategy which moves away from the use of nuclear might, a situation of deterrent power as an instrument in dealing with our enemies to a first strike capacity. I find it particularly disturbing that after having achieved significant advance and superiority in technology, we are still wishing to expend a large sum of money, as a matter of fact, $15 million more than recommended by the AEC, for the testing of military weapons. I oppose this. I oppose it because I think it moves away from our effort to create détente in the country and in the world. It moves away from our desire to find peaceful uses for nuclear energy. It moves away from the fact that the continued testing of nuclear weapons threatens the safety of our own people and of the people of neighboring countries. I oppose it, because it is not necessary for us to test new technology and new weapons in order to maintain our power in the world.

I heard today, and I have heard before, as a justification for testing nuclear weapons despite our enormous superiority and technology in this field, the fact that we have to have parity with the Soviet Union.

No one has seriously challenged the superiority of the United States in nuclear weapons. No one has suggested that we do not have more weapons than the Soviet Union. The debate is over certain kinds of weapons. No one on this floor has seriously challenged the oft repeated statistics that the U.S. strategic nuclear warheads, that is, H-bombs, numbered 6,784 in 1973 and 7,940 in 1974, and that the Soviet Union in mid-1973 possessed 2,200 H-bombs and in mid-1974, 2,600. The basic fact is that we have a preponderance of bombs.

In the other body it has been sensibly suggested that SALT disagreements should be resolved by reducing weapons rather than building and testing new ones and that the ultimate goal should be a comprehensive test ban treaty.

This goal, a total test ban treaty, is essential to prevent the acceleration of an arms race, to prevent the proliferation of nuclear weapons. I submit that the further testing of the military atomic warheads negates this goal.

I suggest that a reacceleration of our arms race will not help us create any kind of security in this country or any other country. I believe this goal of peace and the stated goal of the SALT talks become unreachable if we persist in testing bigger and better and newer and more modern weapons. The sincerity of our protestations of peace for our people and the people of the world are seriously questioned when we make such propositions.

If ever the endless circle of arming and rearming is to be broken, it should be we who are the stronger adversary who take the first step.

I urge my colleagues to put an end to testing of military weapons which threaten our lives and threaten the world's atmosphere.

Mr. PRICE of Illinois. Mr. Chairman, I rise in opposition to the amendment offered by the gentlewoman from New York.

Testing of nuclear weapons is the very heart of the Atomic Energy Commission's nuclear weapons research and development program. Without an aggressive nuclear weapons test program—as required by the Congress in the Safeguards of the Limited Nuclear Test Ban Treaty—there would be no real progress in maintaining that essential edge of quality in our strategic nuclear deterrent. That deterrent is the core of our national security. It is also the keystone of gaining any further effective progress with the Soviet Union in arms limitation agreements through SALT II. Were the test program eliminated, we would also find a sure and certain withering away of the nuclear weapons laboratories of the AEC. The tests are an integral part of the weapons research and development program—not an adjunct. In this uncertain world where détente is a hope but not a certainty, this year would be the wrong time to take an action which would cut the heart out of maintaining our strategic deterrent ready and vigorous over the long haul. I therefore oppose the amendment which would eliminate the nuclear weapons test program.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. PRICE of Illinois. I yield to the gentleman from California (Mr. Holifield).

Mr. HOLIFIELD. Mr. Chairman, I just want to affirm what the chairman of the committee has said. The strength of the United States in nuclear weapons figured in SALT I talks. This is a $115 million cut suggested by the gentlewoman from New York.

This is in the weapons testing program which is required by the treaty safeguards, as the gentleman said.

Now, why is this important? It is important because there is continuous testing in the Soviet Union of new types of warheads. They are developing the MIRV warhead right now and we know from our intelligence sources they have obtained a certain advance in that field. If we stop our testing at this time, we are just turning the field over to them.

I am really concerned as an American citizen of us keeping our strength so that we can have power at the diplomatic table to get the kind of a peace this world wants. It will not come through weakness on our part. It will come through strength at the table and that strength must be based on our capability.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. PRICE of Illinois. I yield to the gentleman from California.

Mr. HOSMER. By striking out the funds for nuclear spending by the United States, it will amount to a sudden policy reversal with most drastic worldwide repercussions. It is most unthinkable that this House would make a move of such magnitude with so little debate, so little background for the Nation depending so much for so many years upon this kind of protection for its national security.

I strongly urge that the amendment be disposed of and be defeated as decisively as possible.

Mr. PRICE of Illinois. Mr. Chairman, I urge that the amendment be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New York (Ms. Abzug).

The question was taken; and on a division (demanded by Ms. Abzug) there were—ayes 6, noes 78.

So the amendment was rejected.

Mr. GROSS. Mr. Chairman, I move to strike the necessary number of words.

Mr. Chairman, I note on page 2 of the report this language:

> The recommended authorization for fiscal year 1975 is $3,676,833,000, which is $76,560,000, or about 2 percent more than the amount requested.

Who recommended the $76,560,000 above the original request? Who is the author of that request, if I may ask the chairman of the committee?

Mr. PRICE of Illinois. If the gentleman from Iowa will yield, the $76 million was added, of course, in the committee. This is 45 percent, as the gentleman says, over the request of the Commission. Thirty-two percent of that was for energy related programs that were not considered at the time the Commission sent their original request to us.

Mr. GROSS. So the $76,560,000 is unbudgeted, is that correct?

Mr. PRICE of Illinois. No, not exactly; most of the items added for the energy related program were the result of late budgeting after the President's request or recommendation to step up the energy program for energy development.

Mr. GROSS. The bill as submitted to the House calls for the spending in fiscal year 1975 of $1,130,518,000 above the amount requested for the same general purposes in fiscal year 1974; is that correct?

Mr. PRICE of Illinois. That is correct.

Mr. GROSS. Plus $600,000 as approved by the House for the special privilege solar heat experimental project in New Mexico a few moments ago, which had no place in this bill. In other words, we have a highly enriched atomic energy bill for fiscal 1975?

Mr. PRICE of Illinois. Not exactly; the gentleman's statement is not exactly correct. It is an increase, but a great amount of that increase also is based on the cost of living, and that plus more put into the program. If we expect to maintain the program and increase the fusion, this increase is necessary.

Mr. GROSS. Mr. Chairman, has any Member of the House been made aware of the fact that there is no money in the U.S. Treasury; that this money will have to be borrowed and 8 percent interest paid on the money? How in the world can a $1,100,000,000 increase over last year, to a total of $3,676,000,000, be justified?

Mr. PRICE of Illinois. I tried as best I could to relate why some of these increases occurred. Many of them are because of our determination to do something about developing new sources of energy in this country to meet the problems of the future.

Mr. GROSS. Mr. Chairman, if this runaway inflation continues—I think the gentleman will agree with me—if this inflation continues, there will not be the need for some of the energy consumption that we have today. Does the gentleman not agree with that?

Mr. PRICE of Illinois. I agree with the gentleman, but I also think the gentleman will agree with me that $3.6 billion is a big figure, but in relation to some other areas of government, it is a small figure.

Mr. GROSS. It assumes an even larger figure, in the mind of the gentleman from Iowa, when it is $1,100,000,000 more than was appropriated for these purposes last year.

Mr. PRICE of Illinois. Mr. Chairman, I stated the reason for these increases.

Mr. GROSS. Mr. Chairman, this leads to a question—and I do not expect the gentleman to answer it—it leads to a quesion of where it is proposed to get this kind of money.

Mr. PRICE of Illinois. The gentleman has been here as long as I have been, and he knows where the money comes from.

Mr. GROSS. Mr. Chairman, is it true that this bill provides for the sale to foreign countries of enriched uranium to the tune of about a half billion dollars?

Mr. PRICE of Illinois. Yes, but that is a program that the gentleman should favor because that develops money for our own economy. That brings back money. That is one of our most profitable operations.

Mr. GROSS. If we get paid for it.

Mr. PRICE of Illinois. We do.

Mr. GROSS. Mr. Chairman, this bill, with its increase of $1,130,518,000 over last year and to a total of $3,677,433,000, has been enriched to the point where my blood cannot assimilate it. This country is in a critical financial situation. No authorization bill should provide for a one-third increase in spending or anything approaching that figure.

In the event there is no record vote on this measure let the record show that I am opposed to it.

AMENDMENT OFFERED BY MR. WALDIE

Mr. WALDIE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALDIE: On page 11, after line 7 insert the following:

"SEC. 109. Notwithstanding any other provisions of this Act, no funds authorized hereunder shall be expended for the construction or operation of nuclear fission power plants in the United States pending action by the United States Congress following a comprehensive one year study and report to the Congress by the Office of Technological Assessment concerning the nuclear fuel cycle, with particular emphasis on its safety and environmental hazards."

Mr. WALDIE. Mr. Chairman, I wish to inform the members of the Committee that what I am proposing in this amendment is that we refer the problems of safety in the operation of nuclear power plants to the Office of Technological Assessment for a comprehensive report as to precisely what the extent of the present day hazards are, particularly in view of the fact that we are contemplating a major proliferation of nuclear energy powered plants in the country.

I have offered the amendment, in part, in accord with the spirit that I think the gentleman from Wyoming (Mr. RONCALIO) expressed earlier today when he said that this source of energy does offer a great deal of hope to us, but that it is being resisted constantly throughout the country because the people's fears have not in fact been addressed and the people's concerns have not in fact been alleviated.

I believe that a year's study, addressing those fears and concerns, would do much to remove doubts that now exist. Let me list some of those doubts.

Christian Science Monitor, in an article on Thursday, April 11, 1974, discussed the problem of the protection of nuclear materials from theft and illegal use, and that was the result of a study of the Ford Foundation, which concluded "that under conceivable circumstances a few persons, possibly even one person working alone, who possessed about 10 kilograms of plutonium oxide and a substantial amount of chemical high explosives, could within several weeks design and build a crude fission bomb."

The study goes on to conclude that it is unlikely that will happen, that the probabilities are very low. But it suggests that the safety protections and security protections of these materials in transit are so inadequate that the probabilities exist and the amount of damage that would be done does not seem to permit us to tolerate inadequate security measures.

In addition, Mr. Chairman, the problem of the loss of coolant fluid has not yet been resolved. The program to test loss of fluid in the coolant process that was authorized in 1964 is due to be concluded, I understand, some time in 1975 or possibly later.

That, to me, is a most critical safety factor, if we do not know whether or not a really fail-safe technique can be built into this system. And at the present time it is my understanding that we do not know; we hope it is so, and we believe it is so. But the whole purpose of the loss test is to determine this with greater certainty than now exists.

If we do not know that, we certainly ought to be willing to delay this massive proliferation of these nuclear powerplants until such time as an independent investigation, separate and apart from the Atomic Energy Commission, vested in the Office of Technological Assessment, an arm of the Congress, is concluded and completed.

Mr. Chairman, I am also disturbed about the lack of conviction on the part of those to whom I have talked as to whether we have handled properly the problem of waste disposal. It is true that we are dealing now with a fairly minimal problem, I suspect, in terms of the numbers, because the numbers of plants are small. But if we go to the point of the proliferation of plants that is contemplated by the year 2000, then the problem of waste disposal assumes proportions far beyond that which exists today, and I would think the 1-year moratorium upon the proliferation of these plans, while these factors are being studied, would add more confidence to the American people with the feeling that this source of energy is a source of energy that presents acceptable hazards in its uses and in terms of its benefits.

Finally, there is this last issue: I am worried about the fact that the private insurance industry refuses to accept the risk of a nuclear powerplant accident. The private insurance industry has maintained that this risk is beyond its capacity to insure. In response to some of those concerns, the Congress, under the Price-Anderson Act, limited liability. The Congress limited liability, not to that which may or would occur in the event of a nuclear accident in a power plant, but it limited liability to that which it was willing to pay for, and within that limited liability about $600 million, if I recall, or $500 million of it is guaranteed by the Government none of it by the private nuclear powerplants themselves.

The private insurance companies guarantee only a small portion of that risk. The AEC's own studies suggest that the extent of hazard and the extent of loss that we risk in terms of a major accident are quite great.

Mr. HOLIFIELD. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from California (Mr. WALDIE).

Mr. HANSEN of Idaho. Will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman.

Mr. HANSEN of Idaho. I thank the gentleman for yielding.

I want to make the point that while I can sympathize with what appears to be some of the concerns raised by the author of this amendment, as I read it, the amendment does not address itself to those very issues.

The amendment would appear to preclude the construction and operation of fission powerplants. For the most part those plants are not constructed and operated by the Atomic Energy Commission. The Commission exercises regulatory and supervisory authority, but what it would do, as I read the amendment, is stop the operation of naval nuclear powerplants in the United States and stop the reactors used in connection with the materials testing program and all the experimental reactors. In fact, it would preclude the completion of and the operation of the loss of fluid test, which is a fission reactor and for which there is an urgent need to complete the reactor in order to carry out the tests for safety research purposes.

The question of the gentleman with regard to waste management and the disposal of nuclear materials are things that ought to be examined in the light of the risks and the benefits attached to them, but they would not be covered by the amendment as I read it. There is no prohibition included in it. I think it goes wide of the mark.

I would support the thought that we involve the Office of Technology Assessment in order to review further the results of safety studies now going on in order that Congress would be able to make its own evaluation of the safety of these powerplants.

Mr. HOLIFIELD. Mr. Chairman, the gentleman has correctly stated the situation.

Mr. Chairman, I am constantly amazed at people like my friend from California who want to turn back the clock. Apparently he does not realize that today there are 44 licensed nuclear plants in operation in the United States with a total of 26,389 megawatts and there are 54 more being built at this time with a capacity of 51,669 megawatts and there are 109 on order which would bring in 119,481 megawatts in addition.

What would this do? This amount of nuclear power will save us 2.3 billion barrels of oil per year. We were paying $3.25 a barrel for oil in 1973 and $7.5 billion of American money flowed out against our balance of trade to these foreign countries mostly in the Middle East and South America. Now, what we are faced with is not $3.25 oil but, rather, $10.25 per barrel oil, in most instances, and in a few instances $7, $8, and $9 a barrel oil. We are not talking about a deficit of $7.5 billion at today's oil prices. If we import the same amount of oil that we imported in 1973, it will cost us $22 billion, and that is an outflow of American money.

If there is anybody at all listening, I want them to listen to the effect that this will have on our fiscal situation. You talk about inflation and the depreciation of the dollar. If we do not solve this energy crisis, you are going to have such an attack on the dollar throughout the world that you will not have a 20-cent loss on the dollar, as we had in the last few years, but you will have a 100-cent loss on the value of the dollar.

You will have a 100-percent loss of value of the dollar because we cannot send that amount of dollars out to get energy we need to operate on the present level.

This amendment offered by the gentleman from California seeks to set a moratorium while we study this. What does the gentleman from California think we have been doing since 1946? We have been studying this matter. We have had 18 members of the Joint Committee on Atomic Energy doing this. You, the Congress, have approved these programs that I am talking about to strengthen America from a defense standpoint, and to strengthen it from an economic standpoint. Never was the work of a committee more justified than the work of this committee, for now we stand at the threshold of filling the void in fossil fuels by the use of nuclear power. We will fill half of this need by the year 2000 unless we have nervous Nellies and doubting Thomases come forward saying that they are concerned and they are worried about the future. Well, I am concerned, and I am worried too. I am worried about the fiscal integrity of this country. I am worried about the industrial productivity of this country. I am worried about the military power of this country. I am concerned and I am worried. I am worried from the standpoint of the 28 years of study of this problem, but not from reading some nervous Nellie's stories in the Progressive magazine, or some other magazine where they predict catastrophe and calamity to everybody in the world. Why, if we had had that kind of an attitude we would have never had the automobile. We would never have had the train. We would still be sitting in caves with our ancestors beside a wood fire, scratching ourselves for recreation and eating burnt meat.

Let us vote this amendment down.

Mr. FISH. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment offered by the gentleman from California (Mr. WALDIE).

Mr. Chairman, in the first session of this Congress I introduced legislation providing for a 1-year moratorium on the construction of new atomic plants. My approach provided for a comprehensive investigation by the National Academy of Sciences of the safety implications of AEC licensing procedures, site selection, security, and the level of radioactive emissions permitted.

I support the amendment of the gentleman from California. We need to know a great deal more about the problems and hazards involved before we make a commitment to nuclear power that will be irrevocable.

Today only 1 percent of our energy is derived from atomic power—about that derived from firewood. It is the potential for death and destruction, not its as yet unproved contribution to our energy needs, that should concern us. We should be as concerned about the safety of our citizens as we are about their energy needs.

The gentleman's amendment properly calls for a study by an agency other than the AEC. A scientific inquiry of this importance must have the utmost credibility. It would appear obvious that the agency responsible for fostering atomic power and licensing atomic plants is not the one to examine itself.

Ms. ABZUG. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment offered by the gentleman from California (Mr. WALDIE).

Mr. Chairman, we may not be able to have these new developments that are so needed unless we exercise the restraints and use the technologies that we have in a way that will bring about progress without great sacrifice.

All of us are interested in alternative forms of energy, and we would all like to see the effective and peaceful use of nuclear power. But many areas of grave concern have been raised by the Natural Resources Defense Council, which is a body composed of citizens and scientists of well-known reputation. These people have raised the issue of the inherent risks of accidents and leakage, theft or blackmail in these reactors, and the massive difficulties with radioactive wastes.

The major concern of the Natural Resources Defense Council is that these reactors would produce hundreds of thousands of pounds of plutonium, capable of annihilating the entire human population. Not just our population—1 ounce of radioactive plutonium could do that—but the whole human race. Yet the AEC proposes to build hundreds of such reactors by the end of the century.

Our newspapers and magazines have been filled with these concerns and with specific evidence of weaknesses inherent in the handling of these reactors. I do not think that emotionalism or impassioned speeches—with which I always am in great sympathy, having tossed off a few myself at times—can or will give us clearcut answers to these very serious questions which have been raised.

We have the ability to use the correct kind of research with the necessary amount of restraint, and to do the essential study that is being proposed here today. We must not act hastily at the expense of civilization, or any part of civilization, when we can act to prevent nuclear disaster.

Therefore, Mr. Chairman, I support the amendment offered by the gentleman from California (Mr. WALDIE) to explore all avenues before we leap into a catastrophic program without first making sure we know all its weaknesses.

Mr. HOSMER. I rise in opposition to the amendment. It is time, for the record, that these alleged risks from nuclear power that people are always talking about in vague and indefinite terms be specified.

In exchange for a year or more moratorium on nuclear plants which today produce just under 6 percent of the Nation's electricity the amendment would impose, by legislative fiat, something which would be very, very costly, the benefit would be only a respite of that length of time from whatever the risks of operating these plants may be.

Now, what is that worth? Let us find out what kind of a bargain my colleague from California (Mr. WALDIE) is asking you to strike.

It works out just about like this:

Despite what alarmists tell you, the risks from nuclear processes are trivial, and totally outweighed by their benefits.

The minute amount of radiation lost from powerplants to the environment will always constitute a minifraction of the sea of natural radiation in which we are born and live our lives.

Storage and disposal of long-lived radioactive byproducts is a nonproblem because the amount will always remain small enough to be easily manageable. By the year 2000 it will total only enough high level waste to cover a football field 3 feet deep.

As for accidents, Dr. Dixy Lee Ray, Chairman of the AEC, affirms that the worst possible nuclear reactor accident "credible in any way" would not take more lives than the crash of a large airplane. And, the possibility of one happening is but one-in-a-million per year of reactor operation.

The gentleman's amendment would strike just about the most lousy bargain for the people of the United States that anyone ever tried to impose. I urge defeat of the amendment. I urge its defeat soundly.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. Waldie).

The amendment was rejected.

The CHAIRMAN. If there are no further amendments, under the rule the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Burlison of Missouri, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 13919, to authorize appropriations to the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

Mr. PRICE of Illinois. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate bill (S. 3292) to authorize appropriations to the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes, a bill similar to H.R. 13919 just passed by the House.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

MOTION OFFERED BY MR. PRICE OF ILLINOIS

Mr. PRICE of Illinois. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Price of Illinois moves to strike out all after the enacting clause of the bill S. 3292 and insert in lieu thereof the provisions of H.R. 13919, as passed, as follows:

Sec. 101. There is hereby authorized to be appropriated to the Atomic Energy Commission in accordance with the provisions of secton 261 of the Atomic Energy Act of 1954, as amended:

(a) For "Operating expenses", $2,551,533,000 not to exceed $132,200,000 in operating costs for the high-energy physics program category.

(b) For "Plant and capital equipment", including construction, acquisition, or modification of facilities, including land acquisition; and acquisition and fabrication of capital equipment not related to construction, a sum of dollars equal to the total of the following:

(1) Nuclear Materials.—

Project 75–1–a, additional facilities, high-level waste handling and storage, Savannah River, South Carolina, $30,000,000.

Project 75–1–b, replacement ventilation air filter, H chemical separations area, Savannah River, South Carolina, $6,000,000.

Project 75–1–c, new waste calcining facility, Idaho Chemical Processing Plant, National Reactor Testing Station, Idaho, $20,000,000.

Project 75–1–d, waste management effluent control, Richland, Washington, $3,500,000.

Project 75–1–e, retooling of component preparation laboratories, multiple sites, $4,500,000.

Project 75–1–f, atmospheric pollution control facilities, stoker fired boilers, Savannah River, South Carolina, $7,500,000.

(2) Nuclear Materials.—

Project 75–2–a, additional cooling tower capacity, gaseous diffusion plant, Portsmouth, Ohio, $2,200,000.

(3) Weapons.—

Project 75–3–a, weapons production, development, and test installations, $10,000,000.

Project 75–3–b, high energy laser facility, Los Alamos Scientific Laboratory, New Mexico, $22,600,000.

Project, 75–3–c, TRIDENT production facilities, various locations, $22,200,000.

Project 75–3–d, consolidation of final assembly plants, Pantex, Amarillo, Texas, $4,500,000.

Project 75–3–e, addition to building 350 for safeguards analytical laboratory, Argonne National Laboratory, Illinois, $3,500,000.

(4) Weapons.—

Project 75–4–a, technical support relocation, Los Alamos Scientific Laboratory, New Mexico, $2,800,000.

(5) Civilian Reactor Research and Development.—

Project 75–5–a, transient test facility, Santa Susana, California, $4,000,000.

Project 75–5–b, advanced test reactor control system upgrading, National Reactor Testing Station, Idaho, $2,400,000.

Project 75–5–c, test reactor area water recycle and pollution control facilities, National Reactor Testing Station, Idaho, $1,000,000.

Project 75–5–d, modifications to reactors, $4,000,000.

Project 75–5–e, high temperature gas reactor fuel reprocessing facility, National Reactor Testing Station, Idaho, $10,100,000.

Project 75–5–f, high temperature gas reactor fuel refabrication pilot plant, Oak Ridge National Laboratory, Tennessee, $3,000,000.

Project 75–5–g, molten salt breeder reactor (preliminary planning preparatory to possible future demonstration project), $1,500,000.

(6) Physical Research.—

Project 75–6–a, accelerator and reactor improvements and modifications, $3,000,000.

Project 75–6–b, heavy ion research facilities, various locations, $19,200,000.

Project 75–6–c, positron-electron joint project, Lawrence Berkeley Laboratory and Stanford Linear Accelerator Center, $900,000.

(7) Biomedical and Environmental Research and Safety.—

Project 75–7–a, upgrading of laboratory facilities, Oak Ridge National Laboratory, Tennessee, $2,100,000.

Project 75–7–b, environmental research laboratory, Savannah River, South Carolina, $2,000,000.

Project 75–7–c, intermediate-level waste management facilities, Oak Ridge National Laboratory, Tennessee, $9,500,000.

Project 75–7–d, modifications and additions to biomedical and environmental research facilities, $2,850,000.

(8) Biomedical and Environmental Research and Safety.—

Project 75–8–a, environmental sciences laboratory, Oak Ridge National Laboratory, Tennessee, $8,800,000.

(9) General Plant Projects.—$55,650,000.

(10) Construction Planning and Design.—$2,000,000.

(11) Capital Equipment.—Acquisition and fabrication of capital equipment not related to construction, $208,850,000.

(12) Reactor Safety Research.—

Project 75–12–a, reactor safety facilities modifications $1,000,000.

(13) Applied Energy Technology.—

Project 75–13–a, hydrothermal pilot plant, $1,000,000.

Sec. 102. Limitations.—(a) The Commission is authorized to start any project set forth in subsections 101(b) (1), (3), (5), (6), (7), (12), and (13) only if the currently estimated cost of that project does not exceed by more than 25 per centum the estimated cost set forth for that project.

(b) The Commission is authorized to start any project set forth in subsection 101(b) (2), (4), (8), and (10) only if the currently estimated cost of that project does not exceed by more than 10 per centum the estimated cost set forth for that project.

(c) The Commission is authorized to start any project under subsection 101(b)(9) only if it is in accordance with the following:

(1) The maximum currently estimated cost of any project shall be $500,000 and the maximum currently estimated cost of any building included in such project shall be $100,000: provided that the building cost limitation may be exceeded if the Commission determines that it is necessary in the interest of efficiency and economy.

(2) The total cost of all projects undertaken under subsection 101(b)(9) shall not exceed the estimated cost set forth in that subsection by more than 10 per centum.

(d) The total cost of any project undertaken under subsection 101(b) (1), (3), (5), (6), (7), (12), and (13) shall not exceed the estimated cost set forth for that project by more than 25 per centum, unless and until additional appropriations are authorized under section 261 of the Atomic Energy Act of 1954, as amended, provided that this subsection will not apply to any project with an estimated cost less than $5,000,000.

(c) The total cost of any project undertaken under subsection 101(b) (2), (4), (8), (9), and (10) shall not exceed the estimated cost set forth for that project by more than 10 per centum, unless and until additional appropriations are authorized under section 261 of the Atomic Energy Act of 1954, as amended, provided that this subsection will not apply to any project with an estimated cost less than $5,000,000.

Sec. 103. The Commission is authorized to perform construction design services for any Commission construction project whenever (1) such construction project has been included in a proposed authorization bill transmitted to the Congress by the Commission, and (2) the Commission determines that the project is of such urgency that construction of the project should be initiated promptly upon enactment of legislation appropriating funds for its construction.

Sec. 104. Any moneys received by the Commission (except sums received from the disposal of property under the Atomic Energy Community Act of 1955, as amended (42 U.S.C. 2301)), may be retained by the Commission and credited to its "Operating expenses" appropriation notwithstanding the provisions of section 3617 of the Revised Statutes (31 U.S.C. 484).

Sec. 105. Transfers of sums from the "Operating expenses" appropriation may be made to other agencies of the Government for the performance of the work for which the appropriation is made, and in such cases the sums so transferred may be merged with the appropriation to which transferred.

Sec. 106. When so specified in an appropriation Act, transfers of amounts between "Operating expenses" and "Plant and capital equipment" may be made as provided in such appropriation Act.

SEC. 107. AMENDMENT OF PRIOR YEAR ACTS.—(a) Section 101 of Public Law 89–428, as amended, is further amended by striking from subsection (b)(3) project 67–3–a, fast flux test facility, the figure "$87,500,000", and substituting therefor the figure "$420,000,000".

(b) Section 101 of Public Law 91–273, as amended, is further amended by striking from subsection (b)(1), project 71–1–f, process equipment modifications, gaseous diffusion plants, the figure "$172,100,000" and substituting therefor the figure "$295,100,000".

(c) Section 106 of Public Law 91–273, as amended, is further amended by striking from subsection (a) the figure "$2,000,000" and substituting therefor the figure "$3,000,000," and by adding thereto the following new subsection (c):

"(c) The Commission is hereby authorized to agree by modification to the definitive cooperative arrangement reflecting such changes therein as it deems appropriate for such purpose, to the following: (1) to execute and deliver to the other parties to the AEC definitive contract, the special undertakings of indemification specified in said contract, which undertakings shall be subject to availability of appropriations to the Atomic Energy Commission (or any other Federal Agency to which the Commission's pertinent functions might be transferred at some future time) and to the provisions of section 3679 of the Revised Statutes, as amended; and (2) to acquire ownership and custody of the property constituting the Liquid Metal Fast Breeder Reactor powerplant or parts thereof, and to use, decommission, and dispose of said property, as provided for in AEC definitive contract."

(d) Section 101 of Public Law 92–310, as amended, is amended by striking from subsection(b)(4), project 73–4–b, land acquisition, Rocky Flats, Colorado, the figure "$8,000,000" and substituting therefor the figure "$11,400,000".

(e) Section 101 of Public Law 93–60 is amended by (1) striking from subsection (b)(1), project 74–1–a, additional facilities, high level waste storage, Savannah River, South Carolina, the figure "$14,000,000" and substituting therefor the figure "$17,500,000", (2) striking from subsection (b)(1), project 74–1–g, cascade uprating program, gaseous diffusion plants, the words "(partial AE and limited component procurement only)" and further striking the figure "$6,000,000" and substituting therefor the figure "$183,100,000", and (3) striking from subsection (b)(2), project 74–2–d, national security and resources study center, the words "(AE only), site undesignated" and substituting therefor the words "Los Alamos Scientific Laboratory, New Mexico" and further striking the figure "$350,000" and substituting therefor the figure "$4,600,000".

SEC. 108. RESCISSION.—(a) Public Law 91–44, as amended, is further amended by rescinding therefrom authorization for a project, except for funds heretofore obligated, as follows:

Project 70–1–b, bedrock waste storage (AE and site selection drilling only), Savannah River, South Carolina, $4,300,000.

(b) Public Law 92–84, as amended, is further amended by rescinding therefrom authorization for a project, except for funds heretofore obligated, as follows:

Project 72–3–b, national radioactive waste repository, site undetermined, $3,500,000.

(c) Public Law 92–314, as amended, is further amended by rescinding therefrom authorization for a project, except for funds heretofore obligated, as follows:

Project 73–6–c, accelerator improvements, Cambridge Electron Accelerator, Massachusetts, $75,000.

TITLE II

SEC. 201. Section 157b.(3) of the Atomic Energy Act of 1954, as amended, is amended by striking out "upon the recommendation of" and inserting in lieu thereof "after consultation with".

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

A similar House bill (H.R. 13919) was laid on the table.

AMENDING THE ARMS CONTROL AND DISARMAMENT ACT

Mr. MORGAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12799) to amend the Arms Control and Disarmament Act, as amended, in order to extend the authorization for appropriations, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Pennsylvania.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 12799 with Miss JORDAN in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule the gentleman from Pennsylvania (Mr. MORGAN) will be recognized for 30 minutes and the gentleman from New York (Mr. FRELINGHUYSEN) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Pennsylvania (Mr. MORGAN).

Mr. MORGAN. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, the bill before us, H.R. 12799, authorizes an appropriation of $10.1 million to fund the Arms Control and Disarmament Agency in fiscal year 1975.

The bill also amends the Agency's authority to obtain the services of consultants in line with the authority given by Congress to other agencies of the executive branch.

Further, the bill requires the Director of the Arms Control and Disarmament Agency to file an arms control impact statement with Congress on new strategic weapons systems costing more than $50 million, and in certain other circumstances.

In its original request, the executive branch asked for a 2-year authorization of $21 million for fiscal years 1975 and 1976.

After giving the request careful consideration, the committee decided to limit the Agency to a 1-year authorization and set a figure at $10.1. That amount is equal to the appropriations request by the Agency for fiscal year 1975.

We limited the authorization to 1 year because the committee is about to begin a thorough study of the Agency and its role in arms control policymaking.

The Committee on Foreign Affairs has exercised oversight over the Arms Control and Disarmament Agency since its inception in 1961. The time has come now to see how the Agency has passed the test of time and what changes should be made in its organization and operations.

Such a review will be conducted by the Subcommittee on National Security Policy and Scientific Developments, chaired by Mr. ZABLOCKI.

That subcommittee expects to have its study completed and its legislative recommendations, if any, ready early next year—in time for authorizing the Agency's budget for fiscal year 1976.

The second purpose of the legislation before us today is to bring the Agency's authority to obtain the services of experts and consultants in line with other Government agencies.

The old ceiling of $100 per day was set back in 1961.

At present, other Government agencies, including the Departments of State and Defense, can pay their consultants up to $138.48 a day.

The bill would give the Arms Control and Disarmament Agency similar authority. The total cost of the increased ceiling to the Agency will, at maximum, be $20,000.

A third purpose of this bill is to require the Director of the Arms Control and Disarmament Agency to report regularly to Congress on the arms control impact of strategic weapons programs in two situations:

First, when a new weapons system has an annual cost of $50 million or more; and

Second, when another Government agency has taken an action which the Director believes will have a substantial impact on U.S. strategic arms or arms control policies.

This amendment was added in our committee as a modest but useful step toward obtaining for Congress improved information about nuclear arms policy and strategic weapons systems.

We all are by now familiar with environmental impact reports. The reports required by this amendment would be arms control impact reports to Congress.

They would help improve the authorization, appropriations and oversight functions of the legislative branch in this important area of national security.

There has been some suggestion that the reporting requirement will mean considerable additional cost to ACDA.

From the information available to us, we do not believe that to be true. The Agency already develops similar kinds of information about weapons systems and arms policy as part of its normal work. That information is provided to other parts of the executive branch.

This amendment would simply make the same sort of information available to the proper committees of the Congress.

We have also provided, in the legislative history, that confidential or classified materials could be included and would be handled by the committees involved under the usual injunction of secrecy.

Madam Chairman, the committee is convinced that the Arms Control and Disarmament Agency continues to do very essential work.

Important negotiations are now going on with the Soviets on strategic arms—the so-called SALT II negotiations.

Other important arms control talks involving NATO and the Warsaw Pact nations are in progress in Vienna. They are known as MBFR—mutual and balanced force reduction talks.

Soon, in Geneva, the Conference of the Committee on Disarmament will renew its consideration of a variety of arms control subjects.

Finally, preparations are beginning now for the review conference required by the Nuclear Non-Proliferation Treaty, NPT—a conference to be held some time next year.

The Arms Control and Disarmament Agency is intimately involved in all of those efforts. For that essential work, it deserves the support of the Congress.

I, therefore, urge the strong approval of H.R. 12799 by the House as the bill was reported from the Committee on Foreign Affairs.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey (Mr. FRELINGHUYSEN).

(Mr. FRELINGHUYSEN asked and was given permission to revise and extend his remarks.)

Mr. FRELINGHUYSEN. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, I am a supporter of the work of the Arms Control and Disarmament Agency. And today I am pleased to support the Foreign Affairs Committee's recommendation of a 1-year authorization for the Agency in the amount of $10.1 million for fiscal year 1975.

The Agency is a key element in the important arms control negotiations in which our country has been engaged. These include the strategic arms limitation talks, SALT, mutual and balanced force reductions in Europe, MBFR, the Conference of the Committee on Disarmament, CCD, and other activities such as its work with the International Atomic Energy Agency on nuclear safeguards.

It has the major, supportive role in the SALT II negotiations. Certainly, if these negotiations are ultimately to succeed, we must continue to have a vigorous, adequately funded agency. In this connection, I must say I support the plans of our Subcommittee on National Security Policy and Scientific Development to conduct an indepth study of the Agency. In view of the continuing importance of the arms control negotiations we must be sure that the Arms Control and Disarmament Agency is properly structured and has the necessary congressional mandate to do the job.

However, I strongly oppose the far-reaching amendment of Mr. HARRINGTON which was adopted by the committee without prior consideration during the hearings.

I would urge that all the Members read the additional views which are in the committee report. As noted in the "additional views" of the committee report, this ill-advised amendment would give the Agency a major oversight role over other Federal agencies, thus duplicating the work of congressional committees which have jurisdiction over the agencies and properly perform the oversight function vested in the Congress.

Aside from my objection to the Harrington amendment, which I will vote to delete from the bill, I support this legislation and urge its passage.

Mr. MORGAN. Madam Chairman, I yield such time as he may consume to the gentleman from Wisconsin (Mr. ZABLOCKI).

Mr. ZABLOCKI. Madam Chairman, I thank the gentleman for yielding.

Madam Chairman, I rise in support of the legislation before the House this afternoon—H.R. 12799.

As an original sponsor of the Arms Control and Disarmament Act, I have for many years been deeply interested in the operation of the law and of the agency—the Arms Control and Disarmament Agency—which it established.

Still fresh in my memory are the warnings of some critics that the formation of such an agency would give haven to radical disarmers and undermine our national security.

As we know, those warnings were unfounded. Instead, the Arms Control and Disarmament Agency — CDA — has helped strengthen our national security through its work in negotiating and backstopping a variety of agreements to slow down the arms race and minimize dangers of world catastrophe.

Let me review briefly some of the international agreements on arms control in which the Agency has been directly involved:

In 1963, it helped negotiate the Limited Test Ban Treaty which restricted nuclear testing to underground locations for the signatory nations—which include the United States and the Soviet Union. As a result of that agreement, the dangers to the health of millions from radioactive fallout have been greatly diminished.

In 1967, ACDA helped negotiate a treaty banning nuclear explosions in outer space and a treaty prohibiting the deployment of weapons in Latin America.

In 1968 the Agency was instrumental in framing U.S. policy on nuclear proliferation during talks which resulted in the Nuclear Non-Proliferation Treaty—NPT.

At the Conference of the Committee on Disarmament in Geneva—known as the CCD—the ACDA officials in 1971 negotiated the Seabed Arms Control Treaty, and in 1972, an international ban on the stockpiling and use of biological weapons.

ACDA also has been intimately involved in bilateral agreements with the Russians on arms control. In 1963 it helped negotiate the "hot line" agreement with the Soviets and it led the delegation for the first phase of the strategic arms limitation talks—known as SALT I.

From SALT I came a number of agreements—two minor ones in 1971 which improved the "hot line" agreement and provided precautions against nuclear accidents, and two major agreements in 1972.

Those major SALT agreements marked the most important steps ever taken to phase down the nuclear arms race.

The treaty on defensive weapons has meant that the United States has been spared the expense of building an anti-ballistic-missile system whose usefulness was a matter of great controversy.

The interim agreement on strategic offensive weapons—which was overwhelmingly approved by the House in the summer of 1972—also helped prevent another expensive spiral in the arms race.

All these agreements—important as they are—have simply opened the way for further negotiations to control arms. Among them are SALT II with the Soviets, the mutual and balanced force reduction talks in Vienna, and discussions on a comprehensive nuclear test ban and chemical warfare ban at the CCD.

In order that ACDA can continue to pay the role which Congress intended when it established the Agency in 1961, I believe that a thoroughgoing study of the Agency's activities should be undertaken at this time.

For that reason the committee in this bill approved a 1-year authorization, rather than the 2-year term requested by the executive branch.

During the next few months the House Foreign Affairs Subcommittee on National Security Policy and Scientific Developments, of which I am chairman, will conduct an intensive review of the Agency's activities and its role in the making of U.S. arms control policy.

The results of that study will be made available to the full committee and the Congress early in 1975 in ample time to draft new legislation to extend the authorization of the Agency.

The study is needed now for several reasons:

First, although 13 years have elapsed since Congress created the Agency, it has never been subjected to an in-depth review.

Although the Foreign Affairs Committee exercised its oversight responsibilities through the biannual authorization process, such an examination necessarily is limited in time and scope.

A second reason for the study are indications that the Agency has, in some instances, diverged from congressional intent, as expressed in the basic legislation.

For example, although the Arms Control and Disarmament Act directs the Agency to disseminate public information about arms control as a "primary responsibility," only a small portion of its budget is devoted to that purpose.

A third reason for the study are growing indications that the Arms Control and Disarmament Agency no longer plays the role in U.S. arms control policy formation which it once did.

Severe budget cuts imposed on the Agency by the administration, the terminating of 44 staff positions, and a loss of key negotiating roles at SALT and the CCD have caused many to be concerned about the situation of ACDA.

I am confident that the subcommittee study will illuminate whatever problems may be plaguing the Agency, and will provide a basis for Congress to act early next year to resolve through legislation any difficulties which may exist.

In the meantime, I urge that H.R. 12799—legislation extending to Arms Control and Disarmament Agency through the end of fiscal year 1975—be approved by the House.

Mr. FRELINGHUYSEN. Madam Chairman, I yield 5 minutes to the gentleman from Illinois (Mr. DERWINSKI).

Mr. DERWINSKI. Madam Chairman, my remarks will be brief. As Members know, I am a supporter of the Arms Control and Disarmament Agency.

I support the recommendation of a million for fiscal year 1975. Also, I agree that it is a good idea for the Zablocki subcommittee to carry out an indepth study of the Agency and to make recommendations as to the future direction of ACDA.

However, I do strongly oppose the Harrington amendment which was adopted in committee without prior consideration while the Director of the Agency was before the committee. The amendment is ill-advised. It results in duplication and overlapping of jurisdiction since the Department of Defense and the Atomic Energy Commission are reviewed by the Armed Services Committee and the Joint Committee on Atomic Energy which have jurisdiction over their programs.

When the Clerk completes reading the last committee amendment—which is the Harrington amendment—I intend to speak in opposition to the amendment and urge that it be defeated.

Madam Chairman, could the chairman of the committee, Dr. MORGAN, permit me to direct one question, please? Is it my understanding that all we are going to do ths afternoon is complete the general debate?

Mr. MORGAN. That is correct.

Mr. DERWINSKI. Therefore, the reading of the bill and the committee amendments will be held until early tomorrow afternoon?

Mr. MORGAN. The gentleman is correct.

Mr. DERWINSKI. Madam Chairman, I thank the gentleman.

Mr. ALEXANDER. Madam Chairman, negotiations of complex matters, between mistrusting parties, involving nonidentical weapons systems deemed vital to the survival of each, is an exceedingly difficult job. The Arms Control Development Agency, which will be funded for another year by the passage of H.R. 12799 provides the technical backup for the U.S. delegation to SALT and has primary responsibility for maintaining a variety of forums in which other disarmament negotiations have in the past, and will in the future, be taking place. These efforts are essential in our quest for a more peaceful world. They have already born such results as the Limited Test Ban Treaty, the Treaty for the Nonproliferation of Nuclear Weapons, the Seabed Arms Control Treaty, and the Biological Weapons Convention.

H.R. 12799 would also require that the Director of the Arms Control Disarmament Agency report to the Congress on a regular basis the likely effect of any Federal action having a substantial impact on U.S. strategic arms, or arms control policies. This will undoubtedly aid us in our assessment of, and our contribution to, national policy in any future negotiations.

As a congressional adviser to the U.S. delegation to the Conference of the Committee on Disarmament last summer, I was struck by the hopeful necessity of these kinds of meetings. The U.S. position must continue to reflect a sound knowledge of man's worst instincts and a bold faith for a higher goal for mankind.

We can begin to reach that goal by objectively and programatically defining those conditions under which peace is maintained, and concentrating at the negotiating table on securing them. In one phase of this goal, securing a limit on strategic arms, the essential condition is the prevention of either side achieving a belief in its own first strike potential. A successful SALT II agreement requires an acknowledgement of this, and should not fall back on ritualistic formulas of numbers of rockets or total "throw power."

It has become increasingly clear that for all of the dangers involved the "balance of terror" works. Time after time, in Berlin, in the Mideast, in Cuba, we have seen the United States and the Soviet Union reach a crises situation in which both countries feel vital national interests are at stake, the kind of issues over which nations have traditionally gone to war, and faced with the alternative, the great powers have found some path of mutual accommodation.

The cost over this period has been high. Innovation on one side requires new research and development on the other. Buildup follows buildup in a spiraling effort to keep the strategic threat credible. Hundreds of billions of dollars have been spent in order to assure that the equipment bought last year would become obsolete. It has been estimated that the cost to the United States of producing the weapon systems now in some stage of research and development will run in excess of $91 billion in the decade of the seventies. Total cost of weapon development or procurement in fiscal 1974 will run between $8 and $9 billion.

The United States must maintain a level of military strength that will continue to guarantee deterrence. Peace is a product of strength. We cannot as a national afford less; we need not pay for more.

Mr. HARRINGTON. Madam Chairman, today the House will complete general debate on legislation for which, I suppose, I bear a measure of responsibility.

Section 2 of H.R. 12799, the authorization for the Arms Control and Disarmament Agency, results from an amendment I offered in the Committee on Foreign Affairs—which, I note, was improved in the committee by my colleagues DON FRASER, DANTE FASCELL, and LESTER WOLFF, before committee acceptance.

Section 2 is really just a logical extension of the basic principles of the existing statutory authority for ACDA. It requires that the ACDA Director file reports with the Congress on major strategic weapons programs—those exceeding a yearly cost of $50 million. Also, the Director is given discretionary authority to file reports on actions of a policy nature which will have a substantial impact on U.S. strategic arms or arms control policies. These reports—arms control impact statements—would be presented to the Congress within 30 days of the ACDA Director's determination. By the terms of section 2 of H.R. 12799, the reports are to cover strategic weapons programs in research, development, testing, engineering, or deployment.

The Director's report to the Congress on those weapons systems covered by the $50 million trigger would, by the terms of section 2, include the nature, scope, purpose, cost and impact of the weapons program, if developed or deployed. It would seem to me desirable that these reports, even though prepared by ACDA—for which the Foreign Affairs Committee has legislative jurisdiction—should be made available to the other appropriate committees of the House by the Speaker, to whom the legislation directs that the ACDA reports be transmitted. Other committees which these reports would assist would be the Armed Services Committee, the Appropriations Committee, and the Joint Committee on Atomic Energy. Timely submission of these reports by ACDA would insure their value to the committees of the Congress as part of the authorization, appropriation, and oversight process.

Of course, as is indicated in the committee report, these ACDA reports should be handled under the appropriate injunction of secrecy. Conceivably, the ACDA reports might be filed in both classified and unclassified forms—in a manner analagous to the Defense Posture Statement filed annually by the Secretary of Defense.

Some questions have been raised as to the ability of ACDA to perform the requirements of section 2, given its limited resources and limited—$10 million—budget. My analysis convinces me that ACDA can satisfactorily carry out the reporting function without need for any additional funds.

The Director of ACDA already receives, as a matter of course, much of the information required for the arms control impact statements. He receives this information by virtue of his positions on such forums as the verification panel, the verification panel working group, and the defense program review committee, and other forums within the national security policy/arms control planning process. Further, in recent years ACDA has regularly carried out reviews and analysis of strategic weapons programs. Section 2 would make the benefit of these reviews available to the Congress.

Further, there should be no question as to the ability of ACDA to obtain the information needed for the reports. Documents such as selected acquisition reports—SAR's—and development concept papers—DCP's—contain useful cost information. More important, ACDA is given unambiguous statutory authority to obtain information by Public Law 87–297.

Section 2 of Public Law 87-297 states that ACDA:

> Must have the capacity to provide the essential scientific, economic, political, military, psychological, and technological information upon which realistic arms control and disarmament policy must be based.

Further authority is contained in section 31 of the statute, which gives the ACDA Director the authority to "make full use of available facilities, Government and private," in carrying out his responsibilities under the act. Section 35 gives the President authority to establish procedures for insuring the cooperation of other agencies with ACDA in assuring a "continuing exchange of information between the Agency and the Department of Defense, the Atomic Energy Commission, the National Aeronautics and Space Administration, and other affected Government agencies." Section 41(a) gives the ACDA Director authority to utilize or employ the "services, personnel, equipment, or facilities" of other agencies with the consent of the other agency, and section 41(c) gives ACDA the authority to enter into agreements with other agencies, including military departments, so that officers or other employees can be detailed to service with ACDA.

Executive Order No. 11044, dated August 12, 1962, reaffirms and strengthens ACDA's authority. By its terms the ACDA Director is to assume "primary responsibility" for arms control and disarmament matters. Other agencies are required by the order to coordinate their activities with ACDA, and the Director of ACDA and the heads of other agencies are to "keep each other fully informed" on all significant aspects of U.S. arms control and disarmament policies, including "current and prospective policies, plans and programs."

What is more, as I envision the functioning of the reporting requirement, ACDA's role would primarily be analysis and comment, using factual material and information supplied by the originating agency of the program—the Department of Defense or the Atomic Energy Commission, as appropriate—in a manner similar to the functioning of environmental impact statements now required by Federal law.

On another point of potential concern, let me indicate my view that section 2 of H.R. 12799 in no way authorizes or in any way requires ACDA to superimpose itself over any other agencies, and in no way should cause ACDA to interfere with the processes of the National Security Council.

WHY WE NEED SECTION 2

Madam Chairman, as indicated at the beginning of my statement, I believe that the arms control impact statement provision of H.R. 12799 is a modest but useful step entirely in keeping with the basic purpose of ACDA's existing authority.

Section 2 of the original statute authorizing ACDA, Public Law 87-297, notes that "arms control and disarmament policy, being an important aspect of foreign policy, must be consistent with the national security policy as a whole." The Arms Control and Disarmament Agency was created to be "the central organization charged by statute with primary responsibility" for accomplishing the formulation of arms control and disarmament policy consistent with the national security.

Requiring reports to the Congress on the arms control impact of major strategic weapons system is exactly the kind of role, combining national security interests with the goal of arms control and disarmament, that was contemplated for ACDA at its origination. We all recognize, I hope, the responsibilities of the Congress in the formulation and conduct of foreign policy. Presently, Congress receives information on the military—or national security—aspects of new weapons programs, but Congress is inadequately apprised of the arms control perspective, and, as Congress recognized in 1961 in the original ACDA statute, these concerns are intertwined, not separable. This interdependency of national security interest and arms control is perhaps more true today than 13 years ago when ACDA was established.

The "arms control impact statements" required by section 2 of H.R. 12799 are simply a way of providing the Congress with the kind of information that is consistent with aforementioned objectives of the ACDA statute. This logical step—making use of the "impact statement" technique that has developed during recent years—will cost no money. It will help institutionalize the analysis and review process of strategic weapons and policies that was undertaken by the Nixon administration—with great success—prior to and during the SALT I negotiations. It would help restrain the adverse effects of technology upon arms limitation and control efforts by giving the Congress the information it needs to evaluate, in advance of irreparable damage, the undesirable arms control consequences that might conceivably result from deployment of some major strategic weapons systems.

As Philip Morrison, chairman of the Federation of American Scientists, wrote in endorsement of section 2:

> Past experience, of which MIRV is a very good example, reveals a long lag before interested parties were aware of the very destabilizing impact this development could have. An impact report could have crystallized a suitable awareness much earlier and would have saved our Nation considerable funds and anguish in subsequent SALT talk negotiations.

Section 2 would also strengthen ACDA, which appears to have fallen on hard times of late, in the aftermath of SALT I, ACDA would be given new and important responsibilities, and would be given, in a sense, a new constituency—the Congress.

The new Director of ACDA, Dr. Fred Ikle, seems to have recognized the importance of ACDA's connection to the Congress. On March 5 of this year, before the Foreign Affairs Committee, Dr. Ikle said:

> When it comes to deciding our arms control policy, therefore, strong and effective cooperation between the Congress and the Executive Branch is imperative. It is only through joint effort that we can move forward.

By strengthening the Arms Control and Disarmament Agency, we strengthen the management of strategic arms development. We strengthen the ability of Congress to weigh the complex and critically important questions of arms control and national security policy. Section 2 of H.R. 12799, the fiscal 1975 authorization for ACDA, is a modest but desirable way to improve the manner in which our country develops its foreign and national security policy. I urge my colleagues to support section 2, and H.R. 12799 in general.

Mr. FRELINGHUYSEN. Madam Chairman, I have no further requests for time.

Mr. MORGAN. Madam Chairman, I have no further requests for time.

Madam Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. McFALL) having assumed the chair, Miss JORDAN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 12799) to amend the Arms Control and Disarmament Act, as amended, in order to extend the authorization for appropriations, and for other purposes, had come to no resolution thereon.

GENERAL LEAVE

Mr. MORGAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the general debate on H.R. 12799, amending the Arms Control and Disarmament Act, just concluded.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

SOLAR ENERGY AMENDMENT

(Mr. McCLORY asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. McCLORY. Mr. Speaker, in voting upon the amendment offered by my colleague from New Mexico (Mr. LUJAN), I inadvertantly voted "nay." In reviewing the Lujan amendment to finance the construction of a solar heating and cooling system at the new AEC building in Los Alamos, N. Mex., I am convinced that my vote should have been "aye." Mr. Chairman, I favor the development and utilization of solar energy for heating and cooling systems and to satisfy our other energy requirements. The Lujan amendment appears to be consistent with my overall views—and I am pleased to note that the House adopted the amendment by a decisive vote.

REMEMBERING

(Mr. PODELL asked and was given permission to address the House for 1 minute, to revise, and extend his remarks and include extraneous matter.)

Mr. PODELL. Mr. Speaker, on April 19, the Jewish community throughout the world marked one of its saddest anniversaries, the Warsaw Ghetto uprising. On that day, 31 years ago, a handful of

Jews, decimated by starvation, disease, and the most inhuman treatment ever visited by man on his fellows, decided they had had enough and they would strike back at their Nazi tormentors. If they were to die, then at least they could die fighting for what they believed in, their Jewish faith, and their self-respect as human beings.

The anniversary of the Warsaw Ghetto uprising was commemorated by this body last year, with the passage of a resolution marking the day as a special observance. It is traditionally a day that brings forth many pious sentiments about bravery in the face of impossible odds, the victory of the human soul over incredible adversity and brutality, and so forth. And unfortunately, it is a day that is all too soon forgotten after the speeches have been made.

Last year, we all spoke about what we could learn from the Warsaw Ghetto uprising. We said we could learn how to fight back against those who seek to destroy us, we could learn how to triumph morally even though we suffer a great defeat, we could learn the true meaning of personal sacrifice for an ideal. And then, after our learning was done, we all gathered up our speeches and went back to work.

We cannot be condemned for putting the Warsaw Ghetto uprising out of our minds except for one short day each year. Such is the nature of the business we do. But we should not forget that the words which we speak in memory of that day are more than mere words. Perhaps of all the special commemoratives that the Congress is called upon to note, this is the one which evokes the strongest emotions, and which will leave the greatest impression on the world. For what happened in the streets of a tiny sector of Warsaw 31 years ago this week is truly a testament to the strength of the human spirit, and must never be forgotten.

How many of us would be willing to die for our convictions, whatever they are? How many of us would be able to make a stand for our dignity as human beings? How many of us would be brave enough to face the most powerful armed forces in Europe at that time, and hold them off for weeks with the most meager and unsophisticated of weapons? This is what happened, when a tiny group of beleaguered Jews held off the armed might of the Third Reich until the Jewish Ghetto in Warsaw was left in smoking ruins.

I do not know how many times this story has been told. It is the subject of a number of fiction and nonfiction books. Survivors of the holocaust tell it to their children and grandchildren, over and over again, to make sure that the memory of what happened will never fade from the minds of men. There is even a museum in Israel which houses memorabilia of what happened to the Jews in the holocaust.

This is not an unhealthy reverence for the dead. Rather, it is a necessary and concerted effort by a handful of people to leave the world with a record of the depths to which man can sink in the name of power and brutality, perhaps to scare us so that we will never again sink so low.

The human race has come a long way since those black and bitter days in 1943. Germany has been rebuilt to the point where it rivals the United States, once her bitterest enemy, in economic growth and development. Many of the survivors of the holocaust have gone on to become successful productive citizens in the United States, Israel, and elsewhere. For them, life has finally turned out well. They have learned that not all the world looks at a Jew and seems something to be despised. But they have not forgotten, and neither should we.

Rather, we should understand what happened at the Warsaw Ghetto, and take from it the hope that this will never happen again in the history of man. In death, we should see the birth of a new hope, that men can still fight for what they believe in and live together without hatred. In destruction, we should see the creation of a new promise to future generations, that there will be peace, and a respect for everyone, no matter what his beliefs or appearance.

And finally, when we remember the Warsaw Ghetto, we should remember as well those who survived and went to Israel. We should remember that Israel, too, is beset by difficulties, that, while not insurmountable, are most trying. And we should remember that Israel symbolizes the culmination of what the Jews in Warsaw were fighting for—the right to be Jews, free from fear and terror.

I sincerely hope that the spirit of the freedom fighters of the Warsaw Ghetto will live as long as there are men to tell the story to their children, and that we will never forget what happened there. For only by remembering will we be able to prevent a reoccurrence.

LEGISLATION TO INCREASE MILEAGE ALLOWANCE FOR FEDERAL EMPLOYEES

(Mr. WHITEHURST asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. WHITEHURST. Mr. Speaker, today I am introducing legislation to provide the Administrator of the General Services Administration with the authority to increase the mileage allowance for Federal employees who use their private automobiles on Government business. With the recent dramatic increases in the cost of gasoline, as well as the reduced mileage per gallon achieved by new cars due to antipollution devices, the cost of operating an automobile has increased substantially. In response to the rising cost, the GSA Administrator recently raised the allowance to 12 cents per mile which is the highest mileage rate allowed under existing law.

Since recent studies have demonstrated that the cost of operating a standard size automobile is now at least 14.4 cents per mile, and may be as high as 16.5 cents per mile, the bill I am introducing today will grant the GSA Administrator the authority to increase the mileage allowance up to as much as 17 cents per mile.

I want to make it clear that my legislation would not mandate an immediate increase to 17 cents per mile. It would merely increase the statutory ceiling on the mileage allowance from the present 12 cents to 17 cents. The Administrator would have the discretion to set the actual allowance in accordance with automobile operating costs at any given time.

The General Services Administration recently conducted a study which indicated that the average cost of operating a standard size automobile is 14.4 cents per mile. This figure was based on the operating costs in suburban Baltimore, an area which is believed to reflect the average prices, taxes, and road and driving conditions of the Nation as a whole. However, the study also points out that the costs of driving in many other metropolitan areas, such as Los Angeles, Chicago, and New York, are considerably higher than 14.4 cents per mile. In addition, the American Automobile Association has recently estimated that the cost of driving has climbed to an average of 16.5 cents per mile for most motorists. Since neither the GSA nor the AAA studies reflect the most recent increases in the price of gasoline, it is my judgment that a ceiling of 17 cents is quite reasonable.

The law states that Federal employees can use their private automobiles to carry out Government business when it best suits the needs of the Government. Thus, Federal workers use their private automobiles only when their destination is inaccessible by public transportation or the cost of public transportation is greater than the cost of using their private automobiles. It is clearly the Government which benefits from this law, and not the individual Federal employee.

Since Federal workers are aiding the Government by agreeing to use their private automobiles on Government business, we should not tolerate these employees losing money by utilizing their own automobiles. Yet both the GEA and the American Automobile Association studies demonstrate that a considerable amount of money is currently being lost by the thousands of Federal employees who use their private automobiles for Government business. This is clearly inequitable. I urge the Congress to promptly enact my legislation so that Federal employees can receive just compensation for the expenses incurred while operating their automobiles to carry out governmental responsibilities.

UNCLE'S EASTER BUNNY

(Mr. GROSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GROSS. Mr. Speaker, just before the Easter recess, when the House agreed to play Easter Bunny to the Postal Service by handing over $230 million for transitional expenses, we were told that the Postal Service simply could not exist without this subsidy and that dire consequences were in store if they did not get the money.

I do not believe it.

What we need is a little old-fashioned congressional control over Postal Service expenditures instead of blindly dishing out taxpayers' cash from the Treasury every time these so-called managers of the Postal Service overextend themselves.

The break-even concept written into the Postal Reorganization Act was intended to relieve the taxpayer of a Postal Service burden and to provide some constraints on Postal Service management to live within its income. The result under the current postal administration has been just the opposite.

Instead of fashioning a postal operation that is confined to its revenue, these postal managers plunge ahead with fanciful and uneconomic obligations and then raise postal rates or ask Congress for additional money to pay the bills. Their justification for annual postal rate increases and mounting "transitional" appropriations is that "Congress mandated the Postal Service to break even."

But the questions never asked, and which demand answers, are: Did Congress mandate the managers of the Postal Service to capitulate to a labor agreement that adds $1.4 billion annually to its budget? Did Congress mandate the managers of the Postal Service to commit itself to an ill-conceived, nationwide bulk mail system that is at least $92 million over its estimated cost of $950 million?

Did Congress mandate the managers of the Postal Service to abandon their headquarters building and ensconce themselves in the plush surroundings of L'Enfant Plaza? Did Congress mandate the managers of the Postal Service to embark on a multimillion-dollar advertising campaign or to spend nearly half a million dollars on "educational kits" for grade schoolers?

Mr. Speaker, during the coming days I intend to ask these and other questions. We cannot escape the fact that the Postal Service is a Federal entity, spending Federal money, and the taxpayers deserve a full explanation of its operation.

THE PROPOSED ECONOMIC STABILITY ACT OF 1974 PROVIDES AN ANSWER TO THE PUZZLING QUESTION OF HOW BEST TO CONTROL INFLATION AND TO AID IN ECONOMIC RECOVERY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 30 minutes.

Mr. KEMP. Mr. Speaker, defined in its simplest terms, monetary policy is that policy which governs the Nation's supply of money.

Misdirected monetary policy can be, therefore, the basic cause of much of our Nation's economic turmoil. Monetary policy effects the rate of inflation, the value of the dollar, foreign exchange rates, international economic policy, interest rates, credit terms, and productivity. Properly defined and applied, monetary policy can resolve most of our economic problems. But, improperly defined or misapplied, it can worsen them.

The monetary policy of this Nation is too often overlooked as a means to strengthen our economy and conversely as a factor in the rate of inflation. Surely, monetary policy is not the only answer—because fiscal policy must also be considered in the equation—but it is indeed a large part of the answer. For, while our economy is a nexus of interrelated dynamics, any tinkering with money supply, no matter how small, usually has an effect on the entire economy, often as secondary or tertiary effects seldom anticipated and usually not seen until after the policies which created them have already been amended to compensate for some other actual or perceived ill-effect or aberration.

We have had far too much tinkering with money supply and monetary policy during the past 2 years, often erratic tinkering, and now we face a situation which can be best solved by moving to the most competent governor of the economy—the market system itself.

This is why I have today introduced a bill, the proposed Economic Stability Act of 1974, which I think can give us a specific, solid start toward permanently stemming the inflationary tide which threatens to engulf us, while simultaneously insuring the economic growth which we need. This measure, which I am honored to sponsor in the House, is a companion bill to S. 3101, introduced on March 4 by the distinguished Senator from Tennessee (Mr. BROCK) a man whose devotion to arighting the imbalances in our economy should be recognized and commended by each of us.

WE ARE FACED WITH A DUAL PROBLEM OF FIGHTING INFLATION WHILE ENCOURAGING ECONOMIC RECOVERY

Because we have foolishly relied too heavily on Government regulation to control the economy and to work out its problems, we have now painted ourselves into that corner of classical economics from which escape can be dangerous unless carefully thought through. We are faced with the worst inflation of this century; we must control it. Yet, we are also faced with a sagging economic picture; we must recover from it. How can we do both—control inflation and encourage economic recovery?

There is an answer. It is facing up to the need for responsible fiscal policy and agreeing on a consistent monetary policy, with a projected rate of money supply issuance known to everyone in advance—and, most importantly, known by everyone not to be subject to intense fluctuation—up or down—by fiat. We need a monetary policy governed by known rules, not by acting under potential political pressures. By yielding too quickly, or by acting without a full range of the facts or possible consequences in front of them, or by acting inconsistently, men—even if they are the best minds of the Federal Reserve System—cannot give us the economic certainties which we need. And, if we do not have those certainties, we are going to continue to suffer from both spiraling inflation and a sagging economy.

Let me be candid: Federal Reserve policy has been fluctuating back and forth from restrictive to expansionist policies. If it were not for the seriousness of the matter, it would be amusing. But it is not amusing, for the very future of every one of us is at stake. Our economic prosperity is on the line. This is no time for anything but the most serious and most prudent of measures. That is why I believe it is time for the enactment of a proposed Economic Stability Act of 1974; the purpose of which is to control the rate of expansion of money at a reasonable growth rate.

WHAT IS NOT THE ANSWER

Before I discuss in detail the provisions of the proposed Economic Stability Act, I think it wise to examine what is not the answer to our dilemma. The answer is not permitting the Federal Reserve to exercise the same breadth of discretionary policies that it has exercised heretofore.

The Federal Reserve System is a governmentally established agency assigned responsibility for monetary policy. Established prior to the First World War, the System did not begin to exercise its full range of authority until the tumultuous 1920's.

How well did it exercise its authority?

Dr. Milton Friedman, a former president of the prestigious American Economic Association, has concluded, as a product of one of the most careful studies ever made on the dynamics of our monetary supply, that the great depression was produced more by Government mismanagement of the economy than by any inherent instability in the private economy.

In discussing the role of the Federal Reserve in that mismanagement, Professor Friedman has concluded:

> In 1930 and 1931, it exercised this responsibility so ineptly as to convert what otherwise would have been a moderate contraction into a major catastrophe.
>
> I am myself persuaded, on the basis of extensive study of the historical evidence, that the difference in economic stability . . . is in fact attributable to the difference in monetary institutions. This evidence persuades me that at least a third of the price rise during and just after World War I is attributable to the establishment of the Federal Reserve System and would not have occurred if the earlier banking system had been retained; that the severity of each of the major contractions—1920–21, 1929–33, and 1937–38—is directly attributable to acts of commission and omission by the Reserve authorities and would not have occurred under earlier monetary and banking arrangements.

Parenthetically, what we have here is an analysis which shows, to my satisfaction, that governmental measures constitute the major impediments to economic growth in the United States. Restrictions on international trade, high tax burdens, a complex and often inequitable tax structure, numerous regulatory commissions, Government wage and price controls, and a host of other measures give individuals an incentive to misuse and misdirect resources and distort the investment of new savings. What we need—for both economic stability and economic growth—is a reduction of Government intervention, not its increase. Such a reduction would still leave an important role for Government. For example, it is desirable that we use Government to provide a stable monetary framework—I repeat, framework—for a free economy. This is part of the function of providing a stable legal framework.

Let me return to the role of the Federal Reserve System.

The establishment of the System was the most notable change in U.S. monetary institutions since the Civil War National Banking Act. For the first time since the expiration of the charter of the Second Bank of the United States in 1836, the Reserve System became a separate, official body charged with explicit responsibility for monetary conditions, and it was supposedly clothed with adequate power to achieve monetary stability or, at least, to prevent pronounced instability.

It is, therefore, highly instructive for us today to compare experience as a whole before and after the establishment of the Federal Reserve System. The first period—the period prior to the System—runs from right after the Civil War, about 1865, to 1914; the second period runs from 1914 to date.

The second period—the period after the System was established—is clearly the more unstable economically, whether instability is measured by the fluctuations in the stock of money, or in prices, or in output.

Partly, the greater instability reflects the effect of two world wars during the second period; these would have been a source of instability whatever our monetary system. But, even if the war and immediate postwar years are omitted, and we consider only the peacetime years from about 1920 through 1939 and 1947 to date, the result is, nonetheless, the same. The stock of money, prices, and output was decidedly more unstable after the establishment of the Reserve System than before. The most dramatic period of instability in output was, of course, the period between the two wars which includes the severe contractions of 1920–21, 1929–33, and 1937–38.

No other 20-year period in American history contains as many as three such severe contractions in the economy: That fact should be taken as profound.

Yet, as we have seen, one of the major reasons for establishing the Federal Reserve System in the first place was to deal with such situations. Instead of dealing with them, the System may have actually created them, or, minimally, accentuated them.

The System was given the power to create more cash, if a widespread demand should arise on the part of the public for currency instead of deposits, and it was given the means to make the cash available to banks on the security of the bank's assets. In this way, it was expected that any threatened panic could be averted, that there would be no need for suspension of controvertibility of deposits into currency, and that the depressing effects of monetary crises could be entirely avoided.

The first need for these powers and hence the first test of their efficacy came in November and December of 1930, as a result of the string of bank failures. But the Reserve System failed the test and failed it miserably. It did little or nothing to provide the banking system with liquidity; it was a real failure of will on the part of the System.

Then, the initial wave of bank failures died down, and in early 1931 there were even signs of returning confidence. So what did the Reserve then do? It reduced its own credit outstanding—which is to say it offset the naturally expansionary forces which the country needed by engaging in mild deflationary action. This was a bad mistake, but fortunately, the revival continued.

But, renewed bank failures started another series of runs and again set in motion a renewed decline in the stock of money. Again, the System stood idly by. In the face of an unprecedented liquidation of the commercial banking system, the books of the System show a decline—I repeat, a decline—in the amount of credit it made available to its member banks, when an increase was called for. Another severe mistake.

To make matters worse, the System then made an unprecedented error. In September of 1931, Britain went off the gold standard, an act preceded and followed by gold withdrawals from the United States. Although gold had been flowing into the United States in the prior 2 years, and even though the U.S. gold stock and the Federal Reserve gold reserve ratio were at all-time highs, the Reserve reacted by raising the discount rate—the rate of interest at which it stood ready to lend to member banks—more sharply than it had within so brief a period in its whole history before or since. The measure arrested the gold drain as intended, but it also touched off a spectacular increase in additional bank closings and runs. One out of 10 banks fell that time alone.

A temporary reversal in Reserve policy in 1932 involving the purchase of $1 billion of Government bonds slowed down the rate of decline, but the Reserve had acted too late again. A renewed collapse followed. One more mistake.

The lesson to us today should be clear: A System established in large part to prevent a temporary suspension of convertibility of deposits into currency—a measure which had previously prevented banks from failing—first let nearly a third of the banks of the country go out of existence, and then welcomed a suspension of convertibility that was incomparably more sweeping and severe than any earlier suspension.

Why have I concentrated so heavily on this period at the beginning of the great depression? Because I am afraid we may not have learned adequately our lessons. I am convinced, upon a careful examination of the evidence, that our monetary policy today is dangerously paralleling those policies and reactions immediately prior to and at the beginning of the great depression.

I would be remiss in my responsibilities to the people and to my colleagues if I failed to make this point. It is horrendous to even contemplate, but unless we do contemplate it—and then do something concretely about it—we will bear a great share of the responsibility for the ensuing chaos if our economy continues to stumble along.

Speculation? Not hardly. Look at the April 13 editorial page of Business Week on what confusion exists at the System:

> Monetary authorities now face a tough choice: whether to concentrate policy on fighting inflation or on encouraging economic recovery.
>
> In January and February, the money supply grew at an annual rate of more than 9%. Since the economy at the time was sliding downhill because of the energy crunch, a few months of fast growth in credit did not seem so alarming. Besides, Federal Reserve economists believed the economy might be headed for recession and needed some stimulus.
>
> In the past several weeks, the Fed has switched to inflation fighting, reversing its field—once again.
>
> In recent weeks, the risk of recession has diminished—while prices continue their skyrocketing advance. The money managers have consequently cinched up on the credit reins.
>
> Money supply growth has been about flat for six weeks. But credit demands are huge, kicking off one of the sharpest rises in interest rates ever.
>
> The scramble for funds stems from several factors. Inflation itself is one cause. Expectation of continued inflation has raised the premium for money. It takes more money to finance higher-cost inventories and rising accounts payable. And there has also been a sharp increase in the rate of inventory accumulation. Expansion in bank loans consequently has been very large.
>
> The speed with which rates are ratcheting upward is extrordinary. Last week, a New York banker told Business Week that if loan demand continued as it had been doing, "a 10% prime is not an impossibility." This week it was already there.
>
> What makes the Fed's job more difficult now is that it risks bringing on a business slowdown before the recovery gets a head of steam.
>
> With rates where they are, if the Fed governors hang tough, they could drive rates higher still. Federal funds are now trading up to 10½%.
>
> Thus, even if the optimists are right and the slowdown was only an energy-induced interruption, the Fed could kill off housing before it got rolling, knock down business borrowing, and thus abort the economic recovery.
>
> Having reached this point, the Fed may be forced to do what it does not want to do—allow the money supply to grow fast enough to fill a large chunk of the rising demand for funds.

Mr. Speaker, I respect highly the distinguished Chairman of the Board of Governors of the Federal Reserve System, Dr. Arthur F. Burns. I am not critical of Dr. Burns or his staff. But, I am critical of those policies which tend to accentuate our problems and not resolve them.

The Congress should act now to control economic policy more effectively. This is what the proposed Economic Stability Act of 1974 is all about.

THE ECONOMIC STABILITY ACT IS AN IMPORTANT STEP IN THE RIGHT DIRECTION

There is, at present, an agreement between the System and the Joint Economic Committee by which the System provides the committee, on a quarterly basis, with a report on monetary and credit conditions. Included in this report is an estimate of the growth in the monetary supply. Theoretically, when the money supply grows by less than 2 percent or more than 6 percent on an annualized basis, the Federal Reserve explains why.

Why is this information of such importance to the Congress? Because a careful study of American history reveals the following two crucial facts:

First, there has never been a significant inflation which was not preceded by a rapid increase in the money supply; and,

Second, there has not been a recession in the United States in the past 100 years which was not preceded by a nonincreasing money supply.

This evidence should come as no surprise. An economy needs money to facilitate exchange, and a growing economy requires a growing money supply. When that money is too severely restricted, so too is the growth of the economy, with recession or even worse ensuing. Similarly, when the money supply grows more rapidly than the economy, defined as the total production of real goods and services, we have the age-old phenomenon of too much money causing too few goods. The price of these goods is, naturally, bid up, and rampant inflation results.

At least a partial solution to this problem appears fairly clear. It is one which many economists have been advocating for years.

It would be desirable to have the money supply grow at a steady pace, probably between 2 to 5 or 6 percent at the very highest on an annualized basis more closely alined with increases in productivity.

The Economic Stability Act, by serving to clarify the informal agreement between the System and the Joint Committee, can significantly increase the probability of insuring steady economic growth with a minimum of inflation and unemployment.

Specifically, the proposed act instructs the System to increase the money supply only within limits.

A COMMITMENT

In so many words, Mr. Speaker, I am not proposing a panacea; I know that to be unrealistic. Nor, do I consider these concepts to be inflexible. But, this bill, and that of Senator BROCK, reflects our desire to both start the debate on this matter and to accelerate interest on it.

I cannot speak for other Members, but I, for one, do not intend to sit back and allow economic turmoil to reign. Elected officials helped to create many of these problems. We can resolve them, too.

I am not going to be a part of any group which buries its head on this issue, for unless we do come to grips with this problem, those who did nothing may soon have to answer to the people for why they failed to take action to stop crippling inflation, or an economic recession, or worse.

I think we should all resolve now to be on the side of those who took affirmative action to correct these problems. Our free economy depends upon it.

CONGRESSMAN LENT DISCLOSES 1973 FINANCIAL STATUS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. LENT) is recognized for 5 minutes.

Mr. LENT. Mr. Speaker, as is my practice and because of the concern with possible conflicts of interest and the financial status of all public officials expressed by many citizens, I am pleased to disclose at this time pertinent information regarding my financial status for the year 1973. This financial disclosure follows the March 12, 1974, recommendations of the Ad Hoc Committee on Financial Disclosure of the New York State Delegation to Congress, which consists of 39 Members of the House:

First. Sources of all noncongressional income—law firm of Hill, Lent and Troescher, Esqs., Lynbrook, N.Y. I received income from the practice of law, rent, speaking honorariums, interest and dividends. I do not practice in the Federal courts or before Federal agencies.

Second. Unsecured indebtedness in excess of $1,000—None.

Third. The sources of all reimbursements for expenditures in excess of $300 per item—I had congressional expenses not compensated for by the Federal Government of $16,794. Of this sum, $7,470 was paid out of my personal funds; $7,324 was paid out of the Fourth Congressional District Congressional Club—the congressional club consists of individuals who pay annual dues of $100 each to maintain a fund used exclusively to help me defray the cost of newsletters, reports and questionnaires sent to constituents, and to pay travel, dues, office, telephone, community relations, and other expenses directly related to my job as Congressman. The proceeds of this fund were included as income on my 1973 income tax returns—and $2,000 was paid by the National Republican Congressional Committee.

I had additional cost-of-living expenses directly related to my job as Congressman, including the maintenance of living quarters in Washington, D.C., travel, et cetera, estimated at $6,800, for which I was not reimbursed. I was allowed the statutory maximum deduction of $3,000 for these living expenses on my 1973 income tax return—IRC Selection 162(a). These expenses were entirely paid from personal funds.

Fourth. The identity of all stocks, bonds, and other securities owned outright or beneficially—I own shares in three mutual funds: Scudder, Stevens & Clark Common Stock Fund; Scudder, Stevens & Clark Special Fund; and Growth Industry Shares. I own no taxfree bonds or other securities.

Fifth. Business entities—including partnerships, corporations, trusts and sole proprietorships, professional organizations—of a noneleemosynary nature, and foundations in which I am a director, officer, partner, or serve in an advisory or managerial capacity—I am a partner in the law firm of Hill, Lent and Troescher, Esqs., Lynbrook, N.Y.

Fifth. I paid $10,617 in Federal and New York State income taxes for the year 1973. I have filed a report of my earnings and sources of earnings with the House Committee on Standards of Official Conduct pursuant to rule XLIV of the House of Representatives every year I have been in Congress.

A GROWING INTEREST IN PRIVACY LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. GOLDWATER) is recognized for 5 minutes.

Mr. GOLDWATER. Mr. Speaker, since the special order on the congressional commitment to privacy, taken on April 2, 1974, and in which some 60 Members of the House participated, my office and that of my colleague, Congressman ED KOCH, have been receiving a growing number of requests for information relating to the subject. Another stimulus was added to this interest when Congressman KOCH and myself introduced our joint omnibus privacy bill, H.R. 14163. We have experienced some difficulties in meeting the requests for copies of the bill. In order to assist my colleagues and that portion of the general public that takes advantage of the CONGRESSIONAL RECORD, I am offering the bill for printing in the RECORD:

H.R. 14163

A bill to protect the constitutional right of privacy of individuals concerning whom identifiable information is recorded by enacting principles of information practices in furtherance of articles I, III, IV, V, IX, X, and XIV of amendment to the United States Constitution

Be it enacted by the Senate and House of Representatives of the United States of America in Congress Assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Right to Privacy Act".

FINDINGS AND DECLARATION OF POLICY

SEC. 2. (a) The Congress finds—

(1) that an individual's privacy is directly affected by the extensive collection, maintenance, use and dissemination of personal information;

(2) that the increasing use of computers and sophisticated information technology has greatly magnified the harm that can occur from these practices;

(3) that an individual's opportunities to secure employment, insurance, credit, and his right to due process and other legal pro-

tections are endangered by these personal information systems, and

(4) that in order to preserve the rights guaranteed by the first, third, fourth, fifth, ninth, and fourteenth amendments of the United States Constitution, uniform Federal legislation is necessary to establish procedures to govern information systems containing records on individuals.

(b) The purpose of this Act is to insure safeguards for personal privacy from recordkeeping organizations by adherence to the following principles of information practice:

(1) There should be no personal information system whose existence is secret.

(2) Information should not be collected unless the need for it has been clearly established in advance.

(3) Information should be appropriate and relevant to the purpose for which it has been collected.

(4) Information should not be obtained by fraudulent or unfair means.

(5) Information should not be used unless it is accurate and current.

(6) There should be a prescribed procedure for an individual to learn the information stored about him, the purpose for which it has been recorded, and particulars about its use and dissemination.

(7) There should be a clearly prescribed procedure for an individual to correct, erase or amend inaccurate obsolete or irrelevant information.

(8) Any organization holding personal information should assure its reliability and take precautions to prevent its misuse.

(9) There should be a clearly prescribed procedure for an individual to prevent personal information collected for one purpose from being used for another purpose without his consent.

(10) The Federal Government should not collect personal information except as authorized by law.

DEFINITIONS

Sec. 3. As used in this Act—

(1) the term "information system", means the total components and operations of a recordkeeping process, whether automated or manual, containing personal information and the name, personal number, or other identifying particulars;

(2) the term "personal information" means all information that describes, locates or indexes anything about an individual including his education, financial transactions, medical history, criminal, or employment record, or that affords a basis for inferring personal characteristics, such as finger and voice prints, photographs, or things done by or to such individual; and the record of his presence, registration, or membership in an organization or activity, or admission to an institution;

(3) the term "data subject" means an individual about whom personal information is indexed or may be located under his name, personal number, or other identifiable particulars, in an information system;

(4) the term "disseminate" means to release, transfer, or otherwise communicate information orally, in writing, or by electronic means;

(5) the term "organization" means any Federal agency; the government of the District of Columbia; any authority of any State, local government, or other jurisdiction; any public or private entity engaged in business for profit, as relates to that business;

(6) the term "purge" means to obliterate information completely from the transient, permanent, or archival records of an organization; and

(7) the term "Federal agency" means any department, agency, instrumentality, or establishment in the executive branch of the Government of the United States and includes any officer or employee thereof.

SAFEGUARD REQUIREMENTS FOR PERSONAL INFORMATION FOR ADMINISTRATIVE, STATISTICAL, REPORTING, AND RESEARCH PURPOSES

Sec. 4. (a) Administrative Requirements.—Any organization maintaining an information system that includes personal information shall—

(1) collect, maintain, use, and disseminate only personal information necessary to accomplish a proper purpose of the organization;

(2) collect information to the greatest extent possible from the data subject directly;

(3) establish categories for maintaining personal information to operate in conjunction with confidentiality requirements and access controls;

(4) maintain information in the system with accuracy, completeness, timeliness, and pertinence as necessary to assure fairness in determinations relating to a data subject;

(5) make no dissemination to another system without (A) specifying requirements for security and the use of information exclusively for the purposes set forth in the notice required under subsection (c) including limitations on access thereto, and (B) determining that the conditions of transfer provide substantial assurance that those requirements and limitations will be observed;

(6) transfer no personal information beyond the jurisdiction of the United States without specific authorization from the data subject or pursuant to a treaty or executive agreement in force guaranteeing that any foreign government or organization receiving personal information will comply with the applicable provisions of this Act with respect to that personal information;

(7) afford any data subject of a foreign nationality, whether residing in the United States or not, the same rights under this Act as American citizens;

(8) maintain a list of all persons having regular access to personal information in the information system;

(9) maintain a complete and accurate record, including identity and purpose, of every access to any personal information in a system, including the identity of any persons or organizations not having regular access authority;

(10) take affirmative action to establish rules of conduct and inform each person involved in the design, development, operation, or maintenance of the system or the collection or use of any personal information contained therein, about all the requirements of this Act, the rules and procedures, including penalties for noncompliance, of the organization designed to assure compliance with such requirements;

(11) establish appropriate safeguards to secure the system from any reasonably foreseeable threat to its security;

(12) comply with the written request of any individual who receives a communication in the mails, over the telephone, or in person from a commercial organization, who believes that his name or address is available because of his inclusion on a mailing list, to remove his name and address from that list; and

(13) shall collect no personal information concerning the political or religious beliefs, affiliations, and activities of data subjects which is maintained, used or disseminated in or by any information system operated by any governmental agency, unless authorized by statute.

(b) Special Additional Requirements for Statistical-Reporting and Research Information Systems.—(1) Any organization maintaining an information system that disseminates statistical reports or research findings based on personal information drawn from the system, or from systems of other organizations, shall—

(A) make available to any data subject or group, without revealing trade secrets, methodology and materials necessary to validate statistical analyses, and

(B) make no materials available for independent analysis without guarantees that any personal information will be used in a way that might prejudice judgments about any data subject.

(2) No Federal agency shall—

(A) require any individual to disclose for statistical purposes any personal information unless such disclosure is required by a constitutional provision or act of Congress, and the individual is so informed;

(B) request any individual voluntarily to disclose personal information unless such request has been specifically authorized by act of Congress, and the individual shall be advised that such disclosure is voluntary;

(C) make available to any non-Federal person any statistical studies or reports or other compilations of information derived by mechanical or electronical means from files containing personal information, or no manual or computer material relating thereto, except those prepared, published, and made available for general public use; and

(D) publish statistics of taxpayer income classified, in whole or in part, on the basis of a coding system for the delivery of mail.

(3) Any organization maintaining an information system that disseminates statistical reports or research findings based on personal information drawn from the system, or from systems of other organizations, and which purges the names, personal numbers, or other identifying particulars of individuals and certifies to the Federal Privacy Board that no inferences may be drawn about any individual, shall be exempt from the requirements of section 4(a) (3), and (4), and sections 4 (c) and (d) (1), and (2).

(c) Public Notice Requirement.—Any organization maintaining or proposing to establish an information system for personal information shall—

(1) give notice of the existence and character of each existing system once a year to the Federal Privacy Board;

(2) give public notice of the existence and character of each existing system each year, in the case of Federal organizations in the Federal Register, or in the case of other organizations in local or regional printed media likely to bring attention to the existence of the records to data subjects;

(3) publish such annual notices for all its existing systems simultaneously; and

(4) in the case of a new system, or the substantial modification of an existing system, shall give public notice and notice to the Federal Privacy Board within a reasonable time but in no case less than three months, in advance of the initiation or modification to assure individuals who may be affected by its operation a reasonable opportunity to comment.

(5) shall assure that public notice given under this subsection specifies the following:

(A) The name of the system.

(B) The *general purpose* of the system.

(C) The categories of personal information, and approximate number of persons on whom information is maintained.

(D) The categories of information maintained, confidentiality requirements, and access controls.

(E) The organization's policies and practices regarding information storage, duration of retention, and purging thereof.

(F) The categories of information sources.

(G) A description of types of use made of information including all classes of users and the organizational relationships among them.

(H) The procedures whereby an individual can—

(i) be informed if he is the subject of information in the system;

(ii) gain access to such information; and

(iii) contest the accuracy, completeness, timeliness, pertinence, and the necessity for retention.

(I) The procedures whereby an individual or group can gain access to the information system used for statistical reporting or research in order to subject them to independent analysis.

(J) The business address and telephone number of the person immediately responsible for the system.

(d) RIGHTS OF DATA SUBJECTS.—Any organization maintaining personal information shall—

(1) inform an individual asked to supply personal information whether he is legally required, or may refuse, to supply the information requested, and also of any specific consequences which are known to the organization, of providing or not providing such information;

(2) request permission of a data subject to disseminate part or all of this information to another organization or system not having regular access authority, and indicate the use for which it is intended, and the specific consequences for the individual, which are known to the organization, of providing or not providing such permission;

(3) upon request and proper identification of any data subject, grant such subject the right to inspect, in a form comprehensible to such individual—

(A) all personal information about that data subject except in the case of medical information, when such information shall, upon written authorization, be given to a physician designated by the data subject;

(B) the nature of the sources of the information; and

(C) the recipients of personal information about the data subject including the identity of all persons and organizations involved and their relationship to the system when not having regular access authority.

(4) comply with the following minimum conditions of disclosure to data subject:

(A) An organization shall make disclosures to data subjects required under this Act, during normal business hours.

(B) The disclosures to data subjects required under this Act shall be made (i) in person, if he appears in person and furnishes proper identification, (ii) by mail, if he has made a written request, with proper identification, at reasonable standard charges for document search and duplication.

(C) The data subject shall be permitted to be accompanied by one person of his choosing, who must furnish reasonable identification. An organization may require the data subject to furnish a written statement granting permission to the organization to discuss that individual's file in such person's presence.

(5) if the data subject gives notice that he wishes to challenge, correct, or explain information about him in the information system, the following minimum procedures shall be followed:

(A) The organization maintaining the information system shall investigate and record the current status of that personal information.

(B) If, after such investigation, such information is found to be incomplete, inaccurate, not pertinent, not timely nor necessary to be retained, or can no longer be verified, it shall be promptly purged.

(C) If the investigation does not resolve the dispute, the data subject may file a two hundred word statement setting forth his position.

(D) Whenever a statement of dispute is filed, the organization maintaining the information system shall, in any subsequent dissemination or use of the information in question, clearly note that it is disputed and supply the statement of the data subject along with the information.

(E) The organization maintaining the information system shall clearly and conspicuously disclose to the data subject his rights to make such a request.

(F) Following any correction or purging of personal information the organization shall at the request of the data subject, furnish to past recipients notification that the item has been purged or corrected.

(G) In the case of a failure to resolve a dispute, the organization shall advise the data subject of his right to request the assistance of the Federal Privacy Board.

(e) NOTIFICATION PROCEDURE.—Each organization that maintains a personal information system on the date of the enactment of this Act shall notify by mail each data subject of the fact not later than two years following the date of enactment of this Act, at the last known address of the subject, and such notice shall meet the following requirements:

(1) The notice shall describe the type of information held in their system or systems, expected uses allowed or contemplated.

(2) The notice shall provide the name and full address of the place where the data subject may obtain personal information pertaining to him, and in the system.

(f) Data subjects of archival-type inactive files, records, or reports shall be notified by mail of the reactivation, accessing, or reaccessing not later than six months after the date of the enactment of this Act.

EXEMPTIONS TO APPLICATIONS OF REQUIREMENTS

SEC. 5. (a) The provisions of this Act shall not be applicable to personal information systems—

(1) to the extent that information in such systems is maintained by a Federal agency, and the head of that agency determines that the release of the information would seriously damage national defense;

(2) which are part of active criminal investigatory files compiled by Federal, State, or local law enforcement organizations, except where such files have been maintained for a period longer than is necessary to commence criminal prosecution;

(3) maintained by the press and news media, except information relating to employees of such organizations.

(b) Any data subject denied access to personal information under this section shall be entitled to judicial review of the grounds for that denial in the appropriate United States District Court.

USE OF SOCIAL SECURITY NUMBER

SEC. 6. It shall be unlawful for any organization to require an individual to disclose or furnish his social security account number, for any purpose in connection with any business transaction or commercial or other activity, or to refuse to extend credit or make a loan or to enter into any other business transaction or commercial relationship with an individual (except to the extent specifically necessary for the conduct or administration of the old-age, survivors, and disability insurance program) wholly or partly because such individual does not disclose or furnish such number, unless the disclosure or furnishing of such number is specifically required by Federal law.

FEDERAL PRIVACY BOARD

SEC. 7. (a) ESTABLISHMENT.—There is established the Federal Privacy Board (hereinafter in this section referred to as the "Board").

(b) MEMBERSHIP.—The Board shall consist of five members, each serving for a term of three years, three of whom shall constitute a quorum. No member shall serve more than two terms. The members of the Board shall be appointed by the President, by and with the advice and consent of the Senate. No more than three of the members appointed to serve at the same time shall be of the same political party. Each member shall be appointed from the public at large and not from among officers or employees of the United States. Membership on the Board shall be the sole employment of each member.

(c) COMPENSATION.—Members of the Board shall be compensated at the rate provided for GS–18 under section 5332 of title 5 of the United States Code.

(d) CHAIRMAN.—The Chairman of the Board shall be elected by the Board every two years.

(e) STAFF.—The Board shall appoint and fix the compensation of such personnel as are necessary to the carrying out of its duties.

FUNCTIONS OF THE BOARD

SEC. 8. The Board shall—

(1) publish an annual Data Base Directory of the United States containing the name and characteristics of each personal information system;

(2) make rules to assure compliance with this Act;

(3) perform or cause to be performed such research activities as may become necessary to implement this Act, and to assist organizations in complying with this Act;

(4) be granted admission at reasonable hours to premises where any information system is kept or where computers or equipment or recordings for automatic data processing are kept, and may by subpena compel the production of documents relating to such information system or such processing as is necessary to carry out its duties, but no personal information shall be compelled to be produced without the prior consent of the data subject to which it pertains. Enforcement of any subpena issued under this section shall be had in the appropriate United States district court;

(5) upon the determination of a violation of a provision of this Act or regulation promulgated under the Act, the Board may, after opportunity for a hearing, order the organization violating such provision to cease and desist such violation. The Board may enforce any order issued under this paragraph in a civil action in the appropriate United States district court:

(6) be authorized to delegate its authority under this section, with respect to information systems within a State or the District of Columbia, to such State or District, during such period of time as the Board remains satisfied that the authority established by such State or District to carry out the provisions of this Act in such State is satisfactorily enforcing those provisions;

(7) conduct open, public hearings on all petitions for exceptions or exemptions from provisions, application, or jurisdiction of this Act. The Board shall have no authority to make such exceptions or exemptions but shall submit appropriate reports and recommendations to Congress; and

(8) issue an annual report of its activities to the Congress and the President.

TRADE SECRETS

SEC. 9. In connection with any dispute over the application of any provision of this Act, no organization shall reveal any personal information or any professional, proprietary, or business secrets; except as is required under this Act. All disclosures so required shall be regarded as confidential by those to whom they are made.

CRIMINAL PENALTY

SEC. 10. Any organization or responsible officer of an organization who willfully—

(1) keeps an information system without having notified the Federal Privacy Board; or

(2) issues personal information in violation of this Act;

shall be fined not more than $10,000 in each instance or imprisoned not more than five years, or both.

CIVIL REMEDIES

SEC. 11. (a) INJUNCTIONS FOR COMPLIANCE.—The Attorney General of the United States, on the advice of the Federal Privacy Board, or any aggrieved person, may bring an action in the appropriate United States district court against any person who has engaged, is engaged, or is about to engage in any acts or practices in violation of the provisions of this Act or rules of the Federal Privacy Board, to enjoin such acts or practices.

(b) CIVIL LIABILITY FOR UNFAIR PERSONAL INFORMATION PRACTICE.—Any person who violates the provisions of the Act, or any rule, regulation, or order issued thereunder, shall be liable to any person aggrieved thereby in an amount equal to the sum of—

(1) any actual damages sustained by an individual;

(2) punitive damages where appropriate;

(3) in the case of any successful action to enforce any liability under this section, the costs of the action together with reasonable attorney's fees as determined by the court. The United States consents to be sued under this section without limitation on the amount in controversy.

EFFECTIVE DATE

SEC. 12. This Act shall take effect one year after the date of its enactment.

NEED FOR FULL FUNDING FOR FUSION RESEARCH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. RAILSBACK) is recognized for 5 minutes.

Mr. RAILSBACK. Mr. Speaker, I commend the gentleman from New York for his amendment to the Atomic Energy Commission authorization, and add that I am in complete support of increasing the funds for fusion research by $21 million. This increase will bring the appropriation up to the level of the budget request made by the AEC.

I have done a great deal of reading myself about alternative energy sources, and, from what I have learned, I am convinced fusion energy holds real promise for our Nation's energy needs. It is an energy source that does not pollute; and its fuel, deuterium or heavy hydrogen, is abundant in ocean waters. The fuel provided by the seawater could serve the world for thousands of years.

So far, scientists have not been able to harness fusion energy successfully, but, through continuing research, they are increasingly hopeful to succeed in the first decade of the 21st century. The new concept using lasers to promote fusion has increased support as a means leading to the eventual success of fusion power.

I know my colleague from New York has also been interested in this alternative energy source for a long time, and I would like to commend him for his efforts and associate myself with his remarks.

Thank you.

FRIENDS RESHAPE NORTHEAST RAILS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas (Mr. SKUBITZ) is recognized for 5 minutes.

Mr. SKUBITZ. Mr. Speaker, during the Easter vacation, I had an opportunity to catch up on some of my reading.

One article which aroused my interest carried this heading, "Friends Reshape Northeast Railroads."

The lead paragraph stated—

> Much of the influence behind restructuring the bankrupt northeast railroads—appears to have become centered in the hands of three old friends.

I do not suggest that anything is wrong. I do think that since the Congress has approved the expenditure of several billion dollars to finance this program, this article may be of interest. I do recommend it to my colleagues on the Interstate Commerce Committee:

[From the Washington Star-News, Mar. 24, 1974]

FRIENDS RESHAPE NORTHEAST RAILS

(By Stephen M. Aug)

Much of the influence behind the restructuring of the bankrupt northeastern railroads—probably the biggest rail reorganization in history—appears to have become centered in the hands of three old friends.

An examination of the backgrounds of the three—two of whom will be adversaries of the third—shows the way their lives have crisscrossed ever since they were classmates at Yale Law School.

What's more, two outsiders who have been given key roles in the northeastern rail reorganization—a Washington lawyer and the new president of the United States Railway Association—both were selected largely on the recommendations of two of these men.

The three are:

John W. Barnum, Undersecretary of Transporation (the second-ranking official in DOT), who has specialized in northeastern rail problems.

Robert W. Blanchette, currently counsel to the trustees of the bankrupt Penn Central Transportation Co., who has been nominated to become a trustee of the rail system—a position in which he is to represent the best interests of the railroad's creditors.

Rodney E. Eyster, general counsel at DOT.

All three were graduated from Yale Law School in 1957 and all were on the staff of the Yale Law Journal—Blanchette was editor-in-chief, Eyster the notes editor and Barnum a member of the editorial board.

On graduation the three split. Blanchette set up his own law firm in New Haven, Conn.—Adams, Blanchette & Evans, Eyster and Barnum both joined the prestigious New York firm of Cravath, Swaine & Moore.

Eyster remained with Cravath for about a year and left in 1958 to join Blanchette's firm. The two remained law partners until 1963, when Blanchette left to become counsel to the trustees of the bankrupt New York, New Haven & Hartford Railroad (now part of the Penn Central).

Eyster left the same firm and went to Chicago, where he joined Sonnenschein, Levinson, Carlin, Nath & Rosenthal.

Barnum, meanwhile, remained at Cravath, eventually becoming a partner, until 1971, when he joined DOT, first as general counsel and since July as undersecretary. Last September he brought in his old friend Eyster (who had been an usher at Barnum's wedding in 1958 and best man for Blanchette in 1969) to become general counsel at DOT.

For much of the past year as the fight dragged on over legislation to restructure the northeastern railroads, both Barnum and Blanchette participated heavily—although as Blanchette recalls, often at odds.

Barnum had early espoused the administration view that the entire restructuring should be done through private enterprise.

Blanchette argued at length on behalf of the trustees that the federal government should pay the cost of laying off possibly thousands of railroad workers and might have to issue something more valuable than common stock to the creditors of the railroads whose properties are taken.

Blanchette's views prevailed in the final legislation.

The legislation called for creation of two organizations—the United States Railway Association, a private nonprofit corporation that would design a new northeastern rail system and administer federal financial aid to help it rebuild, and the Consolidated Rail Corp., a private profit-making company that will run the new railroad.

One of the first challenges facing the government after passage of the legislation were half a dozen lawsuits filed by creditors, challenging the constitutionality of the new law.

To fight the challenge on behalf of the new USRA, Barnum retained Washington lawyer Lloyd N. Cutler, a partner in the well-known firm of Wilmer, Cutler & Pickering.

The firm, it turns out, arose from what was before World War II the Washington office of Cravath, deGeersdorff, Saine & Wood (now Cravath Swaine & Moore). The Wilmer, Cutler firm still acts as Washington correspondents on many matters for the Cravath firm.

The second challenge was hiring personnel to staff the new USRA. The chief operating officer, retained recently, is Edward G. Jordan, who was approached to accept the post by Eyster.

Jordan and Eyster met several years ago when Eyster's Chicago law firm represented a computer company of which Jordan was a vice president.

During the coming months, Blanchette can be expected to be in frequent discussions with Barnum and Eyster over the manner in which northeastern rail lines are to be restructured.

One matter on which the Penn Central trustees are certain to approach DOT is interim financial aid to keep the railroad operating while the two-year restructuring process continues.

Congress has provided $85 million in cash grants plus $150 million in loan guarantees to help keep the Penn Central afloat.

The money is also available to other rail lines—but it would be to Penn Central's benefit to keep it all available for lines in the Northeast.

So far, Penn Central has asked for about $10.8 million, while the Chicago, Rock Island & Pacific is seeking $100 million.

Further, USRA and DOT will be working closely laying out the Northeast rail system—determining which lines are to be included and which may be abandoned—and the value of the properties to be taken from Penn Central and other eastern lines and conveyed to the new Consolidated Rail Corp.

How much contact the three old friends will actually have—whether Blanchette will be trying to get as much as possible for the track Penn Central hands over to the new corporation, and how much USRA tries to keep the price down (Barnum represents Secretary of Transportation Claude S. Brinegar in USRA board actions)—is open to question.

Eyster contended it's not likely that the Penn Central trustees will meet with DOT or USRA officials to negotiate on prices or on the creative process.

"USRA is going to make the determination of value of the property in an operating sense first and later in a dollar sense," Eyster said, pointing out that there are 11 members on the USRA board and Barnum represents only Brinegar as a member. He added that a final system plan would be drafted for board consideration by the USRA staff—under Jordan's direction.

How much part will friendship among the three old classmates play?

"While we're good friends, we represent interests that are not necessarily identical in every respect," Blanchette said, adding, "It's like good friends who appear in court on opposite sides—friendship doesn't play any role in our professional dealings."

FEDERAL PAPERWORK: THE MOST ONEROUS REPORTING REQUIREMENT—IRS FORM 941

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. YATRON) is recognized for 5 minutes.

Mr. YATRON. Mr. Speaker, today, I am joining with my very distinguished colleague from Oregon, Congressman AL ULLMAN, ranking majority member of the Ways and Means Committee, in sponsoring legislation aimed at relieving the single most onerous Federal reporting requirement: the quarterly wage report for social security purposes. Our Senate colleagues, Senator THOMAS MCINTYRE, has sponsored this piece of legislation in the other body, and its prospects for implementation in this 93d Congress are distinct.

Under the provisions of this measure, the reporting of wages by employers would be consolidated and the quarterly IRS Form 941, which causes businessmen to cringe, would be changed to an annual system. The existing IRS Form W2 would be used, thus relieving a major aspect of the Federal paperwork burden. The National Federation of Independent Business and its 371,000-strong membership is strongly behind this legislation, and I know that its enactment would be met with genuine gratitude by the entire American business sector.

The proposal which AL ULLMAN and I are sponsoring today in the House would accomplish this significant change through a series of some 40 highly technical amendments to the present Social Security Act and to the Internal Revenue Code of 1954, as amended. IRS Form 941 represents the most difficult and costly paperwork burden imposed on small business. It falls most heavily on small and medium-sized businesses and costs employers $235 million each year in clerical and accounting costs alone.

The National Federation of Independent Business has singled out this particular form and it has consistently sought relief in behalf of the small businessman, whose overhead costs will be significantly reduced if this form were changed from a quarterly to an annual report.

According to a survey by the Federal Small Business Administration, 8 out of every 10 respondents favored eliminating Form 941 and using Form W2 to obtain data for social security purposes. Their expenses, it was clearly determined, would be substantially reduced. Not only would the business community derive benefits and savings from implementation of this legislation, but also the Federal Government, which processes approximately 175 million reports of wage payments each year. The General Accounting Office calculates that the processing of paperwork costs the Government over $15 billion a year. That figure accounted for some 6 percent of Federal expenditures in fiscal 1973. And, it now costs $7 billion more per year to process Federal paperwork than it did 6 years ago—$11 billion more per year than paperwork costs back in 1955. These figures clearly underscore the magnitude of the alarming proportions that the paperwork burden has reached.

Several major advantages of the changeover from a quarterly wage report to a yearly system were illustrated in a report of the President's Advisory Council on Management Improvement, as follows:

1. Data processing systems have made tremendous strides since the initial proposal that a single reporting system is not only technically feasible but also administratively adequate.

2. The objections raised in the past are no longer of sufficient weight to continue the now obsolescent system.

3. The annual reduction in the number of reports submitted by business is estimated at approximately 18 million, with a savings in excess of 200 million dollars. Savings to the Federal Government would be reflected in a reduction in operating costs and increased compliance income, but accurate estimates of dollar savings will have to wait on the development of the system.

Mr. Speaker, the legislation which Congressman ULLMAN and I are jointly sponsoring today is going to me met with an extremely favorable response by every businessman, whether he represents a large or small operation, although it will be of particular benefit to the smaller establishment.

Its passage will be a major attack against the Federal paperwork burden and is part of my current effort here in the House to achieve constructive progress in lessening that burden, to the greatest possible extent.

My "Federal Paperwork Burden Relief Act," which directs the GAO to conduct a Federal wide study of the nature and extent of reporting requirements, has been cosponsored by 162 of our House colleagues. Congressman ULLMAN and I will be enlisting the support of our colleagues on the measure we are introducing today. I am confident that approval of each will represent a meaningful and successful attack on the ever-increasing problem of Federal paperwork.

A leading columnist in my district, Mr. Ray Koehler of the Reading Times, has editorialized the paperwork bill and the proposal being introduced today in the House. I respectfully request that these two articles be reprinted in the RECORD and I heartily commend them to the attention of my congressional colleagues:

[From Reading Times, Apr. 16, 1974]

GUS'S PAPER BILL GAINS SUPPORT

U.S. Rep. Gus Yatron, who used to be an ice cream dealer, knows about the heartaches and vexations of the small businessman.

He knows how businessmen, who want only to make a decent living, are being strangled by red tape and are suffocating under an unflagging growth of federal government paperwork.

It is to protect Americans from bureaucrats, who seem more intent on shuffling papers than providing services, that he has introduced the "Federal Paperwork Burden Relief Act."

The bill, cosponsored by 162 of his colleagues, would eliminate useless paperwork for American business—big and small.

It directs the General Accounting Office (GAO) to study the nature and extent of creeping paperism and report its findings to Congress in the form of recommendations for administrative actions and legislative enactments.

Congress then would be able to begin to cut away the red tape—and very likely eliminate a lot of paper shuffling boondogglers.

The scope of the problem was highlighted by a National Federation of Independent Business, Inc., survey which says reports required by federal agencies use an estimated 10 billion sheets of paper a year while the cost of filling out these sheets of paper amounts to $18 billion dollars.

"Implementation of the act would achieve meaningful inroads in lessening, coordinating and revising federal reporting requirements," said Yatron, who has literally been digging his way from beneath a volume of congratulatory mail since he introduced it.

Hoo-rah for Gus. It's time someone makes a move in this direction. If his bill does nothing else, it might cause some soul searching in various bureaus and, hopefully, put a brake on burgeoning paper work.

Direct benefits would accrue to the small businessman who can't be expected to assume the cost and time-consuming factors in complying with completion of myriad papers and forms.

Why, the rules and regulations of such a governmental agency as the Internal Revenue Service have made it necessary for the ordinary businessman to become a top-notch bookkeeper and to have an attorney on call.

One estimate says costs to small business operations for complying with IRS requirements alone averaged $860 in 1971—a jump of 160 per cent from $325 in 1961!

It is a frustrating if not intolerable situation.

Gus Yatron says the last thing a small businessman needs in the present economic climate is an onerous paperwork load.

To date, the Reading Democrat's bill has received several dozen endorsements.

The late President Kennedy said, "A journey of 10,000 miles begins with a single step." U.S. Rep. Gus Yatron, Berks County's man on Capitol Hill, and U.S. Rep. Al Ullman of Oregon, second ranking member of the House Ways and Means Committee, today will take the first step to reduce more than an estimated $18 billion, which excessive federal paperwork is costing small business.

The Yatron-Ullman bill, if enacted, would save small business about $235 million a year by: Eliminating the requirement which forces the small business employer to file reports on Social Security taxes every quarter, and instead would permit the employer to file just once a year, incorporated with the W2 form which furnishes the Treasury with information on withholding taxes.

Besides saving small business unnecessary expenditures, such a reform also should reduce the federal work force, which shuffles through these quarterly reports that have no value.

Maybe cutting the federal work force is a bit much to expect in a government which thrives on bureaucracy, but it's this very personnel pool which is responsible for the long delay in getting action.

In 1971, a special President's Commission on Management Improvement recommended the quarterly reports be abandoned, as they serve no useful purpose. In 1973, ex-Treasury Secretary George Shultz took the same position.

So, earlier this year, Yatron introduced the "Federal Paperwork Burden Relief Act." It was co-sponsored by 162 of his colleagues.

But, it might take some time for Yatron's bill, which directs the GAO to hack through the federal paperwork jungle and come up with recommendations for pruning a substantial share of paper now required.

And, small business needs relief from paper strangulation now.

Hence, Yatron and Ullman have teamed to change the single most onerous reporting requirement for small business from quarterly to yearly.

The proposed reform would in no way slow the cash flow to the Treasury. It would merely end one of the many duplications of unneeded but costly reports that end in bales in some dark Washington basement, after they have been shuffled from desk to desk.

Because of Ullman's Congressional seniority, second only to representative Wilbur D. Mills on Ways and Means, Yatron sees passage of the Yatron-Ullman bill as "sure thing this year."

"I also hope my own bill will be passed, but it probably could become part of a major tax reform bill or as an amendment to other legislation," Yatron stated during the weekend.

"I would think," he said, "that the IRS and the Social Security Administration would welcome passage of the paperwork burden relief measure because it would eliminate extra paperwork for government agencies."

Should Yatron's paperwork bill materialize into solid reform measures, the Reading Democrat could become the patron saint of small business.

CHAPTER 2 OF THE GREAT OIL ROBBERY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 10 minutes.

Mr. VANIK. Mr. Speaker, this week brings us another chapter in the continuing story of the "Great Oil Robbery." Three major oil companies—Gulf, Standard Oil of Indiana, and Texaco—have announced tremendous increases in their first quarter earnings performance. Gulf Oil's earnings bulged 71 percent over the same period last year, while Standard's ballooned even further, with an 81-percent increase. The blue ribbon prize goes, however, to Texaco—its earnings were up a phenomenal 123 percent. The stockholders of Gulf, Indiana Standard, and Texaco must be elated at the news, but the real happiness is in the oak-paneled corporate offices. This happiness is reflected in the salaries and bonuses paid to oil company executives. For example, in 1973, John Swearingen, chairman of the board of Standard of Indiana, got a pay boost of 6.4 percent to $455,000. But Mr. Swearingen, happy though he must be, did not fare as well as Raleigh Warner, his counterpart at Gulf Oil. Mr. Warner made a big jump up the corporate ladder with a remarkable pay hike of 42 percent to $490,000—not bad for a year's work. Now, 1973 was not a bad year for the oil companies, but with 1974 going the way it is, things should be better for the oil companies and their executives—but a worse year for everyone else who has to pay the bill.

The Ways and Means Committee has set out to grapple with this problem. Unfortunately, the legislation the committee is shaping into final form will do little to attack the fundamental problem underlying oil company profits. The committee has developed a windfall profits tax that does not tax profits and a phase-out of the depletion allowance that is riddled with irrational exemptions.

Before we go racing off and voting for slogans, we should stop and ask ourselves what we are trying to achieve with a reform of our tax laws in this area. The most disturbing factor in the oil companies, profit growth is not the size of the increase but the fact that the oil companies are paying virtually no tax on any of their profits. Most oil companies pay Federal income tax at an effective rate of less than 10 percent. In short, at the very center of the issue of burgeoning oil industry profits is the matter of tax justice.

The legislation presently under consideration in the committee fails to achieve either equity or fairness, and in the process it complicates and confuses the already complex and confusing tax code. Rather than making foolish promises to attack excess profits in the oil industry, Congress should eliminate the special tax gimmicks now available to the oil industry: the intangible drilling expense, the percentage depletion allowance, and the foreign tax credit. Any past justification for extending these taxpayer subsidies no longer exists.

Only through honest and direct tax reform will we eliminate the specter of outrageous oil profiteering. To follow any other course is simply throwing straws in the wind.

LABOR—FAIR WEATHER FRIEND—XX

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ), is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, the Labor Council for Latin American Advancement had a board meeting down in El Paso last week, and there for the first time that I know of, the board considered the question of whether it was right or wrong for their officers to take it upon themselves to accuse me of antilabor sentiments.

Now this was a curious thing. In this meeting, one and all agreed that there is not a man in Congress whose voting record labor approves of more than mine; yet here they were wondering if they should consider me antilabor. That was the nub of it.

Unfortunately, many of those present did not see the real issue. They just saw it as a question of whether labor should accede to my call for an apology. These speakers were afraid that it would look bad if their organization apologized, claiming that this would make the labor movement look as if it was giving in to one man. They could not want to look so weak. So the issue, as these delegates saw it, was one of pride. Their pride would not let them admit that they had been misused by their officers, even though everyone present readily admitted that I was anything but antilabor.

One delegate said that he would support the actions of the LCLAA officers in attacking me, because they were right on that issue. This particular fellow was an officer and party to the attack, so his defense of it is understandable, in terms of his own self-interest. But then this fellow went on to say that this did not mean that he would ask labor not to support me in the future. Indeed, he would work in my behalf, and oppose anyone who ran for election against me.

Now I admit that it is a little hard to follow the man's logic. But to restate the situation, the LCLAA felt that though I had been a tried and true friend of labor, they, and labor, would look weak if they retracted their attack. They would, they said, stand by their statement, but contact me and try to work things out.

There is nothing to work out. I have been wronged, and I expect the wrong to be righted, period.

These fellows think that I might forget all of this. I have no such intention.

The president of the Texas AFL–CIO misunderstands me if he thinks it mollifies me any to receive copies of a letter from him defending me, when I know that in the LCLAA meeting he did not. In fact, this official offered the opinion that I will run out of things to say about this business. Further, he thinks that it would be impossible for labor to be put in the position of "bowing down to one man."

This is the same Harry Hubbard who last December was defending me, as the following letter shows:

JANUARY 3, 1974.

Mr. RAY MENDOZA,
Chairman, Labor Council for Latin American Advancement, Washington, D.C.

DEAR BROTHER MENDOZA: We just read your press release dated December 19, 1973, vigorously condemning Congressman Henry B. Gonzalez for his union-busting attitude in regards to his supposed stand with Willie Farah and the Farah Pants Manufacturing Company.

As you know, Congressman Gonzalez has always been a close friend of Labor with an excellent voting record and a strong supporter of working people, in general. We would like to know if Congressman Gonzalez has been contacted in regards to this matter and what is his explanation.

While we certainly don't condone anyone attacking the Farah strikers, and we support their causes 100%, it is difficult for us to believe that Congressman Gonzalez would do anything detrimental to union members or take exceptions with the leaders of the Catholic Church.

We would think, with the outstanding past of Congressman Gonzalez, a full explanation from him would be in order before this press release was released. Hoping this was the case, any documentary evidence you have to substantiate these charges would be appreciated by us for our own personal understanding.

Fraternally,

HARRY HUBBARD,
President.
SHERMAN FRICKS,
Secretary-Treasurer.

I want Harry Hubbard to know that I do not forget, and I have a great deal more to say than he thinks. And I want the Texas AFL-CIO to understand that I know hypocrisy when I see it.

To my labor friends in general, I say that it does not take away from anyone's stature to correct a manifest wrong. The opposite is true. Pride is a very great sin, and pride is what carried the day with Hubbard and the others at the LCLAA meeting. That is too bad. I am one friend of labor who knows now just how high a value to place on the friendly coos I am supposed to be hearing from the LCLAA peacemakers, someday soon.

TAXATION OF TELEPHONE COOPERATIVES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee (Mr. JONES) is recognized for 5 minutes.

Mr. JONES of Tennessee. Mr. Speaker, section 501(c)(12) of the Internal Revenue Code provides an income tax exemption for mutual or cooperative telephone companies who receive at least 85 percent of their incomes from their members for the purpose of meeting losses and expenses. Cooperatives who do not meet the 85-percent test have been allowed by the Internal Revenue Service to exclude from taxable income all overcollections returned to patrons.

Recently, however, a difficulty has arisen over payment for termination service. When a person places a call from an area served by one telephone company into an area served by another, the company—or cooperative—on the receiving end of the call is said to have provided a termination service and is entitled to be compensated for this service. Such compensation rarely, if ever, consists of cash. Instead, a reciprocal arrangement usually exists whereby telephone companies and cooperatives agree to provide termination services for one another.

The Internal Revenue Service has recently taken the position in one case at least that such a reciprocal arrangement constitutes a payment, and when this payment is made from a telephone company to a cooperative, the payment should be counted as income from a source other than cooperative members.

This interpretation by the Internal Revenue Service would probably cause every telephone cooperative in the United States to fail to qualify as tax exempt under the 85-percent test. This interpretation would also greatly reduce the amount of excludable patronage refunds for the nonexempt cooperatives.

When Congress enacted an income tax exemption for telephone cooperatives which met the 85-percent test, I am sure that the above mentioned interpretation was not intended. It would have been pointless to enact an exemption for telephone cooperatives if none could qualify for it.

The amendments which I have today introduced would make it clear, for all open years in question, that income received by a telephone cooperative from a nonmember telephone company for the performance of services would not be considered in applying the income test.

INVASION OF PRIVACY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. METCALFE) is recognized for 10 minutes.

Mr. METCALFE. Mr. Speaker, recent articles in the Chicago Tribune indicate that the Federal Bureau of Investigation has "extensive secret files detailing the activities of the city's—Chicago—major black leaders." The article by David Young, Chicago Tribune writer, goes on to state that the surveillance of black groups in Chicago resulted in a large file known as the "137 file." Young further wrote that—

> Hundreds of black, civic, business, and political leaders in Chicago are included in the "137 file."

The Tribune article mentions only three specific individuals as being in the 137 file: The Reverend Jesse Jackson, head of Operation PUSH; the Reverend Ralph Abernathy, head of the Southern Christian Leadership Conference, and myself.

Further, it must also be pointed out that in August 1967, the then Director of the Federal Bureau of Investigation initiated a program entitled "Counterintelligence Program, Black Nationalist-Hate Groups, Racial Intelligence" shortened to "COINTELPRO." The program, according to the Federal Bureau of Investigation, has since been discontinued.

However, the problem that this type of operation illustrates still exists and it is to that problem that I want to briefly address myself.

A government has the right, and indeed the obligation, to protect itself from the destructive actions of a few who would attempt to circumvent the political processes to achieve their objectives. However, every agency of the Government must act so as never to transgress the basic rights of the individual citizen. Young stated that—

> The information contained in most of the files is known as raw intelligence.

This raw intelligence that exists in the 137 files, as reported in the Tribune, was gathered by someone, either by agents of the Federal Bureau of Investigation, or by informers acting under the direction and supervision of such agents, but in either case certainly pursuant to the directives of the Director.

Mr. Justice James Wilson, in one of his lectures states that—

> Every wanton, or causeless, or unnecessary act of authority, exerted, or authorized, or encouraged . . . over the citizen, is wrong, and unjustifiable, and tyrannical, for every citizen is, of right, entitled to liberty, personal as well as mental, in the highest possible degree, which can consist with the safety and welfare of the state.

This body has the obligation to investigate the activities of the Bureau to determine how this organization, charged with the responsibilities that it has, could establish an operation which resulted in the 137 file.

The right of dissent within our society is guaranteed by the Constitution. An officer of the Government must be ever mindful of that fact when executing the law of the land. Surveillance, such as the type that was needed to achieve the implementation of the Bureau's directive and as evidenced by the existence of the 137 file, can have a very chilling effect on the right of dissent within a free society.

I think it is of paramount importance that this body, through the appropriate committee, investigate the full scope of the intelligence operations of the Federal Bureau of Investigation.

There is also another area of which this body should be mindful when considering the activities of the Bureau and that is the right to privacy. Bernard Schwartz in "Rights of the Person," volume 1, states that—

> The right to privacy in its present-day constitutional connotation is far more than only an immunity against physical invasion of ones private possessions. It is nothing less than the right of the individual to be protected from any wrongful intrusion into his private life, whether committed by a private person or by government itself.

The charges contained in the Tribune article are indeed frightening. That hundreds of black civic, business, and political leaders in Chicago are included in the 137 file makes me wonder whether we are a people ruled by men or by laws. These actions of the Federal Bureau of Investigation must make us more determined to exercise the proper congressional oversight responsibilities to determine whether this agency is acting with proper respect for constitutionally guaranteed rights.

AMERICA DESERVES A NATIONAL TRANSPORTATION POLICY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas (Mr. ALEXANDER), is recognized for 15 minutes.

Mr. ALEXANDER. Mr. Speaker, Bernard Baruch once remarked that—

> The highest and best form of efficiency is the spontaneous cooperation of a free people.

Today I am introducing a bill which I hope will be blessed with cooperation among the parties interested in bringing about increased efficiency and effectiveness in the area of transportation. I hasten to point out here that transportation is a vastly complex and comprehensive subject and that the proposal which I introduce today is not intended to be all inclusive. It is fully my intention to work as cooperatively as possible with the members of the House Public Works Committee who are struggling to shape the portion of this year's transportation legislation that is within their jurisdiction.

I sincerely hope and believe that we can develop a workable compromise from among the various elements of the proposals which the committee's members are and will be reviewing. The proposal which I introduce today is the product of much study in this area and of understanding gathered early this month when I chaired hearings before the Agriculture Subcommittee on Rural Development.

These hearings reviewed the effect Federal transportation policy has had and can be expected to have on the countryside. I am deeply disturbed by what we learned is a nationwide, deteriorating situation in the countryside transportation system. The problem this creates is one for the whole Nation. It adds expense to an already too high food bill. It raises the specter of increased shortages in food created by the inability of this Nation to provide the countryside distribution system essential to our efforts to feed our cities and at the same time use our agricultural production to improve our international balance-of-payments position.

The bill which I introduce today is intended to respond to a number of problem areas. Its first section sets out its purpose to amend both title 23 of the United States Code and the Federal Highway Act of 1973.

The second section of this bill would amend title 23 to include in it a clear declaration of the intent of the Congress to establish a national transportation policy which takes into account the interdependence of the cities and the countryside. The time is long passed when we as a Nation could afford to treat the needs of the cities and the countryside as separate and apart.

The third section of the bill would provide for a change in the definitions contained in section 101(a) of title 23. This is simply a change from the use of the word "rural" to the word "countryside" in this law.

Section 104 of my proposal would provide for critically needed expansion in the ability of the various States across the Nation to fill the needs of the countryside transportation network. This section would increase the funding provided in the 1973 Federal Highway Act for the Federal-aid primary system in rural areas from $700 million in fiscal year 1975 to $1 billion and from $700 million in fiscal year 1976 to $1,400 million. It would also raise the $400 million authorizations for fiscal years 1975 and 1976 to $500 million for Federal-aid secondary systems in rural areas. In other words, the funding would be increased from a total of $2.2 billion for the 2 fiscal years to $3.4 billion.

Section 105 of the proposal would expand the funding for the special bridge replacement program provided for in title 23 of the United States Code from a total of $150 million for fiscal years 1975 and 1976 to $150 million for each of these years.

In addition to the expansion of the funding for this replacement program for Federal aid system highways, this section would make it possible for this program to be used for replacing bridges which are not adequate for the needs of the region served, as well as because they are judged as unsafe.

In section 106 of my bill I propose the creation of new emergency bridge replacement program. This one would be for use on non-Federal aid system public roads. It would be financed by funds produced by the taxes paid into the Highway Trust Fund by consumers on petroleum products used for travel on non-Federal aid system highways and roads. Let me make clear that I do not mean a new tax. I mean the tax which these drivers have been paying since such taxes have been being collected.

The program which I propose would be administered at the county level by the appropriate official, officials, or agency with responsibility for highway and road programs. Provisions of my proposal are designed to help insure that the local bridge replacement decisions are made in coordination with the existing regional and State transportation plans.

I would emphasize here that this program should be operated in such a manner that there is something of a "double standard." In other words, it should be possible for county officials, in consultation with the State highway officials, to decide that one bridge need only have a carrying capacity of, say, 15 tons while another needs a carrying capacity of 30 tons.

The final section of my proposal would provide increased funding for fiscal years 1975 and 1976 for the projects in high-hazard locations program contained in title 23 of the United States Code. In addition the proposal would allow 15 percent of these funds for projects on public highways and roads not on Federal-aid systems.

I urge my colleagues to review these proposals with the transportation needs of the whole Nation in mind and with the understanding that there is a strong interdependency between the cities and the countryside:

H.R. 14283

A bill to amend Title 23, United States Code, the Federal-aid Highway Act of 1973, and other related provisions of law, to increase safety on the nation's highways

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SEC. 101. This Act may be cited as the 1974 Amendments Act to the Federal-Aid Highway Act of 1973, and Title 23, United States Code.

DECLARING INTENT TO ESTABLISH A NATIONAL TRANSPORTATION POLICY

SEC. 102. Sec. 101 (b) of Title 23, United States Code is amended by adding at the end of the third paragraph a new paragraph reading:

"It is further declared that the Congress finds it to be in the highest national interest that a national transportation policy which takes fully into account the interdependence of the cities and the countryside, the metropolitan areas and the non-metropolitan areas, and the interrelationships of the various transportation modes, and which encourages the development of and the most efficient multimodal use of the best available technology and transportation resources in such a way as to fill the needs of the whole Nation. It is further the intent of the Congress that this act shall be administered as an integral part of said national transportation policy."

SEC. 103 (a) Sec. 101 (a) of Title 23, United States Code, is amended by deleting the sentence reading:

"The term 'rural areas' means all areas of a State not included in urban areas."

and, inserting in lieu thereof the following:

"The term 'countryside areas' means all areas of the State not included in urban areas."

(b) SEC. 103 of Title 23, United States Code, is amended to conform with the amendment of Sec. 101 (a) provided in (a) of this section by deleting the word "rural" where it appears and inserting in lieu thereof the word "countryside."

INCREASED AUTHORIZATION FOR PRIMARY AND SECONDARY HIGHWAY SYSTEMS

SEC. 104. 104 (a) (1) of Title 1 of the Federal-Aid Highway Act of 1973 is amended to read as follows:

"(1) For the Federal-aid primary system in rural areas, out of the Highway Trust Fund, $680,000,000 for the fiscal year ending June 30, 1974, $1,000,000,000 for the fiscal year ending June 30, 1975, and $1,400,000,000 for the fiscal year ending June 30, 1976. For the Federal-aid secondary system in rural areas, out of the Highway Trust Fund, $390,000,000 for the fiscal year ending June 30, 1974, $500,000,000 for the fiscal year ending June 30, 1975, and $500,000,000 for the fiscal year ending June 30, 1976."

BRIDGE REPLACEMENT AND RECONSTRUCTION

SEC. 105. In order to increase the public safety and to facilitate the transportation of natural resources, including agricultural commodities from farm to market and mining products, Secs. 204 (a) and (f) of the Federal-aid Highway Act of 1973 are amended to read as follows:

"SEC. 204. (a) Subsection (e) of section 144 of Title 23, United States Code, is amended by striking out "1972; and" and inserting in lieu thereof "1972,"; by inserting immediately after "1973." the following: "$25,000,000 for the fiscal year ending June 30, 1974, $150,000,000 for the fiscal year ending June 30, 1975, and $150,000,000 for the fiscal year ending June 30, 1976."

SEC. 106. Chapter I of Title 23, United States Code, is amended at the end thereof by adding a new section as follows:

"SEC. 154. EMERGENCY BRIDGE REPLACEMENT PROGRAM

"(a) Congress hereby finds and declares it to be in the vital interest of the Nation that an emergency bridge replacement program for non-federal countryside roads and highways be established to enable the several states to replace bridges over waterways and other topographical barriers when the Counties, States and Secretary find that the bridge is significantly important and is unsafe or inadequate, to serve area needs particularly that of transporting natural resources including agricultural and mining products because of structural deficiencies, physical deterioration, or functional obsolesence.

"(b) The counties, in consultation with and with the assistance of the State in which they are located, shall (1) inventory all bridges located on any non-federal aid system public road over waterways and other topographical barriers of the United States; (2) classify them according to their serviceability, safety, essentiality for public use; and (3) based on that classification assign each a priority for replacement.

"(c) This program shall be administered within each County of each State by the appropriate official, officials or agency with responsibility for administering non-federal aid highway and road programs in that County and shall be coordinated at the State level by the state agency responsible for administering state highway programs.

"(d) The priority classifications of the bridges to be replaced shall be made by the appropriate official, officials or agency of the county as provided in (c) of this Section, in consultation with the regional economic development district, where applicable, in which the county is located and the state agency responsible for the highway transportation planning to ensure that the replacement decisions are not in violation of existing regional and state transportation plans.

"(e) Funding for this program shall be provided by the appropriation out of the highway trust fund of a percentage of the fund's annual income available by law for distribution to the States at least equal to the percentage of miles traveled on non-Federal aid system roads as it relates to the miles traveled on both Federal aid and non-Federal aid system public roads. Such funds shall be available for obligation on January 1 preceding the beginning of the fiscal year for which they are authorized and shall remain available until expended.

"(f) Such funds shall be apportioned to the various States in the following manner:

"Twenty percent in the ratio which the area of each State bears to the total area of all States; thirty percent in the ratio which the dollar volume of agricultural (including timber) and mining produce of each State bears to the total of all the States; twenty percent in the ratio which the rural population of each State bears to the total rural population of all the States; and, thirty percent in the ratio which the non-Federal aid rural system public road mileage of each State bears to the total non-Federal aid rural system publie road mileage of all States.

"(g) Each State shall apportion to the various counties within each State the funds allocated to each State in the following manner:

"Twenty percent in the ratio which the area of each county bears to the total area of all the counties; thirty percent in the ratio which the dollar volume of agricultural (including timber) and mining produce of each county bears to the total of all the counties; twenty percent in the ratio which the rural population of each county bears to the total rural population of all the counties; and thirty percent in the ratio which the non-Federal rural aid system public road mileage in each county bears to the total non-Federal rural aid system public road mileage of all the counties.

"(h) The State department or agency responsible for administering State highway programs shall receive and apportion all moneys allocated by the Federal Government under this program and shall establish income producing accounts for each of the participating counties within the State. Funds from such accounts shall be disbursed by the State for purposes specified under this section on the direction of the county for which the account has been established. Any income accruing upon unexpended balances in the county's account shall be paid into that account, except that the State may retain a sum equal to the income produced by 25 percent of the rate of interest or other appreciation upon which the income is paid to defray the cost of administering the accounts.

"(i) Engineering, contracting, inspection and all other services incidental to the purposes of this section unless otherwise specified shall be provided by the official, officials, or agency responsible for providing such services for non-Federal aid system highways and road programs in each county: *Provided*, That the State agency responsible for administering highway programs shall be consulted on these decisions. If the State agency provides these services and compensation is not otherwise provided, the county may pay to the State agency a fee not to exceed the actual cost of the project which might be properly attributed to those activities for which the service is provided.

"(j) Funds authorized by this section shall be available solely for expenditure for projects authorized under this section.

"(k) Notwithstanding any other provisions of law the General Bridge Act of 1946 (33 U.S.C. 425, 533) shall apply to bridges authorized to be reconstructed and bridges to be constructed to replace unsafe bridges under this section.

"(1) The Secretary shall report to the Congress annually on projects approved under this section with any recommendations he may have developed in consultation with the various States for further improvements in the emergency bridge replacement program authorized in accordance with this section."

PROJECTS FOR HIGH-HAZARD LOCATIONS

SEC. 107. Sections (b) and (c) of section 152 of title 23, United States Code, as amended by section 209(a) of the Federal-aid Highway Act of 1973 are further amended to read as follows:

"(b) For projects to eliminate or reduce the hazards at specific locations or sections of highways which have high accident experiences or high accident potentials, by the Federal Highway Administration, there is hereby authorized to be appropriated, out of highway trust fund, for the fiscal year ending June 30, 1974, $50,000,000 and for each of the fiscal years ending June 30, 1975, and June 30, 1976, the sum of $150,000,000. Such sums shall be available for obligation in the same manner and to the same extent as if such funds were apportioned under this chapter.

"(c) Funds authorized by this section shall be available for expenditure for projects on any of the Federal-aid systems (other than the Interstate System) except in the Virgin Islands, Guam, and American Samoa; and not more than 15 percent of the funds authorized may be approved for expenditure on projects off of the Federal-aid systems whenever the Secretary shall find that such a project is necessary for the public safety, or to provide for the movement of agricultural products from farm to markets.

BELLA S. ABZUG FINANCIAL DISCLOSURE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. ABZUG) is recognized for 15 minutes.

Ms. ABZUG. Mr. Speaker, I am reporting today on my personal finances and income tax payments. Although I file a joint return with my husband and some of these details represent an invasion of his personal privacy as a private citizen, he has agreed to waive his privacy in consideration of my standing as a public official:

A. Sources of all Non-Congressional Income:

1. Lecture Honoraria and Articles (An itemization of each source and amount of honoraria is filed with the Clerk of the House pursuant to House Rule XLIV and is available for public scrutiny)	$21,245.00
Less expenses	7,758.48
Net income from above	13,486.52
Reimbursed expenses in connection with honoraria. (No other non-U.S. Government sources for reimbursement of expenditures)	1,113.88
2. Dividends and interest from Securities Account in joint name of Maurice Abzug and Bella S. Abzug in which Bella S. Abzug has only a minor interest. (The interest expense paid on this securities account amounted to $4,061.24)	$5,012.60
3. Interest on savings account in joint name of Bella S. and Maurice Abzug	112.76
4. Partnership income (Greenwich Associates)	319.53
B. Congressional expenses not compensated for by the federal government and paid for out of my personal funds	22,714.77
C. Assets:	
1. Securities account in the joint name of Maurice and Bella S. Abzug in which Bella S. Abzug has a minor interest. (Maurice Abzug is a stockholder):	
Market value of stock and bonds	78,750.00
Debit	29,608.00
Equity	49,142.00

(Although not required by law or House Rule XLIV, I have filed the identity and value of each stock and bond held in this account with the Clerk of the House for public scrutiny.)

2. Ten Bonds A.T. & T. 8¾ percent	10,000.00
3. Greenwich Savings Bank—joint account in the names of Maurice and Bella Abzug	3,086.48
4. Sergeant at Arms checking account	4,451.17
5. Partner in Greenwich Associates	4,405.32
6. Automobile	1,500.00
7. Personal contribution to Federal Retirement Fund	3,966.66
D. Unsecured loan owed to National Bank of North America	5,833.20

E. I paid Federal, State and New York City income taxes as follows:

1973	
Federal	12,903.80
State	3,354.15
City	855.67
1972	
Federal	11,112.81
State	3,040.75
City	788.63
1971	
Federal	14,879.60
State	3,946.50
City	1,001.88

NOTE.—My 1971 tax return was audited after my name appeared on the "enemies list" and the result of the subsequent audit was a refund of $279.30.

F. I am a partner in Greenwich Associates in which I own a 1/9 interest in a piece of property the value of which is listed above. I am also a director of Women's Action Alliance which is a non-profit organization that provides information and materials of women's concerns to individuals and groups across the country.

THE SOLID WASTE ENERGY RECOVERY ACT OF 1974: "CASH FOR TRASH"

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee (Mr. FULTON) is recognized for 10 minutes.

Mr. FULTON. Mr. Speaker, on April 10, 1974, I introduced legislation which will move us rapidly forward in our efforts to utilize heretofore untapped but readily available sources of energy. At the same time the legislation can help alleviate the rapidly growing problem of solid waste disposal which today is becoming more and more costly as it consumes more and more valuable acres in landfill.

Ours is a "throwaway" society. Sociologists and others may well debate and deplore this fact or its applications, but it is a fact and we must cope with it. Each year we throw away about 200 million tons of waste in the form of trash, garbage, and junk which we call "disposable solid waste."

It is estimated today that it costs about $20 a ton to gather, transport, and dump this trash in a sanitary landfill or dump. Total this all up and it comes to about $4 billion each year. And it is all waste—just junk and trash—which continues, in many ways, to cause problems and will for years to come.

Today there are means of turning this economic liability into an asset. Junk and trash can now be recovered, treated and transformed into a number of byproducts which are economical not only because of the cost-saving features but also because the byproducts become useable and salable materials.

My own community, Metropolitan Nashville-Davidson County, Tenn., is pioneering in energy recovery with an economically feasible system which collects trash, separates it, incinerates it, and uses the heat to operate a centralized heating and cooling plant. This plant has become the focal point of interest and a generator of considerable excitement as cities throughout the Nation learn of and explore the potential in their own communities for changing trash to cash.

"Cash for Trash" is one name given to the Nashville project which is run by Nashville Thermal, a nonprofit corporation. The facility will heat and cool more than thirty city, State and nongovernmental buildings in the downtown area under 30-year, noncancelable contracts. The city, which now has about 1,400 tons of trash a day to dispose of, has agreed to give the new corporation as much of it as it wants, without charge, for the next 30 years. Initially the plant will consume about half the available solid waste to produce almost 400,000 pounds of steam an hour and about 14,000 tons of air conditioning. Eventually, it will use all of the city's available refuse and its heating and cooling capacity will be increased accordingly.

The plant was planned and constructed by I. C. Thomasson & Associates, consulting engineers, at a cost of about $16 million.

While such is not planned at this time, the concept is not improbable that outlying communities and their governments may in the future, tie into the Nashville system. It would be worth it to them to do so, some officials say, in terms alone of cost savings in collection and disposal of trash.

There is no new technology involved in the Nashville facility. In Europe the concept is commonly employed and it was from the European plants that Nashville's Mayor Beverly Briley got the idea for Nashville Thermal. But, in the United States, only four other cities—Chicago, Norfolk, Miami, and Harrisburg—create steam from burning solid waste.

Nashville is unique in that it not only produces steam for heating but also utilizes output for producing coolant. As one writer has put it:

> The Nashville plant simply combines these proven ideas, and the happy result is beginning to look like one of those rare bonanzas that helps everybody.

Specifically the Nashville project will:

Replace the individual heating and cooling systems of its customers, at a savings of some 2 million kilowatt hours of electricity the first year;

Reduce the heating and cooling costs of the customers by at least 25 percent;

Reduce the amount of electricity needed in a typical building by as much as 50 percent;

Save the city government more than $1.25 million a year through the reductions in the cost of garbage collection and sanitary landfill operations;

Virtually eliminate the city's solid waste disposal problem by reducing its volume by 95 percent and leaving a 5-percent residue of metal that can be recycled and ash that can be resold for a variety of uses; and

Require less water than the heating and cooling of plants it replaces.

Thus we have a system that conserves energy in several ways, saves power consumers money and eases the bite on local tax dollars while virtually eliminating the solid waste disposal problem which not only means less costly government but reduces considerably certain public health problems. It is literally a program of "cash for trash."

But is it as environmentally attractive as it is economically feasible? Yes. In Nashville the process of incineration is such that all current air and water standards easily can be met.

We know too well the sound and proven rule that you do not get anything of value for nothing. However, these energy recovery systems seem to me a near exception to this rule. By using a little imagination it is not difficult to calculate the tremendous impact that such programs would have if employed on a nationwide scale. Dollar savings would be significant. Energy savings and additional energy production would be significant. The reduction of land waste through landfill would be significant and the reduction of public health problems attendant to the solid waste disposal problem would be significant.

Therefore I have introduced a modest bill designed to encourage the study and adoption of energy recovery systems by local as well as State governments throughout the Nation. I say it is modest because in terms of cost it is a relatively inexpensive bargain.

Basically the bill sets up a program of grants, of which the Federal Government will pay 90 percent for governmental units wishing to undertake feasibility studies and planning for energy recovery systems. It includes a program of Federal loans of up to 75 percent or, as an alternative, a loan interest subsidy program for construction of an acceptable facility.

It is estimated that perhaps 25 of these facilities might be constructed over the next 5 years. For that reason I have asked for an authorization of $60 million a year over this period for the loan program. It is estimated that each feasibility and planning study would run about $200,000. Therefore, over a 5-year period this cost would, at 90 percent Federal participation, total $900,000 a year.

Over the entire 5-year authorization, the funding would total only $4,500,000 for the grant program and $300 million for the loan program which would be repaid to the Federal Treasury. To my mind this is modest and it is about as close as we may ever come to accomplishing something very significant for almost nothing.

Also included in this legislation is a small grant program to permit cities such as St. Louis, Nashville, and others to purchase and install very vitally needed monitoring and data equipment. It should be pointed out that Nashville undertook its entire program at its own expense. However, its funding was limited and another $650,000 to $1 million is needed for monitoring and data collection equipment. This is very necessary and in the long run may make a measurable impact on cost reduction for this new Federal program.

There is provision in the bill for loans to defray the cost of this equipment. However it may be 24 to 36 months before any new facilities are operating. In the meantime much valuable data which could be obtained through the Nashville system, valuable in terms of what that system is doing and what it can contribute in the planning of similar systems, is simply being lost. Just Monday of this week my staff was talking with the National Bureau of Standards about this problem. The Bureau is engaged in a study project on energy recovery for the Department of Housing and Urban Development and told us that their job is being made very difficult because valuable data which Nashville and St. Louis could provide is not available because it is not being collected.

Finally, it should be noted that latitude for planning and application of method to an energy recovery system is very broad in this bill. It is not my desire nor would it be wise to try to limit other cities to what is being done in Nashville. Heating and coolant may not be needed elsewhere as it is being utilized in Nashville. Perhaps a city might wish to produce electricity for its own use or to run into its supply system. It is hoped that this broad approach will encourage cities to utilize existing technology or even produce new and feasible concepts, the initiative for which might be stifled without grant and loan programs. Also, Mr. Speaker, I include in the RECORD at this point a copy of my bill:

H.R. 14161

A bill to amend the Solid Waste Disposal Act to provide grants, loans, and loan insurance for the purpose of planning and constructing projects designed to recover energy from solid waste

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Solid Waste Energy Recovery Act of 1974".

Sec. 2. The Solid Waste Disposal Act is amended by redesignating sections 209 through 216, and all references thereto, as sections 210 through 217, respectively, and by inserting immediately after section 208 the following new section:

"GRANTS, LOANS, AND LOAN INSURANCE FOR PLANNING, CONSTRUCTING, AND PROCURING EQUIPMENT FOR ENERGY RECOVERY PROJECTS

"Sec. 209. (a) (1) The Administrator of the Environmental Protection Agency (hereafter referred to in this section as the 'Administrator') is authorized to—

"(A) make grants for the purpose of paying estimated costs which recover energy from solid wastes, for the purpose of reimbursing for costs of planning such systems which resulted in completion of construction of the same after January 1, 1971, and for the purpose of paying estimated costs of providing basic research, and monitoring equipment and systems necessary for analyzing and evaluating the efficiency and effectiveness of integrated energy recovery systems constructed after January 1, 1971.

"(B) make loans for the purpose of paying estimated costs of constructing the portion of resource recovery facilities which recovers energy from solid waste, including estimated costs of procuring any monitoring equipment, and constructing any structure needed to house such equipment, which the Administrator determines to be necessary for such aspect of any such facility;

"(C) insure loans obtained from a source other than the Federal Government for the purpose stated in subparagraph (B), and pay part of the interest charged on any such loan;

"(D) make loans for the purpose of paying estimated costs of procuring any monitoring equipment, and constructing any structures needed to house such equipment, for the aspect of any completed resource recovery facility which recovers energy from solid waste; and

"(E) insure loans obtained from a source other than the Federal Government for the purpose stated in subparagraph (D), and pay part of the interest charged on any such loan.

"(2) Such grants and loans may be made to, and such loan insurance made for the benefit of, any State, any political subdivision of any State, and any organization created by any State or any such subdivision to carry out a public function.

"(3) Eligibility for receiving any form of financial assistance available under paragraph (1) of this subsection shall not be conditioned on the recipient's having received or not having received any other form of assistance available under such paragraph.

"(b) (1) A grant may be made under subsection (a) (1) (A) only if—

"(A) the Administrator determines that the resource recovery system—

"(i) will recover energy from solid waste; and

"(ii) will be consistent with the guidelines recommended under section 210 with respect to solid waste recovery systems; and

"(B) the recipient is awarded the grant on the condition that such recipient will reimburse the Federal Government for the full amount of such grant, during a period of time and at an interest rate determined by the Administrator, if such recipient does not present to the Administrator, within 180 days after the recipient receives the grant, a study of the overall benefits to be derived from such system as compared to the benefits derived from the solid waste disposal system used by such recipient at the time such recipient receives the grant.

"(2) The amount of such grant shall be for 90 percent of the estimated or actual costs of the planning or evaluation of the system, including the costs of the following—

"(A) any study to be made regarding the economic and engineering feasibility and the environmental and public health and safety aspects of such system;

"(B) the study required to be made under paragraph (1) (B) of this subsection;

"(C) any engineering, architectural, legal, fiscal, and economic study to be made with respect to the planning of such project; and

"(D) any survey, design, plan, working drawing, and set of specifications to be made with respect to such planning;

"(E) any monitoring or scientific data gathering program, equipment or study needed to analyze the efficiency and effectiveness of systems constructed after January 1, 1971, for the purpose of making such information available for the planning of new systems.

"(c) A loan may be made or insured, and part of the interest may be paid on such insured loan, under subsection (a) (1) (B) and (a) (1) (C), only if the Administrator determines that—

"(1) the portion of the resource recovery facility which is to recover energy from solid waste will do so; and

"(2) the resource recovery system of which such facility is to be part will be consistent with the guidelines recommended under section 210 with respect to solid waste recovery systems.

"(d) A loan may be made or insured, and the interest may be paid on such insured loan, under subsection (a) (1) (D) and (a) (1) (E) only if the Administrator determines that—

"(1) the completed resource recovery facility does recover energy from solid waste; and

"(2) the resource recovery system of which such facility is a part is consistent with guidelines recommended under section 210 with respect to solid waste recovery systems.

"(e) (1) The amount of any loan made under subsection (a) (1) (B) or (a) (1) (D) shall be 75 percent of the estimated costs described in each such subsection.

"(2) The interest rate charged on any such loan shall be a rate 1½ percent less than the average prime interest rate, as determined by the Secretary of the Treasury, charged during the period of 5 years immediately preceding the date on which the Administrator awards any such loan with respect to loans similar in amount and purpose to the loans made under each such subsection.

"(f) (1) The Administrator, after making an award with respect to subsection (a) (1) (C) or (a) (1) (E), shall insure the total amount of a loan to be obtained from a source other than the Federal Government by the recipient of such award for the purpose stated in each such subsection.

"(2) The Administrator shall pay 75 percent of the interest charged with respect to any such loan.

"(g) The Administrator, no later than 180 days after the date of the enactment of the Solid Waste Energy Recovery Act of 1974, shall promulgate regulations establishing a procedure for awarding the forms of financial aid authorized under this section, including a regulation requiring, as a part of the application for any form of assistance available under subsection (a) (1) (B), (a) (1) (C), (a) (1) (D), or (a) (1) (E), a study of the overall benefits to be derived from the solid waste disposal system which will result from obtaining such aid as compared to the overall benefits derived from the system being used by the applicant on the date of the filing of his application for such assistance.

"(h) Any form of assistance authorized under this section may be made subject to conditions and requirements, in addition to those provided in this section, as the Administrator may determine is necessary to assure efficient use of such assistance.".

Sec. 3. Section 212 of the Solid Waste Disposal Act, as redesignated by section 2 of this Act, is amended by adding at the end thereof the following new subsection:

"(c) The Administrator shall encourage the use by any Federal agency of any system or facility determined by the Administrator, under section 209, to recover energy from waste products, if the Administrator determines it is economically and technologically feasible for such agency to utilize such system or facility.".

Sec. 4. Section 205(b) of the Solid Waste Disposal Act is amended by striking out "The Secretary is also authorized" and inserting in lieu thereof "The Administrator of the Environmental Protection Agency shall".

Sec. 5. Section 217 of the Solid Waste Disposal Act, as redesignated by section 2 of this Act, is amended—

(1) in paragraph (2) of subsection (a) by striking out "other than section 208" and inserting in lieu thereof the following: "other than sections 205(b), 208, and 209"; and

(2) by adding at the end of subsection (a) the following new paragraphs:

"(4) (A) There are authorized to be appropriated to the Administrator of the Environmental Protection Agency to carry out the provisions of section 209(a) (1) (A) of this Act not to exceed $——— for the fiscal year ending June 30, 1974, not to exceed $900,000 for the fiscal year ending June 30, 1975, not to exceed $900,000 for the fiscal year ending June 30, 1976, not to exceed $900,000 for the fiscal year ending June 30, 1977, and not to exceed $900,000 for the fiscal year ending June 30, 1978.

"(B) There are authorized to be appropriated to the Administrator of the Environmental Protection Agency to carry out the provisions of section 209(a) (1) (B), (a) (1) (C), (a) (1) (D), and (a) (1) (E) of this Act not to exceed $12,000,000 for the fiscal year ending June 30, 1974, not to exceed $12,000,000 for the fiscal year ending June 30, 1975, not to exceed $12,000,000 for the fiscal year ending June 30, 1976, not to exceed $12,000,000 for the fiscal year ending June 30, 1977, and not to exceed $12,000,000 for the fiscal year ending June 30, 1978.

POUND WISE AND PENNY FOOLISH: OUTLAW THROWAWAY CONTAINERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. Podell) is recognized for 10 minutes.

Mr. PODELL. Mr. Speaker, recently at the United Nations, Secretary of State Kissinger made a stirring speech on the responsibility of the United States and other affluent nations to insure an acceptable quality of life for all peoples of the world. He said it is in everyone's self-interest to do so.

Indeed, the energy crisis has made it sufficiently clear to all Americans that the world is increasingly interdependent, that poor nations will not passively continue to supply us with raw materials while their own populations starve, and that the waste and overconsumption to which Americans have become accustomed must finally end.

However, brave words are not enough. Concrete action for changing our lifestyle must be forthcoming. Our traditional extravagance must give way to a careful concern for conservation, for getting the most out of our available resources while preserving the land and environment for the future.

I am today introducing legislation to eliminate one significant source of waste by outlawing nonreturnable, no-deposit bottles in interstate commerce. The benefits gained by eliminating the tens of billions of nonreturnable beverage containers produced each year are obvious.

Tons of litter can be eliminated from our streets and parks. Vast amounts of energy can be saved. The solid waste disposal problems of the States and cities can be alleviated. The price of beer, soft drinks, and other liquids, including hard liquor, can be reduced. Hopefully, one of the most important of the benefits would be the involvement of millions of citizens in protecting the environment and cleaning up the countryside.

There are always those who see drawbacks in proposals for reasonable solutions to critical problems. And in the matter of strictly controlling throwaway containers, there are a long line of critics and doomsayers issuing dire predictions. In almost every case, however, these critics are identified with special interests, rather than with the public interest. There is always at least some resistance to change, even change for the better, and that is the position of the lobby for throwaways and continued waste of our resources.

However, the inconvenience and minor dislocation accompanying this step forward will be more than compensated for by shifting the limited resources available to more productive uses. We must sacrifice small conveniences and we must accept marginal dislocations if we are to eliminate the terrible waste that has become a habit in this Nation, and indeed in most industrialized nations.

This is not a pie-in-the-sky idea. It is not new. It has been tried, and it has been found to work exceedingly well.

Oregon instituted a program along these lines over a year ago, and in spite of industry's predictions of doom, the program has succeeded. A recent study established that the number of beverage containers ending up as waste or litter was reduced by a phenomenal 88 percent. Sales of soft drinks and beer were not affected and 365 new jobs were created.

Vermont has already adopted a similar program, and several other States are expected to follow their lead. It is time for Congress to accept innovation as well.

WHY BUSING MUST NOT BE PROHIBITED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. RANGEL) is recognized for 10 minutes.

Mr. RANGEL. Mr. Speaker, it is now almost 20 years since the historic Brown against Board of Education decision of 1954 was rendered by the Supreme Court of the United States.

In this ruling the Court declared segregated schools to be illegal and that they should desegregate with all deliberate speed. In retrospect one wonders if it was oversight or insight that made the Court use the conspicuous phrase "all deliberate speed."

It is probably due to the unfettered meaning of this phrase which has made the dilatory process of integration inevitable.

It has also left the civil rights legislation and subsequent court rulings on State and local levels open to a regressive legislative assault in Congress.

Presently in the Senate there are four bills which present a serious threat to the desegregation forces.

Mr. Clarence Mitchell, the distinguished civil rights leader and head of the Washington Bureau of the NAACP, appeared before the Senate Subcommittee on Constitutional Rights February 21, 1974.

In his statement before the committee he directed a comprehensive and probing attack on the regressive repercussions these bills would have if passed by Congress.

Mr. Mitchell's testimony is as follows:

STATEMENT OF CLARENCE MITCHELL

Mr. Chairman and members of the subcommittee, I am Clarence Mitchell, director of the Washington Bureau of the National Association for the Advancement of Colored People. I appear to register our organization's opposition to S. 179, S. 287, S. 619 and S. 1737. Although they use different approaches, all of these bills have two things in common. Each of them would undermine or nullify United States Supreme Court decisions ranging in time from Brown v. Board of Education, 347 U.S. 483 (1954), 349 U.S. 294 (1955) to Swann v. Charlotte-Mecklenburg Board of Education, 402 U.S. 1 (1971). Each of them seeks to reimpose upon the school children of the United States the unconstitutional handicap of separate and unequal education based on race.

Twenty years ago the United States Supreme Court struck down racial segregation in the public schools. From that day to the present those who want to maintain a dual system of education based on race have sought to destroy that decision with stratagems, economic pressure and even violence. New recruits from above the Mason-Dixon line have joined in the fray as votes on so-called antibusing amendments will show.

From the beginning of the pro-segregationist effort to nullify the Brown decision the contest has been unequal. Those who supported the decision had limited funds, slender resources and few forums in which to state their views. Those who opposed the decision controlled the political and economic power in the areas of resistance. They could and did fire hundreds from jobs as reprisals, they could and did use their state, county and local treasuries to raise delaying questions in courts. They could and did use their legislatures, county commissions and city councils to pass laws that were open and defiant efforts to keep the schools segregated. They could and did use the United States House of Representatives and the United States Senate as forums in which to proclaim manifestos, doctrines of nullification, proposals for interposition and proposed revisions of the United States Constitution itself. Moreover, they were aided by the agencies of the executive branch of the government of the United States.

This quotation from Swann describes an all too familiar pattern of the federal power being used to support segregation in the public schools:

"Residential patterns in the city (Charlotte, N.C.) and county (Mecklenburg) resulted in part from federal, state and local government action other than school board decisions. School board action based on these patterns, for example by locating schools in Negro residential areas and fixing the size of schools to accommodate the needs of immediate neighborhoods, resulted in segregated education."

As we have said, the bills now under consideration by this subcommittee seek to undermine Supreme Court decisions. They would also cancel out the legislative backing given to desegregation of the public schools under Titles IV and VI of the 1964 Civil Rights Act and safeguards protecting educators against discrimination provided by 1972 amendments to the equal employment opportunity act.

In Brown II (1955) the Supreme Court described remedies that could be used to implement Brown I (1954). The following is the exact language of the court:

"In the fashioning and effectuating of decrees, the courts will be guided by equitable principles. . . . The courts may consider problems related to administration, arising from the physical condition of the school plant, the school transportation system, personnel, revision of school districts and attendance areas into compact units to achieve a system of determining admission to the public schools on a non-racial basis and revision of local laws and regulations which may be necessary in solving the foregoing problems. They will also consider the adequacy of any plans the defendants may propose to meet these problems and to effectuate transition to a racially non-discriminatory school system."

Title VI of the 1964 civil rights act prohibits "exclusion from participation in, denial of benefits of and discrimination under federally assisted programs on grounds of race, color or national origin." Under this title Federal agencies have the power to withhold funds from school systems that discriminate on the basis of race.

S. 1737 makes a systematic attempt to knock out the cited portion of Brown II and also to destroy the safeguards against spending Federal funds to support segregation as provided by title VI.

S. 1737 would enact a new title XII to the Civil Rights Act of 1964. It would be called public school-freedom of choice.

Section 1202 would forbid any "department, agency, officer, or employee of the United States" to withhold funds from school boards, public schools or class operating under a so-called freedom of choice system.

Section 1203 would prevent withholding of funds from public schools as an inducement to transport students "for the purpose of altering in any way the racial composition of the student body" of a public school operating under the "freedom of choice" plan or "any other public school."

Section 1204 would prevent the withholding of funds "to coerce or induce" any school board operating such a (freedom of choice) public school system to close any public school, and transfer the students from it to another public school for the purpose of altering in any way the racial composition of the student body at any public school.

Section 1205 would prevent funds from being withheld as an inducement to effect desegregation of faculties in public schools.

Section 1206 would open the door for a flood of suits against the United States to force the release of funds that are withheld for the purpose of seeing that Federal monies are spent on a non-discriminatory basis.

Using the disguise of freedom of choice, S. 1737 prohibits the withholding or threat to withhold funds in order to promote desegregation by:

(1) Transportation of students

(2) Closing of schools and transfer of students

(3) Transfer of faculty.

Each and every one of these forms of effecting desegregation has been approved by the Supreme Court, where the circumstances warrant their use. The bill would place government agencies and personnel in a threefold dilemma. First, it seeks to force them to ignore the law of the land, as interpreted by the Supreme Court. Second, in some instances, it would require them to ignore court orders directed to them (such as that in *Adams v. Richardson*) and place them in danger of contempt of court. Third, it seeks to force them to violate the oath of office the government officials take under Article VI of the Constitution to support the Constitution. For if they do what this bill would direct them to do, they would be in violation of that oath.

As a final coup de grace Section 1207 would bar courts of the United States from having jurisdiction "to make any decisions, enter any judgment or issue any order requiring any school board to make any change in the racial composition of the student body at any public school or in any class at any public school to which students are assigned in conformity with a freedom of choice system. . . ." It would also prevent transportation of students, give parents the right to refuse to send their children to a given school, prevent transfer of children from closed schools and the transfer of faculty members if such actions would conflict with freedom of choice plans.

The long record of court cases involving freedom of choice plans shows that the mere use of the words does not insure that a school system which was formerly segregated on the basis of race will become a unitary system. At present the burden of proof is on those who discriminate. S. 1737 would effectively shift the burden to the victims of discrimination. S. 1737 would also effectively deprive the courts of power to give remedies in cases where the definition of freedom of choice under section 1201(g) of S. 1737 has been met. Under the definition of freedom of choice in S. 1737 results that give only token or lip service to desegregation would be permitted and the courts would be powerless to change them.

As S. 1737 seeks to utilize the "freedom of choice" concept to maintain the dual school system, S. 619 seeks to do the same by relying on the "Neighborhood school" concept.

The bill would require that before a court or federal department or agency orders student transportation as a remedy for school desegregation, it must consider five other possible remedies—the neighborhood school, taking into account school capacities and natural physical barriers; the neighborhood school, taking into account only school capacities; transfer of students from schools in which members of their race are a majority to those in which they are a minority; rezoning school attendance zones; any other educationally sound and administratively feasible plans.

All of these remedies have, of course, been considered by the courts before student transportation was ordered in some cases as a last resort. The establishment of these criteria is, then, a meaningless gesture. The only purpose we see it serves is to harass those courts that have worked diligently to bring about effective desegregation and to provide an excuse for further delay for those that have tried to evade their responsibilities.

Under S. 619, where student transportation is allowed, it would be permitted only to the closest or next closest school. This obviously would shut off students of inner city schools from relief from segregation in many places.

We suggest that this, too, is but another attack on our judicial system. It seeks unconstitutionally to limit the right of the courts to grant litigants full relief, or to fully implement the equal protection clause of the 14th amendment. The courts have interpreted that provision of the Constitution, in some instances, to require the transportation of students to end the dual school system. This bill seeks to thwart these decisions by denying the relief that the courts have found the 14th amendment requires.

This bill also contains what we consider to be one of the most destructive legislative proposals advanced in the fight against desegregation. We refer to section 206, which would permit the reopening of any school desegregation law suit or plan approved under title VI of the Civil Rights Act of 1964. This would allow the reexamination of every court and agency decision on desegregation going back to the 1954 *Brown* decision, literally thousands of decisions and plans.

By holding out a false hope of upsetting such desegregation as has been accomplished, this provision would create legal and community chaos and revive all the controversies, many of them bitter, that we had hoped were behind us. We do not think that in legal results it would accomplish anything except a mass of pointless litigation. In community terms it would only encourage a revival of activities by segregationist diehards.

Without going into all the details of the bill, we find many other provisions objectionable to those who believe in equality of opportunity.

Among the proposed legislative findings, we would point out three that are particularly disturbing. The first of these is that the dual school system has been effectively dismantled. This flies in the face of reality. Not only is it necessary to monitor many school districts under court or agency order to determine whether they are fulfilling their obligations under the orders, but discovery of segregation in previously undetected areas frequently occurs. This is especially so in the North, where many of the subtle practices in race relations made what in fact is *de jure* segregation appear *de facto*.

Another of the findings we feel is erroneous is that declaring it against public policy to require racial balance. Although the Supreme Court in the *Swann* case found this not to be constitutionally required, it held that there was discretion in local school boards to establish a racial balance. We believe that discretion should be protected. The last of these findings that we will note at present is that which would make it against public policy to require racial adjustments once desegregation has been accomplished, despite later population changes. This finding is also implemented later in the act by the provision (section 207) on termination of orders. This fails to take into consideration the role that government plays in the racial composition of school districts through housing, education, transportation, community services and other governmental policies and practices and how these policies result in population changes.

S. 179 represents a frontal attack on the judiciary. It seeks to take from courts "jurisdiction" to make any decision, enter any judgment, or issue any order requiring transportation to effect school desegregation.

While using jurisdictional language, this bill does not in fact prevent courts from hearing school desegregation cases. It prevents them from granting successful litigants a full remedy. Under it a court could find that the 14th amendment requires pupil transportation, but could not order public officials to provide that transportation. We feel that this is a statutory attempt to amend the Constitution and that it is constitutionally defective because Congress lacks the power to so amend the Constitution. On the practical level, if permitted, it would set up Congress as a super court, with authority to overrule any decision of a court by revoking the court's "jurisdiction" to render the objectionable decision.

Apparently in anticipation that the courts will not accept the legal principle the bill's author espouses, the bill further provides that when courts do order pupil transportation, the orders may not become effective until all appeals are exhausted or the time for appeals has expired.

Thus, after twenty years of delay in the implementation of the *Brown* decision, we have a proposal to continue indefinitely the time in which that decision may become fully effective. Anyone familiar with our legal system knows that delay can become a way of life for those bent on delay, notwithstanding the "expedited" judicial determination provisions of the bill.

S. 287 goes much beyond S. 179. It would deny jurisdiction to Federal courts in any case involving a public school, except for appeal or petition for writ of certiorari to the Supreme Court.

While this would apply to school desegregation cases, it would also bar access to Federal courts in many other areas of constitutional law. Some that come to mind are 1st amendment rights relating to prayer in public schools, academic freedom, student protest; constitutionally protected property rights such as teacher tenure and pension rights; due process in teaching discharge cases, etc. It would lower the public school to the position of the only public institution whose activities are beyond constitutional review by the Federal courts. We see nothing in law or reason that would justify such a sweeping exemption and cannot believe the Congress will take this proposal seriously.

At a time when our country is torn by strife about whether Government officials have engaged in unlawful acts, it is tragic to see that an effort is being made to give statutory protection to acts and practices that have unlawfully delayed desegregation in the public schools. We urge that S. 179, S. 287, S. 619 and S. 1737 be rejected.

TIMELY DELIVERY OF THE CONGRESSIONAL RECORD

(Mr. HAYS asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. HAYS. Mr. Speaker, today I introduced H.R. 14282. This legislation is introduced for the purpose of assuring Members of Congress that the Congressional Record, containing the official published proceedings of the House of Representatives and the Senate, will be delivered in a timely manner to those American citizens designated in accordance with law.

During my first year as chairman of the Joint Committee on Printing in 1972, I became aware of the fact that the U.S. Postal Service considers itself an entity above the printing, binding, and distribution law of the Federal Government. The Joint Committee on Printing files contain a letter to U.S. Postal Service from one of my predecessors as chairman, the late Senator B. Everett Jordan, setting forth in no uncertain terms the fact that they were covered by title 44 and by the committee's printing and binding regulations.

By letter dated February 14, 1972, I directed the Postmaster General as follows, and I quote:

> With all points reviewed, I am herewith directing that the Postal Service function within the context of Title 44, U.S. Code and the current rules and regulations of the Joint Committee on Printing.

On September 7, 1972, the Acting Public Printer was notified by the U.S. Postal Service that the Congressional Record was not eligible for mailing as second class matter since less than one-half of the subscription went to paying subscribers. This meant that the CONGRESSIONAL RECORD either would have to go as first-class matter at an approximate cost of $265 per year per subscription, or under "controlled circulation" which would mean delivery up to 10 days after publication. If the CONGRESSIONAL RECORD were allowed to travel by mail at the second-class newspaper rate, the yearly costs per subscription would be approximately $22.63.

This negotiation between the Public Printer, the U.S. Postal Service, and Senator HOWARD CANNON, chairman of the Joint Committee on Printing during 1973, continued until 1974. Finally under dateline of February 13, 1974, I wrote to the Honorable E. T. Klassen, Postmaster General of the United States, setting out the problems emanating either from first-class mailing or "controlled circulation" mailing of the RECORD and asking for a different determination. One paragraph of that letter says:

> When one considers the unique character of the RECORD as the only publicly available report of Congressional proceedings and recognizes that specific, detailed free distribution authorization, much of which is via Members of the House of Representatives and the Senate, is pursuant to statute, it is clear that therein lies the reason for the cited ruling and equally clear that it is not objectively realistic or valid.

On April 4, 1974, a reply from Mr. Norman S. Halliday, Assistant Postmaster General, Government Relations Department, again denied our position that the CONGRESSIONAL RECORD, as an unique publication or document, was entitled to different handling than had heretofore been granted.

This legislation is introduced to alleviate that intolerable situation. For fiscal 1975, first-class mailing of the CONGRESSIONAL RECORD would cost $9,000,000, second class $771,000, 10-day late "controlled circulation" $1,215,000.

FINANCIAL DISCLOSURE

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, I am submitting my complete net worth statement for publication in the CONGRESSIONAL RECORD. I also have submitted this statement as part of my financial disclosure report filed with the House Committee on Standards of Official Conduct and have asked that the statement be made available in its entirety for inspection by the public. Since coming to Congress in 1969, I have filed a net worth statement with the House every year and made it public. I have done so because I believe constituents have a right to know about their Congressman's income, stockholdings, and liabilities.

I am also making public my 1973 income tax return. I have included the return in my financial disclosure statement submitted to the Committee on Standards of Official Conduct and have requested that it be made available to anyone wishing to see it. Furthermore, today I am sending a copy of the complete return to the New York Times, in accordance with its request, along with a copy of my net worth statement.

The statement setting forth my net worth as of December 31, 1973, follows:

HON. EDWARD I. KOCH, STATEMENT OF NET WORTH, DECEMBER 31, 1973

OLSHAN & OLSHAN,
Washington, D.C., April 2, 1974.

Hon. EDWARD I. KOCH,
House of Representatives,
Washington, D.C.

DEAR MR. KOCH: In accordance with your request we submit herewith your statement of net worth as of December 31, 1973.

Cash in checking and savings accounts were obtained from the reconciled year end bank statement and savings pass books and confirmed directly with the banks.

Amounts due from brokerage accounts were obtained from year end brokerage statements and confirmed independently.

Amounts due from the House of Representatives represents the December 1973 gross salary paid January 1, 1974.

Marketable securities owned were obtained from year end brokerage reports, independently confirmed with brokers and computed as of the close of business on December 31, 1973.

Cash surrender value of your $5000 paid up life insurance policy with the Veterans Administration and your $15,000 straight life insurance policies with the Mutual Benefit Life Insurance Company were confirmed directly with the insurers.

The pension with the New York City Employees Retirement System show the amount to your credit as of December 31, 1973.

Amounts due from the federal, state and city income tax authorities are based on your 1973 income tax returns.

No recognition was given to the value of your personal effects or household furniture because it was not practical to obtain appraisals.

In our opinion this statement presents fairly your net worth as of December 31, 1973.

Yours truly,

ROBERT M. OLSHAN,
Certified Public Accountant.

Assets

Cash in checking and savings accounts	$19,368.47
Due from brokerage account—Muller & Co	88.19
Salary due from House of Representatives	3,541.67
Marketable securities (see attached schedule)	8,281.25
Cash surrender value of life insurance policies	11,758.17
New York City employee retirement systems—Pension account	1,886.77
Federal, State, and city 1973 income tax refunds receivable	7,308.00
Total assets	52,232.52

Liabilities and net worth

Liabilities—Trade accounts payable	1,679.01
Honorable Edward I Koch, net worth	50,553.51
Total liabilities and net worth	52,232.52

HON. EDWARD I. KOCH SCHEDULE OF MARKETABLE SECURITIES, DEC. 31, 1973

Number of shares	Company	Fair market value per share	Fair market value
700 warrants	United Brands Co. (exp. Feb. 1, 1979).	1 to 1⅛	$743.75
200 shares	United Brands Co	7¾ to 8	1,575.00
2 shares	Faratron Corp	None	0
100 shares	Solitron Devices, Inc.	3⅜	337.50
100 shares	Ultrasonic Systems, Inc.	None	0
500 shares	American Motor Inns, Inc.	8 to 8¾	4,250.00
650 shares	Tratec, Inc	1½ to 2½	$1,300.00
$75.00	Israel bond[1]		75.00
Total			8,281.25

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[1] Israel bond part of Joyce Koch's estate (mother deceased 1960) recently found and donated to UJA in February 1974.

TAX EQUITY FOR TENANTS

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, if you own a house, Federal tax laws give you a break. You can deduct your interest on mortgages and property taxes every year from your total tax liability.

Persons who rent their apartments or homes—city dwellers primarily, but suburban and rural tenants too—are unfairly discriminated against. They cannot deduct from their tax liability that part of their rent representing mortgage interest and real estate taxes.

The California Legislature enacted an income tax credit for renters effective in 1973. The principle and result of the legislation are similar to the provisions of my bill which I first introduced in the 91st Congress and which now bears the number H.R. 702. My bill would allow a deduction to tenants of houses or apartments for their proportionate share of the taxes and interest included in the rent paid by them to their landlords.

California must be congratulated for leading the way. I only wish New York, the Empire State, were doing the same. And most of all, I hope that Congress finally considers and adopts legislation which would provide equity—putting renters on the same tax footing as homeowners.

I am enclosing for the RECORD the California State form 540, which explains the State's special tax credit:

Page 2 Instructions—Form 540

TAX CREDIT FOR RENTERS

For 1973 and subsequent years, California will allow a refundable credit to qualified renters, ranging from $25 to $45, depending on the individual's adjusted gross income. The credit is refundable; i.e., if the renter has no income tax liability, he will receive a refund in the amount of the credit.

FILING A RETURN FOR THE RENTER'S CREDIT ONLY

If you are not required to file a return because you do not meet the filing requirements prescribed on page 3 of these instructions, and you are filing a return only for the purpose of receiving the renter's credit, please follow the steps below:

1. Enter your name, address and social security number(s) in the spaces provided at the top of the form. If your 540 Booklet has a preaddressed label, peel off the label and place it in the address area of your return.
2. Complete applicable Filing Status, lines 1 through 5 on Form 540.
3. Enter your total income for the taxable year on line 16 of Form 540. If married and filing a joint return with your spouse, enter your combined total income.
4. Enter your allowable Renter's Credit on

line 28 and complete Part I on page 2 of Form 540. See instructions below for qualifications and allowable credit.

5. **Sign your return.** Both spouses must sign if filing a joint return.

6. Mail your return to Franchise Tax Board, P.O. Box 14-540, Sacramento, California 95813.

TO QUALIFY FOR THE RENTER'S CREDIT

1. You must have been a resident of California on March 1, 1973; and

2. You must have, on March 1, 1973 rented and occupied a house or dwelling in California which was your principal place of residence. Owning and occupying a mobilehome situated on rented land satisfies this requirement.

YOU DO NOT QUALIFY FOR THE RENTER'S CREDIT IF

1. The rented property was exempt from property taxes, unless you were required to pay property taxes on your possessory interest in such residence; or

2. You lived with another person who claimed you as a dependent for income tax purposes; or

3. You or your spouse were granted the homeowner's property tax exemption, unless the spouse granted the homeowners' property tax exemption maintained a residence separate from yours for the entire taxable year; or

4. You or your spouse received for the entire year welfare payments which included housing or shelter needs. However, one-twelfth of the allowable credit will be allowed for each full month of the taxable year you did not receive these payments.

OTHER RESIDENCE RULES

An unmarried person who was not a California resident for the entire taxable year shall receive one-twelfth of the allowable credit for each full month of residence in California.

A husband and wife shall receive but one credit, and if they file separate returns, the credit may be taken by either spouse or divided equally between them, except in the following situations:

1. If one spouse was a resident for the entire taxable year and the other spouse was a nonresident for all or part of the year, the resident spouse will be allowed the full credit.

2. If both spouses were nonresidents for part of the taxable year, the credit shall be divided equally between them and each spouse will be allowed one-twelfth of his or her half of the credit for each full month of residence in California.

3. If each spouse maintained a separate place of residence and resided in California the entire taxable year, each spouse will be allowed the full credit.

ALLOWABLE CREDIT

If your adjusted gross income (line 16, Form 540) is:	The allowable credit is:
$0-$5,000	$25
$5,000-$5,999	30
$6,000-$6,999	35
$7,000-$7,999	40
$8,000 and over	45

NOTE.—All questions in Part 1 on page 2 of Form 540 must be answered for credit to be allowed.

SUPPORT GROWS FOR AMNESTY

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, with all due respect to the expertise of the pollster, Dr. George Gallup, his analysis of his own most recent poll on amnesty for draft resisters during the Vietnam war is highly misleading. Dr. Gallup's April 21, 1974, release to the press said that the "public opposes amnesty." Gallup emphasized the large number of people who "continue to oppose unconditional amnesty."

Yet what of the significant majority—61 percent—who in fact favored amnesty, including both conditional and unconditional? Not to combine these groups, and then to claim that the "public opposes amnesty," is to distort the facts of the growing broad base of support for amnesty.

Consider these facts from Gallup's own poll:

Of those polled 34 percent—5 percent more than 1 year ago—favor granting unconditional amnesty, allowing American draft resisters to return without punishment.

Another 27 percent favor conditional amnesty. This group divided as follows: 9 percent would require alternative, nonmilitary service for those who return; 16 percent favor requiring either military or nonmilitary service; and 2 percent favor imposing a fine.

A total of 61 percent of those polled favored either conditional or unconditional amnesty. Another 20 percent said that persons could return if they agreed to perform military service. Thirteen percent had no opinion.

Mr. Speaker, these statistics serve to show that the American people want their Government to show compassion after the divisiveness of the Vietnam war. The legislation which I have introduced, H.R. 675, calling for amnesty conditional upon 2 years of civilian service, is needed more than ever.

Mr. Speaker, there is good news from Dallas, Tex. At their March 1974 International Triennial Convention, the B'nai B'rith Women endorsed conditional amnesty.

JOINT RESOLUTION TO STIMULATE A NATIONAL ECONOMIC POLICY

(Mr. HANLEY asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HANLEY. Mr. Speaker, this afternoon I have introduced a joint resolution designed to stimulate a national economic policy to deal with the pressing problems affecting this Nation.

I, for one, am quite disturbed and concerned about the status of the economy. There are many problem areas, and some of these have never been present in the economy at the same time in our history.

My resolution calls upon the President to submit to the Congress a comprehensive report containing recommendations for the resolution of the economic problems identified in my proposal.

Obviously, the President already has full authority to request new legislative authority to deal with economic problems. What concerns me most is that I do not see any interest on the part of the administration to deal with these problems in accordance with a comprehensive plan to achieve concrete, well-understood goals.

The goal of U.S. economic policy ought to be prosperity and stable prices, with jobs for all who want to work.

Unfortunately, the United States is not achieving this goal. We have high unemployment, the worst inflation in many years, a seriously depressed housing industry, the highest interest rates since the Civil War, and very recently, serious economic indicators of a recession.

All of these, taken together, simply cannot be ignored or dismissed with a cliche or two. They are warning signs, and they cry out for affirmative action. They cannot and should not be dealt with singly, or in a piecemeal fashion.

The President, with the vast resources of the executive branch, and a prestigious Council of Economic Advisers, is in the best position by far to identify more carefully these economic ills and to formulate the comprehensive plan that is absolutely essential to a resolution of these ills. The American people simply cannot live with inflation and recession at the same time. Neither one, by itself, is desirable, but together they are doubly dangerous to the well-being of the Nation.

I hope that the President will take the resolution seriously, and in the cooperative spirit in which it is offered. I hope that the House Banking and Currency Committee returns to the issue of the economy very soon.

The signs of trouble are clear. If we fail to heed them, then we are responsible for the consequences.

Mr. Speaker, the text of the resolution is as follows:

RESOLUTION

Concurrent resolution calling for the President to transmit a report to Congress within sixty days which contains recommendations for the solution of the economic problems identified in this resolution

Whereas the United States is currently experiencing a rate of inflation which amounted to 10.0 percent over the past 12 months (February 1973–February 1974), which has steadily accelerated during the past quarter, and which currently shows no sign of significant moderation; and such a rate of inflation continues to weaken our competitive standing in world markets and places the greatest burden upon those with moderate incomes and those with fixed incomes whose purchasing power is diminished; and

Whereas unemployment remains at above 5 percent despite an inflationary investment boom, reflecting a type of imbalance in the U.S. economy which was unknown until a few years ago; and

Whereas interest rates have been climbing back to the record high 1973 level during the past two months, and since February, the commercial bank loan prime rate has risen from 8¾ to 10 percent, the rate on new 3 month Treasury bills has risen from 7.06 to 8.65 percent, and utility company bonds are now providing 9 percent yields, and such interest rates will threaten expansion of business investment and construction activities while the unemployment rate remains above 5 percent and homebuilding is at a depressed level; and

Whereas an energy crisis continues—housing fuel and utilities costs rose 15.6 percent between February 1973 and February 1974, including a rise of 1.9 percent between January and February, and in the two months from December to February, the average price of a gallon of gasoline rose 10 percent; these retail price increases, thus far, have only partially reflected a 76 percent increase

in wholesale prices of "fuels and related products and power" during 12 months ending with February 1974; and the December increases in prices of imported oil will contribute an estimated $10 billion deficit to the U.S. balance of payments on current account during 1974; and

Whereas stemming from extraordinarily large exports and an increased worldwide demand for grain foods and fees over the 12 months ending February 1974, wholesale prices of "farm products" increased 36 percent, and of "processed foods and feeds" 20 percent; and

Whereas due to limited capacity in petroleum refining and inadequate forest growth and management to produce required lumber, there have been 14 percent wholesale price increases in the 12 months through February 1974 in chemicals and allied products, lumber and wood products and pulp, paper and allied products, and limited steel production capacity is reflected in a 17 percent increase in wholesale prices of metal and metal products over the twelve months ending with February 1974; and

Whereas new housing unit starts declined 13 percent from 1972 to 1973, and the annual starts rate in the first two months of 1974 averaged 22 percent below the 1973 level; new construction starts to add to the housing supply are now below the level required to meet household growth and replacement needs; several million households still live in physically deficient or overcrowded units, and an increasing number are being burdened with high housing costs; and in the twelve months through February 1974, the housing cost component of the Consumer Price Index rose 8.6 percent, and in the last six of the twelve months it rose at an annual rate of 12 percent: Now, therefore, be it

Resolved by the House of Representatives (*the Senate concurring*), That the President is authorized and directed to transmit a report to Congress within sixty days which shall contain recommendations for such legislative and administrative actions as he deems appropriate to solve the economic problems described in this resolution.

JOHN GRINER—IN MEMORIAM

(Mr. HANLEY asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. HANLEY. Mr. Speaker, yesterday Federal employees lost a champion and a friend. John Griner, who 16 months ago retired as president of the American Federation of Government Employees, was a great labor leader, and his loss will be mourned by thousands of Federal employees throughout the country.

During his tenure as president of AFGE, Federal employees came into their own. The first comprehensive Federal labor-management program was adopted, pay and benefits were pushed up to match private industry, and the American Federation of Government Employees tripled in size to become the largest Federal employee union in the country. These gains were due in large part to the energy, foresight, and patience of John Griner.

For 10 years I have been a member of the Post Office and Civil Service Committee and for 6 of those 10 years I served as chairman of subcommittees dealing with civil service issues. I came to regard John Griner as a friend and adviser. I always found him to be a dedicated, fair, and tough-minded advocate for the well-being of all civil servants.

Every Federal employee owes him a debt of gratitude for the many battles he led during his distinguished career. We will all miss him.

NATIONAL LIBRARY WEEK

(Mr. HANLEY asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. HANLEY. Mr. Speaker, I would like to join my colleagues in observing the week of April 22–27 as National Library Week.

Libraries of all types—public, academic, school, and special—have moved to the foreground as a prime national knowledge resource. No longer literary morgues, they are on the firing line in the struggle to maintain and advance our civilization.

The battle for Federal support of our national library programs is a continuing one. I remember back to this time last year, when the President issued a high-sounding statement extolling the worth and contribution which our Nation's libraries have provided in broadening the knowledge and wisdom and spirit of the people, while at the very same time, in his request in the fiscal year 1974 budget he urged the termination of all Federal aid to libraries in our schools and colleges as well as to public libraries. Happily the Congress rejected this direction. And it is going to be up to the Congress to make certain that the focus of attention continues in a positive way toward insuring the important role that libraries and information services play in our democratic society.

As chairman of the House Postal Service Subcommittee, one area immediately comes to mind. There is a very real crisis affecting access by the American people to magazines, books, and other educational and cultural materials through the mails due to spiraling postage costs. Libraries are severely affected because they pay the cost of postage on the books they receive. The American Library Association in repeated testimony clearly shows that each dollar increase in postal charges results in equivalent decreases in the amount of funds available for acquiring up-to-date materials for library collections.

To insure that the educational, cultural, and scientific value of materials being shipped through the mails is preserved I intend to introduce legislation to repeal the break-even concept of the Postal Reorganization Act by providing that approxiamtely 20 percent of the annual budget of the Postal Service be earmarked as a public service appropriation. I believe this a small price to pay to insure the concept basic to our democracy that all our people have easy access to printed materials through the mails.

Mr. Speaker, what we need now is not empty rhetoric about the importance of our libraries, but a concerted and determined effort with Federal support for State and local activities designed to further their development and improve their services. I hope my colleagues will join in this pursuit.

THE UNITED STATES IN SPACE—THE MANNED PROGRAM

(Mr. FREY asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. FREY. Mr. Speaker, within a few days, my colleagues will be asked to consider the NASA authorization bill for fiscal year 1975. This bill, as drawn up by the Science and Astronautics Committee, will provide the continued support necessary to maintain the momentum which our space program has now achieved.

This discussion is the second in a series which will cover the United States in space. It is my hope that this background will provide my colleagues with a fuller understanding of this country's commitment to space—a commitment leading to a better tomorrow.

As we near the completion of man's first 13 years in space, the spectacular successes of the recently completed Skylab mission bear witness to the fact that our manned program has recorded accomplishments far beyond our wildest expectations. On May 5, 1961, the Mercury-Redstone 3 spacecraft "Freedom 7" was launched, carrying with it the hopes and prayers of the entire free world. For Astronaut Alan Shepard, the 15 minutes of his first journey in space contained as much of the element of victory as his first step on the moon almost 10 years later.

Thirteen years ago, the late President John F. Kennedy dedicated this Nation to the goal of landing a man on the Moon and returning him safely to Earth. As a single objective, this project became as important and as challenging—and as expensive—as any major activity this country has ever undertaken. As a nation we met the challenge; we achieved our goal; and undeniably the most remarkable aspect of the entire program was the performance of man himself.

As was the case with our lunar successes, man proved to be the most versatile and valuable member of the entire complement of "equipment" of the Skylab mission. We should first recall that 63 seconds after liftoff of the unmanned Skylab cluster, the oribital workshop meteoroid shield malfunctioned and was torn off, affecting both workshop solar panels which thereby reduced the electrical power production to approximately one-half of that planned. The absence of the meteoroid shield also reduced part of the workshop's thermal protection and it was feared that the rapid rise in temperature, if not corrected, would damage food, medicine, and film on board the workshop. A temporary solution was devised by a ground-controlled reorientation of the workshop in relation to the Sun.

Skylab was not actually "saved," of course, until the crews of subsequent manned visits were able to successfully deploy the jammed solar panel and mount a sunshade over the damaged section of the hull during extravehicular activity. The ability of the ground and flight crews to react rapidly to repair and work around this otherwise crippling problem clearly demonstrated that, in space as well as on Earth, man with his intelligence and perseverance can do nearly the impossible.

I feel it appropriate to share, for a moment, a brief excerpt from Dr. Joseph P. Kerwin's recent testimony before the Science and Astronautics Committee. Dr. Kerwin was the science pilot for the Skylab II mission, the first manned visit to the orbital workshop. In his account of how the three astronauts worked together and conducted various experiments, Dr. Kerwin told the committee:

> Some items were solo, some required two or even all of us. It takes a while for a crew to fall into a routine like this, neatly dovetailing with each other. When you rush 'downstairs,' late for a medical experiment and find that your partner has already done part of the prep, you know it's working. You know you've got a smooth and very versatile machine, almost infinitely programmable, not error free, but self-correcting, learning from its mistakes. A machine that gets the giggles late at night over the ice cream and strawberries, and occasionally looks out the window when it could be writing the log, but which lives and is replenished by these things, and will be ready to go again tomorrow. You've all experienced team work in your lives. Real team work is memorable. And in space it's just the same. People perform up there the way they do down here. There, capabilities, individually and collectively, and their potential and their weaknesses are the same.

Today, with our Apollo triumph behind us and the manned space flight program of the Skylab mission completed, we are faced with a serious question. The question is not whether we should have adopted our lunar goal or directed our resources to its accomplishment. The question instead asks what is man's role in space? What should his role be today and in the future, given the dollars we have invested in manned space and the results we have obtained.

No one can deny that the experience we have gained in our manned program represents a base of knowledge which has had beneficial impact on virtually every phase of our daily lives. Nor can anyone deny that the investment we have made in skills and facilities will be returned to our Nation a thousandfold within this very decade. Finally, in the strictest sense of man in space, no one can deny that until we are able to produce a machine with the intelligence, experience, judgment, and physical mobility of man, man does and must have a role in space. Man, we must concede, is the most highly sophisticated data sensing, data gathering, and data processing "device" in existence.

Interestingly, one of the major encumbrances of our present space program is the overwhelming amount of data returned by our unmanned automated satellites. Much of the information is valuable, but an inordinate amount is repetitious or otherwise nonessential. The system has simply been choked by unnecessary information. In contrast, man with his proven ability to discriminate and assess has provided a significantly higher return of essential and meaningful data than any of the unmanned space-borne missions. Man, as he is uniquely able to go to the heart of the problem, has relieved a major burden from the scientific and technical community here on Earth.

The value of man is also that he is motivated. He is goal oriented. When he is impeded, he creates, evaluates, and pursues an alternative. And finally, man is creative and imaginative, a capability hardly challengend by even the most complex of equipment.

This is not to deprecate the value of the unmanned mission. The manned and unmanned will, in fact, continue in existence as a complement to one another. But it has been man in space who has greatly expanded our knowledge of the phenomena of space and established the potential value of his role. It has also been man who has clearly demonstrated a high degree of effectiveness as a space experimenter. In the estimation of the National Academy of Sciences, through our manned space program, we "now possess the keystone for a near-term understanding of the entire process of planetary evolution." Thus, the capacity of man in terms of his total ability and overall performance would, therefore, compellingly dictate his continuing role in space. And what of man's new role?

Now that Project Apollo is completed and the Skylab mission has provided us with countless data yet to to be analyzed, our next manned mission will be the joint United States-Soviet space flight, scheduled for July 1975. The mission, known as the Apollo-Soyuz test project, or ASTP, is a direct consequence of President Nixon's intention to make international cooperation in space one of the basic purposes of the U.S. space program.

Then, as the decade of the 1970's closes, the space age will enter a new era based on a manned space transportation concept as bold and as far-reaching as the Apollo program and as innovative as the ASTP—the space shuttle. The shuttle is one of the most futuristic, efficient, and cost-saving concepts ever envisioned. Picture a cluster of four elements standing on the launch platform: a 737-sized orbiter vehicle, an expendable propellants tank, and twin recoverable solid rocket motors. At launch, the twin solid rocket motors and the orbiter's liquid hydrogen/oxygen engines are ignited simultaneously. They burn together until an altitude of about 40 km is reached at which point the solid rockets detach and descend by parachute, to be recovered, refurbished, and reused at least 10 times.

The orbiter continues into space to place its cargo of people or equipment into orbit. When its mission is completed, the orbiter will return to Earth, landing much like a conventional airplane. In a maximum of 2 weeks that same orbiter vehicle can be ready for another flight. This is the concept for the space travel of tomorrow; a concept which promises space transportation so superior to current systems that it will be used for almost all of the scientific, commercial, national security, and cooperative international space projects launched in this country during the 1980's and beyond.

The shuttle's feature of reusability will permit expensive elements such as engines, electronics, and structures to be amortized over many missions, possibly as many as 100 flights, rather than be charged to the cost of each mission as in the case of our present program of space flight operations. With the versatility and the economy of this vehicle, the United States will be able to place into space scientists and engineers as well as almost any size and shape of manned and unmanned vehicles.

As a final note, let me touch for a moment on the activities of the Soviet Union and its manned program. In terms of the total number of manned spaceflights, we might casually conclude we possess a clearly defined lead. We have flown 30 manned missions; the Soviets 20. But a comparison of the number of manned launches yields a very erroneous impression. Perhaps we can discount that the U.S.S.R. accomplished the first manned orbital flight; the first full day of manned space flight; the first simultaneous flight of two manned spacecraft; the first flight with three men; the first space walk; and the first docking of two manned spacecraft. These accomplishments after all were duplicated by the United States—although sometimes years later.

Perhaps the measure of success the Soviets have enjoyed will permit history to repeat itself. Recall for a moment your reaction when the Russians launched their Sputnik I, then their 1,000-pound Sputnik II with an animal on board—and then 1 month later, when our widely advertised first launch attempt with a 4-pound "satellite'" onboard exploded on the launch pad. Imagine also your feelings if we had landed but a small mechanical tractor on the moon as a "grand" accomplishment to counter six teams of astronauts.

Man in space has made a monumental contribution. The list of benefits we have derived—tangible and intangible—is already endless. Yet we have just started to reap the benefits from our work and investment in space. To stop now is to waste the money already spent. To stop now is to give up just when man in space can become productive. To stop now is to ignore the needs of tomorrow. There is no justification for retreat.

THE UNITED STATES IN SPACE—TECHNOLOGY TRANSFER AND INTERNATIONAL COOPERATION

(Mr. FREY asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. FREY. Mr. Speaker, within the next few days my colleagues will be considering the NASA authorization bill for fiscal year 1975. The material I am presenting today represents the third in a series of four statements which discuss the space program of the United States. It is my hope that the background I am providing will offer my colleagues a fuller understanding of this country's commitment to space—a commitment leading to a better tomorrow.

The topic today addresses a number of the applications of space technology, as well as our international cooperation programs. These are two areas in which our work in space has had a highly beneficial impact and has provided a remarkable return on our investment.

The technological benefits that have accrued to the American people, and indeed, people all over the world, as a result of our 13 years of space exploration have been realized in every area from medicine, to industrial, to the consumer household.

As an example, the medical profession has benefited from NASA research in very dramatic fashion. A team of Grumman engineers, who were closely involved in the life support systems aboard the lunar excursion module, visited a prominent medical institute in Texas that specialized in body organ transplants. They were struck by the fact that the scant number of possible donors of hearts were often some distance from the recipients. From their knowledge of the technologies applied to the Apollo program they were able to devise an instrument that was transportable, and that would keep a heart alive and healthy for days while being brought to the patient who needed it. It also turned out that the instrument was very valuable in studying the processes of body organ rejection.

Another medical benefit is the use of a transducer which measures pressure differentials over the surface of small models in wind tunnels. This technology has been licensed for commercial development as a cardiac catheter in medical research. Because it is extremely small, this sensor can be inserted with a standard hypodermic needle. They will soon be used as a standard device in the National Institute of Health.

Sensors originally developed to measure the heartbeat, blood pressure, and other conditions of spaceborne astronauts are being installed in hospitals to monitor patient's conditions continuously.

Along the same lines, a new electrostatic camera, developed for space vehicles, produces moving or instant pictures without any processing. This camera can focus on a patient in critical condition and can keep vital photographic records which can be made instantly available to physicians. Transducer-transmitters that relay intestinal data are currently in use, and doctors now anticipate a battery-powered television system small enough to be swallowed which would transmit pictures from a patient's stomach.

Aids for the blind and deaf are also coming from space research. The principle of alternating panoramic fixation, used in satellite camera and lens systems, was applied to the development of new glasses with multidirectional lenses.

In addition, an electronic radar system is being developed and perfected by an aerospace firm as a bionics equivalent for the blind. Many other firms are doing similar research and development.

Similarly, a space helmet utilizing unique sponge electrodes, originally developed by NASA's Ames Research Center to obtain electro-encephalographic tracings from astronauts and test pilots under stress, is being adapted to detect hearing defects in children.

A sight switch which was developed for activating switches in a spacecraft by a mere movement of the astronaut's eye has now been adapted to aid paralyzed people. The sight switch can manipulate wheel chairs and activate callboards.

Ultrafast drills, with minute ball bearings developed through space research for satellite equipment, are available to dentists for almost painless dental work.

This list of applications goes on and on, but the important fact to be emphasized is that our investment in space has paid off and will continue to do so in unexpected and far more valuable terms than were ever anticipated.

I would also like to say a few words about one of the most important benefits to be realized as a result of our space effort—that of our international achievements and cooperative accomplishments.

I believe most of my colleagues are aware that the National Aeronautics and Space Administration's international activities are based on the National Aeronautics and Space Act of 1958. The act provides that U.S. space activities be conducted so that they contribute materially to cooperation with other nations and groups of nations. NASA's record over the past 3 years in meeting this objective has been nothing less than spectacular.

NASA has entered into more than 500 agreements for international space projects; orbited foreign satellites; flown foreign experiments on its spacecraft; participated in more than 800 cooperative scientific rocket soundings from sites in all quarters of the world; and involved more than 340 experimenters from 20 foreign nations in the analysis of lunar surface samples.

The European Space Research Organization—ESRO—and NASA have also affirmed the mutual goal to undertake such a cooperative program of space research by means of satellites. A direct result is that a number of ESRO member states will develop and build the Spacelab element for use with the proposed Space Shuttle. The Spacelab will have two elements: a manned laboratory module that will permit scientists and engineers to work in a normal shirt sleeve environment; and an instrument platform to support telescopes, antenna and other equipment requiring direct space exposure. The quid pro quo for ESRO's funding of the Spacelab, among other things, will be flight space aboard the Shuttle.

Space exploration, by its very nature, demands international cooperation: It holds great promise of bringing nations of this earth closer together in the peaceful conquest of space. A prime example of this international peaceful cooperation is the forthcoming Apollo-Soyuz test project—ASTP—slated for July 1975. This joint venture, involving Soviet and American spacecraft and crews, will not only be an important step toward possible future cooperative manned space flights, but will contribute greatly to space rescue techniques. The development of a new and universal docking system will provide for unlimited combinations of international space vehicle hookups, for emergency as well as other purposes.

As of this date, NASA has selected 18 scientific and space applications experiments to be conducted on the joint mission. Four of these are to be in astronomy and space physics and five in the life sciences. In addition to results from these experiments, other returns to be realized from this joint venture are the previously mentioned international space rescue capability; the enhancement of international cooperation through mutual confidence and trust built up in space efforts; closing the gap in American manned space flights between Skylab and the Space Shuttle in 1978; and opening the way for future joint space missions that will eliminate technical duplication and needless cost of a number of space programs.

Progress, as in all matters involving international agreement, will take time. But the next few years should see major advances in international space cooperation far beyond the achievements of the 1960's. Through such cooperation and collaboration, a greater common understanding will be achieved that will enable us to solve pressing technological, as well as political, problems.

Technological benefits and greater international cooperation are but two of the many areas in which positive returns have been realized from the United States space efforts. With continued support, our space program holds the promise of providing ever increasing dividends directed to the improved welfare of mankind, both today and tomorrow. With this as the potential dimensions of the contribution of space, nothing less than our full support can be justified.

CONFERENCE REPORT ON H.R. 11793

Mr. HOLIFIELD submitted the following conference report and statement on the bill (H.R. 11793) to reorganize and consolidate certain functions of the Federal Government in a new Federal Energy Administration in order to promote more efficient management of such functions:

CONFERENCE REPORT (H. REPT. NO. 93–999)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 11793) to reorganize and consolidate certain functions of the Federal Government in a new Federal Energy Administration in order to promote more efficient management of such functions, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

SHORT TITLE

SECTION 1. This Act may be cited as the "Federal Energy Administration Act of 1974".

DECLARATION OF PURPOSE

SEC. 2. (a) The Congress hereby declares that the general welfare and the common defense and security require positive and effective action to conserve scarce energy supplies, to insure fair and efficient distribution of, and the maintenance of fair and reasonable consumer prices for, such supplies, to promote the expansion of readily usable energy sources, and to assist in developing policies and plans to meet the energy needs of the Nation.

(b) The Congress finds that to help achieve these objectives, and to assure a coordinated and effective approach to overcoming energy shortages, it is necessary to reorganize certain agencies and functions of the executive branch and to establish a Federal Energy Administration.

(c) The sole purpose of this Act is to create an administration in the executive branch, called the Federal Energy Administration, to vest in the Administration certain functions as provided in this Act, and to transfer to such Administration certain executive branch functions authorized by other laws, where such transfer is necessary on an interim basis to deal with the Nation's energy shortages.

ESTABLISHMENT

SEC. 3. There is hereby established an independent agency in the executive branch to be known as the Federal Energy Administration (hereinafter in this Act referred to as the "Administration").

OFFICERS

SEC. 4. (a) There shall be at the head of the Administration an Administrator (hereinafter in this Act referred to as the "Administrator"), who shall be appointed by the President, by and with the advice and consent of the Senate. The Administrator shall receive compensation at the rate prescribed for offices and positions at level II of the Executive Schedule (5 U.S.C. 5313). The Administration shall be administered under the supervision and direction of the Administrator.

(b)(1) The functions and powers of the Administration shall be vested in and exercised by the Administrator.

(2) The Administrator may, from time to time and to the extent permitted by law, consistent with the purposes of this Act, delegate such of his functions as he deems appropriate.

(c) There shall be in the Administration two Deputy Administrators, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall receive compensation at the rate prescribed for offices and positions at level III of the Executive Schedule (5 U.S.C. 5314).

(d) There are authorized to be in the Administration six Assistant Administrators, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall receive compensation at the rate prescribed for offices and positions at level IV of the Executive Schedule (5 U.S.C. 5315).

(e) There shall be in the Administration a General Counsel, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall receive compensation at the rate prescribed for offices and positions at level IV of the Executive Schedule (5 U.S.C. 5315).

(f)(1) There are authorized to be in the Administration not more than nine additional officers who shall be appointed by the Administrator and shall receive compensation at the rate prescribed for offices and positions at level V of the Executive Schedule (5 U.S.C. 5316).

(2) If any person, other than an officer within subsections (c), (d), or (e) of this section, is to be assigned principal responsibility for any program that shall be instituted in the Administration for either (i) allocation, (ii) pricing, (iii) rationing (if effected), or (iv) Federal and State coordination, he shall be one of the officers authorized by paragraph (1) of this subsection except that he shall be appointed by the President by and with the advice and consent of the Senate.

(3) Appointments to the positions described in this subsection may be made without regard to the provisions of title 5 of the United States Code governing appointments in the competitive service.

(g) Subject to subsection (f) of this section, officers appointed pursuant to this section shall perform such functions as the Administrator shall specify from time to time.

(h) The Administrator shall designate the order in which the Deputy Administrators and other officials shall act for and perform the functions of the Administrator during his absence or disability or in the event of a vacancy in his office.

(i) (1) For the purposes of this Act, section 208(b) of title 18, United States Code, relating to conflicts of interest, can be invoked and implemented only by the Administrator personally. Such subsection shall not be invoked as to any person unless and until—

(A) the Congress has received, ten days prior thereto, a written report containing notice of the Administrator's intention so to invoke such subsection, a detailed statement of the subject matter concerning which a conflict exists; and in the case of an exemption set forth in clause (1) of such subsection, the nature of an officer's or employee's financial interest; or in the case of an exemption set forth in clause (2) of such subsection, the name and statement of financial interest of each person who will come within such exemption; and

(B) such written report is published in the Federal Register.

(2) Nothing contained in this subsection shall affect in any way the applicability or operation of other laws relating to officers and employees of the United States Government.

(j) No individual holding any of the positions described in subsection (a), (c), (d), and (e) of this section may also hold any other position in the executive branch during the same period.

FUNCTIONS AND PURPOSES OF THE FEDERAL ENERGY ADMINISTRATION

SEC. 5. (a) Subject to the provisions and procedures set forth in this Act, the Administrator shall be responsible for such actions as are taken to assure that adequate provision is made to meet the energy needs of the Nation. To that end, he shall make such plans and direct and conduct such programs related to the production, conservation, use, control, distribution, rationing, and allocation of all forms of energy as are appropriate in connection with only those authorities or functions—

(1) specifically transferred to or vested in him by or pursuant to this Act;

(2) delegated to him by the President pursuant to specific authority vested in the President by law; and

(3) otherwise specifically vested in the Administrator by the Congress.

(b) To the extent authorized by subsection (a) of this section, the Administrator shall—

(1) advise the President and the Congress with respect to the establishment of a comprehensive national energy policy in relation to the energy matters for which the Administration has responsibility, and, in coordination with, the Secretary of State, the integration of domestic and foreign policies relating to energy resource management;

(2) assess the adequacy of energy resources to meet demands in the immediate and longer range future for all sectors of the economy and for the general public;

(3) develop effective arrangements for the participation of State and local governments in the resolution of energy problems;

(4) develop plans and programs for dealing with energy production shortages;

(5) promote stability in energy prices to the consumer, promote free and open competition in all aspects of the energy field, prevent unreasonable profits within the various segments of the energy industry, and promote free enterprise;

(6) assure that energy programs are designed and implemented in a fair and efficient manner so as to minimize hardship and inequity while assuring that the priority needs of the Nation are met;

(7) develop and oversee the implementation of equitable voluntary and mandatory energy conservation programs and promote efficiencies in the use of energy resources;

(8) develop and recommend policies on the import and export of energy resources;

(9) collect, evaluate, assemble, and analyze energy information on reserves, production, demand, and related economic data;

(10) work with business, labor, consumer and other interests and obtain their cooperation;

(11) in administering any pricing authority, provide by rule, for equitable allocation of all component costs of producing propane gas. Such rules may require that (a) only those costs directly related to the production of propane may be allocated by any producer to such gas for purposes of establishing any price for propane, and (b) prices for propane shall be based on the prices for propane in effect on May 15, 1973. The Administrator shall not allow costs attributable to changes in ownership and movement of propane gas where, in the opinion of the Administrator, such changes in ownership and movement occur primarily for the purpose of establishing a higher price; and

(12) perform such other functions as may be prescribed by law.

TRANSFERS

SEC. 6. (a) There are hereby transferred to and vested in the Administrator all functions of the Secretary of the Interior, the Department of the Interior, and officers and components of that Department—

(1) as relate to or are utilized by the Office of Petroleum Allocation;

(2) as relate to or are utilized by the Office of Energy Conservation;

(3) as relate to or are utilized by the Office of Energy Data and Analysis; and

(4) as relate to or are utilized by the Office of Oil and Gas.

(b) There are hereby transferred to and vested in the Administrator all functions of the Chairman of the Cost of Living Council, the Executive Director of the Cost of Living Council, and the Cost of Living Council, and officers and components thereof, as relate to or are utilized by the Energy Division of the Cost of Living Council.

ADMINISTRATIVE PROVISIONS

SEC. 7.(a)(1) The Administrator may appoint, employ, and fix the compensation of such officers and employees, including attorneys, as are necessary to perform the functions vested in him, and prescribe their authority and duties. In addition to the number of positions which may be placed in GS–16, 17, and 18 under existing law, not to exceed 91 positions may be placed in GS–16, 17, and 18 to carry out the functions under this Act: *Provided*, That the total number of positions within the Administration in GS–16, 17, 18 shall not exceed 105: *And provided further*, That, except as provided in paragraph (2) of this subsection, the authority under this subsection shall be subject to the standards and procedures prescribed under Chapter 51 of title 5, United States Code, and shall continue only for the duration of the exercise of functions under this Act.

(2) Twenty-five of the GS–16, 17, and 18 positions authorized by paragraph (1) of this subsection may be filled without regard to the provisions of title 5 of the United States Code governing appointments in the competitive service.

(b) The Administrator may employ experts, expert witnesses, and consultants in accordance with section 3109 of title 5 of the United States Code, and compensate such persons at rates not in excess of the maximum daily rate prescribed for GS–18 under section 5332 of title 5 of the United States Code for persons in Government service employed intermittently.

(c) The Administrator may promulgate such rules, regulations, and procedures as may be necessary to carry out the functions vested in him: *Provided*, That:

(1) The Administrator shall, before promulgating proposed rules, regulations, or policies relating to the cost or price of energy, transmit notice of such proposed action to the Cost of Living Council and provide a period, which shall not be less than five days from the receipt of such notice, for the Cost of Living Council to approve or disapprove such proposed action. If during the period provided, the Cost of Living Council—

(A) approves such proposed action, it may take effect;

(B) disapproves such proposed action, it shall not take effect; or

(C) fails to either approve or disapprove such proposed action, it may take effect in the same manner as if the Cost of Living Council had given its approval.

(2) The Administrator shall, before promulgating proposed rules, regulations, or policies affecting the quality of the environment, provide a period of not less than five days from receipt of notice of the proposed action during which the Administrator of the Environmental Protection Agency may provide written comments concerning the impact of such rules, regulations, or policies on the quality of the environment. Such comments shall be published along with public notice of the proposed action.

The review required by paragraphs (1) and (2) of this subsection may be waived for a period of fourteen days if there is an emergency situation which, in the judgment of the Administrator, requires immediate action.

(d) The Administrator may utilize, with their consent, the services, personnel, equipment, and facilities of Federal, State, regional and local public agencies and instrumentalities, with or without reimbursement therefor, and may transfer funds made available pursuant to this Act, to Federal, State, regional, and local public agencies and instrumentalities, as reimbursement for utilization of such services, personnel, equipment, and facilities.

(e) The Administrator shall cause a seal of office to be made for the Administration of such design as he shall approve, and judicial notice shall be taken of such seal.

(f) The Administrator may accept unconditional gifts or donations of money or property, real, personal, or mixed, tangible or intangible.

(g) The Administrator may enter into and perform contracts, leases, cooperative agreements, or other similar transactions with any public agency or instrumentality or with any person, firm, association, corporation, or institution.

(h) The Administrator may perform such other activities as may be necessary for the effective fulfillment of his administrative duties and functions.

(i) (1) (A) Subject to paragraphs (B), (C), and (D) of this subsection, the provisions of subchapter H of chapter 5 of title 5, United States Code, shall apply to any rule or regulation, or any order having the applicability and effect of a rule as defined in section 551(4) of title 5, United States Code, issued pursuant to this Act, including any such rule, regulation, or order of a State or local government agency, or officer thereof, issued pursuant to authority delegated by the Administrator.

(B) Notice of any proposed rule, regulation, or order described in paragraph (A) shall be given by publication of such proposed rule, regulation, or order in the Federal Register. In each case, a minimum of ten days following such publication shall be provided for opportunity to comment; except that the requirements of this paragraph as to time of notice and opportunity to comment may be waived where strict compliance is found to cause serious harm or injury to the public health, safety, or welfare, and such finding is set out in detail in such rule, regulation, or order. In addition, public notice of all rules, regulations, or orders described in paragraph (A) which are promulgated by officers of a State or local government agency shall to the maximum extent practicable be achieved by publication of such rules, regulations, or orders in a sufficient number of newspapers of statewide circulation calculated to receive widest possible notice.

(C) In addition to the requirements of paragraph (B), if any rule, regulation, or order described in paragraph (A) is likely to have a substantial impact on the Nation's economy or large numbers of individuals or businesses, an opportunity for oral presentation of views, data, and arguments shall be afforded. To the maximum extent practicable, such opportunity shall be afforded prior to the issuance of such rule, regulation, or order, but in all cases such opportunity shall be afforded no later than forty-five days after the issuance of such rule, regulation, or order, A transcript shall be kept or any oral presentation.

(D) Any officer or agency authorized to issue the rules, regulations, or orders described in paragraph (A) shall provide for the making of such adjustments, consistent with the other purposes of this Act, as may be necessary to prevent special hardship, inequity, or unfair distribution of burdens and shall, by rule, establish procedures which are available to any person for the purpose of seeking an interpretation, modification, rescission of, exception to, or exemption from, such rules, regulations, and orders. If such person is aggrieved or adversely affected by the denial of a request for such action under the preceding sentence, he may request a review of such denial by the officer or agency and may obtain judicial review in accordance with paragraph (2) of this subsection when such denial becomes final. The officer or agency shall, by rule, establish appropriate procedures, including a hearing where deemed advisable by the officer or agency, for considering such requests for action under this paragraph.

(E) In addition to the requirements of section 552 of title 5, United States Code, any agency authorized to issue the rules, regulations, or orders described in paragraph (A) shall make available to the public all internal rules and guidelines which may form the basis, in whole or in part, for any such rule, regulation, or order with such modifications as are necessary to insure confidentiality protected under such section 552. Such agency shall, upon written request of a petitioner filed after any grant or denial of a request for exception or exemption from rules or orders, furnish the petitioner with a written opinion setting forth applicable facts and the legal basis in support of such grant or denial. Such opinions shall be made available to the petitioner and the public within thirty days of such request, with such modifications as are necessary to insure confidentiality of information protected under such section 552.

(2) (A) Judicial review of administrative rulemaking of general and national applicability done under this Act, except that done pursuant to the Emergency Petroleum Allocation Act of 1973, may be obtained only by filing a petition for review in the United States Court of Appeals for the District of Columbia within thirty days from the date of promulgation of any such rule, regulation, or order, and judicial review of administrative rulemaking of general, but less than national, applicability done under this Act, except that done pursuant to the Emergency Petroleum Allocation Act of 1973, may be obtained only by filing a petition for review in the United States Court of Appeals for the appropriate circuit within thirty days from the date of promulgation of any such rule, regulation, or order, the appropriate circuit being defined as the circuit which contains the area or the greater part of the area within which the rule, regulation, or order is to have effect.

(B) Notwithstanding the amount in controversy, the district courts of the United States shall have exclusive original jurisdiction of all other cases or controversies arising under this Act, or under rules, regulations, or orders issued thereunder, except any actions taken to implement or enforce any rule, regulation, or order by any officer of a State or local government agency under this Act: *Provided*, That nothing in this section affects the power of any court of competent jurisdiction to consider, hear, and determine in any proceeding before it any issue raised by way of defense (other than a defense based on the unconstitutionality of this Act or the validity of action taken by any agency under this Act). If in any such proceeding an issue by way of defense is raised based on the unconstitutionality of this Act or the validity of agency action under this Act, the case shall be subject to removal by either party to a district court of the United States in accordance with the applicable provisions of chapter 89 of title 28, United States Code. Cases or controversies arising under any rule, regulation, or order of any officer of a State or local government agency may be heard in either (1) any appropriate State court, or (2) without regard to the amount in controversy, the district courts of the United States.

(3) The Administrator may by rule prescribe procedures for State or local government agencies authorized by the Administrator to carry out functions under this Act. Such procedures shall apply to such agencies in lieu of paragraph (1) of this subsection, and shall require that prior to taking any action, such agencies shall take steps reasonably calculated to provide notice to persons who may be affected by the action, and shall afford an opportunity for presentation of views (including oral presentation of views where practicable) at least ten days before taking the action.

(j) The Administration, in connection with the exercise of the authority under this Act, shall be considered an independent Federal regulatory agency for the purposes of sections 3502 and 3512 of title 44 of the United States Code.

TRANSITIONAL AND SAVINGS PROVISIONS

SEC. 8(a) All orders, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges—

(1) which have been issued, made, granted, or allowed to become effective by the President, by any Federal department or agency or official thereof, or by a court of competent jurisdiction, in the performance of functions which are transferred under this Act, and

(2) which are in effect at the time this Acts takes effect,

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked by the President, the Administrator, other authorized officials, a court of competent jurisdiction, or by operation of law.

(b) This Act shall not affect any proceeding pending, at the time this Act takes effect, before any department or agency (or component thereof) regarding functions which are transferred by this Act; but such proceedings, to the extent that they relate to functions so transferred, shall be continued. Orders shall be issued in such proceedings, appeals (except as provided in section 7(i) (2) of this Act) shall be taken therefrom, and payments shall be made pursuant to such orders, as if this Act had not been enacted; and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law. Nothing in this subsection shall be deemed to prohibit the discontinuance or modification of any such proceeding under the same terms and conditions, and to the same extent, that such proceeding could have been discontinued if this Act had not been enacted.

(c) Except as provided in subsection (e)—

(1) the provisions of this Act shall not affect suits commenced prior to the date this Act takes effect, and

(2) in all such suits proceedings shall be had, appeals taken, and judgments rendered, in the same manner and effect as if this Act had not been enacted.

(d) No suit, action, or other proceeding commenced by or against any officer in his official capacity as an officer of any department or agency, functions of which are transferred by this Act, shall abate by reason of the enactment of this Act. No cause of action by or against any department or agency, functions of which are transferred by this Act, or by or against any officer thereof in his official capacity shall abate by reason of the enactment of this Act. Causes of actions, suits, actions, or other proceedings may be asserted by or against the United States or such official as may be appropriate and, in any litigation pending when this Act takes effect, the court may at any time, on its own motion or that of any party, enter any order which will give effect to the provisions of this section.

(e) If, before the date on which this Act takes effect, any department or agency, or officer thereof in his official capacity, is a party to a suit, and under this Act any function of such department, agency, or officer is transferred to the Administrator, or any other official, then such suit shall be continued as if this Act had not been enacted, with the Administrator, or other official as the case may be, substituted.

(f) Final orders and actions of any official or component in the performance of functions transferred by this Act shall be subject to judicial review to the same extent and in the same manner as if such orders or actions had been made or taken by the officer, department, agency, or instrumentality in the performance of such functions immediately preceding the effective date of this Act. Any statutory requirements relating to notices, hearings, action upon the record, or administrative review that apply to any function transferred or delegated by this Act shall apply to the performance of those functions by the Administrator, or any officer or component of the Administration. In the event of any inconsistency between the provisions of this subsection and section 7, the provisions of section 7 shall govern.

(g) With respect to any function transferred by this Act and performed after the effective date of this Act, reference in any other law to any department or agency, or any officer or office, the functions of which are so transferred, shall be deemed to refer to the Administration, Administrator, or other office or officers in which this Act vests such functions.

(h) Nothing contained in this Act shall be construed to limit, curtail, abolish, or terminate any function of the President which he had immediately before the effective date of this Act; or to limit, curtail, abolish, or terminate his authority to perform such function; or to limit, curtail, abolish, or terminate his authority to delegate, redelegate, or terminate any delegations of functions.

(i) Any reference in this Act to any provision of law shall be deemed to include, as appropriate, references thereto as now or hereafter amended or supplemented.

INCIDENTAL TRANSFER

SEC. 9. The Director of the Office of Management and Budget is authorized and directed to make such additional incidental dispositions of personnel, personnel positions, assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds held, used, arising from, available to, or to be made available in connection with, functions which are transferred by or which revert under this Act, as the Director deems necessary and appropriate to accomplish the intent and purpose of this Act.

DEFINITIONS

SEC. 10. As used in this Act—

(1) any reference to "function" or "functions" shall be deemed to include references to duty, obligation, power, authority, responsibility, right, privilege, and activity, or the plural thereof, as the case may be; and

(2) any reference to "perform" or "performance", when used in relation to functions, shall be deemed to include the exercise of power, authority, rights, and privileges.

APPOINTMENTS

SEC. 11. (a) Funds available to any department or agency (or any official or component thereof), and lawfully authorized for any of the specific functions which are transferred to the Administrator by this Act, may, with the approval of the President, be used to pay the compensation and expenses of any officer appointed pursuant to this Act until such time as funds for that purpose are otherwise available.

(b) In the event that any officer required by this Act to be appointed by and with the advice and consent of the Senate shall not have entered upon office on the effective date of this Act, the President may designate any officer, whose appointment was required to be made by and with the advice and consent of the Senate and who was such an officer immediately prior to the effective date of this Act, or any officer who was performing essentially the same functions immediately prior to the effective date of this Act, to act in such office until the office is filled as provided in this Act: *Provided,* That any officer acting pursuant to the provisions of this subsection may act no longer than a period of thirty days unless during such period his appointment as such an officer is submitted to the Senate for its advice and consent.

(c) Transfer of nontemporary personnel pursuant to this Act shall not cause any such employee to be separated or reduced in grade or compensation, except for cause, for one year after such transfer.

(d) Any person who, on the effective date of this Act, held a position compensated in accordance with the Executive Schedule prescribed in chapter 53 of title 5 of the United States Code, and who, without a break in service, is appointed in the Administration to a position having duties comparable to those performed immediately preceding his appointment, shall continue to be compensated in his new position at not less than the rate provided for his previous position.

ACCESS TO INFORMATION BY THE COMPTROLLER GENERAL

SEC. 12. (a) For the duration of this Act, the Comptroller General of the United States shall monitor and evaluate the operations of the Administration including its reporting activities. The Comptroller General shall (1) conduct studies of existing statutes and regulations governing the Administration's programs; (2) review the policies and practices of the Administration; (3) review and evaluate the procedures followed by the Administrator in gathering, analyzing, and interpreting energy statistics, data, and information related to the management and conservation of energy, including but not limited to data related to energy costs, supply, demand, industry structure, and environmental impacts; and (4) evaluate particular projects or programs. The Comptroller General shall have access to such data within the possession or control of the Administration from any public or private source whatever, notwithstanding the provisions of any other law, as are necessary to carry out his responsibilities under this Act and shall report to the Congress at such times as he deems appropriate with respect to the Administration's programs, including his recommendations for modifications in existing laws, regulations, procedures, and practices.

(b) The Comptroller General or any of his authorized representatives in carrying out his responsibilities under this section may request access to any books, documents, papers, statistics, data, records, and information of any person owning or operating facilities or business premises who is engaged in any phase of energy supply or major energy consumption, where such material relates to the purposes of this Act, including but not limited to energy costs, demand, supply, industry structure, and environmental impacts. The Comptroller General may request such person to submit in writing such energy information as the Comptroller General may prescribe.

(c) The Comptroller General of the United States, or any of his duly authorized representatives, shall have access to and the right to examine any books, documents, papers, records, or other recorded information of any recipients of Federal funds or assistance under contracts, leases, cooperative agreements, or other transactions entered into pursuant to subsection (d) or (g) of section 7 of this Act which in the opinion of the Comptroller General may be related or pertinent to such contracts, leases, cooperative agreements, or similar transactions.

(d) To assist in carrying out his responsibilities under this section, the Comptroller General may, with the concurrence of a duly established committee of Congress having legislative or investigative jurisdiction over the subject matter and upon the adoption of a resolution by such a committee which sets forth specifically the scope and necessity therefor, and the specific identity of those persons from whom information is sought, sign and issue subpenas requiring the production of the books, documents, papers, statistics, data, records, and information referred to in subsection (b) of this section.

(e) In case of disobedience to a subpena issued under subsection (d) of this section, the Comptroller General may invoke the aid of any district court of the United States in requiring the production of the books, documents, papers, statistics, data, records, and information referred to in subsection (b) of this section. Any district court of the United States within the jurisdiction where such person is found or transacts business may, in case of contumacy or refusal to obey a subpena issued by the Comptroller General, issue an order requiring such person to produce the books, documents, papers, statistics, data, records, or information; and any failure to obey such order of the court shall be punished by the court as a contempt thereof.

(f) Reports submitted by the Comptroller General to the Congress pursuant to this section shall be available to the public at reasonable cost and upon identifiable request. The Comptroller General may not disclose to the public any information which concerns or relates to a trade secret or other matter referred to in section 1905 of title 18, United States Code, except that such information shall be disclosed by the Comptroller General or the Administrator, in a manner designed to preserve its confidentiality—

(1) to other Federal Government departments, agencies, and officials for official use upon request;

(2) to committees of Congress upon request; and

(3) to a court in any judicial proceeding under court order.

INFORMATION-GATHERING POWER

SEC. 13. (a) The Administrator shall collect, assemble, evaluate, and analyze energy information by categorical groupings, established by the Administrator, of sufficient comprehensiveness and particularity to permit fully informed monitoring and policy guidance with respect to the exercise of his functions under this Act.

(b) All persons owning or operating facilities or business premises who are engaged in any phase of energy supply or major energy consumption shall make available to the Administrator such information and periodic reports, records, documents, and other data, relating to the purposes of this Act, including full identification of all data and projections as to source, time, and methodology of development, as the Administrator may prescribe by regulation or order as necessary or appropriate for the proper exercise of functions under this Act.

(c) The Administrator may require, by general or special orders, any person engaged in any phase of energy supply or major energy consumption to file with the Administrator in such form as he may prescribe, reports or answers in writing to such specific questions, surveys, or questionnaires as may be necessary to enable the Administrator to carry out his functions under this Act. Such reports and answers shall be made under oath, or otherwise, as the Administrator may prescribe, and shall be filed with the Administrator within such reasonable period as he may prescribe.

(d) The Administrator, to verify the accuracy of information he has received or otherwise to obtain information necessary to perform his functions under this Act, is authorized to conduct investigations, and in connection therewith, to conduct, at reasonable times and in a reasonable manner, physical inspections at energy facilities and business premises, to inventory and sample any stock of fuels or energy sources therein, to inspect and copy records, reports, and documents from which energy information has been or is being compiled, and to question such persons as he may deem necessary.

(e)(1) The Administrator, or any of his duly authorized agents, shall have the power to require by subpena the attendance and testimony of witnesses, and the production of all information, documents, reports, answers, records, accounts, papers, and other data and documentary evidence which the Administrator is authorized to obtain pursuant to this section.

(2) Any appropriate United States district court may, in case of contumacy or refusal to obey a subpena issued pursuant to this section, issue an order requiring the party to whom such subpena is directed to appear before the Administration and to give testimony touching on the matter in question, or to produce any matter described in paragraph (1) of this subsection, and any failure to obey such order of the court may be punished by such court as a contempt thereof.

(f) The Administrator shall collect from departments, agencies and instrumentalities of the executive branch of the Government (including independent agencies), and each such department, agency, and instrumentality is authorized and directed to furnish, upon his request, information concerning energy resources on lands owned by the Government of the United States. Such information shall include, but not be limited to, quantities of reserves, current or proposed leasing agreements, environmental considerations, and economic impact analyses.

PUBLIC DISCLOSURE OF INFORMATION

SEC. 14. (a) The Administrator shall make public, on a continuing basis, any statistical and economic analyses, data, information, and whatever reports and summaries are necessary to keep the public fully and currently informed as to the nature, extent, and projected duration of shortages of energy supplies, the impact of such shortages, and the steps being taken to minimize such impacts.

(b) Subject to the provisions of this Act, section 552 of title 5, United States Code, shall apply to public disclosure of information by the Administrator: *Provided*, That notwithstanding said section, the provisions of section 1905 of title 18, United States Code, or any other provision of law, (1) all matters reported to, or otherwise obtained by, any person exercising authority under this Act containing trade secrets or other matter referred to in section 1905 of title 18, United States Code, may be disclosed to other persons authorized to perform functions under this Act solely to carry out the purposes of the Act, or when relevant in any proceeding under this Act; and (2) the Administrator shall disclose to the public, at a reasonable cost, and upon a request which reasonably describes the matter sought, any matter of the type which could not be excluded from public annual reports to the Securities and Exchange Commission pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934 by a business enterprise exclusively engaged in the manufacture or sale of a single product, unless such matter concerns or relates to the trade secrets, processes, operations, style of work, or apparatus of a business enterprise.

(c) To protect and assure privacy of individuals and confidentiality of personal information, the Administrator is directed to establish guidelines and procedures for handling any information which the Administration obtains pertaining to individuals. He shall provide, to the extent practicable, in such guidelines and procedures a method for allowing any such individual to gain access to such information pertaining to himself.

REPORTS AND RECOMMENDATIONS

SEC. 15. (a) Six months before the expiration of this Act, the President shall transmit to Congress a full report together with his recommendations for—

(1) disposition of the functions of the Administration upon its termination;

(2) continuation of the Administration with its present functions; or

(3) reorganization of the Administration; and

(4) organization of the Federal Government for the management of energy and natural resources policies and programs.

(b) Not later than one year after the effective date of this Act, the Administrator shall submit a report to the President and Congress which will provide a complete and independent analysis of actual oil and gas reserves and resources in the United States and its Outer Continental Shelf, as well as of the existing productive capacity and the extent to which such capacity could be increased for crude oil and each major petroleum product each year for the next ten-years through full utilization of available technology and capacity. The report shall also contain the Administration's recommendations for improving the utilization and effectiveness of Federal energy data and its manner of collection. The data collection and analysis portion of this report shall be prepared by the Federal Trade Commission for the Administration. Unless specifically prohibited by law, all Federal agencies shall make available estimates, statistics, data and other information in their files which, in the judgment of the Commission or Administration, are necessary for the purposes of this subsection.

(c) The Administrator shall prepare and submit directly to the Congress and the President every year after the date of enactment of this Act a report which shall include—

(1) a review and analysis of the major actions taken by the Administrator;

(2) an analysis of the impact these actions have had on the Nation's civilian requirements for energy supplies for materials and commodities;

(3) a projection of the energy supply for the midterm and long term for each of the major types of fuel and the potential size and impact of any anticipated shortages, including recommendations for measures to—

(A) minimize deficiencies of energy supplies in relation to needs;

(B) maintain the health and safety of citizens;

(C) maintain production and employment at the highest feasible level;

(D) equitably share the burden of shortages among individuals and business firms; and

(E) minimize any distortion of voluntary choices of individuals and firms;

(4) a summary listing of all recipients of funds and the amount thereof within the preceding period; and

(5) a summary listing of information-gathering activities conducted under section 13 of this Act.

(d) Not later than thirty days after the effective date of this Act, the Administrator shall issue preliminary summer guidelines for citizen fuel use.

(e) The Administrator shall provide interim reports to the Congress from time to time and when requested by committees of Congress.

SEX DISCRIMINATION

SEC. 16. No individual shall on the grounds of sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity carried on or receiving Federal assistance under this Act. This provision will be enforced through agency provisions and rules similar to those already established, with respect to racial and other discrimination, under title VI of the Civil Rights Act of 1964. However, this remedy is not exclusive and will not prejudice or remove any other legal remedies available to any individual alleging discrimination.

ADVISORY COMMITTEES

SEC. 17. (a) Whenever the Administrator shall establish or utilize any board, task force, commission, committee, or similar group, not composed entirely of full-time Government employees, to advise with respect to, or to formulate or carry out, any agreement or plan of action affecting any industry or segment thereof, the Administrator shall endeavor to insure that each such group is reasonably representative of the various points of view and functions of the industry and users affected, including those of residential, commercial, and industrial consumers, and shall include, where appropriate, representation from both State and local governments, and from representatives of State regulatory utility commissions, selected after consultation with the respective national associations.

(b) Each meeting of such board, task force, commission, committee, or similar group, shall be open to the public, and interested persons shall be permitted to attend, appear before, and file statements with, such group, except that the Administrator may determine that such meeting shall be closed in the interest of national security. Such determination shall be in writing, shall contain a detailed explanation of reasons in justification of the determination, and shall be made available to the public.

(c) All records, reports, transcripts, memoranda, and other documents, which were prepared for or by such group, shall be available for public inspection and copying at a single location in the offices of the Administration.

(d) Advisory committees established or utilized pursuant to this Act shall be governed in full by the provisions of the Federal Advisory Committee Act (Public Law 92–463, 86 Stat. 770), except as inconsistent with this section.

ECONOMIC ANALYSIS OF PROPOSED ACTIONS

SEC. 18. (a) In carrying out the provisions of this Act, the Administrator shall, to the greatest extent practicable, insure that the potential economic impacts of proposed regulatory and other actions are evaluated and considered, including but not limited to an analysis of the effect of such actions on—

(1) the fiscal integrity of State and local governments;

(2) vital industrial sectors of the economy;

(3) employment, by industrial and trade sectors, as well as on a national, regional, State, and local basis;

(4) the economic vitality of regional, State, and local areas;

(5) the availability and price of consumer goods and services;

(6) the gross national product;

(7) low and middle income families as defined by the Bureau of Labor Statistics;

(8) competition in all sectors of industry; and

(9) small business.

(b) The Administrator shall develop analyses of the economic impact of various conservation measures on States or significant sectors thereof, considering the impact on both energy for fuel and energy as feed stock for industry.

(c) Such analyses shall, wherever possible, be made explicit, and to the extent possible, other Federal agencies and agencies of State and local governments which have special knowledge and expertise relevant to the impact of proposed regulatory or other actions shall be consulted in making the analyses, and all Federal agencies are authorized and directed to cooperate with the Administrator in preparing such analyses: *Provided*, That the Administrator's actions pursuant to this section shall not create any right of review or cause of action except as would otherwise exist under other provisions of law.

(d) The Administrator, together with the Secretaries of Labor and Commerce, shall monitor the economic impact of any energy actions taken by the Administrator, and shall provide the Congress with a report every six months on the impact of the energy shortage and the Administrator's actions on employment and the economy. Such report shall contain recommendations as to whether additional Federal programs of employment and economic assistance should be put into effect to minimize the impact of the energy shortage and any actions taken.

(e) The Administrator shall formulate and implement regulatory and other actions in a manner (1) which does not unduly discriminate against any industry or any region of the United States; and (2) designed to insure that, to the greatest extent possible, the costs and burdens of meeting energy shortages shall be borne equally by every sector and segment of the country and of the economy.

MANAGEMENT OVERSIGHT REVIEW

Sec. 19. The Administrator may, for a period not to exceed thirty days in any one calendar year, provide for the exercise or performance of a management oversight review with respect to the conduct of any Federal or State (with consent of the Governor) energy program conducted pursuant to this Act. Such review may be conducted by contract or by any Federal department or agency. A written report shall be submitted to the Administrator concerning the findings of the review.

COORDINATION WITH, AND TECHNICAL ASSISTANCE TO, STATE GOVERNMENTS

Sec. 20. (a) The Administrator shall—

(1) coordinate Federal energy programs and policies with such programs and policies of State governments by providing—

(A) within sixty days of the effective date of this Act, the Congress and State governments with a report on the manner in which he has organized the Administration based upon the functions delegated by the President or assigned to the Administrator by this Act or under the authority of other Acts; and

(B) within one hundred and twenty days of the effective date of this Act, the public, State governments, and all Members of the Congress with a report in nontechnical language which—

(i) describes the functions performed by the Administration;

(ii) sets forth in detail the organization of the Administration, the location of its offices (including regional, State, and local offices), the names and phone numbers of Administration officials, and other appropriate information concerning the operation of the Administration;

(iii) delineates the role that State, and Federal governments will or may perform in achieving the purposes of this Act; and

(iv) provides the public with a clear understanding of their duties and obligations, rights, and responsibilities under any of the programs or functions of the Administration;

(2) before promulgating any rules, regulations, or policies, and before establishing any programs under the authority of this Act, provide, where practicable, a reasonable period in which State governments may provide written comments if such rules, regulations, policies, or programs substantially affect the authority or responsibility of such State governments;

(3) provide, in accordance with the provisions of this Act, upon request, to State governments all relevant information he possesses concerning the status and impact of energy shortages, the extent and location of available supplies and shortages of crude oil, petroleum products, natural gas, and coal, within the distribution area serving that particular State government; and

(4) provide for a central clearinghouse for Federal agencies and State governments seeking energy information and assistance from the Federal Government.

(b) Pursuant to his responsibility under this section, the Administrator shall—

(1) provide technical assistance—including advice and consultation relating to State programs, and, where necessary, the use of task forces of public officials and private persons assigned to work with State governments—to assist State governments in dealing with energy problems and shortages and their impact and in the development of plans, programs, and policies to meet the problems and shortages so identified;

(2) convene conferences of State and Federal officials, and such other persons as the Administrator designates, to promote the purposes of this Act, and the Administrator is authorized to pay reasonable expenses incurred in the participation of individuals in such conferences;

(3) draft and make available to State governments model legislation with respect to State energy programs and policies; and

(4) promote the promulgation of uniform criteria, procedures, and forms for grant or contract applications for energy proposals submitted by State governments.

OFFICE OF PRIVATE GRIEVANCES AND REDRESS

Sec. 21. (a) The Administrator shall establish and maintain an Office of Private Grievances and Redress, headed by a director, to receive and evaluate petitions filed in accordance with subsection (b) of this section, and to make recommendations to the Administrator for appropriate action.

(b) Any person, adversely affected by any order, rule, or regulation issued by the Administrator in carrying out the functions assigned to him under this Act, may petition the Administrator for special redress, relief, or other extraordinary assistance, apart from, or in addition to, any right or privilege to seek redress of grievances provided in section 7.

(c) The Administrator shall report quarterly to the Congress on the nature and number of the grievances which have been filed, and the action taken and relief provided, pursuant to this section; and he shall make recommendations to the Congress from time to time concerning legislative or administrative actions which may be taken to better assist persons adversely affected by the energy shortages and to distribute more equitably the burdens resulting from any measures adopted, or actions taken, by him.

COMPREHENSIVE ENERGY PLAN

Sec. 22. (a) Pursuant and subject to the provisions and procedures set forth in this Act, the Administrator shall, within six months from the date of the enactment of this Act, develop and report to the Congress and the President a comprehensive plan designed to alleviate the energy shortage, for the time period covered by this Act. Such plan shall be accompanied by full analytical justification for the actions proposed therein. Such analysis shall include, but not be limited to—

(1) estimates of the energy savings of each action and of the program as a whole;

(2) estimates of any windfall losses and gains to be experienced by corporations, industries, and citizens grouped by socioeconomic class;

(3) estimates of the impact on supplies and consumption of energy forms consequent to such price changes as are or may be proposed; and

(4) a description of alternative actions which the Administrator has considered together with a rationale in explanation of the rejection of any such alternatives in preference to the measures actually proposed.

(b) The Administrator may, from time to time, modify or otherwise alter any such plan, except that, upon request of an appropriate committee of the Congress, the Administrator shall supply analytical justifications for any such alterations.

(c) The Administrator shall be responsible for monitoring any such plans as are implemented with respect to their effectiveness in achieving the anticipated benefits.

PETROCHEMICAL REPORT

Sec. 23. (a) Within ninety days after he has entered upon the office of Administrator or has been designated by the President to act in such office, the Administrator, or acting Administrator, as the case may be, with the assistance of the Department of Commerce, the Cost of Living Council, and the United States Tariff Commission shall, by written report, inform the Congress as to the—

(1) effect of current petrochemical prices upon the current level of petrochemical exports, and export levels expected for 1975;

(2) effect of current and expected 1975 petrochemical export levels upon domestic petrochemical raw materials and products available to petrochemical producers, converters, and fabricators currently and in 1975;

(3) current contribtuion of petrochemical imports to domestic supplies and the expected contribution in 1975;

(4) anticipated economic effects of current and expected 1975 levels of domestic supplies of petrochemicals upon domestic producers, converters, and fabricators of petrochemical raw materials and products; and

(5) exact nature, extent, and sources of data and other information available to the Federal Government regarding the matters set forth in paragraphs (1) through (4) of this subsection, including the exact nature, extent, and sources of such data and information utilized in connection with the report required by this subsection.

(b) As used in this section, the term "petrochemical" includes organic chemicals, cyclic intermediates, plastics and resins, synthetic fibers, elastomers, organic dyes, organic pigments, detergents, surface active agents, carbon black and ammonia.

HYDROELECTRIC GENERATING FACILITIES

Sec. 24. Within ninety days of the effective date of this Act, the Administrator of the

Federal Energy Administration, in consultation with the Secretary of the Interior and the Secretary of the Army, shall—

(1) transmit to the Congress—

(A) a list of hydroelectric generating facilities and electric power transmission facilities which have been authorized for construction by the Congress and which are not yet completed, and

(B) a list of opportunities to increase the capacity of existing hydroelectric generating facilities; and

(2) provide, for each such facility which is listed—

(A) a construction schedule and cost estimates for an expedited construction program which would make the facility available for services at the earliest practicable date, and

(B) a statement of the accomplishments which could be provided by the expedited completion of each facility and a statement of any funds which have been appropriated but not yet obligated.

INFORMATION CONCERNING TRANSACTION, SALE, EXCHANGE OR SHIPMENT INVOLVING THE EXPORT FROM THE UNITED STATES TO A FOREIGN NATION OF COAL AND ANY REFINED PETROLEUM PRODUCT

SEC. 25. (a) The Administrator is authorized and directed to establish and maintain a file which shall contain information concerning every transaction, sale, exchange or shipment involving the export from the United States to a foreign nation of coal, crude oil, residual oil or any refined petroleum product. Information to be included in the file shall be current and shall include, but shall not be limited to, the name of the exporter (including the name or names of the holders of any beneficial interests), the volume and type of product involved in the export transaction, the manner of shipment and identification of the vessel or carrier, the destination, the name of the purchaser if a sale, exchange or other transaction is involved, and a statement of reasons justifying the export.

(b) Upon request of any committee of Congress or the head of any Federal agency, the Administrator shall promptly provide any information maintained in the file and a report thereon to such committee, or agency head, except where the President finds such disclosure to be detrimental to national security.

(c) Notwithstanding any other provision of law, any Federal agency which collects or has information relevant to the functions required by this section shall make such information available to the Administrator.

FOREIGN OWNERSHIP

SEC. 26. The Administrator shall conduct a comprehensive review of foreign ownership of, influence on, and control of domestic energy sources and supplies. Such review shall draw upon existing information, where available, and any independent investigation necessary by the Administration. The Administrator shall, on or before the expiration of the one hundred and eighty day period following the effective date of this Act, report to the Congress in sufficient detail so as to apprise the Congress as to the extent and forms of such foreign ownership of, influence on, and control of domestic energy sources and supplies, and shall thereafter continue to monitor such ownership, influence and control.

SEPARABILITY

SEC. 27. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the remainder of this Act, and the application of such provision to other persons or circumstances, shall not be affected thereby.

REVERSION

SEC. 28. Upon the termination of this Act, any functions or personnel transferred by this Act shall revert to the department, agency, or office from which they were transferred. An officer or employee of the Federal Government who is appointed, without break in service of one or more workdays, to any position for carrying out functions under this Act is entitled, upon separation from such position other than for cause, to reemployment in the position occupied at the time of appointment, or in opposition of comparable grade and salary.

AUTHORIZATION OF APPROPRIATIONS

SEC. 29. There are hereby authorized to be appropriated to the Administrator, to remain available until expended, $75,000,000 for fiscal year 1974, and $200,000,000 annually for each of fiscal years 1975 and 1976 to carry out the purposes of this Act.

EFFECTIVE DATE; TERMINATION DATE

SEC. 30. This Act shall become effective sixty days after the date of enactment or sooner if the President publishes notice in the Federal Register. This Act shall terminate June 30, 1976.

And the Senate agree to the same.

CHET HOLIFIELD,
BENJAMIN S. ROSENTHAL,
FERNAND J. ST GERMAIN,
DON FUQUA,
FRANK HORTON,
JOHN S. ERLENBORN,
JOHN W. WYDLER,
Managers on the Part of the House.
ABRAHAM RIBICOFF,
SAM J. ERVIN, Jr.,
HENRY M. JACKSON,
EDMUND S. MUSKIE,
LEE METCALF,
CHARLES H. PERCY,
JACOB K. JAVITS,
EDWARD J. GURNEY,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 11793) to reorganize and consolidate certain functions of the Federal Government in a new Federal Energy Administration in order to promote more efficient management of such functions, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

Except for certain clarifying, clerical, conforming and other technical changes, the changes made to deal with the differences between the House bill and the Senate amendment are noted below.

SECTIONS 1–3—TITLE AND DECLARATION

The conferees agreed not to carry "emergency" in the title of the act and the Administration and made conforming changes in the text. The conference substitute adopts the House bill's sections 1 through 3 with an amendment retaining the wording in Senate section 102(b) emphasizing that the sole purpose of the act is to reorganize certain governmental functions on an interim basis to deal with the Nation's energy shortages.

SECTIONS 4 AND 7(a)—OFFICERS AND EMPLOYEES

The House bill provided for two Deputy Administrators (section 4(c)). The Senate amendment provided for one Deputy Administrator (section 103(a)) and other personnel requirements, not contained in the House bill, as follows: (1) Officers in charge of five specific programs—allocation, rationing, pricing, State and local coordination, and economic impact analysis—were to be not lower than executive level V officers, appointed by the President with the advice and consent of the Senate (section 107(b), (c)); and (2) one hundred new GS–16, 17, and 18 positions were authorized, of which twenty-five were to be filled without regard to the laws governing appointments in the competitive civil service (section 106(a)(1)).

The conference substitute incorporates (1) the House provision for two Deputy Administrators (section 4(c)); (2) a modified Senate provision for Presidential appointment of officers principally in charge of four specified programs: allocation, rationing, pricing, and Federal and State coordination (section 4(f)(2)); and (3) a modified Senate provision for additional supergrades reduced in number to ninety-one, with the total number of supergrades in the agency limited to one hundred and five (section 7(a)). Twenty-five of the ninety-one positions may be filled without regard to the laws governing appointment in the competitive civil service. This exemption applies to individual appointments, not to job classification and qualifications.

The conferees agreed that, in view of the extraordinary scope and complexity of the Administrator's responsibilities, two Deputy Administrators were justified. It is contemplated that one will be in charge of the Administration's program operations and the other will develop the Administration's policies and plans.

The conferees also agreed that the additional supergrades were warranted in view of the importance of the Administrator's responsibilities and need to pay salaries adequate to assure hiring the most qualified personnel possible. The Administrator would be expected to exercise judgment in filling these positions, so that they will be utilized only when necessary to administer the programs of the agency.

In concurring in the provision for Presidential appointment of executive level V officers with principal responsibility for specified programs, the conferees agreed that the four program areas of rationing, pricing, allocation, and Federal and State coordination were of such importance to the purposes of the act that they should be directed by officers subject to Senate confirmation. The conference substitute requires that officials having principal responsibility for these four programs be placed in positions not lower than executive level V. The Administrator is not precluded from distributing responsibility for these programs among the four officers in a manner which separates operations from planning. The provision applies to current and future pricing, allocation, and Federal-State coordination, but to rationing only if and when a Federal rationing program is actually implemented pursuant to authority granted under other legislation.

The provisions of the House bill governing the order in which other officers would serve in the absence of the Administrator (section 4(h)) mandated a more specific order of succession than the corresponding section of the Senate amendment (section 103(f)). The conferees adopted in subsection 4(h) the language of the Senate amendment.

SECTION 4(i)—CONFLICT OF INTEREST

Both the House bill and the Senate amendment contain similar provisions governing use of the waiver provisions under 18 U.S.C. 208. That law prohibits a Government officer or employee from acting in circumstances where he may have a conflict of interest unless he gets a waiver from his supervisor. The House bill (section 4(i)) provided that the Administrator alone could authorize such a waiver, and required 30 days' advance notice to Congress with a detailed description of the conflicting interest. The Senate amendment (section 106(b)) provided that a waiver must be personally authorized by the Administrator, Deputy Administrator, or General Counsel, and required public notice of each such waiver, along with a detailed statement justifying the waiver.

The conference substitute retains the wording in the House version with an amendment requiring only 10 days' advance notice to Congress and with a further amendment requiring that the report sent to Congress also be published in the Federal Register (section 4(i)). The conferees recognized that waivers may be justified in special cases, but the provision adopted reflects the view of the conferees that extreme caution should be taken in waiving the applicability of section 208; and that such waivers should be granted only when absolutely necessary to obtain the services of persons with special competence.

SECTION 4(j)—PROHIBITION AGAINST DUAL EMPLOYMENT

The conference substitute incorporates a provision, found in the House bill (section 8(e)) but not in the Senate amendment, prohibiting the Administrator, Deputy and Assistant Administrator, and General Counsel from holding other positions in the executive branch.

The conferees wish to make clear that this prohibition applies only to full-time positions and does not preclude additional service as part-time advisers or as part-time members of committees in the executive branch performing coordinating or consulting functions.

SECTION 5—FUNCTIONS AND PURPOSES

The House bill (section 5) enumerated 14 functions of the Administrator. The Senate amendment (sections 104 and 108(i)) included a general statement of his responsibilities. Both bills contained specific provisions to make it clear that the statements of responsibilities and functions did not grant new program authority to the Administrator.

The conference substitute is a composite of the House and Senate versions. The Administrator will have only the authorities specifically transferred or vested in him by the act, delegated to him by the President pursuant to specific authority of law, or otherwise specifically vested in the Administrator by Congress (section 5(a)). The conferees included in section 5(a) of the substitute the substance of both Senate section 104, describing the Administrator's authority, and section 108(i), which prohibits the Administrator from exercising any authority except that specifically conferred upon him.

The conference substitute is not intended to preclude the Administrator, as the head of a Federal agency, from acting under delegations based on statutory provisions which expressly enable one agency head to delegate certain authority to any other agency head. For example, the Administrator of General Services may make delegations of this type, to the extent authorized by law, with respect to such matters as automatic data processing, property disposal, and public buildings.

The conference substitute modifies slightly the list of functions in the House bill (section 5) which the Administrator may perform, to the extent authorized by other provisions of the act. One of the 14 listed functions, requiring the Administrator to expedite development of energy resources, was eliminated to emphasize that the Administrator's primary concern should be to alleviate immediate energy shortages and administer conservation measures rather than to engage in long-range research and development. The conferees did not intend, however, that FEA be precluded from undertaking efforts to promote the increased utilization of known energy resources through application of currently available technologies. Another function, relating to summer guidelines for citizen fuel use, was changed to a requirement for a report by the Administrator (section 15(d)).

SECTION 7(C)—COORDINATION WITH COST OF LIVING COUNCIL AND WITH ENVIRONMENTAL PROTECTION AGENCY

The Senate amendment, but not the House bill, contained provisions requiring the Administrator to submit proposed rules, regulations, or policies relating to energy pricing to the Cost of Living Council, and proposed energy regulations affecting the environment to the Environmental Protection Agency (section 106(a)(3)). As set forth in the Senate amendment both COLC and EPA are to receive notice at least 5 days in advance. The COLC may disapprove the proposed regulation within the period provided. The EPA may offer comments for the consideration of the Administrator, and these must be published along with the Administrator's proposed action. In an emergency these requirements may be suspended for 14 days.

The conference substitute incorporates the substance of the Senate provision with technical and clarifying amendments which make it clear that the Administrator must inform EPA and COLC prior to providing the public with any notice that it is proposing to take certain actions. In the case of actions affecting the environment, EPA's comments must accompany the first public notice of the Administration's proposals.

SECTION 7(d)—VOLUNTARY AND UNCOMPENSATED SERVICES

The House bill included a provision allowing the Administrator to accept voluntary and uncompensated services (section 7(f)). Both the House bill and the Senate amendment permitted the Administrator to utilize the services of Federal and State agencies and instrumentalities with or without reimbursement, but the House version extended this provision to "private" agencies or instrumentalities (House bill, section 7(e); Senate amendment, section 106(a)(4)).

The conference substitute deletes the provision for acceptance of voluntary and uncompensated services and limits the provision for utilization of agency services, with or without reimbursement, to "public" agencies (section 7(d)). The conferees agreed that it is important to preclude any possibility or appearance that private interests exercise undue influence on the Administration by providing special uncompensated services.

SECTION 7(g)–(h)—ADMINISTRATIVE PROVISIONS

Both the House bill and Senate amendment authorized the Administrator to enter into contracts, leases and cooperative agreements, but the Senate amendment added "other transactions" (House bill, section 7(i); Senate amendment, section 106(a)(7)).

The conference substitute authorizes the Administrator to enter into contracts, leases, cooperative agreements and "similar" transactions. Though this language was adopted to give the Administrator needed flexibility, the conferees do not intend thereby to authorize the Administrator to make grants or grants-in-aid. The conferees deleted the requirement in the Senate provision that such transactions be entered into "subject to appropriation acts," since the Administrator, under other law, will be subject to this limitation in any event.

The conference substitute also incorporates an administrative provision found in the Senate amendment (section 106(a)(8)), but not in the House bill, authorizing the Administrator to perform such other activities as may be necessary for the fulfillment of his administrative duties and functions. The intent is to give him incidental powers of an administrative nature necessary for the efficient running of the Administration, and not to expand in any way his substantive authority beyond the limitations of section 5(a) of the conference substitute.

SECTION 7(i)—ADMINISTRATIVE PROCEDURE AND JUDICIAL REVIEW

Both the House bill and the Senate amendment include similar provisions establishing administrative and judicial review procedures for the Administration (House bill, section 7(j); Senate amendment, sections 121 and 122). However, the House bill and Senate amendment differed in such matters as the application of the procedures to State and local government actions, the functions covered, the number of provisions of the Administrative Procedure Act applicable, and the time allowed for public comment and hearing.

The conference substitute in section 7(i)(1) and (3) adopts substantially the House provisions as being somewhat more detailed and complete. The subsection applies, with modifications, Administrative Procedure Act provisions not only to rules and regulations, but also to orders similar to a rule or regulation. This reflects the conferees' intent that the Administrator should provide notice and opportunity for comment whenever his proposed action could have an impact on more than the few persons who, in the absence of such public notice, would be likely anyway to receive personal notice of the proposed action. It is expected that the exception to the notice provisions in paragraph (B) of section 7(i) of the conference substitute will be used very sparingly.

Paragraph (C) requires that opportunity for oral comments be provided if the rule, regulation, or order is likely to have a substantial impact on the Nation's economy or large numbers of individuals or businesses. The number of individuals or businesses need not necessarily be large relative to the entire population, but should be substantial in a given sector of the country or the economy. The conferees intend that if the Administrator is in doubt about the applicability of any of the standards provided in this section, he will resolve the doubt in favor of the fullest application of procedural safeguards.

The House bill and the Senate amendment differed with respect to appeals from general administrative rulemaking. The conference substitute, in section 1(i)(2), adopts the House language with technical amendments to make clear that with respect to judicial review of general rulemaking under the act, actions taken pursuant to the Emergency Petroleum Allocation Act of 1973 will continue to follow the special procedures provided in the Allocation Act for facilitating appeals through the use of the Temporary Emergency Court of Appeals. This clarification comports with the provisions in section 7(i)(2)(B), adopting language in both the House bill and the Senate amendment, which provides that the U.S. district courts shall have jurisdiction over all other cases or controversies arising under the Federal Energy Administration Act. Appeals from the district courts in cases involving Allocation Act matters presently go to the Temporary Emergency Court of Appeals, and nothing in either the House bill, Senate amendment, or conference substitute alters this procedure.

The conference substitute in section 8(b) and (f) makes it clear that in the event of any inconsistency between the administrative and judicial review procedures presently applicable to functions transferred by the act, and the procedures specifically established by section 7, the provisions in section 7 shall govern.

SECTION 12—ACCESS TO INFORMATION BY COMPTROLLER GENERAL

Both the House bill and the Senate amendment authorized the Comptroller General to monitor Administration operations, to make his reports available to the public, and to gain access to certain Administration and private records. The House bill limited such access to information in the possession of the Administration and to certain records of Government contractors and recipients of Federal funds (section 14(a)). The Senate amendment was considerably broader. It granted the Comptroller General the right of access to data from any public or private source or organization relating to the management and conservation of energy, permitted him to obtain information from persons under oath, and authorized the issuance of subpenas for the production of records (section 119(a)–(c)).

The conference substitute follows the Senate version but with significant limitations and controls. It authorizes the Comptroller General to request information or records only from owners or operators of business premises engaged in any phase of energy supply or major consumption of energy, and it authorizes the Comptroller General to issue subpenas for the production of such business records, provided he first obtains the concurrence by resolution of a duly established committee of the Congress having legislative or investigative jurisdiction over the subject matter. The resolution must set forth the necessity and scope of the subpenas and the identity of the persons to be served.

The conference substitute also incorporates a provision in the House bill (section 14(b)) reiterating the prohibition in 18 U.S.C. 1905 against disclosure to the public of trade secrets and other confidential data but making such information available by the Comptroller General or the Administrator to Congress, courts and Federal agencies for official use. The Senate amendment (section 119(e)) contained a comparable provision, but it did not specifically provide that confidential information could be disclosed to Congress, courts, or agencies.

The provisions for disclosure by the Administrator contained in section 12(f) refer only to information received from the Comptroller General under section 12. Disclosure of information obtained by the Administrator from other sources is subject to section 14 of the conference substitute.

SECTION 13—INFORMATION GATHERING BY THE ADMINISTRATOR

Both the House bill and the Senate amendment contained comparable provisions giving the Administrator extensive information-gathering powers; including the right to conduct investigations; to require that persons provide information, reports, or responses to specific questions or to general surveys or questionnaires; to make on-site investigations, including the examination of records; to subpena witnesses and documentary material; to administer oaths; and to seek the aid of a Federal court in the enforcement of subpena rights (House bill, section 15(a)-(c); Senate amendment, section 116(a)-(d)). The House bill differed primarily in requiring categorical groupings of information; in limiting the persons subject to the Administrator's information-gathering powers to owners or operators of business premises engaged in energy supply or major energy consumption rather than to persons subject to any rule, regulation or order of the Administrator; and in providing for an administrative warrant before inspecting premises. The warrant-provision was drawn from the Comprehensive Drug Abuse Prevention and Control Act (21 U.S.C. 880).

The conference substitute is a composite of the House and Senate versions. It incorporates the House provisions prescribing categorical groupings and limits the Administrator's information-gathering powers to owners or operators of business premises engaged in energy supply or major energy consumption. However, it omits the wording with regard to use of administrative warrants for inspection of premises so as to eliminate any possibility that the provision would be interpreted as permitting unjustified invasions of a person's rights of privacy. If the Administrator encounters any difficulty in obtaining access to premises to conduct inspections, he will be able to seek the aid of a court for appropriate enforcement of his right of inspection through judicial warrant or other legal process.

The conference substitute (section 13(f)) retains a provision found in the House bill (section 15(d)) giving the Administrator access to data in other agencies concerning energy resources on Government-owned lands.

SECTION 14(a)-(b)—PUBLIC DISCLOSURE OF INFORMATION

The conference substitute incorporates a provision of the Senate amendment (section 117(a)) imposing upon the Administrator an affirmative duty to keep the public fully informed by publicizing information concerning energy shortages and supplies, the impact of shortages on the economy, and steps being taken to minimize such impact (section 14(a)).

Both bills contained provisions relating to public access to information. The House bill reiterated the protection given trade secrets and other confidential information under 18 U.S.C. 1905 (section 16(a)). The Senate amendment directed the withholding of information protected from disclosure by the Freedom of Information Act (5 U.S.C. 552), but specifically required disclosure of certain corporate financial data.

The conference substitute incorporates a provision authorizing disclosure of confidential information under 18 U.S.C. 1905 to persons performing functions under this act, or in court proceedings. It also requires public disclosure, upon request, of information of the type which could not be excluded from public annual reports to the Securities and Exchange Commission.

In other respects, the Freedom of Information Act will govern. The Administrator may withhold matters within the exemptions provided by that act, but there is nothing in the conference substitute requiring him to do so. In determining whether to disclose information under the Freedom of Information Act, the conferees expect that the Administrator will give consideration, among other things, to his affirmative duty imposed by section 14(a) to keep the public informed.

SECTION 14(C)—HANDLING PERSONAL DATA

The House bill contained a provision directing the Administrator to establish guidelines for handling data pertaining to individuals, giving them notice, access, and opportunity to contest the accuracy, pertinency, and inclusion of such data. The Administrator also was directed to protect such data against "indiscriminate" transfers to other persons, organizations, or agencies (section 16(b)).

The Senate amendment contained no comparable provision.

The conference substitute incorporates the House provision, but modifies it to require the Administrator to provide guidelines for the handling of information pertaining to individuals which shall, to the extent practicable, afford each affected individual access to information pertaining to himself. It was the intent of the conferees that this provision apply only to information concerning individuals in their strictly personal capacity and not to information which relates in any way to an individual's business activities covered by this act.

SECTION 16—SEX DISCRIMINATION

The conference substitute incorporates a provision against sex discrimination. The House bill (section 21), but not the Senate amendment, included such a provision.

SECTION 17(a)—ADVISORY COMMITTEES

The House bill authorized the Administrator to appoint advisory boards in accordance with the provisions of the Federal Advisory Committee Act (U.S.C. App. I (1972 Supp.)) and directed him to establish a separate advisory board of State public utility commissioners (section 7(c)).

The Senate amendment (section 118) directed the Administrator to assure that each advisory group was reasonably representative of the different interests affected, including State and local governments and public utility commissions. It also required each meeting of an advisory group to be open to the public unless closed for national security reasons, and gave the public ready access to all records, reports, and transcripts of group meetings. In other respects it made the Federal Advisory Committee Act controlling.

The conference substitute incorporates, with minor amendments, the provisions in the Senate amendment.

SECTION 21—OFFICE OF PRIVATE GRIEVANCES AND REDRESS

The Senate amendment (section 124) had a provision not in the House bill creating an Office of Private Grievances and Redress. The conference substitute adopts the Senate provision with technical amendments to make it clear that the Director of the Office of Private Grievances and Redress will have no independent statutory authority, apart from the Administrator, to grant relief to petitioners, and that the procedures established by this section are in addition to those provided under section 7. The reporting requirements also were amended to make them the formal responsibility of the Administrator rather than the Director.

SECTION 29—AUTHORIZATIONS

In place of the House provision authorizing appropriations as necessary (section 13), the conference substitute incorporates the Senate provision (section 132(a)) authorizing appropriations of $75 million for fiscal year 1974, and $200 million each for fiscal years 1975 and 1976. The conference substitute omits provisions in the Senate amendment for additional appropriations if a rationing program is adopted, and for mandatory apportionment of appropriations during the fiscal year for which such sums were appropriated (section 132(b)-(c)).

SECTION 30—TERMINATION DATE

In place of the House provision for termination of the act in two years (section 19), and the Senate provision for termination on June 30, 1975 (section 131), the conference substitute provides for termination of the act on June 30, 1976.

REPORTS, ANALYSES, AND REVIEWS

The conference substitute includes provisions for the following:

Section 15(a)—A report by the President six months before expiration of the act, with recommendations concerning (1) the disposition or possible continuance of the Administration's functions, and (2) a Federal organization for energy and natural resources. This was a consolidation of language in the House bill (section 17(a)) and the Senate amendment (section 126).

Section 15(b)—A report within a year on oil and gas reserves. The conference substitute adopts with amendments the House provision (section 17(b)) in lieu of the Senate provision (section 127(a)(5)). The House provision requires that the data collection and analysis portion of the report be prepared by the Federal Trade Commission for the Administration.

Section 15(c)—A yearly report describing the Administration's actions and predicting the Nation's future energy supply. The conference substitute was adapted from the Senate amendment (section 127(a)(1)-(4), (b).

Section 18—Analysis of the impact of proposed actions by the Administrator, including a requirement for a single report every six months prepared by the Administrator and the Secretaries of Labor and Commerce, and a requirement for nondiscriminatory and equal apportionment of the burdens of energy shortages among all sectors of the country and the economy. This was adapted from the Senate amendment (section 113). The Administrator's actions under this section do not create any new right of review or cause of action.

Section 19—Management oversight reviews by the Administrator of Federal and State energy programs conducted under this act. This was adapted from a Senate provision (section 114).

Section 20—Coordination with, and technical assistance to, State governments. The conference substitute is identical to section 115 of the Senate amendment, except that the Administrator's responsibility for providing coordination and technical assistance need not go beyond State governments. Coordination and assistance to local governments was considered important by the conferees, but as a practical matter it was agreed that in most cases such coordination and assistance would be obtained more expeditiously if provided through State governments.

Section 22—A comprehensive plan for alleviating energy shortages during the period covered by the act, to be developed by the Administrator and submitted to Congress and the President. This was adapted from a Senate provision (section 125).

Section 23—A report on the effect of energy shortages and current prices on the petrochemical industry. This was adapted from a Senate provision (section 128).

Section 24—A report on opportunities for expediting the construction or enlargement of hydroelectric generating facilities, to be prepared by the Administrator in conjunction with the Secretaries of the Interior and Army. This was adapted from a Senate provision (section 129).

Section 25—Compilation and report of information on coal and petroleum product exports. This was adapted from a Senate provision (section 130), with an amendment giving primary responsibility for obtaining the information to the Administrator rather than the Department of Commerce. It is expected that the Department and other Federal agencies will cooperate fully with the Administrator and provide the assistance he needs in compiling data and reporting on coal and petroleum product exports. To enable other agencies to cooperate with the Administrator, subsection (c) exempts them from laws limiting the transfer of information to other agencies. To qualify under this exemption, however, the information must be directly relevant to the purposes of this section.

Section 26—A report on the extent of foreign ownership or control of domestic energy sources and supplies. The Administrator is further charged with continuing responsibility for monitoring such foreign ownership. This was adapted from a Senate provision (section 116(e)).

Changes were made in connection with a number of the above items to allow more time for preparing the reports and to reduce their frequency.

The other reporting requirements contained in the Senate amendment were deleted by the conferees.

MISCELLANEOUS

Other miscellaneous differences between the House bill and the Senate amendment were reconciled as follows:

The Senate amendment, but not the House bill, permitted the President to transfer additional agency functions to the Administrator if Congress specifically approved the transfer after considering it on an expedited basis (section 105(c)). The conference substitute omits the Senate provision.

The conference substitute omits, as unnecessary, a House bill provision (section 9(a)) stating that offices in the Department of the Interior and the Cost of Living Council shall lapse when all their functions are transferred to the Administration.

Section 9—The conference substitute follows the Senate language (section 109) governing incidental transfers by the Director of the Office of Management and Budget. The effect is to direct, as well as authorize, the Director of OMB to make such incidental transfers of personnel, property and funds, etc., as are necessary. The wording in section 10 of the House bill applying this section to the reversion of functions upon the expiration of the act was retained.

Section 11(a)–(b)—The conference substitute adopts with minor changes the Senate version governing interim appointments. As a result, the Administrator's use of funds of other agencies to pay agency officials is limited to those funds applicable to functions transferred to the Administration (Senate amendment, section 111(a); House bill, section 12(a)). Section 11(b) of the conference substitute also incorporates a provision in the Senate amendment (section 111(b)) that temporary transitional appointments by the President of Officers requiring Senate confirmation be effective for only 30 days, unless during that time the names of such officers are submitted to the Senate for confirmation. The 30-day limitation was changed from the 60 days originally provided in the Senate amendment to accord with existing law governing Presidential appointments.

Section 11(c)–(d)—The conference substitute incorporates Senate language (section 111(c)–(d) protecting the employment rights of employees upon transfer to the Administration.

Section 28—The conference substitute governing the reversion of functions or personnel upon the termination of the act makes clear that the section applies to functions or personnel transferred from any executive department, agency or office. It retains the House provision (section 20) protecting an employee's rights on reversion of functions to other parts of the executive branch. In addition to being assured a job of comparable grade and salary, the employee also will be given credit, upon transfer back to his former agency, of any seniority rights accumulated while working for the Administration. The employee protection rights provided by sections 11 and 28 do not apply to persons who are separated or reduced in grade for causes.

ELIMINATION OF TITLE II OF SENATE AMENDMENT

The Senate amendment (title II) created a three-member Council on Energy Policy to advise the President and Congress, coordinate Federal Government energy activities, collect and analyze energy data, prepare a comprehensive energy plan, and perform other functions.

The House bill had no provision for a council.

The conference substitute includes no provision for a council. The conferees agreed that establishment of the Council on Energy Policy as a permanent agency would be more appropriate for consideration in connection with permanent legislation than legislation establishing a temporary agency to deal with the current energy shortages.

The elimination of title II does not preclude the establishment by the President, within existing authority, of any council or other organization to coordinate Federal energy policies.

Chet Holifield,
Benjamin S. Rosenthal,
Fernand J. St Germain,
Don Fuqua,
Frank Horton,
John N. Erlenborn,
John W. Wydler,
Managers on the Part of the House.

Abraham Ribicoff,
Sam J. Ervin, Jr.,
Henry M. Jackson,
Edmund S. Muskie,
Lee Metcalf,
Charles H. Percy,
Jacob K. Javits,
Edward J. Gurney,
Managers on the Part of the Senate.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. Roncallo of New York (at the request of Mr. Rhodes), for today, on account of official business.

To Mr. Barrett (at the request of Mr. O'Neill), for this week, on account of death in the family.

To Mr. Blackburn (at the request of Mr. Rhodes), on account of official business, from April 22 to April 30, 1974.

To Mr. Pepper (at the request of Mr. O'Neill), for Monday, April 22, 1974, on account of official business.

To Mr. McSpadden (at the request of Mr. O'Neill), for this week, on account of illness in family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Froehlich) to revise and extend their remarks and include extraneous matter:)

Mr. Kemp, for 30 minutes, today.

Mrs. Heckler of Massachusetts, for 30 minutes, today.

Mr. Young of Illinois, for 5 minutes, today.

Mr. Lent, for 5 minutes, today.

Mr. Goldwater, for 5 minutes, today.

Mr. Railsback, for 5 minutes, today.

Mr. Skubitz, for 5 minutes, today.

(The following Members (at the request of Mr. Murtha) to revise and extend their remarks and include extraneous matter:)

Mr. Yatron, for 5 minutes, today.

Mr. Vanik, for 10 minutes, today.

Mr. Gonzalez, for 5 minutes today.

Mr. Jones of Tennessee, for 5 minutes, today.

Mr. Metcalfe, for 10 minutes, today.

Mr. Alexander, for 15 minutes, today.

Ms. Abzug, for 15 minutes, today.

Mr. Fulton, for 10 minutes, today.

Mr. Podell, for 10 minutes, today.

Mr. Matsunaga, for 15 minutes, today.

Mr. Rangel, for 10 minutes, today.

Mr. Rostenkowski, for 5 minutes, on April 24.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Appendix of the Record, or to revise and extend remarks was granted to:

Mr. Madden.

Mr. Gross to extend remarks and include an article and extraneous matter.

Mr. Hosmer, and to include extraneous material, during consideration of H.R. 13919 in the Committee of the Whole today.

Mr. Roncalio of Wyoming and to include extraneous material, during consideration of H.R. 13919 in the Committee of the Whole today.

Mr. Holifield, and to include extraneous material, during consideration of H.R. 13919 in the Committee of the Whole today.

(The following Members (at the request of Mr. Froehlich) and to include extraneous matter:)

Mr. Hanrahan in two instances.

Mr. Kemp in three instances.

Mr. Forsythe.

Mr. Veysey in three instances.

Mr. Hudnut.

Mr. Steelman.

Mr. Thomson of Wisconsin.

Mr. Grover.

Mr. Wyman in two instances.

Mr. Wylie.

Mr. Huber.

Mr. Gilman.

Mr. Frenzel in five instances.

Mr. Hosmer in three instances.

Mr. Cleveland in three instances.

Mr. Bell.

Mr. Hogan in two instances.

Mr. Roncallo of New York.

Mr. Smith of New York.

Mr. Schneebeli.

Mr. Collins of Texas in four instances.

Mr. Coughlin.

Mr. Fish.

Mr. Symms.

Mr. Bray in three instances.

Mr. Skubitz in two instances.

Mr. Derwinski in two instances.

Mr. Rhodes.

Mr. Railsback in two instances.

(The following Members (at the request of Mr. Murtha) and to include extraneous material:)

Mr. Vanik in two instances.

Mr. Brinkley in two instances.

Mr. Fraser in five instances.

Mr. Drinan.

Mrs. Griffiths in two instances.

Mr. Rodino.

Mr. Harrington in 10 instances.

Mrs. Schroeder in 10 instances.

Mr. Carey of New York in three instances.

Mr. Rarick in three instances.

Mr. Gonzalez in three instances.

Mr. Charles H. Wilson of California in two instances.

Mr. Leggett in six instances.

Mr. Hungate in two instances.

Mr. Fauntroy in five instances.

Mr. Kyros in two instances.

Mr. Badillo in three instances.

Mr. Dulski in five instances.

Mr. Mahon.

Mr. Jones of Alabama.

Mr. McCormack.

Mr. Bolling.

Mr. Anderson of California in three instances.

Mr. Diggs.

Mr. Milford.

Mr. Dingell in two instances.

Mr. Tiernan.

Mr. Addabbo.

Mr. Jones of Oklahoma.

Mr. Stokes in three instances.

Mr. Biaggi in five instances.

ADJOURNMENT

Mr. MURTHA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 15 minutes p.m.), the House adjourned until tomorrow, Wednesday, April 24, 1974, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2218. A letter from the President of the United States, transmitting amendments to the request for appropriations in the budget for fiscal year 1975 for the Department of Agriculture (H. Doc. No. 93–291); to the Committee on Appropriations and ordered to be printed.

2219. A letter from the Assistant Secretary of Defense (Installations and Logistics), transmitting a report on Department of Defense procurement from small and other business firms during July 1973, through January 1974, pursuant to 15 U.S.C. 639(d); to the Committee on Banking and Currency.

2220. A letter from the Director of ACTION, transmitting the annual report of the agency for fiscal year 1973; to the Committee on Education and Labor.

2221. A letter from the Acting Deputy Assistant Secretary of the Interior, transmitting notice of a proposed contract with FMC Corp., San Jose, Calif., for a research project entitled "Mine Shaft Fire and Smoke Protection System," pursuant to 42 U.S.C. 1900(d); to the Committee on Interior and Insular Affairs.

2222. A letter from the Secretary of Health, Education, and Welfare, transmitting the second interim report on the administration of title VIII of the Public Health Service Act (Nurse Training), pursuant to section 12 of Public Law 92–158 (42 U.S.C. 296nt); to the Committee on Interstate and Foreign Commerce.

2223. A letter from the Chief Justice of the United States, transmitting proposed amendments to the Federal Rules of Criminal Procedure, pursuant to title 18, United States Code, sections 3771 and 3772 (H. Doc. No. 93–292); to the Committee on the Judiciary and ordered to be printed.

2224. A letter from the Administrator of General Services, transmitting a draft of proposed legislation to amend section 5316 of title 5, United States Code, relating to level V of the Executive Schedule, to apply to the position of General Counsel of the General Services Administration; to the Committee on Post Office and Civil Service.

2225. A letter from the Chairman, U.S. Atomic Energy Commission, transmitting a draft of proposed legislation to amend the Atomic Energy Act of 1954, as amended, to revise the method of providing for public remuneration in the event of a nuclear incident and for other purposes; to the Joint Committee on Atomic Energy.

RECEIVED FROM THE COMPTROLLER GENERAL

2226. A letter from the Comptroller General of the United States, transmitting a report on the implementation of the Emergency Loan Guarantee Act, pursuant to 15 U.S.C. 1846(b); to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BLATNIK: Committee on Public Works. S. 2509. An act to name structure S–5A of the Central and Southern Florida Flood Control District, located in Palm Beach County, Fla., as the W. Turner Wallis Pumping Station in memory of the late W. Turner Wallis, the first secretary-treasurer and chief engineer for the Central and Southern Florida Flood Control District (Rept. No. 93–996). Referred to the House Calendar.

Mr. ULLMAN: Committee on Ways and Means. H.R. 6191. A bill to amend the Tariff Schedules of the United States to provide that certain forms of zinc be admitted free of duty; with amendment (Rept. No. 93–997). Referred to the Committee of the Whole House on the State of the Union.

Mr. ULLMAN: Committee on Ways and Means. H.R. 11251. A bill to amend the Tariff Schedules of the United States to provide for the duty-free entry of methanol imported for use as fuel; with amendment (Rept. No. 93–998). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOLIFIELD: Committee of conference. Conference report on H.R. 11793 (Rept. No. 93–999). Ordered to be printed.

Mr. PEPPER: Committee on Rules. House Resolution 1056. Resolution providing for the consideration of H.R. 11321. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968, as amended, to provide benefits to survivors of certain public safety officers who die in the performance of duty (Rept. No. 93–1000). Referred to the House Calendar.

Mr. LONG of Louisiana: Committee on Rules. House Resolution 1057. Resolution for the consideration of H.R. 13998. A bill to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes (Rept. No. 93–1001). Referred to the House Calendar.

Mr. LONG of Louisiana: Committee on Rules. House Resolution 1058. Resolution providing for the consideration of H.R. 13999. A bill to authorize appropriations for activities of the National Science Foundation, and for other purposes (Rept. No. 93–1002). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HAYS:

H.R. 14282. A bill relating to the sale and distribution of the Congressional Record; to the Committee on House Administration.

By Mr. ALEXANDER:

H.R. 14283. A bill to amend title 23, United States Code, the Federal-Aid Highway Act of 1973, and other related provisions of law, to increase safety on the Nation's highways; to the Committee on Public Works.

By Mr. BELL:

H.R. 14284. A bill to encourage States to establish motor vehicle disposal programs and to provide for federally guaranteed loans and tax incentives for the acquisition of automobile scrap processing equipment; to the Committee on Ways and Means.

By Mr. BINGHAM (for himself, Ms. Abzug, Mrs. Schroeder, and Mr. Symington):

H.R. 14285. A bill to amend the Economic Stabilization Act, to establish objectives and standards governing imposition of controls after April 30, 1974, to create an Economic Stabilization Administration, to establish a mechanism for congressional action when the President fails to act, and for other purposes; to the Committee on Banking and Currency.

By Mr. BRADEMAS:

H.R. 14286. A bill to expand Federal programs for relief from the effects of unemployment, and to provide special assistance to alleviate the problems resultant from the energy crisis; to the Committee on Ways and Means.

By Mr. BURTON:

H.R. 14287. A bill to amend the Immigration and Nationality Act to facilitate the entry of foreign tourists into the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. COHEN:

H.R. 14288. A bill to establish a Marine Fisheries Conservation Fund; to the Committee on Merchant Marine and Fisheries.

By Mr. CORMAN (for himself, Mr. Addabbo, Mr. Bergland, Mr. Broyhill of North Carolina, Mr. Carney of Ohio, Mr. Conte, Mr. Dingell, Mr. Evins of Tennessee, Mr. Hungate, Mr. Kemp, Mr. Kluczynski, Mr. McCollister, Mr. McDade, Mr. Mitchell of Maryland, Mr. St Germain, Mr. Smith of Iowa, and Mr. J. William Stanton):

H.R. 14289. A bill to amend chapter 137, title 10, United States Code, to limit, and to provide more effective control over, the use of Government production equipment by private contractors under contracts entered into with the Department of Defense and certain other agencies, and for other purposes; to the Committee on Armed Services.

By Mr. EDWARDS of Alabama:

H.R. 14290. A bill to amend the Clean Air Act to assure consideration of the total environmental, social, and economic impact while improving the quality of the Nation's air; to the Committee on Interstate and Foreign Commerce.

By Mr. FRASER:

H.R. 14291. A bill to amend the Northwest Atlantic Fisheries Act of 1950 to permit U.S. participation in international enforcement of fish conservation in additional geographic areas, pursuant to the International Convention for the Northwest Atlantic Fisheries 1949, and for other purposes; to the Committee on Foreign Affairs.

By Mr. FRENZEL:

H.R. 14292. A bill to amend title XIV of the Housing and Urban Development Act of 1968 (the Interstate Land Sales Full Disclosure Act) to provide for the exemption of new communities from the requirements of that title; to the Committee on Banking and Currency.

By Mr. HANLEY:

H.R. 14293. A bill to amend title 5, United States Code, to provide retention preference in reductions in force for employees who are former members of the Armed Forces retired on disability incurred in line of duty in wartime but caused by other than an instrumentality of war or injury or disease resulting from armed conflict, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 14294. A bill to amend title 5, United States Code, to grant retention preference in reduction in force for employees who are retired members of the Armed Forces and are holders of the Medal of Honor or are former prisoners of war, or both, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. JONES of Tennessee:

H.R. 14295. A bill to amend section 501(c) (12) of the Internal Revenue Code of 1954 (relating to the taxation of telephone cooperatives); to the Committee on Ways and Means.

By Mr. LENT:

H.R. 14296. A bill to incorporate the U.S. Submarine Veterans of World War II; to the Committee on the Judiciary.

By Mr. MILLER:

H.R. 14297. A bill to prohibit for a temporary period the exportation of ferrous scrap and for other purposes; to the Committee on Banking and Currency.

By Mr. MOAKLEY:

H.R. 14298. A bill to provide for the mobilization of community development assistance and volunteer services and to create an agency to administer such programs; to the Committee on Education and Labor.

By Mr. OBEY (for himself, Mr. Vander Jagt, Mr. Yatron, and Mrs. Heckler of Massachusetts):

H.R. 14299. A bill to protect the public health and welfare by providing for the inspection of imported dairy products and by requiring that such products comply with certain minimum standards for the quality and wholesomeness and that the dairy farms on which milk is produced and the plants in which such products are produced meet certain minimum standards of sanitation; to the Committee on Agriculture.

By Mr. PODELL:

H.R. 14300. A bill to prohibit the introduction into interstate commerce of nonreturnable beverage containers; to the Committee on Interstate and Foreign Commerce.

By Mr. RONCALIO of Wyoming:

H.R. 14301. A bill to amend the Federal Food, Drug, and Cosmetic Act to include a definition of food supplements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ROUSSELOT (for himself and Mr. Dent.):

H.R. 14302. A bill to amend the Export-Import Bank Act of 1945 to strengthen the oversight role of Congress with respect to extension of credit by the Bank, and for other purposes; to the Committee on Banking and Currency.

By Mr. ROY (for himself, Ms. Collins of Illinois, Mr. Hammerschmidt, and Mr. Sisk):

H.R. 14303. A bill to require the establishment of an Agricultural Service Center in each county of a State as part of the implementation of any plan for the establishment of such centers on a nationwide basis; to the Committee on Agriculture.

By Mr. SCHNEEBELI:

H.R. 14304. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for social agency, legal, and related expenses incurred in connection with the adoption of a child by the taxpayer; to the Committee on Ways and Means.

By Mr. STAGGERS (for himself and Mr. Devine):

H.R. 14305. A bill to amend certain provisions of the Communications Satellite Act of 1962, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. JAMES V. STANTON:

H.R. 14306. A bill to terminate the Airlines Mutual Aid Agreement; to the Committee on Interstate and Foreign Commerce.

By Mr. THONE:

H.R. 14307. A bill to require the establishment of an Agricultural Service Center in each county of a State as a part of the implementation of any plan for establishment of such centers on a nationwide basis; to the Committee on Agriculture.

H.R. 14308. A bill to amend the Export Administration Act of 1969, as amended, to control the export of iron and steel scrap during periods of shortage; to the Committee on Banking and Currency.

H.R. 14309. A bill to authorize the Secretary of Commerce to conduct a study of foreign direct and portfolio investment in the United States, and for other purposes; to the Committee on Foreign Affairs.

H.R. 14310. A bill to amend the Internal Security Act of 1950 to control and penalize terrorists, and for other purposes; to the Committee on Internal Security.

By Mr. ULLMAN (for himself and Mr. Yatron):

H.R. 14311. A bill to amend the provisions of the Social Security Act to consolidate the reporting of wages by employers for income tax withholding and old-age, survivors, and disability insurance purposes, and for other purposes; to the Committee on Ways and Means.

By Mr. WHITEHURST:

H.R. 14312. A bill to amend title 5, section 5704(a)(2), United States Code; to the Committee on Government Operations.

By Mr. CHARLES WILSON of Texas:

H.R. 14313. A bill to amend the Consolidated Farmers Home Administration Act of 1961, to amend the definition of "rural area" to permit towns of 25,000 or less inhabitants to be considered rural areas for purposes of the act; to the Committee on Agriculture.

By Mr. WOLFF (for himself, Mrs. Heckler of Massachusetts, Mr. Carney of Ohio, Mr. Helstoski, Mr. Walsh, and Mr. Luken):

H.R. 14314. A bill to amend title 38 of the United States Code in order to increase the rates of educational assistance allowances; to provide for the payment of tuition, the extension of educational assistance entitlement, acceleration of payment of educational assistance allowances, and expansion of the work-study program; to establish a Vietnam-Era Veterans Communication Center and a Vietnam-Era Advisory Committee; and to otherwise improve the educational and training assistance program for veterans; to the Committee on Veterans' Affairs.

By Mr. WOLFF (for himself, Mr. Walsh, Mrs. Heckler of Massachusetts, Mr. Helstoski, Mr. Carney of Ohio, and Mr. Biester):

H.R. 14315. A bill to amend chapter 34 of title 38, United States Code, to authorize additional payments to eligible veterans to partially defray the cost of tuition; to the Committee on Veterans' Affairs.

By Mr. WOLFF (for himself and Mr. Podell):

H.R. 14316. A bill to repeal section 411 of the Social Security Amendments of 1972 and certain related provisions of law in order to restore to aged, blind, and disabled individuals receiving supplemental security income benefits (under title XVI of the Social Security Act) their right to participate in the food stamp and surplus commodities programs; to the Committee on Ways and Means.

By Mr. YOUNGS of Florida:

H.R. 14317. A bill to amend title 38 of the United States Code in order to apply to veterans and other persons pursuing certain vocational and technical educational programs the same certification requirements with respect to enrollment, pursuit, and attendance as apply to veterans and persons pursuing programs leading to standard college degrees; to the Committee on Veterans' Affairs.

By Mr. BRAY:

H.R. 14318. A bill to incorporate the United States Submarine Veterans of World War II; to the Committee on the Judiciary.

By Mr. EDWARDS of California:

H.R. 14319. A bill to provide that members of the Armed Forces may be separated or discharged from active service only by an honorable discharge, a general discharge, or discharge by a court martial, and for other purposes; to the Committee on Armed Forces.

By Mr. FISH:

H.R. 14320. A bill to amend title 18 of the United States Code to permit the transportation, mailing, and broadcasting of advertising, information, and materials concerning lotteries authorized by law and conducted by a State or by nonprofit organizations in accordance with State law, and for other purposes; to the Committee on the Judiciary.

By Mr. FROEHLICH:

H.R. 14321. A bill to amend title 38 of the United States Code in order to provide service pension to certain veterans of World War

I and pension to the widows of such veterans; to the Committee on Veterans' Affairs.

By Mr. KEMP:

H.R. 14322. A bill to prescribe a standard for increasing the money supply; to the Committee on Banking and Currency.

H.R. 14323. A bill to protect the constitutional right of privacy of individuals concerning whom identifiable information is recorded by enacting principles of information practices in furtherance of articles I, III, IV, V. IX, X, and XIV of amendment to the U.S. Constitution; to the Committee on the Judiciary.

H.R. 14324. A bill to amend the Internal Revenue Code of 1954 to provide that an individual shall be entitled to a tax credit equal to the amount by which the purchasing power of his adjusted gross income for the taxable year is reduced by inflation, and for other purposes; to the Committee on Ways and Means.

By Mr. MOAKLEY:

H.R. 14325. A bill to provide for a program of assistance to State governments in reforming their real property tax laws and providing relief from real property taxes for low-income individuals, and for other purposes; to the Committee on Ways and Means.

By Mr. MOSHER:

H.R. 14326. A bill to amend Federal programs so as to encourage and assist in the provision of safe and sanitary housing, with comprehensive provisions for essential services for Older Americans and those individuals with enduring handicaps; to the Committee on Banking and Currency.

By Mr. SKUBITZ:

H.R. 14327. A bill to amend section 103(a) of the National Traffic and Motor Vehicle Safety Act of 1966; to the Committee on Interstate and Foreign Commerce.

H.R. 14328. A bill to amend the Federal Aviation Act of 1958 to permit the continuation of youth fares, to authorize reduced-rate transportation for the elderly, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BROWN of Ohio:

H.J. Res. 982. Joint resolution to authorize the President to issue a proclamation designating the month of May 1974, as National Arthritis Month; to the Committee on the Judiciary.

By Mr. HANLEY:

H.J. Res. 983. Joint resolution calling for the President to transmit a report to Congress within 60 days which contains recommendations for the solution of the economic problems identified in this resolution; to the Committee on Banking and Currency.

By Mr. WHITEHURST (for himself and Mr. RHODES):

H.J. Res. 984. Joint resolution proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. WINN:

H.J. Res. 985. Joint resolution proposing an amendment to the Constitution of the United States relating to the busing or involuntary assignment of students; to the Committee on the Judiciary.

By Mr. LONG of Maryland (for himself and Mr. FULTON):

H. Con. Res. 480. Concurrent resolution urging the telephone and hearing-aid industries to provide full access to telephone communications for hearing aid users; to the Committee on Interstate and Foreign Commerce.

By Mr. GOLDWATER:

H. Res. 1055. Resolution in support of continued undiluted U.S. sovereignty and jurisdiction over the U.S.-owned Canal Zone on the Isthmus of Panama; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

437. The SPEAKER presented a memorial of the Legislature of the State of Minnesota, relative to negotiations between the Department of State and the Government of Mexico for the reestablishment of the bracero program; to the Comimttee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BERGLAND:

H.R. 14329. A bill for the relief of Rosa C. Vargas; to the Committee on the Judiciary.

By Mr. CEDERBERG:

H.R. 14330. A bill for the relief of Morgan-McCool, Inc.; to the Committee on the Judiciary.

By Mr. CHARLES WILSON of Texas:

H.R. 14331. A bill for the relief of Luisa Marillac Hughes, Marco Antonio Hughes, Maria del Cisne Hughes, Maria Augusta Hughes, Miguel Vicente Hughes, Veronica del Rocio Hughes, and Ivan Hughes; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

429. By the SPEAKER: Petition of the board of supervisors, Buffalo County, Wis., relative to community action programs; to the Committee on Education and Labor.

430. Also, petition of Allan G. Kaplan, Paterson, N.J., relative to redress of grievances; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

1975 BUDGET SCOREKEEPING REPORT NO. 1—AS OF APRIL 11, 1974

HON. GEORGE H. MAHON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. MAHON. Mr. Speaker, I am inserting for the information of Members, their staffs, and others, excerpts from the "Budget Scorekeeping Report No. 1, as of April 11, 1974." This is the first report in the 1975 budget scorekeeping series for the current session of Congress, as prepared by the staff of the Joint Committee on Reduction of Federal Expenditures. The report itself has been sent to all Members.

The purpose of this scorekeeping report is to show the impact of congressional actions in the current session on the President's budget estimates for new budget authority, outlays, and receipts, and on the estimated deficit position. This is the seventh year in which this series of reports has been published.

This first report in the 1975 series includes the scorekeeping highlights of action to the beginning of the recent Easter recess, together with text and special informational tables designed to supply ready reference to budgetary data significant to the analysis of the Federal fiscal position.

Of course, very little congressional action had been completed to April 11; however, a number of notable actions are pending. The Scorekeeping Highlights from the report which I will include here point up the completed action and the major pending legislative actions taken to date. These excerpts from the 1975 Scorekeeping Report No. 1 follow:

SCOREKEEPING HIGHLIGHTS

FISCAL YEAR 1975

Outlays

Completed congressional actions taken this session to date, April 11, 1974, on the President's budgeted 1975 outlay requests, are shown in this report for 3 legislative measures carrying mandatory spending provisions. The outlay impact of these completed actions in as follows:

[In millions]

Civil Service minimum retirement	+$172.0
Civil Service survivor benefits	+4.6
Rejection of executive pay raise	−34.0

Incomplete legislative actions, which would have further impact on the budgeted 1975 outlay requests, are also reflected. These actions pertain to 2 pending appropriation bills, and 10 legislative measures involving backdoor or mandatory spending. The major incomplete actions include:

Appropriation bills passed by the House:

1974 Second Supplemental bill reductions would have the effect of reducing 1975 outlays by about $300 million; and

1975 Legislative bill changes would reduce 1975 outlays by $5.4 million.

Urban mass transit operating subsidies as reported by the conference committee would increase outlays by about $400 million;

Civil Service survivor annuity modifications pending in the House would cost an additional $362 million;

Veterans educational benefit increases passed by the House would increase outlays by about $361 million over Administration requests;

Veterans disability benefit increases reported on the House would increase outlays by about $104 million over the Administration request;

The outlay impact of increased backdoor authority for housing programs as passed by the Senate are as yet undetermined.

Budget authority

Completed congressional action to date having impact on the President's 1975 budget authority requests pertain to the same 3 mandatory legislative measures shown above for outlays: Civil Service retirement and survivor benefit increases amounting to $176.6 million and a reduction of $34 million resulting from the rejection of proposed executive pay raises.

Incomplete congressional actions affecting budget authority shown in this report pertain to one regular 1975 appropriation bill and 12 legislative measures increasing backdoor or mandatory budget authority. Major items are:

Legislative appropriations: the House passed bill reduced budget authority by $5.9 million.

Housing and community development: additional borrowing authority of about $1.6 billion was passed by the Senate;

Urban mass transit operating subsidies: new contract authority of $400 million has been reported by the conference committee;

Civil Service survivor annuity modification: additional federal payments to trust fund of $362 million are pending action in the House;

Veterans educational benefits: mandatory increases passed by the House will increase budget authority by $361 million over Administration requests;

Veterans disability benefits: mandatory increase reported in the House will increase budget authority by $104 million over the Administration request.

Private pension protection: new borrowing authority of $100 million for this purpose is now pending in conference.

FISCAL YEAR 1974

The Second Supplemental appropriation bill for fiscal 1974, as passed by the House, would reduce official budget requests by $1.7 billion in budget authority and about $875 million in outlays. This bill provides for the rescission of $1 billion in budget authority previously appropriated for public assistance, as compared with the Administration rescission request of $783 million. The rescission request, which involved outlay reduction of $550 million, was not reflected in the revised 1974 budget estimates transmitted February 4, and resulted from recent reestimates of program requirements.

Legislative bills having impact on budgeted 1974 outlays include 4 mandatory changes on which action has been completed, as follows:

[In millions]

Unemployment benefit extension	+$161.0
Social Security benefit extension for presumptive disability	+24.0
Indian loan revolving fund	−1.0
Rejection of executive pay raise	−7.0

Other legislative measures still pending which may have impact on fiscal 1974 include $400 million in backdoor contract authority and outlays for urban mass transit operating subsidies and two bills involving special incentive pay.

This first report of the new 1975 scorekeeping series includes considerable summary and background information regarding fiscal years 1975 and 1974, together with a number of special tabulations and sections dealing with various factors in the budgetary process. I would call special attention to this material, most particularly that summarizing the 1975 budget requests and assumptions, and analyzing the controllability of the budget through current congressional action.

I am inserting here, for the convenience of those interested in budgetary detail, an extract of the "table of contents" from the 1975 Scorekeeping Report No. 1. This listing of the report's contents is essentially an outline of the organization of the materials in the report, showing the main sections of the text, the regular scorekeeping and supporting tables, and the special informational and historical data.

The organization and contents of this first report have been designed to cover a number of areas of importance in the Federal budgetary process. Some of the special tabulations will not be repeated in all of the future periodic reports in this series. I would suggest, for this reason, that users of the scorekeeping reports may wish to review and perhaps retain this material for possible future reference.

EXTRACT OF THE TABLE OF CONTENTS OF THE 1975 SCOREKEEPING REPORT NO. 1

Introduction.
Scorekeeping highlights to date:
Fiscal year 1975.
Fiscal year 1974.
The 1975 budget requests—summaries and analysis:
Summary.
Economic assumptions.
Proposed legislation.
Revenue.
Controllability through current action by Congress:
Portion of 1975 budget requiring current action by Congress.
Controllability of 1975 budget.
Unexpended balances—the pipeline.
Fiscal year 1974—review and analysis:
The revised 1974 estimates.
Reconciliation of 1974 budget outlay estimates.
Last session—1974 budget scorekeeping.
Other budgetary factors:
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Annexed budgets.
Budget projections—1976 and five-year.
Scorekeeping tables:
Table 1—Estimated effect of congressional actions during the 2d session of the 93d Congress on individual bills.
Table 2—Revenue proposals affecting fiscal year 1975 budget.
Table 3—Summary—box score presentation of fiscal years 1975 and 1974 federal budgets.
Supporting tables:
Table 4—Appropriation bills, 2d session, 93d Congress.
Legislative proposals in 1975 budget:
Table 5—Reduction proposals.
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Table 7—Legislative proposals not reflected in fiscal year 1975 budget:
Part A—Backdoor and mandatory authorizations.
Part B—Nonmandatory (discretionary) authorizations.
Table 8—Authorizing legislation required prior to enactment of 1975 appropriations.
Informational and historical data.
Table 9—Fiscal year 1975 budget authority and outlay requests.
Table 10—Revised fiscal year 1974 budget authority and outlay estimates.
Table 11—Controllable and uncontrollable portions of 1975 budget (gross).
Table 12—Offsetting receipts.
Table 13—Unexpended balances, fiscal years 1974–1975.
Table 14—Functional breakdown of the budget for fiscal years 1973–1975, with 1976 projections.
Table 15—Variations between original budget estimate and actual, 1955–1975.
Table 16—Appropriation record, 1935–1973.
Table 17—Federal and trust funds and unified budget, 1960–1975.
Table 18—Budget scorekeeping record, fiscal years 1969–1974:
Part A—By fiscal year.
Part B—By fiscal year and session of Congress.
Explanatory notes—guidelines for users. See pages IV and 16.

LEWISTOWN, PA.—ALL-AMERICAN CITY

HON. RICHARD S. SCHWEIKER

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Tuesday, April 23, 1974

Mr. SCHWEIKER. Mr. President, Lewistown, Pa., was officially designated All-American City by the National Municipal League last Monday. This is a fitting tribute to the remarkable recovery made by the people of Lewistown in the wake of Hurricane Agnes.

Faced with the wholesale destruction that came with the Agnes floods, and the subsequent flight of businesses and industries vital to its economy, Lewistown wasted no time in setting about the business of rebuilding. In less than 2 years since Agnes struck, Lewistown has succeeded in attracting new jobs and industry, greatly improving community health services, and going a long way toward rebuilding retail business areas destroyed by the floods. Lewistown has rightfully earned the title of "The Town That Wouldn't Quit."

Mr. President, I join with all Pennsylvanians in congratulating the people of the Lewistown area for their inspiring accomplishment, and ask that two newspaper articles on this All-American City designation be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

SUCCESS WRITES THE LATEST CHAPTER ABOUT "TOWN THAT WOULDN'T QUIT"

(By Dennis Dible)

LEWISTOWN.—This community's successful bid for All-America City status adds another chapter to the inspiring story of the "town that wouldn't quit."

It is a story of a community that was racked by two catastrophic events in the summer of 1972—and a community that used those twin tragedies as a catapult to recovery and even greater accomplishments in less than two years.

The move toward All-America City status began in mid-1973, when the Juniata Valley Chamber of Commerce entered the competition on behalf of the borough, and ended today with the announcement that Lewistown has become the third Pennsylvania community within the past eight years to win the prestigious designation.

Clearfield was an All-American City in 1966, and Johnstown followed suit in 1972.

The original entries numbered more than 100, and in mid-October, Chamber officials were notified that Lewistown had been chosen as one of the 18 semifinalists in the annual competition sponsored by the National Municipal League.

The final presentation of the borough's achievements came during mid-November, when Chamber executives William Gray and John Connelly trekked to Dallas, Texas, to try to catapult this city into All-America status.

A Sentinel reporter on the scene in Dallas covered the event, and reported on the apparently enthusiastic reaction to Gray and Connelly's "sales pitch."

The two local men utilized a professional presentation with color slides, taped remarks from politicians and a live speech to "sell" this community's accomplishments to a panel headed by George H. Gallup, chairman of the American Institute of Public Opinion.

In addition, the area was flooded with red-and-blue cloth badges proclaiming "we've got the spirit," in an effort to instill an All-America feeling in residents.

The Chamber presentation leaned heavily on three major areas of accomplishment in the borough: economic recovery, improved health services and downtown redevelopment.

The economic recovery cited by the Chamber representatives included the location of at least 10 new industries in this area following the devastating effects of Hurricane Agnes in June 1972.

Under improved health services, the

presentation to the panel pointed to the unification of the two local hospitals and their staffs into the new Lewistown Hospital, dedicated in 1973.

Redevelopment focused on a two-block area of downtown Lewistown, where new construction has resulted in a sparkling shopping mall accommodating a host of retail stores.

After the presentation by Gray and Connelly, the National Municipal League sent representatives to the area early this year to verify the testimony presented in Dallas.

This was the first year that the local Chamber had entered the All-America City competition, and Lewistown was the only finalist named from Pennsylvania.

Finalist communities ranged in size from Dade County, Fla., with its population topping one million residents, to tiny Ravenna, Neb., where 1,360 make their homes.

The Sentinel will publish a special edition to commemorate the official announcement of the award, which is to be made on April 15.

[From the Lewistown (Pa.) Sentinel,
Mar. 19, 1974]

Lewistown Is All-American City

Lewistown.—All-American City honors have been awarded the Borough of Lewistown by the National Municipal League, it was revealed today.

In a letter to Christopher W. Buehl, Juanita Valley Area Chamber of Commerce executive director, the NML "saluted the citizens of Lewistown area whose effective action won this award," Buehl said in a meeting yesterday afternoon.

The award is based on the accomplishments of the entire area in coming back from the disastrous effects of Hurricane Agnes and the flood it brought in 1972.

Lewistown and environs thus became the only Pennsylvania community to receive the award for 1973, and one of a dozen or less in the nation, out of more than 100 applicants.

In a letter to Buehl NML, executive director William N. Cassella, Jr. offered congratulations, and noted that official announcement of the award will be made April 15.

None of the names of other winners were released here, and NML senior associate William G. Andersen Jr. told The Sentinel Monday that "we leave the announcements up to the local communities."

Buehl said yesterday that a committee has been named to plan a program marking the official acceptance of the award and that Mervin Krentzman will chair the group.

Cassella's letter said that the decision to name Lewistown a winner "was reached by the All-America Cities Award Jury last November following the presentations in Dallas, Texas. Subsequent investigation confirmed this decision."

The "subsequent investigation" was carried out by the NML in cooperation with The Sentinel, which supplied a confidential list of persons to be contacted in the area for information on various phases of community achievement.

"The National Municipal League salutes the citizens of the Lewistown area," Cassella said in his letter, "and sincerely hopes they will view this honor as a further incentive to play a positive role in the affairs of their community."

An All-America Cities flag and a framed award certificate to be presented to Mayor John Lawler will be given the borough by the NML. Lawler is out-of-town today, and unavailable for comment.

The stories of the winning communities will appear in the "National Civic Review," the May ssue of "American City" magazine, and possibly in the June issue of "Harper's" magazine.

Andersen told The Sentinel yesterday, however, that there has been some difficulty with the commitment by "Harper's."

The story was to have appeared in the May issue of the magazine, which will go on sale in mid-April, but has been postponed. Andersen said negotiations are under way with another national magazine to carry the story.

DECLARATION ON THE ELIMINATION OF RELIGIOUS INTOLERANCE

HON. JACOB K. JAVITS

OF NEW YORK

IN THE SENATE OF THE UNITED STATES

Tuesday, April 23, 1974

Mr. JAVITS. Mr. President, at its last session, the General Assembly of the United Nations asked the Commission on Human Rights to give priority to the matter of drafting a declaration on the elimination of religious intolerance. Pertinent to this discussion is the statement before the UN Commission on Human Rights by Dr. Isaac Lewin, a distinguished member of the faculty of Yeshiva University, who spoke on behalf of the Agudas Israel World Organization.

I ask unanimous consent that the statement of Dr. Lewin be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows.

Statement by Dr. Isaac Lewin

The old Romans used to say: *Habent sua fata libelli.* Every book has its own fate. Every literary achievement has its own story. And indeed no other project which was undertaken by the United Nations in the quarter century of its existence has had so unusual a history as the Draft Declaration on the Elimination of All Forms of Religious Intolerance.

Its story begins on November 19, 1946, when the General Assembly unanimously adopted a resolution presented by Egypt "that it is in the higher interest of humanity to put an immediate end to religious and so-called racial persecution and discrimination." This resolution mentions religious discrimination first and lists racal discrimination second.

As might be expected, any action on the resolution had to be preceded by a study of the facts. Only after a clear picture of the situation was obtained, could proposals for elimination of religious intolerance be advanced and ultimately adopted by the United Nations. The organ assigned to make the study was the Sub-Commission on Prevention of Discrimination and Protection of Minorities. At its fifth session, in October 1952, this Sub-Commission worked on a plan to make a study of various forms of discrimination. To our great surprise, however, the studies proposed concerned only the following forms of discrimination: (1) in education; (2) in employment and occupation; (3) in political rights; (4) in residence and movement; (5) in immigration and travel; and (6) in the right to choose a spouse and enjoy family rights. Religious discrimination was overlooked.

I happened to attend this session of the Sub-Commission and I drew its attention to this unfortunate omission. On behalf of my organization, the Agudas Israel World Organization, which represents religious Jews in 23 countries, I asked that the Sub-Commission embark on a study of discrimination in the field of religious rights and practices.

The Sub-Commission agreed with my suggestion. According to the Summary Record, Mr. Hiscocks of the United Kingdom then expressed the hope "that the authors of the draft resolution . . . would agree to add to the cases of discrimination to be studied, discriminatory measures based on religion, of which the representative of the Agudas Israel World Organization had just spoken." At the next meeting (quoting again from the Summary Record) "Mr. Ekstrand (from Sweden) proposed the insertion of the words 'religious rights' after 'political rights' in the last paragraph . . . to meet the point raised by the representative of the Agudas Israel World Organization at the previous meeting. Mr. Daniels (from the United States) accepted that amendment." In this way, the Sub-Commission decided in favor of undertaking a study of discrimination in the matter of religious rights and practices.

The study was conducted by the expert from India, Mr. Arcot Krishnaswami, who delivered his first report at the ninth session of the Sub-Commission, in November 1956. He began his report (E/CN.4 Sub. 2/182) with the words: "A study of discrimination in the matter of religious rights and practices was suggested to the Sub-Commission at its fifth session by Agudas Israel, a non-governmental organization in consultative status with the Economic and Social Council (category B), and was included by the Sub-Commission in its list of projected studies, later approved by the Commission on Human Rights. Mr. Krishnaswami later submitted additional reports, and they led to the adoption by the Sub-Commission of Draft Principles on Freedom and Non-Discrimination in the matter of Religious Rights and Practices. The Principles reached the Commission on Human Rights at its 18th session in 1962. They were then approved and sent to the governments for an expression of opinion.

Independently of the Sub-Commission and the Commission on Human Rights, the General Assembly decided on December 7, 1962, to ask the Commission on Human Rights to prepare a Declaration and a Convention on the elimination of all forms of racial discrimination. This decision set in motion a rapid sequence of events. On November 20, 1963, the Declaration on the Elimination of All Forms of Racial Discrimination was unanimously adopted by the General Assembly. Two years later, on December 21, 1965, the International Convention on the Elimination of All Forms of Racial Discrimination was adopted by the General Assembly and opened for signature and ratification.

One question remains: What happened to the work on the elimination of all forms of religious intolerance, which had initially been mentioned in the original General Assembly decision of November 19, 1946, even ahead of racial persecution and discrimination?

In resolution 1781, dated December 7, 1962, the General Assembly asked the Commission on Human Rights to prepare a draft declaration and a draft international convention on the elimination of all forms of religious intolerance, with the view that the declaration be submitted to the General Assembly in 1963 and that the convention be submitted in 1964 and not later than 1965. This schedule has, unfortunately, not materialized.

Only six articles of a draft declaration, discussed and approved by the Sub-Commission in 1964, passed through the Commission on Human Rights and made the trip on to the Third Committee of the General Assembly. The whole project was dormant until 1972, when the General Assembly decided to accord priority to the completion of the Declaration.

Hope was expressed that in 1973 the Declaration might be adopted by the General Assembly as part, if possible, of the observance of the twenty-fifth anniversary of the Universal Declaration of Human Rights.

Things again have developed differently, however. We now have a situation in which the Commission on Human Rights must prepare the text of the Declaration and submit it to the next session of the General Assembly.

My intervention, at this moment, has a dual purpose. As a historian, I would like to stress briefly the importance of a declaration on the elimination of all forms of religious intolerance. I might do so by emphasizing the terrible damage that religious intolerance has caused to mankind. Consider, for a moment, the Thirty Years War of 1618–1648, which was a religious war and was the most savage and cruel conflict in modern history. Essentially, it was a struggle between the Protestant Union and the Catholic League. Religious intolerance caused the death and immense suffering of countless men, women and children. Practically all of Europe was involved: Germany, Sweden, Denmark, France, Italy, the Netherlands, Spain. This terrible war came to an end on October 24, 1648, when the Holy Roman Empire made peace with France and with Sweden. The peace treaty, known as the Peace of Westphalia, provided for freedom of conscience and liberty to adhere to any religious worship. In essence, the Peace of Westphalia may be viewed as the forerunner of contemporary declarations on the elimination of religious intolerance.

Germany subscribed to religious tolerance. But, under the domination of Hitler and his brutal hordes, Germany put into effect the most savage religious persecution of all time. On the night of November 9, 1938, even before the formal outbreak of war, Nazi Germany destroyed hundreds of Jewish synagogues. This action was planned and executed with bestial determination and cold-blooded precision. The wild hatred against Jews was transformed into a senseless destruction of places of worship, masterpieces of architecture. The same wild and savage religious intolerance was later demonstrated when thousands of Jewish cemeteries all over Europe were overturned and the bones of dead Jews were thrown from their graves and their tombstones used to pave the streets. This was followed by the murder of six million innocent Jews in gas chambers. Auschwitz, Dachau, Buchenwald, Teblinka, Drancy, Westerbork are places notorious in history for their association with Nazi cruelty and bestiality. It must remind us of the words of Voltaire, who said in his "Trait sur la Tolerance": "Intolerance is absurd and barbarian. Those who practice it are more horrible than the tigers. For tigers devour only for food, and those who are intolerant exterminate themselves and others for the sake of legal clauses."

What the Nazis did to synagogues and cemeteries was done basically in a spirit of religious intolerance. The walls of a synagogue and the stone on a grave can obviously cause no harm. It was the Jewish religion which the Nazis wished to suppress, and they did so by reviving the infamous blood libel, by prohibiting the Jewish method of slaughtering animals for food, and by other cruel and senseless persecution.

We need look no further to emphasize the importance and the urgency of the adoption of a declaration on the elimination of all forms of religious intolerance. The fact that some governments even prefer the immediate adoption of a convention, which would have binding power, proves conclusively that the idea of condemning religious intolerance is universal. The General Assembly has, however, decided that there must first be a declaration. I hope that the present session of the Commission on Human Rights will stand in history as the turning point in the struggle for religious tolerance throughout the world.

The danger that I see is that again the work on a detailed declaration might be so time-consuming that technical difficulties will prevent the adoption of a text, since such language must be submitted still this year to the Economic and Social Council and to the General Assembly. I therefore take the liberty of proposing a short draft which includes the necessary elements without going into the substantial detail which might be left for a convention. This text was once before presented by me to the Sub-Commission on Prevention of Discrimination and Protection of Minorities, and it reads as follows:

Art. 1. Discrimination between human beings on the grounds of their religion or belief is a denial of the principles of the Charter of the United Nations and a violation of the human rights proclaimed in the Universal Declaration of Human Rights.

Art. 2. No State shall make or tolerate any discrimination in the treatment of persons on grounds of their religion or belief.

Art. 3. No individual or group shall be subjected on the ground of religion or belief to any discrimination in the exercise or enjoyment of the human rights and fundamental freedoms proclaimed in the Universal Declaration of Human Rights.

Art. 4. No State shall make or tolerate discrimination based on religion or belief in the field of civil rights and access to citizenship, education, employment, occupation and housing.

Art. 5. Everyone is free to worship in public and in private and, in association with other persons of like religion or belief, to establish and to maintain houses of worship, religious schools and charitable institutions for religious purposes.

Art. 6. Everyone has the right to form and to maintain, in association with others, religious congregations, to train ministers and teachers of his religion, and is free to have contacts with communities and institutions belonging to the same religion or belief both within the country and abroad.

Art. 7. Everyone has the right to observe his religious practices including the dietary practices prescribed by his religion or belief.

Art. 8. Recognition shall be given by law to the prescriptions of each religion or belief relating to holy days and days of rest, and all discrimination in this regard between persons of different religions or beliefs shall be prohibited.

Art. 9. Recognition shall be given by law to the right of every religious group to disseminate its teachings by publication of religious books and texts.

Art. 10. Where the State controls the means of production and distribution, it shall make available these means to the religious groups for the production and distribution of religious articles, including those necessary for dietary practices.

Art. 11. The State shall give legal protection to places of worship, cemeteries and ritual objects, and give free access to religious shrines and holy places to visitors and pilgrims.

Art. 12. Recognition shall be given by law to the prescriptions of the religion or belief concerning the burial of a deceased person.

Art. 13. Recognition shall be given by law to the principle that the parents or, when applicable, legal guardians have the right to decide upon the religious education of minor children. In the case of a child who has been deprived of its parents, the expressed or presumed wish of the parents shall be duly taken into account.

Art. 14. Recognition shall be given by law to the principle that no one shall be compelled to take an oath of a religious nature contrary to his convictions.

Art. 15. All incitement to hatred or acts of violence, whether by individuals or organizations, against any group of persons belonging to a religious community shall be punishable.

Art. 16. Every State shall promote respect for and observance of religious tolerance and shall undertake all necessary measures in order to implement fully, faithfully and without delay the principles contained in this Declaration, as based on the natural rights of every human being.

Let me conclude with an observation made by a great expert in problems of discrimination who said in a recently published book: "The prohibition of discrimination is being universally demanded, but the protection against discrimination is being increasingly concentrated on the policy of the United Nations against *apartheid*. In this way it is being hidden that there are discriminations against human rights which must be prevented and attacked wherever they may occur."

The quotation is from the preface to a book in German called "Diskriminierungsschutz and Diskriminierungsverbot in der Arbeit der Vereinten Nationen," published in Vienna in 1971. Its author is Professor Felix Ermacora.

A GOOD TRY

HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. HUNGATE. Mr. Speaker, in a year of elections and during a time of extensive opinion polling, a recent article in "Punch" seems most appropriate:

A Good Try

It has been said that this is an Election which has avoided most of the really important issues. It's certainly true that no-one yet has asked the most important question of all—how accurate will the General Election be? And it's a question we put to the head of Ace Opinion Polls, Professor Ludwig Einstein.

"First of all, you must remember that an election can *never* be as accurate as an opinion poll. In a poll you have a carefully, scientifically selected cross-section of the public. You have a variety of questions designed to complement and control each other. You have skilled questioners trained to elicit responses from people and to make sure they are fully understanding of the procedures. Above all, of course, you can have an opinion poll whenever you want.

"An election has none of these advantages. Beyond eliminating young people, it exercises no safeguards over the sample. It asks *one* very simple question, phrased so loosely as to mean almost nothing. The voter is left absolutely to his own devices, with no guidance, and the results are supposed to be valid for as long as five years.

"Well, by even the most primitive standards this is very slipshod polling, and the only surprising thing about our General Elections is not that they are wildly out—though, of course, they are always wrong by a bigger or smaller margin—but that they get as close to the truth as they do. Generally, an election differs from the opinion poll forecasts by about 4%, which isn't a bad margin of error at all. What is so upsetting is when that 4% makes a great difference, as it did at the last Election. The polls had clearly indicated that the country was more Labour than Tory. Not by much, but marginally. The General Election was a few percent out—and showed Tory as the winner!

"The reason for this? Well, inefficient voting, for a start—people who go in the booth and change their mind or forget what they were going to vote. People who were swayed by a last minute political development and changed their vote for a few days. What the General Election can't show is the subsequent change of mind *after* the Election.

"Im not against General Elections as such. I just want to stress that they are only a rough and ready guide to public feeling, and that politicians should pay much less attention to them, as we already do in the opinion poll world."

THE ECKHARDT ROLLBACK PROPOSAL

HON. PETER N. KYROS

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. KYROS. Mr. Speaker, I would like to commend to the attention of my colleagues Congressman BOB ECKHARDT'S Quarterly Report for spring 1974.

Always a creative and imaginative newsletter, this particular issue is especially timely, since it discusses in detail, under the title "Oil Prices and Inflation," BOB'S proposal to roll back the average price of domestic crude oil to November 1, 1973, levels.

Since the House Interstate and Foreign Commerce Committee, on which BOB and I serve, today approved his proposal as an amendment to the Standby Emergency Energy Act, I insert the entire newsletter in the RECORD at this point:

[From BOB ECKHARDT'S Quarterly Report, spring 1974]

OIL PRICES AND INFLATION

Hardly anybody was thinking about an energy shortage in the winter of 1970 as commuters were driving to work, one to the car, at 80 miles per hour. The President had made no proposals for energy related legislation outside some moves toward mass transit.

Within industry it is true that some were sounding warnings about an impending energy crisis. The Texas Independent Producers & Royalty Owners Association said that the United States had no more surplus producing capacity.

But Humble Oil Company a little more than a year later told the Office of Emergency Preparedness that the shortfall in domestic petroleum at that time was due to market conditions rather than a decline in production capacity and concluded that "there was no need for additional imports in 1972."

PRICE TRADITIONALLY SET BY THE MAJORS

Though it is popular in oil industry circles to blame government policies for petroleum shortages, control of supply and price of crude has been maintained by the major oil companies through various types of governmental regulation instituted at the behest of industry since the discovery of the East Texas Field in 1930.

Until the 1950's, control of supply of crude was maintained largely by a system of state prorationing. More recently import quotas contributed most in giving to the major oil companies control over crude oil prices, and it is interesting that the quota system was removed only 6 months before the Arab oil producing nations announced their embargo on oil shipments to the United States.

The salient point is that oil prices, both here and abroad, have been and are now largely controlled by the major oil companies. For most of the recent years the world price of crude oil averaged $1.25 to $1.50 below the domestic price. Thus, import controls kept prices up in this country.

Both domestic and foreign oil is produced largely by a few major oil companies—either U.S. companies or U.S. affiliated companies. For instance, 7 of the 8 companies that produce about 80% of the western world's crude (excluding the U.S. and Canada) are of this type. They are Exxon, British Petroleum, Shell, Gulf, Texaco, Standard (California) and Mobil.

Though there are some 10–12 thousand producing companies in the United States, the top eight produce more than half, and the top 20, more than 70%, of our domestic crude oil. The practice has always been that they, the biggest buyers and biggest sellers, post the price they will pay in a field for a grade of crude, and that is what it sells for.

OUR ECONOMY HELD HOSTAGE

Today, through this power, and with the tacit approval of the Administration, the major oil companies are holding our economy hostage. We are called upon to ransom it for $20 billion in increased petroleum energy related costs in the year 1974. This would come about by an increase to an average of $7 per barrel for both old and new domestic crude oil and $8.50 per barrel for foreign crude. Here is how the Administration has supported that program.

In presenting to the Senate Finance Committee[1] the President's proposal for an excise tax on crude oil price increases, Federal Energy Administrator William E. Simon argued as follows: By gradually adjusting the price base on which the tax would be levied upward toward the $7 per barrel price, the Administration proposal would retain incentives for new investments in oil exploration and development. He argued that the $7 per barrel figure was the Treasury's best estimate for the long-term supply price needed to meet U.S. needs.

This proposition and plan for oil price increases is interesting and appalling. If it comes about, it would, according to Heller and Perry,[2] increase the presently anticipated inflation in 1974 by about 55%. We should then see the oil companies enrich themselves, (while thus contributing to inflation) by some $13 billion, even after paying the Nixon excise taxes on price increases—if such are indeed imposed.

When it is considered that the consumer price index advanced neary 9% in 1973, against the Administration's projection of a 3% rise, and that the inflationary rate over the last several months would indicate an annual increase at about 10% (Heller and Perry project 5½% plus an additional 3% for the "oil factor"), the imposition of these inordinately high prices of crude petroleum must be viewed as cruel exactions, indeed.

The "oil factor" in inflation does not just reflect the 50% now anticipated as the increase in the price of gasoline from last summer to this one. The price of steel includes a 17% energy component. Agriculture consumes about 30% of the fuel consumption in the U.S. Thus, agricultural commodities and products made of steel, as well as nearly all other goods and services, will reflect this "oil factor."

HOW PRICES HAVE ADVANCED AND SHOULD BE ROLLED BACK

We must roll back oil prices if this most undesirable inflation is to be avoided. But let us first see how they have rolled forward. During the 10 years after 1962 the price of crude petroleum hovered around $3 per barrel, and oil companies earned income on investment at an average of about 11.5% during that period. But the price of oil rose enormously in 1973, as is shown by monthly average prices below:

1973 Domestic crude prices

January	$3.40
February	3.40
March	3.41
April	3.47
May	3.62
June	3.78
July	3.79
August	3.86
September	4.27
October	4.49
November	4.73
December	6.31

The Federal Energy Office has held only "old oil"[3] (which constitutes about 71% of the total) within price bounds, but even this oil was permitted to advance in the fall and winter of 1973 as follows:

September	$4.18
October	4.11
November	4.25
December	5.25

New oil is not subject to price control, and it has advanced as follows:

1973	
September	$5.12
October	5.62
November	6.17
December	9.51
1974	
January	10.35

This has brought the average price of all oil sold to $6.75 on January 1, 1974. I am proposing legislation to roll that high price back to the price prevailing on November 1, 1973—for old oil to an average of $4.25 per barrel.

But my proposal would provide a margin of increase above this level for new oil generally. New oil was at an average price on November 1, 1973 of $6.17 and the rollback is to the actual price in each category on November 1, 1973.

As will be seen later, my proposal would not limit the price on new oil produced by "independents" (those who produce two tenths of one percent or less of U.S. crude oil and lease condensate production—about 18,400 barrels daily or less). The reasons for this will be pointed out later.

EXPLORATION BY MAJORS NOT INHIBITED

It will be noted that under my proposal the rollback would be to a time when the average price of domestic crude oil was about $4.73. Would such figure permit exploration that would bring in new sources of supply? Oil men and petroleum councils have said that it would.

The $4.73 figure, an *average price* of both old and new oil, is higher than that which the National Petroleum Council or the Independent Petroleum Association of America said in 1972 would be adequate to assure the United States one hundred percent self-sufficiency by 1980. (IPAA's figure was $4.10 but it should be adjusted in present dollars to $4.55—still within the $4.73 average. The National Petroleum Council's figure, adjusted in present dollars, is $4.35.)

In July 1972 *Business Week* quoted John G. McLean, Chairman of Continental Oil Company, to the effect that, if domestic crude prices should rise to $4 a barrel (from the then average of $3.40 per barrel) deeper drilling in older oil fields—tertiary recovery—would be economical.

On October 24, 1973—when the average price of crude was about $4.50—John E. Swearingen, chairman of the Standard Oil Co. of Indiana, thought this enough to provide "additional incentives and additional funds for intensified exploration for new supplies of oil and gas." "Our company," he said, "has embarked upon the most extensive exploration and development program in its history with particular emphasis on the U.S."

As for increased drilling for *new* oil the price would be governed by the actual price in the field which, as we have seen, averaged on November 1, 1973, $6.17. At this time the Petroleum Independent published by the Independent Petroleum Association of America, in its November 1973 issue, quoted a Houston producer-geologist as saying:

There's no doubt that prospects are for increased drilling. Everybody I know is planning on it. With new oil prices from $5.30 to $6.00 per barrel, there's incentive now to go looking for oil.

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[1] January 22–23, 1974.

[2] See study "The U.S. Economic Outlook for 1974," prepared for National City Bank of Minneapolis, January 1974. Walter W. Heller was former Chairman of the Council of Economic Advisers and George L. Perry is a fellow at Brookings Institution.

[3] Old oil is the volume of crude produced by a well, not exceeding that volume produced in 1972. Presently if a well produces more crude than it produced in 1972, the excess is "new oil" and is not subject to price controls.

1973 PRICES GENERATED ENORMOUS PROFITS

But the most telling point in favor of the proposition that a rollback of domestic oil prices on old oil (and on new oil of the majors) would not prevent generation of enough capital to permit exploration and development of additional resources is the profit picture of the eight largest domestic producers. Profits for 1973 were as follows:

Company	1973 profits (millions)	Increase in 3d quarter 1973 (percent)	Increase over 1972 (percent)
Exxon	$2,440	81	59.3
Mobil	843	64	46.7
Texaco	1,292	48	45.4
Gulf	800	91	79.0
Standard (California)	843	51	54.0
Shell	333	23	28.0
Standard (Indiana)	511	37	36.4
ARCO	270	16	40.3

Even more significant is the increase in profits realized by these companies in the third quarter of 1973 over their profits for the third quarter in 1972. (See second column, above.) This is directly pertinent because they were enjoying returns for prices in that quarter at less than the rate permitted under my proposed rollback. For the third quarter, oil prices were considerably lower than would be permitted under my proposal. Yet note the very substantial increase in profits in the case of each of the companies.

In summary, the profits of the eight largest oil companies have shown a marked upward trend from 1970 through 1973:

NET INCOME AFTER TAXES AS PERCENT OF STOCKHOLDER EQUITY

Company	1970	1971	1972	1973[1]
Exxon	12.0	12.6	12.5	18.8
Mobil	10.6	11.2	11.2	15.5
Texaco	13.1	13.4	12.4	9.8
Gulf	10.4	10.2	8.2	14.6
Standard (California)	9.8	10.4	10.5	15.3
Shell	8.7	8.7	8.9	11.0
Standard (Indiana)	9.3	9.6	9.9	12.9
ARCO	7.4	6.9	6.6	8.8

[1] Figures for 1970–72 are based on "Moody's Industrial Manual." Figures for 1973 are from Mar. 7, 1974 "National Petroleum News."

Flexibility for New Oil Exploration by Independents

I believe it is desirable to leave open an area of oil pricing to permit profitable exploration and recovery of the really hard-to-get and high priced new oil. To do so would answer the last argument that could be made against a general rollback. My proposal is not a general rollback.

That last argument is that we should not reverse incentives generated by oil prices in the $10 and up range that are bringing independents back into exploration and development of oil in the bold and enterprising way that they used to operate when new discoveries, largely by independents, were swelling known domestic reserves. There is evidence that they were leaving this field.

Data developed by Chase Manhattan and the National Petroleum Council show that in 1956 major companies spent $2.621 billion and independents $2.454 billion in such activity. By 1971, the majors remained stable at $2.74 billion and independents had declined to $1.16 billion, a drop of some $1.3 billion. This means that their domestic exploration and development investment must increase to bring them back into the game at the level that they used to play it.

What we have pointed out in the last two sections of this report is not apposite to the independents in all respects. As we have said, the majors' production is about three fourths in old oil. The increase in price for old oil, which is not much more expensive to produce than it was at the beginning of 1973, is producing a tremendous cash flow for them. They not only produce a higher proportion of old oil but a vastly greater amount than do the independents.

Therefore, both in order to afford a sufficient flexibility in the legislation to permit the development of all feasibly recoverable reserves, and to be sure that undue restraints are not placed on the most vulnerable and speculative elements of the industry, the price of new oil by independents is left uncontrolled.

CONCLUSION

This proposal would have the following desirable effects:

(1) It could save consumers billions of dollars next year by curbing that part of this coming year's inflation caused by the "oil factor." It also takes care of two objectionable features in the Energy Emergency Conference Report. First, it does not provide an available and possible "roll forward" of the price of old oil to $7.09. Second, it takes care of a legitimate concern of independents concerning financing of their exploration which the Energy Emergency Conference Report did not do.

(2) It would permit the majors enough earning margin to meet exploration and development expense by virtue (a) of their increased earnings at the $4.25 level for old oil (about 75% of their production), and (b) the fact that their prices for new oil are rolled back *only* to the price of *new* oil on November 1, 1973, which averaged $6.17.

(3) It would leave independents free of price restraint in recovering the really hard-to-get, high-priced new oil. But as their production increased, their advantage in producing new oil without price restraint would be curbed by price competition from the majors. Thus, while demand outruns supply, they would be given a needed stimulus; and the economy would benefit by their discoveries and resultant increase in U.S. productive capacity.

Curbing inflation and carefully devising legislative machinery that does not dampen incentive to discover and bring into production new petroleum reserves is a job for Congress. Congress must undertake it without fear of Presidential veto or special interest opposition.

STATEMENT OF FINANCIAL STATUS

HON. HENRY P. SMITH III

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. SMITH of New York. Mr. Speaker, Martin Tolchin of the New York Times has requested members of the New York State delegation to make public certain information concerning their taxes and information concerning the ownership or positions of leadership in corporations or organizations which might pose a conflict of interest. Since I now make a report before April 30 in each year to the U.S. House of Representatives Committee on Standards of Official Conduct of financial interests and associations which is a public record, as provided by House rule XLIV, I am not at this time making any further report in this area.

However, since the taxes paid by public officials have become a matter of public interest, I paid the following taxes for calendar year 1973: Federal income tax, $18,169.68; New York State income tax, $6,026.92; real estate taxes, $3,364.39.

DEMOCRACY IN THAILAND

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. LEGGETT. Mr. Speaker, in an era when many authoritarian leaders are strengthening their controls over freedom of the press and speech, it is a refreshing change to observe a Southeast Asian nation which permits more freedom for its citizens. In the past few months Thailand's National Assembly has become more representative, and a new constitution is being written.

While militaristic rulers hold the reins of political power in many nations in the vicinity of Thailand, the Thais are engaged in a rare experiment to test government by the people. Thailand's press has been described as free and vigorous. Political activity is open and rapidly becoming more acceptable.

Perhaps the Thais will emerge as leaders in this area of the world by demonstrating that a representative government can be a viable alternative to repressive regimes.

An article which appeared in the April 11, 1974, Christian Science Monitor described the infusion of democracy into Thailand's political system:

Democracy in Thailand: "The Change That Could Not Happen"

(By Daniel Southerland)

(Thailand's new National Assembly is the most representative in the country's history. Debate on a new constitution is leading to broad popular elections. Press is free and vigorous. Political activity is open, widely based, with the King staying mostly in the background as a stabilizer.)

Bangkok, Thailand.—Thailand seems to be out of step with the rest of Southeast Asia.

The Thais are trying to implement democratic reforms at a time when authoritarian rulers elsewhere in the region are tightening their controls.

Once considered one of the most tradition-bound nations in Asia, Thailand suddenly has become, in many ways, one of the most open.

Some Western experts concluded years ago that what the Thais really wanted was authoritarian government. But half a million demonstrators swarming through the streets of Bangkok and the overthrow of the country's military rulers last October proved them wrong.

Many Thais are uneasy with the new situation. They contend that changes are coming too quickly and that the country's current caretaker government is weak and unable to maintain law and order.

Other Thais, particularly the country's impatient students, complain that, on the contrary, not enough has changed and that the same old corrupt and conservative elite is running the country.

HIGH EXPECTATIONS

But the central fact remains that things are changing. Perhaps more slowly than many of the students would like. But more rapidly than they had in several previous decades. And some of the changes are likely to be irreversible.

This was recognized by Seksan Prasertkul, one of the key organizers of last October's student-led revolt, in a recent interview with a Bangkok newspaper.

"On the surface, many people are beginning to feel pessimistic because they expected sudden change in the social system," he said. "I used to feel the same way."

But Mr. Seksan went on to say that last year's student uprising has had "an impact on the power relations of the ruling cliques."

"It's now more difficult for one group to get and hold absolute power," he said.

"Furthermore, in power struggles, factions will have to rely on popular support. . . .

"Looking at society as a whole, people have now become more politically aware," said Mr. Seksan. "Hyde Park speeches and panel discussions are being held in nearly all the provinces, and books on social problems are selling better than others."

For conservative Thailand, that's saying a lot.

Things are happening here now which would have been unthinkable just a year ago under military rule:

It has become fashionable in Thai political circles, for instance, to say that Thailand needs "a little more socialism." What people usually mean by this is paying more attention to the needs of the poor, or instituting a social security system, legalizing labor unions, and increasing the number of industries offering a minimum wage.

But regardless of what the word socialism may mean to the Thais, all the talk about it does seem to indicate a greater awareness of the gap between the rich and the poor and the need to do something about it.

When a very respectable association of Thai ladies invited a girl student activist to speak the other day, she gave them a stern lecture. The student warned her elders that they were spending too much money on cosmetics and beauty parlors. In many parts of the world, that might have seemed far from revolutionary. But in Thailand, it was talked about.

FARMERS ON THE MARCH

A small group of young women appeared in front of the National Assembly without invitation recently to demand constitutional guarantees of women's rights, and it made front-page news in the Bangkok press.

When photographers tried to take pictures of the eight or nine women, they hid shyly behind their protest banners. But the fact that they were out there at all was news for Thailand.

The Thai press, which was never completely tame, now feels free to criticize all sorts of official failings. The only taboo subject is King Bhumibol Adulyadej. He is considered above criticism.

But allowing for that one exception, the Thai press is now by far the freest in Southeast Asia. That distinction used to belong to the Philippines, but Manila's newspapers currently are languishing under martial law.

Of course, most of the new ideas, criticisms, and protests are surfacing in the capital city of Bangkok, and not in the countryside where the majority of the people live. But even out there one can discern the stirrings of greater interest in what goes on in the capital.

A few weeks ago, more than 1,000 farmers marched into Bangkok and staged a demonstration, demanding higher prices for their rice. The Thai press said that it was the first time such a thing ever had occurred in the country's history.

Prime Minister Sanya Thammasak promptly met with representatives elected by the farmers and listened attentively to their grievances.

"Nobody would have dared to hold a demonstration like that under the old regime," said Seni Pramoj, head of Thailand's Democratic Party. "People know now that they can make their voices heard."

Many of the students who helped bring about these changes are fearful that the military will step in, stage a coup, and take over again. Thailand has had so many coups that it would be foolish to rule this possibility out altogether.

But it is likely that the Thais will get their chance to hold elections and to experiment with democracy for quite some time before the generals dare even contemplate stepping in again. Military intervention at this time would trigger considerable popular resentment.

Most of all, the military would have to think twice before countering moves toward the establishment of parliamentary democracy which have the strong support of Thailand's revered King Bhumibol.

WIDE REPRESENTATION

It was the King who some three months ago appointed a convention to select new National Assembly members.

Some Thais argue that the new Assembly is too conservative. But it is in many ways more representative than any which Thailand has had in the past.

About two-thirds of the members of the previous National Assembly were military and police officers. In the new legislative body (299), only an eighth of the total (36) belong to the armed forces or police. They are outnumbered by the Assembly's 47 university lecturers and professors.

There are 15 journalists serving as legislators, something which would have been unthinkable in the past. The largest single group in the Assembly consists of civil servants, nearly 100 of them.

The new assembly currently is debating the merits of a draft constitution. It will be at least three to four months before it approves the constitution and the country can get on with holding elections.

But the politicians are already jockeying for position, forming and breaking alliances and talking about their election prospects.

"The rest of Southeast Asia is going to be watching the Thai experiment," said a diplomat in Bangkok. "If the Thais pull this off, they will be demonstrating an alternative not only to communism but also to right-wing dictatorship."

THAIS LEAD THE WAY?—COMPARISON OF GOVERNMENTS IN SOUTHEAST ASIA

Burma

Although it recently went through motions of reintroducing constitutional rule, the country is run by a one-party government under President (formerly General) Ne Win. He relinquished his military title several years ago, but the Army still dominates.

Cambodia

President Lon Nol introduced tough emergency measures in early 1973, following the bombing of his palace. The National Assembly rubber-stamped a request to suspend civil liberties.

Malaysia

Democratic processes were restored—with some restrictions—three years ago. Government works through a constitutional framework; but the Malays, the largest single racial group, retain certain rights and privileges denied to the Chinese who are a sizable minority.

Singapore

Highly efficient, one-party government under Prime Minister Lee Kuan Yew maintains firm control over press, labor, universities, and politics.

Philippines

President Marcos imposed martial law in late 1972, jailed opponents, closed the Legislature, and began ruling through presidential decrees.

North Vietnam

One-party, Communist control has remained firm for more than two decades.

South Vietnam

President Nguyen Van Thieu has consolidated his control to the point where there is little significant political activity in South Vietnam. Martial law was imposed in 1972, followed by tough press law and banning of demonstrations.

Indonesia

Army-dominated government keeps a tight rein on press, students, and political parties. But President Suharto has demonstrated considerably more flexibility than some other Asian military rulers.

THE DRAINAGE OF THE CACHE: THE FARMERS POINT OF VIEW

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. ALEXANDER. Mr. Speaker, *since* coming to Congress, I have supported a project which would provide drainage for the residents of the Cache River-Bayou DeView Basin and protect thousands of acres of fertile farmland from the threat of annual flooding. I have also worked to insure the adoption of a drainage plan which would cause the least disturbance to the environment and wildlife of the area. My colleagues have shared with me letters from their constituents opposing this plan for "ecological" reasons. I would like to take this opportunity to share with them the other side of the question. Reprinted here is an open letter from one of my constituents which clearly sets out the reasons for draining the basin and explains the setbacks the farmers of the region have endured because of flooding.

AN OPEN LETTER TO THE CITIZENS OF WOODRUFF AND SURROUNDING COUNTIES

This is a letter long over due to the people of Arkansas about the Cache River Drainage project. I hope everyone that reads this will stand up and cheer for draining of the Cache to help the farmer. There has been very little said about the farmer, and why he had to clear the land. I am writing you to let you hear the true story of the farmers side of the drainage project.

When the land in Woodruff county and surrounding counties was first cleared up for farming purposes it was a wilderness. I have read my abstract titles that states this: The men that came here and cleared our country had a struggle to make it on their own years ago. This land was handed down to their families from one generation to another, and today they are the big land owners. For years they rented their land to the small farmer and this farmer would farm 75 to 100 acres by himself and pay ¼ of it rent. This was small farmers that lived here or moved here to farm because the land was good and produced more.

Twenty or 30 years ago a farm of 4,000 acres that was owned by one family had at least 35 to 40 families farming for them. As the new modern machinery was invented it took less man power to farm that many acres. The land owners *could buy all* the new machinery and have men by the day work for them and receive all his land produced instead of the one-fourth he was receiving from the small farmer.

No one should blame a land owner for wanting all he can get from his land. After all it is his, and he was having to pay the high taxes and the up keep of farm houses that he doesn't have to now.

This is what has put the small farmer out of land and he had to turn to anything he could get to farm, and part of his land was the Cache River bottoms.

Now, let me put the man from Cotton

Plant straight on this matter. It was not Greedy farmers, or the up price in soybeans for your information Mr. Cotton Plant Man. Soybeans didn't have an increase in price until the summer of 1973, I know. This land has been in cultivation for 15 years or more, and I don't know of any farmer that farms the Cache river land or any other lands for that matter that farms because he is greedy. He farms to make a living for his family, and to try to do better each year, as all of us do.

Now, I would like to ask the man in Little Rock, Texarkana and Baltimore, Maryland, also all the people from the other states that have so disapproved this drainage. Have you ever come down here and talked to the farmers about how channelization would affect him? Have you asked him what can we do to help you? Remember this is a man that is working to feed you Mr. City Man who has a good job in a warm office with a secretary and carpet three inches thick on your floor.

I have for 31 years worked wtih the farmers. Some of them work the land in Cache bottoms when they couldn't rent better land.

I have heard them say when the rains were coming, I don't know what I will do. Looks like the Cache river will get my crop. Now that crop was what the man had worked for all summer so he could feed his family, clothe them and send them to school.

Now, Mr. Big Man that has spoken out the loudest about stopping this drainage. I have a few questions for you. No. 1, have you ever seen a farmer wet, cold and muddy to his knees from trying to get his crop out before the water gets it? Well, I have. I have had them come in to our office like that. I have offered them a hot cup of coffee and have them say, "My hands are too dirty to take it." As I stated in the beginning this farmer had to work this land if he farmed because that was all that was left.

Remember this, our population is growing every day, but there is no land being grown. We have to use what is here one way or another to feed the people.

Most of the land in Cache river has been cleared, why try to stop it now? If the river was cleaned out and a deep channel made the water would flow more freely making fishing much better.

Why would a party of people that have good jobs want to save this land so they could take their leisure time hunting at a farmer's expense? You can only hunt 30 days a year. You can join a duck club for very little to do this. A farmer has to work 365 days a year to make a living.

Now, I know people that will read this and say, "No wonder she would like to see the channelization done, they have land in Cache river bottoms. This is true, we do own 287 acres about one-mile from the Cache river. We paid a big price for this land because it was all that was left. We cleaned it up and rented it for a one-fourth to a young farmer that was just starting in to farm. After 3 or 4 years harvesting about one-half of a crop he turned the land back to us. Our son-in-law has farmed this land for the past few years. He has made only a half crop up until the fall of 1973. He got all of his crop out last year.

Let me set the record straight. This letter is not for our land, because we are building a 9 foot high 40 foot wide levee around ours to keep the water out. Unfortunately everyone that farms down there can't do that. I wish they could. If the Corps of Engineers are left alone they can make Cache river bottoms as good a land as our McClelland bottoms. It is one of the beautiful garden spots of Woodruff county, which had to have a levee built around it some 30 years ago.

I see signs on a few cars and trucks around that read "Save the Cache."

These are on people's vehicles that don't own any land down there, and pay no taxes, but like to hunt and fish at the tax payers expense. If I was making a sign to put on my car it would read (Drain the Cache and get rid of the free loaders.) Some day when I have time I just might have some printed like that.

This letter is to state the farmers' side, because it hasn't been told. This is the True story.

I am going to close this letter, but not like the man from Cotton Plant did. He said he couldn't sign his name because he was in business.

I, too, am in business, and have been for 31 years, a very good business am happy to say. One that was built on truth, honesty and hard work.

I am happy to sign my name.

The Farmers Friend, Mrs. Murray Lockhart, Secretary, Lockhardt-Thompson Grain Company.

SPACE—WHAT IS IN IT FOR YOU?

HON. CHARLES H. WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. CHARLES H. WILSON of California. Mr. Speaker, in March, Lt. Gen. Kenneth W. Schultz, commander of the Space and Missile Systems Organization of the U.S. Air Force, spoke before the Orange County Forum of the Town Hall of California on the subject of America's Armed Forces as a valuable national asset, particularly in relation to our space program. In these days when too many people think that Federal space expenditures are "an unaffordable luxury in this country today," General Schultz points out the manifold benefits of the space program to all Americans.

Our Armed Forces have developed a weapon system that can travel through space, thus extending their primary defense mission. But the spinoff of our defense system are equally impressive, for the Military Establishment has provided peacetime dividends such as improving national health standards and pushing equal opportunities for minorities and women.

Yet General Schultz' speech focuses on the benefits of the space program to all Americans and stresses its impact on the economy. For, while strengthening U.S. defenses, our space effort increases our gross national product by about $5 billion. The space program also contributes greatly to research on how to meet our future energy needs, specifically in solar energy applications for homes.

Because General Schultz has so eloquently presented these views in his interesting speech, I want to share his remarks with my colleagues:

SPACE—WHAT'S IN IT FOR YOU?

(By Lt. Gen. Kenneth W. Schultz)

We are celebrating this year the 20th anniversary of the first organized step taken by the United States into space. On 1 July, 1954 the Western Development Division, the forerunner of my present command, the Space and Missile Systems Organization of the Air Force, was established.

As many of you may remember, a number of things had come together at that point in our history that made the action at that moment both necessary and right. The Soviets were known to be pressing development of long-range ballistic missiles that could give them an enormous strategic advantage over this country. The United States had just succeeded in developing a hydrogen bomb so much smaller than the original atomic bomb that it became feasible for the first time to create a warhead small and light enough for delivery through space by long-range ballistic missile. And a concerned American people and Congress were solidly behind the Air Force determination to retain the strategic superiority that had kept the "'cold war" cold since the end of World War II.

The Western Development Division began in an abandoned schoolhouse in Inglewood. It has gone through a good many organizational changes since that time, but its basic mission has remained that of providing the United States with the best possible ballistic missile strategic capability. As the ballistic missiles made possible the first actual moves into space, that mission expanded to include the exploration and development of the total potential of space for strengthening the country's defense posture.

The practical conquest of space was made possible initially by military developments undertaken in that schoolhouse; the military continues to play a major role in our total United States space effort. And no government program in the history of this country has yielded a higher return per dollar invested, in terms of benefits already realized and potential still to be developed, than the space program in its 20 years of existence.

Now, in the wave of anti-militarism generated by the unpopular war in Vietnam, many Americans have tended to lose sight of the fact that our country's armed forces are a national resource to an extent far beyond even their primary defense mission. Since the days when the troops built the Panama Canal—and won the battle with yellow fever that went with that project, the American economy and society have drawn peacetime dividends from their investment in their defense establishment. Eight out of ten of all the commercial jet airliners operating in the free world today were designed and built in the United States. And one out of every four of these American-built airliners traces its lineage directly to a single military bomber program. Ninety percent of the most significant technological advances in United States aviation between 1925 and 1972 were the result of Government sponsored research and development; 70 percent of these came from programs funded by the military, which also pioneered operation of about 75 percent of them.

The armed forces have done much to improve national health standards. They have trained millions of Americans, given them during their military service new trades, new avenues to civilian livelihood. They have been in the vanguard in pushing equal opportunity for minorities and women. And the Armed Forces are a source of strength and aid to our citizens in times of natural disaster or civil crisis.

But it now appears that the real jackpot of all defense-related dividends was set up back there in 1954 with the decision to undertake organized, priority development of a weapon system that could travel through space to its target. Not only did that decision result in a whole new dimension of defense capabilities, it also created a focal point and a thrust for the country's scientific and technological talents and energies. It gave the mid-century technological revolution someplace to go. And that revolution has barreled along scattering spinoff like sparks in its wake ever since.

In view of the progress of the past 20 years—and the promise of the next 20, it's ironical that in establishing priorities for government resources many Americans seem to consider space research and development the most dispensable item on the list. Actually, in many instances, space research is one of our best sources for solutions to problems considered competitive with the space program for government dollars.

I don't think that we who have been associated with the space program have made this fact as clear to the public as we should have. The glamour and novelty of the space program have inevitably waned since the high excitements of its earlier days. Many of the dividends already realized have become so much a part of our daily lives that we're no longer really aware of them as such. Generations of children in our schools today never knew a time when there was not a weather satellite shaping the daily predictions, and communications satellites bringing us the Olympics from Japan or a royal wedding from England. A typical day for any one of us includes countless space spinoffs so familiar now they don't even register with us.

A significant number of Americans have begun to feel that the space program is alien to their real everyday interests and concerns, remote, perhaps unnecessary. "What's in it for me?" they think. "Now, if we put some of that money into the welfare program, or fighting pollution or crime, or finding new energy sources, or curing any of the other headaches my life and the papers are full of these days, instead of just shooting all that money into space . . . ."

So I want to tell you today just what *is* in it for you, for all of us. I want to give you a few of the many possible examples of the impact of space research and development here in our own area of Southern California. . . how it figures in the problems that all of us are wrestling with and reading about in our morning newspaper.

First, I should remind that composite citizen I quoted a moment ago that, of course, none of the money budgeted to the space program is ever shot into space. Hardware goes aloft; but the dollars that paid for it remain right here on earth creating jobs and stimulating the economy.

Seventy-six percent of it goes into salaries. Our Space and Missile Systems Organization budget of slightly under $2 billion annually, for instance, is transfused by the salaries of our people into some 135 different communities in a five-county area.

It also buys space and missile hardware and knowhow, contributing to the aerospace industry's $14 billion annual business in this area—and creating many more salaries in the process. In the terms of the economists it has an additional "cascading" effect. It increases the annual Gross National Product by something like $5 billion, sustains or creates more than 12,000 aerospace jobs and about 18,000 non-aerospace jobs, and produces over one and one-half billion dollars in tax receipts.

Secondly, it accomplishes its primary objective, the strengthening of our United States defenses, essential for the future security of every one of us. The land-based ballistic missiles are a major element of our strategic aerospace power. With the submarine-based missiles and the long-range bombers they constitute a Triad of strengths that give us the capability to survive and effectively respond to a broad spectrum of dangers. By treaty we do not develop our military space systems as weapons. They are developed for a number of functions that can be more effectively—or only—accomplished in space and that will enhance the capabilities of our more conventional defenses.

We have developed several generations of military satellite communication systems for the United States, the United Kingdom and NATO, and are at present working on a Fleet Satellite Communications System for the United States Navy. We have developed and launched a series of nuclear detonation detection satellites that monitor the nuclear test ban treaty as no earth based system could. We have satellites for early warning of attack; have launched a number of investigative scientific satellites to explore the space environment; are in the early phases of a navigation satellite that can precisely locate even supersonic jet aircraft. This system has an additional potential for civilian use to provide safer traffic control of crowded air lanes. We are also presently working with the National Aeronautics and Space Administration on the space shuttle, which, by dramatically reducing today's launch costs, will be a major breakthrough in the economics of space operations.

But the boost to the economy given by space dollars, and the far more important contribution to present and future national security are only the beginnings of what's in space for all of us as citizens.

Let's consider, for instance, what is probably the number one problem in this area, and throughout the country—at the moment, the energy crisis.

Now, I'm not going to tell you that the space program has come up with a quick, do-it-yourself formula for making gasoline from potato peelings in your own kitchen—though I wish I could. But the program has given us new capabilities for discovering untapped sources of both fossil fuels and other types of energy. And it has significantly contributed to a number of new approaches to the problems of heating and lighting a world that is rapidly exhausting traditional sources of power.

NASA's Earth Resources Technology Satellite, ERTS, launched in July of 1972, covers 100 million square miles of the earth each week, passing over and photographing approximately the same 115-mile strip at the same time of day every 18 days. Among other pinpointings of new targets for drilling, the ERTS scanning system has reported unsuspected geological features in the Prudhoe area of Alaska that indicate oil deposits there may be considerably greater than originally estimated.

Oil production as well as exploration is benefitting from space technology. New metals developed in aerospace research especially the titanium alloys, are coming into use in oil refineries, where corrosive chemicals soon destroy ordinary steel valves.

Space research is also paying dividends in the search for alternatives or supplements to the traditional fossil fuels. Among the projects of NASA's Skylab 3 was a survey for new sources of geothermal energy, natural occurrences of steam and hot water geysers and hot rocks close to the earth's surface. As you probably know, California is one of the richest areas of geothermal energy in the world. The only electric power producing geothermal field in the United States is just north of San Francisco. The first competitive leasing of geothermal lands in this country took place two months ago in Sacramento. The unexpectedly high bids clearly indicated the new importance of this type of energy, in spite of the technical difficulties still to be solved in its conversion to practical power. A bill now in the United States House of Representatives would provide $80 million for the study and implementation of geothermal energy.

In the continuing effort to find effective power for space systems, extensive research was done on fuel cells for the Apollo program. The results of that work have been the basis of experimental programs of some 28 utilities companies throughout the country, among them the Southern California Gas Company. One of the earliest experimental commercial installations in the country was down in El Segundo next door to our SAMSO headquarters. It has now been dismantled after two years of successful operation for study of parts wear. A larger experimental installation was also set up powering a mobile home community over in Riverside.

Though fuel cells appear to be limited in their potential to fairly small applications, they are reasonably pollution free and have excellent possibilities for providing supplemental power at periods of peak load. One of our aerospace contractors, which produced small fuel cells for the Apollo, Skylab and space shuttle programs, recently announced tentative orders totaling $250 million for development and production of fifty-six 26,000 kilowatt fuel cells for nine electric utility companies throughout the country. A demonstration unit is scheduled for 1976 and would be designed to provide electrical requirements for a community of 20,000 people.

Also receiving new emphasis in the energy crisis are magneto-hydrodynamic generators developed originally to simulate re-entry conditions for ballistic missiles. MHD generators have promise for electric utility applications, where they could generate electricity from coal and other fuels 50% more effectively, and with less pollution than present systems. Avco Everett Research Laboratory, which developed the systems originally for Air Force use, believes that it is possible to have a large, coal-fueled commercial MHD generator in operation by the mid-1980's.

Another energy source pioneered in space research is the solar cell, a primary energy source for our space systems. Some of these unmanned systems have been operating faithfully and accurately with this power for many years now, sometimes far beyond the life expectancy for which they were designed. Unfortunately, in their present state of development, solar cells are prohibitively costly for earth use.

Production techniques entail precise hand craftsmanship. Work is being done to develop cheaper production methods, and this could be a two-way street. If we can come up with mass production methods that make the cells economically feasible as an earth power source, our space program will also benefit enormously from the reduced costs.

Meanwhile, several aerospace companies are working on less "far out" solar energy applications for homes. And NASA has already funded an even "farther out" project studying ways to use giant satellites to convert sunlight into electricity and beam it to earth for the nation's use. The idea is not new, but this is the first step toward a practical realization of the concept. Some indication of its full potential was given to us in August of 1972. Sensors on our Orbiting Solar Observatory at that time showed that the energy released in one hour by an intense solar storm was equal to the entire U.S. electrical power consumption for 100 million years at the present rate of use.

What's in such studies for us or our children or even grandchildren? Perhaps survival.

Or consider the problem of earthquakes, always with us here in California.

The Multispectral Scanner (MSS) aboard the Earth Resources Technology Satellite has among its projects the taking of detailed photographs of earthquake faults in the Southern California area. The photographs are used to assemble maps and seismic risk graphs that may someday be used to avert earthquake disasters. The satellite photos have given us a much more complete and accurate mapping of the total fault system than was possible with earlier surface and aerial observations. By pinpointing dangerous building sites, highway routings, etc. they could help to save many lives in future.

Right here in Anaheim your Autonetics Division of Rockwell International has developed for the California Division of Mines and Geology two electronic tiltmeters to measure potential earthquake activity along the San Andreas Fault. The electronic meters were adapted from the guidance control equipment of the Minuteman III, our most advanced operational ballistic missile.

They are part of a program aimed at developing the capability to predict earthquakes and volcanic eruptions hours, or even days, before they occur by early detection of tell-tale advance warpings of the earth.

Or let's assume that the problem in today's headlines is pollution of our Southern California air and coastal waters. Satellites show us as no other observations can the extent and source of water pollution, including oil spills. And ERTS, busily covering the globe 20 times a year, has among its programs one for monitoring and analyzing the smog over the greater Los Angeles area. Other smog studies are being pursued by a long-time local center for space research, the Jet Propulsion Laboratory in Pasadena. JPL scientists have developed a sophisticated pollutant detector called a high speed interferometer that was first put to work monitoring pollution over the busy Santa Monica freeway.

Or perhaps the problem is water shortage in this area that water has literally wrested from the desert. Space research has an input there too. Systems engineering techniques developed for management of such kingsize complex programs as the Minuteman ballistic missile and the Apollo moon landings are now being used in the multi-billion dollar California State Water Project. It will move more than four million acre feet of water annually from areas of surplus to more arid portions of the state where the need is acute, particularly here in the Southern California megalopolis.

If the problem is better control of the rising crime rate, common to most large urban areas today, space research has left its mark on that also. About the middle of next month (April) the Los Angeles County Sheriff will open a new communications center featuring an automated dispatching system. Calls will be typed onto tapes as received and put immediately into the automated system that replaces the old telephone/radio cycle in use since the 1940's. In tests of the new system the time lapse between receipt of a call reporting trouble and dispatch of a patrol car has been cut as little as 20 seconds.

The system has been designed, using techniques and expertise developed in the space program, by the Systems Development Corporation, a major contractor for command and control systems for our SAMSO Satellite Control Facility at Sunnyvale, California. The Sunnyvale facility is the nerve center of a world-wide network of installations that daily command, control and receive data from more than 50 orbiting United States space systems.

Such instances of dividends from space research are legion, even within our immediate area here. But let me close with one example that has an especially strong economic impact in this part of the country.

Among the major industries of Southern California—and Orange County—is electronics. Within that field American computer exports have increased some 1,400 percent in the last ten years, and experts estimate that by 1985 electronics will be a $20 billion plus business annually in the United States. A pioneer in the business (Robert Sarnoff of RCA) recently noted that "the Industrial Revolution took more than a century to gather full momentum. The Electronic Revolution may do so in the next two decades."

Historically, the space program and the electronic revolution have progressed hand-in-hand from the beginning. The War Department joined with the University of Pennsylvania to produce the first completely electronic computer, ENIAC, in 1946 for use in ballistic research. By the late 1940's, with improvements in the ruggedness and reliability of transistors, electronic equipments were rapidly becoming the brains and nervous systems of increasingly complex aerospace defense systems. When development of the ballistic missile began in earnest in the 50's, and led to the earliest space ventures, the Air Force invested heavily in the experimental development of molecular electronics, integrated circuits that combined light weight, minimum mass and high reliability for space applications.

In 1962 the Minuteman III became the first major weapon system to use integrated circuitry, as we sought to achieve longer range for the missile by reducing the weight of the guidance system.

Autonetics Division of North American Aviation, here in Orange County, developed and produced that guidance system that represented a giant step forward in integrated circuitry, and resulted in a 50% reduction in weight, a range increase of many miles for the Minuteman II and greatly improved reliability.

Since that time development and refinement of integrated circuits have continued, with a growing number of commercial applications. One of the latest, and economically most remarkable of these is the mini or pocket calculator, ranging from the scientific and electronic slide rule types to the simpler four-function calculators so handy in balancing the checkbook or figuring income taxes. The calculators, with prices dropping steadily in a time of generally inflating prices, have become an economic phenomenon, reversing a growing trend in the country to import more than twice as many high technology products as we export.

In 1971 the Japanese had some 85% of the United States electronic calculator market. The magazine Business Week recently estimated that in 1973, with the mini or consumer calculators outselling larger standard models by three to one, Japanese industry appeared to be getting less than one quarter of United States calculator business.

What's in space for American business and industry? Economic transfusions like this—and many many more as we explore the unique possibilities of manufacturing in space, possibilities of which Skylab 3 has already brought back to us the first exciting practical indications.

With the exception of a sudden rude awakening to the need for energy research and development, these are not hospitable times to government R&D in general. There seems to be an indifference, even hostility, to space research in particular. It is a dangerous misunderstanding that sees space research as an unaffordable luxury in this country today, a competitor for funds that would be better allocated to solving the multiple problems of our beleaguered society. In fact, in these first two decades of the U.S. space program, space research has already amply proved itself a master tool for helping to solve many of those very problems. And we have only *begun* to explore its vast potential.

The Good Book tells us that "Where there is no vision the people perish." It is a time for vision. And I most earnestly hope that we can keep clearly within our nation's sights the vital importance to our future of maintaining our momentum in space research and development.

FUGITIVE FATHERS ACT

HON. VERNON W. THOMSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. THOMSON of Wisconsin. Mr. Speaker, although the Department of Health, Education, and Welfare has implemented procedural reforms designed to prevent certain welfare abuses, many other specific abuses require legislation. On February 26, I introduced the Fugitive Fathers Act of 1974 which would make it a Federal crime to flee across State borders to avoid complying with court-ordered support payments. This is a real problem for local welfare administrators and district attorneys. Many of my constituents, including many serving on county boards of supervisors, have supported this specific reform. I include at this point in the RECORD, the resolution passed on April 17 by the Pierce County, Wis., Board of Supervisors, supporting my bill and explaining the dimensions of this specific problem in this rural, western Wisconsin county of 7,300 households:

RESOLUTION NO. 74-6—FUGITIVE FATHERS LEGISLATION

Whereas Seventy percent of the families receiving Aid to Families with Dependent Children are the result of divorce; and

Whereas of ninety such cases only twenty-six make regular support payments; and

Whereas of sixty-four non-supporting fathers, forty are living outside of Wisconsin; and

Whereas the cost of this non-support for Pierce County alone exceeds $150,000.00 per year: Therefore be it

Resolved, That the Pierce County Board of Supervisors go on record favoring the Fugitive Fathers Bill being introduced by Congressman Vernon Thomson, and be it further

Resolved, That a copy of this resolution be sent to Congressman Thomson, Senators Nelson and Proxmire, and to the Social Service Board of each Wisconsin County.

COUNTDOWN ON CONTROLS

HON. ALAN STEELMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. STEELMAN. Mr. Speaker, we are now only a little more than 1 week away from the expiration of the Economic Stabilization Act of 1970. However, the 8 days remaining will be 8 days more of a distorted economic picture.

Clearly, the end of the line has to be reached on wage and price controls with such disturbing headlines as the fall of the GNP by 5.8 percent, the jump of the inflation rate to 10.8 percent, or that the drop in output has been the worst since 1958.

The supposed cure for our economic ills has only meant the worsening of the symptoms of galloping inflation, rising prices, and diminishing supply.

The Washington Post's lead article on Friday, April 19, addressed itself to the economy in no uncertain terms.

The article follows:

COUNTDOWN ON CONTROLS

The nation's economic output dropped drastically in the first three months of 1974, the Commerce Department reported yesterday, but the inflation rate reached 10.8 per cent a year, the highest since the Korean War.

The Gross National Product declined at an annual rate of 5.8 per cent from the last quarter of 1973 to the first quarter of this year, the most severe drop since 1958.

The main reasons were the fall in automobile production and housing, the statisticians said.

The new figures add to the dispute whether the country is in a recession, and what to do about it.

The remedy, the administration declared, is to try to curb inflation rather than stepping up consumer demand.

The consumer is now buying less only because inflation is rising faster than his earning power, Assistant Secretary of Commerce Sidney L. Jones told a press conference.

"I still think that we will have growth in the second half of the year—but we are seeing a brutal effect of inflation," Jones said.

The consumer is not "sitting in a cave" hoarding his money, Jones argued. Instead, people are spending more than ever and the savings rates are falling. But their income does not buy as much as it did last fall.

Jones defended the administration's standard forecast, which shows the GNP returning to a growth rate in the range of 4 per cent annually by the end of the year, and inflation falling to about 6 per cent a year.

But he emphasized that it will take strong demand throughout the economy to achieve that recovery.

The administration's strongest single concern now is the housing industry, which is being hit very hard by unprecedentedly high interest rates.

A rising level of housing construction is built into the administration's forecast. Officials tend to take the view that the automobile industry is going to have to take care of itself and its troubles lie chiefly in turning around to meet a changing market.

But housing depends crucially on interest rates. Jones speculated that banks would soon find that they have pushed their present rates too high.

But he added, like other administration figures in recent days, that if he proves wrong and the high mortgage charges begin to chill housing production, "I'm sure there will be some effort to stimulate it."

Housing starts, after hitting a rate of 2.5 million a year in early 1972, began to fall sharply about a year ago and sank to a rate of 1.5 million in January. The rate moved up in February but now seems to be going down again. The Commerce Department reported a drop of 32 per cent in housing construction in the first quarter of this year.

The new GNP figures show that the economy has been through an enormous swing over the past year. In the first quarter of 1973, it was rising at a rate of 8.7 per cent a year. By the last quarter of the year it had dropped to a modest 1.6 per cent, and in the most recent quarter it was falling.

That drop was considerably greater than the administration was expecting before the figures started to roll in.

But Jones reiterated the administration's view that the GNP would be stable—neither rising nor falling much—over the three months from now until June.

The long-term growth trend of the national economy, required to keep employment rising as fast as the work force, is considered to be about 4 per cent a year.

The inflation of 10.8 per cent for the first quarter is calculated by a measure known as the GNP deflator. Since the GNP is the total of all of the goods and services sold for money in the country, the deflator is the broadest and most comprehensive measure of prices.

Another indicator of inflation, the monthly Consumer Price Index for March, measuring those things that consumers buy, will be published by the Department of Commerce today.

The GNP deflator shows a fairly steady rise from an annual inflation rate of about 1.6 per cent in the spring of 1972 to the present 10.8 per cent, as the effect of controls wore off.

Jones argued that the end of wage and price controls on April 30, might actually reduce inflationary pressure by easing supply bottlenecks.

He also rejected tax cuts as a means to stimulate the economy, on grounds that the effect would come too late.

In New York the head of the Bureau of Labor Statistics, Julius Shiskin, said that a recent study showed employment declining 0.3 per cent in "energy critical" industries since Nov. 1, but growing 0.4 per cent in the rest of the economy.

RESULTS OF QUESTIONNAIRE

HON. CHALMERS P. WYLIE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. WYLIE. Mr. Speaker, during the first week of March I mailed a questionnaire to the people in the 15th Ohio Congressional District. I must admit that I was surprised when a computer analysis of the first 11,035 responses to my most recent questionnaire showed a 50–50 percent division of opinion, not on just one issue, but on three separate issues. Over the years, I have rarely had an even division of opinion on any response to one of my questions

The people of the 15th Congressional District apparently are equally divided on: First, whether the President's authority to impose wage and price controls should be extended; second, whether a coupon rationing system should be instituted if the gasoline shortage should become really acute, and third, whether there should be some form of national health insurance administered by the Federal Government.

The people of my congressional district are overwhelmingly opposed to continuation of the Watergate investigation beyond April 30, 79 percent; to further pursuit, on the basis of information now publicly available, of House impeachment proceedings against the President, 61 percent, and to decontrolling gasoline prices to reduce demand, 70 percent?

I was not surprised by these findings because they reflect expressions in mail I have been receiving, nor was I surprised particularly by the fact that 62 percent of my consitutents would relax automobile emission control standards to conserve gasoline.

But I was surprised, to some extent, by the overwhelming opinion—69 percent—that the oil shortage has been contrived by the oil companies.

These are some of the highlights of the analysis of the first 11,035 returns received. At this writing some 10,000 more have been received and they still are coming in. These are being analyzed and fed into the compilation. I am releasing the first results now because skilled statistical analysts tell me there is very little chance of any significant change in the results, since the original "sample" involved so many returns from such a broad spectrum of the district's population.

An interesting fact about the analysis is that it shows no great difference of opinions between me and women in responses to the various questions, but that it does show in some cases a wide disparity between the bottom and top age groups. For example, 62 percent of those in the 18 to 27 years group would continue impeachment proceedings and 57 percent would terminate the Watergate hearings. By contrast, in the 58 and above group, only 22 percent would pursue the impeachment proceedings and 90 percent would cut off the Watergate hearings.

With the help of the Census Bureau we determined that there are an equal number of people living in the 15th Congressional District in the four age categories designated on my questionnaires. I think it is interesting to note that on each questionnaire response, considerably more people age 42 and above responded than in the lower age groups. For example, in answer to question No. 10, the breakdown in responses is as follows:

[In percent]

Age	No designation 4 percent	Yes	No
18 to 27	16	62	38
28 to 41	25	46	54
42 to 57	29	32	68
58 and up	26	22	78

[In percent]

	His		Hers		Composite	
	Yes	No	Yes	No	Yes	No
1. Would you vote to extend the authority of the President to impose wage and price controls beyond Apr. 30, 1974?	48	52	52	48	50	50
2. The energy shortage has commanded much of the Nation's attention in recent weeks. One of the most important aspects of this problem is the situation regarding gasoline. We are tod that if the oil embargo is lifted or if we get a break on the weather,we could avoid Government regulations. If the gasoline shortage becomes acute, how should it be handled?						
(a) A coupon rationing system	50	50	50	50	50	50
(b) Uncontrolled price increases to reduce demand	35	65	25	75	30	70
(c) A system where even license tag number scan purchase gas on even number days and odd tag numbers on odd number days with Sunday sales prohibited	64	36	70	30	67	33
(d) Other						
3. Do you feel that the oil shortage has been contrived by the oil companies?	68	32	70	30	69	31
4. Would you favor relaxing the automobile emission control standards as a means of conserving gasoline?	64	36	60	40	62	38
5. Should the Federal Government provide funds for operating expenses for urban mass transportation authorities?	58	42	59	41	58	42
6. Do you favor financing of Presidential and congressional elections through Federal funds?	38	62	37	63	37	63
7. Do you favor some form of national health insurance administered by the Federal Government?	50	50	50	50	50	50
8. Would you favor Congress attempting an annual spending limit that could not exceed tax revenues?	83	17	86	14	84	16
9. Do you believe that the Watergate hearings should be terminated with the findings made public no later than April 30 and the matter then left to the courts?	78	22	80	20	79	21
10. On the basis of information now publicly available, do you believe impeachment proceedings should be pursued against President Nixon?	38	62	36	64	38	62

REPRESENTATIVE KEMP PROPOSES LEGISLATION TO GIVE INDIVIDUALS A TAX CREDIT AS A BRAKE ON THE CALAMITOUS EFFECTS OF INFLATION

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. KEMP. Mr. Speaker, inflation is the severest problem now facing our Nation. It borders on crisis proportions. Every public opinion poll shows the people believe inflation to be our biggest problem. As an issue, it far outweighs any other facing us.

Inflation threatens to weaken irreparably the strength of the dollar and our economy.

Inflation robs each of us of our purchasing power, making us poorer in dollar terms.

Inflation eats away the true value of money—money we had been saving—saving to send our children to college, or to buy a new home, or to retire.

Inflation endangers the future of each of us, for those who are now, or will be, on fixed incomes—principally annuitants, pensioners, and social security recipients—are hurt the hardest by a loss of purchasing power. Prices go up, but their income either remains the same or goes up as an after-the-fact occurrence.

And, inflation erodes the economic security which has formed the basis for our free society.

Why, then, has it not been either stopped or slowed down? Because too many of those who helped to create the problem are incapable or unwilling to come to grips with the matter.

Of whom do I speak? Principally, of politicians. Politicians who spend too much of the taxpayers' money. Politicians who authorize the printing of more and more paper money to cover the costs of Government. Politicians who must raise taxes to meet expenditures—which they are unwilling to do—or who increase the public debt load borne by each and every citizen—which they are far too willing to do.

As I have said many times before in this Chamber, inflation is not an act of God. It is an act of politicians. And, as such, it is as susceptible to immediate alleviation and eventual resolution as it was to creation.

Let me tell you how strongly I feel about this matter: If the elected officials of this country continue to contribute to the causes of inflation—rather than to its alleviation, the people, the voters should hold them fully accountable and then turn them out of office. It is that simple.

We need men and women in elective offices who will tell the truth to the American people, and who can hold the line against inflation. Officials who can say "no" to the countless proposals for spending the taxpayers' money. Officials who can say that there is a limit beyond which Government cannot continue to go in taking the wealth of the people away from them in the form of ever higher taxes. Officials who can say, "stop," when the Federal Reserve Board wants to print money that has nothing new in productivity to stand behind it.

WHAT CONGRESS CAN DO TO HOLD THE LINE AGAINST INFLATION

There is much that the Congress can do to hold the line against inflation. It is, indeed, unfortunate that most of these measures have not already been instituted.

We can stop spending money in excess of projected revenues. By so doing, we would lessen the need for a tax increase. We would stop the continuing increases in the national public debt. I have sponsored bills to require only balanced budgets be submitted to the Congress, and to limit the rate of increase in money supply.

We can stop our foolish reliance on Government-imposed price controls as a means to halt inflation. Price controls may be well-intentioned, but they do not work. Inflation rose at an annualized rate of 3.3 percent prior to mandatory price controls being instituted in 1971. Did they work? No; thereafter, they rose at a rate of 8.8 percent per year. And, last week we were told that, if inflation continued at the same rate it did for the period January through March, it would be 14.5 percent for 1974. This cannot be allowed to happen. The marketplace has always kept prices down lower than Government regulation has. I have long opposed the so-called price control program because I know it could not work.

We can also limit the annualized rate at which the Federal Reserve Board can issue new money. Increased money supply does fuel inflation. A careful study of American history reveals that there has never been a significant inflation which has not been preceded by a rapid increase in the money supply and that there has not been a recession in the United States in the last 100 years which was not preceded by a nonincreasing money supply. I will soon sponsor a bill to tighten up the Board's money issuing authority.

But, what about the taxpayer while the Congress debates the major issues associated with inflation? What can we do for him to give him some hedge against the effects of inflation? Is there nothing we can do?

There is something which can be done, and I am today introducing a bill to do it. We can give the taxpayers a hedge on the effects of inflation by giving them a tax credit equal to the amount by which the purchasing power of their adjusted gross income for the taxable year has been reduced by inflation. My bill would amend the Internal Revenue Code of 1954 to provide individuals with such a tax credit.

The rate of inflation for any taxable year would be the amount—as determined by the Secretary of the Treasury or his designate and as expressed in terms of a percentage—by which the level of the Consumer Price Index—all items, U.S. city average—published by the U.S. Bureau of Labor Statistics, at the close of the taxable year, exceeds the level of such index at the beginning of such a year. Thus, if the rate of inflation were 8 percent, the credit would be allowed accordingly. And, I have proposed that this calendar year of 1974 be used as the first such year. I see no need for waiting, and I know the people will agree with me.

The bill goes one step further: It allows a credit in excess of the tax liability—if such excess were caused by the calculation of the anti-inflation factor—to be refunded to the taxpayer.

Mr. Speaker, I call upon the distinguished Committee on Ways and Means, chaired by the able gentleman from Arkansas, the highly respected Mr. MILLS, to consider this proposal as it weighs measures to reform our tax structure this session.

I think the Congress would be well served to enact this measure, and I am confident the people would be the better for it.

RESTRICTIONS ON PUBLICIZING LOTTERY RESULTS SHOULD BE LIFTED

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. FISH. Mr. Speaker, today I am introducing legislation which would amend existing Federal law so as to remove certain restrictions on the operations of State-conducted lotteries as well as those operated by private, charitable, nonprofit organizations.

Specifically, my bill would amend title 18 of the United States Code so as to permit the broadcasting of advertising, lists of prizes or information concerning a lottery conducted by a State agency, a nonprofit organization, or by a radio or television station within that State. It would also permit the mailing of newspapers, published in the State, containing advertisements, lists of prizes, or information concerning a State-supported lottery or one conducted for charitable purposes. Additional amendments would permit the transportation or mailing of tickets and other information concerning these lotteries within the States where they are operated.

Mr. Speaker, in 1963, the State of New Hampshire commenced the first State-operated lottery of modern times. Since that time, it has been joined by my own State of New York as well as New Jersey, Massachusetts, Maryland, Maine, Illinois, Michigan, Connecticut, Rhode Island, Pennsylvania, and Ohio in embracing the lottery mechanism as a means of raising revenue for public purposes. Under the New York law, the proceeds from the State-run lottery are devoted exclusively to improving the quality of education in our State.

However, at present, States are hampered in their efforts to promote these lotteries by existing provisions and prohibitions in the Federal law. The result is that many winners never learn that they have in fact won. Another result is a lessening of the potential revenues for a public good such as improved educational facilities. Similarly, charities and other nonprofit groups are restrained from realizing the full potential of their fundraising efforts for needy causes.

It is my understanding that the Subcommittee on Claims and Governmental Relations of the House Committee on the Judiciary will begin hearings this week on the subject of pending lottery legislation. It is my further understanding that the bill I introduce today is the only one which seeks to eliminate the advertising and mailing restrictions as they relate to nonprofit organizations as well as State-conducted lotteries. It seems to me that both types of fundraising efforts should be free to operate, within the borders of their own State, without being unduly restricted by Federal law. I am hopeful that the Subcommittee on Claims will see the merits of such legislation in a favorable light and take action on it in this session.

EMERGENCY AID FOR ISRAEL

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. BIAGGI. Mr. Speaker, as the fighting intensifies between Israel and Syria on the Golan Heights, and as Arab terrorists in Israel step up their cowardly destructive acts, more and more of Israel's limited resources must be spent to assure both foreign and domestic security.

In this light, the impounding of emergency aid for Israel voted late last year by this Congress for Israel, and signed by the President December 26, becomes especially onerous for Israel's financial future. Of the $2.2 billion voted by the Congress, 1.5 billion was to be in the form of a grant and the balance would be available to Israel in the way of credits. Thus far, however, the administration has refused to release this money to Israel.

Moreover, there are signs that the administration may even seek to circumvent the will of Congress by making less than the $1.5 billion figure available to Israel in the form of grants. Israel may be forced to borrow much of this money, thus further increasing the enormous debts she has taken on since the October 1973 war. The testimony earlier this month by Secretary of State Kissinger before the Senate Foreign Relations Committee hardly served to dispel Israeli fears that the administration is seeking to reduce the grant moneys previously voted by the Congress.

Clearly, the October war has dealt an enormous blow to the Israeli economy. Meanwhile, the Soviet Union continues to supply arms to the Arab countries through "an absolutely open spigot," as Deputy Secretary of Defense William P. Clements recently told the House Foreign Affairs Committee. In addition, Israel still must bear the financial burden of resettling thousands of refugees from the Soviet Union who arrive monthly.

The administration by having refused thus far to live up to the intent of congressional legislation regarding grants for Israel adds to Arab intransigence in the negotiating arena. One wonders whether Syria would still be seeking to drive Israel from positions atop Mt. Hermon were the United States clearly providing Israel with these moneys.

The administration must provide the funds voted by the Congress to Israel immediately.

NO JOBS MAKES THE WELFARE PROBLEM

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. RANGEL. Mr. Speaker, I have recently read an article which will be of interest to those who are concerned with the problem of welfare. Mr. James Dumpson, New York City's Human Resources commissioner, sheds a revealing light on the nature of welfare and those who are forced to use it to sustain their lives.

The article, from a recent edition of the New York Amsterdam News, follows:

Welfare Recipients Don't Work Because of No Jobs—Dumpson

(By Don Rojas)

"Welfare is not a cause, it's an effect . . . we go on attacking people in need rather than the malfunctioning systems that created their need," said James Dumpson, the city's Human Resources Administrator in his first public address since his appointment in January.

Speaking before 1200 people at the annual luncheon of the Federation of Protestant Welfare Agencies at the Americana Hotel, Dumpson called for reorganization of the city's welfare system and disclosed his recommendations for realigning the agency to intensify its delivery of service.

ACCOUNTABILITY

"I do not believe Mayor Beame intended the word dismantle to be interpreted as meaning the amputation of services from people or the dismemberment of the services themselves. Rather the interpretation should be on the restructing of the method for providing all services in the most responsible, efficient and accountable way possible," Dumpson said.

The HRA Administrator, who is also New York City's Social Services Commissioner, stated that he would propose to Mayor Beame the establishment of a "four-office services structure" because the service function "has for too long been underemphasized."

Dumpson's address was eloquent and well-received by the many welfare workers, city officials and community representatives who attended the luncheon.

INBREEDING

He drew applause when he said that welfare continues to be the "wastebasket" for the failures of a variety of our social and economic systems. He attributed this to "an incestuous inbreeding" of malfunctioning systems of education, health services, housing and the vagaries of an economy that seems to make "the rich richer and the poor poorer."

"The welfare system has never been one of America's best loved institutions, and, given the economic realities of New York City in 1974, public sentiment is not likely to undergo any quick changes," Dumpson said.

Charging government with insensitivity to the problems of welfare recipients, Dumpson noted that until this country develops and adopts a "national, humane, human resource policy" there will continue to be conflicting, damaging social and economic policies insofar as human welfare is concerned.

NO JOBS

"We must take positive steps to dispell what is again and again proven a myth—that welfare recipients don't want to work," the city official urged his listeners. "The real reason is that there are no jobs."

In the light of this Dumpson said that HRA has already proposed the conversion of the Work Relief Employment Program (WREP) from half-time to full-time status. Dumpson sees HRA making available a broad range of preventative, curative and development welfare services that will include income support and "humane, sensible" programs administered by or for HRA.

DR. MARTIN LUTHER KING, JR. AND THE HONORABLE ADAM CLAYTON POWELL

HON. CHARLES C. DIGGS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 11, 1974

Mr. DIGGS. Mr. Speaker, in the consciousness of every just man and woman today, there exists a little more understanding, a little more concern, a little more wisdom because of the lives of two great men who died on this day, April 4.

They raised our minds to understand better the role the individual can play in a society built on pluralism. They raised our hearts to the cries of those whom the system has forsaken. They raised their hands with ours to give aid to those in need. They raised our souls to understand the meaning of brotherhood.

As a black man, I am proud that two such men as these walked with black feet in Selma and Montgomery and Harlem and Washington, and that I was privileged to share in their cause of justice.

Dr. Martin Luther King, Jr., a giant among men, inspired this Nation with his dedication to the principles of freedom and justice for all men and women. He lived for peace, and was honored for his efforts by international acclaim and the Nobel Prize for Peace. He lived to bring to others the sense that God created man equal and righteous. He was gunned down by an assassin who could not deal with the truths he brought.

Adam Clayton Powell was a pioneer in one of the toughest jobs a man can have—representing the needs and the rights of his people. He fought for social legislation when it was not popular. He fought for equal and decent education for all our children; he took the leadership in showing that a black man could break through and bring about meaningful change on a national legislative level.

Today, as we commemorate the deaths of these men, we rejoice that some of their dreams have come true, that some of the hopes for their fellow man has been fulfilled. We rejoice that their leadership has inspired others to follow their footsteps. And we build on their work to provide a decent quality of life for all our brothers and sisters, whatever their color or religion or place of birth, around the world.

JOSEPH C. PLUMB, JR.

HON. JOE SKUBITZ

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. SKUBITZ. Mr. Speaker, "Charlie" Plumb was a prisoner of war for 5½ years in Vietnam. He is the former Lt. Cmdr. Joseph C. Plumb, Jr., who flew a F–4B Phantom jet bomber which was hit May 19, 1967, while flying south of Hanoi.

Charlie Plumb has returned to the United States with an attitude and character that is heartwarming. He has been traveling around mid-America speaking to more than 300 audiences in the last year. He was recently a guest speaker in Emporia, Kans., and those who heard him are still echoing the zest for life which Charlie Plumb has come to know, live, and share with others.

I thought my colleagues might be interested in the following article, a reprint from the Emporia Gazette—the famous newspaper begun by William Allen White. It is hard to imagine a man totally confined from the progress and day to day life of this country for 5½ years. It is interesting to note Charlie's closing words which is an observation of his first look at America upon returning:

> I feel now that while the looks of Americans may have changed, the hearts of Americans are the same. For that I'm thankful.

The article follows:

FIRST YEARS AS A PRISONER WERE WORST, PLUMB SAYS

(By E. N. Erley)

For nearly six years, former Lieut. Comdr. Joseph C. Plumb was a prisoner of war in a North Vietnamese camp in Hanoi.

A fighter pilot in the Navy, "Charlie" Plumb was captured five days before his tour of duty in Vietnam was scheduled to end. His F4–B Phantom jet bomber was hit May 19th, 1967, while flying south of Hanoi.

Mr. Plumb recalls looking down as he and his parachute slowly floated to the ground. There was no chance of escape. Viet Cong, dressed in their black pajama-type uniforms, looked like ants in the green foliage below him. He was scared.

"I remember just before I hit the ground I shut my eyes and prayed, 'Lord, give me strength.'" It was a prayer Mr. Plumb would repeat several times while he was a P.O.W.

He was immediately stripped and beaten. In the next few days he was tortured, degraded and starved.

Ropes were tied on his hands and legs and then his body was twisted, pulled and contorted in many different and painful positions. The torture was called the "rope trick" by the many P.O.W.'s who survived it—some did not.

After two days of torture. Mr. Plumb quit refusing to answer the Viet Cong's questions. He began telling them almost unbelievable lies.

"One of the first things we learned was to lie. Viet Cong people would lose face if they could not make you talk. They would not accept a 'no' answer and they would torture you until you died. So we told them lies. Afterward, the Viet Cong would not punish you for lying because to do so would force them to admit that they had been outsmarted—which also caused them to lose face," Mr. Plumb explained. For two years Mr. Plumb was in isolation. Surrounded by the dirt walls of an eight-by-eight-foot cell, he was forbidden even to try to look at other Americans. The punishment for any type of communication was a severe beating.

Left alone, Mr. Plumb was plagued with boredom. "We overlook, here in America, one of our most simple freedoms, the freedom to communicate with an English speaking American."

One day, Mr. Plumb made a deck of cards out of toilet paper. When his North Vietnamese guards found him playing with the cards, they beat him. He says he still has scars from the beatings.

When he finally was released, he returned home to Kansas City to discover that his wife had filed for a divorce four months before his release. After waiting almost five and a half years she was ready to call it quits. She has since re-married.

But through the hardships, Charlie Plumb still says, "I'm no hero."

A crowd of more than 350 Emporians at the Granada Theater Wednesday night apparently disagreed. The crowd gave Mr. Plumb two standing ovations and after his speech surrounded him with questions, smiles and praises.

A young man dressed in a suit told Mr. Plumb, "I was over there too. It was tough."

An older Emporia woman, shaking Mr. Plumb's hand like it was a pump handle, said, "You're an inspiration."

Another standing near Mr. Plumb added that he has the type of attitude "which America needs."

Since his return last year to Kansas, Mr. Plumb has spoken to more than 300 audiences. Mr. Plumb says he has received a standing ovation at each appearance.

Mr. Plumb is no longer a Navy officer. He resigned his commission in January, almost exactly one year after he was released from captivity. He now works for Informed Inc., a public relations firm in Lenexa. When he is not booked for speaking engagements, he helps the public relations firm with some of its clients.

Mr. Plumb's experiences as a P. O. W. are recorded in a book entitled, "I'm No Hero." The book is sold after his speeches.

Another employe of Informed Inc., who travels with Mr. Plumb, says Mr. Plumb's success is because of his personality and way of life. "Charlie tells an audience about a way of life they admire and then he does something even more important—he lives that type of life."

Ushered in by Girl Scouts, holding the hands of two small Brownie Scouts, the American flag preceding him down the aisle, Mr. Plumb approached the speaker's podium at the Fox Theater amid loud applause.

Without notes, he began telling the crowd of his P. O. W. experiences, but he prefaced his remarks by explaining that three things gave him the courage to endure torture and keep his sanity.

"I endured six years of hell because of my faith in God. I knew He was with us, and His will would be done. Also, because of my great love of country, and because of self-discipline and pride."

He quickly added, "But I'm no hero. Many Americans are prisoners in America right now. They are held in prisons of mental bars, not metal bars, but they also can endure if they take stock in the same three things which gave me the power to make it."

Mr. Plumb was reared in a small town on the Kaw River in Kansas, and later moved to Overland Park.

After high school he attended the Naval Academy in Annapolis, Md. He then was assigned to the USS Kitty Hawk. Before he was shot down he had flown 75 combat missions and received eight medals.

In his speech, he told how prisoners communicated while they were in isolation cells. He said some men would write notes on toilet paper and wrap them on small stones which were tossed from cell to cell. "That was called air mail," he said jokingly.

"We also developed an elaborate code of coughs and sneezes. The Viet Cong are always coughing, sneezing, grunting or spitting, so they did not notice if we did the same. Often I would wake up to the sound of a loud cough followed by a grunt, which meant "Good Morning."

Other codes developed, but after two years in isolation, the prisoners were given cell mates.

Mr. Plumb recalls that boredom again became the biggest problem in camp. To keep "the cogs in our heads from becoming covered with cobwebs we began a daily routine of activities."

The prisoners challenged each other in exercise drills. By tapping on the walls and using other signals the men would begin exercise drills and then compare the results. "At first the best we could do would be around 25 push-ups and 100 sit-ups. After six years the champion pushup record was close to 1,500 and the sit-up record was near 10,000."

The prisoners also amused themselves by telling each other about movies they had seen. "When he first came to our camp, one man told us about a movie he had seen. It took him about 10 minutes. After five years in prison it took the same man three hours to tell about the movie and it had grown from a PG rating to triple X."

Mr. Plumb said the prisoners were aware of anti-war activities in the United States. Speakers in each of the cells, over which they had no control, carried "news" from the Voice of Vietnam, dubbed "Hanoi Hannah" by the prisoners.

"We didn't believe a lot of it because it was blown way out of proportion by Communist propaganda," Mr. Plumb recalled. "We would very much have liked to see a united America behind us, but for myself, I was proud to serve a country with freedom of speech and freedom of action."

Visits to North Vietnam by some anti-war activists like Ramsey Clark, former U.S. attorney general, and movie star Jane Fonda, troubled him, Mr. Plumb said.

"Personally, I was quite disenchanted to see a good looking American woman speaking to me in English, saying the same thing that the Vietnamese had said for years."

Mr. Plumb is against amnesty for draft evaders. They severed an unwritten commitment when they refused to serve, he says. "Now that the sun is shining they want to come home—I don't think they should be allowed to." His remarks interrupted by loud applause from the Emporia audience.

Mr. Plumb feels America's involvement in Vietnam helped stop communist aggression. He does not feel the fighting between the North and South will ever end, and he does not feel America should ever send troops back to fight.

"Sending troops to Vietnam was a mistake from the beginning. I think if we try hard enough in the future we can solve our problems diplomatically."

He says one reason he is against sending troops back is because Vietnam is involved in a political war. "We were not allowed to fight and win the war or lose it because of politics."

"In the air war we were extremely careful not to drop bombs on civilians. I was threatened on several occasions with court martial if my bombs didn't hit their targets. It was a terrible pressure, because we were dropping bombs from 5,000 feet, with everyone shooting at us, and we were only supposed to hit a 60-foot bridge in the center of a town."

Mr. Plumb believes President Nixon's bombing escalation helped end the war. He said, "We P. O. W.s were glad to see it."

Prison life improved during the 1970's, Mr. Plumb says, because of increased interest in P. O. W.s by Americans. "That's when people started wearing P. O. W. bracelets and were interested. The Viet Cong realized we were valuable and took better care of us."

Mr. Plumb is not encouraging to parents, wives, and sweethearts of soldiers still missing. He feels most of them are dead.

When asked about his future, Mr. Plumb says he has decided he will serve in politics if he can find a job which will not make him lower his standards. He has no particular office in mind.

He also said that during the last year overfriendly politicians who were anxious to get on the "Charlie Plumb bandwagon" became angry at him when he was friendly to their political opponents. He does not like such political bickering.

In closing, Mr. Plumb said that while he was imprisoned he had a lot of time to think about why he was fighting. He remembered a different America than what he returned to. Mini-skirts, X-rated movies and long hair shocked him at first. "I thought I was returning to a nation of beatniks. I feel now, however, that while the looks of Americans may have changed, the hearts of Americans are the same. For that I'm thankful," he says.

RESOLUTION NO. 2205

HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. HUNGATE. Mr. Speaker, I have received a resolution from the St. Louis County Council which concerns the proposed Chicago-Kansas City interstate highway. This is a matter of great concern to my constituents and I am sure it is to many Members of the House as well:

RESOLUTION

Whereas, Congress has authorized the study of the feasibility of building an interstate highway between Kansas City and Chicago; and

Whereas, Missouri and Illinois state highway engineers are presently studying such a highway system; and

Whereas, a diversion of such magnitude of the normal flow of traffic in the Midwest could seriously damage the economy of the St. Louis area which rests in great part upon the area's position as a major transportation center; and

Whereas, members of the Board of Aldermen of the City of St. Louis have indicated their intention to adopt a resolution opposing the Kansas City-Chicago interstate highway; and

Whereas, a united effort between the City and County of St. Louis to oppose the direct Kansas City-Chicago interstate highway is considered essential;

Now, therefore, be it resolved by the County Council of St. Louis County, Missouri, as follows:

That the members of the County Council of St. Louis County, Missouri, do hereby join with the members of the Board of Aldermen of the City of St. Louis in declaring their opposition to a direct interstate highway system between Kansas City and Chicago.

That the members of the Council further join with the members of the Board of Aldermen in urging the Supervisor of St. Louis County and the Mayor of the City of St. Louis to initiate a meeting with the members of the St. Louis area's Congressional delegation to obtain their commitment in opposing this project and to initiate a meeting with Missouri and Illinois state highway engineers to explain the St. Louis area's opposition to the project.

Be it further resolved that the Administrative Director is hereby authorized and directed to deliver a copy of this resolution to the members of the St. Louis area's Congressional delegation.

MAURICE L. STEWART,
Chairman.
HARRY E. VON ROMER,
JAMES R. BUTLER,
GERALD A. RIMMELL,
MILTON J. BISCHOF, Jr.,
BRAINERD W. LA TOURETTE, Jr.,
CARL W. BREIHAN.

COLLEAGUE CECIL KING, A MEMBER'S MENTOR

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. LEGGETT. Mr. Speaker, for nearly a score plus 10 years, the beloved Cecil King of California, represented our State well in the Congress of the United States. In the decade before 1942, King represented part of Los Angeles County in the California Legislature.

King's monument obviously will be the bill he jointly pioneered with Senator Clinton Anderson of New Mexico—the King-Anderson medicare bill, the central theme and accomplishment of the Kennedy era—the legislation that to this day promotes longevity of millions of older Americans who know that their necessary hospital and doctor bills will be not only paid, but the necessary treatment rendered.

When others shyed from the task of dabbling in this socialistic experiment, it was Cecil King, a Senior Democrat in the House of Representatives on the Ways and Means Committee, who rose to the occasion; later getting the necessary support of Chairman MILLS and accomplishing substantial change on the face of American health delivery systems.

Cecil was the committee on committees mentor of every new young Democratic representative from California for several decades. From his position representing the Western States on the committee on committees, King helped shape the future of a generation of congressional representation.

Cecil King was a Congressman's Congressman, chairman of the largest delegation in the U.S. Congress, a diplomat, a representative of the United States to the Common Market and many trade negotiations. He served the Congress and his country well, left his mark, a hero slightly sung, but who will long be remembered, sometimes perhaps innocuously and anonomously by the beneficiaries of his congressional industry.

To Cecil's wife, Gertrude, thanks from the people of the United States and the Fourth Congressional District of California.

BASEBALL 1974

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. DERWINSKI. Mr. Speaker, as an avid baseball fan, I followed with great interest the early season heroics that saw Hank Aaron hit the record-tying and recordbreaking home runs.

WGN Continental Broadcasting Co. in Chicago, Ill., used the occasion of Aaron's historic record to comment generally on the popularity of baseball and some of the irritating public relations controversies that broke out in the early days of the 1975 baseball season:

BASEBALL 1974

In spite of the usual spring weather, the 1974 baseball season is underway.

Now that Hank Aaron has put the record-tying and record-breaking home runs behind him, we can make a few observations about the changing nature of the national pastime, if baseball still lays claim to that title.

To those of us who grew up before football was the focal point of every weekend from July through January, baseball was THE sport.

Part of the fascination was watching the record book. And, for the most part, baseball's owners treated the game as a sport.

Well, things are different today. There is still the fascination with the record book. But, everyone who follows the game knew the 1974 season would not be very old before Aaron replaced Babe Ruth as the all-time home-run king. It was, or so we might have thought, merely a matter of when and where. But, those who control baseball, those who have moved it from a sport to big business, felt otherwise.

We think Baseball Commissioner Bowie Kuhn was wrong to insist that Aaron play at least two of the three opening games in Cincinnati. And, we think it would have been nice for the commissioner to go on to Atlanta where and when the record was likely to be broken, as indeed it was broken.

It's not just the way the Atlanta Braves' organization, the National League and the commissioner's office acted in the Aaron instance. The season has been made longer, but that often doesn't bring more people out to the ball parks, especially when opening day is delayed by snow. And, it's hardly sporting when the new owner of a ball club uses the public address system to criticize his players before 39-thousand fans. That might provide a little color, but not much.

Some may question whether baseball still enjoys the public popularity it once did. If baseball has lost public favor, some of the reasons were on display during the first week of the 1974 season.

We like baseball, but baseball has some problems. We don't know the answers, but we think organized baseball should be looking for them.

IMPRESSIONS FROM THE AFTERMATH

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. HAMILTON. Mr. Speaker, under leave to extend my remarks in the Record, I include my Washington Report entitled "Impressions From the Aftermath":

Impressions From the Aftermath

A tour of the communities devastated by the tornadoes that ripped and slashed through Indiana on April 3 left me with strangely mixed feelings of depression and pride. The depression was caused by the lives lost, the injuries sustained, and the property damaged. The pride was prompted by the uncounted acts of heroism during the storm and the efforts of thousands of people to bind up the wounds and rebuild.

Several counties in the Ninth Congressional District were among the hardest hit in the worst tornado disaster in half a century. Nearly 100 tornadoes in the storm crossed 11 states, killed more than 300 people, including 44 known dead in Indiana, left thousands injured or homeless, and caused property damage of $1 billion. Thirty-eight Indiana counties were declared disaster areas as a result of more than $100 million in property damage.

My tour of the tornado-struck communities left unforgettable impressions:

The bloodshot eyes of a rescue worker who had labored for 36 hours without rest;

The relieved young lady who found her parents after hours of desperate searching;

The elderly woman cleaning and arranging her kitchen counter in the midst of her ruined home;

The State Police helicopter pilot who told of several medical rescue flights;

School Board members planning to resume classes in a week or two as they walked about their destroyed schools;

Tangled steel outside a power plant that resembled spaghetti;

The gratitude for life of people who had lost almost everything else;

The quick response of a man standing next door to his demolished home: "I'm going to start rebuilding tomorrow."

The farmer who commented: "All I got left is my family and my car, but I am lucky."

A family's delight when electric power was restored to their home;

A farmer, working alone, and beginning the enormous task of removing tons of debris from his fields.

Despite the desolation in the wake of the storm, I was encouraged by the resilient spirit and the indestructible sense of humor many of its victims displayed. (One man, who lost everything, said his theme song was "Gone With the Wind.") It will be generations before the tornadoes of '74 are forgotten by Hoosiers, especially in Ninth District communities such as Madison, Martinsburg, Hanover, and Hamburg.

The storm left countless scars: stately trees on a picture-book college campus destroyed; a pile of bricks that was once a church; a hardwood forest turned to splinters; a state park's scenic vistas destroyed; severe livestock losses; mobile homes strewn across valleys; schoolbuses hurled into the middle of fields; downed power lines; telephone poles arranged like in a game of pick-up-sticks; and hundreds of homes appearing as if they had been dynamited.

Most heartening of all was the help that the tornado victims received from a variety of sources. As one man said to me, it restored his faith in human nature. Police, National Guardsmen, and Civil Defense workers kept traffic moving, restored order, and prevented looting. Welfare officials helped with food stamps and clothing. Local businesses contributed whatever they could. State and county highway workers provided much of the muscle and equipment for the monumental cleanup job.

One of the worst natural disasters brought out the best in people. From all over Indiana volunteers came to the devastated communities to lend a hand with debris removal, food service, transportation, communications, and repair. Red Cross, Salvation Army, and other private relief groups distributed food and shelter. Water, electric, and telephone repairmen worked without breaks to restore the basic services. Physicians and health care personnel gave medical assistance, checked water supplies, and vaccinated against disease. Trained insurance catastrophe teams were dispatched to adjust thousands of claims.

I am grateful for the cooperation my staff and I received from federal, state, and local officials who worked to make a wide range of assistance available to storm victims as soon as possible. Seven disaster assistance centers are now in operation in disaster areas across the state, including one in New Albany and one in Madison in the Ninth District. They will provide much-needed assistance in the form of temporary housing, mortgage or rental payments, food stamps, unemployment compensation, debris removal, loans for homeowners, farmers, and small businessmen, and grants to replace public schools and other facilities.

There may be no joy among Hoosiers as we survey the losses, but there are ample amounts of faith and courage and determination, as the events of this week surely proved.

JONES RELEASES FIRST DISTRICT SURVEY RESULTS

HON. JAMES R. JONES

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. JONES of Oklahoma. Mr. Speaker, during the last several weeks my office has been tabulating over 8,000 questionnaire responses which were returned to my office by citizens in Oklahoma's First Congressional District.

The results of our survey of voters' opinions is now complete, and I would like to share our findings with my colleagues here today. I include at this point in the Record my statement on the results of our survey, and the precise tabulated figures themselves:

[In percent]

	Yes	No	Undecided
1. The administration's authority to impose wage and price controls is due to expire April 30, should these controls be continued?	35.1	52.0	12.9
2. In establishing budget priorities, should the Government:			
(a) Maintain the present balance between human resources and military spending?	48.6	28.8	22.6
(b) Reduce spending on human resources?	42.0	42.1	15.9
(c) Reduce military spending?	35.7	51.0	13.3
3. Should medicare-medicaid be replaced with a national health insurance system?	33.3	45.9	20.8
4. Should Congress pass a law providing for some form of public financing of Presidential elections?	39.3	52.4	8.3
5. Should the year-round daylight-savings time law be repealed?	53.9	38.0	8.1
6. Should Congress enact a "no-fault" auto insurance bill?	56.9	25.1	18.0

	More	Less	Same
7. In the following program areas, do you feel that more, less, or about the same amount of money should be spent?			
(a) Manpower training and development	31.0	30.1	38.9
(b) Highway construction	25.2	41.2	33.6
(c) Housing for senior citizens and low-income families	34.2	39.4	26.4
(d) Defense	42.7	26.1	31.2
(e) Environmental protection	31.9	37.3	30.8
(f) Development of minority and small business enterprises	31.6	40.6	27.8
(g) Energy research and development	77.5	13.2	9.3
(h) Foreign aid	3.7	84.6	11.7
(i) Education	42.0	23.0	35.0
(j) Health programs (hospital construction and health services)	44.8	19.8	35.8

Release From the Office of Representative James R. Jones, First District of Oklahoma

Washington.—Representative James R. Jones announced today the results of his most recent survey of voter opinions in Oklahoma's First Congressional District. Jones said that over 8000 individuals had responded to a questionnaire mailed from his office several weeks ago. The topics on which Jones asked voters' advice ranged from "no-fault" auto insurance, to what over-all spending priorities within the federal budget should be.

Jones reported that 52% of those responding are opposed to a renewal of wage and price control authority sought by the Administration; 35.1% favored extension of that authority, and 12.9% were undecided.

Only 33.3% of those responding favored replacement of the present Medicare-Medicaid program with some form of National Health Insurance System; 45.9% were opposed to replacement, and 20.8% were undecided.

In answer to Jones' question as to whether they would support a public financing plan for Presidential elections, 52.4% First District voters replied "No"; 39.3% said "yes", and 8.3% were "undecided".

Fifty-four per cent of those polled supported repeal of Year Round Day-light Savings Time; 38% were opposed to repeal, and 8% were undecided. Jones earlier this year introduced legislation to repeal the original Year Round Day-Light Savings Time Act.

On the question of whether Congress should enact some form of "no fault" auto insurance, 56.9% said "Yes"; 25.1% said "No"; and 18% were "undecided".

A combination of questions posed by Jones in his questionnaire asked citizens their views on how over-all federal spending priorities should be set. For instance, nearly half of those responding (48.6%) favor retaining the present spending balance between human resources and military programs; only 35.7% favored reducing military expeditures in favor of greater funds for human resources, while 51% were opposed to such reductions.

In a list of 10 specific areas of federal spending set forth by Jones in his questionnaire, respondents were asked whether they favored spending "more," "less," or approximately the "Same" amount of federal dollars in the future. One area that received overwhelming support for a greater future share of tax dollars was the field of energy development and research. 77.5% of the respondents indicated they felt financial assistance from the federal government for energy R & D should be increased, while only 13.2% favored a funding reduction. 9.3% indicated the present funding level was sufficient in their opinion.

A similar case of overwhelming opinion came on foreign-aid appropriations, except here, 84.6% favored a reduction in current funding levels. Only 3.7% favored an increase, and 11.7% advocated maintaining current spending levels.

According to the responses given Jones' questionnaire, First District voters also favor higher spending priorities in the fields of health programs (44% favor greater spending than present levels), and Education (42%), in addition to Energy R & D.

GALVA EAGLE SCOUTS

HON. TOM RAILSBACK

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 22, 1974

Mr. RAILSBACK. Mr. Speaker, it is a great honor to become an Eagle Scout, and I would like to commend Scott Peterson, Dan Garrett, Andrew McNaught, and Jeff Olson for obtaining this position.

I include the following article which explains the dinner meeting of the Galva Lions Club, the sponsoring organization for Galva's Troop No. 144, at which these young men were honored:

MILLER, SAATKAMP JOIN LIONS CLUB

Two new members, Roy Saatkamp and Robert Miller, were inducted into the Galva Lions Club during the meeting March 27, in Epworth Hall, First United Methodist Church.

Joe Kendall conducted the induction ceremony.

The four Eagle Scouts belonging to Troop 144, the scout troop sponsored by the club, were honored along with their fathers. The four are Scott Peterson, son of Dave Peterson; Andrew Andre McNaught, son of Riley McNaught; Dan Garrett, son of Darrell Garrett; and Jeff Olson and his father, Roger Olson. Darrell Garrett was presented a pin from the club in appreciation of his work with the troop. The four scouts presented a certificate of appreciation to Robert Peck, president of the club, for sponsoring the troop.

The program was given by several instrumental groups from the middle school under the direction of Robert Baskovic, plus several selections from members of the girls chorus of the middle school, under the direction of Mrs. Wayne Nordstrom. The youngsters presented numbers they expected to use in the competition of bands and chorus at Henry last Saturday.

William Patterson and Harry Wallace were program co-chairmen.

The new officers for the coming year were elected during the meeting.

H. Ray Young was elected president; Frank Peterson Jr., first vice president; Tom Page, second vice president; John Goodale, third vice president; James White, secretary; Carl Palmer, treasurer; Dale Anderson, tail twister; Gene Jennings, lion tamer; Willard Moore and Russell Alderman, directors for one year; Rev. Byron Robertson and Rev. James Hancock, directors for two years.

HISTORIC LA MOTT SITE OF ORGANIZATION OF FIRST FEDERAL COLORED TROOPS

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. COUGHLIN. Mr. Speaker, I am pleased to call to the attention of my colleagues a significant celebration planned for Sunday, May 5, 1974, to commemorate the organization of the first Federal colored troops at a site which is now the community of La Mott.

Located in Cheltenham Township in Pennsylvania's 13th Congressional District which I represent, La Mott will be honored in ceremonies by State, county, and local officials. Among those sponsoring the event are the Pennsylvania Historical and Museum Commission, Cheltenham Township Historical Commission, the Township Board of Commissioners, prominent Negro leaders and local organizations.

In paying tribute to La Mott, I think it well that we reflect on the state of the Nation and its attitude toward blacks more than a century ago. What has been accomplished and what remains to be accomplished still stand in startling contrast to the crises and attitudes of a country then rent by civil strife.

The community of La Mott, formerly known as Camp Town, was a focal point in a great debate that raged at the time of the War Between the States. After President Lincoln issued the Emancipation Proclamation, there was considerable controversy over whether or not to enlist black men into the Union Army.

Despite the furor, Secretary of War Stanton in 1863 issued an order allowing the State of Massachusetts to form the first colored regiment—the 54th Colored Regiment of the State of Massachusetts. At the same time, the War Department established a training center outside of Philadelphia where the first federally supported black soldiers were trained.

The site, now the community of La Mott, was in Chelten Hills and the training center was named Camp William Penn. Eleven regiments were trained at the camp.

Lt. Col. Louis Wagner, a veteran of the Battle of Bull Run, was the camp's commanding officer. Black regiments mustered at Camp William Penn were the 3d, 6th, 22d, 24th, 25th, 32d, 41st, 43d, 45th, and 127th. They were considered as part of the original forces of the U.S. Army. Mr. Frank H. Taylor, writing in his book, "Philadelphia in the Civil War: 1861–65," notes that the black regiments were not credited upon the quota of the city of Philadelphia for the Commonwealth of Pennsylvania.

In his detailed book, Mr. Taylor writes of the outstanding records compiled by the enlisted men and officers. He said that 10,940 black soldiers and 400 white officers commanding them all shared in the records for bravery under fire and for efficiency in the many campaigns in which they participated. All of these men originally were assembled at Camp William Penn.

Mr. Taylor quoted the October 11, 1864, general order of Maj. Gen. Benjamin F. Butler, in which he referred to the charge of these troops at New Market:

> Better men were never better led, better officers never led better men. A few more such charges and to command colored troops will be the post of honor in the American Army.

When the war ended, Camp William Penn became a home for blacks who settled at the site then referred to as Camp Town. Legend has it that they were helped to settle there by Lucretia Mott and her brother-in-law, Edward M. Davis. Both adamant abolitionists and operators of a way station along the underground railroad.

History records that blacks and immigrants of Irish descent lived side by side in harmony. La Mott grew and prospered. It remains today a friendly, stable, and harmonious community where blacks and whites live together in cooperation and brotherhood.

I think it altogether fitting and proper that we take note of the La Mott celebration, both for its historic beginnings and for its present exemplification of true brotherhood. The dreams of Abraham Lincoln and Martin Luther King live in the community of La Mott.

As Congressman for the citizens of La Mott, I add my own personal congratulations on the upcoming celebration. I hope the people of La Mott know how honored I am to represent them and how delighted I am to wish them well in the years to come.

BAN THE HANDGUN—XLIV

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. BINGHAM. Mr. Speaker, the handgun epidemic continues to spread unchecked. The latest victims are youngsters in our Nation's schools. There is no excuse for Federal inaction which countenances 15-year-olds packing pistols with their lunches.

I include herewith an editorial from the April 14 edition of the New York Post:

GUNS IN THE SCHOOLS

City officials are reported contemplating a program to educate licensed firearms owners here about guns. Unfortunately, it develops at the same time that a number of public school students are teaching themselves on that subject—and some are learning the hard way.

According to data just provided the State Commission of Investigation by the Board of Education, gun "incidents" in or near schools have been increasing in recent years. In 1971, there were six, in 1972, nine, and last year, 24. If the current rate continues, there may be another record; there were 11 cases this January and February alone.

Both students and non-students have been involved in these crimes. Assault was the most frequent offense apart from weapons possession. The alarming point is that there seems to have been not only a discernible but a dramatic rise in school gun cases; the implications of that fact—and there may well be substantial "underreporting," as with crime generally—do not require elaboration.

There is nothing wrong with teaching safety to gun owners and tightening up on the regulations in general as they affect official permit-holders. But the gun plague, in this and other cities, demands far more comprehensive forms of official control.

DOES AMERICA WANT A VETO-PROOF CONGRESS?

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. RHODES. Mr. Speaker, I would like to call to the attention of my colleagues a very thoughtful editorial which was published in the Cincinnati Enquirer on April 19, 1974. It was written by William J. Keating, a former distinguished Member of the House, who is now editor of the Enquirer. I recommend this editorial as a review of the basic structure of our Federal Government, and of our system of checks and balances. It contains an interesting commentary and some facts about the upcoming elections this fall.

Text of the editorial is as follows:

DOES AMERICA WANT A VETO-PROOF CONGRESS?

Every bill which shall have passed the House of Representatives and the Senate, shall, before it becomes a law, be presented to the President of the United States; if he approves it he will sign it, but if not he shall return it, with his objections to that House in which it shall have originated, who shall enter the objections at large on their journal, and proceed to reconsider it. If after such reconsideration two-thirds of that House shall agree to pass the bill, it shall be sent, together with the objections, to the other House, by which it shall likewise be reconsidered, and if approved by two-thirds of that House, it shall become law. (Article I, Section 7, Constitution of the United States)

The furious effort exerted by organized labor in this year's congressional special elections—including the March 5 election in Ohio's First Congressional District and the more recent in Michigan's Eighth—is a clue that big labor is not speaking metaphorically when it declares its goal to be a "veto-proof Congress."

Indeed, Common Cause, which purports to monitor campaign spending, has reported that, as of February 28, the nation's unions had on hand $5,032,584—as much as labor spent in the 1972 presidential campaign—for use between now and November to elect a Congress friendly to labor's legislative objectives.

There is, of course, nothing remarkable about any organization's seeking, as strenuously as it can, to elect members friendly to its point of view. But labor's goal of a veto-proof Congress—a goal proclaimed by George B. Meany, president of the AFL–CIO—goes far, far beyond the aspiration of most organizations to a friendly hearing in high places. A veto-proof Congress is, after all, a Congress that will not think twice, a Congress that will not ask questions, a Congress to whose members such standard legislative terms as "reconsideration" and "compromise" are unknown. What Mr. Meany and his cohorts are seeking, we fear, is a Congress that is willing to abdicate its historic mission to the executive officers of the AFL–CIO.

We question very much whether that is what the American people want.

The presidential veto has been portrayed in recent years, by some who have a stake in its nonuse, as a sordid device by which American Presidents have, on occasion, frustrated the will of the people as reflected in the legislative output of Congress.

In reality, the veto is one of those checks and balances built in the American system by the Constitution's framers for some specific and legitimate purposes. They wanted to make certain that no single branch dominated the entire federal government. They wanted to make certain that no Congress would, in a burst of passion, enact imprudent statutes without due consideration.

In consequence, they stipulated that every congressional enactment must be signed by the President to become law—provided he approves. If he does not approve, he must return the proposed law to the house in which it originated. It may then be repassed, over his veto, by two-thirds majorities and become law without his signature.

What the Constitution did not stipulate is what transpires between the time a President issues a veto message and the time Congress begins reconsidering the measure vetoed.

If the measure is one of genuine national significance, it immediately becomes a focal point of public interest. Rank-and-file Americans who may have paid only passing attention to the proposition when it emerged from Congress suddenly become more interested in its contents and its implications. Congress, mindful of this increased public interest, ordinarily takes a hard, second look at its earlier handiwork.

Sometimes a presidential veto is sustained, and the proposed law falls of enactment.

Sometimes a presidential veto is overridden, and the law becomes operative in spite of the President's opposition.

What harm is done in the process? Scarcely anyone with a legitimate purpose to serve suffers from reconsideration, from a second look, from renewed debate: from a few days' delay.

Most fair-minded Americans will agree, we believe, that the national interest is poorly served by a Congress so lopsidedly committed to *any* persuasion as to be tempted to act unthinkingly.

The Congresses of the early New Deal era were Congresses of such a stripe. They passed enactments at the behest of President Roosevelt—sometimes without reading them. Some of them turned out to be unconstitutional; many turned out to be imprudent. But there was no one to challenge, no one to ask for a reconsideration, no one to invite a second look.

Only when President Roosevelt sought to enlarge the Supreme Court to assure favorable consideration of measures in which the administration had a stake did Congress finally balk; only then did the checks and balances came once more into play.

The fact of the matter today is that the nation is ominously close to a Congress that Mr. Meany could certify as veto-proof. Nine more prolabor votes in the Senate and 40-odd more votes in the House would suffice to give the AFL–CIO a virtual blank check to call the shots. It will be in the winning of those additional votes, presumably, that organized labor is prepared to invest its $5 million to say nothing of millions of dollars of additional aid in the form of the labor of union functionaries, the propagandizing of union publications and the considerable expertise of union political advisers.

Lamentably, events in recent months have played into organized labor's hands to an extent scarcely anyone could have foreseen. The Watergate scandal and a succession of congressional and grand-jury inquiries has cast a considerable cloud over the Nixon administration and many of its policies.

Mr. Meany and his colleagues are astute enough to exploit these widespread discontents to seek objectives they could not otherwise hope to obtain.

They appear to subscribe to the strategy proposed some weeks ago by Prof. J. Kenneth Galbraith, who shares most of their political and economic objectives. "Our best chance of getting something done," Professor Galbraith wrote in Newsweek early this year, "is to have Mr. Nixon around a bit longer as the visible symbol of what is wrong. It will be said that it is cruel to use him—that a man should not be kept twisting slowly, slowly in the wind, even for so high a purpose as ousting reactionaries out of the Congress. But it is, almost certainly, the last thing he will be asked to do for his country."

Time will tell whether the strategy works. If it does, it will be regrettably too late for the American people to entertain second thoughts.

MY PLACE AS A NEW VOTER IN AMERICAN POLITICS

HON. HERMAN T. SCHNEEBELI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. SCHNEEBELI. Mr. Speaker, I am proud to offer the following essay written by a young man who is a resident of my congressional district, Mr. Brian R. Miller of RFD 1, Jonestown, Pa. Mr. Miller's essay, entitled "My Place As a New Voter in American Politics," was the winning essay in an American Legion contest which covered three counties in Pennsylvania. Mr. Miller is an 11th grade student at Northern Lebanon High School in Fredericksburg, Pa., and I believe this essay speaks well for him and for the youth of America:

MY PLACE AS A NEW VOTER IN AMERICAN POLITICS

(By Brian Miller)

As a citizen of the United States it is my duty to defend the Constitution of this democracy and its treasured ideals of freedom of press, speech, religion, and assembly. As a new voter in American politics I feel that it is not only my privilege and right to vote, but a challenge and responsibility which I should uphold, selecting the best candidate, with an open mind.

Attributed to Amendment 26, Section 1 of the United States Constitution, which gave citizens of the United States who are eighteen years of age or older the right to vote, the number of persons eligible to vote increased by several million. However, only a small percentage of the eighteen to twenty-one age bracket registered to vote, and still fewer of those who registered, eventually voted.

In conjunction with Amendment 26, Section 1, there was a recent law passed which granted college students the right to vote in the area they resided while they were at college. I feel every student should take advantage of this, and if I further my education, I intend to register and vote while at college.

Frequently echoed excuses for neglecting to vote are, "My vote doesn't count anyway," or "I don't have time to vote." These are simply lame rhetoric for apathetic individuals. Then many times these individuals are dissatisfied with the government, when actually they have no right to complain. This is an irresponsible and ridiculous attitude to have, because if everyone held that same opinion, no one would vote and our democracy would crumble. Such an act on anyone's part displays not only a feeling of unconcern and disinterest, but disloyalty to the United States.

I hope as a new voter that I will be able to fulfill my right as a citizen and a voter and do my part and participate in every election. I also intend to encourage my peers and other persons to do their part and appear at the polls. I will not force my opinions, trying to convince other people that my views are best, for I realize that other people have different beliefs and I respect them for that. Albert Einstein said, "My political ideal is democracy. Everyone should be respected as an individual, but no one idolized."[1]

Actual voting will necessitate an open mind, causing me to disregard all propaganda and unfounded opinions presented. My thoughts may be guided by other persons, but not totally persuaded by anyone. It will be my obligation to select who I think is most qualified for his or her office and who will be able to perform his responsibilities to the best of his capability, regardless of the political party he supports. Usually the best candidate will be elected; E. B. White stated, "Democracy is the recurrent suspicion that more than half of the people are right more than half of the time."[2]

After the election is completed and the ballots are tabulated, it is then my duty to support the newly elected and his policies and try to work for the betterment of society. Many times people oppose the elected official simply because he is of a different political party. This narrow-mindedness is a detrimental factor. In spite of what may have taken place in troubled Washington, D.C., I feel that the American people should support President Nixon until concrete proof of wrongdoing is a matter of public record. Not only did lack of support during the Watergate issue disgrace the President, but it disgraced the country as a whole.

Voting will not only be a new experience for me, but a chance to express my feelings in the outside world. This new responsibility will be a major contributor in my maturation from childhood to adulthood. Voting may mean the difference between asking one's parents for permission to do something or actually doing it myself. It will help me to establish self-confidence to face life's trials.

In short, it is every United States citizen's responsibility to register and continue voting, but this is especially true of all people eighteen years of age. Regardless of race, color, or creed, everyone should seriously think with an open mind about who he or she will vote for and then select the most capable candidate. Franklin D. Roosevelt once said, "Never in the history of the world has a nation lost its democracy by a successful struggle to defend its democracy."[3] If we keep this in mind and remember Winston Churchill's definition of democracy, our democracy should remain for many years. He said, "Government of the people, by the people, for the people, still remains the sovereign definition of democracy."[4]

FOOTNOTES

[1] *The Great Quotations*, Seldes, George (pg. 264).

[2] *The World Book Encyclopedia* Vol. D, Democracy, (pg. 104).

[3] *The World Book Encyclopedia* Vol. D, Democracy, (pg. 104).

[4] *The World Book Encyclopedia* Vol D, Democracy, (pg. 104).

WHAT A PROFESSOR LEARNED WHEN HE BECAME A "COP"

HON. DALE MILFORD

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. MILFORD. Mr. Speaker, this week's issue of U.S. News & World Report carried one of the most informative and courageous articles that I have seen in a long time.

As an ex-police officer, I have been aware of a creditability gap between the working policeman and the university researchers. Neither camp really knew the other and neither really trusted the other.

Professor Kirkham bridged that gap and truly deserves the thanks of every police officer in this Nation and of every researcher in the field of criminology.

This brilliant professor had the courage to test his convictions on the field of battle. In so doing, theory was tied to practice and both sides of the law enforcement community learned a valuable lesson.

I think Members of Congress might also gain a very important insight to our national problems in law enforcement. I urge each Member to carefully read Dr. George L. Kirkham's brilliant article that I am herewith including in the RECORD:

WHAT A PROFESSOR LEARNED WHEN HE BECAME A "COP"

(By Dr. George L. Kirkham)

INTRODUCTION

(As assistant professor in Florida State University's school of criminology, Dr. George L. Kirkham wanted to study law enforcement at first hand. So he took a leave of absence, attended a police academy and became, temporarily, a patrolman in the 800-man police force of Jacksonville-Duval County, Fla. In this report, reprinted with permission from the "FBI Law Enforcement Bulletin" of March, 1974, Dr. Kirkham tells how his experiences as a patrolman altered some of his ideas about the police, criminals and the victims of crime.)

Persons such as myself, members of the academic community, have traditionally been quick to find fault with the police.

From isolated incidents reported in the various news media, we have fashioned for ourselves a stereotyped image of the police officer. . . . We see the brutal cop, the racist cop, the grafting cop, the discourteous cop. What we do not see, however, is the image of thousands of dedicated men and women struggling against almost impossible odds to preserve our society and everything in it which we cherish.

For some years, first as a student and later as a professor of criminology, I found myself troubled by the fact that most of us who write books and articles on the police have never been policemen ourselves. . . . I decided to take up this challenge: I would become a policeman myself. . . .

As I write this, I have completed over 100 tours of duty as a patrolman. Although still a rookie officer, so much has happened in the short space of six months that I will never again be either the same man or the same scientist who stood in front of the station on that first day. . . .

I had always personally been of the opinion that police officers greatly exaggerate the amount of verbal disrespect and physical abuse to which they are subjected in the line of duty. . . . As a college professor, I had grown accustomed to being treated with uniform respect and deference by those I encountered. I somehow naively assumed that this same quality of respect would carry over into my new role as a policeman. . . .

I quickly found that my badge and uniform, rather than serving to shield me from such things as disrespect and violence, only acted as a magnet which drew me toward many individuals who hated what I represented. . . .

Several hours into my first evening on the streets, my partner and I were dispatched to a bar in the downtown area to handle a disturbance complaint. Inside, we encountered a large and boisterous drunk who was arguing with the bartender and loudly refusing to leave.

As someone with considerable experience as a correctional counselor and mental-health worker, I hastened to take charge of the situation. "Excuse me, sir," I smiled pleasantly at the drunk, "but I wonder if I could ask you to step outside and talk with me for a minute?"

The man stared at me through bloodshot eyes in disbelief for a second, raising one hand to scratch the stubble of several days' growth of beard. Then suddenly, without warning, it happened: He swung at me, luckily missing my face and striking me on the right shoulder.

I couldn't believe it. What on earth had I done to provoke such a reaction? Before I could recover from my startled condition, he swung again—this time tearing my whistle chain from a shoulder epaulet. After a brief struggle, we had the still-shouting, cursing man locked in the back of our cruiser. I stood there, breathing heavily with my hair in my eyes as I surveyed the damage to my new uniform and looked in bewilderment at my partner, who only smiled and slapped me affectionately on my back.

"Something is very wrong," I remember thinking to myself in the front seat as we headed for the jail. I had used the same kind of gentle, rapport-building approach with countless offenders in prison and probation settings. It had always worked so well there.

What was so different about being a policeman? In the days and weeks which followed, I was to learn the answer to this question the hard way. As a university professor, I had always sought to convey to students the idea that it is a mistake to exercise authority, to make decisions for other people or rely upon orders and commands to accomplish something.

As a police officer myself, *I was forced* time and again to do just that. For the first time in my life, I encountered individuals who interpreted kindness as weakness, as an invitation to disrespect or violence. I encountered men, women and children who, in fear, desperation or excitement, looked to the person behind my blue uniform and shield for guidance, control and direction. As someone who had always condemned the exercise of authority, the acceptance of myself as an unavoidable symbol of authority came as a bitter lesson.

I found that there was a world of difference between encountering individuals, as I had, in mental-health or correctional settings and facing them as the patrolman must: when they are violent, hysterical, desperate. When I put the uniform of a police officer on, I lost the luxury of sitting in an air-conditioned office with my pipe and books, calmly discussing with a rapist or armed robber the past problems which had led him into trouble with the law.

Such offenders had seemed so innocent, so harmless in the sterile setting of prison. The often-terrible crimes which they had committed were long since past, reduced like their victims to so many printed words on a page.

Now, as a police officer, I began to encounter the offender for the first time as a very real menace to my personal safety and the security of our society. The felon was no longer a harmless figure sitting in blue denims across my prison desk, a "victim" of society to be treated with compassion and leniency. He became an armed robber fleeing from the scene of a crime, a crazed maniac threatening his family with a gun, someone who might become my killer crouched behind the wheel of a car on a dark street.

Like crime itself, fear quickly ceased to be an impersonal and abstract thing. It became something which I regularly experienced. It was a tightness in my stomach as I approached a warehouse where something had tripped a silent alarm. I could taste it as a dryness in my mouth as we raced with blue lights and siren toward the site of a "Signal Zero" (armed and dangerous) call. For the first time in my life, I came to know—as every policeman knows—the true meaning of fear. . . .

I recall particularly a dramatic lesson in the meaning of fear which took place shortly after I joined the force. My partner and I were on routine patrol one Saturday evening in a deteriorated area of cheap bars and pool halls when we observed a young male double-parked in the middle of the street. I pulled alongside and asked him in a civil manner to either park or drive on, whereupon he began cursing us and shouting that we couldn't make him go anywhere.

An angry crowd began to gather as we got out of our patrol car and approached the man, who was by this time shouting that we were harassing him and calling to bystanders for assistance. As a criminology professor, some months earlier I would have urged that the police officer who was now myself simply leave the car double-parked and move on rather than risk an incident.

As a policeman, however, I had come to realize that an officer can never back down from his responsibility to enforce the law. Whatever the risk to himself, every police officer understands that his ability to back up the lawful authority which he represents is the only thing which stands between civilization and the jungle of lawlessness.

The man continued to curse us and adamantly refused to move his car. As we placed him under arrest and attempted to move him to our cruiser, an unidentified male and female rushed from the crowd which was steadily enlarging and sought to free him. In the ensuing struggle, a hysterical female unsnapped and tried to grab my service revolver, and the now-angry mob began to converge on us.

Suddenly, I was no longer an "ivory-tower" scholar watching typical police "over-reaction" to a street incident—but I was part of it and fighting to remain alive and uninjured. I remember the sickening sensation of cold terror which filled my insides as I struggled to reach our car radio. I simultaneously put out a distress call and pressed the hidden electric release button on our shotgun rack as my partner sought to maintain his grip on the prisoner and hold the crowd at bay with his revolver.

How harshly I would have judged the officer who now grabbed the shotgun only a few months before. I rounded the rear of our cruiser with the weapon and shouted at the mob to move back. The memory flashed through my mind that I had always argued that policemen should not be allowed to carry shotguns because of their "offensive" character and the potential damage to community relations as a result of their display.

How readily as a criminology professor I would have condemned the officer who was now myself, trembling with fear and anxiety and menacing an "unarmed" assembly with an "offensive" weapon. But circumstances had dramatically changed my perspective, for now it was my life and safety that were in danger, my wife and child who might be mourning. Not "a policeman" or Patrolman Smith—but me, George Kirkham!

I felt accordingly bitter when I saw the individual who had provoked this near riot back on the streets the next night, laughing as though our charge of "resisting arrest with violence" was a big joke. Like my partner, I found myself feeling angry and frustrated shortly afterward when this same individual was allowed to plead guilty to a reduced charge of "breach of peace."

As someone who had always been greatly concerned about the rights of offenders, I now began to consider for the first time the rights of police officers. As a police officer, I felt that my efforts to protect society and maintain my personal safety were menaced by many of the very court decisions and lenient parole-board actions I had always been eager to defend.

An educated man, I could not answer the questions of my fellow officers as to why those who kill and maim policemen, men who are involved in no less honorable an activity than holding our society together, should so often be subjected to minor penalties. I grew weary of carefully following difficult legal restrictions while thugs and hoodlums consistently twisted the law to their own advantage.

I remember standing in the street one evening and reading a heroin pusher his rights, only to have him convulse with laughter halfway through and finish reciting them word for word, from memory. He had been given his "rights" under the law, but what about the rights of those who were the victims of people like himself? For the first time, questions such as these began to bother me.

As a corrections worker and someone raised in a comfortable middle-class home, I had always been insulated from the kind of human misery and tragedy which become part of the policeman's everyday life. Now, the often-terrible sights, sounds and smells of my job began to haunt me hours after I had taken the blue uniform and badge off.

In my new role as a police officer, I found that the victims of crime ceased to be impersonal statistics. As a corrections worker and criminology professor, I had never given much thought to those who are victimized by criminals in our society. Now the sight of so many lives ruthlessly damaged and destroyed by the perpetrators of crime left me preoccupied with the question of society's responsibility to protect the men, women and children who are victimized daily. . . .

The same kinds of daily stresses which affected my fellow officers soon began to take their toll on me. I became sick and tired of being reviled and attacked by criminals who could usually find a most sympathetic audience in judges and jurors eager to understand their side of things and provide them with "another chance." I grew tired of living under the ax of news media and community pressure groups, eager to seize upon the slightest mistake made by myself or a fellow police officer.

As a criminology professor, I had always enjoyed the luxury of having great amounts of time in which to make difficult decisions. As a police officer, however, I found myself forced to make the most-critical choices in a time frame of seconds rather than days; to shoot or not to shoot, to arrest or not to arrest, to give chase or let go—always with the nagging certainty that others, those with great amounts of time in which to analyze and think, stood ready to judge and condemn me for whatever action I might take or fail to take. . . .

I found myself progressively awed by the complexity of tasks faced by men whose work I once thought was fairly simple and straightforward. Indeed, I would like to take the average clinical psychologist or psychiatrist and invite him to function for just a day in the world of the policeman, to confront people whose problems are both serious and in need of immediate solution. I would invite him to walk, as I have, into a smoke-filled pool room where five or six angry men are swinging cues at one another. I would like the prison counselor and parole officer to see their client, Jones—not calm and composed in an office setting but as the street cop sees him: beating his small child with a heavy belt buckle, or kicking his pregnant wife.

I wish that they, and every judge and juror in our country, could see the ravages of crime as the cop on the beat must: innocent people cut, shot, beaten, raped, robbed and murdered. It would, I feel certain, give them a different perspective on crime and criminals, just as it has me.

For all the human misery and suffering which police officers must witness in their work, I found myself amazed at the incredible humanity and compassion which seems to characterize most of them. My own stereotypes of the brutal, sadistic cop were time and again shattered by the sight of humanitarian kindness on the part of the thin blue line. . . .

As a police officer, I found myself repeatedly surprised at the ability of my fellow patrolmen to withstand the often-enormous daily pressures of their work. Long hours, frustration, danger and anxiety—all seemed to be taken in stride as just part of the reality of being a cop. I went eventually through the humbling discovery that I, like the men in blue with whom I worked, was simply a human being with definite limits to the amount of stress I could endure in a given period of time.

I recall in particular one evening when this point was dramatized to me. It had been a long, hard shift—one which ended with a high-speed chase of a stolen car in which we narrowly escaped serious injury when another vehicle pulled in front of our patrol car.

As we checked off duty, I was vaguely aware of feeling tired and tense. My partner and I were headed for a restaurant and a bite of breakfast when we both heard the unmistakable sound of breaking glass coming from a church and spotted two long-haired teenage boys running from the area. We confronted them, and I asked one for identification, displaying my own police identification. He sneered at me, cursed and turned to walk away.

The next thing I knew I had grabbed the youth by his shirt and spun him around, shouting, "I'm talking to you, punk!" I felt my partner's arm on my shoulder and heard his reassuring voice behind me, "Take it easy, Doc!" I released my grip on the adolescent and stood silently for several seconds, unable to accept the inescapable reality that I had "lost my cool."

My mind flashed back to a lecture during which I had told my students, "Any man who is not able to maintain absolute control of his emotions at all times has no business being a police officer.". . .

As a police officer myself, I found that society demands too much of its policemen: not only are they expected to enforce the law but to be curbside psychiatrists, marriage counselors, social workers and even ministers and doctors. . . .

I have often asked myself the questions:

"Why does a man become a cop? What makes him stay with it?" . . . The only answer to this question I have been able to arrive at is one based on my own limited experience as a policeman. Night after night, I came home and took off the badge and blue uniform with a sense of satisfaction and contribution to society that I have never known in any other job. . . .

For too long now, we in America's colleges and universities have conveyed to young men and women the subtle message that there is somehow something wrong with "being a cop." It's time for that to stop.

MAIL, TELEPHONES, AND MONOPOLY

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. SYMMS. Mr. Speaker, in the past 3 years since the Post Office Department was transformed into the Postal Service, we have not been rewarded with the improvements which were promised when the Postal Reorganization Act was passed. Instead, we have been treated to deteriorating services and rate increases which leave the current inflation in the dust.

Even the Board of Governors of the Postal Service acknowledges that it cannot meet the postal needs of the Nation. In response to the congressional requirement that they study and reevaluate the restrictions on the private carriage of letters, the Board refused to recommend any changes in the private express statutes, but admitted that the public interest required that they be suspended in some cases "to make lawful a needed service, by private firms, which is not generally available from the Postal Service."

I have introduced a bill, H.R. 1233, which would remove the Postal Service from this embarrassing position by repealing the private express statutes. A recent broadcast of the National Educational Television program, "The Advocates," presented arguments for and against such repeal. Our able colleague, Mr. Crane, of Illinois, presented the arguments for repeal, while the defense of the postal monopoly fell to a member of the Subcommittee on Postal Service, Mr. Udall. With all respect to the knowledge and ability of the gentleman from Arizona, I believe the audience vote will bear out my belief that Mr. Crane had the sounder case to begin with and presented it most effectively. I hope that we may look forward to a repeat performance soon in this chamber.

A recent editorial in the Chicago Tribune commented on the television debate, and pointed out that there are many similarities between the postal monopoly and the Bell Telephone system, although many people have sharply different attitudes toward the two. The editorial concludes:

> Neither mail users nor telephone users are likely to get the best possible service as long as bureaucrats and self-styled liberals insist that the post office and the telephone company should live by different rules.

I would like to commend this editorial of March 31, 1974, to the attention of my colleagues, and wish to congratulate Mr. Crane for his very effective presentation of this important issue:

> Mail, Telephones, and Monopoly
>
> Last Sunday's National Educational Television program, The Advocates, shown here on WTTW, was devoted to the question of whether to repeal the law giving the Postal Service a monopoly in the handling of first-class mail.
>
> The pros and cons are familiar enough. Illinois' conservative Republican congressman, Philip Crane, argued in favor of repeal on the ground that free competition is the secret of America's success and that where the post office has faced competition [as in the carrying of parcels,] the privately run operation has often provided better and cheaper service than the post office.
>
> Rep. Morris Udall, a liberal Democrat from Arizona, defended the government monopoly on the ground that private competitors would skim off the cream of the business and leave the post office to handle the unprofitable mail out in the boondocks, thus forcing rates to go up even faster in rural areas than they are going to anyway.
>
> We agree with Mr. Crane, of course. A government monopoly is the surest guarantee of sluggish inefficiency, and this proved so true of the old Post Office Department that it was converted into a quasi-government monopoly called the Postal Service—without, so far, any conspicuous improvement.
>
> This isn't to say that there isn't some validity to Mr. Udall's fears. Free competition inevitably means that prices will vary according to costs, and the cost of delivering a local letter in Chicago is obviously lower than carrying one from Pippa Passes, Ky., to Nunapitchuk, Alaska. But Mr. Udall's objections would be more persuasive if his fellow liberal Democrats—and he himself, for all we know—weren't so busy sniping at the Bell Telephone system precisely because it is a monopoly.
>
> The argument for monopoly is at least as valid in the telephone business as it is in the mail business, and to its credit the Bell system has done a better job of improving service and holding down prices than the post office. Over the years, it has stubbornly resisted every effort to erode its monopoly position.
>
> But today it is facing competition in the form of microwave relay services authorized by the Federal Communications Commission to handle private line business service between big cities such as Chicago and St. Louis. The Bell system has realistically resigned itself to the need to face competition. But what it faces at the moment is not free competition; it is competition manipulated
>
> A federal court in Philadelphia has ordered Bell to allow these new, specialized competitors to connect with its existing lines, and an appeal from this order will be heard on April 2. Meanwhile the FCC has dillied and dallied over Bell's request to adjust its private-line prices so that they will more closely reflect cost. That would mean lowering them on heavily used routes, thus meeting the competition, and raising them on less used routes.
>
> In short, the Bell system is being forced to meet and perhaps even to assist competition, yet prevented from doing precisely what its critics argue that the post office would have to do if it were to face competition; namely, adjust its rates to reflect actual unit costs. And the irony is that if competitors are allowed to siphon off the busy, profitable routes, and perhaps ultimately to branch into other types of service, the telephone rates on less used lines are going to have to go up up anyway.
>
> The consumer fares best when competition is truly free, not under the sort of protective custody administered by government agencies in the name of competition but in practice more likely to protect some companies from the consumer. And neither mail users nor telephone users are likely to get the best possible service as long as bureaucrats and self-styled liberals insist that the post office and the telephone company should live by different rules.

SENATOR CLARK ADDRESSES COALITION FOR RURAL DEVELOPMENT

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. ALEXANDER. Mr. Speaker, recently the Honorable Dick Clark of the other body, who is chairman of the Senate Subcommittee on Rural Development, addressed a luncheon meeting of the Coalition for Rural Development. His comments are an excellent review of many of the matters that are of concern to those of us interested in comprehensive development in the countryside.

I offer the Senator from Iowa's remarks for inclusion in the Congressional Record at this time and commend them to our colleagues for consideration:

> Senator Dick Clark's Remarks Prepared For Coalition For Rural Development Luncheon, Thursday, April 11, 1974
>
> Although I am an optimist by nature, it would be safe to say that when it comes to the subject of rural development, I am an unhappy and dissatisfied man.
>
> I am not altogether naive—I was once a Congressional assistant—but I had a rather unusual thought: that when Congress passed a law, the Executive department made sure that it was carried out.
>
> Despite what the civics books say, that has not been the case with the Rural Development Act of 1972, and you all know it better than most people.
>
> All of us know that there are start-up problems with any new legislation. All of us know that the Rural Development Service has had staffing problems, that the Soil Conservation Service, the Farmers Home Administration, and the Forest Service have been hampered by staff and money cutbacks.
>
> And all of us have been sympathetic with these problems. We have attempted to hold rural development oversight hearings in a non-partisan manner, and we told Assistant Secretary Irwin that we would delay the hearings for a while to permit his staff time to get the business and community-facility loan programs started.
>
> I do want to say that I have found Secretary Irwin and his staff to be congenial and cooperative. And there is no question of their commitment to rural development. Unfortunately, the same cannot be said for the administration as a whole.
>
> The Rural Development Subcommittee agreed to postpone oversight hearings, but we did not agree to abandon the commitment to rural development.
>
> As of March 1st, the Department had requests for 1,540 business and industrial loans. As of April 5th, only 31 have been approved. As of March 1st, there were 235 requests for $77.8 million in loans for essential community facilities, but as of April 5th, only seven loans had been made. There is a small appropriation of $10 million for grants for industrialization support facilities in the

Act. So far, there have been 134 requests for this money, but, to date, only five grants have been made. And all of this is just the tip of the iceberg.

Under the law, every business and industrial loan and grant request must be sent to the Department of Labor for certification that a new project is not taking jobs from one place only to put them in another place. The Labor Department arranged with the Economic Development Administration to handle a part of this work, but it did not see fit to reimburse EDA for its expenses on the work—so the applications just sat there. No one worked on them.

When it comes to rural development, all we ever seem to hear is: "We can't do this, we can't do that. Because of this problem and that problem."

All of this shows that after almost two years, there has been virtually no significant benefit to the people of rural America under the Rural Development Act. I can understand the argument for easing into the buildup period—but not at this rate.

There's an agency in the Agriculture Department—with dedicated people—and there are programs on paper. But that's not the real test of legislation. The real test is the beneficial impact and effect of the legislation on people, on farms, on rural towns and communities. And by that standard, the Rural Development Act has not succeeded.

This government is the most powerful single institution in the world. Excuses will not work. Let me give you an example of what can be done, even by a reluctant administration: Several years ago, Senator George Aiken, a distinguished Republican, proposed the rural water and sewer program. He was vigorously opposed by the Democratic administration, then in the White House. But Senator Aiken won that battle, and he was invited to the White House for a bill-signing ceremony. The following day, the Senator was flown aboard Air Force One to Vermont, to preside over the ground-breaking of the first rural water and sewer plant.

The administration originally opposed the measure. No regulations were written. There was no appropriation. They just got the job done.

There is no need to mention, I suppose, the efforts of this administration to take steps toward the elimination of Senator Aiken's vital program.

The contrast between action and inaction, commitment and excuses is clear. And it is no wonder that the people of this country look at the government as some sort of inept giant . . . making promises which it does not fulfill.

On May 8 and 9, my subcommittee on rural development will resume its hearings to try to get the grants funded on rural development. Let me review some of the things we plan to look into:

First and foremost, we will want to consider the quality of implementation of the Rural Development Act, and the plans for implementation during fiscal 1975.

I have asked the General Accounting Office—the investigative arm of Congress—to do an evaluation of the regulations under Title One and Title Five of the Act. Senator Bellmon has asked GAO for a similar analysis on Section 603. So we're going to be ready to discuss these areas with the Department spokesmen when they come to testify.

We also will want to discuss with the Assistant Secretary the proposed budget for fiscal 1975, and the plans of Farmers Home to shift its emphasis to housing rehabilitation rather than housing construction.

As you all know by now, the President has sent the public works committees a new Economic Adjustment Act. Where this proposal would affect rural development we will examine it during the hearings for its good points and its bad points. For my own part, I see little need at this time to abandon EDA, which is one of the best functioning programs in the government.

The Executive Committee of the National Governors Conference has offered its own development proposal. It calls for wall-to-wall regional agencies, modeled somewhat after the Appalachian program and backed up by multi-county planning and development agencies and multi-district agencies. We will take a close look at this plan.

I think all of us have been concerned in the back of our minds about what long-term effect the energy crisis will have on rural economic development. For example, you probably know that Mr. Guntharp has asked the Economic Research Service for a report on this. And I have sent 12 pages of questions on this subject to USDA and to the Federal Energy Office. When this material is returned, I plan to combine it with a report on the environment and rural development, being prepared by the Congressional Research Service, and a report on energy and rural development being put together by the National Area Development Institute. This should constitute an important committee print.

Incidentally, we now have three committee prints at GPO. There is one on rural industrialization—in addition to being a how-to manual, it also talks about problems and promises associated with rural industrial development. Secondly, there's a print pending on the use of the land and its relationship to rural development. This one is heavily oriented toward agriculture and the ability of land use planning to protect agricultural and forested acreage. Finally, we are complementing the two prints on the problems of moving *things* in rural areas with a print on moving *people*—a print on rural transportation. The full committee also is reprinting the recent transportation report submitted to Congress by USDA. I hope that you have these reprints and use them.

But back to our hearing. The Comprehensive Employment and Training Act authorizes the continuation and merger of many different manpower development and training programs. I want to ask the Department of Labor how they intend to provide manpower service to rural Americans, and how they intend to replace existing programs for public service employment for older rural workers under Title Nine of the Older Americans Act of 1973. What will happen to operation Green Thumb? What will happen to concerted in-service training and education?

The administration's actions under these programs is a source of great concern. As a matter of fact, when the manpower program was proposed for Lexington, Kentucky, and the surrounding rural areas, the state ruled that the money only could be spent in the metropolitan Lexington area. If this is the case nationwide, we've got a real problem, and we'll ask about this as well.

Naturally, we strongly urge the coalition and its members to testify on any subject which might have any relevance to the broad area of rural development.

In conclusion, let me tick off some issues all of us should be watching.

Rural health is one of the biggest. We haven't come close to solving the problem. But we have made a beginning—the new law setting up health maintenance organizations. 30 percent of these HMOs will be rural. But that's only a beginning. Like the weather, rural health care is something everybody discusses, but few can do anything about. It is an issue that has surfaced again this year, one in which all of us have a vital stake.

As the Senate and House of Representatives begin debate on proposals for a new or drastically revised health care system, we have to ask ourselves one question: will the Congress recognize the special needs and problems of our rural populations?

As a nation, we have failed miserably to protect the health of people in rural areas. The health services that generally are available are not only inadequate in coverage, but deficient in quality. What we find in rural America in the area of health care is not what is needed or desired, but rather what has been left behind. One health expert put it best when he said: "Rural health conditions in this country today are the heritage of decades of indifference."

The problems of health care in rural areas are complex, serious, and above all persistent. The health care crisis experienced by the entire nation—in terms of poor access to services, shortages of manpower and high costs—are severely aggravated in rural America.

We know that:

Rural areas are isolated from centers of care;

Fewer and fewer doctors tend to locate in rural communities; and

The health needs of rural populations are greater than those in metropolitan areas.

As a nation, we must have the courage and the strength to make the commitment to make rural health care what it should be and what it can be in this country.

The economic and social conditions in rural America have had a profound impact on the health of its people. Poverty is a dominant theme in rural life. One of every six rural persons is poor, and, as we all know, if you're poor, access to health care is more difficult. It's harder to locate health care, harder to reach it, and harder to pay for it. And poverty also means greater susceptibility to ill health.

Even rural Americans who are not poor have great difficulty obtaining adequate health services. The more rural a county, the more inadequate its health services are likely to be. Sparse populations make it difficult for rural communities to compete with metropolitan areas. High and rapidly-spiraling costs of modern medical equipment and services only serve to increase the disadvantage.

The shortage of physicians is most severe in non-metropolitan communities. In Iowa, half the state's doctors are located in the six most populated counties. And in one-fourth of Iowa's counties, there is not one specialist. Nationwide, more than 87 percent of all physicians in medical specialties are located in metropolitan areas.

The distribution of dentists in rural areas tells the same story—rural America is not getting its fair share. While it may be safe to say that there is neither a shortage of hospitals nor hospital beds in rural areas, that doesn't tell the full story. The adequacy of hospital care cannot be measured solely in numbers. Rural hospitals are usually smaller, more often inadequately staffed, poorly equipped, and lacking out-patient and extended-care facilities. Add to these factors the special characteristics of rural populations, and you come out with a very grim picture.

In rural areas, infant mortality rates are higher. The incidence of chronic conditions and work-related injuries are greater than in urban areas. Heart disease, asthma and diabetes—conditions which cause the greatest drain on family finances—are clearly more prevalent in rural areas. Rural people have almost twice as many activity-limiting illnesses as urban populations, and rural men employed in blue collar jobs have the highest rate of work-related injuries in the nation.

The health problems of rural America are readily apparent and terribly complex. In extremely isolated areas, there may be no ambulance, no hospital, no doctor, no help at all. The solutions to these problems will not occur overnight. They will take years and years of the combined efforts of thousands of individuals, communities and institutions.

Within the next few years, possibly even this year, the nation can anticipate some form of national health insurance. Ten major plans have been proposed in the 93rd Congress so far, and they represent widely varying and divergent viewpoints. None, however, in my opinion, deal adequately with the unique health problems of rural America. Indeed, a number of them ignore the problem entirely.

As a group that represents the best interests of rural America, you can and should play a major role in shaping national health insurance legislation. Representative Mills, chairman of the House Ways and Means Committee, will be holding hearings later this month and next month on this issue. He has invited a number of public witnesses, and I can think of no better forum for our voices to be heard. We need to express the interests of rural citizens to ensure that "the decade of indifference" end. That way, we'll make sure that this is a nation that lives up to its principles—and a nation that is stronger because of that conviction.

But rural health is only the beginning of the unfinished business that faces us. There has been a great deal of parochialism expressed about the energy crisis—will major rural development tend to gravitate to the energy-rich states? What effects are 75 and 85-cent-a-gallon gasoline prices going to have on the rural poor?

And what about agriculture? What will be the effects of inflation and shortages on the cost of production, a cost that rose 17 percent last year? The Farm Credit Administration predicts it will go up 15 or 20 percent more this year. We must insure that farmers get fair and reasonable prices for their labor, and we must see that the housewife is able to get abundant food at fair prices.

In that light, I am very concerned about the ability of the transportation system to move crops to market this year and in years to come, especially if railroads are allowed to abandon lines indiscriminately.

Following on the heels of the energy crisis, we can expect to see growing shortages of non-renewable raw materials. It will require some significant switch-overs in technology and the American way of living, now epitomized in many respects by the garbage disposal and trash masher. We will have to apply the ancient art of husbandry throughout our society. We will have to turn problems like animal and human wastes into assets such as fertilizer and methane gas.

If you hadn't noticed, the Environmental Protection Agency is making millions of dollars more in sewer grants in rural areas than the FHA, and EPA does not see sewer systems as tools for development. What effects will this have on rural development? I'm not sure.

Now, let me say a final word on housing. The House should adopt the rural provisions of the Senate-passed housing bill. Senator Hathaway did a fine job for rural people in this legislation, and I hope that this good work can be preserved on the House floor. This bill represents a major breakthrough for dealing with housing the rural poor. It must be enacted.

More importantly, it must be repeated in many other areas—in job training, in health care, in education. The farms and small towns of this country have made a very significant contribution to the success and prosperity of America. In return for that contribution, they have a right to expect more than the inadequate health care, the inadequate educational assistance, and the indifference of government that they have been receiving.

I think Congress can make a difference. I think you can make a difference. Whatever the outcome, the cause is well worth the effort.

JIM JONES OF SACRAMENTO—IN LOVE WITH A RIVER

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. LEGGETT. Mr. Speaker, it is with pleasure that I call the attention of my colleagues to one of the microcosm component sparkplugs that makes things happen in the American conservation program. Because Sierra Club had a thing about redwoods, we have the Redwood National Park. The late Representative Clem Miller in large part produced the Point Reyes National Seashore. Every wilderness area in the country has a similar cause and effecting force.

In Sacramento, Calif., if future generations fall heir to 1,500 second feet of water for a thousand recreation purposes on the American River, they can thank Jim Jones, a Sacramento aerospace engineer in large part.

Jim's efforts for the river were cataloged by George Medovoy in the Sacramento Union last week as follows:

IN LOVE WITH A RIVER, HE EVEN FISHES WITH VIGOR

(By George Medovoy)

"He jumped in with both feet," says a friend.

And that seems to be the only way James Jones would have had it when he joined the Save the American River Association (SARA) in 1969.

In a very real sense, it is Jones' style—determined, aggressive.

"He hates to sit around and talk," says James C. Mullaney, the founding president of SARA. "He meets the problem head on. There's no dilly-dallying. He gets to the point."

"He plans ahead, talks to people to find out the best avenues, and then he doggedly pursues. He's been good for the organization."

Jones, who has been president of SARA since 1971, agreed to meet me at Aerojet-General Corporation's facility just east of Rancho Cordova, where he is employed as an engineering specialist in structural and systems dynamics.

An aura of secrecy greets you at Aerojet's Gate 3. In a sense it seems ironic that someone who loves the out-of-doors as much as Jones does could be happy inside Aerojet's complex of buildings.

Jones walked into a reception office and suggested nearby Lake Natomas as a place to talk. Once at the lake, he grew more relaxed, sitting down under a tall tree near the water.

"This is one of my favorite spots," he says. "I like to come here whenever I can. It's a way I have of being by myself."

Nearby, two people were fishing—sedentary souls content to lounge in their deck chairs and wait for the fish to bite. As a fisherman himself, Jones doesn't consider that exactly his cup of tea.

In between his work at Aerojet and the time he puts in for SARA (the latter often amounting to 30 hours per week), Jones likes to fill his spare moments with what he calls a natural high—leisure activities providing exhilaration and an opportunity to test yourself.

"Steelhead fishing is something I love to do," he says. "Normally, the fishing for steelhead occurs in the worst time of year; you have to stand for long periods of time in cold water.

"But the hooking of the steelhead and the fighting of the steelhead is one of these natural highs that has to be experienced to be believed. A lot of people don't like fishing because they get bored with it. . . . They picture the fisherman as the guy sitting in the chair and they want to be active.

"Well, I couldn't sit in a chair with a pole either for very long, unless that's my objective. If my primary objective is just to go and rest, I can do that just as well with a pole in my hand.

"But when I go fishing, my idea is to do what I can to catch a fish. And the act of hooking and playing a steelhead—a fresh-run steelhead—is one of the most exhilarating things I can think of."

Rafting down the south fork of the American River is also something Jones gets excited about.

"It's the kind of thing you can go a long way on the memories of," he says.

Another clear symbol of his leisure style is his practice of swimming across Lake Natomas in the summer.

And his objective in doing so, he explains, is to push himself to the limits of his endurance. Not in a masochistic way, but to do the best you can—a practice that probably dates back to his high school track days when he ran the mile.

So firm is Jones in this conviction that there are some things he won't do if he doesn't have enough time to do them. Like playing bridge, or bowling, or skiing.

"It's not the kind of thing I want to do on a casual basis," he says. "It's the kind of thing, if I do it, I want to do it right and I want to do it well. I used to play a lot of bridge, but I don't really play it much anymore because it drives me crazy to play bridge socially.

"Bridge is a thinking game. It's not a luck game, and when I'm with friends and I'm socializing, I want to be with friends and I want to socialize.

"So, I want to play a silly game like tripoli or hearts, or some game like that as opposed to bridge, because when I start playing bridge it becomes a different kind of thing, it becomes a challenge, you know, a mental challenge. . . .

"It's that I don't like doing things poorly, and I know that I can't really be having a good time with my friends and playing a good game of bridge at the same time."

But Jones, of course, does manage to find time to swim across Lake Natomas. It's a distance of about a quarter of a mile, and anyone who is familiar with the lake will tell you it's cold even in the summer.

Jones admits it may be breaking all rules of safety, but it's the satisfying feeling he gets that counts.

"When I'm out in the middle," he says, "I sometimes stop and I feel, like man, nobody can get at you. This part of the river will never be popular because it's so cold."

Jones usually swims to a little island about halfway between two shores and rests there for about five minutes.

"There usually isn't anyone around," he says. "It's kind of pleasant. One of the nice things about the American River and Sacramento is that you can get the feeling you're all by yourself.

"To a certain extent, everybody needs that—to be totally by yourself sometimes. You need that aloneness to adjust to the 99 per cent of the time you're with people and all the frustration that entails."

Jones isn't prepared to call his swims across Lake Natomas a natural high, but he feels it sets you apart somewhat, and you're testing yourself.

"I'm not doing it to show other people how good I am," he says. 'What I'm doing is to test myself. . . . It provides a bit of an exhilaration when I can for the last hundred yards straight be swimming as hard and strong (as that) . . . . "

Towards the end of the summer, Jones can swim flat out for at least 100 yards. And the resulting feeling, he relates, is like lifting yourself out of the water.

"Yeah," he says, "that's a good feeling—to be able to do that all the way in, and push yourself, to be right on the limits of (being) completely exhausted, but having been able to do it."

Jones also likes to hunt deer, although he doesn't get much time for the activity.

When he does, however, his idea is to put a pack on his back and hike into an area where he is likely to find deer.

Ironically, Jones considers the actual act of pulling the trigger as anticlimatic.

As he puts it, "I wish I could do what I do many times in fishing. Fight the fight, win the battle, and say, 'Good fight,' and release the fish.

"I wish there was a way, and the only consolation is that my family and I just love venison. With meat prices being as high as they are, the venison this year was especially appreciated by everybody in the family."

Jones feels a lot of people consider it strange that he hunts. Their reasoning, he suggests, is that he's identified with environmentalists and conservationists.

But the SARA president has an answer for them.

First, he expresses his resentment because he doesn't like being boxed or categorized.

And then he focuses his analytical mind on the ecological ramifications of hunting.

"I feel that hunting, for instance, has a very definite place in the scheme of things," he says. "Under the circumstances that we have established for wildlife—and I'm speaking primarily of the destruction of habitat and the elimination of suitable places for wildlife—there's really only a finite capacity to support wildlife now.

"And that's something I think people don't understand very well. The 1973 situation that we have for wildlife has to be a controlled situation."

Jones was born in Detroit, Mich., on June 18, 1941.

But he doesn't remember anything about Detroit because when he was very young his family moved away to McHenry, Ill., a farming community of 2,000 about 50 miles northwest of Chicago.

That move may have been fateful for Jones.

His emotional attachment to the American River may be related to his childhood experiences in McHenry. He was able to fish, and there were long hikes through Cooney's Woods with his boyhood friends. Jones calls the woods "that wonderful, beautiful place which is now a subdivision for adults only."

Jones' parents were divorced when he was three years old. He and his sister grew up without a father figure until his early teens, when his mother remarried.

His foster father was a railroad clerk and his mother, a clerk for an insurance company.

Jones remembers that before his mother remarried she had to take care of the family on just $40 a week, plus a little more from his father.

"We lived in very modest surroundings," he remembers. "For a while we lived in a tiny town outside of McHenry. We had a rented house and it had a canal behind it, and I used to fish in it.

"I certainly don't remember that it was a small house or a shabby house or anything like that.

"I just remember that there was a neat little canal behind the place that I could go fishing in. That's what I remember."

In McHenry, the family lived downtown in an upstairs apartment. And Jones recalls that in growing up he never had his own bedroom and always slept in the living room. When the family purchased its first fold-out bed, he considered it a step up for himself.

"But I don't remember it as a sad time," Jones emphasizes. "As poor as we were, our living environment was rich . . . One of the reasons I turned out reasonably straight is that I had elbow room, room to breathe."

Jones went to St. Mary's Catholic School and then to a public high school, both of them in McHenry. He had dreams of becoming a pilot, but settled for the next best thing, which was aeronautical engineering.

Uppermost in his mind after graduation from high school was getting into the University of Notre Dame. But that was too expensive. A scholarship allowed him to attend the University of Illinois.

While he was a junior at the university, Jones married his high school sweetheart, Hildie. They were among the few couples in their high school class who managed to stay together.

Jones and his wife honeymooned at the edge of the Boundary Water Wilderness area of Minnesota and then went back as a graduation present.

The couple came to California in 1963 because of the lure of the aerospace industry and first settled in Rancho Cordova.

Jones' impression on arriving in California has stuck vividly in his mind. He says he felt depressed by what he saw of the urban sprawl and its lack of community identity. It had been different in the more cohesive atmosphere of rural Illinois.

Jones and his family now live in a home in Citrus Heights. Their dream is to be closer to the river at some time in the future.

Jones' wife was born in Germany and came to America when she was 11. She is both a housewife and a teacher's aide in the Distar School Program. The couple has three children—Mike, 10, Anita, 6, and Leslie, 5.

The family likes to bike together, and Jones and his son Mike have been hiking together.

"Mike wants to know when we can climb into Rubicon Canyon," says Jones.

Understandably, Jones' involvement in SARA takes him away from what he refers to as his fantastic family.

"But Hildie is very forgiving and very tolerant," he says, "of the time and inconvenience caused by it."

Jones' interest in SARA began almost suddenly one day while he was fishing. He had heard of plans to divert most of the American River's water to the Folsom-South Canal and then south.

"Then something just clicked, and I changed from a non-involved person and got involved," he says. "I'm a firm believer that things like Watergate, the American River problem and our national policies with regard to energy and power have evolved because the majority of the public has a lack of involvement.

"It's astounding to see how few people are aware who their elected representatives are. And I admit that I didn't know until I got involved in the (American River) flow issue.

"I'm convinced that it's the people's own damn fault if they get screwed up government if they don't even know enough to know who their person (in Congress) is, and how to get a hold of him when they've got a problem."

The biggest problem now facing the American River is the proposal to divert water south and the need for adequate guarantees being provided by Congress for maintaining the water level at 1,500 cubic feet per second.

Under diversion proposals, waters would be sent south into southern Sacramento County, San Joaquin County and, as some people believe, ultimately as far south as Bakersfield.

Conservationists, state fish and game biologists and county officials have voiced concern that any diversion take into account the need to provide minimum flows for the American River.

Ed Horton, acting regional director for the Federal Bureau of Reclamation, has indicated that the bureau recognizes the need for minimum flows.

"I think that we . . . generally concur," he says, "that to maintain the recreational values as well as the fisheries that this (1,000 to 1,500 cubic feet per second), would be a desirable bracket or range of flows."

SARA's stand in this controversy is not to oppose diverting the water, but to first secure a guarantee that the minimum flows would be no less than 1,500 cfs.

It believes it will be necessary to integrate a properly sized Hood-Clay connector in the Folsom-South Canal.

In the meantime, SARA has been successful in getting a delay on any more construction of the Folsom-South Canal for the next two years. While the delay is in force, the Federal Bureau of Reclamation is studying ways to insure minimum flows.

What worries Jones is that at the end of the two-year period the bureau will come up with a declaration that minimum flows should be provided but nothing more will be done.

Jones wants to see no further construction on the Folsom-South Canal until Congress makes a commitment to provide the minimum flows sought by SARA.

Jones also notes that SARA's current opposition to construction on the Auburn-Folsom South unit is conditional and not fundamental.

"It is strictly tied to securing an adequate guaranteed flow in the lower American River," he says.

The importance of the minimum flows is emphasized over and over again by Jones.

"The Federal Bureau of Reclamation has finally admitted that lowered flows would destroy three-quarters of the salmon run," he says, "and that there would be equivalent losses in the steelhead and the shad and striped bass runs, although they don't know how bad the losses would be.

"And of course, the water-related recreational opportunities would be all but destroyed, like rafting, for instance.

"Now the American River is very popular for skin diving. But this would be almost impossible. You need enough water under your belly to dive or to float downstream.

"Water quality, of course, would be degraded because with the much reduced flow . . . there would be much less potential, much less ability for the water to keep itself clean."

In addition to all of this, Jones predicts there would be much greater aquatic growths as a result of reduced flows. In fact, he notes, the American River would become a slimy, algae-laden stream.

"And the whole basic purpose of the American River Parkway, the river itself, would have been lost," he says.

SARA's law suit to delay further construction on the Folsom-South Canal was the result of frustration with a number of congressmen and the Federal Bureau of Reclamation.

"We, (SARA)," Jones explains, "had been successful in getting an agreement with the Bureau of Reclamation out here—and we're pretty sure it was cleared with the Justice Department back east—that would have allowed us to drop our law suit with the agreement that they would not proceed with any further construction of the canal until the American River flow problem had been solved."

Jones is convinced that this agreement was quashed by Representatives John McFall (D-Manteca) and Harold T. "Bizz" Johnson (D-Roseville). McFall, who is on the powerful House Appropriations Committee, represents part of Sacramento County.

McFall, according to SARA's president, places top priority on getting the canal completed in order to serve his San Joaquin County constituents. And Johnson, he continues, wants the Auburn Dam built and will do nothing to anger McFall.

Jones not only has criticism for McFall and Johnson, but for Congressman John E. Moss (D-Sacramento), over the minimum flows issue.

"One of our greatest disappointments and frustrations over the years," he says, "has been the lack of commitment and support by our federal representatives, particularly John Moss, in seeking adequate guaranteed flows for the lower American River.

"They and the Bureau of Reclamation have continuously passed the buck back and forth over solving the problem while construction on the project has continued.

"It is this lack of working toward a solution that led us into the more aggressive position that we've taken recently. So long as they merely continue to study the problem and provide us only with reasons why a solution can't be found, we will maintain our opposition to continuation of construction."

Moss has told "People" that the proposed Hood-Clay connector is variously projected to running anywhere from $60 to over $100 million.

"So we're not talking about a minor project," he says. "We have to go after the money, which we're perfectly willing to do, but in order to convince the authorizing committee and the appropriation committees, we have to have the supportive data."

Moss places the blame for a lack of commitment on minimum flows on the doorstep of the Nixon Administration.

"If they (SARA) know any way of changing the President of the United States," he says, "and getting us an administration that is more concerned with people and the values of an environmental nature than the present one, why, I would be most interested.

"I did not vote to put him in the White House."

Moss adds that SARA fails to realize what he terms an interest in the problem predating the organization's by many years.

"I have nothing to gain in my congressional district," says Moss, "excepting the gratitude of the people in getting them precisely what they want."

Aside from the minimum flow issue, Jones is concerned about passage of measure A (clean water bonds) on the June ballot, and protecting the natural character of the American River Parkway.

"Although SARA feels very strongly that adequate access into the parkway and river must be provided," says Jones, "we feel just as strongly that vehicular movement within the parkway must be controlled much better than it has been.

"The uncontrolled use of recreational vehicles (jeeps, motorcycles and other recreational vehicles), actually threatens the whole parkway right now even though it is against the law to operate any motor vehicle on anything other than a designated roadway."

Jones emphasizes that SARA recognizes the rights of others to use of their recreational vehicles and worked to help provide McGill's mechanical park "as an alternative to tearing up the parkway with these vehicles."

Just as Jones is able to see the rights of other groups, so, too, does he look at his own aerospace industry with a healthy candor.

"I think it's tragic that so much emphasis was placed on space—then it was dropped," he says. "So many people lost their jobs.

"Hell, Aerojet has been very good to me, but I resent that as a national policy we (the U.S.) swing to extremes, we seem to react rather than plan."

Jones does believe the country needs a commitment to space programs, but "this up and down type of thing has literally destroyed people that have so much to offer."

Jones feels the pressing problems facing society, like the energy crisis, will require people in government leadership positions who either have technical backgrounds themselves "or have the message, like a Tom McCall."

"If I have a hero," he says, "it's Gov. Tom McCall of Oregon.

"He is sold on the reality that we do have a finite amount of resources; that we had better right now be thinking in terms of just the kind of life-style we have."

Jones stresses that the energy crisis will not go away because Arab oil is flowing again.

"I'll tell you," he says, "I'll do what I have to to keep my son from fighting in a war 15 years from now that's generated because we're squabbling over Arab oil, that we've gotten ourselves in a position that we have to depend on Arab oil.

"And yet I'm afraid that what we are doing is that we are groveling in the dirt in creating a situation that is far more dangerous than Viet Nam by bending over backwards for Arab oil . . . to keep this gluttonous way of life that we've gotten into going."

As for his own personal future, Jones is committed to staying in the Sacramento area.

"As far as I'm concerned," he says, "this is my home. I love California. I love Northern California specifically, and I love Sacramento.

"I also love the outlying areas. I'd like to be here. I'd like to have some influence in guiding the way this area is going to grow."

Jones also would even like to have more responsibility in terms of decision making at work.

He admits: "When I talk about my dreams I have to be mindful of the realities of employment in the aerospace profession.

"What I really end up doing will be constrained somewhat by the external pressures associated with the basic instability of the industry and a drive that I have to achieve that has not been totally satisfied where I am."

Whatever Jones does, he knows that he will have to exert some sort of influence.

"It's a kind of thing that I need," he says, "and can offer."

VETERANS ATTENDANCE REQUIREMENTS UNEQUAL

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. YOUNG of Florida. Mr. Speaker, recently a constituent of mine called my attention to an inequity in the law pertaining to veterans' educational benefits. Under existing law, those attending vocational or technical schools must provide the VA with a monthly certification of attendance signed by the veteran and a school official before payments can be continued. Veterans attending college-level institutions, in contrast, only have to submit a certification of attendance to the VA near the end of the semester or term. Moreover, while veterans attending vocational or technical schools are allowed only a minimal number of absences, veterans at standard colleges may have unlimited absences so long as they maintain a certain scholastic average.

Clearly the law discriminates against the veteran who wishes to attend a vocational or technical school, both in the matter of the monthly certification as a precondition for payment, and in the matter of the absences allowed.

I have, therefore, introduced a bill today to amend title 38 of the United States Code in order to apply to veterans and other persons pursuing certain vocational and technical educational programs the same certification requirements with respect to enrollment, pursuit, and attendance as apply to veterans and persons pursuing programs leading to standard college degrees.

It is my sincere hope that my colleagues on the Veterans' Affairs Committee will agree with me that the existing discrimination in the law serves no good purpose while unnecessarily imposing upon the veteran who wishes to pursue his education in a more technical field. Early action on my bill will help to alleviate this situation and provide all veterans with the same attendance and certification requirements for educational benefits.

SOLZHENITSYN: IN THE GREATEST TRADITIONS OF RUSSIAN LIBERALISM

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. DERWINSKI. Mr. Speaker, one of the most respected ethnic newspapers in the country is the Armenian Weekly, a publication of Hairenik Association, Inc., in Boston, Mass.

James H. Tashjian, editor of that publication, is a distinguished observer of all developments within the Soviet Union. Therefore, the editorial in that publication's March 21 edition, discusses the views of Aleksandr Solzhenitsyn and their special significance.

The editorial follows:

SOLZHENITSYN: IN THE GREATEST TRADITIONS OF RUSSIAN LIBERALISM

It may be that Aleksandr I. Solzhenitsyn will be less honored for the astonishing courage he has shown in defying the Soviet authority than for having saved the life of Russian liberalism, on the reemergence of which rests the future of the Russians themselves, the fate of the Soviet empire and perhaps of the world. For if there is ever to be a final resolution of "the Russian question" which has, since the days of Peter the Great, cast its ursine shadow over the world, it is that that movement toward reform must have as leading participants Russians themselves.

And there can be no such readjustment without a powerful resurge of liberal Russian thought, that grand tradition of free and humane thinking which has been stuffed into a bottle for over 50 years, leaving the scene to a frightening display of xenophobic reaction which has brought dishonor on all Russians, and servitude to millions of Russians and non-Russians alike.

The most striking thing about Solzhenitsyn, the genie who has finally escaped the vial, is that he is ethnically a Great Russian and an unabashed Russian nationalist who freely admits that not only is Russia "authoritarian", but that "it must remain so, and let us no longer try to change that."

But, adds he, "the authoritarian system must be based on genuine concern and love on the part of the rulers, not only for themselves and those around them, but also for their own (Russian) people, and all neighboring peoples, too." Which of course dramatically separates him from the Russian chauvinist.

Students of Russian intellectual history quickly acknowledge that Solzhenitsyn's ready admission of the "authoritarian" nature of the Russian psyche is not novel to him alone. Almost every great Russian thinker of the pre-revolutionary days warned that it would be "unnatural for Russia" to be ruled by anything but an authoritarian system. But all these great minds, with Solzhenitsyn as the latest advocate, have joined in pointing out that their apotheosis of Russian authoritarianism did not mean that they felt it to be "holy and messianic" and thus ought to be exported; or that it ought, internally or externally, to be anything but "benevolent."

This thesis revived by Solzhenitsyn holds the most promise for Russia, the enslaved nations of the USSR—and for the world. Solzhenitsyn simply says that Russia ought to get out of the business of communistic imperialism; it ought to look after its own Russian affairs, abandon its rule over the captive and satellite states, return to its traditional agrarian economy, which most of the great pre-Soviet Russian thinkers agreed to be the life-blood of Mother Russia, and instead of aspiring to rule the world, develop the immense expanses of Siberia.

What we have here in fact is the renaissance of Russian liberalism. Both through his defiance and his wisdom, Solzhenitsyn has emerged as the Villani of the contemporary Russian rebirth. The apostle of the great Dostoievski, whose Notes from the Underground was the 19th C. predecessor of Solzhenitsyn's The Gulag Archipelago, he has loudly reminded Russia that the trails blazed by his liberal forebears, Pushkin, Tolstoi, Chekhov, Gorki, Brussov, Lermontov, Karamzin, Turgenev, Lomonosov, and others, have become overrun by the toxic weeds of Russian chauvinism masked in "nationalistic" garb and that, for the good of Mother Russia and of mankind, Russians themselves must hoe up the awful mato grasso they have allowed to grow around them.

He says that even in Tsarist days Russia's politicians were being warned by Russian intellectuals against any trend toward industrial and military imperialism; and that now that the doctrine of "Communism" (which he regards as a foreign import) has violated the logos of Russian liberalism, the time has come for Russia to return to its agronomical legacy, to accede to the laws of its environmental atavism—to get down to realizing the fruits of the Revolution, the business of being the real, the free Russia, unimitative of foreign civilizations . . . benevolent to its own Russian people and, most importantly, benevolent toward other nations and peoples.

In his letter of September 5, 1973, to the Kremlin, Solzhenitsyn calls on Moscow to "drop its control over the Soviet Union's Russian states which he says have no business being a part of his 14 non-Russian republics" . . . and he lists Armenia as one of those.

Solzhenitsyn may right now be almost alone in his struggle to revive Russian liberalism. He may be a voice in the wilderness, but his words echo in the hearts of all thinking Russians. They give silent courage and solace to those who have been victimized by the brutal and disgraceful Soviet display of Russian chauvinism.

Aleksandr I. Solzhenitsyn has started something most feared of all things by Moscow. He has lit a backwoods kindling which will not be stamped out—which will soon flash into flame and run wildfire throughout the Soviet Union, burning down the wilderness planted by chauvinism, giving back the Russian people their self-respect and dignity—and returning to the beleagured non-Russian states their sovereign heritage—and the right for them to live side by side with an enlightened Russia in free and cherished neighborliness.

Truth, honesty, the call to liberty, these are things that cannot forever be suppressed Russia will stir for it. Solzhenitsyn has started something.

TREASURY REPORT ON DISC TAX LOOPHOLE

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. VANIK. Mr. Speaker, the Treasury Department has just issued its 1972 annual report on the "Operation and Effect of the Domestic International Sales Corporation Legislation." If there was ever a report which "damned with faint praise," this is it. Major portions of the Department's report can be read as an outright indictment of the glaring tax loophole known as DISC.

On March 28, 1974, I entered into the CONGRESSIONAL RECORD a copy of a General Accounting Office letter questioning the value and cost/benefit ratio of the DISC program. As the GAO investigators reported:

> We learned that the program is not considered to have had much influence toward increasing U.S. exports to date. Neither has it resulted in exporters lowering their prices to meet competition.

Mr. Speaker, the GAO is providing me with a second report relating to wheat exports and the use of DISC's. This report should be available within the next few weeks. I anticipate that it will show that DISC's are highly inefficient and an unconscionable tax loophole.

The Treasury report attempts to hide these facts. But the report speaks for itself:

> The DISC statute was thus passed at a time when the major trading nations were abandoning the fixed exchange rate system, and other powerful influences were brought to bear on the U.S. trade position. During this period, the U.S. balance of trade first worsened and then sharply improved. It is difficult to separate the causes of change in the balance of trade, and this report does not attempt to do so. Instead the report focuses on the revenue and exports effects associated with the DISC statute. It also examines how firms of different size have been influenced by the legislation.

The study concludes that the rate of return on export sales for DISC's was roughly 15 percent. This is about double the profit rate of non-DISC exports. The report explains that this is either due to the fact that export product lines are more profitable (in which case DISC would not be needed) or:

> The devaluation of the dollar which occurred in 1971 presumably increased profit margins on export sales as distinguished from domestic sales. Exported goods sold in foreign markets may be sold at prices expressed in foreign currencies, and the decline in those prices after the devaluation, if it occurred at all, probably did so only after a time lag. Thus, profits expressed in terms of dollars may be substantially increased. For example, if before devaluation an article was sold in a foreign country at a price equivalent to $1.00 producing a profit of 8 cents, the same price after the 9 percent Smithsonian devaluation would produce a price equivalent to $1.09 and a profit of 17 cents. Thus, the devaluation which occurred in 1971 could have accounted for the difference between the average 8 percent margin and the 15 percent margin on sales exported through DISCs, although insufficient data exist to prove that this in fact occurred.

From this quote, it would appear that the DISC's did not reduce prices and simply repealed a windfall profit from the recent devaluations. In this case too, DISC is simply an unnecessary tax loophole.

What exports may have been encouraged by DISC's? According to the report:

> The leading five products account for about two-thirds of DISC activity. They are agricultural products and services (7.2 percent), chemical (8.1 percent). . . .

Mr. Speaker, I doubt that the American people will be thrilled to know that the Treasury has been subsidizing the extra export of food goods and chemicals. It is even more shocking to learn that 42 DISC's reported the sale of $168.4 million in refined petroleum products and $41.3 million in rubber and plastic goods. Another 30 DISC's helped export $240.7 million in paper products. It is incredible that we have been giving between 50- to 100-percent tax break for the export of critically scarce commodities and natural resources.

It might be argued that DISC is important if it helps small struggling companies make exports which they did not make before. Yet what kind of companies are helped by DISC?

Approximately 84 percent of gross foreign receipts of these 703 DISC's—which showed the majority shareholder—was accounted for by 107 DISC's owned by corporations with assets over $100 million. Only 6.6 percent of the gross receipts were accounted for by corporations with assets under $100 million.

How much does DISC cost the Treasury? Approximately $250 million for the year ended March 1973. Yet, when the administration sold this gimmick to the Congress, the price tag was estimated at only about $100 million. The report "explains" the difference:

> The original estimates were based on the assumption that profit margins would be representative of industry averages, whereas the 1972 margins on these exports appear to have been about twice as great.

In other words, we are subsidizing some of the most profitable industries in the Nation.

Does DISC result in increased exports? Treasury thinks so—but its estimate is based on a sample of 166 DISC's out of 2,249. Between 1971 and 1972, the exports of the 166 firms grew 14.1 percent, while total U.S. exports grew only by 12.4 percent. For various reasons, Treasury thinks that the DISC figure may be low and that DISC exports may even have grown by as much as 29 percent. Yet, some major DISC's actually had declining exports while non-DISC's in the same industrial field increased exports.

Mr. Speaker, the fact remains that first, Treasury has no sound proof that

DISC increased exports; second, if DISC did increase exports, it may have done so by an insignificant margin; third, DISC is a tax loophole, accruing to very large companies which are already in a very profitable trade and, fourth, DISC is particularly encouraging the export of supplies of commodities and products which are in short supply domestically. As C. Fred Bergsten, senior fellow at the Brookings Institution, recently testified before the Senate Finance Committee:

> The DISC legislation has apparently done little to spur exports and has significantly reduced government revenues. In addition, there is no need for such selective export subsidies in a world of flexible exchange rates. And, even had it worked as planned, it would have no place in the current inflationary environment.

The repeal of DISC must be a tax reform priority. I would like to enter in the RECORD at this point a copy of an editorial from the New York Times of April 20, entitled, "Slipped DISC":

> SLIPPED DISC
>
> The tax bill passed by Congress in 1971 provided for a tax device known as the Domestic International Sales Corporation (or DISC) aimed at spurring exports. Any American company selling some of its products abroad could set up a DISC, export through it and defer indefinitely the taxes on half of its export-related profits.
>
> Even before the DISC tax gimmick was enacted, critics warned that it would be expensive and wasteful. But reality has exceeded expectations, as a United States Treasury report disclosed this week. The Treasury had predicted in 1971 that the tax subsidies would result in a revenue loss of $100 million, but the actual revenue loss in 1972 turned out to be $250 million.
>
> Losses to the Treasury for subsequent years will certainly prove to be a great deal more, as word of this tax gimmick has spread through the business community. There are more than twice as many DISC's now as there were in 1972.
>
> It is impossible to say how much the DISC tax gimmick did to boost exports because of the complexities of separating its effect from that of such export stimulants as the devaluation of the United States dollar, the booming demand abroad for American farm products and other goods, the massively subsidized wheat deal with the Soviet Union and the greater profitability of exports. But what can be said firmly is that, whatever extra push to exports the DISC tax deferrals have been providing makes no sense in a world of flexible exchange rates and severe inflation. DISC worsens the inflationary pressures here at home by reducing supplies and draining off needed tax revenues.
>
> Congress would be wise to repeal DISC and put an end to these wrongheaded export subsidies. Meanwhile, the Administration can suspend DISC, which the 1971 legislation empowers it to do.

SECRETARIES WEEK

HON. MARTHA W. GRIFFITHS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mrs. GRIFFITHS. Mr. Speaker, I would like to take this opportunity to point out that the week of April 21 through 27 marks the 23d consecutive annual Secretaries Week, sponsored by the National Secretaries Association (International). The theme this year is one with which we all agree, I am sure: "Better Secretaries Means Better Business", for secretaries are the conduits in an office through which all business flows. It is secretaries who create first impressions of an office to a visitor; who move the mails; who create organization from chaos.

The purpose of Secretaries Week is to recognize secretaries for their contributions in business, industry, education, and government. It also serves as a reminder to secretaries of their own responsibilities to their employers and to their profession.

A secretarial career, like most others, was once the exclusive domain of men because it was thought that a woman could not withstand the daily pressure that a secretary endures. It was one of the first professions that women cracked. They not only have withstood the pressure but have made the profession their own. There are over 4 million women employed as secretaries in this country alone; without them the Nation would come to a standstill. I congratulate them on their achievements.

ALDO LEOPOLD AWARD TO DR. LUCILLE F. STICKEL

HON. LAWRENCE J. HOGAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. HOGAN. Mr. Speaker, the Aldo Leopold Award, the highest honor the wildlife profession can bestow, has been presented to Dr. Lucille F. Stickel, director of the Interior Department's Fish and Wildlife Service Patuxent Wildlife Research Center.

The award was presented by William Klimstra, president of the Wildlife Society, at the 39th annual banquet of the North American Wildlife and Natural Resources Conference meeting in Denver, April 2.

The award named after the pioneer wildlife scientist, Aldo Leopold, is given for "outstanding service and distinguished contributions in the field of wildlife research and in furthering the cause of sound conservation."

Dr. Stickle is a resident of my district and is the first woman to receive the award. She pioneered research to evaluate the effects of pesticides on wildlife species and has been directing the Fish and Wildlife Service's pesticides research since 1965. She has worked at the Patuxent Research Center in Laurel, Md., since 1956 as a research biologist, and in 1973 was named director of the center. The center's staff of over 100 focuses on environmental pollution, the conservation of endangered species, and prevention of crop damage by birds.

Mr. Speaker, I wish to extend my congratulations to Dr. Stickle for her dedication in the field of wildlife research and conservation and commend her for her efforts.

CHEMICAL WARFARE: GENEVA TALKS; HEARINGS ANNOUNCED

HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. OWENS. Mr. Speaker, on April 19 at Geneva, the 1974 session of the Conference of the Committee on Disarmament opened its first meeting. In the introductory statements, both the United States and the Soviet Union indicated that they are still committed to the concept of controlling chemical warfare weapons. This optimistic objective has been enunciated each session for the last 2 years with little or no progress being made because of the problem of reaching agreement on the issue of verification of compliance with any treaty which might be negotiated.

In the midst of the difficulties on the issue of verification to which the 25-nation representatives are already exposed in beginning these critical negotiations, the U.S. Army has announced its plans to begin a complete restructuring and modernization of the existing chemical warfare stockpiles currently in the arsenal of this country. Although the Joint Chiefs of Staff have indicated that current stocks in some seven storage sites throughout this country, as well as stockpiles in several overseas locations are adequate to meet the Nation's requirements to support a longstanding but questionable policy of retaliation if attacked, it is the judgment of the Army that these stocks should be modernized as soon as possible.

This obvious contradiction in the U.S. arms control policy of negotiating toward the elimination of chemical warfare weapons and the military objective of modernizing the current stockpiles has already produced concern in the community of nations involved in the Geneva negotiations. One internationally known chemical warfare analyst has already offered a critical analysis which suggests that the adoption of the new binary chemical system as proposed by the Army will lead to greater proliferation of these weapons.

The Director of the U.S. Arms Control Agency has indicated in an interview that he views the U.S. Army proposal as essentially negating any efforts toward arms control negotiations at Geneva. In a world already filled with suspicion, the U.S. contradictory posture on chemical weapons is bound to complicate any efforts at arms control. In the opening session of the Geneva conference, one of the indicators of concern was a call on the West to show "goodwill and readiness to find a solution" to the problems which have stalled negotiations thus far. Certainly, the Army disregard for the current problems at the negotiation table by choosing this time to begin production of the new binary chemical weapons system which offers no significant increase in tactical capability as compared with weapons already available does not enhance the political environment to begin these new negotiations.

In this atmosphere of concern, the U.S. House of Representatives will begin a review of U.S. chemical warfare policy. Representative CLEMENT J. ZABLOCKI, Democrat of Wisconsin, chairman of the Subcommittee on National Security Policy and Scientific Developments, announced the plans for the hearings on April 11, 1974. The hearings will be held on May 1, 2, 7, 9, and 14. The purpose of the hearings will be to examine the status of three specific and related issues as proposed in legislation which I introduced along with 45 cosponsors. The issues to be examined include:

First. The status of the 1925 Geneva Protocol and the U.N. Convention on Biological Warfare, both of which remain pending before the Senate because of disagreements over the administration's exclusion of herbicides and riot control agents from the scope of the Protocol.

Second. The status of the current negotiations at Geneva on a comprehensive chemical weapons arms control prevention, particularly as those stalemated talks relate to the technical problems of vertification.

Third. A reevaluation of current U.S. chemical warfare policy and a determination of the need to retain a retaliatory chemical warfare capability, including the issue of the proposed new binary nerve gas weapons.

The hearings before this House subcommittee in 1969 undoubtedly contributed significantly to the President's decision to return the Geneva Protocol to the Senate and to discard biological weapons from the arsenal of this Nation's required weapons. It is hoped that the House hearings planned for this May will provide the needed public examination of U.S. chemical warfare issues so that rational decisions in the Nation's best interests may be similarly evaluated.

ACTIVISM IN ARCHITECTURE

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. FRASER. Mr. Speaker, the Community Design Center—CDC—of Minnesota was formed 6 years ago to provide volunteer design services to those who could not afford them. The CDC has grown rapidly in the past 6 years; from a founding group of 8 to over 200 active volunteers, handling 200 projects per year.

I would like to call the attention of my colleagues to an article on the CDC, by Gene S. Peterson, which appeared in the January/February 1974 issue of Northwest Architect. A column by Elizabeth Robbins, the director of CDC, is also worth reading and it follows the Peterson article:

ACTIVISM IN ARCHITECTURE: THE COMMUNITY DESIGN CENTER OF MINNESOTA

(By Gene S. Peterson)

The Community Design Center of Minnesota will be six years old this spring. It was 1968 when Allen Ambrose, Alfred French, Milo Thompson, Peter Seitz, Wei Ming Lu, Dick Peterson, Dick Morrill and George Klein joined together to provide design services to those who could not afford them. With the philosophy that the design professional has a general responsibility to upgrade the physical environment, this founding group undertook such initial projects as an Aquatennial float for the Way Educational Center and rehabilitation work for the Way, the People's Church and the People's Cooperative Union. A limited budget to cover out-of-pocket costs was provided in those early days by the Center Arts Council.

Soon the need for volunteer design services demanded provision of space, staff, and a working budget. The 1970 convention of the Minnesota Society of Architects gave CDC, which had now become a Minnesota non-profit corporation, substantial support by providing $10,000. The Urban Education Center of the University of Minnesota and CDC found space at 118 E. 26th St. which fitted both their needs and cemented their cooperative relationship. Dr. Tom Walz and Lane deMoll became the core staff and CDC began to grow rapidly.

The Bush Foundation of St. Paul has provided a three-year grant on a matching fund basis. Individual and corporate cash contributors number more than 30. A number of building material suppliers, agencies, corporations, etc., provide various in-kind contributions.

Volunteer design services from professionals and students are, however, the essence of CDC and the cash and in-kind contributions make possible the circumstances and conditions within which the services can be rendered. Volunteers include engineers, planners and interior designers as well as architects; projects include public information and education, as well as designs for physical construction.

Currently CDC's projects and volunteers, as seen in the table here, number in the hundreds.

Professionals who have been actively engaged in CDC work find it to be a stimulating and valuable experience. A review of the list of volunteers reveals many repeat names year after year.

However, there is still opportunity to add new names to the list.

	Since Sept. 1972	*Cumulative since July 1971*
NUMBER OF NEW PROJECTS ACCEPTED		
Low Income Dwelling Rehab	12	24
Non-Profit Agency Rehab	69	134
Neighborhood Advocacy	15	22
Public Information & Education	16	31
Graphics & Photography	52	85
Landscape Planning & Playlot	14	23
Engineer Consultation	7	10
Program Planning & Design	17	37
Total	202	366
NUMBER OF ACTIVE VOLUNTEERS		
Architects	74	101
Engineers	21	23
Planners	4	4
Graphic Designers	19	26
Interior Designers	10	16
Landscape Architects	10	16
Other	7	7
Students (estimate)	70	140
Total	215	335

After more than two years of dedicated and effective service Dr. Walz and Ms. deMoll have gone, Tom to become dean of the School of Social Work at the University of Iowa, and Lane to join Criteria, architects, and now, off to Oregon.

Elizabeth Robbins is now director of CDC and Craig Hess assistant director. Liz brings the experience of a rich and varied background to the directorship. Her activities in reporting, writing, design and development of instructional systems, etc., will all be helpful in meeting the challenge of CDC. Craig is not a newcomer; his experience as a VISTA architect and his continued dedication to CDC assure effective and innovative administration. Patricia Kundert has been a CDC'er for nearly two years and has gained a reputation for efficiency and equanimity.

Consider a professional office with three full-time persons, 31 part-time volunteer staff and more than 200 professional volunteers handling more than 200 projects per year of wide diversity. The tasks of coordination, meeting time schedules, observing budget limitations, etc., are formidable indeed. This is what has been accomplished—response from professionals has been highly gratifying but the need for CDC services is greater than ever before.

Projects undertaken by CDC are approved by a screening committee which passes upon the basic question of whether or not the prospective client can or can not afford to pay for design services. Occasionally CDC projects generate contracts for professional offices. Often the CDC client is itself a non-profit venture providing its services on a volunteer basis. An example of a CDC client is the *Family Tree*.

Founded in mid-1971, the Family Tree provides free medical and educational assistance to individuals who could otherwise not obtain such servces. Just as architects, engineers, planners, artists, etc., provide volunteer services to CDC, so also do doctors, nurses, technicians, etc., provide volunteer services to Family Tree.

Beginning with an unused basement space in an older store front building on Snelling and Selby, the CDC design team, working with the *Family Tree* advisory group, evolved a simple and functional plan. Restrained by low ceiling heights, various plumbing protrusions, uneven floors and inconvenient columns, the design was nevertheless consummated and the first clients received within six months. Success of the project is measured by a recent additional space acquisition and by the increase in the number of users, from 100/month to 400/month.

The entry is from a stairway which opens to sidewalk level. Entering the reception and waiting room, one finds a colorful and informal environment with furniture groupings designed for two to four persons. Small rooms for counseling and for taking medical history are one side, examination rooms on the other. The laboratory runs across the back of the examination rooms and joins them together for efficient medical service. Offices and support facilities flank the stairway. A large space at the back has recently been added to provide group instruction, staff meeting space and audio-visual facilities.

One doctor and one nurse are paid to be in attendance during all clinic hours, approximately six other doctors and six other nurses volunteer time regularly to supplement the basic staff so that adequate service is always available. Equipment and supplies have come from St. Paul Ramsey Hospital, Minnesota Department of Health and other sources. A number of non-profit organizations provided construction funds and continue to provide operating funds.

Director's Column

(By Elizabeth Robbins)

What is it like to be a non-architect and enter the preserve of architects? This is a reality I have been experiencing for the past five months as new director of the Community Design Center. The experience has been and is: complex, many-faced, agonizing, joyous, and amazing.

To my amazement, there is a tremendous load of work completed by the professional volunteers and students who work out of the center. Students are of upper division design under the Action program—Vista and University Year for Action Volunteers, and those from the Urban Education Center currently enrolled in the School of Architecture at the University of Minnesota who gain field experience by working on CDC projects.

The CDC has recently submitted a 10-month report of work completed by the UYA Volunteers. This entire magazine is scarcely large enough to record all the information about the projects these men and women have carried out.

Here is just a part of the list of accomplishments (the total impact can be realized only by coming in to CDC to read the report): completed the Basic Homes user study and market analysis for low-cost rural prototype housing: investigated, documented and reported complaints in "235" housing; designed two new buildings; completed six community planning designs, four community garden projects, three playlots, five site analyses and one grounds improvement; completed seven rehabilitations; recycled sixty pieces of furniture; completed thirty interior designs; conducted eighteen classes or clinics; developing eight comprehensive curricula; made fifteen new services available to the low-income community; provided eight new skills to the target population; were responsible for raising $96,000 and a possible additional $145,000 for the target population, involved over twenty different professions or skills to serve the target population.

These UYA students number less than one-fourth of the total number of students at CDC. And that doesn't include the heavy workload carried by more than 200 professional design volunteers.

What is our most significant project? That we are the means by which all this happens.

THE 1915 MASSACRE OF ARMENIANS

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. WOLFF. Mr. Speaker, on April 24 of each year, people of Armenian descent all over the world commemorate the victims of the 1915 massacre of Armenians living in Turkey and the victims of other tragedies in the long history of the Armenian people. The United States has a strong tradition of opposing persecution of any minorities, and we join in the commemoration of this sacred day.

For thousands of years, the people of Armenia have been subjected to foreign rule. Except for brief periods of independence, they have been oppressed and often persecuted by foreign powers from the East and West. The last period of Armenian independence commenced in 1918 and lasted for only a few years. Before this brief period of independence, Armenians suffered through one of the worst periods in their history, when most of the population either migrated or were slaughtered in their homeland.

Many Armenians migrated to the United States, where they have made significant contributions in the educational, artistic, political, and economic fields. As Armenians in this country and all over the world remember their fellow Armenians who have lost their lives at the hands of foreign powers, all Americans should recommit themselves to preventing the persecution of minorities.

ORAL MILLER NAMED ONE OF 10 "OUTSTANDING HANDICAPPED FEDERAL EMPLOYEES OF THE YEAR"

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. FAUNTROY. Mr. Speaker, I am very pleased to have this opportunity to commend Oral O. Miller, an attorney with the U.S. Small Business Administration and a resident of the District of Columbia, for winning the "Outstanding Handicapped Federal Employees of the Year" award which is given by the Civil Service Commission.

Oral Miller, who has been with SBA since 1960, is a trial attorney in the Office of Litigation of the General Counsel's Office. He is responsible for legal review of applications for SBA assistance as well as for preparing legal opinions in determining eligibility of applicants with consideration given to possible litigation concerning the agency's programs.

Born in Sophie, Ky., Oral Miller was blinded in an accident at the age of 8. At the age of 10, he entered the Kentucky School for the Blind. Thereafter, he attended the Louisville Male High School, under a cooperative program graduating as valedictorian of his high school class. He received an academic scholarship to Princeton University, where he was awarded a B.A. in history. He was then awarded the Kendall Law School and the Princeton National Law Scholarship to attend the University of Chicago Law School where he received his J.D. graduating in the top third of his class.

He is a member of both the Kentucky State bar and the District of Columbia bar and serves on the legal welfare committee of the bar association of the District of Columbia.

Miller's handicap has been a stimulus to him. He is president of the American Blind Bowling Association, Inc., and has placed first in national tournaments in 1970 (Detroit) and 1971 (Portland). He is also a member of the President's Committee on Employment of the Handicapped. For the past 2 years, he has been president of the D. C. Association of the Workers for the Blind.

He possesses a great zeal for life and has not allowed his handicap to keep him from enjoying life to its fullest. His hobbies and interests include bowling, swimming, boating, reading, fishing, miniature golfing, tandem cycling, and gardening. Not being one to shy away from new adventures, he has just learned to ski.

Asked on form 171, application for Federal Employment, whether he had a physical handicap, Miller answered:

> Although I am almost totally blind, I have devised and I can devise additional methods and procedures to perform the duties of the position sought.

With that kind of outlook on life and on his own handicap, I believe that he truly deserves this award for both his efforts and the inspiration that he gives to all of us.

THE SECURITY OF RESTRICTED WHITE HOUSE AIR SPACE

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. YOUNG of Florida. Mr. Speaker, in the early morning hours of Sunday, February 17, 1974, a stolen military helicopter penetrated the restricted air space above the White House.

The fact that it was a military aircraft which had been commandeered by a U.S. soldier is not nearly as important as the fact that the aircraft was able to violate the security of the White House prohibited area.

Needless to say, Mr. Speaker, it became a matter of overriding importance when the security of the President of the United States, whoever he may be, is threatened in this bizarre fashion.

Because of the seriousness of this incident, as a member of the Appropriations Subcommittee on the Treasury, Postal Service, and General Government, I questioned Secret Service officials regarding this matter.

In addition, I called upon the Administrator of the Federal Aviation Administration, Mr. Alexander Butterfield, to provide me a report on the FAA investigation into this incident. I was particularly interested in whether or not there was a delay in advising the proper protection agencies and security officials that Zone P–56 had been penetrated by an unauthorized aircraft; if there was a delay, what caused it; and what is being done to prevent a reoccurrence of this kind of untenable situation.

Mr. Butterfield made the following report:

> Let me say first of all that the bizarre flight of the stolen helicopter into the White House Prohibited Area, designated Area P–56, was and is a matter of great concern to us also; especially in view of the fact that the craft was operated at tree-top and near tree-top level en route to and from and back to P–56, and therefore undetected by airport radar equipment. The FAA's responsibility, incidentally, is to insure that no aircraft under our control penetrates Area P–56.
>
> In this case, Washington National Airport Traffic Control Tower was called in rapid succession by the Washington, D.C. Police helicopter Squadron, the White House, and Baltimore-Washington International Airport Traffic Control Tower and informed that a chopper was in or around the Prohibited Area. Very shortly thereafter, a "target" was observed on the Washington National Airport radar scope, and radar was maintained by either Washington National Tower or Baltimore-Washington Tower throughout most of the remainder of the chopper's flight. The relaying of information to the Executive

Protective Service at the White House was continuous during this time.

It is frustrating at times, but true, that radar has its absolute limitations. And one of these is what is known as "altitude range." Aircraft at extremely low levels may or may not be detected by radar depending on the size of the aircraft and the area of its reflective surfaces. Then of course weather phenomena and various forms of ground clutter serve to further affect detection of low altitude targets in an adverse way. In an effort to preclude reoccurrence, representatives of the Federal Aviation Administration have had several meetings and discussions with U.S. Secret Service personnel. We have now provided for a protective area around P-56 in which intruder aircraft will be reported to the White House security personnel. This, in effect, establishes a buffer area to allow protective action to be taken if necessary.

Please be assured that we are continuing to work on this particular matter . . . and that we will do whatever we can, in close cooperation with other interested Federal agencies, to make such aerial intrusions impossible.

U.S. NAVY IN CRISIS

HON. H. R. GROSS

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. GROSS. Mr. Speaker, the Saturday Evening Post, in its May 1974 issue, has performed a meritorious public service by making available to all Americans an account of the serious internal trouble which besets the U.S. Navy.

Author of this excellently written article is the distinguished military critic, Mr. Hanson Baldwin, himself a graduate of the U.S. Naval Academy, who points to the lowered standards, lax discipline, and eroded command authority that have seriously compromised what some are pleased to describe as the "New Navy."

Much of this trouble began when Adm. Elmo "Z-gram" Zumwalt became Chief of Naval Operations. It is the story, in part, of an admiral who evidently believed that the Navy could and should be made a laboratory for the testing of social change. No matter how well-intentioned, it is well that Admiral Zumwalt's tenure as Chief of Naval Operations will end in the near future. It is a sad chapter in the long and honorable history of the U.S. Navy and, had there been a national emergency, it could have been a tragic one.

But let the article in the Saturday Evening Post tell the story:

TROUBLED WATERS IN THE NAVY

(By Hanson Baldwin)

(NOTE.—This distinguished military critic, himself a graduate of the United States Naval Academy, points to problems of lowered standards, lax discipline and eroded command authority that are seriously compromising the "New Navy.")

Evening, the Gulf of Tonkin—the beginning of a long night for the United States Navy. After a full day launching air strikes, the great carrier USS *Kitty Hawk* rests in calm seas, a floating city of 4,483 men. It is 7 p.m. October 12, 1972, and for the next seven and one-half hours tension and terror will roll across the decks of the mighty warship. Bands of black sailors go in search of white crewmen. They wield chains, broomsticks, wrenches, fire extinguisher nozzles and metal pipes as they scream, "Kill the white trash." Sleeping crewmen are dragged from their bunks, beaten and left bleeding on the decks. Those able to stagger to the chaotic ship dispensary are threatened and harassed by another band of blacks as they await treatment. Forty whites and six blacks are wounded, three so seriously they must be airlifted from the carrier to shore hospitals. Not until the early hours of the morning is the riot quelled.

The *Kitty Hawk* violence was a frightening manifestation of the winds of change sweeping through the Navy's rigging today, symptoms of a sickness afloat, a widespread malaise never before experienced by the American fleet. The infection did not suddenly come to a head aboard the carrier. It had been festering for years as a social revolution convulsed the United States. Since 1971 there have been at least ten mutinous incidents of significant proportion in the Navy, one of them recently as last July aboard the carrier *Franklin D. Roosevelt* in the Caribbean.

Two of these confrontations—the one on the *Kitty Hawk* and a second racial blowup aboard the carrier *Constellation* a month later—caused the House Armed Services Committee to launch a full-scale investigation of "disciplinary problems in the U.S. Navy." More than 2,500 pages of testimony from fifty-six witnesses and an examination of the entire spectrum of naval orders and procedures led the special investigatory subcommittee, headed by Rep. Floyd V. Hicks (D-Wash.), to conclude:

"The United States Navy is now confronted with pressures, both from within and without, which, if not controlled, will surely destroy its enviable tradition of discipline."

Additionally, "an environment of leniency, appeasement and permissiveness" has led to lowered Navy morale and a deterioration in appearance and performance. Even more ominously, the committee found, this "easy" atmosphere enhanced chances for mutinous acts and brought about "an alarming frequency of successful acts of sabotage and apparent sabotage on a wide variety of ships and stations within the Navy." The report pointed to lowered Navy recruiting and training standards as being responsible for an influx of "agitators and troublemakers" into naval ranks, thus creating fertile ground for trouble.

The Hicks report has been ignored by many congressmen and brushed under the rug or criticized as overstated by some in the Navy. The two carriers, they note, had been at sea three months—twice the normal tour—and without relief and relaxation, frustrations had built up among crew members. Yet a recent visit to many ships and stations of the Navy's crack Sixth Fleet, sampling opinion from admiral to seaman, from executive officer to mess cook, bears out the report's findings.

And last November, the commander in chief of the Pacific Fleet sent a message to all ships and stations noting in his own command "the disregard of law, order and common decency . . . an atmosphere of lawlessness, intimidation and defiance of established authority . . . unprovoked assaults and robberies by marauding gangs of Navy personnel upon smaller groups. . . ."

The Navy, like all our installations, has reaped the whirlwind of student dissidents, the anti-Vietnam trauma, the drug culture and black militancy and anti-military feeling. These outside pressures have weakened the fleet at the very time it must face the greatest challenge in its history from rapidly expanding Soviet sea power. But some of the Navy's problems are of its own making, and the "solutions" the Navy has tried have exacerbated the situation instead of resolving it.

This period of mutiny, disobedience and internal sabotage has coincided with the most profound internal changes in the Navy's history, begun four years ago under Admiral Elmo R. Zumwalt, who ends his term this summer. The tenure of this personable, energetic, bright officer—youngest ever to hold the post of Chief of Naval Operations—has thus been one of great controversy. Taking over in an era of social transition, he firmly believed that the Navy must change along with the nation. But the speed and manner in which he proceeded to foster that change have split the Navy wide open.

Many young officers, enlisted men, and petty officers believe Zumwalt, in the words of one of them, is the "best thing that ever happened to the Navy." They applaud the more relaxed discipline and the emphasis on people that have marked Zumwalt's tenure. But numerous senior and middle-grade officers and chief petty officers (CPOs)—as well as a very large number of officers who retired before and since Zumwalt took over—are shocked by recent developments. They blame him for too much permissiveness, and a dangerous weakening of the Navy's chain of command.

One admiral, who served two years ashore in the first part of Zumwalt's tenure and then returned to sea in precisely the same area he had commanded before, noted a "tremendous degradation in discipline and readiness" in the interval.

The backbone of Zumwalt's controversial program has been his famous "Z-grams," general directives published throughout the Navy on matters ranging from shore leave to civilian clothes to wash facilities. In his first Z-gram, Zumwalt said he was committing himself "to improving the quality of Navy life in all respects and restoring the fun and zest of going to sea." Many Z-grams have been aimed at eliminating the "Mickey Mouse" irritations—unnecessary or obsolete regulations—and at improving the attractiveness of a service career. Laudably, some of them have dealt with the problem of racial friction and have established new means of communication on racial issues.

The collective *intent* of the Z-grams and of other Zumwalt programs—most in the Navy would agree—has been praiseworthy. But the effect has often been deplorable.

Many in the fleet attribute the confusion in standards and slackening discipline so evident in the Navy of today to the *interpretation* of the Z-grams rather than to their substance or purpose. The messages themselves have at times been so vague and imprecise that they have required a bewildering stream of follow-up clarification.

For example, Z-gram 57 issued in November 1970 stated that "in the case of haircuts, sideburns and contemporary clothing styles, my view is that we must learn to adapt to changing fashions." The message explicitly allowed any officer or enlisted man "to grow sideburns or neatly trimmed beards or mustaches." The same Z-gram also authorized wearing of dungarees to and from work in naval commissaries, exchanges and service areas. New rules already permitted such changes, but the Z-gram emphasized the point.

It produced the greatest variety of hairstyles seen in the Navy in its history, and at many naval stations men in dirty or frayed dungarees quickly became a common sight. In January 1971, another Z-gram stipulated that hair, beards and mustaches "will be neatly trimmed, well groomed" and "sideburns will not extend beyond the bottom of the earlobes." But Pandora's box had been opened. The following December still another Z-gram had to be issued:

"Z-57 has been erroneously interpreted. Instances are still observed of men in public with dirty or torn uniforms, haircuts and beards which are below standards. . . ."

At a Mediterranean port, a chief petty officer orders several shaggy-maned crewmen to cut their hair before leaving ship. But an officer waves the men ashore and later joins them for drinks in a harbor bar. "How the hell can I enforce discipline with a situation like that?" says the CPO wearily. Adds a chief in the Sixth Fleet: "It's nonsense the amount of time we have to spend on a simple thing like haircuts."

The net result of the Z-grams on grooming and personal appearance has been, most naval personnel agree, a marked deterioration in the look of the men, a "slovenly" appearance, as the Hicks subcommittee put it.

By far the most potentially detrimental of Zumwalt's revolutionary reforms have been those which, in fact though not in intent, have weakened the authority of the entire chain of command. For instance, each major command was ordered to establish a minority affairs officer who will have "direct access" to the commanding officer and who "will be consulted *on all matters involving minority personnel.*" Specialized human relations councils were established; "gripe" or "rap" sessions and "hot lines" for complaints direct to commanding officers, bypassing immediate superiors, were instituted.

Again the intent—to establish a "viable two-way dialogue at all levels of command" was commendable, but the effect was that the chain of command was weakened and new limitations were placed on a CO's authority. Juniors were encouraged—by indirection—to bypass superiors. As the Hicks report on the *Kitty Hawk* and *Constellation* incidents noted, middle-management officers were convinced "their authority (had) been diluted by the Chief of Naval Operations when he addressed all naval personnel in a series of Z-grams."

Especially rankling is the fact that many of the Z-grams—there had been 119 by last June—involve petty administrative details that have previously been exercised by commanding officers. This centralization of command and administrative power in Washington has been deleterious to all the links of authority from admiral to seaman.

Following the *Kitty Hawk* and *Constellation* incidents, Zumwalt further contributed to the problem with a public admonition—made even before the facts in these cases were fully known—of senior Navy officers and of his staff for failing to solve racial problems within the Navy. The Hicks committee tersely rebuked him, pointing out that "again concern over racial problems seemed paramount to the question of good order and discipline," and regretting "that the tradition of not criticizing seniors in front of their subordinates was ignored."

Many of the reforms Zumwalt has achieved are to the good. and the Navy will certainly never return to its past. But there are three major problem areas—all dealing broadly with personnel—with which the Navy must deal if it is to survive as one of the bulwarks of our defense.

1. *The realities of racial bias have been blown out of proportion and needlessly exacerbated.* The Hicks report found no "instances of institutional discrimination on the part of the Navy toward any group of persons, majority or minority." Yet racial frictions in the past few years have been increased rather than decreased by the subtle establishment of what amounts to two standards in the fleet—one of them preferential for minority groups.

Time and again officers and petty officers said they were hesitant to record offenses—particularly against blacks. Yet, as the House subcommittee reported, the great majority of the dissidents in the *Kitty Hawk* and *Constellation* cases and in other incidents were black. These were the same types of men who either fell for or fostered an idea of black separatism that made any reprimand of a black sailor appear to be a racial rather than a naval matter. Thus, notes the Hicks report, many black sailors "find it difficult to accept punishment on an individual basis. Rather, they perceive that punishment to one is punishment to all." The report further emphasizes that "what many of these men view as discrimination is more often than not a perception rather than a reality."

In ships with a small number of blacks there is usually little trouble, but in larger ships with several hundred black sailors, polarization inevitably occurs: "The Brothers" form a separate part of the crew with Black Power salutes and symbols. "This ship is sitting on a volcano," said one Sixth Fleet officer. "The whites aboard are scared, or mad, or both. Everybody's uptight. You constantly hear blacks saying, 'When we take over . . . when the revolution comes. . . .' "

Much of the hesitation to enforce discipline against blacks represents a fear of political and promotion consequences. The appellation "racist" is easily applied but hard to outgrow in the service today; it can be the kiss of death to promotion. Blacks who are disciplined may use this semantic blackmail against their superiors, or they seek relief from just punishment by writing to their congressman, or organizations such as the American Civil Liberties Union. The inevitable result is a "rocket" from Washington which requires answer, even if the disciplinarian is not reversed. The CO who tries to keep his justice evenhanded—black or white—may not be supported in his efforts. "A white man is really afraid to tell a black he has screwed up," a Sixth Fleet CPO said.

2. *Lowered recruiting and training standards, a "quota system" and a rapid turnover in personnel.* The all-volunteer service and a quota of black enlistments pressured the Navy into recruitment measures which have contributed materially to its recent state of woe. Despite the Nixon administration's avowed opposition to quotas as a discriminatory way of achieving equal opportunity, the Navy's recruitment goals for the fiscal year ending June 30, 1973, were established at 12 percent black, 6 percent other minorities.

With the draft scheduled to end on the same date, and with an equal-rights-for-women amendment to the Constitution pending, the Navy intensified its drive for black recruits. Enlistment standards had been lowered in the 1960's to permit recruitment of high-school dropouts and men with the equivalent of a sixth-grade education. Some of the advertising appeals and recruitment methods were dubious. They often made impossible promises, actual or implied.

Now emphasis shifted to numbers, not quality. During one six-month period, more than a quarter of the enlistees were from Mental Group IV, the least educated and scoring lowest in qualification tests. Many had only rudimentary knowledge of mathematics and English in a service where technical analysis and effective communication are essential for promotion. Recruitment of large numbers of Group IV personnel was doomed to failure. Experience in World War II, Korea, and since had shown that these men rarely pull their weight and account for a hugely disproportionate percentage of the Navy's disciplinary problems.

At this critical juncture the Navy's three "boot camps" or recruit training schools at Great Lakes, Illinois; San Diego, California; and Orlando, Florida, reduced recruit training time from the prior nine weeks (it used to be eleven) to seven weeks. Done to accommodate a new three-year enlistment program, it was, all agree, a failure.

The naval training stations reflect much of the same permissiveness as the rest of the Navy. They are rarely tough and hard. Many CPOs refer to them scornfully as "charm schools." Some of the recruits themselves have complained about the looseness of the boot camps. "The hardest thing I had to do at Great Lakes," one sailor said, "was to fold my skivvies."

Spurred by congressional and public criticism after the riots and mutinies of 1972 and 1973, the Navy is now remedying the enlistment mistakes of a year ago. Enlistment standards have been raised. The percentage of Group IV enlistees is dropping sharply. Today those enlistees accepted come from the upper portion of the group, are high-school graduates, and most of them are qualified for some form of technical training. The Navy's boot camps have returned to a nine-week training cycle, with increased emphasis on military discipline, naval traditions and shipboard training.

But the Navy's manpower problems are not over. In the last six months of fiscal 1973—when there were no draft calls—the Navy was able to enlist only 83 percent of its needs. And despite the fact that its total strength is being sharply reduced, it ended the year more than 8,000 men short of authorized strength. With the hot breath of the draft no longer a factor, there is a real question whether the Navy can recruit enough men of high quality.

Equally important, the Navy is having a tough time keeping men aboard once they have served a single term. All sorts of inducements to persuade men to reenlist, to induce suitable junior officers to make a Navy career, are being tried. Congress has approved a reenlistment or extended tour bonus—which for critical or highly important specialties can reach as much as $15,000—are offered to each qualified officer or man who signs on for another term after his first term of duty expires. The retention rate of first-term enlistees—only 10.3 percent in 1970—has risen, as a result of all these measures, to a respectable 23 percent in fiscal 1973.

Yet retention rates do not adequately reflect the personnel situation in the Navy today. Many of those who chose to stay in the Navy were not nearly as qualified as many of those who got out. Many who leave the Navy are influenced in their decisions by the red tape and delay and the judicial leniency now prevalent in military disciplinary procedures. Many feel that legalisms tend to pervade the services' administration of justice—and, in turn, reflect the sense of permissiveness which permeates the fleet and the nation today. Theft, a crime corrosive to any structure of teamwork, is pervasive, and the use of marijuana and soft drugs is so frequent, even aboard ship, that in one Sixth Fleet ship a brig annex, three times the size of the original brig, has been created to house offenders. Psychological rewards—the sense of a job worth doing and a job well done—are too often missing in today's Navy. Many junior officers, long-term CPOs and first-class petty officers—many with years of service at stake—want "out" as soon as possible. Time and time again, man after man said: "I'm getting out just as soon as my twenty years are up."

3. *The erosion of military justice.* The Uniform Code of Military Justice, which governs the disciplinary procedures of all the services, replaced the far stricter "Articles for the Government of the Navy" in 1951. The reforms were needed, and unfortunately, the code introduced some of the same legal delays, red tape and paperwork that have tied up our civilian courts.

The Navy, however, could live with the Code of Military Justice, but many officers feel its provisions and, above all, its intent are being watered down, sometimes by congressional pressures, but most of all by what Colonel Robert D. Heinl, Jr., U.S. Marine Corps (retired), has described as a "wide-ranging though little-noticed series of legal challenges brought mainly by radical lawyers and consistently sustained by libertarian civilian courts."

In a comprehensive review of many court rulings of the past six years, Colonel Heinl, writing in the *Detroit News*, points out that—despite explicit constitutional authority for a separate and distinct system of military justice (Congress is charged with making "rules for the government and regulation of the land and naval forces")—continuous legal challenges and rulings have sought "to impose literal application of the libertarian and egalitarian provisions of the Constitution upon the Armed Forces which, in their nature as institutions, cannot tolerate or coexist with libertarianism or egalitarianism."

Repeatedly, civilian courts have overturned military decisions and have forced honorable discharges—with veterans' benefits—for servicemen who had been convicted of criminal, subversive, or seditious acts. In 1969 the U.S. Supreme Court, in a shocking judgment which reversed 200 years of precedents, held that military courts-martial should not try uniformed personnel for "civilian" offenses. As a result, a convicted former Army officer serving thirty years in Leavenworth for multiple offenses of rape, sodomy and burglary was released, presented with a check for $50,000 worth of back pay and, over the unavailing protests of the Army, put back in uniform.

The U.S. Court of Military Appeals, the highest court of the military legal ladder, composed entirely of civilian justices, has echoed some of the bizarre judgments of civilian courts. It has ruled, for instance, that an officer who drew bad checks to pay gambling debts committed no offense and that a convicted Vietnam private who lobbed a live grenade into a sergeant's hut should be freed because his counsel did not introduce character witnesses.

Theft, almost nonexistent in the old Navy when military law permitted the immediate bad-conduct discharge of a proven thief, is now a fairly general problem both afloat and ashore. Its effects are obviously corrosive to the development of teamwork so essential to any military society. As a chief in a Sixth Fleet ship put it, "the kids can't leave anything lying on their bunks."

Drugs, as well as theft, are another pervasive problem in all the Armed Services. Happily, in the Sixth Fleet, the use of hard drugs is rare, but marijuana, pep pills, hashish and amphetamines are an almost universal part of the naval scene. Intermittent spot checks, body and locker searches and special inspections—even aboard fighting ships—by dogs trained to sniff out narcotics, are some of the control measures tried, all of them handicapped by aberrant court decisions (one of which freed two confessed drug-running soldiers who had been detected by a dog). One ship in the Sixth Fleet has had to triple the size of its detention facilities for a "brig annex" to house sailors found guilty of possessing or using marijuana.

Another aspect of the watered-down code: the red tape and delay on most disciplinary procedures and light court-martial sentences, which often bear no relationship to the seriousness of the crime. Legalisms and judicial leniency have also influenced many COs to overlook offenses which might normally have been punished; the personal records of individuals often do not adequately reflect disciplinary infractions.

Thus, the Navy of today is in crisis. Too often, there is lacking that "conviction of excellence" the late Fleet Admiral Ernest J. King defined as the kernel of morale. Indeed, spirits were so low among embattled command rank officers in the Sixth Fleet that Vice Admiral Gerald E. Miller felt constrained to issue a special order early in 1973 reaffirming his faith in these men. But there *are* bright overtones in this somber picture.

First and most important, the majority of the Navy's personnel—white and black—are sound; the misfits, the militants, the malcontents and the oddballs are a minority. *Properly screened and selected*, the young recruit of today has assets his forefathers never had—a much better technical education and therefore a capacity for grasping the complex details of a highly technical profession. "I find it hard to keep up with them," a chief said. "These kids will get in a week what it takes me a month to master."

Second, there are some—though inconclusive—indications that the Navy's slump in morale and discipline *may* have "bottomed out." The shock of last year's mutinies and the determination of a few courageous commanders to cope with the growing chaos in the fleet let to somewhat sterner measures and perhaps a reversal of recent trends. The Navy's recruiting command has been reorganized, and more careful screening is being stressed. Basic training is more thorough than a year ago.

Not all ships are affected by the malaise of the fleet. A good captain can usually foster a "happy ship." Aviators and submarine crews—both very carefully selected, both with a sense of dedication to their jobs, both keyed to teamwork—are so far relatively immune to the deterioration around them.

But it is always harder, in the Navy's phrase, "to walk the cat back" when discipline has once been relaxed and morale has declined, especially since heavy pressures on the side of still more permissiveness are being exerted.

The first and fundamental requirement in the renaissance of the U.S. Navy is public support. We must understand the fundamental purpose of a navy—to deter war, to protect our vital interests and to win battles. Neither the Navy nor any of the other military services can be a social science laboratory and still retain combat effectiveness.

To win public support and to restore that sense of excellence which is the key to all morale, the Navy must clean its own house. It must restore the high-spirited, wise leadership it has usually had in the past, leadership dedicated to holding the line against unwise congressional and bureaucratic, political and sociological pressures; leadership that puts first things first: a disciplined, dependable and effective fleet.

This leadership must stress selectivity and quality of personnel—not quotas or quantity—it must rigorously eliminate the malcontents, the radical militants, the disgruntled time-servers and the misfits. It must stress one standard for white *and* black. As Rear Admiral Samuel L. Gravely, Jr., the first of the Navy's two black admirals, said some time ago, "Equal opportunity should mean just that and nothing else."

Above all, the Navy must stand firm against any further civilianization of the Code of Military Justice. Military justice must be *military*—a disciplinary prop. A clearcut ruling by the Supreme Court that would put up a "No Trepassing" sign around the military justice system would greatly aid in preventing the continuous erosion of the system by the encroachments of the judicial branch.

The Hicks report put the problem in a nutshell:

"Discipline is the keystone of the Armed Services of any nation. If discipline collapses, a military force becomes a leaderless, uniformed mob, capable only of accomplishing its own destruction."

There is not, there cannot be, there never will be a so-called "democratic army or navy." There can be a navy of a democracy, but it must be composed of proud, high-spirited young men who expect and welcome a structured life of discipline tempered with humanitarianism, and who recognize that wearing the uniform entails special obligations, duties, laws and restraints as well as privileges. A sense of excellence, pride of service and fidelity to authority must be once again emphasized in the "New Navy" of today and tomorrow.

The deterioration of our Navy has gone so far that a time of decision has been reached. The Navy quite possibly can survive the assaults upon its budget, its size, the reduction in its strength and even the petty and narrow economies that tend to hobble it. But it cannot survive the assaults upon its soul.

RESOLUTIONS MEMORIALIZING THE CONGRESS OF THE UNITED STATES TO ENACT LEGISLATION FOR THE PROTECTION OF THE MASSACHUSETTS FISHING INDUSTRY

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. HARRINGTON. Mr. Speaker, it seems to me that saturation fishing methods used by huge foreign fishing fleets threaten the destruction of an important national resource as well as continued employment for fishermen. On March 21, 1974, the Massachusetts House of Representatives adopted a resolution urging the Congress of the United States to enact the Studds-Magnuson bill (H.R. 8665) to help relieve this dangerous situation.

H.R. 8665 provides for the extension of the jurisdiction of the United States to 200 miles over certain ocean areas and fish, pending the Law of the Seas Conference and some international agreement to protect the fisheries of all nations. Open hearings on this bill are scheduled on May 2 in Portland, Maine, and on May 3 in New Bedford, Mass.

At this point, Mr. Speaker, I insert the resolution adopted by the Massachusetts House of Representatives in the Record for the information of my colleagues:

Resolutions Memorializing the Congress of the United States To Enact Legislation for the Protection of the Massachusetts Fishing Industry

Whereas, Valuable coastal and anadromous species of fish and marine life off the shores of the United States are in danger of being seriously depleted and, in some cases, of being extinct; and

Whereas, Stocks of coastal and anadromous species within the nine-mile contiguous zone and three-mile territorial sea of the United States are being seriously depleted by foreign fishing efforts beyond the existing twelve-mile fisheries zone near the coastline of the United States; and

Whereas, International negotiations have so far proved incapable of obtaining timely agreement on the protection and conservation of threatened species of fish and marine life; and

Whereas, There is further danger of irreversible depletion before efforts to achieve an international agreement on jurisdiction over coastal and anadromous fisheries result in an operative agreement; and

Whereas, It is therefore necessary for the United States to take interim action to protect and conserve overfished stocks and to protect our domestic fishing industry; and

Whereas, These findings adversely affect the future of the Massachusetts fishing industry and the health and welfare of its people; therefore be it

Resolved, That the Massachusetts House of Representatives respectfully requests the Congress of the United States to enact legislation known as the Studds-Magnuson Bill (H.R. 8665), an act to extend on an interim basis the jurisdiction of the United States over certain ocean areas and fish in order to protect the domestic fishing industry; and be it further.

Resolved, That copies of these resolutions be forwarded by the Clerk of the House of Representatives to the President of the

United States, the presiding officer of each branch of Congress and to each member thereof from the Commonwealth.

THE INDEPENDENT GAS DEALER'S ECONOMIC DEMISE

HON. FRANK J. BRASCO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. BRASCO. Mr. Speaker, not too many Americans have noticed it amidst all the sound and fury, but the major oil companies have been able to attain virtually every goal they have sought. This includes higher prices for gasoline, fuel oil, and natural gas, which they possess near-monopoly control over, at least as far as the Federal Trade Commission is concerned. One of their other goals, elimination of competition in the retail gasoline field, is being methodically pursued by the major oil corporations, with a significant degree of success.

Many of us will remember the cutrate gasoline station on the near corner, where with a minimum of frill and a maximum of economy, we could obtain excellent gasoline at reasonable prices. As a matter of fact, gas stations controlled by the major oil companies were losing the competitive struggle against their cost-cutting competitors. Between 1960 and 1972, independent and non-major-brand discount gasoline stations increased their share of the retail market from 10 to 25 percent.

Operators of outlets owned and controlled by the majors lead a precarious existence, if anyone thinks they enjoy any modicum of security. Economic vassalage is more the accurate term to utilize in their case. The majors will often build another station to compete with their own franchise holder a short distance away. Should the major oil company decide to adopt some merchandising gimmick, such as trading stamps, which are a totally parasitic enterprise, the retailer operating the company station must adopt the venture and pay its cost off the top. Often, this is inflicted upon the reluctant franchises through coercion, couched in terms of do it or lose your franchise because of this clause in the fine print allowing us to do just that.

As a result of all this, plus still other factors, the independent stations grew more and more competitive. In some States, such stations accounted for one-third to close to one-half of all gasoline sales until the recent gasoline shortages, which I believe were largely contrived by the major oil companies through their control of the distribution, refining, and shipping network.

How did these small stations, many of whose operators I have come to know, attain such success and serve the public so well? It was a simple and unadorned method, featuring a straightforward pitch to consumers conscious of costs. Automotive services were cut to a minimum. High volume gasoline operations were their norm, complete with 24-hour service. Such independents were therefore able to sell gas for from 2 to 6 cents per gallon less than going prices at stations run by big oil.

Big oil responded by refusing to compete and offer consumers lower prices for gas. Instead, marketing firepower became the order of their day. New stations, heavy ad campaigns, credit cards, trading stamps, gifts and games, all costing operators of stations and consumers more, were their response. It did not work, because consumers wanted economy. They sensed what the peripheral services were costing them at the pumps. A hike of 1 cent per gallon means $1 billion more for big oil in a year.

Then came the energy crunch, and major oil companies capitalized on the chief weakness of the independents—their place on the bottom of the gas distribution chain. Independents do not refine their own crude oil, instead buying it from independent refiners and smaller oil companies. These in turn depend upon the majors for supplies: Exxon, Gulf, Mobil, Texaco, Standard of California, Shell, BP, and ARCO, who control, according to the FTC, 70 percent of all our refineries. Turning off the spigot at the top by big oil resulted, starting last summer, in the closing of some 4,000 independent gas stations. At every point in the shortages, big oil took the opportunity to wipe out as many as possible of these enterprises. Simultaneously, curious to note, they continued their program of construction of cutrate stations from which to sell their own secondary or house gas brands.

As the independent operators are replaced by big oil-owned outlets, cutrate gas will become a thing of the past. The majors are aiming at what is for them the ideal situation—fewer but larger high volume stations owned by them, featuring gas at premium prices.

The Federal Trade Commission notes that the crunch has presented big oil with a chance to do what they have long wanted to accomplish: Eliminate price-cutting independents totally. According to the FTC—

> The major integrated oil companies are . . . taking advantage of the present shortage to drive the only viable long-term source of competition, the independent marketer, out of market after market.

In the long run, there must be a major reduction in the majors' control of refining capacity. Senator HART's bill to construct seven oil refineries for sale to the public seems a viable alternative. The proposal to bring into being a national oil and gas corporation along the lines of TVA would seem to be the only way of guaranteeing a supply of crude to such refinery facilities. We know, for example, that the major oil companies have deliberately held back on building oil refineries in the United States because they have had so much to gain from building such facilities abroad. Our tax system has guaranteed them a financial break if they follow such a policy, and they have taken full advantage of this.

Congress can and should act to break this monopoly control. The measures are in committee and should be brought to the floor. If no action is taken, then the oil majors will not only make more money and keep it, but they will also be able to build their existing monopoly structure into a stranglehold which will grievously harm every single American citizen.

A PAUSE THAT REFRESHES

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. DULSKI. Mr. Speaker, on a beautiful spring day like this, it is appropriate to pause in the midst of the pressures of world problems and the demands of domestic crises to reflect on some of the joys around us.

News reports today indicate that since the fuel shortages eased, visitors to the Nation's capital have been increasing. As we know, they will find a lovely city, despite its faults, with a wealth of historical background and significance.

Recently, Peter C. Andrews, Washington correspondent for the Buffalo Courier-Express, described the pleasures his family discovered at the Jefferson Memorial, and I would like to share his article with my colleagues:

JEFFERSON MEMORIAL BEAUTIFUL ON A MAGIC SPRING DAY

(By Peter C. Andrews)

It was one of those magic spring days that comes once every few years in Washington. The cherry blossoms were at their most luxuriant, delicate peak, with a gentle breeze wafting occasional petals down gently to the new spring grass coming up in renewed glory around the Jefferson Memorial. The sky was blue with just a few pleasant clouds to break the monotony. The sun reflected off the dappled surface of the Tidal Basin like so many little diamonds.

I was meeting my family and some friends for a picnic lunch under the blossoms. I was early and spent the time chatting with Robert Lipton, the National Park Service guard at the memorial. A former advertising man who left the hectic ulcer race for the more tranquil life of the Park Service, Lipton was a veritable treasury of facts about our third President and his monument.

Both the monument and Jefferson celebrate anniversaries next Saturady. The monument was dedicated 31 years ago, and Jefferson was born exactly two centuries before that. The 18-foot-high bronze statue of Jefferson was completed by sculptor Rudolph Evans on July 4, 1939, the anniversary of Jefferson's death in 1826.

"Jefferson really hung onto life." Lipton mused. "He started dying on July 1, but he was determined to live to see the 50th anniversary of the signing of the Declaration of Independence on July 4, and he made it. He was 83 years old. Our second President, John Adams, died on the same day, so both lived to see that historic occasion."

Like a lot of things these days, the Jefferson Memorial cost more to build than originally estimated. Congress appropriated $500,000 for the memorial in 1934, but actual work on the structure did not begin until 1938. The intervening four years were spent in bickering about selection of contractors, who would design the building and who would be the sculptor of the statue. When the job was completed the total cost was about $3 million.

Evans was a local Washington sculptor and won out in the selection process over 101 sculptors from all over the United States and abroad. He was not a total unknown, however, since he had already executed several statues in Statuary Hall in Congress, including the statues of Robert E. Lee and William Jennings Bryan and the bust of James Fenimore Cooper. Although he received only about $17,000 for the work, he was delighted to receive the commission as a patriotic gesture.

The architect of the building, John Russell Pope, who also had designed the National Gallery of Art, came in for a lot of criticism, some of it from disappointed competitors whom he had beaten out on the job and some from politicians. The oratorical Sen. William Borah of Idaho, when he saw the design with its many columns, called it "the Temple of the Winds." Architect Frank Lloyd Wright called Pope "Old Domehead" because of his use of a dome similar to that on the National Gallery and—although Wright did not mention this—similar to the one Jefferson himself had designed for his home at Monticello. Wright also called the monument "the most classic men's room in the city."

No matter what Wright and others said about it at the time, the Jefferson Memorial is today one of the most beautiful and most photographed and beloved landmarks of the nation's capital.

The number of daily visitors is a fairly steady 4,000 to 6,000 year-round, Lipton said, although perfect days when the cherry blossoms are out and the sun is shining bring out crowds of up to 20,000 in a single day. After President Kennedy was assassinated, the crowds were bigger, averaging about 15,000 a day, but that had now dropped off.

Perhaps the best indicator of the affection and regard for the monument is that there have been only two minor cases of vandalism at the memorial in the last decade, and both of those were names written with felt-tip pens on the columns and were easily cleaned off.

Anyway, it was a beautiful day and a beautiful setting. We had a beautiful picnic. I think I'll go back there for his birthday Saturday.

AGE IS IN THE MIND

HON. GOODLOE E. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. BYRON. Mr. Speaker, Congress has initiated several studies relating to the elderly over the years and I think this editorial from the Emmitsburg Chronicle aptly points to the need for us to be flexible in determining the ideal retirement age.

EDITORIAL

The grim category of "middle age" used to officially catch up with people sometime in their 40's, but it might now be said that 40-year-olds seem to be getting younger and younger every day.

Middle age may not mean tired blood and spreading waistlines after all, and for those who think it does, a solution might be found in the old "mind over matter" philosophy.

A news report out of San Francisco tells of a gentleman who passed away at the age of 106. He took his last job as a waiter at the St. Francis Hotel at the age of 80 and worked there for 25 years until his retirement at the age of 105.

He liked to run seven miles every day, and three years ago polished off the 100-yard dash in 17.3 seconds.

Bored after retirement, he took a job as a goodwill ambassador for a temporary help employment agency.

Maybe there is hope for us in this early-retirement day and age. Flexibility of the retirement age of 65 may be the key to happiness for those who wish to continue working. Even if they don't run to work, there is a lot to be said for the spirit of sixty-sixers.

LEAGUE OF UNITED LATIN AMERICAN CITIZENS, PARAMOUNT COUNCIL NO. 357 OF PARAMOUNT, CALIF.

HON. CHARLES H. WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. CHARLES H. WILSON of California. Mr. Speaker, on the forthcoming occasion of their annual scholarship award banquet to be held on May 4, 1974, I wish to salute the members of the League of United Latin American Citizens, Paramount Council No. 357 for their outstanding humanitarian work on behalf of their fellow men, women, and children.

Under the capable leadership of its president, Mr. Art Salazar, Paramount Council No. 357 has amassed a remarkable record of accomplishment in making the world a better one in which to live. Its main objective is education, for the members of LULAC feel that equal opportunity and excellent instruction are necessary if our children are to become responsible and concerned citizens.

The Paramount LULAC Council concentrates heavily on seeing that education is given and that scholarship will excel. In the past, their members have helped approximately 50 students attend the college of their choice, and at present 12 students attend various colleges in the Los Angeles area because LULAC has helped them financially. In recognition of its achievement, the council has received the Rick Telles Education Trophy upon three occasions at the LULAC National Convention; and, because of this outstanding record, is now permitted to keep the trophy permanently.

The Paramount LULAC's annual Christmas party for underprivileged children is widely supported by businessmen and women throughout the country. The event has been so well received and successful, that what started with 50 children grew to a record 500 last year. In the truest Christmas spirit, it is a program looked forward to enormously and enjoyed by all.

In addition, families who meet with hardship can look to this council for financial help when such need arises. Funds for the local church are raised every year. A foreign exchange student from Mexico is always in residence in the area, and the council is committed to raising funds to help cities in need in southern Mexico.

The council also focuses attention on social programs on the civic, State, and national levels and is involved with the city council, the board of education, the Paramount Involvement Corps, the health clinic, and various schools in the district. Community affairs have the council's continual attention. In fact, the Paramount Health Force was formed by a member of the council, Mr. Le Roy Peason, who has been chairman of the group for 2 years. It was through his unstinting efforts that the Paramount Health Clinic was acquired, a facility which is constantly growing in size and services to the people.

Delegates are always sent to district, State, and national LULAC conventions, and the council president, Art Salazar, serves as State Treasurer of LULAC.

One of the members, Paul Garcia, was selected National Man of the Year for his outstanding work in the community and involvement in the league at all levels. In 1970, President Art Salazar was selected California Man of the Year for his outstanding achievements in the league and throughout the country. Another member, Jess Vella, is a past national vice president while Margret Pacheco is a past member of the National SER Board of Directors, a program federally funded for manpower training.

The LULAC motto is "All for one, one for all." They ask to be judged by what they do and not what they simply say they will do. The record is there for all to see.

I am personally proud to have such a committed and conscientious group within my district and feel a great sense of respect for each and every one of these fine citizens.

FORD FOUNDATION ENERGY PROJECT: SUGAR COATING INSTEAD OF STRAIGHT TALK

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. FRENZEL. Mr. Speaker, this month, the Ford Foundation's energy policy project published a preliminary report, "Exploring Energy Choices."

The report, according to its introduction, uses as its major tool for analyzing energy policy options, three descriptions or scenarios of the future. These scenarios are called Historical Growth—3.4 percent; Technical Fix—1.7 percent; and Zero Energy Growth—achieves zero percent growth in mid-1980's.

It may, and probably will be necessary to try to fit the growing and sprawling American economy, into one of these modes for the future. But the problem with the Ford report is that it makes, or tries unsuccessfully to make, each of them look attractive and easy. To use the words of a dissenting advisory board member's remarks:

> The clear implication of the report is that we should delay the development of additional energy supplies on the assumption that they will not be needed, because we can reduce our use of energy.

HISTORICAL GROWTH

The report notes that energy use in the United States has been increasing "at slightly more than 4 percent annually." To get a lower use increase, Ford stretches its historical base back to 1952 and comes up with an average increase of 3.4 percent—at least 15 percent less than our recent history. Ford assumes no Government policies to change energy habits and states that domestic resources alone, aggressively developed, can meet this demand. I believe the demand assumption is seriously understated, and I have little confidence in the supply assumption. The Historical Growth Scenario seems to me to be not historical at all. Instead, it is a "fix" which would require heavy Government manipulation of both demand and supply.

TECHNICAL FIX

The technical fix—growth of 1.7 percent—"reflects a determined conscious national effort to reduce demand for energy." It surely will, but Ford has buttered up this scenario by telling us it provides a quality of life little different from the historical growth mode. "Little different" means one-third less energy in the year 2000. One-third less energy also means sharply reduced quality of life, unemployment, and a changed life style.

ZERO GROWTH

Zero growth is described as a "real break with our accustomed way of doing things". But the Ford pollyannas say it does not represent austerity. Maybe so, but it quacks like a duck and, without benefit of Ford's rosy glasses, it looks like austerity to me. It also looks like wholesale unemployment, and the dampening of aspirations for a better life for millions of our citizens.

It is not so bad that the report does its best to put down nuclear energy—on which we must rely for much of the growth of electrical generating capacity over the next 25 years. It is not so bad that the supply sources are overestimated and demand is underestimated. What is really bad about the report is that it says we are going to enjoy going without the energy we want. It is a little bit like telling people that depressions are really fun, because they build character.

The Ford energy project is off to a bad start, because we desperately need straight talk on energy. We have not had much of that yet from politicians and oil companies. It is a shame we can not get it from the Ford Foundation either. Sad commentaries on the preliminary report is that it looks as though it were written by politicians, and that some of its best stuff is in the nonconcurring statements of advisory board members.

The report is soft soap with a sugar coating, but it still tastes like soap.

YOUR STATE FLAG

HON. EDWIN B. FORSYTHE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. FORSYTHE. Mr. Speaker, as the celebration of the American Bicentennial draws near, all of us should become more aware of the tradition and heritage of our 50 States. Each is a part of the Union, yet each is unique in its history and in its contribution to our heritage.

John Robert Gebhart, of Cherry Hill, N.J., has compiled a book which preserves the history and background of the States by providing the history and symbolism of each of the 50 State flags. "Your State Flag," published by Franklin Publishing Co., Philadelphia, is organized chronologically by date of statehood. Each entry includes a full-page color photograph of the flag's design, one or two paragraphs of historical information, and a list of the State bird, flower, tree, colors, song, name, and origin. There is also an appended list of those who designed each flag and a brief bibliography.

I would highly recommend "Your State Flag" as an excellent reference book and a valuable addition to any library.

SLOW MOTION IN WASHINGTON

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. HANRAHAN. Mr. Speaker, with the House Judiciary Committee investigating all the charges pending against the President and everyone so concerned over the serious matter of impeachment, I wish to insert this article from the Chicago Tribune for the benefit of my colleagues:

SLOW MOTION IN WASHINGTON

The House Judiciary Committee's deadline for receiving additional tapes and documents sought in connection with its impeachment investigation has come and gone, and nothing has been delivered. Instead, President Nixon's special counsel, James St. Clair, said he had been "directed" by the President to say that a review of the material is under way, that it will be completed "by the end of the Easter recess" [April 22], and that "the material furnished at that time will permit the committee to complete its inquiry promptly."

This elusive response aroused members of the committee to predictable anger. Several Republicans who have hitherto been cool to subpenas and impeachment are wavering. It is hard to believe that in more than a year of screaming controversy over Watergate and related matters the White House has not gotten around to reviewing just about everything in its possession which might be relevant.

Once again, there is a vague promise to produce something—we're not told just what—at some time in the future; and once again there is the familiar suggestion that this something is all that is needed to satisfy the committee and enable it to finish up its work "promptly" and presumably forget about impeachment.

Every effort thus made by the White House in the past to brush aside the scandal has instead raised new questions and intensified the zeal of the President's critics. Mr. St. Clair's latest message seems almost calculated to taunt the committee.

Surely all of this must be perfectly clear to Mr. St. Clair, a skilled and experienced lawyer. And altho Mr. Nixon has been isolated from reality and fed bum advice by his staff in the past, he, too, must realize now that the course of events is being determined not just by the Judiciary Committee, but by an increasingly exasperated public opinion.

What, then, can be their motive in deliberately provoking the committee's wrath? Is there still a hope that the captain's bridge can ride out the storm while the rest of the ship founders beneath it? If so, something will have to happen pretty soon to satisfy the country or divert its attention.

Is the purpose to provoke the committee itself into behavior so rash as to discredit it in the eyes of the public? If so, at least one Democratic committee member, California's Jerome Waldie, seems to be stumbling into the trap with his belligerent talk of impeachment and his demand that the committee "no longer tolerate" the President's "contemptuous attitude." Mr. Waldie's halo was already badly dented the other day when one of his assistants showed up in Federal Court asking for copies of an indictment which, it turned out, had not yet been returned. Evidently Mr. Waldie or his assistants had been illegally siphoning information out of the special prosecutor's office.

Fortunately most of the committee members and staff have behaved well. To their credit, the Democrats on the committee agreed—before receiving Mr. St. Clair's message—to let him sit in on the impeachment inquiry. This is a right that a prospective defendant does not enjoy in ordinary indictment proceedings but which, in the present instance, seems quite justified in order to protect Mr. Nixon's interests and prevent the slightest hint of a lynching party.

The longer the committee maintains its dignity and composure, the more certainly the White House will have to recognize that the tactics of delay and evasion will not work and that more sincere evidence of the promised cooperation is necessary.

AN IMPORTANT CONTRIBUTION TO EXPO '74

HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. BELL. Mr. Speaker, on May 4, a new World's Fair, Expo '74, will open in California's fellow State on the west coast, the State of Washington, and in the beautiful city of Spokane. The theme is the environment, a vital one to all of us.

It is fitting that the Federal Government has underwritten a motion picture concerned with our national environment today, to be premiered on one of the three largest screens existing in the world, erected in the fabulous U.S. Pavilion constructed on the site of Expo '74.

This IMAX film, appropriately titled "Man Belongs to the Earth," is being presented by the Department of Commerce. It certainly is one of the most impressive and important motion pictures ever supported by the Government.

Paramount Pictures, a major motion picture producer from the era of silent films to the present day, produced "Man Belongs to the Earth," through its Paramount Communications Division, which in its own field has won more than 50 international awards.

This organization previously has produced noteworthy subjects for the U.S.

Treasury Department, the American Cancer Society, the Internal Revenue Service, the U.S. Office of Economic Opportunity, the State of California, and for a number of leading U.S. cities.

To film "Man Belongs to the Earth," a Paramount crew labored for more than a year and traveled to States throughout the country, including Hawaii and Alaska. They went into cities large and small, onto the desert and the ocean, over streams and into the mountains.

What finally has been put onto film, to be viewed at Expo '74 on a screen 60 feet high by 90 feet wide, is an exciting, spectacular, and thoughtful visual representation of our environment. It speaks out about the problems that confront us, and about some solutions.

From its opening scenes over the Grand Canyon to a closing sequence in Monument Valley, the IMAX camera, a technical marvel, presents a breathtaking panorama of scenic wonders throughout the United States. It ranges over the rolling hills of Wyoming, Montana and North Dakota, across cities like Denver and Los Angeles, and follows the bald eagle, our national symbol threatened with extinction, to Alaska, the alligator to the Okefenokee Swamp of Georgia, the whooping crane to the Arkansas National Wildlife Refuge in Texas, the sea otter to the Monterey coast of California.

It takes viewers on a thrilling raft ride down the rapids of the Colorado River, and puts them in ringside seats to observe the frightening battle to extinguish an oil well fire in Casper, Wyo.

There is beauty, and there is also the devastation wrought by smog, by pollution and by man.

As James Whitmore, the fine actor who narrates the film, says at one point:

> We're the problem—but if we put our minds to it, we can be the solution. We've just got to decide the kind of world we really want.

Chief Dan George, another notable personality and performer, appears in "Man Belongs to the Earth" and sums it up perfectly while standing in the lush Quinault Rain Forest of Washington's Olympic National Park. He says:

> Everything that lives on Mother Earth is precious. Even the grass that grows we shouldn't destroy. The trees, we shouldn't destroy. They've got life. They've got life from the breath of the Great Spirit. That's what I want my children to see, the way Mother Earth was given to us. That's the way it should be.

Chief Dan George and James Whitmore are to be commended for their part in this fine endeavor. So, too, are those responsible for the production, including Frank Yablans, president of Paramount Pictures; Robert C. Peters, vice-president of Paramount Communications Division and the film's executive producer; Roman Kroitor, producer, and Graeme Ferguson, producer, director and photographer.

They can be proud, as can the Department of Commerce, of a most worthwhile as well as entertaining contributions to the success of Expo '74.

THE FINANCIAL STATUS OF REPRESENTATIVE ELIZABETH HOLTZMAN

HON. ELIZABETH HOLTZMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Ms. HOLTZMAN. Mr. Speaker, I believe deeply that elected officials must observe the highest standards of honesty.

One of the best ways of insuring integrity in government is to provide the voters with the facts regarding each Representative's financial dealings—so that the voters can prevent dishonesty and conflict of interest when they go to the polls.

For this reason, I am making the following financial disclosure which I believe will enable the voters of my district to judge how I have discharged my public trust. I am pleased that my disclosure follows the guidelines suggested by the New York State Congressional Delegation.

I also wish to add that I resigned from my law practice before I took my seat in Congress and will not resume law practice while I am a Representative.

Financial Status

NON-CONGRESSIONAL INCOME

In 1973, my income from non-Congressional sources is as follows:

Lecture and Writing Fees, $3,250.00.
New York Times, "Op Ed" Page.
Brooklyn Law School.
Washington D.C. Chapter, Federally Employed Women.
North Virginia Chapter, Federally Employed Women.
Queens College Student Activities Fund.
Richmond College Student Activities Fund.
National Organization for Women (NOW) Chicago.
The Brookings Institution.
North Shore Unitarian Womens Federation.
American University.
Barnard College.
Georgetown University.
92nd Street YMHA, New York City.
National Broadcasting Company, "Not for Women Only".

UNSECURED LOANS

I had only one unsecured debt in 1973 which was a personal loan from the Atlantic Bank of New York. The loan was paid in full in 1973.

NON-CONGRESSIONAL REIMBURSEMENTS

Reimbursements to me for expenditures other than from the U.S. Government in 1973 totalled $390.70. These reimbursements were all in connection with speaking engagements. The sources for these reimbursements are:

National Organization for Women (NOW), Chicago.
1973 New York State Legislative Conference of Business and Professional Women.
2 Miscellaneous Reimbursements for travel, each under $100.00.

SECURITIES

I own no stocks and bonds with a total value of more than $25.

TAXES

The personal income taxes I paid for 1973 (contained in my tax returns as filed on April 15, 1974) totalled $6,456.00 and are as follows: U.S. Government, $4,656.00; New York State, $1,421.00; New York City, $379.00.

BUSINESS AFFILIATIONS

I do not serve as a director, officer, or partner (or advisor or manager) of any business entity, foundation or professional organization (of a non-eleemosynary nature).

KENNEDY GIVES SOVIETS A LESSON IN DEMOCRACY

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. LEGGETT. Mr. Speaker, in the course of a speech before an audience at Moscow State University yesterday, Senator Edward Kennedy asked for a show of hands on whether Soviet military spending should be increased, decreased, or held the same. Such straw-polling of audiences is a standard procedure here in the United States; I myself have done it many times.

But the Soviet audience sat in stunned silence, followed by nervous laughter. Apparently in the Soviet Socialist Republics the common people are unaccustomed to being consulted on any matters of national policy. After the question was repeated several times, about half a dozen indicated a desire for less military spending, one indicated a desire for more, and everybody else claimed to feel the present level is exactly correct.

The officials then forced Senator Kennedy to leave, telling the audience, despite his denials, that he was not feeling well. Evidently in the Soviet Union consulting the opinion of the people is considered proof that one is ill.

The affair had certain aspects of low comedy, but I believe that in the perspective of history it will be seen as high drama. In my view, Senator Kennedy performed an enormous service for the Soviet citizens in the audience by giving them a taste of the way things operate in a real democracy, where the people tell the leaders what to do rather than the reverse. They will not forget it, and I expect the story will spread rapidly and widely by word of mouth.

Since there are substantial differences between the New York Times and the Associated Press news accounts, I include them both in the Record at this point:

Kennedy's Opinion Polling Baffles Moscow Audience

(By Hedrick Smith)

Moscow, April 21.—Senator Edward M. Kennedy tried out American-style public opinion polling on an audience at Moscow State University today and drew some hostility from a generally silent audience when he asked for a show of hands on whether the Soviet Union should be spending more or less on defense.

"That's a provocative question," a white-haired gentleman in the third row shouted in Russian, raising his hand as if to stop the proceedings.

"That depends on the international situation," objected a middle-aged woman, speaking English.

AN AWKWARD SILENCE

But the bulk of the audience of nearly 800, totally unaccustomed to being publicly polled without advance warning on such a sensitive issue, sat silently on their hands in awkward confusion and embarrassment.

All but a few declined to be coaxed into voting until the Massachusetts Democrat and a Russian translator had rephrased the question. Then the audience in the hall almost unanimously raised their hands in favor of the present level of spending. Only one man voted for an increase.

The option of voting for a cutback was dropped entirely this time, though on the first abortive attempt to ask that question a dozen or so hands had gone up. One woman enthusiastically raised both arms.

Mr. Kennedy's surprising attempt to sample Soviet opinion on several issues came at the conclusion of a speech in which he appealed for the Soviet leadership to take "magnanimous action" on Jewish emigration to break the deadlock over development of trade.

The Senator arrived Thursday for a week's visit to the Soviet Union, including a scheduled meeting tomorrow with the Communist party leader, Leonid I. Brezhnev.

This afternoon, he met for two hours with Foreign Minister Andrei A. Gromyko, touching on strategic arms control, European security and force reduction, the Middle East, China, Indian Ocean problems, trade and emigration for Soviet Jews.

RAISED EMIGRATION ISSUE

In his university speech, the first ever given on the Moscow campus by a major American politician, the Senator gently raised the question of "the free emigration of peoples" without specifically mentioning Soviet Jews.

He acknowledged the Soviet argument that it was wrong for the American Congress to block lower tariffs and larger credits for Moscow with demands for free emigration, and he took note of "the general increase in emigration that has taken place during recent years."

"I am confident that magnanimous action on the part of your Government would lead the American people to respond as well," he said, offering a vague indication of Congressional action that would satisfy Moscow.

He also advised the Soviet audience that it would not be to their advantage to hope for or encourage a split between the United States and Western Europe because, he implied, it might raise mistrust that "would definitely not promote those conditions needed for our own progress in controlling nuclear arms."

CANDOR A THEME

But a more general theme in his talk was for greater openness, candor and exchange between the Soviet Union and the United States.

When he declared that it was time for both sides "to modify the restrictions on travel within each country by anyone from the other," the simultaneous Soviet translation dropped this passage entirely. When he urged larger student exchanges, the translator rendered this as "when larger exchanges are taking place."

Senator Kennedy had requested the appearance at the university. His coming had not been announced to the 27,000 students. Roughly half the members of selected audience were older than student age, apparently faculty and staff. Lenin lapel pins and Komsomol, or Young Communist League, badges were prominent among the younger people. Some students trying to enter the building were barred though the auditorium had a few empty seats.

The lecture took place at the humanities school, about half a mile from the main university building, where almost all major functions take place and where Angela Davis spoke. When the Senator toured the main building briefly, the section he visited was closed off from the residential wings, students said. Only a few hundred students saw him.

AUDIENCE STARTLED

Although a question-and-answer session was on the schedule, Senator Kennedy startled his listeners when he said he wanted to ask some questions, as he did on American campuses.

He first asked the audience to rate the importance of four major Soviet events—the first manned space flight, victory in World War II, Soviet economic achievements and the victory at the 1972 Olympic games.

The university rector interceded to explain the procedure to the confused audience, listing the choices in a different order—the war, the economy, space and the Olympics. When the polling took place, the war and economy were far ahead.

When the audience got its chance, the white-haired man who had first rebuked the Senator, jumped up to ask "What country in the world is second after the Soviet Union in education, health, housing and so on?" The audience laughed and applauded.

"In many areas," said Mr. Kennedy, "we are spending more and getting less."

KENNEDY IRKS SOVIET HOSTS

Moscow, April 21—Sen. Edward Kennedy was met with silence, laughter and open hostility at Moscow State University today, and then was hustled out of the auditorium by his hosts on the pretext that he wasn't feeling well.

Kennedy had asked the audience of Soviet university students and other spectators whether they thought Soviet military spending should be increased or decreased. His question was greeted first with silence, then with an explosion of laughter.

There is no public discussion in the Soviet Union of defense expenditures, and it apparently struck the audience as bizarre and amusing that Kennedy would ask their opinion.

An elderly man in the audience shook his fist at Kennedy and shouted. "'That question is a provocation." Those near him murmured agreement.

The man then stood up and told the Massachusetts Democrat: "We spend as much on defense as our country requires."

Kennedy, who often asks questions of his American student audiences, then asked the audience to vote by raised hands on which Soviet achievements they considered most important.

Obviously confused, the audience failed to respond.

Finally, after several translations of the question, including one by the rector of the university, a few hesitant hands went up when the senator mentioned the first man in space.

More hands were raised when he mentioned the Soviets' victory in World War II and economic progress.

After conferring with officials on the dais, an interpreter came over to the podium and announced that the senator had to leave because he was not feeling well. "No, no, I'm perfectly all right," Kennedy retorted, but he was hustled out of the auditorium shortly thereafter and taken to a meeting with Foreign Minister Gromyko.

Details of that meeting were not disclosed.

The 600-seat auditorium in the Humanities Building was filled, but many of the spectators were middle-aged or older. The building is off limits unless one has a special pass or permission.

A British professor who teaches at the university said a notice had been posted on the bulletin board last week that the speech was open to students and faculty. But he was not allowed in when he showed his university pass.

In his speech, Kennedy appealed to the Soviet Union to allow Americans to travel more freely within Russia. He said the United States would do the same for Soviet travelers.

Kennedy said Russia should not get upset when its domestic policies are criticized by Americans, an apparent reference to U.S. criticism of the Soviet government's policies on emigration. That policy led Congress to block the granting of tariff concessions and bank credits to the Kremlin.

"In general, I do not believe that one nation should interfere directly in the internal affairs of another," Kennedy said. "But I also do not believe in silence—whether on your part, or on ours.

"I also believe that it does not threaten the integrity of the Soviet state for Americans—or for other peoples—to express their views individually on the evolution of Soviet society."

[Kennedy was the first major American politician to be allowed to speak on the university campus, Reuters reported. He was invited to address the meeting after American exchange students there had suggested he visit them in their dormitories.

[But when he made a brief tour of the skyscraper building's central complex before his speech, access from the dormitory area was blocked off and few Soviet students appeared to be aware that he was visiting the university.]

A PLACE TO DIE

HON. JACK BRINKLEY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. BRINKLEY. Mr. Speaker, I would like to bring to the attention of our colleagues an exceptionally well written article by Mr. Charles Seabrook which appeared in the Sunday, April 21, 1974, edition of the Atlanta Journal and Constitution.

Mr. Seabrook's poignant account of the plights of many terminally ill cancer patients is touching—and, moreover, tragic. Mr. Speaker, I urge all of our colleagues to take the time to read this article, for it reflects a side of this dread disease which does not show up in any statistics.

Mr. Seabrook's article reads:

A PLACE TO DIE—THE TERMINALLY ILL CANCER PATIENT, HIS MONEY GONE, HAS DIFFICULTY FINDING A PLACE TO STAY IN ATLANTA

(By Charles Seabrook)

Among the most unwanted people in Atlanta are dying cancer patients who have been ruined financially by the disease. Hospitals don't want them, and nursing home operators are increasingly reluctant to take them.

As a result, Atlanta's only free home for destitute cancer victims, Our Lady of Perpetual Help operated by the Catholic church, is being deluged with calls from families who are at the end of their financial rope but still want some decent place for their loved ones to die.

"I wake up in the middle of the night trying to decide who to take next," said Our Lady's director, Sister Mary Euchaira.

"We get frantic phone calls every day from families whose financial resources have been wiped out by cancer, and who have exhausted their chances for any possible government medical aid," she said.

Ironically, said Sister Eucharia, Our Lady is being filled more and more with incurable cancer victims in their mid 30s or early 40s—people who are ineligible for government medical assistance.

"It seems a shame, because the young or middle age persons who pay the most taxes reap the least benefit from government medical programs," she said.

"If you're very poor or very rich and have cancer, you will be taken care of . . . but if you're a young, middle-income person, cancer can financially destroy you and your family," she added.

Medicare and Medicaid (government medical assistance for the poor and aged) officials insist that they can help many of the victims, but the regulations governing the programs are so surrounded by bureaucratic red tape that even the officials themselves appear unsure who can benefit, social workers say.

"Many of these people are not helped at all, despite all the talk by the government people," said a worker in Grady Memorial Hospital's social services department.

Grady, which cares for most of the indigent population in Atlanta, has found it increasingly difficult to find places to move cancer patients who can no longer benefit from conventional cancer therapy.

Recently a Grady social worker phoned several Atlanta nursing homes before she found one that would even talk to her about accepting a destitute and dying cancer victim.

"Only about half of the nursing homes in metro Atlanta will accept the terminally ill, indigent cancer patient," she said. "And those that will accept such patients are continually filled . . . because nursing home beds in Atlanta are already at a critical shortage."

Nursing home owners give a variety of reasons why they don't want the dying cancer victim in their facilities.

One administrator said such patients are too depressing for other patients.

Other nursing home administrators say the patients require a demanding type of nursing care that they can't provide.

But most of the administrators cite dissatisfaction with Medicaid and Medicare regulations. They say Medicare and Medicaid reimbursements for taking care of the patients are not enough in line with soaring food and labor costs.

The state reimburses a nursing home a maximum of $450 per month to care for a Medicaid patient. But many homes say it takes more than that to provide nursing care, food, linen, custodial services and other necessary care.

Last week Grady had four patients who were lingering in the hospital, awaiting transfer to a nursing home.

"The hospital has done all it can for the patients, but now it can do no more," said a Grady official. "It costs the hospital almost a hundred dollars a day to keep the patients, not to mention the tying up of a needed bed."

"But as long as they are in the hospital, they will get the best care possible," he added.

At one time a few months ago there were 12 incurably ill patients at Grady, but no nursing homes could be found for them.

"But if we even have one patient that we can't find a nursing home for . . . that's one patient too many," said a Grady social worker.

A major problem at Grady is that if the patients stay more than 30 days in the hospital, present Medicaid regulations make it necessary for the patients to first be discharged, and then apply for Medicaid.

If the person is then accepted for Medicaid benefits, he or she is moved to a nursing home.

"But the problem is that it takes weeks to go through the process of applying, and during that time the patient is hurting, and may die," said the social worker.

However, Jim Demer, head of the Medicaid section of the regional Social Security Administration office, met with Grady workers last week, and both sides are confident that a solution to the problem can be worked out.

Troy Athon, executive director of the Georgia Nursing Home Association, says construction in Metro Atlanta during the next year or so should alleviate somewhat the nursing home bed shortage in the area.

"But even with more nursing home beds, the owners may not want a dying cancer patient, especially those who have no money left," said the Grady worker.

But cancer volunteers in Atlanta say the problem is getting worse, and they see no early end to the situation.

"I wish I could say yes to all the frantic and desperate families who phone here everyday," said Sister Eucharia of Our Lady. "But it is impossible to admit everyone right away . . . our waiting list is three weeks long already."

DR. DAVID W. MULLINS, DISTINGUISHED EDUCATOR AND UNIVERSITY PRESIDENT RESIGNS

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. ALEXANDER. Mr. Speaker, last month one of the great educators of the South and, indeed, the Nation retired after 14 years of service as president of the University of Arkansas. He leaves a vacancy that will be hard to fill and a long trail of accomplishments and contributions which has brought the University of Arkansas through a period of high achievements. Under President David W. Mullins, the University of Arkansas grew to be more than a football team.

Dr. Mullins served the University of Arkansas through a vast growing period. Not only did the Fayetteville campus population triple in size, but the University system, which already included a Graduate Institute of Technology, a medical school and several other facilities in Little Rock, was expanded to include Little Rock University, Arkansas A.M. & N. at Pine Bluff and Arkansas A. & M. at Monticello. It was his responsibility to mold an integrated University system out of four previously separate and diverse institutions.

Dr. Mullins served the University during the period of nationwide student revolts. That this dissent never reached the riotous stages so publicized at other universities is a tribute to the able reactions of Dr. Mullins and the men and women whom he was responsible for drawing to the campus to work with him.

During his administration, the discriminations against black and women students, which had existed since the founding of the University 100 years ago, began to be aired and come to an end. University housing ended racially discriminatory policies and blacks were integrated into many phases of university life, including athletics, previously closed to them. A black studies program was instituted. Women students worked to abolish the countless rules and regulations which separated them from men students and kept them from taking on the responsibility of governing their own lives. Students were included in the decisionmaking structures of the university.

Dr. Mullins recognized the need for respecting individual rights and under him the UOFA abandoned the "in loco parentis" philosophy and allowed students the responsibility of exercising their own individual freedoms. The university concerned itself with education of the total human being.

Under Dr. Mullins, the main campus at Fayetteville also saw a tremendous physical growth: 20 buildings in all, including 7 high rise dormitories, 4 buildings to be used for science and engineering, an administration building, library communications building and student union. In February, the chairman of the board of trustees, Fred Pickens of Newport, announced the board's decision to name the new library the David W. Mullins Library.

Dr. Mullins' national reputation as an educator is well-earned. He has appeared as a representative of American higher education institutions in several instances and has served as president of the National Association of State Universities and Land-Grant Colleges. Although Dr. Mullins has retired as president of the university, he remains on campus to teach higher educational administration and finance to graduate students. These students will benefit greatly from his knowledge and experience.

Mr. Speaker, at this point in the RECORD, I would like to insert a characterization of Dr. Mullins written by Bill Hughes, director of information for the University of Arkansas who has worked with Dr. Mullins through his 14 years as president:

[Arkansas Alumnus Magazine, February 1974]

DAVID MULLINS, AS I KNEW HIM

(By Bill Hughes)

He showed no elation as his strenuous period of service drew to a close, nor did one detect disappointment or a sigh of relief. Simply a quiet sense of satisfaction with a job well done. Additionally, there was a relaxed demeanor and a desire to conduct more informal conversations with those who had served in close association with him through the years. However, as always, he was "minding the store" in his highly efficient way of keeping the administrative processes running smoothly.

There also was a very impressive attitude not always seen at the termination of a presidential career. While David Mullins, like all men at such a time, delighted in reminiscing about his tenure, he was obviously more interested in the future than in the past. He accepted invitations to make a half-dozen speeches in the last month of his presidency and in each of them, he stressed the University's potential for the future.

What does one remember about the man and his service?

First, there was his strength of character. This was often manifested in his determination not to be ruffled in times of crisis—which occurred somewhat frequently during the tumultuous days when the issues of academic freedom and the demands of the student protest movements were constantly arising. He never dodged meetings with protest groups. Nor would he ever lose his composure when the hecklers harassed him, but rather, he made a point of giving calm and considered responses to loud and vehement criticisms. Down memory lane one recalls the time when, during the visit of a dozen protesters to his office, the group leader sat on the presidential desk, dangling his legs and exercising his vocal chords. But not a presidential eyebrow twitched in response, and the protestor quickly and voluntarily regained his standing position.

It was not that he didn't become tense at times, and place heavy demands on those who worked for him. Such traits are an integral part of conscientious leadership and, in Dr. Mullins' case, they could show through on such chaotic occasions as the campus visits of celebrities like Hubert Humphrey and Richard Nixon. However, even as the Secret Service and the "advance men" created confusion and extremely heavy demands on the University, and as Mullins' anxiety increased about the eventual result, he thoughtfully and carefully kept the organizational wheels well-greased until some highly complicated situations were resolved.

There were also the more smoothly-running glamour moments: his appearances before Congressional Committees in behalf of constructive legislation for all of American higher education, and his address to the National Association of State Universities and Land-Grant Colleges in his capacity as the association president.

He approached every administrative problem with care, to the extent that, as one political leader recently said of another, "He could see seven sides to every four-sided question." Yet, in retrospect, one feels that here was a welcomed chracteristic of this university president during a period of years when controversy, at times, could be the rule rather than the exception. There were frequent occasions when a rash decision, reached too quickly without thoughtful evaluation of a number of diverse factors, could have damaged the University. Like the most capable physician, David Mullins felt the prevention of trouble was always better than attempting the cure. And who, in retrospect, can say he wasn't right?

He had an almost unique knack for dividing his life into two separate compartments—his no-nonsense working hours an off-duty periods when his likeable personality and keen sense of humor would shine through. The David Mullins who wanted an administrative memorandum on his desk by 10:30 a.m. with no excuses was in sharp contrast with the "Dave" Mullins who, in the social company of other university presidents, was the favorite raconteur and the life of the gathering. Following the admonition in Ecclesiastes. Mullins has found that "for everything there is a season and a time to every purpose under the heavens." Put another way, he has been "an all-together" kind of man whose life style has well-suited him and brought him a large measure of self-contentment.

He also has been able to place his interests in separate compartments and yet give full play to all of them. Illustrative of this has been his dedication to the academic progress of the University matched by his equally intense devotion to the success of the Razorbacks. His cheers and laments for the changing Razorback fortunes are equalled only by the voluble expressions of his delightful wife, Eula. David Mullins' interest in his children has been manifested in a number of ways and was perhaps most sharply dramatized by his pride in son Gary's progress with the French horn in the Razorback band.

He appropriately has given a great deal of dignity to the presidency. However, he is a man who take a practical joke. In 1971, he was a member of a blue-ribboned group of American educational leaders who were taken on a tour of Russia. Before his departure from the campus, members of his staff decided he should have the proper sendoff and presented him with some long-handled underwear on which were embroidered the words "Siberia or bust." He still recalls the incident with spontaneous laughter.

He looks back upon his achievements with the recognition that he will be remembered as "the building president." True enough, he has achieved far more than any of his predecessors in the construction of new facilities. However, he also placed an early stress on the people and programs of the University, and it is this emphasis for which he wishes most to be remembered. In his first year at the University, he started a long hard fight to raise faculty and staff salaries to competitive levels. Moreover, he has never lost an opportunity to bear down on the need to revise and update the curriculum to meet today's needs for career preparation of students. His insistence upon more relevance is perhaps the least publicized fact of his tenure.

Dr. Mullins also has not been sufficiently recognized for his relationships with students, many critics believing these relationships were not adequate. Actually, he consistently maintained an "open door" policy with students. He never rejected an invitation to attend or speak to a student meeting, and no student or student group has ever denied an audience with him in his office. On two occasions, when groups were too large, he simply invited them to meet with him in a near by conference room.

The University is fortunate that this man will remain on campus for several more years to teach higher educational administration and finance to graduate students.

About ten years ago, Dr. Mullins included in one of his speeches the following statement about higher education that exemplifies everything he has tried to do for the University.

Effective higher education today has four essential ingredients: It must have excellence; it must be well-balanced in terms of the needs of the day; it must have integrity in its intellectual influence and forcefulness, and it must have the ability to grow in its capacity to serve present and future generations.

SUMMARY OF MY 1973 FEDERAL TAX RETURN

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. RANGEL. Mr. Speaker, in response to requests received from the news media, the members of the New York State delegation are today submitting statements of our financial position as reported in our Federal income tax returns for 1973. I am therefore reporting to you, my colleagues in the House, and to the general public on the information contained in my 1973 Federal income tax return.

I filed a joint return with my wife Alma, who was not employed during 1973. Total income received from wages and salaries during 1973 was $42,500. This was augmented by $4,367.65 received from honoraria, reimbursed travel expenses, and interest income to make a total income of $46,867.65 during 1973.

My congressional expenses exceeded the amount I was reimbursed by $4,985.77. In addition, I had a total of $7,361.38 in congressional expenses which I claimed as a deduction as expenses incurred in connection with congressional duties on schedule A.

Adjusting my total income by my excess congressional expenses made my adjusted gross income $41,881.88. There were $17,192.28 in itemized deductions and $3,000 in exemptions—I have two dependent children, aged 3 and 5—which made my taxable income $21,689.60. My tax on this amount was $4,929.67.

Total Federal income tax withheld from my salary during 1973 was $11,060.40.

I have no stocks, bonds, or other investments. I am a full time Member of Congress with no outside income from my profession, the practice of law, or from any other source.

DAY WITH GILLIS

HON. RICHARD BOLLING

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. BOLLING. Mr. Speaker, the article which follows describes some of the fine qualities and abilities of our outstanding colleague from Louisiana, GILLIS LONG. His great energy, quick intelligence, and complete dedication to public service represent a real addition to the Committee on Rules and to the House of Representatives:

DAY WITH GILLIS A BUSY ONE

(By Jo Tubb)

(EDITOR'S NOTE.—Miss Tubb accompanied a group of Central Louisiana guidance counselors on a visit to the U.S. Naval Academy at Annapolis, Md., earlier this month. While in the area, she dropped in on Rep. Gillis Long at his Washington office. This is her account of that visit.)

WASHINGTON.—The crew cut which was his trademark for so many years is gone now, and he has abandoned his white-shirt-black-tie wardrobe for more colorful combinations. But one thing remains unchanged about Rep. Gillis W. Long (D-La.)—he is still a man of intense energy.

Often arriving at his Cannon Building office before any of six aides, Long generally begins his days with telephone in hand, catching his callees before they leave for work.

Today is no different.

He's leaning back in his high, black chair when I peek into the room, a felt-tipped pen lodged between two fingers of his right hand (it seems always there), his left hand clutching the gray receiver.

In a voice loud and gravelly and apparently accustomed to speech-making, the congressman talks of cows and levees and improper drainage.

Impressions left by cattle hooves, it seems, are causing drainage problems in the Eighth District of Louisiana.

"I hadn't thought of that," goes this end of the conversation. Then, there's, "Good point" and "We'll see what we can do" before Long finally hangs up and rises to greet me.

We have scarcely shaken hands when one of the 10 lights on the phone flickers again. This time it is an independent gasoline dealer complaining of being "squeezed out" by major oil companies.

Long listens sympathetically, nods into the phone and assures the small businessman he understands the problem.

"He's not even from my district," the congressman says after the phone call. "But he's a friend of mine, and he's having problems. I sympathize with him; I just wish I could do something about it."

THE DAY'S AGENDA

By this time, Leah Schroeder, a top aide who followed Long from Alexandria, has produced a sheet of yellow paper on which is typed the day's agenda. It won't be a heavy day, she tells the congressman.

She notes there's an interview at 9:30, a briefing at 10, house session at noon and another briefing shortly after 4 p.m.

The House Rules Committee, the powerful 15-man body of which Long is a member, does not meet today, having finished its week's business the day before.

"I wish you could see the committee in action," Long says to me. "You'd find it interesting, I believe."

Meanwhile, another aide, Ginny, has brought in a towering stack of letters for the congressman to sign. She pushes aside large silver colored initials "G" and "L" (paperweights, I tell myself) and scoots the stack in front of him.

He puts on wire-rimmed glasses now, flips through the letters one by one, signing them with the pen he is wielding.

Long's office receives as many as 250 letters a day in five separate deliveries, and every piece—except "junk" mail—has to be answered. The congressman reads each response before it leaves his desk.

Some of the letters concern personal matters among constituents, some are legislative inquiries about House bills, others are requests for materials, some concern project work or job assistance, and still others are schedules and invitations.

FAMILIAR WITH LETTERS

An aide is assigned to handle the letters in each category, but Long himself has at least conversational knowledge of all of them.

"Did you notice Mr. So and So's comments about family planning?" he might ask an assistant, ready to discuss Mr. So and So's letter or any other in the stack.

The congressman is so intent on his letter reading and signing, I dare not bother him for a while. Instead, I gaze around his office with its high ceiling and heavy turquoise drapes, looking for things Longish.

There are framed photos on one wall of the room—of Hubert Humphrey, of Long with Sargent Shriver and Lyndon Johnson. Another wall is hung with paintings, attesting to the congressman's interest in art.

There is a mirror above the black couch, some plants and family photos on the window sill. Near a corner is a Dali print of Don Quixote, and on the wide desk, near the "G" and "L", a bust of Thomas Jefferson sits staring.

"I'm quite a Don Quixote fan," Long says, noting there's a statue of the windmill knight in the outer office as well. "I sort of identify with the character, with his idealism. I've seen the play four times."

He also identifies with Thomas Jefferson, he adds, hence the bust.

"I agree with what President Kennedy said when he feted all the Nobel Prize winners at the White House," Long offers. "He said, 'We haven't had as much intelligence in this room since Jefferson dined alone.' I imagine that's true; Jefferson was a great man."

Long is still signing letters when a young man from the "Congressional Quarterly" arrives for an interview about the Rules Committee. The writer, carrying a cup of Louisiana coffee, praises the black stuff as he enters the room, saying it's the best coffee in the building.

"We brew a pot for Yankees and a pot for Louisianians," Long answers, smiling. He orders a cup for himself and adds a liquid sweetener to it when it arrives.

MUTUAL RESPECT

The interview goes smoothly; there is mutual respect. Long doesn't hesitate to challenge a premise when he thinks it invalid. The writer concedes a point if he finds he has made an unfair assumption. Long appreciates the young man's knowledge of committee affairs and says so. A half hour somehow disappears.

As the young writer leaves, a representative of the Army Corps of Engineers enters the office. The congressmen calls in aides Tom Ledet and George Foote, both of Alexandria, who are to sit in on the briefing about Bayou Rapides.

It turns out to be a fairly lengthy four-way discussion which ends on a high note. A study to define the need for larger pumps on the bayou must be made, it is agreed. And while the congressman is willing to ask for appropriations for the study, it now appears the authorization is already there, and there will be no need to get an appropriation. All four are notably pleased by the revelation.

"It looks real good," Long says as the engineer rises to leave. The congressman suggests subsequent contacts with other officials to get the ball rolling, and the room gradually clears.

Long is back at his desk now, back to his paperwork. There are more phone calls—perhaps six or seven—some coming into the office, others going out.

The congressman intermittently lifts the receiver to ring one aide or another, asking endless questions, expecting quick answers and getting them. Everything clicks. The office is a study in efficiency.

At 11:45 a loud buzzer sounds three times, and three lights on the face of a wall clock flicker on. That means, Long explains, the House will be in session at noon today. He straightens his tie, smooths out his gray striped suit coat and leaves his office for the half-mile walk to the House floor.

Long walks briskly, his left hand tucked into a pocket, his right arm pumping. For an Arkansan-turned-Louisianian, the pace is exhausting; for Long it is a matter of course. He appears inexhaustable.

I enjoy lunch in a House cafeteria while Long attends the noon session. (The congressman sometimes eats soup and a sandwich in his office; at other times he lunches in the cafeteria or eats downtown. To my knowledge, he skipped lunch altogether today.

The vote on the House floor concerns amendments to the Freedom of Information Act. Non-controversial, it passes by an overwhelming margin.

Long doesn't return to his office immediately after the vote, instead staying on the floor to speak with fellow congressmen about various issues. He approaches each subject with intense interest, as if each were the only one on his mind. His concentration, his knowledge on such a wide range of topics is remarkable.

READS A LOT

Much of that knowledge comes from reading. Long devours a great deal of printed matter during the course of a day, often reading far into the night at home.

"This is a 24-hour job," he says. "I spend a lot of time on the telephone after I get home, and there is always something to read. This is not a job that can be turned off at the end of a day."

When the congressman returns to his office at mid-afternoon, there are messages for him. Schedules have been re-scheduled. Appointments have been verified. Another dispatch of mail has been opened, examined and left on his desk.

Shortly before his 4:10 meeting with an Army representative, a friend from the Eighth District drops by the office, and Long talks with him, even if it means making the officer wait a few minutes. Priorities are clear.

Halfway through the Army briefing—this one about the "new posture" of the Army—I make my apologies for having to leave early to catch a plane.

(The Army representative seems to welcome the break—Long is drilling him, and the officer, with his prepared spiel, hasn't anticipated all of the congressman's questions.)

Once again, Long rises for a handshake, still firm after nine hours on the job and three more to go.

"Come back," he says, "when I have a busier schedule."

WAYS AND MEANS TO BEGIN HEALTH HEARINGS—REPAIR OF MEDICARE A LEGISLATIVE PRIORITY

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. VANIK. Mr. Speaker, this week, on April 24, the House Ways and Means Committee will begin a new series of hearings on health care and health insurance legislation.

There is a great deal which needs to be done to provide all Americans with better health insurance protection. But the first priority must be the repair of medicare. For several years now, every Member of Congress has been deluged with letters and complaints from constituents regarding the "breakdown" of medicare. The medicare promise of 1965 has become the medicare delusion of 1974. Delays in reimbursement, disallowance of claims, lack of complete coverage, failure to provide adequate nursing home care have all become increasingly serious.

It will make little sense to build an expanded facility onto medicare when medicare is becoming a national disaster. We must provide for the immediate improvement of the medicare system as a base on which to provide better health care for all our citizens.

Mr. Speaker, I would like to enter into the RECORD at this point an article which appeared in the Cleveland Press of February 7, 1974, by Don Kirkman entitled "Elderly Are Finding Medicare a Costly Delusion." The article is an excellent description of the problems which have come to plague medicare. Originally, medicare recipients had to pay $36 a year for the part B physicians' coverage insurance. Now the premium is $80.40. The full text of the article follows:

ELDERLY ARE FINDING MEDICARE A COSTLY DELUSION

(By Don Kirkman)

WASHINGTON.—Last summer an elderly lady in Poughkeepsie, N. Y., had a cataract removed from her right eye. Her doctor's bill was $1135 and the special eyeglasses she needed were $147.

She was shocked to find her medicare reimbursement was only $560 and that she had to pay the remaining $722 out of her meager resources.

Like millions of other elderly Americans, she found herself a victim of some of the shortcomings of the eight-year-old federal health insurance plan for the 23 million Americans 65 or older. Critics contend that Medicare:

FAILS to pay enough of the health bills of the elderly.

FAILS to pay for many necessary health services like dentistry, routine eyeglasses or prescription drugs outside of hospitals.

Is so snarled in red tape that most of the elderly cannot cope with the government paperwork required to file claims with the Social Security Administration, which administers the program.

Is open to abuses by doctors to maximize their incomes.

Although the Nixon Administration wants to include Medicare as a part of its proposed national health insurance (NHI) plan, many experts doubt Congress will enact the plan or that it would correct Medicare's shortcomings.

Much of the criticism is directed at the way Medicare pays for services outside hospitals and the way it pays doctor bills.

The Medicare law took effect in 1966 and provided a basic insurance plan for virtually every American 65 or over designed to pay most of his hospital bills. This is the basic Medicare plan paid for by Social Security funds. But it does not cover doctor bills or the cost of full-time nursing while in the hospital.

Congress also provided a Medicare supplementary medical insurance program, available to Medicare recipients at a cost, designed to help them pay for their health care outside of hospitals and to help them pay their doctor bills. But this insurance plan is complex and so snarled in red tape that most Americans simply cannot cope with the necessary paperwork.

Originally, Medicare recipients had to pay $36 a year for the supplemental Medicare medical insurance. They now must pay $80.40. Originally, each Medicare recipient had to pay the first $50 of his annual claim against the supplementary Medicare insurance, including doctors' bills. Now he must pay the first $60. Originally he was to pay 20% of all medical bills beyond that first $50. Now he must pay 20% beyond the first $60.

Congress, reacting to objections by many doctors that Medicare would "infringe on the physician-patient relationship," permitted physicians to collect from Medicare in either of two ways:

By assignment in which the doctor agrees to accept the Medicare-approved fee schedule as payment in full for his services and in which the doctor does all the paperwork. This way, if the Medicare-approved fee for a certain procedure were $50, Medicare would pay $40 and the patient $10. The doctor cannot charge more than the $50 Medicare-approved fee for that particular professional service.

By direct billing in which the doctor charges whatever he wants while the patient does the paperwork and pays the difference between the Medicare-approved fee and the doctor's charge.

Former Social Security Commissioner Robert M. Ball told Scripps-Howard Newspapers in his interview that while Medicare does a good job paying hospital bills, "protection against the cost of physicians' service wasn't very good when the program started and isn't very good now. I think it's time Congress gave the program a major overhaul."

William R. Hutton, executive director of the National Council of Senior Citizens, said his office receives more complaints about direct billing than any other Medicare problem.

"A doctor doesn't have a sign in his office or a tattoo on his forehead," Hutton said, "telling his patients whether he's a direct-billing doctor or an assignment doctor. So a Medicare recipient gets treated by a direct biller who charges far more than Medicare pays and gets shocked when he sees the size of the doctor's bill.

"When these people get a doctor's bill that runs into hundreds of dollars, they say to themselves: "How can I possibly pay this?" And they sit down and cry. Direct billing is a cruel, cruel thing to do to old people."

"I think," Ball said, "that very quickly Medicare recipients would pass the word around about who's a direct-billing doctor and who isn't, and the direct billers would suffer. I think if you hit them in the pocketbook by depriving them of Medicare patients, they'll quickly fall into line."

Ball and other Medicare critics want Congress to abolish the red tape. He also wants Congress to abolish the $80.40 annual premium for Medicare supplementary medical insurance because he thinks it runs counter to the basic idea behind Social Security.

"I think a person should pay for his retirement benefits while he's young and working and not when he's retired," Ball said.

And he would abolish the requirement that the elderly pay the first $60 of their medical bills each year. In place of requiring the $80.40 and $60 payments, he would require Medicare recipients to pay 20% of each bill up to about $250 or $500 and then a lesser percentage of bills beyond that.

"It would be beautifully simple," he said. The patients would not have to keep track of every bill and the doctors and hospitals would handle the paper work with the government.

The first improvement they expect will be coverage of prescription drugs outside hospitals. The Senate voted that change last year, and house passage this year is likely.

UNTIMELY FLIGHT

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. DRINAN. Mr. Speaker, I lament the fact that this Congress will apparently do nothing to stop the unbelievable inflation in our economy by extending authorization for some form of price control.

I attach herewith a perceptive article by Dr. Walter W. Heller, the president of the American Economic Association, Dr. Heller is the former Chairman of the Council of Economic Advisers under Presidents John F. Kennedy and Lyndon B. Johnson.

Dr. Heller concludes his very balanced plea for some form of controls by stating:

> The Congress and the country may well rue the day when, largely at the behest of big business and organized labor, the government presence in their price and wage decisions was mindlessly liquidated, leaving the consumer to fend for himself.

Dr. Heller's article is taken from the Wall Street Journal of April 15, 1974:

THE UNTIMELY FLIGHT FROM CONTROLS

(By Walter W. Heller)

Congress is about to outdo the White House in running away from the inflation problem:

—While correctly observing that business and labor are bitterly opposed to wage-price controls—and that consumer views range from skeptical to cynical—Congress is mistakenly sending such controls to the gas chamber rather than putting them in cold storage.

—While correctly concluding that broad-scale mandatory controls had outlived their usefulness in an excess-demand, shortage-plagued economy, Congress is mistakenly walking away from its responsibility to assert the public interest in price-wage moderation in an economy plagued by softening demand and rising unemployment.

—While correctly observing that the White House has done its level worst to discredit controls, Congress is mistakenly refusing even to give John Dunlop and the Cost of Living Council the leverage they need to insure that the pledges of price moderation and supply increases made in exchange for early de-control by many industries will be redeemed.

Granting that controls are in ill repute, one wonders how Congress can explain to itself today—let alone to voters next fall—the discarding of all wage-price restraints in the face of record rates of inflation of 12% in the cost of living and 15% in wholesale prices (including an ominous 35% rate of inflation last month in industrial commodity prices). Is it the product of a growing "what's-the-use" attitude? Is it an implicit surrender to an inflation that is deemed in part to be woven into the institutional fabric of our economy and in part visited upon us by uncontrollable external forces like world food and material shortages and oil cartels? In short, is inflation now thought to be not just out of control but beyond our control?

MILTON FRIEDMAN'S STREAK

An affirmative answer to these brooding questions seems to underlie Milton Friedman's recent economic streak—one which evokes surprise, astonishment, and disbelief in the best streaking tradition—from Smithian laissez-faire to Brazilian indexation. At present, we use the cost-of-living escalator selectively to protect 32 million Social Security and civil service beneficiaries and 13 million recipients of food-stamps and to hedge inflation bets in wage contracts for 10% of the labor force. Mr. Friedman would put all groups—those who profit from inflation and those who suffer from it alike—on the inflation escalator and thus help institutionalize our present double-digit rates of inflation.

Meanwhile, interest rates are soaring as Arthur Burns and the Fed man their lonely ramparts in the battle against inflation. With wage-price control headed for oblivion in the face of seething inflation, the Fed apparently views itself as the last bastion of inflation defense. So it is adding to the witches' brew by implicitly calling on unemployment and economic slack to help check the inflation spiral.

In this atmosphere, and deafened by the drumfire of powerful labor and business lobbies, Congress seems to have closed its mind to the legitimate continuing role of price-wage constraints. What is that role in an economy relying primarily, as it should, on the dictates of the marketplace?

First are the important transitional functions of the Cost of Living Council for which Mr. Dunlop, with vacillating support from the White House, asked congressional authority. In its new form after April 30 the Council would have:

enforced commitments made by the cement, fertilizer, auto, tire and tube, and many other de-controlled industries to restrain prices and/or expand supplies—commitments that would become unenforceable when COLC goes down the drain with the Economic Stabilization Act on April 30;

protected patients against an explosion of hospital fees by keeping mandatory controls on the health-care industry until Congress adopts a national health insurance plan;

prevented an early explosion of construction wages and the associated danger that housing recovery might be crippled;

maintained veto power over wage bargains that are eligible for reopening with mandatory controls are lifted.

Beyond Phase 4's post-operative period, government needs to assert its presence in wage-price developments in several critical ways.

The first would be to continue the important function of monitoring other government agencies, of keeping a wary anti-inflationary eye on their farm, labor, trade, transport, energy and housing policies. The point is to protect consumers from the price consequences of the cost-boosting and price-propping activities of the producer-oriented agencies. The White House could continue this function without congressional authority, but a statutory base would give the watchdog agency much more clout.

Second would be the task of working with industry, labor, and government units to improve wage bargaining and relieve bottleneck inflation by encouraging increased production of scarce goods and raw materials.

Third, and by far the most important, would be the monitoring of major wage bargains and price decisions and spotlighting those that flout the public interest.

The trauma of Phase 3 and 4 has apparently blotted out memories of the painfully relevant experience of 1969–71:

The school's-out, hands-off policy announced by Mr. Nixon early in 1969 touched off a rash of price increases and let a vicious wage-price spiral propel inflation upward even while the economy was moving downward.

Only when Mr. Nixon finally moved in with the powerful circuit-breaker of the 90-day freeze was the spiral turned off.

Today, the urgent task is to see that it's not turned on again. In that quest, some forces are working in our favor:

Much of the steam should be going out of special-sector inflation in oil, food, and raw materials.

The pop-up or bubble effect of ending mandatory controls should work its inflationary way through the economy by the end of the year.

As yet, wage settlements show few signs of shooting upwards as they did in 1969–70, when first-year increases jumped from 8% to 16% in less than a year. Wage moderation in 1973—induced inpart by wage controls, but even more by the absence of inordinate profits in most labor-intensive industries and by the fact that the critical bottlenecks were in materials and manufacturing capacity rather than in labor supply—has set no high pay targets for labor to shoot at.

Thus far in 1974, the aluminum, can, and newly-signed steel settlements won't greatly boost those targets. So the price-wage spiral is not yet at work. Since in addition, cost-of-living escalators apply to only one-tenth of the U.S. work force, the ballooning cost of living has not yet triggered a new price-wage spiral. Still, there is a distinct calm-before-the-storm feeling abroad in the land of labor negotiations.

A MODERNIZATION IN INFLATION

With demand softening and shortages easing in large segments of the economy, the old rules of the marketplace would suggest that inflation is bound to moderate. And the odds are that it will—but how fast, how far, and how firmly is another matter. And that's where a price-wage monitor with a firm statuory base is badly needed. It could play a significant role in inducing big business to break the heady habit of escalating prices and in forestalling big labor's addiction to double-digit wage advances.

Industry after industry has gotten into the habit of raising prices on a cost-justified basis as energy, food, and raw material prices skyrocketed. De-control will reinforce that habit.

Once these bulges have worked their way through the economy, we tend to assume that virulent inflation will subside. Indeed, in some areas such as retailing, farm products, small business, and much of unorganized labor, competitive market forces will operate to help business and labor kick the inflationary habit.

But in areas dominated by powerful unions and industrial oligopolies, a prod is needed if habitual inflation—inflation with no visible means of support from underlying supply and demand conditions in the economy—is to be broken. If it is not, the threat of a wage break-out will loom large in upcoming wage negotiations in the construction, communications, aerospace, ship building, airlines, mining, and railroad industries. In those critical negotiations, the wage moderation of the past two years could go up in smoke if the ebbing of non-labor cost pressures is simply converted into profits rather than being shared with consumers in price moderation.

Congress and the White House are taking undue risks if they rely entirely on market forces to achieve this end, especially in those large areas of the economy where competitive forces are not strong enough to protect the consumer. To serve as his ombudsman and to help prevent the picking of his pocket by a management labor coalition, the consumer needs a watchdog agency that will bark and growl and occasionally bite. Such an agency—which could accomplish a good deal by skillful exercise of the powers of inquiry and publicity and much more if it were able to draw, sparingly, on powers of suspension and rollback when faced with gross violations and defiance—could provide substantial insurance against inflation by habit.

CONTENTS OF AN ACTION PROGRAM

An action program to accomplish the foregoing would have included—indeed, given a miracle of courage, conviction and speed could still include—the following elements:

A quick and simple extension of the standby powers of the Economic Stabilization Act.

Granting of the authority requested by John Dunlop for the transitional period.

The establishment of a monitoring agency—preferably by statute and equipped with last-resort suspension and rollback powers, but if that is not to be, then by White House action and relying mainly on instruments of inquiry and publicity—to look over the shoulder of big business and big labor on behalf of the consumer.

To declare open season on wage-price decisions under present circumstances—as we seem hell-bent to do in our disenchantment with controls and sudden revival of faith in the market system—would be one more example of the classic action-reaction pattern that excludes the middle way. The Congress and the country may well rue the day when, largely at the behest of big business and organized labor, the government presence in their price and wage decisions was mindlessly liquidated, leaving the consumer to fend for himself.

FINANCIAL DISCLOSURE

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. ADDABBO. Mr. Speaker, I firmly believe that an extraordinary effort should be made to restore public confidence in Government. One way to achieve this goal is to assure the public that potential conflicts of interest among their elected Representatives have been disclosed as part of a disclosure of financial interests made available for public scrutiny.

For these reasons I am releasing a statement of my financial holdings, income, taxes, and other information beyond that required by rule XLIV of the House of Representatives:

STATEMENT OF FINANCIAL INTERESTS

Income: My total income for 1973 was derived from my congressional salary; income from my law practice of less than $10,000; and bank interest and stock dividends of less than $1,000. There were no other sources of income.

Taxes: I paid in excess of $6,000 in federal, state and city income taxes. Like many of my colleagues in Congress, I have had my prior federal tax returns duly audited by the Internal Revenue Service.

Financial Holdings: My major financial interests include stock in Katy Industries with a present market value of $13,500. I also own a home assessed at less than $30,000. I do not know the present market value. The Home Federal Savings and Loan Association holds a first mortgage on the home in excess of $25,000. I also own United States Savings Bonds with a value of approximately $5,000.

I do not serve as a Director or Officer of any business entity (Corporation, partnership, etc.) other than my law firm, which does not engage in federal practice.

At this point, I am inserting into the CONGRESSIONAL RECORD the text of that form which must be filed by Members of Congress with the House Committee on Standards of Official Conduct:

PART A—U.S. HOUSE OF REPRESENTATIVES (WHITE FORM: MEMBERS ONLY)

STATEMENT OF CERTAIN FINANCIAL INTERESTS AND ASSOCIATIONS AS OF DATE OF FILING AND CERTAIN OTHER FINANCIAL DATA COVERING CALENDAR YEAR 1973

Filing required by April 30, 1974

Committee on Standards of Official Conduct

(Member's name) Joseph P. Addabbo.
(District). Ozone Park.
(State). New York.

Part A: (See instructions and text of House Rule XLIV on reverse side).

The interest of a spouse or any other party, *if constructively controlled* by the person reporting, shall be considered to be the same as the interest of the person reporting.

1. List the name, instrument of ownership, and any position of management held in any business entity doing a substantial business with the Federal Government or subject to Federal regulatory agencies in which the ownership *is in excess of $5,000 fair market value as of the date of filing,* or from which income of *$1,000 or more* was derived during the preceding calendar year. Do not list any time or demand deposit in a financial institution or any debt instrument having a fixed yield unless it is convertible to an equity instrument.

Business Entity—Katy Industries; Instrument of Ownership—Common Stock;

Position of Management—none.

Business Entity—U.S. Savings Bond; Instrument of Ownership—E Bonds; Position of Management—none.

(If additional space needed please attach supplemental listing, unsealed.)

2. List the name, address and type of practice of any *professional* organization in which the person reporting, or his spouse, is an officer, director, or partner, or serves in any advisory capacity, from which income of $1,000 or more was derived during the preceding calendar year.

Name—Addabbo, DeSena and Mavro; Address—96–11 101st Ave., Ozone Park, N.Y., 11416; Type of Practice—Legal-partnership.

3. List the *source* of each of the following

items received during the preceding calendar year:

(a) Any income from a *single* source for services rendered (other than from the U.S. Government) exceeding $5,000 and not reported in section 2 above. None.

(b) Any capital gain from a single source exceeding $5,000, other than from the sale of a residence occupied by the person reporting. (As reportable to IRS.) None.

(c) Reimbursement for expenditures (other than from the U.S. Government) exceeding $1,000 in each instance. None.

(d) Sources of honoraria *aggregating* $300 or more from a single source. (*Name the original source, not a speakers' bureau.*) None.

4. List each creditor to whom the person reporting was indebted for a period of 90 consecutive days or more in the preceding calendar year in an aggregate amount in excess of $10,000 *excluding* any indebtedness specifically secured by the pledge of assets of the person reporting of appropriate value. None.

(Date of filing) 4/23/74.

(Signature of Declarer) J. W. Addabbo.

Campaign moneys are not to be taken into account in this report.

HOW EPA DESTROYS OUR NATURAL RESOURCES

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. CRANE. Mr. Speaker, the story of the failure of Government involvement in what should be private matters is so overwhelming that it is surprising that the American people have not yet learned the important lesson which Thomas Jefferson understood many years ago, that that Government is best which governs least.

In an effort to protect consumers, Government has regulated a variety of prices, such as those in the area of air travel. The result is that the cost of a flight from New York to Washington is significantly higher than the cost of a flight from San Francisco to San Diego, an equivalent distance, but within a single State and, therefore, not regulated by the FAA. When regulation ceases to exist, the consumer receives the benefit of a lower free market price. Now, in the name of protecting our natural resources, Government programs threaten to do precisely the opposite.

Discussing recent events in the Northwest, M. Stanton Evans notes that:

> Thanks to efforts by the ecocrusaders to block the use of DDT, the states of Washington, Oregon and Idaho have suffered a massive infestation of insects called tussock moths which feed on stands of timber. The result—has been to kill or damage at least a million acres of trees, with grievous effects upon the local economy, wildlife, birds and the general public health.

Mr. Evans reports that:

> Similar results have occurred in the Eastern states where budworms and gypsy moths have ravaged trees in kindred fashion. Forest products spokesmen estimate gypsy moths alone were responsible for a 60 per cent defoliation level on some 500,000 acres of trees in New England, Pennsylvania, New York and New Jersey. Spruce budworms have been epidemic in the state of Maine.

Despite the fact that foresters and others petitioned the Environmental Protection Agency to relent in the ban against DDT, this request was denied on the grounds that the tussock moth epidemic would run its course and come to a natural end. Mr. Evans notes that:

> Unfortunately, this did not occur, and as a result evergreen trees were defoliated over a 1,400 square mile area of the Pacific Northwest.

Finally, after much damage was done, the EPA reversed itself. The reversal still does not extend to the Eastern States. In addition, the EPA initially banned DDT against the recommendations of its own hearing examiner. The examiner found that, "DDT is extremely low in acute toxity to man. DDT is not a safety hazard to man when used as directed."

The irony is clear. Mr. Evans concludes that:

> There are the environmentalists, allegedly concerned to save our natural resources, promoting a policy which results in the destruction of thousands and thousands of acres of timber.

Hopefully, we will finally learn the futility of Government coercion and the tendency toward blindness on the part of Government administrators. I wish to share with my colleagues the article, "How EPA Destroys Our Natural Resources," which appeared in the April 13, 1974 issue of Human Events and insert it into the RECORD at this time:

HOW EPA DESTROYS OUR NATURAL RESOURCES

(By M. Stanton Evans)

Foresters, growers, public officials and just plain citizens in the great Northwest may be forgiven if they have a less than charitable view of the nation's environmentalists.

Thanks to efforts by the eco-crusaders to block the use of DDT, the states of Washington, Oregon and Idaho have suffered a massive infestation of insects called tussock moths which feed on stands of timber. The result, according to Rep. Steve Symms (R-Idaho), has been to kill or damage at least a million acres of trees, with grievous effects upon the local economy, wildlife, birds and the general public health.

In testimony before a House Agriculture subcommittee, Symms and a host of other witnesses spelled out the scope of the damage: Loss of big-game cover, increased temperature levels in waterways, lack of nesting sites, augmented danger of forest fires. In economic terms, some 500 million-plus board feet of timber have been lost, and on Symms' figuring regeneration of the area will be a 50-year process.

Similar results have occurred in the Eastern states where budworms and gypsy moths have ravaged trees in kindred fashion. Forest products spokesmen estimate gypsy moths alone were responsible for a 60 per cent defoliation level on some 500,000 acres of trees in New England, Pennsylvania, New York and New Jersey. Spruce budworms have been epidemic in the state of Maine.

All of which inspired foresters and others in such areas to petition the Environmental Protection Agency to relent in the ban against DDT. A year ago, then-EPA chief William Ruckelshaus denied such a request on the grounds that the tussock moth epidemic would run its course and come to a natural end. Unfortunately, this did not occur, and as a result evergreen trees were defoliated over a 1,400-square-mile area of the Pacific Northwest.

Faced with mounting evidence of ecological damage, EPA this year reversed itself and permitted use of DDT in the Northwestern states. This does not, of course, undo the damage already inflicted by EPA policy, which Symms describes as "a national disgrace." Nor does the reversal extend to the Eastern states which are still trying to control their own pests while being denied resort to mankind's most effective pesticide.

It is noteworthy in this connection that Ruckelshaus issued the ban on DDT in the first place against the recommendations of EPA's own hearing examiner. The examiner found "DDT is extremely low in acute toxity to man. DDT is not a safety hazard to man when used as directed. . . .

"The uses of DDT under the registration involved here do not have a deleterious effect on freshwater fish, estuarine organisms, wild birds, or other wildlife. The adverse effect on beneficial animals from the use of DDT . . . is not unreasonable on balance with its benefit . . . There is a present need for the continued use of DDT for the essential use defined in this case."

Because these findings were overridden, a million-plus acres of American forest land have been killed or seriously damaged, and even more calamitous results may ensue in other nations. Nobel laureate Dr. Norman Borlaug, for one, fears the effects of the so-called "green revolution," spurred by his researches, will be reversed.

Borlaug asserts that "the safety record of DDT is remarkable," and that "conservationists and environmentalists embarked on a crusade to end the use of agricultural chemicals . . . give no thought to the result of such actions: the eventual starvation and political chaos that will plague the world." These worries are echoed by scientists of the World Health Organization, who credit DDT with saving five million lives during its first few years of deployment.

As pointed out by Melvin Grayson and Thomas Shepard in their book, *The Disaster Lobby*, WHO studies indicate as many as 100 million illnesses were prevented by DDT during the early days of its use for insect control. All told, WHO estimates, a billion people have probably been liberated from disease by this pesticide, and "even temporary lack of DDT for malaria control can seriously jeopardize the gains achieved at such great cost."

That dour projection appears to be borne out by the case of Ceylon, which a decade ago had the problem of malaria totally under control. In 1961, there were only 110 cases of malaria in that nation, and no malaria deaths. Then in 1962 the DDT scare began and use of the spray was progressively diminished. By 1968, there were two and a half million malaria cases in Ceylon, and 10,000 deaths.

The irony of all this is apparent enough on the face of it. Here are the environmentalists, allegedly concerned to save our natural resources, promoting a policy which results in the destruction of thousands upon thousands of acres of timber. And here are self-styled humanitarians waging holy war against a technical advance that has meant improvement of nutrition and health for millions of people around the world. All to ban the use of a pesticide that, on the official record, has never been a hazard to man. It's enough to make you doubt the wisdom of our rulers.

Rep. Symms and others have offered a bill in Congress which would remove authority for banning DDT from the EPA altogether, Given the history of the agency on this issue, that appears to be an excellent suggestion.

CONGRESSMAN HUDNUT MAKES PUBLIC FINANCIAL DISCLOSURE

HON. WILLIAM H. HUDNUT III

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. HUDNUT. Mr. Speaker, recently I made public disclosure of my Federal and State income tax returns and my total personal financial assets. I took this step because I have always believed that the strength of our democratic form of government is based on openness, integrity, and honesty of the leaders in Government.

Also, I have taken this action in an effort to lead by example and it is my hope that other Members of Congress and public officials will make similar disclosures in an effort to help restore public confidence in Government.

Last fall, I introduced legislation—H.R. 11426—which would require Members of Congress and certain employees of Congress to make public financial disclosures. In my judgment this bill should be passed and other action taken to dispell the suspicions that have resulted in a crisis of confidence on the part of American people toward their Government.

At this time, I would like to make my personal financial statement part of the public record of Congress:

PERSONAL FINANCIAL STATEMENT OF WILLIAM H. HUDNUT III, MEMBER OF CONGRESS, 11TH DISTRICT—STATE OF INDIANA, APRIL 15, 1974

(In preparing this statement, I have received assistance from George S. Olive and Company. The figures are as of April 15, 1974.)

ASSETS

Cash and savings	$2, 204. 07
Checking accounts	202. 00
Savings accounts	2, 002. 07
Federal income tax refund due	2, 778. 16
Investments	44, 836. 33
U.S. Treasury bills	19, 587. 31
1,000 shares, Indiana Professional Sports, Inc	2, 500. 00
Cash value, insurance policies	22, 749. 02
Apartment furnishings	5, 000. 00
Automobile: 1972 Buick Electra 225, four door hardtop	2, 600. 00
Real estate (at cost)	39, 289. 00
Property in Leland, Mich	14, 800. 00
Property and home in Johnsburg, N.Y	24, 489. 00
(Sale blocked: no market value)	
Total assets	96, 705. 56

LIABILITIES

Bills outstanding	3, 276. 54
Net worth	93, 429. 02

WILLIAM H. HUDNUT III,
Member of Congress.

WILLIAM H. HUDNUT III, 1973 INCOME TAX RETURNS

My income taxes for over ten years have been prepared by George S. Olive and Company. While I am happy to share with any interested person copies of my income tax returns for 1963–1972, I am not herewith including the figures since I did not hold public office at the time.

My 1973 returns were prepared by the George S. Olive Company in Indianapolis and an IRS agent in Washington. The complete returns are on file in my office, and available to interested representatives of the media. My summary of them is as follows:

I. FEDERAL INDIVIDUAL INCOME TAX RETURN—1973

Income:	
Wages as a Congressman (11 months)	$38, 722. 08
Dividends (less exclusion)	1, 742. 84
Interest	127. 51
Miscellaneous income (net figure including capital loss)	15, 620. 18
A. Honoraria (less expenses)	1, 972. 72
B. Congressional office account contributions	14, 417. 83
Total gross income	56, 212. 61
Adjusted gross income	52, 540. 76
Itemized deductions:	26, 153. 74
Medical	150. 00
Taxes	2, 519.72
Interest	2, 119.28
Contributions	3, 144. 03
Congressional office	17, 981. 13
Miscellaneous	239. 58
Exemptions	4, 500. 00
Taxable income	21, 887. 02
Tax:	
As computed by income adjusting, schedule G	4, 435. 18
Other taxes	157, 82
Total tax paid	4, 593. 00

II. INDIANA STATE TAX

Total tax paid	1, 065. 29

CONGRESSIONAL REFORM—REFLECTIONS BY INTERN TOM BRACKETT

HON. JAMES C. CLEVELAND

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. CLEVELAND. Mr. Speaker, during the first quarter of 1974, I had in my office a Dartmouth student as an intern. Over the years, I have had a rather extensive intern program, as a means to bring young people into our system to see how it is really operating. Tom Brackett, from Greenland, N.H., summed up his work by writing an excellent paper centered on the need for congressional reform.

I am inserting this excellent and perceptive paper into the RECORD at this point, because Tom has succeeded in capturing the central thrust of many of the currents of our time. In addition, however, it is most helpful to an institution such as Congress to have the benefit of reasonably objective analysis of its role, and directions it should be taking. While often only the critical or the praising gets attention, perhaps the most valuable of all is the dispassionate.

Tom Brackett's excellent article follows:

CONGRESSIONAL REFORM—REFLECTIONS BY AN INTERN

One of the major problems presently facing the nation is the marked decline in the people's faith that the government is functioning honestly and wisely. Clearly, the Congress is no exception to this sentiment. A recent Harris survey indicated that only 21% of the public felt that Congress's overall performance was better than fair.

In a free society, the officials hold office at the pleasure of the electorate. Consequently, if the people lose faith in their elected officials, they can reject them at the next election. However, when the people lose confidence in an entire government institution, then it must assume that either the principle behind the institution has proven unworkable or the institution itself requires structural change. I do not subscribe to the former view, a view that republican-democracy is no longer workable in a society vastly different from its creators world of 18th century America. Such a view accepts the unmanageability of Congress as given, and urges that the power of Congress be diminished in order that a more responsive branch of government might serve the public interest.

Such negativism undermines the very foundations of a federal structure. Admittedly the Congress speaks amid numerous voices in a debate often divided along regional and party lines. However, it is unreasonable to demand the unity within the Congress that could be found within the Executive or Judicial branch. The legislature will maintain its diversity, its numerous voices, and divisions because it is designed to express the views of a nation of diverse interests, numerous states, and regional divisions. Rather than advocate the eclipse of legislative power, a more realistic approach would seek reform within the institution itself, recognizing that a strong and effective federal power cannot exist if the separate components of that structure are weakened.

There is no single cause for the decline in public confidence of the Congress, no one elixir that will suddenly resolve all problems. Rather the rebuilding of the public trust will require a directed effort extending into all facets of Congressional activity from the primary race to the committee meeting. I believe that the public regard for Congressional performance would be substantially increased if: 1. the public were exposed by mass media to the expertise of individual members and the tremendous workload developed by the institution; 2. the Congress made a greater effort to co-ordinate its members' time and talents by minimizing time-conflicting hearings and eliminating multiple committee jurisdictions, and therefore investigations, over national problems; 3. the Congress, actively encouraged a greater reliance on and utilization of state and local agencies and talents.

It is widely held that increased publicity of the Congress (both the institution and individual members) would promote better action. It would certainly produce greater public understanding and appreciation for Congress' job. The televised Watergate hearings of last summer were an excellent lesson in Congressional operations and were followed with great interest. For many citizens it was the first time they had ever watched a committee hearing or witnessed a roll call vote. Millions of citizens have never visited Washington, never heard their representative speak outside of the campaign trail, and know little of their votes other than promises. Public understanding bred public confidence for us as the hearings progressed, public trust in the members of the Watergate Committee increased dramatically. Unknown Senators became nationally recognized and their voices familiar to millions of citizens. However, they were only 7 out of 535 members. Though coverage of the remaining 528 could not be as intensive, the potential for improving the public image of Congress through the electronic media is very great.

To those who would challenge such openness within the Congress on the grounds that: 1. the decorum of the legislature would be destroyed and 2. its ability to function severely hampered, the public will ask: how is the ability of the people's representative to represent his constituents impeded if the people know of his actions? The implication will be simple and direct. Those most against opening the Congress to the media could be seen as: those with the most to hide from electorate; those in the greatest danger of losing their positions; and those who have contributed most to undermine public confidence in Congress.

Common sense would dictate adequate staffing for members as well as a co-ordinated schedule of the member's time and talents. Unfortunately, common sense is a scarce commodity on Capitol Hill. Committee staffs are often limited, committee meetings conflict between committee assignments, and members are sometimes poorly informed on the actions of the floor. Tragically, reform is blocked through majority dictation and entrenched committee chairs. Opposition is stifled; Congress is viewed as inoperative and obstructionist; public disgust rises and confidence in Congress falls to new depths.

Perhaps it is the curse of an evicted swamp god or a potion in the waters of the Potomac that has convinced many Congressmen and thousands of bureau-packed employees that the public interests can be served best under the aegis of Washington. Clearly, there are areas where the national government must exercise a monopoly: e.g. defense, finance, interstate commerce, foreign relations. However, the national Government should act to insure that in matters which the state and local governments are capable of managing effectively, Washington encourages state and local responsibility. This is not to decry centralism per se or to advocate state's rights a la 1850, but rather to note the practical limitations placed upon any government program when it becomes removed from the problem it seeks to resolve and the people it serves. I submit nothing more than that there is a natural limit to what the federal government can accomplish more effectively than the state and local governments. A limit which can be determined by weighing the advantages of preserving strong state and local government as necessary and creative elements of the federal structure against the advantages of central command and national implementation.

The federal government is not villainous—only near sighted. Nationally-directed programs were initiated because states deferred action through unwillingness or inability to sponsor the programs themselves. Federal control seemed a panacea. Funds were plentiful and the resolution of a problem was physically divorced from state and local centers. It was merely a matter of time before the dangers would surface in a maze of sprawling and fragmented agencies.

Centralization has obvious advantages, one of which is the referral power that a body of national experts can offer state and local agencies almost as one would consult a librarian for assistance. Washington's greatest contribution to the "New Federalism" might well be to loan the state governments 100,000 of its consultants. With such a federal attitude coupled with a revived national legislature, the components of a strong and effective federal structure: strong and effective national, state, and local government, would be revitalized. But there is no real alternative. Only the prospect of national centralism amidst a paralyzed legislature—an environment too frighteningly close to 1984.

THOMAS BRACKETT.

MARCH 15, 1974.

FINANCIAL STATEMENT

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. STUDDS. Mr. Speaker, I wish to insert in the RECORD a copy of my 1973 financial statement:

Congressman Gerry E. Studds' 1973 financial statement

Part A—Income 1973:

Salary	$38,722.08
Honorarium—Speech to National Fisheries Institute, Colorado Springs, Colorado (money given to Constituent Services Committee)	250.00
Dividends—See attached explanation (Part B)	1,387.66
Interest—See attached explanation (Part C)	106.56
Total income	40,466.30
Actual official Expenses—(travel, stationery, district offices, telephones, printing, etc.)	17,818.18
Congressional allowances for official expenses (travel, stationery, district offices, telephones, etc.)	10,342.56
Difference: i.e., official expenses paid from my pocket	7,475.62

PT. B—DIVIDEND INCOME 1973

Security	Number shares	Market value as of Apr. 22, 1974	Income derived 1973
Burlington Industries	40	990.00	28.00
Exxon	87	6,894.75	203.66
Trans Union Corp	93	3,603.75	66.72
Kennecott Copper	33	1,361.25	33.33
Burlington Northern	[1]33		25.00
Burlington Northern, Pfd	[1]17		4.58
Union Pacific	[1]33		20.00
Fruehauf	[1]57		49.59
Total			430.88
Income from Maud Eastman Studds Trust—Between death of trustee and dissolution of trust (see attached explanation, pt. D)			956.78
Total			1,387.66

[1] Sold during 1973.

PT. C—INTEREST INCOME 1973

Security	Bonds	Market value as of Apr. 22, 1974	Income derived 1973
Loew's Theater 6⅞ debenture	$3,100.00	2,146.75	106.56

Part D—Further explanation, Maud Eastman Studds trust:

This trust was established by my late grandmother, Maud Eastman Studds, with my late father, Eastman Studds, as lifetime beneficiary and trustee—and with myself, my brother, Colin A. Studds, and my sister, Mrs. Howard Babcock, as legatees upon my father's death. The trust, which is now dissolved, included the securities listed herein and the family home at 16 Black Horse Lane in Cohasset, Massachusetts.

Upon acquiring this inheritance, my brother, my sister, and I determined upon the following disposition:

1. The following securities were placed in an irrevocable trust for our mother, Beatrice Studds, with my brother as trustee. All income from these securities goes to our mother for as long as she shall live. My brother, my sister, and I each own one-third of the securities—and they will revert to us upon the dissolution of the trust at our mother's death.

COLIN A. STUDDS, III, TRUSTEE, BEATRICE STUDDS IRREVOCABLE TRUST, UNDER AGREEMENT DATED AUG. 1, 1973

Security	Number of shares	Market value as of Apr. 22, 1974
Bonds:		
Seaboard World Airlines cvt 5's, due Apr. 1, 1986	$10,000.00	$5,025.00
Common stocks:		
Northwest Industries, series A cvt pfd	150	10,800.00
West Point Pepperell	460	11,960.00
General Motors	200	9,800.00
Chessie System	100	4,975.00
Liggett & Myers	276	8,280.00
Marine Midland	240	5,640.00

2.—THE FOLLOWING SECURITIES ARE NOW MY OWN

Security	Number shares	Market value as of Apr. 22, 1974
Bonds:		
Loew's Theater, 6⅞ debenture	$3,100.00	$2,146.75
Common stocks:		
Burlington Industries	40	990.00
Exxon	87	6,894.75
Trans Union Corp	93	3,603.75
Kennecott Copper	33	1,361.25
Gulf Oil	[1]80	1,750.00
Union Carbide	[1]67	2,680.00
Zenith Radio	[1]67	1,691.75
Data General	[1]33	1,105.50

[1] Bought in 1973.

3. Our family home at 16 Black Horse Lane, Cohasset, Massachusetts—with an estimated market value of approximately $65,000, owned jointly by my brother, my sister and me.

Part E—Other assets:

1. 1973 Chevelle Station Wagon.
2. 1966 Chevelle Sedan.

Part F—Liabilities:

Automobile bank loan outstanding as of April 1974—$1,600.00.

Part G—1973 taxes paid:

Federal income tax	$6,488.25
Massachusetts income tax	1,364.88
Local property tax (one-third of taxes on family home)	881.34
Automobile excise tax	290.95
Total taxes	9,025.42

FINANCIAL STATUS OF REPRESENTATIVE LESTER L. WOLFF

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. WOLFF. Mr. Speaker, ever since first entering Congress, it has been my belief that it is proper for public officials in decisionmaking capacities to reveal for the public record the sources of their income and their financial holdings. In accordance with this belief, I have always tried to exceed the requirements of law to disclose all relevant information for the constituents to whom I am ultimately responsible. Therefore, I am today inserting in the RECORD my accountant's statement of my own and my wife's income and other economic interests, along with explanatory notes:

FASS TUCHER & MUSTER,
Great Neck, N.Y., April 17, 1974.
Hon. LESTER L. and BLANCHE WOLFF,
Great Neck, N.Y.

DEAR MR. AND MRS. WOLFF: As per your request we are enclosing the following information for the year 1973:

Salary received as Congressman, $42,500.

Interest earned on savings, $978.12.

Interest received on mortgage participation, $233.39.

Dividends received, $3,233.25.

Reimbursement of expenditures for Tapes (radio and video), $2,215.79.

Reimbursement of expenditures for studio time, $3,522.05.

Net gain from sale of publicly held securities, $910.29.

Other income: radio appearances, $158.60.

Securities in publicly held and active corporations, partnerships and individual proprietorships, whose fair market value is in excess of $3000.00:

403 shares of Massachusetts Investors Trust.

379 shares Century Shares Trust.

11,400 shares Associated Madison Corp.

220 shares Dana Corp.

368 shares American Telephone and Telegraph.

Federal and State income taxes paid, including local real estate taxes $18,573.01.

If additional information is required, please do not hesitate to contact this office.

Very Truly Yours,
HENRY MUSTER.

EXPLANATORY NOTES

Upon entering Congress, I sold the business in which I was engaged, to devote my self to my congressional career on a full time basis. Neither I nor my wife have any income from any sources other than those listed above.

Both the American Telephone and Telegraph stock and the Dana Corporation stock were bequested to my wife fourteen years ago, prior to my entering Congress.

The stock in Associated Madison Corporation, wherein I am merely a shareholder, was purchased more than 12 years ago.

The other stocks in Massachusetts Investors Trust and Century Shares Trust were purchased prior to my entering Congress.

The reimbursements for television and radio are for weekly programs furnished to radio and television stations, and are paid to the House Recording Studio and the House Office Equipment supply service, for tapes, and studio time.

I do not perform any managerial or consulting services or functions for which I am compensated.

CIVILIANS IN DEPARTMENT OF DEFENSE

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. ASPIN. Mr. Speaker, the Department of Defense is attempting to totally circumvent civilian efforts to control the number of civilian bureaucrats at the Pentagon.

Last year as part of the Department of Defense authorization bill the House and Senate approved legislation which would require an annual congressional ceiling on the number of civilians the Department of Defense can employ. But in legislation proposed by the Pentagon in this year's authorization bill the various categories of employees have been excluded from the ceilings and loopholes are proposed by the Department of Defense that would permit the Pentagon to exceed the congressional ceiling. Mr. Speaker, the Pentagon is engaged in a conscious program to torpedo this new law designed to curb the Pentagon's huge civilian bureaucracy.

For example, the Pentagon has inserted a clause in this year's proposed Defense authorization legislation which would allow the DOD to increase the number of civilian personnel above the proposed ceiling when a service Secretary or the Secretary of Defense decides that it will "result in economy without adverse effect upon national defense." The Pentagon will be allowed to break the ceiling by replacing military personnel with civilians without notifying the Congress.

This proposal is a mammoth loophole that makes any ceiling on civilian personnel irrelevant and meaningless. There is no use in having a ceiling when senior officials can hire as many people as they want without regard to any ceiling and without notifying the Congress.

Another example is the Pentagon's proposal that whenever a reorganization occurs by either moving an agency from one part of the Defense Department to another or when an agency is moved either into or out of the Pentagon the ceiling can be exceeded or broken. In addition, the Pentagon's proposal permits the Secretary of Defense an increase by 1 percent the total civilian manpower when he decides that such an increase would be in "the national interest." This would result in automatically raising the ceiling by more than 10,000 employees. In this case the Secretary of Defense would be required to notify the Congress of his actions.

Not only does the Pentagon's proposed legislation provide certain loopholes, this year's bill excludes large numbers of civilian employees, including approximately 103,000 foreigners employed overseas at U.S. bases on a so-called "indirect" hire basis. These employees are not hired directly by the Department of Defense, but work for their own government, which has a contract with the Pentagon to operate certain facilities and functions at overseas bases. Also, 22,000 employees who participate in special equal opportunity programs and summer jobs at the Pentagon are excluded from the ceiling. Seven thousand eight hundred overseas teachers and 32,000 employees engaged in so-called civilian functions, such as the Corps of Engineers are also excluded from the ceiling. In total, at least 169,800 civilian employees of the Department are not included in the ceiling.

The number of employees of the National Security Agency is not included in the current civilian manpower ceiling because the number is considered classified. The Pentagon claims that for reasons of national security this number must remain secret. Keeping this number classified is an effort to frustrate the will of Congress to set ceilings on civilian manpower in defense.

Explaining why the Pentagon is seeking to allow various exemptions which allow the Department of Defense to exceed the congressionally imposed ceiling, Department Assistant Secretary Clewlow told a member of my staff that exemptions allow for "contingencies for the smooth functioning of the system." Mr. Clewlow said that breaking ceilings would "help resolve turbulence" when reorganizations occur within a department by allowing "temporary overstrengths."

Mr. Clewlow also indicated to a member of my staff that the Department of Defense proposed a system of fiscal control as opposed to a specific ceiling on the number of civilian employees.

Mr. Speaker, the Pentagon is also planning to rapidly increase the number of authorized civilians on the payroll by July 1, 1975. Authorized strength could be increased by 27,000 between today and July 1, 1974, As of February 28, 1974, there were 1,000,720 civilian employees working for the Defense Department. The Pentagon is seeking an increase of nearly 19,000 employees, costing approximately $61.5 million as part of the fiscal year 1974 supplemental appropriation. The House has already rejected this unwise increase but it still must be considered by the Senate.

According to the proposed fiscal year 1975 authorization the Pentagon would be allowed 1,027,000 employees on July 1 of this year, or a net increase of approximately 27,000 employees. Frankly, Mr. Speaker, I am suspicious that the Pentagon is rapidly increasing the number of authorized personnel in order to establish an artificially high ceiling for next year. It looks like the Pentagon is involved in a little featherbedding in case Congress lowers its proposed ceiling.

Mr. Speaker, I believe that a substantially lower ceiling is needed on civilian manpower, particularly in view of the Pentagon's efforts to increase the number of employees by 27,000 in just a few months.

UNION WOMEN FORM COALITION

HON. MARTHA W. GRIFFITHS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mrs. GRIFFITHS. Mr. Speaker, as women continue to work for the long-overdue equality in employment opportunities, in salaries, and before the law, I am pleased to draw to the Members' attention yet another coalition of women who are working within the system our laws provide for the rights they so deserve. I note with great interest the founding of a new organization, the National Coalition of Labor Union Women.

Union women, a substantial portion of the labor force, have contributed over the years an incalculable amount of time and energy resulting in a Nation that is productive and prosperous beyond belief. Now these women are joining together in order to gain their rightful share of and place in our economy and in our national mainstream.

The following news story by Ruth Jordan best explains the goals of this fledgling group:

Like Old Times 3,000 Women Unionists From 58 Unions Form Coalition

(By Ruth Jordan)

Chicago.—It was just like any other big labor union convention. Standards dotted the floor marking the places where Machinists, Steelworkers, Clothing Workers, Teachers and Teamsters and Auto Workers were sitting—well, not quite like any union convention in recent years.

The delegates were different too—3,200 union women and several men from 58 unions, most of whom had paid their own way to attend the founding convention of the Coalition of Labor Union Women here.

The organizers of the convention, who had met last summer in the Chicago airport to discuss the idea for the first time, had watched their baby grow through several regional conferences. They expected some 1,500 women to attend this first national meeting.

Instead, by Saturday morning when sessions began, there were 2,000 registrants and the Chicago Fire Marshall had ruled that the overflow crowd would have to be accommodated in the lobby outside the Hotel Pick Congress' "Great Hall." And still the women kept coming. Three busloads from the MidWest arrived in the afternoon delayed by a Spring snowstorm. The credentials committee was called into action again.

Addie Wyatt, one of the organizers of the meeting and director of the newly formed Women's Department of the Amalgamated Meat Cutters, told a crowded night session—"We have had a difficult labor, but nine months after we began, we have given birth to this wonderful child . . ."

The Coalition adopted a structure and organizational guidelines to keep the organization growing until the first delegated convention planned for next year.

The majority of the delegates resisted efforts that would extend the organization's framework to include women outside organized labor voting down amendments that would open the organization to "all working women" and to "women in the Welfare Rights Organization."

Instead the organization was limited to "union members and retirees of bona fide collective bargaining organizations. . ."

Sheer size forced the delegates to discuss substantive issues in smaller workshops rather than in plenary sessions. And as the convention threatened to be overwhelmed by work, the delegates turned over all resolutions to the incoming National Coordinating Committee of 200.

The Committee was chosen by union caucuses, each electing four delegates. State caucuses also elected state convenors from various unions who will be charged with local and state organization of CLUW chapters.

The officers of CLUW, elected by the National Coordinating Committee, are: National Chairperson Olga Madar, International Vice-President of the United Auto Workers from Detroit; Vice-Chairperson Addie Wyatt, director of the Women's Affairs Department, Amalgamated Meat Cutters, Chicago; Executive Secretary Linda Tarr-Whelan, AFSCME deputy director of program development, Washington, D.C.; Treasurer Gloria Johnson, IUE director of education and women's activities, Washington, D.C.; Regional Vice-Presidents Joyce Miller, executive assistant to the General Officers and director of social services for the Amalgamated Clothing Workers, N.Y.; Elinor Glenn, International Union Executive Board Member, Service Employees International Union, Los Angeles; Dana Dunham, rank-and-file member of the Communications Workers, Atlanta, Ga.; Clara Day, Teamsters Local 743, Chicago.

The new organization adopted as its purposes:

Organization into unions of the 30 million unorganized women workers in the labor force;

Affirmative action in the workplace to encourage women "and their union brothers" through their unions to take positive action against job discrimination in hiring, promotion, classification and other aspects of work;

To encourage women to run for political office and to press for child care legislation, full employment and job opportunities; ratification of the Equal Rights Amendment and an extension of "truly protective legislation for all workers";

To encourage union women to take an active role in their unions and to encourage their movement into leadership positions in their unions and the labor movement as a whole

At several points, the convention's success was threatened by side issues. One major debate took place around the issue of supporting the United Farm Workers boycott.

There was strong sentiment that the basic unity of the delegates would be destroyed if they reflected the tensions that might exist between their international unions or between unaffiliated and affiliated organizations.

CLUW organizers, in an effort to avoid potential rifts in the fledging organization had included a structural clause saying CLUW would not take part in jurisdictional disputes. The clause would have barred an endorsement of the Farm Workers boycott.

Militant supporters of the boycott, none of them members of the Farm Workers, rose time and again to strike the clause so that a resolution could be introduced. It was an emotional issue, since clearly most of the delegates supported the Farm Workers strongly. But many expressed concern that the issue was being used to divert the organization from its goal of unifying union women.

After a stormy and potentially divisive session that lasted until nearly midnight, the delegates killed that clause and opened the way for a floor fight over the boycott issue.

Instead Farm Worker women and Teamster women called Evelyn Dubrow at 1:00 a.m. The legislative director of the International Ladies Garment Workers Union, Ms. Dubrow had chaired one of the many workshops. They told her they didn't want the convention to be diverted from its major task and said they'd like to get together and discuss their problems.

The next day, a member of the Farm Workers rose to address the delegates. Josephine Flores saids "You know sisters we have been struggling for a long time . . . not one day, not one year, or ten years. Please sisters," she told them, "the Farm Workers put everything on your table." Then she asked for support of a resolution to call for union organization of all women in the fields.

The Farm Workers woman wore a red bandana around her head, her arm was wrapped in a heavy cast, her brown, round face reflected her years of toil. Next to her stood Clara Day, a beautifully groomed, black

In the most touching display of trade union unity to be seen in many decades, the two women turned suddenly toward each other and embraced. The entire audience rose and cheered, some with tears streaming down their faces. And Edith Van Horn, a United Auto Workers staff representative for many years, tried to carry on.

"This is what CLUW is all about," she said, her voice choked with emotion. And then she added, "In 54 years, I've never been prouder to be a woman."

One reporter who had covered a number of feminist meetings in recent years commented how astonished he was at the complete lack of hostility toward men or the male leadership of the unions.

Feminist spokeswoman Gloria Steinem attended the meeting as a delegate but was not introduced from the platform. At the press conference following the convention, however, Olga Madar offered a vote of gratitude to the organizers of the women's movement and said they had helped make union women aware of their need to organize as women.

In the final moments of the convention there was a ringing call from Addie Wyatt to remember that the bosses are the real enemies of women in the labor force.

"Remember we are not each other's enemies," she said. "Our unions are not the enemies because we are the unions. . . . We are telling our unions that we are ready, available and capable to fight the fight," she added.

And then in a powerful conclusion she told the women: "I still believe that the union is the most viable and available channel through which we can win our goals. . . ."

"I am still committed to work within the framework. . . ."

And then reciting the words of Solidarity Forever, she said, "For the union makes us strong. . . ."

With that the delegates rose, hands clasped and bodies swaying, sang Solidarity Forever. The founding convention of CLUW was over and union women were on the move.

IN MEMORIAM: HON. JAMES EMMERT, OF SHELBYVILLE, IND.

HON. WILLIAM G. BRAY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. BRAY. Mr. Speaker, the recent death of Judge James Emmert, of Shelbyville, Ind., was saddening to the many in the State who, like myself, had the great privilege to call him a friend.

The following tribute to Jim Emmert by Ben Cole, of the Washington Bureau of the Indianapolis Star, which appeared in the Star on April 21, 1974, is both fitting and moving, and it is a pleasure to include it in the Record.

Friend's Tribute to Emmert

(By Ben Cole)

Washington.—It's going to be hard getting used to a world without Jim Emmert. Just knowing he was around somewhere made it a lot happier world to be in.

He was the attorney general of Indiana when this reporter first got to know him. His string neckties, his doeskin spats and his soulful brown eyes were the first things you noticed about him.

Even when he was a young man, his face seamed and lined as if he had personally borne the sins of the world for centuries. When he was in his early 50s he used to pronounce, "By the time a man's 40 you ought to be able to read his character in his face."

To a callow reporter still shy of that venerable age, it was a challenge. Frequent examinations in the mirror, however, failed to disclose the development of the kind of character that Jim somehow had acquired.

The attorney general's office was the place to learn what was going on in Indiana government. Every problem had a way of finding its way to Jim Emmert's desk, and his deputies were always trying out the common sense of their legal scholarship on a young reporter without many prejudices.

Jim Emmert's desk had beside it a towering, swivel bookcase which he could twirl with the twist of his wrist when he looked up the law.

He was patient, kind and a trusted friend. In three years of conversations he must have imparted what was nearly the equivalent of a law school education. Better! It was the kind of instruction that was never forgotten and is as useful and fresh today as when Jim peered over those little half-moon glasses and catechized his eager student.

His heart was always light, and he enjoyed political anecdotes to the full. His laughter was unique—high-pitched and cackling, ending in a sober ritual of enjoyment.

He was a born judge, and even when he sat in a courtroom as counsel in a case he was busy judging the evidence. He used to say it made it easier to win his cases, knowing how he would decide if he were on the bench.

Then he was elected to the Indiana Supreme Court. Somewhere there is a picture of Jim, his lovely wife Bernice and a young newspaper reporter—all three with their feet on the judicial bench in evidence of informal friendship.

After he became a judge, Emmert refused to join his brother jurists at lunch. He would join the reporters at the old Indianapolis Press Club, in those days on Monument Circle. Law was forgotten while he discussed politics, gunsmithing and tombstone inscriptions with his newspaper friends.

He gave this reporter a key to his judicial chambers, saying he didn't want any newspaper accounts of legal questions written without proper background. The free use of his considerable law library was a treasured advantage.

Each day at noon, this reporter used to leave the Statehouse pressroom and walk around the corridor to Judge Emmert's office. There was always a little "stomach medicine" available to ward off any microbes that might lurk in the Press Club kitchen.

As a judge, he was without peer. Once a lawyer who argued a case before him remonstrated, "Jim, you decided the case in my favor all right; but I wanted to win on the issue I raised, not the question you decided it on."

Emmertt looked up with the mischievous grin that was one of his most delightful features. "Well," he said, "you can't say I didn't read the record."

History miscarried when Jim Emmert somehow never got to be a justice of the United States Supreme Court. It is interesting that he should have been known as Indiana's "great dissenter," for he would have filled the void on the highest court left when Justice Oliver Wendell Holmes passed away. Holmes was also called "the great dissenter."

Ted Knap of Scripps-Howard Newspapers said the other day that Jim Emmert had "too much common sense" ever to be named to the Supreme Court. He was probably right; and it is a sorry comment on the way justices are picked.

In recent years, he always kept in touch with notes and letters—usually approving and urging fidelity to the rugged individualism that was his hallmark.

He was a powerful teacher, a devoted friend and a mentor of highest principles. He was the personification of everything that is good about partisan politics—a Republican who knew where he stood and respected his opponents for their convictions.

He lived a long, full life; but the years passed all too quickly. For his farewell the words of Hoosier Poet James Whitcomb Riley are most fitting:

"Well, good-by, Jim: Take keer of yourself."

CHARLES BLACK, SENIOR WAR CORRESPONDENT

HON. JACK BRINKLEY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. BRINKLEY. Mr. Speaker, the following editorial from the April 16, 1974, edition of the Columbus, Ga., Enquirer, provides an excellent discussion of the President's conduct of the Vietnam war. The editorial, written by my good friend and a truly outstanding journalist, Mr. Charles Black, the Enquirer's associate editor, is both well written and scholarly and I commend it highly to the attention of our colleagues.

The editorial reads:

NIXON AND VIETNAM

Along with all of the rest flying round on the political gales in Washington of late, we have noted a particular howl for the blood of the President which maintains he should be impeached for his actions as commander in chief in the waning era of the Vietnam War.

The raids into Cambodia and Laos, the decision to allow meaningful bomb targets in the north, the decision to blockade Haiphong, and the covert warfare (clandestine probes, raids, air strikes, etc.) waged against Cambodian and Laotian sanctuary bases are called illegal acts by this set of critics.

It is probably going to come as a complete surprise to just about everybody, but on the basis of a precedent already in the Supreme Court record, President Nixon is the only occupant of the White House since the Vietnam affair began in earnest in 1962 who isn't in violation of the Constitution on this matter.

In 1850 in a case recorded as "Fleming vs. Page" which had grown out of the horrendous political flap in our nation which came with the Mexican War, the Supreme Court related the President's authority to fight wars to an assigned duty to achieve success while doing it:

"As Commander in Chief, he is authorized to direct the movements of the naval and military forces placed by law at his command, and to employ them in the manner he may deem most effectual to harass and conquer and subdue the enemy."

PRESIDENT'S DUTY

In 1895 in "The United States vs. Sweeney," the Court again stated that the President is expected "to wage a successful war" once the war has commenced.

It would appear that the refusal of previous administrations to address the clear, tactical advantages so obviously available to them as Commander in Chief by cleaning out Cambodian and Laotian sanctuaries and to apply effective measures against North Vietnam were violations of long-standing Supreme Court definitions of the President's duty as Commander in Chief.

There is a specific howl, within this particular style cacophony, that clandestine actions against the Cambodian sanctuaries during 1969–1970 which were kept from general knowledge of Congress and the public were especially reprehensible and illegal acts by President Nixon. Objective consideration in light of established legal precedent, that the duty of a president is to obtain military success sufficient to meet his strategic goals, would seem to make him culpable if he had done otherwise, however.

Consider that it was established by an American operation in October-November of 1965 (the battle of the Ia Drang as it is usually referred to, the Plei Me-Ia Drang Campaign in official Army histories) that North Vietnamese regiments fought by the 1st Air Calvary Division had attacked from Cambodian bases and had fled there after defeat. A White House decision relayed to the field headquarters through the Saigon command barred American pursuit into Cambodian territory.

The truly illegal act by a President would seem to have been the decision by the late President Lyndon Johnson not to legally pursue an enemy into his illegal sanctuary area. It was a decision which guaranteed there could be no success for his war strategies. The impossibility of defeating light infantry or irregulars allowed privileged sanctuary has been established in military history since the ancient Chinese general Sun Tzu wrote it as a principle that:

"The privileged sanctuary confers great advantages on the antagonist who enjoys it and multiplies the problems of the antagonist not so blest."

HEAVY CASUALTIES

By 1966, field generals were openly angry that they were denied the necessary political permission to solve the problem of these sanctuary bases and supply routes. Lt. Gen. Stanley Larsen, at that time commander of our Field Forces Vietnam (I), returned from Vietnam and held a press conference in which he explained the sanctuary situation. He said American casualties would continue to be heavy because of it, that the military problem couldn't be solved until that matter was solved.

Then-Secretary of Defense Robert McNamara and then-Secretary of State Dean Rusk both took occasion to go on national television and tell the American people that there were no sanctuary bases in Cambodia.

The general was forced to mutter that he was "simply a field commander, and they probably know more about it than I do" because his political command had spoken. The American people were to be lied to about the existence of the Cambodian sanctuaries. The policy was set and put into operation until President Nixon changed it.

When the Nixon administration commenced, it was therefore impossible to assault those bases without great threat to the domestic tranquillity of the nation. It was also impossible to continue to abide them because they were bringing the deaths of American soldiers and denying success, which was demanded of the President by Supreme Court decisions.

GRAVE REACTION

The record shows that when open raids were finally launched, because of the overpowering necessity to commit sufficient force to the effort, there was a grave domestic reaction. The Kent State tragedy is an example of what happened. His judgment concerning the need for guarding against that earlier is proved correct by the record of 1970, then. His judgment that the sanctuaries had to be assaulted was proved by the success which attended the aftermath.

On this particular matter, President Nixon was doing his legal duty as President and Commander in Chief. There were others in times before him, however, who certainly have much to answer for.

MAINE MADE SENSE

HON. PETER N. KYROS

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. KYROS. Mr. Speaker, a few weeks ago an article by Sandra Garson appeared on the "Op-Ed" page of the New York Times which I would like to call to the attention of my colleagues. Entitled "Maine Made Sense," the article outlines Miss Garson's perceptions upon leaving New York City at age 29 to settle in Maine. While this article certainly does not portray all aspects of life in Maine—unfortunately, we have as many problems as any State—it does portray with sensitivity and insight one important slice of Maine life. I know Miss Garson's article will be of interest to my colleagues on both sides of the aisle, and I commend it to their attention:

MAINE MADE SENSE

(By Sandra Garson)

FIVE ISLANDS, ME.—People kept telling me I had guts to move to Maine. Frankly, I thought I had common sense, for I wanted to play where I understood the rules of the game.

I had already tried and abandoned a gaggle of life-styles: my Philadelphia heritage, the bittersweet Big Apple, world travel and expatriation (not glamorous but depressing, even if you speak the language)—so at a ripened 29 it seemed time to stake my claim to being what I was: an American, whatever that meant.

The nineteenth-century passion for going West didn't move me, for, I, born in the mid-twentieth, suspect that God strategically placed America's major geological fault in California in order to replay His wipe-out of Gomorrah easier. So I went East to a state of mind, and landed in the state of Maine. Suddenly the jig saw locked. Maine made sense.

Recently Bridgton voted to reduce to almost zero the taxes on land left untouched for the appreciation of passing townspeople when it was learned that local landowners had been forced to sell or develop land merely to bear the tax burden. A human being understands that.

The comfort of comprehension, something mid-nineteen-seventies Americans fear they've bartered to Beelzebub to get away from it all, has not been lost up here because Maine has never tried to get away.

As adamant as the tall pines and time-washed cliffs of her spine, it refuses to be moved one millimeter from the human condition.

Some people call its residents Mainiacs, but they are intensely sane. They know there is no getting away and so they adapt to life, setting out humane values and goals. They are the tortoises in the great race, but it is perhaps their Yankee genius that by not moving one inch they have gotten away from all that is troubling everyone else.

With less civilization there are fewer discontents. There are more chances to get in touch. Up here on this hardline landscape, nature whittles life down to human scale, peeling off the question marks.

Guerrillas in a war of attrition against the highly charged forces of nature and the well-equipped army of "progress," Maine's people live in that constant state of alert that novelists say is exhilarating. When they lie down to sleep at night they know what it means to survive the measure of a day. Nothing is more worth knowing.

I understand better what it means to be human when I have to spend three hours chopping wood for a fire to keep warm than when I have to drive six times around the block trying to park and then get a ticket because it's the wrong day for the right side of the street. The other day a woman came into the general store and handed Ray a dollar. She had just gotten home and noticed that he had given her too much change.

Maine is what this country must have been all about once. I was an immigrant to this land, a single woman homesteader. Yet nobody posed tacky questions. Rather, they let me hang myself out and seeing that my pursuit of happiness wasn't inimical to their life or liberty they called me "friend" and "neighbor."

Democracy grows here because people need each other to survive. Here the town meeting is a bridge between neighbors. Decisions are not relegated to politicians. Self-determination is the Yankee way, and in Maine I have come to learn what that means.

On the agenda of my last town meeting were votes on a moderator, $500 to retain counsel to determine the rights of townspeople to certain water access, and $378 for transportation services for the elderly.

I have seen the past and it works. The present is out of order. Maine satisfies my human longing for consistency. I live now in a house that has stood by the sea for 150 years, in a village incorporated since 1716 and among people who still do what humans are supposed to do. Maine people not only endure, they prevail. On this terrain they have no choice. And they have chosen this terrain.

In moving here from New York to join them, I did not abandon a sinking ship as some thought. I merely satisfied my own needs. Maine, the vast undeveloped country making possible the exploration of human alternatives, was not out of the question for the urban me because in desperation I dared pose the big question: Do I want to lead and understand my one and only life?

FINANCIAL DISCLOSURE

HON. ANGELO D. RONCALLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. RONCALLO of New York. Mr. Speaker, in accordance with the recommendations of the Ad Hoc Committee on Financial Disclosure of the New York State delegation to Congress, I am pleased to provide herewith data regarding my financial status for 1973.

First, sources of all noncongressional income: Sale of Dreyfus fund stocks; sale of real estate; income from law firm of Roncallo, Leff, Weber, and Shapiro.

Second, all unsecured indebtedness: None.

Third, sources of all reimbursements for expenditures: $3,000 from the Republican Congressional Committee as is apportioned to all freshmen Republican Congressman for public relations.

Fourth, all stocks, bonds, and other securities owned outright or beneficially: Three-mile Harbor Marina; Filmway; Villa D'Est Leasing Corp.; Cobrook Developers, Inc.; one share Ford stock each for each of my five children; Romat Realty, Inc.; Webco Enterprises, Inc.

Fifth, identity of all business entities—including partnerships, corporations, trusts, and sole proprietorships—professional organizations—of a non-eleemosynary nature—and foundations in which I am a director, officer, partner, or serve in an advisory or managerial capacity: Partner in the law firm of Roncallo, Leff, Weber, and Shapiro.

Sixth, shown below is my individual income tax return face sheet for 1973:

INDIVIDUAL INCOME TAX RETURN

Angelo D., and Priscelle Roncallo, 226 Toronto Avenue, Massapequa, N.Y. 11758.

Occupation: yours, U.S. Congressman; spouse, housewife.

Filing Status—check only one:

2 Married filing jointly (even if only one had income).

Exemptions:

6a. Yourself, b. Spouse.

c. First names of your dependent children who lived with you: Marc, James, Jean-Marie, Paul John.

7. Total exemptions claimed, 7.

9. Wages, salaries, tips, and other employee compensation, $39,105.

10a. Dividends, $29.

11. Interest income, $657.

12. Income other than wages, dividends, and interest (from line 38), $20,303.

13. Total (add lines 9, 10c, 11, and 12), $60,065.

14. Adjustments to income (such as "sick-pay," moving expenses, etc. from line 43), $2,758.

15. Subtract line 14 from line 13 (adjusted gross income), $57,307.

16. Tax Rate Schedule X, Y, or Z, $8,720.

17. Total credits (from line 54), $38.

18. Income tax (subtract line 17 from line 16), $8,682.

19. Other taxes (from line 61), $833.

20. Total (add lines 18 and 19), $9,515.

21a. Total Federal income tax withheld (attach Forms W-2 or W-2P to front), $10,130.

b. 1973 estimated tax payments (include amount allowed as credit from 1972 return), $1,541.

22. Total (add lines 21a, b, c, and d), $11,671.

23. If line 20 is larger than line 22, enter balance due IRS, None.

24. If line 22 is larger than line 20, enter amount overpaid, $2,156.

26. Amount of line 24 to be credited on 1973 estimated tax, $2,156.

This information is released, according to the suggestion of the ad hoc committee, on April 23, 1974.

OPIUM PRODUCTION BAN

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. WOLFF. Mr. Speaker, I would like to bring to the attention of my colleagues a very important letter that has been sent to the President by the commissioner of the New York City Addiction Services Agency, Mr. Jerome Hornblass.

Mr. Hornblass' letter is evidence of the well-founded nature of our concern over the possibility of the Turkish Government lifting the ban on opium production. For the past several weeks, I and my distinguished colleague from New York (Mr. RANGEL) have been urging the White House to stand firm on the opium growing ban. Now we are joined by a man who, as head of New York City's Addiction Services Agency, is in a position to realize the impact which the opium production ban has had on heroin availability and use on our city streets. I reemphasize Mr. Hornblass' statement that—

> If the United States Government, bowing to pressure from Turkish poppy growers and the domestic pharmaceutical industry, agrees to a lifting of the ban, it will be a backwards step that is almost guaranteed to lead to an upsurge in heroin addiction.

Mr. Speaker, less than 1 percent of the Turkish population, and only 1 percent of the economy is dependent on opium growing. Our question is, how many Americans will become drug dependent if poppy production is resumed? Surely, the Turkish Government has a responsibility to teach this small fraction of its citizenry about the seriousness of our drug problem and its relationship to poppy production in Turkey. If the Turks lift the ban on opium growing, they will be showing their utter disregard for the mutual assistance pact that is imperative for fighting the drug war that ravages this Nation's youth.

For the RECORD, I would like to include the full text of Commissioner Hornblass' letter to the President:

DEAR CONGRESSMAN: The following letter advising against the possible decision of the U.S. Government agreeing to the lifting of the opium ban by the Turkish Government was sent today by New York City Addiction Services Agency Commissioner Jerome Hornblass to President Nixon:

DEAR MR. PRESIDENT: As Commissioner of New York City Addiction Services Agency, with responsibility for the administration of more than 300 drug treatment facilities caring for over 40,000 drug abusers, I wish to register grave concern over recent unofficial reports that the United States Government may shortly agree to a lifting of the ban on production of the Turkish opium poppy.

Since 1972, when the Turkish Government, in return for compensation from the United States, agreed to suppress the growth of opium poppy there has been a dramatic decrease in the amount of heroin available in the streets of New York. Data compiled by our agency indicates not only that heroin is relatively unavailable in our streets but that this scarcity reflects the national situation. According to one recent congressional study the number of pure heroin addicts has decreased nationally from at least ½ million to no more than 200,000 in the last two years.

Although it is now possible to draw a direct relationship between New York's recent decrease in addict-related crimes and the Turkish opium ban, there is no reason to doubt that the latter is at least partially responsible for this decrease in criminal activity.

Also, because of the extremely short supply of illicit heroin resulting from the ban, the purity, and therefore the addictability of street heroin in New York City has declined from an average of 7.7 percent pure heroin per "bag" to an average of 3.7 percent of purity per "bag" according to a recent report of the drug enforcement administration. Moreover, the past year has seen a marked decrease in New York City and throughout the United States in overdosed deaths due directly to heroin, as well as a decrease in drug-related hepatitis. These decreases are primarily attributable to the short supply of illicit heroin. If the United States Government bowing to pressure from Turkish poppy growers and the domestic pharmaceutical industry, agrees to a lifting of the ban, it will be a backwards step that is almost guaranteed to lead to an upsurge in heroin addiction nationally, with a consequent rise in addict related crimes. We are now on the threshold of coming to grips not only with the heroin problem but the entire drug abuse problem. Therefore, now is the time to persevere in our efforts to stem the tide of drug addiction by drying up the Turkish poppy fields. On behalf of the thousands of drug rehabilitation workers in the city, State and federally supported programs, nationally, and of young people everywhere who may be future victims of heroin addiction, I urge you to reconsider any lessening of the United States Government attitude toward opium production in Turkey.

Sincerely,

JEROME HORNBLASS,
Commissioner.

SAVE THE WETLANDS

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. DINGELL. Mr. Speaker, I am inserting, by permission previously granted, the testimony delivered by Congressman HENRY S. REUSS of Wisconsin, April 23, 1974, before the Subcommittee on Agriculture-Environmental and Consumer Protection of the House Committee on Appropriations, which calls for the preservation of this Nation's precious wetlands.

I joined with Congressman REUSS in support of this statement urging the subcommittee to reverse the proposal in the President's fiscal year 1975 budget which halts two vital programs geared to save the wetlands.

The text of Congressman REUSS' statement follows:

TESTIMONY OF REPRESENTATIVE HENRY S. REUSS OF WISCONSIN

Mr. Chairman and Members of the Subcommittee, I appreciate the opportunity to appear before you today to urge your rejection of two proposals in the President's Budget for Fiscal Year 1975 which, if adopted by Congress, would have disastrous consequences for our Nation's irreplaceable wetlands. Congressman John D. Dingell, who could not be here today, joins me in urging this.

The first proposal is to strike from the Agriculture Department's 1975 Appropriation Act (by funereal brackets) a proviso[1] prohibiting the use of Agricultural Conservation Program[2] funds to drain wetlands designated as types 3, 4, or 5. Your Subcommittee has included this proviso in the Department's annual Appropriation Acts ever since 1962.

The second Administration proposal for Fiscal Year 1975 is to discontinue the Water Bank Act program as a separate program and to provide that Water Bank funds will no longer be available solely for wetland purposes, but will be spread out to serve several purposes.

Apparently the decision on these proposals was made without benefit of any input from the Interior Department, which is chiefly concerned with the conservation of wetlands.

In a March 7, 1974, memorandum to Assistant Secretary of the Interior Reed, the Director of the Bureau of Sport Fisheries and Wildlife said that the proviso which the President's Budget proposes be stricken "has been of inestimable value to the Nation's remaining wetland resources" and that preservation of the Water Bank program "deserves all the support we can muster." He then concluded:

"We are, frankly, very surprised and disappointed with these proposals. The direct and indirect ramifications to the Nation's wetlands resources would be tremendous.*** We are very much concerned at what appears to be an effort to stimulate farm operators to all-out production—to the detriment of wildlife habitat. We believe the reaction by the conservation minded public would be one of disillusionment and outrage."

In a March 8 letter to Chairman Russell W. Peterson of the Council on Environmental Quality, Assistant Secretary Reed urged "continuation" of that proviso, and said that the Water Bank program "can be helpful in preserving our national wetlands resources".

I

Prior to 1962, the Agriculture Conservation Program—which is a valuable tool for genuine soil conservation practices such as strip cropping, terracing, contour plowing, and tree planting—was given a black eye for subsidizing drainage of wetlands valuable to migratory waterfowl and other wildlife. During the previous 10 years, almost half of the more than 1.3 million acres of wetlands in the prairie pothole area of Minnesota, North Dakota, and South Dakota was drained with ACP aid.

In 1959, your Subcommittee noted the utter senselessness of the Agriculture Department's policy of paying farmers to *drain* wetlands valuable for wildlife while at the same time the Interior Department was buying such wetlands to *protect* wildlife. At this Subcommittee's request, the two Departments in 1960 agreed that Federal subsidies for drainage of these wetlands should not be approved where Interior recommended against such drainage.

But by 1962, it was evident that the interdepartmental agreement was ineffective. Interior's recommendations were generally being disregarded.

On July 24, 1962, the House adopted, with the support of your Chairman, Mr. Whitten, the so-called "Reuss Amendment," which I offered to stop the use of Federal ACP funds to drain wetlands considered most valuable to wildlife. It has been re-enacted in every one of the Agriculture Department's annual appropriation Acts since then.

It achieved its purpose well. On April 9, 1974, the Bureau of Sport Fisheries and Wildlife advised us that between October 1962 and December 1972, the Agriculture Department had received 7,449 requests for financial assistance to drain over 85,745 acres of "high value" wetlands (types 1, 3, 4, and 5) in North Dakota alone. The Amendment has saved about 57.7 percent (49,475 acres)—the Types 3, 4, and 5—of these "high value" wetlands from being drained with Federal ACP funds. Thus, if landowners wanted to drain these areas for farming or real estate development, they had to use their own money, not the taxpayers' money.

After 11 years of compliance with the Reuss Amendment, the new budget will now authorize the shelling out of millions of tax dollars to destroy these natural wetlands. It is bad enough when the Administration hurts the conservation cause by refusing to spend needed dollars to acquire dwindling wetlands for migratory bird refuges and waterfowl production areas. But it is sheer hyprocrisy for the Office of Management and Budget to approve spending additional millions of dollars in order to hurt these conservation practices.

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[1] The proviso is as follows:

"*Provided* that no portion of the funds for the current year's program may be utilized to provide financial or technical assistance for drainage on wetlands now designated as Wetland Types 3(III), 4(IV), and 5(V) in United States Department of the Interior, Fish and Wildlife Circular 39, Wetlands of the United States, 1956; . . . " [P.L. 93-135, p. 18.]

[2] Now the Rural Environmental Conservation Program (RECP).

On February 14, 1974, we asked OMB Director Roy Ash why he recommended the deletion of this important proviso. In his March 27 reply, Mr. Ash admitted requesting deletion of the proviso because, he said, it is "superflous language since Rural Environmental Program funds are not permitted to be used for such drainage in the 1975 program."

But Mr. Ash is in error. Without the Reuss Amendment, REP funds may be used for this purpose in Fiscal Year 1975.

Under Secretary of Agriculture Campbell assured us on March 7 that his Department would not spend REP funds for wetland drainage purposes in FY 1975. However, his assurance is a poor substitute for a statutory prohibition against the use of those funds for such purposes, for several reasons:

First. Administrative decisions are subject to change. This Subcommittee remembers, I am sure, the Agriculture Department's public announcements in the fall of 1972 that the REAP and Water Bank Act programs were being funded in Fiscal Year 1973. The Department even listed the States in which Water Bank funds would be spent. But only a few weeks later, on December 26, 1972, the Agriculture Department abruptly reversed itself and terminated both programs.

Second. Removal of the proviso could be interpreted as indicating Congressional approval for use of REP funds for wetlands drainage. Even legislative history to the contrary might not be sufficient to prevent such an interpretation by the Agriculture Department a few years from now, or by a court in a suit challenging the Department's authority to withhold funds for this purpose.[3]

Third. These assurances were made only after we protested the Administration's decision. Indeed, to our knowledge, these assurances have never been made public. The Administration's budget document, which is public, does not include these assurances. In fact, we reached a different conclusion upon reading it.

Mr. Chairman, these Administration officials apparently do not object to the concept of prohibiting subsidies for drainage of wetlands. Rather, they object to a Congressional prohibition for this purpose. But we believe our Nation's wetlands will be afforded greater protection by Congressional enactment of the Reuss Amendment than by the vagaries of an administrative decision.

Let me stress, however, that the present Reuss Amendment is not a panacea. There are 20 wetland types described in the Interior Department's definitive publication (Circular 39) entitled "Wetlands of the United States." Many of these are navigable and therefore cannot be drained or filled without a Corps of Engineers permit. But Type 7 wetlands—the wooded swamps—are generally not subject to these Corps' permit requirements and are being drained with the aid of REP funds. On April 19, 1974, the Bureau of Sport Fisheries and Wildlife advised me that several studies and reports have shown that in the past 18 years millions of acres of wetland forests in the Atlantic and Gulf Coastal plains and in other areas of the United States have been drained, often with the aid of Federal funds.

Even more disturbing is the December 1973 "Rural Credit Program Fact Sheet" of the Farmers Home Administration which clearly advertises that Federal soil and water conservation loans are available for "drainage" of lands, including, of course, types 3, 4, and 5 wetlands, as well as type 7 wetlands.

The Interior Department is currently spending Federal funds to prevent the drainage of these wetlands. Congress should not allow the Agriculture Department to defeat that program by encouraging their drainage.

We urge that the Reuss Amendment be continued and, indeed, expanded to prohibit the use of any Agriculture Department funds for the drainage of not only wetlands Type 3, 4, and 5 but also wetlands Type 7. A suggested amendment for this purpose is enclosed with my statement.

II

As proposed by the Administration, the Water Bank Program would lose its identity as a separate program and Water Bank funds could be used for purposes other than those authorized by the Water Bank Act. We urge that you reject that proposal.

First. Public Law 93–86 did not contemplate that the Water Bank Act program should be discontinued as a separate program. Indeed, that law specifically recognized the existence of the Water Bank Act and did not repeal it. Congress intended that the program continue unscathed within the new RECP program. The Administration's budget proposal is not in accord with that intention.

Second. The Administration's 1975 budget proposal lumps the Water Bank Act program into a broad category entitled "Recreation and Wildlife." An appropriation of $900,000 for this category is requested in Fiscal Year 1975. In a March 7 letter to Congressman Dingell and me, Under Secretary Campbell said that his agency plans "to use the funds only for preserving wetlands."

But the Under Secretary's promise contradicts the Administration's statement in the Budget Appendix (p. 144) and other public documents on this matter. That Appendix expressly states that these funds would be used primarily for wetlands purposes, and that recreation and other wildlife practices which in the past have received about $3.6 million annually "would continue to be supported but on a somewhat lower priority basis than at present." If Mr. Campbell's administrative commitment prevails, none of the funds could be used for recreation and other wildlife practices. They would have to be used solely for Water Bank purposes and these other practices would go unfunded in fiscal year 1975.

We urge that this Committee maintain the identity of the Water Bank program at the funding level provided for that program in Fiscal Year 1973 and Fiscal Year 1974.

We also urge that the funding for recreation and other wildlife practices be continued apart from the Water Bank Act funding.

PROPOSED REUSS AMENDMENT TO THE AGRICULTURE, ENVIRONMENTAL, AND CONSUMER PROTECTION APPROPRIATION ACT—1975

"None of the funds provided by this Act shall be used to provide financial or technical assistance of any kind for drainage on wetlands now designated as Wetlands Types 3(III), 4(IV), 5(V), and 7(VII) in United States Department of the Interior, Fish and Wildlife Circular 39, Wetlands of the United States, 1956."

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[3] A recent lawsuit challenging the termination of the REAP program was successful only because Congress had included statutory language which the court said required the Department to continue the program. *Guadamuz* v. *Roy L. Ash*, (Civil Action 155–73, D.Ct.D.C., Dec. 28, 1973).

WILL THE ARABS BUY AMERICA?

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. LEHMAN. Mr. Speaker, 60-cent-a-gallon gasoline is a leading contributor to our escalating cost of living. As serious a problem as the boost in oil prices is to our Nation's welfare, the windfall of the billions of American dollars to Arab oil producers poses a threat to America even more dangerous than inflation itself.

These American dollars are now becoming a weapon in the hands of the Arab States who are already beginning to use their financial investments to gain control of our sensitive and vital businesses and institutions.

Already in South America, the penetration of Arab oil money has changed the editorial content of the news media. The change in outlook of a major Brazilian newspaper after its purchase by the Sheikdom of Abu Dhabi is just one example.

Money talks and foreign money can talk through financial control of magazines, newspapers, radio, and television. We are a nation of free speech, but if that free speech is directed and controlled by foreign dollars, then we should be taking a very close look at just who is running our news media.

Last year, Middle East oil revenues totaled $22 billion. In the past year, however, the Arab States have increased their royalties on oil by 400 percent. This year, Arab oil revenues should total between $85 and $110 billion. An estimated $40 to $50 billion each year will be available for investments beyond the borders of the Arab States. By 1980, Arab foreign investments will total twice as much as U.S. investments abroad.

In addition to the media, the Arabs are also moving heavily into real estate, buying land, hotels, apartments, and office buildings. To cite just a few examples, Kuwait paid $17.4 million in cash for an island off Charleston, S.C., which it plans to develop as a resort. Kuwait also put up funds for a project in downtown Atlanta that includes the new Atlanta Hilton Hotel. A Dallas builder is using about $200 million in Middle East financing for an apartment development in St. Louis. Indeed, in the past few months, it is estimated that up to $400 million has been lent directly to U.S. borrowers by Arab investors.

Arab penetration is also felt strongly in banking as Arab institutions and investors seek to buy interests in U.S. banks. A bank in Oakland, Calif., recently purchased by Saudi Arabian investors is just one example of this move.

Energy-related projects are another prime target of an Arab economic takeover as Arab governments and investors seek to penetrate the U.S. oil and petrochemical industries. There is a chain of service stations in New York State now owned by the Arabs. In this case, Arab control of U.S. energy needs runs all the way from the well to the gas tanks.

I was disturbed to learn that the U.S. Government has no idea of the full extent of foreign investment in the United States. The last survey on direct foreign investment in the United States was undertaken by the Department of Commerce in 1959. Present law makes it easy for a foreign investor to hide his identity by using third party agents and other techniques in conjunction with brokerage houses and banks. Clearly this lack of control over foreign investment cannot be allowed to continue.

On April 10, I joined in sponsoring H.R. 14136, a bill to establish a National Foreign Investment Control Commission. The Commission would maintain a National Registry of Foreign Investment. Foreign persons who own U.S. securities or property either directly or indirectly would be required to provide complete information about their holdings for the registry.

The Commission itself would be designed to restrict foreign ownership or control of U.S. industries, real estate or other resources deemed to be vital to the economic security or national defense of the United States. It would be empowered to order any foreign person or entity determined to have a controlling interest in an area vital to our national security to divest himself from all or a portion of his holdings.

In addition, I have sponsored a companion measure, H.R. 14138, to establish a Joint Congressional Committee on Foreign Investment Control to oversee and monitor the actions of the Foreign Investment Control Commission to insure that the Commission does its job.

We have always allowed a measure of foreign investment in the United States. However, these investments have always been from friendly Western countries who have been our long-term allies. Never before has there been the potential for radical and unfriendly governments to buy control of our major industries. Such an occurrence would open the way for massive internal disruptions of our economy at the whim of unstable and hostile foreign governments.

According to some calculations, the Arab oil nations will have enough money in a few years to buy all the shares of all the companies currently traded on the American Stock Exchange.

The penetration of Arab investment into American economic life is like a time bomb ticking away. We must defuse this threat before we lose control of our own Nation.

PERSONAL STATEMENT

HON. JAMES R. GROVER, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. GROVER. Mr. Speaker, in accordance with the financial disclosure guidelines of the New York delegation, the following is submitted for the RECORD:

A. Sources of all non-Congressional income: Interest on bank savings; income from sole practitioner as attorney; compensation as director of Sunrise Federal Savings and Loan Association; rental income.

B. Unsecured indebtedness: Note, National Bank of Washington, $2,000.00.

C. Source of reimbursements of Congressional expenses in excess of $100.00, none. Honorariums, none.

D. Identity of all stocks, bonds and other securities owned outright or beneficially: None. (Wife, Mary, owner of shares in AT&T, inherited 1973.)

E. Management positions in business entities, foundations, etc.:

1. Partner in GALS Realty. Owner of one business parcel at 194 Deer Park Avenue, Babylon, New York.

2. Attorney at Law. Sole Practitioner.

F. Amount of 1973 Income Tax: Federal, $16,050.89; State, $6,349.19.

Report of income filed annually as required by House of Representatives.

CLEVELAND COMMENTS ON CONSUMER PROTECTION LEGISLATION

HON. JAMES C. CLEVELAND

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. CLEVELAND. Mr. Speaker, the House action setting up a consumer advocate within the Federal Government to effectively represent and protect consumer interests is a major step forward for consumers.

This legislation is the culmination of a growing recognition of the need to balance the well-organized interests of business and labor with Government representation for the unorganized, but vitally important, consumer interests.

The Consumer Protection Act of 1974 creates a Consumer Protection Agency, making it an independent, nonregulatory body within the executive branch; and grants the Agency full powers to serve as a consumer advocate before Federal agencies and the courts.

Mr .Speaker, although I applaud the House action, I would like to point out that creation of a Government agency does not always provide a true solution to problems; indeed, it sometimes causes problems. The Occupational Safety and Health Act is an illustrative example of the excessive burden that Government regulations sometimes place on businessmen. To prevent such excesses in the Consumer Protection Agency, I supported several amendments which were added to the bill.

For example, one amendment provides that should the Consumer Protection Agency exercise its authority to take another Federal agency to court, the burden of proof rests with the Consumer Protection Agency to demonstrate that further court action is in the interest of justice.

The Agency would also be given authority to solicit consumer complaints and refer them to the manufacturer as well as the appropriate Government regulatory agency, whose responses would eventually be made public.

TRIBUTE TO ST. PHILIP NERI CHURCH ON THE OCCASION OF THEIR 75TH DIAMOND JUBILEE ANNIVERSARY

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. BIAGGI. Mr. Speaker, on March 2, 1974, Mrs. Biaggi and I attended a church service in my home city of the Bronx, N.Y. This was far from an ordinary service, indeed, we and hundreds of others had the distinct honor of being in attendance as His Eminence Terrance Cardinal Cooke celebrated the 75th anniversary of our church. St. Philip Neri. It was a beautiful and moving experience truly befitting the momentous event we were celebrating.

St. Philip Neri Church has had a history rich in tradition and equally abundent in services provided to its parishioners. During these 75 years, many changes have taken place in the community as well as the world. Two global wars were fought, and countless other local and international crises occurred. Yet through them all, this fine church has endured by both preaching and practicing the word of God. From its outset St. Philip Neri Church has been blessed with men and women who through dedication and self sacrifice have made this church one of the finer houses of worship in this country. In addition to this many of St. Philip Neri's parishioners have become outstanding members of the community.

On this joyous occasion of the diamond jubilee celebration, I would like to reflect on the growth and development of this fine church by focusing on the five men who served as pastors throughout the long and glorious history of the St. Philip Neri Church.

The man who had the most profound effect on this church was its founder and first pastor, Father Daniel F. X. Burke. Father Burke who was ordained in 1883 was assigned the difficult task of building a church in the Bedford Park section of the Bronx, N.Y., in 1898. From this came the St. Philip Neri Church, which like the city she was located in spent a good deal of their time assisting and welcoming immigrants who were in desperate need of help and guidance.

The church's beginnings were as humble as their first parishioners. The first masses were celebrated in a clubhouse of the Jerome Park Race Track, and to demonstrate the extent of the percentage of immigrants in the early parish, these masses were also spoken in Italian.

Yet, through many long hours of toil, in May 1900 the church as we know it today was officially dedicated. This represented an enormous personal triumph for Father Burke. The fledgling church under his expert guidance and leadership began to thrive. The parishioners began to demonstrate the kind of solidarity and involvement which has distinguished them through the years. The growth of the church was so rapid that by 1908, the church was forced to enlarge and the larger structure was subsequently rededicated that same year.

As the church grew, so did the numbers of young children in the parish. Father Burke decided that a school was also needed to better serve the needs of all the parishioners. The formal beginning date for the school was September 1908, and while the school had no facility of its own it was able to accommodate the limited number of children in its opening class.

Father Burke's untiring and dedicated work did not go unnoticed. In 1912 he received the prestigious Domestic Prelate designation from the Pope. In 1931, Father Burke died and left behind him a tradition of excellence which has remained with the church for all of its 75 years.

St. Philip Neri Church's next pastor was Father Sinnott who served with distinction for 13 years. His years were highlighted by the laying of the groundwork for the new school. Yet the thrust of his work was directed at assisting the hundreds of depression-ravaged parishioners. His untiring service and strong guiding hand were instrumental in preventing many of these people from falling into permanent despair and destitution. He earned eternal gratitude of the St. Philip Neri parish.

St. Philip Neri's third distinguished pastor was Msgr. William R. Kelly, who beside being a renowed priest, also had an impressive background in the field of education. He took over the reins of the church immediately after the Second World War when the parish was deep in mourning at the loss of 34 of their members. Father Kelly personally directed and established a lasting memorial shrine for those deceased individuals. Also during Monsignor Kelly's tenure, work was continued on the new school, and the parish marked their first 50 years of service to the community.

Msgr. Edward A. McGrath became the fourth pastor of St. Philip Neri in 1961. He was responsible for a number of important internal improvements in the church. His strong dedication and work on behalf of the parishioners was acknowledged by his being accorded the high honor of being named pastor emeritus of St. Philip Neri Church.

On July 11, 1971, the present pastor of St. Philip Neri Church, Rev. Philip S. Shannon was installed. At this difficult juncture for the church, dynamic leadership was needed, and this is precisely what Father Shannon was able to supply. He set out and was successful in establishing a parish center to be used by the youth and the elderly of the parish. In addition, Father Shannon was successful in raising revenue to help the financial condition of the church. Finally, Father Shannon has been instrumental in the planning of the diamond jubilee celebration which was highlighted by a fabulous restoration and renovation of St. Philip Neri Church which now has to rate as one of the most beautiful churches in all of New York.

Under the expert leadership of Father Shannon, the St. Philip Neri Church has adapted itself to meet the ever changing needs of its parishioners. A church can no longer expect only to be a place of worship, for the true work of God continues long after the recessional hymn at Sunday Mass. His work is helping those in trouble, those alone, and those in need of the spiritual and moral guidance which Father Shannon and his church provides. Father Shannon typifies the active, involved priest of the 1970's and his parishioners have responded favorably to his work.

I would also like to pay a special tribute to another fine member of the St. Philip Neri community, Sister Annunciata who runs the widely respected Bedford Park Multiservice Center for Senior Citizens. She singlehandedly provides almost 350 senior citizens with an opportunity for meaningful social contact, a privilege which so many of our lonely senior citizens are denied. In addition, Sister Annunciata operates an outreach program which provides over 100 more elderly citizens with one hot meal a day. Her tireless work in both these programs have made them overwhelming successes they are today.

The 75th anniversary of the St. Philip Neri Church represents an important and prestigious milestone in the annals of New York City history. It is both a fitting tribute to the fine work already accomplished, and an incentive for the work to continue and expand in the coming years. This anniversary has special and personal importance to me a parishioner. My church blends tradition with modernization. They have demonstrated that a church need not be an island separated from the rest of the community, but rather St. Philip Neri is the focal point of the community. I know I speak for my fellow parishioners when I congratulate and commend Father Shannon on this important occasion.

It is my fervent hope that his years with St. Philip Neri will be long and rewarding. The present beautiful church St. Philip Neri stands as a tribute to the work of Father Shannon and his illustrious predecessors. He deserves the continued grace of God, for he has truly fulfilled His work here on Earth.

ARE ALL THE PRISONERS HOME?

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. HUBER. Mr. Speaker, on March 27, 1974, a group of 18 former prisoners of war in Indochina met in Washington in order to discuss methods whereby they might assist in bringing about the release of 3 prisoners of war whom they know the Government of North Vietnam to be holding.

Chai Charn Harnavee and Wapadom Wang Chom are Thai soldiers who were captured in Laos by the Hanoi Army. They have been seen and identified in Hanoi by returning POW's. There is no doubt that these men are being held, in spite of the fact that Hanoi has tried to deny it. They should have been released in 1973, when the other POW's were released, but Hanoi, for reasons which are obscure to any but the Communist mind, still seeks to retain them in their prisons.

Emmett Kay is an American civilian who was flying relief supplies in Laos when he was captured by the Communists. It is not certain that he is being held in Hanoi, but it is certain that Hanoi could bring about his release if Hanoi were so inclined.

In addition to securing the release of these men, we in the Congress should continue to press Hanoi for further information on our MIA's. The recent return of some bodies was a hopeful sign, but we are still a long way from resolving the fate of the remainder of the MIA's. How long, Hanoi, must we wait?

FINANCIAL DISCLOSURE STATEMENT OF CONGRESSMAN HERMAN BADILLO

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. BADILLO. Mr. Speaker, in accordance with the recommendations of the ad hoc committee on financial disclosure of the New York State delegation to Congress, I submit the following report for the calendar year 1973:

FINANCIAL REPORT

A. Sources of all noncongressional income:

1. Stroock & Stroock & Lavan, 61 Broadway, New York, New York—law office, of counsel—terminated December 31, 1973.

2. Honoraria aggregating $300 or more from a single source:

Fordham University, New York, N.Y.

State University of New York at Plattsburgh, Plattsburgh, N.Y.

Jersey City State College, Jersey City, N.J.

3. Radio program, WABC, New York, N.Y., under $500.

B. Unsecured indebtedness in excess of $1,000—none.

C. Sources of all reimbursements for expenditures in excess of $200 per item other than from the U.S. Government or from reported campaign receipts:

Amalgamated Clothing Workers of America, reimbursement for overnight trip to El Paso, Texas to speak to striking workers of Farah Manufacturing Company, January 23, 1973.

D. The identity of all stocks, bonds, and other securities owned outright or beneficially, none.

E. The identity of all business entities, professional organizations, and foundations on which I serve and position held:

1. Fordham University, Adjunct Professor, School of Urban Education.

2. Mount Sinai Hospital, board member.

3. Bronx Lebanon Hospital, board member.

4. Aspira of America, Inc., board member.

5. Puerto Rican Legal Defense and Education Fund, board member.

6. Institute for Mediation & Conflict Resolution, board member.

7. Muscular Dystrophy Association of New York, vice president and board member.

8. Bronx Boys Club, board member.

9. Bronx Council on the Arts, board member.

10. National Conference of Christians and Jews, board member.

F. I have filed income tax returns for the year 1973 and have paid the following taxes for that year:

Federal Income Tax—$17,168.00.
New York State Income Tax—$6,521.00.
New York City Income Tax—$2,091.

COSTS FOR THE NEW TRIDENT MISSILE AND SUBMARINE

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. ASPIN. Mr. Speaker, the Navy is hiding at least $2.8 billion in costs from its estimate provided to Congress for the new Trident missile and submarine program. Both the Navy's selected acquisition report—SAR—to Congress and the unclassified portions of a recent General Accounting Office staff study indicate that there are substantial hidden costs in the program.

At the moment, the most recent SAR provided to Congress indicates that the Trident program will cost $12,431 billion but the real cost of the Trident program is at least $15.2 billion and possibly as much as $16.2 billion. The increased cost occurs because the Navy has failed to include at least $2.8 billion in the cost estimates which are directly related to the development and procurement of the Trident missile and submarine.

For example, $1,529.5 billion in additional costs will be used to begin in fiscal year 1979 and outfitting of new Trident I missiles on 10 existing Poseidon submarines. This huge cost is not included in the Trident estimate provided to Congress. On orders from the Department of Defense, $926.6 million are excluded from the cost estimate, including training costs, shore support, equipment costs, testing, initial spare parts, and the price-tag of initial stock supplies, through fiscal year 1975.

The cost of developing the Trident II missile which is a more advanced version of the Trident I missile is also excluded. According to the General Accounting Office, the cost of developing the missile could be from $300 million up to $1.4 billion.

Mr. Speaker, there are also a number of costs indirectly related to the Trident missile and submarine which are either considered "classified" or not specifically defined in dollar terms by the Navy.

For instance, the Navy has not included estimates of the cost of production of the Trident II missile.

Costs related to the nuclear propulsion plants and warheads provided by the Atomic Energy Commission are classified "secret" by that agency.

During the last quarter of calendar year 1973 the Navy's official estimate of the Trident program increased $666.2 million—from $11.7 billion to $12.4 billion. The increase included $449.7 million in submarine construction costs and $188 million resulting from the stretching out of missile production. This cost increase is the first tentative sign that cost overruns may become a serious problem on the Trident.

All costs that are borne by the taxpayer as the direct result of the decision to build the Trident missile and submarine should be included in the estimates provided to Congress.

Mr. Speaker, I am not charging that an overrun has occurred, but only that the Navy has not been frank with Congress and the public about Trident's true price tag. The Navy should come clean and provide Congress and the public with a total disclosure of all of the costs directly related to this new program.

The Navy is seeking $2.042 billion in this year's budget to continue the program and purchase two Trident submarines. Last year Congress approved the first ship but cut $278 million from the total program.

CLEVELAND APPLAUDS MINIMUM WAGE INCREASE

HON. JAMES C. CLEVELAND

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. CLEVELAND. Mr. Speaker, it is good news that the President has signed H.R. 12435, an increase in the minimum wage, as a compromise bill close to the provisions of a measure I have cosponsored for months.

It is unfortunate that the bill omits a provision allowing for a youth differential to make it possible for unskilled youths to find entry-level jobs at a reduced rate which employers can afford to pay for inexperienced workers.

Yet, as I have indicated, I support enactment of the bill. The real misfortune is the fact that it has been so long in coming to the floor. Many of us have supported this sort of compromise for months since a less reasonable bill was vetoed and the veto sustained last September. And in that period alone, the cost of such necessities as food, rent, interest rates, and educational expenses has increased substantially.

In taking this action, it is imperative to make clear that the effect of this bill is not to contribute to inflation, but rather to compensate for inflation and its effects on workers at the lower end of the earnings scale. The last general increase in the minimum wage was enacted 6 years ago. Since then, there have been substantial increases in the cost of living, wages of higher skilled workers, and earnings of Government employees.

In reality, what we are enacting is a catch-up for the lowest paid.

As I would be among the first to point out, there have been times when our inflationary problem has stemmed most directly from cost-push factors in which labor costs have been the primary influence. Yet this is not the case today.

A great deal of the price pressure stems now from fuel costs and a shortfall in agricultural production and other scarcities resulting from soaring worldwide demand. The fact is that inflationary pressures, while seemingly endless, do vary as to cause from time to time. It would be unfair not to recognize the true nature of the situation in dealing with the minimum wage situation.

Not to be forgotten is the responsibility of Government to keep Federal spending in check, especially in inflationary times. This can only be accomplished by final enactment of spending controls by Congress under our pending legislation to equip Congress to set priorities by enacting a unified legislative budget.

The merits of this approach include not only the balancing of conflicting demands among various program areas, but the weighing of overall spending levels against the state of the economy and projected surplus or deficit of the budget period.

It may be recalled that I cosponsored a version of the budgeting act which contained a provision to make the budgeting committee more representative of the House as a whole, which was incorporated in the measure as initially passed the House. Now the Senate has passed its version and it remains for the differences to be resolved. This should be a tiptop priority consideration when Congress returns from the Easter recess.

A final note: A recurrent failure of the Congress as an institution has been the tendency to enact programs and go on to other matters without keeping watch over their impact or effectiveness. A classic example has been the Occupational Safety and Health Administration, produced by the same Committee on Education and Labor which reported, belatedly, this compromise minimum wage bill.

To its credit, a subcommittee of Education and Labor has begun hearings to determine the true facts of OSHA's operations, albeit belatedly. It is my hope that the Labor Committee will be far more alert to its responsibility to monitor the impact of this minimum wage increase, and respond to any need for prompt amendments in the event it proves a hardship for small business or for low-skilled workers priced out of the job market.

Meanwhile, as we look ahead, it seems unlikely that much inflationary pressure can result from basic rates which are limited to $2 an hour shortly after enactment, $2.10 in January of 1974, and $2.30 in January of 1976. It is unfortunate but likely that living costs will rise—for reasons quite aside from the minimum wage—at a pace equal to or greater than the rate of increase.

It will be the responsibility of the Congress to address these problems as a matter of highest national policy. So far, it has hardly begun to do so.

GRACE McDONALD CELEBRATES 85TH BIRTHDAY

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1974

Mr. LEGGETT. Mr. Speaker, I hope that when I am 85 years old I will have one half as much achievement to look back upon as does Mrs. Grace McDonald.

We today think the idea of a "People's Lobby," a la Ralph Nader and John Gardner, is something ultra new and progressive. Progressive it may be, but new it is not. Mrs. McDonald, together with her husband and Louis Brandeis, founded a People's Lobby before the First World War.

After the war, she became instrumental in the establishment of the 5-day workweek. She then turned her efforts to the establishment of a national industrial safety code, and this too became reality.

In the 1930's, she moved to California, where she helped found California Farmer-Consumer Associates, Inc., and served as its executive secretary for 33 years. In this capacity, she played major roles in seeing that the interests of the people of California were served in matters of land use, water and power, and agricultural sales.

I join my California colleagues in wishing Mrs. McDonald a very happy 85 years young.

SENATE—*Wednesday, April 24, 1974*

The Senate met at 12 o'clock noon and was called to order by the President pro tempore (Mr. EASTLAND).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Eternal Father, we thank Thee for all that is good in America—for homes and schools and churches—for institutions which endure all change—for millions of God-fearing, law-abiding citizens who love and care for their neighbors and their country. We thank Thee for scientists, educators, and administrators, for prophets, priests, and missionaries whose lives have lifted the lot of mankind. We thank Thee, too, for that host of trustworthy men and women, the great and the humble, who serve at all levels of government. Unite all who serve and all who are served in a common endeavor to correct what is wrong and to heal our divisions. Grant us enabling grace to reflect Thy love in our private and public life that Thy higher kingdom may come and Thy will may be done on Earth.

Through Jesus Christ our Lord. Amen.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE PRESIDENT—APPROVAL OF BILL

A message in writing from the President of the United States was communicated to the Senate by Mr. Heiting, one of his secretaries, and he announced that on April 22, 1974, the President had approved and signed the bill (S. 1745) to provide financial assistance for research activities for the study of sudden infant death syndrome, and for other purposes.

FOREIGN ASSISTANCE—MESSAGE FROM THE PRESIDENT

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States which, with an accompanying draft of proposed legislation, was referred to the Committee on Foreign Relations. The message is as follows:

To the Congress of the United States:

For more than twenty five years, America has generously provided foreign assistance to other nations, helping them to develop their economies, to meet the humanitarian needs of their people and to provide for their own defense.

During this era foreign aid has become an indispensable element of our foreign policy. Without it, America would risk isolating herself from responsible involvement in an international community upon which the survival of our own economic, social and political institutions rests. With the continuation of a healthy foreign aid program, this Nation can continue to lead world progress toward building a lasting structure of peace.

Now that we have ended the longest war in our history and no American troops are serving in combat for the first time in more than a decade, there is a temptation to turn inward, abandoning our aid programs and the critical needs facing many of our friends in the process.

We must not succumb to that temptation. If we lay down the burden now, we will foreclose the peaceful development of many of the nations of the world and leave them at the mercy of powerful forces, both economic and political. Moreover, we will deny ourselves one of the most useful tools we have for helping to shape peaceful relationships in the most turbulent areas of the world.

Many of the nations which were once dependent upon our direct assistance for their survival are now managing their own economic and defense needs without our aid. Those nations which still need our aid will not need it indefinitely. We expect those nations we help to help themselves. We have made it clear that we do not intend to be the world's policeman, that our aid is not a substitute for their self-reliance, and that we do not intend to do for others what they should be expected to do for themselves.

But as long as there are governments which seek to change the frontiers and institutions of other nations by force, the possibility of international conflict will continue to exist. And as long as millions of people lack food, housing, and jobs; starvation, social unrest and economic turmoil will threaten our common future.

Our long-range goal is to create an international environment in which tolerance and negotiation can replace aggression and subversion as preferred methods of settling international disputes. While this goal is not as distant as it once was, present circumstances do not now permit reduction in foreign assistance. We must not only maintain our efforts, but also make special efforts in two critical areas of the world—the Middle East and Indochina.

In the Middle East, we have an opportunity to achieve a significant breakthrough for world peace. Increased foreign aid will be a vital complement to our diplomacy in maintaining the momentum toward a negotiated settlement which will serve the interests of both Israel and the Arab nations.

In Indochina our assistance is no less critical. South Vietnam, Cambodia, and Laos are trying to make the difficult transition from war to peace. Their ability to meet their defense needs while laying the foundations for self-sustaining social and economic progress requires continued and substantial amounts of American aid.

To meet these continuing and special needs, I am proposing to the Congress a total foreign aid budget of $5.18 billion for fiscal year 1975. In my judgment, these amounts represent the minimum which the United States can prudently afford to invest if we are to maintain the present degree of international equilibrium and advance our efforts to construct a durable peace with prosperity.

TOWARD PEACE IN THE MIDDLE EAST

The hope for a lasting solution to the Arab-Israeli dispute is stronger today than at any time in the previous quarter century. American diplomatic initiatives have helped create the conditions necessary for an end to conflict and violence. While our diplomatic efforts must and will continue, there is already much that can be done to supplement and consolidate what has been achieved so far. I am therefore requesting a Special Assistance program for the Middle East, and have asked the Congress to provide the following:

—For Israel: $50 million in security supporting assistance and $300 million in military credit sales. Israel's continued ability to defend herself reduces the prospect of new conflict in the Middle East, and we must continue to assist her in maintaining that ability.

—For Egypt: $250 million in supporting assistance. These funds would be used for the tasks which come with peace: clearing the Suez Canal, repairing the damage in adjacent areas, and restoring Egyptian trade.

—For Jordan: $100 million in military assistance grants, $77.5 million in security supporting assistance, and $30 million in military credit sales. Jordan has been a moderating force in the Arab world and these funds will enable her to maintain a position of moderation and independence which will be crucial to a permanent settlement in the area.

—For a Special Requirements Fund: $100 million. This fund will be used for new needs that may arise as the outlines of a peaceful settlement take shape, including provision for peacekeeping forces, refugee aid or settlement, and development projects.

All of this aid will contribute to the confidence these nations must have in the United States and in their own security if they are to have the base from which to negotiate a lasting settlement. It will strengthen moderate forces in an area where only moderation can form the basis for a settlement acceptable to all.

TOWARD RECONSTRUCTION OF INDOCHINA

Another area of acute and continuing concern to this Government is Southeast Asia. Our aid in Indochina is no less crucial than our aid in the Middle East in achieving a peaceful outcome which protects our interests and reflects our past involvement in these two areas. I am asking the Congress to authorize the appropriation of $939.8 million to assist South Vietnam, Cambodia and Laos in their efforts to shift their economies from war to peace and to accelerate the reconstitution of their societies.

We have already invested heavily in these countries. Progress has been significant, and we are nearing success in our efforts to assist them in becoming self-sufficient. Although our total request is higher than last year, the budget I am proposing is actually austere. We must recognize that a modest increase in economic assistance now will permit the development of viable, self-supporting economies with lower requirements for assistance within a few years.

The South Vietnamese face an unusually difficult task in reconstructing their economy and caring for their war-torn population even as the effort to end hostilities goes forward. Progress in reconstruction, economic development and humanitarian programs, which offer the hope of a better life for the people there, should make it clear that a peaceful settlement of political disputes is in the interest of all.

This year and next the South Vietnamese face several related challenges which make increased U.S. economic assistance essential:

—They must resettle more than a million refugees and displaced persons.

—They must provide the investments needed to create productive jobs for the several hundred thousand who have lost jobs with the withdrawal of U.S. forces.

—They must meet the much higher costs of such essential imports as fertilizer and other critical resources caused by worldwide inflation.

—They must provide for the orphans, the disabled, and for widows who can never recover their wartime losses.

—They must continue to support the military forces needed to preserve movement toward peace so long as hostile forces continue to be deployed within South Vietnam and supported from outside.

The South Vietnamese have made laudable efforts to solve their own problems. They have increased their taxes—a 40 percent increase in real terms in 1973. They have expanded their exports, which were virtually eliminated by the war—doubling exports in 1972 and again in 1973. They have sharply reduced the consumption of imported goods, including a notable reduction in petroleum. But after more than a decade of war, they cannot reconstruct their economy and their society alone. Increased U.S. assistance is needed now to support the increasing efforts of the Vietnamese to achieve peace and self-sufficiency as soon as possible.

In Laos, a peaceful political solution to the conflict is in motion and the people there can finally look forward to a secure and stable environment. The problems of resettling refugees and establishing a viable economy, however, will provide a major test of the Laotian government's ability to work in the interests of all. Our continued assistance is essential to permit this underdeveloped, land-locked country to reconstruct its economy after so many years of war.

Continued U.S. assistance is also essential to alleviate the hardships facing the Cambodian people, many of them refugees with little opportunity to support themselves until hostilities subside.

The investment I am now seeking—an investment to sustain the peace, to overcome the human suffering resulting from the war, and to give the people of Indochina a chance to stand on their own feet—is small in comparison with what we have committed over the years in Indochina. But the potential return on this investment is large in enhancing the prospect of peace both in Indochina and around the world.

DEVELOPMENT ASSISTANCE

U.S. assistance programs—both bilateral and multilateral—have made a very substantial contribution to the economic growth of the developing nations over the past decade.

In spite of encouraging progress, it is estimated that 40 percent of the total population in all the developing countries still remain trapped in conditions of poverty beyond the reach of the market economy. These people continue to exist below minimal levels of nutrition, literacy, and health.

It is clear that in the modern world, peace and poverty cannot easily endure side by side. In the long term, we must have peace without privation, or we may not have a durable peace at all. All that we have worked, and fought, and sacrificed to achieve will be in jeopardy as long as hunger, illiteracy, disease, and poverty are the permanent condition of 40 percent of the populace in developing nations of the world. But the progress which we have been able to help bring about thus far demonstrates that this need not be a permanent condition. Our developmental assistance continues to be needed to maintain and expand this record of progress.

To provide this needed assistance I am asking the Congress to authorize for fiscal year 1975 the appropriation of $255.3 million for functional development assistance programs in addition to the $618 million already authorized by last year's Foreign Assistance Act.

These additional funds will permit the Agency for International Development to assist developing nations in increasing food production. The widespread hardship caused by recent pressures on world food supplies calls for greater efforts by all to raise agricultural productivity. Population growth combined with recent crop failures in many parts of the world have led to the lowest grain stock levels in many years as well as high prices. In some cases, famine is threatening entire populations, and the world shortage of food makes it difficult to provide the assistance needed to avert tragedy. But food aid alone does not provide a solution. Developing nations must increase their own agricultural productivity, and almost 60 percent of AID's development assistance programs will be aimed at achieving this goal.

We will continue to reorient our development assistance programs, as jointly endorsed by the Congress and the Administration, to concentrate more directly on acute human problems in poor countries. AID will thus focus on providing family planning and basic health services, strengthening education and other human resource programs, increasing food production, and improving nutrition.

A strong bilateral U.S. foreign aid program can be fully effective, however, only if it is complemented by continued, active multilateral assistance efforts. Pending before the Congress is legislation to authorize United States contributions of $1.5 billion to the International Development Association (IDA). Appropriations for those contributions will be spread over a number of years beginning in 1976.

The International Development Association has a 14-year history of excellence in providing development loans to the poorest nations. We have negotiated a reduction in the United States' share of the total contributions to IDA from 40 percent to 33 percent, thereby shifting additional responsibility for international lending to other nations. It is inconceivable that the United States should abandon such a successful international activity, and I urge the House of Representatives to reconsider its recent vote denying the IDA authorization. Such a step would constitute a false economy in violation of the very principles toward which we would hope to move in providing foreign development assistance.

Also pending is legislation to authorize contributions of $362 million for the ordinary capital and $50 million for the special resources of the Asian Development Bank (ADB). The performance of the IDA is being matched today by the newer Asian Development Bank. The African Development Bank has excellent prospects of playing an increasingly critical role in a continent whose need has been most recently highlighted by severe drought.

It is imperative that these authorizations as well as those for our bilateral programs be enacted. It is equally imperative that appropriations be enacted in the full amount necessary to fulfill our responsibilities in these institutions and in the Inter-American Development Bank, for which authorizing legislation has been enacted.

The United States is currently engaged in negotiations relating to international monetary and trade reform. It should be recognized that less developed nations will play an important role in the success of these important initiatives. These nations will look to the United States to continue our leadership in the development assistance field as well as in trade and monetary reform.

SECURITY ASSISTANCE

The security of our allies and of nations friendly to us is an essential consideration in the foreign and national security policies of the United States. Not all are capable of providing for their security, and our assistance enables those countries to assume primary responsibility for their own defense. It gives them the confidence to negotiate with potential adversaries from a position of strength and to resist subversion and intimidation. The effectiveness and wisdom of these policies is being proven today in the Middle East and Southeast Asia.

There can be no real peace in the world so long as some governments believe that they can successfully obtain by force or threat of force what they cannot obtain by peaceful competition or negotiation. Our security assistance programs reduce the likelihood that such calculations will be made and thereby increase the incentives to resolve international disputes by peaceful means.

Just as security assistance can ease the impact of large and unexpected defense burdens on the economies of friendly nations, it can also strengthen their economies and thereby allow a greater use of military sales credits as opposed to grants. We need a flexible military credit sales program to encourage and facilitate the self-reliance of friendly states and to help gradually reduce the cost to the United States of providing security assistance.

I am asking the Congress to authorize the appropriations for fiscal year 1975 of $985 million for grant military assistance, $555 million for foreign military sales credits to finance an $872.5 million program, and $385.5 million for security supporting assistance.

CONCLUSION

The United States has only recently emerged from more than a decade of direct involvement in a long, bitter, and costly war. It is not remarkable that we should see a strong sentiment in the land for giving up the difficult duties of world leadership. But temporary sentiment must not obscure the long-range interest of our Nation.

The percentage of America's gross national product dedicated to foreign assistance is small. It is less, indeed, than that of some other nations. But it is a wise investment, undertaken with bipartisan support in the interest of our own Nation, in the interests of our historical role as a generous and courageous defender of freedom and human rights, and in the interests of world peace.

With our assistance, other nations have reached a point where they can share this burden. But we have not yet reached the point where we can safely lay it down.

The amounts I am requesting for fiscal year 1975 are the minimum essential to support the responsible and constructive American role of international leadership and cooperation, a role which it is in our national interest to continue and strengthen.

RICHARD NIXON.

THE WHITE HOUSE, *April 24, 1974.*

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had passed the following Senate bills, each with an amendment, in which it requests the concurrence of the Senate:

S. 1647. A bill to extend the Environmental Education Act for 3 years; and

S. 3292. A bill to authorize appropriations to the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes.

The message also announced that the Speaker had affixed his signature to the enrolled bill (S. 2770) to amend chapter 5 of title 37, United States Code, to revise the special pay structure relating to medical officers of the uniformed services.

The enrolled bill was subsequently signed by the Vice President.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, April 23, 1974, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. GRIFFIN. Mr. President, I ask unanimous consent that 5 minutes available to the leadership on this side be yielded to the distinguished Senator from Oklahoma (Mr. BARTLETT).

Mr. MANSFIELD. Mr. President, may I say that if the Senator from Oklahoma needs more time, I would be glad to yield him some from mine.

The PRESIDENT pro tempore. The Senator from Oklahoma is recognized.

Mr. BARTLETT. I thank the distinguished Senator from Michigan (Mr. GRIFFIN) and the distinguished majority leader for yielding me this time.

IMMINENT OIL EMBARGO—A FACT OF LIFE

Mr. BARTLETT. Mr. President, it is with great concern that I today address what could be considered as a "lull in the storm."

This Nation cannot afford to become complacent now that the oil embargo has been relaxed.

Before we permit complacency to set in, let us remind ourselves that we as a nation have not made a commitment to sufficiency of domestic energy and that the Arab countries are most willing to call the shots with their effective weapon "oil."

Even though the Arab embargo has been partially lifted, the possibility that another embargo could occur is imminent. There are still many dangers in the delicate area of world oil politics.

We must continue our efforts toward conservation of available energy supplies and we must move forward on constructive policies that will induce additional supplies of domestic energy. Our citizens and consumers deserve nothing less than a plentiful supply of domestic energy.

Saudi Arabia, which has much of the capability to fill our Nation's increasing energy needs, has openly stated that the amount of oil Saudi Arabia will supply is contingent upon the Mideast settlement. The embargo could be reimposed at any time if we "didn't sit at the table straight" or "blinked our eyes too many times."

A Washington Post newswriter in an article on March 28, 1974, analyzed the Arab policy toward the United States accurately when he described it as a "carrot and stick" policy. Congress makes it possible for the continuation of such a policy because it refuses to discontinue price control policies that have gotten us into the position of energy dependency.

Our energy dependency is not only a problem of shortages, but also a matter of price. The Arab nations can set the price either higher or lower than our domestic price, depending on what best suits their political goals.

Much has been said of the tremendous burden of high cost foreign oil on our balance of payments deficit, but I hasten to point out that the Arab nations can just as easily lower the price of their oil for the purpose of destroying our domestic energy industry.

If the Arabs undercut our domestic price, and I think that this is a distinct possibility, then there would be an emotional clamor for us to reduce our own domestic prices to a point that would simultaneously hamper the development of sufficient domestic energy sources and further increase our dependence on Arab oil imports.

Both Houses of Congress voted to roll back crude oil prices to $5.25 per barrel, which apparently is under a market clearing price. Even though the Presidential veto was sustained, the Arab nations are encouraged to consider reducing at some time in the future the price of their oil below our prevailing domestic price in hopes that congressional pressure would then lower our domestic price. This would lead to less domestic energy production and further dependence upon foreign oil until we were under the thumb of the Arab countries. Then they could raise the price and/or cutback production to achieve any political or economic goal they might desire.

Senator JACKSON said we would roll back the price of domestic oil from an average price of approximately $6.50 per barrel to $5.25 per barrel in order to encourage the OPEC nations to roll back their prices which average over $10 per barrel. That is just what the Arab nations want. They want us to limit by congressional fiat the development of our own domestic resources. Then they could resume the pressure of an even more effective embargo and higher prices to achieve their political and economic goals.

The only guarantee against the economic blackmail of high cartel prices and the political blackmail of attempting to influence our Mideast foreign policy is an ample supply of domestic energy.

Regardless of the cartel price set by the OPEC countries, we should have a free market price in the United States which will increase our supplies of oil and gas and coal and develop alternative energy sources. Then, our total energy supply will take care of our minimum requirements—so if we lose all our imports for whatever reason, we can tough it out.

Senator JACKSON and others argue that we should control the price of our domestic oil and gas. This is surprising because of the seemingly irrefutable evidence that price controls of fertilizer, bailing wire, steel, and oil and gas have led to shortages and inflation. A short-term promise of low prices with a long-term result of shortage and inflation is no longer an acceptable proposal to the American consumer.

Prof. M. A. Adelman, professor of economics at Massachusetts Institute of Technology and a member of MIT's energy laboratory steering committee, has noted that a classic cartel such as OPEC not only depends upon unity among its members, but also on the acquiescence of some of its customers.

The United States should not acquiesce. Instead, we should become independent of foreign sources of energy. We must make the national commitment to pay the cost of achieving domestic energy sufficiency. The fairest and cheapest way is with free market prices. Only then will we be able to import Arab crude oil at a rate we choose, not the Arabs. Then the cartel price would depend on what we are willing to pay—not what OPEC wants to charge.

The fact of life is that we are unable, at this time, to do anything about OPEC prices—high or low—and it is high time that we did something about it.

Let us chart our own destiny, rather than have the Arabs write it for us.

ORDER OF BUSINESS

The PRESIDING OFFICER (Mr. HATHAWAY). Under the previous order, the distinguished Senator from Virginia (Mr. HARRY F. BYRD, JR.) is now recognized for not to exceed 15 minutes.

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum with the time to be charged against my time.

The PRESIDING OFFICER. Without objection, it is so ordered, and the clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. PASTORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR. Mr. President, does the Senator from Rhode Island wish me to yield him some time?

Mr. PASTORE. Yes, just 2 minutes.

Mr. HARRY F. BYRD, JR. I am glad to yield 2 minutes to the Senator from Rhode Island.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized for 2 minutes.

AUTHORIZATION OF APPROPRIATIONS TO ATOMIC ENERGY COMMISSION

Mr. PASTORE. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 3292.

The PRESIDING OFFICER (Mr. HATHAWAY) laid before the Senate the amendment of the House of Representatives to the bill (S. 3292) to authorize appropriations to the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes, which was to strike out all after the enacting clause, and insert:

SEC. 101. There is hereby authorized to be appropriated to the Atomic Energy Commission in accordance with the provisions of section 261 of the Atomic Energy Act of 1954, as amended:

(a) For "Operating expenses", $2,551,533,000 not to exceed $132,200,000 in operating costs for the high-energy physics program category.

(b) For "Plant and capital equipment", including construction, acquisition, or modification of facilities, including land acquisition; and acquisition and fabrication of capital equipment not related to construction, a sum of dollars equal to the total of the following:

(1) NUCLEAR MATERIALS.—

Project 75–1–a, additional facilities, high-filter, H chemical esparations area, Savannah River, South Carolina, $30,000,000.

Project 75–1–b, replacement ventilation air filter, H chemical separations area, Savannah River, South Carolina, $6,000,000.

Project 75–1–c, new waste calcining facilities, Idaho Chemical Processing Plant, National Reactor Testing Station, Idaho, $20,000,000.

Project 75–1–d, waste management effluent control, Richland, Washington, $3,500,000.

Project 75–1–e, retooling of component preparation laboratories, multiple sites, $4,500,000.

Project 75–1–f, atmospheric pollution control facilities, stoker fired boilers, Savannah River, South Carolina, $7,500,000.

(2) NUCLEAR MATERIALS.—

Project 75–2–a, additional cooling tower capacity, gaseous diffusion plant, Portsmouth, Ohio, $2,200,000.

(3) WEAPONS.—

Project 75–3–a, weapons production, development, and test installations, $10,000,000.

Project 75–3–b, high energy laser facility, Los Alamos Scientific Laboratory, New Mexico, $22,600,000.

Project 75–3–c, Trident production facilities, various locations, $22,200,000.

Project 75–3–d, consolidation of final assembly plants, Pantex, Amarillo, Texas, $4,500,000.

Project 75–3–e, addition to building 350 for safeguards analytical laboratory, Argonne National Laboratory, Illinois, $3,500,000.

(4) WEAPONS.—

Project 75–4–a, a technical support relocation, Los Alamos Scientific Laboratory, New Mexico, $2,800,000.

(5) CIVILIAN REACTOR RESEARCH AND DEVELOPMENT.—

Project 75–5–a, transient test facility, Santa Susana, California, $4,000,000.

Project 75–5–b, advanced test reactor control system upgrading, National Reactor Testing Station, Idaho, $2,400,000.

Project 75–5–c, test reactor area water recycle and pollution control facilities, National Reactor Testing Station, Idaho, $1,000,000.

Project 75–5–d, modifications to reactors, $4,000,000.

Project 75–5–e, high temperature gas reactor fuel reprocessing facility, National Reactor Testing Station, Idaho, $10,100,000.

Project 75–5–f, high temperature gas reactor fuel refabrication pilot plant, Oak Ridge National Laboratory, Tennessee, $3,000,000.

Project 75–5–g, molten salt breeder reactor (preliminary planning preparatory to possible future demonstration project) $1,500,000.

(6) PHYSICAL RESEARCH.—

Project 75–6–a, accelerator and reactor improvements and modifications, $3,000,000.

Project 75–6–b, heavy ion research facilities, various locations, $19,200,000.

Project 75–6–c, positron-electron joint project, Lawrence Berkeley Laboratory and Stanford Linear Accelerator Center, $900,000.

(7) BIOMEDICAL AND ENVIRONMENTAL RESEARCH AND SAFETY.—

Project 75–7–a, upgrading of laboratory facilities, Oak Ridge, National Laboratory, Tennessee, $2,100,000.

Project 75–7–b, environmental research laboratory, Savannah River, South Carolina, $2,000,000.

Project 75–7–c, intermediate-level waste management facilities, Oak Ridge National Laboratory, Tennessee, $9,500,000.

Project 75–7–d, modifications and additions to biomedical and environmental research facilities, $2,850,000.

(8) BIOMEDICAL AND ENVIRONMENTAL RESEARCH AND SAFETY.—

Project 75–8–a, environmental sciences laboratory, Oak Ridge National Laboratory, Tennessee, $8,800,000.

(9) GENERAL PLANT PROJECTS.—$55,650,000.

(10) CONSTRUCTION PLANNING AND DESIGN.—$2,000,000.

(11) CAPITAL EQUIPMENT.—Acquisition and fabrication of capital equipment not related to construction, $208,850,000.

(12) REACTOR SAFETY RESEARCH.—

Project 75–12–a, reactor safety facilities modifications, $1,000,000.

(13) APPLIED ENERGY TECHNOLOGY.—

Project 75–13–a, hydrothermal pilot plant, $1,000,000.

SEC. 102. LIMITATIONS.—(a) The Commission is authorized to start any project set forth in subsections 101(b) (1), (3), (5), (6), (7), (12), and (13) only if the currently estimated cost of that project does not exceed by more than 25 per centum the estimated cost set forth for that project.

(b) The Commission is authorized to start any project set forth in subsection 101(b) (2), (4), (8), and (10) only if the currently estimated cost of that project does not exceed by more than 10 per centum the estimated cost set forth for that project.

(c) The Commission is authorized to start any project under subsection 101(b)(9) only if it is in accordance with the following:

(1) The maximum currently estimated cost of any project shall be $500,000 and the maximum currently estimated cost of any building included in such project shall be $100,000: Provided, That the building cost limitation may be exceeded if the Commission determines that it is necessary in the interest of efficiency and economy.

(2) The total cost of all projects undertaken under subsection 101(b)(9) shall not exceed the estimated cost set forth in that subsection by more than 10 per centum.

(d) The total cost of any project undertaken under subsection 101(b), (1), (3), (5), (6), (7), (12), and (13) shall not exceed the estimated cost set forth for that project by more than 25 per centum, unless and until additional appropriations are authorized under section 261 of the Atomic Energy Act of 1954, as amended, provided that this subsection will not apply to any project with an estimated cost less than $5,000,000.

(c) The total cost of any project undertaken under subsection 101(b) (2), (4), (8), (9), and (10) shall not exceed the estimated cost set forth for that project by more than 10 per centum, unless and until additional appropriations are authorized under section 261 of the Atomic Energy Act of 1954, as amended, provided that this subsection will not apply to any project with an estimated cost less than $5,000,000.

SEC. 103. The Commission is authorized to perform construction design services for any Commission construction project whenever (1) such construction project has been included in a proposed authorization bill transmitted to the Congress by the Commission, and (2) the Commission determines that the project is of such urgency that construction of the project should be initiated promptly upon enactment of legislation appropriating funds for its construction.

SEC. 104. Any moneys received by the Commission (except sums received from the disposal of property under the Atomic Energy Community Act of 1955, as amended (42 U.S.C. 2301)), may be retained by the Commission and credited to its "Operating expenses" appropriation notwithstanding the provisions of section 3617 of the Revised Statutes (31 U.S.C. 484).

SEC. 105. Transfers of sums from the "Operating expenses" appropriation may be made to other agencies of the Government for the performance of the work for which the appropriation is made, and in such cases the sums so transferred may be merged with the appropriation to which transferred.

SEC. 106. When so specified in an appropriation Act, transfers of amounts between "Operating expenses" and "Plant and capital equipment" may be made as provided in such appropriation Act.

SEC. 107. AMENDMENT OF PRIOR YEAR ACTS.—(a) Section 101 of Public Law 89–428, as amended, is further amended by striking from subsection (b)(3) project 67–3–a, fast flux test facility, the figure "$87,500,000", and substituting therefor the figure "$420,000,000".

(b) Section 101 of Public Law 91–273, as amended, is further amended by striking from subsection (b)(1), project 71–1–f, process equipment modifications, gaseous diffusion plants, the figure "$172,100,000" and substituting therefor the figure "$295,100,000".

(c) Section 106 of Public Law 91–273, as amended, is further amended by striking from subsection (a) the figure "$2,000,000" and substituting therefor the figure "$3,000,000," and by adding thereto the following new subsection (c):

"(c) The Commission is hereby authorized to agree, by modification to the definitive cooperative arrangement reflecting such changes therein as it deems appropriate for such purpose, to the following: (1) to execute and deliver to the other parties to the AEC definitive contract, the special undertakings of indemnification specified in said contract, which undertakings shall be subject to availability of appropriations to the Atomic Energy Commission (or any other Federal agency to which the Commission's pertinent functions might be transferred at some future time) and to the provisions of section 3679 of the Revised Statutes, as amended; and (2) to acquire ownership and custody of the property constituting the Liquid Metal Fast Breeder Reactor powerplant or parts thereof, and to use, decommission, and dispose of said property, as provided for in the AEC definitive contract."

(d) Section 101 of Public Law 92–314, as amended, is amended by striking from subsection (b)(4), project 73–4–b, land acquisition, Rocky Flats, Colorado, the figure "$8,000,000" and substituting therefor the figure "$11,400,000".

(e) Section 101 of Public Law 93–60 is amended by (1) striking from subsection (b)(1), project 74–1–a, additional facilities, high level waste storage, Savannah River, South Carolina, the figure "$14,000,000" and substituting therefor the figure "$17,500,000", (2) striking from subsection (b)(1), project 74–1–g, cascade uprating program, gaseous diffusion plants, the words "(partial AE and limited component procurement only)" and further striking the figure "$6,000,000" and substituting therefor the figure "$183,100,000", and (3) striking from subsection (b)(2), project 74–2–d, national security and resources study center, the words "(AE only), site undesignated" and substituting therefor the words "Los Alamos Scientific Laboratory, New Mexico" and further striking the figure "$350,000" and substituting therefor the figure "$4,600,000".

SEC. 108. RESCISSION.—(a) Public Law 91–44, as amended, is further amended by rescinding therefrom authorization for a project, except for funds heretofore obligated, as follows:

Project 70–1–b, bedrock waste storage (AE and site selection drilling only), Savannah River, South Carolina, $4,300,000.

(b) Public Law 92–84, as amended, is further amended by rescinding therefrom authorization for a project, except for funds heretofore obligated, as follows:

Project 72–3–b, national radioactive waste repository, site undertermined, $3,500,000.

(c) Public Law 92–314, as amended, is further amended by rescinding therefrom authorization for a project, except for funds heretofore obligated, as follows:

Project 73–6–c, accelerator improvements, Cambridge Election Accelerator, Massachusetts, $75,000.

TITLE II

SEC. 201. Section 157b.(3) of the Atomic Energy Act of 1954, as amended, is amended by striking out "upon the recommendation of" and inserting in lieu thereof "after consultation with".

Mr. PASTORE. Mr. President, the one amendment that was added by the House, on the floor, involves the $600,000 for adding a solar panel roof to the classified meeting building at one of the laboratories. They increased it from $4 million to $4.6 million.

Mr. President, I move that the Senate concur in the amendment of the House.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Rhode Island.

The motion was agreed to.

QUORUM CALL

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum, the time to be charged to my time.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

REPORT ON DISCUSSION WITH PRESIDENT SADAT

Mr. HARRY F. BYRD, JR. Mr. President, recent visits to Egypt and Israel have convinced me that the leaders of both countries are willing to make reasonable concessions to achieve peace and stability.

I have just returned from an official visit to Egypt, on behalf of the Committee on Armed Services. Two months ago I journeyed to Israel at my own expense.

On both occasions I met with the senior officials of the government, and I emerged with the impression that these nations genuinely want to settle their differences. I might mention that with the exception of Mrs. Meir, the Israeli officials with whom I talked are still in positions of leadership and influence.

In Egypt last Friday, I had a lengthy talk with President Sadat at a retreat 30 miles from Cairo which might be called his "Camp David." I was very favorably impressed with the leader of Egypt, who spoke frankly and directly about sensitive issues.

I feel that President Sadat wants to lead his nation away from some of the animosities of the past and to move toward stability.

He recognizes that with 35 million

people, Egypt must play a key role in the future of the Middle East. But he seems to wish to share leadership with the heads of other nations, rather than to lead the Arab world personally.

President Sadat spoke frankly about Egypt's relationships with Syria. He said Egypt will not make agreements detrimental to Syria—"we are acting as one," he said—but he was not pessimistic about the possibility of finding a solution to the differences between Israel and Syria. Specifically, he said he believes the Golan Heights question can be solved.

President Sadat expressed some puzzlement about the intentions of Colonel Qadaffi, the leader of Libya. He said he feared that Qadaffi was not serving the interests of peace in the Middle East.

The Egyptian leader said firmly that his country will not again become dependent on the Soviet Union. When I queried him as to why he required the 15,000 Russians who were in Egypt in 1972 to leave, he replied that Russia was attempting to dominate Egypt. He said he was determined that this would not happen.

When he said he was turning away from dependence on Russia for military equipment, I asked where he planned to make purchases in the future. He said preferably the United States.

If American equipment were not made available, he said, he would do the best he could but would not return to dependency on Russia.

He said he did not wish to be a friend of the United States at the expense of Russia, or a friend of Russia at the expense of the United States.

I pointed out to President Sadat that there is considerable sentiment for Israel in the United States in general and in Congress in particular.

He said he was aware of the pro-Israel sentiment and did not expect the United States to support Egypt against Israel. What he hoped for, he said, was "equal treatment."

President Sadat had high praise for Secretary Kissinger, to whom he gave the major share of credit for what has been achieved in moving toward peace in the Middle East.

As I said at the outset, I return from the Middle East with some optimism—cautious optimism, to be sure, but still optimism.

I believe that Egypt and Israel are moving closer together, and I hope that President Sadat is correct in his view that Israeli-Syrian differences are not insurmountable.

I commend Secretary Kissinger for his effective work, and I hope that in his new mission to the Middle East he will be able to help narrow the gap between Israel and Syria, and that this will lead to an effective settlement.

Mr. President, I yield the remainder of my time to the distinguished Senator from West Virginia.

Mr. ROBERT C. BYRD. I thank the Senator.

I reserve my time, Mr. President.

ORDER OF BUSINESS

The PRESIDING OFFICER. Under the previous order, the Senator from Indiana (Mr. BAYH) is recognized for not to exceed 15 minutes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time that was yielded to me by the distinguished Senator from Virginia (Mr. HARRY F. BYRD, JR.) be transferred to the distinguished Senator from Indiana (Mr. BAYH).

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Indiana has a total of 21 minutes.

THE ALASKAN PIPELINE

Mr. BAYH. Mr. President, last year we had a heated discussion on the floor of the Senate relative to the Alaskan pipeline. I voted against the authorization of the Alaskan pipeline, not because I was opposed to the development of the Alaskan oil reserves but because I was deeply concerned about the route being chosen by the oil companies and being supported by the administration. One of the main reasons I opposed this route for delivering Alaskan oil, the route, I repeat, that had been chosen by the oil companies and ratified by the administration, was the obvious danger that there would be efforts to export Alaskan-United States oil to Japan. Japan had expressed the desire to buy the oil at a price higher than United States prices; the president of the pipeline consortium had previously said much of the oil would go to Japan; and I thought this possibility was totally contrary to our national interest.

Mr. President, this morning I had a conversation with a member of the press representing the Canadian Broadcasting Co., who had been in on a press conference with Japanese Premier Sato when he was here in 1972. In response to this reporter's question to Mr. Sato the Premier said, not only was his country interested in buying Alaskan oil but already had reached an agreement to do so.

My opposition to exporting U.S. oil was based on a pragmatic assessment of U.S. needs in the face of the domestic and worldwide energy shortage. It seemed ludicrous to contemplate exporting American oil from Alaska to Japan—oil vital to our own consumers and industry—at the very time the energy crisis was becoming most severe.

Now, just this past weekend, a regional administrator for the Federal Energy Office confirmed my worst fears. Jack Robertson, regional administrator for the area including Alaska, said they would be exporting Alaskan oil and "much of it probably will be sent to Japan."

It is absurd for us to find ourselves in a situation, which certain of my colleagues and I tried to warn against last year, when the inability of our own west coast to use Alaskan oil will force us into an exporting position. Had we prevailed in pushing the alternative route via Canada, the export problem would never have been raised.

Recognizing the absurdity of exporting U.S. oil, Robertson and others who see sales to Japan as inevitable, talk about bringing additional imports to the United States to compensate for foolish exports. But the fact is the Alaskan pipeline law does not guarantee that we will receive the rising level of imports projected into the 1980's, and additional compensating oil for that sold to Japan. The law merely requires that the total oil available in the U.S. not decrease, but we have found out painfully in recent months that maintaining the same level of oil available in the United States can have devastating effects on our economy and lifestyle. We need increasing supplies of oil, and exporting oil to Japan is not the way to guarantee an increasing supply for our own industries and consumers.

In response to these arguments, assurances were given last year by the oil companies and others favoring the Alaskan oil pipeline that Alaskan oil would not be exported. At that time the senior Senator from Alaska said:

> We contemplate no sale of our oil to Japan, and I would be the first to prohibit it.

His sentiment was reaffirmed by the junior Senator from Alaska who said:

> I think it is ridiculous that any part of this country should be exporting oil when we have an oil deficiency.

I do not in any way suggest that these two friends and colleagues of ours were not speaking honestly and sincerely, but the information brought out over recent months are that the oil companies have not been candid with the Senate, this country, or each of us as individual Senators.

Yet despite statements that Alaskan oil would not be exported, the Senate defeated an amendment which would have expressly prohibited the exportation of Alaskan oil. Fearful of what would happen once the oil began to flow, I actively supported that amendment.

Instead of this outright prohibition on exporting Alaskan oil, the Senate adopted an amendment which, in effect, said the President could authorize the exportation of Alaskan oil so long as the total amount of oil in the United States did not decrease.

This amendment opens the door for oil exports to Japan. Obviously it is inadequate since it fails to guarantee that U.S. energy resources will not be used abroad. As a shield against exports, it is more loophole than protection.

Mr. President, with this background the stage is being set for an ironic and outrageously expensive postscript to last year's decision to proceed with the Alaskan oil pipeline.

In what will no doubt rank as one of the all-time, greatest frauds perpetrated on American consumers, it appears that several major oil companies—with the tacit approval of the administration—

are preparing for substantial international swapping of crude oil.

Mr. STEVENS. Mr. President, will the Senator yield or would the Senator prefer to finish his statement before we enter into a colloquy?

Mr. BAYH. If my friend from Alaska will permit me to finish my remarks, they will not take long. Then, I am looking forward to his speech, because I have a suspicion he may look at this matter differently and it would be advantageous to the Senator to have his views, and I would be glad to have his views.

Mr. STEVENS. I thank the Senator.

Mr. BAYH. In the event the Senator did not hear what I said a while ago, I hope what I say is not interpreted in any way to imply that he was trying to mislead the Senate or give us less than his honest and candid description of the facts, which is the only way he deals with his colleagues in the Senate.

Mr. President, regarding the international swapping of crude oil, what could well become known as "the great Alaskan oil swith" will cost American consumers billions of dollars without adding a single drop to the oil available for use in the United States.

Because of huge differences between domestic and foreign crude oil prices, massive exports of Alaskan oil, even if imports balanced the exports, could well cost American consumers almost $2 billion a year, while providing windfall gains for the oil companies.

By exporting Alaskan oil, the producers would be able to escape a lower U.S. crude oil price, including whatever price controls might be in effect on domestic oil prices. At the same time, the imported oil coming from Venezuela and the Mideast would be exempt from U.S. price controls.

Since the oil companies that will be producing the oil in Alaska also produce oil abroad, this neat little switching of oil from one market to another would enable them to sell the same total amount of oil but gain far higher prices for the oil produced in the United States. It would encourage maximum exportation of Alaskan oil to gain as much advantage as possible from the higher international price of oil.

To gain some idea of what this would mean to consumers, we can look at the present price difference of about $5 a barrel between uncontrolled U.S. crude oil and foreign crude oil. If the switching game were played with half of the Alaskan oil for 5 years, the increased oil cost for American consumers would be $5 million a day, or $1.8 billion a year, or more than $9 billion for the 5 years.

These estimates may actually be a bit conservative since it is likely that the price differential between United States and foreign oil prices will grow between now and 1979 when Alaskan oil begins to flow.

Such manipulation of the international oil market, at great expense for consumers and great gain for the multinational oil companies, would not have been possible had the decision been made to bring Alaskan oil to the lower 48 States via Canada.

However, much as I regret to admit defeat, we were defeated on that issue. That issue has been resolved, and the Alaskan pipeline is in the process of being built. I do not intend to raise this issue now; nor to fight that issue once again. Rather, I think the need now is to focus our attention on avoiding the great fraud being set in motion by the oil companies. To prevent such an outrageous exploitation of the oil shortage, I am taking the following steps:

First, I have written today to Senator JACKSON asking for an investigation of this entire matter by the Senate Permanent Subcommittee on Investigations, which he chairs. I request unanimous consent to include a copy of my letter to Senator JACKSON following my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BAYH. Mr. President, the Senator from Washington has performed an admirable service in opening some of the oil company maneuvering in the past to public scrutiny, and I hope he will feel it is a wise course to investigate just what this switching tactic might cost the consumers of this country.

Second, today, I am also introducing an amendment to S. 3267, the Standby Energy Emergency Authorities Act, recently reported from the Senate Interior Committee, to guarantee that if the President uses his authority, under the Alaskan pipeline bill, to approve the export of Alaskan oil that the switch not result in any increase in oil prices to American consumers.

Beyond the need to forestall the economic impact of "the great Alaskan oil switching game" on American consumers, this experience in the case of Alaskan oil should prove of great value as we move toward a decision on the proper delivery system for the huge natural gas reserves in Alaska.

Fortunately for our country, the great and wealthy State of Alaska not only has rich and abundant oil reserves; it also has a very substantial gas supply, which can and will be very beneficial to our country.

In this regard, last month 24 of my colleagues and I wrote to Interior Secretary Morton reminding him of his earlier expressed support for delivering Alaskan natural gas to the lower 48 States via Canada and asking him to reaffirm his support of this highly desirable approach. A trans-Canadian gasline would make the gas available in all regions of the United States, from Southern California to New England.

Actually, last year during the debate on delivering Alaskan oil, it was generally assumed by all parties to that debate that the natural gas would be delivered via Canada. Secretary Morton was only one of many proponents of the Alaskan oil pipeline who expressed support for the trans-Canadian natural gas pipeline.

I recall some of the very vigorous debate that transpired with some of the opponents of our effort to deliver oil via Canada, who said, "Well, you fellows are going to get the gas pipeline to the Midwest. That is already negotiated. We are going to run the oil pipeline the other way."

However, an alternative proposal has developed for shipping the natural gas from Alaska's North Slope to southern Alaska in a line paralleling the oil pipeline. Under this proposal the natural gas would then be liquified for tanker shipment, presumably to the west coast.

An unexpected statement by President Nixon requesting Secretary Morton to evaluate the two proposals for delivering Alaskan natural gas caused my colleagues and I to seek a reaffirmation of the Secretary's prior position. Unfortunately, the Secretary's reply was quite equivocal. He would not reaffirm his support for the trans-Canadian route.

Now, as we see the impetus developing to export Alaskan oil, it is important to bear in mind that there is no statute that would in any way limit the export of Alaskan natural gas, or even provide the kind of high-priced exchange being planned for the oil. Once that liquefied natural gas was loaded on huge tankers in Alaska the same firms that are making a fortune on the Alaskan oil would be free to sell the liquified natural gas to the highest bidder. It would not matter if that highest bidder were in Los Angeles, Tokyo, or even in Europe—there would be no assurance that this scarce U.S. resource would be available to our citizens.

The debate on delivering Alaskan natural gas is only in its early stages. But it promises to be as intense as the debate over how to deliver Alaskan oil, and as we see what is happening in the case of the oil, I hope fervently that we will not repeat our error. We must resist the growing effort to ship Alaska natural gas in liquified form, lest we again deny American consumers vitally needed energy on an equitable basis.

Finally, Mr. President, cast in the entire picture of the domestic energy shortage, I think our experience to date—and the battles ahead—on Alaskan oil and natural gas make it abundantly clear that we cannot let the huge multinational oil companies continue to make the energy decisions of such vital concern to our Nation. Those companies have the responsibility of maximizing their profits.

That is the way the system works. The corporate president is in the business of making money for the company stockholders, and I certainly do not demean them for trying to pursue that particular policy, but we in the U.S. Senate have the responsibility of serving the public interest—and those differing responsibilities obviously argue for very different policies in the area of energy self-sufficiency.

Mr. President, I reserve the remainder of my time.

EXHIBIT 1

APRIL 24, 1974.

Sen. HENRY JACKSON,
Chairman, Permanent Subcommittee on Investigations, Government Operations Committee, U.S. Senate, Washington, D.C.

DEAR SCOOP: I am writing to respectfully request hearings by the Permanent Subcommittee on Investigations into the probable export of Alaskan oil to Japan and other countries. According to a regional administrator of the Federal Energy Office, the West Coast will not be able to absorb the anticipated flow of two million barrels a day of Alaskan oil.

As you will recall, this was one of the points we discussed last year during the debate on the best means of delivering Alaskan oil to the lower 48 states. The FEO regional administrator, Jack B. Robertson, has been quoted as saying of Alaskan oil, "Much of it probably will be sent to Japan."

Mr. Robertson added that the U.S. would receive additional foreign oil, which might otherwise go to Japan, in exchange for the oil we export. Such exports in exchange for imports would not violate Section (u) of title I of the Public Law 93–153, the Alaskan Pipeline Authorization.

However, because of a significant price difference between domestic and foreign crude oil, such switching of exports for imports could cost American consumers well in excess of a billion dollars a year. This program, moreover, would enable the oil producers in Alaska to escape price controls, that might be in effect on domestic oil sales, for that portion of the oil they exported. At the same time, the imported oil exchanged for such exports would be exempt from U.S. price control assuring the oil companies of a substantial windfall profit and encouraging maximum switching of Alaskan for Venezuelan and other more expensive foreign oil.

The entire situation poses significant new questions regarding the policies of the multinational oil companies as they relate to the domestic energy shortage and the treatment of American consumers. The role of the Administration in such a plan is also of great concern. This matter would be a logical continuation of the energy-related work already done by the Permanent Subcommittee on Investigations and I hope you will see fit to conduct the appropriate investigative hearings into this matter.

Sincerely,

Birch Bayh,
U.S. Senate.

Mr. STEVENS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Indiana yield?

Mr. STEVENS. No, Mr. President; I would like to be recognized in my own right.

The PRESIDING OFFICER. The Senator from Indiana has 2 minutes remaining, at the completion of which there would be a brief time for morning business.

Mr. BAYH. Mr. President, I ask unanimous consent that the Senator from Alaska, who, I understand, has the time from the Senator from Michigan, be permitted to have access to the floor and that the remaining amount of my time be allowed to commingle with the time that he would be using.

Mr. STEVENS. Mr. President, I may say to my colleague that the motion to yield me the minority leader's time has not been made.

I do believe that the unanimous-consent request is in order, and that he be permitted to retain his 2 minutes going into the morning hour. I understand that I am entitled to 5 minutes in the morning hour.

The PRESIDING OFFICER. The Senator is correct; but we also have an order that at 12:45 the Senate will go into executive session. That means that the time of the Senator from Indiana will expire at 12:41, even though the transaction of morning business will last only 4 minutes.

Mr. BAYH. Is the order for 12:45 subject to revision, the same as the 12:15 order was subject to revision because the Senator from Virginia understandably had comments that he felt were of interest to the Senate?

The PRESIDING OFFICER. Yes; the order may be changed by unanimous consent.

Mr. STEVENS. Mr. President, I ask unanimous consent that the time of the Senator from Indiana be extended 15 minutes, that we share it equally, and that the previous order placing the Senate in executive session at 12:45 be extended for 15 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. BAYH. For the convenience of the Senate, the Senator from Indiana will be glad to contribute the remainder of his time, to the discussion with the Senator from Alaska.

Mr. STEVENS. I do hope that the Senator from Indiana understands my position on the matter. I think sometimes that those of us who look south at the Sun do not get as blinded as as those who look north at the midnight sun. I say that with kindness to my friend from Indiana, because at the time we were debating the Alaska pipeline amendment, we had extensive comments concerning the exchange provisions of the oil industry, wherein it was possible to ship Alaskan oil to some other country and have foreign oil delivered to other places in the United States, with no loss of oil to the United States, and actually reducing the cost of transportation.

The Senator from Washington (Mr. Jackson), of whom the Senator from Indiana has spoken, very clearly, in response to a question by the Senator from Rhode Island about bartering aspects of this exchange—during the debate on July 12, 1973, the Senator from Rhode Island said:

> We could make a deal with Japan and say, "We'll give you 100,000 barrels of our oil out of Alaska, provided you deliver to Providence, R.I., 100 thousand barrels of oil out of the Middle East."
>
> Is that the question?

Mr. Jackson said, "Precisely," he added:

> I should like to supplement that very well stated comment. It is cheaper for Japan to get oil directly from Alaska, and it is cheaper for New England to get needed oil directly from the Middle East.

Mr. Pastore then said:

> But in no instance will we give one drop of oil to Japan unless it gives the same drop of oil back to us in New England.

Mr. Jackson responded saying:

> That is precisely true.

I should like to supplement that. The Senator from Indiana well said that it is cheaper for New England to get oil directly from the Middle East. That is what we are involved in. I say to my friend from Indiana, as a fellow Hoosier originally, and in good spirit, that I think he is making a mountain out of a molehill.

The North Slope oil is not yet flowing from Alaska. The Senator's comment pertains to the shipment of oil from Alaska during the period when there will be a temporary surplus on the west coast. We do know that when we reach 2 million barrels a day—and that may be some 6 or 7 years from now, when we are producing and shipping 2 million barrels a day through the Alaska oil pipeline—it is now predicted that the west coast will not be able to consume the 2 million barrels a day, and that there may be a temporary surplus.

That surplus, if shipped to Japan—shipped, not sold—and if the oil being sent to Japan from the Middle East is shipped to the east coast, will save Japan money and the consumers on the east coast money.

I should like to ask the Senator from Indiana if he can document for me the cost to the consumer of $1,800,000,000 a year; and as much as $9 billion through the year 1980. It is my understanding that there would be a saving from an exchange, not a cost, because at present that oil is being shipped longer distances. A map of the world helps to describe this situation. At present, oil comes out of the Mediterranean, goes around Cape Horn, and up to California. Similarly, oil destined for Japan comes out of the Mediterranean, goes around Cape Horn, and then to Japan. The Middle East oil could be shipped directly to the east coast, about one-third the tanker distance. The Alaskan oil could be shipped to Japan at about one-quarter the tanker distance. There is the question of computerizing the quantity, quality, but no question regarding sale of oil; we are not going to sell oil to Japan.

We are not going to sell any of Alaska's oil to Japan. We may ship a little from Alaska to Japan temporarily to offset the shipment of Middle East oil that was destined for Japan, which will be brought to the east coast, and save the east coast consumers money.

Mr. President, let me ask the Senator from Indiana where he gets the consumer cost. I say that to him again, out of a total quandary that the Senator from Alaska has, because of the fact that the Consumer Federation of America somehow made his amendment a consumer matter.

I do not understand how the consumer is going to be hurt by an exchange of oil that saves tanker distances.

Mr. BAYH. Would the Senator like to have me give him the Indiana perspective on that, which I think is accurate? If the Senator from Alaska, was the Secretary of the Interior, or the President of the United States, or the president of the Alyeska Pipeline, I would be somewhat comforted.

But neither he nor I have disposition of that Alaskan oil. It belongs to those oil companies.

Mr. STEVENS. No, it belongs to the State of Alaska; I want to make that very clear. That is Alaskan oil, which we have given the oil companies the right to remove as long as they give us one-eighth of the value.

I understand my friend's position as

far as the State of Indiana is concerned, and the consumers of Indiana, and I respect his position. It may well be that the consumers of Indiana may end up paying a little more for oil, but the total consumers of the United States, the east coast consumers are going to get their oil cheaper than they would otherwise, and the west coast consumers are going to get their oil cheaper than they would otherwise, and the tanker routes will be shortened and the tankers will be able to move it faster.

Mr. BAYH. Mr. President, while I respect the opinion of the Senator from Alaska, I feel it can be documented that all consumers with the exception of those on the west coast are going to pay through the nose unless an amendment similar to mine is adopted. If the Senator from Alaska wants to guarantee that this will not be the case which I feel is his sincere interpretation, then I see no reason why he should not even cosponsor my amendment, which would say that if we are going to have that switching, in order to provide oil to the Midwest where I support—that it be done only at no additional cost to the consumer.

The documentation is that the Alaskan oil produced in the future would be called uncontrolled U.S. oil, which is even now priced lower than oil coming from any foreign nation.

Mr. STEVENS. May I say to my friend again, this is sort of like Alice in Wonderland; we are looking through the looking glass. We are not even exporting Alaskan oil yet, but when we do, during that period before California demand reaches the capacity of our pipeline, there will be a theoretical surplus. In that period, which could not last for more than two years, it would be possible for us to ship some of our oil to the east coast, and I have discussed that with the oil industry, as to how they would get the oil to the east coast.

One theory is that we would take it to the Panama Canal, put it in a pipeline and ship it across the Isthmus of Panama, and then ship it by tanker up to the east coast of the United States.

If we go that way, it is going to cost a lot of money. At the same time, there is oil coming from the Middle East to Japan under long-term contracts. That oil could be delivered to the east coast and our oil could be delivered to Japan. We would not sell our oil to Japan; I have opposed the sale of the oil to Japan, as the Senator from Indiana knows. I would support him on that.

But when you are talking about the consumers of the United States, you have to decide what consumers you are talking about. If it is the Middle Western consumers, they are not going to get Alaskan oil anyway.

Mr. BAYH. The Senator would not, then, be opposed to an amendment which would say you could not take domestic oil from Alaska, which at current prices would be about $10 a barrel, and ship it to Japan for the price Japan would have to pay for Venezuelan oil, about $14 or $15 a barrel, and then exchange oil with Venezuela, so U.S. consumers have to pay, not the $10 a barrel which is the price on the domestic market, but $14 or $15 for oil from Venezuela? There is now about a $4.50 to $5 differential.

Mr. STEVENS. As long as the Senator from Indiana uses the word "sale" in his amendment, I want him to know we are not talking about Alaskan oil. We are not selling Alaskan oil outside the United States.

Mr. BAYH. Who is "we"?

Mr. STEVENS. But the existing amendment to the Alaska Pipeline Act specifically does provide the ability to ship our oil to Japan.

Mr. BAYH. There is nothing in the amendment, let me say to my friend from Alaska, that keeps the oil companies from selling the oil. It may be Alaskan oil, but it is under the control of the oil companies, and it may be exported if the President says it is in the national interest. You can make all sorts of foreign policy arguments as to why we had better sell Alaskan oil to Japan.

Mr. STEVENS. What I am saying is, we are not going to sell our oil, but the exchange is specifically permitted in our amendment in S. 1081 as it was passed and became a public law. The trans-Alaska pipeline amendment specifically permits such exchanges with adjacent countries.

Whether you like it or not, Japan is adjacent to Alaska, and all we are saying is that we may exchange oil with them, we are not going to sell oil to them. We do not have any intention of selling Alaskan oil to them. We want to exchange it for the benefit of the American consumer.

Mr. BAYH. You are going to exchange it, and I would welcome that if U.S. consumers in Indiana and elsewhere could buy more oil at fair prices. But let me suggest, before we move too much into Alaskan transportation or into the overall cost of oil on the Alaskan market, that the cost of transportation is not all that much in terms of the cost of oil. It is not the differential between the world price and the domestic price, by any means. Second, let us go ahead with the exchange—with the understanding that Midwestern and Eastern consumers are not victimized.

Mr. STEVENS. May I say to my friend from Indiana that that is not right. I represent the State of Alaska, and we retain a one-eighth interest in our oil. We have to find out the price at the wellhead to determine the value of that interest. What purchasers have to pay is the price at the wellhead plus the cost of transportation. The transportation cost priced back to the wellhead is less if we will ship the oil from Valdez to Japan. Arabia will ship their oil to New England. We in Alaska will have sold our oil to New England with a very low transportation cost compared to what it would have been if we actually shipped it to New England, and Saudi Arabia would save money, too.

Mr. BAYH. I must respond very precisely to the Senator from Alaska to point out what I said. The differential between the price of domestic oil and the price of oil, say, in Venezuela is much greater than the transportation costs involved.

Mr. STEVENS. I understand that.

Mr. BAYH. All right; that is what I am saying. The Senator's whole argument is that this exchange is going to save transportation costs. I am willing to accept that. But if you take Alaskan oil and ship it to Japan, and would have to buy back Venezuelan oil or Saudi Arabian oil, there is nothing in the present statute to guarantee that, to use the Senator's terminology, the exchange oil will not cost a lot more.

Mr. STEVENS. No, we do not buy back oil. If the Senator will recall, during the debate, I facetiously said, "Maybe we better talk about milk, because we can understand milk a little better."

I pointed out to the Senator from Minnesota that milk that may be sold from the milk dealers in Minnesota into Louisiana could actually be delivered from Iowa, because of the fact that there would be more milk available in Iowa and the distance from Iowa to Louisiana would be shorter, and that is what we are doing; we are not buying oil from anybody in order to deliver it to the east coast. We are exchanging. The Saudi Arabians have made their agreement with Japan. Japan pays the price that Saudi Arabia asks. The Alaskan oil consortium makes their sale to the east coast of the United States. We do not have to buy any oil; they simply deliver the Saudi Arabian oil into the east coast of the United States, and we deliver the oil from Valdez to Japan. Then both groups of consumers are saved money.

What the Senator from Indiana is suggesting would force us to use the tankers for the shipment to the east coast, and tie them up for many times the amount of time which it would take to transport the oil to Japan, paying the greater transportation cost for the oil, and thereby increasing the price of the oil to Alaska. I urge the Senator not to do that.

Mr. BAYH. I wonder if, in the short time remaining, the Senator from Alaska and I are ever going to get on the same wave length here. I understand that whether it is oil, apples, or milk, we have a savings of transportation costs. But, to use the example of milk, which I think perhaps more people do understand, the example would be the same as seeking to exchange a truckload of milk in Alaska priced at $1.35, for a gallon of milk from Venezuela. That milk is about $1.75 or $2 a gallon. That is my concern. If the Senator from Alaska shares that concern, I am willing to go along—okay—and offer this amendment, which says we can have all the exchange we want, provided it does not, indeed, increase the cost to the consumer. Right now, the statute does not provide the necessary guarantee, and I appreciate the Senator's assurance in this regard, but the statute does not guarantee that the so-called exchange will not mean higher prices to our consumers.

Mr. STEVENS. We are still not on the same wavelength. It is in the amendment which prohibits the export of and puts a limitation on exports. We specifically insisted that the exchange in a similar quantity for convenience and increased efficiency of transportation was an exception to the limitation. We need that in order to get more for our oil. We are getting more for our oil because of the saving in the transportation. We are not buying oil from anyone but are selling it to the east coast of the United States and delivering it to them by virtue of deliveries originally destined for Japan but which are going to be delivered to the east coast and save the consumers money because they will not be paying the same transportation cost.

Mr. BAYH. Let us use the figures of Venezuela, because they are selling more oil to the United States at this particular moment than any other country. The last time I checked the price of Venezuelan oil, it was $14.50 a barrel. Let us assume that the Japanese, having contracted with Venezuela, how much are they paying the oil companies in Alaska for the oil they send to Japan?

Mr. STEVENS. Nothing, because they are not buying our oil. The Japanese would be buying Venezuelan oil. That is what we seem unable to get together on the same wavelength on.

Mr. BAYH. Someone will have to pay someone else for that Alaskan oil. What will be the price?

Mr. STEVENS. The domestic price of the oil plus the transportation cost. It is $5 today in Alaska, which is not very expensive, but if we add the transportation cost then it gets expensive. But I am telling my friend, the Senator from Indiana, that by virtue of shipping oil to Japan and having the delivery of foreign oil made to the east coast, both parties are paying less for the transportation, but we are not buying foreign oil on the east coast. The east coast is buying Alaska oil.

Mr. BAYH. Would the Senator from Alaska be willing to join me in either this amendment or another amendment which would guarantee that the oil companies will be paid no more by the Japanese or our consumers than the price of the oil at the wellhead in Alaska plus the transportation.

Mr. STEVENS. I am compelled to oppose the Senator from Indiana's amendment because I am opposed to the sale of Alaskan oil outside of the United States.

Mr. BAYH. The Senator used the word "transfer."

Mr. STEVENS. We already have an amendment which permits the exchange of the same quantity for the purpose of efficiency in transportation and that is the only way we can do it.

Mr. BAYH. Someone gets paid for the exchange of the oil. I am not tied to the term exchange or whatever it is. I am only interested in whether it is transferred or sold and that the final price paid by U.S. consumers will be limited to the domestic oil price, not the price of world oil—but of domestic oil.

Mr. STEVENS. If the Senator from Indiana wants to put something in to assure that the people who are buying Alaskan oil pay the Alaskan price, plus the Alaskan transportation charge, that is what they will pay.

Mr. BAYH. That is not what they are going to pay according to what the law says now.

Mr. STEVENS. I believe the Senator has misinterpreted that. The Alaskan gas pipeline is the real reason, I assume the Senator is raising the question. There are still issues pending about the gas pipeline which will be decided by the Federal Power Commission as to which transportation route is in the national interest. I am being attacked in my own home State for not having endorsed one route or the other. However, I want to see the documents. I want to see what is going to be the cost of the various transportation systems. We have to liquefy the gas if it goes trans-Alaska—we have got to regassify it again. The cost of that process has got to be compared with the cost of the pipeline system across land.

Mr. President, I believe it is in the national interest to wait and get the figures and then determine what is best in the national interest, because what is in the national interest is in the interest of Alaska in the long run. So I have not taken a position on the route that gas pipeline will take. The Senator from Indiana, in his statement concerning Secretary Morton and others where he criticizes them because they have refused to take a position on which transportation system is in the national interest, is in error and is premature. All the facts are not in yet. The Arctic consortium has filed and the El Paso group plans to file an application with the Federal Power Commission and there may be other groups. But, again, we are talking about gas that will not be consumed for at least 7 years, so why should we position the Government on this question until the proper time—until it is ripe for decision?

(The following discussion occurred during the colloquy of Senators Bayh and Stevens and is printed here by unanimous consent:)

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. STEVENS. I yield.

Mr. ROBERT C. BYRD. I ask that the colloquy not be interrupted in the Record. I understand that the time of the distinguished Senator from Indiana was extended by unanimous consent.

The PRESIDING OFFICER. That is correct.

Mr. ROBERT C. BYRD. I am sure the Senator from Indiana was not aware that in the past 3 to 3½ years the leadership has objected to any request to extend the time of 15-minute orders. I yielded the remaining time of the distinguished Senator from Virginia (Mr. Harry F. Byrd, Jr.) to the Senator from Indiana, which gave him a total of 21 minutes.

With his permission, I now ask unanimous consent that the request to extend his time be vacated and that when the Senator from Indiana's time is up—presumably it is probably up now—there be a period for the transaction of morning business until 1 o'clock, with statements therein limited to 5 minutes each. The Senator from Indiana could use 5 minutes and the Senator from Alaska could use 5 minutes. In that way both Senators could get additional time without violating the current operating practices and procedures.

Mr. BAYH. I have no objection. I will not object. I think it only fair that the Senator from Alaska be heard, inasmuch as he is looking south, rather than north, on this particular issue.

Mr. ROBERT C. BYRD. I understand. I certainly want to do everything I can to cooperate with both Senators. The Senator from Alaska could get his time from the time allotted to morning business.

Mr. President, has the Senator's time expired?

The PRESIDING OFFICER. It has.

Mr. STEVENS. Would the Senator also include in his request that the dialog between the Senator from Indiana and the Senator from Alaska be continued in the morning hour?

Mr. ROBERT C. BYRD. Certainly; and in the Record, it will so show.

The PRESIDING OFFICER. Without objection, there will be a period for the transaction of routine morning business until 1 p.m., with statements therein limited to 5 minutes each.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that morning business be extended until the hour of 1:05 p.m., with statements limited therein to 5 minutes each, and that none of the time I have taken come out of the time of the two Senators.

(This marks the end of the discussion.)

COMMUNICATION FROM EXECUTIVE DEPARTMENTS, ET CETERA

The PRESIDENT pro tempore laid before the Senate the following communication, which was referred as indicated:

PROPOSED SUPPLEMENTAL APPROPRIATION, 1974, FOR U.S. SENATE (S. DOC. NO. 93–77)

A communication from the President of the United States, transmitting a proposed supplemental appropriation, totalling $5,890, for the United States Senate (with an accompanying paper). Referred to the Committee on Appropriations, and ordered to be printed.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the PRESIDENT pro tempore:

A resolution of the City Council of the City of Maple Heights, Ohio, urging the Senate to expedite development of Cuyahoga Valley Park within the State of Ohio. Referred to the Committee on Interior and Insular Affairs.

PRESENTATION OF A PETITION

Mr. THURMOND. Mr. President, on April 18, 1974, the South Carolina General Assembly adopted a concurrent resolution memorializing the Congress to enact H.R. 12464, a bill to extend the programs of the Economic Opportunity Act of 1964.

On behalf of the junior Senator from South Carolina (Mr. Hollings) and myself, I ask unanimous consent that this resolution be printed in the Congression-

AL RECORD and referred to the appropriate committee for consideration.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The concurrent resolution, which was referred to the Committee on Labor and Public Welfare, is as follows:

H. 2797

Whereas, House Bill 12464 is currently under consideration by the House Education and Labor Committee of the Congress of the United States; and

Whereas, this bill extends the programs of The Economic Opportunity Act of 1964; and

Whereas, the passage of this bill will benefit many citizens of our State, including our senior citizens.

Now, therefore, be it

Resolved by the House of Representatives, the Senate concurring:

That the Congress of the United States be memorialized to enact House Bill 12464 which extends the programs of The Economic Opportunity Act of 1964; be it further

Resolved that a copy of this resolution be forwarded to each member of the House of Representatives and to each Senator from South Carolina.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. INOUYE, from the Committee on Commerce, with amendments to the preamble:

S. Res. 281. Resolution to express the sense of the Senate with respect to the allocation of necessary energy sources to the tourism industry (Rept. No. 93-791).

ADMINISTRATION OF THE INTERNAL SECURITY ACT AND OTHER INTERNAL SECURITY LAWS—REPORT OF A COMMITTEE—(S. REPT. NO. 93-790)

Mr. EASTLAND, from the Committee on the Judiciary, submitted a report of the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws, which was ordered to be printed.

REPORT ENTITLED "IMMIGRATION AND NATURALIZATION"—REPORT OF A COMMITTEE—(S. REPT. 93-789)

Mr. EASTLAND, from the Committee on the Judiciary, submitted a report entitled "Immigration and Naturalization," which was ordered to be printed.

TRANSMISSION OF A REPORT—S. 1566

Mr. INOUYE. Mr. President, I am transmitting to the floor S. 1566, the Hawaii and United States Pacific Islands Surface Commerce Act of 1974, which has been reported by the Senate Commerce Committee without recommendation. I am told that bills reported without recommendation are not accompanied by a committee report when sent to the floor. Therefore, there is no written report.

The Commerce Committee agreed to report the bill on this basis and instructed Senator MAGNUSON, chairman of the committee, to have the bill referred to the Committee on Labor and Public Welfare for a period not exceeding 40 days before being returned to the floor for a vote.

Accordingly, Mr. President, I ask unanimous consent that S. 1566 be recorded as reported without recommendation and that it be referred to the Committee on Labor and Public Welfare for a period not exceeding 40 days and, upon the expiration of such period, be returned to the floor for a vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INOUYE. Mr. President, today the Committee on Commerce reported S. 1566, the Hawaii and U.S. Pacific Islands Surface Commerce Act of 1974, without recommendation. The bill is designed to provide for the normal flow of ocean commerce between Hawaii, Guam, American Samoa, or the Trust Territory of the Pacific Islands and the west coast and to prevent interruptions thereof.

S. 1566 authorizes a party involved in a strike or lockout or the Governor of Hawaii, Guam, or American Samoa or the High Commissioner of the Trust Territory of the Pacific Islands or any of their duly designated representatives to petition the U.S. district court having jurisdiction for an injunction or temporary restraining order to maintain maritime transportation between these areas and the west coast for a period not to exceed 160 days. No injunction can be requested while an injunction issued under the Taft-Hartley Act is in effect. A strike or lockout could be enjoined for a total of 240 days if injunctions under this bill and the Taft-Hartley Act were issued.

Hearings on S. 1566 were held in June 1973. Hearings on similar legislation were held in Hawaii by the Subcommittee on the Merchant Marine in January 1972. Since I first introduced legislation to protect the normal flow of ocean commerce to Hawaii, 49 witnesses have appeared during 4 full days of Senate hearings to produce over 500 pages of public testimony on this crucial issue. S. 1566 was considered in an executive session of the Merchant Marine Subcommittee on June 11, 1973, and was ordered reported to full committee without amendment. On March 21, 1974, the Committee on Commerce considered the bill in its executive session and ordered it reported without recommendation.

Hawaii is an island state, and as such is acutely vulnerable to longshore and merchant marine disputes. We have no truck or railway service. Air freight is expensive and limited in scope. A comparable situation would be the construction of a wall around metropolitan Washington permitting only costly air freight access from the west coast. Hawaii's economy is heavily dependent on exports and imports. Approximately 80 percent of all physical commodities purchased by the residents of Hawaii come from overseas, primarily the mainland United States. The bulk of this must be carried by ships since air freight is both limited in capacity and too expensive. Without a constant exchange of goods between Hawaii and the continental United States, the economy of Hawaii would soon stagnate.

Since World War II, more than 4 years' time has been lost as a result of transportation disputes affecting my State. Of eight major strikes, only one centered in Hawaii. It is for this reason that my bill, S. 1566, would apply only to disputes originating on the west coast. I believe that a dispute originating in Hawaii can be adequately handled locally. Local political pressure and public opinion would probably be sufficient to bring the parties in a dispute to an agreement.

In the 1971–72 period, labor disputes halted the Hawaii-west coast maritime trade for 175 days. The west coast longshoremen's strike lasted 134 days, and the west coast ship officers strike in 1972 lasted 41 days. These devastating blows seriously undermined the State's economy, which has only recently begun to recover. It is impossible to assess accurately the damage done to the State as a result of these shutdowns. Non-Hawaiian businessmen may have decided not to invest in Hawaii. Tourists may have been deterred from visiting the State. The primary blow, however, fell on all the people of Hawaii, including union members and their families.

Manufacturers found it impossible to get supplies. Retail inventories declined, construction materials were exhausted, and construction projects went unfinished. Farmers could not get fertilizers and feeds. These shortages were reflected in the stores. Consumers, that is, literally everyone, were forced to pay 72 cents for a head of lettuce, $1.45 for a dozen oranges, $2.28 for a 10-pound sack of potatoes, $4.37 for watermelons, and so forth. These, I wish to stress, were average prices. The fruits-and-vegetables price index for Honolulu jumped 8.2 percent in August 191 and 5.3 percent in September. Nationally, the index declined 1.9 percent and 5.7 percent for the same months.

The First National Bank of Hawaii revealed that a survey on the 1971 strike showed local retailers reported sales declines ranging from 3 to 17 percent and profit margins declining even more because of higher costs. Some firms were forced to go out of business because of high costs and exhausted inventories.

Hawaii's export industries were similarly injured by these work stoppages. The sugar and pineapple industries had to store their products locally rather than export them. They also lost some of their markets to foreign competitors as a result of the strike.

Any labor dispute of this type and magnitude affects those least able to care for themselves. The rate of unemployment rose to the highest experienced since 1954. The aged, the economically disadvantaged, the young and the ill all suffered more from the shortages and extra costs.

The people of Hawaii suffer extraordinary injury not only on those occasions when a shipping stoppage actually occurs through strike or lockout for the very threat of such a stoppage causes great injury. Abnormal stockpiling precedes every contract negotiation deadline. Heavy inventory costs are a major factor in making Honolulu's living costs second only to those of Anchorage, Alaska. Each threatened shipping stoppage adds further to that burden.

Most stoppages have been of short

duration but yet the very fear of a longer stoppage visits a heavy burden upon all my constituents.

It is for this reason that S. 1566 is designed to provide relief in the early stages of any stoppage.

During the worst days of the recent petroleum shortage, other Americans—including Representatives and Senators—experienced the severe inconvenience and frustration of long lines, high prices, and short supplies of gasoline. During the past shipping strikes, the people of Hawaii endured the same type of shortages but in an infinitely more aggravated form. As the Nation will not tolerate the uncertainties of continuing energy shortages, neither should the people of Hawaii be constantly faced with continuing uncertainties about shipping strikes.

There are three parties to these labor disputes—organized labor, management, and the public. The first two parties oppose my bill, and it appears that only the public, which is most seriously affected, supports the legislation. It is true that the legislation gives Hawaii a remedy not otherwise available to other States, but as many individuals, including Teamsters International President Frank Fitzsimmons, and the Wall Street Journal, the San Francisco Chronical, and others, recognize, Hawaii's special geographical characteristics give us a viable claim to exceptional consideration.

As my voting record during my 14 years in the House of Representatives and the U.S. Senate attests, I am a strong supporter of the right of labor to organize, to bargain collectively, and to strike. My sponsorship of S. 1566 does not negate my belief that a stable economy depends on a strong labor movement. Still, I cannot sit by idlely when labor disputes originating on the west coast result in unemployment, sharply higher prices, severe inconvenience, and undue hardship for Hawaii.

In normal west coast operations, only 3 percent of the total longshore hours worked are devoted to handling commodities bound to or from Hawaii. Of the man-days worked by maritime personnel on U.S. flagships, only 7.3 percent of the time is spent on the west coast-Hawaii trade. In short, my bill should not affect significantly the ability of organized labor to bargain collectively with management or the ability of management to bargain with labor. Hawaii is a pawn in a much larger game, but there is no reason why we should be held captive in this struggle. My bill provides a workable solution to a serious problem, and it will affect both labor and management in an even-handed way.

When railroad labor disputes erupt. congressional committees on several occasions during the past few years have worked late into the night to resolve them. Little attention is paid to the deadly effects of the strikes which affect Hawaii. Perhaps it is because Hawaii's population is only 800,000 compared to the millions in the other States, but that is an explanation which the people of Hawaii understandably refuse to accept.

Mr. President, when I first introduced legislation to deal with the problems caused by west coast labor disputes, I fully realized that I was putting myself against the powerful, entrenched economic interests of organized labor and big business. In view of the gravity of the situation, however, I feel that no other recourse is open to me. I am pleased to note that I am joined in this effort by the other members of the Hawaii congressional delegation regardless of party affiliation. The time to act is now. I ask unanimous consent that two editorials relating to this problem be reprinted in the Record at this point.

There being no objection, the editorials were ordered to be printed in the Record, as follows:

[From the San Francisco Chronicle, Mar. 27, 1973]

Vulnerable Hawaii

Hawaii, the island state which lies more than 2000 miles off the mainland, could under present conditions become a virtual disaster area in the event of a prolonged strike that affects transportation by sea or by air.

Unlike other States which could fall back on railroads, buses, trucks and automobiles to move goods and people, Hawaii would be left stranded, the export-import economy would dry up to the merest trickle, and its 800,000 citizens would suffer most grievous shortages in food, medical supplies, clothing, building materials and other essentials to life and health.

Since World War II, dozens of such strikes, ranging from two to 177 days, and only one of which centered in Hawaii, have cruelly demonstrated their ability to punish inhabitants of a State which is far from self-supporting. Hawaii depends upon transportation for its daily supplies and largely upon outgoing sugar and pineapple crops and incoming tourists for its economic well-being.

Because of this almost complete dependence on waterborne commerce and air transport, Hawaii is seeking special legislation that would protect it against the devastation that strikes by dock workers, ship crews, and airline workers might clearly threaten. Thus far, efforts to do so through amendments to the Taft-Hartley Act to provide cooling-off periods, have not only failed but are deemed inadequate by Hawaii's leaders.

What they seek, and what would appear both reasonable and necessary, is an act of Congress to provide that in the event of a dockside, maritime or airline strike, the President could order carriers in the Hawaiian trade to maintain service at its normal levels during a strike. A three-man impartial board would determine which carriers would operate and at what volume, and would also fix the conditions of employment and the returns to the operators.

Such a solution would involve only a tiny fraction of the industry involved, would in no way interfere with collective bargaining, and would appear to be fair to both parties.

Not only Hawaii, but the other vulnerable, off-shore areas of the United States—Guam, Samoa, Puerto Rico and the Virgin Islands—exist under this threat of a sudden peacetime blockade, and Congress owes them also a sound measure of protection.

[From the Wall Street Journal, Apr. 9, 1973]

Blue Hawaii

A brochure published by First Hawaiian Bank describes a special problem that confronts Hawaii periodically; it seems worthy of some special attention.

The state has a vulnerability to transportation strikes unlike that of any other state in the union. If American airlines go on strike the mobility of Hawaiians is sharply curtailed, since foreign carriers are about all that is left to them. And if ocean shipping becomes strikebound the state's jobs and food supply are in some jeopardy.

So it doesn't seem at all unreasonable that Hawaii's Congressmen have been trying to get some special relief. Their efforts last year were largely tied to a broader bill, Senate S. 640, which ran into serious flak from unions because it contained a provision that the unions felt was tantamount to compulsory arbitration of transportation strikes.

This year, Hawaii's Congressmen may get behind a special measure that would prohibit, for a specified period after a strike or lockout began, interference with Hawaii-to-mainland transportation services. They argue that exempting Hawaii from the strike would do little to weaken union bargaining power but would save the state from extraordinary damage.

It seems like a persuasive argument. And it doesn't hurt for Congress to be periodically reminded that the public interest should take precedence in their deliberations over the demands of labor unions or other special interest groups.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary:

Clinton T. Peoples, of Texas, to be U.S. marshal for the northern district of Texas; and

Nathan G. Graham, of Oklahoma, to be U.S. attorney for the northern district of Oklahoma.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. McGEE, from the Committee on Post Office and Civil Service:

Robert Earl Holding, of Wyoming, to be a Governor of the United States Postal Service.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. SPARKMAN, from the Committee on Foreign Relations:

Jack B. Kubisch, of Michigan; John Michael Hennessy, of Massachusetts; and Charles A. Meyer, of Illinois, to be members of the Board of Directors of the Inter-American Foundation.

Alfred L. Atherton, Jr., of Florida, a Foreign Service officer of class 1, to be an Assistant Secretary of State.

David M. Abshire, of Virginia; John P. Roche, of Massachusetts; Thomas H. Quinn, of Rhode Island; and Abbott M. Washburn, of the District of Columbia, to be members of the Board for International Broadcasting.

Webster B. Todd, Jr., of New Jersey, to be Inspector General, Foreign Assistance.

Leonard Kimball Firestone, of California, to be Ambassador Extraordinary and Plenipotentiary to Belgium.

Henry E. Catto, Jr., of Texas, Chief of Protocol for the White House, for the rank of Ambassador.

John E. Murphy, of Maryland, to be Deputy Administrator, Agency for International Development.

Robert Strausz-Hupe, of Pennsylvania, to be Ambassador Extraordinary and Plenipotentiary to Sweden.

James G. Critzer, of Washington, to be Commissioner for a Federal exhibit at the International Exposition on the Environment being held at Spokane, Wash., in 1974.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. LONG. Mr. President, as in executive session, I report favorably from the Committee on Commerce sundry nominations in the Coast Guard which have previously appeared in the Congressional Record and, to save the expense of printing them on the Executive Calendar, I ask unanimous consent that they lie on the Secretary's desk for the information of Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations, ordered to lie on the desk, are as follows:

Carmin (n) Yannone, and sundry other officers of the Coast Guard Reserve to be permanent commissioned officers in the Coast Guard Reserve.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. MONTOYA (for himself and Mr. Domenici):

S. 3368. A bill to declare that title to certain lands in the State of New Mexico are held in trust by the United States for the Ramah Band of the Navajo Tribe. Referred to the Committee on Interior and Insular Affairs.

By Mr. HATHAWAY:

S. 3369. A bill to amend the Social Security Act and the Internal Revenue Code of 1954 to provide for Federal participation in the costs of the social security program, with a substantial increase in the contribution and benefit base and with appropriate reductions in social security taxes to reflect the Federal Government's participation in such costs. Referred to the Committee on Finance.

By Mr. BEALL:

S. 3370. A bill for the relief of Charles Hammond, Jr. Referred to the Committee on Commerce.

By Mr. EASTLAND (for himself, Mr. Stennis, Mr. Aiken, Mr. Allen, Mr. Sparkman, Mr. Hart, Mr. Humphrey, Mr. Long, Mr. Johnston, Mr. Hathaway, Mr. Hatfield, Mr. Packwood, Mr. Hollings, Mr. Fulbright, Mr. Jackson, Mr. Magnuson, Mr. Bentsen, Mr. Williams, and Mr. Helms):

S. 3371. A bill to amend the Forest Pest Control Act of June 25, 1947. Referred to the Committee on Agriculture and Forestry.

By Mr. CANNON (for himself and Mr. Bible):

S. 3372. A bill to amend the Internal Revenue Code of 1954 to repeal the taxes on wagering. Referred to the Committee on Finance.

By Mr. CANNON:

S. 3373. A bill relating to the sale and distribution of the Congressional Record. Referred to the Committee on Rules and Administration.

By Mr. BUCKLEY:

S. 3374. A bill to amend the Small Business Act to assist in the financing of small business concerns owned by persons who are disadvantaged because of certain social or economic considerations. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. MOSS:

S. 3375. A bill to amend the Mineral Leasing Act of February 25, 1920, as amended. Referred to the Committee on Interior and Insular Affairs.

By Mr. JAVITS:

S. 3376. A bill for the relief of Elba Luz Davinson. Referred to the Committee on the Judiciary.

By Mr. MAGNUSON (for himself and Mr. Moss):

S. 3377. A bill to regulate commerce by establishing uniform test protocols for consumer products, and for other purposes. Referred to the Committee on Commerce.

By Mr. RANDOLPH (for himself, Mr. Javits, Mr. Kennedy, Mr. Stafford, Mr. Williams, Mr. Cranston, Mr. Mondale, Mr. Pell, Mr. Schweiker, and Mr. Taft):

S. 3378. A bill to provide assistance for the developmentally disabled, establish a bill of rights for the developmentally disabled, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. ROBERT C. BYRD (for Mr. Metzenbaum):

S. 3379. A bill to establish a National Economic Preparedness Council and a National Commodities Survey Office, to control self-dealing pricing practices of oil companies and to terminate certain tax preferences of such companies, and for other purposes. Referred to the Committees on Government Operations and Finance, by unanimous consent.

By Mr. WILLIAM L. SCOTT:

S.J. Res. 206. A joint resolution authorizing the Secretary of the Army to receive for instruction at the U.S. Military Academy one citizen of the Kingdom of Laos. Referred to the Committee on Armed Services.

By Mr. HARTKE:

S.J. Res. 207. A joint resolution to create an Economic and Social Community of the Americas. Referred to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MONTOYA (for himself and Mr. Domenici):

S. 3368. A bill to declare that title to certain lands in the State of New Mexico are held in trust by the United States for the Ramah Band of the Navajo Tribe. Referred to the Committee on Interior and Insular Affairs.

Mr. MONTOYA. Mr. President, on behalf of my distinguished colleague, Mr. Domenici, and myself, I introduce a bill providing that certain lands shall be held in trust by the United States for the Ramah Band of Indians in New Mexico.

By way of explanation, I ask unanimous consent that two letters—one from John Carver, Acting Assistant Area Director for Natural Resources Protection of the BIA's Albuquerque office, and another from R. O. Buffington, Acting New Mexico State Director of the BLM—be printed at this point in the Record.

There being no objection, the letters were ordered to be printed in the Record, as follows:

U.S. Department of the Interior,
Bureau of Land Management,
Santa Fe, N. Mex., February 6, 1973.

Area Director,
Bureau of Indian Affairs, Albuquerque Area Office, Albuquerque, N. Mex.

Dear Sir: We have received your letter of January 18, 1973, concerning proposed legislation for the Ramah Navajos.

The Bureau of Land Management in New Mexico would not raise any objections to this legislation. All the lands involved have been used by the Ramah Band and are administered by your agency under PLO 2198. We have no management program or plans for these lands which would affect surface or subsurface use or ownership.

Thank you for the oportunity to comment on this proospal.

Sincerely yours,
R. O. Buffington,
Acting State Director.

W. J. Anderson,
State Director, Bureau of Land Management, Santa Fe, N. Mex.

Dear Mr. Anderson: This refers to 21 sections of public land in the Ramah Navajo community described as sections 7, 19, and 31, T. 7 N., R. 15 W, and sections 1, 3, 5, 7, 9, 11, 13, 15, 17, 19, 21, 23, 25, 27, 29, 31, 33 and 35, T. 7 N., R. 16 W., N.M.P.M., New Mexico. These tracts are among the public lands in New Mexico which, by paragrah 4 of Public Land Order 2198 of August 26, 1960, were temporarily withdrawn from all forms of approriation under the public land laws for Indian use in aid of proposed legislation.

For many years the above-described lands have been used by the Ramah Navajos for livestock grazing. The Ramah Navajos now desire that title to the lands be in the United States of America in trust for the Ramah Band of the Navajo Tribe, and their officials plan to seek introduction of appropriate legislation in this session of Congress.

As a preliminary step, it will be appreciated if your office will advise whether or not you have any objection to such legislation.

Sincerely yours,
John E. Carver,
Acting Assistant Area Director, Natural Resources Protection.

By Mr. HATHAWAY:

S. 3369. A bill to amend the Social Security Act and the Internal Revenue Code of 1954 to provide for Federal participation in the costs of the social security program, with a substantial increase in the contribution and benefit base and with appropriate reductions in social security taxes to reflect the Federal Government's participation in such costs. Referred to the Committee on Finance.

Mr. HATHAWAY. Mr. President, one of the most inequitable aspects of the American tax structure is the payroll tax that finances the social security fund. This is a tax which falls on only those whose income is derived from labor; it does not touch those whose income is derived from capital. It falls the hardest on those whose incomes are the lowest, because it does not touch any income above $13,200. And it has increased, over the last few years, to the point of being unbearable for large numbers of our working citizens. On more than 50 percent of the more than 80 million individual tax returns filed this year, the social security tax will be larger than the Federal income tax. It is, I think, unconscionable to place so heavy a burden squarely on the shoulders of those who should last be asked to bear it. For these reasons, I am today introducing a bill in the Senate that would make the following major adjustments in the social security payroll tax.

First. It would add the U.S. Government as a third contributing partner to the social security fund. This would create a three-way split of the payroll tax burden among employers, employees, and the Federal Government's general revenues. The shift to general revenues as a source of financing for the fund would not, of course, remove all the inequities; the Internal Revenue Code is hardly a paragon of egalitarianism. But it would be an improvement. It would give the largest share of tax relief to those who most need it, the working people who now finance the fund, and it would enable us to consolidate our tax reform efforts and to concentrate them on the Internal Revenue Code itself. In this way we could extend the reach of any efforts toward reform that, hopefully, soon will be made.

Second. The second thing this bill would do is to raise the tax base from the first $13,200 to the first $25,000 of income. This would include more of the wealthier wage earners income in the tax base and would distribute the tax burden more equitably.

Third. The third thing the bill would do is to lower the payroll tax rate itself, which now stands at its highest level in history, and is very shortly schedule to go higher.

This bill is identical to a bill introduced by Congressman BURKE, of Massachusetts, in the House, and that bill now has something in excess of 120 cosponsors. I would hope that my colleagues in the Senate will respond at least as favorably to this measure as have Congressman BURKE's in the House, in order that something be done this year to reform the social security payroll tax.

By Mr. CANNON (for himself and Mr. BIBLE):

S. 3372. A bill to amend the Internal Revenue Code of 1954 to repeal the taxes on wagering. Referred to the Committee on Finance.

Mr. CANNON. Mr. President, today I am introducing for myself and Senator BIBLE, an amendment to the Internal Revenue Code of 1954 to repeal chapter 35, the Federal taxes on wagering.

The 10-percent tax on wagering was placed on the books to assist Federal law enforcement officials in prosecuting illegal wagering operations. The Supreme Court of the United States, however, ruled evidence obtained in this manner unconstitutional on the grounds that it violated the fifth amendment prohibition against self-incrimination. As a result the law affects only the State of Nevada whose operations are legalized and governed by comprehensive and effective State statutory regulations to insure honesty and fair dealing.

In recent years several States have legislated legal off-track betting, lotteries, and other gaming operations, none of which are assessed the Federal tax. The purpose of my amendment is to make the technical remedy which will treat such activities uniformly.

Mr. President, I ask this bill be appropriately referred to the Committee on Finance and urge my colleagues to give rapid and favorable consideration to this measure.

S. 3372

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) chapter 35 of the Internal Revenue Code of 1954 (relating to taxes on wagering) is hereby repealed.

(b)(1) The chapter analysis for subtitle "D" of such Code is amended by striking out the items relating to chapter 35.

(2) Section 4901(a) of such Code is amended by striking out "section 4411 (wagering) or".

(3) Section 4903 of such Code is amended by striking out ", other than the tax imposed by section 4411,".

(4) Section 4905(b)(1) of such Code is amended to read as follows:

"(1) For registration in case of white phosphorous matches, see section 4804(d).".

(5) Section 4907 of such Code is amended by striking out ", except the tax imposed by section 4411,".

(6) Section 6806 of such Code is amended by striking out "subchapter B of chapter 35, under subchapter B of chapter 36," and inserting in lieu thereof "under subchapter B of chapter 36".

(7) Section 7012(f) of such Code is hereby repealed.

(8) Section 7262 of such Code is hereby repealed.

(9) The table of sections for subchapter B of chapter 75 is amended by striking out the item relating to section 7262.

(10) Section 7272(b) of such Code is amended by striking out "4412".

(11) Section 7609(a)(5) of such Code is hereby repealed.

(12) The chapter analysis for subtitle D of such Code is amended by striking out the items relating to chapter 35.

SEC. 2. (a) Except as provided in subsection (b), the amendments made by the first section of this Act shall apply only with respect to wagers placed after the date of the enactment of this Act.

(b) In the case of the tax imposed by section 4411 of the Internal Revenue Code of 1954, the amendments made by the first section of this Act shall take effect on the first July 1 after the date of the enactment of this Act and shall also apply to persons commencing a trade or business after the date of enactment.

By Mr. CANNON:

S. 3373. A bill relating to the sale and distribution of the CONGESSIONAL RECORD. Referred to the Committee on Rules and Administration.

Mr. CANNON. Mr. President, I am introducing today a bill to provide assurance that the CONGRESSIONAL RECORD will be delivered in a timely manner to interested American citizens, and freeing that publication from restrictions imposed upon it by the U.S. Postal Service.

As chairman of the Joint Committee on Printing last year, I requested that the Postal Service consider the CONGRESSIONAL RECORD to be eligible for mailing as second-class matter. Similar requests had been made by our late, beloved colleague, the distinguished Senator from North Carolina, B. Everett Jordan, and my good friend, Congressman WAYNE HAYS, who is chairman of the Joint Committee on Printing this year. All of our appeals to the Postal Service have fallen on deaf ears on the grounds that the CONGRESSIONAL RECORD is not eligible for second-class mailing privileges because less than one-half the subscription went to paying subscribers.

The bill I am introducing today, Mr. President, is a companion measure to H.R. 14282 introduced this week by Mr. HAYS, and seeks to remedy a serious situation that would cost RECORD subscribers $265 per year per subscription as first class matter, or under "controlled circulation" which would mean delivery up to 10 days after publication. Under terms of my bill, the CONGRESSIONAL RECORD would be treated as second class mail and the yearly costs per subscription would be approximately $22.63.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3373

A bill relating to the sale and distribution of the Congressional Record

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 910 of title 44, United States Code, is amended to read as follows:

"§ 910. Congressional Record: subscriptions; sale of current, individual numbers and bound sets; postage rate

"(a) Under the direction of the Joint Committee, the Public Printer may sell—

"(1) subscriptions to the daily Record; and

"(2) current, individual numbers and bound sets of the Congressional Record.

"(b) The price of a subscription to the daily Record and of current, individual numbers and bound sets shall be determined by the Public Printer based upon the cost of printing and distribution. Any such price shall be paid in advance. The money from any such sale shall be paid into the Treasury and accounted for in the Public Printer's annual report to Congress.

"(c) The Congressional Record shall be entitled to be mailed at the same rates of postage at which any newspaper or other periodical publication, with a legitimate list of paid subscribers, is entitled to be mailed."

(b) Section 906 of such title 44 is amended—

(1) by striking out of the section caption the last semicolon and "subscriptions"; and

(2) by striking out the last full paragraph thereof.

(c) The analysis of chapter 9 of such title 44, immediately preceding section 901, is amended—

(1) by striking out of item 906 the last semicolon and "subscription"; and

(2) by striking out item 910 and inserting in lieu thereof the following:

"910. Congressional Record: subscriptions; sale of current, individual numbers and bound sets; postage rate."

By Mr. BUCKLEY:

S. 3374. A bill to amend the Small Business Act to assist in the financing of small business concerns owned by persons who are disadvantaged because of certain social or economic considerations. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. BUCKLEY. Mr. President, I am introducing a new bill to encourage equity financing for minority enterprises. I offer it as a substitute for S. 1415, which I introduced last year. My new bill is simply a more comprehensive, tighter version of my original bill, incorporating a number of useful, though minor suggestions that have been made by the Small Business Administration.

This bill is designed to help us achieve our goal of full equality of opportunity for all Americans by opening new sources of financing for minority enterprises which are disadvantaged because of certain social or economic considerations that are not generally applicable to other business enterprises. It is a bill aimed at attracting private sector assistance to hasten the development of the managerial skills and self-confidence which is so essential to the advancement of those minority groups which are still to have a *full* participation in our economic life.

The creation of the SBA loan guarantee program sought to assure the availability of capital to minority entrepreneurs and I am gratified to see the progress which has been made through this program. However, a great gap still remains unfilled. To date, virtually the entire emphasis on the financing of minority businesses has been through the extension of loans. These governmental efforts have concentrated on the device of facilitating debt financing while virtually ignoring the entire area of equity financing which is the more usual, desirable source of funds for high-risk ventures.

Private sector assistance offered by way of equity financing creates a situation whereby the investor who supplies the venture capital would become a partner in the enterprise and would bring to it not only a broad base of experience but a high degree of commitment to its success.

Those in the minority business communty have not had at their disposal the same benefits that the majority of large business firms have taken for granted—technical and managerial expertise. These skills can best be assimilated through the establishment of a sound business relationship between private investor and entrepreneur.

A business venture built on such a foundation will not only have the best chance of success, but the fact of success will have a tremendously important effect within the minority community itself.

By Mr. MOSS:

S. 3375. A bill to amend the Mineral Leasing Act of February 25, 1920, as amended. Referred to the Committee on Interior and Insular Affairs.

TAR SANDS DEVELOPMENT

Mr. MOSS. Mr. President, I am introducing today a bill to make possible the development of deposits of bituminous sands, popularly known as tar sands, which are an important potential source of additional supplies of oil and gas which the country desperately needs. The Utah Geological Survey and the U.S. Geological Survey have estimated that Utah's tar sands, which constitute the bulk of known U.S. deposits, contain 29 billion barrels of oil.

For years I have been trying to bring to fruition the development of this resource. In 1960 I participated in working out the extensive amendments to the Mineral Leasing Act that were enacted that year, which included a tar sands amendment authorizing the Secretary of the Interior to lease such deposits. A further amendment provided that under certain circumstances a tar sands lease could issue under the multiple use principle notwithstanding the existence of a prior conventional oil and gas lease. In operation, however, problems arose over the potentially conflicting rights of the oil and gas lessee and those of the bituminous sands lessee.

The central problem has been whether the bituminous sands lessee, whose right to mine the sands and extract oil from them is clear, has a right to extract oil from the sands by in situ methods, or whether that right belongs to the oil and gas lessee, who traditionally has been able to introduce pressure maintenance, fire flooding, and other methods to increase recovery from an oil well.

In 1966, in answer to my request, the Department of Interior rendered an opinion that the bituminous sands lessee could develop a deposit by in situ methods. However, because of the possible legal complications arising from this problem the Department of Interior has ceased issuing bituminous sands leases.

I introduced legislation in the 90th Congress, and in each succeeding Congress, to remove the legal uncertainties which have prevented tar sands development. The bill I am introducing today is a direct outgrowth of those earlier measures, and embodies an approach wholly consistent with the findings and recommendations of the Public Land Law Review Commission.

Mr. President, further delays in the development of this source of oil and gas are inexcusable. The technology is available; the demand for energy greatly exceeds the present domestic supply; and the crunch is going to get much worse if we do not act decisively to tap new energy sources, such as tar sands.

By Mr. MAGNUSON (for himself and Mr.Moss):

S. 3377. A bill to regulate commerce by establishing uniform test protocols for consumer products, and for other purposes. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I introduce for myself and for Mr. Moss for appropriate reference a bill to regulate commerce by establishing uniform test protocols for consumer products and for other purposes.

Any student of economics knows that in order for a competitive market system to function properly, consumers must have access to information regarding the relative merits of competing products. But in a marketplace as sophisticated as ours, being an "informed consumer" would be a full time job. Not only are there thousands of different types of products in our stores, but meaningful information about each is scarce, if even available at all. One economist has said:

> The expert buyer has always been the exception; and the consumer is not only an inexpert buyer but the increasing complexity of consumer's goods is constantly increasing his ignorance.

The proliferation of products, coupled with the lack of meaningful criteria upon which to compare competing products creates a serious barrier to a properly function free market. To what does the consumer now turn to enable him to make informed choices? One source is advertising, but by and large it is uninformative and has focused less on the objective performance characteristics of the advertised products than on the phychological associations they permit.

Another source of information utilized by consumers is the brand name. Unfortunately, merely because a manufacturer's name appears on a product does not insure that product's level of quality relative to competing products. For example, whereas the Hamilton DE651 clothes dryer was rated "Not Acceptable" by Consumers Union and the Frigidaire DAT was ranked quite high for overall quality, the opposite was true for clothes washers. The CU tests indicated that the Hamilton WA771 model was superior to the Frigidaire WCDAT machine. Similarly, Consumers Reports warns its readers that:

> A Rating of a given model should not be considered a Rating of other models sold under the same brand name unless so noted in the report.

Consumers also tend to rely on price as an indication of quality: the more expensive the product, so the thinking goes, the higher the quality. However, there is no rule of the marketplace that there be a consistent relation between price and quality.

The work of Consumer's Union in testing consumer products though commendable, does not entirely fulfill the need for product information. The problem is not the type of information that Consumer's Union is providing, but rather where it is being provided. Since most of us do not consider ourselves professional consumers, we have only a limited amount of time to consult Consumer's Reports on each and every purchase. The information is not at our fingertips when we need it—in the retail outlet.

Finally, consumers' buying habits are affected by word-of-mouth representations by salespersons or friends. With respect to the former, however, salespersons are often-times uninformed about the products they sell. Advice from friends is sometimes useful, although the needs of one person may not always be compatible with those of another. Hence, a satisfactory product for one may not be satisfactory for another. What consumers need is a source of objective information comparing competing products based on a variety of characteristics, and which is available at the point of sale.

The absence of information in consumer product markets has a profound effect on competition. The uninformed buyer's lack of information and reliance on trademarks, brand names, company reputation and the like has the effect of shifting the competitive emphasis in the industry away from both price competition and real quality competition. The result is higher prices contributing to our current inflationary spiral and inferior products.

The consumer's lack of effective knowledge creates oligopoly power and oligopoly profits in at least two ways. First, it limits price and quality competition among established firms. His inexpertness in appraising the relative merits of competing products lessens competition on price and quality by making it unprofitable for producers to emphasize those two product dimensions.

Competitively speaking it is pointless to offer improved quality to customers who cannot distinguish good quality from bad. Similarly, the uninformed buyer's habit of judging quality by price weakens also price competition. The offer of a lower price will largely defeat its purpose in markets where a low price is regarded as a sign of inferior quality. Additionally, with price and quality competition muted, the remaining competition in these markets tends to focus on the advertising of only marginally relevant features of the product, expenditures that themselves significantly raise costs and thus the prices consumers are ultimately required to pay.

A second injury resulting in oligopoly power due to consumer ignorance is that it protects existing firms from the potential competition of newcomers by setting high barriers of entry to the market. The most important obstacle to a newcomer in a market is the consumer's tendency to judge products by the size, age and reputation of the manufacturing firm—not by the quality of the product being sold. Because consumers are unable to objectively compare the relative merits of a new firm's product and that of a well known manufacturer, the tendency is to purchase the product of the latter.

It is no surprise then that in surveying the 1967 Census of Manufacturers published by the Census Bureau, in virtually every important consumer market, we find 3 or 4 firms, each selling a heavily-promoted brand name product accounting for perhaps 70 percent or more of the industry's total sales. For example, the 4 largest manufacturers of household laundry equipment account for 78 percent of the market. Similarly, the 4 largest manufacturers of sewing machines claim 81 percent; of electric lamps—91 percent; of household vacuum cleaners—76 percent; of household refrigerators and freezers—73 percent and cathode ray picture tubes—84 percent.

The legislation which I am introducing today would provide consumers with a simple but meaningful source of information which would objectively compare competing products. Under the scheme outlined in this bill, the Federal Trade Commission, utilizing the resources of the National Bureau of Standards would develop, propose, and promulgate objective product testing protocols for classes of consumer products. The testing protocols would be designed to measure the performance characteristics of the product and translate that performance in easily comparable terms. Test characteristics would include ratings on materials, durability, operating cost, and effectuation of purpose. Utilizing an independent testing lab certified by the Commission the manufacturer of every consumer product subject to the testing protocol would subject his product to the test procedure and make the results available at point of sale. No product would "flunk" the tests; the results would simply be available to consumers to make a more informed judgment as to which of competing products best fits his needs.

The use of objective performance criteria has been tried and tested and the results have been unquestionably successful in revitalizing market forces to upgrade product quality. I refer specifically to the tobacco industry, where since a 1966 FTC consent decree, manufacturers have been publishing the Federal Trade Commission tar and nicotine ratings in print advertising. Because of the concern of smokers of the adverse health consequences of smoking, manufacturers have undertaken aggressive advertising campaigns to promote low tar and nicotine cigarettes.

Mr. President, it is clear that consumers do not have readily available the information they need to make the competitive marketplace operate as it theoretically should. I am convinced that by providing simple and clear objective performance results, manufacturers will be forced once again to compete based on product quality and price.

I ask unanimous consent that the text of the Consumer Product Testing Act be printed in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3377

A bill to regulate commerce by establishing uniform test protocols for consumer products, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Consumer Product Testing Act of 1974".

DECLARATION OF POLICY

SEC. 2. Informed consumers are essenital to the fair and efficient functioning of a free market economy. It is therefore declared to be the purpose of the Congress in this Act to establish reliable and uniform protocols for quality and performance testing of consumer products and to require meaningful dissemination of the results of such tests to the consumers of such products.

DEFINITIONS

SEC. 3. As used in this Act—

(1) "Agency" means any executive agency, as defined in section 105 of title 5, United States Code. The term does not include the General Accounting Office.

(2) "Commission" means the Federal Trade Commission.

(3) "Consumer product" means—

(A) any article produced or distributed (i) for sale to a consumer for use in or around a permanent or temporary household or residence, a school, in recreation, or otherwise, or (ii) for the personal use, consumption, or enjoyment of a consumer in or around a permanent or temporary household or residence, a school, in recreation, or otherwise;

(B) motor vehicles or motor vehicle equipment as defined by sections 102 (3) and (4) of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1391),

(4) "Consumer product test protocol" means a standardized procedure for performing objective tests or measurements which are required under this Act pursuant to regulations promulgated by the Commission, the results of which will provide a basis for judging and comparing product characteristics.

(5) "Product characteristics" means the features of a consumer product which relate to its quality and performance under conditions of normal use, including reasonably foreseeable abuse, in or for the purpose or purposes for which it is designed or adapted. Such features of a consumer product include, but are not limited to, (i) effectuation of purpose; (ii) durability; (iii) average annual cost of operation; (iv) purchase price; (v) maintenance requirements; (vi) frequency and nature of repair; and (vii) environmental impact in the manufacture and use of such product.

(6) "Retailer" means a person to whom a consumer product is delivered or sold for purposes of sale or distribution by such person to a consumer.

(7) "Supplier" means any person engaged in the business of making consumer products available to consumers, directly or indirectly.

TEST STANDARDS

SEC. 4. (a) ESTABLISHMENT OF CLASSES OF CONSUMER PRODUCTS.—Within 360 days after the date of enactment of this Act, the Commission shall categorize consumer products into several classes for the purpose of developing standards for test protocols. The Commission shall establish degrees of priority among such classes of consumer products as a guide to the order in which it shall promulgate such test protocols. The Commission may from time to time revise and amend such classifications and classes of consumer products and such priorities. The Commission shall publish such classifications and subsequent amendments in the Federal Register. The designation of priority shall be determined upon the basis of all relevant factors, including, but not limited to—

(1) the importance of each class of consumer products to the average consumer, based upon an evaluation of the number of consumers who purchase such class, the frequency with which such class is purchased, and the per unit annual consumption thereof;

(2) the ease with which the average consumer can personally ascertain, and the likelihood that he will know, the quality and performance characteristics of each class of consumer products prior to purchase, based on the technical complexity of each such class, the degree of product differentiation between products within each such class, and the rate of technological change of each such class relative to the frequency of purchase; and

(3) the economic impact for suppliers, retailers, and consumers of prescribing test protocols for each class of consumer products.

(b) DEVELOPMENT OF TEST PROTOCOL.—(1) Whenever the Commission determines that a test protocol for a consumer product would assist consumers in making informed purchasing decisions, the Commission shall commence a proceeding for the development of such a test protocol.

(2) A proceeding for the development of a test protocol for a consumer product shall be commenced by the publication in the Federal Register of a notice in accordance with this paragraph. Such notice shall—

(A) describe the consumer product as to which a test protocol is being developed;

(B) identify the product characteristics of such product which can be reliably and uniformly tested, measured, and reported;

(C) define a fair and nondiscriminating test protocol to measure each such product characteristic; and

(D) summarize and invite interested persons to comment on the proposed protocol.

(3) Within 180 days after the publication of a notice pursuant to paragraph (2) of this subsection, unless such period of time is extended by the Commission for good cause and a notice of such extension is published in the Federal Register, the Commission shall by order act upon such proposed test protocol by making it final, with or without amendment, or by withdrawing the applicable notice of proceeding. Such order, which shall be published in the Federal Register, shall set forth the test protocol for such consumer product, the reasons for the action of the Commission, and the date or dates upon which test protocol shall become effective. If such effective date or dates

are more than 12 months after the date of publication of such order, the Commission shall state the reasons therefor.

DUTIES OF COMMISSION

SEC. 5. (a) The Commission shall—

(1) promulgate regulations governing the manner in which suppliers or retailers may advertise that their products have been tested in accordance with the requirements of the Commission under this Act and the results therefrom. Such regulations shall prohibit false statements and misrepresentations; and

(2) encourage or establish programs designed to furnish consumers with information which will enable them to utilize information developed under such consumer product testing standards.

(b) Whenever the Commission determines that consumers are not adequately informed about the quality and performance characteristics of competing products for which a consumer product test protocol has been published and has become effective, the Commission may require each supplier or retailer doing business in interstate commerce whose activity affects interstate commerce to make a copy of the complete results, or a summary thereof, available without charge to each consumer at the point of sale prior to sale.

NATIONAL BUREAU OF STANDARDS

SEC. 6. (a) GENERAL.—The Secretary of Commerce, through the National Bureau of Standards, shall develop the resources, facilities, and expertise necessary to assist and advise the Commission in the exercise of its responsibilities under this Act, at the request of the Commission and subject to its direction. The Commission shall utilize such resources, facilities, and expertise to develop consumer product test protocols.

(b) CONFORMING AMENDMENT.—Section 1 of the Act of July 22, 1950 (15 U.S.C. 272) is amended by inserting after subsection (f) a new subsection as follows:

"(g) The development of consumer product test protocols pursuant to section 6 of the Consumer Product Testing Act."

COMPLIANCE TESTING

SEC. 7. (a) AUTHORITY.—The Commission may conduct or contract pursuant to subsection (d) of this section for compliance testing of consumer products subject to consumer product test protocols in order to insure the veracity of test results determined by suppliers, retailers, or any other person who has tested such consumer products.

(b) DUTY OF SUPPLIERS.—Any person who supplies a consumer product for which a consumer product test protocol is in effect shall furnish a reasonable number of such products without cost to the Commission upon request. Consumer products furnished to the Commission under this subsection shall be drawn from regular production runs of such product.

(c) RETURN OF PRODUCTS.—Upon completion of any compliance testing, the Commission shall return or cause to be returned the consumer product in compliance with any applicable consumer product test protocol to the supplier from whom it was obtained, and such supplier, in any subsequent sale or lease of such product, shall disclose that it has been subjected to compliance testing and shall indicate the extent of damage, if any, prior to repair.

(d) CONTRACTUAL AUTHORITY.—The Commission may enter into and perform such contracts, leases, cooperative agreements, or other transactions as may be necessary to conduct compliance testing and on such terms as the Commission may deem appropriate with any agency or instrumentality of the United States, or with any State, territory, or possession, or any political subdivision thereof, or with any public or private person, firm, association, corporation, independent testing laboratory, or institution.

ENFORCEMENT

SEC. 8. (a) GENERAL.—Any person who—

(1) has reason to believe that another person is committing or intends to commit a violation of any provision of this Act; or

(2) can demonstrate that he will be adversely affected by that violation,

may bring an action against such other person in the district court of the United States for the district in which the defendant resides, does business, or may be found, to obtain injunctive relief against such other person. The district courts of the United States shall have jurisdiction over such actions without regard to the citizenship of the parties or the amount in controversy. The provisions of section 13(b) of the Act of September 26, 1914 (15 U.S.C. 53b) shall apply to any grant of injunctive relief under this section.

(b) NOTICE.—Before bringing an action under this section, the person seeking relief must give notice by certified mail to the Commission and to the person or persons against whom the relief will be sought. Such notice shall be given not less than 60 days prior to commencement of the action. Such notice shall state the nature of the alleged violation, the relief requested, and the identity of the court in which the action will be brought.

(c) COSTS.—In an action under this section, costs of litigation, including reasonable attorney's and expert witness' fees, may be apportioned to the parties whenever the court determines that such an award is appropriate.

PROHIBITED ACTS

SEC. 9. No person—

(a) shall induce or encourage the purchase of any consumer product by—

(1) falsely representing that the product has been tested in accordance with consumer product test protocols promulgated under this Act; or

(2) misrepresenting the results of any consumer product testing standard applied to the product;

(b) engaged in testing consumer products in accordance with the provisions of this Act shall—

(1) falsely represent that the product has been tested in accordance with applicable consumer product test protocols; or

(2) misrepresent the results of any tests of any consumer product conducted or asserted to have been conducted in accordance with the applicable consumer product test protocol; or

(c) shall advertise or distribute any consumer product imported into the United States with respect to which any statement or representation has been made which is in violation of this section.

PENALTIES

SEC. 10. (a) CIVIL VIOLATION.—It shall be a violation under section 5(a)(1) of the Federal Trade Commission Act (15 U.S.C. 45(a)(1)) for any person—

(1) engaged in testing consumer products under this Act; or

(2) advertising or selling any product tested in accordance with the provisions of this Act,

to violate any provision or fail to comply with any applicable requirement under this Act or any regulation issued pursuant to this Act. Conduct prohibited under section 9 of this Act shall constitute unfair and deceptive acts or practices under section 5 of the Federal Trade Commission Act (15 U.S.C. 45).

(b) CRIMINAL VIOLATION.—Any person who wilfully violates any provision of this Act or any regulation promulgated thereunder shall on conviction be fined not more than $10,000 for each day of violation or imprisoned for not more than 1 year, or both.

REPORTS

SEC. 11. The Commission shall, not later than July 1, 1974, and on or before July 1 in each succeeding year, report to the Congress on the implementation of this Act during the preceding months, and the extent of compliance with the Act and the regulations issued thereunder.

COOPERATION WITH OTHER FEDERAL AGENCIES

SEC. 12. The Commission may obtain from any Federal department or agency such statistics, data, program reports, and other materials as it may deem necessary to carry out its functions under this Act. Each such department or agency shall cooperate with the Commission and furnish such materials to it.

AUTHORIZATION OF APPROPRIATIONS

SEC. 13. (a) COMMISSION.—There are authorized to be appropriated to the Federal Trade Commission for the purposes of carrying out the provisions of this Act not to exceed $1,000,000 for the fiscal year ending June 30, 1974, not to exceed $2,500,000 for the fiscal year ending June 30, 1975, and not to exceed $3,000,000 for the fiscal year ending June 30, 1976.

(b) BUREAU OF STANDARDS.—There are authorized to be appropriated to the Secretary of Commerce for the use of the National Bureau of Standards for the purposes of carrying out section 6 of this Act not to exceed $5,000,000 for each of the fiscal years ending June 30, 1974, June 30, 1975, and June 30, 1976.

By Mr. RANDOLPH (for himself, Mr. JAVITS, Mr. KENNEDY, Mr. STAFFORD, Mr. WILLIAMS, Mr. CRANSTON, Mr. MONDALE, Mr. PELL, Mr. SCHWEIKER and Mr. TAFT):

S. 3378. A bill to provide assistance for the developmentally disabled, establish a bill of rights for the developmentally disabled, and for other purposes. Referred to the Committee on Labor and Public Welfare.

Mr. RANDOLPH. Mr. President, it is a privilege to introduce a measure which I believe will result in significant progress in serving developmentally disabled persons.

Last year, on behalf of the Subcommittee on the Handicapped, I requested the General Accounting Office to conduct a full review of the developmental disabilities program. This past January the subcommittee received a two-volume report from the GAO which dealt with Public Law 91–517, the Developmental Disabilities Services and Facilities Construction Amendments of 1970; the report concerned itself with the administration of this legislation at the Federal and State levels and its impact and effect on the individual consumer—the person afflicted with a developmental disability.

The bill I am introducing today is based on a thorough, intense study of that GAO report. My bill repeals Public Law 91–517 and makes many changes in the programs, in the way the programs are administered, and includes a plan for evaluation. It is my hope that the focus of this program will be to assist the States in developing a comprensive plan for services to the developmentally disabled, a plan which will bring together all of the resources in a coordinated way so that there will be an array of services without duplication of efforts.

This legislation has been a joint effort. I commend Senators JAVITS, KENNEDY, STAFFORD, CRANSTON, and WILLIAMS for their constructive efforts.

These changes include:

First. Administration. The Division of

Developmental Disabilities will be moved from the Social and Rehabilitation Service into the Office of Human Development in the Office of the Secretary of the Department of Health, Education, and Welfare. Further, the Secretary shall develop an evaluation system to serve as a model for State evaluation systems which: evaluate the effects of DD services on the lives of consumers; evaluate the overall impact of State programs for the disabled; provide and evaluate cost-benefit ratios of particular service alternatives; and provide that an evaluation of a program be performed by individuals not directly involved in the delivery of such services.

Second. Definition. The developmentally disabled are presently identified and limited to those suffering from mental retardation, cerebral palsy, or epilepsy. My legislation would broaden the definition to include autism, learning disability, or any other condition which "is closely related to mental retardation as it refers to general intellectual functioning or impairment in adaptive behavior or to require treatment similar to that required by mentally retarded individuals." Other present requirements are that, first, the disability must originate before age 18; second, must continue indefinitely; and third, must constitute a severe handicap are still part of the proposed definition.

Third. Construction. Funds for construction are to be used for the renovation and modernization of facilities in order to bring those facilities into compliance with the standards pursuant to the Architectural Barriers Act of 1968.

Fourth. National Advisory Council. This Council is for the first time placed in the office of the Secretary and has designated members: the Deputy Commissioner of the Bureau of Education for the Handicapped, the Commissioner of the Rehabilitation Services Administration, the Administrator of the Social and Rehabilitation Service, the Director of the National Institute of Child Health and Human Development, the Director of the National Institute of Neurological Diseases and Stroke, the Director of the National Institute of Mental Health, and the Assistant Secretary of the Office of Human Development. Members of the Council must be off the committee at least 1 year before reappointment. The Council is to monitor the administration of the developmental disabilities program at the Federal level and report directly to the Congress, as well as to the Secretary.

Five. State plans. These plans must contain the following priorities; the elimination of inappropriate institutional placement, the improvement of the quality of care and rehabilitation of those in institutions, the provision of early screening and diagnosis, the support of community programs as alternatives to deinstitutionalization and the maximum utilization of community resources, the provision of cross-disciplinary intervention and training programs, and the coordination of public information and public awareness.

Six. State Developmental Disability Councils. The State DD councils are to be appointed by the Governor of the State; to plan, develop, and coordinate all programs involving developmental disabilities, to design the overall State plan, to establish priorities for distribution of funds within the State—and to sign off on any university-affiliated facilities grants to make sure that their projects are coordinated with priorities within the State—to approve implementation of the State plan, to monitor implementation of the State plan, and to evaluate the implementation of that plan. In doing so, the State councils must prepare a design for implementation to be followed by responsible State agencies in carrying out the State plan and following its priorities. Further, the State councils may recommend to the Secretary of Health, Education, and Welfare that funds for any State agency which the council determines is not following the State plan be terminated.

Seven. Title II. The bill of rights for the mentally retarded and the handicapped. Following investigation and studies concerning the inhumane conditions at State institutions such as Willowbrook, this title incorporates the standards of the Joint Commission on the Accreditation of Hospitals in order that they may be applied to institutions. The purpose of this title is to improve the living conditions in such institutions so that they do not remain or become human warehouses reminiscent of 19th century neglect.

Mr. President. I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3378

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Developmentally Disabled Assistance and Bill of Rights Act".

DEFINITIONS

Sec. 2. For purposes of this Act—

(1) The term "State" includes Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the District of Columbia.

(2) The term "facility for persons with developmental disabilities" means a facility, or a specified portion of a facility, designed primarily for the delivery of one or more services to persons with one or more developmental disabilities.

(3) The terms "nonprofit facility for persons with developmental disabilities", "nonprofit community mental health center", or "nonprofit private institution of higher learning" means a facility for persons with developmental disabilities, and an institution of higher learning which is owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

(4) The term "nonprofit private agency or organization" means an agency or organization which is such a corporation or association or which is owned and operated by one or more of such corporations or associations.

(5) The term "construction" includes acquisition, expansion, remodeling, and alteration of existing buildings, and initial equipment of any such buildings (including medical transportation facilities); including architect's fees, but excluding the cost of offsite improvements and the cost of the acquisition of land.

(6) The term "cost of construction" means the amount found by the Secretary to be necessary for the construction of a project.

(7) The term "title", when used with reference to a site for a project, means a fee simple, or such other estate or interest (including a leasehold on which the rental does not exceed 4 per centum of the value of the land) as the Secretary finds sufficient to assure for a period of not less than fifty years undisturbed use and possession for the purposes of construction and operation of the project.

(8)(A) The term "Federal share" with respect to any project means the portion of the cost of construction of such project to be paid by the Federal Government.

(B) The Federal share with respect to any project in the State shall be the amount determined by the appropriate State agency designated in the State plan, but, except as provided in paragraph (C) the Federal share for any project under part B of title I may not exceed 66⅔ per centum of the cost of construction of such project. Prior to the approval of the first such project in the State during any fiscal year, such State agency shall give the Secretary written notification of the maximum Federal share established pursuant to this paragraph for such projects in such State to be approved by the Secretary during such fiscal year and the method for determining the actual Federal share to be paid with respect to such projects; and such maximum Federal share and such methods of determination for such projects in such State approved during such fiscal year shall not be changed after the approval of the first project in the State during such fiscal year.

(C) In the case of any facility or center which provides or will, upon completion of the project for which application has been made under part B of title I, provide services for persons in an area designated by the Secretary as an urban or rural poverty area, the maximum Federal share determined under paragraph (B) may not exceed 90 per centum of the costs of construction of the project.

(9) The Federal percentage for any State shall be 100 per centum less that percentage which bears the same ratio to 50 per centum as the per capita income of such State bears to the per capita income of the United States, except that the Federal percentage for Puerto Rico, Guam, American Samoa, and the Virgin Islands shall be 66⅔ per centum.

(10)(A) The Federal percentages shall be promulgated by the Secretary between July 1 and September 30 of each even-numbered year, on the basis of the average of the per capita incomes of the States and of the United States for the three most recent consecutive years for which satisfactory data are available from the Department of Commerce. Such promulgation shall be conclusive for each of the two fiscal years in the period beginning July 1 next succeeding such promulgation; except that the Secretary shall promulgate such percentages as soon as possible after the enactment of this Act, which promulgation shall be conclusive for the fiscal year ending June 30, 1965.

(B) The term "United States" means (but only for purposes of this subsection and subsection (10) the fifty States and the District of Columbia.

(11) The term "Secretary" means the Secretary of Health, Education, and Welfare.

(12) The term "developmental disability" means a disability—

(A) attributable to mental retardation, or cerebral palsy, or epilepsy, or autism, or learning disability; or

(B) attributable to any other condition of an individual found to be closely related to mental retardation as it refers to general intellectual functioning or impairment in adaptive behavior or to require treatment similar to that required for mentally retarded individuals, which disability (i) originates before such individual attains age eighteen, (ii) which has continued or can be expected to continue indefinitely, and (iii) which constitutes a severe handicap to such individual's ability to function normally in society.

(13) The term "services for persons with developmental disabilities" means specialized services or special adaptations of generic services directed toward the alleviation of a developmental disability or toward the social, personal, physical, or economic habilitation or rehabilitation of an individual with such a disability, and such term includes diagnosis, evaluation, treatment, personal care, day care, domiciliary care, special living arrangements, training, education, sheltered employment, recreation, counseling of the individual with such disability and of his family, protective and other social and sociolegal services, information and referral services, follow-along services, and transportation services necessary to assure delivery of services to persons with developmental disabilities.

(14) The term "regulations" means (unless the text otherwise indicates) regulations promulgated by the Secretary.

(15) The term "poverty area" means any—

(A) such area contains one or more subareas which are characterized as subareas of poverty;

(B) the population of such subarea or subareas constitutes a significant portion of the population of such rural or urban area; and

(C) the project, facility, or activity, in connection with which such determination is made, does, or (when completed or put into operation) will, serve the needs of the residents of such subarea or subareas.

(13) The term "design for implementation" means a document prepared by the appropriate State agency or agencies outlining the implementation of the State plan as developed by the State planning council. The design for implementation shall include details on the methodology of implementation, priorities for spending, specific objectives to be achieved, and a listing of those programs and resources to be utilized, and a method for periodic evaluation of its effectiveness in meeting State plan objectives.

AUDIT

SEC. 3. Each recipient of a grant or contract under this Act shall keep such records as the Secretary may prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such grant or contract, the total cost of the project or undertaking in connection with which such grant or contract is made or funds thereunder used, the amount of that portion of the cost of the project or undertaking supplied by other sources, and such records as will facilitate an effective audit. The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient of any grant or contract under this Act which are pertinent to such grant or contract.

OFFICE OF DEVELOPMENTAL DISABILITIES

SEC. 4. There is established in the Office of the Assistant Secretary for Human Development in the Department of Health, Education, and Welfare, an Office of Developmental Disabilities headed by a Director to administer this Act.

TITLE I—ASSISTANCE FOR THE DEVELOPMENTALLY DISABLED

PART A—DEMONSTRATION AND TRAINING GRANTS FOR UNIVERSITY AFFILIATED FACILITIES AND RENOVATION AND MODERNIZATION OF FACILITIES

DECLARATION OF PURPOSE

SEC. 100. The purpose of this title is to improve the provision of services to persons with developmental disabilities through (A) grants to assist the several States in developing and implementing a comprehensive and continuing plan for meeting the current and future needs of persons with developmental disabilities; (B) the renovation and modernization of university-affiliated facilities which aid in demonstrating the provision of specialized services for persons with developmental disabilities, through support of demonstration and training programs at institutions of higher education; (C) the development of regional community programs for services to persons with developmental disabilities; (D) the support of activities which will contribute to improving the condition of persons with developmental disabilities, including but not limited to grants for demonstrating exemplary services to persons with developmental disabilities who are especially disadvantaged; (E) technical assistance in the establishment of services and facilities for persons with developmental disabilities, including assistance in State and local planning or administration; (F) training of specialized personnel needed for the provision of services for persons with developmental disabilities; (G) developing or demonstrating new or improved techniques for the provision of services to persons with developmental disabilities; and (h) gathering or disseminating information relating to development disabilities.

AUTHORIZATION OF APPROPRIATIONS

SEC. 101. For the purpose of assisting in the modernization and renovation (to comply with the provisions of Public Law 90–480, relating to architectural barriers) of facilities which will aid in demonstrating provision of specialized services for the diagnosis and treatment, education, training, or care of persons with developmental disabilities or in the interdisciplinary training of physicians and other specialized personnel needed for research, diagnosis and treatment, education, training, or care of persons with developmental disabilities, including research incidental or related to any of the foregoing activities, there are authorized to be appropriated $5,000,000 for the fiscal year ending June 30, 1975, and a like amount for each of the next four succeeding fiscal years. The sums so appropriated shall be used for project grants for renovation or modernization of public and other nonprofit facilities which are associated with a college or university.

DEMONSTRATION AND TRAINING GRANTS

SEC. 102. (a) For the purposes of contributing more effectively to the solution of complex health, education, and social problems of children and adults suffering from developmental disabilities, the Secretary may, in accordance with the provisions of this part, make grants to cover costs of administering and operating demonstration facilities and interdisciplinary training programs for personnel needed to render specialized services to persons with developmental disabilities, including training in established disciplines as well as new kinds of training to meet critical shortages in the services to persons with developmental disabilities with emphasis upon such programs ability and commitment to provide services not otherwise available under other laws to persons with developmental disabilities in alternative programs of community care as contrasted with such services being provided in institutionalized settings.

(b) For the purpose of making grants under this section, there are authorized to be appropriated $20,000,000 for the fiscal year ending June 30, 1975, and a like amount for each of the four succeeding fiscal years.

APPLICATIONS

SEC. 103. (a) Applications for grants under this part with respect to the renovation or modernization of any facility may be approved by the Secretary only if the application contains or is supported by reasonable assurances that—

(1) the proposal is consistent with the State plans established pursuant to section 114;

(2) the facility will be associated, to the extent prescribed in regulations of the Secretary, with a college or university medical centers (including affiliated health or education facilities), or with such other part of a college or university as the Secretary may find appropriate in the light of the purposes of this part;

(3) the plans and specifications are in accord with regulations prescribed by the Secretary under section 118;

(4) title to the site for the project is or will be vested in one or more of the agencies or institutions filing the application or in a public or other nonprofit agency or institution which is to operate the facility; and

(5) adequate financial support will be available for renovation or modernization of the project and for its maintenance and operation when completed.

(b) Applications for demonstration and training grants under this part may be approved by the Secretary only if the applicant is a college or university operating a facility of the type described in section 101 or is a public or nonprofit private agency or organization operating such a facility. In considering applications for such grants, the Secretary shall require such applications to demonstrate that the grant application has been reviewed and approved by the State councils established under section 114(d), and give priority to any application which shows that the applicant has made arrangements, in accordance with regulations of the Secretary for a junior college or community based entity to participate in the programs for which the application is made.

(c) Applications for assistance under this part shall demonstrate the ability of the applicant for such assistance to provide to the developmentally disabled population the services and training for manpower in conformity with the State plan established under section 114.

(d) Applications for assistance under this part shall establish as priority goals—

(1) deinstitutionalization, including prevention of institutionalization, normalization outside of institutions, development of community based programs including placement, and follow-up services;

(2) early screening diagnosis and evaluation, on behalf of developmentally disabled infants and preschool children (including maternal care, developmental screening, home care, infant and preschool stimulation programs, and parent counseling and training); and

(3) normalization of institutional life.

AMOUNT OF GRANTS; PAYMENTS

SEC. 104. (a) The total of the grants with respect to any project under this part may not exceed 75 per centum of the necessary cost thereof as determined by the Secretary.

(b) Payments of grants under this part

shall be made in advance or by way of reimbursement, and on such conditions as the Secretary may determine.

RECOVERY

SEC. 105. If any facility with respect to which funds have been paid under this part shall, at any time within twenty years after the completion of construction—

(1) be sold or transferred to any person, agency, or organization which is not qualified to file an application under this part, or

(2) cease to be a public or other nonprofit facility for persons with development disabilities, unless the Secretary determines, in accordance with regulations, that there is good cause for releasing the applicant or other owner from the obligation to continue such facility as a public or other nonprofit facility for persons with developmental disabilities, the United States shall be entitled to recover from either the transferor or the transferee (or, in the case of a facility which has ceased to be a public or other nonprofit facility for persons with developmental disabilities, from the owners thereof) an amount bearing the same ratio to the then value (as determined by the agreement of the parties or by action brought in the district court of the United States for the district in which the facility is situated) of so much of the facility as constituted an approved project or projects, as the amount of the Federal participation bore to the cost of the construction of such project or projects.

MAINTENANCE OF EFFORT

SEC. 106. Applications for grants under this part may be approved by the Secretary only if the application contains or is supported by reasonable assurances that the grants will not result in any decrease in the level of State, local, and other non-Federal funds for services for persons with developmental disabilities and training of persons to provide such services which would (except for such grant) be available to the applicant, but that such grants will be used to supplement, and, to the extent practicable, to increase the level of such funds.

PART B—GRANTS FOR PLANNING, PROVISION OF SERVICES, AND CONSTRUCTION AND OPERATION OF FACILITIES FOR PERSONS WITH DEVELOPMENTAL DISABILITIES

AUTHORIZATIONS OF APPROPRIATION

SEC. 111. In order to make the grants to carry out the purposes of this part there are authorized to be appropriated $40,000,000 for the fiscal year ending June 30, 1975, $55,000,000 for the fiscal year ending June 30, 1976, $70,000,000 for the fiscal year ending June 30, 1977, $85,000,000 for the fiscal year ending June 30, 1978, and $100,000,000 for the fiscal year ending June 30, 1979; and there is further authorized to be appropriated for such purposes for each subsequent fiscal year such sums as may be necessary.

STATE ALLOTMENTS

SEC. 112. (a) (1) From the sums appropriated pursuant to section 111 for each fiscal year, other than amounts reserved by the Secretary for projects under subsection (e) of this section, the several States shall be entitled to allotments determined, in accordance with regulations, on the basis of (A) the population, (B) the extent of need for services and facilities for persons with developmental disabilities, and (C) the financial need, of the respective States; except that the allotment of any State (other than the Virgin Islands, American Samoa, Guam, and the Trust Territory of the Pacific Islands) for any such fiscal year shall not be less than $100,000 plus, if such fiscal year is later than the fiscal year ending June 30, 1975, and if the sums so appropriated for such fiscal year exceed the amount authorized to be appropriated to carry out such purposes for the fiscal year ending June 30, 1975, an amount which bears the same ratio to $100,000 as the difference between the amount so appropriated and the amount authorized to be appropriated for the fiscal year ending June 30, 1975, bears to the amount authorized to be appropriated for the fiscal year ending June 30, 1975.

(2) In determining, for purposes of paragraph (1), the extent of need in any State for services and facilities for persons with developmental disabilities, the Secretary shall take into account the scope and extent of the services specified, pursuant to section 115(b) (5), in the State plan of such State approved under this part.

(3) Sums allotted to a State for a fiscal year and designated by it for construction, renovation, or modernization and remaining unobligated at the end of such year shall remain available to such State for such purpose for the next fiscal year and for such year only, in addition to the sums allotted to such State for such fiscal year: *Provided*, That if the maximum amount which may be specified pursuant to section 115(b) (13) for a year plus any part of the amount so specified pursuant thereto for the preceding fiscal year and remaining unobligated at the end thereof is not sufficient to pay the Federal share of the cost of construction of a specific facility included in the construction, renovation, or modernization program of the State developed pursuant to section 115(b) (13), the amount specified pursuant to such section for such preceding year shall remain available for a second additional year for the purpose of paying the Federal share of the cost of construction, renovation, or modernization of such facility.

(b) Whenever the State plan approved in accordance with section 115 provides for participation of more than one State agency in administering or supervising the administration of designated portions of the State plan, the State may apportion its allotment among such agencies in a manner which, to the satisfaction of the Secretary, is reasonably related to the responsibilities assigned to such agencies in carrying out the purposes of this part. Funds so apportioned to State agencies may be combined with other State or Federal funds authorized to be spent for other purposes, provided the purposes of this part will receive proportionate benefit from the combination.

(c) Whenever the State plan approved in accordance with section 115 provides for cooperative or joint effort between States or between or among agencies, public or private, in more than one State, portions of funds allotted to one or more such cooperating States may be combined in accordance with the agreements between the agencies and States involved.

(d) The amount of an allotment to a State for a fiscal year which the Secretary determines will not be required by the State during the period for which it is available for the purpose for which it is allotted shall be available for reallotment by the Secretary on such date or dates as he may fix, but not earlier than thirty days after he has published notice of his intention to reallocate in the Federal Register, to other States with respect to which such a determination has not been made, in proportion to the original allotments of such States for such fiscal year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum the Secretary estimates such State needs and will be able to use during such period; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amount so reallotted to a State for a fiscal year shall be deemed to be a part of its allotment under subsection (a) for such fiscal year.

(e) Of the sums appropriated pursuant to section 111, such amount as the Secretary may determine, but not more than 10 per centum thereof, shall be available for grants by the Secretary to public or nonprofit private agencies to pay up to 90 per centum of the cost of projects which in his judgment are of special national significance they will assist in meeting the needs of persons with developmental disabilities (especially the disadvantaged), or will demonstrate new or improved techniques for provision of services for such persons, or are otherwise specifically significant for carrying out the purposes of this part. Such projects shall include (1) integrated service model projects for services to the developmentally disabled population, (2) public awareness and public education programs to assist in the elimination of attitudinal and environmental barriers confronted by individuals with developmental disabilities, and (3) demonstration projects to coordinate and utilize all available community resources.

NATIONAL COUNCIL ON SERVICES AND FACILITIES FOR THE DEVELOPMENTALLY DISABLED

SEC. 113. (a) (1) Effective July 1, 1975, there is hereby established, in the office of the Secretary, a National Council on Services and Facilities for the Developmentally Disabled (hereinafter referred to as the "Council"), which shall consist of the Deputy Commissioner of the Bureau of Education for the Handicapped, the Commissioner of the Rehabilitation Services Administration, the Administrator of the Social and Rehabilitation Service, the Director of the National Institute of Child Health and Human Development, the Director of the National Institute of Neurological Disease and Stroke, and the Director of the National Institute of Mental Health, and 15 members, not otherwise in the regular full-time employ of the United States, to be appointed by the Secretary without regard to the provisions of title 5, United States Code, governing appointments in the competitive civil service.

(2) The Secretary shall from time to time designate one of the appointed members of the Council to serve as Chairman thereof.

(3) The appointed members of the Council shall be selected from leaders in the fields of service to persons with developmental disabilities, including leaders in State or local government, in institutions of higher education, and in organizations which have demonstrated advocacy of consumers of such services. At least five members shall be representatives of State or local public or nonprofit private agencies responsible for services to persons with developmental disabilities, and at least five shall be of consumers of such services or their parents, or guardians.

(b) Each appointed member of the Council shall hold office for a term of four years, except that any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term, and, of the twenty members first appointed, five shall hold office for a term of three years, five shall hold office for a term of two years, and five shall hold office for a term of one year, as designated by the Secretary at the time of appointment. A former member may only be reappointed to the Council after a period of one year has elapsed from the end of his appointed term.

(c) The Council shall meet at least twice a year, and shall hold its initial meeting within ninety days after the date of enactment of this Act.

(d) It shall be the duty and function of the Council to (1) advise the Secretary with respect to any regulations promulgated or proposed to be promulgated by him in the implementation of this title, (2) study and evaluate programs authorized by this title to determine their effectiveness in carrying out the purposes for which they were established, (3) monitor the development and execution of this title and report directly to the Secretary on any delay in the rapid execution of this title, and (4) submit directly to the Congress annually an evaluation of the efficiency of the administration of this title.

(e) The Council is authorized to engage such technical assistance as may be required to carry out its functions, and the Secretary shall, in addition, make available to the Council such secretarial, clerical, and other assistance and such statistical and other pertinent data prepared by or available to the Department of Health, Education, and Welfare as it may require to carry out such functions.

(f) Members of the Council, while attending meetings or conferences thereof or otherwise serving on the business of the Council, shall be entitled to receive compensation at rates fixed by the Secretary, but at rates not exceeding the daily equivalent of the rate provided for GS-18 of the General Schedule for each day of such service (including travel time), and while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently

STATE PLANS

SEC. 114. (a) Any State desiring to take advantage of this part shall within 180 days after the date of enactment of this Act have a State plan which is a specific goal oriented plan, submitted to, and approved by the Secretary under this section designed to—

(1) reduce and eventually eliminate inappropriate institutional placement of persons with developmental disabilities;

(2) improve the quality of care and rehabilitation of persons with developmental disabilities for whom institutional care is appropriate;

(3) provide early screening, diagnosis and evaluation on behalf of developmentally disabled infants and preschool children (including maternal care, developmental screening, home care, infant and preschool stimulation programs, and parent counseling and training);

(4) support the establishment of community programs as alternatives to institutionalization, designed to provide services for the care and habilitation of persons with developmental disabilities, which programs utilize, to the maximum extent feasible the resources and personnel in related community programs to assure full coordination with such programs and to assure the provision of appropriate supplemental health, educational or social services for persons with developmental disabilities;

(5) protect the human rights of all persons with developmental disabilities, especially those without familial protection;

(6) provide for cross disciplinary intervention and training programs for multihandicapped individuals; and

(7) coordinate programs of public information and public awareness of the problems faced by persons with developmental disabilities through the use of funds authorized under section 112(e).

(b) In order for a State plan to be approved by the Secretary under this section, its design for implementation must be approved by the State planning council. A State plan for the provision of services and facilities for persons with developmental disabilities shall—

(1) designate (A) a State planning council, to be responsible for submitting revisions, the development of the State plan, and transmitting such reports as may be required by the Secretary; (B) except as provided in clause (C), the State agency or agencies which shall administer and supervise the administration of the State plan, and which shall submit to the State planning council the design to implement the priorities specified by the State planning council in the State plan, including the disbursement of all funds under this part except as otherwise provided; and, if there is more than one such agency, the portion of such plan which each will administer (or the portion the administration of which each will supervise); and (C) a single State agency as the sole agency for administering or supervising the administration of grants for construction, renovation, or modernization under the State plan;

(2) describe the quality, extent, and scope of services being provided or to be provided to meet the goals specified in subsection (a) of this section;

(3) describe (A) the quality, extent, and scope of services being provided, or to be provided, to persons with developmental disabilities under such other State plans for federally assisted State programs as may be specified by the Secretary, but in any case including education for the handicapped, vocational rehabilitation, public assistance, medical assistance, social services, maternal and child health, crippled children's services, and comprehensive health and mental health plans, and (B) how funds allotted to the State in accordance with section 112 will be used to complement and augment rather than duplicate or replace services and facilities for persons with developmental disabilities which are eligible for Federal assistance under such other State programs;

(4) provide for the maximum utilization of all available community resources including volunteers serving under the Domestic Volunteer Service Act of 1973 (87 Stat. 394) and other appropriate voluntary organizations;

(5) set forth policies and procedures for the expenditure of funds under the plan, which, in the judgment of the Secretary, are designed to assure effective continuing State planning, evaluation, and delivery of services (both public and private) for persons with developmental disabilities;

(6) contain assurances satisfactory to the Secretary and the State planning council that (A) the funds paid to the State under this part will be used to make a significant contribution toward strengthening services for persons with developmental disabilities in the various political subdivisions of the State in order to improve the quality, scope, and extent of such services; (B) part of such funds may be made available to other public or nonprofit private agencies, institutions, and organizations; (C) such funds will be used to supplement and, to the extent practicable, to increase the level of funds that would otherwise be made available for the purposes for which the Federal funds are provided and not to supplant such non-Federal funds; and (D) there will be reasonable State financial participation in the cost of carrying out the State plan;

(7) (A) provide for the furnishing of services and facilities for persons with developmental disabilities, and

(B) describe the quality, extent, and scope of such services as will be provided to persons with developmental disabilities;

(8) provide that services and facilities furnished under the plan for persons with developmental disabilities will be in accordance with standards prescribed by regulations of the Secretary;

(9) provide such methods of administration, including methods relating to the establishment and maintenance of personnel standards on a merit basis (except that the Secretary shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods), as are found by the Secretary to be necessary for the proper and efficient operation of the plan;

(10) provide that the State planning council shall be adequately staffed, and shall include representatives of each of the principal State agencies and representatives of local agencies and nongovernmental organizations and groups concerned with services for persons with developmental disabilities: *Provided*, That at least one-third of the membership of such council shall consist of consumers of such services or their parents or guardians;

(11) provide that the State planning council will periodically, but not less often than annually, review and evaluate its State plan approved under this section and submit appropriate modifications to the Secretary;

(12) provide that the State agencies designated pursuant to paragraph (1) will make such reports, in such form and containing such information, as the Secretary or the State planning council may from time to time reasonably require, and will keep such records and afford such access thereto as the Secretary finds necessary to assure the correctness and verification of such reports;

(13) provide that special financial and technical assistance shall be given to areas of urban or rural poverty in providing services and facilities for persons with developmental disabilities who are residents of such areas;

(14) describe the methods to be used to assess the effectiveness and accomplishments of the State in meeting the needs of persons with development disabilities in the State;

(15) specify the per centum of the State's allotment (under section 112) for any year which is to be devoted to construction, renovation, or modernization of facilities, which per centum shall be not more than 10 per centum of the State's allotment or such lesser per centum as the Secretary may from time to time prescribe;

(16) if Federal funds are allocated for construction, renovation, or modernization as provided in subparagraph (15) of this subsection, outline a program of construction, renovation, or modernization of facilities for the provisions of services for persons with developmental disabilities which (A) is based on a statewide inventory of existing facilities and survey of need; (B) sets forth the relative need, determined in accordance with the regulations prescribed by the Secretary for the several projects included in the construction, renovation, or modernization program; and (C) assigns priority to the construction, renovation, or modernization of projects, insofar as financial resources available therefor and for maintenance and operation make possible, in the order of relative need taking into account the need for renovation to comply with Public Law 90-480;

(17) provide for affording to every applicant for a construction, renovation, or modernization project an opportunity for hearing before the State agency;

(18) provide for such fiscal control and fund accounting procedures as may be necessary to assure the proper disbursements of and accounting for funds paid to the State under this part;

(19) provide for the implementation of an evaluation system compatible with the system developed under section 122, within thirty months after the date of enactment of this Act;

(20) provide that all relevant information shall be made available to the State planning council; and

(21) contain such additional information and assurances as the Secretary may find necessary to carry out the provisions and purpose of this part.

(c) The Secretary shall approve any State plan and any modification thereof which complies with the provisions of subsection (b) of this section. The Secretary shall not finally disapprove a State plan except after reasonable notice and opportunity for a hearing to the State.

(d) The State Planning Council described pursuant to clause (1) of subsection (b) of this section shall serve as advocates for persons with developmental disabilities and shall—

(1) be appointed by the Governor,

(2) plan, develop, and coordinate all programs involving developmental disabilities,

(3) prepare the overall State plan,

(4) establish priorities for the distribution of funds within the State,

(5) approve implementation of the State plan required by this section,

(6) monitor the implementation of the State plan, and

(7) evaluate the implementation of the State plan.

(e) The State planning council described in subsection (b) (1) (A) of this section shall develop and transmit to the State agency or agencies designated under subsection (b) (1) (C) the State plan described in subsection (a). Such State agency or agencies shall then prepare a design for implementation which it shall transmit to the State planning council for approval in accordance with subsection (d) (5).

APPROVAL OF PROJECTS FOR CONSTRUCTION, RENOVATION, OR MODERNIZATION

SEC. 115. (a) For each project for construction, renovation, or modernization pursuant to a State plan approved under this part, there shall be submitted to the Secretary, through the State agency designated pursuant to section 114(b) (1) (C) (hereinafter referred to as the "State Agency"), an application by the State or a political subdivision thereof or by a public or nonprofit private agency. If two or more agencies join in the construction, renovation, or modernization (to comply with Public Law 90-480, relating to architectural barriers) of the project, the application may be filed by one or more of such agencies. Such application shall set forth—

(1) a description of the site for such project;

(2) plans and specifications thereof, in accordance with regulations prescribed by the Secretary;

(3) reasonable assurance that title to such site is or will be vested in one or more of the agencies filing the application or in a public or nonprofit private agency which is to operate the facility;

(4) reasonable assurance that adequate financial support will be available for the construction, renovation, or modernization of the project and for its maintenance and operation when completed;

(5) a certification by the State agency of the Federal share for the project; and

(6) a certification by the State agency that the project will comply with the provisions of Public Law 90-480, relating to architectural barriers.

(b) The Secretary shall approve such application if sufficient funds to pay the Federal share of the cost of such project are available from the allotment to the State, and if the Secretary finds (1) that the application contains such reasonable assurances as to title, financial support, and payment of prevailing rates of wages and overtime pay, (2) that the plans and specifications are in accord with regulations prescribed by the Secretary, (3) that the application is in conformity with the State plan approved under this part, and (4) that the application has been approved and recommended by the State agency and is entitled to priority over other projects within the State in accordance with the State's plan for persons with developmental disabilities and in accordance with regulations prescribed by the Secretary.

(c) No application shall be disapproved until the Secretary has afforded the State agency an opportunity for a hearing.

(d) Amendment of any approved application shall be subject to approval in the same manner as the original application.

WITHHOLDING OF PAYMENTS

SEC. 116. (a) Whenever the Secretary, after reasonable notice and opportunity for hearing to the State planning council and those State agencies designated pursuant to section 114(b) (1) finds—

(1) that any such State agency or agencies are not complying with the provisions required by section 114(b) to be included in the State plan, or with regulations of the Secretary;

(2) that any assurance required to be given in an application filed under section 115 is not being or cannot be carried out;

(3) that there is a substantial failure to carry out plans and specifications related to construction, renovation, or modernization approved by the Secretary under section 116; or

(4) that adequate funds are not being provided annually for the direct administration of the State plan,

the Secretary may forthwith notify such State council and agencies that—

(A) no further payments will be made to the State for construction, renovation, or modernization from allotments under this part; or

(B) no further payments will be made from allotments under this part for any project or projects designated by the Secretary as being affected by the action or inaction referred to in paragraph (1), (2), (3), or (4) of this section; as the Secretary may determine to be appropriate under the circumstances; and, except with regard to any project for which the application has already been approved and which is not directly affected, further payments for construction, renovation, or modernization projects may be withheld, in whole or in part, until there is no longer any failure to comply (or to carry out the assurance or plans and specifications or to provide adequate funds, as the case may be) or, if such compliance (or other action) is impossible, until the State repays or arranges for the repayment of Federal moneys to which the recipient was not entitled.

(b) Whenever the State planning council finds that a State agency administering funds pursuant to the implementation design is failing to comply with such design, the State planning council shall notify the Governor and the Secretary of cause to begin proceedings under subsection (a) of this section.

PAYMENTS TO THE STATES FOR PLANNING ADMINISTRATION AND SERVICES

SEC. 117. (a) (1) From each State's allotments for a fiscal year under section 112, the State shall be paid for the Federal share of the expenditures, other than expenditures for construction, renovation, or modernization incurred during such year under its State plan approved under this part. Such payments shall be made from time to time in advance on the basis of estimates by the Secretary of the sums the State will expend under the State plan, except that such adjustments as may be necessary shall be made on account of previously made underpayments or overpayments under this section.

(2) For the purpose of determining the Federal share with respect to any State, expenditures by a political subdivision thereof or by nonprofit private agencies, organizations, and groups shall, subject to such limitations and conditions as may be prescribed by regulations, be regarded as expenditures by such State.

(b) (1) Except as provided in paragraph (2), the "Federal share" with respect to any State for purposes of this section for any fiscal year shall be 70 per centum of the expenditures, other than expenditures for construction, renovation, or modernization incurred by the State during such year under its State plan approved under this part during each of the fiscal years ending June 30, 1975, and for each fiscal year thereafter.

(2) In the case of any project located in an area within a State determined by the Secretary to be an urban or rural poverty area, the "Federal share" with respect to such project for purposes of this section for any fiscal year may be up to 90 per centum of the expenditures, other than expenditures for construction, renovation, or modernization incurred by the State during such year under its State plan approved under this part with respect to such project for the first twenty-four months of such project, and 80 per centum of such nonconstruction expenditures for each fiscal year thereafter.

REGULATIONS

SEC. 118. (a) The Secretary of Health, Education, and Welfare, not later than sixty days after the date of enactment of this Act, shall prescribe general regulations applicable to all the States to carry out the purposes of this Act.

(b) Regulations promulgated by the Secretary may be waived upon approval of an application by a State for permission to establish a multilevel project to provide services for individuals who are developmentally disabled by combining funds received from other Federal, State, or local programs where such local programs would impede the implementation of such program. Such waivers shall be reviewed annually by the Secretary and issued on an individual case-by-case basis and for a specified period of time, but in no case longer than thirty-six months. Renewal of such waivers shall only be given following a full evaluation of the impact of such waiver and justification for renewal by the Secretary in a report to the appropriate committees of the Congress.

NONDUPLICATION

SEC. 119. (a) In determining the amount of any payment for the construction, renovation, or modernization of any facility under a State plan approved under this part, there shall be disregarded (1) any portion of the costs of such construction, renovation, or modernization which are financed by Federal funds provided under any provision of law other than this part, (2) the amount of any non-Federal funds provided under any provision of law other than this part, and (3) the amount of any non-Federal funds required to be expended as a condition of receipt of such Federal funds.

(b) In determining the amount of any State's Federal share of expenditures for planning, administration, and services incurred by it under a State plan approved under this part, there shall be disregarded (1) any portion of such expenditures which are financed by Federal funds provided under any provision of law other than this part, and (2) the amount of any non-Federal funds required to be expended as a condition of receipt of such Federal funds.

EVALUATION OF DEVELOPMENTAL DISABILITIES SERVICES

SEC. 120. (a) The Secretary of Health, Education, and Welfare shall develop an evaluation system and plan for implementation of such system and report to the appropriate committees of the Congress within eighteen months after the date of enactment of this Act. Such system shall provide a model for the development of State evaluation systems for all services delivered within the States to persons with developmental disabilities.

(b) The evaluation system required by subsection (a) shall include an evaluation of an education and training, habilitation, rehabilitation, early childhood, diagnostic and evaluation, or any other services and assistance under all laws administered by the Secretary.

(c) In developing the evaluation system required under subsection (a) the Secretary shall insure that such system is consumer oriented and is designed to—

(1) evaluate the effects of services on the lives of consumers,

(2) evaluate the overall impact of State programs for the developmentally disabled.

(3) provide and evaluate the cost-benefit ratios of particular service alternatives, and

(4) provide that evaluation of program quality shall be performed by individuals not directly involved in the delivery of such services.

(d) The Secretary is authorized to make grants and enter into contracts to conduct feasibility studies with regard to developing the evaluation system required under subsection (a) except that such grants or contracts shall not be entered into with groups or individuals who are directly related to this program.

(e) There are authorized to be appropriated to carry out the purposes of this section $1,000,000 for the fiscal year ending June 30, 1975, and for each succeeding fiscal year thereafter.

GRANTS FOR SPECIAL PROJECTS FOR SERVICES TO PERSONS WITH DEVELOPMENTAL DISABILITIES

SEC. 121. (a) For the purpose of making grants under this section for special projects and demonstrations (and research and evaluation connected therewith), there is authorized to be appropriated $15,000,000 for the fiscal year ending June 30, 1975, $17,500,000 for the fiscal year ending June 30, 1976, $20,000,000 for the fiscal year ending June 30, 1977, $22,500,000 for the fiscal year ending June 30, 1978, and $25,000,000 for the fiscal year ending June 30, 1979.

(b) The Secretary after consultation with the National Council established pursuant to section 113 of this Act shall make grants to States and public or nonprofit agencies and organizations for paying part or all of the cost of special projects and demonstrations (and research and evaluation in connection therewith) for establishing programs which hold promise of expanding or otherwise improving community based services to persons with developmental disabilities (especially those who are disadvantaged or multihandicapped). Such projects and demonstrations shall include, but not be limited to, parent counseling and training, early screening and intervention, infant and preschool programs, seizure control systems and community based counseling, care, housing and other services necessary to maintain a person with developmental disabilities in the community.

(c) No funds appropriated pursuant to section 304(a) of the Rehabilitation Act of 1973 (Public Law 93–112) may be used for carrying out the purposes of this section unless funds are not available under this section.

REPEAL OF PRIOR LAW

SEC. 122. Effective July 1, 1975, parts B and C of the Developmental Disabilities Services and Facilities Construction Act are repealed.

TITLE II—BILL OF RIGHTS FOR THE MENTALLY RETARDED AND OTHER INDIVIDUALS WITH DEVELOPMENTAL DISABILITIES

SEC. 201. (a) Title II of the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 (42 U.S.C. 2681) is redesignated as title III and each section and cross references thereto are redesignated as follows: Sections 200 through 207 as 310 through 317; sections 220 through 224 as 320 through 324; sections 240 through 247 as 340 through 347; sections 251 through 256 as 351 through 356; sections 261 through 266 as 361 through 366; sections 271 through 272 as 371 through 372.

(b) Such Act is further amended by inserting after title I the following new title:

"TITLE II—BILL OF RIGHTS FOR THE MENTALLY RETARDED AND OTHER INDIVIDUALS WITH DEVELOPMENTAL DISABILITIES

"STATEMENT OF PURPOSE

"SEC. 201. The purpose of this title is to establish standards which assure humane care, treatment, habilitation, and protection of the mentally retarded and other individuals with developmental disabilities (as defined in section 3 of the Developmentally Disabled Assistance and Bill of Rights Act) in residential facilities and minimize inappropriate admissions to such residential facilities.

"PART A—STANDARDS FOR RESIDENTIAL FACILITIES FOR THE MENTALLY RETARDED AND OTHER INDIVIDUALS WITH DEVELOPMENTAL DISABILITIES

"Chapter 1.—ADMINISTRATIVE POLICIES AND PRACTICES

"Subchapter I—Philosophy, Location, and Organization

"SEC. 210. (a) The ultimate aim of the facility shall be to foster those behaviors that maximize the human qualities of the resident, increase the complexity of his behavior, and enhance his ability to cope with his environment.

"(b) The facility shall accept and implement the principle of normalization, defined as the use of means that are as culturally normative as possible to elicit and maintain behavior that is as culturally normative as possible, taking into account local and subcultural differences.

"SEC. 211. (a) The names of facilities, the labels applied to their users, and the way these users are interpreted to the public should be appropriate to their purposes and programs and services should not emphasize 'mental retardation' or 'deviancy'.

"(b) Residents should not be referred to as 'patient' except in a hospital-medical context; as 'kids' or 'children' if they are adults; or as 'inmates'; or as clients.

"SEC. 212. (a) The facility should be located within, and conveniently accessible to, the population served, so as to have access to necessary generic community services.

"(b) The facility should not be isolated from society or community by factors such as:

"(1) difficulty of access, due to distance or lack of public transportation;

"(2) architectural features;

"(3) socio-cultural or psychological features; and

"(4) rules, regulations, customs, and habits.

"(c) Protection devices (such as fences and security windows), where necessary, should be inconspicuous, and should preserve as normal an environmental appearance as possible, so as to permit the pursuit of normal activities.

"(d) The facility should be in scale with the community in which it is located.

"(e) The facility and the surrounding community should be encouraged to share their services and resources on a reciprocal basis.

"(f) The community in which the facility is located should be capable of meeting the needs of the facility's residents for generic and specialized services.

"(g) The community in which the facility is located should be capable of absorbing, and encouraged to absorb, into its cultural life those residents capable of participation in that life.

"(h) The facility shall have available a current descriptive directory of community resources.

"SEC. 213. (a) Residents should be integrated to the greatest possible extent with the general population. To this end, generic and specialized community services, rather than facility services, should be used extensively or, if possible, completely. The residents should, including but not limited to—

"(1) attend (special) classes or programs in regular schools;

"(2) attend religious instruction and worship in the community;

"(3) utilize medical, dental, and all other professional services located in the community;

"(4) use community rather than facility recreation resources, such as bowling alleys, swimming pools, movies, and gymnasia;

"(5) shop in community stores, rather than in facility stores and canteens; and

"(6) work in as integrated a fashion as possible: sheltered employment should be in regular industry, and among nonretarded workers; sheltered workshops should be in the community; and work that must be on the campus of the facility should afford maximal contact with nonretarded persons.

There shall be evidence of professional and public education to facilitate the integration of residents, as above set forth.

"(b) The facility should be divided into groupings of program and residence units, based upon a rational plan to meet the needs of the residents and fulfill the purposes of the facility.

"SEC. 214. The facility shall to the maximum extent feasible move residents from—

"(1) more to less structured living;

"(2) larger to smaller facilities;

"(3) larger living units to smaller living units;

"(4) group to individual residence;

"(5) dependent to independent living; and

"(6) segregated to integrated living.

"Subchapter II—General Policies and Practices

"SEC. 215. (a) The facility shall have a written outline of the philosophy, objectives, and goals it is striving to achieve, that is available for distribution to staff, consumer representatives, and the interested public, and that shall include but need not be limited to:

"(1) its role in the State comprehensive program for the mentally retarded and other individuals with developmental disabilities;

"(2) its concept of the rights of its residents;

"(3) its goals for its residents;

"(4) its concept of its relationship to the parents of its residents, or to their surrogates;

"(5) its concept of its relationship to the community, zone, or region from which its residents come;

"(6) its concept of its responsibility (through research, training, and education) for improving methods, understanding, and support for the mental retardation and developmentally disabled field.

"(b) The facility shall have a plan for evaluation and modification to maintain:

"(1) the consistency of its philosophy, objectives, and goals with advancements in knowledge and professional practices; and

"(2) the consistency of its practices with its philosophy, objectives, and goals.

"(c) The facility shall have a manual on policies and procedures, describing the current methods, forms, processes, and sequence of events being followed to achieve its objectives and goals.

"(d) The facility shall have a written statement of policies and procedures concerning the rights of residents that—

"(1) assure the civil rights of all residents;

"(2) are in accordance with general and special rights of the mentally retarded and other individuals with developmental disabilities as defined by the Secretary in accordance with section 201 of this title; and

"(3) define the means of making legal counsel available to residents for the protection of their rights.

"SEC. 216. (a) The facility shall have a written statement of policies and procedures that protect the financial interests of residents and that provide for—

"(1) determining the financial benefits for which the resident is eligible;

"(2) assuring that the resident receives the funds for incidentals and for special needs (such as specialized equipment) that are due him under public and private financial support programs; and

"(3) when large sums accrue to the resident, providing for counseling of the resident concerning their use, and for appropriate protection of such funds.

"(b) Procedures in the major operating units of the facility shall be described in manuals that are current, relevant, available, and followed.

"(c) The facility shall have a summary of the laws and regulations relevant to mental retardation and other developmental disabilities and to the function of the facility.

"(d) The facility shall have a plan for a continuing management audit to insure compliance with State laws and regulations and the effective implementation of its stated policies and procedures.

"Sec. 217. (a) A public facility shall have documents that describe the statutory basis of its existence, and describe the administrative framework of the governmental department in which it operates.

"(b) A private facility shall have documents that include its charter, its constitution and bylaws, and its State license.

"Sec. 218. (a) The governing body of the facility shall exercise general direction and shall establish policies concerning the operation of the facility and the welfare of the individuals served.

"(b) The governing body shall establish appropriate qualifications of education, experience, personal factors, and skills for the chief executive officer. The chief executive officer shall have had training and experience in the administration of human services. The chief executive officer shall have administrative ability, leadership ability, and an understanding of mental retardation and other developmental disabilities. Where the chief executive officer is required also to have had training in a professional service discipline, such training shall be in a discipline appropriate to the facility's program.

"(c) The governing body shall employ a chief executive officer so qualified, and shall delegate to him authority and responsibility for the management of the affairs of the facility in accordance with established policies.

"(d) The chief executive officer shall—

"(1) designate an individual to act for him in his absence;

"(2) make arrangements so that some one individual is responsible for the administrative direction of the facility at all times;

"(3) when an assistant chief executive officer is employed, the qualifications required for this position shall be in compliance with those stated above for the chief executive officer; and

"(4) there shall be on the premises of the facility at all times a person designated by the chief executive officer; or the person acting for him, to be responsible for the supervision of the facility.

"Sec. 1219. (a) The facility shall be administered and operated in accordance with sound management principles.

"(b) The type of administrative organization of the facility shall be appropriate to the program needs of its residents.

"(c) The facility shall have a table of organization that shows the governance and administrative pattern of the facility.

"(d) The table of organization shall show the major operating programs of the facility, with staff divisions, the administrative personnel in charge of the programs and divisions, and their lines of authority, responsibility, and communication.

"(e) The organization shall provide for the judicious delegation of administrative authority and responsibility among qualified members of the staff, in order to distribute the administrative load of the facility and to accelerate its operating efficiency.

"(f) The organization shall be such that problems requiring ongoing decisionmaking regarding the welfare of the resident are handled primarily by personnel on the lowest level competent to resolve the problem.

"(g) The organization shall provide for the utilization of staff with different levels of training by using those with more adequate training to supervise and train those with lesser training.

"(h) The organization shall provide effective channels of communication in all directions.

"(i) The facility shall have a plan for improving the quality of staff and services that shows how the staff functions by programmatic responsibilities in establishing and maintaining standards of quality for services to residents. The plan shall show how the facility's organizational structure enables the following functions:

"(1) determination of standards for quality of services to the residents;

"(2) establishment of qualifications for personnel;

"(3) recruitment of qualified personnel;

"(4) initiation of preservice and inservice training and staff development programs;

"(5) work with administrators, supervisors, and staff of the administrative units of the facility to secure and assign qualified personnel to such units;

"(6) annual evaluation of staff performance;

"(7) continuous evaluation of program effectiveness; and

"(8) development and conduct of appropriate research activities.

"Sec. 220. (a) The administration of the facility shall provide for effective staff and resident participation and communication. Staff meetings shall be regularly held. Standing committees appropriate to the facility, such as records, safety, human rights, utilization review, research review, and infection and sanitation, shall meet regularly. Committees shall include resident participation, whenever appropriate. Committees shall include the participation of direct-care staff, whenever appropriate.

"(b) Minutes and reports of staff meetings, and of standing and ad hoc committee meetings shall include records of recommendations and their implementation, and shall be kept and filed. Summaries of the minutes and reports of staff and committee meetings shall be distributed to participants and to appropriate staff members. Various forms of communication (such as meetings, minutes of meetings, directives, and bulletins) shall be utilized to foster understanding among the staff, among the residents, between staff and residents, and between facility, community, and family.

"Sec. 221. (a) The facility shall designate a percentage of its operating budget for self-renewal purposes, including but not limited to:

"(1) development of operational data records;

"(2) research on its own programs;

"(3) evaluation by qualified persons who are not part of the facility;

"(4) elicitation of feedback from consumers of the facility's services, or from their representatives; and

"(5) staff education.

"(b) The findings generated by the foregoing activities shall be actively and broadly disseminated to:

"(1) all members of the facility's staff; and

"(2) consumer representatives, when appropriate.

"(c) The facility shall have a continuing system for collecting and recording accurate data that describe its population, in such form as to permit data retrieval and usage for description, programing of services, and research. Such data shall include, but need not be limited to:

"(1) number by age-groups, sex, and race;

"(2) number grouped by levels of retardation (profound, severe, moderate, mild, and borderline), according to the appropriate nationally recognized professional association on mental deficiency's manual on terminology and classification in mental retardation;

"(3) number grouped by levels of adaptive behavior, according to the appropriate nationally recognized professional association on mental deficiency classification;

"(4) number with physical disabilities;

"(5) number ambulatory and nonambulatory (mobile and nonmobile);

"(6) number with sensory defects;

"(7) number with oral and other communication handicaps; and

"(8) number with convulsive disorders, grouped by level of seizure control.

"Sec. 222. The facility shall have a description of services for residents that is available to the public and that includes information including but not limited to:

"(1) groups served;

"(2) limitations concerning age, length of residence, or type or degree of handicap;

"(3) the plan for grouping residents into program and living units;

"(4) preadmission and admission services;

"(5) diagnosis and evaluation services;

"(6) means for individual programing of residents in accordance wth need;

"(7) means for implementation of programs for residents, through clearly designated responsibility;

"(8) the therapeutic and developmental environment provided the residents; and

"(9) release and follow-up services and procedures.

"Sec. 223. (a) The facility shall provide for meaningful and extensive consumer-representative and public participation, by the following means:

"(1) the policymaking or governing board (if any) shall include consumers or their representatives (for example, parents), interested citizens, and relevantly qualified professionals presumed to be free of conflicts of interest;

"(2) when a facility does not have a governing board, its policymaking authority shall actively seek advice from an advisory board composed as described above;

"(3) the facility shall actively elicit feedback from those consumers of its services (and their representatives) who are not members of the aforementioned governing or advisory bodies;

"(4) there shall be an active program of ready, open, and honest communication with the public. In structuring visits to the facility by persons not directly concerned with a resident, however, steps shall be taken both to encourage visiting and to consider the sensibilities and privacy of the resident. Undignified displays or exhibitions of residents shall be avoided, and normal sensibility shall be exercised in speaking about a resident;

"(5) personnel shall be permitted to communicate their views about a resident and his needs and program to his relatives. Personnel shall be trained to properly and competently assume this responsibility;

"(6) the facility shall maintain active means of keeping residents' families or surrogates informed of activities related to the residents that may be of interest to them;

"(7) communications to the facility from residents' relatives shall be promptly and appropriately handled and answered;

"(8) close relatives shall be permitted to visit at any reasonable hour, and without prior notice. Steps shall be taken, however, so that the privacy and rights of the other residents are not infringed by this practice;

"(9) parents and other visitors shall be encouraged to visit the living units, with due regard for privacy. There shall be facilities for visiting that provide privacy in the living unit (but not special rooms used solely for visiting);

"(10) parents shall be permitted to visit all parts of the facility that provide services to residents;

"(11) frequent and informal visits home shall be encouraged, and the regulations of the facility shall encourage rather than inhibit such visitations;

"(12) there shall be an active citizens' volunteer program; and

"(13) the facility shall acknowledge the need for, and encourage the implementation of, advocacy for all residents.

"(b) A public education and information program should be established that utilizes all communication media, and all service, religious, and civic groups, and so forth, to develop attitudes of understanding and acceptance of the mentally retarded and other individuals with developmental disabilities in all aspects of community living.

"Subchapter III—Admission and Release

"SEC. 224. No individual whose needs cannot be met by the facility shall be admitted to it. The number admitted as residents to the facility shall not exceed—

"(1) its rated capacity; and

"(2) its provisions for adequate programing.

"SEC. 225. (a) The laws, regulations, and procedures concerning admission, readmission, and release shall be summarized and available for distribution. Admission and release procedures shall—

"(1) encourage voluntary admission, upon application of parent or guardian or self;

"(2) give equal priority to persons of comparable need, whether application is voluntary or by a court;

"(3) facilitate emergency, partial, and short-term residential care, where feasible; and

"(4) utilize the maximum feasible amount of voluntariness in each individual case.

"(b) The determination of legal incompetence shall be separate from the determination of the need for residential services, and admission to the facility shall not automatically imply legal incompetence.

"SEC. 226. (a) The residential facility shall admit only residents who have had a comprehensive evaluation, covering physical, emotional, social, and cognitive factors, conducted by an appropriately constituted interdisciplinary team.

"(b) Initially, service need shall be defined without regard to the actual availability of the desirable options. All available and applicable programs of care, treatment, and training shall be investigated and weighed, and the deliberations and findings recorded. Admission to the residential facility shall occur only when it is determined to be the optimal available plan. Where admission is not the optimal measure, but must nevertheless be recommended or implemented, its inappropriateness shall be clearly acknowledged and plans shall be initiated for the continued and active exporation of alternatives.

"(c) The intended primary beneficiary of the administration shall be clearly specified as—

"(1) the resident;

"(2) his family;

"(3) his community;

"(4) society; and

"(5) any combination of the above.

"(d) All admissions to the residential facility shall be considered temporary, and, when appropriate, admissions shall be time limited. Parents or guardians shall be counseled, prior to admission, on the relative advantages and disadvantages and the temporary nature of residential services in the facility. Prior to admission, parents or guardians shall, and the prospective resident should, have visited the facility and the living unit in which the prospective resident is likely to be placed.

"SEC. 227. (a) A medical evaluation by a licensed physician shall be made within one week of the resident's admission. Upon admission, residents should be placed in their program groups, and they should be isolated only upon medical orders issued for specific reasons.

"(b) Within the period of one month after admission there shall be:

"(1) a review and updating of the preadmission evaluation;

"(2) a prognosis that can be used for programing and placement;

"(3) a comprehensive evaluation and individual program plan, made by an interdisciplinary team;

"(4) direct-care personnel shall participate in the aforementioned activities;

"(5) the results of the evaluation shall be recorded in the resident's unit record;

"(6) an interpretation of the evaluation, in action terms, shall be made to:

"(A) the direct-care personnel responsible for carrying out the resident's program;

"(B) the special services staff responsible for carrying out the resident's program; and

"(C) the resident's parents or their surrogates.

"(c) There shall be a regular, at least annual, joint review of the status of each resident by all relevant personnel, including personnel in the living unit, with program recommendations for implementation. This review shall include—

"(1) consideration of the advisability of continued residence and alternative programs;

"(2) at the time of the resident's attaining majority, or if he becomes emancipated prior thereto:

"(A) the resident's need for remaining in the facility;

"(B) the need for guardianship of the resident;

"(C) the exercise of the resident's civil and legal rights;

"(3) The results of these reviews shall be:

"(A) recorded in the resident's unit record;

"(B) made available to relevant personnel;

"(C) interpreted to the resident's parents or surrogates;

"(D) interpreted to the resident, when appropriate; and

"(4) parents or their surrogates shall be involved in planning and decisionmaking.

"SEC. 228. A physical inspection for signs of injury or disease should be made in accordance with procedures established by the facility:

"(A) within twenty-four hours prior to a resident's leaving the facility for vacation, placement, or other temporary or permanent release; and

"(B) within twenty-four hours following a resident's return to the facility from such absence.

"SEC. 229. (a) At the time of permanent release or transfer, there shall be recorded a summary of findings, progress, and plans.

"(b) Planning for release shall include provision for appropriate services, including protective supervision and other followup services, in the resident's new environment. Procedures shall be established so that—

"(1) parents or guardians who request the release of a resident are counseled concerning the advantages and disadvantages of such release; and

"(2) the court or other appropriate authorities are notified when a resident's release might endanger either the individual or society.

"(c) When a resident is transferred to another facility there shall be—

"(1) written evidence that the reason for the transfer is the welfare of the resident; and

"(2) a transfer process that shall insure that the receiving facility will meet the needs of the resident.

"(d) Except in an emergency, transfer shall be made only with the prior knowledge, and ordinarily the consent, of the resident and his guardian.

"SEC. 230. (a) In the event of any unusual occurrence, including serious illness or accident, impending death, or death, the resident's next of kin, or the person who functions in that capacity (a guardian or citizen advocate) shall be notified promptly and in a compassionate manner. When appropriate, the wishes and needs of the resident, and of the next of kin, concerning religious matters shall be determined and, insofar as possible, fulfilled.

"(b) When death occurs:

"(1) with the permission of the next of kin or legal guardian, an autopsy shall be performed;

"(2) such autopsy shall be performed by a qualified physician, so selected as to be free of any conflict of interest or loyalty;

"(3) the family shall be told of the autopsy findings, if they so desire; and

"(4) the facility shall render as much assistance as possible in making arrangements for dignified religious services and burial, unless contraindicated by the wishes of the family.

"(c) The coroner or medical examiner shall be notified of deaths, in accordance with State law.

"Subchapter IV—Personnel Policies

"SEC. 231. (a) Adequate personnel services shall be provided by means appropriate to the size of the facility. If the size of the facility warrants a personnel director, he shall have had several years of progressively more responsible experience or training in personnel administration, and demonstrated competence in this area.

"(b) The facility's current personnel policies and practices shall be described in writing:

"(1) The hiring, assignment, and promotion of employees shall be based on their qualifications and abilities, without regard to sex, race, color, creed, age, irrelevant disability, marital status, ethnic or national origin, or membership in an organization.

"(2) Written job descriptions shall be available for all positions.

"(3) Licensure, certification, or standards such as are required in community practice shall be required for all comparable positions in the facility.

"(4) Ethical standards of professional conduct, as developed by appropriate professional societies, shall be recognized as applying in the facility.

"(5) There shall be a planned program for career development and advancement for all categories of personnel.

"(6) There shall be an authorized procedure, consistent with due process, for suspension and/or dismissal of an employee for cause.

"(7) Methods of improving the welfare and security of employees shall include:

"(A) a merit system or its equivalent;

"(B) a salary schedule covering all positions;

"(C) effective grievance procedures;

"(D) provisions for vacations, holidays, and sick leave;

"(E) provisions for health insurance and retirement;

"(F) provisions for employee organizations;

"(G) opportunities for continuing educational experiences, including educational leave; and

"(H) provisions for recognizing outstanding contributions to the facility.

"(c) A statement of the facility's personnel policies and practices shall be available to all its employees.

"(d) All personnel shall be initially screened to determine if they are capable of fulfilling the specific job requirements. All personnel shall be medically determined to be free of communicable and infectious diseases at the time of employment and annually thereafter. All personnel should have a medical examination at the time of employment and annually thereafter. Where indicated, psychological assessment should be included at the time of employment and annually thereafter.

"(e) The performance of each employee shall be evaluated regularly and periodically, and at least annually. Each such evaluation shall be—

"(1) reviewed with the employee; and

"(2) recorded in the employee's personnel record.

"(f) Written policy shall prohibit mistreatment, neglect, or abuse of residents. Alleged violations shall be reported immediately, and there shall be evidence that—

"(1) all alleged violations are thoroughly investigated;

"(2) the results of such investigation are reported to the chief executive officer, or his designated representative, within twenty-four hours of the report of the incident; and

"(3) appropriate sanctions are invoked when the allegation is substantiated.

"SEC. 232. (a) Staffing shall be sufficient so that the facility is not dependent upon the use of residents or volunteers for productive services. There shall be a written policy to protect residents from exploitation when they are engaged in productive work. A current, written policy shall encourage that residents be trained for productive, paid employment. Residents shall not be involved in the care (feeding, clothing, bathing), training, or supervision of other residents unless they—

"(1) have been specifically trained in the necessary skills;

"(2) have the humane judgment required by these activities;

"(3) are adequately supervised; and

"(4) are reimbursed.

"(b) Residents who function at the level of staff in occupational or training activities shall—

"(1) have the right to enjoy the same privileges as staff; and

"(2) be paid at the legally required wage level when employed in other than training situations.

"(c) Appropriate to the size and nature of the facility, there shall be a staff training program that includes:

"(1) orientation for all new employees, to acquaint them with the philosophy, organization, program, practices, and goals of the facility;

"(2) induction training for each new employee, so that his skills in working with the residents are increased;

"(3) inservice training for employees who have not achieved the desired level of competence, and opportunities for continuous inservice training to update and improve the skills and competencies of all employees;

"(4) supervisory and management training for all employees in, or candidates for, supervisory positions;

"(5) provisions shall be made for all staff members to improve their competencies, through means, including but not limited to—

"(A) attending staff meetings;

"(B) undertaking seminars, conferences, workshops, and institutes;

"(C) attending college and university courses;

"(D) visiting other facilities;

"(E) participation in professional organizations;

"(F) conducting research;

"(G) publishing studies;

"(H) access to consultants;

"(I) access to current literature, including books, monographs, and journals relevant to mental retardation and developmental disabilities;

"(6) interdisciplinary training programs shall be stressed;

"(7) the ongoing staff development program should include provision for educating staff members as research consumers;

"(8) where appropriate to the size and nature of the facility, there shall be an individual designated to be responsible for staff development and training, and such individual should have—

"(A) at least a master's degree in one of the major disciplines relevant to mental retardation or other developmental disability;

"(B) a thorough knowledge of the nature of mental retardation and other developmental disabilities, and the current goals, programs, and practices in this field;

"(C) a knowledge of the educational process;

"(D) an appropriate combination of academic training and relevant experience;

"(E) demonstrated competence in organizing and directing staff training programs; and

"(9) appropriate to the size and nature of the facility, there should be adequate, modern educational media equipment (including but not limited to: overhead, filmstrip, motion picture, and slide projectors; screens; models and charts; and video tape systems) for the conduct of an inservice training program.

"(d) Working relations should be established between the facility and nearby colleges and universities for the following purposes:

"(1) making credit courses, seminars, and workshops available to the facility's staff;

"(2) using facility resources for training and research by colleagues and universities; and

"(3) exchanging of staff between the facility and the colleges and universities for teaching, research, and consultation.

"Chapter 2.—RESIDENT LIVING

"Subchapter I—Staff-Resident Relationships and Activities

"SEC. 240. (a) The primary responsibility of the living unit staff shall be to devote their attention to the care and development of the residents as follows:

"(1) each resident shall receive appreciable and appropriate attention each day from the staff in the living unit;

"(2) living unit personnel shall train residents in activities of daily living and in the development of self-help and social skills;

"(3) living unit personnel shall be responsible for the development and maintenance of a warm, family- or home-like environment that is conducive to the achievement of optimal development by the resident;

"(4) appropriate provision shall be made to ensure that the efforts of the staff are not diverted from these responsibilities by excessive housekeeping and clerical duties, or other non-resident-care activities; and

"(5) the objective in staffing each living unit should be to maintain reasonable stability in the assignment of staff, thereby permitting the development of a consistent inter-personal relationship between each resident and one or two staff members.

"(b) Members of the living unit staff from all shifts shall participate with an interdisciplinary team in appropriate referral, planning, initiation, coordination, implementation, followthrough, monitoring, and evaluation activities relative to the care and development of the resident.

"(c) There shall be specific evaluation and program plans for each resident that are—

"(1) available to direct care staff in each living unit; and

"(2) reviewed by a member or members of the interdisciplinary program team at least monthly, with documentation of such review entered in the resident's record.

"(d) Activity schedules for each resident shall be available to direct care staff and shall be implemented daily as follows:

"(1) such schedules shall not permit 'dead time' of unscheduled activity of more than one hour continuous duration; and

"(2) such schedules shall allow for individual or group free activities, with appropriate materials, as specified by the program team.

"(e) The rhythm of life in the living unit shall resemble the cultural norm for the residents' nonretarded or nondevelopmentally age peers, unless a departure from this rhythm is justified on the basis of maximizing the residents' human qualities. Residents human qualities. Residents shall be assigned responsibilities in the living unit commensurate witht their interests, abilities, and developmental plans, in order to enhance feelings of self-respect and to develop skills of independent living. Multiple-handicapped and nonambulatory residents shall—

"(1) spend a major portion of their waking day out of bed;

"(2) spend a portion of their waking day out of their bedroom areas;

"(3) have planned daily activity and exercise periods; and

"(4) be rendered mobile by various methods and devices.

"(f) All residents shall have planned periods out of doors on a year-round basis. Residents should be instructed in how to use, and except as contraindicated for individual residents by their program plan, should be given opportunity for, freedom of movement—

"(1) within the facility's ground; and

"(2) without the facility's grounds.

Birthdays and special events should be individually observed. Provisions shall be made for heterosexual interaction appropriate to the residents' developmental levels.

"(g) Residents' views and opinions on matters concerning them should be elicited and given consideration in defining the processes and structures that affect them.

"(h) Residents should be instructed in the free and unsupervised use of communication processes. Except as denied individual residents by team action, for cause, this should typically include—

"(1) having access to telephones for incoming and local outgoing calls;

"(2) having free access to pay telephones, or the equivalent, for outgoing long distance calls;

"(3) opening their own mail and packages, and generally doing so without direct surveillance; and

"(4) not having their outgoing mail read by staff, unless requested by the resident.

"(i) Residents shall be permitted personal possessions, such as toys, books, pictures, games, radios, art and craft materials, religious articles, toiletries, jewelry, and letters.

"(j) Regulations shall permit normalized and normalizing possession and use of money by residents for work payment and property administration, as for example, in performing cash and check transactions, and in buying clothing and other items, as readily as other citizens. In accordance with their developments level—

"(1) allowances or opportunities to earn money shall be available to residents; and

"(2) residents shall be trained in the value and use of money.

"(k) There shall be provision for prompt recognition and appropriate management of behavioral problems in the living unit. There shall be a written statement of policies and procedures for the control and discipline of residents that is—

"(1) directed to the goal of maximizing the growth and development of the residents;

"(2) available in each living unit; and

"(3) available to parents or guardians.

"(l) Residents shall participate, as appropriate, in the formulation of such policies and procedures. Corporal punishment shall not be permitted. Residents shall not discipline other residents, except as part of an organized self-government program that is conducted in accordance with written policy.

"(m) Seclusion, defined as the placement of a resident alone in a locked room, shall not be employed.

"(n) Except as provided in subsection (p), physical restraint shall be employed only when absolutely necessary to protect the resident from injury to himself and to others, and restraint shall not be employed as punishment, for the convenience of staff, or as a substitute for program. The facility shall have a written policy that defines the uses of restraint, the staff members who may authorize its use, and a mechanism for monitoring and controlling its use. Orders for restraints shall not be in force for longer than twelve hours. A resident placed in restraint shall be checked at least every thirty minutes by staff trained in the use of restraints, and a record of such checks shall be kept. Mechanical restraints shall be designed and used so as not to cause physical injury to the resident, and so as to cause the least possible discomfort. Opportunity for motion and exercise shall be provided for a period of not less than ten minutes during each two hours in which restraint is employed. Totally enclosed cribs and barred enclosures shall be considered restraints.

"(o) Mechanical supports used in normative situations to achieve proper body position and balance shall not be considered to be restraints, but shall be designed and applied—

"(1) under the supervision of a qualified professional person; and

"(2) so as to reflect concern for principles of good body alinement, concern for circulation, and allowance for change of position.

"(p) Chemical restraint shall not be used excessively, as punishment, for the convenience of staff, as a substitute for program, or in quantities that interfere with a resident's habilitation program.

"(q) Behavior modification programs involving the use of time-out devices or the use of noxious or aversive stimuli shall be:

"(1) reviewed and approved by the facility's research review and human rights committees;

"(2) conducted only with the consent of the affected resident's parents or surrogates;

"(3) described in written plans that are kept on file in the facility;

"(4) restraints employed as time-out devices shall be applied for only very brief periods, only during conditioning sessions, and only in the presence of the trainer; and

"(5) removal from a situation for time-out purposes shall not be for more than one hour, and this procedure shall be used only during the conditioning program, and only under the supervision of the trainer.

"Subchapter II—Food Services

"SEC. 241. (a) Food services shall recognize and provide for the physiological, emotional, religious, and cultural needs of each resident, through provision of a planned, nutritionally adequate diet. There shall be a written statement of goals, policies, and procedures that—

"(1) governs all food service and nutrition activities;

"(2) is prepared by, or with the assistance of, a nutritionist or dietitian;

"(3) is reviewed periodically, as necessary, by the nutritionist or dietitian;

"(4) is in compliance with State and local regulations;

"(5) is consistent with the facility's goals and policies; and

"(6) is distributed to facility personnel.

"(b) When food services are not directed by a nutritionist or dietitian, regular, planned, and frequent consultation with a nutritionist or dietitian should be available. Records of consultations and recommendations shall be maintained by the facility and by the consultant. An evaluation procedure shall be established to determine the extent of implementation of the consultant's recommendations.

"(c) A nourishing, well-balanced diet, consistent with local customs, shall be provided all residents. Modified diets shall be—

"(1) prescribed by the resident's program team, with a record of the prescription kept on file;

"(2) planned, prepared, and served by persons who have received adequate instruction; and

"(3) periodically reviewed and adjusted as needed.

"(d) Dietary practices in keeping with the religious requirements of residents' faith groups should be observed at the request of parents or guardians. Denial of a nutritionally adequate diet shall not be used as a punishment. At least three meals shall be served daily, at regular times, with—

"(1) not more than a fourteen-hour span between a substantial evening meal and breakfast of the following day, and

"(2) not less than ten hours between breakfast and the evening meal of the same day.

"(e) Resident's mealtimes shall be comparable to those normally obtaining in the community. Provision should be made for between meal and before bedtime snacks, in keeping with the total daily needs of each resident. Food shall be served—

"(1) as soon as possible after preparation, in order to conserve nutritive value;

"(2) in an attractive manner;

"(3) in appropriate quantity;

"(4) at appropriate temperature;

"(5) in a form consistent with the developmental level of the resident; and

"(6) with appropriate utensils.

When food is transported, it shall be done in a manner that maintains proper temperature, protects the food from contamination and spoilage, and insures the preservation of nutritive value.

"(f) All residents, including the mobile nonambulatory, shall eat or be fed in dining rooms, except where contraindicated for health reasons, or by decision of the team responsible for the resident's program. Table service shall be provided for all who can and will eat at a table, including residents in wheelchairs. Dining areas shall—

"(1) be equipped with tables having smooth, impervious tops or clean table coverings may be used;

"(2) be equipped with tables, chairs, eating utensils, and dishes designed to meet the developmental needs of each resident;

"(3) promote a pleasant and home-like environment that is attractively furnished and decorated, and is of good acoustical quality; and

"(4) be designed to stimulate maximum self-development, social interaction, comfort, and pleasure.

"(g) Dining arrangements shall be based upon a rational plan to meet the needs of the residents and the requirements of their programs. Dining and serving arrangements should provide for a variety of eating experiences (for example, cafeteria and family style), and, when appropriate, for the opportunity to make food selections with guidance. Unless justified on the basis of meeting the program needs of the particular residents being served, dining tables should seat small groups of residents (typically four to six at a table), preferably including both sexes.

"(h) Dining rooms shall be adequately supervised and staffed for the direction of self-help eating procedures, and to assure that each resident receives an adequate amount and variety of food. Staff members should be encouraged to eat with those residents who have semi-independent or independent eating skills. For residents not able to get to dining areas, food service practices shall permit and encourage maximum self-help, and shall promote social interaction and enjoyable experiences.

"SEC. 242. (a) Residents shall be provided with systematic training to develop appropriate eating skills, utilizing adaptive equipment where it serves the developmental process.

"(b) Residents with special eating disabilities shall be provided with an interdisciplinary approach to the diagnosis and remediation of their problems, consistent with their developmental needs.

"(c) Direct-care staff shall be trained in and shall utilize proper feeding techniques. Residents shall eat in an upright position. Residents shall eat in a manner consistent with their developmental needs (for example, infants should be fed in arms, as appropriate). Residents shall be fed at a leisurely rate, and the time allowed for eating shall be such as to permit adequate nutrition, to promote the development of self-feeding abilities, to encourage socialization, and to provide a pleasant mealtime experience.

"(d) Effective procedures for cleaning all equipment and all areas shall be followed consistently. Handwashing facilities, including hot and cold water, soap, and paper towels, shall be provided adjacent to work areas.

"Subchapter III—Clothing

"SEC. 245. (a) Each resident shall have an adequate allowance of neat, clean, fashionable, and seasonable clothing.

"(b) Each resident shall have his own clothing, which is, when necessary, properly and inconspicuously marked with his name, and he shall use this clothing. Such clothing shall make it possible for residents to go out of doors in inclement weather, to go for trips or visits appropriately dressed, and to make a normal appearance in the community.

"(c) Nonambulatory residents shall be dressed daily in their own clothing, including shoes, unless contraindicated in written medical orders.

"(d) Washable clothing shall be designed for multihandicapped residents being trained in self-help skills, in accordance with individual needs.

"(e) Clothing for incontinent residents shall be designed to foster comfortable sitting, crawling and/or walking, and toilet training.

"(f) A current inventory should be kept of each resident's personal and clothing items.

"(g) Residents shall be trained and encouraged to:

"(1) select and purchase their own clothing as independently as possible, preferably utilizing community stores;

"(2) select their daily clothing;

"(3) dress themselves;

"(4) change their clothes to suit the activities in which they engage; and

"(5) maintain (launder, clean, mend) their clothing as independently as possible.

"SEC. 246. Storage space for clothing to which the resident has access shall be provided. Ample closet and drawer space shall be provided for each resident. Such space shall be accessible to all, including those in wheelchairs.

"SEC. 247. The person responsible for the facility's resident-clothing program shall be trained or experienced in the selection, purchase, and maintenance of clothing, including the design of clothing for the handicapped.

"Subchapter IV—Health, Hygiene, and Grooming

"SEC. 250. (a) Residents shall be trained to exercise maximum independence in health, hygiene, and grooming practices, including bathing, brushing teeth, shampooing, combing and brushing hair, shaving, and caring for toenails and fingernails.

"(b) Each resident shall be assisted in learning normal grooming practices with individual toilet articles that are appropriately available to that resident.

"(c) Teeth shall be brushed daily, with an effective dentifrice. Individual brushes shall be properly marked, used, and stored. Dental care practices should encourage the use of newer dental equipment, such as electric toothbrushes and water picks, as prescribed.

"(d) Residents shall be regularly scheduled for hair cutting and styling, in an individualized, normalized manner, by trained personnel.

"(e) For residents who require such assistance, cutting of toenails and fingernails by trained personnel shall be scheduled at regular intervals.

"(f) Each resident shall have a shower or tub bath at least daily, unless medically contraindicated. Resident's bathing shall be conducted at the most independent level possible. Resident's bathing shall be conducted with due regard for privacy. Individual washcloths and towels shall be used. A bacteriostatic soap shall be used, unless otherwise prescribed.

"(g) Female residents shall be helped to attain maximum independence in caring for menstrual needs. Menstrual supplies shall be of the same quality and diversity available to all women.

"(h) Every resident who does not eliminate appropriately and independently shall be engaged in a toilet training program. The facility's training program shall be applied systematically and regularly. Appropriate dietary adaptations shall be made to promote normal evacuation and urination. The program shall comprise a hierarchy of procedures leading from incontinence to independent toileting. Records shall be kept of the progress of each resident receiving toilet training. Appropriate equipment shall be provided for toilet training, including equipment appropriate for the multiple handicapped. Residents who are incontinent shall be immediately bathed or cleansed, upon voiding or soiling, unless specifically contraindicated by the training program in which they are enrolled, and all soiled items shall be changed. Persons shall wash their hands after handling an incontinent resident.

"(i) Each living unit shall have a properly adapted drinking unit. Residents shall be taught to use such units. Those residents who cannot be so taught shall be given the proper daily amount of fluid at appropriate intervals adequate to prevent dehydration. There shall be a drinking unit accessible to, and usable by, residents in wheelchairs. Special cups and noncollapsible straws shall be available when needed by the multiply handicapped. If the drinking unit employs cups, only single-use, disposable types shall be used.

"(j) Procedures shall be established for:

"(1) monthly weighing of residents, with greater frequency for those with special needs;

"(2) quarterly measurement of height, until the age of maximum growth;

"(3) maintenance of weight and height records; and

"(4) every effort shall be made to assure that residents maintain normal weights.

"(k) Policies and procedures for the care of residents with infections and contagious diseases shall conform to State and local health department regulations.

"(l) Orders prescribing bed rest or prohibiting residents from being taken out-of-doors shall be reviewed by a physician at least every three days.

"(m) Provisions shall be made to furnish and maintain in good repair, and to encourage the use of, dentures, eyeglasses, hearing aids, braces, and so forth, prescribed by appropriate specialists.

"Subchapter V—Grouping and Organization of Living Units

"SEC. 255. (a) Living unit components or groupings shall be small enough to insure the development of meaningful interpersonal relationships among residents and between residents and staff. The resident-living unit (self-contained unit including sleeping, dining, and activity areas) should provide for not more than sixteen residents. Any deviation from this size should be justified on the basis of meeting the program needs of the specific residents being served. To maximize development, residents should be grouped within the living unit into program groups of not more than eight. Any deviation from this size should be justified on the basis of meeting the program needs of the specific residents being served.

"(b) Residential units or complexes should house both male and female residents to the extent that this conforms to the prevailing cultural norms. Residents of grossly different ages, developmental levels, and social needs shall not be housed in close physical or social proximity, unless such housing is planned to promote the growth and development of all those housed together. Residents who are mobile-non-ambulatory, deaf, blind, or multihandicapped shall be integrated with peers of comparable social and intellectual development, and shall not be segregated on the basis of their handicaps.

"(c) The living unit shall not be a self-contained program unit, and living unit activities shall be coordinated with recreation, educational, and habilitative activities in which residents engage outside the living unit, unless contraindicated by the specific program needs of the particular residents being served. Each program group should be assigned a specific person, who has responsibility for providing an organized, developmental program of physical care, training, and recreation.

"(d) Residents shall be allowed free use of all living areas within the living unit, with due regard for privacy and personal possessions. Each resident shall have access to a quiet, private area where he can withdraw from the group when not specifically engaged in structured activities.

"(e) Outdoor active play or recreation areas shall be readily accessible to all living units.

"Subchapter VI—Resident-Living Staff

"SEC. 256. (a) There shall be sufficient, appropriately qualified, and adequately trained personnel to conduct the resident-living program, in accordance with the standards specified in this section. Resident-living personnel shall be administratively responsible to a person whose training and experience is appropriate to the program. The title applied to the individuals who directly interact with residents in the living units should be appropriate to the kind of residents with whom they work and the kind of interaction in which they engage. The personnel who staff the living units may be referred to by a variety of terms, such as attendants, child care workers, or cottage parents. The term 'psychiatric aid' may be appropriate for a unit serving the emotionally disturbed, but not for a cottage of well-adjusted children. The title of "child care worker" may be appropriate for a nursery school group, but not for an adult unit. Nurses' aides are appropriate for units serving sick residents but not well ones.

"(b) The attire of resident-living personnel should be appropriate to the program of the unit in which they work, and consistent with attire worn in the community.

"(c) When resident-living units are organized as recommended in subchapter V, and designed as stipulated in subchapter VII, the staff-resident ratios for twenty-four-hour, seven-day coverage of such units by resident-living personnel, or for equivalent coverage, should be as follows:

"(1) for medical and surgical units, and for units including infants, children (to puberty), adolescents requiring considerable adult guidance and supervision, severely and profoundly retarded or developmentally disabled moderately and severely physically handicapped, and residents who are aggressive, assaultive, or security risks, or who manifest severely hyperactive or psychotic-like behavior.

"(A) first shift, 1 to 4;

"(B) second shift, 1 to 4;

"(C) third shift, 1 to 8; and

"(D) overall ratio (allowing for a five-day workweek plus holiday, vacation, and sick time), 1 to 1;

"(2) for units serving moderately retarded or developmentally disabled adolescents and adults requiring habit training—

"(A) first shift, 1 to 8;

"(B) second shift, 1 to 4;

"(C) third shift, 1 to 8; and

"(D) overall ratio, 1 to 1.25;

"(3) for units serving residents in vocational training programs and adults who work in sheltered employment situations—

"(A) first shift, 1 to 16;

"(B) second shift, 1 to 8;

"(C) third shift, 1 to 16; and

"(D) overall ratio, 1 to 2.5.

"(d) Regardless of the organization or design of resident-living units, the overall staff-resident ratios should be as stipulated above. Regardless of the organization or design of resident-living units, the overall staff-resident ratios for the categories defined above shall not be less than 1 to 2, 1 to 2.5, and 1 to 5, respectively.

"Subchapter VII—Design and Equipage of Living Units

"SEC. 257. (a) The design, construction, and furnishing of resident-living units shall be—

"(1) appropriate for the fostering of personal and social development;

"(2) appropriate to the program;

"(3) flexible enough to accommodate variations in program to meet changing needs of residents; and

"(4) such as to minimize noise and permit communications at normal conversation levels.

"(b) The interior design of living units shall simulate the functional arrangements of a home to encourage a personalized atmosphere for small groups of residents, unless it has been demonstrated that another arrangement is more effective in maximizing the human qualities of the specific residents being served. There shall be a minimum of eighty square feet of living, dining, or activity space for each resident. This space shall be arranged to permit residents to participate in different kinds of activities, both in groups and singly. Furniture and furnishings shall be safe, appropriate, comfortable, and homelike.

"(c) Bedrooms shall:

"(1) be on or above street grade level;

"(2) be outside rooms;

"(3) accommodate from one to four residents;

"(4) provide at least sixty square feet per resident in multiple sleeping rooms, and not less than eighty square feet in single rooms;

"(5) partitions defining each bedroom shall extend from floor to ceiling;

"(6) doors to bedrooms—

"(A) should not have vision panels;

"(B) should not be lockable, except where residents may lock their own bedroom doors, as consistent with their program;

"(7) there shall be provision for residents to mount pictures on bedroom walls (for example, by means of pegboard or cork strips), and to have flowers, artwork, and other decorations;

"(8) each resident shall be provided with—

"(A) a separate bed of proper size and height for the convenience of the resident;

"(B) a clean, comfortable mattress;

"(C) bedding appropriate for weather and climate;

"(9) each resident shall be provided with—

"(A) appropriate individual furniture, such as a chest of drawers, a table or desk, and an individual closet with clothes racks and shelves accessible to the resident;

"(B) a place of his own for personal play equipment and individually prescribed prosthetic equipment; and

"(10) space shall be provided for equipment for daily out-of-bed activity for all residents not yet mobile, except those who have a short-term illness, or those very few for whom out-of-bed activity is a threat to life.

"(d) Suitable storage shall be provided for personal possessions, such as toys, books, pictures, games, radios, arts and crafts materials, toiletries, jewelry, letters, and other articles and equipment, so that they are accessible to the residents for their use. Storage areas shall be available for off-season personal belongings, clothing, and luggage.

"(e) Toilet areas, clothes closets, and other facilities shall be located and equipped so as to facilitate training toward maximum self-help by residents, including the severely and profoundly retarded or developmentally disabled and the multiple handicapped as follows:

"(1) water closets, showers, bathtubs, and lavatories shall approximate normal patterns found in homes, unless specifically contraindicated by program needs;

"(2) toilets, bathtubs, and showers shall provide for individual privacy (with partitions and doors), unless specifically contraindicated by program needs;

"(3) water closets and bathing and toileting appliances shall be equipped for use by the physically handicapped;

"(4) there shall be at least one water closet of appropriate size for each six residents;

"(A) at least one water closet in each living unit shall be accessible to residents in wheelchairs;

"(B) each water closet shall be equipped with a toilet seat;

"(C) toilet tissue shall be readily accessible at each water closet;

"(5) there shall be at least one lavatory for each six residents and one lavatory shall be accessible to and usable by residents in wheelchairs;

"(6) there shall be at least one tub or shower for each eight residents;

"(7) there shall be individual racks or other drying space for washcloths and towels; and

"(8) larger, tilted mirrors shall be available to residents in wheelchairs.

"(f) Provisions for the safety, sanitation, and comfort of the residents shall comply with the following requirements;

"(1) each habitable room shall have direct outside ventilation by means of windows, louvres, air-conditioning, or mechanical ventilation horizontally and vertically;

"(2) each habitable room shall have at least one window, and the window space in each habitable room should be at least one-eighth (12½ per centum) of the floor space;

"(A) each resident unit of eight shall have at least one glazed area low enough so that a child in normal day activities has horizontal visual access to the out of doors;

"(B) the type of glass or other glazing material used shall be appropriate to the safety needs of the residents of the unit;

"(3) floors shall provide a resilient, comfortable, attractive, nonabrasive, and slip-resistant surface. Carpeting used in units serving residents who crawl or creep shall be nonabrasive;

"(4) temperature and humidity shall be maintained within a normal comfort range by heating, air conditioning, or other means. The heating apparatus employed shall not constitute a burn hazard to the residents;

"(5) the temperature of the hot water at all taps to which residents have access shall be controlled, by the use of thermostatically controlled mixing valves or by other means, so that it does not exceed 110 degrees Fahrenheit. Mixing valves shall be equipped with safety alarms that provide both auditory and visual signals of valve failure;

"(6) emergency lighting of stairs and exits, with automatic switches, shall be provided in units housing more than fifteen residents;

"(7) there shall be adequate clean linen and dirty linen storage areas for each living unit. Dirty linen and laundry shall be removed from the living unit daily; and

"(8) laundry and trash chutes are discouraged, but if installed, such chutes shall comply with regulations proscribed by the Secretary.

"Chapter 3.—PROFESSIONAL AND SPECIAL PROGRAMS AND SERVICES

"Subchapter I—Introduction

"SEC. 258. (a) In addition to the resident-living services otherwise detailed in this title, residents shall be provided with the professional and special programs and services detailed in this section, in accordance with their needs for such programs and services.

"(b) The professional and special programs and services detailed herein may be provided by programs maintained or personnel employed by the residential facility, or by formal arrangements between the facility and other agencies or persons, whereby the latter will provide such programs and services to the facility's residents as needed.

"(c) In accordance with the normalized principle, all professional services to the mentally retarded and other individuals with developmental disabilities should be rendered in the community, whenever possible, rather than in a residential facility, and where rendered in a residential facility, such services must be at least comparable to those provided the nonretarded in the community.

"(d) Programs and services provided by the facility or to the facility by agencies outside it, or by persons not employed by it, shall meet the standards for quality of service as stated in this section. The facility shall require that services provided its residents meet the standards for quality of services as stated in this section, and all contracts for the provision of such services shall stipulate that these standards will be met.

"SEC. 259. (a) Individuals providing professional and special programs and services to residents may be identified with the following professions, disciplines, or areas of service:

"(1) audiology;

"(2) dentistry (including services rendered by licensed dentists, licensed dental hygienists, and dental assistants);

"(3) education;

"(4) food and nutrition (including services rendered by dietitians and nutritionists);

"(5) library services;

"(6) medicine (including services rendered by licensed physicians, whether doctors of medicine or doctors of osteopathy, licensed podiatrists, and licensed optometrists);

"(7) music, art, dance, and other activity therapies;

"(8) nursing;

"(9) occupational therapy;

"(10) pharmacy;

"(11) physical therapy;

"(12) psychology;

"(13) recreation;

"(14) religion (including services rendered by clergy and religious educators);

"(15) social work;

"(16) speech pathology;

"(17) vocational rehabilitation counseling; and

"(18) volunteer services.

"(b) Interdisciplinary teams for evaluating the resident's needs, planning an individualized habilitation program to meet identified needs, and periodically reviewing the resident's response to his program and revising the program accordingly, shall be constituted of persons drawn from, or representing, such of the aforementioned professions, disciplines, or service areas as are relevant in each particular case.

"(c) Since many identical or similar services or functions may competently be rendered by individuals of different professions, the standards in the following subsection shall be interpreted to mean that necessary services are to be provided in efficient and competent fashion, without regard to the professional identifications of the persons providing them, unless only members of a single profession are qualified or legally authorized to perform the stated service. Services listed under the duties of one profession may, therefore, be rendered by members of other professions who are equipped by training and experience to do so.

"(d) Regardless of the means by which the facility makes professional services available to its residents, there shall be evidence that members of professional disciplines work together in cooperative, coordinated, interdisciplinary fashion to achieve the objective of the facility.

"SEC. 260. Programs and services and the pattern of staff organization and function within the facility shall be focused upon serving the individual needs of residents and should provide for—

"(1) comprehensive diagnosis and evaluation of each resident as a basis for planning programing and management;

"(2) design and implementation of an individualized habilitation program to effectively meet the needs of each resident;

"(3) regular review, evaluation, and revision, as necessary, of each individual's habilitation program;

"(4) freedom of movement of individual residents from one level of achievement to another, within the facility and also out of the facility, through training, habilitation, and placement; and

"(5) an array of those services that will enable each resident to develop to his maximum potential.

"Subchapter II—Dental Services

"SEC. 261. (a) Dental services shall be provided all residents in order to maximize their general health by—

"(1) maintaining an optimal level of daily oral health, through preventive measures; and

"(2) correcting existing oral diseases.

"(b) Dental services shall be rendered—

"(1) directly, through personal contact with all residents by dentists, dental hygienists, dental assistants, dental health educators, and oral hygiene aides, as appropriate to the size of the facility; and

"(2) indirectly, through contact between dental staff and other personnel caring for the residents, in order to maintain their optimal oral health.

"(c) Dental services available to the facility should include—

"(1) dental evaluation and diagnosis;

"(2) dental treatment;

"(3) comprehensive preventive dentistry programs;

"(4) education and training in the maintenance of oral health;

"(5) participation, as appropriate, by dentists and dental hygienists in the continuing evaluation of individual residents by interdisciplinary teams, to initiate, monitor, and follow up individualized habilitation programs;

"(6) consultation with, or relating to—

"(A) residents;

"(B) families of residents;

"(C) other facility services and personnel;

"(7) participation on appropriate facility committees; and

"(8) planning and conducting dental research; cooperating in interdiscplinary research; and interpreting, disseminating, and implementing applicable research findings.

"(d) Comprehensive diagnostic services for all residents shall include—

"(1) a complete extra and intraoral examination, utilizing all diagnostic aids necessary to properly evaluate the resident's oral condition, within a period of one month following admission;

"(2) provision for adequate consultation in dentistry and other fields, so as to properly evaluate the ability of the patient to accept the treatment plan that results from the diagnosis; and

"(3) a recall system that will assure that each resident is reexamined at specified intervals in accordance with his needs, but at least annually.

"(e) Comprehensive treatment services for all residents shall include—

"(1) provision for dental treatment, including the dental specialties of pedodontics, orthodontics, periodontics, prosthodontics, endodontics, oral surgery, and oral medicine, as indicated; and

"(2) provision for emergency treatment on a twenty-four-hour, seven-days-a-week basis, by a qualified dentist.

"(f) Comprehensive preventive dentistry programs should include—

"(1) fluoridation of the facility's water supply;

"(2) topical and systemic fluoride therapy, as prescribed by the dentist;

"(3) periodic oral prophylaxis, by a dentist or dental hygienist, for each resident;

"(4) provisions for daily oral care, as prescribed by a dentist or dental hygienist, including:

"(A) Toothbrushing and toothbrushing aids, such as disclosing wafers;

"(B) tooth flossing;

"(C) irrigation;

"(D) proper maintenance of oral hygiene equipment;

"(E) monitoring the program to assure its effectiveness; and

"(5) provision, wherever possible, of diets in a form that stimulates chewing and improvement of oral health.

"(g) Education and training in the maintenance of oral health shall include:

"(1) continuing inservice training of living-unit personnel in providing proper daily oral health care for residents;

"(2) providing dental health education to direct-care personnel;

"(3) a dental hygiene program that includes:

"(A) discovery, development, and utilization of specialized teaching techniques that are effective for individual residents;

"(B) imparting information regarding nutrition and diet control measures to residents and staff;

"(C) instruction of classroom teachers and/or students in proper oral hygiene methods;

"(D) motivation of teachers and students to promote and maintain good oral hygiene;

"(E) instruction of residents in living units in proper oral hygiene methods; and

"(4) instruction of parents or surrogates in the maintenance of proper oral hygiene, where appropriate (as in the case of facilities having day programs, or in the case of residents leaving the facility).

"(h) A permanent dental record shall be maintained for each resident. A summary dental progress report shall be entered in the resident's unit record at stated intervals. A copy of the permanent dental record shall be provided a facility to which a resident is transferred.

"(i) When the facility has its own dental staff, there should be a manual that states the philosophy of the dental service and describes all dental procedures and policies. There shall be a formal arrangement for providing qualified and adequate dental services to the facility, including care for dental emergencies on a twenty-four hour, seven-days-a-week basis. A dentist, fully licensed to practice in the State in which the facility is located, shall be designated to be responsible for maintaining standards of professional and ethical practice in the rendering of dental services to the facility. Where appropriate, the facility should, in addition, have available to it, and should utilize, the program-development consultation services of a qualified dentist who has experience in the field of dentistry for the retarded and other individuals with developmental disabilities.

"(j) There shall be available sufficient, appropriately qualified dental personnel, and necessary supporting staff, to carry out the dental services program. All dentists providing services to the facility shall be fully licensed to practice in the State in which the facility is located. All dental hygienists providing services to the facility shall be licensed to practice in the State in which the facility is located. Dental assistants should be certified by an appropriate nationally recognized professional association or should be enrolled in a program leading to certification. Dental health educators shall have a thorough knowledge of—

"(1) dental health; and

"(2) teaching methods.

"(k) Oral hygiene aides, who may supplement and promote the proper daily oral care of residents, through actual participation and development of new methods in the toothbrushing program, or in the dissemination of oral hygiene information, should be—

"(1) thoroughly trained in current concepts and procedures of oral care; and

"(2) trained to recognize abnormal oral conditions.

"(l) Supporting staff should include, as appropriate to the program—

"(1) receptionists;

"(2) clerical personnel to maintain current dental records;

"(3) dental laboratory technicians certified by the appropriate nationally recognized professional associattion;

"(4) escort aides; and

"(5) janitorial or housekeeping personnel.

"(m) All dentists providing service to the facility shall adhere to the code of ethics published by the appropriate nationally recognized professional association.

"SEC. 262. (a) Appropriate to the size of the facility, a continuing education program shall be provided that is designed to maintain and improve the skills and knowledge of its professional dental personnel, through means including but not limited to:

"(1) preceptor or other orientation programs;

"(2) participation in seminars, workshops, conferences, institutes, or college or university courses, to the extent of at least sixty clock hours annually for each dental professional, in accordance with the standards of the nationally recognized professional dental association and its component societies;

"(3) study leave;

"(4) participation in the activities of professional organizations that have as their goals the furtherance of expertise in the treatment of the handicapped;

"(5) access to adequate library resources, including current and relevant books and journals in dentistry, dental hygiene, dental assisting, mental retardation, and developmental disabilities;

"(6) encouragement of dentists to qualify themselves for staff privileges in hospitals; and

"(7) sharing of information concerning dentistry in its relationship with mental retardation and developmental disabilities as by publication.

"(b) To enrich and stimulate the facility's dental program, and to facilitate its integration with community services, the facility should affiliate with, and provide educational experiences for the dental-career students of, dental schools, universities, colleges, technical schools, and hospitals, whenever the best interests of the facility's residents are thereby served.

"(c) There shall be adequate space, facilities, and equipment to meet the professional, educational, and administrative needs of the dental service. General anesthesia facilities for dental care shall be available. The services of a certified dental laboratory shall be available. Appropriate dental consultation shall be employed in the planning, design, and equipage of new dental facilities, and in the modification of existing facilities. All dental facilities shall be free of architectural barriers for physically handicapped residents.

"Subchapter III—Educational Services

"SEC. 263. (a) Educational services, defined as deliberate attempts to facilitate the intellectual, sensorimotor, and effective development of the individual, shall be available to all residents, regardless of chronological age, degree of retardation, or accompanying disabilities or handicaps. There shall be a written statement of educational objectives that are consistent with the facility's philosophy and goals. The principle that learning begins at birth shall be recognized, and the expertise of early childhood educators shall be integrated into the interdisciplinary evaluation and programing for residents.

"(b) Educational services available to the facility shall include but not be limited to—

"(1) establishment and implementation of individual educational programs providing:

"(A) continuous evaluation and assessment of the individual;

"(B) programing for the individual;

"(C) instruction of individuals and groups;

"(D) evaluation and improvement of instructional programs and procedures;

"(2) participation in program development services, including those relating to:

"(A) resident habilitation;

"(B) staff training;

"(C) community activities;

"(3) consultation with, or relating to:

"(A) other programs for residents and staff;

"(B) parents of residents;

"(C) administration and operation of the facility;

"(D) the community served by the facility; and

"(4) research relating to educational programs, procedures, and techniques; and the interpretation, dissemination, and application of applicable research findings.

"(c) Where appropriate, an educator shall be a member of the interdisciplinary teams or groups concerned with—

"(1) the total programing of each resident; and

"(2) the planning and development of the facility's programs for residents.

"(d) Individual educational evaluations of residents shall:

"(1) commence with the admission of the resident;

"(2) be conducted at least annually;

"(3) be based upon the use of empirically reliable and valid instruments, whenever such tools are available;

"(4) provide the basis for prescribing an appropriate program of learning experiences for the resident;

"(5) provide the basis for revising the individual prescription as needed;

"(6) the reporting and dissemination of evaluation results shall be done in such a manner as to—

"(A) render the content of the report meaningful and useful to its intended recipient and user; and

"(B) promptly provide information useful to staff working directly with the resident.

"(e) There shall be written educational objectives for each resident that are—

"(1) based upon complete and relevant diagnostic and prognostic data;

"(2) stated in specific behavioral terms that permit the progress of the individual to be assessed; and

"(3) adequate for the implementation, continuing assessment, and revision, as necessary, of an individually prescribed program.

"(f) There shall be evidence of educational activities designed to meet the educational objectives set for every resident. There shall be a functional educational record for each resident, maintained by, and available to, the educator.

"(g) There shall be appropriate programs to implement the facility's educational objectives. Wherever local resources permit and the needs of the resident are served, residents should attend educational programs in the community. Educable and trainable residents shall be provided an educational program of a quality not less than that provided by public school programs for comparable pupils, as regards:

"(1) physical facilities;

"(2) qualifications of personnel;

"(3) length of the school day;

"(4) length of school year;

"(5) class size;

"(6) provision of instructional materials and supplies; and

"(7) availability of evaluative and other ancillary services.

"(h) Educational programs shall be provided severely and profoundly retarded or developmentally disabled residents, and all other residents for whom educational provisions may not be required by State laws, irrespective of age or ability.

"(i) Appropriate educational programs shall be provided residents with hearing, vision, perceptual, or motor impairments, in cooperation with appropriate staff.

"(j) Educational programs should include opportunities for physical education, health education, music education, and art education, in accordance with the needs of the residents being served.

"(k) A full range of instructional materials and media shall be readily accessible to the educational staff of the facility.

"(l) Educational program shall provide coeducational experiences. Learning activities in the classroom shall be coordinated with activities of daily living in the living units and with other programs of the facility and the community. The facility shall seek reciprocal services to and from the community, within the bounds of legality and propriety. An educational program operated by a facility shall seek consultation from educational agencies not directly associated with the facility.

"SEC. 264. (a) There shall be available sufficient, appropriately qualified educational personnel, and necessary supporting staff, to carry out the educational programs. Delivery of educational services shall be the responsibility of a person who is eligible for—

"(1) certification as a special educator of the mentally retarded or other individuals with developmental disabilities; and

"(2) the credential required for a comparable supervisory or administrative position in the community.

"(b) Teachers shall be provided aides or assistants, as needed. The facility's educators shall adhere to a code of ethics prescribed by the Secretary. Appropriate to the nature and size of the facility, there shall be an ongoing program for staff development specifically designed for educators. Staff members shall be encouraged to participate actively in professional organizations related to their responsibilities.

"(c) To enrich and stimulate the facility's educational program, and to facilitate its integration with community services, opportunities for internships, student teaching, and practicum experiences should be made available, in cooperation with university teacher-training programs, whenever the best interests of the residents are thereby served.

"Subchapter IV—Food and Nutrition Services

"SEC. 265. (a) Food and nutrition services shall be provided in order to—

"(1) insure optimal nutritional status of each resident, thereby enhancing his physical, emotional, and social well-being; and

"(2) provide a nutritionally adequate diet, in a form consistent with developmental level, to meet the dietary needs of each resident.

"(b) There shall be a written statement of policies and procedures that—

"(1) describes the implementation of the stated objectives of the food and nutrition services;

"(2) governs the functions and programs of the food and nutrition services;

"(3) is formulated and periodically reviewed by professional nutrition personnel;

"(4) is prepared in consultation with other professional staff;

"(5) is consistent with the facility's goals and policies;

"(6) is distributed and interpreted to all facility personnel; and

"(7) complies with State and local regulations.

"(c) Whenever appropriate, the following services should be provided—

"(1) initial and periodic evaluation of the nutritional status of each resident, including—

"(A) determination of dietary requirements and assessment of intake and adequacy through—

"(i) dietary interview;

"(ii) clinical evaluation;

"(iii) biochemical assessment;

"(B) assessment of food service practices;

"(C) assessment of feeding practices, capabilities, and potential;

"(2) maintenance of a continuing and periodically reviewed nutrition record for each resident;

"(3) incorporation of recommendations drawn from the nutrition evaluation into the total management plans for the resident;

"(4) periodic review of implementation of recommendations and of need for modification;

"(5) participation in the continuing interdisciplinary evaluation of individual residents, for the purposes of initiation, monitoring, and followup of individualized habilitation programs;

"(6) provision of—

"(A) counseling services to the individual resident;

"(B) reciprocal consultation services with facility staff and students;

"(C) counseling service to residents' families or their surrogates;

"(D) nutrition education, on a continuing basis, for residents, families or surrogates, staff, and students, and development of such programs in coordination with various education programs within the facility and the community;

"(7) coordination of nutrition programs between the facility and the community, including—

"(A) development of awareness of available programs in nutrition;

"(B) development of needed nutrition programs;

"(C) encouragment of participation of professionals and students nutrition programs for the mentally retarded and developmentally disabled; and

"(8) development, coordination, and direction of nutrition research, as well as cooperation in interdisciplinary research.

"(d) Food services shall include—

"(1) menu planning;

"(2) initiating food orders or requisitions;

"(3) establishing specifications for food purchases, and insuring that such specifications are met;

"(4) storing and handling of food;

"(5) food preparation;

"(6) food serving;

"(7) maintaining sanitary standards in compliance with State and local regulations; and

"(8) orientation, training, and supervision of food service personnel.

"(e) The food and nutrition needs of residents shall be met in accordance with the recommended dietary allowances of the food and nutrition board of the national research council, adjusted for age, sex, activity, and disability, through a nourishing, well-balanced diet. The total food intake of the resident should be evaluated, including food consumed outside of as well as within the facility.

"(f) Menus shall be planned to meet the needs of the residents in accordance with subsection (e). Menus shall be written in advance. The daily menu shall be posted in food preparation areas. When changes in the menu are necessary, substitutions should be noted and should provide equal nutritive values. Menus shall provide a sufficient variety of foods served in adequate amounts at each meal, and shall be: (1) Different for the same days of each week; (2) Adjusted for seasonal changes. Records of menus as served shall be filed and maintained for at least thirty days. At least a one-week supply of staple foods and a two-day supply of perishable foods shall be maintained on the premises. Records of food purchased for preparation shall be filed and maintained for at least thirty days. A file of tested recipes adjusted to appropriate yield should be maintained.

"(g) Foods shall be prepared by methods that—

"(1) conserve nutritive value;

"(2) enhance flavor; and

"(3) enhance appearance.

"(h) Food shall be prepared, stored, and distributed in a manner that assures a high quality of sanitation. Effective procedures for cleaning all equipment and work areas shall be followed consistently. Dishwashing and panwashing shall be carried out in compliance with State and local health codes. Handwashing facilities, including hot and cold water, soap, and paper towels, shall be provided adjacent to work area.

"(i) When food is transported, it shall be done in a manner that maintains proper temperature, protects the food from contamination and spoilage, and insures the preservation of nutritive value. Food storage procedures shall meet State and local regulations. Dry or staple food items shall be stored at least twelve inches above the floor, in a ventilated room not subject to sewage or waste water backflow, or contamination by condensation, leakage, rodents, or vermin. Perishable foods shall be stored at the proper temperatures to preserve nutritive values. Food served to residents and not consumed shall be discarded.

"(j) There shall be a sufficient number of component personnel to fulfill the objectives of the food and nutrition services, including—

"(1) nutritionists or dietitians;

"(2) other food service personnel;

"(3) clerical personnel;

"(4) depending upon the size and scope of the facility, food and nutrition services shall be directed by one of the following—

"(A) a dietitian who is eligible for membership in the appropriate professional dietetic association, and preferably eligible for registration by such association, or a nutritionist who has a master's degree in foods, nutrition, or public health nutrition, who is eligible for membership in the appropriate professional dietetic association, and preferably eligible for registration by the association, and who, unless employed by a facility that also employs a dietitian, has had experience in institutional food management;

"(B) a food service manager who has a bachelor's degree in foods, nutrition, or a related field, and who receives consultation from a dietary consultant;

"(C) a responsible person who has had training and experience in meal management and service, and who receives consultation from a dietary consultant; and

"(D) the person responsible for food and nutrition services should have had training or experience in providing services to the mentally retarded, and other individuals with developmental disabilities and should be sensitive to their needs;

"(5) the dietary consultant shall—

"(A) be eligible for membership in the appropriate professional dietetic association, and preferably eligible for registration by such association;

"(B) serve on a regularly scheduled and frequent basis when no full-time dietitian is available; and

"(6) every person engaged in the preparation and serving of food in the facility shall have a valid food handler's permit, as required by State or local regulations. No person who is afflicted with a disease in a communicable stage, or who is a carrier of a communicable disease, or who has an open wound, shall work in any food service operation. Every person engaged in the preparation and serving of food in the facility shall annually be medically determined to be free of any disease in a communicable stage. All dietitians and nutritionists shall adhere to the code of ethics of the appropriate professional dietetic association."

"(k) Appropriate to the size of the facility, an ongoing inservice training program shall be conducted that is designed to improve and maintain the skills of its food and nutrition services staff, through means such as—

"(1) seminars, workshops, conferences, and institutes;

"(2) college and university courses;

"(3) participation in professional organizations;

"(4) participation in interdisciplinary groups;

"(5) visitations to other facilities; and

"(6) access to adequate library resources, including current and relevant books and journals in nutrition and mental retardation.

"(l) Opportunities should be provided, in cooperation with university and other training programs, for students to obtain practical experience, under appropriate supervision, whenever the best interests of the residents are thereby served.

"(m) There shall be adequate space, facilities, and equipment to fulfill the professional, educational, administrative, operational, and research needs of the food and nutrition services. Dining areas and facilities for food storage, preparation, and distribution shall be—

"(1) designed in cooperation with a dietitian and, when appropriate, with assistance from a qualified food service and equipment consultant;

"(2) adequate for the storage and preservation of food;

"(3) in compliance with State and local sanitation and other requirements;

"(4) adequate for the preparation and serving of food; and

"(5) adequate for sanitary storage for all dishes and equipment.

"Subchapter V—Library Services

"Sec. 266. (a) Library services, which include the location, acquisition, organization, utilization, retrieval, and delivery of materials in a variety of media, shall be available to the facility, in order to support and strengthen its total habilitation program by providing complete and integrated multimedia information services to both staff and residents. Library services shall make available to the facility the resources of local, regional, State, and National library systems and networks. Library services shall be available to all residents, regardless of chronological age, degree of retardation, level of communication skills, or accompanying disabilities or handicaps.

"(b) Library services to residents shall be rendered—

"(1) directly, through personal contact between library staff and residents;

"(2) indirectly, through contact between librarians and other persons working with the residents, designed to—

"(A) maintain an atmosphere that recognizes the rights of the resident to access to information and to personal use of library materials appropriate to his level of development in communication skills or to his desire to conform to peer groups; and

"(B) enhance interpersonal relationships between direct-care workers and residents, through the mutual enjoyment of written, recorded, or oral literature appropriate to the resident's level of development and preference.

"(c) Library services available to residents should include—

"(1) assistance in team evaluation and assessment of the individual's level of development in communication skills, such as listening, comprehension, reading, and ability to respond to stimuli in a wide range and variety of media;

"(2) provision of informational, recreational, and educational materials appropriate to individual residents at all stages of development in communication skills, including media to stimulate sensory development, both in the library and in the living unit. Such materials should include, but need not be limited to—

"(A) books, including picture, juvenile, adult, high interest-low vocabulary, large print, and talking books;

"(B) magazines, including juvenile, adult pictorial, and magazines on talking books;

"(C) newspapers;

"(D) audiovisual media, including films, filmstrips, slides, video tapes, audio tapes, and records, and appropriate equipment;

"(E) graphics;

"(F) experiant materials, such as manipulative materials, toys and games, relia, and animals;

"(3) development of programs for individual or group enjoyment, for development of communication skills, for encouragement and satisfaction of natural human curiosity about anything, including sex and the facts of life, and for general enhancement of self-image. These programs should include, but need not be limited to—

"(A) storytelling, with listener participation through games or other activities;

"(B) reading aloud, including 'reading' pictures;

"(C) film or filmstrip programs;

"(D) listening to recorded media;

"(E) media discussion groups;

"(F) library clubs;

"(G) touching, browsing, exploring, or naming sensory stimuli;

"(H) creative writing, including group composition through dictation, tape recording, etc.;

"(I) puppetry, including the making of puppets;

"(J) creative dramatics;

"(4) opportunities to visit, and make use of, community library services and facilities in the same manner, and on the same terms, as any resident of the community;

"(5) referral services to the community library most convenient to place of residence or employment, when the resident leaves the facility; and

"(6) active participation in, and encouragement of, library programs related to the educational and habilitative services of the facility, including the supplementation, support, and reinforcement of school programs.

"(d) Librarians providing service to residents should act as advocates on their behalf if facility policies or community library policies interfere with the retarded or developmentally disabled person's freedom to read materials of his own choosing or if they deny or abrogate his right to information or access to library services of any kind, in accordance with the standards adopted by the appropriate professional library association.

"(e) Library services to staff should include—

"(1) selection, acquisition, organization, classification, cataloging, procurement through interlibrary loan, and dissemination of informational, educational, and instructional library materials and audiovisual equipment;

"(2) provision of reference and bibliographic materials and services, literature searches, bibliography compilation, indexing and abstracting services, and other guides to the literature relevant to mental retardation and developmental disabilities;

"(3) acquisition of material for evaluation for purchase;

"(4) provision of a current awareness program to alert staff to new materials and developments in their fields;

"(5) orientation to library services and functions, including continuing instruction and assistance in the use of informational sources, and participation in general orientations to the facility:

"(6) provision of written and oral translation services; and

"(7) cooperation in inservice training programs by working with subject specialists and by recommending, providing, or producing materials in various media.

"(f) Library services to the facility may include—

"(1) provision of informational materials about the facility and mental retardation developmental disabilities in general, through an organized collection of resources;

"(2) assistance with such public relation functions as preparing brochures, program statements, annual reports, writing news releases and feature stories, and offering editorial and research assistance to staff preparing professional books and papers; and

"(3) assistance in preparing grant applications and report writing.

"(g) When library services are provided in the facility—

"(1) there shall be a written statement of objectives that make possible a well-conceived, comprehensive, long-range program of library development, consistent with the overall goals of the facility, adapted to the needs and aptitudes of the residents, and designed to be modified as the program of the facility changes;

"(2) there shall be a separate budget, adequate to carry out the program in accordance with stated goals and objectives;

"(3) library services shall be placed within the organizational structure of the facility in such a way as to be available to, and maximally utilized by, all relevant services and programs;

"(4) there shall be written policies covering the library's day-to-day activities, and the coordination of these activities with those of other services of the facility and with related activities in the community;

"(5) there shall be available sufficient, appropriately qualified staff, and necessary supporting personnel, to carry out the program in accordance with stated goals and objectives;

"(6) a qualified librarian shall be responsible for all library services. Where the level of need for services does not require the full-time employment of a professional librarian, coverage may be through the use of consultant service or supervisory personnel, through the pooling of resources and the sharing of services by two or more facilities in a geographic area, or through service supplied through a regional library system;

"(7) the librarian shall participate, when appropriate, in the interdisciplinary planning, development, and evaluation of facility programs;

"(8) the librarian should coordinate the purchasing of all print and nonprint materials for the facility, and act as the facility's informed agent in initiating the purchase of print and nonprint materials, and the library should serve as clearing house for such holdings;

"(9) librarians should participate in—

"(A) educating appropriate members of the community, concerning the library needs of residents;

"(B) planning, with community librarians, the utilization of library resources to optimize resident adjustment;

"(C) developing appropriate expectancies and attitudes within community libraries that residents will use;

"(10) appropriate relationships with other libraries and community agencies shall be established to more effectively accomplish the library's service functions;

"(11) appropriate to the size of the facility, there should be a staff development program designed to maintain and improve the skills of library services staff through means such as—

"(A) staff meetings and inservice training;

"(B) seminars, workshops, conferences, and institutes;

"(C) college and university courses;

"(D) professional organizations;

"(E) participation in interdisciplinary groups;

"(F) visits to other facilities;

"(G) access to relevant professional literature;

"(12) whenever appropriate, the library should provide training for beginning librarians, further the orientation and training of library assistants, technicians, or volunteers, and serve as a training center for library institutes or workshops;

"(13) library services should be located so as to be convenient and accessible to all users;

"(14) all library functions should be integrated within a centralized location, whenever this does not act as a barrier to accessibility for any group;

"(15) space, physical facilities, and equipment shall be adequate to carry out the program, and shall comply with the standards for library services in health care institutions published by the appropriate professional library association of hospitals and institutions of the appropriate professional library association;

"(16) the hours during which the library is open should meet the requirements of the majority of the library's users, and should be as generous as possible; and

"(17) users of library services shall participate in the planning and evaluation of library programs, by means such as advisory committees.

"(h) If library services are provided outside the facility, there shall be a formal agreement that stipulates lines of communication, areas of responsibility, and kinds of service.

"(i) The individual responsible for maintaining standards of professional and ethical practice in the rendering of library services to the facility—

"(1) shall have a master's degree in library science from a school accredited by the recognized national professional library association; and

"(2) should have preparation in a field relevant to work with the mentally retarded and other individuals with developmental disabilities.

"(j) Individual rendering library services, including librarians, media specialists, library and media technicians, supportive staff, and volunteers, shall have qualifications appropriate to their responsibilities and duties.

"Subchapter VI—Medical Services

"SEC. 267. (a) Medical services shall be provided in order to—

"(1) achieve and maintain an optimal level of general health for each resident;

"(2) maximize normal function and prevent disability; and

"(3) facilitate the optimal development of each resident.

"(b) Medical services shall be rendered—

"(1) directly, through personal contact between physicians and residents; and

"(2) indirectly, through contact between physicians and other persons working with the residents, which is designed to maintain an environment that recognizes and meets the health, hygiene, sanitary, and nutritional needs of the residents.

"(c) Medical services available to the residential facility should include—

"(1) evaluation and diagnosis;

"(2) treatment;

"(3) program development services, including those relating to—

"(A) resident habilitation;

"(B) staff training;

"(C) community participation;

"(4) consultation with, or relating to—

"(A) residents;

"(B) families of residents;

"(C) the administration and operation of the facility;

"(5) medical and ancillary staff training; and

"(6) preventive health services for residents and staff.

"(d) The services of medical and surgical hospitals that are accredited by the recognized national appropriate joint commission on accreditation of hospitals shall be available to residents. Only pathology, clinical laboratory, and radiologic services that meet the hospital accreditation standards of such joint commission on accreditation of hospitals shall be utilized. Electroencephalographic services shall be available as necessary. There shall be evidence, such as may be provided by a record of the deliberations of a utilization review committee, that such hospital and laboratory services are utilized in accordance with proper professional standards.

"(e) Physicians shall participate, when appropriate—

"(1) in the continuing interdisciplinary evaluation of individual residents, for the purposes of initiation, monitoring, and followup of individualized habilitation programs; and

"(2) in the development for each resident of a detailed, written statement of—

"(A) case management goals, encompassing the areas of physical and mental health, education, and functional and social competence; and

"(B) a management plan detailing the various habilitation or rehabilitation modalities that are to be applied in order to achieve the specified goals, with clear designation of responsibility for implementation.

"(f) The management plan shall ordinarily include, but not necessarily be limited to—

"(1) the resident's day-to-day activity program;

"(2) physical rehabilitation to prevent and correct deformity, to enhance mobility, and to facilitate training in self-help skills;

"(3) provision for adaptive equipment necessary to the rehabilitation plan;

"(4) an educational program;

"(5) a vocation and occupational program;

"(6) stated intervals for review of the management plan; and

"(7) short- and long-term goals, including criteria for release.

"(g) Statement of treatment goals and management plans shall be reviewed and updated—

"(1) as needed, but at least annually; and

"(2) to insure continuing appropriateness of the goals, consistency of management methods with the goals, and the achievement of progress toward the goals.

"(h) Special attention shall be given those residents who, without active intervention, are at risk of further loss of function, by means that include—

"(1) early diagnosis of disease;

"(2) prompt treatment in the early stages of disease;

"(3) limitation of disability by arresting the disease process;

"(4) prevention of complications and sequelae; and

"(5) rehabilitation services to raise affected individual to his greatest possible level of function, in spite of his handicap, by maximizing the use of his remaining capabilities.

"(i) Preventive health services to residents shall include—

"(1) means for the prompt detection and referral of health problems, through adequate medical surveillance, periodic inspection, and regular medical examination;

"(2) annual physical examinations, that include—

"(A) examination of vision and hearing;

"(B) routine screening laboratory examinations, as determined by the physician, and special studies when the index of suspicion is high;

"(3) maintenance of a graphic record of height and weight for each resident, in a form that permits ready reference to standardized norms;

"(4) immunizations, using as a guide the recommendations of the United States Public Health Service Advisory Committee on Immunization Practices and of the appropriate committee on the control of infectious diseases of the appropriate medical specialty association;

"(5) tuberculosis control, in accordance with the recommendations of the appropriate medical specialty association as appropriate to the facility's population; and

"(6) reporting of communicable diseases and infections in accordance with law.

"(j) Preventive health services to staff shall include—

"(1) preemployment physical examinations; and

"(2) surveys for the detection and prevention of communicable diseases.

"(k) There shall be a formal arrangement for qualified medical care for the facility, including care for medical emergencies on a twenty-four-hour, seven-days-a-week basis. A physician, fully licensed to practice medicine in the State in which the facility is located, shall be designated to be responsible for—

"(1) maintaining standards of professional and ethical practice in the rendering of medical services in the facility; and

"(2) maintaining the general health conditions and practices of the facility and/or system of health services.

Each resident shall have a personal (primary) physician, who maintains familiarity with his state of health and with conditions within the residential living unit that bear on his health. Qualified medical specialists of recognized professional ability shall be—

"(1) available for a broad range of specialized care and consultation; and

"(2) appropriately used.

"(l) Appropriate to the size of the facility, an ongoing inservice training program shall be conducted that is designed to maintain and improve the medical skills of its physicians and their knowledge of developmental disabilities, through methods such as staff seminars, outside speakers, attendance at professional medical meetings, and informational exchanges with universities and teaching hospitals.

"(m) There shall be adequate space, facilities, and equipment to fulfill the professional, educational, and administrative needs of the medical service.

"Subchapter VII—Nursing Services

"SEC. 268. (a) Residents shall be provided with nursing services, in accordance with their needs, in order to—

"(1) develop and maintain an environment that will meet their total health needs;

"(2) foster optimal health;

"(3) encourage maximum self-care and independence; and

"(4) provide skilled nursing care as needed.

"(b) There shall be a written statement of nursing philosophy and objectives that are consistent with the purpose of the facility and that give direction to the nursing program. Nursing personnel shall be responsible for the formulation, review, and revision of the philosophy and objectives. The philosophy and objectives shall be—

"(1) distributed to all nursing personnel; and

"(2) made available and interpreted to all other personnel.

"(c) Nursing services should be provided through—

"(1) direct nursing intervention;

"(2) instruction and supervision of facility staff rendering nursing care;

"(3) supporting, counseling, and teaching the resident, his family, and his direct-care staff, at the facility or in the home;

"(4) consultation and followthrough in the interest of the resident; and

"(5) participation on appropriate facility committees.

"(d) Nursing services to residents shall include, when appropriate—

"(1) professional nurse participation in—

"(A) the preadmission evaluation study and plan;

"(B) the evaluation study, program design, and placement of the resident at the time of admission to the facility;

"(C) the periodic reevaluation of the type, extent, and quality of services and programing;

"(D) the development of discharge plans;

"(E) the referral to appropriate community resources;

"(2) services directed toward the promotion of health, including—

"(A) observation and assessment of the developmental function of the resident, within his environment;

"(B) training in habits of personal hygiene;

"(C) family life and sex education;

"(D) safety education;

"(E) control of communicable diseases and infections, through—

"(i) identification and assessment;

"(ii) reporting to medical authority;

"(iii) implementation of appropriate protective and preventive measures;

"(F) development of a written plan for nursing action, in relation to the total habilitation program;

"(G) modification of the nursing plan, in terms of the resident's daily needs, at least annually for adults and more frequently for children, in accordance with developmental changes;

"(3) participation in the prevention of disability for all residents, with special attention to those residents who exhibit the lowest level of functional development, including—

"(A) nursing assessment of the functional level of development;

"(B) development, implementation, and coordination of a plan to maintain and encourage optimal level of function, with written provision for direct and indirect nursing intervention;

"(4) planned, intensive nursing care for every resident who is medically determined to be acutely ill.

"(e) A professional nurse shall participate, as appropriate, in the planning and implementation of training of facility personnel. Direct-care personnel shall be trained in—

"(1) detecting signs of illness or dysfunction that warrant medical or nursing intervention;

"(2) basic skills required to meet the health needs and problems of the residents; and

"(3) first aid in the presence of accident or illness.

"(f) Qualified nurses shall be encouraged to become involved in—

"(1) initiating, conducting, and evaluating nursing research;

"(2) evaluating and applying relevant research findings for the benefit of residents;

"(3) formulating the policies governing research in the facility; and

"(4) serving as resource persons to schools of nursing, and to public health nursing and related agencies.

"(g) There shall be available sufficient, appropriately qualified nursing staff, which may include currently licensed practical nurses and other supporting personnel, to carry out the various nursing services activities. A registered professional nurse shall be designated as being responsible for maintaining standards of professional, legal, and ethical practice in the delivery of nursing services according to the needs of the residents. The individual responsible for the delivery of nursing services—

"(1) should have at least a master's degree in nursing; and

"(2) shall have knowledge and experience in the field of development disabilities.

"(h) Nursing service personnel at all levels of experience and competence shall be—

"(1) assigned responsibilities in accordance with their qualifications;

"(2) delegated authority commensurate with their responsibility; and

"(3) provided appropriate professional nursing supervision.

"(i) Organized nursing services and professional nurse practitioners should have recourse to qualified and appropriate consultants as needed. All professional nurses shall be familiar with, and adhere to, the code of ethics published by the appropriate nationally recognized professional nurses' association.

"(j) Appropriate to the size of the facility, there shall be an educational program designed to enhance the clinical competencies and the knowledge of development disabilities of its professional nursing staff, through means, including but not limited to—

"(1) staff meetings and inservice training;

"(2) seminars, workshops, conferences, and institutes;

"(3) college and university courses;

"(4) participation in professional organizations;

"(5) participation in interdisciplinary groups;

"(6) visits to other facilities; and

"(7) access to relevant professional literature.

"(k) To enrich and stimulate the facility's nursing program, and to facilitate its integration with community services, educational experiences for students of all types of professional and vocational nursing schools shall be encouraged and defined by a contractual agreement, whenever the best interests of the residents are thereby served.

"(l) There shall be adequate space, facilities, and equipment to fulfill the professional, educational, and administrative needs of the nursing service. Professional nursing consultation shall be included in the design and modification of areas and facilities that will be used by the ill and the physically handicapped.

"Subchapter VIII—Pharmacy Services

"SEC. 269. (a) In order to contribute to improved resident care and to promote optimal response to drug therapy by the residents, through the full utilization of the knowledge and skills of the pharmacist, pharmacy services shall be provided under the direction of a qualified pharmacist. There shall be a formal arrangement for qualified pharmacy services, including provision for emergency service, by means appropriate to the facility. Such means may include the services of a pharmacist in a local community or hospital pharmacy that meet the standards listed herein, as well as the operation of its own pharmacy by the facility. There shall be a current pharmacy manual that—

"(1) includes policies and procedures, and defines the functions and responsibilities relating to pharmacy services; and

"(2) is revised annually to keep abreast of current developments in services and management techniques.

"(b) There shall be a formulary system, approved by the responsible physician and pharmacist, and by other appropriate facility staff. Copies of the facility's formulary and of the nationally recognized American hospital formulary service shall be located and available, as appropriate to the facility.

"(c) Upon admission of the resident, a medication history of prescription and nonprescription drugs used shall be obtained, preferably by the pharmacist, and this information shall be entered in the resident's record for the information of the staff. The pharmacist shall—

"(1) receive the original, or a direct copy, of the physician's drug treatment order;

"(2) review the drug regimen, and any changes, for potential adverse reactions, allergies, interactions, contraindications, rationality, and laboratory test modifications, and advise the physician of any recommended changes, with reasons and with an alternate drug regimen;

"(3) maintain for each resident an individual record of all medications (prescription and nonprescription) dispensed, including quantities and frequency of refills;

"(4) participate, as appropriate, in the continuing interdisciplinary evaluation of individual residents, for the purposes of initiation, monitoring, and followup of individualized habilitation programs;

"(5) participate in any of the following activities that are undertaken in the facility:

"(A) drug research;

"(B) drug utilization review;

"(C) infection and communicable disease committee;

"(D) safety committee;

"(E) patient care incident review; and

"(6) establish quality specifications for drug purchases, and insure that they are met.

"(d) The pharmacist should—

"(1) prepare a drug treatment plan, as prescribed by the attending physician, for inclusion in the resident's record and for use by the staff, that includes—

"(A) the drug product, dosage form, route of administration, and time of administration, including, when appropriate, the time with respect to meals, other drugs, and activities;

"(B) a schedule of laboratory tests necessary to detect adverse reactions;

"(C) nothing of any potential adverse reactions for the staff's information;

"(2) regularly review the record of each resident on medication, and have contact with selected residents with potential problems, noting in the residents' records and reporting to physicians any observations of response to drug therapy, and of adverse reactions and over or underutilization of drugs;

"(3) provide instructions and counseling on the correct use of his drugs, as prescribed by the attending physician, to each resident on home visit and discharge, and/or to his parents;

"(4) provide education and counseling to residents in independent living units on the correct use of their drugs, as prescribed by the attending physician, and on the results expected from correct use and from over or underuse;

"(5) participate in programs for sex education and drug abuse education;

"(6) provide information on the resident's drug regimen to the receiving facility pharmacist, when the resident is transferred, and, with the approval of the resident or his guardian, to the resident's community pharmacist, his private physician, and/or the community mental retardation or developmental disability service when the resident is discharged from the facility, so as to insure continuity of care;

"(7) participate in inservice education programs for professional and direct-care staff;

"(8) orient and teach students in pharmacy and other professions, regarding pharmacy's services to the residents and regarding drugs and their uses; and

"(9) participate in public educational and informational programs on mental retardation and developmental disabilities.

"(e) Where appropriate to the facility, there shall be a pharmacy and therapeutics committee, that includes one or more pharmacists, to develop policy on drug usage in the facility, and to develop and maintain a current formulary. This committee shall meet not less than once every three months. Minutes of the committee meetings shall be kept on file.

"(f) Written policies and procedures that govern the safe administration and handling of all drugs shall be developed by the responsible pharmacist, physician, nurse, and other professional staff, as appropriate to the facility. The compounding, packaging, labeling, and dispensing of drugs, including samples and investigational drugs, shall be done by the pharmacist, or under his direct supervision, with proper controls and records. Each drug shall be identified up to the point of administration. Procedures shall be established for obtaining drugs when the pharmacy is closed.

"(g) The unit dose or individual prescription system of drug distribution should be used. Wherever possible, drugs that require dosage measurement shall be dispensed by the pharmacist in a form ready to be administered to the patient.

"(h) There shall be a written policy regarding the administration of all drugs used by the residents, including those not specifically prescribed by the attending practitioner. There shall be a written policy regarding the routine of drug administration, including standardization of abbreviations indicating dose schedules. Medications shall not be used by any resident other than the one for whom they were issued. Only appropriately trained staff shall be allowed to administer drugs.

"(i) There shall be a written policy governing the self-administration of drugs, whether prescribed or not.

"(j) Drugs shall be stored under proper conditions of sanitation, temperature, light, moisture, ventilation, segregation, and security. All drugs shall be kept under lock and key except when authorized personnel are in attendance. The security requirements of Federal and State laws shall be satisfied in storerooms, pharmacies, and living units. Poisons, drugs used externally, and drugs taken internally shall be stored on separate shelves or in separate cabinets, at all locations. Medications that are stored in a refrigerator containing things other than drugs shall be kept in a separate compartment with proper security. A perpetual inventory shall be maintained of each narcotic drug in the pharmacy, and in each unit in which such drugs are kept, and inventory records shall show the quantities of receipts and issues and the person to whom issued or administered. If there is a drug storeroom separate from the pharmacy, there shall be a perpetual inventory of receipts and issues of all drugs by such storeroom.

"(k) The pharmacist should review the drugs in each living unit monthly, and should remove outdated and deteriorated drugs and drugs not being used. Discontinued and outdated drugs, and containers with worn, illegible, or missing labels, shall be returned to the pharmacy for proper disposition.

"(l) There shall be automatic stop orders on all drugs. There shall be a drug recall procedure that can be readily implemented. Medication errors and drug reactions shall be recorded and reported immediately to the practitioner who ordered the drug. There shall be a procedure for reporting adverse drug reactions to the Federal Food and Drug Administration. The pharmacist shall be responsible for the storage and dispensing of investigational drugs. The pharmacist shall provide the residential staff with pharmacological and other necessary information on investigational drugs, including dosage form, dosage range, storage, adverse reactions, usage, and contraindications.

"(m) There shall be an emergency kit—

"(1) readily available to each living unit; and

"(2) constituted so as to be appropriate to the needs of its residents.

"(n) Pharmacy services shall be—

"(1) directed by a professional competent and legally qualified pharmacist who is a graduate of a school of pharmacy accredited by the American Council on Pharmaceutical Education, or its equivalent, and who serves on a full-time or part-time basis, as the activity of the service requires;

"(2) staffed by a sufficient number of competent personnel, consistent with the facility's needs, and including—

"(A) pharmacists necessary to provide comprehensive pharmacy services;

"(B) technicians and clerical personnel to relieve the pharmacist of nonprofessional and clerical duties;

"(3) pharmacists should have had training and/or experience in providing services to the mentally retarded and other individuals with developmental disabilities, and should be sensitive to their needs; and

"(4) all pharmacists shall be familiar with, and adhere to, the code of ethics of the nationally recognized professional pharmaceutical association.

"(o) Appropriate to the size of the facility, there should be a staff development program, designed to maintain and improve the skills of its pharmacy staff through means, including but not limited to:

"(1) staff meetings and inservice training;

"(2) seminars, workshops, conferences, and institutes;

"(3) college and university courses;

"(4) participation in professional organizations;

"(5) participation in interdisciplinary groups;

"(6) visits to other facilities; and

"(7) access to relevant professional literature.

"(p) The pharmacy serving the facility shall—

"(1) have sufficient space for necessary compounding, dispensing, labeling, and packaging functions;

"(2) have the equipment necessary for compounding, dispensing, issuing, storing, and administrative functions;

"(3) be clean and orderly; and

"(4) contain current pharmaceutical reference material to provide adequate information concerning drugs.

"(q) Space for the storage of drugs in the storeroom, pharmacy, and living units shall be sufficient to prevent crowding of the drugs. There shall be adequate drug preparation areas, that are—

"(1) properly secured;

"(2) well lighted; and

"(3) located so that personnel will not be interrupted when handling drugs.

"(r) If the facility operates its own pharmacy, there should be—

"(1) an office for the pharmacist; and

"(2) a private area for instructing and counseling residents and/or parents on the correct use of drugs.

"Subchapter IX—Physical and Occupational Therapy Services

"SEC. 270. (a) Although this subsection combines standards for physical and occupational therapy, each is a discrete service that complements the other in a manner similar to their relationship with all other health and medically related services. Both services, therefore, shall be provided, or made available to, residents on a continuing basis, as needed. Physical and occupational therapy services shall be provided in order to—

"(1) prevent abnormal development and further disability;

"(2) facilitate the optimal development of each resident; and

"(3) enable the resident to be a contributing and participating member of the community in which he resides.

The facility shall have a written statement of its physical therapy and occupational therapy objectives for its residents, consistent with—

"(1) the needs of the residents;

"(2) currently accepted physical therapy and occupational therapy theories, principles, and goals;

"(3) the philosophy and goals of the facility; and

"(4) the services and resources provided. Physical and occupational therapy services shall be provided—

"(1) directly, through personal contact between therapists and residents;

"(2) indirectly, through contact between therapists and other persons involved with the residents, to:

"(A) create and maintain an atmosphere that recognizes the physical and psychosocial needs of residents and is conducive to the development and maintenance of optimal physical and psychosocial functioning;

"(B) maximize the effectiveness of all programs of residents, through the applications of knowledge concerning the development and maintenance of motor performance and behaviors; and

"(C) implement programs for the improvement of physical and psychosocial functioning in all environmental settings.

Physical and occupational therapists shall have a responsibility for organizing and implementing programs to achieve physical and occupational therapy goals throughout the resident's daily activities.

"(b) Physical and occupational therapy services available to the facility should include—

"(1) screening and evaluation of residents;

"(2) therapy with individuals and groups;

"(3) program development services, including those relating to—

"(A) resident habilitation;

"(B) inservice training of professional, direct-care, and other staff;

"(C) community participation;

"(4) consultation with, or relating to—

"(A) residents;

"(B) families of residents;

"(C) medical, dental, psychological, educational, nursing, and other services;

"(D) the administration and operation of the facility;

"(E) the community served by the facility;

"(5) training of therapy staff;

"(6) training of physical and occupational therapy graduate and/or undergraduate students, interns, supportive staff, and volunteer workers;

"(7) assessment of program effectiveness; and

"(8) conduct of, or participation in, research, and dissemination and appropriate application of research findings.

"(c) Therapists should screen residents, in order to—

"(1) determine the characteristics of the facility's population;

"(2) identify resident needs and establish program priorities; and

"(3) determine the administrative, budgetary, and personnel requirements of the service.

"(d) Evaluation of individual residents by physical and occupational therapists should include—

"(1) observing and testing performance and motivation in sensorimotor, perceptual, behavioral, and self-care activities;

"(2) assessment and analysis of findings, to determine level of function and to identify deviations from accepted norms;

"(3) providing information for interdisciplinary staff use, in determining diagnosis, functional capacities, prognosis, and management goals; and

"(4) physical and occupational therapists shall participate, when appropriate, in the continuing interdisciplinary evaluation of individual residents, for the purposes of initiation, monitoring, and followup of individualized habilitation programs.

"(e) Physical therapy and occupational therapy staff shall provide treatment-training programs that are designed to—

"(1) preserve and improve abilities for independent function, such as range of motion, strength, tolerance, coordination, and activities of daily living;

"(2) prevent, insofar as possible, irreducible or progressive disabilities, through means such as the use of orthotic and prosthetic appliances, assistive and adaptive devices, positioning, behavior adaptations, and sensory stimulation;

"(3) the therapist shall function closely with the resident's primary physician and with other medical specialists;

"(4) treatment-training progress shall be—

"(A) recorded regularly;

"(B) evaluated periodically; and

"(C) used as the basis for continuation or change of the resident's program.

"(f) Evaluation results; treatment objectives, plans, and procedures; and continuing observations of treatment progress shall be—

"(1) recorded accurately, summarized meaningfully, and communicated effectively;

"(2) effectively used in evaluating progress; and

"(3) included in the resident's unit record.

"(g) Consumers and their representatives, including residents, families, other disciplines, and community groups, shall be utilized in the planning and evaluation of physical therapy and occupational therapy services. There shall be available sufficient, appropriately qualified staff, and supporting personnel, to carry out the various physical and occupational therapy services, in accordance with stated goals and objectives. Physical and occupational therapists shall be—

"(1) graduates of a curriculum accredited by the appropriate nationally recognized association;

"(2) if a physical therapist, eligible to practice in the State in which the facility is located; and

"(3) if an occupational therapist, eligible for registration by the appropriate nationally recognized association.

"(h) A physical therapist and an occupational therapist shall be designated as being responsible for maintaining standards of professional and ethical practice in the rendering of their respective therapy services in the facility. Each such therapist shall be qualified as in subsection (g) and, an addition, shall—

"(1) have had three years of professional experience, two years of which should have been in working with the mentally retarded and other individuals with developmental disabilities;

"(2) have demonstrated competence in administration and supervision, as appropriate to the facility's program; and

"(3) preferably have a master's degree, in an area related to the program.

"(i) Therapy assistants shall—

"(1) be certified by the nationally recognized professional occupational therapy association or be graduates of a program accredited by the nationally recognized professional physical therapy association; and

"(2) work under the supervision of a qualified therapist.

"(j) Therapy aides shall—

"(1) be provided specific inservice training; and

"(2) work under the supervision of a qualified therapist or therapy assistant.

"(k) Physical and occupational therapy personnel shall be—

"(1) assigned responsibilities in accordance with their qualifications;

"(2) delegated authority commensurate with their responsibilities; and

"(3) provided appropriate professional direction and consultation.

"(l) Physical and occupational therapy personnel shall be familiar with, and adhere to, the ethical codes and standards of practice promulgated by their respective nationally recognized professional organizations.

"(m) Physical-therapy and occupational therapy services operated by a facility shall seek consultation, at periodic intervals, from experts in physical therapy and occupational therapy who are not directly associated with the facility. Appropriate to the nature and size of the facility and to the physical and occupational therapy services, there shall be a staff development program that is designed to maintain and improve the skills of physical and occupational therapy personnel, through methods, including but not limited to:

"(1) regular staff meetings;

"(2) an organized inservice training program in physical and occupational therapy;

"(3) visits to and from the staff of other facilities and programs;

"(4) participation in interdisciplinary meetings;

"(5) provision for financial assistance and time for attendance at professional conferences;

"(6) provisions for encouraging continuing education, including educational leave, financial assistance, and accommodation work schedules;

"(7) career ladders and other incentives to staff recruitment and development;

"(8) workshops and seminars;

"(9) consultations with specialists; and

"(10) access to adequate library resources, which include current and relevant books and journals in physical and occupational therapy, mental retardation, developmental disabilities, and related professions and fields.

"(n) Space, facilities, equipment, supplies, and resources shall be adequate for providing efficient and effective physical and occupational therapy services, including, but not necessarily limited to—

"(1) facilities for conducting administrative aspects of the program;

"(2) facilities for conducting screenings and evaluations;

"(3) facilities for providing treatment and training for individuals and groups;

"(4) such other space, staff, and services as are essential to support and maintain effective programs; and

"(5) appropriate physical and occupational therapy consultation shall be employed in the design, modification, and equipage of all physical and occupational therapy areas and facilities required to meet the specific goals of physical and occupational therapy services.

"Subchapter X—Psychological Services

"SEC. 271. (a) Psychological services shall be provided, in order to facilitate, through the application of psychological principles, techniques, and skills, the optimal development of each resident. Psychological services shall be rendered—

"(1) directly, through personal contact between psychologists and residents;

"(2) indirectly, through contact between psychologists and other persons involved with the residents, designed to—

"(A) maintain an atmosphere that recognizes the psychological needs of residents and that is conducive to the development and maintenance of constructive interpersonal relationships; and

"(B) maximize the effectiveness of all programs for residents, through the application of knowledge concerning the understanding and change of behavior.

"(b) Psychological services available to the residential facility should include but not be limited to:

"(1) evaluation and assessment of individuals and programs;

"(2) therapy with individuals and groups;

"(3) program development services, including those relating to—

"(A) resident habilitation;

"(B) staff training;

"(C) community participation;

"(D) resident, staff, and community motivation;

"(4) consultation with, or relating to—

"(A) residents;

"(B) parents of residents;

"(C) the administration and operation of the facility;

"(D) the community served by the facility;

"(5) psychology staff training; and

"(6) conduct of research, consultation on research design, and dissemination of research findings.

"(c) Psychologists shall participate, when appropriate, in the continuing interdisciplinary evaluation of individual residents, for the purposes of initiation, monitoring, and followup of individualized habilitation programs—

"(1) psychologists shall conduct evaluations necessary to—

"(A) meet legal requirements;

"(B) meet research needs; and

"(C) provide data for biostatistical reporting;

"(2) methods of data collection employed in evaluation and assessment shall include, as appropriate—

"(A) standardized tests and techniques;

"(B) observations in natural and experimental settings, using standardized or generally accepted techniques;

"(C) interviews with—

"(i) the resident (or prospective resident);

"(ii) members of the resident's family and other informants; and

"(D) review of all pertinent records, including the comparison of current and previous status;

"(3) collation, analysis, and interpretation of data shall—

"(A) be performed in accordance with standards generally acceptable in professional psychology;

"(B) provide, as appropriate, both intra- and interindividual comparisons, by reference to normative data; and

"(C) utilize appropriate equipment, which is made available for the purpose;

"(4) the reporting and dissemination of evaluation results shall be done in such a manner as to—

"(A) render the content of the report meaningful and useful to its intended recipient and user;

"(B) enhance clinical understanding of the individual;

"(C) promptly provide information useful to staff working directly with the resident;

"(D) facilitate use of data for research and professional education;

"(E) facilitate use of data for statistical reporting; and

"(F) maintain accepted standards of confidentiality;

"(5) there shall be developed and maintained for each resident a continuing evaluation record that is frequently updated and that includes, but is not limited to, phychometric data.

"(d) Psychologists shall participate, when appropriate, in the development of written, detailed, specific, and individualized habilitation program plans that—

"(1) provide for periodic review, followup, and updating;

"(2) are designed to maximize each resident's development and acquisition of—

"(A) perceptual skills;

"(B) sensorimotor skills;

"(C) self-help skills;

"(D) communication skills;

"(E) social skills;

"(F) self direction;

"(G) emotional stability;

"(H) effective use of time (including leisure time);

"(I) basic knowledge;

"(J) vocational-occupational skills; and

"(K) socioeconomic values relevant to the community in which he lives.

"(e) Psychologists should provide individual, and/or groups of, residents with therapy designed to develop, modify, and maintain behavior and attitudes that are rewarding and effective in meeting the demands of their intrapersonal and interpersonal situations. Psychologists should provide consultation and training services to program staff concerning:

"(1) principles and methods of understanding and changing behavior, to the end of devising maximally effective programs for residents;

"(2) principles and methods of individual and program evaluation, for the purposes of assessing resident response to programs and of measuring program effectiveness;

"(3) psychologists should participate in the development of incentive systems designed to maximize motivation and to optimize, by means of provision for feedback, performance, and learning on the part of—

"(A) residents enrolled in habilitation programs;

"(B) staff engaged in resident habilitation programs; and

"(C) personnel involved in resident habilitation resources in the community.

"(f) Psychologists should provide assistance and/or consultation relative to—

"(1) developing and conducting evaluations designed to select and maintain appropriate and effective staff;

"(2) developing job analyses;

"(3) psychological problems of staff, including the making of appropriate referrals;

"(4) data concerning staff, and reports of evaluations of staff, shall—

"(A) be provided in appropriate form, and only to clearly appropriate supervisory staff;

"(B) enable data to be used for classification and reporting purposes;

"(C) enable data to be used for research purposes; and

"(D) maintain acceptable standards of confidentiality.

"(g) Psychologists should participate in—

"(1) educating appropriate members of the community, concerning the domiciliary, vocational, and recreational needs of residents who return to the community;

"(2) planning with community officials the adaptation of domiciliary, vocational, and recreational resources, to optimize resident adjustments; and

"(3) developing appropriate expectancies and attitudes within the community into which residents go.

"(h) There shall be available sufficient, appropriately qualified staff, and necessary supporting personnel, to carry out the various psychological service activities, in accordance with the needs of the following functions:

"(1) psychological services to residents, including evaluation, consultation, therapy, and program development;

"(2) administration and supervision of psychological services;

"(3) staff training;

"(4) research;

"(5) the facility should have available to it the services of at least one doctoral-level psychologist who is—

"(A) a diplomat of the nationally recognized board of professional psychology, or is licensed or certified by a State examining board, or is certified by a voluntary board established by a qualified State professional psychological association;

"(B) knowledgeable and experienced in the area of mental retardation or developmental disabilities;

"(6) a psychologist, qualified as specified in subsection (h)(5) shall be designated as being responsible for maintaining standards of professional and ethical practice in the rendering of psychological services in the facility;

"(7) all psychologists providing service to the facility shall—

"(A) possess the educational and experimental qualifications required for membership in the nationally recognized professional psychological association;

"(B) have demonstrated knowledge in the area of mental retardation and developmental disabilities;

"(8) all psychological technicians, assistants, and clerks employed by the facility shall work under the direct supervision of a psychologist who is qualified as specified in subsection (h)(8);

"(9) all members of the psychological services staff shall have and be familiar with, the ethical standards of psychologists and the nationally recognized casebook on ethical standards of psychologists, published by the nationally recognized appropriate professional psychological association, and all shall adhere to the ethical standards stated herein;

"(A) all new psychology service employees shall receive this material, and be familiarized with it, as a part of their orientation; and

"(B) the application of the ethical standards to practice with the mentally retarded and developmentally disabled in residential facilities shall be emphasized.

"(i) Appropriate to the size of the facility, an ongoing inservice training program shall be conducted that is designed to maintain and improve the skills of its psychology staff, through methods, including but not limited to—

"(1) staff seminars;

"(2) outside speakers;

"(3) visits to and from the staff of other facilities;

"(4) attendance at conferences;

"(5) participation in interdisciplinary groups;

"(6) informational exchanges with universities, teaching hospitals, community mental health and mental retardation centers, and other community resources; and

"(7) adequate library resources, including current and relevant books and journals in psychology and mental retardation and developmental disabilities shall be available.

"(j) The training of interns and graduate students in psychology shall be encouraged, and appropriate supervision shall be provided. There shall be appropriate space and equipment for psychological services, including—

"(1) offices for professional and clerical staff;

"(2) testing and observation rooms;

"(3) interviewing, counseling, and training/treatment rooms;

"(4) play therapy rooms ;

"(5) access to conference rooms; and

"(6) access to research and data analysis facilities.

"Subchapter XI—Recreation Services

"Sec. 272. (a) Recreation services should provide each resident with a program of activities that—

"(1) promotes physical and mental health;

"(2) promotes optimal sensorimotor, cognitive, affective, and social development;

"(3) encourages movement from dependent to independent and interdependent functioning; and

"(4) provides for the enjoyable use of leisure time.

"(b) The facility shall have a written statement of its recreation objectives for residents, consistent with—

"(1) the needs of its residents;

"(2) currently accepted recreation principles and goals;

"(3) the philosophy and goals of the facility; and

"(4) the services and resources the facility offers.

"(c) Recreation services available to the residential facility should include—

"(1) recreation activities for the residents;

"(2) recreation counseling;

"(3) individual and group instruction of residents in recreation skills, to achieve maximum proficiency and develop leadership potential;

"(4) therapeutic recreation;

"(5) education and consultation; and

"(6) research and evaluation.

"(d) Recreation activities available to the residents should include, as appropriate to the size and location of the facility, and as adapted to the needs of the resident being served—

"(1) excursions, outings, and other trips to familiarize the residents with community facilities;

"(2) spectator activities, such as movies, television, sports events, and theater;

"(3) participation in music, drama, and dance, such as rhythmics, folk dancing, community sings, group music sessions in the living units, performance in music or dramatic productions, performance in choral or instrumental groups, and informal listening to records or tapes;

"(4) outdoor and nature experiences, including activities such as camping, hiking, and gardening;

"(5) team sports and lead-up activities;

"(6) individual and dual sports, such as bowling, archery, badminton, horseshoes, miniature golf, bicycling, and shuffleboard;

"(7) hobbies, such as collecting, photography, model building, woodworking (including use of power tools) cooking, and sewing;

"(8) social activities, such as clubs, special interest and discussion groups, social dancing, cookouts, parties, and games;

"(9) service clubs and organizations, such as leaders clubs, scouting, 4-H, Junior Red Cross, Junior Chamber of Commerce, Hi-Y, Tri-Hi-Y, resident councils, and senior citizens clubs;

"(10) aquatics, including waterplay, swimming, and boating;

"(11) arts and crafts, including a wide range of activities from simple to complex, from reproductive to creative, and consistent with activities found in the community;

"(12) physical fitness activities designed to develop efficient cordiovascular and cardiorespiratory functions, strength, endurance, power, coordination, and agility, sufficient for both usual and extra demands;

"(13) library services for reading, listening, and viewing, such as looking at books, listening to records and tapes, and viewing film strips and slides;

"(14) celebration of special events, such as holidays and field days;

"(15) winter activities, including snow sculpture, snowplay, games, and sports;

"(16) opportunities to use leisure time in activities of the resident's own choosing in an informal setting under minimal supervision, such as a 'drop-in center';

"(17) frequent coeducational experiences, to promote acceptable social behavior and enjoyment of social relationships; and

"(18) activities for the nonambulatory, including the mobile and nonmobile.

"(e) Maximum use should be made of all community recreation resources. Recreation counseling should be a continuous process that provides for—

"(1) modification of resident's recreation behaviors;

"(2) guidance to residents on how to find, reach, and utilize community recreation resources;

"(3) family counseling in relation to recreation activities; and

"(4) interpretation of residents' needs and abilities to community agencies.

"(f) Therapeutic recreation, defined as purposive intervention, through recreation activities, to modify, ameliorate, or reinforce specific physical, emotional, or social behaviors, should include, as appropriate—

"(1) participation on an interdisciplinary team, to identify the habilitation needs and goals of the resident;

"(2) determination of appropriate recreation intervention, to achieve the stated habilitation goals;

"(3) a written plan for implementing the therapeutic recreation objectives, consistent with the recommendations of the evaluation team; and

"(4) evaluation of the effectiveness of such interventions, and subsequent redefinition of the resident's habilitation needs and goals.

"(g) Education and consultation services should include—

"(1) provision of stimulation, leadership, and assistance with recreation activities, conducted by the direct-care staff;

"(2) staff training and development;

"(3) orientation and training of volunteers;

"(4) training of interns and students in recreation;

"(5) consultation to community agencies and organizations, to stimulate the development and improvement of recreation services for the retarded; and

"(6) public education and information, to encourage acceptance of the retarded in recreation activities.

"(h) Recreational services shall be coordinated with other services and programs provided the residents, in order to make fullest possible use of the facility's resources and to maximize benefits to the residents. Activities in health, music, art, and physical education shall be coordinated with recreation activities relevant to these areas.

"(i) Records concerning residents should include—

"(1) periodic surveys of their recreation interests;

"(2) periodic surveys of their attitudes and opinions regarding recreation services;

"(3) the extent and level of each resident's participation in the activities program;

"(4) progress reports, as appropriate;

"(5) reports on relationships among peers, and between residents and staff; and

"(6) evaluations conducted by personnel at all levels and, where appropriate, by staff from other services.

"(j) Established procedures for evaluating and researching the effectiveness of recreation services, in relation to stated purposes, goals, and objectives, should include—

"(1) utilization of adequate records concerning residents' interests, attitudes, opinions, participations, and achievements;

"(2) time schedules for evaluation that are appropriate to the service or program being evaluated;

"(3) provision for using evaluation results in program planning and development;

"(4) provision for disseminating evaluation results in professional journals and in public education and information programs; and

"(5) encouragement of recreation staff to initiate, conduct, and participate in research studies, under the supervision of qualified personnel.

"(k) There shall be sufficient, appropriately qualified recreation staff, and necessary supporting staff, to carry out the various recreation services in accordance with stated goals and objectives.

"(1) Scheduling of staff shall provide—

"(A) coverage on evenings, weekends, and holidays; and

"(B) additional coverage during periods of peak activity.

"(2) Recreation personnel shall be—

"(A) assigned responsibilities in accordance with their qualifications;

"(B) delegated authority commensurate with their responsibility; and

"(C) provided appropriate professional recreation supervision.

"(3) Personnel conducting activities in recreation program areas should possess the following minimum educational and experiential qualifications:

"(A) a bachelor's degree in recreation, or in a specialty area, such as art, music, or physical education; or

"(B) an associate degree in recreation and one year of experience in recreation; or

"(C) a high school diploma, or an equivalency certificate; and two years of experience in recreation, or one year of experience in recreation plus completion of comprehensive inservice training in recreation; or

"(D) demonstrated proficiency and experience in conducting activities in one or more program areas.

"(4) Personnel performing recreation counseling or therapeutic recreation functions should possess the following minimum education and experiential qualifications, and should be eligible for registration with the appropriate nationally recognized therapeutic recreation society at the appropriate therapeutic recreation specialist level:

"(A) a master's degree in therapeutic recreation and one year of experience in a recreation program serving disabled persons; or

"(B) a master's degree in recreation and two years of experience in a recreation program serving disabled persons; or

"(C) a bachelor's degree in recreation and three years of experience in a recreation program serving disabled persons; or

"(D) a combination of education and experience in recreation serving disabled persons that totals six years.

"(5) Education and consultation functions in recreation should be conducted by staff members, in accordance with their education, experience, and role in the recreation program.

"(l) Appropriate to the size of the recreation program, there shall be a staff development program that provides opportunities for professional development, including—

"(1) regular staff meetings;

"(2) an organized inservice training program in recreation;

"(3) access to professional journals, books, and other literature in the fields of recreation, therapeutic recreation, rehabilitation, special education, and other allied professions;

"(4) provisions for financial assistance and time for attendance at professional conferences and meetings;

"(5) procedures for encouraging continuing education, including educational leaves, direct financial assistance, and rearrangement of work schedules;

"(6) provision for workshops and seminars relating to recreation, planned by the recreation and other professional and administrative staff; and

"(7) provision for staff consultation with specialists, as needed, to improve recreation services to residents.

"(m) Recreation areas and facilities shall be designed and constructed or modified so as to—

"(1) permit all recreation services to be carried out to the fullest possible extent in pleasant and functional surroundings;

"(2) be easily accessible to all residents, regardless of their disabilities;

"(3) appropriate recreation consultation shall be employed in the design or modification of all recreation areas and facilities;

"(4) toilet facilities, appropriately equipped in accordance with the needs of the residents, should be easily accessible from recreation areas; and

"(5) appropriate and necessary maintenance services shall be provided for all recreation areas and facilities.

"(n) Indoor recreation facilities should include, as appropriate to the facility—

"(1) a multipurpose room;

"(2) a quiet browsing room;

"(3) access to a gymnasium;

"(4) access to an auditorium;

"(5) access to suitable library facilities;

"(6) access to kitchen facilities;

"(7) adequate and convenient space for storage of supplies and large and small equipment; and

"(8) adequate office space for the recreation staff.

"(o) Outdoor recreation facilities should include, as appropriate to the facility—

"(1) access to a hard-top, all-weather-surface area;

"(2) access to gardening and nature activity areas;

"(3) access to adequately equipped recreation areas; and

"(4) the facility's residents should have, as appropriate and feasible, access to year-round swimming and aquatic facilities.

"(p) Adequate transportation services for recreation programs shall be provided. Recreation equipment and supplies in sufficient quantity and variety shall be provided to carry out the stated objectives of the activities programs. Toys, games, and equipment shall be—

"(1) selected on the basis of suitability, safety, durability, and multiplicity of use; and

"(2) adapted as necessary to the special needs of the residents.

"(q) If a music therapy program is provided, it should include—

"(1) participation by the music therapist, when appropriate, on an interdisciplinary evaluation team to identify the resident's needs and ways of meeting them;

"(2) determination of music therapy goals for the resident and development of a written plan for achieving them;

"(3) periodic progress reports, reevaluations, and program changes as indicated;

"(4) direction by a therapist eligible for registration with the appropriate nationally recognized association for music therapy; and

"(5) appropriate space, facilities, and equipment, with special consideration of the acoustical characteristics of rooms used for performing and listening.

"Subchapter XII—Religious Services

"SEC. 273. (a) Religious services shall be made available to residents, in accordance with their needs, desires, capabilities, and in accordance with their basic right to freedom of religion, in order to—

"(1) develop and enhance their dignity;

"(2) provide for the most meaningful and relevant practice of their religion; and

"(3) provide spiritual programs designed to aid their development and growth as persons.

"(b) Implementation of religious services should utilize community resources, whenever and wherever this is possible and in the best interests of the residents. The objectives of the facility's religious services for its residents shall be directed toward full integration into, and membership in, their faith, and should include—

"(1) upholding the dignity and worth of the individual;

"(2) building moral and ethical standards of behavior;

"(3) preparing for religious growth in their faith groups;

"(4) establishing healthy self, world, and God concepts;

"(5) establishing constructive value systems;

"(6) giving direction toward greater personal maturity;

"(7) strengthening interpersonal relationships; and

"(8) contributing to growth in personal adequacy and happiness.

"(c) Religious services shall be made available to all residents, regardless of their degree of retardation. Participation in religious programs shall be voluntary, in accordance with the wishes of the resident; if he expresses them, or with the wishes of his parent or guardian.

"(d) Religious services to residents should include—

"(1) worship opportunities, sacraments, and religious rites, according to the needs and abilities of the residents and consonant with the practices of their respective faiths;

"(2) religious education programs geared to the needs and abilities of the residents;

"(3) observation of dietary practices in keeping with the religious requirements of residents' faith groups;

"(4) observation of religious holidays and holy days in keeping with the religious requirements of residents' faith groups;

"(5) pastoral counseling, both individual and group, to residents and their families;

"(6) pastoral visits to residents, with special emphasis on the care of the troubled, the sick, and the dying;

"(7) pastoral consultation with persons concerned with the resident's welfare; and

"(8) referral and communication between religious workers in the facility and in the community.

"(e) Those who serve the religious needs of the residents, including clergy, religious educators, and volunteers, should whenever possible—

"(1) assert and safeguard the full human and civil rights of the residents;

"(2) participate, as appropriate, in team and other interdisciplinary planning regarding programs for individual residents; as well as in facility-wide or community programs;

"(3) keep appropriate records of significant religious events in the lives of each resident;

"(4) participate in training programs for facility personnel, including orientation of direct-care personnel in how they may help to further the religious programs for residents;

"(5) participate in training programs for community clergy, theological students, and others;

"(6) become involved with community clergy, and with religious and other groups, in their concerns for the spiritual care of the retarded;

"(7) promote public understanding and acceptance of the retarded; and

"(8) participate in their own faith group meetings, as required to maintain their standing.

"(f) There shall be available sufficient, appropriately qualified personnel, which may include clergy or religious leaders, religious educators, volunteers, and clerical and supporting personnel, to carry out the various religious programs—

"(1) religious services to residents shall be under the direction of a person who, in keeping with the size and nature of the facility, may be one of the following:

"(A) a chaplain certified for work with the mentally retarded or other individuals with developmental disabilities by a recognized certifying agency;

"(B) a clergyman or religious leader in good standing in his religious body;

"(C) a religious educator; or

"(D) a responsible person, who secures the services of qualified persons in carrying out the worship and education aspects of the program;

"(2) chaplains serving residential facilities for the retarded, on a full- or part-time basis, should—

"(A) be clergymen or religious leaders in good standing in their religious bodies; or

"(B) be endorsed or assigned by their recognized religious bodies; or

"(C) have B.A. and B.D. degrees, or their equivalents; and

"(D) be certified for work with the mentally retarded or other individuals with developmental disabilities by a recognized certifying agency;

"(3) professional religious educators serving residential facilities for the retarded or other individuals with developmental disabilities, on a full- or part-time basis, should—

"(A) be endorsed or assigned by their recognized religious bodies; or

"(B) have a bachelor's degree, or its equivalent; and

"(C) be certified for work with the mentally retarded or other individuals with developmental disabilities by a recognized certifying agency;

"(4) nonprofessional religious services personnel, including volunteers, should—

"(A) be screened for ability to perform their assigned duties;

"(B) be oriented to, and trained for, their assignments; and

"(C) be provided ongoing supervision by a clergyman, religious leader, or religious educator of the respective faith.

"(g) Appropriate to the size of the facility, there shall be an educational program designed to enhance the competencies of religious services personnel, through means such as:

"(1) staff meetings and inservice training;

"(2) seminars, workshops, conferences, and institutes;

"(3) college and university courses;

"(4) participation in professional organizations;

"(5) participation in interdisciplinary groups;

"(6) visits to other facilities;

"(7) access to relevant professional literature; and

"(8) religious services personnel should have access to qualified and appropriate consultation, as needed.

"(h) Religious services personnel should be encouraged, when possible, to involve themselves in activities such as—

"(1) offering clinical pastoral education programs;

"(2) providing educational experiences for students;

"(3) developing innovative religious education materials;

"(4) developing innovative worship services;

"(5) conducting specific research and development projects; and

"(6) exploring and expanding citizen advocacy programs.

"(i) Residents shall have access to places appropriate for worship and religious education that are adequate to meet the needs of all. Religious services personnel shall be provided with office and other space, equipment, and supplies adequate to carry out an effective program.

"Subchapter XIII—Social Services

"SEC. 274. (a) Social services shall be available to all residents and their families, in order to foster and facilitate—

"(1) maximum personal and social development of the resident;

"(2) positive family functioning; and

"(3) effective and satisfying social and community relationships.

"(b) Social services shall be provided, directly and indirectly, to—

"(1) the resident;

"(2) his family;

"(3) individuals or groups who represent different aspects of the social environment of the resident; and

"(4) the community.

"(c) Consumers and their representatives, including residents, families, other disciplines, and community groups, shall participate in the planning and evaluation of social service programs. Social services, as part of an interdisciplinary spectrum of services, shall be provided through the use of social work methods directed toward—

"(1) maximizing the social functioning of the resident;

"(2) enhancing the coping capacity of his family;

"(3) modifying environmental influences leading to, or aggravating, mental retardation or developmental disabilities;

"(4) increasing public understanding and acceptance of mental retardation or developmental disabilities and its associated problems;

"(5) creating a favorable climate to assist each retarded person to achieve as nearly normal living as is possible for him;

"(6) asserting and safeguarding the human and civil rights of the retarded and other individuals with developmental disabilities and their families; and

"(7) fostering the human dignity and personal worth of each resident.

"(d) Social services available to the facility should include, as appropriate—

"(1) preadmission evaluation and counseling, with referral to, and use of, other community resources, as appropriate;

"(2) psychological assessment of the individual resident and his environment, as a basis for formulating an individual treatment plan;

"(3) implementation of an individual social work treatment plan for the resident and his family;

"(4) planning for community placement, discharge, and followup;

"(5) participation in policy and program development within the facility in relation to—

"(A) the resident's psychosocial needs and development;

"(B) serving the families of the resident;

"(C) use of community supportive and habilitative services;

"(D) staff training and development;

"(6) consultation with, or in relation to—

"(A) programs offered by other disciplines;

"(B) administration and operation of the facility;

"(C) agencies and individuals in the community served by the facility;

"(7) collaboration with other service delivery systems in planning and implementing programs for residents; and

"(8) participation in social work and interdisciplinary program evaluation and research.

"(e) During the evaluation process, which may or may not lead to admission, the resident and his family should be helped by social workers to—

"(1) know the rights and services to which they are entitled, including the means of directing their appeals to the proper sources;

"(2) obtain advocacy on their behalf if rights and services are denied them; and

"(3) consider alternative services, based on the retarded or developmentally disabled person's status and salient family and community factors, and make a responsible choice as to whether and when residential placement is indicated.

"(f) During the preadmission process, the resident and his family should be helped by social workers to—

"(1) cope with problems of separation inherent in placement;

"(2) initiate planning for the resident's return to his family and/or community;

"(3) begin involving themselves as partners with the residential facility staff in developing a treatment/habilitation plan;

"(4) become oriented to the practices and procedures of the facility; and

"(5) share information about themselves that will provide the facility's staff with maximum understanding of their situation, so that effective services can be delivered.

"(g) Social workers shall participate, when appropriate, in the continuing interdisciplinary evaluation of individual residents for the purposes of initiation, monitoring, and followup of individualized habilitation programs.

"(h) During the retarded or developmentally disabled person's admission to, and residence in, the facility, or while he is receiving services from the facility, social workers shall provide liaison between him, the facility, the family, and the community, so as to:

"(1) help the resident to—

"(A) cope with problems accompanying separation from family and community;

"(B) learn the roles and use the resources that will enable him to maximize his development;

"(C) participate in programs, in accordance with his individual treatment plan, that will maximize his ability for independent living, in or out of the residential facility;

"(2) help the staff to—

"(A) individualize and understand the needs of the resident and his family in relation to each other;

"(B) understand social factors in the resident's day-to-day behavior, including staff-resident relationships;

"(C) prepare the resident for changes in his living situations;

"(3) help the family to develop constructive and personally meaningful ways to support the resident's experience in the facility through—

"(A) counseling concerned with problems associated with changes in family structure and functioning;

"(B) utilization of the family's and the resident's own strengths and resources;

"(C) referral to specific services, as appropriate; and

"(4) the family to participate in planning for the resident's return to home or other community placement.

"(i) After the resident leaves the facility, social workers shall provide systematic followup, including—

"(1) counseling with the resident;

"(2) counseling with family, employers, and other persons significant to the resident's adjustment in the community; and

"(3) referral to appropriate community agencies.

"(j) Social services shall help to integrate residential and other community services, through—

"(1) providing liaison between the residential facility and the community;

"(2) providing consultation to community agencies to facilitate the identification of needed resources for the retarded and other individual with developmental disabilities and his family;

"(3) interpreting the residential facility and its program to relevant sectors of the community;

"(4) collaborating with other disciplines to help the community develop appropriate resources; and

"(5) involvement with social policy issues that affect the retarded and other individuals with developmental disabilities.

"(k) Social services shall develop and maintain comprehensive, current records, useful for its own programs and those of other services. There shall be available sufficient, appropriately qualified staff and necessary supporting personnel to carry out the various social service activities.

"(1) The facility should have available to it a social worker who—

"(A) has a master's or doctoral degree from an accredited school of social work;

"(B) has had three years of post-master's experience in the field of social welfare;

"(C) meet the educational and experiential qualifications for certification by the appropriate nationally recognized academy of certified social workers; and

"(D) is knowledgeable and experienced in mental retardation.

"(2) A social worker having the qualifications specified in subsection (k)(1) shall be designated as being responsible for maintaining standards of professional practice in the rendering of social services to the facility, and for staff development.

"(3) Social workers providing service to the facility shall—

"(A) have a master's degree from an accredited school of social works; or

"(B) meet the educational qualifications required for full membership in the appropriate nationally recognized professional association of social workers and shall have had three years of experience in the field of social welfare.

"(4) Social work assistants or aides employed by the facility shall work under the supervision of a social worker having the qualifications specified in subsection (k)(3).

"(5) Social service personnel, at all levels of experience and competence, shall be—

"(A) assigned responsibilities in accordance with their qualifications;

"(B) delegated authority commensurate with their responsibilities; and

"(C) provided appropriate professional social work supervision.

"(6) A full-time supervisor should be responsible for the direct supervision of not more than six staff members, plus related activities.

"(7) All social service personnel shall be familiar with, and adhere to, the code of ethics of the National Association of Social Workers.

"(l) Appropriate to the size of the facility's social service program, an ongoing program of staff development shall be provided to improve the skills of the social work staff through such means as—

"(1) inservice training;

"(2) affiliation with schools of social work;

"(3) staff consultation with specialists, as needed, to improve social services to residents;

"(4) conference attendance, and other educational opportunities and forms of professional exchange; and

"(5) career ladders and other incentives to staff recruitment and development.

"(m) Space, facilities, equipment, supplies, and resources shall be adequate for providing effective social services, including—

"(1) offices for social service and clerical staff;

"(2) private interviewing rooms;

"(3) rooms suitable for conferences and group activities;

"(4) dictating and transcribing equipment;

"(5) telephone service;

"(6) travel provisions;

"(7) provision for recordkeeping and information retrieval; and

"(8) library services.

"Subchapter XIV—Speech Pathology and Audiology Services

"Sec. 275. (a) Speech pathology and audiology services shall be available, in order to—

"(1) maximize the communication skills of all residents; and

"(2) provide for the evaluation, counseling, treatment, and rehabilitation of those residents with speech, hearing and/or language handicaps.

"(b) The specific goals of speech pathology and audiology services shall be—

"(1) appropriate to the needs of the residents served;

"(2) consistent with the philosophy and goals of the facility;

"(3) consistent with the services and resources offered by the facility; and

"(4) known to, and coordinated with, other services provided by the facility.

"(c) Speech pathology and audiology services shall be rendered through—

"(1) direct contact between speech pathologists and audiologists and residents;

"(2) participation with administrative personnel in designing and maintaining social and physical environments that maximize the communication development of the residets; and

"(3) working with other personnel, such as teachers and direct-care staff, in implementing communication improvement programs in environmental settings.

"(d) Speech pathology and audiology services available to the facility shall include, as appropriate—

"(1) audiometric screening of—

"(A) all new residents;

"(B) children under the age of ten, at annual intervals;

"(C) other residents at regular intervals;

"(D) any resident referred;

"(2) speech and language screening of—

"(A) all new residents;

"(B) children under the age of ten at annual intervals;

"(C) all residents, as needed;

"(3) comprehensive audiological assessment of residents, as indicated by screening results, to include tests of pure-tone air and bone conduction, speech audiometry, and other procedures, as necessary, and to include assessment of the use of visual cues;

"(4) assessment of the use of amplification;

"(5) provision of procurement, maintenance, and replacement of hearing aids, as specified by a qualified audiologist;

"(6) comprehensive speech and language evaluation of residents, as indicated by screening results, including appraisal of articulation, voice, rhythm, and language;

"(7) participation in the continuing interdiciplinary evaluation of individual residents for purposes of initiation, monitoring, and followup of individualized habilitation programs;

"(8) treatment services, interpreted as an extension of the evaluation process, that include—

"(A) direct counseling with residents;

"(B) speech and language development and stimulation through daily living activities;

"(C) consultation with classroom teachers for speech improvement and speech education activities;

"(D) direct contact with residents to carry on programs designed to meet individual needs in comprehension (for example, speech reading, auditory training, and hearing aid utilization) as well as expression (for example, improvement in articulation, voice, rhythm, and language);

"(E) collaboration with appropriate educators and librarians to develop specialized programs for developing the communication skills of multiple handicapped residents, such as the deaf, retarded, and the cerebral palsied;

"(9) consultation with administrative staff regarding the planning of environments that facilitate communication development among residents in—

"(A) living areas;

"(B) dining areas;

"(C) educational areas;

"(D) other areas, where relevant;

"(10) participation in inservice training programs for direct-care and other staff;

"(11) training of speech pathology and audiology staff;

"(12) training of speech pathology and audiology graduate and/or undergraduate students, interns, supportive staff, and volunteer workers;

"(13) conclusion with, or relating to—

"(A) residents (for example, self-referral);

"(B) parents of residents;

"(C) medical (otological, pediatric, and so forth), dental, psychological, educational, and other services;

"(D) the administration and operation of the facility;

"(E) the community served by the facility; and

"(14) program evaluation and research.

"(e) Comprehensive evaluations in speech pathology and audiology shall consider the total person and his environment. Such evaluations should—

"(1) present a complete appraisal of the resident's communication skills;

"(2) evidence concern for, and evaluation of, conditions extending beyond observed speech, language, and hearing defects;

"(3) consider factors in the history and environment relevant to the origins and maintenance of the disability;

"(4) consider the effect of the disability upon the individual and the adjustments he makes to the problem as he perceives it; and

"(5) consider the reaction of the resident's family, associates, and peers to the speech and/or hearing problem.

"(f) Evaluation and assessment results shall be reported accurately and sytematically, and in such manner as to—

"(1) define the problem to provide a basis for formulating treatment objectives and procedures;

"(2) render the report meaningful and useful to its intended recipient and user;

"(3) where appropriate, provide information useful to other staff working directly with the resident;

"(4) conform to acceptable professional standards, provide for intraindividual and interindividual comparisons and facilitate the use of data for research and professional education; and

"(5) provide evaluative and summary reports for inclusion in the resident's unit record.

"(g) Treatment objectives, plans and procedures shall—

"(1) be based upon adequate evaluation and assessment;

"(2) be based upon a clear rationale;

"(3) reflect consideration of the objectives of the resident's total habilitation program;

"(4) be stated in terms that permit the progress of the individual to be assessed;

"(5) provide for periodic evaluation of the resident's response to treatment and of treatment effectiveness;

"(6) provide for revision of objectives and procedures as indicated; and

"(7) provide for assistance or consultation when necessary.

"(h) Continuing observations of treatment progress shall be—

"(1) recorded accurately, summarized meaningfully, and communicated effectively; and

"(2) effectively utilized in evaluating progress.

"(i) There shall be established procedures for evaluating and researching the effectiveness of speech pathology and audiology services, including but not limited to:

"(1) utilization of adequate records concerning residents' response and progress;

"(2) time schedules for evaluation that are appropriate to the service being evaluated;

"(3) provision for using evaluation results in program planning and development;

"(4) encouragement of speech pathology and audiology staff to participate in research activities; and

"(5) provision for dissemination of research results in professional journals.

"(j) There shall be available sufficient, appropriately qualified staff, and necessary supporting personnel, to carry out the various speech pathology and audiology services, in accordance with stated goals and objectives—

"(1) A speech pathologist or audiologist, who is qualified as specified in paragraph (2) of this subsection, and who, in addition, has had at least three years of professional experience, shall be designated as being responsible for maintaining standards of professional and ethical practice in the rendering of speech pathology and audiology services in the facility.

"(2) Staff who assume independent responsibilities for clinical services shall possess the educational and experiential qualifications required for the appropriate certificate of clinical competence issued by the appropriate nationally recognized professional speech and hearing association in the area (speech pathology or audiology) in which they provide services.

"(3) Staff not qualified for such association certification shall be provided adequate, direct, active, and continuing supervision by staff qualified for certification in the area in which supervision is rendered.

"(A) Supervising staff shall be responsible for the services rendered by uncertified staff under their supervision.

"(B) Adequate, direct, and continuing supervision shall be provided nonprofessionals, volunteers, or other supportive personnel utilized in providing clinical services.

"(4) Students in training and staff fulfilling experience requirements for such appropriate nationally recognized professional speech and hearing association certification shall receive direct supervision, in accordance with the requirements of the appropriate nationally recognized professional board of examiners in speech pathology and audiology.

"(5) All speech pathology and audiology staff shall be familiar with, and adhere to, the code of ethics published by the appropriate nationally recognized professional speech and hearing association.

"(k) Appropriate to the nature and size of the facility and to the speech pathology and audiology service, there shall be a staff development program that is designed to maintain and improve the skills of speech pathology and audiology staff, through methods, including but not limited to—

"(1) regular staff meetings;

"(2) an organized inservice training program in speech pathology and audiology;

"(3) visits to and from the staff of other facilities and programs;

"(4) participation in interdisciplinary meetings;

"(5) provision for financial assistance and time for attendance at professional conferences;

"(6) provisions for encouraging continuing education, including educational leave, financial assistance, and accommodation of work schedules;

"(7) workshops and seminars;

"(8) consultations with specialists; and

"(9) access to adequate library resources, which include current and relevant books and journals in speech pathology and audiology, mental retardation, and related professions and fields.

"(l) Space, facilities, equipment, and supplies shall be adequate for providing efficient and effective speech pathology and audiology services, in accordance with stated objectives, including—

"(1) adequate and convenient evaluation, treatment, counseling, and waiting rooms;

"(2) specially constructed and sound-treated suites for audiological services, meeting appropriate standards;

"(3) design and location such as to be easily accessible to all residents, regardless of disability;

"(4) specialized equipment needed by the speech pathologist;

"(5) specialized equipment needed by the audiologist, including an audiometer, with provisions for sound field audiometry, and equipment capable of performing at least the following procedures: hearing screening, contralateral masking, speech audiometry, pure-tone air and bone conduction with site-of-lesion battery, nonorganic hearing loss battery, and hearing aid evaluation;

"(6) provisions for adequate maintenance of all areas, facilities, and equipment, including—

"(A) electroacoustic calibration of audiometers at regular, at least quarterly, intervals;

"(B) calibration logs on all audiometers; and

"(7) appropriate speech pathology and audiology consultation shall be employed in the design, modification, and equipage of all speech pathology and audiology areas and facilities.

"Subchapter XV—Vocational Rehabilitation Services

"SEC. 276. (a) The facility shall provide all its residents with habilitation or rehabilitation services, which includes the establishment, maintenance, and implementation of those programs that will insure the optimal development or restoration of each resident, physically, psychologically socially, and vocationally—

"(1) The facility shall have a written, public statement of its rehabilitation objectives for its residents, consistent with—

"(A) the needs of its residents;

"(B) currently accepted rehabilitation principles and goals;

"(C) the facility's philosophy and goals; and

"(D) the services and resources the facility offers.

"(2) While the habilitation-rehabilitation concept and process embrace all efforts to achieve the optimal development of each resident, specific habilitation/rehabilitation services shall focus on the maximum achievement of—

"(A) self-help skills;

"(B) social competence, including communication skills;

"(C) vocational competence; and

"(D) independent living.

"(b) The ultimate objective of vocational rehabilitation services shall be to assist every resident to move as far as he can along the continuum from vocational afunction to remunerative employment and entry into the mainstream of society as an independent citizen and worker. Vocational rehabilitation services shall be rendered—

"(1) directly, through personnel contact between vocational rehabilitation personnel and residents; and

"(2) indirectly, through contact between vocational rehabilitation personnel and other persons working with residents, designed to enhance and facilitate the development and maintenance of a rehabilitative environment.

"(c) Vocational rehabilitation services available to the residents, in accordance with their needs, shall include—

"(1) vocational evaluation;

"(2) the formulation of written vocational objectives for each resident;

"(3) the formulation of a written plan to achieve the stated objectives;

"(4) implementation of the vocational plan through—

"(A) individual counseling;

"(B) prevocational programs;

"(C) vocational training;

"(D) vocational placement;

"(E) referral to appropriate sources for other services; and

"(F) followup.

"(d) Vocational evaluation of each resident shall—

"(1) be initiated within one month after admission to the facility;

"(2) arise out of a written comprehensive interdisciplinary evaluation (medical, psychological, social, and educational) that generates data relevant to vocational objectives and goals, such as information concerning—

"(A) aptitudes and abilities;

"(B) self-help and independent living skills;

"(C) interests;

"(D) self and vocational perception;

"(E) sensorimotor coordination;

"(F) communication skills;

"(G) current social adjustment;

"(H) educational history; and

"(I) vocational and avocational history;

"(3) be adequate for the formulation of vocational goals and of a detailed plan for the achievement of such goals;

"(4) be adequate for the assessment of current vocational status and for the prediction of possible future status; and

"(5) provide for periodic, but at least semiannual reevaluation, consistent with the progress of the resident toward the stated goals.

"(e) The written vocational plan for each resident shall—

"(1) be consistent with the vocational evaluation;

"(2) specify the program to be undertaken to achieve his vocational objectives;

"(3) indicate the order in which the program is to be undertaken;

"(4) provide for the implementation of the evaluation team's recommendations; and

"(5) assign the responsibility to carry out the plan.

"(f) The resident shall be fully involved in his vocational evaluation, and in the formulation of his program plan. Prevocational services shall contribute to the development of work readiness in the resident, and shall provide—

"(1) vocationally relevant academic instruction;

"(2) instruction in the self-help and social skills necessary for vocational success;

"(3) instruction and practice in the social skills necessary for maximally independent functioning in the community, such as travel, handling of money, and use of community resources;

"(4) an orientation to the world of work;

"(5) development of work attitudes needed for vocational success;

"(6) rotated exploration and try-out of job tasks;

"(7) continuous evaluation of vocational potential; and

"(8) any necessary supportive services, including physical and mental restoration.

"(g) Vocational training programs shall meet all applicable legal requirements, and shall be provided through means such as:

"(1) work training stations;

"(2) work activity centers;

"(3) transitional sheltered workshops;

"(4) work-study programs;

"(5) on-the-job training;

"(6) trade training, in the classroom or on the job;

"(7) vocational training programs shall—

"(A) provide for an evaluation of training progress at least every three months;

"(B) make maximum use of job training resources—

"(i) within the facility;

"(ii) within the community;

"(8) facilities conducting vocational training programs shall have vocational training personnel assigned, in such numbers and for such times as are necessary and appropriate to the situation, to supervise the training in each training area; and

"(9) written, detailed training guides and curricula shall be available for all vocational training area.

"(h) Job placement services shall assist the individual to enter into appropriate kinds of employment, such as:

"(1) competitive, remunerative employment;

"(2) trade training programs;

"(3) transitional or extended sheltered workshops;

"(4) sheltered employment;

"(5) homebound employment;

"(6) homemaker; and

"(7) in conjunction with job placement services, the individual shall be provided assistance related to off-the-job needs, activities, and resources, such as—

"(A) living arrangements;

"(B) social and recreation activities;

"(C) medical services;

"(D) educational resources;

"(E) religious activities;

"(F) transportation;

"(G) legal affairs;

"(H) financial affairs; and

"(I) counseling.

"(i) Systematic follow-up services shall be provided that—

"(1) continue to be available to the individual for at least one year following placement;

"(2) involve contact with—

"(A) the individual;

"(B) the individual's family or family-substitute; and

"(C) the individual's employer, if appropriate;

"(3) generate data concerning vocational outcomes to evaluate and improve the effectiveness of vocational rehabilitation programs.

"(j) There shall be a clearly designated person or team responsible for the implementation, evaluation, and revision of the facility's vocational rehabilitation program.

"(1) There shall be available to each resident in a vocational rehabilitation program a counselor who is responsible for seeing that the resident's vocational rehabilitation program is effectively carried out.

"(2) A vocational rehabilitation counselor shall—

"(A) have a master's degree in rehabilitation counseling, or a master's degree in a related area plus training and skill in the vocational rehabilitation process; or

"(B) have a bachelor's degree and work under the direct supervision of a person qualified as in (A).

"(3) Vocational rehabilitation personnel providing training to residents in vocational areas shall be—

"(A) vocational instructors certified by the appropriate state agency; or

"(B) tradesmen who have attained at least journeyman status.

"(k) Appropriate to the nature and size of the facility, provisions shall be made for vocational rehabilitation staff developments, through such means as—

"(1) inservice training;

"(2) short-term workshops;

"(3) seminars;

"(4) attendance at conferences; and

"(5) visits to other facilities.

"(l) Every facility that has a vocational rehabilitation program shall seek to establish working relationships with public and private rehabilitation agencies in the community. Each facility should have working relationships with university training programs in rehabilitation, including provision for—

"(1) research opportunities;

"(2) practicum experiences;

"(3) internship; and

"(4) consultation.

"Subchapter XVI—Volunteer Services

"SEC. 277. (a) Volunteer services shall be provided in order to enhance opportunities for the fullest realization of the potential of each resident by—

"(1) increasing the amount, and improving the quality, of services and programs; and

"(2) facilitating positive relationships between the facility and the community which it serves.

"(b) The facility shall have a written statement of the goals and objectives of its volunteer services program that are—

"(1) appropriate to the needs of the residents;

"(2) consistent with the philosophy and goals of the facility;

"(3) developed in collaboration with the facility's staff;

"(4) specific and measurable; and

"(5) continuously assessed and periodically revised.

"(c) Volunteers shall provide services, which may be direct or indirect, that are based on resident needs, staff requests, and volunteer skills, and that enhance programs, develop social competence, and build self-esteem—

"(1) volunteer services shall supplement, but shall not be used in lieu of, the services of paid employees;

"(2) volunteer participation shall comply with State laws, such as those relating to labor and insurance;

"(3) volunteer participation shall be open to persons of both sexes, and of all ages, races, creeds, and national origins; and

"(4) volunteer services shall be available to all residents, regardless of age, ability, or handicaps.

"(d) Direct services provided to residents by volunteers, as appropriate to the facility's program and in cooperation with its staff, may include, but are not limited to—

"(1) physical, occupational, and music therapy assistance;

"(2) psycological testing assistance;

"(3) behavior modification and programed instruction assistance;

"(4) teacher or classroom assistance;

"(5) religious instruction;

"(6) receration and leisure time activities;

"(7) social skills development;

"(8) library services;

"(9) nursing services;

"(10) transportation and escort assistance;

"(11) visits, vacations, and trips;

"(12) job and home findings; and

"(13) citizen advocacy.

"(e) Indirect services provided by volunteers, as appropriate to the facility's program and in cooperation with its staff, may include, but are not limited to—

"(1) conducting tours;

"(2) clerical and laboratory assistance;

"(3) gift shop and canteen operation;

"(4) public relations and community education; and

"(5) contributions.

"(f) Volunteer services staff should provide the following services—

"(1) to the facility's staff—

"(A) orientation in the need for, and philosophy of volunteer services;

"(B) identification of how and where volunteers can be utilized. and

"(C) assistance in developing training for volunteers;

"(2) to the volunteers—

"(A) orientation, training, and placement;

"(B) opportunities to participate in planning and evaluating their experiences; and

"(C) appropriate recognition of their services and contributions.

"(g) Volunteer services staff functions shall include—

"(1) development and implementation of a plan for recruitment, selection, deployment, orientation, training, supervision, evaluation, recognition, advancement, and separation of volunteers;

"(2) development in collaboration with appropriate staff, of job descriptions for volunteers;

'(3) maintenance of complete and accurate records, including, but not necessarily limited to—

"(A) hours of volunteer service rendered.

"(B) individuals and organizations providing services;

"(C) materials and moneys received; and

"(D) operational budget.

"(h) The staff members responsible for facility programs utilizing volunteers shall be responsible for providing such volunteers with on-the-job training, supervision, and consultation.

"(i) The cooperation and involvement of staff and community, which is essential to a successful volunteer services program, should be achieved by means such as—

"(1) a standing staff committee on volunteer services, to foster communications and cooperation, to evaluate and coordinate existing programs, and to stimulate new programs;

"(2) a volunteer services advisory committee, composed of representatives of appropriate community organizations;

"(3) encouragement of, and involvement with, parents groups;

"(4) collaboration with appropriate agencies and community groups; and

"(5) recruiting volunteers representative of the community served by the facility, in respect of age, sex, socioeconomic, religious, racial, and ethnic groups.

"(j) There shall be available sufficient, appropriately qualified staff, and necessary supporting personnel, to carry out the volunteer services program, in accordance with stated goals and objectives.

"(1) A facility staff member shall be designated to be responsible and accountable for volunteer services—

"(A) where the size of the facility and scope of the program warrant, the person responsible for volunteer services shall devote full time to this area;

"(B) volunteer services shall be organized within the administrative structure of the facility in such a way as to be available to, and maximally utilized by, all relevant services and programs; therefore, the staff member responsible for volunteer services should report to an individual with facility-wide administrative responsibility; and

"(C) the staff member responsible for volunteer services should have the same relationship to volunteers as a personnel officer has to paid employees.

"(2) The staff member responsible for volunteer services shall have—

"(A) the necessary interpersonal, consultative, leadership, and organizational and administrative skills and abilities;

"(B) demonstrated ability to identify, mobilize, and deploy volunteer resources to meet the needs of residents;

"(C) knowledge of community organization;

"(D) knowledge of current practices and concepts in mental retardation; and

"(E) training and/or experience in organizing and administering volunteer services, as appropriate to the nature and size of the facility, and preferably—

"(i) a baccalaureate degree in a behavioral science; and

"(ii) three years of experience in volunteer services or related area.

"(k) Appropriate to the size of the facility, there should be a staff development program designed to maintain and improve the skills of volunteer services staff, through means such as—

"(1) seminars, workshops, and conferences;

"(2) college and university courses;

"(3) participation in professional organizations;

"(4) participation in interdisciplinary groups;

"(5) visits to other facilities; and

"(6) access to relevant professional literature.

"(1) There shall be adequate and accessible space, facilities, equipment, and supplies for providing efficient and effective volunteer services. If a canteen is operated by the facility, it shall—

"(1) be operated for the benefit of the residents;

"(2) be open to residents, staff, families, and visitors, without segregation by space or hours of use, so as to facilitate interaction;

"(3) provide opportunities for residents to purchase items for their personal needs;

"(4) provide opportunities for the training of residents; and

"(5) be operated so that any profits derived are utilized for the benefit of residents.

"Chapter 4.—RECORDS

"Subchapter I—Maintenance of Residents' Records

"SEC. 278. (a) A record shall be maintained for each resident that is adequate for—

"(1) planning and continuous evaluating of the resident's habilitation program;

"(2) providing a means of communication among all persons contributing to the resident's habilitation program;

"(3) furnishing documentary evidence of the resident's progress and of his response to his habilitation program;

"(4) serving as a basis for review, study, and evaluation of the overall programs provided by the facility for its residents;

"(5) protecting the legal rights of the residents, facility, and staff; and

"(6) providing data for use in research and education.

"(b) All information pertinent to the above-stated purposes shall be incorporated in the resident's record, in sufficient detail to enable those persons involved in the resident's program to provide effective, continuing services. All entries in the resident's record shall be—

"(1) legible;

"(2) dated; and

"(3) authenticated by the signature and identification of the individual making the entry.

"(c) Symbols and abbreviations may be used in record entries only if they are in a list approved by the facility's chief executive officer and a legend is provided to explain them. Diagnoses should be recorded in full and without the use of symbols or abbreviations.

"Subchapter II—Content of Records

"SEC. 279. (a) The following information should be obtained and entered in the resident's record at the time of admission to the facility:

"(1) name, date of admission, date of birth, place of birth, citizenship status, marital status, and social security number;

"(2) father's name and birthplace, mother's maiden name and birthplace, and parents' marital status;

"(3) name and address of parents, legal guardian, and/or next of kin;

"(4) sex, race, height, weight, color of hair, color of eyes, identifying marks, and recent photograph;

"(5) reason for admission or referral problem;

"(6) type and legal status of admission;

"(7) legal competency status;

"(8) language spoken or understood;

"(9) sources of support, including social security, veterans' benefits, and insurance;

"(10) provisions for clothing and other personal needs;

"(11) information relevant to religious affiliation;

"(12) report(s) of the preadmission evaluation(s); and

"(13) reports of previous histories and evaluations.

"(b) Within the period of one month after admission there shall be entered in the resident's record—

"(1) a report of the review and updating of the preadmission evaluation;

"(2) a statement of prognosis that can be used for programing and placement;

"(3) a comprehensive evaluation and individual program plan, designed by an interdisciplinary team; and

"(4) a diagnosis based on the appropriate nationally recognized professional association on mental deficiency's manual on terminology and classification in mental retardation and, where necessary, the diagnostic and statistical manual of mental disorders, most recent edition, published by the appropriate nationally recognized professional psychiatric association.

"(c) Records during residence should include—

"(1) reports of accidents, seizures, illnesses, and treatments thereof, and immunizations;

"(2) record of all periods of restraint, with justification and authorization for each;

"(3) report of regular, at least annual, review and evaluation of the program, developmental progress, and status of each resident;

"(4) observations of the resident's response to his program, recorded with sufficient frequency to enable evaluation of its efficacy;

"(5) record of significant behavior incidents;

"(6) record of family visits and contacts;

"(7) record of attendance and leaves;

"(8) correspondence;

"(9) periodic updating of the information recorded at the time of admission; and

"(10) appropriate authorizations and consents.

"(d) At the time of discharge from the facility, a discharge summary shall be prepared that should—

"(1) include a brief recapitulation of findings, events, and progress during residence, diagnosis, prognosis, and recommendations and arrangements for future programing:

"(2) be completed and entered in the resident's record within seven days following discharge; and

"(3) with the written consent of the resident or his guardian, be copied and sent to the individual or agency who will be responsible for future programing of the resident.

"(e) In the event of death—

"(1) a copy of the death certificate should be placed in the resident's record; and

"(2) when a necropsy is performed, provisional anatomic diagnoses should be recorded within seventy-two hours, where feasible, and the complete protocol should be made part of the record within three months.

"Subchapter III—Confidentiality of Records

"SEC. 280. (a) All information contained in a resident's records, including information contained in an automated data bank, shall be considered privileged and confidential—

"(1) the record is the property of the facility, whose responsibility it is to secure the information against loss, defacement, tampering, or use by unauthorized persons;

"(2) the record may be removed from the facility's jurisdiction and safekeeping only in accordance with a court order, subpena, or statute;

"(3) there shall be written policies governing access to, duplication of, and dissemination of information from the record; and

"(4) written consent of the resident or his guardian shall be required for the release of information to persons not otherwise authorized to receive it.

"Subchapter IV—Central Record Service

"SEC. 281. (a) The facility shall maintain an organized central record service for the collection and disseminatiton of information regarding residents. A centralized or decentralized system of recordkeeping may be used in accordance with the needs of the facility—

"(1) there shall be a unit record that contains all information pertaining to an individual resident for all admissions to the facility;

"(2) where particular professional services require the maintenance of separate records, a summary of the information contained therein shall be entered in the unit record at stated intervals;

"(3) records shall be readily accessible to authorized personnel;

"(4) where a centralized system is used, appropriate records shall also be availble in the resident-living units; and

"(5) a periodic review of the content of the records should be made by—

"(A) record personnel, to assure that they are current and complete; and

"(B) a committee of appropriate staff, including the record librarian, to assure that they meet the standards set forth in section 278;

"(6) there shall be a master alphabetical index of all residents admitted to the facility; and

"(7) records shall be retained for the period of time specified by the facility, but at least for the period of time consistent with the statute of limitations of the State in which the facility is located.

"Subchapter V—Statistical Records

"SEC. 282. (a) While the type and amount of statistical information will depend upon the facilities particular needs, such information should include at least the following:

"(1) number of residents by age groups, sex, race, and place of residence;

"(2) number of residents by level of retardation, according to the appropriate nationally recognized professional association on mental deficiency classification;

"(3) number of residents by level of adaptive behavior, according to the appropriate nationally recognized professional association of mental deficiency classification;

"(4) number of residents with physical disabilities;

"(5) number of residents who are ambulatory and nonambulatory (mobile and nonmobile);

"(6) number of residents with sensory defects;

"(7) number of residents with convulsive disorders, grouped by level of seizure control;

"(8) number of residents by etiological diagnoses, according to the appropriate nationally recognized professional association and, where necessary, the DSM-II classifications;

"(9) movement of residents into, out of, and within the facility; and

"(10) length of stay.

"(b) Data shall be reported to appropriate Federal and other agencies as requested.

"Subchapter VI—Records Personnel

"SEC. 283. (a) There shall be available sufficient, appropriately qualified staff, and necessary supporting personnel, to facilitate the accurate processing, checking, indexing, filing, and prompt retrieval of records and record data.

"(b) The record system should be supervised on a full- or part-time basis, according to the needs of the facility, by an individual who—

"(1) is a registered record librarian; or

"(2) is an accredited record technician; or

"(3) has demonstrated competence and experience in administering and supervising the maintenance and use of records and reports.

"(c) Record personnel should—

"(1) be involved in educational programs relative to their activities, including orientation, on-the-job training, and regular inservice education programs; and

"(2) participate in workshops institutes or correspondence education courses available outside the facility.

"(d) There shall be adequate space, facilities, equipment, and supplies for providing efficient and effective record servcies.

"Chapter 5.—RESEARCH

"Subchapter I—Encouragement of Research

"SEC. 284. (a) Recognizing that the understanding, prevention, and amelioration of mental retardation and other developmental disabilities ultimately depends upon knowledge gained through research, the administration and staff of the facility (and, in the case of public facilities, the appropriate governmental agency) shall encourage research activity.

"(1) opportunities and resources should be made available to members of the staff who are equipped by interest and training to conduct applied and/or basic research. Research resources and/or necessary research assistance should be made available to all staff members who have identified researchable problems related to the programs for which they are responsible;

"(2) research by qualified investigators who are not staff members of the facility shall be encouraged. There shall be a written policy concerning the conduct of research in the facility by investigators who are not staff members. Outside researchers shall fulfill the same obligations relative to staff information and feedback as do facility staff members. Consideration should be given to the assignment of a facility staff member to each research project conducted by outside investigators; and

"(3) where feasible, there shall be ongoing, cooperative programs of research and research training with colleges, universities, and research agencies.

"(b) The administration of the facility shall make provision for the design and conduct, or the supervision, of research that will objectively evaluate the effectiveness of program components and contribute to informed decisionmaking in the facility.

"Subchapter II—Review of Research Proposals

"SEC. 285. (a) An interdisciplinary research committee shall review all proposed studies to insure—

"(1) adequacy of research design; and

"(2) implementation of ethical standards in the design.

"(b) Facility staff members shall be consulted regarding the planning of research and the utilization of research findings in their areas of competence and interest.

"Subchapter III—Conduct of Research

"SEC. 286. (a) The facility shall follow, and comply with the statement of assurance on research involving human subject required by the United States Department of Health, Education, and Welfare for projects supported by that Agency or any appropriate more stringent such statement, as appropriate.

"(b) Investigators and others directly involved in the research shall—

"(1) adhere to the ethical standards of their professions concerning the conduct of research; and

"(2) have access to the record of informed consent.

"Subchapter IV—Reporting Research Results

"SEC. 287. (a) The principal investigator of each research project shall be responsible for communicating to the staff of the facility the purpose, nature, outcome, and possible practical or theoretical implications of the research. Copies of the reports resulting from research projects shall be maintained in the facility.

"(b) Where research findings are made public, care shall be taken to assure the anonymity of individual residents and parents.

"(c) Clearly defined mechanisms shall exist for informing staff members of new research findings that have applicability to the programs and administration of the facility. There shall be evidence that currently applicable research results are being implemented in the facility's programs.

"Chapter 6.—SAFETY AND SANITATION

"Subchapter I—Safety

SEC. 288. (a) The requirements of the Secretary shall be met, with specific reference to the following—

"(1) provision of adequate and alternate exits and exit doors;

"(2) provision of exit ramps, with nonskip surface and slope not exceeding one foot in twelve; and

"(3) provision in handrails on stairways.

"(b) There shall be records that document strict compliance with the regulations of the State or local fire safety authority that has primary jurisdiction over the facility—

"(1) aisles and exits shall be free from all encumbrances and floors shall be uncluttered;

"(2) flammable materials shall be properly stored and safeguarded;

"(3) attics and basements shall be kept orderly and free of rubbish; and

"(4) there shall be records of periodic fire safety inspections and reports.

"(c) There shall be a written staff organization plan and detailed, written procedures, which are clearly communicated to, and periodically reviewed with staff, for meeting all potential emergencies and disasters pertinent to the area, such as fire, severe weather, and missing persons.

"(1) The plans and procedures should include—

"(A) plans for the assignment of personnel to specific tasks and responsibilities;

"(B) instructions relating to the use of alarm systems and signals;

"(C) information concerning methods of fire containment;

"(D) systems for notification of appropriate persons;

"(E) information concerning the location of firefighting equipment; and

"(F) specification of evacuation routes and procedures.

"(2) the plans and procedures shall be posted at suitable locations through the facility.

"(d) Evacuation drills shall be held at least quarterly, for each shift of facility personnel and under varied conditions, in order to—

"(1) insure that all personnel on all shifts are trained to perform assigned tasks;

"(2) insure that all personnel on all shifts are familiar with the use of the firefighting equipment in the facility;

"(3) evaluate the effectiveness of disaster plans and procedures;

"(4) evacuation drills shall include actual evacuation of residents to safe areas during at least one drill each year, on each shift. There shall be special provisions for the evacuation of the physically handicapped, such as fire chutes and mattress loops with poles; and

"(5) there shall be a written, filed report and evaluation of each evacuation drill.

"(e) An active safety program shall be maintained by a multidisciplinary safety committee that investigates all accidents and makes recommendations for prevention. Records of the activities of the safety committee shall be kept. There shall be adequate safety shields on the moving parts of all dumb waiters, elevators, and other machinery, as provided for in applicable standards and codes.

"(f) All buildings and outdoor recreation facilities constructed after 1971 shall be accessible to, and usable by, the nonambulatory and shall meet standards of the Secretary for making building accessible to, and usable, by the physically handicapped—

"(1) all existing buildings and outdoor recreation facilities shall be modified so as to conform to the above standards by December 31, 1976; and

"(2) existing facilities shall provide—

"(A) entrance ramps wide enough for wheelchairs, not exceeding a rise of one foot in twelve, with nonslip surfaces, and with rails on both sides;

"(B) doorways and corridors wide enough for wheelchairs; and

"(C) grab bars in toilet and bathing facilities.

"(g) Paint used in the facility shall be lead free. Old paint or plaster containing lead shall have been removed, or covered in such manner that it is not accessible to residents.

"(h) Appropriate provisions shall be made for emergency auxiliary heat by means of alternate sources of electric power, alternate fuels, and/or standby equipment.

"Subchapter II—Sanitation

"SEC. 289. (a) There shall be records that document strict compliance with the sanitation, health, and environmental safety codes of the State or local authorities having primary jurisdiction over the facility. Written reports of inspections by State or local health authorities, and records of action taken on their recommendations, shall be kept on file at the facility.

"(b) The holding, transferring, and disposal of waste and garbage shall be done in a manner that will not create a nuisance, nor permit the transmission of disease, nor create a breeding place for insects or rodents—

"(1) waste that is not disposed of by mechanical means shall be—

"(A) kept in leakproof, nonabsorbent containers with close-fitting covers; and

"(B) disposed of daily.

"(2) containers shall be thoroughly cleaned inside and out, each time they are emptied; and

"(3) impervious plastic liners should be used.

"(c) Handwashing facilities shall be available in, or immediately adjacent to—

"(1) bathrooms;

"(2) toilet rooms;

"(3) sleeping areas; and

"(4) kitchens.

"(d) There shall be adequate insect screens on all windows and doors where needed and adequate janitorial equipment and storage space in each unit of the facility.

"Chapter 7.—ADMINISTRATIVE SUPPORT SERVICES

"Subchapter I—Functions, Personnel, and Facilities

"Sec. 290. (a) Adequate, modern administrative support shall be provided to efficiently meet the needs of, and contribute to, program services for residents, and to facilitate support of a variety of resources, which may include, but need not be limited to, the following kinds of services: clerical, communication, dietary, financial, housekeeping, laundry, personnel, physical plant, records, safety and security, and supply and purchasing.

"(b) Administrative support functions should be directed by a qualified administrator, trained and experienced to provide skilled and efficient coordination of these services, to adequately meet the facility's program objectives. In larger facilities, provision may be made for both executive direction, via a chief executive officer (superintendent, director, and so forth), and administration of support services (via a business manager, and so forth). In smaller facilities, a single person may provide both support services—

"(1) the administrator of support services should—

"(A) have at least a baccalaureate degree; or

"(B) have completed formal graduate education in health administration or its equivalent.

"(2) all administrative support personnel shall have sufficient understanding and appreciation of the nature and behavior of the mentally retarded and developmentally disabled resident, to assure that each employee's work and his relations to the residents contribute positively to their welfare.

"(c) There shall be adequate office space, facilities, equipment, and supplies for the efficient conduct of all administrative support functions.

"Subchapter II—Fiscal Affairs

"Sec. 291. (a) Funds shall be budgeted and spent in accordance with the principles and procedures of program budgeting.

"(1) the budget requests submitted by the facility shall—

"(A) adequately reflect the program needs of the residents, as developed by program staff; and

"(B) be adequately documented and interpreted.

"(2) budget preparation shall be the product of team management;

"(3) budget preparation and implementation shall include active participation of professional team members;

"(4) budget development shall include incorporation of effectiveness measures; and

"(5) there shall be sufficient latitude to permit rebudgeting of funds in response to changing program needs, and in accordance with the principles and procedures of program budgeting.

"(b) Individuals acting on the facility's budget requests (board members, State budget officials, members of appropriations committees, and so forth) should have first-hand knowledge of its operations and needs, obtained by regular visitation and observation of its programs.

"(c) Budget performance reports shall be prepared at appropriate intervals and submitted to those individuals participating in budgeting and management responsibilities.

"(d) Funds for community (that is, nonresidential) programs and services shall not be included in computing the per capita (that is, per resident) cost of operation. The per capita expenditure for residential services, divided by the cost of living index for the State or area, should compare favorably with the same ratio for the Nation as a whole, that is, come within 90 per centum of the Nation as a whole or, preferably, exceed 100 per centum. Maintenance expenditures should be at least the same as would be required by age peers in the community.

"(e) There shall be a formal system of internal control in handling the fiscal affairs of the facility. The facility shall have an adequate 'responsibility' accounting system.

"(f) A full audit of the facility's fiscal activities shall be performed regularly, preferably annually, by a qualified accountant independent of the facility.

"(g) Fiscal reports shall be prepared and communicated to the facility's public at least annually.

"(h) Facilities charging for services shall have a written schedule of rates and charge policies, which shall be available to all concerned.

"(i) Where the size of the facility's operation warrants a fiscal officer, he shall have appropriate training and experience in accounting and auditing. Sufficient accountants, account clerks, and clerk-typists shall be provided to assure maximum support to the efforts of personnel directly involved in service to resident.

"Subchapter III—Purchase, Supply, and Property Control

"Sec. 292. (a) There shall be written purchasing policies regarding authority and approvals for supplies, services, and equipment.

"(b) There shall be adequate documentation of the purchasing process, including, where appropriate, requisitions, bids from a number of suppliers, purchase orders, and receiving reports.

"(c) The inventory control system and stockroom operation shall be adequate for—

"(1) receiving supplies;

"(2) issuing supplies as needed in programs;

"(3) maintaining necessary stock level;

"(4) establishing responsibility for stocks; and

"(5) there shall be appropriate storage facilities for all supplies and surplus equipment.

"(d) Where the size of the facility's operation warrants, the person responsible for directing purchase, supply, and property control should have had several years of progressively more responsible experience in these fields, and/or related training. There shall be sufficient trained and experienced personnel to accomplish the necessary purchase, supply, and property control functions.

"Subchapter IV—Communications

"Sec. 293. (a) There shall be adequate communication service, including adequate telephone service, whenever residents are in the facility.

"(b) The communication system shall assure—

"(1) prompt contact of on-duty personnel; and

"(2) prompt notification of responsible personnel in the event of emergency.

"Subchapter V—Engineering and Maintenance

"Sec. 294. (a) The facility shall have an appropriate and written preventive maintenance program.

"(b) Where the size of the facility warrants, engineering and maintenance shall be directed by an engineer who—

"(1) has had at least three years of progressively more responsible experience in institutional engineering and maintenance;

"(2) is licensed or certificated, as appropriate to the nature of the facility; and

"(3) there shall be sufficient trained and experienced personnel to accomplish the required engineering and maintenance functions.

"Subchapter IV—Housekeeping Services

"Sec. 295. Appropriate to the size and nature of the facility, the person responsible for directing housekeeping services should have had—

(1) several years of progressively more responsible experience in this field, and/or related training;

(2) formal training in short courses or vocational schools; and

(3) experience and training in supervision and management.

"Subchapter VII—Laundry Services

"Sec. 296. (a) Laundry services shall be managed so that—

(1) daily clothing and linen needs are met without delay; and

(2) there is a minimum loss and damage to clothing.

"(b) Appropriate to the size and nature of the facility, the person responsible for directing laundry services should have had several years of progressively more responsible experience in this field, and/or related training. The person responsible for directing laundry service shall have the ability to supervise residents who work in the laundry.

"Chapter 8.—DEFINITIONS

"Sec. 297. As used in this part the term—

"(1) 'Advocacy' means that which is done by an advocate.

"(2) 'Advocate' means an individual, whether a professional employed by a private or public agency, or a volunteer (a citizen advocate), who acts on behlaf of a resident to secure both the services that the resident requires and the exercise of his full human and legal rights.

"(3) 'Ambulatory' means able to walk independently, without assistance.

"(4) 'Chief executive officer' means the individual appointed by the governing body of a facility to act in its behalf in the overall management of the facility. Job titles may include, but are not limited to, superintendent, director, and administrator.

"(5) 'Developmental disability' means a disability—

"(A) attributable to mental retardation, or cerebral palsy, or epilepsy, or autism, or learning disability; or

"(B) attributable to any other condition of an individual found to be related to mental retardation as it refers to general intellectual functioning or impairment in adaptive behavior or to require treatment similar to that required for mentally retarded individuals,

which disability (i) originates before such individual attains age eighteen, (ii) which has continued or can be expected to continue indefinitely, and (iii) which constitutes a severe handicap to such individual's ability to function normally in society.

"(6) 'Direct-care staff' means individuals who conduct the resident-living program; resident-living staff.

"(7) 'Facility' means a residential facility for the mentally retarded.

"(8) 'Generic services' means services offered or available to the general public, as distinguished from specialized services intended only for the mentally retarded.

"(9) 'Governing board' means a group of individuals that constitutes the governing body of a facility; one form of a governing body. A governing board may be called a board of trustees, board of directors, or board of governors.

"(10) 'Governing body' means the policymaking authority, whether an individual or a group, that exercises general direction over the affairs of a facility and establishes policies concerning its operation and the welfare of the individual it serves.

"(11) 'Guardian' means an individual who has legal control and management of the person, or of the property or estate, or of both the person and the property, of a resident. A natural guardian is a parent lawfully in control of the person or his minor child; natural guardianship terminates when the child attains his majority. A legal guardian is one appointed by a court. A guardian of the person is one appointed to see that the resident has proper care and protective supervision in keeping with his needs. A guardian of the property is one appointed to see that the financial affairs of the resident are handled in his best interests. A guardian ad litem is one appointed to represent a resident in a particular legal proceeding, without control over either the resident's person or his estate. A public guardian is a public official empowered to accept court appointment as a legal guardian. A testimentary guardian is one designated by the last will and testament of a natural guardian.

"(12 'Legal incompetence' means the legal determination that a resident is unable to exercise his full civil and legal rights, and that a guardian is required.

"(13) 'Living unit' means a resident-living unit that includes sleeping, dining, and activity areas.

"(14) 'Mobile nonambulatory' means unable to walk independently or without assistance, but able to move from place to place with the use of devices such as walkers, crutches, wheelchairs, wheeled platforms, and so forth.

"(15) 'Nonambulatory' means unable to walk independently, without assistance.

"(16) 'Nonmobile' means unable to move from place to place.

"(17) 'Normalization principle' means the principle of letting the mentally retarded and other individuals with developmental disabilities 'obtain an existence as close to the normal as possible,' making available to them "patterns and conditions of everyday life which are as close as possible to the norms and patterns of the mainstream of society.' Specifically, 'the use of means that are as culturally normative as possible to elicit and maintain behavior that is as culturally normative as possible to elicit and maintain behavior that is as culturally normative as possible.'

"(18) 'Public financial support programs' include, but are not limited to, services for crippled children; aid to the disabled, old age, survivors, and disability insurance, and other benefits available under the Social Security Act; and benefits administered by the Veterans' Administration.

"(19) 'Resident' means the general term used in the standards to refer to an individual who receives service from a residential facility, whether or not such individual is actually in residence in the facility. The term thus includes individuals who are being considered for residence in a facility, individuals who were formerly in residence in a facility, and individuals who are receiving services other than domiciliary from a facility. (A residential facility, on the other hand, may use the term 'resident' to refer only to those individuals actually in residence, and may thus distinguish between resident and nonresident recipients of its services.)

"(20) 'Resident-living' means pertaining to residential or domiciliary services provided by a facility.

"(21) 'Residential facility' means a facility that provides twenty-four-hour programing services, including residential or domiciliary services, directed to enhancing the healh, wel fare, and development of individuals classified as mentally retarded. While the facility must provide twenty-four-hour programing for residents, in accordance with their needs, it need not itself operate any programs or services other than residential or domiciliary.

"(22) 'Rhythm of life' means relating to the normalization principle, under which making available to the mentally retarded and other individuals with developmental disabilities 'patterns and conditions of everyday life which are as close as possible to the norms and patterns of the mainstream of society' means providing a normal rhythm of the day (in respect to arising, getting dressed, participating in play and work activities, eating meals, retiring, and so forth), normal rhythm of the week (differentiation of daily activities and schedules), and normal rhythm of the year.

"(23) 'Surrogate' means an individual who functions in lieu of a resident's parents or family.

"(24) 'Time out' means time out from positive reinforcement. A behavior modification procedure in which, contingent upon the emission of undesired behavior, the resident is removed from the situation in which positive reinforcement is available.".

"Chapter 9.—REVISION OF STANDARDS

"Sec. 299. (a) It shall be the duty and function of the Council established under section 133(a) of this Act to (1) advise the Secretary with respect to any regulations promulgated or proposed to be promulgated by him in the implementation of the standards established under part A of this Act, (2) study and evaluate such standards authorized by this Act through site visits and other appropriate methods with a view of determining their effectiveness in carrying out the purposes for which they were established, and (3) based upon site visits or other studies, evaluations, or reviews recommend to the Secretary any changes, revisions, modifications, or improvements in the standards established under part A of this Act, which will strengthen or upgrade such standards.

"(b) Nothing herein shall limit the authority of the Secretary to seek and receive advice and respect to the above matters from any source he deems appropriate, including but not limited to the national accrediting body for facilities and programs for the mentally retarded, and other individuals with developmental disabilities.

"PART B—INSTITUTIONAL ASSISTANCE

"GRANTS TO ASSIST INSTITUTIONS FOR INDIVIDUALS WITH DEVELOPMENTAL DISABILITIES

"Sec. 300. For the purpose of assisting States in meeting the expenses, directly or indirectly, for bringing publicly operated facilities and publicly assisted facilites into conformity with the standards established under part A of ths title, which seek to assure the humane care, protection, habilitation, and treatment of individuals with developmental disabilities in residential facilities, there are authorzed to be appropriated such sums as are necessary to enable the Secretary to make grants under this title.

"STATE PLANS

"Sec. 301. (a) Any State desiring to receive a grant under this title shall submit a plan to the Secretary—

"(1) setting forth a schedule for compliance with the standards established under part A of this title for each facility for which assistance is requested;

"(2) assuring reasonable State financial participation in the cost of carrying out the plan to comply with the standards set forth in this title and how the residential facility for individuals with developmental disabilities will complement and augment rather than duplicate or replace other community services for individuals with development disabilities or meet the requirements of part A of this title;

"(3) setting forth a schedule of costs to achieve compliance with the standards established under part A of this title; and

"(4) designating how placement in residential facilities shall be minimized through alternative regional and community programs and services for individuals with developmental disabilities, and be in coordination with the plan established under title I of this Act.

"(b) The Secretary shall approve a plan which sets forth a reasonable time for compliance with the standards established under this title, and he shall not finally disapprove a plan except after reasonable notice and opportunity for a hearing to such State.

"AMOUNT OF GRANTS; PAYMENTS

"Sec. 302. (a) The total of the grants with respect to any project under this part may not exceed 75 per centum of the necessary cost thereof as determined by the Secretary.

"(b) Payments of grants under this part shall be made in advance or by way of reimbursement, and on such conditions as the Secretary may determine.

"MAINTENANCE OF EFFORT

"Sec. 303. Applications for grants under this part may be approved by the Secretary only if the application contains or is supported by reasonable assurances that the grants will not result in any decrease in the level of State, local, and other non-Federal funds for services for individuals with developmental disabilities which would (except for such grant) be available to the applicant, but that such grants will be used to supplement, and, to the extent practicable, to increase the level of such funds.

"WITHHOLDING OF GRANTS

"Sec. 304. (a) Five years after the date of enactment of this title, no residential facility for individuals with developmental disabilities shall be eligible to receive payments either directly or indirectly under any Federal law, unless such facility meets the standards promulgated under part A of this title.

"(b) The funds to which any individual would otherwise be entitled to have paid on his behalf to any vendor of residential services, public or private, shall be reserved for him and administered by the Social Security Administration in the same manner as benefits under title II of the Social Security Act would be administered on his behalf were he entitled to same.".

Mr. JAVITS. Mr. President, I am deeply gratified to join with Senator RANDOLPH, chairman of the Handicapped Subcommittee of the Labor and Public Welfare Committee, of which I am ranking minority member, in the introduction of the Developmentally Disabled Assistance and Bill of Rights Act. The bill incorporates as title II thereof my bill of rights for the mentally retarded, S. 1654.

Title I of the instant bill extends and substantially modifies the program operation of the Developmental Disabilities Services and Facilities Construction Amendments of 1970, as Senator RANDOLPH set forth in detail in his introductory remarks. I am particularly gratified that the present definition of developmentally disabled has been broadened to include, as well as those suffering from mental retardation, cerebral palsy or epilepsy, autism, and learning disability, or any other condition which is closely related to mental retardation as it refers to general intellectual functioning or impairment in adaptive behavior; or to require treatment similar to that required by mentally retarded individuals.

When I introduced S. 1654, the administration bill which would have broadened the definition by including "autism"—which I supported—I urged the inclusion of learning disability and I am pleased that this bill carries forward my recommendation.

The bill is an important contribution to establishing a truly national commitment to the deinstitutionalization of the mentally retarded and other individuals with developmental disabilities and at the same time insuring that those mentally retarded and other developmentally disabled citizens who require institutionalization receive humane care, treatment, habilitation, and protection.

The commitment of the chairman of the Handicapped Subcommittee, Senator Randolph, to the inclusion of my bill of rights in a comprehensive bill serving the needs of the developmentally disabled—a bill which is cosponsored by 24 Senators including the chairman of the Labor and Public Welfare Committee, Senator Williams, the chairman of the Health Subcommittee, Senator Kennedy, and the ranking minority member of the Handicapped Subcommittee, Senator Stafford, marks recognition that assistance with safeguards— exemplified by my bill of rights—which had such broad bipartisan cosponsorship—is the appropriate way for the Congress to proceed in regard to this critically important area.

The bill of rights for the mentally retarded—which has been modified to insure that its safeguards apply to all developmentally disabled citizens—utilizes standards developed under the leadership of the Accreditation Council for Facilities for the Mentally Retarded by committees representing all the disciplines and interests that must be involved in providing fully adequate programs for the mentally retarded and other individuals with developmental disabilities.

I believe the Federal Government has an obligation to implement and honor the commitment to provide humane care and treatment to the institutionalized mentally retarded and other individuals with developmental disabilities, and to deemphasize long-term institutionalization.

I believe that when the committee completes its hearings on this measure, now scheduled for May 1, the case will be complete for the Senate shortly thereafter to pass this landmark legislation.

By Mr. ROBERT C. BYRD (for Mr. Metzenbaum):

S. 3379. A bill to establish a National Economic Preparedness Council and a National Commodities Survey Office, to control self-dealing pricing practices of oil companies and to terminate certain tax preferences of such companies, and for other purposes. Referred to the Committees on Government Operations and Finance, by unanimous consent.

ECONOMIC PREPAREDNESS ACT OF 1974

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that I may be permitted to introduce today for appropriate reference on behalf of the Senator from Ohio (Mr. Metzenbaum) an Economic Preparedness Act of 1974, and that the statement of Mr. Metzenbaum in explanation of his bill be printed in the Record at this point, together with the text of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 3379

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Economic Preparedness Act of 1974".

TITLE I—NATIONAL ECONOMIC PREPAREDNESS COUNCIL ESTABLISHMENT

Sec. 101. (a) There is established a National Economic Preparedness Council (hereafter in this title referred to as the "Council"). The Council shall be composed of the following twelve members:

(1) Four members appointed by the President, two of whom shall be private citizens;

(2) Four members appointed by the President pro tempore of the Senate, two of whom shall be private citizens; and

(3) Four members appointed by the Speaker of the House of Representatives, two of whom shall be private citizens.

(b) The Council shall elect a Chairman and a Vice Chairman from among its members.

(c) Seven members of the Council shall constitute a quorum. Any vacancy in the Council shall not affect its powers but shall be filled in the same manner as the original appointment was made.

(d) Each member of the Council who is not an officer or employee of the United States shall receive $125 a day (including travel time) during which he is engaged in the actual performance of his duties as a member of the Council. A member of the Council who is an officer or employee of the United States shall serve without additional compensation. All members of the Council shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties.

DUTIES

Sec. 102. (a) The Council shall study and investigate the organization, methods of operation, and powers of all departments, agencies, independent establishments, and instrumentalities of the United States government and other institutions participating in the management of the economy of the United States and shall make recommendations which the Council considers appropriate, including, but not limited to, recommendations with respect to—

(1) redesigning the economic institutions of the executive branch of the government to make them more responsive to the needs of the American people;

(2) the achievement of the true potential for sustained prosperity and economic growth of the United States;

(3) special employment problems that afflict particular segments of the national economy, women, young people, and minorities;

(4) the accurate measurement of the costs and benefits of inflation, unemployment, leisure time, and such activities as raising a family and volunteer work;

(5) useful participation in building a more effective system of international economics, including stabilization of international monetary markets and a workable system of international trade; and

(6) the achievement of efficiency, competitiveness, and pride in work.

(b) (1) The Council shall submit a comprehensive report to the President and Congress containing the findings and recommendations of the Council with respect to its study and investigation. Such recommendations may include proposed legislative and administrative actions the Council considers appropriate. The report required by this paragraph shall be submitted not later than one year after the date on which all the Council members have been appointed.

(2) The Council shall submit an annual report to the President and Congress beginning not later than one year after submission of the report required under paragraph (1). Such reports shall update and perfect the recommendations and information contained in the initial report of the Council.

(3) The Council shall cease to exist on the thirtieth day after the date on which it files the fourth annual report required under paragraph (2).

POWERS

Sec. 103. (a) The Council or, on the authorization of the Council, any subcommittee or member thereof, may, for the purpose of carrying out the provisions of this title, hold such hearings and sit and act at such times and places, and administer such oaths as the Council or such subcommittee or member may deem advisable.

(b) The Council is authorized to secure directly from any department, agency, independent establishment, or instrumentality of the United States information, suggestions, estimates and statistics for the purposes of this title. Each such department, agency, independent establishment, and instrumentality is authorized and directed, to the extent authorized by law, to furnish such information, suggestions, estimates and statistics directly to the Council upon request made by the Chairman or Vice Chairman.

STAFF

Sec. 104. (a) The Council shall have power to appoint and fix the compensation of such personnel as it deems advisable wtihout regard to the provisions of title 5, United States Code, governing appointments in the competitive service and without regard to the provisions of chapter 51 and subchapter 53 of chapter 53 of such title relating to classification and general schedule pay rates.

(b) The Council is authorized to procure the services of experts and consultants in accordance with section 3109 of title 5, United States Code, but at rates not to exceed the daily rate paid a person occupying a position at GS–18.

AUTHORIZATION OF APPROPRIATIONS

Sec. 105. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this title.

TITLE II—NATIONAL COMMODITIES SURVEY OFFICE

ESTABLISHMENT

Sec. 201. There is established within the General Accounting Office a National Commodities Survey Office. The Office shall be under the direction and supervision of a Director who shall be appointed by the Comptroller General of the United States.

DUTIES

Sec. 202. (a) The Director shall gather, analyze, and interpret data related to the availability of strategic commodities and resources including, but not limited to, food, petroleum, aluminum, copper, tin, and zinc.

(b) (1) In carrying out his duties under this section, the Director is authorized to obtain information from government departments and agencies, private organizations, and to obtain, by request or subpena, from any source whatever, such addtiional information as may be necessary to carry out his duties under this section.

(2) Any appropriate United States district court may, in the case of contumacy or refusal to obey a subpena issued pursuant to this section, issue an order requiring the party to whom such subpena is directed to appear before the Director and to give testimony touching on the matter in question or

to produce any such information, and any failure to obey such order of the court may be punished by such court as a contempt thereof.

REPORTS

Sec. 203. The Director shall from time to time but not less often than annually, report to the Congress on the data and information gathered under the provisions of this title, together with his recommendations thereon.

AUTHORIZATION OF APPROPRIATIONS

Sec. 204. There are authorized to be appropriated to the General Accounting Office such sums as may be necessary to carry out the provisions of this title.

TITLE III—IMPORTED PETROLEUM AND PETROLEUM PRODUCTS

SELF-DEALING PRICING POLICIES

Sec. 301. In exercising his authority, under the Emergency Petroleum Allocation of 1973 or any other law, to specify (or prescribe a manner for determining) equitable ceiling prices for first sales or exchanges of crude oil, natural gas liquids, condensate, residual fuel oil, or refined petroleum products, the President shall provide, with respect to the prices of imported crude oil, natural gas liquids, condensate, residual fuel oil, and refined petroleum products, produced or refined by the person importing such product into the United States, or purchased or exchanged by him (directly or indirectly) from an affiliate, no more than a dollar-for-dollar pass-through of net increases in foreign taxes and in royalties paid to nonaffiliates for crude oil, natural gas liquids, or condensate, or in the actual price paid at the first purchase from a nonaffiliate of such crude oil, natural gas liquids, condensate, residual fuel oil, or refined petroleum products. The calculation of any net increase in taxes, royalties, or prices at first purchase under this section shall take into consideration any reduction, by virtue of increases in foreign taxes, royalties, or prices, upon the liability of the importer or his affiliates for United States income taxes.

TITLE IV—INCOME TAX PROVISIONS

OPTIONAL CREDIT AGAINST TAX, IN LIEU OF DEDUCTION, FOR PERSONAL EXEMPTIONS

Sec. 401. (a) Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits against tax) is amended by renumbering section 42 as section 43 and by inserting after section 41 the following new section:

"Sec. 42. Personal Exemptions.

"(a) General Rule.—At the election of the taxpayer, there shall be allowed, as a credit against the tax imposed by this chapter for the taxable year, an amount equal to $250 multiplied by the number of exemptions to which the taxpayer is entitled under section 151. Such credit shall not exceed the tax imposed by this chapter for the taxable year.

"(b) Election.—An election under subsection (a) for a taxable year may be made at any time before the expiration of the period for filing a claim for a refund or credit of an overpayment of tax for such taxable year and shall be made in such form and manner as the Secretary or his delegate prescribes by regulations.

"(c) Denial of Deduction.—If a taxpayer elects the credit provided by subsection (a) for a taxable year, no deduction shall be allowed under section 151 for any exemption to which he is entitled under such section."

(b) The table of sections for such subpart is amended by striking out the last item and inserting in lieu thereof the following:

"Sec. 42. Personal exemptions.

"Sec. 43. Overpayments of tax."

(c) Section 37 (a) of such Code (relating to retirement income credit) is amended by striking out "and" before "section 35" and by inserting before the period at the end thereof ", and section 42 (relating to personal exemptions)".

(d) Section 41(b)(2) of such Code (relating to contributions to candidates for public office) is amended by striking out "and" before "section 38" and by inserting before the period at the end thereof ", and section 42 (relating to personal exemptions)".

(e) Section 46(a)(3)(B) of such Code (relating to the investment credit) is amended—

(1) by striking out "and" at the end of subparagraph (B),

(2) by striking out the period at the end of subparagraph (C) and inserting in lieu thereof ", and", and

(3) by inserting after subparagraph (C) the following new subparagraph:

"(D) section 42 (relating to personal exemptions)."

(f) Section 50A(a)(3) of such Code (relating to credit for expenses of work incentive programs) is amended—

(1) by striking out "and" at the end of subparagraph (D),

(2) by striking out the period at the end of subparagraph (E) and inserting in lieu thereof ", and", and

(3) by inserting after subparagraph (E) the following new subparagraph:

"(F) section 42 (relating to personal exemptions)."

(g) The amendments made by this section shall apply to taxable years ending on or after the date of the enactment of this Act.

REMOVAL OF TAX PREFERENCES FOR OIL AND GAS

Sec. 402. (a) Section 263(c) of the Internal Revenue Code of 1954 (relating to intangible driling and development costs in the case of oil and gas wells) is repealed.

(b) Section 613(b)(1) of such Code (relating to percentage depletion) is amended by striking out "(A) oil and gas wells;".

(c) Section 901 of such Code (relating to foreign tax credit) is amended by redesignating subsection (f) as (g), and by inserting after subsection (e) the following new subsection:

"(f) Taxes on Income Derived from Oil and Gas Production.—This subpart shall not apply to taxes paid or accrued to any foreign country with respect to income derived from the extraction, production, or refining of oil or gas in such country."

(d) The repeal made by subsection (a) and the amendment made by subsection (b) shall apply to taxable years beginning after the date of the enactment of this Act. The amendments made by subsection (c) shall apply with respect to taxes paid or accrued during taxable years beginning after such date.

TERMINATION OF ASSET DEPRECIATION RANGE SYSTEM

Sec. 403. (a) Section 167(m) of the Internal Revenue Code of 1954 (relating to class lives) is repealed.

(b) The repeal made by subsection (a) shall apply with respect to property placed in service during taxable years beginning after the date of the enactment of this Act.

RESTRICTION OF ACCELERATED DEPRECIATION FOR RENTAL HOUSING

Sec. 404. (a) Section 167(j) of the Internal Revenue Code of 1954 (relating to special rules of section 1250 property) is amended by striking out so much of paragraph (2) as precedes subparagraph (B) and inserting in lieu thereof the following:

"(2) Federally subsidized residential rental property.—

"(A) In general.—Paragraph (1) of this subsection shall not apply, and subsection (b) shall apply in any taxable year, to a building or structure—

"(i) which is Federally subsidized residential rental property, and

"(ii) the original use of which commences with the taxpayer.

For purposes of this subparagraph, the term 'Federally subsidized residential rental property' means residential rental property which is subject to a contract for interest reduction payments under section 236 of the National Housing Act, subject to a contract for leased housing in private accommodations under the United States Housing Act of 1937, or financed by a loan under section 202 of the Housing Act of 1959."

(b) Section 167 (j) (5) of such Code (relating to used residential property) is amended by striking out "residential rental property (as defined in paragraph (2) (B)) acquired after July 24, 1969," and inserting in lieu thereof "Federally subsidized residential rental property (within the meaning of paragraph (2))".

(c) The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act. Any change in the computation of the allowance for depreciation for any taxable year, required by reason of the application of such amendments, shall not be considered a change in a method of accounting.

TITLE V—PUBLIC SERVICE EMPLOYMENT

ADDITIONAL PUBLIC SERVICE FUNDS AUTHORIZED

Sec. 501. (a) Section 4(d) of the Comprehensive Employment and Training Act of 1973 is amended by redesignating paragraph (2) thereof as paragraph (3) and by inserting immediately after paragraph (1) the following new paragraph:

"(2) In addition to the amounts reserved under paragraph (1) of this subsection, for any fiscal year ending prior to July 1, 1978, in which there are any three consecutive months (including the last three consecutive months) in that fiscal year in which the national rate of unemployment (seasonably adjusted)—

"(A) equals or exceeds 5 per centum there is authorized to be appropriated and made available $250,000,000 to carry out the public service employment programs under title II;

"(B) equals or exceeds 5½ per centum but less than 6 per centum there is authorized to be appropriated and made available $350,000,000 for such programs; and

"(C) equals or exceeds 6 per centum there is authorized to be appropriated and made available $500,000,000 for such programs."

(b)(1) Paragraph (3) of section 4(d) of such Act (as redesignated by this section) is amended by inserting after "paragraph (1)" in the first sentence thereof the following: "or authorized under paragraph (2)".

(2) The second sentence of such paragraph is amended by striking out "There" and inserting in lieu thereof the following: "In addition to the amounts authorized under paragraph (2), there".

(c) Section 4(d) of such Act is amended by adding at the end thereof the following new paragraph:

"(4) Sums appropriated for any fiscal year pursuant to this subsection shall remain available for the succeeding fiscal year for which they were appropriated.".

SPECIAL EMERGENCY EMPLOYMENT PROGRAM

Sec. 502. The Comprehensive Employment and Training Act of 1973 is amended by redesignating title VI, and all references thereto, as title VII and by redesignating sections 601 through 615, and all references thereto, as sections 701 through 715, respectively, and by inserting after title V thereof the following new title:

"TITLE VI—SPECIAL EMERGENCY EMPLOYMENT ASSISTANCE PROGRAM

"APPROPRIATIONS AUTHORIZED

"Sec. 601. In addition to the amounts authorized to be appropriated for carrying out this Act under section 4, there are authorized to be appropriated for the fiscal year ending June 30, 1975, and the succeeding fiscal year, such sums, not to exceed $5,000,000,000 in the aggregate for such period, as may be necessary to carry out the provisions of this title.

"EMERGENCY EMPLOYMENT ASSISTANCE FUND

"SEC. 602. There is established in the Treasury a fund to be known as the Emergency Employment Assistance Fund (hereafter in this title referred to as the "fund"). Amounts appropriated pursuant to section 601 which are not needed for immediate expenditure in accordance with this title shall be deposited in such fund to be available for obligation without fiscal year limitation in accordance with the provisions of this title. The Secretary is authorized to utilize sums deposited in the fund to provide assistance under this title.

"FINANCIAL ASSISTANCE AUTHORIZED

"SEC. 603. (a) Whenever—

"(1) the President determines, after reviewing forecasts of anticipated levels of economic activity, that specified amounts available in the fund should be obligated in order to diminish expected levels of unemployment, and notifies the Congress and the Secretary of such determination; or

"(2) the Congress, by concurrent resolution, determines, after reviewing forecasts of anticipated levels of economic activity, that specified amounts available in the fund should be obligated in order to diminish expected levels of unemployment, and notifies the President and the Secretary of such determination; or

"(3) the Secretary determines that the rate of national unemployment (seasonally adjusted) exceeds 5.5 per centum for three consecutive months;

the Secretary shall obligate such amounts to provide unemployed and underemployed persons with transitional employment in jobs providing needed public services, and, wherever feasible, related training and manpower services to enable such persons to move into employment or training not supported under this title. Such assistance shall be provided in accordance with the terms of any determination under paragraph (1) of this subsection or concurrent resolution under paragraph (2) of this subsection and in the case of a determination under paragraph (3) of this subsection to the full extent that funds are available in the fund.

"(b) Except pursuant to section 3 of this Act, the Secretary shall apportion funds made available pursuant to this title among prime sponsors designated under title I of this Act and eligible applicants under title II of this Act throughout the United States on an equitable basis, taking into account the rate of unemployment in areas served by such prime sponsors and eligible applicants.

"(c) Transitional public service employment opportunities financed under this title shall be subject to the terms and conditions set forth in sections 205, 206, 207, 208, and 209 of this Act.

"SPECIAL REPORT

"SEC. 604. (a) Within twenty-one days after enactment of this title, the President, after consultation with the Council of Economic Advisers, the Secretary and the heads of other appropriate departments and agencies, shall submit to the Congress a special report with respect to implementation of this title. The report required under this section shall include—

"(1) a detailed analysis of anticipated levels of economic activity and unemployment and the criteria to be applied in making various determinations under paragraph (1) of section 603(a); and

"(2) comprehensive plans for implementation of provisions of this title under paragraphs (1) and (3) of section 603(a).

"(b) The President and the Secretary may submit to the Congress such other reports as are necessary to the fulfillment of the objectives of this title.

"(c) Reports transmitted under this section, shall, when transmitted to the Congress, be referred to the Committee on Labor and Public Welfare of the Senate and the Committee on Education and Labor of the House of Representatives. Nothing in this subsection shall be construed to prohibit the consideration of the report by any other committee of the Senate or the House of Representatives with respect to any matter within the jurisdiction of any such committee.".

TITLE VI—SPECIAL UNEMPLOYMENT COMPENSATION PROGRAM

SHORT TITLE

SEC. 601. This title may be cited as the "Special Unemployment Compensation Act of 1974".

GRANTS TO STATES; AGREEMENTS WITH STATES

SEC. 602. Each State which enters into an agreement with the Secretary of Labor, pursuant to which it makes payments of special unemployment compensation in accordance with the provisions of this title and the rules and regulations prescribed by the Secretary of Labor hereunder, shall be paid by the United States from time to time such amounts as are deemed necessary by the Secretary of Labor to carry out the provisions of this title in the State. Special unemployment compensation may be paid to individuals only pursuant to such an agreement.

ELIGIBLE INDIVIDUALS

SEC. 603. An individual shall be eligible to receive a payment of special unemployment compensation or waiting period credit with respect to a week of unemployment occurring during and subsequent to a special unemployment compensation period in accordance with the provisions of this title if—

(a) the individual—

(1) has exhausted all rights to regular, additional, and extended compensation under all State unemployment compensation laws and chapter 85 of title 5, United States Code, and has no further rights to regular, additional, or extended compensation under any State or Federal unemployment compensation law (including the Railroad Unemployment Insurance Act (45 U.S.C. 351 et seq.)) with respect to such week of unemployment, and is not receiving compensation with respect to such week of unemployment under the unemployment compensation law of Canada: *Provided*, That such rights to compensation were exhausted in or subsequent to the first week beginning on or after October 1, 1973, or, such rights to compensation having been exhausted prior to the date, the benefit year in which such rights to compensation were exhausted did not end until on or after October 1, 1973, and the individual was last employed on or after such date; or

(2) is not otherwise eligible for compensation under any State or Federal unemployment compensation law (including the Railroad Unemployment Insurance Act (45 U.S.C. 351 et seq.)) with respect to such week of unemployment, and is not receiving compensation with respect to such week of unemployment under the unemployment compensation law of Canada: *Provided*, That the individual meets the qualifying employment and wage requirements of the applicable State unemployment compensation law in a base year which, notwithstanding the State law, shall be the 52-week period preceding the first week with respect to which the individual: (A) files a claim for compensation or waiting period credit under this Act; (B) is totally or partially unemployed; and (C) meets such qualifying employment and wage requirements; and for the purpose of this proviso employment and wages which are not covered by the State law shall be treated as though they were covered, except that employment and wages covered by the Railroad Unemployment Insurance Act (45 U.S.C. 351 et seq.), shall be excluded to the extent that the individual is or was entitled to compensation for unemployment thereunder on the basis of such employment and wages: *Provided further*, That the individual became totally or partially unemployed on or after October 1, 1973, and has met any waiting period requirement of the applicable State unemployment compensation law; and

(b) the individual is totally or partially unemployed, and is able to work, and is available for work, within the meaning of the applicable State unemployment compensation law, and is not subject to disqualification under that law; and

(c) the individual has filed a claim for compensation or waiting period credit under this title; and

(d) in the area in which the individual was last employed for at least 1 week prior to filing a claim under this title for compensation or waiting period credit with respect to such week of unemployment, a special unemployment compensation period is in effect with respect to such week of unemployment: *Provided*, That if the individual, except for the imposition of a disqualification in accordance with subsection (b), was otherwise eligible for a payment of compensation or waiting period credit under this title with respect to a week of unemployment which began during a special unemployment compensation period, but did not exhaust entitlement to special unemployment compensation during the special unemployment compensation period, entitlement shall continue after the end of the special unemployment compensation period but no compensation shall be paid under this title for any week of unemployment that begins more than 26 weeks after the end of such period; and

(e) the State in which the individual was last employed for at least a week prior to filing a claim under this title for compensation or waiting period credit with respect to such week of unemployment has an agreement with the Secretary of Labor under section 602 which is in effect with respect to such week of unemployment.

SPECIAL UNEMPLOYMENT COMPENSATION PERIOD

SEC. 604. (a) A special unemployment compensation period shall commence in an area designated by the Secretary with the third week after the first week for which there is an "on" indicator for such area, and shall terminate with the third week after the first week for which there is an "off" indicator for such area: *Provided*, That no special unemployment compensation period shall have a duration of less than 13 weeks: *And Provided further*, That each area in a State which (without regard to this proviso) is not in a special compensation period shall be deemed to be in such a period if and for so long as there is in effect (without regard to this proviso) such a period in other areas of the State the aggregate of the population of which is not less than 50 per centum of the total population of the State.

(b) The Secretary shall designate as an area under this section—

(1) each area within or among the States which he determines to be a "labor area" and which has a population of at least 250,000 persons. For the purposes of this section a "labor area" shall consist of an economically integrated geographical unit within which workers may readily change jobs without changing their places of residence; and

(2) all parts of a State which are not within a "labor area" designated under paragraph (1).

(c) There is an "on" indicator in an area for a week if for the period consisting of such week and the immediately preceding 12 weeks the rate of insured unemployment in the area equaled or exceeded 4 percent.

(d) There is an "off" indicator for a week if, for the period consisting of such week and the immediately preceding 12 weeks, subsection (c) is not satisfied.

(e) For the purposes of this section, the term "rate of insured unemployment" shall mean the percentage arrived at by dividing—

(1) the average weekly number of individuals who filed claims in the area, under State unemployment compensation laws, for unemployment compensation with respect to weeks of unemployment in the 13-week period specified in subsections (c) and (d), as determined on the basis of the reports made by the appropriate State agencies to the Secretary, by

(2) the average monthly employment in the area, which is covered by State unemployment compensation laws applicable to the area, for the last 4 consecutive calendar quarters ending before the close of such period for which data is available.

In determining, pursuant to paragraph (1), the average weekly number of individuals who filed claims in the area, individuals who filed claims under this title shall be excluded.

WEEKLY BENEFIT AMOUNT

SEC. 605. The amount of special unemployment compensation to which an eligible individual shall be entitled for a week of total unemployment shall be—

(a) for an individual referred to in paragraph (1) of subsection (a) of section 603, the average weekly benefit amount of regular compensation which was payable to the individual for a week of total unemployment in the individual's most recent benefit year; and

(b) for an individual referred to in paragraph (2) of subsection (a) of section 603, the average weekly benefit amount for a week of total unemployment that would be payable to the individual as regular compensation under the applicable State unemployment compensation law: *Provided,* That in computing the weekly benefit amount under this subsection the individual's base year, notwithstanding the State law, shall be the 52-week period preceding the first week with respect to which the individual: (1) files a claim for compensation or waiting period credit under this title; (2) is totally or partially unemployed; and (3) meets such qualifying employment and wage requirements; and for the purpose of this proviso employment and wages which are not covered by the State law shall be treated as though they were covered, except that employment and wages covered by the Railroad Unemployment Insurance Act (45 U.S.C. 351 et seq.) shall be excluded to the extent that the individual is or was entitled to compensation for unemployment thereunder on the basis of such employment and wages.

MAXIMUM BENEFIT AMOUNT

SEC. 606. The maximum amount of special unemployment compensation which an eligible individual shall be entitled to receive shall be—

(a) for an individual referred to in paragraph (1) of subsection (a) of section 603, one-half the maximum amount of regular compensation payable to the individual in the individual's most recent benefit year, but not exceeding the lesser of: (1) 13 times the average weekly benefit amount which was payable to the individual for a week of total unemployment as determined under subsection (a) of section 605; and (2) 52 times such weekly benefit amount reduced by the regular, additional, and extended compensation payable to the individual with respect to such benefit year; and

(b) for an individual referred to in paragraph (2) of subsection (a) of section 603, the maximum amount of regular compensation that would be payable to such individual as computed under the provisions of the applicable State unemployment compensation law, but not exceeding 26 times the weekly benefit amount payable to the individual for a week of total unemployment as determined under subsection (b) of section 605: *Provided,* That in computing duration under this subsection the individual's base year, notwithstanding the State law, shall be the 52-week period preceding the first week with respect to which the individual: (1) files a claim for compensation or waiting period credit under this title; (2) is totally or partially unemployed; and (3) meets such qualifying employment and wage requirements; and for the purpose of this proviso employment and wages which are not covered by the State law shall be treated as though they were covered, except that employment and wages covered by the Railroad Unemployment Insurance Act (45 U.S.C. 351 et seq.) shall be excluded to the extent that the individual is or was entitled to compensation for unemployment thereunder on the basis of such employment and wages.

APPLICABLE STATE LAW PROVISIONS

SEC. 607. Except where inconsistent with the provisions of this title, the terms and conditions of the applicable State unemployment compensation law which apply to claims thereunder for regular compensation and the payment thereof shall apply to claims for special unemployment compensation and the payment thereof.

TERMINATION DATE

SEC. 608. Notwithstanding any other provisions of this title, no payment of special compensation shall be made to any individual with respect to any week of unemployment ending after June 30, 1975.

RULES AND REGULATIONS

SEC. 609 The Secretary of Labor is empowered to promulgate such rules and regulations as he shall deem necessary and appropriate to carry out the provisions of this title, including regulations governing the payment of grants to the States under this title and prescribing the form and content of agreements with the States entered into under this title.

DEFINITIONS

SEC. 610. As used in this title—

(a) The term "applicable State unemployment compensation law" means the law of the State in which the individual was last employed for at least 1 week prior to filing a claim for compensation or waiting period credit under this title.

(b) The terms "regular compensation", "additional compensation", and "extended compensation" shall not include special unemployment compensation provided for in this title, but shall have the meanings assigned to those terms by section 205 of the Federal-State Extended Unemployment Compensation Act of 1970, as amended (Public Law 91–373; 84 Stat. 708 et seq.).

(c) The term "State" means the States of the United States, the District of Columbia, Puerto Rico, and the Virgin Islands.

(d) The term "week" means a calendar week.

EFFECTIVE DATE

SEC. 611. This title shall take effect on the thirtieth day after the date it is enacted and special unemployment compensation may be paid with respect to weeks of unemployment beginning on and after the effective date only in accordance with the provisions of this title.

APPROPRIATIONS AUTHORIZATION

SEC. 612. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this title.

INTRODUCTORY REMARKS AND TEXT OF THE ECONOMIC PREPAREDNESS ACT BY SENATOR HOWARD M. METZENBAUM

Mr. President I introduce today for appropriate reference my Economic Preparedness Act of 1974.

An April 10, in my maiden speech in the Senate, I set forth the key elements of my Economic Preparedness Program. I now submit the bill that I have prepared to accomplish principal objectives of that Program.

There is no need for me to reiterate the basic features of my proposals. But I would like to point out that several economic developments that have occurred since my speech dramatically emphasize the need for prompt action by Congress.

First, the sharp decline in the Gross National Product, coupled with an annual rate of inflation that has now reached 14.5 percent, should remove all doubts as to the wisdom of Congress enacting the $250 Federal tax credit for individuals that I propose in this bill.

Second, the record level of first-quarter profits by major oil producers being reported this week drives home the need for equally prompt action in stopping the outrageous practice of self-dealing between domestic oil companies and their foreign affiliates, and in repealing the special tax breaks enjoyed exclusively by major oil companies. The Economic Preparedness Act of 1974 would restore some measure of economic justice in the price of petroleum products that are sold in this country.

Third, the recent round of hand-wringing and inaction by economists employed by the Nixon Administration underlines once again the need for a fundamental review and restructuring of the economic machinery of the Federal government. The National Economic Preparedness Council proposed in my bill would do just that.

The guiding philosophy of the Economic Preparedness Act is to devise ways of acting before the country is threatened by a genuine recession and before inflation rises even beyond its already quite incredible levels. That is the only kind of government policy that makes sense. And that is why I urge the swiftest possible action on the legislation I introduce today.

Mr. ROBERT C. BYRD subsequently said: Mr. President, I ask unanimous consent that the bill introduced earlier today on behalf of Mr. METZENBAUM be referred jointly to the Committee on Government Operations and to the Committee on Finance.

The PRESIDING OFFICER. Without objection, it is so ordered.

By Mr. HARTKE:

S.J. Res. 207. A joint resolution to create an Economic and Social Community of the Americas. Referred to the Committee on Foreign Relations.

ECONOMIC AND SOCIAL COMMUNITY OF THE AMERICAS

Mr. HARTKE. Mr. President, in 1813, one of the leading founders of this great Nation, Thomas Jefferson, understood that the American system should include the entire Western Hemisphere, north and south. His philosophy was that whatever form the governments of the new Latin American nations might take, they would, nevertheless, be American governments.

Mr. President, the resolution I introduce today will bring Thomas Jefferson's dream to reality.

This resolution will move the Western Hemisphere one step closer to mutual understanding, happiness, prosperity and peace. I call upon the Congress to take this major step toward furthering the mutual development of the Western Hemisphere. Our dynamic renewal of the faith we have in our destiny and the destinies of the peoples of the Western World will manifest rewards in terms of prosperity yet unimagined by the millions of poor people who live for their next meal.

The establishment of an Economic and Social Community of the Americas will be the beginning of a cohesive continent. We must begin by establishing a delegation authorized to invite all nations of the Western Hemisphere to join in a conference leading to the creation of a common unity among the nations in economic, cultural, and social exchange.

The United States of America has long enjoyed the leadership of the Western Hemisphere, because of its advanced and prosperous society. While periods of history have experienced mountains and valleys in the relationship between the United States and the various governments of the Western Hemisphere, we must now level out our relationship, and provide for a consistent policy and relationship for the betterment of planning and organization for all concerned.

The resolution that I introduce does not set forth details of the relationship. I do not anticipate the form of the organization which I believe the Economic and Social Community of the Americas should take. Likewise, I do not anticipate the countries which will join in this undertaking. The delegation, once selected, will have to determine which countries are within the Western Hemisphere. Though the record is unclear which countries may be invited, it is anticipated that including the United States there would be 29. These would include: Argentina, Bahamas, Barbados, Bolivia, Brazil, Canada, Chile, Colombia, Costa Rica, Cuba, Dominican Republic, Ecuador, El Salvador, French Guiana, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Surinam, Trinidad and Tobago, the United States, Uruguay, and Venezuela.

The structure of the Economic and Social Community of the Americas will have numerous organizations to draw upon with varied experiences when consideration narrows to an adoptable system. One example of such an organization is the European Economic Community which has gained credibility as an international economic integrated effort that has proved its merit. While there have been problems associated with the Community, the structure has been able to resolve differences to the betterment of the member countries.

Mr. President, I do not here imply association with the EEC or any other economic organization, present or past. The delegation should seek out the most suitable organization for the peculiarities of the participating members. We need not look only to the south for furthering of relationships; our friend to the north, Canada, must have an integrated posture in any undertaking of this magnitude. Marquis Childs wrote a syndicated column which appeared in the Washington Post indicative of the thoughts of our closest neighbors concerning their relationship:

> Canadian Prime Minister Pierre Trudeau once said that living next door to the United States was like sleeping with an elephant. You could never know when the huge beast might turn over in his sleep and crush you without ever intending any harm. This is a lesson Mexico has learned.

Our challenge should not and must not be conditioned upon the careless error potential through our posture in the international economic community. We must support our friends by assuring them, through agreements, that their economic future is stable and secure.

Mr. President, I ask unanimous consent that Mr. Childs' column be printed in the Record, following the text of my resolution, as exhibit 1.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HARTKE. Mr. President, recently, the Washington Star-News published a special section entitled "Focus on Latin America." They assigned one of their specialists, Jeremiah O'Leary, to further the investigation into Latin America. I call to the attention of my colleagues, the many valuable insights which Mr. O'Leary has into the economic situation in Latin America. He begins by stating:

> Latin America, which has been taken for granted, if not ignored to a large extent, by the United States since World War II, is well on its way to achieving new status and importance in 1974 because of new political and economic factors that are now belatedly being recognized. The low priority given the Latins by the United States for three decades has been rooted in the fact that no Latin nation, including Cuba, represents any threat to world peace.

He further points out the many interests which the United States should have with our neighbors to the south. It is time for the United States to seek, not shun, the community of nations within our hemisphere. I ask unanimous consent that the article by Mr. O'Leary be printed in the Record following my remarks as exhibit No. 2.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. HARTKE. Mr. President, the same Washington Star-News special section contained articles by Galo Plaza on the "Fuel Crisis Clouds '74 Outlook" and by Antonio Ortiz Mena entitled "Gains Noted But Growth Rate Varies" which I ask unanimous consent be printed in the Record as exhibits 3 and 4 respectively.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibits 3 and 4.)

Mr. HARTKE. Mr. President, governments are formed to represent the interests of the people within their sovereign boundaries. We have come to realize that the actions of one nation often have profound impact on others. Interdependent relationships between nations have brought together nations for common reasons. The uneven distribution of the world's natural resources coupled with the unequal distribution of the technology to use those resources for the betterment of mankind will forge new directions producing new friends.

We dare not enter the 21st century forming more bilateral partnerships based upon illusory agreements. We must now seek the security of all nations by guaranteeing to the peoples of the Western Hemisphere a fair distribution of the economic wealth of the world. Our 200 years of history will mark the test of a new civilization when man will be free, prosperous, and happy.

The Latin American picture is not barren in cooperative economic relationships, nor world organizations which consider the economic situation of the countries to our South and North. The United Nations Economic Commission for Latin America has existed for nearly 20 years. It is a competent center for research and investigation into the technical abilities of economic integration in Latin America, which could contribute many valuable thoughts.

There are several major economic integration movements in Latin America. The first is the Central American Common Market—CACM—made up of nations within the Central American area.

The second is the Latin American Free Trade Area—LAFTA—formed by a treaty signed in 1960, by the governments of Argentina, Bolivia, Brazil, Chile, Mexico, Peru, and Uruguay. These two economic, social, and culturally based organizations in the Americas have marked a beginning in the interdependence of nations. I mention these organizations here for source materials when the delegates seek wisdom in structuring the new Economic and Social Communities of the Americas.

Mr. President, the world will continue to grow smaller as increased communication capabilities reach further corners of civilization. We must be ever cognizant of the reaches of the policies and interests of the United States upon the lives of millions of peoples. A dynamic America heading for the 21st century dare not resign its system or fate to anarchy at home or in the world. We must be a cohesive hemisphere with economically sound continents which may enter the international economic community with stability. We in the United States have a proud heritage of strength and wisdom in dealing with the problems of the day. Our pride in our Government should be the foundation upon which we build a durable and lasting economic, cultural, and social relationship with the other nations around us. With a rededication to the values of our forefathers we can establish a community of interest common to the cause of man, insuring further economic prosperity for the developed nations, and increasing the prosperity of the developing nations.

We must be ever mindful of the international general trade and tariff agreements to which the United States is a party. Yet, our economic foreign policy must not be to the detriment of either the American businessman or laborer.

There are many political governments included in the Western Hemisphere. We in the United States must be proud of our Government which has brought freedom and liberty to its citizens. Yet, a prosperous happiness should be encouraged both at home and abroad. We must renew our faith in the values of liberty, freedom, and humanity.

Let not a man among us cry out that the United States will lessen its position or values if we enter into a community spirit within our hemisphere.

Mr. President, I ask unanimous consent that the text of my resolution be printed in the Record at this point.

There being no objection, the joint resolution was ordered to be printed in the Record, as follows:

S.J. Res. 207

Joint resolution to create an Economic and Social Community of the Americas

Whereas it is necessary for the United States to lay the foundation for an ever closer union among the peoples of the Americas by ensuring the economic, social and cultural progress of the States of the Americas by common action to eliminate the barriers which divide said States; and

Whereas the essential objective of the efforts of the States of the Americas should be the constant improvement of the living and working conditions of their peoples; and

Whereas the removal of existing obstacles calls for concerted action in order to guarantee steady expansion, fair trade and competition; and

Whereas the cultural exchange of all the arts of the States of the Americas will greatly increase the understanding of the peoples of the Americas; and

Whereas the bridging of the social differences among the peoples of the Americas will strengthen the bond between the States of the Americas; and

Whereas the development, not destruction, of all human beings lies at the essence of the States of the Americas, which essence binds, not separates, and constructs a just and honorable foundation for all mankind; and

Whereas the States of the Americas must lay aside their political differences in search of a lasting economic, cultural and social agreement in recognition of the universal advancement of man in spiritual excellence and physical welfare; and

Whereas it is necessary to strengthen the unity of the economies of the States and to ensure their harmonious development by reducing the differences existing between the various developed and developing States; and

Whereas it is necessary for the States of the Americas to contribute, by means of a common commercial policy, to the progressive reform of restrictions on international trade; and

Whereas to confirm the solidarity which binds the Americas and the overseas countries and desiring to ensure the development of their prosperity, in accordance with the principles of the Charters of the United Nations and the Organization of American States; and

Whereas by thus pooling their resources to preserve and strengthen peace and liberty, and calling upon the other peoples of the World who share their ideals to join in their efforts; Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That—

(1) The Congress hereby creates an Economic and Social Community of the Americas delegation, composed of twelve eminent citizens, and authorized to organize and participate in a convention made up of similar delegations from such other States of the Western Hemisphere as desire to join in the enterprise to explore the possibility of an agreement on:

(a) a declaration that the economic, social and cultural progress of the States of the Americas by common action will eliminate the barriers which divide States;

(b) a timetable for the transition by stages to this goal; and

(c) a commission to facilitate advancement toward such stages.

(2) The convention's recommendations shall be submitted to the Congress.

(3) Not more than half of the delegation's members shall be from one political party.

(4) (a) Four of the delegates shall be appointed by the Speaker of the House of Representatives, after consultation with the House Committee on Foreign Affairs and the leadership; four by the President pro tempore of the Senate, after consultation with the Senate Committee on Foreign Relations and the leadership; and four by the President of the United States, after consultation with the Secretary of State and the Cabinet;

(b) Vacancies shall not affect its powers and shall be filled in the same manner as the original selection;

(c) The delegation shall elect a chairman and vice-chairman from among its members.

(5) To promote the purposes set forth in this joint resolution; the delegation is hereby authorized—

(a) to seek to arrange an international convention and such other meetings and conferences as it may deem necessary;

(b) to employ and fix the compensation of such temporary professional and clerical staff as it deems necessary; Provided, that the number of professional staff shall not exceed twenty, and the number of clerical staff shall not exceed fifteen: And, Provided further, that compensation shall not exceed the maximum rates authorized for committees of the Congress; and

(c) to pay not in excess of $200,000 toward such expenses as may be involved as a consequence of holding any meetings or conferences authorized by subparagraph (a) above.

(6) Members of the delegation, who shall serve without compensation, shall be reimbursed for, or shall be furnished, travel, subsistence, and other necessary expenses incurred by them in the performance of their duties under this joint resolution, upon approval of vouchers by the chairman of said delegation.

(7)) Not to exceed $300,000 is hereby authorized to be appropriated to the Department of State to carry out the purposes of this resolution, payments to be made upon vouchers approved by the Chairman of the delegation subject to the laws, rules, and regulations applicable to the obligation and expenditure of appropriated funds. The delegation shall make semiannual reports to Congress accounting for all expenditures and such other information as it deems appropriate.

(8) The delegation shall cease to exist at the expiration of the four-year period beginning on the date of the approval of this resolution, or upon the submission to the Economic and Social Community of the Americas, whichever comes first.

Exhibit 1

The U.S. Challenge in Latin America

(By Marquis Childs)

Mexico City.—For Latin America a tour by President Nixon would have come far short of answering long-persistent problems. But canceling the projected tour stirred the old suspicion that the world below the Rio Grande is taken for granted, if not ignored.

Not only practical matters such as trade and industrial development are involved: Latin pride is an important element. The overweening conduct of great North American multinational corporations such as ITT, revealed in the conflict in Chile, stirs fierce resentment and feeds the extreme leftists who seek to bring down the old order. Economic troubles have been increased by natural disasters of flood and earthquake.

The immediate challenge to the United States is over continuing sanctions against Fidel Castro's Cuba. Support for the U.S. position within the Organization of American States has been steadily eroded until today a majority of the 22 members might vote against the barriers to Cuban trade. A two-thirds vote is required to abolish the sanctions.

The Latins are puzzled by the paradox of the Nixon initiatives establishing close relations with Communist China and new agreements with the Soviet Union while keeping Cuba, only 70 miles off the Florida coast, under a tight grip. The Latins note that, so far as can be determined, Fidel Castro has ceased exporting his revolution as he did when he sent Che Guevara into Bolivia for a futile attempt to raise the campesinos in revolt.

Mexico never broke relations with Cuba, as did the other Latin-American nations. Trade continues, although it is limited, since the two have more or less complementary economies. Washington has not been too unhappy, since Mexico City has been a back door through which Americans with Cuban visas can go to Havana, and it is a valuable intelligence source.

But the erosion in the past two years is troubling for the big neighbor to the north seeking to hold the line against Castro. Four Caribbean countries and Peru have exchanged ambassadors with Havana. Chile, at the start of Salvador Allende's Marxist government, recognized Cuba. Ecuador, Panama and Venezuela are reported moving in that direction.

Washington's chief backing in keeping the heat on Castro comes from Brazil, Bolivia and Paraguay. These are all under more or less tight military control. The five Central American republics have also thus far stayed in line to help stave off a two-thirds vote when the OAS General Assembly meets next spring in Atlanta, Ga.

A majority vote against the U.S. position would be no reason for rejoicing, since it would reflect the rapid deterioration and the decline of the once widely heralded hope for democratic institutions and developing industry. The growing abrasions, as Peru seeks to nationalize U.S. oil companies and the ferment in Chile threatens to break into civil war, are ominous indicators that Big Brother can no longer call the tune. Bitterness in Panama over the U.S. hold on the Canal Zone smolders beneath the surface. It took a U.S. veto in the U.N. Security Council to kill a resolution restoring the zone to Panamanian authority.

Canadian Prime Minister Pierre Trudeau once said that living next door to the United States was like sleeping with an elephant. You could never know when the huge beast might turn over in his sleep and crush you without ever intending any harm. This is a lesson Mexico has learned.

Being a next-door neighbor brings certain advantages, such as a tourist industry that is a large dollar earner. But it also brings disadvantages as Big Brother settles his own problems in his own way, regardless of the consequences to others.

President Luis Echeverria, now at the halfway point of his six-year term, has struck a remarkable balance between independence and friendship. This has been evident in the bold initiatives in foreign policy he has carried through, staking out a forward position virtually unprecedented in Mexico's foreign policy. Some progress has come out of collaboration between the two neighbors but so much is still to be done.

Exhibit 2

Latin World Is Achieving New Status

(By Jeremiah O'Leary)

Latin America, which has been taken for granted if not ignored to a large extent by the United States since World War II, is well on its way to achieving new status and importance in 1974 because of new political and economic factors that are now belatedly being recognized.

These factors for the United States in the simplest terms are:

The estimated 300 million people of the Latin world represent an enormous, relatively untapped market and one that will grow geometrically in population and purchasing power in the generation ahead.

Latin America is, and always has been, a treasure house of raw materials, energy and labor that has critical potential importance in world commerce.

The 25 independent nations of the region south of the Rio Grande are no longer yes-man clients of the United States in global politics either at the United Nations, the Organization of American States or the world economic equilibrium.

Secretary of State Henry A. Kissinger, the world's most skilled and powerful geopolitician, last week went to a conference of Latin foreign ministers and demonstrated plainly that he recognizes the importance of the region. It was his first real exposure to the reality that Latin America is no longer to be thought of by the United States as so many banana republics ready to bow to Washington's will at the appearance of a few Marines.

The low priority given the Latins by the United States for three decades has been rooted in the fact that no Latin nation, including Cuba, represents any threat to world peace. The missile crisis of 1962 was a confrontation with the Soviet Union, not Fidel Castro. The U.S. order of priorities since V–J Day has been, first, NATO vis a vis the Warsaw pact nations, followed by Asia and the Middle East. Only Africa has stood lower on the North American scale of priorities.

This situation, now ripe for reassessment and change, has been galling to Latin leaders who have sensed that the attention of Washington could be attracted only by two trigger words: Revolution and earthquake. This tendency by U.S. diplomats to write the other American states off as unstable backwaters is obsolete, as Kissinger's clear interest demonstrates.

The anomaly of the situation is that the United States is turning its eyes southward precisely at the point in history that Latin America is achieving economic and political importance that has nothing to do with help or encouragement from the outside. The huge market was always there and, indeed, Latin America was the only area of the world where the United States maintained a favorable balance of payments in trade a year ago. Even Africa, least developed region of the world, sells more to the United States than it buys.

In a political sense, the Western Hemisphere nations represent a formidable bloc in terms of the United Nations and in any issue on which all of them see eye to eye. But overriding all else is the economic fact that Latin America is coming into its own as a source for metals, cellulose, energy and foodstuffs which the world, and especially the United States, can no longer afford to overlook.

A single illustrative example is the case of cellulose, primary substance for the manufacture of a myriad of products from clothing to paper. A world shortage of cellulose has been developing for years as the world's forests have been dwindling in mankind's short-sighted exploitation of raw resources. Brazil has planted millions of acres in the Amazon basin with early-maturing mimosalike African trees and is likely to have a virtual world monopoly on cellulose within this decade.

The fragility of the dependence on the Middle East for hydrocarbon energy brings the Latin oil producers into new importance, at least for the 5 to 10 years it will take the United States to achieve energy independence. Venezuela, Colombia and Ecuador are already major producers of petroleum and there is evidence that the entire eastern slope of the Andes sits atop a fantastic oil pool from Venezuela to the edge of the Argentine pampas.

It is a fact of life, however, that throughout the world the days of cheap energy are over. It is also a fact, largely recognized and accepted by the United States, that the era has passed when North American companies can expect to own majority interests in Latin industries, either extractive as in the case of mines and oil or in overseas subsidiaries of U.S. manufacturing firms. Pepsi Cola and Sears recognized this trend long before the wave of nationalizations began in 1968 when Peru led the way with seizure of the International Petroleum Corp. For years, Pepsi Cola and Sears have been locally owned, managed and supplied.

From Mexico to Tierra del Fuego, the rules for foreign investment have changed drastically along the lines of what is called the Brazil formula. This means, with some variations and exceptions, that at least 51 percent of the ownership of an enterprise must be locally owned but there is remittance of profits up to 10 percent for foreign investors with liberal tax forgiveness for such profits as are plowed back into the local economy.

As the region has evolved politically, along dictatorial or democratic lines, the United States also has drastically changed its national attitude. Where once, in the days of President John F. Kennedy, the United States reserved its special friendship for democracies, the United States policy now is to accept Latin governments as it finds them.

The sole exception is that of Cuba, which for 15 years has been a grubby theater for the ambitions of the Marxist leader, Castro. Once a major worry to the United States, Cuba has now receded to the status of an extremely expensive outpost for the Soviet Union. The United States has, since the Eisenhower years, played into Castro's hands by supporting isolation of Cuba as a pariah state. That policy is now under active study in Washington but no examination is needed to demonstrate that Cuba is neither isolated nor a menace to its neighbors.

The only barrier to Cuban-U.S. rapprochement, according to Kissinger, is Cuban hostility. But some close observers in Washington believe that President Nixon himself is opposed to any improvement in relations for both emotional and political reasons.

The fact Kissinger, a certified pragmatist, faces is that continued standoffishness raises the real possibility that it will be the United States that is isolated, not Cuba, if present Latin trends continue. Once denied diplomatic and trade relations by every member of the Organization of American States except Mexico, Cuba now has relations with Argentina, Peru and the now-independent former British West Indian colonies, and other nations are talking about reestablishing relations with Havana with or without the OAS blessing.

In the past several years, the United States has had thornier problems with other Latin nations than with the Cubans. Until the Chilean armed forces overthrew Marxist President Salvador Allende last September, Chile and the United States were at continual and acrimonious odds. Other short- or long-term U.S. problems in the region have been: Argentina, the wave of terrorist kidnapings; Uruguay, the murder of police advisor Dan Mitrione: Paraguay, the extradition of dope smuggler Auguste Ricord; Bolivia, expropriation of oil properties; Peru, the IPC seizure and the tuna boat confrontations; Ecuador, the tuna boat and 200-mile territorial limit problem; Brazil, a now-settled question of fishing rights on the continental shelf; Venezuela, the status of American oil companies and the soaring price of oil; Guyana, the prospect of nationalization of Reynolds Metals Co. bauxite interests.

Panama and the U.S. have been in continual dispute over the future of the Canal Zone, control of the waterway and the presence of U.S. military forces. Costa Rica and the Bahamas have had problems with the United States over the refusal of those nations to extradite indicted financier Robert Vesco. The United States and Mexico have happily settled their probelm with use of the Colorado River water but future investment rules may cause new frictions. The Dominican Republic still remembers the 1965 unilateral U.S. military intervention and Haiti almost received similar attention in 1963.

But the impression of many specialists is that Latin Americans are almost as interested in dignified attention and mutual respect as they are in more mundane relationships. The overriding reality of Latin America today is that no one policy will serve so vast and populous a region. Every country south of the Rio Grande has its own special identity and each is as different from the others as, for example, Greece is from Sweden in the European context.

There is no Latin America, except as a handy geographic reference. The region has dictatorships and democracies. It has black nations like Haiti and Jamaica; Indian countries, like Bolivia and Peru; mestizo countries, like Mexico and Honduras, and countries of nearly pure European blood, like Argentina, Uruguay and Costa Rica.

Brazil is a descendant of the Portuguese with African cultural and ethnic infusions. Haiti looks to both France and West Africa for its roots. The Plata estuary countries are Italianate and the former colonies of Britain take afternoon tea and play at cricket.

Some Latin nations, like Uruguay, Brazil, Chile and Argentina suffer heavily from inflation. Some, like El Salvador and Venezuela, are relatively unaffected by inflation. Some countries, such as Argentina, are nearly 100 percent literate; Haiti is 90 percent illiterate.

Politically, the democracies are not in the ascendancy. Colombia and Venezuela alone in South America can be called democracies. Soldiers, caudillos or juntas rule with varying degrees of rigidity everywhere except Mexico, Costa Rica and some of the Caribbean islands.

The outstanding human phenomenon is the explosive population growth rate which is over 2 or 3 percent everywhere except Argentina, Barbados, Chile, Haiti, Jamaica and Uruguay. A country with a 3 percent annual population growth doubles its population within 20 years. By comparison the U.S. rate is about 1.2 percent. This means that, by 1980, Latin America across the board will have nearly 350 million inhabitants when as a whole it cannot feed and house the existing populace adequately now.

Here are thumbnail sketches of the general situations in each of the Latin American countries, omitting a few tiny places and entities with political ties to Europe:

Argentina—Highly urbanized Argentina, blessed with a temperate climate and the richest agricultural earth in the New World, could feed half the world if it could correct its staggering political and economic problems. The 24 million Argentines are beset with terrorists but the major flaw is cynicism. After seven dreary years of military rules, the Argentines have placed themselves in the hands of septuagenarian former dictator Juan Peron who is doing his best to combat terrorists.

Peron's Justicialista movement is a labor-dominated conglomerate of the political spectrum representing a majority of the people, but Peron is not physically strong. His young wife, Isabelita, is his vice president but she probably could not succeed him in office, and Peron has created no mechanism for taking charge of the state in event of his death. The armed forces, once again, are waiting in the wings. An economic upsurge accompanied by suppression of guerrilla violence would give Argentina its best chance for its experiment of democracy with Peronism.

Barbados—An island of only 166 square miles with a population of 240,000, Barbados has a delightful climate and a tidiness that has earned it the name of "Little England."

Prime Minister Eric Barrow is one of the most solid of the Caribbean leaders, but in an economy dependent on tourism and sugar his greatest problem is an unemployment rate of 13 percent. Barbados is sort of a neutral ground among the more populous rivals for former British Caribbean preeminence: Jamaica, Trinidad and Tobago, and Guyana.

Bolivia—President Hugo Banzer, a right-wing army general, rules Bolivia as head of a political coalition which until recently included the old reformist party, MNR, of Victor Paz Estenssoro. The primitive economy is based on tin mining on the 13,000-foot high Altiplano and oil-gas fields in the lowlands. Bolivia's curse has been her volatile politics, which have produced a revolution about every eight months since independence. The country also is hampered by the inertness of the Indian majority, lack of communications and roads and the landlocked condition of the nation. High prices for tin and oil are helpful.

Brazil—The 100 million people of Brazil are caught up in a giant boom that is the result of nearly 10 years of stability and wise economic planning. Next month, Gen. Emilio Garrastazu Medici will be succeeded as president by Gen. Ernesto Giesel in the programmed succession created by the military officers who control Brazil. Brazil has turned its eyes toward its own heartland to open up the Amazonian wilderness. All Brazilians feel they are on the verge of national greatness, and the dream is coming true as the soldiers continue to leave the national development in the hands of the experts.

The government's built-in majority is hardly a democratic situation but Brazilians have great individual talent for ignoring or outwitting those who would regulate them. Brazil, a giant in both size and potential, is the close ally of the United States in a North-South axis that is the dominating factor of the hemisphere. Militantly anti-Communist, the Brazilian government has gone all-out to attract foreign investment and is a burgeoning industrial power as well as a source of raw materials. Brazil is self-sufficient in everything except petroleum and wheat. Sao Paulo, with 13 automobile plants and larger than Chicago, is the most populous city in the Latin world.

Chile—On Sept. 11, 1973, the armed forces and police of Chile intervened in the nation's political life for the first time in 40 years to overthrow the elected government of Marxist President Salvador Allende. More than 3,000 people, including Allende, died in strife. Allende was not quite halfway through his six-year term which had brought Chile to the brink of ruin in the effort to convert the nation to Marxist-Leninist economic and social structuring.

A combination of strikes, loss of incentive by farmers and sources of industrial production and unrealistic wage and production requirements raised inflation to over 300 percent. When the junta forces, headed by Army Gen. Augusto Pinochet struck, they rounded up thousands of leftists, closed down the leftist press and radio-TV media and imposed a curfew that is still in force. They broke relations with Communist countries and announced that Chile would now be open to discussion on compensation for nationalized U.S. copper properties. They also made it clear they are not going to permit elections until Chile has been purged of leftist extremists.

Chile, in short, has undergone a political shift to the right and, economically, is attempting to regain its credit and to attract foreign investment. There is every reason to believe that credit, international assistance and foreign investment will now flow to Chile again.

Colombia—Along with neighboring Venezuela, Colombia shines brightly as a nation which has broken away from the Latin penchant for dictatorial rule and is resolutely pursuing the democratic way. For the last 16 years, Colombia has abided by a bipartisan "parity" system of government with the Liberals and Conservatives alternating in the presidency and lesser posts. In April, 1974, the restraints are off in a presidential election campaign where the Liberals, Conservatives and ANAPO followers of aging former dictator Gen. Gustavo Rojas Pinilla may now campaign all-out along party lines.

There is every reason to expect that Colombia will not now slip back into the "violencia" which caused more than 100,000 deaths in the '40s and '50s. Colombia benefits from high coffee prices but the 22 million Colombians, like most Latins, are deeply affected by the energy crisis. Long before the Mideast war, Colombian officials knew the country would shift from net exporter to importer of oil by 1975 and a 10-year plan has already begun to find alternate energy sources in hydroelectric power, coal and gas.

The two favorites among six presidential candidates are Alfonso Lopez Michelsen and Alvaro Gomez Hurtado, both sons of former presidents. A dark horse is the populist ANAPO featuring a formidable woman, 40-year-old Maria Eugenia Rojas de Moreno, daughter of the ex-dictator. But the front-runners are the progressive Lopez of the Liberals and the openly right-wing Conservative Gomez. Only if ANAPO's "La Capitana" wins do experts anticipate any chance of intervention by the armed forces opposed to her Socialist leaning.

Costa Rica—The democratic Costa Ricans have just gone through a vibrant presidential election won by former Foreign Minister Daniel Oduber Quiros of the National Liberation Party. It was the first time in recent history that any party has won back-to-back elections with Oduber succeeding his patron, Jose "Don Pepe" Figueres. Costa Rica's main problems are energy and inflation, plus the expensive but admirable way this attractive Central American nation attempts to provide welfare benefits for its largely Hispanic population.

Dominican Republic—On May 16, the 4½ million Dominicans will go to the polls to elect President Joaquin Balaguer for his third four-year term just nine years after the United States sent 25,000 troops to intervene in a burgeoning civil war. Balaguer is on the closest terms with Washington and the once-turbulent Dominican Republic is enjoying an economic boom marred only by the energy situation. Sugar prices are at peak levels for the nation's principal export. The university is a hotbed of leftist sentiment, but Balaguer, backed by the armed forces, is a sure winner if, indeed, his candidacy is opposed at all. The opposition talks of a united front against him but this will lead to nothing.

Ecuador—The principal problem facing Gen. Guillermo Rodriguez Lara, who has run the country since a military coup last February, is how to spend the bonanza of oil revenues that has come to Ecuador just when the price soared and supplies dropped. Almost overnight, Ecuador became the second largest oil exporter after Venezuela, in Latin America. The oil fields developed by a Texaco-Gulf consortium east of the Andes are pumping out 250,000 barrels a day while the banana industry is still good for nearly $150 million a year. The new riches are not filtering down to the poor among the nation's 6 million inhabitants, and the dictatorial rule is challenged by rivalry between the Army and Navy.

El Salvador—Col. Arturo Molina is a democratically elected president but El Salvador is traditionally controlled by the armed forces and a handful of the rich. Like the rest of Central America, El Salvador is hard hit by the energy crisis and virtual collapse of the regional Common Market as an aftermath of the inconclusive war between Honduras and El Salvador. That conflict was precipitated by El Salvador's booming population, now about 4 million with an annual growth rate of 3.4 percent. The proportion of land to population in minuscule El Salvador is one of the world's lowest.

Guatemala—On March 1, Guatemala's 5.5 million people will elect a president, but no matter who wins he will be a military officer succeeding the incumbent, Gen. Carlos Arana Osorio. Arana's party has indorsed Gen. Kjell Laugerud Garcia, 52, whose opponents are Col. Ernesto Paiz and Gen. Efrain Rios Montt. Laugerud should win. Guatemala, except for the impact of the oil crisis and inflation, is in a state of relative boom but most of the population is made up of Indians who are outside the national economy.

Guyana—The former British colony on the South American mainland cannot join the OAS under present rules because of its unsettled territorial dispute with Venezuela. Internally, Prime Minister Forbes Burnham, of African descent, rules with handy electoral margins even though the East Indians are more than 50 percent of the population. Indian Marxist leader Cheddi Jajan has become a political has-been. Burnham, although the 25 percent unemployment rate is a constant thorn, gained popularity by nationalizing the Canadian aluminum company DEMBA. Racial strife is dormant.

Haiti—President Jean-Claude "Baby Doc" Duvalier, with help from his family and the army, has changed the bloody image of his country created by the cruel dictatorship of his father, the late Francois Duvalier. Most of the 5 million black Haitians still live a hand-to-mouth existence but tourism and assembly plants are doing a booming business. "Baby Doc" is president for life, but, compared with his tyrannical father, is relatively bland.

Honduras—If it were not for the energy crisis, Honduras would be relatively well off despite the debilitating effects of the war with El Salvador and the uncertain future of the Central American Common Market. President Osvaldo Lopez Arellano is a dictator but probably provides more stability than Honduras had under its former elected government. Agricultural prices are high and a boon but Honduras is the least developed country of middle America, and inflation hits the peasant hard.

Jamaica—The principal importance of Jamaica to the U.S. is that more than 50 percent of America's aluminum comes from there. The English-speaking former British colony is also a tourist haven popular with Americans. Unemployment is a continuing problem for Prime Minister Michael Manley and the 2 million Jamaican people.

Mexico—Our independent-minded neighbor to the south is one of the best managed and most stable of the Latin nations, but as the country continues to industrialize and expand its economy, it inevitably is affected by world economic problems. President Luis Echeverria and the ruling PRI party have established new rules for investment that are still attractive to foreigners but inflation is a growing problem.

Mexico, while on the best of terms with the United States, resolutely pursues an independent foreign policy which includes advocacy of the return of Cuba to the Organization of American States. Millions of U.S. tourists spend big money in Mexico and the salinity of the Colorado River water has been solved by agreements between the two nations. But Mexico now wants improved conditions for its migratory workers in the United States and is clearly anxious that these farm laborers continue to work here because it cuts down unemployment and brings dollars back to the homeland. Echeverria has vigorous leftist opponents but PRI does not seem to be seriously challenged.

Nicaragua—The disastorus earthquake of

December, 1972, flattened Managua at the same time that severe drought was ruining the cotton crop, but things are looking up. Although housing the 300,000 made homeless is a major problem, the rains have returned and Nicaragua anticipates a bumper cotton crop at top prices. Gen. Anastasio Somoza of the ruling dynasty faces no major challenge except that of rebuilding.

Panama—Brig. Gen. Omar Torrijos, Panama's strongman, has made political hay from the agreement concluded earlier this month with Secretary Kissinger for an agenda for negotiating a new treaty on the canal. With the United States evidently prepared to make major concessions, including elimination of the hated Canal Zone; both Torjos and Kissinger appear to have defused a potentially explosive situation. Torjos has been having domestic political troubles, but probably nothing he cannot handle with his sharply trained Guardia Nacional. Panama is becoming an attractive banking haven for big money because of its good interest rates, numbered accounts and the total convertibility of dollars in a country that uses U.S. paper currency as its own.

Paraguay—Like Old Man River, Paraguay continues to roll along under the relatively bland dictatorship of Gen. Alfredo Stroessner as a smuggler's heaven in a setting that has a 19th century flavor. The 2.3 million Paraguayans, far removed from the world's center stage, are affected by the energy crisis but less than more industrial countries.

Peru—The military government of Gen. Juan Velasco Alvarado is now in its sixth year and has demonstrated its ability to run the country even though the much-trumpeted new social system is still an illusion. Velasco rules through the military institution, not as a one-man show, and does so with almost no political activity. The economy is in good condition even though things have not changed much for the descendants of the Incas since the coming of Pizarro. The military spends far more than it should on sophisticated arms. Strikes have caused some clashes between the troops and the people but in general Peru is stable despite the uncertainty of private investors about government economic policies.

Trinidad and Tobago—There will never be enough jobs for the 1 million inhabitants nor enough arable land for much expansion of agriculture. Prime Minister Eric Williams, who survived a military rebellion several years ago, presides over a nation that has restive labor and racial problems. Petroleum and natural gas production, plus small industry and agriculture and the high literacy of the population, are Trinidad's greatest hopes for the future.

Uruguay—The Uruguayan army came out of its barracks to defeat the urban guerrilla Tupamarro organization and has refused to go back. Thus, in defeat, the Tupamaros with their aim of eliminating the traditional democracy and giving all opposition groups a single target. Uruguay, which is modeled on Switzerland, is a welfare state that has gone broke. On a wool and meat export economy, Uruguay cannot afford cradle-to-grave welfare statism. Now, the nation is ruled by fiat and probably will remain so for the indeterminate future.

Venezuela—The soaring price of oil has brought Venezuela a financial windfall that may total $10 billion this year. Newly elected President Carlos Andres Perez takes office next month in what should be a smooth transition from outgoing Social Democrat Rafael Caldera. The new president is not expected to take any action on unilateral recognition of Cuba, as his opponent might have done, and the oil ownership problem with U.S. companies was not an issue.

All oil concessions revert to Venezuela in 1983 in any case. The new oil income may be plowed into the technology to develop the nearly boundless tar sands of the Orinoco. The question is how much of these unprecedented earnings will go to the common people and to stabilizing the economy. One danger: If the prices of oil remain at their present staggering height, Venezuela like other producers will find itself getting paid in deflated currencies.

Exhibit 3

From the OAS: Fuel Crisis Clouds '74 Outlook

(By Galo Plaza)

Latin America enjoyed impressive economic expansion in 1973, but the outlook for 1974 is clouded for most of the region by economic effects of the worldwide energy crisis and particularly its impact on economic activity in the developed countries and on the demand for imports.

Last year economic growth in Latin America recovered to the record level of 6.8 percent attained in 1970, with per capita income climbing by a record 3.8 percent. Except for 1971, this is the fourth consecutive year during which Latin American per capita economic growth has exceeded 3.5 percent, a level that has been among the highest in the world.

Particularly encouraging is the fact that the increasing buoyancy of the Latin American economies last year was not only due to the economic "take-off" in Brazil and the vigorous economic performance of a few other countries, but in 1973 12 countries exceeded the 6 percent growth rate established as a target for the international development strategy by the United Nations. The performance of such smaller countries as Ecuador, El Salvador, Guatemala, Panama, and the Dominican Republic was particularly impressive. Mexico and Argentina also showed a substantial expansion, as did Colombia and Venezuela.

In Chile, however, growth declined drastically to a rate of minus 5.7 percent. There hyperinflation accounted for a precipitous decline despite favorable prices for copper. Had Chile's growth rate approached the level recorded in 1971, the overall Latin American expansion would have edged toward the unprecedented rate of 7 percent.

As is usual in Latin America, the economic expansion last year was propelled by an export growth virtually without parallel in recent times. The value of Latin American exports expanded 32.5 percent, with exports of non-traditional products, mainly semi-manufactured and manufactured products, probably climbing at an even faster rhythm once the latest figures are compiled.

Despite the negative effects of world currency alignments on Latin America's international reserves, the latter grew and added to the availability of resources for investment. The 1973 rise in exports was primarily attributable to a strengthening of prices of virtually all raw materials and foodstuffs produced by Latin America, except bananas. It should be underlined that this picture does not yet include the rise in petroleum prices toward the year-end.

As regards the distribution of Latin American experts, close to two-thirds still go to Western Europe, United States and Canada. It is interesting that in recent years this proportion has not changed significantly. What is encouraging, however, is the rapid increase of the share going to Japan or being traded within the region itself.

An estimated 13 percent of Latin American exports now move within the region compared with an average of about 9 percent during the period 1961–65. The latter figures underline the continued importance of economic integration. On the other hand, despite numerous trade agreements signed in recent years with the Soviet region, exports to that part of the world do not show any significant gain over the last 6 years, and hover around 2½ percent of the total during the past three years.

Coupled with the favorable external trade developments and the growth of the Latin American economics, the region's capacity for absorbing international lending also tended to increase. Official loan authorizations reached a record of more than 2.9 million dollars in 1972; and although the first quarter figures for 1973 are somewhat below those for the first quarter of 1972, the outlook for the year as a whole and for 1974 shows further increases beyond the peaks previously attained.

As regards the flow of private funds to Latin America, these appear to be recovering from previous declines, as investors begin to take advantage of the wide opportunities offered in Brazil and several other countries, and as they begin to adapt to the new investment rules set up in recent years by a number of Latin American countries, especially those of the Andean Group.

While the flow of foreign private investment to some Latin American countries declined in 1973, there is little indication that numbers of recent foreign investment disputes have resulted in a marked loss of foreign investors interest. The increased ability of many Latin American countries to float securities in the U.S. capitol market also augers well for the period ahead.

Despite the vitality of the Latin American region on the economic front, advances in the social sector are still lagging. Even though virtually all countries have established policies giving priority to the solution of their unemployment problem, further redistribution of income, and providing expanded education, housing, and health facilities, the limited statistics available do not suggest any significant advances.

It is also somewhat disquieting that agricultural production, especially foodstuffs, remains weak and is growing slightly slower than the population. Part of the explanation continues to be the backwardness of technology for the agricultural sector, although in 1972 and 1973 climatic factors contributed to the mediocre showing. Most countries are now engaged in vigorous efforts to reduce drastically the high unemployment rates which in many cases exceed 20 percent.

The governments are making concerted efforts to accelerate income redistribution through the fiscal system, where major reforms have taken place in recent years. The same can be said for education where increased shares of government budgets are being channeled into education, especially at the elementary level. Both in this sector and in housing the rapid rise of population tends to aggravate the deficits.

Should the impressive economic performance of Latin America be sustained, however, there is every indication that this year and in 1975, progress in the social sector should be swifter, both as a result of the effects of internal policies now being adopted and implemented and the growing emphasis which the Inter-American Development Bank, the World Bank and especially the U.S. Agency for International Development place upon the financing of social programs.

Alleviation of open unemployment, especially in the urban sectors, is of key importance and increasingly Latin America will begin to import not only new and up-to-date technology but also the type of technology that will permit maximum use of manpower. As regards the latter, the growing stress on education, health, and nutrition will undoubtedly buttress the effort to find productive work for the redundant labor force. During 1974 and beyond we may well see a breakthrough in this field, provided the international economic panorama does not darken and international cooperation can be sustained.

At the year end, the international energy crisis began to color what otherwise would have been an extremely favorable outlook for Latin American economic and social progress this year. The likely drop in industrial production in the developed countries, especially Britain and Japan, but also in the rest of Western Europe and in the United States, may mean a leveling off or even a decline in the demand for imports from Latin America. It may also mean increasing protectionist tendencies and a stagnation of external credit.

As one surveys and projects economic and social trends in Latin America today, it is clear that the region is gradually moving toward more self-sustaining growth and social progress.

It is precisely because the Latin American region more than any other developing region, has been able to achieve substantial progress in the structure and viability of its economies that the flow of international financial and technical cooperation and the gains from expanding trade can bring the most rapid and effective returns in terms of overall development, thereby making Latin America an important market and source of supply for the industrialized world.

Exhibit 4

Banker's View: Gains Noted But Growth Rate Varies

(By Antonio Ortiz Mena)

As a whole, Latin America has made record economic gains since the turn of the 1970s. The combined gross product of the 22 member countries of the Inter-American Bank in the area has expanded at 6.7 percent a year since 1969. Moreover, in 1972 and 1973 the region's combined gross product grew almost 7 percent each year—the highest rates recorded by the region in the last two decades.

In judging this auspicious performance, however, we must remember that Latin America embraces more than 20 widely varying independent nations. Their economic growth patterns have been far from uniform, so that some countries have been expanding much faster than others. The same is true of the major sectors of economic activity, where there has been a pronounced lag in the growth of agriculture relative to other sectors and the over-all gross product. Moreover, looking ahead, the oil crisis could easily dampen the current high growth rates of some countries.

Regarding disparities in country performance, in 1972, the last year for which complete statistics are available, Brazil's booming economy, for example, expanded more than 10 percent, those of Colombia, Ecuador, Mexico and Panama approached or exceeded 11 percent, while eight countries recorded rates below 5 percent.

In terms of sectoral growth, while regional output in manufacturing, construction, electricity and transportation expanded almost 9 percent in 1972, and trade and other services more than 7 percent, growth of agricultural production was only marginal. This is significant in regard to per capita income gains because the farm sector continues to be the largest employer—it absorbs about 39 percent of the labor force of the whole region—and per capita product per worker in the agricultural sector is only about one-fourth that in manufacturing.

This suggests that, despite the impressive gains in over-all production, problems besetting the agricultural sector remains as one of the central obstacles in Latin America's efforts to achieve higher living standards for all of its population.

Looking to the future, evidently the current energy crisis casts a shadow not only on the industrialized countries, but also on the developing world, including Latin America. While it is too early to assess its full implications for the region, it is obvious that such major oil exporters as Venezuela and Ecuador, as well as Bolivia and Trinidad and Tobago, stand to gain in the short term. Of the remaining countries, some import only a fraction of their oil and petroleum-by-product requirements to supplement domestic production, while others lack this energy resource altogether and must import all their needs.

Hence, solely with reference to petroleum as a source of energy and as a raw material for the petro-chemical industry, were the crisis to continue the Latin American countries would be affected in varying degrees. In a broader context, however, it is possible that to the extent that oil shortages induce lower levels of economics activity among the industrial nations, the Latin American countries may feel the impact through a lower demand for their exports and through related trade and investment repercussions that could easily depress their internal activity.

Three main factors have largely accounted for the region's economic expansion in recent years: buoyant domestic investment, combined with rising levels of foreign capital inflows and sales abroad.

Regarding investment, total gross capital expenditures in the region as a whole amounted to about $3 billion in 1972—more than twice the 1960 level, and very likely expanded in 1973. Significantly, 87 percent of this investment came from domestic savings, while the other 13 percent came from sources outside the region, primarily in the form of financing from multilateral lending institutions such as the Inter-American Bank and the World Bank, from U.S. government agencies and from private sources including suppliers, commercial banks, world money markets and private direct investment.

Of the gross domestic investment in 1972, the consolidated public sector—central and local governments—accounted for about one-third (about $11 billion) of the total and the private sector for the other two-thirds. Domestic investment has been rising steadily in recent years owing to two complementary factors: public revenues have been growing markedly as a result of major improvements in collections, particularly income taxes.

In 1969, out of $13.9 billion in central government revenues, $4.2 billion came from income taxes; by 1972 these revenues had risen to $19.6 billion, of which more than $6.5 billion were income taxes. Mention should be made that the value added tax, which now is the main revenue source in Brazil, is becoming increasingly important in Ecuador and Uruguay and is in the process of being adopted in Argentina.

The other factor has been the rapid growth of the commercial banking systems, savings and loan associations, credit unions and, in the larger countries, stock exchanges. As a result, many of the countries in Latin America have established development banks to finance industrial and agricultural projects, as well as institutions to stimulate mortgage lending and, more recently, investment banks which provide underwriting services.

Yet the rate of growth of domestic savings has been trailing that of domestic investment in the last few years and, as a result, the share of these savings in total investment declined from 91 percent in 1969 to 87 percent in 1972. The gap has been filled by net external resource inflows, which in 1972 represented 13 percent of total investment.

External financing since 1969 has averaged about $3 billion a year, of which about 40 percent is accounted for by financing from multilateral institutions and governments, largely the United States, and the rest by private lending flows and direct private foreign investment.

It is interesting to note that in the bilateral and multilateral aid component, a clear trend has been evident toward higher multilateral flows. This reflects in good measure the effect of U.S. policies since the early 1960s designed to channel an increasing proportion of U.S. assistance via multilateral institutions such as the World Bank, the Inter-American Development Bank and the Asian Bank.

Such policy rests on the rationale that the foreign aid responsibility should be shared by more than one donor country, as well as by the receiving countries themselves through capital contributions to these multilateral institutions.

The Inter-American Bank, created in late 1959, is a case in point: Its loan commitments for development projects in Latin America, which in 1973 reached a record of about $884 million—bringing its total lending to date to $6 billion—have been made possible by capital contributions which all 24 member countries have supplied the Bank, including the United States and Canada, as well as some funds raised in the European and Japanese capital markets.

There has been a rising trend in net foreign capital flows in the last five years, with current levels substantially above the average for the 1960s. About one-half of the current private external flow encompasses direct investments, which in 1972 were estimated at about $1 billion; the remainder is made up of U.S., European and Japanese suppliers' credits, commercial bank loans and bond sales in those countries.

Direct private investment is largely accounted for by branches, subsidiaries, affiliates or minority participation in local enterprises of U.S. firms. Significantly, most of the new foreign direct investment is in manufacturing plants, a welcome change from its traditional concentration in mining and public utilities.

Parallel to the dynamic behavior of investment, a third major factor behind the vigorous performance of the Latin American economy has been the large growth in export revenues, particularly as a result of the higher world prices for the region's main primary commodity exports. The region's merchandise exports expanded from $14.7 billion in 1970 to $18 billion in 1972, and estimates for 1973 point to a rise above $20 billion.

Export gains have been following closely the pattern of economic activity in the United States (which accounts for about one-third the value of the region's sales abroad) as well as other industrialized trading partners. Thus, in 1971, the U.S. "mini-recession" and the imposition of a temporary surcharge of 10 percent of all dutiable imports not subject to mandatory quantitative limitations dampened the U.S. demand for Latin America's exports. Similarly, the resurgence of U.S. domestic demand in 1972 induced a 13.7 percent rise in imports which prompted a boost in Latin American shipments from $4.8 billion in 1971 to $6.2 billion in 1972.

Fortunately for Latin America, when the U.S. economy was slackening in 1971, Western Europe and Japan were in an expansionary phase and they did not reach their respective cyclical troughs until after the U.S. had commenced its recovery late in the year.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 411

At the request of Mr. McGee, the Senator from New Jersey (Mr. Williams) was added as a cosponsor of S. 411, a bill to amend title 39, United States Code, relating to the Postal Service, and for other purposes.

S. 633

At the request of Mr. Church, the Senator from Ohio (Mr. Metzenbaum) was added as a cosponsor of S. 633, a bill to authorize the Secretary of Labor to make grants for the conduct of older

Americans home repair projects, and for other purposes.

S. 1654

At the request of Mr. JAVITS, the Senator from West Virginia (Mr. RANDOLPH) was added as a cosponsor of S. 1654, to provide for the extension of the Developmental Disabilities Services and Facilities Construction Act, and for other purposes.

S. 2200

At the request of Mr. CRANSTON, the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of S. 2200, a bill to govern the disclosure of certain financial institutions to governmental agencies, to protect the constitutional rights of citizens of the United States and to prevent unwarranted invasions of privacy by prescribing procedures and standards governing disclosure of such information, and for other purposes.

S. 2801

At the request of Mr. PROXMIRE, the Senator from Oregon (Mr. HATFIELD) was added as a cosponsor of S. 2801, to amend the Food, Drug, and Cosmetic Act, and for other purposes.

S. 2854

At the request of Mr. CRANSTON, the Senator from Arizona (Mr. FANNIN) was added as a cosponsor of S. 2854, a bill to amend the Public Health Service Act to expand the authority of the National Institute of Arthritis, Metabolic and Digestive Diseases in order to advance a national attack on arthritis.

S. 3064

At the request of Mr. ABOUREZK, the Senator from North Dakota (Mr. YOUNG), the Senator from Iowa (Mr. CLARK), the Senator from Maryland (Mr. MATHIAS), the Senator from Wyoming (Mr. MCGEE), the Senator from Iowa (Mr. HUGHES), the Senator from Alaska (Mr. GRAVEL), the Senator from Louisiana (Mr. JOHNSTON), the Senator from New Mexico (Mr. MONTOYA), the Senator from Ohio (Mr. TAFT), the Senator from Minnesota (Mr. MONDALE), and the Senator from Nevada (Mr. BIBLE) were added as cosponsors to S. 3064, to amend the current rate of payment for travel expenses for persons traveling to and from Veterans' Administration facilities.

S. 3095

At the request of Mr. HASKELL, the Senator from Minnesota (Mr. HUMPHREY) was added as a cosponsor to S. 3095, a bill to deny treatment as a foreign tax payment to any payment that is in the nature of a royalty payment made to a foreign government in connection with the extraction of oil or gas from a foreign country.

S. 3108

At the request of Mr. STAFFORD, the Senator from Minnesota (Mr. HUMPHREY) was added as a cosponsor of S. 3108, to amend the Rehabilitation Act of 1973.

S. 3136

At the request of Mr. DOMENICI, the Senator from Alaska (Mr. STEVENS) was added as a cosponsor of S. 3136, the American Arts and Handicrafts Act.

S. 3159

At the request of Mr. BUCKLEY, the Senator from Rhode Island (Mr. PELL) was added as a cosponsor of S. 3159, to provide aid for the construction of highways.

S. 3259

At the request of Mr. TAFT, the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 3259, to amend the Rail Passenger Service Act of 1970 in order to authorize certain use of rail passenger equipment by the National Railroad Passenger Corporation.

S. 3317

At the request of Mr. CHURCH, the Senator from Tennessee (Mr. BROCK) was added as a cosponsor of S. 3317, a bill to amend the Internal Revenue Code of 1954 with respect to .22 caliber ammunition recordkeeping requirements.

S. 3351

At the request of Mr. BIDEN, the Senator from Oregon (Mr. HATFIELD) was added as a cosponsor of S. 3351, a bill to amend the Rail Passenger Service Act of 1970 in order to require a public hearing before the National Railroad Passenger Corporation increases any rate, fare, or charge for passenger transportation.

S. 3361

At the request of Mr. PROXMIRE, the Senator from Alaska (Mr. GRAVEL) was added as a cosponsor of S. 3361, a bill to assure the continuation and publication of the Consumer Price Index for urban wage earners and clerical workers.

SENATE JOINT RESOLUTION 115

At the request of Mr. BARTLETT, the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of Senate Joint Resolution 115, to eliminate the use of limousines below Cabinet level and to encourage the use of economy cars by Government agencies.

SENATE JOINT RESOLUTION 173

At the request of Mr. DOMINICK, the Senator from Iowa (Mr. HUGHES) was added as a cosponsor of Senate Joint Resolution 173, requesting that the President appoint a National Commission for the Control of Epilepsy and its Consequences.

SENATE JOINT RESOLUTION 202

At the request of Mr. GRIFFIN, the Senator from Iowa (Mr. HUGHES), and the Senator from New Jersey (Mr. CASE) were added as cosponsors of Senate Joint Resolution 202, designating the premises occupied by the Chief of Naval Operations as the official residence of the Vice President, effective upon the termination of the service of the incumbent Chief of Naval Operations.

SENATE RESOLUTION 311—ORIGINAL RESOLUTION REPORTED AUTHORIZING ADDITIONAL EXPENDITURES BY THE COMMITTEE ON THE JUDICIARY

(Referred to the Committee on Rules and Administration.)

Mr. EASTLAND, from the Committee on the Judiciary, reported the following original resolution:

S. RES. 311

Resolved, That the Committee on the Judiciary is authorized to expend from the contingent fund of the Senate, during the 93d Congress, $10,000.00 in addition to the amounts, and for the same purposes, specified in section 134(a) of the Legislative Reorganization Act of 1946, and in Senate Resolution 103, 93d Congress, agreed to May 10, 1973.

NATIONWIDE SYSTEM OF NO-FAULT MOTOR VEHICLE INSURANCE—AMENDMENTS

AMENDMENTS NO. 1209

(Ordered to be printed and to lie on the table.)

Mr. BIDEN. Mr. President, for myself and Senator PACKWOOD, I am submitting an amendment to S. 354 which is intended to provide a 3-year exemption from the Federal no-fault insurance standards for any State which has enacted no-fault legislation of its own.

The purpose of this amendment is to give additional time to meet the *Federal* standards to those States already pursuing independent paths to no-fault. Those States, therefore, that have already taken some action would be given benefit of a more gradual phase-in toward meeting Federal requirements.

While I have long supported the concept of no-fault insurance, I recognize that there are many forms such insurance may take. I therefore believe it is sensible to accumulate some experience under alternative plans while working our way toward minimum Federal standards. This amendment is designed for this purpose and I hope it will be a useful addition to the legislation.

Mr. President, I ask unanimous consent that the text of my amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 1209

On page 98, between lines 14 and 15, insert the following new subsection:

"(g) EXCEPTIONS.—(1) The provisions of this section are inapplicable to the extent inconsistent with this subsection.

"(2) Any State which is a no-fault State as of the date of enactment of this Act may establish a no-fault plan for motor vehicle insurance in accordance with this title by the third anniversary of the date of enactment of this Act.

"(3) The alternative State no-fault plan for motor vehicle insurance (the State no-fault plan in accordance with title III of this Act) shall become *applicable* in any State which is a no-fault State as of the date of enactment of this Act on the third anniversary of the date of enactment of this Act unless, prior to such **date**, the Secretary has made a determination **that** such State has established a no-fault plan for motor vehicle insurance in accordance with this title.

"(4) As used in this subsection, a 'no-fault State' means a State which has enacted into law and put into effect a motor vehicle insurance law which provides, at a minimum, for compulsory motor vehicle insurance; payment of benefits without regard to fault to each victim on a first-party basis where the value of such available benefits is not less than $2,000; and restrictions on the bringing of lawsuits in tort by victims for noneconomic detriment, in the form of a prohibition of such suits unless the victim suffers a certain quantum of loss or in the form of a relevant change in the evidentiary rules of practice and proof with respect to such lawsuits."

AMENDMENT NO. 1216

(Ordered to be printed, and to lie on the table.)

Mr. COOK submitted an amendment, intended to be proposed by him, to Senate bill 354, supra.

STANDBY ENERGY EMERGENCY AUTHORITY—AMENDMENT

AMENDMENT NO. 1210

(Ordered to be printed and to lie on the table.)

Mr. BAYH submitted an amendment intended to be proposed by him to the bill (S. 3267) to provide standby emergency authority to assure that the essential energy needs of the United States are met, and for other purposes.

AMENDMENT OF THE NATIONAL LABOR RELATIONS ACT—AMENDMENTS

AMENDMENTS NOS. 1211 THROUGH 1215

(Ordered to be printed and to lie on the table.)

Mr. DOMINICK submitted five amendments intended to be proposed by him to the bill (S. 3203) to amend the National Labor Relations Act to extend its coverage and protection to employees of nonprofit hospitals, and for other purposes.

AMENDMENT OF ARMS CONTROL AND DISARMAMENT ACT—AMENDMENT

AMENDMENT NO 1217

(Ordered to be printed and to lie on the table.)

ARMS CONTROL IMPACT

Mr. NELSON. Mr. President, more than a decade ago John F. Kennedy said:

> The ingenuity that had made the weapons of war vastly more destructive should be applied to the development of a system of control of these weapons.

This amendment to the Arms Control and Disarmament Act, H.R. 12799, which I am submitting today aims to apply man's ingenuity and the Government's resources to enhancing the arms control capabilities of this Nation.

This is a modest proposal. It is both responsible and responsive to the defense needs of this Nation and to the universal principles of arms control for the peace of the world as expressed in the legislative goals of the Arms Control and Disarmament Agency: "To deal with the problem of reduction and control of armaments looking toward ultimate world disarmament." (ACDA Act, Sec. 2.)

This amendment which institutionalizes arms control impact statements will give this Nation a framework for a planned, deliberative, rational policy of arms reduction. It directs the Defense Department and the Atomic Energy Commission to analyze and make public the impact on arms control efforts of weapons it proposes to develop or deploy.

Under this proposal, whenever the Department of Defense or the Atomic Energy Commission decides to fund any program of research, development, testing, engineering, deployment, or modernization of a weapon or weapons system for which the total program cost is estimated to exceed $250 million or for which a requested annual appropriation exceeds $50 million or whenever the Director of the Arms Control and Disarmament Agency determines that a program which the Department or Commission is undertaking will have a substantial impact on arms control policies and negotiations and notifies the Department or Commission, then the Secretary of Defense or the Atomic Energy Commission is required to prepare and submit a statement to the Director of the Arms Control and Disarmament Agency. The report should consider the nature, scope, mission, and impact of such weapon or weapons system if developed or deployed. The ACDA Director would then be required to review and appraise any such statement and within 60 days submit a report of his review and appraisal to Congress.

This legislation will institutionalize advanced thinking in the executive and legislative branches about the arms control implications of new weapons schemes in the earliest stage—the blueprint stage—before millions of dollars and man-hours have been committed. It will achieve a thorough evaluation of chances for planning for peace in a systematic, professional manner.

Arms control is not something one can practice every other day. It is not something which can be pulled out of a hat at an occasional summit before the inquiring eyes of America's television cameras. It is something which responsible leadership must exercise daily, and plan ahead for.

Too often arms controls policies and negotiations have been conducted without benefit of foresight. Bureaucratic momentum within the Department of Defense and other governmental agencies plus the inevitable onrush of technological breakthroughs have generated research and production of agents of death and destruction without consideration for the consequences for the peace of the world.

Insufficient analysis and public discussion in the past have imposed unforeseen roadblocks in arms control efforts, and in some cases may have actually inflamed international tension.

Take U.S. deployment of nuclear missiles with several warheads—MIRV's or multiple independent re-entry vehicles, for example. Because the United States moved independently, and because it is exceptionally difficult to verify adherence to agreements concerning these weapons, the Soviet Union is reluctant to negotiate the MIRV questions and continues its testing. Now MIRV's is a major stumbling block in successful conclusion of Strategic Arms Limitations Talks between the two nations.

Prof. Herbert York of the University of California has discussed the origins of MIRV in a study for the Stockholm International Peace Research Institute. Dr. York states that—

> As early as 1964 ways in which MIRV deployment could upset the "balance of terror" and destabilize the arms race, was foreseen by officials in the U.S. Arms Control and Disarmament Agency, especially Herbert Scoville and George Rathjens. They predicted that the deployment of MIRV by one side would be seen by the other as part of a possible preparation for making a first strike. Indeed, an anticipated deployment of MIRV by the Soviet Union on its large SS-9 ICBM's was seen in exactly that light by Secretary of Defense Melvin Laird and his associates in 1969. ACDA therefore opposed MIRV deployment from the start of the development programme.

York continues:

> During most of the period while MIRV was under development, an especially tight security blanket was placed over the programme. As a result, these important controversies were not known to the public, nor even to any but a select few in the Congress. Eventually, the MIRV program came to the public's attention but to no avail; the first deployment of MIRV took place while the issue was still being debated.

Arms control impact statements may or may not have prevented this problem. But one thing is certain; the arms control impact statements prescribed in this legislation would have advanced thorough public examination and discussion of MIRV deployment at any early stage and could have at least identified the potential trouble.

Another example of how this system might have been beneficial had it been operating a decade or two ago is the case of herbicides used as weapons in Vietnam. Until environmental, health and international abuses caused by herbicides became notorious in Vietnam, there was little discussion of the dangers of herbicides. A recent study by the National Academy of Sciences conducted in contract with the Department of Defense has now concluded that the millions of tons of plant killer sprayed on the Vietnamese land—ostensibly to remove Vietcong hiding places—have caused ecological damage that will take a century to repair.

U.S. officials, moreover, have become entangled in a controversy concerning the Geneva protocols that ban chemical and biological warfare; a majority of the United Nations is on record as saying that military use of herbicides is banned by the Geneva agreement. This controversy about the possible violation of international law by the United States might have been avoided, along with the incredible environmental devastation and health dangers, had authorities been allowed to comment about the military use of herbicides in advance.

Such a review would have also embraced the Trident advanced nuclear submarine system before the Defense Department began its controversial acceleration program and the theory of manned strategic bombers in connection with the multibillion-dollar B-1 bomber program.

Unusual weapons like cluster bombs used in Vietnam and the binary chemical munitions program, which experts say will perpetuate the danger of chemical warfare and cost the United States hundreds of millions of dollars, would also be scrutinized.

Precedents for legislation like this are many. The U.S. system of government is founded on the theory of checks and balances. Congress has established specific agencies such as the General Accounting Office to review the executive branch's spending and to assess the legality of specific acts within the executive branch. In this decade, we passed the National Environmental Protection Act which establishes a system of environmental impact statements and requires that all U.S. agencies examine and report on the environmental impact of major projects they propose. More recently, by establishing the Office of Technology Assessment, Congress recognized the need in the Federal Government for systematic evaluation of technology before its effects became irreversible.

Likewise, there are precedents for ACDA reports. Section 50 of the original statute, Public Law 87-297, requires the ACDA Director to file an annual report with the Congress. Further, section 302 of the Foreign Relations Authorization Act of 1972 (Public Law 92-352), required ACDA to furnish the Congress, not later than July 12, 1973, a comprehensive study of conventional arms transfers—the international arms trade.

This proposal establishes an improved channel of information for Congress. It institutionalizes an arms control perspective in the weapons planning stage. And it will strengthen ACDA itself. The proposal addresses two crucial deficiencies in our arms control planning: the lack of early, expert, and conspicuous monitoring of the arms control implications of proposed weapons and the lack of any early and regular input to the Congress on these matters for congressional use in making overall evaluations of weapons system policies.

Furthermore, the amendment would institutionalize the review process in the executive branch of the Government. In the field of strategic arms limitation, President Nixon and Secretary Kissinger have already developed an ongoing process of review of weapons systems and policy options as part of the national security process. Forums for such review include ACDA, the verification panel, chaired by the Director of ACDA, the verification panel working group, and the defense program review committee. The ACDA Director sits on all of these forums. This legislation would formalize and regularize this review process instead of leaving it as is to an ad hoc process.

This amendment should not require additional budgetary authorization. Much of the information required by this amendment is already being prepared within the Department of Defense, Atomic Energy Commission, or Arms Control and Disarmament Agency. This amendment would simply institutionalize a process and provide to Congress the information that is largely available but which is not organized or presented in response to the question of how new weapons systems impact on arms control policies or negotiations.

Mr. President, in considering this proposal, let me close by reminding this body what the policy goals of the act which established ACDA states:

> To free the world from the scourge of war and the dangers and burdens of armaments, in which the use of force has been subordinated to the rule of law. (Section 2.)

In order to accomplish these goals, we must use advanced thinking and forethought. Arms control impact statements, which this legislation requires, is one important way to achieve this approach.

Dr. Fred Ikle, ACDA Director, recently remarked that in the arms control area—

> The impact of decisions extends over decades. . . . Our choices of weapons systems determine the scope of arms limitations decades into the future.

Mr. President, it is imperative that we begin today to plan for peace tomorrow.

Mr. President, I ask unanimous consent to have the text of this proposed amendment to H.R. 12799 printed in the RECORD at this point.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT No. 1217

Add to section 2, the following, beginning on line 18:

"(b) Whenever—

"(1) the Department of Defense or the Atomic Energy Commission decides to fund any program of research, development, testing, engineering, deployment, or modernization of a weapon or weapons system for which the total program cost is estimated to exceed $250 million or for which a requested annual appropriation exceeds $50 million; or

"(2) the Director of the Arms Control and Disarmament Agency (ACDA) (A) determines that a program of research, development, testing, engineering, deployment or modernization of a weapon or weapons system, which the Department or Commission has decided to fund, will have a substantial impact on arms control policies and negotiations if developed or deployed, and (B) notifies the Department or Commission, as the case may be, of his determination;

the Secretary of Defense or the Commission making such decision or being so notified shall, within 30 days after such decision or notification, prepare and submit to the Director a statement on the nature, scope, mission, and impact of such weapon or weapons system if developed or deployed. The Director shall review and appraise any such statement. Within 60 days after that statement has been submitted to him, the Director of the Arms Control and Disarmament Agency shall submit to the Committee on Foreign Relations of the Senate and to the Speaker of the the House of Representatives a report on his review and appraisal of such weapon or weapons system as they might impact on arms control policies and negotiations, with such recommendations as he considers appropriate. The report shall also include the text of the statement from the Secretary or Commission submitted to the Director which was so reviewed and appraised."

NOTICE CONCERNING NOMINATIONS BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary;

Leonard E. Alderson, of Wisconsin, to be U.S. marshal for the western district of Wisconsin for the term of 4 years (reappointment).

Harry D. Berglund, of Minnesota, to be U.S. marshal for the district of Minnesota for the term of 4 years (reappointment).

Ollie L. Canion, of Louisiana, to be U.S. marshal for the northern district of Louisiana for the term of 4 years (reappointment).

Raymond J. Howard, of Wisconsin, to be U.S. marshal for the eastern district of Wisconsin for the term of 4 years (reappointment).

Robert G. Renner, of Minnesota, to be U.S. attorney for the district of Minnesota for the term of 4 years (reappointment).

Eugene E. Siler, Jr., of Kentucky, to be U.S. attorney for the eastern district of Kentucky for the term of 4 years (reappointment).

Carl H. Slayback, of Illinois, to be U.S. marshal for the southern district of Illinois for the term of 4 years (reappointment).

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Wednesday, May 1, 1974, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

NOTICE OF HEARINGS ON BILLS TO REGULATE FUTURES TRADING IN AGRICULTURAL AND OTHER COMMODITIES

Mr. TALMADGE. Mr. President, the Committee on Agriculture and Forestry will hold hearings on bills to regulate futures trading in agricultural and other commodities Monday through Friday, May 13-17, in room 324 Russell Office Building, beginning at 10 a.m. each day. The bills under consideration are S. 2485, S. 2578, S. 2837, and H.R. 13113. Anyone wishing to testify should contact the committee clerk as soon as possible. In view of the large number of persons expecting to appear, oral presentations of Members of Congress and public witnesses will be limited to 10 minutes and their full statements will be inserted in the record.

NOTICE ON HEARINGS ON H.R. 5463, AN ACT TO ESTABLISH THE FEDERAL RULES OF EVIDENCE

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for June 4, 5, and 6, 1974, at 10:30 a.m., in room 2228 Dirksen Office Building, on the bill H.R. 5463, an act to establish the Federal rules of evidence.

At the indicated time and place persons interested in the hearing may make such representations as may be pertinent.

The hearing will be before the full Judiciary Committee.

NOTICE OF HEARING ON A NOMINATION

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Wednesday, May 1, 1974, at 9:30 a.m., in room 2228, Dirksen Office Building, on the following nomination:

Philip W. Tone, of Illinois, to be U.S. circuit judge for the seventh circuit, vice Roger J. Kiley, retired.

At the indicated time and place persons interested in the hearing may make such representations as may be pertinent.

The subcommittee consists of the Senator from Arkansas (Mr. McClellan), the Senator from Nebraska (Mr. Hruska), and myself as chairman.

SECRECY IN GOVERNMENT—ANNOUNCEMENT OF HEARINGS

Mr. MUSKIE. Mr. President, beginning May 2 and 3, and continuing May 29, 30, and 31, the Subcommittee on Intergovernmental Relations will hold hearings on secrecy in Government, including consideration of S. 1520, S. 1726, S. 2451, and S. 2738, dealing with the classification of official information and with Government surveillance of individuals. These hearings are an extension of those conducted last year by the subcommittee jointly with two subcommittees of the Committee on the Judiciary. The joint hearings dealt with executive privilege, Government secrecy, and freedom of information.

The hearings next month will focus particularly on classification practices and regulations governing secrecy in the executive branch. The hearings will be held in room 3302 of the Dirksen Senate Office Building, beginning at 10 a.m., May 2, with testimony from Prof. Arthur M. Schlesinger, Jr., followed by a panel discussion by Prof. Robert Bowie, Mr. Herbert Scoville, and Mr. Chester Cooper. On May 3, sponsors of some of the pending legislation will testify and will be followed by Dr. James B. Rhoads, chairman of the Interagency Classification Review Committee and Archivist of the United States. Any person wishing additional information should contact Mrs. Lucinda T. Dennis, chief clerk of the subcommittee at 225–4718.

NOTICE OF HEARINGS ON DEFENSE PRODUCTION ACT

Mr. JOHNSTON. Mr. President, I wish to announce that hearings will be held on May 21 and 22 at 10 a.m. in room 5302, New Senate Office Building, by the Production and Stabilization Subcommittee regarding the extension of the Defense Production Act.

Please contact Jerry Allen in room 5230 New Senate Office Building.

NOTICE OF HEARINGS ON BILLS TO CODIFY, REVISE, AND REFORM THE FEDERAL CRIMINAL LAWS

Mr. McCLELLAN. Mr. President, I wish to announce for the information of the Members and the public that the Subcommittee on Criminal Laws and Procedures of the Committee on the Judiciary will resume its hearings on S. 1 and S. 1400, bills to codify, revise and reform the Federal criminal laws.

During this series of hearings we will be receiving testimony on provisions relating to codification, jurisdiction, culpability, defenses, obscenity, national security, complicity, attempt, conspiracy, solicitation, insanity, intoxication, offenses involving governmental operations, offenses against the person, and general comments.

The hearings will commence each day at 10 a.m., on the following dates and in the indicated room:

May 8, 154, Russell Building.
May 9, 2228, Dirksen Building.
May 14, 2228, Dirksen Building.
May 15, 154, Russell Building.
May 16, 2228, Dirksen Building.
May 28, 2228, Dirksen Building.
May 29, 2228, Dirksen Building.
May 30, 2228, Dirksen Building.

Additional information on the hearings is available from the staff in room 2204, Dirksen Senate Office Building, telephone AC 202–225–3281.

ADDITIONAL STATEMENTS

RESTORATION OF THE CHESAPEAKE AND OHIO CANAL

Mr. BEALL. Mr. President, in June 1972, the Middle Atlantic States were victimized by the devastating force of tropical storm Agnes, which caused great loss of life and untold millions of dollars of damage throughout the east coast. One particularly hard-hit area in my State was the Chesapeake and Ohio Canal National Historic park. The canal suffered 26 major breaks some more than 300 feet wide and 20 to 30 feet deep. Damage has been estimated by the National Park Service at $34 million.

Unfortunately, the Federal Government has not moved with the speed at which I had hoped to repair the canal. In the 22 months since the storm, only $1.8 million has been spent to restore the canal to its pre-Agnes condition. For fiscal year 1975, the Department of the Interior has requested $3 million, but almost all of this money is desperately needed to stabilize the decaying structures along the canal and little, if any, will be available to repair this unique parkland.

Congress, in passing Public Law 91–664, which established the canal as a historical park decided clearly that the canal ought to be saved. Now, I believe, we must make good on this commitment by assuring that restoration is carried out as quickly as possible.

On April 16, 1974, I had the privilege of addressing the Chesapeake and Ohio Canal Association at their kickoff dinner preparatory to this year's walk along the canal, from Cumberland to Georgetown, a distance of about 185 miles. I ask unanimous consent that my remarks on that occasion be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Address by Senator J. Glenn Beall, Jr.

It is indeed a pleasure to be with you tonight to kick-off the 1974 annual canal hike of the C & O Canal Association.

This evening is particularly meaningful to me, since my father served as toastmaster for the dinner during the first Canal Walk in 1954. That dinner was perhaps the turning point in the history of the C & O Canal, for it began the long, hard fight that in the end created the Chesapeake and Ohio National Historical Park.

Many of us remember 1954. At that time there were many suggestions for possible uses of the canal, among them a proposal to construct a water-level highway along the length of the canal, to better accommodate the automobile, which was beginning to appear in larger and larger numbers. Only through the hard work—not to mention the feet—of the newly organized C & O Canal Association and other interested persons from throughout the area and across the country was that proposal shelved, and movement begun towards National Park status for this historically and ecologically unique area.

In 1954, the canal was in trouble. Unfortunately, today, twenty years later, the canal is in trouble again.

The culprit this time is nature. The big blow, of course, was delivered by tropical storm Agnes, when in June, 1972, the canal suffered 26 major breaks, some more than 300 feet wide and 20 to 30 feet deep. Each of us here tonight knows the tragic story of damaged culverts, eroded banks, and destroyed locks which resulted from Agnes' fury.

And if that wasn't enough, the process of decay has begun to claim more and more structures along the canal. The October 31st collapse of the 140 year-old Catoctin Creek Aqueduct was dramatic evidence of the critical need for the restoration if in fact the canal is to be saved.

The Congress in passing the 1971 Act which established the C & O Canal Historical Park decided quite clearly that the canal ought to be saved. Now we must make sure that this restoration is carried out as rapidly as possible. The process of deterioration is quickly reaching the irreversible stage, and certainly the costs of repair will not go down as time goes by—on the contrary, they will escalate tremendously.

Our Nation's Bicentennial Celebration is only two years away. Millions of people will flow to the Maryland-D.C.-Virginia area to visit the many historic areas in the region. The C & O Canal should be an integral part of the celebration. Portions of the Canal could be used as an outdoor museum of life in the 19th century and provide a lasting tribute to the engineering skill of American builders at that time. Barge trips can be planned along the Canal. Uninterrupted hiking can be available. And, of course, major portions would serve as a haven from daily life, where one can sit along the banks of the Canal, and imagine in his mind's eye, the passing of a canal barge destined for Washington, loaded with George's Creek coal.

But because of Federal inaction, the C & O Canal may well not be ready for our Nation's Bicentennial.

It is estimated by the National Parks Service that to restore the C & O Canal to its pre-Agnes condition will require $34 million. Yet, in the 22 months since that disaster, the Government has spent only $1.8 million, little more than one-twentieth of the need.

For Fiscal Year 1975, the Department of the Interior has requested 3 million dollars. Yet they readily admit that all of this funding will be necessary for aqueduct and culvert stabilization.

In other words, almost every cent will be used to hopefully halt further deterioration, and little will be available to restore the Canal to its pre-Agnes condition.

In fact, it is estimated that it will take 10 million dollars to stabilize the present aqueducts, so it is clear that, at this rate, significant restoration work would be years in the future.

The C & O Canal—its structures and its ecology—are fragile objects, and they must be protected. But we are rapidly moving to the point where restoration in many cases may not be possible. Then we will have lost forever a unique part of our Nation's heritage.

I believe the Federal Government must move now to preserve the C & O Canal, and prepare it for our country's Bicentennial.

Therefore, I can assure you that I will work toward the prompt and full restoration of the C & O Canal.

On April 29th, for instance, Senator Mathias and I will meet with Secretary Morton and other Interior officials and we intend to emphasize to him the commitment that the Department must make to restore the Canal in the shortest possible time period.

Additionally, I intend to work through the legislative process to insure that the canal receives adequate funding for restoration in the fiscal year 1975 budget. Just as Congress made a commitment in 1971 to restore the canal, now it must make good that commitment by providing adequate money to carry it out.

Full funding now makes ecological sense, because action must be taken soon to shore up and improve the deteriorating condition of the canal.

Full funding now also makes economic sense, because if we want to save the C & O Canal—and I am sure we do—the job will grow more costly every year.

I do want to point out, however, that there are many dedicated people with the National Park Service who are trying to do the best possible job, given these heavy budgetary restraints.

Right now, work is underway to stabilize the remaining masonry of the Catoctin Creek Aqueduct.

Also, plans are being made now for fiscal year 1975, within a spending limit of $3 million.

Extensive investigations of major structures, including a study to determine the underwater conditions of the most critical aqueducts will be carried out. This work will include the stabilization of the Tonoloway Aqueduct and partial stabilization of the aqueducts at Monocacy, Evitts Creek, Sideling Hill Creek and Fifteen Mile Creek.

Repair and stabilization work on major culverts at Little Monocacy, Little Catoctin Creek, Woodmont, Muddy Branch and Milepost 119.78 is also needed to save these structures from serious damage or collapse.

Preservation is critically needed at Locks 23, 48 and 54 to prevent collapse of the walls. Yet, because of the serious lack of funds facing the project, the best solution that the National Park Service can come up with is to photograph the sites, then cover them with soil, seed the surface, and hope the Congress gives it some money with which to initiate the work.

Additionally, the Busey Cabin, the only remaining cabin of its kind built to house canal construction crews, and the mule barn at Four Locks, the only such structure left on the canal, need to be stabilized before they become totally disintegrated. Yet the best we can do, if the canal work is limited to $3 million in FY 75, is to provide temporary protection in hopes money will one day be forthcoming. They also plan to photograph the structures, which to me seems like a good idea, because at this rate in a very few years the only thing we will have left of these structures, and so many others like them, is pictures.

The villain in our story is not, in my judgment, the Department of the Interior. Soon after the disastrous flood, Interior requested sufficient emergency repair funds for the Canal. All but a few dollars, however, got lost somewhere in the corridors of the Office of Management and Budget.

As a result, the C & O Canal today is in worse shape now than when Public Law 91-664, which so many of us worked so hard on to create the Park, was passed.

We must turn this record of delay and indifference around by providing the necessary funds this year, along with proper carryover authority which will allow the Department of the Interior to move expeditiously but wisely to restore the Canal.

Certainly this $34 million appropriation will not finish the job of fully restoring the Canal. But it will repair the damage wrought by tropical storm Agnes, and begin a new effort toward completing the restoration on the C & O Canal.

I see this new money as a seed for further development, acting as a base upon which countless volunteer groups can direct their assistance efforts to supplement the work being done by the Federal Government.

In short, I foresee a re-birth of interest in the Canal as a result of this massive restoration effort.

So your walk, which begins tomorrow, is potentially just as important as the one twenty years ago.

The canal is in trouble today. But hopefully through your hike you can again bring attention to this valuable national resource and to the deteriorating conditions prevalent along the Canal.

I certainly pledge my support in turning that public concern into hard dollars and cents for Canal restoration.

I do this because I believe the C & O Canal has as bright a future as it has had an historic past.

The repair effort will open up a unique and irreplaceable parkland to our people.

I commend you for your commitment to the Canal and urge you to continue your fine work on its behalf. The Annual Canal Hike serves now, just as in 1954, to focus public attention on the problems and possibilities of this unique area, and undoubtedly will spur efforts to restore it to its proper condition.

I am pleased to join with you tonight in this most important task of Canal restoration, and I offer my best wishes for a most successful and enjoyable hike.

JOE RAUH: A MAN FOR ALL CAUSES

Mr. McGOVERN. Mr. President, one of the most courageous and generously motivated men in our national life is Mr. Joe Rauh of Washington, D.C.

Mr. Rauh's many contributions to the enrichment of justice and compassion in America have been well told by the highly respected Columnist Clayton Fritchey in a peace appearing in the Washington Post of April 20, 1974; I ask unanimous consent that this superb article about Mr. Rauh be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JOE RAUH: A MAN FOR ALL CAUSES

(By Clayton Fritchey)

In the wake of the cleanup of the United Mine Workers and the conviction of its former president, W. A. (Tony) Boyle, for murder, various individuals and groups have deservedly been praised for their contributions to this great effort. But the man who masterminded the five-year fight to bring down Boyle has not been mentioned.

Boyle and eight others have now been found guilty in the hired killing of Joseph A. (Jock) Yablonski, and his wife and daughter on the night of Dec. 30, 1969. Before that, Yablonski, guided and sustained by Washington attorney Joseph Rauh Jr., had begun a dangerous and seemingly hopeless struggle to oust Boyle as the corrupt dictator of the mine workers' union.

The mass murder of the Yablonskis naturally spread fear throughout the union, but the crusade was carried on when Rauh met with a little band of 100 reformers just after the Yablonskis were buried and helped organize Miners For Democracy (MFD). Rauh and two surviving Yablonski sons then went after Boyle in the courts. They smashed his effort to expel MFD leaders from the union; they forced free elections of district officers; they pushed criminal charges against Boyle for embezzling union funds, and they pressed for indictment of the Yablonski murderers.

Meanwhile, Rauh successfully renewed his pressure on the Labor Department to intervene. Earlier, after Yablonski had lost a close election to Boyle in 1969, Rauh had tried to get the Labor Department to impound the ballots and investigate 100 complaints of pre-election fraud, but George Shultz, then the Secretary of Labor, refused to act.

After the murders, however, Rauh turned on the heat and finally got action from the government agency, which enabled the reformers to upset Boyle's 1969 "victory" by proving massive vote fraud and financial manipulation. Boyle was sentenced to five years in prison and ordered to pay a $130,000 fine. More than $11 million was restored to the union's pension fund.

Above all, Rauh obtained new and honest elections. The MFD backed reformer Arnold Miller against Boyle, who was still free on bail, and Miller won. When he took office on Dec. 22, 1972, he was able to say with confidence, "The era of one-man rule in this union is over."

One reason Rauh's role has aroused so little attention is that over the last 40 years he has been in the thick of so many notable, even historic crusades for justice and human rights that the press has come to take his performance for granted. In many, if not most, of his public cases, incidentally, Rauh has received little or no compensation.

Although he is well known and appreciated in the circles that matter to him, Rauh has never had the spectacular kind of publicity generated by such flamboyant lawyers as F. Lee Bailey, William Kunstler and Melvin Belli among others. Nevertheless, in the nation's capital, Rauh is now a living monument to civil rights, civil liberties and political liberalism in the classic sense.

As a protege of the late Felix Frankfurter, Rauh went straight from Harvard to the new Securities and Exchange Commission, which reformed Wall Street in the early days of the New Deal. Later he was a law clerk to Supreme Court Justices Benjamin Cardozo and Frankfurter. During World War II he served as an officer on the staff of Gen. Douglas MacArthur. When the war ended he returned to Washington as deputy chief of the federal housing agency. His great achievements, however, date from 1947 when he left government and went into private practice.

He became one of the founders of the liberal but anti-Communist Americans for Democratic Action, which he later headed for many years. At the height of the Joe McCarthy witchhunting era, Rauh defended (usually without fee) more than 100 government employees charged with disloyalty or being security risks. It was thankless work.

As counsel for playwrights Arthur Miller and Lillian Hellman, Rauh did much to limit the freewheeling persecutions of the House Un-American Activities Committee. The lawyer's family got some unexpected attention when Marilyn Monroe, then married to Arthur Miller, came to stay with the Rauhs during the case.

As the unpaid general counsel for the Leadership Conference on Civil Rights, Rauh was in the forefront of the fight for the civil rights bills of 1964 and 1965, which revolutionized the U.S. political scene. He was also a leader in the fight to save the Supreme Court from Nixon appointees G. Harrold Carswell and Clement Haynsworth.

For many years, this youngish-looking lawyer of 63 was chairman of the District of Columbia Democratic Central Committee and, as a delegation leader to numerous national Democratic conventions, he has left a lasting and enlighted imprint on the party's platform and rules.

"As long as American liberalism can deliver a few Joe Rauhs every generation, powerfully wielding the weapons of freedom, reason and persuasion," remarks Arthur Schlesinger, "we stand a good chance of bringing about necessary social changes a few steps ahead of catastrophe."

A FRIEND VIEWS HAL BOYLE

Mr. SYMINGTON. Mr. President, recently the Nation was saddened to learn of the loss of a great journalist—Hal Boyle. To his millions of readers he was a friend, a real professional, and one of the most poignant observers of the drama of American life. Since War II, we all have looked to Hal's column to find him writing about the hopes, dreams, and experiences of people everywhere.

Hal Boyle was a Missourian and a graduate of the University of Missouri—Columbia School of Journalism.

Another Missourian, Letty Morton, wrote about Hal earlier this year, shortly after he had finished his last column. All of his admirers will appreciate her warm observations.

I ask that "A Woman's View" from the February 27, 1974 St. Joseph News-Press be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the St. Joseph, Mo., News-Press,
Feb. 27, 1974]

A Woman's Views

(By Letty Morton)

Last Friday Hal Boyle told his numerous readers goodbye in an understated story of his "Lou Gehrig" malady. I first learned of his condition last Christmas from our mutual friends, Marie and Don Whitehead. They had written that, with one arm in a permanent brace and a neck collar part of the time, Hal found it painful to type but his doctors encouraged him to use his fingers as long as he felt that he could. The news did not cheer my Christmas.

Hal and his late wife, Mary Frances, were the nearest neighbors in our own small and intimate set in Greenwich Village days back in the 1940s. Fran and Hal were typical Villagers. They lived in a restored "original" Greenwich Village three-story structure. On the first floor was the "Helen Lane Restaurant," one of the favorite eating places for our personal clique.

The upper two stories were apartments. Fran and Hal lived on the second floor. Quite contrary to the Village, my late husband Joe and I lived a block away in a 17-story red brick apartment hotel—complete with liveried doorman, uniformed elevator operator, switchboard service, a bar and dining room.

Its sole connection to the original Village was that, during construction, Minetta Creek was discovered. This was a stream that meandered through Greenwich Village during Colonial days. The architects brought it up into the lobby as a fountain and the Greenwich Village Historical Society erected a statue from whence the stream flowed. We also overlooked Washington Square.

Our apartment was on the 10th floor. The Boyles, from their second floor bedroom, could look out and see if our living room light was on. When Joe, the first of four Associated Press men to go off to World War II, left me alone in the Village I was as bereft as the widow I was destined to become. The Boyles literally "adopted" me.

Any evening that they were out and came home and saw the light burning in my living room the phone would ring. Hal would say, "Turn off the light, Letty, and go to bed. Fran and I are home." He was quietly telling me that I was not alone.

On Sunday mornings the phone would ring and Hal would say, "Fran has the water boiling. Come on over for breakfast." Off I would scurry to walk the block to the Boyles with a small glass in hand with a mite of cream. The Boyles drank tea and I drank coffee—with cream in those days.

Now Hal and I loved Emily Dickinson poetry. Fran couldn't have cared less about anything. Hal and I would sit in a chair by their wood-burning fireplace and we would read our favorite poems. Hal did most of the reading but once in a while I would take a turn. Mary Frances would busy herself polishing their beautifully furnished apartment. Once in a while she would come by the chair and fleck me in the face or Hal on top of his head and laugh, "You two nuts!" We would laugh and return to Emily's gems.

Six months after Joe's departure the AP tapped Hal to cover the war. My instant thought was what to give him as a going away present. Emily Dickinson was the answer. I carefully made a small book that would fit into the pocket of his uniform jacket. The pages were of various colored construction paper and the cover was carefully sewn by me out of a bright calico print.

I took my own Emily Dickinson book and meticulously cut from its pages the poems that would fit the small book. I presented the book to Hal with great pride and he accepted it with delight. Shortly afterwards my phone rang. Hal said, "I am coming over to tell you goodbye. I leave tomorrow morning."

"Hal," I screamed, "You can't come over. I'm in bed!" He shouted, "Put on your robe. You have to see me in my uniform. I am on my way over!" Slam went the receiver. I hurriedly grabbed my robe and there was a knock on the door. Hal stood proudly in his uniform with "War Correspondent" on the shoulder. He gave me a bear hug and a goodbye kiss and said, most casually, "Emily Dickinson is in my pocket."

During the war, William McDermott of the Cleveland Plain Dealer wrote of being overseas for a while. One column was on Hal (a later one was a tribute to my deceased husband). Of Hal he wrote, "Hal would walk off from the group and sit down alone at the end of a wharf and pull a small book of poetry from his jacket and sit and quietly read alone." This was the book of Emily Dickinson poems that I had given to him.

My book, with the pages cut out, still stands on the bookshelf. At the war's conclusion, when it was known that my Joe was not coming home, Mary Frances and Hal came to St. Joseph to see me. What gift did they bring? Why two new books of Emily Dickinson's poems not previously published.

"Some wretched creature, Savior, take.
Who would exult to die,
And leave for thy sweet mercy's sake
Another hour to me!"—Emily Dickinson

Hal, have many hours of pleasant reading of Emily Dickinson, I, too, still love her poems. Your hands may no longer feel up to typing, but you can be assured that you are very much in the thoughts of the readers of your column—and in the hearts of our wonderful group of Greenwich Village days.

DEMONSTRATION NEIGHBORHOOD PRESERVATION PROGRAM

Mr. TAFT. Mr. President, I welcome the announcement by the Department of Housing and Urban Development and the Federal Home Loan Bank Board that a demonstration neighborhood preservation program will be instituted, based upon the experience of neighborhood housing services programs in Pittsburgh, Cincinnati, and several other cities. As many Senators are aware, I have been fighting for programs designed to preserve existing neighborhoods and to stave off further deterioration for a long time. I believe strongly that a concentrated, federally assisted effort to preserve neighborhoods beginning to show signs of deterioration can pay off mightily by staving off the bulldozers and in some cases replacing comprehensive renewal. The payoff would come in terms of reduced neighborhood disruption and lower Federal and private investment in the long run.

I believe that such efforts are vital to the future of our cities and it was the purpose of both the Urban Rehabilitation Act of 1972 and the Home Preservation Act of 1973—introduced by Senator Cranston and me—to scale them up. As I understand the new neighborhood preservation program, it would pursue these goals through an ideal partnership of the Federal Government, local government, local financial institutions, and the citizens of the neighborhoods involved.

While recognizing that such programs must be instituted only with thorough time-consuming groundwork, we must also recognize that the demonstration proposal constitutes a drop in the bucket compared to the need for neighborhood preservation actions. It would involve $750,000 this fiscal year and $2 million in fiscal 1975.

The demand for section 312 3-percent rehabilitation loans alone was estimated by the National Association of Housing and Redevelopment officials to be over $200 million in 1972. The proposed demonstration is certainly important, but obviously it remains essential to provide full funding—for the first time ever—for the section 312 program, to press for the enactment of a community development bill, and to explore other new approaches.

In particular, the enactment of a federally guaranteed refinancing program so that landlords and homeowners in deteriorating neighborhoods could obtain repair money without increasing monthly housing payments—contained in sections 401(h) and 501(k) of chapter I of the Senate-passed housing bill—and the provision of Federal insurance on a portfolio basis for State or locally administered rehabilitation loan funds—contained in section 309 of that chapter—could boost neighborhood preservation efforts considerably.

I introduced the latter proposal with the neighborhood housing services model in mind, as a means of attracting private capital to the local rehabilitation loan funds. Under my original proposal insurance could have been provided to funds administered by private nonprofit organizations, but the proposal as passed by the Senate will be less useful to neighborhood housing services now that State or local government administration of the funds has been made a prerequisite for insurance. The House Banking and Currency Committee should reexamine that requirement.

A beginning has been made on the urban preservation front, but the kinds of actions I have outlined are also necessary if our neighborhood preservation efforts are to have any major effect. I urge Congress and the administration to continue moving in this direction.

I have written to the Secretary of Housing and Urban Development on this subject and I ask unanimous consent that the letter be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. Senate,
Washington, D.C., April 23, 1974.

Hon. James T. Lynn,
Secretary of Housing and Urban Development, Washington, D.C.

My Dear Mr. Secretary: I was pleased to learn of the joint efforts proposed by your department and the Federal Home Loan Bank to create a Neighborhood Preservation Program. As you know, I have been calling for increased action to preserve our deteriorating urban neighborhoods for a long time.

There are two provisions of the Senate housing bill (S. 3066) which may be of interest in this regard. I originally introduced Section 309 of Chap. I with the Neighborhood Housing Services model in mind, because I felt that a portfolio coinsurance program of this type would help to attract private capital for local neighborhood preservation efforts at little or no cost to taxpayers. The proposal in its present form would be less helpful to Neighborhod Housing Services than the proposal as I introduced it because it would require the loan funds to be administered by State or local governments, whereas the original proposal would have allowed funds administered by private nonprofit groups to qualify for insurance.

The proposal to allow FHA guaranteed refinancing of mortgages, contained in Section 401(h) and 501(k) of that bill, should also advance neighborhood preservation efforts by allowing landlords and homeowners to make repairs without increasing their monthly expenses for housing. I know that you support FHA guaranteed refinancing in general, but I am uncertain of your exact position on this language.

Please let me know whether you support these provisions of the Senate bill. Any specific recommendations for improving these provisions would be most helpful.

Sincerely,

Robert Taft, Jr.

NEW MEXICO WOMEN IN POLITICS

Mr. MONTOYA. Mr. President, I am often pleased to be able to report progress in New Mexico which is indicative of our southwestern openness to new and better ways of doing things. We have an outstanding record for concern about equality of opportunity for minorities in education and in government. Things that happen first in New Mexico often are repeated in a year or two in other places.

Today I would like to bring to the attention of my colleagues another indication of change in New Mexico, as reported in the Albuquerque Journal, Sunday, March 17, 1974.

The United Nations has declared 1974 to be the Year of the Woman. Certainly, throughout the United States, we are being reminded daily of the "majority" which has often been denied equality in the same way that ethnic minorities have—equality in work, in education or in pay. This year, I am sure, we will see progress made by women in many parts of our Nation, in education and in our business systems. Women bank presidents, women corporation presidents, women executives, and women managers are all becoming more and more numerous, as, of course, they should.

One institution which has presented great barriers to women, however, is government—especially elective office. We need only to look around this Chamber to realize that we are sadly lacking a balanced representation here.

Yet, the most important place in government is the State and local level. Women now represent 7 percent of the State legislators in the Nation. More than 1,000 women ran for office in 1972. There will be many more this year. These women bring to the political process deep concerns about current problems and a willingness to work with great dedication. They bring an understanding of local issues and the needs of their own communities. They are a very necessary part of representative government. I am anxious to see them succeed in breaking through the barriers of political prejudice.

That is why, Mr. President, I was so pleased to see the Albuquerque Journal article, "Women Win Municipal Offices Around State", reporting on the success of New Mexico women in local and State government. I congratulate these outstanding women for their courage and effort. I am proud that they live and work in New Mexico.

I ask that the newspaper article attached be printed in the Record following my remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Albuquerque Journal, Mar. 17, 1974]

Women Win Municipal Offices Around State

(By Pat Kailer)

A new note—women—was introduced, somewhat surprisingly, into some city governments following the March 5 municipal elections at different points around the state.

The female tally includes a mayor at Bayard and three council or commission members—at Las Cruces, Bloomfield and Springer—all four the first women to hold municipal office in the history of their communities.

One is a county assessor, one a part-time saleswoman and the other two housewives, and they join a growing number of women in government in the state including two state senators, some reelected village mayors, and city council members, and a growing number who have announced for either the state legislative race in the fall or the municipal election for a mayor and council in May in Albuquerque where present commissioner Nancy Koch was the first woman to hold such a position.

The common denominator for running in the case of the four just elected was not the beginning of any drive for a political career, simply appreciation of the places where they lived and an earnest desire to improve them.

Says Marrianne Thaeler of Las Cruces, who was second highest vote-getter out of six running for two positions, "I am really most concerned about Las Cruces. It's a great place to live and I don't want to look back two years later and see what I could have done."

A former president of the League of Women Voters in Las Cruces, Mrs. Traeler spent a long time deliberating whether to go on in the League's state hierarchy or run for office, finally deciding she could serve the community better if she could get into office.

Shirley Curtis of Bloomfield was approached to run by a group of men, friends of her husband and hers, and told them, "I don't know anything about it. I'd be scared to death.

"Then I started thinking about it and I got very interested in it. I decided it wouldn't be that time-consuming, that I could still be with my family and that a woman could do it just as well as a man could, so why not try it?"

She not only tried, she came in second out of five running for two openings and was surprised to be only eight votes behind the leader, more than 100 ahead of the next candidate.

Up at Springer, Jacque Rice, who was second out of three running for the two council openings, felt there were areas in city government which men tend to overlook.

"They don't have time to followup programs and they sometimes neglect areas which might be of more interest to women."

And peppy Lucy Escudero of Bayard, the Grant County assessor who ran a close race to defeat the incumbent mayor, has just always been intrigued by public office.

Her assessor's term is up in December (having served two terms she can't succeed herself), and she is eager to transfer her county office track record to the mayor's office.

"I'll put my assessor's office up against any in the state for efficiency," she says, noting she added a full-time appraiser and a draftsman to the staff of three deputies and started new programs never thought of before.

"I raised the value of all the land in Grant County and the only protest came from someone out of state handling an estate," she said, adding that she has taken every summer appraiser course offered at the University of New Mexico in cooperation with the state.

The fact that the candidates were women—and perhaps voted for or against because of it—was a factor in some of the races.

"You could almost tell the way the ladies went," says Mrs. Escudero, and, "You should have seen some of the feuds. It was so funny. One couple feuding with each other went separately to vote." She's fairly certain they canceled each other out.

It was the women in the town who urged Jacque Rice most strongly to run at Springer and Marion Virgil, a member of the Governor's Committee on the Status of Women, did a great deal toward persuading her to try for the council.

Mrs. Rice labels herself "not a women's libber by any matter or means," and it's a protestation which the others echo and which Mrs. Thaeler attempts to explain.

To her, semantically, the term women's lib refers to those "looking for a social change (I'm not), and there is a great distinction between it and the legal status of women and equality under the law"—which she has strongly supported.

"I think the social change is an entirely separate issue and because we were able to get that distinction across, the state equal rights amendment was passed and then people could see that none of the ridiculous scare tactics of the opposition—like only one bathroom for both men and women—came to pass."

Mrs. Thaeler spoke to many organizations urging passage of the amendment, cochaired the League's committee on it, and after its passage wrote the brochure, "Legal Rights and Responsibilities" which the League put out simplifying the changes.

She warns that it would be a mistake for any candidate to fall into the trap of thinking that just because she's a woman, all women are going to vote for her.

"Women are very discriminating voters. That's why I knew I had to do my homework for the campaign."

A zoology major and a graduate of the University of California and the wife of Charles S. Thaeler Jr., an associate professor of biology at New Mexico State University, Mrs. Thaeler and her husband moved to Las Cruces from the Indiana State campus at South Bend in 1966.

They are the parents of three sons, Charles III (Chipper), 15, Kent, 13, and Bret, 8.

The new council member is a member of the Governor's Outdoor Recreation Priority Advisory Committee, the Dona Ana Historical Society, and was on the board of directors of the Las Cruces Boys Club until she resigned lest there be a conflict of interest with her new position.

Her campaign was conducted door-to-door and entirely issue-oriented: open government, full disclosure, bike paths, a museum for Las Cruces, an affirmative action plan for city hiring and promotion policies, a line item city commissioner review of the budget.

She pointed out the largest single contribution was $75, that she spent a little over $700 on all media, signs and brochures, and that her support was scattered, pulling some from precincts all over the city.

Mrs. Escudero, on the other hand, did not campaign at all but "let the opposition defeat itself. I just announced and handed out cards all election day.

"When my friends asked what promises I was going to make, I told them, 'you ought to know me better than that.' Even the girls working for me now had no idea ahead who would be hired before I won the assessor's job."

She says she has always liked math, worked briefly as a grocery checker before she went to work in the assessor's office 10 years ago and always wanted to be an accountant, "I guess this is as close as I'm going to get."

She is the wife of Joe Escudero who works for Kennecot Copper and who served on the council in Bayard six years ago, and the mother of four—a married daughter, Mrs. Felix Holguin who has a 17-month-old son; Ronnie, 17; Susan, 16; and Jeannie, 15.

Her parents, Adolfo and Sally Majalca, live in nearby Hanover, her in-laws in Bayard. In fact, her sister Evangeline is married to Joe's brother, Arnold Escudero Jr., and Ronnie and Evangeline's son Gary are as inseparable as twins.

They are currently competing for valedictorian honors at Cobry High School, are both accepted at UNM for the fall semester, where both would like to go into medicine.

The new mayor knows she'll have to deal with antiquated water and sewer lines, inadequate paving and will investigate the situation with the city's enclosed pool which has never been a paying proposition. "It used to be a great source of pride and every child could swim when he left school but now it's closed in the winter."

She also plans to look into the revenue-sharing situation, "there has been much criticism of how the money has been handled."

Shirley Curtis, born in Oklahoma, moved with her parents, Mr. and Mrs. Trevenor L. Evans to Bloomfield in 1956.

A graduate of NMSU, she taught school first in Anthony, where her first son, Tom, 6, was born, then in Bloomfield until the birth of her second son, Dan, 3.

She did homework for the campaign too. Bloomfield was around 1600 people in 1970, may already have doubled and is expected to triple within the next 10 years, she said, and she spent time studying the comprehensive plan for expansion the city is now considering section by section: new sewer plant, water lines, paving—all the problems that go with rapid growth.

She also asked the former councilors just what their work involved and has decided one of the advantages she'll have is that she'll be by her home phone all day, and citizens can call her with questions she can bring up in council.

She goes to the library when necessary to study materials and takes the boys along.

When it's necessary for her to be away evenings, she says her husband, John Curtis, Jr. who works in purchasing for Southern Union and is behind her all the way, will come home early to baby sit.

Jacque Rice, wife of State Policeman Frank Rice, and the mother of Matt, 13, and Brett, 12, brings a variety of experience to her new office.

A New Mexico native born in Albuquerque, she is the daughter of Mr. and Mrs. Robert Simpson who live on a small ranch south of Las Vegas, N.M., and has sisters and brothers in the state.

After graduation from Silver City high school she worked as a telephone operator there, also as a hotel PBX operator and desk clerk, for awhile as desk clerk at the old Alvarado Hotel here.

After the family moved to Springer in 1968, she worked for three years as assistant clerk, now works out of her home selling cosmetics.

Some areas she'll focus on include cleaning up streets and alleys, having vacant property burned off and cleaned up, more parks and recreation for children, a strong Little League program and good supervision at the town's swimming pool.

A special area she'll look into is the recently completed 5000-foot paved airstrip built under a joint city-federal program.

"No one has made any attempt to encourage air traffic, there is no provision for refueling or accommodation for travelers who land and have no means of getting into town a mile or so away."

THE WORLD: AGING GRACEFULLY?

Mr. CHURCH. Mr. President, a few weeks ago the Franklin Institute of Philadephia invited me to deliver one of the lectures scheduled during the sesquicentennial celebration year of the institute.

I chose to direct my remarks toward aging as a worldwide economic and social force, with special attention, of course, to recent developments in the United States.

The address also discusses my proposal for a world assembly on aging within the next few years. I offer the text of that speech for printing in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

THE WORLD: AGING GRACEFULLY

You who attend these lectures at the Franklin Institute on a fairly regular basis may entertain each other beforehand by trying to guess what quotation the speaker will borrow from Benjamin Franklin to begin his talk.

In honor of our topic, I have chosen a Franklinism which pays its respects to our elders. It goes like this:

"At 20 years of age, the will reigns; at thirty, the wit, and at 40, the judgement."

An interesting thing about that statement is that it appeared in the Poor Richard's Almanac of June 1740, when Mr. Franklin was only 34 years old.

Presumably, he had wit enough to know that he would soon possess judgement.

Ben Franklin lived to age 84. He certainly must rank as one of our most illustrious senior citizens—of any era.

I can't help wondering, though, whether even he could have coped with the rigidities of our present-day bureaucracy.

Franklin, let us remember, was 70 years old when—in 1776—he was named Ambassador to France.

Under today's State Department policy, he would have had to retire from his post at that age, rather than assume it.

I commence these remarks with this reference to arbitrary retirement simply to make the point that the practice of requiring workers to stop full-time employment at a given age is relatively new.

One distinguished economist, Juanita Kreps, tells us:

"Between the beginning of the century—when two out of three men 65 and over were in the labor force—and its midpoint—when only one out of three older men worked—retirement came to be the established pattern. Now among the 65-and-over males, only about one in four continues to work."

This is true, even though many people don't feel as old at age 65 today as other people think they should. Some even feel that the 60s bring new beginnings.

Yet retire they must at 65, often unwillingly, where still physically able to carry on. In the United States, age 65 has become the "official" retirement age.

Other nations vary considerably. Normal retirement age in Norway and Ireland is 70; in Sweden and Iceland it is 67. Seven other nations agree with the United States about 65, but Israel makes it 63 for women and 65 for men. In the U.S.S.R. it's 55 for women and 60 for men, as it is in Czechoslovakia, Japan, Italy, Hungary, and Yugoslavia.

I draw a distinction between retirement and aging to underscore the point that a retired person is often thought of as "old" despite vigorous good health. The real facts of each retired person's life may often be obscured by society's tendency to place persons into convenient categories, no matter how unrealistic they may be.

What is true in the United States is true in other nations as well. One gerontologist says flatly that growth in the proportion of older people in any nation's population during the Twentieth Century has brought about a decline in the very attributes that make these older years desirable.

And he adds:

"It is both ironic and doubly frustrating that the successes in the recent achievement of longer life should also produce the 'problems of aging.' "

He does *not* say that *all* nations have failed to deal with these "problems of aging," but he does say that no nation anticipated them, despite the certain knowledge that the older population was on the increase. Scandinavian nations and some western European countries have made solid progress after the fact, but the track record on foresight has been dismal.

In answer, then, to the question posed by the title of this lecture—"The World: Aging Gracefully?"—my gerontologist friend would answer sadly in the negative.

He would point to such problems as:

A general lag in arriving at a sound economic base for retirement, a lag made more difficult to overcome because of what apparently is a worldwide trend toward earlier retirement;

A general shortage of housing arrangements designed, in terms of cost and suitability, for an aging population; and

Major deficiencies in health and social services.

If this is the situation today, what of the future?

There is, after all, a future for each one of us not yet old, but nearing that state. We hope that this future will be secure and satisfying.

There is a future for those now in or near retirement. Despite the tendency to write off this age group, there *is* life after 65, lots of it.

A third future in aging belongs to those now very young. As I will document later, there is reason to believe that fifty years from now they will be caught up in a critical test of our society's ability to cope with an unprecedented bulge in the older age bracket.

And finally, there is a global future in aging: taking differing forms in differing nations, but already at a stage which will determine whether mankind's years on earth may have happy endings.

In making my presentation this evening, I must necessarily utilize statistics, projections, and other elements of the "big picture."

Don't allow these figures to obscure the fact that we are talking about people—individual persons now caught up in what has been described as a "retirement revolution."

Older Americans are not a population blob to be thought of—and perhaps dismissed—as a "problem group." They are the same individuals after age 65, as they were before. True, many encounter new difficulties upon becoming elderly, the most certain, on the average, being that of getting along on an income which is less than half of the earnings for those still in the work force.

Furthermore, much of this limited income must go for high-cost items: food, rent, property taxes, transportation, and—even with Medicare—soaring health costs.

Yes, there are pervasive problems. But before I discuss them, I would like you to meet, by way of color slides, a few Americans who—while they share in the problems of aging—remain notable individuals who have lost nothing of their pungency simply because they have celebrated a good many birthdays.

SLIDES ONE AND TWO

You are looking at a fiercely independent, 93-year-old woman I met in Idaho after conducting a hearing on Barriers to Health Care for Older Americans. She could not come to the hearing because she has several troublesome ailments, but she happens to be served by a good home health service and she can live with her family. She is so enthusiastic about the in-home services that she wrote a poem for her nurses which I read at the hearing. She is a remarkable woman, who told me, among many other things, that she once scandalized her family as well as the entire community during her youth by riding a horse astride rather than sidesaddle. I enjoyed my visit; her spirit will stay young for all her days.

SLIDE THREE

Here is a retired professor, also in his nineties. With the help of a former student, he made a plea before the Senate Committee on Aging for more sympathetic treatment of institutionalized persons experiencing terminal illnesses. To make his point, he told us of his wife's final weeks. He was willing to share his own ordeal in order to help change the depersonalized attitudes toward death that now prevail in our hospitals.

SLIDES FOUR AND FIVE

Many here in Philadelphia will recognize Maggie Kuhn as leader of a group called the Gray Panthers. That name was deliberately chosen in order to marshal a militant spirit among persons, young and old, who feel that the elderly are too important to be either ignored or patronized. Maggie has already fought many battles and relishes many more to come.

She is shown here as she told our Committee about the problems encountered by older people in need of health care.

SLIDES SIX AND SEVEN

And now I would like you to meet a 75-year-old woman who became a widow when she was 55. She lives alone; she has Parkinson's disease and her monthly income is $83.20. From that she pays $18.40 a month, or 22 percent of her income, for medicine. In her community, a Meals-on-Wheels program brings her sustenance five days a week at a cost of $30 a month. Mrs. Lucy McAdams—that is her name—has severe problems. But she also has courage and she has help from her neighbors and a local office on aging. Notice the young man sitting nearby. He is an outreach worker who first was a helper to Mrs. McAdams, and then became a friend. As is so often the case, youth and age get along well—when they have a chance to get acquainted.

SLIDE EIGHT

Here you see a panel of elderly persons who recently testified at a hearing on housing. On this day, several witnesses told of paying $130 or $150 for rent out of monthly incomes of $155 and $175. All lived in fear of new rent increases and didn't know what they would do if they came. The clergyman has a pile of papers in front of him: they represent just part of the file he doggedly built up in order to win Federal approval of one high-rise apartment house for low-income elderly. Permission was finally given two years ago and the apartment house opened in January. But the long delay had caused sharp increases in costs and, of course, a rise in rents. Now the minister finds that these rents are out of reach for many of the persons he had hoped to serve. Housing problems, by the way, are not limited to the big cities. In my home state, small communities suffer harsh shortages.

SLIDES NINE, TEN, ELEVEN, TWELVE

Many other persons, young and old, come before our Committee or one of its seven Subcommittees. Most of them refuse to regard our elderly population as a drag on society. Rather they tell us about the rich resources an aging population can and should confer upon this nation.

They tell us about older people who, more and more, are serving others through community action programs.

They tell us about the energy and the will among the 21 million Americans now 65 or older, that pivotal age so often regarded as the dividing mark between the productive and the nonproductive years.

NONPRODUCTIVE—what a negative way of looking at the retirement years.

NONPRODUCTIVE—and yet so often a fourth of a lifetime.

NONPRODUCTIVE—and yet so capable of learning and doing.

Nonproductive—not by their own choice, but because society has declared them so.

Yes, the problems of aging still outstrip the progress in aging. Or, to put it in more blunt language, I'll refer you to the motto which hangs in a public health office in northern Idaho.

It says: "Old age is not for sissies."

Why, in a nation which has a fondness for happy endings, do the final years of life so often end in bitterness?

To deal at least partially with that question, I'd like first to relate quickly a few of the statistics of aging in the United States today and then suggest the major challenges, as I see them, together with suggestions about how to meet those challenges.

STATISTICS OF AGING IN THE U.S. TODAY

My first point about the statistics of aging is to watch out for them.

I worry, for example, when I use that 21 million total for the 65 year and over population, for the grand total keeps changing, every minute, not only in number but in composition.

Administration on Aging studies tell us that there is a net increase every day of almost 1,000 in the aged population: 4,000 persons reach age 65 and 3,000 persons at or above that age die. But this does not mean that 4,000 newcomers replace 3,000 persons of the same ages, taste, and experience. Far from it.

There are now about 15 million Americans between age 65 and 74. There are about half that many more, 7½ million, 75 and over. In fact, the median age of our elderly is now 73, with about 30 percent between 75 and 84, and 6 percent—more than 1 million persons—over 85. At last check, one man of age 126 was on the Social Security rolls. His age was almost double "normal" retirement age. All in all, by the way, there are more than 7,000 centenarians in the United States today.

What a wide variety of lifetime experiences are represented in that "mix" of age groups. The more than 1 million persons of age 85 or over were born in another century, many in other nations; parents of the native-born spoke of the Civil War from firsthand experience, when more people lived on farms than in cities.

Another fact to mull over: A person born in 1891 was 40 years old when the Depression of the 30s really took hold of the nation. Let's hope that now, 44 years later, those persons don't have to experience still another collapse of our economic machine.

We should pay careful attention to the "old" elderly: Those past age 75. Their numbers are increasing. The 75 to 84 group is expected to reach almost 35 percent of all the elderly by the year 2000, while the 85 and up segment will increase to 8.5 percent, representing about 2½ million persons.

One final view of where we have been and where we are headed:

In 1900, there were 3.1 million persons 65 and over.

In 1940 that number had climbed to 9 million.

By 1970 it was almost 21 million.

And by the turn of this century, it will approach 30 million.

The increase will be about 3 to 4 million every decade, or about 300,000 to 400,000 every year.

These are not numbers we are talking about; they are people. And they are people who, in 1974 at least, have too many problems.

CHALLENGE NO. 1: INCOME

The first problem is retirement income, and the question which naturally arises is: How well is Social Security doing its job?

As a Senator who has worked for adequate Social Security, I can say I'm proud that benefits have increased by 68.5 percent since 1969.

Yes, 68.5 percent. Ordinarily, this kind of gain would represent a milestone in social and economic progress.

But inflation has voraciously eaten up the dollars added to Social Security checks of recent years.

Look, for a moment, at what has happened since 1972. To improve the lot of the elderly, Congress enacted a proposal I sponsored for a 20 percent increase in Social Security benefits, and it also approved a mechanism intended henceforth to make Social Security inflation-proof, through automatic cost-of-living adjustments at yearly intervals.

In other words, we hoped that we had raised the benefit base to a reasonable level, so that it would be possible to stop playing "catch-up ball" with persistent inflation.

A few months later, however, it became clear that the elderly were again falling behind. The 20 percent was being rapidly overtaken by an inflation running wild with budget items of special importance to the elderly: food, shelter, and health care.

And so the Congress once again had to take emergency action. And as it turned out, we had to make it an across-the-board increase. That is, we applied the same percentage of increase to the low-payment beneficiary as well as to the high-income one. Personally, I would have preferred a sliding scale for greater equity, but a complex procedural situation—together with the press of time and Administration opposition—made that impossible.

The result was a two-part, 11 percent increase in Social Security during 1974.

It should be clear, from this brief description, that the first requirement for attaining economic security in retirement is to stop inflation.

What are the next steps?

I believe that our government and people did a very sensible thing back in 1935 by adopting a social insurance system requiring payroll contributions, rather than adopting a program of doles financed by general taxation.

As one eminent witness told our Committee at a hearing on Future Directions in Social Security:

"Wage earners are willing to contribute because they will receive benefits as a matter of right when they or their families need them most. For centuries, working people have learned that one cannot get something for nothing, at least you cannot count on it."

Yes, Social Security, conforming to our strong work ethic, is psychologically sound for the United States. But is it adequate and is it fair?

We have a long distance to go to achieve overall adequacy.

Part of our shortfall can be expressed in terms of average monthly benefits. Even with the new 11 percent increase, these levels will be:

$181 for the typical retired worker.

$310 for a retired couple, and

$177 for an aged widow.

Another measure of inadequacy is the number of older persons living in statistical poverty: about 3.5 million still are poverty stricken.

To deal with that problem and with the overall challenge of retirement income, I have my own set of goals.

First, I believe that we should end poverty once and for all among older Americans. It is intolerable that the elderly must pay so personal a price for vast economic changes not of their making. Many who have been poor most of their lives deserve help now. Those who were not poor until they became old must be rescued from economic despair. And so, our first priortiy should be to improve the Supplemental Security Income Program which went into effect at the start of this year. It should be broadened and upgraded until it brings all older Americans who need it above bare poverty standards.

Second, the nation should adopt a goal of "adequacy" for retirement income, drawing upon Social Security, private pensions, and other sources for a reasonable "mix." At our hearings on "Future Directions in Social Security," we are paying special heed to the potential role of each of the components in this "mix."

Third, the Social Security system should be re-examined with a greater eye to social justice. The payroll tax now bears heavily upon low-income groups, and many minority members in that group don't live long enough to collect benefits. Proposals for greater equity are being considered at the "Future Directions" hearings, along with suggestions for more sensible treatment of women.

CHALLENGE NO. 2: HEALTH

A second great challenge to the elderly of this nation—and to the people who care about the elderly—is the need for comprehensive health care.

That, of course, is what many people thought Medicare was all about, when it was enacted in 1965. I supported Medicare then and I support it now. But I think that the Medicare of 1974 falls far short of what is needed. Coverage has dwindled, and the cost to the participant has gone up.

Look at what has happened. The monthly premium for doctor fees under Medicare was $3.00 in 1966 and it now stands at $6.30.

The deductible—a kind of down payment on the hospital bill the patient must pay—was $40 in 1966 and now it is $84. Coinsurance, the part of the hospital bill the patient pays after 60 days, has gone from a daily rate of $10 to $21.

These charges make a deep rent in retirement budgets, but they reflect only a portion of the high costs of health care for older Americans. Uncovered by Medicare are such necessities as out-of-hospital prescription drugs, dental services, eyeglasses, and hearing aid. Today, less than 40% of the cost of medical care for the elderly is covered by the Medicare program.

Another problem is the damaging effects caused by the drastic curtailment of in-home services. I'm speaking about carefully managed home health programs which can enable many ill or incapacitated persons to remain at home. There is reason to believe that in-home services, when appropriate, can save dollars. More important, in-home services can prevent family disruption and needless placement in an institution.

And yet, because of restrictive HEW policies since 1969, the number of home health agencies has declined and the percentage of Medicare funds for their services is now less than 1 percent.

This trend, to my mind, is a calamity. At a time when costs keep going up in hospitals and in nursing homes—and at a time when there is much lip service to the idea of "alternatives to institutionalization," the Administration is withholding support from home services.

You have already seen the photograph of one Idaho woman who was happy to receive treatment at home with her family. I've spoken to many others who are fortunate enough to live in a part of Idaho with that kind of service. I've spoken to the providers of such services, and they are hanging by just a few threads, not knowing when the next Federal policy shift or Cost of Living Council directive may force them to shut down. And if they shut down, people who had a chance to stay out of institutions may find themselves in a bed they don't really need, trying to adjust to an institutional routine, when with a little help, they could have stayed at home.

Mind you, I am not one who claims that in-home services can substitute for institutional care in every case.

On the contrary, I think that the need for good, appropriate hospital and nursing home care is certain to rise as the number of old elderly—those past age 75—continues to increase. One of the sobering considerations about this trend is that the largest increase in this upper-age bracket will occur among women and many of them will be widows. These very women, who may well have nursed their husbands in earlier days, are not likely to have such personal care available to them when they decline.

We are going to need more institutional care, along with more home-health care. It is not either-or. We must have both.

Wouldn't you think, in view of the obvious need, that the President's new proposal for a national health scheme would encourage home health care? On the contrary, it would reduce allowable visits. In addition, it would raise coinsurance and it would raise deductibles and it would introduce a welfare income test into Medicare: something Congress sought to avoid when it designed that program.

Our nation now stands on the verge, apparently of a great debate on national health insurance coverage for all Americans.

It would be unfortunate—and it would be regressive—for a new health plan to buy watered-down protection for the whole population at the expense of the elderly. Medicare should be improved, not riddled or weakened, if the nation's great decisions on health care are to be constructive, farsighted, and humane.

CHALLENGE NO. 3: OLDER WORKERS

This lecture can be stretched only so far, and I will not deal with housing—which is in a state of suspended animation, but not suspended need—because of the Presidential moratorium of over a year ago. Nor will I deal with such important subjects as the development of social service networks with the help of the significant, but little understood, Older Americans Act.

Rather, I would like to focus on a matter that might not, at first, seem to be within the purview of the Senate Committee on Aging. I'm referring to the difficulties encountered by men and women in their 40s and 50s facing the loss or curtailment of employment. These are the so-called "older workers," persons whose lives are disrupted by layoffs, plant shutdowns, or their own decision to change employment in hopes of finding a "second career."

To the Department of Labor, an "older worker" is someone of age 45 or over; and once unemployed, the older worker is unlikely to have a quick return to the labor force.

Their stay of idleness is far longer than that for younger workers, and the likelihood of a return to a comparable job is dim, particularly for those over 55.

Not enough attention is being paid to older workers, even though it is clear that something is very much amiss. Many persons, especially mature individuals who have been breadwinners for decades, finally give up looking for work and become labor force dropouts.

We have ample reason to believe that the number of idle older workers increases significantly as they reach their mid-fifties. Many run out of unemployment compensation and are too young even for reduced Social Security benefits. Theirs is a peculiar kind of limbo.

Unless we are wise enough to make better use of older workers, we will lose larger and larger numbers of seasoned, knowledgeable Americans capable of doing a job. The right kind of manpower training, therefore, will become even more vital for those who must, out of choice or sheer necessity, find new careers.

In fact, two or more careers may become the common pattern in our labor force and in other nations. Recent studies show that the older workers problems and age discrimination is rampant in Europe. Want ads ask for "recent college graduates" or "junior executives"; "No one over age 40 need apply."

Here in the United States, we've had a law since 1967 intended to counteract such bias, and it's true that the want ads here are not as blatant as they once were. I have introduced legislation to strengthen enforcement of this statute, but laws can't help as much as a better understanding of the dependable service older workers usually render. Older workers of today have problems because their younger employers hold the wrong impression of their capabilities.

THE WORLD VIEW

My perspective thus far has been directed primarily upon the United States, with an occasional tip of the hat to other nations.

But, whether it's energy or aging, the world and all its people spin together.

A recent United Nations survey notes that the world's population is aging: The number of persons 60 years or older in all the nations of the world increased by 100 million persons between 1950 and 1970, reaching a grand total of almost 300 million.

By the turn of the century, a mere 25 years away, it will reach nearly 600 million.

That, my friends, represents a projected increase of 100 percent in 30 years.

The UN survey, I believe, makes several important points in the following summation on expanding longevity.

"At no time in the existence of the human species have so many individuals lived into old age. When the elderly were few, there was a place for those who lived into old age in the social structure. Past values and traditions supported the place of older persons in the family and community. With urbanization and secularization of societies accompanied by higher rates of mobility, rapid social change and value systems which tend to stress the importance of the individual over the responsibilities of the social group, there is a breakdown in traditional approaches to human needs, especially those of the aged."

A WORLD ASSEMBLY ON AGING

This universal phenomenon, taking differing forms in differing parts of the world, deserves intensive attention within nations and careful comparisons among nations. I have, therefore, proposed that a World Assembly on Aging be held within the next few years, probably under the auspices of the United Nations.

I chose the word "assembly" advisedly. I did not want to give the impression that I was recommending a conference at which biological scientists and social scientists would trade notes on aging. Several international meetings now serve that function admirably.

Instead, I believe that a World Assembly on Aging should be called to involve governments in a cooperative venture which would help each nation determine what kind of commitments must be made at a time when increasingly large segments of the population live longer.

On the basis of what we now know, we already have many questions, such as:

How much of an economy should be committed to retirement income?

How do we deal with the problem of skills which become obsolete by the time workers become middle-aged in industrial countries?

If nations around the world follow one after the other in establishing lower compulsory retirement ages, how will the lower number of productive years affect life-styles and retirement?

The Stockholm Conference on the Human Environment—conducted in 1972—provides a helpful, but not exact, example of what could be done on aging. One of the secondary, but significant achievements of that conference was the packaging of important information about environmental issues. Aging needs a similar inventory as the starting point for an exchange of ideas.

The first steps toward a World Assembly are now under way. I am receiving encouraging support from gerontologists and others in many parts of the world, and I believe that the assembly could become a reality by 1976 or 1977.

CONCLUSION

Earlier in this lecture I said that aging is not for sissies.

Now that you have aged for 40 minutes or so while listening, you have even more reason to believe this statement is true.

I'll close now by saying that the work of the Senate Committee on Aging, my own relationships with my parents and my wife's parents, and talks with young and old people throughout the country have provided me with differing insights into the aging process and its impact upon people.

I've come to agree heartily with an energetic elderly lady from Boise who once said: "The young person who rejects age rejects his future self."

Each of us, if we are fortunate, has a rendezvous with old age.

That culmination can be tragic, as it now so often is. Or it can be a period of personal growth and fulfillment.

I constantly meet older persons who have found more than a new lease on life. They have found an entirely new life.

Not everyone is as ambitious, of course, as the 85-year-old mother of the Governor in my neighboring State of Oregon. She's decided to run for the post he will vacate next year, in order to continue her son's work and program. She has since decided, by the way, not to withdraw, largely on the grounds that she has made office-holders more aware of the feelings of older persons.

I like her spirit, and I was very much impressed with a statement she made on national television a few weeks ago. She said that if persons live to be 50, they should start thinking about how they will use their brains when they reach age 70 and beyond.

Her attitude is positive.

I hope it is contagious.

OIL PROFITS

Mr. FANNIN. Mr. President, this week the oil companies are releasing quarterly reports which indicate very sizable increases in profits.

This should be good news for everyone in view of the fact that these companies are going to have to make huge investments this year and in the coming decade if we are to attain our national goals in energy production.

Over the past two decades the oil industry has fared rather poorly, despite the impressions to the contrary being conveyed in much of the national media. It has not attained the profitability of other major industries.

Mr. President, politicians who have been riding the energy issue for their own purposes, have been awaiting these quarterly reports so that they can be used as ammunition in another emotional outburst against the petroleum producers. Reason, not emotion, is the key to resolving the energy crisis. The Arizona Republic, in an editorial last Saturday, brought out some important considerations regarding oil profits. I ask unanimous consent that this editorial be printed in the Record.

There being or objection, the editorial was ordered to be printed in the Record, as follows:

Oil's Profits

Motorists understandably are annoyed by the rise in the price of gasoline, and, when they read that oil industry profits climbed even faster last year, by 70.9 per cent, many lend a sympathetic ear to demands of liberal congressmen for a rollback.

What the congressmen overlook is that, despite the recent jump in earnings, oil still is not a very profitable industry.

Over the last five years, according to Forbes magazine, the median return on equity of the 20 biggest oil companies was only 10.3 per cent, well below the median return of 11.4 per cent for all U.S. industries.

The Jan. 1 issue of Forbes ranked the 851 largest corporations in the United States in profitability. On that list, Texaco was 235th in average five-year return on equity and 234th in average return on capital.

Exxon was 269th in return on equity and 211th in return on capital.

Mobil Oil, 400th and 306th.

Standard Oil of California, 427th and 298th.

Standard of Indiana, 479th and 399th.

Sun Oil, 505th and 467th.

Gulf, 512th and 425th.

Shell, 526th and 462nd.

Getty, 637th and 489th.

Atlantic Richfield, 646th and 563rd.

Nor does the stock market, which knows a good deal more about the oil industry than do liberal congressmen, think much of the industry's future. It gives Texaco, Exxon, and Mobil each a price-earnings ratio of 5.

The oil industry actually is a good deal less profitable than any of the newspapers which constantly fault it.

Knight Newspapers, for eample, rank 132nd in return on equity and 177th in return on capital; the Times-Mirror Co., publishers of the Los Angeles Times, 211th and 197th; the redoubtable Washington Post, Inc., 215th anw 286th.

There are *two other facts* those who talk about profiteering overlook.

One is that most of the rise in profits last year came from abroad and reflected the devaluation of the dollar.

The other is that oil companies plow back their profits and then some.

According to Chase Manhattan Bank, in the last five years global capital expenditures of 30 large oil companies exceeded their earnings by almost 67 per cent. For the United States alone, investments amounted to approximately twice as much as profits.

The rise in profits enables companies to increase capital exuenditures further. In the same quarter that saw Sun Oil's earnings rise by 85 per cent, the company's expenditures for new drilling in the United States sextupled, from $20 million to $120 million.

Without such expenditures, the United States would become increasingly dependent on the Mideast for oil, with all the consequences that motorists who recently had to wait in line for an hour to buy $3 worth of gas know.

Those who demand a rollback, falsely asserting that oil profits are too high, would subject motorists to a recurrence of such an experience.

THE PANAMA CANAL

Mr. McCLELLAN. Mr. President, last Monday the Honorable Daniel J. Flood, U.S. Representative from Pennsylvania, addressed the National Aviation Club here in Washington, D.C., on the subject "Panama Canal: Pawn in International Power Politics."

While I did not have the opportunity and privilege of hearing Congressman Flood's address, I have read his remarks on that occasion with great interest. I am very much in accord with the views that he expressed.

Congressman Flood reviewed the canal's history and very ably discussed the issues associated with its future and our Nation's responsibility with respect thereto.

So that many others may also have an opportunity to read and consider his speech, I ask unanimous consent that it be printed in the RECORD as a part of my remarks:

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

PANAMA CANAL: PAWN IN INTERNATIONAL POWER POLITICS

(By Hon. DANIEL J. FLOOD)

Mr. President, Members of the National Aviation Club, Distinguished Guests, Ladies and Gentlemen:

Among the most gravely vital issues now before the Congress are those affecting what is the jugular vein of the Americas: (1) the threat to continued undiluted United States sovereign control of the Canal Zone and Panama Canal; and (2) the completion of the Canal's suspended major modernization (Ho. Rept. No. 92–1629, p. 36).

Before these subjects can be properly understood and evaluated, it is essential to know certain elemental facts in canal history:

First, in 1901, in a treaty with Great Britain, the United States made the long term commitment to construct and operate an Isthmian canal under the rules governing the operation of the Suez Canal.

Second, in 1902, the Congress authorized the President to acquire by treaty the "perpetual control" of a Canal Zone, as well as the purchase of all property in it, for the "perpetual" operation of the Canal.

Third, in 1903, after the secession of Panama from Colombia, the United States purchased from Panama a grant "in perpetuity" of sovereign rights, power and authority over the indispensable protective frame of the Canal known as the Canal Zone for $10,000,000. This sum, though small on the basis of 1974 values, is greater than that paid for either Florida or Alaska. In the same treaty, our country assumed the annual obligation of the Panama Railroad for $250,000, previously paid by that company to Colombia. This annuity, justifiably adjusted in the 1936 treaty and gratuitously increased in the 1955 Treaty, is not a "rental" for the use of the Canal Zone, as so often stated in the press, but only the augmented annuity of the Panama Railroad, the entire stock of which was bought by the United States for the unrestricted use of that rail line for constructing the canal and its later maintenance and operation.

Fourth, after acquiring the Zone, the United States obtained title to all privately owned land and property in it from individual owners, making the Zone our most expensive territorial acquisition, estimated in 1973 to have cost $161,938,571, which is more than the costs of all our other acquisitions combined (Congressional Record, Vol. 119, pt. 14, p. 18431).

Fifth, the United States between 1904 and 1914 constructed the Canal in a spot that was the pest hole of the world and a land of endemic revolution, transforming the Zone and surrounding areas into models of tropical health and sanitation that won world acclaim and has served as a force for political stability.

Sixth, the United States under a 1914 Treaty with Colombia, ratified in 1922, paid that country $25,000,000 and gave it valuable transit rights in the use of both the Canal and Railroad. In return Colombia, the sovereign of the Isthmus prior to November 3, 1903, recognized the title to both the Canal and Railroad as vested "entirely and absolutely" in the United States.

Seventh, the total investment of the taxpayers of our country in the canal enterprise, including its defense, from 1904 through June 30, 1971, was $5,695,745,000.

Eighth, Article IV, Section 3, Clause 2 of the U.S. Constitution vests the power to dispose of territory and other property of the United States solely in the Congress, which includes the House of Representatives as well as the Senate.

From all of the above, the evidence is conclusive that the United States is not a squatter resting on the banks of the Panama Canal but its lawful owner. In addition, the validity of the title of the United States to it has been recognized by the Supreme Court (Wilson vs. Shaw, 204 U.S. 24, 1907, at 31–3) and no amount of demagoguery or sophistry can alter the essential facts.

As was foreseen by the able leaders of our government, in the early part of the 20th Century, who developed our historic Isthmian Canal policies, the Canal Zone and Panama Canal, in a realistic sense, form part of the coast line of the United States; and today it transits some 15,000 vessels annually. Thus its continued efficient operation and protection are just as vital to interoceanic commerce and Hemispheric security as are the safe navigation and defense of the Chesapeake Bay or the Mississippi River.

Perceptive students of U.S. foreign policy in recent years have increasingly recognized that the U.S. Department of State has been infiltrated by elements hostile to continued United States sovereign control over the U.S. owned Canal Zone. Its record has been one of misrepresentation and falsification. Its purpose has been not the protection of United States interests at Panama but the waging of campaigns of deceit against the people of our country as so often illustrated by that agency's repeated efforts to dismember the Canal Zone by piecemeal erosions. For example, in the case of the Panama Railroad, the State Department planned to liquidate that important rail link and actually succeeded in giving away its freight yards and passenger stations in Panama City and Colon. The Congress stepped into the situation and after thorough study of the road's operations, saved the main line. Now, you have a railroad without its designed terminals. Can you imagine anything more stupid?

It was, therefore, no surprise to a growing number of well informed members of the Congress, when on February 7, 1974, U.S. Secretary of State, Henry A. Kissinger, and Panamanian Foreign Minister, Juan A. Tack, without advance authorization by the Congress, signed an 8-point "agreement on principles" to govern the negotiation of a new canal treaty. (Congressional Record, Vol. 120, Feb. 13, 1974, p. 2998.)

Stripped of its ambiguities, contradictions and fallacies, this piece of diplomatic trickery is a blueprint for an abject surrender of United States treaty-based sovereign rights, power and authority over our most strategic waterway that is certain to open a Pandora's Box of difficulties. Related to these will be the treaty rights of Great Britain and Colombia as well as the interests of all maritime nations that use the canal and have to pay tolls. Some of these countries are already delving into the situation and will undoubtedly take steps to protect their interests.

As to the appeal so often made to North American idealism and generosity in the form of "returning" the Canal Zone to Panama, what are the facts? That country prior to November 3, 1903, was a part of Colombia, from which it seceded. It did this only after years of frustrated waiting for Colombia to arrange for the construction of the canal at the Panama site. When Panamanian leaders saw their long hoped for project endangered by the authorized construction of a canal at Nicaragua, Panama revolted and declared its independence from Colombia to obtain this vital waterway.

When construction by the United States was started in 1904 the jubilation of the Panamanian people was practically unanimous. As foreseen, extensive employment of Panamanians and other economic advantages quickly brought a prosperity to Panama not equally elsewhere in Central America.

Panama's jurisdiction over what was to become the Canal Zone territory was brief, officially ceasing on ratification of the 1903 Treaty, which was February 26, 1904. This means that Panama had jurisdiction over the Zone for only three months and 23 days—a very weak basis on which to justify giving Panama the Zone territory. If the Zone is to be given to any country it should not be to Panama but to Colombia; but I feel certain that Congress would be just as adamant in opposing such proposal as it is to giving it to Panama.

The President of the United States, in a mistaken gesture of friendship and on recommendation of the State Department, on September 14, 1960, after the adjournment of the Congress and in disregard of a resolution adopted by the House of Representatives by a vote of 382 to 12 in opposition to the display of the Panama flag in the Zone, directed that it be flown at one place in the Canal Zone as "visual evidence" of Panama's "titular sovereignty" over that territory. Instead of improving relations this action served to extend the breach in the dikes of our juridical structure on the Isthmus caused by the 1936 and 1955 Treaties, with the predicted result that Panama would interpret such display as an admission by the United States of full Panamanian sovereignty. Today, Panama flags are flying from one end of the Zone to the other equal with those of the United States, and even on such vital structures as the locks, thus tending to promote agitations for full Panamanian control. Most certainly, these flags should be removed for the flag has only one meaning and that is sovereignty; and the only flag that should fly in the Zone is that of the United States.

What is meant by "titular sovereignty" that has been so often used in the press? This expression has a long history going back to the time of Secretary Hay and Secretary of War Taft, who recognized that by the terms of the 1903 Treaty Panama retained what those statesmen in an unfortunate slip of language, called a "titular sovereignty" over the Canal Zone.

Actually no such phrase can be found in the treaty by which the United States acquired the Canal Zone. Neither a Secretary of State nor any government functionary had the authority then or at any time to imply any curtailment whatever of the total sovereignty as defined in the Treaty. Any abridgement involving the disposal of territory or other property of the United States would require the preponderant action of both Houses of the Congress. At best, "titular sovereignty" can only mean a reversionary interest on the part of Panama in the sole event the United States should abandon the Canal or fail to meet its treaty obligations to maintain, operate, sanitate and protect it. Despite my repeated requests, the State Department has failed to correct that unfortunate error, "titular sovereignty", which failure has added to the public confusion surrounding the Canal Zone sovereignty question.

As previously indicated, there are only two basic issues regarding the Panama Canal: (1) continued undiluted U.S. sovereignty over the Canal Zone; and (2) the major modernization of the existing canal. All other matters, however important, including the extensively propagandized sea level proposal, are asserted to be "irrelevant" (Ho. Rept. No. 92–1629, p. 36).

The prolonged agitations over Canal Zone sovereignty have served to delay and confuse the proper solution for major modernization, with resulting inconvenience to the users of the Canal and those who operate it.

As to whether the United States should surrender its sovereignty over the Canal Zone to Panama, there is no doubt as to how our people feel. Following a national TV debate on this question over *The Advocate* program on March 15, 1973, more than 12,000 citizens reported their views, with 86 percent of them against any surrender at Panama. In recent weeks, my own correspondence from 48 of the United States and abroad is almost unanimous in opposition to the projected give-away. In addition, State Legistures have passed resolutions opposing it and more are in the process of doing so.

As stated on other occasions, I can think of no better way to cause another time-wasting confrontation with the Congress than to send to it a treaty calling for the transfer to Panama of the U.S. Canal Zone territory. In that event, the Congress, in the exercise of its Constitutional responsibility (U.S. Constitution, Art. IV, Section 3, Clause 2) will dispose of such a pact of intended subservience where it belongs—in the waste basket.

United States policy of exclusive sovereign control over the Canal Zone and Canal is based upon realities, including treaties with Great Britain and Colombia. For the United States to assume the obligation of operating and defending the Canal after surrender of sovereignty over its protective frame of the Canal Zone, would place our country in the position of having grave responsibility without requisite authority, which is unthinkable in the management of a project of such magnitude of importance.

The operation of the Canal by the United States on an extra-territorial basis in a land of endless intrigue and turmoil could only result in endless conflicts and recriminations. Besides, it would result in the removal of an island of stability on the Isthmus that has often served as a haven of refuge for Panamanian leaders seeking to escape assassination. One of the most recent Panamanians to seek refuge there was Senora Torrijos, the wife of Panama's Chief of Government, during an attempt to depose her husband while he was out of his country. Most certainly, the Congress will never appropriate huge funds for a canal project in an area that the United States does not control and that during the last 70 years has had 59 presidents.

To clarify the sovereignty question there have been introduced in both House and Senate multi-sponsored and fully pro-United States resolutions expressing in the strongest possible terms opposition to the surrender at Panama of any of our sovereign rights, power, authority or property, except by treaty authorized in advance by the Congress and ratified by the United States. The giveaways contemplated in the previously mentioned "agreement on principles" for the negotiation of a new canal treaty were not authorized by the Congress and are obvious attempted usurpations of power that must be put down.

The recent attitude of the State Department as regards the sovereignty issue can have no reasonable interpretation as an honest effort to ease tensions. Instead, its officials know that Dictator Torrijos of Panama has publicly proclaimed his esteem for the Castro regime in Cuba, expressed his admiration for the Soviets, and openly threatened violence against the Canal Zone. This is the strong man of the pro-Red de facto government in Panama to which self proclaimed liberals in the State Department seek to deliver our Panama Canal. These officials have not even troubled to stipulate any terms for payment by Panama for the billions that the taxpayers of the United States have spent on the Canal enterprise and its defense.

As for the major modernization of the existing Canal, this project was authorized in 1939 under existing treaty provisions, started in 1940, but suspended in 1942 because of more urgent war needs after the expenditure of some $76,000,000, mostly for huge lock site excavations at Miraflores and Gatun that are usable. When to this sum are added $95,000,000 spent on the widening of Gaillard Cut that was completed in 1970, the amounts already applied toward the major modernization of the Canal total more than $171,000,000.

During World War II there was developed in the Panama Canal organization, as a result of war experience, what is known as the Terminal Lake-Third Locks Plan which won the approval of President Franklin D. Roosevelt as a post war project. Most significantly, this plan does not require a new treaty with Panama, which fact is a paramount consideration. Legislation for it, now pending in both Senate and House, has aroused strong support among important shipping interests, engineers, ecologists, navigators, and other experts, including Panama Canal pilots, who know more about the marine operations of the canal than any other professional group in the world. Moreover, the Terminal Lake-Third Locks solution has the great advantage of preserving the fresh water barrier of Gatun Lake between the oceans, thus preventing the infestation of the Atlantic Ocean with the poisonous Pacific sea snake and the voracious crown of thorns starfish.

When the long overdue work on the major modernization proposal is resumed, its economic and other advantages to the Isthmus and interoceanic commerce will be so obvious that current agitations in Panama over sovereignty should vanish like a tropical fog in the morning sun.

Historically, the Caribbean has long been a focal area of conflict because its location is strategic. Today, Soviet power has Cuba, Soviet submarines cruise regularly in nearby waters, and the main Soviet objective is directed toward wresting control of the Panama Canal from the United States, making that vital waterway a pawn in international power politics. Thus, the real issue involved in the Canal Zone sovereignty question is not United States control versus Panamanian but continued undiluted U.S. sovereignty over the Zone versus U.S.S.R. control; and these are the issues that should be debated in the Congress and the mass news media. The importance of these questions is shown by the recent co-sponsorship in the U.S. Senate by 35 members of a resolution opposing any surrender at Panama and their discussion in Atlanta of the current meeting of O.A.S. foreign ministers.

The elements of the news media that most loudly advocate surrender of the Canal Zone to Panama are precisely those that urged United States support to Communist Mao Tse-Tung in China with the claim that he was only a mild agrarian reformer and later urged the installation of Fidel Castro in Cuba while ridiculing evidence that Castro was a Red revolutionary.

What is needed now is prompt action on pending measures in the Congress concerning sovereignty and major modernization. Their adoption and enactment, respectively, will quickly clear up the present confused atmosphere as regards United States sovereign control over the Canal Zone and facilitate resumption of work on the major increase of transit capacity and long needed operational improvements. Completion of this project will provide at least cost the best canal for the transit of vessels practicable of achievement and greatly increase its concentrational capabilities for our naval forces. The last will be of increasing importance as the numbers of our naval vessels go down toward their pre-World War II level.

Thus to get on with our great responsibility and obligation to enlarge the Panama Canal and improve its operations, we must be uncompromisingly emphatic in declaring that our answer to any proposed abrogation or curtailment of complete United States sovereignty over the Canal Zone is a resounding no; and we will say it again, again and again—NO!

EDWIN W. MURPHY

Mr. CHURCH. Mr. President, I was deeply saddened by the untimely death of Edwin W. Murphy, a member of the National Council of Senior Citizens and the assistant editor for Senior Citizens News.

To a very large degree, the National Council of Senior Citizens owes its well-deserved and highly respected reputation to people like Ed Murphy.

Throughout his long career in journalism, Ed was an activist on behalf of the disadvantaged and deprived. He was always in the forefront on issues of direct concern to older Americans: medicare, social security increases, the Older Americans Act, and many others.

He was also a leading advocate for comprehensive reform in our private pension system. In fact, he testified very eloquently—citing in many cases his personal experiences—when the Committee on Aging conducted hearings on this subject in 1970.

Ed Murphy had many legislative priorities for aged and aging Americans. But his No. 1 goal was to improve and strengthen our private pension system.

Ed worked in excess of 40 years, but he was unable to accrue sufficient credits for a pension by the time he reached 65. He worked for three newspapers, each of which went out of business. Then he obtained employment at the headquarters of a trade union, which required 10 years of service to be eligible for vested benefits. However, Ed was able to complete only 9 years of service before reaching the mandatory retirement age of 65.

He then joined the staff of the National Council of Senior Citizens, where he became eligible for a pension under the immediate vesting provision.

Ed would, I know, be heartened by the enactment of major private pension reforms by the 93d Congress. And I am hopeful that this goal can become a reality.

The field of aging will, of course, miss Ed's wise counsel and sense of commitment. People of his caliber are always difficult to replace. But his excellent example can be a moving inspiration for all in the field of aging to emulate in meeting the challenges ahead.

Mr. President, I ask unanimous consent that the April 15 obituary in the Washington Post—which describes in greater detail Ed Murphy's full and vigorous life—be printed in the Record.

There being no objection, the obituary was ordered to be printed in the Record, as follows:

[From the Washington Post, Apr. 15, 1974]

E. W. Murphy, 73, Activist, Journalist

Edwin W. Murphy, assistant editor of the publication of the National Council of Senior Citizens, died Saturday of cancer at the Mar-Salle Convalescent Home.

Mr. Murphy and his wife, Gwyneth, who died in 1971, were ardent civil rights advocates and during the 1960s opened up their home in Bannockburn, Bethesda, as temporary housing for Southern black families coming north to live.

A cum laude graduate of Notre Dame University, Mr. Murphy had a long career in journalism and politics before becoming assistant editor of Senior Citizens News. He often appeared before Congressional Committees to testify on legislation affecting the retired.

During his early career as a newspaper reporter, he worked for the Muskegon, Michigan Chronicle and for the Grand Rapids News and Michigan Herald. When that paper folded in 1959, he joined the staff of The Machinist, the official publication of the International Association of Machinists, where he worked until he retired in 1966.

During the 1930s between newspaper jobs, he was on the staff of Jim Farley, then Chairman of the Democratic National Committee.

Although he was 40 years old when World War II broke out Mr. Murphy joined the Army and saw action in Europe with the headquarters company of General Patton's Third Army.

There are no immediate survivors.

TRIBUTE TO THE LATE "CHAPPIE" CHAPMAN

Mr. FONG. Mr. President, the State of Hawaii recently lost one of its best known sports and entertainment figures with the passing of E. Walker Chapman.

Known affectionately to his legion of friends as "Chappie," he was born in San Francisco but had made Honolulu his home for the last 40 years. Mr. Chapman came to work in Honolulu as the first employee of Royal Theatres. At the time of his death on March 18 this year, at the age of 65, he was assistant general manager and director of advertising and public relations of Royal Development Co., Ltd.

His community service was extensive. He was a charter member of the Press Club and the Variety Club of Hawaii and its charity, the School of Children With Learning Disabilities. He helped organize what is now known as the Hula Bowl and was instrumental in starting the State fair through the Honolulu Junior Chamber of Commerce.

Of the many tributes paid to him, I wish to quote one from Mr. Herman Rosen, head of the Royal Development Co., Ltd., who was associated in the show business with "Chappie" Chapman for so many years:

> Chappie was a generous man to everyone and a credit to Hawaii.

Mrs. Fong and I extend a sorrowful aloha to his widow, Mrs. Thora Chapman, and family.

I ask unanimous consent to have printed in the RECORD several articles and a resolution of condolences adopted by the Senate of the State of Hawaii.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[State of Hawaii]

SENATE RESOLUTION EXPRESSING CONDOLENCES TO THE FAMILY OF THE LATE E. WALKER CHAPMAN

Whereas, E. Walker Chapman, affectionately known as "Chappie" to his legion of friends in the world of show business and sports both in Hawaii and on the mainland, died on March 18, 1974; and

Whereas, "Chappie" Chapman for a period of 40 years distinguished himself and the Royal Amusement Company of Hawaii by his unstinting efforts to provide the finest in family motion picture entertainment throughout the State; and

Whereas, "Chappie" donated his time, efforts and funds to community service; and

Whereas, he was a charter member of the Variety Cub of Hawaii, Tent 50, and helped found the School for Children With Learning Disabilities; and

Whereas, as a charter member of the Honolulu Press Club, his efforts on the Club's behalf were instrumental in its expansion and financial stability; and

Whereas, his work on behalf of the Hula Bowl in its early years helped the sports classic gain national recognition; and

Whereas, "Chappie" Chapman was admired and respected for his professionalism and generosity and truly exemplified the "Aloha Spirit"; now, therefore,

Be it resolved by the Senate of the Seventh Legislature of the State of Hawaii, Regular Session of 1974, that this body extend its deepest condolences to the family of the late E. Walker Chapman; and,

Be it further resolved that certified copies of this Resolution be transmitted to Thora Chapman, his widow; Mr. Herman Rosen, President of the Royal Development Company; Mr. Art Gordon, Chief Barker of the Variety Club of Hawaii, Tent 50; and Mr. Buck Buchwach, President of the Honolulu Press Club.

E. WALKER "CHAPPIE" CHAPMAN

HOLLYWOOD, CALIF.—Word has been received here that E. Walker (Chappie) Chapman, 65, assistant general manager of Royal Theatres, died in Honolulu on March 18, 1974, following cardiac surgery.

Mr. Chapman came to work as the first employee of Royal Theatres forty years ago, and for the past twenty-five years was Assistant General Manager and Director of Advertising and Public Relations.

Born in San Francisco, Mr. Chapman was employed by Rosener Circuit and was instrumental in starting Mickey Mouse Clubs in the Bay area. In Honolulu he organized the Press Club, the Quarter-Back Club, and he was a founding member of the Variety Club of Hawaii—Tent 50 and its charity, the Variety Club School for Children with Learning Disabilities. In addition, he served as director of the Junior Chamber of Commerce of Hawaii, and as a sportsman helped to organize the Hula Bowl, and for many years was sports broadcaster at the Honolulu Stadium.

He is survived by his wife Thora Williams Chapman; a son, E. Walker Chapman, Jr.; two daughters, Linda Cunningham and Sarah Heather Chapman; and two grandchildren.

An athlete in his younger days, Mr. Chapman's entire working career was in exhibition and distribution of films.

The family asks that, in lieu of flowers, donations be made to the Variety Club School for Children with Learning Disabilities in Honolulu or the Hawaii Heart Association or the charity of your choice.

"CHAPPIE" CHAPMAN DIES AT 65

E. Walker "Chappie" Chapman, 65, of 3847 Mariposa Drive, long active in Island show business, died yesterday in Queen's Medical Center while undergoing heart surgery.

Mr. Chapman helped found Royal Development Co., Ltd. about 33 years ago. He first handled advertising and public relations for the amusement company, then became vice president and assistant general manager.

He was one of those responsible for starting the Hula Bowl, and did the announcing at early games. And he was one of the charter members of the Honolulu Press Club and of Variety Club 1050.

Mr. Chapman formerly worked for the Walt Disney studios in Hollywood.

During his college days, he was a football star at the University of Southern California. He was also a swimming champion. And he was a top golfer.

Mr. Chapman is survived by his widow, Thora W.; a son, E. Walker Jr.; two daughters, Sarah Heather Chapman and Mrs. Linda Cunningham; two grandchildren; and a sister, Irma Ludwig of San Francisco.

Funeral services are pending.

[From the Honolulu Advertiser, Mar. 23, 1974]

A FRIEND HAS GONE

(By Dan McGuire)

They sang the last refrain yesterday for Chappie Chapman, one of the warmest, nicest guys ever to adopt these sunny Isles as his homeland.

From the day he arrived here in the 1930's, Chappie was in the forefront for many worthy causes, especially in the sports field. A great storyteller, he was for years in demand as a master of ceremonies and his oratorical talents included the broadcasting of high school football after World War II.

One time they gave Chappie a new arrival from the Mainland as a radio assistant and the poor fellow referred to golfer Jimmy Ukauka as "Jimmy Ooka-ooka." Chappie fell off his chair laughing and the broadcast was halted for several minutes.

Those years of the late '40's—the days of our youth—were fast and frantic . . . at least in retrospect. Few of us, particularly the ink-splattered wretches of the press, had any money. But you could buy a complete dinner at the Times Grill, now the Columbia Inn, for less than a buck. And you got your laughs out of "Duffy's Tavern" on the radio. Or Laurel and Hardy at the movies.

High school football was really big in those days, but Honolulu went crazy over boxing after the war. Frankie Fernandez, one of the best crowd pleasers of any era, took on topnotchers from the States, as we then called the big island to the East; David Kui Kong tangled with bantamweight champ Manuel Ortiz.

* * * * *

HELPED FORM QB'S

Chappie helped Pan Am's George Pottorff form the Quarterback Club and was instrumental in lining up guest appearances by such celebrities as Johnny Lujack, Strangler Lewis, Jim Aiken, Jimmy Londos and Herman Wedemeyer.

Wedey brought an All-Star team over in January of 1948, meeting the Leilehuas at the Stadium in two games that pulled in overflow crowds. Chappie was emcee at a luau for Wedey and his gang and asked a couple of the players to sing their school song. Being footballers, they didn't know it. So he sang it for them.

Sam Uyehara's Smile Cafe was the big hangout for the sports gang and was where Chappie staged one of his greatest feats. In those days, Don Klein, Joe Rose and Les Keiter were doing radio recreations of major league games off fragmentary information transmitted on the United Press wire.

They used to wait until they had about five or six innings available before starting the broadcasts. Chappie sneaked into the U.P. office one afternoon and memorized the first three innings of a Yankee-Tiger game. Then he sped out to the Smile and, as usual, found an avid group waiting for the game to begin.

It was not yet common knowledge that the local radiomen doing delayed accounts of the major league action and Chappie took full advantage of the situation by making bets on what each batter would do. His uncanny predictions soon had the patsies screaming for his scalp.

Unfortunately, he got a little greedy and stretched his streak to such a length that someone dropped in who knew what was going on. So Chappie returned all bets, bought several rounds for the house, sang a few of his favorite songs and headed into the night.

We'll miss him.

THE GENOCIDE TREATY: A STAND FOR MORALITY

Mr. PROXMIRE. Mr. President, recently the film "Judgment at Nuremberg" was shown again on national television. I am sure that anyone who has seen it, either on television or when it was originally released, has been affected by its gripping depiction of the Nazi horrors—the casualties, the corruption of justice, and the decline of morality.

I mention all of this because when recalling the brutalities of the Nazi era, we can do more than simply hope that they will never be repeated. We can put ourselves and our country on record as being unalterably opposed to all the heinous and inhuman crimes which fall under the heading of genocide. And we can do this by giving our swift and speedy approval to a most valuable document—the United Nations Genocide Convention Treaty.

Mr. President, as long as we delay action on this matter, our commitment against genocide—as practiced not only by the Nazis but by several governments up to and including the present era—can only be questioned, and our international status suffer as a result. Our having neglected this treaty for so long has been a tragic mistake; let us not compound the mistake by further postponing consideration.

AFFLUENCE AND SURVIVAL

Mr. HUMPHREY. Mr. President, I wish to bring to the attention of my colleagues a very provocative article by Anthony Lewis entitled "Affluence and Survival II," which appeared in the New York Times on April 22, 1974.

The feeding of Americans requires many more calories than is necessary to support a healthy existence. For instance, the amount of food consumed by 210 million Americans would nourish 1.5 billion Chinese on a standard Chinese diet.

The fertilizer shortage, combined with reduced fuel for production, will help to intensify an already serious food supply problem. In Asia, the yearly population expansion of 2 to 3 percent increases the demand for food, but with the present shortage, a substantial percentage of the world's population will face the prospect of famine.

The United States, as the largest exporter of food, is in the best position to deal with the shortfalls in world food production. Considering the fact that we have almost no reserves and anticipate only a minimal year-end carryover, a modification of the American diet may have to occur.

In the past it was generally accepted as a fact that the solution to insufficient food production was the introduction of the U.S. style of high technology food production. This assumption is being questioned on the grounds that high technology farming is energy intensive. Considering the high costs of energy and barring a breakthrough in renewable energy sources, it may be necessary to turn to labor as opposed to energy intensive food production.

The issue, as Mr. Lewis so eloquently summarizes, is:

> Will we, can we go on pursuing our extravagant way of life in an increasingly hungry world? It is not some remote or speculative question. Half the people in the world now go to bed hungry every night. And the looming probability is that thousands, even millions may starve in the year ahead unless they get help from outside—mainly from the United States.

Unfortunately, the media has, for the most part, paid so little attention to this critical issue. We cannot remain insensitive and indifferent and we should not expect to continue to live in an island of opulence surrounded by hunger and starvation.

We need to develop a unified policy for dealing with the rapidly emerging food crisis. We need bold leadership to raise these issues and develop solutions.

Mr. President, I ask unanimous consent that this outstanding article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Affluence and Survival II

(By Anthony Lewis)

Boston, April 21.—In one short sentence recently Professor Jean Mayer of Harvard, the great nutritionist, illuminated the profound moral and political test that awaits this country on the issue of food.

"The same amount of food that is feeding 210 million Americans," he said, "would feed 1.5 billion Chinese on an average Chinese diet."

The question is: Will we, can we go on pursuing our extravagant way of life in an increasing hungry world? It is not some remote or speculative question. Half the people in the world now go to bed hungry every night. And the looming probability is that thousands, even millions may starve in the year ahead unless they get help from outside—mainly from the United States.

That prospect is based on factors that can already be estimated with fair accuracy. For one, there is a serious worldwide fertilizer shortage, caused in part by the quadrupling in the price of oil that goes into nitrate fertilizer and in part by insufficient fertilizer plants to meet demand.

In India, the fertilizer scarcity has already hit hard, along with difficulty in pumping water because of gasoline shortages. The spring wheat crop target was 30 million tons. Recent estimates put the actual figure nearer twenty million.

In Asia generally, fertilizer supplies will be inadequate at least through this year. Crops are therefore expected to be down substantially. But the rising population inexorably pushes the need for food up 2 to 3 per cent a year. For those reasons, the experts foresee a huge food deficit in Asia this year—the largest in memory, one has said.

As a practical matter, grain to make up the shortfall in Asia would have to come in large part from the United States. Only the U.S., Canada, Australia and New Zealand are net grain exporters now, and America is by far the largest.

And so we Americans shall probably have to decide before the end of 1974: Do we avert our gaze from Asia, cut ourselves adrift from a main problem of mankind? Or do we help others survive by doing the food equivalent of turning down our thermostats?

We have no surplus now, and no grain carryover to speak of. We can probably help on the scale needed, then, only by adjusting our own eating habits.

The American diet has turned more and more toward meat: fifty pounds of beef per capita in 1950, 119 pounds in 1973. And beef is a terribly wasteful food to produce. Feeding corn to cattle in feed lots, you end up putting on the table in steaks and stews only 5 per cent of the calories that were in the corn. An American now uses 22,000 pounds of grain per year to feed himself, a Chinese 400. But of the American figure only 140 pounds are eaten directly as grain in bread and other cereal products. Of the Chinese 400, 360 are eaten as grain.

If the United States is going to play a substantial part in bridging the world food deficit, there will have to be a change in our diet. Of course we need not eat less nourishing or appetizing food; in terms of taste and real value the American diet is a well-known disaster. American food habits have been spreading, and that trend also will have to change. That leads to a longer run point about the world food situation. The general assumption has been that the growing problem of population and food could be met by spreading American agricultural methods to the less developed world, with mechanization and intensive use of commercial fertilizer and pesticides. That assumption is now under challenge.

The problem is brilliantly, fascinatingly analyzed in the current issue of Science by Professor John S. Steinhart of the University of Wisconsin and Carol E. Steinhart. What they demonstrate is that the American food system is immensely energy-intensive. Huge amounts of energy are poured into growing crops without much labor, then even more into processing and packaging, and still more at the consumer end into auto-powered shopping, refrigeration and the like.

In "primitive" cultures, the Steinharts say, each one calorie of energy invested produces five to fifty calories of food. In industrialized food systems, it takes five to ten calories of energy to get one in food. If all countries followed our energy-intensive pattern, the world would use 80 per cent of its annual energy just to produce food.

Barring some breakthrough in renewable energy sources, the Steinharts conclude, the choices for man "appear to be either less-intensive food production or famine for many areas of the world." As energy costs go up, even developed countries will have to find ways of using more labor and less energy in their food production.

One commodity is essential for needed change in either the immediate future or longer term, and unfortunately it is in short supply. That is leadership in Washington. We can only hope that it will appear, and work toward that end. If man does not deal with his food problem in terms of the small world he inhabits, as the Steinharts say, then "the food shortage will solve our population problem."

WORLD HUNGER

Mr. DOLE. Mr. President, America's agricultural harvests in recent years reached record levels. Yet there are some people of the world that remain hungry. Poor rains, fertilizer shortages, and other shortfalls have meant that this year many countries of the world stand in the shadow of increasingly short food supplies.

The American voluntary agencies have for more than 20 years been using our agricultural resources made available under Public Law 480 to feed the hungry and to assist people in the least developed countries to improve the quality of their life through self-help projects at the community level.

One such agency is Church World Service, a department of the National Council of Churches of Christ in the USA. As a relief and rehabilitation unit representing 31 Protestant and Orthodox denominations, it has since 1954 used more than 4½ billion pounds of Food for Peace commodities, valued at more than $320 million for emergency relief and community development projects in such places of need as India, Bangladesh, the Sudan, Brazil, and Haiti.

In addition, CWS has since 1946 made available, with the help of CROP, its Community Hunger Appeal, millions of dollars worth of private resources in direct relief, technical, and material development assistance, and family planning in 60 countries. It has helped resettle in the United States more than 200,000 refugees and escapees from abroad.

CWS has just published a booklet, "Church World Service in a Hungry World," by Melvin B. Myers. In view of the escalating world food crisis, CWS has pledged itself to increased effort to alleviate world hunger and is asking its member agencies to do the same.

Mr. President, contained therein is an excellent outline of humanitarian food need and CWS policy. Because of the urgency of the world food crisis and the timeliness of the CWS statement, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the outline was ordered to be printed in the RECORD, as follows:

CHURCH WORLD SERVICE POLICY

(Adopted January 17, 1974)

Church World Service and its acts always stand under the judgment of God. It is committed to reach out in compassionate service to all people everywhere because it shares a common humanity under the Fatherhood of God. Church World Service recognizes the theological, moral and ethical imperative to meet human need by sharing our food with a hungry world, even at expense to our own diets.

Church World Service believes that food aid, whether produced locally or imported from whatever source, should be used as a constructive tool by Church World Service, and encourages its counterpart agencies and the churches of the world to utilize it to:

a. Foster the dignity of labor and improve the quality of the lives of people served;

b. Alleviate hunger, human suffering, and improve nutritional status especially of children, toward the goal that one day every child in need in the world may have a nutritionally adequate daily meal;

c. Increase agricultural production;

d. Achieve positive impact on the economic structure so as to seek to place adequate food within the reach of the lowest economic strata of the community served.

Church World Service believes that American food must be deemed a public utility, deserving and requiring the same serious legislative consideration as traffic safety, fuel conservation, and ecological protection. Americans as private citizens must also regard food with the same seriousness as they ask of their Government. American food made available by legislative enactment, as well as that provided by other developed countries, should be divorced, to the fullest extent possible, from use as a tool of foreign, economic, and political policy. Similarly, in the developing countries and those in which food shortages exist, food should not be denied any segment of the population by reason of national pride, ideology, or in furtherance of a national self-sufficiency plan.

An adequate diet for all segments of society within a country should be a primary and basic governmental responsibility, with food requirements met to the fullest extent possible by and from local production and commercial imports, and augmented and supplemented to the extent necessary by food aid through intergovernmental agencies such as the World Food Program and other mutually acceptable bilateral arrangements.

Church World Service and other voluntary agency food imports should normally be supplemental, catalytic, and of relatively short term in the absence of other alternatives. Such food should be channeled through and distributed by indigenous instrumentalities, including those that are church-related, that are capable of carrying out such programs, rather than through a U.S.-based and controlled agency. In its distribution and use of food. Church World Service will continue to be sensitive to the dignity and self-respect of the recipients, and will continue to work to prevent over-dependence on imported food aid.

The indigenous non-governmental food distributing agency in a country should be encouraged to establish, within its own policy and priority framework, prior coordination with its own government for food and other subventions whereby such agency may secure additional resources to meet the expressed needs of the communities to which it relates, for use without reference to race, color, creed, or political association.

Concerned that under present policies and administrative regulations the quantities of food donated to Church World Service and other U.S. voluntary agencies under the Food for Peace Act will be increasingly limited, Church World Service

a. Reconfirms its policy of limiting its utilization of and dependence on Food for Peace commodities, while at the same time remaining sensitive and receptive to the possibility and necessity for new programs and the augmentation of present programs.

b. Urges the U.S. Government to guarantee the supply of food and freight funds for voluntary agency programs on a three-to-five year time span so that counterpart agencies may plan and mount constructive programs with assurance of commodity availabilities. Food assistance for disasters and emergencies, and commercial market demands should not be permitted to vitiate such programs, but should be met from reserves and other funding resources, in cooperation with other countries.

c. Church World Service, within the spirit of the Judeo-Christian tradition, recommends a U.S. Government policy of at least a tithe of its exportable agricultural commodities, setting aside this ten percent to provide a more adequate supply of food for humanitarian assistance and development programs of the voluntary agencies under Title II of Public Law 480, and in support of other elements of the law.

At the same time, Church World Service encourages the churches in developed countries which export food, or import food on a wholly commercial basis, to intercede with their Governments for a comparable tithe for humanitarian purposes, either in food or in fund equivalent, and urges the U.S. Government to communicate to these Governments its intent to tithe also.

d. Recommends to the U.S. Government that administrative regulations and oversight applied to U.S. voluntary agencies under Public Law 480 be made to conform with those applied to intergovernmental agencies, and that restrictive and complicated requirements of documentation, auditing, monitoring, and bilateral agency-government agreements be removed or simplified.

e. Food should be regarded as the most viable base for people to unite in a common task; local leadership should be encouraged to the fullest extent possible as a primary instrument for development of human resources and initiative. To this end, Church World Service believes that the requirement for U.S. citizen representation should be removed as restrictive and counter-productive.

f. Commends to the U.S. Government a proposal that the voluntary agencies be given latitude to choose the commodities and the quantities thereof, within the budgetary and availability parameters that may apply, in order that these commodities are the most utile for particular types of programs and are culturally acceptable in the particular country.

Church World Service applauds the past and current humanitarian efforts and food assistance provided by the U.S. Government in times of disaster and emergencies and will, to the extent of its ability and that of its counterpart agencies,

a. Assist local government, the U.S. Government, and intergovernmental agencies in distributing food, and in supplying other needed resources at such times;

b. Extend its best efforts beyond relief into rehabilitation and development, in concert with the World Council of Churches, regional and local bodies and church agencies throughout the world.

Church World Service recognizes Public Law 480 as a constructively humanitarian legislative action and one which deserves strengthening and support in the face of the world food situation. The presently diminishing availability of Food for Peace is therefore a major concern. Despite its own decreased utilization of Food for Peace commodities, Church World Service will continue to maintain close liaison and communication with the U.S. Government, separately and in concert with other voluntary agencies, in the firm belief that both the Legislative and Executive Branches are sensitive and receptive to the experience and counsel of voluntary agencies.

In prospect of closer working relationships with the U.N. and especially ECOSOC, the FAO and World Food Program, Church World Service will continue its liaison and communication with these bodies within the context of pertaining structure and policy.

Church World Service asks CROP, its Community Hunger Appeal, to treble and even quadruple its efforts to secure from a concerned and compassionate public the additional resources required in tools, seeds, fertilizers, food, and funds necessary to a massive effort to increase food production overseas, and recommends to the denominations and other church leaders that they urge their own constituencies to take leadership roles in CROP's community efforts to combat hunger and malnutrition.

Church World Service believes that massive and immediate research efforts on an international scale must be undertaken in the face of the present world food crisis to foreshorten by decades the application of new techniques. The Secretary-General of the United Nations is therefore encouraged to bring together the specialized agencies of the United Nations in a concentrated, well-funded and crash effort directed to this end, and applauds the action of the United Nations General Assembly in calling a World

Food Conference in 1974 as a first step in this process.

Church World Service endorses the proposal of the UN/FAO for the establishment of national food reserves which will provide food security for each particular country as well as to provide for emergency situations in the world. An adequate food reserve will only be possible now and in the immediate future if the affluent members of society, especially in the United States, undertake to change their present eating habits, so as to minimize the present drain of food resources, particularly of grain. Church World Service believes that the church is a potent moral and educational channel, and will itself and through its constituent denominations and CROP endeavor to encourage maximum conservation of food.

SANGRE DE CRISTO COMPREHENSIVE HEALTH SYSTEM

Mr. MONTOYA. Mr. President, recently I received a copy of an interesting report from the Sangre de Cristo Comprehensive Health System.

We hear so many stories of crises these days. It is rare for us to hear about a success. That is one reason it is important for all of us to be aware of what happened in this small corner of the Southwest.

We seldom hear in Washington about the end product of the Government programs which we fund, and when we do, it is usually a complaint.

This report tells another story. It tells us about the people of Costilla County in Colorado and Taos County in New Mexico—two poor and underdeveloped counties where years ago modern health care was only a dream.

It tells us about private citizens, a church group, and medical people who worked with State and Federal Governments to build a comprehensive health care system for their community. It tells us about the years of hard work, and the inspirational successes.

Most of all, it makes clear the substantial assistance Federal health care support gave to this local effort. It illustrates better than any statistics could the need for a continuation of the health care partnership between local citizens, the State and the Federal Government.

I think the growth of this program speaks for itself. It cries out for the attention of every Senator or Congressman who is considering continued support for Federal health care funding. Mr. President, I ask that the report from Sangre de Cristo be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

SANGRE DE CRISTO COMPREHENSIVE HEALTH SYSTEM

The Sangre de Cristo Comprehensive Health System, headquartered in San Luis Colorado, serves 6,500 residents through a program oriented toward ambulatory and preventive care. During the past three years it has become a major force in the delivery of health care in Conejos County, Colorado, and the northern half of adjoining Taos County, New Mexico. The System's three major clinics, three outlying nursing health stations, and an alcoholic recovery center, provide treatment services in the two and one-half county area of approximately 20,000 people, most of whom are low-income Spanish-Americans.

Sangre de Cristo started in 1946 when a group of concerned citizens founded the Costilla County Health Association. At that time, the county had no hospital or outpatient medical facilities. The Association designed, built and equipped the Sangre de Cristo Health Center in San Luis as a small inpatient and outpatient hospital of about a dozen beds.

In 1955, the county leased the Center to the Board of National Missions of the United Presbyterian Church as a missionary outpatient clinic. The Board administered the Center from its New York City headquarters for ten years, assigning staff physicians to serve terms in the facility. In 1965, the Board of National Missions formed the Presbyterian Medical Services (PMS) in Santa Fe as a local arm to operate the Sangre de Cristo Health Center and three other medical facilities in the Southwest. With the endorsement of the National Board, PMS later became an independent non-profit health care corporation with its own Board of Directors, and curtailed missionary activities in its facilities.

In 1968, PMS received a grant from OEO's Office of Health Affairs and converted Sangre de Cristo from a missionary outpatient clinic to an OEO Neighborhood Health Center. Since that time, the Sangre de Cristo Health Center has gradually developed into a comprehensive health network with seven facilities. In 1970, the Center established two outlying nursing stations in Fort Garland in the northern part of Costilla County and Costilla in the northern part of Taos County. It also set up an Alcoholic Recovery Center in San Acacio, Colorado.

In 1971, the project became the Sangre de Cristo Comprehensive Health System, a multi-institutional health care network responsible for all public health programs in Conejos and Costilla Counties. It also took over the operation of a PMS health center in Questa in northern Taos County and established a nursing outpost in southern Taos County. During 1973, responsibility for the operation of the System passed from PMS to an elected Board of Directors representing the two and one-half county area.

The Sangre de Cristo Comprehensive Health System, operating on sliding fees scaled to a patient's ability to pay, now employs four physicians, four dentists, eight registered nurses, six licensed practical nurses, two dental hygienists and a wide variety of unique new professional health practitioners. The remainder of the staff are mostly local low-income people who have been trained by the project as health and clerical aides, drivers and assistant technicians. The System, therefore, is providing skill training and employment in an area where jobs are extremely scarce, but more importantly, another vital, scarce commodity—comprehensive health care, is being made available to the population for the first time.

The present staff offers not only regular and emergency medical and dental care, but also an outreach program of home health aides, vehicles and drivers. Patients are visited for care and, when necessary, transported to and from the various clinics. The home health aides give advice and classes in hygiene, sanitation, family planning, prenatal care, nutrition and meal planning, diet and weight control. Consultants and specialists from Denver visit the System regularly, including mental health professionals.

A director of training and education is on the staff. In addition to arranging for in-service training and for special outside education for staff members, he writes and publishes a monthly newspaper, in both Spanish and English, which is widely distributed throughout the San Luis Valley.

A CONSUMER ORIENTED BOARD

Sangre de Cristo is incorporated as an independent, free-standing, non-profit corporation in the State of Colorado, qualified to do business in the State of New Mexico. The Board of Directors is made up of twenty-two residents of San Luis Valley and is broadly representative of consumer interests. Its members have long been active in the social, cultural, political, and religious life of the Valley's communities. This consumer representation on the Board is directly responsible for the involvement of community residents in the operation of the health centers within the System by assuring that services are rendered in a manner that is responsive to the needs and wishes of the people.

The Board has established the following criteria as objectives to meet for consumers within the System:

1. The highest possible quality of clinical skill in the management of a patient's health problems.
2. The highest possible degree of patient satisfaction with the total care provided consistent with consumer interest in accessible, personalized and kindly health care.
3. The most efficient and effective use and management of these services possible, in the interest of achieving an economical health care delivery system which can eventually sustain itself without grant assistance.
4. The greatest possible improvement in the health status of the people being served by the new system as measured by improvements in mortality and morbidity rates, and by other indicators showing the prevention of illness and the maintenance of a better state of health among the persons involved in the system.

The objectives identified by the Board are interrelated, and when taken together, form the basis for a responsive organization which deals realistically with problems of health care delivery, while at the same time advancing the legitimate self-interests of both consumers and providers. The Board recognizes the fact that any effort to organize health care delivery in the San Luis Valley must be a social enterprise in which providers and consumers are concerned with the final products: the well-being of the population. Obviously, providers have to be able to work in a climate of personal and professional satisfaction. But consumers must be the subject, not the object, of the health care process, involved and participating in the advancement of their own well-being.

Another basic objective is the Board's concern with the process of patient management and practice management. It is convinced that care must be family-centered, and is impressed with the potential of Problem Oriented Practice health care delivery. It feels that this would impact on the System by the development of an effective team practice and the creation of a data base which will permit a more rational management of health care problems.

The Board has actively pursued a policy of participation in decision making among all involved parties. It looks forward to a sense of true partnership with providers, rather than becoming protagonists. The guiding conviction here is that the common interests of each will serve to overcome differences. The Board recognizes that consumers and providers, working together as partners in the San Luis Valley, not one dictating to or manipulating the other, can best be accomplished by a continuing, frank exchange of views among all concerned. Toward this end, Board members view their role as guardian of the private and public dollars which flow into the System from those citizens in the

Valley who elect to have their health care needs met through this organization.

PREPAID HEALTH CARE

Sangre de Cristo has now embarked on the organization of a prepaid health plan capable of providing accessible, coordinated, high quality services to an enrolled membership in the San Luis Valley, with continuity of care to consumers assured across the entire spectrum of their health needs. The Board intends to add at least ten to twelve additional health centers throughout the Valley during the next three to five years. This will come about primarily by linking other existing health centers, usually Federally funded, into the new prepaid health plan. Federal officials with jurisdiction in both New Mexico and Colorado entirely support the efforts by Sangre de Cristo to bring about mergers of a number of presently unrelated Federal investments in health service programs. The Board strongly believes that a network of twelve to fifteen ambulatory health care centers, serving as "entry points" into a coordinated health care delivery system, with clear and effective linkages to high quality specialty care, represents a realistic five-year goal for the Sangre de Cristo System.

In striving to establish this kind of network, a major organization principle adopted by Sangre de Cristo is the policy of using existing physicians and other health care resources. That is, the Board seeks to enter into contractual agreements with physicians and physician groups for the provisions of all physician services, in and out of hospitals, on the basis of prepayment of a fixed, per capita sum, paid monthly in advance. Conversely, Sangre de Cristo wishes to avoid the direct employment of salaried physicians or other health care personnel, although in those circumstances where it proves impossible to secure contractual agreements with local physicians, this course may represent the only other alternative.

A similar policy has been adopted by the Board to secure underwriting for hospital care provided to members of the new prepaid plan. Sangre de Cristo has no interest in trying to become a health insurance company. Instead, contracts to underwrite semi-private coverage for members of the plan have been negotiated with Blue Cross in New Mexico and Colorado.

The Health Insurance Plan of Greater New York (HIP), with an enrollment of over 700,000 persons, is perhaps the best example of what Sangre de Cristo is attempting to establish. HIP has contractual agreements with thirty-five different medical groups for the provision of all physician services on the basis of prepayment of fixed, per capita sums. However, one major improvement of the Sangre plan over HIP will be the return to physicians of fifty percent of any savings resulting from a more efficient use of hospital beds. Thus, if Blue Cross underwriting is based upon a predicted utilization of 800 bed days per 1000 patients per year, and the actual utilization should turn out to be 400 bed days per 1000, fifty percent of the monies thus saved would be paid to the physicians responsible for the lower utilization patterns. The remaining savings will be passed on to members in the form of increased benefits or reduced rates.

Sangre de Cristo intends to offer the new prepaid plan to the entire community throughout San Luis Valley as an optional, alternative method of securing their health and hospital care on a prepaid basis, with quality, continuity, accessibility and cost-efficiency assured. With a Board of Directors elected by and responsive to the membership and the community, Sangre de Cristo is unusually well-equipped to reach families in the Valley for this purpose. To secure the enrollment of residents who currently have group health insurance coverage through their place of employment, the Board is pursuing contractual agreements with Blue Cross plans for the cooperative marketing of Sangre de Cristo prepaid benefits as an option for such group membership.

The process of enrolling a cross section of the population is critical to achieving an enduring impact on the delivery system, in terms of quality of clinical performance, the distribution of resources, and the character and manner in which services are provided. The ability of the Board to achieve contractual agreements among all parties based on cost effectiveness is directly related to a pooling of health care expenditures, regardless of the sources for their payment. The merging of memberships group enrollment from among employed and/or unionized workers, individual payors, as well as those whose income level requires external financing for health care, is a principal objective of Sangre de Cristo's Board.

In view of the economic realities prevailing in San Luis Valley, and given a heavy Federal health care investment at the present time (perhaps 8 million dollars if the myriad of Federally funded health programs are totalled up) the Sangre de Cristo Board is convinced that the approach it is taking is sound and practical and can, with appropriate support from providers and underwriters, result in a prepaid health plan which will eventually be able to operate without direct Federal subsidy. If Sangre de Cristo can secure Title XVIII and XIX contracts based upon prepayment of fixed capitation, and if in the future some form of national health insurance is provided to cover the present "gray areas", then the health plan being established in Sangre de Cristo will eventually provide full health services for its membership without further need for Federal grant funds.

The Sangre de Cristo system stands today on the threshold of becoming a stable, organized network for the delivery of comprehensive health care services to residents of the area. There are many hurdles yet to be overcome unfortunately not the least being the inflexibility and slowness of some parts of the federal and state administrative apparatus. However, the Sangre leadership is convinced of the soundness of their course, and is firmly committed to achieving the goals of this social enterprise, no matter what the obstacles.

THE INTERNATIONAL DEVELOPMENT ASSOCIATION

Mr. McGEE. Mr. President, since the House of Representatives voted earlier this year to defeat the fourth replenishment to the International Development Association, I have been deluged with letters of concern from hundreds of organizations and individuals expressing concern and dismay over this action.

In one of these letters, the Director of the Office for World Justice and Peace wrote:

> We are convinced you realize that a country as blessed as ours is in general material well-being, because of these present troubles, cannot turn its back on the millions of the world's poorest human beings, many hundreds of thousands of whom are threatened with starvation and the quality of whose very lives seems to depend these days on decisions in which they have no part.
>
> Quite apart from the political considerations involved in honoring a carefully negotiated commitment like this contribution to IDA, there is at stake the moral awareness and conscience of the American people, the image of which has its own political repercussions in the world at large, as you well know.

From the American Council of Voluntary Agencies for Foreign Service, Inc., James MacCracken writes:

> It would be most unfortunate if our support were not given to IDA at precisely this time when the United Nations and its Specialized Agencies, including the World Bank, have directed the thrust of the Second Development Decade at development in the rural areas where the poorest of the poor are concentrated. These are the very people whom the voluntary agencies are dedicated to helping.

Finally, the United Nations Association of the United States of America has compiled an excellent analysis of IDA which I believe each of my colleagues should give their closest attention. It sets the issue in its proper perspective and is an excellent contribution to the IDA debate.

I ask unanimous consent that these materials be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE INTERNATIONAL DEVELOPMENT ASSOCIATION: THE ISSUE OF THE FOURTH REPLENISHMENT

The International Development Association (IDA) is part of the World Bank group and was established in 1960 at the instigation of the United States. IDA was a response to the need of developing countries for developmental loans at low rates of interest. The realization had grown that many of the countries most desperately in need of assistance could not afford to borrow at the conventional rates of interest the World Bank could make available.

Thus, IDA offers loans known as credits. These are generally for a 50 year period and though interest free carry a ¾ of 1% service charge. To qualify, a country must have a per capita annual income of $375 or less. IDA is an attempt to mobilize capital for the development of the poorest nations and to shield them from a crushing debt service burden. The World Bank group, through IDA approved credits for developmental aid, generally aimed at improving the infrastructure of the developing recipient nation. They are for projects in such fields as *transportation, agriculture* (including many irrigation projects), *education* and *health*.

The U.S. contributed 42.6% of the initial $750 M. Since then, there have been three successive replenishments. For the first, the U.S. share was again 42.6%, and for the second and third, approximately 40%. The U.S. is presently one year behind schedule for the Third Replenishment. In fact, fifteen countries made advance commitments so that IDA's programs could continue before the Third Replenishment became effective, on the assumption the U.S. would come through with its share.

Agreement was reached on the Fourth Replenishment among the member nations of IDA in September, 1973, at Nairobi, Kenya. It called for a U.S. contribution of $1.5 B., ⅓ of the total. As is usual, payments would be in non-interest bearing letters of credit, to be drawn down as needed by IDA.

H.R. 11354, the IDA replenishment authorization, was reported favorably by the House Banking and Currency Committee. It was defeated in the House on January 23, 1974, 248–155. The defeat was the result of a combination of Administration inaction and domestic political considerations. As one observer noted in early January, speaking of the impending House action, "This is going to be a question of timing and circumstance; if things get really bad on the domestic scene (i.e., the oil crisis), there could certainly be an upsurge in isolationist feeling and in hostility to development assistance." Little note was made in the House of the significance of the bill.

The House ignored several important aspects of the Fourth Replenishment. Provisions had been made to extend the period for U.S. payment an extra year; the U.S. share had been reduced from 40% to 33.3%; maintenance of value obligations (that could raise the amount obligated) had been dropped. The amount of the total, and the U.S. share, had been negotiated with full U.S. participation. *Full functioning of the replenishment depends on full U.S. participation. Anything less than the authorization of the full amount will most likely require complete renegotiation.* Time is now very much a factor; IDA's funds will be fully committed by June 30, 1974.

The Senate Foreign Relations Committee has held hearings on S. 2665, the Senate bill to authorize the replenishment, since the House defeat. Many of the issues raised on the floor of the House were discussed. This was important because it gave spokesmen for the IDA replenishment a chance to clear up some misconceptions and assumptions that have arisen concerning the Fourth Replenishment. Some of these are as follows:

Assumption: Foreign aid really isn't that effective; IDA projects may not produce any more identifiable results than any other type of aid.

IDA grants credits only for soundly conceived projects. IDA, it must be remembered, is an integral part of the World Bank group, and the World Bank has lent over $18 B. for the last 28 years without a loss. In that time it has acquired expertise and a highly skilled staff, specifically trained to assist in developmental lending. This same staff is used by IDA. Both organizations operate under the same high business standards. Many identifiable benefits have certainly resulted from IDA projects; 21 countries are currently receiving agricultural and educational benefits. 3½ B. acres of land are now under cultivation which were undeveloped 10 years ago. The living standards of over 2 M. people have been dramatically improved. IDA's agricultural projects affect 1,250,000 farmers. 9 M. people in 5 countries are benefiting from IDA improvements in water supply and sewer drainage. In education $185 M. of IDA credits have built 360 schools and trained 377,000 teachers. Since 1970 $40 M. of IDA money has been used for 1,360 new health clinics and a staff of 8,600 medical technicians, bringing health services to over 21 M. people who were without it.

Assumption: Since the price of oil has gone up so sharply, any foreign aid to the developing countries will really just go to pay for oil.

The developing countries were of course the hardest hit by the current increases in the price of oil. The IDA, however, does not subsidize petroleum imports. IDA money finances only *specific* goods and services required for the execution of the project. A country could not siphon off IDA funds for items not related to the projects.

Assumption: IDA money goes directly to finance projects in the oil rich Arab countries.

No; IDA only invests funds in countries with incomes of less than $375. 70% of its money goes to countries with less than $100 per capita incomes. Oil producing countries have GNP per capita incomes of more than $375 per year and therefore do not qualify for IDA loans. The Arab countries fall into two catagories—those with per capita incomes approaching the U.S., and those still very close to the IDA threshold. Kuwait's per capita income is $3,380; Libya, $1,450; Quatar, $2,370; United Arab Emirates, $3,150; Iran, $450; Saudi Arabia, $540; Iraq, $380.

Question: Why don't these oil producing nations contribute more?

Iran, Saudi Arabia and Iraq still consider themselves under developed, and by nearly all standards they are. They all, however, are beginning to assume some of the responsibility that goes with their newly acquired wealth. Kuwait has been an underwriter for World Bank loans; Iran has established a $1 B. program for aid to the developing countries. Libya is also considering a donation to the World Bank. Current negotiations are going on in Geneva to establish an Arab development loan fund.

Question: The U.S. has enough problems of its own; why should we be concerned with IDA?

Our failure to support IDA could undermine a reliable and sorely needed supply of raw materials, one third of which we obtain for the developing world, and that proportion will only grow in the future. LDC's supply the U.S. with 99% imports of natural rubber, 37%, iron ore, 79% of copper ore, 98% of bauxite and 62% of oil. For example, Jamaica and Surinam provide us with ⅔ of our aluminum ore and metal. Every ounce of the tin we use comes from developing countries such as Malaysia, Thailand and Brazil. We need the markets and materials that so many of these countries provide just as desperately as they need our capital and technical expertise. We also sell abroad—5 million American jobs depend upon export of our products. In 1972, exports to the developing countries amount to $14.6 B., close to *30% of our total exports*. We had a *surplus trade balance* with the LDC's at a time when we were suffering an overall $6 B. trade deficit. Markets for U.S. goods can only grow as these nations develop. *We cannot afford to not invest in the development of the world because we are a part of it. Our own welfare, our own progress is vitally linked with the economic realities of the rest of the world.* We have far more to lose than any other country. Our future progress may well depend upon the growth of the developing world's economy, the focus of IDA's concern.

Question: Why IDA?

IDA provides the best way of helping the developing countries. IDA represents the united effort of the developed world to assist the lesser developed countries by loans for sound, well thought out projects, not bilateral handouts. *IDA money is never a gift.* Money is dispersed only as contracts are arranged for a specific project, and then only after it has been evaluated by the World Bank team for its overall effectiveness and benefit. *IDA is a multilateral loan agency, actually providing a mere 15% of the funds for each project.* The local country puts up 85% of the funding for the project. IDA's 15% provides the hard currency needed to purchase project supplies and know-how from the industrialized countries. By using IDA, the U.S. can get the developing countries off the AID payroll, and discourage their bilateral dependence on the developed nations.

Question: $1.5 B. is still a lot of money. Why should the U.S. pay that much?

Actually the amount of funds to be expended is very small. The U.S. has been granted a special extension of one year instead of the usual three year time period given to other countries. The U.S. may now take four years over which to spread her share of the replenishment. The IDA has also permitted the U.S. to pay $375 M. per year rather than the whole sum as other nations do. As the GNP of the other nations has risen, the percentage of funds coming from the U.S. has decreased. U.S. participation has declined from an initial 42.6% to the current 33.3%. As a percentage of GNP, *the U.S. ranks at the bottom of the industrialized nations in amount given.* The U.S. assistance percentage of GNP in 1972 was only .29% or 3/10 of one percent. France contributed .67% of her GNP or nearly 7/10 of one percent. Australia contributed .61%; Belgium, .55%; Sweden, 148%; and the United Kingdom, .40%.

SUMMARY

Failure to act by the U.S. will prevent the Fourth Replenishment from taking effect. At the very least, this would require a renegotiation of the replenishment with the other donor countries. Further, any delay at such a crucial time for the world's poor would be disastrous. It would also be interpreted as a U.S. retreat from developmental assistance even as the U.S. seeks to negotiate important changes in the world's economy, aimed at promoting peaceful growth.

April 9, 1974.

Hon. Gale W. McGee,
U.S. Senate,
Washington, D.C.

Dear Senator: The American Council of Voluntary Agencies for Foreign Service, with 43 member agencies representing the major religious denominations, national and nonsectarian groups engaged in overseas relief, rehabilitation, and development work, strongly urges favorable Senate action on S. 2665 a measure authorizing United States participation in the fourth replenishment of the International Development Association.

Member agencies of the American Council have had long experience in helping the poor overseas, pioneering in development assistance at the grass-roots level. We are therefore acutely aware of the dire need of the most deprived element of the population in the least developed countries for assistance of the sort provided by IDA.

The United States Government, with a tradition of humanitarian concern for the poor and destitute, has been a prime organizer and constant supporter of IDA for the past 13 years. Following U.S. leadership, other developed nations have given increasing support to IDA, pledging funds covering two-thirds of its budget. The remaining one-third, which is our share, is crucial to IDA's continued existence.

It would be most unfortunate if our support were not given to IDA at precisely this time when the United Nations and its Specialized Agencies, including the World Bank, have directed the thrust of the Second Development Decade at development in the rural areas where the poorest of the poor are concentrated. These are the very people whom the voluntary agencies are dedicated to helping.

In its recent study, *World Poverty and Development: A Survey of American Opinion*, the Overseas Development Council reports that "Better than two thirds of the American public, 68%, are *in favor* of providing U.S. foreign assistance to the poor countries," as compared to 51% in 1958 and 58% in 1966. This support for foreign assistance has been reflected in the unprecedented level of almost half a billion dollars contributed by the American people to the overseas programs of voluntary agencies registered with the Advisory Committee on Voluntary Foreign Aid.

We feel that your favorable vote on the replenishment of IDA would be in keeping with the wishes of the American people.

Sincerely,

James McCracken,
Chairman, American Council of Voluntary Agencies for Foreign Service, Inc.

March 18, 1974.

Hon. Gale W. McGee,
Senate Office Building,
Washington, D.C.

Dear Senator McGee: I am writing to you as a member of the Senate Foreign Relations Committee to urge you to do your utmost to secure a favorable Senate vote on S. 2665 authorizing the US contribution of $1.5 billion to the International Development Association.

We who are dedicated to working for justice for all God's people, for their right to freedom from hunger and from a level of living hardly befiting the dignity of the human person, are placing our confident trust in the Senate to maintain our country's proud and honorable record of leadership in the field of humanitarian concerns.

We are quite aware of the needs of our own poor and of the inconveniences and difficulties most of us are now experiencing because of inflation and the oil crisis. But we are convinced you realize that a country as blessed as ours is in general material wellbeing cannot, because of these present troubles, turn its back on the millions of the world's poorest human beings, many hundreds of thousands of whom are threatened with starvation and the quality of whose very lives seems to depend these days on decisions in which they have no part.

Quite apart from the political considerations involved in honoring a carefully negotiated commitment like this contribution to IDA, there is at stake the moral awareness and conscience of the American people, the image of which has its own political repercussions in the world at large, as you well know. I earnestly entreat your sympathetic support for S. 2665.

With every good wish to you personally and for the success of your efforts, I am,

Sincerely yours,

Rev. Msgr. WILLIAM J. MCCORMACK,
Director.

THE TURKISH OPIUM BAN

Mr. BIDEN. Mr. President, the columnist, Jack Anderson, recently wrote a piece in the Washington Post on the lifting of the Turkish opium ban that interested me. In addition, this article supported many of my speculations on the effects in our cities of the reintroduction of illegal heroin and opium:

> This expected Turkish action would have an inevitable impact on the U.S. crime rate. For out of the new opium harvest would come an illegal flood of heroin into this country. As more heroin became available, hundreds of thousands of young people would try it and become addicted. Most of them would be forced to turn to crime to support their habit.

Mr. President, Mr. Anderson's observations speak clearly to this serious problem that might face our Nation unless we speak strongly to deter the recultivation of the opium poppy. I ask unanimous consent that an editorial from the Washington Post, of April 14, 1974, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LIFTING THE TURKISH OPIUM BAN

The streets of America have become safer since opium growing was outlawed in the distant hills of Turkey. But by early summer, barring a political miracle, the Turkish government will tell the impoverished opium farmers in the remote Afyon region that they can once again plant their traditional money crop: the opium poppy which gives Afyon its name.

This expected Turkish action would have an inevitable impact on the U.S. crime rate. For out of the new opium harvest would come an illegal flood of heroin into this country. As more heroin became available, hundreds of thousands of young people would try it and become addicted. Most of them would be forced to turn to crime to support their habit.

The effect on U.S. cities, narcotics officials tell us, would be measured in robbery, violence and death. They use words like "disastrous" and "catastrophic" to describe the consequences.

Yet the pressure to lift the opium ban is coming, in part, from a few U.S. pharmaceutical firms looking for cheap morphine. They are in strange company, ranging from opium growers and international smugglers to Mafia mobsters and corrupt Turkish legislators—all eager to revive the heroin traffic.

Before 1972, when opium growing was banned in Turkey in exchange for $35.7 million compensation from the American taxpayers, huge opium shipments were diverted to France for refining into heroin and then were smuggled into the United States.

We have obtained a secret House report, which estimates at one point "up to 80 per cent of heroin in the United States came from Turkish opium gum." The 1972 ban dramatically reduced the flow into this country until only the hard-core addicts could obtain heroin. Suddenly, it became almost unavailable to the young drug "chippers," who like to live dangerously.

The report, authored by Narcotics Subcommittee Chairman Lester Wolff (D-N.Y.), describes what happened after the Turkish connection was cut off. "Heroin addiction," it states, "(was) reduced from between 500,000 and 700,000 to about 200,000 active addicts. . . .

"The price of one milligram of heroin in New York City was 44 cents in 1972; by mid-1973, (it) had risen to $1.52. The street level purity of heroin sold to addicts decreased . . . from 7.7 per cent to 3.7 per cent."

With the decline in addiction came a corresponding reduction in crime and misery. "Overdose deaths, drug-related hepatitis and drug-related property crimes," declares the report, "have declined throughout most areas of the United States for the first time in six years."

The end of opium planting in Turkey caused repercussions, indeed, throughout the subterranean world of drugs. In Europe, the Corsican criminals who had made huge profits from heroin smuggling were compelled to invest their money in more or less legitimate businesses. The federal narcotics investigators warn, however, that the Mafia is keeping its investments semi-liquid in anticipation of a reopening of the opium traffic.

In Southeast Asia, opium traders in the mountainous Golden Triangle of Burma, Thailand and Laos began to feel out the United States on an exchange deal similar to that made with Turkey. One group offered to sell 400 tons of opium to the United States to get it off the market.

In India, the Soviets began buying up legal opium feverishly for medical purposes. Suddenly India, which leads the world in legitimate opium sales, also found about 25 per cent of its crop being diverted to criminal elements.

But in Turkey itself, an outcry against the ban began to swell. The farmers who were supposed to get the American aid complained it arrived late when it came at all. They suspected, with some justice, that the U.S. payments were going into the bottomless pockets of corrupt officials.

Chairman Wolff, accompanied by Rep. Charles Rangel (D-N.Y.) traveled into the Turkish hinterland to get, as the report puts it, "some insight into the poppy ban in Turkish eyes." Feeling among the opium traders ran so high that the two congressmen had to be guarded by armed Turkish and American security men.

The congressmen met a 70-year-old farmer who "had grown poppies on those hills every year until 1972," they relate. "He had, at the government's suggestion, grown sunflowers as a substitute . . . But he did not like the taste of sunflower seed oil. He also planted barley now . . . but it earned less money than the poppy."

Wolff asked him whether he wanted to grow poppies again. "Yes," said the old farmer simply.

Most of those interviewed along the rocky roads of Afyon felt the same way. Some said grudgingly they would abide by the government decree. But others were openly rebellious, admitting they had illegally sold opium gum.

"Two opium pressers spoke with indignation about how their small businesses disappeared with the end of the poppy seed supply," recounts the report. "A local doctor said that the ban was imposed with haste and without adequate consideration."

But perhaps Wolff's most disturbing discovery was the role of some U.S. pharmaceutical firms in the backstage campaign to lift the opium ban. He found the firms were quietly but actively lobbying with the Turkish government, Geneva narcotics conference and even the U.S. Congress. In short, these pharmaceutical firms are more interested in reducing the price they have to pay for opium than in preventing drug addiction and street crime.

The secret report concludes gloomily: "An apparently insoluble problem faces the United States and Turkey concerning the opium ban. Each has taken a course which, when fulfilled, will probably result in a frontal collision with the other."

The report urges that the channels be kept open with Turkey and that the crop diversification program be pursued. "Raising the level of understanding in Turkey about the international drug problem is a vital basis for any future cooperation," states the study.

OPENING STATEMENT OF SENATOR ERVIN AT MILITARY SURVEILLANCE HEARINGS

Mr. ERVIN. Mr. President, on April 9 and 10, the Subcommittee on Constitutional Rights held hearings on S. 2318, a bill I introduced to put an end to military surveillance of civilians.

In my opening statement at those hearings I summarized what the subcommittee has been able to determine to date regarding the success of the Defense Department in bringing its domestic intelligence operations under control. For the most part, its work has been commendable. But the investigation also showed that the regulatory system is flawed by ambiguities and exceptions which could permit a return to domestic surveillance in the future. I think the subcommittee's work well demonstrates the need for some form of statutory control.

In order that the public have greater access to the results of the subcommittee's followup inquiry, I ask unanimous consent that the text of my opening statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

OPENING STATEMENT OF SENATOR SAM J. ERVIN, JR., CHAIRMAN, SUBCOMMITTEE ON CONSTITUTIONAL RIGHTS—HEARING ON MILITARY SURVEILLANCE, S. 2318.

The Subcommittee begins two days of hearings this morning on S. 2318, a bill I introduced last November with the co-sponsorship of thirty-four Senators.

The bill provides that military personnel shall not be used to conduct surveillance of the political activities of civilians or civilian organizations except in those limited situations where the military actually has a need for such information to further a lawful objective.

The bill is, at bottom, privacy legislation. It seeks to shield the expression of one's political views from the eyes and ears of government. It seeks to protect one's associations from the perpetuity of a government computer. And, it seeks to preserve the promise of a free society where men are not entrapped by their past.

As I contemplate this computerized society we have entered upon, I am reminded of the passage in Lewis Carroll's *Through the Looking Glass* where the King raves: "The horror of that moment . . . I shall never, never forget it." "You will, though," says the Queen, "if you don't make a memorandum of it."

A democratic society must be compassionate as well as just. It must be willing to forget past indiscretions and allow its citizens to begin again. But the Queen is right. Beginning anew is much more difficult when there are "memorandums" of the past to live down and contend with.

It is no accident that most of the so-called "privacy" bills before Congress today focus upon limiting the "memorandums" that government agencies are allowed to collect and disseminate on Americans. Protecting privacy, after all, is really a matter of protecting information, of restricting the means by which it is obtained and the means by which it is disseminated.

The dangers to privacy and the constitutional rights of expression and due process of law posed by political surveillance have been widely recognized and I will not dwell upon them here except to emphasize that political surveillance of any kind which is not directly relevant to a legitimate governmental purpose is repugnant to a free society.

It is all the more repugnant when it is carried out by the military and is directed at the political and private affairs of law-abiding civilians. This is true even when the information being gathered is no different from that gathered by other agencies of the executive branch. There is a longstanding tradition in this country that the military will be separate from, and subordinate to, the civilian realm. This policy is embodied in the Constitution and it is embodied in numerous provisions of the *United States Code*.

Thus, the Subcommittee opens these hearings conscious of the fact that there is a strong presumption in law and policy against military intrusion into civilian politics in any form. It follows that any exceptions which the Subcommittee chooses to make to this policy must clearly define those circumstances in which intrusion may be justified.

S. 2318, which is before the Subcommittee, is one attempt to do just that. It contains a general prohibition against military surveillance of persons not affiliated with the armed forces and then suggests four instances in which data-gathering for certain limited purposes may nevertheless be appropriate.

I might say, despite my authorship of the bill, that I retain an open mind with regard to all of its qualifications. They should be regarded as the starting point for debate.

Many people ask me whether military surveillance is still going on. They remember the Subcommittee's hearings in 1971, but they are not aware of what became of it. As the Subcommittee will recall, the hearings in February and March 1971 disclosed that Army intelligence had carried out a widespread program of surveillance against "dissident" groups and individuals in the late 1960's.

The subsequent reports of the Subcommittee—one entitled, "Army Surveillance of Civilians: A Documentary Analysis," published in 1972; and the other entitled, "Military Surveillance of Civilian Politics," published in 1973—concluded that the surveillance had been "both massive and unrestrained." The Subcommittee estimated that at the height of the surveillance, Army intelligence alone engaged over 1500 plainclothes agents to collect information on civilians. This information was stored in scores of data banks across the country, and was routinely exchanged with other governmental agencies. The Subcommittee's reports did indicate, however, that in 1971 the Defense Department began to restrict its domestic intelligence operations to the gathering of information essential to the military mission.

The Subcommittee staff has been monitoring the effectiveness of these new restrictions since their creation, and I think that it may be worthwhile, as a prelude to the testimony of our witnesses, to describe briefly where I think we now stand.

On March 1, 1971, in the course of our hearings, the Defense Department issued a directive which sought to put an end to the military surveillance of civilians under all but certain exceptional circumstances. It further provided that most of the information which had been collected on civilians in the past would be destroyed.

To enforce these restrictions, the Defense Investigative Review Council (DIRC) was created to monitor the implementation of the new policies. The Assistant Secretary of Defense for Administration was designated as having primary responsibility for domestic intelligence matters.

Subsequent to the issuance of the DoD directive, each branch of service issued its own implementing orders. The DIRC also issued supplementary guidance in the form of studies and policy decisions to all subordinate agencies.

In September 1971 DIRC began a series of unannounced inspections of intelligence units throughout the United States and its territories and possessions. To date, fourteen such inspections have been conducted. The Subcommittee staff has been provided with the results of the first eleven. In addition, the staff has been informed from time to time of the supplementary policy decisions and study reports which have been issued by DIRC.

We have also directed a number of written inquires to the Defense Department seeking explanations of incidents which have come to our attention. In some cases, the department's responses have indicated improper or at least questionable behavior. I will touch upon these in a moment, but I do want to say at the outset that from what the Subcommittee staff has been able to determine to date, the Defense Department has made a good faith and apparently successful effort to get itself out of the business of spying on civilians, at least those living in the United States. In particular:

(1) To date, no significant departures from the operational restrictions imposed by the DoD directive have been found, insofar as the collection of domestic intelligence is concerned. There have been exceptions permitted to the directive's restrictions, but these have been approved in accordance with procedures established by the directive.

(2) Most of the intelligence reports on civilians prepared prior to 1971 apparently have been destroyed. We have the explicit assurance of DoD that all civil disturbance intelligence files have been destroyed. The possibility remains that at least part of the old files are being retained in accordance with the new criteria contained in the DoD Directive. But the sheer volume of files whose destruction has been reported to the Subcommittee tends to confirm that prior holdings have been dramatically reduced.

(3) The Defense Investigative Review Council appears to be energetically and conscientiously performing its oversight role. Its inspection reports and policy decisions indicate that it is indeed serious in its desire to limit military intelligence operations to legitimate bounds. It is also apparent that the DIRC has gotten its message across at the "grass roots" level of military intelligence.

Despite these commendable developments, however, I continue to have misgivings about the present regulatory scheme. Say what you will, the only protection which the American people have against a return to the military spying of the past is a regulation of the Defense Department itself. This regulation contains qualifications, exceptions and ambiguities which permit surveillance even within the confines of an otherwise restrictive policy. If these permitted exceptions to the general rule are classified, chances are they will never come to the attention of the public. What this comes down to is that if the Defense Department should decide to invoke such qualifications and exceptions or, even worse, violate its own regulation, there is no one in a position to say "no." The system of checks and balances which the Founding Fathers so ingeniously wove into the fabric of our government finds no application here. For this reason, if for no other, I believe a statutory resolution of this problem is called for.

To be sure, the Subcommittee staff's follow-up investigation does indicate the Defense Department has achieved significant success in bringing its domestic intelligence operations under control. But it also demonstrates that the potential for continued surveillance is lurking just beneath the surface. Specifically:

(1) The Subcommittee has been informed that, under the provision in the DoD Directive prohibiting covert penetration of civilian organizations unless approved by the Secretary of Defense or his designees, several such penetrations—"no more than three in any given year"—have been authorized since 1971. Although the Subcommittee has not been informed of the details of these special operations, they apparently involved the covert penetration of anti-military civilian groups who were thought to pose a threat to military personnel or property.

(2) The Subcommittee staff has found that the majority of units inspected by DIRC possessed files on civilians or civilian organizations which either were flatly prohibited by the DOD Directive or which, if authorized, were being held beyond the time limitations provided by the DOD Directive, or DIRC retention criteria.

(3) the DOD Directive permits the collection of intelligence on civilians and civilian organizations which constitute a "threat" to Defense Department property and personnel. The Subcommittee staff has found, in point of fact, that the "threat" rationale has replaced the "preparation-of-civil-disturbance" rationale of the late 1960's as the primary justification for the *current* collection and retention of files on civilians. In all fairness, it should be pointed out that the DIRC has attempted to define the term narrowly, limiting it to activities which genuinely menace the military mission. Furthermore, it has verified that "threat" information be continuously updated and verified. Nevertheless, it cannot be disputed that the term is a vague one which lends itself very well to subjective interpretation by field commanders and field operatives alike. The DIRC inspection reports made available to the Subcommittee confirm this as a recurring problem.

(4) Although the work of the DIRC has been commendable, I am not without qualms regarding its effectiveness as a "watchdog." Its inspection reports are typically designated "For Official Use Only" and not normally available to the public. Moreover, the two inspections which revealed the most egregious departures from the DOD Directive were classified as "Confidential." The

upshot of this is, of course, that the public will not become aware of any violations of the directive or shifts in policy. The DIRC, for all of its fine work, clearly does not view its role as a public watchdog.

I also would point out that DIRC inspections must, of necessity, be infrequent. There have been only fourteen inspection trips since 1971. I suspect that any unit inspected could breathe a sigh of relief for the next five or six years before the next DIRC inspection would take place. The number of defense intelligence offices is so large that more frequent DIRC inspections are all but impossible.

(5) The Subcommittee has been informed that the Defense Investigative Service has undertaken three "plumber" operations to determine the source of leaks to the press of classified defense information. Although the Subcommittee was assured that DIS agents interviewed only persons affiliated with the Defense Department in connection with these leaks, there appears to be no limitation on such investigations provided by the DOD Directive, even if they were to spill over into the civilian community.

(6) It is clear that the Defense Department maintains strong liaison with law enforcement agencies at all levels of government. Ordinarily, such liaison is of great benefit to the department in carrying out such legitimate functions as conducting security clearance investigations, conducting espionage investigations under the Delimitations Agreement, and responding to civil disturbance situations. Judging from incidents reported to the Subcommittee, however, it is clear that liaison with law enforcement agencies constitutes a major pitfall for military intelligence.

To cite a few examples, it has been reported to the Subcommittee that the Defense Department participated in the now-defunct Intelligence Evaluation Committee (IEC) of the Justice Department from 1971–1973. Participation has been justified by the military's need to prepare for civil disturbances. But the IEC gathered and analyzed intelligence information regarding not only civil disturbances but a host of other "dissident" activities, none of which concerned the mission of the military per se. Although it is my considered opinion that the Defense Department's participation was, in fact, not inconsistent with its own directive, it very well might have been had its representatives not been as conscious of the new restrictive policies as they were.

The Subcommittee has also been informed that the Defense Department provided three military intelligence analysts for a communications center run by the Justice Department during the Democratic and Republican National Conventions at Miami Beach. The analysts were provided at the request of the Justice Department on the basis that a civil disturbance situation might develop which would require bringing in federal troops. The DOD specifically found that this support was not inconsistent with the DOD Directive.

Another incident reported to the Subcommittee by the DIRC involved a military intelligence unit in San Diego, which, prior to the decision to move the GOP convention from San Diego to Miami Beach, had begun to build its files on dissident groups in the area in contemplation of liaison responsibility with the Secret Service at convention time. The DIRC advised that this activity should be halted.

Occasionally, military liaison with local law enforcement, used for the purpose of investigating military personnel, becomes a pretext for assisting local authorities to investigate civilians. In a case which took place in Prince William County, Virginia, shortly after the promulgation of the DoD Directive, military intelligence agents were assigned to assist local police by posing as members of a drug ring. Ostensibly, they were "loaned" to the local police because military personnel were thought to be involved. As it turned out, none were, but military agents helped to identify 29 civilians for the local authorities.

I mention these cases to illustrate that the borderline between permissible and impermissible intelligence activity is sometimes blurred by the contingencies of the moment. Liaison is helpful in the performance of legitimate functions, but it often offers tempting and compelling opportunities to hedge, if not avoid, the parameters of the DoD Directive.

(7) The Subcommittee notes, finally, that the DoD Directive applies only to military personnel stationed in the United States or its territories and possessions. It does not apply to personnel stationed overseas. The DIRC reported to the Subcommittee that it had considered expanding the applicability of the directive to overseas posts but had unanimously rejected the idea because it might interfere with the gathering of foreign intelligence by military agents.

Regardless of the merits of their objection, I am not satisfied that the DIRC has chosen to turn its back on the problem altogether. It is one thing for the military to investigate civilians abroad, even American civilians, who are suspected of being agents of a foreign power. It is quite another thing for the military to have its agents watch civilians living or travelling abroad who have no remote connection with any foreign power or its intelligence services. I believe the DIRC would do well to reconsider its decision and draw more precise lines between overseas "intelligence" investigations and overseas "dissidence" investigations.

As has been reported in the press, the Subcommittee does have evidence that Army intelligence did, in fact, conduct extensive surveillance of American citizens in West Germany in 1972 and 1973. Most of the groups and individuals under surveillance were what might be described as "political activists" whose concerns focused primarily upon domestic politics in the United States. As far as we have been able to determine, there is no evidence to connect these groups and individuals under surveillance with the operations of any foreign government. The Subcommittee is still awaiting the Defense Department's response to its inquiry of last December 10th, which dealt with these matters. But I think it is clear that these sorts of operations violate the spirit of the DoD Directive, if not its letter. In the minds of many, they mar what had otherwise been a highly successful turnabout.

I do not plan to have these hearings concentrate unduly on overseas operations. I certainly do not think they should divert us from the larger and more significant fact that very commendable reforms have taken place within the United States. I do think, however, that the overseas operations remind us that the issue of military surveillance is not moot.

With this in mind, I intend to submit certain evidentiary materials relating to these operations, now in the possession of the Subcommittee, for inclusion in the record of these hearings. Some of these materials are classified and I propose to ask the Department's cooperation in having them declassified.

In conclusion, then, while the Defense Department has taken significant and commendable strides to bring its domestic intelligence operations in line, the regulatory structure has shown itself to be still defective and inadequate as a matter of fully protecting our constitutional guarantees. The rights endangered by military surveillance are too precious to be left to an equivocal policy of self-restraint on the part of the military.

While I would be the first to agree that enactment of a statute offers no cure-all in itself, it is an opportunity to clarify and remedy many of the current ambiguities and shortcomings, and it would go much further in deterring future surveillance than a mere departmental directive.

I am hopeful that the Department will give us its support and its assistance in developing this legislation. I can think of no better way for it to demonstrate to the American people its sincerity in putting an end to domestic spying than to have its support on this legislation. Its 1971 directive established commendable policy guidelines. This legislation only attempts to give them the permanence and dignity they deserve as a part of the law of the land.

THE IMPORTANCE OF THE INTERNATIONAL DEVELOPMENT ASSOCIATION

Mr. JAVITS. Mr. President, yesterday the Foreign Relations Committee voted to report S. 2665, with an amendment I had proposed, to spread the payments over 4 years to support the Fourth Replenishment of the International Development Association, the soft loan window of the World Bank. This important international institution was set in motion by a resolution introduced by Senator Mike Monroney in 1958, which won the overwhelming acceptance of the Senate.

Since that date the International Development Association has performed a crucial role in providing funds for the poorest of the developing countries. The plight of a number of developing countries has worsened as a result of higher oil prices, severe drought, and unchecked population growth. Without a major leadership effort from the United States, including funding for the International Development Association, certain of the developing countries face catastrophe including the starvation of perhaps millions of their people. The world, for both political and humanitarian reasons, cannot allow the immense human tragedy that could be now unfolding.

Mr. President, I ask unanimous consent that the editorial by James Reston in today's New York Times, and an article from the London Economist be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the New York Times, Apr. 24, 1974]

Impeaching at Turtle Bay

(By James Reston)

United Nations, N.Y., April 23.—There is a kind of impeachment trial going on here at the United Nations too—not of a man but of a civilization. The poor nations are drawing up the articles of impeachment every day against the rich nations. Please listen, they say:

Article One: Out of every three children born in most nations of the world today, one dies before the age of five.

Article Two: For those who survive, as Dr. Mubashir Hasan, the Finance Minister of Pakistan, put it, "it is a life of deprivation, desperation and degradation. It is an intense but, mercifully, a short struggle, as their life expectancy is no more than thirty years."

Article Three: One of the worst tragedies in human history is unfolding on the continent of Africa. The suffering caused by drought in Mauritania, Mali, Niger, Chad, Upper Volta and Ethiopia seems to be beyond the imagination of the advanced nations and a rebuke to the United Nations, which promised in its Charter (Article 55) to promote "a higher standard of living, full employment, and conditions of economic and social progress and development."

Article Four: You, in what used to be called the Christian West and is now called the Industrial West or the Developed or Advanced World, are cheating the poor countries by buying their products cheap and selling your products dear. This unequal exchange between the cost of labor in the rich nations and the poor nations is the heart of the problem.

Article Five. The rich countries are paying their workers between ten and twenty times as much as the workers are paid in the poor countries. If the wages for labor were even roughly equal, the poor countries would receive at least $250 billion more a year for their work and products, and the danger of class war between the rich and the poor nations might be eased.

The articles of impeachment go on well beyond the space of this column, but the poor nations are not only making some fundamental charges but asking some awkward questions. Dr. Hasan of Pakistan, a long, lean, highly intelligent, almost beautiful man, asked the rich nations to choose.

They could (1) increase and share production of (2) equalize the wages of labor and reduce consumption in the advanced nations, or (3) deal with the consequences of malnutrition, poverty, starvation and death in the poor nations.

"Over the last few decades," Dr. Hasan told the delegates here at the United Nations, "the developing countries have struggled successfully for their political independence. They are now struggling for their economic emancipation. It is not natural that the struggle should continue until peace on earth and goodwill among mankind are established.

"What is required," he added, "is a vision on the part of the rich, both in the oil-consuming and the oil-producing countries. In this vision lies the only chance of a peaceful solution of the current crisis. Should we fail to find a solution based on justice and equity, let us always remember that nature has its own grand design for fulfillment of the destiny of mankind."

The contrast between the impeachment debates in Washington and here at the United Nations is startling. In Washington, the issue is about handing over some tapes, whether they should be delivered this week or next, whether Chairman Rodino had authority to grant a postponement, and what they might tell anyway about the President's involvement in Watergate, or his "executive privilege," his language or his vindictive comments about members of the other and even his own political party.

All this now dominates the political mind of Washington, and people wonder about the national political consequences, and why Teddy Kennedy is holding seminars at Moscow University and talking for four hours with Chairman Brezhnev, and why President Sadat of Egypt is telling Cy Sulzberger of the The New York Times that maybe he wants to buy arms from the United States instead of from Moscow, and what Itzhak Rabin will do if he becomes the new premier of Israel.

These are the front page stories, the primary news of the day, while the impeachment charges of the poor nation against the rich nations, the fundamental questions of the prices and resources of the earth are ignored. In fact, Mr. Mubashir Hasan's definition of the growing class war between the rich and the poor nations of the world was scarcely noticed.

Yet he raised a question that will probably be troubling the world even at the end of the century, long after the question of the impeachment of President Nixon is forgotten. Can the rich and poor nations go on like this? Can the advanced nations consume and waste and charge for labor as they are, and ignore the misery of the majority of the human race in the poor countries?

Will the big countries even listen? Dr. Hasan asked, and the answer obviously is "not yet."

[From the Economist, March 23, 1974]

THE FORGOTTEN POOR—THE LESS-DEVELOPED COUNTRIES ARE THE REAL VICTIMS OF OIL

The combined oil bills of the less-developed countries will rise by no more than $8 billion—$10 billion in 1974. This is less than a fifth of the expected rise in the oil bills of industrial countries and amounts to no more than a quarter of the accumulated reserves of a country like Germany. But those are not the comparisons that count. Paying up on oil will mean, in effect, handing over virtually the whole of the gains of the poorer countries from the commodity boom—or, alternatively, the whole of their normal receipts of aid.

The picture is even less pretty when it is realised how cruelly uneven the impact will be from one country to the next. It is not only such obvious weak brethren like India who will need rescuing. So will some high performers like Korea who have been particularly successful in building up industry, yet whose income a head remains vulnerably low. They have not been the main gainers from the commodity boom. For that matter, it is easy to forget to what extent the gainers have been the industrial countries themselves: members of the Organisation for Economic Co-operation and Development are 80 per cent self-sufficient in raw materials. On food and fertilisers alone the terms of trade have swung against the developing countries to the tune of $5 billion over the past year.

The World Bank divides the developing countries into three broad groups—leaving aside those oil-lucky devils like Nigeria and Indonesia in a league all of their own. There are those, like Ghana, which have built up their reserves on the back of the commodity boom (or, like Turkey, on the backs of their emigrant workers). Second, there are those, like Brazil and Mexico, which have high enough credit ratings to hope to keep their toeholds in the Eurocurrency markets—though the going here will be much tougher this year than last (when publicly-announced medium-term Eurobank lending to less developed countries soared to $8 billion) and relative newcomers to the market, like Chile, may find themselves pushed to the very end of the queue. Third, there are those unfortunates with virtually no reserves, insufficient credit ratings to tap the private international markets for funds and yet not much capacity to reduce imports.

India, of course, is the prime example in the last group. Its oil bill will rise this year by at least $550m–600m, or maybe, some say, by nearer $1 billion. At most India can cover about $300m from its own slim resources—but not much more and not for long. A modest $62m drawing from the International Monetary Fund has pushed the deadline back a shade but before that came, it looked as if India would be out of funds entirely by end-May. Other countries particularly hard-hit by the oil crisis include the rest of the subcontinent—Bangladesh, Pakistan and Syr Lanka—and some of the Latin and central American countries, particularly Uruguay. Most of these are such obvious hard-luck cases that, at the crunch, their very weakness might prove their strength—the rich are resigned to bailing out India regularly. But other countries normally regarded as at least the partial successes of past aid programmes will also be in serious trouble, above all Korea, as we have already said, but also Taiwan and Thailand.

The need for special outside help to pay increased oil bills may be held down this year to perhaps no more than $3 billion—$4 billion. Current earnings of key commodity producers are still very healthy; there is perhaps $3 billion in developing countries' reserves that can be used in payments. Another $2 billion might still be wrinkled out of the Euro-markets by the creditworthy countries. But what of next year? The commodity price boom, already past its peak, will then have been finally punctured by the lagged impact of the slowdown in world growth, and the fat now in countries' reserves will have been eaten up. Also, mounting debt burdens and curtailed export earnings will make the Euro-bankers most unreceptive to calls from the third world. (Obviously the more you have borrowed the lower your credit rating goes.) The financing gap for the less developed countries in 1975 is more likely to be on the order of $7 billion—$9 billion than this year's $3 billion—$4 billion.

Who will fill the gap, and how? The popular answer—certainly from the industrial countries facing oil deficits of their own—is that the money ought to come from the oil producers themselves This is fair enough, but the rich think they need not play a part. The oil producers are extremely unlikely to be willing to lend enough either directly to the less-developed countries or, at one remove, to the established intermediaries like the World Bank.

Though some promising noises are being made from various quarters, notably Iran, the actual aid effort of oil-producting countries to date has not been impressive. Middle East countries (and particularly Kuwait) have been lending about $700m—$750m a year to the World Bank, but such sums amount to no more than a recycling of the net aid ($770m in 1972) garnered by the 12 major oil producing countries from OECD sources in the first place. To the extent that the oil producers do not themselves give back to the developing countries as much as they take from them on oil, the industrial countries (which, obviously, will be the net gainers) will have to bridge the gap instead.

WHICH ROUTE?

Unfortunately, the industrial countries, facing payments problems of their own, will be tempted to reduce, rather than increase, their own aid programmers. Indeed, even the relatively well-placed Americans have been making ominous noises. Not only has the House of Representatives baulked at contributing toward the replenishment of the exhausted resources of the World Bank's soft-loan agency, the International Development Association (IRA); the normally responsible Senator Fulbright has gone so far as to argue that the United States should scrap all of its aid save some modest "compassionate" programmes. This may be silly as well as mean—after all, a dollar given to less-developed countries is likely to come back almost immediately in the form of an export order and so help both to sustain growth and to diminish the current payments imbalance of the OECD countries as a whole. It is nonetheless a political fact of life.

This danger makes it all the more important that the major international organisations, which can act as intermediaries for Arab money, do their jobs efficiently. Two points follow. First, the International Monetary Fund will have to become more of a source of medium- to long-term general support aid for the poor—a point already noted implicitly in the plans of the new managing director, Mr. Johannes Witteveen, for a special oil-financing facility. Second, the rules of World Bank lending, and the demarcation lines between the Bank and its affiliate organisation, IDA, will need a radical rejiggling.

Much has been made of the ability of the World Bank to tap the oil producers' new wealth indirectly, through the Euromarkets or New York, as well as directly, through, for example, Kuwaiti dollar issues. The bank's own credit rating is excellent, but it does not have the flexibility to direct its funds where they are most needed, or as quickly as they are needed. Because its loan terms are relatively hard, the World Bank tends to finance the relatively strong, just those countries which do, or should, go directly to the commercial Euromarkets. This February alone the bank not only lent as much as $214m to Mexico but also $75m to Iran, while Venezuela obtained $22m the month before. Also the World Bank, like most of its regional counterparts, is geared to financing specific projects; the inevitable time spent finding these, then vetting and launching them explains why the bank's disbursements have lagged so embarrassingly behind its commitments. There is no quick-footing here. Nor is that all; although the bank has made some effort to discriminate between various categories of borrowers in the past few years, all too often all comers, relatively strong and weak alike, have wound up being subsidised, getting their money at less than it cost the bank to acquire the funds.

Probably it would be wrong to argue that the World Bank should drop its project approach to lending altogether; the job of finding general balance of payments support (as well as specific financing for oil) for the poor might be better left to the IMF. However, it would clearly be useful if the World Bank could use its financial muscle more directly to help beef up the resources of IDA. Indeed, perhaps the demarcation lines here should be broken down completely, not only on the fund-raising but also on the lending side of the equation, and a single schedule of rules drawn up to govern which less-developed country would be allowed to borrow how much on what terms. Such a schedule should make the relatively strong eligible for loans only if alternative finance is not forthcoming from private market sources and then make it available only on commercial terms. The very poor, on the other hand, should be given particularly concessionary terms—and the scale of charges in between judged much more flexibily, on a case by case basis, than it is now.

Finally, there should be much closer coordination between the IMF on the one hand and the World Bank group on the other. It is reassuring that the staff of the two organisations are already swapping data and guesstimates on the impact of oil on their members. It is less reassuring that their respective chiefs, Mr. Witteveen and Mr. Robert MacNamara, are touring the Middle East on separate fund-raising missions. This is a time for a policy of togetherness in all fields of international finance but, above all, on development aid.

WORLD FOOD: PRICES AND THE POOR

Mr. HUMPHREY. Mr. President, a very comprehensive and thoughtful article, "World Food: Prices and the Poor," by Lyle Schertz, appears in the current issue of Foreign Affairs. This article outlines recent developments in the world food picture and the particularly serious impact these changes pose for the developing countries.

The article makes it quite clear that the competition for food in the last 2 years has been between the developed and relatively affluent countries on the one hand, and the poor developing countries on the other.

The developed countries, in spite of rising prices, have been buying increased quantities of food, while the developing countries have had to face declining Public Law 480 availabilities and higher prices on the international markets.

Under these circumstances, the energy shortage has compounded the problem for the developing countries. The availability of increased quantities of fertilizer is critical in expanding food production, but countries such as India have found their traditional sources sharply reduced.

Under these circumstances, the United States must weigh its responsibilities toward the developing countries. What should its policy be with regard to the Public Law 480 program? What kind of reserve program makes the most sense in terms of meeting our domestic and international requirements?

The United States must also face the possible manipulation of its market by China and the Soviet Union. Canada has successfully dealt with this possibility in its export program, but to date the United States has not faced up to the problem.

With food increasingly scarce and no longer as available for developing countries, the United States should consider new approaches to emphasize agricultural development and research. This was the major thrust of the reforms I helped initiate in last year's foreign aid legislation.

This article usefully points up the major issues confronting the world with regard to food, particularly the critical requirements of the developing world. However, it does not recommend an action program or a set of policies for the United States.

The administration has yet to begin to face up to these very complex issues, and in this regard the article makes a significant contribution. However, we cannot wait indefinitely for that educational process to take place. The Congress will have to assume some of the burden of leadership in grappling with these key issues.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Foreign Affairs, Spring, 1974]

WORLD FOOD: PRICES AND THE POOR

(By Lyle P. Schertz)

Events of the past two years have made food an increasingly worrisome item in household budgets and in the budgets of nations. In early 1974, food prices to the American consumer were 25 percent greater than two years earlier. This reflected dramatic increases in farm beef prices, while farm corn prices were double and wheat price triple those of early 1972. Clearly something new has happened to a food market which has historically fed Americans well and for a uniquely small proportion of their income.

A series of events was associated with these price adjustments. In August 1971 the U.S. dollar was floated and a major realignment of international currencies set underway. Then inadequate rain cut the 1972 Soviet grain crop, while drought in Argentina and Soviets began to purchase 28 million tons of grain, 18 of them from the United States. India's monsoon dropped below normal, cutting the cereal crop and eroding hopes for near-term self-sufficiency in cereal production. Peru's fish catch was a disaster; drought and typhoons slashed rice and corn crops in the Philippines; and, in the United States, the corn and soybean harvest was stalled by wet weather in the fall of 1972. The following spring still more wet weather delayed U.S. plantings. In July 1973 the United States, to limit rocketing price increases, instituted export controls on soybeans and soybean products. Finally, Congress adopted legislation that drastically altered the framework of American agriculture in the direction of a free market, with sharply lowered price supports and incentives for stockpiling.

In the developing new market situation, U.S. agricultural exports in calendar 1973 reached $18 billion, up from $9.4 billion the previous year and an average of $6.7 billion over the past five years. Although world cereal production recovered and indeed reached record levels in 1973, American agricultural exports in the current year continue high, and remain a critical element in the deficits. At the same time, quantities of cereals allocated to PL 480 food aid programs have dropped to the lowest levels since the start of the program in 1954.

To comprehend the close interdependence among countries and peoples of the world these events reflect, a good place to start is with the brutal facts of the world food market—how it has been dominated by the affluent, whether Communist or capitalist, and how the poor have been the first to suffer in times of restricted overall food supplies. Next, we must explore whether the tight food situation of the past two years is likely to continue. What is the medium-term outlook for the world food balance, and how confident can we be of the best available predictions, given the variability of weather, the unpredictability of government decisions, and the energy crisis?

Key policy issues emerge. While they are stated in terms primarily of U.S. policy, they are in fact worldwide in their implications. In view of the new U.S. farm legislation and programs which essentially pull out all production stops, what will be the impact of international markets on our domestic food markets? How can the United States and the world adjust to—or moderate—the prospect of widely fluctuating prices in the future? Under anticipated conditions, will the United States share food with low-income countries and on what terms? And if American PL 480 programs continue to wind down, what needs in the lower-income countries will go unmet; what can be done about them?

II

For as long as there has been trade among nations, developed nations have commanded the food they wanted, when they wanted it. Wealth and high incomes have been the instruments of command. In times of abundance, this purchasing power has been subtle and has displayed a low profile; its impact has not quite achieved a critical mass which would earn the enmity of the have-nots. Only in times of food shortage and high prices does this power, and its related imperialistic effects, become shocking to its victims. Then, whether they be nations or citizens within, those with money have preempted what food they wanted; those without money have tightened their belts.

Today, people in the developing nations, two-thirds of the world's population, eat only one-fourth of the world's protein, and most of that is in the form of cereals. In countries such as India people consumer less than 400 pounds of cereals per capita each year. On the other hand, in the developed countries, where large quantities of cereals are converted to protein, per capita grain consumption is 1,435 pounds in the Soviet Union, about 1,800 pounds in West Germany and France, and 1,850 pounds in the United States. All told, the billion people in the rich nations, with Cadillac tastes for livestock products, use practically as much cereal as feed for livestock as the two billion people in the low-income nations use directly as food.

The conversion factor is by now well-known. Although forages and other products inedible for humans can usually make some contribution to livestock productions, substantial shifts in such production are heavily dependent on cereals. In the United States, even after advances in feeding technology, a little less than two pounds of cereals are now needed to produce one pound of poultry. For hogs the ratio is 3.5 to 1, for beef 6.5 to 1.

Nonetheless, high-quality protein, particularly from livestock products, is a consumer preference throughout the developed nations—and they can afford to indulge their tastes more and more. Americans have come to consume an average of 110 pounds or more of beef per person a year, in addition to substantial amounts of other meats and livestock products. Similar trends in Western Europe and Japan have been increasing rapidly in recent years, and now the Soviet Union and the East European countries are showing the impact of policies and programs to upgrade the diet of their peoples.

Such consumption of livestock products is in large part a matter of taste, not nutritional requirements. While the protein quality of livestock products is higher than that of cereals, that of soybeans and other food legumes is also high. The fact is that the physical requirement for protein intake is considerably less than that now consumed by the majority of Americans and many in other developed countries. Yet its continued expansion—with the use through conversion of ever-larger amounts of cereals for this purpose—appears to be virtually a political imperative.

Thus, while population growth has obviously been a significant factor in increasing world food demand, an even more striking feature of the demand situation has been the sharp recent increase in cereal consumption per capita in developed countries where populations have *not* been growing rapidly. The figures are startling:

PER CAPITA CEREAL CONSUMPTION

[In pounds]

	1964-66 average	1972-74 average	Percent increase
United States	1,600	1,850	16
U.S.S.R.	1,105	1,435	30
European Community	900	1,000	11
Japan	530	620	17
China	420	430	2
Developing countries (ex-China)	370	395	7

The reader will note that in this eight-year period the *increases* in per capita consumption for the United States and U.S.S.R. (250 and 330 pounds respectively, although some of the latter may have gone into stockpiles) were more than half the *total* consumption per capita in the developing countries. The table helps to explain the Soviet grain purchases of 1972. Traditionally, when the Soviet came up short on production, they steeled themselves to wait out the shortage, sometimes to the point of accepting large-scale livestock slaughter. But not in 1972, when winter-kill and dry midsummer weather disrupted the Soviets' cereal harvest expectations. Instead of tightening their belts, they made massive grain purchases on the world market. With the aid of these imports, the pace of their livestock development efforts continued unabated.

The Soviet Union's decision to protect diets was felt worldwide by both rich and poor. When the Soviets purchased practically one-fifth of the total U.S. wheat supply—production and beginning-of-the-year stocks—in the 1972-73 crop year, supplies normally available to other dropped sharply. Nations and people reacted by bidding up the price of the remaining wheat, the more aggressively because Japan and several other commercial importers of U.S. foodstuffs found their currencies worth substantially more in terms of dollars as a result of successive devaluations.

In contrast, the low levels of wealth and income of the poor countries once again determined how well they could compete in the food purchasing power bame. So long as the overall production of cereals is relatively responsive to needs, effects on the poor are minimal, especially over time. But in times of severe dislocation of the balance of demand and supply through sharply increased demand or curtailed supplies, the impacts can be harsh—especially in those countries unable to insulate their poor from the market through concessional means such as the U.S. food stamp program. For example, the 1972-73 Indian food grain crop dropped from 105 million to 96 million tons. In the tug-of-war between maintaining diets and saving foreign exchange, diets lost and food prices were allowed to increase. In some areas, food grain rations were cut in half in fair-price food shops, which serve many of the lowest income Indians. Per capita calorie availability dropped toward the critical levels of the mid-1960s.

Thus, in a world having great wealth and affluence among only one-third of its population, the 2,300-year-old words of the Greek cynic Diogenes come back to haunt us. When asked for the proper time to eat, he responded, in his own practical manner: "If a rich man, when you will; if a poor man, when you can."

III

Only a person of great—but false—confidence would speak with assurance of future developments in international food markets. We are dealing with a multitude of fundamental uncertainties. But perspective can be gained through an examination of history and of major forces impinging upon food production and consumption.

On the production side, only in the last 25 years have figures from all over the world been systematically compiled, and even today the data for many developing countries are at best broad estimates. Nonetheless, one can assess certain trends.

Over the period since 1955, the Third World has generated agricultural increases almost in step with the developed world. In both developed and less-developed countries (excluding Communist Asia), food production in 1973 was more than 30 percent above levels of the early 1960s and more than 50 percent above the mid-1950s.

Unfortunately, the upward production trend in the developing nations has been almost totally eclipsed by population growth, so that food production per capita over the past two decades has increased slightly less than half of one percent per year.

(Africa has not shared in the increase and in fact has shown a downtrend since 1961.) By comparison, per capita food production in the developed regions of the world has increased at an annual rate of one and one-half percent, or three times as rapidly. Mr. Micawber would have recognized the problem depicted in the tables below.

In recent years the sharpest increases in per capita food production among the developed countries have occurred in Eastern Europe and Russia: 1973 per capita food production in both areas was more than 25 percent greater than in the early 1960s. Over the same period, increases in the United States and Canada were much more modest, at least partially due to programs restricting production; Western Europe's increases fell somewhere in between.

Africa's continuing decline in per capita production and accelerating dependence on food imports have now been further exacerbated by the devastating drought in the Sahelian Zone. South America's progress is spotty: Chile has had serious problems; Mexico has not lived up to forecasts of self-sufficiency; but Brazil and Colombia have made considerable gains. Asia's Green Revolution has improved that area's feeding ability, but even there, as well as in Africa and Latin America, weather variability remains a highly important factor accentuating crop declines and exaggerating production peaks.

All in all, worldwide trends have caused the United States to become more and more the major food supplier in international markets. American production has not only supported large and growing exports, but has also sustained domestic food consumption at the highest level of any people in the world. Outstanding land and water resources, along with a rapidly advancing technology based on heavy investments in research and large supplies of low-cost fossil fuels, have made it possible for American agriculture to move ahead while directly employing a steadily smaller work force.

When it comes to forecasting the future balance of food demand and supply, many factors must be taken into account: population and income changes, the availability and acceptability of substitutes for traditional foods, development and adoption of new technologies of production, potential changes in the use of water and land, prices of inputs such as fertilizers and fuels, and of course, weather. For most of these variables one can make assumptions for the future with fair confidence. Let us initially assume also that (1) fuel, fertilizers and pesticides will be available in adequate quantity and at prices consistent with trends up to October 1973, and (2) that weather will approximate the long-term average (normal weather).

Using the above approach, two points of overwhelming importance emerge in the projections of the U.S. Department of Agriculture. First, the role of the United States as the major supplier of food in international markets is expected to expand. Second, the dependence of the lower-income countries on food imports is expected, by 1985, to be nearly double the 1970 level. The two points add up to heavy dependence by the developing countries on the United States as a supplier of food.

The projections for the United States anticipate continued advancement of agricultural technology, as well as policy pressures to use exports of food to help pay for imports which underpin the American standard of living. Moreover, levels of production will depend substantially on returns to farmers and on government programs. If farm product profits remain at recent high levels, significant expansion of production is likely to occur as land not now in production is utilized to grow crops for forages, and new technologies are adopted more readily in order to capture these potential profits.

The expected expanding role for the United States also reflects anticipated developments in other countries. In Japan, for example, resource limitation coupled with a continuing drive to upgrade the diet as incomes increase should lead to a growing dependence on imports of food. On the other hand, the European Community has aggressively pursued policies promoting self-sufficiency in food production. These are expected to continue to be effective.

Developments in Canada would somewhat parallel those in the United States. For her size, Canada's role in world food is already extraordinary, and steadily growing. However, Canada's production is only one-sixth that of the United States, and heavily focused on wheat.

The prospective import level of the U.S.S.R. is one of the major uncertainties which will affect the world market, and especially the price and availability of food to the developing world. In the intermediate and long-run future, the Soviets' capacity to import large amounts of agricultural products will be determined largely by their abililty to obtain credit from and sell goods to the West. To a large extent, this may involve the Soviet Union's natural resources, such as petroleum.

In the poor countries, statistical increases in food production will likely keep up with population and perhaps gain on it. Some areas, such as Brazil, will be able to expand the area devoted to crops; others will develop their cropping capacity through irrigation, and one hopes most will have improved technology. However, nutritional improvement efforts and income growth—above all, the use of cereals to produce livestock products—are expected to push demand ahead of local production increases; hence the prospect that the poor countries will increase their dependence on imports of food, specially cereals and especially from the United States.

It is important to remember that these prospective import levels of the developing countries are in the context of only modest improvement of nutrition for the masses of people in these countries. Under any conceivable combination of increases in farm production, slowing of population growth, and increases of income, an overwhelming number of poor people in these countries will still be inadequately fed for decades to come. The closing of the food gap between the rich and the poor is a long way off.

In overall terms, the forecast for the decade would be a recovery of world food production: per capita supplies of food would resume an upward trend. The crisis conditions of recent months would not be expected to continue on and on, although farm product prices would not be likely to fall to the relatively low levels of early 1972.

IV

But what of the assumptions of normal weather and of adequate and historically priced energy components? Both, especially the latter, are open to serious question.

Unfortunately, man has not thus far been particularly successful in forecasting weather developments, or in modifying them. Various modern developments, to be sure, mitigate the effects of bad weather. Expansion of irrigation, improved drainage, soil and water conserving techniques such as ponds and terraces, shorter-growing, fertilizer-responsive plants, and mechanization—all soften the impact of weather.

Still, any farmer in India, Russia or America knows that if you don't get rain, you don't get grain. But somtimes professional economists forget; there is a great tendency even for experts to assume that recent weather will continue or will change to fit their image of the future. Such thinking generated much of the famine talk in the mid-1960's, and subsequently the abundance talk when the Green Revolution took hold. If the weather in 1970 had been poor instead of good, as it actually was, observers would not have been so confident about India's ability to feed her people, and forecasters of self-sufficiency would have been more cautious.

The cyclical assessments of Indian food needs are a special lesson for those of us attempting to guess at the prospective import requirements of the Soviet Union. Perhaps even more than in India, variations in Soviet cereal production are cut largely from the weather pattern. As former Soviet Agriculture Minister Matskevich has pointed out, only one-third of Soviet agricultural land lies south of the 49th parallel and only 1.1 percent of it lies in areas with an annual rainfall of as much as 28 inches. In contrast, almost all of the United States lies below the 48th parallel, and 60 percent of U.S. arable land receives at least 28 inches of rainfall annually. Little wonder, then, that there are frequent and wide changes in Soviet cereal production—such as the drop of 14 million tons in 1972, and then an increase of 40 million tons in 1973. A graph of the record since 1960 shows a marked upward trend, but it is like the teeth of a sharp saw, with the jags almost annual.

Adversity in different regions of the world has differing implications for the rest of the world. For example, the tragedy of recent years and months in the African Sahelian Zone is a catastrophe for those people, but other parts of the world are not seriously affected. In contrast, in 1972 and 1973 much smaller proportionate changes in Russia set off worldwide reverberations. With the great dependence of the world on the cereal supplies of the United States, any substantial production changes in the United States can now have equally sharp effects on other countries.

And now, of course, we have the energy crisis. Fuel supplies are limited in many countries, and prices have increased severalfold. Fertilizer supplies (largely petroleum-based) are also limited, and the prices are sharply up, partly because productive capacity was already lagging behind increases in fertilizer consumption, and partly because of supply difficulties and higher prices associated with the crisis. Whatever the long-term course of the energy problem, in the near term farmers throughout the world—developed and developing—will be paying higher, possibly drastically higher, prices for both fuels and fertilizer. Further, in many cases these items will simply not be available in the amounts desired.

In the United States, the domestic supply situation for nitrogen fertilizers was eased considerably when price controls on domestic sales of fertilizers were removed in October 1973. Export prices had not been controlled, and U.S. manufacturers had found exporting more profitable than selling domestically. But, with the removal of domestic price controls, prices of domestic supplies moved up rapidly and much of the incentive for fertilizer exports was eliminated. Further, efforts have been directed toward giving higher priority for natural gas allocations to producers of ammonia, a basic ingredient of nitrogenous fertilizers. Electricity, diesel fuel, and gasoline used directly in farm production account for only about three percent of total U.S. fuel consumption, and steps have been taken to minimize difficulties for U.S. farmers in obtaining fertilizers and fuel. While shortages thus may not be severe, costs of these farm inputs will be sharply higher, probably more than 25 percent above those of last year.

In Japan and Western Europe, production costs may be at least as much affected. However, the effects of the energy crisis in these areas may be far more pronounced on the demand side. The rapid economic growth of Japan, for example, has been the fundamental factor leading to a richer diet, increased food consumption and ever-increasing imports of food from international markets. With the slowing of economic growth, this expansion of food consumption is likely also to slow down. Similar developments could easily occur in Western Europe. Thus, the prospective changes in food supply and demand among the developed countries are extremely uncertain, and may tend to balance out.

By contrast, the potential effect of the fertilizer and oil crises on the food balance of countries such as India and China is clearly negative, even ominous. Together these two nations import over one-third of the nitrogen in international trade. They and other low-income countries dependent on imports of fuels and fertilizers could be drastically hurt.

How severe will the impact be? A limited perspective can be gained from relevant numbers for India, which for the year 1974 has been planning to use 3.9 million tons of fertilizer—incidentally a very sharp increase reflecting improvement in agricultural practices and the use of fertilizer-intensive strains as part of the Green Revolution. Almost all of this supply is heavily dependent on imported petroleum and to a lesser extent on imported finished fertilizer. In the face of the present price increase for these products (nearly three-fold in the case of urea), it seems entirely possible that India's capacity to pay for and produce what she needs will fall short by as much as one million tons. Such a shortfall would translate into the loss of at least seven million tons of grain, which is equivalent to seven percent of India's current cereal consumption.

As for China, she is the third largest user of nitrogen fertilizer in the world and the largest importer. Japan has been a primary source of her supplies, and she has been a primary outlet for Japanese exports, taking over 80 percent. If Japan is forced to continue curtailing fertilizer production, the effect on China could be serious—and in any event the cost and the strain on China's limited foreign exchange capacity are bound to go up sharply. Similar effects will apply to virtually every developing country, hitting hardest those which have participated most actively in the Green Revolution.

In this potentially critical situation there is room for speculation about another set of government decisions. To what extent will the oil-rich countries take steps to ameliorate the impact of fuel and fertilizer availabilities and prices on the developing countries? Could the Arab nations become, in effect, an international Robin Hood, favoring the poor over the rich? Over a period of years, the resulting impacts could drastically alter traditional production and trading patterns. For the short term, however, the energy crisis hangs over any prediction of both levels of supply and price.

NITROGEN FERTILIZER CONSUMPTION AND TRADE, 1971/72

[Thousand nutrient tons]

	Consumption	Trade
United States	7,372	+946
U.S.S.R	5,182	+873
China	3,346	−1,506
India	1,761	−761
France	1,525	−108
Germany	1,131	+190

+ Net exports.
− Net imports.

In sum, if one takes a measured view of all factors—and if the worst does not happen on weather and energy supplies—it is still possible to visualize an uneasy overall balance between supply and demand for food over the next decade. Yet both will fluctuate substantially from year to year and from area to area. Supply levels are bound to be affected both by weather variation and by the uncertain availability and price of fuel and fertilizer. The level of demand, especially for imports, is highly uncertain: the effect of the fuel crisis on the capacity of nations to pay, and especially the unpredictable decisions of countries such as Russia and China, are involved. Thus, one can now with confidence anticipate that under the circumstances that have now developed there will be wide fluctuations in prices in coming years.

V

Earlier we set out two major issues having significant international dimensions. What will be the linkages between our domestic food markets and international markets? Will the United States share food with the lower-income countries and on what terms? The first has special relevance to the rich countries, especially the United States. The second relates to poor nations. But the two issues are closely related, just as the futures of the poor and the rich nations are intertwined. The approach to either issue will set substantial restraints on the approaches that might be taken to the other.

By maintaining large stockpiles of grain, the United States has in past years been able to moderate price swings—nationally and internationally. As international "shortages" have developed—through increased demand, reduced supplies, or both together—the availability of U.S. stocks has dampened price changes in the international market while discouraging increases in domestic prices. In times of general surplus, the United States has in the past chosen to stockpile large portions of its domestic production, and it has also withheld land from production, rather than accept lower domestic prices or larger export subsidies in order to avoid a buildup of stocks.

In the past year—in a revolution experienced but perhaps not fully understood by Americans—this general situation of the past decade or two has completely changed. With bad weather in the U.S.S.R. and other countries, and continued expansion of domestic demand for livestock products in Europe and countries such as Japan and the Soviet Union, the jump in U.S. agricultural exports has virtually eliminated agricultural stocks held by the government. Aside from an export limitation on soybeans/oilseeds and their products during the July–September 1973 period, importers—traders and countries—have continued to be free to buy any amounts of food commodities from private traders for export from the United States, and the usual shock absorbers of government stocks and export subsidies were not there to cushion the impact on U.S. domestic prices.

This direct contact between U.S. and international markets permits U.S. farm prices to be influenced by international markets and vice versa. For example, January 1974 Rotterdam import prices for U.S. hard winter wheat were over $6 per bushel—$3.30 above the levels of a year earlier. U.S. farm prices were up almost $3 per bushel. Comparable corn import prices were up $1.40 per bushel, and U.S. farm prices were up $1.20.

Not only have government stocks been depleted, but because of the expansion of foreign demand the United States has brought land once held out of production back into production. For 1974, there are no government programs designed to hold agricultural land from production. Thus, two of the important food reserves of the United States—government-held stocks of food and land held out of production by government programs—have been wiped out.

And in large part this is now a matter of law, not executive discretion. For the new farm legislation of 1973 means that, with economic forces as they are, government stocks of food will not be accumulated. In effect, the law allows U.S. market prices to reflect international and domestic market forces, without the high price support levels that formerly operated for key commodities.

True, there is in the legislation a mechanism—price support loans—similar to that utilized in the past for the accumulation of government stocks of agricultural products. But as a matter of legislative policy the "loan rate"—in effect, the price level at which it would be advantageous for a farmer to put his commodity into stocks rather than sell it on the market—was deliberately set low. Now, with world price changes, the loan price of $1.37 for a bushel of wheat compares to the early 1974 price to farmers of $5.00! It was the policy aim of the new law to avoid the accumulation of large government stocks and their substantial budgetary costs; now events have not only eliminated previous stocks but produced a situation where any buildup of government stocks is unlikely.

In the absence of American stocks, and with the domestic American market and the international market moving together, it is a virtual certainty that food prices will be unstable—not necessarily fluctuating as sharply as they did in 1973 under the impact of a combination of extraordinary developments, but surely far more than in recent history prior to 1973. As surely as night follows day, local weather conditions around the world will change from year to year, producing changes in import needs and export supplies. And the energy crisis will affect all, but some more than others.

Another major variable, particularly affecting grain markets, will be the behavior of the Soviet Union and other monopoly traders. When the United States had export payments and substantial stocks of wheat, international prices and shares of export markets among suppliers such as the United States, Canada and Australia reflected an awareness of both political and economic influences on the respective governments and on quasi-government organizations such as the Canadian and Australian Wheat Boards. In contrast, information about Soviet crop conditions, government budgets, political directions, consumer prices, and other relevant factors is extremely limited. The recent agricultural agreement between the U.S.S.R. and the United States call for exchange of information on crop conditions. This is a step in the right direction, but much will still not be known.

Moreover, much the same factors apply to the People's Republic of China. In the current 1973–74 crop year, it has become a much larger buyer of grain in the world market, with purchases totaling probably more than nine million tons, a 50 percent increase over recent import levels. Moreover, China has switched heavily to the U.S. market, taking seven million tons of the total here and becoming the No. 1 U.S. wheat customer for this period. And this after a year when weather in China was generally good, with no signs of the catastrophes and internal conditions that produced the Chinese food crisis of the early 1960s. We simply do not know either the present guidelines for Chinese purchases (whether they too, for example, are now stressing protein enrichment) or the true state of Chinese stocks.

Inevitably, the question arises as to the rules by which the U.S.S.R. and other state-controlled economies should be expected to play. Basically, this is a worldwide question, for the impact reaches all. But it is particularly acute for the United States, in view of the increasing dominance of American supplies and the new vulnerability of the American price structure. Is it reasonable for the U.S. government to permit the U.S.S.R. and China to make purchases in the U.S. grain markets in any amount they decide? To do so subjects the U.S. market to possible wide fluctuations in purchases—amounting to possible manipulation—by political leaders of these countries, acting with full access to information on our crops and prices, as well as on their own crop conditions.

This matter is broader than just trade with the Soviet Union or the People's Republic of China. The Japanese government and Japanese importing interests work closely together. Just this last year Japanese concerns purchased relatively large amounts of cotton and shrimp, causing in both markets sharply higher prices as private U.S. traders attempted to buy their needs from remaining supplies.

Under such conditions there is an urgent need to develop understandings with large countries—especially those dealing as monopolies—as to the "rules of the game." At a minimum, the U.S. government and public must have information on developments within these countries. Weather, agricultural production, stock, and price information would appear to be essential if these countries are to have access to our markets.

Perhaps bilateral deals and understandings are not the long-term answer to this problem, but for the time being they are essential. In the Soviet case, for example, are we not entitled—in return for allowing free Soviet purchases in the future—to press for reasonable understandings on such matters as the access of other American commodities to the Soviet market, guaranteed minimum purchases year in and year out, and similar related matters?

VI

Important as it is—and dramatic to Americans—the issue of the state-controlled economies is only a part of the wider problem that all nations face, of adapting to the prospective variability of international food prices. In dealing with the problem, it is again the developed countries that have the mechanisms and the resources to insulate themselves from the adverse effects of quick changes. The European Community, for example, uses a system of variable levies on imports and through this and other mechanisms has managed to keep the level of internal agricultural prices remarkably stable even through the confusion of the past year. Even so, the prospective situation will force a rethinking of food and trade strategies by many countries. It seems likely that countries like Germany, Britain, Japan and Russia will press within the constraints of energy costs and supplies for increased agricultural production. Also, these countries, and even countries like India and Turkey, will seriously consider carrying larger stocks than they have in the past.

Such stocks would presumably reduce the vulnerability of a few countries to international price and supply changes. On the other hand, steps in this direction will likely be intermittent. Neither the governments nor the private traders of these countries have had substantial experience dealing in food markets characterized by widely varying prices.

In addition, the state-trading nations, and some other developed countries, have ready mechanisms for controlling exports and insulating their domestic price structure from shock price increases. Canada, for example, controls her exports of wheat by decisions of the Wheat Board whether to offer wheat for sale and at what price. Unlike the outcry caused by the U.S. soybean controls of last summer—where contracts actually underway were in effect abrogated—the Canadian approach has caused no protest; contracts are not made unless supplies are estimated to be clearly available, although of course the effect on the world market of withholding supplies can be equally great.

In the case of the United States, any search in this direction would lead us to examine similar export controls as well as export taxes and subsidies—and finally the renewed accumulation of stockpiles. All of these could operate to mitigate price instability in the domestic market; some would help the world market as well, though others would have the opposite effect. Each has its difficulties, and these must be faced.

For example, although export taxes have been commonly employed by other countries to insulate domestic prices by reserving supplies for domestic consumption, Article I, Section IX of the U.S. Constitution on its face seems to forbid such taxes. On the other hand, for a brief period during the 1960s, techniques were devised whereby wheat exporters on occasion paid the U.S. government specified amounts, under a balancing arrangement whereby on other occasions when U.S. prices were higher than international prices they received a payment.

More practicable than either export taxes or subsidies might be an arrangement to extend to commercial exports the controls—in effect, a form of export licensing—that have applied for some years to shipments of food under PL 480. Under this procedure, the country desiring commodities approaches the U.S. government indicating the amount it would like to obtain. The government, considering U.S. market conditions and the appraised needs of the applying country, decides on the amount to be financed by PL 480 funds. This agreement is made public, and the recipient government proceeds to deal with the private trade in making the purchase up to the agreed-upon amounts. For sales to the state-trading countries, since government financing would not be involved, the review process in the U.S. government could be focused primarily on supply availability.

Finally, there is the question of establishing food reserve stocks, on a national or conceivably an international basis. Since Biblical times when Joseph was called on to advise the leaders of Egypt, the deliberate building of stocks of food has been attractive to man as a means of stabilizing prices and assuring availability of supplies. What is obvious to leaders today has been obvious to leaders throughout history. Stocks of food can be used to supplement available supplies when production falls short of needs, and thereby mitigate price increases. Equally obvious is that the accumulation of stocks means less consumption and higher prices during the period of their accumulation.

Most agree that because of variability of events, there is today a need for accumulating and utilizing stocks of food, in order that consumption is not forced to vary directly with changes in production. The mechanics and policy framework for establishing stocks of food and for managing these stocks are much less obvious, due to the multiple and sometimes conflicting objectives that stock programs can support. In practice such programs can operate in a host of ways: they can stabilize prices or, by withdrawing supplies, actually increase them; they can be used to stimulate production; they can be used primarily as a set-aside to meet acute shortages, which however means that their usefulness in stabilizing prices is reduced; their impact on private trade through commercial channels can be encouraging or discouraging; there is a question whether they can or should be earmarked especially for lower-income countries.

The choice among these objectives is by no means agreed upon among those who urge the creation of food stocks. There is, however, seeming agreement that such stocks need to be distributed throughout the world, and that there should not be overdependence on a small number of countries in times of shortage. Reconstitution of U.S. stocks alone is thus not an adequate answer—and moreover would surely operate as it has done in the past, to lull others into believing that there was no need for them to act.

Costs of stocks also argue that all countries should be involved. Food stocks are expensive initially to purchase, and they are costly to store. Rough estimates of costs of storing grain stocks per month in the United States are $.60 per ton, exclusive of interest costs of money invested in the commodities or any allowance for deterioration of quality or physical losses. If one adds only the interest costs—at eight percent of a value based on grain prices 25 percent less than current U.S. market prices—one arrives at a figure of $21 for the annual carrying cost of one ton of wheat, or $14 for one ton of corn.

This, of course, leads to the question of how much needs to be carried. Any number of criteria or approaches might be developed. If price stabilization is the objective, the world might carry enough stocks to offset prospective declines of production in one, two, or more successive poor crop years. The prospective shortfall might be measured in terms of declines from previous years' production, from previous high production, or from trend; and the "required stocks" to meet shortfalls might be determined in terms of individual countries or the world, and in terms of individual commodities or in groups of commodities such as all cereals. For example, suppose it was decided that, internationally, cereal stocks should be equal to the largest amount in any one year of the past ten years by which world cereal production declined from the previous year. This would mean stocks of 38 million tons—involving an investment of $5 billion and annual carrying costs of over $600 million for years in which the whole amount was carried throughout the year. The U.S. share might be 20 percent (its proportion of world cereal production) or, it might be argued, 50 percent (its proportion of cereal exports)—meaning a capital commitment of $1–2.5 billion, and possible annual charges of $120–300 million. (There would also be an impact on the U.S. balance of payments through the loss of export sales for the amount contributed to the stocks.) Alternatively, if the U.S. share of world stocks was based on the largest amount in any one year of the past ten by which U.S. cereal production declined from the previous year, 18 million tons would be involved.

These calculations leave open, of course, what has become probably the most crucial question for the United States. Should the United States depend on private trade to carry the stocks or should they be held by the government? Evidence of the 1960s suggests strongly that the private trade will limit the stocks they carry if large stocks are carried by the U.S. government. How much they will accumulate and carry if the government does not have any stocks is not known. Serious consideration needs to be given to ways to enhance the carrying of stocks by private trade under both situations—with and without government stocks.

There are many other issues related to food stock programs. Questions as to timing and methods of building stocks are involved. For example, with food stocks low this past winter, prices high, and the prospective crop uncertain as discussed earlier, should stocks have been accumulated or should accumulation await lower prices? Similar questions arise with respect to disposal.

Another difficulty is the lack of public information on food stocks and on production, marketing and price developments. As already noted, the size of cereal stocks in Russia is not known; this type of secrecy would frustrate the effective planning and coordination of any international food reserve program. Statistics on production and marketing in many relatively advanced countries, much less the lower-income countries, are notoriously late, incomplete and inaccurate.

In sum, the cost and responsibility for any stockpiling plan present difficult problems. Any initial American act of leadership would involve short-term costs from withholding supplies in a ready market; and the creation of international stocks would require a new degree of constructive international action and one that would have to be made acceptable not only to the American Congress and public but to the complicated and different political constituencies of other countries.

For the United States, the issue comes down to the balance, or trade-off, among various factors. As long as the U.S. balance of payments is in doubt, the benefit from high export sales of agricultural products is bound to weigh heavily; on the other hand, it is possible that export averages would be enhanced if supplies to foreign customers could be assured from year to year at relatively stable prices. For dependability, an exporter of farm commodities may come to require not only supplies for which importers can bid but available supplies at relatively stable prices. Instability of food prices is already of priority concern to consumer organizations and labor unions. Farm interests, too, may become frustrated with the effects of instability. For the time being, the American farmer benefits from high prices; yet the day could come when U.S. farm producers would prefer, for example, cattle prices that stabilize at, say, $40, rather than $55 cattle one year and $30 cattle another.

Perhaps it is too early to say whether such a major international effort will be possible, and will commend itself to the nations that would have to take primary responsibility. Eventually, U.S. interests may dovetail with an international food stocking program. But an active search for ways to stabilize prices, such as stocking programs, is not likely until the degree of instability is known and the effects of instability felt.

VII

We return to the special problem of the developing countries. They would benefit enormously from measures to limit the fluctuation in world food prices. But if such measures take some time in coming, and if they serve—as is likely—only to mitigate a general upward price trend, there remains the crucial question whether other nations, and specifically the United States, should take other steps to help developing countries obtain at least minimum essential levels of food.

In the past, the United States has clearly led the world in sharing its food with the poor. Since passage of the PL 480 food aid law in 1954, over $22 billion worth of U.S. farm commodities have been made available to other countries on concessional terms. In recent years, the cost of this program has been remarkably stable at a little more than $1 billion.

Under this program, food, and in some cases non-food products, have been made available to lower-income countries. The bulk of the commodities have moved under programs providing long-term dollar credit and, in earlier years, exchange for local currencies. Under recent dollar credit programs, recipient countries sold the commodities within their countries, invested the major portion of the proceeds in development projects, and assumed the obligation to repay the United States the dollar value on a long-term basis. Thus, PL 480 has been an important means for several countries to finance their economic development and to protect and in some cases enhance the food intake of their populations.

In addition, one-fourth to one-third of the commodities have moved under Title II donation programs, whereby the products were donated to the country and often to the individual recipients. School lunch programs and other food distribution programs have been involved. Voluntary U.S. agencies have played an important part in distributing the food in many of the recipient countries.

Against this record, what is the present outlook? While the United States is likely to continue to provide reduced but significant quantities of food under donation and emergency relief programs, the current prospect for long-term credit programs (Title I) is for sharp cutbacks. Admittedly these programs were extended by the 1973 Farm Bill, but quantities in the fiscal 1974 program will be only half of earlier levels—valued close to recent levels of $1 billion, but at prices that in some cases are more than double earlier prices. Moreover, partially at least in response to scarcer supplies and the related higher commodity prices, the United

States during 1973 suspended procurement of commodities for even the Title II donation program for several weeks. Several individual country programs were terminated, and others sharply reduced. The smaller quantities of food available for long-term dollar credit programs were rationed among requesting countries, with priority given to countries such as Vietnam, Cambodia, Korea, and Pakistan which have been important for security reasons.

The reduction of international food sharing contrasts sharply with domestic food sharing. The FY-1975 Department of Agriculture food programs—child nutrition, special milk, and food stamp programs—were proposed in the January 1974 Budget Message of the President to be over $5 billion. This is a record level and represents almost two-thirds of the Department's budget. In contrast to domestic food programs, political support for PL 480 has been insufficient to offset higher commodity prices. Congress has paid scant attention to the decline of international food sharing.

In a larger sense, it can be reasoned that PL 480 has been a program for U.S. agriculture. At its start in 1954 and for several years, PL 480 programs were consistent with commercial objectives for agricultural exports. They permitted us to charge lower prices to poor countries without undercutting our prices to the richer countries. Through adjusting terms—use of the local currency and proceeds from sale of the commodities in the recipient countries, years of credit, interest rates, and commercial sales—effective prices were tailored to the customer's financial and security status.

With strong demand, negligible stocks, and high prices, it is not now advantageous to U.S. agriculture to move significant amounts of food under PL 480. The stark reality is that under present circumstances, it makes no more sense to U.S. economic interests to have a PL 480 food program than to have a PL 480 fertilizer or a PL 480 steel program. All of these commodities are needed desperately by the poor nations, but neither fertilizer nor steel has been in chronic oversupply with large stocks overhanging the market. We have not had concessional steel or fertilizer programs because supply situations were not conducive and because political power was not sufficient to generate them.

And so, as we do not have food surpluses and the related political pressure to move the surpluses, PL 480, as we have known it, may be passing away. I do not say that the United States should not or will not provide some and even significant amounts of food under the donation programs. But it is totally unrealistic to expect the quantity of food provided under long-term credits to be near the levels of recent years. The incentive for farm interests to push PL 480 has dropped sharply, and no major political force in the United States is embracing the food needs of most of the lower-income countries for whatever reason—charity, security, or economic self-interest.

To put it differently, neither we nor other rich countries are willing to forgo substantial foreign exchange earnings in the interest of feeding the poor, even though the developing countries have only limited resources to do it themselves. The experience of the International Wheat Agreement is instructive on how developed countries adjust to the economic realities of international markets. Provisions of the agreement specified obligations of member countries, but these obligations were changed successively in order to align them with the shifting commercial self-interests of the major members.

Thus, it is highly probable that commodity availability to the lower-income countries under PL 480 will be considerably less than it has been over the past five to ten years, leaving a significant gap to be filled by some other means.

One step in filling it is for the poor countries to give renewed emphasis to agricultural development. The cutback on PL 480 availabilities and high international prices should demonstrate conclusively the importance of giving priority to agricultural research and development. Surely finance ministers who have found it necessary to pay $200 per ton for wheat imports this year (instead of negotiating a PL 480 credit program) will be more sympathetic in the future to proposals for expenditures for agricultural programs, construction of fertilizer plants, and policies designed to increase domestic production. In these efforts they should give top priority to greater investment in agricultural research. The lower-income countries contain close to one-half of the world's agricultural lands (excluding China), yet have only 17 percent of the world's agricultural scientists and spend only 11 percent of the money devoted to agricultural research. Technology of the United States and other developed countries can help through technical assistance and training. Through effective linkages of national and international research centers, technology of the developed countries can be utilized in supporting the efforts of the lower-income countries to develop technology appropriate to their agriculture and societies. The challenge to the developed countries to support both academic and nonacademic training of lower-income-country scientists and agricultural program managers is of utmost importance. Trained human resources are an indispensable ingredient in an aggressive agricultural research and development program, and in improving the management and administration of programs aimed at assisting farmers in their production and marketing efforts.

But it is important that the input of the developed countries not be a substitute for investments by the developing countries themselves. We do service to ourselves and the lower-income countries when we recognize that, in the final analysis, improvement in the nutritional well-being of their people depends on how they organize and use their resources.

Finally, the world and the United States will need to evaluate trade-offs between food aid and other economic assistance. Most developed countries and international assistance agencies have limited but significant resources for assisting lower-income countries. Hitherto, they have never had to closely evaluate trade-offs between these programs and food aid programs, except occasionally on a recipient country basis. On a U.S. national level, such consideration could be avoided since the appropriations flowed from different congressional committees to different executive departments. PL 480 as a U.S. agricultural agency like the U.S. Agency for International Development and the International Bank for Reconstruction and Development. The international assistance agencies did not pick up food aid simply because it was in the U.S. self-interest to finance and implement a program of food assistance as a major adjunct to U.S. agricultural programs. It was mutually advantageous to have this division of labor. Resources for international assistance could be used for items other than food, and the Department of Agriculture could carry the cost of food aid.

Now, with the prospects dim for the Agriculture Department programs financing substantial food aid programs, assistance agencies and the lower-income countries themselves need to ask how the priorities for food aid and support of agricultural programs stack up with other development priorities. To a very significant extent, these agencies have increased the emphasis on improved agricultural production, but such emphasis should now be examined again. It is time for international agencies such as the World Bank to ask: "Shouldn't food aid be made an integral part of economic assistance programs?" And, more specifically, are the lower-income countries better off in times of food shortages using international aid availabilities to buy turbines, etc., or using the aid to buy grain to supplement their food supplies, with the proceeds from the domestic sale of this grain being invested in priority development activities in either the agricultural of nonagricultural sectors?

Indeed, poor countries face comparable questions with respect to use of their foreign exchange. The answers will vary. It is highly probable that the amount of food that seems wise under such programs will be much less than it has been under PL 480, but probably greater than it would be if the assistance agencies avoided the hard choice between food and non-food aid.

Admittedly, food programs under such an approach could not ignore U.S. agricultural interests in the case of our bilateral programs, nor agricultural interests of the developed countries in the case of international agencies such as the World Bank. However, these problems for food assistance should be no greater than they are for other items such as steel and fertilizer. Requiring purchases to be made in donor countries is a technique applied to other international assistance and would presumably be applicable to food assistance. The primary considerations would be the development and welfare of the lower-income countries, and food needs would be considered in the context of other needs.

As such choices are made, it is worth stressing that food assistance is not simply dissipated, but can be a form of investment. As with PL 480, the proceeds from the sale of food provided on a concessional basis can be used for investment in irrigation facilities, locally made machines, and production facilities—much as hard-currency loans can be used to provide foreign-made machines and perhaps with greater employment and productivity effects. Indeed the net effect of international assistance agencies embracing responsibility for food aid may lead to a very important synergistic relationship among priorities given to agricultural development, investments for agricultural production in lower-income countries, investments for nonagricultural production, and economic assistance. Integration of these concerns has not been addressed simply because, through PL 480, food was "priced" low, and the money once appropriated for food aid couldn't be switched to other assistance activities. Now the higher prices will make for more difficult and complex choices.

VIII

To sum up, the world food situation has changed drastically in the past two years and now promises to be seriously unstable for some years at least. To adjust to the new price situation is in itself a major challenge for the United States and other developed countries. Every aspect of our habits and policies must now be reexamined. Americans must recognize that they have perhaps given themselves too much credit in the past for a generosity that in fact accorded with the market situation of American farm interests; so now they may appear to the world more to blame for hardships than a fair assessment would warrant.

But it is for the world as a whole to examine new approaches. The United States can play a major part, but better solutions to the food problem call for concerted action by many countries and by international organizations. Above all, the impact on the developing countries should be at the very top of our common concerns.

HOW MUCH FEDERAL INCOME TAXES DO WE PAY?

Mr. CURTIS. Mr. President, we hear a great deal of talk about a tax cut at this time. There are many reasons why we should not cut taxes.

In my opinion Federal deficits are one of the big causes of inflation. I do not favor borrowing money to reduce taxes.

I favor tax reduction but I want it to come about after we have cut expenditures enough to balance the budget and permit a tax reduction to be made from surplus.

Mr. President, it might be of interest to the Senators to realize that the Congress has over the past years reduced the Federal income tax.

The Treasury Department has provided me with the figures showing the Federal income taxes for a family of four for the year 1963 and the year 1973 for various levels of earned income. For instance, in 1963 such a family earning $4,000 a year was paying $200 Federal income tax. In 1973 they were not required to pay any Federal income tax.

The family of four who had earned income in 1963 of $5,000 paid $370 and in 1973 they paid $98.

Mr. President, I wish to include the entire table which is based upon the Treasury Department's figures.

INDIVIDUAL INCOME TAX LIABILITY OF A MARRIED COUPLE WITH 2 DEPENDENTS, COMPARISON OF 1963 AND 1973 LAW

Earned income	1963 tax	1973 tax
$3,000	$30	0
$4,000	200	0
$5,000	370	$98
$6,000	540	245
$7,000	710	402
$8,000	888	569
$9,000	1,075	744
$10,000	1,262	905
$15,000	2,291	1,765
$20,000	3,500	2,760
$25,000	4,889	3,890
$50,000	14,576	11,915
$100,000	41,274	33,060

Mr. President, expenses are high for all individuals these days. There are many deductions that come out of the average paycheck. It is important that all of us keep in mind what the deductions are for, so that we know just where our money goes. The foregoing table shows that Federal income taxes for individuals have been reduced substantially for the decade from 1963 to 1973.

THE SPIRIT OF '76

Mr. ERVIN. Mr. President, the Committee on Government Operations is about to publish its annual chart, "Organization of Federal Departments and Agencies," with data including the total employees of all Federal departments and agencies paid by the Government in this country and abroad during calendar 1973.

The data show that vast numbers of citizens in this country worked for the Federal Government without compensation—WOC.

Those that worked gratis for our country in 1973 total 121,756 spread throughout many departments and agencies.

I mention two such agencies that reported large numbers of volunteers. First, the Veterans' Administration with 74,382 who gave invaluable service to the agency and the veteran in the agency's hospitals and domiciliaries, and second, the Selective Service Board with 46,273, who manned the draft boards and provided consultative and other services to the draftee.

Mr. President, I would like to list those departments and agencies that reported WOC's for last year:

Department of Agriculture: 1,035.
Department of Air Force: 18.
Department of the Army: 2.
Department of Transportation: 3.
Arms Control and Disarmament Agency: 4.
General Services Administration: 37.
Interstate Commerce Commission: 1.
Selective Service Board: 46,273.
U.S. Information Agency: 1.
Veterans' Administration: 74,382.

Many could have been paid for their work but refused compensation. Some of these citizens actually traveled on Government business at their own expense.

Mr. President, I think it is time the Senate recognizes and makes the public aware of the work of these fine Americans and the great services they provide.

I salute them and thank them for a job well done.

JOHN F. GRINER

Mr. McGEE. Mr. President, the Committee on Post Office and Civil Service, meeting in executive session on Wednesday, April 24, 1974, adopted the following resolution in memory of John F. Griner, late president of the American Federation of Government Employees:

RESOLUTION

Whereas, the Committee on Post Office and Civil Service of the United States Senate is deeply appreciative of the contributions of John F. Griner to the formulation of legislation affecting the compensation, working conditions and benefits of Federal employees, and;

Whereas, the Committee hase held John F. Griner in high esteem and respect as the result of his dedicated advocacy of Federal employees and his effective leadership of the American Federation of Government Employees (AFL–CIO) as its President from 1962 to 1972, and;

Whereas, the Committee shares the sense of personal loss which the untimely death of John F. Griner has occasioned for his widow, his family, friends, and associates in the American Federation of Government Employees and the American labor movement at large, therefore, be it

Resolved, That the Committee on Post Office and Civil Service of the United States Senate does hereby express its condolences to the widow and family of John F. Griner, along with its unending appreciation for the contributions made by John F. Griner to the welfare of Government Employees.

Approved Unanimously April 24, 1974.

Gale McGee, Chairman; Jennings Randolph, Quentin N. Burdick, Ernest F. Hollings, Frank, E. Moss, Hiram L. Fong, Ted Stevens, Henry Bellmon, and Robert J. Dole.

REGULATION OF TOBACCO OR TOBACCO PRODUCTS

Mr. COOK. Mr. President, I ask unanimous consent that a statement of the Senator from North Carolina (Mr. ERVIN), and an insertion be printed in the RECORD in full at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

The statement and insertion follow:

REMARKS OF SENATOR SAM J. ERVIN, JR., CONCERNING THE HOLDING BY THE COMPTROLLER GENERAL OF THE UNITED STATES THAT THE CONSUMER PRODUCT SAFETY COMMISSION HAS NO AUTHORITY TO REGULATE TOBACCO PRODUCTS

Some time ago, I learned that the Consumer Product Safety Commission was considering the promulgation of a regulation, pursuant to the Federal Hazardous Substance Act, to ban the sale in interstate commerce of cigarettes containing more than 21 milligrams of tar, following receipt of a Petition requesting such action.

The Consumer Product Safety Act (P.L. 92–573) which established the Commission, and set forth its authority and functions, specifically exempted from regulation by the Commission tobacco and tobacco products, and, it is clear to me that Congress never intended the FHSA to include tobacco products.

Because it appeared that the Consumer Product Safety Commission was preparing to assume jurisdiction over an area which the Congress had specifically denied it, I asked the Comptroller General of the United States for an opinion as to whether the Commission has jurisdiction over this area and whether the expenditure of public funds by the Commission in connection with an attempt to regulate tobacco or tobacco products would be legal in light of its specific lack of authority to act.

Following a careful analysis of the authority and functions of the Consumer Product Safety Commission and the laws which it is authorized to administer, the Comptroller General concluded that the Commission was not given authority to administer the various cigarette acts, and that the Congress has indicated its desire to reserve the making of major policymaking decisions on what it regards as a very sensitive issue to itself.

The Comptroller General found that "An outright ban on high tar cigarettes involves a major policy decision which the Congress has not delegated to any regulatory agency."

In conclusion, he stated:

"We therefore believe that the Commission does not have the authority to act on the petition to ban the sale of high tar cigarettes—or to act on any other matters relating to the regulation of tobacco products unless or until the Congress sees fit to confer such jurisdiction on the Commission."

I append the letter from the Comptroller General of the United States, containing his analysis of the issues and his opinion.

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, D.C., April 8, 1974.

Hon. SAM J. ERVIN, Jr.,
Chairman, Committee on Government Operations, U.S. Senate.

DEAR MR. CHAIRMAN: This is in further response to your request of December 11, 1973, for an opinion as to whether the Consumer Product Safety Commission (the Commission) may properly expend public funds to regulate the sale of cigarettes, which activity, you have stated, is outside its jurisdiction.

We have received a letter from the Chairman of the Commission, which confirms your belief that the Commission is considering such regulation. The Commission is presently studying a petition received from the American Public Health Association and Senator Frank L. Moss, jointly, asking that it promulgate a regulation under the Federal Hazardous Substances Act, as amended, (FHSA), 15 U.S.C. 1261 *et seq.*, to ban the sale in interstate commerce of cigarettes containing more than 21 milligrams of tar.

We emphasize the fact that the Commission is merely considering the merits of the petition. The Chairman's letter indicates that the Commission has not yet determined whether it has jurisdiction over such matters and if it does, whether the action requested would be justified.

Since there was no indication in the Chairman's letter to this Office as to which these questions would be resolved, we examined the basis for Commission authority propounded in the petition in order to give you an advisory opinion, subject to further consideration if and when we have received the Commission's final position on this matter.

There is some merit in petitioner's contention that high tar cigarettes could, medically speaking, be termed "banned hazardous substances" under section 2(q) (1) of the FHSA. Even though tobacco products are explicitly excluded from the jurisdiction of the Commission over "consumer products" under the Consumer Products Safety Act of 1972 (the CPSA), Pub. L 92–573, approved October 27, 1972, 15 U.S.C. 2051, section 30(a) of that act transfers, without pertinent qualification, responsibility for the administration of the FHSA from the Department of Health, Education, and Welfare (DHEW) to the Commission. On balance, however, we must agree with you that the Congress did not intend and did not in fact confer jurisdiction over cigarettes on the agency administering the FHSA.

Petitioners rely on the "plain meaning" of the terms "hazardous substance" and "toxic," set forth in subsections (f) and (g), respectively, of section 2 of the FHSA. The definition of "hazardous substance" reads, in pertinent part:

"1 (A) An substance or mixture of substances which (i) is toxic, (ii) is corrosive, (iii) is an irritant, (iv) is a strong sensitizer, (v) is flammable or combustible, or (vi) generates pressure through decomposition, heat, or other means, if such substance or mixture of substances may cause substantial personal injury or substantial illness during or as a proximate result of any customary or reasonably foreseeable handling or use, including reasonably foreseeable ingestion by children.

* * * * *

"The term 'toxic' shall apply to any substance (other than a radioactive substance) which has the capacity to produce a personal injury or illness to man through ingestion, inhalation, or absorption through any body surface." (Emphasis added.)

A "banned hazardous substance" is one which meets the definition of "hazardous substance" for which the cautionary labeling required by the Act would not be sufficient to protect the health and safety of the public. This can only be achieved by keeping it out of the channels of interstate commerce completely. (See 2(q) (1) of the FHSA.)

Petitioners argue that the weight of medical evidence leaves no doubt that high concentrations of "tar" in cigarettes is "toxic" and has the capacity to produce illness in man through inhalation. Since it fits all the specifications of the statutory definitions so unambiguously, they say, there is no reason to consider the legislative history of the FHSA. They cite a number of judicial decisions which state, as did the court in *Diamond A. Cattle Co.* v. *Commissioner of Internal Revenue*, 233 F (2d) 739, 742, 10th Cir. 1956, "When Congress passes an act in language that is clear and unambiguous, and construed and read in itself can mean but one thing, the act must be judged by what Congress did and not by what it intended to do."

While it may be a rule of statutory construction that one does not resort to rules of construction, including examination of legislative history, when there is no ambiguity at all, it is necessary to determine what is meant by "ambiguity." Under another rule of statutory construction, it has been stated:

"An ambiguity justifying the interpretation of a statute is not simply that arising from the meaning of particular words. * * * The courts regard an ambiguity to exist where the legislature has enacted two or more provisions or statutes which appear to be inconsistent." 50 Am. Jur. 226; *Clayton* v. *Colorado and S.R. Co.*, 51 F (2d) 977, 82 A.R. 417.

In the instant case, the Congress enacted the WHSA on June 14, 1960, to deal with the general subject of hazardous substances. (In its original form, it was called "the Federal Hazardous Substances Labeling Act" (FHSLA). The word "Labeling" was dropped when the act was amended by the Child Protection Act of 1966, Pub. L. 89–756, approved November 3, 1966, 80 Stat. 1303.) There is no enumeration of the substances covered; certain substances, which are subject to the provisions of other acts, are listed as being excluded. As a general rule, the fact that some substances were specifically excluded but not the substance in question might give rise to the presumption that the Congress intended to keep that substance within the purview of the act. However, it must be pointed out that in this case, the hazard to public health of tobacco products was not made generally known to the Congress and to the public until January 11, 1964, (four years after enactment of the FHSLA), when the Surgeon General's Advisory Committee on Smoking and Health reported that "cigarette smoking is a health hazard of sufficient importance in the United States to warrant appropriate remedial action."

The Congress then moved to take some "remedial action," resulting in the enactment of the Federal Cigarette Labeling and Advertising Act (FCLAA) on July 27, 1965, Pub. L. 89–92, 79 Stat. 282, and two subsequent amendments, the Public Health Cigarette Smoking Act of 1969 (PHCSA), Pub. L. 91–222, approved April 1, 1970, 79 Stat. 282, and the Little Cigar Act of 1973, 87 Stat. 352. The policy statement of the original cigarette act (sec. 2 of Pub. L. 89–92, *supra*) retained in the subsequent amendments, declares:

"It is the policy of the Congress, and the purpose of this Act, to establish a comprehensive Federal program to deal with cigarette labeling and advertising with respect to any relationship between smoking and health, whereby

"(1) the public may be adequately informed that cigarette smoking may be hazardous to health by inclusion of a warning to that effect on each package of cigarettes; and

"(2) Commerce and the national economy may be (A) *protected to the maximum extent consistent with this declared policy* and (B) not impeded by diverse, non-uniform, and confusing cigarette labeling and advertising regulations with respect to any relationship between smoking and health."

Thus we have a general statute (the FHSA) with language broad enough to include cigarette smoking by interpretation and a specific statute (the FCLAA and its amendments) which deals exclusively with protection of the public against the hazards of cigarette smoking. It is immaterial that the general statute could provide much more extensive protection than the specific statute. As the underlined words of the policy statement, quoted above, indicate, the statute was providing the maximum protection thought necessary by the Congress as a matter of policy at that time. This Office has stated repeatedly—

"The established rule of statutory construction is that where one statute deals with a subject in general terms, and another deals with a part of the same subject in a more detailed way, the more specific will prevail unless it appears that the legislature intended to make the general act controlling." 37 Comp. Gen. 475, 477 (1958). See also 19 *id.* 293 (1939); B–163375, September 2, 1971; B–175946, November 9, 1972; B–177119, March 2, 1973.

We have examined the legislative history of the FHSA and of the various cigarette statutory enactments, as well as the memoranda you provided to us.

The Senate and House reports on the original bill (S. 1283) which eventually became the FHLSA, make it clear that regardless of how well the definition of "hazardous substances" may apply to tobacco products today, such an application was not even remotely considered at the time of enactment. The Senate Report states:

"The primary purpose of this bill is to establish standards for the labeling of hazardous substances which are used in and about the household but which are not regulated by existing law."

It then goes on to note the fact that the Federal Caustic Poison Act of 1927 covers only 12 chemical substances. Since that time the number of products sold on the market for household use has increased tremendously.

"The need for this legislation was highlighted, your Committee believes, by the testimony of Dr. Charles J. Saverese, Jr., Director of the Suburban Hospital *Poison* Control Center, Bethesda, Maryland, giving his experiences with young child poisonings." S. Rept. No. 1158, February 8, 1960, pp. 2–3.

Similarly, the House background statement on the need for the legislation says:

"Modern developments have increased the possibilities of physical injury from the careless handling of *household chemical compounds*." (Italics added.)

It gives several examples of such products—silver polish, drycleaning products, etc., and then states:

"The bill is intended to require cautionary labeling of such hazardous articles to provide householders and their families with adequate instructions for safe use of the materials, and to provide, when necessary, adequate first aid instructions for treatment of such injuries as occur." (Emphasis added.) H. Rept. No. 1861, June 14, 1960, pp. 2,4.

In this context, the wording of the FHSLA definitions which on the surface seem so applicable to cigarette smoking, take on another cast. For example, there are references throughout the hearings to the illness that results from the inhalation of carbon tetrachloride fumes in a poorly ventilated room. (See exchange between Congressman Kenneth A. Roberts and Food and Drug Deputy Commissioner John L. Harvey, Hearings on Bills Relative to the Labeling and Advertising of Cigarettes Before the House Committee on Interstate and Foreign Commerce, June 23, 1964, pp. 44–45.)

In 1966, the FHSLA was amended to permit the Secretary of Health, Education, and Welfare to ban substances so hazardous that they must be kept out of interstate commerce completely. (Child Protection Act of 1966, *supra*.) These amendments added the present definition of "banned hazardous substance," found in section 2(q) (1), discussed *supra*. The hearings and floor debates indicate congressional concern about toys and other articles primarily designed for children which are customarily sold unpackaged—e.g., toy ducklings impregnated with pesticides, poisonous beads used as dolls' eyes, fireworks known as "crackerballs" which look like candy or sugar-coated cereals, etc. (See e.g., Statement of Senator Magnuson when introducing S. 3298 on Senate floor. Cong. Rec. vol. 112, pt. 16, p. 21533.)

Subsequent amendments to the FHSA were equally specialized. The Child Protection and Toy Safety Act of 1969, Pub. L.

91–113, approved November 6, 1969, 83 Stat. 187–189, added coverage of "any toy or other article intended for use by children which the Secretary by regulation determines, in accordance with section 3(e) of this Act, presents an electrical, mechanical, or thermal hazard." It appears to deal solely with articles intended for use by children—not articles, like cigarettes, which may or may not fall into their hands. The Poison Prevention Packaging Act of 1970, Pub. L. 91–601, approved December 30, 1970, 84 Stat. 1670, requires special packaging devices to prevent young children from gaining easy access to hazardous substances. The final amendment to date, the Federal Environmental Pesticide Control Act of 1972, Pub. L. 92–516, approved October 21, 1972, 86 Stat. 998, is solely concerned with the labeling and registration of dangerous pesticides.

At no time during the consideration of the original Hazardous Substances Act or any of its amendments was the inclusion of tobacco products suggested or discussed. It was, however, suggested several times in connection with the Federal Cigarette Labeling and Advertising Act and its subsequent amendments by the DHEW and by Senator Moss. In reporting on the pending cigarette labeling bills, DHEW wrote to the House Committee on April 6, 1965:

"Further, without in any way questioning the Federal Trade Commission's regulatory authority in this field, we have concluded, as indicated to your Committee last year, that remedial action in this field should, with respect to labeling at least, include new and specific legislation and that in our view, the most effective approach to labeling regulation is to bring the labeling of cigarettes by appropriate amendment under the Federal Hazardous Substances Act, where it could be readily fitted into the regulatory scheme of that Act and its enforcement."

DHEW witnesses were questioned closely in connection with this bill report to determine whether the Department thought it already had jurisdiction over cigarettes under the FHSLA. Representative Oren Harris, then Chairman of the House Committee on Interstate and Foreign Commerce, stated during hearings on the FCLAA:

"Only four years ago the Hazardous Substances Act was developed and there was no thought and I believe it was not even mentioned in the hearings or in the legislative history, yet here four years later arguments are made that the Act covers cigarettes. That is the sort of thing that does cause me some concern with the regulatory agencies of Government interpreting language so that it extends their broad general authority." Hearings before the House Committee on Interstate and Foreign Commerce, June 23, 1964, p. 50.

DHEW witnesses (Surgeon General Luther Terry, Deputy Commissioner of Food and Drugs, John L. Harvey, and Theodore E. Ellenbogen, Deputy Chief, Legislative Division, Office of General Counsel) all assured the Committee that they did not feel that the FHSLA presently covered cigarettes or tobacco. House hearings, *supra*, at pp. 44–45.

Mr. Ellenbogen made essentially the same statement at Senate hearings on the cigarette bills. He said that while the definitions of the FHSLA might be medically applicable to cigarettes, "I am also confident in the light of the history of this Act, in which I was deeply involved, no one ever dreamed that it would extend to this product." Hearings on S. 559 and S. 547 before the Senate Committee on Commerce, March 22, 1964, p. 51. We have quoted these statements at length because we have long held that the interpretation of the scope of stationary authority by the agency with responsibility for the administration of the statute is entitled to great difference and weight. 48 Comp. Gen. 5 (1968); 49 *id.* 510 (1970); B–177579, August 21, 1973.

Senator Moss was one of the few Congressmen to support DHEW's recommendation that cigarettes should be controlled under the FHSA. He stated on the floor of the Senate:

"I feel it is both reasonable and highly desirable to treat tobacco as a hazardous substance." Cong. Rec., June 16, 1965, p. 13414.

Earlier, he had protested the fact that DHEW had no right to write regulations in this field. S. Rept. No. 195, May 19, 1965, p. 21.

The Congress as a whole apparently did not share this view about the appropriate jurisdiction of the controls to be imposed on cigarettes. Although the Senate Committee noted the DHEW position (S. Rept. No. 195, *supra*, p. 23), jurisdiction over cigarette labeling and advertising, within severe congressional constraints, was explicitly assigned to the Federal Trade Commission (FTC). No jurisdictional decisions about the authority to ban tobacco products altogether were made apparently because, from reading the extensive debates about cigarettes in connection with the original bill and each subsequent amendment proposed or enacted, the majority of Congress was not ready to impose that stringent a control on the sale of tobacco products.

We believe that the Congress has resolved the question of jurisdiction by retaining the authority itself to initiate further action to control (or decontrol) tobacco products in the future. During the floor debate on the House-reported bill, H.R. 3014, Representative Harris discussed the various agency bids for authority to control cigarettes, and then added:

"So, Mr. Chairman, we had various Federal agencies that were interested in different proposals to meet the problem. I believe, as the gentleman from Texas [Mr. Rogers] has said a moment ago, the better approach to the problem is the one which we have taken here; that is, by legislation, instead of by rule or by regulation." Cong. Rec., June 22, 1965, p. 13903.

Again, during consideration of the first amendment to the original cigarette act (the PHCSA), Representative Harley Staggers, Chairman of the House Interstate and Foreign Commerce Committee, said:

"Mr. Speaker, since enactment of the legislation in 1965, it has been my strong feeling that matters such as these involve broad public policies not within the authority of any non-elective body. They are matters which the Congress must decide." Cong. Rec., March 10, 1970, p. 3372.

The House Report on H.R. 6543, the bill which became the PHCSA, is quite explicit on this point. It states:

"* * * The regulations [proposed by the FTC and the Federal Communications Commission re cigarette advertising] raise basic constitutional questions and would affect the growing, sale, and manufacturing of tobacco for cigarettes and the persons involved in or affected by those activities. These activities cut across the whole spectrum of commercial and social life in the United States. *It is therefore an area where the Congress, if anyone, must make policy.*

* * * * *

"Aside from the questions of constitutional and statutory law which the two agencies' proposed rules raise, *they are an assumption by these agencies of policymaking with respect to a subject matter on which the Congress has made policy* (see sec. 5(b) of the act), *has stated its intention to be the exclusive policymaker on the subject matter, at least until July 1, 1969* (see sec. 10 of the act) *and has given strong indication of its intention to continue to do so.*

"Therefore, the Committee feels that it is incumbent on the Congress to act on the reported legislation in order to prevent intrusion by the Federal Communications Commission and the Federal Trade Commission *into basic areas of policymaking which it has reserved to itself.*" (Italics added.) H. Rept. 91–289, June 5, 1969, at pp. 4–5.

The report goes on to explain that the bill would postpone the termination of the preemption of regulation of special smoking and health requirements in cigarette advertising until July 1, 1975, with the expectation that the subject matter will be reexamined by the Congress before that date.

Although Senator Moss is cosigner of the petition presented to the Commission which alleges that the Commission has jurisdiction to ban high tar cigarettes under the FHSA, he sponsored a bill (S. 1454) on April 1, 1971, to accomplish this same purpose but assigned the regulatory authority to the FTC and not to DHEW, which at that time still had jurisdiction over the FHSA. Senator Moss, however, in the course of hearings on his bill, queried DHEW witnesses as to whether they felt they could assume jurisdiction over cigarettes under the FHSA. Dr. Charles Edwards, then Commissioner of the Food and Drug Administration, denied any such jurisdiction. He cited various specialized cigarette acts, which he said, "clearly demonstrate that the Congress had not intended to subject cigarettes to the Federal Hazardous Substances Act." Senator Moss then pressed Peter Hutt, Assistant General Counsel for the Food, Drugs, and Product Safety Division, DHEW, who accompanied Dr. Edwards, to institute a court case to test its jurisdiction. Mr. Hutt replied, "* * * My own personal belief is that we would be on no ground whatever for doing that."

The most recent amendment to the cigarette Act which was enacted into law was the Little Cigar Act of 1973, Pub. L. 93–109, approved September 21, 1973, which did little more than subject "little cigars" to the same restrictions as cigarettes.

Consistent with the view that regulation of cigarette smoking was the subject of specialized legislation, the Congress specifically excluded tobacco and tobacco products from the definition of the term "consumer product," subject to the controls of the Commission under the Consumer Product Safety Act, *supra*. The Senate Commerce Committee report states:

"There is one category of products which the bill expressly excludes from the definition of 'consumer product.' That product is tobacco. *Because the safety regulation of tobacco is the subject of separate legislation before the Committee* and because hearings are being held on that legislation, the Committee has decided not to include tobacco under the general safety law." (Italics added.) S. Rept. No. 92–749, September 13, 1973, p. 12.

From this exhaustive review of legislative history, we conclude as follows:

1. At the time enactment of the Federal Hazardous Substances Labeling Act, the Congress did not intend to include tobacco or tobacco products within its purview. It was not even aware at that time of the possible hazards of smoking. Nothing in the subsequent history of that Act shows an intent to broaden its jurisdiction to include tobacco products.

2. An agency cannot transfer more authority than it actually has to another agency. Since DHEW was never given jurisdiction over tobacco products under the FHSA, the Commission could not acquire such authority as a result of the transfer of responsibility for administration of the FHSA pursuant to section 30(a) of the CPSA.

3. Although the general definition of "hazardous substance" in the FHSA might literally include tobacco products, the Congress enacted special legislation (the FCLAA and its amendments) which preempt the

field of cigarette smoking and its relation to health.

4. While the Commission has jurisdiction over the FHSA as well as the regulation of "consumer products" under the CPSA, it was not given authority to administer the various cigarette acts. The Congress has indicated its desire to reserve the making of major policymaking decisions on what it regards as a very sensitive issue to itself. An outright ban on high tar cigarettes involves a major policy decision which the Congress has not delegated to any regulatory agency.

5. We therefore believe that the Commission does not have the authority to act on the petition to ban the sale of high tar cigarettes—or to act on any other matter relating to the regulation of tobacco products unless or until the Congress sees fit to confere such jurisdiction on the Commission.

Sincerely yours,

ELMER B. STAATS,
Comptroller General of the United States.

AMBASSADOR EBERLE'S VISITS IN LATIN AMERICA

Mr. BENTSEN. Mr. President, I wish to take this opportunity to bring to the attention of my colleagues in the Senate the visit of Ambassador William Eberle, the President's Special Representative for Trade Negotiations, to a number of Latin American countries. I commend Ambassador Eberle as well as Secretary Kissinger for following up on the Mexico City meeting of Latin American Foreign Ministers by dispatching a high-level delegation of American economic experts to lend an ear to our southern neighbor's concerns over the increasingly serious economic issues developing in our hemisphere. I have said many times in the past that one of the greatest needs in hemisphere relations is for greater listening on the part of the United States. I had urged Secretary Kissinger before his Mexico City trip last February to eschew banner headlines and dramatic diplomacy in favor of a substantive dialog on concrete issues, Ambassador Eberle's trip portends just that kind of much-needed colloquy. His visit to nine Latin American nations and four multilateral regional organizations, the Latin American Free Trade ASsol, the Central American Common Market, the Andean Pact, and the Caribbean Common Market, imply a serious desire on the part of the United States to listen to the latest thinking of some of our most important trading partners and regional groups on a broad range of trade-related developments and issues.

In addition, Ambassador Eberle will attempt to encourage Latin American participation in the forthcoming Tokyo round of multilateral trade negotiations. The participation of these nations can help assure that the best interests of all nations in an improved, more open and equitable international trading system will be served as well. I hope Ambassador Eberle will take advantage of this opportunity to discuss with the Latins the increasingly critical issue of access to supplies as well as to markets. Certainly new international rules of trade must be developed and this is an excellent opportunity for working toward that goal with our Latin neighbors.

Again, Mr. President, I commend Ambassador Eberle and Secretary Kissinger for their apparent willingness and interest in placing a higher priority on our relations with Latin America than we have seen in the past. Only through such meaningful dialog will we see any real progress toward resolving the problems plaguing hemisphere relations.

KANSAS CITY: TODAY AND TOMORROW

Mr. EAGLETON. Mr. President, for the past several years a general attitude of despair has gripped the Nation in regard to the future of our major cities. Cities, we have been told, were either dead or dying. Nothing short of massive infusions of Federal funds could bring them back to life.

I would like to tell you about Kansas City, Mo.—a surprising city with a surprising record of urban accomplishment.

In Kansas City a unique coalition of business and government leaders have produced a remarkable $3.4 billion "do-it-yourself" urban renaissance that is serving as a model for cities elsewhere.

Even more important to the central issue, however, is the fact that 75 percent of this renaissance has been paid for by the city's business community. Kansas City's commitment to rebirth amounts to $2,600 for each of the 1.3 million people living in the six-county metropolitan area—the largest per capita building program in the United States.

The program, known as Prime Time, has proven without a doubt that businessmen and local government officials can affect the future of their communities—if they devote their time, energies and dollars to the cause. Leadership is the key ingredient in the Kansas City renaissance.

The vitality of the leadership in Kansas City is well illustrated by a unique conference that took place there March 26. On that date 700 of the city's top leaders gathered at a luncheon to examine "Kansas City: Today and Tomorrow."

At the speakers table, and in the audience, were the caliber of men and women who can make—or break—a city. Presentations were made by Donald J. Hall, president of Hallmark Cards, Inc.; Dr. Charles N. Kimball, president of Midwest Research Institute; Ilus W. Davis, two-time former KC mayor, Judge Charles Curry, vice president of the Chamber of Commerce of Greater Kansas City and Dolph Simons, president and publisher of the Lawrence, Kans., Journal-World.

The true spirit of Kansas City was obvious from the meeting itself.

While some cities have trouble bringing together even a handful of their leadership to discuss their cities and their future, Kansas City produced 700 of their best and brightest citizens.

Those who attended the meeting heard a truly remarkable story about the physical and spiritual renaissance of a great American city.

Mr. President, I believe that story should be shared for the lessons it offers. For that reason, I ask unanimous consent that the text of this most unusual examination of urban planning and progress be printed in the RECORD.

There being no objection, the texts were ordered to be printed in the RECORD, as follows:

PRIME TIME: TODAY AND TOMORROW

(By Dr. Charles N. Kimball)

Our purpose is simple. We're going to talk about Prime Time. We plan to review briefly what it is, how it got started, what are the results to date and most important, where do we go from here?

We have a big story to tell today. But I promise you it will move fast.

You already have seen some Prime Time today. Samples of its finished products are scattered around the room. You saw some of it on slides. You heard the radio spots and you saw the television commercials. Why? Primarily because Prime Time is better known in Detroit and Dallas than in Kansas City. It's better known on the West and East Coasts than in the Midwest. This should not be too surprising because the early emphasis was just that . . . to tell the story to the rest of the country and yes, even to the rest of the world—to tell what was happening to Kansas City.

Today we're bringing Prime Time back to Kansas City. Here's where it started on January 4, 1972. Many of you in this audience were there. Some of you were not. That's another reason for our meeting today. We want to give you a progress report But more importantly, we want everyone here to know just exactly what Prime Time is all about, and why it's so important to the future of this metropolitan area.

Now let's take a brief look at Prime Time yesterday. The proper man to tell that story was the first chairman of the Prime Time Steering Committee. This is an unusual committee and probably the most effective in the history of the Chamber of Commerce of Greater Kansas City. They met for breakfast once a month every month for two years. You needed special dispensation to miss a meeting. To tell about that beginning—some of their frustrations, hopes and progress. It's my pleasure to call on Don Hall, president of Hallmark.

(By Donald J. Hall)

What we call Prime Time today started in the Fall of 1971 as Kansas City's Year of Years. Even before the formation of the first Prime Time Committee, many hours of careful planning and conceptual thinking had been initiated by Jim Stephens of Missouri Public Service, who was our 1971 Chamber president and Mayor Wheeler.

Very early in this program the best minds in this city carefully analyzed our situation and our problems and our prospects. We started with the major premise that Kansas City did not have a particularly bad image, but rather an un-image. The president of one of America's leading site location counseling firms told us—"Let's face it, Kansas City doesn't have much allure."

Two years ago if you were to ask a writer on The New York Times what he thought of Kansas City, he might very well have responded, "Sir, I just don't think about Kansas City."

We determined, early on, that we were missing new business, new jobs and new payrolls because we were not being considered. It was not a case of our being scrutinized and found wanting. It was not a case of our assets falling short of requirements. It was not a case of other cities offering more than we would or could. It was very simply a case of not being allowed to compete—of not being considered for that all important first list of possibilities. Charlie Kimball reminded us constantly that Kansas City was not under developed, but merely under recognized and under utilized.

Our initial assignment was to bring the attractions of Kansas City to the attention of national site location people, to the attention of the heads of the world's great corporations, and to the attention of decision makers and management groups everywhere.

With limited funds, based on a 1971 Chamber of Commerce income not larger than it was in 1927, we had to vote against expensive full-page ads in national magazines—and we had to forego the temptation to use much of our funding locally. We reasoned, quite rightly I believe, that those who live here and work here were already reasonably sold on our city, reasonably informed, and reasonably enthusiastic.

The commanding alternative was a national public relations program based on factual journalism, to tell the Kansas City story to newspapers and wire services, to business magazines and special trade journals, and on network radio and television if possible. We also voted to do all in our power to bring the uninformed and doubting Thomases here on location, here amidst our city and our activity, to see and experience the community for themselves.

We have been both lucky and energetic in the number and quality of national writers and newsmen who have visited Kansas City in recent months. The Associated Press Managing Editors held their annual meeting here in 1973 at the Muehlebach, and these influential executives of America's leading newspapers liked our city and were quick to assign stories to their columnists and urban affairs writers after they returned home. The All-Star Baseball Game brought a huge number of sports writers here, and after reporting on a dull baseball game, they devoted their next column to an exciting city. The Pro Bowl also brought writers here. Any many others have come individually—mostly through our public relations urgings and initiative, but some unsolicited, just curious about all the Kansas City stories they saw in national publications.

And not only have we hosted visitors in order to tell our story, we have gone afield to Seattle, to Sedalia, to Lincoln and Little Rock, to Omaha and Ottawa, Kansas, to Salt Lake City and to New York. Your president Don Smith, Charlie Kimball, Dutton Brookfield and Ike Davis are our most polished podium performers. Dynamic public speaking is a rare talent, but when practiced effectively—as Charlie did when he told the Kansas City story to the Seattle Rotary Club—does our city a lot of good.

We have been in the enviable position of being able to write and tell the truth without the usual tricks needed by other cities. We have not needed glossy tourists posters of something we wish we had, but can use journalistic photography of what we have and we are committed to.

We first earned attention with our brick and mortar projects—the airport, the stadiums, Crown Center, the interstate loop, hospital hill, junior colleges, River Quay, and other elements of our seven-county construction boom. These projects dramatized concrete results, not empty rhetoric.

Since that initial flurry in 1972, we have been able to zero in on specialized stories—Clarence Kelley, Joe McNamara and the Kansas City Police Department, Martin Luther King Hospital, the Foreign Trade Zone and events north of the River, the movement downtown with both the Convention Center and the Mercantile Bank building, our people and our enviable quality of life.

Today, as we view the gasoline lines in Baltimore, Washington and Connecticut—the unemployment within certain great industrial cities—we can appreciate once again and more than ever, the virtues of our community.

The more I learn and read about other cities, and the more I travel, the more I appreciate this area and the way we live.

We are not changing the image that outside people have had of Kansas City—we have changed this image, or should I say we have corrected the misconceptions. And in so doing we are helping to change Kansas City and its surroundings.

Prime Time has worked, more effectively perhaps than anyone thought possible. It has succeeded, and it is succeeding, because people have devoted themselves to its success.

The original committee included Miller Nichols, Ike Davis, Charles Kimball, Vic Swyden, former City Manager John Taylor, Robert Kelley, and such specialists as Chamber president Don Armacost, Dick Degenhardt, and Herb Valentine. Today, under Charlie Kimball's leadership, Swyden, Davis, and Kelley continue to serve, along with new members: Henry Bloch, Ron Ferguson, Jerry Duggan, Bob Gayner and Dick Dodderidge.

Concerned people make things happen. Prime Time owes its success to the city, of course. But the people involved—and each of you—created the ideas and resources needed

The day-to-day work for a national recognized Kansas City is handled by Cary Byoir & Associates. Here from New York is John Budd, Vice President of Carl Byoir.

(By John F. Budd)

You've heard and you've read some of the comments others have made about Kansas City. I'd like to put in perspective what all this means and why, in my opinion, it is uniquely significant.

It is important to appreciate that our objective was not solely to try to build a new image for Kansas City out of the steel girders and concrete forms. The real story, we believed, was at the root of these projects—the attitudes and the initiative of the leaders of this community. These are the elements that really set it apart. (After all, Dallas has a new airport, and so does Paris.)

Therefore, we not only wanted to improve public opinion about Kansas City—but we wanted also to communicate the essence of the civic attitude that thrives here.

This entails a problem immensely more sophisticated than simply trying to editorially brow-beat people into our point of view by inundating them with publicity.

Opinion change of this caliber is the most delicate and difficult of all communications assignments. Go too far, oversell, and chances are that people will dig in their heels, psychologically, and resist even the most irresistible arguments.

We also recognized at the outset that it was unrealistic to think we were going to make a major impression on some 200 million people.

But it was feasible to try to reach the opinion leaders. Their influence is significant . . . so we saw this as a two-step process: from print, radio and TV to opinion leaders (those local leaders of business, civic and community life), and from them to the public at large.

We studied how other cities were selling themselves—and it was largely through the leverage of the pocketbook. Dallas had a promotional budget of $1½ million a year for three years; Louisville was spending $2 million a year; Atlanta, $950,000 a year; Memphis, $4 million, and New York City, then $2½ million a year.

It was emphasis on money and material—not on minds. . . .

This was not Kansas City's way—nor its style.

We also decided that the problem was unique enough and complex enough to take it beyond the reach of advertising (and I say that with full regard for the power and respectability of advertising).

We decided to let others tell our story their way—the others being principally the journalists, broadcast media and magazine writers. They were to be our bridge to the nation's thought leaders. Their opinions have greater believability than our own views of ourselves.

The role of our committee was to bring the people and the facts and the writers and the talkers together, to marshall our strongest resources and let the journalists see, hear and sense what's going on—we would ride with the results.

We encouraged them to dig beneath the surface to get a handle on the intangibles—the attitudes, the collective initiative of the leadership of the city—so they could appreciate (and communicate) not only what was changing, but why it was changing.

The people who have written about Kansas City are professionals who report the news and the facts, as they see it and judge it. They have a healthy skepticism born of years of winnowing through non-facts and self-serving facts presented as the Gospel.

It is in this perspective that their critical reports should be seen. In almost 30 years in the communications business. I have never before experienced anything of this magnitude. Kansas City has captured not only their professional interest, but their personal respect as well.

Once you've got this in focus you can better appreciate what your leadership has accomplished.

Now, to add dimension to the stories you've read—and will read later on—let's take a very quick trip around the nation . . .

We asked our people in 6 cities to talk to people at random and hear what they say about Kansas City.

An Atlanta businessman said: "We've noticed in the media that some very exciting things are going on in Kansas City. Kansas City has joined the ranks of a handful of major American cities where you really have a creative downtown environment, you have creative, innovative and energetic business executives who, it's obvious are going to make things happen in Kansas City, they're making it happen."

Wade Franklin, travel editor of the Chicago's Sun-Times: " . . . Kansas City is a surprising city. It's so amazingly modern that the old song about everything being up to date in Kansas City is so true there. I was surprised by the magnificence of the new Crown Center area. The baseball stadium of course, is I think without a doubt the finest in the world. Kansas City certainly has outstripped Chicago, New York and every other city I can think of as far as sports facilities are concerned . . ."

Next, Philip M. Klotznick, chairman of the executive committee of the Urban Investment and Development Company in Chicago: ". . . Kansas City is finally winning its battle with the rest of its competitors to become one of the great regional markets. It still has its downtown to cure but it's on its way and some of us hope it succeeds quickly. The fact that I believe this is relatively unimportant. But when people like the leaders of Hallmark, the Chamber of Commerce, some of my good friends like By Schutz and Charlie Kimball and the mayor get their story through as they're getting it through, more and more people will begin to appreciate the revolution that is taking place in the physical appearance and in the hope of making Kansas City the kind of city that it has always itself tried to be. I believe the country is beginning to understand that there are certain cities of distinction and I'm inclined to believe that Kansas City will be one of them in the years ahead . . ."

Businessman John P. Hinckley, vice president of Grow, Keller and Fried insurance, said: ". . . For ten years I visited Kansas City regularly to service clients particularly the Yellow Freight Corporation. What has made these visits more appealing in the last couple of years is the amazing physical change that's taken place. The airport, Truman complex and new skyscrapers have contributed significantly to the over-all picture of the economic growth and progress. Kansas Citians are to be congratulated for their civic responsibility in revitalizing the metropolitan area . . ."

John H. Ford, vice president, public relations for Chrysler Motors and a member of the Detroit counterpart of our Prime Time committee, said: ". . . In the summer of 1973, we introduced our new 1974 Chrysler Corporation cars and trucks to the nation's press. Automotive press had a big event in the Crown Center. I think all of us who were there, both Chrysler Corporation executives, representatives of the press, were struck by what had been accomplished in Kansas City in a relatively few short years and in the plans that we saw for what lay ahead. The Crown Center Hotel and Arrowhead Stadium, both of which we used in our events, and other striking examples of construction and development to my mind show what can be done by business people and civic organizations working together in a spirit of cooperation, in a spirit of leadership to do a big job and I think it forms a great example to the rest of urban America as to what this kind of cooperation can achieve . . ."

Roger Allen, a staff writer for Automotive News: ". . . A dozen years ago I spent one week a month there covering financial news. The contrasts I saw this time around were astounding. The sports complex should be the envy of many cities including my own. Let me simply say I was very favorably impressed with Kansas City this time around . . ."

In San Francisco, business writer Chris Barnett of California Business said: ". . . I thought it was the type of town that people flew over but rarely stopped in to see. I envisioned in my own mind a very old stodgy cowtown as somebody once called it and that was pretty much stuck in my mind. I was more than really surprised. I was a little bit astounded to realize how much development had gone on in Kansas City . . ."

Louis J. Weber, Jr. a vice president with Wells Fargo and Company said: ". . . It's a very progressive city, the new sports complex comes to mind, Arrowhead Stadium . . ."

Washington, D.C. is a critical audience. Here some of our most influential media set the agenda for nationwide public discussion simply by their choice of what is today's news.

Listen to what Ellis Howler, executive editor of U.S. News & World Report, thinks about Kansas City: ". . . My impressions of Kansas City have been mostly from reading what has been going on there. The city is a wide awake community that is interested in attracting industry and has a great many advantages for companies that want to have a headquarters or make plans in that part of the Middle West . . ."

Next, Sam Jackson, a partner in the law firm of Strook & Strook & Levand: ". . . I have really been impressed with the dynamism that's at work in the construction activity that's going on there. The Crown Center development area, the new buildings planned for the downtown area, the rehabilitation that's underway and the new cooperation that's found between the black business leadership and the white business community suggests that this is a healthy community that's demonstrating the kind of cooperation, people working together, to assure that the city really becomes a garden spot . . ."

George Washnes, director of Municipal Studies at the Center for Governmental Studies: "I recently did a study on Kansas City, Missouri, looking at the general government and other aspects and I was quite impressed with the changes that have been made in the community over the last fifteen to twenty years. Kansas City is certainly an upcoming community. It's a city—it leaves an impression and an attitude entirely different from its poor past record and image. The downtown is quite revived with new development, new hotels and tourist attractions and restaurants and the image of the police department and the reduction of crime is also impressive. The sound government with a good city government management form and responsive city council as a whole, my impressions were very excellent of the community."

Earl Risdon, sales manager for United Airlines: "I think because there they've taken a very big step in providing Kansas City with a true jet age airport, a facility that we've had very, very favorable comments on from passengers regarding the convenience and ease of getting in and out of the terminal. Another thing that I think has been very good for Kansas City's image has been the new Crown Center Complex, one which we're very close to being linked up with Western International Hotels, our partners in travel. I think Kansas City is moving in the right direction and certainly should keep on with their programs of modernization . . ."

At this point I was supposed to share with you the comments of one of Kansas City's most distinguished native sons . . . Dr. Franklin D. Murphy, chairman of the Los Angeles Times-Mirror Corporation.

Unfortunately, we seem to be afflicted with the prevelent communications malady—missing tapes. Dr. Murphy's comments are somewhere between Los Angeles and New York.

But, having read the papers, I know what to do—I'll leak his remarks.

According to "unimpreachable sources" . . . seriously, Dr. Murphy wanted to convey to you his admiration for the job you've done. He said he was highly impressed by this example of how concerned and intelligent people are capable and willing to look years ahead to get this city revitalized. As a native son he said he can best appreciate the magnitude of the job being done.

At the same time he wanted to warn us of complacency. Because of the magnificant start, Dr. Murphy said it would be very easy and very human to sit back and expect the momentum generated to carry the program along.

Dr. Murphy said it will take another 5 years or more of active and continuing support of our program to protect the investment in time, money and energy already expended.

But better than these electronically-produced views would be the real-life opinion of a prominent newsman and businessman.

I'd like to present Dolph Simons, president, publisher of the Lawrence Journal-World and a member of the Associated Press' board of directors. As you know, the AP is the nation's single most important artery of news dissemination . . .

(By Dolph Simons)

You see around the room some of the evidence of what John Budd's talking about. Let met just cite a few of the better examples:

Across the state from an ambitious neighbor, the St. Louis Globe-Democrat commented editorially:

"A *New York Times* reporter found that everything was up to date in Kansas City, our friendly cross-state rival.

"His findings reinforce the nagging suspicions of many St. Louisians that K.C. may surge ahead of us in many areas—economic growth, cultural, intellectual . . . Kansas City is a city on the move, progressive and with a clearly defined vision of the future . . . a synergism of creative forces in St. Louis should be the first order of business in the new city administration, least we find ourselves a way station on the road to Kansas City."

Then, from the *Miami Herald:* "Not since the great push westward . . . has Kansas City experienced such a boom in tourism as now. The city's hotel and motel industry in doldrums for the past 40 years has suddenly blossomed to life with new construction producing the greatest "room boom" in Kansas City's history."

From *Business Week:* "Like the old song says, 'Everything's up to date in Kansas City' . . . or soon will be . . . Kansas City is in the midst of a huge building and rebuilding boom which should give the bi-state metropolitan area new life."

The New York Times in an in-depth article said: "Kansas City is puffing out its chest and bragging that it is a town whose time has finally come, that it is the Atlanta or Houston of the 1970s. There is impressive evidence to support the boast."

The *Cincinnati Enquirer* reported: "Cities can be beautiful—take Kansas City."

Editorially the *Baltimore News American* noted: "Kansas City could be a model for retarded Baltimore."

The *Chicago Sun-Times:* "Kansas City is showing the way."

The magazine *Travel,* the Bible of the travel business stated: "Kansas City's Prime Time campaign is a lot more than hot air."

Industry Week looked at Kansas City's business-government cooperation and concluded: "They're making it work in Kansas City."

The Kansas City Story has been broadcast to the homes of almost 200 million people by national TV and network radio.

As a close neighbor of Kansas City, I am tremendously interested in the progress and success of this area. The degree of excellence of Kansas City's growth and development has a direct bearing on the development of cities such as Lawrence, Topeka, Leavenworth and St. Joseph.

All of us in this region benefit from Midwest Research Institute, the Linda Hall Library, the Art Gallery, the new Convention Center to be built, the magnificent new hotels, the spectacular upcoming Kemper Sports Complex, the great International Airport, and many other great community accomplishments. *You* are leading the way.

As I travel around the country, people are no longer saying, "What is a Kansas City?" Instead they're asking: "What's going *on* in Kansas City. What is the next surprise for Kansas City? What are they up to now?"

I'm sure you have been as impressed as I have with the success of Prime Time. But if you're like me, most of this has already happened. That was yesterday. Where's the real payoff? What is Prime Time doing for me today? For the answers, here's Charles Curry, First Vice President of the Chamber of Commerce of Greater Kansas City.

(By Charles Curry)

During 1973 more than 100 national firms—four times more than 1972—expressed a bona-fide interest in Kansas City. Last year, in one month alone (August) 19 major inquiries were received by the Industrial Development department of the Chamber . . . more than in any previous month. That's more than many state development programs generate in a year.

It's astounding, too, when you consider that over 50 per cent of the firms inquiring about Kansas City actually visited here in 1973. Many are still in the various stages of determining their final location. There's no question that we expect to get more than our share.

We've already done exceedingly well. In 1973, there were 40 firms who selected the Kansas City metropolitan area as their new location.

It's an enviable list too. Included is the $35 million national distribution center of the J. C. Penney Company underway in Lenexa. That's tangible proof that Prime Time knows no city limits and stops at no artificial boundary lines.

The Hyatt Regency announced a $50 million downtown hotel.

Construction started in downtown alone totals $95 million. The Mercantile Bank building just topped out as did the Penn-Tower office building.

Residential, commercial and recreational projects are also being stimulated.

Over the long term, Executive Park is committed to investing $400 million. Metron announced plans to develop a $600 million Metropolitan Center. Champaigne Properties begins this year on a $100 million complex. And start-up on the $80 million Corporate Woods office park project is right around the corner.

Kaiser-Aetna's Artisan division has just completed its first project in a 3-year, $35 million housing effort.

Just around KCI, there's already $140 million in construction started. More is certain to come.

The Prime Time spirit helped carry the $30 million bond issue for the Convention Center. The additional dollars heading Kansas City's way are significant. More importantly heading our way is the 15,000 new jobs the Center will create for our citizens.

It's the same spirit that won the city the 1974 Democratic Mid-Term National Convention. Already 1974 promises to exceed the 354 conventions and meetings total we realized last year.

Many more local businesses are gearing up and expanding their operation. Sears Roebuck for example just announced a six-story 720,000 square foot addition to its regional distribution center.

We now have the United States largest Foreign Trade Zone area, it's contribution to the community is still in its infancy.

When you step back and take a look, Prime Time is producing. We've done a good job of answering the question: Why Kansas City? For today and tomorrow the question is "Why *not* Kansas City?"

We're on the site list for many firms. We'll be on it for even more. Prime Time got us there. The pay-off is still being realized. In some cases it may take another three to five years before we see positive action from some of the firms already contacted. But we'll see it.

We must continue our marketing efforts today to pave the way for the middle and late 70's, leading us into the 80's. And that's not the 80's somewhere out in never, never land. That's less than six years away. Considering it almost takes your breath away.

Prime Time is not a three-year program. Prime Time is a way of life. It has to be sustained and kept alive by direction and guidance from all segments of the community. A particularly important segment is government. Here's our former mayor Ike Davis to tell you why.

(By Ilus Davis)

More than 75 per cent of the Prime Time investment to date has come from the private sector—ample evidence indeed that private enterprise is alive and kicking in Kansas City.

But this in no way minimizes the importance of government and government at all levels—city, county, state and federal—to the importance of Prime Time.

To an outsider, Kansas City's governmental relations might appear insurmountable. You're talking about effective coordination between two state legislatures, six counties, two major cities and more than 30 other substantial, surrounding and self-determining communities.

The spirit of cooperation for the metropolitan area has been almost ecumenical. We've had problems and differences of opinion in the past. We will continue to have them in the future. But this area has built an enviable record thanks to the willingness of many different segments of government to work for a common goal.

If we are to treat the area as a whole, we must plan, zone and take advantage of all resources on both sides of the state line.

Prime Time's future success depends on this continued willingness to work together.

It depends on the input of such groups as the Brookings Alternative Futures program. As you may know, this program is designed to identify problems and opportunities and make suggestions for action to the City Council. It's an excellent example of how private citizens can work with government to keep this area on the right track.

Prime Time's future also depends on such bodies as the Mid-America Regional Council and the Area Transit Authority, just to mention two more.

But essentially and above all else, the future depends on a continuation of that tremendous spirit of accomplishment which has brought us this far.

I've often said that if you have talented people and the proper spirit, you can have anything else.

We have talented people. We have the proper spirit. And there's plenty all of us can do to keep it alive and well. To tell us more about the future of Prime Time and what we can do to keep it going, here is the Chairman of the Prime Time Steering Committee . . . Charles Kimball.

(By Dr. Charles N. Kimball)

You have heard about an impressive array of accomplishments. Now think ahead with me for a few minutes about this whole metropolitan area—and what could really happen here, if we really want it to happen.

This is not a community which has inspired great speeches in the past, nor stirred the creative juices of poets and song writers—with Rodgers and Hammerstein a notable exception.

Nevertheless, dream along with me for a few minutes. Let's envision together the Kansas City of the future and visualize a city unique among the world's greatest cities.

I see a Government Center every bit as important to a significant group of Midwestern states as Washington, D.C. now is to 50 states—a true Regional Capital of the U.S.A.

I see a Convention and Meeting Center with the glamour of San Francisco, the fun and entertainments of New Orleans or even Las Vegas.

I see an International Trade and Business Center where foreign tongues are heard as often as are American twangs and clipped Oxford accents.

I see one of the world's truly beautiful cities, as thoughtfully planned as Brasilia, yet as colorful as Paris, as wooded and lush as Berlin, as orderly as Oslo, neither polluted nor overcrowded, but a city of incredible grace and spaciousness.

I see a city of enormous intellectual vitality, a haven for writers, thinkers, composers, artists, poets, scientists, and philosophers.

I could go on and on. Dreams don't cost much, and they are fun. Kansas City could have the greatest symphony, the finest collection of legal minds, an unrivalled academic center, an internationally acclaimed health sciences community, treating famous patients all over the world, flown here for sophisticated healing.

Kansas City could even become the chess capital of the world, if it wished, or the computer capital, or the transportation or communications hub of this continent.

Our dreaming stops abruptly with Geography. We are not a resort center with a climate like the Virgin Islands. We have neither mountains or surging surf. Our weather is not the best or the worst but who can match Autumn and Spring here.

Be that as it may, God and Geography aside, we are very much masters of our own destiny.

It is not realistic to look ahead and dream big dreams for Kansas City of tomorrow? It is not important to review the lessons of history and apply them to give ourselves the finest possible city in which to live?

The giant cities of today—London, New York, Tokyo, Moscow, Mexico City and others—were fostered, nurtured, and tailored for a different era. We have nothing to gain by emulating them. To do so would be to look backward into history, not forward.

Many of the well-known cities of the world are on water, either seaports with deep harbors or key ports on the great rivers. The inner-cores of Amsterdam and Boston antedate the automobile. The main arteries of London and Tokyo today are hopelessly inadequate for anything except people on foot.

The international glamour once associated with these historical places is now tarnished by inconveniences and a degrading mass of humanity.

Of course, there are great cities still, including these troubled Londons and Dublins and Rome, but their seeds of greatness were planted during another age, even an ancient age.

Here in Kansas City something quite different is emerging, designed for today and tomorrow. We have really just begun. We are indeed one of the few urban areas of unlimited promise in the entire world, still able to mold our destiny.

But we must take action and not rely on external forces. Few great places are historical accidents—wherever they are located. Great cities develop because thinking men take strong action.

Who here is not aware, for example, that Kansas City won prominence by thinking faster and acting quicker than Leavenworth and St. Joseph in acquiring the vital bridge over the Missouri River a hundred years ago?

In the intervening years, we have prospered in many dimensions, but not with smoke belching heavy industry, so we don't have the decay and industrial blight that other cities had to tolerate.

Instead, we have a very livable city, one of the few left. We are a proven urban center—under control. We have become a home for industry, science, government and finance, education, medicine, manufacturing and distribution. We have all the building blocks—stable progressive governments, room in the form of uncluttered square miles, hills, woods, parks, water, superb roadways, good people and time to apply what we have learned from the mistakes of others, the inland capital of this great Republic, a center of communication, distribution, travel, and transport.

A very livable city, livable for people at all economic levels, a city which is complex and rich in its culture and amenities, again at all economic levels.

And a city which permits all of its people to enjoy individual freedom and personal growth, and we want this to continue its upward surge.

Moreover, as we began to move through Prime Time a revolution began, which can be the driving force underlying the fulfillment of our potential. That revolution has come about because it has become strikingly apparent that everyone in the world needs food, food from agriculture, and we, Kansas City, are the urban hub of the greatest agricultural breadbasket in the world. Believe me, agriculture and its associated industries can well become the glamour sector of the economy. Agriculture can be the same kind of economic phenomenon that aerospace and electronics were in the 1950's. The only difference may be that agriculture will endure, not lose its glitter after a high life of only 10–20 years.

Geography is finally working to our advantage. We could become the agricultural equivalent of Cape Kennedy, and I–435 could well be the equivalent of Route 128—the famous beltline home of the electronics industry circling Boston.

We have here the industrial, commercial, financial, and service facilities necessary to support the agricultural boom. We have the leaders; Mort Sosland is already recognized as one of the most knowledgeable, authoritative and decisive men in this business. He could easily become the Jim Webb of the future; in fact, in not too many years, Jim Webb may be remembered as the Nort Sosland of Space!

But, we will never be a one-industry town. Already, we manufacture almost everything but ships and cigarettes. Per capita, we are first in the manufacture of automobiles, trucks, vending machines, and greeting cards. First in retail sales, in number of consulting engineers, and in printing and publishing. Under the changing locational rules being carved out by advancing transportation and communications technology—our central location is increasingly an enormous asset.

Our Country Club District is recognized as one of the world's finest residential areas, a way of life unparalled by any city.

Much of our city is committed to parks, which guarantees to future generations that these green areas, "the lungs of the city," will always be there. We have ample land within our city limits and nearby rural areas, to accommodate orderly growth, which will be controlled by the availability of good water. The Missouri River flows more water by us in a day than we could possibly use in a year or perhaps several.

The elements of greatness are here right now. It is these assets—stadiums, and airports, hospitals and Crown Center, superb retailing and verdant parks—that from the background of the present Prime Time effort.

We will be faced with tough decisions if we want to preserve our present virtues and bring our dreams to reality because the growing nationwide recognition of Kansas City has led to new investment from without and within.

We must carefully choose the directions for future growth. With the course of events moving our way, we may soon need to be very selective about how we grow, and about how many of the 50 million new U.S. inhabitants we will take in during the generation ahead.

I am compelled to urge that discussions on this matter must focus on controlled growth, managed growth, not bigness for its own sake, but growth based on the quality of life we worked so hard to get and want so much to retain. This is the distinguishing feature of this great town.

The time has come for a new set of national alternatives. The people and leadership in Kansas City are serving notice to the nation that we now offer an attractive new option for life quality in a metropolitan center, an option so favorable that as you have heard today it is now serving as a progressive model to cities like Baltimore, Cincinnati, Detroit and St. Louis, and will continue to do so through this century.

A responsibility has been thrust upon us to show clearly just how a city can continue to grow, can continue to make life more attractive for all of its people, and continue to be both manageable and governable.

An opportunity like we now have comes along once in a century. We must grasp this now. I hope that many of you here especially the younger men and women will pick up this ball and run with it. You will get a great feeling of accomplishment, as many of us have already had, that you are doing something very useful for all the people in this great city.

To close this out, there is a packet at each table which contains a sheet entitled, "Prime Time Action Report." Take it back to your office. Check some ways you want to participate in Prime Time, and mail it back to the Chamber right away.

The options on the sheet are concrete things you can do now, such as ask for copies of the remarks you have heard here today. You might use them yourselves in your own public addresses. But more that, we think this is a way for those on the Steering Committee to begin a dialogue with the community at large, to get your particular capabilities directed toward this city's future.

If a relative handful of people can push Kansas City this far, what would happen if several hundred joined forces and put their minds and muscles behind this worthwhile effort?

On the way out of this room, please pick up a copy of Edition II of the Prime Times. It is well worth reading. We have several thousands copies available for you to distribute to your friends here and around the country.

Thanks very much for coming to this meeting. It has been a splendid turnout and your presence has meant a lot to all of us involved.

PROTECTION FOR EMPLOYEES OF NONPROFIT HOSPITALS

Mr. TAFT. Mr. President, the Senate is expected to begin deliberations this week or next on legislation to extend the National Labor Relations Act to nonprofit hospitals, S. 3203. This proposal was reported favorably by the Senate Labor and Public Welfare Committee with the support of Senators WILLIAMS, TAFT, CRANSTON, JAVITS, STAFFORD, PELL, KENNEDY, EAGLETON, HUGHES, and SCHWEIKER and is precisely the same as the compromise measure I submitted earlier this year, S. 3088. Further, this legislation contains elements of a proposal I submitted last session on this issue, S. 2292.

S. 3203 has the support of the Department of Labor and has been approved by the Office of Management and Budget.

I realize there may be sentiment among certain health care institutions that no change in the law is necessary and the exclusion of coverage of hospitals from the act should continue under any circumstances. I reject this approach as labor-management relations have, and, without legislation, will continue to be channeled into self-help situations without any governing guidelines for resolution of such disputes. Such a development can only jeopardize patient care and cannot be considered in the public interest. I also reject the suggestion that mere repeal of the exemption is the only necessary step to take to settle the labor relations problems that have surfaced in the health care field. The National Labor Relations Act must reflect the principle that disputes that jeopardize patient care must be considered on a priority basis and that no labor-management dispute is above the public interest of continuity of health care to a community.

I urge Senators to review the legislation and support the committee's recommendations.

I ask unanimous consent that S. 3203 and the portion of the committee report explaining the legislation be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 3203

A bill to amend the National Labor Relations Act to extend its coverage and protection to employees of nonprofit hospitals, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 2(2) of the National Labor Relations Act is amended by striking out "or any corporation or association operating a hospital, if no part of the net earnings inures to the benefit of any private shareholder or individual,".

(b) Section 2 of such Act is amended by adding at the end thereof the following new subsection:

"(14) The term 'health care institution' shall include any hospital, convalescent hospital, health maintenance organization, health clinic, nursing home, extended care facility, or other institution devoted to the care of sick, infirm, or aged person.".

(c) The last sentence of section 8(d) of such Act is amended by striking out the words "the sixty-day" and inserting in lieu thereof "any notice" and by inserting before the words "shall lose" a comma and the following: "or who engages in any strike within the appropriate period specified in subsection (g) of this section,".

(d) (1) The last paragraph of section 8(d) of such Act is amended by adding at the end thereof the following new sentence: "Whenever the collective bargaining involves employees of a health care institution, the provisions of this section 8(d) shall be modified as follows:

"(A) The notice period of section 8(d) (1) shall be ninety days; the notice period of section 8(d) (3) shall be sixty days; and the contract period of section 8(d) (4) shall be ninety days.

"(B) Where the bargaining is for an initial agreement following certification or recognition, at least thirty days' notice of the existence of a dispute shall be given by the labor organization to the agencies set forth in section 8(d) (3).

"(C) After notice is given to the Federal Mediation and Conciliation Service under either clause (A) or (B) of this sentence, the Service shall promptly communicate with the parties and use its best efforts, by mediation and conciliation, to bring them to agreement. The parties shall participate fully and promptly in such meetings as may be undertaken by the Service for the purpose of aiding in a settlement of the dispute."

(e) Section 8 of such Act is amended by adding at the end thereof the following new subsection:

"(g) A labor organization before engaging in any picketing, striking, or other concerted refusal to work at any health care institution shall, not less than ten days prior to such action, notify the institution in writing and the Federal Mediation and Conciliation Service of that intention, except that in the case of bargaining for an initial agreement following certification or recognition the notice required by this sentence shall not be given until the expiration of the period specified in clause (B) of the last sentence of section 8(d) of this Act. The notice shall state the date and time that such action will commence. The notice, once given, may be extended by the written agreement of both parties."

COVERAGE OF NONPROFIT HOSPITALS UNDER THE NATIONAL LABOR RELATIONS ACT

The Committee on Labor and Public Welfare to which was referred the bill (S. 3203) to amend the National Labor Relations Act to extend its coverage and protection to employees of nonprofit hospitals, and for other purposes, having considered the same, reports favorably thereon and recommends that the bill do pass.

SUMMARY

The National Labor Relations Act governs the collective bargaining relationship of millions of workers including employees of proprietary hospitals, proprietary nursing homes and nonprofit nursing homes. It specifically exempts from coverage employees of private nonprofit hospitals. This bill repeals the present exemption, establishes certain new procedures governing labor relations in health care institutions, and creates a new definition of health care institution to include hospitals, nursing homes, health maintenance organizations, extended care facilities, health and medical clinics and other similar institutions caring for the sick, infirm or aged. The bill also contains several additional special provisions designed to facilitate collective bargaining settlements and to provide advance notice of any strike or picketing involving a health care institution, as follows:

1. The requirement for notice of termination or expiration of a contract will be 90 days;
2. The Federal Mediation and Conciliation Service [FMCS] must be given 60 days notice of such termination or expiration;
3. In initial contract negotiations a 30 day notice of a dispute to FMCS will be required;
4. The health care institution and labor organization will be required to participate in mediation at the direction of the FMCS;
5. The health care institution must be given a 10 day notice by a labor organization before any picketing or strike (whether or not related to bargaining) can take place.

On February 7, 1973, S. 794 was introduced by Senators Cranston and Javits and on July 31, 1973, S. 2292 was introduced by Senator Taft. The Subcommittee on Labor conducted hearings on these bills on July 31, August 1, 2 and October 4, 1973.

During the course of these hearings testimony was received from a number of interested groups, including the U.S. Department of Labor; AFL–CIO; the Service Employees International Union, AFL–CIO; American Hospital Association; Industrial Union Department, AFL–CIO; Local 1199, Drug and Hospital Workers Union; American Nurses Association; Communication Workers of America, AFL–CIO; General Conference of Seventh-day Adventists; American Federation of State, County, and Municipal Employees, AFL–CIO; New Jersey Hospital Association; Committee of Interns and Residents of New York City; Colorado Hospital Association; Federation of American Hospitals; Catholic Hospital Association Board of Trustees; Commission on Economic and General Welfare of the American Nurses' Association; Hospital Association of Pennsylvania; Texas Hospital Association; Iowa Hospital Association; International Union of Operating Engineers; Ohio Hospital Association; Minnesota Hospital Association; National Right to Work Committee; Mt. Sinai Hospital; National Federation of Licensed Practical Nurses; Physicians National Housestaff Association; United States Industrial Council; California Hospital Association; New York University Medical Center; and Mount Sinai Medical Center.

On February 28, 1974, S. 3088 was introduced by Senator Taft and on March 13, 1974, the full Committee discharged the Subcommittee from further consideration of S. 794, S. 2292, and S. 3088. On March 20, 1974, S. 3203 was introduced by Senators Williams, Cranston, Javits, Taft, Stafford, Pell, Kennedy, Eagleton, Hughes, and Schweiker. The Committee considered the legislation in executive session on March 20, 1974, and ordered S. 3203 reported by voice vote.

During the executive session an amendment proposed by Senator Mondale was offered. It would have required the NLRB to cede jurisdiction to certain state agencies covering nonprofit hospitals where the state law was in existence prior to 1947. The amendment was defeated by voice vote.

BACKGROUND

Section 2(2) of the National Labor Relations Act defines the term "employer" as not to include "any corporation or association operating a hospital, if no part of the net earnings inures to the benefit of any private shareholder or individual."

The original Wagner Act of 1935 did not contain this exemption and in the only reported case relating to coverage of nonprofit hospitals, the NLRB and the Court of Appeals upheld the coverage.[1]

In 1947, the Wagner Act was amended by the Taft-Hartley Act. Included in these amendments was a provision, added as a floor amendment in the Senate, to exempt nonprofit hospitals. This amendment was retained in conference.

In 1972, the House passed H.R. 11357 which would have repealed the exemption. No action was taken by the Senate beyond hearings on the bill.

NEED FOR THE BILL

The bill removes the existing exemption in section 2(2) of the NLRA for employees of non-profit hospitals and extends the protections of the Act to such employees to the same extent as currently applicable to employees of nursing homes and proprietary hospitals.

The Committee could find no acceptable reason why 1,427,012 employees of these nonprofit, non-public hospitals, representing 56% of all hospital employees, should continue to be excluded from the coverage and protections of the Act. In the Committee's deliberations on this measure, it was recognized that the needs of patients in health care institutions required special consideration in the Act including a provision requiring hospitals to have sufficient notice of any strike or picketing to allow for appropriate arrangements to be made for the continuance of patient care in the event of a work stoppage. In this respect the Committee believed that the special notice requirements should be extended to all proprietary and nonprofit hospitals, convalescent hospitals, health maintenance organizations, health or medical clinics, nursing homes, extended care facilities or other institutions devoted to the care of sick, infirm or aged persons. Accordingly this bill will provide the same procedures for employees of all health care institutions.

The Committee was also impressed with the fact, emphasized by many witnesses, that the exemption of nonprofit hospitals from the Act had resulted in numerous instances of recognition strikes and picketing. Coverage under the Act should completely eliminate the need for any such activity, since the procedures of the Act will be available to resolve organizational and recognition disputes.

PROVISIONS OF THE BILL

Repeal of existing exemption

The present exemption in Section 2(2) of the National Labor Relations Act for "any corporation or association operating a hospital, if no part of the net earnings inures to the benefits of any private shareholder or individual" is removed from the Act by this bill.

Definition of health care institution

The bill adds to the Act a definition of health care institution which includes any hospital, convalescent hospital, health maintenance organization, health clinic, nursing home, extended care facility, or other institution devoted to the care of sick, infirm, or aged persons.

By so defining a health care institution the Committee does not intend to affect the exemption for "the United States or any wholly owned Government corporation * * * or any State or political subdivision thereof" as set forth in Section 2(2) of the Act.

Ten day notice

It is in the public interest to insure the continuity of health care to the community and the care and well being of patients by providing for a statutory advance notice of any anticipated strike or picketing. For this reason, the Committee approved an amendment adding a new Section 8(g) which generally prohibits a labor organization from striking or picketing a health care institution without first giving 10 days' notice. Violation of this provision will constitute an unfair labor practice. The failure to give the statutory notice will be remedial under Section 10(j) of the Act. This notice period will also give the National Labor Relations Board the opportunity, when charges are filed, to make a determination as to the legality of any strike or picketing before it occurs.[2]

The 10-day notice is intended to give health care institutions sufficient advance notice of a strike or picketing to permit them to make arrangements for the continuity of patient care. It is not the intention of the Committee that a labor organization shall be required to commence a strike or picketing at the precise time specified in the notice; on the other hand, it would be inconsistent with the Committee's intent if a labor organization failed to act within a reasonable time after the time specified in the notice. Thus, it would be unreasonable, in the Committee's judgment, if a strike or picketing commenced more than 72 hours after the time specified in the notice. In addition, since the purpose of the notice is to give a health care institution advance notice of the actual commencement of a strike or picketing, if a labor organization does not strike at the time specified in the notice, at least 12 hours notice should be given of the actual time for commencement of the action.

Repeatedly serving such ten day notices upon the employer is to be construed as constituting evidence of a refusal to bargain in good faith by the labor organization.

Likewise, the public interest demands that employees of health care institutions be accorded the same type of treatment under the law as other employees in our society, and that the notice not be utilized to deprive employees of their statutory rights. It is clear, therefore, that a labor organization will not be required to serve a ten day notice or to wait until the expiration of the ten day notice when the employer has committed unfair labor practices as in *Mastro Plastics Corp.* v. *NLRB*, 350 U.S. 270, 37 L.R.R.M. 2587 (1956).

Moreover, it is the sense of the Committee that during the ten-day notice period the employer should remain free to take whatever action is necessary to maintain health care, but not to use the ten-day period to undermine the bargaining relationship that would otherwise exist. For example, the employer would not be free to bring in large numbers of supervisory help, nurses, staff and other personnel from other facilities for replacement purposes. It would clearly be free to receive supplies, but it would not be free to take extraordinary steps to stock up on ordinary supplies for an unduly extended period. While not necessarily a violation of the Act, violation of these principles would serve to release the labor organization from its obligation not to engage in economic action during the course of the ten-day notice period.

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[1] *Central Dispensary and Emergency Hospital*, 44 NLRB 533 (1942), 145 F.2d 852 (1944), cert. den. 655 U.S. 684.

[2] For example, the picketing may be a violation of Section 8(b)(4).

The Committee is aware that a work interruption at particular hospitals, such as those in rural areas, could pose special problems of continuation of patient care. It is the Committee's hope that parties to a dispute in such an institution would be cognizant of such special problems and take steps, either in advance of any dispute, or during its resolution, to mitigate the effects of a scarcity of alternative local resources.

Contract notice requirements

Under the existing provisions of the National Labor Relations Act, an employer or a labor organization is required, where a collective bargaining agreement is in effect, to provide written notice to the other party before termination or modification of the agreement. This notice of termination or modification must be given at least 60 days prior to the termination or modification date. In addition, present law requires the Federal Mediation and Conciliation Service to receive 30 days notice.

The bill extends the 60 day notice to 90 days and requires the FMCS to receive 60 days notice instead of 30 days, in the case of health care institutions.

Under existing law there is no obligation on either party to engage in mediation. The bill provides for mandatory mediation by the parties with the FMCS in the case of collective bargaining involving health care institutions.

Under present law there is no notification requirement to any party with regard to initial contract negotiations. The bill requires 30 days notice to the FMCS, in the case of collective bargaining involving health care institutions.

EFFECT ON EXISTING LAW

Bargaining units

Due consideration should be given by the Board to preventing proliferation of bargaining units in the health care industry. In this connection, the Committee notes with approval the recent Board decisions in *Four Seasons Nursing Center*, 208 NLRB No. 50, 85 LRRM 1093 (1974), and *Woodland Park Hospital*, 205 NLRB No. 144, 84 LRRM 1075 (1973), as well as the trend toward broader units enunciated in *Extendicare of West Virginia*, 203 NLRB No. 170 83 LRRM 1242 (1973).[3]

Ally doctrine

It has been held that where during the course of a labor dispute, a secondary employer performs work that, but for the existence of such labor dispute, would have been performed by the striking employees of the primary employer, the secondary employer loses his status as a neutral, and the labor organization is entitled to extend its economic activity to the secondary employer.

It is the sense of the Committee that where such secondary institutions accept the patients of a primary employer or otherwise provide life-sustaining services to the primary employer, by providing the primary employer with an employee or employees who possess critical skills, such as an EKG technician, such conduct shall not be sufficient to cause the secondary employer to lose its neutral status. It should be clear, however, that where a secondary employer enmeshes itself into the primary dispute by providing supervisors, nurses or staff other than those described, it loses its status of neutrality.

Supervisors

Various organizations representing health care professionals have urged an amendment to Section 2(11) of the Act so as to exclude such professionals from the definition of "supervisor". The Committee has studied this definition with particular reference to health care professionals, such as registered nurses, interns, residents, fellows, and salaried physicians and concludes that the proposed amendment is unnecessary because of existing Board decisions. The Committee notes that the Board has carefully avoided applying the definition of "supervisor" to a health care professional who gives direction to other employees in the exercise of professional judgment, which direction is incidental to the professional's treatment of patients and thus is not the exercise of supervisory authority in the interest of the employer.

The Committee expects the Board to continue evaluating the facts of each case in this manner when making its determinations.

Recognition picketing

In recognition picketing cases under Section 8(b)(7)(C), the National Labor Relations Board has ruled that a reasonable period of time is thirty days absent unusual circumstances such as violence or intimidation. It is the sense of the Committee that picketing of a health care institution would in itself constitute an unusual circumstance justifying the application of a period of time less than thirty days.

Priority case handling

Many of the witnesses before the Committee, including both employee and employer witnesses, stressed the uniqueness of health care institutions. There was a recognized concern for the need to avoid disruption of patient care wherever possible.

It was this sensitivity to the need for continuity of patient care that led the Committee to adopt amendments with regard to notice requirements and other procedures related to potential strikes and picketing.

The Board's priorities for handling various types of cases were carefully considered by the Committee and some observations and directions to the Board are reflected in the following commentary.

The Committee notes the present existence of priority case handling directives to the Board under Section 10(1) of the Act with respect to charges filed under Sections 8(b)(4), 8(b)(7) or 8(e) and other priority directives under 10(m).

Because of the need for continuity of patient care, the Committee expects the NLRB to give special attention and priority to all charges of employer, employee and labor organization unfair labor practices involving health care institutions consistent with the existing statutory priority requirements for particular classes of cases. The General Counsel and Chairman are directed to take such steps as necessary to provide appropriate investigatory and other resources needed to give this requisite priority to unfair labor practice cases involving health care institutions.

Cost Estimate

The estimated cost of this legislation is $1.2 million in each of the five years following enactment.

Section-by-Section Analysis

Subsection (a) repeals the existing exemption for non-profit hospitals in Section 2(2) of the Act.

Subsection (b) amends Section 2 of the Act by adding a definition "health care institution" to include any hospital, convalescent hospital, health maintenance organization, health clinic, nursing home, extended care facility, or other institution devoted to the care of sick, infirm, or aged persons.

Subsection (c) amends Section 8(d) relating to loss of status when an employee strikes in violation of the section's notice requirements. The Amendment substitutes "any notice" in lieu of the "sixty-day notice" in existing law to allow for the additional notice requirements placed on representations of employees of health care institutions. The loss of status is also extended to violations of the newly created ten-day notice period of section 8(g).

Subsection (d) amends Section 8(d) by modifying the notice provisions of that Section as follows:

1. The requirement for notice of termination or expiration of a contract will be 90 days;
2. The Federal Mediation and Conciliation Service must be given a 60 day notice of such termination or expiration;
3. In initial conract negotiations a 30 day notice to FMCS will be required;
4. The health care institution and labor organization will be required to participate in mediation at the direction of the FMCS.

Subsection (e) amends Section 8 by adding a new Subsection (g) which provides that labor organizations give a 10 day written notice to the health care institution and the FMCS before engaging in any picketing, strike of other concerted refusal to work.

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[3] By our reference to *Extendicare*, we do not necessarily approve all of the holdings of that decision.

DEATH PENALTY

Mr. McCLELLAN. Mr. President, on March 13 the Senate decisively passed S. 1401, a bill to establish rational criteria for the mandatory imposition of the sentence of death. Since that time I have received a large volume of mail on the subject, overwhelmingly in support of the Senate action.

I have received a copy of a letter addressed to the New York Times in reply to a column by Tom Wicker, entitled "Death and Demagoguery" which appeared in the New York Times on March 15, 1974, and on the same date in a Richmond, Va., newspaper under the heading "Politicians Selling Out on Death Penalty." I ask unanimous consent that the letter and article be printed in the Record following these remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. McCLELLAN. Mr. President, in essence the article implies that legislators across the United States—both State and Federal—support capital punishment legislation against their better judgment as a sell out to the "public's heightened fear of crime." This simply is not true. Before the Supreme Court's decision in *Furman* v. *Georgia*, 408 U.S. 238 (1972), some 40 States and the Federal Government carried laws on their books selectively making capital punishment available for certain serious crimes. In my judgment, Furman misapplied the Constitution in invalidating these statutes as administered. Be that as it may, the decision imposed an obligation on Federal and State legislators to at least make every effort to insure evenhanded administration of capital punishment provisions already in existence. That is what S. 1401 does. It attempts to cure the defects in manner of administration pinpointed in Furman.

Mr. President, the article also takes legislators to task for responsiveness to public concerns. Perhaps the public's growing fear of violent crime did play a part in the Senate's decision to respond to Furman. We do respond as legislators to the public's concern with the rising crime rate. The Congress enacted the Safe Streets and Crime Control Act of 1968, and has since appropriated millions of dollars to carry out its programs. The Congress enacted the Organized Crime Control Act of 1970, with provisions to provide increased sentences for dangerous special offenders, and other procedures for effective prosecution. These are just two of numerous examples of the response of Congress to public concern with serious crime. The capital punishment bill is also a response to public concern—a fact for which I find no cause for apology.

EXHIBIT 1

JACOBS, NACHMAN, MURCHISON & NACHMAN,
Newport, News, Va., April 12, 1974.

Mr. TOM WICKER,
New York Times, New York City, N.Y.

DEAR SIR: I have read and re-read your column which was issued by the New York Times service and published in the Richmond, Virginia, newspaper the 15th of last month. I am going to say to you as I have to others, including a college class in Government recently.

Please tell me—if two men broke into your home, tied you, compelled you to lie on the floor while one of them held a gun on you, made you witness the rape of your wife and after each one had raped your wife, they then compelled her to commit the most vile, unnatural sexual act on them—would you then be in favor of the death penalty or not?

I state this because it has actually happened on several occasions recently in the small town where I have lived all of my life and has also happened in the surrounding area.

You may bellow as much as you desire. You may quote all the figures that you desire, particularly from the N.A.A.C.P. I have been practicing law for 46 years. I have always enjoyed a very extensive criminal practice and notwithstanding what you and the sociologists and do-gooders have to say about it, the fact remains from my experience, that the only thing the real criminal fears is the death penalty. There's one thing the decent, respectable people can be assured of: the same contemptable scoundrel will not commit the same crime again. Senator McClellan is correct.

Hanging should be in the public square and you can just bet your life that there would be a vast reduction in rapes, robbery-murders and kidnappings if justice acted swiftly and surely.

You speak about the Supreme Court of the United States. Name me one man in the Supreme Court who has ever had any dealings with criminals or has ever represented any criminals. You, of course, are compelled to agree with me that the Supreme Court of the United States is not a legislative body and it is not up to them to pass the laws, which they have been doing.

I desire an answer from you. Suppose it happened to your wife as I related above and you were the victim lying on the floor witnessing same. As far as I am concerned, the same thing applies to the Supreme Court of the United States.

You mislabeled your column when you stated, "Politicians selling out on Death Penalty". There never was any justice for eliminating same. Those who oppose the death penalty are catering to a group for their votes.

Sincerely,

BEN JACOBS.

[From the New York Times, Mar. 15, 1974]

DEATH AND DEMAGOGUERY

(By Tom Wicker)

The Senate of the United States has voted 54–33 to restore the death penalty for a wide variety of Federal crimes, and the House of Representatives undoubtedly will follow suit—both at the urging of Richard Nixon. This would be one of the most astonishing and tragic turnabouts in history, were it not for the likelihood that it is more nearly another example of supine politicians pandering to the basest passions of their constituencies.

In 1935, 199 persons were executed in America. In 1950, 82 were put to death. By 1963 the number had fallen to 21. Since 1967, no execution has been carried out in this country. In 1971, nine states had abolished the death penalty by legislation. Others, like New York, had limited it to certain rare crimes. Elsewhere in the world, since 1922, 41 nations had abolished the death penalty. And in 1972, the Supreme Court of the most populous state, in one of the most brilliantly argued decisions of our time, made California the first state or nation to abolish capital punishment by judicial decision.

In 1972, in a far more limited ruling, the Supreme Court of the United States held that the death penalty, as then administered, was unconstitutional—not in itself, but because, as Mr. Justice Stewart argued, it was "so wantonly and freakishly imposed." But that was the high-water mark of the American movement against the death penalty—and in fact seems to have turned that movement around.

Since then, 21 states have restored the death penalty by legislation that they believe satisfies the Supreme Court ruling. The voters of California overturned that state's Supreme Court decision and reinstated capital punishment. The highest courts of North Carolina and Delaware took judicial action to make death a mandatory sentence in certain cases. A handful of other states have sentenced people to death under old statutes that may or may not meet Supreme Court requirements.

All told, as shown by a study prepared by the N.A.A.C.P. Legal Defense and Educational Fund, 72 people now are on Death Row—31 in North Carolina, 17 in Florida, eight in Georgia, five in Massachusetts, three in Texas, two in Montana, and one each in New Mexico, Pennsylvania, South Carolina, Utah, Louisiana and Virginia.

What brought about the reversal? Crime rates are on the increase, including violent crimes, but not in a pattern that suggests the near-abolition of the death penalty had anything to do with the rise. Death-penalty states had rises as sharp as those without it, sometimes more so. Moreover, a chart in the Federal Government's new book, "Social Indicators 1973," shows that murder and negligent manslaughter occurred at a steady rate of about 10 per 100,000 of population in every year from 1933 through 1972, a period that included, first, a high number of executions, then zero executions for such crimes.

Yet, all the same tired and deceiving arguments are being made by death-penalty advocates like Senator McClellan of Arkansas—it deters murder, it protects society, it makes a rapist think twice. There is not a shred of statistical evidence to support any such claim, any more than there was five years ago, or ten. Capital punishment may be justified, by those who wish to do so, as sheer societal revenge; but those who maintain that it is a deterrent were shown up as the hypocrites they are by the "repulsive" amendment proposed by Senator Harold Hughes of Iowa.

Senator Hughes, a bold and humane man, would have required all executions ordered under the Senate bill to be carried out publicly, even televised. He argued that if there is any deterrence in death, surely that would emphasize it. But one of the arguments of the California Supreme Court in 1971 had been that the modern public, not accustomed to hangings in the town square, and however it might theoretically approve capital punishment, would rebel against having actually to watch the death sentence being carried out. Sure enough, the Senate rejected the Hughes amendment, 81 to 10, exposing the deterrence argument for the sham it is.

What, in fact, is happening is that politicians everywhere are selling out to the public's heightened fear of crime. Most of them are under no real illusion that capital punishment will actually prevent crime or protect the public. Given the absence of executions since 1967, and the likelihood of a new Supreme Court review of the matter, probably most of them do not really expect anyone to be killed by their legislation.

It can only be hoped that they are right, that this bloodthirsty posturing is only that, although white Americans need not worry too much in any case. When 631 persons on the old Death Row were reprieved in 1972, 57.7 per cent of them were nonwhite. Of the 72 persons already on the new Death Row, 41 are black and one is an Indian—58.3 per cent nonwhite. No change there, either.

RESTORATION OF THE DEATH PENALTY

Mr. McCLELLAN. Mr. President, I continue to feel strongly that the Senate acted wisely, when on March 13, 1974, by a vote of 54 to 33, it approved legislation establishing rational criteria for the imposition of capital punishment and restoring the death penalty for certain specified crimes.

As I commented at the time the bill was debated in the Senate, I think it is indeed a great tragedy that a Nation such as ours, which offers so much to so many, needs the death penalty to protect its citizens. But, although it is sad and lamentable, there is no other course that squares with justice under the law.

Mr. President, under the very restrictive provisions of the Senate bill, capital offenses are limited to treason, espionage, and offenses resulting in the death of another person. Only after guilt has been determined would the jury seek to determine whether or not the death penalty should be imposed. I believe we have correctly responded to the challenge of the Supreme Court in the case of *Furman* v. *Georgia* [408 U.S. 238 (1972)], in which the Court held that capital punishment itself is not unconstitutional, but rather its imposition in an arbitrary, unpredictable manner provides the constitutional defect. I am hopeful that the House will be quick to consider and pass this necessary legislation so as to provide a greater measure of protection for all of our citizens and help to insure a safer society.

Mr. President, my attention has been called to a very thought-provoking column by Jenkin Lloyd Jones, "No Death Penalty Cheapens Life," which appeared in the Arkansas Democrat on Sunday, April 14, 1974. Mr. Jones poses the question: "Is human life priceles?" He concludes otherwise. To quote his words:

> A life saved in a manner that must result inevitably in the loss of other lives is overpriced. Historically, society has considered the life of the strangler less valuable than the life of the strangled.

Mr. Jones states that it is only in recent years that we have become so confused over our value judgments as to be unable to fix blame on anyone except society itself.

I ask unanimous consent that Mr. Jenkin Lloyd Jones' article be printed in the Record following my remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

No Death Penalty Cheapens Life

(By Jenkin Lloyd Jones)

How much is a human life worth?

The quick answer, of course, is that a human life is priceless, but we don't really mean it.

If the 55-mile-an-hour speed limit is continued for a full year the National Safety Council estimates that 8,000 lives would be saved. If we dropped the speed limit to 10 miles an hour we'd save 50,000. No one seriously suggests that. We are willing to spend many thousands of lives for the convenience of speed.

A military force is designed to inflict death at the risk of dying. If life were absolutely priceless, peace by quick surrender would be called for.

But man learned long ago that some degree of dying is preferable to rule by sadists, maniacs or bullies; that opening the city gates to Attila was riskier than defense, and that there was nothing very ennobling about a peaceful march to the gas chambers of Dachau.

What we must now begin to consider in America is what degree of respect for life can, paradoxically, result in cheapening life.

The death penalty was virtually outlawed by the U.S. Supreme Court on the grounds that it was applied unevenly. No doubt it was. It has been a long time since a millionaire was hanged. But the stubborn pretense by some college sociology departments that the threat of execution "deters no one" didn't do very well in the audit.

There is no better refutation of this pious delusion than the rapid increase in murders of police and peace officers since death rows emptied. It used to be conceded that if you killed a constable you got the chair. Now, instead of dead cop-killers, we just have dead cops.

Americans are now being murdered at the rate of more than 20,000 a year. The April 1 FBI report indicated that in the last quarter of 1973 rapes were up 10 per cent and murders 6 per cent over the year before, against a population increase of about 2 per cent.

How many bleeding hearts who urge governors to veto the rash of new capital punishment bills have ever attended the funeral of a murder victim?

Commenting on the current wave of kidnapings, Dr. Herbert Modlin, director of preventive psychiatry for the Menninger Foundation, says Americans value life so highly we will pay almost anything to buy back the victim of a snatch. This astonishes most of the world that understands that crime, like anything else, flourishes on rewards. To refuse to pay, says Modlin, would undoubtedly cause deaths before unprofitability killed the racket.

"American society," he concludes, "won't make such a decision. We are softies and are being taken advantage of."

So what else but execution for kidnapers who destroy their victims? Otherwise, how many more victims will die; for once the money is in hand, why leave a witness.

Some preachers are constantly coming up with that line from Deuteronomy where the Lord says, "To me belongeth vengeance." If that were to be taken literally man would have no right to pass a law, make an arrest or build a jail, for any degree of punishment is vengeance. Society couldn't long exist if no man could raise his hand against a human predator.

Tolerance is fine, but where tolerance becomes absolute the end is chaos. The shame of the San Francisco Bay area was not the kidnaping of Patricia Hearst, but the swarms of people, many of them far above poverty level, who snatched for the free steaks. A permissive society had obviously reached the point where participation in the fruits of crime had become a lark.

Any life is priceless? Not at all. A life saved in a manner that must result inevitably in the loss of other lives is overpriced. Historically, society has considered the life of the strangler less valuable than the life of the strangled.

It has only been in recent years, and particularly in this country, that we have become so confused over value judgments, so bemused by the theory that the criminal must be driven by forces beyond his control, that we haven't been able to think of anyone to blame except society itself.

And look what that has gotten us.

Let's come off it, lest life become cheaper than ever.

FISCAL YEAR 1975 AGRICULTURE APPROPRIATIONS

Mr. HUMPHREY. Mr. President, I was privileged today to present testimony before the Subcommittee on Agriculture, Environmental and Consumer Protection, of the Senate Committee on Appropriations, on important aspects of the fiscal 1975 budget for programs administered by the Department of Agriculture.

The agricultural appropriations are the life blood of a whole host of programs to feed needy people, to expand food production, and to increase the vitality of our rural communities. I have recommended several very modest increases in fiscal year 1975 appropriations for these programs which I feel are vital for our people.

Mr. President, I ask unanimous consent that the text of my prepared statement be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement of Senator Hubert H. Humphrey

Mr. Chairman, I want to thank you for this opportunity to appear before this Subcommittee today. I know it is not a new experience for you to hear from me concerning funds for agriculture, food programs and rural development. You and other members of this Subcommittee have demonstrated great understanding regarding the federal funding needs of these programs in the past and I know from my experience that you will continue to do so in the future.

President Lincoln once described the U.S. Department of Agriculture as the "people's Department". Given its many missions and programs, particularly those relating to food production, protection and distribution, such a description of this Department is most appropriate.

I appear here before you today in several capacities:

(1) As a Member of the Senate Committee on Agriculture and Forestry;

(2) As Chairman of the Consumer Affairs Subcommittee of the Joint Economic Committee;

(3) As a member of the Senate Committee on Foreign relations, and

As an individual American citizen who is gravely concerned about the needs, aspirations, and future of the American people.

Mr. Chairman, these past two years we, and the rest of the world have seen a dramatic change in the world food and agriculture situation. Food and agriculture policy today must deal with scarcities, rather than surpluses. Production planning is directed today toward expanding, not retiring acreage. Availability of raw materials essential to the production of food, such as fuels and energy, fertilizer, and petrochemicals, are becoming increasingly scarce and more expensive. The inflationary pressures in our economy continue to drive the cost of all production and consumer items to new heights, which means, among other things, that government too must pay more for what it buys or pays for, such as the cost of food programs for our nation's children and needy families.

And, along with today's inflation and economic downturn could come more eligible participants for many of these government assisted programs.

In my judgement, our nation's economy is completely out of control, and until such time as it is brought back under control, billions of tax dollars will be required to be spent to offset the economic disparities that persist in our society.

And, let me now turn my attention—and that of this Subcommittee—to some of these disparities and the funding needs of people and communities served by the U.S. Department of Agriculture in relation to the President's Fiscal 1975 budget request for such purposes.

FOOD AND NUTRITION PROGRAMS

Mr. Chairman, it is true that the Administration's FY 1975 budget includes increases for federal food assistance programs. It should be clearly understood, however, that nearly all of this increase is caused by the rapid inflation of food prices, and that hardly any of the increase results from any expansion of the programs to reach more poor and malnourished Americans.

Expenditures for the food stamp program, for example, are estimated at $3.985 billion. However, the budget predicts that average food stamp participation in FY 1975 will be at 15.0 million. Participation in the two family food assistance programs (food stamps plus commodity distribution) has remained stationary at this level for over two years. In December 1971, participation stood at 14.9 million. In December 1973 it was 14.7 million. The increase in the food stamp budget is entirely accounted for by:

(1) The increase in food stamp allotments to keep up with rising food costs.

(2) The termination of the needy family commodity program and its transfer to food stamps, with a corresponding savings in the funding for the commodity program.

In addition, the budget shows that the number of lunches served in the school lunch program has not changed from FY 1972 through FY 1974 and *is expected to remain* the same in FY 1975. Here, too, the rise in food costs accounts for nearly all of the increase in federal expense.

Thus, the increases in the food assistance budget result largely from the Administration's inability to hold the line on food prices, not from any overgenerosity on Congress' part.

Consequently, the *Administ*ration's overall FY 1975 food assistance budget, with its upward cost-of-food adjustments in some areas, masks the fact that it also includes cutbacks or freezes in any other areas that are vital to the health and well-being of low income Americans.

SCHOOL LUNCH

Several million school children, including up to 2.5 million poor children, still attend schools with no school lunch program.

A principal reason why so many schools remain outside the program is their lack of food service equipment. Lack of equipment assistance may be the single most important roadblock to bringing these schools into the lunch program.

In addition, thousands of other schools suffer from outmoded, inadequate and inoperative equipment.

In 1972, Congress directed USDA to undertake a study of the equipment needs of the nation's schools. Last month, USDA Assistant Secretary Clayton Yeutter submitted to Congress the final results of this survey. It showed a need of $177 million.

Another survey, this one of state school lunch directors, was undertaken earlier this year by the Food Research and Action Center in New York City. The State Directors reported a need of $73.2 million for equipment in fiscal 1974 alone. USDA will spend only $28.1 million in FY 1974, however.

Now USDA is proposing a spending cutback of over $6 million—to $22 million for FY 1975. This flies in the face of USDA's own survey.

Congress has authorized expenditure of $40 million in FY 1975, and I wish to urge that the full $40 million be appropriated.

If only $22 million is spent, as USDA proposes, the federal government will be stuck with far larger bills for equipment aid in future years, by which time the price of this equipment will no doubt have risen substantially. The alternatives are to meet the need now, or to pay more later and to make children go without school lunches in the meantime.

SCHOOL BREAKFAST

In 1972 Congress authorized expansion of the school breakfast program to schools that request and can run the program. Congress recognized, as a growing body of medical evidence shows, that breakfast can be the most important meal of the day and that lack of breakfast can substantially impair performance and learning in school.

To date, only small expansion of this program has occurred. In FY 1974, USDA estimates the program will reach 1,537,000 children, or about 6 percent of those in the school lunch program, and only about 18 percent of those receiving a free or reduced price lunch.

In February 1974, only 10,818 of over 100,000 schools in the country had breakfast programs. Yet a survey of State directors by the Food Research and Action Center in New York City in 1972 showed 21,720 schools desiring the program.

Why then has more growth not occurred? The Committee on Domestic Hunger of the National Council of Churches, which is now assisting schools in initiating breakfast programs, reports that small appropriations for the program, and small apportionments to states, have effectively placed a lid on the program. State directors are reluctant to encourage breakfast programs, and schools fail to apply because of the belief that available funding does not exist. State authorities have failed to publicize the program, and parents often are not aware it exists.

The Administration's budget offers no relief—it exacerbates the problem by effectively imposing a spending freeze on the program. The budget shows that $70.1 million will be spent in FY 1974 and requests $77 million for FY 1975. This increase will do no more than cover the rise in breakfast reimbursements caused by inflation. Even if food prices in FY 1975 average only 10 percent above FY 1974—a dubious assumption—the entire $6.9 million increase will still be consumed by paying the higher reimbursement rates for exactly the same number of breakfasts as were served in FY 1974. To states and local school districts, the program will thus appear to be frozen.

This scenario, incidentally, does not appear in USDA's budget because its breakfast program projections are based on a rise in food prices of less than 2 percent from FY 1974 to FY 1975. (The budget shows the average breakfast reimbursement increasing from 27.5 cents to 28.0 cents.)

To insure compliance with Congress' mandate that this program be made available to schools requesting it, an additional $75 million would be necessary. However, I am requesting today an increase of only $23 million over the Administration request, to provide a total of $100 million for the program in FY 1975, to ensure that some small growth in the program does occur. This amount will merely (1) cover the 15 percent or more inflation rate that will be reflected in higher reimbursements, and (2) bring the number of children in the program close to 2 million, which would still be less than 22 percent of those receiving free and reduced price lunches.

SUPPLEMENTAL FEEDING

The Supplemental Food Program provides nutritious foods to pregnant and nursing women, infants, and young children, the segment of the population at greatest nutritional risk according to the White House Conference on Food, Nutrition, and Health.

Today 84 of these programs across the country are about to die because of USDA policies.

USDA is requiring all supplemental programs located in counties with commodity distribution programs to shut down when those counties transfer to food stamps. Yet 109 supplemental programs in counties already having a food stamp program are allowed to continue. Such logic defies explanation.

When the Congress enacted legislation last year replacing the family commodity program with food stamps, there was no intention of forcing 84 supplemental programs to close their doors or of depriving thousands of mothers, infants, and children of food.

USDA Assistant Secretary Clayton Yeutter testified last month before the Senate Agriculture Committee that his Department wishes to transfer the Supplemental Programs into the WIC program, or some other voucher program in FY 1976. But 84 of these programs would not agree to be transferred. They will die on or before June 30 unless Congress extends them.

What is particularly cruel is the fact that USDA refused to allow Supplemental programs (with one or two exceptions) to enter the new WIC program this year; USDA said that new areas should get the WIC program. Not being allowed to transfer to WIC, these 84 programs are now being forced to die.

Included in this list of doomed programs are 43 of the 46 supplemental programs in Missouri, all six in Oregon, all five in Georgia, 18 of 24 in North Carolina, four in California, three in Nevada, two in South Dakota, and one each in Alabama, Kentucky, and Massachusetts.

By next year, USDA should have ready its medical evaluation report on the WIC program. Surely these programs must be kept alive until Congress can consider this report and chart future directions for food assistance in this area.

The cost to do so would be small—$1.4 million. And over the long run, the savings would be significant in terms of benefits that the government would otherwise have had to furnish in later years if these children were to develop to their potential and not be retarded or stunted from malnutrition in their first years of life.

The Supplemental Program can be important in dealing with serious problems such as these. A recent report by the Children's Foundation in Washington, D.C. finds that in some areas of the country with Supplemental programs, infant and maternal mortality rates have declined significantly since the Supplemental program was instituted. The report also finds that in areas sampled by the Children's Foundation the overwhelming majority of participants in the supplemental program are not enrolled in the food stamp program, indicating that the Supplemental Food program is the only nutritional assistance these mothers, infants, and children are getting.

Administrative Funds—The Supplemental program also needs a small amount of administrative funding to keep alive during FY 1975 those programs based in agencies that have in the past been funded by the Office of Economic Opportunity, and that will be unable to maintain their program when OEO funding ends. Twelve programs in Iowa closed in FY 1973 for lack of administrative funds. Since the Congress has authorized administrative funds for WIC programs, and has not permitted supplemental programs to transfer to WIC at this time, it should at least allow a minimal amount of funds to those supplemental programs which would otherwise go out of existence so that they may continue to serve mothers, infants, and children until Congress decides the fate of both the WIC and Supplemental programs. There are 58 supplemental programs that are now in danger of termination because of USDA's failure to provide administrative funds. These 58 programs include a number of the largest supplemental programs in the country, which include nearly 30% of all eligible participants now in the program nationwide.

Only $1.4 million is required for this important task. This amount, combined with the other $1.4 million needed for program commodities would mean adding $2.8 million to the supplemental feeding program budget request for fiscal 1975, a small price to pay for maintaining these essential programs. I wish to urge that these additional appropriations be provided and that language be added in your report that any programs terminated as a result of USDA's interpretation of the Agriculture and Consumer Protection Act of 1973 regarding these programs, be reopened.

COMMODITY DISTRIBUTION TO INSTITUTIONS

According to USDA figures for 1972, over 1 million institutionalized persons in 8,582 institutions are eligible for USDA-donated commodities. Those benefitting are the elderly, children who are wards of the states, the chronically ill, and those in correctional facilities. People in chronic medical facilities and in custodial facilities account for 60% of the eligible population.

In 1973, $24.2 million was spent on commodities for these institutionalized people. In 1974 $18.86 million was appropriated; figures on what was actually spent are not yet available. In 1975, USDA has asked that the appropriation be cut to $16.03 million.

Such a cut could have a disastrous effect on the flow of supplemental foods to institutions. Recent figures show that the cost of food has risen twenty percent above costs a year ago. Government-operated and private, nonprofit institutions simply cannot increase their food budgets to compensate for that increase.

Therefore, I would like to urge that Congress appropriate $20.74 million, a ten percent increase in appropriations over the 1974 figure. This would guarantee a flow of supplemental foodstuffs to those who perhaps would not be fed adequately without them.

DAY CARE FEEDING

Here too, USDA's budget would impose a near freeze on the program. $30 million is available for day care centers not in the Headstart Program in FY 1974. This figure was insufficient in a large number of states. The FY 1974 budget would increase funding to only $34 million, an increase of only about 13 percent. Since USDA is proposing the first reimbursement increase since the program was instituted in 1969 (during which period food prices have risen nearly 50 percent), the increase may be eaten up by inflation without bringing any new children into the program.

This is a program that is now failing to reach most poor children in day care centers. (According to HEW's own figures, over 300,000 children of welfare recipients were in day care in 1973; nearly 700,000 children in all were in day care programs provided under the Social Security Act. Yet only 195,000 children were served meals under the special feeding program in fiscal 1973, and many of them were receiving far less than they might have under the Act).

(1) *Waiting Lists*—Many states are forced to deny assistance to applicants because of insufficient funds.

Moreover, some states have discouraged applications because they have no funds for new centers.

(2) *Reimbursement Rates*—Although food prices have skyrocketed since the program was established in 1969, the maximum reimbursement rate has remained the same: 15¢ for breakfast, 30¢ for lunch or supper, 10¢ for a snack. USDA is now recommending the first increase in these rates—to 17¢, 34¢ and 11¢ respectively—an increase of little more than 13% during a period when food prices have risen by more than 50%.

Note: In a 1973 survey of 21 states, the Food Research and Action Center found that the average "adequate" reimbursement rate for three meals would be 23¢, 42¢, and 14¢.

Yet, most states do not pay even these inadequate rates, because they do not have sufficient funds to do so. In fact, the average reimbursement rate for meals served in FY 1973 was only 16.3 cents, and this represented a decline from the average payment of 16.4 cents in FY 1972 and 16.5 cents in FY 1971. The result has been a decline in the quality and quantity of food served in centers throughout the country.

(3) *Specially Needy Centers*—In addition to authority to reimburse programs for meals served up to the maximum rate, states may provide higher reimbursement rates, covering up to 80% of operating costs for food service, to specially needy centers that serve nearly all poor children and that lack other financial means to pay a larger portion of food costs.

However, states rarely provide 80% funding, because they do not have adequate funds to meet these special needs and still provide regular reimbursement to other approved programs.

In 1973, the Food Research and Action Center (FRAC) found that of 5,030 centers in the special feeding program, only 119 were receiving 80% funding. (For example, in South Carolina, 3 out of 110 centers were receiving 80% funding; in Missouri only 1 of 133; in Colorado, none of 46).

(4) *Non-Food Assistance*—States may use up to 25% of their funds to provide non-food assistance, that is, to pay for costs of kitchen equipment. Many centers serving low-income children need such help before they can feed children. However, this authority is seldom used, again, because it means taking limited funds away from the regular reimbursement program.

(5) *Ineligible Programs*—The statutory definition of eligible programs broadly includes day care homes as well as larger centers. However, USDA has narrowly limited eligibility to certain types of programs. Specifically, USDA has made all family and group day care homes, i.e., homes that provide care for up to 12 children, ineligible for this program. Yet the overwhelming proportion of children in day care are in these kinds of facilities. What is more, payment for such care is rarely adequate to cover costs of any sort of decent meals.

Not surprisingly, the result of this situation is that many state directors across the country have complained, often bitterly, about the inadequate levels of funding for the program. 27 of 44 state directors responding to a recent Food Research and Action Center survey said that even under current USDA regulations (with family and group day care centers ineligible) their FY 1974 funding was inadequate and could not meet current needs.

An earlier Food Research and Action Center survey of selected states, undertaken in January 1973, shows the dimensions of the increased funding needed. State directors responding to this survey reported the amount of annual funding needed to bring in centers waiting for the program as well as to fund equipment assistance requests. The amounts needed for these purposes just in 23 states total $11.4 million more than FY 1974 funding levels for these states. (See appendix A for survey results for the States of Minnesota, Missouri, Nebraska, Hawaii, and West Virginia). Furthermore, the funding estimates shown in the surevy are now, in April 1974, *low* for the following reaons:

(1) Since this survey was taken, wholesale food costs have risen more than 20 percent.

(2) State directors' respenses to the survey are based on reimbursement rates existing in January 1973. State officials' desires for substantially higher rates are not reflected in this survey, nor are USDA's own current proposals for moderately higher rates on July 1.

(3) This survey does not reflect a need for funding levels that will permit classification of more centers as specially needy and hence make it possible for centers in the poorest areas to apply for the first time.

Therefore, I wish to urge this Committee and the Congress to take the following actions:

(1) Increase total funding for Section 13 from the requested $109.6 million to $130 million, with the additional funding going to the day care program.

(2) Mandate that any unused funds from the summer component of Section 13 be used in the day care feeding program, and that any unspent funds not so transferred by the end of the fiscal year be carried over and spent. (In FY 1973, at the same time that applications from hundreds of day care centers were being turned down due to lack of funds, over $20 million in summer feeding funds went unused and were returned to the Treasury. In FY 1974, with the squeeze on the day care program continuing, it appears that $15 million in summer funds will be returned unspent.)

(3) Mandate that any unspent funds for the new Headstart component of Section 13 be used in the day care program and carried over if not so transferred and used before the end of the fiscal year. USDA officials freely acknowledge that the $25 million requested for Headstart centers is just a guess, since Headstart centers are now eligible for the first time and are just beginning to enter the program. If the $25 million proves more than is necessary, USDA should be required to use it in the day care program. If the $25 million proves insufficient USDA should not take funds away from the day care program, but should instead take them from unused summer feeding funds, if available, or from other sources.

PILOT UNIVERSAL LUNCH PROGRAM

This Committee is concerned as I am to insure adequate nutrition for children, particularly when they are away from home at school or in supervised activities. It seems likely that we are moving toward some form of universal food service, just as we now provide transportation and textbooks. But it is equally obvious that neither the Congress nor the States are prepared at this time, either with adequate knowledge of how to proceed or with the managerial and administrative capacity to do so efficiently and effectively. We should use this period of time to gain more information and to study how to avoid some of the more obvious mistakes we otherwise can expect to be made.

Therefore, I would urge this committee to invest a modest amount, not to exceed $10 million a year for the next three years in a pilot universal lunch program. This amount should adequately fund four or five school district programs in food service. Projects should be located in rural, urban and suburban areas, and should encompass districts which have both high as well as low levels of current participation. Activities to be emphasized in this pilot project should include nutrition education for the teacher and for both the students and their families. Emphasis should be placed on developing a food service system which does not rely on the public treasury to meet increasing costs, but which will develop better procurement methods and which will utilize competent professionals in food technology and nutrition. The pilot projects should also provide a means to develop professional competence in food service, both through in-service training to provide career ladders and through internships to attract young people starting out their service careers.

We should insist that the Food and Nutrition Service proceed with greater competence in this effort than they have displayed with the program for infants, children and women. States and school districts should participate fully in the development of this program, and in the design of the evaluation. The USDA should be told that the Congressional committees which are concerned with these programs should review the program during its development and prior to any implementation.

I would like to turn now to a number of items under the general heading of Rural Development in the budget which I wish to urge the Committee to consider.

RURAL DEVELOPMENT PROGRAMS

Having personally led a major effort in Congress in 1972 to help revitalize our nation's rural areas and communities, I am deeply concerned about the federal funding aspects underlying that effort today which as you know, is now embodied in the Rural Development Act of 1972.

The funding of programs under that Act during the current fiscal year has been very modest, mainly due to the limited requests for funds made by the President last year.

Mr. Chairman, the people of rural America have waited long enough for the President and the Congress to respond to their social and economic needs. It is time for Congress to consider providing *full funding* for *all* of the provisions under the 1972 Act, and the President should be required, if necessary, to administer and fund the programs covered under the Act, accordingly. As you know many provisions of the Rural Development Act have never been funded, such as Title IV dealing with Forest Fire Protection; the small farmer research and extension provisions of Title V; or, the rural development planning grant provisions. All of these programs deserve to be fully funded, and beginning with fiscal 1975.

Other provisions under this Act have been only partially funded which, in my judgment, deserve more funds in the future. With respect to many of these items, the President is again requesting insufficient funding levels for fiscal 1975 in my judgment. Let me review some of these items in detail:

Rural Community Facility Loan Program—Under this program, insured loans to public bodies and Indian tribes are authorized for the construction of essential commodity facilities. These are 40 year loans to be made at a maximum of 5 percent interest rate. The 1975 fiscal year budget request for this program is $200 million, about one half the amount that I think it should be for next year. Therefore, I urge that at least $400 million be appropriated for this loan program for fiscal 1975. Rural communities desperately need loan funds for these purposes, both to improve the services and facilities in these communities and to attract jobs and industry.

Rural Industrial Loan and Rural Enterprise Programs—The industrial loan program under the 1972 Act authorizes both insured and guaranteed loans. The 1975 budget request calls for only $200 million covering both insured and guaranteed loans. I would like to urge that $400 million be appropriated in Fiscal 1975 for "insured" industrial loans and that no limit be placed on "guaranteed" loans made for such purposes. If the intent of Congress regarding rural revitalization and development is going to be carried out, business and industrial growth in such areas must receive greater encouragement through such loan programs.

The same applies to funding the rural enterprise program authorized in the 1972 Act. USDA has not loaned any funds under this program since the Act was signed into law in August of 1972. As you know, under this particular program, rural residents are eligible to borrow funds to purchase real estate or for operating purposes in connection with non-farm type enterprises. Implementation and funding of this program could help many farmers and low-income rural residents acquire and operate small businesses to help supplement their incomes.

Community Facility Grants—Under this grant program a $50 million expenditure level is authorized. Only $10 million has been resuested for fiscal year 1975 in the budget, a sum so small that it is probably insufficient to meet the grant needs of even a single state, let alone fifty.

I wish to urge that the full $50 million authorized for this purpose be appropriated for fiscal year 1975. I believe full funding of this particular provision is essential to even a minimum rural community development effort in this nation. Rural communities must be provided with such grants in order for them to financially undertake many community needs which are so essential to attracting jobs and industry.

FmHA Water and Sewer Grants—The 1975 budget proposes to use $20 million of the funds previously appropriated for water and sewer grants. I strongly urge that the Congress insist that the full amount previously appropriated, $120 million, be used in Fiscal 1975. I also suggest that an additional $180 million be appropriated. A total of $300 million is authorized by law.

The Administration says that grant funds are available from EPA. What they do not point out is that EPA grants are limited to sewage treatment plants and do not include collection systems or any part of a water system. Moreover it is my belief that efficient administration requires that rural community water and sewer system loans and grants be available from the same agency.

I realize that last year Congress passed a bill that mandated the Administration to use the grant funds appropriated and that bill was vetoed. I know the Congress is moving to enact legislation that would check the impoundment of appropriated funds. But I urge this Subcommittee to state in the strongest possible language the will of the Congress regarding the utilization of funds appropriated for these sorely needed community facilities.

FmHA Self-Help Housing Technical Assistance Grants—The 1975 budget provides no funds for the continuation of the self-help housing program. This is an extremely worthy activity in which people build their own homes by the sweat of their brows with the assistance of construction supervisors and group organizers paid for by FmHA technical assistance grants. This activity should be continued at the full level currently authorized by law: $5 million.

The Administrator of the FmHA when he appeared before this Subcommittee a few weeks ago said that self-help TA was being abolished because it was hard to find people who were willing to participate and construction supervisors who were competent. He indicated that this made the technical assistance costs too high.

It is my belief that this program has never received the support it deserves from the Administration. I realize that it must take time to find participants and competent construction supervisors but what evidence has the Administration provided that it has conducted training programs that would provide group organizers and construction supervisors with the necessary skills?

What evidence has the Administration offered to show that the program has been conducted on a scale large enough to cut down the TA cost per house? Not once since 1968 when FmHA was authorized to provide TA grants has the Administration asked for the full amount authorized by law: $5 million per year.

FmHA Grants for Home Repairs—The 1975 budget does not request any grant funds for the type of housing rehabilitation authorized by Section 504 of the Housing Act of 1949.

These are small grants that were once made by FmHA to elderly couples who need to patch their roofs, replace broken window panes, bring running water into their kitchens, install a bathroom. I suggest that at least $10 million be appropriated for this purpose.

This would require eliminating from the appropriation bill language which was inserted by the House back in the mid-sixties and which has been repeated in every Agriculture Department Appropriation Act since then. The language, in effect, says that no administrative funds of the FmHA can be used to administer Section 504 grants. I think it is time the merits of these grants were re-evaluated and the program reestablished.

FmHA Farm Labor Housing Loans and Grants.—The 1975 budget provides no funds for farm labor housing loans and grants. The Budget states that "the Government's role can best be served by other programs". But what other programs are there? None, that I know of. Farm workers are the poorest housed of any of our people. I suggest that the maximum currently authorized by law, $18 million, be appropriated for grants and an equal amount be provided through insured loans.

The need is obvious. In 1973, a survey made by FmHA at the request of this Subcommittee showed a need for 130,000 farm labor housing units in 400 counties.

Rural Electric Programs—Due to the rapidly increasing energy requirements in the Nation's rural areas and to the excess inflation which has greatly increased the cost of generation facilities, the capital needed by rural electric systems will exceed $2 billion during fiscal year 1975. P.L. 93–32, passed overwhelmingly by Congress last May, authorized an expanded REA loan program which is capable of meeting the needs of the rural electrification program, which is vital to rural America—in fact, to all America. Congress saw fit to authorize a program of insured loans totaling not less than $618 million and up to $750 million. It authorized guaranteed private loans without specific limit, requiring only that the REA Administrator give 30 days notice of intent to guarantee loans. I recommend that we provide at least $750 million in insured loans this year and that we leave the guaranteed loan provision as it is now.

I commend this Committee for providing an REA program during the current year sufficient to construct the facilities required to avoid future energy shortages in our rural areas. These requirements are continuing to increase; Minnesota's co-ops alone will need over $600 million during the last half of this fiscal year and during the next.

Only through an adequately authorized REA insured and guaranteed loan program will rural areas have the energy they so badly need and deserve. I encourage this committee to continue to recognize the importance of an adequate program in making its recommendations for next year.

Rural Telephone Program—In regard to the Rural Telephone Program, I believe the level of funding by the Administration proposed for FY 1975 to be inadequate. The Administration did not avail itself of the opportunity provided by the 1974 Appropriations Act to loan up to $200 million in REA telephone insured loans but rather is conducting operations at the $140 million level. This is also the amount proposed for FY 1975. At the same time the backlog of unmet loan applications has skyrocketed to over $670 million, the highest ever. From my own State of Minnesota, alone, applications on file on December 31, 1973 totaled $35.7 million, including $8.5 million for systems which meet the standards established in the 1973 Act for receiving 2% special rate loans.

My own purpose in supporting the 1973 legislation was to insure Congressional control of REA and Rural Telephone Bank programs.

These funds now come almost entirely from nongovernmental sources. Except for those borrowers meeting Congressionally specified criteria, the loans are no longer made at a subsidized rate of interest.

Under these circumstances, I believe the Senate should recommend a funding level more in line with the needs; I believe that increasing the recommended lending level of both the REA-Telephone insured loan program and the Rural Telephone Bank to $200 million apiece for FY 1975 would be a realistic step. Of the REA insured loans, I believe at least $50 million should be made available to borrowers meeting the criteria for 2% funding.

Natural Resource Protection and Conservation Programs—The President's FY 1975 budget request for these programs is totally inadequate. The President is requesting only $118.8 million for all such programs authorized or amended by the Rural Development Act of 1972, and the Agriculture and Consumer Protection Act of 1973, which included the new forestry incentives program. I would like to urge that Congress appropriate something closer to $260 million for these programs which include water bank, Great Plains and emergency conservation and REAP programs.

Rural Transportation Studies—Although the final appropriations provided for fiscal 1974 last year did not include my request for $100,000, to be provided to the Economic Research Service to undertake a comprehensive study and analysis of the rural transportation situation in this nation, the Appropriations Conference Committee in its report did require ERS to undertake such a study within the general funds provided. As you know, ERS already has filed with both this Subcommittee and our Senate Committee on Agriculture and Forestry a copy of its interim report in compliance with last year's Appropriations Committee request. And I am very happy to note that $100,000 is included in the President's FY 1975 budget to continue ERS's work in this important area. While I am pleased with the inclusion of this item in the budget, I believe both the scope of such studies and the funds required to carry out such studies should be expanded.

I would like to urge that $200,000 be appropriated to ERS to continue and expand its rural transportation studies to include the rural development and rural resident needs for transportation.

Other General Concerns—The items that I have already commented on in this testimony are those I am most concerned about with respect to Congress providing adequate appropriations in fiscal year 1975. However, there are other items in this budget relating to programs and responsibilities of the U.S. Department of Agriculture that I hope this Subcommittee will review carefully for adequacy. They include funds for rural development staffing, agricultural research, farm safety, and improvement in crop and livestock reporting, forecasting, and monitoring.

Food and agriculture production is a matter of top national priority today, which is as it should be. While I believe programs relating to this end should continue to get high priority for funding etc., we must not forget the other priority needs of rural America, rural Americans and the children and needy families of this nation.

I wish to commend and thank the Chairman and members of this Subcommittee for their continued support regarding these matters. Their record in this regard has been excellent.

TECHNICAL ASSISTANCE

Mr. McGEE. Mr. President, I would like to draw the attention of my colleagues to an article appearing in Focus: Technical Cooperation, a quarterly published by the Society for International Development. The author of the article is Stuart H. Van Dyke, presently serving as Special Assistant for International Assistance to Daniel Parker, Administrator, Agency for International Development.

The article, entitled "Coordinating Technical Assistance: A New Opportunity," is an explanation of the United Nations development program's programing process for technical assistance. This process has fostered a more effective institutional framework for the coordination of technical assistance at the country level. As Mr. Van Dyke points out, the UNDP country programing process encourages the host government and the UNDP resident representatives to keep all donors and development agencies, operating within the host country, informed as to the progress of planning and to involve them wherever possible. The author notes that in historical terms, the idea governments and international institutions can play a major role in expediting the transfer of ideas and technology from one culture to another is new. He feels the UNDP country programing process has provided such an opportunity and it remains to be seen whether recipient nations and, indeed, the donor nations will seize it.

I want to commend Mr. Van Dyke for his excellent analysis; and at the same time, applaud the new Administrator of AID, Daniel Parker, for his attention to, and understanding of, the role of the United Nations in fostering international development cooperation.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

COORDINATING TECHNICAL ASSISTANCE: A NEW OPPORTUNITY

(By Stuart H. Van Dyke)

(After two decades of scattered and sporadic coordination efforts, the country programming process of the UN Development Programme provides a framework through which it may be possible to establish effective coordination of technical assistance at the country level.)

In Ethiopia, there are fifteen separate donor governments administering development assistance programs, plus eighteen multilateral agencies and an assortment of private organizations, churches, foundations and individuals. In Pakistan, the number of separate donor governments is twenty-one, plus approximately the same range of multilateral agencies and private organizations.

Ethiopia and Pakistan are not unique examples. They are typical of the proliferation of development assistance programs that occurred during the 1950s and 1960s.

Technical assistance is a major component of these programs. It accounts for 25 percent of official development assistance, or $2 billion annually, is spread over 100 countries, and absorbs the energies of more than 100,000 people.

Despite this growth, technical assistance programs have been little more than an assortment of discrete projects, each estimable in itself but bearing little relationship to the others or to any systematic analysis of what was most needed. Technical assistance was considered by recipients as virtually a free good. All offers were accepted. More was better.

Recipient countries have learned, however, that, while the foreign experts themselves may be costless, their presence requires local financing and the diversion of resources from other purposes. They have found themselves acting as hosts for an increasing number of survey teams, high-level officials and experts, each with his own requirements for time, attention, support, and statistics.

On the giving end, particularly in the United States, technical assistance has been the target for charges of excessive scatteration, uncertain results, and the growth of a self-perpetuating bureaucracy. Donor governments have been embarrassed to find that one has agreed to finance a project which others have rejected, or that several were simultaneously considering the same project proposal without each other's knowledge.

Gradually, among both students and practitioners of the art, a recognition has grown that technical assistance has to be looked at as one small segment of a larger process; that what is needed is a careful assessment of the development needs of each recipient country, a judgment as to where and how technical assistance can best contribute to those needs, an explicit understanding as to goals, and a continuous dialogue between donors and recipients to ensure that projects are mounted expeditiously and that they effectively meet their goals. Various attempts to achieve these purposes have been made over the past twenty years, none of them very satisfactory. With the advent of country programming by the UN Development Programme, however, a framework has been established within which effective coordination at the country level may be a realistic possibility.

CONSORTIA AND CONSULTATIVE GROUPS

The earliest attempts to tie donors and receivers together in a common front occurred where the problems loomed largest and most urgent: India and Pakistan. In 1958, after informal consultations as to how best to tackle India's foreign exchange problem, the International Bank for Reconstruction and Development invited interested donor governments to sit down with India and work out a financial plan. The idea was that India would present its requirements for outside financial assistance to the group to be screened. Having arrived at an agreement as to how much assistance should reasonably be provided, each member would then adjust his share until the total was reached. A similar group was formed for Pakistan shortly thereafter. The process of country-by-country aid coordination was under way.

The Development Assistance Committee

Meantime, the donors had begun meeting as a group in order to compare and coordinate their general assistance policies. The first such meeting was held in Washington, D. C., in 1959. The group met again in Tokyo in 1960. Nine countries were represented; by this time they had formally constituted themselves as the Development Assistance Group. In 1961, the Group was added to the committee structure of the Paris-based Organization for European Economic Cooperation, which simultaneously changed its name to the Organization for Economic Cooperation and Development and admitted the United States and Canada to full membership. A permanent, full-time chairman was named and the Group (now consisting of twelve members and called DAC, the Development Assistance Committee) was provided with the services of a professional secretariat.

The trends that had begun in the late fifties continued into the sixties. More new developing countries emerged. More industrialized countries established international assistance programs. More donors joined the Development Assistance Committee, raising its membership to sixteen. The consortium concept, however, underwent a metamorphosis. Members found that the idea of reaching agreement on amounts of assistance to be provided during a short time frame and then "pledging" a specific amount was too restrictive. In order to provide greater flexibility (and encourage more countries to participate) the process of formal pledging was dropped in favor of informal consultations about requirements and potential resources. This procedure found wide acceptance, and eighteen developing countries requested that such "consultative groups" be established. The World Bank continued to play a central role in these groups, usually providing a chairman and the documentation on which the group's discussion was based.

Throughout this period, the problems of coordinating technical assistance received only sporadic attention. In computing the resource gap, technical assistance flows were usually so small as to fall well within the margin of error for any one recipient country. Individual technical assistance projects also were small. The busy executives who flew to Paris for one- or two-day meetings of the consultative groups did not have time to linger on to deal with the nitty-gritty of technical assistance. Scheduling the arrival and departure of half a dozen technicians, arranging for university admissions, and seeing to it that local budgets contain a few thousand dollars for space and equipment requirements are not the stuff of which international conferences are made. As a result, the consultative groups, never tackled technical assistance seriously. And even though the consultative groups encompassed most of the larger aid recipients, the great majority of developing countries were left out. Even today, only four countries out of twenty-five on the UN-approved list of the least developed are among the consultative group countries.

Coordination at the country level

The Development Assistance Committee in Paris has done no better. From time to time, it has addressed itself to technical assistance problems, but the nature of its representation, its remoteness from operational problems and the proclivities of some of its members precluded it from dealing in anything but general policy. In fact, it quickly recognized its own limitations, and as an experiment early in its history encouraged the establishment of a "little DAC" in Thailand to do some on-the-spot coordinating. A country-level committee at which embassies of the donors were represented, and which was to be chaired by a local ambassador, was established in 1963. For the past ten years, it has met with officials of the Thai Government and reviewed their development plans. Since there was also a consultative group for Thailand chaired by the World Bank, the local committee has made technical assistance the focus of most of its attention.

The Thai experiment was not repeated, although similar committees, unrelated to DAC, appeared in other developing countries. A few DAC members feared that the establishment of such committees under DAS auspices might give rise to expectations that the Committee was becoming an operational body. However, an awareness of the gap in technical assistance coordination continued to grow, and in 1966 DAC issued its first "Guidelines for Coordination of Technical Assistance," These guidelines asserted that "The coordination of external technical assistance must be carried out 'on-the-spot' and is ultimately a matter for the authorities of the beneficiary countries themselves." They urged the establishment by each recipient govrnment of a central office to do the job.

Five years later, DAC issued a second statement along similar lines, stating that "a fresh effort is desirable to improve the coordination of multilateral and bilateral aid at the local level." It distinguished between local meetings to "exchange views and information on specific requests for assistance of various kinds, on donors' intentions and current programs, and on practical problems of implementation," and meetings of Consortia and Consultative Groups, which deal with "broader issues." As in the previous guidelines, the recipient government was considered to be responsible for coordination in the first instance, but the new guidelines provided that "In countries where no effective coordination arrangements are currently functioning, the representatives of the major international donors, notably the UNDP or the IBRD or if they are not available in particular cases, the representatives of a bilateral or other multilateral donor, may take the initiative to get coordination arrangements organized."

Meantime, the IBRD had also recognized that its consultative groups were not equipped to cope with local technical assistance problems. Early in 1971, the World Bank issued a policy statement which noted the need to supplement consortia and consultative groups with coordinating groups at the country level which would "discuss individual technical assistance and preinvestment activities and requests with a view to avoiding duplication and ensuring that the assistance provided in these fields is well adapted to the recipient country's investment program and its overall development strategy."

The results of the various initiatives taken during the 1960s and early 1970s were spotty. No institutionalized pattern for coordination at the local level appeared. Whatever happened in individual countries appeared to depend more on the personalities involved than on any consensus as to what was needed or how to go about it.

In rare cases, recipient governments let it be known that they preferred to deal bilaterally with donors and looked with disfavor on any group effort which might affect their ability to negotiate on an individual basis. In other (also rare) cases, recipient governments set up special organizational units to coordinate technical assistance on a governmental-wide basis and met regularly with donors both individually and as a group. (In a few cases, this process went beyond project planning into joint evaluation sessions on ongoing projects.) In most recipient countries, however, the coordination process was unstructured, haphazard and barely adequate. Typically, the representative of one of the major donors would call for a luncheon meeting of the other donors, usually inviting a representative of the recipient government. This might then become a monthly affair, with the host changing each month. Or it might not again occur until one of the local representatives felt impelled by some potential or current problem to consult his colleagues.

In 1970, after polling its membership, DAC reported that some type of coordination was taking place at the local level in 31 developing countries. Of these, leadership for 19 groups was provided by bilateral donors; the UNDP led six groups, the recipient country five, and the IBRD one. Two recipient countries were reported to be negatively disposed to the establishment of such a mechanism. The absence of any generally recognized institutional device, despite the wide-spread acceptance of the need for such a device, had left the field to chance and the movement of personalities.

PROBLEMS OF COORDINATION

There are sound reasons why no clear pattern of donor organization has emerged at the country level. Foremost is the sensitivity of donors to fears of the developing countries that donors are "ganging up" on them.

The only formally organized donor group in existence—the Development Assistance Committee of the OECD—has assiduously avoided dealing with specific countries and projects. Some donors, the most vocal of which are the Dutch, object as a matter of principle to any discussion of the economic problems and prospects of a recipient in its absence. Thus, even if it were thought to be desirable, the practical prospect of getting the rich countries to agree to institutionalize donor groups at the country level is remote.

Their reluctance is hardly surprising. In dozens of international conferences, spokesmen for the developing countries have made it abundantly clear that they mean to be consulted when discussions affecting them take place. The enlargement of the IMF's Group of Ten into a Group of Twenty to include the developing countries was a recognition of this reality. Even a luncheon meeting among donors has produced objections in some countries which are especially sensitive on this subject.

Another factor which works against the establishment of such groups at the country level is the wide variation among donors in the administrative arrangements by which aid is delivered. The U.S. aid program has been administered by overseas staffs of some size. Other donors administer their programs from home offices, supplemented by official visits to the recipient country. Still others depend on local embassy personnel. It has not proved easy to maintain the interest of such a disparate group in regular local meetings, or to generate an effective dialogue when it does assemble.

Despite their inhibitions and the problem of maintaining interest, donors will undoubtedly wish from time to time to have some informal contact at the country level to compare notes and exchange ideas. This need can be satisfied without difficulty by personal meetings, telephone calls, and the exchange of documents. But the idea of institutionalizing the work of an exclusive donor group at the country level has proved to be unviable and probably is undesirable as well.

The casual and haphazard way in which technical assistance has been coordinated to date has provided only minimum assurance to donors that their resources are being focused on urgent priority problems. But the fact that technical assistance—despite its growth—is still only a thin veneer on the economies of the developing countries has served to prevent serious international bloopers. Where the veneer becomes thicker, as in family planning, the risk is greater. In one developing country, a team arriving to survey family planning needs was almost, but not quite, met at the airport by the departing members of a team that had just completed a similar survey, without either being aware of the work of the other. And in an African country where water is scarce, there are already several agencies at work on projects that depend on a single river, without anyone having bothered to find out how much irrigation and power the river can provide before it dries up. These obvious miscalculations, while regrettable, do not provide the main rationale for better coordination, however, since it would be possible to mount hundreds of projects with little duplication or conflict. What is needed is a system for ensuring, insofar as possible, that the limited resources that are available are targeted on priority problems.

A model arrangement would involve at least three basic elements. First, a long-term plan for outside assistance, extracted from the national development plan and converted into costed, time-phased, goal-oriented projects, shown in order of relative priority; second, a catalogue of past and present technical assistance activities of all donors, on which future activities could be based; and third, a regular schedule of meetings between the recipient country and donors, at which future activity could be planned and past difficulties identified and mitigated.

COORDINATION BY HOST GOVERNMENTS

If the case for institutionalizing technical assistance coordination at the country level is compelling, and if donor groups are ruled out, what is a feasible alternative? In the last analysis, only the host country can effectively perform this function; for it alone has access to the information required for decision-making and the authority to set priorities in the use of its own resources.

In view of the variety of aid available from more than twenty donor countries and assorted international institutions and private agencies, it is remarkable that only a handful of recipient governments has established effective machinery for assessing assistance needs, documenting them, and presenting them in an orderly fashion. Typically, donor agencies have learned of potential assistance projects from anyone of dozens of local institutions or ministries. They emanate as frequently from casual conversations as from formal analysis and presentation. They may or may not have to pass through some central clearing house. Some recipient governments do not even have a record of the assistance projects currently under way within their borders, to say nothing of having a clear idea of what foreign resources can do for them in the future, or a catalogue of project proposals ready to be presented.

Although the shortage of trained personnel in most developing countries is acute, it would seem eminently worthwhile to devote some of those scarce resources to the staffing of a unit whose function would be to identify the needs of the country for outside assistance and shape those needs into preliminary project proposals. Such a staff could also keep a close watch on ongoing projects, and adjust or end projects which were falling short of their goals. A modest investment in monitoring existing projects and in maintaining a stream of new and attractive project proposals would likely pay dividends out of all proportion to its cost. Since the development of a staff capable of performing this function is essential to an effective dialogue, donors should not hesitate to provide technical assistance to get it operating. In order to be able to speak authoritatively, it should occupy a strategic spot in the recipient's administrative hierarchy—preferably in the Prime Minister's Office.

A number of developing countries have recognized the potential returns from a systematic approach to donors and have already developed this capability or are well on the way to doing so. In Lesotho, the Central Planning Office processes all requests for outside assistance, with the help of UNDP personnel. In Malaysia, all technical and capital assistance is coordinated though the Economic Planning Unit of the Prime Minister's Department. In Panama, all assistance requests are processed through the Department of International and Technical Assistance of the Ministry of Planning and Economic Policy. In Colombia, the National Department of Planning is a fully functioning and effective mechanism for aid coordination and control. Other countries are moving in this direction, while struggling against the usual problems of inadequate budgets and the lack of trained personnel. Not the least of the problems encountered is the tendency of donors and specialized agencies to want to deal directly with potential clients rather than through a central clearing house. One developing country felt it necessary to appeal to donors to respect the authority of its central coordinating authority rather than work around it.

Meeting with donors

An effective coordinating staff armed with a clear plan of action need not hesitate to meet with donors singly or in groups. Group sessions have distinct advantages. The host country has a captive and receptive audience, and is able at one time to lay out the whole range of its needs to both actual and potential donors. A meeting arranged by the host country will usually prompt donor countries and aid agencies to send special, high-level representatives. To dramatize its presentation, the recipient might arrange annual "donor sessions," with give and take freely invited. Such a meeting should have as documentation a) an up-dated version of the national plan, b) a list of ongoing projects supported by donors with comment on the progress of each, and c) a description of projects for which donor financing is being sought. If a national plan has not been prepared, a background paper dealing with the general economic situation and giving details on the most important sectors of the economy should be made available.

Such a session could well last two or three days, with the discussion broken down among sectors. It could be followed by bilateral talks between individual donors and the recipient on both on-going and proposed projects. It is unlikely that donors would welcome open discussion of the shortcomings of their current projects; these could follow the open session, with on-the-spot decisions to continue, modify, or close out particular projects. Since such a meeting would bring donors together, it is inevitable that informal consultation would occur among them at luncheons and in the corridors, but primary responsibility for seeing that donors were encouraged to meet the most urgent needs, and for avoiding overlap and conflict, would rest with the recipient.

There have already been examples of the use of this device by developing countries. One country uses the announcement of its three-year economic plan as the occasion to assemble such a group, and has repeated the process for three successive plans. Honduras and Guyana have sponsored meetings of donors very much along the lines described. In Africa, Rwanda and Lesotho, two of the "least developed" countries which have been largely overlooked by donors, have recently assembled such gatherings. Most of these countries have enlisted outside help, in the preparation of the plan itself, of background data, or of lists of projects for which financing is sought. In Lesotho and Rwanda, the UNDP offered its help in setting up the meetings.

THE UNDP PROGRAMMING PROCESS

After twenty years of scattered and sporadic attempts to achieve coordination at the local level, a system is now evolving which gives promise that better results may be on the way. This is the UNDP country programming process, now in its fourth year.

Country programming was a key element in the UNDP reforms proposed by Sir Robert Jackson in 1969. The country program was to be a comprehensive document, embracing all the elements of the UN development system and tied to the recipient's own development plan. Almost wistfully, the report of Sir Robert Jackson states that

"Ideally, from the viewpoint of the individual country, and providing always that the governments so desired, such a joint programming process should involve not only the various components of the UN system but also all significant sources of bilateral or regionally-based cooperation from outside the system. In this way, the country concerned would have a clear idea of the total external contribution likely to be available for the attainment of the objectives set out in its national plan. There would also be advantages for the UN system, since its own role would be clearly defined in relation to all the other linking efforts, internal and external, and there would be no problem of overlapping. Coordination, in other words, instead of taking place on an ad hoc and somewhat haphazard basis as at present, would also become a long-range operation and correspondingly more effective."

In practice, actual results give promise of at least partially fulfilling the hopes of the authors of the Jackson study. Although the process has been different in each country, depending partly on the personalities of local UN representatives and partly on the wishes and capabilities of the host governments, there appears to have been far more extensive consultation between donors and recipients during the past few years than ever before. It also appears that, at least in some countries, the UNDP country programming process may provide the opportunity to institutionalize the procedures by which technical assistance coordination takes place at the country level.

The UNDP is clearly not rushing into the vacuum, however. A strong note of caution characterizes the instructions issued by UNDP headquarters to the UNDP staff. "The coordination of other assistance inputs," reads the UNDP country programming guidelines, "whether from the United Nations or outside it, in the UNDP country programming process, will largely depend on the [recipient] government's position in each case. The Resident Representative will use his discretion in helping the Government to bring about or to improve coordination, especially in relation to specific inputs in specific areas."

This language is super-cautious, designed as it must be to avoid offense to any of the hundred-odd recipient countries with which the UNDP must deal. The content of the country program itself, however, requires that facts and figures on *total* aid activities taking place in the recipient country be compiled. Table I of the country program submission is a projection of technical assistance resources estimated to be available each year for five years from *a*) bilateral donors, *b*) multilateral programs other than UNDP and the UN Organizations, *c*) UN regular programs, and *d*) UNDP.

While UNDP Resident Representatives had previously been expected to report on other donor activity, their reports were spotty. Now for the first time, the country program provides a framework within which information about what all donors are doing becomes an essential element of the program itself. The aggregate figures required in the country program submission are presumably built up from separate entries. Some recipient governments may be adding up these separate entries for the first time and only thus become conscious of the variety and magnitude of the technical assistance available and utilized by it. In fact, some country program submissions have gone well beyond the requirements of the UNDP directive. They contain lists of technical assistance projects by title and donor, and show amounts and projected commitments.

Information as to what is actually in process or planned is, of course, the first prerequisite to coordination. In the past, this information has been provided mainly by word of mouth or by informal exchange of program documents. U.S. Agency for International Development Mission Directors, for example, have been encouraged to make their program documents available to UNDP Resident Representatives, who, in turn, are instructed to make their documents available to local bilateral representatives unless the recipient government objects. Only for the Colombo Plan countries has a systematic effort been made to catalogue ongoing projects. In a few instances, such catalogues have been produced by Resident Representatives or U.S. AID Missions, but since no one felt responsible for keeping them current, they became quickly out-dated.

A BASIS FOR BETTER COORDINATION

The UNDP programming process now provides a possible institutional framework for the coordination of technical assistance at the country level, although there is still some way to go. First, by requiring the recipient to focus its attention periodically on a broad range of development problems and come up with a long-term plan for the use of UNDP resources, it encourages the host government to develop centralized expertise on the subject of technical assistance, i.e., to create an organizational unit with at least some coordinating authority.

Second, it provides a basis for the regular compilation of technical assistance data by country and covering all doners.[1] Information of this sort is a minimum requirement for better coordination. Over a period of years, it would also provide a valuable reference as to what had been attempted in the past. In the technical asistance field, memories are short and turnover is heavy; as a result, many lessons have had to be learned over and over.

Third, it encourages the host government and UNDP Resident Representatives to keep all donors and agencies operating within the country informed as to the progress of planning and to involve them, if *possible*. Thus, local donor and agency representatives may be thrown together for discussion purposes. In the process of reviewing and commenting on the proposals for UNDP financing, other donors are encouraged to share information about their own plans.

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[1] The UN has been slowly working its way toward a listing of UN projects by country over the past several years. An ambitious effort is being made to create an inter-agency management information system. As a first step, the framework for a Common Register of Projects (CORE) is being developed in Sri Lanka, Kenya and Peru.

Fourth, in addition to the five-year program cycle, it calls for periodic program reviews to evaluate the totality of the UNDP program, to make such adjustments as are necessary, and to lay plans for the next program cycle. Such reviews are a crucial feature of any active technical assistance program. With little additional effort, they could also be made the occasion for the kind of periodic donors meeting described above to which all current and potential donors are invited. Such an effort would be invaluable to small donors who do not maintain aid personnel abroad and whose intelligence about local needs and conditions is limited. It would serve the recipient by focusing donor attention on its aid requirements, at the same time prompting it to assess them carefully and present them persuasively. Essential to the success of such periodic sessions, of course, would be the existence of a staff unit within the administrative structure of the recipient government which was familiar with the government's plans, resources, and needs, could translate that information into specific projects which would be attractive to technical assistance donors, and had the time and the capacity to deal with donors and point them in the right direction. This is not an easy assignment, but it is essential to effective technical assistance programming.

In historical terms, the idea that governments and international institutions can play a major role in expediting the transfer of ideas and technologies from one culture to another is new. There is still much to learn about how the process works, and neither donors nor recipients can afford to let pass an opportunity to pool their knowledge and experience in an effort to make it work more effectively. The UNDP country programming process has provided such an opportunity. It remains to be seen whether recipients and donors will seize it.

SENATOR HUMPHREY COMMENDED BY CHARLESTON GAZETTE

Mr. RANDOLPH. Mr. President, it is gratifying to Members of the Senate to have with us, in active debate and a full schedule of productive work, the Senator from Minnesota (Mr. HUMPHREY).

Earlier today, in the Democratic conference, our able majority leader (Mr. MANSFIELD) expressed his pleasure that our colleague from Minnesota was vigorous and possessed of leadership qualities for which American citizens are grateful.

Mr. President, I have enjoyed a personal and official friendship with the Senator since 1946.

The Charleston, W. Va., Gazette in an editorial, on April 19, 1974, has declared that "HUMPHREY serves well" and that he is "one of the Congress hardest working, most innovating lawmakers."

I ask unanimous consent, Mr. President, that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Charleston (W. Va.) Gazette, Apr. 19, 1974]

HUMPHREY SERVES WELL

The Happy Warrior—that's Sen. Hubert Horatio Humphrey—is back at work, feeling, he says with his usual effervescence, better than he has felt in years.

For the last four months Minnesota's senior senator has been undergoing radiation to treat a possible cancer of the bladder.

The U.S. Senate hasn't been quite the same during his absence.

Sen. Humphrey long has been one of Congress's hardest working, most innovative lawmakers. He arrived in Washington directly from the mayor's office in Minneapolis, where he established himself among the progressive, best mayors in the country.

As a brash young senator, anxious to make his mark, it took him a while to exert any pressure upon that hallowed, pickled-in-tradition legislative body, but eventually he became one of the nation's most powerful, influential legislators.

Then, he was bitten by the presidential bug so badly that he sought to be President Lyndon Johnson's vice president. Successful in this quest, it was his painful duty to support the most unpopular war in American history and to commit himself to policies many of his warmest supporters found totally unacceptable. Nevertheless, he persevered and did what vice president are required to do: serve their masters loyally.

But that's another story.

Sen. Humphrey is returned to the U.S. Senate after his recent illness. We wish him many more years of service to the nation.

AMENDMENT NO. 1208—ESTABLISHMENT OF COMMISSION ON VETERANS' RIGHTS

Mr. CRANSTON. Mr. President, yesterday I submitted legislation, amendment No. 1208, as an amendment to the pending House-passed GI bill legislation, H.R. 12628, to establish an independent Commission on Veterans' Rights outside the VA. Also pending in committee is S. 2874, in which I have joined with Senator HARTKE and other committee members, to increase GI bill rates by 23 percent, and for other purposes.

INTRODUCTION

Mr. President, I believe that an outside watchdog agency such as this Commission on Veterans' Rights is needed to correct the record of nonperformance, insensitivity, political manipulation, management by cronyism, and abdication of moral leadership that has taken place in the VA over the past 5 years, and to insure that this tragic record is not repeated.

Mr. President, President Nixon's announcement on March 31 that he was establishing a number of ad hoc groups to look into matters regarding veterans' rights and benefits is far too little, far too late, and far too inadequate. On March 31, the President directed the incumbent VA Administrator, Donald E. Johnson, to conduct a personal tour of VA hospitals and clinics and report his findings in 60 days to the White House. At a meeting this past Monday, April 22, with the White House Chief of Staff, Alexander E. Haig, on the problems confronting the Veterans' Administration, I was assured that this responsibility had been removed from Mr. Johnson and placed in the hands, where any such responsibility for VA medical programs belongs, of the VA's new Chief Medical Director, Dr. John D. Chase.

On March 31, the President also ordered the creation of a special management team to "take a hard look" at the services provided by the VA as well as the creation of a new Cabinet-level Committee on Veterans' Services within the White House Domestic Council.

This kind of investigation is just more of the same, the administration investigating itself. Only an independent investigation and a continuing monitoring and oversight of VA and other governmental activities affecting veterans—free from the influence of those being investigated and monitored—can restore public confidence and maintain public confidence in the VA and in other programs affecting veterans.

The VA has enormous responsibilities within the Federal Government and a far-reaching impact on millions of Americans. With 188,000 employees, the Veterans' Administration is second only to the Defense Department in size; it has a budget of $13.6 billion, the third largest of any Federal agency; and VA programs affect the lives and welfare of 97 million American veterans and members of their families.

Mr. President, as I indicated in my remarks on Vietnam Veterans Day, March 29, 1974, the American people have not done enough and have not cared enough about the problems of returning veterans. Although many good laws and substantial appropriations have been enacted over the last 5 years by Congress—over staunch VA and administration opposition—these programs have not been effectively implemented nor have they gone far enough to deal with the real problems confronting most Vietnam era veterans—education, jobs, housing, health care, and simple justice.

Much of the blame for this, in my judgment, lies with the fact that the governmental structure imposes almost czar-like control over VA affairs on one politically-appointed official. The monitoring activities and investigation which would be carried out by the Commission on Veterans' Rights would provide immediate public accountability of an insulated VA which is dominated by the Office of Management and Budget. If Congress is going to make proper decisions on behalf of sick and disabled veterans—and veterans requiring GI bill educational and training assistance and home loans—we need to know how much the experts at the VA say they need and why they feel they need it as well as how much budget-cutters at OMB say they should get and why.

CHANGE IN LEADERSHIP AT VA

Mr. President, at the White House meeting this past Monday with General Haig to which I made reference earlier in my remarks, those of us in attendance were given certain assurances, and certain general agreements occurred. The matters which were agreed upon in that meeting were generally summarized in a statement which I released to the press on Monday. Mr. President, I ask unanimous consent that appropriate excerpts from this statement be set forth in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT OF U.S. SENATOR ALAN CRANSTON

Senator Alan Cranston (D., Calif.) today issued the following statement:

This afternoon, in my capacity as chairman of the Subcommittee on Health and Hospitals of the Senate Veterans Affairs Committee, I met with White House Chief of Staff Alexander E. Haig on the problems confronting the Veterans Administration.

* * * * *

On the basis of our discussions and agreements reached this afternoon, I am postponing temporarily the oversight hearings, scheduled for this Tuesday and Thursday, on the administration of the VA's Department of Medicine and Surgery.

I believe that the deep problem of lack of leadership in the Veterans Administration will now be resolved.

The first and immediate step has been taken—relieving Donald Johnson, present VA Administrator, of responsibility for surveying conditions in Veterans Administration hospitals. I have been assured by General Haig that the next step, which is to be taken not later than Friday of next week, will be an announcement regarding the future of the Veterans Administration which will be of enormous importance to the well-being of the 29 million veterans and their 58 million family members in our nation.

General Haig, acting at the President's direction, requested this afternoon's meeting to initiate discussions with us in order to find a way to resolve the enormous difficulties facing the VA in its medical program as well as its benefits program.

At the meeting General Haig proposed and we agreed that further meetings would take place in the next two weeks between us, our staffs and representatives of the President to work out a plan for long- and short-term changes at the VA in order to give it the capacity to deal effectively and compassionately with these problems. The goal is to reinforce the professional integrity and control of the VA Department of Medicine and Surgery, to remove VA decision-making as far as possible from partisan political considerations and to make the VA an apolitical institution, and to increase the VA's independence within the federal government. We must ensure that, to the maximum extent humanly possible, the VA, in the performance of its mission of service to America's veterans and their dependents, will be characterized by the greatest degree of responsiveness to the individual and collective problems, concerns, and needs of all of America's veterans, especially those who have recently returned from service.

Although I remain extremely concerned about the most unfortunate circumstances which precipitated the untimely retirement as Chief Medical Director of Dr. Marc J. Musser only three months after his reappointment for a new four-year term in that position, we were assured by General Haig this afternoon that the new Chief Medical Director, Dr. John D. Chase—a qualified career VA professional—will maintain completely open lines of communication with us and the Congressional Committees on Veterans Affairs, and that the Department of Medicine and Surgery will be operated in a totally nonpartisan manner.

The forthcoming meetings, I believe, hold great promise of resolving the impasse which precipitated the oversight hearings originally scheduled for this week.

Our meeting today has been the first direct sign that the President has come to grips with the absolutely massive nature of the VA's problems and that he wishes to resolve these problems in the most rapid and effective manner and to do so jointly with Congressional leadership. I welcome this sign and this opportunity to participate in so vital a process.

Mr. CRANSTON. Mr. President, as should be obvious to all those who have followed the evolution of events regarding the VA since this past Monday, the announcement which I indicated in my April 22 statement would be forthcoming by May 3—which I characterized as one "regarding the future of the Veterans' Administration which will be of enormous importance to the well-being of the 29 million veterans and their 58 million family members in our Nation"—was the one that occurred that very evening. On that evening Veterans' Affairs Administrator, Donald E. Johnson, released a statement to the press indicating that he had told General Haig that he intended to submit his resignation to the President in the near future.

Mr. President, the task ahead now is obviously for the President to find a successor as Administrator of Veterans' Affairs as quickly as possible so that leadership and morale can be restored to that agency in the most effective and expeditious manner. It is my hope that such an individual will be found by the end of this week and that arrangements will be able to be worked out so that he will be able to serve as acting Administrator during the period pending his confirmation hearings before the Committee on Veterans' Affairs in the Senate, on which I serve.

Mr. President, the best possible thing that could happen in terms of a new Administrator of Veterans' Affairs would be for the President to nominate a man of unquestioned integrity, intellect, compassion, management skill and leadership potential who is not identified with any particular partisan political activity. I believe that the White House has in mind these qualities, and I hope that they will be successful in finding such a person.

This morning, Mr. President, the Washington Post carried an excellent editorial with respect to the need for renewed leadership at the Veterans' Administration, and I ask unanimous consent, Mr. President, that the full text of this editorial be set forth in the Record at this point.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

A New Opportunity for the VA

Donald E. Johnson's "great pride" in his record as head of the Veterans Administration appears to be almost, if not completely, unique. If anyone shares that pride it was not evident when Mr. Johnson made known his intention to resign "in the near future." Indeed, it has been apparent for months that the White House has been nervous about his continued occupancy of the office, and many members of Congress have been openly manifesting their hostility.

As in most cases of this sort, the reasons for the disillusionment with Mr. Johnson are complex but nonetheless definable. One complaint is that the agency set up to aid those who defend the nation in wartime has become politicized—that Mr. Johnson loaded his staff with politicians who had played a part of President Nixon's reelection campaign. That is an obvious bid for trouble in an agency supposed to operate scrupulously aloof from politics. Another complaint is that service in the VA's 450 hospitals, clinics and nursing units has deteriorated. Last fall the VA announced a major reorganization of its department of medicine and surgery, but that shake-up was assailed at the time as undercutting the officials within the organization who were working to make it more responsive to veterans' health problems. Chairman William Jennings Bryan Dorn of the House Veterans Affairs Committee recently accused the VA of deliberately breaking the law which requires the VA to maintain an average daily patient load of 85,500 in its 168 hospitals. The number of patients cared for had been cut substantially below that figure as an economy measure.

Mr. Johnson lost the confidence of many veterans and citizen groups, and apparently also that of at least some people in the White House, when he publicly accepted an Office Management and Budget cut of $160 million in benefits for disabled Vietnam veterans, including amputees. Some of these benefits designed to aid 200,000 disabled GIs were slashed by as much as 60 per cent, but Mr. Johnson defended the action as a matter of "equity." A furor was raised, and the President ordered the VA to withdraw the cuts. In calling for a wholesale revamping of veterans' pension programs last January, the President acknowledged that "some of the most needy are least provided for under the current structure."

As long ago as last summer the White House appeared ready to replace Mr. Johnson. At least it was reported at that time that the White House had asked Rep. Olin B. Teague, a long-time leader in veterans legislation on Capitol Hill, if he would accept the top post in the Veterans Administration. On March 31, however, the President named the wobbling VA chieftain as chairman of a committee on veterans services in the Domestic Council. Apparently the latest change of signals resulted from Senator Cranston's scheduling of hearings on the VA's medical program. In any event, Mr. Johnson's announcement of his retirement followed a visit of five members of the Senate and House Veterans Committees to the White House during which the President's chief of staff, Gen. Alexander M. Haig Jr., agreed to take the VA's proposed survey of conditions in its hospitals out of Mr. Johnson's hands and apparently also to provide the VA with new leadership.

The major task of finding the right man for this vital assignment presumably remains. The job calls for an administrator of the highest executive abilities and keenest human understanding—a man of the caliber, let us say, of Gen. Omar Bradley, who was named to the post by President Truman.

Mr. CRANSTON. Mr. President, I ask unanimous consent that there be printed in the Record at this point today's editorial from the Los Angeles Times making many of these same points.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From the Los Angeles Times, April 24, 1974]

VA's Troubles Are Far From Over

The forthcoming resignation of the extraordinarily inept Donald E. Johnson, head of the Veterans Administration, is welcome news and gives credence to the prediction of Sen. Alan Cranston (D-Calif.) that "the deep problem of lack of leadership" in the agency "will now be resolved."

Johnson's departure, however, is not the sole answer to the surge of complaints against the agency, which administers a huge budget—$13.3 billion for the current fiscal year—in behalf of 29 million war veterans. A review of VA management should be conducted, with emphasis on the treatment accorded the 2½ million veterans of the war in Vietnam.

To begin with, they were not a cross-section of the nation's young men. They were largely drawn from the poorer segments of society, and they do not have the political influence of their predecessors.

They returned home at a time of fewer employment opportunities. World War II and Korean veterans came back to an expanding economy. Unemployment among Vietnam veterans has been higher than among other young men in their age group, many of whom, incidentally, remained in college during the war to develop their marketable skills.

Because so many Vietnam veterans were poor and with minimal education, they urgently needed the educational benefits under the Vietnam GI bill. But inflation cut heavily into their educational allowance. A study has revealed that only veterans who happen to live near state-subsidized colleges can afford to continue their education.

These problems require urgent solution. The veterans or Vietnam are asking only for equitable treatment. That is what they deserve, and nothing less.

Mr. CRANSTON. Mr. President, a new Administrator, of course, is only a beginning, not an ending. What must follow immediately is a tangible display by the Administration that its goal, expressed at our April 22 meeting, of an apolitical VA will be realized. Then we must pass and enact into law—hopefully with the President's signature—a series of much needed laws: providing dramatic and equitable increases in GI bill benefits and compensation and DIC rates, improvements I have proposed in the special program to provide adequate vehicles for the most severely disabled service-connected veterans—all bills now pending in committee—further improvements in the VA medical program especially in recruitment of VA physicians, nurses, and other health personnel—legislation I will shortly introduce, and my bill, pending in the House for over a year, S. 284, to authorize a major new program to provide comprehensive treatment and rehabilitation for veterans suffering from drug and alcohol abuse.

Also, we must restore high morale, professional performance, and a strong sense of mission to the VA, the caliber of the new Administrator will be a major factor in accomplishing this.

That brings me to my proposal that we establish a Commission on Veterans' Rights.

GENERAL PURPOSE OF COMMISSION ON VETERANS' RIGHTS

The Commission on Veterans' Rights I am proposing would replace the watered down so-called "Vietnam Era Communications Center" proposed in the House-passed GI bill amendments, now pending in the Senate Veterans' Affairs Committee.

Although the Commission on Veterans' Rights would assume many of the same functions identified for this so-called Center in the House-passed bill, it would: first, have far broader oversight and monitoring responsibilities; second, be totally independent of the VA or OMB control; and third, act in the interests of all veterans, not just Vietnam-era veterans, although it would be charged with special emphasis upon the readjustment problems of returning veterans.

This Commission is intended to provide immediate public accountability for the presently insulated, OMB-dominated, activities of the VA, and to promote public awareness—as well as awareness on the part of the VA and Congress—as to what is being done, what is not being done, and what needs to be done to improve veterans laws, regulations, and programs, especially for Vietnam-era veterans.

The Commission's mandate would be far broader than just VA programs. It would include evaluating the effectiveness of the laws, regulations, and programs of other Federal agencies, such as the Defense Department, Labor Department, HEW, HUD, DOT, and the SBA, as well as State and local agencies and programs, as their activities affect veterans—especially where Federal funds are involved.

Its authorities and activities would be modeled on those of the Civil Rights Commission in terms of public hearings, various studies, public recommendations, and reports to the Congress and the President; and further modeled on the Product Safety Commission authorizing statute and legislation, S. 707, reported from a Government Operations Subcommittee, to establish an independent Consumer Protection Agency, in terms of freedom from OMB control and certain Commission functions and powers.

BUILDS ON VETERANS' ORGANIZATION EXPERTISE AND EXPERIENCE

The Commission is designed to build upon the enormous watchdog apparatus that already exists in the veterans' service organizations, but to give that structure a major and institutionalized way to be heard effectively. I would contemplate very substantial participation by these organizations in the formation of the new Commission and in assisting it in various activities, and the legislation itself would give these organizations a number of specific important roles to play.

COMPOSITION OF THE COMMITTEE

The Commission would be composed of 15 members; six would come from recommendations of the Committees on Veterans' Affairs of the House and Senate—three from each body—to be selected and appointed by the Speaker of the House and the majority leader in the Senate from a list of names—of which at least one must be from each party—submitted by each committee. Each committee could recommend Congressmen or Senators, or employees of the House or Senate, or members of the public to be appointed.

There would be nine "public" members appointed by the President, by and with the advice and consent of the Senate, from recommendations submitted to the President by congressionally chartered and other appropriate national veteran organizations, including those representing Vietnam-era veterans. At least three of these public members would be veterans of the Vietnam era. Those veterans presently comprise between one-fourth and one-fifth of all veterans but are very much underrepresented in all VA decisionmaking and, because of their comparative lack of seniority, in the hierarchy of existing major veterans organizations.

No more than five of the nine "public" members could be members of the same political party.

The Commission would appoint its own chairman, after a 1-year term served by an interim chairman, who would be selected by the President from the initial 15 members of the Commission.

Commission members would serve for fixed, staggered terms of 5 years, removable only by a vote of nine other members for malfeasance in office or for persistent neglect of, or inability to discharge, their duties, or for offenses involving moral turpitude and for no other cause.

FUNCTIONS OF THE COMMISSION

In order to enable it to fulfill its broad mandate, the Commission would need its own staff of about 50 in Washington. The legislation specifically provides for an Executive Director—at executive level IV salary—a Deputy Executive Director and General Counsel—both at executive level V salary—appointed by the Commissioners. It would have an authorization of appropriations of such sums as may be necessary for it to carry out the functions and responsibilities assigned to it under the new legislation. Those functions are:

First, to review the effectiveness and appropriateness of all laws providing rights and benefits for veterans, the regulations issued under such laws by the Federal agency—which for the purposes of this legislation includes any department, agency, or instrumentality of the United States—charged with the responsibility for administering such laws, and the method of implementing, and the operation of, the programs designed to provide such rights and benefits;

Second, to make special studies of the effectiveness and appropriateness of all laws, regulations, and programs provided for, or applicable to, veterans of the Vietnam era;

Third, to monitor and evaluate the effectiveness of veterans programs provided pursuant to State and local laws, particularly where Federal funds may be involved;

Fourth, to investigate patterns of allegations indicating that veterans are being denied rights or benefits authorized by law or regulation, or that the hospital care or medical services, nursing home care, or domiciliary care is inadequate, or that payments of benefits under any law are being delayed or otherwise being inefficiently administered;

Fifth, to appraise the adequacy and equitability of the laws, appropriations, and policies of the Federal Government with respect to meeting the needs of veterans to readjust to civilian life and compensating them for their losses attributable directly or indirectly to their service in the Armed Forces, and to make recommendations and draft proposed legislation to improve the adequacy and equitability of such laws and policies where indicated;

Sixth, to serve as a national clearinghouse and dissemination center for information relating to the needs and problems of veterans and the resources available and required to meet such needs and solve such problems;

Seventh, to advise the President and the Congress regarding the effectiveness and appropriateness of all proposed legislation and new programs affecting veterans' rights and benefits; and

Eighth, to serve as an advocate for the correction of problems, and the enactment and full implementation of adequate and equitable laws providing for veterans' rights and benefits, as may be revealed through the activities of the Commission.

COMMISSION FIELD REPRESENTATIVES

Mr. President, to provide meaningful input and direct feedback from the field, the Commission would have representatives in every VA hospital and outpatient clinic—about 200—across the country, except where the size of the workload at such a facility would not warrant such a placement. At a minimum, there would be at least one such representative stationed in each State.

These Commission representatives would be able to relate directly back to the Washington-based Commission staff and carry out special investigative activities in the field, as directed by the Commission, using the available resources of volunteers and veterans service organizations. Also, each Commission representative, generally supported by one clerical employee, would act as an advocate for veterans hospital, nursing home, and domiciliary patients and other veterans seeking VA benefits, by dealing directly with appropriate VA officials to resolve informally grievances, misunderstandings, and complaints brought to the field representative's attention, especially problems of patient institutionalization and health care.

In appointing these Commission representatives, the legislation calls for special priority to be given to qualified professional veterans' service officers and to veterans of the Vietnam era meeting appropriate Civil Service job requirements.

An ongoing channel of communication will also be encouraged by provisions in the proposed legislation recognizing and seeking to make maximum use of the expert cooperation and consultation of veterans' organizations and advisory committees, and authorizing compensation for their services.

The Commission's effectiveness would be greatly enhanced by specific statutory authority to represent general veterans' interests before Federal agencies by participating and intervening in Federal agency rulemaking and regulation-making proceedings and hearings, and by instituting, or intervening in as of right, civil proceedings for judicial review of any Federal agency action of substantial importance to the interests of veterans. This is especially important as to all Veterans Administration rules and regulations which under 38 U.S.C. 210(a), may not be challenged, except on constitutional grounds, by individual veterans in court.

Moreover, Mr. President, the legislation, by stipulating concurrent submission to Congress of budget estimates and recommendations, comments, or testimony on legislation at the same time as submitted to the President or the Office of Management and Budget, would provide the Commission with clear independence from the domination of other agencies and officials. This is designed to give the Congress the information it requires to carry out its legislative, appropriations, and oversight responsibilities. Impetus for continuation of or increases in levels of funding to carry out all existing laws and programs affecting veterans' rights and benefits would be created by requiring the Commission to submit a report to the appropriate congressional committees each year, within 60 days of submission of the President's annual budget. In this special budget report, the commission would assess the adequacy of the President's annual budget request to Congress regarding all such laws and programs.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mr. BIDEN). All time for morning business has now expired.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2771) to amend chapter 5 of title 37, United States Code, to revise the special pay bonus structure relating to members of the Armed Forces, and for other purposes.

ORDER OF BUSINESS ON NO-FAULT INSURANCE BILL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the amendment by the Senator from Tennessee (Mr. BAKER), No. 1137, to the no-fault bill, be laid before the Senate and made the pending business at the close of business today and that it be the pending question on tomorrow at the conclusion of routine morning business, with a time limitation thereon of 4 hours, to be equally divided and controlled in the usual form; and that a time limitation on any amendment to the amendment be 30 minutes, to be equally divided and controlled in accordance with the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

The PRESIDING OFFICER (Mr. BIDEN). Under the previous order, the hour of 1:05 a.m. having arrived, the Senate will now go into executive session to consider nominations on the Executive Calendar.

The clerk will state the nominations.

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senator from Indiana (Mr. BAYH) may speak for 1 more minute.

Mr. PROXMIRE and Mr. HUGHES objected.

The PRESIDING OFFICER. Objection is heard.

The clerk will state the nominations.

U.S. AIR FORCE

The legislative clerk read the nomination of Brig. Gen. Warner E. Newby to be a major general.

Mr. BAYH. Mr. President, are the executive nominations subject to discussion?

Mr. PROXMIRE. Mr. President, under the agreement am I not to be recognized for half an hour?

The PRESIDING OFFICER. Under the previous order, the distinguished Senator from Wisconsin (Mr. PROXMIRE) is now recognized for not to exceed 30 minutes.

Mr. PROXMIRE. Mr. President, I apologize to the distinguished Senators from Indiana and Alaska. I know that they would like to continue their interesting debate. I was very much interested in it, but we have made this agreement and I believe that we had better stick with it. I was originally supposed to start talking at a quarter to one today and we have already gone 20 minutes past that time, so I do not see how we can delay this matter further.

Mr. BAYH. Mr. President, if the Senator from Wisconsin will yield for one observation. The putting off of the time began before the Senator from Indiana got the floor. I want to say that I am sorry for any inconvenience I may have caused.

Mr. PROXMIRE. I am sure that is true. It has been no inconvenience to me. It is perfectly all right with me.

Mr. STENNIS. Mr. President, will the Senator from Wisconsin yield?

Mr. PROXMIRE. I yield.

Mr. STENNIS. I should like to inquire what is the next order of business, if there is a next order of business?

Mr. PROXMIRE. I make that inquiry of the Chair as to what is the next order of business after these nominations have been acted on.

The PRESIDING OFFICER. After the nomination of these officers?

Mr. PROXMIRE. Let me clarify my request. I think that the order of business is to consider the nomination of the officers and, as I understand it, I am to be recognized first and then after we act on that, the Senator from Iowa has time and the Senator from Mississippi, as the chairman of the Armed Services Committee, I presume, has time in opposition, and then whatever time the Senator from Iowa (Mr. HUGHES) has.

The PRESIDING OFFICER. After the 30 minutes, we will be acting on all the nominations save the two. The Senator from Iowa and the Senator from Mississippi have time of half an hour each.

TOO MANY GENERALS AND ADMIRALS

Mr. PROXMIRE. Mr. President, on April 19, 1954, the Senate debated and finally passed H.R. 7103, a bill to establish limitations on the number of commissioned officers in the Armed Forces.

This Officer Grade Limitations Act was intended to supersede language then existing in appropriation bills. The justification for the bill before both the House and Senate was to allow more high-ranking officers to be appointed and promoted in the aftermath of the Korean war.

It is extremely important to note that the manager of the Senate bill, Mr. Saltonstall, stated that the principle involved in this Officer-Grade Act theoretically was not the best concept. For that time it was the most practical. But it was not the best concept.

The concept established was to vary

the number of general and flag-rank officers inversely with the total officer corps. As the officer population went up, the percentage of highest ranking officers went down. As the officers corps went down, the percentage of highest ranking officers went up.

Clearly, the effect of this legislation, as seen then and now, is to protect generals and admirals regardless of what happens in the rest of the Armed Forces.

Mr. President, it has worked superbly. The generals and admirals have been protected. They have not been subject to the scrutiny of Congress or the requirements for overall effectiveness. They have become a self-protecting caste system by present legislation.

How has this come about? The 1954 legislation states it plainly. The bill manager said at that time that theoretically the perfect way of handling the problem of generals and admirals was to base the number of high-ranking officers on the number of troops in the Armed Forces.

Yet even though this was recognized by the Senate as the best way of limiting generals and admirals, the sliding scale was legislated to increase promotions.

Mr. President, I ask unanimous consent that the Congressional Record pages from that debate on April 19, 1954, be printed in the Record.

There beng no objection, the excerpt was ordered to be printed in the Record, as follows:

Limitation of Officers in Armed Services

The bill (H.R. 7103) to establish limitations on the number of officers who may serve in various commissioned grades in the Army, Navy, Air Force, and Marine Corps, and for other purposes, was announced as next in order.

Mr. Smathers. Mr. President, reserving the right to object, I wonder if we may have an explanation of this bill.

Mr. Saltonstall. Mr. President, I should be very glad to give an explanation of the bill.

First, the enactment of the bill will not result in any additional expenditure of funds.

Second, it will provide a better method of congressional control over the military structure which has long been needed.

Mr. President, under the present situation, the officers in any grade are limited by numbers. The Senate Armed Services Committee, through a subcommittee under the distinguished leadership of the Senator from Mississippi [Mr. Stennis], went into the subject with a great deal of care and established certain numerical limitations on the numbers of officers in the various services. More recently, the House committee studied the question for 6 months to try to work out a percentage basis rather than a flat numerical basis. If the distinguished Senator from Florida will turn to the act, which is the last act in this book [indicating], he will see that the officer strength in the five top grades in the various services is fixed in comparison with the total officer strength. The bill does not propose to try to fix the officer strength in comparison with the enlisted men strength. That, perhaps, theoretically, would be the best way of doing it. But the bill fixes the officer strength in proportion to the various grades of officers and the number in those grades.

In addition to that, the armed services, at the first of each year, not later than January 31, will give to the Congress the numerical list of officers the armed services expect to have in that fiscal year. In that way the nominations for promotions which come before the Senate will be considered by a more orderly method than has been followed in the past, since we shall know the number of officers in the various grades.

The bill applies to the Regular forces as well as to the active Reserves. The purpose is to control temporary promotions. We now act on the basis of the number of generals, the number of colonels, and so forth. The bill would permit promotions on a percentage basis rather than on a flat scale. It would give specific and realistic numerical control over the promotions in all the services.

The bill would also repeal the so-called Van Zandt amendment to the act limiting voluntary retirement.

In the past few years we have had difficulty with the so-called Davis amendment which, instead of starting promotions at the top, prevented a great many of general officers from receiving legitimate promotions. We ran into a great deal of difficulty. The purpose of this bill is to eliminate those difficulties and place the promotions on a sliding scale, and notice will be given to the Congress as to what is intended during the year.

Mr. Smathers. Mr. President, will the Senator from Massachusetts yield for a question?

Mr. Saltonstall. I yield.

Mr. Smathers. Does the bill, then, intend that, based on the number of men in any particular branch of the service, there shall be a certain percentage of officers in relation to the number of men?

Mr. Saltonstall. It does not do that. As I stated, that is theoretically the perfect method of handling it. The bill undertakes to make the basis the total number of officers. For instance, the number of generals is seventy-five one hundredths of 1 percent of the officers, and the bill attempts in that way to limit the number of officers and the number who can be in any 1 grade of the top 5 grades.

Mr. Smathers. There are certain percentages worked out for the grades of general, lieutenant general, colonel, and so on down. Is that correct.

Mr. Saltonstall. The bill provides a sliding scale of definite numbers based on percentage.

Mr. Smathers. Does it mean that there will be fewer generals and fewer high-ranking officers, and perhaps more officers with field rank than there have been?

Mr. Saltonstall. I do not think there will be any great change in the number of general officers and the number of colonels. The number will be down rather than up, I hope. It means the proportion of generals to the proportion of other officers will be on a sliding scale. If it is determined that the whole number shall be reduced, the number of generals and colonels will be reduced.

I believe, Mr. President, it is a good bill. It is not a perfect bill, but it is a step in the right direction. The senior minority member of the committee [Mr. Russell] approved of the bill. My colleague, the Senator from Wyoming [Mr. Hunt], will agree with me that it is a good bill but not a perfect one. It is a step in the right direction, as I have said.

PROPORTION OF OFFICERS ON PROPORTIONAL BASIS

Mr. Malone. Mr. President, will the Senator from Massachusetts yield?

Mr. Saltonstall. I yield.

Mr. Malone. Might not the Senator's bill work in reverse? They might promote more generals in order to promote more officers of junior rank.

Mr. Saltonstall. If I correctly understand the Senator's question, the bill does not apply to Reserve officers unless they are in active service.

Mr. Malone. But do we not have a National Guard built up with officers who are in the service on full time?

Mr. Saltonstall. The Reserve officers' promotions are separate.

Mr. Malone. If it was desired to have more officers of a lower grade it would be necessary to make more generals in order to keep the proper proportion, according to the terms of the bill.

Mr. Saltonstall. On January 31, of each year, the Department of Defense will send to the Congress a list of what it believes will be the proportion of officers during the next year. That is on the basis of the proportion shown in the bill. So many officers will constitute a certain number of generals, a certain number of colonels, a certain number of lieutenant colonels, and a certain number of majors. For instance, with an officer strength of 50,000 in the Army, there would be 350 generals, 3,352 colonels, 6,940 lieutenant colonels, and 9,350 majors.

Mr. Malone. I have no intention of objecting to the bill; I merely desired to understand it. My suspicion is confirmed that in order to have more officers of lesser rank, more generals would have to be appointed. In other words, the point is being reached where there will be more chiefs and less Indians.

Mr. Saltonstall. I would answer the Senator's statement by saying that that is not so.

Mr. Malone. If the number of officers are not limited except in proportion to the generals—and the number of generals are not limited, just what does the bill accomplish?

The Presiding Officer. The Chair advises the Senator from Massachusetts that his 5 minutes under the rule have expired.

Mr. Hendrickson. Mr. President, I ask unanimous consent that the Senator from Massachusetts may be granted an additional 5 minutes.

The Presiding Officer. Is there objection? The Chair hears none, and the Senator from Massachusetts is recognized for an additional 5 minutes.

Mr. Saltonstall. I appreciate the courtesy of the Senator from New Jersey.

Mr. Malone. My question has not been answered. The question is, Cannot more junior officers be appointed through the simple procedure of recommending that more generals be appointed, which officers are not limited?

Mr. Saltonstall. I may say to the Senator from Nevada that the bill controls the top five grades; it does not control grades below the rank of major.

Mr. Malone. What are the top grades and what are the lower grades in relation to such promotions?

Mr. Saltonstall. The lowest grade is that of major.

Mr. Malone. A major's duties have always been somewhat of a mystery?

Mr. Saltonstall. Lieutenants and captains would not come within the quotas contained in the bill. In other words, as I understand—and I believe my understanding is correct—the bill in itself would not place a limitation upon the number of lieutenants and captains who could be promoted; it would place limitations on the number of majors and those of ranks higher than that of major.

Mr. Malone. I may say to the distinguished Senator from Massachusetts that I have no objection even to a limited number of promotions of majors. But without doubt the approval of promotions of officers is one of the things that the Senate knows least about. This bill does not seem to add much to the information.

Mr. SALTONSTALL. I may say to the Senator from Nevada that I think the Committee on Armed Services does go into the question of proportions. What has been done in the past has been to bring the number of general officers within the so-called Senate formula. The Senate formula actually provides for fewer officers in the top grades than does the formula contained in the statute. All promotions in the past 2 or 3 years, to my knowledge, have been kept within the so-called Senate formula. The Senate formula is based upon numbers; the statutory formula is based upon proportions or percentages.

We believe the bill is fairer to the officers and fairer to Congress because it provides better opportunity for officers to advance.

Mr. MALONE. I may say to the Senator from Massachusetts that any additional information on this subject will be helpful to the Senate.

I do not object to the bill.

Mr. SMATHERS. Mr. President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. I yield to the Senator from Florida.

Mr. SMATHERS. As I understand the bill does not affect Reserve officers at all.

Mr. SALTONSTALL. It does not affect Reserve officers unless they are on active duty. If they are on active duty, and are above the rank of major, and up to the rank of general, it does affect them, because they are officers of the armed service.

Mr. SMATHERS. I take it the distinguished chairman of the Committee on Armed Services is aware of the fact that today most Reserve officers complain that they are being made subject to discrimination in the matter of promotions.

Mr. SALTONSTALL. There is no question about that. I have heard that statement. I only hope it is not so well-founded as some persons who have not been promoted would seem to indicate.

Mr. SMATHERS. I wonder if the able chairman of the committee can give assurance to Reserve officers that the Committee on Armed Services intends to investigate the matter, so as to make certain that Reserve officers can obtain a basis of promotion which is fair, equitable, and as generous to them as it is in the case of the promotion of Regular officers.

Mr. SALTONSTALL. The committee will begin hearings on such a bill on Thursday next. An attempt will be made to draft and submit as fair a bill as possible. I think the two big problems still remaining for the Committee on Armed Services this year are, first, to devise a program of Reserve training, with respect to which the committee is endeavoring to stimulate the Department of Defense into submitting recommendations; and second, to prepare a plan for the promotion of Reserve officers.

Mr. SMATHERS. I am certain the chairman of the committee recognizes that the Reserves are the basis of our defense. Actually, they are the foundation of our defense. If men are to be kept active in the Reserves, it is necessary to give them an equal opportunity for promotion with the members of the Regular Army.

Mr. SALTONSTALL. The Senator is absolutely correct.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H.R. 7103) was considered, ordered to a third reading, read the third time, and passed.

Mr. PROXMIRE. Now, Mr. President, 20 years after that landmark legislation was passed we still are struggling to understand what was created. How can we measure the number of generals and admirals in any meaningful way. By total numbers? That is only part of the story and, of course, gives a false impression of the responsibilities of these officers if the number of troops fluctuates widely.

By percentage of total Officer Corps? That only documents the ratio established in the 1954 act which admittedly was not the best method of determining a proper balance.

What then is a fair way to view the situation?

The best way of understanding the problem is represented on the chart at the back of the chamber which shows the ratios of troops to generals and admirals. Everyone would admit that a general has command responsibilities. That is the purpose of his rank. He commands men and women. By measuring the number of troops per general or admiral we get a good idea of how the total numbers have changed in terms of a constant ratio. In other words, we eliminate the effects of changing force levels.

The numbers are alarming, as anyone who cares to glance at the charts now in the back of the Chamber can see. It shows a remarkable drop in the ratio—which means, of course, a colossal increase in the proportion of admirals and generals to troops—and I mean colossal. They show that the number of troops per general or admiral has declined sharply.

The red line at the top of the chart indicates the number of Department of Defense personnel per four- and five-star general and admiral. Observe how the line declines abruptly. It indicates that when we fought and won World War II against two of the strongest adversaries ever faced in warfare, the United States had one four- or five-star general and admiral for every 600,000 troops. That ratio was good enough to see us through to victory. There were about 12 million personnel in the Armed Forces at that time and 20 four- or five-star officers.

We were not at peace long. By 1952 at the height of the Korean war the ratio had precipitately dropped to one four- and five-star general or admiral for every 145,000 troops. The total numbers of generals and admirals increased to 25 while the troop strength declined to 3.6 million.

By 1971, the ratio was one four- and five-star officer per 68,000 troops. Right now that ratio stands at one per every 56,000 troops.

Mr. President, let me point out this is not all generals and admirals—just the highest—the four- and five-star officers.

The logical implication of this decline, and it can be seen on the chart, is that we are fast approaching the point when we will have a one for one ratio—one 4- and 5-star officer for every man in uniform. At the present mathematical rate, it will happen in about 30 years.

The black line represents the number of three-star lieutenant generals and vice admirals. It, too, indicates a sharp dropoff in the ratio. During World War II, the number of troops per 3-star officers was 1 per 120,000. By 1952 it had fallen to 1 per 56,000. In 1971 it was 1 per 19,000, and now it stands at 1 per 17,000. Where will it stop?

The blue line at the bottom of the chart represents major generals, brigadier generals, and rear admirals lumped together to be statistically comparable with Defense Department data from World War II.

While this line shows a much more gentle falloff, the numbers indicate that a similar decline in the ratio has occurred. The ratio of one of these officers per 6,000 troops in 1945 falls to 1 per 3,500 troops in 1952; 1971 saw the figure slip to 1 per 2,400 troops and now, in 1974, it stands at 1 per 2,000 troops.

It should be noted at this point that all of these figures come directly from the Department of Defense. No outside source of information was used. I did not dream this up. It is not on the basis of any foundation study. It is what the Department of Defense admits is the case.

Why have I compared our force structrre over time? What about other countries? Are they as bad off?

Senator GOLDWATER has raised this issue when I have complained about the number of admirals and generals before.

My answer is simple. There is no adequate comparison with any other country in the world. What sense does it make to compare the U.S. Armed Forces with that of a military dictatorship somewhere else in the world or with the welfare state Scandinavian countries? We have a unique force structure that does not translate into statistics in other countries. I do not intend to argue, as many have, that the U.S.S.R. does a much better job in this area than the United States.

We must compare ourselves to ourselves, not with the Soviet Union—which, incidentally, does have a much better ratio, a lower number of general officers in relationship to their troops, than we have. I am not raising that argument, however. We must compare ourselves to ourselves, as the only measure of efficiency. That is the only measure of efficiency.

When we do that, it is more than evident that the present method of limiting the total numbers of generals and admirals just does not work. It is not adequate. It must be revised based on a new concept that applies to the military needs of the 1970's rather than to an obsolete promotion schedule of 1954.

Mr. President, I ask unanimous consent that appropriate charts indicating these statistics be printed in the RECORD.

There being no objection, the charts were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF DEFENSE—MILITARY PERSONNEL ON ACTIVE DUTY BY GRADE IN WHICH SERVING, JUNE 30, 1945

	Total, Department of Defense	Army and Air Force			Navy (excluding Coast Guard)	Marine Corps
		Total, War Department	Army commands	Air Force commands		
Total	12, 123, 455	8, 267, 958	5, 985, 099	2, 282, 259	3, 380, 817	474, 680
Officers, total	1, 260, 109	891, 663	510, 209	381, 454	331, 379	37, 067
General of the Army—Fleet admiral	7	4			3	
General—Admiral	31	13			17	1
Lieutenant general—Vice admiral	101	50	1, 221	298	49	2
Major general — Rear admiral [1]	1, 929	392			[1]401	28
Brigadier general		1, 060				48
Colonel—Captain	14, 989	10, 721	8, 145	2, 576	3, 877	391
Lieutenant colonel—Commander	36, 967	29, 077	21, 852	7, 225	6, 861	1, 029
Major—Lieutenant commander	91, 602	70, 086	46, 686	23, 400	19, 356	2, 160
Captain—Lieutenant	300, 610	197, 591	125, 885	71, 706	96, 784	6, 235
1st lieutenant—Lieutenant (junior grade)	436, 792	328, 245	193, 328	134, 917	94, 278	14, 269
2d lieutenant—Ensign	294, 121	198, 164	96, 229	101, 935	86, 316	9, 641
Chief or comm. warrant Warrant junior grade or warrant Flight officers	82, 960	56, 260	16, 863	39, 397	23, 437	3, 263
Enlisted, total	10, 795, 775	7, 374, 710	5, 743, 905	1, 990, 805	2, 988, 207	432, 858
E-7 [2]	248, 520	112, 307	70, 845	41, 462	124, 310	11, 903
E-6 [2]	533, 084	215, 396	110, 073	105, 323	300, 315	17, 383
E-5 [2]	1, 039, 117	611, 859	363, 468	248, 391	449, 426	27, 832
E-4 [2]	1, 734, 787	1, 051, 275	693, 410	357, 865	633, 799	49, 713
E-3 [2]	2, 388, 387	1, 541, 699	1, 090, 107	451, 682	757, 809	88, 879
E-2 [2]	2, 910, 031	2, 255, 620	1, 832, 586	423, 034	500, 225	154, 186
E-1 [2]	1, 891, 849	1, 586, 554	1, 313, 506	273, 048	222, 323	82, 972
Officer candidates, total	67, 571	1, 585	1, 585		61, 231	4, 755
Cadets USMA	1, 585	1, 585	1, 585			
Navy officer candidates	61, 231				61, 231	
Marine Corps officer candidates	4, 755					4, 755

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[1] Includes 140 commodores.

[2] Grade designations established by "Career Compensation Act of 1949." Includes 16,764 aviation cadets.

DEPARTMENT OF DEFENSE—MILITARY PERSONNEL ON ACTIVE DUTY BY GRADE IN WHICH SERVING, JUNE 30, 1952

	Total Department of Defense	Army	Navy	Marine Corps	Air Force
Total	3, 635, 912	1, 596, 419	824, 265	231, 967	[1]983, 261
Officers, total	375, 829	148, 427	82, 274	16, 413	128, 742
General of Army or fleet admiral	6	3	3		
General or admiral	19	8	5	1	5
Lieutenant general or vice admiral	65	22	25	4	14
Major general, brigadier general, or rear admiral	1, 052	165	[2]256	18	120
		281		31	181
Colonel or captain	12, 490	4, 869	2, 983	516	4, 122
Lieutenant colonel or commander	28, 927	12, 830	6, 632	1, 011	8, 454
Major or lieutenant commander	53, 008	17, 249	12, 222	2, 848	20, 689
Captain or lieutenant	107, 412	36, 988	24, 958	5, 549	39, 917
1st lieutenant or lieutenant (j.g.)	81, 556	36, 595	15, 004	647	29, 310
2d lieutenant or ensign	65, 937	24, 922	14, 356	4, 932	21, 727
Chief or Comm Warrant W-4	447	281	15	20	131
Chief or Comm Warrant W-3	2, 507	853	1, 011	358	285
Chief or Comm Warrant W-2	6, 706	2, 243	2, 974	459	1, 030
Junior warrant or warrant	15, 697	11, 118	1, 803	19	2, 757
Enlisted, total	3, 245, 310	1, 446, 266	735, 753	215, 554	847, 737
E-7	154, 837	43, 930	58, 104	7, 657	45, 146
E-6	202, 123	78, 367	61, 849	7, 935	53, 972
E-5	364, 434	165, 396	60, 790	11, 441	126, 807
E-4	630, 129	326, 603	115, 124	28, 791	159, 611
E-3	845, 724	411, 604	220, 249	33, 177	180, 694
E-2	806, 266	295, 684	177, 118	105, 849	227, 615
E-1	241, 797	124, 682	42, 519	20, 704	53, 892
Officer candidates, total	14, 773	1, 726	6, 265		6, 782
Cadets USMA	1, 726	1, 726			
Navy Officer Candidates	6, 265		6, 265		
Aviation Cadets	6, 782				6, 782

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[1] Includes 4 commodores.

[2] Includes 9,787 Army personnel in training for SCARWAF duty.

DEPARTMENT OF DEFENSE—MILITARY PERSONNEL ON ACTIVE DUTY BY GRADE IN WHICH SERVING, JUNE 30, 1971

	Total Department of Defense	Army	Navy	Marine Corps	Air Force
Total	2, 714, 727	1, 123, 810	623, 248	212, 369	755, 300
Officers, total	371, 416	148, 950	74, 782	21, 765	125, 919
General of Army or fleet admiral	1	1			
General or admiral	39	15	9	2	13
Lieutenant general or vice admiral	145	45	49	9	42
Major general, brigadier general, or rear admiral	1, 145	197	256	28	157
		255		38	214
Colonel or captain	17, 388	6, 008	4, 286	747	6, 347
Lieutenant colonel or commander	40, 431	14, 607	8, 673	1, 650	15, 501
Major or lieutenant commander	65, 724	22, 302	15, 015	3, 350	25, 057
Captain or lieutenant	122, 351	49, 130	18, 829	5, 643	48, 749
1st lieutenant or lieutenant (junior grade)	59, 686	24, 010	13, 738	6, 084	15, 851
2d lieutenant or ensign	39, 288	13, 691	9, 488	2, 522	13, 587
Chief warrant officer W-4	2, 345	1, 621	243	83	398
Chief warrant officer W-3	3, 637	3, 219	104	314	
Chief warrant officer W-2	14, 848	11, 076	2, 815	957	
Warrant officer W-1	4, 388	2, 773	1, 277	338	
Enlisted, total	2, 329, 754	971, 872	542, 298	190, 604	624, 980
E-9	15, 926	4, 546	3, 390	1, 700	6, 290
E-8	40, 842	15, 687	9, 018	3, 750	12, 387
E-7	151, 649	58, 392	38, 864	8, 903	45, 490
E-6	270, 733	94, 725	77, 693	14, 760	83, 555
E-5	450, 338	181, 068	94, 370	25, 236	149, 664
E-4	576, 306	266, 825	118, 315	33, 788	157, 378
E-3	409, 904	129, 900	134, 680	43, 722	101, 602
E-2	210, 415	74, 958	53, 226	30, 789	51, 442
E-1	203, 641	145, 771	12, 742	27, 956	17, 172
Officer candidates, total	13, 557	2, 988	6, 168		4, 401
Cadets USMA	2, 988	2, 988			
Midshipmen USNA	4, 485		4, 485		
Cadets USAFA	4, 401				4, 401
Naval enlisted officer candidates	1, 683		1, 683		

DEPARTMENT OF DEFENSE—MILITARY PERSONNEL ON ACTIVE DUTY BY GRADE IN WHICH SERVING, OCT. 31, 1972

	Total Department of Defense	Army	Navy	Marine Corps	Air Force
Total	2,371,574	865,463	593,824	199,168	713,119
Officers, total	331,233	120,576	71,570	19,609	119,478
General of the Army or fleet admiral	1	1			
General or admiral	38	13	9	2	14
Lieutenant general or vice admiral	142	48	47	8	39
Major general or rear admiral (U)	480	197	105	24	154
Brigadier general or rear admiral (L)	651	249	153	38	21
Colonel or captain	16,547	5,647	4,101	697	6,102
Lieutenant colonel or commander	36,832	12,411	8,443	1,544	14,434
Major or lieutenant commander	61,432	20,133	15,446	3,053	22,800
Captain or lieutenant	112,674	39,405	19,301	5,306	48,662
1st lieutenant or lieutenant (jg.)	43,114	15,535	9,270	4,717	13,592
2d lieutenant or ensign	37,620	11,402	10,253	2,681	13,284
Chief warrant officer W–4	1,923	1,464	109	164	186
Chief warrant officer W–3	4,548	3,279	639	630	
Chief warrant officer W–2	12,600	9,289	2,684	627	
Warrant officer W–1	2,631	1,503	1,010	118	
Enlisted, total	2,026,542	740,931	516,391	179,559	589,661
E–9	15,230	4,082	3,747	1,495	5,906
E–8	37,922	13,644	9,057	3,288	11,933
E–7	140,541	50,644	37,722	8,664	43,511
E–6	250,660	82,903	74,894	12,912	79,951
E–5	366,088	123,291	83,191	25,310	134,296
E–4	473,310	189,972	107,592	22,800	152,946
E–3	305,381	85,125	99,464	28,434	92,358
E–2	195,745	74,068	50,503	34,367	36,807
E–1	241,665	117,202	50,221	42,289	31,953
Officer candidates, total	13,799	3,956	5,863		3,980
Cadets, U.S. Military Academy	3,956	3,956			
Midshipmen, U.S. Naval Academy	4,236		4,236		
Cadets, U.S. Air Force Academy	3,980				3,980
Naval enlisted officer candidates	1,627		1,627		

DEPARTMENT OF DEFENSE—MILITARY PERSONNEL ON ACTIVE DUTY BY GRADE IN WHICH SERVING, DEC. 31, 1973

	Total, Department of Defense	Army	Navy	Marine Corps	Air Force
Total	2,201,539	782,243	556,209	189,392	673,695
Officers—Total	308,805	108,336	68,189	18,794	113,486
General of the Army—Fleet admiral	1	1			
General—Admiral	38	12	10	2	14
Lieutenant general—Vice admiral	131	44	43	7	37
Major general—Rear admiral (U)	465	188	110	25	142
Brigadier general—Rear admiral (L)	631	237	142	37	215
Colonel—Captain	15,723	5,205	3,865	637	6,016
Lieutenant colonel—Commander	35,322	11,896	7,917	1,514	13,995
Major—Lieutenant commander	57,464	18,177	14,802	2,987	21,498
Captain—Lieutenant	96,495	31,193	15,851	5,041	44,410
1st lieutenant—Lieutenant (jg.)	41,390	13,436	11,066	3,737	13,151
2d lieutenant—Ensign	41,133	13,378	10,304	3,535	13,916
Chief warrant officer W–4	1,722	1,414	50	166	92
Chief warrant officer W–3	5,455	3,505	1,369	581	
Chief warrant officer W–2	10,061	7,524	2,189	348	
Warrant officer W–1	2,774	2,126	471	177	
Enlisted—Total	1,879,905	670,051	482,978	170,598	556,278
E–9	14,252	3,910	3,494	1,410	5,438
E–8	35,167	12,493	8,500	3,422	10,752
E–7	129,657	45,980	34,221	8,870	40,586
E–6	230,304	73,691	68,672	13,054	74,887
E–5	317,074	95,096	77,041	23,750	121,187
E–4	386,432	137,984	86,745	21,914	139,789
E–3	348,733	126,136	88,872	33,355	100,370
E–2	256,261	107,012	74,890	31,617	42,742
E–1	159,755	67,749	38,273	33,206	20,527
Grade not reported	2,270		2,270		
Officer candidates—Total	12,829	3,856	5,042		3,931
Cadets USMA	3,856	3,856			
Midshipmen USNA	4,246		4,246		
Cadets USAFA	3,931				3,931
Naval enlisted officer candidates	796		796		

Source: Department of Defense, OASD (Comptroller) Directorate for Information Operations.

DECLINING NUMBER OF TROOPS PER GENERAL OR ADMIRAL

[From the Office of Senator William Proxmire]

	World War II	Korea	1971	1974
4- and 5-star	1 per 606,172 troops	1 per 145,436	1 per 67,868	1 per 56,449.
3-star	1 per 120,034	1 per 55,937	1 per 18,722	1 per 16,805.
1- and 2-star	1 per 6,284	1 per 3,456	1 per 2,370	1 per 2,008.

JUNE 30, 1945

Category	Total	DOD ratio	Officer ratio
Generals of the Army/fleet admirals and generals/admirals	20	1/606,172	1/63,005
Lieutenant generals/vice admirals	101	1/120,034	1/12,476
Major generals/brigadier generals/rear admirals	1,929	1/6,284	1/653
Colonels/captains	14,989	1/808	1/84
All generals	2,050	1/5,913	1/614
All categories above	17,039	1/711	1/73
Total, DOD Armed Forces	12,123,455		
Total, Officer Corps	1,260,109		
Total, Officer Corps/total DOD ratio		1/9.6	

JUNE 30, 1952

Category	Total	DOD ratio	Officer ratio
Generals of the Army/Fleet Admirals and generals/admirals	25	1/145,436	1/15,033
Lieutenant generals/vice admirals	65	1/55,937	1/578
Major generals/brigadier generals/rear admirals	1,052	1/3,456	1/357
Colonels/captains	12,490	1/291	1/30
All generals	1,142	1/3,183	1/329
All categories above	13,632	1/266	1/27
Total, DOD Armed Forces	3,635,912		
Total, Officer Corps	375,829		
Total Officer Corps/total DOD ratio		1/9.6	

JUNE 30, 1971

Category	Total	DOD ratio	Officer ratio
Generals of the Army/fleet admirals and generals/admirals	40	1/67,868	1/9,285
Lieutenant generals/vice admirals	145	1/18,722	1/2,561
Major generals/brigadier generals/rear admirals	1,145	1/2,370	1/324
Colonels/captains	17,388	1/156	1/21
All generals	1,330	1/2,041	1/279
All categories above	18,718	1/145	1/20
Total, DOD Armed Forces	2,714,727		
Total, Officer Corps	371,416		
Total, Officer Corps/total DOD ratio		1/7.3	

OCTOBER 31, 1972

Category	Total	DOD ratio	Officer ratio
Generals of the Army/Fleet Admirals and generals/admirals	39	1/60, 809	1/8, 493
Lieutenant generals/vice admirals	142	1/16, 701	1/2, 332
Major generals/brigadier generals/rear admirals	1, 131	1/2, 096	1/292
Colonels/captains	16, 547	1/143	1/20
All generals	1, 312	1/1, 807	1/252
All categories above	17, 859	1/132	1/18
Total, Officer Corps/total DOD ratio		1/7. 1	

ADMIRAL RICKOVER

Mr. PROXMIRE. How serious is the present situation? Perhaps I am overestimating the problem and we really need all of these generals and admirals.

Last year this body unanimously voted on a promotion for one of the Nation's most respected military spokesmen, Adm. Hyman G. Rickover. He is one of the few men in uniform that is outspoken and strong enough to stand up to conventional ideas. What has he said about the problem of too many generals and admirals?

He testified before Congress as follows:

> There is a sickness in the Defense Department which has been going on for many years.

He attributed this sickness to the high-ranking officers with large staffs that add bureaucracy to complex problems but provide no experience. He stated:

> From fiscal year 1964, the first pre-Vietnam year, to fiscal year 1973 there has been an 11 percent decrease in military personnel. Despite this reduction in total personnel, the number of flag officers in the military services, for example, has increased by 44.

It has not gone down. It has gone up.

He went on to document how these high-ranking officers were concentrated in the support roles—not in combat units but in support.

He concluded that—

> Congress should refuse to appropriate any funds for the military until the Department of Defense has reduced by at least half the number of management echelons between the technical or operational level and the Secretary's staff.

He added:

> I would also reduce over a period of 5 years the number of flag and senior officers by 50 percent from what they are now.

When asked why, he replied that "if you would do that we would have a far more efficient military organization."

AIR FORCE PROMOTIONS

Mr. President, the nominations before us include a list of 91 Air Force general officers. The Air Force is in a special situation with regard to its promotions.

Due to the inequitable situation existing in the 1950's when the Air Force was getting started, its promotions schedule has been modified to make up for the discrepancy created by the younger age and smaller force structure in early years. The Air Force has asked for this special legislation on five occasions in the past and probably will make it a sixth some time soon this year.

Beginning in 1959, Congress called for reform of the officer grade process. The Defense Department said it was working on the problem. It said that every year until 1966, when permanent legislation was passed by the House but rejected in the Senate when the distinguished Senator from Georgia, Mr. Russell, urged that the extension be temporary so that reforms could be made. At that time it was my understanding that the Pentagon again promised to have corrective legislation in a year or so. That was 15 years ago, and none came.

In October of 1972, when the Air Force last asked for an extension of the Office Grade Limitation Act (OGLA), the Senate agreed to extend them only for 2 years and, based on an amendment I sponsored, additionally agreed to submit a written report the next summer with recommendations for grade limits on all officers.

That report, submitted in May of 1973, concluded that no changes be considered in the existing statutory limitations of the number of generals and admirals. Fourteen years of study and the Pentagon provides the astonishing conclusion that they want no changes in the general officer limitations.

If it took the Pentagon that long to come to that conclusion, there need be no better justification for cutting back on the bureaucracy.

Although inadequate from a number of aspects, that May 1973 report did make a highly interesting point.

On page 20 it stated that the pre-World War II programs had no significant impact on promotion stagnation and the accumulation of many older officers in high ranks.

Let me quote from that report as to what happened next:

> Consequently, during the early stages of World War II it was necessary to remove significant numbers of operational commanders due to lack of vigor and stamina. Meanwhile, many younger officers were rapidly promoted to senior grades without the opportunity to gain experience in the middle grades.

This report is a clear signal of the danger of allowing a topheavy command structure. It actually weakens our ability to carry out military missions. And in time of crisis, it causes us to be unprepared for battle.

Let me emphasize that these are not my conclusions. These are the conclusions of the Pentagon itself.

DOPMA

Finally, on January 25 of this year, the Pentagon completed its legislation for officer grade limitations and related issues. It is called the Defense Office Personnel Management Act, or DOPMA.

Unfortunately, there are a number of significant problems with DOPMA. First, it is so detailed, consisting of 160 pages of changes of United States Code and 102 pages of sectional analysis, that it probably will be impossible to complete understand what is being proposed. The Air Force, judging that Congress will not pass DOPMA this year, is preparing to ask for their traditional extension of the OGLA.

Therefore, the promotion list being considered today is directly related to legislation the Air Force will propose later. If changes are made in the Air Force OGLA request later this year, the current list of promotions may be affected. Looked at another way, to pass this nomination list now will put the Air Force in a position of arguing that they must have the OGLA passed or it will mean the release of tens of senior generals.

They will have us over the barrel again if this list is passed.

Even more serious, however, is the content of the DOPMA itself. Billed as the answer to all problems, on close scrutiny DOPMA is based on a computer model of an ideal officer structure that may not resemble real life in any way. The number of officers permitted in each grade will not be appreciably affected by DOPMA.

DOPMA provides no solution to the officer/enlisted men ratio problem I talked about earlier.

All in all, the DOPMA deserves the most critical review by Congress, and from my viewpoint it may be totally unacceptable. Congress may have to propose its own version of promotions and grade legislation.

One of the issues that needs to be examined is an alternative to the sliding scale embodied in the 1954 act. The sliding scale has not worked. It protects general officer grades, but it is totally unrelated to defense requirements or the changing complexion of the force structure.

In place of the sliding scale, we should consider a minimum constant ceiling of generals and admirals deliberately set at a very low level to be known as a minimum base line force. To that would be added an arithmetic number of generals and admirals based on a set proportion of these officers to the total force structure.

Therefore, in times of smaller forces, minimum promotion schedules would be adhered to but no supplementary promotions would be made and attrition would bring the ratio into line. In times of larger or expanding forces, the minimum would remain constant but would be supplemented by the new increases based on the set ratio.

Mr. President, this is a complex issue and I hope that the Armed Services Committee will go into the subject with thoroughness and the expertise it has shown in the past.

I intend to vote against the officer promotion lists today, not out of disrespect for any of the officers listed therein but in order to focus attention on the continuing problem of our topheavy command structure. Furthermore, I intend to object to any multiyear extension of the OGLA to come before the Senate later this year. The timing of any extension for the Air Force OGLA should be coordinated, I believe, with anticipated action by the Armed Services Committee on the new proposal, the so-called DOPMA.

Mr. President, as far as I am concerned, in the interest of an orderly way to proceed, depending on what the distinguished chairman of the Armed Services Committee would like to do, I am perfectly amenable to acting at any time by a voice vote on all the nominations except the two nominations which will be debated and discussed by the Senator from Mississippi (Mr. STENNIS) and the Senator from Iowa (Mr. HUGHES).

Mr. STENNIS. Mr. President, let me emphasize now that I fully appreciate the position—the great amount of work and the sincerity—of the Senator from Wisconsin on this very troublesome subject. He fully realizes that this problem cannot be met by any meat-ax method of just cutting out a number of officers like one would cut a number of cattle out on the range, or something like that. He fully recognizes the problem. He has been into it many times and has made some helpful remarks about it.

He said that he hopes the committee goes into this matter with its usual thoroughness, and we accept that compliment with gratitude; but, frankly, Mr. President, it is not going to be possible to go into this subject with the thoroughness that it deserves this calendar year. The increased amount of the authorizations that are now required to be passed on by the Armed Services Committee has entirely revolutionized the work of that committee from what it was 20 years ago, and it is a year's work to take care of these matters year after year—just the matters that are required to be authorized, and the other general legislation, leaving out a subject of this complexity. I just know we could not go into it with the thoroughness required during the rest of this calendar year, and it is just best to say so now.

As a matter of fact, we have this 156-page bill on the subject from the Department of Defense, and I have learned enough about it to know that I do not think it will be satisfactory to the committee. It certainly is not satisfactory to me to just take it without the most thorough analysis and, hopefully, some helpful changes.

We are already starting now on the process of getting the right kind of study of this problem made by the staff. We have a highly competent staff member who is unusually well qualified in the field, but he cannot do all the work, by any means. We are going to have to use some capable consultants to work on this matter with our staff member, Mr. Sullivan, and with such assistance as the chief of staff, Mr. Braswell, can give. There will be several months' work on it to examine the foundations of the whole matter. It has not been fully reviewed for the last 25 years. I refer to the matter of officers and grade limitations. I am not talking about just the general officers; I am talking about officers as a whole.

I am not going to try to go into it today. I do not think the Senator from Wisconsin expected me to. He did not show his full knowledge of the subject, by any means. He is raising a warning flag here because there is a large number of promotions before us.

He is very considerate. He knows these promotions have to move. He is not trying to hold them up indefinitely. He says he is opposed to them, but he is willing for them to go to a vote. He is not going to delay them. I commend him as well as thank him for that. He could cause delay that might be hurtful to our military organization as a whole, and he is not the type to do that at all.

I am not defending the number of military officers. I just have to know more about it. But I extracted some time ago a statement made by General Brown, now Chief of Staff of the Air Force—and it was not just a boasting statement—in which he made a very strong refutation of some of the downcast statements that have been made in some of the stories by our columnists—conclusions being drawn about our Air Force being the second in the world. He refuted all that. We have the finest Air Force in the world, he said. I think he is correct in that. He pointed to the experienced manpower we have in the Air Force, officers and members of the crews. I think it is one of the great assets we have in our entire military setup.

I am entirely willing to have—in fact, want—a review of this matter in depth, but, Senator, it will take more time to go into it in depth than can be accomplished in a few months. I think the Senator realizes that.

Coming to one other phase of this matter, we have neglected this matter of general officers, although the big problem is in the officer groups below that of general officers. Many years ago the committee undertook to write up and get up its own formula and put a committee ceiling upon the number of general officers that we would approve for promotion. In that way we held the numbers down somewhat. We would not go above that ceiling, which was not as high as the law allowed, but it was a committee ceiling, and we have adhered to it largely. We made some exceptions to it during the war in South Vietnam, but within a range of 25 or 30, give or take a few, we have held to a constant figure with reference to the total number of general officers as related to the manpower strength. As I said, we had to yield to some special facts that might exist from time to time. Now the numbers in the forces as a whole have swung back around to where the legal ceiling and the committee ceiling—sometimes called the Stennis ceiling because I was chairman of the subcommittee that got it up—are almost the same. I have not examined them lately.

My point is that we have kept a constancy on this matter. We have kept an eye on it, and it is a study that ought to be reviewed further, and doubtless some modern legislation passed on it.

The bill the Department of Defense sent up does not do anything like that. It just left it all out. The committee will certainly go into that subject and provide for it in any bill the committee brings to the floor. We will have some kind of contribution to make along that line.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. STENNIS. Yes, I am glad to yield.

Mr. PROXMIRE. I want to thank the distinguished Senator from Mississippi very much. In the first place, I am delighted he has discussed the point General Brown has argued, that we have the best Air Force in the world. He is right. In fact, I have a speech to make tomorrow about what is right about the Armed Forces, and there are very many good things about it.

The fact is that the chart showing the problem of too many admirals and generals is irrefutable. It shows a steady, relentless, year-after-year trend of an increase in the number of generals and admirals in relation to the total number of troops that has gotten to the point where it is almost ridiculous.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. STENNIS. That is the very thing that has to be reviewed and the law perhaps rewritten on it. Certainly Congress ought to consider rewriting it.

Mr. PROXMIRE. As the Senator has pointed out, it was 20 years ago when the Congress passed a bill to establish a limitation on general officers. It was 15 years ago the Pentagon began to study this matter and said it was working on it and would give us an answer.

The PRESIDING OFFICER. The Senator from Wisconsin's 30 minutes have expired.

Mr. PROXMIRE. My time has expired?

The PRESIDING OFFICER. Yes.

Mr. PROXMIRE. I asked the Senator from Mississippi to yield to me.

Mr. STENNIS. Mr. President, I thought I was speaking on time allotted to me.

Mr. PROXMIRE. Mr. President, I yielded the floor, I sat down.

Mr. STENNIS. Yes. I thought I was recognized. However, if it is out of order and it is too late to go back——

Mr. PROXMIRE. I sat down 15 minutes ago.

The PRESIDING OFFICER. Until the nominations have been brought up, the time agreement does not go into effect regarding the time of the Senator from Mississippi and the Senator from Iowa.

Mr. STENNIS. Mr. President, I do not know that I have any time on this matter, but I ask unanimous consent that the Senator from Wisconsin be allowed 3 additional minutes to close his remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, I would simply like to ask the distinguished Senator from Mississippi this question. In view of the fact that the Pentagon has worked a long time on this matter and there has been a delay—I would agree wholeheartedly with the Senator from Mississippi that this is a very complicated subject, and probably there must be work done on it which could not be adequately done this year, in view of all the other problems we have in the Congress and the country—I would hope, however, it would be possible for the Senator to appoint a subcommittee which would work on this matter and to get a reasonably firm commitment so we will be in a position in 1975 to have legislation before us on which we could work the will of the Congress on the number of generals and admirals we have, as well as other commissioned officers.

Mr. STENNIS. Today I am prepared to go only this far: to say that we have a Department of Defense bill before us. I think it is going to have to be taken apart and then be built back together. I mentioned that we have a highly competent staff who have worked on it. We have located men who, we think, will be the proper consultants to work on it. We are going to do everything we can this year and then get ready for next year, but I cannot guarantee when we can get legislation or if we can get legislation. We will do the best we can.

Mr. PROXMIRE. I simply have asked the Senator whether it would be, in his judgment, possible for the Armed Services Committee to come forward earlier next year with a bill for which we can be responsible. Would that be possible?

Mr. STENNIS. It would seem that it should be possible, yes. But I think we will run into a lot of difficulties.

Mr. PROXMIRE. The Senator knows how much I respect him; but I am concerned about the delay. Year after year we are getting into a situation which is very expensive and wasteful. We have far too many generals and admirals in relation to the number of enlisted men that we have. If we delay, the situation will be aggravated.

Mr. STENNIS. I have already committed myself this far. Then we can decide what we should do later.

Mr. THURMOND. Mr. President, possibly some of my colleagues are of the opinion that Senate confirmation of the pending Air Force promotion nominations would result in an excessive number of general officers in the Air Force. Such is not the case. The Officer Grade Limitation Act of 1954 (OGLA), prescribed the total number of general officers authorized for each service as well as authorizing grade ceilings for major/lieutenant commander, lieutenant colonel/commander, and colonel/captain.

The pending nominations for promotion to temporary general officer rank are required to replace forecast losses throughout the year and in no case will a promotion occur until an actual vacancy occurs through death or retirement nor will the limitation imposed by the Officer Grade Limitation Act be exceeded.

The promotions to permanent grades are necessary to provide tenure for those general officers who demonstrate potential for increased responsibility, and such promotions would not increase the number of general officers on active duty. These permanent promotions should be considered as part of the Regular Air Force officer promotion structure and exemplify the "up or out" system.

Since the enactment of OGLA, the Air Force has remained at or below its authorized general officer strength. The Air Force reached a peak general officer strength of 443 in 1968. By the end of fiscal year 1973, the Air Force had already reduced that number by 32 and will further reduce it by another 13 by end fiscal year 1974. The fiscal year 1974 level (398) will be the lowest since fiscal year 1955 (395).

I understand it has been suggested that the number of flag and general officers be reviewed when the recently submitted Defense Officer Personnel Management Act is considered. This act is primarily pointed toward the officer grades below flag and general rank and would, among other things, establish new statutory grade limitations for those grades as now defined in OGLA and the Officer Personnel Act of 1947. I personally see no objection to reviewing the flag and general officer structure when the Defense Officer Personnel Management Act is considered, although at this particular time I am not sure there is any real need to change that part of OGLA.

I might point out, Mr. President, that the number of general officers in each of the services is a subject the Armed Services Committee has continually monitored. In fact, in reviewing data provided by the Department of Defense to the committee I note that at the end of fiscal year 1974:

The number of Army generals will equal that authorized by law.

The number of Navy admirals will be 20—7 percent—below that authorized by law.

The number of Marine generals will be 2—3 percent—below that authorized by law.

The number of Air Force generals will be 6—1 percent—below that authorized by law.

Overall DOD will have 28 flag/general officers fewer than authorized.

And, all of the services will be below the Senate Armed Services Committee ceiling on flag/general officers.

So it seems to me the matter is well under control.

Mr. President, the Defense Officer Personnel Management Act is probably the first comprehensive legislation ever submitted on this subject. Consequently, because of the piecemeal efforts in the past, it is necessarily a complex piece of legislation and, therefore, must be studied most carefully. It may be that this proposed legislation can best be reviewed by a special manpower subcommittee, while at the same time also reviewing the flag and general officer structure. Maybe that would be the best way to give the matter the consideration and study it deserves. That, of course, would be up to the chairman. However, I would stress to my colleagues that this matter will take time, and necessarily so.

In closing, Mr. President, I would stress that the points made by the distinguished Senator from Wisconsin are well taken and I believe we share some of the same concerns. However, I urge that we avoid further delay on these particular general officer nominations that are within statutory limits and are required by the Air Force.

The PRESIDING OFFICER. The question is on agreeing to all the nominations en bloc with the exception of the nominations of Gen. Alton D. Slay and Gen. Charles A. Gabriel, on which the yeas and nays have been ordered (putting the question).

The nominations were confirmed.

Mr. MANSFIELD. Mr. President, I request that the President be notified.

The PRESIDING OFFICER. Without objection, the President will be notified.

Under the previous order, there will now be 30 minutes of debate on each of the nominations of Maj. Gen. Alton D. Slay and Brig. Gen. Charles A. Gabriel. The time is equally divided and controlled by the Senator from Iowa (Mr. HUGHES) and the Senator from Mississippi (Mr. STENNIS).

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HUGHES. I yield.

Mr. MANSFIELD. It is my understanding that it is desired that the nomination of General Slay be considered first.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUGHES. Mr. President, I yield 30 seconds to the distinguished junior Senator from Virginia.

Mr. WILLIAM L. SCOTT. Mr. President, I appreciate the distinguished Senator from Iowa yielding to me.

I am in sympathy with what the distinguished Senator from Wisconsin has said. As a member of the Committee on Armed Services, I am concerned about the topheavyness of the ratio of officers to enlisted men. I think the proper procedure, however, is to go through the Committee on Armed Services. I have spoken, on occasion, with the distinguished chairman of the committee. I hope we can obtain a reduction.

I have just returned from 2 weeks in Europe on behalf of the Committee on Armed Services. We have a very fine group of officers and men, but I think a reduction should be made. I commend the Senator from Wisconsin for his efforts. I hope that the reduction can be made in an orderly manner.

Mr. HUGHES. Mr. President, I have asked for separate votes on the promotions of Generals Alton D. Slay and Charles A. Gabriel so that the Senate can consider carefully whether these two men merit the vote of confidence in their judgment and in their performance of duty which Senate confirmation would denote.

I recognize that this is an unusual procedure, but I believe that the circumstances are also highly unusual.

Mr. President, I ask unanimous consent that the text of my letter of April 5, 1974, be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C. April 5, 1974.

DEAR COLLEAGUE: The Armed Services Committee has reported Air Force promotion list number 91. I want, through this letter, to explain why I believe that the Senate should decline to consent to the proposed nominations of Brigadier General Charles A. Gabriel for the temporary rank of Major General and Major General Alton D. Slay for the permanent rank of Major General.

In early 1972, General Slay was General John D. Lavelle's deputy for operations and General (then colonel) Gabriel commanded the 432d Tactical Reconnaissance Wing at Udorn Royal Thai Air Force Base. In those positions, these two men knowingly and unquestioningly received and carried out orders from General Lavelle to conduct strikes in North Vietnam in violation of the written rules of engagement and to conceal these violations by falsified reports.

The Committee conducted a lengthy investigation of this unauthorized bombing in 1972 and questioned, among others, Generals Slay and Gabriel. Let me cite a few quotations from those hearings which deal with the involvement of these officers in these events.

General Slay knew that preplanned strikes were contrary to the written rules of engagement, but he rationalized the procedure as follows: "I just assumed that he (General Lavelle) either had the authority to do it or something that I had not seen and was not in the written word or he was deliberately choosing to do it extraneous to authority." (p. 301)

While General Slay denied conveying the initial order to falsify reports, he did subsequently discuss the matter with then-Colonel Gabriel. "I did tell Colonel Gabriel at the time that General Lavelle refuses to accept a report that . . . does not have 'enemy reaction,' I did tell him that." (p. 307)

Senator Hughes. Did you discuss the fact that it was outside the rules of engagement?

General Slay. I don't believe so, sir, because we both knew it.

Senator Hughes. Did you discuss falsifying reports?

General Slay. No, sir.

Senator Hughes. You just accepted it and went ahead——

General Slay. Yes, sir. (p. 307)

It is interesting to note that, when General Abrams ordered a strike in early January 1972 which was thought to be possibly contrary to the rules of engagement and which the Joint Chiefs of Staff subsequently criticized as such a violation, General Slay felt that it was necessary to report the strike accurately. "General Marshall and I . . . believed the only way this could be reported was right according to the book . . ." (p. 292)

Thus, General Slay should have been consistent in opposing false reports and he should have known that "liberal interpretations of the rules" would be opposed by the Joint Chiefs in Washington.

In his testimony, General Slay admitted that, in retrospect, his duty was to question his orders or at least report them to the Inspector General, and subsequently to request written proof for deviations from written orders.

General Gabriel also said that, "knowing what I know now," he would have raised some questions about those orders. (p. 220) But—"I rationalized it at the time that we were giving . . . 7th Air Force . . . all the information we had on the strikes . . ." (p. 202)

When asked by Chairman Stennis, "Why were you filing a false report? What was the purpose of the false report? Who was it designed to mislead or fool or protect?" General Gabriel responded: "Sir, I don't know, and I did not know at the time." (p. 202)

General Gabriel also testified that "I probably did" fly on some of the missions which required him to make a false report, though this was never pinned down to a particular flight and false report. (p. 201)

Other witnesses testified that perhaps 300 people knew of these unauthorized strikes and that it sometimes took four hours for debriefers to falsify convincingly their reports.

Perhaps the seriousness of these actions goes without question. Admiral Moorer said that the raids were a "violation of the letter and intent of the rule." (p. 459) He also said: "With respect to falsifying the records, I do not think that is subject to interpretation." (p. 489)

General Ryan told the Committee that he relieved General Lavelle of command primarily because of the false reporting. He also said that General Slay "exercised poor judgment" (p. 259) and that General Lavelle's subordinates "should have apprised me of the situation when I was out there. I think they should have known . . ." (p. 271)

General Abrams was characteristically pithy in his comments. "If I or any other commander of similar rank picks and chooses among the rules, his subordinates are then going to pick and choose among the rules that he gives them. There is no way to stop it and as long as this is the way the mission must be performed, you must adhere to it or it will unravel in a way that you will never be able to control." (p. 108) General Abrams spoke directly to General Lavelle when the allegations of false reporting were made and said: "We just cannot have a military organization where you are requiring people to falsify reports." (p. 131)

I have gone into such detail because I want to make you aware of the extensive record available on these men. On the basis of this evidence, the Senate must now make a judgment as to whether these men are fit for additional promotions and added responsibilities.

When the Committee considered the adequacy of the Lavelle investigation last March, Department of Defense General Counsel Buzhardt said that he had concluded the General Lavelle "was clearly and solely responsible for instituting false reporting of Air Force missions, and that those who obeyed his command should not be penalized." Moreover, he doubted that it would be possible to sustain a criminal charge of falsifying records, which is a violation of article 107 of the Uniform Code of Military Justice. The key problem was apparently proving an "intent to deceive."

As I told the Committee at that time, to decide *not to punish* a man for his actions is one thing, but it is quite another thing to reward him with higher rank and our confidence. I could not rest easy if I thought that one of these men who knowingly participated in this false reporting might one day become Chairman of the Joint Chiefs of Staff.

The integrity of our command and control structure, both within the military and under civilian authority, depends upon men of the highest character, whose obedience to our laws and the Constitution is unquestioned.

Hindsight is no substitute for foresight, and honest admission of error cannot replace good judgment at the time. The otherwise distinguished military records of these men cannot quell my own doubts to how they might act in future circumstances.

It is my understanding that the denial of promotion would have these consequences: General Slay would have to retire next year, when he reaches thirty years of service and five years in his permanent grade, and he would receive retirement pay at the rate for major generals; General Gabriel could still serve an additional seven years, until he reaches thirty years of service, at which time he would retire at the pay rates for brigadier generals.

When this nomination list is called up for Senate action, I shall ask for separate consideration of Generals Slay and Gabriel. For the reasons I have outlined, I shall vote against their confirmation. I hope that, after weighing the evidence, you will join me in this action.

Sincerely,

Harold E. Hughes.

Mr. HUGHES. Mr. President, I have not looked forward to this particular time nor to this particular discussion. I think it is unfortunate that I have been led to the conclusion that I must take this course of action. It is unfortunate, I believe, that the Pentagon has failed to take the action that it should have taken in this whole affair which would have precluded the necessity of the Armed Services Committee or the Senate even discussing this matter today.

The conclusion of this debate is known by every Senator before it even begins, including the Senator from Iowa. The nomination of these gentlemen will be confirmed regardless of what I say today.

Before proceeding to the specific evidence relating to Generals Slay and Gabriel, I would like to take a few minutes to set the background which applies to both men.

Two years ago, the Senate Armed Services Committee refused to report favorably the nomination of Air Force Gen. John D. Lavelle, who had ordered forces under his command to bomb North Vietnam contrary to the rules of engagement approved by the President and had concealed these actions by falsified reports.

Now, for the first time, the Senate has before it the names of two officers who were closely associated with General Lavelle in these unauthorized activities and who have testified as to their involvement.

I believe, Mr. President, that the compelling reasons which led to committee rejection of General Lavelle apply as well to Generals Slay and Gabriel.

These men should be subjected to a simple test: on the basis of their records, do they deserve promotion?

I am not seeking to impeach them, not seeking to recall them, not seeking to drum them out of the Air Force. Nor can the Senate act as a court martial to levy fines or imprisonment.

Both of these men can continue to serve in the Air Force for as long as the law allows even if these promotions are denied. And I expect that they will try very hard to give excellent service at their current ranks and level of responsibility.

The issue is not one of punishment, but of rewarding them with higher rank, added responsibilities, and our confidence.

I believe, and I know the members of the Armed Services Committee share this view, that we must demand the highest standards from our top-ranked officers. If we are to fulfill our responsibilities to the Senate, we cannot take nominations lightly or without close scrutiny.

As the members of the committee know well, I have raised questions about many nominees for promotions. This is the first time since General Lavelle's activities were exposed, however, that we have had clear evidence of specific nominees whose judgment and performance of duty fell below acceptable standards.

I am aware of the otherwise exemplary records of these officers. I have met them personally; I complimented them for their testimony in the Lavelle case. But somewhere our responsibilities require us to draw a line.

If we choose to reward these men with promotions, what will the consequences be?

Will the Air Force conclude that the Senate will rubber stamp all of its nominees without question?

Will the officers down the line conclude that loyalty and obedience within one's service are more important than adherence to the higher principles of law and civilian control of the military?

Although the Defense Department has concluded that General Lavelle was solely responsible for the unauthorized bombing and falsified reports, Generals Slay and Gabriel have admitted knowing what was taking place and participating without question in these illegal acts. Should we reward such conduct?

I would not want the Senate to abdicate its own responsibility to demand the highest standards of general officers and to disqualify those who do not measure up.

In a sense, then, our action on these nominations is highly symbolic. For good and sufficient reasons, we can reject these promotions. But at the same time, we can also send a message to the Pentagon that it must keep its own house in order, that it cannot make John Lavelle a scapegoat for a system which rewards obedience and service loyalty regardless of higher orders.

I am particularly disappointed in what the Air Force has done to correct the abuses which the Lavelle investigation exposed. No formal investigation was held. Only minor reforms were made in the inspector general system.

But for the actions of the Armed Services Committee, this whole flagrant episode would have been swept under the rug.

Air Force officials originally claimed that the mere act of removal of General Lavelle from command was sufficient to deter any future abuses. The fact is, however, that only a very few people were told the truth about Lavelle's dismissal before members of the Armed Services Committee demanded and received an explanation. This attempted cover-up did not serve to make an example of General Lavelle.

Seven months after the event, the chief of staff, General Ryan, sent a policy letter to commanders which did not even mention General Lavelle, but merely referred in vague terms to the importance of accurate reporting in order to preserve the integrity of the service.

I ask unanimous consent that the statement be printed in the Record at this point.

There being no objection, the statement was ordered to be printed in the Record as follows:

AIR FORCE POLICY LETTER FOR COMMANDERS

(From Office of the Secretary of the Air Force)

WASHINGTON, D.C., *November 1, 1972.*

INTEGRITY

Integrity—which includes full and accurate disclosure—is the keystone of military service. Integrity in reporting, for example, is the link that connects each flight crew, each specialist and each administrator to the commander-in-chief. In any crisis, decisions and risks taken by the highest national authorities depend, in large part, on reported military capabilities and achievements. In the same way, every commander depends on accurate reporting from his forces. Unless he is positive of the integrity of his people, a commander cannot have confidence in his forces. Without integrity, the commander-in-chief cannot have confidence in us.

Therefore, we may not compromise our integrity—our truthfulness. To do so is not only unlawful but also degrading. False reporting is a clear example of a failure of integrity. Any order to compromise integrity is not a lawful order.

Integrity is the most important responsibility of command. Commanders are dependent on the integrity of those reporting to them in every decision they make. Integrity can be ordered but it can only be achieved by encouragement and example.

JOHN D. RYAN,
General USAF, Chief of Staff.

Mr. HUGHES. My point, Mr. President, is that the Air Force did not take timely and sufficient action to instill in its members the importance of obedience to lawful orders and of truthful reporting, as brought out in the Lavelle case.

Since I have already circulated a lengthy letter to all Senators outlining the basic evidence on Generals Slay and Gabriel, I shall only summarize the key points now.

Let me turn first to the evidence concerning General Slay.

In early 1972, General Slay was General Lavelle's deputy for operations. In this positon, General Slay received and carried out, without question, General Lavelle's orders to conduct strikes in North Vietnam in violation of the written rules of engagement and to conceal these violations by falsified reports.

General Slay testified to the Armed Services Committee that he knew that the preplanned strikes were contrary to the written rules of engagement, but he thought that General Lavelle might have secret, higher level authority. In retrospect, General Slay conceded that it was his duty to question the orders, or at least to report them to the inspector general.

General Slay also went along with the false reporting of the strikes, despite the fact that only a few weeks before, he had insisted on the accurate reporting of a strike which was questionable under the rules.

In that case, the Joint Chiefs of Staff noticed and criitcized the violation of the rules, and no further such violation occurred. Therefore, I believe that General Slay should have known that accurate reporting was necessary, if only to confirm JCS knowledge of and approval for General Lavelle's new interpretation of the rules.

Mr. President, the seriousness of these actions goes without question.

Admiral Moorer testified that the raids were a violation of the letter and intent of the rule.

General Abrams said simply:

> We just cannot have a military organization where you are requiring people to falsify reports.

General Abrams also said that, when commanders can pick and choose among the rules, control mechanisms will unravel.

The Air Force Chief of Staff at the time, General Ryan, said specifically that he believed that General Slay "exercised poor judgment."

Mr. President, I agree with General Ryan, and I believe that that poor judgment should disqualify General Slay from further promotions.

The rules were clear; they could not be bent, only broken. Article 107 of the Uniform Code of Military Justice is also clear: No false reporting.

If we are to have civilian control of the military, and if the military is to control itself, there has to be obedience to the rules and the law.

Military operations depend upon obedience—but that obedience properly extends only to lawful orders, not to illegal ones.

Even if one excuses an initial lapse, because of the heat of battle, one cannot excuse the systematic, prolonged, unquestioning obedience to highly questionable and, in fact, illegal orders.

But at no time in the 6 weeks of heavy bombing in North Vietnam, in which over half the Air Force missions were unauthorized, did General Slay or General Gabriel raise the simple question: Is this right? Is this legal?

We do not demand perfection, but we should insist upon much better performance of duty. Hindsight is no substitute for foresight, and honest admission of error cannot replace good judgment at the time.

I might point out, Mr. President, that I have received several letters from former subordinates of General Slay, attesting to his fine qualities as a commander.

But his otherwise distinguished military record cannot quell my own doubt as to how he might act in future circumstances if he is given higher rank.

General Slay missed his chance to question his illegal orders, and he did not object to false reporting in these instances, though he had done so only a few weeks before.

On balance, therefore, I believe that the Senate should reject this nomination, particularly in the light of the keen moral questions being asked of us all at this particular time in our Nation's history.

Mr. STENNIS. Mr. President, I shall use only 1 minute of the time, and at the end of that minute I will ask unanimous consent that the Senator from Nevada (Mr. CANNON) be placed in control of the time.

Senator CANNON is unusually well qualified to go into any intricacies of these questions that might come up, and I have requested him and the Senator from South Carolina (Mr. THURMOND) to arrange to be present on the floor today when these matters were brought up.

My comment on the nomination, Mr. President, is that our committee went into these matters. The Senator from Iowa shows great consistency and great sincerity. He has been into the matter, too, as he was in the Lavelle hearings. But after consideration of all the facts here as to these two nominations, the committee voted unanimously, except for the Senator from Iowa, in favor of the nominations being approved. I was one of those who was there and voted, and am supporting each of the nominations here now.

I now ask unanimous consent that the remainder of the time that I would otherwise control under this unanimous-consent agreement be transferred to the Senator from Nevada (Mr. CANNON).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON. Mr. President, I yield myself 5 minutes.

In certain respects the two nominations in issue revive some of the questions raised during the hearings of September 19, 1972, on the advancement of General Lavelle from major general to lieutenant general on the retired list. The committee at that time for reasons I shall not dwell upon recommended against the advancement of General Lavelle.

Both General Gabriel who was then a colonel and Slay testified at those hearings. I would emphasize that the committee has recommended favorably that the nominations of both Generals Slay and Gabriel be approved. The Senate therefore has a definite recommendation before it regarding these nominations.

I would like to make the following comments.

I think it is fair to say that the Vietnam war involved a greater number of pressures and a greater degree of confusion on orders than any other this country has ever engaged in.

The entire issue of the so-called "false reporting" began when General Lavelle verbally told his subordinates that they could not report "no reaction" after they had conducted raids against certain military installations in North Vietnam.

I would interject at this point that General Lavelle was of the belief and stated during the hearings that this order was within the scope of his authority.

The basic issue, Mr. President, is whether every subordinate commander in this or any other war is to be charged with the responsibility of second-guessing whether the commander has the authority to issue the order received by the subordinate. If this premise is correct, military operations in some instances would cease or at least be greatly slowed down. General Slay testified before the committee that as far as he knew, General Lavelle had authority to issue the order which was passed on. Basically, this is the only way which military operations can be conducted.

I would interject, Mr. President, that all of the targets flown against were military targets and were not villages or other similar acts against civilians. Also, there were enormous pressures on the air commander to step up his protective reaction strikes in North Vietnam; pressures from Washington and other high authorities.

We also know that throughout the Vietnam conflict, orders were frequently changed—at times, pursuant to Presidential authority, protective reaction strikes were ordered from Washington. How is a subordinate commander in a position to question these orders, especially when they are reasonable on their face?

Generals Slay and Gabriel were outstanding combat officers with fine records of military service. Discipline was and is a part of their lives. For us to say here today that these officers should have disregarded this training and this lifetime of experience in the military service to challenge the senior field commander as to the legality of his orders is completely unrealistic.

I will close, Mr. President, by saying that these officers are performing in an outstanding manner today. General Slay is Vice Commander, Air Training Command at Randolph AFB, Tex. and General Gabriel is Deputy Director for Tactical Operational Forces, Directorate of Operations, Headquarters, USAF, Washington, D.C.

Mr. President, I note that the distinguished Senator from Missouri (Mr. SYMINGTON) does not happen to be present in the Chamber, so I submit for the RECORD a letter addressed to Senator SYMINGTON from George S. Brown, General, USAF, Chief of Staff, in which he responds precisely on the points involved in this case and completely supports both of these officers for promotion as they have been nominated. I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE AIR FORCE,
Washington, D.C., March 25, 1974.

Hon. STUART SYMINGTON,
Committee on Armed Services,
U.S. Senate,
Washington, D.C.

DEAR SENATOR SYMINGTON: This is in reply to your letter of 25 February 1974 regarding the fitness for promotion of Major General Alton D. Slay and Brigadier General Charles A. Gabriel. I have reviewed the testimony of both General Slay and General (then Colonel) Gabriel when they testified in regard to the retirement of General Lavelle. I have also personally talked with both men regarding the matters raised by Senator Hughes.

It is my view that actions within 7th Air Force which were outside the rules of engagement authorized by higher authority were not the responsibility of either Generals Slay or Gabriel. I am convinced that General Lavelle was completely aware of his actions and as he stated to the Air Force Inspector General was responsible for the missions in question and the reporting of them. General Lavelle appeared straightforward in his actions and he had the confidence of both General Slay and General Gabriel. Neither General Slay nor General Gabriel knew the extent of authority which had been delegated to General Lavelle. Each honestly assumed that General Lavelle was not acting on his own.

Both General Slay and General Gabriel testified, as you know, that they would have acted in a different manner had the targets which General Lavelle ordered struck had not been valid military targets such as MIG airfields and SAM equipment. I believe it was reasonable, based upon the circumstances which existed at the time and the unique rules of engagement, for Generals Slay and Gabriel to assume that General Lavelle had authority to issue orders for both the air strikes in question and the reporting of them.

I believe that policy decisions regarding these unauthorized preplanned protective reaction operations were made by General Lavelle, not by General Slay as Director of Operations. General Gabriel, as the Commander of the 432nd Tactical Reconnaissance Wing—removed from 7th Air Force by a considerable distance (about 550 miles)—was not in any way involved in policy making. His job was complying with orders from 7th Air Force. In my judgment he complied in a disciplined manner with what he believed to be completely authorized orders.

General Lavelle has accepted responsibility for the actions he took and explained his rationale for what he did. At no time did he indicate that General Slay or General Gabriel was responsible for any of these actions.

After re-reading much of the testimony and talking to Generals Lavelle, Slay and Gabriel, I find no reason to disagree with General Lavelle on this point.

I have examined General Gabriel's record very carefully. It is my opinion that his honesty, his dedication and his ample abilities clearly merit promotion to Major General. Apparently your Committee also thinks highly of him. On page 206 of the referenced report, the Chairman praised then Colonel Gabriel and stated that he was a credit to his profession and to the Air Force. I assure you, Sir, that is an excellent characterization of General Gabriel.

I have also examined General Slay's record and I believe his performance in a series of responsible, demanding jobs, fully warrants his promotion to the permanent rank of Major General. It would appear from your Committee report that the members who flew to Colorado to hear General Slay's testimony were impressed with his forthrightness, and the clarity and sincerity of his testimony.

I can understand the role that they played in this unfortunate circumstance and I recommend the promotions for which they have been nominated. I trust the Air Force has your support in this matter.

Respectfully,

GEORGE S. BROWN,
General, USAF, Chief of Staff.

Mr. CANNON. Mr. President, I yield 5 minutes to the Senator from South Carolina.

Mr. THURMOND. Mr. President, I thank the distinguished Senator from Nevada.

My statement will refer to both officers, and is very brief.

The distinguished Senator from Iowa is today questioning the suitability for promotion of two Air Force officers who have been nominated for promotion in the general officer ranks; Major General Slay to permanent major general, and Brigadier General Gabriel to temporary major general. Both of these officers served under General Lavelle, who was reprimanded by the Air Force Chief of Staff for exceeding his authority in conducting bombing in North Vietnam. The Senator from Iowa feels these officers were also involved in General Lavelle's unauthorized actions to the degree they should not be promoted.

Mr. President, I would remind my colleagues that the question of involvement of other officers and men in the unauthorized bombings was thoroughly investigated by the Senate Armed Services Committee, beginning in July 1972, when the committee sent two staff investigators to Vietnam followed by hearings from September 11 through 22, 1972.

At that time, and to this date, no one accused our committee of participating in a whitewash. Both men, General Slay and General Gabriel were among the many witnesses we interviewed. We were satisfied that they were not involved.

I think I can fairly summarize the conclusions that both the committee and the members of the Senate—with the possible exceptions of Senator HUGHES and Senator PROXMIRE—arrived at then: that while we might have wished that both men had asked General Lavelle if his orders were based on proper authority, they neither knew, nor could have known that the orders were illegal. Has anything changed since then? During the course of many nominations, we have received statements from officers involved. The matter was further brought before the Senate when General Abrams' nomination was debated and confirmed on October 11 and 12, 1972.

The committee, after considerable discussion, and after the extensive hearings I have already mentioned, determined that the sole responsibility for the unauthorized bombings must be borne by General Lavelle, and no others. This was also the determination of the Air Force Chief of Staff and the Secretary of Defense. As you know, Mr. President, General Lavelle was retired as a major general, two grades below his active-duty rank.

The matter has been thoroughly looked into and it is a matter of record that only one member of the Senate Armed Services Committee, the distinguished Senator from Iowa, opposed the favorable reporting to the full Senate of the names of these two officers.

One final point, Mr. President, and that is General Gabriel has previously been approved for promotion by the Senate Armed Services Committee and confirmed by the Senate subsequent to the Lavelle hearings. This was his promotion to permanent colonel, which came before the Senate on September 28, 1973. Therefore, it seems inappropriate to even raise the issue at this late date.

Mr. President, both of these officers have magnificant records. They are honorable, capable officers. It would be most unfair to them not to confirm them now to the grades to which they have been recommended by the Air Force. The Air Force recommended them. The Secretary of Defense recommended them. The President recommended them. The Senate Armed Services Committee unanimously—with the exception of the one vote of the distinguished Senator from Iowa (Mr. HUGHES)—approved them.

It is hoped that the Senate at this time will approve these two officers as it is felt they are fully deserving of these promotions.

Mr. CANNON. Mr. President, if no other Senator wishes to speak at this time, I am prepared to yield back my time.

Mr. HUGHES. Mr. President, before that, I should like to ask the Senator a couple of questions if I may. Before that, on my own time, I shall withhold it for the moment but would like to respond to the Senator from South Carolina (Mr. THURMOND) about General Gabriel being promoted subsequent to the hearings and confirmed by the Senate to brigadier general from the rank of colonel.

The promotion came to the committee prior to the time the investigation started. So far as consideration by the committee of that promotion, the Senator from Iowa was not even aware that the then Colonel Gabriel's name was on the list for promotion to brigadier general, nor was any consideration given by the committee or the Senate in relationship to any violation of the rules and regulations or the instructions of the Commander in Chief in relation to the incidents we are talking about now.

If I might ask the distinguished Senator from Nevada a couple of questions—

Mr. THURMOND. Mr. President, will the Senator from Iowa yield?

Mr. HUGHES. I yield.

Mr. THURMOND. I might remind the distinguished Senator that this was to a permanent colonel not to temporary brigadier general.

Mr. HUGHES. I stand corrected. I stand corrected and will ask that the RECORD be corrected in that particular instance.

Mr. President, we have been talking about the following of the orders of General Lavelle given to General Slay in relation to the bombing of North Vietnam that I consider to be illegal. We have not heard discussion about the falsification of the records and I would like to ask the distinguished Senator from Nevada if it is not true that General Slay cooperated in and gave the orders to falsify the records in relationship to the bombing incidents.

Mr. CANNON. No. I think that is not a correct statement. He passed on the instructions from his commander, General Lavelle, that the term "no reaction" could not be used and that they therefore would have to report their reaction to the mission. There is a lot of question as to just whether there was or was not reaction as well. But he passed on to his subordinates the order that he received from General Lavelle in each instance.

Mr. HUGHES. In other words, General Slay knew that even if there was no enemy action against the plane, he passed on the order that enemy actions must be reported, so he was passing on an order to falsify a report.

Mr. CANNON. He was passing on General Lavelle's order that the term "no reaction" could not be used in the report. That is correct. General Lavelle testified himself before the committee that he interpreted the fact that certain incidents occurred meant that there was enemy reaction. We on the committee did not find that. We determined that that was not enemy reaction. There was testimony before the committee that the bombing alert of the entire net—the air defense—did not constitute enemy reaction. We voted that way and on that basis. But General Lavelle testified before the committee that he considered that enemy reaction. He told his subordinates, the men who worked under him, that they could not use the term for reporting purposes of no reaction. That is what the record reflects.

Mr. HUGHES. I would ask the Senator from Nevada in relationship to this kind of reporting that both General Gabriel and General Slay should have been well aware of the Uniform Code of Military Justice.

Mr. CANNON. They certainly should.

Mr. HUGHES. The section relating to falsifying and reporting falsified records.

Mr. CANNON. They should have been aware and I assume they were so aware. The whole point is that the Senator proceeds on the assumption that everyone down the line knew the reports were falsified. That is not the case. That is not what the record discloses. They did not interpret that these were falsified reports. General Lavelle testified himself that he thought there was reaction. He interpreted the alert of the defense net to be reaction. We found that that was not correct. We did not agree with him. Some of the commanders did not agree with him. But he still interpreted them that way and he passed on to his subordinates the fact that they could not report a "no reaction" when they went into combat raids against military targets in North Vietnam.

Mr. HUGHES. I respectfully disagree with the Senator from Nevada since in fact the committee made no finding, as I recall, in relationship to either one of these men, and the committee made no report in relationship to this, so there was in fact no committee finding so far as the Senator from Iowa was concerned. But it was testified to by numerous witnesses before the committee—and the Senator from Iowa, if he missed any of the testimony in relationship to the hearing over the weeks, it must have been only minor minutes or at the most hours, because he heard all the testimony as it related to the hours of debriefing and the falsifying of the documents in relationship to it, and the orders coming down to it as given to the committee.

So the Senator from Iowa says if this was an undertaking of junior commanding officers rather than the result of direct orders given by General Lavelle and General Slay, then the Senator from Iowa could be taken as being corrected. But the orders were given. They were followed. The reports were falsified.

The PRESIDING OFFICER. All time on the first nomination has now expired.

Mr. HUGHES. Mr. President, I will not begin to use the 15 minutes on the second nomination because the discussion of both men is very similar, but I want to make a few statements in relationship to the nomination of General Gabriel.

I am not sure whether the Senate will want to act differently on this nomination than on that of General Slay, but I do want the record to be clear and complete.

In early 1972, General Gabriel was still a colonel, though his nomination for promotion to brigadier was approved before the information of General Lavelle's unauthorized bombing came to light.

Then Colonel Gabriel commanded the 432d Tactical Reconnaissance Wing at Udorn Royal Thai Air Force Base. That unit was responsible for reconnaissance over North Vietnam, and for the so-called protective reaction strikes which in fact were preplanned and unauthorized raids.

General Gabriel testified that he "probably did" fly on some of the missions which required him to make a false report, though this was never pinned down to a particular flight on a false report.

Sgt. Lonnie Franks has said that General Gabriel was well aware of the false reporting procedures, and that he sometimes was present while the debriefers spent up to 4 hours concocting their false reports.

General Gabriel later testified that,

"knowing what I know now," he would have raised some questions about his orders.

But he did not. And, during some 6 weeks of heavy bombing, more than half the Air Force strikes flown against North Vietnam were unauthorized.

General Gabriel said he did not know the purpose of the false reporting. He had his orders, and he followed them unquestioningly.

Regardless of what one thought about the war, regardless of what one thought the wisdom of the rules of engagement, the fact remains that General Gabriel, like General Slay, obeyed his immediate commander rather than the clear orders of the Commander in Chief and the clear provisions of the Uniform Code of Military Justice.

I do not believe, Mr. President, that an officer who acts in this way should be rewarded by the Senate with a promotion to higher rank and increased responsibilities.

Mr. CANNON. I yield myself 2 minutes.

Mr. President, the argument is the same with respect to both of these men.

As I said earlier, if the premise of the Senator from Iowa is correct, military operations could not be conducted in many instances, because it would be incumbent upon the lesser ranking officers to stop and ask, in each instance of an order given, if the order were lawfully given, and then to ascertain for themselves, in their own minds, whether it were or were not a lawful order, and make the decision as to whether or not they should follow it. Of course, if this type of procedure were to be adopted, military operations simply would have to fail.

Mr. President, I am prepared to yield back the remainder of my time, if no one else wishes to speak.

Mr. HUGHES. Mr. President, I want to say, by way of conclusion in this particular disagreement, that I agree that orders must be followed in the military. I agree that each of these men, in his own right, has had a distinguished military career, up until the point of these particular events and these unfortunate circumstances over North Vietnam, in a war that was not supported at that time by the majority of the people of this country, in a war in which these men risked their lives daily for their country in the performance of their duty. But their responsibilities were such in that set of circumstances that they could not afford the luxury of simply following orders.

We have been called upon in our lifetime to listen in many a military trial to the statement that "I simply followed the orders given by higher authority, and I had no alternative." Each of these men knew the option of reporting to the Inspector General. Each of these men knew the questions they should have asked. Each of these men, in the opinion of the Senator from Iowa, knew that official documents were being falsified and official reports were being issued, in violation of the Uniform Code of Military Justice and in violation of the President's orders regarding the conduct of the bombing raids over North Vietnam.

In my opinion, this is not punishment for these men, but it is a case of not rewarding these men with further promotions. They can continue their military careers, they can serve out their time in their present rank, and then they can enter into their full retirement, which in each case would be 30 years, were they to conclude that time. I do not look at this as punishment. It is simply a matter of not rewarding men who at that time in history unfortunately failed to meet their responsibilities and obligations in their capacity as officers in the United States Air Force.

That concludes my statement, and I am prepared to yield back the remainder of my time.

Mr. CANNON. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back.

The first vote will be on the nomination of Maj. Gen. Alton D. Slay.

Mr. ROBERT C. BYRD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ROBERT C. BYRD. Would not the first vote occur on the nomination appearing first on the calendar?

The PRESIDING OFFICER. Major General Slay.

Mr. ROBERT C. BYRD. Does his name come first?

The PRESIDING OFFICER. It is the Chair's understanding that unanimous consent was requested to reverse the order.

Mr. ROBERT C. BYRD. Very well. Then, will the vote on the other nomination come back-to-back?

The PRESIDING OFFICER. The vote on the nomination of Brig. Gen. Charles A. Gabriel will follow immediately thereafter.

Mr. ROBERT C. BYRD. I thank the Chair.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Maj. Gen. Alton D. Slay, 426-03-5604FR, (brigadier general, Regular Air Force), U.S. Air Force, to be a major general? On this question the yeas and nays have been ordered, and the clerk will call the roll.

Mr. HUGHES. Mr. President, is a unanimous-consent request in order at this time?

The PRESIDING OFFICER. The Senator may state it.

Mr. HUGHES. I ask unanimous consent that on the second vote, on the nomination of Brigadier General Gabriel, the time for the vote be limited to 10 minutes.

The PRESIDING OFFICER. Is there objection?

Mr. ROBERT C. BYRD. I have no objection. Is this agreeable to the other side—that the rollcall vote on the second nomination, which will occur back to back, be limited to 10 minutes?

Mr. JAVITS. One of the Senators on this side desires that an objection be interposed.

The PRESIDING OFFICER. Objection is heard.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Ohio (Mr. METZENBAUM), the Senator from Missouri (Mr. SYMINGTON), and the Senator from California (Mr. TUNNEY), are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Massachusetts (Mr. BROOKE), and the Senator from Oregon (Mr. HATFIELD), are necessarily absent.

I also announce that the Senator from Utah (Mr. BENNETT), the Senator from Arizona (Mr. GOLDWATER), the Senator from Maryland (Mr. MATHIAS), the Senator from Delaware (Mr. ROTH), and the Senator from Pennsylvania (Mr. HUGH SCOTT), are absent on official business.

The result was announced—yeas 51, nays 36, as follows:

[No. 150 Ex.]

YEAS—51

Aiken
Allen
Baker
Bartlett
Bellmon
Bible
Brock
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Cotton
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Ervin
Fannin
Fong
Griffin
Gurney
Hansen
Helms
Hollings
Hruska
Humphrey
Inouye
Jackson
Johnston
Long
Magnuson
McClellan
McClure
McGee
Montoya
Nunn
Pastore
Percy
Randolph
Scott, William L.
Sparkman
Stafford
Stennis
Stevens
Talmadge
Thurmond
Tower
Young

NAYS—36

Abourezk
Bayh
Beall
Bentsen
Biden
Case
Chiles
Church
Clark
Cook
Cranston
Hart
Hartke
Haskell
Hathaway
Huddleston
Hughes
Javits
Mansfield
McGovern
McIntyre
Metcalf
Mondale
Moss
Muskie
Nelson
Packwood
Pearson
Pell
Proxmire
Ribicoff
Schweiker
Stevenson
Taft
Weicker
Williams

NOT VOTING—13

Bennett
Brooke
Fulbright
Goldwater
Gravel
Hatfield
Kennedy
Mathias
Metzenbaum
Roth
Scott, Hugh
Symington
Tunney

So the nomination was confirmed.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Brig. Gen. Charles D. Gabriel to be a major general? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Ohio (Mr. METZENBAUM), the Senator from Missouri (Mr. SYMINGTON), and the Senator from California (Mr. TUNNEY), are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Massachusetts (Mr. BROOKE) is necessarily absent.

I also announce that the Senator from Utah (Mr. BENNETT), the Senator from Arizona (Mr. GOLDWATER), the Senator from Maryland (Mr. MATHIAS), the Senator from Delaware (Mr. ROTH), and the Senator from Pennsylvania (Mr. HUGH SCOTT), are absent on official business.

The result was announced—yeas 53, nays 35, as follows:

[No. 151 Ex.]

YEAS—53

Aiken
Allen
Baker
Bartlett
Bellmon
Bible
Brock
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Cook
Cotton
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Ervin
Fannin
Fong
Griffin
Gurney
Hansen
Helms
Hollings
Hruska
Humphrey
Inouye
Jackson
Johnston
Long
Magnuson
McClellan
McClure
McGee
Montoya
Nunn
Pastore
Percy
Randolph
Scott, William L.
Sparkman
Stafford
Stennis
Stevens
Talmadge
Thurmond
Tower
Young

NAYS—35

Abourezk
Bayh
Beall
Bentsen
Biden
Case
Church
Clark
Cranston
Hart
Hartke
Haskell
Hatfield
Hathaway
Huddleston
Hughes
Javits
Mansfield
McGovern
McIntyre
Metcalf
Mondale
Moss
Muskie
Nelson
Packwood
Pearson
Pell
Proxmire
Ribicoff
Schweiker
Stevenson
Taft
Weicker
Williams

NOT VOTING—12

Bennett
Brooke
Fulbright
Goldwater
Gravel
Kennedy
Mathias
Metzenbaum
Roth
Scott, Hugh
Symington
Tunney

So the nomination was confirmed.

Mr. STENNIS. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. THURMOND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STENNIS. Mr. President, I move to reconsider the vote by which the preceding nomination, that of General Slay, was confirmed.

Mr. THURMOND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STENNIS. I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

By unanimous consent, the Senate resumed the consideration of legislative business.

ORDER TO VACATE VOTE ON S. 1486, THE OMNIBUS EXPORT EXPANSION ACT OF 1974

Mr. SPARKMAN. Mr. President, this matter pertains to the Committee on Commerce. I have discussed it with the Senator from Hawaii (Mr. INOUYE) and the Senator from Washington (Mr. MAGNUSON), and they are agreeable to this request.

I ask unanimous consent that the vote by which the Senate yesterday passed S. 1486, the Omnibus Export Expansion Act of 1974, be vacated.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that S. 1486 and S. 1485, a companion bill, be referred to the Committee on Foreign Relations, with instructions that the committee report to the Senate no later than 30 days from this time.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

AUTHORITY FOR THE SECRETARY OF THE SENATE TO REQUEST RETURN FROM THE HOUSE OF REPRESENTATIVES OF PAPERS ON S. 1486

Mr. ROBERT C. BYRD subsequently said: Mr. President, earlier today the distinguished Senator from Alabama (Mr. SPARKMAN) obtained unanimous consent to rescind the previous action of the Senate on S. 1486. However, the papers have already gone to the other body. Therefore, I ask unanimous consent that the Secretary of the Senate be authorized to request the return of the papers on S. 1486 from the House of Representatives.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR STEVENS TOMORROW

Mr. GRIFFIN. Mr. President, I ask unanimous consent that, immediately following the recognition of the two leaders tomorrow, the Senator from Alaska (Mr. STEVENS) be recognized for 15 minutes.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, I am just reminded that Senator PROXMIRE has a 15-minute order for tomorrow.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the recognition of Senator STEVENS for 15 minutes follow the recognition of Senator PROXMIRE.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I thank the Senator.

FARM FENCES AND DISASTER ASSISTANCE

Mr. COOK. Mr. President, under the Agricultural Stabilization Conservation Service, within the Department of Agriculture, guidelines in effect since 1957 have provided emergency assistance to farmers for up to 80 percent of damage to farm fences in the event of a natural disaster. On March 12, the Department of Agriculture, for some inexplicable reason, rescinded this order. As we are all so sadly aware, on April 4, tornadoes ripped through 10 States leaving people, homes, and farmland stricken in their paths. Emergency assistance was rushed to these people by all agencies involved. Everyone has tried to be as helpful as possible. However, I now find that farmers in the State of Kentucky, as well as in the other affected States, cannot get Federal assistance from the Department of Agriculture for repair of their fences. Not only that, but they also cannot receive help in removing debris. They have been told that they should provide their own labor and farm equipment to remove the debris scattered on their fields, but once planting time arrives, Federal assistance from the compassionate Department of Agriculture will be available. I traveled to Kentucky after the tornadoes hit, and I saw houses and barns which had been scattered for miles. How can any farmer be expected to pick up all of that debris, as well as fallen trees, without some assistance? It is truly incomprehensible to me that the Department of Agriculture is allowing this to continue. The Federal Government is not treating the cities this way. Assistance in cleaning up debris in the urban areas has long since been made available.

Further, I am quite concerned that swift action by the Department of Agriculture be taken in assuring farmers that money will be available for the repair of their fences. Approximately 1,573 miles of fence was destroyed in Kentucky at a cost of under $3 million. These fences, unlike barns and farmhouses, cannot be insured. Anyone knows that if a farmer does not have fence to separate his cows from the corn and sheep from the meadow, his farm will be totally unproductive. After all, the corn must be protected from trampling by the cows, and the cows must eat the grass in the meadow in order to produce milk. If farm animals are allowed to roam without proper fencing, they will be lost and killed on the highway. Not only are we talking about the farmer's livelihood, but also the best interests of this Nation. Have we already forgotten the seriously high food prices of last summer? We must lend every aid to these farmers so that their land can be in operating condition by planting time which is here. We must assure that we will have enough food to feed our people.

This is a positive act that the Department of Agriculture can take to absolutely assure the highest food production this year. We always have enough other unpredictables to worry about such as pests, rainfall, transportation, labor, machinery, fuel and fertilizer, to mention just a few.

I know the Department of Agriculture has the money for repairing and restoring these fences and I urge them to act immediately to correct this glaring error. Twenty-seven counties in Kentucky have requested this type of disaster assistance, as well as removal of debris, and to this day, 3 weeks later, they are unsure as to what can and will be done for them. The county and State ASCS committees, in cooperation with their emergency disaster committees, have long since taken their surveys and reported the extent of their needs. I find the Department of Agriculture's cold and deliberate lack of response inexcusable. I intend to work at the legislative end to turn these regulations around.

I would assume that we have educated people at the Department of Agriculture who are familiar with the nursery rhyme:

Little boy blue, come blow your horn
The sheep's in the meadow, the cow's in the corn.
But, where is the boy who looks after the sheep?
He's under the haystack, fast asleep.

Wake up, Department of Agriculture, and pitch in like everyone else.

Mr. TAFT. Mr. President, will the Senator from Kentucky yield?

Mr. COOK. I yield.

Mr. TAFT. I commend the Senator from Kentucky for his comments on this subject. In my own State, I have traveled over the tornado-stricken areas, and the amount of refuse scattered about over the farmland is absolutely tremendous. Until it is cleared up, farming will be an impossibility.

The farmers are already handicapped by the shortage of fertilizer and the tremendous increase in the cost of fertilizer, and they need all the help they can get. I concur with the Senator from Kentucky that the Department of Agriculture should move, and move quickly.

I also would urge that the House of Representatives move quickly to do something about at least a minor type of grant program or other means to do something about minor items which perhaps the Department of Agriculture cannot assist with. There are many types of losses in a casualty of this kind, and much help is needed.

Mr. COOK. I thank the Senator from Ohio. I must say, while the Senator from New Mexico (Mr. Domenici) is present, who did such a remarkable job in bringing the disaster relief bill to the Senate floor, together with the Senator from West Virginia and his colleague not too long ago, it is my understanding that there is presently, right now, appropriated and available in the Department of Agriculture a sum, and I hope I am correct in this, of approximately $8 million.

There was an additional $10 million that was allocated, but was impounded. But it is my understanding that the $8 million is available now. It is a program that ran from 1957 until March 12 of this year, and why and for what reasons, which are totally unknown to Members of Congress, this program had to be stopped because it was the only program that could go into effect in the event of a disaster. Why this has been done is beyond me. All the agencies have pitched in and done a remarkable job. Our hats are off to all of them—apparently with the exception of one and that is the Department of Agriculture in this situation.

Mr. DOMENICI. Mr. President, I commend the Senator from Kentucky for calling to the attention of the Senate and the Secretary of Agriculture the situation which he describes. I concur that the action of the Department of Agriculture is inexcusable.

I should also like to say to the Senator from Ohio (Mr. Taft) that we are scheduled for a conference on Thursday on a House disaster relief bill which basically is a grant to the needy program. We are hopeful that by combining that with ours, we will come up with substantially more than that. We are already aware of the specific problems of fencing and the Agriculture Department's change in the regulations just slightly before this disaster.

I am sure the Senator is well aware that we will do what we can to report the entire bill and, if at all possible, to do something about the problem raised by the Senator from Kentucky and the Senator from Ohio.

Mr. TAFT. Mr. President, I want to join in commending the distinguished Senator from New Mexico who has shown so much leadership in this area. It is indeed reassuring to hear that there is some legislation on which we can go to conference with the House to attempt to expedite this matter. The longer we delay the more hardship is involved for so many people in planting. They are the more disrupted in their livelihoods and in their ability to produce the much-needed crops and product that we need.

Mr. COOK. Mr. President, I thank both my colleagues very much.

NATIONAL NO-FAULT MOTOR VEHICLE INSURANCE ACT

The PRESIDING OFFICER. Under the previous order, the Senate will resume the consideration of the unfinished legislative business (S. 354), which the clerk will state.

The assistant legislative clerk read as follows:

> A bill (S. 354) to establish a nationwide system of adequate and uniform motor vehicle accident reparation acts and to require no-fault motor vehicle insurance as a condition precedent to using a motor vehicle on public roadways in order to promote and regulate interstate commerce.

The PRESIDING OFFICER. The pending question is on agreeing to the amendment (No. 1204) of the Senator from South Dakota (Mr. Abourezk).

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the distinguished Senator from South Dakota (Mr. Abourezk) be permitted to call up two other amendments, if he feels disposed to do so, immediately following the disposition of the pending amendment and prior to the consideration of the Magnuson amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. DOLE. Mr. President, will the Senator from South Dakota yield for a unanimous-consent request?

Mr. ABOUREZK. I yield.

Mr. DOLE. I ask unanimous consent that a member of my staff, Peter Robinson, be accorded the privilege of the floor during the debate on S. 354.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ABOUREZK. Mr. President. I ask unanimous consent that a member of my staff, Peter Rouse, be accorded the privilege of the floor during the consideration of my amendments and the votes thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COOK. Mr. President, I ask unanimous consent that Mr. Yarmuth of my staff be given the privileges of the floor during debate and votes on the pending bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1204

Mr. ABOUREZK. Mr. President, yesterday I offered an amendment and then withdrew it and had it printed. It is No. 1204.

I do not have anything to add at this time. The sponsor of the bill wants time to respond, and I will reserve the remainder of my time.

Mr. MOSS. Mr. President, this is the amendment that had not been printed yesterday. Since that time, we have had an opportunity to examine it and I have looked rather carefully at the amendment of the Senator from South Dakota cosponsored by the Senator from Maine (Mr. Hathaway) and I find that it is consistent with the objectives of S. 354. Therefore, it is acceptable.

The amendment makes three modifications in the provisions governing tort lawsuits.

First, it clarifies the language to make sure that any person who intentionally attempts to cause injury to himself who in fact injures another person unintentionally can be sued in tort by the victim.

Second, it adds language to insure that persons who are not operating motor vehicles can always be sued in tort if they negligently cause injury to occupants of a motor vehicle.

Both of these perfecting amendments improve the bill by explicitly and precisely expressing the intent of the sponsors.

Third, it eliminates the $2,500 figure in section 206(a)(5), which means that a person who is eligible to sue for non-economic detriment—pain and suffering—would not be required to have the first $2,500 of a verdict for noneconomic detriment subtracted from his total recovery. It permits all persons who can sue and recover a judgment for pain and suffering damages to recover all of the noneconomic detriment loss. The effect of this amendment will be to slightly decrease the average premium cost savings projected in each State that meets the bill's national standards. For example, in Alabama, the average premium savings would be reduced from 22 to 19 percent; in North Dakota, the average premium savings would be reduced from 4 to 2.5 percent. Although the amount of the premium reduction would be reduced, the savings in each of the 50 States would not be dramatically affected.

I am prepared to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from South Dakota (Mr. Abourezk) No. 1204.

Mr. HRUSKA. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HRUSKA. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HRUSKA. Mr. President, one of the factors in considering the advisability of the pending amendment would, of course, be its impact on cost. There are various estimates as to what costs this would entail. The only precise way of determining it for consideration here would be on a State-by-State basis.

It would appear that if the $2,500 deduction would be removed, according to one computation, in the State of Alabama, which is the first on the list, the residual general damage cost, based on a $3,354 value, would amount to about 30.9 percent of the total cost of all tort recoveries under the present system.

The bill provides that from every claim which passes the threshold and results in a tort suit, a flat rate deduction of $2,500 must be made. The question is, how will the total system cost be affected if this deduction is eliminated? An estimate can be drawn from the Milliman & Robertson model of cost prediction, which will be just as reliable as the other cost predictions made by that formula. Of course, that formula is subject to the many caveats that are listed in the report and to which attention should constantly be paid and which should be constantly borne in mind.

A mathematical calculation can be made, using M. & R. assumptions, of the average residual general damage claim cost and the total general damage claim cost both with and without the deduction. A further calculation can be made to determine the percentage of system costs attributable to the postthreshold residual damage claims. The change in this percentage resulting from an elimination of the threshold can then be stated.

The average residual damage claim under S. 354 is about $2,300, after reduction by the $2,500 deductible. This figure is derived by taking the average of appendixes II–1 through II–51 for the 50 States and the District of Columbia. The assumption is that each State has passed a $15,000 benefit package on wage loss, to comply with the "low benefit" provision of S. 354, and each State has passed the tight threshold plan with a $2,500 deduction. The further M. & R. assumption is that claimants, claims adjusters, and juries will overvalue all claims by an average of $1,250 to try and beat the unfair deduction. This means that the true value of each claim can be found by adding only $1,250 to the average claim values of appendix II. That is, the final value published in appendix II is true value plus $1,250 minus $2,500—or true value minus $1,250. The published value, all-State average, of $2,330 means that in the opinion of M. & R. actuaries the average verdict and claim value in the United States for noneconomic loss in serious and permanent injury or disfigurement cases will be only $3,580—$2,330 plus $1,250.

The figure seems low, considering these cases are the most serious of all injuries sustained, and are necessarily disabling or disfiguring for life. The unstated assumption of M. & R. is that juries do not award much money for the intangible losses called "pain and suffering." It may be rational to conclude that any deduction from those modest awards, or any restriction upon them, is unjustified.

Based upon the assumption that the average claim with the deduction applied—at a net effective rate of 50 percent of $2,500—is $2,330, and based upon the parallel assumption that true value is $3,580 it is apparent that the after-reduction value is 65 percent of true value. Stated in reverse, if the $2,500 reduction is abolished, then the total value of residual damage claims will have to be increased by a factor of 54 percent to determine the increased cost of paying true value, $2,330 times 1.54 equals $3,588, rounded to $3,580.

The overall effect on costs which the increase in general damage costs will generate can be demonstrated by taking a sample State which is close to the national average in claim costs. Appendix II–18 for Kentucky shows 7.227 residual general damage claimants at an average of $2,326 each for a total of $16,809,000. If this is increased by a factor of 54 percent, the additional cost will be $9,077,000, making a new total of $25,886,000. The Milliman & Robertson formula calculates all loss adjustment expenses as a percentage of payout, and uses a 25-percent adjustment cost factor for general damages claims. The additional payout of $9,077,000 should be adjusted upward by $2,269,000 to reflect the adjustment cost factor of the Milliman & Robertson model.

Total additional cost in the no-fault system will be $11,346,000 for added claim cost and adjustment cost. The Milliman & Robertson appendix for Kentucky shows the total cost estimate for medical, wage, service benefits, death benefits, and general damages, and adjustment costs of $129,192,000. The addition of $11,346,000 will increase this to $140,538,000. The increase in total system cost is 9 percent.

The effect on average premium will be that the premium will be nearly 11 percent higher over S. 354's present premium after the deduction is eliminated. In the private insurance system at present cost levels the insurance industry retains or expends about 30 percent of the premium dollar for all sales and acquisition expense, general administrative expense, taxes, and underwriting profit. The remaining 70 percent goes for claim payment and loss adjustment expense. In order to pay out $129,192,000 in losses plus adjustment cost, it will take premium income of $184,560,000. In order to pay out $140,538,000 in losses plus adjustment cost, it will take premium income of $200,768,000. The 9-percent increase in loss costs will require a 10.8-percent increase in premiums to maintain the same level of commission expenses, general expenses, taxes, and profits.

This study is limited to cost increases due to the elimination of the $2,500 deductible alone. If the threshold is reduced, there will be a further cost increase. The reduction in threshold, however, will not produce as large a cost increase as the elimination of the deductible.

Mr. President, the effect on the average premium will be that the premium will be nearly 11 percent higher, over S. 354's present premium, after the deduction is eliminated, on a nationwide basis. That is a nationwide average that would have to be adjusted in the instance of each State. We must bear in mind that there will be an adjustment of the premium in each instance if the amendment is adopted.

Mr. MOSS. Mr. President, I agree with the Senator from Nebraska that there will be a readjustment of the premium levels if the amendment is adopted. However, I do take exception to the amount of that adjustment. I do not have the figures here for all the States, but the ones we have checked run from 1.5- to 3-percent difference, rather than the amount that was indicated. I do acknowledge that there would be a readjustment of premiums if the amendment were adopted. Nevertheless, the managers of the bill feel that the amendment does not detract from the general purpose of the bill, and therefore we are prepared to vote on the amendment.

Mr. HATHAWAY. Mr. President, I want to make the point that although premiums probably will go up, there is a deductible feature of $2,500 in there Many people in the rural areas of this country and the relatively poor States will be deprived of any noneconomic damages. For that reason, I am a cosponsor of the Senator from South Dakota's amendment. I think the amendment is very worthwhile, in that it would compensate the people in those States where jury verdicts are traditionally quite low.

Mr. BAKER. Mr. President, I am happy to support the amendment offered by the junior Senator from South Dakota (Mr. ABOUREZK) which would eliminate a provision from the bill, which I consider to be particularly objectionable.

This provision of the bill requires in effect that any injured victim who meets the stringent tort threshold specified in the bill's minimum standard and who is free from fault and thus entitled to recover noneconomic compensation must give up the first $2,500 of his recovery.

I think that this provision is clearly unjustified and unconscionable. My amendment No. 1137 would remove this provision from the bill, but I shall support the amendment of Senator ABOUREZK because I feel the issue deserves the attention which this action focuses upon it.

I am advised that the amendment may increase costs. However, in my opinion, whatever the costs, we cannot afford the inequity of this provision in S. 354.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. MOSS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ABOUREZK. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1205

Mr. ABOUREZK. Mr. President, I call up amendment No. 1205.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 105, line 12, delete: "six continuous months" and substitute "sixty continuous days".

Mr. ABOUREZK. Mr. President, although I favor a concept of no-fault insurance that automatically compensates a victim for his wage loss and medical and rehabilitation expenses, I am opposed to a law which would completely foreclose a victim's right to sue for intangible damages, for example, pain and suffering. Thus, while most of the provisions of S. 354 conform to my view of a sound no-fault concept, I am somewhat concerned about its restrictions on tort liability. I personally believe that the tort threshold provision in S. 354 is unfair and unwise, and I fear that it would have the effect of depriving deserving accident victims of compensation which they should be entitled to receive. If an individual is injured in an accident, which was not his fault, he should be allowed the right to sue for intangible damages.

It is apparent that there is strong opposition to any attempt to abolish the tort threshold provision of S. 354 completely. I regret that this is the case. Nevertheless, the reluctance to removing all restrictions on lawsuits for noneconomic detriment does not diminish my belief in the desirability of lowering the tort threshold contained in this bill. I am thus offering the following amendment which I believe strikes a reasonable compromise between the supporters of tight restrictions on lawsuits for intangible damages and those arguing against any restrictions at all.

This amendment would amend the tort threshold provision (sec. 206(a)(5)(B)) of the Federal standards section (title II) of S. 354 to permit tort suits for noneconomic damage where an injured person has sustained more than 60 continuous days of total disability. As the provision now reads, there must be more than 6 continuous months of total disability to allow lawsuits for recovery of intangible damages.

In its report, the Senate Commerce Committee states that—

> S. 354 would create a nationwide automobile insurance system which would, in the event of a motor vehicle accident, pay the cost of restoring to the maximum extent feasible, all occupants and pedestrians who are injured, and compensate, subject to reasonable limitation, the economic loss of all deceased victims (S. Rept. 93-382, p. 2).

I believe that in seeking maximum restoration of motor vehicle accident victims, it must be recognized that in certain cases the loss to be restored consists not only of economic loss, but also of noneconomic loss, that is, pain and suffering.

It is important to note that while the focus of S. 354 is on economic loss, for which basic no-fault benefits are provided, title II of the bill does acknowledge the desirability of compensating the accident victims for noneconomic loss in certain well-defined cases and thus permits tort suits for such loss. In keeping with the no-fault principle, such lawsuits are restricted to serious cases of noneconomic loss.

I have examined the arguments for this tightly defined tort restriction very closely, and I must say that they do have considerable appeal. The proponents of a tightly restricted tort liability provision contend that the present right to sue for intangible damages does not even insure the automobile accident victim with fault-based lawsuit coverage adequate compensation for major economic loss, much less anything for pain and suffering. They present figures which demonstrate, quite convincingly, that the present system for compensating automobile accident victims, whether those at fault or those not at fault, is inadequate, particularly when a person is seriously injured and sustains a significant amount of economic loss. S. 354 provides a much more substantial compensation system for all automobile accident victims and, to the extent insurance dollars are paid to auto accident victims for pain and suffering, the recipients will be those with serious injuries, not slight injuries.

I do not dispute the underlying rationale of this argument or the figures used to substantiate it. At the same time, I do not think that it detracts from the merits of the case for lowering the tort threshold provision of S. 354. I believe that our auto reparations system should and can provide just and equitable compensation for the economic losses of automobile accident victims without unduly restricting their right to sue for intangible damages. To the extent practical, my amendment will insure just that.

My amendment is consistent with the whole philosophy of the National No-Fault Motor Vehicle Insurance Act. Section 206(a) does allow the right to sue for intangible damages in serious cases. Under my amendment, tort suits are still reserved for serious cases of noneconomic loss. The amendment simply gives the concept of "serious case" a more realistic definition by recognizing that a person who has been totally disabled for 60 continuous days has been seriously injured.

Mr. President, I think that if the threshold were to be abolished altogether, this would be a much better piece of legislation. The reason is that I do not feel that the primary issue here should be that of cost. There will be some increase in premium costs, but I think one could also argue that if one made a $100,000 deductible provision, it would save a great deal in premiums. Not many people would be able to recover any loss whatsoever if they were involved in an accident, under these provisions.

We have to strike some kind of balance with respect to the desire of those of us who favor a good, sound no-fault concept for people to be compensated for their injuries, for medical expenses and wage loss and for the right to sue for pain and suffering.

If we maintain the threshold at 6 continuous months of disability, many people who suffer from injuries they have received as a result of somebody else's fault will not be able to sue, although they will undergo a great deal of pain and suffering.

Total abolition of this tort threshold provision would be much preferable. However, I do not see the support for it at this point. Therefore, I favor the amendment reducing the 6 continuous months to 60 continuous days.

Mr. MOSS. Mr. President, the amendment presented by the Senator from South Dakota would reduce the 6 continuous months to 60 continuous days. The Senator also has at the desk a printed amendment which would substitute 90 continuous days for the 6 continuous months.

The practical effect of the 90-day amendment, the second one—and I intend to make a motion to substitute—would be to reduce the average premium saving projected for each State under the national standards of S. 354.

But the 90-day amendment is consistent with the basic objective of the bill that under no circumstances can average premium costs be permitted to increase. In combination with the amendment which was just adopted, which eliminates the $2,5000 deduction, the average personal injury premium savings in Alabama would be 14 percent rather than 22 percent under the bill as reported. The corresponding impact in North Dakota is that there would be no change in the average cost of personal injury premiums rather than a saving of 4 percent under the bill as reported. While the 90-day amendment may not produce actual cost savings in every State, it will produce significant cost savings in most States and certainly no cost increases in any State.

Therefore, I would be willing to accept the 90-day provision.

By contrast, the practical effect of the 60-day amendment will, according to the actuarial projections of Milliman & Robertson, increase the average cost of premiums for personal injury coverage in 11 States.

Although the increases in each of these 11 States would be minimum, I cannot accept an amendment that would raise costs over present levels even though the consumer will be receiving an infinitely better product than he is getting today.

Mr. President, I therefore offer as a substitute for the amendment now pending the one that is printed and is designated as amendment No. 1206, which I will send to the desk, the only difference being that it provides 90 days in place of the 60 days.

The PRESIDING OFFICER. The clerk will state the amendment offered as a substitute.

The clerk read the amendment offered as a substitute (No. 1206) as follows:

On page 105, line 12, delete: "six continuous months" and substitute "ninety continuous days".

Mr. ABOUREZK. Mr. President, I would like to ask for the yeas and nays on the amendment, but not enough Senators are present.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ABOUREZK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ABOUREZK. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. ABOUREZK. Mr. President, I also ask for the yeas and nays on amendment No. 1205.

Mr. MOSS. Mr. President, if it is amended, there is no need for that.

Mr. MAGNUSON. Let us get over one rollcall first.

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were not ordered.

Mr. ABOUREZK. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. ABOUREZK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FONG. Mr. President, I have carefully examined the arguments and supporting documentation provided by both the proponents and opponents of S. 354, the National No-Fault Motor Vehicle Insurance Act, which is now before the Senate.

I have come to the conclusion that this bill is greatly needed and should be enacted by the Congress.

In my view, the present fault-oriented system of automobile accident reparations is functioning very badly indeed. To cite only one factor, less than half of every premium dollar paid into the system for automobile personal injury liability insurance is returned to the Nation's motorists. In 1972, for example, they got back only $3.36 billion out of $8 billion in premiums paid in.

The $2 million study of automobile insurance and compensation commissioned by Congress and conducted by the Department of Transportation significantly concluded:

> In summary, the existing system ill serves the accident victim, the insuring public and society. It is inefficient, overly costly, incomplete and slow. It allocates benefits poorly, discourages rehabilitation and overburdens the courts and the legal system. Both on the record of its performance and on the logic of its operation, it does little if anything to minimize crash losses.

By substituting the right to recover for the right to sue, no-fault achieves what I believe should be the basic purpose of our automobile accident reparations system: the care, treatment, physical rehabilitation, and economic restoration of injured persons. Our present tort liability system cannot equitably, efficiently, or economically achieve these goals.

The States are moving all too slowly and erratically to enact their own no-fault automobile insurance systems. Even assuming that every State ultimately passes no-fault legislation of some description. I feel that 50 different State plans would prove a nightmare for consumers, insurers, and all others concerned.

I am satisfied that enactment of this legislation is constitutional and within the powers granted to the Congress by the commerce clause and the supremacy clause.

Objections to S. 354 which do have substance are relatively minor in nature, in my view, and can be dealt with by amendments on the Senate floor which will not kill or deflect the thrust of national no-fault legislation as a whole.

In arriving at these conclusions, I might note that I have had the advantage not only of reviewing and evaluating the abundance of information on this matter, pro and con, which I suspect has also been presented to my colleagues, but also of regularly attending the Judiciary Committee hearings on the constitutionality of S. 354.

Having stated my views for the record, however, I will vote "present" on rollcalls during Senate consideration of S. 354. I was similarly recorded when on March 20 the Judiciary Committee voted to report the bill out favorably.

I serve as chairman of the board of directors of Finance Factors, Ltd., a Hawaii corporation which has a division which writes automobile insurance. Because this business association raises the question of a conflict of interest were I to vote affirmatively or negatively on national no-fault motor vehicle insurance, I have concluded that the honorable thing to do, and the action which my constituents have a right to expect, is to abstain.

Mr. ABOUREZK. Mr. President, I am ready to vote.

Mr. MOSS. Mr. President, we are prepared to vote.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 1206 as a substitute for amendment No. 1205. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Ohio (Mr. METZENBAUM), the Senator from California (Mr. TUNNEY), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I further announce that, if present and voting, the Senator from Ohio (Mr. METZENBAUM) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Massachusetts (Mr. BROOKE) is necessarily absent.

I also announce that the Senator from Utah (Mr. BENNETT), the Senator from Arizona (Mr. GOLDWATER), the Senator from Maryland (Mr. MATHIAS), the Senator from Delaware (Mr. ROTH), and the Senator from Pennsylvania (Mr. HUGH SCOTT) are absent on official business.

The Senator from Hawaii (Mr. FONG) voted "present."

The result was announced—yeas 53, nays 34, as follows:

[No. 152 Leg.]

YEAS—53

Bayh
Beall
Bellmon
Bentsen
Bible
Biden
Brock
Buckley
Burdick
Byrd, Robert C.
Cannon
Case
Church
Clark
Cranston
Dole
Dominick
Hart
Haskell
Hatfield
Hollings
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Magnuson
Mansfield
McGee
McGovern
McIntyre
Metcalf
Montoya
Moss
Muskie
Nelson
Nunn
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Schweiker
Sparkman
Stennis
Stevens
Stevenson
Taft
Talmadge
Weicker

NAYS—34

Abourezk
Aiken
Allen
Baker
Bartlett
Byrd,
Harry F., Jr.
Chiles
Cook
Cotton
Curtis
Domenici
Eagleton
Eastland
Ervin
Fannin
Griffin
Gurney
Hansen
Hartke
Hathaway
Helms
Hruska
Johnston
Long
McClellan
McClure
Mondale
Packwood
Scott,
William L.
Stafford
Thurmond
Tower
Williams
Young

ANSWERED "PRESENT"—1

Fong

NOT VOTING—12

Bennett
Brooke
Fulbright
Goldwater
Gravel
Kennedy
Mathias
Metzenbaum
Roth
Scott, Hugh
Symington
Tunney

So Mr. Moss' amendment (No. 1206), offered as a substitute for Mr. ABOUREZK's amendment (No. 1205), was agreed to.

Mr. ABOUREZK. Mr. President, while many Senators are in the Chamber, I should like to explain briefly the amendment to my amendment. Several Senators came to me and said they did not understand the amendment.

I had offered an amendment to reduce the threshold to 60 days of continuous disability. The amendment, offered by the Senator from Utah (Mr. Moss), to my amendment would raise the threshold to 90 days. Based upon what appears to be considerable misunderstanding, I should like to move for a reconsideration of the vote, and I ask for the yeas and nays.

Mr. MOSS. Mr. President, I move to lay that motion on the table.

Mr. ABOUREZK. On that question, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were ordered.

Mr. BAKER. Mr. President, what are we to vote on?

The PRESIDING OFFICER. The Senator from South Dakota (Mr. ABOUREZK) has moved to reconsider the vote by which the amendment of the Senator from Utah (Mr. Moss) was agreed to. The Senator from Utah has moved to lay the motion to reconsider on the table. The question is on agreeing to the motion to lay on the table.

Mr. MOSS. Mr. President, a motion to reconsider was made by the Senator from South Dakota. I believe he did not vote on the prevailing side; therefore, I make the point of order that he may not make his motion to reconsider. I should be glad to make such a motion, provided I have sufficient time to debate it.

Mr. MANSFIELD. Mr. President, in view of the fact that a mistake evidently was made, and I do not like to deny the Senator from South Dakota his right to move to have the vote reconsidered, I move to reconsider the vote by which the amendment was agreed to.

Mr. MOSS. Mr. President, I move to lay that motion on the table and I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question now is on agreeing to the motion of the Senator from Utah to lay on the table the motion of the Senator from Montana (Mr. MANSFIELD) to reconsider the vote by which the Moss amendment was agreed to. The yeas and nays have been ordered, and the clerk will call the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Mississippi (Mr. EASTLAND), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Ohio (Mr. METZENBAUM), the Senator from Missouri (Mr. SYMINGTON), and the Senator from California (Mr. TUNNEY) are necessarily absent.

I further announce that, if present and voting, the Senator from Ohio (Mr. METZENBAUM) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Massachusetts (Mr. BROOKE) is necessarily absent.

I also announce that the Senator from Utah (Mr. BENNETT), the Senator from Arizona (Mr. GOLDWATER), the Senator from Maryland (Mr. MATHIAS), the Senator from Delaware (Mr. ROTH), and the Senator from Pennsylvania (Mr. HUGH SCOTT) are absent on official business.

The Senator from Hawaii (Mr. FONG) voted "present."

The result was announced—yeas 43, nays 43, as follows:

[No. 153 Leg.]

YEAS—43

Bayh
Beall
Bellmon
Bentsen
Bible
Buckley
Burdick
Byrd, Robert C.
Cannon
Case
Church
Cranston
Dole
Dominick
Hart
Haskell
Hatfield
Hollings
Inouye
Jackson
Javits
Long
Magnuson
Mansfield
McGee
McIntyre
Montoya
Moss
Muskie
Nelson
Pastore
Pearson
Pell
Percy
Ribicoff
Schweiker
Scott, William L.
Sparkman
Stennis
Stevens
Stevenson
Talmadge
Weicker

NAYS—43

Abourezk
Aiken
Allen
Baker
Bartlett
Biden
Brock
Byrd, Harry F., Jr.
Chiles
Clark
Cook
Cotton
Curtis
Domenici
Eagleton
Ervin
Fannin
Griffin
Gurney
Hansen
Hartke
Hathaway
Helms
Hruska
Huddleston
Hughes
Humphrey
Johnston
McClellan
McClure
McGovern
Metcalf
Mondale
Nunn
Packwood
Proxmire
Randolph
Stafford
Taft
Thurmond
Tower
Williams
Young

ANSWERED "PRESENT"—1

Fong

NOT VOTING—13

Bennett
Brooke
Eastland
Fulbright
Goldwater
Gravel
Kennedy
Mathias
Metzenbaum
Roth
Scott, Hugh
Symington
Tunney

So the motion to lay on the table was rejected.

The PRESIDING OFFICER. The question now recurs on agreeing to the motion to reconsider the vote on the adoption of the Moss amendment No. 1206.

Mr. MOSS. Mr. President, I ask for the yeas and nays on the motion to reconsider.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to reconsider the vote on amendment No. 1206.

On this question the yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Ohio (Mr. METZENBAUM), the Senator from Missouri (Mr. SYMINGTON), the Senator from California (Mr. TUNNEY), and the Senator from Kentucky (Mr. HUDDLESTON) are necessarily absent.

I further announce that, if present and voting, the Senator from Ohio (Mr. METZENBAUM) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Massachusetts (Mr. BROOKE) is necessarily absent.

I also announce that the Senator from Utah (Mr. BENNETT), the Senator from Arizona (Mr. GOLDWATER), the Senator from Maryland (Mr. MATHIAS), the Senator from Delaware (Mr. ROTH), and the Senator from Pennsylvania (Mr. HUGH SCOTT) are absent on official business.

The Senator from Hawaii (M. FONG) voted "present."

The result was announced—yeas 40, nays 46, as follows:

[No. 154 Leg.]

YEAS—40

Abourezk
Aiken
Allen
Baker
Bartlett
Biden
Brock
Byrd, Harry F., Jr.
Chiles
Clark
Cook
Cotton
Curtis
Domenici
Eagleton
Ervin
Fannin
Griffin
Gurney
Hansen
Hartke
Hathaway
Helms
Hruska
Humphrey
Johnston
McClellan
McClure
McGovern
Mondale
Nunn
Packwood
Proxmire
Randolph
Stafford
Talmadge
Thurmond
Tower
Williams
Young

NAYS—46

Bayh
Beall
Bellmon
Bentsen
Bible
Buckley
Burdick
Byrd, Robert C.
Cannon
Case
Church
Cranston
Dole
Dominick
Eastland
Hart
Haskell
Hatfield
Hollings
Hughes
Inouye
Jackson
Javits
Long
Magnuson
Mansfield
McGee
McIntyre
Metcalf
Montoya
Moss
Muskie
Nelson
Pastore
Pearson
Pell
Percy
Ribicoff
Schweiker
Scott, William L.
Sparkman
Stennis
Stevens
Stevenson
Taft
Weicker

ANSWERED "PRESENT"—1

Fong

NOT VOTING—13

Bennett
Brooke
Fulbright
Goldwater
Gravel
Huddleston
Kennedy
Mathias
Metzenbaum
Roth
Scott, Hugh
Symington
Tunney

So the motion to reconsider was rejected.

The PRESIDING OFFICER. The question recurs on the amendment of the Senator from South Dakota (Mr. ABOUREZK) No. 1205, as amended by amendment No. 1206, the substitute amendment by the Senator from Utah.

The amendment, as amended, was agreed to.

Mr. MOSS. Mr. President, I move to reconsider the vote by which the amendment, as amended, was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, I want to make a correction of a statement which I made in a letter sent to each Senator's office which indicated that State Farm Mutual Insurance Co. is a member of the American Insurance Association. While the State Farm has been closely associated with the AIA in support of S. 354, they are not a member of the association, but are independent.

I hope that I have caused neither the AIA nor State Farm any embarrassment.

S. 354—AN IMPORTANT BENEFIT OF NO-FAULT INSURANCE—QUALITY EMERGENCY MEDICAL TREATMENT AND REHABILITATION

Mr. CRANSTON. Mr. President, I am glad that S. 354, the National No-Fault Motor Vehicle Insurance Act, is now before the Senate, having been favorably reported from both the Commerce and the Judiciary Committees. Today I want to speak only to one aspect of this legislation—what S. 354 will mean in terms of covering the medical expenses and rehabilitation of automobile accident victims.

The bill provides for unlimited coverage for specified allowable expenses for medical treatment and rehabilitation and defines these allowable expenses as reasonable charges incurred for reasonably needed professional medical treatment and care, emergency health services, and medical and vocational rehabilitation services.

As the author in the Senate of the Emergency Medical Service System Act of 1973, now Public Law 93-154, and as the principal Senate author with Senator RANDOLPH of the Rehabilitation Act of 1973, now Public Law 93-112, I am intensely aware of the critical effect of a serious injury requiring long-term rehabilitation on the life of the victim as well as on the life of his or her family. Of the greatest importance to avoiding permanent long-term disablement is early and adequate medical treatment at the time of the injury.

The slaughter on America's highways each day, week, month, and year is a deplorable and tragic fact.

I am most impressed with the work of the Committees on Commerce and the Judiciary and with the understanding those committees have displayed of the needs of accident victims, first, for better hospital emergency rooms, ambulances, and equipment and more and better trained emergency doctors and paramedics, and, second, for rehabilitation to make possible a return to a sound and healthy personal, family, community, and employment life.

I have worked closely with Senator MAGNUSON, Senator HART, and Senator WILLIAMS in assuring that these concerns were adequately reflected in the legislation as reported from the Commerce Committee in the 92d Congress and again as it was introduced and reported in this Congress.

Projections from studies indicate that mortality from accidents alone could be reduced by from 10 to 20 percent by proper medical care at the scene of the accident or en route to an emergency facility.

The Ambulance Association of America has estimated that 25,000 individuals are permanently injured or disabled every year as a result of inappropriate measures taken by untrained ambulance attendants and rescue workers.

The problem is especially acute in rural and inaccessible communities. The National Academy of Sciences reports that 7 out of 10 motor vehicle deaths occur in rural areas and communities with populations of under 2,500. In California, where one-fourth of the land area is 30 minutes or more away from any kind of ambulance service, a 1967 study showed the death rate in auto accidents to be 17 per 100,000 in urban areas, 46.8 per 100,000 in rural areas, and as high as 85.5 per 100,000 in the mountains. That is why in Public Law 93–154 we put such a high priority on emergency medical services systems for rural areas.

Mr. President, S. 354 as reported aims to do something about the fact that a substantial percentage of those who die as a result of automobile accidents die of survivable injuries, and the fact that a substantial percentage of those who are injured and seriously injured remain disabled—both in terms of their capacity for independent living and to obtain gainful employment—throughout life because they either fail to start a disciplined program of rehabilitation or start too late, or because no rehabilitation facilities are available in their communities. If the woeful inadequacies of America's emergency medical services nonsystems and the underutilization and undercapitalization of America's rehabilitation services system were remedied, we would, in a relatively short period of time, see a dramatic reduction in the total annual losses due to automobile accidents—a development which would mean higher profit margins for commercial insurance underwriters which could be passed on to consumers in the form of lower premiums.

The bill as reported will encourage the development of emergency medical services systems capable of providing the comprehensive care needed to treat the severe trauma frequently incurred by an accident victim through defining emergency medical services for which reasonable reimbursement is required as follows:

> Services necessary to mitigate injury to any victim during the period immediately and proximately following an accident, including, but not limited to, communications, transportation, and treatment by medical and paramedical personnel, and which are supplied or provided by a person accredited or certified by an emergency health services system.

I have suggested to Senator MAGNUSON and he has agreed to amend this language to read: "services necessary to mitigate injury to any victim during the period immediately and proximately following an accident, (including, but not limited to, communications, transportation, and treatment by medical and paramedical personnel through an emergency medical services system) which are supplied or provided in accordance with applicable State law."

S. 354 then goes on to define an emergency health services system in language almost identical to that we used in the Emergency Medical Services Systems Act, Public Law 93–154.

I am pleased that the distinguished Senator from Washington (Mr. MAGNUSON) has agreed to accept amendments to S.354 which would bring this definition into total conformity with the purposes of Public Law 93–154.

That definition was carefully constructed by the conferees on Public Law 93–154 to reflect our concern that an emergency medical services system have sufficient personnel, equipment, and facilities to insure quick accessibility to the most comprehensive emergency medical services.

In addition, S. 354, as reported, adopts a definition of medical and vocational rehabilitation services which conforms closely to the purposes of Public Law 93–112, the Rehabilitation Act of 1973, and, in addition, as a safeguard against misuse of the unlimited funds available for rehabilitation benefits, there is no obligation to pay for medical and vocational rehabilitation services unless they are provided in or through a facility which has been accredited by the appropriate State vocational rehabilitation agency as meeting applicable requirements and regulations. Each State has established a State vocational rehabilitation agency during the 50-year history of the Vocational Rehabilitation Act.

The State official responsible for supervision or regulation of the insurance industry in the State is given the responsibility under the reported bill to establish a program for the periodic evaluation of medical and vocational rehabilitation services for which reimbursement is sought under the State's no-fault system, in order to assure: first, the services meet the definition of S. 354; second, the services provided the accident victim are assisting him in making progress toward a greater level of independent functioning and are essential to such progress; and third, that the charges are fair and reasonable.

One provision of S. 354 as reported which could have an important impact on building up the capacity of individual communities to provide comprehensive emergency medical care and rehabilitation services is that which states the State official responsible for the supervision or regulation of the insurance industry is authorized to coordinate with other government agencies in the creation and maintenance of an emergency medical services system to assure that emergency medical services are available to meet the needs of the State's residents and visitors. S. 354 further provides that, in carrying out this authority, State official could provide loan guarantees or similar incentives for the development of emergency medical as well as rehabilitation services, and support for training programs for personnel in programs and facilities offering such services.

Mr. President, I believe S. 354 effectively addresses the problem of assuring that the accident victim will better be able to survive the accident and will be restored as fully as possible and as quickly as possible as a fully functioning, productive member of society. I urge that the provisions relating to reimbursement for medical and rehabilitation services must be retained without imposing arbitrary limits on this type of coverage. Such limitations would unfairly and most uneconomically relegate to a life of total dependence that small proportion of accident victims who require expensive medical treatment and rehabilitation services and for whom such medical and rehabilitation services can, in fact, mean the difference, in many cases, between a life of total personal and economic dependency and a life of self-sufficiency and financial productivity.

I urge my colleagues to support these vital provisions of S. 354 as reported.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that a member of my staff, Mr. Bert Rosen, be allowed the privilege of the floor during the consideration of this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, April 24, 1974, he presented to the President of the United States the enrolled bill (S. 2770) to amend chapter 5 of title 37, United States Code, to revise the special pay structure relating to medical officers of the uniformed services.

LEAVE OF ABSENCE

Mr. MONTOYA. Mr. President, I ask unanimous consent that I may be excused from attendance on the Senate for the remainder of business today and for tomorrow on official business.

The PRESIDING OFFICER (Mr. DOMENICI). Without objection, it is so ordered.

NATIONAL NO-FAULT MOTOR VEHICLE INSURANCE ACT

The Senate continued with the consideration of the bill (S. 354) to establish a nationwide system of adequate and uniform motor vehicle accident reparation acts and to require no-fault motor vehicle insurance as a condition precedent to using a motor vehicle on public roadways in order to promote and regulate interstate commerce.

Mr. MOSS. Mr. President, it is my understanding that the bill is now open to further amendment.

The PRESIDING OFFICER. The Senator is correct.

Mr. MOSS. I think the Senator from Florida wishes to offer an amendment.

Mr. ROBERT C. BYRD. Mr. President, under the unanimous-consent agreement, the Senator from South Dakota had the consent of the Senate to call up another amendment, if he so chose. Following that, would it not be correct that the Senate would then resume consideration of the amendment by Mr. MAGNUSON, which was pending?

The PRESIDING OFFICER. Under the previous unanimous-consent agreement, that is correct, but it is still subject to amendment.

Mr. MOSS. Mr. President, as I understand the situation, the Senator from South Dakota called up the first amendment, which was agreed to. Then he called up his second amendment; and the third amendment, which was printed and was at the desk, was substituted for the second amendment. That has now been agreed to. Therefore, it seems to me that unless he has a further amendment, we have disposed of his situation.

Mr. ABOUREZK. I have no further amendments at this time, Mr. President.

The PRESIDING OFFICER. Under the agreement, the Senator from Washington is recognized.

Mr. MAGNUSON. Mr. President, many Senators are wondering, of course, whether we will have any more rollcall votes tonight on any amendments. The Senator from Utah and I and other Senators would like to dispose of as many amendments as we can. There is a unanimous-consent agreement that at the end of business today, one or two amendments would be called up by the Senator from Tennessee (Mr. BAKER). I am sure that the Senator from Nebraska will agree with me that these are the really two important amendments to the bill.

Mr. HRUSKA. They are among the important ones.

Mr. MAGNUSON. They are the most important, I think. Anyway, they are important. There would then be a 4-hour time limitation tomorrow—that shows how important they are—and on any amendments to the Baker amendments there would be a half-hour on each side.

How long we continue tonight is up to the leadership. I do not know whether the Senator from Florida desires a rollcall vote on his amendment. In fact, I do not know what his amendment is.

Mr. GURNEY. I have no intention of asking for a rollcall vote. However, there may be others. Senator COOK has some words to say.

Mr. COOK. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. COOK. Has there been a unanimous-consent agreement with respect to the amendment of the Senator from Washington?

Mr. ROBERT C. BYRD. The amendment that is presently pending. That is by virtue of the fact that it was up yesterday, and we substituted the Abourzek amendment by unanimous consent.

Mr. MAGNUSON. I want to confer with the Senator from Kentucky before I present the amendment I have. It tries to take care of his individual report.

Mr. COOK. Will that amendment be brought up today?

Mr. MOSS. We hope so.

Mr. MAGNUSON. We can bring it up if we can agree to it.

Mr. MANSFIELD. Does the Senator from Washington yield to the Senator from Florida and does he withdraw his amendment for the time being?

Mr. MAGNUSON. I will set it aside and yield to the Senator from Florida.

Mr. GURNEY. Mr. President, I ask unanimous consent that a member of my staff, Mr. Hinish, be permitted the privilege of the floor during the consideration of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GURNEY. Mr. President, I call up my amendment.

The PRESIDING OFFICER. Without objection, the Senator may call up his amendment now.

Mr. GURNEY. Mr. President, I call up my amendment No. 1039.

The PRESIDING OFFICER. The clerk will state the amendment.

The assistant legislative clerk proceeded to read the amendment offered by Mr. GURNEY for himself and Mr. DOLE.

Mr. GURNEY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Amendment No. 1039 is as follows:

On page 64, line 25, after the word "located", insert: "except that a vehicle having less than four wheels may be specifically excluded, at the option of a State establishing a no-fault plan for motor vehicle insurance in accordance with title II of this Act, from the requirements and benefits of such plan".

On page 101, line 23, delete the word "or".

Between lines 23 and 24 add the following:

"(2) a deductible not to exceed an amount deemed reasonable by the insurance commissioner of such State for each individual if he sustains injury while he is operating a motor vehicle having less than four wheels, is a passenger on such a vehicle, or both; or".

On line 24 change "(2)" to "(3)".

Mr. GURNEY. Mr. President, I also ask unanimous consent that the following Senators be added as cosponsors of the amendment: Senators HUGH SCOTT of Pennsylvania, HELMS of North Carolina, TUNNEY of California, STEVENSON of Illinois, BARTLETT of Oklahoma, and JAVITS of New York.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GURNEY. Mr. President, this amendment is very clear and easy to understand. What it does is permit the States to exclude motorcycles from the no-fault coverage of the bill.

Mr. COTTON. Mr. President, may we have order? We cannot hear the Senator.

The PRESIDING OFFICER. The Senator will suspend. Let us have order in the Senate.

The Senator will continue.

Mr. GURNEY. As I was saying, Mr. President, what this amendment does is permit the States to exclude motorcycles from the coverage of this no-fault insurance bill. As the bill is presently drafted, motorcycles would be included along with other vehicles, cars, trucks, and all the other vehicles covered by the no-fault bill.

The main reason for seeking for the States the privilege to exclude motorcycles when they take up their no-fault bills, after the passage of this one, is that motorcycles are in an entirely different class than cars and trucks are. As a matter of fact, if we go ahead and treat motorcycles the same as cars and trucks, we are going to cause the insurance rates on motorcycles to go up three or four times present rates, and perhaps even higher. As a matter of fact, in the State of Florida they will go from somewhere around $100 under their insurance coverage up to $765. That is a six-times increase.

Delaware has already had an experience with a no-fault bill that did not exclude motorcycles, or gave them the same coverage that automobiles had, and their rates went up so high that the sales of motorcycles stopped in the State of Delaware and they did not revive until the legislature met again and revised the law to give motorcycles special treatment.

That very same thing will happen throughout the United States unless this amendment is adopted and unless the States have a right to exclude motorcycles or give them coverage different from cars and trucks.

The reason for the amendment is to permit motocyclists to continue to operate their vehicles, if they desire, and also to save the motorcycle industry, because without this amendment, motorcycles will not be sold in the United States.

On March 20, I introduced for myself and for the Senator from Kansas (Mr. DOLE) an amendment to S. 354 which would permit the States to exclude motorcycles from coverage under no-fault plans which they adopt under title II of the bill, should S. 354 be enacted into law. Since then, I am pleased to report that the distinguished Senator from Pennsylvania (Mr. HUGH SCOTT), the Senator from North Carolina (Mr. HELMS), the Senator from California (Mr. TUNNEY) and the Senator from Illinois (Mr. STEVENSON) have joined us as cosponsors of this amendment.

I have introduced this amendment in order to deal with the peculiar problem presented by motorcycles in relation to no-fault legislation and to avoid the potentially disastrous economic and social effects which may flow from including motorcyclists in any no-fault requirement for first-party benefits.

From the definition of "motor vehicles" as written in section 101 (17) of this bill, it is evident that motorcycles are to be included within the scope of no-fault coverage since motorcycles must be registered under the motor vehicle registration laws of every State. The purpose of my amendment is to make it clear to the State legislatures that they may take corrective action to exclude vehicles with less than four wheels from coverage under their plans. For instance, they could specifically write motorcycles out of such plans, or amend their vehicle registration statutes, or enact separate and distinct motorcycle laws covering registration, licensing, and the like.

This amendment would also enable the State, under section 204, to provide that any contract of insurance for no-fault benefits, allows an insurer to offer a deductible not to exceed an amount which the State insurance commissioner may deem reasonable for each motorcyclist or motorcycle passenger who is injured in an accident.

It is noteworthy that all but 2 of the 21 State legislatures which have thus far enacted some form of no-fault legislation have seen fit to except motorcycles from first-party benefit coverage or have made such coverage optional with the motorcycle owner.

If S. 354 becomes law, all existing State plans, with one possible exception (Michigan), will be automatically terminated since none of them can qualify under the uniform standards set forth in title II. Thus, it seems probable that, in enacting qualifying no-fault plans, the States will exclude motorcycles as they have done already. This amendment will thus alert each State to the possibility and permissibility of such a course of action.

I also considered the possibility of language automatically excluding motorcycles without leaving the choice to the States. I rejected that idea for practical considerations. For one thing, if we automatically remove one group from no-fault, we may be asked to remove another. In addition, as the proponents of S. 354 continually remind us, the implementation and administration of the Federal no-fault system is to be left to the States. Therefore, my amendment is more consistent with the thrust of this bill.

Under the McCarran-Ferguson Act of 1945, States should have the primary responsibility for the supervision of insurance. It follows, therefore, that the State legislatures rather than Congress should decide the wisdom of excluding motorcycles. The State insurance commissioner, who must negotiate premiums, is in a far better position to determine a reasonable deductible in insurance policies for motorcyclists than is the Congress.

For the reasons which follow, this amendment should be adopted and the States should be given the opportunity to exclude motorcycles from their no-fault plans.

The principal impetus behind S. 354 and other no-fault legislative proposals current among the States, is the desire to reform the automobile accident reparations system. Tremendous economic losses have been suffered by thousands of Americans as a result of their ownership and operation of private passenger automobiles.

The Department of Transportation study cited as a basis for this bill was concerned solely with problems created by the automobile and did not consider motorcycles at all. It is logical that no-fault plans should cover automobiles because of their great number and the high average daily accident rate involving cars, and the lengthy, costly tort litigation and crowded court calendars that ensue.

Whatever the virtues of a no-fault system over the prevalent system of liability insurance, plus tort recovery, the private passenger automobile constitutes the largest and most significant portion of the auto reparations problem.

To treat motorcycles and automobiles alike under a no-fault scheme, as S. 354 would presently do, is to completely disregard the distinctive characteristics and the uses of the motorcycle, as compared to the automobile.

The reasons for inclusion of motorcycles under no-fault are not compelling, particularly in view of the economic consequences. Inclusion may bring far reaching adverse effects upon a significant portion of the motoring public and upon a growing segment of our Nation's economy which depends upon the motorcycle industry.

Most importantly, I believe that motorcycles represent a minor part of the problem sought to be relieved by the proposed legislation. Therefore, to include motorcycles is to treat thousands of motorcyclists unfairly by forcing them to pay exorbitant rates for what has been for them a cheap, convenient, often essential means of transportation and sport.

To the average American, the private passenger automobile is as indispensable as the refrigerator. He depends, perhaps too heavily, upon his car to get him to and from home and work, to conduct his daily business and to perform a myriad of other economic and social services throughout the year.

By contrast, the motorcyclist uses his wheels strictly for pleasure or for sport on and off the public ways. The motorcycle is for its owner a cheap form of transportation which he can readily afford without the high costs of maintenance and use associated with automobiles.

Car owners have been able to find various automobile liability insurance policies to meet their needs and have generally availed themselves of the convenient and inexpensive protection offered by many insurers. By contrast, motorcyclists have traditionally declined to purchase insurance for themselves and their passengers.

In the case of the motorcycle, medical benefits insurance has not been generally available, either full coverage or with deductible, because it has been uneconomic from the point of view of both cyclist and insurer. Premiums have not been within the ability or willingness of the motorcyclist to pay.

Motorcyclists, of course, do recognize the hazards involved in riding their machines, but they are willing to assume that risk themselves, just as other sports participants do. Moreover, the passenger hazard has not been as much a factor for as for cars, so there is much less incentive for a motorcyclist to purchase medical payments to protect riders other than himself as there is for an automobile driver for the protection of his passengers.

The mechanical design and basic operational and physical characteristics of motorcycles are such that they represent a far greater risk of bodily injury to their own operators than to any other person. Motorcycle accidents involving pedestrians are rare, and the severity of injury upon impact is minor compared with what an automobile can inflict. Whenever there is a collision between an automobile and a motorcyclist, it is the cyclist, not the driver of the car or his passenger, who comes out second best.

A no-fault system which does not permit the exclusion of motorcycles would impose upon the average motorcyclist a responsibility to purchase insurance which has been largely unavailable to him. Such insurance is provided to protect society from the ills largely attributable to automobiles alone.

The kind of no-fault plan mandated by S. 354 totally disregards the accommodations made under the present tort system to establish an insurance market for motorcycles. Reasonable premium rates have encouraged motorcyclists to purchase protection for themselves and their passengers, as well as the general public.

No-fault is largely premised on the use of conventional automobile insurance policies and anticipates reformation of those policies so as to provide the benefits contemplated by the plan. Companies which insure motorcycles issue limited policies containing restrictions not found in conventional auto policies, such as exclusion whenever the cycle is used in riding contests. This is done so that there will be a motorcycle insurance market and the premiums will be reasonable for the average motorcyclist. Medical payments coverage is offered by insurers in some instances, though, for the reasons I stated earlier, not purchased by the motorcyclist.

Since the frequency and severity of injury to motorcyclists involved in accidents are greater than to auto drivers, no-fault coverage for motorcyclists would have a broader base of exposure than applies to automobilists and could not be written on the same basis as for automobiles. While there is much available data for predicting the costs of no-fault insurance for private passenger automobiles, there is no such information for motorcycles, and only approximations can be made. It is obvious, however, that premiums for motorcyclists under the S. 354 no-fault system will skyrocket overnight.

The reason that State plans have not included motorcycles is that the cost of first-party coverage for motorcycles is high in comparison to liability coverage for the same vehicle. Liability coverage is low because the motorcycle's potential for causing harm to occupants of another type of vehicle is small. Since motorcycle riders are exposed to a great potential for personal harm in the event of an accident, insurance which provides first-party benefits to motorcyclists will become very expensive. This is especially true where the benefit level is high as it would be under S. 354.

Let us consider what those costs might be for the motorcyclist under the bill. As you may know, Florida was the second State in the Nation to adopt its own no-fault insurance program, but under existing Florida law, motorcycles are excluded. Normally, the cyclist in Florida purchases liability coverage of $1,000 per party—$2,000 per occurrence plus $5,000 property damage. This coverage costs him from $75 to $100 per year on the average. He may also obtain additional coverage if he likes, that is, fire, theft, collision, and comprehensive, at premiums generally ranging from $230 to $300 per year. The Florida no-fault plan includes a $5,000 first-party threshold, that is, a limit of $5,000 per injured person for medical expenses, wage loss, replacement services and funeral expenses. If the motorcyclist were not excluded from coverage under the Florida law, it is estimated that his cost would increase by 300 percent, to $225 to $300 per year for basic liability coverage. If S. 354, with its even greater first-party threshold, were to become law, without the motorcycle exclusion I am proposing by this amendment, the cost of the same Florida cyclist without deductible provisions would range from $365 for the smallest displacement vehicle to $675 for the largest displacement vehicle, over and above the base cost he now incurs.

In other words, for lowest coverage on the smallest machine, he would have to pay premiums totaling over $440 per year. For extended coverage on a large machine (900 to 1,200 cc.) he would incur costs estimated at about $975 per year.

I have no doubt that under such costly conditions, the Florida motorcyclist would refuse to buy any insurance whatsoever or would simply abandon motorcycle riding or his motorcycle altogether.

Fortunately, however, the Florida plan excludes motorcyclists who are still able to buy adequate insurance coverage and, of course, can still sue the negligent party for damages. It should be also pointed out, if the cyclist is at fault, under the Florida law, the other party or his insurance carrier can proceed against him, and the cyclist can purchase an ordinary liability policy to protect himself against such suit.

To see what can happen when States cannot and do not exclude motorcycles from their no-fault systems, we can look at the situation encountered in the State of Delaware.

Delaware was the first State to include motorcycles in its program, and it did so apparently without considering the special problem of motorcycles. What resulted was a situation wherein insurance companies were forced to discontinue writing motorcycle insurance and the purchase of motorcycle insurance and of motorcycles came to a virtual standstill. In fact, premiums offered motorcyclists became so prohibitive that not a single motorcycle was registered in the State until the law was amended. The Delaware plan was revised finally to provide a high range of deductibles so that the owner could tailor the amount of coverage to his own needs and thus better control the premium cost.

The results of automatic inclusion of motorcycles under Federal no-fault becomes dreadfully apparent. The impact of S. 354 on both owners and sellers of motorcycles will be comparable to what happened in Delaware before its own no-fault law was changed. The high cost to these persons could produce two results: It may cause some motorcyclists to violate the law and operate without insurance; and it may deny others who choose to obey the law the means to afford personal transportation. This is certainly unfair to the motorcyclist, particularly when one considers that he is not the problem or the source of the difficulties which S. 354 purports to correct.

Some proponents of Federal no-fault legislation may wish to discourage ownership of potentially dangerous vehicles such as motorcycles. However, it must be recognized that motorcycles provide a means of transportation to a substantial segment of our population, especially to young people, that involves for them modest operating expenses and low initial investment. According to the U.S. Department of Transportation, there was in 1973 an estimated 4,222,000 motorcycles registered in the United States, of which 146,000 were in Florida. By encouraging the disappearance of the motorcycle we would be taking away from these Americans a cheap, convenient form of transportation and fun. And this is what we surely would be doing if we pass S. 354 without adopting this amendment.

In the process, we would also be contributing to the energy crisis. Based on fuel consumption data developed for the Environmental Protection Agency, the average motorcycle saves a full gallon of gasoline for every 20 miles traveled when compared with the average passenger automobile. Based on national averages, the automobile gets about 13.5 miles per gallon, the motorcycle 43.7. Assuming a 25-mile round trip to work, the use of a motorcycle for commuting could save over 300 gallons of gasoline per year.

The effects upon segments of our economy dependent upon the motorcycle could also be disastrous. A major recession affecting all of those businesses and industries which manufacture, sell, and service motorcycles is not unforeseeable, and unemployment would predictably rise with the decline in motorcycle purchase and use.

Motorcycles are becoming a much more valuable part of our economy. With fuel shortages and higher prices already facing the motorcyclist, he should at least be protected against the no-fault possibility of putting him off the road. We need the motorcyclists and we must assure them that they can remain a part of the American scene. I urge you now to vote in favor of this amendment, for if we do not now pass this amendment to S. 354, no-fault will be the motorcyclist's undoing—and that tragedy will be our fault.

Mr. MOSS. Mr. President, the amendment of the Senator from Florida and the other cosponsors of the amendment permits the States to determine whether or not they want to exclude motorcycles and those injured in connection with motorcycle accidents from the scope of the bill. The managers of the bill have no objection to that. We think that is a perfectly viable option for the States to have, and motorcyclists constitute a considerably different class, I think, of those who use the highways.

Although the bill is broad enough now to include all vehicles on the highway, we think it will not do violence to the main thrust of the bill if the States are given the option as to how they want to treat them.

It must be recognized that ultimately the States have control of their own traffic and their own insurance laws. The States will administer this act, and they have an area of discretion. This is one we believe proper to leave to the States. Therefore, we do not oppose the amendment. I personally will vote for it.

Mr. CHURCH. Mr. President, will the Senator yield?

Mr. MOSS. I yield.

Mr. CHURCH. Mr. President, I am very pleased to hear the manager of the bill state he is in favor of the amendment Many motorcyclists have written to me to express their great concern that unless the States are permitted the right to exempt motorcyclists, they may be faced with a four- or five-fold increase in their insurance premiums.

I would appreciate it very much, in view of the interest expressed by many motorcyclists in my State, if the Senator from Florida would be kind enough to allow my name to be added as a cosponsor of the amendment.

Mr. GURNEY. Mr. President, I ask unanimous consent to add the name of the Senator from Idaho as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOSS. Mr. President, motorcycles, being two-wheeled vehicles, are used extensively off the highways. Under those circumstances States may deal with them differently. In the mountainous West where I live, I suppose the percentage of motorcycles operated on the highways may be as little as 10 percent or 5 percent. Most of the motorcycles are used to go up and down hills and run up and down our mountains doing exploratory work, and the same problem that confronts other vehicles does not surround the operation of motorcycles.

I personally will join in support of the amendment of the Senator from Florida.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. MOSS. I yield.

Mr. DOLE. Mr President, as a principal cosponsor of the amendment, I share the views of the Senator from Utah and the Senator from Florida.

I wish to point out that of the 20 States having some form of no-fault legislation, all of them recognized the need for a specific provision with regard to motorcycle insurance. I think the only purpose of this amendment is to acknowledge that need in S. 354.

I know the Senator from Kentucky has some opposition to the amendment, and I realize that there may be some other debate on it.

Before yielding, I wish to make a more complete statement on the amendment.

I have been concerned in the past few months about the predicted effects of S. 354 on motorcycle insurance rates. It is said, and I believe with some justification, as the Senator from Florida has indicated, that without amending language S. 354 will cause motorcycle insurance rates to rise so dramatically that most motorcyclists will be forced to abandon their motorcycles as insurance rates more than triple. In Kansas alone with a population of 2¼ million people, there are more than 100,000 motorcycles. So the problem is one which has extremely widespread significance.

The purpose of the amendment is clear: to clarify the particular relationship of motorcycle insurance within the context of no-fault and to specify that this particular area may be dealt with, simply and directly, by each State within its own no-fault plan. Of the more than 20 States that have already enacted forms of no-fault legislation, all of these have recognized the need for specific provisions with regard to motorcycle insurance. The purpose of this amendment is to acknowledge this same need within S. 354.

The problem facing motorcyclists in a no-fault insurance system is not difficult to understand. In an accident involving a motorcycle and a larger vehicle, it is clearly the motorcyclist who will, in almost every case, sustain by far the greater personal injury and, therefore, the greater economic burden. At the same time, definitive studies have shown that it is not the motorcyclist but the driver of the other vehicle who, in a majority of such accidents, is at fault. Under the current liability system, then, it is the driver of the other vehicle, being the negligent party, who must absorb the majority of the costs involved.

With no-fault, however, the situation changes dramatically: under such a plan, motorcyclists—and through them, their insurance companies—are forced to bear a greatly increased economic burden. The result: skyrocketing motorcycle insurance rates. For S. 354, these rate increases are estimated conservatively at a minimum of 300 percent—in some cases, the increase could be much higher.

That is why this amendment to S. 354 is necessary. Without this amendment, we would discriminate against those whose only "fault" is that they have chosen motorcycles as their form of transportation.

Mr. President, the senior Senator from Pennsylvania (Mr. HUGH SCOTT) is necessarily absent today on official business. At his request, I ask unanimous consent to include his statement at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HUGH SCOTT

As an original cosponsor, I welcome today's Senate action on this amendment.

Pennsylvania leads the nation in the U.S. production of motorcycles, with the heaviest concentration being at facilities in York, Pennsylvania, which employ more than 1,100 persons for this purpose. Finished domestic motorcycles and motorcycle parts are shipped from Pennsylvania to all parts of the country.

The latest available figures from the Department of Transportation show that there are more than 215,000 registered owners of motorcycles in Pennsylvania, a figure which is more than double that recorded in 1957. At the same time, 450 retail establishments in Pennsylvania deal directly in the sale of motorcycles or motorcycle parts, and contribute more than $100 million to the State's economy each year.

I am convinced that both the motorcycle industry and related pleasure and business uses of motorcycles would be threatened if S. 354 were passed without this amendment. Therefore, I am pleased that I could be of help in averting this situation.

Mr. TUNNEY. Mr. President, as S. 354 now reads, a State may eliminate motorcycles from a no-fault plan by enacting a State motorcycle law separate and distinct from the State motor vehicle law with respect to registration, licensing, and so forth. This is a step I believe most States are unprepared to take. While no-fault insurance would generally decrease insurance costs, the motorcyclist who now enjoys low liability rates because he is seldom at fault in an accident would have to pay more for no-fault benefits to compensate himself and his passenger when injuries occured. A no-fault approach to motorcycles would thus raise insurance costs substantially so as to make cycling economically impractical.

By making it easier for States to exempt motorcycles from no-fault coverage and by permitting States to increase deductibles for motorcycles—if a State chooses to include motorcycles in its no-fault plan—the Gurney-Dole amendment, of which I am a cosponsor, is a necessary addendum to a much-needed reform.

Mr. COOK. Mr. President, I rise to oppose this amendment. I find it very strange that these are such distinct and different vehicles that are going to be on the highways and that as a result of their being known as motorcycles, their no-fault insurance premiums are going to be so prohibitive that nobody will be able to ride on the highway on a motorcycle. Well, if the premiums are so prohibitive, that means they are that much more dangerous.

Mr. President, we started in no-fault several years ago in the Commerce Committee, and one of the remarkable things we listened to all the time was that we had to have this Federal bill because we had to have uniformity; it was essential that we have uniformity. Now we are saying it is all right to have uniformity as far as automobiles and trucks are concerned, but we are going to have 50 distinct and separate determinations by 50 distinct and separate States as to how they will handle motorcycles.

It is amazing to me that we are going to have a uniform system throughout the United States and that we are going to eliminate from that uniform system somewhere in the vicinity of 7.5 million to 8 million vehicles on the roads today, namely, that many motorcycles. It is amazing, really, that, with all the debates we have had in both the Commerce Committee and the Judiciary Committee, we are now saying that we have no objection to allowing the States to make a separate distinction for each State to go its own way, to establish its own rates, to establish its own procedures, in relation to motorcycles.

There is one thing I think we have got to say is absolutely true and unquestionably a fact, and that is that if the insurance premiums are going to go up so high for motorcycles, they have to be the most dangerous vehicles on the road and they have to cause individuals the most injuries.

Why do we have this no-fault bill? We have this no-fault bill to see to it that the individual who is injured as a result of an accident has immediate first-party coverage, so that he can immediately have his hospital bills paid, he can immediately see that he is compensated, he can immediately see that he at least has compensation for his loss during the time he is injured and cannot work. All of a sudden we are going to take 7.5 to 8 million operators and say to those people, "You do not have first-party coverage. You are going to have to sue. You are going to have to bring a tort action."

By the way, for those on the floor who do not like the idea that we are taking away from the rest of the drivers of this country the uniformity, that the courthouse no longer is burdened with, we have got to say to these 7.5 or 8 million, "The courthouse is the only place, unless you can settle with the insurance carrier, because it is not available."

The other question was raised at one time during the course of the discussions in the Judiciary Committee that the insurance rates would be so high that they would be confiscatory; that they would be in excess of the value of the vehicle. There are many cars in this Nation whose insurance coverage is in excess of the value of the vehicle. Many people in the rural areas of my State who do not have high incomes have cars that are 6, 8, or 10 years old, and have three or four boys in the family driving that vehicle. Their insurance premiums are in excess of the value of that vehicle. That is no argument. The argument is, Are you going to have a uniform no-fault, first-party coverage insurance program throughout the United States, or are you not? because if we are not, then we ought to buy this amendment. We ought to include this amendment in the bill because this amendment not only eliminates that many operators and their passengers, but it also provides that we really believe in a uniform system throughout the United States for the operator of an automobile and for the operator of a truck, but not for the operators of 7, 7.5, or 8 million motorcycles.

We are also saying to the respective 50 States, Mr. President, that we are throwing this ball into their courts, and we are sending all of the motorcycle lobbyists to their State capitals so that we do not have to fool with them here.

We would be saying to them that we are sending all of those lobbyists to their State capitals so that they could contend with them and see whether they could convince them whether they ought to be excluded.

There is a remark in the report that,

in essence, says that they are eliminated anyway. There is no way in the world for that to be, because very few States in the Union would change the law to make a motor vehicle a two-wheel motor vehicle on the road—that is the vehicle as we understand it to be today.

I can only say to the Senators in all fairness that if any Senator wants to vote against the no-fault insurance bill, this would give him the opportunity to do so, so that we would eliminate that many operators and say to that many operators that there is no immediate coverage for them at all because if they are injured and there is a question of fault, they have to get a lawyer and they have to file lawsuits.

We are talking about the matter that we have to overcome, the statement that lawyers were making so much money and just raking it in by representing so many people and by filing so many lawsuits.

We are saying that we are reserving 7.5 million operators to the State. What we are saying to the 7.5 million operators is that they do not have first party coverage. So, they can argue with their insurance company or with the other fellow's insurance company to see if they are covered and can be compensated. In effect, that is what we are saying by giving the States the options.

Why do we not say to the States that they have the option to eliminate every automobile that is 10 years old or every automobile that is brand new? However, we do not do that.

We are saying that the motorcycle industry is really riding high. Why are their premiums going to increase? It is because they are the most dangerous vehicles on the road. Otherwise, why should the premiums increase three, four, and five times?

I think that we ought to think about this and we ought to think about what we are about to do, because we are saying that we are throwing 50 balls into 50 State backyards and saying to them that they should put up with this argument and see whether they will or will not eliminate it. This business about saying that they ride up the mountainside may be true. However, they ride on the highways to get there in the first place.

So I can only say that if we really want a system that is going to eliminate 7.5 or 8 million motorcycles in the United States——

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. COOK. I yield.

Mr. HRUSKA. Mr. President, may I ask the Senator what his understanding of the problem is with reference to title III on motorcycles? Are motorcycles included in title III under section 301 or are they excluded? The situation that I have in mind is whether motorcycles would be included if a State did not enact a plan under title II and title III became operative in that State. Would motorcycles be included or excluded?

I refer for quick reference to page 113 of the bill, section 301, going over to page 114.

Mr. COOK. I am studying it.

Mr HRUSKA. Mr. President, my interpretation of it is that under the no-fault plan under title III, motorcyclists would be included.

Mr. COOK. That has been the opinion of this Senator all along.

Mr. HRUSKA. Mr. President, my question is: Why should motorcycles be included under title III and, at the same time, under title II there would be an option for the State either to have or not have them included? Is the only reason for inclusion under title III the intent not to allow for a certain amount of additional leverage in coercing the States to act under title II?

Mr. COOK. Mr. President, I do not think there is any question about the fact that the two sections would be in conflict.

Mr. HRUSKA. Additionally, what becomes of the principle and the strong argument for uniformity? It is removed.

Mr. COOK. Uniformity is disected by 50.

Mr. MOSS. Mr. President, will the Senator yield?

Mr. COOK. I yield.

Mr. MOSS. Mr. President, on that point, I would inform the Senator that in the definition of motor vehicle on page 64 of the bill, it states that:

> Motor vehicle means vehicle of the kind required to be registered under the laws relating to motor vehicles of the State in which such vehicle is located.

Mr. HRUSKA. But it does require affirmative action to exclude motorcycles from coverage under title III.

Mr. MOSS. The State does have separate registration for motorcycles. It could very well exclude them under that section by definition.

Mr. COOK. Mr. President, I cannot conceive of any idea under which any State of the Union would set up a different type of registration for motorcycles and by some stretch of the imagination deny them the right to the highways, and, by denying them the right to the highways, they would not be in inter- or intra-state commerce.

Mr. MOSS. Mr. President, as a matter of fact, they are excluded in some degree now.

I was going to ask the Senator whether Kentucky's law excludes motorcycles and whether it allows them to exclude them now?

Mr. COOK. Mr. President, first of all, any motorist in the State of Kentucky could exclude himself from the system, which would include a motorcycle operator, but it would also include the operator of an automobile or of a truck.

Mr. MOSS. It does not exclude anyone?

Mr. COOK. The Senator is correct.

Mr. MOSS. A motorist may be included if he wants to be?

Mr. COOK. The Senator is correct. The Senator is not wanting me to pass judgment on that bill, I hope?

Mr. MOSS. By implication, yes.

Mr. BROCK. Mr. President, will the Senator yield?

Mr. COOK. I yield.

Mr. BROCK. Mr. President, maybe I just do not understand. However, it seems to me that the Senator was saying that if the premium rate was going to increase for motorcycle operators, it would be because they were the most dangerous vehicles on the highways. It is my understanding that the insurance rates are now predicated on an actuarial basis.

If that is the case, why are they not higher now? Is not the Senator proposing legislation that would put an increase on the rates? That is what I do not understand.

Mr. COOK. No.

Mr. BROCK. Mr. President, that is what I do not understand. And I do not mind being educated publicly.

Mr. GURNEY. Mr. President, if the Senator would yield, I think that I could answer the question.

Mr. COOK. I will yield the floor.

Mr. GURNEY. Mr. President, I had intended to get to that point when the Senator from Kentucky had finished. As I understand the arguments made by the Senator from Kentucky, they are twofold. One is that there would not be uniformity. The second is that they have the most expensive insurance rates on the roads because they are so dangerous.

As far as uniformity is concerned, we could, of course, make the bill uniform by excluding motorcycles altogether. That might be one way of doing it.

If we leave the bill as it is now, they say the price would be prohibitive. However, we do not want to do that, obviously, because we want the State plans to go into effect. That would include motorcycles in the insurance coverage, even though there might not be total uniformity in the 50 States. And if we do not do anything about it, the bill has a provision that would force them to, as pointed out by the Senator.

On the matter of expense and the Senator from Kentucky saying that the rates increased because they are the most dangerous vehicles on the road, the Senator from Kentucky overlooked the fact that the rates are high on automobile insurance today because when they have an accident there are a lot of people often involved and not just the driver of the automobile. Perhaps passengers riding with the driver or in the other vehicle are also injured.

The same thing is true if a truck is in an accident. However, when there is a motorcycle involved in an accident, usually there is only the person riding the motorcycle who is injured. If it rams into a truck, I do not think it takes a lot of explanation from me to explain what might happen.

If we put motorcycles in with cars and trucks—as we are doing in the bill—then we are raising the insurance rates to equal that of cars and trucks.

The insurance rates are lower than those for trucks because they are different kinds of vehicles. When there is an accident involving different vehicles and there are drivers or passengers involved, the amount of injury and damages involved are considerably different.

That is the reason for the different rates.

However, if we include motorcycles in with cars and trucks, as we do in this bill, then we are raising their insurance to equal that of cars and trucks.

I remember an early discussion with the Senator from Tennessee when he made a very apropos remark, which I repeat with his license. The Senator from Tennessee said that we would be making motorcycles pay the premiums of Cadillacs. That is true if we leave the bill as it is.

That is why the Senator from Florida wants to give the States the right to put their own legislation on the books and not drive motorcycles off the road and not drive the motorcycle industry out of business.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. GURNEY. I yield.

Mr. STEVENS. The Senator from Florida has made that statement and the Senator from Kentucky used the same phrase, that the amendment would permit the States to do what they want with motorcycles. As a matter of fact, the Senator's amendment would permit a State only to exclude motorcycles.

It would not permit a State to deal with motorcycles as the State Legislature would like to do. I would like to suggest that instead of specifically excluding vehicles having less than four wheels, we permit the States to specially treat, at the option of the State, these motorcycles with respect to any no fault plan, because they might well want to exclude all off-the-road functions; another State might want to exclude them all, period. Some States might want them to carry liability as well as some very high deductible for their own coverage. But this is only one option, to exclude them entirely, as I understand.

I would urge the Senator from Florida to recognize that the States do in fact want to do what the Senator has just said, and that is deal with them specially with regard to each plan.

Mr. COOK. Mr. President, will the Senator yield?

Mr. STEVENS. Well, may I get an answer to that question? I happen to believe that the reason the cost of no-fault insurance would be higher for motorcylists is because they insure themselves, and not that they are carrying liability for someone else. While they could do very little damage to someone else, they could do great damage to themselves. I am not saying they would necessarily, but they could, and the risk is their own risk; therefore, the cost would be higher.

I would suggest to the Senator from Florida that he change his amendment to read, starting on line 2, "except that a vehicle having less than four wheels may be specially treated at the option of the State establishing a no-fault class of motor vehicle insurance in accordance with title II with respect to the requirements and benefits of such a plan," so that there truly is an option in each State to deal with motorcycles as they may wish.

Mr. GURNEY. Mr. President, if I may say so to the Senator from Alaska, I think his suggestion is a good one. The amendment was really intended to do that, and I think that the present language does it. However, I do think the Senator's language treats it a little better.

Mr. STEVENS. I will send to the Senator from Florida his amendment as I have it marked up. I appreciate his comments. As a matter of fact, I think it takes this suggestion of mine to take care of some of the complaints raised by my good friend from Kentucky, although he may not agree with me.

Mr. COOK. Mr. President, while the Senator from Florida has an opportunity to look that over, may I say to the Senator form Alaska that some of his remarks are correct, and also the Senator from Tennessee.

So that we can put this thing in perspective, the reason the increase in costs is attributed to the driver of the motorcycle is that he would be required to carry first party coverage for himself, not liability.

I think we can all agree here on the fact that a motorcycle itself, in an accident with a four-wheel vehicle, would not cause a great deal of harm to the operator of that vehicle, but could cause a great deal of harm to the operator of the motorcycle. In all fairness, that is the reason for the increase. It is the result, not of the liability, but of the first party coverage, because of the nature of the vehicle itself.

I think we ought to develop this and get it into the RECORD, because what we are really saying is that we are trying to find a system that is more equitable and fair to operators, so that they can recover their out-of-pocket expenses and their medical expenses, and we are toying with the idea of eliminating the first-party coverage for this particular group of operators. We are eliminating an immediate right of first-party coverage, an immediate right to be compensated for medical bills, for hospital bills, for loss of wages, and all of the facilities under this bill, when in fact the motorcycle operator, if he is involved in an accident, is much more susceptible to serious injury than the operator of a motor vehicle.

Mr. BROCK. Mr. President, if the Senator will yield here, I appreciate very much the explanation. While I would agree with the basic premise of the Senator, I do not think I would take the next step and agree that the amendment is bad, because I think that, first of all, I am not so sure that any individual's vehicle first-party insurance should be absolutely mandatory. This amendment does not do that, anyway. The amendment as modified, simply gives the State an opportunity to change the trade, and I think that makes a lot of sense, because I do think they deserve special treatment in that they do not carry passengers, by and large, because they are one-person vehicles and they are slightly susceptible to personal injuries. But to mandatorily require provisions which would almost preclude them from operation, I think, would be unfortunate.

Mr. GURNEY. Mr. President, if I may have a colloquy with my colleague from Alaska, as I understand it now, he would suggest that the words "specially treated" be substituted for the words "specifically excluded," and then, on line 5, the word "from" is taken out and the words "with respect to" put in.

As I understand the suggestion of the Senator from Alaska, it is his wish, and with these words he believes it will be accomplished, that the States be able to enact whatever plan they want to with regard to their insurance coverage of motorcycles. Is that his understanding?

Mr. STEVENS. That is my suggestion. I have no pride in the authorship of that language. I think it will accomplish the purpose.

My thought is that if a State wishes to exclude motorcycles from a plan when they are not on a public highway, they may do so. They could include motorcycles with a very high deductible if they wanted to. They could simply exclude motorcycles if they want to, or include them with special rates. It is simply an opportunity for the States to exercise flexibility, and I believe this language would achieve that.

Mr. GURNEY. I thank the Senator from Alaska, because that is precisely what this amendment is intended to do, to permit the States to do that, so that they will have flexibility to put the plan in effect if they want to.

Mr. DOLE. Mr. President, if the Senator from Florida will yield, I might ask the Senator from Alaska a question. He is not trying to limit the scope of the amendment; he is, in effect trying to broaden the scope of the original amendment, is that correct?

Mr. STEVENS. The original amendment, as I interpret the first section, gave the State only two options: To totally include motor vehicles, or totally exclude them. What I am saying is that the State ought to have an option to treat motorcycles in whatever way they fit into its plan, with all the variations between total exclusion and total inclusion.

Mr. DOLE. It just gives the Senate a broader option, including the options offered by the Senator from Florida and the Senator from Kansas, or any other option that might occur to the State legislature?

Mr. STEVENS. That is correct. They could achieve the goal of total exclusion if the legislature desired to do so.

Mr. GURNEY. Mr. President, with that understanding, I thank the Senator from Alaska for his suggestion, and I send to the desk my amendment as modified by the language the Senator has suggested.

The PRESIDING OFFICER. The amendment is so modified.

Mr. GURNEY's amendment, as modified, is as follows:

On page 64, line 25, after the word "located", insert: "except that a vehicle having less than four wheels may be specially treated at the option of a State establishing a no-fault plan for motor vehicle insurance in accordance with title II of this Act, with respect to the requirements and benefits of such plan".

On page 101, line 23, delete the word "or".

Between lines 23 and 24 add the following:

"(2) a deductible not to exceed an amount deemed reasonable by the insurance commissioner of such State for each individual if he sustains injury while he is operating a motor vehicle having less than four wheels.

is a passenger on such a vehicle, or both; or".

On line 24 change "(2)" to "(3)".

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Florida (Mr. GURNEY), as modified.

Mr. MOSS. Mr. President, the amendment as modified is satisfactory. I think the Senator from Alaska made a good suggestion. I am happy to concur in it, and I am ready to vote.

Mr. GURNEY. I thank the Senator.

Mr. COOK. Mr. President, I might say to the Senator from Alaska and the Senator from Florida that by way of that language we are now in a position where some States might conceivably treat motorcycle operators more severely than anyone else under no-fault. It is conceivable that they might have an attitude within the framework of the legislative body that is worse even than mine.

I might say, Mr. President, what I think we are overlooking in this whole matter, and I only speak to the manager of the bill, is that may be taken care of anyway. I read from the language of the report, on page 55, at the bottom of the page, in the last paragraph:

> The words "based on a determination of fault" by negative implication would allow reallocation on some other reasonable basis, such as the propensity of a vehicle to cause damage because of its weight or its design.

Now, I think if we wish to expand this kind of committee language and the language of the report, and we have established that as the basic concept here in the RECORD, we have already established, by reason of this language, that we can in fact reallocate premium dollars on such a basis, as, says the report, "Propensity of a vehicle to cause damage because of its weight or because of its design," and that, based on that, we find ourselves in a position where our problem may be resolved anyway.

I only put that forward purely and simply, because I have a feeling now that I would like to know more definitely that the operators of motorcycles would be treated like the operators of any other vehicle, but the language suggested by the Senator from Florida and the Senator from Alaska may allow States to treat operators of motorcycles more harshly. I offer that as a suggestion, and put it into the legislative record.

Mr. President, in all fairness, considering the way I feel about this and the way I felt in committee for quite some time, I feel that this Senator should ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, would it be possible to arrive at a time limitation now that the yeas and nays have been ordered?

Mr. GURNEY. Mr. President, I would say to the distinguished majority leader that we are finished now.

Mr. MANSFIELD. All right.

The PRESIDING OFFICER (Mr. JOHNSTON). The question is on agreeing to the amendment of the Senator from Florida (Mr. GURNEY) as modified.

On this question the yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Ohio (Mr. METZENBAUM), the Senator from Missouri (Mr. SYMINGTON), and the Senator from California (Mr. TUNNEY) are necessarily absent.

I further announce that the Senator from New Mexico (Mr. MONTOYA) is absent on official business.

Mr. GRIFFIN. I announce that the Senator from Massachusetts (Mr. BROOKE), the Senator from North Carolina (Mr. HELMS), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

I also announce that the Senator from Utah (Mr. BENNETT), the Senator from Arizona (Mr. GOLDWATER), the Senator from Maryland (Mr. MATHIAS), the Senator from Delaware (Mr. ROTH), the Senator from Pennsylvania (Mr. HUGH SCOTT), and the Senator from Texas (Mr. TOWER) are absent on official business.

The Senator from Hawaii (Mr. FONG) voted "present."

The result was announced—yeas 72, nays 11, as follows:

[No. 155 Leg.]

YEAS—72

Abourezk
Aiken
Allen
Bartlett
Bayh
Beall
Bellmon
Bentsen
Bible
Biden
Brock
Buckley
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cotton
Cranston
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Ervin
Fannin
Griffin
Gurney
Hansen
Hart
Hartke
Haskell
Hatfield
Hathaway
Hollings
Hruska
Humphrey
Inouye
Jackson
Javits
Johnston
Long
Magnuson
McClellan
McGovern
McIntyre
Metcalf
Mondale
Moss
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Ribicoff
Schweiker
Scott,
  William L.
Sparkman
Stafford
Stennis
Stevens
Stevenson
Taft
Talmadge
Thurmond
Williams

NAYS—11

Baker
Cook
Huddleston
Hughes
Mansfield
McClure
McGee
Muskie
Nelson
Randolph
Weicker

ANSWERED "PRESENT"—1

Fong

NOT VOTING—16

Bennett
Brooke
Fulbright
Goldwater
Gravel
Helms
Kennedy
Mathias
Metzenbaum
Montoya
Roth
Scott, Hugh
Symington
Tower
Tunney
Young

So Mr. GURNEY's amendment as modified was agreed to.

Mr. MOSS. Mr. President, I might say for the benefit of Senators that we do not expect any more rollcall votes today, although at least two more amendments will be considered.

I ask unanimous consent that the amendment of the Senator from Washington (Mr. MAGNUSON) be set aside temporarily to permit the Senator from Idaho and the Senator from California to offer their amendments. The Senator from Washington is agreeable that his amendment be set aside until tomorrow and that it be brought up for consideration then.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

ORDER FOR ADJOURNMENT TO 11 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 11 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following the orders for the recognition of Senators previously entered, there be a period on tomorrow for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL NO-FAULT MOTOR VEHICLE INSURANCE ACT

The Senate continued with the consideration of the bill (S. 354) to establish a nationwide system of adequate and uniform motor vehicle accident reparation acts and to require no-fault motor vehicle insurance as a condition precedent to using a motor vehicle on public roadways in order to promote and regulate interstate commerce.

Mr. ROBERT C. BYRD. Mr. President, under the order previously entered, the amendment by Mr. BAKER, No. 1137, will be the pending question before the Senate at the conclusion of the transaction of routine morning business on tomorrow. Am I correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the amendment by Mr. MAGNUSON, which has now been temporarily put aside by request of the distinguished manager of the bill, Mr. Moss, be called up again on tomorrow, upon the disposition of the amendment by Mr. BAKER.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. CHURCH. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. CHURCH. Mr. President, because of the technical nature of the amendment, I ask unanimous consent that further reading of the amendment be dispensed with, and I will explain its purposes.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the Record.

The amendment is as follows:

On page 110, line 18, delete "and".

On page 110, line 21, delete the period at the end thereof and insert in lieu thereof "; and".

On page 110, between lines 21 and 22, insert the following new subparagraph:

"(D) for basic restoration benefits, if a State determines that a vehicle having less than four wheels is not a motor vehicle."

Mr. CHURCH. Mr. President, in light of the action just taken by the Senate in permitting the States to either include or exclude motorcycles from coverage under a no-fault plan, this amendment simply completes the picture by permitting those motorcyclists who desire no-fault insurance to obtain it, though the State may not require motorcyclists to be covered. There are motorcyclists who might want the opportunity to come within a no-fault plan, even though the State might choose not to make that mandatory. So my amendment is really in the nature of a perfecting amendment.

It would require insurance companies selling no-fault insurance to offer no-fault insurance to motorcyclists in those States that exercise the option to exempt motorcycles from the mandatory coverage of the act. If the State makes the determination that motorcyclists are not required to carry no-fault insurance, this should not preclude a motorcyclist who wants insurance from obtaining coverage. The amendment would require every insurer to sell such insurance to motorcyclists who desire it.

I understand that the distinguished manager of the bill has no objection to this amendment. Therefore, I hope that the Senate will approve it speedily.

Mr. MOSS. Mr. President, we are willing to accept the amendment. We think it adds an option that is acceptable. The insured's coverage, whatever it is, has to be set by the insurer and under the direction of the State's insurance commission; so, obviously, it has to be actuarially sound. For that reason we think the amendment is acceptable. We are glad to accept the amendment, and we are ready to vote.

Mr. CHURCH. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Idaho.

The amendment was agreed to.

Mr. CRANSTON. Mr. President, I send to the desk an unprinted amendment, on behalf of myself and the Senator from New Jersey (Mr. Williams).

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. CRANSTON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the Record.

The amendment is as follows:

On page 59, line 16, on page 60, line 23, on page 61, line 5, and on page 88, line 23 and line 24, delete "health" and insert in lieu thereof "medical".

On page 60, delete all from "including" on line 25 through "system" on line 4, page 61, and insert in lieu thereof "(including, but not limited to, communications, transportation, and treatment by medical and paramedical personnel through an emergency medical services system), which are supplied or provided in accordance with applicable State law".

On page 61, lines 9 and 10, delete "arising out of the maintenance or use of a motor vehicle".

On page 61, line 12, delete all from "is" through "regulations" on line 14, and insert in lieu thereof "meets the requirements of section 1206(b)(4) of the Public Health Service Act".

Mr. CRANSTON. Mr. President, this amendment is of a technical nature and merely brings the language in S. 354 relating to emergency medical services and emergency medical services systems into conformity with the provisions of Public Law 93-154, the Emergency Medical Services Systems Act of 1973, which I authored in the Senate. When S. 354 was originally reported from the Committee on Commerce, Senator Williams and I had worked with Senator Magnuson and Senator Hart to insure that the provisions were compatible with the provisions of the Rehabilitation Act of 1973 which had previously been enacted into law and with the provisions of the Emergency Medical Services Systems Act which at that time was still under consideration. The amendments I offer today with Senator Williams bring S. 354 into conformity with subsequent changes that were made in the Emergency Medical Services Systems Act of 1973, and would make no substantive change in S. 354.

I have discussed the amendment with the distinguished Senator from Washington (Mr. Magnuson) and the distinguished Senator from Utah (Mr. Moss), and I trust and understand that they can accept the amendment.

Mr. MOSS. Mr. President, we have discussed this amendment with the Senator from California and have determined that it is a good amendment, one we can accept. We are not inclined to oppose it. We do accept the amendment and are ready to vote.

Mr. MAGNUSON. Mr. President, I am happy to accept the technical amendments of the Senator from California. The sponsors of the bill have appreciated the work he has done to assist us in making sure that S. 354 maximizes the lifesaving and life-restoring potential of no-fault automobile insurance.

A distinguished doctor in my own State, Dr. Justus Lehmann, who is chairman of the Department of Rehabilitation Medicine at the University of Washington, has written to me on behalf of his colleagues in rehabilitation medicine as follows:

> We are strongly in favor of this bill (S. 354) . . . because we see the terrible aftermath of automobile accidents which may ruin not only the life of an individual but also the future goal of staying in a nursing home. In many instances whole families are forced on the welfare payroll.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from California.

The amendment was agreed to.

Mr. MOSS. Mr. President, under the order which was entered earlier, the Baker amendment, No. 1137, is to be taken up as the first order of business tomorrow. I now call up amendment No. 1137, by Mr. Baker, and ask that it be made the pending business.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. MOSS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the Record.

The amendment, as modified, is as follows:

On page 100, strike everything beginning with line 10 through and including line 13 on page 101 and insert in lieu thereof the following (and renumber subsequent subsections):

"(a) must provide medical expense benefits sufficient to fully compensate at least 98 per centum of all eligible motor vehicle accident victims for such expenses: *Provided,* That if the Secretary determines that statistical data is not reasonably available to accurately determine the level of benefits required to meet the foregoing standard in a State, benefits for medical expense shall be provided in the amount of $5,000 multiplied by a fraction, the numerator of which is the average daily hospital cost in that State and the denominator of which is the average daily hospital cost nationally;

"(b) must provide benefits for work loss which shall not be less than the average statewide wage and for a period of one year or longer: *Provided,* That no periodic payment during the first year for which work loss benefits are payable shall be less than the average statewide wage for such period.

"(c) must provide benefits for expenses directly related to the funeral, burial, cremation, or other form of disposition of the remains of a deceased victim of not less than $1,000.00."

On page 104 in line 8 delete the word "is" and insert in lieu thereof the words "must be".

On page 105 strike everything beginning with the word "section" in line 3 through the word "Act" in line 6, and insert in lieu thereof "section 204 (a), (b), (c), (d), or (e) of this Act.".

On page 105 in line 8 strike everything beginning with the phrase "in excess of" through the word "activities" in line 18 and insert in lieu thereof the following and renumber the remaining subsection: "if the accident results in:

"(A) death, or

"(B) serious or permanent injury.

"(b) For the purposes of this section the State may define 'serious or permanent injury' upon the basis of any one or more of the following:

"(1) dismemberment, or

"(2) serious and permanent disfigurement, or

"(3) the permanent loss of a bodily function, or

"(4) the permanent, partial, or total loss of sight or hearing, or

"(5) medical expenses of $500 or more, or

"(6) two weeks or more of hospitalization, or

"(7) three weeks or more of disability which prevents a victim from working at his normal occupation, or

"(8) six weeks or more of disability which prevents a victim from engaging in a substantial part of his normal daily activities;

"(9) permanent disability which at a minimum prevents a person from engaging in a significant portion of his normal daily activities;

Provided, That an approved State plan which elects to define 'serious injury' upon the basis of the dollar cost of medical expenses must provide that the value of any product, service, or accommodation which is included or includable as a portion of medical expenses for the purpose of meeting such limitation shall be equal to the reasonable average cost of the same or similar product, service, or accommodation in that State as determined and specified by the Commissioner."

On page 60, after line 5, insert the following:

"(4) 'Average statewide wage' shall be determined by dividing the total annual wages of covered workers under the State unemployment insurance program and the total annual wages of Federal and military personnel within a State covered under unemployment compensation for Federal employees and unemployment compensation for veterans by the average monthly employment for such categories of employees during the most recent year for which such data is available. The State in the determination of the average statewide wage may supplement the foregoing with wage and employment data covering State and local employees not covered under the State unemployment insurance program.".

On page 105, after line 25, insert the following and renumber the subsequent sections:

"SEC. 207. MEDICAL EXPENSES.—As used in this title the term 'medical expenses'—

"(a) means reasonable charges incurred for, or the reasonable value of (where no charges are incurred), the reasonably needed and used products, services, and accommodations for professional medical treatment and care, emergency health services, hospital accommodations and services, and medical and vocational rehabilitation services;

"(b) shall not include that portion of a charge for a room in a hospital, clinic, convalescent, or nursing home, or any other institution engaged in providing nursing care and related services in excess of a reasonable and customary charge for semiprivate accommodations, unless more intensive care is medically required;

"(c) may be subject to such specific exclusions as a State may deem appropriate and reasonable in the definition of serious injury for the purpose of section 206."

On page 107 strike the phrase "at five-year intervals" in line 8 and insert in lieu thereof the phrase "at three-year intervals".

On page 107 strike everything from and including line 10 through the word "Labor" in line 16 and insert in lieu thereof the following: "the State shall recalculate the average statewide wage based upon the most current year for which statistics are then available and, if necessary, revise the work loss benefits provisions of the State plan to conform to any change in average statewide wage.".

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR VOTE ON PENDING BILL

Mr. ROBERT C. BYRD. Mr. President, I am authorized by the managers of the bill on this side of the aisle, the distinguished Senator from Utah (Mr. Moss) and the distinguished Senator from Washington (Mr. MAGNUSON), and after having consulted with the distinguished assistant Republican leader, Mr. GRIFFIN, and the manager of the bill on the other side of the aisle, the distinguished Senator from Nebraska (Mr. HRUSKA), and the distinguished Senator from New Hampshire (Mr. COTTON), who is the ranking minority member of the Committee on Commerce, and after conferring with other Senators on both sides of the aisle, to propound the following unanimous-consent request:

I ask unanimous consent that a vote on final passage of S. 354 occur at the hour of 3 o'clock p.m. on Wednesday next, with a waiver of paragraph 3 of rule XII of the Standing Rules of the Senate; provided, however, that a motion to recommit or a motion to table the bill still be in order.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, let me see if I understand my own request.

The request as worded would allow a motion to table the bill at any time. It would also allow a motion to recommit the bill at any time, once the amendments which have been cranked in by unanimous consent for tomorrow have been disposed of. Am I correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. ROBERT C. BYRD. The motion to recommit could be with or without instructions?

The PRESIDING OFFICER. The Senator is correct.

Mr. ROBERT C. BYRD. Mr. President, the distinguished Senator from Nebraska (Mr. HRUSKA) has reminded me that it might be advisable to announce that further agreements with respect to amendments to the bill or with respect to the control of time, on next Wednesday, if the bill is not disposed of prior to Wednesday, will be developed and announced from time to time and on a case-by-case basis.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene tomorrow at 11 a.m.

After the two leaders or their designees have been recognized under the standing order, Mr. PROXMIRE will be recognized for not to exceed 15 minutes, followed by Mr. STEVENSON for not to exceed 15 minutes, after which there will be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements limited therein to 5 minutes each, at the conclusion of which the Senate will resume consideration of the unfinished business, S. 354, the no-fault insurance bill.

The pending question at that time will be on adoption of amendment No. 1137 by Mr. BAKER. Undoubtedly there will be a yea-and-nay vote thereon, and possibly yea-and-nay votes on amendments thereto. Other yea-and-nay votes are expected tomorrow on amendments to the bill.

May I add that conference reports and other matters which have been cleared for action may be called up at any time. So all Senators may be aware of the fact that there will be at least one yea-and-nay vote, and probably more yea-and-nay votes, tomorrow.

ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 11 a.m. tomorrow.

The motion was agreed to; and, at 5:44 p.m., the Senate adjourned until tomorrow, Thursday, April 25, 1974, at 11 a.m.

NOMINATIONS

Executive nominations received by the Senate April 24, 1974:

NATIONAL RAILROAD PASSENGER CORPORATION

The following-named persons to be Members of the Board of Directors of the National Railroad Passenger Corporation for the terms indicated:

For a term of 2 years:
Roger Lewis, of the District of Columbia.
Charles Luna, of Texas.
Joseph V. MacDonald, of New York.
For a term of 3 years:
Frank S. Besson, Jr., of Virginia.
Mary J. Head, of Oklahoma.
For a term of 4 years:
Edward L. Ullman, of Washington.

IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be lieutenant general

Lt. Gen. John Daniel McLaughlin, [redacted], Army of the United States (major general, U.S. Army).

CONFIRMATIONS

Executive nominations confirmed by the Senate April 24, 1974:

IN THE AIR FORCE

The following officers for temporary appointment in the U.S. Air Force under the provisions of chapter 839, title 10 of the United States Code:

To be major general

Brig. Gen. Warner E. Newby, [redacted] FR, Regular Air Force.
Brig. Gen. Paul F. Patch, [redacted]FR, Regular Air Force.
Brig. Gen. Louis O. Alder, [redacted]FR, Regular Air Force.
Brig. Gen. John R. Hinton, Jr., [redacted] FR, Regular Air Force.
Brig. Gen. Robert T. Marsh, [redacted] FR, Regular Air Force.
Brig. Gen. Abner B. Martin, [redacted] FR, Regular Air Force.
Brig. Gen. George E. Schafer, [redacted] FR, Regular Air Force, medical.
Brig. Gen. John P. Flynn, [redacted]FR, Regular Air Force.
Brig. Gen. Edgar S. Harris, Jr., [redacted] FR, Regular Air Force.
Brig. Gen. Robert L. Edge, [redacted]FR, Regular Air Force.
Brig. Gen. Ralph S. Saunders, [redacted] FR, Regular Air Force.

Brig. Gen. Thomas A. Aldrich, [redacted] FR, Regular Air Force.

Brig. Gen. Howard M. Lane, [redacted] FR, Regular Air Force.

Brig. Gen. Edwin W. Robertson II, [redacted] FR, Regular Air Force.

Brig Gen. Abbott C. Greenleaf, [redacted] FR, Regular Air Force.

Brig. Gen. Larry M. Killpack, [redacted] FR, Regular Air Force.

Brig. Gen. Henry L. Warren, [redacted] FR, Regular Air Force.

Brig. Gen. Donald L. Werbeck, [redacted] FR, Regular Air Force.

Brig. Gen. Robert C. Mathis, [redacted] FR, Regular Air Force.

Brig. Gen. Charles E. Buckingham, [redacted] FR, Regular Air Force.

Brig. Gen. Jesse M. Allen, [redacted] FR, Regular Air Force.

Brig. Gen. Earl J. Archer, Jr., [redacted] FR, Regular Air Force.

Brig. Gen. Lincoln D. Faurer, [redacted] FR, Regular Air Force.

Brig. Gen. James G. Randolph [redacted] FR, Regular Air Force.

Brig. Gen. Howard E. McCormick, [redacted] FR, Regular Air Force.

Brig. Gen. Hilding L. Jacobson, Jr., [redacted] FR, Regular Air Force.

Brig. Gen. John R. Kelly, Jr., [redacted] FR, Regular Air Force.

Brig. Gen. William B. Yancey, Jr., [redacted] FR, Regular Air Force.

Brig. Gen. Timothy I. Ahern, [redacted] FR, Regular Air Force.

Brig. Gen. William A. Temple, [redacted] FR, Regular Air Force.

Brig. Gen. David D. Bradburn, [redacted] FR, Regular Air Force.

Brig. Gen. Ranald T. Adams, Jr., [redacted] FR, Regular Air Force.

Brig. Gen. John W. Burkhart, [redacted] FR, Regular Air Force.

Brig. Gen. Richard C. Henry, [redacted] FR, Regular Air Force.

Brig. Gen. Guy E. Hairston, Jr., [redacted] FR, Regular Air Force.

Brig. Gen. Lloyd R. Leavitt, Jr., [redacted] FR, Regular Air Force.

Brig. Gen. Ralph J. Maglione, Jr., [redacted] FR, Regular Air Force.

Brig. Gen. Eugene B. Sterling, [redacted] FR, Regular Air Force.

Brig. Gen. James S. Murphy, [redacted] FR, Regular Air Force.

Brig. Gen. William H. Ginn, Jr., [redacted] FR, Regular Air Force.

Brig. Gen. Bennie L. Davis, [redacted] FR, Regular Air Force.

Brig. Gen. James A. Young, [redacted] FR, Regular Air Force.

Brig. Gen. Charles G. Cleveland, [redacted] FR, Regular Air Force.

Brig. Gen. Charles A. Gabriel, [redacted] FR, Regular Air Force.

Brig. Gen. Freddie L. Poston, [redacted] FR, Regular Air Force.

Brig. Gen. Richard L. Lawson, [redacted] FR, Regular Air Force.

Brig. Gen. Henry J. Meade, [redacted] FR, Regular Air Force, Chaplain.

The following officers for appointment in the Regular Air Force to the grades indicated, under the provisions of chapter 835, title 10 of the United States Code:

To be major general

Maj. Gen. Robert N. Ginsburgh, [redacted] FR, (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Alton D. Slay, [redacted] FR, (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Billie J. McGarvey, [redacted] FR, (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Harold E. Collins, [redacted] FR, (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Marion L. Boswell, [redacted] FR, (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Benjamin N. Bellis, [redacted] FR, (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Kenneth L. Tallman, [redacted] FR, (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Martin G. Colladay, [redacted] FR (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Kenneth R. Chapman, [redacted] FR (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. John F. Gonge, [redacted] FR, (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Howard M. Fish, [redacted] FR, (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. George G. Loving, Jr., [redacted] FR, (brigadier general, Regular Air Force), U.S. Air Force.

Brig. Gen. Ralph S. Saunders, [redacted] FR, (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Ray B. Sitton, [redacted] FR, (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. William A. Dietrich, [redacted] FR, (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. James A. Knight, Jr., [redacted] FR, (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Jack B. Robbins, [redacted] FR (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Harry M. Darmstandler, [redacted] FR (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Charles C. Pattillo, [redacted] FR (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Cuthbert A. Pattillo, [redacted] FR (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Lee M. Paschall, [redacted] FR (brigadier general, Regular Air Force), U.S. Air Force.

Lt. Gen. Robert A. Patterson, [redacted] FR (brigadier general, Regular Air Force, Medical), U.S. Air Force.

Maj. Gen. Walter R. Tkach, [redacted] FR (brigadier general, Regular Air Force, Medical), U.S. Air Force.

To be brigadier general

Brig. Gen. John P. Flynn, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Thomas A. Aldrich, [redacted] (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. John R. Kelly, Jr., [redacted] FR (colonel, Regular Air Force) U.S. Air Force.

Brig. Gen. Robert C. Thompson, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Howard E. McCormick, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Donald L. Werbeck, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. William A. Temple, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. David D. Bradburn, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Ranald T. Adams, Jr., [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Lawrence N. Gordon, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. William B. Yancey, Jr., [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Edgar S. Harris, Jr., [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Robert E. Sadler, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Robert L. Edge, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Daniel L. Burkett, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. James S. Murphy, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Gerald J. Post, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Don D. Pittman, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Erskine Wigley, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. James A. Young, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. William C. Burrows, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Maj. Gen. Evan W. Rosencrans, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Michael J. Tashjian, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. John H. Murphy, [redacted] FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. John C. Toomay, [redacted] FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Walter F. Daniel, [redacted] FR, (colonel, Regular Air Force), U.S. Air Force.

Maj. Gen. William M. Schonina, [redacted] FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Abbott C. Greenleaf, [redacted] FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Richard C. Henry, [redacted] FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. George H. Sylvester, [redacted] FR (colonel, Regular Air Force) U.S. Air Force.

Maj. Gen. James V. Hartinger, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Robert T. Marsh, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Abner B. Martin, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Charles G. Cleveland, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Larry M. Killpack, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Earl J. Archer, Jr., [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Maj. Gen. Raymond B. Furlong, [redacted] FR, (colonel, Regular Air Force), U.S. Air Force.

Maj. Gen. Wilbur L. Creech, [redacted] FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. William H. Ginn, Jr., [redacted] FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Walter P. Paluch, Jr., [redacted] FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Thomas M. Sadler, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Charles L. Wilson, [redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Paul W. Myers, [redacted] FR (colonel, Regular Air Force, Medical), U.S. Air Force.

The following officers for appointment in the Reserve of the Air Force to the grade indicated, under the provisions of chapters 35, 831, and 837, title 10, United States Code:

To be major general

Brig. Gen. Willard W. Millikan, [redacted]FG, Air National Guard.

Brig. Gen. Valentine A. Siefermann, [redacted]FG, Air National Guard.

To be brigadier general

Col. Doyle C. Beers, [redacted]FG, Air National Guard.

Col. Robert G. Etter, [redacted]FG, Air National Guird.

Col. Eugene G. Gallant, [redacted]FG, Air National Guard.

Col. Joseph H. Johnson, [redacted]FG, Air National Guard.

Col. Lloyd W. Lamb, [redacted]FG, Air National Guard.

Col. Robert B. Maguire, [redacted]FG, Air National Guard.

Col. Donald E. Morris, [redacted]FG, Air National Guard.

Col. Stanley F. H. Newman, [redacted]FG, Air National Guard.

Col. Richard F. Petercheff, [redacted]FG, Air National Guard.

Col. Darrol G. Schroeder, [redacted]FG, Air National Guard.

Col. Harding R. Zumwalt, [redacted]FG, Air National Guard.

The following officers for appointment in the Reserve of the Air Force to the grade indicated, under the provisions of chapters 35 and 837, title 10, United States Code:

To be major general

Brig. Gen. Arthur W. Clark, [redacted]FV, Air Force Reserve.

Brig. Gen. William Lyon, [redacted]FV, Air Force Reserve.

Brig. Gen. Oscar D. Olson, [redacted]FV, Air Force Reserve.

Brig. Gen. Alfred Verhulst, [redacted]FV, Air Force Reserve.

Brig. Gen. John S. Warner, [redacted]FV, Air Force Reserve.

To be brigadier general

Col. Bruce M. Davidson, [redacted]FV, Air Force Reserve.

Col. Edward Dillon, [redacted]FV, Air Force Reserve.

Col. George M. Douglas, [redacted]FV, Air Force Reserve.

Col. Arthur A. Gentry, [redacted]FV, Air Force Reserve.

Col. Irving B. Holley, Jr., [redacted]FV, Air Force Reserve.

Col. Harry J. Huff II, [redacted]FV, Air Force Reserve.

Col. Willard G. Hull, [redacted]FV, Air Force Reserve.

Col. James D. Isaacks, Jr., [redacted]FV, Air Force Reserve.

Col. Orrin W. Matthews, [redacted]FV, Air Force Reserve.

Col. Alvin J. Moser, Jr., [redacted]FV, Air Force Reserve.

Col. Dalton S. Oliver, [redacted]FV, Air Force Reserve.

Col. Frank J. Parrish, [redacted]FV, Air Force Reserve.

Col. Barnett Zumoff, [redacted]FV, Air Force Reserve.

IN THE ARMY

The Army National Guard of the United States officers named herein for promotion as Reserve Commissioned officers of the Army, under the provisions of title 10, United States Code, section 593(a) and 3392:

To be major general

Brig. Gen. Alfred Frederick Ahner, [redacted].

Brig. Gen. Joseph Roland Chappell, Jr., [redacted].

To be brigadier general

Col. Bruce Ingle Staser, [redacted].

The following-named officers for appointment in the Regular Army of the United States to the grade indicated under the provisions of title 10, United States Code, sections 3284 and 3307:

To be major general

Lt. Gen. Elvy Benton Roberts, [redacted] Army of the United States (brigadier general, U.S. Army).

Lt. Gen. James George Kalergis, [redacted] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Vincent Henry Ellis, [redacted] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Theodore Antonelli, [redacted] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. William Eugene McLeod, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Joseph Warren Pezdirtz, [redacted] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Darrie Hewitt Richards, [redacted] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Stewart Canfield Meyer, [redacted] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Ralph Julian Richards, Jr., [redacted] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. John Carpenter Raaen, Jr., [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Maurice Wesley Kendall, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Harold Robert Parfitt, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. George Gordon Cantlay, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Robert Charles Hixon, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Verne Lyle Bowers, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. John Kirk Singlaub, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Harold Robert Aaron, [redacted] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Jeffrey Greenwood Smith, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Harold Arthur Kissinger, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Richard Hulbert Groves, 042-32-1884, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Thomas Edward Fitzpatrick, Jr., [redacted] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Harold Gregory Moore, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Peter George Olenchuk, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Dennis Philip McAuliffe, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Robert Carter McAlister, [redacted], Army of the United States (brigadier general, U.S. Army).

IN THE NAVY

Vice Admiral Frederick J. Harlfinger II, U.S. Navy, for appointment to the grade of vice admiral, when retired, pursuant to the provisions of title 10, United States Code, section 5233.

The following-named officers of the Naval Reserve for temporary promotion to the grade of rear admiral subject to qualification therefor as provided by law:

LINE

Robert N. Colwell
Earl Forgy, Jr.
Arthur M. Wilcox
Norman A. Coleman
Raymond B. Ackerman
Stephen T. Quigley

MEDICAL CORPS

Victor P. Bond

SUPPLY CORPS

Robert G. James

CIVIL ENGINEER CORPS

Robert C. Esterbrooks

DENTAL CORPS

Albert G. Paulsen

IN THE MARINE CORPS

The following-named officers of the Marine Corps for permanent appointment to the grade of major general:

Kenneth J. Houghton
Robert C. Lang
Robert D. Bohn
Edward J. Miller
James F. Jones
Charles D. Mize
Norman W. Gourley

The following-named officers of the Marine Corps for permanent appointment to the grade of brigadier general:

Albert C. Pommerenk
Herbert L. Wilkerson
Manning T. Jannell
Ernest R. Reid, Jr.
Clarence H. Schmid
Edward A. Wilcox
William L. Smith
Arthur J. Poillon
Kenneth McLennan
Joseph Koler, Jr.
George R. Brier

The following-named officers of the Marine Corps Reserve for permanent appointment to the grade of brigadier general:

Robert E. Friedrich
Paul E. Godfrey
Allan T. Wood

The following-named officers of the Marine Corps for temporary appointment to the grade of major general:

Victor A. Armstrong
Wilbur F. Simlik
William G. Joslyn
William R. Quinn
Francis W. Vaught
Robert L. Nichols

HOUSE OF REPRESENTATIVES—*Wednesday, April 24, 1974*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

O give thanks unto the Lord, for He is good; for His mercy endureth forever.—Psalms 107: 1.

Eternal God, our Father, we thank Thee for the grandeur of another spring day, for the beauty about us, the glory above us, the green mantle beneath us, and for the love which from our birth over and around us lies. Lord of all, to Thee we raise this our prayer of grateful praise.

As we set out upon the tasks of this day, help us to seek first Thy will for us and for our Nation. To this end, illumine our minds, strengthen our spirits, and give us the courage of creative convictions that our thoughts, our words, and our actions may merit Thine approval.

Bless all who work under the dome of this glorious Capitol and all who work through our land. Help us—everyone—to continue to labor earnestly for the welfare of our country and the well-being of all mankind.

In Thy holy name we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of his secretaries, who also informed the House that on April 22, 1974, the President approved and signed a bill of the House of the following title:

H.R. 13542. An act to abolish the position of Commissioner of Fish and Wildlife and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2770) entitled "An act to amend chapter 5 of title 37, United States Code, to revise the special pay structure relating to medical officers of the uniformed services."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2771) entitled "An act to amend chapter 5 of title 37, United States Code, to revise the special pay bonus structure relating to members of the Armed Forces, and for other purposes."

The message also announced that the Senate agrees to the amendment of the House to the amendment of the Senate with amendments to a bill of the House of the following title:

H.R. 9492. An act to amend the Wild and Scenic Rivers Act by designating the Chattooga River, North Carolina, South Carolina, and Georgia as a component of the National Wild and Scenic Rivers System, and for other purposes.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 3062) entitled the "Disaster Relief Act Amendments of 1974," agrees to a conference requested by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BURDICK, Mr. CLARK, Mr. BIDEN, Mr. RANDOLPH, Mr. DOMENICI, Mr. BUCKLEY, and Mr. BAKER to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 1486. An act to regulate commerce by authorizing and establishing programs and activities to promote the export of American goods, products, and services and by increasing the recognition of international economic policy considerations in Federal decisionmaking and for other purposes;

S. 1488. An act to provide for a system of uniform commodity descriptions and codes and tariffs filed with the Federal Maritime Commission, and for other purposes; and

S. 3231. An act to provide compensation to poultry and egg producers, growers, and processors and their employees.

PERMISSION FOR COMMITTEE ON MERCHANT MARINE AND FISHERIES TO FILE A REPORT ON H.R. 8193

Mrs. SULLIVAN. Mr. Speaker, I ask unanimous consent that the Committee on Merchant Marine and Fisheries have until midnight tonight to file a report on H.R. 8193, a bill to require that a certain percentage of petroleum and petroleum products imported into the United States be carried in U.S.-flag vessels.

The SPEAKER. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

"NO" TO RENEWED FOREIGN AID GIVEAWAY PROGRAMS

(Mr. WYMAN asked and was given permission to address the House for 1 minute.)

Mr. WYMAN. Mr. Speaker, today's press reports the prospect of requests of this Congress for renewed foreign aid to Egypt, India, and other countries. I hope the Congress will not resume foreign aid giveaways as this country faces a $500 billion national debt, much of which is due to excessive, wasteful, and largely nonproductive foreign aid giveaway programs.

If it be a fact that our national self-interest suggests the advisability of helping these or other countries, let us resolve firmly that if this is to be done, it should be on a hard-nosed, businesslike basis upon appropriately pledged collateral security.

In the case of India, action taken recently wrote off a multibillion-dollar debt that India owed to us derived from a previous huge foreign aid program over many years. There was no collateral and none was required in raw materials or possible mineral rights. The prospect of a repeat of such a debacle must be avoided at all costs. American taxpayers should not be required to bear the burden of renewed billions of foreign aid giveaway programs.

WHITE ELEPHANT BULK MAIL SYSTEM HAS OVERRUN OF $283 MILLION

(Mr. GROSS asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. GROSS. Mr. Speaker, 3 years ago the managers of the U.S. Postal Service unveiled their plan to build a national bulk mail system in an effort to recapture parcel post business which had been lost to private carriers.

The plan called for separate buildings to handle parcel post and a separate transportation system for the movement of parcels between bulk mail centers and transfer point offices.

The system looked so convincing on paper that it was decided not to do any experimenting but to go nationwide immediately, with 21 bulk mail centers and 12 auxiliary service facilities. These 33 centers were to handle all the parcel post in the United States.

The cost was estimated at $950 million, a figure which the Postal Service has continually used over the past 3 years in spite of inflation, cost overruns, and increased costs of labor and materials.

The Secaucus, N.J., facility, for example, was originally estimated at $62 million. This figure quickly rose to $131 million according to a General Accounting Office report in 1971. More recent and equally reliable estimates place the cost of the Secaucus plant at $192 million.

Post Office Committee staff studies show that the eventual cost of the bulk mail system will be close to $1.2 billion, or an overrun of $283 million.

Mr. Speaker, I cite these figures to alert the House that it is entirely possible that the Congress at some time in the future will be asked to subsidize this postal white elephant.

FOREIGN AID IS AN INDISPENSABLE ELEMENT OF OUR FOREIGN POLICY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 93-293)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Foreign Affairs and ordered to be printed:

To the Congress of the United States:

For more than twenty five years, America has generously provided foreign assistance to other nations, helping them to develop their economies, to meet the humanitarian needs of their people and to provide for their own defense.

During this area foreign aid has become an indispensable element of our foreign policy. Without it, America would risk isolating herself from responsible involvement in an international community upon which the survival of our own economic, social and political institutions rests. With the continuation of a healthy foreign aid program, this Nation can continue to lead world progress toward building a lasting structure of peace.

Now that we have ended the longest war in our history and no American troops are serving in combat for the first time in more than a decade, there is a temptation to turn inward, abandoning our aid programs and the critical needs facing many of our friends in the process.

We must not succumb to that temptation. If we lay down the burden now, we will foreclose the peaceful development of many of the nations of the world and leave them at the mercy of powerful forces, both economic and political. Moreover, we will deny ourselves one of the most useful tools we have for helping to shape peaceful relationships in the most turbulent areas of the world.

Many of the nations which were once dependent upon our direct assistance for their survival are now managing their own economic and defense needs without our aid. Those nations which still need our aid will not need it indefinitely.

We expect those nations we help to help themselves. We have made it clear that we do not intend to be the world's policeman, that our aid is not a substitute for their self-reliance, and that we do not intend to do for others what they should be expected to do for themselves.

But as long as there are governments which seek to change the frontiers and institutions of other nations by force, the possibility of international conflict will continue to exist. And as long as millions of people lack food, housing, and jobs; starvation, social unrest, and economic turmoil will threaten our common future.

Our long-range goal is to create an international environment in which tolerance and negotiation can replace aggression and subversion as preferred methods of settling international disputes. While this goal is not as distant as it once was, present circumstances do not now permit reduction in foreign assistance. We must not only maintain our efforts, but also make special efforts in two critical areas of the world—the Middle East and Indochina.

In the Middle East, we have an opportunity to achieve a significant breakthrough for world peace. Increased foreign aid will be a vital complement to our diplomacy in maintaining the momentum toward a negotiated settlement which will serve the interests of both Israel and the Arab nations.

In Indochina our assistance is no less critical. South Vietnam, Cambodia, and Laos are trying to make the difficult transition from war to peace. Their ability to meet their defense needs while laying the foundations for self-sustaining social and economic progress requires continued and substantial amounts of American aid.

To meet these continuing and special needs, I am proposing to the Congress a total foreign aid budget of $5.18 billion for fiscal year 1975. In my judgment, these amounts represent the minimum which the United States can prudently afford to invest if we are to maintain the present degree of international equilibrium and advance our efforts to construct a durable peace with prosperity.

TOWARD PEACE IN THE MIDDLE EAST

The hope for a lasting solution to the Arab-Israeli dispute is stronger today than at any time in the previous quarter century. American diplomatic initiatives have helped create the conditions necessary for an end to conflict and violence. While our diplomatic efforts must and will continue, there is already much that can be done to supplement and consolidate what has been achieved so far. I am therefore requesting a Special Assistance program for the Middle East, and have asked the Congress to provide the following:

—For Israel: $50 million in security supporting assistance and $300 million in military credit sales. Israel's continued ability to defend herself reduces the prospect of new conflict in the Middle East, and we must continue to assist her in maintaining that ability.

—For Egypt: $250 million in supporting assistance. These funds would be used for the tasks which come with peace: clearing the Suez Canal, repairing the damage in adjacent areas, and restoring Egyptian trade.

—For Jordan: $100 million in military assistance grants, $77.5 million in security supporting assistance, and $30 million in military credit sales. Jordan has been a moderating force in the Arab world and these funds will enable her to maintain a position of moderation and independence which will be crucial to a permanent settlement in the area.

—For a Special Requirements Fund: $100 million. This fund will be used for new needs that may arise as the outlines of a peaceful settlement take shape, including provision for peacekeeping forces, refugee aid or settlement, and development projects.

All of this aid will contribute to the confidence these nations must have in the United States and in their own security if they are to have the base from which to negotiate a lasting settlement. It will strengthen moderate forces in an area where only moderation can form the basis for a settlement acceptable to all.

TOWARD RECONSTRUCTION OF INDOCHINA

Another area of acute and continuing concern to this Government is Southeast Asia. Our aid in Indochina is no less crucial than our aid in the Middle East in achieving a peaceful outcome which protects our interests and reflects our past involvement in these two areas. I am asking the Congress to authorize the appropriation of $939.8 million to assist South Vietnam, Cambodia and Laos in their efforts to shift their economies from war to peace and to accelerate the reconstitution of their societies.

We have already invested heavily in these countries. Progress has been significant, and we are nearing success in our efforts to assist them in becoming self-sufficient. Although our total request is higher than last year, the budget I am proposing is actually austere. We must recognize that a modest increase in economic assistance now will permit the development of viable, self-supporting economies with lower requirements for assistance within a few years.

The South Vietnamese face an unusually difficult task in reconstructing their economy and caring for their war-torn population even as the effort to end hostilities goes forward. Progress in reconstruction, economic development, and humanitarian programs, which offer the hope of a better life for the people there, should make it clear that a peaceful settlement of political disputes is in the interest of all.

This year and next the South Vietnamese face several related challenges which make increased U.S. economic assistance essential:

—They must resettle more than a million refugees and displaced persons.

—They must provide the investments needed to create productive jobs for the several hundred thousand who have lost jobs with the withdrawal of U.S. forces.

—They must meet the much higher costs of such essential imports as fertilizer and other critical resources caused by worldwide inflation.

—They must provide for the orphans, the disabled, and for widows who can never recover their wartime losses.

—They must continue to support the military forces needed to preserve movement toward peace so long as hostile forces continue to be deployed within South Vietnam and supported from outside.

The South Vietnamese have made laudable efforts to solve their own problems. They have increased their taxes—a 40 percent increase in real terms in 1973. They have expanded their exports, which were virtually eliminated by the war—doubling exports in 1972 and again in 1973. They have sharply reduced the consumption of imported goods, including a notable reduction in petroleum. But after more than a decade of war, they cannot reconstruct their economy and their society alone. Increased U.S. assistance is needed now to support the increasing efforts of the Vietnamese to achieve peace and self-sufficiency as soon as possible.

In Laos, a peaceful political solution to the conflict is in motion and the people there can finally look forward to a secure and stable environment. The problems of resettling refugees and establishing a viable economy, however, will provide a major test of the Laotian government's ability to work in the interests of all. Our continued assistance is essential to permit this underdeveloped, land-locked country to reconstruct its economy after so many years of war.

Continued U.S. assistance is also essential to alleviate the hardships facing the Cambodian people, many of them refugees with little opportunity to support themselves until hostilities subside.

The investment I am now seeking—an investment to sustain the peace, to overcome the human suffering resulting from the war, and to give the people of Indochina a chance to stand on their own feet—is small in comparison with what we have committed over the years in Indochina. But the potential return on this investment is large in enhancing the prospect of peace both in Indochina and around the world.

DEVELOPMENT ASSISTANCE

U.S. assistance programs—both bilateral and multilateral—have made a very substantial contribution to the economic growth of the developing nations over the past decade.

In spite of encouraging progress, it is estimated that 40 percent of the total population in all the developing countries still remain trapped in conditions of poverty beyond the reach of the market economy. These people continue to exist below minimal levels of nutrition, literacy, and health.

It is clear that in the modern world, peace and poverty cannot easily endure side by side. In the long term, we must have peace without privation, or we may not have a durable peace at all. All that we have worked, and fought, and sacrificed to achieve will be in jeopardy as long as hunger, illiteracy, disease, and poverty are the permanent condition of 40 percent of the populace in developing nations of the world. But the progress which we have been able to help bring about thus far demonstrates that this need not be a permanent condition. Our developmental assistance continues to be needed to maintain and expand this record of progress.

To provide this needed assistance I am asking the Congress to authorize for fiscal year 1975 the appropriation of $255.3 million for functional development assistance programs in addition to the $618 million already authorized by last year's Foreign Assistance Act.

These additional funds will permit the Agency for International Development to assist developing nations in increasing food production. The widespread hardship caused by recent pressures on world food supplies calls for greater efforts by all to raise agricultural productivity. Population growth combined with recent crop failures in many parts of the world have led to the lowest grain stock levels in many years as well as high prices. In some cases, famine is threatening entire populations, and the world shortage of food makes it difficult to provide the assistance needed to avert tragedy. But food aid alone does not provide a solution. Developing nations must increase their own agricultural productivity, and almost 60 percent of AID's development assistance programs will be aimed at achieving this goal.

We will continue to reorient our development assistance programs, as jointly endorsed by the Congress and the Administration, to concentrate more directly on acute human problems in poor countries. AID will thus focus on providing family planning and basic health services, strengthening education and other human resource programs, increasing food production, and improving nutrition.

A strong bilateral U.S. foreign aid program can be fully effective, however, only if it is complemented by continued, active multilateral assistance efforts. Pending before the Congress is legislation to authorize United States contributions of $1.5 billion to the International Development Association (IDA). Appropriations for those contributions will be spread over a number of years beginning in 1976.

The International Development Association has a 14-year history of excellence in providing development loans to the poorest nations. We have negotiated a reduction in the United States' share of the total contributions to IDA from 40 percent to 33 percent, thereby shifting additional responsibility for international lending to other nations. It is inconceivable that the United States should abandon such a successful international activity, and I urge the House of Representatives to reconsider its recent vote denying the IDA authorization. Such a step would constitute a false economy in violation of the very principles toward which we would hope to move in providing foreign development assistance.

Also pending is legislation to authorize contributions of $362 million for the ordinary capital and $50 million for the special resources of the Asian Development Bank (ADB). The performance of the IDA is being matched today by the newer Asian Development Bank. The African Development Fund of the African Development Bank has excellent prospects of playing an increasingly critical role in a continent whose need has been most recently highlighted by severe drought.

It is imperative that these authorizations as well as those for our bilateral programs be enacted. It is equally imperative that appropriations be enacted in the full amount necessary to fulfill our responsibilities in these institutions and in the Inter-American Development Bank, for which authorizing legislation has been enacted.

The United States is currently engaged in negotiations relating to international monetary and trade reform. It should be recognized that less developed nations will play an important role in the success of these important initiatives. These nations will look to the United States to continue our leadership in the development assistance field as well as in trade and monetary reform.

SECURITY ASSISTANCE

The security of our allies and of nations friendly to us is an essential consideration in the foreign and national security policies of the United States. Not all are capable of providing for their security, and our assistance enables those countries to assume primary responsibility for their own defense. It gives them the confidence to negotiate with potential adversaries from a position of strength and to resist subversion and intimidation. The effectiveness and wisdom of these policies is being proven today in the Middle East and Southeast Asia.

There can be no real peace in the world so long as some governments believe that they can successfully obtain by force or threat of force what they cannot obtain by peaceful competition or negotiation. Our security assistance programs reduce the likelihood that such calculations will be made and thereby increase the incentives to resolve international disputes by peaceful means.

Just as security assistance can ease the impact of large and unexpected defense burdens on the economies of friendly nations, it can also strengthen their economies and thereby allow a greater use of military sales credits as opposed to grants. We need a flexible military credit sales program to encourage and facilitate the self-reliance of friendly states and to help gradually reduce the cost to the United States of providing security assistance.

I am asking the Congress to authorize the appropriations for fiscal year 1975 of $985 million for grant military assistance, $555 million for foreign military sales credits to finance an $872.5 million program, and $385.5 million for security supporting assistance.

CONCLUSION

The United States has only recently emerged from more than a decade of direct involvement in a long, bitter, and costly war. It is not remarkable that we should see a strong sentiment in the land for giving up the difficult duties of world leadership. But temporary sentiment must not obscure the long-range interest of our Nation.

The percentage of America's gross national product dedicated to foreign assistance is small. It is less, indeed, than that of some other nations. But it is a wise investment, undertaken with bipartisan support in the interest of our Nation, in the interests of our historical role as a generous and courageous defender of freedom and human rights, and in the interests of world peace.

With our assistance, other nations have reached a point where they can share this burden. But we have not yet reached the point where we can safely lay it down.

The amounts I am requesting for fiscal year 1975 are the minimum essential to support the responsible and constructive American role of international leadership and cooperation, a role which it is in our national interest to continue and strengthen.

RICHARD NIXON.

THE WHITE HOUSE, *April 24, 1974.*

PERMISSION TO FILE CONFERENCE REPORT AS OF YESTERDAY

Mr. HOLIFIELD. Mr. Speaker, yesterday I transmitted to the Clerk at the rostrum a conference report to accompany the bill H.R. 11793, but inadvertently unanimous consent had not been granted to the managers on the part of the House to have until midnight yesterday to file that conference report.

I therefore ask unanimous consent that the conference report on the bill H.R. 11793 which I transmitted to the Clerk and which was printed in the RECORD of yesterday be considered as having been filed on yesterday.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

SPECIAL PAY BONUSES FOR MEMBERS OF THE ARMED FORCES

Mr. STRATTON. Mr. Speaker, I call up the conference report on the bill (S. 2771) to amend chapter 5 of title 37, United States Code, to revise the special pay bonus structure relating to members of the Armed Forces, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of April 10, 1974.)

Mr. STRATTON (during the reading). Mr. Speaker, I ask unanimous consent to dispense with further reading of the statement because it appeared in the RECORD of April 10 and that I be permitted to make a statement explaining the position of the managers.

The SPEAKER. Is there objection to

the request of the gentleman from New York?

There was no objection.

Mr. STRATTON. Mr. Speaker, this is the second bill relating to pay of the armed services which passed the House just a couple of weeks ago. This basically is designed to continue and to make some changes in the reenlistment bonus provided for enlisted men in the armed services to make it more responsive and also to make it more effective in terms of retaining personnel in the armed services.

The major differences between the Senate and the House in connection with this program are these.

First of all, the House bill provided a maximum bonus of $15,000 and the Senate bill provided a maximum of $12,000.

CALL OF THE HOUSE

Mr. WYDLER. Mr. Speaker, I make a point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 175]

Barrett
Blackburn
Blatnik
Bolling
Brown, Mich.
Buchanan
Burke, Calif.
Carey, N.Y.
Clark
Clay
Collins, Ill.
Conyers
Dellenback
Dellums
Diggs
Dingell
Esch
Gettys
Gray
Green, Oreg.
Haley
Hanna
Harsha
Hébert
Holtzman
Hosmer
Johnson, Pa.
Kazen
McCormack
McSpadden
Milford
Mitchell, Md.
Myers
Patman
Pickle
Pike
Powell, Ohio
Quie
Rangel
Reid
Riegle
Rooney, N.Y.
Rooney, Pa.
Sandman
Shoup
Sisk
Steiger, Wis.
Stokes
Teague
Thompson, N.J.
Udall
Wright
Young, S.C.

The SPEAKER. On this rollcall 380 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

SPECIAL PAY BONUSES FOR MEMBERS OF THE ARMED FORCES

The SPEAKER. The gentleman from New York is recognized.

Mr. STRATTON. Mr. Speaker, as I was saying before the quorum call, this is a very simple conference report on the bill S. 2771, which revises the enlistment and reenlistment bonus laws of the Armed Forces. These revisions are designed to provide improved bonus authority to attract and retain volunteers in critical skills in our all-volunteer force. This is, along with the attraction of adequate medical officers, one of the most difficult challenges of the all-volunteer force. We completed action on physician legislation yesterday.

In the conference on S. 2771 the House position prevailed in all cases but one. Let me briefly point out the differences.

MAXIMUM BONUS

The conference report provides a maximum bonus of $15,000. This is the amount contained in the House version of the bill.

The Senate bill had provided a maximum of $12,000.

The $15,000 maximum was approved by the conferees with the understanding that the use of this maximum would be limited to skills in the nuclear-power field.

MULTIPLE BONUSES

The conference report eliminates language contained in the House bill that was designed to provide administration of bonuses in such a manner that a member enlisting for one maximum reenlistment—that is, 6 years—would receive as much in total bonus as one who reenlists for two shorter periods—such as two reenlistments of 3 years each.

The Senate bill had contained no such provision.

The Senate conferees expressed concern communicated by the Department of Defense that the House amendment would limit the ability to provide a meaningful bonus to highly trained enlisted personnel in critical skills in the 6 to 10 years of service time frame.

The House conferees, therefore, receded.

EXPIRATION DATE

The conference report provides an expiration date of June 30, 1977, for the new selective reenlistment bonus authority as contained in the House bill.

The Senate bill would have made the legislation permanent law.

The House position that the law should be reviewed after a resonable period was sustained in conference.

ADMISSION OF WOMEN TO SERVICE ACADEMIES

The conference report eliminates any reference to women attending the service academies as was the case in the House bill.

The Senate bill had contained a floor amendment authorizing the admission of women at the service academies.

Since no hearings had been held on the provision and it was found to be technically defective, and since our committee had indicated its intention to hold hearings on legislation on the matter, the Senate receded.

EFFECTIVE DATE

The conference report would be effective the first day of the month following the day of enactment as provided in the House bill. The Senate bill had contained an effective date of January 1, 1974.

Mr. Speaker, I move approval of the conference report.

Mr. HUNT. Mr. Speaker, will the gentleman yield?

Mr. STRATTON. I am happy to yield to the gentleman from New Jersey (Mr. HUNT), the ranking Republican member on the conference committee.

Mr. HUNT. Mr. Speaker, I thank my colleague, the gentleman from New York (Mr. STRATTON), for yielding to me. I think the gentleman from New York has completely and cogently covered the factors involved in the conference report. I would, however, call the attention of the Members of the House to the fact that all of the conferees were unanimous on the conference report. There was no dissension. The decision and agreements that came into the conference are, I believe, very well laid out in the report. This is a good report, and covers the projection well for those people who want to be retained in the field of nuclear energy and power, because we can no longer afford to have a repetition of that which occurred just a few years ago. We trained men in the nuclear field, and then lost those men by virtue of larger salaries from private enterprise. This bill will retain those employees whom we have trained at governmental expense for a period that they would designate themselves.

Again I compliment the gentleman from New York (Mr. STRATTON), the chairman of the subcommittee, for his excellent handling of the bill, and the fine work the gentleman has done in the conference.

Mr. STRATTON. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. STRATTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report (S. 2771) just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

AMENDING THE ARMS CONTROL AND DISARMAMENT ACT

Mr. MORGAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 12799) to amend the Arms Control and Disarmament Act, as amended, in order to extend the authorization for appropriations, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Pennsylvania (Mr. MORGAN).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 12799, with Miss JORDAN in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee arose on yesterday all time on general debate on the bill had expired.

The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Arms Control and Disarmament Act, as amended, is further amended as follows:

(1) Section 41(d) (22 U.S.C. 2581(d)) is amended by—

(a) deleting "as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), at rates not to exceed $100 per diem for individuals," and substituting therefor "as authorized by section 3109 of title 5 of the United States Code," and;

(b) deleting from the first proviso thereof "one hundred days" and substituting therefor "one hundred and thirty days".

(2) Section 49(a) (22 U.S.C. 2589(a)) is amended by inserting in the second sentence thereof immediately after "$22,000,000," the following: "and for the two fiscal years 1975 and 1976, the sum of $21,000,000,".

COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Committee amendment: Page 1, strike out line 3 down through line 5 and insert in lieu thereof the following: "That (1) section 41 (d) of the Arms Control and Disarmament Act (22 U.S.C. 2581(d)) is amended".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 2, line 8, insert "of such Act" after "Section 49(a)".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 2, beginning in line 11, strike out "two fiscal years 1975 and 1976, the sum of $21,000,000," and insert in lieu thereof "fiscal year 1975, the sum of $10,000,000,".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the last committee amendment.

The Clerk read as follows:

Committee amendment: Page 2, after line 12, insert the following:

SEC. 2. Section 50 of the Arms Control and Disarmament Act (22 U.S.C. 2590) is amended—

(1) by inserting "(a)" after "Sec. 50."; and

(2) by adding at the end thereof the following new subsection:

"(b) In addition to the report required by subsection (a)—

"(1) whenever the Director determines that any program of research, development, testing, engineering, or deployment of a strategic weapons system has been funded by the Department of Defense or by the Atomic Energy Commission, and that the estimated cost of such program for any fiscal year will exceed $50,000,000, he shall within 30 days submit to the Committee on Foreign Relations of the Senate and to the Speaker of the House of Representatives, a report containing the nature, scope, purpose, cost, and impact of such strategic weapons system if developed or deployed; and

"(2) whenever the Director determines that the Department of Defense, Department of State, National Security Council, or any other Government agency has taken any action which will have a substantial impact upon United States strategic arms or arms control policies, he shall within 30 days submit a report to the Speaker of the House of Representatives and to the Committee on Foreign Relations of the Senate containing such determination and his analysis."

Mr. DERWINSKI. Madam Chairman, I rise in opposition to the final committee amendment.

Madam Chairman, in the very brief discussion we had on this subject yesterday under the general debate, what little controversy there was revolved around the so-called Harrington amendment. I should like to discuss that because that is the final committee amendment, to which I feel an objection must be made.

In short, what the Harrington amendment does is superimpose the ACDA over the Department of Defense, Department of State, Atomic Energy Commission, and other agencies of government. I appreciate the fact that some people might think this would be a useful development.

If I may digress on that issue, I should also like to point out that the committee procedure was less than normal, and this amendment popped up at the eleventh hour in the final markup of the bill. Earlier in the day that same morning officials of the Arms Control and Disarmament Agency had appeared before the committee. There was no question or comment raised by the sponsor of the amendment, and then suddenly the amendment was offered, and, frankly, much to the surprise of a number of us, it was carried by a 15-to-11 vote in the committee. I believe the amendment is untimely, to say the least. I believe it is impractical. It is my understanding that the subcommittee intends to look into this very subject in the coming years, so if anything develops from it, a modified or practical amendment could be in order a year from now.

I should think at this time with the lack of information and lack of figures as to the impact, this would be a very, very unwise amendment to accept. I should point out that there are other agencies of government to use as an example. The argument was made that this is something like an environmental impact statement. We ought to recognize that environmental impact statements have become quite controversial, and perhaps have not contributed to progress in the sense of time and other factors that enter into it.

Then, we do have the legislative oversight that other committees of Congress maintain over the Department of Defense and the Atomic Energy Commission. It seems to me this would add a layer within the already great bureaucracy of our Government that would not at all be practicable. The Harrington amendment is here before us without any hearings or discussion, and it seems to me that we would be flying blind if we were to accept this language.

I would suggest that this committee amendment be rejected.

Madam Chairman, I oppose the committee amendment. My reasons have been expressed in a letter to my colleagues and in the "additional views" found on pages 10 and 11 of the committee report.

I would only remind my colleagues that we did not consider this amendment in the hearings immediately preceding the markup of the bill in which Mr. HARRINGTON offered his ill-timed amendment. If we had, we could have considered the implications of superimposing the Arms Control Agency over other agencies, as this amendment does, by directing it to monitor and report on the work of other agencies in the area of strategic weapons systems.

We could have considered the duplication and overlapping of jurisdiction that would result since the work of the Department of Defense and the Atomic Energy Commission, for example, are already reviewed by appropriate congressional committees. We could have considered the effect of this major expansion of responsibility upon the organization of the Arms Control Agency and the adequacy of its existing small staff to carry out additional responsibilities.

Unfortunately, we did none of these things. This amendment is mischievous. It is ill-timed and ill-advised. It should be deleted from the bill. The National Security Policy and Scientific Developments Subcommittee, under the chairmanship of Mr. ZABLOCKI, could then include a study of the Harrington proposal in the indepth study of the Agency that it will conduct this year.

Mr. FRELINGHUYSEN. Madam Chairman, I rise in opposition to the committee amendment.

Madam Chairman, as the gentleman from Illinois has just stated, this committee amendment proposes very far-reaching additional authority for the Arms Control and Disarmament Agency. The chairman of the full committee in support of this bill yesterday pointed out that a thorough study is to be made by the Committee on Foreign Affairs of the Arms Control and Disarmament Agency during the coming year. It is for that reason that we are authorizing continuation of the agency for only 1 additional year. I would think the normal course of events would be for the House next year to consider whether it would be advisable to give the agency this kind of so-called oversight responsibility over other agencies of the Government.

We had no discussion in committee about the wisdom of such a proposal. The chairman yesterday during debate described the proposal to require from the agency reports on strategic weapons systems development programs as a modest but useful step to obtain improved information. I doubt very much Madam Chairman, whether the question is lack of information. I would guess the appropriate committees of Congress already have plenty of information with respect to these programs.

If we should require this agency with strictly limited personnel to take a look at any program costing $50 million a year or more, we are going to impose intolerable strains on that agency and I think we would quite probably be asking for the impossible.

Let us look at the language on page 2:

(1) whenever the Director determines that any program of research, development, testing, engineering, or deployment of a strategic weapons system has been funded by the Department of Defense or by the Atomic Energy Commission, and that the estimated

> cost of such program for any fiscal year will exceed $50,000,000, he shall within 30 days submit to the Committee on Foreign Relations and to the Speaker of the House of Representatives, a report containing the nature, scope, purpose, cost, and impact of such strategic weapons system if developed or deployed: . . .

That is a big order. They have 30 days to try to evaluate a major weapons system, or a minor one if we consider a program costing over $50 million or more as minor. In addition to that we have a second paragraph which says:

> . . . and (2) wherever the Director determines that the Department of Defense, Department of State, National Security Council, or any other Government agency has taken any action which will have a substantial impact upon United States strategic arms or arms control policies, he shall within 30 days submit a report to the Speaker of the House of Representatives and to the Committee on Foreign Relations of the Senate containing such determination and his analysis.

What exactly is meant by "any action which will have a substantial impact" taken by any Government agency? This is surely a far-reaching proposal. It is not one that was even discussed with the Director of the Agency when he came before us to testify about the need for further authorization for his agency. So I do hope that we are listened to when we say that there is no urgency for one relatively small executive agency to be given this kind of authority over other major executive agencies.

If the Foreign Affairs Committee in due course and in the normal way decides this should be an additional responsibility of the agency, we can come back next year when we will ask for further authorization. However, pending that study and pending a discussion both within our committee and with members of the executive branch, I think it would be the height of folly to accept this committee amendment. The amendment, as the gentleman from Illinois has already pointed out, was adopted on a relatively close vote in committee.

I urge defeat of this amendment.

Mr. MORGAN. Madam Chairman, I rise in support of the amendment. This amendment requires a report to Congress on the impact of certain strategic weapons systems from the United States Arms Control Agency.

The amendment is a logical addition to the Arms Control Act. Section 2 of the present act says that the Agency must report to the President, the Secretary of State and other officials of the executive branch, and to the Congress, "concerning United States arms control and disarmament policy," so they can "assess the effect of these recommendations upon our foreign policies, our national security policies, and our national economy." This reporting feature is already incorporated in the present act. But, essentially, it is somewhat general.

The amendment proposed by the committee would strengthen the reporting requirement of the law and give Congress valuable information needed to carry out its responsibilities.

There were many questions raised yesterday in the debate and many have been asked of the chairman.

One of the questions was, will the proposed reporting requirement be expensive and difficult for the Arms Control Agency to carry out?

Well, the committee report, on page 4, notes that the committee does not feel that the amendment will require any additional authorization or be burdensome to the Arms Control and Disarmament Agency.

Another question that was asked, which I tried to answer yesterday in the general debate, was whether classified information would be made public as the result of such reports?

The legislative history of the bill (H.R. 12799), makes it clear that any confidential material included in the reports will be handled under the injunction of secrecy.

As I said yesterday, the Foreign Affairs Subcommittee on National Security Policy and Scientific Developments, under the chairmanship of the Honorable CLEMENT J. ZABLOCKI, is undertaking an indepth study of the Arms Control and Disarmament Agency. The chairman of that subcommittee has agreed that any problems that may arise from this amendment will be worked out through consultation with the Arms Control Agency during that review. In the meantime, the impact reports submitted by the Agency will help supply the Congress with much-needed information on the effect of the larger strategic weapons systems.

Madam Chairman, I am advised that there are only about 20 weapons systems which fit the definition of the committee amendment. This includes ongoing systems and some of the new systems proposed. So the amendment is not as far-reaching as some of the opponents are arguing in this debate, and it should not impose any great burdens on the Agency even during the first, peak workload year.

Madam Chairman, I urge support of this amendment.

Mr. FRELINGHUYSEN. Madam Chairman, will the gentleman yield?

Mr. MORGAN. I am glad to yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. Do I understand from the gentleman that he contends there would not be a need for substantial further personnel in the agency if this requirement was imposed on it? Do I understand that he contends the agency does have the capability of handling this responsibility?

Mr. MORGAN. That is the information I have.

Mr. FRELINGHUYSEN. That is a surprise to me, because I have not found that to be the case.

Mr. MORGAN. If the gentleman will read the report on page 4, it so states.

Mr. FRELINGHUYSEN. I got my information from the Agency. They said they did not have the capability, and that this would require substantial additional personnel.

Mr. MORGAN. Of course, the gentleman knows that under section 2 of the basic act passed in 1961, they already supply reports to the Congress. The same people preparing those reports will work also on reports called for under the committee amendment.

Mr. FRELINGHUYSEN. If the gentleman will yield further, this committee amendment does not concern reports that are presently available to some people in Congress. This is a requirement for new reports, evaluating in 30 days these strategic systems which cost over a certain amount of money in a certain fiscal year. Is the gentleman not proposing this as a new requirement?

Mr. MORGAN. I want to answer that question again. The committee amendment strengthens the reporting requirement of the law but does not, in my view, impose any great burdens on the Agency. I do not think it will require the Agency to hire additional personnel.

Mr. BINGHAM. Madam Chairman, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman from New York.

Mr. BINGHAM. If the administration is not making the kind of studies that would be called for to be reported to the Congress, the administration is, indeed, derelict. Obviously, the arms control implications for new strategic weapons systems are essential to be considered. All we are asking for is that Congress be kept informed.

Mr. DU PONT. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, I do not often rise in opposition to the distinguished chairman of our committee, but as the ranking member of the Subcommittee for National Security Policy which is going to be considering the question of the effectiveness of the Arms Control Agency, I think the chairman has the cart before the horse.

Madam Chairman, he pointed out in his remarks that we were going to conduct an indepth study of the Agency, of what it does, of what success it has had, and what it should be doing. I think it would be too bad before our committee even considers that question to force this amendment upon us. While the amendment may be reasonable on its face and may sound very good, it was added at the last minute with very little consideration before the Foreign Affairs Committee.

Madam Chairman, I think we ought to have an opportunity in our subcommittee to do the amendment justice, to consider the question in depth, and not go ahead and add something to the law that we do not fully understand and that we have not had an opportunity to evaluate.

Madam Chairman, our subcommittee will be considering this amendment, and I would urge my colleagues to vote against the committee amendment so that our subcommittee may have an opportunity to do the job properly.

Mr. DENNIS. Madam Chairman, I rise in opposition to the amendment.

Madam Chairman, I feel that the real trouble with this amendment is that we are talking about a rather important change in the structure of our Government here without, as I understand it, really having had any hearings in the committee on the subject.

Here is what we say: Whenever the Director of this Agency determines—he has no guidelines as far as I can see—whenever he determines in his judgment that the Department of Defense, Department of State, National Security Council, or any other governmental agency has taken any action which will have a substantial impact upon the U.S. strategic arms or arms control policies, he shall make this report.

Madam Chairman, I think that is a mistake, and this is not the only instance. The Founding Fathers put together a pretty good scheme of government, and yet we hear suggestions from time to time that we ought to have a Department of Peace, say, instead of a Department of State, which is charged with that type of thing in this Government. Or they say we ought to have a new office of some kind, an ombudsman or special prosecutor or something, instead of the Department of Justice.

Madam Chairman, I do not agree. What we ought to have is the traditional constitutional departments properly manned and efficiently run, and that is what we started out with in this country. It is what we ought to have now.

Madam Chairman, just consider it. Here is the Department of Defense, the Department of State, the National Security Agency, some of the most important departments that we have in this country, all charged with duties, responsible to this body, responsible to the Committee on Foreign Affairs, responsible to the Armed Services Committee, and to the other committees of this body, and every time the Director of the disarmament agency, in his untrammeled judgment, thinks they have done something important, he gets to stick his oar in and to ride herd on the question of policy.

Madam Chairman, I just submit to the Members that that is not the way to run a government, and it surprises me that this distinguished committee should throw this in here casually as if this were just a little minor matter. It is the kind of thing we ought to think about for a long time, and we ought to have some real hearings and we ought to become truly converted to a change like that. It is amazing to do it this way on the floor this afternoon, and I certainly hope the Committee will vote against the amendment.

Mr. BINGHAM. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, I am really quite amazed at the intensity of the opposition to this committee amendment. All we are talking about here is to enable the Congress to be better informed. That is all we are talking about.

There has been a distinct tendency on the part of this administration to downgrade the ACDA. This has been recognized by the subcommittee headed by the gentleman from Wisconsin (Mr. ZABLOCKI) and it is one of the reasons for the study that is to be made by that subcommittee.

One of the effects of this amendment would be to make sure that the ACDA gets the information that it needs to do its job, and that it passes on the information to the Congress.

We are not talking about a veto power of the Congress here; we are not talking about any action of the Congress except what it may see fit to take by resolution or by the passage of legislation. All we are talking about is seeing that the Congress be kept informed of the arms control and disarmament implications of various measures taken by the administration.

Madam Chairman, the gentleman from New Jersey, whom I highly respect, suggested that this would be an additional load for the administration to undertake. I cannot understand that comment. If the administration is not now considering the arms control and disarmament aspects of the various weapons systems it is asking for, it should be. So, if we are imposing an additional load on the administration, that is a load that should be undertaken. However, I cannot believe that is the case.

The Director of ACDA has informed us that he is kept informed of these decisions and that he is involved in this. We would like to see him more fully informed than he is, if he is not now fully informed. I cannot believe the administration does not have a study made of the arms control and disarmament aspects of weapons systems it is undertaking.

With respect to the point which the gentleman from Delaware (Mr. DU PONT) made, it is true that a proposed study is to be undertaken under the direction of the distinguished gentleman from Wisconsin, and I hope to be a part of that investigation. However, there is no reason in the world why this amendment cannot be adopted here today pending that study. It would give the study more weight, and it would give the subcommittee more information to proceed with.

It would help the study; it is not going to interfere with it.

If it turns out to be a mistake, certainly we can change it at the end of the study. I see no reason for refusing to adopt this amendment at this stage.

Mr. ZABLOCKI. Madam Chairman, will the gentleman yield?

Mr. BINGHAM. I yield to the distinguished gentleman from Wisconsin.

Mr. ZABLOCKI. Madam Chairman, I wish to point out that the subcommittee will have a more meaningful review of ACDA as a result of the provisions of the committee amendment. We need this information. There is no rhyme nor reason why it should not be made available to the Congress. I agree wholeheartedly with the gentleman from New York.

Mr. FRELINGHUYSEN. Madam Chairman, will the gentleman yield?

Mr. BINGHAM. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. Madam Chairman, in the first place it seems to me that we should consider this matter carefully before it is finalized, although it is true the law could be changed later. It does not make much sense to act now if the study is to be initiated immediately by the committee. I think we ought to study this proposal before we take the leap.

To suggest that no additional duty is going to be imposed on the Agency, I think, is stretching the truth. If there is going to be a requirement to take action on a significant evaluation of a major study within 30 days, it is going to require prompt action by people who are experts in the field. This is going to be a new requirement, and the Agency itself says that it is going to require substantial numbers of additional personnel.

Mr. BINGHAM. Madam Chairman, I believe I have the time, and in that time I would like to ask the gentleman if he thinks the administration and the executive branch are not now considering and having appropriate studies made of weapons systems as far as their impact on arms control and disarmament is concerned.

Mr. FRELINGHUYSEN. Madam Chairman, I would say to the gentleman that "appropriate" is the key word. I say that it is entirely inappropriate for one agency to be singled out to pass judgment on what other agencies are doing.

Instead of improving the status of this Agency, and protecting this Agency, this proposal may well result in the termination of the Agency, because we cannot logically expect one agency to be set up as a watchdog and make reports within 30 days on other executive agencies and expect to get anything meaningful in the way of an evaluation.

Mr. BINGHAM. Madam Chairman, the gentleman will recall that he is describing precisely what the function of this Agency is supposed to be in the executive branch. It is supposed to present within the executive branch arms control and disarmament implications of major weapons decisions.

Mr. FRELINGHUYSEN. Nobody is attacking the Agency.

Mr. BINGHAM. That is what it was set up for.

Mr. FRELINGHUYSEN. But the point which the gentleman seems to be deliberately trying to misrepresent is that this is an effort to get one agency to pass judgment on what another agency is doing.

Mr. SIKES. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, I respect the distinguished gentleman who offered this amendment, but I have carefully examined the Harrington amendment. It strikes me as totally unnecessary, and it is an obvious duplication of effort.

This sort of thing costs the Government and the taxpayers without justification, and that should be of very serious concern to us.

This is a far-reaching amendment. It could bring about serious problems and much added confusion in the administration of the program.

It is my understanding that this was added without full discussion in public hearings. That in itself is a warning. I am advised that the Director of the Arms Control and Disarmament Agency was not consulted about this amendment, and certainly he should have been. There is no evidence in the committee records of a discussion with him of the language now proposed. Where does he stand? Does he think it is good or bad? I would like to know his opinion.

It is very important to note that this language would require the Arms Control and Disarmament Agency to perform an oversight and reporting role regarding the programs of other agencies which already are reviewed by appropriate congressional committees. That means duplication; it means placing new duties on an agency whose operations are not geared to perform an oversight function and a reporting role.

Let us not make a mistake here today. It was acknowledged on this floor just a few minutes ago that the amendment probably would require correction in the next Congress. If this is to be needed, let us wait until the next Congress when there are appropriate hearings to justify a sound decision on the amendment.

In particular let me note that the Department of Defense already provides information to the Congress on its work concerning strategic weapons systems and arms control.

The Committee on Armed Services takes a keen interest in these matters. It has a Subcommittee on Arms Control and Disarmament. I believe that the existing reporting procedures are adequate. I feel the Harrington amendment duplicates these reporting procedures and, if they are implemented, it would infringe unnecessarily upon the responsibilities of agencies of the Government and of committees. This means more paperwork, more bureaucracy, more confusion, more cost to the taxpayers, all of which we should be seeking to avoid. There are just too many confusing and unanswered questions about the operations of the proposed language.

I feel it should be rejected. Then let us take a look at it in an orderly way a year from now when there can be full hearings and more adequate information on it.

Mr. HARRINGTON. Madam Chairman, I have been caught upon the dilemma of whether or not to take the bait that has been offered during the course of the preliminaries to this discussion. But let me selectively take it, at least, to correct the number of misstatements that would have me wonder whether or not I am a member of the Committee on Foreign Affairs or whether I am a member of the Committee on Armed Services, of which I see a number of living examples gathered on the floor today, obviously with the perception that their self-interest is affected.

First of all, all of the hearings of the Foreign Affairs Committee—and there were only 2 days of hearings, one of which was extremely appreciated—were open. I address that statement to the gentleman from Florida (Mr. SIKES) who stated that it was a closed-door discussion.

Second, if I could attempt, for the benefit of the seniority accrued before me this afternoon, to suggest it is obvious that somehow——

Mr. SIKES. Madam Chairman, will the gentleman yield?

Mr. HARRINGTON. I will be glad to yield to the gentleman from Florida.

Mr. SIKES. Madam Chairman, I would ask the gentleman from Massachusetts if the distinguished gentleman is implying that the Director of the Arms Control and Disarmament Agency was questioned on the amendment, and that he had an opportunity to state whether or not he felt that this was needed language?

Mr. HARRINGTON. All I am saying, without allowing myself to be diverted, in reply to the gentleman from Florida (Mr. SIKES) is that the specific hearings that were held on this subject were always held in open session, a practice that I would commend in general, and that the decisions in this matter were made in open session, openly arrived at.

Mr. SIKES. But the gentleman has not answered my question. Did the Director specifically have an opportunity to discuss this matter with the committee?

Mr. HARRINGTON. I am answering the question, at least, that was suggested in the gentleman's initial remarks, by saying that there was no secrecy or closed sessions connected with the adoption of this amendment.

Mr. SIKES. But the gentleman from Massachusetts still has not answered my question. I would ask the gentleman: Did the Director state that he would like to have this amendment in the bill?

Mr. HARRINGTON. The Director, if I can answer the second phase of your question—and I hope that this will direct us more into a factual area—was not in the committee at the time this amendment was offered. But let me attempt again to address the question of the apparent speed with which this amendment was adopted, and specifically the chronological order. The Director presented no kind of testimony on the amendment. The Director appeared briefly, with at least part of his staff on the next morning following his initial appearance, after which the bill was thoroughly considered and marked up as a whole. That was the entire procedure that took place. Since that time the Director has been informally contacted on the subject; I have had some discussion on this point with him myself, and I suspect other members of the Committee on Foreign Affairs have as well. Other than having some reservations about part 2 of the amendment, as to its breadth, the Director has in general expressed no opinion about this simple mandate for him to do.

Mr. SIKES. The gentleman from Massachusetts I must assume is stating that the Director has not at any time informed the Committee on Foreign Affairs that this language, if adopted, would serve a useful purpose.

Mr. HARRINGTON. If the gentleman wants to talk about that in the context of it being in a public hearing that this was done, the answer to that is "no." If the gentleman is talking about the veracity of my memory on this subject, of the Director talking to me about his being willing to abide by this and accept is as useful, the answer is yes, he did.

Mr. SIKES. I am trying to establish whether or not the Director has recommended or agreed with the committee that this was useful or needed language?

Mr. HARRINGTON. I would be glad to pursue this on the gentleman's time, or on the time of someone else, but I would like to conclude my intended remarks. Since I have yielded so much of my time to the gentleman, so as to be able to point out at least the scope of what I had intended to say, let me conclude, because I am undoubtedly running out of time.

My point is that here we are granting $10.1 million, at this time, to an agency which has been quite thoroughly eviscerated over the past few years. It is obvious, from the trend of the conversation this afternoon, that there is concern that we apparently are superimposing this Agency on the Atomic Energy Commission, and on the Defense Department, and on the State Department. This simply is not the case.

All I am suggesting is that we try to have the Congress informed on these matters of arms control, rather than accepting the feeling that apparently surrounds us in the form of self-vested interests, and accepting instead just the Department of Defense providing us with a format by which we can make our decisions. I am suggesting that it would be useful to have another element involved in order to keep the Congress and the American people directly informed, instead of merely relying upon the statements made by the Secretary of Defense as to our weapons needs or as to our procurement needs, where the decisions are normally done in camera for authorizations and appropriations by the Defense Department.

I think that this would be very useful.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. DERWINSKI, and by unanimous consent, Mr. HARRINGTON was allowed to proceed for 3 additional minutes.)

Mr. DERWINSKI. The gentleman from Massachusetts knows I have regard for his energy, enthusiasm, and spirit. Therefore, I have, in the interest of helping him, asked for these 3 additional minutes for him. Would the gentleman now yield for a question?

Mr. HARRINGTON. I appreciate the gentleman's descriptive phrases. As I told him yesterday, I appreciate the attachment of "energetic" rather than "phlegmatic"; so certainly I will yield for a question.

Mr. DERWINSKI. I thank the gentleman for yielding. I think we must correct one item in the RECORD on which we have clashed, and refresh the gentleman's recollection. I now wish to challenge that there is not anything in the hearing which relates to this specific amendment. If I recall the exact procedure in the committee, after that brief morning appearance by the Director, we then went into a markup session, and at the very end of it, naturally, because the amendment came at the end of the bill—the gentleman offered his amendment—what really happened was that despite an opportunity to do so, the Director of the Agency was not questioned as to his acceptance of possible opposition to this amendment; is that correct?

Mr. HARRINGTON. Since we are on the gentleman's time, perhaps we can get into a little bit longer discussion of the chronology of events. My memory of it was that consideration extended over a 2-day period on a Wednesday and Thursday about 5 weeks ago. The first day we did have the Director and some staff before the committee. The second day we attempted to get a quorum established to mark up the bill, and did have some brief remarks on the availability of the Director and staff again for questions, and then the markup came on that, the second day.

Perhaps to the degree that I differ with attempting to stress that this was the subject of lengthy preparation, consuming an enormous period of time by way of the planning, I would suggest that there has been a little bit of exaggeration engaged in by those who suggest that ACOA was considered over an extended period and, therefore, that this amendment could have been brought to the Members attention beforehand.

This amendment, was, to the degree that the hearing was called somewhat earlier than I had thought would be the case, put together on the basis of having only that one day of opportunity to offer the amendment. While I have to defer to a series of bad judgments in estimating how one goes about the lobbying effort attendant to informing Members of these events, it was not with any kind of malice aforethought that I waited until the last minute to spring this amendment on an unsuspecting membership of the committee, which I joined in the last 13 months.

Mr. DERWINSKI. Let me say that I would never accuse the gentleman of having any malice aforethought. In fact, I think the gentleman is one of the finest Members of this body. But I also want to help the gentleman, because I do feel that he needs help.

Mr. HARRINGTON. I appreciate the gentleman's comments.

Mr. DERWINSKI. The gentleman has come very, very close— unintentionally I am sure—to declaring that the chairman of the full committee had not given us enough time, and I wish to assure the gentleman, as one of the senior members that the gentleman occasionally objects to in the legislative process——

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. HARRINGTON was allowed to proceed for 3 additional minutes.)

Mr. HARRINGTON. I am always envious of the gentleman from Illinois' verbal dexterity. I think I will leave his recollection a matter of record. My thrust is that we have the subcommittee chairman, Mr. ZABLOCKI, here today. Notwithstanding what was said by the gentleman from Illinois, or the gentleman from California, the subcommittee chairman is saying specifically, as a person who is engaged in the study of this Agency, that he would welcome the experience of this amendment, and would welcome what it would afford in being able to improve the overall effectiveness of the Arms Control and Disarmament Act. This is a fact, first, that I think has been expressed by a couple of speakers recently.

Second, we are not talking about asking for any more money. We are talking, really, about suggesting that Congress welcome a change, and not leave it to the Department of Defense alone to set the parameters in which we make our judgments. Under section 2 of the original enabling legislation for ACDA, this is entirely within the scope of what was suggested that the purpose of this Agency was. Let us not overlook the fact that although there has been what has been described as an insidious effort to eviscerate this Agency over recent years, it should not detract from recognition of the fact that we are going to be spending hundreds of millions of dollars, in one way or the other, for defense programs in the current fiscal year.

Therefore, I would welcome all the help we can get in attempting to evaluate the strategic weapons systems and the policies attendant to our task.

Mr. DERWINSKI. The gentleman has implied that he is a bit unhappy with the fact that the figure in the bill is only $10.1 million. Perhaps it would have been far more practical, rather than to have offered this amendment, that the gentleman merely should have proposed to quadruple the budget on the Agency.

Mr. HARRINGTON Having tried that approach with the Peace Corps appropriation I would think it unlikely it would find an appropriate interest on the part of the Congress.

Mr. DERWINSKI. I would say if the gentleman in advance had contacted some of the friendly senior Members like myself we might have been able to give him more help.

Mr. HARRINGTON. Having been forewarned I will keep that in mind next time, and I thank the gentleman.

Mr. GUYER. Madam Chairman, not having had an active part in the formation of the bill or the amendment being discussed but as a member of the committee and with some past experience I would say I have found that reporting sometimes becomes more of a problem than the problem we are trying to overcome. I recall years ago being a caseworker when I was told all of my reports had to be in quadruplicate and we found we were spending more time trying to report than we were in making home visitations.

The main objection to the present form of the bill is I think we will be giving the Agency reporting duties that become almost physically impossible and also pose a real problem of security revelations that could reveal very highly classified information. Another thing is that it will be giving us an improper posture with our friends in other countries.

I think the bill is needed. I think the very highly controversial amendment is not needed.

Mr. FRELINGHUYSEN. Madam Chairman, will the gentleman yield?

Mr. GUYER. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. Madam Chairman, I thank the gentleman for yielding.

A discussion has just been held about whether the Director of the Arms Control and Disarmament Agency has been asked about this proposed amendment, and as to his reaction. I regret to say I do not have a formal letter, but I have just spoken to him on the telephone. I shall try to report his position. I am quoting now what he said.

He believes that it would not be good to have language like this, that it would stifle rather than facilitate communication between the Agency and the Congress.

In his opinion, and again I am quoting, the inevitable result would be a coordinated administration product with respect to these programs rather than a role such as the Agency now plays. Dr. Ikle stressed the fact that in his opinion it was important for the Agency to evaluate all programs which have an impact on strategic arms and not just those of a certain size.

To quote him again, he thought, that if we were to adopt this language, the result would be to formalize an approach, to crystallize into a single administration position what now is a fairly loosely structured approach. This amendment would not help him in the discharge of his present responsibilities.

I regret, I repeat, I regret to say that I do not have the Director's views in writing, but I think this fairly indicates the position of the man on whom we are trying to thrust these additional responsibilities.

In addition, if I may say, I have also received, and I mentioned this when I was discussing the matter with the chairman of the full committee, from the Agency a statement to the effect that additional personnel would be required to carry out this kind of responsibility.

Mr. FRASER. Madam Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from Minnesota.

Mr. FRASER. Madam Chairman, what is astonishing about that statement is that we do not get any of these evaluations at the present time. If the gentleman can tell me of a single evaluation, whether it is on an informational basis or not, that is coming to the committee with respect to a weapons system, I wish he would inform me. I have never seen it and I am a member of the committee that has jurisdiction over the Arms Control and Disarmament Agency.

Mr. FRELINGHUYSEN. The Agency falls within our committee. If we think they are failing to meet their responsibilities in any way, it seems to me the least we can do is take the matter up when they come before us.

Mr. FRASER. Let me pursue that for a moment.

Mr. FRELINGHUYSEN. I really would like not to be misrepresented. That is not my position. That is not Dr. Ikle's position. What Dr. Ikle is saying is that if we have this approach, it would be too formalized an approach. There would be a uniform reaction of the administration to these programs.

As I said to the gentleman from New York earlier, the result would be the demise of the Agency, not a strengthening of it.

Mr. FRASER. Madam Chairman, I rise in support of the amendment.

Mr. DERWINSKI. Madam Chairman, will the gentleman yield? Did he say he was in opposition or in support of the amendment?

Mr. FRASER. This is an amendment being offered by the committee, so that I am in favor of the amendment.

Mr. DERWINSKI. The gentleman is in favor of the amendment?

Mr. FRASER. Yes.

Mr. DERWINSKI. I am glad to see that.

Mr. FRASER. I do not want to prejudice the gentleman's position.

Mr. DERWINSKI. If I can help in any way, I will be pleased to.

Mr. FRASER. I will call the gentleman, do not call me.

I want to pursue the point raised by the gentleman from New Jersey, who is one of our most able members of the committee. What we are faced with here is the question whether Congress wants some information or not. Those who are opposed to the amendment are saying, in effect, that they do not want it, that it will not be of any help.

It is also being argued that if we do insist on the amendment, it will result only in providing us with a consolidated administration point of view.

Let me use the analogy of the environmental impact statement process. We have said that where an enterprise is undertaken by a governmental agency, we want to have an evaluation of its impact with respect to environmental concerns. I do not think it can be argued that this results in one consolidated administration point of view. What it does provide is a new perspective, a different slice, a different look at a proposal, so that we and others with responsibility can have more information. The fact is that we are not getting this information now.

At the time we voted on this amendment in the committee, I was told informally through the committee staff that the people in the Agency rather liked this amendment. Maybe Dr. Ikle feels he wants to back away from it; but it does seem to me the Arms Control Agency can give us a different slice, a different look, to help us do our job. If we vote against the amendment, we say we do not need it, we do not want it. I think we could use it.

Mr. FRELINGHUYSEN. Madam Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman.

Mr. FRELINGHUYSEN. I know of no opponent that says we do not need it. No one is arguing that. The gentleman is not listening to our discussion.

Mr. FRASER. I listened to the discussion of the gentleman.

Mr. FRELINGHUYSEN. We are saying the information is available. The Agency has a role to play. We are saying and the Director is saying this, too, but the result of this language, and obviously the intention is good, I am not criticizing the intention of the proponents of this arrangement; the result would be a reduced communication, rather than an increased communication between the Agency.

Mr. FRASER. I have to say to the gentleman that we are not getting that information now.

Mr. FRELINGHUYSEN. So what?

Mr. FRASER. I have an interest in what the impact is on the arms control and I know the gentleman does, too. The gentleman must concede that we do not get the information now.

Mr. FRELINGHUYSEN. Madam Chairman, will the gentleman yield?

Mr. FRASER. Surely.

Mr. FRELINGHUYSEN. If we have authority over the Agency, is the gentleman arguing that we do not have the authority to call the Director before us and say that we want more information than we are presently getting? The gentleman makes it sound that we are a bunch of morons on the committee, and we are not.

Mr. FRASER. I know that the gentleman is not.

Mr. FRELINGHUYSEN. We have the capacity now to get the information and the gentleman is suggesting that we will not have a role to play unless we get this almost unconsidered proposal before us.

I would suggest the Zablocki committee take a good look at what additional requirements should be studied in the legislation to get the Agency to be responsive.

I have no reason to believe that they will fail to be responsive to any committee or to a request for information from our committee. I do not suppose the gentleman has either.

Mr. FRASER. Madam Chairman, I think the gentleman will concede that we have not been getting information. If we were to look at it on a systematic basis, and if we want it on a systematic basis, there is only one way we can get it, and that is to write it into the arms control law. Otherwise, they will make a decision on what they are going to do, and make evaluations whenever their own judgment suggests it be done, or as a result of some internal administration decision which may also be not to do it all.

I think what has happened to the ACDA is that they may be told to keep their hands off, stay away from it, and then we will be left in a position that unless we specifically push for a study or specifically ask, they are going to have to tell us that they have not had an opportunity to evaluate it. We need a systematic review here. What is the harm in giving Congress information?

Mr. ROUSSELOT. Madam Chairman, will the gentleman yield?

Mr. FRASER. Madam Chairman, I yield to the gentleman from California.

Mr. ROUSSELOT. Madam Chairman, my understanding is that the Armed Services Committee gets this all the time. As a matter of fact, several of the gentleman's colleagues on that committee bring that information to the floor all the time and discuss it, so that the Congress is getting the information it wants. The Armed Services Committee gets the information all the time. All the gentleman has to do is confer with his colleagues on that committee.

Mr. PRICE of Illinois. Madam Chairman, I rise in opposition to the committee amendment.

Madam Chairman, the gentleman from Minnesota said that the opponents of this amendment did not want information. He stated that the only purpose of this amendment was to get information, information to permit the committee and the Congress to do the job.

I do not think that is the issue at all. I think the issue is that the Members who oppose this amendment do so because of the additional burden it places on the Arms Control and Disarmament Agency. I do not think anyone opposes the Congress getting all the information that is available, and this information is made available to the Congress. It is made available to several committees. It is made available even to the committee on which the gentleman from Minnesota serves. They have no difficulty in getting this information.

Madam Chairman, the difference is that this information would come from a different source. It requires the Director of the Arms Control and Disarmament Agency to report to Congress any action by a Government agency which will have a substantial impact upon U.S. strategic arms or arms control policy.

Madam Chairman, we do get the information. The Atomic Energy Committee gets the information. There are several committees which get it, and as I said, the gentleman's own committee gets it. The Armed Forces Committee gets it.

Mr. DENNIS. Madam Chairman, will the gentleman yield?

Mr. PRICE of Illinois. Yes, I yield to the gentleman from Indiana.

Mr. DENNIS. Madam Chairman, I thank the gentleman for yielding.

Madam Chairman, I used to practice law before an old judge who said it was a good idea to read the statute. I got to looking at this bill today and the amendment calls for this new report "in addition to the report required by subsection (a)," and I got to wondering what the report required by subsection (a) was. I got the statute out and it says:

> The director shall submit to the President for transmittal to the Congress not later than January 31 of each year a report concerning the activities of the agency.

So they are already reporting to the Congress, or are supposed to be, according to the statute.

Mr. PRICE of Illinois. Madam Chairman, of course, they are.

Mr. MORGAN. Madam Chairman, will the gentleman yield?

Mr. PRICE of Illinois. I yield to the gentleman from Pennsylvania.

Mr. MORGAN. Madam Chairman, everybody here is talking about different kinds of information. This amendment does not require additional information about the activities of the Arms Control and Disarmament Agency—or about the need for new weapons systems—or the operations of such systems.

It does only one thing:

It asks the Arms Control Agency to make an evaluation of the impact of certain weapons systems and actions, and to report its evaluation to the Congress. That is all it does. I would simply ask the Members to read the amendment again.

Mr. PRICE of Illinois. Madam Chairman, of course, the committee itself would evaluate the information which it gets from all the other agencies, which is in accord with the normal procedure required of all agencies of the Government, to report to the Congress. So it has nothing to do, as the gentleman said, with that feature.

I understand the intent of the legislation, but I think that the immediate concern of those Members who oppose the amendment is the fact that we do impose an additional responsibility on the Arms Control Agency. We get that evaluation, but I think the essential thing is to have committees make their evaluations when legislation is under consideration.

Madam Chairman, I think the amendment creates duplicate reporting requirements for the Agency. It is difficult to determine how the Arms Control and Disarmament Agency would be able to accomplish its requirement unless procedures have been established to monitor related actions of DOD, of State, of the National Security Agency, or of any other government agency. We would have to set up a whole monitoring system from department to department.

Such a procedure would infringe upon the privacy of various policymaking agencies. I do not think the amendment is necessary in order that the committee accomplish its job. I think the information that is being sought is already available, and I think the responsibility for evaluating that information is with the committee itself.

Mr. FASCELL. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, I rise in support of the amendment. First, however, I would like to point out what the amendment does not do.

The amendment does not ask the Congress to reconsider the need or the usefulness of any weapons system. That kind of an analysis is already being undertaken, either in the Committee on Armed Services or the Committee on Appropriations, and it is then considered in the full House in the usual order of business.

The amendment does require the Arms Control and Disarmament Agency to give the Congress its opinion about the impact of large weapons systems on our arms control policy.

Now, what is wrong with that? It has been suggested that we get that opinion now from some source. If we do get it, I do not know where it is.

It has also been suggested that I, as a Member of Congress, could attend the appropriations or the closed sessions of the Committee on Armed Services or the closed sessions of the Joint Atomic Energy Committee. It has been suggested that that is the way in which I ought to get my information in order to serve on the Committee on Foreign Affairs.

Well, thank you very much. I decline the invitation. I do not want to get my information that way. I want to get directly—straight from the agency concerned—the information which I ought to have in order to carry out my responsibility on the Committee on Foreign Affairs. That is the way other Members get their information in their committees in order to do their jobs.

Now, that is all this amendment seeks to do. Yes, it would formalize, if you will, the procedure whereby we can consider in the Committee on Foreign Affairs the evaluation by the Arms Control and Disarmament Agency of the impact of large weapons systems on our arms control policy. I do not see anything wrong with that; I do not see anything dangerous in that.

It would give us a chance to consider the issues involved and to think about them and perhaps in some way to relate them to our overall arms policy, our overall security policy, and our overall foreign policy. It would seem to me that that is a very small request to make on a matter that is as important as that is.

The information has already been compiled in large part and made available to some people in the Congress. Representatives of the various committees said that to our distinguished colleagues on the House floor here. So there should be no problem in getting ready the report required by this amendment. The administration, I am sure, has to have this type of information in order to make decisions of its own.

Obviously the administration has to make the decision with respect to the impact of a strategic weapons system, on our military posture, on our economy, and on our foreign policy. When that decision is made, why should not the Committee on Foreign Affairs have the benefit of the considerations which went into the making of that decision? And why should we not by statute formalize the request for that information? Why should we have to go hat in hand in order to obtain information necessary to make a proper judgment on matters that are that important?

Mr. ZABLOCKI. Will the gentleman yield?

Mr. FASCELL. I yield to the chairman of the National Security Policy Subcommittee.

Mr. ZABLOCKI. I agree entirely with the gentleman from Florida.

Would it not be in order to point out that there is a similarity between what we are trying to achieve here and what we accomplished in the last Congress when we passed legislation requiring the Executive to report to the Congress all international executive agreements? We have learned since that the Congress is today receiving reports—and indeed the State Department is now receiving reports—to which neither of us were privy before the passage of that legislation.

Mr. FASCELL. The gentleman is absolutely correct.

Mr. ZABLOCKI. And all we want here is information.

Mr. FASCELL. I have great confidence in the deliberations of my distinguished colleagues on the Committee on Armed Services and on the Joint Committee on Atomic Energy and on the Committee on Appropriations. Most of the time I agree with them, although sometimes I do take the opportunity to disagree when I have the cause to do so. I would like to have the opportunity, as a member of the Committee on Foreign Affairs, to give foreign policy questions the same careful consideration which my colleagues accord to issues that come before their committees. I cannot for the life of me understand why anybody would object to allowing the Committee on Foreign Affairs to have access—in the orderly manner provided for in this amendment—to information from the very agency which ought to be concerned with the impact of major strategic weapons systems on our arms control policy and our foreign policy and our military, strategic, and economic policies.

Mr. FRELINGHUYSEN. Will the gentleman yield?

Mr. FASCELL. I yield to my distinguished colleague, the ranking minority member of the Committee on Foreign Affairs.

Mr. FRELINGHUYSEN. I thank the gentleman for yielding.

I sincerely respect the good judgment of the gentleman as a member of our committee, but he makes it seem as if our committee does not have access to information when, of course, anybody on our committee who asks can get it. We do not get information when we do not ask for it, but we have only ourselves to blame for that. The gentleman makes it sound as if the only question is getting information which is not available.

Mr. FASCELL. I would say just the opposite, if the gentleman will permit me to answer that question. I respect the gentleman's views, but I have said before and I say again that what we are after here is an opportunity to make an evaluation based on information which is already largely available to others.

Mr. FRELINGHUYSEN. And that is what I am talking about.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, at the request of Mr. FRELINGHUYSEN, Mr. FASCELL was allowed to proceed for 2 additional minutes.)

Mr. FRELINGHUYSEN. Will the gentleman yield further?

Mr. FASCELL. Certainly.

Mr. FRELINGHUYSEN. I think the basic issue is the propriety of one agency of the Government, the Arms Control and Disarmament Agency, passing judgment on the programs of the Department of Defense or the Atomic Energy Commission and their capacity to pass judgment on those programs.

Mr. FASCELL. They are not being asked to pass judgment on the programs. All we are asking for is their opinion regarding the impact of those programs. closed sessions of the Committee on Ap-

The Department of Defense will not change its opinion one iota with respect to the form of, or need for, a strategic weapons system—and neither will the Committee on Armed Services or the Congress. All we are asking the experts who are on the Arms Control and Disarmament Agency, is that they give us the benefit of their views as to what they consider to be the impact of those weapons systems on our arms control policy—a thoroughly correlated and related and integrated matter. That ought not to cause the slightest concern to any administration, because if they have any sense, they are doing it now. All we want to do is to formalize the procedure whereby the Committee on Foreign Affairs, which has the primary responsibility for considering the foreign policy and the arms control policy, can have access on a regular basis to those opinions. That is all this amendment does. To read anything else into it as being destructive of the Defense Department or the Joint Committee on Atomic Energy or any other agency or committee is simply not proper. This amendment would not do any of these things to any of the committees of the Congress, or to any agencies of the Government. But it would give those of us who serve on the Committee on Foreign Affairs, the information we need to do our job, and do it properly. That is all this amendment does.

Mr. GUBSER. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, when I think of all the votes that I have cast in 21 years in this House the one that I recall most vividly was the vote that I cast in favor of creating the Arms Control and Disarmament Agency. I remember it so well because I was roundly criticized by my constituents since at that time it was not popular to talk about disarmament. But I voted for it in good conscience because it was sold to us—and if the Members would review the debate which preceded the passage of the authorization for this Agency, they will see that it was sold to us because ACDA was to be an advisory arm to our negotiating teams who would negotiate with foreign countries. It was sold exclusively as an advisory agency to assist those who sit down on the U.S. side of negotiating tables around the world.

For 3 consecutive years I have been very privileged to be one of the observers from the House Committee on Armed Services at the Geneva Disarmament Conference. I learned two things particularly from that experience.

First of all, I think ACDA, the Arms Control and Disarmament Agency, has done a remarkably fine job of fulfilling its charter as authorized in law, namely, to advise our negotiators. The second thing that has impressed me about international negotiation and disarmament conferences is how tremendously complicated they are. They do not do things at a disarmament conference table like we do them on the floor of this House. Things progress much more slowly. They are much more technical. It is much more delicate.

It rather strikes me that if this language is allowed to remain in the bill, and if we formalize the requirement on the part of ACDA to submit a formal report to the Congress, that we will in effect be introducing a totally new factor into this very delicate and very complicated process called negotiation.

I do not think that any member of the Committee on Foreign Affairs will ever be denied one iota of information that ACDA has. I know that I have never been denied such information as a member of the Committee on Armed Services, and I do not believe that I have any special privilege because of that membership. I am confident that any member of the Committee on Foreign Affairs can now have anything that they would get because of this language being in this bill. They can have that today. But what we will be doing is formalizing a recommendation. This will be bringing in a new body, the Congress of the United States, into a negotiating procedure which is already so complicated that it takes years and years to move just one little way toward disarmament.

I for one hope and pray for disarmament. There is nothing I want more. I realize that it comes slowly because the negotiations leading to it is delicate and complicated. My plea to the Members of the House is to be content with getting the information, but do not introduce a new factor which can do nothing but complicate a process which is already too complicated.

Mr. ROUSSELOT. Madam Chairman, will the gentleman yield?

Mr. GUBSER. I yield to the gentleman from California.

Mr. ROUSSELOT. Madam Chairman, I appreciate the comments made by the gentleman from California (Mr. GUBSER) regarding his participation as an observer in some of these disarmament conferences. I would ask the gentleman if it is not true that the disarmament agency can already get this material directly from the Secretary of State, and/or the President? And, as a matter of fact, are they not the ones who supply this information, so the language in this bill is wholly unnecessary?

Mr. GUBSER. Madam Chairman, in reply to the inquiry of the gentleman from California, let me say that I have great respect for ACDA. I think they have fine personnel, and that they do a fine job. They have been completely open with me, and I think they would be completely open to any other Member of the Congress. But if you let them bring formal reports into this body, which the news media will carry, and say that this will happen to it, or that will happen to it, then you are complicating something which is already too complicated, in my opinion.

Mr. BINGHAM. Madam Chairman, will the gentleman yield?

Mr. GUBSER. I yield to the gentleman from New York.

Mr. BINGHAM. I thank the gentleman for yielding.

Just to refresh the gentleman's recollection, which he says is clear about what the agency was supposed to be when it was set up, I would remind the gentleman that title III of the act which relates to the functions of the agency is three pages long, and that only one section deals with negotiations. It has other functions, including the reporting to the Congress that was previously mentioned. I am sure the gentleman recalls it.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LEGGETT. Madam Chairman, I rise in support of the amendment.

Madam Chairman, it seems that when we touch certain issues in this body, we ring everybody's bell. I guess Arms Control and Disarmament is one of those issues. We have enacted the legislation. We have passed some treaties and made some agreements pursuant thereto. We are negotiating on the balanced reduction force, et cetera.

We have here a very, very simple amendment put on a bill not out of the Committee on Armed Services, of which I am a member. The amendment "don't do nothing." As the gentleman from California stated a moment ago, the language is probably not necessary.

I would say that if the Committee on Foreign Affairs would direct a letter to the Arms Control and Disarmament Agency monthly and say: You report to us on every strategic or tactical—tactical weapons not covered in this amendment—weapons systems that may today or at any time in the future constitute an obligation for the United States in excess of $50 million, and tell us what you think about it, and give us the scope of it, whether or not it should be covered by reduction agreement, et cetera, the Arms Control Agency has plenty of military people over there, and they have plenty of input into the Pentagon, and they have plenty of capability to make that analysis and deliver it to the Committee on Foreign Affairs.

We get some of this material in the House Committee on Armed Services. We get a lot of it through the nonclassified annual statement of the Secretary.

I just received a statement from Secretary Schlesinger, his first statement that he has submitted. It is about 300 pages long. It covers all of the programs for the current fiscal year, for fiscal year 1975, and will cover lots of things that were asked for in this amendment. The only thing covered by negotiations at the present time are ICBM's, AMB's, SLBM's, perhaps MIRV's and heavy long-range bombers. Those are the only things they are talking about.

It may well be that the committee that has oversight over the Arms Control and Disarmament Agency might like to know what else is floating around in the way of big, expensive fighters that may have strategic capability, in the way of AWACs, which have a long-range radar, that may disturb the balance of power, et cetera. There are a lot of things that I think the Committee on Foreign Affairs ought to know, and they ought to get the information without propounding the necessary inquiries.

I see really nothing in this amendment that is going to do very much. We are concerned with what they are doing in disarmament on the House Committee on Armed Services. What have we done? We have had Mr. Gubser, the gentleman from California, attending some of the sessions. I guess we have had other Members. We appointed Mr. Charles H. Wilson, the gentleman from California, the other day as chairman of a subcommittee to monitor what the Arms Control and Disarmament Agency is doing, because we are interested. But the members of the Foreign Affairs Committee ought to be interested in what we are doing over in our committee. Believe me, we are doing lots of things.

In Chairman Price's subcommittee we are marking up a bill today that probably involves a trillion dollars worth of expenditures over a period of time. We are trying to do a careful job.

I should think that the Arms Control Agency would not give a composite analysis on every single thing that we are doing, plus all of the secret things that are so secret they do not even tell us on the committee unless it is on a need-to-know basis.

I think this amendment is regular; it is not irregular; it is not going to cause our parameters to come tumbling down.

Mr. DERWINSKI. Madam Chairman, will the gentleman yield?

Mr. LEGGETT. I should be glad to yield to the gentleman for a question.

Mr. DERWINSKI. I wish to advise the gentleman, rather than ask him if he does not appreciate the fact, that the gentleman from New Jersey (Mr. Frelinghuysen) and I are supporters of the Arms Control and Disarmament Agency, and yet as longtime members of our committee we feel that we have been more than adequately advised by the previous administration as well as the present administration, and therefore, the gentleman, having described this amendment as being almost unnecessary, should join us in voting it down.

Mr. LEGGETT. I say let us stand by the committee system, and since the committee says they need the amendment, let us go ahead and vote on it.

Madam Chairman, I am pleased today to rise in support of these three amendments to the Arms Control and Disarmament Act.

The first two of these amendments pertain strictly to fiscal matters. They make it possible for the Arms Control and Disarmament Agency—ACDA—to operate at a level necessary to carry out its mandated responsibilities. The first amendment increases the existing $100 per day limitation on the Agency's authority to procure the service of experts and consultants to bring it in line with the ceiling prevailing elsewhere in the executive branch. The second amendment sets the level of funding for the Agency for fiscal year 1975 at $10.1 million.

The ACDA in recent years has played an important role in a variety of arms control negotiations. These include:

Heading the negotiating team at the first phase of the strategic arms limitation talks, SALT, which resulted in two historic arms control agreements with the Soviet Union, the Anti-Ballistic Missile Treaty and the Interim Agreement on the Limitation of Strategic Offensive Arms;

Acting as a substantial component to the U.S. delegation in Geneva and chairing the backstopping committee in Washington for SALT II talks;

Having the primary responsibility for providing day-to-day backstopping support in Washington for the mutual and balanced force reductions in Europe talks;

Doing most of the staff work for the U.S. delegation to the United Nations Conference of the Committee on Disarmament; and

Finally, the Agency is responsible for working with the International Atomic Energy Agency on such matters as nuclear safeguards and on the implementation of the Nonproliferation Treaty.

Under the third amendment to this bill (H.R. 12799) the ACDA will have an even greater role to play in enabling the Congress to act both knowledgably and responsibly in limiting the present nuclear arms race.

The wording of section 2 of this act requires the Arms Control and Disarmament Agency Director to report to the Congress when he determines that a strategic weapons program exceeds a yearly cost of $50 million or when an executive agency has taken an action of "substantial impact upon U.S. strategic arms or arms control policies."

Section 2 will perform two vital functions: First, it will improve the flow of information to the Congress in the critically important area of strategic arms, enabling better congressional performance of the authorization, appropriation, and oversight functions; second, it would improve the management of strategic weapons and policy development by strengthening ACDA and institutionalizing the review process of weapons and policies which, to their credit, has been developed by President Nixon and Secretary of State Kissinger.

Too often in the past, Congress has been left in the dark on critically important matters of nuclear arms policy and the intertwined questions of strategic weapons systems. The recent experience with the SALT I agreements have taught the Congress this. We can no longer remain strapped and blindfolded in the backseat while the administration drives us to an unknown doorstep of an arms policy of its choosing. We must share that responsibility in the front seat right next to the executive branch.

This amendment is a modest step in that direction. It does not cost any money; all it does is provide to Congress the information that is already being prepared for the executive agencies by ADCA. Before the SALT I talks, ACDA undertook a comprehensive review of U.S. strategic options for the benefit of the President and the State and Defense Departments. This amendment would simply make the same information available to the appropriate legislative and oversight committees of the Congress.

Second, and equally important, successful agreements to phase II of the SALT talks have been stalemated because of past research and development of strategic weapons which have had a profound effect upon arms limitation. I speak here specifically of the multiple independently targeted reentry vehicle, MIRV.

In the past, development of MIRV was justified by some American military strategists as necessary to guarantee the American second-strike capability in the face of Russian ABM deployment. When the ABM treaty was signed under SALT I, limiting the use of these defensive weapons, one might suppose the need for MIRV was thereby removed and a MIRV ban could be agreed upon. But American MIRV development is already so far underway that it would require a major reversal of current arms policy to agree to its elimination. Furthermore, since sufficient American testing of MIRV has already taken place to permit deployment, in both land-based and submarine-based missiles, it would be very difficult to verify compliance with a MIRV ban without resort to a very intrusive form of onsite inspection. This would probably be unacceptable to both sides, certainly to the Soviet Union.

Since the Soviet Union is only now testing its own version of MIRV, it is reluctant to agree to freezing of a situation involving a technological superiority on the part of the United States. In the face of such apparently insurmountable obstacles, both sides appear to have agreed to ignore the MIRV issue.

Here is a very vivid case where technological changes and new deployments—which were put into motion sometime earlier—are threatening to upset the very balance that the negotiations are trying to maintain and stabilize. This is why section 2 of this amendment is so necessary. The Federal Government must systematize evolution of technology before its effects become irreversable.

I hope the other Members of Congress will join me today in supporting these three amendments. It is essential that the Arms Control and Disarmament Agency be given this new role of informing the Congress if we are to play our necessary part along with the Chief Executive in determining strategic arms policy and arms control.

Mr. GUBSER. Madam Chairman, will the gentleman yield?

Mr. LEGGETT. I yield to the gentleman from California.

Mr. GUBSER. Madam Chairman, I thank the gentleman for yielding.

I merely would point out one matter which I think has been overlooked up until now. Last year we created a Technology Assessment Board which is now chaired by the senior Senator from Massachusetts, Mr. Kennedy, and has equal representation from both sides of the aisle from the House and Senate and private industry. The job of that Board is to make technological assessments of major weapons systems or any other development. They do this upon the request of any standing committee chairman. So if we want a technological assessment of the impact of a weapons system, all we need to do is ask Senater KENNEDY and our former colleague, Representative Daddario, and we will get it.

Mr. WOLFF. Madam Chairman, I move to strike the requisite number of words and rise in support of the committee amendment.

Madam Chairman, I indicate that, yes, the Foreign Affairs Committee has been able to get much of the information it requested. However, from time to time the members of the Foreign Affairs Committee have had to resort to "Resolutions of Inquiry" to obtain much of the sensitive information we have needed to fully perform our duties.

That we need amendments such as the one we have before us today is unfortunate. However, it is sometimes difficult if not impossible to secure information from either the Defense Department or the State Department, and now we are faced with having to dig and search for information which should be readily available to a Member of Congress.

Mr. HARRINGTON. Madam Chairman, will the gentleman yield?

Mr. WOLFF. I yield to the gentleman from Massachusetts.

Mr. HARRINGTON. Madam Chairman, I thank the gentleman for yielding.

If I could, I would be very brief, and uncharacteristically so, but I think the whole focus of this debate is illusion versus reality. If the gentleman who speaks on behalf of the Armed Services Committee wishes to convey to me, as a former briefly—tenured member of that committee, that the process there involves openness, that there is an effort made to get true discussion and true controversy taking place behind, for the most part, the closed doors of that committee, he certainly does to a degree go at the surface rather than what the actuality is.

If anyone would suggest that a variety of administrations, whether Republican or Democratic, have given the Congress institutionally enough information, whether it be on arms control or pesticides, I think again they are at variance with what the actuality is.

If someone suggests to me that the Joint Committee on Atomic Energy, which most of us hardly knows exists or cannot define its location, has an open process of arriving at decisions, with open controversy a part of its processes, I think that is at variance with reality.

All we are working for is a means to give the Congress a piece of this action. It is that simple. We are not asking for more money or anything that would straitjacket the Executive. We are saying that Congress should get involved in what we are supposed to be involved in and we should make sensible judgments, and for the purpose of making those determinations the Foreign Affairs Committee, in league with the Armed Services or other committees that have a slice of this action as representatives of the American people, should get this information, but just saying it will not suffice. We need to pass the committee amendment.

Mr. SEIBERLING. Madam Chairman, will the gentleman yield?

Mr. WOLFF. I yield to the gentleman from Ohio.

Mr. SEIBERLING. Madam Chairman, I rise in strong support of this amendment. I associate myself with the words spoken by the gentleman from Massachusetts.

Mr. GROSS. I move to strike the necessary number of words.

Madam Chairperson, or should I say Madam Chairman, I am opposed to the committee amendment and for the reason among a number of other things that it calls upon the Director of the alleged Arms Control and Disarmement Agency to do certain things. If we want information concerning negotiations by the Arms Control and Disarmament Agency, we ought to substitute the name of Secretary of State Henry Kissinger for that of the Director of the Agency.

He is the Arms Control and Disarmament authority these days. But what I arose to talk about was the $10,100,000 for the Arms Control and Disarmament Agency. I do not know for how many years we have been appropriating $10 million for Arms Control and Disarmament, and as the years go by, there is less arms control and no disarmament. We never have had any disarmament that I know anything about. What is this all about?

We could have had three or four officials plus a small staff and given them a few thousand dollars a year, instead of $10 million, and gotten just as much by way of arms control and disarmament as we have with $10 million a year for so many years.

This is my criticism of this bill; the spending of $10 million a year for alleged control and disarmament and we are getting neither.

There was read to the House an hour or so ago a message from on high, the President's message to Congress, calling for more than $5 billion of foreign aid and a substantial part of that is for arms and credit sales of arms to foreign countries. We are probably the biggest arms peddler around the world today. I know we are the biggest arms peddler in the Middle East. The President calls for, I do not know how many hundreds of millions of dollars, to supply arms to three or four countries in the Middle East and yet we here today are about to vote another $10 million for alleged Arms Control and Disarmament. It is one of the biggest frauds known to mankind.

Mr. FRASER. Madam Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Minnesota.

Mr. FRASER. I want to share a common point of view with the gentleman. I think we are spending too much and that we are extending ourselves to become an arms supplier around the world.

I would say in respect to this minuscule $10 million, which is hardly 1-day's interest on the expenditure for strategic weapons——

Mr. GROSS. That does not make it any less than $10 million, does it?

Mr. FRASER. No; but let me say with respect to arms control agreements, we did save several billion dollars in avoiding construction of the anti-ballistic-missile systems. That several billion dollars saved is a long way to go, but that makes the $10 million, it seems to me, a very worthwhile investment.

Mr. GROSS. Is the gentleman saying the disarmament control and arms control saved this money?

Mr. FRASER. Well, the principal negotiator, Mr. Gerard Smith, provided a backup and provided the research with a highly respected team led by the Arms Control Agency.

Mr. GROSS. I could not agree with the gentleman less. If we got any kind of a worthwhile agreement, we bought it with millions or billions and the gentleman well knows it. That is exactly what goes on in the foreign handout program.

We buy our way around the world with arms and with cash and the gentleman well knows it. All I am saying is that we have got to stop and this is a good place to do it.

Mr. SYMMS. Madam Chairman, we are considering the extension of an agency whose purpose for existing is highly questionable. In 1961 Congress passed the Arms Control and Disarmament Act creating the ACDA. This agency and its personnel are dedicated to disarmament as soon as possible. They are so zealous in pursuing their goals that they have advocated unilateral moves by the United States which would gut our strategic nuclear derrent and gravely endanger our national security.

However, what concerns me most is that the ACDA has had the responsibility for developing positions for the United States in the SALT negotiations, and they have been very influential in this regard in the past. I see grave danger in allowing an agency so dedicated to disarmament at any price to conduct or influence negotiations so important to our security and the well-being of the free world.

Mr. Chairman, I see no sense in funding an organization whose value is questionable and whose duties in the current SALT negotiations can be performed better by the Department of Defense. Finally, it is my opinion that the philosophy represented by the Arms Control and Disarmament Agency is directly responsible for trapping the United States into an agreement that allows the Soviet Union a 50 percent advantage in numbers of delivery vehicles, thus locking us into second place, and allows them to maintain a permanent first-strike capability for blackmail purposes. Consequently, I urge defeat of this bill.

The CHAIRMAN. The question is on the committee amendment.

RECORDED VOTE

Mr. FRASER. Madam Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 152, noes 239, not voting 42, as follows:

[Roll No. 176]

AYES—152

Abzug
Adams
Addabbo
Anderson, Calif.
Ashley
Aspin
Badillo
Bergland
Biester
Bingham
Boggs
Boland
Bolling
Brademas
Brasco
Brinkley
Brooks
Brown, Calif.
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton
Carney, Ohio
Chisholm
Clay
Conte
Conyers
Corman
Coughlin
Cronin
Culver
Daniels, Dominick V.
Danielson
Delaney
Dellums
Denholm
Dent
Donohue
Drinan
Eckhardt
Edwards, Calif.
Eilberg
Evans, Colo.
Evins, Tenn.
Fascell
Flood
Flowers
Foley
Ford
Forsythe
Fraser
Frenzel
Fulton
Gaydos
Gibbons
Gonzalez
Grasso
Green, Pa.
Griffiths
Gude
Gunter
Hamilton
Hanley
Harrington
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Helstoski
Holtzman
Howard
Hungate
Jordan
Karth
Kastenmeier
Koch
Kyros
Leggett
Lehman
Long, La.
Long, Md.
Luken
McDade
McKay
Macdonald
Madden
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Mills
Minish
Mink
Moakley
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nix
Obey
O'Hara
O'Neill
Owens
Pepper
Pike
Podell
Rangel
Rees
Reuss
Robison, N.Y.
Rodino
Roe
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Ryan
St Germain
Sarbanes
Schroeder
Seiberling
Sisk
Smith, Iowa
Staggers
Stanton, James V.
Stark
Studds
Sullivan
Thompson, N.J.
Thornton
Tiernan
Traxler
Udall
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Waldie
Whalen
Wolff
Yates
Yatron
Young, Ga.
Zablocki

NOES—239

Abdnor
Alexander
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Bafalis
Baker
Bauman
Beard
Bell
Bennett
Bevill
Biaggi
Bowen
Bray
Breaux
Breckinridge
Broomfield
Brotzman
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Byron
Camp
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins, Tex.
Conable
Conlan
Cotter
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Ga.
Davis, S.C.
de la Garza
Dennis
Derwinski
Devine
Dickinson
Dorn
Downing
Dulski
Duncan
du Pont
Edwards, Ala.
Erlenborn
Esch
Eshleman
Findley
Fish
Fisher
Flynt
Fountain
Frelinghuysen
Frey
Froehlich
Fuqua
Giaimo
Gilman
Ginn
Goldwater
Goodling
Gross
Grover
Guyer
Hammerschmidt
Hanrahan
Hansen, Idaho
Harsha
Hastings
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Horton
Huber
Hudnut
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kemp
Ketchum
King
Kluczynski
Kuykendall
Lagomarsino
Landgrebe
Landrum
Latta
Lent
Litton
Lott
Lujan
McClory
McCloskey
McCollister
McEwen
McFall
McKinney
Madigan
Mahon
Mallary
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Mayne
Michel
Miller
Minshall, Ohio
Mitchell, N.Y.
Mizell
Mollohan
Montgomery
Moorhead, Calif.
Murtha
Nelsen
Nichols
O'Brien
Passman
Parris
Patten
Perkins
Pettis
Peyser
Poage
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quillen
Railsback
Randall
Rarick
Regula
Rinaldo
Roberts
Robinson, Va.
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rose
Rousselot
Runnels
Ruppe
Ruth
Sandman
Sarasin
Satterfield
Scherle
Schneebeli
Sebelius
Shipley
Shoup
Shriver
Shuster
Sikes
Skubitz
Slack
Smith, N.Y.
Snyder
Spence
Stanton, J. William
Steed
Steelman
Steele
Steiger, Ariz.
Stephens
Stratton
Stubblefield
Stuckey
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thomson, Wis.
Thone
Towell, Nev.
Treen
Vander Jagt
Veysey
Waggonner
Walsh
Wampler
Ware
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wright
Wyatt
Wydler
Wylie
Wyman
Young, Alaska
Young, Fla.
Young, Ill.
Young, Tex.
Zion
Zwach

NOT VOTING—42

Barrett
Blackburn
Blatnik
Brown, Mich.
Buchanan
Carey, N.Y.
Clark
Collins, Ill.
Davis, Wis.
Dellenback
Diggs
Dingell
Gettys
Gray
Green, Oreg.
Gubser
Haley
Hanna
Hansen, Wash.
Hébert
Heinz
Hosmer
Johnson, Pa.
Kazen
McCormack
McSpadden
Mann
Milford
Mitchell, Md.
Myers
Patman
Pickle
Quie
Reid
Rhodes
Riegle
Rooney, N.Y.
Rooney, Pa.
Steiger, Wis.
Stokes
Symington
Young, S.C.

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there further amendments?

There being no further amendments, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Miss JORDAN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 12799) to amend the Arms Control and Disarmament Act, as amended, in order to extend the authorization for appropriations, and for other purposes, pursuant to House Resolution 1009, she reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MORGAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill (H.R. 12799) just passed.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

PROVIDING FOR CONSIDERATION OF S. 628, SURVIVING SPOUSE CIVIL SERVICE RETIREMENT ANNUITIES WITHOUT REDUCTION IN PRINCIPAL ANNUITIES

Mr. PEPPER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1010 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1010

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 628) to amend chapter 83 of title 5, United States Code, to eliminate the annuity reduction made, in order to provide a surviving spouse with an annuity, during periods when the annuitant is not married. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Post Office and Civil Service, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment recommended by the Committee on Post Office and Civil Service now printed in the bill as an original bill for the purpose of amendment under the five-minute rule. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER. The gentleman from Florida (Mr. PEPPER) is recognized for 1 hour.

Mr. PEPPER. Mr. Speaker, I yield 30 minutes to the able gentleman from Ohio (Mr. LATTA), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1010 provides for an open rule with 1 hour of general debate on S. 628, a bill to amend chapter 83 of title 5 of the United States Code.

House Resolution 1010 provides that it shall be in order to consider the amendment recommended by the Committee on Post Office and Civil Service now printed in the bill as an original bill for the purpose of amendment.

S. 628 provides for an automatic annuity to the surviving spouse of a future civil service retiree without any reduction in the retiring employee's annuity. It provides for a recomputation of the annuity of a current retiree so as to eliminate the reduction in annuity which the retiree had elected in order to provide his spouse a survivor annuity. The bill provides for an automatic annuity to the spouse of a current retiree who did not have the opportunity, or failed to provide an annuity for his surviving spouse. S. 628 also provides that the basic annuity of a surviving spouse shall equal 55 percent of the retiree's single rate of annuity.

Mr. Speaker, I urge the adoption of House Resolution 1010 in order that we may discuss and debate S. 628.

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I should like to tell my good friend, the gentleman from Iowa (Mr. GROSS), that this is an open rule with 1 hour of general debate; so in 2 successive days we have had straight open rules.

Mr. Speaker, the rule providing for the consideration of S. 628, the surviving spouse civil service retirement annuities without reduction in principal annuities bill, is House Resolution 1010. This is an open rule with 1 hour of general debate. In addition, the rule makes the committee substitute in order as an original bill for the purpose of amendment.

This bill, S. 628, does four things:

First, it eliminates the reduction in annuity that a civil service retiree takes in order to provide a survivor benefit for a spouse. Under existing law, a retiring employee must take a reduction in his annuity of 2½ percent of the first $3,600, and 10 percent of the annuity over $3,600, in order to provide an annuity for his survivor which is 55 percent of the amount of the employee's annuity.

Second, this bill prospectively restores the full single life annuity for any already retired annuitant whose benefit had been reduced to provide survivor annuity for a spouse.

Third, S. 268 provides an annuity to the spouse of a retiree who did not provide an annuity for his surviving spouse.

Fourth, this bill provides that the basic annuity for the surviving spouse will be 55 percent of the retiree's annuity, even in cases where surviving spouse is presently receiving less than 55 percent.

It is estimated that enactment of this bill will increase the unfunded liability of the civil service retirement system by $5,850,000,000. Annual appropriations of $362,000,000 per year for 30 years would be required to amortize this amount. This bill includes Congressmen.

The committee report contains letters from the Civil Service Commission and from the OMB opposing this bill because of its cost and inflationary impact.

Mr. Speaker, I yield 5 minutes to the gentleman from Nebraska (Mr. MARTIN).

Mr. MARTIN of Nebraska. As the gentleman from Ohio has explained, this is a fiscally irresponsible piece of legislation. It increases the amount of benefits paid not only to civil service employees who are retired at the present time and who retire in future years, but it is also retroactive to civil service employees who have retired in past years and are still living, and who still have wives, if they have taken a reduced amount in their benefits so that their wives could participate in those benefits.

In these cases—and most retirements are taken on the basis of protection of the wife—it will increase the amount of retirement benefits by almost 10 percent. It does not provide that the civil service employees nor the Members of Congress pay additional amounts into the retirement fund, as should be provided for. It simply says that the taxpayers of the United States are going to pay for this deficit that will exist in the fund over the period of the next 30 years.

Let me call to the attention of the Members a couple of other bills which have passed this body but which fortunately have not yet passed the other body.

Last September we had before us here on the floor of the House H.R. 9281, a bill providing retirement benefits for certain law enforcement and firefighting personnel. According to the report on this bill, H.R. 9281 would further unfund the retirement benefit funds to the tune of $664 million, and that legislation provided that $41.1 million would have to be paid out of the General Treasury of the United States for the next 30 years to make up this deficit, or a total over the 30-year period of $1,233,000,000.

Then last December, Mr. Speaker, we had another bill here, H.R. 673, a bill to provide for retirement benefits for certain law enforcement and firefighting personnel. The unfunded liability was $2.7 billion, or $172 million over 30 years, for a total of $5,160,000 on that bill.

The bill we have before us today is going to take an appropriation from the taxpayer's pockets of $362 million a year for 30 years to make up the unfunded balance of $10,860,000,000.

If we add up the three bills that have come out of the Post Office and Civil Service Committee since last September in respect to increasing retirement benefits, we have a total of $17,253,000,000 that are going to have to be made up in 30 equal installments over the next 30 years. That is $17¼ billion over the next 30 years. There is no rhyme nor reason why the Congress of the United States should consider legislation of this type which is so fiscally irresponsible.

I want to emphasize again, it will affect every single Member of this body when he or she retires from this Congress. It will increase your retirement benefits almost 10 percent if a Member takes the option of providing benefits for his spouse. That is one of the things we are voting for this afternoon. It is retroactive for every single civil service employee who has retired in the United States in past years, providing they have taken this reduction because they want additional benefits to their spouse if something happens to them.

I would like to make one other point, Mr. Speaker, and that is this, that the present law provides for increased benefits based on increases in the cost of living to retired civil service employees and also to Members of Congress who have retired; so the increase in the inflationary spiral we have had in this country for many years, these people who retire are automatically taken care of, because their retirement benefits increase as the cost of living increases.

I hope this legislation will be defeated today.

I realize, Mr. Speaker, there is some sex appeal attached to this bill and that the Members of the House will probably go merrily on their way, as they did last year in both September and December, in approving two other fiscally irresponsible bills in regard to retirement and will probably go along that path this afternoon and vote for this fiscally irresponsible bill.

Mr. PEPPER. Mr. Speaker, I have no further requests for time.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the noes appeared to have it.

Mr. PEPPER. Mr. Speaker, I demand a recorded vote.

A recorded vote was refused.

Mr. ANNUNZIO. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 363, nays 30, answered "present" 2, not voting 38, as follows:

[Roll No. 177]

YEAS—363

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashley
Badillo
Bafalis
Baker
Bauman
Beard
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Boggs
Boland
Bolling
Bowen
Brademas
Brasco
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Butler
Byron
Camp
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clark
Clausen, Don H.
Clay
Cleveland
Cochran
Cohen
Collins, Tex.
Conable
Conlan
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Culver

Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellums
Denholm
Dent
Derwinski
Diggs
Dingell
Donohue
Dorn
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Foley
Ford
Forsythe
Fountain
Fraser
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Grasso
Green, Pa.
Griffiths
Grover
Gubser
Gude
Gunter
Guyer
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Harrington
Harsha
Hastings
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holt
Holtzman
Horton
Howard
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kemp
Ketchum
King
Kluczynski
Koch
Kuykendall
Kyros
Lagomarsino
Landrum
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
Luken
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
Macdonald
Madden
Madigan
Mahon
Mann
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Miller
Mills
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Nedzi
Nix
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Patten
Pepper
Perkins
Pettis
Peyser
Pike
Poage
Podell
Preyer
Price, Ill.
Price, Tex.
Pritchard
Railsback
Randall
Rangel
Rees
Regula
Reuss
Rinaldo
Roberts
Robinson, Va.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Runnels
Ruppe
Ruth
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Scherle
Schneebeli
Schroeder
Seiberling
Shipley
Shoup
Shriver
Shuster
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, N.C.
Teague
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Veysey
Vigorito
Waggonner
Waldie
Walsh
Wampler
Whalen
White
Whitehurst
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, Tex.
Zablocki
Zion

NAYS—30

Ashbrook
Clancy
Clawson, Del
Crane
Dennis
Devine
Dickinson
Flynt
Frelinghuysen
Goodling
Gross
Johnson, Colo.
Landgrebe
Latta
Mallary
Maraziti
Martin, Nebr.
Michel
Nelsen
Powell, Ohio
Quillen
Rarick
Rousselot
Stanton, J. William
Symms
Taylor, Mo.
Ware
Whitten
Wyman
Zwach

ANSWERED "PRESENT"—2

Collier
Sebelius

NOT VOTING—38

Aspin
Barrett
Blackburn
Blatnik
Brown, Mich.
Buchanan
Carey, N.Y.
Chisholm
Collins, Ill.
Dellenback
Evins, Tenn.
Gettys
Gray
Green, Oreg.
Haley
Hanna
Hansen, Wash.
Hébert
Holifield
Hosmer
Johnson, Pa.
Kazen
McSpadden
Milford
Myers
Nichols
Patman
Pickle
Quie
Reid
Rhodes
Riegle
Robison, N.Y.
Rooney, N.Y.
Rooney, Pa.
Sikes
Stokes
Young, S.C.

So the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Aspin.

Mr. Rooney of New York with Mr. Rhodes.

Mr. Kazen with Mr. McSpadden.

Mr. Barrett with Mr. Johnson of Pennsylvania.

Mr. Evins of Tennessee with Mr. Brown of Michigan.

Mrs. Green of Oregon with Mr. Patman.

Mr. Pickle with Mr. Blackburn.

Mr. Sikes with Mr. Myers.

Mr. Stokes with Mr. Hanna.

Mr. Reid with Mr. Buchanan.

Mr. Carey of New York with Mrs. Collins of Illinois.

Mrs. Chisholm with Mr. Gray.

Mr. Holifield with Mr. Dellenback.

Mr. Nichols with Mr. Quie.

Mr. Riegle with Mr. Milford.

Mr. Haley with Mr. Hosmer.

Mr. Blatnik with Mr. Robison of New York.

Mr. Gettys with Mr. Young of South Carolina.

Mrs. Hansen of Washington with Mr. Rooney of Pennsylvania.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 11321, PUBLIC SAFETY OFFICERS' BENEFITS ACT OF 1974

Mr. PEPPER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1056 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. Res. 1056

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideraion of the bill (H.R. 11321) to amend the Omnibus Crime Control and Safe Streets Act of 1968, as amended, to provide benefits to survivors of certain public safety officers who die in the performance of duty, and all points of order against section 4 of said bill for failure to comply with the provisions of clause 4, rule XXI, are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Florida, Mr. PEPPER, is recognized for 1 hour.

Mr. PEPPER. Mr. Speaker, I yield 30 minutes to the able gentleman from Illinois (Mr. ANDERSON), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1056 provides for an open rule with 1 hour of general debate on H.R. 11321, the Public Safety Officer's Benefits Act of 1974.

House Resolution 1056 provides that all points of order against section 4 of the bill for failure to comply with the provisions of clause 4, rule XXI of the Rules of the House of Representatives—prohibiting appropriations in a legislative bill—are waived.

H.R. 11321 provides a $50,000 Federal payment to the surviving dependents of public safety officers who die as the direct and proximate result of a personal injury sustained in the performance of duty.

In 1973, a total of 131 local, county, and State law enforcement officers were killed in the performance of duty as the result of felonious criminal action. In the 12 years between 1961 and 1973, 790 firefighters died in the line of duty.

Mr. Speaker, a similar bill passed the House of unanimous consent in the second session of the 92d Congress. But adjournment of the 92d Congress prevented House consideration of a conference report.

Mr. Speaker, I proudly and earnestly urge the adoption of House Resolution 1056 in order that we may discuss and debate H.R. 11321, which offers Federal aid to the dependents of law enforcement officers and firemen of States, counties, and local governments who lose their lives in performance of their hazardous duties. It will show the appreciation of their country for the noble sacrifice these men make.

Mr. BRASCO. Mr. Speaker, will the gentleman yield?

Mr. PEPPER. I yield to the gentleman from New York.

Mr. BRASCO. Mr. Speaker, I thank the gentleman for yielding. I want to ask the gentleman a question.

First let me say that I certainly support this measure that the gentleman from Florida has just described, but the question that I want to ask is that I notice that the gentleman from Florida said that State, county, and municipal law enforcement officers would be included in the bill.

Does that mean that Federal law enforcement officers are excluded from the bill?

Mr. PEPPER. That is correct.

It was brought up before the Committee on Rules by the Committee on Post Office and Civil Service that the Federal law enforcement officers by and large, in the opinion of that committee, are adequately taken care of so far as benefits for the dependents of such Federal officers are concerned who may lose their lives in the performance of their duties. So that this bill does not include the beneficiaries of Federal law enforcement officers.

Mr. BRASCO. I thank the gentleman.

Mr. PEPPER. They are taken care of by other provisions of law.

Mr. BRASCO. I might add that they do not have similar death benefits that the gentleman has just described, and I do not know of any other way that they are taken care of other than by their retirement benefits. So it just seems to me that, while I support the measure, as I indicated before, that we have left the Federal officers out. I do not see the difference between a Federal officer who gets killed during the course of his duty, or a State, county or municipal law enforcement officer.

Mr. PEPPER. It was the judgment of the committee that Congress had made adequate provision for the survivors of such Federal officers as may lose their lives in the line of duty, but that this was not true insofar as State, county, and local communities generally provide for their law enforcement officers.

Mr. BRASCO. I thank the gentleman, but there is no provision that I know of for that.

Mr. PEPPER. Mr. Speaker, I yield to the able gentleman from Illinois (Mr. ANDERSON) and I reserve the balance of my time.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would urge the Members of the House to support the adoption of House Resolution 1056 that does provide for an open rule for the consideration under 1 hour of general debate of H.R. 11321, the Public Safety Officer's Benefits Act of 1974.

Like the gentleman from Florida, my distinguished colleague on the committee (Mr. PEPPER) I, too, find a particular pleasure this afternoon in urging the adoption of this rule and subsequently a favorable vote on the legislation itself, because this bill, which would provide a $50,000 Federal payment to the survivors of certain public safety officers who die as the direct and proximate result of personal injury sustained in the line of duty, is nearly identical to H.R. 1473 which I introduced in this Congress on the 9th of January 1973, and similar to another bill which I introduced in an earlier Congress.

I am not suggesting that this is meritorious legislation merely because my name appears as one of the authors of comparable legislation, because I know that many Members of this House have joined in sponsoring this legislation. But the necessity for it was driven home to me in a particularly poignant way.

Just a month ago, last month, very tragically a 28-year-old sheriff's detective, Michael Mayborne, was shot to death by a suspected bank robber whom he was pursuing, leaving as his survivors a wife and two small children. He happened to be the second Winnebago County law enforcement officer, which is my home county, thus to be killed in the line of duty in just the last 2 years, the previous victim having been a 28-year-old Rockford policeman, Charles J. Williams, who was shot and killed likewise, while he was attempting to question a robbery suspect, and who likewise left a widow and two small children.

I realize that there are men of conscience in this House who oppose this legislation who will argue that this is properly a function of local government, and yet, as I have studied the report and the information available on this bill, I find that there are almost half of the States that provide no benefits for survivors of Public Safety Officers. Even in those cases where States and municipalities do provide payments or some form of insurance plan, in many cases those insurance programs provide as little as $2,000 in benefits to the widow and the survivors of police officers and firemen who are killed in the line of duty.

I think, given the statistics recited a few minutes earlier by my distinguished colleague on the committee, the gentleman from Florida (Mr. PEPPER) calling attention to the fact that between 1961 and 1973 a total of 1,002 officers died as a result of injuries sustained during the performance of duty, there is a clear moral responsibility that resides in us to recognize in some appropriate and I think not extravagant way the responsibility that we have to provide some compensation to the widows and to the families of those men who daily risk their lives for us in protecting and upholding the laws of our land.

So I would suggest, Mr. Speaker, that this is meritorious legislation, and I would urge the adoption of the rule and the legislation which it makes in order.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I am pleased to yield to the gentleman from Iowa.

Mr. GROSS. I thank the gentleman from Illinois for yielding.

I was looking for the gentleman from Ohio, my friend (Mr. LATTA) to remind him, as he reminded me, that the last rule we had was one of two open rules in succession considered by the House. The string ran out fast, because the third one to be considered by the Committee on Rules has waivers of points of order. I simply wanted to remind him that the great record of the Committee on Rules did not last long.

Mr. ANDERSON of Illinois. I am sure that the gentleman from Ohio, were he here, could adequately answer the gentleman's question, but in his absence temporarily from the floor let me suggest that a waiver in this case of clause 4, rule XXI is necessitated by the fact that section 4 of the bill does provide authority for the transfer of funds from existing programs to the new program. As I understand it this new program, the Public Safety Officers Benefits Act of 1974, will be administered as a program under the LEAA, the Law Enforcement Assistance Administration, and technically this particular provision in the bill does constitute an appropriation of funds to a new purpose and thereby necessitate a waiver of clause 4, rule XXI, but that is the only waiver that is provided for under this rule.

Mr. Speaker, I rise in support of H.R. 11321, the Public Safety Officer's Benefits Act of 1974. This bill would provide a $50,000 Federal payment to the survivors of certain public safety officers who die as the direct and proximate result of a personal injury sustained in the line of duty. This bill is nearly identical to H.R. 1473 which I introduced on January 9, 1973, and H.R. 15265 which I introduced in the 92d Congress. In the last Congress both the House and Senate had passed such legislation, but time ran out before the conference report could be adopted. I am therefore encouraged by the fact that we are taking early action on this bill in this final session of the 93d Congress.

Mr. Speaker, the record of public safety officers killed in the line of duty has been a most tragic one. Last year, 131 officers were killed, an increase of 19 over the previous year. And, in the first 2 months of this year alone, some 15 law enforcement officers were killed. In addition, between 1960 and 1970, it is estimated that some 790 firefighters have been killed in the line of duty.

Mr. Speaker, the risks which our law enforcement officers confront daily was brought tragically home last March 15 in my home community of Rockford, Ill., when a 28-year-old Sheriff's detective, Michael Mayborne, was shot to death by a suspected bank robber. Mayborne left behind a wife and two children. He was the second Winnebago County law enforcement officer to be killed in the line of duty in the last 2 years. On June 1, 1972, a 28-year-old Rockford policeman, Charles J. Williams was shot and killed while attempting to question a robbery suspect. He too left behind a wife and two children.

Mr. Speaker, the bill which we are considering today recognizes that many States do not provide death benefits for the survivors of public safety officers, but it also recognizes our society's clear moral responsibility to provide some compensation for the families of those who do daily risk their lives on our behalf. Under the heading of "public safety officers," the coverage of this bill extends to reserve and professional law enforcement officers as well as volunteer and professional firemen. "Law enforcement officers" under this bill includes policemen, correctional officers, prison guards, probation and parole officers, as well as officers involved in programs relating to juvenile delinquency or narcotic addiction.

The legislation covers such individuals if their death stems from exposure to criminal activity, specifically, from injuries sustained while engaged in crime prevention, as well as apprehending, protecting or guarding suspects, prisoners or material witnesses. For volunteer and professional firemen, the coverage applies if their death occurs while actually and directly engaged in fighting fires. The legislation is retrocative to October 11, 1972, and the estimated retroactive cost is $26.2 million. The estimated Federal cost per fiscal year is $17.5 million.

Mr. Speaker, I urge adoption of this important legislation.

Mr. FINDLEY. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Illinois (Mr. FINDLEY).

Mr. FINDLEY. Mr. Speaker, 10 years ago I urged the American Legion Convention meeting in Chicago to establish a fund to aid the survivors of police officers killed in the line of duty. Later that same year I urged Federal funding. The proposal was very similar to the one before the House today, which provides $50,000 to surviving dependents of public safety officers who die in the line of duty.

I spoke to the Legion for 10 minutes, beginning by stating that during the course of my speech, 40 major crimes would be committed, and during the course of the convention, a police officer would die in the line of duty.

That, Mr. Speaker, was 10 years ago.

We face the cold fact that the number of law enforcement officers cut down while protecting their fellow citizens has more than doubled during the past 10 years. In addition, firemen, as well as police officers, are under attack.

We have before us a bill to insure that the families of those men will be given the help and support of the community they seek to serve.

The policemen and firemen of our Nation's cities face possible violence each day they report for duty. As a Nation, we owe them a great debt of gratitude, for they form the main buffer between our personal security and the lawless elements of society. They stand between us and fear, violence, and death.

The problems public safety officers face are far greater than they were 10 years ago when I urged the American Legion to undertake this project. The likelihood that policemen will die from injuries sustained has grown substantially over those years. So too has the need for a commitment from us to the well-being of their survivors.

It is time for us to reach out to the public safety officers in this land. Let us give them support. And let us insure that the families of these brave men have a secure financial base, should the lives they dedicate to our service be taken.

I am very pleased that this measure has come to the floor and urge my colleagues to support it, as I urged my fellow Legionnaires to support a similar proposal almost 10 years ago.

Mr. ANDERSON of Illinois. Mr. Speaker, I have no further request for time and reserve the balance of my time.

Mr. PEPPER. Mr. Speaker, I have no further request for time.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

SURVIVING SPOUSE CIVIL SERVICE RETIREMENT ANNUITIES WITHOUT REDUCTION IN PRINCIPAL ANNUITIES

Mr. WALDIE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 628) to amend chapter 83 of title 5, United States Code, to eliminate the annuity reduction made, in order to provide a surviving spouse with an annuity, during periods when the annuitant is not married.

The SPEAKER. The question is on the motion offered by the gentleman from California (Mr. WALDIE).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill S. 628, with Mr. EVANS of Colorado in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule the gentleman from California (Mr. WALDIE) will be recognized for 30 minutes and the gentleman from Iowa (Mr. GROSS) will be recognized for 30 minutes.

The Chair recognizes the gentleman from California (Mr. WALDIE).

Mr. WALDIE. Mr. Chairman, I yield myself such time as I may consume for the purpose of summarizing the major provisions of the legislation under consideration.

The civil service retirement law provides two types of annuity upon a married employee's retirement, a single life benefit or a reduced benefit with a survivor annuity payable to the spouse. The law automatically grants the retiring employee a reduced annuity with survivor benefit unless he elects to receive the full, single life rate without an annuity for the surviving spouse.

While the survivorship option originally required a full actuarial reduction in annuity, it has been amended over the years to decrease the annuity reduction cost to the retiring employee. The present reduction formula, which has been in effect for the past 12 years, is 2½ percent of the annuity which does not exceed $3,600, plus 10 percent of the annuity in excess of $3,600. The same reduction factors apply in the case of an employee who chooses to use only a portion of his full annuity upon which to base a survivor benefit.

The primary purpose of this legislation is to repeal: First, the existing requirement of reducing a retiree's annuity in order to provide a benefit for the surviving spouse; second, the authority whereby the retiree may provide a survivor benefit less than that predicated upon his full rate of annuity, and third, the provision whereby he may deny his spouse any benefit whatsoever.

This legislation also provides that the annuity of a person already retired and receiving a reduced benefit for survivor purposes will be recomputed to eliminate the penalty imposed at the time of his retirement. His annuity would be recomputed, as of the date of enactment, to restore the full, single life rate, together with any applicable cost-of-living adjustments and statutory increases authorized heretofore. Thus, the bill would extend to those persons presently on the retirement rolls the same treatment accorded by the bill to those who retire subsequently to its effective date.

In addition, while the bill does not change the current provision of law which grants the surviving spouse a benefit equal to 55 percent of the retiree's single life rate of annuity, it does provide for increasing to the same 55-percent level the benefit of a survivor annuitant whose basic annuity is less than 55 percent of the retiree's single life rate. Irrespective of the law in effect at the time of the employee's retirement, the survivor's basic annuity will be redetermined, if necessary, and paid in an amount equaling 55 percent of the single life rate of the deceased employee's or retiree's annuity, plus the applicable intervening percentage adjustments. Thus, all surviving spouses' benefits will be paid on a uniform percentage basis, in a manner similar to that proposed by the bill for future survivor annuitants.

One final significant provision of S. 628 is a provision which vests entitlement to survivor annuity in a limited number of spouses who presently have no potential annuity eligibility. These are the spouses of individuals who retired a number of years ago—before October 1, 1956, in particular—when the law either prohibited them from providing survivor protection or when the reduction costs were so substantial as to make it economically impractical for them to provide survivor protection. However, such new survivor rights would be restricted to the spouses of retirees who die subsequent to the date of enactment of the bill.

The incremental increase in the retirement system's unfunded liability created by this legislation would approximate $5.85 billion. Under the automatic funding mechanism of the system, such amount would be amortized by annual appropriations of $362 million in each of the succeeding 30 years after enactment. The normal cost of the system would be increased by 0.37 percent of payroll.

Since the current contribution rate exceeds present normal cost by almost 1 percent of payroll, the added normal costs of approximately one-third of 1 percent is well within the 1 percent leeway we now have, and would not require any increase in the present contribution rate.

In fact, the system is currently receiving income from employee-agency contributions of about $270 million per year in excess of that needed to fully finance the presently estimated normal cost of 13.14 percent of payroll. These excess contributions have, over the past 4 years, increased the fund's assets by almost $1 billion.

Notwithstanding the 0.37 percent of increased normal cost of this bill, representing $116 million annually, the income from employee-agency contributions will still exceed the new normal cost by almost one-half percent—0.49 percent to be precise—in an annual amount of $154 million. Thus, the net cost of these amendments will be $208 million rather than $362 million, as estimated.

Mr. Chairman, the amendment to the Senate-passed bill, S. 628, was approved by a unanimous vote of the Subcommittee on Retirement and Employee Benefits and ordered reported to the House by a unanimous vote of the full Committee on Post Office and Civil Service. It represents the first major liberalization in the civil service retirement law, affecting the vast majority of Federal employees and annuitants, to be considered since 1969. Its merit is demonstrated by the bipartisan support it received while under consideration by the committee.

I urge the entire membership of this body to join in that unanimous effort by giving this legislation your overwhelming support.

Mr. GROSS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, as the committee report on this bill indicates, it was ordered reported from committee by a unanimous voice vote. I did not oppose the motion to report the bill even though I now intend to vote against final passage in the House. I would like to explain my reasons for both actions.

In the past several Congresses, quite a procession of bills have left our committee and come to the floor—several of which have been enacted—that have nibbled away in bits and pieces at the Civil Service Retirement Act, granting special benefits to selected classes of employees.

Hazardous-duty retirement, special benefits for firefighters, customs and immigration inspectors, and air traffic controllers, and the bill to set up minimum annuities are just a few.

These bills have all been costly, with a profound effect both on normal costs and unfunded liabilities. Yet they have been of benefit to only the specific, selected groups involved. S. 628, as passed by the Senate and referred to our committee, was cast in this same mold. It would have benefited only those retirees whose marriages terminated, for whatever reason, after retirement.

Over the years I have consistently opposed these special interest bills, and on several occasions publicly urged that a full and complete study be made of the Retirement Act with a view toward improving the act in areas where it may have gotten out of date and where such additional benefits would inure to all employees and annuitants who participate in the system. It is my belief that the improved benefits to be provided by the committee substitute to S. 628 is such a liberalization.

Inasmuch as it was evident in the committee that either S. 628 as passed by the Senate or the substitute amendment would be reported, I did not oppose the motion to report the substitute amendment which I considered to be the lesser of two evils.

The committee substitute does indeed represent a major significant liberalization in the Retirement Act. It is one that has been long sought by employees, by employee unions, and by the retired employee associations. It is a liberalization that would be of significant benefit to the vast majority of employees covered under the act and to annuitants already on the rolls.

From an objective point of view, I firmly believe that the idea of providing automatic survivor annuities without reductions in principal annuities is one that will eventually come about.

Interestingly, Andrew Ruddock, who for many years headed the Bureau of Retirement at the Civil Service Commission until he retired at the end of last year, had predicted the same thing. Testifying before our committee last June, when he was asked his views on a bill similar to the one passed by the Senate, he made this observation:

> I think the ultimate, I think the direction in which we are going, and I think the point we will reach will be one in which survivor annuity after retirement will be without election, will be without reduction. It will be as automatic as the payment of survivor annuity where death occurs in the service.

The House committee substitute certainly makes much more economic sense than what is proposed in the Senate-passed bill. The Senate would propose to give an annuitant a higher annuity when he is single with no dependent and then decrease his annuity when he is married with the attendant obligations of a dependent. The House committee amendment would permit the annuitant to have his full earned annuity both during times of his marriage and during the times when he may be unmarried, by whatever reason.

It should also be pointed out that under social security the benefits are greatly increased for a person who is married.

Now having said all these things, I will vote against final passage solely on the basis of the cost of the improvement, which I sincerely do not believe we can afford at this time. By reason of the Civil Service financing law which we enacted in 1969, the $5.89 billion incremental increase in the unfunded liability will have to be paid for in 30 equal, annual installments of $362 million.

While some may attempt to rationalize the cost on the basis that it is a manageable increase in the unfunded liability in view of the benefits to be derived and that there simply cannot be any changes in the retirement law without appreciable increases in unfunded liabilities, the fact remains that present law requires that these unfunded liabilities be paid for, and rightly so.

Perhaps in the future this type of improvement in the retirement law can be enacted, if it can be properly financed, and if the budgetary situation improves and the economy of the Nation is not in the dire straits it is today.

However, in view of our multitude of economic and financial problems at the present time, I do not think that it should be enacted, and I will vote against it.

Mr. JOHNSON of Colorado. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Colorado.

Mr. JOHNSON of Colorado. Mr. Chairman, will the gentleman state whether this might more properly be classified as a "gratuity" rather than an "annuity," since the people who are going to receive the benefits are not paying into an annuity fund as they do in an insurance program?

This is something that is coming strictly out of the taxpayers' pockets, so is it not more proper to say that this is a gratuity rather than an annuity?

Mr. GROSS. I cannot say that it is in full a gratuity.

Mr. JOHNSON of Colorado. Certainly not in full, but it certainly is not in effect an annuity as the term is understood in my part of the country. They are actually getting back more than they are entitled to, am I not correct, under this new program?

Mr. GROSS. Yes; in consideration of present law.

Mr. JOHNSON of Colorado. Mr. Chairman, let me ask the gentleman this:

If this bill passes, how can we avoid doing the same thing for military personnel and for other Government employees?

Mr. GROSS. The gentleman poses an excellent question which will have to be answered by a supporter of this legislation.

Mr. JOHNSON of Colorado. Under equity, it would seem to me that it would require this same sort of program be passed for every Federal employee.

Mr. GROSS. Of course, widows of servicemen do receive certain benefits.

Mr. JOHNSON of Colorado. Not to the same extent.

Mr. GROSS. Mr. Chairman, I am not qualified to speak as to the military retirement system.

Mr. JOHNSON of Colorado. Would that not be something we should bring up and consider at this time?

It would seem to me that equity would require that if this bill passes, we should consider the same benefits for military people.

Mr. GROSS. Yes; I think it is perfectly logical to make a comparison between the two.

Mr. JOHNSON of Colorado. Mr. Chairman, may I ask the gentleman this: Who would be qualified to give us that information, if the gentleman knows?

Mr. GROSS. I am not qualified, because I am not a member of the Armed Services Committee, and I do not know the facts concerning the military retirement system.

Mr. WHITEHURST. Mr. Chairman, I rise in support of S. 628 which has been favorably reported by a unanimous vote of the House Committee on Post Office and Civil Service. I commend the committee for its excellent work and strongly urge the passage of this important measure today in order to correct the glaring inequities in the existing law and to provide a badly needed increase in income for our retired Federal employees.

The most important provision of the bill would eliminate the reduction in annuity that a retired Federal employee must now take in order to provide a survivor benefit for his spouse. Under existing law, a retiree suffers a reduction in his annuity of 2½ percent of the first $3,600 and 10 percent of the remainder if he desires to insure that his spouse will continue to receive a portion of his retirement income after his death.

As the committee's report points out, these reductions amount to hundreds of dollars each year, with many older retirees having forfeited up to 25 percent of their annuity payments to guarantee survivor benefits for their dependent spouses. In some cases the cumulative amounts forfeited during the lifetime of the retiree exceed the total amount of annuity paid during the remainder of the surviving spouse's lifetime.

An even more obvious inequity in the present law occurs when the spouse predeceases the retiree or the marriage is terminated by divorce. A Federal employee must now make an election at the time of his retirement whether or not to accept the reduced benefit in order to provide for his spouse. The election is irrevocable, so that the retiree continues to receive a reduced annuity even if his spouse dies first or their marriage ends in divorce. By eliminating the reduction in annuities altogether, S. 628 insures against the recurrence of these most unfair denials of the full benefits which Congress intended to confer upon retired Federal workers and their spouses.

In addition to correcting some of the more patent inequities in the current law, S. 628 would also have the effect of substantially increasing the monthly checks received by retired civil servants. By passing several major increases in social security payments, the Congress has demonstrated its concern over the adverse impact that the rampant inflation we have experienced over the past few years has had on the elderly. Inflation is felt by all citizens, but it is particularly harmful to the retired elderly. Retired workers are often forced to live on relatively low fixed incomes. This makes them especially susceptible to the recent sharp rise in the cost of necessary goods and services, such as food, transportation, and housing.

While Congress has attempted to improve the plight of many retirees by increasing social security benefits and by relating increases in social security payments to increases in the cost of living, it has not devoted as much attention to retired Federal workers who do not participate in the social security system. As a result, the retired Federal employees are lagging behind social security recipients in the benefits they receive. Even before the recent 11-percent increase in social security payments, the average monthly income of retirees from social security was $294 as compared with $277 received each month by the average civil service annuitant. Additionally, the civil service annuity is subject to Federal income tax, while social security payments are exempt from taxation.

Another major advantage of the social security system is that the recipient's spouse continues to receive benefits after the recipient's death, even though there is no reduction in the social security recipient's benefits during his lifetime, as there is for the civil service annuitant. Thus, S. 628 would place the retired Federal worker in the same position as the social security recipient by eliminating the reduction in his annuity.

Although the social security system and the civil service retirement system are not precisely parallel, I believe it is instructive to compare the benefits offered by both. The Congress has responsibility for the two systems, and I am sure that the Members of Congress want to insure that both social security recipients and retired Federal workers receive adequate benefits. By eliminating the retired Federal employee's reduction in annuity, S. 628 would help to attain equal treatment of social security recipients and civil service retirees and would provide badly needed income to the retired Federal workers.

I have heard from many retired Federal employees in my district and throughout the Nation in support of the House version of S. 628. Most of them believe that this legislation would be more beneficial to Federal retirees than any other civil service retirement proposal now pending before the Congress. I urge my colleagues to vote for final passage of S. 628 today.

Mr. WALDIE. Mr. Chairman, I yield such time as he may consume to the gentleman from New York (Mr. BRASCO).

Mr. BRASCO. Mr. Chairman, as the author of the committee amendment to S. 628, I rise in support of this legislation.

Most retiring married employees accept reductions in their annuities in order to guarantee continuing retirement incomes to their spouses after their deaths. In two out of three cases a male retiree predeceases his wife. However, in one-third of such cases, where the male retiree survives his wife, the Civil Service retirement law requires him to continue to suffer a reduction in his annuity—even though a survivor benefit may never become payable. Acceptance of the reduced annuity is irrevocable under existing law, with the reduced benefit continuing to be paid, notwithstanding the fact that the spouse may have predeceased the retiree or that the marriage may have been terminated by divorce.

As passed by the Senate, the bill would eliminate, during periods when such a retiree is unmarried, the reduction in annuity which he accepted at the time of his retirement so as to provide his surviving spouse a monthly annuity benefit. While the Senate-passed bill does not specifically so state, it is contemplated that in the event the retiree subsequently remarries, his annuity would again become subject to reduction.

During our consideration of the matter, it became apparent that the joint and survivorship provisions of the present retirement law contains an anomaly, and that the Senate proposal would create a further anomaly. To correct those anomalies the committee unanimously agreed to an amendment to S. 628 which makes several substantive changes in the law, as previously summarized by the gentleman from California (Mr. WALDIE).

Under existing law the eligible surviving spouse of a Federal employee whose death occurs while employed is granted an automatic survivor annuity. He is not required to make an election to provide such a benefit nor to suffer a reduction in pay in order to provide that survivor benefit. However, at the time he decides to retire, or it becomes necessary that he retire, from active employment, he is not only in a position of having to live on but a portion of his normal earnings, but must suffer a further reduction in his income in order to continue to provide the survivor protection which the law automatically granted, without penalty, during his employment. The committee amendment will correct this anomalous situation.

In addition, it is the committee's judgment that the Senate-passed bill would create a further anomalous situation. Although it is realized that restoration of the full, unreduced rate of annuity would be a nice benefit for the annuitant whose wife predeceases him, we recognized that restoration of the full annuity would result in the payment of greater benefits to him alone than had been paid him while he had a dependent spouse. The resultant anomaly would grant the retiree more benefits at a time when his economic need becomes less—that is, when he would no longer have the attendant obligations of a dependent.

Your committee believes that its amendment, which will permit the retiree to receive his full annuity during periods of marriage as well as during periods when he may not be married, makes more economic sense than the other body's approach to the problem.

Mr. Chairman, I urge the adoption of this legislation.

I would like to make just one further comment.

I heard several people get up and talk about the taxpayers footing this bill. Well, my friends, the close to 3 million Government employees who will benefit by this legislation are also taxpayers and they contribute very heavily to the moneys that are being expended around here.

It seems to me every time we have a bill that comes up calling for the expenditure of money for the benefit of people so they will get some of their own money back through social security benefits or the Federal retirement system, somebody starts waving the red herring of the taxpayers footing the bill. These people who will be getting these benefits are also taxpayers, and some of them in your district will not be too happy about your considering them nontaxpayers.

Mr. JOHNSON of Colorado. Will the gentleman yield at that point?

Mr. BRASCO. I certainly yield to the gentleman.

Mr. JOHNSON of Colorado. Let me ask you, do you feel people who are among the higher paid employees of the country have no obligation to save money as they go along through life? And do you believe that their retirement should be funded through the Government paying for it and not through an annuity or a forced saving program? Do you believe that it should be funded, rather, through contributions by other taxpayers?

Mr. BRASCO. Let me say this: Part of what a Federal employee contributes goes to paying off the benefits to some of the people who are on social security and vice versa. I do not necessarily agree that they are the highest paid category of employee, either. In fact, I think we do less for our Federal employees than most private enterprises do for their employees.

Let me say this: I agree with what my good friend from Iowa (Mr. GROSS) said. We are in a situation where there is inflation and economic pressures, but these people have to eat, also. All of the talking we do around here does not solve the fact that notwithstanding economic pressures everybody has to and should eat at the table. What we are trying to do here is to provide an adequate annuity to a man when he has two people to support; himself and his wife. The surviving spouse gets the same 55 percent as she gets now. We do not increase that. We are only saying when there are two people around to support that he ought not to be paying a penalty in having that annuity reduced. It just makes economic sense.

I think it is not just a matter of practicality but it is a humanitarian approach to a complicated problem, and I urge all of my friends to support this legislation.

Mr. JOHNSON of Colorado. Will the gentleman yield further?

Mr. BRASCO. I yield to the gentleman.

Mr. JOHNSON of Colorado. As inflation increases and as prices go up and the salaries that the individuals get go up in turn, then do they not contribute more under the present system and does not the Government contribute more on a matching basis? So the inflation that takes place in the way of salaries and contributions also covers the rising cost of living.

Mr. BRASCO. I suspect that that could be made into an argument, but I would rather not take this off the backs of the Federal employees. The gentleman from Colorado can make that argument more effectively when we are spending money on various programs which are not as worthy.

However, when it comes to basic necessities that we must give to the American workers I do not think we should get involved in the inflationary argument.

Mr. DERWINSKI. Mr. Chairman, will the gentleman yield?

Mr. BRASCO. I yield to the gentleman from Illinois.

Mr. DERWINSKI. Mr. Chairman, I just want to point out to my dear friend from the committee that the gentleman innocently may have misstated a point.

Mr. BRASCO. I am sure I am innocent of it.

Mr. DERWINSKI. The gentleman said that we have not been liberal with the Federal employees. I think that the gentleman from New York will remember that when the gentleman helped pass the Postal Reform Act, we did retain for the postal employees the Federal retirement system since it is so excellent in its benefits that it exceeds anything that could possibly be set up for them. So that the gentleman from New York can well correct that statement to say that we are more than liberal in providing fringe benefits for our Federal employees.

Mr. BRASCO. I do not necessarily agree with that. I, along with some other people, would like to give Federal employees the opportunity to choose whether they want a Federal retirement system or social security. So that that is an argument, and I guess it is a fair observation if the gentleman wants to look at it that way, but I do not.

Mr. DERWINSKI. In principle I do not object to that sort of an approach.

Mr. GROSS. Mr. Chairman, I yield 5 minutes to the gentleman from Maryland (Mr. HOGAN).

Mr. HOGAN. Mr. Chairman, I rise in support of S. 628, a Senate bill amended by our committee to provide for automatic surviving spouse annuities without reduction in the retired employee's annuity.

This measure was reported out by the Subcommittee on Retirement and Employee Benefits on which I am honored to be the ranking minority member and by the full committee by unanimous voice votes.

Through the years, the Congress has wisely amended the law to where in 1962 the reduction to provide survivor protection was reduced to 2½ percent of the first $3,600 of the retiree's annuity, and 10 percent of the remainder. No further amendments to this law have been made since 1962.

Today, we are considering a bill which will further amend the law to provide for automatic survivor annuity benefits without a reduction in a retired person's annuity. This is a true liberalization—a liberalization which benefits every Federal employee, not just a select few.

It is claimed that we cannot afford this provision. This is incorrect. In fact, the contrary is true.

According to the Report of the Board of Actuaries of the Civil Service Retirement System, the estimated normal cost as of June 30, 1970, that is, the amount required to be paid and invested at interest, during active service to cover benefits in retirement, was 12.95 percent of payroll. This cost is now estimated at 13.1 percent of payroll. This means that employee and agency—Government—contributions of 74 percent each, or a total of 149 percent payroll exceed normal costs by 0.9 percent, almost 1 percentage point.

Federal employees are, therefore, contributing more to the fund than is actuarially necessary.

While passage of this bill will increase the normal cost by 0.37 percent of payroll, contributions will still exceed normal cost by 0.53 percent.

Mr. Chairman, I believe the time has come for adoption of such a liberalization in the Civil Service Retirement System. Further, as I have explained, it is affordable.

I urge adoption of the bill, as amended.

Mr. GROSS. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois (Mr. DERWINSKI).

Mr. DERWINSKI. Mr. Chairman, while the proponents of this legislation make some interesting points in its favor, I believe there are at least two valid reasons why it should not be approved at this time.

First, the House Committee substitute was not the subject of public hearings, and so we actually have no public record of the arguments for and against it, or whether or not this legislation is the proper approach.

And second, the cost makes it prohibitive at a time when we cannot afford to stretch Government spending beyond what it already is.

For example, passage of this bill would increase the unfunded liability of the Civil Service Retirement System by $5.85 billion, thereby obligating the Federal Government to 30 annual payments of $362 million.

The unfunded liability of the Civil Service Retirement Fund as of June 30, 1973, is an estimated $68.7 billion, and rather than increasing this sizable debt we should be seeking ways to decrease it.

In December 1973, the Civil Service Commission conducted a survey of 25 large private and public employers on their respective fringe benefit programs. The purpose of this report was to indicate how Federal employee programs relate to those offered by these other major employers.

The results, as they pertain to survivor benefits for spouses and children, are as follows, and I quote:

> Civil Service Retirement requirements for survivor benefits are comparable to those for Social Security survivor benefits and much more liberal than the requirements under almost all private plans. Benefits are more liberal than those provided under all but one of the plans studied which provide a survivor annuity to survivors of other than older employees with long service.
>
> Civil Service Retirement survivor benefits for widows with children are, on the whole, smaller than those received under social security except at the higher earnings and long service levels or in family situations involving more than two children.
>
> On the other hand, provisions for widows (or widowers) without children, are much more liberal under Civil Service Retirement since benefits are payable immediately rather than at age 62. In addition, the Social Security benefit payable to a widow and children temporarily ceases when the last child loses entitlement while Civil Service Retirement survivor benefits continue until the widow dies or remarries (before age 60).

Mr. Chairman, I support the concept of comparability in regard to compensation and fringe benefits for Federal employees. But, I do not accept the thesis that the Federal Government should provide wages and benefits to Federal employees which are more liberal than those provided by an employer in the private sector. This, in my view, is unfair competition in the labor market.

In view of this Civil Service Commission report, I suggest that the bill S. 628 be disapproved and that the Committee on Post Office and Civil Service conduct hearings on the specific point of providing cost-free survivor benefits with the goal of establishing a complete public record on this important matter.

Mr. Chairman, noting the informal atmosphere prevailing this afternoon, I should like to digress for a moment from the subject and to ask for the attention of the gentleman from California, (Mr. WALDIE). I am wondering if the gentleman could advise me as an old friend how his campaign in California is coming along?

Mr. WALDIE. If the gentleman will yield, in response to the gentleman's question, not as well as I would wish.

Mr. DERWINSKI. I understand the gentleman is walking the state, which is a very effective technique, and I am wondering if it has generated the momentum he needs in the home stretch.

Mr. WALDIE. If the gentleman will yield, it gives me sore feet; I can tell the gentleman that.

Mr. DERWINSKI. If that is the case, perhaps it would be incumbent upon the gentleman to return to California for his stretch drive, so perhaps we will not have any more bills coming out of his subcommittee until at least the end of June; is that a proper observation?

Mr. WALDIE. It is a good possibility, although that is largely dependent upon whether the impeachment of the President is completed by that time. That probably will keep me here longer than I anticipated.

Mr. DERWINSKI. Yes, I remember the gentleman also serves on the Committee on the Judiciary, but I was not aware that any Member other than the chairman and the ranking minority member are really privy to any real information.

Mr. WALDIE. If the gentleman will yield further, that is not true at all.

Mr. DERWINSKI. I should think that everybody would want the gentleman to be free to campaign. I do not think this impeachment debate should hinder his great effort to serve the people of California. As the gentleman knows, there is not a Member on this side of the aisle who has more respect and affection and political sensitivity to his future than I have, and I want the gentleman to consider this comment as a backhanded endorsement.

Mr. WALDIE. I appreciate the comments of the gentleman, and I stand by my commitment that in the event success crowns my efforts that he be appointed the Fish and Game Commissioner of California.

Mr. HOGAN. Mr. Chairman, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from Maryland.

Mr. HOGAN. I thank the gentleman for yielding.

Was the gentleman in his remarks, Mr. Chairman, alluding to the study by the U.S. Civil Service Commission entitled "Comparisons of Retirement, Life Insurance, Health Benefits, and Other Major Employee Benefit Programs" dated December 1973?

Mr. DERWINSKI. That is correct.

Mr. HOGAN. If the gentleman will yield further, Mr. Chairman, knowing the gentleman from Illinois' fetish about accuracy, I wanted to call to his attention that his quote from the report was not a precise one. I think he was quoting from page 27 of the report, and if my memory is correct, he quoted it as "Benefits are much more liberal than all other plans." What it in fact says, and I am reading from the report, Mr. Chairman, is:

> Benefits are more liberal than those provided under all but one of the plans studied which provide a survivor annuity to survivors of other than older employees with long service.
>
> Civil Service Retirement survivor benefits for widows with children are, on the whole, smaller than those received under Social Security except at the higher earnings and long service levels or in family situations involving more than two children.

Mr. DERWINSKI. And then I will continue reading the passage which follows:

> On the other hand, provisions for widows (or widowers) without children, are much more liberal under Civil Service retirement since the benefits are payable immediately rather than at age 62.

I believe that is the following paragraph in the report.

Mr. HOGAN. That is precisely correct. I just wanted to give the gentleman in the well the benefit of the exact quotation rather than his paraphrasing of it.

Mr. DERWINSKI. If all Members of the House were as helpful to me as the gentleman from Maryland is, we would indeed be living in a happy world.

Mr. GROSS. Mr. Chairman, I yield 5 minutes to the gentleman from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. Mr. Chairman, I rise in opposition to S. 628. This legislation liberalizes an already very liberal provision of the Civil Service Retirement System. At this time, it cannot be justified.

As the Civil Service Commission expressed in its letter to the Chairman of the Committee on this legislation:

> . . . the present reduction in annuity which a retiree takes in order to provide survivor benefits for a spouse represents an equitable sharing of the costs of survivor protection.

From the time survivor annuity benefits were established in the Civil Service Retirement System, the Congress has liberalized the law on four different occasions. Today, a retired employee's annuity is reduced 2½ percent for the first $3,600 and 10 percent of the remainder.

Incidentally, this represents only a fraction of the cost of the survivor protection. For this reduction, a spouse is entitled to receive an annuity equal to 55 percent of the amount used as the survivor base. By any standard, this is an excellent fringe benefit.

In recent years, Federal salary rates have been raised substantially because of the adoption of the comparability principle. Accordingly, these salary increases and retirement law liberalizations have increased the amount of the primary, as well as the survivor annuities. In addition, since 1962 the cost of living provision has resulted in annuity increases of 61.8 percent for primary and survivor annuitants.

For example, the 6-month period from July 1973 to January 1974, produced a cost-of-living increase of 11.6 percent. Another increase of at least 4.6 percent is expected to be triggered in the next 3 months.

This record clearly shows that primary and survivor annuities have not only been increased since 1962, but also the purchasing power of all original annuities has been maintained.

Mr. Chairman, this legislation will increase the unfunded liability of the Civil Service Retirement Fund by an estimated $5.85 billion, which will require an annual 30-year payment of $362 million. Therefore. the total cost to the Government over 30 years amounts to over $10.8 billion.

At a time when it is imperative for the Congress to hold down the cost of Government, and thereby halt the spread of inflation, it is foolhardy to contemplate an expenditure of this magnitude.

I urge rejection of this proposal.

Mr. WALDIE. Mr. Chairman, I yield such time as he may consume to the gentleman from New Jersey (Mr. DOMINICK V. DANIELS), the former chairman of this committee and the author of most of the effective retirement legislation that is presently on the books.

Mr. DOMINICK V. DANIELS. Mr. Chairman, I rise to express my full support of the legislation now under consideration, and to recommend its approval by the House.

In doing so, I would invite the membership's attention to the table appearing on page 5 of the committee's report on S. 628. You will note that when a survivor annuity option was initially incorporated into the civil service retirement law, effective January 1, 1940, it required a full actuarial reduction in the retiring employee's annuity. Reducing the retiree's annuity on the basis of full actuarial considerations imposed penalties so severe that relatively few retirees could afford to provide their spouses any degree of survivorship protection.

In 1948 the reduction factors were modified and surviving widows and children of deceased employees were granted automatic annuity benefits. It will be noted that on subsequent occasions the reduction factors were gradually modified and that the present reduction formula has been in effect since 1962.

The table illustrates the historical direction in which the option has been progressing toward providing automatic, cost-free protection for the surviving spouses of Federal retirees, and demonstrates the trend toward the ultimate policy of extending to retirees treatment comparable to that which the law presently provided in case of deaths occurring in active employment.

The policy embodied in this legislation is in consonance with similar developments in the private sector and will more nearly parallel the current related features of the social security law. Under the social security program a married individual not only receives his full pension benefit, but an additional 50 percent of that benefit for his spouse—or a total of 150 percent of his own entitlement—whereas, a married civil service retiree must accept an amount of up to 10 percent less than his earned benefit, with no dependency allowance.

Further, when the social security recipient dies his spouse is entitled not to the amount of the dependency allowance, but the deceased retiree's individual benefit; that is, 66⅔ percent of the total family benefit as opposed to a civil service survivor benefit of 55 percent of her deceased husband's earned annuity.

However, the bill does not propose granting the retired Federal employee such a dependent's "allowance," nor does it propose awarding his surviving widow the same annuity benefit to which he was otherwise entitled. It merely allows him to receive his full annuity, regardless of his marital status.

The vast majority of married retirees prudently accept substantial reductions in their annuities in order to furnish their surviving spouses a continuing retirement income. During their retirement years they give up thousands of dollars of needed income, so as to assure that subsequent to their deaths their dependents do not end up bereft of any means of financial support. Actually, in years past, when the reduction rate was more severe than it is today, the cumulative amounts forfeited during some retirees' lifetimes exceeded the total survivor benefits received by the surviving spouses during their remaining lifetimes. As a matter of fact, even under existing law, the widow of the average retiree must outlive him by at least 2 years to recover just the amounts of annuity he relinquished during his years of retirement. This legislation will remedy such an unfortunate circumstance.

There is a limited number of retirees still on the retirement rolls whose separations from Federal service occurred quite a few years ago—particularly prior to 1956—whose spouses will have no entitlement to survivor benefits when they eventually die. The reasons therefor are because the law then in effect either precluded their acceptance of reduced annuity for survivor purses, or their full annuities were so low and the penalty factors so substantial that they could not economically afford to accept further reductions in their retirement income. The bill would grant future survivor benefits to their spouses, most of whom are, or will be, well advanced in years.

Mr. Chairman, I urge the adoption of this worthwhile legislation.

Mr. GROSS. Mr. Chairman, I yield 1 minute to the gentleman from Maryland (Mr. HOGAN).

Mr. HOGAN. Mr. Chairman, I sought recognition so I could ask a question of my good friend, the gentleman from California, because I felt slighted. Knowing that I am considering running for Governor, I wonder why he did not include me in his criticism of the gentleman from California for being a champion of Government employees.

Mr. ROUSSELOT. Mr. Chairman, if the gentleman will yield, I will be glad to include the gentleman from Maryland (Mr. HOGAN) because I know he has even more Federal employees in his district. The gentleman from Maryland is even a greater champion for Federal employees than my colleague from California. Mr. HOGAN has, indeed, been a major advocate of Federal employee benefits.

Mr. HOGAN. I feel much better that he has included me in the same criticism.

Mr. Chairman, I thank the gentleman.

Mr. FRENZEL. Mr. Chairman, this bill will, I understand, cost $362 million each year for 30 years. It adds $5.85 billion to the unfunded liability of the civil service retirement system.

I further understand that present survivors' benefits under civil service are comparable now to social security and far better than private plans.

This bill will improve the lot of a relatively few, but worthy, survivors or retirees, but its inflationary impact on everyone in the country leads me to believe it should not pass.

Mr. NIX. Mr. Chairman, I rise in strong support for the committee bill, which will provide an automatic annuity to the surviving spouse of retiring civil service employees without any reduction in the retiree's annuity. The bill will pertain to current as well as future retirees.

Very simply, this bill represents the culmination of a long-term trend of reducing the annuity reduction cost to a retiree to provide a survivor annuity. As the committee report notes, the new system of automatic, cost free survivorship protection parallels trends in both private pension plans and the social security plan.

I have always believed that if we are to attract and retain first-rate employees in the civil service, we must provide a first-rate and progressive retirement system. This bill makes a logical and important improvement in that system. With today's high inflation, employees are more and more considering their eventual retirement benefits as an important factor in their career decisions. The bill before us today is a sound and forward looking measure, and I am happy to support it.

Mr. PRICE of Illinois. Mr. Chairman, I support S. 628, which eliminates certain inequities in the civil service retirement system. I have many retired Federal workers in my congressional district, and they all agree with me that this legislation is desirable and fair.

Under existing law, the annuity a retired Federal employee receives is reduced by 2½ percent of the first $3,600 and 10 percent of the excess unless the retiree expressly elects not to provide a survivor benefit for his or her spouse. If the spouse predeceases the retiree or the marriage is terminated by divorce, the retiree continues—inequitably—to receive the reduced annuity.

S. 628 would eliminate the reduction in annuity during the periods when the retiree is not married. Furthermore, the bill provides that any surviving spouse shall receive an annuity equal to 55 percent of the maximum annuity to which the deceased retiree would be entitled if he were alive.

Mr. Chairman, I know this Congress is concerned about fairness in retirement programs. Here is an effort to improve fairness in the Government's own system. I urge my colleagues to support this legislation.

Mr. WALDIE. Mr. Chairman, I have no further requests for time.

Mr. GROSS. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. Pursuant to the rule, the Clerk will now read the committee amendment in the nature of a substitute printed in the reported bill as an original bill for the purpose of amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 8339 of title 5, United States Code, is amended as follows:

(1) Subsection (j) is repealed.

(2) Subsections (k) to (n), inclusive, are redesignated as subsections (j) to (m), respectively.

(3) The redesignated subsection (j), formerly subsection (k), is amended to read as follows:

"(j)(1) At the time of retiring under section 8336 or 8338 of this title, an unmarried employee or Member who is found to be in good health by the Commission may elect a reduced annuity instead of an annuity computed under subsections (a)-(i) of this section and name in writing an individual having an insurable interest in the employee or Member to receive an annuity under section 8341(c) of this title after the death of the retired employee or Member. The annuity of the employee or Member making the election is reduced by 10 percent, and by 5 percent for each full 5 years the individual named is younger than the retiring employee or Member. However, the total reduction may not exceed 40 percent.

"(2) An employee or Member, who at the time of retiring under section 8336 or 8338 of this title elects a reduced annuity under paragraph (1) of this subsection and later marries, may irrevocably elect, in a signed writing received in the Commission within 1 year after the marriage, an annuity computed under subsections (a)-(i) of this section. Such latter annuity is effective the first day of the month after such election is received in the Commission. The election voids prospectively any election previously made under paragraph (1) of this subsection.".

(4) The redesignated subsection (k), formerly subsection (l), is amended by deleting "subsections (a)-(k)" and inserting in place thereof "subsections (a)-(j)".

(b) Section 8341 of title 5, United States Code, is amended as follows:

(1) by deleting paragraphs (1) and (2) of

subsection (a) and inserting in place thereof the following:

"(1) 'spouse' means the surviving wife or husband of any employee, Member, or annuitant who—

"(A) was married to the employee, Member, or annuitant for at least 1 year immediately before the death of the employee, Member, or annuitant; or

"(B) is the parent of issue by that marriage; and" ;

(2) by redesignating paragraph (3) of subsection (a) as paragraph (2) of such subsection;

(3) by deleting paragraphs (1) and (2) of subsection (b) and inserting in place thereof the following:

"(1) When an annuitant, except an annuitant who did not elect an annuity as provided in paragraph (2) of section 8339(j) of this title, dies and is survived by a spouse, the spouse is entitled to an annuity equal to 55 percent of an annuity computed under section 8339(a)–(i) of this title as may apply with respect to the annuitant.";

(4) by redesignating paragraph (3) of subsection (b) as paragraph (2) of such subsection;

(5) by deleting ", widow, or widower" wherever occurring in paragraph (3) of subsection (b) redesignated as paragraph (2) of such subsection;

(6) by deleting "8339(k)" in subsection (c) and inserting in place thereof "8339(j)(1)"; and

(7) by deleting in subsection (d) "widow or widower" wherever occurring therein and inserting "spouse" in place thereof.

(c) Section 8344(a) of title 5, United States Code, is amended by deleting—

"If the annuitant is receiving a reduced annuity as provided in section 8339(j) or section 8339(k)(2) of this title, the increase in annuity payable under subparagraph (A) of this subsection is reduced by 10 percent and the survivor annuity payable under section 8341(b) of this title is increased by 55 percent of the increase in annuity payable under such subparagraph (A), unless, at the time of claiming the increase payable under such subparagraph (A), the annuitant notifies the Commission in writing that he does not desire the survivor to be increased."

and inserting in place thereof—

"When an annuity is increased under paragraph (A) of this subsection, then the survivor annuity payable under section 8341(b) of this title is increased by 55 percent of that increase payable under such subparagraph (A).".

Sec. 2. (a) The annuity of a retired employee or Member who, immediately before the date of enactment of this Act, was receiving a reduced annuity in order to provide an annuity for a surviving spouse under subchapter III of chapter 83 of title 5, United States Code, or any prior applicable provision of law, shall be recomputed and paid as if the annuity had not been so reduced.

(b) The annuity of an employee or Member who separated under section 8338 of title 5, United States Code, or any prior applicable provision of law, prior to the date of enactment of this Act which has a commencing date on or after such date of enactment shall be paid as if the amendment made by paragraph (1) of subsection (a) of the first section of this Act had been in effect at the time of the employee's or Member's separation.

(c) The amendments made by paragraph (3) of subsection (a) of the first section of this Act shall apply to annuities commencing before, on, or after the date of enactment of this Act.

(d) The amendment made by paragraph (1) of subsection (b) of the first section of this Act shall apply in the cases of employees, Members, or annuitants who die on or after the date of enactment of this Act, except that such amendment shall not apply to a spouse to whom an annuitant was married at the time of a retirement which occurred prior to such date of enactment.

(e) The annuity of a surviving spouse who, immediately before the date of enactment of this Act was receiving a survivor annuity under subchapter III of chapter 83 of title 5, United States Code, or any prior applicable provision of law, shall be recomputed, if necessary, and paid in an amount equal to 55 percent of the maximum annuity to which the former employee or Member was entitled at the time of his retirement or separation plus any annuity cost-of-living adjustments applicable to such survivor annuity which were authorized by law prior to the date of enactment of this Act.

(f) The spouse of an annuitant who retired or separated prior to the date of enactment of this Act and who dies on or after such date of enactment shall be entitled to an annuity in an amount equal to 55 percent of the maximum annuity to which the former employee or Member was entitled at the time of his retirement or separation plus any annuity cost-of-living adjustments applicable to the former employee's or Member's annuity which were authorized by law prior to the date of enactment of this Act. For the purpose of this subsection "spouse" means the surviving wife or husband—

(1) to whom an annuitant was married at the time of his retirement;

(2) to whom an annuitant was married for at least 1 year immediately before his death; or

(3) who is the parent of issue by the marriage to the annuitant.

(g) No annuity or increase in annuity resulting from the application of this section shall be paid for any period before the date of enactment of this Act or the commencing date of annuity, whichever is later.

Mr. WALDIE (during the reading). Mr. Chairman, I ask unanimous consent that the committee amendment in the nature of a substitute be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

AMENDMENT OFFERED BY MR. DANIELSON TO THE COMMITTEE AMENDMENT IN THE NATURE OF A SUBSTITUTE

Mr. DANIELSON. Mr. Chairman, I offer an amendment to the committee amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. Danielson to the committee amendment in the nature of a substitute: On page 3, line 20, strike the word "or". On page 3, after line 20, insert the following:

" "(B) was married to the employee, Member, or annuitant at the time of the retirement of the employee, Member, or annuitant, and at the time of the death of the employee, Member, or annuitant: *Provided,* That such surviving wife or husband was married to the employee, Member, or annuitant for any period or periods of time totalling at least one year; or".

On page 3, line 21, strike out " "(B)" and insert in lieu thereof " "(C)".

Mr. DANIELSON. Mr. Chairman, the amendment which I have offered adds to the bill at the point designated on page 3, after line 20, a further clause to define the term "current spouse" as used in the bill.

Mr. Chairman, I would like to point out, first of all, that this amendment does not change in any respect the benefit that anyone would otherwise receive under the bill. It imposes no new qualifications. It grants no additional benefit. What it does do is provide for a rather rare and unusual, but not unique, situation in which a marriage of a person who would otherwise be qualified as an annuitant is interrupted following retirement and then is restored before death.

Mr. Chairman, a number of years ago I had an occasion, in a lawsuit in which I was involved, to meet exactly this situation. I found, to my surprise, that although the situation was a little unusual, it had happened from time to time, and it will happen again.

Unless this provision is put in the bill, inevitably we are going to have situations in which we are going to have private legislation or special legislation to cure what is otherwise an inequity.

Mr. Chairman, here is how the situation arose: A public employee had been married to the same spouse for approximately 30 years at the time of retirement. After retirement, when the annuitant remained at home most of the day, he and his wife found that they quarreled quite frequently. The inevitable happened. They got divorced. Thereafter they became lonely for each other. I imagine they found they were happier fighting together than they were in not being together, so they remarried. Shortly thereafter, the annuitant died, but he died within less than the period of time necessary for a second marriage to qualify the surviving spouse for a survivor's benefit.

Mr. Chairman, in researching the law on the subject, I found, to my amazement, that this happens every once in a while. I think we ought to provide for it in this legislation. My amendment simply provides that the spouse, within the meaning of the law, is a person who is married to the employee, member, or annuitant at the time of retirement and also at the time of death of the employee, member, or annuitant, provided that the surviving wife or husband has been married to the employee, member, or annuitant for periods of time totaling at least 1 year. Therefore, there is no difference in the ultimate effect of this bill. All I have done is provide equity in an unusual type of situation.

Mr. WALDIE. Mr. Chairman, will the gentleman yield?

Mr. DANIELSON. I yield to the gentleman from California.

Mr. WALDIE. Mr. Chairman, we on the majority side have examined the amendment. We believe it to be worthwhile, and we, therefore, accept the enactment.

Mr. DERWINSKI. Mr. Chairman, will the gentleman yield?

Mr. DANIELSON. I yield to the gentleman from Illinois.

Mr. DERWINSKI. Mr. Chairman, I just wonder if any of the Members could answer this question for the Record. Certainly we are not objecting to the amendment, but I wish to ask this:

Does the gentleman have any idea as to how many people might be covered, how many unique cases of this nature might exist?

Mr. DANIELSON. Mr. Chairman, I can give the gentleman no statistics. I do know that it happens from time to time.

Mr. DERWINSKI. This, in effect, precludes the need of some exceptional work on a private bill?

Mr. DANIELSON. Yes; it would, and also the great delay that accompanies that sort of thing.

Mr. DERWINSKI. Basically, at the time of retirement, if a person is married and there is a subsequent divorce and then that same couple remarries, this amendment covers just that kind of human problem?

Mr. DANIELSON. That is exactly correct.

Mr. Chairman, I call it an interrupted marriage. There is a marriage; it is then stopped, and then it is started up again.

Mr. DERWINSKI. Mr. Chairman, if the gentleman will yield further, at the risk of seeming facetious, is it true that these kinds of things happen more often in California than they do in the other 49 States?

Mr. DANIELSON. Well, we find a lot of people move out to California from the Midwest, and so, therefore, on occasion we find this does occur frequently.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. DANIELSON. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, I will ask the gentleman this:

It is certainly true that Illinois can be considered as a State in the Middle West?

Mr. DANIELSON. Yes, sir, Illinois, and there are some surrounding States. I will state to the gentleman from Iowa that I am not referring particularly to Black Hawk County in Iowa.

Mr. GROSS. Mr. Chairman, will the gentleman yield further?

Mr. DANIELSON. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, I do not believe this amendment will do any harm to an otherwise unacceptable bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. Danielson) to the committee amendment in the nature of a substitute.

The amendment to the committee amendment in the nature of a substitute was agreed to.

The CHAIRMAN. The question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the committee rises.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. Evans of Colorado, Chairman of the Committee of the Whole House on the State of the Union, reported that that committee having had under consideration the Senate bill (S. 628) to amend chapter 83 of title 5, United States Code, to eliminate the annuity reduction made, in order to provide a surviving spouse with an annuity, during periods when the annuitant is not married, pursuant to House Resolution 1010, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on the amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole?

If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the third reading of the Senate bill.

The Senate bill was ordered to be read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the Senate bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 296, nays 102, answered "present" 3, not voting 32, as follows:

[Roll No. 178]

YEAS—296

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Aspin
Badillo
Bafalis
Baker
Bell
Bergland
Bevill
Biaggi
Biester
Bingham
Boggs
Boland
Bolling
Bowen
Brademas
Brasco
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Ohio
Broyhill, Va.
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burton
Butler
Carney, Ohio
Carter
Cederberg
Chappell
Chisholm
Clark
Clausen, Don H.
Clawson, Del
Clay
Cochran
Cohen
Collins, Ill.
Conlan
Conyers
Corman
Cotter
Coughlin
Cronin
Culver
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, S.C.
de la Garza
Delaney
Dellums
Dent
Diggs
Dingell
Donohue
Drinan
Duncan
Eckhardt
Edwards, Calif.
Eilberg
Esch
Eshleman
Evans, Colo.
Fascell
Fish
Fisher
Flood
Flowers
Foley
Ford
Forsythe
Fraser
Frey
Froehlich
Fulton
Fuqua
Gaydos
Giaimo
Gilman
Goldwater
Gonzalez
Grasso
Green, Pa.
Griffiths
Grover
Gubser
Gude
Gunter
Hamilton
Hammerschmidt
Hanley
Hansen, Idaho
Harrington
Harsha
Hastings
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hogan
Holt
Holtzman
Horton
Hosmer
Howard
Hudnut
Hungate
Hunt
Johnson, Calif.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Jordan
Karth
Kastenmeier
King
Kluczynski
Koch
Kyros
Lagomarsino
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lujan
Luken
McCloskey
McCollister
McCormack
McDade
McFall
McKay
McKinney
Macdonald
Madden
Madigan
Maraziti
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Mills
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Nedzi
Nichols
Nix
Obey
O'Hara
O'Neill
Owens
Parris
Passman
Patten
Pepper
Perkins
Pettis
Peyser
Podell
Preyer
Price, Ill.
Pritchard
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Riegle
Rinaldo
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Ruppe
Ruth
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Schroeder
Seiberling
Shipley
Shoup
Shriver
Sisk
Slack
Smith, Iowa
Snyder
Spence
Staggers
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Wis.
Stephens
Stubblefield
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, N.C.
Thompson, N.J.
Thone
Thornton
Tiernan
Traxler
Udall
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Veysey
Vigorito
Waggonner
Walsh
Wampler
Whalen
White
Whitehurst
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wydler
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—102

Archer
Arends
Armstrong
Ashbrook
Ashley
Bauman
Beard
Bennett
Bray
Broyhill, N.C.
Burleson, Tex.
Burlison, Mo.
Byron
Camp
Casey, Tex.
Clancy
Cleveland
Collier
Collins, Tex.
Conte
Crane
Daniel, Dan
Davis, Ga.
Davis, Wis.
Denholm
Dennis
Derwinski
Devine
Dickinson
Dorn
Downing
du Pont
Edwards, Ala.
Erlenborn
Evins, Tenn.
Findley
Flynt
Frelinghuysen
Frenzel
Gibbons
Ginn
Goodling
Gross
Guyer
Hanrahan
Hinshaw
Huber
Hutchinson
Ichord
Jarman
Johnson, Colo.
Jones, Okla.
Kemp
Ketchum
Kuykendall
Landgrebe
Landrum
Latta
Lott
McClory
McEwen
Mahon
Mallary
Mann
Martin, Nebr.
Michel
Miller
Minshall, Ohio
Montgomery
Moorhead, Calif.
Nelsen
O'Brien
Pike
Poage
Powell, Ohio
Price, Tex.
Rarick
Roberts
Robinson, Va.
Robison, N.Y.
Rousselot
Runnels
Satterfield
Scherle
Schneebeli
Shuster
Skubitz
Smith, N.Y.
Stanton, J. William
Steiger, Ariz.
Stratton
Symms
Taylor, Mo.
Teague
Thomson, Wis.
Towell, Nev.
Treen
Ware
Whitten
Wyatt
Wylie
Wyman

ANSWERED "PRESENT"—3

Chamberlain
Dulski
Sebelius

NOT VOTING—32

Barrett
Blackburn
Blatnik
Brown, Mich.
Buchanan
Carey, N.Y.
Conable
Dellenback
Fountain
Gettys
Gray
Green, Oreg.
Haley
Hanna
Hansen, Wash.
Hébert
Holifield
Johnson, Pa.
Kazen
McSpadden
Milford
Myers
Patman
Pickle
Quie
Reid
Rooney, N.Y.
Rooney, Pa.
Sikes
Stokes
Waldie
Young, S.C.

So the Senate bill was passed.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Blackburn.
Mr. Rooney of New York with Mr. Waldie.
Mr. Holifield with Mr. Blatnik.
Mr. Rooney of Pennsylvania with Mr. Conable.
Mr. Barrett with Mr. Hanna.
Mr. Carey of New York with Mrs. Hansen of Washington.
Mr. Fountain with Mr. Brown of Michigan.
Mr. Stokes with Mr. Gettys.
Mrs. Green of Oregon with Mr. Quie.
Mr. Haley with Mr. McSpadden.
Mr. Young of South Carolina with Mr. Dellenback.
Mr. Sikes with Mr. Milford.
Mr. Pickle with Mr. Buchanan.
Mr. Reid with Mr. Patman.
Mr. Kazen with Mr. Johnson of Pennsylvania.
Mr. Gray with Mr. Myers.

The result of the vote was announced as above recorded.

The title was amended so as to read: "An Act to amend title 5, United States Code, to provide for annuities for surviving spouses under the civil service retirement system without reduction in principal annuities, and for other purposes."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. WALDIE. Mr. Speaker. I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on the Senate bill S. 628.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

PUBLIC SAFETY OFFICERS BENEFITS ACT OF 1974

Mr. EILBERG. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11321) to amend the Omnibus Crime Control and Safe Streets Act of 1968, as amended, to provide benefits to survivors of certain public safety officers who die in the performance of duty.

The SPEAKER. The question is on the motion offered by the gentleman from Pennsylvania.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 11321, with Mr. NEDZI in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule the gentleman from Pennsylvania (Mr. EILBERG) will be recognized for 30 minutes and the gentleman from New York (Mr. FISH) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Pennsylvania.

Mr. EILBERG. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the general outline and purpose of H.R. 11321 will be familiar to my colleagues since similar legislation passed both Houses of Congress during the last Congress. In fact, a conference report was filed on October 17, 1972, but its consideration by the House was prevented by the adjournment of the 92d Congress. Related legislation has already passed the Senate this Congress in the form of S. 15.

The purpose of H.R. 11321 is to provide a $50,000 Federal payment to certain surviving dependents of public safety officers who die from injuries sustained in the line of duty. Its primary intent is to tide over the officer's survivors until they are able to economically adjust to the death of the family's breadwinner. Eligible public safety officers include reserve and professional law enforcement officers and firemen. The term "law enforcement officer" is defined broadly to include policemen, correctional officers, prison guards, probation and parole officers, and officers involved in programs relating to juvenile delinquency or narcotic addiction. While the range of occupations encompassed here is broad, eligibility for coverage is limited to those officers actively engaged in potentially hazardous activities at the time of the fatal injury.

As we state in the committee report, this legislation is predicated on the fact that there are certain dangerous, high-risk activities associated with law enforcement and firefighting. It is to these hazardous duties that this legislation is addressed. In the case of law enforcement officers, coverage is provided in the event of death in the course of duties relating to criminal activity, such as crime prevention, the apprehension of criminals, or the guarding of suspects, witnesses or prisoners. In the case of firemen, coverage is provided in the event of death in the course of firefighting. These activities are carefully delineated in the legislation, with the additional proviso that benefits will be provided to both law enforcement officers and firemen who sustain a fatal injury while engaged in other activities determined to be potentially dangerous pursuant to regulations issued by the administering agency, LEAA. The bill does not provide benefits in the case of accidental death occurring during the course of normal patrol activities of policemen or routine firehouse activities.

I would like at this point to comment briefly on the philosophy underlying this legislation and at the same time to briefly respond to some objections raised by opponents of this bill. The authors of the minority views on H.R. 11321 recognize—and I quote—

> Without doubt, America owes a debt of gratitude to police and firemen who risk their lives for our comfort and safety.

In their opinion, however, "There is no good reason to single out police and firemen for special benefits and to neglect all others."

I disagree and firmly believe that the time has come to repay with more than words the debt of gratitude we as a nation owe to public safety officers who daily risk their lives for our protection. Insofar as this legislation does single them out for special benefits, it is in recognition of the uniqueness of, and the invaluable services provided by, the public safety professions. Unlike other State and local employees, public safety officers risk life and limb on a regular basis in order to preserve peace and protect society. It is precisely that aspect of the public safety profession which makes them unique in civilian life.

Law enforcement officers are charged with the difficult and awesome responsibility of maintaining our social order and firemen face the equally challenging task of protecting our citizenry from the hazards of fires. As a result of the dedication and vigilance of these officers, each of us is able to feel more safe and secure in his home. Consequently, it is certainly in the national interest to encourage the recruitment of quality personnel for these professions and most witnesses before the committee were in agreement that a uniform death benefit would greatly contribute to the accomplishment of that objective.

It should be noted that Congress has recognized the singular nature of these professions on several occasions in the past. For example, in 1968 Congress approved legislation to extend Federal Employees Compensation benefits to State and local law enforcement officers who are killed or injured while enforcing Federal laws. In addition, in 1970 Public Law 91–509 was enacted providing a $50,000 lump sum payment to policemen and firemen in the District of Columbia who die in the performance of duty. It is, therefore, apparent that there is ample legislative precedent for singling out the public safety profession for special treatment.

Furthermore, the 1973 report of the National Advisory Committee on Criminal Justice Standards and Goals recommended special statutory benefits for State and local law enforcement officers killed in the performance of their duties.

I am prompted to make this point by those who argue that the Federal Government should not assume any responsibility in this area. Supporters of this legislation too have been sensitive to the possible implications of providing Federal payments to State and local employees, and this is an area which we have explored in some detail in the course of our hearings. I, for one, am fully satisfied that H.R. 11321 will not establish a precedent for similar treatment of other non-Federal employees, especially in view of the fact that the functions performed, and the dangers encountered, by public safety officers are distinguishable from other professions.

I am also convinced that the bill in no way endangers the autonomy of State and local public safety agencies. The lump sum gratuity approach embodied in this bill is carefully designed to prevent any Federal interference with local public safety programs. Likewise, the bill will be easy to administer and, therefore, will not require the creation of an ongoing, complex Federal mechanism to implement the program. Since the administrative costs will be minimal, it will allow the major portion of the Federal funds to be expended for the welfare of the officers' survivors.

We are not breaking new ground with this legislation. Congress has acted many times in the past to provide assistance where States and localities have been unable or unwilling to respond or where emergent or tragic situations arise. I have in mind, for instance, the Federal assistance provided sufferers of black lung disease or the provision of unemployment benefits to workers displaced by national disasters as just two of many possible examples.

That there are compelling reasons for assuming responsibility in this area, I have no doubt. There is no question that those men and women who risk their lives for our protection should be provided with a certain minimum security regarding the future of their dependents in the event of their untimely death. The fact is that this minimum financial security is not being provided to many police and firemen across the country. This point was made repeatedly in hearings held by the committee in both the 92d and 93d Congresses. It was also made by the National Advisory Commission on Criminal Justice Standards and Goals which noted:

> Present benefits for non-Federal law enforcement officers killed, injured or contracting disease in the performance of police duties having no connection with Federal jurisdiction are, in many cases, severely restricted. Frequently, officers rendering assistance to other nearby jurisdictions lose their eligibility for local benefits by merely crossing their own city or county lines. Smaller communities often lack the financial resources to provide a reasonable level of service-connected death, injury and illness benefits.

As a result, the Commission recommended "high priority Congressional attention" to extending uniform benefits "irrespective of jurisdictional considerations".

In conclusion, this is an important bill which allows us to discharge some little part of the debt we owe to the Nation's public safety officers. In the last Congress, similar legislation was unanimously approved by the House and I urge your favorable action again.

Mr. BRASCO. Mr. Chairman, will the gentleman yield for a question?

Mr. EILBERG. Mr. Chairman, I yield to the gentleman from New York (Mr. Brasco).

Mr. BRASCO. Mr. Chairman, I notice that page 5 of the report specifically indicates that Federal public safety officers are not included in this legislation, and it says that the reason for this is that under the benefits provided by the Federal Employees Compensation Act, they are generally aedquate and in many instances exceed the $50,000 payment authorized by this legislation.

Mr. Chairman, my question is this: I do not have the statistics or the facts with respect to that observation, but is it the gentleman's intention that if that particular statement in the last paragraph on page 5 is refuted, the committee will then entertain legislation to include at a future date the Federal law enforcement officers and firefighters?

Mr. EILBERG. Mr. Chairman, of course it is possible that we might consider some benefits for Federal agents, but it is the impression of the committee that the benefits are already substantial so far as Federal employees are concerned.

Mr. BRASCO. Mr. Chairman, I am talking about special circumstances. If the statement is ultimately refuted, would it be the gentleman's position that the Judiciary Committee would consider future legislation to cover those who might be inadequately covered?

Mr. EILBERG. Mr. Chairman, indeed it would. Again I say, it is our impression, frankly, that in many cases the beneficiaries, widows or families, would get more than $50,000 under the provisions of the Federal Employees Compensation Act.

But obviously we have not thoroughly studied the benefits to Federal employees.

Mr. BRASCO. Mr. Chairman, I thank the gentleman, and I wish to commend him. I certainly support the legislation as it stands.

Mr. FISH. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am pleased to join my colleague from Pennsylvania, Chairman Eilberg in support of H.R. 11321, the Public Safety Officers Benefits Act of 1974, as reported by our Subcommittee on Immigration, Citizenship and International law, and which I am pleased to have cosponsored.

This bill is the result of long and careful consideration by our subcommittee. As has already been mentioned, the House passed similar legislation during the 92d Congress, and the Senate also passed its version during the 92d Congress and again early in this Congress. I believe the bill that we have reported represents the best means to provide assistance to those widows and children left by public safety officers killed while protecting the lives and property of our citizens.

This bill would provide a $50,000 Federal payment to the surviving dependents of State and local law enforcement officers and firemen who are killed as a result of the performance of hazardous duties. The bill broadly defines "law enforcement officer" and then restricts the eligibility for benefits to those members of that group, and firemen, who are engaged in specified hazardous duties—apprehension or guarding an alleged criminal, crime prevention, firefighting, or those other duties which LEAA—the administering agency—determines to be potentially dangerous.

The record speaks for itself. Over 200 policemen and firemen are killed annually while engaged in the public's business. Truly, they lay their life on the line each day, not knowing whether they will ever return to their families. This bill would provide some assistance to those loved ones who survive.

Law enforcement officers in this country have never been among the highest paid of our public servants. At the present time, dependents of most public safety officers killed in the line of duty must rely on a patchwork system of indemnification consisting of life insurance, whose premiums are quite often too high for the policeman or fireman to afford, and voluntary contributions by local citizens to a support fund. Indeed, though communities have responded often in the past to death of a public safety officer, there is absolutely no guarantee that a decedent's family will receive any contributions from any support fund. In addition, LEAA figures indicate that 30 to 40 percent of all salaried firemen and policemen are not covered by insurance either partially or completely funded by their employers. This lack of financial security for one's family may keep many otherwise enthusiastic candidates from entering this area of public service. This bill we hope, will aid in the recruitment of future public safety officers as well as improving the morale of those presently serving in these positions.

We have witnessed in recent years an increase in assault on police. Police deaths as the result of felonious criminal action rose from 37 in 1961 to 131 in 1973. We, the beneficiaries of the risks these individuals take to protect lives and property, should ensure that they are able to face their jobs knowing that, if anything happens to them, their families will not be left destitute.

All agree that crime is a national problem needing national solutions. This was the rationale for the enactment of the Omnibus Crime Control and Safe Streets Act in 1968. Congress reaffirmed its commitment to this all-out battle against crime when it renewed the authority of the Law Enforcement Assistance Administration earlier in this Congress.

In response to those who argue that this bill is an unwarranted intrusion into an area outside proper Federal responsibility, I submit that we have already joined with the States and municipalities in a cooperative effort to control crime in our country. During this 93d Congress, through the mechanism of LEAA, we authorized Federal funds to be used to assist in the recruitment, training and equipping of law enforcement and criminal justice personnel. We have already committed ourselves to assist in the upgrading of local law enforcement in this country. This bill is consistent with these efforts. H.R. 11321 carries out the concept of extending Federal benefits to local law enforcement officers killed in the line of duty, recommended in the recent report of the National Advisory Commission on Criminal Justice Standards and Goals.

It should be noted that title 5, United States Code, section 8191 now provides Federal benefits for State and local law enforcement officers killed while enforcing the Federal criminal statutes. The death benefit requires no complex Federal bureaucracy to administer it, as, for instance, a disability insurance plan would need. Rather, the program is designed for a minimum of Federal involvement in the State system of public safety. Section 7 of the bill permits delegation of

LEAA of administrative functions to State and local agencies.

The committee's amendments were drafted after discussion with representatives of LEAA, the agency that would administer this program, and are designed to facilitate the prompt payment of benefits.

To avoid development of a so-called "bar association" of lawyers who file questionable claims for benefits, with a high percentage of the $50,000 as their contingent fee, one committee amendment provides that LEAA may, by regulation prescribe the maximum fee allowable for representing claimants.

The bill has bipartisan support. It was cosponsored by members of the Judiciary Committee from all parts of the country from both parties.

I urge my colleagues to support this bill as amended.

Mr. GILMAN. Will the gentleman yield?

Mr. FISH. I am happy to yield to the gentleman from New York.

Mr. GILMAN. Mr. Chairman, I thank the gentleman from New York for yielding.

Mr. Chairman, I rise in support of this measure and I am pleased to join my colleagues in supporting this bill, the Public Safety Officer's Benefits Act of 1974.

This proposal, providing a $50,000 Federal payment to the surviving dependents of State and local law enforcement officers and firemen killed in the line of duty is long overdue and is justifiable recognition by our Nation of the severe occupational hazards and risks confronting our dedicated policemen, firemen, and correctional officers and other public safety officers who daily risk their lives in the preservation of peace and public safety.

In 1973, our 130 police officers were killed and in the years between 1960 and 1970, close to 800 firefighters lost their lives. During the past year, three policemen in my district were killed, leaving fatherless children and struggling widows. This bill will immeasurably help to meet the financial needs of the surviving families of the public safety officers who are killed while courageously performing their duties protecting society. It will eliminate the existing disparity in survivors benefits which exists from State to State.

Mr. Chairman, I urge my colleagues to support this worthy legislation.

Mr. FISH. I thank the gentleman.

Mr. EILBERG. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from New Jersey, the chairman of the full Committee on the Judiciary (Mr. Rodino).

Mr. RODINO. Mr. Chairman, I rise to express my ardent support for H.R. 11321, a bill which provides benefits to the surviving dependents of public safety officers who die in the performance of duty.

I sincerely believe it is most appropriate and necessary for the Federal Government to compensate the grief-stricken widows and children of public safety officers when their provider is suddenly slain in the line of duty.

As a result of the dedicated services of these individuals, we are able to live a little more peacefully, safely, and comfortably in today's turbulent society. We constantly expect an immediate response from a public safety officer whether it be the rescue of a drowning child or the capture of a fleeing felon. Yet little thought is given to the numerous instances when this response to the call of duty brings about a tragic death. Such a tragedy is too often forgotten the day after the funeral.

In many cases, the officer's dependents are left to rely on private and public charities or welfare. Indeed, our Government should not allow surviving dependents of a slain officer to rely on these avenues for assistance when that public safety officer gave his life preserving order and protecting society.

The legislative history of similar bills in the 92d Congress indicates that both the House and Senate are in basic agreement as to the desirability and necessity of this legislation. Similar legislation passed the House by unanimous consent on October 11, 1972. This legislation was similar to a Senate-passed bill (S. 2087) and a conference was held to resolve the differences between the Senate and House bills. A conference report was filed on October 17, 1972, but the adjournment of the 92d Congress prevented House consideration of the conference report.

In this Congress, after several days of additional hearings and mark-up sessions, the subcommittee and full committee has again favorably reported this legislation.

The Senate version and the administration's bill limit coverage to death in the line of duty as the result of a criminal act. I vigorously opposed such a proposal last year and believe that the firefighting profession should also be covered. The bill before us covers firemen if they are actually and directly engaged in fighting a fire or if otherwise engaged in the performance of this duty where the activity is determined by the administration to be potentially dangerous to the fireman. I am pleased that the committee bill has retained this broad scope of coverage. Now the Government can adequately compensate the surviving dependents of firefighters who bravely risk their lives in the protection of our communities from the disaster and tragedy often caused by fire.

My primary purpose in sponsoring this legislation is to discharge in a practical manner society's special obligation to public safety officers and their families when financial need occurs due to a sudden death of the breadwinner. Unfortunately, many States have not made any attempt to provide death benefits and where States do have compensation programs, they are usually inadequate. Many times public safety officers are underpaid or are otherwise unable to provide for the financial security of their families in the event of their untimely death. The many letters I have received and the testimony received by the committee reflect the truly sad financial situation confronting the survivors of public safety officers.

The public support for this legislation has been made evident to all Members. This bill is premised on the fact that law enforcement and fire fighting are inherently dangerous activities and that it is in the national interest to upgrade and improve employment opportunities in the public safety field. Most witnesses before the committee in the last 2 years agreed that passage of this legislation will substantially improve the morale of public safety officers, enhance recruitment efforts, and provide some measure of security to the dependent survivors of those who gave their lives while safeguarding society.

I urge my colleagues to support this urgently needed legislation.

Mr. EILBERG. Mr. Chairman, I yield such time as he may consume to the gentleman from South Dakota (Mr. Denholm).

Mr. DENHOLM. Mr. Chairman, I commend the gentleman from Pennsylvania (Mr. Eilberg) the chairman of the subcommittee and all of the members of the subcommittee and the full committee for perfecting this proposed legislation for enactment. This is historic and landmark legislation. Our Government, all levels of government, spend billions of dollars in preserving the rights and the imprisonment of the wrongdoers and it is time that we enact public law for people who do things that are right.

Policemen are our first defense of our freedoms. They enforce, execute, and defend the laws of freedom—laws enacted by the elected representatives of the people. They protect the innocent and pursue all wrong. They do the dirty work that others often avoid. They are targets of the enemies of decency, democracy, and society. The principle of the pending legislation is right. It is equally right for firemen. It is right for all citizens and it is right for our country. I urge the enactment of the legislation without amendment and without delay.

Mr. EILBERG. Mr. Chairman, I yield such time as he may consume to the gentleman from Florida (Mr. Pepper).

Mr. PEPPER. Mr. Chairman, I thank the gentleman from Pennsylvania for yielding to me.

Mr. Chairman, I wish warmly to commend the able gentleman from Pennsylvania (Mr. Eilberg) the chairman of the subcommittee, and all of the members of the Committee on the Judiciary, for bringing this bill to the floor of the House.

This bill proposes to amend the Omnibus Crime Control and Safe Streets Act of 1968, and is simply in furtherance of the objectives of that act, so as to try to provide for better and more effective law enforcement and fire prevention and control in this country by the assistance of the Government of the United States.

We are not taking over the total police and fire control responsibilities of this country, we are simply trying to help the States, the counties, and the local communities to provide better police protection, and better fire protection for all the people in this country including those who travel from State to State and from community to community. For instance, the citizens of Florida may travel to the State of Oregon, and they want to be protected in their lives and property by the police and firemen of that area. All the Federal Government is trying to do in this legislation is simply to show a measure of its gratitude for those like the 131 law enforcement officers and firemen who died in 1973 performing their duties for the protection of the lives and property of the people of this country. I hope to see the time when we will extend this act to provide the benefits provided in this bill to those law enforcement personnel and firemen who become totally and permanently disabled in the performance of their duty, but this bill is a magnificent step in the right direction, and I hope the House will approve it.

Mr. EILBERG. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois (Mr. ANNUNZIO).

Mr. ANNUNZIO. Mr. Chairman, I thank the distinguished gentleman from Pennsylvania (Mr. EILBERG) for yielding to me, and I wish to congratulate the gentleman and the entire subcommittee on this long overdue legislation.

Mr. Chairman, as one of the original sponsors in the 93d Congress of the public safety officer's benefits measure before us today, I rise to express my full support for this just and compassionate legislation as amended by the Judiciary Committee.

H.R. 11321 will provide a $50,000 Federal payment to the surviving dependents of policemen, correctional officers, prison guards, probation and parole officers, and officers involved in programs relating to juvenile delinquency or narcotic addiction who die as the direct result of a personal injury sustained in the line of duty.

I believe that it is only right and fair, indeed—only decent, that we consider the changing times—from the early sixties when crime, though a problem, had not yet reached epic dimensions to become one of the most demanding issues on the domestic scene today. We must admit that the public safety officer is a target for grievances against the shortcomings in our system of government, and in so doing, provide decent benefits for the men we expect to cope with these changing times.

Though this is small compensation, and certainly will not solve the major problem of crime or the unprovoked attacks on the police, it is the very least we can offer for the protectors of our society.

We must realize while considering H.R. 11321 that first-year salaries for all public safety officers range from $4,575 to $11,112. And benefits, such as they are, are poorly administered and weak.

In many cases, administrative redtape and procedures will tie up funds for years before any actual benefits are realized.

A question has been raised as to whether it should be the Federal responsibility to provide such death benefits to survivors of State and local law enforcement personnel killed in the line of duty.

I believe it is wise to establish a Federal standard for these benefits that survivors of public safety officers have a right to receive, since several States offer virtually no financial assistance and other States have only spotty programs in this regard. Testimony before the committee also indicated that this legislation will significantly increase the morale of law enforcement personnel and greatly assist State and local governments in their recruiting efforts.

On April 19, 1968, Congress passed Public Law 90-291 authorizing dependent's compensation for police officers killed in the line of duty while enforcing Federal laws.

On June 16, 1968, Public Law 90-351 amended the April law to allow compensation for non-Federal officers killed in the line of duty if the crime was even suspected of being a Federal offense.

Although Federal legislation for public safety officers has been commendable, when we talk about providing benefits to only those State officers who happen to be injured while pursuing a Federal offender we are not covering a very broad spectrum of the dedicated men who serve so ably in the enforcement of our laws.

Consider the fact that in 1973 a total of 131 local, county, and State law enforcement officers were killed in the performance of their duty to protect their communities. With no comprehensive benefit program provided to the survivors of these young men, many widows and young children of the slain officers have suffered very real financial hardships. That is not to minimize the factor of fear that must be felt by all those related to a man who has chosen law enforcement as his profession. His family must live with the realization that every time he dons his uniform and leaves his home to report for his shift, he runs the risk of becoming another statistic.

Mr. Chairman, I strongly urge the favorable action of my colleagues on H.R. 11321 which would provide more security and peace of mind for all public safety officers who must take risks in the pursuit of a safer society. We must not and cannot, in good conscience, turn our backs on the anguish and poverty suffered by the survivors of law officers slain while protecting our rights and liberties.

Mr. FISH. Mr. Chairman, I yield such time as he may consume to the gentleman from Wisconsin (Mr. FROEHLICH).

Mr. FROEHLICH. Mr. Chairman, I rise to express my strong support for H.R. 11321, the bill to provide benefits to the survivors of certain public safety officers who die in the performance of duty.

Law enforcement and public safety are hazardous professions. The American people have been shocked by the sharply increasing numbers of law enforcement officers killed in the line of duty, and they would be shocked if they realized the number of firefighters who die each year protecting our lives and property.

The Committee has found that, "Notwithstanding the severe occupational hazards which confront policemen, firemen, correctional officers, and other public safety officers, many States have failed to provide sufficient death benefits for their survivors" when they die suddenly in the line of duty. Under these circumstances, Government has an obligation to provide reasonable compensation to the survivors of public safety officers who die in action. This bill seeks to accomplish that objective.

In recent years, the Federal Government has poured millions—indeed, billions—of dollars into the effort to improve law enforcement in the United States. Assuring reasonable death benefits for men and women who are killed in law enforcement is one small, unpleasant, but essential means of encouraging good people to enter this field. Hence, I am not impressed by the argument that the payment of these death benefits "is not a Federal responsibility." If it is proper for the Federal Government to finance the recruitment and training and outfitting of policemen in order to improve the quality of law enforcement, I think it is also proper for the Federal Government to assist the families of those same individuals if they are killed in the line of duty.

This bill is long overdue, and I support it wholeheartedly as a desirable and necessary measure.

Mr. LOTT. Mr. Chairman, will the gentleman yield?

Mr. FROEHLICH. I yield to the gentleman from Mississippi.

Mr. LOTT. Mr. Chairman, I thank the gentleman from Wisconsin for yielding to me.

Mr. Chairman, I am happy to speak in support of this legislation, and I am particularly pleased that firemen have been included under the provisions of the bill.

Mr. Chairman, I rise in support of this bill to provide a $50,000 Federal payment to the surviving dependents of public safety officers who die as the direct and proximate result of personal injury sustained in the line of duty.

A quick review of the rationale behind the introduction of this measure persuades us to take a long, hard look at the situation facing us today. Between 1961 and 1973, a total of 1,002 police officers died as a result of injuries sustained during the performance of their duty. Since the figure for 1961 was 37 service-connected law enforcement officers killed and the figure for 1973 was substantially higher at 131, it is readily apparent that members of this profession are being singled out by militant individuals as symbolic targets for demonstrating their dissatisfaction with society.

A mention of statistics on this matter would not be complete without including the number of deaths among firefighters. During the period from 1960 to 1970 and estimated 790 firemen died while fighting fires. It has been indicated that the number killed while fighting fires in 1971 was 170. One has only to observe these facts to easily surmise why the Department of Labor has officially determined that firefighting is now the most hazardous profession in the United States.

Because of the ever-increasing number of police killings, the administration originated the death gratuity concept in the late spring of 1971. The Attorney General was directed at that time to submit legislation to the Congress which would provide financial protection for the survivors of law enforcement officers killed as a result of their duty. This was found to be the most appropriate Federal response to these killings from meetings with police officials from across the country.

From the discussions with these officials it was evident that great disparity exists between the States as to the death benefits provided by each for survivors of public safey officers. In fact, many States provide no benefits whatsoever; and the insurance coverage allowed is inadequate more often than not. So it is apparent that this situation obviates the need for the benefits which this legislation will provide.

Looking to yet another favorable impact which H.R. 11321 will have, we can certainly envision the improvement in the morale of public safety officer personnel. This bill will upgrade employment opportunities in the dangerous, high-risk activities that are so vital to the national interest. Recruitment of young men and women into the law enforcement field will be enhanced greatly if those potential employees are hired with the knowledge that if they die in the line of duty, their dependents will be protected from financial hardship. Thus, the passage of this legislation today will offer substantial assistance to State and local governments in their efforts to obtain competent, motivated individuals.

With respect to the effective date in the bill, October 11, 1972, there is ample justification for maintaining this date. When we review the legislative history of the act, we find that this legislation passed the House by unanimous consent on October 11, 1972. Since the Senate also had passed a similar bill, the two versions went to conference. A conference report was filed, but the adjournment of the 92d Congress prevented House consideration of the conference report. Realizing now that the death benefits afforded in this measure were to have been allowed those survivors of public safety officers who died while on duty after October 11, 1972, but for the adjournment of Congress, it seems absolutely imperative that we Members of the 93d Congress maintain that same effective date. Mr. Chairman, I feel we are morally committed to the dependents directly affected to make this act retroactive to October 11, 1972, the date presently in the bill.

Mr. FISH. Mr. Chairman, I yield such time as he may consume to the gentleman from New York (Mr. RONCALLO).

Mr. RONCALLO of New York. Mr. Chairman, I rise in strong support of this legislation. I thank the gentleman for yielding.

Mr. Chairman, I rise in strong support of the Public Safety Officer's Benefits Act of 1974. This bill will assure that when the supreme sacrifice is made by those who day in and day out risk their lives on our behalf, their survivors will not suffer undue financial deprivation.

In the last 10 years 862 law enforcement officers have been killed as a result of felonious criminal action. Last year was the highest ever at 133 killed. Similarly, between 1960 and 1970, fires took the lives of 790 firemen. At least 170 of these heros lost their lives in 1972, leading the Department of Labor to determine that firefighting is the most hazardous profession in the United States.

I am particularly pleased that this legislation recognizes unpaid volunteers serving their communities in an official capacity as well as those who have made our protection their profession. Our volunteer firemen, for example, leave their homes and businesses at all hours of the day and night to risk their lives with no thought in mind except to render service to their neighbors.

There is no way we can adequately compensate the families of these brave people for the loss of their loved one. Since their untimely deaths are incurred for the benefit and protection of society, however, we have the moral duty to do what we can to ease the financial burden of those who have been dependent on them. In these inflationary times, $50,000 is not much when spread over the years during which the officer would otherwise have been supporting his family, but it is the least we can do.

Mr. FISH. Mr. Chairman, I yield such time as he may consume to the gentleman from New York (Mr. LENT).

Mr. LENT. Mr. Chairman, as one of the original cosponsors of this legislation back in 1972, I rise in support of the Public Safety Officers Benefit Act of 1974.

This important bill, which is long overdue in coming before us for action, would provide a $50,000 Federal payment to surviving dependents of policemen, and both volunteer and salaried firemen who die as the result of personal injury sustained in the line of duty.

Mr. Chairman, during the past several years an ever-increasing number of policemen have died as a result of violent action at the hands of criminals who have made them symbolic targets for their dissatisfaction with society. Last year alone, 131 policemen were killed in criminal assaults, many of them unsuspecting officers carrying out routine patrol.

Likewise, hundreds of firefighters are killed each year while engaged in fighting fires. Seventy-nine percent of all our firemen are volunteers, who receive absolutely no compensation for giving of their time and effort protecting the homes and business establishments of their neighbors. We in Nassau County are almost entirely served by volunteer fire departments that perform their duties in an exemplary manner. Every year, several of our volunteers are tragically killed in the line of duty—most of them leaving grieving widows and small children. Existing death benefit payments for these volunteer firemen do not even cover burial expenses.

It is indeed gratifying that we are today recognizing that Government has an obligation to the families of these polilice and firemen who daily risk their lives to preserve peace and to protect the lives and property of others. This legislation has my wholehearted support, and I urge its passage without amendment.

Mr. FISH. Mr. Chairman, I yield such time as he may consume to the gentleman from California (Mr. MOORHEAD).

Mr. MOORHEAD of California. Mr. Chairman, I rise to support H.R. 11321. This bill, the Public Safety Officers Benefit Act, provides for a $50,000 gratuity payment to the survivors of a public public safety officer who dies from injuries sustained in the performance of his duties. I favor the enactment of this legislation for a number of reasons.

First, I think this is a small price to pay for the years of dedicated service which the public receives from these officers. Neither crime nor fires take holidays, and it is these public safety officers who spend their holidays and weekends seeing that the rest of us are protected.

Second, I believe this payment will enable the officers to serve more efficiently. Their minds will be free from some of the worries they must have as they think of the dangers they constantly face and wonder how their families would survive if they should fail to return from a mission.

Third, it will give the officers' families themselves a sense of being protected. Because of the high-risk jobs, a public safety officer is often prohibited from carrying an insurance policy that would provide education for his children, as well as security for both his wife and his children. At the very least, this gratuity payment will assure that their basic needs will be met.

In addition, the payment will allow the officer's family to be independent. The money they receive will be theirs to spend. They will not be forced to look to the county or to the State for their financial support. Their self-respect will remain intact.

All of these things should add up to "peace of mind" for the officer. I believe we owe him that much.

Mr. FISH. Mr. Chairman, I yield such time as he may consume to the gentleman from New York (Mr. GROVER).

Mr. GROVER. Mr. Chairman, I thank the gentleman from New York for yielding me this time.

Mr. Chairman, I too rise in support of this legislation. As the son of a man who was a policeman for 33 years, and a man who knew law and order firsthand, I am happy to support this measure.

Mr. Chairman, I may say that I, along with the gentleman from New York (Mr. BIAGGI), am a cosponsor of another piece of legislation which I think deserves the early attention of the Congress. It is the national law enforcement heroes monument legislation. I hope that the committee and the Members will get behind that legislation so that we can pass it to do true justice to the heroes in blue.

Mr. FISH. Mr. Chairman, I yield such time as he may consume to the gentleman from New York (Mr. SMITH).

Mr. SMITH of New York. Mr. Chairman, I thank the gentleman for yielding. I probably should not be speaking at this time. There seems to be a rush of people who have a lot of friends among their local police and firemen. However, when the time for amendment comes, when the bill is read for amendment, I am going to offer as an amendment H.R. 6449, which was one of the original bills introduced. Briefly, it differs from H.R. 11321 which we are now considering in that H.R. 6449, which I shall offer as an amendment, would pay the $50,000 gratuity to any public safety officer, including firefighters, who have been killed in the line of duty and the proximate cause of such death was a criminal act or apparent criminal act.

H.R. 11321 which we are now considering would pay the $50,000 gratuity to an eligible public safety officer who has died as a direct and proximate result of personal injuries sustained in the performance of duty. I suspect that, since there has been a considerable show of support for the gratuity, the Federal gratuity provided in H.R. 11321 to the local police and firemen, the chances of accepting my amendment are not very good; but at least I will offer it as a fallback position to some of those who may feel that the present bill goes too far.

Mr. McCLORY. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield to the gentleman from Illinois.

Mr. McCLORY. I thank the gentleman for yielding.

Mr. Chairman, I wish to indicate my support for the amendment that will be offered by the gentleman from New York (Mr. SMITH). The general and original intent and purpose of this legislation was and is very good. Through the amendatory process and by broadening the whole scope of this legislation we have gone beyond the original purpose. I think we have run the risk of not having any legislation at all.

Mr. Chairman, I intend to support the gentleman's amendment and hope, indeed, that the amendment will be adopted by the committee. If it is, I think we will have a good piece of legislation which will survive in the other body and also survive a possible veto. I urge the Members to give very thoughtful and careful consideration to it.

Mr. Chairman, I was pleased to sponsor H.R. 6449, one of the several proposals that the Judiciary Committee considered when reporting the bill now before us. The purpose behind the bill which I introduced was to provide a $50,000 Federal payment to the survivors of State and local public safety officers "killed in the line of duty as a result of a criminal act." Such legislation is needed, because of the growing risk of death that public safety officers, including firemen, face while carrying out their duties. In spite of the severe occupational hazards which confront policemen, firemen, correctional officers, and other public safety officials, many States have failed to provide sufficient death benefits for the survivors. For example, a study conducted in October 1970 reported only 18 States provided such financial assistance, and even some of those were inadequate.

Violent street crimes increased at an alarming rate during the decade of the 1960's. In addition, more deaths of safety officers have resulted from the premeditated design of violent dissenters who have chosen public safety officers as a symbolic target for demonstrating their dissatisfaction with society.

Mr. Chairman, while I have supported this legislation fully in the past, recently the scope of the legislation has been broadened considerably to apply to virtually all activities of public safety officers. In its broadened form, the legislation is bound to encounter serious opposition. The purpose of my bill was to provide payment in the form of a gratuity to survivors of public safety officers who died in the performance of a duty as the direct and proximate result of a criminal act. Criminal act as contemplated in H.R. 6449, would mean any crime under the laws of the United States, a State or unit of local government. Performance of duty contemplates all service within the scope of employment. On the other hand, the measure which I have sponsored was limited to an officer who is killed in the line of duty as the proximate result of a criminal act or apparent criminal act before eligibility attaches.

The bill we have before us today, however, adopts the "hazardous duty concept." This provision may be too broad and is not what was originally contemplated. It is not inconceivable that in this broadened form, individuals not associated with public safety may become eligible for benefits originally intended for a limited class of people.

Moreover, the effective date of October 11, 1972, might be questioned, particularly in view of the report that retroactive payments would cost approximately $26 million.

Mr. Speaker, I question the wisdom of this legislation in its broadened form both in terms of its retroactivity and future costs, even though I am in general agreement with the principle of this legislation. In supporting the amendment to be offered by the gentleman from New York (Mr. SMITH), I intend to act in a manner consistent with the original concept—to protect police officers against the hazards originally intended.

Mr. EILBERG. Mr. Chairman, I yield such time as he may consume to the gentleman from Hawaii (Mr. MATSUNAGA).

Mr. MATSUNAGA. Mr. Chairman, I rise in support of the measure.

Mr. Chairman, as a sponsor of similar legislation in the 92d Congress, I am pleased to express my support for H.R. 11321, the proposed Public Safety Officers' Benefit Act of 1974. The purpose of the bill is simply to provide widows of children of local police and firemen a measure of compensation for the tragic loss of their fathers and husbands in the line of duty. The $50,000 lump-sum payment authorized by the bill would be a small recognition of the acknowledged Federal responsibility to these survivors.

This is a familiar subject, Mr. Chairman. In 1971, I joined with more than a hundred other Members of the House in sponsoring legislation similar to H.R. 11321. The result in 1972 was House passage, by unanimous consent, of legislation providing benefits essentially identical to those in the pending bill. Conferees resolved differences between House and Senate versions of the bill, but due to insufficient time final action in the House was not taken.

The need for this legislation is seen in the statistics provided by the committee report: In 1973, a total of 131 local, county, and State law enforcement officers were killed in the performance of their duty as a consequence of felonious criminal action. This represented an increase of 19 over the number killed in 1972. In the first 2 months of this year, 15 law enforcement officers were killed.

In recent years, more and more violent dissenters have chosen public safety officers as symbolic targets for demonstrating their dissatisfaction with society.

Likewise, firefighters have been subjected to the violence of felons. In the 10 years between 1960 and 1970, it has been estimated that 790 firefighters died in line of duty.

Because of the increasing hazards which face public safety officers, and because many States have failed to provide properly for the dependent survivors of those killed in line of duty, morale and recruiting have become serious problems, with which the States need Federal assistance to cope. A Federal payment of $50,000 to the officer's survivors, as provided in the pending legislation should help to alleviate these problems. While money can never fully compensate anyone for the loss of life itself, it can at least help to ease the practical financial problems of the survivors. This prospect could in turn serve as an incentive for prospective recruits.

Inordinately high life insurance premium rates make it almost impossible for law enforcement and public safety officers to provide for their own private insurance.

Mr. Chairman, H.R. 11321 would fill an existing void at minimal cost, and I urge its passage.

Mr. EILBERG. Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts (Mr. DONOHUE).

Mr. DONOHUE. Mr. Chairman, I rise in supoprt of H.R. 11321.

Law enforcement and firefighting are 24-hour-a-day responsibilities.

At one time in the early development of this Nation, there was little doubt that crime was essentially a local problem and law enforcement was a local function, but today criminals and felons travel from city to city, from one State to another, with remarkable speed.

The function of law enforcement personnel is to help maintain the social order of our society, thereby insuring peace and tranquility for the citizen of this country. It is imperative, therefore, that we strongly support H.R. 11321.

I believe, Mr. Chairman, that when a State or local public safety officer is killed doing a job that is essential to the well-being of the whole country, the Federal Government has a responsibility to the survivors of that deceased person who died performing his essential duties.

The increasing rate of senseless crimes in recent years has aroused public opinion and has caused a reorganization of the tremendous responsibility assumed daily by public safety officers. Even today, published reports in the newspapers demonstrate that their already hazardous work is made even more difficult with new threats to their lives. Demands for more police protection are causing State and local governments to increase their recruitment programs.

Recruitment problems are aggravated by occupational dangers, low salaries, minimal benefits and long working hours. Law enforcement and firefighting are difficult and often frustrating and discouraging fields, but fortunately there are men and women who will undertake these occupations which serve the general welfare.

H.R. 11321 provides a $50,000 lump sum to the surviving dependents of a law enforcement officer who is killed as the proximate result of an injury sustained in the line of duty. Since the salaries of many police and firemen or individuals employed in crime prevention activities are not adequate, they fail to acquire the necessary life insurance to provide for their families should they face an untimely death. I reiterate that it is because of their unique value and the important services they provide that this minimal compensation should be provided to their surviving dependents.

Even in those States that have compensation programs, there is wide disparity in coverage and an individual officer may or may not be covered.

The men and women who put their lives on the line each day for the protection of society deserve no less than the assurance that their dependent survivors will be taken care of financially.

This is a good bill and I urge all my colleagues to rise in support.

Mr. EILBERG. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. Rangel).

Mr. RANGEL. Mr. Chairman, I rise in support of this bill. I recognize the very high test in personal courage that is required by so many members of the police and fire department. Coming from an area that is known for many of the fires because of the dilapidated housing, as well as an area that has been classified as a high-crime area, I cannot help but think about what must be running through the minds of the wives as very often their husbands leave, not knowing when they will return.

I know that all of us must have personally experienced in campaigns or in going back and forth from our districts to Washington many times when our children and our wives, or for the lady Members of Congress their husbands, have asked us: "When are you coming home?" And because of the campaign or because of our political responsibilities we cannot always give an answer to them. I do not know how it is handled by the wives of the dedicated people who are involved in firefighting and crime fighting, but it seems to me there must always be a heavy burden and a heavy worry as to whether or not the breadwinner will return.

There is no question in anybody's mind that the money we are providing for in this bill can replace the loved one who has given his life.

It seems to me all of us whether in the military or indeed in politics from time to time do have to display on occasion great courage. Fortunately for all of us those moments do not come very often. But we are asking these public servants to take on this responsibility on a basis of 24 hours a day duty, to go into places where crime is prevalent or to go into flaming buildings where children may be saved perhaps at the cost of one's own life. It is not asking too much to give that family some security so they will not need to go on welfare if they suffer a loss.

Some people believe we should restrict the method by which we pay as a result of death, but if the New York City rules were applicable in other areas of this country those people who are on duty 24 hours a day and who must respond would be covered. The firemen in the great city of New York endanger their lives by duties other than just firefighting.

I think this type of thing will encourage people engaged in these duties, so their widows will be protected, and it will give their families the type of security that all of us have to provide for our families, but this only goes a short way toward providing some of that security.

Mr. FISH. Mr. Chairman, I yield 5 minutes to the gentleman from California (Mr. Wiggins).

Mr. WIGGINS. Mr. Chairman, first, I too would like to pay my respects and extend my congratulations to the chairman of the subcommittee for taking a bad bill and making it a little bit better; but unfortunately it remains a miserable piece of legislation which is unworthy of the support of the Members of this body.

I am told that an "aye" vote is good politics and I judge by the Members who have rushed to the well to support the bill that there may be some validity to that observation; but in the long run, this is very bad legislation for the people of the United States and I urge the Members to swallow their political instincts and in this case vote for what is right.

This bill provides a $50,000 gratuity—a gift—to the survivors of State and local public safety officers who are killed in the performance of their duties. Without question survivors' benefits are part of the normal compensation package which an employer may owe to an employee. But we are not the responsible employers for State and local public safety officers. Our responsibility does not extend to these people and we should not instigate a brand new program, which at the outset is going to run only $17 million but which I assure Members will run a great deal more in the long run, unless there is ample justification for our intrusion into this area of local responsibility.

In doing for the State and local employees what is provided for in this bill, we are going far beyond what we do for our own employees. Take the military. I hope the Members will agree they are engaged in or may be engaged in hazardous activities. Do we give the survivors of our servicemen a $50,000 gratuity? We certainly do not. They have to pay for their insurance. They pay for it out of their meager pay. They can get national service life insurance if they buy it. Maximum benefits are $15,000.

We do not provide this gratuity to our FBI men. We do not provide this gratuity for our Secret Service men. Why in the world do we accept this responsibility with respect to others and deny benefits to our own employees?

Let me give you some of the rationalization for the bill. These are not reasons; these are rationalization. First of all, it has been alleged here this afternoon that this will in some way affect our fight against crime. Now, that is a totally specious reason. A bill that provides for death benefits for survivors has nothing to do with the prevention of crime. We ought to reject such a rationalization right at the outset.

It has been alleged that State and local governments are unable to take care of their employees in this regard. The cost of group life insurance which would pay a gratuity to the survivors of a police officer who is killed for the narrow reasons defined in this bill would be minimal.

We are talking about a pittance, not a significant sum, and well within the capability of every city and hamlet in this Nation.

It has been alleged that we owe this to the survivors of police officers out of sympathy for them. To pay benefits to such a category of survivors is a grossly irrational classification. Can we say that the family of a post office worker who dies of a heart attack in his bed, is entitled to any less sympathy than the family of a police officer? The widow of a deceased postal worker has all the problems of any other widow. The occupation of the deceased is irrelevant to the issue of sympathy or need.

Moreover, this bill is irrational in that it is unrelated to need. $50,000 is laid on the line in a lump sum to the widow of a police officer, even if there are no children, and even though she may remarry the next day, even remarry the man who shot her husband. It has nothing to do with the need of the beneficiary. That is an irrational classification.

It has been alleged that this will aid in morale and recruitment. We have had some experience with recruitment in this Congress. We have been trying to recruit an all-volunteer army and yet we have rejected an increase death benefits as an aid to recruitment. In fact, we have recognized that the best way to recruit firemen, policemen, soldiers and sailors, is to give them more pay.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FISH. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. WIGGINS. Mr. Chairman, that explanation is also irrational and, I might say, unsupported by the record.

When asked during the hearings what the State and local communities would do with the money if it were made available without strings, they did not say they would put it into death benefits; quite to the contrary, they said they would spend the money in a different way.

Now, having said that none of these rationalizations can explain this bill, what then is the reason for it? Well, it ought to be obvious. This is 1974. This is an election year. This is simply pure politics. That is the only reason for this bill. It was promised in 1972 by President Nixon and it is an illustration of gross over-promising by a candidate in an election year. To the extent that a commitment has been made to these people, it was a commitment that should not have been made and one that this Congress should not honor.

I urge a "no" vote on this unsound legislation.

Mr. EILBERG. Mr. Chairman, I yield 3 minutes to the gentleman from Alabama (Mr. Flowers).

Mr. FLOWERS. Mr. Chairman, I reluctantly follow the gentleman from California who makes sound arguments all the time. His arguments on this might be persuasive, indeed, except for one thing, that is the good that will be done by this bill.

I cosponsored this legislation, and I strongly support it. I ask my colleagues to support it as well.

Some of the arguments against this bill suggest that it is contrary to State's rights. It is said that we have the Federal Government invading what should be the province of State and local governments.

I would say to that argument, from whatever source it might come, that this is not an invasion of States' rights, that this is carefully drawn legislation which merely establishes, as has been said, a Federal gratuity to the surviors of law enforcement and fire officers who are killed in the line of duty.

It should not, in my judgment, Mr. Chairman, be restricted to those who are killed by criminal act in line of duty because there would create too much arbitrariness. The line of duty is the restriction that we have written into the bill, and the one that should prevail.

Mr. Chairman, the other main argument that has been advanced against the bill is that it is a terrible precedent and that we are opening an age-old Pandora's box to other legislation of this sort.

Mr. Chairman, it may be a precedent, but we break precedent here in this chamber almost daily. If we must break precedent in order to do a great good that we will do by passing this bill and putting it into the law, then let us break precedent in this instance.

Mr. Chairman, the great thing about this legislation is what can be accomplished with a small amount of money in terms of what we spend daily on a Federal scale. I am told that some 300 to 350 deaths occurred in the last fiscal year that would be covered by this bill. This would cost the Federal Government somewhere in the neighborhood of $17 million on an annual basis. I say that this is small payment indeed for raising the morale of public safety officers throughout our country.

Mr. Chairman, this is a chance for the Federal Government to do something to upgrade morale at that level. It is something that I do not think can be done by the local and State governments and probably would not ever be done. A Federal standard should be set by us here today in this way, by passing H.R. 11321.

During hearings in both the 92d and 93d Congresses, I was extremely moved by the extensive testimony received by the committee regarding the difficult economic situation confronting the dependent survivors of public safety officers who are killed in the line of duty. Often the grief-stricken widows and children of these officers are forced to rely upon public and private charities or even welfare following the tragic death of the family breadwinner.

Law enforcement officers regularly encounter human violence and danger and firefighters are continually engaged in extremely hazardous duties. As a result, these occupations certainly deserve Federal support and testimony before the committee established that a death gratuity would not only raise the morale of public safety officers but also assist in recruitment efforts.

Some have argued that the Federal Government should not be in the business of providing death benefits to State and local employees.

In response, I wish to state my firm belief that this legislation will not, in any manner, interfere with State and local affairs nor affect the operation of non-Federal public safety programs. The gratuity approach embodied in this bill has been carefully drafted to preclude any unwarranted intervention into local matters. In fact, it is intended to supplement, rather than displace or preempt, local efforts to solve this serious, human problem. I wish to emphasize that the committee has given careful and detailed consideration to this legislation—including numerous days of hearings and markup sessions—in order to perfect the language of this bill.

The primary purpose of this legislation is to meet the immediate financial needs of the officers' survivors and to assist them until they are able to economically adjust to the death of the breadwinner in the family. The needs of these individuals are not presently being met by State and local programs and I believe it is most appropriate that the Federal Government provide this measure of assistance. The committee has reported this legislation after considering several other proposals—group life insurance, disability benefits, extension of Federal employees compensation benefits—and I am convinced that the bill is the most equitable and workable system that could have been devised.

This bill represents a partial payment of the great debt which we owe to public safety officers for the invaluable services and protection they provide.

While detailed consideration has been given to the inadequacies of the process by which our legal system deals with criminals, too often little attention is focused on the men and women who are responsible for enforcing our laws and preserving public safety. As a result of the dedicated services of these individuals, we are all able to live a little more peacefully, safely and comfortably in today's turbulent society.

The difficult job of a public safety officer requires that certain duties be performed without regard to his own personal safety and this officer deserves to know that his family will be provided for in the event of his death. In short, if we expect these hard-working and loyal men and women to put their lives and safety on the line, day after day, then the least we can do is to provide some degree of financial security to their families.

Mr. Chairman, I urge my colleagues to support this worthwhile legislation which recognizes in a practical manner our appreciation for these individuals who daily risk life and limb in order to enforce our laws, protect our homes and businesses from fires, and maintain order in society.

Mr. EILBERG. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. BIAGGI).

Mr. BIAGGI. Mr. Chairman, I appear as a cosponsor of this legislation. It has been a piece of legislation that I have been working for during the last several years. It is one that I am grateful to have been part and parcel of.

Mr. Chairman, I offer not simply my experience as a Member of the Congress, but my experience of 23 years as a police officer. It astounds me that here we are on the floor of the House of Representatives with our colleagues articulating opposition to a bill that could produce so much gratuity, if you will, compensation, if you prefer to use that term, or whatever name you choose to call it.

Mr. Chairman, it is the satisfaction of a moral compulsion. I have attended funeral after funeral which public officials have attended, and they wept those crocodile tears and they voiced those sermonlike mouthings. They have given condolence to the widow and the family and walked away to do their daily work.

Mr. Chairman, they had opportunity through their own local legislative bodies to provide assistance. They chose not to. Here we are: For whatever reason, the localities are unable, or the localities are unwilling, it is of no moment.

Jurisdiction—hogwash. We have transcended jurisdiction in this Congress since time immemorial. In the field of civil rights—every State should have done it; every locality should have done it. They did not. The Federal Government interceded. As for the minimum wage, the local governments should have done it. They did not. The Federal Government did it.

LEAA, the Law Enforcement Assistance Act, does it every day. There was an illustration that really does disservice to the gentleman from California, although I respect him greatly—that the widow may well marry the man who killed her husband.

Mr. Chairman, that is hardly an argument to offer against a bill that deals with so grave a situation. And it is a grave situation. If that be the case and we must refer to such an isolated incident, it is not sufficient reason to kill this bill.

The bill is a good bill. Is it good politics? Sure, it is good politics.

Is it good human relations? Sure, it is.

The gentleman from California impugns my colleagues who rose in support of this bill. He said, "That is the reason they rose. It is good politics."

Mr. Chairman, it is good sense, it is humanity, it is compassion, it is judgment, and it is justice at last arrived at here in the House of Representatives, the greatest forum in the United States. I urge each and every one of the Members to vote for passage of this bill as it is, with no amendments.

I will say to the Members that I represent the will and the sentiment of policemen, of firemen, of correction officers, of parole officers. Yes, I would like to talk about auxiliary police, too. I predicted one day that auxiliary police would be killed. Two of them were killed a month ago in New York City. Who are they? They are citizens who give their time to law enforcement. They are given uniforms by the city, and they go out hour after hour and patrol without guns.

To say the job of the public safety officer in this Nation is a hazardous one, is almost a crude understatement. Statistics in their cold way bear out the true extent of this fact. So far in the short time 1974 has been upon us, 34 law enforcement personnel have already been killed, the most recent being a policeman killed over the weekend in Flint, Mich. These tragic figures come on the heels of the 1973 figures, which showed the largest number of law enforcement personnel, 131, killed in the line of duty. Overall, our law enforcement deaths have risen over 200 percent in the last 10 years.

While these statistics point out the extent of the problem numerically, they do not even begin to explain the suffering and anguish endured by the families of these men. They cannot explain how a happy and proud wife and family suddenly—by virtue of an assailant's bullet or knife, find themselves perched at the brink of poverty with no assistance forthcoming. I have seen it happen, and oftentimes feared what might have happened to my own family, had I been murdered while a policeman. I carried this concern with me when I entered the Congress, and this legislation today represents the culmination of this personal commitment and concern. This legislation goes right to the heart of the problem. No longer is it enough for us to bestow awards on the grief stricken wives and children of these men. Rather, we need to express our appreciation in more practical terms, and this we can do by passing this legislation which will provide financial security to these individuals.

What this bill will do is provide a $50,000 lump-sum death benefit to the surviving dependents of public safety officers killed as a result of personal injuries sustained in the line of duty. This represents the kind of realistic financial commitment we need to provide these individuals if they are to survive this difficult time.

The issue of what constitutes a public safety officer was a subject of intense controversy during the hearings which were conducted on this legislation this past summer. I am pleased that the final bill which emerged covers the problem most comprehensively by providing benefits for the following: policemen, correctional officers, firemen, volunteer firemen, prison guards, probation and parole authorities.

It astounds and offends me personally that there are so many objections being leveled at this bill. To quibble over questions of jurisdiction, and retroactivity represents an inexcusable insult to the thousands of public safety officers who have so patiently awaited our actions on this bill. Do we act responsibly on this bill, or let it die in a maze of frivolous technicalities?

How can this same Federal Government which is willing to assist those in this country who would rather be welfare parasites than contributors, be reluctant to provide the widows and children of men who risked their lives working to enforce the laws of this land, with financial assistance? Let us not again demonstrate our sense of distorted priorities.

I have long been outraged at the "second class ciitzenry" status which law enforcement personnel are afforded in this country. They find themselves denied the same rights which they are supposed to protect for other citizens. A good case in point can be seen in the following example.

Several days ago, I was honored by the International Conference of Police Associations for my work on behalf of policemen, as a conferee on the minimum wage bill—which recently was signed into law by the President. I was literally stunned at the level of gratitude and appreciation expressed to me by these men, on an issue which I feel should never have been a source of controversy, namely including policemen in the overtime provisions of the bill. I was both appalled and disheartened at the struggle which took place over this issue in conference, especially in light of the fact that other segments of the population were unquestionably granted this protection under the law.

My fellow colleagues, we are confronted today with a challenge, a challenge aimed at correcting years of neglect and injustice to our public safety officers. It is time for action on the part of those in the House who are willing to heap high praise on law enforcement personnel as they are being lowered into the ground, but grown strangely silent when given an opportunity to provide a meaningful show of gratitude.

Mr. Chairman, I wish to take this opportunity to commend the gentleman from Pennsylvania (Mr. Eilberg) for his outstanding work on behalf of this bill. Thousands of policemen are grateful for his efforts. I have enjoyed the opportunity to speak on behalf of my brothers in law enforcement. I salute them, I praise them, and I thank them for the excellent work they do. While it is true that not all of you will have the opportunity to speak, there is one way in which you can make your voices heard in support of law enforcement, that is by voting for passage of this bill. Let us make this a banner day for public safety officers across this great Nation. I implore you to vote for this bill not only for the sake of those it will benefit, but also for the millions of Americans who feel it is high time that we in the Congress begin to meaningfully support and assist the brave dedicated men and women of law enforcement who so ably serve the interests of this Nation.

Mr. FISH. Mr. Chairman, I yield 3 minutes to the gentleman from Maryland (Mr. Hogan).

Mr. HOGAN. Mr. Chairman, while the fight to halt crime is being waged, something must be done to protect the families of those who daily risk their lives in the line of duty.

Recognizing the above situation, I have cosponsored the bill before this body, H.R. 11321, which provides benefits for the survivors of public safety officers killed in the line of duty. The legislation is premised on the fact that there are certain dangerous, high-risk activities associated with law enforcement and firefighting and it is in the national interest to compensate the widows and children of police and firemen killed in the line of duty.

As a member of the District of Columbia Committee during the 91st Congress, I supported a measure which instituted a similar benefit for the dependents of District of Columbia police officers killed in the line of duty. The proposal for the District of Columbia is now a provision of Public Law 91-509.

Because of the disparity in survivors' benefits throughout our 50 States, I think it is fitting that the Federal Government provide this payment to the families of these police officers who have made the supreme sacrifice for their fellow men. This stipend would serve as a floor for survivors' benefits and would be in addition to any other benefits due the family. Because the security of the United States is involved in attacks on police officers, I think there is ample justification for Federal legislation in this area.

The public safety officers of this Nation are in dire need of a boost of morale and there is no better way that this could be accomplished than by having the Congress enact the legislation presently before this body.

I am sure that this would bring back to the firefighter and police officer the feeling of being needed and of being appreciated by those people whose lives and property they strive daily to protect. I feel positive that the benefits derived by the people of this Nation from the enactment of such legislation would far offset the cost factor involved.

The $50,000 benefit legislation is, I think, necessary to encourage people to come into police work and fire work. It would give assurances that his or her survivors would be adequately protected in the event of his death.

I am hopeful that this legislation would indicate to these families and officers that most Americans do care and that, as a society, we are grateful that there are men and women who will take the ultimate risk in order to protect our society from criminals.

Mr. Chairman, the dangerous situation that exists for public safety officers is a national crisis which calls for congressional action to provide for some type of compensation for those who are called upon, by us, to sacrifice both life and limb. Most of the attacks and injuries occur against local and State public safety officers. Bullets do not discriminate. The irrational, misguided individuals who, in their blind hatred or fear lash out at public safety officers, do not discriminate between Federal and non-Federal officers in their assaults. The time has come for this Congress to reflect the feelings of the people of this Nation by providing compensation for the families of these courageous protectors of our society.

Mr. Chairman, I wish to associate myself with the remarks of the gentleman from New York (Mr. Biaggi). The gentleman very eloquently answered some of the arguments made against the legislation and fostered by the gentleman from California (Mr. Wiggins). I would like to address myself to some of the others.

The gentleman from California said that we do not do this for FBI agents or for other Federal officers. Although this is not completely erroneous, it does, I think, confuse the issue because under the existing law, in the event of the death of a Federal public safety officer, the officer's widow receives 45 percent of the deceased officer's monthly pay as long as she lives, that is, if she has no children. If there is a child or if there are children eligible for benefits, she would receive 40 percent of the monthly pay and each child would receive an additional 15 percent. The possible benefit that she could get is 75 percent of her husband's salary with no limit on the number of years she would receive this money. This is far more generous than what we are proposing in this legislation today.

Mr. Chairman, the gentleman from California said that this would not aid in recruitment. Although I do not mean in any way to degrade the gentleman's knowledge of police or fire work, the subcommittee did receive substantial testimony during its hearings that this would in fact aid in recruitment and would provide a lift in morale for officers throughout the country. If the potential public safety officer knew that he or she would be protected in the event of his or her death, and that their survivors would be protected, it seems only logical that this would help in recruiting.

I think that is only commonsense.

The gentleman from California also asked, "Why do we not use insurance as we do with our military personnel?" Well, the fact of the matter is that legislation is pending before the Congress which would set up such a plan, but the cost of administering an insurance program would exceed the payments anticipated under this bill.

Mr. Chairman, this very week the administration wrote a letter to the Committee on the Judiciary opposing enactment of the Senate bill, S. 33, which would assist the States in providing group life insurance for public safety officers. In that letter the administration reaffirmed its support for a $50,000 gratuity as a more acceptable alternative. The administration does not specifically support this bill in its present form, but it does favor the $50,000 payment.

Mr. Chairman, at this point I include the letter, dated April 22, 1974, from the Assistant Attorney General to the chairman of the Committee on the Judiciary:

Department of Justice,
Washington, D.C., April 22, 1974.

Hon. Peter W. Rodino, Jr.,
Chairman, Committee on the Judiciary, House of Representatives, Washington, D.C.

Dear Mr. Chairman: This is in response to your request for the views of the Department of Justice on S. 33, the proposed "Public Safety Officers' Group Life Insurance Act of 1973."

The purpose of this legislation is to establish a group life insurance program for State and local law enforcement officers with the major risks being assumed by compensated commercial insurance companies. Under the terms of the bill, the Administrator of the Law Enforcement Assistance Administration may determine the amount of the Federal contribution to the program, but not in excess of one-third of the cost for each officer's coverage.

There is presently no Federal insurance program for local law enforcement personnel. However, in March, 1973, the Attorney General submitted to the Congress draft legislation to provide for a $50,000 death benefit for families of police officers killed in the performance of duty. This was introduced as H.R. 6449.

We are strongly opposed to enactment of S. 33. The lump sum provision of H.R. 6449 would be easier and less expensive to administer. Studies have indicated that the annual cost of administering S. 33 would be in excess of 20 million dollars. Moreover, there are existing group life insurance plans available to police officers, and there is no existing impediment to the expansion of this concept at the State and local level. The Administration's bill would provide a type of compensation that is not always available from other sources. The $50,000 death benefit would establish a floor, on a national basis, to the benefits which would accrue to the survivors of these public safety officers.

The Office of Management and Budget has advised that there is no objection to the submission of this report from the standpoint of the Administration's program.

Sincerely,
W. Vincent Rakestraw,
Assistant Attorney General.

Mr. WIGGINS. Will the gentleman yield?

Mr. HOGAN. I yield to the gentleman from California.

Mr. WIGGINS. Is it not a fact that the benefits payable to the survivors of an FBI agent are paid for in part by the agent himself?

Mr. HOGAN. That is only partially true. I think we are talking about two different things. There is an insurance plan——

Mr. WIGGINS. To which he contributes.

Mr. HOGAN. Yes, for which he pays premiums, but all Federal employees receive under the Federal Employees Compensation Act a certain percentage of their salaries are continued to their widows and surviving dependents for life.

Mr. WIGGINS. But they pay in for that.

Mr. EILBERG. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio (Mr. Seiberling).

Mr. SEIBERLING. Mr. Chairman, I rise in strong support of this legislation. I want to commend the distinguished chairman of the Subcommittee on Immigration, Citizenship and International Law (Mr. Eilberg) for his excellent leadership in the field of public safety officers' benefits. His grasp of the complex issues has been a source of satisfaction and inspiration.

I also want to commend the distinguished chairman of the Judiciary Committee (Mr. Rodino) for his continued commitment to this legislation and to improving the life of public safety officers and their families whenever possible. A year and a half ago, I served with the gentleman from New Jersey on the Conference Committee which approved a public safety officers benefits bill in the final days of the 92d Congress.

That bill should be law today. The House overwhelmingly had approved a version of the bill, as had the other body. Unfortunately, there was an objection raised to bringing up the conference report in the House on the last day of the 92d Congress, so the bill was not finally approved.

Since that time in October 1972, at least 189 policemen have been killed in the line of duty, and at least 123 firemen have been killed fighting fires. Just 4 days after the adjournment of the 92d Congress, a patrolman in my district was shot to death in a struggle with a traffic offender who was being sought in connection with another crime. That policeman left a pregnant wife. Altogether, Ohio has lost 8 policemen and 10 firemen since October 1972. I can show every Member how many public safety officers in his State have died since that date.

That's why this bill has a provision making the coverage retroactive to the date the House originally passed the predecessor to this bill. Both Houses had clearly expressed their wills, and I think that it would be very unfortunate for Congress to turn its back on the families of those policemen and firemen who have died in the line of duty since October 1972.

Now, Ohio, unlike some States, provides for survivors of slain policemen and firemen, because it awards workmen's compensation. In Akron, we have a "Blue Coat" organization, which is similar to the "100 Clubs" which some other cities have. These organizations receive periodic contributions in the form of dues of the members, and whenever a policeman is killed or wounded they assist his family immediately. They do what they can to make sure that financial problems are not part of the personal tragedy the family faces. The work of these organizations is highly commendable, but many cities and smaller communities do not have such an organization. And that points to one of the major reasons for the legislation—the fact that there is no uniformity and that some families are left out in the cold world without any help, despite the willingness of the policemen and firemen to risk their lives daily to help other people.

But we should not leave to the possibilities of private charity the provision of essential incentives for effective law enforcement. When we passed the Omnibus Crime Control and Safe Streets Act, we recognized that crime and effective law enforcement are national problems.

There have been threats of urban guerrilla warfare for several years, and the fears have been renewed by a note claiming to be from a member of the "Symbionese Liberation Army" threatening the lives of policemen. Whether or not that note reflects the views or tactics of the SLA, it does remind us that policemen are prime potential targets of urban violence. While they may be willing to risk their own lives, the lack of adequate protection for their families will certainly cause many law enforcement officers to reevaluate their situation to decide whether to remain on the force or seek other employment. If there ever are renewed killings of policemen and firemen, as occurred in the troubled years of the late 1960's, there are likely to be wholesale resignations by law enforcement officers, caused in part by the inability of policemen and firemen to adequately provide financial security for their families in the event of their death.

The Subcommittee on Immigration, Citizenship, and International Law heard testimony to that effect by several witnesses. Mr. John Cassese, president of the National Union of Police Officers, AFL–CIO, had this to say:

> Would such a bill increase the recruiting of policemen? The answer is "yes". However, it is difficult to say to what degree. When an applicant decides to become a policeman, you can rest assured that he looks at all aspects of the job (i.e. salary, working conditions, fringe benefits, etc.). Years ago, a young recruit wasn't concerned with death benefits because he was young and healthy, and death was the furthest thing from his mind. However, today, the policemen's job is much more dangerous what with ambushes, snipers, etc. Thus, a meaningful death benefit would make a substantial difference in recruiting a potential policeman.

I have been told by Lt. Robert George, national trustee for the Fraternal Order of Police for Ohio, that young people considering a career in the police are very concerned about the pension programs and about any programs to take care of their families in the event they are killed in the line of duty. Lieutenant George believes that a Federal survivors' benefits program would be an important factor in the recruitment and retention of policemen.

Accordingly, while one purpose of the legislation is to assist the families of public safety officers who die in the line of duty, a second purpose is to assist our State and local governments in recruiting and retaining highly qualified personnel. Only a small percentage of the families of policemen and firemen will ever receive the gratuity under this program, but the program tells every policeman and every fireman that the Federal Government will protect his family from financial disaster in the event of his death.

Every American has an interest in having our police and fire departments manned by the best personnel possible. With top notch public safety officers, State and local governments will be able to fight crime more effectively and they will be able to minimize the loss of life and property as a result of fires.

The importance of this bill was recognized last year by the National Advisory Commission on Criminal Justice Standards and Goals. The Task Force on Police recommended that Congress enact legislation authorizing benefits to the survivors of State and local law enforcement officers killed in the performance of duty.

Mr. Chairman, the bill is intended to apply to all policemen and firemen, whether paid or volunteer, and whether regular or reserve. It is intended to cover prison guards, corrections officers, and certain other public safety officers, as the gentleman from Pennsylvania (Mr. EILBERG) has indicated. I think that there would be a very strong presumption of coverage whenever a public safety officer dies as the result of a criminal act. It is my belief that National Guardsmen would be covered if they die in the line of duty while acting as a State law enforcement arm. But in every case there is an important limitation; that is, that the law enforcement personnel must be engaged in a dangerous or potentially dangerous activity in line of duty. Clearly, the mere fact that a person is a public safety officer on duty is not such an activity. His particular duty must be more than usually hazardous.

Certainly it is entirely appropriate for LEAA to make determinations of eligibility in specific cases within the guidelines laid down in the act.

This is a carefully drawn bill. It will serve the national need for more effective law enforcement. Two years ago the House expressed its will and passed the predecessor bill. It is time we made good on our expression of intent and passed this bill.

Mr. FISH. Mr. Chairman, I yield 4 minutes to the gentleman from Indiana (Mr. DENNIS).

Mr. DENNIS. Mr. Chairman and members of the Committee, it so happens that I spent 4 years as a State's prosecuting attorney, approximately 1 year as a military prosecutor, and I have also done some criminal defending, and in all these cases I have worked closely with police officers, and I like police officers, and I respect police officers, and I have every admiration for the type of work they do. So I hope that nobody will say that because I am opposed to this bill, which I think is completely unsound legislation, that I am opposed to police officers. I am not. They are great people.

But that does not have a great deal to do with what we are talking about today.

Paying the survivors of local police officers benefits is not the proper job of the Federal Government. The local and State governments which employ those police officers ought to take care of that, and they can take care of that. Any State or city that is entitled to have a police force at all has got money to take care of that, and they ought to do it. If they do not do it, it is a reflection on them, and the police people ought to go to those local people and see to it that they do do it.

There is no excuse, really, for coming in here for what is properly a State and a city responsibility

The danger of this is that it is a step toward—although not maybe a big step—but it is a step toward the federalization of our police, because when you hold the purse strings you are the boss. That is something I am opposed to. Every Member of this body, liberal or conservative, ought to be opposed to it, too.

In addition to that, Mr. Chairman, this is far too broad a bill. It does not confine it to death from fighting crime or death from fighting fire; it includes any death in the performance of a duty which the Administrator has determined is potentially dangerous—whatever that means.

Mr. BIAGGI. Mr. Chairman, will the gentleman yield?

Mr. DENNIS. Not just at this minute, because of the briefness of the time that has been allotted to me. Otherwise I would yield to the gentleman.

Further, Mr. Chairman, there is no standard in here to guide the Administrator. I question if that is even a constitutional provision. The bill is discriminatory because, as it has been pointed out here, the policeman who dies in bed, that man's wife is just as entitled to help and sympathy as the wife of a man who dies fighting crime or fighting a fire.

The soldier or the Federal official is more our responsibility than the local policeman.

Finally, and most unusually, this is not prospective like legislation usually is, and ought to be—it is retroactive to October 11, 1972, for some reason. Look, I have lots of policemen who were killed in my State early in October 1972, and in September, 1972, or in 1971. What in the world is the excuse of taking an arbitrary date like that, and giving everybody thereafter $50,000, and then excluding the people who died before?

That is the kind of bill that this is.

It is an unsound bill. It is unsound in political theory, in economics, in logic, and because it is preferential and unfair. Therefore I am against the legislation.

Mr. FISH. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois (Mr. RAILSBACK).

Mr. RAILSBACK. I would just like to add how pleased I am the House is now considering H.R. 11321, legislation I have sponsored to provide a $50,000 death gratuity to the survivor of public safety officers killed in the line of duty. This bill is based upon the premise there are inherent dangers in being a public safety officer, and these officers should not be asked to run the ultimate risk of society's security if that same society is not genuinely concerned about them and their families.

Between 1961 and 1973, more than a thousand police officers died in the line of duty. In 1973 alone, 134 police officers lost their lives while fighting crime. Most of these individuals were in their mid-20's at a time when family responsibilities are great and savings are low.

Between 1960 and 1970, nearly 800 firemen died while fighting fires. The Department of Labor now lists firefighting as the most hazardous profession in our country. Social strife and civil disorders have also created new hazards for firefighters. In recent years, these men have become the targets of sniper fire and the victims of physical violence and harassment while trying to do their jobs.

Correctional personnel are still another group of public safety officers who are exposed to dangers in the performance of their duties. The violent outbreaks at Attica and San Quentin all too well dramatize the risks such men must take. In 1971 and 1972, 20 correctional officers were killed.

The families of these professional men and women are left heartbroken and virtually alone with all the major financial problems which tend to snowball when the breadwinner dies. Since public safety officers are often underpaid, their families are seldom assured of financial security if they meet an untimely death.

Despite this fact, many States do not provide sufficient death benefits to the survivors of public safety officers. Eighteen States provide no financial assistance at all, and the benefits that are extended in other States are woefully inadequate.

I believe we must demonstrate our appreciation for the services the public safety officer renders, and must take up our responsibility to his family who will be so tragically affected if he should die while performing his duty. Passage of H.R. 11321 will assist in fulfilling our obligation to those brave men and women who daily risk their lives in order to do something meaningful about crime and safety in our country, and to their families who provide them with such vital support. I urge immediate enactment of H.R. 11321.

Mr. FISH. Mr. Chairman, I yield 4 minutes to the gentleman from New Jersey (Mr. HUNT).

Mr. HUNT. Mr. Chairman, I rise in support of H.R. 11321. I believe I can say at the outset that I am the senior member of the former law enforcement group that is sprinkled throughout this House when all our Members are present. I have put in some 30-odd years in the field of law enforcement, and I just simply cannot understand some of the statements that have been made here today.

I rose from the ranks of a young trooper in the New Jersey State Police to the commanding officer of the best criminal investigation section the State ever had, in my estimation, and with some of the greatest fellows I ever worked with. I wonder how some of my colleagues would feel today if they were me in 1932. My partner, a young gentleman by the name of Francis O'Brien, a member of the New Jersey State Police with 2 years of service, married, with a young son, went into a dwelling fire, sustained injuries, and as a result died a few years later, leaving a widow with his child to raise. The insurance was very meager. Insurance in the State police comes at a high premium in a group form. That was very shortly exhausted because from that meager insurance money that she received, she had to bury her husband.

As a result, a fund was formed in the New Jersey State Police by troopers on the road who still contribute to the expenses of the widows and children so that their children might receive a comparable education with that of the ladies and gentlemen who are Members of this House.

We contribute to it personally. We have no other way of performing an act of financial assistance to the family of the deceased trooper.

How many of the Members here have ever ridden in a police car and had a partner killed alongside of them, and had to go tell his wife with three children what happened, and then help to buy food for those kids for the next 2 or 3 months until the insurance check came?

My colleagues simply do not know what they are talking about. They are speaking of $50,000 as though they are speaking of the foreign aid bill, as though they are speaking of something in a budget. They come to this Chamber and vote for a Federal ceiling of $380 billion, and keep on raising the price by spending more money for incidentals so they can pay out next year $29 billion in interest for the money they spent. And then they begrudge the widow of a policeman or a fireman who has given his life in the service of his community or his State a mere pittance of $50,000. They should be ashamed of themselves.

Some call this a miserable bill. I do not call it a miserable bill. Let me tell the Members there about other people in this world. There are two kinds of peculiar people I have met. One kind are the men who get up early in the morning and go duck hunting hoping for rough weather. The others are those men who get up all hours of the night, who work all hours of the day in all kinds of weather, to fight fire in their neighbors' homes and communities, who are known as volunteer firemen, who do not get 10 cents remuneration for their jobs nor for the way they sacrifice themselves for the general public. Yet there are firemen in this country who are volunteer firemen. They are a strong breed—they deserve more credit than they get.

The Members talk about getting a volunteer Army. Try to get a volunteer fireman today. My colleagues must be out of their cotton-picking minds to deprive their families of $50,000 in case of their death while performing an official duty.

I cannot think of anything better than this particular bill today. I intend to fight any and all amendments on this floor, from personal knowledge as to what has occurred in the ranks of policemen and law enforcement officers and firemen. Today I intend to fight any change anyone tries to make.

How many Members in this room, except a few of us, have ever faced a man with a knife or been shot off of a ladder with fire? Think carefully and support the bill, H.R. 11321.

Mr. Chairman, I cannot further indicate how strongly I feel about this bill.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FISH. Mr. Chairman, I yield one-half minute additionally to the gentleman.

Mr. HUNT. I thank the gentleman for yielding.

Mr. Chairman, I cannot tell you how strongly I feel about this measure. I am the sponsor of a bill exactly the same as this with a different number. I could not testify before the committee because they moved their quarters for the meeting of their hearings and did not notify me. But today I have had my say on the floor and I urge all Members to support the bill in its entirety without any amendments.

Mr. EILBERG. Mr. Chairman, I yield to the gentleman from Massachusetts (Mr. BURKE) such time as he may consume.

Mr. BURKE of Massachusetts. Mr. Chairman, I rise in support of this legislation that recognizes the great sacrifices made by our law enforcement officers in our Nation and also our firefighters. In 1973, a total of 131 local, county, and State policemen were killed in the performance of duty as the result of felonious criminal action. These men and women put their lives on the line every day. During recent years an increasing number of public safety officers have died as a result of the premeditated design of violent dissenters who have chosen them as symbolic targets for demonstrating their dissatisfaction with society. The policeman is in the front lines protecting the lives and property of the American people.

During the year 1972, 170 firefighters died in the line of duty. Furthermore, it has been officially determined by the Department of Labor that firefighting is now the most hazardous profession in the United States.

I support the committee's recommendation that the sum of $50,000 should be provided to meet the immediate financial needs of the officers' survivors. I also support the committee's recommendation upon a showing of need and in a case where a benefit will probably be awarded, that an interim benefit payment not exceeding $3,000 be awarded to assist the individual during this time of hardship. Such an interim payment will be deducted from the final amount if and when awarded.

In addition to providing direct financial compensation to the families of deceased officers, testimony before the committee indicates that this legislation will also significantly increase the morale of law enforcement personnel and will greatly assist State and local governments in their recruiting efforts.

This is no time for our Federal Government to be scrimping in the area of Federal expenditures. When one stops and thinks of the billions of dollars that are spent in foreign aid, when one stops to think about the billions of dollars that multinational corporations save through tax loopholes, then in all good judgment we should do something for those in America who lay down their lives for their fellowman.

I respect and honor the law enforcement officials in our Nation. I hold in the highest esteem our firefighting forces of our country. I support this legislation and conclude by saying it is long overdue.

The CHAIRMAN. The gentleman from Pennsylvania has 1 minute remaining.

Mr. EILBERG. Mr. Chairman, I yield the final 1 minute to the gentleman from California (Mr. DANIELSON).

Mr. FULTON. Mr. Chairman, as a cosponsor of this legislation for the 92d and 93d Congress I would like to express my gratification over the fact that the House is going to vote on the matter today. This day has been long in coming and is, for me, most of our colleagues, and the public safety officers and their families of this Nation, most welcome.

On this occasion I will make my remarks brief because I believe this legislation speaks for itself in justification of need while human understanding really obviates the necessity for explicit justification at all.

In reporting out this legislation the Judiciary Committee stated society has a moral obligation to compensate the families of those individuals who daily risk their lives to preserve peace and protect the lives and property of others. What more need be said.

Hopefully the benefits offered by this legislation might never be drawn upon. Realistically, however, we know that there are tragically too many widows and surviving children who desperately require them right now.

Mr. Chairman, nothing can compensate these unfortunate survivors for the loss they have suffered, a loss which is felt and shared by society at large. However, this bill can and will provide at least some monetary compensation for these persons and I respectfully urge its passage.

Mr. STEELE. Mr. Chairman, I would like to join in supporting H.R. 11321, legislation providing authority to LEAA to make $50,000 payments to surviving dependents of certain public safety officers slain in the line of duty. As a cosponsor of almost identical legislation, I feel this bill is of particular importance to our Nation's dedicated servants who daily lay their lives on the line to protect the public from the dangers of crime and fire.

Specifically, the bill would cover policemen, correctional officers, prison guards, probation and parole officers, and officers in programs dealing with juvenile delinquency and narcotic addiction, as well as full-time and volunteer firefighters. In the event of death while in the performance of their duties, the family of a slain officer would receive an interim benefit payment of $3,000 with a final award of $50,000 to meet the immediate financial needs and cushion the hardships sustained by the dependents.

As my colleagues have so clearly demonstrated, this legislation is of great importance to the thousands of law enforcement officers who place their lives in jeopardy regularly as part of their dedication to public service, and I want to wholeheartedly endorse this viewpoint. At the same time, I believe the extension of the bill's benefits to include firefighters deserves special mention.

All of us know instinctively how great the dangers of firefighting are. The statistics clearly show that firefighting is the most dangerous profession in the country. For example, during 1972 firefighting took the lives of 170 men. This is a rate of 87 accidental work deaths per 100,000 workers—the highest rate of any occupation.

Yet all too often Congress has overlooked our Nation's fire service. While our attention has been focused on the crime rate, with Congress generously providing needed financial assistance to law enforcement agencies amounting to $1.6 billion from 1969 through 1972, we have tended to neglect the sacrifices and unselfish dedication members of the fire service have shown. However, with this bill and with the Fire Prevention and Control Act, which is scheduled for House action tomorrow, we are about to turn the corner.

Since I introduced the first comprehensive fire prevention and safety legislation in February 1972, I have frequently spoken out about the need for the Federal Government to use its resources to help our Nation's fire service keep pace with the dramatic and rapidly changing nature of the fire problem. To meet the new challenges, the fire service needs new, innovative equipment as well as special training and educational programs, and these are the goals behind my fire package and the major fire bill we will consider tomorrow.

However, the most exotic equipment and advanced training programs are not enough. What the fire service needs most of all is men. Men dedicated to preserving life. Bold, imaginative men to maintain the "esprit de corps" and pride so essential to the fire service. This is where the bill before us now—the Public Safety Officers Benefits Act—is so important. I am confident that, by showing our firefighters how concerned Congress really is about their welfare, this bill will build morale among firefighters and will serve to assist greatly in recruiting efforts.

Moreover, we should not overlook the needs of rural and volunteer fire departments and the increasing difficulty they experience in attracting volunteers. Many volunteer fire departments are hard pressed to obtain adequate operating funds. Yet, because of continuing urban expansion, these fire departments are having to use the bulk of their funds for purchasing new equipment or enlarging existing stations. With a new pumper costing at a minimum of $30,000, many volunteer fire departments simply cannot afford the additional financial burden of providing group life insurance. This bill provides a solid backstop in cases such as these.

I feel strongly that Congress does have a responsibility to provide incentives needed to maintain strong, responsive firefighting organizations—and strong crime detection and prevention agencies. This bill is a sound step in that direction.

Let me also point out that legislation similar to the Public Safety Officers Benefits Act has already been approved by the House. On October 11, 1972, by unanimous consent, we accepted a similar bill, only to see our efforts short-circuited when Congress adjourned before considering the conference report.

I urge my colleagues to join me in voting for this important and meaningful bill.

Mr. OWENS. Mr. Chairman, as a cosponsor of H.R. 11321 and a member of the Judiciary Committee, I urge my colleagues to join me in support of the Public Safety Officer's Benefit Act of 1974. This legislation provides a $50,000 Federal payment to the surviving dependents of public safety officers who die as the direct and proximate result of personal injury sustained in the line of duty.

In 1961, a total of 37 local, county, and State public law enforcement officers were killed in the performance of their duty as a result of felonious criminal action. In 1973, 131 officers were killed. It has been estimated that 790 firefighters died in the line of duty between 1960 and 1970.

Public safety officers are expected to possess a broad range of attributes. They are required to endure long periods of monotony in routine patrol and administrative duties, yet react immediately to serious problem situations. They are assumed to know the physical and social characteristics of the area they serve. They must exhibit initiative, problem-solving capacity, effective judgment, and imagination in coping with the numerous complex situations they are called upon to face.

Public safety officers must make prompt and effective decisions, sometimes in life-or-death situations, based on their ability to size up a situation quickly and take appropriate action. They must demonstrate critical awareness in discerning signs of out-of-the-ordinary conditions. They must possess a number of complex psychomotor skills, such as driving a vehicle in an emergency situation, showing facility in self-defense, and maintaining strength, agility, and endurance.

Public safety officers must be able to perform the communications and recordkeeping functions of the job. It is essential for them to act effectively in extremely divergent interpersonal situations. They must endure verbal and physical abuse from citizens and offenders and be capable of restoring equilibrium to social groups. They must possess leadership qualities, and be able to work under both loose and strict supervision.

Public safety officers must tolerate stress in a multitude of forms, exhibit courage in the face of dangerous situations, maintain objectivity, and demonstrate a high level of personal integrity and ethical conduct.

Where is society expected to find such demi-gods?—for an average of less than $8,000 a year?

In the first place, the failure to pay adequate salaries has a direct effect on recruitment of public safety officers. Low salaries and allowances are interpreted by public safety officers as evidence of the contempt in which police are held by the public and politicians. One dimension of this problem is that policemen, firemen, correctional officers, and other public safety officers work under severe occupational hazards, and many States have failed to provide adequate death benefits for their survivors.

The quality of the entire criminal justice system depends on the quality of the police. In addition to providing direct financial compensation to the families of deceased officers, this legislation will also assist State and local governments in their recruiting efforts and will increase the morale of law enforcement personnel.

Mr. Chairman, the work of public safety officers is an inestimable social benefit to all citizens. These men perform for the public the dangerous, high-risk activities associated with law enforcement and firefighting. It is clearly appropriate for the Congress to provide a measure of security for the families of those public safety officers who lose their lives while pursuing public duties. We must enact this legislation today for the men who provide one of the most sensitive and important functions in our society.

Mr. JOHNSON of California. Mr. Chairman, the Public Safety Officers Benefits Act, H.R. 11321, is one of the most important bills to come before the House of Representatives in the 93d Congress in the field of law enforcement.

Unfortunately, we have not acted early enough on this legislation, for the needs of our law enforcement officers are well known to many of us.

The American public depends heavily on its law enforcement officers. These officers are besieged however with a growing number of problems. Their morale is low. Recent court decisions have protected the rights of the accused, but at the same time, have made the law enforcement officer's job much tougher. To further compound the problem, the officer's rights are not similarly protected. This legislation which we have before us today, Mr. Chairman, would go a long way to correct this inequity.

Today the policemen's rights are protected in official court hearings. However, the case is quite different in administrative and grievance hearings. This is the primary scene of the trouble we seek to correct today.

New grievance procedures would be established to insure the rights of policemen. Policemen would be assured the right to have their peers sit on various judgment panels. A law enforcement officer's rights while off duty would also be outlined. Other rights would be better defined so that not only the policemen but also his supervisors would be guided in their relationships with one another.

Whether they are patrolmen on the local beat or specialized Federal agents, we can be proud of the job being done by our law enforcement officers. They are regularly called on to make sacrifices to insure the protection of us—the citizens. I think they deserve to have the same guaranteed rights shared by the rest of the population. Therefore, I urge my colleagues to join in supporting this legislation.

This bill has the expressed support of over one-fourth of the Members of this body. It is also widely supported by the various law enforcement associations around our great Nation.

Our helping the law enforcement officers will help them to do a better job for us. With the assurances that they will receive fair and just treatment for all they undertake, their behavior, attitude, and performance will all improve, bringing us improved service and protection. This bill, today, will give us the opportunity to make those assurances.

Mr. KASTENMEIER. Mr. Chairman, as a cosponsor of H.R. 11321, I rise in support of this legislation which provides benefits for surviving dependents of public safety officers who die as the direct and proximate result of an injury sustained in the line of duty.

The quality of our law enforcement personnel is a reflection of our Nation's attitude toward the meaning and enforcement of our laws. When considering a career in the law enforcement or firefighting professions, a highly qualified person with dependents might be more inclined to consider this area as a career knowing that, if a death occurs, this benefit will be of assistance. This bill would have the effect of improving recruitment efforts and would be a symbol of the respect that our Federal Government has for its laws and the men and women who enforce them.

I am particularly pleased that the Judiciary Committee adopted an amendment to this bill which I first offered back in 1972 to specifically include corrections officers, and probation and parole personnel within the definition of public safety officers whose families are eligible for benefits under the provisions of this measure.

There are many who feel that it is the State's responsibility to adopt compensation programs for law enforcement officers. However, for whatever reasons, the majority of State legislatures have not created compensation programs. Further, the efforts of the small private charities that exist throughout the country to assist the struggling families of slain public safety officers are clearly insufficient. Crime knows no State boundaries and, therefore, the economic plight of the dependents of public safety officers ought to be a national concern.

There is a real need for some initiative and response from the Federal Government to provide in a minimal way for the financial security of the dependents of public safety officers who meet sudden deaths. H.R. 11321 will meet that need and I urge its adoption.

Mrs. GRASSO. Mr. Chairman, today the House has the opportunity to complete some unfinished business from the 92d Congress.

During the closing hectic days of the last Congress, the House passed a bill to provide certain benefits to the survivors of public safety officers killed in the line of duty. Unfortunately, the Congress adjourned without taking final action on the proposal.

In the interest of justice and fairness, the House must pass H.R. 11321, the Public Safety Officers Benefits Act. The bill would provide a $50,000 payment to the survivors of public safety officers such as policemen, firemen, corrections officers, and prison guards, killed in the line of duty.

Each day these men and women risk their lives for the rest of us. Far too often, however, they receive neither the respect nor the gratitude which their hazardous professions merit.

Last year 131 local and State law enforcement personnel were killed as a result of criminal action. An estimated 170 volunteer and professional firemen also lost their lives in the line of duty. Each one died while protecting homes, families, and businesses.

Nevertheless, adequate compensation is not provided to the families of these officers who have paid the supreme price for the public welfare. Daily the families of public safety officers worry about the safety of their loved ones and, if tragedy strikes, they face the trauma of putting together their lonely lives which may bring with them the additional burdens of mortgages, medical, and education expenses. Unfortunately, the financial resources needed too often are not available.

Mr. Chairman, this is not a local problem. The policeman or fireman does not protect the inhabitants of his town or city alone—he is responsible for the safety of every person who might be in danger in his area of jurisdiction. Consequently, the compensation for his death goes beyond the responsibility of the locality.

These dedicated officers who daily risk their lives should be provided with the assurance that certain compensation will be provided to their families if hazardous duty results in their death.

Yesterday, I received a communication from various police, fire and corrections leaders in Connecticut supporting H.R. 11321. The bill has also been endorsed by the Connecticut VFW and other groups who recognize that the morale of our public safety officers is enhanced by the assured welfare of their families.

As a cosponsor of this legislation in both the 92d and 93d Congresses, I support the bill and urge its approval by the House.

Mr. BAUMAN. Mr. Chairman, I rise in support of H.R. 11321, the Public Safety Officers Benefit Act, legislation which I am convinced is badly needed and in fact well deserved by our Nation's public safety officers. As a practicing attorney handling a number of criminal cases, as a member of the Maryland Legislature, and now as a Member of Congress, I have come to appreciate the excellent service being rendered to our States and the Nation by the men and women who work in police, fire, and public safety service.

This particular bill is especially needed in view of the fact that it grants assistance to the families of those public safety officers who die in the line of duty. In the last decade the instances of attacks upon police and firemen have increased alarmingly, adding to the already dangerous nature of their everyday duties. As our society has evidenced greater disrespect for law and order, the public safety officers have had to fight a battle, often alone, against the criminal element in society.

The very least we in Congress can do is support this legislation which is badly needed, and I am pleased to be able to do that today.

Mr. KARTH. Mr. Chairman, I rise in support of H.R. 11321, a bill to provide a $50,000 death benefit to the survivors of certain peace officers and firefighters killed in the performance of duty. We can no longer ignore the hardships faced by the families of those killed while carrying out functions basic to the safety and well-being of society, often at ridiculously low wages.

The statistics supplied to us point out the increasing dangers peace officers and fire fighters face. In 1961 only 37 law enforcement officers were killed as the result of felonious criminal action. That number more than tripled between 1961 and last year, when 131 officers were killed. In the first 2 months of 1974 another 15 were slain. And, according to estimates, 790 firefighters died in the line of duty between 1960 and 1970.

This bill has passed both the House and Senate before, but in the press of time the conference committee report failed to pass before the 92nd Congress adjourned in 1972. So we move today not in a panic reaction to a senseless killing or tragic fire—although we have had enough of those in recent years. We are acting today rather out of a long felt concern and a recognition after lengthy deliberation that this area is one of Federal responsibility.

In some States there is no compensation in these cases, and, survivors must depend on the uncertain benevolence of the community. Minnesota, happily, is no longer one of these. The 1973 Minnesota Legislature passed legislation to provide a $25,000 death benefit to police and fire officers killed in the line of duty, as well as to good Samaritans killed while assisting them. Several payments have already been approved under this new law.

I support the bill before us today although it does not go as far as I think it should. I originally proposed in the 91st Congress legislation that would provide benefits similar to pensions to the survivors of peace officers and firefighters killed in the line of duty and to officers totally disabled in the line of duty.

My bill would have provided surviving spouses with a benefit equal to 45 percent of the slain officer's monthly wage, with an additional 15 percent for each dependent up to a maximum of 75 percent. Any officer totally disabled in the line of duty would have received two-thirds of his monthly wage under my bill. Officers with dependents would have received three-quarters of their monthly wage.

H.R. 11321 falls short of addressing the long range problem faced by peace and fire officers' survivors, but it will go a long way toward meeting their needs in the years immediately after the family breadwinner is struck down in violent tragedy.

Another beneficial effect of this legislation, in my opinion, is that it should improve morale and improve recruiting of top flight personnel. Certainly, no one takes a job with the thought in mind that he or she will be killed, but anyone considering a job should take account of benefits, such as life insurance that it offers. And in the case of peace officers and fire fighters, where the increased dangers are obvious, I can't help but believe that this $50,000 benefit will be considered by potential recruits.

This legislation does not go far enough, but it is a good beginning. Let us approve it now so that the fears of peace officers and firefighters that their death will leave their families destitute is erased.

Mr. **McKINNEY**. Mr. Chairman, this week, the attention of hundreds of thousands of the Nation's public safety officers is focused on the House of Representatives in the hopes that we will respond to a need which has existed for many years, but which, until recently, has gone almost completely unacknowledged.

In considering H.R. 11321, the Public Safety Officers Benefits Act, we are discussing an issue which must be faced as part of the harsh reality of life in the 1970's.

I would readily admit, that it is not a pleasant task to discuss legislation aimed at compensating the widows and families of public safety officers killed in the line of duty, but consideration of this legislation at least serves as an acknowledgment of the fact that each time a public safety officer puts on his uniform, he puts his life on the line.

Personally, I cannot speak for what goes on in the mind of a public safety officer, but I think that in quoting a recent letter I received from Mr. Edward Kiernan, president of the International Conference of Police Associations, my colleagues will be able to get an idea of just what the life of a public safety officer entails. Mr. Kiernan wrote:

> Most young men become police officers because they want a job that is interesting, active and unique. They are aware of the dangers involved and are ready to accept them. They dedicate themselves and their lives to the protection of the public and the maintainence of what we know as law and order. Historically, they are family men and their love of children, their own as well as others, is well known to all of us. If there is one thought in their minds, while they engage in their dangerous work, it is the constant worry about what will become of their wives and children if and when they are called upon to make the supreme sacrifice.

Perhaps there are those who would disagree with me, but I do not believe the enactment of this legislation will serve as an effective enticement in the recruitment of new public safety officers. Benefits or not, we are fortunate to have men and women in this Nation whose respect for the law, whose desire for order, and whose concern for their fellow citizen motivates them to turn to the profession of public safety work.

To the contrary, this bill speaks directly to the hazard which is very much a part of their daily lives, a risk they accept willingly so that they can continue to serve the people.

In point of fact, there is little this Congress, or anyone for that matter, can adequately do to compensate the survivor's of a slain police officer. We can, however, with the enactment of H.R. 11321, make life a little more bearable and in some cases, continued existence possible.

As I am sure you know, Mr. Speaker, the average age of a policeman killed in the line of duty in the last 10 years is 30. At the age of 30, most men are assuming their first mortgage, are burdened with the costs of raising children, and are probably more in debt than they ever will be in their lives again. A half-pay pension plan can strap a widow and children for life. This is not the price a family should pay whose breadwinner has chosen as a life work, the maintenance of the law and the protection of fellow citizens.

In some cases, the dollar figure in this bill, $50,000, may not be enough; in others, it may be too much. On balance,, however, I think it is to be an equitable amount and as with the spirit of the bill, the least we can do. If enacted at that level, the total cost to the Government can only be approximated. I know that it would please me as much as it would you, Mr. Chairman, if on enactment we never had to pay a penny. Realistically, and unfortunately, however, we must face the reality that that will never be so. Public safety officers will continue to fall as they try to do their job. What next year's figure will be, no one knows. The best and only projection we can offer is the fact that in the decade of the sixties, an average of 100 policemen were killed in the line of duty each year.

With a $50,000 benefit payment to each family, that would have come to $5 million payment annually, a small sum, Mr. Speaker, in terms of the Federal Treasury.

Mr. Chairman, I know that I speak for all of the public safety officers of Connecticut's Fourth District, as well as the Nation, in calling on my colleagues to enact swift passage of this legislation. In so doing, the Congress will be taking the major step of finally acknowledging the plight of the public safety officer's widows and families. No amount of money can ever compensate entirely for the loss of a loved one, but passage of H.R. 11321 will hopefully go a long way towards easing the hardships which follow such a loss.

Mr. **MINISH**. Mr. Chairman, I rise in support of H.R. 11321, a bill to provide benefits to survivors of public service officers who die in the performance of duty.

As a longtime cosponsor of this most meritorious legislation, I am pleased that the Judiciary Committee once again has brought the measure to the House floor for consideration. Members may recall that similar legislation was approved by the House in October 1972, but did not clear the Senate prior to the adjournment of the 92d Congress.

In summary, Mr. Chairman, H.R. 11321 amends the Omnibus Crime Control and Safe Streets Act of 1968 to provide a $50,000 Federal payment to the surviving dependents of local and State public safety officers who die from a personal injury sustained while in the performance of duty. Those covered under the provisions of the bill include State and local policemen, correctional officers, prison guards, and both volunteer and professional firemen.

Benefits would be awarded to dependents of law enforcement officials killed while engaged in the prevention of crime, and to firemen who lose their lives while engaged in fighting fires. In addition, benefits would be retroactive to October 11, 1972, the date the bill originally passed the House.

Mr. Chairman, I urge an overwhelming vote of approval for H.R. 11321. Its passage will serve as a partial and long-overdue payment for the debts we owe policemen and firemen for the protection they so selflessly provide for all citizens and it would emphasize the Nation's determination to support law enforcement in deeds as well as in words.

Mr. **STARK**. Mr. Chairman, I would like to express my opposition to this bill and explain why I hope we will defeat it.

First, it has been adequately demonstrated that death benefits do not provide an additional recruitment incentive for new officers. This bill cannot strengthen the fight against crime.

Even more important, however, is the fact that this compensation is not a Federal responsibility. Surviving dependents should absolutely receive generous compensation, but the Federal Government should not assume a responsibility that lies elsewhere. The employer must bear these costs. Any town, city, or State that has the funds to employ police officers can afford a group life insurance policy for these officers that provides generous death benefits.

This country—and the Federal Government—do indeed owe tremendous gratitude to the officers who risk their lives for our safety. But if we provide their death compensation we must extend the same gratitude to the FBI, the Secret Service, and Armed Forces personnel who perform the same duties. We cannot, as the Federal Government, single out police for these special benefits and neglect the others equally deserving.

This bill would create an unfairness that would only later have to be corrected. Instead of supporting it, we should require State or local governments to provide insurance policies that will give these much-needed benefits.

Mr. Chairman, I believe, as do my colleagues, that a police officer killed in the performance of duty deserves compensation now sorely lacking. But this is bad legislation, and I therefore urge my colleagues to join me in pressing for a different solution.

Mr. PRICE of Illinois. Mr. Chairman, I support H.R. 11321, which would provide tax-free benefits to survivors of certain public safety officers who die in the performance of duty.

The rate of law enforcement officers killed in the line of duty is continually increasing. Likewise, the Department of Labor has officially determined that firefighting is the most hazardous profession in the United States. Despite the most severe occupational hazards of these two professions, there remains to be established in most instances sufficient death benefits for the survivors of the deceased officers.

The Judiciary Committee in its report on H.R. 11321 noted that—

> [b]ecause of this fact [increasing deaths from occupational hazards] and in recognition of society's moral obligation to compensate the families of those individuals who daily risk their lives to preserve peace and to protect the lives and property of others, the Committee is of the opinion that a Federal payment of $50,000 should be provided to meet the immediate financial needs of the officers' survivors.

Mr. Chairman, I agree with the committee and hope that my colleagues in the House will agree also.

Firemen would be covered only while directly engaged in fighting fires, and authority would be granted the Law Enforcement Assistance Administration to determine which specific hazardous activities are in line of duty for police officers.

Because similar legislation was not successful in the Congress previously, this bill's effective date is October 11, 1972, at which time the similar legislation passed the House in the 92d Congress.

I urge my colleagues to vote again to pass this legislation and upgrade these noble but dangerous professions.

Mr. MAYNE. Mr. Chairman, I rise in support of H.R. 11321, the Public Safety Officers Benefits Act of 1974, and urge its passage by the House. I cosponsored introduction of H.R. 11321 and voted in the House Judiciary Committee to report it favorably. I had also joined in the introduction of the bill on which this was based, H.R. 9139, the Police Officers Benefits Act of 1971, on June 15, 1971. As a member of the House Judiciary Committee's Subcommittee No. 1 during the 92d Congress. I participated in the hearings and executive sessions on this subject. Those hearings as well as my correspondence and conversations with public safety officers and others from my Sixth Congressional District of northwest Iowa all served to strengthen my conviction regarding the need for Federal death benefits for the survivors, not only of police officers but also firemen killed in the line of duty.

In the 12 months ending June 30, 1971, there were 110 police fatalities resulting from criminal assaults with weapons against this Nation's police officers. Twenty of these murdered policemen were the fatal victims of ambush attacks while on routine patrol, 13 were killed in the process of making felony arrests, and 11 police deaths occurred while the officer was responding to a felony-in-progress call. These statistics have continued to increase annually, as have also the fatalities of firemen through sniping and other criminal assaults. Yet the vast majority of States and many smaller cities and towns still provide no death benefits to the victims' survivors. What is needed is a minimum payment that assures substantial benefits to the families of murdered public safety officers.

There is already considerable precedent for this in Federal law. The Congress has authorized the payment of $50,000 to the survivors of police and other public safety officers killed in the line of duty here in the District of Columbia. And in Public Law 90–291, we amended the Federal Employees Compensation Act to provide Federal benefits to survivors of local police officers killed while enforcing a Federal law or guarding a Federal prisoner.

Mr. Chairman, the present bill is a logical extension of those laws. It is urgently needed, in order to make public safety officer careers more acceptable and attractive to qualified citizens. We cannot ask decent, hard-working men and women to go out into the night as law-enforcement officers or firemen and face the constant risk of murder and mayhem while we ignore their rightful request that their families be protected from financial calamity. We owe enactment of this law and its implementation at the very least to the scores of police and firemen's families who lose husbands and fathers each year in this country. I again urge all Members to join in supporting approval of this legislation.

Mr. DORN. Mr. Chairman, our bill would cover policemen, highway patrolmen, deputies, sheriffs, State law-enforcement officials, firemen, and volunteer firemen.

Mr. Chairman, every day the urgent need becomes more obvious for the legislation now before us that would provide $50,000 benefits to survivors of public safety officers who lose their life in line of duty. The Nation is shocked and disgusted by a new wave of cruel and bizarre killings, kidnapings, and holdups. Local and State law officers and firefighters are our front line defense against this and all anarchy, subversion, insurrection against government, terror and interstate crime. Our local law-enforcement officials combat interstate and yes, even international drug pushers. Every single day firemen and law officers risk their lives to preserve the peace and protect the life and property of others. Theirs is the most dangerous and demanding of all professions. Those covered by this bill have been officially determined to be the most hazardous profession in the United States.

The bill now before the House would provide a tax-free $50,000 Federal payment to the surviving dependents of public safety law officers who lose their life as a result of injuries sustained in line of duty. I am proud to be a cosponsor, and urge its overwhelming approval. I am especially pleased to support the provision making benefits retroactive to October 11, 1972.

South Carolinians are second to none in support for law enforcement officers and for equal justice under law. South Carolinians have, in recent years, been deeply saddened by the tragic deaths of law officers lost in line of duty.

We have received tremendous support for this bill, as a means of demonstrating public support for those who protect the safety and well-being of our people at such heavy personal sacrifice and risk.

It is entirely fitting and proper that the National Government provide the $50,000 survivor benefits to local and State firefighters and law officers. These courageous and dedicated men and women are the Nation's primary defense against a criminal and terrorist element that operates across State lines. Our bill will increase the morale and enhance the prestige of the entire law enforcement profession. It will assist local and State government in encouraging our most talented and dedicated young people to enter the public safety officer field. It would provide a measure of security to the widows and orphans of public safety officers.

Mr. Chairman, now is the time. As one of its sponsors, I urge overwhelming approval of the Public Safety Officers Benefits Act of 1974.

Mr. DRINAN. Mr. Chairman, Benjamin Cardozo, when he was chief judge of the New York Court of Appeals, once wrote:

> Danger invites rescue. The cry of distress is a summons for relief.

When the fire bell sounds or when the police siren wails, joy and fear, delight and sadness, hope and despair well up in the victims of tragedy. Trapped in events over which they have no control, the innocent victims of crime or fire turn to public safety officers for help. And they respond; it is their sworn duty.

Far from the place of the incident, others wait in safety, filled with the same emotions. They are the parents, the spouses, and the children of the rescuers who daily risk their lives that others might survive. These dependents are not yet victims, though victims they may soon be. When public safety officers go forth on their missions of mercy, they leave behind relatives who may soon need the aid of others. When an officer dies in the line of duty, little assistance is offered to the surviving family. The Public Safety Officers Benefit Act of 1974, H.R. 11321, which is now before us, seeks to provide that aid.

There should be little disputation over the need for this legislation. The number of deaths of public safety officers while protecting citizens has risen in the past several years. From 1961 to 1973, the number of police killed has more than doubled. In the decade of the 1960s, it is estimated that almost 800 firefighters died performing their duties. The evidence indicates that these figures are increasing annually. Furthermore, as the report of the Judiciary Committee points out:

> It has been officially determined by the Department of Labor that fire fighting is now the most hazardous profession in the United States.

Opponents of the bill raise three principal objections. First, they argue that the proposal will do nothing to reduce the crime rate since the bill among other things, will not affect recruitment of public safety officers. Apart from the absence of compelling evidence one way or the other on that matter, the argument misses the point. This is not a crime-fighting bill. Firefighters, one of the principal beneficiaries of this legislation, have nothing to do with crime reduction. The bill rather is directed at a narrow, but important gap in State and local programs for compensating employees of criminal justice agencies and fire departments. To fill that void this legislation is proposed, not to prevent fires or deter stealing.

Second, opponents contend that the bill should not pass because its coverage is not broad enough. That point is unpersuasive. Absent constitutional objections, not at issue here, it has never been thought that Congress must deal with a problem all at once. If the real problem is inadequate compensation for police and fire personnel, or if other public servants—such as members of the Armed Forces—should be covered, the solution is not to defeat this bill. The answer is to propose other legislation to correct those deficiencies. We have before us a proposal to compensate the dependent survivors of persons killed securing the public safety. That is the purpose of the legislation and it must stand or fall on its own merits.

Finally, it is said that this bill would promote Federal intervention in an area reserved to State and local governments. It goes without saying that the Congress should always examine legislation to be sure that it does not intrude into the proper and exclusive spheres of State authority. On the other hand, we should always be wary of vague claims that particular legislation infringes the principles of federalism. This is especially true, where the subject matter, as here, lies within the concurrent powers of State and Federal authority.

In such instances it is perfectly proper to legislate if local governments are either unable or unwilling to meet the undisputed need. If States were dealing satisfactorily with the problem—if the orphans of dead public safety officers were receiving just compensation for the loss of their fathers—then I too would question the need for H.R. 11321. But the need is plain, all agree, and our authority is clear. If in the future State governments provide sufficient death benefits for public safety officers, it will be time enough to revise the Federal legislation.

A society is frequently judged by the manner in which it treats those who are least able to care for themselves. No one can save a people in which the spirit of helping the needy has dissipated, and no one need save a nation in which that spirit flourishes. The Public Safety Officers Benefits Act of 1974 demonstrates the continued vitality of that first principle.

Mr. COTTER. Mr. Chairman, as an early cosponsor of this legislation I am very happy to see this bill before the House of Representatives. This legislation should pass overwhelmingly because the bill is well drafted, but most importantly, because it is just.

Some Members argue that this bill is too expensive, but just this morning, the President of the United States asked for $5.5 billion in new foreign aid. I cannot believe that by providing the widows and orphans of firemen and policemen killed in the line of duty necessary financial assistance will drain the Treasury or wreck the budget.

As is well known, this bill provides a $50,000 Federal payment to the surviving dependents of non-Federal public safety officers who die from injuries sustained in the performance of their official duties. Our local policemen and firemen almost daily risk their lives to protect our families and our homes. For the most part their job is a thankless, but necessary task. Perhaps one of the most glaring inequities in this dedicated form of public service is that men and women who are killed in the line of duty often leave behind not only bereaved, but financially destitute families.

This is the purpose of this legislation. By providing $50,000 to the deceased officer or fireman, some of the financial burden can be eased. But still the tragic personal loss can never be eased.

I will fight against changing the effective date of this legislation because I believe that the benefits of this bill should be retroactive. In 1973 a total of 131 local county and State policemen, for example, were killed in the line of duty. In 1972, 170 firemen were killed, yet in spite of these losses, dedicated men and women continue to daily risk their lives to protect us all.

I am glad to lend my voice and my vote to this worthy legislation and I urge my colleagues to vote overwhelmingly to pass this needed legislation.

Mrs. HOLT. Mr. Chairman, I rise in support of H.R. 11321, the Public Safety Officers Benefits Act of 1974. Because of the high risk involved in the pursuit of their professions, policemen and firefighters are unable to acquire sufficient insurance to provide their families with the most modest benefits in the event of their deaths in the line of duty.

In addition, our State and local agencies are besieged by constantly rising costs for services, so that adequate insurance and pension programs are virtually impossible to implement. Studies have revealed that by far the greater percentage of our firefighters' and law enforcement officers' deaths in the line of duty have occurred in those small communities which maintain only minimal forces for protection, and cannot be expected to bear the additional burden of adequate survivor benefit programs. There are 18 States which provide no benefits for widows and children, and even those that do, offer as little as $2,000 of insurance. It is only fitting that the Federal Government in recognition of the valor and achievements of our public safety officers, should assume responsibility for at least a moderate expression of support for their families.

Although I would have preferred to see stricter limits drawn in eligibility, and a better defined measure in terms of what constitutes "potentially dangerous" activities, I feel strongly that it is more than high time that we recognize our debt of gratitude to those public safety officers who have paid the highest price in their devotion to duty and to public service.

Mr. Chairman, I urge my colleagues to join me in insuring speedy passage of this legislation.

Mr. KEMP. Mr. Chairman, I rise in support of the bill pending before us, H.R. 11321, the proposed Public Safety Officers Benefits Act.

Because at the time of the anticipated rollcall votes on this measure and proposed amendments to it, I will be en route from this city on other business, I think it is important to state now my position in support of the bill. If I were to be here later in today's deliberations, I would indeed vote for its enactment as I was a cosponsor of similar legislation.

THIS LEGISLATION IS NEEDED

There are few occupations whose members give more of themselves, yet receive less credit and recognition for it, than public safety officers.

Every time that bell goes off in the enginehouse, those firemen put their lives on the line—to protect the lives and property of others.

Every time that radio dispatch crackles in a police car or a patrol officer approaches a suspect, those policemen put their lives on the line—again, to protect the lives and property of others.

Hardly a day goes by when we do not read, hear, or see where a policeman or firemen has been injured or killed in the performance of his duties.

And, the memories of firemen and policemen being the deliberate, intended victims of provoked violence, especially during the urban riots of the 1960's, remain clear in our minds—bottles and bricks being thrown at firemen answering alarms, gunshots at policemen responding to calls.

The number of policemen slain each year as a result of felonious criminal action has more than tripled since 1960. Nearly 800 firemen died in the line of duty between 1960 and 1970. Yet, there is little sign of letup.

Almost every time I meet with Police Commissioner Thomas Blair, of Buffalo, or Patrick Mangan, Jr., the president of Firefighters Local 282 in Buffalo, or the many other conscientious law enforcement officers, firemen, and other public safety officers in western New York, I am told of incidents which call graphically to our attention that we should provide the death benefits to be provided through this bill to the families of these brave men and women.

I have come to appreciate fully the excellent service being rendered to our cities and towns, States, and to the Nation by these dedicated men and women in uniform.

As one of the first actions I took during this 93d Congress, I cosponsored H.R. 4307, a bill closely similar to the one before us today. I am gratified that H.R. 4307 and similar measures served as the impetus for the legislation now before us. My only regret is that we were not able to consider it here on the floor at an earlier date.

SCOPE OF BENEFITS TO BE PROVIDED THROUGH THIS BILL

The purpose of the bill before us is to provide a $50,000 Federal payment to certain surviving dependants of public safety officers who die from injuries sustained in the line of duty.

Its primary intent is to sustain the officer's survivors until they are able to economically adjust to the death of the breadwinner.

Eligible public safety officers include reserve and professional law enforcement officers and firemen. The term "law enforcement officer" is defined to include policemen, correctional officers, prison guards, probation and parole officers, and officers involved in programs relating to juvenile delinquency or narcotics addiction. Eligibility for the receipt of benefits among the families of those officers is limited to those officers engaged in potential hazardous activities at the time of the fatal injury. It is not the intent of this Federal legislation to disrupt or undercut the many commendable life insurance programs and benefits provided on the State and local level for public safety officers or to preempt the subject field.

This bill is an important step in the commitment of the Congress on this issue. In 1968 Congress approved legislation to extend Federal employees compensation benefits to State and local law enforcement officers who are killed or injured while enforcing Federal laws. In 1970, Public Law 91–509 provided a $50,000 benefit to the survivors of policemen or firemen in the District of Columbia who died in the performance of duty. During the preceding Congress a bill similar to the one we are considering today was passed by both Houses and reported from the conference committee but got caught in the last minute rush from being finally acted upon. And, the Senate has passed a similar bill, S. 15, this Congress.

Mr. Chairman, I call upon those Members who will serve upon the new conference committee to act with all due speed in resolving points of disagreement between the House and Senate. This bill needs to go to the President's desk as soon as possible.

Mr. EDWARDS of California. Mr. Chairman, although I sympathize with the survivors of policemen and firemen killed in action and I feel the Federal Government has a great obligation to assist municipal and county governments in law enforcement and fire protection, I regret that I am unable to support H.R. 11321, the Public Safety Officers Benefits Act of 1974.

The proponents of this bill have somehow suggested that the proposed $50,000 gratuity will help in the fight against crime. I honestly do not see how this can be accomplished by relieving local governments of one of the important obligations in providing such protection—the obligation to compensate their employees adequately and justly and to insure their families against the loss of a loved one and a breadwinner in the performance of hazardous duties.

I have long supported the work of the Law Enforcement Assistance Administration which provides financial and technical assistance of local police departments, and I look forward to the passage of the Fire Prevention and Control Act as a long overdue effort to provide similar support for the heroic and often dangerous work of our local fire departments. These two programs, coupled with the massive amount of Federal revenue sharing, seem to me to be the appropriate Federal channels in local public safety efforts, and I will continue to support them.

However, I feel very strongly that with the passage of H.R. 11321 we are drastically misconstruing the Federal role in a manner which might inevitably lead to the weakening of local control in public safety programs.

Mr. BOLAND. Mr. Chairman, the Public Safety Officers Benefits Act of 1974 brings before the Congress a subject that is no stranger to either House. A similar piece of legislation passed both the House and Senate in the closing days of the 92d Congress—in the House by unanimous consent—but consideration of the conference report was thwarted by the adjournment of the Congress.

The measure which now finds its way to the House represents bipartisan recognition of the heavy debt that the citizens of this country owe to the many non-Federal law enforcement officers and firemen who daily help to insure the safety of our lives and those of our children. Under the provisions of H.R. 11321, a $50,000 lump sum would be made by the Federal Government to the surviving dependents of State and local public safety officers killed in the line of duty. The definition of public safety officer is broad. It includes policemen, correctional officers, prison guards, probation and parole officers, officers involved in programs relating to juvenile delinquency or narcotics addiction, and, of course, firemen.

For all these officials, there are certain dangerous, high-risk activities endemic to their duties which ought to be acknowledged and awarded by the public which benefits from their performance. One of the most comforting things for these men and women, who often cannot afford the cost of casualty life insurance premiums, is to know that, should they sustain a fatal injury in the performance of their duties relating to criminal activity or firefighting, their families will not be left destitute. It is because these dedicated public servants face the risk of death on such a regular and sustained basis that a payment such as will be provided by the Public Safety Officers Benefit Act offers so much in the way of assurance and security.

In addition, provisions of this bill cannot fail to help attract high-quality personnel to these hazardous professions. This is the conclusion of the National Advisory Committee on Criminal Justice Standards and Goals in recommending special statutory benefits for State and local law enforcement and firefighting officers killed in the performance of their duties. The Commission recommended that high-priority congressional attention be given to this matter. I cannot concur more that it is one which deserves the unanimous approval of the House as it did in 1972. It offers us a chance to discharge some of the debt we constantly incur as a result of the services performed by the public safety officers of our country.

PARLIAMENTARY INQUIRY

Mr. DANIELSON. Mr. Chairman, I have been keeping track of the time and I believe there are 2 minutes remaining.

The CHAIRMAN (Mr. Nedzi). The gentleman from Pennsylvania has 1 minute remaining.

Mr. DANIELSON. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Public Safety Officers Benefits Act of 1973".

COMMITTEE AMENDMENT

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Committee amendment: On page 1, lines 3 and 4, strike out "'Public Safety Officers Benefits Act of 1973'" and substitute "'Public Safety Officers Benefits Act of 1974'".

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. SMITH OF NEW YORK

Mr. SMITH of New York. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. Smith of New York: Strike out all after the enacting clause of H.R. 11321, and insert in lieu thereof the provisions of H.R. 6449 as follows:

That this Act may be cited as the "Public Safety Officers' Benefits Act of 1974."

Sec. 2. Title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, is amended by adding at the end thereof the following new part:

"Part J—Death Benefits for Public Safety Officers

"DEFINITIONS

"Sec. 701. As used in this part—

"(1) 'child' means any natural, illegitimate, adopted, or posthumous child, or stepchild of a deceased public safety officer who is—

"(A) under eighteen years of age; or

"(B) over eighteen years of age and incapable of self-support because of physical or mental disability; or

"(C) over eighteen years of age and a student as defined by section 8101 of title 5, United States Code;

"(2) 'criminal act' means any crime, including an act, omission, or possession under the laws of the United States or a State or unit of general local government which poses a substantial threat of personal injury, notwithstanding that by reason of age, insanity, intoxication, or otherwise the person engaging in the act, omission, or possession was legally incapable of committing a crime;

"(3) 'dependent' means wholly or substantially reliant for support upon the income of a deceased public safety officer;

"(4) 'line of duty' means within the scope of employment or service;

"(5) 'public safety officer' means a person serving a public agency, with or without compensation, in any activity pertaining to—

"(A) the enforcement of the criminal laws, or the prevention, control, reduction, or investigation of crime; or

"(B) a correctional program, facility, or institution where the activity is determined by the Administration to be potentially dangerous because of contact with criminal suspects, defendants, prisoners, probationers, or parolees; or

"(C) a court having criminal or juvenile delinquent jurisdiction where the activity is determined by the Administration to be potentially dangerous because of contact with criminal suspects, defendants, prisoners, probationers, or parolees; or

"(D) firefighting.

"RECIPIENTS

"Sec. 702. Upon a finding by the Administration that a public safety officer has been killed in the line of duty and the proximate cause of such death was a criminal act or apparent criminal act, the Administration shall pay a gratuity of $50,000 to the eligible survivor or survivors in the following order of precedence:

"(1) if there is no surviving dependent child of such officer to the surviving dependent spouse of such officer;

"(2) if there is a surviving dependent child or children and a surviving dependent spouse of such officer, one-half to the surviving dependent child or children of such officer in equal shares and one-half to the surviving dependent spouse of such officer;

"(3) if there is no surviving dependent spouse to the dependent child or children of such officer in equal shares;

"(4) if none of the above, to the dependent parent or parents of such officer in equal shares; or

"(5) if none of the above, to the dependent person or persons in equal shares who are blood relatives of such officer or who were living in his household.

"INTERIM BENEFITS

"Sec. 703. (a) Whenever the Administration determines, upon a showing of need and prior to taking final action, that a death of a public safety officer is one with respect to which a benefit will probably be paid, the Administration may make an interim benefit payment not exceeding $3,000 to the person or persons entitled to receive a benefit under section 702 of this part.

"(b) The amount of any interim benefit paid under subsection (a) of this section shall be deducted from the amount of any final benefit paid to such person or persons.

"(c) Where there is no final benefit paid, the recipient of any interim benefit paid under subsection (a) of this section shall be liable for repayment of such amount. The Administration may waive all or part of such repayment, and shall consider for this purpose the hardship which would result from repayment.

"LIMITATIONS

"Sec. 704. (a) No benefit shall be paid under this part—

"(1) if the death was caused by the intentional misconduct of the public safety officer or by the officer's intention to bring about his death; or

"(2) if the actions of any person who would otherwise be entitled to a benefit under this part were a substantial contributing factor to the death of the public safety officer.

"(b) The benefit payable under this part shall be in addition to any other benefit that may be due from any other source, but shall be reduced by—

"(1) payments authorized by section 8191 of title 5, United States Code;

"(2) payments authorized by section 12 (k) of the Act of September 1, 1916, as amended (D.C. Code, § 4–531(1));

"(3) gratuitous lump-sum death benefits authorized by a State, or unit of general local government without contribution by the public safety officer, but not including insurance or workmen's compensation benefits;

"(4) amounts authorized under any Federal program, or program of a State or unit of general local government receiving Federal assistance under this title which provides for the compensation of victims of crime.

"(c) No benefit paid under this part shall be subject to execution or attachment.

"PROCEDURE

"Sec. 705. (a) In the event of the death of a public safety officer serving a State or unit of general local government, the notification of such death shall be filed with the Governor or the highest executive officer of the State.

"(b) The Governor or the highest executive officer of a State upon receipt of notification of the death of a public safety officer, shall promptly notify the Administration of the pendency of a certification, and, after due investigation, shall certify to the Administration all facts relevant to the death upon which the benefit may be paid.

"(c) The Administration upon receipt of certification by a Governor or the highest executive officer of a State shall determine if a benefit is due, and, if so, to whom and in what amounts.

"REGULATIONS

"Sec. 706. The Administration is authorized to establish such rules, regulations, and procedures as may be necessary to carry out the purposes of this Act."

MISCELLANEOUS PROVISIONS

Sec. 3. Section 520 of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, is amended by inserting "(a)" immediately after "520" and by adding at the end thereof the following new subsection:

"(b) There is authorized to be appropriated in each fiscal year such sums as may be necessary to carry out the purposes of part J."

Sec. 4. Until specific appropriations are made for carrying out the purposes of this Act, any appropriation made to the Department of Justice or the Law Enforcement Assistance Administration for grants, activities, or contracts shall, in the discretion of the Attorney General, be available for payments of obligations arising under this Act.

Sec. 5. If the provisions of any part of this Act are found invalid or any amendments made thereby or the application thereof to any person or circumstances be held invalid, the provisions of the other parts and their application to other persons or circumstances shall not be affected thereby.

Sec. 6. This Act shall become effective and apply to acts and deaths occurring on or after the date of enactment of this Act.

Mr. SMITH of New York. Mr. Chairman, I ask unanimous consent that the amendment in the nature of substitute be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

PARLIAMENTARY INQUIRY

Mr. FISH. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. Does the gentleman from New York yield for the parliamentary inquiry by the gentleman from New York (Mr. Fish)?

Mr. SMITH of New York. I yield to the gentleman from New York (Mr. Fish) for a parliamentary inquiry.

Mr. FISH. Mr. Chairman, I just wish to ask whether all committee amendments have been adopted prior to the offering of the amendment by the gentleman from New York?

The CHAIRMAN (Mr. Nedzi). The Chair will advise the gentleman that only the perfecting amendment to section 1 has been adopted. The others have not been adopted.

Mr. FISH. I thank the chairman and I thank the gentleman for yielding.

Mr. SMITH of New York. Mr. Chairman, this amendment offers the bill H.R. 6449 in place of the bill which we are now considering, that is H.R. 11321. The bill H.R. 6449 is a bill that was introduced at the request of the administration and it differs slightly from H.R. 11321 which we are considering today, and it differs in this main respect:

Section 702 of the bill H.R. 6449 which was originally introduced and which is my amendment, reads as follows in regard to those who shall be entitled to the $50,000 gratuity to be paid by the Federal Government with the administration referred to being the Law Enforcement Assistance Administration:

> Upon a finding by the Administration that a public safety officer has been killed in the line of duty and the proximate cause of such death was a criminal act or apparent criminal act, the Administration shall pay a gratuity of $50,000 to the eligible survivor or survivors.

This bill H.R. 6449 also covers firefighters. The bill H.R. 11321, the committee bill, in the committee amendment, provides that when the administration determines that an eligible public safety officer has died as a direct and proximate cause of personal injury sustained in the performance of duty, leaves a spouse, and so on, his survivor shall receive the $50,000 gratuity. So the essential difference between these two bills is that the bill H.R. 6449, my amendment, requires that the public safety officer, be he a law enforcement officer or a firefighter, in order for his survivor to be paid the $50,000, shall have been killed in the line of duty and the proximate cause of death was a criminal act or an apparent criminal act.

Now, until recently, it was felt strongly that the United States, the Congress of the United States, and the Federal Government, should have no part in the compensation or the death or disability benefits for local law enforcement officers or for local firefighters. It was felt that this was strictly a matter to be undertaken by the local municipality or by the State, and that there was some danger, as has been pointed out in the debate here, that if the Federal Government got involved in paying gratuities or paying compensation or paying any other benefits to local law enforcement officers or firefighters that eventually the Federal Government would have a great deal to say in how those local law enforcement agencies or firefighters should be governed and that we might well be on the way toward establishing a Federal police or a Federal firefighting force.

This Congress made an exception to this several years ago. The Congress adopted and the President signed a bill which would provide compensation to a local law enforcement officer who was disabled or killed when engaged in apprehending a Federal criminal.

The bill provided that the Federal Government would pay him the difference between what he would get under State compensation and what he would have gotten under Federal compensation had he been a Federal law enforcement officer.

This bill was justified by the fact that it was fair and that the activities of the local law enforcement officers in connection with Federal law enforcement worked to the advantage of the Federal Government and perhaps, in the long run, even operated to save money for the Federal Government because it saved hiring more Federal law enforcement officers.

During the last 10 years there has been a growing national concern with violent crime. In 1968 the Congress adopted the Omnibus Crime Control and Safe Streets Act, and thereafter the Law Enforcement Assistance Administration Act, both to help curb the acceleration of crime in our country. It is this national concern for crime and its victims which may justify this Federal gratuity to the survivor of local law enforcement officers and local firefighters when the proximate cause of their death was a criminal act, as is provided by my amendment, H.R. 6449.

Without this direct tie-in of death as a proximate result of criminal acts, there would appear to be little or no justification for a Federal gratuity to the survivors of deceased local law enforcement officers and firefighters. This is a State or local obligation.

The CHAIRMAN. The time of the gentleman has expired.

Mr. EILBERG. Mr. Chairman, I rise in opposition to the amendment.

I would like to say first, the position of the gentleman from New York was the position of the subcommittee of the House and the full committee. It was rejected in both the subcommittee and the full committee by a vote of 21 to 9. I think it was rejected primarily because the employment of a firefighter is regarded as the most dangerous type of employment. It is very hard, indeed, to differentiate between the dangerous activity which is engaged in by both police and firemen. In fact, the Department of Labor informs us that the employment of a fireman is the most dangerous type of employment.

In the April issue of the Fire Fighting magazine, which I have before me, there are photographs of firefighters engaged in most difficult situations and in the most hazardous circumstances imaginable. One picture shows a fireman preventing a woman from jumping off the roof of a mental institution; another photograph shows a fireman gasping for air from the roof of a building; another photograph showing a fireman carrying a blanket in which a person is being taken from a building that collapsed.

It seems to me the position of a fireman is the most dangerous and it would be discriminatory not to include them.

I might say, a fireman who dies in a fire as a result of a fire started by arson or who dies as the result of a sniper's bullet, he is certainly dead and his next of kin would be benefited; but so is a fireman that dies in a fire not started by a criminal act.

The effect of the gentleman's amendment is that for all practical purposes it excludes firemen. I say it is unconscionable and the subcommittee and the full committee rejected this amendment.

I might say, some States and some municipalities have formed charitable groups, but the amount of funds they have is questionable and may not be available for every death that might occur. I do not think we should depend upon the generosity of such groups. I think, as I said at the very outset, this is a very unique situation and that if we cover policemen, we certainly ought to cover firemen.

Mr. McCLORY. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I happen to be the principal sponsor of the bill (H.R. 6449) which has been offered in the form of an amendment by my distinguished colleague from New York (Mr. SMITH). I would like to point out that I have a great interest in this entire subject.

Mr. Chairman, I realize there are some emotions displayed by several of our colleagues, and there are some expressions of recrimination and hostility which are being delivered here on the floor of this House today. This is most unfortunate, it seems to me.

It was my feeling that in introducing this legislation we were taking cognizance of a great national problem, that is, we were not converting local and State police and fire departments into anything national, but we were recognizing that these attacks which were occurring on policemen were becoming of such a scope that it required national action. It not only involved assaults upon police officers in the form of criminal acts or criminal conduct being perpetrated against them, but frequently included attacks against firefighters, and the definition of public safety officers includes both police officers and firefighters or firemen. It seemed to me entirely appropriate for the Federal Government to take cognizance of that.

Mr. Chairman, I think to expand the theory, as appears to be done under the legislation that is presented by the committee, we go far beyond the original concept of meeting a great national or Federal problem. I realize that there are heartaches and problems that are experienced every time a firemen or policeman dies, under whatever circumstances, and there may be many circumstances which have nothing to do with the perpetration of a criminal act. But it was that criminal act, that criminal conduct, as is brought out very clearly by the report which we received from the Attorney General's office on this issue which induced the introduction of this legislation (H.R. 6449).

Mr. Chairman, I do not like to be in the position of opposing this legislation. On the other hand, it seems to me that we should get back to the original concept, and we should support the legislation for the purpose for which it was intended. We are going far beyond that in the amended form in which the legislation is coming to us.

Mr. BRASCO. Mr. Chairman, would the gentleman yield?

Mr. McCLORY. Mr. Chairman, I yield to the gentleman from New York.

Mr. BRASCO. I want to make an observation, because when the gentleman says that we are expanding something, I do not know whether or not the gentleman is aware of the fact that in October of 1970 the President signed into law—and I do not remember offhand what the public law number is—a bill that gave to the D.C. Park Police, the D.C. Fire Department, and the Metropolitan Police, some people of the Executive Protection Service, and some members of the Secret Service this $50,000 death benefit. Aside from that, increased retirement benefits were granted without any qualifications that the death occur in line of duty due to a criminal act.

Mr. McCLORY. Mr. Chairman, I thank the gentleman for his observation. But I would just like to point out that I can see how the Congress would want to take care of that kind of gratuity, if we chose, with regard to those officers and those officials who come under Federal jurisdiction, but we are talking about local and State police officials, public safety officers, policemen and firemen.

Mr. Chairman, the reason we have been assuming Federal responsibility is because of the national scope of the attacks that were being made. As a matter of fact, in many of these attacks there was a symbolic attack by certain dissenting elements in our society, a symbolic attack against society, against the Federal system, and it was this that we were trying to take cognizance of, in providing this very useful and desirable Federal legislation.

Mr. Chairman, I just think that we have gone beyond the bounds; we have exceeded that concept. We are assuming a responsibility that should be assumed by local and State governments. It is most unfortunate that we have distorted the concept and expanded it in the way the measure is presented to the House today. I hope the amendment offered by the gentleman from New York will be adopted.

Mr. Chairman, I hope that the amendment offered by the gentleman from New York will be adopted overwhelmingly.

Mr. DANIELSON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I will state to the Members that I have observed one thing in this bill which may be common to the amendment offered by the gentleman from New York (Mr. SMITH) and which I feel I must bring to the attention of the committee; namely, its retroactive effect.

The bill, as drafted, stated that it applies to any death which occurs as a result of some action which took place on or after October 11, 1972.

I respectfully submit that that is a logically and equitably untenable date. We either must make this bill completely retroactive, going back, if need be, to the time of the signing of the Constitution, in order to be equitable to those who have suffered a loss under these circumstances, or in the alternative we must make it effective only following the effective date of the act.

What is so interesting about the date of October 11, 1972?

I note, Mr. Chairman, that on the following day, October 12, a Michigan State police trooper was killed. But if we go back 3 days earlier, to October 8, the Members from South Carolina might be interested to note that a South Carolina State highway patrolman was killed on October 8.

Should we give a $50,000 gratuity to the next of kin of the officer who was killed, because of an incident on October 12, while we deny the same gratuity to the next of kin of the officer who was killed on October 8?

For the benefit of those who are not from South Carolina, let me say this: If a Member is from Kentucky, can that Member go home to Harlan County and point out to the widow and the children of the deputy sheriff who was killed in Hanean County, Ky., on October 8 that they should not get their $50,000, but that the dependents of those who were killed 3 days later should?

Mr. Chairman, this goes on ad infinitum.

I have in my hands the FBI Uniform Crime Report for 1972. It reflects that people were killed in the United States in this particular activity during each and every month of that year. The average is about 10 or 11 per month. There has been an increase in recent years. In 1967 there were only 76 police killed, but the number has increased. Incidentially, I am only speaking of law enforcement officers here, not firemen. I do not have the figures for firemen.

However, I respectfully submit that with people meeting their deaths, because of this type of activity in every month of every year in almost every State in the United States, how can we in good conscience say that those who met their death because of some activity on October 11, 1972, or thereafter will have a $50,000 benefit given to their next of kin, but those who are in exactly the same position, but whose grievous misfortune took place earlier, are barred?

Mr. MOSS. Mr. Chairman, will the gentleman yield?

Mr. DANIELSON. I yield to the gentleman from California.

Mr. MOSS. Mr. Chairman, I would like to ask the gentleman this: I wonder what obligation we have to those innocent nonpolice persons who are gunned down in San Francisco during the last several months we have witnessed more than 12—gunned down indiscriminately on the streets of that city? Are they any less injured?

Is there any less of a loss incurred, because they were not police officers than if they were engaged in police or law enforcement activities?

Mr. DANIELSON. Mr. Chairman, I cannot answer the gentleman's question personally. I am not completely aware of the facts.

Mr. EILBERG. Mr. Chairman, will the gentleman yield?

Mr. DANIELSON. I yield to the gentleman from Pennsylvania.

Mr. EILBERG. Mr. Chairman, I will say to the gentleman from California (Mr. Moss) that the committee is in the process of working on legislation for the protection of victims of crime. A bill pertaining to this subject matter is still under consideration.

In other words, the bill we are considering today is for police and firemen and does not deal with victims of crime. That area is a legitimate concern, one which the committee is considering, and hopefully proposed legislation will be brought to the floor on that subject.

Mr. DANIELSON. Mr. Chairman, in my remaining time, I would like to ask the gentleman from New York (Mr. SMITH) one question.

Does the gentleman's amendment provide for retroactive coverage, or is it prospective in nature?

Mr. SMITH of New York. Mr. Chairman, if the gentleman will yield, my amendment provides that it shall become effective upon signing by the President, so it is prospective in character.

Mr. DANIELSON. It would not be retroactive?

Mr. SMITH of New York. It would not be retroactive. It answers the gentleman's problem. If the House does adopt this amendment, it would become effective on and after the date of enactment.

Mr. DANIELSON. I withdraw my motion to strike, and include in my remarks a table of the law enforcement officers killed since January 1, 1967:

LAW ENFORCEMENT OFFICERS KILLED [1] BY MONTH, 1967 TO MAR. 25, 1974

	1967	1968	1969	1970	1971	1972	1973	1974
Jan	4	6	6	15	10	13	19	------
Feb	5	7	3	4	19	9	10	------
Mar	2	0	8	5	7	8	10	------
Apr	2	4	10	8	15	8	10	------
May	10	6	10	8	11	9	11	------
June	3	5	4	15	8	9	10	------
July	7	10	10	4	7	8	8	------
Aug	8	5	4	8	9	8	13	------
Sept	6	1	9	9	9	11	7	------
Oct	11	5	6	9	11	9	9	------
Nov	7	7	8	6	9	9	13	------
Dec	11	8	8	9	14	13	11	------
Total	76	64	86	100	[2] 129	[2] 114	131	[3] 28

[1] Source: FBI uniform crime reports.

[2] Includes 3 officers in 1971 and 2 officers in 1972 from Puerto Rico.

[3] Includes law enforcement officers killed from Jan. 1, 1974, to Mar. 25, 1974. Monthly breakdown is unavailable for 1974.

Mr. WIGGINS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the amendment pending is to substitute the administration bill for that reported out by the subcommittee.

As you know, I opposed the subcommittee bill, but let me say the administration bill is even worse. It is defective in two major respects.

First, coverage only attaches if the death occurred as a result of a criminal act or an apparent criminal act. Let me ask you this question: Let us suppose that a police officer is shot and killed. Let us also suppose a suspect is apprehended and tried and found not guilty. The question is: Has the police officer been killed as a result of a criminal act or an apparent criminal act? Let me say positively that he has not been killed as a result of a criminal act, and that matter has been judicially determined. You can see obviously that any such result would be grossly unfair. It is possible, you understand, that the suspect may be acquitted by reason of someone failing to give him the Miranda warning even though his performing the act is clear. Such a result is an arbitrary and discriminatory feature of the administration bill which makes it unworthy of support.

The second defect is in the coverage of firemen. It does not cover firemen at all, but it covers the activity of firefighting—the activity of firefighting.

Now let me give you another hypothetical illustration. Let us suppose a fire unit responds to a false alarm and let us also suppose that false alarm was put in for the purpose of setting up the firemen. Let us suppose that the firemen are met at the scene of the nonfire by a hail of bullets and several firemen are killed. I ask you, have they been killed as a result of the activity of firefighting? It is a close question, but I would guess probably not.

The coverage of the administration bill is imperfect. The subcommittee's bill is better in that respect, but let me tell you that it leaves so much to be desired that I reaffirm my opposition to the bill as reported out by the subcommittee.

Mr. FISH. Will the gentleman yield?

Mr. WIGGINS. I yield to the gentleman from New York.

Mr. FISH. I want to thank the gentleman from California for pointing out two major defects in the amendment. I would not be at all surprised if he is absolutely right.

It is a tragic thing that a fireman is killed because he responds to a false alarm and runs into snipers with no fire going on at all. The committee bill does take care of this. As well the language in the bill would avoid the problem raised by the death of the officer where the perpetrator is later acquitted. The committee's bill would cover the death Mr. WIGGINS described, since section 701 (f) defines crime to include acts regardless of the ultimate determination of guilt of the perpetrator.

Mr. SMITH of New York. Will the gentleman yield?

Mr. WIGGINS. I yield to the gentleman.

Mr. SMITH of New York. I would like to say in regard to the question of firefighters that the gentleman raises, the amendment says a public safety officer means a person serving a public agency with or without compensation in any activity pertaining to firefighting and his survivors are entitled to a gratuity if he has been killed in the line of duty and the proximate cause of such death was a criminal act or apparent criminal act. So in regard to the firefighters, I think they are taken care of.

Mr. WIGGINS. I suggest to you that there is a difference between firefighters and firefighting, especially if there is no fire to be fought.

Mr. YATES. Will the gentleman yield?

Mr. WIGGINS. I yield to the gentleman.

Mr. YATES. Will the gentleman tell the House why the committee picked the date of October 1972?

Mr. WIGGINS. That is the date on which I had the pleasure of killing this bill 2 years ago by objecting to the unanimous-consent request. The rationale is that but for my act it would be the law now. The law which would be in existence would be the administration bill, a very imperfect piece of legislation.

Mr. FISH. Mr. Chairman, will the gentleman yield?

Mr. WIGGINS. I yield to the gentleman from New York.

Mr. FISH. Mr. Chairman, I would state to the gentleman from California that the effective date is the date the bill passed the House. The gentleman from California killed the conference report, but that was several days later.

Mr. WIGGINS. Whatever it was. I would be happy to take the heat this time if it were possible, and get you all off the hook.

Mr. HOGAN. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New York (Mr. SMITH) and I move to strike the requisite number of words.

Mr. Chairman, the amendment offered by the gentleman from New York (Mr. SMITH) would totally gut the bill. It loses sight of the fact that the reason for the legislation is to recognize the hazardous occupations in which policemen and firemen are involved. They are just as dead, whether their death results as the proximate cause of a criminal act, or whether they are engaged in some other official duty not directly related to the commission of a crime.

The only instances under the substitute offered by the gentleman from New York (Mr. SMITH) where a fireman would be compensated would be those isolated instances where the fireman dies as the result of arson or sniping, and those are very, very minimal. It does not cover, for example, instances where the police officer is called to a beach to dismantle a torpedo that is lying on that beach and he dies as a result of an explosion. His widow would not be compensated under the gentleman's substitute, because there is no criminal act involved.

If a police officer is responding to a robbery with his red light and siren on, and he is killed in an automobile accident, his widow would not be compensated.

If a policeman is directing traffic, and an automobile slides on the ice and kills him, his widow would not be compensated, because there would be no criminal act involved.

As the gentleman from California very aptly pointed out, unless there was a defendant involved in the case, and he were convicted, there would not have been a criminal act, and the dead officer's widow would not be compensated.

Similarly, if an individual dies from gunshot wounds from a sniper and his assailant is never apprehended, never found, there would be no criminal act which would be the proximate cause of his death.

So I think that the amendment offered by the gentleman from New York loses the point totally of what we are trying to do, and that is to compensate the widows and survivors of these men who are engaged in hazardous activities in protecting society.

Mr. SMITH of New York. Mr. Chairman, will the gentleman yield?

Mr. HOGAN. I yield to the gentleman from New York.

Mr. SMITH of New York. Mr. Chairman, I would like to say to the gentleman from Maryland that to some of us the justification of the amendment, the national justification of the amendment, is the fact that there is a national concern about the spread of violent crime. There was a time back about the time that we were adopting the Omnibus Crime Control and Safe Streets Act of 1968 when there was a large national interest in the control of crime, and that interest is still there. We also adopted the law enforcement assistance administration bill, showing again our national concern with crime.

And so the justification for the gratuity by the National Government was this close connection with crime, and the feeling was that if a law enforcement officer or a firefighter was killed or disabled in other activities that did not involve crime, this was strictly a concern of or something that should be taken care of by the State or locality in which he worked, under compensation benefits, insurance, and so forth.

Mr. HOGAN. Mr. Chairman, in answer to the observations made by the gentleman from New York (Mr. SMITH), I would say that every aspect of police work is related to the prevention, detection, and curbing of crime.

What if a police officer is responding to a bank robbery call, and he dies as a result. His activities at the time of his death are certainly related to our national concern about reducing crime.

I think that we miss the point totally and completely if we limit the benefit payment to those instances where crime is the proximate cause of death, because this would in no way meet the real need.

Mr. YATES. Mr. Chairman, if the gentleman will yield, what about in the case of a person making a civilian arrest, and something happens to that man?

Mr. EILBERG. Will the gentleman yield?

Mr. HOGAN. I yield to the chairman of the subcommittee, the gentleman from Pennsylvania (Mr. EILBERG).

Mr. EILBERG. Mr. Chairman, if the gentleman will yield, the fact is that a civilian arrest does not involve a public official or public activities, and if such a civilian were killed as the result of such activities, it would be contemplated that he would not be covered.

Mr. YATES. He would not be covered?

Mr. EILBERG. No.

Mr. YATES. Under the definition on page 3 of the bill, in subsection (3)(e), it says:

> "(e) As used in this section, the term 'law enforcement officer' means a person engaged in any activity pertaining to crime prevention, control, or reduction or the enforcement of the criminal law, including, but not limited to police efforts to prevent, control, or reduce crime or to apprehend criminals; activities of corrections, probation, or parole authorities; and programs relating to the prevention, control, or reduction of juvenile delinquency or narcotic addiction.

The CHAIRMAN. The time of the gentleman has expired.

(At the request of Mr. EILBERG, and by unanimous consent, Mr. HOGAN was allowed to proceed for 2 additional minutes.)

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. HOGAN. I yield to the gentleman from Illinois.

Mr. YATES. I thank the gentleman for yielding.

The language itself is certainly clear that a person who is conducting a civil arrest against a person who he thinks has committed a crime would be covered by this; would he not?

Mr. EILBERG. In response to the gentleman, if the gentleman from Maryland will yield, I direct attention to page 3, line 24:

> As used in this section, the term "eligible public safety officer" means any individual serving, with or without compensation, a public agency in an official capacity as a law enforcement officer, ...

Obviously, that excludes a private citizen making a citizen's arrest.

Mr. HOGAN. I should like to say further that, even in all instances where the arresting officer himself dies, he may not be covered under the gentleman from New York's amendment.

If the Members will forgive a personal allusion, Mr. Chairman, I at one time was attacked while involved in interviewing an individual in connection with an investigation. Unprovoked, he assaulted me and other officers. There was no criminal act involved. We were there to interview him, not to arrest him. If we had died as a result of that attack during the attempted interrogation, under the amendment offered by the gentleman from New York, I doubt if our widows would not have been compensated.

Mr. Chairman, I yield back the balance of my time.

Mr. BURKE of Florida. Mr. Chairman, I wish to state my opposition to the amendment and to offer my support for H.R. 11321, which is before us today for approval. H.R. 11321 is identical to the bill which I introduced in support of H.R. 11321, the Public Safety Officers' Benefits Act of 1974. Late last year, I presented to our colleague, Mr. RODINO, chairman of the Judiciary Committee, petitions signed by more than 20,000 citizens from my congressional district, requesting that we act favorably with respect to S. 15 and H.R. 11321.

One who signed this petition was Mrs. Beverly Yourman and another was Mrs. Teresa Riley, both of whom are the widows of Philip Yourman and Byron Riley, two police officers who were killed in the city of Hollywood, Fla. in the line of duty on August 30, 1973. They were not gunned down, but were, nevertheless, in pursuit of some robbery suspects when their car went out of control and as a result of the accident both of said officers died. These brave men were but two of many that died as a result of doing their duty.

Mr. Chairman, it is not necessary for me to go into detail, but I think the fact that 1,002 police officers died as a result of injuries sustained during the performance of their duties between 1961 and 1973; and, between said dates an estimated 790 firemen died while fighting fires is worth noting. Probably our first line of defense, insofar as our safety on the streets and in our homes is concerned, results from those that are engaged in law enforcement and those engaged in firefighting. Daily we read in the papers and learn from the news media, of police officers who have been gunned down by bandits or other hoodlums while protecting the lives and property of our citizens. We read also of the harassment and deaths of our firemen whose sole purpose is to prevent deaths and destruction by fire.

It is easy for some to argue that the responsibility with respect to police officer fatalities and those of our firemen are local responsibilities and not Federal. I feel, however, that it is the Federal responsibility to see to it that the families of law enforcement officers who die while apprehending or attempting to apprehend criminals or protecting property, and whose responsibility it becomes to make our streets safe for our citizens are properly cared for. During the time I have been in the Congress, I have tried, whenever possible, to cut expenses in order to reduce our skyrocketing national budget and national debt. However, in this case, I feel it is my responsibility and the responsibility of each of us as Members of Congress, to support this legislation.

I can appreciate the arguments of some of the committee members who oppose the bill and argue that even if the Federal assistance prescribed in the bill before us is necessary, that there might be better ways to achieve Federal participation. Nevertheless, there is no better program before us, and if there is a better program, then where is it? Actually this bill can be amended at some future date by the passage of a substitute law which might be enacted to take its place. However, until then we should pass this bill.

I might add that I fail to follow the argument of my colleagues who state that this legislation is politically motivated. I do not find it so and even if it is, it is no more politically motivated than the hundreds of other programs that are funded by the Federal Government and which my colleagues here supported and voted for.

Mr. Chairman, most men become police officers because they are interested in police work and in seeing our laws enforced. Most men become firemen because they are interested in the welfare of our American citizens also. Both are aware of the dangers involved and the hazards of their jobs, yet they dedicate themselves and their lives to the protection and to the safety of the public, and to prevent the breakdown of law and order, which is so extremely necessary if we are to have a safe and orderly society. Most police, other law enforcement officers, and firemen are family men, and they have the same love for their families and for their children as do others who are not engaged in hazardous work. Yet, the one thought in the minds of these dedicated people, is to protect you and me, your family and my family, and to this extent many, as I have indicated, have given their lives in order to make us secure.

It is interesting to note, also, that there has been a continual rise in the statistics with respect to those who have been killed and wounded in the line of duty in both of the categories mentioned. There is no reason to believe that under present conditions and with the laxity of some of our courts and "do-gooders" in aiding in the release of criminals, that the dangers will be less in the future. In fact, it is more than probable that the number of widows will increase in the future rather than decrease. Truly, I hope that I am wrong—and, I pray that I am, but regardless, I feel that it is our responsibility to pass this bill. We pass bills in favor of veterans who have come back from the wars. Why then should not we pass bills to help the families of those who are fighting a war daily against crime, and for those who risk their lives as firefighters. They deserve this much.

Mr. Chairman, I am honored to have the opportunity of voting in favor of the passage of H.R. 11321, and I sincerely hope my colleagues will join me in making its passage a reality.

Mr. BIAGGI. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I do not intend to use the full 5 minutes, but I think there are some points that require rebuttal.

One, the date in question is not an arbitrary date. It would be Utopia and not realistic to go back ad infinitum, but that is not what we are dealing with today. We are dealing with a pragmatic question. The date we are dealing with is the date the House worked its will, October 11, 1972. When the bill was passed unanimously.

The argument has been offered that if we continue in this direction, it would be a first step, perhaps not a large step, but a significant step toward federalizing police. I suggest that is strongly specious, especially in light of the fact that we do have the Law Enforcement Assistance Administration which has been sending money throughout the country to various police departments, and which in no way encroaches upon the administration of various police departments.

What I should like to do is ask the chairman several questions so we can establish some legislative history here with relation to the welfare of the auxiliary police.

Is the chairman familiar with the role of the auxiliary police?

Mr. EILBERG. I believe I am.

Mr. BIAGGI. Is the chairman aware of the fact that they do the job of police officers?

Mr. EILBERG. Yes, they do.

Mr. BIAGGI. They are not armed; they are in uniform; the uniform is paid for in part in some areas by the local government, in other areas by themselves. They are subjected to the same perils. The wrongdoer, the man who has just perpetrated a holdup, leaving in panic, sees a person in blue. As far as he is concerned, he is a police officer, and he will undoubtedly injure or kill him in order to escape.

As I said before, that has happened, as I predicted several years ago, and my prediction has come to pass. Two of those men were killed last month, people who were just citizens who were concerned about the safety of their fellow citizens, who gave of themselves.

I should like to ask the chairman, Are those legitimate policemen included in this bill?

Mr. EILBERG. Indeed, they are.

Mr. BIAGGI. I thank the chairman. Mr. Chairman, I yield back the remainder of my time.

Mr. HUNT. Mr. Chairman, I rise in opposition to the amendment. I have listened to the amendment and the reason why it should be requiring that a man lose his life while on duty and where the commission of a crime has been detected.

Let me pose a hypothetical question as to what would happen to a fireman who is called to the scene of a crime where a burglary had been the prime crime and the first crime. A fire had been set by the burglar so as to cover that crime of burglary. Then during the firefighting activity that ensued the fireman was killed by falling through a floor into a cellar where he expired. Later when the case came to court it was impossible to prove the arson presumption but nevertheless the volunteer fireman was just as dead by virtue of falling through the floor as he would have been if the arson had been proved.

That I think is a fallacy in the amendment, because a man is just as dead if he goes out to a fire where a crime has been committed and he does not even know about it as he would be if he knew about it.

The same thing would occur if a man went to a fire and he was fighting the fire and while in the act of fighting the fire he was knocked off the ladder by someone who reached out the window, but that could not be proved later. The widow would be just as subject to the law existing in this case as in the first case.

Mr. PEYSER. Mr. Chairman, will the gentleman yield?

Mr. HUNT. I yield to the gentleman from New York (Mr. PEYSER).

Mr. PEYSER. Mr. Chairman, I thank the gentleman for yielding.

In an area such as the one where I live there is a great deal of firefighting done by volunteer firemen who come out every hour of the day and night and put their lives on the line. The auxiliary police also join in and they both put their lives on the line and they should both be included, as well as the full-time policemen and firefighters.

Mr. HUNT. I thank the gentleman. The same situation exists in my district. We have volunteer firemen and volunteer police who come to the scene of the fire and direct traffic without any pay whatever. The same thing exists in the State of New York.

These contributions we must recognize in our society. They are great contributions and do so much good.

In my home town several years ago a young fireman plunged to his death through a weakened floor while he was fighting a fire. The police could have determined the store had been burglarized, but that did not make any difference. He was still dead. People are still paying into the fund in my home town so as to help his children and enable them to go to school.

The only thing we seek to do in the original bill is to pay a compensation to the widow and the family when the husband has been killed in line of duty either in law enforcement or in the firefighting field. For that reason I am opposed to the amendment as it now stands, because it will be said eventually, and it has been said here today on this floor, that the reason this bill is being offered is because this is an election year. That is the furthest thing from the truth. I have been trying to bring this bill to the floor for 3 years and finally it has been brought here.

Mr. SMITH of New York. Mr. Chairman, will the gentleman yield?

Mr. HUNT. I yield to the gentleman from New York.

Mr. SMITH of New York. Mr. Chairman, I do not think there is any disagreement among all of us here as to the feeling of the gentleman that the survivors of firefighting and law enforcement personnel ought to be taken care of. I think the only difference is whether, in our opinion, this should be done by the State of New Jersey, and I think it should be done by the State of New Jersey, or whether it should be done by the Federal Government for these local officials. This is our only difference of opinion, because these people certainly should be taken care of.

Mr. HUNT. I realize that is a difference of opinion and I thank the gentleman for bringing that to my attention.

I might tell the gentleman that for a number of years when I was a law enforcement officer and when I was a State legislator I tried very diligently to have the insurance rates changed for such people. We have been unable to have the State recognize their responsibility to the family of the law enforcement officers and firemen.

Mr. MOSS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think this is an excellent example of a very worthy objective in a piece of legislation which should never have reached the floor of this House. I do not know as I read the language of the bill what is meant in some of the definitions, but I have been doing just a little thinking myself.

I know at some of the airports we have agency guards, employees working in those agencies to enforce the new requirements of the Federal Aviation Administration, that persons be subjected to search of their persons.

Now, I assume, therefore, they are engaged in law enforcement work. If in the course of their work one of them gets shot, would that person then be subject to the benefits envisioned under this legislation? As I read the bill, he would.

In my State, he would also be entitled to workmen's compensation, being an employee of a private firm, so he could get double compensation in that instance.

Then we have a school-crossing guard——

Mr. HOGAN. Mr. Chairman, will the gentleman yield?

Mr. MOSS. I yield to the gentleman from Maryland.

Mr. HOGAN. With all due respect, the gentleman's understanding of the committee's bill is in error. Such a person would be specifically excluded.

Mr. MOSS. I would ask the gentleman to point out the language of exclusion. I do not find it. Can the gentleman find in any case the administrator allows this under the regulations in the effective section on page 2?

Mr. HOGAN. If the gentleman will yield further, on page 4, a public safety officer is defined as meaning any officer serving with or without compensation in a public agency in an official capacity.

Mr. MOSS. I submit that is precisely the circumstances that I have sketched. I can recall the San Francisco Airport Authority. It is a public agency. The San Francisco Airport Authority hires guards to enforce the regulations required by the Federal Aviation Administration to be enforced in air transportation. That person would be under this language, the language of the bill, engaged in the enforcement of law and enforcement for a public agency.

Now, we have in some communities and in some school districts paid crossing guards and they are policewomen. I believe over in the city of Alexandria is an example near at hand. If that policewoman is hit by an automobile, now I suppose if the automobile is driven by a drunken driver she would be eligible for compensation; but if not hit by a drunken driver, but just purely an accident, there would be no compensation paid, again as I read this.

I suppose a young student who engages in activities as a crossing guard would not be eligible under any condition or would be eligible under the conditions I have just outlined where if they were hit by a person who was a drunken driver or who was engaged in making a getaway holdup, they might be eligible.

I mention these things only because I think this piece of legislation represents the penultimate in sloppy drafting language. I am amazed that the great Committee on the Judiciary would bring to the floor of this House such an imperfectly drafted piece of legislation.

Mr. EILBERG. Mr. Chairman, will the gentleman yield?

Mr. MOSS. I yield to the gentleman from Pennsylvania.

Mr. EILBERG. Does the gentleman have a copy of the bill in front of him?

Mr. MOSS. I have a copy of the bill in front of me and I have also a copy of the report.

Mr. EILBERG. I was trying to give the interpretation of the subcommittee, if the gentleman will follow me. On page 3 we define the term "law enforcement officer" and we can see in the lines following that it means "a person engaged in any activity pertaining to crime prevention, control, or reduction or the enforcement of the criminal law," and so forth.

Mr. MOSS. Will the gentleman withhold that a moment, because I have read that also and I find that a social worker who is engaged in narcotics prevention or the discouragement of the use of narcotics would also be covered?

Mr. EILBERG. There are two cases that are referred to.

Mr. MOSS. We have it here: "programs relating to the prevention, control, or reduction of juvenile delinquency or narcotic addition." Almost the same language, the same barndoor approach is used in the language above as we go to the definition of a police officer: "including, but not limited to police efforts to prevent, control, or reduce crime or to apprehend criminals."

Let me say to the gentleman——

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent Mr. Moss was allowed to proceed for 2 additional minutes.)

Mr. MOSS. Mr. Chairman, the gentleman is an attorney and I am not. But I have for 24 years been actively engaged in legislating. When we can read this on its face and it appears to be clear, I do not know why we have to go beyond it. It says here that if you are engaged in anything relating to——

Mr. EILBERG. May I respond to the gentleman?

Mr. MOSS. Yes, indeed.

Mr. EILBERG. Mr. Chairman, page 3 refers to the class of people which come under the term of law enforcement officer. We define everyone who is a law enforcement officer in lines 10 through 17. This is a class.

On page 4, beginning with line 8 and the lines following down through 22, is the activity that that class must be engaged in—a limitation on the class. We define the class on page 3 and the limits of the activity are described on page 4.

Mr. MOSS. Mr. Chairman, I agree that the gentleman so attempts, but I also restate my conviction that he failed to achieve it.

Mr. DEL CLAWSON. Will the gentleman yield?

Mr. MOSS. Mr. Chairman, I yield to the gentleman from California.

Mr. DEL CLAWSON. Mr. Chairman, if the gentleman reads very carefully on page 4, all of those guidelines refer only to firemen, not to police officers or all other law enforcement officers—only to firemen.

Mr. MOSS. Mr. Chairman, I thank the gentleman for pointing that out, because again it illustrates the inadequate attention given to the drafting of this first step of this assuming of the responsibilities for compensating the loss of life. No one would regret the loss of life of a police officer or a fireman more than I would, as I regret the loss of the life of any person due to the lawlessness of another individual. We will have to open the Treasury wide to compensate all of them.

Mr. GROSS. Mr. Chairman, I move to strike the necessary number of words.

Mr. Chairman, I have no intention of taking 5 minutes. I simply want to commend the gentleman from California (Mr. WIGGINS) and the gentleman from Indiana (Mr. DENNIS) for the excellent statements they made earlier this afternoon in opposition to this bill.

Mr. Chairman, I ask the question: Is there no responsibility to be left to the States and local subdivisions of government? Must the Federal Government take over all of the responsibilities that ought to be borne by the people in the States, counties and municipalities?

Mr. EILBERG. Mr. Chairman, will the gentleman yield?

Mr. GROSS. If the gentleman can make a contribution to answering the question, yes.

Mr. EILBERG. I will try. Mr. Chairman, the States have been unable or unwilling to respond to this particular situation, and this is the conclusion of the subcommittee.

Mr. GROSS. We are giving them millions in revenue sharing. Why do they not use some of that money for this purpose if it is so meritorious?

Mr. EILBERG. They have no legal authority to do that.

Mr. GROSS. They ought to have concern for their State police, city police, sheriff's officers, and so on and so forth.

Mr. BIAGGI. Will the gentleman yield?

Mr. GROSS. Briefly.

Mr. BIAGGI. Mr. Chairman, I agree in every way with my good friend from Iowa. I meant to comment on that earlier. I happen to agree with the gentleman 1,000 percent. Local government should have responded. They should have responded to many ills of our Nation. They have failed. They have failed in many other areas. The Federal Government has responded. Here we talk in terms of law and order. We talk in terms of law enforcement, fighting the great fight, pouring moneys down the drain and along the channels, and then we talk of something that deals with simple justice.

Mr. GROSS. And some of the States have treasuries with surpluses.

There is no surplus in the U.S. Treasury. It is fed by borrowing. I do not know where it is proposed to get the money for this purpose.

Mr. BIAGGI. Mr. Chairman, maybe it is something that we must provide for.

Mr. GROSS. Mr. Chairman, let me go on with my statement, and perhaps I can yield further to the gentleman.

I listened carefully to the chairman of the subcommittee, the gentleman from Pennsylvania (Mr. EILBERG), when he made his opening statement.

For every risk and hazard that policemen and firemen take, members of the military forces of this country take the same risks, and more under certain conditions. I believe the insurance they have amounts to $15,000, and the serviceman pays the premium. This bill provides for an outright gratuity from the Federal Treasury of $50,000.

What kind of a precedent are we setting with this kind of legislation?

Consider the military draftee. He takes all the risks. He serves involuntarily. He must pay for the insurance that protects his wife and children. On the other hand, this is a $50,000 gratuity out of the Treasury.

What kind of a precedent, I ask the Members again, will the House establish with this legislation?

Mr. EILBERG. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Pennsylvania.

Mr. EILBERG. Mr. Chairman, we have black lung legislation, we have disaster legislation. We enact disaster legislation when national disasters strike. This is simply a bill to provide $50,000 to the survivors of policemen and firemen who are killed in the line of duty.

Mr. GROSS. Mr. Chairman, I am talking about the serviceman who lays his life on the line.

Mr. EILBERG. His activities are relatively limited, and we are talking in this bill of those who follows a full-time career, policemen and firemen.

Mr. GROSS. Mr. Chairman, let me ask the gentleman this: Is he prepared to pay the dependents of servicemen the same gratuity? Is he prepared to pay them $50,000?

Mr. EILBERG. Mr. Chairman, if the gentleman will yield further, I would suggest that they should receive such a benefit, and I would advocate that, yes, indeed.

Mr. GROSS. Has the gentleman stopped to consider what that would cost in an action such as World War II or even the Vietnam war?

Mr. EILBERG. Nevertheless, I think it would be a desirable step, Mr. Chairman.

Mr. GROSS. Well, I do not know that I can reason, much less argue, with that kind of philosophy. Evidently the gentleman from Pennsylvania thinks the Federal Treasury is a bottomless pit.

Mr. EILBERG. Mr. Chairman, will the gentleman yield further?

Mr. GROSS. I yield to the gentleman from Pennsylvania.

Mr. EILBERG. Mr. Chairman, the cost of this bill is only $17 million a year, which is a relatively small sum.

Mr. GROSS. Plus $26 million for retroactive pay.

Mr. EILBERG. The gentleman is correct.

Mr. GROSS. And I would not be surprised that once you get this program in gear, the Members will come along and make it even more liberal and financially irresponsible.

Mr. KETCHUM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I believe that there are some provisions in this bill that really deserve looking at. Had it not been for the retroactive provision and had it not been for the definitions in this bill, I would have been inclined to vote for it. It would be a great political vote, It probably would be very wise to vote for this bill.

During the period of time that I served in the California Legislature, I carried most of the retirement legislation for the firemen and police officers.

Mr. Chairman, I cannot speak for any other State, but we have very diligently in my State tried to preclude those individuals who were not deserving of the safety side or the better retirement benefits that we afford to our policemen and firemen in the State of California.

I believe these definitions in this bill will very dangerously affect that law in the State of California, and perhaps the laws in some other States, because now we are telling them who the law enforcement officers are.

Believe me, this definition covers everybody but the dog catcher.

Mr. Chairman, let me make one other point here. That is concerning the retroactive provision of this bill. I think that it is terrible. I believe the point made by the gentleman from California (Mr. DANIELSON) was entirely correct. It is absolutely ridiculous to go back to the 11th of October and not go back to the 8th of October of 1972 or go clear back to the writing of the Constitution.

In regard to the statements of my friend from Iowa (Mr. GROSS) we ought to go back to World Wars I, II, and III, because while their service may have been of limited duration, they are still buried.

Mr. EILBERG. Will the gentleman yield?

Mr. KETCHUM. I yield to the gentleman.

Mr. EILBERG. I would like to take this time to observe that in a previous colloquy between the gentlemen from California (Mr. MOSS and Mr. CLAWSON) on page 4 the activities refer to firemen and anyone looking at the bill can see the terms actually pertain to the activities of a law enforcement officer. I just want to set the record straight on that.

Mr. KETCHUM. I noticed that section, and I read on page 4, line 17, under (ii) "otherwise engaged in the performance of his duty, where the activity is determined by the administration to be potentially dangerous to the law enforcement officer." That can cover anybody.

Mr. EILBERG. If the gentleman will read the report—and I do not know whether he has read it or not—what is proposed is that the LEAA would conduct hearings and call in experts to determine what is potentially dangerous. They will determine that under the authority delegated to them.

Mr. KETCHUM. I thank the gentleman, but I may say there are thousands of district attorneys in the United States of America who would love to be included and probably will be.

Mr. SEIBERLING. Mr. Chairman, I move to strike the last word.

Mr. Chairman, it is very important that the RECORD be clear in the face of the assertions by the gentleman from California and others as to the scope of this bill. It was not meant to compensate hired private agency guards at airports or the crossing guards at public schools. Certainly neither of these is normally a potentially dangerous activity or falls within the scope of any of the other activities described in section 701(g) of the bill. I think the bill is quite carefully drawn and defines an eligible public safety officer as an individual serving a public agency; that means one employed by a public agency in an official capacity as a law enforcement officer or as a fireman. It goes on and spells out the circumstances under which they can be compensated. Both the intent and the language of the bill are clear.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from New York (Mr. SMITH).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. SMITH of New York. Mr. Chairman, on that I demand a recorded vote.

A recorded vote was refused.

So the amendment in the nature of a substitute was rejected.

Mr. EILBERG. Mr. Chairman, I ask unanimous consent that the remainder of the bill may be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The remainder of the bill is as follows:

SEC. 2. Title I of the Omnibus Crime Control and Safe Streets Act of 1968 is amended by adding at the end thereof the following new part:

"PART J.—PUBLIC SAFETY OFFICERS DEATH BENEFITS

"SEC. 701. (a) In any case in which the Administration determines, under regulations issued under part F of this title, that an eligible public safety officer has died as the direct and proximate result of a personal injury sustained in the performance of duty, leaving a spouse or one or more eligible dependents, the Administration shall pay a gratuity of $50,000, in the following order of precedence:

"(1) If there is no dependent child, to the spouse.

"(2) If there is no spouse, to the dependent child or children, in equal shares.

"(3) If there are both a spouse and one or more dependent children, one-half to the spouse and one-half to the child or children, in equal shares.

"(4) If there is no survivor in the above classes, to the parent or parents dependent for support on the decedent, in equal shares.

"(b) As used in this section, a dependent child is any natural, illegitimate, adopted, posthumous child or stepchild of the decedent who at the time of the public safety officer's death is—

"(1) under eighteen years of age; or

"(2) over eighteen years of age and incapable of self-support because of physical or mental disability; or

"(3) over eighteen years of age and a student as defined by section 8101 of title 5, United States Code.

"(c) As used in this section, spouse includes a surviving husband or wife living with or dependent for support on the decedent at the time of his death, or living apart for reasonable cause or because of desertion by the decedent.

"(d) As used in this section, the term 'dependent for support' means more than one-half of the support of the dependent concerned.

"(e) As used in this section, the term 'law enforcement officer' means a person engaged in any activity pertaining to crime prevention, control, or reduction or the enforcement of the criminal law, including, but not limited to police efforts to prevent, control, or reduce crime or to apprehend criminals; activities of corrections, probation, or parole authorities; and programs relating to the prevention, control, or reduction of juvenile delinquency or narcotic addiction.

"(f) As used in this section, the term 'crime' means any act or omission which is declared by law to be a crime in the jurisdiction where the injury to the public safety officer occurred. Such an act is a crime for the purposes of this section notwithstanding the guilt, innocence, disability, or identity of the actor.

"(g) As used in this section, the term 'eligible public safety officer' means any individual serving, with or without compensation, a public agency in an official capacity as a law enforcement officer, or as a fireman (including any individual serving as an officially recognized or designated member of a legally organized volunteer fire department) who is determined by the Administration to have been, at the time of his injury—

"(1) a law enforcement officer engaged in—

"(A) the apprehension or attempted apprehension of any person—

"(i) for the commission of a crime, or

"(ii) who at that time was sought as a material witness in a criminal proceeding; or

"(B) protecting or guarding a person held for the commission of a crime or held as a material witness in connection with a crime; or

"(C) (i) the lawful prevention of, or lawful attempt to prevent, the commission of a crime; or (ii) otherwise engaged in the performance of his duty, where the activity is determined by the Administration to be potentially dangerous to the law enforcement officer; or

"(2) a fireman—

"(A) actually and directly engaged in fighting a fire; or

"(B) otherwise engaged in the performance of his duty where the activity is determined by the Administration to be potentially dangerous to the fireman.

"SEC. 702. (a) Whenever the Administration determines, upon a showing of need and prior to taking final action, that a death of a public safety officer is one with respect to which a benefit will probably be paid, the Administration may make an interim benefit payment not exceeding $3,000 to the person or persons entitled to receive a benefit under section 701 of this part.

"(b) The amount of any interim benefit paid under subsection (a) of this section shall be deducted from the amount of any final benefit paid to such person or persons.

"(c) Where there is no final benefit paid, the recipient of any interim benefit paid under subsection (a) of this section shall be liable for repayment of such amount. The Administration may waive all or part of such repayment, and shall consider for this purpose the hardship which would result from repayment.

"SEC. 703. (a) No benefit shall be paid under this part—

"(1) if the death was caused by the intentional misconduct of the public safety officer or by such officer's intention to bring about his death;

"(2) if voluntary intoxication of the public safety officer was the proximate cause of such officer's death; or

"(3) to any person who would otherwise be entitled to a benefit under this part if such person's actions were a substantial contributing factor to the death of the public safety officer.

"(b) The benefit payable under this part shall be in addition to any other benefit that may be due from any other source, but shall be reduced by—

"(1) payments authorized by section 8191 of title 5, United States Code;

"(2) payments authorized by section 12(k) of the Act of September 1, 1916, as amended (D.C. Code, sec. 4–531(1));

"(3) gratuitous lump-sum death benefits authorized by a State, or unit of general local government without contribution by the public safety officer, but not including insurance or workmen's compensation benefits.

"(c) No benefit paid under this part shall be subject to execution or attachment.

"SEC. 704. The provisions of this part shall apply with respect to any eligible public safety officer who dies as the direct and proximate result of a personal injury which is sustained on or after October 11, 1972.".

SEC. 3. Section 520 of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, is amended by inserting "(a)" immediately after "520" and by adding at the end thereof the following new subsection:

"(b) There are authorized to be appropriated in each fiscal year such sums as may be necessary to carry out the purpose of part J.".

SEC. 4. Until specific appropriations are made for carrying out the purposes of this Act, any appropriation made to the Department of Justice or the Law Enforcement Assistance Administration for grants, activities, or contracts shall, in the discretion of the Attorney General, be available for payments of obligations arising under this Act.

SEC. 5. If the provisions of any part of this Act are found invalid or any amendments made thereby or the application thereof to any person or circumstances be held invalid, the provisions of the other parts and their application to other persons or circumstances shall not be affected thereby.

The CHAIRMAN. The Clerk will report the remaining committee amendments.

The Clerk read as follows:

Committee amendments: On page 6, strike out all of lines 15, 16, 17 and 18.

On page 7, after line 12, insert new Sections 5, 6 and 7 to read as follows:

SEC. 5. The Administration is authorized to establish such rules, regulations and procedures as may be necessary to carry out the purposes of this part J. Such rules, regulations and procedures will be determinative of conflict of laws issues arising under this part J.

SEC. 6. The Administration may prescribe rules and regulations governing the recognition of agents or other persons, representing claimants before the Administration. The Administration may, by rule and regulation, prescribe the maximum fees which may be charged for services performed in connection with any claim before the administration of this part, and any agreement in violation of such rules and regulations shall be void.

SEC. 7. In making determinations under Section 701, the Administration may delegate such administrative functions to state and local agencies as it determines necessary and proper to the administration of this part. Responsibility for making final determinations would rest with the Administration.

On page 8, line 17, strike out "SEC. 5." and insert in lieu thereof, "SEC. 8.".

The committee amendments were agreed to.

AMENDMENT OFFERED BY MR. DANIELSON

Mr. DANIELSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DANIELSON: On page 6, line 24, strike "October 11, 1972" and insert in lieu thereof "the date of enactment of this part."

Mr. DANIELSON. Mr. Chairman, the purpose of this amendment is to cure the objections which I referred to in my argument previously made here on the floor, namely, to strike out the retroactive effect of the bill.

The bill as drafted provides it shall apply to any event taking place on or after October 11, 1972. My amendment will simply restrict this to deaths resulting from events taking place following the date of enactment of this part.

This philosophical ground has been pretty well broken, and I am not going to go into it in great detail. I simply want to remind the Members of this House who are from all of the various States in the Union, how could they conceivably go home after passing this bill and respond, as follows—if we make the effective date October 11, 1972, then I ask the Members from the State of South Carolina: How do you go home and answer to the family of the South Carolina highway patrolman who was killed on October 8, and whose beneficiaries would not receive the $50,000, although the others did?

And those Members from Kentucky, how do you respond to the wife of the deputy sheriff of Harlan County?

Or the Members from Michigan, how do they respond to the family of the conservation officer who was killed in early September?

Or the Members from Ohio, how do they respond to the family of the Cincinnati police official who was killed? Or the Members from Minneapolis, Minn., to the family of the police officer who was killed in late September? Or the Members from North Carolina? How do they respond to the family of the chief of police of Elizabethtown, or the family of the North Carolina State highway patrol officer, they were both killed in mid-September?

And from my own State of California, the family of the patrolman in Sunnyvale, or that in Buena Park, how do we answer to those families?

And the Members who are from the State of Kansas, where a police officer was killed in Hutchinson, Kans., in early September? And of the family of the chief of police of French Lick, Ind., who was killed in early September? And the Members from Oklahoma, the Oklahoma highway patrol officer who was killed in early September, how do you respond to his family?

Mr. Chairman, I have only gone back 1 month, just 1 month. How do you answer to those families? I respectfully submit that if I had the time and the Members had the patience we could go back for years and years and years, and find in every month of every year that this tragedy has happened to somebody.

I respectfully submit that we must either make this bill effective only after the effective date of the act, which is the thrust of my amendment, or, in all equity, we must go back to the extent that there are any living survivors of police officers who have lost their lives under these circumstances. The latter alternative would not be feasible. I therefore respectfully request a favorable vote on my amendment.

Mr. EILBERG. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from California (Mr. DANIELSON).

Mr. Chairman, I would like to say that it is always difficult when we attempt to set an effective date, whether it be retroactive or proscriptive, and whether it be the date of the enactment of the legislation or any prospective date in the future, or any retroactive date in the past. But if we are going to fix a date then we have to fix some date, and the fixing of the date is necessarily therefore arbitrary and will necessarily exclude many dependent survivors who are needy.

However, since the resources of the Federal Government and Treasury are limited, we cannot go back indefinitely, but are forced to choose a concededly arbitrary date. Thus the committee selected October 11, 1972, which was the date when the House of Representatives unanimously by a voice vote approved this urgently needed legislation during the last Congress.

As I say, we adopted this legislation unanimously on October 11, 1972. And I might say in connection with that that when we did that that we raised to a great extent the hopes and expectations of police and firemen and their families throughout the country. And many have died since October 11, 1972. I think that there is probably at least an obligation on our part here to provide for those grief-stricken widows and children who have suffered economic tragedy as a result of the deaths of their husbands since last October 11, 1972.

The gentleman from California (Mr. DANIELSON) is greatly disturbed over the possibility of the use of a retroactive date, and I would simply submit in addition that the Senate has included a retroactive provision effective for deaths occurring on or after October 17, 1972, the date the Senate acted and the conference report was submitted.

That was the date that the Senate acted and the conference committe report was submitted. I suggest that we might just as well take the date the House acted, and I would say also to the gentleman that some 39 States since October 11, 1972, have had deaths of police or firemen whose beneficiaries were benefited by the bill as it presently stands, including some 312 who have died.

Mr. Chairman, finally, I think it would make good sense that the family or next-of-kin of the policemen or firemen who died have their toughest time in the first couple of years after the deaths.

Mr. Chairman, that is exactly what we are doing here. We are going back to October 11, 1972. We can still benefit those families who are adjusting to a rapid change of circumstances. This is the time of greatest need, within the first year or two following the deaths of those who have died in the intervening period since October 11. So I think there is good reason to go to the date that this House previously acted on October 11, 1972.

Mr. Chairman, I oppose the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. DANIELSON).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. DANIELSON. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 187, noes 191, not voting 55, as follows:

[Roll No. 179]

AYES—187

Abdnor
Anderson, Calif.
Archer
Arends
Armstrong
Ashbrook
Baker
Beard
Bell
Bennett
Bevill
Boggs
Bray
Breaux
Breckinridge
Broomfield
Brotzman
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Burgener
Burleson, Tex.
Burlison, Mo.
Butler
Camp
Carter
Casey, Tex.
Chamberlain
Clawson, Del
Cleveland
Cochran
Cohen
Collins, Tex.
Conte
Corman
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Danielson
Davis, S.C.
de la Garza
Denholm
Dennis
Derwinski
Devine
Dingell
Downing
Dulski
Duncan
du Pont
Edwards, Ala.
Edwards, Calif.
Erlenborn
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fisher
Flynt
Frelinghuysen
Frenzel
Gibbons
Ginn
Goodling
Gross
Gubser
Guyer
Hanrahan
Hansen, Wash.
Heinz
Henderson
Hillis
Hinshaw
Holifield
Horton
Hosmer
Huber
Hudnut
Hunt
Hutchinson
Ichord
Jarman
Johnson, Colo.
Jones, N.C.
Jones, Okla.
Jordan
Ketchum
King
Kluczynski
Kuykendall
Lagomarsino
Landgrebe
Landrum
Latta
Leggett
Lehman
Litton
Long, La.
Long, Md.
McClory
McCloskey
McEwen
McKay
McKinney
Madden
Madigan
Mahon
Mallary
Mann
Martin, Nebr.
Mathias, Calif.
Mayne
Mazzoli
Michel
Miller
Mollohan
Montgomery
Moorhead, Calif.
Moss
Murphy, Ill.
Natcher
Nedzi
Nelsen
O'Brien
Parris
Passman
Pike
Poage
Powell, Ohio
Price, Tex.
Pritchard
Quillen
Railsback
Randall
Rarick
Rees
Rhodes
Roberts
Robinson, Va.
Robison, N.Y.
Rostenkowski
Rousselot
Roybal
Runnels
Ruth
Ryan
Satterfield
Schneebeli
Schroeder
Shoup
Shriver
Shuster
Sisk
Skubitz
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Steelman
Steiger, Ariz.
Stratton
Talcott
Taylor, Mo.
Taylor, N.C.
Thomson, Wis.
Towell, Nev.
Treen
Van Deerlin
Vander Jagt
Veysey
Vigorito
Waggonner
Waldie
Wampler
Whalen
Whitehurst
Whitten
Widnall
Wiggins
Wilson, Bob
Winn
Wydler
Wylie
Yates
Young, Fla.
Zion
Zwach

NOES—191

Abzug
Adams
Addabbo
Alexander
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Aspin
Badillo
Bafalis
Bauman
Bergland
Biaggi
Biester
Bingham
Bolling
Brademas
Brasco
Brinkley
Brooks
Brown, Calif.
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burton
Byron
Carney, Ohio
Chappell
Chisholm
Clancy
Clark
Clausen, Don H.
Clay
Collier
Collins, Ill.
Cotter
Coughlin
Cronin
Daniels, Dominick V.
Davis, Ga.
Davis, Wis.
Delaney
Dellums
Dent
Diggs
Donohue
Dorn
Drinan
Eckhardt
Eilberg
Esch
Eshleman
Fish
Flood
Flowers
Foley
Ford
Forsythe
Fraser
Frey
Froehlich
Fulton
Fuqua
Gaydos
Giaimo
Gilman
Gonzalez
Grasso
Green, Pa.
Griffiths
Grover
Gude
Gunter
Hamilton
Hammerschmidt
Hanley
Hansen, Idaho
Harrington
Harsha
Hastings
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Helstoski
Hicks
Hogan
Holt
Holtzman
Howard
Hungate
Johnson, Calif.
Jones, Tenn.
Karth
Koch
Kyros
Lent
Lott
Luken
McCollister
McCormack
McDade
McFall
Macdonald
Maraziti
Mathis, Ga.
Matsunaga
Meeds
Melcher
Metcalfe
Mezvinsky
Mills
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moorhead, Pa.
Morgan
Murphy, N.Y.
Murtha
Nichols
Nix
Obey
O'Hara
O'Neill
Owens
Patten
Pepper
Perkins
Pettis
Peyser
Podell
Preyer
Price, Ill.
Rangel
Regula
Reuss
Riegle
Rinaldo
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rose
Rosenthal
Roush
Roy
Ruppe
St Germain
Sandman
Sarasin
Sarbanes
Seiberling
Shipley
Slack
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steele
Steiger, Wis.
Stephens
Stubblefield
Stuckey
Studds
Sullivan
Symington
Teague
Thompson, N.J.
Thornton
Tiernan
Traxler
Vander Veen
Vanik
Walsh
Ware
White
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Wright
Wyman
Yatron
Young, Alaska
Young, Ga.
Young, Ill.
Young, Tex.
Zablocki

NOT VOTING—55

Ashley
Barrett
Blackburn
Blatnik
Boland
Bowen
Brown, Mich.
Buchanan
Carey, N.Y.
Cederberg
Conable
Conlan
Conyers
Crane
Dellenback
Dickinson
Fountain
Gettys
Goldwater
Gray
Green, Oreg.
Haley
Hanna
Hébert
Johnson, Pa.
Jones, Ala.
Kastenmeier
Kazen
Kemp
Lujan
McSpadden
Martin, N.C.
Milford

Minshall, Ohio
Mizell
Mosher
Myers
Patman
Pickle
Quie
Reid
Rooney, N.Y.
Rooney, Pa.
Scherle
Sebelius
Sikes
Steed
Stokes
Symms
Thone
Udall
Ullman
Williams
Wyatt
Young, S.C.

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. BAKER

Mr. **BAKER**. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. BAKER: Page 2, line 8, after line 7, insert "equal to that provided by the State or proper unit of general local government not to exceed a combined total".

Mr. **BAKER**. Mr. Chairman, initially I was going to say that I am in full accord with the concept of this legislation. The families of those who suffer the kind of loss which has been described in this legislation are entitled to just compensation. However, let me read the amendment as it will appear in the legislation:

> Eligible dependents, the Administration shall pay a gratuity equal to that provided by the State or proper unit of general local government not to exceed a combined total of $50,000.

And so forth.

Mr. Chairman, simply what this amendment does is to share the responsibility between the Federal and the local government.

Mr. Chairman, it has been pointed out that the definition of "law enforcement," that is, the definition of those who are covered under the act is vague and nebulous. It is my opinion that if the burden is shared by the local government jointly with the Federal Government, there will be a better approach to handling the obligations justly rather than having every sort of claim made upon the Federal Government.

Local responsibility, of course, we know, will give us much better legislation in many, many instances in our approach to equity and reality. No local government would possibly deny a legitimate claim for compensation under this Act.

Now, some are going to say that there are 20 States here, for instance, which have no provision for a payment of this sort. I do not know actually how many there are.

Well, if there are 30 States which do have such provisions and 20 States which have none, I would say that this is certainly an incentive.

Mr. Chairman, I point out that my amendment clearly says what it means, and that is that the responsibility for the obligation is shared by the local government and the Federal Government.

Mr. **EILBERG**. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this idea was considered in the subcommittee and in the full committee, and after that consideration the idea was rejected in the subcommittee as well as in the full committee.

Some of the reasons are as follows:

This is not the right time in our economic cycle to be imposing additional costs on State and local governments.

An individual State might not have the resources to deal with this problem in light of its priorities.

State legislatures would take far too long to pass a compensation law and many needy families would be unattended. Even if the State legislatures made their law retroactive, the needy families would not have the financial resources at the point in time when most needed.

Dependent families have long been present in States and yet States have not acted because of this worthy incentive, therefore, why should they respond to the incentive of a matching grant concept?

With a matching grant concept, States that do not pass a law thereby qualifying for matching grant funds, would in effect penalize their citizens who would be made ineligible for compensation in spite of their need.

I would like to quote:

> *Question 3*. What is the position of the Department on matching grants to the states for death benefits programs?
>
> Answer. The Department would not support the use of matching grants to the states for death benefits programs. This approach would encourage state and local authorities to transfer the burden of compensation for these employees to the federal government. The primary responsibility for providing normal employee benefits should rest with the employers—the state or local governments. Financial assistance in this area should come from the states and local governments themselves rather than direct takeover of the function by the federal government. Matching grants would only serve to act as a disincentive to the states and local governments and result in a reliance on the federal government for compensation assistance.
>
> *Question 4*. How many states have death benefits programs for public safety officers?
>
> Answer. (See Attachment.) [See p. 171.]

Mr. **BIAGGI**. Mr. Chairman, will the gentleman yield?

Mr. **EILBERG**. I yield to the gentleman from New York.

Mr. **BIAGGI**. Mr. Chairman, to express it very succinctly, is this not one of the main reasons why this bill is necessary, because the local governments have failed, and failed miserably, in discharging their moral responsibility and their actual responsibility of providing for the survivors of these brave men who have given their lives in behalf of society and in the performance of their duties?

Mr. **EILBERG**. The gentleman is absolutely correct.

Mr. **BIAGGI**. And that is the main reason for this bill.

Mr. **FISH**. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, by the adoption of this amendment, there is no real assurance that the benefits will eventually be paid to police officers and safety forces. Thirty to forty percent of all salaried policemen and firemen do not have any employer-provided coverage, and this is why in so many instances charitable organizations must be relied upon.

I believe this amendment does violence to the basic concept of the legislation. There is absolutely no guarantee that States without coverage today would supply that coverage, and the result would only, with the adoption of this amendment, be an uneven State-by-State benefit system for the people who are designed to be covered by this bill.

Mr. **BAKER**. Mr. Chairman, will the gentleman yield?

Mr. **FISH**. I yield to the gentleman from Tennessee.

Mr. **BAKER**. Can the gentleman conceive of a situation in which a local government would deny the money to reimburse or indemnify a legitimate claim in this sort of a situation? They have the money for everything under the Sun, and earlier in the debate the gentleman from New Jersey (Mr. HUNT) said they have a fund up there which is a freewill offering to maintain the standards in such a situation.

Mr. **FISH**. I think the gentleman from New Jersey can verify this, but what he is talking about is a private fund.

Mr. **HUNT**. Will the gentleman yield?

Mr. **FISH**. I yield to the gentleman.

Mr. **HUNT**. I was talking about a fund raised by the people in this town for the purpose of protecting the deceased firemen's widows. The other contributions are made by members of the departments to protect the children of the deceased firemen involved. It is up to the members of the State police to look after the widows and children. The State in no way contributed to the fund.

Mr. **BAKER**. Will the gentleman yield further?

Mr. **FISH**. I yield to the gentleman.

Mr. **BAKER**. In this instance the maximum amount of the fund would certainly be in order with the necessary matching Federal funds to indemnify the aggrieved. I cannot imagine anything else.

The **CHAIRMAN**. The question is on the amendment offered by the gentleman from Tennessee (Mr. BAKER).

The question was taken and on a division (demanded by Mr. BAKER) there were—ayes, 48, nays 107.

So the amendment was rejected.

Mr. **WIGGINS**. Mr. Chairman, I move to strike the last word.

Ladies and gentlemen, I will not take any more time, but I just wish to advise you that in a few moments I will offer a motion to recommit. If anything is clear from our debate this evening, it is that this bill is confused; the extent of its coverage is unclear; the rationale for the bill is tenuous at best. This is an opportunity for the Committee on the Judiciary to take another look at this bill to see whether or not it can be perfected. The motion to recommit, it seems to me, is especially in order by reason of the defeat of the Danielson amendment, which is a most worthy one and, frankly, in my opinion, by reason of the defeat of the amendment offered by the gentleman from Tennessee, Mr. BAKER. I hope there will be substantial support for my motion to recommit.

The **CHAIRMAN**. If there are no further amendments, under the rule the committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. NEDZI, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 11321) to amend the Omnibus Crime Control and Safe Streets Act of 1968, as amended, to provide benefits to survivors of certain public safety officers who die in the performance of duty, pursuant to House Resolution 1056, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. WIGGINS

Mr. WIGGINS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. WIGGINS. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. WIGGINS moves to recommit the bill H.R. 11321 to the Committee on the Judiciary.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and the Speaker announced that the noes appeared to have it.

RECORDED VOTE

Mr. WIGGINS. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device; and there were—ayes 77, noes 300, not voting 56, as follows:

[Roll No. 180]

AYES—77

Abdnor
Alexander
Archer
Arends
Armstrong
Beard
Bell
Breaux
Burleson, Tex.
Burlison, Mo.
Camp
Casey, Tex.
Chamberlain
Clawson, Del
Cleveland
Collins, Tex.
Daniel, Robert W., Jr.
Davis, Wis.
Dennis
Devine
Dickinson
Edwards, Calif.
Erlenborn
Evans, Colo.
Fisher
Fraser
Frelinghuysen
Goodling
Gross
Hinshaw
Holtzman
Hutchinson
Jarman
Johnson, Colo.
Jones, Okla.
Ketchum
Lagomarsino
Landgrebe
Long, La.
McClory
McEwen
McKay
Mahon
Mallary
Mann
Martin, Nebr.
Michel
Miller
Mink
Moss
Nelsen
Poage
Powell, Ohio
Rarick
Rhodes
Roberts
Robinson, Va.
Robison, N.Y.
Rousselot
Roybal
Runnels
Ruppe
Ryan
Satterfield
Shoup
Shuster
Smith, N.Y.
Stark
Taylor, Mo.
Treen
Veysey
Waggonner
Whitten
Wiggins
Wydler
Wylie
Zwach

NOES—300

Abzug
Adams
Addabbo
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashbrook
Aspin
Badillo
Bafalis
Baker
Bauman
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Boggs
Bolling
Brademas
Brasco
Bray
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burton
Butler
Byron
Carney, Ohio
Carter
Chappell
Chisholm
Clancy
Clark
Clausen, Don H.
Cochran
Cohen
Collier
Collins, Ill.
Conte
Corman
Cotter
Coughlin
Cronin
Culver
Daniel, Dan
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
de la Garza
Delaney
Dellums
Denholm
Dent
Derwinski
Dingell
Donohue
Dorn
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Eilberg
Esch
Eshleman
Evins, Tenn.
Fascell
Findley
Fish
Flood
Flowers
Flynt
Foley
Ford
Forsythe
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Grasso
Green, Pa.
Griffiths
Grover
Gubser
Gude
Gunter
Guyer
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Harrington
Harsha
Hastings
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hogan
Holifield
Holt
Horton
Hosmer
Howard
Huber
Hudnut
Hungate
Hunt
Ichord
Johnson, Calif.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Jordan
Karth
Kastenmeier
King
Kluczynski
Koch
Kuykendall
Kyros
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, Md.
Lott
Luken
McCloskey
McCollister
McCormack
McDade
McFall
McKinney
Macdonald
Madden
Madigan
Maraziti
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Mills
Minish
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Nedzi
Nichols
Nix
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Patten
Pepper
Perkins
Pettis
Peyser
Pike
Podell
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Riegle
Rinaldo
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rosenthal
Rostenkowski
Roush
Roy
Ruth
St Germain
Sandman
Sarasin
Sarbanes
Scherle
Schneebeli
Schroeder
Seiberling
Shipley
Shriver
Sisk
Slack
Smith, Iowa
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, N.C.
Teague
Thompson, N.J.
Thomson, Wis.
Thornton
Tiernan
Towell, Nev.
Traxler
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Waldie
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Widnall
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyman
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, Tex.
Zablocki
Zion

NOT VOTING—56

Ashley
Barrett
Blackburn
Blatnik
Boland
Bowen
Brown, Mich.
Buchanan
Carey, N.Y.
Cederberg
Clay
Conable
Conlan
Conyers
Crane
Dellenback
Diggs
Fountain
Gettys
Goldwater
Gray
Green, Oreg.
Haley
Hanna
Hansen, Wash.
Hébert
Johnson, Pa.
Kazen
Kemp
Lujan
McSpadden
Martin, N.C.
Milford
Minshall, Ohio
Mizell
Mosher
Myers
Patman
Pickle
Quie
Reid
Rooney, N.Y.
Rooney, Pa.
Rose
Sebelius
Sikes
Skubitz
Steed
Stokes
Symms
Thone
Udall
Ullman
Williams
Wyatt
Young, S.C.

So the motion to recommit was rejected.

The Clerk announced the following pairs:

Mr. Rooney of New York with Mr. Goldwater.

Mr. Hébert with Mr. Cederberg.

Mr. Sikes with Mr. Blackburn.

Mr. Rooney of Pennsylvania with Mr. Kemp.

Mr. Barrett with Mrs. Hansen of Washington.

Mr. Carey of New York with Mr. Minshall of Ohio.

Mr. Fountain with Mr. Crane.

Mrs. Green of Oregon with Mr. Quie.

Mr. Stokes with Mr. Conlan.

Mr. Haley with Mr. Lujan.

Mr. Pickle with Mr. Mizell.

Mr. Kazen with Mr. Brown of Michigan.

Mr. Reid with Mr. Sebelius.

Mr. Boland with Mr. Martin of North Carolina.

Mr. Rose with Mr. Buchanan.

Mr. Steed with Mr. Skubitz.

Mr. Udall with Mr. Conable.

Mr. Ashley with Mr. Mosher.

Mr. Ullman with Mr. Symms.

Mr. Bowen with Mr. Dellenback.

Mr. Clay with Mr. Gray.

Mr. Conyers with Mr. Hanna.

Mr. Gettys with Mr. Thone.

Mr. Diggs with Mr. Patman.

Mr. McSpadden with Mr. Myers.

Mr. Blatnik with Mr. Williams.

Mr. Milford with Mr. Wyatt.

Mr. Young of South Carolina with Mr. Johnson of Pennsylvania.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. FISH. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 320, nays 54, not voting 59, as follows:

[Roll No. 181]

YEAS—320

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashbrook
Aspin
Badillo
Bafalis
Baker
Bauman
Beard
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Boggs
Bolling
Brademas
Brasco
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burton
Butler
Byron
Carney, Ohio
Carter
Chappell
Chisholm
Clancy
Clark
Clausen, Don H.
Cochran
Cohen
Collier
Collins, Ill.
Collins, Tex.
Conte
Corman
Cotter
Coughlin
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
de la Garza
Delaney
Dellums
Denholm
Dent
Derwinski
Devine
Dickinson
Dingell
Donohue
Dorn
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.

Eilberg
Esch
Eshleman
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Flynt
Foley
Ford
Forsythe
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Grasso
Green, Pa.
Griffiths
Grover
Gude
Gunter
Guyer
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Harrington
Harsha
Hastings
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hogan
Holifield
Holt
Horton
Hosmer
Howard
Huber
Hudnut
Hungate
Hunt
Ichord
Johnson, Calif.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Jordan
Karth
Kastenmeier
King
Kluczynski
Koch
Kuykendall
Kyros
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, Md.
Lott
Luken
McCloskey
McCollister
McCormack
McDade
McFall
McKinney
Macdonald
Madden
Madigan
Maraziti
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Miller
Mills
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Nedzi
Nichols
Nix
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Patten
Pepper
Perkins
Pettis
Peyser
Pike
Podell
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Riegle
Rinaldo
Roberts
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Runnels
Ruth
St Germain
Sandman
Sarasin
Sarbanes
Scherle
Schneebeli
Schroeder
Seiberling
Shipley
Shoup
Shriver
Shuster
Sisk
Slack
Smith, Iowa
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thornton
Tiernan
Towell, Nev.
Traxler
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Veysey
Vigorito
Waldie
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wydler
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—54

Archer
Arends
Armstrong
Burleson, Tex.
Burlison, Mo.
Camp
Casey, Tex.
Chamberlain
Clawson, Del
Cleveland
Davis, Wis.
Dennis
Edwards, Calif.
Erlenborn
Evans, Colo.
Fraser
Frelinghuysen
Goodling
Gross
Hinshaw
Holtzman
Hutchinson
Jarman
Johnson, Colo.
Jones, Okla.
Ketchum
Landgrebe
Long, La.
McClory
McEwen
McKay
Mahon
Mallary
Mann
Martin, Nebr.
Michel
Moss
Nelsen
Poage
Powell, Ohio
Rarick
Rhodes
Robinson, Va.
Roybal
Ruppe
Ryan
Satterfield
Smith, N.Y.
Taylor, Mo.
Teague
Treen
Waggonner
Whitten
Wiggins

NOT VOTING—59

Ashley
Barrett
Blackburn
Blatnik
Boland
Bowen
Brown, Mich.
Buchanan
Carey, N.Y.
Cederberg
Clay
Conable
Conlan
Conyers
Crane
Dellenback
Diggs
Fountain
Gettys
Goldwater
Gray
Green, Oreg.
Gubser
Haley
Hanna
Hansen, Wash.
Hébert
Johnson, Pa.
Kazen
Kemp
Lujan
McSpadden
Martin, N.C.
Milford
Minshall, Ohio
Mizell
Mosher
Myers
Patman
Pickle
Quie
Reid
Rooney, N.Y.
Rooney, Pa.
Rose
Sebelius
Sikes
Skubitz
Steed
Stokes
Stubblefield
Symms
Thone
Udall
Ullman
Widnall
Williams
Wyatt
Young, S.C.

So the bill was passed.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Cederberg.

Mr. Rooney of Pennsylvania with Mr. Blackburn.

Mr. Sikes with Mr. Gubser.

Mr. Rooney of New York with Mr. Dellenback.

Mr. Barrett with Mr. Goldwater.

Mr. Carey of New York with Mr. Kemp.

Mr. Fountain with Mr. Patman.

Mrs. Green of Oregon with Mr. Brown of Michigan.

Mr. Stokes with Mr. Minshall of Ohio.

Mr. Haley with Mr. Crane.

Mr. Pickle with Mr. Lujan.

Mr. Kazen with Mr. Johnson of Pennsylvania.

Mr. Reid with Mr. Buchanan.

Mr. Rose with Mr. Quie.

Mr. Boland with Mr. Conable.

Mr. Steed with Mr. Sebelius.

Mr. Stubblefield with Mr. Martin of North Carolina.

Mr. Gettys with Mr. Symms.

Mr. Udall with Mr. Widnall.

Mr. Ashley with Mr. Mizell.

Mr. McSpadden with Mr. Skubitz.

Mr. Blatnik with Mr. Thone.

Mr. Milford with Mr. Mosher.

Mr. Ullman with Mr. Williams.

Mr. Clay with Mr. Gray.

Mr. Bowen with Mr. Wyatt.

Mr. Diggs with Mr. Hanna.

Mrs. Hansen of Washington with Mr. Myers.

Mr. Conyers with Mr. Young of South Carolina.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. EILBERG. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of the bill (S. 15) to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide a Federal death benefit to the surviving dependents of public safety officers, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the Senate bill as follows:

S. 15

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Public Safety Officers' Benefits Act of 1973".

SECTION 1. The Omnibus Crime Control and Safe Streets Act of 1968, as amended, is amended by—

(1) redesignating sections 451 through 455, respectively, as sections 421 through 425;

(2) redesignating sections 501 through 522, respectively, as sections 550 through 571;

(3) redesignating parts F, G, H, and I of title I, respectively, as parts I, J, K, and L of title I; and

(4) adding at the end of part G of title I of the Act, the following new part:

"PART H—DEATH BENEFITS FOR PUBLIC SAFETY OFFICERS

"DEFINITIONS

"SEC. 525. As used in this part—

"(1) 'child' means any natural, adopted, or posthumous child of a deceased public safety officer who is—

"(A) under eighteen years of age; or

"(B) over eighteen years of age and incapable of self-support because of physical or mental disability; or

"(C) over eighteen years of age and a student as defined by section 8101 of title 5, United States Code.

"(2) 'criminal act' means any crime, including an act, omission, or possession under the laws of the United States or a State or unit of general local government, which poses a substantial threat of personal injury, notwithstanding that by reason of age, insanity, intoxication, or otherwise, the person engaging in the act, omission, or possession was legally incapable of committing a crime;

"(3) 'dependent' means a person who was wholly or substantially reliant for support upon the income of a deceased public safety officer;

"(4) 'intoxication' means a disturbance of mental or physical faculties resulting from the introduction of alcohol, drugs, or other substances into the body;

"(5) 'line of duty' means within the scope of employment or service;

"(6) 'public safety officer' means a person serving a public agency, with or without compensation, as

"(A) a law enforcement officer, including a corrections or a court officer, engaged in—

"(i) the apprehension or attempted apprehension of any person—

"(a) for the commission of a criminal act, or

"(b) who at the time was sought as a material witness in a criminal proceeding; or

"(ii) protecting or guarding a person held for the commission of a criminal act or held as a material witness in connection with a criminal act; or

"(iii) the lawful prevention of, or lawful attempt to prevent the commission of, a criminal act or an apparent criminal act or in the performance of his official duty; or

"(B) a firefighter; and

"(7) 'separated spouse' means a spouse, without regard to dependency, who is living apart for reasonable cause or because of desertion by the deceased public safety officer.

"AWARDS

"SEC. 526. (a) Upon a finding made in accordance with section 527 of this part the Administration shall provide a gratuity of $50,000.

"(b) (1) Whenever the Administration determines, upon a showing of need and prior to taking final action, that a death of a public safety officer is one with respect to which a benefit will probably be paid, the Administration may make an interim benefit payment not exceeding $3,000 to the person entitled to receive a benefit under section 527 of this part.

"(2) The amount of any interim benefit paid under paragraph (1) of this subsection shall be deducted from the amount of any final benefit paid to such person or dependent

"(3) Where there is no final benefit paid, the recipient of any interim benefit paid under paragraph (1) of this subsection shall be liable for repayment of such amount. The Administration may waive all or part of such repayment.

"(c) The benefit payable under this part shall be in addition to any other benefit that may be due from any other source, but shall be reduced by payments authorized by section 12(k) of the Act of September 1, 1916, as amended, 4–531(1) of the District of Columbia Code.

"(d) No benefit paid under this part shall be subject to execution or attachment.

"RECIPIENTS

"SEC. 527. When a public safety officer has been killed in the line of duty and the direct and proximate cause of such death was a criminal act or an apparent criminal act, the Administration shall pay a benefit as provided in section 526 of this part as follows:

"(1) if there is no surviving dependent child of such officer, to the surviving dependent spouse or separated spouse of such officer;

"(2) if there is a surviving dependent child or children and a surviving dependent spouse or separated spouse of such officer, one-half to the surviving dependent child or children of such officer in equal shares and one-half to the surviving dependent spouse or separated spouse of such officer;

"(3) if there is no such surviving dependent spouse or separated spouse, to the dependent child or children of such officer, in equal shares; or

"(4) if none of the above, to the dependent parent or parents of the decedent, in equal shares;

"(5) if none of the above, to the dependent person or persons who are blood relatives of the deceased public safety officer or who were living in his household and who are specifically designated in the public safety officer's duly executed authorization to receive the benefit provided for in this part.

"LIMITATIONS

"SEC. 528. No benefit shall be paid under this part—

"(1) if the death was caused by the intentional misconduct of the public safety officer or by such officer's intention to bring about his death;

"(2) if voluntary intoxication of the public safety officer was the proximate cause of such officer's death; or

"(3) to any person who would otherwise be entitled to a benefit under this part if such person's actions were a substantial contributing factor to the death of the public safety officer."

MISCELLANEOUS PROVISIONS

SEC. 2. Section 569 of the Omnibus Crime Control and Safe Streets Act of 1968, as amended and as redesignated by this Act, is amended by inserting "(a)" immediately after "569" and by adding at the end thereof the following new subsection:

"(b) There is authorized to be appropriated such sums as are necessary for the fiscal year ending June 30, 1974, for the purposes of part H."

SEC. 3. Until specific appropriations are made for carrying out the purposes of this Act, any appropriation made to the Department of Justice or the Law Enforcement Assistance Administration for grants, activities, or contracts shall, in the discretion of the Attorney General, be available for payments of obligations arising under this Act.

SEC. 4. If the provisions of any part of this Act are found invalid or any amendments made thereby or the application thereof to any person or circumstances be held invalid, the provisions of the other parts and their application to other persons or circumstances shall not be affected thereby.

SEC. 5. This Act shall become effective and apply to acts and deaths occurring on or after October 17, 1972.

AMENDMENT OFFERED BY MR. EILBERG

Mr. EILBERG. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. EILBERG: Strike out all after the enacting clause of the Senate bill S. 15, and insert in lieu thereof the provisions of H.R. 11321, as passed, as follows:

That this Act may be cited as the "Public Safety Officers Benefits Act of 1974".

SEC. 2. Title I of the Omnibus Crime Control and Safe Streets Act of 1968 is amended by adding at the end thereof the following new part:

"PART J.—PUBLIC SAFETY OFFICERS DEATH BENEFITS

"SEC. 701. (a) In any case in which the Administration determines, under regulations issued under part F of this title, that an eligible public safety officer has died as the direct and proximate result of a personal injury sustained in the performance of duty, leaving a spouse or one or more eligible dependents, the Administration shall pay a gratuity of $50,000, in the following order of precedence:

"(1) If there is no dependent child, to the spouse.

"(2) If there is no spouse, to the dependent child or children, in equal shares.

"(3) If there are both a spouse and one or more dependent children, one-half to the spouse and one-half to the child or children, in equal shares.

"(4) If there is no survivor in the above classes, to the parent or parents dependent for support on the decedent, in equal shares.

"(b) As used in this section, a dependent child is any natural, illegitimate, adopted, posthumous child or stepchild of the decedent who at the time of the public safety officer's death is—

"(1) under eighteen years of age; or

"(2) over eighteen years of age and incapable of self-support because of physical or mental disability; or

"(3) over eighteen years of age and a student as defined by section 8101 of title 5, United States Code.

"(c) As used in this section, spouse includes a surviving husband or wife living with or dependent for support on the decedent at the time of his death, or living apart for reasonable cause or because of desertion by the decedent.

"(d) As used in this section, the term 'dependent for support' means more than one-half of the support of the dependent concerned.

"(e) As used in this section, the term 'law enforcement officer' means a person engaged in any activity pertaining to crime prevention, control, or reduction or the enforcement of the criminal law, including, but not limited to police efforts to prevent, control, or reduce crime or to apprehend criminals; activities of corrections, probation, or parole authorities; and programs relating to the prevention, control, or reduction of juvenile delinquency or narcotic addiction.

"(f) As used in this section, the term 'crime' means any act or omission which is declared by law to be a crime in the jurisdiction where the injury to the public safety officer occurred. Such an act is a crime for the purposes of this section notwithstanding the guilt, innocence, disability, or identity of the actor.

"(g) As used in this section, the term 'eligible public safety officer' means any individual serving, with or without compensation, a public agency in an official capacity as a law enforcement officer, or as a fireman (including any individual serving as an officially recognized or designated member of a legally organized volunteer fire department) who is determined by the Administration to have been, at the time of his injury—

"(1) a law enforcement officer engaged in—

"(A) the apprehension or attempted apprehension of any person—

"(i) for the commission of a crime, or

"(ii) who at that time was sought as a material witness in a criminal proceeding; or

"(B) protecting or guarding a person held for the commission of a crime or held as a material witness in connection with a crime; or

"(C) (i) the lawful prevention of, or lawful attempt to prevent, the commission of a crime; or (ii) otherwise engaged in the performance of his duty, where the activity is determined by the Administration to be potentially dangerous to the law enforcement officer; or

"(2) actually and directly engaged in fighting a fire; or

"(B) otherwise engaged in the performance of his duty where the activity is determined by the Administration to be potentially dangerous to the fireman.

"SEC. 702. (a) Whenever the Administration determines, upon a showing of need and prior to taking final action, that a death of a public safety officer is one with respect to which a benefit will probably be paid, the Administration may make an interim benefit payment not exceeding $3,000 to the person or persons entitled to receive a benefit under section 701 of this part.

"(b) The amount of any interim benefit paid under subsection (a) of this section shall be deducted from the amount of any final benefit paid to such person or persons.

"(c) Where there is no final benefit paid, the recipient of any interim benefit paid under subsection (a) of this section shall be liable for repayment of such amount. The Administration may waive all or part of such repayment, and shall consider for this purpose the hardship which would result from repayment.

"SEC. 703. (a) No benefit shall be paid under this part—

"(1) if the death was caused by the intentional misconduct of the public safety officer or by such officer's intention to bring about his death;

"(2) if voluntary intoxication of the public safety officer was the proximate cause of such officer's death; or

"(3) to any person who would otherwise be entitled to a benefit under this part if such person's actions were a substantial contributing factor to the death of the public safety officer.

"(b) The benefit payable under this part shall be in addition to any other benefit that may be due from any other source, but shall be reduced by—

"(1) payments authorized by section 8191 of title 5, United States Code;

"(2) payments authorized by section 12 (k) of the Act of September 1, 1916, as amended (D.C. Code, sec. 4–531(1));

"(c) No benefit paid under this part shall be subject to execution or attachment.

"SEC. 704. The provisions of this part shall apply with respect to any eligible public safety officer who dies as the direct and proximate result of a personal injury which is sustained on or after October 11, 1972.".

SEC. 3. Section 520 of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, is amended by inserting "(a)" immediately after "520" and by adding at the end thereof the following new subsection:

"(b) There are authorized to be appropriated in each fiscal year such sums as may be necessary to carry out the purposes of part J.".

SEC. 4. Until specific appropriations are made for carrying out the purposes of this Act, any appropriation made to the Department of Justice or the Law Enforcement Assistance Administration for grants, activities, or contracts shall, in the discretion of the Attorney General, be available for payments of obligations arising under this Act.

SEC. 5. The Administration is authorized to establish such rules, regulations, and procedures as may be necessary to carry out the purposes of this part J. Such rules, regulations, and procedures will be determinative of conflict of laws issues arising under this part J.

SEC. 6. The Administration may prescribe rules and regulations governing the recognition of agents or other persons, representing claimants before the Administration. The Administration may, by rule and regulation, prescribe the maximum fees which may be charged for services performed in connection with any claim before the administration of this part, and any agreement in violation of such rules and regulations shall be void.

SEC. 7. In making determinations under section 701, the Administration may delegate such administrative functions to State and local agencies as it determines necessary and proper to the administration of this part. Responsibility for making final determinations would rest with the Administration.

SEC. 8. If the provisions of any part of this Act are found invalid or any amendments made thereby or the application thereof to any person or circumstances be held invalid, the provisions of the other parts and their application to other persons or circumstances shall not be affected thereby.

The amendment was agreed to.

The Senate bill was ordered to be read a third time, was read the third time and passed.

The title was amended so as to read: "To amend the Omnibus Crime Control and Safe Streets Act of 1968, as amended, to provide benefits to survivors of certain public safety officers who die in the performance of duty."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 11321) was laid on the table.

GENERAL LEAVE

Mr. EILBERG. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the bill H.R. 11321 just passed.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

PERSONAL EXPLANATION

Mr. WALDIE. Mr. Speaker, on rollcall No. 178, taken today, I was present and inserted my card in the recording device, and the recording device did not properly record. Had it done so, I would have been recorded as voting "aye" on that legislation.

THE ROSENBERG CASE

(Mr. ICHORD asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. ICHORD. Mr. Speaker, the communication media exerts a strong influence upon our national standards. Television, which reaches into the homes of millions of Americans, has been a particularly powerful force in our lives. Although the television networks have control over the programs they present, the extent of distortion depicted in many shows is almost unbelievable.

A prime example of such distortion was recently brought to light by Simon H. Rifkind's column in the March 16, 1974, issue of TV Guide. The column, titled "TV Turns Soviet Spies Into U.S. Folk Heroes," pertains to the trial of atom spies Julius and Ethel Rosenberg who were executed in 1953 after being convicted of conspiracy to commit espionage.

Mr. Rifkind calls attention to the manner in which certain television networks during recent portrayals of the Rosenberg trial have endeavored to convince their audiences that the defendants were "railroaded." Before the Rosenbergs died as traitors, their case was given one of the most careful and thorough reviews of any case in American criminal history. In spite of this, Mr. Rifkind comments, the television networks have presented the two spies for Russia as a pair of "American folk heroes," and have attempted to demonstrate that the American system of justice is "utterly beyond redemption."

Mr. Speaker, I have always been strongly opposed to any form of news coverage that depicts criminals as heroes and I resent very much the television networks' attempt to vindicate the Rosenbergs. The failure of the television networks to inspire their audiences to arrive at a reasoned conclusion based on facts impartially presented, points up a problem of serious concern.

I congratulate Mr. Rifkind and TV Guide and commend to my colleagues and to the people of the Nation this thoughtful and illuminating article which suggests the strong need for responsible and factually accurate reporting. The text follows:

TV TURNS SOVIET SPIES INTO U.S. FOLK HEROES

(By Simon H. Rifkind)

What is the cause of the recurrent flurry of interest in the Rosenberg trial? A few weeks ago we saw the Rosenberg trial on Stanley Kramer's "Judgment" series, appearing on ABC. Currently, PBS is distributing a public-affairs documentary, "The Unquiet Death of Julius and Ethel Rosenberg."

This question would be out of order if, in fact, an author or playwright had used the ingredients of the trial for the creation of a truly great novel or play. That, of course, would be sufficient reason for publication or production. That, however, has not happened. The productions exposed to the public have not measured up, as entertainment, to the routine cops-and-robbers stories which fill the TV screen. As news commentary, their cargo of relevance is on a par with that of a rerun of the McKinley campaign.

To discover the answer to our question, I suggest we first list a few of the hard facts of the Rosenberg trial.

1. In January, 1951, a Federal grand jury indicted Julius and Ethel Rosenberg for conspiring, from 1944 to 1950, to communicate secret information to the Soviet Union. No one has yet questioned the composition of that grand jury or the quality of its behavior.

2. The Rosenbergs were tried by a Federal jury in New York. That jury was not sworn until counsel for the Rosenbergs pronounced it a satisfactory jury; and he did that long before he had exhausted all his challenges.

3. Counsel for the Rosenbergs was not court appointed. He was the Rosenbergs' personally retained lawyer, one Emanuel H. Bloch, a lawyer of wide experience and good reputation as an advocate.

4. The judge who presided at the trial was the Honorable Irving R. Kaufman, a judge whose capacity and character caused Judge Learned Hand, one of the towering personalities of our judicial system, to recommend him to President Kennedy for appointment to the Court of Appeals (of which he is now the Chief Judge). Judge Hand was not known to dispense his favors carelessly. He was adored by a long generation of judges and lawyers as the champion of fair trials and the protector of human liberty.

5. The jury's verdict met the test of guilt beyond a reasonable doubt and was affirmed by the Court of Appeals in an opinion written by Judge Jerome N. Frank. No judge had a higher reputation for the care with which he examined any possible ground to question a conviction.

6. After conviction, the Rosenbergs filed sixteen petitions for reconsideration in the District Court, seven appeals in the Court of Appeals, seven applications to the Supreme Court and two applications to President Eisenhower for executive clemency. Altogether 112 judges dealt in one form or another with the Rosenberg case. Not one saw fit to question their guilt or their conviction.

The explanation of how a unanimous verdict of guilty which passed unscathed through every judicial review and appeal can be turned into a documentary or play which leaves the audience convinced the defendants were railroaded (as reported by Bob Williams, N.Y. Post 2/26/74) may also answer the first question. What makes the Rosenberg case so recurrent a subject for dramatization?

Whoever presents the Rosenberg trial to a public audience or on television must so rearrange it that the story engages the reader's sympathy and so that he is emotionally stirred by the fate of one or another of the protagonists.

In the story of the Rosenberg trial, the only characters who qualify for such a role are the Rosenbergs themselves. After all, it was they who suffered the supreme penalty. It was they who died faithful to a cause they espoused (never mind that Stalinism, to which they were attached, was the most wretched and vicious idolatry of the century). They were little people encountering the almost limitless resources of a powerful government.

It takes only a few liberties with the true facts to evoke sympathy for such people, even from those who begin by despising and condemning what they have done. What can evoke more sympathy than the picture of a husband and wife going down together into the abyss, locked in a loving embrace with each other and holding fast to a quasi-religious faith they passionately espouse?

And so, the inevitable has happened. Every new exposure of the Rosenberg story has presented the two spies for Russia as a pair of American folk heroes, folk heroes who should be understood, and therefore forgiven; folk heroes with whom the viewer deeply sympathizes and whose guilt is therefore questioned.

If guilt is questioned it must be because the processes of justice have failed.

The villain of the play, once the spies have become its heroes, must be the system of American justice. The argument is simple. If, after the enormous attention given to this case by so many judges, the innocent are nevertheless convicted, it must be that the system is rotten to the core. In short, the story lends itself readily to the accomplishment of two purposes. One, the generation of sympathy for two spies who have served their Russian masters; and two, the demonstration that the American system of justice is utterly beyond redemption. The conclusion is inescapable—that there are those who find the propagation of these two ideas an acceptable assignment.

Those of us who have studied the record, who know that the Rosenbergs were fairly tried and fairly convicted by a system of justice, which, though not perfect, is probably the best the world possesses, naturally question the wisdom or the purpose of this propaganda.

Even Bloch, the accused's lawyer, said during summation: "I would like to say to the court on behalf of all defense counsel that . . . you have tried us with utmost courtesy . . . and that the trial has been conducted . . . [as] an American trial."

On the day of sentence, Bloch also said: "In retrospect, we can all say that we attempted to have the case tried as we expect similar cases to be tried in this country;. . . and I know that the court conducted itself as an American judge."

THE UNITED STATES IN SPACE—A SUMMARY

(Mr. FREY asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. FREY. Mr. Speaker, this is the fourth and final statement of a series in which I have discussed the U.S. space program. The purpose of these articles has been to provide my colleagues with a survey of our activities in space. It is my hope that this information will offer my fellow Representatives a background upon which to base their decision on the upcoming NASA 1975 authorization bill.

All Members of Congress are acutely aware that health, welfare, defense, ecology, and space, plus a host of other fields, must compete each year for our Federal dollars. Certain of our programs address today's most pressing needs; certain are more oriented to the future; a few work for both today and tomorrow.

The goal of Congress must be to provide for a proper balance between the most desirable of the programs proposed. I, for one, am thankful that there are those who understand the role which research and development play in the growth of our Nation.

We will always be confronted with those who believe the telephone came as a natural and inevitable step in the refinement of the semaphore, or the airplane as some kind of magically transformed ground transportation. But the majority of the American people appreciate that the steps we have taken to advance our society—regardless of the basic field in which the change occurred—have had science and technology in their origins.

I think our people further realize that these quantum steps are also the direct result of dollars, hard work, and farsightedness. These three factors have been the essential ingredients in most of the progress which this country has enjoyed thus far, and to no less an extent, will they be the ingredients of the progress our Nation will make in the future.

We should also realize that during the decade of the 1960's, the $38 billion the United States spent on its space effort amounted to less than one-half of 1 percent of our gross national product for that period. There is no question that $38 billion is a great deal of money, but we should also appreciate that this country spent almost $350 billion on health and welfare programs, and over $625 billion on national defense programs during that same 10-year period.

A look at the ratios between expenditures is even more revealing. The ratio of dollars spent in the space program to dollars spent on health and welfare was 1 to 9. The ratio of national investment in space to investment in the defense effort was approximately 1 to 16.

These numbers clearly emphasize that the money directed to our space program is not out of proportion to Federal spending in other categories. But money is not the sole criterion; jobs and people are another and even more important gage.

The aerospace industry and our space program as a major segment of that industry is America's largest manufacturing industry. At its peak production in the late 1960's this industry employed more than 1.4 million people doing an annual business of over $28 billion. More important, $14 billion was the annual payroll for the industry.

There is also an additional aspect to the industry's impact. In the 1960's during the first decade of our space program, this country saw its gross national product grow from $460 billion to more than $900 billion. Approximately half of that real growth of the gross national product, according to economists, can be attributed to the stimulus of new technological knowledge from research and development investments. And no less than 25 percent of this country's total research and development expenditures was invested directly in our space program.

There are also other measures of the space program's impact, such as the economic growth from our space effort in terms of the regional impact of space facilities. Employment levels, standards of living, educational opportunities, and industrial development have been multiplied many times with the establishment of such facilities as Cape Canaveral, Houston, and Huntsville. The demand of the space program for highly skilled and highly qualified people clearly exceeded available talent pools and, therefore, had to be met by training and general upgrading of skill levels. Individuals who received this training have undeniably benefited from the demands imposed upon them by working within the aerospace environment. The increment of skill which was added to the inventory of the individual worker represents a distinct contribution of the space program of permanent value.

As emphasized in my previous statements, the practical benefits of applied space technology are numerous. From the medical profession to business and industry, we may cite countless examples of positive returns from our space program. Certain manufacturers who were involved with the space program have also helped to disseminate these benefits of space technology. A company which produced miniature nuclear power supplies has now developed and marketed a nuclear-powered heart pacemaker. Research is currently being conducted on the development of an artificial heart machine. As another example of technology transfer, the heat pipe design used to dissipate heat in space is now being considered for use in the Alaska pipeline to disperse the heat of pipes anchored in the permafrost. A sight switch which was developed to enable astronauts, whose arms were hindered by strong gravity forces, to activate switches by the movement of their eyes has now been adapted to aid paralyzed people to manipulate their wheelchairs. Numerous patient monitoring techniques, similar to those used by the Apollo astronauts, have been adapted for use in hospitals. The biological isolation garment, also developed for use by the Apollo astronauts, is now being worn by patients being treated for acute leukemia and other illnesses, as well as by patients with aplastic anemia. Another product which evolved from the space program is a unique fireproof material that permits firefighters to move very close to the fire, or even to enter the flames, if necessary.

The list of practical returns from our space program goes on and on, but perhaps the most important application, in terms of business and financial institutional needs, has been the growth and development of the computer industry. The type of computer operations—both the technology and the programing techniques—originally developed for the space program is now widely used in business and finance.

We can use any number of impressive statistics to study the movement of the computer industry to prove the point. As an example, from 1960 to 1970, this country added over 65,000 new computers to its existing base of 5,000. That is a 1,300-percent increase. We can also use investment as a measure. In 1960, U.S. businesses and institutions spent less than $1 billion on computers, data processing equipment, and operating staffs. In 1970, these same businesses and institutions spent almost $25 billion for computer hardware and services. That represents a growth in sales by a factor of 25 with the 1970 dollar expenditure corresponding to over 2 percent of our gross national product.

Here is the point I wish to make. This country, as it strives to maintain its leadership in high technology products, must continue to commit the necessary dollars and manpower to the task. It is essential to realize that our lead in advanced technology—a lead that produced a favorable balance of trade stronger than in any other general area of export—cannot be maintained without a positive and meaningful commitment. What we must also recognize is that other countries throughout the world are no longer willing to take a back seat to the United States in terms of technology advance.

What does this mean in terms of our Nation's space program? Throughout most of the past decade this country has held a clearcut lead in space. We all know of the benefits we have enjoyed in terms of more economical long-distance communications and more accurate weather forecasting, not to mention the many technological spinoffs which are in everyday usage. But what are we doing to provide for continued growth in the field? How are we guaranteeing our future advance? That is my concern.

Let us look, therefore, at some of the major accomplishments of our space program during the past year. Perhaps the most important event of last year was the highly successful Skylab program. The initial unmanned mission and three subsequent manned missions yielded a wealth of information on the Earth, the Sun, and on man in the environment of space, as well as countless data from experiments conducted in space. The three Skylab crews together traveled a total of over 61 million nautical miles, and orbited the Earth 2,475 times in their orbital workshop. While the Apollo project extended man's reach to the Moon, Skylab added near-Earth space to man's domain by confirming that human beings can live and work effectively in space for long periods of time.

As Skylab was demonstrating the importance of near-Earth space, Pioneer 10 was opening up a new era of space exploration of the outer planets. As it swept past Jupiter on December 3, Pioneer 10 made hundreds of scientific measurements of the giant planet, its inner moons, and its famous and mysterious red spot. These observations yielded surprising new data about the largest planet in our solar system and its moons. Pioneer 10 was the first spacecraft to fly beyond the orbit of Mars, the first to penetrate the asteroid belt, and will be the first manmade object ultimately to escape the solar system.

Last year also marked the coming of age of the Earth Resources Technology Satellite (ERTS) program. ERTS–1 has acquired and relayed to Earth over 100,000 multi-spectral scenes of our planet, covering more than a billion square miles. Some examples of the operational values of remote sensing from space are: rapid and accurate measurement and assessment of major floods; snow and water resource management; new geological exploration and mapping important to mineral and petroleum prospecting; first-time surveys of less-developed areas; better management of range, forest, agricultural, and urban lands; rapid environmental surveys of dams, ponds, and strip mines; and lake and waterway pollution monitoring.

One series of ERTS images has even revealed what appears to be a large wooden structure on the side of Mount Ararat in Turkey, believed by many to be the site where Noah's ark came to rest. Several expeditions are being organized to investigate the structure at close range. The full benefits of the ERTS program have not yet been tallied, but a current study being conducted by the Department of Interior is indicating that very significant returns can be expected from our continuing Earth resources survey program.

Another major milestone of 1973 was the confirmation of our agreement with nine European nations on the development of the Spacelab. Confirmed in September, this agreement states that the Europeans will develop, at their own expense, the laboratory module to be used with the Space Shuttle. This also marks the achievement of a new high level in international cooperation and cost sharing, and will provide a key piece of equipment for the Space Shuttle.

There are some troublesome notes, however. The design and development of the Space Shuttle itself has had several budgetary setbacks. The first manned orbital flight of the shuttle is now expected to occur in the second quarter of 1979, instead of at the end of 1978, a delay of from 4 to 6 months. A firm schedule is extremely important in a large-scale, complex development program like the Space Shuttle and it is this type of setback therefore which must be avoided. We cannot invest time, money, and valuable manpower in a program, only to reduce its funding in midstream. Realizing the importance of rigid time schedules in space research and development, we should be all the more committed to lending our support to the space program through funding authorizations. Even within their budget constraints of recent years, NASA has carried out an aggressive, highly useful, and exciting program in space and aeronautics, fully deserving of congressional as well as national support.

Let us not abandon this program and reduce the steady flow of benefits by forcing even tighter financial restrictions on the Agency.

I know that my colleagues will recognize the shortsightedness of anything less than full support of the NASA authorization. Our space program, as it is addressed to meeting the needs of our "spaceship" Earth, deserves our unqualified vote of confidence.

INFLATION

(Mr. ROUSH asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. ROUSH. Mr. Speaker, the country is in the midst of the worst inflation in a number of years, and our gross national product is dropping sharply, leading many of us to the conclusion that a depression or recession is in the making—even if the President's economic advisers will not admit it.

Despite this distressing picture, the only cries of alarm coming from the administration have resulted from Congress' attempt to roll back oil prices and provide special unemployment compensation for workers affected by the energy crisis.

This is all the more shocking as the true picture of what is happening unfolds. While the American consumer has been waiting in long gaslines and wrapping up in sweaters at home, the big oil companies have been salting away more and more money.

Exxon earnings for the first quarter were $705 million, compared to $508 million last year, for a gain of 38.8 percent.

Texaco enjoyed a percentage gain of 123.2 percent, with earnings jumping from $264 million to $589.4 million.

Standard Oil of Indiana reported a profit increase of 81 percent for the quarter, while Gulf Oil Corp. said its net earnings increased 76 percent.

Mr. Speaker, this happened because the administration allowed it to happen.

The President vetoed the emergency energy bill on the grounds that we had to allow profits to oil companies to induce further oil productions. Mr. Speaker, these companies have been able to take care of themselves down through the years, and I just cannot believe we now have to double their profits to keep them in business. And so far they have not increased domestic production. Even the companies themselves seem somewhat embarrassed about the situation.

To add insult to injury, the Federal Energy Office is warning that the already outrageous gas prices may go up another nickel—taking more money out of the pocket of the American consumer.

Where will it stop? Well, it will not stop unless the Congress quickly passes legislation that will roll back prices to a reasonable level. I know efforts are being made in that direction, and I urge this body to move swiftly.

ASSASSINATION OF CUBAN EXILES BY TERRORISTS IN OPPOSITION TO NORMALIZING U.S. RELATIONS WITH CUBA

(Mr. PEPPER asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, on the 5th of April, Raul Castro, head of the Cuban Armed Forces, speaking in Cuba said:

> The young fighters of the Revolutionary Armed Forces and of the Ministry of Interior are working inside the belly of our enemies, are protecting our interests.

Castro was undoubtedly talking about Cuban Communist activities in the United States as well as in other places. There are many who believe that the two Cuban exiles recently killed, one in Miami, shot through the window as he sat in his living room with his wife looking at television, one in New York, were killed because of their militant opposition to Castro and communism in Cuba. A letter was delivered at the funeral of one of these men to his successor that 11 more Cubans residing in the United States were marked for death.

I have alerted the FBI here to this threat and asked that it be investigated. I have also alerted the staff of the House

Internal Security Committee to see if these murders and threats are tied in with terrorist activities of Castro's communistic government. Whether these deaths and threats come from Cuba or not we know that Castro has tortured and murdered thousands of Cubans, has robbed many thousands of Cubans of their life's possessions. Many thousands languish in Cuban jails today because they oppose Castro and his vicious communism. I am shocked, therefore, that the Senate Foreign Relations Committee has approved a resolution declaring it to be the sense of Congress that we should recognize Castro and his Communist regime and take them as friends. I strenuously oppose taking in friendship the hand of the murderer, the torturer, the robber, the dictator, Castro, and I shall oppose such resolution if it comes to the House. To normalize our relations with Cuba and Castro would simply give him a better platform from which to spread communistic subversion into our country and into the nations of the Western Hemisphere.

TORNADO RELIEF

(Mr. HILLIS asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. HILLIS. Mr. Speaker, recent tornado destruction in six of our Southern and Midwestern States has made weaknesses in the present Disaster Relief Act readily apparent. The Congress must move quickly to amend this act in order to provide adequate relief to all tornado victims. Steps must be taken today if the Federal Government desires to provide a meaningful disaster program.

In Indiana alone, 29 counties were adversely affected by the April 3 tornadoes. On April 4, Dr. Otis R. Bowen, Governor of Indiana, announced that 769 Hoosiers were known injured and 41 known dead as a direct result of this disaster. April 9 information indicated that some 3,000 homes had been destroyed by the tornado in Indiana. Early estimates indicate that damage costs in Indiana run between $70 and $100 million.

Present law contains provisions which offer assistance to communities and individuals in a variety of forms. However, it is obvious that more aid is needed to meet the extraordinary disaster-related expenses and needs of adversely affected individuals and families under circumstances such as those of April 3. Many of the disaster victims do not qualify for full or adequate compensation for their losses as presented in assistance from the Small Business Administration or the Farmers Home Administration under the present disaster relief law. These persons are of particular concern to me as they attempt to recover their losses. They can be helped if we vote to make the appropriate adjustments in the present law by approving the measure before us.

We need to amend the Disaster Relief Act of 1970 in order to authorize the President to approve grants to the States for the purpose of aiding individuals and families in meeting extraordinary disaster-related expenses and needs. This grant would be submitted to the State so that the Governor of the State could in turn make grants to those in need. This Federal-State cost-share program would fill the gap in our present law.

I concur with those of my colleagues urging swift action by the Congress to improve benefits to disaster victims through the expeditious passage of the best possible bill.

PERSONAL EXPLANATION

Mr. YOUNG of Illinois. Mr. Speaker, I was excused from attendance in the House of Representatives on Wednesday, March 13, 1974, and Thursday, March 14, 1974, for the purpose of fulfilling a speaking engagement in Chicago on the subject of pending legislation in the Congress affecting the securities industry.

Because of this absence, I missed certain rollcall votes, and I would like to be recorded on the issues involved.

My vote on rollcall No. 81 would have been "yea."

My vote on rollcall No. 82 would have been "yea."

My vote on rollcall No. 84 would have been "no."

My vote on rollcall No. 85 would have been "no."

My vote on rollcall No. 86 would have been "yea."

My vote on rollcall No. 87 would have been "yea."

My vote on rollcall No. 89 would have been "yea."

I would like to comment to explain my votes on rollcall Nos. 84, 85, 86, and 87, pertaining to the death penalty for hijacking. As a general principle, the great majority of the people of the 10th Congressional District of Illinois support legislation providing for a death penalty in certain specific types of crimes under specific circumstances.

I believe that this legislation spells out with particularity the circumstances of a type of crime which will meet the constitutional standards set forth by the Supreme Court in the case of Furman against State of Georgia. There is presently pending in the Congress general legislation on the criminal code which will provide another opportunity to properly spell out the conditions under which the death penalty should be imposed for specified types of crimes and in a manner which will meet the constitutional objections of the Supreme Court to the imposition of the death penalty prior to Furman against State of Georgia.

REVIEW OF THE SCRAP EXPORT SITUATION

The SPEAKER pro tempore (Mr. McFall). Under a previous order of the House, the gentleman from Illinois (Mr. Rostenkowski) is recognized for 5 minutes.

Mr. ROSTENKOWSKI. Mr. Speaker, in late January 1973, following 4 months of continually rising scrap prices, representatives of the steel and foundry industries met with officials of the Department of Commerce. The industry representatives stated that the steel and foundry industries would need a record 41.5 million tons of purchased ferrous scrap in 1973.

In the meantime, leaders of the domestic scrap industry were openly projecting scrap exports for the first half of 1973 at an annual level of 12 million tons. This would require total delivery of 53.5 million tons to both domestic and export markets by the scrap industry—an unprecedented tonnage in light of recent history.

Deliveries at annual rates of 46 million tons in 1969 and during the first half of 1970, created chaotic short supply conditions and inflationary prices.

By 1973, the United States was the only industrialized Nation in the free world permitting the uncontrolled export of ferrous scrap in substantial quantities.

The steel and foundry industry representatives asked that Commerce limit exports of ferrous scrap in 1973 to 7 million tons. This compared to 7.38 million tons exported in 1972, and with an annual average over the past 10 years of 7.1 million tons.

The Department of Commerce took no action on the steel and foundry industries' request, and by the end of April, 1973, combined deliveries of domestic purchases and exports reached 17,973,000 tons—an annual rate of 53.9 million tons.

On May 8, 1973, more than 3 months after the steel and foundry industries' warning of impending trouble, Secretary Dent stated that he was "extremely concerned" about recent price increases in ferrous scrap. Stating that Commerce lacked "up-to-date information on ferrous scrap," the Secretary announced that a reporting procedure was being instituted. Under this program, exporters were required to report immediately to Commerce all orders accepted for 500 tons or more.

On July 2, 1973, Secretary Dent announced: "I have determined that the criteria set forth in the Export Administration Act have been met for this commodity (scrap)", whereupon a program of month-by-month licensing of scrap exports was instituted.

It was reasonable to assume that sharp scrap export restrictions would be forthcoming. Such was not the case. Scrap exports continued almost unrestricted.

Exports of ferrous scrap for the first 2 months under the program, July and August, totaled 2,531,000 tons. Compare this to the exports for the last 2 months prior to licensing, May and June, which totaled 2,274,000 tons. In effect, Commerce monitored the scrap situation to the brink of disaster, then instituted "controls" which stabilized exports at an even higher rate than existed prior to licensing.

By year end, 11,257,000 tons of scrap had been shipped into export, with an estimated 600,000 tons licensed for export but not shipped because vessels were not available. The Department of Commerce later acknowledged, informally, that the licensed carryover into 1974 would probably exceed 1,000,000 tons.

The effect of these actions, or inactions, on the domestic price of scrap has been disastrous. By April 1, 1974, scrap was selling at $170 per ton—more than triple the prevailing price at the close of 1972.

Toward the end of November 1973, the Department of Commerce announced its licensing plans for the first quarter of 1974—2.1 million tons, thus assuring a continued flow of scrap exports at an unprecedented level. Then, in February 1974, Commerce announced it was also setting a limit of 2.1 million tons of export for the second quarter of 1974.

Meanwhile, current domestic production of automobiles—a major source of prompt industrial scrap—is down considerably. Most of the readily available obsolete scrap has already been gathered. The combined effect of these two forces is beginning to cause near panic among ferrous scrap metal consumers dependent on the raw material.

Scrap users, still pleading for a reduction in the export of scrap, are now bracing themselves for a new wave of finished steel imports competing in the U.S. market which will have been made from the raw materials the domestic manufacturers will not have available to them.

Mr. Speaker, I believe this situation has worsened to the point where we must act. I am deeply concerned not only over the loss of jobs that may occur as a result of production curtailment due to lack of scrap, but also over the severe inflationary impact resulting from raw material costs which have more than tripled over the last year. For this reason, I have introduced legislation calling for the temporary cessation of scrap exports for 180 days.

REPRESENTATIVE JACK KEMP PROPOSES KEY MEASURES TO PROTECT OUR CITIZENS AGAINST THE SPIRALING CRIME RATE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 45 minutes.

Mr. KEMP. Mr. Speaker, on July 2 of year before last, a 4-year-old little girl went out to play in the yard of her home in Los Angeles County. She was an innocent child, full of love and promise and expectation, and her parents were hard-working citizens with no enemies in the world.

Neither she nor her mother, who was watching her play from the kitchen window, noticed a yellow 1966 Chevrolet carrying three men roll up the street and pause while a man in the back seat took aim with a shotgun at the little girl. Then there was a thunderous explosion as the shotgun drove 42 pellets into the little girl's body. Spattered with blood, she died a few moments later in her sobbing mother's arms. This 4-year-old child was dead.

Witness identification aided the police to arrest the three men. The prime suspect had been previously—I repeat, previously—arrested for attempted murder, and assault with a deadly weapon, and robbery, and burglary, and arson, and narcotics possession. The motive this time? Just "for the thrill of it," according to the news story.

This is but one incident of senseless crime, but it has been repeated time and time again during recent years—from one end of our country to the other. And the human tragedy associated with these incidents can never be expressed in words. Lives are lost, property destroyed or stolen, hopes dashed, happiness blotted out. Yet crime continues to spiral upwardly, leaving in its wake millions of victims every year.

Our daily newspapers and broadcasts are full of the more sensational crimes: kidnapings, terrorist killings, bombings, hijackings. But, these sensational crimes are only a small percentage of the vast crime rampant in our land.

The Symbionese Liberation Army pulls off an armed, daylight robbery of a California bank last week. That attracted nationwide attention, as did its purported kidnaping of Patty Hearst. But, how many more bank robberies and attendant threats on life went unnoticed that same day except in their respective hometown newspapers?

A hijacker kills an airport guard, then a pilot, then himself last month in Philadelphia. A trajedy. What we will never know is how many other hijackings and tragedies there would have been had we not tightened airport security and required carry-on baggage checks, deterrents which work.

Sunday before last a bomb blast rocked a foreign consulate in Los Angeles, heavily damaging it and bringing to our mind once again the senseless rash of bombings which occurred across the Nation several years ago.

A mass murder trial in Houston has revealed countless horror stories of torture and slayings. A similar episode in California several years ago disclosed the murder of over 20 migrant laborers. These both received national press attention. But, how many other murder trials go unnoticed by the majority of us? Most.

And, things seem to be getting even worse: We have been told during the past several weeks that there is an even greater threat from terrorists than we had ever thought possible. I speak of the potential construction and threat of use of an actual atomic bomb, using nuclear materials stolen from domestic transport shipments. It has not happened yet, but it may, and the potential for blackmail of the entire Nation would be inconceivable if it does. And, parenthetically, I cannot help but believe that such extensive news exposure of the possibility invites its actual occurrence.

Against this background, let me discuss for a few moments this afternoon the nature of crime in America today, its causes, and some potential means of tightening control over it.

THE REAL CRIME RATE IS HIGHER THAN PREVIOUSLY REPORTED

A startling report—released on April 14 by the Law Enforcement Assistance Administration—LEAA—shows crime in the Nation's five largest cities is more than twice as high as police statistics had indicated. LEAA is an agency within the Department of Justice, headed by the very able and articulate Administrator, Donald E. Santarelli.

The survey disclosed a crime rate five times as high as police figures in Philadelphia; almost three times as high in Chicago, Detroit, and Los Angeles; and slightly more than twice as high in New York City.

A previously released LEAA study had shown that crime was twice as high as reported in Atlanta, Baltimore, Cleveland, Newark, Dallas, St. Louis, Denver, and Portland, Oreg.

The new study, which was actually conducted jointly by LEAA and the U.S. Bureau of the Census, shows that 68 out of every 1,000 Detroit residents are likely to be victims of serious—I repeat, serious—crime during their lifetimes. The rates are 63 per 1,000 in Philadelphia, 56 per 1,000 for Chicago, 53 per 1,000 in Los Angeles, and 36 per 1,000 for New York City.

Why the staggering dissimilarities between police records and the study's findings? An attempt on the part of police and city hall to suppress the true extent of crime? No, not at all. Perhaps, the real answer—as shown by this new study—is even more troubling than a failure to disclose information would have been. How so? Because, according to LEAA Administrator Santarelli, when the report was released:

> The crime survey results demonstrate that in an astounding number of instances Americans simply do not think it is worthwhile to report to public authorities that they have been the victims of criminal acts.

The Administrator went on to add that the results of the study carry "a strong message of public apathy toward its criminal justice institutions, bordering on contempt."

What is particularly disturbing about the survey is that 34 percent of those interviewed who had been the unreported victims of crimes—principally rape, robbery, burglary, or assault—had not reported the incidents to the police because they felt "nothing could be done," while many others were afraid of reprisals against them if they did.

Why is this so disturbing? The bulwark against crime in all societies has always been the determination of the people to stop it. When that determination is lost or substantially weakened, all society is the victim, for as has been said, "All that is needed for evil to triumph is for good men to do nothing."

If we have indeed reached the point where that determination has been lost, we are in dire straits, but I do not believe we have. I do believe, however, that we are moving—all too rapidly—in that direction, and that, unless we act immediately and decisively to insure the revitalization of those measures which will restore confidence among the people that we can control crime and punish criminals, then we will have crossed the line.

WHAT REALLY IS HAPPENING?

There is, I believe, a reason for what is happening. It is, essentially, borne out of a frustration—among individuals and among our society as a whole—that the criminals have the upper hand these days, and that the interests of society are being subsumed to those of the criminals. And, this frustration is not without much foundation in fact.

I am very sensitive to the protection of individual rights. The Constitution, in which I believe most strongly, is only as effective as the protections it affords to the individual and the institutional devices it sets into motion for the society. My proposals today are not a call for an abandonment of the protection of the rights of those who stand accused of the commission of crimes, and should never be so construed. I think the work I have done in such areas as the right to privacy reflects my commitment to the protection of the individual against unwarranted intrusions of government into his life, liberty, property, or state of mind—a commitment buttressed by action.

But, the rights of an individual have always been balanced with the need for the protection of the rights of others. This is what democratic and republican forms of government are all about. This is what some of the great, principal works of John Locke and Edmund Burke teach us—that these must be a balancing of the rights of an individual with the rights of society as a whole. To go too far in either direction is to invite the collapse of society—into anarchy on one hand, or into totalitarianism or authoritarianism on the other. They key is balance. I am one who believes that we have during the past years come dangerously close to so protecting the rights of the accused as to endanger the society itself.

There is much concern about the accused, but where is the concern we should have also about the victim? Everyone has a desire to protect the rights of the accused, but where is there an adequate desire to protect the rights of those who stand threatened by the accused's present or future acts?

What, if anything, under our present system of criminal justice, will happen to the murderers amongst us? Like Charles Manson? He is just serving time. Like Richard Speck? Just serving time. Like Sirhan Sirhan? Just serving time. Like the murderer of the little girl in Los Angeles?

The answer is that the accused will be given highly motivated and sometimes highly paid defense attorneys. These defense attorneys will spend weeks picking a jury, demanding venue changes because of alleged adverse publicity, excluding reliable and probative evidence—such as the murder weapon itself—if police failed to meet purely technical rules of search and seizure which no other civilized country has adopted.

There may be a circus trial, sometimes lasting for months. And, if the defense attorney is interested in building his own reputation, we often see uncalled for courtroom outbursts, accusations of judicial bias—especially if things do not seem to be going well for his client, and news conferences to build sympathy for the accused.

If despite all of this the prosecution obtains a conviction, there will probably be endless appeals as the defendant and his counsel purport to discover new, previously unseen "constitutional rights" far beyond what the Framers had in mind and that were not a part of the Anglo-American system of law for the hundreds of years which preceded the crime and apprehension of the accused.

And, if all appeals, briefs, and habeas corpus claims fail and if the convicted begins to serve his sentence, one should not rest too comfortably. For, the parole boards can now release a prisoner, in almost all States, after that prisoner has served one-third of his term, and most life terms are construed as 20 year terms—meaning murderers given life sentences can be eligible for parole after 6⅔ years.

To what does all this add up? It adds up to a soaring crime rate, for deterrents to crime—including the all important one of keeping offenders behind bars—have been deeply eroded.

During the 10-year period, 1960 to 1970, our population increased by 13 percent, but serious crimes increased by 148 percent—a jump over 11 times greater than the population increase.

This was also the period when the greatest prosperity in the world's history—our own—was accompanied by great waves of shoplifting, drug abuse, and delinquency in the most prosperous areas—the suburbs—a fact that shatters the simplistic notion that poverty breeds crime. Lack of moral and ethical values and lack of deterrents breed crime, not poverty.

THE ROLE OF VALUES

For many people, respect for The Ten Commandments on one hand and a fear of God on the other is sufficient to discourage the commission of criminal acts. But for those who have no such respect or fear, society has, since earliest times, instituted measures to insure its own protection. We know these measures as laws.

The genesis of man's law rests within a society's collective determination to establish enforceable standards below which personal acts will be subject to reprimand by generally known procedures and penalties. In this sense, The Law—and laws which emanate from it—have a classical and primary role of serving as inducers of ethical values. If a member of a society meets adequately the standards set by law, he is regarded as acceptable to the community; if he more than adequately meets those standards, he is often held in esteem. On the other hand, if a member of that society inadequately meets the standards and is perceived as having so failed, he is judged, reprimanded or punished, and consciously or unconsciously encouraged to thereafter meet the standard.

This vital role of the law as an inducer of ethical values or as a baseline below which conduct is not allowed is one susceptible to obscurity during periods of philosophical relativism. How can standards be met, when they cannot be clearly known? How can punishment be meted out when avoidance can arise by generating confusion as to the standard? How can young people comprehend the importance of the immutable, transcendent character of law when they are taught that all is relative?

It is of little wonder to me that this role of the law has been obscured in our times and that we are only now beginning to reap the whirlwind of confusion and chaos which arise naturally from such relativism.

A certain conclusion inevitably arises from the postulation of the law as an inducer of ethical values: The law ought not to be weakened to reflect a low common denominator of human conduct. To do so, weakens even further the standards to be sought. The law cannot be taken to be merely the average of human behavior or merely a codification of extant social policy. It must, rather, be taken as that level of standards and conduct which induces behavior to improve in order for such standards and conduct to be met.

Nonetheless, we have today what appears to be an ever-increasing percentage of the people adrift from any such standards. The breakdown of the family, the erosion of traditional religious influence, the failure of many school systems to offer a coherent value scheme to students suspicious of relativism but without an alternative—these and other factors render almost self-evident the gloomy judgment that we, as a nation and a people, are no longer producing a sufficient number of citizens with a code of honor and grasp of duty high and clear enough to keep the crime rate down.

There is an inverse ratio between declining standards of morality and the need for external motivation—law and deterents. If a man does what is right because it is right, he needs no law peering over his shoulder. If a man does what is right only because he might otherwise be caught, he needs that law and those deterrents. Or, at least society certainly needs them.

THE ROLE OF DETERRENTS

No law can make people be good: You cannot legislate individual morality. But, law can make being lawless so costly that an individual decides the gain from dishonesty comes at a price too high to pay—or to risk paying. In fact, as a segment of society loses interest in doing what is right just because it is right, it becomes even more urgent to strengthen deterrents and sanctions. For example, if the killers of the little girl in Los Angeles knew that they would have been executed within a few weeks of their crime, it is likely they would have never killed her. Deterrents may be of little restraint for acts committed in the heat of passion or violence, but statistics do show that severe penalties are substantial deterrents to premeditated acts—kidnaping, hijacking, those forms of murder associated with premeditation, et cetera. Testimony before the House Committee on the Judiciary during 1972 showed, to my satisfaction, this to be true.

Let me be blunt: A major reason that crime has gone up 11 times faster than population, that shoplifting is destroying retail business, that bus drivers no longer carry change, that drug abuse is leeching away the lives of some of our high school students, that airline passengers face daily risk of hijacking, that a rape occurs every 15 minutes, that little girls like the one I mentioned in Los Angeles are not safe even in their yards—is that just when we need more effective law enforcement, the courts have rendered it less powerful. Just when we need to strengthen the certainty of sanction, we allow it to be weakened.

WHAT SHOULD BE DONE?

Unfortunately, we cannot restore the lives and happiness of those who have been the victims of crime. Nothing we now do will bring those who lost their lives back to life, nor can we heal the scarred memories of the living.

I have given a great deal of thought to what should be—and what can be—done to restore to the potential victim his constitutional rights to life, liberty, property, and a secure chance to pursue happiness. Some of these measures require court approval; others require enactment by the legislature—at the Federal and State levels. Most are the practice or direction of reforms already in effect or motion in England. And all, if adopted, would intensify that external sanction so desperately needed as internal morality declines.

CHANGE IN THE APPELLATE PROCESS

The distinguished Senator from North Carolina, Sam Ervin, Jr., regarded as probably the leading constitutional authority in the Senate, was recently quoted as saying that presently we have a system wherein:

> The State court first tries the defendant, and then the defendant tries the State court in the post-conviction procedure. He can now, under some recent decisions of the Federal courts, go into court a third time and try his lawyer.

Every system of law must have finality, a time when a final decision is fixed, unless new, substantive evidence is discovered, of course. There are several ways in which we can more adequately attain that finality.

First, we can adopt an appellate procedure modeled after the British system.

In the United States one can appeal almost endlessly a conviction, for one has nothing to lose and everything to gain. If a technicality is found to exist or a "new" right discovered, the felon can obtain a new trial or, in many cases, even go free. There is simply no disincentive to tieing up the appellate courts with appeal after appeal.

This is not true in British courts. In those courts there is a disincentive to endless appeals: the felon has something to lose.

For example, under our system, if a trial judge could give a sentence of between 1 and 10 years for an offense and he gives a sentence of 5 years, and if the convicted goes up on appeal to contest the severity of that sentence, he has nothing to lose—he cannot get from the appellate court more than the 5 years and he might get much less. But, under the British system, if he takes it up on appeal, that appellate court can, upon a proper finding, give him the full sentence of 10 years, because on appeal it considers the matter anew.

Giving to the appellate courts an expanded scope of review—almost a de novo review—would have the effect of discouraging frivolous appeals. And, such a procedure is infinitely preferable to trying to restructure our court system or to devise an intermediate court between the courts of appeals and the Supreme Court. An expanded scope of review is highly preferable because it would reduce measurably the workload—the caseload—of the appellate courts.

Second, we should require that most constitutional objections be adjudicated by the appropriate appellate court when they arise, rather than at the conclusion of the trial. The trial court could go into recess on the particular case, with the appellate court being required to act on the particular constitutional question within a short time period—for example, 21 days. Then, upon the resolution of that appeal, the trial court could proceed, as appropriate.

It makes little sense for an appellate court to reverse a conviction which is years old—often 3 or more years old these days—and then order a new trial which cannot even occur until after the passage of yet still another year or more. Witnesses will be difficult to locate, and even if located, their memories will be foggy. Evidence may also be difficult to locate. And, convicted parties know this, and that is often an impetus for dragging out an appeal and seeking endless delays.

Third, inasmuch as perjury or outright lying is rampant in habeas corpus petitions, we should require, for every instance of proved perjury in habeas corpus petitions, a mandatory sentence, to be served consecutive to, not concurrent with, the given sentence for the principal crime.

Perjury is a most serious crime, one I think too often regarded too lightly. It is serious because it strikes at the very heart of public morality—the necessity of telling the truth—and at the very heart of the legal system—the necessity of finding truth as a precondition of justice itself.

PERMIT COMMENT ON REFUSALS TO TESTIFY

The constitutional privilege against self-incrimination was never meant by the framers to be expanded by judicial decision into an absolute privilege to keep the trial jury totally ignorant of the fact that the accused had refused to testify or to preclude thereby the jurors making commonsense inferences from this silence.

In everyday life if one is accused of wrongdoing, he is normally eager to explain himself and to rebut accusations made against him. Commonsense naturally infers that the man who prefers to remain silent, rather than defend himself and his reputation, might have something to hide.

In my opinion, both the prosecutor and the defense counsel ought to be free to comment on this silence and urge upon the jury their interpretation thereof. If there is a bona fide explanation for silence, let the contending attorneys, in the best tradition of the adversarial process, argue what weight the jury should give to the silence. Why must we leave commonsense at the courtroom door and attempt to play a game in the court that people in real life would find to be artificial?

This proposed change in procedure would infringe in no way upon the constitutional right against self-incrimination. It would simply allow the jury to know that such right had been exercised by the accused and to make inferences therefrom, after attorneys for both sides debated its importance.

JURY SELECTION PROCESS

In many European systems of justice, the judge takes a more active role in the selection of the jury than he does in the United States. There is no evidence to indicate that this European approach results in more biased juries than ours. We must never forget that in our system, attorneys are motivated—both prosecution and defense—to seek jurors that are as biased as possible toward their respective viewpoints.

The European approach also avoids the jury selection process dragging on for weeks and weeks, as in the Specks and Manson trials, while newspaper publicity on the case endangers a fair trial. If "justice delayed is justice denied," then our present jury-selection process comes perilously close to institutionalized injustice.

Why not permit the trial judge—who, by definition of his position and his role in the proceedings, is to be fair and impartial—to select the jurors?

If we have a fear—among the bench, bar, or public—that this selection of the jury by the judge might be too radical a departure from our prior judicial processes, then we should, nonetheless, move now—as an experimental measure—to allow such trial judge selections of juries in those instances where the prosecution and defense consent to the use of such a process.

We already have such defense consent practices with respect to waiving a jury trial, allowing the judge himself to serve as the jury. So why not take this added step?

I think jury selection by a judge would be more and more acceptable as its merits were demonstrated.

LIMIT THE INDISCRIMINATE USE OF CONTINUANCES

From the lowest traffic court to the highest criminal trial court, witnesses are aghast at the price in time, inconvenience, and costs which they must pay to get a chance to tell their story in court.

In my opinion, both prosecutor and defense counsel should be required to notify the clerk of court of any delay they will cause at least 48 hours in advance, in order that prospective witnesses can be notified in advance of the delay.

This is a real problem. Witnesses must take off from work, often travel great distances—sometimes at expenses which exceed those reimbursed by the courts, and often lose a day or more of pay. It is an infringement on the judicial process when those witnesses, after such hardships to themselves, arrive at court only to find that the first order of business is a motion from counsel for a continuance or delay.

Such a requirement, as I have proposed, should be coupled with a penalty, otherwise there is no real sanction. Such a penalty might be to require the counsel/party seeking the continuance or delay—if no prior notification had been given—to pay actual dollar damages to the witnesses so inconvenienced.

I rush to add that my proposal would not restrict any continuances or delays for "just cause," narrowly defined to include such unforeseen and unavoidable emergencies as accident or sickness and strictly enforced by the presiding judges.

Frivolous continuances have become ways in which counsel can thumb its nose at the court and the whole judicial process. This serves no one any good. They should be stopped.

GREATER USE OF NONUNANIMOUS JURIES

Most people do not realize it, but the U.S. Supreme Court has recognized, through decisions made in 1972, that it is unreasonable to insist on unanimity on trial juries. To allow 1 person among 6 or 12—who is stubborn or eccentric—to veto the responsible judgment of all other jurors serving with him is unconscionable. The Court has recognized this.

Yet, to my knowledge, less than 10 States have permitted the use of nonunanimous juries to date.

Within the guidelines of the Supreme Court's ruling, States should permit juries to convict on less than a unanimous vote, most probably allowing convictions on pluralities of no less than 10 for a 12-man jury. Thus, a 10 to 2 majority could convict. It should be noted, for the record, that Mr. Justice Blackmun, in Apodaca against Oregon, 406 U.S. 404 (1972), inferred that a 9 to 3 majority might be permissible but anything less than that probably would go beyond the pale.

I believe we would see—if such nonunanimous juries were more widely used among the States—a greater rate of conviction of genuinely guilty defendants than we have seen in the past.

MUCH TIGHTER PENALTIES NEEDED AGAINST THE USE OF FIREARMS IN THE COMMISSION OF CRIMES

The use of firearms in the commission of crimes is increasing rapidly—much too rapidly.

The answer to this problem is not the control of firearms—criminals will always be able to get guns—most know how to even make their own if necessary—but rather in cracking down on their use by criminals. I am committed to such a course of action.

There are several ways in which we can get a handle on this problem.

First, penalties for the use of firearms during the commission of a crime should be required to be served consecutive to—and not concurrent with—the principal crime. If the sentence for bank robbery is 10 years and the sentence for the use of a firearm during the bank robbery is 5 years, then the later sentence should be required to be served after the time for the principal charge of bank robbery. To allow concurrent service—time running on both convictions simultaneously—is to void the sanction altogether.

Second, the execution or imposition of any term of imprisonment arising from the use of a firearm during the commission of a crime should not be able to be suspended or probation of the felon granted. Thus, there could be no reduction in the sentence imposed as to the felon on such a conviction.

I have introduced a bill, H.R. 3442, to amend 18 U.S.C. 924(c) to require these two measures with respect to Federal crimes, and I have introduced a subsequent measure, H.R. 5283, which would permit sentences of up to 25 years for the second or subsequent conviction on the offense of carrying and using a gun during the commission of a felony under the Federal code.

RESTORATION OF THE DEATH PENALTY

I believe in—and have supported—the restoration of the death penalty for certain heinous crimes.

These should be defined to include murder, aggravated kidnaping, aggravated battery to a minor through torture or sadistic abuse, the placing of a live bomb where it can endanger human life, air hijacking in which anyone dies as a result thereof, treason and espionage.

Until we reach a point in the progress of man during which individual men are less prone to violate the rights of life, limb, or property of their fellow men, I believe that we must preserve those aspects of law which discourage the commission of such acts.

Law, to me, has always been the thread which had held together the fabric of society.

I am a libertarian and believe strongly that we are each responsible for our own acts—on Earth and in the hereafter—but I do not believe that such a recognition of individual responsibility means everyone shares that recognition. Until such time that all do, it seems to me that we need law and its deterrents to protect us from those who do not.

The statistics on capital punishment as a deterrent to murder and other grievous crimes are frequently misunderstood. It is said that the existence of the death penalty is no deterrent to murder and other such crimes. Statistics, I admit, do show that to be true for those specific acts which are committed in the heat of passion, rage, or violence. If a person is killed in a fit of maddening rage, it is only in the rarest of circumstances that such would not have occurred because of the existence of a death penalty.

But, there is another side to the coin. Those same statistics reflect that the death penalty does serve as a deterrent to the commission of premediated, willful acts.

To the extent that the death penalty acts as a deterrent, it should be reinstituted.

One may say of capital punishment what Winston Churchill noted of democracy:

> It is the "least worst" approach—here, to deterrence.

It is also the only effective way to protect the innocent from the incorrigible killer.

We must be ever mindful that those who argue that capital punishment is a deterrent do suffer from one fact-gathering handicap: How many people who would have committed murder but were deterred by the threat of capital punishment go around admitting it?

What will motivate the man who has already received one or more "life" sentences for murder—let us say one who has escaped and is at large—from killing again? Or, if he is still in prison, what penalty without capital punishment can restrain him from killing a prison guard? Only the death penalty.

I do not say that capital punishment will deter each crime, but I do say this: Life sentences most certainly will not. For once a man has received one life sentence, there is nothing more society can do to him. This means that no matter what crimes he subsequently commits, there will be no additional punishment.

The dichotomy on this issue is clear to me: For whom does one have the greater concern: The victim or the killer? I think the greater concern should be for the rights of the intended victim—the right to live.

On March 13 I supported the provision of the proposed Federal Anti-Hijacking Act which would reimpose capital punishment for those who in the course of a hijacking or attempted hijacking caused the death of a person; a life sentence would be optional. But, this is an important step on the part of the Congress toward the reinstitution of the death penalty for certain Federal crimes.

GUARANTEEING THE RIGHT TO A SPEEDY TRIAL

The right to a speedy trial is guaranteed by the sixth amendment of our Bill of Rights, coming thereto through the Virginia Declaration of Rights in 1776 from Magna Carta itself. Because the guarantee is one of the most basic of rights preserved by our Constitution, it is one of those fundamental liberties which the due process clause of the 14th amendment makes applicable to the States. Nonetheless, because of the backlog of cases and the jammed court calendars, it is a right being jeopardized.

I have cosponsored a measure, H.R. 4807, the proposed Speedy Trial Act, designed to require defendants to be brought to trial within 60 days from the date the defendant is arrested or a summons is issued, or the date on which an information or indictment is filed if earlier, or following a mistrial, an order for a new trial, or an appeal or collateral attack, excluding certain understandable delays necessary to realize justice. A side benefit from the recognition that this kind of requirement is needed is that it will also prod us to bolster the abilities of the courts to handle cases in a speedy fashion.

This bill would also place time limits on certain pretrial motions. All these provisions would be encouraged to be adopted by the States with respect to their own courts too.

EXPAND THE SCOPE OF THE PERMISSIBLE USES OF VOLUNTARY STATEMENTS

Under the present Miranda rule, courts often reverse the actual conviction of an accused person because the police failed to warn him, or warn him fully, of all his rights before he made a voluntary—I repeat, voluntary—confession. Thus, a confession given freely and without any coercion or intimidation by the arrested party can be subsequently thrown out by the courts—made inadmissible—just because the accused was not informed of all his rights in a manner prescribed in the Miranda case.

A much better rule would be that all suspects should be warned of their rights, but that trial judges would be permitted to admit otherwise untainted confessions when the failure to give the warnings was truly inadvertent and could be shown to be so, and the confession was voluntary, uncoerced, and freely given. Defendants should not be allowed, upon the subsequent advice of defense counsel, to deny the truth of a confession that was voluntarily made—not, at least, without a disclosure of that to the jury.

The Supreme Court has, during the past several years, relaxed the requirements of the Miranda rule to the degree that confessions made voluntarily by a defendant, even in those instances where he was not fully apprised of his rights, can be used to impeach—that, here, means to dispute, disparage, deny, or contradict—the subsequent, inconsistent testimony of the defendant. In other words, if he made a voluntary confession, then changed his mind, the prosecution is allowed to use that voluntary statement to impeach his subsequent testimony. This, at least, gives the jury knowledge that the defendant had made inconsistent statements.

The Court is to be commended for this change in policy, but it does not go far enough.

INCREASE THE ADMISSIBILITY OF EVIDENCE

The exclusionary rule precludes the prosecution from using reliable, probative evidence if it is the result of a search and seizure which was offensive to the constitutional rights of the defendant. To the extent that evidence is gained in deliberate avoidance of the constitutional guarantees against unwarranted searches and seizures, the evidence should be excluded, for if it were not so excluded, the law enforcement authorities would be encouraged thereby to act without the use of search warrants—one of the principal guarantees of our freedom. But, this is not the issue.

The issue, rather, is the absurd extent to which the exclusionary has been broadened by court interpretation, far beyond any intent among the Framers.

Examples? Here are but a few, illustrating this over broadening of the right:

> One night police officers visited the apartment of Donald Painten and George Ash, strongly suspecting them of a string of armed robberies. When the officers knocked, the two threw a bag containing their guns onto the fire escape, then asked the police in. A detective watching outside saw this, retrieved the guns, and arrested the two. The U.S. Court of Appeals (1st Cir.) overturned Painten's conviction on the ground that the guns were illegally obtained. The court's reasoning was that the officers intended to conduct an illegal search, and this illegal intent caused the robbers to toss their guns out the window! Under this rationale (?), the guns should have been excluded at trial.
>
> James Beck was riding his bicycle along a road in Phoenix shortly after 3:00 a.m. on October 18, 1967, when a Cadillac pulled alongside him and forced him off the road. Several assailants emerged from the car, grabbed Beck around the neck and body, forced him into an irrigation ditch, and robbed him of his watch, wallet, checkbook, money and keys. The victim called the police and an emergency bulletin was sent out on the police radio.
>
> At 3:18 a.m. the Cadillac was seen and stopped by the police. The defendants were taken into custody and the car garaged. About half an hour after the defendants were arrested, the vehicle was searched and the stolen items found. But the court held that the warrantless search of the auto was not justified and reversed the conviction! [State v. Madden, 465 P. 2d 363 (Aug. 1970).]
>
> A woman who lived alone was awakened in her bedroom by the defendant, who threatened her with a knife, robbed her, and raped her while she was forced to lie on her stomach with a pillow over her head. With the aid of a night light she saw the knife and also noticed that the defendant was wearing leather boots. As soon as he left, she called the police. They searched the area and found boot tracks outside her house. They traced the tracks to the vicinity of defendant's house. After knocking and entering, the officers observed defendant standing with his boots on. He was questioned and told to go outside and place his boots in the tracks. Later, the boots were confiscated and defendant taken before a magistrate. One of the officers returned to his house, conducted a warrantless search and found the knife used in the rape. But defendant's rape conviction was reversed with the court holding that the arrest and search, without a warrant, were illegal. [Woods v. State, 466 S.W. 2d 741 (Texas 1971).]

In every case—and many, many others I could cite if there were time this afternoon—reliable, probative evidence is excluded, to "punish" the police for their errors. But, since manifestly guilty persons are let loose to seek other victims, the only one punished is the potential victims of crime. Of the logic of such a practice, John Henry Wigmore, the leading authority on the law of evidence, observed by way of parable:

> Titus, you have been found guilty of a crime; Flavius, you have confessedly violated the Constitution. Titus ought to suffer imprisonment for crime, and Flavius for contempt. But no! We shall let you both go free. We shall do so by reversing Titus' conviction. This is our way of teaching people like Flavius to behave, and of teaching people like Titus to behave, and incidentally of securing respect for the Constitution. Our way of upholding the Constitution is not to strike at the man who breaks it, but to let off somebody else who broke something else.

Of such an exclusionary rule practice, the Exclusionary Rule Task Force Committee Report of the California Conference on the Judiciary declared:

> The basic premise of modern theories of justice is that a man's guilt or innocence should be decided by weighing the evidence; that if all evidence is produced in court, it can be rationally weighed, and the decisions of the court will come as close to the truth as is humanly possible. The exclusionary rule runs counter to this basic premise; a criminal, who may have committed a terrible crime and is a danger to the public is now released, not because he is innocent, but because long after the arrest, a court disagrees with the peace officer and the trial judge on the manner in which the evidence supporting the conviction was obtained.

The practical basis for the rigid exclusionary rule is that it is supposed to deter police abuse in search and seizure. We now know that this assumption is highly questionable. This rule should be changed, and it should be applied only to willful, flagrant, and substantive violations of search and seizure rights.

Another suggestion—one which I think at least worthy of careful examination—has been to abolish the rule altogether, allowing its replacement with civil remedies for breaches of the protection against unwarranted searches and seizures. By the use of such remedies, those who were the subjects of unwarranted searches and seizures would have a civil remedy to obtain monetary damages from those who committed such violations of rights or their employers.

A COMMITMENT

Mr. Speaker, we hear much today about injustices. So often, when the rights of an individual are infringed upon, we hear those claims of injustices. I cannot argue with those assertions when rights have indeed been violated.

But, there is another point which is too often overlooked. The greatest injustice of all is the way in which society has been made the victim of rampantly spiraling crime. Our rights, as individuals and as a society, are grossly violated when lawlessness reigns, and we are neigh on close to that point today.

We owe it to the preservation of our rights and the freedom which is buttressed by those rights to take measures to protect our people against crime.

I am committed to this task.

THE PROJECT OF STUDENTS OF NORTH POCONO HIGH SCHOOL IN MOSCOW, PA.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. McDADE) is recognized for 5 minutes.

Mr. McDADE. Mr. Speaker, I have within the boundaries of my congressional district an outstanding community, Moscow, Pa. The borough of Moscow has a history tied to the currents of Imperial Russia. According to one source, Moscow and the surrounding area was the site of a settlement for the Rev. Peter Rupert, a Lutheran minister, and many of the other members of his religious community. The Reverend Rupert and his coreligionists were forced from their native capital of Moscow, Russia, at the time of the Napoleonic invasions. He bought a large area of land from Henry Drinker, and in 1826 named the area of his settlement Moscow, in honor of his native capital, Moscow, Russia. Later Rev. Rupert sold his adjoining land to the Pennsylvania Iron & Coal Co., in 1850. It has also been said that one settler asked the reverend what to name their settlement, to which he replied:

> It is colder than Siberia—we will call the place something if only after Moscow, where the great bell is.

The bell referred to here is the Czar Kolokol or "king of bells" which is found within the Kremlin wall near the Bell Tower of Ivan the Terrible. The bell was forged around 1735, but has tolled very little in the past two centuries due to an extremely large crack, greater even than that in the Liberty Bell in Philadelphia, Pa.

The students of North Pocono High School in Moscow, Pa., have devised a most remarkable project for this year. Five students, Mary Beth Novak, Lynn Farnham, Janice Hallock, Robert Jones, and Mark Kopcza, accompanied by Mr. Walter Melnikoff, are visiting Moscow in the Soviet Union. They have in their possession a proclamation drafted by Joseph A. Wolfe, Jr., a member of the North Pocono High School Social Studies Department, to be given to the first school in Moscow, in the Soviet Union, which they visit. The proclamation reads as follows:

> Whereas, on the 14th day of April, A.D., 1974, a proclamation has been issued on behalf of the citizenry and students of the borough of Moscow, Commonwealth of Pennsylvania, United States of America, containing the following, to wit:
>
> "That we, the populace of the borough aforesaid do publicly proclaim our most heartfelt and cordial greetings and calutations unto the city of Moscow, Russian Soviet Federated Socialist Republics, and the honorable people thereof; and that we entrust five youths eagerly desiring to perceive the warmth of the inhabitants thereof and to reciprocate consumate friendships with the express hope of the mutual benefactions of the people of the borough and city aforementioned.
>
> "And it is in keeping with this resolve, that we the people of the borough aforesaid, the namesake of Moscow, Union of the Soviet Socialist Republics, do hereby offer gracious invitation to the youth of the city thereof, to visit our borough aforementioned."

This is a fine, a splendid, thing which these students are doing, and it must warm the hearts of all of us to observe the warm feelings expressed in the proclamation they bear with them. I commend these students, the people of Moscow, Pa., and all the students of North Pocono High School for this most imaginative exercise of friendship toward the students of their sister city in the Soviet Union. I know that all of you, my colleagues, would wish to join me in offering these congratulations. I am most grateful to Mr. Donald Pellick, a teacher at North Pocono High School, for calling this to my attention, so that I might inform the Members of the House of Representatives.

SOARING FOOD COSTS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Massachusetts (Mrs. Heckler) is recognized for 30 minutes.

Mrs. HECKLER of Massachusetts. Mr. Speaker, while in my district during Easter recess, I conducted a day-long public hearing on soaring food costs and their effects on the lives of the people in the 10th Congressional District of Massachusetts.

The public hearing, open to all, began at 10 a.m. on Thursday, April 18, at the Natick Army Research Lab in Natick, Mass.

As a member of the Consumer Affairs Subcommittee of the Banking and Currency Committee, I am especially concerned with the effects rising food cost are having on the lives of the people in my district. I held this hearing to develop evidence to help persuade my colleagues in Congress and the administration that our Government must adopt a national food-agriculture policy to monitor our food supply so that Americans are assured adequate food at reasonable prices.

I found it particularly disconcerting that the Department of Agriculture refused my request to send someone to take part in this hearing, either as an observer or as a participant.

It is unfortunate that an official from the Department of Agriculture was not with me in Natick last week to listen and learn from the valuable testimonies given by witnesses from all parts of my district—including senior citizens, college economists, working mothers, school administrators, directors of hospital food services, and others.

I would like to submit three of these informative testimonies on the effects of the food-price crisis to the Record each day so that my colleagues in the House might also benefit from the statistical data and insights I received on this serious subject:

Edward George

My name is Edward George. I am Assistant Administrator of Morton Hospital in Taunton, Massachusetts. I am here today to talk about the impact of spiraling food costs on hospital operations and ultimately on the cost of care to the patient.

Since July of 1971, prior to the imposition of federal wage and price controls, Morton Hospital has seen an overall increase in food costs of 53%. In July of '71 raw food cost per patient day, which represents the cost for each patient each day he is hospitalized, was $2.46. Compared to March of 1974, to almost the day Mrs. Heckler informed us of this hearing, the cost of raw food per patient day climbed to $3.78. Again, a difference of 53% or $1.32 per patient day.

In discussing this topic I think it would be beneficial to cite specific examples of at least food categories where significant increases in costs came about during this 32 month period. Staples such as rice, plain flour, cereals and other foods made from grains climbed as much as 156%. Today, a 25-lb. bag of rice costs $14.46 compared to $5.65 in July 1971. Canned fruits and vegetables have shown an overall increase of 95% in some categories. I might add that a hospital which depends a great deal on modified foods, such as low salt or dietetic items, must carry a wide variety of canned fruits and vegetables. As you might guess, specially prepared items, like dietetic fruits, are even higher than regular items. Frozen fruits and vegetables, like canned, show an overall increase in some categories as high as 117%.

As you are well aware meats probably represent an area of consistent spiraling, and for the hospital operation, present little alternatives as substitutes. Regular substitutes for meat such as lentils and beans may adapt well in the home, but in a hospital operation where hundreds of people are fed, they prove impractical over the long run as meat substitutes. Specifically, such items as stew meat has increased 61%, ham 65%, pork loin 85%, liver 54% and that old American favorite, the frankfurt, 58%. Fish, a favorite in the diet of so many southeastern Massachusetts residents has shown astronomical increases in the same 32 month period. Flounder has increased about 78%, cod 87% and scallops 81%. Dairy products have shown no less an overall increase with cheese jumping 50% and eggs an almost unbelievable 88% in 32 months. Milk, as those of us who visit the supermarket regularly know, has jumped as much; even powdered milk is up about 66%.

Hospitals, perhaps more than any other industry, are under constant criticism from the media and the public as to the high cost of medical care. Since August of 1971 until this very moment, hospitals have been regulated by wage and price controls. From August 15 to November 13, 1971 no increase in charges were allowed hospitals whatever. From November 14 to January 10, 1973 charges were only allowed to increase in direct proportion to cost: 5.5% for wages and salaries; 2.5% for supplies and 1.7% for new technology. Phase 3 allowed increases up to 2.5%; increases from 2.6%–5.99% first required Medicare and IRS approval.

Meanwhile, raw food cost per meal has gone from 94.6c in 1971 to $1.45 in 1974—a jump of 52%.

How an operation can reconcile these stringent controls with the outrageous, runaway inflationary costs for food I have quoted, is some days beyond us as professionals.

It is somewhat heartening to know that members of the Congress are beginning to fully understand the extent and the impact of spiraling food costs on not only the individual consumer but service organizations such as the hospital which serve the consumer. The current inflationary cycle has imposed such demands in terms of costs on the hospital in areas as vital, as necessary and as everyday as food that some type of broad-scale action in controlling this trend becomes not only important but imperative.

North Attleborough, Mass.,
April 11, 1974.

Mrs. Margaret M. Heckler,
Post Office Building,
Taunton, Mass.

Dear Mrs. Heckler: It is gratifying to find we are not alone in our concern about the spiraling cost of food. Our income is so limited, 30¢ per student lunch, 60¢ per adult lunch. With the government subsidy of 14¢ increased to .1650 for paying students and .6375 for free and needy, we have received a temporary transfusion but the strong suggestion of *only* section 6 commodities for our 74–75 school year could mean disaster. We have been fortunate to have flour, shortening, butter, rolled oats, pea beans, cornmeal, etc. in amounts large enough to fulfill our needs. During 1972–73 school year dry milk was also available. The charge for the 50# bag dry milk was a service charge of 70¢. This year we must purchase this from our purveyor. Current price is $41.03 per 50# bag. Using this for a guide, you can readily see the problem this would create:

Sept. 1972 through March 1973 Food costs, $76,602.90.

Sept. 1973 through March 1974 Food Costs, $123,663.28.

A 61% increase cost due partially to an additional school no longer on double sessions and tremendous increase in food costs.

We have had 2 increases on our ice cream bid, although it was firm for the school year, amounting to 22% increase.

Our bread purveyor has warned we may have a 40% increase for the coming school year. I have written an alternate bread proposal using government flour but if flour is not available, this cannot help.

Our milk purveyor has held his bid price for this year but we have been given to expect an escalator clause in future bids.

Our labor has been streamlined to keep this cost in line.

Our recipes have been altered to include Textured Vegetable Protein, when possible, to extend meat dishes without losing our food value.

Three purveyor quotes are received weekly on meat and frozen items. Canned goods and staples are on monthly quotes from three or four purveyors. All items are purchased at the lowest quotes.

Waste has been eliminated by having "planned overs" offered as choices with the published lunch.

Hopefully we will end our school year in the black or close to this aim.

This looks like an impossibility for next year at this time.

Sincerely,

Louise J. Snell,
Director, North Attleboro School Food Services.

Remarks of Eunice P. Howe

Several years ago, along with two other consumer representatives, I viewed an electronic computer check-out at the Army Lab here in Natick, Massachusetts. It had the capacity to print out a tape which identified the article, the purchase price and the unit price (price per pint, quart, pound, count, etc.). At that time, the potential which computer technology offered for speeding up and perfecting service at the supermarket check-out counter was apparent. My reaction was "marvelous."

In 1970, Massachusetts became the first state to require Unit Pricing. The retail food industry at that time appeared to accept Unit Pricing. The Consumers Council, of which I have been a member for nine years, has mandated strict requirements for the Unit Price shelf marker (orange color, 7/16 inch size, etc.). We had high hopes that Unit Pricing would catch hold with the public, anticipating a campaign of education by the industry, schools and government.

Why this dedication on our part to Unit Pricing? Because it is the only way to make sense out of shopping for food and household items. It is a system which enables the customer to cope with misleading advertising and deceptive packaging in the marketplace.

A few months ago, my daughter and I visited four stores near our home. We found 17 different weights in dry cereal packaging, 9 in peanut butter, 7 in corn oil, and 18 in rice.

Two packages of dried cereal from the same manufacturer were the same size but one package held 7 ounces at 49¢ and the other, 18 ounces at 53¢. The Unit Price signs told us we were paying at the rate of $1.12 a pound for the 7 ounces and 47.1¢ a pound for the 18 ounces. The Unit Price on the shelf marker told the story, *not* the package price.

The information on the side panels indicated that one package contained 7 servings and the other, 18 servings. For a difference of four cents, the household would have an additional eleven servings! This kind of comparison shopping is one way to beat the high cost of food.

More information—not less—is necessary when the customer makes his decision. When he puts his feet up on a chair at home and peruses the store ads, he is doing what government extension courses tell him to do: make your decision at home, avoid impulse buying, shop wisely.

How can he when in one issue of the Boston Globe (February 21, 1974), five stores advertised frozen orange juice, one 2 fer, one 3 fer, two 4 fers and one 5 fer at four different prices? This is why the Massachusetts Consumers Council feels strongly that Unit Pricing should be included in newspaper and advertising in order to enable *between* store comparisons.

In addition, he needs better Unit Pricing in the store to facilitate comparisons between brands and sizes.

At present, the consumer is bewildered by confusing advertising and deceptive packaging. With escalating prices and food the only contractible item in his budget, he is uptight about what he has to spend to eat.

Against this background, the industry is preparing to introduce the electronic computer check-out. Items will be coded and tallied at the check-out by a computer. There will be no need to mark the price on the individual package, although the food industry, under pressure, appears to be willing to retain the price markings on the individual packages for the time being. In addition to other pressures, the consumer is now threatened by a robot adding up his sales slip.

The system has been developed without consultation with consumer representatives. Somewhere along the line, consumer voices should have said "Keep Unit Pricing on the tape" "Clean up packaging" "Improve shelf markings" "Will the consumer get the savings from this new system?"

If we assume that food prices will be influenced by the increasing interdependency of nations and if we assume that our government controls will be lifted at the end of this month, we can also assume that the price of food will remain of crucial significance to the consumer.

The only way to beat the game will be for the consumer to insist on getting the best buy for his money. To do this, he needs more information and education about what he is buying.

SPEAKER'S PRESS CONFERENCE ON THE ECONOMY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. McFall) is recognized for 5 minutes.

Mr. McFALL. Mr. Speaker, on April 9, shortly before the Easter recess, you held a press conference to review the Nation's economic plight and to document the economic mismanagement of the current administration. I submit your entire statement for inclusion in the Record:

Statement of Representative Carl Albert, the Speaker, U.S. House of Representatives

When President Nixon took office in 1969, he inherited from his democratic predecessor a healthy, growing economy—one with low unemployment, tolerable inflation and a high rate of utilization of productive capacity.

Within 18 months, however, the President's economic policies plunged our stable economy into the first serious recession since the last Eisenhower slump in the late 1950's. Now, even before we have completely recovered from the Nixon recession of 1970, production is again falling, unemployment again rising, and the nation is in the grip of a raging inflation unparalleled in our peacetime history.

For the more than 95% of all Americans who must depend on their jobs and paychecks for their income and security, the Nixon Administration's management or mismanagement of the economy has been disastrous. Last year, for the first time since World War II the average worker saw his real spendable income decline by more than 4%. The average American worker clearly feels he and his family have been in a recession for more than a year.

The effect of rapid price increases at a time of declining production and rising unemployment has been severe, documenting the Administration's glaring failures. Unemployment was only 3.3% in January, 1969, when Mr. Nixon took office. Unemployment rose to 6% in his second year in office and is expected to be near 6% again at the end of this year. Meanwhile, the Nixon Administration stands idly by, as stagnation engulfs the economy and millions of workers lose their jobs.

Like unemployment, inflation is also rising rapidly. The overall rate of inflation for the five Nixon years in office is more than twice that of the rate during the Kennedy and Johnson Administrations. During the most recent twelve month period, price increases have soared above 10%—the first double figure inflation in twenty-seven years.

In the past five years the United States lost more than $200 billion in output—more than $1,000 for each man, woman and child in America.

Naturally, declining production has led to declining federal revenue and this revenue loss—not a spendthrift Congress—has been the basis of Mr. Nixon's huge budget deficits.

Not only has our nation forever lost a great amount of production under the Nixon Administration but $10 billion has been shifted from the pockets of the poor and middle income families to the pockets of the rich.

Time and time again congressional efforts to move this country forward have been frustrated by vetoes, impoundments and dismantling of programs. Much more could be done to get this nation moving again. We in the Congress have not had the Administration's cooperation in achieving this goal and when all is said and done, the President is still the President: He does administer our national economic policies.

In his first Economic Report, Mr. Nixon said: "If we apply the hard lessons of the sixties to the decade ahead, and add a new realism to the management of our economic policies, I believe we can attain the goal of plentiful jobs earning dollars of stable purchasing power.

By his own standards, President Nixon has failed in his management of the nation's economy.

Nixon Administration Mismanagement of the Economy

(Statement of Representative Carl Albert, the Speaker, U.S. House of Representatives)

Five years of Nixon Administration mismanagement of our economy has produced economic disaster for the American people.

By virtually any measure of performance, the five Nixon years have had dismal results for the more than 95% of all Americans who must depend on their jobs and paychecks for their income and security.

When he took office, Mr. Nixon inherited a healthy, growing economy—one with low unemployment, tolerable inflation, and a high rate of utilization of productive capacity. But within eighteen months, the President and his aides managed to turn our stable, healthy economy completely upside-down, plunging it into the first recession since the last Eisenhower slump, in the late 1950's.

And now, before we have even recovered from the Nixon recession of 1970, the economy is again on the skids. Production is falling, unemployment rising, and the Nation is in the grip of a raging inflation unparalleled in our peacetime history.

In his first *Economic Report* (1970), Mr. Nixon said: "If we apply the hard lessons learned from the sixties to the decade ahead, and add a new realism to the management of our economic policies, I believe we can attain the goal of plentiful jobs earning dollars of stable purchasing power."

Now, as we approach the middle seventies, it is time to examine the economic evidence in detail, to see how well Mr. Nixon has applied the "hard lessons" of the sixties, how well his Administration has performed in providing "plentiful" jobs which earn dollars of "stable" purchasing power.

And to these most important criteria of performance advanced by Mr. Nixon—jobs and purchasing power—we should add several of our own in evaluating his performance, including: full utilization of the great productive capacity of our economy; the size of budget deficits and their effect on national debt; the strength of advances in productivity; the maintaining of a high rate of economic growth; control of inflation; reasonably low interest rate levels; and the effects of all these factors on workers and consumers, as revealed in workers' real wages, housing availability, and a myriad of other important indexes of well-being of the average citizen.

Then, after examining all these measures of economic performance of the Nixon Administration, we can see clearly just how ineffective—and for the average working man, how truly calamitous—Mr. Nixon's handling of economic matters has been.

1. UNEMPLOYMENT

Employment—the availability of meaningful, well-paying jobs—is the bedrock of both our Nation's prosperity and the individual citizen's security. Mr. Nixon was absolutely correct in stressing this vital factor so very heavily in his first *Economic Report*.

But how has the Nixon Administration performed on ordering the economy so as to maintain low unemployment?

The facts speak more eloquently to this point than any adjectives I can supply. Mr. Nixon inherited a legacy of low unemployment and, within eighteen months, had boosted it to recession levels.

A little background is helpful here. Unemployment was at a 35 year peak at the height of the second Eisenhower recession, in 1958. It was 6.8% in that year and was still high when John Kennedy took office in 1961.

For the next eight years, the economy was managed well and the trend of unemployment was practically straight down, from 6.7% during President Kennedy's first year in office to 3.6% in 1968, the last year of President Johnson's term.

When Mr. Nixon took office in January of 1969, unemployment was at 3.3%, the lowest level since 1953, and the momentum of a healthy economy kept it at this low level for about nine months. But by September of 1969, the effects of the new Republican Administration's economic policies had begun to show. Unemployment rose in that month to 4.0%; the following February it was 4.2%; by July it reached 5.0%; and, by December of 1970, unemployment rates were up to full-fledged recession levels, from which they have never completely emerged. In fact, during the last three years, since the beginning of the Nixon recession of 1970, unemployment has averaged 5.5%—50% higher than the 3.7% rate during the last three years of the preceding Democratic Administration (1966–68).

The number of unemployed Americans had dropped to about two and a half million by the end of the Johnson Administration. The Nixon recession of 1970 doubled that rate, to above 5 million persons, and the number of unemployed has remained above 4 million persons ever since.

In short, unemployment under Mr. Nixon has been unconscionably high ever since 1970, when his traditional Republican high unemployment policies first began to take effect.

Moreover, we have been looking only at a portion of the unemployment problem—measured unemployment. The truth of the matter is that real unemployment is far higher now than the measured unemployment statistics indicate.

There is a substantial amount of concealed unemployment currently in the economy, composed in part of the more than 700,000 "discouraged workers" who have been unemployed for so long that they have given up trying to find work.

Also to be included in measuring the true level of unemployment is the full-time equivalent of part-time unemployment.

Under previous, Democratic Administrations, as unemployment dropped, the number of people involuntarily working part-time also declined. But under the current Administration, when full-time unemployment has declined—as during the recent partial recovery from the first Nixon recession—involuntary part-time unemployment has jumped. In other words, where we used to trade unemployment for full-time employment, under Nixon, we trade full-time unemployment for part-time unemployment—which does not show in the measured unemployment rate.

Taking into account both discouraged workers, who are not counted as part of the labor force, and the full-time equivalent of part-time unemployment, real unemployment (rather than measured unemployment) in February was 6.6%—and not the 5.2% level indicated in the measured unemployment statistics. And even this true level of unemployment does not measure the effects of under-utilization of full-time workers because of extensive slack in the economy, which is reflected in the sharply reduced productivity gains of the Nixon years.

The effects of Republican high unemployment policies are tragic. Despite our dependence on statistics to describe the problem, we are dealing in real men and women, not numbers. For the unemployed breadwinner, loss of his job means looking for work day after day without success, and the anguish of returning home empty-handed; the pain and fear of watching his family go without the things they need, food, clothing, medicine; and the heartache and loss of confidence that accompanies being unable to make a contribution to society and to one's own well-being through useful work.

For particular groups in our Nation, for instance, young people, minorities, and residents of depressed areas, the consequences of unemployment are particularly harsh.

The unemployment rate for our youngest workers was 17% during the peak year of the first Nixon recession, and it has come down very little (to 15.3%) since then. This means that a huge proportion of our youngest workers, who desperately need to learn good work habits and skills, cannot even find a job.

Among minority-group members, unemployment averaged 10% during 1971 and has come down hardly at all during the partial recovery from the first Nixon recession, to the still terribly high level of 9%. And, in the forgotten depressed areas of the United States there are whole counties where unemployment rates in the vicinity of 30–40% are not uncommon.

If the effects of unemployment are staggering to the individual, they are equally burdensome to the economy as a whole.

The number of hours of productive labor lost by the Nation to Mr. Nixon's foolish and inconsistent economic policies is incredible. More than 20 million man-days of productive labor are lost every week, more than one billion man-days of labor per year. Tapping even half that huge reservoir of time and talent would go far toward solving our Nation's great problems—poverty, pollution, lack of adequate housing, and many others.

While the great human costs of unemployment, such as hunger and fear and loss of self-esteem, can never be measured, some costs can be reduced to dollars and cents. For instance, our Nation has expended more than $22 billion in unemployment compensation costs since Mr. Nixon took office; and we have paid out more than $100 billion in welfare, much of which has gone to families who simply had no money for food and shelter when the breadwinner could not find work. Much of this money could have been paid out for useful work, if the Administration had not been so senselessly opposed to meaningful public employment programs. And much more money need not have been paid out at all, if the Administration had not followed its game plan for certain recession.

Since the costs of unemployment—both to the individual and to society—are so enormous, it is reasonable to ask what the Nixon Administration is doing about this core problem.

Tragically, the answer is, nothing. This Administration has no commitment to maintaining low unemployment in an orderly, healthy economy, and the proof of this is all around us.

The average work week has dropped from above 37 hours in 1973 to 36.5 hours currently, and the trend is down. The number of workers leaving jobs voluntarily has declined sharply—a sure sign of the drying up of job opportunities. And newspaper space advertising jobs has declined by 10% in the last two months, indicating growing tightness in the job market.

Meanwhile, the Nixon Administration stands idly by and watches, as stagnation engulfs the economy, workers lose their jobs, and millions go on relief.

There is no commitment on the part of the Administration to implementing the full employment goals of the Employment Act of 1946. Instead, with utter disregard for the facts, Mr. Nixon simply looks at our monumental unemployment problem and proclaims that it is not there.

In what amounts to outright fraud, Mr. Nixon has said that our Nation nearly achieved full employment in 1973. The way he arrived at this conclusion is typical of the semantic trickery which has already destroyed the trust of the electorate in Mr. Nixon on so many other issues—he simply changed the definition of "full employment".

Under the Kennedy-Johnson Administrations, full employment was understood to be around 3.5–4.0%. This was the goal, and it was achieved.

But Mr. Nixon, unwilling to accept the responsibility for current high unemployment, has seen fit to proclaim 1973 a year of nearly full employment—despite the fact that unemployment averaged 4.9% for the year and was at 5.0% or above for one-third of the year, and despite the fact that there are nearly two million more workers unemployed than when Mr. Nixon took office.

The President's apologists say that the new "full employment" rate is at about 4.5% because of changes in the composition of the labor force.

This is indefensible. To begin with, changes in the labor force have not been particularly significant over the last four years. Big, broad social groups simply do not change so rapidly as that. And, more importantly, simply because a person happens to be a young Viet Nam veteran, or a woman (two areas of recent labor force growth), hardly seems sufficient grounds to justify Mr. Nixon in defining that person out of his need for a job.

The Republicans have tried this redefinition trick before, and they were just as wrong then as now. High unemployment in the second Eisenhower recession (6.8% in 1958) was defined as "normal" or unavoidable "structural" unemployment. The theory then was that, because of automation, technological progress and the rise of services over factory work, the economy would be unable to provide jobs which could be handled by the unskilled, non-farm workers, the "structurally" unemployed. Higher "normal" unemployment would be the new order of the day, and any attempt to bring down this new high rate would only bring terrible inflation.

The structuralists were wrong, of course, just as the current Republican "changing labor force" theorists are wrong. By the end of 1965, after several years of Democratic administration, the "unavoidable structural unemployment" had dropped below 4%; and inflation remained at a very low rate, below 2% for the year.

At essence, the redefinition upward of "normal" unemployment rests on nothing more than traditional Republican Big Business discrimination against labor force minorities and against workers generally. The thinking goes like this: Viet Nam veterans, women, blacks and other minorities aren't really important, so it is all right to say we have full employment even if there are millions of these groups of people still unemployed. Then, when the public has come to accept terribly high unemployment as normal, Big Business can wield its traditionally increased bargaining power over a labor force in fear of losing their jobs.

The Administration's publicly stated reason for pursuing high unemployment policies—to keep inflation down—is looking a little weak these days, now that we have both terribly high inflation and high unemployment simultaneously. Inflation is advancing at a 10% annual rate, and unemployment is currently heading toward the six or seven percent level.

In reality, President Nixon and his economic advisors have done nothing more than implement traditional Republican policies of strengthening the power and financial gains of Big Business at the expense of workers. That, along with simple incompetence, is the real reason for current high unemployment and the reason why the President and his advisors pursue and defend it so vigorously.

2. LOST PRODUCTION

One of the most important consequences of the Nixon Administration's high unemployment policy, and numerous other pro-recession policies, has been a staggering amount of lost production.

In the five years since Mr. Nixon took office, the United States has forever lost more than $225 billion in output or income and built up large pools of idle resources in all sectors of the economy.

When Mr. Nixon took office, he inherited a healthy economy, an economy whose actual performance was meeting its full potential. Within twelve months, the Administration had succeeded in dissipating the strength and momentum of the economy and in opening a gap of about $25 billion between the economy's potential and its actual performance—2.7% gap. By a year later, Mr. Nixon and his advisors had widened that gap to 7.1% and the Nation was losing production for a time at a $70 billion annual rate.

Mr. Nixon has never succeeded in closing this gap between our capacity and what we actually produce. By the end of 1971, the production gap had narrowed only slightly, to about $60 billion annually.

For a brief time, at the height of the feeble economic recovery at the beginning of 1973, the gap between performance and potential did narrow somewhat, to within about $20 billion annually. But it immediately began to widen sharply, and now, at the end of the first quarter of 1974, the gap appears to be widening to about $65 billion annually again.

The approximately $270 billion total lost production, which we will have lost forever by the end of this sixth year of Mr. Nixon's economic mismanagement, can never be recovered, no more than the millions of unemployed Americans can retrieve their lost hours of idleness.

What all this means is that there is less of everything to go around in the United States. How much less is difficult to grasp. Suffice it to say that, if Mr. Nixon had maintained the rate of utilization of productive capacity which he inherited when he first entered office, this Nation would by now have produced an additional $1285 for every man, woman and child in America, or more than $5000 for a family of four—the equivalent of a new car, or the down payment on a new home.

If Mr. Nixon had maintained the sound economic policies of the preceding Democratic Administration, we would all be wealthier and more prosperous. Incomes would be rising, instead of sagging. Our industry would be running around 90% of capacity, as it was when Mr. Nixon took office, instead of limping along around 80% as it has done ever since the first Nixon recession. And the millions of workers now sitting idle would be doing useful, productive work, instead of drawing unemployment compensation.

Indeed, the costs of the unused resources of our society are enormous. And what has been the Nixon Administration's response to the tremendous waste of human and material resources engendered by their economic policies? Virtually nothing.

Rather than facing up to the enormous gap between America's capacity and her current level of production, and doing something about the gap, the President's economic assistants instead have simply lowered their estimate of growth capacity. This makes the gap look smaller, but it does nothing to put the unemployed to work or to increase utilization of our manufacturing capacity.

The most charitable thing which can be said for the lowering of estimates of productive capacity is that, because of prior lost production during the Nixon Administration perhaps our future productive capacity has indeed been impaired. The lack of new tools, of modernized industry, resulting from Nixon's high unemployment policies perhaps really has made it impossible for our Nation to be as productive in the future as we would have been if the high employment policies of Democratic Administrations had maintained.

Another response of the Nixon Administration to the gap between America's productive capacity and our actual production is far more serious than the mere revising downward of estimates of capacity. This more serious error is the Administration's failure to understand the role of scarcities of goods in the economic dilemma they have created. The Administration has yet to realize that, through their haste to hold down wages, they have destroyed purchasing power and demand and, ultimately, production. Businesses then raise prices, to ensure profits on lower sales volume, leading to inflation. So what does the Administration do then? Clamp down a little harder on employment, through monetary, spending, and tax policies, and so the vicious circle of economic stagnation and inflation continues to worsen.

The failure of Republican Administrations—from Herbert Hoover through Eisenhower to Nixon—to learn even the lessons of the Great Depression, much less "the hard lessons of the sixties", is almost astounding. The only thing which can explain it is the seemingly compulsive need of the Republican party to hold down wages while letting profits soar and to enrich the already wealthy at the expense of the average working people.

3. BUDGET DEFICITS AND NATIONAL DEBT

The current Republican President has frequently castigated the Democratic Congress as "big spenders" who have caused huge budget deficits and increases in the national debt. In fact, it is Mr. Nixon's economic policies which are chiefly responsible for Federal budget deficits.

The simple truth is that, of the approximately $225 billion in production which our Nation has lost since Mr. Nixon took office, at least $70 billion would have come into the Federal treasury—more than enough to balance the books—if the economy had been operating at full capacity. For example, Mr. Nixon's budget for 1971 anticipated a surplus of $1.3 billion in revenues over expenditures. In fact, the budget went $23 billion into the red—and the lion's share of this amount was due to revenue shortfalls below original estimates caused by the recession of 1970.

Has the Congress gone on a spending spree? Over the five years of the Nixon Presidency, Congress has raised overall expenditures twice, lowered them twice, and left them unchanged once. The net effect has been a total budget increase of $4.4 billion, or about $0.9 billion per year in a budget which is now running above $300 billion annually.

President Nixon's revenue estimates, on the other hand, have been low by tens of billions of dollars because of unanticipated recessions and falling Federal receipts.

Congress has not boosted the budget to an unwarranted degree. The Federal budget, as a per cent of the Gross National Product, has been remarkably steady for years. It is revenue shortfalls caused by bad economic management that have led to the large Nixon budget deficits.

Sooner or later, of course, budget deficits caused by revenue shortfalls show up in the figures on national debt. In this light, it is illuminating to review the growth of the Federal debt over the last decade. Under Presidents Kennedy and Johnson, the Federal debt grew by about $77 billion over eight years, a rate of approximately $9.6 billion per year. During this period many broad new programs were instituted and many advances toward economic and social justice were made. During the five years of the Nixon Administration, on the other hand, retrenchment has been the order of the day; effective, badly-needed domestic social programs have been attacked on all sides. And yet, during the five years of the Nixon Administration, the Federal debt has risen by about $120 billion, an annual rate of $24 billion.

What are the fruits of Mr. Nixon's massive build-up in Federal debt; what are the great new programs made possible by a rate of debt increase twice that of Kennedy's New Frontier or Johnson's Great Society? The answer is, quite simply, that there are no new programs, no new domestic initiatives. This rapid growth in Federal debt originated not as the cost of social progress, but rather as the consequence of economic mismanagement, as the result of revenue shortfalls stemming from high unemployment and no-growth economic policies.

4. PRODUCTIVITY, GROWTH, AND INFLATION

One of the cruelest misdeeds of the Nixon Administration has been to hold down workers' pay, claiming that productivity increases have not been great enough—while the Administration simultaneously pursues economic policies calculated to hold down the very productivity they say is lacking.

It is a well known economic fact that productivity rises when the economy is nearing peak performance, as workers and machinery are used at their full productive capacity. So Nixon economic policies, producing high unemployment and tremendous slack in the economy generally, have naturally led to very low increases in productivity. The Administration has then used low productivity increases as a rationale for holding down wages, leading of course to further declining consumption and further recession.

During the eight years of the Kennedy-Johnson Administrations, output per man hour advanced at an annual rate of 3.5%. During the Nixon Administration, with productivity held down by a sluggish, stagnating economy, the average annual rate of productivity increase has been 2.4%—barely two-thirds the rate of the preceding eight years, and a clear reflection of the inadequacy of the Administration's low-growth and no-growth policies.

Meanwhile—while the Administration has held down wages—prices and business profits have been allowed to soar at almost unbelievable rates.

The consumer price index during the first five years of the Nixon Administration rose at an annual rate of 5.5%—more than double the rate of the previous eight years of Democratic management of the economy. Moreover, price increases have been accelerating. For all of 1973, the consumer price index moved up at the astounding rate of 8.8% and, by February, annual inflation had moved well into the 10% range.

The prognosis for the immediate future is a continuation of overall price rises at 10% annually or more. The wholesale price index gives a dire warning of what the longer-term future holds. Wholesale prices for industrial commodities—which for the most part have yet to be passed on to consumers—were up almost 20% in 1973. And, once again, the trend is toward an acceleration of rate increases. In the three months ending in February, 1974, wholesale prices for industrial commodities were rising at the incredible rate of about 30% annually.

The fearful "Latin American" style inflation which Authur Burns warned might someday be visited on the American economy has already arrived, brought upon us by the Nixon Administration's mismanagement of our economy.

What is Mr. Nixon doing to curb our enormous inflation rate? Steering the economy further into recession, curbing employment and production instead of encouraging it. As Mr. Nixon has said, his is a "moderately restrictive" budget, and one guaranteed neither to curb inflation nor to increase employment, purchasing power and production.

What will it take to make the Republicans understand that the supposed trade-off between inflation and jobs is pure fantasy? How many times must they produce both galloping inflation and high unemployment before they realize that they cannot trade jobs for low inflation? When will Mr. Nixon, in his own words, learn the "hard lessons of the sixties"? Evidently not until the Administration has once again taken us to the brink of another Great Depression and flirted with Latin American-style inflation simultaneously.

Growth of the economy in 1974 is not expected to be more than about .5% and, in fact, the year may well see no growth whatsoever. Thus, by the end of 1974, we can anticipate having an overall six-year real growth record for the Nixon Administration of 3% annually, compared to the long-term 4% real growth rate our Nation needs to absorb new workers and to provide a technologically progressive economy.

Can America do better than this? During the eight years of the Kennedy and Johnson Administrations, real growth in the economy averaged 4.5% annually. Jobs were plentiful and prices advanced at less than one-quarter of their current rate. Clearly, under sound management, the American economy can perform very well indeed—far better than it has under the mistaken policies of the current Administration.

One of the most tragic aspects of the current inflation is that it is striking hardest at those who can least afford it—the elderly, the poor, and those living on fixed incomes. The price increases which have been most dramatic are for food (up 30% in 1973). and energy (up 76% in 1973). These are items which take a much larger chunk from low-income family budgets than they do from wealthier families, so the effects of food price rises, for example, will have far greater impact on a family earning $5,000 annually than on a family earning $15,000 annually.

Moreover, the prices of the foods which poor people depend on—potatoes, dry beans, cereals—have risen more rapidly than other kinds of foods. Thus, over the last year, the price of the Department of Agriculture's "low-cost" food plan has shot up at a rate 25% faster than the more "liberal" food plan intended for moderate-income families. So the effect of the inflation we are having has been magnified for low and fixed-income people.

But it is not just low-income families who are being hurt by the Nixon inflation. In fact, the average American worker is losing purchasing power at a rapid pace. Under Nixon economic policies and controls, the average non-agricultural worker's wages have gone up by 6%—but inflation has eaten 10% of his paycheck. When all adjustments have been made, the average worker has lost 4% of his spendable weekly income over the last twelve months Over the last 15 months, the average worker's purchasing power is down by an even greater proportion—by 5.5%.

The Administration's wage and price control program was supposed to protect workers against the ravages of inflation. It has not.

When he introduced the first price freeze, in August, 1971, Mr. Nixon told working people that they had made little progress from 1965 to 1969. "Your wages were higher but you were not better off" the President said. In fact, workers may not have been much better off, but at least they were not so much worse off as they have been under Mr. Nixon.

Workers have been losing purchasing power under Mr. Nixon, as prices have outstripped wages. But what about profits, and the Administration's friends in Big Business? How have they been doing?

Corporate profits rose by 36.3% from 1971 to 1973. About half of all corporate stock in America is owned by less than 1% of the population—so clearly the Administration's wealthy Republican friends are doing very well under Mr. Nixon's policies—while the workers are being driven to the wall.

The concept of wage and price controls is a good one. They were intended by the Democratic Congress to be used to protect the average American family from the ravages of inflation. Unfortunately, however, Mr. Nixon has chosen to use wage and price controls to enrich the rich at the expense of the average American working family.

We have just experienced what the New York Times called "the worst set of monthly economic statistics in at least a quarter century" and we are well on our way to the worst quarterly figures since World War II. Administration economists keep telling us that things will get better—and things keep getting worse. The latest estimate for food price increases (responsible for fully half of all inflation 1973) is for inflation at a 20% annual rate—in a year of declining employment and little or no increase in production.

When this inflation will end, and when the economy will be restored to healthy, stable growth is beyond any of us to know. But of one thing we can now be quite sure: stability and prosperity are beyond the grasp of the Nixon Administration.

5. INTEREST RATES

Inflation of interest rates is one of the most pernicious aspects of the current Nixon inflation. The cost of borrowing money has soared to the highest levels since the Civil War, practically doubling under the current Administration.

The high cost of money is pyramided through the economy, making everything else more expensive to produce and to purchase. The consequence is obvious: higher prices, declining demand, declining production and continuing stagnation.

The construction industry is the most obvious victim of Mr. Nixon's brand of Republican economics. The level of unemployment in construction—often twice that of the whole labor force—is a national disgrace at a time when housing starts are running generally between 600,000 and 1 million below the government-established goal of 2.6 million annually and fully 20% of our citizens still live in inadequate housing. Nevertheless, we have a terribly high level of unemployment in construction, and a low level of housing starts, principally because of traditional Republican high interest rates.

Consider: a difference of 2% in home mortgage interest rates on a $33,000 mortgage for 30 years adds almost $10,000 to the total cost of purchasing a home. And the difference between the average FHA new home mortgage yield under the Nixon Administration and its Democratic predecessors is 2.2%.

Mr. Nixon has effectively added thousands of dollars in interests costs to the cost of purchasing a home for every young family in America. In so doing, he has virtually priced the low and middle-income family right out of the housing market and knocked the bottom out of the housing industry.

The lost production capacity of the construction industry represents one of the great drags on our nation's economy, as well as one of the great opportunities for turning idle resources to the work of solving our big problems. But the Nixon Administration has shown little or no interest in bringing interest rates down or putting construction workers to work. Instead, the Administration has visited upon us the "wild card" fiasco—the no-interest-limit certificate of deposit which nearly put the Savings and Loan industry out of the mortgage business last fall.

Of course, home building is not the only industry affected by the Nixon squeeze on money. All across America, discouraged businessmen, who cannot get credit at less than exorbitant interest rates do not expand, or even cut back on production, and so general construction jobs are lost. State, county, and local governments—who are paying some of the highest interest rates in history—put off building hospitals, schools, roads, and so more jobs are lost.

High interest rates hurt more than just home buyers. They affect every person who needs to borrow money—for a car, a college education, or other reason. Payments on debt are taking an all-time-high 23% of the average family's income, after taxes. And record high interest rates have made a large contribution to creating that burdensome record high debt load.

Naturally, workers and their families, staggering under the impact of higher prices, shorter work weeks and declining real income, are having a hard time repaying loans at Republican interest rates. Delinquencies on installment loans are at 2.22%, up from 1.92% a year ago, and the highest level in 20 years. Mortgage delinquencies are also at 20 year highs.

Overall, high interest rates are one of the most destructive of all Mr. Nixon's economic policies.

6. DISTRIBUTION OF INCOME

The "bottom line" of all the foregoing economic statistics is income distribution. What counts, after all, is not just whether inflation is rapid or interest rates are high, but rather what effect these factors have on the share of our national production received by each group in our society.

An examination of income distribution in America at the end of 1972 (the most recent data available) reveals just about the changes one might expect from four years of big-money Republican control of the economy. During the first four years of Mr. Nixon's term, he has succeeded in shifting about $10 billion from those families at the lower end of the income scale to the highest-income families.

What this means in dollars and cents is that as of 1972, using a four-person family basis, Mr. Nixon had provided each family with income above $17,000 (one-fifth of all families) with an additional $1,000 taken from the pockets of the 60% of families with lowest incomes (ranging up to $13,000, but mostly far lower).

It is expected that when data for 1973 and 1974 become available they will show a continuation of this trend.

The current year, 1974, is expected to show an especially sharp decline in the share of national income going to the millions of average working men and women who constitute the backbone of America. After all, in times of recession and high interest rates, it is the average worker who pays for the Republican bankers' profits (up more than 30%) first with his income and purchasing power and, finally, with his job.

The typical factory or office worker, who has already lost more than 5% of his purchasing power in the last fifteen months, and whose family is already giving up a large part of its income to upper income families, is going to be squeezed even harder by the Nixon Administration again this year.

That wealthy, Republican 1% of Americans who own more than half of all corporate stock in this Nation are doing fine, of course; corporate profits are up sharply, to record levels.

Following is a table showing the relative share of family income going to families at various income levels.

PERCENT DISTRIBUTION OF AGGREGATE FAMILY INCOME

Income rank	1947	1960	1965	1968	1972
All families (total)	100.0	100.0	100.0	100.0	100.0
Lowest three-fifths	33.5	34.8	35.2	35.7	34.8
Fourth fifth	23.2	24.0	23.9	23.7	23.9
Highest fifth	43.3	41.2	40.9	40.6	41.3

As might be expected, the three-fifths of all families in the lower and middle portions of the income spectrum increased their share of total income by about one percent between 1960 and 1968 under the Democratic Kennedy and Johnson Administrations. These were years of high employment and steady, sustained growth.

Since 1968, however, upper income families have increased their share of income by about 1%—entirely at the expense of lower and middle-income families. This is due largely to the first Nixon recession of 1970. The second Nixon recession—the one we are now in—will have the same effect.

7. CONCLUSION

For five years, the Nixon Administration has mismanaged the American economy, fostering inflation and unemployment, recession and high interest rates.

The current Administration, in a classic Republican maneuver, has managed to choke off first purchasing power, then demand and, finally, production, which has fallen more than 4% since November.

In only three years since 1950 has the production of the American economy for the entire year actually declined. Two of those three years belong to Mr. Eisenhower and one to Mr. Nixon—and now it appears that Mr. Nixon may have created another such year.

The signs of economic breakdown are all around us. Unemployment in January made its biggest one-month rise in years. Grocery bills are running 13% higher than last year, even though less food is being carried home. The average family is buying about 7% fewer goods at retail stores this year than a year ago—but spending about 3.3% more because of higher prices. This is the price of Nixon's mismanagement of the economy.

Mr. Nixon says that 1973 was a "great year for consumers". A few more such great years and we will all be going barefoot and hungry. Mr. Nixon promises that we will not have a recession this year. The average working man and his family are already in a recession, and have been for fifteen months.

The Federal budget, like the working man's family, has been taking a licking, not because Federal spending has moved suddenly higher, but because Federal receipts, tied to our faltering economy, are plunging as rapidly as unemployment is rising. Instead of the small deficit originally expected for Fiscal Year 1975, it now appears that the budget deficit will be about $20 billion.

Does this anticipated $20 billion deficit mean that Federal spending is too high? Not at all. At full employment (4% unemployment rate) the economy would actually produce a surplus this year of about $10 billion. If well managed, the economy can carry the current spending load with ease.

But the economy has not been managed well. We are not at full employment. Instead, Mr. Nixon has brought us to—or perhaps across—the brink of recession. In fact, taking into account loss of purchasing power, it is fair to say that most American families have been living under recession conditions for more than a year.

Unfortunately, the Nixon Administration, like its Republican predecessors, is neither very concerned nor very competent to deal with the current economic slump.

The Democratic Congress, on the other hand, has done a great deal to protect workers and consumers from Mr. Nixon's economic mistakes.

For instance, we have repassed minimum wage increase legislation to protect the very lowest income workers from the ravages of the Nixon inflation. This is important legislation which Mr. Nixon vetoed last year. We have passed a major Farm Bill, to increase agricultural supplies during the present period of scarcity, and we are working on an extension of the Public Works and Economic Development Act.

We are also working on consumer protection legislation, badly needed now that prices have risen so terribly high, and we are trying to work out a compromise Housing bill with an Administration which remains philosophically opposed to the goal of the Democratic Congress of decent housing for all Americans.

Of course if Mr. Nixon were truly concerned with correcting his misguided economic policies, a great deal more could be done to, in John Kennedy's words, "get this Nation moving again." For instance, we could have a real recommitment to the goals of the Housing Act of 1949, instead of the compromise measure we will have to work out with this Republican Administration. After all, millions of Americans still need better housing, and we have a large pool of idle construction manpower.

And, we could have a really meaningful renewal of effort toward the goals of the Employment Act of 1946, and a meaningful public employment program instead of the battles the Democratic Congress now must fight with Mr. Nixon merely to keep these badly needed programs alive.

These are all programs our Nation needs, and we could have them. But can we expect to have them with Mr. Nixon in the White House and a strong Republican minority in Congress? I think not. When unemployment rises and production drops, when interest rates and inflation soar while growth declines, there are only two things which we can expect with real certainty: that we have a Republican in the White House, and that the working man is about to pay for this fact once again—first with his purchasing power, and then with his job.

NO U.S. AID FOR EGYPT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. LEHMAN) is recognized for 5 minutes.

Mr. LEHMAN. Mr. Speaker, President Nixon has proposed a massive new foreign aid program for Egypt. This proposal represents another futile attempt to use the American taxpayer's hard-earned dollar to buy friendship. This policy has not worked in India or France; and in Turkey, U.S. money cannot even prevent the growing of opium.

Egypt's request for U.S. aid is just the latest chapter in a long history going back to the 1950's when Egypt began to play the United States and Russia off against one another in return for billions in American dollars and Russian rubles.

The United States has already given Egypt more than $1 billion in foreign aid and in return we received for years a steady stream of anti-American propaganda from Cairo.

If Egypt is in such desperate need of aid, why doesn't it look to its oil-rich Arab neighbors? Because the cost of oil production has remained stable, the recent gasoline price increase of 20 cents a gallon becomes an involuntary $3 to $5 billion program of U.S. aid to the Arab oil countries. Together, the oil consuming nations of the West including the United States will be providing the Arabs with more than $100 billion each year.

We cannot afford foreign aid for Egypt on top of these exorbitant oil profits.

Let Saudi Arabia and Libya and Algeria and Kuwait give aid to Egypt, not the American taxpayer.

SMALL BUSINESSMEN NEED HELP FROM CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. HAMILTON) is recognized for 5 minutes.

Mr. HAMILTON. Mr. Speaker, America owes much to its small businessmen. The debt is too often forgotten, however, in our preoccupation with giant corporations, big unions, conglomerates, multinational corporations, and agribusiness.

In our fascination with bigness, Americans often lose sight of the importance of the "smalls"—the small businessman who is the economic and commercial backbone of our communities. Anyone who has walked around a courthouse square in rural America or down most any street in an urban business district is soon made aware of the role the small businessman plays in his community. SBA Administrator Thomas Kleppe recently commented on the significance of the small businessman in America when he said:

> Our traditional values of individual initiative, social mobility, and political freedom are significantly dependent upon the strength of the free enterprise system, a system which is itself dependent in large measure upon the maintenance of competition provided by the existence of a large and healthy community of small enterprises.

The contributions of small entrepreneurs to our society are legion. Such technological marvels as the rocket engine, the Polaroid camera, the helicopter, the jet engine, the xerox process, insulin, the vacuum tube, and countless other production devices and processes have been developed by independent inventors and small farms.

The people of the Ninth Congressional District in southeastern Indiana depend upon the small businessman for most of their daily needs. He contributes to the wide diversity of the economy in our communities. He is independent, civic-minded, resourceful, and self-reliant. These are the qualities that go to the heart of what our Nation is all about. The small businessman has contributed significantly to the quality of life in America. His demise would have an unfortunate and worrisome impact.

That is why I am concerned that so much of what the Government does places a special hardship on the small businessman. He is less apt to be able to absorb higher taxes, inflation, increased wage rates, more paperwork, and tighter Federal regulations. Environmental and consumer legislation often cause him severe problems. All of these governmental actions fall with great force upon the small businessman, and I am persuaded he needs relief and special attention.

In economic terms, the small businessman's impact is enormous. Small businesses comprise 98 percent of the country's total business units, employ 65 percent of the Nation's nongovernmental work force, and produce about 40 percent of our gross national product. In 1972, they were responsible for 29 percent of total Government procurement.

Despite these contributions, small businesses are losing ground rapidly and disastrously to larger firms in terms of market share, assets and profits. In 270 of 413 manufacturing industries—the business sector where figures are most complete—the eight largest companies account for 40 percent or more of the value of the shipments from their industry.

In 1960, small- and medium-sized corporations in manufacturing had 50 percent of this sector's assets and were responsible for 41 percent of the profits. By 1970, these firms had only 33 percent of the assets, and by 1972 this had declined to 30 percent of the assets and 28 percent of the profits.

Small businesses are also losing out to the "bigs" in terms of tax liability. Recent studies, including one by my colleague, Congressman VANIK, have shown that the biggest U.S. corporations pay taxes at half the rate paid by small- and medium-sized businesses—26.9 percent against 51 percent.

Furthermore, the small businessman carries the heaviest portion of the enormous Federal paperwork burden. A firm employing fewer than 50 people, for example, may be required to fill out as many as 75 to 80 different types of forms in the course of a year. For a business with a small office staff, and especially for the "mom and pop" stores, completion of these forms is a tremendously time-consuming and costly operation. Unlike large corporations, they cannot draw on in-house accountants or tax lawyers to handle this work. Small businessmen do it themselves.

Mr. Speaker, I am quite concerned by these developments that so adversely affect small businesses. The small businessman's situation remains tenuous, and the Federal Government should do all that it can to improve his chances for successful operation and growth.

One way to help would be for the Congress to enact the Federal Paperwork Relief Act, H.R. 12269, which I cosponsored earlier this year with several of my colleagues. This bill requires the General Accounting Office to study how reporting requirements could be reduced and streamlined and to report its findings to the Congress and the Executive, within a year after enactment, for legislative action and administrative improvements. In this way, small businessmen would be relieved of the unnecessary portion of an estimated yearly load of 4½ million cubic feet of Federal paperwork. I am hopeful that the House Government Operations Committee, where the bill is now pending, will see fit to take action on it this year.

Another important congressional move of assistance to small firms would be passage of the Small Business Tax Simplification and Reform Act, known as the Evins-Bible bill. I introduced this bill in the 92d Congress, along with more than 100 of my colleagues, and am introducing it again in hopes that the Ways and Means Committee will include it in its forthcoming sessions on tax reform. This bill creates a permanent Federal Government committee to make a continuing effort to simplify our tax system, including business taxation; restructures downward the tax rates for firms earning less than $1 million in receipts a year in order to bring the rates more into line with the principle of ability to pay, the principle now applied to individual income taxes; encourages the establishment of new small business enterprises; promotes modernization, efficiency and cost reductions for small business with provisions such as a 10-year carryover for small business net operating losses, accumulated earnings tax, and multiple surtax exemptions for certain small businesses under single family control; and authorizes a comprehensive study of the factors causing business failures, with recommendations to be made for preventing future failures.

The Evins-Bible bill, like the paperwork bill, is just pending, with no action scheduled. I hope this will not be the case for much longer. The challenges and obstacles that small businesses face are not going to disappear to improve small firms' chances of survival, and would be one small way of thanking small businessmen for their tremendous contribution to the strength of our society and economy.

NATIONAL LIBRARY WEEK—A TIME FOR RENEWAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. FRASER) is recognized for 5 minutes.

Mr. FRASER. Mr. Speaker, this is National Library Week, April 21–27, and I want to suggest to my colleagues several ways in which we can renew our dedication to and support for the library as an institution as essential to the strength of American culture and education as are our schools and colleges.

And make no mistake, our libraries do require Federal support, notwithstanding anything the administration may say to the contrary. Last week, addressing the Library Staff Forum in Minneapolis, I observed that the library has been one of the most successful institutions in American education, and added that:

> Perhaps due in part to the success of libraries, the Administration contends that the Federal mission has been fulfilled and because of the libraries' success, they no longer need Fderal support. We still need public libraries, school libraries, college and university libraries. Libraries are changing with the times but libraries need a Federal leg of support on which to stand.

One way this changing role of the library can be reemphasized and reexamined is through holding a White House Conference on Library and Information Services in 1976, our Nation's bicentennial year. Assuming favorable action soon in the Education and Labor Committee, this body soon will consider Senate Joint Resolution 40, which authorizes the President to convene such a conference in 1976, with State and local conferences preceding it. I commend this legislation to my colleagues as a means of allowing the Nation to give appropriate attention to the many rapid changes occurring in the provision of library and information services and to the rising demand for them. Undue postponement of this consideration would be unwise, in my opinion.

Second, we can demonstrate our support for our public, academic and school libraries by continuing to support authorizations and appropriations for library purposes, as we have already done by including some $179 million for library programs in the 1974 Labor-HEW appropriation, where the administration had proposed no Federal funding at all. Although this year the administration has retreated from its position of total withdrawal of Federal support from all library programs, it did propose zero-funding of college library resource programs, drastic reduction and phaseout in Federal support for public libraries, and incorporating school library resources support in a consolidation with other programs as a part of a revised Elementary and Secondary Education Act. Mr. Speaker, I am sure that our committees will demonstrate sounder priorities. An estimated 20 million Americans do not have access to an adequate public library, between 30 and 40 percent of our Nation's elementary schools are without anything that could be called a library and academic libraries are in fear of a double blow resulting from the administration's proposed elimination of Federal funding at the same time as it shifts its emphasis from institutional support to inadequate student assistance programs.

A third opportunity for us to manifest

our support for our libraries will be offered when we consider legislation such as is being offered by Mr. HANLEY and others to provide a public service subsidy to the U.S. Postal Service and an increased period of phasing for postal rate increases for books and other educational and cultural materials. Such legislation would insure that libraries would not have to devote even more exorbitant portions of already skimpy budgets to paying for postage on the books they receive. Libraries pay the full cost of such postage and, as the American Library Association repeatedly points out in congressional testimony, every dollar spent on increased postal charges means a dollar less spent on keeping library collections up to date.

Mr. Speaker, these are at least three ways in which the Congress can act to make National Library Week more than a perfunctory observance.

LABOR—FAIR-WEATHER FRIEND—XXI

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, one of the moving spirits in the Labor Council for Latin American Advancement has been especially vocal and emotional in his denunciation of me—not because I am any kind of labor enemy, but because this man bears personal malice against me, and is using his position to give vent to that malice.

This man is Arnold Flores, and I am sure that nothing would delight him more than to be able to use all his connections and influence, such as they are, to embarrass and discredit me. Arnold Flores bears a personal grudge, one that has nothing to do with unionism. And he is an opportunist, using his union offices in a way that he thinks will gain him personal revenge.

Arnold Flores is not what you would call a professional union man.

The first time I ever heard of this man was about 6 years ago, when he was employed by the Government in a civil service job. He wrote to complain that he had been victimized in some way, and that he had not received a promotion that he felt he should have. He was appealing to me for help. But Flores did not live in my district, and in keeping with the custom of the House and the Texas delegation, I referred him to his own Congressman. Flores did not like this. He thought that I had a duty to take up his case, because of ethnic loyalty. The next thing I knew, he was going around saying what a bad guy I was, and how I had forgotten the poor Mejicano.

Flores soon became an officer in the Government employees union, and after that went to work for the Service Employees, where he now works. And for this whole time he has used every opportunity to belittle me.

So it is not much of a surprise that this same man would be in El Paso last week denouncing me as a traitor to la raza in general and labor in particular, and declaring war on me. It is nothing new; it is merely the rantings of a man whose old animosity has grown so calloused that he cannot do anything other than hate me. In this hatred he is willing to twist and use his union offices in any and every way he can to oppose me. All of this is his perfect right. But it also explains a little more about how a few people have been able to use their positions in a way that finally involved using the AFL–CIO itself in an attack on me.

As I have said, Arnold Flores is no professional union man. In fact, his conversion is relatively new. While he now rails against me for imagined offenses against the Amalgamated Clothing Workers, I cannot recall that he ever went to the defense of beleaguered unionists in San Antonio or anywhere else, when his personal interests were not at stake. Virtually every clothing shop in San Antonio was once organized, but I did not see Flores around when those unions were being destroyed, their members harassed and arrested, and their progress erased, some 10 years ago. These crusaders were nowhere to be found then. But they know that I was the only public official willing to stand up for these unionists, and to defend their rights to organize, and to call for decency and fair play. No, Arnold Flores was not there, then. But then in those days he was not being paid to be there. I wonder if he would be a crusader if it were not in his job description.

So much for Arnold Flores, latter day defender of the faith.

If this man and his friends have personal malice for me, I understand that, and can deal with it. But the tragic thing is that the AFL–CIO has allowed its organizations and its money be used by such people as this Flores, who do not care so much about helping the poor, or organizing the unorganized, as they do about gaining personal positions of power and carrying out their own private vendetta.

There are many hundreds of workers in San Antonio who would benefit from union organization. They need help. But Flores and his friends waste their time and resources in fights against other unions, or in personal grudges against me. The losers are the unorganized workers.

It is shameful that the AFL–CIO should have its resources and good intentions maliciously abused by such people as Flores. But if that is going to continue, it will be the responsibility of the AFL–CIO, which alone controls its purse and programs. I would rather not see it go to waste; but it is not my decision to make.

STETSON MODEL SENATE—A UNIQUE EDUCATION EXPERIENCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. CHAPPELL) is recognized for 5 minutes.

Mr. CHAPPELL. Mr. Speaker, I will have the opportunity this weekend to participate once again in what I consider to be a unique educational experience. Stetson University, in DeLand, Fla., will sponsor its third annual U.S. model senate, a program which seeks to duplicate as closely as possible the activities and atmosphere of the U.S. Senate.

Sixty students, representing 20 colleges and universities across the Southeast, will each assume a senatorial characterization and participate in 4 days of committee hearings, party caucuses and Senate floor sessions.

The students have already been actively researching and rewriting some of the major proposals we, in the Congress, are now considering.

Mr. Speaker, this particular form of simulation is an important learning tool for our Nation's future lawmakers. The interchange of ideas which has occurred in past sessions and which is certain to occur again this weekend is stimulating and productive for both students and congressional representatives.

I believe one of the most remarkable features of this program is that it was initiated and is carried out by the students themselves. These young people have planned the program, invited the congressional representatives and handled the local arrangements. It is a bipartisan effort, as evidenced by representatives from both sides of the aisle.

Joining in the model senate program this year are Senator ERNEST HOLLINGS, Dr. Floyd Riddick, Senate Parliamentarian, and Florida State Senator Richard Pettigrew. I welcome these colleagues to the fourth and foremost district of Florida as they visit out State's oldest institution of higher learning. By their presence and participating, they are helping to provide our young people with a deeper knowledge and understanding of our governmental process.

President John E. Johns is to be commended for providing an educational atmosphere at Stetson which encourages this kind of learning experience. Dr. T. Wayne Bailey and Dr. Gary Maris have inspired the students to continue the program, however, the implementation of this program has rested with the students. I should like to commend the student chairman, Mr. Jeff Hurley, of Daytona Beach, Fla., for his effective leadership. Other Stetson students vitally involved in the program are Diane Bird, Miami, Fla.; Richard George, Jacksonville, Fla.; Nancy Kingstad, Miami, Fla.; Ray McCleod, Apopka, Fla.; Bob Schumaker, Fort Pierce, Fla.; Bruce Thomas, Daytona Beach, Fla.; Pam Waxler, Stuart, Fla.; and Matt Wimer, DeLand, Fla.

A TRIBUTE TO GOLDA MEIR AND HER WORK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. PODELL) is recognized for 5 minutes.

Mr. PODELL. Mr. Speaker, last week the woman that could have been anybody's grandmother, Golda Meir, decided to end her career in Israeli politics. Her work in the last few years would have taxed the strength and capacities of a much younger person, and yet she kept on working, driving herself, to ensure peace and prosperity to her tiny country.

Golda Meir was a rare figure in world politics, and not just because she is a woman. She was perhaps one of the toughest politicians ever produced by any country, and yet she was not ashamed to cry out in anguish when the tragedy of Arab terrorism repeatedly struck out at her people. What she lacked in glamour and style she made up for in guts and determination. She has consistently been one of the world's most admired heads of state, and with good reason.

The Prime Minister of Israel has no easy job. It is made even more difficult when Israel is at war. In the last 6 months, Israel was first brutally attacked by Egypt and Syria, and then tried to recover from that attack and the economic and political disruptions it caused. It was that vicious aggression which may have been ultimately responsible for Mrs. Meir's resignation coming at this time.

Israel was still reeling from the aftermaths of war when she was hit by the Agranat Report, which attempted to fix the blame for Israel's slow start in combatting Arab aggression last October. The report focused on individuals high in Israel's military and government circles. The repercussions shook Mrs. Meir's coalition cabinet so badly that she perhaps had no choice but to resign. After last winter's inconclusive elections, she worked long and hard to form a coalition out of the myriad diverse elements which characterize Israel's Government. That she was able to form a government at all is a testament to her skill and strength as a politician. That the coalition as too unstable to survive the added stresses of the Agranat Report, cannot take away from Mrs. Meir's achievements as Prime Minister.

Frankly, I do not blame her for resigning in the face of adversity. Rather than political cowardice, it may be wisdom of the highest sort. She did everything she could to give Israel a good government, one that tried to meet the needs of its people, from the generations of sabras to the greenest immigrants from Russia. But it was hard work, and she did all she could. It was time for somebody younger and stronger than this grandmother from Minneapolis to take over the reins of government.

Mrs. Meir's stewardship will always be remembered as a period in which Israel made great economic strides forward. The economic strength and self-sufficiency of Israel has always been a point of pride in the free world. True, Israel has long been the recipient of aid from the United States for military purposes, but her economic growth has been entirely self-directed.

Mrs. Meir's term as prime minister was continually marked by her peace efforts, and just as consistently met with rebuffs. Until only recently, the open face-to-face negotiations with the Arabs in the hope of ending decades of conflict and bloodshed were fantasies. Long before Henry Kissinger took an interest in the Middle East, Golda Meir was seeking ways to reach the Arabs and convince them that Israel was genuinely interested in peace.

It is rare that the world is treated to so singular a figure among its politicians. It is rarer still when that figure is a woman who looked like she would be more at home in her kitchen making chicken soup than in a parliament hall making far-reaching political decisions. The world is fortunate that it was Golda Meir who was Prime Minister of Israel for the last 5 years. She tempered military strength and determination for victory with an unquenchable thirst for genuine peace. She felt the loss of every Israeli soldier who dies since the outbreak of the Yom Kippur War as though it was her own son who had been killed. And as any mother would, the desire for peace and rest for her country, her children, was at all times uppermost in her mind.

I regret to see her leave the prime ministership, while understanding her reasons for doing so. One can be asked to give only so much, to make only so many sacrifices, to devote only so many years to the welfare of others, before saying "Enough, I am tired." I welcome Itzhak Rabin as he carries on in Mrs. Meir's footsteps, and I wish him the best in his efforts to create a new coalition government. It will not be easy. But I am confident that he can complete the work which she began.

This is an important time not only for Israel but for the United States. Secretary of State Kissinger will soon leave on another trip to the Middle East, hopefully to bring Israel and Syria a little closer to peace negotiations. Whether Israel under the leadership of Rabin, who was once Ambassador to the United States, will change in her attitude toward Syria, is impossible to know at this time. However, I strongly urge the Secretary to redouble his efforts to bring peace to the Middle East. It is more important now than ever before, and it would be the most fitting tribute that the United States could pay to the service Golda Meir gave to Israel and the world.

INNOVATIVE LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas (Mr. Roy) is recognized for 5 minutes.

Mr. ROY. Mr. Speaker, I wish to bring to the attention of my colleagues a piece of innovative legislation which was recently approved by the Kansas State Legislature and signed into law by Governor Docking. This legislation will permit graduates of Haskell Indian Junior College, located in Lawrence, Kans., to be considered residents of Kansas for the purposes of tuition to State colleges and universities. The new law will allow Haskell graduates to attend any State college or university in Kansas and pay only in-State tuition. Several of the students at Haskell are out-of-State residents. This action on the part of the State legislature will mean considerable savings for those Indians who graduate from Haskell and who wish to continue their education in Kansas. I am most pleased with this situation and am confident that many students will avail themselves of this newly enacted opportunity.

A TIME TO HELP THE STEEL INDUSTRY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. Gaydos) is recognized for 10 minutes.

Mr. GAYDOS. Mr. Speaker, we can be gratified that the new no-strike agreement between the United Steel Workers and the steel corporations has worked out with a contract providing much-needed raises to the workers and the promise of labor peace in the years ahead.

But the contract, I fear, is not the full answer to what has gradually become the Nation's steel problem. Though enlightening and setting the course for future labor-management relationships, the contract also underscores the steel industry's vital needs, many of which can be met only by governmental consideration and action, especially in the field of trade regulation and taxes.

I am indebted, as I feel this Congress should be indebted, to Holmes Alexander, a columnist whose writings appear in the McKeesport, Pa., Daily News' in my steel-producing district, for wrapping up the steel industry's concerns in such succinct terms that all can understand them.

He wrote recently:

> In 1955, we had only five percent of the world's population, but we produced and consumed nearly 40 percent of the world's steel. Our exports of steel stood at about 14 per cent of international trade, and our imports were about 3.2 per cent of the world's imports of steel. This was true self-sufficiency.

I might add to Mr. Alexander's conclusion that it, too, marked a high point in this Nation's prosperity at home and prestige abroad. Steel remains the basic element in industry, and while we were self-sufficient in the production of this element, then our industrial structure was firmly based and confident.

What has happened since these percentages prevailed? Mr. Alexander supplied the answer. He reported:

> We dished out dollars and technology to rebuild Western Europe and Japan, and to aid underdeveloped nations. By 1972, our production and consumption (of steel) had dropped from 40 to 20 per cent of the world total. Our exports had plunged from 14 to 2.6 percent of international totals. Instead of importing a mere 3.5 percent, we were importing over 16 percent of the world's inbound cargoes of steel.

There is little wonder, then, that American steel jobs have vanished by the thousands over recent years, a fact which should not be obscured by the current high rate of production here or the demand for metal which continues brisk. Our industry has been unable to keep pace and, therefore, no longer is dominant in the world markets and this, certainly, is a sorry turn in affairs for all of us. The industry now must be safeguarded and helped and it behooves this Congress, and most surely the White

House, to accept this proposition with a resolve to do something about it.

Mr. Alexander, in his column, also pointed out that our steel industry is now competing in a world in which 70 percent of the steel output is nationally owned or controlled, and where steel, in consequence, has become a matter of state policy. In other words, our competitors in this business who make up the 70 percent enjoy subsidies, tax breaks, and every other type of governmental aid possible to keep them in good position vis a vis U.S. production while our own industry gets little such help. In fact, the American steel industry rates at the bottom of the First National City Bank, N.Y., list of industries in return on investment.

Mr. Speaker, it appears that, in this steel situation, our foreign aid chickens have come home again to roost. We did much to end our advantageous steel position by giving away tax dollars to foreign interests so they could build new competing plants and refurbish existing ones in the postwar era. We did this for interests in Western Europe and Japan. We also gave aid funds to nations which were our steel customers so they could build steel-making industries of their own and thus remove themselves from our trade lists.

Not only this, but, in a strained notion of our global responsibility, we supplied the technical assistance which these new steel-producing countries needed to get their plants operating. We did so in most cases at no cost whatsoever to those helped. Our own people footed the bill. And now we see the effects of all this on our once mighty steel industry. It no longer is the unquestioned leader because we, in truth, harpooned it as we pursued our "world mission" of spreading our wealth and, indeed, what were the jobs of thousands of our workers all over the map. I need not point out that, in today's international trade crunches, we have received little gratitude in return.

What are we going to do for our steel companies? Is the Government going to get off their backs and assist them where necessary, and thus enable them to regain top position? Or are we going to settle back as a second-rate steel producer, knowing, as we must, that, as steel goes, so goes the military strength of a nation? The new United Steel Workers contract is such that it provides a period of labor peace for the industry in which the overall problem can be studied and proper measures taken to modernize and construct the facilities required for self sufficiency once more. I wince at Mr. Alexander's description of American steel today as a "distressed industry." Can we allow this condition to continue?

Also, I question whether we have learned our lesson from steel. Secretary of State Kissinger was in a very generous mood at the United Nations recently, promising all kinds of U.S. cooperation in building up the supposed "have-not" nations and giving little notice to the fact that, in some important things, we have become a "have-not" Nation, too. What is more, the Secretary, according to the Wall Street Journal, is planning to visit India some time this summer to announce there a resumption of our bountiful aid to that country despite its penchant for getting on the side opposite to us in issues of international significance.

But, is it not time that, instead of responding so readily to the needs of others, we Americans begin paying full attention to the needs here at home? Our first duty ought to be one of getting this country back in first place again in those fields where it once prevailed. I, as one Congressman, shall not rest content until our steel industry regains the No. 1 spot in the world and I hope others here will join in seeing that whatever it takes for Government to help bring this about will be provided.

RODINO REPORTS ON ACTION TO MEET ECONOMIC AND SOCIAL NEEDS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. RODINO) is recognized for 15 minutes.

Mr. RODINO. Mr. Speaker, I would like to take this opportunity to report to my constituents on developments during the first 3 months of the new session.

CONSTITUTIONAL QUESTIONS

This Congress is now faced with challenges unparalleled in my 25 years as the Representative of the 10th District of New Jersey. For only the second time in our Nation's history we have been called on to consider the possible impeachment of a President of the United States. On February 6 the House voted overwhelmingly to direct the Judiciary Committee to proceed with an inquiry that should settle once and for all the grave doubts that the American people have about the conduct of their Government. In asking that day for support for the House resolution I stated:

> We are going to work expeditiously and fairly. When we have completed our inquiry, whatever the result, we will make our recommendations to the House. We will do so as soon as we can, consistent with principles of fairness and completeness.
>
> Whatever the result, whatever we learn or conclude, let us now proceed, with such care and decency and thoroughness and honor that the vast majority of the American people, and their children after them, will say: That was the right course. There was no other way.

While I have been called on to direct this constitutional inquiry for all the people, I continue to be concerned about the very real human needs of my constituents. The hundreds of letters I receive each week show that people are worried about shortages of food and fuel, rising prices, rising unemployment, and continuing high crime rates. These are problems that challenge the elected representatives of the people.

WORKING FOR MORE JOBS

Increasing the number of jobs for people of the 10th District is a major concern for me. To fighting higher unemployment I called on the Labor Department to take immediate action to assist my jobless constituents. Nearly $3 million will be spent to sponsor manpower programs for the unemployed and to give work experience to disadvantaged high school students. New jobs in local public service programs will be available soon, as a result of a bill I sponsored last session. I have pushed for improvement of waterways to Ports Newark and Elizabeth as a boost to maritime activity—a vital economic asset and employment center in the 10th District. In order to insure against sudden and widespread unemployment, I have introduced a bill that calls for planning ahead to control the relocation or closing of an industrial plant.

HOLDING DOWN PRICES

Rising prices are forcing most Americans to cut back on spending for such basic items as food and fuel. As Monopolies Subcommittee chairman I am taking action to hold down food prices by working for vigorous enforcement of antitrust laws. One bill I sponsored would require the Justice Department to publicize information on antitrust suits that are settled out of court. Hearings held by my subcommittee last summer called attention to the need to learn more about practices of the food industry, and the FTC recently acted to begin an investigation into the industry's pricing system.

HELPING OLDER AMERICANS

Action is necessary to protect the purchasing power of our senior citizens who have a particularly hard time making ends meet. I sponsored a bill to assure that veterans receive the full benefit of both their pension and the recent 11 percent increase in social security payments, by raising the ceiling on total allowable payments. Other bills I introduced would provide tax counseling to the elderly in the preparation of their Federal income tax returns and would protect them from being denied credit cards because of their age. The House recently passed a bill I introduced to extend the nutrition for the elderly program that currently provides a hot meal every day for 200,000 needy, older Americans.

FIGHTING CRIME

Crime is a problem that has plagued us too long already. Recent statistics show that we have made progress in reducing crime against property. But I have called on Attorney General Saxbe to take action to reduce crimes against people, which remain at a high level. I have also told Secretary of State Kissinger of my alarm that Turkey may again begin growing opium poppies, an action that would increase drug-connected crime by renewing the flow of illegal drugs into U.S. cities. It was legislation I introduced that forced Turkey to stop growing poppies or lose U.S. aid.

Money is vital to controlling crime, and the Law Enforcement Assistance Administration—which was established by legislation I sponsored—has awarded nearly $19 million to New Jersey to improve its criminal justice system.

Innocent victims of violent crime would be compensated by a bill I introduced again this session. Another bill—

scheduled for action this week—would provide benefits to survivors of policemen and firemen killed in the line of duty.

SEEKING ADEQUATE ENERGY SUPPLIES

In February the people of the 10th District faced severe shortages of gasoline. A survey I conducted showed gas prices in Newark service stations up 30 percent since last year, with sales down 57 percent.

While the crisis has eased, it is vital that we now focus on what happened in order to assure that it never happens again. There are unanswered questions of whether the shortage was real or was part of an oil industry effort to raise prices for their own benefit at the expense of the consumer.

In order to protect the consumer from that kind of action, I have been pushing for antitrust measures that would guard against the higher prices encouraged by monopolies. At my urging, antitrust provisions were included in legislation that provides for research and development of new energy sources. Other measures I have introduced seek to improve our energy situation by eliminating special tax breaks to the oil companies for drilling outside the United States, and by improving regulation of pricing and allocation of oil and natural gas.

QUALITY OF LIFE

Personal safety, adequate transportation, food—these are basic to human survival. But we must do more to assure a truly satisfactory quality of life.

At my urging the Subcommittee on Housing is considering effective solutions to nationwide problems of public housing. A new health maintenance plan I supported will encourage preventive medical care at a paid-in-advance, fixed cost. I am also cosponsoring with Senator KENNEDY, a new national comprehensive health insurance plan that will assure lifelong health care at a reasonable cost for all Americans. Finally, a clean Passaic River may be possible if the President responds to my request, along with other New Jersey representatives, to release funds for construction of water pollution control facilities.

Mr. Speaker, these are some of the actions I have urged be taken by this Congress—a Congress faced with serious social and economic problems as well as what may be the most important constitutional question ever to face the Nation. I am confident that the people of this country and the Members of this Congress have the strength and the determination to resolve these problems. I think we stand on a new threshold—where we can look forward to realizing a greater part of the potential of this Nation.

THE ARMENIAN MASSACRES, THE FIRST GENOCIDE OF THE 20TH CENTURY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. DANIELSON) is recognized for 30 minutes.

Mr. DANIELSON. Mr. Speaker, last week I was visited by a group of young people representing the April 24 Coalition for Armenian Rights, who engaged in an occupation, or sit-in in my District office in Montery Park, Calif. Those young people presented me with a protest against certain actions and policies of the U.S. Government. The citation of their grievances is a legitimate exercise of their Constitutional rights as citizens to freedom of speech and to petition their Government.

The protest of the coalition made three points:

First. They protest the payment of money by the United States to Turkey in exchange for a promise that Turkey will bring an end to the production of opium. They claim that the Turkish Government has received more than $35 million through that program but that Turkey continues to produce opium poppies which produce the heroin and morphine which finds its way into the illicit drug traffic.

Second. They have also protested against the granting of all financial aid by America to Turkey, which today amounts to more than $300 million per year. As citizens and taxpayers, they help raise and provide that money while, at the same time, their relatives and friends who are a part of the Armenian community in Turkey are being denied their rights to own real property, to build and operate churches and schools of their own choice, and to participate in other activity to which all free people are entitled.

Third. Lastly, they protest the policy which has been followed in the United Nations by the U.S. Representative who acquiesced in a report which denies that the Armenian massacres of 50 years ago were the first genocide of the 20th century. They protest that this is a gross understatement and misstatement of historical fact, and an insult to their own people.

Mr. Speaker, today is April 24, 1974, the 59th anniversary of the day on which the Armenian massacre began in Turkey. I submit that the following book jacket description of a book entitled "Armenia: The Case for a Forgotten Genocide," written by Mr. Dickran II. Boyajian, summarizes the situation and the depth of feeling that still exists concerning this black period in history.

ARMENIA: THE CASE OF A FORGOTTEN GENOCIDE

(By Dickran H. Boyajian)

> On the Night of April 24-25, 1915, the inhumane rulers of Turkey swooped down on the leaders of the Armenian people and ticketed them for deportation and almost certain death. With this single stroke the Turkish government wiped out the existing leadership of a great and noble people and left the great mass of Armenians without a single effective buffer against disaster. It was an act worthy of the ruthless cunning of the Nazis a generation later.
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> A month earlier the Turkish co-dictators Talaat Bey and Enver Pasha had decreed the Armenian's extermination. Emboldened by the failure of the British invasion campaign at Gallipoli, the Turkish rulers turned on the defenseless Armenian population—easily the most advanced and civilized group within its borders—the full fury of a corrupt and merciless horde. The Turkish plan of genocide was as simple as it was heartless; to round up and drive forth into the Syrian desert every Armenian of whatever age until all were gone and the "Armenian Question" was solved.
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> By mid-1916 between a half and two-thirds of the Armenians had been exterminated, most of them in the most horrible manner conceivable. The first genocide in history was complete.
>
> The author has assembled documentary evidence from every conceivable source to bring the reader the historical background of this enormous crime and to show that the responsibility lay squarely with the Turkish government and its World War I ally, Germany. The tale is one of incredible misery and human waste, lightened if at all by the heroism of the Armenians themselves.
>
> The author has done more than make the great crime against Armenia real again. He has presented with eloquence the case for the restoration of the Armenian homeland. After Turkey's humiliating defeat under Minister of War Enver, the Armenian Republic was formed in 1918, thus creating for the first time in half a millenium an independent Armenia. But through treachery, indifference, confusion, and fear, Armenia had no chance for survival. The Treaty of Lausanne gave Armenia nothing, even of its most basic rights, and gave Turkey everything it asked, and our President Woodrow Wilson's plan for an Armenian homeland became a forgotten document.
>
> Yet the case for Armenia is not closed. The forgotten genocide has never had its Nuremberg, but the case for justice in the form of an Armenian homeland remains valid today. Conceived as a legitimate legal demand, the plan for an Armenian homeland would rectify some of the ancient wrongs committed against a universally admired people.

Historian Arnold J. Toynbee has described the situation as follows:

> Only a third of the two million Armenians in Turkey have survived. . . . The other two-thirds were 'deported'—that is, they were marched away from their homes in gangs, with no food or clothing for the journey, in fierce heat and bitter cold, hundreds of miles over rough mountain roads. . . . They died of hunger and exposure and exhaustion, and in lonely places the guards and robbers fell upon them and murdered them in batches. . . . About half the deportees—and there was at least 1,200,000 of them in all—perished thus on their journey, and the other half have been dying lingering deaths ever since.

Therefore, my colleagues can better understand the concern that has been generated by the third point which was made by the April 24 Coalition for Armenian Rights—acquiescence by the United States representatives to the United Nations in the position taken by the Turkish representative concerning the Report on Genocide of the Sub-Commission on the Prevention of Discrimination and Protection of Minorities.

Mr. Speaker, I am asking Secretary of State Henry Kissinger to review personally the questions brought up in a letter I have received from Mr. Albert Bagian, Chairman, Armenian National Committee of America, which relates to this latest affront to all Americans of Armenian descent. The full text of the letter is as follows:

> ARMENIAN NATIONAL COMMITTEE,
> *Boston, Mass., April 11, 1974.*
>
> The Honorable GEORGE DANIELSON,
> *U.S. House of Representatives,*
> *Washington, D.C.*
>
> DEAR CONGRESSMAN: It has come to our attention that, in the March 6, 1974 discussions of the United Nations Human Rights Commission which considered the Report on

Genocide of the Sub-Commission on the Prevention of Discrimination and Protection of Minorities, the Representative of the United States, Mr. Philip Hoffman, spoke in support of a move by Turkey to remove a brief reference to the 1915 genocide of the Armenians by the Turks from the report.

The reference in question, Paragraph 30 of the report, is in itself grossly inadequate as a description of the holocaust that shocked the entire world at the time: "Passing to the modern era, one may note the existence of relatively full documentations dealing with the massacres of Armenians, which have been described as 'The first case of genocide in the Twentieth Century'." Strangely, the reference does not even mention Turkey, making the Turkish reaction an interesting example of guilt expressing itself.

To advance his position, the Turkish Permanent Representative, His Excellency, Mr. Osman Olcay, presented a distorted and one-sided view of the genocide, asserting that it was a measure necessary to prevent wartime seditious activities and stem a planned nationwide uprising by Armenians in the Ottoman Empire. These Turkish arguments, which are myths concocted as pretexts to "justify" the murder of two million people and which have been refuted by countless authorities, including Arnold Toynbee (in the work referred to below), are clearly designed to screen from view the guilt of Mr. Olcays' nation in that act.

The American Representative agreed with His Excellency, Mr. Olcay, that the view of the Report presented the Armenian viewpoint. In so doing, the American Representative completely ignored the fact that there were numerous non-Armenian observers of the genocide, on the side of the allies (Britain and France), neutrals (the United States), and the Turkish-German belligerents, each of whom testify to the actual nature of the events which took place and support the so-called "Armenian" viewpoint.

Ample documentary evidence is available to show that Turkey was indeed guilty of a carefully planned, premeditated, and brutal genocide for which it has not atoned. Such evidence includes but is not limited to the following works: /Viscount Bryce (with Arnold Toynbee), *Treatment of the Armenians in the Ottoman Empire* (London, 1916)_ About 150 documents and statements by eyewitnesses, diplomats, etc.:/Naim Bey, *The Memoirs of* Naim Bey (London, 1920)–Contains numerous Turkish telegrams and governmental decrees ordering the massacres and testifying to their nature, by a Turkish official who was personally involved:/Mevlanzadeh Rifat, *Turkia Inkilabinin Ich Yuzu (The Inner Folds of the Turkish Revolution)* (Aleppo, 1929)–More first hand information by a Turkish official involved in the planning of the genocide, including minutes of secret meetings:/Johannes Lepsius, *Deutschland und Armenien, 1914–1918. Sammlung Diplomatischer Aktenstucke* (Potsdam, 1919)–Contains 295 documents of a diplomatic nature concerning the genocide:/Henry Morgenthau, *Ambassador Morgenthau's* Story (Garden City, 1918)–The report of the American Ambassador who held numerous meetings with Talaat and his henchmen who planned and directed the genocide from Constantinople.

We would be glad to provide you with further references if you wish, for we are confident that you will agree that, in view of the facts and the enormity of the crime, the one sentence reference in the UN Report not only must not be deleted or distorted, but ought to have been expanded considerably.

It should be clear that the American commitment to justice for minority peoples and our nation's specific commitments to the Armenians after World War I, deserve better expression that Mr. Hoffman has provided. While we appreciate that Mr. Hoffman did not completely concur with Mr. Olcay, we are surprised that he did so at all after Olcay's tendentious assertions. Mr. Hoffman cautioned against the use of sources subject to bias, but ignored the fact that the Turkish Representative's account itself was a transparent attempt to distort recognized historical fact and expunge it from the record. We expect that the American government would make extra efforts to insure that the United Nations remain a forum in which those national minorities which are not offically represented still have a voice. We further stress our displeasure that the United States saw fit to support and come to the aid, in whatever way, of the Turkish Representative's attempt to distort and erase historical fact.

We urge that you contact the State Department immediately on this matter and inquire as to the instructions given to our UN delegation on this matter. Does the United States agree that the Turkish government was justified in perpetrating the genocide against the Armenians in 1915 in spite of the testimony of its own Ambassador (Morgenthau), does our government concur in the Turkish myth that the Armenians "revolted"? If our government's position is that the "Turkish viewpoint" should be presented in the interest of "fairness" as one source had indicated, can we assume that our government is prepared to assume an equally distasteful position vis-a-vis the Jewish genocide and insist that the Nazi's be treated "fairly"? Is Mr. Hoffman aware of the fact that, in unleashing his horror, Hitler cited the Armenian Genocide with the comment "Who today remembers the Armenians The world believes in success alone!" Are Mr. Hoffman and our State Department willing to give further encouragement to future Hitlers by conspiring to erase the first genocide of this century from the record or by distorting it as an "act of war"?

We ask that you take every effort to clarify these questions, and use all your influence to alter the indefensible position of our Government.

We would appreciate a reply at your earliest convenience describing your efforts in regard to this matter.

Very sincerely,

ALBERT BAGIAN, *Chairman*.

THE NEGLECTED POTENTIAL OF HYDROGEN FUEL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 5 minutes.

Mr. VANIK. Mr. Speaker, the immense potential of hydrogen as a fuel for the future has been absolutely neglected in our past energy research and development efforts. Hydrogen offers a limitless supply of pollution-free fuel. We can generate hydrogen by splitting apart water into its chemical components—hydrogen and water. When hydrogen is burned, there are no pollutants; the only byproduct is water. In short, the development of hydrogen as a fuel offers us the opportunity of creating a self-perpetuating energy system.

An excellent discussion of hydrogen fuel was presented in an article by Wilson Clark, which appeared in the Smithsonian magazine of August 1972. I would like to take this opportunity of reprinting major portions of Mr. Wilson's article in the RECORD.

I would also like to draw the attention of my colleagues to the fact that tomorrow consideration will be given to authorization legislation for both the National Science Foundation and the National Aeronautics and Space Administration. It will be my intention during consideration of this legislation to question the limited commitment the Federal Government has shown to hydrogen research.

Mr. Clark's article follows:

HYDROGEN MAY EMERGE AS THE MASTER FUEL TO POWER A CLEAN-AIR FUTURE

(By Wilson Clark)

Hydrogen is the most abundant stuff of the Universe, but the average American thinks of it only in terms of a high school physics experiment. Yet in the last few years a determined and scattered band of inventors, chemists, businessmen, scientists and citizens have found a compelling use for this lightest of all elements. They have identified simple hydrogen, which can be made from ordinary water, as the most flexible fuel Man has yet learned to harness.

In addition, they have tackled one of the single greatest enemies of the world environment—the automobile engine—and have converted it into a machine capable in some cases of expelling water vapor as its single emission.

In 1969 more than 90 million tons of assorted pollutants were emitted in the United States by cars, one-third of total air pollutants.

With the passage of the Clean Air Act, as amended in 1970, stringent federal standards have been set for the emissions of major pollutants arising from the combustion of gasoline in automobile engines: primarily hydrocarbons, carbon monoxide and oxides of nitrogen (NOx). To enforce the new standards, the Environmental Protection Agency's strategy is to compel automobile manufacturers to place as many antipollution devices as possible on the mass-produced car, and the news is full of the manufacturers' difficulties as they try to meet EPA's timetables.

The emission-control systems for cars in the next two or three years will cost anywhere from $300 to $700. You can either pay the stiff penalty for "cleaning up" the internal-combustion engine, give up your car, or find a different kind of automobile. Many have been proposed and built experimentally, including rotary turbine cars and hybrids.

However, very little attention has been paid to changing the *fuel* instead of the engine. It is, after all, the fuel—gasoline—not the engine, that is dirty. So far, experience with fuels other than gasoline has been primarily confined to cars using natural gas or propane, which burn without the mass of noxious combustion by-products identified with gasoline. To burn propane or natural gas, a car needs a new fuel tank and modifications of the engine, particularly the carburetor. The cost of conversion is about $300.

According to a recent EPA report, "Enough experience has now been accumulated with gaseous fuel vehicles to demonstrate that under closely controlled fleet-operation, the fuels can be used safely." EPA concludes that a "significant reduction in hydrocarbons and carbon monoxide can be expected," and "some reduction in oxides of nitrogen." Fuel costs are lower. The only major operating drawbacks to natural gas are a 15 percent reduction in engine horsepower at high speeds and a more limited operating range.

Given such a rosy prospect, the use of gaseous-fueled vehicles might increase rapidly—except for one problem. The supply of the key ingredient—the fuel—is dwindling. Severe shortages of natural gas exist in the United States and imports are necessary. Propane, a by-product of natural gas processing and petroleum refining, is next. Even oil supplies, ultimately, are finite.

Fortunately, a substitute fuel is available, though few people know of it. Yet hydrogen put the first man on the moon. Engines have been powered with it on a small scale in this country since the early 1920s. It contains more than twice the energy per pound of gasoline but no hydrocarbons. It burns well in almost any vehicle engine and it would not require a complete retooling in Detroit.

Most current experiments with hydrogen engines are relatively simple, if ingenious, adaptations of standard internal-combustion engines.

However, another scheme, tested by Union Carbide Corporation, employs a fuel cell which combines oxygen and hydrogen to produce electricity which drives a converted Austin. Though in the early stages of engineering, these experimental engines demonstrate the feasibility of using hydrogen for transportation. Three additional problems need to be explored: safety, storage, and production of hydrogen fuel.

The simplest and most common method of hydrogen storage is as a gas under pressure, but this method is bulky and impractical for long-distance (200 miles) range in an automobile. A normal 20-gallon tankful of gasoline weighs about 120 pounds. To store the equivalent amount of energy in the form of hydrogen gas would require an enormous container holding 66 cubic feet of gaseous hydrogen and weighing a ton.

A lighter, more compact means of storing hydrogen is as a supercold liquid. The liquid hydrogen storage tank equivalent to the normal gasoline tankful weighs 353 pounds and stores the hydrogen in a 10.2 cubic-foot tank, four times the size of a normal gas tank.

Dr. Lawrence W. Jones of the University of Michigan reported last year in Science magazine that the future large-scale uses for liquid hydrogen fuel would logically be in airplanes, long-haul trucks and city buses. He recommended the development of replaceable tanks (dewars) which could be quickly installed on vehicles. For private cars, he suggested "local hydrogen refrigerators" or a "home delivery" of liquid hydrogen by service stations.

Dating back to the tragic experience of the Hindenburg explosion, considerable public fear exists over the explosive potential of hydrogen. However, wrote Dr. Jones, "In many ways hydrogen is safer than gasoline in that any escaping hydrogen goes directly into the air rather than remaining as a slowly evaporating liquid." He cited a potentially serious accident in which a truck carrying liquid hydrogen went off a mountain road and broke apart, spilling the tanks' contents: "No fire ensued and the driver walked away."

EPA's Charles Gray says that it is conceivable that hydrogen fuel tanks could be designed "so that on impact the fuel tank would rupture and the hydrogen would quickly disperse. Even if the hydrogen ignited, it would probably be rising so rapidly that you wouldn't get an explosion. Such tanks are not commercially available, though a similar—and safe—storage technology already exists for natural gas.

In addition to its vast potential for transportation, hydrogen could supplant all the uses of natural gas for fuel in the United States, including heating and air conditioning for buildings and fueling gas turbines for the production of electricity. Before such a "hydrogen economy" can emerge, a major concern must be: Where is the hydrogen going to come from and how much is it going to cost? Hydrogen is already being produced for many industrial applications, most of it by reforming hydrocarbon "feed" materials, such as natural gas, propane and butane.

HOW TO PRODUCE HYDROGEN

Another commercially viable process, electrolysis, uses electricity to break water down to produce hydrogen and oxygen. Any source of electricity can be used.

Scientists at the Institute of Gas Technology (IGT) recently estimated that with further improvements in electrolyzer technology, hydrogen may become available at prices competitive with expensive imported natural gas. The IGT hopes that a proposed new generation of nuclear power reactors, called "breeder reactors," will be available in a few years to provide almost unlimited supplies of electricity to fuel the water electrolyzers. Many hydrogen-fuel researchers are pinning their hopes on yet another experimental power device, the nuclear fusion reactor. Nuclear fusion works on the principle of the sun's own heat source, as well as that of the hydrogen bomb.

CONJURING THE GODS OF SUN AND SEA

Another long-range possibility for production of hydrogen fuel is the use of solar radiation falling on the Earth's surface to power machines which would break hydrogen out of water. One ambitious scheme, called "Helios-Poseidon," after the gods of sun and sea, was suggested last April by a Michigan engineer, William J. D. Escher. It would use vast arrays of solar energy collectors (mirror-like energy-concentrating devices) to heat steam-turbogenerators, which in turn would produce electricity for the conversion of sea water, purified first by simple solar distillation, to hydrogen (and oxygen) through electrolysis. The hydrogen production plant could be in the mid-Pacific Ocean near the Marquesas Islands where there is little annual cloud cover, allowing bright sunshine year-round.

Hydrogen fuel, as well as oxygen produced from the solar electrolysis system, would be liquefied to supercold (cryogenic) form and transported to home port in special tankers. The "Helios-Poseidon" plant would occupy a square area of ocean about 4.3 miles on a side (see next page). Its basic advantage, Escher notes, is its low environmental impact. No natural resources or fresh water would be depleted for initial fuel and no land would be used up.

Other schemes for hydrogen production include windmills and the use of enzyme-enriched green plants in large ponds. Techniques already exist for the large-scale conversion of organic and agricultural wastes into methane (natural gas) which can be further converted to hydrogen. Another immediate source is coal, the most abundant of all fossil fuels in North America. In a rush to supplant the diminishing supply of natural gas with a synthetic substitute, a number of coal, oil and gas companies have begun developmental efforts to produce natural gas (methane) from coal. The Nixon administration places a high priority on the technology of gasifying coal, and the Interior Department is spending $75 million on coal gasification.

Dr. Derek Gregory of IGT believes that coal gasification plants will eventually produce *both* methane and hydrogen, depending on user needs. He notes that the transmission of hydrogen in pipelines and its use as a fuel are not unknown in this country. "Twenty or 30 years ago, when we manufactured gas from coal, the gas in everyone's kitchen was 50 percent hydrogen." Today, he says, the transition to higher hydrogen concentrations would not be difficult.

Nuclear scientists at the Ispra (Italy) Euratom research center have developed a chemical process which uses the heat produced by a nuclear reactor to decompose water to produce hydrogen fuel. Dr. Cesare Marchetti, director of the Materials Division of Euratom, says that the chemical decomposition method was being pursued by his group because the process is half as expensive and twice as efficient as splitting water in an electrolyzer. Furthermore, hydrogen can be both transmitted and stored more readily than electricity. Existing natural gas pipelines could be adapted in many cases for hydrogen transport.

CLEAN, EFFICIENT, AND UNFUNDED

In a projected "hydrogen economy," no unsightly power lines would slash continents with enormous rights-of-way and the environmentally destructive method of storing peak-period electrical energy as water in mountain reservoirs would be eliminated. Hydrogen can be stored (similarly to the storage of natural gas) simply by pumping the gas into underground caverns, certain types of sandstone formations and depleted oil wells. When needed during peak-use periods, it can be pumped out of the ground and into a pipeline. When it reaches the final engine, house heater or electrical generator, it can generate energy at that point efficiently, cleanly and quickly.

The U.S. government is apparently spending nothing for specific research on hydrogen-fueled vehicles or other aspects of an integrated, modern, clean hydrogen-energy system. The only industry that is actively supporting the concept of the hydrogen economy is the now-threatened natural gas industry.

In a recent article in a European scientific review, Dr. Marchetti described many of the aspects of a hydrogen economy, but mused that "politics is a far more complicated sphere than technology. . . ."

RESTRICTING FETAL RESEARCH: THE CHILLING EFFECT ON MEDICAL PROGRESS

The **SPEAKER** pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. ABZUG) is recognized for 40 minutes.

Ms. ABZUG. Mr. Speaker, last summer when the House voted to approve an amendment to the National Science Foundation bill placing restrictions on fetal research, I warned that the effect would be to shackle medical progress. Events since then are tragically bearing out this warning.

Once again Congress is under pressure from the scientific know-nothings who are using the issue of fetal research to generate emotional heat without compensatory enlightenment. If Congress again acts in haste, ignorance, and without any hearings on this issue, then it will be on the conscience of this body that its Members, albeit unwittingly, have acted to halt or impede medical research that is of the greatest importance to humanity and generations to come.

The irony is that in imposing a restriction on the NSF, the House was telling the Foundation to stop doing something it has not done and does not intend to do. The NSF does not fund research on fetuses and I understand that it will not do so. Furthermore, the language of the restriction, approved by the Congress, presumably intended to prevent experimentation on "live" fetuses, was so poorly worded that it could easily have been interpreted to preclude attempts to sustain the life of a premature infant.

Irrelevant as the rider was to reality, it set a dangerous precedent of uninformed legislative meddling with scientific research and has resulted in further attempts in the States to place harmful restrictions on medical researchers and even to threaten them with imprisonment. In California, the legislature approved a bill making it unlawful for any physician in the State to do scientific or laboratory studies on a live abortus except to preserve its life. This apparently could prevent a medical researcher from taking a blood sampling from an abortus, a routine medical procedure that almost all of us accept for diagnostic purposes in humans.

In opposing the California law, Dean Clayton Rich of the Stanford University Medical School, one of the most highly rated medical schools in the world, described the bill as "potentially more harmful than beneficial." He pointed out that—

> Although maternal mortality has decreased remarkably since 1935, neonatal mortality remains disappointingly high. One of the reasons . . . is our ignorance of fetal physiology. Simply stated, we need new knowledge.

Nevertheless, the California bill passed with only minor modifications.

In Cleveland, an ordinance was enacted prohibiting research on, or medical use of, products of aborted human conception. The result, according to Dr. Fred Robbins, dean of Case Western Reserve University Medical School, is that—

> We are in danger of losing a major ground that is built around developing diagnostic tests for early diagnosis.

The most alarming development has been the indictment on April 11 of a Boston physician charged with manslaughter in connection with a legal abortion. The abortion was performed at Boston City Hospital in 1973 by Dr. Kenneth Edelin, the hospital's chief resident in obstetrics and gynecology. Simultaneously, four other physicians were indicted in connection with studies they performed at Boston City Hospital on dead fetal tissue. The studies involved a comparison of two anitbiotics administered to 33 women scheduled to undergo therapeutic abortions in an effort to determine which drug was more effective in treating infections in the unborn child. After abortion, the fetal tissues were analyzed to determine the result. The four physicians were indicted by a county grand jury on charges of illegal dissection, under an early 19th century statute pertaining originally to grave robbing. It should be noted that in former centuries medical researchers sometimes surreptitiously had to obtain human cadavers in order to gather basic information about physiology and disease processes. Now, of course, autopsies are routinely performed and pathology research has provided the fundamental core of knowledge upon which modern medical advances have been based.

The Boston indictments are a throwback to the oppressive and fantasy-ridden Salem witch hunts and they are viewed with shocked horror by medical researchers and lay people who know how indispensable fetal research is to preventing and curing a great variety of diseases.

A bill to prohibit research on human fetuses has been introduced in the Massachusetts Legislature and a similar bill is pending in the New York Legislature.

It is most unlikely that the Boston indictments will be sustained in court, but nevertheless this action as well as restrictive legislation will have an inhibiting effect on vital medical research.

A New York Times reporter, Dr. Lawrence K. Altman, reported on April 20, 1974, that—

> The curbs are now affecting research on cancer, birth defects, aging, the common cold and other major health problems.

He quoted Dr. Robbins, of Case Western Reserve, as saying:

> You have to be a brave fellow to do fetal research these days.

Dr. Duane Alexander of the National Institutes of Health reportedly said that in the wake of the Boston indictments, officials at Johns Hopkins Hospital in Baltimore "had prohibited their doctors from obtaining samples of fetal cells, which would otherwise have been discarded, as material for scientific controls for tests used in treating mothers and newborns."

According to the Times story:

> Concern resulting from debate over the ethics of fetal research has reportedly led to curtailment of some grants to researchers using fetal tissue. Further, researchers here (New York), in Boston, Philadelphia and Cleveland said the growing public debate over fetal research had hampered some of their projects.
>
> Over the last several decades, fetal research has resulted in successful preventions of cripplers such as polio and German measles (rubella). And successful treatments of newborns as well as adults have resulted since World War II from research dependent on fetal tissues obtained from natural miscarriages and legal abortions.
>
> But the investigators said that such therapies had become so routine that the public took them for granted and overlooked the fact that they had been developed from fetal research.

Since the Boston indictments members of my staff have talked to a number of physicians and medical researchers, including Dr. L. Stanley James, a pediatrician on the staff of Columbia Presbyterian Medical Center, in my district. Dr. James is the chairman of the American Academy of Pediatrics Committee on Fetus and Newborn and he also happens to be the pediatrician of the Kienast quintuplets, who were born at Columbia Presbyterian several years ago after their mother had been treated with fertility drugs. Dr. James said flatly that development of the fertility drugs, which have helped so many women to conceive and give birth, was dependent on fetal research.

Dr. James also cited the following examples of new methods of diagnosis and treatment that have been made possible only through research on the human fetus and newborn:

A. AMNIOCENTESIS—REMOVING FLUID FROM THE AMNIOTIC CAVITY

This technique was first used for the measurement of intrautarine pressure during labor and could in no way have been considered beneficial to that particular fetus or could the information be obtained from research on animals. During the past decade application of this technique to study amniotic fluid has made possible the detection of over 50 diseases before birth. Many of these diseases result in death during childhood or profound mental retardation.

Familial Disorders of Intracellular Metabolism.—Over [illegible] such disorders can now be detected. The risk to families of having a child affected with any of these disorders can be as high as 1 out of 4. Many of these disorders have been detected in utero and in a few cases treatment has been started during intreuterine life. In instances in which parents have elected termination of pregnancy, examination of the fetus has provided important insight into the fetal manifestations of the disease and has indicated that if rational postnatal treatment is developed, it may have to be started during intrauterine life to be maximally effective.

Chromosomal Aberrations such as mongolism or Down's syndrome occur with a frequency of 1 in 600 live born births. These can now be detected early in pregnancy. This information is of immense value to those families who are at high risk of having children with this disorder. The ability to detect chromosomal aberrations provides families with the option of having normal children rather than a child with an untreatable disease in which profound mental deficiency is the hallmark.

Iso-Immune Disease—Rh incompatibility. The antenatal prediction of those fetuses which would be most severely affected from this condition and of greatest risk of dying in utero was made possible through amniocentesis.

B. RETROLENTAL FIBROPLASIA—BLINDNESS FROM OXYGEN TOXICITY

Control studies in human infants demonstrated that oxygen toxicity was the cause of retrolental fibroplasia; this led to specific animal experiments where the lesions were reproduced. These human observations performed in the early 1950's revealed the role of oxygen in this disease and led to the prevention of blindness in thousands of children. The original control study could not have been considered as beneficial to that particular infant in the light of knowledge available at that time, nor could this initial information have been obtained through animal experiments.

C. FETAL MONITORING DURING LABOR

This important field could not have been developed and advanced to its present state without closely coordinated animal research and observations on the human fetus. The actual application of the techniques to the human fetus could in the initial phases not have been considered beneficial to that particular fetus.

D. RESPIRATORY DISTRESS SYNDROME OR HYALINE MEMBRANE DISEASE

This condition is responsible for more deaths in infancy than any other single cause. (This was the disease that claimed the life on the infant son of President and Mrs. Kennedy.) In the last 20 years the cause of this condition, its diagnosis, treatment and even prevention, has been possible primarily through human investigation. This led to the development of animal models from which details of pathogenesis and prevention were derived. Application of this new information to the human would of necessity again require human investigation.

FUTURE RESEARCH WHICH CAN ONLY BE POSSIBLE IN THE HUMAN

A. Perinatal Pharmacology

Because of marked interspecies variation in rate of development and in the degree of maturity at birth, animal experimentation will provide only leads, but not specific answers. The ultimate research will always have to be done on the human fetus or newborn if new therapies are going to be introduced or the toxicity of current modes of therapy are to be evaluated.

Placental transfer. Study of the placental transfer of drugs must also in its final analysis be done in the human subject. This is essential if we are to make advances in the area of obstetrical anesthesia; it is vital to increase our knowledge of teratology.

B. Endocrinology

A study of steroid metabolism by the feto-placental unit has been shown to have an important bearing on the onset of labor. An understanding of the onset of labor is essential if we are going to make any inroads into the perinatal mortality figures—between 18 and 30/1000. Without such knowledge we will not be able to control gestation and prevent prematurity. In the last analysis no animal can be used for this.

Fetal Parathyroid Function. In the future, a study of this condition is likely to lead to an understanding of tetany and convulsions in the newborn.

C. Immunology

There is now evidence that maternal-fetal cell transfer is a cause of runting (an undergrown or undernourished fetus). Furthermore, there is also evidence that the transfer of cells which are least incompatible to the fetus could be a cause of childhood leukemia. In the last analysis research in this area can only be carried out in the human fetus.

D. Normal Growth and Development

A study of the normal growth and development of both the fetus and newborn infant is essential if departures from normal through various disease and genetic processes are to be appreciated. Information on this area can be derived as a byproduct from much of the fetal and newborn research outlined above. Prohibitions of research on the fetus and newborn would prevent the advances necessary for the improvement in the health and wellbeing of the mother and child.

In other words, according to Dr. James, speaking in behalf of the American Academy of Pediatrics Committee on Fetus and Newborn, a fetal research is vital to the preservation of life and the health of the fetus, the infant, the child, and the mother.

A similar explanation has been given in a statement submitted to the New York State Legislature by the deans of the following medical schools: Albany Medical College, Albert Einstein College of Medicine of Yeshiva University, Columbia University-College of Physicians and Surgeons, Cornell University Medical College, Mount Sinai School of Medicine of City University of New York, Colleges of Medicine and Dentistry of New Jersey, New York Medical College, New York University School of Medicine, School of Medicine and Dentistry, University of Rochester, State University of New York-Downstate Medical Center, Stony Brook and Upstate Medical Center, and the New York Academy of Medicine.

In their statement opposing enactment of the proposed New York bill which prohibits any kind of research or study on "any live human fetus, whether before or after expulsion from its mother's womb—except to preserve the life of said fetus," the medical deans said they "strongly feel" it would "place serious obstacles in the path of research toward the improvement of the quality of life of children and toward the development of diagnostic and therapeutic measures designed to preserve the safety of pregnant women." They said:

> There is even now a large body of knowledge which has become invaluable along these lines, made possible by the study of the fetus and the abortus. A few of the many examples which can be cited are: the prenatal diagnosis of genetic diseases and defects including mental retardation which could, by extension of research, result ultimately in prevention of these tragic defects by enzyme therapy and other measures; the understanding of the effects on the fetus of drugs taken by the mother; the early detection and treatment before birth of severe Rh incompatibility and the prevention of death of or defects in the infant; the effects of maternal infections on the fetus and the host defense mechanisms of the fetus against such infections as well as their therapeutic modification; prenatal factors leading to increased susceptibilty in later life to leukemia and cancer.
>
> Much of what we now know would never have been learned had research on the fetus been prohibited earlier; much that is still to be learned will remain unknown if this research is prohibited now.
>
> Whatever feelings one may have about abortion, and there are of course differences of opinion among reasonable people, nonetheless as long as planned abortion is practiced legally, to ban the opportunity to reduce human suffering through the study of the non-viable abortus impairs the right of the future citizen to be born without preventable injuries or handicaps.
>
> As the bill in question recognizes, there are problems relating to research on the non-viable fetus which shows some evidence of life. We agree that human sensibilities and ethics must be respected in this regard, but a complete ban on any studies, even such procedures as are customarily done on living individuals of any age, such as the drawing of body fluids, the obtaining of cell samples and the like, would again result in missed opportunities to advance knowledge without compromising human rights or dignity. As to the abortus that has died, the postmortem examination is as important as the examination after death at any age and as valuable as autopsies are and have been in contributing to human welfare through the extension of understanding of disease processes.

I understand that tomorrow another Roncallo amendment will be submitted to the National Science Foundation bill, again without hearings having been held on the issue of fetal research and without Members of Congress, most of whom are laypersons, having had an opportunity to familiarize themselves with the medical or legal ramifications of this very complicated matter.

It is my belief that this is not a subject for legislation. It should be dealt with in a rational and studied way by those who have a background and direct concern with medical research and related issues of ethics. That is being done.

After the two Roncallo amendments were adopted by the House last year, the National Institutes of Health, concerned about charges of gruesome experiments on so-called live fetuses, determined that of its 15,000 outstanding grants, only two or three concerned previable human fetuses, and those studies were halted. There is a reason for this. It is an extremely rare event in the United States to get an abortus with a beating heart. Only when an abortion is performed by hysterotomy is such an abortus delivered, and, according to information I have received, abortions are not performed by hysterotomy in this country except at one medical center in Kansas. The preferred abortion techniques are curettage, saline injection, or injection of prostaglandin. In none of these methods does the abortus emerge with a beating heart.

Although the uninformed layperson defines a fetus outside the womb with a beating heart as a "live" fetus, medical researchers disagree. For example, Dr. Peter A. J. Adam, associate professor of pediatrics at Case Western Reserve University, says:

> People need to understand that the fetus doesn't have the neurologic development for consciousness or pain and that it also doesn't have the pulmonary system to survive.

Despite the fact that the NIH funded only two or three studies involving a fetus with a beating heart and has halted these it is now in the process of developing regulations that deal with the entire subject of experimentation on human subjects and such special groups as prisoners, the mentally retarded, the emotionally disturbed, as well as the pregnant woman, the child, the fetus and the abortus.

Preliminary regulations were published by NIH in the Federal Register of November 19, 1973 and a period of public comment followed. The NIH has since revised those regulations, and I have seen a copy of the revised regulations which, it appears to me, deal adequately with research related to the fetus and the abortus.

The regulations provide, for example, that "no procedures should be undertaken on an abortus which clearly affront societal values" and ethical review boards would be authorized to evaluate and authorize such procedures. The regulations state that:

> Nevertheless, certain research is essential to improve both the chance of survival and the health status of premature infants. Such research must meet ethical standards as well as show a clear relation either to the expectation of saving the life of premature infants through the development of rescue techniques, or to the furthering of our knowledge of human development and thereby our capacity to offset the disabilities associated with prematurity. It is imperative, however, that the investigator first demonstrate that appropriate studies on animals have in fact been exhausted.

The proposed regulations state further:

> In order to insure that research considerations do not influence decisions as to timing, method, or extent of a procedure to terminate a pregnancy, no investigator engaged in the research on the abortus may take part in these decisions. These are decisions to be made by the woman and her physician.
>
> The attending physician, not the investigator, must determine the viability of the fetus at the termination of pregnancy. In general, and all other circumstances notwithstanding, a beating heart is not sufficient evidence of viability. At least one additional necessary condition is the possibility that the lungs can be inflated. Without this pre-condition no currently available mechanisms to initiate or maintain respiration can sustain life; and in this case, though the heart is beating, the fetus is in fact non-viable (i.e., an abortus).
>
> If there is a reasonable possibility that the fetus may be viable, experimental and established methods may be used to achieve that goal. Artificial life support techniques may be employed only if the physician of record determines that the fetus is not viable. It is not acceptable to maintain heart beat or respiration artificially for the purpose of research on the abortus. Experimental procedures which of themselves will terminate respiration and heart beat may not be undertaken.

Although these regulations have not yet been formally promulgated, I believe that they will provide a more satisfactory safeguard and ethical resolution of the issues involved in fetal research than we can expect from a hasty and limited consideration on the floor of the House.

In closing, I was impressed by a statement ascribed in the New York Times article to Dr. Fred Robbins, a Nobel laureate and president of the American Pediatric Society. He said:

> The most important thing in the debate is the infringement curbs offer to human rights by imposing one group of standards on us all. I don't care for it. If there were more women in Congress, I don't think you'd have quite this problem.

As one of the few women we do have in Congress, I agree. As a mother of two grown daughters whose births were preceded by several miscarriages, I have a personal and very deeply felt appreciation of what medical research has accomplished. In the year 1974, in the most medically advanced nation in the world, I believe it would be inappropriate for Congress to succumb to emotional and uninformed pressure that in the name of safeguarding life would deny life and health to the unborn and to their mothers.

CONGRESSIONAL BANQUET—ORDER OF AHEPA

Mr. BRADEMAS. Mr. Speaker, on March 25, 1974, I had the privilege, together with the distinguished Vice President of the United States, the Honorable Gerald R. Ford; the Ambassador of Greece to the United States, His Excellency, C. P. Panayotacos; the distinguished junior Senator from Washington, the Honorable Henry M. Jackson; and our distinguished colleague in the House of Representatives, the Honorable John B. Anderson of Illinois, of addressing the 21st National Banquet of the Order of Ahepa, in honor of the 93d Congress of the United States.

Mr. Speaker, excerpts from the proceedings follow:

THE ORDER OF AHEPA

American Hellenic Educational Progressive Association, 21st National Banquet in honor of the 93d Congress of the United States, Monday, March 25, 1974, Washington, D.C.

WILLIAM P. TSAFFARAS, SUPREME PRESIDENT, ORDER OF AHEPA

Mr. Tsaffaras. On behalf of the members of the AHEPA family and our friends, I extend to you our most cordial and warmest welcome on this our 21st biennial Congressional banquet. I may note that this day, March 25th, also commemorates the 153rd anniversary of Greek independence. The Order of AHEPA, known as the American Hellenic Educational Progressive Association, is an American organization dedicated to promote and promulgate the ideals and principles of Hellenism through education, programs of charity, philanthropy, the creation of social programs for the enjoyment of our members and an association of people always striving for a better way of life for our families.

I could spend several hours extolling the many deeds and accomplishments of this organization, but I can find no better words than those of the late Senator William B. King of Utah, who was the principal speaker at the first national banquet of AHEPA in 1929:

"The work of AHEPA has been of higher character and its accomplishments of inestimable value, not only to its members but to those who have been brought within its influences. It has been a sincere teaching of Americanism and has exercised a powerful influence upon those of Hellenic birth or descent within and outside the United States. It has impressed the Hellene who have come to America that they were serious and heavy responsibilities resting upon them when they sought citizenship in this country. In addition to its demands that all of its members be patriotic and loyal to the spirit and the institution of this republic, it has emphasized moral, ethical and spiritual precepts as indispensable guides to their way of life."

Yes, during the past 50 years our predecessors left their mark. They have taught us loyalty, obedience, respect for our elders and above all, love and understanding for our fellowmen. Today we must not only continue to observe and practice these ideals and precepts but we must instill in the hearts and the minds of our fellowmen other important values.

EIGHT BASIC VALUES OF AHEPA

As we look back in history we cannot help but look to those inspiring years of greatness attached to ancient Greece. Yes, when we speak of Hellenism we speak of a way of life that demanded from its citizens its best performance. In a program for AHEPA recently prepared by Dr. Peter Paulus, past supreme treasurer of the Order of AHEPA, he stated that there are eight basic values that truly define Hellenism. The first three, which make up the mental attributes of men, are truth, reason and a free mind. The fourth is the constant desire for excellence.

Consider also the aesthetic values, which are two well placed precepts. These are the appreciation of beauty and the joy of life. Finally, the seventh and eighth values are the most powerful and revolutionary even under today's standards. These are freedom, the right of being free born, and last but not least the right of the individual. Yes, ladies and gentlemen, these basic values brought about an expression of joy and happiness. They brought about major accomplishments in the field of science, art, literature, government and many others which still make up our way of life.

Today these values have been diluted. We have substituted for these values dogma, emotions, pessimism, filth, conformity. For many years we have been told that this United States is a melting pot of all races, all creeds, of ethnic backgrounds. No, ladies and gentlemen, these ingredients do not mix. Each of us must maintain his ethnic background. We must pass on to our children and to our grandchildren those traditions, those cultures and bonds and the many other attributes handed down to us by our ancestors. We must encourage the maintenance and the continuation of ethnic studies and languages. All ethnic groups have so many values that they contribute to our way of life. These values are what made these United States the number one nation in the world. Let us once again evaluate these precepts and ideals. We look to you, our Congressmen, for leadership. For the adoption of legislation and programs which will raise our standards to their highest pinnacle.

Let me assure you of our utmost cooperation in this important undertaking. Thank you very much.

Ladies and gentlemen, the first speaker on this evening's program is a young man who I know needs no introduction to most of you. We have had the honor and the privilege of having this man as a member of our dinners for many, many years. I speak of none other than the Honorable John Brademas, United States Representative from the Third District of Indiana, from South Bend. Indiana.

HON. JOHN BRADEMAS, U.S. REPRESENTATIVE, INDIANA

Mr. Brademas. As many of you know, I am the first native American of Greek origin elected to the Congress of the United States and, as I was explaining to our former colleague in the House of Representatives and our beloved Vice-President, Mr. Ford, a few moments before the dinner began, the first member of Congress of Greek origin was a man named Lucas Miltiades Miller, who represented the State of Wisconsin and who, I am distressed to have to report, was a Republican.

You will, I am sure, appreciate why I take great pride in the fact that I am the first native born American of Greek origin elected to Congress. But for eight long years Mr. Vice-President, I was the only Hellene in either the House or the Senate and it has therefore been a still greater source of pride to me that, during the years since 1968, more Americans of Greek descent have been elected to Congress. One of them who served in the House with great distinction is this year making a second effort to be the first Greek-American elected to the United States Senate and I refer of course to our dear friend, whom I shall ask to take a bow, Nick Galifianakis.

Tonight, as dean of the Greek bloc in the Congress of the United States, I have the high honor to present to you a quartet of outstanding Hellenes in the United States House of Representatives. I am proud to serve with all of them and proud to ask each of them to stand a moment, so that all of you may meet them.

HON. PETER N. KYROS OF MAINE

First, in order of seniority, elected in 1966 and re-elected since, is a vigorous and hardworking member of the House Committee on Interstate and Foreign Commerce and Merchant Marine and Fisheries. His legislative expertise ranges from regional medical programs and drug abuse to air and water purification, cancer control and fishing rights —Representative in Congress from the First District of Maine, the Honorable Peter N. Kyros.

HON. GUS YATRON OF PENNSYLVANIA

Second, first elected in 1968, a leading businessman in Reading, Pa., an outstanding legislator in both his state House of Representatives and Senate, he now serves with distinction and dedication on the prestigious committee on foreign affairs—Representative in Congress from the Sixth District of Pennsylvania, the Hon. Gus Yatron.

HON. PAUL S. SARBANES

Next, first elected in 1974, a Rhodes Scholar at Oxford and, like Peter Kyros, a graduate of the Harvard Law School, he serves on the House Judiciary Committee and the Merchant Marine and Fisheries Committee. In the present Congress he has as well served on the committee to reassess the jurisdictions of House committees. One of the most thoughtful and respected members of the House, representing the Third District of Maryland, the Hon. Paul S. Sarbanes.

HON. SKIP BAFALIS

And finally, elected in 1972, a successful investment banker, civic leader and member of both the Florida House and Senate, now serving on the House Committees on Public Works and Post Office and Civil Service, and the only Republican in the Hellenic House quintet—but we're working on him—Representative in Congress from the Tenth District in Florida, our colleague and friend, the Hon. Skip Bafalis.

And so Mr. Vice-President and Senator Jackson, I most respectfully draw your attention to the obvious fact that "Greek power" is on the march in the Congress of the United States.

And let me, Supreme President Tsaffaras, say this only in conclusion about my colleagues and myself.

All five of us are Ahepans and proud of it.

All five of us are of Greek origin and proud of it.

And all five of us are Americans and proud of it.

AMBASSADOR C. P. PANAYOTACOS OF GREECE TO THE UNITED STATES

Ambassador PANAYOTACOS. As the distinguished president of Ahepa has just pointed out, by a happy coincidence today's gathering in honor of the Congress of the United States, is being held on the very day when Greeks all over the world are celebrating the 153rd anniversary of the outbreak of their long struggle for independence.

When a handful of Greek freedom fighters raised the flag of revolution against foreign oppression, their cause immediately caught the imagination of the young American nation which had recently earned its own independence by means of a similar uprising against foreign and arbitrary rule.

Spontaneous expressions of sympathy and solidarity were forthcoming from communities all across the country, while President James Monroe was addressing on the December 3rd, 1822, his historic message to the Congress. Other eminent Americans such as Senators Henry Clay and Daniel Webster have joined in voicing their profound admiration for the general arousing of the valiant Greek nation, and various Hellene organizations were extending a helping hand.

The USA and Greece have remained ever since closely linked by common heritage and a common destiny in a joint pursuit of lofty principles they both cherish. The Green people, having a built in sense of gratitude, shall always keep alive in their hearts the memory of these early American supporters of their cause. Nor will they ever forget President Truman's timely intervention in their behalf, both morally and materially when their very survival as a free nation was at stake in the aftermath of World War II. Calling to mind this vital American assistance in our darkest hours, I deem it a duty as Ambassador of Greece to pay once more tribute to this great country and express to its representatives here present our deep gratitude for each longstanding and generous contribution to our national security and welfare.

On the other hand, I take this occasion to also congratulate the distinguished members of the Order of AHEPA who spared no efforts for making this biennial national banquet in honor of the American Congress such a successful ritual.

Actually, I am very pleased that Americans of Greek extraction are becoming such an integral part of American life in all its manifold manifestations, and I feel equally proud to observe that Green Americans, without departing from the primary loyalty which they owe to their country of adoption, are still keeping a prominent place in the bottom of their hearts for the birthplace of their forefathers thus building a living bridge between two great nations.

My dear Ahepans, and distinguished guests, allow me to conclude my short remarks by reiterating the feelings of deep rooted friendship of the Greek nation towards the American people as well by thanking once more the Order of the AHEPA for this pleasant and meaningful evening. Thank you.

RT. REV. GEORGE BACOPOULOS, CHANCELLOR, GREEK ORTHODOX ARCHDIOCESE

Chancellor BACOPOULOS. I have the honor because of the illness of his Eminence, Archbishop Iakovos, to bring to you his message which I trust you realize he truly regrets being unable to deliver in person.

MESSAGE OF HIS EMINENCE, ARCHBISHOP IAKOVOS

Songs and poems and hymns and hallelujahs flood my ears with resounding echoes this evening when one of the greatest episodes of history is unfurled before our very eyes.

The episode of which I speak is of course the pulverization of a mighty empire by the rushing, refreshing winds of the passion for liberty. Eyes with lightning and thunder, refreshing faceless spiritual human forms, shadows together with scorched slopes and hopes all join my soul tonight in an endless litany prayer.

A litany of prayer which in essence is a painful quest for the ideals that made possible an uprising of a few against the hoards. A revolution of the enslaved against their powerful tyrants and ultimately the triumph of justice over injustice and the inhumanity of the captors.

What then is truly the meaning of this celebration this year, of this commemoration, of this banquet, of this Congressional dinner? Is it that we need to once again nurture in our hearts the withering flower which announces the coming of spring in the midst of an icy desolate and frustrating winter, a winter which covers with frost our intermost hopes for a national rebirth, or is it that the chalice which Christ and human history offered to us, even now touches our parched lips?

The saga of 1821 tells us that there was a time when faith in God and love of country could move the dead in their tombs, could move mountains from their unshakeable foundations, and could remake life and remake the world itself; the saga of 1821 tells us that there was a time when ideals had some practical validity, a time when moral and spiritual values would intermingle with ideals and together weave not simply flags and banners of national pride but the very texture and fibre of the life of a nation.

Tonight here in Washington, our nation's capital, the saga of 1821 tells us that national might, political power, financial stability, economic strength, industrial superiority, diplomatic excellence, if void of morality and of elementary ethics avail you nothing, not even self-defense. For it is faith, not expediency; it is honesty, not diplomacy, moral and intellectual integrity not cleverness and craftiness and humility and self-respect not arrogance, which make up the conscience and the psychiognomy of a nation.

The 1821 saga finally tells us that history is written by gallantry and valor and not by cowardice or the dishonesty of the great and powerful. It tells us that freedom belongs only to the worthy, those who prize dignity high above all other dehumanizing commodities, conveniences or accommodations.

In our dual capacity and our dual identity as Americans of Greek origin, we would do well even for a brief moment to rise and pray not for the souls of the heroes of 1821, but for the sustenance of those souls which would even conspire in these troubled times against the land of the free and the home of the brave. Let us search the pages of our history and let us search the hearts of our people for a promising light which would lead us again unto the sunlight of true patriotism, a sunlight which would add more radiance to the ageless ideals of Hellenism and Americanism and more beauty to the faces of men who live and die for these principles. Thank you.

HON. JOHN B. ANDERSON, U.S. REPRESENTATIVE, ILLINOIS

Mr. ANDERSON. We are here tonight to salute the contributions of Greek Americans and the great heritage that they have brought to the cultural bloodlines of American society and since as you have already learned the blood of ancient Greece is mingled with that of my own Viking forebears in the five children, with whom my Greek American wife has presented me, I think perhaps I can speak with some authority this evening on that subject.

I have had the opportunity after all to admire Greek beauty for more than 21 years now, even as I have been exposed to a mild tendency on the part of Greek women to display on occasion a somewhat fiery temperament and even a certain tendency to be argumentative when provoked and on those rare occasions I always like to tell Keke, well, my dear, like the Queen of Hellenes, you have a face that has launched a thousand ships to which she invariably replies, yes, but why do the ships have to belong to Onassis instead of you? Now, if that isn't a perfectly balanced tribute to the Hellenes, I will undoubtedly hear more about it when I get home tonight.

The Order of AHEPA is certainly known and honored wherever men and women enjoy the great tradition of western civilization, a tradition decisively marked by the union of two great spiritual, cultural and intellectual streams, represented by our Judeo Christian ethic and we who live in a free society are particularly sensitive to the contribution of Helos, mother and progenitor of democracy and those humane ideals imperishably associated with that precious flowering of the human spirit, that we call the age of Pericles.

We know all of us here tonight that we are living in deeply troubled times for America. Times in which the ideals and values that have been basic to our history are under unprecedented challenge and strain, and while external threats do remain, I believe that the roots of our present difficulties come primarily from within.

We are suffering a loss of confidence in our democratic institutions, a situation that's grave in its implications as that posed by any external threat. Those of us who are familiar with the long experience of Greek people are moved therefore to turn to them for instruction, to turn to the past in the hope of illuminating the present and helping us to shape a future closer to the one that we desire in our hearts.

Now, historical analogies and parallels are always inexact inasmuch as the unfolding process of history is forever new and unique, yet while this is so it is equally true that history reveals the structure, the pattern and the continuities which reflect the enduring realities of our human nature in every age. And we may therefore look with some measure of justification to man's past in search of insights for our own pilgrimage.

In the extraordinary annals of the ancient Greeks there is a period strikingly and even disturbingly like our own time. The aftermath of disastrous civil conflict we know as the Peloponnesian Wars. The ancient enemy Persia had receded as a threat for as the real danger Macedon, under Phillip the Father of Alexander, was perceived, if at all, by the Greek city states, and what strikes us about this period in Greek history are some of the parallels that extends to our time today.

The Peloponnesian Wars, the great 30 years of war of the ancient world had weakened the Greek cities, accentuating their derisive rivalries and shattering any possibility of common action on collective security. Moreover, and more serious, there was a profound change in Greek public life, a loss of morale, a loss of confidence in the political and social order, the fabric and traditional religions had been rent beyond repair. The centers of family worship in the countryside had been virtually destroyed. The fires of faith burned low throughout that society as the pursuit of self interests replaced religious traditions.

The long war years had left a legacy of instability in government, questioned military leadership and declining popular morale. The classic qualities of hope, of reference, self-discipline and liberty had gradually given way before the war spirit to greed and anger, suspicion and envy. The death of Pericles himself and the rise of a man like Alcibiades and whom intellectual was present without morale scruple or principle marked that change of spirit in which mere expediency and naked self-interest replaced the idealism of an earlier time.

Listen to me tonight to the greatest voice of that era in the Greek community, Thucydides, the great historian speaking of this very time, that I have just described. Fear of gods or laws of man there was none to maintain them, and looking back on the results of the wars he wrote "Words had to change their ordinary meaning and to take that which was now given them. The cause of all these evils was the lust for power, arising from greed and ambition." Thus spake Thucydides.

I suppose that lust for power arising from greed and ambition is not peculiar to any age or society. Indeed it would seem too endemic to man, and yet societies, especially free societies have always constructed restraints morale and legal and have called forth resources of good to enable men to live together with some measure of justice. and Greece in the century that I have described witnessed the tragic weakening of those restraints and the impairment of those resources with a result that eventually a people who had successfully resisted the influence of Greek political ideals, won mastery of all Greece on the field of battle.

In short, it was indeed a time of sad decline for the glory that had been Greece, and yet and surely this is the most striking and hopeful note for our consideration here tonight, the Greek spirit was not destroyed. Indeed, it was destined not only to survey, but to take on a larger sphere of culture and spiritual influence than ever before, thanks to the rise of Hellenism and its spread by the advance of the great Alexander profoundly shaping all subsequent history.

The civilizing mission of Hellas, transformed every people that it touched, giving rise to the same that captive Greece had taken her captor captive. Moreover, the century of which I have been speaking and rather somberly this evening was paradoxically enough a time of remarkable cultural and intellectual vitality. It was after all the age of Socrates or Plato and Aristotle, and a spirit of artistic refinement. The age of the great orators, Isocrates and Demosthenes. In other words, there was light in the darkness and in the end it was that light that triumphed. There was an inerradicable character of strength, or resiliency, of renewal, of courage and of hope deep within the soul of Greece which endured the worst only to triumph in unexpected and unforeseen ways in the end.

And so it has been through the centuries, that the Greek people have survived. They have preserved for us traditions and ideals which are a part of our heritage as 20th Century Americans. And in the most trying times they have held to faith, faith in God and in man formed in God's image and endowed with the gifts of reasons, truth and justice and I believe that this is the same spirit which will surely bring this nation of ours through our own difficult time to a new and better era in which the promise of America will find greater fulfillment.

Let us therefore here tonight dedicate ourselves to all that may be needed to bring about that spiritual renewal. A renewal of integrity and confidence in the common life of our people, in Government, in business, in church, in home and family. This is the kind of spirit which can restore unity and trust in our land and your organization as has been amply pointed out by others who have preceded me to the rostrum this evening, the order of AHEPA exists for the very purpose of identifying and preserving respect for the profound contribution that Greek Americans have made in the building of our nation.

You are rightfully proud of your heritage and I think you rightfully look back to gain a better perspective for the journey that still lies ahead. I know in my own case, and you will pardon me if I close these remarks on a personal note, there is no man who has had a more profound impact on my own life than my own immigrant father. He brought with him from the old world not just a desire to succeed in the new but more importantly some very basic principles and beliefs, a deep religious faith and commitment and also a determination to become an active participant in the role of being an American citizen.

I was rather appalled last week on Tuesday when my own State of Illinois conducted a primary at the very low rate of voter participation, something like 20 percent and I called my father the following day but I wasn't surprised and he told me—and mind you, he's now in his 90th year, when I asked him about the results that of course he had gone to the polls and he had voted, and so I think that in many respects, he is like those many Greek immigrants who were represented in spirit and perhaps even in fact, by this great audience tonight, those immigrants who constitute that resolute breed of men of whom a great American poet, Walt Whitman, wrote these lines:

"There is no week nor day nor hour when tyranny may not enter upon this counrty, if the people lose their supreme confidence in themselves, and lose their roughness and spirit of defiance, tyranny may always enter. There is no charm, no bar against it. The only bar against it is a large resolute breed of men."

HON. HENRY M. JACKSON, U.S. SENATOR, WASHINGTON

Senator JACKSON. You make me feel as welcome as 32 cent gasoline. Vice-President and Mrs. Ford, Congressman and Mrs. John Anderson, Congressman John Brademas—and Tom Korologos, you have been left out here tonight. I think it takes a Democrat to recognize a Republican.

You know, after listening to my old friend, John Brademas, I got the impression that the Greeks are coming. I thought it would stop there, but then John Anderson gets up and they are still coming. Now, my parents were born in Norway. We were not landlocked like the Swedes and last week I pointed out to the Friendly Sons of St. Patrick that the Vikings, the Norwegians and the Danes that is, founded Dublin and that's how the Irish got their rosy cheeks and blue eyes and I ought to have a chance at least to extend John Anderson's tie here to Greece by pointing out that there are a number of blue eyed Greeks and the Vikings also got into the Mediterranean.

And so I really do feel at home. I have been to so many of the AHPEA banquets over the years. This is a great organization. I think of all of the organizations that really endeavor to maintain the traditions of the old world and John Anderson has covered and saved you ten minutes of my speech by doing such a scholarly job, as John Brademas also always does, of covering early Greek history. I should just like to be extremely brief this evening and say first, I am proud that AHEPA is maintaining these basic values of individual liberty and freedom, the great culture that has meant so much to what we constantly refer to as western civilization.

I should just like to say a few words about post war Greece. I was in the House when the decision had to be made and it was bitterly fought whether Greece and Turkey would be saved, and that was known as Greek/Turkey aid and it became known and followed by Republican as well as Democratic administrations as the Truman Doctrine and Harry Truman in my book will go down in history as one of the great, great Presidents.

That was bitterly fought. There was a division in both parties on whether or not the United States should provide that aid at a critical time, and thank God the decision was in the affirmative. Greece has been going through a very difficult period. During this entire post war era. It has been a traumatic experience for the people of Greece. We know that Greece is indeed of great strategic importance to the whole North Atlantic Treaty Organization, of great importance to the entire western world. And the people of Greece have kept their commitment to NATO and to the American forces in the Mediterranean and we are mightly proud of that contribution.

More recently there has been a growing instability in Greece and all Americans and all Greeks and all people committed to individual liberty and freedom are concerned about those developments. May I say that in the context of that instability and concern, I have joined with Senator Pell last year on an amendment that he sponsored declaring that it was the policy of the United States to provide military assistance to Greece only when the Greek government was in fullfillment of its NATO Treaty obligations.

These include both adherence to the political principles stated in the preamble to the treaty and the maintenance of its capability to perform the common defense and the functions assigned under the current North Atlantic Treaty Organization defense plans. A bill to carry out that objective which Senator Pell sponsored and I co-sponsored with him passed the Senate unanimously just a few days ago.

I hope that our legislative move will have a positive effect, not only in the situation in Greece, but on the alliance as a whole. We want to see Greece restored to its full freedom so that it can play a more effective role in the alliance, and I have the privilege of personally talking with some of the top Greek military leaders of the past pointing out the weakening of their contribution as the result of that instability.

And while I mention this particular problem, may I say that I think our government has the responsibility in talking with our allies to see to it that we are constructive in our criticism when our allies in the Atlantic community do not *fullfill* all of their obligations. We in the Congress have provided under special amendment that I sponsored with Senator Nunn of Georgia, a requirement that all of our allies fullfill their commitment in providing an offset on the balance of payments because I believe American presence in Europe is vital to the security of Europe and all we ask is that they contribute equally and I refer to all of our allies in western Europe.

But I get a little concerned when some top officials spend a great deal of time criticizing our allies and if we criticize the French, that's a different thing. I am not quite sure which side they are on, but I know when they're in trouble, whom they'll be calling upon for help in that situation.

But my friends, I am concerned as you must be when so much time is devoted the last few weeks to criticizing our allies and not very much is said about some of the problems that our Russian friends have caused particularly in the Middle East, and the Mediterranean. All I can say is that if we continue to treat our friends as adversaries and our adversaries as friends, we shall find ourselves with a declining number of friends and an increasing number of adversaries.

And so Greece has gone through a traumatic post World War II period. We have our problems in our own country and we have been passing through a very difficult period in our governmental history. To me there is only one way I know for us to overcome the mistakes of the past, for us to insure that those mistakes will become nothing more than a distant memory and that is for us as Americans together to reach out for a future that is waiting to be born.

I mean business and labor, parents and children, north and south, black and white, farm and city, yes, Democrats and Republicans and Independents. That's what most Americans want to do and what they expect of their Government is to lead them in that effort, not to demean or degrade this country's noble purposes. We've got a lot of work to do together but it's the kind of work—it's the work millions of us are eager to start on. It's the work of decent and concerned citizens all across this land.

Others may seek to make America great again. I seek to make America good again.

For that is our best claim to greatness, decency and dignity, justice and freedom, honesty and integrity. That is our heritage and if we just put our minds and our hearts to this great task it can also be our legacy. Thank you.

HON. GERALD R. FORD, VICE PRESIDENT OF THE UNITED STATES

Vice President **Ford**. Mr. Chairman, Reverend Clergy, Your Excellencies, Senator Jackson, my former colleagues in the House of Representatives, John Brademas, John Anderson and others in the audience, our loyal worker on behalf of all of us in the United States Senate, Tom Korologos, members of the American Hellenic Educational Progressive Association and guests, it's a very great privilege and honor to have the opportunity of participating in this 21st Congressional dinner of AHEPA.

It's also a privilege to have an opportunity to say a few words here tonight in the 52nd year of AHEPA. In looking through the history of your great organization, I found that in 1929 at the outset Senator King had the privilege and distinct honor of speaking to your first organization meeting here in the nation's capital. It's been my privilege to attend 13 out of the 21 AHEPA meetings in our nation's capital.

In looking at the ends or objectives of AHEPA, I found at the outset when it was founded in Atlanta, Georgia, that one of the basic purposes was to help to Americanize the Greek immigrant, and this very worthy objective, as I look from one end of the country to the other, has been achieved and has been accomplished.

And I know first hand whether it's first generation, second generation, third or on that our Greek-Americans have assimilated all the great principles and objectives of our country because I have had the privilege of working with and for two of my very best friends at home, Alex Demar and Bill Scrugis, who helped to give me whatever character, whatever dedication that I have had.

And may I say that in the process of achieving the objectives of AHEPA, it's obvious that those who came to America from Greece have accomplished all that others from other nationalities have achieved, dedication, hard work, high moral standards, the principles that have made America what it is today.

But the important point is in the process of becoming the best of Americans they have not in AHEPA lost the great heritage, the great traditions of Greece itself. And this is true of so many of our nationalities that have come and become a part of America and we have among all of us the good Swedes, as John Anderson, our good Norwegians, our good Italians, good Irish and the Fords go back to Ireland, but the thing that really is important as we become a bigger and better America, it reminds me of a quotation from the Bible that I think goes something like this. "The beauty of Joseph's coat is its many colors". The beauty of America is its many nationalities.

When I first came to the ambition that I had to serve in government back in 1946 and 1947 the first person that I sought advice from was our then senior senator from the State of Michigan, a fellow townsman of mine by the name of Senator Arthur Vandenberg. A man who had been in a period prior to World War II an isolationist but a man who after going through the traumatic experience of World War II, realized that no longer could the United States be an island in a globe where conflict and controversy over the centuries had prevailed.

And I sat down literally at the feet of Senator Arthur Vandenberg and asked him for advice and counsel, and if you will refresh your memory you will recall that President Truman took the initiative. He was for Greek-Turkish aid. He had problems in the United States Senate, both Democratic and Republican, and the man that he sought to give him assistance in this hour of dire need and necessity was Senator Arthur Vandenberg who was then one of the more senior members of the opposition party.

And Senator Vandenberg after going through this period in his early days as a member of the United States Senate where he thought we could be an island as a part of a globe came to the conclusion that isolationism no longer was a viable policy and that the United States had to look beyond its border and become a part of the world and give leadership and to take responsibility and so he stood shoulder to shoulder in the United States Senate with President Harry Truman.

And I think the record is clear that Senator Vandenberg was an inestimable help and assistance to a great President Harry Truman in this hour of need. But the advice that Senator Vandenberg gave to me, a young, somewhat idealistic person who was challenging not a Democrat but a Republican in the primary, was that as the United States moved ahead in the latter part of this century, we as a nation have to stand up and be a part of the world and not retreat behind the oceans that were either side of our coast. And he urged that in this rather remote campaign in a sort of isolationist part of Michigan that it would be well if I followed his example, and so I did and I am proud that in that campaign I made a commitment, as many others in the House and Senate have, that in the area of foreign policy, it was bi-partisanship that was needed and necessary if America was to be strong and to give the leadership to the world that was so essential if we were to achieve and to maintain peace.

I cannot recall the precise language that was used in the United States Senate or the House in those days when Greek-Turkish aid was debated, but if my memory serves me correctly, it was that when we left our shores we stood as Americans, not as Democrats or Republicans. That we had an obligation to 200 million people plus some five times that number throughout the world, if we were to provide peace and a better life for all of us.

And in the years since then the United States has maintained this leadership, not because of one President or another or one Congress or another, but because a number or a sufficient number of members on both sides of the aisle working with Presidents of different political philosophy, have realized that we had to work with our allies, that we had to negotiate with our enemies, if we were to maintain for us as well as the rest of mankind throughout the world the kind of a life that was needed for this generation and those generations to follow.

Now, I am an optimist. I happen to believe that in the decade of the seventies we can expect the same kind of bipartisan foreign policy in this decade that we had in post World War II, that saved Greece, that saved Europe, that has brought peace in the Middle East. I believe that there are sufficient number of members of the House and the Senate on both sides of the aisle who will stand up and dedicate themselves to policies, with some differences here and there, that will give to us as well as to the others in other nations a good life and peace for all. Thank you very kindly.

Order of AHEPA,
Washington, D.C., April 3, 1974.

Hon. John Brademas,
U.S. House of Representatives,
Washington, D.C.

Dear John: Please accept my congratulations on the outstanding presentation you made at our Congressional Banquet. This should always be a part of every banquet program, and I will keep insisting on it.

Enclosed is a copy of the remarks made at the banquet—I trust that you will see that it is inserted in the Congressional Record at your first opportunity.

I have indicated thereon the parts that should be deleted, and trust that this meets with your own judgment. If there are any questions, please have a member of your staff call me.

We are vitally interested in the Ethnic Heritage Studies Program, for which $2.3 million has been committed this fiscal year. In conjunction with other groups, we have met with the office of Education (Mr. Robert Leestma, Associate Commissioner for International Education) in HEW and although time is a factor, his office is proceeding on this year's program. We hope, eventually, to realize the use of Ethnic History in the U.S. in our schools, as a part of the curriculum.

The present problem is the introduction of legislation for next fiscal year on this same program, and we look forward to, and hope for your personal support. I know your schedule is always swamped, but is there sometime I can meet with you or your legislative staff, to discuss this matter? As you know, Ahepa has been doing work in this field, and we want to do a great deal more. I am available at any time and hope a meeting can be arranged soon.

With best personal regards,
Sincerely,

George J. Leber,
Executive Secretary.

ORDER OF AHEPA, 21ST NATIONAL BANQUET IN HONOR OF THE 93D CONGRESS OF THE UNITED STATES, MARCH 25, 1974, WASHINGTON HILTON HOTEL

WELCOME

The Order of Ahepa respectfully dedicates this 21st Ahepa Biennial National Banquet to the 93rd Congress of the United States.

We thank the Members of Congress for their attendance this evening, and hope that you will derive as much pleasure in being present as we, the Order of Ahepa, will experience in having you as our guests this evening.

We hope you will have a pleasant evening, and that you will return to meet with us again at future dinners of the fraternity.

Again, our warm thanks for your presence.

William P. Tsaffaras,
Supreme President.
Andrew Manos,
Banquet Chairman.

DINNER MENU

Iced Fruit Macedoine Supreme.
Cambas Wine from Greece.
Roast Prime Ribs of Beef, au Jus.
Baked Potato with Sour Cream and Chives.
Broccoli with Herbed Breadcrumbs.
Salad au Suise.
Oil and Vinegar.
Bombe Glace Fantasie.
Crushed Strawberries.
Coffee.

PROGRAM

Rendition: National Anthems, Australia, Bahamas, Canada, Greece and United States of America.

Invocation.

Welcome: Andrew Manos, Chairman.

Toastmaster.

SPEAKERS:

The Honorable John Brademas, U.S. Representative, Indiana.

His Excellency C. P. Panayotacos, Ambassador of Greece to the United States.

The Honorable John B. Anderson, U.S. Representative, Illinois.

The Honorable Henry M. Jackson, U.S. Senator, Washington.

The Honorable Gerald R. Ford, The Vice President of the United States.

Response: Mr. William P. Tsaffaras, Supreme President, Order of Ahepa.

Benediction.

MEMBERS OF CONGRESS AND HOST CHAPTERS

(Acceptances Received as of the printing deadline for Program Book)

Alabama

Host Chapters

No. 3, Birmingham.

Honor Guests

Sen. James B. Allen.

Arizona

Host Chapters

No. 219, Phoenix.
No. 275, Tucson.

Honor Guests

Arkansas

Host Chapters

No. 338, Hot Springs.

Honor Guests

Rep. John Paul Hammerschmidt.

California

Host Chapters

No. 171, Oakland.
No. 233, San Pedro.
No. 342, Long Beach.
No. 440, Inglewood.
No. 212, Stockton.
No. 318, Hollywood.
No. 411, Anaheim.
No. 231, Roseville.
No. 430, Norwalk.
No. 223, San Diego.
No. 152, Los Angeles.
No. 246, Modesto.

Honor Guests

Rep. Harold T. Johnson.
Rep. Del Clawson.
Rep. Charles H Wilson.
Rep. George E. Danielson.
Rep. Andrew J. Hinshaw.
Rep. Bob Wilson.
Rep. John J. McFall.

Colorado

Host Chapters

No. 145, Denver.

Honor Guests

Rep. Patricia Schroeder.

Connecticut

Host Chapters

No. 98, New Haven.
No. 48, Waterbury.
No. 62, Bridgeport.

Honor Guests

Rep. Robert N. Giaimo.
Rep. Ronald Sarasin (Reception).
Rep. Stewart B. McKinney (Reception).

Delaware

Host Chapters

No. 95, Wilmington.

Honor Guests

Sen. William V. Roth, Jr.

Florida

Host Chapters

No. 14, Miami.
No. 409, Fort Pierce.
No. 421, North Miami.
No. 16, Tarpon Springs.
No. 18, West Palm Beach.
No. 394, Ft. Lauderdale.
No. 296, Pensacola.

Honor Guests

Sen. Edward J. Gurney.
Rep. Bill Gunter.
Rep. William Lehman.
Rep. Robert L. F. Sikes (Reception).
Rep. L. A. (Skip) Bafalis.
Rep. Dante F. Fascell (Reception).
Rep. J. Herbert Burke.

Georgia

Host Chapters

No. 5, Savannah.
No. 1, Atlanta.

Honor Guests

Sen. Herman E. Talmadge (Reception).
Rep. John W. Davis.
Rep. Andrew Young.
Rep. Ronald "Bo" Ginn.

Hawaii

Host Chapters

No. 450, Honolulu.

Honor Guests

Rep. Spark M. Matsunaga.

Idaho

Host Chapters

No. 254, Boise.
No. 238, Pocatello.

Honor Guests

Sen. Frank Church.
Rep. Orval Hansen (Reception).

Illinois

Host Chapters

No. 46, Chicago.
No. 424, Park Forest.
No. 325, Rockford.
No. 388, Glenview.
No. 260, Chicago.
No. 218, Waukegan.
No. 131, Joliet.
No. 204, Evanston.
No. 304, Alton.

Honor Guests

Rep. Frank Annunzio.
Rep. Edward J. Derwinski.
Rep. John B. Anderson.
Rep. Samuel H. Young.
Rep. Kenneth J. Gray.
Rep. Cardiss Collins.
Rep. Robert McClory.
Rep. George O'Brien.
Rep. Melvin Price.

Indiana

Host Chapters

No. 100, South Bend.
No. 157, East Chicago.
No. 232, Indianapolis.
No. 227, Kokomo.

Honor Guests

Rep. John Brademas.
Rep. Ray J. Madden.
Rep. Roger H. Zion (Reception).
Rep. William H. Hudnut.
Rep. Earl F. Landgrebe.
Rep. Elwood Hillis (Reception).
Rep. William G. Bray (Reception).

Iowa

Host Chapters

No. 261, Dubuque.
No. 194, Cedar Rapids.

Honor Guests

Rep. John C. Culver.
Rep. William J. Scherle.

Kansas

Host Chapters

No. 187, Wichita.

Honor Guests

Sen. Robert Dole (Reception).

Kentucky

Host Chapters

No. 129, Louisville.
No. 258, Lexington.

Honor Guests

Sen. Marlow W. Cook (Reception).
Rep. Tim Lee Carter.

Louisiana

Host Chapters

No. 8, Shreveport.
No. 13, New Orleans.

Honor Guests

Sen. J. Bennett Johnston, Jr.
Rep. Corrinne Boggs.
Rep. John R. Rarick.

Maine

Host Chapters

No. 82, Portland.

Honor Guests

Rep. Peter N. Kyros.

Maryland

Host Chapters

No. 30, Baltimore.
No. 364, Baltimore.

Honor Guests

Rep. Paul S. Sarbanes.

Massachusetts

Host Chapters

No. 57, Brockton.
No. 102, Lowell.
No. 112, Pittsfield.
No. 80, Worcester.
No. 85, Springfield.
No. 105, Marlboro.
No. 119, Peabody-Salem.
No. 24, Boston.

Honor Guests

Rep. James A. Burke.
Rep. Edward P. Boland.
Rep. Harold D. Donohue.
Rep. Paul Cronin.

Michigan

Host Chapters

No. 40, Detroit.
No. 141, Flint.
No. 196, Grand Rapids.
No. 371, Detroit.
No. 135, Pontiac.
No. 142, Lansing.
No. 213, Muskegon.
No. 374, Dearborn.

Honor Guests

Sen. Philip A. Hart.
Rep. Charles C. Diggs, Jr. (Reception).
Rep. John Dingell.

Minnesota

Host chapters

No. 66, Minneapolis.
No. 267, Duluth.

Missouri

Host chapters

No. 53, St. Louis.
No. 73, Kansas City.

Honor guests

Sen. Stuart Symington.
Rep. William L. Hungate.
Rep. Jerry Litton.

Montana

Host chapters

No. 239, Missoula.

Honor guests

Rep. Dick Shoup.

Nebraska

Host chapters

No. 47, Omaha.

Honor guests

Sen. Carl T. Curtis.

Nevada

Host chapters

No. 314, Las Vegas.

New Hampshire

Host chapters

No. 44, Manchester.
No. 215, Portsmouth.
No. 248, Dover.

Honor guests

Sen. Thomas J. McIntyre.
Rep. Louis C. Wyman.

New Jersey

Host chapters

No. 52, Newark.
No. 69, Camden.
No. 75, New Brunswick.
No. 285, Hackensack.
No. 300, Dover.
No. 54, Paterson.
No. 72, Trenton.
No. 108, Jersey City.
No. 288, Perth Amboy.
No. 169, Atlantic City.

Honor Guests

Rep. Edward J. Patten.
Rep. Robert A. Roe.
Rep. Henry Helstoski.
Rep. Charles Sandman.
Rep. Edwin B. Forsythe.
Rep. William B. Widnall.
Rep. Joseph J. Maraziti.

New York

Host Chapters

No. 51, Yonkers.
No. 143, Utica.
No. 170, Hempstead.
No. 186, New York City.
No. 140, Albany.
No. 115, Newburgh.
No. 125, Schenectady.
No. 86, Jamaica.
No. 91, Buffalo.
No. 158, Poughkeepsie.
No. 175, Bronx.
No. 349, Staten Island.
No. 327, Saratoga Springs.
No. 37, Syracuse.
No. 97, Astoria.

Honor Guests

Sen. James L. Buckley (Reception).
Rep. Mario Biaggi.
Rep. Angelo D. Roncallo.
Rep. Henry P. Smith III.
Rep. Jack F. Kemp (Reception).
Rep. Lester L. Wolff.
Rep. Peter A. Peyser.
Rep. Robert C. McEwen.
Rep. James J. Delaney.
Rep. Benjamin A. Gilman.
Rep. Hamilton Fish, Jr.
Rep. William F. Walsh
Rep. Carleton J. King.
Rep. John M. Murphy.
Rep. Samuel S. Stratton.
Rep. Donald J. Mitchell.

North Carolina

Host Chapters

No. 2, Charlotte.
No. 10, Raleigh.
No. 28, Asheville.
No. 9, Fayetteville.
No. 32, Winston-Salem.
No. 11, Wilson.
No. 257, Greensboro.

Honor Guests

Rep. Wilmer D. Mizell.
Rep. L. H. Fountain.
Rep. Roy A. Taylor.
Rep. Charles Rose.
Rep. James G. Martin.
Rep. Walter B. Jones.
Rep. Richardson Preyer.

North Dakota

Host Chapter

No. 398, Minot.

Honor Guests

Sen. Quentin N. Burdick.

Ohio

Host Chapters

No. 88, Warren.
No. 127, Cincinnati.
No. 59, Canton.
No 36, Cleveland.
No. 118, Toledo.
No. 89, Youngstown.
No. 209, Middletown.
No. 74, Massillon.
No. 113, Dayton.
No. 247, Springfield.

Honor Guests

Rep. Charles J. Carney.
Rep. Ralph S. Regula.
Rep. Charles W. Whalen, Jr.
Rep. Donald D. Clancy (Reception).
Rep. Walter E. Powell.
Rep. Louis Stokes.
Rep. Thomas L. Ashley (Reception).
Rep. Clarence J. Brown.

Oregon

Host Chapter

No. 154, Portland.

Honor Guest

Rep. Edith Green.

Pennsylvania

Host Chapters

No. 84, Scranton.
No. 445, Upper Darby.
No. 55, Wilkes-Barre.
No. 61, Reading.
No. 26, Philadelphia.
No. 60, Allentown.
No. 156, Canonsburg-Washington.
No. 34, Pittsburgh.
No. 116, Uniontown.
No. 109, Pottsville.
No. 65, Bethlehem.
No. 107, Erie.

Honor Guests

Rep. Daniel J. Flood.
Rep. Lawrence G. Williams.
Rep. Joseph M. McDade (Reception).
Rep. William S. Moorhead (Reception).
Rep. Joseph P. Vigorito.
Rep. Thomas E. Morgan.
Rep. Gus Yatron.
Rep. William J. Green.
Rep. Fred B. Rooney.
Rep. Frank M. Clark.

Rhode Island

Host Chapters

No. 106, Providence.
No. 245, Newport.

Honor Guests

Rep. Robert O. Tiernan (Reception).

South Carolina

Host Chapters

No. 4, Charleston.
No. 242, Greenville.
No. 284, Columbia.

Honor Guests

Rep. Mendel J. Davis.
Rep. Jams R. Mann.
Rep. Floyd Spence.
Rep. Tom S. Gettys.

Tennessee

Host Chapters

No. 7, Memphis.
No. 358, Chattanooga.

Honor Guests

Rep. LaMar Baker.
Rep. James Quillen.
Rep. Joe L. Evins.

Texas

Host Chapters

No. 29, Houston.
No. 333, San Angelo.
No. 311, San Antonio.
No. 341, Corpus Christi.

Honor Guests

Rep. O. C. Fisher (Reception).
Rep. Bill Archer.
Rep. John Young (Reception).

Vermont

Host Chapters

No. 244, Burlington.

Honor Guests

Sen. Robert T. Stafford.
Rep. Richard W. Mallary.

Virginia

Host Chapters

No. 83, Richmond.
No. 241, Newport News.
No. 122, Norfolk.
No. 438, Arlington.

Honor Guests

Rep. G. William Whitehurst.
Rep. Thomas N. Downing.

Washington

Host Chapters

No. 177, Seattle.
No. 256, Everett.

Honor Guests

Sen. Henry Jackson
Rep. Julia Butler Hansen

West Virginia

Host Chapters

No. 103, Weirton.
No. 68, Wheeling.
No. 307, Huntington.
No. 96, Clarksburg.
No. 309, Charleston.

Honor Guests

Rep. Ken Hechler.
Rep. John Slack.
Rep. Robert H. Mollohan.

Wisconsin

Host Chapters

No. 43, Milwaukee.

Honor Guests

Rep. Clement J. Zablocki (Reception).

Wyoming

Host Chapters

No. 159, Casper.
No. 211, Cheyenne.

Honor Guests

Rep. Teno Roncalio.

District of Columbia

Host Chapters

No. 31, Washington, D.C.
No. 236, Washington, D.C.

Honor Guests

Rep. Walter E. Fauntroy.

Guam

Host Chapters

Honor Guests

Rep. Antonio Borja Won Pat.

The Order of Ahepa strongly endorses and supports: research for Cooley's Anemia (Thalassemia); and the Ethnic Heritage Studies Program.

1974 NATIONAL BANQUET COMMITTEE

William P. Tsaffaras, Supreme President, Honorary Chairman.

Andrew Manos, Chairman.

Charles J. Papuchis, Vice Chairman.

William G. Chirgotis, Supreme Vice President, Supreme Lodge Coordinator.

Milton Sarris, Ahepa Ticket Chairman.

Anothony E. Manuel, General Reception Chairman.

John N. Deoudes, Hospitality Night Chairman.

Thomas Gikas, Congressional Ticket Chairman.

George J. Papuchis, Head Table Reception Chairman.

John T. Pappas, Initiations Chairman.

George J. Leber, Executive Secretary.

Harry Brown, Debbie Charles, Dorothea Dennis, Athena Gikas, Tina Karcasinas, Veneta Lambros, James Manuel, Penny Manuel, John Maroules, George P. Pappas, Irene Pappas, Stella Papuchis, Dr. Theodore Perros, Peter T. Stathes, Mary Triantis, Christine Warnke, Adrian Zizis.

Mary Carres, Joanne Cocolis, Chris Fotos, Beatrice Hanft, Marietta Korson, George Maggos, Mary Manuel, Harriet Maroules, Mike Morfessis, Catherine Pappas, Felecia Papuchis, Mary Paterson, Stacie Petroutsa, Mary Summers, Angie Valtsos, Voula Zazanis, Bess Zourdos.

SAN FRANCISCO TRAGEDY

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, a tragedy involving racism is occurring in San Francisco. On the one hand there is an apparent indiscriminant shooting of whites by a black gunman or gunmen; 12 whites have been killed, 6 others wounded in a series of random street shootings. Those shootings began in November 1973 and claimed their most recent victim on April 16, 1974. As a result of that horror, Mayor Joseph Alioto on April 17 publicly announced that a stop and search dragnet would be used to try to find a suspect. The dragnet provides for the stopping and searching by the police of black males between the ages of 20 and 30 from 5 feet 9 inches to 6 feet tall, of slender to medium build. As of today the police say they have stopped and searched more than 500 such individuals. The black community quite rightly is outraged as are those in the white community who are concerned not only with civil liberties but with the extraordinary adverse impact on racial relations that must flow from such police action.

While it is possible the police may arrest a suspect and even one of the gunmen by such an indiscriminate search, it is hardly likely and the remote possibility is surely not worth the enormous damage to the civil liberties of all blacks and to relations between the races.

Thirty-three years ago a similar panic precipitated the detention of Japanese-Americans during World War II. It took many years before that wrong was righted and today there is no one I know who would defend that action. While I do not for a moment consider that Mayor Joseph Alioto is anything but a decent human being who has taken an action out of frustration and in response to public demand that he do something, one cannot accept such action that challenges the constitutional rights of every American. You simply cannot indiscriminately stop and question every individual who may remotely fit into a category as loosely described by the police in San Francisco. San Francisco Police Chief Donald Scott is quoted in today's Washington Post as saying:

> We're not going to stop very young blacks or big fat blacks . . . 7-foot blacks or 4-foot blacks.

What a cavalier response to a serious problem in which such questionable measures are being taken.

Of course, every legitimate police action consistent with constitutional protections should be undertaken by the San Francisco Police Department. I suspect that when these gunmen are caught it will not be because of an indiscriminate dragnet but because the police zero in on their quarry on the basis of specific leads and information. In the meanwhile the country must sympathize with the plight of every citizen in San Francisco, the whites afraid to walk the streets for fear of being killed and the blacks fearful of being unfairly swept up in a demeaning dragnet.

THE TRAGEDY OF ARMENIA

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, April 24 is a day of remembrance and mourning for people of Armenian ancestry the world over. On that day in 1915, the Ottoman Turks commenced the planned elimination of 2,000,000 Armenians in the Ottoman Empire. For the world, it marked the first policy of genocide witnessed in modern times. For the Armenians, it was the most barbaric period in centuries of subjugation at the hands of more powerful foreign rulers. It is important to reflect upon this event, not only in tribute to Armenians past and present, but also in recognition of its meaning for all mankind.

As a geographical bridge between East and West, Armenia's location has made it particularly vulnerable to invading forces from Asia and Europe. In modern times Persians, Russians, and Ottoman Turks have contended for mastery of Asia Minor and ruled over most or all of Armenia, holding its inhabitants as conquered subjects. The Turks held a large portion of Armenian territory from early in the 16th century until the end of the First World War. During this time, the Armenians suffered under a policy of active racial and religious discrimination. In spite of repeated attacks on their national consciousness, the Armenians retained their national church, language, and sense of unity. Their vision of freedom and autonomy did not appeal to their absolutist rulers and, by the turn of the 19th century, the Turks had decided to solve the "Armenian problem." The design was to eliminate some 2,000,000 Armenians through mass deportation, starvation, and massacre. It was implemented with brutal success, as upwards of 1,000,000 Armenians were removed. Others survived in the Ottoman Empire only by submitting to servitude in Turkish homes.

After the defeat of the Turks in World War I, Armenians who escaped the massacres regrouped and declared the independence of Armenia on May 28, 1918. The new nation, a fitting monument to the victims of 1915, survived barely 2 years. Threatened by armed attack by Turkish nationalists the weaker Armenians accepted a cease-fire imposed by Soviet Russia and were forced to submit to the incorporation of Armenia into the U.S.S.R. To this day, the historic Armenian struggle for national identity continues against overwhelming odds.

Mr. Speaker, I wish to submit for inclusion in the Record a petition sent to the congressional delegation from the Greater New York area by a large group of New York citizens of Armenian descent. The petition calls our attention to the tragic historical fact that this nation did nothing to prevent the genocide of 1915. In addition, the U.S. Senate has consistently refused to ratify the United Nations treaty which would build a prohibition against genocide into the canons of international law. The petition is an eloquent reminder that the oppression of any minority in any nation must weigh upon the conscience of not only the oppressor, but of all nations refusing to relieve the suffering of the oppressed. Perhaps it will give cause for reflection to those who would insist that our foreign policy not take note of the internal affairs of other countries.

The petition follows:

Petition to the U.S. Congressional Delegation From Greater New York Area

Whereas, People of Armenian ancestry all over the world commemorate April 24 of each year as a day of mourning for the victims of the genocide perpetrated upon Armenians living in Turkey, particularly in 1915;

Whereas, Reliable and comprehensive documentation of this terrible atrocity was made known in full detail to the American people at the time of the tragedies through the medium of U.S. Embassy reports and the entire press of the Western World;

Whereas, The Senate of the United States has again chosen to defer ratification of the U.N. sponsored Treaty on Genocide presumably for reasons disassociated from the traditional American sympathy for the suffering of others;

Whereas, Despite extensive documentation, the U.S. delegation to the recent sessions of the United Nations Commission on Human Rights supported Turkey and others to delete reference to the massacres of the Armenian people from the report on Genocide submitted by the Sub-Commission on Prevention of Discrimination and Protection of Minorities;

We, the undersigned Americans of Armenian Extraction, in our concern that such callous indifference on the part of the United States to the Genocidal evil that has struck Armenians and others in the past will increase the likelihood of wholesale slaughter of other minorities in the future,

Do hereby petition the Congressional Delegation from the Greater New York area to introduce the necessary resolutions in the Congress to establish a National Day of Reminder of Man's Inhumanity to Man and to accept the offer of the Armenian people to designate their sacred day, April 24, for this purpose.

GALLOPING INFLATION

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, it really is incredible that the Congress sits on its hands while it witnesses a galloping inflation. To permit all wage and price restraints to be discarded as they have been by the administration when we are presently facing a record rate of inflation now at 12 percent in the cost of living with an expectation that it will get worse, is something that this Congress will be held accountable for in the fall. While it is true that the Nixon administration failed to use the Economic Stabilization Act in a manner that would have restrained prices as it did in restraining wages, the Congress cannot abdicate its responsibility to pass appropriate legislation even when the President either refuses to employ the legislation or when he does use it, does so unfairly.

The Economic Stabilization Act expires at the end of this month—6 days away. The Banking and Currency Committee of which I am a member, by a vote of 21 to 10 on April 5 tabled legislation which would have at the very least provided stand-by controls. Even those who are not for controls at the present time should at least support stand-by controls so that when as undoubtedly will be the case, the inflation becomes so massive and damaging to our people, there will be the possibility of putting into effect wage and price controls.

I am appending an excellent article which appeared in the Wall Street Journal on April 15, authored by the noted economist Walter W. Heller which urges:

First. A quick and simple extension of the stand-by powers of the Economic Stabilization Act;

Second. Granting of the authority requested by John Dunlop for the transitional period; and

Third. The establishment of a monitoring agency—preferably by statute and equipped with last-resort suspension and rollback powers.

[From the Wall Street Journal, Apr. 15, 1974]

The Untimely Flight From Controls

(By Walter W. Heller)

Congress is about to outdo the White House in running away from the inflation problem:

While correctly observing that business and labor are bitterly opposed to wage-price controls—and that consumer views range from skeptical to cynical—Congress is mistakenly sending such controls to the gas chamber rather than putting them in cold storage.

While correctly concluding that broad-scale mandatory controls had outlived their usefulness in an excess-demand, shortage-plagued economy, Congress is mistakenly walking away from its responsibility to assert the public interest in price-wage moderation in an economy plagued by softening demand and rising unemployment.

While correctly observing that the White House has done its level worst to discredit controls, Congress is mistakenly refusing even to give John Dunlop and the Cost of Living Council the leverage they need to insure that the pledges of price moderation and supply increases made in exchange for early de-control by many industries will be redeemed.

Granting that controls are in ill repute, one wonders how Congress can explain to itself today—let alone to voters next fall—the discarding of all wage-price restraints in the face of record rates of inflation of 12% in the cost of living and 15% in wholesale prices (including an ominous 35% rate of inflation last month in industrial commodity prices). Is it the product of a growing "what's-the-use" attitude? Is it an implicit surrender to an inflation that is deemed in part to be woven into the institutional fabric of our economy and in part visited upon us by uncontrollable external forces like world food and material shortages and oil cartels? In short, is inflation now thought to be not just out of control but beyond our control?

MILTON FRIEDMAN'S STREAK

An affirmative answer to these brooding questions seems to underlie Milton Friedman's recent economic streak—one which evokes surprise, astonishment, and disbelief in the best streaking tradition—from Smithian laissez-faire to Brazilian indexation. At present, we use the cost-of-living escalator selectively to protect 32 million Social Security and civil service beneficiaries and 13 million recipients of food-stamps and to hedge inflation bets in wage contracts for 10% of the labor force. Mr. Friedman would put all groups—those who profit from inflation and those who suffer from it alike—on the inflation escalator and thus help institutionalize our present double-digit rates of inflation.

Meanwhile, interest rates are soaring as Arthur Burns and the Fed man their lonely ramparts in the battle against inflation. With wage-price control headed for oblivion in the face of seething inflation, the Fed apparently views itself as the last bastion of inflation defense. So it is adding to the witches' brew by implicitly calling on unemployment and economic slack to help check the inflation spiral.

In this atmosphere, and deafened by the drumfire of powerful labor and business lobbies, Congress seems to have closed its mind to the legitimate continuing role of price-wage constraints. What is that role in an economy relying primarily, as it should, on the dictates of the marketplace?

First are the important transitional functions of the Cost of Living Council for which Mr. Dunolp, with vacillating support from the White House, asked congressional authority. In its new form after April 30 the Council would have:

Enforced commitments made by the cement, fertilizer, auto, tire and tube, and many other de-controlled industries to restrain prices and/or expand supplies—commitments that would become unenforceable when COLC goes down the drain with the Economic Stabilization Act on April 30;

Protected patients against an explosion of hospital fees by keeping mandatory controls on the health-care industry until Congress adopts a national health insurance plan;

Prevented an early explosion of construction wages and the associated danger that housing recovery might be crippled;

Maintained veto power over wage bargains that are eligible for reopening when mandatory controls are lifted.

Beyond Phase 4's post-operative period, government needs to assert its presence in wage-price developments in several critical ways.

The first would be to continue the important function of monitoring other government agencies, of keeping a wary anti-inflationary eye on their farm, labor, trade, transport, energy and housing policies. The point is to protect consumers from the price consequences of the cost-boosting and price-propping activities of the producer-oriented agencies. The White House could continue this function without congressional authority, but a statutory base would give the watchdog agency much more clout.

Second would be the task of working with industry, labor, and governmnet units to improve wage bargaining and relieve bottleneck inflation by encouraging increased production of scarce goods and raw materials.

Third, and by far the most important, would be the monitoring of major wage bargains and price decisions and spotlighting those that flout the public interest.

The trauma of Phases 3 and 4 has apparently blotted out memories of the painfully relevant experience of 1969–71:

The school's out, hands-off policy announced by Mr. Nixon early in 1969 touched off a rash of price increases and let a vicious wage-price spiral propel inflation upward even while the economy was moving downward.

Only when Mr. Nixon finally moved in with the powerful circuit-breaker of the 90-day freeze was the spiral turned off.

Today, the urgent task is to see that it's not turned on again. In that quest, some forces are working in our favor:

Much of the steam should be going out of special-sector inflation in oil, food, and raw materials.

The pop-up or bubble effect of ending mandatory controls should work its inflationary way through the economy by the end of the year.

As yet, wage settlements show few signs of shooting upwards as they did in 1969–70, when first-year increases jumped from 8% to 16% in less than a year. Wage moderation in 1973—induced in part by wage controls, but even more by the absence of inordinate profits in most labor-intensive industries and by the fact that the critical bottlenecks were in materials and manufacturing capacity rather than in labor supply—has set no high pay targets for labor to shoot at.

Thus far in 1974, the aluminum, can, and newly-signed steel settlements won't greatly boost those targets. So the wage-wage spiral is not yet at work. Since, in addition, cost-of-living escalators apply to only one-tenth of the U.S. work force, the ballooning cost of living has not yet triggered a new price-wage spiral. Still, there is a distinct calm-before-the-storm feeling abroad in the land of labor negotiations.

A MODERNIZATION IN INFLATION

With demand softening and shortages easing in large segments of the economy, the old rules of the marketplace would suggest that inflation is bound to moderate. And the odds are that it will—but how fast, how far, and how firmly is another matter. And that's where a price-wage monitor with a firm statutory base is badly needed. It could play a significant role in inducing big business to break the heady habit of escalating prices and in forestalling big labor's addiction to double-digit wage advances.

Industry after industry has gotten into the habit of raising prices on a cost-justified basis as energy, food, and raw material prices skyrocketed. De-control will reinforce that habit.

Once these bulges have worked their way through the economy, we tend to assume that virulent inflation will subside. Indeed, in some areas such as retailing, farm products, small business, and much of unorganized labor, competitive market forces will operate to help business and labor kick the inflationary habit.

But in areas dominated by powerful unions and industrial oligopolies, a prod is needed if habitual inflation—inflation with no visible means of support from underlying supply and demand conditions in the economy—is to be broken. If it is not, the threat of a wage break-out will loom large in upcoming wage negotiations in the construction, communications, aerospace, ship building, airlines, mining, and railroad industries. In those critical negotiations, the wage moderation of the past two years could go up in smoke if the ebbing of non-labor cost pressures is simply converted into profits rather than being shared with consumers in price moderation.

Congress and the White House are taking undue risks if they rely entirely on market forces to achieve this end, especially in those large areas of the economy where competitive forces are not strong enough to protect the consumer. To serve as his ombudsman and to help prevent the picking of his pocket by a management-labor coalition, the consumer needs a watch-dog agency that will bark and growl and occasionally bite. Such an agency—which could accomplish a good deal by skillful exercise of the powers of inquiry and publicity and much more if it were able to draw, sparingly, on powers of suspension and rollback when faced with gross violations and defiance—could provide substantial insurance against inflation by habit.

CONTENTS OF AN ACTION PROGRAM

An action program to accomplish the foregoing would have included—indeed, given a miracle of courage, conviction and speed could still include—the following elements:

A quick and simple extension of the standby powers of the Economic Stabilization Act.

Granting of the authority requested by John Dunlop for the transitional period.

The establishment of a monitoring agency—preferably by statute and equipped with last-resort suspension and rollback powers, but if that is not to be, then by White House action and relying mainly on instruments of inquiry and publicity—to look over the shoulder of big business and big labor on behalf of the consumer.

To declare open season on price-wage decisions under present circumstances—as we seem hell-bent to do in our disenchantment with controls and sudden revival of faith in the market system—would be one more example of the classic action-reaction pattern that excludes the middle way. The Congress and the country may well rue the day when, largely at the behest of big business and organized labor, the government presence in their price and wage decisions was mindlessly liquidated, leaving the consumer to fend for himself.

ARTICLE STRESSING DUBIOUS ASPECTS OF HOUSE RESOLUTION 988, THE SELECT COMMITTEE ON COMMITTEES REFORM PROPOSAL

(Mrs. SULLIVAN asked and was given permission to extend her remarks at this point in the Record and to include extraneous matter.)

Mrs. SULLIVAN. Mr. Speaker, on March 21, 25, and 26 and on April 1 and 4, 1974, I inserted articles in the Record showing how decisions of the Select Committee on Committees which stripped away important portions of the Merchant Marine and Fisheries Committee jurisdictions were ill-conceived and incorrect. Today, I would like to insert in the Record an article from the April 1974 issue of the publication "No Man Apart," published by Friends of the Earth, an important international environmental organization. I commend this excellent article to the Members' attention because it illustrates the very points I have been making with respect to the Select Committee's decisions.

The article focuses on one of the many basic flaws in the Select Committee's reform proposal. The article discusses the transfer of jurisdiction over the National Environmental Policy Act—NEPA—from the Merchant Marine and Fisheries Committee to the proposed Committee on Energy and Environment. It points out the dangers inherent in this transfer and discusses the adverse effects on NEPA and on the program itself under the proposal to remove it from the expertise of its sponsor, Congressman John D. Dingell, chairman of the Subcommittee on Fisheries and Wildlife Conservation and the Environment. The article points out quite correctly that under the proposed change of jurisdiction this landmark environmental legislation may be subject to debilitating amendments and attack which may result in mutations in and setbacks for this environmental program.

The environmental work of the Committee on Merchant Marine and Fisheries will not be the only jurisdictional matters suffering under such a transfer. The present wildlife jurisdiction of the committee will also be put in jeopardy by this proposed reform proposal. Anyone who has any knowledge at all of the work of the House of Representatives recognizes that conservation and wildlife matters have had a protector and most effective advocate under the chairmanship of Congressman Dingell, and the production of legislation from Chairman Dingell's subcommittee concerning these important matters has been prolific and of the highest quality. Congressman Dingell has been a Member of the House of Representatives for 19 years and has been chairman of the Subcommittee on Fisheries and Wildlife Conservation and the Environment since 1965. I have worked closely with John over all these years, as I did with his father before him. In these last 9 years, Chairman Dingell has fashioned an unparalleled record with respect to fisheries and wildlife conservation and the environment. These legislative accomplishments did not just happen. They were the result of John's intelligence, boundless energy and enthusiasm within his areas of expertise, with the assistance of two very able staff laywers who have assisted Mr. Dingell in this work over the years.

What will happen to Congressman Dingell and his excellent staff under House Resolution 988, the Select Committee's reform proposal? How has the Select Committee made provision for handling the situations in which John Dingell and many other able Members of the Congress would find themselves, should the reform proposal not be voted down?

I think it is revealing to examine the way in which the Select Committee has proposed to treat these transition situations and these useful Members.

In the report to accompany House Resolution 988, the Select Committee comments on its so-called transitional provisions. Its summary of the "transitional devices" states:

> In order to facilitate the reforms proposed, the Select Committee believes that it should be the sense of the House that the Members who by these reforms may be required to leave one of two committees should be allowed to select the committee on which they wish to remain. It is also recommended that a Member who presently serves on a committee which has significant jurisdiction transferred may be permitted to join that committee to which the jurisdiction is assigned, with his or her service on the former committee appropriately recognized.

According to the Select Committee on Committees, this appropriate recognition of former service shall be taken into account by the "Democratic Caucus and the Republican Conference." This is indeed a feeble attempt to deal with a very complex and highly significant aspect of the so-called reform proposal. Obviously, the party caucus will not force a committee to accept a member in a lateral transfer and jump that member to a position of seniority above those members who have been sitting and working in the committee over a number of years. Thus, for example, one cannot believe that John Dingell would be put in a position of seniority in the proposed Energy and Environment Committee over the existing members of the Interior Committee, to become chairman of a subcommittee dealing with NEPA or wildlife conservation. Indeed, it is not clear what kind of status these important jurisdictional matters would have in the new Committee on Energy and Environment.

The Select Committee's treatment of the displacement of valuable staff members is equally cynical, impotent, and insensitive. It is stated, on page 74 of the report, that:

> The Select Committee realizes that its proposals to reorganize the committees will disturb established patterns of committee staffs. It realizes also that staff-Member relationships require mutual confidence, trust, and political compatibility. Yet the Select Committee believes that the reorganization of House committees should not result in the loss of valuable staff. When, by necessity, such loss occurs the Select Committee recommends that the placement office of the Joint Committee on Congressional Operations give high priority to relocating staff members in appropriate positions.

In the real world, it is perfectly clear that the hortatory phrase "that the placement office of the Joint Committee on Congressional Operations should give high priority to relocating staff members in appropriate positions" are just words and lipservice and that this valuable resource could for the most part be wasted and lost.

I submit that the dislocation of Members and staff goes to the heart of the Select Committee reform proposal and that the Select Committee's cavalier treatment of this critical matter is far from satisfactory. Surely with 10 Select Committee members, a staff of 12 persons, a budget of $1.5 million, and deliberations for almost a year and a half, one might reasonably expect a more comprehensive examination and a more complete and satisfactory recommendation and solution to such a basic problem as this.

The article points out very well the weaknesses in and problems resulting

from the Select Committee decisions and provides more evidence that House Resolution 988 does not provide positive and necessary reform but is in reality a scheme that will in fact result in a weakening of the processes and work of the House of Representatives. The proposal must be defeated.

The article, "A Dubious Reform Plan," follows:

[From No Man Apart, April 1974]

A DUBIOUS REFORM PLAN

(By Ann Roosevelt)

The House Select Committee on Committees is continuing the mark-up of its reorganization plan that would reorganize House committee jurisdictions and limit members to serving on one committee. The Committee hopes to have the reorganization plan come up for a vote on the House floor sometime in April.

Originally, many environmental jurisdictions were shuffled and assigned to the commodity-oriented Agriculture Committee. Through the work of FOE and others, however, Wildlife, National Parks, Wilderness, and Fish and Fisheries have been removed from the hostile Agriculture Committee and placed in the newly created Energy and the Environment Committee, which will become the successor to the Interior Committee. FOE is still very much concerned over the fate of Public Lands and National Forests, however.

At press time, public lands jurisdiction is going to be split functionally, with grazing, farming, and forestry placed in Agriculture. Wilderness, wildlife, and mineral leasing on public lands will be given to the Energy and Environment Committee. From a management standpoint, this does not allow a coordinated land-use approach toward the public lands. We believe it would be better to have all these jurisdictions go to the committee having primary responsibility for land-use policy. Under the new proposal, this committee would be the Energy and Environment Committee.

Another aspect of the reorganization plan that causes concern is the proposal to limit members to service on one committee. This scheme would concentrate power by reducing the number of committees, and chairmanships as well. It would also encourage further identification of committee members and staffs with the more limited number of special interests and agencies which they would oversee. Further, it might be particularly detrimental to environmental and consumer interests that are of important national concern but which may be of secondary concern to specific congressional constituencies. Thus, a Northeastern representative with a strong environmental interest but a strong labor constituency may feel compelled to join the Labor Committee rather than the Energy and Environment Committee. We think it would be better to limit members to two committee assignments and make provisions for extra staff for those members serving on two committees. Problems such as scheduling conflicts for committee meetings could be alleviated by expansion of the legislative work week from three days to four or five.

A further worrisome aspect of the reorganization plan is that jurisdiction over the National Environmental Policy Act (NEPA) will be transferred from the Merchant Marine and Fisheries Committee (which at press time is slated to become a minor committee) to the Energy and Environment Committee. John Dingell (D-Mich.) is the subcommittee chairman of the Merchant Marine and Fisheries subcommittee, which now has jurisdiction over NEPA, and it is largely through his efforts that NEPA has been preserved from debilitating amendments. Transferring jurisdiction over NEPA to the Energy and the Environment Committee opens the door to possible amendments.

This transfer of NEPA jurisdiction comes at a politically inopportune time. There was a secret, high-level meeting at the White House a few weeks ago to discuss the possibility of amending NEPA in such a way as to permit energy-producing facilities not to file environmental impact statements. Since NEPA has forced agencies to consider the environmental impact of their action and has permitted public participation in decision making, this Administration proposal would be a disastrous setback for the public interest.

In the tightly knit world of Congress, one of the best ways to prevent crippling amendments to a law is to reject these amendments when they are offered for consideration at the subcommittee level. So far environmentalists have been lucky in having a friend, John Dingell, as chairman of the Subcommittee of the Merchant Marine and Fisheries Committee that has jurisdiction over NEPA. If the NEPA jurisdiction is transferred to the Energy and the Environment Committee, NEPA will be in dire trouble.

SLUMPFLATION IS A GOOD REASON NOT TO END ALL CONTROLS

(Mr. BINGHAM asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BINGHAM. Mr. Speaker, as the Congress prepares to abandon economic controls on April 30, headlines in the daily press convey the bad news to the American consumer—inflation is worse now than at any time in the last 25 years, climbing at over 13 percent on an annualized basis. "Double-digit inflation" will become a household phrase unless the Congress acts forcefully and responsibly before it is too late. I include an article from the Washington Post of April 20, 1974, and an editorial from the New York Times of April 22:

[From the Washington Post, Apr. 20, 1974]

INFLATION RATE IS HIGHEST IN 25 YEARS

(By Hobart Rowen)

The worst inflation rate in nearly a quarter of a century continued to plague the nation in March, when the consumer price index rose another 1.1 per cent, equivalent to an annual rate of 13.2 per cent.

It was the second consecutive day of bad economic news, the government having reported a recession-like drop in the Gross National Product Thursday by 5.8 per cent.

The combined squeeze of higher prices and sluggish production has government officials worried, but the current posture of the Nixon administration, fearful of worsening the inflation rate, is to try to ride out the storm without stimulative measures.

The March result compared with a 1.3 per cent increase in February and 1 per cent for January (all figures seasonally adjusted.) But while food price pressures eased somewhat, inflationary pressures in non-food items and services became more severe.

The food price index increased by 0.8 per cent in March, substantially less than the 2.5 per cent in February or 1.6 per cent in March, thanks mostly to a decline in beef, pork, poultry, eggs and fresh fruits. Nevertheless, the Labor Department said that the 0.8 per cent increase is much higher than is usual for foods in March.

In the Washington area, the Department said, the retail food price index was unchanged at 163.7 (1967 equals 100). A decline in grocery store prices about offset an increase in restaurants. (Food is the only major category of the CPI prices monthly in the Washington area.)

Gary L. Seevers, a member of the President's Council of Economic Advisers said that the inflation problem could be worsened "by measures designed to stimulate the pace of economic activity."

But administration critics are concerned by the fact that workers' real income—that is, pay after making an adjustment for higher prices and taxes—is lower than the year-before level for the twelfth consecutive month.

For the average married worker with three dependents, real earnings dropped another 0.9 per cent, bringing the March figure 4.7 per cent below a year ago. That means the average worker has the spending power now of only $95.30 out of each $100 a year ago.

Taking the first three months of the year together, the Labor Department said that the cost of living has soared at an annual rate of 14.5 per cent, the largest since the first quarter of 1951.

On a year to year basis (March, 1973 to March, 1974), the cost of living has jumped 10.2 per cent, which explains why officials refer to the inflation rate as a "double-digit" affair. This is more than twice the rate of the preceding year, and the highest 12-month bulge in prices since January, 1948.

Another worrisome aspect of yesterday's news is that while the sharp recent rise in food prices abated considerably in March, the price tag for non-food prices and services continued to escalate even faster.

In fact, the 1.5 per cent increase in industrial prices for the month (an 18 per cent annual rate) is the biggest in that category since the government began to keep such statistics in 1954.

Within this group, gasoline and motor oil went up 7 per cent to a level 39.3 per cent above a year ago, the Labor Department said.

All told, higher prices for gasoline and food—which until recently have been accounting for about two-thirds of the inflation—accounted for only 25 per cent of it in March, which means that price rises have spread in a pervasive way to a wide range of other consumer goods and services.

There were notable price increases in physicians' fees (up at a 20.4 per cent annual rate), apparel, gas, electricity, postal rates, newspapers, textiles, new cars, city bus fares and household durable goods.

In a separate report, the department said that average prices of regular gasoline rose 7.5 per cent to 52.8 cents per gallon in March. In the last five months the price of regular gasoline has gone up 31.1 per cent.

Seevers expressed some optimism, in a cautious way, about prospects that the level of price hikes would abate. Administration officials are also hoping for an upturn in economic activity despite Thursday's first quarter report on GNP.

In the first three months, GNP rose only $14.3 billion, or at a 4.4 per cent annual rate, to a seaonally adjusted pace of $1,352 billion. This dollar value gain—all in prices—was much smaller than a $33 billion gain, or 10.5 per cent, in the previous quarter.

The 5.8 per cent slide in real GNP terms is almost triple what the administration had privately expected at the beginning of the year.

[From the New York Times, Apr. 22, 1974]

RECORD SLUMPFLATION

The nation's economic performance in the first quarter of this year was almost certainly the most alarming of the entire postwar period. Real output declined at an annual rate of 5.8 per cent, the sharpest drop in gross national product in sixteen years. The over-all price level increased at an annual rate of 10.8 per cent—the steepest climb in 23 years. Most disturbing of all, slump and inflation worsened in parallel. By an "index of economic disorder"—combining the rate of decline in real G.N.P. with the rate of inflation—this slumpflation provides the poorest record since World War II put an end to the Great Depression.

The first quarter's dismal record cannot be dismissed as a fluke, a stroke of bad luck caused by the energy crisis. Unquestionably, the oil embargo and soaring fuel prices did help to depress the economy and exacerbate inflation. The energy-cost squeeze has still not ended and could even intensify in the months ahead.

But the American economy had entered a slump even before the Mideast war broke out in October. Housing had fallen precipitously due to tight money and high interest rates. Analysts had hoped that a gradual slowing of the economy and lower interest rates would boost housing. Instead, accelerating inflation has raised rates to peak levels and housing is slumping again.

Inflation has also worsened the cash problems of many businesses, especially such heavy borrowers as the real estate investment trusts. Even with heavier carrying costs, business inventories are still rising. Since much inventory building was involuntary, such as the pile-up of unsold autos, production-depressing cuts in stocks appear to lie ahead.

Inflation is practically out of control. Nationally, consumer prices rose at an annual rate of 13.2 per cent in March; in the New York area, the cost of living climbed at a 14.4 per cent annual rate. Relentlessly, the Administration goes on removing controls day by day, and Congress shows no disposition to design an effective new anti-inflation program to replace that shattered ruins of the existing one after April 30.

The new temptation—sponsored, curiously enough, by libertarian economists—is to learn to live with inflation by imitating authoritarian Brazil and attaching all incomes and bonds to a price-index escalator. But, without waiting for the United States Government to go Brazilian, American labor is producing an "indexing" solution of its own through an automatic tie of higher wages to higher prices. Understandable as labor's pressure is, the reality is that sharp rises in wages, far in excess of productivity gains, threaten either to intensify unfairnesses in the distribution of inflation—or to create a profit squeeze and deepen the recession.

The Administration is apparently counting on a slowdown (which President Nixon has forbidden his underlings to call a recession) to check the inflation. At the same time, it is counting on a second-half recovery to keep unemployment from growing significantly. But what plans has the Administration, if these wishful forecasts go awry?

Flying without flight plans or controls, the Administration's top policy makers are jostling for the pilot's seat. Mr. Nixon has announced that he intends to take personal charge of "economic policy." "What policy?" one might well ask. On the record to date, this could be the most disturbing news of all.

Mr. Speaker, on April 10, when I introduced H.R. 14189, I said that a new approach, was needed to fight inflation and unemployment. Two dozen of my colleagues who have cosponsored the measure are in agreement with me, and many others appear to have similar thoughts. If we abandon controls completely, the Congress by its inaction will become the unwitting accomplice of an administration "flying without flight plans or controls."

ADDRESS OF CONGRESSMAN JOHN BRADEMAS, COLLEGE OF EDUCATION, MICHIGAN STATE UNIVERSITY

(Mr. BRADEMAS asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. BRADEMAS. Mr. Speaker, on April 21, 1974, I had the privilege of speaking at the annual presidents' dinner of the college of education, Michigan State University, East Lansing.

The purpose of this dinner was to honor those members of the faculty of the college of education at MSU who have been elected Presidents of national educational organizations.

I insert at this point in the Record the text of my remarks on this occasion:

Address of Congressman John Brademas, the Presidents' Dinner of the College of Education, Michigan State University, April 21, 1974

I am, for several reasons, delighted at the opportunity to be with you here in East Lansing tonight.

I confess that this is my first visit to Michigan State University and I admire your courage in inviting here the Representative in Congress of the District where the nation's Number One football team, that of the University of Notre Dame, is located!

I am pleased to be here at one of the nation's greatest universities because of my friendship of many years with your distinguished President, Clifton Wharton.

Cliff Wharton is respected in Washington, D.C. and across the nation as a thoughtful and imaginative leader in American higher education as well as in another field crucial to the future of our country and, indeed, the world, the economics of agriculture.

In fact, the state of Michigan can be proud of having produced some of the nation's most effective champions of education.

I think of my wise and gifted friend, the former Secretary of Health, Education and Welfare and now Dean of the School of Education at your sister institution at Ann Arbor, Wilbur Cohen.

And I think of two senior members of the House Committee on Education and Labor, both widely respected for their expertise in the field of education, Congressman James G. O'Hara of Utica, Chairman of the Subcommittee on Higher Education, and Congressman William D. Ford of Taylor, who sits on the subcommittee that handles elementary and secondary education.

And I must say a word as well of the outstanding contribution of your able State Superintendent of Public Instruction, John Porter, to the work of the National Commission on the Financing of Postsecondary Education, on which I sat with him for over a year.

I am glad to be here also to join in doing honor to those members of the faculty of education at Michigan State University who have been elected to the presidencies of various national organizations: August G. Benson, President of the National Association for Foreign Student Affairs; Lloyd M. Cofer, Chairman of the Association of Governing Boards of Universities and Colleges; Carl H. Gross, President of the Society of Professors of Education; Archibald B. Shaw, President of the Horace Mann League of the U.S.A.; Willard Warrington, President of the National Council on Measurement in Education; and Stanley P. Wronski, President of the National Council for the Social Studies.

That one faculty of one university should have supplied so much leadership to so many educational organizations speaks well, I believe, for both the caliber and commitment of your College of Education to the enterprise that brings us together tonight, improving the quality of education in the United States and widening access to it.

ELEMENTARY AND SECONDARY EDUCATION ACT

Although, I speak as a member for many years of that committee of the House of Representatives with primary responsibility for writing legislation to support education at every level from preschool to graduate school and beyond. I want to focus my remarks on the major current legislation in which I know many of you will have an interest, the bill to extend the Elementary and Secondary Education Act.

There are three reasons I choose to concentrate on this particular measure.

First, the ESEA is the most important program of Federal aid to education, in both magnitude and impact.

Second, the bill extending ESEA is even now making its way through the legislative process. So my discussion of this bill is not—no pun intended—academic.

Third, the complexity of the issues that legislators face in trying to write this multi-billion dollar bill to try to help our nation's schools and the difficulties we have encountered in obtaining answers to the questions the measure raises combine, I believe, to teach you, as professional educators, an important lesson.

The lesson is this—and I shall give it to you in advance—that schools of education should give far more attention than they now do to the shaping of Federal education policy.

For the fact is that although many of us in Congress have been working hard this past year to strengthen and improve the effectiveness of the Elementary and Secondary Education Act, neither deans of schools of education nor their faculties have, with rare exceptions, made significant contributions to our efforts.

This is a point to which I shall later return.

So now let me speak of H.R. 69, the bill which would extend for three years the major programs of Federal aid to the nation's grade schools and high schools. As you know, the House just a few weeks ago gave its overwhelming support to the measure by passing it 380 to 26.

And this vote is, I believe, solid evidence that most of us in Congress, both Republicans and Democrats, are commited to continuing our support of Federal assistance to education.

I would like, at the outset, to list the principal provisions of H.R. 69 as passed by the House:

1. An extension of the Title I program for three more years with an updating of its formula for distributing its funds and the inclusion of several improvements in its administration.
2. Consolidation of several categorical Federal aid programs into two broad programs.
3. Extension of the impact aid programs for three more years.
4. Extension of the Adult Education Act.
5. The creation of a new Community Education program, along the lines of the program pioneered in Flint, Michigan, and supported by the Mott Foundation.
6. An extension of the Education of the Handicapped Act.
7. An extension of the Bilingual Education Act.
8. A study of the need for early funding of education programs.
9. An authorization for the calling of a White House Conference on Education in 1975.

THE TITLE I ISSUE

I want to talk principally tonight about what was perhaps the most controversial, but no doubt the most important, feature of the bill, the updated formula for Title I.

You will forgive me if much of what I say sounds both specific and complicated but so too is the nature of educational problems with respect to which we legislate.

And I hope that when I have finished my remarks, you will better understand why I say that we as legislators need more help from you as educators than you now give us in shaping public policy for education.

As you know, Title I was first enacted in 1965 as a response to what was then widely perceived to be a serious national problem of educational deprivation among low-income persons. Studies and reports had determined a high correlation between poverty and educational achievement. The problem was felt to be particularly acute in school districts with high concentrations of poor—districts which have difficulty in financing adequate educatonal programs.

Studies of the impact of Title I have indicated that it has indeed been providing a substantial amount of assistance to pupils in districts most in need of educational assistance.

Although significant progress can be cited, it was necessary to extend Title I because the original purposes and goals which Congress established when Title I was first enacted into law have not yet been achieved.

Our job in extending the Title I program was a difficult one, however, because the current formula which has been used to allocate Title I monies has become outdated and has created serious distortions and imbalances in the allocations of Title I monies. The updated formula written by the Committee and adopted by the House was aimed at correcting these problems.

As you know, the present law provides that local school districts receive Title I grants based on two factors: a) the number of children in those districts from families with incomes under $2,000 a year, according to the decennial census; and b) on the number of children from families with incomes over $2,000 from payments under the Federal program of Aid to Families with Dependent Children (AFDC).

Each school district's entitlement is computed by multiplying the total number of children from these two categories by one half the state or national average per pupil expenditure for elementary and secondary education, whichever is higher.

When the Title I formula was written nine years ago, it was thought that the best method for distributing funds would be to use census data to determine numbers of children from poverty families since these data were thought to be the most nationally uniform and reliable.

But since the census data are collected only once a decade, there was a need for an updating factor to be annually applied to the data, and that updater was written into the original law as the portion of the formula which counts AFDC children.

THE AFDC PROBLEM

Originally, AFDC children accounted for approximately 10% of the total Title I children, or about 600,000 out of a total of 5.5 million.

But over the years, the AFDC children counted under the formula have grown to such an extent that they have overwhelmed the children counted from the census to the point where AFDC has become the predominant element in the formula. This problem was compounded last year with the shift to 1970 census data, a shift which resulted in nearly a 50% reduction of the number of children counted under the $2,000 low-income level. As a result, AFDC children now account for over 60% of the total number of children eligible for Title I—about 3.6 million children out of a total of 6.2 million Title I children.

Thus, Title I money is now being principally distributed not on a basis of nationally uniform census data but on the basis of AFDC caseload counts. But the AFDC program in its present state simply does not provide an accurate and reliable basis for comparing poverty throughout the country.

Let me explain—

As you well know, there are great varieties in the levels of AFDC benefits across the country, as well as varieties in the methods used to administer these programs. For example, studies have shown that the wealthier a State, the more likely it is that its level of AFDC benefits will be high and that it will therefore be able to add AFDC children under Title I. Since the Title I formula has come to rely more heavily on AFDC as a basis for allocation, Title I funds have therefore tended to go to wealthier States, which have been able to afford larger AFDC programs.

Further, the AFDC program leaves great discretion to the States in its actual administration. These differences clearly make AFDC statistics unsuitable for use in the distribution of Federal aid.

A look at the allocations under Title I for last year, I think, aptly demonstrates how allocations under the present formula have tended to favor wealthier states with high AFDC benefits.

New York, which ranks first in per capita income among the states and ranks near the top of the states in AFDC benefits paid, received nearly 18% of the Title I funds in 1974 while it has only 7.4% of the school children in the country. Compare this with Texas, which received 4.5% of the Title I funds in 1974 although it had 5.9% of the total school children in the country. The reason for this discrepancy is that Texas was able to add only 81,854 AFDC children to its total count of Title I eligible children while New York was able to add 564,248 AFDC children.

I am perfectly aware that we are not here discussing a general aid formula, but I think it nonetheless true that these figures give you some idea of the distortions created by the present formula.

OTHER PROBLEMS

There is another problem with the current formula, which utilizes a static, low-income factor—$2,000—in counting census children. A figure of this kind is too inflexible because it does not reflect certain elemental variables necessary in measuring poverty. For example, under the present formula, children from a family of three earning $1,995 would be counted when children from a family of six earning $2,005 would not.

And there is another difficulty. The present Title I formula also has a problem with the payment rate as applied to the Title I eligible children, and this problem has produced substantial inequities as well. Let me explain:

Under the present law, school districts are eligible to receive for each Title I child either one-half the State or one-half the national average expenditure for education, whichever is higher.

Since there is no ceiling on the payment rate which a State can receive, this aspect of the formula has also contributed to a distortion of the distribution of Title I funds among the States.

New York State, for example, is eligible to receive $772 per Title I child while California is eligible to receive only $465 per child.

Yet I think there would be few who would contend that it costs that much more to live in New York than to live in California.

So the result of this part of the formula, if you look at it in dollars and cents terms, is that New York is this year receiving nearly twice as much money as California—$218 million as compared to $121 million—although the two States have approximately the same number of Title I children.

A NEW TITLE I FORMULA

In view of these considerations, the Education and Labor Committee wrote a new formula to provide what we believed to be a more equitable distribution of funds, one which will rely on census data, data which are uniform nationwide, as a basis of allocating compensatory education funds.

This formula was developed after more than a year of consideration by the Committee, consideration which included months of public hearings and open mark-ups by the General Education Subcommittee and months of public mark-up sessions by the full Education and Labor Committee.

Under the updated formula developed by the Committee and adopted by the House a few weeks ago, each school district will be able to count the number of children within the school district who are from families considered poor according to the decennial census using the official Federal definition of poverty known as the "Orshansky" index.

School districts will also be able to add each year two-thirds of those children from families receiving an income from payments under the AFDC program in excess of the current Federal definition of poverty for a nonfarm family of four—that figure being presently $4,250, and this figure is to be updated annually by the Consumer Price Index.

To continue, each school district's total number of children is to be multiplied by 40 percent of the State average per pupil expenditure for education except that if any State's average expenditure is less than 80 percent of the national average expenditure, school districts in that State will be entitled to 80% of the national average per pupil expenditure. If the State's average per pupil expenditure is in excess of 120% of the national average exepnditure, school districts within the State will be entitled to a payment equal to 40% to 120% of the national per pupil expenditure.

The purpose of shifting to an updated definition of poverty for counting children and in diminishing the importance of the AFDC figures is to restore the balance that was present in the original Title I program and to provide for the most equitable possible nationwide distribution of Federal compensatory education funds.

Using the Orshansky index of poverty and by reducing reliance on AFDC, more accurate and uniform national census data will again be the principal basis for the distribution of Title I money. And the rather erratic AFDC data will be used as a less important modifier of those data.

THE ORSHANSKY INDEX OF POVERTY

The reason the committee adopted the Orshansky index of poverty for counting the number of Title I children is that it is the most accurate measure of poverty providing data at the county, State, and national levels. The Orshansky index varies according to three factors: First, the number of children in the family; second, the sex of the head of the household; and third, the farm or nonfarm status of the family.

Moreover, the Orshansky index is a measure of poverty adopted by the Federal Government in 1969 as the official definition of poverty and is now widely used in various Government programs.

You will also be interested in knowing that we included a "hold-harmless" provision, whereby no school district will receive less in any fiscal year than 85% of the money it received in the preceding fiscal year.

And in recognition of the important role of teachers in providing special assistance to educationally deprived children, the bill approved by the House would authorize the use of Title I funds for teacher training programs in local school districts.

Although the formula developed by the Committee was in my view the most equitable and fair formula which could be devised, it was not without its critics.

OTHER APPROACHES

Certainly, the most vocal critics of the updated formula were those Members who charged that the new formula moved toward a general aid approach and away from a poverty-related program. They argued that the updated formula shifted funds from cities and states which had received special attention in 1965 when Title I was first enacted and which have the highest concentration of educationally deprived children to wealthier and more rural areas. They were particularly concerned about the estimated entitlements for New York State and New York City.

In this regard, I would have to make two points. The first is that Title I was not designed to help or hurt any city or State; rather, it was intended to help educationally deprived children.

But even putting that argument to one side, an analysis of the projected allocations under the updated formula clearly indicated that these charges just were not true. These projected allocations show that most urban states and counties will have a greater share of Title I children than they did in 1965, the first year of Title I. For example, in Fiscal 1966 California had 5.6% of the eligible Title I children. Under the updated formula, it will have 8.4% of the eligible children. Los Angeles in 1966 had 1.9 percent of the eligible Title I children; under the committee formula, it will have 3.4%.

New York State in Fiscal 1966 had 5.4% of the eligible children; under the committee formula, it would have 8.6%. New York City in 1966 had 3.2% of the total Title I children, and under the committee formula, it will have 5.62%.

And an analysis of the updated formula indicates that although a few cities may lose some money, a comparison of allocations under the committee formula with allocations in Fiscal 1973 and Fiscal 1974 shows that most cities can expect to receive significant increases in Title I funds.

Clearly, Title I remains the program which serves the poor who are underachievers and who reside in areas of concentrations of poor families.

These critics tried to develop an alternative formula which they felt would be more favorable to urban areas and particularly to New York State and New York City. The difficulty of their task was, I believe, underscored by the fact that they were at one point considering some 20 different formulas. You can guess, I am sure, that the one thing these formulas had in common was that they shifted more Title I money to New York State and New York City at the expense of other States and urban areas, and it was not surprising, therefore, that the first of these amendments to be offered was defeated by a vote of 87 to 326 and that a second amendment, defeated 17 to 73, had such little support that its sponsors could not muster the twenty necessary Members to request a recorded vote.

The other major source of criticism came from Members who wanted to view Title I more as a general aid program. Under this approach, ⅔ of Title I funds would have been allocated on the basis of school age population and ⅓ on the basis of the committee poverty-related formula. This approach was contrary to the fundamental purposes of Title I and had the effect of shifting Title I funds from urban areas with the highest concentrations of educationally deprived children to wealthier suburban school districts.

For example, although the State of Michigan would have received $4.8 million more under this approach than under the updated committee formula, there would have been a $5.6 million increase for Oakland and Macomb Counties, two of the twenty richest counties in the nation, while Wayne County would have received $4.4 million less.

My own view is that given scarce education resources, we should focus education funds on areas with the greatest need—those areas with concentrations of educationally-deprived children.

And so I was naturally pleased that the House rejected this approach 103 to 312 and in effect voted to continue the current approach of allocating Federal compensatory funds to such areas.

A STUDY OF COMPENSATORY EDUCATION

I would like to say a word about another important section of H.R. 69 which, I believe, can prove most helpful to Congress and the educational community in our understanding of Title I and similar compensatory education programs.

That section would authorize the National Institute of Education to conduct a comprehensive review of compensatory education programs, to study alternative methods for distributing such funds, and to conduct experiments for the purpose of evaluating these alternative methods.

One of the real problems our committee encountered in considering H.R. 69 was the difficulty in obtaining reliable and useful information about compensatory education programs, especially about their effectiveness and about alternative methods for distributing such money.

The study provided in the committee bill would call for an examination of all such programs, not only those provided under Title I, but State programs as well.

The NIE is directed to study the fundamental purposes of compensatory education programs, evaluate their effectiveness in attaining these purposes and review as well the effect of concentrating such funds in the areas of reading and mathematics. Here again, I believe that schools of education in particular should give greater attention to the relationship between better research and better teaching.

This section also authorizes NIE to look at alternative methods for distributing the moneys, including methods based on poverty and methods based on procedures to assess educational disadvantage.

The bill provides a separate authorization of $15 million for the NIE to meet the research costs of the study and to submit an interim report to Congress no later than December 31, 1976, 6 months before the expiration of Title I, with a final report due no later than 9 months thereafter.

CONSOLIDATION

I want now to refer to another provision of the bill, the so-called consolidation section.

The committee agreed to consolidate, under certain conditions, seven categorical programs into two broad purpose programs.

The school library program (Title II of ESEA), the equipment program (Title III, NDEA), and the guidance and counseling program (part of Title III ESEA) are to be consolidated into the first broad category: library and instructional resources.

The innovation program (the remainder of Title III ESEA) the dropout prevention and the health and nutrition programs (Title VIII of ESEA) and the program of aid to State Departments of Education (Title V of ESEA) are to be consolidated into the second broad category; innovation and support services.

I should here point out, however, that these consolidations will only go into effect if the total appropriation provided for them during the first fiscal year is at least equal to the aggregate amount appropriated for the seven separate programs during the preceding fiscal year. For each year thereafter, the consolidations will only be carried out if the appropriations for that year are at least equal to the appropriations for the consolidations of the previous fiscal year.

Further, safeguards have been written into the bill to assure that the integrity and identity of the individual categorical programs will be maintained.

Obviously the point of these conditions is to guarantee that the same total amount of moneys is provided for these purposes as were provided in the separate categorical programs. The committee did not believe that consolidation should be used as an excuse to phase out an important aid to education or to retrench a Federal commitment to these several programs.

Now where are we on ESEA?

The House has passed the extension bill and with overwhelming approval of the new Title I formula.

The Senate Labor and Public Welfare Committee recently reported its version of an extension and the Full Senate is expected to consider it within the next few weeks.

I shall not here take time to analyze the differences between the House and Senate bills; they are considerable.

But I am confident that after protracted negotiation in a House-Senate conference, a bill will be produced that will continue this vital form of assistance to the nation's schools.

I hope, however, that what I have said about the variety and difficulty of the issues involved in this legislation persuades you why I argue—as does Wilbur Cohen—that deans of schools of education and their faculties should no longer hesitate to offer their suggestions to us in Congress on what they believe should be included in legislation that can significantly affect our schools, colleges and universities.

EDUCATION OF HANDICAPPED CHILDREN

Now I should like, if I may, to say a word about a couple of other areas in which I have considerable interest and which come within the jurisdiction of the subcommittee I have the honor to chair.

In the Elementary and Secondary Education Act bill just approved, we propose to extend the Education of the Handicapped Act.

But you and I know that this legislation in and of itself has really not proved adequate in meeting the needs of handicapped children in the United States.

Even with the present pattern of Federal support, only 40 percent of the handicapped children are now being served, and it has become increasingly difficult for the families of handicapped children to meet the exceptionally high cost of special education.

Moreover, as a recent Rand Study showed, Federal programs to assist the handicapped are marked in many cases by a lack of focus and direction.

For these reasons, but in particular because of the concern some of us have to assure that handicapped children are given a more equitable opportunity for an education appropriate to their needs, Senator Harrison Williams of New Jersey, the distinguished Chairman of the Senate Committee on Labor and Public Welfare, and I have introduced legislation of which I should like to say just a word to you.

It is based in no small part on the needs I have just cited, but also on the pattern of recent State Supreme Court decisions whereby courts have held that handicapped children have a constitutional right to an education just as do normal children.

Our bill would provide Federal funds to states with which to reimburse local school districts for up to ¾ of the excess costs of educating handicapped over normal children.

We have, as it were, taken into account the finding of many experts that it costs at least twice as much, or more, to educate handicapped as normal children.

My subcommittee has already held several days of hearings on this proposal, and there is at least a strong possibility of congressional action on the bill this year.

And here again, if I may say so, we in Congress have found precious little help from our schools of education in writing this legislation.

Here, for example, is a crucial question: How do you define "cost" when it comes to educating handicapped children?

For the definition of "cost" in a bill that would reimburse school districts on an "excess costs" basis is obviously crucial to determining of flow of funds.

You wil recall how important—and difficult—was the question of defining "poverty" in determining who receives Federal compensatory education money under Title I of ESEA.

SCHOOLS OF EDUCATION AND EDUCATION POLICY

But I wonder how much attention is given by our schools of education and by our educational researchers generally to such real world problems as these?

Indeed, I would go a step further most respectfully to suggest that schools of education too often fail to teach effectively about the processes of policy making in education, at all levels of government.

For unless you in the schools of education understand the importance to education of how we as politicians decide policy, you will ignore the need for you as educators to pay more attention to the substance of the policy we decide.

Having said this, you will, I hope, appreciate why I now want to say a brief word about the National Institute of Education.

NATIONAL INSTITUTE OF EDUCATION

This agency, first proposed by President Nixon in 1970 and strongly championed by a coalition of Democrats and Republicans in Congress, is now the major Federal venture for supporting research and development in education at every level and in both formal and nonformal learning situations.

As principal sponsor of the NIE in Congress, I naturally have a deep commitment to seeing it move ahead, to help us improve the quality of learnings and teaching in our schools, colleges and universities and other educational institutions.

And, although I have found it easy to disguise my enthusiasm for the works of Richard Nixon, I have been outspoken in my commendation of the President for having first proposed the National Institute of Education.

For you and I know that we simply do not do as good a job as we ought to do in research on the learning and teaching processes.

The National Institute of Education is aimed at helping make possible, through grants and contracts across the country, not only more and better research but more effective dissemination of the results of the research so that they can make an impact in the classroom.

The NIE has had, for a variety of reasons that I shall not here detail, some difficult time in getting started and Congress has not been all that responsive to its pleas.

I was nonetheless happy to see that President Nixon in his special message on education to Congress earlier this year indicated his continuing support for the National Institute of Education, and I was glad also to see in the President's budget message a call for $130 million for Fiscal 1975.

I hope very much that you as educators will give your strong support to the President's request in both these instances. I like to think that when you get someone on the White House "Enemies List" urging you to support Mr. Nixon's requests, there may be something to be said for it!

The passage of the NIE reflects what I take to be an increasing concern, at least on the part of Members of Congress, that we need to be much more thoughtful and systematic in our efforts to understand the effects on learning and teaching of the actions that we take, in particular, the expenditure of large amounts of public money.

And of course, this same motivation was what propelled me to offer and the committee to accept the amendment authorizing the NIE to conduct a study of compensatory education in the United States.

I can tell you that one of the reasons that on the committee we had to wrestle so long and hard with the Title I formula is that we simply lacked adequate information and reasoned analysis on the effectiveness of compensatory education programs, the same kind of problem that troubled us in 1972 as we sought to write a program of general institutional aid for our colleges and universities.

A LESSON FOR AMERICAN EDUCATORS

Everything I have just said has, I like to think, some significance for you as American educators.

One of the lessons is that all of us who make decisions about education must be more reflective, more systematic, more rational in what we seek to do.

With public monies scarce and the demands for such monies rising both in numbers and in amount, it is essential that all of us who are dedicated to improving the quality of education and widening access to it do the very best job that we can with the resources that are available.

And doing the best job that we can in education means at least, I respectfully suggest to you, thinking a good deal more about what we are doing and why we are doing it.

Surely these is here a challenge to the schools of education in this country, a challenge to apply more reason to the institutions and processes of our society that both incarnate and advance reason, to, that is to say, our schools, colleges and universities and the teaching and learning for which they exist.

I think I can take no better theme for the sermon that I have just preached to you than the simple opening of Abraham Lincoln's House Divided Speech in 1858. Said Lincoln: "If we could first know where we are, and whither we are tending, we could better judge what to do and how to do it."

I hope I have given you some idea of what one Member of Congress thinks about where we are and whither we are tending in the field of American education.

I hope that you as educators will help us as legislators better judge what to do and how to do it.

AMENDMENT TO BE OFFERED BY MR. HECHLER OF WEST VIRGINIA

(Mr. HECHLER of West Virginia asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HECHLER of West Virginia. Mr. Speaker, on April 25 I intend to offer the following amendment to the NASA authorization bill, H.R. 13998:

Page 2, lines 13 and 14, delete the amount "$76,600,000" and insert in lieu thereof the amount "$80,500,000".

STRIP MINING IN NORTH DAKOTA

(Mr. HECHLER of West Virginia asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HECHLER of West Virginia. Mr. Speaker, in February I visited North Dakota as a guest of Gov. Arthur Link and the United Plainsmen to discuss strip mining. I was deeply impressed by the people of North Dakota and their deep concern that strip mining threatens their land and way of life. When I returned to Washington, I wrote a letter to the editor of a number of North Dakota newspapers. My letter to the Williston, N. Dak., Daily Herald sparked an exchange of letters. Mr. W. J. Oved of Crosby, N. Dak., wrote a letter attacking my position. Mr. William K. Thomas of Williston responded with a letter which I feel is representative of the sentiments of most North Dakotans. While we in Congress haggle over weak regulatory legislation, the people at the grass roots await real action to phase out strip mining. The text of the three letters follows:

COAL OPERATORS ARE SERIOUS THREAT TO NORTH DAKOTA

Editor, The Williston Herald

DEAR SIR: I have just returned from a wonderful trip throughout North Dakota, from the Red River Valley to the Little Missouri Grasslands and the ranches beyond Theodore Roosevelt National Memorial Park. In West Virginia we have seen our precious soil ripped and ravaged by strip mining, and our people exploited and impoverished by coal interests taking huge profits out of the state without helping the people.

Thanks to the courageous leadership of your governor, Arthur Link, and organizations like the United Plainsmen, the people of North Dakota are becoming aware of the serious threat to your land and your way of life. Huge coal gasification plants consuming massive amounts of precious water, fed by lignite strip-mined from vast acreages, will bring a very temporary illusion of a boom followed by a bust. It is like taking several strong drinks in a row: you're riding high for a brief period, but the hangover comes when the coal is gone, the land is gone, the jobs are gone and the bitter truth of the morning after leaves you with a mouthful of ashes.

West Virginians have heard the coal companies spread their false promises that strip mining will be reclaimed and bring prosperity. The thin soil, high sodium content and low rainfall in North Dakota make "reclamation" even less possible than in the hilly areas of West Virginia once the soil is ripped apart. In North Dakota ground water in many areas is carried by the coal seam, so that once that coal is stripped, the disruption of water flows is permanent. The coal companies will show you "showcase" reclamation achieved at a very high cost per acre, but they can't do it everywhere and make the profits they need.

Seated between Governor and Mrs. Link at church on Sunday, the first line of the first hymn we sang together was: "Once for every man and nation, comes the moment to decide." North Dakotans have the chance to decide not to repeat the sad experience of West Virginia. I feel confident that North Dakota will decide that its precious land and way of life are more important than fattening the pocketbooks of those who would exploit and destroy the state through strip mining.

Sincerely,

KEN HECHLER,
Congressman, West Virginia.

Problems of Man Aren't Due to Overpopulation

Editor, the Williston Herald

Dear Sir: I write to protest that octopus cartoon titled, "The Root of All Evil," in the Tuesday, March 5, paper, in which you have the first two tentacles labeled "Over-Population", with "Starvation-Inflation" and "Pollution" following behind.

It's not over-population that causes starvation-inflation and pollution, but government interference with private enterprise that causes it. The saddling of enterprise with controls, and the building of ignorance; and perhaps it's providence, but at the bottom of the page you have a cartoon titled "Berry's World," depicting a father talking to his son and saying: "I'm sorry, son. I just can't help wishing you had decided you wanted to be a wood carver in Vermont before we sent you through medical school."

Right here is depicted one of the things that causes starvation-inflation and pollution. This is ignorance at work! And who is at fault? No one, specifically; it's a composit: The parents, the schools, the church, and the news media—perhaps the news media most of all. For they have glorified hippiedom from coast to coast and have promoted the breakdown of parental authority at almost every opportunity. Plus stifling what they call right wingism, i.e. common sense, writers, and those who might quote the Bible. And here we come to the churches also . . .

And it's a constant source to me of amazement that so many preachers can preach week after week and never, even "stumble", across Deuteronomy, the 28th chapter, where God tells what will happen if they follow or leave Him. What's the matter with these fellows, are they blind, or stupid, or both? And then there's the schools: how come they turn out people who don't know the workings of business economics? Or the lessons of history?

And perhaps it's providence again, but on the same page you have an article by Ralph de Toledano, titled "Farah unionization will set pattern." Here's another example of what causes starvation-inflation and pollution. This is the stifling of business; and how come our schools turn out people who don't know that?

And also, right alongside of it, in the letters column, there's a letter from a 50 percent conservative congressman (according to the Review of the News, 12-5-73 issue) from W. Virginia, coming way out here in what I take to be a form letter, lending his voice to how to stifile and harass businessmen as they seek to relieve us of our contrived energy shortage.

And right here, all on the same page, you have depicted three things that cause starvation-inflation and pollution; yet, in spite of that you print a cartoon blaming it on over-population. Why ? ? ?

Mr. W. J. Oved.

Let Coal People Ruin Their Own Backyards

Editor, The Williston Herald

Dear Sir: I am writing this letter to protest some of the things Mr. W. J. Oved of Crosby said in his letter to the Herald on Monday, March 11 mainly the unkind, unjust, untrue, and uncalled-for remarks he made about the letter written by Congressman Hechler of West Virginia, March 5.

Mr. Oved took his letter to be a "form letter," and made some unflattering remarks about his "lending his voice to how to stifle and harass businessmen as they seek to relieve us of our contrived energy shortage."

I ask you, Mr. Oved, why do you think the congressman wrote that letter? Do you think he was after his share of the spoils, like Arthur Seder is? Do you think he can possibly gain votes in West Virginia by caring about North Dakota? You really missed the point Congressman Hechler was trying to say, "Look, I know what coal development means to a state because West Virginia has gone through it, and I think North Dakota had better look before they leap.

As for the coal industry businessmen 'relieving" us, sure, they'll "relieve" us—of the beauty of our land, the land's productivity, our way of life, our ties to the land, our water, our blue skies, clean air, the few remaining undammed rivers and creeks we have left, and replace these things with monstrous machinery ripping the land apart, huge plants spewing tons of pollutants into the air, electric power lines and gas pipelines criss-crosing the landscape, not to mention the thousands of miles of new roads, thousands of acres of land flooded to form holding ponds for water for more plants, and scores of "boom" towns with inadequate water, sewer, educational, and social facilities.

Also, Mr. Oved, in your letter you relate common sense to right wingism. I relate wingism, whether it be right or left, to fanaticism. A person with common sense can listen to both the far right and the far left, take the soundest principles of both, discard the hatred, fears, and prejudices, and apply these sound principles to our political system, which will never be perfect but, despite its faults, has no equal in world history.

If you don't like the way of life North Dakota has to offer, then move. Don't try to change it by strip mining and polluting everything that makes life here a little unique. If you wish to live in an area that has been ruined by industry, you'll have no problem finding a place to live, but don't make a wasteland of North Dakota for that purpose.

We have too little land left that has not been destroyed by industry or the Army Corps of Engineers. Let the coal people ruin their own backyards, not ours.

William K. Thomas.

DEPARTMENT OF DEFENSE RECRUITING RESULTS FOR MARCH 1974

(Mr. DAN DANIEL asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. DAN DANIEL. Mr. Speaker, today I again place in the Record the Department of Defense recruiting results for the 1st month. The services met 97 percent of their recruiting objectives which is good. However, it will be noted that the Army failed by 9 percent to meet its recruiting objectives. They have met only 89 percent of their recruiting objectives for this current fiscal year.

The four armed services obtained 31,730 enlistments during March, including prior-service and non-prior-service personnel. This was 97 percent of their March program objective of 32,740. Except for the Army, all services met their March recruiting objectives. The Marine Corps exceeded its original objective by 8 percent, or 350 enlistments. The Marine Corps had hoped to achieve 1,440 additional enlistments to help make up for shortfalls sustained in prior months. Results by service were as follows:

RECRUITING RESULTS—ALL SOURCES

	March			February percent objective
	Program objective	Actual	Percent objective	
Army	16, 300	14, 850	91	89
Navy	6, 340	6, 370	100	102
Marine Corps	4, 150	4, 500	108	105
Air Force	5, 950	6, 020	101	101
Total DOD	32, 740	31, 730	97	95

YEAR-TO-DATE RECRUITING RESULTS BY SERVICE

During the first months of the fiscal year the four military services had achieved 93 percent of their cumulative recruiting objectives. The following table shows year-to-date performance by service:

RECRUITING RESULTS—ALL SOURCES

YEAR-TO-DATE, FISCAL YEAR 1974

[In thousands]

	Program objective July to March	Actual	Percent of objective
Army	159	142	89
Navy	66	65	98
Marine Corps	43	39	92
Air Force	57	57	100
Total DOD	325	303	93

ENLISTMENTS BY SOURCE

The number of nonprior-service men enlisted was 27,050 or 95 percent of the Service's March objective; the number of nonprior-service women was 2,260 or 100 percent of the objective; and the number of prior-service personnel was 2,420 or about 117 percent of the objective. The following table shows the distribution of March enlistments by source:

RECRUITING RESULTS BY SOURCE

	March			February Percent objective
	Program objective	Actual	Percent objective	
Nonprior service:				
Men	28, 410	27, 050	95	95
Women	2, 260	2, 260	100	91
Prior service	2, 070	2, 420	117	110
Total DOD	32, 740	31, 730	97	95

TOTAL MILITARY STRENGTH BY SERVICE

The total DOD military strength was about 1 percent below the strength level planned at the end of February, as shown in the following table. The Navy shortfall reflects a continuing problem in strength accounting rather than a failure to meet recruiting objectives. A total of 8,800 enlisted losses resulted from a careful review of actual strength on hand. The Navy is striving to make up the difference before year-end through overdelivery against its recruiting goals:

STATUS OF MILITARY STRENGTH BY SERVICE

[In thousands]

	End of February				June 1974 current objective[1]
	Objective[1]	Actual	Shortfall	Percent	
Army	785	784	1	1	782
Navy	561	550	11	2	551
Marine Corps	192	192	0	0	196
Air Force	673	669	3	1	645
Total DOD	2,211	2,195	16	1	2,174

[1] February strength objectives reflect the lowered strength objectives for the end of the Fiscal Year which were announced in January and which resulted from Congressional action on the FY Budget Request. Program adjustments were made in late January.

NONPRIOR SERVICE ENLISTMENTS, MEN AND WOMEN, BY SERVICE

During March the services achieved the following results against their nonprior service objectives for men and women:

NONPRIOR SERVICE RECRUITING RESULTS

	March			February percent objective	Year to date percent objective
	Program objective	Actual	Percent objective		
MEN					
Army	14,000	12,190	87	87	86
Navy	5,300	5,250	99	100	97
Marine Corps	3,800	4,240	112	106	93
Air Force	5,310	5,370	101	101	100
Total DOD	28,410	27,050	95	95	92
WOMEN					
Army	1,200	1,210	101	84	104
Navy	440	430	99	97	107
Marine Corps	110	100	93	113	99
Air Force	510	510	100	100	99
Total DOD	2,260	2,260	100	91	103

MENTAL GROUPINGS: HIGH SCHOOL GRADUATES

In March about 91 percent of all non-prior-service enlistees were in mental categories I–III, which are the average and above average mental groups; only 9 percent were in mental category IV, the below-average group. High school graduates amounted to 62 percent of enlistments; this is unchanged from February and is more favorable than seasonal trends. The data for July–March is shown in the following table along with the March results:

HIGH SCHOOL GRADUATES AND MENTAL GROUPINGS (NON PRIOR SERVICE MEN AND WOMEN)

	High school graduates			Mental groups, I, II, III[1]		
	March		Year to date	March		Year to date
	Number	Percent	Percent	Number	Percent	Percent
Army	7,760	58	54	11,390	85	82
Navy	3,420	60	71	5,480	96	97
Marine Corps	1,520	35	48	4,010	92	92
Air Force	5,400	92	94	5,850	99	99
Total DOD	18,100	62	65	26,730	91	90

[1] Above average and average categories.

APRIL OBJECTIVES

The services' manpower programs for April called for the following enlistment objectives from all sources:

April program objections

Army	15,600
Navy	4,580
Marine Corps	3,750
Air Force	5,380
Total DOD	29,310

In addition to these program objectives the Navy is seeking 810 extended active duty Reserve enlistments; 1,670 additional Regular Force enlistments because of revised loss estimates, and the Marine Corps is seeking 980 additional enlistments to offset previous recruiting shortfalls.

RESERVE COMPONENTS

The total Selected Reserve strength increased in February for the fifth consecutive month with the two National Guard components, and the Air Force Reserve showing net gains. Although non-prior-service enlistments for all Reserve components are lower than the objectives for the year to date, the shortfalls have been partially offset by successes in recruiting prior-service enlisted personnel:

FISCAL YEAR 1974 SELECTED RESERVE STRENGTHS[1]

[In thousands]

	ARNG	USAR	USNR	USMCR	ANG	USAFR	DOD total
Authorized end strength	412.0	260.6	116.9	39.5	92.5	51.5	972.9
Actual:							
June 30, 1973	385.6	235.5	126.2	37.5	90.4	43.8	919.0
Sept. 30, 1973	384.9	231.5	119.1	35.3	90.5	43.3	904.6
Dec. 31, 1973	392.5	227.2	119.1	33.1	92.5	46.2	910.6
Jan. 31, 1974	396.4	227.7	117.8	32.4	92.9	46.6	913.8
Feb. 28, 1974	403.1	226.9	114.9	32.2	93.1	47.6	917.8
Change from previous month	+6.7	−.8	−2.9	−.2	+.3	+1.0	+4.0
Net short/over authorized end strength	−8.9	−33.7	−2.0	−7.3	+.7	−3.9	−55.7
Percent short/over	−2.1	−12.9	−1.7	−18.5	+.6	−7.6	−5.7

[1] Unaudited preliminary reports from services.

POTENTIAL RADIATION DOSES FROM PLOWSHARE GAS

(Mr. RONCALIO of Wyoming asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. RONCALIO of Wyoming. Mr. Speaker, yesterday in the Committee of the Whole, the House voted to continue funding for the Plowshare program. This morning in my office I received the winter edition of Review, a publication from the Oak Ridge National Laboratory, containing an excellent article by C. J. Barton, an analytical development chemist whose work at Oak Ridge National Laboratory dates back to 1948. He has contributed most of his work at the laboratory in the molten salt reactor experiment. He is a native of East Tennessee, has two degrees in chemistry from that university, and a doctorate from the University of Virginia. At Oak Ridge he has also worked on nuclear safety research, separation of zirconium and hafnium. His report is a less technical version of a paper formally delivered to the Atomic Industrial Forum and I only quote from his conclusions, particularly for those Members of the House who absented themselves from yesterday's deliberations.

He states that:

People accept background radiation because they have little control over it. In this case, society does have a choice, but once it is made, individuals will have limited control over their radiation exposure from this source if Plowshare gas gets the go-ahead. And so, in the final analysis, the decision concerning use of nuclear explosives to increase natural gas production will rest with the people potentially exposed. They will have to weigh the cost, including exposure to low levels of radiation, against the benefits.

Many of you were far too busy yesterday doing other things in the Nation's Capital than to pay attention to the proceedings or to vote on this matter, but I hope by reading his article, those people in the Western States who will be directly affected by the level of radiation will have an opportunity to make their own conclusions and make their expressions known to their elected officials.

The article follows:

POTENTIAL RADIATION DOSES FROM PLOWSHARE GAS

(By C. J. Barton)

Shortages of electricity, fuel oil, gasoline, propane, and natural gas convince us that the energy crisis is here. The demand for natural gas grows unchecked because the price has been regulated at a low level and gas is a clean source of energy. However, United States production of gas has decreased since 1970, when total consumption was approximately 22 trillion cubic feet, and it seems unlikely, according to Sam Smith, assistant vice president of El Paso Natural Gas Company (EPNG), that alternate sources of gas, such as overland imports from Canada and Alaska, liquefied natural gas from Africa and the Soviet Union, and coal gasification, can bridge the gap between supply and demand.

One potential source of natural gas is low-permeability gas-bearing rock formations in Colorado, Wyoming, Utah, and New Mexico. Gas from these formations, which are estimated to contain more than 300 trillion cubic feet of gas, approximately equal to the country's currently known reserves of available gas in the "lower 48," apparently cannot be recovered as economically by other techniques as by use of nuclear explosives. Some people feel that hydrofracturing, possibly with slurried explosives, can do the job, and the AEC has asked for money to investigate this possibility. Large-scale use of nuclear explosives involving development of hundreds of wells with up to five devices per well has the capability of alleviating the shortage of this important energy source. Why don't we do it?

Briefly stated, there are three technical criteria that must be met before significant quantities of Plowshare gas can flow into pipelines: The process must be proven economically feasible, the seismic effects must be acceptably small, and the presence of small quantities of man-made radioactivity must be acceptable to the people who will use the gas. The ORNL studies discussed here dealt exclusively with the last point, but it appears that seismic effects will probably not be a major problem in the sparsely populated areas where most of the gas is entrapped, and, although reliable cost data are not yet available, the projected cost of nuclearly stimulated natural gas—60 to 70 cents per 1000 cubic feet—compares favorably with the $1.20 to $1.40 cost of imported liquefied gas and synthetic gas from coal gasification. Unreliability of cost estimates indicates that the economic issue can only be resolved by vigorous exploitation of the alternate process. Because of the urgency of the need for energy, there is argument for the belief that more can be lost than gained by waiting for more exact cost estimates before pursuing the alternatives.

The first project, Gasbuggy, encountered relatively little public opposition, but this was certainly not true for the next two. A report in *Nuclear News* describing Rulison following the detonation of the nuclear device in September 1969 was headed "Rulison Stimulates Protests; and Hopefully, Gas." The headline referred to the project's troubled legal history. Intervenors carried their battle against the Rulison experiment all the way to the Supreme Court, where their cause was rejected by Justice Thurgood Marshall without comment. They did not give up the fight then but engaged in an intensive court effort to prevent reentry of the Rulison well and the planned testing program involving the burning of millions of cubic feet of gas at the well site. This effort also failed. Judge A. A. Arraj of the U.S. District Court in Denver ruled in favor of the defendants, Dr. Glenn Seaborg et al.

The loss of this court battle apparently deterred a similar legal confrontation in regard to Rio Blanco, although there was no lack of vocal opposition to this third nuclear well stimulation project. A court hearing was held shortly before the three 30-kiloton nuclear explosives, used to create the Rio Blanco well, were detonated on May 17, 1973, on the question whether the Colorado Water Commission had acted to fulfill requirements of state law on protection of the quality of water supplies. The environmentalists' claims were again rejected, and the experiment proceeded on schedule. The industrial sponsors of the project were apparently successful in their efforts to convince area residents that the experiment was safe and needed. A headline in the Grand Junction (Colorado) *Sentinel* of May 8 read, "Rio Blanco—Those closest Seem Less Worried."

The soundness of the court decisions rejecting the intervenors' claims of a radioactivity hazard to people in the vicinity of the Rulison well has been fully substantiated. There was no evidence of a surface release of radioactivity as a result of the detonation of the 40-kiloton nuclear explosive, and as a result of an extensive surveillance performed by the National Environmental Research Center of the Environmental Protection Agency during the well testing, the lifetime tritium dose to an individual at the nearest populated location was estimated at less than 0.001 millirem. This dose can be compared to the average U.S. dose of approximately 100 millirems/year from natural background radiation. Thus, it seems certain that people living near the Rulison well did not receive a significant radiation dose from the nuclear explosion or from the burning of Rulison gas. Likewise, there was no measurable release of radioactivity from the Rio Blanco explosions, and the seismic damage was much less than resulted from the smaller Rulison explosion.

However, the protestors have not yet had an opportunity to test in the courts the more fundamental question: Is an appreciable radiological risk involved in the use of natural gas from a nuclearly stimulated well? Their chance will come within the next year if an application for permission to use gas from the Rulison well materializes. Industry's recognition of the importance of the public-acceptance aspect of the nuclear gas stimulation concept is shown by a statement made by EPNG's Smith: "Technically, there will be no problem, but the psychological impact is a different matter." People will need to be convinced that the small quantity of radionuclides introduced into natural gas by use of nuclear explosives will cause no harm. Public acceptance is a prerequisite for future development of this importance source of energy.

GASBUGGY PROJECT

The Gasbuggy project, which was a joint endeavor of the Atomic Energy Commission, the Bureau of Mines, and EPNG, was the first experiment to test natural gas stimulation with nuclear devices. It involved the creation of an underground "chimney" by a 29-kiloton nuclear explosion about 4400 feet underground in western New Mexico in December 1967. The explosion allowed gas to flow from the tight (low permeability) rock formation at a much faster rate than from nearby unstimulated wells. Flaring or burning of gas from this well began in June 1968 and continued intermittently until November 1969. A total of about 250 million cubic feet of gas was flared from this well, and the Gasbuggy experiment was considered to be successful. The radioactive constituents of the gas, mainly tritium and kryton-85, were present initially at relatively high concentrations, but the concentration dropped as the chimney gas was removed by flaring and the remaining gas was diluted with uncontaminated gas from the surrounding formation. The small amount of carbon-14 found in the gas is considered less important than the other two long-lived radioisotopes. The well was reopened in May 1973, and an additional quantity of approximately 108 million cubic feet of gas was removed from the well and flared.

EPNG did not plan to put gas from the Gasbuggy well into its pipelines. However, studies to determine radiation doses that people might receive from hypothetical uses of this gas were initiated in 1968 by ORNL in cooperation with EPNG. Attention was focused first on doses that EPNG employees and members of the public might receive in the area of EPNG's gas gathering and processing system in the San Juan Basin. This portion of the study, designated Phase 1, showed that use of gas for cooking or for unvented heating would be the most important routes through which people could be exposed to radioactivity from Gasbuggy gas (the critical exposure pathway), and that housewives living in a camp adjacent to the Blanco gas processing plant would be the people estimated to receive the highest potential doses (the critical population group). It was concluded that tritium was by far the most important of three long-lived radionuclides (tritium, krypton-85, and carbon-14) found in Gasbuggy gas, and only whole-body doses from this isotope expected to be received by inhalation and skin absorption were considered. Whole-body doses from immersion in krypton-85 are estimated to be only about 1/50 of the dose from tritium at the same concentration.

One important result of the Gasbuggy Phase I studies was the estimate, based on data from a field experiment, that operators would receive doses less than 1% of natural background per year during the processing of gas containing tritium at the concentration expected in a well field developed by use of nuclear explosives.

In Phase II of the Gasbuggy studies, the doses that people might receive from use of Gasbuggy gas in two West Coast metropolitan areas, the Los Angeles basin and the San Francisco Bay area, were estimated. Large quantities of natural gas are used at both locations in homes and in commercial establishments as well as for production of electricity. A tritium concentration of 1 picocurie per cubic centimeter of gas was used in the calculations because it is estimated that the tritium concentration in natural gas from a complete field of nuclearly stimulated wells will average 1 picocurie per cubic centimeter or less over the lifetime of the wells. This value was selected on the basis that future nuclearly stimulated wells produced by use of devices especially designed for the job were expected to contain gas with measurably less tritium than that in Gasbuggy gas, which was produced by a weapon-type explosive. These specially designed explosives were used for the first time in the Rio Blanco project.

Dose calculations for the metropolitan areas were aided by models of atmospheric dispersion of pollutants and computer programs developed by staff members of the Air Resources Atmospheric Turbulence and Diffusion Laboratory in Oak Ridge. The estimated average annual tritium dose that would be received by people in both areas was about 0.5 millirem, with maximum individual doses of 2.0 to 2.5 millirems/year. People living in houses having unvented heating systems and unvented appliances would be the critical population group. Radiation doses to population groups in the general public from all sources except medical exposures and natural background are usually compared to the Radiation Protection Guide (RPG) of 170 millirems/year adopted by the Federal Radiation Council. A dose of 2 to 3 millirems/year would not appear to constitute a disproportionate share of the Guide value if a cost-benefit analysis justified the use of nuclearly stimulated natural gas. Also, people living at the site boundary of light water reactors could receive doses from exposure to liquid and gaseous reactor effluents that are in this range. A proposed Federal regulation will limit these site boundary doses to a total whole-body or organ dose of 10 millirems/year from both types of radioactive effluents.

Possible exposures from uses of tritium-contaminated natural gas other than for fuel have also been examined. Examples are drinking tritiated ethyl alcohol and eating margarine produced by use of hydrogen containing tritium. Here again it was assumed that the natural gas had a tritium concentration of 1 picocurie per cubic centimenter. It was estimated that 90 cm^3 of ethyl alcohol, the amount required to give the intoxication level of 0.15% in a 150-lb adult, would contain 0.017 microcurie. Daily intake of this quantity of alcohol would result in an annual dose of about 0.8 millirem. A similar calculation was made for margarine, assuming that hydrogenation of longchain unsaturated hydrocarbons is performed with hydrogen produced by cracking natural gas. It was estimated that if a person ate a quarter pound of margarine a day for a year, he would receive a whole-body dose of 0.2 millirem.

RULISON PROJECT

Dose studies in connection with the hypothetical use of Rulison gas got under way at ORNL in 1971, and some results obtained were published in *Nuclear Technology* last October. The two gas companies close to the Rulison well that could reasonably be considered as potential distributors of the Rulison gas, the Rocky Mountain Natural Gas

Company (RMNGC) and the Western Slope Gas Company, Rifle Division (WSGC), are small in comparison to EPNG.

Production testing of the well, which was completed in April 1971, resulted in removal of 455 million cubic feet of gas and nearly all the tritium initially present in dry cavity gas.

The ORNL dose studies examined two cases involving different well conditions. Case 1 considered estimated doses that could have been received by customers of the two gas companies if the gas present in the well before the testing program began had been introduced into either gas system at a rate of a million cubic feet per day. Case 2 involved possible use of the gas in the well in August 1971 after the gas present at the end of the testing program had been diluted with gas flowing into the well from the surrounding rock formation. It was estimated in Case 2 that a total of 0.095 curie of tritium remained in the dry cavity gas, while the initial amount was about 1200 curies (Case 1). Large pressurized water reactors release, on the average, 850 curies of tritium per year.

Discussions with representatives of the two gas companies revealed that it would be unrealistic to assume unvented space heating with gas in Colorado, as it is illegal and the companies will not supply gas to homes that do not meet legal requirements.

Potential dilution of Rulison gas differed in the two systems. In the RMNGC system, the data on potential use of Rulison gas over a three-year period showed that it would average about 10% of the total in the first year, when the hypothetical average annual tritium concentration would be relatively high: 107 picocuries per cubic centimeter. In the WSGC system, it was assumed that Rulison gas would only reach two communities. In the smaller one, Rulison gas was assumed to make up 69% of the total used for the single year period considered, while in the other the figure was 39%. Since potential dilution in this system was much lower than in the RMNGC system, estimated doses were correspondingly higher for equal gas usage.

Atmospheric dilution of combustion products was calculated for three types of gas usage: ground-level release from homes and commercial establishments, stack releases from industrial users, and releases from all types of usage dispersed within the valley in which the system is located. Highest estimated doses were from the first type of usage, because a relatively large quantity of gas is consumed annually within a small area, but a maximum first-year Case 1 dose of 0.6 millirem was estimated for Aspen, which receives its gas from RMNGC. The high altitude of this community, coupled with maximum occupancy during the winter skiing season, probably accounts for its high gas usage. The corresponding maximum Case 2 annual dose is 0.00004 millirem.

Although it was assumed that home heating systems as well as gas hot water heaters and clothes dryers are vented, the estimated potential doses in homes having gas kitchen ranges and gas refrigerators were higher than from exposure to gas combustion products dispersed in the atmosphere. The residents of such homes are the critical population group. The maximum estimated dose they could receive in the RMNGC system in Case 1 is 6 millirems the first year; in the part of the WSGC system that would receive essentially undiluted Rulison gas, the maximum estimated first-year dose would be 39 millirems.

Another aspect of the Rulison project that we considered is the radiological impact of the hypothetical use of 94 million cubic feet of gas per day from the Rulison field to generate electricity at the Cherokee Electric Power Station, located just north of the Denver city limit. Since a number of nuclearly stimulated wells would be required to furnish this amount of gas and the change in tritium concentration of gas from such wells with volume of gas flowed cannot be predicted accurately yet, we postulated 10 picocuries per cubic centimeter for the average tritium concentration, from our and others' calculations. Computer programs were developed to calculate whole-body tritium doses to individuals as a function of distance from the plant stacks and total population doses in terms of man-rems. The maximum individual dose of 0.006 millirem/year was estimated to be received by individuals living 5 kilometers north of the station, and the total dose that could be received by 1.6 million people living around the station was 3 man-rems/year. Estimation of these doses required taking into account rather unusual meteorological conditions: the direction of the wind changes from generally north to generally south and vice versa on the average of once a day in Denver. Thus the plume from the stacks will move back and forth over the populated area, becoming more diffuse in the process, until it is blown out of the area. The estimated total population dose of 3.0 man-rems/year gains perspective when compared with the 250,000 man-rems/year received by the same population from natural radiation sources and 110,000 man-rems/year from diagnostic uses of x rays. The 3 man-rems/year population dose estimate is equivalent to the increased whole-body dose that would be received from cosmic rays if the average elevation of the 1.6 million people was increased 4 inches.

It is interesting to compare the estimated population dose from use of nuclearly stimulated natural gas to produce electricity with the dose from light-water nuclear power reactors. The estimated average population dose per pressurized water reactor is 13 man-rems/year. We assume that each reactor generates enough heat to produce 1000 megawatts of electricity. The power produced in the part of the Cherokee station that we considered is 344 megawatts. Krypton-85 gives approximately 2% of the whole-body dose of an equal concentration of tritium, but we assume that the concentration of krypton-85 in Plowshare gas is 7 times that of tritium; consequently, the whole-body dose from krypton-85 in the gas is calculated to be 14% of that from tritium. If we add 14% to the 3 man-rems/year figure for krypton and multiply by 1000/344, we arrive at an estimated total population dose of slightly under 10 man-rems/year for generation of 1000 megawatts of electricity by use of nuclearly stimulated natural gas, about the same as for the average PWR.

The above situations deal only with doses that might be received from fuel and other uses of the gas from nuclearly stimulated wells. There is another concern that must be considered: the possibility that solid fission products in the chimney may, over a long period of time, contaminate water supplies. This possibility was examined in the environmental statement for the Rio Blanco Gas Stimulation Project. Two aquifers are located between the surface and the well chimney, but the top of the upper chimney rock fractures was postulated to be at least 3000 feet below the bottom of the lower aquifer. Thus, no direct communication path between that aquifer and the chimney was expected. However, the possibility that the more mobile radionuclides, including tritium, rare gases, and carbon-14, might move through seepage paths and eventually contaminate water supplies was investigated theoretically. It was concluded that the likelihood of adverse public health effects by this pathway is very small, and, because no liquid water is expected to enter or leave the chimney area, no mechanism could be hypothesized by the writers of the environmental impact statement whereby the radionuclides deposited on chimney surfaces could be incorporated into mobile groundwater. While further study of the long-term fate of the long-lived solid radionuclides such as strontium-90 and cesium-137 is probably justified because of the large quantities of these fission products that will be produced by large-scale underground use of nuclear explosives, there seems to be no indication at present that contamination of water supplies will be a major problem even over a period of centuries.

Future Rulison dose studies will consider doses that might be received by people in the Denver metropolitan district if gas from a number of nuclearly stimulated wells in the Rulison field were to be used in this area. These will be followed by similar studies in connection with the Rio Blanco project sponsored by CER Geonuclear Corporation and Equity Oil Company and possible future projects like Wagan Wheel. Possible doses through exposure pathways other than those thus far considered, inhalation and skin absorption of tritium and immersion in krypton-85, will be carefully considered in all studies.

CONCLUSIONS

The only radioisotopes of consequence remaining in nuclearly stimulated natural gas several months after the detonation are tritium, krypton-85, and carbon-14. Tritium is by far the most important of the three long-lived isotopes from the standpoint of possible whole-body doses that might be received from exposure to gas combustion products. The tritium concentration in future nuclearly stimulated wells can probably be predicted fairly accurately when data become available from production testing of Rio Blanco, where explosives designed for minimum tritium production were used. Dose estimates for typical situations in which gas from the Gasbuggy and Rulison wells could have been used were but a very small fraction of the RPG average dose of 170 millirems per year permitted to a suitable sample of the exposed population under Federal regulations from all sources of radiation except medical sources and natural background.

The anticipated low doses by no means guarantee public acceptance of nuclearly stimulated gas. Intensive programs are clearly called for to provide potential users with data to put these doses into perspective. This publicity may not have the desired effect of overcoming the people's fear of the low dose levels that would result from use of Plowshare gas. Furthermore, regulatory agencies such as the AEC and the Environmental Protection Agency must also be satisfied that the benefit to the public that would result from the availability of such gas would outweigh the risk of exposure of millions of people to even these low levels of radiation exposure.

People accept background radiation because they have little control over it. In this case, society does have a choice, but once it is made, individuals will have limited control over their radiation exposure from this source if Plowshare gas gets the go-head. And so, in the final analysis, the decision concerning use of nuclear explosives to increase natural gas production will rest with the people potentially exposed. They will have to weigh the cost, including exposure to low levels of radiation, against the benefits.

WATER HEARINGS IN THE PUBLIC INTEREST

(Mr. RONCALIO of Wyoming asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. RONCALIO of Wyoming. Mr. Speaker, every now and then an editorial appears in one of the more outstanding

Wyoming newspapers which says an awful lot about what is going on in that State these days and how it is going on—in short—who is doing what to whom.

The following editorial is from the Powell Tribune of Thursday, April 4, and I think all in America who have some regard for the beauty of the West and who have known the thrill of seeing one of Wyoming's great areas might just want to read this and be guided accordingly. It follows, and it is called "Water Hearings in the Public Interest."

WATER HEARINGS IN THE PUBLIC INTEREST

Issuance of permits for storage water reservoirs is a far cry from actually building the dams and reservoirs.

But giving out the permits amounts to assigning the water to people, and when the water rights are all sewed up, that's pretty final. So you can imagine the double takes when it was revealed this week that applications are already on file for three reservoirs to store some 230,000 acre feet of water from the Clark's Fork River, roughly two-fifths of the annual discharge of the river.

The permit applications on file with the State Engineer's office are by two Sheridan men, and there is in their proposed appropriation of Clark's Fork water for industrial use the strong suggestion that it is envisioned for the mineral development of northeast Wyoming.

Just as distressing as the move afoot to tie up Clark's Fork River water is the fact that it can be done so quietly. It was only through a story which surfaced in the Casper newspaper last week that the pendency of the applications became known. State Engineer Floyd Bishop, in fact, said the applications could have been approved before any notification of their existence if the Casper Star Tribune had not revealed that they are on file.

This seems to point up a failing of state government in its responsibility to the public interest. State water law gives the State Engineer sole authority to issue the water right permits without the requirement of a public hearing—or even public notice. A hearing may be held, but it is up to the State Engineer to determine if it is in the public interest.

State Engineer Bishop says the public interest factors "are hard to define," but to the City of Powell, for instance, the facts are pretty simple that Clark's Fork River water in this case is still a possible source of municipal supply, and if the water rights are gone, it will be too late.

The public sector, we would suggest, may have strong feeling too about Clark's Fork River water being committed to the coal fields of the northeast section of the state rather than being available to municipal, industrial, and agricultural users in this area.

Bishop makes the point that public hearings would be required on environmental considerations involved in dam and reservoir building before construction stage. But he admits that it may make better procedural sense to hold the hearings before the water rights are assigned.

The State Engineer was the author of proposed water law recodification in 1969 which included provision for a required public hearing prior to issuance of permits on such as the Clark's Fork reservoir applications. But the legislature didn't adopt it, prompting Bishop to comment, "Apparently the legislature doesn't want hearings."

In contrast to that statement, however, Sen. Malcolm Wallop of Sheridan last week called for staffing the State Engineer's office with more experienced water people, including a fulltime hearing officer.

A call for public hearings at this stage is timely and appropriate. With Wyoming on the threshold of such tremendous development that few comprehend it, there is an obligation on the part of the state to help define the implications of that development in related applications such as this before the water resource is committed.

SYRIAN JEWS

(Mr. PODELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PODELL. Mr. Speaker, there have been recent numerous reports from Syria about a new wave of terrorism against the few Jews remaining in that country. Four Jewish women and, shortly after, two Jewish men were found dead under highly suspicious circumstances, leading many to question the complicity of the Syrian Government in these killings.

The Syrian Government is known throughout the civilized world as unique in its hatred of the Jewish people, even surpassing such anti-Jewish regimes as that of Libya. Syrian Jews may not emigrate, may not engage in business, may not own property. When they die, what little they do own reverts to the state. They are not permitted to travel without Government permission, even so far as the next town. Many hardly ever leave the four walls of their homes, and even there, they are not safe from Government terror.

This handful of men, women, and children, some 4,000 souls remaining of a community that once numbered in the tens of thousands, have for a long time sought permission from the Syrian Government to leave. Many of them have relatives in the United States and Israel. But the Syrian Government would rather keep these people imprisoned and living in terror.

The most recent development in the murders I mentioned earlier alarms me greatly. The Syrian Government has charged the brother-in-law of one of the dead women with guilt in those four killings. Seasoned observers believe that this is just a ploy to cover up the Government's own complicity in those brutal slayings. It is more than likely that this man will die before he comes to trial, and should he survive that long, a fair trial would be utterly impossible for him.

There are many unanswered questions about these killings, and other cases in which Jewish residents have disappeared or been killed outright. There are compelling moral considerations in the way the Syrian Government treats its Jewish citizens. These questions should be dealt with now that the United States is becoming involved in guiding disengagement talks with Syria and Israel.

Therefore, I am requesting the Secretary of State, on his next diplomatic mission to Syria, to investigate the condition of the 4,000 Jews who remain there. If the allegations that have been made against the Syrian Government are found to be true. he can inform the Congress and the American people as to what is happening and what can be done to help the remnants of the Syrian Jewish community.

The United States won a major concession for the Syrian Government when they admitted our Secretary of State for the purpose of discussing disengagement plans. This would indicate, to me at least, some willingness on the part of the Syrians to depart from their rabid anti-Western policies of recent years. I feel that we should take advantage of this changed attitude now, before there are any more mysterious deaths.

The U.S. Government has a unique role to play in this human drama. It is doubtful that the United Nations will take any action on this matter, and no other nation, except Israel, seems sufficiently interested in the fate of these people to come forward in concern. It would be an act of the greatest kindness and bravery if the United States were to intercede on behalf of Syrian Jewry.

SAFEGUARDING NUCLEAR MATERIAL SHIPMENTS

(Mr. PRICE of Illinois asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PRICE of Illinois. Mr. Speaker, the Joint Committee on Atomic Energy has steadfastly adhered to the policy view that all reasonable measures to safeguard special nuclear material from loss or unlawful diversion must constantly be operative. It is not by happenstance that the Atomic Energy Act—since its inception almost 30 years ago—has stressed the high importance of such safeguarding and of the companion need to protect the health and safety of the public.

Over the years, the Joint Committee has repeatedly probed into these areas, and the committee has seen to it that the Atomic Energy Commission remained alert to these considerations and to the need to revise its rules and regulations as dictated by developing circumstances.

The Joint Committee was pleased to receive the General Accounting Office's report of April 12, 1974, to the committee, captioned: "Protecting Special Nuclear Material in Transit: Improvements Made and Existing Problems." The committee believes that periodic examination by the GAO of the AEC's program for protecting against possible diversion of special nuclear material in transit is one of the valuable checks that our statutory system enables for assuring proper and effective governmental regulation and implementing practices in this sensitive area. However, I was disappointed in the quality of the report and of the GAO's informational release of April 24 concerning the report.

The GAO report covers GAO's observation of three large shipments by truck of enriched uranium in 1972. As the report points out, during the period that GAO was looking into the factual and regulatory framework of these shipments, the AEC was engaged in an internal review of its requirements governing the protection of special nuclear material in transit. Last winter, this review matured into a number of AEC-proposed regulatory changes, which were then put into effect several months before GAO issued its report. The deficiencies noted by the GAO in connection with the three shipments it observed in 1972 have been directly addressed by AEC's revised requirements, essentially as briefly indicated in the attachment to this statement.

The GAO report was concerned with protective measures to prevent unlawful diversion of special nuclear material, not with health and safety implications. However, I would like to take this opportunity to inform my colleagues in the House that the Joint Committee is planning to constitute a special panel of knowledgeable individuals to look into the matter of shipments of nuclear materials and to report to the committee its findings and views respecting not only safeguards against loss or diversion but also health and safety aspects. The panel will look into the transportation of radioactive isotopes in addition to special nuclear material—enriched uranium and plutonium. Although the record for transporting hundreds of thousands of shipments of radioisotopes for medical, industrial, and for other uses is a very good one, there have been instances of unsatisfactory performance. For example, the recent problem of a shipment by air on the 5th and 6th of this month of an industrially useful isotope indicated that a new close look at current and possible improved requirements would be in order. This planned step is part of the Joint Committee's long-range continuing concern that the atomic energy program be an outstanding example of what alert, prudent, reasonable Government attention and regulation can provide in sensitive fields of industrial and governmental activities.

The present growth rate in the use of nuclear materials, entailing shipments and transportation handling, makes it imperative that the Commission continually give this matter top-priority attention.

Attachment to Mr. Price's Statement Mentioning Deficiencies—Underscored—Referred to in GAO's April 12, 1974, Report, and Present AEC Requirements

1. *A shipment was made on a flatbed truck with an open cargo compartment.* Paragraph 73.30(c) of 10 Code of Federal Regulations prohibits shipment of containers weighing 500 lbs. or less in open trucks, railroad flat cars or box cars and ships. Heavier containers may be shipped on flatbed trucks but must be locked. On the General Manager's side, it is required that packages be either in the continuous custody of AEC or DOD cleared personnel, or, if shipped via for-hire carrier, locked or sealed in vans, or freight containers.

2. *The truck was not equipped with an alarm or communications equipment.* Paragraph 73.31(b) of 10 CFR requires that each motor vehicle used to transport SNM be equipped with a radiotelephone. The General Manager has similar requirements with respect to non-licensed shipments.

3. *The truck driver was alone and unarmed.* Paragraph 73.31(c) of 10 CFR governs motor vehicle shipments and requires either:

a. an armed escort, consisting of at least two armed guards, accompanying the shipment in a separate escort vehicle. Also, the shipment vehicle itself must have two occupants for trips equal to a greater than one hour and one person for shipments less than one hour; or

b. use of a specially designed truck or trailer which reduces vulnerability to diversion. Two people must accompany this method of shipment. An armored car with two armed guards would be one manner of meeting this requirement. In the alternative a vehicle of special design not yet in use could be utilized.

In regard to shipments subject to AEC's regulatory requirements, the AEC and GAO advise that the Supreme Court's decision in 1968, in the Schneider v. Smith case, indicates that it would be advantageous to clarify a section of the Atomic Energy Act to specify in so many words that the AEC's authority to prescribe regulations to guard against the loss or diversion of special nuclear material includes the authority to predetermine the trustworthiness of drivers and guards involved in shipments. The Joint Committee has no question about the intent underlying Sec. 161(i) of the Atomic Energy Act (42 U.S.C. 2201(i)) and believes such authority is implicit in that section. If necessary or advisable, the Joint Committee will recommend that this intention be restated by the Congress.

The General Manager requires that shipments be accompanied by two people having AEC or DOD security clearances. Virtually all such escorts are AEC or DOD couriers who are armed even though at present there is no overall requirement for use of armed personnel. A requirement for arming has recently been included.

4. *There was no preplanned routing; the driver chose his route.* Paragraph 73.30(b) of 10 CFR requires that shipments be preplanned to assure that deliveries occur at a time when the receiver will be present at the final destination. Both paragraph 73.30(b) and the General Manager require that routes be selected to avoid areas of natural disaster or civil disorders. Also, paragraph 73 requires each licensee to submit a plan outlining the procedures that he will use to meet the new transportation security requirements of § 73.30 through 73.36 and 73.70(g). Each approved plan contains a license condition which requires that telephone call in time be preplanned.

5. *There were no periodic call-in points to let the shipper or receiver know the trucks' whereabouts and to confirm that no problems had been encountered enroute.* Paragraph 73.31(b) and the General Manager require that periodic calls be made to specified reporting points every two hours, with allowances up to five hours for licensees under certain specified circumstances.

6. *The seals on the shipping containers could be easily duplicated, thus defeating the purpose of seals which was to detect unauthorized tampering.* Paragraph 73.30(c) requires that SNM be shipped in containers which are sealed by tamper indicating type seals, and also that either the container or the vehicle be locked. In most cases, the freight container (into which packages are loaded) or vehicle must also be sealed with a tamper indicating seal. The General Manager also requires that for-hire trucks must be locked or sealed.

7. *The material was shipped in portable containers that could be carried by one individual without the aid of mechanical handling equipment.* Use of portable containers is still permitted. However, containers of 500 pounds or less must be locked and shipped in locked trucks. The General Manager has essentially prohibited less than full load shipments so that packages would never be exposed to across-the-dock handling by uncleared personnel; access to the cargo, except by cleared and authorized personnel, is also prohibited.

8. *At the airport, the material was stacked on a dolly in an open bay area.* Paragraph 73.35(b) of CFR requires that an armed guard maintain continuous visual surveillance of a shipment at all times while located in a terminal or in storage. The General Manager's requirements also prohibit such operations, unless conducted in the continuous personal custody (direct observation) of AEC or DOD cleared people.

THE LATE FRANK McGEE

(Mr. ALBERT (at the request of Mr. Ryan) was permitted to extend his remarks at this point in the Record, and to include extraneous material.)

Mr. ALBERT. Mr. Speaker, I was shocked and greatly saddened last week by the death of Frank McGee, host of the NBC "Today" program and one of America's great broadcast journalists. Frank, who was only 52 when he died, had been in failing health for several months, suffering from bone cancer, but courageously and cheerfully stayed on the job until the week before his death.

I first met Frank McGee when he worked for radio station KGFF in Shawnee, Okla. I had frequent contact with him later when he worked in Oklahoma City for WKY television and when he served with NBC both in Washington and New York. When I was given an appreciation dinner in Washington several years ago Frank McGee volunteered to be the master of ceremonies and honored me greatly with his presence and his kind words.

Frank McGee possessed a great sense of responsibility and moral strength and was an extremely dedicated professional. He conveyed his sincerity and wit on the air in a very real and completely unpretentious way. The warmth of Frank's personality was dramatized on the day of his death by heartfelt sentiment expressed by millions of Americans who enjoyed daily his timely and straightforward insight into interesting subjects.

Although he rose to the highest level of professional success, Frank McGee was always considerate of the needs of other persons. As his "Today" show co-host Gene Shalit replied when asked what kind of man was Frank McGee, "He was just that, a kind man."

My wife Mary and I join Frank's many friends in Oklahoma, in the House of Representatives and throughout the Nation in expressing our deep sympathy to his wife Sue and their two children. I include, at this point in the Record, a biographical sketch of Frank McGee and eulogies given by some of his fellow broadcasters:

Biographical Sketch of Frank McGee

Frank McGee, host of the NBC Television Network's "Today" program and one of the country's leading broadcast journalists, died April 17 of pneumonia at Columbia-Presbyterian Hospital in New York. He was 52.

Mr. McGee had been in failing health for several months, but carried on his broadcast duties until last week.

Honored with a George Foster Peabody Award, two citations from the National Headliners Club, a Robert E. Sherwood Award, and Radio-TV Daily's All-American Award as "Radio Commentator of the Year," Mr. McGee was the fourth host of "Today," which began in 1952. He replaced Hugh Downs Oct. 12, 1971.

Mr. McGee's reputation as the ever-present man of NBC stemmed from activities in the late 1960s, when he reported the news six days a week, as anchorman for the "Sixth Hour News," Mondays through Fridays on WNBC–TV, the NBC Television station in New York, and on "The Frank McGee Sunday Report" on the NBC–TV Network.

In addition, he was involved in the NBC News coverage of Apollo moonshoots, the Presidential election, the political conventions and events following the assassination of Senator Robert F. Kennedy. From August, 1970, until he became host of "Today," he was co-anchorman of "NBC Nightly News."

He received his Peabody Award in 1966 for distinguished achievement in television, and the following year his close-up study of the black soldier in Vietnam, a one-hour special, "Same Mud, Same Blood," won a Brotherhood Award from the National Conference of Christians and Jews.

Mr. McGee was born in Monroe, La., Sept. 12, 1921, spent his early years in the oil country of Louisiana and Oklahoma, and attended high school in Norman, Okla. In 1940, he enlisted in the Oklahoma National Guard and spent the next five years in the Army.

Discharged in 1945, he enrolled at the University of California. A year later, he returned to Norman and entered the University of Oklahoma while working part time at radio station KGFF in Shawnee, Okla.

In 1950, he joined WKY and WKY-TV in Oklahoma City, where he gathered and broadcast news, shot and edited film, and wrote scripts. In 1955, he moved to Montgomery, Ala., to head the news operation of NBC affiliate WSFA-TV. His coverage of racial friction gained national attention, and Julian Goodman, now Chairman of the Board and chief executive officer of NBC, hired him in 1957 as an NBC News correspondent in Washington. After two years in the capital, he was transferred to New York.

During the 1960 Presidential campaign, Mr. McGee was moderator of the second "Great Debate" between Vice President Richard M. Nixon and Senator John F. Kennedy.

When Gulf Oil Corporation signed an agreement with NBC in 1960 to sponsor fast-breaking, unscheduled news events, Mr. McGee was assigned as anchorman, and over a period of four years he anchored more than 450 "Instant News Specials."

Surviving are his widow, the former Sue Beaird of Norman, Okla., and their two children, Michael and Mrs. Sharon Dian Liebowitz.

Remarks by John Chancellor, NBC Nightly News

This is John Chancellor, on the NBC radio network, with comment on the news. Frank McGee, my colleague and my friend, died today of pneumonia; he was 52 years old, and his body had been wracked with pain, and made vulnerable to infection, by cancer of the bone marrow which he'd known about for the last four years.

He kept the information about that cancer pretty much to himself, and went on working, as host of the "Today" show. Stuart Schulberg, the producer of the "Today" show, knew some time ago that Frank was undergoing chemotherapy. Schulberg says, "We were a little alarmed, but he seemed so under control, so full of energy, that at first we didn't take it seriously." Schulberg says McGee never complained, just said, "I ache a little bit, but on with the show." Actually, for the past few months of his life, McGee suffered intense and severe pain. Schulberg says, "You wouldn't know it on the air, but when you saw him try to get out of his chair and saw him walk across the studio, you realized the price he was paying in pain for that upbeat performance of his. But that's the kind of man he was . . . a very heroic gentleman."

Frank McGee was also a good reporter, a fine writer, and as steady a man as you'd ever want to have at your side in a tricky situation. I learned this at first hand, and in different kinds of tricky situations: from the days back in the '50's when we worked together on things like hurricanes and civil rights stories in the south, where there was some risk of physical danger; all the way up to the election nights in the sixties, and the space shots, where the danger, as Frank knew, was sometimes greater: the danger of telling the wrong story, of misinterpreting the facts. A broken arm or a crushed head would have been of less consequence to Frank than getting something wrong on the air.

There was a great sense of professional responsibility about Frank. He was in the hospital this week when the magazine US News and World Report came out with a survey of leadership opinion which placed television as the most important institution in American life. I'm sorry he missed that article. That degree of responsibility would have worried him. But the fact is, Frank McGee was one of the men who gave his life to television, and brought to it a significant measure of decency and integrity.

"Frank McGee was an old friend, and a valuable one. I'll miss him personally, and I'll also miss his steady hand with a news story, his dedication to his work, and the warmth he had for those of us who worked with him. Frank had lived all over this country, and had a deep feeling for it and what it should be. That sense of commitment to the country is perhaps what we'll miss most of all."

Remarks by Barbara Walters, Cohost of the NBC Today Program

"Frank and I have worked together for more than two years. During that time our daily contact affirmed my regard for him as a person and esteem as a superb journalist. We have known of his illness for several months but his enormous courage and extreme professionalism enabled him to continue his work. The prior knowledge of his illness nevertheless does not diminish my shock or grief. All of us on the program will miss him terribly."

Remarks by Gene Shalit, Co-Host of the NBC "Today" Program

To most of us, Frank was not only a friend—but unique. As one of the giants of NBC News for the past eighteen years, Frank McGee was a champion. He brought to his work two different groups of qualifications: the first—intellectual and practical; the second—a strong moral fiber and a deep sense of responsibility. Those things made him, from the outset, what is meant, in the best sense, a newsman. He performed a most exacting task during the most critical periods of history—at a time when this profession and this country most needed those qualities.

His contributions will long be remembered: his insight into the civil rights movement from its inception; the moonshots; the presidential elections; the political conventions; and, of course, in recent years his role as host here on the TODAY program. His influence was always felt; Frank McGee was a man whose deep inner convictions could never be shaken. He could never be intimidated, cajoled or misled. In recent months, we saw heroism in carrying on with what he felt was his duty and responsibility—in the face of continuous pain. And at the end, he faced the worst news of all with good heart and good cheer.

Frank McGee asked nothing of the world except to be of service in a most difficult job—the job of informing and reporting. He was respected, appreciated, and loved with a deep and lasting feeling by those of us who worked with him.

Remarks by Executives of the National Broadcasting Co.

Julian Goodman, Chairman of the Board of NBC: "Frank McGee was an outstanding reporter who had a special ability to simplify complicated subjects. He earned the trust of the entire country through his calm reporting in tumultuous times. We will miss him terribly as a broadcaster and a friend."

Herbert S. Schlosser, President of NBC: "Frank McGee was a gifted newsman, whose achievements in broadcast journalism earned him national attention and respect. More than that, he was a warm, gentle person, and his death is a sad loss for all of us."

Richard C. Wald, President of NBC News: "Frank McGee was a bright, stubborn, persistent and witty man who used enormous energy and talent to report the news. He was never pompous and he couldn't abide self-importance in others. He became, successively, an expert reporter on the integration problems, the space adventures and the energy crises of this country and he never stopped learning or being curious. And he did it all in broadcasting, as one of the pioneer reporters and anchormen in television. His loss is a blow to the News Division, to this company and to his many friends throughout the country."

Gene Farinet, Producer—News, "Today": "Frank McGee was a man whose deep inner convictions could never be shaken. He could never be intimidated, cajoled or misled. He used to say there was beauty in the ugly and ugliness in the beautiful; that the harsh are gentle and the gentle harsh—and there's more in any single one of us than all of us could ever learn about that one; and that there is more in all of us than any single one will ever learn."

Stewart Schulberg, Executive Producer, "Today": "Certainly there was more in Frank McGee than any of us will ever learn, though he tried hard to teach us—about humility, about pride, about skill, honesty, courage. His life and his death are the lessons he left us. We should all get on with our studies."

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Fountain (at the request of Mr. O'Neill), from 3 p.m. today, until 2 p.m. on Thursday, April 25, on account of official business.

Mr. Hosmer, for part of today and tomorrow, on account of attendance at the International Conference on Enriched Uranium Utilization as a principal U.S. participant.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. McCollister) to revise and extend their remarks and include extraneous matter:)

Mr. Kemp, for 45 minutes, today.

Mr. McKinney, for 5 minutes, today.

Mr. Young of Illinois, for 5 minutes, today.

Mr. McDade, for 5 minutes, today.

Mrs. Heckler of Massachusetts, for 30 minutes, today.

(The following Members (at the request of Mr. Ryan) to revise and extend their remarks and include extraneous matter:)

Mr. McFall, for 5 minutes, today.

Mr. Mathis of Georgia, for 5 minutes, today.

Mr. Lehman, for 5 minutes, today.

Mr. Hamilton, for 5 minutes, today.

Mr. Fraser, for 5 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Chappell, for 5 minutes, today.

Mr. Podell, for 5 minutes, today.
Mr. Roy, for 5 minutes, today.
Mr. Gaydos, for 10 minutes, today.
Mr. Rodino, for 15 minutes, today.
Mr. Danielson, for 30 minutes, today.
Mr. Vanik, for 5 minutes, today.
Ms. Abzug, for 40 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Roush, and to include extraneous material.

Mr. Brademas, and to include extraneous material, notwithstanding the fact that it exceeds two pages of the Record, and is estimated by the Public Printer to cost $783.75.

(The following Members (at the request of Mr. McCollister) and to include extraneous matter:)

Mr. Young of South Carolina.
Mr. Hanrahan.
Mr. Gude in five instances.
Mr. Bell.
Mr. Rhodes.
Mr. Wyman in two instances.
Mr. Railsback.
Mr. Huber.
Mr. Steelman.
Mr. Shuster.
Mr. Whalen in two instances.
Mr. Symms.
Mr. Mitchell of New York.
Mr. McClory.
Mr. Robison of New York.
Mr. Archer.
Mr. Hudnut.
Mr. Derwinski in three instances.
Mr. Ketchum.
Mr. Esch.
Mr. Gilman in two instances.
Mr. Lent in three instances.
Mr. Bob Wilson in two instances.
Mr. Grover.
Mr. Froehlich.
Mr. Bauman in two instances.

(The following Members (at the request of Mr. Ryan) and to include extraneous matter:)

Mr. Clay in 10 instances.
Mr. Roy.
Mr. Rarick in three instances.
Mr. Byron in 10 instances.
Mr. Gonzalez in three instances.
Mr. Murphy of Illinois.
Mr. Seiberling in 10 instances.
Mr. Luken.
Mr. Jones of Oklahoma.
Mr. Hungate.
Mr. Leggett.
Mr. Stubblefield.
Mr. Rodino.
Mr. Roe in three instances.
Mr. Nix.
Mr. McCormack.
Mr. Ryan.
Mr. Vanik in two instances.
Mr. Danielson in five instances.
Mr. Roybal.
Mr. Van Deerlin.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1488. An act to provide for a system of uniform commodity descriptions and codes and tariffs filed with the Federal Maritime Commission, and for other purposes, to the Committee on Merchant Marine and Fisheries.

S. 3231. An act to provide compensation to poultry and egg producers, growers, and processors and their employees, to the Committee on Agriculture.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 2770. An act to amend chapter 5 of title 37, United States Code, to revise the special pay structure relating to medical officers of the uniformed services.

ADJOURNMENT

Mr. RYAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 44 minutes p.m.), the House adjourned until tomorrow, Thursday, April 25, 1974, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2227. A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a report that the appropriation to the Office of Telecommunications Policy for "Salaries and expenses" for the fiscal year 1974 has been reapportioned on a basis which indicates the necessity for a supplemental estimate of appropriation, pursuant to 31 U.S.C. 665; to the Committee on Appropriations.

2228. A letter from the Secretary of the Air Force, transmitting a draft of proposed legislation to amend the act of September 26, 1966, Public Law 89-606, as amended, to extend for 2 years the period during which the authorized numbers for the grades of lieutenant colonel and colonel in the Air Force are increased; to the Committee on Armed Services.

2229. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report on loan, guarantee, and insurance transactions supported by Eximbank to Yugoslavia, Romania, the U.S.S.R. and Poland during March 1974; to the Committee on Banking and Currency.

2230. A letter from the Commissioner of the District of Columbia, transmitting a draft of proposed legislation to establish the District of Columbia Defender Service, and for other purposes; to the Committee on the District of Columbia.

2231. A letter from the Commissioner of the District of Columbia, transmitting a draft of proposed legislation to amend the District of Columbia Police and Firemen's Salary Act of 1958 to increase salaries, and for other purposes; to the Committee on the District of Columbia.

2232. A letter from the Director, District of Columbia Unemployment Compensation Board, transmitting the Board's annual report for calendar year 1973, pursuant to 43 District of Columbia Code 313(c); to the Committee on the District of Columbia.

2233. A letter from the Secretary of Health, Education, and Welfare, transmitting the third annual report on the 5-year plan for family planning services and population research, pursuant to 42 U.S.C. 3505(c); to the Committee on Interstate and Foreign Commerce.

2234. A letter from the president, National Railroad Passenger Corporation, transmitting a 5-year financial projection of Amtrak operations including a revised capital acquisition program, pursuant to 45 U.S.C. 601(b); to the Committee on Interstate and Foreign Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mrs. SULLIVAN: Committee on Merchant Marine and Fisheries. H.R. 8193. A bill to require that a percentage of U.S. oil imports be carried on U.S.-flag vessels; with amendments (Rept. No. 93-1003). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BINGHAM (for himself and Mr. Seiberling):

H.R. 14332. A bill to amend the Economic Stabilization Act, to establish objectives and standards governing imposition of controls after April 30, 1974, to create an Economic Stabilization Administration, to establish a mechanism for congressional action when the President fails to act, and for other purposes; to the Committee on Banking and Currency.

By Mr. BLATNIK:

H.R. 14333. A bill to amend title XVIII of the Social Security Act to establish a program of long-term-care services within the medicare program, to provide for the creation of community long-term-care centers and State long-term-care agencies as part of a new administrative structure for the organization and delivery of long-term-care services, to provide a significant role for persons eligible for long-term-care benefits in the administration of the program, and for other purposes; to the Committee on Ways and Means.

By Mr. BROOMFIELD:

H.R. 14334. A bill to allow a deduction for income tax purposes of certain expenses incurred by the taxpayer for the education of a dependent; to the Committee on Ways and Means.

By Mr. CLARK:

H.R. 14335. A bill to create a national system of health security; to the Committee on Ways and Means.

By Mr. CRANE:

H.R. 14336. A bill to limit the jurisdiction of the Supreme Court and of the district courts in certain cases; to the Committee on the Judiciary.

H.R. 14337. A bill to limit the jurisdiction of the Supreme Court and of the district courts in certain cases; to the Committee on the Judiciary.

By Mr. DAVIS of Georgia:

H.R. 14338. A bill to amend the Social Security Amendments of 1972; to the Committee on Ways and Means.

By Mr. DIGGS:

H.R. 14339. A bill to authorize the District of Columbia to enter into the interstate parole and probation compact, and for other purposes; to the Committee on the District of Columbia.

H.R. 14340. A bill relating to crime and law enforcement in the District of Columbia; to the Committee on the District of Columbia.

H.R. 14341. A bill to provide for the recovery from tortiously liable third persons of the cost of medical and hospital care and treatment, funeral expenses, and salary payments furnished or paid by the District of Columbia to members of the Metropolitan Police force and the District of Columbia Fire Department; to the Committee on the District of Columbia.

By Mr. DULSKI:

H.R. 14342. A bill to amend title VIII of the act entitled "An act to prescribe penalties for certain acts of violence or intimidation, and for other purposes," approved April 11, 1968 (relating to fair housing), to extend its coverage to all dwellings; to the Committee on the Judiciary.

By Mr. ECKHARDT (for himself, Mr. Adams, Mr. Badillo, Mrs. Burke of California, Mr. Dent, Mr. Drinan, Mr. Riegle, Mr. Rosenthal, and Mr. Roybal):

H.R. 14343. A bill to amend the Emergency Petroleum Act of 1973 to require the President to roll back prices for crude oil and petroleum products; to the Committee on Interstate and Foreign Commerce.

By Mr. FREY:

H.R. 14344. A bill to authorize recomputation at age 60 of the retired pay of members and former members of the uniformed services whose retired pay is computed on the basis of pay scales in effect prior to January 1, 1972, and for other purposes; to the Committee on Armed Services.

By Mr. FUQUA:

H.R. 14345. A bill to amend section III(a) of title 38, United States Code, relating to the payment of travel expenses for persons traveling to and from Veterans' Administration facilities; to the Committee on Veterans' Affairs.

H.R. 14346. A bill to amend section 62 of the Internal Revenue Code of 1954 in order to permit penalties incurred because of premature withdrawal of funds from time savings accounts or deposits to be deducted from "gross income" in calculating "adjusted gross income"; to the Committee on Ways and Means.

By Mr. HANSEN of Idaho:

H.R. 14347. A bill to amend title 5, United States Code, with respect to the retirement of certain law enforcement and firefighter personnel, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. HÉBERT:

H.R. 14348. A bill to transfer Camp Villere, La., to the State of Louisiana; to the Committee on Armed Services.

By Mr. HÉBERT (for himself and Mr. Bray) (by request):

H.R. 14349. A bill to amend section 3031 of title 10, United States Code, to increase the number of authorized Deputy Chiefs of Staff for the Army Staff; to the Committee on Armed Services.

By Mr. KYROS:

H.R. 14350. A bill to amend title XVI of the Social Security Act to prevent reductions in supplemental security income benefits because of social security benefit increases; to the Committee on Ways and Means.

By Mr. LANDRUM:

H.R. 14351. A bill to amend the Internal Revenue Code of 1954 to make clear the tax treatment intended for guaranteed renewable life, health, and accident insurance contracts in the case of life insurance companies; to the Committee on Ways and Means.

By Mr. LUKEN:

H.R. 14352. A bill to amend the Internal Revenue Code of 1954 to increase personal exemptions after 1974 by an amount based on annual variations in the Consumer Price Index; to the Committee on Ways and Means.

By Mr. LUKEN (for himself, Mr. Bevill, Mr. Hechler of West Virginia, Mr. Podell, Mr. Moakley, Mr. Charles Wilson of Texas, Mr. Riegle, Mr. Duncan, Mrs. Collins of Illinois, Mrs. Chisholm, and Mr. Yatron):

H.R. 14353. A bill to amend the Small Business Act to authorize additional loan assistance for disaster victims, and for other purposes; to the Committee on Banking and Currency.

By Mr. PERKINS (for himself and Mr. Quie):

H.R. 14354. A bill to amend the National School Lunch Act, to authorize the use of certain funds to purchase agricultural commodities for distribution to schools, and for other purposes; to the Committee on Education and Labor.

By Mr. PODELL:

H.R. 14355. A bill to amend section 410 of the Federal Aviation Act of 1958 to provide financial assistance during the energy crisis to U.S. air carriers engaged in overseas and foreign air transportation; to the Committee on Interstate and Foreign Commerce.

By Mr. ROSTENKOWSKI:

H.R. 14356. A bill to prohibit for a temporary period the exportation of ferrous scrap, and for other purposes; to the Committee on Banking and Currency.

By Mr. ROY:

H.R. 14357. A bill to amend the Public Health Service Act, to revise the programs of student assistance, to revise the National Health Service Corps program, to establish a system for the regulation of postgraduate training programs for physicians, to provide assistance for the development and expansion of training programs for nurse clinicians, pharmacist clinicians, community and public health personnel, and health administrators, to provide assistance for projects to improve the training provided by undergraduate schools of nursing, pharmacy, and allied health to provide assistance for the development and operation of area health education systems, to establish a loan guarantee and interest subsidy program for undergraduate students of nursing, pharmacy, and the allied health professions, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ST GERMAIN:

H.R. 14358. A bill to amend the Internal Revenue Code of 1954 to provide for an increase in the amount of the personal exemptions for taxable years beginning after December 31, 1973; to the Committee on Ways and Means.

By Mr. SCHERLE:

H.R. 14359. A bill to extend to all unmarried individuals the full tax benefits of income splitting now enjoyed by married individuals filing joint returns; and to remove rate inequities for married persons where both are employed; to the Committee on Ways and Means.

By Mr. STARK:

H.R. 14360. A bill to authorize special appropriations for training teachers for bilingual education programs; to the Committee on Education and Labor.

H.R. 14361. A bill to assure the right to vote to citizens whose primary language is other than English; to the Committee on the Judiciary.

By Mrs. SULLIVAN:

H.R. 14362. A bill to amend the Social Security Act and the Internal Revenue Code of 1954 to provide for Federal participation in the costs of the social security program, with a substantial increase in the contribution and benefit base and with appropriate reductions in social security taxes to reflect the Federal Government's participation in such costs; to the Committee on Ways and Means.

By Mr. VANDER JAGT:

H.R. 14363. A bill to amend the Internal Revenue Code of 1954 to encourage higher education, and particularly the private funding thereof, by authorizing a deduction from gross income by reasonable amounts contributed to a qualified higher education fund established by the taxpayer for the purpose of funding the higher education of his dependents; to the Committee on Ways and Means.

By Mr. BENNETT (for himself and Mr. Bob Wilson):

H.R. 14364. A bill to establish the policy of the United States of America to modernize the strike forces of the U.S. Navy by requiring nuclear propulsion in new major combatant vessels to take advantage of improved military characteristics accruing from the essentially unlimited high-speed endurance provided by nuclear propulsion; to the Committee on Armed Services.

By Mr. BROOMFIELD:

H.R. 14365. A bill to prohibit Members of Congress from accepting honorariums; to the Committee on Standards of Official Conduct.

By Mrs. BURKE of California (for herself and Ms. Abzug):

H.R. 14366. A bill to establish a National Center for the Prevention and Control of Rape and provide financial assistance for a research and a demonstration program into the causes, consequences, prevention, treatment, and control of rape; to the Committee on Interstate and Foreign Commerce.

By Mr. GONZALEZ:

H.R. 14367. A bill to enlarge the results thus far achieved under the Employment Act of 1946; to promote full and sustained achievement of the maximum employment, production, and purchasing power objectives under that act; to assure that a sufficient portion of our growing economic production of goods and services be allocated to great priorities of our domestic and international needs, including eradication of poverty and freedom from want; to provide for a National Purpose Budget toward these ends and to encourage more national unity; and for related purposes; to the Committee on Government Operations.

By Mr. HASTINGS:

H.R. 14368. A bill to provide for means of dealing with energy shortages by requiring reports with respect to energy resources, by providing for temporary suspension of certain air pollution requirements, by providing for coal conversion; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. KETCHUM:

H.R. 14369. A bill to authorize and direct the Secretary of the Interior to transfer certain lands administered by him to the State of California; to the Committee on Interior and Insular Affairs.

By Mr. SYMINGTON:

H.R. 14370. A bill to amend the Federal Trade Commission Act to provide meaningful disclosure of the annual operating energy costs of certain products and systems to consumers; to the Committee on Interstate and Foreign Commerce.

By Mr. THOMPSON of New Jersey:

H.R. 14371. A bill to amend the Service Contract Act of 1965, with respect to the short title of such act; to the Committee on Education and Labor.

By Mr. ANDREWS of North Carolina:

H.R. 14372. A bill to amend title II of the Social Security Act to increase to $3,000 the annual amount individuals are permitted to earn without suffering deductions from the insurance benefits payable to them under such title; to the Committee on Ways and Means.

By Mr. CLEVELAND:

H.R. 14373. A bill to amend title 23 of the United States Code to authorize a grant program for research and development of guidelines to conserve energy by reducing air drag on trucks; to the Committee on Public Works.

By Mr. DIGGS (by request):

H.R. 14374. A bill to establish the District of Columbia Defender Service, and for other purposes; to the Committee on the District of Columbia.

H.R. 14375. A bill to amend the District of Columbia Police and Firemen's Salary Act of 1958 to increase salaries, and for other purposes; to the Committee on the District of Columbia.

H.R. 14376. A bill to authorize in the District of Columbia a plan providing for the representation of defendants who are financially unable to obtain an adequate defense in criminal cases in the courts of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. EDWARDS of California:

H.R. 14377. A bill to amend the Fair Labor Standards Act of 1938, to require prenotification to affected employees and communities of dislocation of business concerns, to provide assistance (including retraining) to employees who suffer employment loss through the dislocation of business concerns, to business concerns threatened with dislocation, and to affected communities, to prevent Federal support for unjustified dislocation, and for other purposes; to the Committee on Education and Labor.

By Mr. FULTON:

H.R. 14378. A bill to extend certain programs under the Economic Opportunity Act of 1964, and for other purposes; to the Committee on Education and Labor.

By Mr. FUQUA:

H.R. 14379. A bill to amend the Agricultural Marketing Act of 1946 in order to give the Secretary of Agriculture additional authority to promote and stimulate development in rural areas, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HAMILTON:

H.R. 14380. A bill to amend the Internal Revenue Code of 1954 to provide income tax simplification, reform, and relief for small business; to the Committee on Ways and Means.

By Mr. LITTON (for himself. Mr. Stubblefield, and Mr. Podell):

H.R. 14381. A bill to establish a Department of Social, Economic, and Natural Resources Planning in the executive branch of the Federal Government; to the Committee on Government Operations.

By Mr. MOAKLEY:

H.R. 14382. A bill to amend section 6161(b) of the Internal Revenue Code of 1954 (relating to extension of time for paying tax) to require repayment of deficiencies by installments in cases of undue hardship; to the Committee on Ways and Means.

H.R. 14383. A bill to amend the Internal Revenue Code of 1954 to encourage the preservation and rehabilitation of all structures of a historic nature, and for other purposes; to the Committee on Ways and Means.

By Mr. TIERNAN:

H.R. 14384. A bill to extend and improve the Nation's unemployment programs, and for other purposes; to the Committee on Ways and Means.

By Mr. STARK:

H.J. Res. 986. Joint resolution relating to the publication of economic and social statistics for Spanish-speaking Americans; to the Committee on Education and Labor.

By Mr. HAMILTON:

H. Con. Res. 481. Concurrent resolution relating to arms control in the Indian Ocean; to the Committee on Foreign Affairs.

By Mr. ICHORD (for himself, Mr. Dent, Mr. Aspin, Mr. Stuckey, Mr. Andrews of North Carolina, Mr. Breckinridge, Mrs. Heckler of Massachusetts, and Mr. Matsunaga):

H. Res. 1059. Resolution declaring the sense of the House with respect to a prohibition of extension of credit by the Export-Import of the United States; to the Committee on Banking and Currency.

By Mr. JONES of North Carolina (for himself and Mr. Gray):

H. Res. 1060. Resolution providing a system of overtime pay in lieu of compensatory time off for officers and members of the U.S. Capitol Police under the House of Representatives, subject to rules and regulations prescribed by the Committee on House Administration; to the Committee on House Administration.

By Mr. PODELL:

H. Res. 1061. Resolution respecting the safety of the Jewish community in Syria; to the Committee on Foreign Affairs.

MEMORIAL

Under clause 4 of rule XXII,

438. The SPEAKER presented a memorial of the Legislature of the Trust Territory of the Pacific Islands, relative to greater administrative control and political autonomy for Micronesia, which was referred to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GONZALEZ:

H.R. 14385. A bill for the relief of Alexander F. Garcia; to the Committee on the Judiciary.

By Mr. SMITH of Iowa:

H.R. 14386. A bill for the relief of Pham Van Kiet; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1, of rule XXII,

431. The SPEAKER presented a petition of the City Council, Maple Heights, Ohio, relative to development of the Cuyahoga Valley Park, which was referred to the Committee on Interior and Insular Affairs.

EXTENSIONS OF REMARKS

BEWARE THE IDES OF APRIL

HON. E. G. SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. SHUSTER. Mr. Speaker, for the past 15 months, I have been both appalled and shocked at the free-spending attitude of the U.S. Congress. I was shocked to learn that we have spent over $150 billion in foreign aid payments since World War II, and I am appalled at the unworkable and costly programs annually funded in the name of "social progress."

But I had no idea of the extent of the Congress madness until I read an editorial in the April 9, 1974, issue of the Lewistown Sentinel, a daily newspaper in my congressional district serving a county with a population of nearly 50,000 people.

Mr. Speaker, some of the uses of the taxpayers' money featured in the Sentinel editorial are beyond the realm of imagination. If someone were to sit down and fabricate fantastic and unbelievable projects to "put one over" on the American people, I doubt seriously if he would come close to the reality so clearly outlined in this article.

Because of the incredulousness of the misuse of public funds, I believe it is important for this editorial to be brought to the public's attention. Therefore, I insert the editorial, as it appeared in the Lewistown Sentinel on April 9, 1974, to be included in the Congressional Record at this time.

Beware the Ides of April

We are well into spring and the month of April, when nature begins to blossom forth in all its verdure, and unhappy taxpayers make ready an accounting to a higher authority—the Internal Revenue Service. It is a time for rejoicing—it is a time for sorrow.

For some, who overpaid their taxes all year, it is a season when they look forward to a check from the government, a refund of their overpayment and return of the money that they let Uncle Sam hold for them, without interest.

Others, whose income is derived from sources not subject to withholding, with long faces and solemn indignation will be calling on their bankers with the annual request for a loan to meet their tax obligations.

We are indebted to James Davidson of the National Taxpayers Union for some bloodcurdling examples of the way in which our tax money is spent in grants and appropriations by Congress in its wisdom.

Not all goes for national defense, nor the eradication of disease, or finding cures for malignant and terrible diseases. Our tax money goes for some bizarre and unbelievable purposes.

Would you believe that $35,000 of your money was spent for a year of chasing wild boars in Pakistan? Well, it was. Or perhaps you would like to read the report—if one has been made—of a $70,000 expenditure made to study the smell of the perspiration of aborigines in Australia.

For that olfactory project we also bought an odor measuring machine from Turkey at a cost of $28,361. Now that the project is completed the machine could be used to measure smells emanating from various appropriation bills as they are passed by the Congress.

Do you know that we have a national board of tea tasters? Well, we do. And last year and every year they cost us about $120,000. We also have a board of Tea Appeals. Consider that when you are going through your checkbook carefully looking for items which might possibly be considered deductions.

While you are considering bankruptcy, or moving to Costa Rica, or one of the few remaining states with no state income tax, you might mull over the $68,000 which we paid the Queen of England for not growing cotton on her plantation in Mississippi.

Have you had an invitation from Marshall Tito of Yugoslavia for a cruise on his yacht? It would be fitting if you had. The American taxpayer paid $2,000,000 for it.

We also footed the bill for Leonid Brezhnev's twelfth magnificent motor car, in the interest of cordiality and maintenance of what seems to be a fast vanishing detente.

And there are more and more in unbelievable profligacy.

Our only recourse is to elect congressmen with sharp noses for a fool expenditure.

GOVERNMENT EMPLOYEES CITED FOR SERVICE

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. GAYDOS. Mr. Speaker, once again the Federal employees of the Pittsburgh area have singled out for special recognition those members who have distinguished themselves in public service.

The awards were presented at the annual Civil Service banquet, held earlier this month, and attended by our esteemed colleague from North Carolina, the Honorable DAVID N. HENDERSON, who was the principal speaker, and Maj. Gen. Willie E. Dixon, Jr., commanding general of the 99th Army Reserve Command, which is comprised of western Pennsylvania and West Virginia.

As has become traditional, the highlight of the dinner is the bestowing of the special award established in memory of two former Members of this House: the late Robert J. Corbett and James G. Fulton.

The Corbett-Fulton Award is given each year to the Federal employee who displays the highest degree of skill and ability in the administration and performance of duty. This year's recipient was Ms. Bernyce Hamlin, who began her Government service in 1959 in dietetics service at a veterans' hospital. She also is an avid participant in seminars and conferences which affect Federal employees and their duties.

Ms. Hamlin received her award from Mr. Robert W. Huffman, president of the Council of Locals, AFGE, and a man dedicated to the interests of those in the employ of our Government. Mr. Huffman has been instrumental in bringing together employees and supervisors and establishing a closer understanding of mutual problems.

This year's award dinner also featured two other special presentations. One was the "Award of Valor" and was presented to Mr. George Dimoff by Mr. Royal L. Sims of Philadelphia, national vice president of AFGE. Mr. Dimoff, according to his citation, risked his own life to save that of a patient in a veterans' hospital.

The second special citation was an "Appreciation Award" given Congressman HENDERSON by Clyde M. Webber, national president of AFGE. Mr. HENDERSON, vice chairman of the House Post Office and Civil Service Committee, was recognized for his unselfish and dedicated service on behalf of Federal employees. I hope my colleague enjoyed his visit to western Pennsylvania and will come back to see us again from time to time.

Mr. Speaker, it is with great pleasure I join in the tribute to Ms. Hamlin, Mr. Dimoff, the officers and members of the Pittsburgh area's American Federation of Government Employees. Too often, those whose work effects the life of practically every American go unnoticed in the shadow of major crises.

KEEP PANAMA CANAL

HON. WILLIAM M. KETCHUM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. KETCHUM. Mr. Speaker, in the 2½ months since Secretary of State Kissinger signed articles of agreement which would cede American control of the Panama Canal to the Republic of Panama, a storm of protest has arisen against this absurd action. I am convinced that the American people are united in opposition to this giveaway of vital American property. Recently one of my constituents, Sarah Corry, wrote a most thoughtful and persuasive letter to January 21 issue of Goleta Valley Today outlining the reasons why the canal should remain in American hands. I insert Ms. Corry's article into the RECORD, and ask my colleagues to give it their close consideration.

KEEP PANAMA CANAL

To the Editor:

Help stop the giveaway of our Panama Canal and Canal Zone, the strategic defense of the entire North American continent.

Gen. George C. Marshall, Army Chief of Staff in 1944, said: "The Panama Canal is and will remain a military objective of the first order."

Los Angeles Times reporter Bill Henry January 17, 1964 also warned us: "The United States (without which Panama wouldn't be in existence at all) gets the blame for everything.

"It is an inviting target for the Communists, and the Reds have been working hard to keep the natives stirred up," according to Bill Henry's on-the-spot observation.

Yet "a preliminary agreement to return the Panama Canal and Canal Zone to Panama has been reached" by negotiators—U.S. roving ambassador, octogenarian Ellsworth Bunker, and Panamanian Foreign Minister Tack—in January, 1974, according to a recent Associated Press release.

That in the face of the fact Chicago Tribune Panama authority, Chesly Manly, reminded us on August 1, 1967: "The United States has operated and defended the canal for the benefit of all mankind without discrimination, at an unrecovered cost of 700 million dollars for the canal and about 3 billion dollars for defense." (More since 1967.)

Why, in 1974, tolerate ambassadorial madness or plain gall in tossing away this vital lifeline?—to Panama, a nation a) with an area of 29,208 square miles, about 2,000 square miles less than the size of South Carolina, and b) with a government which has had "32 presidents in 60 years, one of whom—the record holder—lasted only four days."

Panama could 1) never have maintained its independence without our assistance; 2) never have survived its malaria and yellow fever without our scientific expertise and ability to follow through regardless of obstacles; 3) never have had within reach one of the finest hospitals in the world, built by the United States; and 4) never have had any degree of employment or prosperity without our know-how, our magnanimity, and our generosity in sharing this magnificent engineering triumph after all other explorers failed.

What's more, the 1903 treaty, signed by Panama and the United States, sealed our rights and sole authority over the Panama Canal and Canal Zone "in perpetuity."

The proposed ambassadorial giveaway of those rights is still subject to the reaction of the Defense, Commerce and Interior Departments, and approval of Congress.

Write, wire, or phone your representatives and senators to vote against that giveaway. (House Office Building, Washington, D.C. 20515, and Senate Office Building, Washington, D.C. 20510.)—Sarah Corry, Santa Barbara.

THE 1973 PROFITS: A YEAR TO REMEMBER IN OIL, BEVERAGES, PAPER, ET CETERA

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. BINGHAM. Mr. Speaker, 1973 was not only a year of tremendous profit for the oil industry, it was a great year for American "big business" in general. Despite adversity laid to a variety of sources, "corporate America" made more money this past year than at any time since the Korean war. Corporate earnings in 1973 soared a whopping 25 percent over their 1972 levels.

The point that needs to be made is that, despite all the crying by industry over economic controls and how they are killing American business prospects, big business fared so well in 1973 that it set new records for profitability over a 25-year period. Controls are needed now that would respond to the needs of the worker whose wages have been tightly restricted, and whose toil is responsible for all that corporate well-being: we need controls that would hold the line on prices while allowing wages to catch up so that the American worker will have the same purchasing power he had prior to controls.

The chart and article appearing below summarize data appearing in the March 9 edition of Business Week and indicate the good health of American industry:

Industry	Sales		Profits	
	4th quarter percent sales increase 1973/72	12 month percent sales increase 1973/72	4th quarter percent increase 1973/72	12 month percent increase 1973/72
All industry composite	22	19	23	25
Oil	40	27	80	55
Aerospace	23	20	313	64
Automotive	9	18	−26	13
Banks	66	51	13	13
Beverages	17	17	4	8
Building materials	20	21	32	50
Chemicals	21	19	36	41
Conglomerate	26	17	9	24
Container	20	14	19	18
Drugs	19	15	15	17
Electrical electronics	16	16	6	16
Food processing	24	20	21	17
Food and lodging	19	18	5	9
General machinery	27	21	33	33
Instruments	18	17	6	20
Leisure time industries	8	10	−3	−15
Metals and mining	35	27	79	62
Miscellaneous manufacturing	21	20	20	25
Nonbank financial	15	12	8	−3
Office equipment computers	25	18	56	30
Oil service and supply	13	24	18	16
Paper	22	18	57	67
Personal care products	23	19	10	9
Publishing	10	10	12	21
Radio and TV broadcasting	3	8	1	13
Railroads	10	10	22	8
Real estate and housing	21	16	26	13
Retailing (Food)	12	13	26	32
Retailing (nonfood)	12	15	5	14

Industry	Sales		Profits	
	4th quarter percent sales increase 1973/72	12 month percent sales increase 1973/72	4th quarter percent increase 1973/72	12 month percent increase 1973/72
Savings and loan	13	15	−30	2
Service industries	22	21	13	21
Steel	26	28	60	66
Textile and apparel	12	14	9	22
Tire and rubber	15	16	13	10
Tobacco	14	9	6	9
Trucking	20	20	−2	7
Utilities	10	12	7	14

1973 Profits: A Year To Remember

Rapidly rising costs, price controls, materials shortages, and the initial impact of the energy crisis combined to dampen corporate profits during the final quarter of 1973. But that was not enough to cool the spectacular profit performance for the year as a whole. When all the counting is done, U.S. corporations will have made more than $70-billion after taxes during 1973, 27% more than the $55.4-billion recorded in 1972. That was the biggest percentage increase since the post-Korean War boom days of 1955 and the biggest dollar increase in U.S. business history.

For this survey of fourth quarter and full year 1973 financial results, Business Week is including 1,200 companies, 50% more than are polled for regular quarterly performance reports. Four new industry categories appear on the list: food and lodging, real estate and housing, oil service and supply, with retailing now broken into separate food and nonfood categories. Finally, this survey includes not only composite figures for all the companies in an industry, but, for the first time, an all-industry composite covering all 1,200 companies.

All the data was compiled by Denver-based Investors Management Services, Inc., a subsidiary of Standard & Poor's Corp., and includes nearly all U.S. industrial corporations with fourth-quarter sales of $18-million or more, utilities with quarterly revenues greater than $50-million, and banks with deposits of at least $1-billion. Companies whose most recent fiscal quarter ended before Nov. 1 were left out unless their sales for the three months topped $100-million.

Together, these 1,200 companies had combined sales of $261.5-billion in the fourth quarter, up 22% from the same quarter a year earlier. Their profits totaled $15.3-billion, up 23%. For full year 1973, these same 1,200 companies racked up sales of $955.1-billion. 19% higher than for all of 1972. And they recorded annual profits of $55.9-billion, an increase of 25% from 1972, the previous record earnings year.

The one visible sign of trouble came in fourth-quarter profit margins. Margins for these companies were the same in both the final quarters of 1972 and 1973—5.8%. Margins had run nicely ahead of year-ago levels in the first three quarters of 1973.

The five industries that turned in the best fourth-quarter profit performance also led the pack for the whole year. But their order of finish, as well as the magnitude of their earnings increases, was considerably different. The paper industry was the big profit winner for 1973 with earnings up by 67%. It was closely followed by steel, up 66% for the year; aerospace, up 64%; metals, up 62%; and oil, up 55%. But two of those industries did not hit their stride until the fourth quarter. Spurred by new defense spending, aerospace profits rocketed ahead by 313% during the final quarter of 1973. And profits for the oil industry grew by 80%, fueled by rapidly rising prices for energy. The paper industry, after six quarters of extremely high profit increases, found its fourth-quarter gains cooling a bit to 57%.

Fourth-quarter profits took a nosedive in the automotive and airlines industries, hard-hit by the energy crisis and rising costs. Savings and loan associations were hard hit by stiff competition for the savings dollar at a time when money market rates seesawed. But these industries did considerably better for the entire year, although they were still among 1973's poorer performers. Airlines profits were off by 8% for the year, while S&Ls showed only a 2% gain and autos produced a subpar 13% increase. The big loser in 1973 was the leisure-time industry, where profits skidded by 15%.

If the big oil companies made big profits during 1973, their smaller brethren did even better. Earnings for the year were up 996% at Commonwealth Oil, 432% at Amerada Hess, and 305% at Occidental Petroleum.

Steel industry earnings were led by annual boosts of 258% at McLouth, 101% at Republic, and 108% at U.S. Steel. Wheeling-Pittsburgh nailed down a 199% profit increase in the fourth quarter. Paper industry leaders were Hammermill, up 274% for 1973, and Westvaco, up 232%.

Reflecting a bad year on Wall Street, annual profits fell by 66% at Dean Witter, 56% at Reynolds Securities, and 55% at E. F. Hutton. In the airlines industry. Eastern, Pan Am, and American all racked up big losses for the year, but profits were up 151% at UAL and 194% at Northwest.

Metals companies made a particularly strong showing during 1973's final quarter. Profits at Reynolds Metals were up by 987%, followed by Revere Copper & Brass (up 738%) and Kaiser Aluminum (up 372%). And earnings at Martin Marietta Aluminum grew by 583% during 1973.

THE BEST PERFORMERS

Of the 1,200 companies surveyed by Business Week, the glamour stocks continued to command the highest price/earnings ratios during 1973. Leading the pace was the drug industry, with a p/e of 23, followed by oil service and supply with a p/e of 21. Personal care products, office equipment, beverages, and instruments again commanded high multiples, with p/e ratios ranging from 14 to 20. Industries with the lowest current p/e's include aerospace, steel, conglomerates, automotive, textile, S&Ls, and containers—all with p/e ratios from 5 to 7.

Many of the highly touted glamour industries also continued to give their common shareholders the best return on equity during 1973. Long an institutional favorite, the personal-care products industry led the list with a return on common equity of 20.7%. But the trucking industry also provided common shareholders with a 20.7% return, even though it was among the poorer performers when it came to profit increases.

Other industries with high returns on common equity included drugs, 20%; instruments and office equipment, both 17%; and radio and TV broadcasting, 16.8%—all members of the glamour set. Industries with the poorest annual return for shareholders were airlines, with 5.2%; railroads, 6.3%, and steel, 9.1%; followed by food retailers (9.6%) and textiles and apparel (10.8%).

The key question, of course, amid all the talk of record profits is just how "real" these spectacular gains actually are (page 133). A big chunk of the hefty 1973 earnings increases can be attributed to inventory profits—profits generated by the increase in the value of inventories between the time of purchase or production and the time of sale.

Last year, U.S. corporations earned a huge $127-billion before taxes, 30% above the handsome $98-billion earned in 1972. But the Commerce Dept. estimates that $17.3-billion of total 1973 earnings came from inventory profits, compared with inventory profits of only $6.9-billion in 1972. If the data for both years is adjusted, the "real" increase in pretax profits for 1973 was only 19.9%.

Inventory profits, of course, still count as solid profits on the bottom line. But the investor should be aware that inventories may have to be replaced during 1974 at much higher prices, and that could be a drag on corporate results if the prices that the company is able to charge do not keep pace. And if prices of raw materials and other commodities should tumble later in the year, these corporations may experience still another drag on earnings as they use up relatively higher priced inventories. Companies that use first-in-first-out (FIFO) accounting, and whose inventories are rather slow to turn over, are particularly vulnerable.

For this reason, the Securities & Exchange Commission recently suggested that companies break out their inventory profits, if they are significant, in their financial reports for 1973. But few, if any, corporations are likely to make such disclosure. Inventories are only one item in the financial statements that are affected by inflation. To only show the effect on inventories would be "potentially misleading," they argue.

Breaking out inventory profits is only "a piecemeal, patchwork solution," says Donald H. Chapin, partner at Arthur Young & Co., one of the nation's Big Eight CPA firms. Most corporate managers are waiting until the new Financial Accounting Standards Board can put its stamp of approval on some kind of price-level adjustments for the entire income statement and balance sheet. That kind of "inflation accounting," which now is being tried in Great Britain, lets investors compare the present financial results based on historical costs with a new set of figures expressed in constant dollars. The FASB has scheduled a public hearing on the issue late next month.

In its preliminary profits report, Bethlehem Steel's chairman, Stewart S. Cort, did take note of the inflation factor in discussing his company's 1973 earnings, which rose from $134.6-million to $206.6-million. He noted that Bethlehem's net income was only about 8% higher than it was in 1957—the company's previous record earnings year—although it shipped 3-million more tons last year than in 1957. "In fact," Cort summed up, "our 1973 earnings were about 30% lower than 1957's in constant dollars—that is, adjusting the figures to compensate for the effects of inflation."

REFIGURING OVERSEAS INVESTMENTS

Economists estimate that the over-all impact of currency realignments of 1973 profits was negligible—amounting to no more than 1% or 2% of total U.S. corporate earnings. But for multinational corporations, the impact was considerably greater. Those companies also now have a wide range of accounting alternatives, and can choose how and when they want to take some of the gains.

BankAmerica Corp. says that its revaluation of overseas investments during 1973 produced $9.7-million in after-tax profits. But the bank will put aside $5.5-million of this amount into a special reserve to offset possible future losses if the dollar continues to strengthen against other currencies during 1974. And Eastman Kodak Co. says that $13.8-million of its $653.5-million 1973 earnings came from foreign currency exchange gains. But the company set aside another $19-million in a special reserve to help offset inventory losses caused by the decline of "certain European currencies in early 1974."

Many economists are predicting almost no growth in corporate profits for 1974. But businessmen, more optimistic, expect industry to show respectable earnings gains (page

45). Part of the gap may be explained by the "inventory profits" issue. But how corporate profits rank at this time next year will depend on the depth of any economic slowdown, the rate of inflation, the effect of any remaining price controls, and the severity of the energy crisis.

Uncertainties about the direction that oil company profits will take—or will be allowed to take—are enough to throw a money wrench into the best of predictions.

YOUNG MARYLAND FARMERS WRITE THE PRESIDENT

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. BAUMAN. Mr. Speaker, I have recently received a copy of a letter sent to President Nixon by members of the Southern Cecil County Young Farmers in which they comment on the present state of American agriculture.

These young farmers express many of the concerns which I share and I would like to share these views with my colleagues. The letter follows:

Earleville, Md., *April 1, 1974.*

Hon. Richard M. Nixon,
President, United States of America,
Washington, D.C.

Dear President Nixon: As a group of Cecil County, Maryland young farmers, we would like to express our concern over your recent speech on March 19, during which you proclaimed that "farmers never had it so good." The prices that you asserted we were receiving, particularly $7 a hundredweight for milk and $14 a bushel for soybeans, are erroneous for all but a minute percentage of the products involved, and are completely misleading and unrepresentative.

The U.S. Department of Agriculture has called on the farmers for all-out production of crops and livestock in 1974. Yet overproduction causes surpluses, with government control of grain stocks and prices, and results in lower prices for the producers. With feed prices doubled and fertilizer tripled since last year, and labor costs ever-increasing, to mention but a few, we must have an equitable price for our products. This can only be accomplished by a free supply and demand market.

With still over 1,000 family farms a week going out of business in this country, we obviously have not reached the necessary financial level which will support more, not fewer, farmers. Food will soon be this country's largest "shortage-crisis," as it already is in much of the rest of the world, if farmers are not able to operate with financial success.

Be assured that we are in favor of your policy of less government interference with agriculture. Also, be advised that farmers, especially the young farmers, on whose ability for the next few decades millions of Americans are going to continue to be almost completely dependent, will do all in their power to produce all they profitably can. But, as the most important minority group in this country, we will be properly heard.

Very truly yours,

Mrs. Cora Jean Burrows for Mr. & Mrs. Howard L. Burrows, Mr. & Mrs. John O. Byerly, Mr. Randall P. Carrion, Mr. & Mrs. Carroll E. Davis, Mr. William W. Jeanes, Jr., Mr. & Mrs. William C. Nanlove, Mr. Kenneth B. McDonald, Mr. & Mrs. Edward A. Mechling, Mr. & Mrs. Ronald Miller, Mr. & Mrs. Edgar B. Hevelow, Mr. & Mrs. William F. Schrader, Miss Joyce Schrader, and Mr. & Mrs. Richard S. Sutton, Jr.

BLACKS STOPPED AND SEARCHED ON THE STREETS OF SAN FRANCISCO

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. CLAY. Mr. Speaker, the charade now being staged in the streets of San Francisco is deplorable and cannot be tolerated. Young black men are being stopped, questioned, and searched in an effort to find the mysterious murderer in the so-called Zebra killings.

Recently, I received a letter from Robert White who is national president of the National Alliance of Postal and Federal Employees. Mr. White addresses himself to this problem. I fully agree with what he has set forth that—

> There can be no justification for the complete disregard of a citizen's constitutional right to personal dignity and protection against unreasonable searches and seizures, even under the guise of identifying a potential menace to the White public . . . Ask yourselves, if the situation were reversed and a White person (as has been the case many times in the past) was killing black people, would the Mayor have White men stopped and searched?"

Mayor Alioto must be forced to halt his order which is not only illegal but, more importantly, degrading to the black population.

I am sure my colleagues will be most interested in reading Robert White's letter which follows:

National Alliance of Postal
and Federal Employees,
Washington, D.C., April 19, 1974.

Hon. William Clay,
U.S. House of Representatives,
Washington, D.C.

Dear Bill: According to repeated newscasts today following the slaying of White, Nelson T. Shields, IV, April 17, 1974, in San Francisco, Ca., the Mayor of that city has issued statements which are extraordinary, provocative, dangerous and misguided. He has declared the so-called Zebra killings (the alleged murder of 12 unsuspecting Whites by unidentified Blacks during the past several months) so unusual in nature as to demand unusual counter measures by law enforcement authorities. He instructed the city's Black citizens to cooperate by peacefully submitting to official questioning and searches. He gave assurances that the police actions which he was authorizing were not racist in intent, notwithstanding the fact that only Blacks would be the butt of the inquisition.

This predominantly Black national union has hundreds of black members who work in the San Francisco Post Office and other federal agencies in that area. They are some of America's finest people who have met the test of Civil Service fitness on their jobs and in the communities in which they live. They work all tours of duty, including those which fall at night and they must travel from their place of residence to their jobs.

Local San Francisco officials of this union have reacted in alarm to Mayor Joseph Alioto's dictum and seek immediate and strong action to nullify the impact of his unfortunate order to his police force.

No black individual has been taken into custody as a result of these unfortunate deaths. Reliance has been placed on hearsay and hysterical descriptions of a Black man as the assailant, but no one has been arrested.

In an era of streaking, where public nudity enables mere onlookers to learn that blond headed females are not really blond and that long hair is not a final determinant of sex, who can be positive that an alleged Black assailant is not a smutted up (blacked) Nordic with a sadistic mental quirk.

There can be no justification for the complete disregard of a citizen's constitutional right to personal dignity and protection against unreasonable searches and seizures, even under the guise of identifying a potential menace to the White public.

Ask yourselves, if the situation were reversed and a White person (as has been the case many times in the past) was killing Black people, would the mayor have White men stopped and searched?

No More Second Class Citizenship and No More Nigger Thinking!

We urge you to stop this illegal action now!!

Sincerely yours,

Robert L. White,
National President.

TRIBUTE TO DEAN IRVING R. MELBO: OUTSTANDING EDUCATOR

HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. BELL. Mr. Speaker, I would like to pay tribute to an outstanding educator, author, and administrator, who has been a highly respected leader in his field. I speak of Dr. Irving R. Melbo, who recently retired from the position of dean of the School of Education of the University of Southern California. I would like to mention some of the outstanding achievements of this prominent educator, who has had important influence upon public education in this and other countries.

Irving Melbo graduated from New Mexico Western College and continued on to receive his master of arts degree from the same college. He subsequently earned his doctor of education degree from the University of California at Berkeley in 1934. Dr. Melbo's first involvement in public education in this State was in a position in the division of textbooks and publications in the State department of education. Later, he was named director of the department of research and curriculum for the Oakland Public Schools and then became deputy superintendent of schools in Alameda County in 1938. Dr. Melbo then joined the faculty at the University of Southern California. He was named dean of the school of education in 1953.

Dr. Melbo was responsible for many innovations, including recruitment and training programs to meet the severe teacher shortage with accelerated programs of teacher training; the establishment of two reading centers; advances in the specialized training of teachers of the handicapped, and instigation and supervision of the construction of the 12-story Waite Phillips Hall of Education at the University of Southern California. Dr. Melbo has also been the author of books in the fields of education, social science, history, and natural history.

Under Dr. Melbo's leadership, the school has developed an international reputation in the field of teacher training and currently has programs in a number of foreign countries. We are grateful for the educational leadership provided by Dr. Melbo, who has been named dean emeritus of the USC School of Education, and we wish him a very happy retirement.

A COMMENDATION FOR THE MARGARET HUDSON PROGRAM

HON. JAMES R. JONES

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. JONES of Oklahoma. Mr. Speaker, earlier this month, I was pleased to learn that the Margaret Hudson program, a truly innovative health delivery system for pregnant adolescents, had won the "Organization of the Year Program Award" for 1973 from the Oklahoma Public Health Association. This is an achievement worthy of note, because it fills a need that is growing every year. The program permits hundreds of teenage unwed pregnant girls to continue their education and to make something of their lives under circumstances that otherwise might make them school dropouts and leave them emotionally scarred for years to come. And the program also helps give the child born under such circumstances a much better opportunity to receive the love and care that it must have to develop into a healthy adult, both emotionally and physically.

In Tulsa, Okla., where the program operates, there were 1,080 births to girls between the ages of 12 and 18 in 1972. This was an increase of 49 percent in 1 year, and it occurred in a city with a population of about 380,000. So the efforts of the Margaret Hudson program are vital to an increasing number of adolescents. I say adolescents and not "girls" because teenage fathers also receive counseling under its auspices.

This program uses both public and private health resources for the pregnant school-age girl, and looks at her total needs rather than isolating the medical from the family and emotional problems. And the program educates community groups on social issues raised by the problems of teenage parents. It also acts as a multidisciplinary teaching lab for higher education. The medical, nursing, education and social science professions find the program an invaluable aid in training students, and the assistance provided the young parents by those students also is very important. I am told that 95 percent of the young parents who participate in this program keep their children and rear them.

Mr. Speaker, it is the meticulous attention to the needs of these young parents and the unique method of dealing with their problems that sets this program apart and which earned it the Oklahoma Public Health Association Award.

I commend the board of directors, the staff and all who support this worthy program, particularly Dr. John B. Nettles, the board president, and Lois Gatchell, the program director.

A LESSON IN MOSCOW

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. DERWINSKI. Mr. Speaker, there is an occasional editorial that comes to my attention that has the potential to rise above prose and almost reach the heights of poetry. That was my reaction to an editorial in yesterday's Washington Star-News which comments on the personal foreign policy lesson learned by Senator KENNEDY:

[From the Washington Star-News, Apr. 23, 1974]

A LESSON IN MOSCOW

It is hard to say what Senator Kennedy had in mind when he tried to poll the audience at Moscow State University on questions of internal Soviet policy. Whatever it was, the poll backfired, leaving the audience embarrassed and Kennedy looking inept. And if Soviet officials weren't angered over his ill-advised attempt to put the audience on the spot, they probably got a few belly laughs over his naive performance.

Perhaps Kennedy sought to provoke the sort of "kitchen debate" that skyrocketed Richard Nixon's political stature in 1959 when Nikita Khrushchev engaged the then-vice president in a running debate while Nixon was visiting an American trade exhibit in Moscow. If so, it was a flop.

Or perhaps he thought that college students the world over could not resist the Kennedy charm that sends many young Americans into paroxysms of ecstasy when he shows up on campus. Maybe he thought he could send the Soviet government a message through the students. He should have known better. The openness of expression found on American campuses is in no way duplicated on those in the Soviet Union. Soviet citizens, young or old, are not used to telling their government whether it should be spending more or less on defense, and it is not surprising that a member of the audience accused Kennedy of asking a "provocative" question.

For the most part, the audience—about half of which apparently was faculty and staff—sat on its hands in confusion and embarrassment. Most of them didn't know what this American-style polling was all about and those who did evidently didn't like the idea of being asked publicly to take positions on sensitive matters. In a closed society such as that in the Soviet Union, officials don't take kindly to opposition to government policy and it was rather inconsiderate of Kennedy to put his audience on that kind of a spot.

Kennedy also seemed to show a certain obtuseness when he failed to take the hint from a university official who announced that the senator was not feeling well and that the session therefore would end. Kennedy protested that he felt fine and went on to make a few other remarks.

Kennedy is on a foreign tour apparently aimed at enhancing his chances for the presidency if he decides to seek the Democratic nomination in 1976. When he arrived in Moscow last week he proclaimed that he had not come to negotiate but to learn. It would appear that the biggest lesson from the Moscow State University encounter is that the Senator from Massachusetts still is slightly wet behind the ears.

OUR NATION SALUTES THE FIRST BAPTIST CHURCH OF HAWTHORNE, N.J., THE LITTLE CHURCH WITH THE BIG WELCOME ON ITS 50TH ANNIVERSARY CELEBRATION

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. ROE. Mr. Speaker, on May 3, 1974, the First Baptist Church of Hawthorne, N.J., will hold a fellowship dinner culminating the celebration of the 50th anniversary of the founding of this most distinguished "little church with the big welcome." I know that you and our colleagues here in the Congress will want to join with me in extending our heartiest congratulations and best wishes to the pastor, Rev. Norman Winter, and members of his congregation on this most important golden anniversary celebration.

The faith and devotion of our people in a full communion of understanding, ever caring and respecting the individual religious beliefs of his fellowman has been the lifeline of our democracy, ever inspiring our people with hope and urging the individual on to great achievements and purpose in pursuing the fulfillment of his dreams and ambitions. The exemplary leadership and outstanding efforts of our citizens so important to our quality of life are in the vanguard of the American dream and today we express our appreciation to the pastor and officers, present and past, of the First Baptist Church whose esteemed dedication and unselfish devotion in promulgating goodwill, fellowship, and brotherhood has truly enriched our community, State, and Nation. The current officers of the church are as follows:

Rev. Norman Winter, pastor.

DEACONS

The Honorable John Andringa, Palmer Kauffman, Chris Sikkema, Theodore Van Natta.

TRUSTEES

The Honorable Albert Brouwer, treasurer, John Coe, financial secretary, Russell Gallup, secretary, Wilbert Klepper, Sr., Wilbert Klepper, Jr., J. D. Popper, Robert Slater, Gilbert Terrell, Donald Van Natta.

The Honorable Mrs. Edna Eck, church clerk, Mrs. A. Sikkema, publicity, Mrs. Lenore Alexander, bulletin editor, Mrs. Lois Winter, missions, Mrs. Mildren Lee, fellowship, Miss M. Martin, Sunday school superintendant.

DEACONESS

The Honorable Mrs. Sue Andringa, Mrs. Blanche Brouwer, Mrs. Tess De Ruiter, Mrs. Mildred Lee, Mrs. Carrie Nydam, Mrs. Lee Van Natta.

Members of my Eighth Congressional District and the State of New Jersey

commenced the celebration of this golden year anniversary in May 1973 with many outstanding special events held during the course of the year by each organization of the church under the auspices of the golden anniversary committee, whose members are a follows:

The Honorable Reverend Norman Winter, honorary chairman, Mrs. Lenore Alexander, chairman, Wilbert Klepper, Sr., Mrs. Tess De Ruiter, Mrs. Betty Klepper, Wilbert Klepper, Jr., Russell Gallup, Palmer Kauffman, Albert Brouwer, Ernest Alexander.

A commemorative service at the church opened this 50th anniversary celebration when a certificate of recognition was presented to the Honorable Frank Rea, the only living charter member, in testimony to his standards of excellence and outstanding contribution to the church during its past half-century of progress.

The honored guests at the fellowship dinner to be held on May 3 will be:

Reverend Norman Winter, Reverend and Mrs. Jerome Lucido (former pastor and wife), Honorable Mayor and Mrs. Louis Bay, Honorable and Mrs. Raymond L. Rhodes, Reverend and Mrs. John Hailey, Honorable and Mrs. Leonard Wood, Reverend & Mrs. R. Jackson, Reverend and Mrs. R. Olthof, Reverend and Mrs. P. Spiecker, Reverend and Mrs. H. Braunlin, Reverend and Mrs. R. Camp, Pastor Jacob VanderMeer, Reverend and Mrs. R. Hamilton, Reverend and Mrs. C. Cedarholm, Honorable and Mrs. B. Nyborg, Reverend and Mrs. R. McCoy.

Through the courtesy and diligence of Lenore (Mrs. Ernest D.) Alexander, the chairlady of the golden anniversary committee, whose research provided me with an in-depth understanding and appreciation for the outstanding accomplishments of the founders, organizers, present and past pastors and other members of the congregation of the First Baptist Church of Hawthorne, I am pleased to have this opportunity to present the golden anniversary history of the church as she related it to me:

THE FIRST BAPTIST CHURCH OF HAWTHORNE, N.J., 1924–74

As the First Baptist Church in Paterson was formed with seventeen members, so the First Baptist Church of Hawthorne on May 6, 1924 organized with seventeen Charter members. They were helped in the establishment of this new Baptist congregation by Mr. Harry Pounds of the Broadway Baptist Church and the Reverend F. S. Berggren, a local printer and preacher.

CHARTER MEMBERS

Reverend F. S. Berggren, Mrs. F. S. Berggren, Mr. Frank Rea, Mrs. Frank Rea, Mrs. Leslie Eldridge, Mrs. John Pohlman, Mrs. Charles Waterman, Mrs. William Fairhurst.

Mrs. Walter Lee, Mrs. Jennie Murphy Mrs. Wilson, Mrs. Louis Peoples, Mr. George Ashfield, Mrs. George Ashfield, Miss Myrtle Levi, Miss Jessie Levi, Mr. Smart.

The first meetings were held in a public place known as Llewllyn Hall. The new group was formally incorporated on October 11, 1924.

Reverend Berggren served as Pastor from the beginning and was a great influence in the building program which started in the first year of the organization. The first stage of a church edifice was completed and dedicated. February 8, 1927, the Reverend Mawhinney, Pastor of St. Clements Episcopal Church, and the Reverend Van Arsdale, Pastor of the North Paterson Reformed Church, participated in this special service.

The Reverend Schoemer was engaged to assist Reverend Berggren with the preaching and other pastoral work. He remained until April 11, 1929.

Reverend Berggren submitted his resignation on October 24, 1929 and continued serving as pastor until December 15, 1929.

Fortunately, the time between pastors was short since on December 22, 1929 Reverend E. Bowe, of Hoboken, N.J., inaugurated his pastorate.

Many organizations were started with religious and civic endeavor.

Reverend Bowe's pastorate continued until July 14, 1931, having previously submitted his resignation on June 25, 1931.

Reverend Mayhew of the New Jersey Baptist Convention and Lay-Preacher Mr. Graham would alternate to bring the Sunday morning message.

As a special business meeting held June 5, 1932, a call was extended to Reverend Lewis K. Davis. Reverend Davis preached his first sermon as pastor on August 21, 1932.

The building program was revived in order to have a baptistry and many other additions and improvements. The church grew in spirit and number. The first person to be baptized was Miss Ruth Dunsheath. She was also the first bride married at the church, June 9, 1934, to Mr. Walter Martin, active member and Sunday School teacher.

Reverend Davis resigned in January 1941, to pursue the duties of Chaplain in the United States Navy.

The effect of war in Europe and the experiences of economic depression at home were felt by all. The church services were maintained each Sunday by guest preachers for more than a year.

A young preacher, Mr. Vernon Whitney was introduced to the church by the convention in June 1942. This was to be his first pastorate as he was ordained as a minister of the Gospel at the First Baptist Church.

Weekly meetings of both men's groups and women's clubs were held. The young people of the area also met for spiritual encouragement and fellowship.

Reverend Whitney resigned in July 1945.

Financial difficulties were experienced by the church which threatened the continuance of this ministry. Fortunately, a committee led by Mr. Hampton Hall were successful in their efforts to encourage the Reverend Harold E. Erickson to accept a call to the pastorate of the First Baptist Church. In August 1945, Pastor Erickson embarked on a strong Evangelistic Gospel Ministry.

He had his beginnings with personal acceptance of Christ as a young man of 17. Living in Brooklyn, New York, he preached at street meetings, at local churches and conducted waterfront missions, and toured the Midwest on Gospel preaching revival crusades.

The First Baptist Church began to fluorish with new life. This pastorate continued for twenty-four years, during which time the church grew in spirit and numbers which necessitated the building of an addition in 1959.

Twenty-four years is a considerable part of the progress of a church family. Accordingly many events close to the life of all those in the congregation took place during Reverend Erickson's pastorate.

September 30, 1969, marked the retirement of Reverend Harold E. Erickson from active ministry. A special service celebrated the event with the presentation of a citation making him Pastor Emeritus by unanimous vote of the membership.

All regular worship services of the church were maintained by the Board of Deacons with the assistance of the minister, friends of the church and candidates for a call to the pastorate of the church.

The next pastor was the Reverend Jerome Lucido, a young man who after graduation from Dallas Seminary was assistant pastor in youth work in several southern churches. Many programs for youth were sponsored by different organizations of the church: art classes throughout the summer, special boys' programs—all with a spiritual background.

Reverend Lucido resigned August 15, 1971, to pursue the Radio Ministry as a means of spreading the Gospel.

The fall season commenced with a new full time pastor, Reverend Norman Winter, who agreed to accept the call of the church. The formal installation of Reverend Winter was held on Sunday, October 10, 1971.

Reverend Winter's testimony is that of being brought to the recognition of the Lord Jesus Christ as his saviour through the preachings of Pastor Erickson at this church. Rev. Winter subsequently attended Nyack Bible College and was ordained a minister of the Gospel. He served a missionary tour of duty in Morocco, Africa.

All organizations rallied to the new pastor's support with great enthusiasm. The Pastor preached with great conviction in his presentation of the Gospel.

Thus far the church under his ministry has experienced a growth of membership, ten by Believers Baptism, eight by experience, and four by letter of transfer.

The church by a vote of the membership became an Independent Baptist Church as of May 1972.

The last mortgage on the church was burned on Thanksgiving Day of 1972 and everyone looks to the future with great expectation.

Although they refer to themselves as a small church, their mission interest is far-reaching. They are supporters of Radio Ministry, the printing of Christian literature, Food Kits for Hungry People, A Christian Home for Children, A Mission Family in the Field and A Home for The Aged.

The First Baptist Church of Hawthorne has as its motto "The Little Church with the Big Welcome." Wonderful servants of God, past and present have made this history possible and our theme for the years to come is "Forward Through The Ages."

Mr. Speaker, we can all, indeed, be inspired by these historic events and I know you will want to join with me in saluting Reverend Winter and members of his congregation in commemoration of the 50th golden anniversary of the First Baptist Church of Hawthorne.

POST OFFICE VERSUS "MA BELL"

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. SYMMS. Mr. Speaker, in this day and age of a collectivist-oriented Congress passing one regulatory law after another; beating the very life from liberty and the free market system. That the enclosed article comparing the regulated private monopoly "Ma Bell" as compared with the Government controlled and owned monopoly—the Post Office is so appropriate.

It has always amazed me to watch and hear my colleagues demanding for investigations of certain private utility companies, screaming that they may be making an excess profit. After my colleagues have read the commended article I am sure that logic and commonsense will tell them that the investigation should be of the Government not private enterprise.

The article follows:

Post Office Versus "Ma Bell"—Public Ownership Can't Compare With Private Management

One of the most disturbing proposals we've heard lately is the Senate bill to create a federally operated oil enterprise. Its sponsors claim that it would stimulate competition and serve as a yardstick for measuring the petroleum industry's performance. Naturally, it would be subsidized by taxpayers with cheap capital and exemption from tax and royalty payments.

Some Congressmen and editorial writers want to take a bigger immediate step and nationalize the oil companies right away. And several politicians here in Massachusetts have been making noises about the "need" to take over electric utilities as well.

This latest outbreak of governmentalists—along with the current leap in postal rates—reminded us of a Staff Letter first written in 1964 and reissued in 1967. Titled "Government vs. Private Operation—A Striking Contrast," it compared the operating results of the nation's two communications giants—the U.S. Postal Service and the privately run Bell Telephone System. So we decided to reprint the letter this week—he only changes being to bring the figures up to date.

It has become the fashion—especially among politicians, union bosses and businessmen—to call more and more on the government for action. The extent to which its share of the economy has mushroomed over the years is shown in Table I.

Note that the public share of employment has been rising almost as fast since 1947 as it did during New Deal days. Also observe that 16.2% of all workers (one out of six) are now on public payrolls compared with 6.4% (one out of 16) in 1929.

The table also shows that the public sector now accounts for close to one-third of total economic activity against less than one-tenth in 1929. Our federal government is the biggest employer, borrower, lender and spender in the world. One out of nearly every three dollars of personal and business income now goes to a tax collector somewhere.

Particularly disturbing is the fact that this speed-up in public spending has been taking place during a period of record economic prosperity. In the past decade, non-defense outlays in the federal budget have shot up by $129 billion, or nearly 200%, while those of state and local entities have also tripled with a rise of $122 billion.

Just in the past four years, total federal expenditures have jumped $78 billion, or by nearly two-fifths. The entire rise in spending has been for non-defense activities. It seems incredible, but this increase in civilian outlays is nearly 10 times as much as the U.S. government paid out for all purposes in any year prior to World War II.

Moreover, Washington is constantly pressing, or being urged, into new fields—education, health care, credit, housing. Problems that are essentially local in nature—such as mass transit, traffic, urban decay—are now being passed on to federal bureaus. So the public sector grows and grows.

A question that puzzles us is why anyone should think that such spheres of activity can be conducted more effectively under public than private management. Does anyone conceive that federal administrators have greater talents than private business managers or local civic leaders?

A good illustration of the striking differences in public vs. private management is afforded by a comparison of the two giants of the communications field—the U.S. Postal Service and the Bell Telephone System. It is interesting to observe how these two organizations have affected us as consumers and taxpayers over the years. As a starting point, let's take a look at the trend of postal rates since the early 'Thirties. The first class rate for a one-ounce letter has risen as follows:

	Regular mail (in cents)	Airmail (in cents)
1974	10	13
1971	8	11
1968	6	10
1963	5	8
1958	4	7
1957	3	6
1947	3	5
1933	3	6
1932	2	5

In recent years, various public commissions, Congressional committees and the White House have investigated and criticized the "inflationary" pricing policies of private business. Yet it is a matter of record that during the past 10 years the Post Office has hiked its rates 65%–100%. Now let's see how prices of the privately-operated telephone system have fared over the past four decades. The rates for three-minute toll calls between Boston and other major cities are shown in Table II.

In addition to the rate drops shown in the table, Bell recently introduced a 35¢ rate for one-minute, coast-to-coast calls made after 10 p.m. While toll charges have declined substantially over the years, the cost of local telephone service has been trending upward. But even here, the rise since 1932 has been less than half that of the consumer price index and only one-quarter as much as the increase in postal charges for regular mail.

Thus, it's obvious that as consumers we have fared much better pricewise with the privately-operated organization than with the publicly-run one. This is largely a reflection of the degree to which each of the two systems has been able to lift its efficiency or "productivity." Despite some improvement in recent years, the public operation again makes an unfavorable comparison (see Table III). Note that over the past 43 years the postal service has managed to increase the number of pieces of mail handled per employe by 56%, but the Bell System takes care of 2.7 times as many conversations per worker as it did then.

Quality of service is, of course, much harder to measure than cost. But even without benefit of statistics, it is apparent that postal service has been going downhill for years despite the sharp increase in its rates. In the early part of the period under review we received two daily postal deliveries at home, four at the office. Now we are supposed to get one at home and two at the office. Despite fast planes and express highways, business mail from New York frequently fails to arrive here until the second day—even though it is less than an hour's flight and a five-hour train or truck trip. In contrast, a phone connection to almost any station in the country takes but a few seconds—a fraction of the time it did 40 years ago.

TABLE I.—FEDERAL, STATE AND LOCAL GOVERNMENT ACTIVITY

	Employment (millions)	Percent of total employment	Expenditures (billions)	Percent of total economy
1973	13.7	16.2	$407	31.6
1967	11.4	15.3	243	30.6
1963	9.2	13.6	167	28.3
1955	6.9	11.1	98	24.5
1947	5.5	9.6	42	18.3
1940	4.2	8.8	18	18.4
1929	3.1	6.4	10	9.8

Now what effect have these two systems had upon us as taxpayers? Table IV shows the postal deficit and the taxes paid by the Bell Telephone companies, both annually and on a cumulative basis. Public operation makes a strikingly poor showing here. Even though as consumers we pay much higher postal rates than ever before we are even worse off as taxpayers. We now contribute $1.4 billion a year to make up the deficit between postal receipts and expenses, or 20 times as much as when the letter rate was only two cents.

In contrast, note that *while the Post Office has drained off $23 billion from our tax revenues since 1932, the Bell Companies have, over the same period, put $54 billion into public coffers through tax payments.* And this figure does not include the federal excise taxes paid by Bell customers—$18 billion in the past 20 years.

Moreover, the Bell Companies have millions of stockholders—American Telephone itself has three million, including colleges, churches and other institutions as well as individuals. Last year's dividend payments came to $1.7 billion vs. $248 million in 1950 and $39 million in 1930. In the past two decades, these disbursements have created $4 billion of federal income taxes to help finance the postal deficit.

Altogether, the contrast in the results of these two organizations is startling. If the government ever gets into the oil business and runs it like the Post Office, today's gasoline prices will be remembered as wistfully as the 10% income tax and the 2-cent stamp.

TABLE II.—STATION-TO-STATION TOLL RATES* FROM BOSTON

Year	New York		Chicago		San Francisco	
	Day	Night	Day	Night	Day	Night
1974	$0.80	$0.55	$1.15	$0.65	$1.45	$0.85
1967	.75	.55	1.40	.70	7.75	1.00
1963	.75	.55	1.50	1.20	2.25	1.75
1955	.75	.55	1.60	1.30	2.50	2.00
1947	.75	.45	1.65	1.25	2.50	2.00
1939	.80	.50	2.50	1.50	6.75	4.50
1932	1.00	.60	3.25	1.75	9.50	5.75
Percent decline, 1932–1974	−20	−8	−65	−63	−85	−85

*Excludes Federal excise taxes.

TABLE III

	Number of employees (thousands)		Volume handled		Volume per employee (1930 equals 100)	
	Post Office	Bell Cos.	Pieces of mail (billions)	Daily number conservations (millions)	Post Office	Bell Cos.
1973	701.1	798.9	89.7	432.0	156	269
1966	675.4	650.8	75.6	295.7	136	225
1963	587.2	571.4	67.9	251.4	140	218
1962	588.5	563.9	66.5	242.4	137	214
1961	582.4	566.6	64.9	226.4	135	189
1957	521.2	640.9	59.1	188.3	137	146
1950	500.6	523.3	45.1	140.8	109	134
1940	353.2	275.3	27.7	79.3	95	141
1930	339.5	318.1	27.9	64.0	100	100
Percent increase 1930-73	+107	+151	+222	+575	+56	+169

TABLE IV

[Millions of dollars]

	Deficit of Post Office Department		Taxes paid by Bell companies	
	Annual	Cumulative from 1932	Annual	Cumulative from 1932
1973	1,390	22,703	4,350	54,454
1966	943	12,843	2,718	30,045
1963	819	10,454	2,246	22,301
1961	826	8,860	1,972	17,952
1958	891	6,832	1,483	12,442
1950	545	2,233	499	4,472
1940	41	687	185	1,000
1935	66	428	94	352

"GOODNESS" IN EDUCATION

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. FRASER. Mr. Speaker, the University of Minnesota has chosen a new president, C. Peter Magrath. Dr. Magrath thinks the university "stands with the outstanding universities of the nation" and he hopes to "move the university to excellence" and make it "a truly distinguished one."

The following essay, by Garrison Keillor, appeared in the Minneapolis Tribune on April 14, 1974. Mr. Keillor discusses academic excellence, dividing institutions of learning into classes from the greatest to the less-great. Mr. Keillor then issues a "Challenge to Goodness." A good university, by Keillor's definition, is "a university whose scholars care about teaching and whose alumni remember the names of their teachers for years afterward."

I would like to direct the attention of my colleagues to Mr. Keillor's article which cannot fail to evoke a sympathetic response from university graduates everywhere.

WHY NOT "GOODNESS" IN EDUCATION?

(By Garrison Keillor)

C. Peter Magrath, the president-to-be of the University of Minnesota, said last week that he thinks the university "stands with the outstanding universities of the nation" and that he hopes to "move the university to excellence" and to make it "a truly distinguished one." Magrath arrives this fall, and his first task will be to pronounce his name (the Tribune says it should be pronounced "Ma-grah" but obviously it is "Magrath"). When that has been cleared up, I wish he'd clear up, once and for all, this matter of academic excellence.

For decades, university presidents have taken the long biennial ride out University Av. past the used-car lots to the state Capitol to explain the complexities of excellence to the Legislature. Legislators tend to think of appropriations in terms of adequacy and inadequacy, enough or not enough, but for a university, adequacy is never enough; a university can no more settle for being merely adequate than a poet can accept being intelligent—with poets, it's either brilliance or nothing.

The biennial university position usually comes out like this: Our university is a great university; however, due to inadequate funding two years ago, the university has lost ground to other universities; thus, we require an appropriation twice as large to enable us to close the gap and restore the university to a position of excellence. With this increase, the university will regain its rightful place as one of the most distinguished in the country.

The response of the Legislature is to "trim," "cut" or "slash" the university's request, depending on which newspaper you read. University officials express regret—their proposed budget had been a "realistic" or "hard" one—but they pledge to continue the pursuit of excellence nonetheless.

The question I wish Magrath would answer is: What exactly is the difference between an outstanding university, and excellent university and a truly distinguished one? And what will excellence do for Minnesota?

I'm sure he will answer this as soon as he learns about the university's needs and objectives, which he said will be his first priority. In the meantime, I submit the following list, which may help to clarify the question. It divides institutions of higher learning into classes, from the greatest to the less-great. As you will note, there is no such thing as a bad college.

1. Harvard. There is only one school in this class, and it is Harvard University. Its preeminence is indicated in the number of schools that have set out to become "the Harvard of the Midwest" or "the Harvard of the South." I've never heard of a school that hoped to be known as "The University of Minnesota of the East."

2. One of the Two or Three Most Distinguished in the Country, Indeed Perhaps in the World. There are probably 10 to 12 schools in this class, the likes of Yale, Berkeley, Massachusetts Institute of Technology, which can use that phrase in public and not hear snickers. The university, great as it may be, is not one of them.

3. One of the Five or Six, etc. A much larger group, including perhaps as many as 30 schools. The university was once among them (I can remember President Wilson using the phrase), but Magrath now consigns the university to the One of the Outstanding class (see below), and one has to go along with his judgment.

4. Its Name Is Synonymous with Greatness. Of all the schools in America, from Abilene Christian to Yuba Junior College, I'd guess that about half have attained synonymity status. If their names are not synonymous with greatness, at least they are synonymous with education or service to the community. I'm not happy that our university falls short of the synonym standard, but it's a fact: You simply can't go Out East anymore and say "U. of M." and expect people to think "Oh, he means greatness."

5. One of the Outstanding. This is the lower end of the excellence spectrum. After all, what fully accredited school with more than one building and at least one vice president is not outstanding? Minnesota has many outstanding colleges, so the promotional literature says. In fact, would Magrath say that any of them are less than outstanding, from Augsburg to Willmar State Community, and where does that leave the university but in a most tenuous position? Below the Outstanding class lies the morass of computer institutes, broadcasting schools, barber colleges, schools of tap and baton and McDonald's Hamburger University. Clearly, the university must strive hard and talk fast lest it join them.

Will the Legislature accept the challenge to greatness when Magrath delivers it, as he is sure to, next year? I hope so, but I would like to put a challenge to him. I call it "The Challenge To Goodness." A good university may be somewhat different from a great excellent or distinguished one. It is a university whose scholars care about teaching and whose alumni remember the names of their teachers for years afterward. Fourteen years later, I have distinct memories of Margaret Forbes, Asher Christiansen, Norman DeWitt, Richard Cody and Robert Lindsay, whom I met on my arrival at the university, and 10 or 12 others, whom I met later.

They encouraged my pretensions to writing and scholarship. They loved to talk about politics, history, literature and journalism. I don't know that they were great scholars, such as might help put a university among the Synonymous or the One of the Five Or Six, but they were awfully good talkers.

Two are dead now, but I'm sure their work goes on at the university. How we need it. How good to know that, while you and I are doing our work and keeping the world on its course, in some university classroom a teacher is talking about the Constitution of the United States as if it mattered, and another about Milton as if someone might want to read him now and then—there may even be someone who talks about journalism on the assumption that it has something to do with writing or telling the truth.

I'm not sure that such teaching will raise the university's reputation, but it might be of some small benefit to the people of Minnesota, assuming, *of course*, that Minnesota is where we are.

ADDENDUM TO FINANCIAL STATEMENT

HON. JAMES R. GROVER, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. GROVER. Mr. Speaker, yesterday I submitted a statement for the CONGRES-

SIONAL RECORD on page 11479. The amount of $2,000 received from the Republican Congressional Committee for printing and mailing of public relations material, photographs, television and radio taping, and so forth was inadvertently omitted.

SPECIAL OLYMPICS PROGRAM

HON. MARVIN L. ESCH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. ESCH. Mr. Speaker, I wish to salute the efforts of the many dedicated citizens who are taking part in the special Olympics program scheduled for May 4 in Milan, Mich. Some 440 youths are expected to participate in the program aimed at giving the handicapped an opportunity to compete in organized athletic events such as swimming, gymnastics, basketball, bowling, and various track and field activities.

This wonderful civic endeavor is sponsored principally by the Milan Jaycees and the Ann Arbor Civitan under the direction of cochairmen, Larry McCrea and Mrs. Sue Wilson. They and their associates have given unselfishly of their time to bring happiness to the children and their parents. Competitors may also win an opportunity to advance from the regionals at Milan to the State finals next month.

As an indication of the attraction this program has for these children, it is interesting to note that where 100 participated last year, 4 times as many are expected at the program this year. It is not hard to understand the growing interest in the special Olympics program which was pioneered by the Joseph P. Kennedy Foundation. For these young people, it is an opportunity to participate which is not usually extended to the handicapped. For their parents, it is a coveted chance to see their offspring enjoy friendly competition under close supervision in a spirit of good will and mutual respect.

Many hours of effort are going into this program. The Michigan State Police intend to send a patrol car to allow youngsters an opportunity to sit in a law enforcement vehicle—perhaps for the first time. Swimming events will be held at Milan High School while Paddock Elementary School will be the site of gymnastics. The Milan Clover Leaf lanes will be used for the bowling events and participants in track and field or basketball will utilize facilities at Milan Middle School.

Numerous volunteers will be giving of their time to make this event a success so that youngsters from Monroe, Washtenaw, and Livingston Counties will know the enjoyment of friendly sports participation. This is, indeed, a tremendous civic effort and I commend the many people who will contribute to its success.

TIME TO END REVERSE RACISM IN UNIVERSITIES

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. CRANE. Mr. Speaker, there was a time in the history of American education when racial, ethnic, and religious prejudice helped to determine who would be hired to college and university faculties and who would be admitted to college and university student bodies. Those devoted to academic freedom and to the integrity of the university opposed such forms of prejudice and discrimination. They sought, quite properly, an institution which would be "color blind" and which would concern itself only with the qualifications of applicants as measured by objective criteria such as competitive examinations and academic records.

Now, we seem to have come full circle. While quotas based on race and religion were anathema to liberals during an earlier period, now they are considered important requisites of a free society. Nothing could be further from the truth. The best way to prove that racism is dead is to eliminate race as a basis of academic consideration and concern.

Recently, the U.S. Supreme Court agreed to consider one of the many challenges to the reverse racism of today. The challenge comes from a white graduate of the University of Washington, Marco DeFunis, Jr. In 1969, when he was a senior at the university, with a near-A average and on his way to a B.A. degree magna cum laude, he applied to law school. He was rejected. He discovered that 38 other applicants, all members of racial minorities with worse grades and law school aptitude test scores lower than his, had been admitted under the school's program to expand minority enrollment.

Mr. DeFunis charged discrimination, contending that the law school had two sets of admissions standards and that he was thus deprived of equal protection of the laws guaranteed by the 14th amendment.

Discussing this case, Michael J. Malbin, a staff correspondent for National Journal Reports and a teacher of constitutional law, writes that—

> The university claims that there are at least two "compelling interests" that it could not have satisfied without its racial classification policy: creating an integrated student body and training more minority lawyers.

Mr. Malbin rejects this argument for two reasons. He declares that—

> First, the university never offers any intelligible methods for distinguishing compelling interests and important-but-not-quite-compelling ones . . . when the university justifies the need for its program by pointing to the "lily white" character of its student body in the days before it had any affirmative action program at all, it is making an irrelevant comparison.

The second reason for rejecting this argument, Mr. Malbin writes, is that—

> The question of the DeFunis case is not whether there is a compelling reason for using a racial classification scheme to achieve that end. There is not.

I wish to share with my colleagues the article, "The Court Ought To Decide for Mr. DeFunis," by Michael J. Malbin, in the New York Times of April 12, 1974, and insert it into the RECORD at this time:

THE COURT "OUGHT TO DECIDE FOR MR. DEFUNIS"

(By Michael J. Malbin)

WASHINGTON.—Some time this spring, the United States Supreme Court will decide the reverse-discrimination DeFunis case. If the Court decides the case on the merits at all, it ought to decide for Mr. DeFunis.

Marco DeFunis, Jr., is a white Phi Beta Kappa graduate of the University of Washington who was denied admission to that university's law school under its racially based two-tiered admissions policy. He did not have a constitutional right to be admitted to the law school, of course. Nor did he have a right to be judged by any particular set of numerical admissions standards. But he did have the right to be judged by a racially neutral admissions policy.

There should be no room in the law for a policy that puts racial characteristics ahead of individual ones, except perhaps in dire emergencies—the legal term is "compelling state interest." No such emergency exists in this case.

The issue has been presented as if there is no way to erase the effects of past discrimination without using some form of a racial classification plan. Friends of the law school's admissions policy try to argue that ending reverse discrimination would mean ending affirmative action.

This just is not so. There are racially neutral programs that would do the job almost as well for minority-group members, without freezing out poor whites, and without violating the Constitution.

The temptation that led the university to adopt its racial-classification plan is understandable. Few minority applicants to its law school were admitted in previous years, when the admissions policy was based almost solely on quantitative test scores and grades. This in turn led to a serious shortage of minority candidates for admission to the bar in the state of Washington.

The university decided that the only way it could address what it saw as a racial problem was to apply a racial solution. It did not look at the economic or cultural backgrounds of individual candidates, treating the children of black professionals as if they were disadvantaged, while treating the children of poor rural whites as if they were privileged. The university rejected the use of such categories as "underprivileged" and "disadvantaged" as being mere euphemisms for the racial classifications they were using openly.

The university certainly is right in thinking that many programs that claim to be open to all disadvantaged people are in fact programs designed for particular racial groups. In some types of programs—for example, in primary education—it is essential to take account of the particular language and cultural problems of the people the program is trying to help.

But there is no excuse for this in a law school admissions program. An honestly administered recruitment and scholarship program designed to reach poor prelaw students would provide assistance to many minority students without doing so because of their race. And there is no reason why such a program would have to stop at financial assistance. Neither compensatory education nor special consideration in admissions would be unconstitutional if they were designed to reach disadvantaged individuals instead of racial groups.

Why is a racially based program unconstitutional? The Fourteenth Amendment says, in part, that "no state shall . . . deny to any person within its jurisdiction the equal protection of the laws." That clause does not create a different set of rights for whites and blacks, despite its Civil War origins. Nor does it distinguish "benign" from "invidious" discrimination. The clause says, quite simply, that people are to be treated equally under the law.

Of course, the amendment did not require states to treat all people identically. States may distinguish between criminals and innocent people, for example. The equal-protection clause permits most legal classifications, as long as they are rational. But there are some classifications that are, and ought to be, held to a higher standard—a "compelling interest" test. Included among these are ones based on race.

The university claims that there are at least two "compelling interests" that it could not have satisfied without its racial classification policy; creating an integrated student body, and training more minority lawyers. This argument is not persuasive for two reasons.

First, the university never offers any intelligible method for distinguishing compelling interests from important-but-not-quite-compelling ones. As Mr. DeFunis's attorneys point out, a goal may be desirable without being a compelling necessity. More important, when the university justifies the need for its program by pointing to the "lily white" character of its student body in the days before it had any affirmative action program at all, it is making an irrelevant comparison.

The relevant comparison, for constitutional purposes, is with a situation in which a racially neutral affirmative action program is in operation. Only that comparison can show whether a racial classification plan is essential or not.

The question of the DeFunis case is not whether we ought to have more minority lawyers. We should. The question is whether there is a compelling reason for using a racial classification scheme to achieve that end. There is none.

H.R. 14013—PUBLIC EMPLOYMENT PROGRAMS

HON. MORGAN F. MURPHY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. MURPHY of Illinois. Mr. Speaker, on April 10 the House passed the supplemental appropriation bill containing the worthwhile public employment programs. Under this bill the program will receive $250 million. An amendment to the bill added $150 million to provide additional and much needed employment in public service jobs.

In 1973 the national unemployment figure was 4.9 percent and under the PEP 140,000 jobs were created. As a result of the energy crisis unemployment has continued to rise and it is suspected that the administration's projection of a 6 percent unemployment rate by the middle of this year may only be a conservative estimate.

With PEP soon to expire we in Congress can ill-afford to let even a few months elapse without providing funds for this vital program. Since its inception last October, this program has given thousands the encouragement needed to do productive work and to keep their faith in the American system. Jobs created under this program have given the unemployed a new lease on life. These people are no longer statistics on the welfare rolls but are providing a meaningful service to their community.

With a January unemployment rate of 4.0 percent and a February rate of 4.1 percent, Illinois is not among those States having a 6.5 percent rate and over. However, Illinois' unemployment figure rose from 198,000 in January to 205,000 in February. With the passage of this amendment, funds will now be available to all areas of the country regardless of their unemployment rate. Under this bill Illinois will receive $21,701,000.

As a result of the energy crisis unemployment has increased in certain areas thus money made available for jobs is surely a worthwhile investment. Jobs are needed that provide not only income but self-respect for the individual. I am pleased that the House took action to add funds for just that purpose.

PUBLIC SAFETY OFFICERS BENEFITS ACT

HON. WILLIAM H. HUDNUT III

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. HUDNUT. Mr. Speaker, while serving as a member of the board of public safety in Indianapolis, I worked closely with both the city and volunteer firemen, policemen, and the Marion County Sheriff's Department. I learned firsthand the threats to personal safety that the firemen and law enforcement officers face. They are dedicated and selfless men who put the public welfare above their own. For that reason alone, society has a commitment to offer them every protection it can and to do everything possible to bring any assailants to justice.

In 1973, a total of 131 local, county, and State law enforcement officials were killed in the line of duty as a result of criminal action. This figure is alarming when compared to the fact that 55 officers were killed just 10 years ago in 1963—according to the FBI's Uniform Crime Report. Though there are no exact figures on the number of firemen killed in the public service, the International Association of Fire Fighters estimates that 170 lost their lives in 1972.

During recent years, large numbers of public safety officers have died as a result of the premeditated design of violent dissenters who have chosen them as symbolic targets for demonstrating their dissatisfaction with society.

While I feel strongly that control of law enforcement and fire protection should be maintained at the local level, the Federal Government has proven that it can effectively provide financial assistance to the State and local governments. The success of the Law Enforcement Assistance Administration in providing block-grant assistance to communities is evidence of this fact.

Even though these public safety officers daily risk their lives for the protection of society, many States have failed to provide sufficient death benefits for their survivors. This bill, which would provide $50,000 to meet the immediate financial needs of the officers' survivors, would insure proper compensation for the families of these men and women who daily preserve the peace and protect the lives and property of others. I give it my full support and hope my colleagues will do likewise.

VOTE OF CONFIDENCE

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. LANDGREBE. Mr. Speaker, I would like to bring to the attention of our colleagues the following vote of confidence of our President which has been so creatively stated by one of my constituents, Mr. William Ward:

DEAR SIR: I want everyone to know how much we think of President Nixon. Could you get this put in a Washington paper?

Thank you

MRS. WILLIAM WARD.

HEBRON, IND.

According to all the magazines, T.V., and the press
President Nixon put this country in an awful mess.

When elected didn't he promise to end the war?
Now they say, "Why didn't he do it before."?

Many of his old friends, Senators, and Congressmen too,
Now with his many problems want nothing to do.

In good times they wanted part of his cake
When things get hot they won't help to bake.

The Unions and all workers want their pay elevation
And they say blame Nixon for all this inflation.

When the shortages occur in gas, energy, or feeds
They cry, "This is another one of Nixon's deeds".

What ever happened to the courtesy and the respect
That citizens should give to the President they elect.

I think all the comedians should blush with shame
Just for a joke, to degrade our President's name.

They had inquiry after inquiry with no conclusion reached

But all they yell is, "He should be impeached."

Ervin, Baker, and all the rest of the staff
Portray they are so pure, it makes one laugh.

Papers, magazines, and scandal sheets that don't even rate
Write page after page of nothing else but Watergate.

Isn't it time to forget Nixon's mistakes, so few
And remember all the good things he did do.

I'm not looking for favors but sure am concerned
For my country and criticism given Nixon, not earned.

I say to all citizens to save our land,
Stand up for Nixon and lend him a hand.

—BILL WARD.

SIXTH ANNUAL SPECIAL OLYMPICS IN SAN MATEO COUNTY, CALIF.

HON. LEO J. RYAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. RYAN. Mr. Speaker, on April 27, San Mateo County will hold its sixth annual Special Olympics for over 200 retarded children and adults from all over the county. The events include track, softball, swimming, and basketball. The winners of these events will go on to the State Olympics to be held in Los Angeles on June 28.

The Special Olympics are an important part of the community and indicate community support for retarded children. I applaud the efforts of the organizers of the Special Olympics: Mrs. L. Warren Price, Daly City; Mrs. Delores Jenkins, Burlingame; Mr. Glen Smith, director of the San Mateo County Department of Parks and Recreation. I include the proclamation of the San Mateo County Board of Supervisors at this point in the RECORD:

PROCLAMATION

(By the Board of Supervisors, County of San Mateo, State of California)

PROCLAMATION URGING OBSERVATION OF THE SPECIAL OLYMPICS FOR THE RETARDED DAY

Whereas, the Board of Supervisors of San Mateo County recognizes the significance of a Special Olympics; and

Whereas, an outstanding Olympic Games Program is being held at Mills High School in Millbrae; and

Whereas, the Special Schools in San Mateo County are participating in the Olympics; and

Whereas, the Board of Supervisors recognizes the contribution to the program by the Peninsula Association for Retarded Children and Adults, Girls Athletic Association of Mills High School, County Parks and Recreation Department, County School Department, and the San Mateo Union High School District Physical Education teachers; and

Whereas, Miss Marsha Dorsett of Burlingame has been proclaimed Special Olympics Queen for 1974:

Now, therefore, be it proclaimed that this Board of Supervisors hereby designates April 27, 1974, as Special Olympics Day in San Mateo County and encourages the public to visit and view the Special Olympics at Mills High School.

Dated: April 9, 1974.

JEAN FASSLER, *Chairman*.

CHICAGO-KANSAS CITY INTERSTATE ADVOCATED BY MANY GROUPS

HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. HUNGATE. Mr. Speaker, I believe the following article from the Monroe County Appeal is of interest to my constituency as well as my colleagues especially those from Missouri, Illinois, Iowa, and Kansas:

CHICAGO-KANSAS CITY INTERSTATE ADVOCATED BY MANY GROUPS

In a hearing at Hannibal last Wednesday afternoon, held by the State Highway Department of Missouri with District Engineer Robert Patton presiding, many groups and towns in Northeast Missouri were represented and advocated construction of the interstate, giving their reasons why.

The majority of the large crowd of over 200 attending favored a route that would cross the Mississippi between Hannibal and Quincy, then run southwest to Kansas City, possibly somewhere to the north of U.S. Highway 36 near Shelbina or Shelbyville.

The exact route to be used will probably be determined after detailed studies of several proposed routes have been completed.

One group from Keokuk, Iowa wanted the interstate to cross the Mississippi River between Nauvoo, Ill., and Keokuk, Iowa, then run southwest to Cameron, Mo., and from here into Kansas City on existing Interstate 35, claiming it would save construction of whatever part of 35 is used. Others pointed out that route is already carrying a heavy north and south traffic load and should not be used at all.

St. Louis County interests that oppose construction of the proposed Interstate sent a representative to speak against the highway, claiming it is not needed, would be too costly, and would deprive the St. Louis area of considerable money now spent there by truckers and other traffic which now goes through St. Louis to get to or from Chicago or Kansas City. His arguments were termed purely selfish ones by several speakers, some of whom resented the interference of St. Louis in a matter that concerns North Missouri.

Paris was the smallest town represented at the hearing. A spokesman for this area presented a prepared statement asking that the Interstate be built, and that it come close enough to Paris on the north to be of benefit to the area as it now is, and to act when built as a four lane route into the Cannon dam and lake area later when they are completed.

The statement was authorized by Mayor Painter and the City Council of Paris, by the Monroe County Court and its three members, by the Paris Rotary and other civic clubs, by the Monroe County Appeal, and many individuals and other organizations in the Paris area.

The statement from the Paris area, which reiterated arguments that were also made by others from Northeast Missouri, said in part:

1. Paris and its area believe it may well be the orphan child of the Interstate System, with no such highway running through our section to give us quicker access to other parts of the nation and to encourage both industry and travelers to come into our area.

2. We support a route that will run southwest from Chicago to a point between Quincy, Ill. and Hannibal, Mo., and from that area southwest to Kansas City, because we believe this is the most direct route between the two cities.

3. We ask that such a route be selected, possibly to the north of us, again because it is the most direct location for such a route.

4. Northeast Missouri has been steadily losing population because of its inaccessibility from interstate routes, a fact that discourages industry coming into the area. We believe building of the route we suggest will bring in industry and greatly benefit our area economically, as well as increase our population.

5. The route is 100 miles shorter than the present one through St. Louis, thus saving travel time, mileage on vehicle, gasoline and diesel fuel, manpower hours. We also believe it will result in lower truck freight rates for our section and all those to the east or west who ship on it. This we need here, as our rates are high.

6. Cannon dam and lake, now moving toward completion, is located in Monroe County. Millions of people, it is estimated, will come into the area when this 25,000 acre lake is completed within a short time. The route we suggest will cross our section along the northern perimeter of this giant complex, allow millions of people easy access to it, provide a national travel artery into which our local and state roads will feed. This is possibly the most important reason for adopting the route we urge.

7. While St. Louis interests in some cases object to the proposed route, we believe it will also benefit them in the end, by relieving some of their congestion problems, which have a deterrent effect on people from our area who have considerable business in St. Louis, but who now often hesitate to go there because of its heavy traffic, and instead travel farther to Kansas City or elsewhere.

A third hearing was held at Independence, at which representatives from both Kansas and Missouri were in attendance. At the three hearings, only one statement objecting to the proposed Interstate was filed, while there were several dozen favoring it.

Governor Robert Docking of Kansas has written the interstate committee endorsing the building of the highway. He emphasizes that the state of Kansas has a vital interest in the road, which will shorten the route to Chicago and the East. He pointed out that while it is only 400 air miles from Kansas City to Chicago, it is 543 miles by Interstate through St. Louis.

ADDENDUM TO FINANCIAL DISCLOSURE

HON. ANGELO D. RONCALLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. RONCALLO of New York. Mr. Speaker, yesterday I submitted my financial disclosure for the year 1973. I find, however, that I inadvertently omitted from the list of my stock holdings, a 6-percent interest I hold in MRC, Inc., and I wish this item added to such list.

BLACK CAPITALISM

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. RANGEL. Mr. Speaker, when Richard Nixon ran for the Presidency in 1968, there was much campaign rhetoric about minority capitalism. Nixon spoke of giving black businesses "a piece of the action." As in so many other areas, the Nixon administration has failed to convert campaign propaganda into working programs. The administration's minority enterprise offices are underfunded and often out of touch from the realities of the needs of the poor.

This is an area of major concern to the Congressional Black Caucus. In the Caucus' April newsletter, we reported on some of our recent efforts in this area:

Minority Enterprises

The Caucus is fortunate to be assisted by the women and men who serve as a "braintrust" to the Subcommittee on Housing, Economic Development and Minority Enterprise. This group, made up of Economists, Enterprisers, Contractors, Manufacturers, Housing Experts, Bankers, Savings & Loans Representatives, Community Development Representatives, etc., meets approximately every six weeks in Washington. Travel expenses are borne by each individual. The meetings are primarily devoted to: (a) examination, from the Black perspective, of pending legislation which falls within the jurisdiction of the Subcommittee; (b) generating new ideas for legislation; (c) assessing new developments in Housing, Economic Development and Minority Enterprise with the end towards planning supportive or counter strategies to such developments; and (d) placing Blacks in key policy making positions in agencies related to Housing, Economic Development and Minority Enterprise.

Among the numerous notable accomplishments resulting from Braintrust input and cooperation are: (1) defeat of an amendment to the Small Business Act which would have had the effect of gutting the 8–A set aside from minorities in S.B.A.; (2) postponement of House action on the Housing and Community Development Act of 1972, which contained repressive and regressive sections aimed at the poor of the nation; (3) worked to defeat proposed S.B.A. regulations which would have spelled disasters for a significant number of Black businesses; (4) worked for the successful passage of an amendment to the Economic Stabilization Act which exempted the working poor, earning poverty level wages, from the wage freeze; (5) worked for the supplemental funding of S.B.A., which funds were integral to the ongoing minority programs of S.B.A.; and (6) successfully supported five Blacks who sought key policy making positions in government agencies related to Housing, Economic Development and Minority Enterprise.

I would also like to share with my colleagues in Congress an article by John H. Johnson, founder and president of the Johnson Publishing Co., the largest minority publisher in the United States. Mr. Johnson articulates many of the problems facing black businessmen today.

The article follows:

Not Enough Black Capitalists

(By John H. Johnson)

Our nation-wide efforts at stimulating minority enterprise have been very impressive. Federal funding and loan guarantees for minority business development reached $1.4-billion in fiscal 1973—up from $212-million in fiscal 1969. Federal contracts and sub-contracts to minority businesses were raised from $4-million in 1969 to $523-million in 1973. The 1973 figure was an increase of 117 percent over the figure of $242-million in 1972.

There exist 67 Minority Enterprise Small Business Investment Companies with a total capital investment of $29-million. And this amount can be forced up with Small Business Administration and bank financing to trigger more than $500-million in loans and equity investments.

With such large capital resources available, one wonders why our minority economic development program is not more successful.

One answer might be that our government has moved too slowly in removing the economic consequences of centuries of racial injustice. Why else do we find blacks, who constitute 11 per cent of our total population, still owning less than 1 per cent of the nearly 5 million businesses in this country. Any number of foreign businesses are doing better in our country than we are.

Another answer might be that the infusion of public and private funds into the program has not stimulated the desired results. Have we missed something vital in our much-heralded "bootstrap programs," seed money, management and technical assistance programs? I believe that we have.

Success in business is a time-honored process involving hard work, risk-taking, money, a good product, maybe a little bit of luck, and most of all, a burning commitment to succeed. I do not believe that this overriding desire to succeed has reached the desired intensity in minority business.

It is interesting to note that our early black entrepreneurs and most of our large, successful black businesses "made it" by using traditional capitalistic methods. Practically all of these enterprises were launched on a need for the products and services offered. And most of them were developed using private capital and initiative.

I am impressed with all the efforts to promote black business in the last decade, but I am somewhat surprised that most of our major black businesses started before the government-assisted programs.

As necessary as capital is to business, it does not seem to be enough to spark a revolution.

What I believe was present in our early black business—and is needed now—is a total commitment to succeed by the minority entrepreneur. This must be an individual commitment.

I am familiar with the formation of the Supreme Life Insurance Company, which was incorporated in 1919. The organizers, led by the late Frank Gillespie, had two years to raise $100,000 in order to satisfy legal reserve requirements. Stock salesmen and directors of the company called on thousands of people and near the end of the two-year period, had 5,000 stockholders and only $75,000 of the needed $100,000.

The directors of the company were then asked to purchase additional shares of stock . . . These men had used up all of their cash and . . . had to mortgage their homes and exhaust their life savings. However, they were so committed to the idea of starting a life insurance company that they made the personal sacrifices necessary.

A testimony to the rightness of their cause is that today, the Supreme Life Insurance Company, which got off to such a shaky beginning, has more than $42-million in assets, more than $1-billion of life insurance in force, and is the largest black business in the North.

I think that the reason that more of our young people don't go into business is the fear of failure. But when we consider the fact that more than 80 per cent of all new businesses fail within the first five years, we readily see the risk-bearing nature of any business venture. White entrepreneurs have not ceased going into business because of the high risk involved. And neither should blacks!

But I don't believe that black America, as yet, has the necessary confidence in black business enterprise to invest substantially in its future. The black businessman must find ways to build greater confidence in minority enterprise.

With black college enrollment doubling in the last five years, why haven't more of our bright young people gone into business?

It was George Bernard Shaw who said: "He who can, does. He who cannot, teaches." It is no longer enough for our young blacks to go to school and learn how to operate businesses, only for the purpose of teaching others to operate businesses, who in turn will teach others and so on . . .

I have a deep respect for the many bright and idealistic young people who are now engaged in minority economic development programs. The role of the promoter, adviser and management consultant is indeed necessary. But I think that more of these young men and women should enter business for themselves.

An economic diagnosis of minority enterprise continues to reveal a hardening of the arteries of credit and insurance—a situation that is compounded by a lack of commitment to succeed. The prescription, written by this nation thus far, to encourage minority business has been mainly an injection of capital to act as a stimulant. Far too often, the prescription has treated the symptoms and ignored the patient.

Black economic development has been overly occupied with the creation of "black capitalism" to the neglect of the Black capitalist. And he is the key factor in the production of wealth. It is the brainpower of the entrepreneur who directs the utilization of all the factors of production for the purpose of making a profit.

Black economic development has always been treated as a separate and unimportant subsidiary outside the mainstream of American economic life. I think that the time has come for the minority businessman to direct his attention toward ventures aimed at the general economy. All other minority businessmen do this. All you have to do is look around the black community to see the diverse ethnic groups operating there. There is no reason why black businessmen shouldn't operate businesses in all-white areas. We have historic precedents for this.

In some periods of the 19th century, black men dominated the catering business and the teamster trade. They made fortunes in the white money markets of Memphis, New Orleans and Philadelphia. In the same years, black businessmen held their own in the open market as bootmakers, carpenters, contractors, merchants, tailors and liverymen. It was during the latter part of the 19th century that black businessmen lost their foothold in the market, largely as a result of discrimination and bias.

Bringing the minority American into the free enterprise system is both morally and economically essential for this country. But this can be done only by a nation that is committed to this goal. A program of this magnitude would cost no more than 4 per cent of our successful space program. It would cost only a fraction of the expense of maintaining 300,000 troops in Western Europe for nearly 30 years.

In the long run, we will fail at minority economic development if we permit ourselves to use short-run expediencies for the long-run solution that is needed.

Bright young blacks should continue to seek employment with our major corporations, but more of them should establish businesses of their own or seek employment with minority firms.

The fear of failure must never diminish our desire to go into business. A black man going into business today should first look for an opportunity to fill a need and then create a business that will satisfy this need. In the beginning, the black entrepreneur's base will probably be in the black community. But he should never limit himself to serving black consumers alone.

CONGRESSIONAL COUNTDOWN ON CONTROLS

HON. ALAN STEELMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. STEELMAN. Mr. Speaker, I have been quoting statistics and various studies of late in order to demonstrate the futility of wage and price controls. However, today I thought it might be more useful if I painted a portrait of what life is like today for the average citizen, 2½ years after the imposition of wage and price controls.

As U.S. News & World Report puts it in their April 15 issue:

For family after family, soaring inflation is forcing basic—often wrenching—change.

Wives are hunting for work. Husbands are moonlighting at second jobs. Nearly everyone is cutting back on food—buying less meat, substituting powdered milk for fresh, picking over discount items.

Cars, refrigerators, furniture are being repaired instead of replaced. Vacation hopes are being scuttled.

With some who have money, a "buy now to beat higher prices" psychology is taking hold.

For a picture of how Americans are coping with inflation, staff members of U.S. News & World Report talked with five families of different means in different parts of the country."

The interviews that follow are sobering in their impact.

Here is how our constituents express themselves:

Not Middle Class Any More

Des Moines, Ia.—A few years ago, Chico Alcantar would have said without hesitation that he had "made it."

Mr. Alcantar, who grew up in poverty in El Paso's Mexican-American section, had met and married an Iowa farm girl, was father of four children and had a secure job as an automobile upholsterer. They had a nice house, two cars and money to spare for his major hobby—bowling.

Today, despite a substantial pay raise last autumn, despite his wife's taking two part-time jobs, and despite his free-lance upholstery work at night, the family is losing ground to inflation.

"We are in debt up to our ears, and the savings account is down to $7.75 from $700 a few years ago," says Mrs. Alcantar. "We don't live high, either. But you can't tell me how to save money with a broken-down car, a broken-down television and a $25 increase in the mortgage installments."

For Mrs. Alcantar, grocery shopping has become a three-hour-a-week ordeal of price comparison and bargain hunting. The weekly food bill has risen from $50 last summer to $70 today.

"Every one of the eight staples I bought last week—things like flour, sugar, coffee, salt and pepper—had gone up 8 to 10 cents in price from the time before," she says.

The only meat Mrs. Alcantar ever buys is hamburger at 99 cents a pound.

She makes sack lunches for the two school-age boys, ages 10 and 7, because the 50-cent school lunches are considered too expensive. Her husband takes a sack lunch to work, and so does Mrs. Alcantar on days she works as a floor-walker for a large discount house. She got the $40-a-week job last December.

A second part-time job for Mrs. Alcantar is selling cosmetics door-to-door.

HIGHER PAY, BUT

Thanks to a $27-a-week raise last September, Mr. Alcantar now earns $207 per week. But his raise was more than offset by extra taxes, the $20-a-week increase in food costs and the higher payments on the house. So he also upholsters furniture and automobiles at night.

Except for his bowling, the family has cut back drastically on recreation and entertainment. When they do eat out, it is at a pizza parlor. "We rarely go to the movies," Mr. Alcantar says.

Last time they took a vacation was in 1968—to El Paso to see his family.

Mr. Alcantar even talks of curtailing his bowling:

"I go bowling twice a week. I probably spend $30 a week this way. I'm going to have to give that up."

Only big purchase for the Alcantars this year may be a newer used car.

Mrs. Alcantar, sitting in the living room of the modest home on the south edge of Des Moines, sums up the impact of inflation in their lives this way:

"The truth is, we're not in the middle class any more. Instead, we're on the poverty line. Chico makes more than ever, but every step up the ladder is matched four times over by price increases. It doesn't come out right for us."

Low Income, Rising Costs

Washington, D.C.—Benefits under welfare and Social Security have increased recently for Eunice Ward, her children and her ailing mother—but inflation has raised their costs even more.

Mrs. Ward is a cheerful woman who worked as a waitress, cashier and night manager at a restaurant until three years ago. Now she is on welfare.

"My mother had to have full-time care," she explains. "It was hard to quit my job, but there wasn't any other way."

The welfare check for Mrs. Ward and the four of her six children still at home went up $37 this month to $322. With $66 of this, she can buy $168 in food stamps—up $24 a month since last year. Her 74-year-old mother has a combined income of $254 from a private pension and Social Security, including a $10 increase in the current month's Social Security check.

However, in the past year:

Home-mortgage payments, taxes and insurance rose $10 monthly to $145.

The monthly gas bill is up $7, to $34, electricity by $6, to $18 monthly.

Food costs climbed at least $80 per month.

"Since inflation got so bad, we had to eliminate a lot of things," says Mrs. Ward. "I can't remember the last time I had a chop. Neck bones, pigs' feet—all those kinds of Saturday food—we can't afford any more. We can still afford chicken and occasionally turkey. We just eat chicken, chicken, chicken—every Sunday. Milk is so high, we use a lot of powdered milk now. We never used it before."

Shopping habits have changed, too:

"I used to go to the corner grocery store and charge it. I'd end up owing him my whole welfare check. Now I go to the supermarket. It's about a 10-minute bus ride. I don't shop as often, and prices are a lot cheaper."

MEDICAL CARE

The Wards' medical care is free under a special welfare program at George Washington University Hospital. Even bus fare is provided.

"My mother has two trips to the clinic every month—about $12 in cab fare because she can't ride a bus," says Mrs. Ward. "She has extra medicine, elastic hose at $8 a pair—it all runs up."

Inflation has had no great impact in some respects because the family never had much money for such things as entertainment, cars or new furniture.

Mrs. Ward's two grown daughters help with transportation in their cars, pay for the family telephone and provide the small color-television set that is the main source of entertainment.

"The children used to go to the movies about every Saturday," Mrs. Ward says. "Now they haven't gone for a long time."

AN EMPTY ROOM

One of the downstairs rooms in the two-bedroom row house is empty. "It used to be the dining room," explains Mrs. Ward. "We had good dining-room furniture until it burned up in a fire about eight years ago. The insurance didn't pay for new furniture. I'd like a bed for it so my oldest boy can sleep there. We just don't have the money."

For clothes, the Wards depend mainly on second-hand stores. "We can buy clothes very cheaply there," she says. "We make out pretty well with clothing. There is always somebody who is giving you something."

But, as with many another family on low income, the real pinch comes in buying food. Mrs. Ward says:

"It seems like the kids are getting more hungry than they used to. The free lunches they get at school just don't fill them up. They're hungry all the time."

You Can't Get Ahead

San Francisco, Calif.—"We are always in the middle," says Mrs. Florence Wienholz. "We earn too much to get into programs to help the poor, but we don't earn enough to be able to pay for what we need."

So her 29-year-old husband, Edward works both as a plumber and as a commercial fisherman when there isn't work in his regular job. She takes care of their two children, Shane, 5, and Liza, almost 2, and cuts corners where she can.

"The price of everything is unbelievable," Mrs. Wienholz complains. "When you cash your check, you get so disgusted. All the money goes. You work hard, but you can't get ahead."

$800 A MONTH

On the average, Mr. Wienholz earns about $800 a month, working as a plumber for a private contractor. Recently, he saved up $75 for a commercial fishing license. Now, his fishing trips down San Francisco Bay to the ocean provide extra money as well as extra food. Mr. Wienholz also does odd jobs and makes most of the family's furniture.

Inflation is threatening to undermine the family's recent move to a better house.

Two years ago, Mr. and Mrs. Wienholz swapped their equity in an old small house they had remodeled themselves for a down payment on a four-bedroom modern house.

"When we bought this house," says Mrs. Weinholz, "we knew we had to watch it.

But we didn't count on inflation going so far and so fast."

For instance, gas and electric bills ran as little as $5 a month two years ago in the little house. Now they come to $35 a month, at the very least, and have gone as high as $68, mainly because of inflation.

House payments are $421 a month. Another $94 per month goes to pay for the fishing boat.

SHOPPING FOR VALUES

To stretch the remainder of the monthly income, Mrs. Wienholz buys food at a nonprofit store. Customers weigh their own purchases and package them. Prices are sometimes one half to one quarter of those at nearby supermarkets.

Despite these savings. Mrs. Wienholz says she recently had to start stretching fresh milk for her children with the powdered variety.

This spring, she says, they are planting a garden. The family has begun buying clothing at garage sales.

The large family refrigerator recently went bad. They are using a smaller one, Mr. Wienholz says, explaining:

"We are waiting for our income-tax refund so we can pay cash for the refrigerator. We don't like interest charges."

Recreation now centers around the boat and the house, because of high costs. Mr. Wienholz explains:

"We have our entertainment at home now. We have friends over. Often, everybody brings something. We don't go to the movies very often. We used to love to run up to Lake Tahoe on a Friday night, just on the spur of the moment.

"We can't afford that now."

WHAT LENIN SAID ABOUT EAST-WEST TRADE

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. HUBER. Mr. Speaker, while some might argue that Lenin has been dead a long time, the prevailing philosophy in the Soviet Union is called Marxism-Leninism. His body, as everyone knows is preserved in a tomb in Moscow, and is visited as a sort of quasi-religious shrine and the children in the Soviet Union are taught to revere him as a deity. Therefore, what Lenin had to say on the subject of East-West trade is more than of passing interest, in my view.

The Russian artist, I.U. Annenkov in an article on pages 125–150 of the New yi Zhurnal, No. 65, 1961, reports on pages 144–147 an instance in which, at a time shortly after Lenin's death, he had occasion to visit the Moscow Institute of V. I. Lenin to examine photographic material on the basis of which it was suggested he might wish to provide illustrations for a book about Lenin. At this time, he found also in the files offered him, a number of Lenin manuscripts consisting principally of short and fragmentary notes. Some of these notes seemed so interesting to Annenkov that he copied some of them. A pertinent section, on page 147 of the article, follows:

To speak the truth is a petty bourgeois prejudice. A lie, however, is often justified by the aim. The capitalists of the whole world and their governments in their rush to conquer the Soviet market will close their eyes to the activity referred to above (various diplomatic subterfuges of the Soviet government) and will thereby be turned into blind deaf mutes. They will furnish credits which will serve us for the support of the Communist Party in their countries and, by supplying us materials and technical equipment which we lack, will restore our military industry necessary for our future attacks against our suppliers. To put it in other words, they will work on the preparation of their own suicide.

BO GINN CUTS A WIDE SWATH ALONG THE OGEECHEE

HON. DAWSON MATHIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. MATHIS of Georgia. Mr. Speaker, there appeared in the Atlanta Journal last week an article written about my distinguished colleague from Georgia, Mr. GINN, that I would like to share with all Members of the House. As all Members know, Bo GINN has distinguished himself by his service in this body, especially within his committee. He has performed in the finest tradition of public service for his district, and I am proud of his outstanding devotion and performance. I look forward to serving with this outstanding Georgian for years to come. The article by my friend, Don Winter, follows:

[From the Atlanta Journal, Apr. 18, 1974]

GINN CUTS A WIDE SWATH ALONG THE OGEECHEE

(By Don Winter)

MILLEN, GA.—Standing on the banks of the Ogeechee in Levis, sportshirt and an orange baseball cap, U.S. Rep. Ronald "Bo" Ginn looked like he had found a good reason to come home.

In Washington, Georgia's 1st District congressman habitually turns out in suit and tie, and for entertainment, spends a lot of time at late-running sessions of the House of Representatives. It's what he gets paid to do, but as he pointed out a few weeks ago, it is only half his job.

One day earlier this week Ginn performed the other part, and though it is risky to assume too much from a politician's demeanor, he seemed to think it the better half.

During a day of receiving visitors in his office and making a quick trip and speech, Ginn heard the word "impeach" only once or twice, and nobody asked his considered opinion on the subject.

Not that Ginn ignored politics. The whole day was political, in the old-fashioned sense of people wanting help and calling on their friends to get it.

And Ginn finished early. At the indecent (for Washington) quitting time of 5:15 p.m., Ginn went home, changed clothes and drove to the property he had just purchased on the Ogeechee River to watch the afternoon wane in the company of his family and two staff members who, for the moment, acted more like family than employes.

The river was high and dark and promised good fishing and Ginn alternated between looking at it and talking about what changes he would be making on his land and how well refurbishing of the cabin on it was coming along.

He made a small joke: The Ogeechee is unspoiled and beautiful, maybe he will get a law passed to keep it that way. After a few minutes he decided that the reformer who suggested Congress work for three weeks and take off the fourth had a good idea.

Most congressmen say they enjoy being back in the home districts more than making the rounds in Washington. In Ginn's case the statement is especially strong, as his family still lives here in Millen and Ginn is a devoted member of the club that fills the airlines' "Red Eye Specials" on Monday mornings.

Home life aside, the sort of work Ginn does in his Southeast Georgia district goes far toward explaining the attraction of getting out of Washington.

After a morning spent taking calls and talking to visitors in the storefront office that is both larger and plusher than the one Congress furnishes him on Capitol Hill, Ginn drove over to Sylvania to speak at ceremonies marking the town's status as the 1st District's second officially designated bicentennial city. Sylvania plans to restore the historic Dell-Goodall House in honor of the nation's 200th birthday.

Ginn was warmly received, a pleasant sensation in light of the fact that the incumbent he defeated in 1972 is from Sylvania.

Then back to Millen and a delegation of six Jenkins County citizens who provide foster care for mentally retarded adults.

The six wanted to draw food stamps for their charges, who must be fed, clothed, and housed for $175 a month. But the discussion went beyond that. As Ginn took notes and occasionally asked a question, the foster-care people swapped shop talk. One lady complained that $175 a month didn't begin to cover all the extras her "children" wanted, and she told about the man who smoked three or four packs of cigarettes a day.

A second lady was scandalized. She lets her patients smoke one pack every two days, and that man ought to be made to stop, she said. Yes, the first lady agreed, he should, but just how do you get a 73-year-old to cut down?

Ginn laughed. He's trying to stop smoking, too, and he said he ought to let the second lady help him out.

Back to business. Ginn put in a call to the state Department of Human Resources, and when the boss, Richard Harden, was not in, Ginn left word for him to return the call.

Ginn saw no reason why foster care homes shouldn't get food stamps. They provide a good environment for the retarded at a cost cheaper than institutions can manage, and the people who make their homes available for foster care should be encouraged as much as possible. He might not persuade Harden, but the group of six left expressing more hope than they got from their own conversations with lower-level officials.

In quick succession four men came to see Ginn, one by one. The first was selling campaign strickers and such, and Ginn chatted with him about new styles and slogans. Ginn may not need many bumper stickers this year; the same day the salesman called, one of the congressman's two announced opponents withdrew and threw his support to the second, who threatens to become a perennial candidate after trying three different political parties and finally dropping his race altogether in 1972.

The second man wanted Ginn to put in a good word for him with the federal disability insurance agencies, which he found difficult to deal with himself. Ginn said he would.

A retired Army officer stopped by. Ginn made a phone call and promised to make another in order to help the man get a federal job so he could finish his 20 years of federal service, and to keep his National Guard slot from being abolished.

Finally, a post office worker needed help. He wants to become a farmer, and the Farm

Credit Administration had slapped an unrealistically low appraisal on some land he wanted to buy.

Ginn called Washington, the main office, and told the assistant to the administrator that farm land in Bulloch County is worth a lot more than the appraisal stated, and that without a big appraisal, the man may not be able to borrow enough money to buy the farm. The call might not do any good, but the would-be farmer seemed grateful for Ginn's intervention.

All afternoon Ginn expected a price for his help.

He asked the foster home operators what changes they would like to see in national health care policies.

He asked the former Army officer about the state of the nation's infantry.

An aide watching the flow of visitors in and out of Ginn's office suggested half in jest that it was a scene from the "Godfather." The people come by and ask for Ginn's help, which he happily gives, and every two years, he asks for theirs.

Ginn might not agree with the metaphor, but he does believe service to constituents is a vital part of his job. So during Congress' Easter recess he is devoting most of his time to it, cutting red tape and for the moment putting aside the imponderables of the federal budget, impeachment and party rivalry.

There are probably other reasons involved, too. In Washington Ginn is one of 435 representatives—as he says, all the power a freshman really has is "a vote"—but on the banks of the Ogeechee, even in an orange baseball cap, a United States representative cuts a wider swath.

NORTHEASTERN OKLAHOMA COMMUNITY DEVELOPMENT CORPORATION: ANOTHER OEO BOONDOGGLE

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. ASHBROOK. Mr. Speaker, the Education and Labor Committee on which I serve is considering legislation which would extend the life of community action agencies and community development corporations. Any extension of these two OEO programs would be a serious mistake.

Millions of Federal dollars have already been poured into these programs. The results have been minimal. All too often taxpayer's dollars have been wasted without any real benefit to the community or to the poor.

One of the most tragic examples of this waste is the northeastern Oklahoma community development corporation, NOCDC. It was designed to establish business ventures which, implemented with Federal funds, would employ poor people while training them in a skill. NOCDC went through nearly $4 million in 5 years—most of which was in the form of grants from OEO.

And what has NOCDC accomplished at the end of this 5-year span? According to the Tulsa Tribune—

> Of the 11 ventures, some of which became working subsidiaries to employ the disadvantaged, only three remain today with any kind of production and only one is reportedly showing a profit.

That is not the end of this fiasco. A Federal grand jury is now undertaking a probe of NOCDC's activities.

It is ironic that OEO always considered NOCDC to be one of the best run of its community development corporations. If this is one of the best, I would hate to see one of the worst.

I have been notified by OEO that it has finally decided to discontinue support of the NOCDC grant. This action is so long in coming that it is almost laughable. The whole NOCDC disaster reflects a total lack of any meaningful supervision by OEO of its funded programs.

Following are articles from the April 11 and April 12 editions of the Tulsa Tribune regarding NOCDC. Also included is the letter I received from OEO concerning NOCDC and the Economic Opportunity Commission of Nassau County:

[From the Tulsa Tribune, Apr. 11, 1974]

MUCH SPENT, LITTLE GAINED BY POVERTY UNIT

(By Don Hayden)

In what may go down as a poverty program boondogle, nearly $4 million has gone through the Northeastern Oklahoma Community Development Corp. sieve in less than five years.

And the intended beneficiaries of the bulk of the federally-financed program apparently have received only pennies by comparison.

Most of the money was in the form of grants from the national office of Economic Opportunity to NOCDC to provide capital to set up subsidiary businesses employing disadvantaged people in eight counties—Adair, Cherokee, Mayes, Muskogee, Nowata, Rogers, Sequoyah and Wagoner.

The community development corporation was one of many such programs spawned by OEO and was considered by the federal agency to be one of the best.

Basically, the concept, following OEO guidelines, was to set up a parent corporation, which would be run by shareholders, to investigate possible ventures and submit these to OEO for approval.

If approved, the ventures were to become subsidiaries which would be implemented with federal funds and employ poor people, while training them in a skill.

NOCDC was in existence under federal funds from June 6, 1969, to Jan. 31, 1974, when the OEO grant period ended.

Of the 11 ventures, some of which became working subsidiaries to employ the disadvantaged, only three remain today with any kind of production and only one is reportedly showing a profit.

The enterprise was fraught with dissension almost from the beginning. It probably would take a grand jury investigation to completely resolve allegations of mismanagement and misuse of federal funds by NOCDC and to determine exactly how many disadvantaged people were helped through the period.

By January 1972, all but one of the ventures had been approved by OEO to become subsidiaries and were implemented through an $800,000 federal grant.

These included Community Manufacturing Co. (Com-ManCo) North at Allewe, Com-ManCo South and Triangle Transformer Co. at Chelsea, Boots Off at Claremore, Your Community Saddle Shop at Spavinaw, Your Community Upholstery Shop and the Reflections Boutique at Wagoner, Coweta Electronics, Tots Artistic Fun Toys at Taft and the Campo machine shops at Muskogee.

During a nine-day investigation by The Tribune, more than 25 people were interviewed, all of whom serve or did serve in some capacity with NOCDC.

Each of the subsidiaries was visited and reviewed. Many of those interviewed expressed complaints against NOCDC including some who have civil suits pending against the corporation.

These are some of the complaints lodged against NOCDC and subsidiaries.

ComManCo North:

A $1.7 million bid submitted by NOCDC for construction of stowage gear for the Litton Ship Systems' Landing Helicopter Assault (LHA) contract to the U.S. Navy was underbid to insure contract award to NOCDC.

The bid was submitted when NOCDC owned no real facility to handle such a contract and did not have the necessary machinery or the expertise to handle such a contract.

The facility finally obtained for contract work was not located near gas lines, necessary for economic operation, including heating of the building.

NOCDC President Jack Mansfield who held the position of director of community development at the time of the contract said it was bid to break even.

He also stated the corporation had options on several pieces of property when the bid was made and defended the use of electricity as a source of heat as a wise decision in the face of the petroleum shortage.

Coweta Electronics:

A $12 burglar alarm was produced when one was already on the market for $1.49.

The employment of a few persons to strip insulation from scrap General Services Administration wire was used as a "training" program for a possible ship wiring harness contract for Litton which failed to be forthcoming.

Mansfield said the alarms ultimately were sold at cost to a broker and admitted that while no wiring contract was ever received, indicated the trainees had learned a skill.

Some 22,000 boot jacks were manufactured while less than 5,000 were ever sold.

A GSA contract for manufacture of desk trays was bid by NOCDC without prior knowledge of GSA's stringent specifications for the project, causing most finally to be rejected.

Mansfield claimed that the entire stock ultimately was sold at cost and stated he was not involved in the desk tray contract bidding.

Spavinaw Saddle Shop:

More than $31,000 in OEO funds was spent to investigate alleged thefts of about six saddles and alleged threats to NOCDC personnel. No arrests were made.

Mansfield said OEO was cognizant of the threats and thefts and stated that Tom England, OEO program director, told NOCDC to handle the problem in its own way.

Upholstery Shop:

Nearly $50,000 was pumped into the business which ran at a loss until it reverted to private ownership.

Mansfield said "in retrospect" we realize that this sort of operation is best handled by one or two people instead of the corporate structure of NOCDC.

Reflections boutique:

Area merchants charged that federal funds were used to operate a business constituting unfair competition.

Mansfield said NOCDC tried to avoid competing with local business by offering a type of clothing not available in Wagoner.

Campo Machine Shop:

An estimated $2 million in GSA heavy equipment is lying rusting in an open field and was never used by NOCDC because no proper facility to house equipment was purchased.

Mansfield indicated that at one time it was believed a facility would be purchased to house the equipment.

Tots Artistic Fun Toys:

More than $20,000 was spent by NOCDC and no facility is in operation to date.

Mansfield said NOCDC was working with the Taft city council to develop this acreage for use as a low-cost housing project and hoped to gain assistance through the Department of Housing and Urban Development.

Mushroom project at Marble City:

About $40,000 was spent by NOCDC to implement the project, although approval for the venture was never forthcoming from OEO.

Mansfield said he still believes that the project is a viable one and will be pursued with alterations in the future if private funds are forthcoming.

Complaints also concern administration of NOCDC, which has headquarters at Fort Gibson. They include:

The top paying jobs in NOCDC—salaries ranging up to $20,000—had been filled by persons from outside the impact area.

The headquarters facility was purchased for nearly $60,000 and subsequently renovated after it was appraised at $39,000.

The facility was purchased from two men who held positions at a Muskogee bank where the bulk of OEO grant money was being held in account.

The outside premises of NOCDC is littered with GSA equipment that was never used.

A bulldozer was acquired from GSA and is being used in contract work not authorized as a venture under OEO guidelines. Area contractors claim the operation is unfair competition.

Mansfield defended the use of the dozer and said while it was only a small operation, it did employ two people and was made available for a Muskogee creek beautification project.

Four Ford Torinos were leased from a Muskogee auto agency when less expensive transportation in the form of OEO vehicles was available.

A spokesman for NOCDC indicated that the autos were leased because staff members using them traveled 40,000-50,000 miles annually and the "OEO vehicles were only good for about 200 miles weekly."

The year 1972 was one of conflict among shareholders of NOCDC—some were shadowed by detectives—resulting in several civil suits against the parent company.

Dissension and heated board meetings finally led to the firing of NOCDC president Troy Stilley and then director of community development Mansfield.

Mansfield subsequently was reinstated temporarily through a restraining order issued by Muskogee County Dist. Judge Bill Haworth. The NOCDC board of directors then voted to reinstate Mansfield who later was elected president.

Though the organization had its difficulties, NOCDC applied for and received a $2.5 million grant from OEO in 1972 to expire in 1974, prompting remarks by former NOCDC officers that "no one can afford to lose money like OEO."

The main complaint was that NOCDC did not achieve its intended purpose.

NOCDC was spawned in early 1969 when a group of Northeastern Oklahoma Community Action directors sought a program to ease the high unemployment rate in the area.

After two planning grants of $50,000 each were awarded by OEO in 1969, NOCDC got off the ground.

By August 1970, $800,000 had been awarded to implement the program. At that time there were more than 7,000 unemployed persons in the impact area.

Only a small fraction of that number subsequently were hired through the 4½ year period NOCDC operated under federal funds.

Of the multitude of community development operations in the country, NOCDC was believed in Washington to be one of the best run.

During NOCDC's infancy several consultants were hired to assist the organization and some remained to become officers in the corporation, including the current president Mansfield and Stilley.

It was decided that NOCDC become a shareholder-owned corporation and OEO set guidelines whereby at least 200 shares be sold in each of the eight counties. The minimum number of shares, 1,600, ultimately was increased to about 2,500.

According to Mansfield, the first 50 shares were not registered with the Securities Exchange Commission after a waiver was received and were sold at $5 each to "representatives of the poor on the boards of directors of Community Action programs agencies in each of the eight counties."

The remaining 2,450 shares were sold as registered stock, which was non-transferable and could be sold only back to the parent company—NOCDC.

A shareholder was allowed to vote in board of director's elections and could determine how disbursement of any dividends from subsidiary profit would be made.

Shareholders in the eight-county area have exercised their first right, but to date have not seen any dividends.

Funds now will have to be sought, Mansfield said, from private enterprise for any further ventures and the parent company probably will be moved to the Allewe facility later this year.

He indicated that when and if a substantial profit is achieved, the original shareholders still will be able to determine what portion will be held in reserve, what will go for capital expenditure and what will be distributed as dividends.

Exponents of NOCDC contend the day of dividends will be long in coming.

[From the Tulsa Tribune, Apr. 12, 1974]

SIXTY CALLED IN PROBE OF NOCDC

MUSKOGEE.—The U.S. marshal's office here has been working to serve subpoenas on about 60 people expected to testify before a federal grand jury beginning Wednesday to probe activities of the Northeastern Oklahoma Community Development Corp.

U.S. Dist. Atty. Richard Pyle, who will be conducting the investigation, said all but about a half dozen prospective witnesses have been located or served with notice to appear.

It is expected the specially-called grand jury will recess after three days to continue in May during regular Eastern Oklahoma Federal District Court term.

Although it is believed few subpoenas have been returned to the U.S. District Court Clerk's office in Muskogee, several persons, including key NOCDC figures have been served.

These include NOCDC President Jack Mansfield, former president Troy Stilley, ex-director of business operations John Griffiths, corporation controller Merrill Johnson and NOCDC board chairman Felix Gay.

The corporation has been embroiled in controversy, mainly over allegations of mismanagement of government funds by NOCDC personnel.

OFFICE OF ECONOMIC OPPORTUNITY,
Washington, D.C., April 16, 1974.

Hon. JOHN M. ASHBROOK,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN ASHBROOK: Thank you for your recent letter about Northeastern Oklahoma Community Development Corporation (NOCDC) and the Economic Opportunity Commission of Nassau County (EOCNC). Efforts to reach a final decision on NOCDC dictated a delay in making a complete response to your inquiry.

By letter of April 5, OEO informed NOCDC of our plan to discontinue support of the NOCDC grant. OEO has named Mr. Robert Watson, General Counsel of the Kansas City Regional Office as trustee for the implementation of a Disposition of Assets Plan. The plan calls for the disposition of remaining unexpended cash to liquidate outstanding debts and increase the equity of three operating ventures.

Recovery of federal money improperly spent by NOCDC will be accomplished through standard procedures. The final audits will be reviewed and all questioned items will be properly disposed. Possible criminal actions have been or will be referred to appropriate authorities.

The jobs at NOCDC are real. The preservation of those jobs, balanced against the interest of the government in face of obvious continuing management shortcomings, makes this decision to sever difficult. Over the past several months OEO had hopes a strengthened management at NOCDC would emerge. It hasn't. The most recent audit yields little hope of improvement. Further, civil litigation among board members is active.

What the situation at NOCDC reduces to is this: the shop-level management, that is, the producers of the products, is obviously good. The purchasers of the product, Litton, is glowingly satisfied (to the point they want to expand the present contract). However, the top management of the venture simply leaves too much to be desired to continue OEO support. Our only choice is to effect a disposition plan.

NOCDC is presently funded by OEO through May of this year; this funding is under the authority of the OEO Regional Office, Region II.

The march on Washington to which you referred was found by our auditors to have been financed by non-program funds. A serious question was whether the firing of eight employees on February 9, 1973, two days after the march, was politically motivated. NOCDC maintained that these firings were part of the reduction in force ordered by the then Director of OEO, Mr. Phillips, on January 29, 1973. Furthermore, NOCDC held grievance hearings before its personnel committee in the cases of three of these employees and in one of these cases that committee awarded the employee severance pay because it found that the employee had been fired without sufficient grounds or the notice otherwise required under NOCDC personnel policies.

OEO did send NOCDC a suspension letter on May 30, 1973, but the required hearing was postponed due to Judge Jones' decision of June 11, 1973 against the validity of Mr. Phillips' tenure. After this question was resolved, there was further correspondence with NOCDC, ending in a decision to drop the suspension proceeding.

The Region II OEO Office is seeking ways to remedy controversies between NOCDC and its sub-grantees.

OEO will continue to watch the action of NOCDC and take action where necessary.

If we can be of further assistance to you, please contact me.

Sincerely,

LEIGHTON SATTLER,
Acting Associate Director for Congressional Affairs.

SUPPORT FOR THE PRESIDENT

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. RHODES. Mr. Speaker, I have received in my office the following nonpartisan petition, signed by 533 registered voters from 25 States. This petition has been sent to me by Dr. E. Blanche Pritchett of Arlington, Wash., with the request that it be printed in the CONGRESSIONAL RECORD. The petition follows:

We, the undersigned registered voters, do hereby make proper demand that the House of Representatives pay heed to our admonition. We demand that justice prevail in *all* resolutions for impeachment of our President, Richard M. Nixon. We demand that partisan politics be severely criticized and rejected as a part of the considerations of the House Judiciary Committee and the whole House of Representatives. We demand justice. We demand truth in proceedings. We demand proper and true representation by our Congress. With the compliance of these demands, it is our considered opinion that no further support of President Nixon will be required in order to absolve him of all false charges and allegations. We believe that President Nixon has integrity and that justice will prevail. We pray for the power of God to intervene in all impeachment resolutions.

CHECK DRUG LAWS BEFORE TRAVELING OUTSIDE THE UNITED STATES

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. WOLFF. Mr. Speaker, Mr. Martin E. Weiss, a columnist for the Westbury Times of New York, has written up a comprehensive statement about the drug laws of foreign countries and Americans who are now in foreign jails. I have introduced legislation which would direct the Attorney General of the United States to write a pamphlet on drug laws in foreign countries and to distribute this pamphlet to Americans traveling outside the United States. As Americans get ready to travel in the coming months, I believe it is important for each traveler to be informed of the consequences of being arrested in a foreign country for possession of drugs. Mr. Weiss' article speaks eloquently of the need to be informed about foreign drug laws, and I would like to share it with my colleagues at this point in the RECORD:

ON THE WIRE

(By Martin E. Weiss)

DIAL TONE

With summer not too far away—a time when many young Americans head for distant places—it is time to remember that some 1,000 U.S. citizens, most of them young, are presently in jails abroad on charges of the use, possession, sale or smuggling of drugs ranging from marijuana and hashish to cocaine and heroin.

As of January, reports from 107 U.S. diplomatic and consular posts showed that in 10 foreign lands alone—including Mexico, Spain, Japan and Morocco—765 Americans were under detention on drug charges.

In only 18 countries, in which 52 Americans were involved, was bail permitted. As a matter of fact, most foreign countries do not accept bail in cases involving drugs.

Despite the Department of State's intensive efforts to warn travelers of the severe penalties being invoked, many Americans seem to discount the possibility that they can't be protected by the U.S. government.

Well, they can't—and the lure of "easy money" in the erroneous belief that, if they have the "know-how," they can transport illegal drugs and narcotics to the U.S., thus reaping enormous profits, has filled the jails abroad rather than the pockets of these misguided Americans.

Here are some facts to remember:

Foreign governments are not more tolerant of drug use than is the U.S., nor are they more permissive in their drug laws and enforcement. On the contrary, most other nations are more strict, and their judicial/penal systems differ greatly from the American and British—including the fact that many foreign countries do not provide for a trial by jury.

Pre-trial detention, which may involve solitary confinement for months under primitive conditions, is the rule rather than the exception.

Penalties for the possession of, or trafficking in, any kind of narcotics can mean a minimum of six years at hard labor, and a heavy fine, in most countries; in a few, it could mean a death sentence.

The protection of drug offenders is being intensified by other nations—and arrests are being made everywhere within their jurisdiction, including territorial waters and air space, as well as places of entry and exit.

U.S. laws do not protect Americans who violate foreign laws. They are subject to the same treatment, and the same penalties, as are nationals of the country in which they are arrested.

The role of the U.S. consular officials is highly limited in the event that detention does occur.

All they can do is make certain the detainee's rights are fully observed under local law, visit him (or her) as soon as possible after the arrest, inform him of his rights, provide him with a list of local lawyers from which to select defense counsel, contact his family or friends (if the detainee wishes) for financial or other aid, such as food supplements, and report the arrest, along with subsequent developments, to Washington.

A consular official, however, can not expend official funds for bail, legal fees or other expenses of a detainee—whether or not he has sources at home that might reimburse such outlays.

For those who scoff at the seriousness of the matter, here's a brief rundown:

In Mexico—334 Americans are presently detained on drug charges—with sentences ranging from two to nine years, plus fine, for possession; three to 10 years, plus fine, for trafficking; and six to 15 years for the importing or exporting of drugs. In addition, there is a minimum six to 12-month pre-trial confinement.

In Germany—101 Americans are incarcerated—and possession for trafficking draws a three-year sentence, along with a fine.

In Canada—87 Americans are in jail—and possession for trafficking draws a minimum sentence of seven years, with a maximum of life imprisonment.

In Spain—60 Americans are under detention—and possession of over 500 grams of cannabis (the source of marijuana and hashish), or the selling of any other drug, draws a minimum of six years, plus a heavy fine. There is, moreover, at least one year of pre-trial detention.

In Japan—39 U.S. citizens are in jail—and, in the Land of the Rising Sun, possession for trafficking means up to two months pre-trial detention and a maximum sentence of five years.

In Thailand—20 Americans are incarcerated—and the attempted import or export of drugs draws sentences of from six months to 10 years; the possession, purchase or sale of opium will put you in the clink from six months to 20 years; and the use of opium can put you behind bars for up to 10 years. Each offense also has a fine attached.

In France—15 Americans are in the hoosegow—and the sale, purchase or use of drugs courts sentences ranging from three months to five years, plus a heavy fine. In addition, there's a pre-trial confinement of a minimum of three to four months.

Moreover, in some countries—Turkey and Iran among them—convicted traffickers face the hangman's noose or a firing squad.

FINANCIAL STATEMENT

HON. DONALD J. MITCHELL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. MITCHELL of New York. Mr. Speaker, I welcome the opportunity to join with my colleagues in the New York congressional delegation in submitting for the public record a financial disclosure statement.

My statement goes beyond the disclosure mandated by House rules, because I believe the public desires and deserves assurance that as an individual privileged to serve in elective office, I am not subject to any potential or actual conflicts of interest.

The New York congressional delegation established a special Committee on Financial Disclosure to give this matter the very careful consideration it deserves.

The committee, with my complete endorsement, reached the following conclusions with respect to the financial information that should be disclosed:

First, the sources of all noncongressional income whether for services rendered or not;

Second, the identity of the creditor of all indebtedness which is unsecured;

Third, the sources of all reimbursements for expenditures—other than from the U.S. Government;

Fourth, the identity of all stocks, bonds, and other securities owned outright or beneficially; and

Fifth, the identity of all business entities—including partnerships, corporations, trusts, and sole proprietorships; professional organizations—of a non-eleemosynary nature, and foundations in which the Member is a director, officer, partner, or serves in an advisory or managerial capacity, and the position held in each instance.

Further, the committee concluded, again with my strong endorsement, that the public is entitled to know whether the members of the New York congressional delegation have paid appropriate Federal, State, and local income taxes.

My statement follows:

1973 source of income: U.S. Government—Congressional Salary; Mitchell-Bauer Optometrists, Herkimer, New York; and Rental Property, 301 N. Prospect Street, Herkimer, New York.

1973 income taxes paid:

Federal	$10,895.12
New York State	4,281.15
Total	15,176.27

Indebtedness:

Marine Midland Bank, Herkimer	13,500.00
Herkimer County Trust	4,595.00
Total	18,095.00

Stocks and bonds ownership: Resale value (February 14, 1974), $3,996.70, and Securities with resale value of more than $500.00: Mohawk Data Sciences and Graphic Sciences.

Sources of reimbursements for expenditures over $100.00: (Other than Government and other than reported as campaign contributions): none.

Business or professional entities in which I hold a leadership (director, manager, partner) position: Mitchell-Bauer Optometrists, Herkimer, New York—partner.

Mr. Speaker, the New York congressional delegation's Committee on Financial Disclosure has addressed itself in a forthright manner to the financial disclosure question. I commend the committee for its conscientious work and I am pleased to be identified with this public reporting.

THE COUNCIL OF THE AMERICAS AND THE OVERSEAS PRIVATE INVESTMENT CORPORATION

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. VANDER JAGT. Mr. Speaker, the Council of the Americas, a business association supported by the U.S. companies representing some 90 percent of total U.S. investment in Latin America, recently sent a questionnaire to its membership on the Overseas Private Investment Corp.

Because the House will be considering legislation to extend the authority for OPIC, I wish to share with my colleagues the results of this survey regarding the current and future interest of the Council of the Americas in OPIC. The questions and responses follow:

COUNCIL OF THE AMERICAS MEMBERSHIP QUESTIONNAIRE ON OPIC

1. Does your company have any OPIC insurance against political risks (expropriation, war/insurrection, inconvertibility) for investments in Latin America or other developing countries?

Of the respondents, 31 have manufacturing operations, 8 engage in mining or smelting, 9 in services, 2 in agricultural production/processing, and 1 in oil refining. (Multiple responses were allowed.) Of the total respondents, 33 (77%) have OPIC insurance somewhere in the world (26 in Latin America) on an investment while 10 do not.

2. Should U.S. Investors continue to have the opportunity to buy such long-term insurance against political risks on new investments in less-developed countries?

Forty (93%) of the respondents indicated that they believed that OPIC insurance should be made available to U.S. investors. The two companies indicating in the negative do not have OPIC insurance; both of them are engaged in manufacturing although one also is engaged in agribusiness. One company did not express an opinion.

3. Is political risk insurance, now provided by OPIC, important to your decision to invest in any less-developed countries of the following areas?

OPIC insurance was said to be an important factor in the companies' decisions to invest in all developing nations, with somewhat higher importance attached to insurance of investment in Asia than elsewhere.

	Number	Percent
Andean subregion	24	69
Central America	23	68
Other Latin America	26	65
Asia	24	73
Africa	21	68
Other	9	45

Only eight respondents (19%) indicated OPIC insurance was not an important factor in every region or every one except "other." Of the companies indicating OPIC insurance was not important, five were manufacturing concerns, two were service-oriented concerns, and one was a mining company.

4. From your knowledge, do OPIC services to an insured investor facilitate settlement of investment disputes which could otherwise result in inter-government confrontation?

Twenty-two of the respondents indicated that they believed OPIC services to an insured investor did facilitate dispute settlement, while only five indicated they did not believe so; sixteen said they had no knowledge or experience on which to base an answer or gave no answer. Thus, of those responding who thought they did have sufficient knowledge on which to base a definitive response, 81.5% said they thought OPIC services were helpful in dispute settlement.

Of the minority (5) who thought OPIC's services were not helpful in dispute settlement, four are insured and one is not.

Question No. 5: "A Senate Foreign Relations Committee report advocates turning the OPIC insurance program over to private insurance companies, backed by OPIC reinsurance. Would a predominantly or wholly private insurance service be [check one] more — or less — valuable to your company (in terms of costs of coverage, deterrence of the causes of loss, fairness in claims-handling, etc.) than the present OPIC program"?

The respondents were fairly unified in their beliefs. Twenty-seven companies (79% of those indicating) said they believed a predominantly or wholly private insurance program would be less valuable or useful to their companies than the present wholly public program. Only seven (21%) favored a private or predominantly private program. Eight of the forty-three indicated they could not respond to the question. There was little difference in the pattern of responses when analyzed by industry type, or even by insured versus uninsured respondents.

6. Would you continue to use OPIC insurance if there was a significant rise in premium rates for coverage of expropriation?

Expropriation premium increase	Continue to buy OPIC insurance					
	Yes		No		Undecided	
	Number	Percent	Number	Percent	Number	Percent
25 percent	26	65	9	23	5	13
50 percent	9	23	20	50	11	28
100 percent	4	10	26	65	10	25
200 percent	0	0	27	68	13	33

Three companies which do not now have any investments insured by OPIC indicated that they "would continue to use" the insurance program even after a 25% premium increase, presumably if they should undertake investments in especially risky areas, and one company indicated the same for even a 50% increase.

Two companies added verbal responses to their answers which are of importance in evaluating the effectiveness of the OPIC program. These responses again indicate the case-by-case analysis many investors undertake in regard to the need for OPIC insurance and the importance of the insurance incentive in particular decisions to invest. One diversified manufacturing, mining and oil refining company stated: "Usage of OPIC insurance at increased rates would have to be evaluated on a country by country, risk by risk basis. It is entirely possible that significantly increased rates could result in a decision not to invest in the project." Another manufacturing company similarly stated in part: "Recent OPIC contracts have incorporated significant premium increases. In general further premium increases would reduce the effectiveness of the insurance as a means of encouraging investment in developing countries."

7. A bill sponsored by Senator Church would terminate the OPIC insurance program unless the private insurance industry takes over the writing of investment insurance (gradually, by prescribed target dates), subject to OPIC reinsurance. A bill sponsored by Representative Culver directs OPIC to seek greater private participation in the program but does not require OPIC to turn over underwriting to private insurers. Which appoach is desirable?

The companies clearly favor Congressman Culver's experimental approach to privatization instead of Senator Church's. Only one respondent indicated the Church proposal was desirable while 37 said the Culver approach was desirable. One company responded "no" to both approaches.

8. Should OPIC limit its insurance on financial participation in extractive industry projects to those in which the U.S. investment is in a joint venture with fade out provisions, management contract arrangement or production sharing agreement?

The respondents also heavily opposed limitations of OPIC's insurance of extractive projects to "new modes" of investment. Thirty companies (75%) indicated such a restriction should not be enforced while only four (10%) said it was a good idea. Six companies (15%) had no opinion.

SOVIETS GAIN TECHNOLOGY BY HOOK OR BY CROOK

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. ASHBROOK. Mr. Speaker, Soviet efforts to gain Western technology continue unabated. The New York Daily News of April 22, 1974, tells how a neutron generator was sold by an American firm to an imaginary Turkish university. The strategic generator was diverted to Moscow.

At this point I include in the RECORD the article from the New York Daily News.

THE REDS ARE STILL AT IT

For years the Kremlin has used a variety of tricks to side-step U.S. trade bans against selling the Soviets strategic materials.

Recently, a Colorado firm sold a highly sensitive neutron generator to a nonexistent Turkish university. It was diverted en route through Vienna to London and on to Moscow.

The Commerce Department reports that from 12 to 15 such cases are turned up every year. It's anybody's guess how many more go undetected.

It is no secret that the only way Russia can keep pace with Western industrial development is to acquire U.S. know-how by hook or by crook.

This smuggling of sophisticated—and possibly strategic—equipment should be stopped pronto. At the very least, the government ought to lay down tough "know-your-buyer" rules for American exporters and make examples of those who let banned goods slip through the Iron Curtain because of negligence or carelessness.

IS THE FEDERAL REGIONALISM CONCEPT CONSTITUTIONAL?

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. RARICK. Mr. Speaker, in a recent Chicago speech before the Council of State Governments, Archibald E. Roberts, director of the Committee To Restore the Constitution, discussed the constitutionality of Federal regionalism. The regionalism concept seems to be creeping rapidly across the country, changing the traditional State boundaries and creating new Federal regions.

Colonel Roberts asked the very timely question in his address, "Is the Federal Regionalism Concept Constitutional?" It is a question deserving of an answer, as well as, widespread public discussion. In order that our colleagues can have benefit of this additional "public input" in this issue, I include Colonel Roberts' speech following my remarks:

Is "THE FEDERAL REGIONALISM CONCEPT" CONSTITUTIONAL?

Political madmen in Washington have created economic chaos, shortages in food and fuel, the threat of war, confiscatory taxation, a crisis in education, and other diversions to condition Americans for a new kind of government.

The technique is as old as politics itself. It is the Hegelian principle of bringing about change in a three-step process: Thesis, antithesis and synthesis.

The first step is to create the problem. The second step is to generate opposition to the problem (fear, panic, hysteria). The third step is to offer THE solution to the problem—change which would have been impossible to impose on the people without the proper psychological conditioning achieved by stages one and two.

The objective of the resulting economic, social, and political convulsion is the establishing of regional government throughout the land.

"The Federal Regionalism Concept" seeks to dissolve county and state governments, transfer political power to a central authority in Washington, administer the affairs of U.S. citizens through a network of federal regions and state planning districts, seize control of the land and production facilities, change the form of government from one of elected officials to one of appointed controllers, and reduce Americans to the status of economic serfs on the land which once was theirs.

A sobering forecast of "The Federal Regionalism Concept" was voiced in 1971 by Governor John Vanderhoof of Colorado, himself an aspiring member of the administrator class. Vanderhoof, then lieutenant governor, told the Colorado Cattlemen's Association that there would be little decision-making left to the individual citizen by the year 1985, whether he be farmer, rancher, or urbanite. (Source: Colorado Springs (Colorado) Gazette Telegraph, 10 December.)

Inspired, no doubt, by blueprint for change provided the governor, lieutenant governor, and state legislators by the Advisory Commission on Intergovernmental Relations, Vanderhoof predicted, and I quote:

"By 1985 only the governor and lieutenant governor will be elected officials. All other officers will be appointed by the governor and confirmed by the senate.

"In the State of Colorado," he continued, "there will be one major capitol and eleven smaller capitols. The smaller might be La Junta, Lamar, Colorado Springs, and so on. Their offices will be coordinated and computerized with the main office in Denver so that no individual in the state would venture from his own district in order to get a decision out of the state government." End of quote.

In actual fact, former governor John Love did divide the State of Colorado into twelve planning districts by Executive Order, in 1972. Denver, the capital city of Federal Region VIII, (designated by President Nixon's Executive Order No. 11647, 12 February, 1972) is the political control center for the former sovereign states of Colorado, Montana, North Dakota, South Dakota, Utah and Wyoming.

Vanderhoof then went on to say, "Now we will talk about local government. How will local government be effected in 1985?

"Counties will be in the process of consolidation," he said. "There will be less than sixty-five counties, and in some year in the future may be down to only twenty counties. They will all be under home (Metro) rule. County commissioners will be a thing of the past.

"We will be electing five directors, you might call them, who will serve as policy-making directors. All other officers such as county managers, engineers, supervisors, etc., will be hired by those directors, as well as the sheriffs, assessors, and so on. Only the board of directors will be elected. All others will be appointed," Vanderhoof stated.

In this context the governor had reference to the training and placement of appointed public administrators produced by the Public Administration Clearing House here in Chicago, better known as "1313." This Rockefeller-financed center, or which the Council of State Governments is an integral part, has been responsible for the development of a new breed of public administrators who now control all levels of domestic government.

Vanderhoof then switched to theories on what would be changed in the educational system of the State.

"The most intensified education will be in the first four grades. If a child hasn't learned to read by the time he reaches fourth grade then he will probably never learn to read.

"By the time a child has reached the fourth grade he will begin to be involved in some type of career. These careers will largely be vocational and technical because, even today, more than eighty per cent of the jobs do not require a college education."

Vanderhoof, perhaps unknowingly, thus gave support to the predictions of the late John D. Rockefeller, Sr., who, in 1904, heralded a plan to mold an American peasantry through control of the educational process.

"In our dreams," said Rockefeller, "we have limitless resources and the people yield themselves with perfect docility to our molding hands. The present educational conventions fade from our minds and, unhampered by tradition, we work our own good will upon a grateful and responsive rural folk." (Source: "Occasional Letter No. 1," General Education Board—forerunner of today's ill-famed Rockefeller Foundation.)

Today, seventy years after Rockefeller's fantasy, the American dream has become a nightmare. A secret government of monetary power has seized control of the federal government. Madmen occupy the seats of political power. Our Constitution is overturned. Our form of government changed from a free republic to a centralized, corporate state. And, the descendants of the pioneers, the warriors and the engineers of this unique order are now economic serfs in an industrialized society, ruled by a self-anointed elite.

Further planning for a coordinated, computerized "animal farm" continues unchallenged.

A few weeks ago, at the Eighth Annual Conference of Regional Councils, sixteen-hundred experts on "regionalism" discussed new techniques and procedures for consolidating their control of federal agencies, and of infiltrating local governments, to advance the goals of "The Federal Regionalism Concept." Stressed were takeover plans for land, water, transportation, economic development, and human resources programs.

In the course of some fifty major conferences, some running concurrently, NARC revealed the thrust for 1974. The following headliners, extracted verbatim from the official program, are typical. (Source: "Annual Conference of Regional Councils," March 9–13, 1974, Biltmore Hotel, Los Angeles, California.)

1. How to draft state legislation.

Components, techniques and strategies in drafting state legislation, particularly legislation for regional councils.

In actual practice, of course, "Sample Federalism Bills," and "Sample State Constitutional Amendments," are prepared by the Advisory Commission on Intergovernmental Relations, a Washington-based Rockefeller commission, financed in part by the Ford Foundation. Each year ACIR sends a bluebook of proposed legislation to the respective governors, lieutenant governors, and state legislators to implement regionalism goals for that year.

2. National land use legislation and programs.

Assessing the thrust of national policy on local governments and regional councils What regional councils should be doing in land use and coastal zone management.

Transfer of private property to a central authority in Washington is seen as a major objective of the National Association of Regional Councils. The federal land control bill, "Land Use Policy and Planning Assistance Act," adopted by the U.S. Senate on 21 June, 1973, and the temporarily deflected House bill on land control, H.R. 10294, provide the pattern for state and local land control regulations. Regional councils are to push for enactment at both levels.

3. The regional-State review and comment process.

How states and local governments can get the most out of the U.S. Office of Management and Budget A–95 Review and Comment Process on application for federal funds.

In simple terms, state and local governments will not receive revenue-sharing funds, or other allocations, if their programs do not meet regionalism guidelines. The desired standards, set out in "The Intergovernmental Cooperation Act of 1968," (Public Law 90–577) lead to consolidation of city with county, county with county, and state with state, so as to merge comfortably with the ten federal regions proclaimed by Nixon on 27 March, 1969. The A–95 Review System seeks to eliminate local, constitutional governmental bodies and strap "regionalism" as a way of life over all America.

4. The issues and negotiation of transportation agreements.

The issues, activities and funding that regional councils and state governments should negotiate under new provisions of the Highway Act of 1973 and U.S. Department of Transportation Multimodal Planning Guidelines.

Mass transportation as a means of controlling the movement of populations, intracity and inter-region, is a long-range goal of regional planners.

5. Human resources programs.

The broadening range of human resources planning and programming opening up to regional councils and how councils can undertake these responsibilities.

The projection of a serf-society, to be paid at a rate determined by a self-appointed elite, a captive labor force which can be moved anywhere on the globe to exploit the resources of "developing nations" in an industrialized society, was incorporated in the General Agreement on Trade and Tariffs (GATT), and in the United Nations Conference on Trade and Development (UNCTAD) in 1947.

6. The future of a national economic development program.

Actions of Congress and the Administration in public works and economic development legislation and the impact on regional councils and districts.

People-management and federal control over local production facilities were later incorporated in Executive Order #11490, "Assigning Emergency Preparedness Functions to Federal Departments and Agencies." (FEDERAL REGISTER, 30 October, 1969). Executive Order #11490 is a full-scale plan for imposing a dictatorship upon the American people in the name of "national emergency." Take-over powers include: Communications media; All electrical power, gas, petroleum fuels and minerals; Food resources and farms; All modes of transportation and control of highways, seaports, etc.; and Health, Education and Welfare functions. Provision is also made for the mobilization of civilians into work brigades, and grants authority to the Department of Justice to operate penal institutions. A better name might be concentration camps.

7. Regional water quality planning and programming.

Development in the water quality field, specifically the implementation of Section 208 of the 1972 Federal Water Control Act.

Water control, promoted under the guise of "environmental concern," is but an initial step in the ultimate control of water sheds and river basins (see "Potomac River Basin Compact). Crushed between "Land Control Laws" and "Water Pollution Control Regulations" the independent, property-owning middle class will be squeezed out of existence, supplanted by the corporate state.

The society of 1985, predicted by Governor Vanderhoof of Colorado, has arrived in America in 1974!

"The Federal Regionalism Concept," born in the fetid dreams of John D. Rockefeller, Sr.; incubated in the Rockfeller-controlled Council on Foreign Relations; infused with a fraudulent "legality" by the Rockefeller-financed Advisory Commission on Intergovernmental Relations, and given mobility by the Rockefeller-directed Public Administration Clearing House, is today's political reality.

"The Federal Regionalism Concept," more accurately identified as a corporate state, is now promoted at municipal, county, state and federal levels of government, aided and abetted by elected officials. Government leaders no longer are responsive to the will of the people. They have become mere implementing agents for programs promulgated by and for the Rockefeller Dynasty.

"The Federal Regionalism Concept," however, has a feature which is never questioned by the press, by elected officials, or by the people. That flaw is this:

The Federal Regionalism Concept is unconstitutional!

Let us consider the events of March, 1969.

The White House, on 27 March, 1969, announced that the United States had been divided into ten federal regions—by presidential proclamation. In so doing, Nixon and his controllers set in motion a series of pre-planned events which would, by 12 February, 1972, place virtually every facet of the lives of U.S. citizens under the domination of socialist planners.

Flouting the prohibitions of Article IV, United States Constitution, Mr. Nixon, in his statement, "Restructuring of Government Service Systems," purported to "streamline" the following grant-making agencies: The Department of Labor, The Department of Health, Education and Welfare, the Department of Housing and Urban Development, The Office of Economic Opportunity, and The Small Business Administration by "establishing uniform boundaries and regional office locations."

Few Americans realized then, or comprehend now, that Mr. Nixon was establishing a new form of government which had, over the years, been covertly engineered to replace the city, county, state and school district system. Boundary lines of these familiar political subdivisions were to be phased out and a new set of geo-political lines established.

Under this new "Federal Regionalism Concept" there are now ten U.S. provinces, or federal regions. Each province has a designated "capitol" to handle all economic, social, and political matters within that province. Channels of communication and control lead to a central authority in Washington and New York.

An examination of the type of government proposed under "The Federal Regionalism Concept" reveals that it is a government by appointed rather than elected officials. Under this regional form of government disfranchised Americans are to be held in bondage, in perpetuity, as producers and servers for a self-appointed oligarchy.

In addition to its inherent immorality, the merging of sovereign states by executive order is, of course, a violation of paragraph 1, Section 3, Article IV, United State Constitution, which says:

"New States may be admitted by the Congress into the Union; but no new State shall be formed or erected within the jurisdiction of any other State, nor any State formed by the junction of two or more States, or parts of States, without the consent of the Legislature of the States concerned, as well as the Congress."

A self-declared objective of "The Federal Regionalism Concept," and those who support it, is the assumption of the power and authority which traditionally has belonged to municipal and county governments, and even to the sovereign states, and to by-pass these constitutional government bodies. Many respected authorities on government and constitutional law declare that the purpose of regional governance is to eliminate cities, counties, and states, and their elected officials, and usurp the rights and freedoms of individual citizens guaranteed by the Constitution. Such transformation of our republican, elective form of government to an appointed, federal form of government, is a gross violation of Section 4, Article IV, U.S. Constitution, which states:

"The United States shall guarantee to every State in this Union a Republican form of government, and shall protect each of them against invasion; and, on application of the Legislature, or of the Executive (when the Legislature cannot be convened), against domestic violence."

An incorporated objective of "The Federal Regionalism Concept," is the transfer of the rights of private property to the jurisdiction of a central political authority in Washington, and to appointed agents at the federal regional capitols. Through the technique of so-called "land control laws" an outlaw administration seeks to cancel the rights of private property guaranteed to the people by the Fifth Amendment to the Constitution of the United States which declares:

"No person shall . . be deprived of life, liberty, or property, without due process of law; nor shall private property be taken for public use without just compensation."

The most cursory examination of "The Federal Regionalism Concept" reveals its unconstitutionality, and its flouting of the most basic freedoms guaranteed to the people by the Constitution.

The law is very clear on the status of unconstitutional acts by law-making bodies. In Sixteen American Jurisprudence, 2nd Section, 177, the law states, and I quote:

"An unconstitutional statute though having the form and name of law, is in reality no law, but wholly null and void and ineffective for any purpose. It imposes no duty, confers no rights, creates no office, bestows no power or authority on anyone, affords no protection and justifies no acts performed under it. No one is bound to obey an unconstitutional statute and no courts are bound to enforce it."

In Key Number 73, Miranda vs the State of Arizona, 86 S. Ct. 1602 (1966), which is repeatedly quoted as THE authority for the protection of personal rights, the Court declared:

"Where rights secured by the Constitution are involved, there can be no rule-making or legislation which would abrogate them."

It is quite clear that individuals, both public and private, who promote or otherwise participate in the conspiracy known as "The Federal Regionalism Concept" are in *violation* of Section 2384, Title 18, United States Code, and must be held to answer for such crimes by the people and by the elected officials who represent the people.

For seventy years the structures of freedom, erected at such great cost in blood and treasure, have been under assault by a "secret government of monetary power."

Today, our Constitution is dismantled, our heritage denied, and our destiny turned to dust.

The stark truth is that America is passing from a constitutional republic to a totalitarian, corporate state.

The American people, of whatever economic peruasion, must now reject political con men, depose the madmen who hold public office, and preserve "The Safety of the State."

The mission of all conscientious citizens should be to inspire corrective action by the respective state legislatures, to challenge usurpation of constitutional authority, and begin the task of reversing the mindless march toward dictatorship.

Nothing less than the survival of the American civilization is at stake.

WASHINGTON LOBBYISTS

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. DULSKI. Mr. Speaker, in the April 15, 1974, issue of U.S. News & World Report, Mr. Howard Flieger has a most interesting discussion, based on a candid and lucid report by our distinguished colleague, BARBER B. CONABLE, JR., on the role of the Washington lobbyist.

In many areas of public and private life, respectable individuals are getting blanket blame for acts of a disreputable few. I believe Representative CONABLE has done a service to his constituents and Mr. Flieger to his readers by defining a frequently misunderstood and maligned profession. As part of my remarks, I insert the editorial:

Ever Meet A Lobbyist?

(By Howard Flieger)

As happens almost with the regularity of the change of seasons, Washington's "lobbies" are attracting headlines again—which leads to the perfectly natural question:

"What, precisely, is a lobbyist?"

A standard dictionary definition: "A person, acting for a special-interest group, who tries to influence the introduction of or voting on legislation or the decisions of government administrators."

But the public often gets a more colorful impression. Everybody is familiar with the caricature in political cartoons.

The lobbyist usually appears as a florid-faced, overweight bully, wearing a waistcoat embroidered with dollar signs and dangling legislators like puppets on a golden thread.

Or he is depicted as a sleazy sort with a false grin and shifty eye, plying public servants with bribes, booze, and the high life to coerce them into doing his evil will.

With this kind of typecasting—even though it be wrong for the most part—it takes a courageous politician indeed to speak up with a kind word about lobbyists.

Well, Rep. Barber B. Conable, Jr., a New York Republican, has done so. He told voters in his district not long ago that, after almost a decade of service in Congress, "my views about lobbying have altered considerably."

What changed his mind? The very nature of Congress, for one thing.

Petitions, proposals, legislation pour down on Congress in a torrent. They concern every topic under the sun. The fate of some of them can cost billions in tax money and literally change the course of history.

The vast majority of Congressmen know something about a lot of things but not everything about most. They frequently need—in fact, welcome—information from persons directly affected by the matters that come before them.

Enter the lobbyist. Of his role in the legislative process, Representative Conable says:

"I want to express the thought that the system couldn't work half so well without the hundreds of professional representatives of the various interest groups who make it their business to be sure a Congressman knows the implications and effects of the sometimes complicated technical legislation."

The Congressman thus puts into words what others have learned through experience.

A good lobbyist—and most of them are good, or they don't stay in business very long—presents the case for his client concisely, accurately and objectively. He is frankly an advocate, but he doesn't try any tricks.

To quote Mr. Conable again:

"If he misleads, he knows he will be no longer welcome. If he threatens, he polarizes rather than keeping all of his avenues of communication open. If he tries to buy, he either gets a dishonest ally who won't last or a jail term of his own. So most professional lobbyists are truthful, dispassionate and honest."

This is not to say that the system is perfect, that there is no room for improvement.

Under present regulations, the full registration of private-interest lobbyists—to identify them and their clients—is spotty at best. The public, members of Congress and other officials are entitled to know exactly what is being represented by whom.

Also, the tax laws often make it difficult for charitable and other nonprofit organizations to be as active on Capitol Hill as are the agents of industry and labor. If such organizations lobby "substantially," they risk losing their nonprofit, tax-exempt status.

These shortcomings are considerations, of course. But the almost universal tendency by the public to look with suspicion on lobbying is nonsense. Representative Conable said things that have needed saying for a long time.

AFTER WATERGATE

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. HAMILTON. Mr. Speaker, under leave to extend my remarks in the Record, I include my Washington Report entitled "After Watergate":

After Watergate

After a year of Watergate many thoughtful Americans are beginning to come forward with healthy responses. Rather than focusing on the abuses of Watergate, they are suggesting the direction for change which will make future Watergates less likely and improve the quality of government in this country. These persons believe that more important even than Watergate is how we react to it, what we learn from it, and what we do about it.

One of the responses is to encourage a presidency that is open, accountable, and constitutional. In recent decades the American political system has concentrated more power in the hands of the president than the Founding Fathers intended or democratic government requires.

There are many reasons for this concentration of power, including the passivity of the Congress, but whatever the reasons, the results are apparent and disturbing as presidents assert executive privilege to keep information from the Congress, claim the right to set national priorities by themselves through impoundment of funds, and commit American troops abroad without consultation with the Congress.

Based on a feeling that governmental power should be jointly possessed, a careful reassessment of the institution of the presidency is underway. Respect for the office of the president is obviously necessary, but with it must come a decline in awe and a determination to examine a president's proposals with care, intelligence and healthy skepticism. Along with that, the presidency must be kept open to the public, the Congress, and the press. A president must be surrounded by a strong cabinet and advisors of the ablest people in America, who represent a broad philosophical base, and who have an appreciation for the essentials and the demands of the political process. No one is suggesting a weakened presidency, but rather a strong presidency under the Constitution, and a presidency, not insulated or isolated, but always exposed to the political pressures of the day and operating with a firm understanding that the decisions of government should be shared decisions.

Another emerging response to Watergate is the necessity of a revitalized Congress, a Congress meeting its responsibilities and dealing with the chief obstacles to responsive government. Congress may not be able to provide the kind of dynamic, comprehensive leadership necessary to quickly restore the people's confidence in government, but it can take the lead in bringing greater openness to discussion and criticism and greater candor to the conduct of the public's business, and it can be more effective in keeping an eye on the Executive Branch. It can proceed to reform itself by passing two of the bills now pending in the Congress that may become the most significant, even though unpublicized, reforms of the Congress in this century. The two reforms are designed to keep spending under control and to redistribute more equitably the workload and the power among the committees of the Congress.

Congress can also take a whole new series of steps to protect the integrity of American elections, including limitations on the size of gifts and expenditures, complete reporting of contributions and expenditures, tough enforcement, and the use of public financing, perhaps to match private contributions.

Strangely enough, a new appreciation for the role of the politician in society may also emerge as a result of Watergate. As John Gardner points out, worthy groups want mutually incompatible things in a country as big and diverse as America. Without the constant exercise of compromise and accommodation, which is the stuff of politics, this country would come apart at the seams. The role of the politician is to make the country work, providing stability, accommodating different points of view, developing a consensus, and meeting the needs of the people. People may come to better understand that although the political process does not provide perfect answers, it does provide suitable answers for a free people.

In the post-Watergate period, with people more aware that neither government nor governmental officials have a monopoly on information or wisdom, our commitment to freedom of inquiry and publication, and the value of the free press, may be reaffirmed, and the news media may become a more vigorous constraint on the abuse of power.

Citizens may also have been stabbed awake and aroused to action. Although there is much discussion today about people dropping out of politics because of their cynicism and despair, I find just the opposite reaction: a feeling that the vote and participation in the electoral process is more important than ever before. People are increasing their understanding and respect for the principles of a democratic system of government and beginning to understand more fully the demands it makes upon them.

There is, of course, no assurance that all or any of these suggestions will come to pass, and no fail-safe mechanism to forever insure honesty in government. We should not expect miracles, but we can take confidence from the healthy responses that are emerging from the tragedy of Watergate, and perhaps even give them a boost.

THE CASE AGAINST THE SEAT BELT IGNITION INTERLOCK

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. McCLORY. Mr. Speaker, our able colleague, Lou Wyman, of New Hampshire, is principal sponsor of a bill to eliminate the mandatory requirement for automobile seat belts to be hooked into the ignition. Many of us have joined in cosponsoring this legislation.

We think it is wrong for the Department of Transportation, by regulation, to require this example of "big brotherism," especially when no such requirement has been specifically authorized by the Congress. Because the decision to wear a seat belt affects only the individual and has no impact on the safety of others on the public roads, DOT's arbitrary requirement is a blatant violation of the rights of citizens.

Our bill does not prohibit making the wearing of seat belts mandatory should an individual State require this. This is an area that is properly a matter for State determination. No Federal administrative body should arbitrarily presume to adopt regulations which preclude State action or impose such unreasonable costly and burdensome requirements.

Congressman WYMAN has outlined the pressing need to relieve consumers of this ill-considered aggravation in an article in the current issue of Motor Trend magazine. In view of the outcry being raised by the car buying public, this article merits the close attention of all Members:

THE CASE AGAINST SEAT BELT INTERLOCKS

(By Congressman LOUIS WYMAN)

One of the most offensive invasions of the personal right of privacy to be dictated by the federal bureaucracy in recent years is the mandatory requirement imposed on all motorists in the country that seat belts across the front seat of every 1974 and later model car shall be tied into the automobile's ignition so the car cannot be started unless all the seat belts and harnesses across the front seat are first fastened.

The resulting imposition is not only an inconvenience bordering on a nuisance, but it also presents significant risk potential to certain operators under certain conditions.

Example No. 1: It's late on a wintry afternoon in New England. Snow driven by a rising wind is fast accumulating on icy roads. A 1974 ignition interlock equipped car crawls up a hill to cross a railroad track. Suddenly the car wheels spin on the icy surface and the driver gets out to see what's wrong, the buzzer blaring and light flashing as he unbuckles his seat belts. He reaches in to turn off the ignition, and then walks to the rear of the car to find his back wheels stuck across the tracks. Hurriedly, he opens his trunk and sands the area around the wheels from a bucket sagely kept available for just such difficulties in the winter. Then, he hears the whistle of an approaching train. Horrified, he jumps in his car, but the darned thing won't start. Ah! The sensors under the front seat! He must buckle up first! He fastens the lap belt, but can't get the harness to engage with the slot. Frantically, he tries again and again, the train getting closer with each attempt. Then the train appears around the bend—too close to stop. The driver runs from his car and watches helplessly while it is demolished. Cause: the seat belt interlock.

Example No. 2: A young woman is assaulted as she leaves her school on a summer evening. Breaking away from her attacker, she races to her car with the assailant in pursuit. Because the car windows are open, her only choice is to start the car and take off, but she can't start it in time because she has to fasten her seat belt and harness before the ignition will engage. Result obvious. Cause clear: the seat-belt interlock.

So we have imposed on the nation by bureaucratic fiat a "safety" standard that's potentially hazardous. What about the inconveniences that each of us with an ignition interlock equipped car will have to put up with in our day-to-day travels?

Example No. 3: Leaving your house for an afternoon shopping in the city, you open your garage door, get in the car, buckle up the lap and shoulder belts, start the car, back out, unbuckle to the tune of a screaming buzzer, get out and close the garage door, get in the car and buckle up again. Finally you're on your way. You do your grocery shopping and place your two three-pound bags on the passenger side of the front seat, get in the other side, strap yourself in and turn the ignition. The car won't start. You forgot to buckle up—seat belt and harness—your groceries. Finally, you are on your way again, and stop at a gas station to have your oil and fan belt checked. You turn off the car and get out while the attendant checks the oil. Then he asks you to start up again so he can check the fan belt. You've got a delicate "computer" under your seat, so before you can turn the car on, you must disengage the belt and harness around the groceries, then buckle again, and then strap yourself in. So you do that. "Okay," he says, "turn it off now." He works on the fan belt, and asks you to turn the car on again. So you unbuckle the groceries, buckle them up again, etc., etc., etc.

Basic to resolution of the interlock question is the right of the motorist and his front-seat passengers to wear or not to wear their seat belts. Unlike drinking while operating a motor vehicle, this is not an issue of the safety of others. In the case of seat-belt fastening, whatever the decision of the motorist, it will bear no relation to the safety of others. There is no question that in certain types of accidents, seat belts on can save lives or help lessen serious injury, and certainly the government is within its duty to encourage the use of seat belts. But the final decision should be the motorist's. This is his right, or privilege, depending on how one views the operation of the car itself on a public highway as being a right or conditional, limitable privilege in the lexicon of constitutional law.

It is reported that 57,000 persons were killed on our nation's highways last year. Some estimate that the use of lap and shoulder seat belts by motorists could save as many as 10,000 lives, avoid numerous injuries and result in the saving of billions of dollars into the economy. But that wearing seat belts can save lives and should be mandatory is not at issue here. This wholly different issue is for the separate states to consider and determine within their respective jurisdictions by their legislatures. Mandatory seat-belt wearing does not prevent starting the car if the seat belts are not fastened. There's no ignition interlock under a mandatory seat belt plan, so enthusiasts for the mandatory requirement can still have their day in court, so to speak, but without the annoying extremism of the ignition interlock.

To go to such nonsensical lengths as to require that any package (or dog or child) in the front seat must be strapped in before you can even start you car is a blatant expression of the bureaucracy's irrational attempts to protect the people from themselves. They've created a system whereby failure to buckle up breaks the sensor coupling and transmits a "no start" command to the ignition system, and you're just plain stuck. And if there's a disengagement while the car is running (once started), the lights and buzzers flash and scream dramatically to the obvious distraction of the driver, who subsequently becomes a potential road hazard to others.

The ignition interlock, a flagrant example of bureaucratic extremism run riot, ought never to be imposed on the nation by regulation of a government agency. The requirement is not only an annoying invasion of privacy, but forces the motorist to pay for the highly technical sensor-controlled system. At approximately $50 a car, the interlock will cost car buyers of 1974 model cars a total of nearly $500 million, to say nothing of 1975 models being tooled up at this writing.

Automobile dealers will tell you that their 1974 model sales have been significantly discouraged due to the equipment requirement. They will tell you of sales lost and customers asking for 1973 models instead. This hurts the economy. They will also tell you that the engineers expect that about 3 percent of the cars purchased with this equipment just won't start. Ergo, the buyer is forced to accept the inconvenience, delay and perhaps even monetary burden of having the gadget repaired when it goes haywire. Assuming that 10 million cars are purchased in 1974, we can estimate that some 300,000 individual car owners will be subjected to ignition malfunction this next year alone besides being required to pay on the order of an additional $50 per car for the device.

It is almost incredible that a federal regulatory agency, created by the Congress to administer auto safety laws, should have slapped such a restraint on the motoring public without seeking legislative authorization from the Congress. But Congress now stands in the position of acquiescing if it fails to pass my bill (HR 10277) to rescind this unreasonable Department of Transportation regulation. There is little doubt, however, that Congress will pass it if we can get it to the floor for a vote, for almost nothing that has occurred in the regulatory field in recent years has annoyed and frustrated citizens more than the seat belt ignition interlock.

In the very near future, I intend to speed up the process of getting the bill on the House floor for vote by filing a petition to discharge the Interstate and Foreign Commerce Committee from consideration of the bill if it remains pigeonholed in Committee. When this is done, all members of Congress will have an opportunity to be recorded on this question.

Once the bill is passed, the seat-belt interlock system will remain an option, of course, and if anyone wants their car equipped with one of the shackling contraptions, they can order their car with it. But I think it's very safe to predict that not one driver in 100,000 will do this, for the seat-belt interlock is not just an expensive nuisance. It can be a menace to personal and public safety as well.

A CALL FOR CONCERN

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. ROYBAL. Mr. Speaker, I would like to bring to the attention of my colleagues a moving article by Alicia Escalante which appeared in the Los Angeles Times on April 5, 1974. It describes the pitiable fate of a young chicano in my district, the victim of a drug overdose. Indirectly it also points to the deplorable, inhumane conditions in the barrio and exhorts all of us to try to remedy the social ills which cause such unfortunate occurrences.

The article follows:

[From the Los Angeles Times, Apr. 5, 1974]

DEATH IN THE BARRIO

(By Alicia Escalante de Gandara)

Johnny's dead. His 15-year-old wife cried when he died, but nobody was supposed to know.

I remember asking over the telephone, "Is it true?" "Yes," a neighbor answered. "Come right over."

I took the long ride to El Sereno and arrived in time to try comforting my sister—his mother—but she was still hysterical. "Why?" she asked. "Why?"

The drive to her housing project, so many people, the coroner's car, police officers all around. There he is on the floor. Oh, God, give my sister strength—God, give me strength. He died, we're told, of a drug overdose; a spoon and a half, given to him by someone he knew.

He was not a hard-core addict. In fact, it stunned us to know he'd been geezing at all.

He'd done it four or five times, he confessed to his brother. Why?

It seemed to us he should have been happy. He was only 18. He'd just gotten married. His wife was expecting any day. He was excited about the baby.

But he had been complaining about his feet. They hurt. He did pick-and-shovel work, and he had to wear those heavy boots. His job didn't pay much—it hardly paid anything at all. And he had a wife to support, and pretty soon a baby. So he had to keep at it. What else was available for a "poor" Chicano, anyway?

His nickname was "Negro" because of his beautiful dark color. He was the third of four children in his family. His mother (my sister) was from El Paso, his father from the east side of L.A. We are a generation that has now created a generation. As I look back across 22 years, I ask, what has changed for us?—for our kids? Where have we failed?

We know what it's like to be hungry, to be snubbed because you're using food stamps, to be harassed by the cops, to be shot at, to fight to survive. We recognize the enemy. But a friend gave him a spoon and a half?

In the past we had our principles, our code of honor. We still do within our family units. A friend gave him a spoon and a half?

Programs for drug abuse have popped up all over. Are they just a way to get federal funds? They don't stop the pusher from making a transaction. They don't stop a young Chicano from getting overdosed.

The people who run the drug programs are experts at the devil's game. They know who the dealers and pushers are. They're not doing enough about it. If they want support from the communities, they had better start cleaning things up.

Drugs are the No. 1 killer in the barrio. The kids themselves know who the pushers are, who the big dealer is. It's also said that the "narcos" are in it, too. Their ties help lead them to the rats, the finks, the informers.

But nobody is really all that concerned. After all, drugs are a big business—the biggest in the world. In my opinion, this country must either eliminate the drug trade or legalize it, but we're not going to do either, for that would cut off the profits. Also, then we'd have to take care of those social ills that drugs make bearable—poverty, housing projects, job discrimination, unemployment, welfare and so on.

No politician, no cop, no narco is going to clean up the devil's nest. No community agency funded by the government is going to risk its payroll to do anything about it. Only an organized, determined, positive, contructive effort of concerned parents can do it.

What, you may ask, can I do as a parent?

Open up your eyes. Open up your ears. Become aware. Get involved. Talk to your children about the evil drugs do—if you don't, the next victim may be your own child.

Johnny Villalobos was the name of my nephew. Vaya con Dios, "Negro."

IN MEMORIAM TO THE HONORABLE JOHN J. CROWLEY OF WAYNE, N.J., OUTSTANDING STATESMAN, COMMUNITY LEADER, AND GREAT AMERICAN

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. ROE. Mr. Speaker, residents of my hometown of Wayne, Eighth Congressional District and State of New Jersey, are deeply saddened by the recent passing of one of our most distinguished citizens, good personal friend and neighbor, the Honorable John J. Crowley, whose exemplary stewardship of the parks program in my congressional district as director of the Passaic County Park Commission has truly enriched our community, State, and Nation. I know you and our colleagues here in the Congress will want to join with me in extending our most sincere condolences to his wife, the former Evelyn Van Riper; their daughter, Mrs. Richard (Judith) Tritschler of Pompton Plains, N.J.; his sister, Mrs. Edward (Anna) Gill of Dover, N.J.; his brother, Eugene of Cherry Hill, N.J.; and two grandchildren, Lara and Richard K. Tritschler.

Commissioner Crowley was born in Dover, N.J., October 17, 1907, and is a graduate of Dover High School. He attended City College of New York, Fairleigh Dickinson University, and Stevens Institute of Technology and has an outstanding record of achievement in his career pursuits on the staff of American Telephone & Telegraph Co. His standards of excellence and quality of leadership in public service as a prominent member of the Wayne Township and Passaic County government where he worked diligently and forcefully in pursuit of quality of life, cultural and community improvement for the citizens of our region of the State are applauded by all of us.

Jack was unanimously appointed director of the Passaic County Park Commission in May 1961 where he served for these past 13 years with the greatest devotion and dedication, ever mindful of the vital needs of the people of our highly urbanized communities for open space land conservation and recreational parks development to set aside a haven where individuals and families could visit and have an opportunity for recreation and enjoyment.

From 1956 to 1960 Jack Crowley was treasurer and court clerk of the township of Wayne. He has always been most active in statewide recreation and parks programing and was elected president of the New Jersey Recreation and Parks Association in 1973. Local residents will always remember him for his inspiring leadership, active participation, and purposeful endeavors which reached its height when he attained the building and dedication of the most historic Rifle Camp Park in West Paterson. Jack was a former officer of the Wayne Township Democratic organization; past treasurer of the Wayne first-aid squad; charter member and past treasurer of Wayne Elks Lodge 2181, and in 1966 was elected "Elks Man of the Year."

Mr. Speaker, mere words could never express the inner greatness of Jack Crowley, always a distinguished gentleman, whose single motivation was an overwhelming love and consideration for his fellowmen, ever desirous of helping to meet the needs of our people. His quiet unassuming manner was fired by the battle of righteousness for his fellow citizens. The inspiration of his good works and the warmth of his friendship kindled a spontaneous response of goodwill and confidence from all of us who had the good fortune to know him and truly identifies him as an outstanding statesman, community leader, and great American.

His colleague and good friend, the Honorable D. Stanton Hammond, Passaic County Park Commission historian, eloquently portrays some of his quiet inner greatness that is the Jack Crowley we all knew and respected in a recent tribute that appeared in the Paterson News, one of New Jersey's most prestigious newspapers. I would like to have this epitaph inserted at this point in the Record where it will be forever lastingly etched in our historic journal of Congress. Mr. Hammond's statement is as follows:

John J. Crowley: A Tribute

(By D. Stanton Hammond)

The sudden passing of Director John J. Crowley on March 13 came as an unexpected shock to every worker associated with him in the county park system. For it was only at 4:30 the afternoon before at the Dey Mansion that he was planning with the curator for a proper Bi-Centennial program at our local Revolutionary War shrine. This writer, too, had an afternoon appointment in regard to land problems for the next day.

The news seemed unbelievable since Crowley was working hard, and looked fit just the afternoon before. It is necessary, however, for mortal man to recognize the inscrutable purposes of the Divine Providence; and not to be aggrieved because the Biblical three score years and ten have not been attained.

For 13 years John Crowley faithfully performed the duties and requirements of his directorship. And we can proudly proclaim no breath of wrong-doing—no scandal—nothing but faithful service (often beyond the call of duty) marks his career, so sadly and suddenly terminated.

In Mr. Crowley's 13 years of service, the county parks system nearly doubled in area, with Barbour's Pond, West Milford and finally Rifle Camp as the most prestigious and costly.

Rifle Camp Park is a glowing memorial for Mr. Crowley's efforts and work. He inspired all of it, enthusing the commissioners and the state and federal agencies as well as the county freeholders.

It was an interminable uphill battle to guide the project through the various channels—not all of which were enthusiastic supporters of the plan. The early strains of Rifle Camp operations, plus the huge financing and attendant land problems, constituted physical as well as mental burdens on Mr. Crowley. And this writer is quite persuaded these strains caused Mr. Crowley's first forced absence from duty over a year ago.

Coming back on the job slowly at first, he soon regained his gait and worked as usual—full steam ahead! And with the dedication of the first phase of Rifle Camp last fall, this writer joined Mr. Crowley in his jubilation. These two had a brotherly regard for each other beyond the call of commission responsibilities. State association meetings, invitations to visit and inspect other county park systems, New York World's Fair participation for Passaic County, scouting for new available areas for county park expansion, the possibilities of an Aquatic County Park at Pompton; the Historical Society Museum at Lambert Castle and grounds, state and federal highways 20 and 80, The Old Timers Hall of Sports Fame are all only high spots in the continuous flow of work, successes—and occasional failures that marked Mr. Crowley's leadership progress through the 13 years.

Some say 13 is unlucky, but being part Irish, Mr. Crowley's 13 must be truly considered otherwise for all the good he was able to do or to have done. Surely for him personally, life must have been "the luck of the Irish."

Starting in the neighboring Morris County town of Dover, he finished the high school course. Later with the giant AT&T (the great Bell Telephone Company), he worked in technical constructions in both the Western and Eastern Hemispheres—even in Russia, Northern Canada, Newfoundland, during the war. He received technical training in two colleges for the Bell System. He met and married his wife, the former Evelyn Van Riper, then secretary to the president of the New Jersey Bell Company.

Stepping up the ladder of training and success, for several years he served Wayne Township in important administrative work until he became director of our county park system in 1961.

So Crowley's Irish Shamrock continued green in his love for "the ould sod" and he reverently loved the south of old Ireland farm where his father was born and where his ancestors had lived since the time the "Crolys" had first come over from France many, many years before.

So you see Mr. Crowley had much to tell in conversation and much to give in performance, and he produced in both fields in full measure.

Much more comes to mind about Mr. Crowley and his career in the park commission and elsewhere. But to end our retrospection, recall this admonition:

"Aye, there goes a man, go mark him well!" for John Crowley made more than two blades of grass grow where only one blade grew before.

"Hail and Farewell" and so let him go hence!

Mr. Speaker, as it is written, so shall it be. May I respectfully request that you and our colleagues here today join with me now in a moment of silent prayer to the memory of Commissioner John J. Crowley. I trust that his wife Evelyn, his daughter Judy, and other members of his family will soon find abiding comfort in the faith that God has given them and in the knowledge that Jack Crowley is now under His eternal care. May he rest in peace.

I AM GLAD TO BE AN AMERICAN

HON. EDWARD YOUNG

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. YOUNG of South Carolina. Mr. Speaker, I had the great honor recently to present a U.S. flag flown over the Capitol to the Wallace-Gregg Elementary School in Florence, S.C. The entire student body assembled around the flagpole for the program, which culminated an essay contest on the theme, "I Am Glad to be an American." The winning essay was read by the school principal, my good friend Eleanor B. Thomas.

Mr. Speaker, I am very proud of the wonderful spirit of patriotism displayed by the Wallace-Gregg students, and I want to share this essay with you:

I AM GLAD TO BE AN AMERICAN

(By Sherri Johnson)

I have a key that opens the door to a treasure house. In it I will find precious jewels. These are the privileges, advantages and freedoms of every human being, and I happen to be one of the lucky people with one of these keys.

In this treasure house we learn that every person is important and every kind of job is important. Even though a lot of people do not receive a large amount of money for doing their jobs, their jobs are still necessary in order that other people can do their jobs. The carpenters, electricians, repairmen and other tradesmen must do their work in order that doctors, lawyers and other professional people can do their jobs.

Even though my father is a carpenter, I still have the privilege of attending school and learning to be a doctor, lawyer or other type of professional person.

In this treasure house of free enterprise the only thing that is expected of me is that I try my very best. If I am good at my job and work hard, then I will be successful in my job.

If I am not successful on one job, I am free to pursue another job. Even though I am the daughter of the carpenter, I have the same rights to pursue my ambitions in life as if I were the daughter of the president. Other people are free to come to this treasure house. On the tablet of the Statue of Liberty is written the following words: "Keep, ancient lands, your storied pomp!" cries she with silent lips. "Give me your tired, your poor, your huddled masses yearning to breathe free, the wretched refuse of your teeming shore. Send these, the homeless, tempest-tost to me, I lift my lamp beside the golden door!"

I only hope that everyone is as proud of our Treasure House, which is the United States of America, as I am.

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TWENTY-FIFTH ANNIVERSARY OF LADIES AUXILIARY OF POLISH LEGION OF AMERICAN VETERANS OF ELIZABETH

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. RINALDO. Mr. Speaker, on Saturday, April 27, the Ladies Auxiliary, Chapter 91, of the Polish Legion of American Veterans of Elizabeth, N.J., will celebrate its silver anniversary. The event will be marked by a banquet in the Polish Legion of American Veterans, Post 91, in Elizabeth.

I would like to spread on the RECORD a history of this outstanding chapter, and the names of some of the distinguished citizens who have served this fine organization.

The history follows:

HISTORY

On February 13, 1949 six interested ladies met with Post members at the Polish Falcon's Hall, Elizabeth, N.J., and formed the nucleus for Elizabeth Chapter No. 91, Polish Legion of American Veterans. Three of these organizers are still members of the chapter. They are: Mrs. Helene Gawron, Mrs. Rosalie Misiur and Mrs. Mary Wlazlowska. At that time the organizers chose Mrs. Wlazlowska temporary chairman for their group. Others were subsequently enrolled into membership and a charter was secured from the National Department of the Ladies' Auxiliary at Chicago, Illinois.

The first permanent officers were installed into office at a joint installation ceremony held with the Post in September of the same year. The newly-formed chapter immediately began to aid the Post in all its endeavors. The first ward party for hospitalized veterans was held on May 25, 1951 at Lyons Veterans Hospital.

In February, 1958, the chapter was accepted to the Veteran Administration Voluntary Services (VAVS) committee at Lyons Veterans Hospital. The chapter holds monthly ward parties at Lyons Veterans Hospital. Auxiliary members act as hostesses and distribute refreshments and cigarettes to the patients. The chapter participates in all activities at that hospital, including Christmas gift tallying, wrapping and distribution; the annual Carnival; Operation Cinderella shore dinners, etc. All this is made possible through the generosity of Elizabeth Post #91 which supplies the funds for the various activities. They also furnish the transportation and the drivers to transport Auxiliary members to and from the hospital. Quarterly ward Bingo parties are also held at East Orange Veterans Hospital since August 25, 1959.

Each year since December, 1951, children of the members of the Ladies' Auxiliary are feted and given gifts at the Children's Christmas Party. Chapter members also aid in the annual Post Christmas Party for members of the Post and Auxiliary. Each person attending this party brings a gift for an orphan child. Chapter members help gather these gifts and assist Post members in the delivery of the gifts to the Immaculate Conception Orphanage at Lodi, N.J.

In 1953, the Chapter formally organized a Gold Star Mothers group within the organization. This group presently numbers fifteen members. Gold Star Mothers place a wreath at the monument to Elizabeth's War Dead at Scott Park on Veterans Day and Memorial Day. They also place the wreath at the monument to the War Dead of St. Hedwig's Parish where the Post and Ladies' Auxiliary hold annual memorial services. The Gold Star Mothers are honored annually at a luncheon given on Gold Star Mothers Sunday (the last Sunday in September). The Post presents each Gold Star Mother with a cap denoting her status when she joins our Auxiliary.

In December, 1958 the Post purchased its own home at 648–652 Franklin Street in Elizabeth. Since then, the Auxiliary has contributed in many ways to that home. The Chapter has contributed money and purchased furnishings to help beautify the home. The Ladies also help at every affair the men sponsor.

Recognition should be accorded to Past Officers of this Chapter whose devotion to duty and performance on these duties helped to make each year a more successful one. Tribute should also be accorded to all members who dedicate their time and energy in furthering the activities of the Chapter.

PAST PRESIDENTS

1949–1951—Veronica Misiur; 1951–1953—Mary Wlazlowska; 1953–1954—Mary Simmons (Deceased); 1954–1955—Vera Kloza; 1955–1957—Wanda Starosciak; 1957–1959—Rosalie Misiur; 1959–1961—Gertrude Polny; 1961–1963—Adele Lakatos; 1963–1965—Joan Androlowicz; 1965–1967—Anne Regit; 1967–1968—Blanche Miksiewicz; 1968–1969—Gertrude Polny; 1969–1971—Rosalie Misiur; 1971–1973—Anne Regit; and 1973 to date—Catherine Kraus.

Since 1953, 19 mothers of veterans who were killed during World War II have participated in the activities of the chapter. They have been particularly active in the veterans hospital work.

They are:

The late Mary Anton, the late Honorata Baran, Mary Fortuna, Michalina Germanska, Mary Kalinowska, the late Rose Kniazynska, Mary Kunka, the late Tekla Martowlos, Julia Ogonowski, the late Eleanore Piegdon, the late Mary Shershen, Aniela Stroz, Cecilia Sul, Stella Szopa, Caroline Turbak, the late Malwina Wlazlowska, the late Kazimiera Wolski, Stephanie Wojtowicz, and Caroline Zygmunt.

NAME GIBSON IPA TOP EDITOR OF THE YEAR

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. HANRAHAN. Mr. Speaker, the Illinois Press Association recently named Marx A. Gibson, "Illinois Editor-of-the-Year." Mr. Gibson is the executive editor of Star-Tribune Publications in Harvey, Ill. I would like to insert my letter of congratulations to him and the newspaper article, "Name Gibson IPA Top Editor of the Year," for the interest of my colleagues:

NAME GIBSON IPA TOP EDITOR OF THE YEAR

Marx Gibson, executive editor of Star-Tribune Publications in Harvey, was honored as the Illinois Editor-of-the-Year for 1973 by the Illinois Press Association (IPA) this past Friday night.

Curt Small, publisher of the Harrisburg Daily Register and chairman of the IPA award committee, presented a silver on ebony plaque to Gibson in a ceremony at the association's convention banquet in Champaign.

The IPA recognized Gibson for his "outstanding newspaper campaigns" in 1973, which dealt effectively with local problems.

The editor of three newspapers published twice-weekly in Harvey was selected from a field of five daily and 19 weekly newspaper editors who had been nominated for the award. From this group, the IPA award committee selected six finalists for final judging by the heads of the journalism schools in the University of Illinois at Urbana-Champaign, Southern Illinois university and Northern Illinois university.

Other finalists were Frank Dillett, Berwyn Life; Diana Diamond, Highland Park Life; Robert Seltzner, Chicago Daily Calumet; William Schroeder, Grayslake Times; and Dennis Wheeler, Tinley Park Star-Tribune.

Gibson's award was given for "outstanding journalistic achievement" during the calendar year of 1973. Editorials, stories, pleas for letter writing and photographs Gibson published were cited by the IPA as "important in helping Harvey leaders solve problems."

The 1973 award may have set a new precedent for the presentation since it was thought to be the first time that the honor had been given to an editor from a newspaper where a previous editor had also won the achievement. His predecessor, the late Alec Kerr, was Editor-of-the-Year in 1967 and a veteran of 35 years with the Harvey newspapers.

That fact was mentioned by the publisher of the Harrisburg Daily Register when he made the presentation at the Ramada Inn Convention center this past Friday.

Gibson is 33-years-old and he and his wife, Margie, are the parents of three children: Jorie, 5; Greg, 3; and, Amy, seven months. He attended the William Allen White School of Journalism at the University of Kansas and served four years in the Air Force. Gibson began his association with the Harvey newspaper in 1965 as a reporter and has served as city editor and assistant executive editor.

In 1973, Gibson was selected as one of 10 "Outstanding Young Men" in Harvey by the Harvey Jaycees. He was listed in "Outstanding Young Men of America" in 1972 and he won the Harvey Jaycees "Distinguished Service Award" in 1970.

WASHINGTON, *D.C.*,
April 12, 1974.

Mr. MARX A. GIBSON,
Star Tribune,
Harvey, Ill.

DEAR MARX: It was a pleasure to read about you being named "Editor of the Year" by the Illinois Press association at its annual spring meeting. I want to take this opportunity to extend to you my sincere congratulations.

Marx, your expression of interest and willingness to contribute to the community and to the news media is greatly appreciated. Please accept my best wishes for which success and personal satisfaction with this honor. If I can assist you in any way, don't hesitate to let me know.

With warmest regards,
ROBERT P. HANRAHAN,
Member of Congress.

STAFFING REFORM NEEDED IN HOUSE

HON. HAROLD V. FROEHLICH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. FROEHLICH. Mr. Speaker, recently I asked the Library of Congress to make a study of the average population of congressional districts within each of the 50 States. Last week I released the results of that study, which showed gross disparities in district populations across the country. Some Members represent more than 200,000 more people than other Members, and this means that some Members necessarily have a much heavier workload than others. Yet all Members have the same limitations on personal staff and the same allotment for staff salaries.

In short, equal staffing can be very unequal and highly unfair.

In order to begin a dialog on this overlooked aspect of needed congressional reform, I insert my news release of April 18 together with the study prepared by the Library of Congress.

[From the Library of Congress Congressional Research Service]

CONGRESSIONAL DELEGATIONS TO THE 93D CONGRESS RANKED IN ORDER OF SIZE OF THE AVERAGE POPULATION OF THE CONGRESSIONAL DISTRICTS IN EACH STATE

North Dakota*	617, 761
Delaware*	548, 104
Utah	529, 637
Oregon	522, 846
New Mexico	508, 000
Connecticut	505, 370
Maine	496, 832
Nebraska	494, 597
Alabama	492, 024
Wisconsin	490, 881
Tennessee	490, 521
Maryland	490, 300
Nevada*	488, 738
Washington	487, 024
Arkansas	480, 424
New Jersey	477, 878
Minnesota	475, 634
Rhode Island	474, 862
Massachusetts	474, 098
Indiana	472, 152
Pennsylvania	471, 756
Iowa	470, 840
Missouri	467, 740
New York	467, 725
Michigan	467, 110
Texas	466, 530
Virginia	464, 849
California	464, 026
Ohio	463, 131
Illinois	463, 082
North Carolina	462, 005
Kentucky	459, 902
Georgia	458, 958
Louisiana	455, 398
Florida	452, 630
Kansas	449, 814
Vermont*	444, 732
Mississippi	443, 382
Arizona	443, 121
Colorado	441, 452
West Virginia	436, 059
South Carolina	431, 753
Oklahoma	426, 542
Hawaii	384, 956
New Hampshire	368, 841
Idaho	356, 504
Montana	347, 205
South Dakota	333, 129
Wyoming*	332, 416
Alaska*	302, 173

*Total State population; one Representative elected at-large.

Sources: Congressional District Data Book, 93rd Congress: A Statistical Abstract Supplement (Washington, Bureau of the Census, U.S. Department of Commerce, 1973).

NEWS RELEASE BY REPRESENTATIVE HAROLD FROEHLICH

Rep. Harold V. Froehlich (R-Wis.) today released statistics showing gross disparities in the population of various Congressional districts throughout the United States.

Froehlich said that Rep. Mark Andrews (R-N.D.) represented about 617,000 people, according to 1970 census figures, while the two representatives from South Dakota, James Abdnor (R) and Frank Denholm (D), each represented about 333,000 people. Rep. Teno Roncalio (D-Wyo.) and Don Young (R-Alaska) represent even fewer constituents.

The Constitution provides that "Representatives ... shall be apportioned among the several States, according to their respective Numbers ... but each State shall have at least one Representative ..." House seats are reapportioned after each decennial census.

Froehlich said he had no quarrel with the constitutional requirement that each state have at least one representative, regardless of its population. But he noted that, "We ought to be thinking more about ways to equalize the representation of people who are mathematically under-represented in the House of Representatives."

Froehlich pointed to increased staffing for some House members as one means of alleviating the problem. "The Constitution does not require identical staffing for all Members," Froehlich said. It is neither logical nor fair for a Member who represents 617,000 people to be limited to the same staff size and staff salary allotment as a Member who represents 302,000 people. This is blatant discrimination."

The Republican lawmaker, who represents a large 14-county area in Northeastern Wisconsin, has over 490,000 constituents, about 21,000 more than the average Member who represents about 469,000 people.

The 12 States whose citizens are statistically most under-represented are North Dakota, Delaware, Utah, Oregon, New Mexico, Connecticut, Maine, Nebraska, Alabama, Wisconsin, Tennessee, and Maryland.

WHAT DO YOU SAY TO AN UN-POLITICIAN?

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. BRADEMAS. Mr. Speaker, I am inserting in the RECORD an excellent article, "What Do You Say to an Un-Politician?" by Jack Colwell, political writer of the South Bend Tribune. The article, which was published on April 5, 1974, follows:

WHAT DO YOU SAY TO AN UN-POLITICIAN?

(By Jack Colwell)

"I'm no politician," says candidate after candidate. "I don't really know anything about politics. I'm just going to listen to the people, do what the people want . . ."

Hogwash!

When some candidate starts using that line on you, tell the candidate to find out something about politics and then come back next election to ask for your vote.

There is little chance that somebody who knows or cares so little about politics—which is the science of government—will find out what the people want, or if he does, that he ever will be able to do a thing for the people in our governmental system.

The governmental system is based on politics.

Maybe having blue blood is all that would be needed if we had a monarchy.

Maybe having control of the ammunition plant is all that would be necessary if we had a military dictatorship.

But having knowledge of politics is needed in a two-party political system of government.

Yet, we find that many, many candidates now are citing ignorance of the field they seek to enter as their main qualification.

Saying you don't know anything about politics but want to serve in a political office is like saying:

I don't know which end of the bat to hold, but I'm going up to the plate.

I don't know how to swim, but I'm going off the high diving board.

I don't know how to fly, but I'm taking over the controls of this 747.

I don't know anything about nuclear energy, but I'm going to flip the dials at the nuclear power plant.

If you want to play baseball, you find out which end of the bat to hold. If you want to do high diving, you first learn how to swim. If you want to pilot an airliner, you learn how to fly. If you want to run a nuclear power plant, you learn something about nuclear energy.

And if you want to be an elected official, you really should find out something about politics, how government operates, how to get things done.

Some of the worst legislative and administrative officials I've ever seen are ones who claim that they don't get involved in politics but have some kind of magic formula for "doing what the people want."

They often wind up doing what some special interest wants, usually never realizing how they and the hopes of their constituents are being led down some primrose path.

Sure, some who profess that they are not politicians are indeed slick politicians. Knowing that politics has a bad image because of all the things we now lump under the name Watergate, they pretend that they are ignorant about politics.

Unfortunately, many of those who profess ignorance aren't pretending.

And on the subject of Watergate and politics, Vice-President Ford was right when he referred to the Committee to Re-elect the President as "CREEP" and said it was "an arrogant elite guard of political adolescents."

CREEP did creep around the regular party organization—the political pros—and did things no good politician ever would have contemplated.

As Ford said, the "fatal defect of CREEP" wasn't playing politics, but that it "violated the historic concept of a two-party system in America and ran roughshod over the seasoned political judgment and experience of the regular Republican Party organization in the 50 states."

What we need are more politicians, good politicians, not more creeps or more of those ignorant of politics.

So if any candidate comes to you with the appeal that he isn't a politician, tell him his appeal is "hogwash!" In fact, since you aren't writing for a family newspaper, use more appropriate terms, if that's your style.

Tell him he has lost your vote, but that you might give him a second chance in a future election—if he has taken the time and effort by then to find out about politics and how he really can do something for the people.

AMERICAN FARMERS STILL NEED EFFECTIVE CONSERVATION PROGRAM

HON. FRANK A. STUBBLEFIELD

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. STUBBLEFIELD. Mr. Speaker, I must rise and speak out at this time on behalf of the American farmers' need for the continuation of an effective conservation program particularly when the need for expanded agricultural production is so apparent. In fact, for 1974, America's farmers have received the call to pull out all the stops and aim for maximum production. This, of course, is being done to provide ample low cost food in the Nation's supermarkets and also to help the Nation avoid a balance of payments deficit in 1974.

No one needs to be reminded that the American consumer was faced with greatly increased food costs last year and this year as well. Corn prices are currently fluctuating between $2.50 and $3, soybeans between $5.50 and $6, and wheat is running between $4.50 and $5. With prices like these, it is not hard to understand the rumors that predict bread prices will reach $1 per loaf this year. While I do not believe this will happen, the high grain prices and low supplies will have a very significant impact in 1974.

Last year, the agricultural trade surplus of $9.3 billion wiped out a deficit of $7.6 billion from nonagricultural trade. For the first time since 1970, the United States ended a year with a trade surplus amounting to $1.7 billion in 1973. The balance of trade surplus has many beneficial side effects such as strengthening our international trade posture, stabilizing the dollar, and helping to pay the bill for much of our imported goods. What we must seek in 1974 and in future years is the delicate balance between having adequate supplies of food at home as well as being able to provide a significant amount of food for export purposes.

It is no secret that American farmers did well in 1973, with the realized net income increasing more than $6 billion from 1972 to about $26 billion. The prospects for this recurring in 1974, however, are dimmed by many facts which need to be taken into consideration. Using 1950 as the base year having an index of 100, 1973 saw the prices of farm inputs climb to an index of 313 for farm wage rates, 241 for farm marketing, 119 for fertilizer and 375 for farm real estate. I might add that these figures are the preliminary estimates for 1973 and probably are much higher today. In fact, in a recent issue of Successful Farming, I saw that farm real estate values shot up an average 21 percent last year on a national basis. This rate was exceeded only one time in our history when in 1920 the land values increased by 22 percent. And already in 1974, fertilizer prices have skyrocketed about 60 percent above the 1973 level for mixed fertilizers, and for nitrogen alone the price has about doubled. Prices for fuel have increased on a comparable basis. The supplies of both commodities are rather limited. All of these factors seem to indicate a lower realized farm profit for 1974.

This may have a very serious effect on the conservation effort currently underway in our country. Farmers are either not willing or will be financially unable to carry out all the conservation measures needed on their farms. The Congress recognized these same problems some 38 years ago when they passed the Soil Conservation and Domestic Allotment Act of 1936. That act established the agricultural conservation program which provided financial assistance to farmers in carrying out approved soil and water conservation measures. It is one of the few true partnerships remaining between the Government and the citizens. It is also one of the few programs remaining to help us protect our Nation's most valuable soil and water resources. Without the soil, agriculture's contribution to the balance of trade would be a very large negative factor. Without a productive soil, supermarket shelves lined with food would be a thing of the past.

Great efforts have been made by the administration and the Department of Agriculture to phase out the old agricultural conservation program which is currently *called the Rural* Environmental Conservation Program—RECP. Before that it was called the Rural Environmental Assistance Program—REAP. It was the 1973 REAP that the administration chose to abolish in late 1972. With the termination of the program came the termination of the conservation effort. Fortunately, the courts decided that the President and his subordinates had neither the power nor the authority to terminate a law of the land. They were forced to reinstate the 1973 REAP and run it concurrently with the 1974 RECP. They were also forced to operate the 1973 program at the financial level as passed by Congress—$225.5 million. The administration is still impounding $85 million for the 1974 RECP out of a total authorization of $175 million.

The two programs running together provides a dramatic example of the intentions of the administration with respect to the conservation effort. The 1974 program has a multitude of regulations and restrictions not found in earlier programs. The 1973 program contained 31 separate conservation practices. The 1974 has only 14 individual practices. And the outlook for the 1975 program is no better.

It seems to me that this body should reaffirm its intent to have good conservation practices carried out on the land by legislatively requiring the USDA to return the authority for administering the program to the farmer-elected county committees which will result in an effective, viable program being operated on the land. While the administration has indicated it will no longer impound moneys for various programs, we in Congress should make every effort to insist the administration release the $85 million currently impounded from the 1974 program.

If American agriculture is to have a significant role in the national economy and the national well-being, and if this role is to continue for future generations, then a strong conservation effort on the land is paramount. We must not lose the productive capacity of our soils. We must not continue losing billions of tons of soil every year because of erosion. We must not allow our soils to become depleted and barren. An effective conservation program can accomplish these goals, and at the same time, the American farmer can accomplish the production goals with which he has been charged.

THE WARSAW GHETTO UPRISING

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. LENT. Mr. Speaker, April 19 marked the 31st anniversary of the Warsaw Ghetto uprising, and I would like to take this opportunity to mark that occasion and salute once again those brave people who gave their lives for the principles of freedom and as defenders of the Jewish faith.

The story of the Warsaw Ghetto has been told, in fact and fiction, many times over. It is a story of a relative handful of individuals who rose in fury against their tormentors—to wage a war for their survival, knowing full well that their chances for victory were almost nonexistent. The Germans tried to quell the uprising, first with small arms, and later with the full force of their army, yet the Warsaw Jews continued to fight with a passion that astonished everyone. The Nazis even went so far as to promise future good treatment, but the password of the Warsaw Ghetto was "no surrender"—and on that principle the Jews of Warsaw perished, almost to the man.

Thirty-one years later, we have all hopefully learned the lessons of World War II. We have learned that diplomacy is far preferable to armed conflict. But we have also learned that in the face of a certain madness, there is no substitute for unselfish heroism as a lesson to the madmen of the future.

When we remember the Warsaw Ghetto, we should remember those who survived and went to Israel. We should remember that Israel symbolizes the culmination of what the Jews of Warsaw were fighting for—the right to be Jews, free from fear and terror. Let us not forget that the password of the Warsaw Ghetto—"no surrender"—lives on in Israel today, and let us join in a collective hope that it will never die.

PRESIDENTIAL IMPEACHMENT

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. BOB WILSON. Mr. Speaker, the question of Presidential impeachment continues to confront us, undiminished in the amount of interest attaching to it.

As a nation nearly 200 years old we have had only one precedent in Presidential impeachment. Therefore our experience is not fully rounded.

Anything that helps to provide historical perspective should therefore be a welcome addition to our knowledge. Since our background of law and legal practices is predominantly a heritage from Britain, British experience in the field of treatment of the highest officials of government when these were charged with a variety of malfeasance in office, may be accepted as relevant experience for us.

The further perspective gained by the passage of time should be especially enlightening, because it is free of the prejudices and emotions that are characteristic of contemporary accounts.

O. R. Strackbein has written another brief paper on the high points of British experience with serious charges against high public officials, one a Prime Minister. The account he relates have the virtue of having been written as history a century or two after the fact. They are, therefore, free of the partisan prejudices that colored and distorted the judgment of the day when the charges were brought.

In a previous extension of remarks, April 10, I gave Mr. Strackbein's qualifications for writing on the subject, as a citizen concerned about avoidance of the regrettable errors that come so naturally and so easily when public emotions, highly stirred by partisan and philosophical trappings, are permitted to influence decisions. His concern is that we do not act in a manner in the matter of Presidential impeachment that will be deeply regretted in "after time" when cooler heads will come to prevail through the passage of time.

"The accusations which are brought against a public man in his own age are rarely those echoed in after time"—a quotation from Walter Bagehot, British historian and essayist—expresses Mr. Strackbein's concern, and it invites full consideration by all who value the integrity and good name of democracy.

I insert Mr. Strackbein's paper, at this point, in the RECORD:

IMPEACHMENT AS A POLITICAL WEAPON

(By O. R. Strackbein)

Sir Robert Walpole (Later Earl of Oxford) was a Whig Prime Minister of England for a period of twenty years. He served under the first two Georges of the House of Hanover, 1722–42. The Tories, out of office, were hungry for return after such a prolonged drouth and wished to be rid of Walpole.

Macaulay, renowned British historian (1800–1859), writing a century after Walpole's prime, said that "though Walpole understood the true interests of his country better than any of his rivals, he never scrupled to sacrifice those interests in order to retain office". This is the account given by the Rt. Hon. J. M. Robertson, writing on Bolingbroke and Walpole early in this Century. He then further quotes Macaulay as saying of Walpole that his "governing principle was *neither* love of peace *nor* love of war, *but* love of power".

The Tory journalism of the day "labeled him (Walpole) the Corrupter." Sir Robert Peel, Prime Minister a little over a hundred years later, around 1845, himself a Tory while Walpole had been a Whig, rejected the opinion of Lord Mahon who as historian, argued that Walpole had "succeeded mainly by corruption"; and "Mahon had the candor to make a retraction",—according to Robertson, above mentioned.

Robertson further observed: "The truth is that even those proceedings of Walpole's which are most obnoxious to the modern sense of political decency were in full conformity with the official ethic of this time". He adds that the battle was not over the mere control of public funds but "the control of affairs, the ambition of powerful men capable of such control and eager to command"; and then, "the only reform sought (by the Tory opposition) was to have Walpole out. Their invective against corruption was conventional declamation". This, it is well to keep in mind, was written about 150 years after the partisan battle, not in the midst of it. It should therefore be free of partisan bias.

According to Robertson "Walpole's political corruption had consisted, not in wholesale money payments, but in attaching a sufficient number of members to him by official and other preferments and advantages for themselves and their connections. . . . It was in the providing of rich sinecures for his own family, amounting in all to the annual value of £15,000 (approx. $75,000) that Walpole approximated most nearly to what we today (early 20th century) consider personal corruption".

The system of sinecures, pensions, etc., dated in fact from William III (of Orange) "who had been driven to it by the anarchism of this Tories"; and to charge it upon Walpole, Robertson insists, "is to falsify history".

"In retrospect" said the same author (Robertson) "it is less a passion for office than a stoical persistence in thankless duty that seems to be his (Walpole's) outstanding quality. Indeed Walpole told the House of Commons that it would have been "easy enough" for him to find popularity by advocating war (with Spain), in which case the opposition would have become the champions of peace".

Robertson describes the rancor during Walpole's last parliament. They (the opponents) were eager "to denounce everything he (Walpole, Prime Minister) did, to thwart every measure, to harass him to exhaustion". He likened it to "a vision of a pack of hounds yelping at the heels of a wearied bull, sustained by the hope of having him down at last". Robertson notes that "in parliamenary courage he (Walpole) has never been surpassed; if courage be the name for an imperturbable confidence in himself".

The Tories succeeded in having a secret parliamentary Committee appointed (by a vote of 252–245) to inquire "into his (Walpole's) official conduct" during the previous ten years. This was in 1742, when our George Washington was a lad of ten.

Robertson notes that none of the much-desired incriminating evidence was found. "Paxton, the Solicitor to the Treasury, and Scrope, the aged Secretary, refused to answer questions, and Paxton was actually committed to Newgate" (prison).

"In desperation, the anti-Walpoleans actually introduced and easily carried through the . . . Commons, a bill promising to anyone who would give evidence against Walpole a remission of any penalties to which he might become liable by his disclosures. (We call it immunity). This bold bid for perjury was, however, thrown out by the House of Lords".

Continuing, Robertson notes, "In other directions, they (the opposition) seem to have been able to prove that for ten years Walpole had been spending £5,000 (some $25,000) a year from the secret service fund on press writers, as other governments had done before him. . . . The mountain in labour had yielded a mouse of inculpation . . ."

The upshot is that, according to the Rt. Honorable H. M. Robertson, "the final Report procured only ridicule for the Committee, whose plea that they had been thwarted in their investigation found no sympathy". So nothing came of it. However, after 20 years in office Walpole's ministry came to an end in 1742, and he died in 1745. When he resigned the King (George II) raised him to the peerage as an earl and accorded him a pension of £4,000 (or about $20,000) which in those days bought more than victuals and wines.

So did Walpole, as Lord Oxford, leave the world. He was accused, as is the wont in this country, by his political opposition; and, as Robertson says, "the pliability of average humanity to a current aspersion against any foremost public man is illustrated in every age. *It is a normal baseness to speak evil of anyone commonly ill-spoken of, just because talk so runs*". (Emphasis added)

Today, in this country, we have not only the political opposition in Congress to the President, which has indeed, with some exceptions, been quite temperate, but that of the press and television, which has been vehement.

These media have seemingly, through lusty growth and ambition, assumed a function that is the proper and historical province of the existing political parties and the economic and social forces of the country. The press indeed aspires to be the Fourth Estate of the commonweal—a veritable fourth branch of government, exercising tutelary functions, and not subject to the checks and balances of the three recognized and officially constituted branches, the legislative, executive and judicial.

The likelihood is sensibly meager that incited emotions, sensationalism, hatred and popular impatience thus aroused and fanned, can soon be lulled. Before the Constitutional processes are involked, public opinion will already have become crystallized; and in a democracy, under the circumstances, that is the ultimate risk against the triumph of justice.

It is desirable to recall the observation of Walter Bagehot (1826–77) British economist, biographer and essayist, who said "The accusations which are brought against a public man in his own age are rarely those echoed in after time". This is a sage commentary on the fluidity of the vehemence that seizes a people when their emotions are stirred and fanned by the daily outpouring of the media.

The Duke of Marlborough had been given even rougher treatment than Walpole. During Queen Anne's reign he had become a national hero after his victory over Louis XIV's forces at Blenheim. An upset in the government led to his being charged with fraud, extortion and embezzlement. He was dismissed as Commander-in-Chief and repaired to the Low Countries (Netherlands) in disgrace.

After another upset in the government following Queen Anne's death, he returned to England and was widely acclaimed. When he died a few years later he was buried in Westminster Abbey (honored ancestor of Winston Churchill).

As we ponder in our day the issue of Presidential impeachment and trial we should take care that impeachment is not used as a political weapon; and that the accusations brought against our public men do not "echo in after time" in such a manner that it will require passage of a century or more of time before exoneration is spoken.

Whether we as a people can keep our head, bowing to the cool but difficult considerations that will move future historians to make fair assessments, is a question, indeed the acid test, of our democratic attainments. It is the more cogent when at the present time we are bombarded and battered by the forces of publicity, so much of it contrived, and so well known to history.

Have we as a democratic people progressed beyond the level of raw political passions of the time of Queen Anne and the Georges? No doubt the passions run as high today—the question is have we learned better how to curb them despite the endless incitation? Or are we invited by the big press and electronic media to revert to the ugliness of accusations, suspicions and animosities that our home teachings, our religion, our education and our culture combine to condemn and seek to moderate and to bring under restraint?

Are we to lay aside the efforts we so laboriously and not always hopefully make to the end that we may live and work together in greater harmony and satisfaction, with less irritation and abrasive provocation? Are we to succumb to the incivilities, rudeness and ill manners that in any case come so naturally to man if he is unrestrained?

Surely this is not to be the fruit of the First Amendment that guarantees freedom of the press! Are we to live daily by washing dirty linen in public for the delectation of the scandal hungry? Are we to become a media-ridden nation?

REPORT OF INDIANA ATTORNEY GENERAL TO THE PLATFORM COMMITTEE FOR THE REPUBLICAN STATE CONVENTION

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. LANDGREBE. Mr. Speaker, I would like to pass along to my colleagues the text of a report by Indiana Attorney General, Theodore L. Sendak, to the Platform Committee for the Republican State Convention. Mr. Sendak has stated eloquently the goals and objectives that we all, Democrats and Republicans alike, should be concerned with and reminded of from time to time.

The material follows:

REPORT BY INDIANA ATTORNEY GENERAL THEODORE L. SENDAK, APRIL 16, 1974, TO THE PLATFORM COMMITTEE FOR THE REPUBLICAN STATE CONVENTION

At your invitation, I am honored to be here to express my views with respect to a proposed Platform for the 1974 Indiana Republican State Convention, a Platform upon which the Republican candidates for the United States Senate, the Indiana General Assembly, the other state offices, and the county and local offices could successfully stand.

It is my considered opinion that America's enlightened self-interest guides most thinking, law-abiding Americans; and that should suggest the basis of our Platform.

To begin with, even though the Supreme Court of the United States has held that the Communists do not have to subscribe to a loyalty oath in order to be on the ballot, I urge the Republican Party to set an example in its 1974 Platform of voluntarily reaffirming its allegiance to the Constitution of the United States and the Constitution of the State of Indiana, and disavowing any subverse connections, as it has consistently proclaimed in Republican Platforms throughout the years. The Republican Party is American in origin, cross-section of America in orientation, and patriotically American in service. It should therefore not be ashamed to take the lead in reaffirming its loyalty to our country and state.

The Republican Platform should include a strong plank in support of responsible national security as the ultimate guaranty of our rights and personal safety. We should denounce submission to blackmail or intimidation by any foreign power. We must keep the Panama Canal. We should emphasize research and development for United States facilities, and oppose the gift or sale or trade of military technology and weapons to America's sworn enemies. We should oppose the granting of any "most-favored-nation" benefits to the Soviet Union or other Communist tyrannies that are openly or covertly seeking to undermine the United States. We should wake up to the threat of the so-called SALT talks (Strategic Arms Limitations Talks) which play a propaganda lullaby while freezing the United States into a position inferior to the Soviets with respect to our self-defense. Page after page of objective world history witnesses that it is not possible to preserve one's freedoms, and one's free nation, by appeasing and strengthening one's enemies.

Our Platform should also urge the enforcement of existing federal laws, and new laws if necessary, to break up those conglomerates and multi-national corporations whose octopus-like operations owe no loyalty to the United States, no responsibility to its economy, no commitment to its laboring employees, and no concern for the very communities in which the plants are located. We should recall the disastrous war and defeat, unemployment and despair, which similar irresponsible cartels helped bring about in Japan, Germany, and Italy a generation ago.

We should remember, too, that the working majority of American citizens has never voted in any election, or even suggested vicariously in a Gallup Poll, to approve the underwriting with American tax funds of the Soviet Union's half-ownership of hundreds of American business operations on the basis of providing the Communists with American technical know-how in the machine-tool, chemical, computer, aviation, truck, and related war-making areas. Only a fool would believe that we can preserve peace by equipping our enemies with implements of war.

Our Platform should contain a pledge to deny tax exemption, tax subsidy, and postal subsidies to those charitable, religious, and educational foundations and trusts, of whatever high-sounding title, which are using sheltered money to promote political causes here and abroad, to manipulate the stock market, to invest in gambling and prostitution and kindred activities in Nevada and elsewhere, and to furnish supplies to America's enemies.

We must face up to three critical legal issues of concern to most people who nave watched the Supreme Court in turn nullify the deterrent of capital punishment for professional killers and terrorists, encourage the opening of charnel houses of promiscuous abortion of innocent babies without due process of law, and stimulate discriminatory quota systems in defiance of all the principles of good will towards man. In any such area where the courts have usurped legislative and administrative powers, our Platform must honestly support legislation, and constitutional amendment if necessary, to restore the separation of powers by delineating the jurisdiction of the federal courts. One effective way would be to define the constitutional term, "good behavior," under which the tenure of all federal judges is determined; this could be emplemented by requiring reconfirmation hearings before the Senate of every federal judge every eight or twelve years based on such a standard definition of "good behavior."

Our Platform should sing out loud and clear that we are proud of all American men and women who have honorably served, and all who are serving today, in the United States Armed Forces; and, as a minimum corollary to their sacrifices, we must oppose amnesty for criminals and fugitives from justice, including military deserters and draft-dodgers.

Our Platform would be untruthful if it failed to express a great pride in the day-to-day accomplishments of Republican officials at all levels of government as dedicated servants of the governed. Hoosiers of all persuasions rightfully expect a continuing high standard of morality to apply to all; and Hoosier politicians are no more responsible for the arrogance of a Haldeman or Dean than they are for the boozy drowning at Chappaquiddick or the major felonies of Otto Kerner in Illinois.

Hoosiers want strict enforcement of state criminal laws in all 92 counties. They represent escape hatches provided the criminal anywhere in the criminal justice system, whether provided by a cynical official or a coddling one. Multiple rapists and multiple murderers are habitual criminals who should be quarantined, not glamorized or rewarded.

Recognizing that the main cause of inflation is the high cost of governmental spending, our Platform should advocate strict economy and retrenchment of government spending, and simultaneous encouragement for the free enterprise system and the development of more and more productive jobs in the private sector.

Every legitimate opinion poll I have seen indicates some weakening of support for both the Republican and Democrat parties as such, but considerable increase in support among rank and file Americans for conservative positions on the basic values of life. There is a hunger for forthright leadership, and a desire for de-fogging of the cloud of pragmatism. This suggests the attraction of a Platform which supports the good things in American life—the freedoms, the individual rights and responsibilities. Otherwise, if our Platform is full of platitudes, if we offer nothing better than an ad agency's carbon copy of what other parties and opposition candidates have to offer, we are inviting complete defeat in November, 1974.

But if, on the other hand, we use common sense, if we offer realistic principles, if we provide proper campaigning and candidates who honestly believe and practice the things they say about conserving the best values of American life for all citizens, then and only then have we the prospect of victory.

It seems to me that the choice is clear. In 1974 politics, it's truth, or consequences.

Thank you.

AID FOR INDIA NEEDED

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. LEGGETT. Mr. Speaker, U.S. officials are anticipating a request soon by the Indian Government for financial aid. I hope that the United States will look favorably on a plea to help augment India's agricultural production. Because the world faces an impending food shortage, U.S. policies should be directed toward efforts to increase food supplies.

The United States has long felt an obligation to aid countries where many people are undernourished or starving. If India's fertilizer plants could be expanded and food production increased, India would be able to care for more of her own people. U.S. funds should be channeled into a program specifically designed to increase fertilizer capacity because it is critical that food supplies be increased.

Two recent editorials further expound on these subjects. The first, dealing with foreign aid to India, appeared in the April 15 Wall Street Journal. The second was published April 6 in the Houston Post and deals with the world food crisis. The articles follow:

[From the Wall Street Journal, Apr. 15, 1974]

FOREIGN AID FOR INDIA

Relations between the U.S. and India have been strained for several years now, but apparently this is about to change. Secretary of State Kissinger plans to visit India sometime this summer, and talks between the two governments about the possibility of restoring U.S. foreign aid will begin later this month in New Delhi.

Washington suspended aid in December 1971, at the height of the India-Pakistani war over Bangladesh. At the same time, New Delhi all but resolved to go it alone. But the recent oil shortage has sent prices skyrocketing; the price of imported wheat has tripled since last year, and the cost of fertilizer has more than doubled. Whatever progress India was making was all but wiped away by outside events. Moreover, there is real concern that a shortage of chemical fertilizers could lead to widespread famine in a couple of years.

So the government of Prime Minister Indira Gandhi has turned once more to the U.S., which has already given India more aid money than to any other nation. It can't be much fun having to swallow one's pride, but having to contemplate the consequences of famine no doubt makes it a lot easier to do. Contemplating those same consequences apparently was enough to cause a change in Washington's attitude also. Foreign aid is unpopular on Capitol Hill, generally for very good reasons, but there is talk about making money available for construction and expansion of India's fertilizer plants.

It's hard to see how Washington could turn down a relatively modest request earmarked specifically for agriculture. Limited assistance bears little resemblance to the traditional open-ended funding that allowed India's planners to overemphasize industrialization and neglect agriculture, to divert scarce resources into wasteful and unnecessary projects, and to maintain a vast bureaucracy skilled in imposing restrictions responsible for delays and frustration.

The U.S. aid effort to India was so huge that Washington erected a sumptuous highrise building on the outskirts of New Delhi to house the bureaucrats needed to oversee all the many aid projects. The multi-million-dollar complex, with its bowling alley, heated swimming pool and tennis courts, has since been donated to the Indian government and converted into a luxury hotel. U.S. Ambassador Daniel Moynihan wisely suggested that it serve as a lesson "to the next U.S. administration tempted by an edifice complex."

But the failures of the U.S. aid program were more fundamental than that. The emphasis on short-term solutions made it unnecesary for governments to come to grips with the deeper political and social reasons underlying their nations' economic woes. Congress is more realistic about such matters now, insisting that aid funds be used for agriculture, health services, population control and the like. India also seems to have learned that money alone isn't the answer.

Both are signs of maturity. And for those reasons, plus the impending famine, Washington should probably be encouraged to respond favorably to India's request. In fact the U.S. should always lend an ear to requests for aid that is truly essential. What it must guard against is the temptation to slip back into its old ways of voting foreign aid for showy but unnecessary projects.

[From the Houston Post, Apr. 6, 1974]

WORLD FOOD CRISIS FEARED

The world may move from energy crisis to food crisis . . .

In 1961 the world had enough grain in reserve to feed the world for 95 days. In 1970 the reserves could have lasted 69 days. Last year was a year of bumper crops, but now the Rockefeller Foundation estimates that the projected 1974 reserves are only enough to feed the world for 29 days. The bumper crop went not into feeding people but into the far more costly process of feeding cattle and pigs to enable the affluent nations to eat meat. It is a case of "the poor man's grain being siphoned off to feed the rich man's cow," in the words of Max Milner, director of the UN's Protein Advisory Group.

The specter of worldwide famine looms from two major changes in the world food situation: First, the great American farm surplus that could always be counted upon to prevent famines anywhere in the world has vanished. The surplus warehouses are empty, and fields once kept idle under government subsidy are back in use. Second, the rich nations have developed a growing appetite for meat, and grain production must grow much faster than population simply to keep abreast in an era when rich nations buy grain to feed livestock.

America once had land to spare. During the 1940s the U.S. government threw American farmlands into full production with the same galvanic efficiency that it geared American industry for war. In the destruction and chaos left by World War II, America fed the world. We supplied a staggering $20 billion worth of food to countries in need under the Food for Peace act. As other nations grew self-sufficient, we cut back on production, let fields lie fallow under government subsidy, filled grain elevators and warehouses. We began to export food for cash rather than for peace. In 1973 the Soviet Union imported more food than any country ever has in history—much of it in American grain.

But we also began to give up farmlands. In 10 years we have relinquished 54 million acres of farmland—3 million last year alone. Despite the drop in our own birthrate, the number of living Americans will continue to grow for another 75 years. Can we grow enough grain to feed enough livestock to keep all Americans on the high meat diet of today? And if so, what of the 1.8 billion of the earth's people who live in a perpetual state of hunger and near starvation?

The U.S. will face grave moral decisions on how much to restrict our exports to keep Americans replete while men, women and children are starving in Africa and India. And ultimately the U.S. will have to use all the powers of government to encourage farm production—as it did in the late 1940s. The UN will hold a world food conference in Rome in November, but many people will starve before the nations of the world can reverse this cruel trend.

ENERGY CRISIS—CONCERN OVER SUPPLIES

HON. GILBERT GUDE

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. GUDE. Mr. Speaker, the energy crisis, which has caught so many unprepared, has caused concern over our supplies of other natural resources besides fossil fuels.

A number of bills have been introduced to deal with this problem, including several I am sponsoring. However, it has been generally forgotten that the Department of the Interior has for several years compiled and published a survey of raw material resources, pursuant to the Mining and Minerals Policy Act of 1970.

The major flaw in this quite comprehensive compilation of data is that very few people read it, and thus some very important conclusions for our future are ignored.

Upon reading the 1973 report one conclusion becomes quickly obvious: The United States is becoming increasingly dependent on imports of raw materials because our demand for such materials has been increasing unchecked and, to put it simply, we are running out.

I believe the responsible approach to these developments lies in two basic directions:

1. CONSERVATION

We must reduce our demand through more responsible life styles, and we must increase our use of recycled materials. Three bills I am sponsoring would move in this direction.

First, legislation to create a Solid Waste Management Corp. This proposal would establish regional recycling centers and promote research on disposal and recycling techniques, both financed by a tax on the solid waste potential of a product at its source. This would also provide manufacturers with an incentive to reduce the solid waste potential of their product and its packaging. This proposal has been pending since 1971.

Second, legislation would create tax incentives for the use of recycled materials to counter existing antiquated tax allowances on the consumption of new materials.

Third, legislation would end interstate freight rates that discriminate against recycled products and would maximize Government procurement of recycled products.

Such recycling efforts will not only save our raw materials, but will help us save substantial amounts of energy involved in the extraction of new materials and the manufacture of products from them and in many instances avoid additional energy loss in the transportation of raw materials.

2. TRADE

We must recognize our dependence on trade for the maintenance and growth of our economy, and we must understand that the continuation of an integrated world economy from which all can benefit depends on fair and open trading policies that do not seek to exclude products for narrow nationalistic reasons. Although they may provide shortrun satisfactions, trade controls are retaliatory and produce longrun costs that will become increasingly burdensome as world supplies of raw materials decline. The oil embargo has shown that the United States is not self-sufficient and independent economically. While we may be working toward self-sufficiency in energy, we will inevitably lose it in other areas, a circumstance for which we must be well prepared.

To demonstrate the seriousness of the situation I am inserting here important excerpts from the report, "Mining and Minerals Policy, 1973."

MINING AND MINERALS POLICY, 1973

ALUMINUM

Marginal reserves in the United States limit domestic mine production and unless economic methods are developed to utilize low grade domestic resources, increased raw material requirements must be imported.

COPPER

The increased needs are expected to be met partly by expanded domestic production and partly by increased imports. Production capacity, supply and/or costs may be adversely affected by governmental efforts to lower smelter emissions, particularly sulfur dioxide, in order to improve air quality. Requirements for mined land restoration also may adversely affect operations and exert upward pressure on costs.

NATURAL GAS

Domestic supplies currently make up about 95% of U.S. gas consumption, but dependency on foreign supplies will increase. Escalating natural gas prices will enhance the economics of coal gasification if coal prices remain reasonably constant.

NICKEL

Domestic nickel demand is forecast to increase at an annual rate of 3%. The increased needs are expected to be met almost entirely by imports. There is only one domestic mine and smelter, but some nickel is recovered as a byproduct at copper and other metal refineries. The primary nickel industry of the United States employs about 68 men at the mine and 265 men at the smelter.

PETROLEUM

Domestic product demand (including natural gas liquids) was almost 6 billion barrels in 1972. . . The United States reached capacity crude oil production. Import quotas were increased to meet demand surges as petroleum became the predominant fuel to replace short gas supplies and high sulphur coal. Increases in petroleum demand in the 1970's will require accelerated imports. The United States has only 6% of the world oil reserves but consumes one-third of the world's production. About two-thirds of the world reserves are located in the Middle East and North Africa, 12% is in the U.S.S.R., and 5% is in South America and the Caribbean area.

TIN

Domestic demand for tin is expected to grow at an annual rate of 4% through 1985. Reliance for supply is almost wholly upon overseas sources and from reclaimed scrap.

URANIUM

An excess supply of uranium currently exists in domestic and world markets, a condition expected to prevail in the short term. Domestic demand, determined by the rate of expansion of the commercial nuclear power reactor program, is expected to double during the next 5 years and expand at an annual growth rate of 11% to 1985. Delays in licensing, construction, and operation of commercial reactors, due mainly to technical problems and environmental considerations, have placed nuclear power program behind schedule. A long-term shortage may develop for low-cost uranium.

WHAT IS WRONG WITH WELFARE?

HON. HOWARD W. ROBISON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. ROBISON of New York. Mr. Speaker, every city and county represented by the collective membership of the House has had a wide variety of problems with the welfare system. What, in theory, was intended to be a program of assistance to those in need has, in practice, largely become an administrative nightmare. Despite our lofty claims that we are helping the poor, disabled, and elderly, today's welfare system falls far short of addressing the problems with which these people must deal on a daily basis. Efforts to improve the system have had little impact on those problems. Deficiencies, inequities, and hardships characterize our present welfare programs. Reform remains a goal from which Congress must not retreat.

I would like to share with my fellow colleagues in the House three articles for the Sun Bulletin of Binghamton, N.Y., on the problems of the welfare system. This series was authored by Clarence H. Sackey—who has devoted his life to "helping human beings in trouble." His comments provide us with an inside look at the welfare system—invaluable reading for those who are truly concerned about the needy, and who wish to improve our programs of assistance:

WHAT IS WRONG WITH WELFARE?—I

(By Clarence H. Sackey)

(NOTE.—Clarence H. Sackey has spent most of his working life in dealing with welfare services to people in need. A native of Binghamton, he first entered the social service field in 1936 with the County Welfare Department. His World War II Army service specialized in health and welfare, and he can claim experience in administering such help through both private and public agencies, and at community, county, state and federal levels. He was Binghamton's welfare commissioner for six years and Town of Union commissioner for five. He helped engineer the merger of Broome's three social service agencies in January, 1973. He retired as county deputy commissioner Feb. 1 at the age of 62. He is married and lives with his wife on Smith Road in the Town of Chenango.)

(Misinformation, inefficiently run programs, mounting costs . . . these are among the problems plaguing the welfare system. This is the first in a series of articles offering an inside view on what is wrong with public welfare programs and what we, as citizens can do about changing them.)

I have spent a good part of my adult life helping needy people.

I was once the Binghampton welfare commissioner. Later, after a career as a personnel official at GAF, I was commissioner of social services of the Town of Union. Then, until I retired a few days ago as deputy commissioner of social service for Broome County, I was in charge of putting together the three welfare departments we used to have in this county.

I know the problems of welfare as a public official.

Because I have some feeling for people in need, I think I know, too, something about their problem—not as objects of public charity but as human beings in trouble.

I also am a taxpayer, and I have always wanted the taxpayers' money to be spent wisely, never wasted, never thrown away in useless diversions.

As I review this whole welfare picture in our community, our state, our nation, I find myself reaching the gloomy conclusion that it is pretty much the mess that most people think it is—but not for the reasons that many people think there are.

The public welfare program today is nothing more than a patchwork continuation of the relief programs that began in this country back in the Great Depression of the 1930s.

The only things that have been added, in all these years, is the Medicaid program and food stamps (which have now been taken away from old people, blind people and handicapped people now that they are under Social Security).

Basically, we have taken needy people and if they have passed the test of need we give them a handout and nothing much else.

The people who administer this program locally have been operating in a climate of constant change in managerial directions, new word from on high (whether that means Washington or Albany), lengthy bureaucratic memos that only serve to create havoc in the welfare offices.

For the last couple of years there has been at least one new administrative bulletin of some kind for each day of the year.

The people who are supposed to be working with other human beings find themselves instead, trying to keep up with the flow of words from distant officials for fear of losing their jobs or being accused of mismanagement, illegal behavior or who knows what other high crime or misdemeanor.

I think our philosophy today is that everybody is a cheat or otherwise no good, and our approach to people in trouble is a punitive one.

If somebody is in real trouble, we seem to have decided, the first thing to do is to punish him.

The first time such a person comes to any social services office for help, he or she must fill out a 12-page application that no middle-class person would put up with. They have to tell all about themselves, from where and almost why they were born to the details of their financial, private and family lives.

Those 12 bureaucratic pages are a pure example of the kind of harassment that Alexander Solzhenitsyn might have used in describing the Soviet treatment of dissenters in "The Gulag Archipelago."

The basic trouble is that the federal and state governments have been insistent on showing that they understand the whys and wherefors of public assistance, but they show no recognition that they are dealing with people.

Compassion is not written into any of the government manuals.

It is never mentioned in the communications from Albany and Washington.

I have dealt with the people on the receiving end of public assistance. I know of the frauds and cheats, but I know that most of the people we have helped needed help. They needed compassion more than they needed the 12-page bureaucratic questionnaires.

The real causes of human need are sickness, accidents, disabilities, old age, death, unemployment, illiteracy, inadequate work skills, low income, absence of the bread-winner, bad housing, and discrimination.

You would hardly guess that to be the case when you look over the mass of papers that cross the welfare official's desk in Broome County.

WHAT'S WRONG WITH WELFARE?

(By Clarence H. Sackey)

Probably more misinformation has been spread about the Aid to Dependent Children portion of public welfare than anything else.

People have visions of women of easy virtue dropping babies right and left in order to receive large rewards in the form of ADC checks. (In fact, they get $35 a month for each child.)

This program started back in the Great Depression as a relief program for widows whose husbands had died.

The federal government undertook very early to pay the states 50 per cent of the costs of supporting such women and their children. It was an early version of revenue-sharing.

The states kept pressing Washington for a broader inclusion of mothers and children without personal means of support, in order to get more federal money.

Now it covers not only the widowed mother, but also the family where the bread-winner—the husband—is diseased, disabled, deserting, separated, or just plain absent.

Through the use of this kind of federal support, we have wound up encouraging the breakup of families.

Nearly 70 per cent of the mothers and children who receive assistance are under the ADC program.

Many of them feel their families are better off because they receive more income from ADC than if the husband and father were home earning some money in some unskilled job.

Most of the deserting parents are unskilled workers with poor work habits, limited education, and low pay.

Many of them have had no preparation for the responsibilities of marriage.

Moreover, the steady rise in the minimum wage works against these unskilled people because it reduces the number of jobs that they can fill.

The wages they are able to earn are in fact not enough to support themselves, let alone wife and children.

I believe we need a family subsidy program such as exists in Canada and the Scandinavian countries. It adds income to what the breadwinner earns.

It keeps families together. It encourages the head of the family to work. But it makes sure that the parents and children, taken together as a family, receive enough income to keep body and soul together.

There has been a lot of talk about this in Washington, but each specific proposal is treated as if it carried the bubonic plague. Unless we are prepared to be serious about this matter, I believe we cannot eliminate the depressing cycle of dependency.

I also believe we must change the way we educate youngsters in the secondary school system.

We don't treat dependent children right in the schools. We harass them when we should help them, and as a result they drop out of school as soon as they can.

I remember hearing Dr. Leopold Eckler, who was head of the local GAF plant in Broome County, describe what the schools in Germany did after World War II.

They made sure that every student who was the equivalent of our high school graduate not only had a diploma for his general education but also had a marketable skill of some kind.

Our secondary schools ought to be more realistic and practical in terms of preparation for life.

We should teach youngsters how to buy and budget, and how to maintain interesting and permanent marriage relationships. We should give them more and better courses in sociology and family life.

One of the greatest incentives to women on ADC is that the first few dollars they earn, when they get a job, are waived and they continue to receive public assistance.

This means that they will not be, in effect, reducing their income when they get a job.

It is a good idea, and it is working, but the danger is that it creates a permanent subsidy for the ADC mother.

In other words, this subsidy to the ADC mother who moves from dependency to self-support ought to have some kind of cutoff date, such as six months or a year—after which she should be on her own.

This seems to me to be the equivalent of cutting the umbilical cord, bringing the dependent mother to full self-support and self-respect.

But the federal government refuses to buy the idea of a cutoff date, and for this reason we are doing the opposite of what we say we want—which is to break the need for dependency.

WHAT'S WRONG WITH WELFARE?

(By Clarence H. Sackey)

Medicaid started in this state in 1966. It was controversial from the beginning. It has been criticized as too expensive.

It was considered a two-headed monster by the people who had to administer it. There were differences between the State Health Department and the State Social Services Department about who is entitled to Medicaid, about the standards and quality of the care they should get, and about how much should be paid for health care.

The State Health Department seems to be almost unconcerned about costs, and tries to put more people under Medicaid to save money and collect more federal money.

Doctors are not known as good administrators, and the ones who work for the Health Department are prime examples.

For one thing, they discharge long-term patients from state hospitals to put them on Medicaid and public assistance.

These poor souls have a hard time adjusting in any setting different from what they knew at the state hospital. Putting them back "in the community" may be the worst thing that could happen to them.

Not long ago the New York Times had an article about such people rummaging through garbage cans for food. Many of them simply do not know how to take care of themselves.

One of the main objections to Medicaid is that it has become hospital-centered—which makes it too sophisticated and at the same time too expensive.

There is too much use of clinics and hospital emergency rooms with no follow-up care for people on Medicaid.

The elderly are becoming more and more institutionalized. In upstate New York, about 50 per cent of Medicaid costs go to nursing homes and "health-related facilities," a technical term for places where old people are put away as if they were TV dinners popped into the freezer.

Many old people live in dread of the day when they will be put in nursing homes themselves. They still want to be part of life.

They are treated like lonely castoffs, because that is the way public money must be spent on them.

Can we correct all this?

Yes.

We need an effective homecare program. We have to go back to the old days, when old people were still part of their families. Public money ought to be spent to encourage families to cherish their old people, instead of paying to cart them away.

In the same way, we must somehow make it worthwhile for physicians to visit and treat older people in their homes, instead of throwing them into a health assembly line that deprives them of their essential humanity.

One of the worst things in the administration of Medicaid is that there are so many classes of eligibility.

There are five such classes, which have to do with the degree of cost-sharing.

The system is an administrative nightmare; and, once again, more time must be spent on bureaucratic paper shuffling than on providing of good health care for people who cannot otherwise pay for it.

If this program is going to be administered right, we need an effective data processing system.

We have a system now, but it is not effective. You cannot use it to process eligibility for the payment of bills. In this state—the birthplace and home of the computer—we must still hand-process every bill from the pharmacist, the hospital, the physician, to decide whether it should be paid.

Moreover, we are not using the computer for analysis of the Medicaid program, so that we could spot and control abuses.

Medicaid ought to be administered by one department—not two state departments and one federal department.

Personally, I believe that a single national health care system has got to come, but it must be set up with proper controls.

Whether the Nixon or the Kennedy plans for national health are right for the country will have to be decided in the next few months. It will take a lot more explanation before most people will feel ready to make up their minds.

One thing I do know, though, is that the government has gone too far in relieving grown children of any sense of responsibility for their parents.

Not only are they relieved of any financial responsibility for the old people in their families, but they are not even expected to feel any emotional attachment.

It is a sad reflection on our national conscience that so many people have wiped their old folks out of their minds. They not only don't pay toward their support—they won't even bother to visit them in the institutions to which they have been consigned.

Unless we recapture the sense of humanity, no laws, plans, allocations of funds, bureaucratic paperwork, or public assistance can give our nation true health.

WHY PROTECT ENDANGERED SPECIES?

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. DINGELL. Mr. Speaker, the Congress recently enacted, and the President signed, the Endangered Species Act of 1973. This legislation, constructed upon the foundations of earlier bills and a new international treaty, is designed to produce a number of tools to be used by Government and citizen groups alike—all with the objective of providing protection to endangered species of life.

The question has been asked, and no doubt will continue to be asked, "Why should endangered species be protected at all?" It is certainly a legitimate question, many worthwhile things can be and should be done by the Government, and all are competing for scarce dollars. What is so special about endangered species to merit consideration of this objective?

The simple answer is also the correct answer: the loss of endangered species is a loss to mankind. In some respects, there are significant esthetic losses, and these are significant. In other respects, there are real losses in terms of a disappearing genetic heritage. These losses may contain answers to questions that we have not yet the wit to ask, and these could well be important questions indeed.

In an article in "The Living Wilderness," published by the Wilderness Society, Jon Ghiselin has written to discuss the question of the importance of endangered species. His article well states the case, and I believe that it merits widespread reading:

WILDERNESS AND THE SURVIVAL OF SPECIES

(By Jon Ghiselin)

People who pride themselves on being thought of as practical often need to have practical reasons for preserving wild places and undomesticated plants and animals. Unless one can demonstrate a need for wilderness or any other of life's amenities, such unfortunates are apt to be unwilling to accept its cost in money or in preventing the development of a potentially profitable resource.

Practical people must have practical responses. The balance sheet must show something more than an idiosyncrasy of the intellectual. And such cavils are in fact not wholly without basis. Many people seek to preserve wilderness only for their souls' sake; they think that bargain enough. But practical people are often sturdier folk, and want some weightier cause.

So the list of benefits has lengthened, as advocates and apologists for wilderness sought for practical justifications. And there is money to be had from a wilderness. It is not too esoteric to calculate the value of a watershed. It is certainly not impractical to assess game range, or to reckon up the outside money a wilderness brings into the area surrounding it. But few have stated in simple terms the practical need of all mankind for preserving wilderness as a vital hedge against overdevelopment, overmanipulation, over civilization.

At a level of understanding perhaps a bit more elaborate technically than that of those who seek a refuge in wilderness for themselves and their children, but only arguably more sophisticated, is another rank of defenders of wild places. These people include both old-line conservationists and biologists of many descriptions. They see wilderness as a storehouse of components, and earnestly recite, Also Leopold's aphorism that the first principle of intelligent tinkering is to save all the pieces.

An American politician is reputed by his detractors once to have commented, "When you've seen one redwood, you've seen them all." The implication of this statement is clear: a very few representatives will suffice for the preservation of a species. Presumably no reader need be reassured here that on aesthetic grounds this utterance is palpable drivel. When you've seen one redwood, you have hardly seen any. More than that, the chance is slight that you can have seen many of the other plants and animals which make redwood forests distinctive. But on scientific grounds, it may be well to re-examine its merits, and the mistaken conclusions to which Leopold's dictum may lead the innocent.

The advance of biochemical technique has made it possible only in the last few years to understand the many differences among individual organisms which still represent the same species. And it is more recent still that understanding of biochemical progress has been integrated into the body of population genetics. Because both biochemists and population geneticists tend to speak calculus instead of English, no one yet has put this knowledge into terms simply comprehensible to the layman.

But the biochemist's or the population geneticist's arcane language should not be permitted to obscure his message—if he realizes he has one. It is perhaps ironic that interpretation of discoveries in the newest branches of biology should be made for the public by practitioners of its oldest branch, ecology, and more so that all should turn out to be using the common coin of biological understanding, the concept of organic evolution.

The biological communities of plants and animals which we can distinguish today were formed by the interactions of their members. No organism lives alone. The effect of one upon another is recognizable in the short term, in such relations as those of plants and herbivores or of predators and prey. Because individual plants and animals vary from others of their species, some are better able than others to resist the destructive effects upon them of different kinds of organisms, or to capitalize on their potentialities for use. Such competition is the basis for the survival of some animals or plants to produce offspring, and the failure of others.

But in the longer term this competition is also the basis for the evolution of differences among populations of organisms. These genetic differentiations permit different organisms to use different resources of the same environment, or alternatively to use the same resources in different ways.

Organic evolution is founded on genetic differences among individuals. Heritable variation is the permanent basis of genetic distinction which accounts for the apparently immutable differentiation of one sort of animal or plant from another. Evolutionary change in morphological or other characteristics of organisms result from greater reproduction by those which are more fit than by others of their species with which they compete. And it is this variability which permits populations to resist change in their environments. We now know that most genetic differences within a population are hidden as rather rare recessive potentialities in the heterozygous state, rather than being manifested immediately as dominant traits. This is the chief reason for the frequent observation that some characters seem to skip generations. Though the most recent work shows that the morphological integrity of each species is both protected and reinformed by such other genetic mechanisms as balancing or normalizing selection, it still appears that the hidden trove of recessive genes borne by every population is responsible for its genetic adaptability in the face of environmental change.

A population buys such adaptability at no slight price. Sometimes this price may be to harbor genes whose bearers are less than optimally fit to survive in competition with others of their species. It is because these traits are recessive, and revealed only when both an organism's parents bear them (though neither need manifest them), that they survive at all. But they represent a stock of variability which can be brought into play, sometimes within a single generation, when a change in the environment makes the old order less well fit to compete than some new one. Such replacement of a successful, established strain by a new one can be accomplished only at a horrendous cost in the numbers of its population. In a truly catastrophic change of environment, it is to be expected that almost every individual will die. Only a very few will survive, and it is only from these few that the ancestors of a new population can come. The smaller the population, the less variability it can preserve in its genes. This is simply a consequence of the limited number of genes, and it is inescapable that this should be so. (We need not concern ourselves here with more subtle mechanisms having much the same effect.)

Extinction happens not to individuals but rather to populations of interbreeding plants or animals. Yet extinction of a population results from the failure of individuals to reproduce. Just as death is inevitable for every individual, so extinction is inevitable for every population. But there is a difference, and understanding this difference is vital to understanding the need for preserving more than representatives of species in the hope that the species themselves will survive.

Extinction can take place in two fundamental ways. The first of these is the failure of individuals to replace themselves. The result is disappearance of a kind of organism from the earth. This can happen to what seem to be inexhaustibly numerous species. The passenger pigeon is a prominent enough example.

Extinction of the second category seems less cataclysmic, because it characterizes every species successful enough to escape the first. By continuing adaptation, which results in and from differing reproductive success among different populations within it, a species can evolve itself out of existence. Every successful species, including our own, represents some two billion years of evolution during which countless ancestors did just that. Each of us is the survivor of an intense competition among our forebears which is no less intense today.

It should therefore be clear that extinction of less favored forms is the cost of survival for a few. Each population of plants or animals must meet the competition of others if it is to survive. When a plant or animal fails the test, its competitor benefits. What, then, do the redwoods matter?

Life has been evolving on land for hundreds of millions of years. During that time, communities of organisms have evolved which are adapted to living with each other. Some of these adaptations are so basic that one can imagine alternatives to them only with difficulty. If there were no flying insects such as bees, for example, there would be no advantage for a plant to spend its substance in producing a showy flower. If there were no bees, there would be no competition among the flowers for pollination by the bees. But if there were no flowers, there would be no hummingbirds; there would be no spiders whose shapes mimic those flowers in marvelously exact detail; and though there might be farmers, there would surely be no florists.

Adaptations of one sort of organism to another having such impressive implications as these can arise only slowly. This is so because evolution is not directed; it works through chance, and the chance is heavily weighted for biological conservatism. When a relationship between two species results from thousands of generations' adjustment of the physiology and the behavior and the ecology of the one to the similarly complex qualities of the other, only the rarest change is apt to be for the better. Such a beneficial change is unlikely to persist unless some change has occurred in the other species which gives an advantage to the new development. Most natural experiments will therefore fail. The fate of the native Hawaiian fauna illustrates paradoxically how disrupting such relationships by introducing exotic competitors can result in sudden extinction of many species.

Because evolution of new species of animals or plants takes so many generations, it is in the practical interest of mankind to insure as much as possible that the extinction of no species be hastened through ill-considered or unconsidered alterations of natural communities. Biologists can point to several "new" subspecies which probably evolved to distinctness in the last two or three centuries. But we can point sadly to far greater numbers of full species of animals and plants that have become extinct because of the activities of man. Some such extinctions, of course, were overdue in a sense. Few of us will argue that some moral stigma should attach to the extermination of large carnivores by early hominids. But "practically"—aesthetics and ethics aside—this insight into the pace of extinction has important consequences for the preservation of wilderness.

Wilderness areas protect habitats which have been modified little from the conditions under which their biotic communities evolved. No ecologist yet can judge the totality of consequences of destroying the habitat of a single species, and hence of destroying that species. We simply do not know enough. Because of the importance which change has in directing the course of evolution (though as we have seen that direction is a random one), we cannot predict the consequences of such irrevocable decisions. Yet we can predict safely that to eliminate any genetic variation must necessarily be to eliminate options, many of which we cannot recognize.

But since bits of most major communities have been preserved now, and their development prevented by restrictive and protective legislation, is this not enough?

No.

Reducing the size of a population below a critical level will inevitably result in its elimination, and we do not know the critical level for any species. But we do know that reducing the population of any species to very small numbers reduces also the genetic variation which is essential if the species is to adjust genetically to meet new demands of an environment changed by unpredictable influences. We can hardly identify today the DDT of tomorrow. But prudence suggests surely that we should provide best we can now to meet whatever assault may come.

The rarity of species is relative. In biological terms, a species is dangerously rare if its population is so localized that significantly many individuals could be destroyed by a single event, or if the population is so widely dispersed that not all its members can reproduce because not all can meet potential mates. Some animals have always been rare. The rarity of the black-footed ferret has been noted almost since its description in 1851. The eastern cougar was thought to have become extinct in 1899, although last year the federal government acknowledged recurrent reports of sightings by giving this subspecies at least a nominal place in its list of rare and endangered wildlife. The American ivory-billed woodpecker's status is highly uncertain, but reports in recent years from Louisiana, Texas, Florida and South Carolina has suggested that the species may survive.

Yet even where such remnants of larger populations linger, they are probably destined ultimately to disappear. They will disappear because their populations are too small to maintain the rare genes which would permit genetic recombination to meet environmental challenges not as yet foreseen. The same pessimistic prediction can responsibly be made about some species which seem to be increasing from perilously low levels. There are more whooping cranes now than a few years ago, and there is greater hope now than then that this rare bird will survive. But the population was so reduced that we can be sure its variability is severely diminished.

Genetic variability accumulates slowly through continuing mutation. Some genes are more prone to mutate than others, but all are subject to eventual mutation to alternate forms. Thus the variability stored in a population's gene pool can ultimately be restored. The protection against change such variability gives can be rebuilt given time.

But too little time exists for many populations to accumulate this protection. If they are to be saved, they must in most cases be saved together with the habitats in which their adaptations were formed. Though protection in zoos and encouragement to reproduce in captive-breeding programs help to prevent the total elimination of species, they cannot substitute forever for restoration of individuals to the original habitat. This is because populations of organisms adapt to the environment of captivity in precisely the same way, and by the same genetic mechanisms, that they adapt to any other change in their surroundings: those better fitted to survive in captivity will produce more offspring than those better fitted to survive in the wild, unless the two conditions should somehow impose the same requirements. Captivity by no means turns off evolution. As proof one need cite only the dainty Pomeranian and the slavering wolf with which it still could interbreed—if Pomeranians were let out and wolves not kept away. The longer captivity continues, the more the protection against environmental change which is given by genetic variability will continue to deteriorate.

The ability of any population to rebound from a catastrophic reduction in numbers depends on several related reproductive constants. The maximum number of offspring, the frequency of reproduction, the age at first mating and the duration of the reproductive period all impose absolute limits on the rate at which a population can recover. But beyond those intrinsic restraints on growth there are extrinsic limits. These environmental limits include accidents and famine and predation, but most important among them is the availability of habitat. Doggedly to foster production of young by an endangered species is meaningless if they have no place to go.

We can neither understand fully an

organism's niche—its functional place in nature—in a static sense nor predict except grossly the changes in that niche which must surely result from evolutionary adaptation of the population better to survive in an altered role. Nonetheless we can comprehend the vital safeguard which organic diversity represents for our own overabundant species, perhaps more than for many other forms which seem less favored by the bounty of nature. Certainly wilderness can be preserved only by human action. It is logical then for all human beings to consider what the benefits of wilderness may be in this regard, and whether on balance it is practically worthwhile to commit land in perpetuity to this use.

The price of domestication is inevitably reduced variability. The developers of hybrid corn, for example, or new rice strains, or superpigs, all achieve their success by reducing as much as humanly possible the variability of the stocks with which they work. They have sacrificed the long-term advantages of variability for the immediately overriding benefit of genetic uniformity and predictability. For the most part the geneticists responsible for the agricultural revolution know the price they have paid for their success, and "primitive" strains are cherished by agronomists in several centers throughout the world. (Despite this, and especially with regard to animals, we must remember the genetic dangers of captivity.)

But not all the species which might be adapted to man's benefit have yet been recognized. Genetic ingenuity has not yet been applied to each of some two or three billion species. But even if it were possible to know the genetic endowment and potentialities of every plant and every animal, it would not be possible to predict what changes the future may bring to each species and to each community of interacting organisms.

The function of wilderness as a reservoir of genetic variability, a resource which can last only so long as it is not subjected to practical tinkering, thus becomes obvious. Wilderness is an investment in a biological currency we cannot specify, a hedge against a biological need we cannot name.

In this discussion, though, we must understand wilderness in the broadest sense. The maintenance of diversity among communities need not be read to suggest that the natural communities to be preserved can only be those which developed at the end of the Pleistocene, and indeed the phrase is misconstrued if it be read in any such limiting way.

Evolution is a complex process not subject to prediction. No one can forecast with confidence the effect of eliminating any species. Exotic species may adapt in unpredictable ways to utilize resources formerly used by native forms they replace. We must preserve enough wild lands to assure that plants and animals will maintain populations large enough to meet changing conditions. By so doing we may perpetuate much that gives our world its meaning and fascination.

PITY THE POOR MOGULS

HON. LIONEL VAN DEERLIN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. VAN DEERLIN. Mr. Speaker, judging from the lamentations that went up, enactment late last summer, of the bill partially lifting the blackout of telecasts of pro football home games was tantamount to killing the American dream.

As it turned out of course, the selfless gentlemen who control this "sport" had little to worry about. The 1973–74 season was the most profitable ever.

One of the more penetrating commentaries on the hardship cries of the National Football League owners appeared in yesterday's editions of the San Diego Evening Tribune.

Columnist Steve Casey asks why Congress should take sides one way or the other in the current tug-of-war between cable and conventional broadcast forces over rights to air football games and and other professional sports attractions.

To Mr. Casey, it does not make much sense for Congress to join the fray on the side any of the private, profitmaking interests involved.

As Mr. Casey makes clear, the NFL owners are sometimes not all that concerned about doing right by the sports-minded public which ultimately must pay all the bills. We need not shed too many tears over the hardship stories, including the difficulties the NFL is having now with the new World Football League. A little competition never hurt.

Mr. Casey's column follows:

NEWS ITEMS BY STEVE CASEY

You remember the professional sports leagues.

They are the fellas who predicted doom if Congress did away with football home-game television blackouts—and then, according to a recent Federal Communications Commission report, went on to enjoy their biggest season ever after the black-outs were lifted.

And the fellas who have taken to jumping baseball franchises all over the country like nimble 10-year-olds in a hopscotch tournament.

Well, the Big Time Sports Traveling Medicine Show is on the road again and, as usual, it promises naught but ill for the poor little sports fan who is asked to pay outrageous prices for tickets, to give unquestioning, undying loyalty to his local gladiators and to believe that Pete Rozelle and Bowie Kuhn talk daily with God.

And probably advise Him.

The aim this time is to strip just about all sports programming from cable television in hopes of making turnstiles at the nation's sports palaces spin around a few more times.

And to keep the airwaves from committing overkill on sports coverage.

It is a logical plan, for if the fan is offered a wide variety of sports events on television, he might decide to stay home and watch the tube, rather than truck on down to the local stadium.

But before turning a lecherous eye on cable television, the sports leagues and perhaps the government ought to take a look at why people can be persuaded to stay away from the stadium.

All things being equal, most folks would rather watch a game in person than at home before the screen. But all things are not equal.

To begin with, with ticket prices rising faster than the national debt, it's bloody expensive to take a wife and couple kids to, say, a National Football League game.

And if mom and dad want a beer and the kids want hot dogs and pop, somebody in that happy little clan often has to be ready to stand in line for a half hour or better.

But the primary objection to the proposed copyright law which would all but ban sports events on cable, or the FCC rule which would do much the same thing, is not that sports should first put its own house in order, is not that the proposed law and rule would blatantly discriminate against cable in favor of broadcasters, and is not that thousands of people would be denied a chance to see televised major league games if they live in a town where a minor league team plays.

It is, instead, that a profitmaking industry is attempting to use its clout to get the government to act as its agent in a battle with another profit-making industry.

Despite the sanctimonious simperings of organized sports—which would have you believe love of the NFL is synonymous with love of country—sports is a profit-making entertainment industry.

Like the movie studios of Hollywood's heyday, Big Sports controlled—until the advent of cable—the labor, production and distribution of its entertainment product.

Players are challenging its tight control over labor, and cable is challenging its control of distribution.

Rhetoric from sports organizations would lead you to believe that the very survival of the leagues depends on their beating back the insurgents and maintaining their death-grip on all facets of their business.

Said one shoot-from-the-lip cable lobbyist, "they are trying to put an iron curtain around it."

"Hey," he said, "Iron curtain. That's pretty good. They're a bunch of Bolsheviks."

Bolsheviks they aren't. But it's a very strange form of private enterprise that is based on the notion that cities should supply expensive playpens for the teams, citizens have some civic duty to ensure the teams' well being and the government should help this one industry, even at the expense of another.

Heck, who wouldn't like to run a business like that?

1973 FEDERAL INCOME TAX RETURN

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. LEHMAN. Mr. Speaker, in keeping with my belief that elected officials should fully disclose their sources of income, I am inserting my 1973 Federal income tax return in the CONGRESSIONAL RECORD.

The return follows:

1973 U.S. INDIVIDUAL INCOME TAX RETURN

(Form 1040)

Name (if joint return, give first names and initials of both) William and Joan Lehman.

Present home address (Number and street, including apartment number, or rural route) 2269 N.E. 163rd Street.

City, town or post office, State and Zip code: North Miami Beach, Florida 33162.

County of residence: Dade.

Occupation:

Yours: Congressman.

Spouse's: Self-Employed.

Filing Status—check only one:

2. Married filing joint return (even if only one had income).

Exemptions:

6a. Yourself.

b. Spouse.

8. Presidential Election Campaign Fund.—Check x if you wish to designate $1 of your taxes for this fund. If joint return check x if spouce wishes to designate $1.

Note: *This will not increase your tax or reduce your refund.* See note below.

INCOME

9. Wages, salaries, tips, and other employee compensation. $38,722.

10a. Dividends: $8,912. 10b. Less exclusion $140, balance: $8,772.

11. Interest income: $12,521.

12. Income other than wages, dividends, and interest (from line 38): $22,048.

13. Total (add lines 9, 10c, 11, and 12): $82,063.

14. Adjustments to income (such as "sick pay," moving expenses, etc. from line 43): $3,082.

15. Subtract line 14 from line 13 (adjusted gross income): $78,981.

TAX, PAYMENTS AND CREDITS

16. Tax, check if from: x Schedule D: $23,067.

21a. Total Federal income tax withheld (attach forms W-2 or W-2P to front): $10,077.

22. Total (add lines 21a, b, c, and d): $10,077.

BALANCE DUE OR REFUND

23. If line 20 is larger than line 22, enter balance due IRS: $13,304.

Note: 1972 Presidential Election Campaign Fund Designate.—Check x if you did not designate $1 of your taxes on your 1972 return, but now wish to do so. If joint return, check x if spouse did not designate on 1972 return but now wishes to do so.

Preparer's signature (other than taxpayer): Coopers & Lybrand, 1200 1st Nat'l Bank Bldg., Miami, Florida 33131.

Penalty for underpayment: $314.

PART I. INCOME OTHER THAN WAGES, DIVIDENDS, AND INTEREST

28. Business income or (loss) (attach Schedule C): ($8,129).

29. Net gain or (loss) from sale or exchange of capital assets (attach Schedule D): $26,073.

31. Pensions, annuities, rents, royalties, partnerships, estates or trusts, etc. (attach Schedule E): $39.

37. Other (state nature and source), Honorarium—$250; Articles and newsletters—$3,185: $4,065.

38. Total (add lines 28, 29, 30, 31, 32, 33, 34, 35, 36, and 37). Enter here and on line 12: $22,048.

PART II. ADJUSTMENTS TO INCOME

41. Employee business expense (attach Form 2106 or statement): $3,082.

43. Total adjustments (add lines 39, 40, 41, and 42). Enter here and on line 14: $3,082.

PART III. TAX COMPUTATION

44. Adjusted gross income (from line 15): $78,981.

45. (a) If you itemize deductions, enter total from Schedule A, line 41 and attach Schedule A. (b) If you do not itemize deductions, enter 15% of line 44, but do not enter more than $2,000. ($1,000 if line 3 checked): $15,950.

46. Subtract line 45 from line 44: $63,031.

47. Multiply total number of exemptions claimed on line 7, by $750: $1,500.

48. Taxable income. Subtract line 47 from line 46: $61,531.

PART V. OTHER TAXES

58. Minimum tax. Check here x, if Form 4625 is attached: None.

61. Total (add lines 55, 56, 57, 58, 59, and 60). Enter here and on line 19: None.

SENATE—*Thursday, April 25, 1974*

The Senate met at 11 a.m. and was called to order by Hon. DICK CLARK, a Senator from the State of Iowa.

PRAYER

The Reverend John D. Raymond, Belle View Baptist Church, Alexandria, Va., offered the following prayer:

O God, we acknowledge Thee as the God of our fathers, whose grace and mercy are broader than man can measure. As thoughtful men, we pause to reassess life's directions in the light of Thy glory; and to refresh our spirits by Thy power.

With deep humility we thank Thee for our heritage as Americans. Let us never surrender the noble dreams of our Founding Fathers, but with infinite patience, weave them into our highest hopes for a better world.

We ask Thy blessing on those in this body, who, by Thy providence, have been given great responsibility in the affairs of state. May wisdom and courage from on high be theirs, so that as a nation we may fail neither man nor Thee.

Hear our prayer, Father, for it is offered in the name of Jesus of Nazareth. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The second assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., April 25, 1974.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. DICK CLARK, a Senator from the State of Iowa, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. CLARK thereupon took the chair as Acting President pro tempore.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed the following bills of the Senate, each with amendments, in which it requested the concurrence of the Senate:

S. 15. An act to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide a Federal death benefit to the surviving dependents of public safety officers; and

S. 628. An act to amend chapter 83 of title 5, United States Code, to eliminate the annuity reduction made in order to provide a surviving spouse with an annuity, during periods when the annuitant is not married.

The message also announced that the House had passed a bill (H.R. 12799) to amend the Arms Control and Disarmament Act, as amended, in order to extend the authorization for appropriations, and for other purposes, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H.R. 12799) to amend the Arms Control and Disarmament Act, as amended, in order to extend the authorization for appropriations, and for other purposes, was read twice by its title and referred to the Committee on Foreign Relations.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Wednesday, April 24, 1974, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nominations on the Executive Calendar will be stated.

DEPARTMENT OF JUSTICE

The second assistant legislative clerk read the nominations in the Department of Justice, as follows:

Nathan G. Graham, of Oklahoma, to be U.S. attorney for the northern district of Oklahoma.

Clinton T. Peoples, of Texas, to be U.S. marshal for the northern district of Texas.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

U.S. POSTAL SERVICE

The second assistant legislative clerk read the nomination of Robert Earl Holding, of Wyoming, to be Governor of the U.S. Postal Service for the term expiring December 8, 1982.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

DEPARTMENT OF STATE

The second legislative clerk read the nominations in the Department of State as follows:

Alfred L. Atherton, Jr., of Florida, to be an Assistant Secretary of State.

Webster B. Todd, Jr., of New Jersey, to be Inspector General, Foreign Assistance.

Leonard Kimball Firestone, of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Belgium.

Robert Strausz-Hupe, of Pennsylvania, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Sweden.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations be considered en bloc

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

AGENCY FOR INTERNATIONAL DEVELOPMENT

The second assistant legislative clerk read the nomination of John E. Murphy, of Maryland, to be Deputy Administrator, Agency for International Development.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

EXECUTIVE OFFICE OF THE PRESIDENT

The second assistant legislative clerk read the nomination of Henry E. Catto, Jr., of Texas, Chief of Protocol for the White House, to have the rank of Ambassador.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

INTERNATIONAL EXPOSITION ON THE ENVIRONMENT

The second assistant legislative clerk proceeded to read the nomination of James G. Critzer, of Washington, to be Commissioner for a Federal exhibit at the International Exposition on the Environment.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

INTER-AMERICAN FOUNDATION

The second assistant legislative clerk proceeded to read sundry nominations in the Inter-American Foundation.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

BOARD FOR INTERNATIONAL BROADCASTING

The second assistant legislative clerk proceeded to read sundry nominations in the Board for International Broadcasting.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

NOMINATIONS PLACED ON THE SECRETARY'S DESK

The second assistant legislative clerk proceeded to read sundry nominations in the Coast Guard, which had been placed on the Secretary's desk.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of these nominations.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Does the distinguished acting minority leader desire recognition at this time?

INFLATION AND WAGE AND PRICE CONTROLS

Mr. GRIFFIN. Mr. President, of course, this Senator has taken note of the action yesterday reportedly taken by the Democratic majority in caucus when, as I understand it, a policy statement was adopted calling for extension of standby authority for the President to impose wage and price controls.

It seems to me that, although the experience has been rather painful, most Members of Congress and the people of the country have learned that wage and price controls do not provide an appropriate answer to the problem of inflation. In fact, controls have been the cause of dislocations in the economy and have actually created shortages which, in turn, have exacerbated the inflation problem.

After that experience, if another wage and price control program were to be instituted, the Congress would want to have a strong hand in its formulation—that Congress would want to play a major role in any such policy decision.

Where is—what has happened to—this interest on the part of Congress to reassert its constitutional responsibilities in the legislative process?

Instead of asserting that role and exercising its responsibility, the resolution on the part of the Democratic majority, as I understand it, would simply hand to the President of the United States broad, unfettered discretionary authority to put into effect, whenever he pleases, whatever wage-price control program he chooses. Of course, thereafter, I am sure there would be considerable criticism aimed at the President regardless of what he did.

I must admit that this maneuver on the part of the Democratic majority may be good politics. But I do not think the country, at a time like this, is looking for politics as usual. I believe the country would expect from Congress a different attitude, a different posture than that.

So, having taken notice of the action of the Democratic majority on yesterday, as for myself, I would respond by challenging the Democratic majority to put into effect the wage and price control program they think would be appropriate at this time—rather than merely handing over broad, unfettered authority to the President of the United States.

If the Democratic majority really believes that wage and price controls are the answer to inflation, then they should also decide and put into effect by legislation the program of wage and price controls they want.

If the Democratic majority really thinks it is the answer, then by all means I suggest to them—indeed, I would challenge them—to put their wage-price control program into effect.

As for me, although I regret that the rate of inflation is higher now than it has been, I also realize that such controls are not the answer. This is one Senator who has learned the lesson which many television viewers learned when they saw farmers killing their baby chickens last year because prices would not justify buying the feed to raise them. As a result, a shortage of chickens developed for a period. Instead of holding prices down, the experience with controls has been that prices are pushed up by shortages resulting from the program.

Mr. MANSFIELD. Mr. President, the distinguished acting Republican leader does not need to challenge the Democratic majority, so-called, because he is well aware that there are Members on his side of the aisle who know that at this moment the inflationary rate in the country stands at 14.5 percent for the first 3 months or more.

As far as the kind of wage and price controls I would want are concerned, I deplored the fact that the President, a year ago last January, terminated phase II, which was working effectively in the fields of wage and price controls. He made a mistake at that time because phase III and phase IV have been utter failures.

This is not a question of politics as usual. Every Senator feels the inflation in his pocketbook. Every Senator's family does, too. But that is of secondary significance. It is the ordinary working people of this country who are feeling inflation the hardest and being given the least in the way of consideration. It is the pensioner and the retiree, those on fixed incomes, who are the ones paying the price. They are the ones who should be given the consideration which is their due.

It is not just up to the so-called Democratic majority in Congress. It is up to the administration and Congress, working together, to try to do something to bring about at least an alleviation of the problem which confronts the Nation as a whole today, a problem which is getting worse, a problem which John Dunlop, this administration's Director of the Cost of Living Council, referred to yesterday in disputing the administration's figures that there would be a downturn in the inflationary rate for this quarter.

Mr. President, we cannot get away from the fact that over the past calendar year, from March 1973 to March 1974, this Nation endured a 10.5 percent inflation; that for January, February, and March of this year the inflation rate was 14.5 percent, and it has not gone down.

We cannot gainsay the fact that the market is declining. I really do not know what that means, because I own no stock. We cannot avoid the fact that there has been a decrease of 5.8 percent in the gross national product. We cannot avoid the fact that bargainings are going to occur sometime this spring between the major labor unions and their employers; and with no controls on whatsoever, the Lord only knows what is going to happen to wages and prices then. The unions may get sizable increases in their wages, and they are entitled to good increases, because they have acted with tact, discretion, and restraint during the past 2 years. But what good is an increase in wages going to be if the increase in inflation supersedes that increase?

I know that the U.S. Chamber of Commerce is not interested in any type of wage and price control. I received a telegram from Mr. Booth this morning, indicating his opposition to what the Democrats in conference just considered on yesterday. I received a telegram from the AFL–CIO this morning saying the same thing. I also received a telegram from at least one other union. Evidently, they were caught by surprise. They evidently did not think that we had any sense of responsibility or concern. They seemed to ignore the fact that we are trying to look after the interests of the people as a whole.

No, Mr. President, this is not politics as usual. This is something which the administration and Congress—Republicans and Democrats—should work together on, so that some alleviation could be achieved insofar as the welfare and the betterment of the people of the Nation are concerned.

The distinguished Senator from Wisconsin (Mr. PROXMIRE) was not in favor of the resolution passed yesterday. He was the only one I knew of. He had left before the vote was taken, but when the vote was taken, it was unanimous on the part of those in the Chamber. The Senator from Wisconsin was primarily responsible, he and his committee, for having passed in the Senate—agreed to by the House and signed by the President, reluctantly—the price and wage controls which the President, when he ordered the first devaluation of the dollar, on August 15, 1971 or 1972, put into effect. Then, when he put phase II into effect, it worked. The big mistake was for the administration to take off phase II. So far as I am concerned, speaking as a Senator from the State of Montana, I would like to see phase II restored, because I think the people are entitled to some consideration.

This is not politics as usual. If we sit on our fannies and do nothing, let me tell you that a lot of Republicans and Democrats, come this November—if not before—are going to pay a political price. But it is not politics. It is economics, and everybody can feel the effects in their pocketbooks.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. MANSFIELD. I am delighted to yield.

Mr. ROBERT C. BYRD. Mr. President, I congratulate the distinguished majority leader on his response to the so-called challenge from my distinguished friend, the assistant Republican leader.

The Democratic majority does not need any challenges. It needs only to take notice of the statement made by the administration's own Secretary of Agriculture, Mr. Butz, to the effect that prices in the grocery stores will be up 12 percent this year.

The President of the United States said, a few years back, that he did not want the Economic Stabilization Act, that he did not want the standby authority; but Congress enacted the measure anyhow, providing standby authority for the President to impose controls, and he finally got around to using it. In August of 1971, he imposed a 90-day freeze, and in November of 1971 he imposed phase II price controls. They worked exceedingly well throughout the year of 1972.

In January 1973, those controls were prematurely lifted by the administration; and as we all know, and as the distinguished majority leader has said, phases III and IV proved to be colossal failures.

Mr. President, I do not become overly concerned about challenges; but inasmuch as a challenge has been laid down, I return the challenge to the Republican leadership and Republicans on the other side of the aisle who have consistently been very cooperative with the Democratic leadership in meeting problems of the country. Inasmuch as the gauntlet has been thrown down, I challenge the Republicans to cooperate with the Democrats in bringing some succor and comfort to the old people of this country, and other people who are living on pensions and other low- and middle-income groups who are going to be faced with the same 12-percent increase in the grocery stores that is going to confront everybody else.

I say that the President should be given the standby authority. Whether he uses it or not, is something else. But if those controls are used properly and at the right time, I think they can and will work. I say give him the authority all across the board. Controls have been used properly in some instances; they have been used improperly in other instances. I am not going to say they will not work. Perhaps it is the way they have been applied and the timing by which they have been applied. But give the President the authority.

To maintain that the 535 Members of Congress can administer a price control program is pure bunk. The authority has to be lodged somewhere, and that somewhere is in the Chief Executive officer of this country. Let us give him the authority. He said he did not want it once. But he used it well in phases I and II. He says he does not want it now. But I do not want to be driven at some later date to reimpose controls in this country. Let us take appropriate and timely action now.

If we do not give the President such authority now, I know what the distinguished assistant Republican leader is going to be saying in November: "These prices are out of hand. Of course, the President did not ask for the authority, but the Democratic Congress sat on its fanny. It could have given him the authority. It elected not to do anything." The Democratic-controlled Senate—at least, the leadership and the Democrats in caucus—has proposed to do something rather than nothing.

I hand the challenge back to the assistant Republican leader. Let us take action now to protect the people against runaway inflation.

Mr. GRIFFIN. Mr. President, will the majority leader yield, for a brief response?

Mr. MANSFIELD. I am delighted to yield.

Mr. GRIFFIN. I commend both the majority leader and the assistant majority leader for their very eloquent responses. It seems to me, however, that they have not answered the point which the junior Senator from Michigan was seeking to make, and that is this: The Democratic majority—and, incidentally, if this has turned into a partisan political dialog, I regret it, but it came about——

Mr. MANSFIELD. The Senator is doing his best to do that very thing.

Mr. GRIFFIN. That is right. It came about because of the action taken yesterday by the Democratic caucus in a political session; obviously, I think some response from our side is in order.

Mr. MANSFIELD. If the Senator will yield right there, talking about a Democratic political caucus on yesterday, when the Republicans meet every Tuesday, should I refer to that as a Republican political dinner caucus?

Mr. GRIFFIN. I suppose that depends on what we do and what sort of statements we make.

But in this instance, what is very apparent and what is so obvious—and I would imagine that it should be to the country—is that the Democratic majority is not proposing to do anything at all about the problem of inflation—which all of us concede is a serious problem.

I join in calling attention to the figures cited. They are deplorable. One of the reasons why they are so high, one of the reasons why we have inflation, is that wage-price controls have been in effect and they did not work. Instead, they made the problem worse. What we need to do is to increase production—to increase the supplies; then prices will come down.

Mr. MANSFIELD. Phases III and IV did not work. Phase II did work, and the Senator knows it. He cannot gainsay—he does not gainsay—the fact that the present rate of inflation for this calendar year so far is 14.5 percent and going up. He cannot gainsay the fact that there has been a decline in the gross national product of 5.8 percent at the end of March, probably higher now. He cannot gainsay the fact that negotiations will be carried on which may well create a situation more difficult than the present. He cannot gainsay the fact—and this is a positive factor—that unemployment has decreased from 5.2 to 5.1 percent; nor can he gainsay the fact that the most recent Wholesale Price Index shows an inflationary increase of more than 19 percent, and this has yet to be translated into a consumer increase of even greater than 19 percent. So the trend is up.

We argue here and accuse each other of being political, when we ought to be cooperating with one another and working with the administration to face up to the needs of the American people.

Mr. President, I ask unanimous consent that the Stevenson resolution which was adopted unanimously by those present at the Democratic conference on yesterday—a conference, may I say, called at my request and on my initiative, something which I seldom do—be printed in the RECORD, so that it will be before the Senate and the public to consider and to look at.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION ADOPTED BY SENATE DEMOCRATIC CONFERENCE ON APRIL 24, 1974

Whereas, the overall rate of inflation is at its highest level in 23 years, consumer prices are climbing at the highest rate since 1948 and wholesale price increases continue at double digit levels; and

Whereas, real gross national product is falling at the steepest rates in 16 years and the real earnings of wage earners continue their decline; and

Whereas, all authority to control wages and prices (except in the petroleum sector) and to secure and enforce commitments to exercise price restraint and expand industrial capacity will expire in seven days; and

Whereas, if all such authority is abruptly abandoned, a new surge of inflation will ensue with renewed pressure to impose wage and price controls; and

Whereas, runaway inflation poses a serious threat to the economic well-being of the nation;

Now, therefore, be it resolved that the Democratic Conference condemns the Administration's abandonment of the fight against inflation, pledges its efforts to improve the economic condition of the nation and to that end specifically supports legislation to restrain inflation by 1.) requiring the Executive Branch to monitor all sectors of the economy, private and public and enforce economic stabilization decontrol commitments; and 2.) permitting within a reasonable time an orderly termination of the wage and price controls program and be it further,

Resolved, that the leadership shall select the appropriate legislative vehicle on the Senate floor within the immediate future to permit these proposals to be considered and enacted by the Senate.

The ACTING PRESIDENT pro tempore. The time allocated to the joint leadership has expired.

Mr. MANSFIELD. Will the distinguished Senator from Wisconsin agree to yield 2 minutes out of his time?

Mr. PROXMIRE. I would like to get into the debate.

Mr. MANSFIELD. I should like to give the acting Republican leader an opportunity to respond, because I have taken up too much of his time.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Wisconsin (Mr. PROXMIRE) is recognized for not to exceed 15 minutes.

Mr. PROXMIRE. Mr. President, I yield 2 of those minutes to the Senator from Michigan.

Mr. GRIFFIN. The problem is that to merely grant the President broad authority to impose wage and price control would be illusory. It might look as though Congress were doing something about inflation but, in fact, it would be doing nothing. Many people could be misled, and attention would be diverted from need for action on the other fronts that would really combat the causes of inflation.

Let me say this: If the Democratic majority really believes a phase II type wage-price control program would be effective, then I believe they ought to legislate it—vote it into effect. And later, when they think it should be terminated, it could be terminated by legislation.

Mr. ROBERT C. BYRD. Would the Senator really vote for it?

Mr. GRIFFIN. No, because I do not think it would work.

Mr. MANSFIELD. Did it not work?

Mr. GRIFFIN. The Democrats have the votes to do it. If they think a 5.5-percent wage ceiling, for example, should be imposed on labor in this country, they ought to do it.

Mr. ROBERT C. BYRD. Along with a ceiling on interest rates?

Mr. GRIFFIN. The Democrats have the votes to do it. At least they ought to try to do it, rather than to merely give the President all this authority and then criticize him for what he does or does not do.

Mr. MANSFIELD. We do not criticize the President. The Senator has criticized the Democrats. We want to work with the President for the common good.

The ACTING PRESIDENT pro tempore. The Senator from Wisconsin is recognized.

Mr. PROXMIRE. Mr. President, I always hesitate to get in bed with the Republicans, but I must say on this occasion I would like to make this bipartisan. I think it is true that a number of Democrats are in favor of continuing controls. However, after due deliberation in the Banking, Housing and Urban Affairs Committee, on a bill that would have provided some limited continuation of controls, five of the nine Democrats voted against continuing controls, and, in substance, against pretty much what was done yesterday at the Democratic caucus. Furthermore, in the House Banking Committee, Democrats voted 11 to 8, against continuing controls.

So this is a bipartisan dispute. It is true that I authored a Senate bill which eventually was amended to include wage and price controls. The House version gave the President authority to institute controls. I was against controls. I was one of four Senators who voted against renewal of control authority in 1971. So I think I have a track record of skepticism with respect to controls.

There is no denial that inflation is our No. 1 problem. It is our No. 1 economic problem, and it is our No. 1 political problem.

The majority leader is exactly right when he points out that we have had an inflation rate of 14.5 percent recently, and that an enormous consumer price inflation may be coming about as a result of the increase in wholesale prices we have already had. But are controls the answer? The truth is that at the time we imposed controls there was an inflation rate of 4.5 percent. After 2½ years of controls, the inflation rate is not 4.5 percent, but 14.5 percent. Does that sound like controls are working? Mr. President, if you hired a manager to hold down the increased costs of your business and 2½ years after you hired him your costs were rising three times as fast, would you hire him again? Of course not. You would fire him and promptly.

This is a food, energy, and Government spending inflation. The Senate has passed legislation to roll back energy prices. The President has ample power to hold down energy prices and will have until March of 1975.

The administration can and should limit any further threats of food inflation by careful management of our exports. It has ample power to do that.

Why should we hand over further power to the President? In what areas? For what useful economic purpose?

We should not ignore the fact that we are facing the biggest peacetime increase in the Federal budget in history, an inflationary increase of $30 billion. President Nixon has just asked for a $5 billion foreign aid program, including $250 million for Egypt.

Any effective anti-inflation program should be cornered on the elimination of unnecessary and wasteful spending on the part of the Federal Government.

Mr. President, I could go on and on with this, but I would like to get into a different subject.

I have been a critic of military spending, but today I would like to speak on what is right about the military, because the military has made a great deal of progress in the last few years.

WHAT IS RIGHT WITH THE FEDERAL GOVERNMENT?—DEFENSE DEPARTMENT MAKES GREAT STRIDES IN INCREASING ITS EFFECTIVENESS

Mr. PROXMIRE. Mr. President, no agency or department of Government has made greater strides in increasing its effectiveness over the past 17 years than the Department of Defense.

I do not say this lightly. The past several weeks I have examined six different major issues facing the American public from the standpoint of assessing what progress we have made in each.

I have made these speeches because of the Watergate syndrome, because of the feeling on the part of many people that there is nothing good on the part of Congress or the executive branch, that the Government is not doing anything right, that the country faces a grim future. I think if we look at the bipartisan progress Congress has made, we get a different picture.

I have talked about advances in education, women's rights, civil rights, health care, and progress in the war on poverty.

When looking at the issue of military security it became clear that the Department of Defense *had so sharply* improved its capabilities that I intend to devote two speeches to this point. In a second speech on Monday I will discuss Defense Department management improvements.

Today I would like to concentrate on the increases in our strategic power.

By any measurement the Department of Defense has undergone an amazing transformation since the last 1950's. For example, in 1957 when I first entered the Senate, there was only one nuclear retaliatory weapon and it was the manned bomber. We were just then converting from the B–36 prop aircraft to the B–52 jet fleet.

The United States had been stunned by Soviet successes in the ICBM field and there was fear that the Soviet bomber fleet was a direct threat to our security. With bombers being our only nuclear deterrent, there was legitimate concern that in any preemptive first strike by the U.S.S.R., much of our population would be wiped out.

Contrast that with our strength a few years later. Since 1957 we have added 1,000 Minuteman missiles and 54 large Titan II ICBM's.

The Minuteman missile has gone through three versions starting with the Minuteman I called the LGM–30A. It originally had the MK–5 warhead but was upgraded to the MK–11 warhead series which had a target capability of two. The follow-on Minuteman II used another improved reentry vehicle which had a greatly increased target capacity and also incorporated a penetration aids package.

In a third modification, the system was changed to the Minuteman III.

The Titan II ICBM was placed in underground silos as opposed to the coffin arrangement of the older missiles. The large throw weight of the Titan missile enabled it to carry the largest warhead in the U.S. missile inventory.

Of course, we had no Polaris submarines in 1957. The first such boat was introduced in 1960. Now we have 41 nuclear-propelled submarines with 656 missiles, most of which are the modern Poseidon type.

It is hard to overestimate the impact of the Polaris program. By combining nuclear propulsion and solid propellant technology, a new deterrent force was added to the strategic equation. By hiding in the depths of the worlds oceans for extended periods of time, the Polaris was and remains the most survivable and effective second strike deterrent force in the world.

In addition, both our land- and sea-based missile deterrents have been dramatically upgraded by the incorporation of MIRV technology which increases the number of warheads as much as 10 times. The Minuteman III Mark–12 MIRV system is thought to have three independently targetable warheads that can strike different targets perhaps up to 100 miles apart. At the present time there are 550 Minuteman III missiles planned out of a total force of 1,000. The remainder are the single warhead reentry systems of the Minuteman II.

The expansion in the number of warheads is even more pronounced in the submarine force. We first deployed the Polaris A–3 multiple warhead system in 1964. Although this system had three warheads per missile, the reentry vehicles were not individually guided. They impacted in a rather tight pattern. The Poseidon missile, however, was a true MIRV. It can carry up to 14 individual warheads or penetration aid packages such as decoys. Thus, with 16 missiles per submarine and as many as 14 warheads per missile, the new Poseidon submarine became the most devastating weapon system in the history of mankind. One Poseidon submarine could destroy all of the major Soviet cities east of the Urals.

As I say, we have 41 submarines with this deadly, overwhelming, devastating impact.

By combining land- and sea-based MIRVs and with the introduction of new bomber warheads, the United States will have about 10,000 nuclear warheads to deliver on any potential aggressor by 1979 or more than enough to destroy any known combination of adversaries several times over. It is an awesome power.

Some experts believe we already have sufficient strategic power to deter nuclear war and they question the wisdom of further expansion of this force. I agree that restraint should be demonstrated by all sides, the United States and the U.S.S.R. Furthermore I have proposed a suggestion for a step-by-step phasedown in strategic arms during the SALT II negotiations that would make allowances for the different technologies on both sides.

Our bomber capabilities also are immeasurably more effective now than in 1957. A standoff capability has been added with the Hound Dog and SRAM missile systems. New low-level penetration techniques have been tested. Previously, our bombers were built for a high-level flight into enemy airspace but when the U.S.S.R. began to emplace thousands of surface-to-air missiles, we reoriented our plans to low-level penetration. The giant B–70 could not adapt to the new strategy and was abandoned. Components for electronic warfare now are far beyond what anyone could have anticipated 15 years ago. They protect our aircraft and assist them in getting through enemy defenses.

Just yesterday, the distinguished chairman of the Armed Services Committee proudly pointed out the fact that the head of the Air Force said we now have the finest air force in the world. I could not agree more. He is exactly right. We should recognize that fact because of our ability to negotiate from strength so that we can end the arms race.

In terms of defensive capability, the only strategic defense the United States had in 1957 was an ineffective system of missile launchers designed for use against manned bombers.

The proposed development of a comprehensive ABM system was the main hope for strategic defense. But completion of the nationwide ABM would have been a costly mistake. The only rational solution to strategic defense was the SALT I agreement with the U.S.S.R. and the administration deserves commendation for taking this step.

It is too often forgotten that SALT I did place limitations on ABM systems such that no strategic defense would be possible. By reinforcing mutual vulnerability, SALT I put a stop to one phase of the arms race even though it did not satisfactorily inhibit offensive developments.

In the late 1950's only three early warning radars were in operation in the Far North. Today we have the over-the-horizon radars in Europe and in the Far East to detect hostile launches. The 474–N radar system is designed to protect against unnoticed attack from submarine-launched missiles and an exotic satellite system is operational. Improvements in warning systems have received little public attention but they have contributed substantially to protecting the Nation.

Our missile sysems have been made more secure from attack by hardening silos against nuclear blast and by increasing the survivability of warheads in flight. Silos have been reinforced to withstand overpressures many times larger than in prior years. The missile warhead has been protected by using new materials of great strength but light weight. The warheads themselves have been made smaller but more powerful thereby increasing the effectiveness of the entire missile system. And accuracy has been upgraded by incorporating technologies that were not even considered possible in the late 1950's.

The subsonic interceptors of the 1950's have given way to supersonic aircraft, primarily the F–101 and F–106. In turn, these aircraft are about to be complemented with the latest F–15's and, hopefully, lightweight fighters.

Those of us who have been in favor of cutting down on military spending have been put in the position of being against a strong military defense. That is completely untrue. We are for a strong military force. We are against waste in the military. We know we can best negotiate arms control and an end to the arms race by negotiating from strength.

Although air defense has been deemphasized in recent years, as I believe it should be, we retain substantial capabilities in this field including work on the OTH–B radar, a new austere SAM–D, and several new interceptors.

Not all of the improvements have come in hardware programs. Our military strategies have been updated and in some cases completely renovated. Massive retaliation is a concept of the past. Flexibility and responsiveness to a broad range of options characterizes the present force structure. There is a current debate about the need for moving to a range of weapon systems with a counterforce capability. This issue aside, flexibility is a vital asset.

Reviewing all the evidence, I can only conclude that no other department of Government can show as much improvement in basic capability nor claim such a dramatic increase in effectiveness. The military is not without its problems, but there can be no argument about the tremendous improvement within the military system the past 17 years. It has taken the wisdom of Congress and the hard work of thousands of Defense Department employees of all ranks but the progress is real and substantial.

I think we can contribute to that progress by continuing to criticize and to point out weaknesses and waste in the military, as I think we must.

Mr. President, I yield the floor.

ALASKAN OIL

The **ACTING PRESIDENT** pro tempore. In accordance with the previous order, the Senator from Alaska (Mr. Stevens) is recognized for not to exceed 15 minutes.

Mr. STEVENS. Mr. President, yesterday my good friend, the distinguished Senator from Indiana (Mr. BAYH), stated that American oil companies are playing a "switcheroo game" with consumers by planning to export Alaskan oil to Japan and other countries.

During my colloquy with Senator BAYH I explained that there is absolutely no intention to sell Alaskan oil to Japan or any other nation.

If any Alaskan oil is sent abroad it would be on an exchange basis. This would allow the Alaskan oil sellers to exchange, and I emphasize the word "exchange"—Alaskan oil for oil that may originate in Indonesia, or some other country. This could be done to save American consumers money, for this exchange could reduce the cost in transporting oil to the east coast thus saving the energy consumer money.

Unfortunately, my good friend Senator BAYH has ignored provisions in the right-of-way law that Congress passed last year, which stated clearly that Alaskan oil cannot be sold to a foreign nation without the consent of Congress on the recommendation of the President. If one reads the right-of-way law, he will also find that included is a provision which permits an exchange of oil if that will permit more expeditious and economical delivery of oil to the United States.

During his floor statement yesterday, Senator BAYH stated that just this past weekend a regional administrator for the Federal Energy Office confirmed his worst fears. Senator BAYH said that—

> Jack Robertson, regional administrator for the area including Alaska, said that we would be exporting Alaskan oil and that much of it probably will be sent to Japan.

Senator BAYH's apparent inference that Mr. Robertson indicated that Alaskan oil would be sold to Japan is not correct. Mr. Robertson subsequently said that his statement was subject to serious misinterpretation.

Mr. President, I ask unanimous consent to have printed in the RECORD Mr. Robertson's subsequent statement, which sets the record straight and states clearly that in no way did Robertson intend his statement to imply that Alaskan oil would be sold by U.S. oil companies to foreign nations.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

SUBSEQUENT STATEMENT OF JACK B. ROBERTSON, REGIONAL ADMINISTRATOR OF THE FEDERAL ENERGY OFFICE

APRIL 22, 1974.

At a Radio and Television News Directors Association meeting in Spokane, Washington, this past Saturday, I gave a talk on Project Independence. In response to a floor question, I speculated that some oil from Alaska may be shipped to Japan.

My thought was that such a shipment could occur if the west coast market or refining capacity was exceeded, and an oil exchange agreement were reached insuring that volumes in kind would be shipped to the United States from other fields.

Unfortunately, such speculation appears to be subject to serious misinterpretation if taken out of the context of national policy. Basic authority on Alaskan oil exports will not be in the hands of the petroleum companies because, by law, Alaskan oil will not under any circumstances be shipped to foreign countries without the express approval of the President, and subject to Congressional review.

Mr. STEVENS. Mr. President, recently, Secretary of the Interior Rogers C. B. Morton also reaffirmed in a recent Associated Press story that Alaska oil would not be sold to foreign nations. I ask unanimous consent that the Associated Press story be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MORTON AND PIPELINE

(By D. Dale Nelson)

WASHINGTON.—Secretary of the Interior Rogers C. B. Morton said today he foresees no export of oil from the Alaska pipeline to Japan or other nations.

"If the oil is needed in the U.S. obviously the oil will go to the U.S." Morton told the House Public Lands Subcommittee.

Rep. John Melcher, D-Mont., subcommittee chairman, asked Morton about a statement by Jack Robertson, Pacific Northwest Regional Administrator of the Federal Energy Office.

Robertson had said Alaskan oil would be exported to Japan and other nations and then returned to the United States through a worldwide series of exchanges.

The bill under which the pipeline is being built prohibits export of the oil unless the President finds that it is not needed in the United States. Congress could override such a finding by the President if it acted within 60 days.

Melcher, whose subcommittee was instrumental in drafting the pipeline bill, brought the subject up during Morton's testimony in support of an unrelated measure which would broaden the authority of the Bureau of Land Management.

"I know you are not responsible for what a Regional Administrator of the FEO says," he told Morton.

"I appreciate that," Morton replied.

Melcher said he had asked John Sawhill, Chief of the Energy Office, for an explanation. Sawhill was not immediately available.

Morton said the exports "would be against the law unless the procedures in the law were followed."

"If it were in the national interest to export to Japan or other countries, I think the export licenses would be granted," he said.

"If there is a big discovery in the Mississippi-Alabama-Florida offshore area and we find the Alaska oil is surplus oil, it might be in the national interest to export it.

"But I don't foresee that. It will probably never come up," Morton said.

Robertson also said that, contrary to previous expectations, the pipeline would operate at nearly its full capacity at the outset.

A spokesman for Alyeska Pipeline Service Corp., the consortium of oil companies formed to build and operate the line, said present plans call for initial operation at 600,000 barrels a day, less than a third of capacity.

The spokesman said Standard Oil Co. of Ohio, one of the affiliated companies, had expressed a hope to double this, but any change would have to be approved by all the companies.

Morton, asked when the pipeline was now expected to be finished, said, "we are aiming at having some oil moving through it before the end of 1977," Rep. Don Young, R-Alaska, said construction is ahead of schedule."

Mr. STEVENS. Finally, Mr. President, Mr. E. L. Patton, president of the Alyeska Pipeline Service Co., said on April 22, that oil from the trans-Alaska pipeline will be shipped to American west coast ports and reiterated that none is scheduled for export. I ask unanimous consent that Mr. Patton's statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

ALYESKA PIPELINE NEWS

BELLEVUE, WASH., April 22, 1974.—E. L. Patton, President of Alyeska Pipeline Service Company, said today that oil from the trans-Alaska pipeline will be shipped to American west coast ports, and reiterated that none is scheduled to be exported. The Trans-Alaska Pipeline Authorization Act stipulated that Alaskan oil will stay in the U.S., unless exports are approved by the President and Congress.

Patton said the company hopes the line will begin transporting oil in 1977, at an initial capacity of 600,000 barrels per day, working up to its ultimate capacity of 2 million barrels per day in the early 1980's.

Current oil industry forecasts indicate that this volume will be required on the west coast, he said. Crude oil production in California is currently running below 1972 and 1973 levels, and is declining.

Mr. STEVENS. Mr. President, I hope that in my remarks this morning I have made it absolutely clear that Alaskan oil will not be sold to any foreign nation, although at some point an exchange of oil in kind might be possible if it saves American consumers money.

Mr. President, I had hoped that the Senator from Indiana would be in the Chamber, but I understand why he cannot be here. However, I again want to clarify the point I tried to make absolutely clear, namely, that Alaskan oil will not be sold to any foreign nations, although at some point, and for a brief period of time after the trans-Alaskan pipeline becomes operative, which will not be for at least 3 or 4 years from now, there will be a surplus of oil on the west coast. At that point an exchange of oil in kind might be possible, and it will save the American consumers money if we make that exchange. The Senator from Indiana apparently believes that in the exchange American consumers end up by paying more for oil, because Alaskan oil is sold below the world price.

Again, I want to clarify for the record that this would be an exchange in kind. We will not be buying foreign oil to replace Alaskan oil.

We will merely be shipping Alaskan oil to foreign destinations and having foreign oil that was originally scheduled to be delivered at the destination of Alaskan oil changed and delivered to the United States. So the total quantity and quality of oil delivered to the United States will be the same, and the dollar transactions will be between Alaskan sellers and U.S. purchasers, and will not involve the purchase of foreign oil.

Finally, I should like to make it very plain why I want to clarify the record on this subject. I have no intention of letting Japan purchase Alaskan oil. As a matter of fact, if I had my way, we would suspend the sale of any Alsaka's resources to Japan, because Japan continues to fish on the high seas for Alaskan salmon. They are the only nation in the world that continues to fish salmon on the high seas. They have ignored us completely in our requests to them to practice good conservation in their fishing for Alaskan salmon.

I do not want the Japanese to get the idea that the Senator from Indiana got by the statement from Mr. Robertson. They might suddenly decide that we changed our mind and decided we would sell them Alaskan oil. I have no intention of permitting them to do so. If anything, I have the intention of trying to pursue a policy of denying Japan Alaskan oil and other resources, so long as they continue this destructive approach of fishing on the high seas.

I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, is there further morning business?

The ACTING PRESIDENT pro tempore. A quorum call is in progress.

Mr. MANSFIELD. I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 5 minutes.

COMMUNICATION FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. Clark) laid before the Senate the following communication, which was referred as indicated:

Proposed Supplemental Appropriation, 1974, for Joint Committee on Judicial Administration, District of Columbia (S. Doc. No. 93–78)

A communication from the President of the United States, transmitting a proposed supplemental appropriation for supplemental funds for the Joint Committee on Judicial Administration in the District of Columbia (with accompanying papers). Referred to the Committee on Appropriations, and ordered to be printed.

CONSUMER PROTECTION AGENCY ACT—REPORT OF A COMMITTEE (S. REPT. NO. 93–792)

Under the authority of the order of the Senate of April 11, 1974, Mr. Magnuson, from the Committee on Commerce today submitted a report on the bill (S. 707) to establish a Council of Consumer Advisers in the Executive Office of the President, to establish an independent Consumer Protection Agency, and to authorize a program of grants, in order to protect and serve the interests of consumers, and for other purposes, together with minority, supplemental, and additional views, which was ordered to be printed.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. HELMS:

S. 3380. A bill for the relief of Chun Keung NG. Referred to the Committee on the Judiciary.

By Mr. BENTSEN:

S. 3381. A bill to amend and extend the Rehabilitation Act of 1973. Referred to the Committee on Labor and Public Welfare.

By Mr. SCHWEIKER:

S. 3382. A bill for the relief of Nelson Montenegro. Referred to the Committee on Finance.

By Mr. McGOVERN:

S. 3383. A bill to amend title 38 of the United States Code in order to provide service pension to certain veterans of World War I and pension to the widows of such veterans. Referred to the Committee on Veterans' Affairs.

By Mr. DOLE:

S. 3384. A bill to amend chapter 34 of title 38, United States Code, to extend the time period within which veterans may be entitled to educational assistance under such chapter after their discharge or release from active duty. Referred to the Committee on Veterans' Affairs.

By Mr. BELLMON:

S. 3385. A bill to amend the Atomic Energy Act of 1954, as amended, to provide for a nuclear power park site survey. Referred to the Joint Committee on Atomic Energy.

By Mr. FONG (for himself, Mr. Beall, Mr. Brock, Mr. Brooke, Mr. Church, Mr. Cook, Mr. Dole, Mr. Domenici, Mr. Eastland, Mr. Fannin, Mr. Gurney, Mr. Hansen, Mr. Inouye, Mr. Moss, Mr. Percy, Mr. Randolph, Mr. Ribicoff, Mr. Stafford, Mr. Thurmond and Mr. Tower):

S. 3386. A bill to amend title II of the Social Security Act to increase the increment in old-age benefits payable to individuals who delay their retirement beyond age 65. Referred to the Committee on Finance.

By Mr. DOLE:

S. 3387. A bill to amend the Emergency Highway Energy Conservation Act in order to change the 55 miles per hour speed limit prescribed therein to 60 miles per hour. Referred to the Committee on Public Works.

By Mr. HUMPHREY (for himself, Mr. McGovern, Mr. Case, Mr. Magnuson, Mr. Kennedy, Mr. Hart, Mr. Cranston, Mr. Jackson, and Mr. Javits):

S. 3388. A bill to amend the Child Nutrition Act of 1966 for the purpose of providing additional Federal financial assistance to the special supplemental food program. Referred to the Committee on Agriculture and Forestry.

By Mr. EAGLETON:

S. 3389. A bill to amend the Act entitled "An act to incorporate the American University," approved February 24, 1893. Referred to the Committee on the District of Columbia.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BENTSEN:

S. 3381. A bill to amend and extend the Rehabilitation Act of 1973. Referred to the Committee on Labor and Public Welfare.

Mr. BENTSEN. Mr. President, I am today introducing an extension of the Vocational Rehabilitation Act for an additional year through fiscal 1976. In addition, my proposal provides for the transfer of the Rehabilitation Services Administration from the Social and Rehabilitation Service to the Office of the Secretary of Health, Education, and Welfare.

For some time, Mr. President, I have been arguing that the States need adequate advance notice of Federal funding in the fields of education, health and aid to the handicapped so that they can more carefully plan their State programs. Too often, States receive Federal funds late in the fiscal year, which disrupts their planning and causes them to spend inefficiently.

Last year, for example, it was August before the States knew what to expect in rehabilitation funds, well into the fiscal year. That is not in the interest of efficient administration nor in the interest of the handicapped people this legislation is intended to serve.

The vocational rehabilitation program has been one of the outstanding programs of Federal-State cooperation through the years. Since its inception some 53 years ago, more than 3 million handicapped persons have been rehabilitated.

My own State of Texas, which has a highly successful program, has doubled its rehabilitants in the last 4 years. Last year, the payroll of these rehabilitated individuals jumped from $15 million to $95 million, a remarkable accomplishment for a single year.

Quite apart from the economic benefits of the program, we must place emphasis on the human considerations.

To a paralyzed structural engineer in Washington, D.C., vocational rehabilitation funds have meant a chance to go back to work, supervising the steel construction of churches, apartments, and schools.

To a fomer mental patient, it has meant productive work as a compressor operator.

To a deaf printer in Iowa, it has meant a job in the composing room of a major newspaper.

And to a businessman paralyzed by polio, it has meant a chance to open his own business in Minnesota, hiring handicapped workers.

These are not isolated instances. They have been repeated in all parts of the country, and they are the reasons why this legislation has enjoyed broad, bipartisan support over the years.

The second part of my bill, which transfers the program from the Social and Rehabilitation Service to the Office of the Secretary of HEW, is long overdue. The rehabilitation program was created to help disabled individuals develop new talents so that they can again participate in our society to their fullest potential.

Clearly, then, a more appropriate home is needed for the program that the Social and Rehabilitation Service, which is composed primarily of welfare programs.

I am hopeful that this provision will be enacted into law along with the 1 year extension. Comparable legislation has been introduced in the House by Congressman BRADEMAS of Indiana and several cosponsors.

Mr. President, in the past, the President has vetoed vocational rehabilitation legislation in an effort to cut Federal spending. I, too, have been concerned about expanding Federal budgets, and I have voted against programs that I considered extravagant.

This is not one of those programs. Vocational rehabilitation is not only compassionate legislation; it is good economics. If we increase the payroll of handicapped persons, more funds flow into the Federal Treasury, and we decrease dependence on public assistance programs, which are frequently counterproductive.

I consider this measure to be one of our highest domestic priorities, and I am hopeful that we can act on it during this session of Congress.

By Mr. McGOVERN:

S. 3383. A bill to amend title 38 of the United States Code in order to provide service pension to certain veterans of World War I and pension to the widows of such veterans. Referred to the Committee on Veterans' Affairs.

WORLD WAR I VETERANS' PENSION

Mr. McGOVERN. Mr. President, the return of millions of young servicemen from Southeast Asia in the past few years has brought the country to a realization of the problems encountered by men and women who set aside personal plans and ambitions to take up their country's cause during a time of conflict overseas.

In the past year, I have attempted to bring the Senate's attention to the readjustment needs of Vietnam veterans. Aided by a history of strong support from the Senate Veterans' Affairs Committee, we have gathered support for substantial increases in GI bill benefits.

One of the strongest arguments used both by myself and by major veterans' organizations is that the current group of young veterans is entitled to the same level of benefits received by those of us who fought in World War II. Given the overwhelming success of the World War II readjustment programs as documented in several studies, it is difficult, if not impossible, to argue with that reasoning.

It is also reasonable to extend that argument to our treatment of the men and women who served during the first worldwide conflict. If we do, we find that World War I veterans have been neglected to a degree that can only cast shame on every other effort this Nation has made to provide some compensation in civilian life for those who have served honorably in the Armed Forces.

There was no Veterans' Administration at the end of World War I to provide for hospital services and job counseling. There was no GI bill that helped pay for the education of young veterans during the 1920's. Until they became eligible for programs of this kind many years later, all they received was severance pay. And when they came to Washington to protest their plight, they were run out of town as a bunch of troublemakers.

It is now the 1970's and the remaining World War I veterans are still waiting for the recognition and the compensation they should have received half a century ago. Most of them are living out their final years on a meager income of social security and a small, income-related veterans' pension. Every time their social security goes up, their pension from the VA goes down. In many cases, they end up with less total income than they had before the social security raise.

I do not feel that is proper treatment for any citizen of the United States and particularly not for our war veterans. I have often said that you can best judge a country by the way it treats its elderly. While we do have many fine programs intended to aid elderly Americans, it is obvious that we have fallen far short of any decent commitment to those who have grown older and wiser as they watched several more conflicts go by while they waited for recognition of their own service to their country.

Mr. President, I introduce for appropriate reference a bill to provide a guaranteed pension for all World War I veterans. It is identical to a bill introduced earlier this year in the House by Congressman FREY. It is simple in its intent and straightforward in meeting the problem of providing a decent income for veterans of the First World War. I ask unanimous consent that the full text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3383

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subchapter II of chapter 15 of title 38, United States Code, is amended by adding immediately after section 512 the following new section:

§ 513. Certain World War I veterans

"(a) For purposes of this section—

"(1) The pension and other benefits provided by this section shall be deemed, for all purposes, to be in payment of the debt owed by the Nation to the beneficiaries thereof for services rendered by them and shall not, for any reason, be considered to be a gratuity.

"(2) The term 'World War I' means the period beginning on April 5, 1917, and ending on July 2, 1921.

"(b) The Administrator shall pay to each veteran who served in the active military, naval, or air service at any time during World War I and who is not eligible for pension under section 521 of this title pension at the rate prescribed by this section.

"(c)(1) If the veteran is married and living with or reasonably contributing to the support of his spouse, or has a child or children, the monthly rate of pension shall be $150.

"(2) If the veteran is unmarried (or married but not living with or reasonably contributing to the support of his spouse) and has no child, the monthly rate of pension shall be $135.

"(d) If the veteran is in need of regular aid and attendance, the monthly rate of pension payable to him under subsection (c) shall be increased by $125.

"(e) If the veteran has a disability by reason of which he is permanently housebound but does not qualify for the aid and attendance rate payable under subsection (d), the monthly rate payable to him under subsection (c) shall be increased by $50.

"(f)(1) Any veteran entitled to pension under this section is entitled to hospital, domiciliary, and medical care under chapter 17 of this title for any non-service-connected disability.

"(2) Notwithstanding any other provision of law, the Administrator shall pay on behalf of any veteran receiving pension under this section the cost of any medical services provided outside of Veterans' Administration facilities to such veteran by any physician if the Administrator finds that travel to and from a Veterans' Administration medical facility for such services would impose a medical or financial hardship on the veteran.

"(g) The pension, medical and hospital benefits, and reimbursement for medical costs provided for by this section shall be paid, or provided, as the case may be, without regard to (1) any income of any kind or from any source payable to the veteran or his spouse, and (2) the corpus of the estate of the veteran or his spouse.

"(h) Any veteran who is eligible for pension under section 521 of this title shall, if he so elects, be paid pension, and provided the other benefits, prescribed by this section. If pension is paid pursuant to such an election, the election shall be irrevocable."

(b) The analysis of such chapter 15 is amended by adding immediately after

"512. Spanish-American War veterans."

the following:

"513. Certain World War I veterans.".

SEC. 2. (a) Subchapter III of chapter 15 of title 38, United States Code, is amended by adding immediately after section 537 the following new section:

"§ 538. Widows of certain World War I veterans

"(a) The Administrator shall pay to the widow of each veteran of World War I who at the time of his death was receiving pension under section 513 of this title pension at the rate prescribed by this section, if the widow is not eligible for widow's pension under any other provision of this subchapter.

"(b)(1) If there is a widow and one or more children, the monthly rate of pension shall be $150.

"(2) If there is no child, the monthly rate of pension shall be $135.

"(c) No pension shall be paid to a widow of a veteran under this section unless she was married to him—

"(1) before December 14, 1944; or

"(2) for one year or more; or

"(3) for any period of time if a child was born of the marriage, or was born to them before the marriage.

"(d) The pension provided by this section shall be paid without regard to (1) any income of any kind or from any source payable to the widow, and (2) the corpus of the estate of the widow.

"(e) Any widow who is eligible for pension under section 541 of this title shall, if she so elects, be paid pension prescribed by this section. If pension is paid pursuant to such an election, the election shall be irrevocable."

(b) The analysis of such subchapter III is amended by inserting immediately after

"537. Children of Spanish-American War Veterans."

the following:

"538. Widows of certain World War I veterans.".

By Mr. DOLE:

S. 3384. A bill to amend chapter 34 of title 38, United States Code, to extend the

time period within which veterans may be entitled to educational assistance under such chapter after their discharge or release from active duty. Referred to the Committee on Veterans' Affairs.

ELIGIBILITY PERIOD FOR GI BILL

Mr. DOLE. Mr. President, the most important issue for a large number of Vietnam veterans presently is the extension of eligilibity for educational benefits. Today I am introducing legislation to extend the eligibility period to 10 years from the 8 years prescribed under existing law.

The importance of this measure has been expressed to me personally by many Vietnam veterans in Kansas. They have stated their concern in meetings I have held with them, in telephone calls, and in numerous letters.

MANY VETS AFFECTED

I have been in contact with veterans' counselors at universities in Kansas on this matter and have been advised that as many as one-third of the veterans attending school in the State will lose eligibility on May 31, 1974, unless the law is changed. The Veterans' Administration indicates that nationwide around 285,000 veterans presently attending school will lose eligibility on May 31. The VA estimates that about 500,000 veterans will lose their in-training status in fiscal year 1975 unless the law is changed.

Mr. President, this is a large number of men, for Kansas and for every other State. I think that with this large number of veterans involved we should act as promptly as possible.

GOOD REASON FOR EXTENSION

The issue of extending eligibility is more complex than it might first appear. On the surface, 8 years is an adequate length of time to obtain an education. However, when the Vietnam-era GI bill was initiated in June of 1966, the assistance rate was set at $100 per month for single veterans. It is somewhat astounding to realize that this level of assistance was $10 per month less than Korea veterans could get 14 years earlier in 1952. So it is not hard to understand why few veterans used their educational benefits.

The low assistance rates during the early years of this GI bill can be attributed only to the reluctance then to admit that the Vietnam conflict was a war. Mr. President, one thing almost everyone can agree on, regardless of their views on our Vietnam involvement, is that the conflict was a war. Men were killed and wounded there, just as in every other war. Vietnam veterans bore the effects of battle just as the veterans of any other war. And Vietnam veterans deserve educational assistance from their country just as much as the veterans of any other era.

ASSISTANCE IMPROVING

It is gratifying to me to see that educational benefits were increased under the current administration by 33 percent in 1970 and by another $45 per month in 1972. These substantial increases finally made it possible for more veterans to attend school who could not afford it during the earlier years.

I want to add at this point that I do not think the present level of assistance is adequate for veterans today. I applaud the efforts of the Veterans' Affairs Committee and other Members of the Senate to increase the level of assistance. I am concerned that an early passage of this bill should not prejudice those efforts.

URGENT NEED

But of immediate importance is that many veterans are already attending school. On May 31, 1974, a large number of them will be forced to stop their training or find other means of financial assistance unless we in the Congress do something very quickly.

The Veterans' Administration tells me that unless the law is changed by May 14, there is likely to be disruption in the education of those veterans who became eligible on June 1, 1966. If Congress passes legislation later than May 14, computers will have to be reprogramed and those veterans who are cut off may have to be recertified by the schools they are attending.

CUTOFF WOULD ADD PROBLEMS

We have heard the many reports that veterans have not received their checks on time and have had other difficulties in getting their GI benefits. I remember the difficulties we had when I was a veteran receiving educational assistance after World War II. It appears that veterans are bound to have difficulties with the bureaucracy, regardless of the administration. Mr. President, we can save several hundred thousand veterans a tremendous inconvenience by passing this legislation promptly. I think we owe them at least this much.

WIDESPREAD SUPPORT

This measure is not controversial and it should be possible for Congress to act quickly. The House of Representatives has already passed a bill extending eligibility from 8 to 10 years. Over half of the Senate has cosponsored legislation which extends the eligibility period to 10 years. Mr. President, this represents a majority and I think the bill could be successfully brought to the floor very soon.

UNEMPLOYMENT RISING

There is yet another reason for moving as quickly as possible on this legislation. Department of Labor statistics show that the unemployment rate for Vietnam veterans increased from 4.2 to 5.1 percent in the first 3 months of this year. Undoubtedly, the loss of eligibility for 285,000 veterans now attending school would substantially increase this unemployment rate, in Kansas and in every other State.

The veterans now attending schools are trying to improve their job skills to better compete in the job market. Without assistance under the GI Bill, it would be impossible for many of these veterans to continue their training. The problem is especially acute since the group of veterans concerned are older, having been discharged from the service before 1966. Many of them now have families and are facing an especially difficult time making ends meet even with VA assistance.

MORE ASSISTANCE NEEDED

So, Mr. President, I want to urge early action on this bill. But I want to underscore again my concern for increasing educational assistance to veterans. I hope that, if the Congress passes this bill, it will not be assumed that this measure is adequate to take care of veterans educational benefits. In my statements before the Veterans' Affairs Committee and before the public, I have expressed my concern that the GI bill should be improved. Senator HARTKE and the Veterans' Affairs Committee are conducting hearings to increase assistance. I support these efforts and hope we will vote on a comprehensive bill to raise educational benefits in the near future.

TIMEFRAME IS CRITICAL

But it is getting very late to extend the eligibility period without causing more problems for veterans. This is why I am introducing this bill and I hope we can take it up very soon.

Mr. President, I urge every Senator to support this measure. The need for it exists in every State and the Congress should be responsive to it without waiting until 285,000 Vietnam veterans are deprived of their rightful benefits.

I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3384

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1662 (a) of title 38, United States Code, is amended to read as follows:

"(a) No educational assistance shall be afforded an eligible veteran under this chapter beyond the date ten years after his last discharge or release from active duty after January 31, 1955.".

By Mr. BELLMON:

S. 3385. A bill to amend the Atomic Energy Act of 1954, as amended, to provide for a nuclear power park site survey. Referred to the Joint Committee on Atomic Energy.

Mr. BELLMON. Mr. President, the Joint Committee on Atomic Energy is currently involved in hearings to facilitate the licensing of badly needed nuclear electric powerplants. Most of us are agreed that a way must be found to reduce the inordinate amount of time it takes—over 10 years in many cases, from planning to operation—to get nuclear reactors on the line. When severe energy shortages loom indefinitely into the future and when there is a continuing threat of Arab oil embargoes, we can ill afford such delays. A better means of licensing, consistent with continuing the safety and environmental safeguards that are built into the present AEC licensing process, must be developed.

Many of the provisions of the bills before the Joint Committee on Atomic Energy involve complex technical and somewhat controversial amendments to the Atomic Energy Act of 1954, as amended, and also involve techniques for equitable balancing of local, State, and Federal interests. However, one provision of one of the bills is so straightforward and clearly in the public interest that I have taken the liberty of excerpting it, with a slight change, and I am introducing it as separate legislation today. I hope the Joint Committee on Atomic Energy will consider reporting this bill separately at an early date or accept it as an amendment to other needed legislation.

This bill provides for a national survey to locate suitable sites for the location of a group of nuclear facilities, such as nuclear powerplants, fuel enrichment or fabrication plants, or energy intensive industries. The bill provides that special attention be given to Federal property, other than national parks, forests, or wilderness areas. In this way, it targets land which may essentially be surplus and which could be put to this better use. Such land exists in the State of Oklahoma on the site of the former Camp Gruber near Muskogee. I would, of course, like to see this area included in the survey.

But more importantly and less parochially, I believe the concept of a site review and environmental statement for several similar facilities at the same location will help immensely to expedite the necessary permits, studies, construction, and operation of these badly needed plants.

Mr. President, the advantages of grouping several similar facilities in one area are many. In this regard, the Chairman of the Atomic Energy Commission, Dr. Dixy Lee Ray, has recently stated:

> I believe . . . that we should cluster nuclear power plants instead of spreading them all over the countryside. In addition, at the same location, we should put fuel fabrication plants, processing plants, and waste-handling equipment. Everything should be at one location.

I believe it is in the national interest for Congress to establish national policy in this area so that nuclear power can more effectively and more quickly be developed to meet the Nation's growing energy needs.

Mr. President, I ask unanimous consent that the full text of this bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3385

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that Chapter 19 of the Atomic Energy Act of 1954, as amended, is amended by inserting after section 274 the following new section:

"Sec. 275. Nuclear power park site survey.—

"a. The Congress finds that it is in the national interest to minimize the environmental impact of nuclear powerplants by locating and designating sites for nuclear power parks in each region of the Nation. Such parks may be the site for locating several nuclear powerplants serving the region in which they are located, and may include nuclear fuel fabricating and reprocessing facilities, and all other facilities required for a complete fuel cycle; as well as provisions and facilities for storage of nuclear wastes.

"b. (1) Congress hereby directs the Atomic Energy Commission to make or cause to be made a national survey to locate and designate at least one nuclear power park site in each of the existing nine electric reliability regions. For purposes of completing this survey the Atomic Energy Commission may collaborate with the Federal Power Commission, regional electric reliability council staff, electric utilities (whatever the nature of ownership), or others as necessary.

"(2) For purposes of this section, the term 'nuclear park site' means a site large enough to support utility operations and other elements of the total fuel cycle.

"c. For purposes of this Act the survey should—

"(1) include a preliminary evaluation of the regional natural resources, such as land availability, air and water resources, environmental and economic impact, and other factors such as area population, proximity to load centers, transmission line rights-of-way, and the availability of other fuel resources; and

"(2) specifically include federally held property, excluding national parks, wilderness areas, forests, and historical monuments.

"d. A report of the results of the survey under this section shall be transmitted to the Congress and made available to the public within one year from date of enactment of this Act.

"e. There is authorized to be appropriated $1,000,000 to conduct the survey under this section."

By Mr. FONG (for himself, Mr. Beall, Mr. Brock, Mr. Brooke, Mr. Church, Mr. Cook, Mr. Dole, Mr. Domenici, Mr. Eastland, Mr. Fannin, Mr. Gurney, Mr. Hansen, Mr. Inouye, Mr. Moss, Mr. Percy, Mr. Randolph, Mr. Ribicoff, Mr. Stafford, Mr. Thurmond, and Mr. Tower):

S. 3386. A bill to amend title II of the Social Security Act to increase the increment in old-age benefits payable to individuals who delay their retirement beyond age 65. Referred to the Committee on Finance.

PROPOSAL TO PROVIDE 6⅔ PERCENT ANNUAL PREMIUM IN SOCIAL SECURITY BENEFITS FOR PERSONS RETIRING AFTER AGE 65

Mr. FONG. Mr. President, on behalf on myself and Mr. Beall, Mr. Brock, Mr. Brooke, Mr. Church, Mr. Cook, Mr. Dole, Mr. Domenici, Mr. Eastland, Mr. Fannin, Mr. Gurney, Mr. Hansen, Mr. Inouye, Mr. Moss, Mr. Percy, Mr. Randolph, Mr. Ribicoff, Mr. Stafford, Mr. Thurmond, and Mr. Tower, I am introducing today a bill, S. 3386, to amend title II of the Social Security Act to increase the increment in old-age benefits payable to individuals who delay their retirement beyond age 65.

Cosponsorship of the bill by Members of both political parties is most gratifying. As ranking minority member of the Senate Special Committee on Aging, whose work has been characterized by a fine bipartisan spirit, I am especially pleased that Senator Church, the committee's chairman, and Senator Randolph, chairman of the Subcommittee on Employment and Retirement Incomes, are among sponsors of this important legislation.

S. 3386 would expand the choices open to older Americans under the social security system by providing that persons choosing to delay retirement will qualify for higher benefits on the same percentage basis as benefits are now reduced for early retirement.

It provides for an increase of 6⅔ percent in benefits for each year between age 65 and 72 that an individual elects to delay his or her receipt of social security retirement benefits. For those who choose to wait until age 72, the minimum increase in benefits will be 46⅔ percent.

Since continued employment after age 65 may also raise the retiree's average monthly wage for social security benefit calculations, the actual improvement in benefits at retirement may be higher than at the 6⅔-percent annual rate. The maximum increment for retirement at 72 could be substantially above 50 percent.

The purpose of our bill is to make the social security system more flexible by giving the retiree more freedom in adapting its provisions to his or her personal problems. He or she will be able to elect the benefit approach which best suits individual need and desire. To maximize the choice the bill provides a benefit increase of five-ninths of 1 percent for each month that an individual chooses to continue employment after 65.

The proposed benefit increment is a first major step in correcting a serious inequity in social security which sharply penalizes the hundreds of thousands of persons who prefer to continue working or must work after age 65. Together with flat dollar liberalization of the earnings test, which now reduces OASDI benefits by 50 percent of earnings over $2,400 a year, S. 3386 moves us toward complete freedom for the individual in his or her choice of time for retirement.

The bill would in no way interfere with or jeopardize the current right of a person to elect early retirement for social security benefit purposes.

As a simple matter of equity, our bill would recognize the principle of flexibility on behalf of those who delay retirement in much the same way as the law now recognizes the right of persons who choose to retire between 62 and 65.

Except for language which would authorize payment of the increased benefits for the month following its enactment, S. 3386 is essentially the same as S. 2815, which I introduced last year with cosponsorship by Senator Tower.

As I said then, my decision to propose a 6⅔-percent annual benefit increment was based on two considerations. The percentage is identical to the reduction for early retirement. As a matter of fiscal and legislative practicality, I believe it is probably the maximum increment percentage now acceptable.

If, instead of our proposal, the Congress were to authorize the full actuarial benefit increase which should be available if we assume full entitlement to social security benefits at age 65, I am informed the annual increment would be 12 percent. While this is a laudable objective, I do not believe we are quite ready to go that far at this time.

I decided to propose the 6⅔-percent increment, because it may take a while to get acceptance of even this amount. Additionally the first year cost to the social security system will be approximately $198 million, about one-half of costs for the actuarially determined 12-percent increment. Long-range average cost, according to the Social Security Administration, would be approximately 0.21 percent of taxable payroll. While the bill as introduced contains no provision for financing, I strongly believe that all additional costs to the social security system should be properly financed from their beginning and would expect the Committee on Finance to incorporate such provisions in the bill before reporting it out for floor action.

Currently those who choose to remain in the work force after 65 are entitled to an annual increment of 1 percent. This provision, enacted in 1972, was welcome, but it does little more than recognize the social security taxes paid atfer 65. It falls far short of real equity. It is relatively ineffective in expanding choices open to older Americans.

It would be my ultimate hope that eventually we would amend the Social Security Act to provide fully equitable consideration for those who decide to continue work after age 65. My proposal offers a beginning, but not necessarily an end.

I have long been disturbed by the high share of social security costs which are now in fact borne by working persons past 65. Older people who work are now actually paying roughly $4 million a year as a hidden subsidy to those drawing benefits.

It is a small wonder that older persons are increasingly unwilling to remain in the work force. This is because the actual return for continuing to work is not enough to impel him or her to continue. Not only does the full time worker lose social security benefits, but he or she also must pay income taxes and social security taxes on earnings. When these are added to expenses incurred in going to the job, often little if any net gain from employment remains for the worker's own use.

The Nation's loss of productivity resulting from waste of skills and experience among older Americans is serious. Even more important is the economic and psychological loss to the individual which comes through disinvolvement from life's mainstream. There is ample evidence that retirement often is accepted most reluctantly because there is little practical choice in terms of economic advantage.

It is time that we counterbalance present incentives in society for early retirement with comparable incentives for later retirement. Without such balance, older Americans are denied full freedom of choice.

Comments from individuals and such distinguished organizations of older people as the American Association of Retired Persons and the National Retired Teachers Association convince me that older Americans—both employed and retired—feel strongly that they should have the right to choose. This demands flexibility in social security along the lines that we now propose.

As a matter of fact, spokesmen for the American Association of Retired Persons and the National Retired Teachers Association at hearings by the Senate Special Committee on Aging were instrumental in encouraging me, through their testimony, to introduce S. 2815 last year. Since its introduction, I have received hundreds of letters from individuals in support of its provisions which are being reintroduced today.

During recent years there has been a great deal of talk about need for a new national policy in aging. Despite some progress, and every step forward is good, we have not yet really come to grips with the challenges in our new era of aging.

Millions of words have been used in thousands of articles and meetings ranging from the White House Conferences of 1961 and 1971 to sessions in our smallest villages. In them all, there has been a call for action to give older Americans full freedom of choice—with honor, dignity, and self-respect. And yet too often our seniors find themselves treated as second-class citizens.

In examinations of need for a new national policy in aging—whether by authorities in medicine, economics, sociology, or other disciplines—one key element in our problem becomes clear. There is need for a new look at retirement practices in this country. We need to reconsider obsession with the numbers game—our pursuit of retirement based solely on artificial chronological rules of age without regard for either actual abilities of older persons to participate in the Nation's productive forces or the desire of many for continued involvement in society's mainstream.

Deliberations by the real experts on aging—older persons themselves—have been no less emphatic about the need for new approaches to the question of retirement. We need to reinstate the principle that choices should be made by the individual in the light of individual abilities and individual desires.

No one would claim that this objective can be achieved through legislation alone. Education about the tremendous productive potential and the will for involvement among older persons may, indeed, be the most important element in solving the problem.

But there are some things that Congress can do. Perhaps most important will be decisions in Federal programs, such as social security, which will offer incentives for continued life-participation by older persons at least equal to current disincentives.

Our bill to provide higher social security benefit increments for those who choose to delay retirement until after 65 in my judgment is an essential step toward this objective. I urge its speedy and favorable consideration by the Congress.

I have previously introduced a bill, S. 2499, to extend job protection of the Age Discrimination Act to persons over 65 as well as those between 40 and 65. It, together with liberalization of the social security earnings test on behalf of those who choose to work part-time, will complement the bill we introduce today. Together they can be instrumental in reinstatement of the rights of older Americans. Among these rights, first and foremost, after life itself, is the right to freedom of choice.

By Mr. DOLE:

S. 3387. A bill to amend the Emergency Highway Energy Conservation Act in order to change the 55 miles per hour speed limit prescribed therein to 60 miles per hour. Referred to the Committee on Public Works.

Mr. DOLE. Mr. President, it has been nearly 4 months now since the enactment of Public Law 93-239, reducing the speed limits on our Nation's highways to 55 miles per hour. During that time, we have had a chance to analyze and evaluate the impact of that initiative to conserve energy, and no one, I think, will question the fact that at least the major objective of the law has been successfully achieved. The lower speed limit has also resulted in a substantial reduction in the number of lives lost on the highways.

It is appropriate now, however, that we review the need for, and intent of, that measure to determine whether it is still timely, and whether certain revisions might not be more desirable for the long term. Based on my conversations with many Kansans over the Easter recess, as well as the correspondence received in my office, I believe modification is both necessary and expedient at this point, and am, therefore, introducing a bill to raise the limit to 60 miles per hour.

Simply stated, my bill will substitute for the present 55 miles per hour speed a prescribed maximum of 60 miles per hour for all vehicles. This adjustment would take effect 60 days after enactment, and would carry with it the provision that States could again use Federal-aid highway funds to change their signs accordingly, although the recent experience has shown that this is not a major item.

It is significant also to point out that in Kansas—and I am certain in most other States as well—this change could be implemented by the Governor or State highway authority without requiring a special session of the legislature.

POSITIVE EFFECTS OF ACT

Mr. President, as I previously suggested, the Emergency Highway Energy Conservation Act has indeed served to reduce the consumption of precious fuel supplies during a period of great crisis in our country. Moreover, there is ample evidence that the lowering of speed limits has had a very favorable secondary effect of saving lives which might otherwise have been lost in high-speed vehicular accidents. However, all this has not come without considerable sacrifice on the part of every citizen, as well as substantial disruption of our patterns of mobility and commerce.

NEGATIVE ASPECTS OF LOWER LIMITS

In restrospect, the speed limit legislation has caused many Americans to curtail their pleasure driving and postpone or suspend planned vacation trips by automobile. A more serious consequence of the act, perhaps, has been the imposition of a serious economic burden on America's trucking industry. As the old adage goes, "Time is money," and the lower speeds and longer traveltimes have meant that truckers are able to make fewer trips per month, covering less mileage, and consequently earning less income—in the face of greatly increased fuel costs.

So clearly, this has been much more than merely the making of substantial time adjustments by those in the trucking industry—and others who must travel great distances in their businesses. For people in States like Kansas—with many miles between cities, between families, and between important personal destinations—the 55-mile-per hour speed limit has resulted in a considerable loss of mobility and interaction in their daily lives.

AN IMPROVED ENERGY SITUATION

As a result of all our efforts to cope with the acute energy situation, we have "turned the corner" in the matter, and are now in a position to view what was formerly labeled a "crisis" as more of a "problem." This is not to say that we are "out of the woods" by any means, but that we are better able to look ahead now with cautious optimism.

THE IMMEDIATE OUTLOOK

The time has come, then, to reevaluate the evidence and weigh the merits of our earlier action, applying the findings to the immediate future to determine whether some new measures might be in order. And it is my firm belief that such an assessment of the situation ahead does demonstrate the need for a slight change to soften the burden that the 55 miles per hour limit has imposed on important segments of our society and our economy.

FACTORS FOR CONSIDERATION

Not least among the factors for consideration is the decisionmaking process going on in thousands of homes across the country right now regarding the feasibility of a summer vacation trip in the family automobile. While the availability of gasoline for tourism no longer appears to be of primary concern, the question of the extra time required for a long-distance trip is one which many are listing as a negative feature of following through on proposed traveling.

I believe just the psychological boost of an additional 5 miles per hour will be most important in encouraging families to go ahead with their plans. For the great majority of people consider 60 miles per hour to be a more natural and satisfactory speed to travel. They would be able to accept it, I think, in a way that they cannot the present 55 miles per hour limit.

A second major item of concern over the weeks and months ahead has to do with rumors of the threatened renewal of a strike by the trucking industry. Proponents of such a move still argue—and perhaps with some foundation—that they cannot operate their rigs economically and efficiently at the established speed restriction. They further submit that the fuel which they would actually save by being permitted to go 60 would more than offset any amounts lost by all passenger car motorists combined at that speed.

The Nation—and particularly the cattle industry, which is "fighting for survival" right now—cannot afford to undergo a repeat of the previous strike ordeal, and surely, our action to increase the speed limit to 60 miles per hour would be worthwhile if for no other reason than its helping to avert another truck strike.

TIME FOR ACTION

Mr. President, section 2 of the Emergency Highway Energy Conservation Act is not set to expire until June 30, 1975, or until the President declares that there is no longer a fuel shortage. I do not feel that it is advisable to wait that long without reviewing our energy situation, and strongly advocate that we begin immediately to take an incremental approach to the return to "normalcy".

I believe that the circumstances are ripe now for a modified stance on this issue; that we can take timely action to change our speed limits, in keeping with the change in our energy situation; and that this can be done without any noticeable sacrifice in the savings of fuel and lives realized at the present standard.

In short, by moving to enact a 60 mile per hour speed limit today, we can accomplish the most desirable of all legislative goals: that of stimulating a more attractive and acceptable guideline without compromising a recognized need for reasonable and responsible efforts to conserve fuel.

The moment to act is now, and I urge early consideration of my proposal.

Mr. President, I ask unanimous consent to have the bill printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3387

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Emergency Highway Energy Conservation Act is amended by inserting at the end thereof a new subsection as follows:

"(g) Notwithstanding the provisions of subsection (b), after the sixtieth day after the date of enactment of this subsection, the Secretary of Transportation shall not approve any project under section 106 of title 23 of the United States Code in any State which has (1) a maximum speed limit on any public highway within its jurisdiction in excess of 60 miles per hour, and (2) a speed limit for all types of motor vehicles other than 60 miles per hour on any portion of any public highway within its jurisdiction of four or more traffic lanes, the opposing lanes of which are physically separated by means other than striping, which portion of highway had a speed limit for all types of motor vehicles of 60 miles, or more, per hour on November 1, 1973, and (3) a speed limit on any other portion of a public highway within its jurisdiction which is not uniformly applicable to all types of motor vehicles using such portion of highway, if on November 1, 1973, such portion of highway had a speed limit which was uniformly applicable to all types of motor vehicles using it. A lower speed limit may be established for any vehicle operating under a special permit because of any weight or dimension of such vehicle, including any load thereon. Clauses (2) and (3) of this section shall not apply to any portion of a highway during such time that the condition of the highway, weather, an accident, or other condition creates a temporary hazard to the safety of traffic on such portion of a highway."

Sec. 2. Subsection (d) of section 2 of the Emergency Highway Energy Conservation Act is amended by striking out "reduction in speed limits to conserve fuel" and inserting in lieu thereof "change in speed limits pursuant to this section".

By Mr. HUMPHREY (for himself, Mr. McGovern, Mr. Case, Mr. Magnuson, Mr. Kennedy, Mr. Hart, Mr. Cranston, Mr. Jackson, and Mr. Javits):

S. 3388. A bill to amend the Child Nutrition Act of 1966 for the purpose of providing additional Federal financial assistance to the special supplemental food program. Referred to the Committee on Agriculture and Forestry.

FOOD PROGRAM FOR WOMEN AND INFANTS MUST BE MAINTAINED

Mr. HUMPHREY. Mr. President, today I am introducing, with the distinguished chairman of the Senate Select Committee on Nutrition and Human Needs, Senator McGovern, and others, legislation designed to preserve the special supplemental food program.

This program, which has come to be known as the WIC (women, infants, and children) program is designed to supply high-protein diet supplements to low-income women and infants.

The idea behind the legislation is to feed people during their most vulnerable period of growth, in order to use good nutrition as preventive medicine. I firmly believe that this approach is more medically effective than programs designed for use later in life. I also believe it is much less costly to the taxpayer when done during this period.

There is no doubt in my mind as to the need for this program. Similar pilot projects have shown a marked decrease in infant and maternal mortality when diets are supplemented, and a sharp increase in infant height and weight.

At last, we have a nationwide WIC program underway designed both to feed people and test the results. But unless this legislation is passed, the program will suffer, and diminish so drastically in scope that the initial expense will have been wasted.

The WIC program will spend in less than 6 months of fiscal year 1974, its entire appropriation of $40 million. However, presently there are authorized only $40 million for all of fiscal year 1975. This situation arose out of impoundment of funds for the Department of Agriculture.

Unless the fiscal year 1975 budget is annualized on a 12-month basis, only two things can happen: The programs will run out of money in mid-1975, disrupting entirely the medical study and disappointing millions of participants, or the programs will be allowed to continue, with over half of the participants summarily cut off, before any meaningful benefit could be derived from the program, and also rendering the medical study worthless.

Our bill merely sustains the program, during fiscal year 1975, at its 1974 level of participation. It does not increase participation. The bill also provides for inclusion of many programs that were eligible in every regard for grants in 1974, but were turned down for lack of funds.

I think the future will prove the WIC program to be one of our most valuable, and my guess is it will expand greatly. However, this year I think it important simply to give it a chance, to see that participation levels are maintained, and that the medical study be allowed to continue uninterrupted.

Mr. President, I ask unanimous consent that the text of my bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3388

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Special Supplemental Food Program Amendment of 1974."

SPECIAL SUPPLEMENTAL FOOD PROGRAM

SEC. 2. The third sentence of Section 17(b) of the Child Nutrition Act of 1966 is amended by striking out the sum "$40,000,000" each time it appears, and inserting in lieu the following sum: "$131,000,000."

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 411

At the request of Mr. MCGEE, the Senator from Texas (Mr. BENTSEN) was added as a cosponsor of S. 411, to amend title 39, United States Code, relating to the Postal Service, and for other purposes.

S. 1336

At the request of Mr. HARTKE, the Senator from Connecticut (Mr. RIBICOFF) was added as a cosponsor of S. 1336, a bill to amend the military retirement computation system.

S. 3235

At the request of Mr. GRIFFIN, for Mr. YOUNG, the Senator from Wyoming (Mr. MCGEE) the Senator from Arizona (Mr. FANNIN), and the Senator from North Dakota (Mr. BURDICK) were added as cosponsors of S. 3235, to amend the Food Stamp Act of 1964 to provide for the administration of food stamp programs on Indian reservations, and for other purposes.

SENATE JOINT RESOLUTION 202

At the request of Mr. GRIFFIN, the Senator from New Mexico (Mr. DOMENICI) was added as a cosponsor of Senate Joint Resolution 202, designating the premises occupied by the Chief of Naval Operations as the official residence of the Vice President, effective upon the termination of the service of the incumbent Chief of Naval Operations.

SENATE RESOLUTION 312—ORIGINAL RESOLUTION REPORTED AUTHORIZING ADDITIONAL EXPENDITURES BY THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS FOR ROUTINE PURPOSES

(Referred to the Committee on Rules and Administration.)

Mr. JACKSON, from the Committee on Interior and Insular Affairs reported the following resolution:

S. RES. 312

Resolved, That the Committee on Interior and Insular Affairs is authorized to expend from the contingent fund of the Senate, during the Ninety-third Congress, $25,000 in addition to the amount, and for the same purposes, specified in section 134(a) of the Legislative Reorganization Act of 1946, and in S. Res. 96, agreed to May 10, 1973, S. Res. 137, agreed to July 20, 1973, and S. Res. 178, agreed to October 23, 1973.

EMPLOYEE STRIKE VOTE ACT OF 1974—AMENDMENT

AMENDMENT NO. 1218

(Ordered to be printed, and to lie on the table.)

Mr. CURTIS submitted an amendment, intended to be proposed by him, to the bill (S. 3203) to amend the National Labor Relations Act to extend its coverage and protection to employees of nonprofit hospitals, and for other purposes.

AMENDMENT OF ARMS CONTROL AND DISARMAMENT ACT—AMENDMENT

AMENDMENT NO. 1219

(Ordered to be printed, and referred to the Committee on Foreign Relations.)

Mr. NELSON submitted an amendment, intended to be proposed by him, to the bill (H.R. 12799) to amend the Arms Control and Disarmament Act, as amended, in order to extend the authorization for appropriations, and for other purposes.

NOTICE OF HEARINGS BEFORE THE INTERIOR AND INSULAR AFFAIRS COMMITTEE

Mr. JACKSON. Mr. President, I wish to announce for the information of the Senate and the public that an open public hearing has been scheduled by the Interior Committee on June 26, 1974, at 10 a.m. in room 3110 Dirksen Senate Office Building to examine the interpretation and administration of Public Law 92–195, the Wild Free Roaming Horse and Burro Protection Act by the responsible Federal agencies charged with enforcement and actions under the act.

As you will recall, Public Law 92–195 included a provision for a report to the Congress by the Department of the Interior and the Department of Agriculture at the expiration of 30 months after the act became law. The date for submission of the report to the Congress is June 15, 1974. The proposed hearing will examine the report as well as agency activities.

Many Members of the Senate are aware that allegations have been raised by citizens over the administration, or lack thereof, of this act. It is the hope of the committee to find out what the facts are with respect to incidents which have been so widely reported.

ADDITIONAL STATEMENTS

DR. RIDDICK PUBLISHES NEW EDITION ON SENATE PROCEDURE

Mr. ROBERT C. BYRD. Mr. President, I wish to call attention to the publishing of a new book on Senate procedure, by the eminent parliamentarian of the Senate, Dr. Floyd M. Riddick. The new publication will supplant the previous book on Senate procedure which was authored in 1964 by the late Charles M. Watkins, Senate Parliamentarian, and the then Assistant Parliamentarian, Floyd Riddick.

I welcome the appearance of the 1974 publication, which brings the Senate procedures up to date, and I congratulate Dr. Riddick on his action in preparing the new edition. The book is copyrighted by Dr. Riddick in accordance with Public Law 386, 92d Congress, which authorized the printing and binding of the new edition.

I call special attention to the "appendix," in which Dr. Riddick has provided Senators with various examples of the proper forms of motions commonly used in the day-to-day work of the Senate. These examples should be very helpful to all Senators.

The Senate is a unique body among the parliamentary bodies the world over. It is unique by virtue of its place in our constitutional system. It is also unique by virtue of its rules and precedents that have come down to us through years of experience, some of the rules having been retained to this day in almost the form in which they were originally adopted when the Senate first convened in 1789. Although the standing rules are few in number, the precedents are voluminous, and it is important that they be preserved and adhered to. Consequently, the importance of updating the book on Senate procedure, including, as it does now, the precedents that have accumulated subsequent to the last previous publication 10 years ago, is readily apparent. I know that I express, on behalf of all Senators, the gratitude of the Senate to Dr. Riddick for the long hours and persevering efforts which have made the new edition possible.

COMMENCEMENT ADDRESS BY JAMES E. DAVIS

Mr. TALMADGE. Mr. President, we are entering the commencement season, when young people all across the United States will be graduating from high school and college. This, of course, is an important time in their lives, far more important, I fear, than they realize.

Traditionally, commencement addresses are the order of the day. There recently came to my attention an address delivered at commencement exercises on April 21, 1974, at Jacksonville, Fla., University by James E. Davis, chairman of the board of Winn-Dixie Stores, Inc., that is certainly one of the most impressive I have ever seen.

Outlining qualities and attributes required for success in the tough, competitive world in which we live, Mr. Davis delivered an eloquent and forceful address, in straightforward and honest terms. Mr. Davis is a businessman and I share his respect for the free enterprise system. His observations, however, apply not only to success in the business world, but also to a happy and productive life, regardless of profession or calling in life.

Mr. President, I bring this address to the attention of the Senate, and ask unanimous consent that it be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

[Commencement Exercises, Jacksonville (Fla.) University, Apr. 21, 1974]

If You Want To Be a Millionaire

(By James E. Davis)

I have allotted myself 21 minutes to make you a millionaire—if I can't do it in that time, you may just have to be happy and poor. In these days when the government endeavors to legislate equality through minimum incomes, regardless of productivity or demonstrated ability, we must assume that you buy the theory that what made the U.S. the greatest nation in the world is an inherent desire of individuals to be "unequal"—to excel others and not depend upon the government. It is important that Jacksonville University produce a new generation of millionaires to take the place of those who have been so generous in the past—the Swishers, the Phillips, Alex Brest, the Wolfsons, the Howards, the Goodings and several others who have been the financial underpinnings of this institution. You, the graduating class, are that generation.

I believe in daydreaming. A dream of what you want to be at 45 or 50 years of age is essential to motivate you. A dream so strong it becomes a plan. For the purpose of my talk, I have assumed your dream may be to become a millionaire. I've looked back over 66 years to try to identify the characteristics and attitudes that I think will help you.

First of all, let me say that it is a highly competitive world and it won't be easy. I went to the Produce Market in Miami at 2:30 a.m. for years and finished taking my telephone orders at 9:00 p.m. each night. If you don't enjoy long hours and hard work and if you can't select a vocation you can eat, drink and sleep, you probably won't make it and neither will your spouse unless he or she is sympathetic and understanding.

Believe me, life is uncertain at best—each of us is just a heartbeat away from eternity. Failure and loss of life stalks us always. Fear is a very essential element of success. My background is in perishable foods where fear is the secret of success. Fear the market will go down—fear you will neglect some detail and your merchandise will be garbage tomorrow. You will soon learn my version of Murphy's Law—Anything bad that can happen will happen. Think it through in detail and take steps to prevent catastrophe and minimize damage. Always have an alternate airport in mind for bad weather. You must take big risks to make it big—but you must run a very scared race. Where there is no chance for failure, there isn't much chance for success. Risk is just another way of saying opportunity.

The greatest design for becoming a millionaire I have ever seen was written by Mr. Eli Witt of Tampa, the Hav-A-Tampa cigar man. Mr. Witt was an invalid, bedridden for many years, but he built a great tobacco and cigarette business. Through his influence from his sick bed atop the old Tampa Terrace Hotel, he held the cigarette tax off in Florida for many years. He summed up his philosophy in two paragraphs which he called "Design for Success." I quote:

"I say to any person, whether he is able or disabled, that if he expects to make a success through government paternalism, he is doomed to disappointment. First, the person must decide definitely and quickly what business he wishes to follow. Then forgetting obstacles and ailments he must apply his mind to learning every detail of that business, in and out, backward and forward. He must not let his love of golf, or tennis, or card playing or gambling, or even his wife, take his eyes from his objective. He must devote day and night to the task of finding out what makes his business tick or what is needed to make it grow.

"In so applying himself, the person with physical handicaps will not have time for worrying or fretting about his lot. He will become so engrossed that the handicaps will be forgotten. I have found it so and I have been happy."

I recommend Mr. Witt's "Design for Success" to you!

Too many Americans in recent years have concluded "We've got it made—no use to worry." The truth is—you must be hungry—that's a basic characteristic you must have for success! If you can't be dedicated to producing a better product or service at a lower price, you aren't going to be even a part millionaire. Most humans produce better under stress—not under affluence. This means that if you are poor now, you may have a better chance of becoming a millionaire than the guy who is already one—and has ceased to be motivated—has to remain a millionaire. Productivity is the name of the game and the Japanese are breathing down our necks in an effort to replace the U.S. as the top economic producers in the world today. We cannot cure poverty with money—only productivity cures poverty and not some scheme to pay people who do not produce. The government cannot give anyone anything it doesn't take away from someone else! Whenever one person gets something without earning it, some other person has to earn something without getting it. Try this on yourself and see where it leads to!

A business is known by the people it keeps. The people who get ahead are those who do more than is necessary and keep on doing it.

Whenever you go out to get a job, remember—you never get a second chance to make a good first impression! You may never see the man who hires you again. A lot hinges on his first impression of you. He might not hire you. If 20% of the people associate beards and long hair with hippies and violence, don't run the risk of making a poor first impression. A $1.50 haircut could be parlayed into a million dollars. In our business, we find that if we satisfy the cranky customer, we don't have to worry about the rest. A cranky customer may be a "square", but she is our customer and we intend to keep her.

Of course, the easiest way to become a millionaire is to strike oil, gold or marry money, but assuming you don't do any of these, let's talk about necessary personal traits you should develop.

At the top of the list is character—let's define character as something in your brain or heart that controls what you do when absolutely no one will ever know if you do wrong. It is a trait of personality your wife or husband and your banker will recognize and respect—especially if the banker loans you money. You will have to hire some money in your lifetime if you become a millionaire—and you will have to pay it back. We mentioned that you must take some risks and being able to borrow capital is one of the essential risks.

You must develop good judgment. It has been said that good judgment comes from exercising poor judgment and not making the same mistake twice. Judgment seems to be the ability to make use of experience—and few of us seem to be born with that faculty. We must acquire it. Don't rationalize your mistakes—analyze them coldly and profit by them. Competitors are really good for you in one area—they call painful attention to your mistakes. I believe you will find an important facet of judgment to be the ability to negotiate amiably. Trade hard—but not offensively. Judgment of what a buyer will pay in a sale is very important.

A most desirable characteristic is the ability to handle people—our relations with our associates and even our family. In this field, I think tact is a very important attribute. I recently read that a good supervisor is a guy who can step on your toes without messing up your shine. That's tact!

In developing the ability to handle people, I think you will find FAIRNESS is probably the most important ingredient in human relations. Perhaps you have heard the story of the employees chatting one day. One said, "Of course, the boss is mean, but he is fair." The other one said, "What do you mean, he is fair?" The reply was, "Well, he is mean to everyone." That is not the kind of fairness I have in mind when I point out it is important that we have this characteristic. Sincere acts of courtesy are never out of place in any business. I believe you will find a dedicated group is much more productive than one individual, so you must learn to be fair to your associates and work at binding them together, moving toward established goals.

Morale is one of the keystones in any business enterprise. I think it can be best defined as "Faith in the people at the top". You can be a hard boss, and still be liked—but not a nagging boss or a grouchy boss. You must be a boss who stays close enough to his business to know a good job from a poor one—a boss who cuts employees in for some of the "goodies" when it can be done. See that your employees don't refer to you as the "Boss" spelled backwards—double SOB! Encouragement is the all-important ingredient in any enterprise—without encouragement, we wither away and die financially and physically. Don't be afraid to dish out liberal doses of encouragement.

Most important, you can't be a millionaire unless you are a dedicated capitalist, and learn to handle money. Remember, you can't be a millionaire without making and saving $10,000 first—you crawl before you walk, and so long as you progress every year, that millionaire glint will stay in your eye. To become a capitalist is simple—just maintain the income over the outgo. This is a concept many educational institutions seem to neglect. If we spend more money than we make every week, we are going to be laborers and not capitalists, regardless of education, intelligence or high station. Hire money when you can use it at a profit—never borrow money to live on. Cut your spending or up your earnings. If you can't do this, you will never be a millionaire. If you don't have a financial plan, make it right now. If it involves making good money, take a little bookkeeping so you can understand your own finances, read a financial statement and balance your own checkbook. One year of accounting probably should be a required course for all college graduates if they are going to have a moderately high income.

Your biggest hurdle in business is to get all the factors together and organize them so you can pay the bills out of the receipts. I think I could run almost any business if somebody would pay the bills. This everlasting problem spoils many business enterprises. Most of the downgrading of business is being done by those who can't do this—do not understand the skill required and turn their envious scorn on those who can do it. Our government for many years has been a classic example of inability to pay the bills out of the receipts—and they mess up any business wherever they get their finger in the pie and eliminate competitive ingenuity.

An important tool of success is keeping your education up to date by reading. The accelerated pace of today's living makes it even more vital. Even with an earned Ph.D. degree, you can be very uneducated within five years. There is no terminal degree in education—it goes on for your entire life. I have assumed that you have found that education comes largely from the written word. Books are an effort by those who went before us to give us the benefit of knowledge, research and experience. The intent was to make it so you would not have to make the same mistakes in a trial and error effort at solving problems. Socrates said, "Employ your time in improving yourself by other men's writings, so that you shall easily come by what others have labored for". Karl Marx said, "History is economics in action—the contest among individuals, groups, classes and states for food, fuel, materials and economic power." Even Communists have a yen for economic powers. Remember, also, that a memory for figures, names and faces in your business is very important.

You must be an innovator—be on a constant search for better ways to do things. To be an innovator, you must be aggressive, tough minded and persistent. If you are a 3.5 student or better and you got that way by writing long-winded dissertations, shake the habit right now. The habit will lead to what we call the "3-page letter complex"—putting on three pages what should go in one paragraph. The ability to make a logical, concise presentation in writing is a "must"—it may be your only approach to a superior who must be made conscious of your abilities. Ability to cut through fluff and verbiage to get at the crux of a problem is precious—if you have it, cultivate it for it could make you a millionaire. Time is the most precious thing in the world—you must have the ability to make use of it efficiently. Another bad phase of the education problem is the "big word syndrome". When I hear a fellow on television start off with a lot of words that I have to look up, I wonder if he is really informing me or just trying to impress me or maybe make me feel stupid. You don't make progress with your associates by making them feel stupid.

The recent elimination of the grain surpluses in the United States may presage a worldwide famine. There are 75 million new mouths in the world to feed every year. Wheat, rice and corn are the staples of the world's diet and tell the tale in the food business. Available grain lands are relatively static compared to the expanding need.

Food production is probably the growth industry of the 70's. I don't believe burdensome, long-term food surpluses will ever exist again in our lives. Basic food production will be much more rewarding than in the past. There is as much dignity in tilling the soil, animal husbandry and forestry as there is in science, music or poetry. If this is not recognized by educated people, we may soon go hungry. If there is a crop failure in Russia, China, Australia, Argentina or the United States, we may find millions of people will starve. Don't overlook forestry, agriculture or food distribution in selecting your vocation.

I don't have to tell you that this is the age of the "goof off"—the era of the half-done job. The Winn-Dixie cashier who doesn't thank you—the mechanic who does not fix your car—the executive whose mind is on the golf course—even students who want crip courses. Tremendous opportunities exist to do jobs right and satisfied customers will flock to your door if you can do them better than your competition.

Let me remind you of some new and old-fashioned ideas in simple language that you need to adopt as a policy:

1. Honesty is not only the best policy—it is the only one for success in life. Don't give your word carelessly, but if you do, keep it. Keep appointments—be dependable—be on time.

2. A fair day's work for a day's pay and fair pay for a day's work. I've heard that the great inventor, Thomas A. Edison, said, "Genius is 1% inspiration and 99% perspiration".

3. The most dangerous drug of our times is not a hard drug, but a drug called "SFN"—something for nothing. Don't get addicted to it, or you will never be a millionaire.

4. There is no such thing as it can't be done—problems are unsolved opportunities. Someone is going to solve great problems and be liberally rewarded.

5. The "I will" is worth more than the "IQ", but together they are unbeatable. Real motivation to get results will make life interesting.

I have often wondered why some of the millionaires I know were not "A" students—some didn't even finish college, but were highly motivated and tenacious. Proper education undoubtedly would have made it much easier—you have this great advantage. If you desire to become a millionaire, don't have many sidelines—you have a full time job ahead of you.

Now if you aren't the aggressive type, if your plans do not seem to work out, but your health is good and you can digest anything you want to eat, don't be downhearted. A lot of millionaires can't digest their food and would give all they have to have good health. Sometimes success brings indigestion and nerves anyhow, so just be happy. There are counterbalancing things even in success. I think there is wealth in things other than dollars. To be a really good teacher, minister or doctor borders on the divine. My third grade teacher inspired me to believe in myself—I've idolized her since—I still keep in touch. She is 84 years old and a Winn-Dixie stockholder. The satisfaction from this type of life work must be overwhelming.

Each person in the world, no matter how humble, has a sphere of influence—real success consists of expanding that sphere of influence constructively each day.

Let me close by pointing out that opportunity for college graduates has never been greater—more people can afford more goods and services than ever before in history—all signals are A-OK—GO for the Jacksonville University Graduating Class of April 21, 1974. You can be a millionaire—don't tell me it can't be done—I've seen it done. I made a similar talk amongst 20 years ago and I wondered if it was wasted effort. Two years later, a man came to me and said, "I liked your talk—we think alike. My boss and principal stockholder has just died and I need a new boss and owner". I told him I did not want to be his boss, but if he could manage to become as good an expense man as he was a salesman, I'd show him how to buy the company and I would make an investment with him. He is now several times a millionaire and I am a satisfied stockholder.

In the parlance of the grocery business, there are 57 rules for success—the first one is to do a good job. Don't worry about the other 56!

THE OIL INDUSTRY

Mr. FANNIN. Mr. President, in the midst of the emotionalism and demagoguery arising from the crisis, there are some voices of reason.

Yesterday I had reprinted in the Record an excellent editorial from the Arizona Republic which puts the issue of oil industry profits into proper perspective.

Today I would like to have reprinted three commentaries delivered by Robert F. Hurleigh on the Mutual Broadcasting System. Mr. Hurleigh has examined the facts and warns about the very dangerous witch-hunt that is being carried on. Politicians through irresponsible statements and proposals are causing great damage to the very industry which must get us out of the energy crisis, if we are to get out of it at all.

Mr. President, I ask unanimous consent that the three commentaries which Mr. Hurleigh made on April 12, 15, and 17 be printed in the Record.

There being no objection, the commentaries were ordered to be printed in the Record, as follows:

Commentary No. 1

During the oil crisis of the past several months the public has been bombarded with extravagant charges, and a certain amount of demagoguery, aimed at making the oil companies the scapegoats. The anger of the American motorist, waiting in long lines for a few gallons of gas, was fanned every day by new accusations by politicians, many deeply concerned and anxious to escape the voters' wrath by pointing the finger of blame at the oil industry. And when the fourth quarter and annual reports of the profits of oil companies were published in January the screeching reached a deafening crescendo. Indeed, the oil companies—taken as a group of some 30 of various size—had a pre-tax income 54 per cent higher than the year before. So there stood the oil companies: big fat cats. I'm sure many political cartoonists had a field day resurrecting that old picture of a bloated tycoon—diamond stickpin, thousand dollar bills bulging from every pocket and with his arm around a burnoosed Arab sheik. Certainly, a 54 per cent increase in pre-tax income for 1973 over 1972 was remarkable and demanded examination. But all we got was a superficial examination and what has come very close to being a very dangerous witch-hunt.

This reporter has been around a long, long time and has learned that the American people are basically fair-minded, and though their attitudes may, for a while, be preset by inflammatory charges and constant repetition, they are not dumb—as Mr. Lincoln decided many years ago. Because the hostility of a few months ago may be dissipating, perhaps we can clear our minds enough to take a look at the other side of the coin, for this is what any fair-minded person will want to do. And in so doing, we should note that some of the very newspapers and television companies whose reporters were quick to take the meat axe to the oil industry had a greater profitability in 1973 than most of these oil companies. So if we wanted to talk about "unconscionable" profits, we should in all fairness recognize such facts. And there is an urgent need to understand the underlying factors responsible for the unusual level of earnings experienced by oil companies in 1973. In 1972, more than half of the over-all profits of the oil companies were earned in the United States, but last year the proportion changed drastically and dropped to only 37 per cent and thus, with this larger, worldwide operation, the largest single effect on profitability came about through devaluation of the dollar—an action of the United States government. Thus, of the total growth in profits, the great bulk—more than 85 per cent—occurred outside the United States. We'll have more facts for your consideration at a later time, but, for now—so goes the world today.

COMMENTARY No. 2

A few months ago we pointed out in one of these commentaries that a Senate Subcommittee on energy problems had presented to the Senate one of the most comprehensive, all-inclusive reports, with recommendations, that had been made to that time. Now, that Subcommittee report was made twenty years ago—and has been gathering dust in the archives of Congress ever since. We have been told by energy experts that this Subcommittee report needs only up-dating to be an effective guide today. Yet, it has remained half-lost and half-forgotten for all these twenty years while several Congressional committees are writhing and wrangling to come forth with energy legislation. As most of us know, the temper of the times is dangerous and some members of Congress seem more anxious to use the energy lag as an issue than to make a thorough, well-reasoned and open-minded assessment of all the abnormal forces which have been at work—especially in 1973 and continuing into this year. Instead of using the oil companies as scapegoats, the Congress and the Administration should be doing a little honest soul-searching, examining its own role in bringing about the energy shortage and to restrain themselves from the impulsive rush to take punitive action simply because they feel that the public, incensed by the personal frustrations and hardships of the oil crisis, is hostile and that the issue is politically attractive. The petroleum industry will have to find twice as much oil between 1970 and 1985 as it did in the preceeding fifteen years. That's how much more oil the world is using every year. The estimated cost of finding that oil and providing the facilities to satisfy this expanding world market will amount to well over a trillion dollars, and in the United States alone, the oil industry must come up with more than a half trillion dollars. This is about four times as much as was spent for the same purposes during the preceeding fifteen years. So here's the trillion dollar question: Where's the money coming from? Well, half of that will have to be borrowed—loans from banks, etcetera. But profits will be needed to pay the other half and to make interest and principal payments on the loans. And no matter all the hullaballoo we've heard about the tremendously high profits of the oil companies in 1973 and probably in 1974's first half, the average annual growth in earnings of the oil companies for the last five years has been no more than twelve percent, and if we're going to expect the oil companies to do the job that must be done, they're going to require a return on their invested capital of 15 percent or better and it's about time that Congress begins to take a meaningful look at the true facts. So goes the world today.

COMMENTARY No. 3

It takes a long time for the truth to catch up with a lie. That's an often used cliche, but it is a truism because it has been proved accurate time and again. It's astonishing that much false information—not necessarily lies, but certainly false and misleading information—is often disseminated only to be proved incorrect at a later date. We have had a considerable amount of false information spread around by people in high places, and misleading information by a gaggle of others, in regards to the oil crisis that the truth is having a hard time catching up. After all the blame heaped on the oil industry for the crisis and its resultant frustrations, we are beginning to get a different story. And yet, the media is not giving the same exposure to these corrective reports as was given to the earlier charges. Take this case in point: During the finger-pointing and blame-casting of a couple of months ago, one of the nastier charges was to the effect that the oil industry was dishonest about its supplies and inventories. Now, buried within the papers and briefly mentioned, if at all, by radio and television, is the report of the Federal Energy Office that the oil companies were telling the truth. The Energy Office has been auditing the oil company refineries, and says the nation's system of monitoring oil imports is as foolproof as any system we have in this country. So here we have the information that the oil industry, after auditing, has been truthful in its reports on refinery operations and imports, yet I am sure that very few of the people who heard the emotionally charged accusations against the oil industry will ever know the truth. But you and I will know, and possibly a handful that reads below the centerfold on inside pages of newspapers. There's another bit of information that has been given almost no exposure over-all about the financial situation of the big oil companies: The stock prices of Exxon, Mobil, Texaco and others are way down—as much as 40 percent off the 1973 highs. Now that should be as much of a surprise to you as it was to me, because we all know these oil companies had soaring profits last year, and will report "embarrassingly high profits" for the first quarter of this year. But isn't it surprising that the people who own these oil companies, through their shares of stock, the share holders, lost money if they bought their stock last year and still hold it. Most financial observers agree that the principal reason for this drop in the stock of the big oil companies is the political uncertainties hanging over the industry in almost every corner of the world, including the United States. As far as this reporter has been able to learn, that information has not been given the attention its importance warrants. So goes the world today.

A TAX CUT NOW WOULD BE A STUPID AND FOOLISH ECONOMIC POLICY

Mr. PROXMIRE. Mr. President, a tax cut now would be a tragic and foolish economic policy. Inflation is here. It is rampaging. It will probably get worse. This is the worst of all times to stimulate the economy through either a tax cut or a big increase in spending.

As vice chairman of the Congressional Joint Economic Committee, I have listended to the administration and private economic experts on this subject.

While it is true that the economy is suffering from both inflation and a falling off of the GNP at the same time, inflation is rampaging while a recession is not yet here. The record of economists in predicting the economic future ranges from poor to terrible. We should, therefore, concentrate on the clear and visible and certain problem, that is the virtually unprecedented rise in prices and the overwhelming evidence that it will continue to get worse. And it will get worse for the following reasons.

INFLATION WILL GET WORSE

Food prices, even with record crops, are estimated to go up by 12 percent this year. If there is a crop failure anywhere, that will be an appalling underestimate.

Since 1971 wages have been controlled while prices have gone through the roof. Labor will no longer be content with an average annual increase of 5.5 percent but will be shooting for at least 10 to 12 percent merely to cover increased prices and productivity.

When controls come to an end this month there will be a price increase bubble on top of a price increase bubble. A number of union contracts have automatic escalation clauses. Industries controlled in the past will raise prices.

Gasoline prices will continue to rise, according to the head of the Federal Energy Office, Mr. Sawhill. And food and gasoline make up about half of the inflationary thrust.

For all these reasons a tax cut now would merely add fuel to the inflationary thrust.

For all these reasons a tax cut now would merely add fuel to the inflationary fire.

BAD PUBLIC POLICY

It is bad public policy. It is badly timed. I intend to fight it on the Senate floor.

There are numerous policies the administration and Congress could follow both to reduce inflationary pressures and to halt the slowdown in the economy.

There should be spending cuts in the most inflationary areas, particularly for defense spending, public works, and highways.

Meanwhile, a part of these cuts should be used to provide public service jobs and to stimulate housing where relatively small outlays produce very big economic gains in both jobs and production. Further, the administration should mount a strong effort against the high price of old and new domestic oil as well as a food program to make certain the American consumer stands at the front of the food line instead of bringing up the rear.

The present situation of "Sta-flation" demands a subtle and sophisticated set of economic policies.

The blunderbuss of either a net tax cut—one not offset either by spending cuts or loophole closing—or a big increase in spending would promote economic disaster at this time.

A tax cut now is foolish policy. It should be defeated.

ADDRESS TO THE UNITED NATIONS SPECIAL SESSION BY THE PAKISTAN MINISTER OF FINANCE, PLANNING. AND DEVELOPMENT

Mr. ABOUREZK. Mr. President, the recent special session of the United Nations General Assembly is perhaps one of the most important meetings that has taken place in the history of the United Nations.

It is the first time that small nations

have sat down with large and powerful nations on more or less equal terms.

Those of us who have been accustomed to dictating terms to smaller and less powerful nations should, out of our own enlightened and humane self-interest, pay special heed to what the small nations have to say vis-a-vis their relations with us.

Mr. President, I ask unanimous consent that one of the more important addresses to the United Nations special session, given by the Pakistan Minister of Finance, Planning and Development, Dr. Mubashir Hasan, be printed in the RECORD. It is both a brilliant speech and one that merits our full attention.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

TEXT OF THE STATEMENT OF HIS EXCELLENCY DR. MUBASHIR HASAN

Mr. President, your re-election, by acclamation, to preside over this special session is a personal tribute to you and also a recognition of the important role which your country, and indeed the Latin American continent, play in world affairs today.

The General Assembly of the United Nations, representing, as it does, 135 states, is meeting for the first time in order to consider specifically the state of the world economy and the economic relations among states and groups of states. It is indicative of the gravity of the situation that it has brought to this session such distinguished personalities including Heads of States and Governments.

The problem before this special session is an all-embracing one—political, social, economic, biological and ecological. It affects every facet of national and international life. Its implications are awesome and mind-boggling; but for us in the Third World, or call us the fourth, the fifth, or indeed the last, the essentials of the problem are simple.

For the industrialized world, the primary problem is that of making suitable adjustments in the economic order that has brought to them the highest standards of affluence ever attained by man in the history of civilization.

For us in the non-industrialized world, the spectre of death looms large. Poverty, hunger and disease have reached unprecedented levels. Out of every three children born in the developing countries, one succumbs before the age of five. For those who survive, it is a life of deprivation, desperation and degradation. Theirs is a subhuman existence. It is an intense but, mercifully, a short struggle, as their life expectancy is no more than thirty years.

The degree of tragedy varies with time and circumstances. One of the worst in contemporary history is unfolding on the continent of Africa. The suffering caused by the drought to Mauritania, Mali, Niger, Chad, Upper Volta and Ethiopia, is such as cannot even be imagined by those countries where such visitations have not taken place.

How has this tragic situation come about? Hardly a generation ago our Charter lay down in Article Fifty-five that the United Nations should promote a "higher standard of living, full employment, and conditions of economic and social progress and development." The problems we face today have come about because we did not take measures that the Charter required of us. Despite our political independence and sovereign status, an unceasing transfer of resources has been taking place from the poor to the rich nations. This transfer occurs in many forms. However, the single most active mode is that of "unequal exchange." The prices of commodities exported by the developing countries are low because we are forced to pay low wages to our workers. Not only are our wages low, but our profits are low too. If our profits were higher, the income, or value added we receive per unit of our exports would be on a par with that of the developed countries with their high wages. But this is not the case. Thus the exchange is unequal. Furthermore, where our goods compete with those of the developed countries, tariff and non-tariff barriers force our prices down. This is the case with textiles, leather goods and a large number of foodstuffs.

Where our goods do not compete, it is the mutual competition of producers within the same country and between different poor countries that keeps them low. Such goods include tea, coffee, cocoa, copper and other minerals and, until recently, oil and phosphates.

One must ask oneself how much such products would cost if they were to be produced by the highly paid workers of the industrialized nations. It is a question of simple arithmetic. The labour of the developed countries is paid at least ten, and of certain types, twenty times of what the labour of a developing country receives. If one were to assume that at present only one-third of the cost of production is the wage cost, then a wage ten times higher would raise these prices four-fold. I regard this as a low estimate, because, in fact, our average wage rates are much less than a tenth of the rates in the developed countries and the proportion of labour costs in our products is much higher than a third. Thus the magnitude of the difference between what we *do* receive and what we *should* receive is hundreds of billions of dollars. Our estimates range between 250 and 630 billion annually, depending upon the method and range of calculations. The figures may at first sight seem incredible but, unfortunately, these are hard and cold facts which explain the basic reason for the miseries of two billion people, nearly two-thirds of mankind who toil from dawn to dusk, from childhood to old age.

Our delegation has studied the transfer of resources and income from the un-industrialized to the industrialized world. The principal elements of the mechanics of this transfer are the following:

(i) Unfair tariffs imposed by developed countries result in government revenues which are, in effect, paid by the exporting developing countries.

(ii) The tariff structure becomes more unfavourable to the developing countries as the degree of processing increases. For example, it tends to encourage the export of cotton rather than yarn, and yarn rather than cloth. In other words, there is discrimination against our exports in direct proportion to the value-added in the developing countries. On the other hand, the added value in the exports from the developed countries is overpaid. In addition, quota restrictions are imposed by the developed countries against imports of manufactures and agricultural products from the developing countries.

(iii) The developing countries are required to pay exhorbitant interest on capital and excessive profits on investment to the developed countries.

(iv) The increase in creation of international reserves of currency always favours the developed countries.

(v) The prices of raw materials from the developing countries are unfavourably depressed not only through the competition of producers but also through the existence of monopolies, cartels and unfair trade practices indulged in by the buyers in the developed countries.

(vi) Even the trade surplus of oil in the developing countries has been going to the service of the developed countries.

(vii) The developed countries have a virtual monopoly of the means of ocean and air transport.

(viii) The international financial practices such as clearance of money transactions, insurance and co-insurance schemes, and fixation of freight rates, all work in favour of the developed countries.

(ix) The managements of firms from the developed countries operating in the developing countries prefer to make purchases of their requirements from the developed countries at very high prices. These are not "arms-length" transactions in all cases.

(x) The developed countries charge too high a price of technology from the developing countries.

(xi) Emigration of educated, skilled, and professional manpower from the developing countries to the developed countries.

In sum, the economic power of the developed countries which determines the pattern of investment, production, commerce and consumption in the developing countries is always used to the advantage of the first group of countries and to the detriment of the second. At the same time, the pattern of consumption has become so lop-sided that the privileged countries obtain a disproportion share of production, leaving very little for consumption in the poor countries. Similarly, the affluence of the developed countries, being based on the intensive use of raw materials, is in effect depleting the natural resources of the developing countries at an alarming rate. These serious excesses are further compounded by a thoughtless and short-sighted pursuit of unrestricted production and consumption which cause ecological imbalances and pollute the land, water and atmosphere of our planet.

The availability and prices of raw materials are posing an extremely difficult problem to most countries. Shorn of rhetoric, the problem of raw materials boils down to this: Until recently the developing countries, producing raw materials, literally got a raw deal.

The terms of trade were against us. Having no holding capacity, we had to sell at cheap prices and any increase in production was penalized by lower unit prices. The international middleman, the speculator and the hoarder of the commodity markets, reaped most of the benefits while the individual producer and the producing country suffered. The recent rise in commodity prices has not helped many developing countries, but in fact has made us suffer to an unbearable degree. To support my point, I have only to refer to the high prices of fertilizer, foodgrains and certain other essential items like edible oil. Whichever way the developing countries turn, we are faced with ever-increasing difficulties. Shortage of fertilizers will lead to loss in food production which means more food imports and a worse balance of payments. This snowballing effect will continue until we are economically and, in some cases, physically wiped out. This is the grim spectacle facing us at present.

The waste of the natural resources of our world, both renewable and non-renewable, is a folly mankind can ill-afford. The gifts of the earth, without which no economy can function, are being exhausted at an incredibly increasing speed. The sooner it can be controlled the better.

My religion, Islam, is quite explicit on the subject that God has created sustenance for all his creatures and that the resources of the earth are for all mankind.

I quote from the Holy Quran:

> ". . . He (God) is the one who made *for you* all that there is in the earth. . . ." (Ch. 2:29).

And again:—

> "Do you not see how Allah has made of service to you whatsoever is in the skies and in the earth and has loaded you with favours, both within and without. . . ." (Ch. 31:20).

It is our deep belief that the riches of land, sea, and the spaces beyond are meant for the good of all mankind for all time not merely for one generation, much less for the exclusive use of their temporary owners. Indeed, Islam also proclaims that the individuals, and nations for that matter, who seemingly own wealth (or anything) are only its custodians. They are allowed to use only as much of it as they rightfully need. They must not waste this wealth nor usurp the share of others; otherwise severe chastisement awaits them.

We are urged by many distinguished friends to allow the forces of supply and demand to operate freely.

We are asked to put our faith in the great enterprises which utilize the resources and operate the existing system of international trade. But they do not operate *for* the objectives that have been stated again and again by a vast majority of the speakers in this special session. They operate merely for *profit* and they use up the natural resources for the economic priorities of a minority rather that a majority. They do it in a manner that is not in accord with the economic needs of developing nations.

To say that the international monetary system is in disarray would be an understatement. It allows the privileged countries to incur large deficits because their currencies are used as the basis for international exchange. The monetary crisis is the result of a situation in which the increase in production in the developed countries still does not keep pace with the increase in demand. The inflation which is raging across the world today, and which has created a situation that can no longer be sustained, is the manifestation of the effort to consume more than is produced.

The antagonism between the rich and the poor is natural. You have to be poor to realize it. The poor are increasingly beginning to believe that the rich have not become rich by Divine design but by expropriating the fruits of their labour; that some nations are affluent and others are impoverished as a result of the cumulative effect of the eras of imperialism, colonialism and neo-colonialism, and not due to any inherent defect in themselves.

In fact, most people in developing countries work hard, for excruciatingly long hours, to eke out a miserable living. Surely, such labour deserves better reward than they receive.

The problem under consideration at this session has a historical perspective. The history of centuries of unjust and unequal existence is the history of a long struggle. Over the last few decades the developing countries have struggled successfully for their political independence. They are now struggling for their economic emancipation. It is not natural that the struggle should continue until peace on earth and good-will among mankind are established,

What I have just stated is not a distorted interpretation of history. It is history's object lesson. For us in the Islamic Republic of Pakistan, it is also the word of Allah who says in the Holy Quran and I quote:—

"Mischief has appeared on land and sea because of what the hands of men have wrought (so) that (God) may give them a taste of some of their deeds, in the hope that they may turn back (from evil). . ." (Ch: 30:4I).

Again:—

". . . and if Allah had not repelled some men by (means of) others, the earth would have been corrupted. . . ." (Ch: 2:25I).

There is another matter intimately connected with the agenda before the Assembly. Most developing countries owe huge debts to the developed countries. These were accumulated over the last fifteen to twenty years. These were given and received with the objective of economic development of the poorer nations. The loans were made with the best of intentions but, as it is apparent, the intended objectives did not materialize. The borrowing was not a unilateral act of the recipient countries but was a joint decision of the donor and the recipient. In actuality the final say was that of the donor and not that of the recipient.

Before the increase in the cost of oil, the economies of the developing countries had reached a breaking point as in many cases as much as one quarter of their export earnings were being used for servicing their debts. And, in most cases, these exports consist of those very vital commodities and goods so urgently required for improving the economic welfare of their own people.

We, therefore, suggest that when proposals are formulated for alleviation of the problems with which the developing countries are faced, the question of the burden of debt has to be kept in full view. The solution in the form of the most liberal rescheduling, if donor countries cannot persuade themselves to reach a still more generous solution, is an absolute imperative.

The debate has been remarkable for its range and depth. I should like here to express my country's warmest appreciation to His Excellency Mr. Houari Boumedienne, President of Algeria, for his vision in calling for the convening of this special session. The debate has been remarkable also for the number of concrete proposals and useful suggestions it has brought forth, for the relief of those immediately affected, and for changing the international economic order.

We fully endorse the theme of self-reliance expounded by the Chairman of the delegation of the People's Republic of China envisaging reliance on the strength of our own people, and making full use of our own resources for economic development.

We are re-assured by the determination of the USA, announced by Secretary of State, Dr. Kissinger, to build food reserves, to restore the world's capacity to deal with famine, and to increase the quantity of food aid over the level provided last year.

We support the bold initiative of His Imperial Majesty, the Shahinshah of Iran, for the establishment of a Special Development Fund.

We welcome the reported decision of OPEC to create a fund for soft-term loans to developing countries.

We welcome the announcement of the Minister of Petroleum and Mineral Resources of Saudi Arabia that they will participate in a number of institutions and funds to mitigate the hardship of the developing countries.

We are wholly with the Arab countries in establishing institutions such as the Kuwait Development Fund, the Arab Bank and a Fund for Africa.

We envy the centrally planned economies which, as the Foreign Minister of USSR stated, ensure proportionate and harmonious use of all resources and which have not been affected by the present crisis.

We also fully appreciate the many constructive proposals made by other delegations which deserve detailed and expeditious study for the improvement and the well-being of people all over the world.

As many distinguished delegates have already spoken on the subject, it is not necessary for me to relate once again the gravity of the economic plight of the nations hit by the rise in the prices of oil, fertilizer, wheat and other essential commodities.

So hard has been the blow that more than a billion people are in no condition to suffer the agony of the delay that detailed investigations, time-consuming diagnosis and a protracted debate on treatment must entail. They need first-aid without further loss of time.

And, we will support any scheme, any proposal, any institution that will lead to an enduring solution of the problem. A co-operative effort of producers, a fund for stabilization of prices, and a stockpiling operation; all are welcome towards the objective of having stable prices, assured supplies and satisfaction of reasonable demands. Let experts sit down and formulate a workable scheme which will achieve this objective for all nations of the world, rich and poor, developed and developing, producer or consumer. This will indeed be a noble effort.

I have already referred to the restrictions, particularly tariffs placed on our exports by the developed countries and remarked that their effect is to lower the prices we receive. Because our economies are so dependent on foreign exchange earnings, we have no choice but to cut our prices below those of the competing producers. In effect, it is we who pay these tariffs and the governments of the developed countries that collect revenue out of them. It is understandable that no country would like to see whole industries and agricultural and mining activities swept away by low-cost competitors.

However, these tariffs and non-tariff barriers designed for protection of producers at home were never intended to become means of raising revenue at the expense of the developing countries. It is only just and reasonable, therefore, that these tariff revenues should be refunded to the governments of the exporting countries by the governments of the developed countries. Such a scheme would go very far indeed towards improving the trading relationships between all countries.

The basic pre-requisite to fulfill the purpose of this special session cannot be met unless the world production is increased. Unless there is more production, there can be no increase in anyone's prosperity. All nations have to join in increasing production. The developed nations naturally have to carry the major burden in this endeavor as their productive capacity is larger. But their production cannot increase without increase in the production of the Third World. And the Third World will have to be generously helped in order to help itself and the rest of the humanity.

Unfortunately, my delegation does not see in the immediate future the prospect of a technological breakthrough in the industrialized countries which can lead to a substantial increase in their production.

The second alternative for transfer of goods and services to the Third World is to reduce consumption in the affluent countries. Will the developed nations do this? This is a big question mark for the whole world.

The third alternative is further impoverishment of the under developed nations. However, this would lead to major upheavals.

All these issues, although economic in appearance, are political in substance. It is, therefore, imperative that solutions be found on the basis of the principles laid down in the charter of the United Nations.

The complexity and immensity of the problem, the possibilities of recession and depression, the spectre of pestilence and famine need not give rise to pessimism and gloom. The very coverning of this session, the addresses of the high dignitaries and the level of the debate demonstrate the desire of mankind for a just solution. Above all, the desire for unity and the awakening of the Third World auger well for the future. We are happy that the recent Islamic Summit held in Pakistan helped, among other things, in stimulating this process of awakening. This is evident from the large number of messages received from all over the world by our Prime Minister, Mr. Mulfikar Ali Bhutto. The Lahore Declaration contains portions relating to economic co-operation that are of vital significance not only to the Islamic countries, but also to the whole world.

What is required is a vision on the part of the rich, both in the oil-consuming and the oil-producing countries. In this vision lies the only chance of a peaceful solution of the current crisis. Should we fail to find a solution based on justice and equity, let us always remember that Nature has its own grand design for fulfillment of the destiny of mankind.

I thank you.

IMPORTING FOREIGN DOCTORS

Mr. TAFT. Mr. President, one of the most important problems facing the United States prior to adoption of any national health insurance plan is our need to provide adequate health manpower. We have attempted to fill this void through the use of foreign-trained physicians. We spend more on health care in the United States as a percentage of our gross national product than any other country in the world. Yet, as pointed out in an HEW study, 20 percent of U.S. doctors are foreign trained. In reference to this situation, I would like to bring to the attention of my colleagues an article from the Youngstown Vindicator, March 23, 1974, questioning our reliance on foreign-trained physicians.

I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IMPORTING FOREIGN DOCTORS

A survey by the Department of Health, Education and Welfare has turned up national figures that support the need for the Northeastern Ohio Universities College of Medicine, along with other medical schools in the state.

One-fifth of the physicians now in the United States are graduates of foreign medical schools. During 1972, the most recent year available, nearly half the doctors granted licenses to practice were foreign graduates continuing their studies in America.

That certainly wasn't the intention of the bill passed by Congress 25 years ago to extend benefits to foreign residents and internists working in hospitals in the United States. The idea was that they would learn the latest technology and then take it back to their own people. What has happened instead is that eight out of ten doctors who come to the U.S. never go home again. There are more Thai medical graduates in New York City alone than in all of Thailand.

It's true that without these foreign-trained doctors, many hospitals and health agencies would be dangerously understaffed. But this drain of talent from countries that need physicians contradicts the American policy of helping other countries through AID, the Agency for International Development.

The presence of foreign doctors has been used by both federal and state agencies, including HEW, as an argument against funding additional medical schools. It's time for the United States to educate enough of its own students as physicians to fill the country's needs. This would make it more attractive for foreign graduates to serve their own people.

TESTIMONY OF SENATORS RIBICOFF AND LONG BEFORE THE WAYS AND MEANS COMMITTEE ON NATIONAL HEALTH INSURANCE

Mr. RIBICOFF. Mr. President, today Senator RUSSELL LONG and I testified before the House Ways and Means Committee on national health insurance on behalf of S. 2513, the Long-Ribicoff bill.

In light of the interest in national health insurance I ask unanimous consent that our testimony be printed at this point in today's RECORD, as well as a fact sheet on the Long-Ribicoff bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TESTIMONY OF SENATOR ABE RIBICOFF BEFORE THE HOUSE WAYS AND MEANS COMMITTEE THURSDAY, APRIL 25, 1974

Mr. Chairman and members of the Ways and Means Committee, I am pleased to have this opportunity to discuss with you the need for national health insurance.

As you know, health care costs have been rising rapidly in America. The average personal health bill per person in 1973 amounted to $441. In 1950, it was only $78. The growth in this period for health costs was 2½ times greater than increase in wages. And as these costs rise, more Americans are hard pressed to pay for health care. Last year approximately one million families were saddled with health bills of a catastrophic nature. Often these bills wiped out savings, prevented children from going to college or forced people to sell their homes.

What all this means is that for more and more people health care is becoming a privilege which can be afforded only by the few. It should be a right enjoyed by all.

We probably all agree on this goal. The question becomes, then, how do we achieve this goal? How do we make health care a right? Many of the solutions of course are not part of national health insurance. We need more doctors providing basic general medical care all over the country. We need a coordinated program of hospital and health facility construction, modernization and use. We need proper health planning. No health system can function properly without these elements.

But all the planning, modernization and improved medical technology is worthless unless people can afford it. That is what we are discussing today.

In structuring an adequate mechanism to pay for health care we must be careful not to adopt simplistic or unworkable solutions. The American medical system is a complex and unique system. It is the third largest industry in the Nation, employing 4.4 million people.

Health spending in fiscal 1973 amounted to $94.1 billion and the system involves over 7,000 hospitals, 320,000 doctors, 748,000 nurses and countless suppliers of medical equipment and drugs.

Over 1,000 insurance companies provide policies covering 134 million persons.

What works in Canada, Sweden or England will not necessarily work here. We must tailor our system to our needs and our capabilities.

In the past few years many health insurance proposals have been introduced. Every element of the health sector has its own view of what is right for our health care system. All of the proposals have some good points. It is now time to put an end to the polarization of attitudes and move toward the shaping of a health bill which provides adequate health protection for all and is workable in our Nation.

One of the things that strikes me in looking at the more recent health proposals is that a consensus is beginning to build. There is a widening recognition of the need to provide protection against the catastrophic costs associated with prolonged illness or disease. There is a strong need to assure that the poor have access to adequate health care. In these aspects, I am pleased to note the similarity of approach to the problems by the Long-Ribicoff bill and the proposal recently introduced by the distinguished Chairman of this Committee (Mr. Mills) and Senator Kennedy who has played a leading and constructive role in health care matters in the Senate.

The major area of difference between the major health proposals is the question of how to assure adequate basic health protection for the vast majority of Americans.

Should the Federal Government take over the task? Should private health insurance be mandated? Or is there some middle ground?

In developing a solution I believe we should look at two important points: First, the scope of the problem and secondly, our capability to implement a solution.

THE SCOPE OF THE PROBLEM

The first major problem is that, while most Americans have health insurance of one form or another, it is inadequate to cover the catastrophic costs which can bankrupt almost any family within weeks. Over half the policies sold in America have limits not exceeding $10,000. Too often insurance coverage stops just when people need it the most.

We must assure that everyone in America has protection against these financial disasters.

Title I of the Long-Ribicoff bill provides this protection through a Social Security administered and financed program. Both the Administration bill and the Kennedy-Mills bill recognize the need for catastrophic protection and I am sure that between the three bills we can reach agreement on where the catastrophic ceiling should be set.

The second part of the problem is that the poorer a person is, the less likely he or she is to have health insurance. While 90% of those with incomes over $10,000 have hospital insurance, only 39% of those with income under $3,000 have such coverage. Even more shocking some 20% of the under age 65 population (38 million people) have no private health insurance at all.

Congress attempted to meet the needs of the poor through the federal-state Medicaid programs enacted in 1965. It is clear today—almost ten years after enactment of Medicaid—that major reforms are needed in the program. Benefits and eligibility vary widely from state to state. State regulations compete and conflict with federal ones, resulting in waste and inefficiency. State budgets are increasingly unable to cope with rising Medicaid costs. State Medicaid costs have risen to $4.5 billion—a 583% increase in 10 years. In Connecticut alone Medicaid costs will rise from $60 million in 1973 to $70 million in 1975.

Title II of the Long-Ribicoff bill attempts to meet the needs of the poor through a federalized version of the Medicaid program which will provide uniform benefits and eligibility on a national basis. The focus of responsibility for the program will be centered at the federal level rather than split between state and federal agencies. And states will have some of the burden of Medicaid costs removed from their already strained budgets. The cost of such a program is within reasonable bounds—$5.6 billion. I am pleased that the Kennedy-Mills bill adopts our low-income plan.

Finally, while our priorities must include protection against catastrophic illness for all Americans and health care for the poor, the majority of Americans—the middle class and the working men and women should be assured of health protection. They can't afford to pay large out-of-pocket expenses below the catastrophic ceiling.

What can be done for them? Today, most of them have private health insurance of one form or another. Three quarters of those with incomes between five and seven thousand dollars have health insurance. Eighty four percent of those with incomes between $7,000 and $9,000 have insurance. And ninety percent of those with incomes over $10,000 have insurance.

In total 134 million persons are covered by some form of commercial health insurance. Blue Cross and Blue Shield cover 79 million people and 500 independent plans cover 11 million people.

Today private health insurance covers more people than ever before and it pays for more of a person's health bill. In 1950 private health insurance covered 9% of personal health costs. By 1972 it covered 26%.

Thousands of Americans work in the private insurance field and there is a reservoir of expertise and administrative capability in the private market.

There is no need to eliminate this capability by federalizing the system if the private market can provide adequate basic coverage. But just as there is no need to federalize the health system, we should not be placed in a position of mandating private health insurance.

Our problem is to make sure that the private health insurance that is sold is adequate. Unfortunately, in too many cases it is not. Fine print loopholes, waivers, exclusions, internal policy limits too often take away what the bold print of the policy promises to give.

This is an intolerable situation. All Americans should be able to buy an adequate basic health policy at a reasonable rate without all the loopholes. Can the insurance companies meet this challenge? Title III of the Long-Ribicoff bill gives them the opportunity to try. It would give the insurance industry three years in which to make model basic policies available to all who want to buy them at a rate that is reasonable.

If the insurance companies can do the job of providing basic coverage they should be allowed to do so. If they cannot, an alternative will surely be devised. I believe our approach provides a solid middle ground between federalizing the system or simply mandating private coverage.

FEDERAL CAPABILITY TO SOLVE THE PROBLEM

Having identified the scope of the problem what can government do? As Senator Long mentioned earlier, one of the major reasons we favor the Long-Ribicoff approach is that we are concerned about the Federal Government's ability to effectively implement large social programs. The implementation of the Medicare program was a monument to what dedicated civil servants can do.

However, implementation of that program stretched our administrative capacity close to the limit, creating, as you know, a host of difficulties, some of which have still not been resolved successfully. I am sure that the casework in each of your offices reflects the limits of Medicare's administrative capacity. A fully-federalized health insurance program would, of course, pose enormous administrative burdens well beyond the Medicare program.

Imposing a giant new federal health program would only disillusion many by promising more than it can deliver. We simply do not have the administrative capacity to administer and pay claims for over 200 million Americans, deal with 7000 hospitals, over 320,000 doctors and countless other segments of the health industry. Nor does our health care system have the capacity to deliver all the increased demand for services which fully federalized national health insurance would induce.

In the health care area, I think members of this Committee should give special attention to the experience with the implementation of the health provisions of H.R. 1. By February 1974, 16 months after passage of H.R. 1, final regulations had been issued on less than one-third of the health-related provisions in the Act. Specifically, there were 87 health provisions which needed regulations and regulations had been issued on only 28 of these.

The problems encountered in implementing the new Supplemental Security Income (SSI) program which involves only a few million beneficiaries, reemphasizes that our capacity to administer is not limitless.

Clearly, our realistic administrative capabilities must be kept in mind in developing national health insurance. It is far more desirable to set our sights at this time on a proposal which can be implemented properly than to attempt a giant step which is doomed to failure. Once we have mastered the problems of implementing a realistic health insurance plan, we can expand it in the future as necessary to meet the changing health needs of the American people.

One final point. In shaping a program we must keep in mind the costs. What are American taxpayers willing to spend for health care? The Social Security tax has just about reached its limit. Today, most people pay more in Social Security taxes than they do in income taxes.

The combined Social Security-Medicare levy is now 5.85%.

I don't think we can afford to increase that tax by 3 or 4 percentage points as has been suggested. I believe we can assure proper health care protection for all Americans at a price they can afford. The general approach of Long-Ribicoff provides that assurance.

I look forward to working with all of you as we shape a program to assure adequate health care for all Americans.

3D PARTY PAYERS

[Government pays 40¢ of every dollar for national health expenditures (26¢ Federal and 14¢ State and local). Average personal health care bill in fiscal 1973 was $375 (this figure includes only personal health costs)]

Payment source of personal health care	1950 (percent)	1960 (percent)	1973	
			Percent	Dollars
Direct patient payment	68	55	35	(132)
Federal/State, local	20	27	38	(142)
Private health insurance	9	21	26	(96)
Philanthropy	3	2	1	(5)

Private health insurance plays a larger role for those under 65.

75 Blue Cross plans cover 76 million persons; 71 Blue Shield plans cover 68 million; together they cover 79 million different people.

APPENDIX: HEALTH INDUSTRY FACTS

1. Health is third largest industry in United States, employing 4.4 million people—an increase of 2 million (80%) over 1960.

2. Health spending in Fiscal 1973 was $94.1 billion (7.7% of GNP):

3½ times the amount in 1960 (5.2%).

8 times the amount in 1950 (4.6%).

3. Average health bill per person $441 in 1973 (personal health costs plus research, etc.):

$142 in 1960.

$78 in 1950.

The growth from 1950 to 1973 is 2½ times as great as wage increases.

4. 1965–72 health care rose by $45.8 billion for the following reasons:

52% ($23.1 billion) due to price increases.

10% ($4.4 billion) from population growth.

38% ($17 billion) from increased use of services and new medical techniques.

5. Hospital care is largest item ($36.2 billion) in health care bill of the nation.

Physicians services $18 billion.

Dentists $5.4 billion.

1,000 commercial companies write policies covering 134 million persons for hospital care.

500 independent plans cover 11 million persons.

End of 1972 about 4/5 of population under age 65 had hospital or surgical insurance:

80% had hospital.

77% had surgical.

76% in-hospital physician.

76% non-hospital x-ray and lab.

51% for office and home visits.

58% for out-of-hospital prescription drugs.

21.5% for nursing home care.

9.5% had dental care.

20% of under age 65 (38 million people) have no health insurance at all. Disproportionate numbers of them were children and poor.

Medicaid applied to 17.4 million people and 2.1 million were blind and disabled.

The poorer a person's family income, the less likely he is to have health insurance.

The proportion of persons under age 65 with hospital protection was 2¼ times more for those with above $10,000 in income than for those with under $3,000.

PERCENTAGE OF UNDER AGE 65 WITH INSURANCE COVERAGE

	Hospital	Surgical	Children under 17
Income under $3,000	39.3	36.7	23.3
$3,000 to $4,999	53.1	50.2	49.1
$5,000 to $6,999	74.5	71.8	74.6
$7,000 to $9,999	84.3	81.9	88.4
$10,000 or more	90.1	88.3	91.8

OVERVIEW

In 1972 the private health insurance industry (including Blue Cross and Blue Shield) collected $22.3 billion in premium income. A little more than 87% ($19.5 billion) was returned in claims and benefits. Overall operating expenses were $3.1 billion (14% of premium income). The net underwriting loss was 1%. That was made up for in income from investment of reserves.

While the commercials received about $11 billion in premium income (76% from group and 24% from individuals) and the Blues $10 billion, the operating expenses of insurance companies was more than three times that of the Blues ($2.3 billion or 21.4%) of premium income for commercials compared with $700 million or 6.9% of premium income for the Blues.)

Following is a breakdown of the above overall statistics into four categories: 1) commercial individual; 2) commercial group; 3) Blue Cross; 4) Blue Shield.

1) Commercial individual plans received $2.6 billion in income and paid out $1.4 billion (52.6%) in benefits. Operating expenses amounted to 47% of premium income. Net underwriting gain of $10 million.

2) Commercial group plans received $8.3 billion in income and paid out $7.8 billion (93.3%) in benefits. Operating expenses amounted to 13.4% of premium income. Net underwriting loss of $600 million.

3) Blue Cross plans received $7.1 billion in income and paid out $6.5 billion (92.0%) in benefits. Operating expenses amounted to 5.2% of premium income. Net underwriting gain of $200 million.

4) Blue Shield plans received $2.9 billion in premium income and paid out $2.5 billion (87.2% in benefits. Operating expenses amounted to 11.3% of premium income. Net underwriting gain of $40 million.

NOTE.—The poorer performance of commercials vis a vis Blues is mitigated by the following:

1. Commercials pay federal and state taxes which Blues don't have to pay:

2. Commercials sell more individual policies which have high selling costs;

3. Commercials write more major medical and surgical-medical which have a higher operating expense than straight hospital coverage because of lower premium, large number of claims per enrolee, smaller amount per claim and greater complexity in administering.

PRIVATE HEALTH INSURANCE PERFORMANCE COMPARISON 1971–1972

Premium income for private insurance industry (including Blues) rose 14% in 1972. Claims rose only 10% and operating expenses were stable.

Thus, the industry reduced its net underwriting loss from $792 million in 1971 to $300 million in 1972.

Appendix:

Here is how it breaks down:

1. Blues had 13% increase in premium income in 1972. Claims rose only 10% and operating expenses were stable. Net underwriting gain jumped from less than $3 million in 1971 to $243 million in 1972.

2. Commercials had 14% increase in premium income in 1972. Claims rose only 9% and operating expenses rose only nominally. Net underwriting loss of $775 million in 1971 was reduced to $548 million in 1972.

Commercial individual had a 10% rise in premium income and 7% rise in claims. Operating expenses remained the same. Thus the $20 million net underwriting loss in 1971 was turned into a net underwriting gain of $10 million.

HEALTH MANPOWER 1972

320,000 active physicians in United States or 156 per 100,000 population.

One out of 5 is a graduate of a foreign medical school.

While numbers per 100,000 are up, the proportion of physicians in office-based practices providing patient care is down from 109 per 100,000 in 1950 to 95 per 100,000 in 1972.

HEALTH CARE INSTITUTIONS—7,000 HOSPITALS IN AMERICA

In 1972, there were 33.3 million admissions, 219 million outpatient visits at a total cost of $32 billion.

38% of hospitals (with 54% of bed capacity) are nonprofit.

Hospital expense per day varies from $64 in West Virginia to $130 in Alaska. In Connecticut it is around $100.

Average length of stay varies from 5.2 days in Alaska to 9.6 days in New York.

Financial position of hospitals is improving. Net income in 1971 was $547 million.

Statement of the Honorable Russell B. Long Before the Committee on Ways and Means, House of Representatives, April 25, 1974

Mr. Chairman, Members of the Ways and Means Committee, Senator Ribicoff and I are here today to testify in support of H.R. 14079, the Catastrophic Health Insurance and Medical Assistance Reform Act of 1974, introduced by Congressman Waggonner. The Waggonner bill is the House companion to S. 2513, the bill which Senator Ribicoff and I introduced last October.

S. 2513, as you may know, has 24 cosponsors in the Senate, including 8 Members of the Finance Committee. The cosponsorship covers a broad bipartisan range.

This morning, I would like to describe briefly the problems which the bill seeks to correct and the major features of H.R. 14079 itself. Then I will outline the reasons why Senator Ribicoff and I, along with the other Senate sponsors, believe that this bill represents the direction the nation should take in the health insurance area.

Our bill is a three-part approach—with each part relating to the others. First, Title I of the bill would establish a Catastrophic Health Insurance program which would protect nearly all Americans against the prohibitive costs of a catastrophic illness or accident. Title I benefits would constitute a ceiling of protection beneath which basic coverage would be provided by Medicare for the aged and disabled, the low-income plan established under Title II of the bill and private insurance meeting minimum standards established under Title III of the bill.

Catastrophic illnesses or accidents can strike any American family with devastating effect. These catastrophic and uncontrollable events leave not only physical scars, but they all too often ruin the financial future of entire families—wiping out savings and disrupting long-held plans.

Under the Catastrophic program in our bill, persons currently or fully insured under Social Security would be eligible for benefits after they had incurred medical expenses of $2,000 per family or after an individual had been hospitalized for 60 days. The types of services covered would be the same as those under Part A and Part B of Medicare except that there would be no upper limits on the number of hospital days. Hospital expenses thus would be covered from the 61st day on. The patient would be responsible for copayments equal to $21 per day, as under Medicare. On the medical side, the patient would pay a copayment of 20 percent. All copayment responsibility for both hospital and medical service would cease when the patient or a family had incurred copayment charges of $1,000 during a year under the Catastrophic Health Plan.

The program would be administered by Social Security and would include all of the cost and quality controls and reimbursement mechanisms contained in Medicare. It would be financed by a payroll tax of three-tenths of one percent each on employers and employees and would cost about $3.6 billion.

As I have noted, this Catastrophic program is designed to mesh with and complement existing private basic health insurance coverage for the general working population. It would be expected that the average citizen would obtain basic private health insurance coverage against the first 60 days of hospital care and the first $2,000 of medical bills. That is not unrealistic. Most Blue Cross plans, for example, cover at least 60 days of hospital care.

Title II of the bill would replace Medicaid with a reformed and expanded program covering the low-income population for the first 60 days of hospitalization and the first $2,000 of medical bills. The current Medicaid program, as you know, in general covers only those poor people who are aged, blind and disabled, or in broken families. It is available primarily to people on welfare.

Even for those on welfare, however, the present State-run Medicaid programs vary from State to State in random fashion with different benefits and varying eligibility levels. In one State an aged couple with an income of $2,600, for example, might be eligible for benefits while in another State they might not. Similarly, they may be eligible for 15 days of hospitalization in one State and 60 days in another.

We need a program which erases these inequities and which would extend benefits to intact families of the working poor also—families who are earning a living but who are too poor to afford the increasing costs of obtaining private health insurance against basic health care costs. Migrant workers and their families are one low-income group who would be reached by Title II of our bill.

Under Title II all low-income individuals and families, regardless of whether they were on welfare, and without the red tape and inequities of an assets test, would be eligible for benefits. The income limits would be set at $2,400 for an individual, $3,600 for a couple, $4,200 for a three-person family and $4,800 for a family of four. The income limits would rise by $400 for each additional family member. The program would contain a "spend down" feature. Families with incomes above the eligibility level could thus become eligible when their incurred medical expenses brought their incomes to the eligibility levels. For example, a family of four with an income of $5,000 would be eligible for benefits after they had incurred $200 of health expenses. The program would cover 60 days of hospital care and all necessary skilled nursing facility care, intermediate care and home health services. Additionally, the plan would cover all medically-necessary physicians' services and other health services such as laboratory and X-ray services.

It should be pointed out that the benefits of the low-income plan are residual; that is, the plan would pay only after payment by any private health insurance which the individual or family might have.

This program would also be administered by Social Security and it would also include Medicare's cost controls and reimbursement mechanisms. It would be financed out of general revenues and is estimated to cost $5.3 billion per year above present Federal-State Medicaid expenditures. States would continue to pay a fixed yearly sum related to their Medicaid expenditure levels in the year before the new program started, as well as 50 percent of the estimated amount of non-Federally matched funds spent by State and local governments for people and types of care now covered under the new program. General assistance health care costs is an example of this type of expense. That fixed dollar contribution would not be increased in subsequent years. Each State, thus, would realize substantial immediate savings under the program.

These two parts of the bill—Catastrophic and Low Income—combined with Medicare for the aged and disabled, would assure that those who generally have the most difficulty in obtaining adequate health insurance coverage—the aged, the disabled, the poor and those with catastrophic illnesses—will receive health insurance protection with Federal assistance.

The vast majority of the population, those who are not in these special risk groups, should be enabled to obtain adequate private insurance against their basic health care costs where they do not or cannot do so today. Private health insurance has demonstrated that it can do a reasonably adequate job in providing basic health protection to the bulk of the working population. However, I would be the last to say that the protection has been complete. Too many private health insurance policies sold today—particularly individual policies—contain inadequate benefits or unreasonable restrictions. Rather than virtually abandoning the present private health insurance system and replacing it with a large Federal health insurance program, we should instead try first to find ways to improve present health insurance coverage for the average working man.

The third part of our bill addresses this problem. It would establish a voluntary certification program under which private health insurance companies could have their health insurance policies certified by the Federal Government, if those policies met certain standards.

For example, benefits would have to include payment for at least 60 days of hospital care and the first $2,000 of medical bills so that private basic health coverage would mesh with the Catastrophic program.

Other criteria would ban exclusions—such as coverage of newborns—and waiting periods in group policies, and for individual policies limit exclusions only to preexisting pregnancies, with waiting periods for other conditions limited to not more than 90 days. A further criterion would be that the premiums charged be reasonable in relation to benefits paid. Individual policies would probably be sold principally through mass enrollment campaigns with subsequent annual open enrollment periods. Benefit payments under such coverage must be at group benefit payment ratios—and not at 40 or 50 cents on the dollar.

Under the bill, any private insurer could voluntarily submit his policies to the Secretary for certification. This Government certification could then be used by the insurer in his advertising for the policy like a "Good Housekeeping Seal of Approval." In addition, Title III of the bill contains provisions which would allow private health insurance companies to establish pooling mechanisms in the States to assure broader availability of private basic health insurance coverage to the non-group population.

The intent of Title III of the bill is to effectively stimulate, both through the voluntary certification process and the pooling provision, the availability of adequate private basic health insurance at reasonable cost. Companies which did not make such coverage available after a reasonable period of time could not serve as carriers or intermediaries for either Medicare, the Catastrophic program or the Low-income Plan. Additionally, the Secretary would report back to the Congress in three years on the extent to which the private health insurance industry had succeeded in making certified policies of this sort broadly and generally available to the population.

With this report in hand, the Congress could then assess the extent to which there was a need for further expansion of the Federal health insurance program or whether the private health insurers were meeting the challenge of providing adequate basic coverage to those with the resources to obtain such coverage.

We believe the private health insurance industry has adequate implicit and explicit incentives to meet the challenge of Title III. However, to nail it down, I would be willing to propose or accept a further modification: Three years from the effective date, in any area of the country where certified basic policies were not generally and actually available to individuals and groups, such coverage could be purchased from the Social Security Administration at cost. Now, I don't believe this would be necessary—but it sure would guarantee universal availability of good basic health insurance protection.

In summary then, this bill, in combination with the present Medicare program, would provide Federal health insurance protection to those groups most in need of such protection—the aged, the disabled, the low-income population and those with catastrophic illnesses—and would at the same time stimulate, where necessary, the upgrading, broadening and availability of private basic health insurance.

Mr. Chairman, as you can see, this bill represents an incremental approach to our national health insurance problems. My belief in the wisdom of such an incremental approach is based on two premises. First, I think our experience with the current Medicare program and, particularly, with the implementation of the 1972 Amendments, should show us that the Government's administrative capacity is limited and that it would be a grave mistake for us to bite off more than we can chew.

The distinguished Senator from Connecticut who is with me today served, as you know, as a Secretary of HEW under President Kennedy, and is certainly qualified to speak to you, as he will, on the administrative problems entailed in implementing large-scale social programs.

The second premise underlying my advocacy of an incremental approach is that there is not a clearly defined need for a Federal role in providing basic health insurance coverage to the average working family. For example, your able staff recently produced a National Health Insurance Resource Book. The chart on page 77 of this book points out that at least 4 out of 5 families with annual incomes of $5,000 or greater have basic private health insurance protection.

As I mentioned above, that protection is not always adequate and it is not always generally available. So, although there is not a clear need for the Federal Government to provide basic health insurance to the average worker, there is a need to upgrade that coverage and make it more generally available. Title III of our proposal would do that.

Mr. Chairman, this bill does not constitute a "be all-end all" approach, but it does provide an opportunity to provide significant assistance to many millions by closing major gaps in the financing of necessary health care. We believe that careful building and improving upon the present system through this major initiative is the most feasible approach to our health financing problem. What Senator Ribicoff and I propose to do is what we know needs to be done and can be done.

FACT SHEET: LONG-RIBICOFF CATASTROPHIC HEALTH INSURANCE AND MEDICAL ASSISTANCE REFORM ACT OF 1973

TITLE I—CATASTROPHIC HEALTH INSURANCE PLAN

Eligibility

All persons covered by the Social Security System and their spouses and dependents. This constitutes 95% of the population. Most of the rest of the uncovered population are government employees. State and local governmental employees not covered under Social Security could buy into the program. Federal employees who are eligible for basic and catastrophic protection under the Federal Employees Health Benefits Act would continue to be covered by that program.

Benefits

Social Security administered trust fund pays for medical bills after a family has incurred $2000 of medical bills in a year. Hospital costs would be paid for after a person has incurred 60 days of hospital costs. The $2000 deductible and the 60 day deductible are entirely separate. If a person were to meet the hospital deductible alone it would be eligible only for the hospital benefits. Similarly, if a family were to meet only the $2000 deductible, it would be eligible only for medical benefits.

After the deductibles are met there would still be copayments required similar to the Medicare copayments ($17.50 a day for hospital and 20% of medical bills). But these copayments would stop once they reach $1000.

Cost

$3.6 billion payable by .3% increase in Social Security tax on employee and employer.

Effective date

July 1, 1974.

TITLE II—MEDICAL ASSISTANCE PLAN

Replaces Medicaid with a uniform national program of medical benefits for low-income persons administered by Social Security Administration.

Eligibility—34 million people

All persons now receiving Medicaid benefits.

All individuals and families having an annual income at or below the following levels:

$2400 for an individual;

$3600 for a two-person family;

$4200 for a three-person family;

$4800 for a four-person family; and

$400 additional for each additional family member.

Families with incomes above these levels would become eligible if they spend enough on medical care to reduce their income to the eligibility levels. Thus, a family of four with $5000 would become eligible if it spent $200 for medical care.

Benefits

Provides hospital care for up to 60 days and all skilled nursing facility care, intermediate facility care and home health services.

Also covers physicians services, X-ray, laboratory, prenatal and well-baby care, family planning counselling services, and supplies, periodic screening, diagnosis and treatment for children under 18, inpatient mental health care that consists of active care and treatment in a medically accredited institution and outpatient care in a qualified community health center. Outpatient psychiatric services would be limited to 5 visits related to "crisis" intervention and additional visits could be authorized upon finding that in their absence the patient would require institutionalization or be severely dysfunctional.

The plan would also pay the $6.30 monthly Part B Medicare premium for persons eligible for this Title.

Copayments and deductibles

Only copayment is $3 for each of first 10 visits to doctor per family (but no copayments for visits for well-baby care and family planning services).

Payments of health care providers and administration

Same as Medicare (reasonable costs for institutions, reasonable charges for physicians.)

Payments made under the program would have to be accepted as payment in full and there could be no additional charges to patient.

Benefits reduced to patients by $250 if they have failed to enroll in an employer-employee plan in which employer pays 75% or more of the premium cost.

Cost

$5.3 billion in federal general revenues. States would have to pay no more than they did for Medicaid in the year prior to this Title's effective date plus one-half of what they paid for medical services for those not covered by Medicaid. Thus states would be held harmless against additional costs or caseloads.

Effective date

July 1, 1975.

TITLE III

Establishes a voluntary certification program for private basic health insurance to encourage the availability of adequate private health insurance.

Insurer could submit policy to HEW Secretary for certification. Certification is based on adequacy of coverage, conditions of eligibility, actual availability. Certified policies would be advertised as such.

Criteria for certification of policies

Must provide 60 days of hospital care and coverage of medical bills up to $2000. (This meshes with catastrophic plan.)

Limits on deductibles and copayments.

Ban on exclusions, waivers of liability and waiting periods in group policies, and with respect to individual policies, a limit on medical exclusion to pre-existing pregnancy and waiting periods for other pre-existing conditions to not more than 90 days.

At least one annual open enrollment period.

Reasonable ratios of benefit payments to premiums defined in terms of average ratios for group policies generally written by insurers.

Incentives to provide certified policies

For three years from effective date of act, Secretary of HEW studies progress of insurers in making certified policies actually and generally available to population.

After that time no insurer could serve as a Medicare carrier or intermediary unless it offered one or more certified policies to the general public in each geographic or service area in which it did business.

Insurance pooling

Contains an anti-trust exemption under which insurers could enter into contracts or arrangements for the sole purpose of establishing insurance "pool" arrangements in order to offer to the general public certified health insurance policies. Such pools allow proportionate sharing of risks and rewards.

U.S. SENATE,
Washington, D.C.

List of cosponsors of S. 2513, the Catastrophic Health Insurance and Medical Assistance Reform Act of 1973.

Russell B. Long (D-Louisiana).[1]

Abraham Ribicoff (D-Connecticut).[2]

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[1] Chairman of the Senate Finance Committee.

[2] Member of the Senate Finance Committee.

Herman E. Talmadge (D-Georgia).[2]
Gaylord Nelson (D-Wisconsin).[2]
Lloyd Bentsen (D-Texas).[2]
Clifford P. Hansen (R-Wyoming).[2]
Robert Dole (R-Kansas).[2]
William V. Roth, Jr. (R-Delaware).[2]
Hugh Scott (R-Pennsylvania).
Charles H. Percy (R-Illinois).
George McGovern (D-South Dakota).
James Abourezk (D-South Dakota).
Joseph M. Montoya (D-New Mexico).
Gale McGee (D-Wyoming).
Lawton Chiles (D-Florida).
Floyd Haskell (D-Colorado).
Milton Young (R-North Dakota).
Daniel Inouye (D-Hawaii).
Alan Bible (D-Nevada).
Howard W. Cannon (D-Nevada).
Edward J. Gurney (R-Florida).
Jennings Randolph (D-West Virginia).
Ernest Hollings (D-South Carolina).
Quentin Burdick (D-North Dakota).

IDA REPLENISHMENT

Mr. McGOVERN. Mr. President, the Congress still has before it legislation to authorize a U.S. contribution to help replenish the World Bank's International Development Association loan fund.

In contrast with much of our foreign aid, we do know that the kind of assistance made available through this program can have an impact. It is earmarked for the most fundamental development requirements of the countries with by far the most pressing needs, and the record is most encouraging. Also in contrast with many of our aid programs, it involves relatively modest sums of money.

I have received a letter from M. Hossain Ali, the Ambassador of the People's Republic of Bangladesh, describing that country's interest in the IDA program. Because it may be helpful to Senators and Representatives who are weighing the importance of the program in recipient countries, I ask unanimous consent that Ambassador Ali's letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EMBASSY OF THE PEOPLE'S
REPUBLIC OF BANGLADESH,
Washington, D.C., March 19, 1974.

HON. GEORGE S. MCGOVERN,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MCGOVERN: You may kindly recall the recent rejection of the administration proposal seeking authorisation for the US contribution to the fourth replenishment of IDA funds by the House of Representatives. Most of the developing countries like Bangladesh are besieged with problems of massive price increases in their essential imports—oil, food, fertilizer and industry raw materials. For Bangladesh it has come as a bolt from the blue because of its major reliance on concessional aid for its economic rehabilitation and delevopment.

The role of the International Development Association as a source of concessionary aid for assisting development efforts of poor nations like Bangladesh is well recognised. The compelling requirement of attending to problems like population, unemployment, malnutrition, illiteracy has made the need of a devasted land like Bangladesh for such assistance only more pronounced. Recent indications expressed at Nairobi were for an expanded IDA role to assist development effort in such areas of basic human problems. Inability or partial failure to replenish its resources by the more affluent members of international community at this critical time would, therefore, frustrate such efforts with disastrous consequences.

Bangladesh, yet to recover from the ravages of a war, represents a complex and difficult development problem and this is well known. Our need for a steady flow of development assistance is, therefore, most pressing. The first Five Year Plan launched in December 1973 estimates requirement of an inflow of $2.2 billion of foreign capital during 73–78 to finance the plan's implementation. It is admitted that an increasing tempo of development activities leads to a rapid increase in the imports of raw material, intermediate and capital goods. Against this requirement the import bill for raw materials alone, excluding food, accounts for 70% of the annual export earning of about $400 million.

If Bangladesh has to import 2 million tons of food grains from its own foreign exchange earnings nothing is left for other vital imports. Annual oil import bill itself has increased from $36 million to about $130 million. Development prospect has further been endangered by massive increase in the price of all our essential imports—food, fertiliser, cotton, edible oil and industrial raw materials.

Against this background our expectation of annual IDA assistance is estimated at $120 million a year. This represents one-third of the total foreign exchange requirement of about $360 million to finance our development plans. So far IDA assistance to Bangladesh since its independence has been to the extent of $228.55 million which has helped us substantially in overcoming pressing needs and problems related to reconstruction of the economy.

Our First Five Year Plan has recognized the overwhelming importance of increased agricultural production to attain self-sufficiency in food grains. Development of the water resources, increased irrigational facilities, availability of an improved agricultural input package, strengthening of existing institutional facilities—all these will have to play a vital role in achieving the target. Similar importance has been attached to the critically sensitive sector of population planning. This is just to mention a few priorities outlined in the plan. Implementation of all these development goals, amongst others, is substantially dependent on the availability of concessionary assistance from institutions like the IDA.

Prospect of finding alternative source for resources is severely limited. Rapid expansion and diversification of exports within the constraint of existing international trade barrier and other related issues can also hardly be achieved. Borrowing from the international money market at commercial and near-commercial terms is prohibitive for Bangladesh besides being difficult because of low credit rating. Prospect of an increased flow of resources through reformed international monetary order looks remote; possibility of immediate assistance from the I.M.F., though being discussed presently, is still uncertain.

The above discussion would indicate the critical importance of IDA assistance for financing development needs of countries like Bangladesh and the role of the U.S. as a leading donor and pacesetter. The United States has played a vital role in the creation and funding of the IDA. This is in addition to hear equally momenteres role in assisting development programmes of needy nations within bi-lateral framework.

We hope that the U.S.A. will continue to recognize the desperate need of nations like Bangladesh and help them to face challenges of hunger, poverty, malnutrition, unemployment, all stemming from underdevelopment.

I shall be grateful for your kind consideration and help.

With kindest regards,
Your sincerely,
M. HOSSAIN ALI.

GREENWOOD MILLS

Mr. THURMOND. Mr. President, an excellent example of the American economic system and the opportunities it offers can be found in the story of Greenwood Mills, with headquarters in Greenwood, S.C. It also illustrates quite clearly the impact of initiative, integrity, and hard work on the outcome of such economic enterprises.

Greenwood Mills was founded in 1889, but by 1907 it had encountered financial difficulty. At that time a young man named James C. Self, a bank cashier, was asked to assume the presidency of the mill. There were some lean years, but Mr. Self, by determination and skill, brought the company through its difficulties.

Once the business was back on its financial feet, it began to grow. New plants were built; employee rolls expanded and the surrounding areas prospered. Greenwood Mills continued to prosper and grow through the years, establishing many community facilities as part of its growth. Today, the company operates 18 plants in South Carolina, in addition to sales headquarters in New York, and employs thousands of people.

The president of Greenwood Mills now is James C. Self, Jr., who has continued the policies of initiative and dedication which his father had used for the benefit of so many. The top management team today, headed by Mr. Self, reflects many years' experience with the company and a dedication to serving the needs of people and the Nation. Two sons of President Jim Self have now joined him in the business. They are James C. Self, III, and William Mathews Self.

The company president himself began working at the mill when he was 16, learning the business from all levels. He is also a business administration graduate of The Citadel.

Mr. President, this fine company and the outstanding people who provide its leadership and production are typical examples of the American system. Hard work, imagination, and dedication to high principles when given an opportunity can still provide the economic harvest to be reaped by whole communities and, indeed, the whole Nation.

Mr. President, an excellent magazine article, entitled "Greenwood Mills: A Self Enterprise," appeared in the April issue of the Sandlapper of Columbia, S.C. I ask unanmious consent that the article be printed in the RECORD at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GREENWOOD MILLS: A SELF ENTERPRISE

(By Beth Ann Klosky)

Every morning when James C. Self, president of Greenwood Mills, arrives at his office in the firm's downtown Executive Building, he receives a daily briefing from several of the key executives, who compose the textile company's top management team. Usually the informal conference takes place in Self's office, where an old-fashioned rolltop desk sits conspicuously near the president's modern flat-top model.

This old oak piece was the personal desk of Self's father, the late James C. Self Sr. Its former quarters were much less pretentious, but it stands with timeless dignity in its present surroundings, a silent witness to the activities of a second-generation industrial team. To Self and his associates the mellowed old desk is more than a sentimental keepsake; it is part of the Greenwood Mills heritage and a reminder of the company's philosophy that "Dedication to the finest quality stands behind every yard of Greenwood fabric," and that "People are more important than anything else."

It is this philosophy of placing first importance on the people of Greenwood Mills that makes the South Carolina-based, family owned and operated textile enterprise somewhat different from other large chains. For nearly 65 years, since the senior Self became president of the company, the team approach has characterized operations of the textile firm, an unusually close-knit organization in which the people—from top management to production employees—are personally committed to a common goal, working together in concerted effort.

For this and other reasons, including a liberal policy of promotions within the company, longtime service with Greenwood is the rule rather than the exception. Sixteen of the 18 plants are located within a 25-mile radius (in Greenwood and Laurens counties), a convenience to employees that allows promotions from one location to another without the necessity for families to move. Significantly, the 14 officers of the company (excluding Self) have a combined total of 291 years of service and an average of nearly 20 years each. Among them are three men who join in corporate decision-making: Executive Vice Presidents C. D. Blalock, finance; Robert A. Liner, manufacturing; and Cecil Browning, sales.

In the early years the success of Greenwood Mills helped to usher in a new era of economic growth and community progress for Greenwood County. During his lifetime James C. Self Sr. once observed: "I don't think much of a man who makes money in a community and then forgets about it." These were not idle words. As the textile firm prospered and grew, it enabled Mr. and Mrs. Self Sr. to establish first the Self Foundation and later the Mathews Foundation (neither has any connection with Greenwood Mills) which have poured millions of dollars into community and state improvement. Figures show that since their inception in the 1940s the two foundations have contributed more than $9 million for medical and educational purposes. Self Memorial Hospital in Greenwood, now county owned, was established and maintained for years through Self Foundation funds. The hospital still receives aid from the foundation.

While growing up in the late 19th century Jim Self, son of a country doctor and a former school teacher, helped his widowed mother operate the family farm in Edgefield County. Setting his sights on a higher education he enrolled in the first class at Clemson College in 1893, digging ditches on the raw campus for eight cents an hour to help pay his tuition. Then came the depression of 1894. Discouraged when he was paid less than $100 for four bales of cotton, Jim left college and went to work as a clerk in a country store. By living frugally he managed to save $150 to pay his tuition at a business college; after completing his training he took a job as bookkeeper at the old Bank of Greenwood. Within a few years he was promoted to cashier.

Meantime, Self acquired 14 shares of stock in the Greenwood Cotton Mill, the community's first industry, organized in 1889 by William L. Durst. The industry prospered, and a second plant opened in 1905. By then Durst had died and his brother J. K. Durst, organizer and first president of the Bank of Greenwood, was serving as president. When the panic of 1907 came along conditions changed for the worse, and by 1908 Greenwood Cotton Mill was in trouble. The second plant closed down; the original plant remained in operation, but with its old machinery becoming obsolete and the mill's debt greater than its total value, the future looked black. In its darkest hour the mill's board of directors turned to Jim Self, a red-haired, blue-eyed young man of 32 who was known for his business acumen and organizational ability. Jim agreed to take over as president and treasurer of the mill (at an annual salary of $1,800) despite the fact that people kept asking him, "How can you save that broken-down, bankrupt mill?"

A less stubborn man might have thrown in the sponge, but not Self. He was in the mill office before daybreak and long after midnight trying to figure a way to keep going. There was never enough money to buy the cotton to operate and meet the payroll of 250 employees. Self realized the mill was doomed unless new machinery could be obtained; but how could it be done without collateral? Determined to find a way, he went to Boston to discuss his plight with manufacturers, and through salesmanship, enthusiasm and his own unmistakable integrity he persuaded them to take a chance and provide the machinery on a deliver now, pay later basis.

Jim Self had a rare capacity for matching men and machines and an intuitive grasp of the ability and potential of associates he brought into the company. The first of the original team was P. D. Wade, who became superintendent of the cotton mill in 1908. The mill showed only a small net profit in 1910, but two years later profits were up to $46,600; the second plant had reopened and the number of spindles had doubled. The following year J. B. Harris Sr., another longtime associate, joined the company. Harris became Self's right-hand man and helped him guide the destiny of Greenwood Mills for 42 years, until the death of the senior Self. Harris was chairman of the board when he retired in 1962. Other men who became part of Jim Self's team were L. B. Adams, who was treasurer for many years and who retired as executive vice president; Joe Chalmers, who headed manufacturing; and Horace Brinson, veteran secretary.

By 1916 Self had acquired a majority of the mill's stock, and with profits that year at $108,000 he resigned his job at the bank and assumed full-time duties at the mill. Additional looms were purchased; improvements on employee housing went forward; a church for the mill's employees was constructed; a night shift was initiated successfully despite warnings that it wouldn't work; and that same year Jim married Lura Mathews, daughter of one of his early employers in the country store of Durst and Mathews.

In the 23 years between the world wars the foundation on which the modern textile firm had risen was solidified. By remaining in a liquid position the comapny was able to take advantage of opportunities as they arose without borrowing money (Greenwood's expansion over the years has been financed wholly from within the organization), and at the end of World War I the Greenwood enterprise was one of the textile operations with its head above water. When business conditions improved Self acquired an interest in Ninety Six Cotton Mill.

Throughout the '20s and '30s the company continued to grow. During that period an expansion was begun at Ninety Six Cotton Mill; Grendel Mill No. 2 in Greenwood was purchased, renamed Mathews for Self's father-in-law; the plant modernized and its production doubled. When the Depression hit, the sound financial structure of the Self organization enabled it to forge ahead despite economic setbacks. In those years marking the initiation of government direction and government control Self's chief concern was the welfare of his employees. He kept enough currency on hand to meet the weekly payrolls, loading it in a truck in his backyard and hauling it to the plants on payday. By 1935, when most of the country was still recovering from the Depression, Greenwood was on three shifts a day; by the end of the year Jim Self had purchased all outstanding stock to become sole owner of Greenwood Cotton Mill. Two years later Mathews Plant was expanded to become the largest single plant in the world producing fabrics from spun rayon.

During World War II the plants produced millions of yards of fabrics for the armed forces. Mathews Plant alone wove more than 40 million yards of a special poplin used for cold weather garments, a performance for which it received the Army-Navy E award four times. After the war the company organized its own selling house, Greenwood Mills, Inc., which now occupies several floors of a New York skyscraper and directs district sales offices in 10 major American cities from coast to coast, plus an office in London.

Because of the transportation problem mill villages were a product of necessity during the early history of the textile industry. Long before they came under attack by the critics Jim Self's thinking on the subject proved he was way ahead of his time. In 1916 he said: "Every man ought to have a home. The sense of possession . . . the labor to render a house beautiful and comfortable refines . . . and promotes virtue, religion and patriotism—everything upon which society depends for its peace and permanence."

One way Self sought to inspire, uplift and challenge his workers was to provide employees and their families with good homes in attractive surroundings. Turning so-called mill villages into community assets, Greenwood Mills built whole new residential areas of substantial brick houses in varied design, complete with landscaped yards, shrubbery and seeded lawns. An example is Harris Village, where wide streets are lined with four- to seven-room brick houses constructed of the best materials and featuring all modern conveniences.

In employee housing alone Self was an innovater in industrial progress. He was one of those leaders who helped bring about the New South and the resulting sociological change that led to the sale of mill homes to employees. Some 1,500 Greenwood Mills homes were offered for sale to employees beginning in 1962, but Self did not live to see the transition; he died in 1955 at the age of 79. By 1967 every mill home was privately owned and the company had turned over its water, electric and sewer facilities to the City of Greenwood, the Town of Ninety Six and the Greenwood REA.

An organization especially close to Self's heart was the Quarter Century Club of mill employees. At its first meeting in 1948 when the first Quarter Century pin was presented to him by his son J. C. Self Jr., the father said: "Son, I hope you stay with this organization as long as I have and have people as good to work with as I have." The second James C. Self recalled this affectionate remark when he assumed his father's place as president.

During the past 18 years Greenwood has forged steadily ahead, changing and expanding to meet modern challenges. In contrast to old-line procedures, Mathews plant was modernized in 1957–58 as three units to make it more competitive. Separate and specialized units were also established within Greenwood and Ninety Six Mills; all plants built since 1950 now operate as specialized units. In the 1960s Sloan and Adams plants at Ninty Six and Chalmers plant at a site near Durst were constructed. Looking beyond county boundaries the firm next acquired Joanna Cotton Mills in Laurens County, transforming the facilities into four specialized plants. Then came acquisition of a plant in Orangeburg, recognized as the most modern in the world for dyeing and finishing light-weight textiles. A second Orangeburg plant, 18th in the chain was recently purchased and will specialize in knit goods—the company's latest venture. Meantime, a growing need for additional administrative office space led Greenwood Mills to acquire the old Oregon Hotel, which was renovated, modernized and is the textile firm's corporate headquarters.

The historic rolltop desk in the president's office is a vivid reminder of industrial pioneering, but the man who sits beside it today is representative of a modern technological age which has seen the Greenwood textile firm emerge as a highly sophisticated, streamlined operation. A young grandfather in his early fifties, the second Jim Self displays the same energy and drive of the president before him, but the personalities of father and son are different. Sandy-haired, not quite so tall, the second-generation president has an engaging, rather shy manner and is described by his associates as still a country boy at heart. He's reserved around strangers, dislikes big cities and hates to make speeches.

"Little Jim" as he was affectionately known in his youth received an early indoctrination in textile manufacturing. At age 12 he began accompanying his father on business trips that resulted in many good things being "rubbed off" on him. When he was 16 he went to work in the plants and learned the industry from the ground up. After graduating from The Citadel with a degree in business administration, Jim served overseas during World War II. He married his childhood sweetheart Virginia Turner, and their two sons are now the third generation of Selfs associated with the company.

There have been times when decisions made by the second-generation president prompted old-timers to remark, "Your father wouldn't have done it that way." Jim's reply was always the same: "Conditions have changed; if my father were alive he'd do things differently now."

By 1967 Greenwood was listed in the top 20 textile enterprises in the nation, with a growth pattern indicating an eventual rank in the top 10. Currently Greenwood Mills employs 6,500 people and has an annual payroll of more than $40 million. Its plants produce each week approximately 6 million yards of fabrics in styles ranging from corduroys and poplin to fine-count batistes and various types of synthetics, most of it marketed finished. The fabrics go into clothing, industrial uses and home furnishings. Besides marketing its own cloth the New York-based Greenwood Mills, Inc., is also the selling house for Inman Mills in Inman and Harmony Grove in Commerce, Ga.

As in the past, quality is at the heart of Greenwood Mills. Its long list of satisfied customers, some of whom date back to the 1920s, is ample proof of its reputation for quality fabrics. Over the years the textile firm's research department has developed a number of new fabrics including "Bondyne," which bridged the gap between lower priced fabrics and the higher priced easy-care blends. Philosophically the management opposes unions and so advises its employees, because the company feels that it can do more for its people in a more personal, non-union operation.

All of Greenwood's operating units and its employees are a part of the community. In fact, the company encourages its workers to be a vital force in community life. Its thinking along this line is indicated by the decision to support the local YMCA rather than provide a company swimming pool, to develop a community playground rather than one for mill families. The Self Memorial Hospital, as well as churches and schools built by the company, were all turned over to the county, the congregations and the public school system.

Looking to the years ahead James C. Self predicts that the textile industry will experience new and dramatic developments and that Greenwood Mills, operating under a well-defined growth pattern, will move on to higher plateaus of technology and achievement. Whatever the future holds for the family owned enterprise, Jim Self will continue to credit its success to the many valuable men and women who make up his working team—from the officers and office staff to the superintendents, supervisers and production workers who are "the bedrocks of Greenwood's operating strength."

The character of quality that has made Greenwood Mills a distinguished name in textiles was no accident. It is the outgrowth of the Self philosophy that gives priority to human values and considers it both an obligation and a privilege to serve community, state and nation in the best interests of mankind.

GENOCIDE CONVENTION: THE FIGHT IS NOT OVER

Mr. PROXMIRE. Mr. President, I was very gratified 2 months ago when after years of effort by myself and several colleagues, the Genocide Convention was finally brought before this body for consideration. I was saddened that it actually did not come to a vote; but I intend to continue speaking on this subject until the opportunity arises again, for this is a treaty that under no circumstances should be lightly dismissed or allowed to pass into oblivion.

I believe that most of the objections raised against the treaty do not carry anywhere near as much weight as the arguments in favor of it. Our national heritage commits us to the sentiments expressed in this document, advocating as it does the right of all groups and nationalities to be free from persecution and extermination. World opinion demands that we support it. And the events of recent decades have shown that the terrible crime condemned by it is not an ethereal, hypothetical thing, but a horrifying reality.

Therefore, Mr. President, the fight to reconsider the Genocide Convention Treaty must continue. It can cease only when this country and this body renew their commitment to human rights and liberty, by giving this document the approval that it unquestionably deserves.

VIETNAM VETERANS GI BILL

Mr. McGOVERN. Mr. President, on April 10, I appeared before the Senate Committee on Veterans' Affairs with Senators Mathias, Inouye, and Dole in support of our bill to increase GI bill education benefits (S. 2789).

The bill has been cosponsored by 35 of our Senate colleagues and there is a great deal of interest around the country in our effort. For that reason, I ask unanimous consent that our joint testimony be printed in the Record to help other Senate offices answer constituent inquires.

There being no objection, the testimony was ordered to be printed in the Record, as follows:

Joint Testimony of Senator George McGovern, Senator Charles Mathias, Senator Daniel Inouye, and Senator Bob Dole

On June 22, 1944, 16 days after the Normandy invasion, President Franklin Delano Roosevelt signed Public Law 346. The Federal government, in approving what became known as the G.I. Bill of Rights, affirmed its faith in ultimate victory by the Allied Forces. The G.I. bill in President Roosevelt's words showed further that the American people would "not let the men and women in our armed forces down."

By prior legislation, the President and Congress had already provided for the armed forces of World War II: dependency allowances; mustering out pay; hospitalization, medical care and vocational rehabilitation and training; pensions in case of death or disability in military service; war risk life insurance, and guaranty of premiums on commercial policies during service; protection of civil rights and suspension of enforcement of certain civil liabilities during service; emergency maternal care for wives of enlisted men; and reemployment rights for returning veterans.

Public Law 346 gave servicemen and women the opportunity of resuming their educational or technical training after discharge, or of taking a refresher or retainer course, not only with tuition reimbursement up to $500 per school year, but with the right to receive a monthly living allowance while pursuing their studies. It made additional provisions for federally guaranteed loans to veterans for housing, farm and business purchase and construction; unemployment payment to veterans unable to find work; job counseling for returning veterans; construction of additional necessary hospital facilities; and a strengthened Veterans Administration "able to discharge its responsibilities with promptness and efficiency."

These government programs were enacted in recognition of the fact that the members of the armed forces in service to their country are "compelled to make greater economic sacrifice and every other kind of sacrifice than the rest of us, and are entitled to definite action to help take care of their special problems."

In the three decades since the first G.I. bill became law, millions of American men and women have served in the armed forces. They have participated in three major conflicts—World II, Korea and Vietnam—and they have been involved in lesser conflicts around the globe. They have provided a blanket of national security for the United States and international stability between the Western Allies and the Sino-Soviet bloc.

Each American who entered the service, either voluntarily or through the draft, became an essential element in our defense machinery. Each entered the service with no guarantee that they would not at some time be called upon to risk life and limb in defense of their fellow citizens. Each left the security of home, family and job to serve this nation.

The original G.I. bill was followed by the Korean Conflict Program, the post-Korean program and the present G.I. bill for Vietnam veterans. Each bill was intended to provide vocational readjustment and to restore educational opportunities lost due to service in the armed forces. The Cold War G.I. bill is not meeting that purpose today because of the inadequacy of many of its provisions. The Comprehensive Vietnam Era Veterans Educational Benefits Act (S. 2789) which we have introduced for consideration before this Committee is designed to correct these inadequacies.

Vietnam was this nation's longest, costliest, and most confusing war. Many of the veterans who fought in Vietnam experienced serious doubts about their mission and questioned why they should face enemy bullets, mortars and mines half a world away from home. His return home has been equally confusing as indifference, skepticism or outright hostility has greeted him. The Vietnam veteran has returned to more economic, social and employment problems facing him than any other group of veterans in our history. Rampant inflation, high unemployment, tight housing markets, high rents and food prices have made the readjustment problems for Vietnam veterans unique and difficult without the extra burden of an unsympathetic public and government assistance programs unequal to his needs.

Although we do not necessarily need a reference point to see that the Vietnam Era G.I. bill is inadequate, the simple fact is that today's veteran is not as well treated as the veteran of World War II. We, therefore, agree with Chairman Hartke's statement that "as a matter of equity, today's veteran should receive benefits in inflation adjusted dollars that are no less than the maximum amount that was available to me and other veterans following World War II."

By paying tuition, the World War II G.I. bill accorded all veterans an equal opportunity to enter education and training programs. In the few schools where educational costs were more than the $500 school year ceiling provided by the V.A., a veteran could accelerate the consumption of his 48 months entitlement to cover the difference.

Numerous studies, including the V.A. sponsored report by the Educational Testing Service, the National League of Cities/U.S. Conference of Mayors Special Veterans' Opportunity Committee Report, the report of the American Association of Community and Junior Colleges and hundreds of letters from Vietnam veterans and their families have attested to the fact that today's G.I. bill does not provide equal education, training assistance and opportunities for all Vietnam era veterans.

One of the findings made by the ETS study was that the single most important factor determining whether a veteran can make use of his G.I. benefits is the State in which he resides. The monthly subsistence allowance that vets presently receive does not begin to cover the cost of schooling in high cost public education states.

Today's G.I. bill also discriminates against veterans who are poor, educationally disadvantaged, members of minority groups, married with families to support. Because of increases in tuition costs over past years, the amount that a veteran has for living expenses after paying educational expenses varies from veteran to veteran, school to school and state to state. The financial resources available under today's G.I. bill limits veterans without supplementary resources to education and training at low cost public institutions. If a veteran does not live in a community which provides low cost public education, his educational benefits are not sufficient to allow him to receive education or training. If a veteran has no outside source of income and wishes to attend a private educational institution, he does not have that choice.

Representative Olin Teague in reference to the Korean War G.I. bill stated, "The scholarship allowance should be sufficient to maintain a veteran-student under reasonable and normal circumstances in a reliable institution with customary changes for non-veterans used as a guide." The present G.I. bill does not meet that standard. There are some startling statistics that prove this point.

A recent study by the National College Entrance Examination Board shows that the cost next fall for a student's tuition, room and board will average $2400 at public colleges and universities. Thus the average single vet will fall short approximately $500 of basic needs. Married veterans will have an even more difficult time meeting expenses. By using the average veteran at an average cost of $2400, by definition over half of the affected veterans are even worse off. With the average cost for tuition, room and board at a private institution estimated at $4039, the veteran without additional financial resources is excluded from this market. Tuition at two year technical, vocational and professional institutions averages $2000 per year before counting living expenses.

The effect that the high cost of education has had on the married vet's use of education benefits is striking. Sixty-seven percent of all Vietnam veterans are married. Yet, only 41.8 percent of veterans using the bill are married. Of the total Vietnam veterans with dependents, only 13.4 percent are currently using the educational entitlements.

The national average for Vietnam era veteran G.I. bill enrollment in junior and four-year colleges by states is 24.4 percent of the veteran population. Thirty-two states have participation rates below the national average. These states are primarily those which do not provide low cost public education, but rely on private colleges or higher cost public institutions for educating their students.

Using Veterans Administration statistics, the difference between what the Vietnam veteran receives in inflation adjusted dollars compared to what World War II veterans received is shocking. The $500 tuition ceiling of World War II would be the equivalent of $2,517 in 1974 dollars. The supplemental benefits received after World War II equal in today's dollars $1,287 for a single vet, $1,800 for a vet with one dependent and $2,061 for a vet with two or more dependents. So today's single veteran receives $203 per month in adjusted dollars less than his World War II counterpart, $219 less if he has one dependent and $211 if he has two or more dependents.

These facts prove conclusively that the present educational benefits program does not provide the veteran the opportunity and flexibility to attend the institution and to pursue the education and training of his choice. Indeed, many of today's veterans cannot use their entitlement at all.

The Comprehensive Vietnam Veterans Educational Benefits Act recognizes that the present system of administering veterans educational and readjustment benefits is not meeting the specific intent and objectives of Congress and is denying readjustment assistance to thousands of Vietnam era veterans. The Comprehensive Bill amends the current G.I. bill to provide specific solutions to the inadequacies and shortcomings of the present system and improve the effectiveness of existing programs. The Comprehensive bill is designed to broaden the base of veterans' participation in the G.I. bill by providing, for the first time since the Cold War G.I. bill was enacted, an equal opportunity to all veterans to utilize the benefits he or she is entitled to as a result of serving our nation's needs as a member of the armed forces.

We believe that our bill, as opposed to various other proposals before this Committee, is the only legislation that will truly equalize the veterans' opportunity to participate in the G.I. bill. The combination of the variable tuition, accelerated payment, increased subsistence allowances, time extension and an expanded work study program make the Comprehensive bill an integrated plan that will assure that each veteran will be able to receive an education no matter what has economic or marital status and regardless of where he lives.

The provisions of the Comprehensive bill have been endorsed by 39 Senate co-sponsors. The major veterans' organizations have spoken out in favor of the major elements of this legislation. Our offices have received thousands of letters of support for S. 2789.

We do not believe that our legislation is perfect. This Committee has the experience and expertise to provide the changes and polishing that any final bill will require. We do feel strongly, however, that the comprehensive approach of our legislation is absolutely necessary if equal opportunities are to be provided to all veterans.

TUITION EQUALIZER PROGRAM

One of the most crucial provision of our bill on which we would like to focus today is that found in Sec. 2, subparagraph (9) of S. 2789—or what has come to be known as the "Tuition Equalizer" provision. Under our proposal, the federal government would provide a grant of up to $600 per veteran annually to meet tuition costs which exceed $400 per year. The first $400 of tuition would continue to be paid by the veteran out of his regular monthly subsistence allowance.

The need for a provision such as this has been clearly underscored by the findings of the Educational Testing Services study. One of its central findings deserves particular emphasis:

"Current benefits levels, requiring as they do the payment of tuition, fees, books and supplies, and living expenses, provide the basis for 'unequal treatment of equals'. To restore equity between veterans residing in different states with differing systems of public education, some form of variable payments to ameliorate the differences in institutional costs would be required."

The simple truth is that wide disparities in the cost of tuition—both between states and within each state—make a mockery of our commitment to provide equal educational opportunities to veterans who gave equal service to their country, to say nothing of our commitment to provide anything approaching benefits comparable to those available to veterans of World War II.

We are convinced that a direct relationship can be shown between the cost of tuition and the participation rates of veterans under the G.I. bill in any given area in the country. Nationally, only about 25% of the almost seven million Vietnam era veterans have ever attended College since 1966 under the G.I. bill, according to April 1973 figures (the most recent data made available by the Veterans Administration). On a state-by-state basis, however, the participation rates vary widely—from a peak of 37 percent in California to a low of about 14 percent in Vermont and Indiana.

We believe that it is no mere coincidence to find that veterans living in California, with the highest veterans' participation rate in the land, are blessed with the availability of a broad range of low-cost public higher education—an entire state college system with tuition of about $160 per year—while the major institutions of public higher education charge tuitions as high as $630 to $700 in Indiana and $720 to $1088 in Vermont.

Nor are these states alone in their high tuition costs for public education (and consequently, low veterans participation rates). Indeed, most of the major *industrial states*—where most of the Vietnam era veterans are concentrated—charge tuition rates well above the national average. These states include Pennsylvania, Ohio, New York, Maryland, New Jersey, Wisconsin and Michigan. Veterans living in all of these states suffer the unfair disadvantage of being unable to use their G.I. bill educational benefits without significant outside financial support to help them pay the high cost of tuition. (A complete state-by-state list of tuition costs and participation rates is attached for the Committee's review).

Even in states with the highest veteran participation rates, such as California, serious inequities exist because of variations in tuition costs. We have already noted, for example, that the California veteran has access to a broad range of state colleges with a tuition in the area of $160 per year. Nevertheless, the highly regarded University of California system requires a tuition payment of about four times that amount—$644. Therefore, even in California, the Vietnam era veteran does not have access to the best public higher education in his state without substantial outside financial aid or resources.

As for private colleges and universities, very few of which charge tuition under $1000, today's veteran is simply priced out of the market. His World War II counterpart, of course, was financially equipped to attend virtually any public or private university in the nation, since the $500 ceiling for tuition under the World War II GI bill covered all but the highest-cost tuitions. In 1947, for example, Yale University's student body was composed of almost 60 percent veterans.

In the 1971–72 academic year, Yale's student body consisted of only 0.8 percent (eight-tenths of one percent) veterans. It may no longer be economically feasible for the federal government to provide grants to cover the full cost of private tuition as was provided after World War II; but at the very least, the enactment of our tuition-equalizer provision would constitute a kind of tuition "rollback" for the veteran who could otherwise have afforded private tuition had his education not been disrupted by military service. In too many cases, for example, a veteran left (or delayed entrance at) a private college or university to enter military service, only to return three or four years later and find the tuition increased by as much as $300 to $600 or more. Thus, our tuition provision would at least restore the veteran who seeks education at a private college to the same financial footing on which he stood before serving in the armed forces, even if we cannot afford to cover the full cost of his tuition.

We have already observed that under the existing framework of the G.I. bill, those who are most severely hurt by the inequities in tuition costs are the very ones whose educational needs are greatest—these are the veterans who struggle for economic survival is so keen that the soaring cost of tuition represents an almost insurmountable barrier to full use of the G.I. bill benefits. In addition, among those veterans who can afford to pursue higher education, the economics of our current program generate a disproportionate reliance on two-year and junior college programs where the costs tend to be lower even as the range of ultimate employment opportunities afforded is narrower. The costs of a full four-year college degree program are simply too high for most of today's Vietnam veterans of modest means.

It would appear, therefore, that the G.I. bill as it is currently structured operates to the maximum benefit of veterans who are largely white and upper-middle class. The millions of other "working class" veterans have little opportunity to use the benefits we offer. And of those who do, their options are generally restricted to low-cost junior colleges or even less-than-reputable "get rich quick" courses of instruction.

The central purpose of our tuition-equalizer provision is thus to provide every veteran in the nation, regardless of his state of residence, with an equal opportunity to attend a full college degree program at any public institution of higher education of his choice. This is the least we can do if we are to fulfill the commitments we made when we sent them off to war.

As we have pointed out, we would have preferred to provide true comparability with the World War II G.I. bill by providing tuition grants for any college or university, public or private. In that regard, the low-cost loan provision of S. 2784 constitutes an important contribution and may well provide the best solution—by allowing those veterans who prefer to pursue higher-cost private education to borrow the funds necessary to pay their fees. It should be noted, however, that such a loan provision *without* a tuition grant would still leave the poorer and working class veterans at a serious disadvantage—for these latter are the veterans who would be mose reluctant and, indeed, could ill afford to go heavily into debt to pay for their educations without the ultimate promise of a high-paying job at the other end with which to pay off their loans. But as a *supplement* to the tuition provision of S. 2789, the loan provision would go a long way toward opening up private education opportunities to Vietnam era veterans.

OPPOSING ARGUMENTS

Opposition to the tuition-equalizer provision of S. 2789 has tended to take the form of three general lines of argument; none of which we find entirely persuasive:

(1) That it is unnecessary because current benefit levels are already sufficient to assure comparability with the World War II G.I. bill;

(2) That it would be unwise or unfair to reward states which have failed to develop broad low-cost systems of public education by providing grants to veterans attending high-cost institutions; and

(3) That it is administratively infeasible in view of the alleged abuses involved with the World War II tuition program.

The first argument, most commonly advanced by the Veterans Administration, is based on an almost surrealistic comparison on the value of World War II benefits with current levels. And while we discuss the inadequacy of the VA's comparability figures more fully in other parts of this testimony, we should recall at this point that while the cost-of-living generally has only roughly doubled since World War II, tuition rates for public *and* private colleges and universities have increased closer to five-fold. And under the VA's "logic," the minimum-wage rate, which stood at 40¢ per hour in 1947, would be "adequate" today if it stood at a mere 80¢ per hour, based solely on cost-of-living increases.

The second argument—focusing on the disparity between the efforts being made by different states to hold the line on public education tuition—almost answers itself. It is argued that our tuition provision would incidentally benefit states with high-cost public education at the implied expense of those states which subsidize the costs of public education more fully, thus reducing the states' incentive to maintain low tuitions. This might be a plausible line of argument if veterans constituted a large enough proportion of the student population to have a significant impact on tuition policies at public institutions. Quite the contrary is the case. Today's student population is, and may be expected to remain, largely nonveteran. Consequently, any change in a state's tuition policy will affect a far greater number of non-veterans than veterans. It should also be noted that under the present program, California is using G.I. bill benefits at a rate of two to three times greater than New York where a comparable veteran population exists. That means that New Yorkers are subsidizing the college costs in California where participation is higher and tuition considerably lower.

Even more importantly, this "state-effort" line of argument also begs the central question on which we seek to focus here today: namely, our belief—one which we are sure we share with this Committee—that educational opportunity for the Vietnam veteran is at its heart a *federal* responsibility, and not one which we can continue to ask the states to subsidize, each at its own discretion. With such wide variations in tuition costs emerging in all parts of the country, we in Congress can no longer sit on the sidelines—wishing, hoping, even exhorting the states to equalize their tuition costs. For while we wait, poring over percentage figures, cost-of-living indicators and national averages being supplied to us by various agencies of government, veterans who fought in the same war, shared the same foxhole, came from identical backgrounds and armed with the same degree of personal wealth, come home to find a program of educational benefits which allows one to attend the public college of his choice and denies the same opportunity to another, simply because he is unfortunate enough to live in a state where tuition outstrips his means.

Finally, the third argument—relating to the abuses which are said to have characterized the World War II program—may be the most perplexing, because it has been recited so often and, frankly, so ritualistically. In the Veterans Administration's response to this Committee's request for comment on S. 2789, for example, the VA dismised this proposal in one short paragraph, almost as if by wave of its hand, merely stating that "We firmly believe that to return to a tuition repayment system, even though the payment would be made to the veteran instead of the school, would again open the door to the many abuses which occurred in the earlier (World War II) program." There was no further discussion or analysis, no acknowledgement of any pertinent changed circumstances since 1947, nor even any attempt to explore administrative means of preventing these alleged abuses from recurring under an improved program.

There were indeed some abuses in the tuition program following World War II. But it seems to us that our responsibility here in Congress is to explore ways of learning from our experience and forging a better program. Some relief from the staggering cost of tuition is far too important to today's veteran to allow a program for tuition grants to continue simply being held hostage by our dimming recollection of an earlier program which may have been flawed.

ABUSES OF TUITION PAYMENT PLAN

We recognize the fact that the Veterans' Administration has not handled education payment programs in the past in a highly competent way. In light of their problems in constructing workable system for mailing out advance subsistence checks, it might seem foolish to add on the extra burden of administering a tuition payment plan. We believe a system can be worked out that will administer the tuition program effectively and with a minimum of abuse. This Committee has accumulated a great amount of expertise in understanding and dealing with the administrative procedures at the Veterans Administration. We wish to lend the strongest possible support we can to whatever regulations or qualifying provisions the Committee may deem necessary in our tuition proposal to prevent whatever forms of abuse or administrative tangles that might be anticipated. Our primary concern is that an equal education be provided for all veterans in all states. As long as that remains central, we would be more than happy to follow the Committee's recommendations on any modifications that are necessary.

We do feel that we should speak to some of the specific reservations that have been voiced about the tuition payment plan. They center primarily on the history of abuses set forward in Congressional hearings following the World War II G.I. bill. We would also like to point out the efforts we have made in the drafting of this provision which we feel will help avoid many of the abuses documented in previous programs.

A change of major significance is the much lower proportion of veterans in the student population now as compared to the post World War II period. Following the second world war, better than 50 percent of the college student population was composed of veterans. The invitation to possible abuses such as charging out-of-state tuition for instate veterans are obvious. The possibility for abuse was furthered also by the great influx of veterans in a relatively short period of time.

The situation is entirely different today. Compared to the over 500 percent figure for the World War II program, less than 10 percent of the current student population is made up of veterans. The only reasonable assumption to make is that abuses would be reduced almost in direct proportion to the reduction in the percentage of student veterans. It would no longer benefit schools to change policy affecting the entire student body in order to take advantage of the 10 percent who are veterans.

STATUTORY SAFEGUARDS

The primary abuses, then, will not occur in standard two or four years public or private colleges. The danger lies with the kinds of abuses documented in connection with correspondence and certain short term vocational programs. In order to structure the tuition-equalizer program to prevent the possible abuses, we have included two main changes from the World War II program. First, the veteran must pay the first $400 of the tuition cost himself. Veterans themselves are going to be a little more cautious in their choice of schools and programs knowing that they are making that sizable of an investment. Second, the Veterans Administration payment for tuition costs above $400 up to $1000 is made to the veteran himself. Any attempt to impose extra changes to get more out of the VA would necessarily entail collusion on the part of the veteran and the school he wishes to attend.

The VA may not be the most popular institution with young veterans, but we doubt seriously that they would go so far as to enter into behind-the-back agreements that benefit the school just to effect some kind of revenge on the Veterans Administration.

As was noted before, we heartily endorse any efforts the Committee may make to expand these safeguards. We do wish to be on record as being aware of the possible problems the program may encounter and we urge the Committee to look into preventative measures for abuses that might occur in the areas of recruiting, advertising, and falsifying job placement percentages. Knowing the competence and expertise of this Committee, we are confident of your ability to deal with these problems and we wish to cooperate in whatever way we can in your investigations and subsequent program planning.

There is one final, major abuse that we can and must speak to. Even though veterans have historically shown themselves to be highly motivated and responsible students, there are those who will drop out of programs after the tuition payment is made and perhaps attempt to claim part of the Veterans Administration tuition rebate as their own. This would seem to call for some sort of system set up with participating schools to prevent the total tuition rebate from being paid directly to the veteran and then counting on the veteran to send back the proportion due the VA.

Every school that has early drop-outs has a plan for tuition reimbursement depending on the length of time expired during that current term. It should be a simple matter for schools to separate the amounts paid by the veteran and by the Veterans Administration and apply their formula to each. Separate rebate checks would then be sent to both the veteran and directly to the VA. As with the payment plan itself, it would seem that the veteran could only abuse the rebate system with the cooperation of the school involved.

INCREASE IN SUBSISTENCE ALLOWANCE OF 13.6 PERCENT

The Veterans' Administration maintains that an 8.2 percent increase in subsistence rates is all that is necessary to equalize GI Bill benefits in line with recent cost of living increases. This figure is predicated on the assumption that the subsistence level maintained since 1972 has been adequate to meet the veterans' educational needs. That is a blatantly false assumption. The Educational Testing Service study, conducted during 1973, showed that the current subsistence payments were falling short of the total needs of veterans attending a typical four-year college anywhere from $600 for a single veteran up to $2,000 for a married veteran with two dependents.

The VA argues further that benefit rates have risen almost 70 percent since 1970 resulting in a 200 percent increase in the budget allotments for the program. That may be true. But again, it is based on a faulty assumption and is only a small part of the total picture. Before the increase instituted in 1970, the monthly subsistence allowance for a single veteran was $130 per month. In comparison to any reasonable standard, whether it be the levels maintained in the World War II program or the cost of education in 1970, that figure is ridiculously low. If one were to divide the $500 tuition allotment available to W.W. II vets by nine (the number of months in a typical school year) and add the $75 per month subsistence payment available at that time, the monthly sum available during the 1940's under the GI Bill comes out almost precisely to that same figure of $130.

The simple fact is that, although the increases may have been generous since 1970, the 70 percent increase does not begin to make up for the fact that education costs have risen 300 percent since W.W. II.

Even if the VA contentions were correct and benefit levels were adequate in 1972 and 1973, the 8.2 percent takes no account of possible education cost rises in the next year or two. And those rises are not only possible, they are predicted and planned for. A report recently released by the College Entrance Examination Board, based on a survey of 2,200 institutions of higher education, showed that the cost of a college education will rise again this fall making it 9.4 percent more expensive than the current school year.

Add to this rise in education costs the fact that in 1973, consumer prices for essential goods rose at a greater rate than they had for 26 years and the fact that wage and price controls are to be lifted very soon and it is easy to predict that without a substantial increase in subsistence benefits, veterans may be dropping out of school by the thousands during the 1974–75 school year.

The 13.6 percent increase in subsistence payments has already passed the House of Representatives by a unanimous vote. Given the total inadequacy of current benefit levels and the predictions for unprecedented living and educational cost rises to come, the 13.6 figure must be seen as a bare minimum raise.

It, too, is only a part of the solution. Even with the recommended subsistence raise, veterans who are educationally disadvantaged or come from lower income families or those who are striving to support a family while continuing their educations or those who reside in States where the public tuition cost is well above the national average of $400 per year have no chance at all. That is why we are advocating a tuition equalizer payment dealt with more extensively in an earlier section of this testimony.

We wish to note that an error was made in the drafting of our bill and it was not our intention to exclude wives, widows, and children pursuing educational programs under chapter 35 of title 38 from the 13.6% raise. We agree with the VA's recommendation that the subsistence increase be extended to all those covered in chapters 31, 34, 35 and 36, but we hope the Committee will see fit to set the raise at 13.6% rather than the 8.2% recommended in the administration bill, S. 2960.

EXTENSION OF THE DELIMITING PERIOD FROM 8 TO 10 YEARS

Another provision of our bill which was included in the House passed measure, H.R. 12628, is the extension of the delimiting period from 8 to 10 years. The VA argues that eight years "is an adequate period within which to meet the readjustment concept of the GI Bill program. . . ." Taken at face value, eight years is adequate time for a veteran to complete a four year course of education. But once again, the VA is predicating their argument on the faulty assumption that benefit levels during the eight years since the Vietnam Veterans GI Bill came into effect in 1966 have been adequate to meet the veterans' educational needs.

In 1966 when the program was begun, the only benefits available were the monthly subsistence allowance. It began at $100 per month and rose to $130 in 1967, $175 in 1970 and $220 in 1972. One can detect a similar although slower rise in participation rates during those years.

The administration in 1966 refused to call the Vietnam conflict a war and resisted passage of a GI bill. The subsistence rate of $100 per month in 1966 was even lower than the $110 per month under the Korean GI Bill in 1954. Obviously, the Vietnam GI Bill was totally inadequate in its early stages and very few veterans found it possible to attend school until the subsistence allowance was markedly increased in later years.

Thus, it was not until 1972 that many veterans who had been eligible since 1966 could begin to take advantage of the benefits available. The $220 per month subsistence allowance for single veterans passed in 1972 did give many veterans their first opportunity to meet the high costs of a college education. We need not remind this Committee that the $220 figure was enacted over the strenuous objections of the current administration who advocated a raise to only $190 per month.

We regret that we can not come up with an accurate figure showing the number of veterans whose eligibility will run out this year before they have had a chance to complete their educational or training programs. Judging from the calls and correspondence that have come into our offices, as many as one third of the participating veterans may be affected. We are confident that the Committee offices as well as the individual offices of the Committee members can corroborate our own experience.

It has been a long battle, born principally and often exclusively by this Committee, to bring the benefit levels offered under the GI Bill up to a decent level. We are on the verge of enacting a program that for the first time in the eight year history of the Vietnam GI program may provide an adequate level of benefits. It would be an outrage for veterans who have waited patiently for such a program if they were unable to take part because their eligibility time had passed by. Furthermore, it has been the intention of our bipartisan coalition and certainly the intention of the Committee to affect changes in the GI program that would allow disadvantaged and lower income veterans to pursue an educational or training program in return for the service they gave their country. For them to see the program adjusted to meet their needs and then see it disappear in the middle of their training, or before they even had the opportunity to begin, would give little satisfaction to the members of the Committee or our coalition who began seeking improvements long before the issue became a popular cause.

ACCELERATION OF THE SUBSISTENCE ALLOWANCE

A third part of S. 2789 not included in any other Congressional proposals to date is the proposal to allow veterans to draw their monthly entitlements in larger amounts over a shorter period of time. Specifically, a single veteran could draw up to $440 per month for 18 months rather than $220 per month over a 36 month period as under current law.

The specific intent of this measure is to provide the opportunity for married veterans with or without dependents, veterans wishing to attend expensive, high quality two year vocational schools and veterans attending costly two and three year professional graduate programs to attain their educational and training goals with a minimum of financial worry. Under the current program, it is these three groups that receive the least consideration.

We wish to point out particularly the plight of the married student veteran. Two out of three Vietnam era veterans are married, and one would conclude that the participation rates would reflect this figure. They do not. The facts are that substantially less than 50 percent of the veterans currently training under the GI Bill are married. It can safely be assured that a veteran with family responsibilities has an even greater need for the education and training needed to place him in a competitive position in today's job market. Perhaps the greatest failing of the current program is the lack of assistance for those who need it most. Nowhere is this failure more evident than in the case of the married veteran.

The tuition equalizer proposal contained in our bill may help the married veteran, but it is set up more to offset the high public tuition costs that exist in many States. It does not take into account the vastly greater living expenses of the married veteran.

According to figures in the E. T. S. study, the married veteran has approximate living expenses, exclusive of tuition and school fees, of $3,358 without children and $4,421 with three children for the nine month school year. This should be compared to the estimate for a single veteran of $1,973. Comparable subsistence benefits available to each category during a nine month period are $1,980 for the single veteran, $2,349 for the married veteran with no children and $2,844 for the married veteran with three children. A married veteran with no children has living expenses above that of a single veteran of $1,385 while he receives only $369 in additional subsistence payments. A married veteran with three children has living expenses which total $2,268 more than the single veteran while receiving only $864 in additional monthly allowances.

The accelerated subsistence proposal would give the married veteran a fighting chance to provide for his family while he completes his education. Moreover, it would give the thousands of GI's who interrupted their educations or completed their degrees a better than even chance to either complete the degree they began before their service or go on to law or medical school.

It is interesting to note that the VA estimates first year expenditures for the accelerated proposal to be $663.7 million. While we have no idea how that figure was arrived at, it seems to us that they must be figuring on massive participation in the acceleration program primarily by those who have not yet begun their training. This seems to be an admission of the inadequacies of the present program. The VA has provided no solid analysis for its argument that the acceleration clause would be an invitation to abuse and that many young veterans would climb on board for a free ride for two years and then have no money for the remainder of their education. This is an insult to the integrity and the intelligence of young men who have learned the bitter lessons of war and now seek only to find a decent job and a respectable place in society.

NINE MONTH ENTITLEMENT EXTENSION

We have further proposed that the 36 month entitlement period be opened to the possibility of extension for nine additional months in cases where a veteran has not completed his chosen course of education and training within the 36 month limitation.

The section is specifically written so that the VA may determine, on a case by case basis, eligibility for the extension provision. It is intended to help veterans whose education was interrupted or extended in a typical four year program either because they transferred schools or joined the service during their education and subsequently lost valuable credit hours making it impossible for them to complete the program in the normal four years. There are also a number of educational and training programs currently enrolling veterans under the GI Bill program that take longer than 36 months to complete the requirements. We feel quite strongly that the program needs the flexibility to meet the needs of those who fall into these categories.

REMOVAL OF RESTRICTIONS ON WORK-STUDY PROGRAM

The purpose of the work-study program is two-fold. It enables young veterans to pick up additional funds for their education at the same time they perform valuable service for the VA. The program is a good one and should not be subject to current statutory limitations establishing a $250 advance payment, setting a 100-hour aggregate work period, and imposing an 800 man-year overall ceiling on the program.

We recommend that these limitations be lifted. It would increase the monetary benefits available to the veterans participating. It would bolster the VA's administrative work force, which must be terribly under staffed given the bureaucratic problems we have all witnessed in the last few years and particularly the last few months. As with the extended entitlement provision, this would give the VA more flexibility in meeting the needs of the veteran as well as their own work force needs.

VIETNAM ERA VETERANS COMMUNICATION CENTER

Aside from the deficiencies in the benefits available to young veterans wishing to further their education, we have noted a lack of effective coordination by the VA of the programs available to Vietnam veterans. At present, there are programs spread through the Department of Defense, Labor, and HEW as well as the VA that are floundering without any effective overview of the veterans' needs—particularly in the outreach area. Also noticeably absent is any direct participation by Vietnam era veterans in policy roles with jurisdiction over the programs that affect them most.

It has often been stated in the course of the Vietnam conflict and the months since American involvement came to an end that it has been a war unlike any other war experienced by this country. Young veterans have not been welcomed home as heroes in the way those of us who fought in World War II were. On the contrary, they have been treated as outcasts, a bitter reminder of an unpleasant time we would all just as soon forget.

For that reason, it is incumbent upon the Congress and the Administration to go an extra mile for the Vietnam veteran in helping him adjust to a peace time existence where he is not always welcome.

That is why we have proposed the creation of a Vietnam Veterans Communication Center. A similar version of the Center has already been approved by the House of Representatives. Our proposal is designed to give today's veteran a real voice in the veterans programs and a chance to adjust programs set up in another era for another veteran to the vastly different needs of the 1970's veteran.

THE AGE OF TRANSITION

Mr. CURTIS. Mr. President, much has been spoken and written about the energy crisis, but few speeches or compositions I have heard or seen compare with a presentation that was made early this month at the Midwest Conference on World Affairs held at Kearney State College, Nebraska.

The presentation to which I refer was a speech by John D. Emerson, energy economist for the Chase Manhattan Bank, who keynoted the conference.

Mr. Emerson's remarks formed the basis for a very thorough discussion of the energy problem by students and faculty members from a number of midwestern colleges. Because of his knowledge and the pertinence of his analysis as spokesman for a very large financial institution that keeps tabs on oil problems throughout the world, I request unanimous consent to have his remarks printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE AGE OF TRANSITION

(By John D. Emerson, Energy Economist)

It is a great pleasure to have been invited to Kearney, to address this distinguished gathering, on the occasion of your Eleventh Annual Conference on World Affairs. Your theme—the oil shortage and energy crisis—is most appropriate to the times. It is a theme that is being discussed all over the country—all over the world, in fact.

For more than twenty years after the end of World War II, new supplies of oil were created throughout the world at a faster rate than the growth in the consumption of oil. Because of surplus capacity, competition enabled increases in demand in the market place to be met with no increase in price. This was a very comfortable situation for consumers. Petroleum product prices showed little change during these years either in the U.S. or in other large consuming areas. In fact, relative to other consumer items, they actually declined. This state of affairs did not, however, meet the needs of producing countries.

We became so accustomed to cheap energy that when it ran out, we were caught off guard. Habit is a very powerful force, and habit led many people to believe that the standard of living that our economy had provided was enshrined in the Bill of Rights. It is not, of course. To a large extent, consuming nations achieved their high standard of living by buying commodities, including oil, very cheaply from producing countries. Instead of paying the producing countries a fair price for their oil, we imposed import quotas, and the Europeans imposed high taxes to protect domestic energy.

These conditions have now changed. And we should assess the changes soberly. There is no cause for panic, and wild accusations, and hunting for scapegoats. Neither should we go to the other extreme and pretend that today's energy problems are just a nightmare, and when we wake up, all will be well again.

Today, the oil producing nations have come of age. They are no longer minors under our tutelage. They will try to make decisions from the point of view of their best interest rather than ours. From time to time, they will make mistakes, just as Washington has been known to make mistakes. We must give up the idea that we have a right to their oil as well as to our own. That is not to say that we cannot buy some foreign oil and import it on the best terms available. But if we don't like the terms, then we must make do with whatever energy we can produce in our own country—Project Independence, in fact.

A conference such as this one provides an excellent opportunity for us to examine thoughtfully what has happened to the economic system that for so many years we took for granted. It provides an opportunity to consider solutions to our present problems. In looking backwards as well as forwards, we must remember that important though the United States is, it is still a part of a much larger world. And what goes on in that world has helped shape our own destiny and will continue to do so.

In the years immediately following World War II, the United States was still a net exporter of oil. Europe relied mainly on coal for its energy. And Japan's energy needs were quite small. There were predictions of shortage in those days too. But with the lifting of wartime price controls, the free enterprise system went to work, and within a few years, there was a surplus of oil both in the U.S. and overseas. American companies were encouraged by the State Department to invest in the Middle East. And this was a wise policy since it gave the United States direct access to the large reserves in that part of the world, on favorable terms.

No policy is good for all time, however. By the middle fifties, so much foreign oil was entering the United States at prices far below domestic prices that the domestic industry was placed in jeopardy. In those days there were many advocates of importing cheap foreign oil. Had their voices been heeded, we would have had several years of very low prices. Domestic production would have dropped sharply, and our dependence on imports would have risen very rapidly. We would have entered this present crisis with a moribund domestic petroleum industry and an import level representing 60 to 70 percent of our needs. Such a situation would have been far worse than the one we now face. It would have been most explosive politically.

We might have paid the producing countries more. We decided, however, on an oil import control program instead. The purpose of this program was to share the growth of demand between imports and domestic production. The program worked reasonably well, except that the threat of higher imports was used to prevent domestic prices from rising. It kept the domestic oil producing industry alive, even though it could not be described as bursting with health. The consumer had nothing to complain about. Competition helped to keep prices down. In those days producing country governments received less than one dollar a barrel for their oil. OPEC was in existence, but had not yet achieved the cohesiveness necessary to control supply and thereby to influence price.

The free enterprise system has for years been providing the people of this country with the highest standard of living ever achieved by mankind, and energy has been an important part of this achievement. But we could not let well alone. In our desire to live better at even lower cost, we upset the system.

Twenty years ago this year, we acquiesced in a decision to allow the Federal Power Commission to control the wellhead price of natural gas. For twenty years politics instead of the market has controlled natural gas prices. OPEC until recently was unable to control supply and influence price. But for twenty years, the Federal Power Commission controlled price and influenced supply. They influenced demand too, not only for natural gas, but also for other sources of energy. The low controlled price of natural gas stimulated demand, but impaired the incentive to search for new reserves. Because of its controlled price, natural gas was such a successful competitor that other sources of energy—oil and coal—withdrew from many of the markets served by gas, which by the end of the sixties, was the leading industrial fuel across the nation. Oil refiners spent millions of dollars to convert their unsaleable fuel oil into products like gasoline, that did not compete with natural gas. Coal mines simply closed down.

That was not wise policy. It was political expediency. A few voices, crying in the wilderness, protested that the distortions created by controlled prices would cause us to run out of gas. Well, we have not actually run out of gas, but we reached the point several years ago when gas supplies could not be expanded in line with demand.

The end of an era was in sight. Domestic oil production peaked at about the same time as domestic gas production. The coal industry was beset by difficulties as a result of the new Mine Safety Law and the Environmental movement, and was in no position to expand. The nuclear electric power program has also been slowed down by environmental challenges.

Within the space of two or three years, the entire growth of our energy supply, which used to rest upon the broad base of domestic oil, gas, and coal, has become dependent upon imported oil. Oil imports rose from 22 percent of consumption in 1970 to 35 percent in 1973. This happened at a time when coincidentally other large oil users around the world increased their demand for oil to the point where the world oil supply/demand balance, which for so long had been titled in favor of oil consumers, finally swung the other way, putting the producers in the driver's seat.

Economic conditions, thus, were finally right for OPEC to make its moves. Sporadic price increases occurred in the latter part of 1970. These were followed by general price increases that were agreed in Teheran in early 1971. A year later the Geneva agreement protected the oil producing governments against devaluation of the dollar. This agreement was later revised to make it more sensitive to currency changes. All of these agreements affected the posted or tax price of oil. Meanwhile, however, the market price, which was the economic rather than the negotiated price, was increasing even more rapidly than the posted price. In other words, from 1971 on, the price of oil would have risen whether OPEC had been in existence or not. It is fair to say that by and large until October 16, 1973, the price of oil was an economic price.

At that time, and as a direct result of the Middle East War, oil prices became political prices. The cutback in production by Arab nations reduced the available world supply and caused the price to skyrocket. Because today's foreign oil prices are political prices, not economic prices, they are unlikely to last. For the time being, however, world oil markets are chaotic. No one should expect, though, that foreign oil prices will go back to the low levels of the good old days. Unless they are distorted by price controls, domestic crude oil prices will move in phase with foreign prices.

And so, in the United States today, we find ourselves in a period of transition. This is an uncomfortable time for all of us. The old days of abundant supplies and low prices are over. The future is still something of a question mark.

It is natural enough that the loss of a way of life that was very pleasant should disturb us. Since we are all very human, it is natural enough that in our distress we should try to affix blame for our problems, while we encourage our politicians to try to distort economics to preserve the old ways for us. The result is that most discussions of energy generate more heat than light. It is easy to write cheap rhetoric. But cheap rhetoric and preconceived ideas will not secure the future for us. Let us examine our problems dispassionately and plan intelligently for the years ahead. Our problems are not insoluble by any means. They will yield to time and money. How much time and how much money depends upon the way we tackle them.

We should understand quite clearly that solving our energy problems does not mean going back to the good old days of wasteful energy use. Those days are gone, if not forever, at least for the next two generations. Sometime in the future, we may hit upon another source of cheap energy. In the meantime, our energy problems should be tackled from both ends. We must economize in our use of energy, and we must plan to increase our supplies of domestic energy. Much can be done on both accounts.

Relative to the total production of goods and services, we use 25 percent more energy than West Germany or Japan. Our energy input per dollar of Gross National Product is 25 percent higher. The differences represents far greater quantities of energy going into the non-business sector in this country. It represents our uses of energy to achieve convenience. And it is in these uses that we need to make economies.

Let us start with gasoline. Gasoline is used to move vehicles, and vehicles are used to move people and goods. In the United States, we use five times as much gasoline *per person* as in Germany and nearly ten times as much *per person* as in Japan. Granted that people travel longer distances in the United States, the disparity between these three developed nations suggests that economies can be made. And, of course, they can. We can continue and accelerate the trend to smaller cars.

We can slow down the proliferation of cars by making it more expensive to own and operate second and third cars. We can encourage the development of more public transportation—not a few grandiose schemes, each of which takes ten years to accomplish, but a substantial increase in surface transportation.

The supply/demand/price mechanism of the market place will help us accomplish substantial savings if we do not keep trying to thwart it. Gasoline will be in short supply for some time, and this should lead to higher prices. So we will have considerable incentive to economize.

In the past we have solved problems and bought convenience by using cheap energy. In the future we will have to find other solutions to the problems and do without some of the inconveniences. If we can limit our energy growth to rates far below the past, a large part of the problem would be solved.

However, let us not underestimate the difficulties of energy conservation. There has been for many years a close relationship between the input of energy and the output of goods and services. In conserving energy, therefore, we have to find ways that will not slow down our economic growth. Otherwise, we will be exchanging energy problems for unemployment problems. In the technical sense, only about half of the energy input to our economy is usefully employed. The proportion varies with different uses. For example, in the production of electricity, only about one-third of the input of energy reappears as electricity. The rest represents heat lost to the atmosphere. For many years we have had the technology to recover much of this waste heat and put it to work. What was lacking was the incentive. High energy costs will give us that incentive. Although oil and gas space heating equipment is very efficient, we can make economies in this field by much closer attention to insulation—that is to retaining the heat once we have produced it. Improving the efficiency of utilization is the most important aspect of our energy conservation program, and it is not a goal that can be achieved quickly. But its importance can be gauged from the fact that if we are able to improve the overall efficiency of energy utilization from 50 percent to 60 percent in ten years, this would reduce the rate of gross energy input from 5 percent a year to 3 percent a year without sacrificing economic growth.

We must distinguish between improving the efficiency of energy use and eliminating waste. Waste is the product of thoughtlessness and carelessness. The fear of shortage and high prices will do much to eliminate waste. Industry will inspect its plant to eliminate leaky valves. Families will plan the use of their automobile more carefully to avoid unnecessary trips. The economies to be made by eliminating waste are more of a one shot deal however. They should result in about one year of no growth in energy input, but obviously their impact cannot be repeated every year.

The same market forces that should lead us to economize in the use of energy should also encourage the development of new energy supplies. Let me emphasize again that we can either work towards the attainment of our objectives, or we can work against these goals by clinging to the past. Legislation to roll back prices is totally at cross purposes with Project Independence. Our new energy supplies will come largely from areas and processes in which we have little experience—offshore drilling in untried areas, conversion of coal to liquids and gas, and the development of shale are a few examples.

These will be high risk, capital intensive operations. Whether or not they flourish depends upon the climate for investment that is created in this country. Private capital must be induced to invest in these operations by the possibility of high profits. Please note that I said possibility, not guarantee. The private enterprise system is a profit and loss system. If an operation is unsuccessful, it is a private loss, not a public loss financed by the taxpayers.

The search for new supplies will be a high risk operation in the early stages. As we gain more experience in these areas, the risks will lessen, investors will be satisfied with lower rates of return, and prices will tend to move down. But all this is a long way in the future, and it will take a great deal of money.

This is perhaps the right time to talk about the role of profits. We have heard a great deal recently about "windfall profits," which is just the politicians name for economic rent. There is no doubt that the economic rent of domestic producers has been increased substantially as a result of the actions of the cartel of foreign producing nations. But these "windfall profits" represent the funds we need to finance project Independence. If we legislate them away through price controls, rollbacks, or higher taxes, our chances of funding Project Independence become much slimmer. We really must decide what we want.

What is the situation today? Crude oil prices and intrastate gas prices are high enough to provide the incentive for investment in the search for and development of new supplies. And the industry is responding. It is hampered somewhat by the straitjacket of price controls which create shortages of things the industry needs. But all over the country, there are signs of increased activity. High bonuses are being paid for attractive acreage, including shale oil acreage. These are encouraging signs. But we must be patient, and not expect results in a few weeks. The age of transition should be measured in years. We can hold it to a minimum, however, by closing ranks and working with industry rather than against it. Energy self-sufficiency is not an easy goal. But I believe that most of us have learned in the past few months that it is a goal worth working and sacrificing for. We owe it to our children to plan for their future as well as our today.

OUR BLUNDERING OIL DIPLOMACY

Mr. HART. Mr. President, the recent international petroleum crisis has led us to ask about the role of the major oil companies and to question what their responsibility has been.

Perhaps the most thorough investigation of the question has been conducted by the Foreign Relations Committee's Subcommittee on Multinational Corporations which is chaired by Senator CHURCH. The subcommittee's hearings suggest that the U.S. Government has delegated American energy policy to a group of companies who have been quite naturally more interested in their own profits rather than the public welfare.

The hearings raise serious questions about the structure of the petroleum industry and the need for major reorganization if a competitive market in oil is to be restored.

The work of the subcommittee and the hearings thus far are summarized in an excellent article by Stephen Nordlinger, entitled, "Our Blundering Oil Diplomacy," which appears in the April 27 issue of The Nation. I ask unanimous consent that this article be printed in the RECORD following my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From The Nation, Apr. 27, 1974]

THE "NATIONAL SECURITY" CARTEL—OUR BLUNDERING OIL DIPLOMACY

(By Stephen Nordlinger)

(NOTE—Stephen Nordlinger, a member of the Washington bureau of the Baltimore Sun, has been covering the oil situation for more than a year.)

WASHINGTON.—As the Shah of Iran, nattily dressed in a brown plaid suit and camel's hair coat, flew off in early 1971 for his annual vacation at St. Moritz, he spoke triumphantly at the airport of new opportunities being opened by the power of the Arab nations to extract huge concessions from the international oil companies. By threats and an ample amount of wheeling and dealing, he had managed to best the wily old oil negotiators of the West in what now appears to have been a major step toward the first energy crisis in the peacetime history of the United States.

The shortages and the accompanying soaring prices for fuel that plague the American motorist and home owner can be traced in large part to those pivotal negotiations in Teheran more than three years ago. The Arab nations won an additional $10 billion for their oil, but much more important than that, they flexed their muscles and effectively cowed the companies.

Once the Arabs had proved their skill and strength at the bargaining table, they went on to achieve further and further concessions, most notably a share in the equity ownership of the companies. Then, after less than three years, the Arabs this past winter breached a five-year agreement made at Teheran by unilaterally quadrupling prices.

For this debacle, the oil companies must bear a large measure of responsibility. They had failed, in the face of mushrooming world demand, to build a production capacity sufficient to relieve the pressure on them at the negotiations. The defeat must also be attributed to the often ruthless behavior of the companies toward the Arab nations in years past. The Arabs, for the first time really sensing the full value of oil and the power of united action, were prepared to strike back.

But the heaviest blame for what transpired at Teheran must fall on the U.S. Government, which for more than twenty years had encouraged the companies to enter the waiting trap and then out of ignorance and fear undermined their bargaining position at the fateful negotiations. Teheran was the climax of a strategy in which the cause of national security, as defined by the State Department, dictated what masqueraded as a national energy policy.

In the name of national security, the government had espoused a policy that completely coincided with the short-term interests of the oil companies, but cost the American public multibillions in lost tax revenues and higher prices. The government fostered the growth of an international oil cartel that set prices and production levels and apportioned markets. Consequently, the oil companies were ill-prepared when the government failed to support them at the moment when they sought to present a united front to the Arabs—the decision again being made in the cause of national security, rather than according to a serious national energy policy, which in any case did not exist.

The maneuverings of the government and the industry have now been brought to light in days of testimony before the Senate Foreign Relations Subcommittee on Multinational Corporations, headed by Sen. Frank Church. Since early this year, scores of once-classified documents have been made public to buttress the record. The committee's staff, Jerome Levinson, Jack Blum, John Henry and William Lane, spent more than a year compiling the information.

The government's case against the international oil cartel that began developing in 1949, the granting to the companies in 1950 of tax credits that have transferred billions from the U.S. Treasury to the coffers of the Arab nations and, finally, the withdrawal of support at Teheran in 1971 were all decisions taken in the name of national security. Ironically, the nation today appears something less than totally secure in meeting its fuel requirements. Along the way since 1949, the State Department and the Justice Department divided sharply on just where the nation's security interests lay. Even within State there was dissension over policies that eventually left a lasting mark on the world's oil production.

The international oil crisis did not develop suddenly from the imposition of the oil embargo; it stems from actions by the oil companies that were subsequently condoned and even abetted by the government. These companies became a virtual supranational government and exercised powerful control, insofar as oil was concerned, over the foreign and domestic policies of the United States and the world. A close relationship developed between government officials, many enlisted straight from the oil business, and the industry itself.

A red boundary line, drawn with a pencil on July 31, 1928, has come to symbolize the power of the Seven Sisters, the seven international oil companies that over the decades have woven a tight fabric of joint, coordinated ventures. This line, which encircles Iraq as well as Saudi Arabia and other nations of the old Ottoman Empire, demarks the area in which four of these companies held sway by agreeing to curtail world crude output and limit competition in refining, marketing, and the securing of concessions.

In the early 1920s, the State Department proclaimed a so-called "open door policy" for oil exploration in the Middle East, so that American companies could secure equal rights with their British rivals in the mammoth reserves of Iraq. The companies insisted on this policy as an indispensable condition for their participation in the Middle East. However, the companies, sensing the advantages of cartel strength and fearing a possible oil glut, soon lost their enthusiasm for "open door" competition. The State Department, bowing to their new desires, abandoned a policy it had so strenuously pursued, and the Red Line Agreement came into being.

Also, in 1928, representatives of the three oil giants, Standard of New Jersey (now Exxon), Royal Dutch Shell and the Anglo-Iranian Oil Co. (now British Petroleum), gathered at an English castle, ostensibly to shoot grouse. From that meeting came a further agreement to restrict competition in the significant oil markets of the world. This agreement, precipitated by a price war in India, completed the chain of major company control from crude supply source through market distribution outlets for at least a decade and even during the dislocation of World War II. After the war, the seven companies continued their arrangements as rich new crude reserves developed in the Persian Gulf area, especially in Saudi Arabia and Kuwait.

Accordng to testimony by David I. Haberman, an attorney in the Justice Department's antitrust division from 1953 to 1972, the companies expanded the number of interlocking, jointly owned production companies to unify control of concessions and crude output, and established a system of long-term mutual supply contracts that allowed exchanges among themselves without risk of competition from new companies.

The Federal Trade Commission in 1952 filed a 378-page report, "The International Petroleum Cartel," and the Justice Department announced a grand jury investigation that won banner headlines. But then the State Department, muttering "national security," moved in to protect the industry, and in effect took over the nation's antitrust policy. The Justce Department, by contrast, felt strongly that the country would be more secure if the cartel were broken up.

In a June 1952 memorandum, now made public by the Church subcommittee, H. G. Morison, an Assistant Attorney General, advised Attorney General McGranery that, in the absense of competition, the Navy had bought oil during World War II at prices which bore no "relationship whatever to the low cost of producing oil" in the Middle East. While the United States was being charged $1.05 a barrel, the Arabian-American Oil Co. (Aramco) was making sales in Saudi Arabia to affiliated American companies and the Japanese at 70¢ and 84¢ a barrel. The memorandum said that the $70 million which Standard Oil of California and the Texas Company (now Texaco) charged the Navy for petroleum products was $38.5 millon more than they charged other purchasers for equivalent products.

Despite manifold evidence of a cartel, President Truman was persuaded to pull the teeth of the Justice Department's case by reducing it from a criminal to a time-consuming civil action. The suit against Gulf, Exxon and Texaco was settled years later by consent decree; the cases against Mobil and Standard of California were dropped. According to a now declassified message sent by Dean Acheson to Morison at the Justice Department, the State Department feared that the criminal action would arouse a movement in the Middle East to nationalize the companies accused of conspiring, lead to a "decrease of political stability in the region," and discourage American companies from investing there.

Leonard J. Emmerglick, who left the Justice Department in 1954, apparently discouraged after working closely on the oil cartel case, testified that the decision to reduce the case to a civil action was taken by the National Security Council on Friday in the closing days of the Truman administration. That Sunday evening President Truman summoned Mr. Emmerglick to the living quarters of the White House and told him he had taken the potentially momentous action not on the advice of the Cabinet officers who attended the Security Council meeting but solely on the assurance of Gen. Omar Bradley that the national security called for the decision. However, documents now issued by the subcommittee indicate that the State Department determined the action. The consent decrees reached years later apparently had little effect on the activities of the companies.

Soon after scuttling the cartel case, the State Department, under John Foster Dulles, moved quickly to assure the domination by the major companies over the potentially lucrative Iranian crude supply by keeping the competition of independents out of the area. Again national security was cited, this time the threat of Soviet expansion. It was believed that the most reliable way to restore Iranian oil production after the collapse of the Anglo-Iranian Oil Co. following nationalization by Dr. Mohammed Mossadegh was to move in the major foreign and American companies.

A now declassified memorandum by Adrian S. Fisher, then legal adviser at State, said these companies lack "any particular desire" to produce this oil because of adequate supplies elsewhere, but the government's persuasion prevailed. The Justice Department finally went along with the Iranian decision, though its antitrust division strongly maintained that the agreement was totally inconsistent with the civil cartel case it was still pursuing in court. In the end, the State Department's decision killed any chance of making the cartel case stick, according to Senator Church. His subcommittee is seeking further documents which, investigators said, would link the entrance of the major companies into Iran to the termination of the criminal action. It is worth noting that, according to an internal Justice Department memorandum, the independent oil companies had wanted a 36 per cent share of the consortium, but the share was reduced to 5 per cent by the State Department. Despite the majors' professed reluctance to enter Iran, it turned out to be a "good investment," a former top official, Howard W. Page, testified.

There was some significant disagreement within the State Department itself over the handling of these crucial matters. The subcommittee has made public a memorandum written at the time by a key oil adviser, Richard Funkhouser, now serving with the Agency for International Development, which stated "that the ability to accommodate to changing situations in the Middle East is best developed under an environment of free competition rather than from efforts to 'hold the line,' which seldom succeed." Every encouragement, he said, should be given to independents to move Iranian oil.

Funkhouser quoted some oil executives and economists as believing that the Anglo-Iranian Oil Co. might never have been nationalized if there had been competitors in Iran. "There is a certain safety in numbers," he wrote, adding that a monopoly is "ideally easy to nationalize." Despite this advice, the government avoided any actions that would cause giant consortiums like Aramco or the one in Iran to relinquish parts of their concessions to competitors, and thus minimize the growing possibility of substantial takeovers by the Arab nations.

Out of this period that brought the collapse of the criminal action against the cartel and the granting of a concession in Iran to the major companies came the secret decision in 1950 to treat the royalties of the Arab nations as taxes, to be credited dollar for dollar against what the companies owed the U.S. Treasury. Once more, the justification was national security.

The corrupt regime of the late King Ibn Saud of Saudi Arabia, into whose purse went an enormous share of the oil revenues from Aramco, began demanding much more money in 1949 and 1950. Sharp increases in royalties, if treated merely as business expenses, would have been a severe blow to Aramco's profits. On the advice of the company and with the approval of Dean Acheson, the Saudis in 1950 changed the royalties to a so-called "income tax." The amount paid could then be deducted from U.S. taxes.

As a result of this Treasury Department tax ruling, the four companies that control Aramco—Exxon, Texaco, Standard of California and Mobil—which had paid $50 million in U.S. taxes in 1950, paid $6 million in 1951; and Saudi Arabia, which had received $66 million as royalties in 1950, got $110 million as taxes in 1951. Aramco lost nothing by this even swap and the Treasury Department lost a good deal. From then on, the American Government began losing close to $200 million a year in tax revenues from oil companies operating in the Middle East.

Testifying before the Church subcommittee, George C. McGee, a multimillionaire oilman and at the time of the tax-credit decision the top man on Middle East affairs at the State Department, justified this new policy by what he described as the critical contest in the Middle East "between ourselves and the Soviets." The very corruption and ineptitude of such regimes as that of Ibn Saud made them especially vulnerable to a nationalization movement that would upset the stability of the area, the McGee argument went, and could be prevented only by a constant transfusion of American money.

The National Security Council made the decision in secret; there was no consultation with Congress. On this decision as well, McGee's adviser on petroleum matters, Funkhouser, said in a memorandum that the preferable route to political stability in the Middle East was not through tax favors but by reducing the size of the concessions held by individual companies, a move that would also promote competition. "Since many new American companies are interested in the area and financially strong enough to enter the field, continuation of oil properties in U.S. hands would be almost assured," Funkhouser said. "Middle East states prefer American companies to those of other nationalities."

In recalling the simultaneous decision by the company and the State Department to adopt the principle of the tax credit, McGee said that the solution was reached separately, although "our reasoning based on political grounds coincided with theirs." At that time ARramco was selling its entire production to Europe, but McGee said it was vital to the United States to have Saudi Arabian reserves owned by American companies "for a time of crisis."

The final chapter in the story of the symbiotic relationship of the major oil companies and the American Government began in the late 1950s and early 1960s. An excess production capacity prompted the companies unilaterally to cut the posted price of crude in the Middle East by 20¢ a barrel. This action precipitated the formation of the Arab cartel, the Organization of Petroleum Exporting Countries.

Alarmed by this development, John J. McCloy, former High Commissioner for Germany and then employed by the major oil companies, has disclosed to the Church subcommittee that he met secretly with President Kennedy to alert him to the danger posed by the Arab cartel. Subsequently he spoke to each and every Attorney General to apprise them, he said, of the unfolding situation. The companies sought nothing at the time from the government, because the ample spare production capacity available and the requests of the Arab nations for ever greater production put them in a strong position.

By the 1970s, however, the rapid rise in world demand for energy made the companies vulnerable. George T. Piercy, senior vice president of Exxon admitted to the subcommittee that the industry had failed to anticipate this surge in demand, thus exposing it to pressure from the Arabs. In Libya, the new revolutionary regime of Col. Muammar el-Qaddafi won major concessions in 1970 from Occidental Petroleum, an independent that relied on Libyan crude.

The potential showdown feared by McCloy ten years earlier, became a reality for the major companies as they approached the negotiations in Teheran in early 1971. McCloy stepped up his calls and visits to Washington. John N. Mitchell, the former Attorney General, said in a deposition for the subcommittee that McCloy, then representing twenty-three oil companies, met or talked to him four times in January 1971, as special agreements were prepared by the government and industry before the Teheran bargaining began.

At that time, two key State and Justice Department officials, James Akins and Dudley Chapman, went to New York and waited outside the door of McCloy's law office while the agreements were drawn up, thus indicating the continuing intimacy between government and the industry. According to testimony, the Justice Department secretly consented to the industry-sponsored agreements: one was to allow the major and independent companies to join in a united front to bargain with the Arabs for a new global contract without fear of antitrust prosecution; the other would permit a sharing of oil in the event any company was shut down by Libya.

Although the Justice Department granted the companies the right to bargain as a bloc, the State Department withdrew its support from the companies' desire to bargain with all the oil-producing countries at one time, including those in the Persian Gulf and Libya, so that there would be no leap-frogging price effect, with companies being picked off one by one.

At the request of the companies, John N. Irwin II, then Under Secretary of State, was sent on one day's notice to the Middle East to speak to some of the conservative nations. He had no time to prepare and, as he conceded to the subcommittee, he totally lacked any "real background" in the oil business. Quickly he submitted to the threats and astute maneuvering of the Shah of Iran and Arab leaders who convinced Irwin, now Ambassador to France, that the negotiations with the Persian Gulf states and Libya must be separate. Without consulting the industry negotiators in Teheran, Irwin cabled back, according to his testimony, that the separate bargaining was necessary. His recommendation was routinely accepted by the State Department, and the industry, its position undercut, agreed to separate sessions in Teheran and later in Tripoli.

Justifying his recommendation, Irwin, true to the government's explanation for its past oil policy, told the subcommittee that his mission to the Middle East was to protect the national security, in this case against a threatened halt of production. There was no point, he suggested, in antagonizing the Arab nations. The message he brought to the Middle East—that the United States hoped that oil supplies would not be disrupted, that the companies must be cooperative and that the U.S. Government definitely would not become involved in the negotiations—strengthened the hand of the Arab negotiators. The entire Irwin mission, in fact, puzzled the Arabs, who probably expected the United States to take a tough stand. "I don't know what Mr. Irwin's visit was for," said Jamshid Amuzegar, the Iranian Foreign Minister, in an interview during the preliminary negotiations.

With the demand for oil exceeding production capacity, the Arabs were in a strong position at Teheran, yet the companies still held some cards. The Arabs needed oil revenues, on which they depended for 50 to 95 per cent of their incomes, and they relied heavily on the technical skills and other resources of the international companies. But in the wake of the Irwin mission, the companies struck the best deal they could get; it was supposed to last for five years. The agreement was hailed by the State Department as bringing "stability" to the Middle East, but within less than three years, it was torn up by the Arabs. Representatives of the industry, which had played its last trump, were summoned to "negotiation" in Vienna and the emboldened Arab nations unilaterally imposed new demands that sent the posted price of crude oil from $3.01 a barrel last October 1 to $11.65 in January, the present level.

The American consumer is paying handsomely for the vacuum in energy leadership in Washington over the last forty years or more. For almost all of this period, the oil companies filled the gap, virtually dictating policy in their own self-interest. This policy, when it involved international concerns, was rationalized on national security grounds. The Irwin mission that culminated the decades of neglect was doomed to fail, since it was impossible to generate an energy policy overnight.

The big oil companies cannot be left any longer to their own devices. Despite the risk of becoming embroiled in international disputes, the government, as the presumed protector of the public interest, must play a forceful role in dealing with the oil producers and the oil-producing countries.

TWO HUNDREDTH ANNIVERSARY OF CHARLESTON COLLEGE

Mr. HOLLINGS. Mr. President, recently the College of Charleston in my home State of South Carolina celebrated the 204th anniversary of its founding. It is the oldest municipal college in the United States. For over two centuries it has been training people who went on to leadership in almost every field of endeavor. And I am happy to report that age has brought no diminution of vitality. Under the distinguished leadership of its president, Theodore S. Stern, and its fine faculty and administration, the college has attained even higher levels of excellence.

The highlight of the Founders' Day ceremony this year was the speech delivered by Dr. Steven Muller, president of the Johns Hopkins University and the Johns Hopkins Hospital. His visit to the College of Charleston was the occasion for Dr. Muller to receive the honorary degree of doctor of letters for his many outstanding contributions to education.

Not the least of these contributions was Dr. Muller's brilliant Founders' Day address. It was a presentation so perceptive, so much to the point, and so deserving of wide public attention, that I believe it appropriate to call it to the attention of the Congress.

Dr. Muller knows education, and he sees it whole. He understands the dangers inherent in the fragmentation of knowledge which we have been witnessing in recent years. He knows that the victim of excessive compartmentalization of knowledge is wisdom. And he knows that the man or woman who devotes his or her education entirely to the mastery of one narrow field is depriving himself of true education. Knowledge without wholeness, without a core, provides neither meaning nor perspective. It brings no wisdom. As Dr. Muller puts it:

> In the rush to specialize, irrelevant common ground has been ruthlessly cut away. A common command of history, literature, mathematics, basic science, and philosophy is no longer the shared province of us all. This has cost us shared values.

The problem, of course, is finding the ideal approach for so complex a society as the one in which we live. The dilemma is clear—our society depends upon, and demands, specialized knowledge. Yet the acquisition of that knowledge is so all-consuming that breadth, perspective, and meaning are nearly impossible to come by. To recapture the center of knowledge without sacrificing the benefits which specialization has brought, is as great a challenge as higher education in this country has ever had to face.

The need of the hour is a serious national dialog on the direction we want higher education to take. We need the input of educator and noneducator, of citizens up and down and all across this land of ours, if we are to meet this challenge. In his Founders' Day speech, Dr. Muller has provided us with a searching analysis of where we are, and he has opened the topic for discussion. Let us hope we have the good sense to follow up.

Mr. President, in the hope of stimulating such a dialog, I ask unanimous consent that the Founders' Day proceedings be printed in the RECORD. These include President Theodore S. Stern's introduction of Dr. Muller, the citation which accompanied the honorary degree, and Dr. Muller's speech, "The Higher Learning in America."

There being no objection, the material was ordered to be printed in the RECORD, as follows:

INTRODUCTION OF DR. STEVEN MULLER BY PRESIDENT STERN

It is an honor and privilege for me to present our Founders' Day speaker. As an alumnus of Johns Hopkins University, it is particular privilege for me to be able to recognize this distinguished scholar and educator. The close ties that have existed between the South's greatest university and greatesst college are well recognized. The Classics Department at the College of Charleston was staffed by distinguished Hopkins' scholars such as della Torre and Gildersleeve. T. Emmet Reid served as Professor of Chemistry after receiving his Ph. D. from President Daniel Colt Gilman in 1895. President Randolph in 1914 stated, "The work in English, in History, and in the Classics, as it has been given in the College by the present occupants of these Chairs, has been the backbone of our College work." He referred to Professor Lancelot Harris, a Johns Hopkins alumnus, who had been thoroughly prepared in literature and philosophy, and today six members of this faculty received their training at Hopkins. Ladies and Gentlemen, I am proud to present the President of The Johns Hopkins University and The John Hopkins Hospital, Dr. Steven Muller.

CITATION

Steven Muller, as president of one of the nation's great universities and hospitals, as a leader in the fields of government and international relations, as a teacher and an authority in matters of education, you have served your adopted country faithfully and well. Because of your outstanding contributions in international affairs and education, the College of Charleston is privileged to confer upon you the degree of Doctor of Letters.

The Higher Learning in America

We are a troubled people, and our higher learning helps us too little. It is hard to try to understand why this is so; harder still to know what to do. I can offer no answers, but if you will share my thoughts, perhaps we can at least discover together a stronger sense of purpose and direction.

We meet in harsh times. Americans awaken these mornings to heavy days. Our wants and needs cost more each day. Birds still sing, the sun shines and flowers bloom, but our air is impure. We fill our stomachs, but we no longer know just what we are eating or drinking. We receive news, but we cannot separate truth from lies. Many are lonely because families are apart, in person and in spirit. We seek worthy leaders, but we are ashamed of most of those we have elected. We all have countless fears.

Americans remain a busy people and our lives still move without patience. But as we rush through our days, most of us wonder about our purpose. We are no longer certain that bigger, faster, higher, more is necessarily better. Yet we take little pleasure in idleness. We were weaned long ago from comfortable patterns and pace. Instead we are overstimulated, on a great high of sensation, seeking new sensation in ever larger doses. It is a big high, and we are afraid to crash. Better keep moving, keep busy, stay turned on and tuned in, go, now.

We have learned to distrust each other. Behind the outstretched hand we sense the sales pitch. Behind the smile we await the lie. Around the corner we fear the knife and the pistol. Behind the advertising we expect the rip-off. The word "nice" is disappearing, except in irony. We need and seek affection, even love, but we behave with malice toward all and charity toward none.

The future belongs to our young. We are wary of them. They seem a separate society, perhaps because so many of us regarded them as a burden and separated ourselves from them as much as possible. Social scientists refer to the young as a peer-group oriented society, more influenced by each other than by adults. Much of their youth is spent under the eye of a new nursemaid—television. Television may be the greatest common influence on them. But television land is an illusion with warped values. It worships our sponsor, who has the money, what you say goes. Your sales must come, your will be done, on the networks and in the marketplace. Give us this day our daily lie, and forgive us our cheating as we expect to be cheated. Lead us not toward reflection, but deliver us from thinking, for yours is deception, distortion, and corruption forever.

We grasp for hope. Some of us seek to restore faith. Some strive for political reform. Some of us consider education, the traditional training ground of the young, of the future. Despairing of the schools, some look at higher education—the higher learning—to which so many of the young are now exposed. What hope can we derive from higher learning in America today?

Examining the state of our higher learning shows that we have achieved much in the way of preparing people to work effectively in our complicated, highly skilled economy. Our professional schools are superb. In their specialties, our scholars excel and expand technique and knowledge. Millions of students have access to higher learning and come away with a variety of skills. Never before have so many been taught so much by so many in so many places.

So far, so good. But missing are wisdom and coherence. Wisdom is defined in the dictionary as "the power of judging rightly and following the soundest course of action, based on knowledge, experience, and understanding." One requirement for the attainment of wisdom is reflection. There is little time for reflection at the modern university. The old university was called an ivory tower—a term of contempt indicating its lack of practicality. It was not very practical, perhaps, but it at least permitted reflection. Now someone has called the university a knowledge factory. It is much more practical, but no longer tranquil. I am not referring to student unrest or economic problems. I speak of heavy workloads for students and faculty, of an abundance of mutual competition, and of the production of marketable skills rather than reflective minds.

Knowledge is fragmented. Yet if wisdom is based on knowledge, experience and understanding, is wisdom possible when knowledge, experience and understanding are each compartmentalized and splintered into specialties? The university stresses specialization in terms of marketable skills of the highest order of technical competence, and in so doing it sacrifices coherence. Gripped by the technology we have created, we have substituted advanced skilling for higher learning.

In earlier times, advanced knowledge could be said to resemble an orderly mansion. One could move from a foundation of literacy and elementary mathematics through the chambers of the arts and sciences and the learned professions, the whole roofed over by philosophy. The whole was visible, and even those in only one corner of one small room were not unfamiliar with the entirety of the mansion and often spoke with the other inhabitants. No longer. Today advanced knowledge resembles a labyrinth still under construction. It lacks both wholeness and a center. Tunnels extend in all directions, crossing each other occasionally, and the best and the brightest are at work extending them. Those at the cutting edge of each tunnel have no communication with their fellows at the edges of other tunnels. Beginners step ahead, but only within a particular tunnel, except for the occasional intersection of tunnels or the decision to crawl all the way out of one tunnel and into another.

I invoke these metaphors only to dramatize a state of learning that lacks focus. There is no longer a body of higher learning. Scholars master pieces of knowledge, no whole. They have little in common. Their judgments are exquisitely confined to fragments. They do not even share common points of departure. In the rush to specialize, irrelevant common ground has been ruthlessly cut away. A common command of history, literature, mathematics, basic science, and philosophy is no longer the shared province of all. This has cost us shared values.

The values that survive are suspect. We prize the open clash of ideas. We claim that the best idea will triumph: a sort of jury judgment assuming all ideas are equal in the context of an adversary system. Is that a right assumption? Is it the best way to find answers? Are we sure bad ideas do not drive out the good? Is the best idea by definition that which is most widely held? In practice we behave as if that which works is good. But is everything that works good? Within our higher learning there is no place to ask these questions or to address them systematically. Technically expert, our higher learning tends to be morally disorienting.

America has become used to looking to higher education for advanced skills. Universities have also been asked increasingly to solve some of the problems of society. But a fragmented, sensationalized, distrustful people that looks to the university for wisdom is cruelly disappointed. Wisdom is neither in store nor being produced. The university mirrors American society as it is. It offers no new and whole vision of a better society or a better life. If anything, higher learning in the United States reinforces the splintering of knowledge and lack of coherence. It provides no integrating focus.

There is no injustice in the thought that the American university should offer a new vision and hope to the American people. However, the difficulties are severe. Two inadequate suggestions can already be heard. One is emotional rather than rational, and would de-emphasize or reduce the university commitment to advanced specialized research. It makes no sense to argue that we would be better served with less research or less knowledge. Ignorance is no cure. A society already committed to advanced technology is doomed if it attempts to go backward or stand still. A retreat from research would buy us nothing and cost us much.

The other notion is that what I have called advanced skilling should be leavened by some required minimum of work in the humanities. This sounds attractive, but it is not very plausible. The humanities in most universities are themselves already fragmented and specialized. For example, I wonder how much an engineering or medical student would gain for a course in literary criticism, or in the philosophy of Wittgenstein. More important, requiring certain fragments or inserting new ones into the mosaic of a splentered curriculum falls short of the real change that is needed.

It is easy—and fashionable—to blame the faculty for the university's shortcomings, because the faculty bears responsibility for the curriculum. However, we must realize that every incentive leads the faculty away from integration. At the best colleges and universities, the highest rewards are reserved for professors who excel in specialized research and who stand, to use a cliche, not at the center but at the frontiers of knowledge. Peer-group acclaim for the research professor comes far less from within his college or university than from his fellow specialists in their national organization. These facts are too familiar to require elaboration. What is less widely recognized is that members of a university faculty today do not easily converse together intellectually, because their specialized vocabularies inhibit discourse and mutual comprehension.

This Tower of Babel phenomenon occurs even when small groups of faculty from different fields gather. In most universities there is simply no room to gather the entire faculty, and even with a common tongue several hundred or more would find discourse impossible. In fact, the size of our national enterprise in higher education is probably the single greatest obstacle to constructive change. A few good minds around a table still constitute a hopeful prospect, but what can we hope for from several hundred good minds in an amphitheater? Here only the strongest leadership could hope to be effective.

Our universities, however, are not notorious for their response to leadership, perhaps as a consequence of their intolerance of discipline. Nothing is more precious than the university tradition of free inquiry and free speech. Nothing would destroy the university more quickly than intellectual regimentation, but academic freedom does not therefore require anarchy. Although there are not many convinced advocates of anarchy, tension between academic freedom and administrative or organizational discipline is ever-present within the university.

College and university faculties are widely regarded as hostile to the free enterprise system and biased in favor of collectivism. There is irony, then, in the discovery that today's university is a veritable fortress of intellectual laissez-faire. It asserts that all inside must be allowed maximum freedom for self-development and idolizes the individual intellectual entrepreneur. The claim that the sum of all this anarchic activity is higher education sounds much like the theological metaphor of the unseen hand as invoked by Adam Smith. And if Smith was motivated by skepticism bordering on cynicism where governments are concerned, he differed little in this respect from the view of university administration held by most faculty and students. Until recently, only the faculty enjoyed academic laissez-faire in the university. Nowadays students, successfully insisting on the same privilege, are no longer seeking systematic instruction but the individual and unfettered pursuit of self-development. Intellectually the university is no collective, and in fact is less a community than in the past.

The pressure of scarcity of funds and resources has combined with the efforts of government agencies to focus the use of public funds more narrowly on the solution of nonacademic public problems through applied research, such as improved delivery of health care, better urban planning, safeguarding the environment, and developing new energy sources. As a result, administrative authority within universities has recently been very much on the rise, because large-scale efficient management is required. Friction has occurred, however, when the administrative authority impacts on academic freedom. Specifically, the curriculum and the intellectual standards of the faculty are regarded as off-limits to the administration, although obviously closely tied to budgets and resources.

The issue that emerges then is this—even if there were agreement that the American university should address itself anew to questions of the coherence of knowledge and to the need to train persons capable of wise judgment, not merely advanced skills—how can this possibly happen?

Students are unlikely to bring this about. While some may feel such a need, students generally lack the experience and discipline to make major changes in academic institutions. That this is so can be seen with unusual clarity in the wake of the recent wave of student protest.

Public pressure is equally unlikely to be very helpful. The general public does not well understand the inner complications of university life. Besides, public pressure would arouse a beleaguered and defensive reaction within universities that would all too likely create a public argument rather than solutions.

No, the prime movers toward such a result would have to be the faculty. Yet we have already noted that the faculty lacks appropriate incentives and that the effort even to restore communication among faculty specialists would be prodigious.

That leaves the question of whether university administration might provide the necessary leadership. This is unlikely because it is all too probable that administration efforts would be perceived, and therefore resisted, as an attack on academic freedom, presumably for fiscal motives, if not attributed to the feared tendencies for administrative self-aggrandizement.

The sum of these reflections is the disappointing conclusion that the question of what ought to happen is moot, because nothing will happen unless by the miracle of spontaneous combustion. If that conclusion is not acceptable, there is only one other alternative. That is to open discussion on what ought to be. It is awkward to offer diagnosis without prescription, but it is not always avoidable. I cannot say who should be doing what, and how. I can only share my conviction that the question of a return to the center of knowledge must be raised within the American university.

A society cannot be healthy without values. Neither can its higher learning. The two interact. A new search for values, judgment and wisdom in the university may help us all. Skills without guidance are not enough. Perhaps the task was spelled out by Eliot in "East Coker":

> "There is only the fight to recover what has been lost And found and lost again and again: and now, under conditions That seem unpropitious. But perhaps neither gain nor loss. For us, there is only the trying. The rest is not our business."

HEALTH INDUSTRY'S COST CONTROLS

Mr. HANSEN. Mr. President, renewed efforts are being made to extend economic stabilization cost controls past the present expiration date of April 30.

Proponents of extension of controls have cited expected inflationary increases in health costs if controls are lifted. In my opinion, however, the actual plight of the health institutions of this country have not been fully considered in such arguments.

I recently received a letter from one of my constituents that is so representative of the situation of the health care industry, and explains it so clearly, that I would like to refer it to my colleagues for their study. I ask unanimous consent that it be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Cheyenne Eye Clinic,
Cheyenne, Wyo., April 3, 1974.

Senator Clifford Hansen,
New Senate Office Building,
Washington, D.C.

Dear Senator Hansen: My reason for writing this letter has to do with the present wage and price controls on the health-care field and the expiration of such controls on 30 April 1974. I understand President Nixon has the intention of extending the controls on the health-care field beyond that date and my request is that the controls be allowed to expire on that date.

I can tell you something about what the controls have meant to our Clinic. I started in practice shortly before the controls began and we also incorporated our practice as a small professional corporation just before the controls began. During the past three years this has meant a net decrease in effective income for the physicians involved. It has inhibited any expansion of our practice so that we could provide better services for our patients. It has resulted in a net decrease in effective wages to our employees. As you may know, the medical fees in Wyoming have always been very low and I would imagine that they are the lowest in the country. Even within our region our fees have been comparatively extremely low. While the cost of living has also remained low in Wyoming for some time, this is no longer true because construction costs, food costs, fuel costs have all skyrocketed and we have been left behind.

Also, I want to mention what the controls have meant to our professional corporation. Besides being limited in the fees which we can charge, our own salaries and our employees' salaries have been limited. The Cost of Living Council has said that physicians should be able to make up the difference between what the Council allows in increase in fees and the cost of living increase by increasing their production. I might say, in response to that, that in our own Clinic we are six to seven months behind in appointments and we feel that we are producing as much as we can. We have been told in the past that physicians should not kill themselves by overproducing for a few years and then being incapacitated for other potentially productive years, and we have tried to gauge our practice that way, but the Cost of Living Council is making this less and less feasible. In addition to this, in a corporation, if production is increased we cannot raise our salaries above a certain figure so the increase in production, if it indeed produces more income for the corporation, results in a larger profit for the corporation which is taxed, and then this is allocated to the physicians as a dividend, which is also taxed. For us this means double taxation and of course does not help us in any way.

I have never had the desire to be a millionaire but I also do not want to foot the bill for socialized medicine. I only want to keep up with the cost of living and I don't want to be in the position of being the main cause for inflation either. However, last year we were allowed to raise our fees 2.5 percent while the overall cost of living rose at least 8.8 percent. The cost of living is expected to rise 10 percent this year and we have only been allowed to raise our fees 4 percent. I find that the unions are going to ask for 8 to 10 percent increases in raises for their employees. I think it is an injustice to not allow physicians to at least keep pace with the cost of living. I will agree that in some regions of the country medical fees have been extremely high and perhaps this is what has brought about controls. There are areas of the country, such as Wyoming, though, where as I have said the fees have been extremely low and of course a percentage figured on a low fee gives much less of a rise in actual dollars than a percentage figured on a high fee.

I also must say that the Cost of Living Council's controls on wages and prices in the health-care field have been discriminatory. As an example, I am an ophthalmologist, an M.D., and my fees and my wages are controlled. However, an optometrist, a non-M.D., who also does eye examinations, is under no such fee controls. Dispensing opticians, independently, are under no wage controls but our dispensing opticians in our Clinic, because they are part of our professional corporation, are under wage controls. Clinical psychologists are not under wage or fee controls but psychiatrists, M.D.s, are. There can be no doubt in anybody's mind that this is discrimination. The other, more obvious, discrimination is the fact that controls are being lifted from virtually every other field but the health-care field. The obvious reason for this is not because of inflation but it is to keep the tax bill down when national health insurance becomes a fact and I think that that is the only honest reason that can be given.

I have never sympathized much with the AMA and its negative stand towards national health insurance but I certainly sympathize with them now in their suit against the Cost of Living Council and I hope that that suit is found in favor of the AMA.

I also must say that I have always been in favor of some form of national health insurance because I do not feel that the patient should be forced to go on welfare just to get good medical care, so I think that some form of national health insurance is mandatory soon and I certainly favor a plan which utilizes private health insurance carriers with as little interference from the government as possible.

The essence of this letter is my plea to you to vote to end controls on the health care industry so that we can return to a free economy. I think that a free economy will produce its own adjustments and I think that it should be allowed to do so.

I thank you for your kindness in reading this letter and considering its contents.

Sincerely,

R. A. Anderson, M.D.

ARTICLE BY LOUISE LOVE ON THE ARMORY CHAMBER MUSEUM IN THE KREMLIN

Mr. McGEE. Mr. President, in the April 7 edition of the Washington Star-News, there appeared an excellent and stimulating article by Louise Love on the Armory Chamber Museum in the Kremlin.

I was particularly interested in the article, for Louise is a native Wyomingite who served as Senator Joseph O'Mahoney's press secretary. I worked with Louise when I served as Senator O'Mahoney's legislative assistant in 1955–56. She has now retired from Government work, having been in the Bureau of Reclamation's Public Information Office.

I was particularly struck by Louise's article because it is apparent she has not lost that artistic touch which has always been a landmark of her writing efforts.

I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Treasures in Moscow: Terrible Ivan's Legacy

(By Louise Love)

Moscow.—"Everything you will see here is real—the gold, jewels, everything," our Russian Intourist guide, Irene, said as she herded a group of American press women into the Armory Chamber, a museum within the Kremlin walls.

But we were totally unprepared for the lavish magnificence of a throne set with diamonds and other precious stones, or crowns and miters blazing with gems, of golden carriages carved and painted into works of art, and of silver and gold icon covers and church vestments encrusted with thousands of pearls.

As we gaped at the treasures, Irene gave us a running commentary on them and the people who had owned them. A good Communist propagandist, she pointed out that although these relics of Russia's past had belonged to royalty and the church hierarchy, most were made by Russian workers, many of them serfs.

Hundreds of the descendants of those early artisans thronged the museum with us. Dressed in drab, dark garments, the women's heads covered with brown or black babushkas, they stared stolidly at vestiges of a way of life which must be beyond their imagining.

The outstanding collection in the Kremlin Museum dates back to Ivan the Terrible, that tyrant whose rule resulted in the emergence of Russia onto the world stage not only as a great political power but as an art center.

After a fire destroyed most of the Kremlin in 1547, Ivan assembled master craftsmen from all over Russia and other countries of Europe. He ordered them to rebuild the fortress and to fill it with the most beautiful things they could create.

His successors, right down to the time of the revolution, added ever more treasures to the hoard, and much of the accumulation is now housed in this museum, which was first opened to the public after the death of Stalin in 1953.

Although some articles on display predate Ivan, his relics dominate the early exhibits. His crown is fashioned in the form of famed St. Basil's Cathedral, which he had built in Red Square to commemorate his victory over the Tartars. Eight gold leaf-shaped spires and a central higher spire are set with turquoise, rubies, and topazes. Shaped like a cap, the crown is topped by a mammoth yellow topaz, and it is rimmed with sable, as was customary with medieval Muscovy crowns.

Another crown, that of Czar Mikhail, the first Romanov ruler (1645–1676), has enormous sapphires around its lower filigree section, with emeralds, rubies, and pearls scattered about in the spaces between. A small crown on top of the "cap" supports a gigantic emerald.

For sheer opulence it would be hard to outdo the diamond crown of Empress Anna. A traditionally shaped crown rather than a "cap" such as medieval male monarchs favored, it is set with more than 2,500 diamonds and a lesser number of rubies and is topped with a cross of diamonds resting on a ruby about two inches high.

The thrones, like the crowns, are ostentations to a bizarre degree. No simple armchairs upholstered in silk here. These thrones fairly short powerful potentates in an "Arabian Nights" setting. The most magnificent is the "diamond throne" of Czar Alexei Mikhailovich. Hundreds of diamonds, with other gems interspersed, are embedded in its wooden surfaces.

An earlier throne is completely covered wtih 150 elaborately carved ivory plates. The scenes depicted run the gamut of medieval subjects—mythology, history, everyday life, intricate ornamental design, and emblems of various kinds, with the double-headed eagle very much in evidence. The origin of the ivory throne is unknown. Legend has it that Constantine's daughter brought it to Moscow from Byzantium when she married Ivan the Great in the 15th century. Scholars discount this, but consider it the finest existing example of medieval carving.

One of the most spectacularly beautiful of the items in the museum is the foot-high orb of power made in Constantinople in the 17th century for Czar Alexei. Of emerald green enamel, it sparkles with diamonds, rubies, sapphires, and emeralds arranged in rosettes and sprays of exquisite artistry. Rising from it is a gold cross, thickly set with jewels and edged with pearls.

Religious relics on display rival the royal regalia in extravagant elegance. Jewels and delicate enamel work richly embellish icon and gospel covers of gold and silver. Miters and vestments are ornately decorated with precious stones and pearls. And altar cloths and church vessels fit the same pattern.

The collection of royal carriages was the most exciting of all. According to Irene, it is the finest and most complete such collection in the world, and one can well believe it. Master carriage makers all over Europe fashioned and decorated these ornate vehicles for Russian rulers, and it is said that no court in Europe ever possessed such elaborate conveyances.

One carriage is practically covered with paintings by Francis Boucher. Made in Paris in the 18th century for the Empress Elizabeth, it has panels on all four sides which are literally as warm with cherubs, flowers, clouds, and other romantic fantasies of the famous French artist. This carriage is so big that it required most of Red Square to turn it around. Elizabeth surely didn't use it for any jaunts into the country; it was seldom out of the Kremlin, and consequently is so well preserved that it appears virtually new.

The oldest state carriage displayed is one that England's Queen Elizabeth had made for Czar Boris Gudunov (who died before it was delivered). The bas reliefs on the carved wooden panels portray Boris as a Roman emperor in a chariot. In one panel the Czar with his troops and the sultan with his, all on rearing horses, are engaged in fierce battle. These dramatic scenes are painted in bold black, reds, and golds.

There are hundreds of other exhibits in the Armory Chamber—armor worn by the Czars and their soldiers, bejeweled saddles and bridles, costumes of the empresses, ornate silver ceremonial and service trays and vessels, beautiful china. Many of these were gifts from foreign sovereigns to Russian rulers. One, a 2,000-piece set of Serves china, was sent to Czar Alexander by Napoleon just before he attacked Russia.

As we come out of the Chamber into a cold Moscow drizzle, dazed by our sudden transition from voluptuous Imperial Russia to sober Soviet Union, we felt at one with a long ago ambassador of Holy Roman Emperor Maximilian II. Returning from a visit to the court of Ivan the Terrible in 1576, he reported to his master, "Never in my life have I seen things more precious or more beautiful." He went on to say that though he had seen the crowns and decoration of the Pope and most of the kings of Christendom, these "cannot in any way be compared with those I saw here."

However, it was not only the richness of the objects in the Kremlin Museum that fascinated us, it was the insight they gave us into the Russian court—of prodigal luxury, sensual glitter and grandeur, and unbridled power. In the Armory one walks through the history of a vanished empire—a "must" for the tourist in Moscow.

THE PROBLEMS OF NATURAL RESOURCES MANAGEMENT

Mr. METCALF. Mr. President, the 39th North American Wildlife and Natural Resources Conference was held in Denver, Colo., from April 1–3, 1974. This conference was attended by some 1,700 persons representing all 50 States, Canada, and Mexico.

Mr. Daniel A. Poole, president of the Wildlife Management Institute, opened the conference with an address that placed the problems of natural resources management in clear perspective.

Mr. President, I ask unanimous consent that Mr. Poole's address be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Address by Daniel A. Poole

Good Morning, ladies and gentlemen. Welcome to the 39th North American Wildlife and Natural Resources Conference.

In historical perspective, the past thirty-eight Conferences and the preceding twenty-one American Game Conferences chart the evolution of the wildlife conservation movement in North America. Yet surprisingly, some people question the direction of this meeting. They point to papers on water pollution, water resources development, energy, drainage, channelization and agriculture, forestry and public lands management, coastal and inland land use planning, and on human population. What do these subjects have to do with fish and wildlife, they ask?

If only fish and wildlife could live in such splendid isolation! If only fish and wildlife did not have to share land and water with man. Too many of our fellow citizens fail to realize that the future of fish and wildlife depends as much, if not more, on understanding the social, behavioral, and economic habits of man as it does on knowing the habits of the animals. The abundance and diversity of wildlife are a measure of environmental quality, a condition beneficial to man.

For wildlife, this is a time of oversimplification. A time of easy answers and subsidized environmental abuse. Call for enactment of another law. Propose another program. Ridicule professional resources management. Question the motives of those involved.

What one sees and hears today remarkably resembles the sincere but largely disproven efforts made to protect America's wildlife in the early days of this century. If we permit this tide of simplicity to overwhelm us, if we passively submit to it, instead of standing for what we know to be correct, America's wildlife will be harmed apace.

There are those who say our critics do not understand us. We may not fully understand ourselves. There are others who suggest that our critics should be mollified by recitation of our past good deeds. But this is not the past. We are dealing with problems that are with us today.

We may not be fully prepared for the demands and challenges that lie ahead. We know the problems, but society sometimes prevents us from responding. Elected officials will not lead, legislative bodies will not act, and the public balks or is disinterested.

But does all the blame for wildlife's problems rest elsewhere? I think not. We, too, have acquiesced to oversimplification. We too, have accepted what we do without sufficient analysis of its value. We, too, have not exposed weaknesses and worked for their reform. We, too, have been reluctant to accept the fact that misjudgment in a single agency may discredit all of us across the board.

Is there anyone who is seriously concerned about wildlife who will say he is satisfied with the federal accelerated wetlands acquisition program, now thirteen years from takeoff and only two from touchdown and required payback from Duck Stamp receipts?

Is anyone prepared to argue that the original acreage goals were correct and remain correct today? Is there a man among us prepared to argue that the program offers the best method of protecting wetlands? Is anyone, in fact, prepared to say that the current waterfowl management program is adequate for all species?

Can anyone claim without serious challenge that the Federal Government, in this Administration and in any Administration for the past two decades, has responded to the desperate plight of the national wildlife refuge system? Where is the leadership that must be exerted if the huge backlog of needed maintenance and development is to be overcome? Are we shooting square with the public if we remain silent on this problem?

Is there a man among us satisfied with the relationship between the Department of the Interior, which houses the agency having primary federal responsibility for fish and wildlife, and the Department of Agriculture whose agencies manage millions of acres and influence land and water use on most of the nation's farms and ranches With farm and ranch land habitat so vital to fish and wildlife and recreational opportunities, why is there not vastly better contact with agricultural interests?

Is anyone satisfied with the way the Agriculture Department has bobbled the wildlife conservation mandates written into Title X of the Agriculture and Consumer Protection Act of 1973? How is our wildlife interest responding to USDA on the federal level?

Should we be satisfied with the mix of fish and wildlife biologists on the staffs of the Bureau of Land Management, Forest Service, or the Soil Conservation Service These agencies control or influence wildlife habitat on vast acreages of public and private land. Are you satisfied that the biologists' recommendations receive consideration in the planning, design, and implementation of programs? Should we be satisfied with the few dollars available for their work?

Much more can and should be done to benefit wildlife through already authorized programs. Much could be accomplished by greater use of laws already on the books, but full funding seldom is requested or granted, staffing often is inadequate and authorities are applied selectively, at best. Conservationists should make Congress and the Executive live up to the law.

Few Members of Congress really are interested in wildlife in other than a superficial way. It is virtually impossible to convince a committee chairman that he should spend several days holding oversight hearings on a deserving subject. How else can weaknesses and discrepancies be brought to the fore if our profession refuses to pinpont them and demand their correction by Congress? As habitat is diminished—and it is being diminished—the wildlife manager, his agency, and our profession ultimately come under fire, not elected and appointed officials.

We must have stronger federal wildlife capability, a capability that deals more with habitat accountability than it does with custodianship of animals. We also need much stronger ties between federal and state levels and among the states themselves.

I commend the International Association of Game, Fish and Conservation Commissioners for the progress it is making in state and state-federal coordination. But much, much more must be done by all of us.

Unfortunately, the leadership and the programs of most state wildlife agencies are unknown to Senators and Representatives in Congress. Too many times, in my experience, state agencies are treated as adversaries by the very men who should help them. This serious weakness arises, at least in part, from the state agencies' apparent failure to recognize that Congress judges their overall effectiveness not by the programs that are strong but rather by those that are weak.

On the national level, many pending issues involve wildlife and their habitat. There is the Administration's proposal to create a Department of Energy and Natural Resources, a super agency that would fracture many old ties and associations. If there ultimately is to be change, as some congressional leaders insist, what can be done to channel reorganization in favor of fish and wildlife and ecologically sound use of our resource base?

A special panel is proposing substantial realignment of the House committee structure. Some knowledgeable and understanding committee chairmen and members would be swept away, to reappear no one knows where. Done one way, reorganization would lump wildlife with energy, an unnatural alliance that several states discarded decades ago. Done another way, it could favor preservation over scientific management. Where do wildlife leaders stand on this?

Congressional hearings are expected soon on proposals to improve the Fish and Wildlife Coordination Act, in theory toothy, but in practice, a toothless law to give fish and wildlife some bite in water resources developments. The improvements in the Act grow out of the recommendations of the National Coordinating Committee on fish and wildlife in federal water resources projects. The General Accounting Office recently found that these resources are not receiving equal consideration in water development projects.

I hope that the state fish and wildlife agencies and the State Governors will support these necessary amendments. I hope each state enacts the State Fish and Wildlife Coordination Act that is in the Council of State Governments' 1974 roster of suggested state legislation.

You can help punch this over. If you do not participate, a once-in-a-decade opportunity to benefit fish, wildlife and other resources may be lost.

How many more Cache River projects and Garrison Diversions are fish and wildlife conservationists going to sit still for? Why cannot water resource planning involve fish, wildlife and other resources from the very beginning? The law says this must be done, but the law is not being everywhere observed by either development agencies or federal fish and wildlife agencies.

If you think that our interest is destined to be run over forever by water development, then take a look at Section 73 of the Water Resources Development Act and Title X of the Agriculture and Consumer Protection Act, both of 1973. Nonstructural alternatives to flood protection are authorized in each. The Water Resources Development Act directs that "In the survey, planning, or design by *any* federal agency of *any* project involving flood protection . . . ." consideration shall be given to nonstructural alternatives. Acquisition of flood plains for recreation, fish and wildlife, and other public purposes is mentioned specifically. And in the Farm Act, the Secretary of Agriculture is authorized to purchase perpetual easements to promote the sound use and management of flood plains, shore lands, and other aquatic areas.

Other bills pending in Congress also deal with the basics of our business. One, passed by the House and now before the Senate Committee on Commerce, would expand the wildlife conservation program on military lands, an area nearly equal to that of all the national parks. It would authorize the imposition of a fee where states willingly enter into agreements for improving terrestrial and aquatic habitat on designated public lands.

A pair of Senate and House bills would raise more money for wildlife conservation by imposing a manufacturers' excise tax on the component parts of handloaded ammunition. This source could yield upwards of several million dollars annually, if taxed comparably with sporting firearms and ammuntion, handguns, and archery items, which already support wildlife conservation. Like the handgun and archery tax receipts, part of the income would be used for hunter education and supportive public shooting ranges. With a bit of attention from many of us here, this sound bill could be enacted.

Some states appear to be dragging their feet on hunter education. In my opinion, the individual or the agency that ignores this essential undertaking will do serious disservice to wildlife and to hunting in the long term.

Now, a final note. In the last two years, tremendous effort was expended by agencies, organizations, and conservationists in helping Congress correctly decide national wildlife policy. This was done through the Marine Mammal and Endangered Species Acts. In both, Congress firmly established that this country's wildlife are to be managed on a scientific basis.

I know that the two new programs are not sound in all aspects, but do not lose sight of the fact that, despite tremendous preservationist pressures, Congress opted for scientific wildlife management. Had Congress not done so, the present situation would be chaotic rather than merely aggravating.

The Bureau of Sport Fisheries and Wildlife is to be commended for its current effort to inform states about the kind of assenting Act that will be required for compliance with the Endangered Species Act. Because of the lateness of Congress' approval of the Act last year, and the necessity for affirmative action by state legislatures that had a 1974 session—and there were more than forty—it is in order and desirable for Governors to call upon the Secretary of the Interior to accept letters of intention with respect to their states' commitment to enact satisfactory legislation when their legislatures next convene.

This is important, for every state whose legislature has met and adjourned in 1974 without having had an opportunity to consider this subject already is in the 120-day countdown after which all resident wildlife deemed by the Interior Department to be threatened or endangered in the absence of an approved state program shifts to federal responsibility. States should not be held delinquent because of an impossible time schedule imposed on them by the Federal Government. No matter how good a state's intentions or its already operative programs, it will take tons of paper work and years of frustration and expense to reverse the situation.

If, as the Administration has said, it wants to move responsibility closer to the people, and if, as the Secretary of the Interior said to the states last fall, the salvation for America's wildlife is vastly better working relationships between federal and state wildlife agencies, then this bureaucratic hiatus should be avoided. The Secretary of the Interior should do everything within his power to prevent the states from being penalized because of the grossly inadequate time schedule in the Endangered Species Act.

Before turning the session to Dr. Gilbert F. White, I want to remind you of a long-established Conference Policy. In the next three days, we all will be involved in a conference, not a convention. For that reason, no resolutions can be entertained. Session chairmen have been instructed not to entertain resolutions or recommendations for action. It is hoped that all conferees will take maximum advantage of the scheduled discussion periods following each paper. In this way, additional information and differing points of view can be brought before the Conference.

It now gives me great pleasure to turn the session over to Dr. Gilbert White of the University of Colorado.

SENATOR HELMS ADVOCATES NEUTRALIZING SUEZ AS A CONDITION OF FOREIGN AID TO EGYPT

Mr. HELMS. Mr. President, yesterday this body received a message from the President of the United States proposing a total foreign aid budget of $5.18 billion for fiscal year 1975. No one needs to be told that foreign aid has become a very controversial issue in Congress. Frankly, I am opposed to foreign aid particularly at this time of financial crisis in our country. There seems to be very little consensus, in any case, as to what type of foreign aid, if any, best advances the interests of the United States in the long run.

Reserving the right to discuss other aspects of the President's proposal at another time. I wish to serve notice that I am gravely concerned whether one particular section of the aid proposal, as it presently stands, will advance the cause of peace and stability in the world. I refer to the $907.5 million proposed for the Middle East, including both Israel and Arab countries, and particularly the $250 million intended for Egypt.

The funds for Egypt would be used for clearing the Suez Canal, repairing the damage in adjacent areas, and restoring Egyptian trade. There is no doubt in my mind that the prime beneficiary of the reopening of the Suez Canal will not be Egypt, but the Soviet Union. And I refer not to the benefits to Soviet trade, which will no doubt be considerable, but to the strategic benefits which the Soviet Navy will reap by having a short route to the Indian Ocean. Ships traveling from the Black Sea through the Suez Canal to the Gulf of Aden cover about 2,200 miles. From the Black Sea through the Mediterranean and around the Cape of Good Hope, the distance is about 11,000 miles.

The Soviets are well aware of this advantage. The alternative of sending ships from Vladivostok to the Gulf of Aden is about 9,000 miles. Yet even with the great distance that Soviet warshsips must cover today, the Soviet Navy is spending about four times as much time in the Indian Ocean in terms of ship days, than it did when the British pulled out in 1968. During the October war, the Soviets had about 20 ships in the Indian Ocean, and about 98 in the Mediterranean. The opening of the Suez Canal will give the Soviets easy access to the Red Sea, the Gulf of Aden, and the Persian Gulf, not to speak of the sea lanes in the Indian Ocean itself. The result will be the creation of a strong military presence in an area which is the petroleum lifeline to Europe.

Mr. President, I steadfastly oppose the use of U.S. funds to open the Suez Canal so that the Soviet Union will be in a stronger position to threaten the peace of the world and disturb the equilibrium in the Middle East. Therefore, I intend to offer an amendment to the foreign aid bill when it is introduced, to require that no funds be made available to Egypt unless Egypt agrees to bar all foreign vessels of war from transiting the Suez Canal for a period of at least 5 years. This would apply to the Soviet Union. It would apply to the United States. It would apply to every other nation, except, of course, Egypt herself.

The chief individual beneficiary of this proposal would be Egypt herself. By neutralizing the Suez Canal during the period while the Middle East agreement is being negotiated and in the early stages of implementation, Egypt would remove herself from a situation where she would have to play host to Soviet military pressure which might be turned against her. Egypt would be in a position to assert her own sovereignty without having to deal with the might of a superpower. Egypt would not be faced with the anomaly of admitting alien warships, possibly hostile warships, transiting her sovereignty.

The second individual beneficiary of this proposal would be Israel. At a time when the Sinai disengagement is still being negotiated, Israel would be assured that she would not be threatened with the ships of a superpower transiting the Suez Canal. Moreover, if the Suez is opened to warships, the Israeli coast will face a constant parade of Soviet vessels coming and going, ostensibly on their way to the canal route. Israel would also benefit by the general defusing of the military situation in the Middle East.

The third individual beneficiary of this proposal would be Saudi Arabia. Despite the fact that Saudi Arabia has the richest oil reserves in the world, it is a relatively small country of 5 million people. It is bounded on the one side by the Red Sea and on the other by the Persian Gulf. If both bodies of water are made easily accessible to the Soviet warships, Saudi Arabia—and the supertankers of all nations that load at her ports—could easily fall under threat from Soviet designs.

The fourth individual beneficiary of this proposal would be Iran. For Iran is rapidly finding herself surrounded by allies and friends of the Soviet Union. Iran, of course, shares a common boundary with the U.S.S.R. She shares another with Iraq, which is allowing the Soviets to develop a major port at Uum Qasr on the Persian Gulf, a port which will really be only of major use to the Soviet naval fleet. To the east is Afghanistan, where elements friendly to the Soviet Union overthrew the king. Then, of course, there is the instability of Pakistan and the continent of India which is so closely alined with the Soviet Union. Iran has the most formidable army on the Persian Gulf, a capable air force, and a small navy, but the last thing that Iran needs is to have the Suez route to the Black Sea open to the maneuvers of the Soviet fleet.

Finally, the next most important beneficiary, as a group, will be all those negotiating the Middle East settlement. The question of reopening the Suez Canal to Soviet warships is the prickly pear that no one wants to handle. If Congress acts to foreclose the issue by conditioning aid to Egypt upon neutralizing the Canal, then everyone concerned can turn to constructive issues. Secretary of State Kissinger will have more flexibility because one more pressure point will have been removed. Israel will be able to breathe more easily. Egypt will not have to take a stand against the very powerful Soviet Union.

I note that the distinguished senior Senator from Vriginia (Mr. HARRY F.

BYRD, JR.) gave a report yesterday on his conversations with President Sadat only last Friday. As always, my distinguished colleague was candid and to the point. He reported as follows:

> The Egyptian leader said firmly that his country will not again become dependent on the Soviet Union.

I congratulate President Sadat for his firm intentions, and I strongly believe that such a measure as I am proposing would be welcomed by him—if not publicly, then at least in his private councils. For as Senator BYRD has reported, Mr. Sadat "said he did not wish to be a friend of the United States at the expense of Russia, or a friend of Russia at the expense of the United States."

Nobody could ask for more than that. There is no need to provoke the Soviet Union. At the same time, there is no need to allow a situation to develop unnecessarily where the Soviet Union could provoke the free world, or tragically plunge us into war. There are those in this body who have sharply questioned the wisdom of the United States in sharply upgrading the small naval base of Diego Garcia in the middle of the Indian Ocean. They have declared that this action would unnecessarily militarize the seas in that region and add to tensions. I must say candidly that I do not agree with that assessment, given the relatively small U.S. presence that would be enhanced by Diego Garcia, and the current level of Soviet operations in the Indian Ocean.

But the opening of the Suez Canal would do far more to upset the military balance in that part of the world than anything the United States could ever do. Those who are concerned with increasing tensions in the Indian Ocean should join in my proposal to demilitarize the Suez Canal as a far more effective means to their goal. I shall submit the amendment I have described in a few days, and I will be pleased to accept cosponsors.

All Americans, indeed, all in the free world are looking forward to a permanent settlement of the tragic situation in the Middle East. The funds requested by the President are intended to contribute to that settlement. In his message, the President said:

> In the Middle East, we have an opportunity to achieve a significant breakthrough for world peace. Increased foreign aid will be a vital complement to our diplomacy in maintaining the momentum toward a negotiated settlement which will serve the interests of both Israel and the Arab nations.

The President went on to say the following:

> The hope for a lasting solution to the Arab-Israeli dispute is stronger today than at any time in the previous quarter century. American diplomatic initiatives have helped create the conditions necessary for an end to conflict and violence. While our diplomatic efforts must and will continue, there is already much that can be done to supplement and consolidate what has been achieved so far.

Mr. President, if the words of President Nixon are to be given substantial meaning, I think that Congress must act to condition the proposed aid of $250 million to Egypt upon Egypt's closing the Suez Canal to warships. As the President says:

> There is already much that can be done to supplement and consolidate what has been achieved so far.

By removing the threat of Soviet military pressure in the Suez Canal, these gains can be made effective and constructive.

THE 26TH ANNIVERSARY OF THE STATE OF ISRAEL

Mr. HARTKE. Mr. President, today marks the 26th anniversary of the independence of the State of Israel. It was 26 years ago that the centuries-old dreams of the Jewish people were answered to have returned to them the land which was once theirs and from which they had been forced to flee.

The Jewish people have the longest tradition of love of justice in this history of mankind. They have learned hard lessons, painful lessons, lessons that will not be forgotten. They have lived in the midst of persecution and barbarism, been forced to flee homes and loved ones, watched with helpless anguish as millions of their fellow Jews were slaughtered by the Nazis, and—now—suffered from the daily terrorism and constant threat of attack from their neighbors in the Middle East. This is a history of tragedy and suffering unmatched by any other people.

Today, Israel stands out as a bright star, beckoning all who would seek the protection of its borders and serving as a reminder to the tyrants and bigots of this world that justice is stronger than steel and armor, that it is more mighty than bullets and bombs, and that it will triumph over prejudice and injustice.

I have had the privilege of visiting Israel on several occasions, and I know of the strength of conviction of its people. They intend to survive, and it is that determination which evokes the admiration of people throughout the world. To these undaunted people, my best wishes on the anniversary of your great nation.

EDWIN W. MURPHY

Mr. WILLIAMS. Mr. President, I was deeply saddened to learn of the recent death of Edwin W. Murphy who has served the National Council of Senior Citizens during the past few years as the assistant editor for Senior Citizens News.

The loss of Ed Murphy is especially significant to me for Ed has been an effective leader in our efforts to enact comprehensive reform in our private pension system. In 1970 while I was chairman of the Special Committee on Aging, Ed testified before us on the issue of pension reform. His personal statement was a valuable contribution in our efforts to explore this pressing issue. The injustice of current pension systems can be no more visibly exemplified than by looking closely at what happened to Ed Murphy.

A journalist by trade and an activist on behalf of the disadvantaged. Ed put in over 40 years of honest labor, including employment with three newspapers and one trade union. Despite this record, he received no pension, largely because the three newspapers went out of business. It was only when he joined the staff of the National Council of Senior Citizens that he became eligible for a pension under their immediate vesting provision.

Throughout his life, Ed Murphy made a special effort to give of himself to others. As an active advocate of civil rights, he and his wife in the 1960's provided temporary housing for Southern black families coming north to live.

As a wise advocate of human rights and as a true champion of the needs of older Americans, Ed will be sorely missed.

CONGRESSMAN VANIK'S CORPORATE TAX STUDY

Mr. METCALF. Mr. President, Tuesday morning the Government Operations Subcommittee on Budgeting, Management, and Expenditures and the Subcommittee on Intergovernmental Relations resumed its oversight hearings on Federal agency collection, tabulation, and publication of information and data from regulated firms.

The committee was privileged to have as its first witness Hon. CHARLES A. VANIK, Member of Congress from Ohio. Representative VANIK is a member of the tax-writing House Ways and Means Committee. As a member of that committee, for the past 2 years he has conducted a study of the effective Federal corporate income taxes paid by America's leading 146 corporations. The "Vanik studies" have become an important part in the debate on tax reform and the increasing public and congressional understanding of the nature of our tax laws.

Congressman VANIK's testimony this morning was largely devoted to a description of the type of enormous problems which face Members of Congress and public-interest groups when they attempt to obtain basic economic data. As Representative VANIK stated—

> The Federal government simply does not have enough accurate information on which to base sound public policy.

Mr. President, it is the hope of our committees that we will be able to find ways to make more and better information available for use in public policy formulation. Congressman VANIK's description of the problems facing those who seek "supposedly" public information is an important statement which should be of interest to all Members of Congress and the public.

Mr. President, I ask unanimous consent that Congressman VANIK's testimony, to which I have just referred, be printed in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

STATEMENT OF CONGRESSMAN CHARLES A. VANIK

I appreciate this opportunity to testify in these oversight hearings regarding Federal agency collection, tabulation, and publication of information and data from regulated firms.

First, I would like to commend the Committee and its staff for its January 7th report, *Disclosure of Corporate Ownership*. This report is one of the finest pieces of original research work ever to come out of a Congressional Committee. It is an economist's goldmine.

It should be required reading material in every economics and political science course in the Nation's colleges. The implications of the Report are most serious. We—or the next Congress—must act on the findings of your Report. Every day that we delay, means one more day that a few large banks and institutional investors consolidate and strengthen their control on the American economy and other American corporations.

PROBLEMS IN OBTAINING INFORMATION

Rather than deal with the implications of your Report, however, I would like to discuss the problem of obtaining information about American corporations and the direction of our economy and society. Lincoln said it as simply and clearly as it can be said:

"If we could first know where we are and whither we are tending we could then better judge what to do and how to do it."

Mr. Chairman, I fear that in terms of our economy and the directions of our national economic structure, we do not even know where we are—and the reason is: the Federal government simply does not have enough accurate information on which to base sound public policy. The need for information is critical—and was excellently described by the Federal Trade Commission in their justification for proceeding with the Line of Business Report inquiry:

"Information plays a critical role in the efficient working of a free enterprise economy. Generally speaking, the greater the amount of information which is possessed by all the groups which are interested in a given market, the more efficiently the market will work. Other things being equal, then, society stands to reap benefits from the dissemination of information."

As you know, for the past two years I have compiled a study of the Federal corporate tax payments of the top 100 American industrial corporations as well as about 40 other selected top corporations in transportation, retailing, and banking. The companies studied have been taken from the Fortune 500 list. The information was drawn entirely from public filings at the SEC, ICC, and FPC. The very difficult accounting interpretation work was done by the Joint Committee on Internal Revenue Taxation.

These tax studies have received wide coverage because of certain dramatic findings. For example, in tax year 1972, it was reported that ITT paid 1% Federal Corporate Income tax on about $376 million in profit. I found 11 profitable giant corporations which paid no corporate income tax. These findings got the headlines.

The important long-range findings of my studies parallel the type of findings of your Report:

The bigger corporations can take advantage of special tax privileges.

The bigger corporations tend to pay a lower rate of tax—about 29% compared to a statutory rate of 48%.

The bigger corporations therefore have a more attractive cash flow and investment image than smaller corporations.

Therefore, the big get bigger—and small and medium size business is suffering.

There is a move toward bigness, concentration and overwhelming power in a few American corporations.

The main point I want to make today is that obtaining this tax is incredibly difficult. This information is required by the regulatory agencies to be filed and made available to the public. The information is important to investors, to economists, and to the Congress in its public policy and tax decisions. Yet it is nearly impossible to obtain this information. One must rely on trained CPA's—and there can even be honest disagreement and differing interpretations among the best accountants.

For example, for tax year 1972 out of the 146 filings examined, information was available or calculable on only 90—or 61% of the sample—with the situation being particularly bad in the banking industry. In tax year 1971, only 45 out of 100 industrial corporations had made intelligible information available to the SEC by the filing date.

I might add at this point, that the SEC sometimes does not seem to obtain better response to or enforcement of its reporting rules than the Committee did in its poll of 324 corporations. I believe that you received a full response from only 89 companies and no response at all from some 58 firms. There seems to be a high correlation between these corporations which did not respond to your inquiries and those which fail to comply with the SEC regulation SX requiring that State, foreign, and Federal taxes be reported separately. Sixteen of the 58 firms which refused to disclose ownership to you were among 33 firms (out of a total of 146 examined) which appear to have failed to properly disclose the level of their Federal tax payment. It seems that there is a sort of consistent "Public be damned" attitude among a number of corporations.

The confusion, complexity, and secrecy which shrouds corporate tax and financial reporting is indescribable. By far one of the major problems in understanding the tax provisions of many corporate annual reports has been the combination of the Federal tax expense with local, state and foreign tax expenses when reporting to the SEC and to stockholders. As I stated in the August 1, 1973, *Congressional Record*, a number of companies fail to provide adequate tax information in their annual reports to stockholders. In tax year 1972, for example, Xerox listed its tax expense under one figure titled "Income Taxes"—with no breakdown of either their state and/or local and/or foreign taxes. Exxon, General Motors, and 3M, as well as many others, also listed "lumped up tax expenses" in their annual reports to their stockholders for 1972.

This has not been an isolated problem. The American Institute of Certified Public Accountants, in their publication "Accounting Trends and Techniques," sampled 136 1971 annual reports and discovered that:

Provision for Income Taxes: Combined with Federal, 116; Shown Separately, 20; Total, 136.

A corporation's combination of the foreign and federal tax figures particularly understates the amount of taxes paid to the Federal government, since the foreign tax provision may wash out a large portion of the federal taxes.

This method of combining reported tax payments is distorting and misleading—and should be corrected.

I sent a letter to the Chairman of the Securities and Exchange Commission on March 21, 1973, on the question of whether or not the separate listing of taxes paid—as required by law in the 10–K forms filed with the SEC—should not be required in the annual report to stockholders. The following is the former Chairman, Bradford Cook's, response to my inquiry.

"It is currently the judgment of the Commission staff that the breakdown of the tax expense data as required in form 10–K separation of the foreign and federal tax expense is not data which is essential to the average investor in understanding the results of operations as reported in the annual report and, hence, Rule 14a–3(b)(2) would not require its inclusion in an annual report to shareholders."

It seems that the Securities Exchange Commission holds to the philosophy that the average investor need only possess the minimum of information. With the increasing growth of Multi-Nationals, I believe the average stockholder would be interested in what countries his company is investing—and what tax benefits are acquired by such investments.

My main concern has been the combining of tax expense in annual reports to stockholders. However, it is a violation of SEC regulations to combine tax expenses in the 10–K report filed with the SEC. Regulation SX (Rule 3–16,0) requires that State, foreign, and Federal taxes must be stated separately in the annual 10–K report to the Securities and Exchange Commission.

In 1972 I brought to the attention of the Securities and Exchange Commission the fact that in 1971 four major corporations violated this law by combining their tax expense figures. Rather than strengthening their enforcement efforts in 1972, the Securities and Exchange Commission seems to have allowed the proliferation of this illegal activity. In my analysis of the effective taxes paid in 1972, 33 corporations out of 146 appear to have violated the Regulation SX Rule. The following list is reprinted from the August 1, 1973 *Congressional Record*. It is possible that some of these corporations have subsequently amended and corrected their SEC filings.

Ford Motor Company.
General Telephone and Electronics Corporation.
Kraftco Corporation.
North American Rockwell Corporation.
Firestone Tire and Rubber Company.
General Dynamics Corporation.
W.R. Grace & Co.
American Can Company.
Borden, Inc.
Burlington Industries.
Sperry Rand Corporation.
Minnesota Mining & Manufacturing Company.
Gulf & Western Industries, Inc.
The Coca-Cola Company.
Beatrice Foods Co.
American Brands, Inc.
The Signal Companies, Inc.
CPC International Inc.
Champion International Corporation.
Raytheon Manufacturing Company.
Allied Chemical Corporation.
Teledyne, Inc.
Consolidated Freightways, Inc.
Leaseway Transportation Corp.
Yellow Freight Systems, Inc.
Southern California Edison Company.
Texas Eastern Transmission.
Safeway Stores, Incorporated.
Bank America Corporation.
Western Bancorporation.
Chemical New York Corporation.
Bankers Trust New York Corporation.
Continental Illinois Corporation.

If corporations combine their tax expenses in the 10–K, violating the law, they make it impossible to calculate their effective taxes paid to the Federal government. It is my suspicion that many corporations, aware of how they could disguise their low tax payments, have intentionally omitted such data, thereby breaking the law. They realized that the SEC would probably not take any action, and if they did, it would only amount to a "slap on the wrist."

Despite these difficulties, I am proceeding with a third annual report of "Corporate Federal Tax Payments"—and the Joint Committee on Internal Revenue Taxation is collecting this information at this very time.

HOW MUCH TAX DO BANKS PAY?

In light of the study conducted by this Committee on the acceleration of banking control of the American economy, I hope to give special emphasis in my study, to Federal tax payments by banks. It would seem that banking would be a fairly straight-forward business with few special tax breaks or incentives—and that the tax rate would be about 48%. Yet for tax year 1972, three leading banks for which figures were available paid an average effective Federal corporate tax of 14.4% on $519 million in profits. In tax year 1971, 5 leading banks paid a Federal tax rate of about 21.9% on $756.8 million in profits.

The trend is continuing. For example, I would like to enter into the hearing record, without comment, the full text of the tax notes contained in the 1973 Annual Report of the Chase Manhattan Corporation. This Annual Report indicates that the assets of the Corporation have increased from $30.6 billion in 1972 to $36.8 billion in 1973 and the quarterly dividend was raised by 10%.

I have not had the benefit of the Joint Committee on Internal Revenue Taxation's comments on this annual report, so I do not want to provide an analysis. According to its own statement, however, the Corporation's current Federal tax payments have declined while its foreign tax payments have increased. Also, note the large tax-exempt interest earnings of the bank. Finally the Corporation states that the provision for income taxes at the 48% Federal Statutory Rate is $114.4 million, yet the total listed Federal Current and Deferred taxes is $7,596,000. It is no wonder that the Banks are gaining economic power!

THE CHASE MANHATTAN CORPORATION—TAXES

	In thousands	
	1973	1972
Taxes applicable to net income were as follows:		
Tax provision applicable to income before securities gains (losses)	$76,036	$61,908
Tax provision (benefit) applicable to securities gains (losses)	(644)	(80)
Total	75,392	61,828
The current and deferred amounts of these tax provisions were as follows:		
Federal:		
Current	4,185	8,671
Deferred	3,411	1,923
State and municipal:		
Current	11,936	12,258
Deferred	4,976	3,852
Foreign:		
Current	40,347	33,109
Deferred	10,537	2,015
Total	75,392	61,828

The principal items which caused the timing differences resulting in deferred income taxes in 1973 and the tax impact of each one follow:

	Thousands
Additional transfer to the reserve for loan losses in excess of the provision charged to operating expenses	$13,333
Accretion of discount on investment securities	(4,647)
Undistributed earnings of overseas subsidiaries, joint ventures and associated companies	2,924
Depreciation on premises and equipment, including lease financing equipment	3,526
Other—Net	3,788
Total	18,924

The total provision for income taxes applicable to net income in 1973 is less than the amount computed by applying the U.S. Federal income tax rate of 48 percent to income before taxes. The reasons for this difference are as follows:

	Amount (in thousands)	Percent of income before taxes
Provision for income taxes at statutory rate	$114,474	48.00
Increase (decrease) in provision for income taxes resulting from:		
Tax-exempt interest	(46,189)	(19.37)
State and municipal income taxes, net of Federal income tax benefits	8,760	3.67
Other—Net	(1,653)	(.69)
Total provision for income taxes	75,392	31.61

HOW MUCH TAX DO ENERGY COMPANIES PAY?

Second, in my tax study this year, I hope to provide special emphasis on the tax rates of energy companies. What types of tax subsidies are we providing? Are they cost/benefit ratio effective? Are they distorting the use of fuels and delaying the start of new technologies?

I think we are all familiar with some of the tax problems in the oil industry. The House of Representatives will probably soon be sending the Senate an oil windfall profits tax bill—and if history is any judge, you will be making some changes and adding some ideas of your own.

It is time, however, that we looked at the tax situation of other energy companies. I know that the Chairman from Montana has long had a special interest in public utilities and utility companies. Without really becoming aware of it, we have come to provide a tremendous tax subsidy to the electricity companies. Over the past decade, many of them have moved out of the ranks of taxpayers and into the ranks of non-taxpayers. In many cases, they are providing their stockholders and owners with tremendous individual tax advantages through the ability to provide tax free dividends.

I know that many of these companies have low returns, that their stocks have been in trouble, and that their capital requirements are enormous. Yet by providing these subsidies, we may be encouraging certain frivolous uses of energy. People will delay in insulating their homes, there will be no incentive for individual efforts to use solar energy for heating and cooling.

I understand that there is a report in the March 26, 1974 *Minneapolis Star* that Northern States Power Company will pay no Federal income taxes for 1973. I would like to enter the article in the Record at this point, since it describes some of the special tax advantages available to utilities. Assuming that the FPC is on the job and tax savings are passed on to customers, such tax breaks do mean cheaper power—and they mean further delays before America begins to curb its energy gluttony. I would also add the comment that such tax savings mean infinitely more for the stockholders and management of the company than they do for the individual consumers and workers who own no stock.

The article follows:

"Northern States Power Co. will pay no federal income taxes and substantially less than normal state income taxes for 1973, according to figures in the utility's annual report to its stockholders. In addition, the utility has gotten an $8 million refund of federal taxes paid in earlier years, the figures show.

"The tax liability was erased mostly by the investment credit allowed NSP on its Prairie Island nuclear generating plant, said Gerald S. Pettersen, the company's comptroller. Taxable net income also was $35 million less in 1973 than 1972, an NSP spokesman said. The $8 million refund came because the credit was so large that NSP was able to apply some of it against taxes paid in 1970, 1971, and 1972 as well as all federal income taxes due for 1973, Pettersen said.

"Tax laws allow utilities to deduct 4 percent of the cost of new plants directly from their taxes in the year a plant goes into service, Pettersen said. Prairie Island had its first fission reaction, which produces heat to generate electricity, Dec. 1. Pettersen said the utility's federal income tax without the credit would have been about $4.5 million compared with the nearly $19 million the utility paid in 1972. The company's state income taxes for 1973 total $226,000, $4.3 million less than payments for 1972.

"The utility's federal tax bill would have been $46.5 million before deductions and tax credits for such things as depreciation and plant investment, according to the report. That would indicate a net income on the company's books of about $97 million based on the 48 percent corporate income tax rate. The utility said the tax reductions benefit shareholders and customers alike because it means NSP has to borrow less money in the securities market at high interest rates to finance construction projects. The investment credits are allowed under a 1971 tax law and the rates for utilities are less than for other businesses, an NSP spokesman said."

The declining tax rate of electric utility companies is described at great length in my corporate study of last August 1. It is also discussed in some detail in House Report 93-891, relating to Tennessee Valley Authority pollution control facilities. If the Committee would be interested, I would like to enter a portion of the House Report in the Record at this point:

"Each firm makes its own decision as to which tax procedures, if any, will be most beneficial to use in accounting for new investments or additions to old facilities. The sum of all the available tax provisions can be large. The data published in *Moody's Public Utility Manual 1973,* indicates the Federal Tax Code changes can have a significant impact on individual electric systems. The comparative consolidated income account for the American Electric Power Co., Inc., shows 1966 operating revenue of $488.2 million, net operating income of $188 million, and Federal tax payments of $60 million which was lessened somewhat by pro rata credit of $7.6 million from accelerated amortization accumulations transferred to the income account. Operating revenues increased by 1972 to $860 million, net operating income to $244 million yet federal income taxes declined over the years until this entry showed a credit of $5.6 million. Credits of $6.7 million were shown from accelerated amortization accumulations and $984 thousand from liberalized depreciation. Through various recovery provisions of the tax laws, Consolidated Edison Co. of New York, Inc., reported to stockholders for 1970 credits in the federal income tax entry of $19.9 million, credit of $900 thousand from provision for deferred income tax and investment tax credit of $2.4 million. For 1971 the firm reported credit of $3 million in the federal income tax item, credit of $3 million from the provision for deferred income tax and an extraordinary item of $53 million credit from recalculation of earlier tax liabilities. For 1972 the federal income tax item was a credit of $1 million and credit of $2.2 million was shown from the deferred tax entry. This indicates that in place of payments of federal income taxes in the past three years, the system has received credits from taxes paid earlier. In both cases, other provisions of the tax law may have been employed to achieve tax credit status. Not all firms are in this situation.

"The decrease in the payments of federal income taxes by private utilities illustrates the significance of tax law changes to achieve national objectives. As a percent of operating revenues, federal taxes for electric systems decreased from 12.0 percent in 1955 to 3.5 percent in 1972. Had the federal tax payments been the same percent as in 1955, federal receipts from this industry would have been $2 billion greater for 1972."

THE NEW S.E.C. TAX DISCLOSURE RULE

I had hoped that this year's study would be easier to conduct than the past two. I had been encouraged in this belief by the action of the SEC last fall in issuing a new rule requiring more tax disclosure. On November 27, 1973, the SEC announced expanded tax disclosure requirements to permit investors "to distinguish more easily between one-time and continuing tax advantages enjoyed by a company and to appraise the significance of changing effective tax rates."

Earlier in the year, I had written to the SEC in support of this proposed rule-making.

INDUSTRY OPPOSITION TO THE S.E.C. PROPOSAL

It is interesting to note what some of the corporations wrote in their letters to the SEC. Generally, there was rather violent opposition to the proposed rule. The following are quotes from the SEC hearing journal.

ALCOA was worried that it would lead to additional disclosure in other areas:

"We are concerned that the proposals to amend Rule 3–16(o), in view of other pressures for additional disclosure being applied today, will cause an unintended extension of such rules to all forms of reporting, which would add to the confusion and misinterpretation in this area of financial reporting."

Getty Oil Company was worried about confusing the poor public:

"Financial reporting requirements differ extensively from tax reporting requirements. Both requirements are well entrenched in accepted accounting and governmental policy, and as regards tax reporting, codified into the U.S. legal system as well. Business must comply with two separate and distinct reporting requirements relating to its economic condition which are intended and do serve different purposes. The proposed rules will place the different burden on business of attempting to correlate and explain to general users of its financial statement philosophical differences that were not in their inception correlated or reconciled. While it is recognized that there is a definite obligation of "reasonable disclosure" to external users of financial statements, that obligation should not be expanded to include disclosure, correlation and reconcilement of the complicated and technical areas of financial accounting and tax return preparation. Any attempt to follow such a course of action can only serve to confuse the general public."

The National Association of Manufacturers and American Smelting and Refining Company were amazingly frank about what I believe is the cause of the real opposition to the SEC rule. The additional information will make it harder to avoid taxes:

"In summary, we continue to be opposed to the proposed amendment on the basis that it will be confusing and misleading to investors, and that it cannot be accurately complied with by a large number of companies. *Disclosure of certain detailed information on tax expense accruals could prejudice the company in its negotiations with the Internal Revenue Service* or in litigations with other parties, and thus injure its shareholders. Such change in policy, if required, should only be made by legislation with full hearings to determine a public need." (Italics added.)

American Smelting and Refining phrased the issue this way:

"The listing of income items bearing effective tax rates of less than 48% would seem to provide standing invitation to the Internal Service and Congress to endeavor to strike out such intended favorable tax treatment in any new tax-raising legislation. In effect, it makes a corporation a principal contributor toward its own tax hikes."

The comment letter I enjoyed reading the most was the one from the Machinery and Allied Products Institute, which contained a rather strong attack on myself, accusing me of being a tax reformer and the instigator of the SEC's proposed rule. The Institute says the SEC rule plays into the hands of tax reformers. Later in their letter, they indicate that disclosure would probably force their membership to pay more in taxes, because the IRS will have a better understanding of what is happening. The arrogance of the letter is incredible. I would like to enter some quotes from the letter at this point in the Record.

"MACHINERY AND ALLIED PRODUCTS INSTITUTE

"The SEC filings and Rule 3–16(o) of Regulation S–X have become a subsidiary issue in the tax reform dialogue because they represent the source of information being used by some persons to oppose current tax concepts. Inasmuch as tax returns are accorded confidential treatment for most purposes as a matter of public policy, these persons alternatively are seeking more disclosure regarding tax expense in the financial filings with SEC. Reduced to the simplest terms, because these persons are denied access to tax returns, they are asking for the amendment of publicly filed financial reports to yield enough detail to permit them to reconstruct the tax return in such areas as interest them. There are, of course, several ways to 'skin a cat.'

"It is a matter of special interest for certain tax reform advocates to know why and in what amounts pre-tax income differs for tax and financial purposes, and to know which governments—notably foreign as opposed to domestic governments—receive tax payments from U.S. businesses. Depending on how existing Rule 3–16(o) is interpreted, an SEC registrant's financial statements may or may not supply all of the information sought by a "tax reformer," however sufficient it is for a security holder's purposes.

"Provisions for possible tax deficiency

"A point repeatedly raised in connection with this proposed rule making is the possibility that the disclosures involved would permit the computation of details of registrant's provisions for possible tax deficiency. In this connection, SEC of course recognizes that there are many areas of tax law where reasonable minds differ and where the final word has not been spoken. In our judgment, it is the responsibility of a tax administrator who thinks his client's case to be sound in one of these "grey" areas to defend the client's interests rather than those of the tax collector. However, given the possibility of a settlement of the issue in favor of the government, a company may properly provide in a particular year for amounts of income tax in excess of the computed liability. To require disclosure (directly or indirectly) of details of these amounts in public filings for perusal by the opposite party to the question of liability would weaken a registrant's negotiating position and tend to establish a base level from which the company would have to proceed with this case. We believe that disclosures of this sort could discourage the use of provisions for possible tax deficiency. Moreover, if no provisions were made, earnings would be overstated to the extent that any loss subsequently incurred had not been reserved.

"There are innumerable areas of tax law where government and taxpayers constantly must exercise their best judgments, and, not infrequently, they reach opposite conclusions. As often as not, it is government's choice not to provide further definition of the issues. The important thing is that the problems get resolved in a framework of administrative and/or judicial hearings and appeals where both parties have the opportunity of having the issues considered on their merits alone. We question whether this can be accomplished where provisions for possible deficiencies are disclosed, and we recommend that SEC not require disclosure from which such amounts can be determined.

"Conformed tax and financial reporting

"The proposed rule making appears to rest in part on a presumption by government that tax and financial reporting should be identical. This notion is tirelessly pressed by tax reform advocates who allege that certain or all of the several tax incentive or tax relief provisions ("loopholes" in their rhetoric) of the U.S. Internal Revenue Code are unfair, unnecessary, or inappropriate in some other respect. Of greater concern, the concept of conformed reporting is increasingly imposed by the U.S. Internal Revenue Service (IRS) where it judges itself to be on the less beneficial end of a timing difference between income (or deductions) reported for tax purposes and income (or deductions) reported for other purposes. In some cases, IRS has proposed conformity requirements which would be costly and disruptive to taxpayers despite the fact that their tax accounting (as well as financial accounting) has been in accord with generally accepted accounting principles and has been consistently applied from period to period.

"We have expressed our concern to IRS about its projects in this area, and have tried to make the point that forced conformity could stifle the development of financial accounting rules and procedures, and lead to distortions in reporting for tax or financial purposes. In a parallel vein, we are concerned that exhaustive information requirements from SEC about differences in tax and book accounting will constitute an indirect assist to IRS in its conformity activities with possibly adverse—albeit indirect—effects on the interests of security holders. Accordingly, we urge that SEC give serious consideration to the consequences of conformed accounting and reporting to registrants and security holders before committing itself to the issuance of burdensome disclosure rules in this area."

LOOPHOLE IN S.E.C. RULE

Despite all this opposition, the SEC rule is in effect. Yet, what I thought was a victory has turned sour. There is a glaring loophole in the new disclosure rule. Perhaps I, my staff, or the several accountants I consulted should have seen it—but we were "took."

The rule S–X, 3–16(0)(3) reads in part: [The registrant shall] provide a reconciliation between the amount of reported *total* income tax expense and the amount computed by multiplying the income before tax by the applicable statutory *Federal* income tax rate . . .

The key words are underlined. According to accountants I have recently consulted, if a company has a total income tax expense equal to the statutory Federal income tax rate of 48%, it might not have to provide any reconciliation—even though it may not have paid a penny in Federal corporate income tax. For example, if a company pays a total of 48% of its taxable income to, say, Saudi Arabia, it would escape the reconciliation requirement. Of course, the new ruling will provide helpful information on domestic corporations—but the bigger companies—which tend to be the internationals—can continue to avoid a clear statement of tax payments.

Following is a copy of a portion of the 1973 Annual Report of Babcock and Wilcox as well as a letter which I have just received from the Joint Committee on Internal Revenue Taxation analyzing the company's annual report and SEC filing. I think you would agree that at first reading of the notes many would obtain the impression that the company paid a Federal tax rate of about 40%—or at least some Federal taxes. According to the Committee, however, it "would seem" that there is no Federal corporate tax payment at all!

The same type of problem can be seen in the Chase Manhattan Corporation Annual Report notes which I entered into the hearing record earlier. By mixing in the terms Federal income tax rate of 48% and failing to specify what kinds of income taxes, the Corporation leaves one with a quick first impression that its Federal tax rate is 31.61%.

Therefore, I do not believe that we can rely or depend on the SEC for the full type of information which we need to legislate adequately and properly.

BABCOCK & WILCOX CONSOLIDATED STATEMENT OF INCOME AND RETAINED EARNINGS

	Calendar year—	
	1973	1972
Sales (on percentage of completion method for long-term contracts)	$1,063,741,075	$955,885,195
Costs and expenses:		
Costs and operating expenses	919,517,356	818,570,350
Research and development expenses	21,028,084	20,603,198
Selling, general and administrative expenses	58,478,220	51,721,529
Depreciation of plant and equipment	21,640,224	19,402,891
Total costs and expenses	1,020,663,884	910,297,968
Income from operations	43,077,191	45,587,227
Income from investments, including equity in net earnings of affiliated companies (note 4)	3,783,483	3,157,310
Interest expense	(10,203,577)	(6,446,756)
Income before taxes and minority interests	$36,657,097	$42,297,781
U.S. and foreign taxes on income:		
Current	1,070,000	1,426,000
Deferred	13,380,000	16,354,000
Total taxes	14,450,000	17,780,000
Income after taxes	22,207,097	24,517,781
Income applicable to minority interests	(124,367)	(82,221)
Net income for the year (per share: 1973—$1.82; 1972—$1.97)	22,082,730	24,435,560
Cash dividends declared (per share: 1973—$.80; 1972—$.55)	9,683,925	6,832,836
Remainder, to retained earnings	12,398,805	17,602,724
Retained earnings at beginning of year	228,194,096	210,591,372
Retained earnings at end of year	240,592,901	228,194,096

NOTE 5—As a result of the tax timing differences, referred to under accounting policies, the company for federal income tax reporting is entitled currently to report a net operating loss which, together with unused investment credits, is applicable against taxable income or tax payable over the next five and seven years, respectively.

Deferred tax provisions for the years relate principally to the use of the completed contract method for tax purposes—$11,404,000 (1972—$15,060,000) and other timing differences of $1,976,000 (1972—$1,294,000) for accelerated depreciation, warranty provisions and other accrued expenses.

The 1973 income tax provision is net of $1,750,000 ($1,490,000 in 1972) job development investment credits on qualifying property additions.

The effective rates of the total provision for income taxes, as shown in the consolidated statement of income, are less than the United States federal statutory rates by 8.6% in 1973 (6.0% in 1972). This difference arises principally from the job development investment credits—4.8% (3.5% in 1972) and foreign tax credits—3.8% (1.8% in 1972).

JOINT COMMITTEE ON INTERNAL
REVENUE TAXATION,
Washington, D.C., April 19, 1974.
Hon. CHARLES A. VANIK,
House of Representatives,
Washington, D.C.

DEAR MR. VANIK: This is in reply to your letter of March 27, 1974, wherein you asked for an analysis of the 1973 Annual Report of Babcock & Wilcox to determine how much Federal corporate income tax will be paid by the Corporation for 1973, and the reasons for the difference between the statutory 48 percent rate and the rate paid by the Corporation.

In the Corporation's Consolidated Statement of Income and Retained Earnings for 1973, a provision for "U.S. and foreign taxes on income" amounted to $14,450,000 of which $1,070,000 was current and $13,380,000 was deferred. The title of this provision could imply that "U.S. taxes on income" means Federal as well as State and local income taxes.

Regarding the current portion of the provision, an analysis of the Corporation's 10-K Report on file with the SEC discloses that $920,000 is the current foreign income tax provision. The remaining current provision, $150,000, would seem to be State and/or local because the Corporation has disclosed that "the company for federal income tax reporting is entitled currently to report a net operating loss . . ."

Insofar as the difference between the statutory rate and the rate shown by the Corporation is concerned, in Footnote No. 5 to the consolidated financial statements, the Corporation discloses that, "The effective rates of the total provision for income taxes, as shown in the consolidated statement of income, are less than the United States federal statutory rates by 8.6% in 1973 (6.0% in 1972). This difference arises principally from the job development investment credits—4.8% (3.5% in 1972) and foreign tax credits 3.8% (1.8% in 1972)."

It should be noted that this disclosure is in conformity with the SEC's Regulation S-X, rule 3-16(O)(3) which, in general, states that a corporation must provide a reconciliation between the amount of reported total income tax expense and the amount of income tax expense based upon the Federal statutory rate of 48 percent for the majority of corporations, if the reconciling items amount to a difference of more than five percent of the 48 percent Federal statutory rate.

Sincerely yours,
LAURENCE N. WOODWORTH,

FTC LINE OF BUSINESS REPORTS

There is some hope that the Federal Trade Commission will be able to obtain additional information as a result of the amendments added to the Trans-Alaskan Pipeline Authorization. Hopefully, the FTC will be able to proceed with its line of business reports. In an age of mergers, conglomerates, and multinational corporations, it has become impossible to determine who is manufacturing and controlling product lines. Such information is vital for tax policy and effective antitrust and FTC policy. As you know, there was intense opposition to the line of business amendments last year—although increased paperwork burdens on industry will be minimal, with only about 2,000 of America's largest corporations affected.

Nevertheless, in light of past history, I do not believe that we should be confident that the FTC will be able to proceed with a free hand. For example, in the fiscal year 1964 Appropriation Act for the FTC, the following legislative rider was added in the House Committee:

Provided further, That no part of the foregoing appropriation shall be used for an economic questionnaire or financial study of intercorporate relations.

This language, refusing a $100,000 FTC request and denying any money for such activities, was passed—as best I can tell—without a single word of reference or mention on the Floor of either Chamber. We have lost the opportunity of 11 years of information. We must not permit such an opportunity to slip away again.

CORPORATE DISCLOSURE ACT

Even better than improved SEC reporting or the FTC study would be the enactment of a clear disclosure bill. I have introduced legislation, H.R. 4311, which would require disclosure of corporate income tax information with respect to larger corporations with assets over $50 million. My bill would make available only the Federal income tax totals which appear on Schedules C, I, J, M1 and M2 of the Federal corporate tax returns.

This requirement is necessary for larger corporations, because they utilize a consolidated return which shelters and conceals vital information which is clearly available in the public financial statements of the small corporate structure.

The tax information on schedule C will provide dividend information of that corporation illustrating the degree of holdings in both other domestic corporations and foreign corporations.

The tax information on schedule I will provide information on the dividends received deduction as well as the Western Hemisphere Trade Corporation—a very abused tax provision where a dummy corporation is established to reduce the corporate rate from 48 to 34 percent.

The tax information on schedule M will illustrate clearly how a specific corporation calculated its taxable income from its gross income.

The tax information on schedule J will illustrate clearly how a specific corporation arrived at its Federal tax payment figure from its taxable income illustrated in schedule M. The following show the itemized listings that appear on schedule C–I–M1–M2 and J;

(a) the taxable income,

(b) the surtax exemption,

(c) dividends (and deemed dividends received),

(d) dividends received deductions and Western Hemisphere Trade Corporation deduction,

(e) the tax imposed by section II (or any tax imposed in lieu thereof),

(f) the foreign tax credit,

(g) the investment credit,

(h) credit for expense for work incentive programs.

Without this type of information, tax reform may be an exercise in futility. The Congress cannot legislate without facts. Until the tax code produces facts, it cannot produce revenue with justice.

TIME TO END CORPORATE SECRECY

Long ago, and before they were really a power, the Courts extended the Federal Bill of Rights to Corporations on the theory that they were persons. Now these corporations, some of which have GNP's bigger than most of the nations of the world, claim the protection of the Fourth Amendment and the right to privacy. In many ways, it seems that we have lost control of public policy to the big institutions and corporations of America. Before it is too late, we should consider ending the privacy protection of these soul-less giants—there is no reason owners should not be on the public record. In many ways, corporations seem to have claimed and obtained more privacy than have the individuals that our founding fathers attempted to protect in the Bill of Rights.

It is interesting to note that in 1924, a group of Progressives headed by La Follette and La Guardia, were successful in passing an amendment which made corporation tax returns public. The amendment only survived for a year, but there was a remarkable increase in corporate tax collected in 1925:

[Dollar figures in millions; others in percent]

	1923	1924	1925	1926
GNP (unadjusted)	$86.1	$87.6	$91.3	$99.7
Rate inflation	1.8	0	2.5	1.0
Unemployment	3.2	5.4	4.0	1.9
Corporate tax liability	$.937	$.882	$1.170	$1.230
Individual tax liability	$.662	$.704	$.735	$.732

In view of former IRS Commissioner Johnnie Walters' stated concern over the growth of corporate tax evasion, it might be interesting to see what would happen to corporate tax collections if returns were made public. If nothing else, it would make offers to contribute to the CIA and others more difficult to carry out.

ABOLISH IRS PRIVATE RULINGS

Perhaps a less drastic and more feasible immediate step would be to abolish the IRS practice of private rulings. To twist a phrase, the law, in its majesty, permits both the poor and the rich alike to apply for IRS private rulings. In reality, of course, private rulings seem to fall mostly to the Super Lawyers.

In 1971, the Internal Revenue Service issued 32,000 binding secret rulings to those wealthy enough to hire expensive tax lawyers to challenge the Internal Revenue Service. The private ruling process could best be described as "let's make a deal."

In 1969, one corporation received a Christmas gift of a ruling from the Internal Revenue Service which allowed this company to retroactively adopt guideline depreciation—a tax election which had been available since 1962. As a result, for the years 1962 through 1968, the company received $48,500,000 in refunds plus interest from the Federal Treasury of $17,500,000. It appears that this $48,500,000 "excess" tax paid, and later refunded, had been passed on to their customers in a higher rate structure in those years. When refunded, the money and interest were recorded as "extraordinary items." A well-chosen description, "extraordinary item"—the private ruling in itself is extraordinary. This shocking example was not made public.

As a more serious matter, a major corporation or an affluent individual is generally able to learn of private rulings which have been issued to other taxpayers and which he can use to his own advantage. Although these rulings are not known to the general public, they are often made available to select groups in commercial or legal circles.

An objection to making all rulings public has been that such a policy might dry up the rulings process. The Internal Revenue would be reluctant to rule in many situations if the rulings would have universal applicability.

I do not see this as objectionable—as a matter of record I would find it desirable. The tax laws and experts have already unfairly tipped the scales of equity in favor of wealthy individuals and corporate giants. I see no need for "special dispensations" from laws that others must abide by.

Last summer, the U.S. District Court here in Washington ruled in favor of a suit by Tax Analysts and Advocates to make public a private ruling. The IRS and the government are fighting this ruling tooth and nail. I would hope that the Congress could help the cause of tax justice by providing an amendment to the next tax bill requiring that tax rulings be public.

GAO AUDIT OF IRS

In addition, there are steps which we could take to make better use of the statistics presently available. The *Individual Statistics of Income for 1971* were just made available about two months ago. With a little effort, I believe that these statistics could be made available much sooner. To rely on these statistics for current legislation is unsound and unwise.

Recently, I asked the GAO to do a cost/benefit analysis of the Domestic International Sales Corporation (DISC) tax provision. I wanted them to examine a hundred corporations and determine whether or not these corporations increased exports after becoming a DISC. Certainly this is a reasonable request for a Member of Congress to make. The IRS refused to let GAO make the study—even though the Comptroller General has provided legal opinions that he has the power to audit the IRS and make studies of the "expenditures" of funds. We should legislate to the GAO the power to oversee and audit the IRS: Not only would this provide us with additional statistical studies, but it could increase public confidence in the Service—the GAO could be a watchdog protecting the public against politically inspired audits and harassment.

TAX LAWS ENCOURAGE ECONOMIC CONCENTRATION

Mr. Chairman, Members of the Committee, this concludes my comments on Federal Agency collection, tabulation, and publication of information and data from regulated firms. However, I would like to stress again how impressed I am with the Committee's study of the economic power which rests in a handful of selected banks and brokerage houses. As a Member of Congress, I do not believe that this concentration of power is good; I believe that it should be broken up. I believe that the history of anti-trust policy in this Nation is such that we *cannot* rely on the Department of Justice or the FTC to break up or prevent this type of economic concentration. As Ralph Nader said in *The Closed Enterprise System*, anti-trust enforcement is largely a bipartisan affair, with the vigor of enforcement turning on the personal attributes of the Attorney General or the Assistant Attorney General . . . Any differences have been individual, not ideological. Yet the actual differences have been minor: a few from each party were equally good; most were equally bad.

As a Member of the Ways and Means Committee, I believe that the present tax laws encourage the merger of large corporations and the growth of conglomerates. I believe that we must change the tax laws to make such economic concentration *unattractive*. Only by the day-in, day-out working of the tax code can we stop the move to economic concentration and increase competition. I hope that the Committee will ask the witnesses who appear and comment on the *Corporate Ownership* study whether they feel that the tax code could be changed to discourage massive concentrations of economic power. For the Committee's reference and use, I would like to enter into the hearing record a copy of a recent letter which I received from the Assistant Attorney General for Anti-trust regarding my inquiry "concerning the effect of certain provisions of the tax code on the growth of larger corporations, including conglomerates." Also, I would like to make public at this time, a very thorough Library of Congress study, conducted at my request on "Tax Provisions Affecting Business Concentration."

This is not an easy area of tax law. The answers are not clear cut. Some would disagree with my belief that the tax law could be used to discourage economic concentration. Nevertheless, this is an area which we should study and consider most seriously—for the economic concentration in our economy is a most serious threat to our democratic society.

DEPARTMENT OF JUSTICE,
Washington, D.C., April 3, 1974.

HON. CHARLES A. VANIK,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN VANIK: This is in response to your inquiry of January 16, 1974, concerning the effect of certain provisions of the tax code on the growth of larger corporations, including conglomerates. In response to your request for information discussing the effect of the tax laws on such growth, I am attaching a bibliography of articles and studies which appear to have a direct bearing on the subject of your inquiry.

You also request our opinion on whether—and to what extent—certain provisions of the tax code encourage corporate acquisitions and conglomerate control. You inquire specifically about the effect of Sections 351, 354ff and 244. Based on the literature we have reviewed, it does not appear that Sections 351 and 244 have had as direct a bearing on merger activity as the reorganization provisions, particularly Sections 354 and 368. There is some evidence and much authoritative opinion, in the material cited in the attached bibliography, to support the conclusion that these latter provisions have encouraged, or at least facilitated, acquisitions involving large corporations. The commentators have not attempted to measure the impact of these tax laws except to say that the laws appear to have been a "positive" but not a "major" factor in the merger activity of the 1960's.

Of course, it is extremely difficult to measure the extent to which the reorganization provisions affect merger activity which presents potential anticompetitive effects. In some cases, the existence of the reorganization provisions may be crucial to whether a merger or acquisition could ever be effected; in others, these provisions may be but one of many factors in the balance. In any case a particular merger or acquisition must also survive antitrust scrutiny, which should be the major barrier to anticompetitive transactions.

I hope these materials wll be useful to you.

Sincerely yours,

THOMAS E. KAUPER,
Assistant Attorney General, Antitrust Division.

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NATIONAL LIBRARY WEEK

Mr. PELL. Mr. President, President Nixon has proclaimed this week as National Library Week. In doing so, he has commended the National Book Committee and the American Library Association for sponsoring an observance that annually reminds us of the importance and need for effective library services in our society. This type of proclamation would come with greater persuasiveness if the Nixon administration, in its budget for fiscal 1975, had proposed any funding for the college library program, had not reduced the Federal appropriation for public library resources to a $25 million "phase-down" level, and had not submerged the popular and successful school library program in a consolidation of education programs under which it would lose its identity.

One could say that the administration has proposed a still vague and undefined new library initiative which it calls "information partnership." But actions speak louder than promises and, in addition to proposing reduced or commingled library funding the administration had demonstrated its low regard for libraries by first stripping the Bureau of Libraries and Educational Technology in the Office of Education of its educational technology component, and then reducing the Bureau of Libraries and Learning Resources from bureau to division status—after first illegally attempting to withhold appropriated library program funds.

To preserve the Federal efforts on behalf of libraries, the Subcommittee on Education of the Senate Committee on Labor and Public Welfare, mandated the restoration of the Bureau of Libraries and Learning Resources as the unit to administer the Office of Education's library and educational technology programs in S. 1539, the Education Amendments of 1974, which will soon come before the Senate. Also in that bill, we have attempted to assure the preservation of adequate levels of funding for the school library programs by insisting that, before the consolidation of certain programs, they be assured of funding for school library resources at the 1972 level. We believe that such a provision is necessary to assure that the national priority of providing adequate, up-to-date resources to our school libraries is met.

I am also hopeful that congressional action soon will be completed on Senate Joint Resolution 40, of which I was the principal author, which authorizes the President to convene a White House Conference on Library and Information Services in the Bicentennial year, 1976. This resolution passed the Senate last November. Its early approval by the Congress would provide another concrete demonstration of our concern for the library as a fundamental institution of American education and culture, and of our determination that the many rapid changes occurring in the library and information storage are given thorough and thoughtful study. The States and localities must first determine their own needs—priorities for improved library service, and then the collective ideas of all the American people must be examined at the White House Conference on Library and Information Services in 1976.

Mr. President, in ways such as these we can make National Library Week a genuinely meaningful annual observance.

COMPREHENSIVE FINANCIAL PLAN FOR THE TOTAL FAMILY IS ESTABLISHED BY FAIRLEIGH DICKINSON UNIVERSITY

Mr. WILLIAMS. Mr. President, on February 13, 1974, a most exciting and innovative program of higher education for the family was inaugurated by the board of trustees of New Jersey's largest private institution of higher learning: Fairleigh Dickinson University.

The plan was developed by Dr. Jerome M. Pollack, recently elected by the board of trustees as president of the university.

Under Dr. Pollack's plan only one dependent student in a family would pay the full tuition rate—brothers, sisters, husbands, and wives of full-time students will be charged only half tuition. Parents and grandparents will be permitted to take as many courses as they like at no charge on a space available basis.

This is a unique and progressive step in making higher education available on the broadest possible base.

I must acknowledge my debt of gratitude to Dr. Pollack for such a dramatic approach to higher education. Dr. Pollack's plan is only a modest beginning. Its implications are far-reaching. For this Dr. Pollack is deserving of great commendation.

Mr. President, I ask unanimous consent that two articles concerning this program—one which appeared in the New York Times on February 14, 1974, and an editorial comment which appeared in the Hudson Dispatch of Union City on March 9, 1974—be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FAIRLEIGH TO CHARGE ONLY HALF TUITION FOR SIBLINGS AND SPOUSES OF STUDENTS

(By Richard Phalon)

RUTHERFORD, Feb. 13.—Fairleigh Dickinson University's board of trustees approved today a payment plan under which brothers, sisters, husbands or wives of full-time students in the school will be charged only half tuition.

The plan, which is to begin this fall, will also permit parents or grandparents of full-time Fairleigh students to take as many courses as they like at no charge on a space-available basis.

The program in both cases applies only to full-time undergraduate students concurrently enrolled at any of the university's three major campuses, which are in Rutherford, in nearby Teaneck and in Madison.

The university's enrollment is 19,000. Its 7,900 full-time undergraduate students pay $63 a credit, or about $1,800 in basic tuition a year.

Under the new plan, only one dependent student in a family would pay the full rate.

AID TO MIDDLE CLASS

Dr. Jerome M. Pollack, acting president, said the plan was "probably unique." He said it would be a boon to middle-class families that were hard pressed to keep more than one student in college but made too much money to be eligible for most forms of financial aid.

The university has already started admitting people age 65 or over to its Florham-Madison campus on a space-available basis. That program, Dr. Pollack said, has been "very successful—the younger students have been enthusiastic about having older people in the class and there has been a very positive interaction."

The family plan is in part designed to take some of the sting out of a general undergraduate tuition increase of $3 a credit. The increase is likely to go into effect this fall.

As it has at most private institutions, tuition has gone up at Fairleigh Dickinson, up one-third in the last five years. The increase, coupled with intense competition from lower-cost public institutions, has cut into Fairleigh Dickinson's growth rate. Enrollments stabilized this year and a decline of 2 per cent in next year's freshman class is projected.

Less enthusiasm for college and a decline in the college-age population have also pared enrollments, but Dr. Pollack thinks financial difficulties are the major problems.

One-third of the students in the current freshman class have one or more brothers or sisters in college. Dr. Pollack said he did not know what the new plan would cost Fairleigh Dickinson, but asserted: "We don't think the financial loss—if any—will hurt us very much."

The school ran a deficit of $100,000 last year and expects to lose $400,000 this year. The losses have been covered by the investment return on the university's comparatively small $7.5-million endowment fund.

THIS IS A LOGICAL IDEA

Fairleigh Dickinson University deserves commendation for an innovative program which we see as a financial blessing to a family facing the enormous costs of higher education.

Under its revolutionary policy, the university allows any parent or grandparent of a full-time undergraduate student enrolled at the university and considered a dependent by IRS standards to take any undergraduate course at FDU on a space available basis—without paying any tuition.

There are thousands of students at FDU's Florham-Madison, Rutherford and Teaneck-Hackensack campuses whose parents and grandparents would be eligible for such a program and we urge these latter to look into what the university has to offer.

It is not often that a chance like this comes along. Too many times, for many a varied and valid reason, older persons fail to see their higher education through to completion. Fairleigh Dickinson University is making a great opportunity available and it should be utilized to the fullest by those eligible.

This unique policy, which also happens to be the first of its kind in the history of higher education in this country, is only one aspect of a dramatic plan which also allows for tuition reductions when two or more dependent children are enrolled as full-time undergraduate students.

At a time when spiraling costs are placing unforeseen financial barriers in front of many of our plans, it is most heartening to know that Fairleigh Dickinson University is doing more than its share to help ease or remove these blockades at least as far as higher education is concerned. It certainly represents a "plus."

CORRECTION OF SENATE REPORT 785

Mr. JACKSON. Mr. President, on page 50 of Senate Report 785, the Senate Report on S. 3267, the Standby Energy Emergency Authorities Act, there is an error in the tabulation of votes cast in the Interior Committee in ordering this bill reported.

The report inaccurately records Senator Hatfield of Oregon as "absent" and failed to disclose that Senator Metzenbaum of Ohio voted when in fact both were present throughout the committee meeting and both were recorded in the official minutes as having voted in favor of reporting S. 3267. The report should read that the bill was reported by a vote of 14 yeas and 1 nay.

EDUCATION AMENDMENTS OF 1974

Mr. PELL. Mr. President, the Senate will soon consider S. 1539, the Education Amendments of 1974. One of the most important provisions in the bill is the extension and amendment of title I of the Elementary and Secondary Education Act of 1965. It is this title which authorizes the largest program of Federal aid to elementary and secondary school systems, to enable them to provide compensatory education to their educationally disadvantaged children.

One of the elements of the present title I formula is part C—special grants for urban and rural schools serving areas with the highest concentrations of children from low-income families—called the Murphy amendment, after its original sponsor. The rationale behind part C when it was adopted in 1970 was that there are areas in the country, urban and rural, which have a very high impact of poor, disadvantaged children, and they needed special assistance if quality education was ever to be made available. In the past, grants made to school districts under this part have been too little and too late to be of any significant help. The eligibility requirements were so low that $10 and $20 grants per district were possible—probably less than it cost a school district to apply for funds. In addition, the Department of Health, Education, and Welfare did not make grant awards to schools until the end of the fiscal year, forcing them to make hurried and often unwise expenditures.

S. 1539, as reported by the Committee on Labor and Public Welfare, attempts to correct these two deficiences in the provisions of part C. The formula is amended to make eligible only those counties enrolling either twice the State average percentage of children from low-income families—those from families with incomes of less than $3,000 and with incomes of above that level from AFDC—and/or those counties enrolling 10,000 such children—if that number accounted for at least 5 percent of the county's enrollment. This new formula will have the effect of making available substantial additional grants to urban areas enrolling high numbers of low-income children and to extremely poor rural areas.

To solve the timing problem, the committee bill provides that the data for determining a county's eligibility shall be that from the preceding year. This should enable the Department of Health, Education, and Welfare to make awards early enough in the school year for the money to make an educational difference.

In closing, it should be understood that the committee retained part C of the title I formula for it believes that those areas that are most adversely affected by concentrations of educationally disadvantaged children need special educational attention. Unfortunately, the House in its title I formula has repealed part C, so that if a county has a high impact of title I youngsters, it would not receive extra funds.

For the information of my colleagues, I am inserting at this point in the Record a table showing the county allocations as estimated by the Library of Congress under part C of title I, as contained in S. 1539. These were estimated using the total appropriations level assumed for all parts of title I as $1.885 billion, the level of the President's fiscal year 1975 budget request.

There being no objection, the table was ordered to be printed in the Record, as follows:

County allocations under pt. C, title I, ESEA, as amended by S. 1539

Alabama	$525,555
Dallas	57,415
Jefferson	323,475
Mobile	152,940
Montgomery	82,725
Alaska	138,345
Anchorage	68,104
Bethel	47,850
Wade Hampton	22,392
Arizona	445,721
Maricopa	321,565
Pima	124,156
Arkansas	332,672
Crittenden	48,892
Jefferson	50,421
Mississippi	47,134
Phillips	45,913
Pulaski	79,564
St. Francis	34,971
California	9,686,684
Alameda	579,619
Contra Costa	265,455
Fresno	403,236
Kern	245,746
Los Angeles	4,551,055
Orange	426,600
Riverside	303,486
Sacramento	425,634
San Bernardino	441,675
San Diego	634,343
San Francisco	393,226
San Joaquin	$208,742
Santa Clara	444,674
Tulare	190,451
Ventura	172,943
Colorado	652,736
Adams	68,386
Arapahoe	32,277
Denver	287,729
El Paso	97,917
Jefferson	40,098
Pueblo	69,736
Weld	56,593
Connecticut	1,290,136
Fairfield	366,204
Hartford	464,650
New Haven	459,281
Delaware	----------
District of Columbia	936,446
Florida	1,566,915
Broward	148,930
Dade	397,148
Duval	262,513
Escambia	111,015
Hillsborough	197,950
Orange	120,991
Palm Beach	115,795
Pinellas	111,327
Polk	101,246
Georgia	662,104
Bibb	67,865
Burke	24,236
Chatham	82,716
Cobb	26,258
De Kalb	51,604
Dougherty	43,696
Fulton	213,682
Lowndes	26,280
Muscogee	68,321
Richmond	57,447
Hawaii	337,337
Honolulu	337,337
Idaho	97,963
Ada	24,238
Bannock	13,374
Bingham	9,556
Bonneville	10,593
Canyon	16,744
Kootenai	9,921
Twin Falls	13,539
Illinois	5,300,000
Cook	4,915,975
St. Clair	384,661
Indiana	717,009
Allen	64,737
Delaware	29,132
Lake	223,688
Madison	28,298
Marion	237,669
St. Joseph	60,077
Venderburgh	42,334
Vigo	31,095
Iowa	380,666
Black Hawk	53,755
Dubuque	30,915
Linn	43,883
Polk	103,865
Pottawattamie	36,092
Scott	56,569
Wapello	20,560
Woodbury	35,027

County allocations under pt. C, title I ESEA, as amended by S. 1539—Continued

Kansas	$425,627
Johnson	30,973
Montgomery	17,096
Saline	33,754
Sedgwick	163,281
Shawnee	48,316
Wyandotte	132,207
Kentucky	470,466
Bell	26,412
Christian	28,576
Clay	30,202
Fayette	37,697
Floyd	25,219
Harlan	33,812
Jefferson	190,331
Kenton	28,333
Knox	28,164
Pike	41,719
Louisiana	984,981
Caddo	150,205
East Baton Rouge	122,994
Jefferson	93,594
Orleans	495,295
St. Landry	122,894
Maine	110,051
Aroostook	52,135
Cumberland	57,916
Maryland	1,242,739
Prince Georges	177,564
Baltimore City	1,065,175
Massachusetts	2,270,939
Bristol	234,027
Essex	282,668
Hampden	255,492
Middlesex	457,146
Suffolk	789,070
Worcester	252,537
Michigan	3,959,825
Genesee	344,678
Kent	263,728
Macomb	204,788
Oakland	342,574
Saginaw	190,915
Wayne	2,613,142
Minnesota	915,744
Anoka	53,000
Hennepin	500,053
Ramsey	226,987
St. Louis	86,192
Stearns	49,512
Mississippi	437,907
Bolivar	59,255
Coahoma	53,446
Harrison	42,044
Hinds	103,969
Holmes	35,775
Leflore	41,255
Sunflower	46,725
Washington	55,439
Missouri	830,419
Butler	27,022
Dunklin	29,586
Greene	31,329
Jackson	178,187
New Madrid	28,507
Pemiscot	36,408
St. Louis	120,094
St. Louis City	379,376
Montana	117,746
Big Horn	$8,874
Cascade	26,858
Flathead	12,123
Glacier	11,841
Missoula	17,450
Silver Bow	11,367
Yellowstone	29,232
Nebraska	235,081
Cedar	14,675
Douglas	142,911
Hall	10,619
Knox	11,470
Lancaster	26,996
Sarpy	15,389
Scotts Bluff	13,020
Nevada	93,035
Clark	72,898
Washoe	20,137
New Hampshire	102,750
Hillsborough	57,411
Rockingham	45,339
New Jersey	3,795,815
Camden	551,665
Essex	1,241,470
Hudson	597,102
Mercer	232,715
Middlesex	256,958
Monmouth	312,143
Passaic	331,088
Union	222,674
New Mexico	236,398
Bernalillo	126,467
McKinley	57,048
San Juan	52,884
New York	18,917,832
Bronx	4,473,360
Erie	908,557
Kings	6,674,551
Monroe	572,252
Nassau	662,953
New York	2,575,909
Onondaga	304,884
Queens	1,334,420
Suffolk	791,114
Westchester	619,833
North Carolina	791,346
Columbus	43,638
Cumberland	91,630
Durham	44,822
Edgecombe	47,029
Forsyth	63,866
Guilford	63,796
Haliifax	53,787
Mecklenburg	95,172
Nash	41,315
Pitt	55,749
Robeson	79,171
Wake	61,846
Wayne	49,525
North Dakota	60,206
Burleigh	8,394
Cass	14,676
Grand Forks	10,997
Rolette	12,525
Ohio	2,029,895
Cuyahoga	814,170
Franklin	292,352
Hamilton	329,230
Lucas	159,078
Mahoning	95,600
Montgomery	172,985
Summit	166,480
Oklahoma	349,390
Comanche	$44,842
Muskogee	31,487
Oklahoma	156,767
Tulsa	116,632
Oregon	483,390
Clackamas	56,908
Lane	92,476
Marion	73,634
Multnomah	260,373
Pennsylvania	3,695,615
Allegheny	882,436
Delaware	233,724
Philadelphia	2,579,456
Rhode Island	342,677
Providence	342,677
South Carolina	452,629
Charleston	130,639
Florence	59,217
Greenville	59,723
Orangeburg	64,050
Richland	81,694
Sumter	57,306
South Dakota	100,826
Brown	9,804
Charles Mix	11,290
Minnehaha	26,738
Pennington	24,783
Shannon	17,326
Todd	10,886
Tennessee	548,998
Davidson	98,876
Hamilton	76,597
Knox	77,141
Shelby	296,384
Texas	2,486,543
Bell	37,507
Bexar	382,996
Cameron	159,875
Dallas	330,474
El Paso	158,019
Galveston	56,724
Harris	502,903
Hidalgo	228,380
Jefferson	90,236
Lubbock	59,483
McLennan	54,366
Nueces	116,426
Roberts	180
Tarrant	163,639
Travis	67,435
Webb	77,901
Utah	258,146
Salt Lake	151,200
San Juan	26,683
Utah	37,939
Weber	42,325
Vermont	35,309
Chittenden	35,309
Virginia	949,333
Fairfax	81,276
Pittsylvania	37,448
Chesapeake City	46,867
Hampton City	61,161
Newport News City	82,982
Norfolk City	239,642
Portsmouth City	101,735
Richmond City	177,247
Roanoke City	43,613
Virginia Beach City	77,362
Washington	1,058,248

King	$455,029
Pierce	216,413
Snohomish	130,867
Spokane	135,997
Yakima	146,941
West Virginia	321,135
Cabell	33,620
Fayette	35,732
Kanawha	83,722
Logan	33,710
McDowell	55,239
Mingo	42,891
Raleigh	36,221
Wisconsin	851,643
Brown	51,707
Dane	100,693
Milwaukee	611,414
Racine	87,830
Wyoming	49,041
Fremont	13,798
Laramie	19,212
Natrona	16,031
Total	73,109,989

CONCLUSION OF MORNING BUSINESS

Mr. MANSFIELD. Is there further morning business?

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is concluded.

NATIONAL NO-FAULT MOTOR VEHICLE INSURANCE ACT

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume the consideration of the unfinished business, S. 354, which the clerk will state.

The legislative clerk read as follows:

A bill (S. 354) to establish a nationwide system of adequate and uniform motor vehicle accident reparation acts and to require no-fault motor vehicle insurance as a condition precedent to using a motor vehicle on public roadways in order to promote and regulate interstate commerce.

The ACTING PRESIDENT pro tempore. The pending question is on agreeing to the amendment (No. 1137) of the Senator from Tennessee (Mr. BAKER). On that amendment there is a 4-hour time limitation. Who yields time?

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, and ask unanimous consent that no time be taken out of the time on the amendment.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. NUNN). Without objection, it is so ordered

Mr. BAKER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BAKER. Do I correctly understand that the pending business is amendment No. 1137?

The PRESIDING OFFICER. The Senator is correct.

Mr. BAKER. And that we are operating under a time limitation?

The PRESIDING OFFICER. There is a 4-hour time limitation of this amendment.

Mr. BAKER. I yield myself such time as I may require.

Mr. MOSS. Mr. President, will the Senator yield?

Mr. BAKER. I yield.

Mr. MOSS. What is the number of this amendment? I want to be sure which one we are considering.

Mr. BAKER. No. 1137, as modified.

Mr. MOSS. No. 1137, as modified?

Mr. BAKER. As modified. A printed copy of the amendment, I believe, is on the desk of each Senator.

Mr. MOSS. I thank the Senator.

Mr. BAKER. I might say, Mr. President, that I have no earthly intention of using any substantial portion of my 2 hours of the 4 hours. For the benefit of my colleagues, I would think that we could move much more expeditiously than that. I have an opening statement I would like to make now, and I am prepared to engage in whatever colloquy is indicated and thought necessary by our colleagues. It would be my personal estimate that within an hour we ought to be able to get to a vote.

Mr. MOSS. If the Senator will yield, I am happy to hear him say that, because the managers of the bill have no intention of using any extensive amount of time. The sooner we can get to a disposition of the amendment, the sooner we can move on to the other amendments and get the bill closer to final disposition.

Mr. BAKER. I agree with the distinguished floor manager of the bill.

Mr. President, I first filed this amendment on April 2 of this year. While the printed copy of the amendment on the desk of each Senator carries the notation "as modified," the modification has not changed in substance the essence of the amendment since its submission.

I offer this amendment to try to bring the standards of S. 354, the pending bill, into line with what I believe to be a desirable, a legitimate, and a genuine State no-fault program. If adopted, the standards of this amendment would do these things:

First, it would leave unaffected those State programs which represent what I believe to be genuine no-fault reform and provide reasonable flexibility to the remaining States to devise no-fault plans serving their particular needs.

Second, the amendment would provide for the payment in full of the claims for medical expenses of 98 percent of all injured claimants. For fear that I might be misunderstood and might appear to be callous by excluding even 2 percent, I wish to point out that this 2 percent would receive substantial compensation under the amendment.

Third, the amendment would provide a payment of approximately 85 percent of all economic loss occasioned by automobile accidents, without regard to fault. I might say, parenthetically, that this is a no-fault bill. This is not an amendment to emasculate S. 354. Rather, it is a no-fault proposal.

Fourth, the amendment seeks to provide for the effective coordination of negligence actions for general damages.

The subject of automobile accident reparations, of course, is a complex matter. The much venerated concepts of stare decisis and the principles of tort law do not really lend themselves with particularity to the automobile insurance system. Yet, over the years, a body of law known as automobile law, or negligence law, has grown up which has unique and special applicability to the automobile field. There has grown up as well a system of casualty insurance called, generally, liability insurance which seeks to indemnify the driver or owner or agent of the owner of an automobile from the consequences and damages of his own negligent conduct.

It should be pointed out that one of the problems in America today, in my judgment, wtih a system which is creaky and not functioning adequately is the incomplete coverage of liability insurance. Obviously, not everyone has liability insurance, and obviously many claims are not fully protected by the presently required limits of liability coverage. So no-fault insurance in some form or variation is desirable, not only because it will unclutter the judicial dockets and because it will treat humanely with the claims of those injured in automobile accidents, but also because the insurance industry, by and large, and the State legislatures have not done a very good job of seeing that the full impact of the automobile reparations system is indemnified by a system of contract insurance.

Many of the options and the design of no-fault programs have ramifications far beyond the direct purpose, and the development of a final no-fault program involves many balancing judgments. Unfortunately, many of the complexities of the no-fault issue have been glossed over, in my opinion, and much of the debate so far has been directed toward devising Federal minimum standards legislation and has attracted a great deal of attention.

For a matter of this importance, it is not unusual to see that great organizations representing special interests have expressed their points of view on no-fault. Labor organizations, business organizations, insurance associations, bar associations, trial lawyers' associations, health insurance associations, life insurance associations, associations of county and city and State governments—everybody has a point of view on no-fault, and the points of view seldom coincide.

Even the insurance companies do not agree among themselves on how we ought to approach this problem. The big insurance companies want one kind of no fault, the medium sized and small ones want another kind, and some of them do not want any. The States do not agree. Big States have one pattern of automobile accidents—big States in terms of population—especially their urban centers, which have a great proliferation of fender-bender accidents, as compared with the more rural States, which have fewer accidents; but when you have one, you really have one, such as running off the interstate at 90 miles an hour in the desert and killing five people. When you have an accident, it is a real doozy. The patterns are different, and thus the States have different attitudes about no fault.

I practiced law for 17 years before I came to the Senate, and there are still the vestigial remains of a lawyer lurking inside this battered and weary carcass. After 8 years in the Senate, I still remember something of the practice of law.

My first reaction to the initial no-fault provision was perhaps not as poetic but equally enthusiastic as the description given it by the president of the Tennessee Bar Association, Mr. Joe Henry, who testified before our committee. He regaled us with his extraordinary opposition to any no-fault and characterized it as "the Trojan horse in the house of tort."

Joe is a great Tennessean, a great lawyer, and a great Democrat, and we butt heads from time to time on political issues. My first reactive instinct was to agree with him and to applaud, were it seemly to applaud from that side of the committee table.

But I thought about it as time went by, and this may be a fundamental character defect that I have to confess in public. In addition to the vestigial remains of a lawyer which I still possess, there probably is an instinct to try to compromise or to find a middle ground. The biblical injunction that the compromiser is often compromised or is often injured in the process—at least, unappreciated—apparently was not adequately expressed to me in my youth and childhood, because I confess to an instinct to do that. More often than not, I wind up with everybody mad at me. That may be where I am today. I may have my friends, the bar associations and the trial lawyers, who want no no-fault, and I may have the big insurance companies and other organizations who want rigid, comprehensive no-fault also mad at me. I am not sure where my friends are, if any.

Nonetheless, I have tried, after that first exposure to the no-fault concept, to give serious thought to the conversation and the testimony of the initial witnesses. I have tried to puzzle this thing through. I finally decided that a hybrid system was probably the very best thing we could do for the country at the Federal level. No-fault, notwithstanding its characterization as a Trojan horse, probably did have a utilitarian function and one much to be sought after. It probably could serve as a device for uncluttering doctors or discouraging litigation when litigation ought not to take the place of negotiation. It might be that some sort of no-fault could substantially relieve the judicial system and substantially improve the delivery of compensatory rights in automobile cases.

After I came to that conclusion, I had defiled the purity of my lawyer's concept that contested no-fault in any degree or concept. That is where we are now. This is a no-fault amendment. It is not as much no-fault as S. 354. It is not as much no-fault as a lot of people would like. It is more no-fault than many States with no-fault plans have tried, and it is as much no-fault as I am willing to experiment with before we know what the costs are, what the consequences are going to be, and how the States are going to go about administering these programs.

This is not to adopt a philosophical confrontation, which we do so grandly on the floor of this Chamber, but we have, rather, questioned the degree, how much no-fault; or, at least, that is the test in terms of this pending amendment. How much is enough? How much is too much? How far can we go with some reasonable certainty of what the consequences will be? And how little is enough to get started?

But when I adopted and embraced the concept of no-fault, a front-end no-fault, or a limited no-fault, or an extended no-fault, whatever name applies to it, by indirection I also embraced the idea that the tort procedure is still valid and functional and still has a place and responsibility in the automobile reparation system.

Mr. President, after consultation with the distinguished assistant majority leader, I would like to ask unanimous consent that, the time agreements to the contrary notwithstanding, the vote on this amendment not occur before 2:30 in the afternoon.

The PRESIDING OFFICER. Is there objection?

Mr. MOSS. Mr. President, I have no objection. Might I inquire, however, if we should complete the discussion of the amendment before that time, the vote could go over, and we could proceed to something else? Is that the understanding?

Mr. BAKER. That is entirely agreeable.

Mr. President, I would amend the request by asking unanimous consent that if the debate on the amendment ends before the hour of 2:30 arrives, the amendment may be set aside and the Senate may proceed to other matters, and turn to the consideration of the rollcall at 2:30.

Mr. MOSS. Mr. President, I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I thank both Senators.

Mr. BAKER. Mr. President, to restate it, I believe the tort system still has a legitimate place in the system of automobile reparations. I think I can give a quick reason why. No matter how skillfully you devise a no-fault system, no matter how fairly and equitably you assess costs—and I am going to talk about costs in a few minutes—no matter how fairly you do that, you make a fundamental change in the social responsibility of automobile drivers to automobile victims when you start tinkering with the tort system, because the tort system is based on fault. Just as the name "no-fault" implies, it is based on the wronged person's right to recover damages. The tort system is based on recovering from the wrongdoer if he does not do something he should do or does something he should not do, and the law permits the wronged person to recover injury to him or damages to his property or assets, and the person committing the wrong has to pay for that.

That concept in English and American jurisprudence embodied far more than mere reparation; it also embodied the concept of social discipline. It provided a deterrent to a person driving a car, because he knew he was going to be sued if he injured someone or destroyed property and that he would have to dispose of part of his property to repair that damage.

The deterrent quality of the tort system has been violated somewhat by the advent of automobile insurance, but not eliminated. As I said at the very outset of these remarks, it may be that we are underinsured instead of underprovided for. Maybe that is as much of the problem as the concept of no-fault automobile reparation. But there is a social consequence involved in the tort system, and if we start instituting a mandatory no-fault system, no matter how flexible it may be, we have clearly started tinkering with one of the fundamental elements of the organization of people into a nation; that is, personal responsibility to respond in damages as a consequence of an act of negligence.

Visualize, Mr. President, if you will, somebody getting into a car and traveling at a great rate of speed, and when he runs into another automobile he says, "You have first-party insurance under the no-fault bill. You will be paid for your property damage and you will be paid for hospital and medical expenses and for rehabilitative work, and all those things. So you need not worry. Now I will go on to the country club, and I apologize to you for my social mistake."

Well, it will be argued that this bill does not go so far, that one can still sue in tort. That is true, if one has been hugely injured. But what about the other aspect of social discipline that was imbedded firmly in the tort law? What about the system or the concept of compensatory damages, which provides that one is entitled to the social discipline which allows to be inflicted, on the injured party's behalf and for his benefit, what is known as punitive damages, which is both a common law and statutory concept now? It provides that before one can collect punitive damages he has to have compensatory damages.

So keep in mind that when we start eliminating compensatory damages in 90 percent, or 30 percent, or 50 percent—whatever the number is; I am not sure any of us knows—how much of the tort system we are eliminating. When we eliminate that, we are also eliminating the social discipline that goes with punitive damages.

How many of you have known of cases, either as a lawyer or as a student of the law, in which there was an award of $100 or $5,000 on compensatory damages, but the negligence or the conduct was considered so grievous that the jury awarded $10,000 or $100,000 in punitive damages?

What about the doctrine in which the court tells the jury, "You must remember, ladies and gentlemen, that it requires greater judgment and greater wisdom to punish the very rich man for his reckless conduct than the poor man"? What about the concept when there are no punitive damages against the very rich man as a result of action on the way home from the country club? We eliminate a whole range of the law when we eliminate compensatory damages from a great part of the automobile reparation system.

But I have accommodated all those concerns to a degree. I have embraced the no-fault system to a degree. I am now arguing with the sponsors of the bill, the distinguished floor manager and those other distinguished and diligent and sincere Senators who feel we should go beyond the degree that I have suggested. So I guess, after this philosophic rambling, it is time to talk about the particular provisions of the amendment itself; but I wanted to say this to let my colleagues know that I am not a bit happy with what I am doing. I am not even sure I am doing the right thing. I am just trying to do the best I know how, what I think is right; and in a year or 2 or 3 or 4, providence permitting that I then have the opportunity to observe and participate, we may again look at no-fault and decide we made a huge mistake or acted wisely. The point is, we do not know, and we will not know for some time. And that gets me to the amendment.

That gets me to the questions: How much no-fault? How much flexibility? How shall we legislate the requirements? How much of the tort system do we eliminate? How much will it cost and how do we allocate it?

A good place to start with a discussion of that is with costs. You may be assured, Mr. President, that no-fault probably will not change significantly the number of people killed on the highways or injured or hospitalized, the number of people crippled or maimed or blinded, the number who have whiplash injuries or who get dented fenders. I really very much doubt that there is anything in the no-fault bill that is going to substantially alter the driving habits of the American motoring public. On the contrary, there may be consequences which lead to conduct—social conduct—that may cause an increase or proliferation in automobile accidents, as a result of letting the insurance company pay and as a consequence reducing the inducement to drive a little slower or more carefully.

One can only worry so much, and one may say, "Well, you did not go blind or lose an arm. You were only sent to the hospital. You cannot sue. So do not mess up my golf game."

It may be that no-fault will not change the pattern of driving, if it changes it at all, in terms of responsibility.

If we assume that there will not be any great change in the pattern of American driving habits, as a result of the passage of S. 354 or S. 1137, as modified, if we assume that we are not going to change our pattern of driving habits very much, one can be sure that the only way we are going to change the cost is by tinkering with the system. I do not want to be unfair in my characterization of no-fault, but what I am about to say I think applies equally to S. 354 and amendment No. 1137. It does these things: First, at least until the adoption of the Abourezk amendment yesterday, it whacked off the first $2,500 that one could get under certain circumstances. Second, it provided against big judgments, but not huge judgments. It provided against a range of probably $50,000 or $100,000 verdicts that one gets in Federal courts or State courts, for a bad but not a disastrous injury. The estimates are that it will save some money. It still provides the right to sue for a huge injury. But there are not many huge injuries.

So in the final analysis what we come up with is the idea that by taking certain people out of coverage and by eliminating tort actions in some respects, and by eliminating the possibility that some jury is going to "zap" you—by eliminating the area of responsibility, we have also made the costs more predictable.

Thus the actuaries can take this course of action and project even rates. The rates would go down or up under certain circumstances. But in the final analysis, any way we slice it, the same amount of money is essentially to be paid to claimants or not to be paid to claimants, depending on which system we have. So who gets "took"? That is a little hard for me to answer. We do not really know that much about how the system works.

What about the dentist who gets his finger broken? He probably does not get to the tort threshold definition that would let him sue in tort. The language of the tort threshold applies in that respect.

Mr. MOSS. Mr. President, will the Senator yield?

Mr. BAKER. Let me read the language of the threshold in S. 354, please; then I shall yield.

> A person remains liable for damages for noneconomic detriment in excess of $2,500, if the accident results in—
>
> (A) death, serious and permanent disfigurement, or other serious and permanent injury; or
>
> (B) more than six continuous months of total disability.

Mr. MOSS. The language of $2,500 is down, and there is a limitation of 60 days under the Abourezk amendment.

It seems to me, talking about the dentist, that his is a serious and permanent injury. Of course, if it were only temporary, he would get his loss of income under the no-fault system. So it seems to me he is covered. If the injury is permanent, he can bring tort action.

Mr. BAKER. I thank the distinguished manager of the bill. I tried lawsuits for 17 years. I remember one case of a friend of mine who tried to read the case law to the Supreme Court of Tennessee, and the Justice said:

> You don't have to read the law to the court. The court knows what the law is.

My friend said:

> I assumed that the last time, and I do not want to take any chances this time.

So we do not know what the law is until the court speaks. I could not tell my client what the law means if the accident results in serious and permanent disfigurement. I do not know what the words "serious and permanent injury" mean. The words are in the conjunctive. The courts will have to decide some day. No matter what we think, the Supreme Court of the United States will have to decide what those words mean.

Mr. MOSS. Mr. President, is it not true that in any statute we enact, we cannot say that a court, as to any kind of language that we enact here, will not ultimately have to interpret the language. We try to write it as clearly as we can. We think we know the interpretation of "tort." I agree with the Senator that the court is the ultimate arbiter of what the language means. I tried tort suits for automobile accidents, so I know the uncertainties that attend them. But I think this language is clear.

Mr. BAKER. I think it is very unclear. With regard to the question of the dentist, he is not dead. He has a disfigurement. The law is unclear from that standpoint. He has a deformed finger, or a "busted" finger. He cannot get that digit into my mouth any more to do the evil things that dentists do. It is not a permanent disfigurement, unless his finger is disfigured or is twisted out of shape. He simply cannot use it.

If he cannot use it, is that serious and permanent injury? What is a serious, permanent injury? That is sort of like asking the definition of the catchall phrase "reasonably prudent man."

So here the phrase is "serious and permanent injury." That may do it. But the point of the matter is that we cannot know whether it will or not. It will be years before we find out. The whole tort system of law will be in dispute until we find out. The trial lawyers will have a field day until we find out.

The point of this argument seems to be that the no-fault bill that we ought to enact should be simply a minimum standards "no-fault bill." That will give the States an opportunity to experiment with these concepts, to provide definite degrees of certainty.

How much will it cost? How much of the costs will have to be allocated? In my humble judgment, S. 354 goes much further than that. I even profess that the amendment now pending, No. 1137, probably goes a little too far, but I am willing to take that chance.

I am convinced by the record of performance of the tort system in providing compensation for injuries caused in automobile accidents, as evidenced both in the DOT automobile insurance and compensation study and in testimony before the Commerce Committee, that it is past time for a critical reassessment of the present system, particularly as to small claims.

It is apparent that the fault concept is often a too cumbersome and costly procedure for the payment of claims arising out of an automobile accident—especially small claims, in most instances.

The limits of liability insurance required by the States are woefully inadequate to pay any but those same small claims.

It remains my hope that the warring factions on no-fault insurance—those who oppose the concept totally or would advocate palliative programs and those who would rush headlong to put into effect untested, unproven no-fault schemes based upon tenuous assumptions regarding costs and claims efficiency—can be overcome by those advocating reasoned and rational reform.

It remains my hope that we can find a way to synthesize the common point of view. But I doubt it. I really doubt it. I think that we have really gone as far as we can. I recall many meetings with other members of this committee. I remember many efforts at the staff level to find a greater accommodation than we have been able to arrive at. I think we have done as good a job as we can. I think we have reached the point where we have got to vote on the question. I do not think we can find anything that will give a bare issue to trial lawyers, States—rural and urban—and everyone else. I think we have to choose up sides and decide what we are going to do.

The statistical arguments that have been proposed in the allocation of costs in S. 354 have been expanded and modified. No-fault, without a provision such as I have advocated in the pending amendment, will not work, because it does not provide adequate compensation as a result of injury.

It is obvious to me that the problem of the present system of reparations is primarily that the State requirements for liability coverage are woefully inadequate to compensate any but the less seriously injured. However, it is interesting to note that no-fault also has its problems in the compensation of serious injuries.

An interesting and revealing commentary on this particular problem inherent in total no-fault insurance schemes is found in the testimony of Mr. Thomas C. Morrill, vice president of the State Farm Insurance Cos., in the record of the hearings of the Commerce Committee on S. 354, volume I, page 249. Mr. Morrill, whose company supports the basic approach of S. 354, stated:

> State Farm's actuarial studies show that a $5000 economic loss package per person will compensate 98 percent of all injury cases in full and pay 85 percent of all economic loss. A $25,000 package per person will compensate 99.94 percent of all cases in full and pay 97 percent of all economic loss. In contrast, a $50,000 per person package with a $100 deductible will leave 45 percent of the cases with no compensation and will pay only 86 percent of the total economic loss.
>
> The report on S. 945 calls attention to the degree of uncompensated economic loss for the seriously injured under the present system. The figures just recited underscore the options. Someone must make a choice. Benefit packages of $5000 to $25,000 that pay from the first dollar of loss cover all but a slender segment of economic loss. Extremely high benefit packages with high deductibles or waiting periods cover the rare case of exceptional injury but may leave almost half or all victims with no recovery at all—people to whom $100 is important money. The cost of covering all losses at both ends of the spectrum would run insurance rates well beyond their present levels.

The point of the matter is that State Farm's vice president suggests that if we are going to satisfy everyone, the rates are going way up. If we are going to keep the rates the same, we have to cut out whole groups of people, and we have that tough question about whom we are going to cut out.

It is obvious that the staunch proponents of S. 354 have made their choice, but so have several of the States and the decisions unfortunately are not compatible.

It is my contention that the State programs already in existence will both provide valuable experience as to the ability of no-fault insurance to respond to different categories of claims and will provide valuable insight into the desires of the people with regard to what elements of loss should be covered under first party insurance.

The Institute for the Future in a report on no-fault insurance conducted under a grant from the National Science Foundation stated in analysis of two State programs presently in effect in New York and Connecticut:

> Although each of these plans has its unique characteristics, they appear to be trying to bridge the philosophical gap between a total no-fault plan and the Massachusetts plan. However, what they are really doing is asking people to decide what other compensation should be included in the equitable resolution of automobile accidents.

In other words, how much of the burden of hospital care, loss of wages, permanent disability, and so forth is going to be borne by the no-fault concept?

If the proponents of Federal minimum standards no-fault legislation leave the States sufficient flexibility to test these programs, in a reasonably short time we will have the answers to these questions.

While I support no-fault insurance reform, I am afraid that its proponents have inflated its potential to mythical proportions. It must be remembered that no-fault insurance is basically nothing more than first party insurance providing medical and disability coverage. Such insurance has been available for many years.

No-fault motor vehicle insurance programs simply tie such insurance to injury caused by a motor vehicle accident and then—to coordinate existing protections and to reduce costs—limit access to the tort reparations system.

Modification of the existing reparations system involves some sizable risks. If Congress adopts an unworkable program of no-fault insurance, the damage and disruption will be great and will be extremely widespread. And the people who will be worst hurt will be the consumer and the injured claimant.

No-fault insurance is not a panacea. It will provide, I believe, a tremendous improvement in the efficiency of motor vehicle accident reparations. But in the development of Federal minimum standards, Congress must be aware also of the many unanswered questions—questions which, with a little patience, will be answered.

We can make tremendous progress by enacting a standards program which stays within the range of our knowledge, pushing ahead of the beginnings of no-fault insurance reform, but not pretending to surpass the expertise of our partners in the States who have already brought this reform a great distance.

Unless the standards of S. 354 are brought into line with genuine State no-fault reform programs, I will urge my colleagues to reject it. If we endorse a program which would abrogate these programs, it will be a defeat—not a victory—for "no-fault."

On page 17 of the Commerce Committee Report on S. 354 a section under the heading "Genuine No-Fault Laws" lists the programs in effect on August 15, 1973, which the majority reporting the Federal standards bill endorsed as being real insurance reform. These programs include those in effect in Massachusetts, Florida, Connecticut, New Jersey, Michigan, New York, Utah, Kansas, Nevada, Colorado, and Hawaii.

It is revealing to note that of these programs only one—Michigan's plan—meets the standards of S. 354. Of the others the benefits range to a low of $2,000 aggregate for medical, wage loss, and death benefits in Massachusetts, and the tort restriction provisions range to a low of a $200 medical expense threshold in New Jersey.

Among these "genuine" State programs are five State programs which they closely approximate the first party benefits standards of my amendment. These are: Connecticut, Utah, Kansas, Nevada, and Hawaii.

Five of these "genuine" programs—and one enacted since August in Georgia—contain a restriction on tort utilizing a $500 medical expense threshold. In addition to Georgia, these are the programs in Massachusetts, New York, Utah, Kansas, and Colorado.

The Commerce Committee report lists several other programs as "Other * * * Laws"—presumably this is meant to indicate that these are not considered "genuine" no-fault laws. Many of these are voluntary programs. None contains any restriction upon lawsuits for general damages.

The standards of S. 354, of course, exceed all of these "other" programs and would require substantial reworking of them. But I would emphasize that of the 11 programs which are labeled "genuine no-fault laws" by the proponents of S. 354 only one will survive the passage of the standards of that bill. And even this one program—in effect in Michigan—would have to be revised in order to meet these standards.

It would be impossible for any State program to meet the standards of S. 354 without adopting the great bulk of titles I and II of the bill.

ANALYSIS OF AMENDMENT NO. 1137—AS MODIFIED

My amendment would replace the provision in S. 354 which prohibits the

States from limiting the amount of first-party medical expense benefits with a performance standard requiring that the States provide such benefits in an amount sufficient to pay the total medical expenses of 98 percent of the injured victims eligible to recover such benefits under the State program. Based upon data compiled by the Department of Transportation in its report to Congress on automobile insurance and compensation this standard should identify nationwide a level of benefits averaging around $3,000. In the event actuarial information is not available, sufficient to make an accurate determination based upon the foregoing performance standard, the State must provide benefits in the amount of $5,000 multiplied by an index reflecting the average daily hospital costs within that State in comparison to the national average. This alternative standard would apply under the terms of the amendment only until such times as data becomes available which enables an accurate determination of the percentage standard.

The definition of "medical expense" in the amendment is drawn from the definition of "allowable expense" which appears in the bill but with a clarification to assure that hospitalization expenses are covered. Since the amendment supplants the term "allowable expense" which also includes funeral expenses in title II on S. 354, an additional subsection is added providing funeral expenses in at least the amount of $1,000, which is the present intent of the bill.

The performance standard approach of the amendment will serve to keep the benefits provisions of complying programs abreast of medical cost inflation, but without adding impetus to already rapidly inflating medical costs. Under the bill the Secretary is required every 3 years to review State programs to determine that they are still in compliance with the standard. This review process will also serve as a mechanism to keep the benefits levels in State programs up with changes in medical service experience, for example the increased utilization of medical and vocational rehabilitation programs which the bill encourages.

The amendment deletes the work loss benefits standards of the bill and replaces them with a simple performance standard requiring that such benefits be afforded in at least the amount of the average statewide wage for at least 1 year. Under the standard in the amendment any periodic payment made under the State program must at least equal the average statewide wage, for that period, and must equal in the aggregate the statewide average for a period of 1 year. The average statewide wage nationally is about $7,500.

The amendment does not alter eligibility for wage and replacement benefits under the bill and leaves intact provisions dealing with periodic adjustments of individual claimant's wages, reductions to reflect income tax savings, and payments to persons not regularly employed at the time of the accident but who would probably have entered the work force but for their injury.

A further modification made by the amendment to section 207(d)(2) of the bill requires that the States recalculate the average statewide wage at least every 3 years. The bill presently requires revision every 5 years, but a shorter review period will more accurately reflect fluctuations in wages.

The amendment modifies section 206 of S. 354 dealing with restrictions on tort liability to bring the Federal minimum standard into close approximation of the Department of Transportation's definition of serious injury which furnished the basis for the serious injury evaluation in the automobile insurance and compensation study. The standard also conforms to tort restriction provisions adopted in Georgia, New York, Utah, Colorado, Kansas, and Massachusetts.

The amendment basically requires that the State abolish tort liability except for death and for injuries which meet a broad definition of serious or permanent injury. The definition is stated in the disjunctive so that the States are free to choose upon what basis lawsuits will be restricted, that is, a State may choose under the provision to limit access to lawsuits for negligent harm upon the basis of any one or more of catastrophic injury—such as disfigurement or loss of sight, et cetera; disability—either temporary or permanent—the cost of required medical treatment, or the length of required hospitalization. However, whatever basis chosen the limit must meet the minimum definition specified in the amendment—for instance, medical expense thresholds must be in at least the amount of $500 but may be more, occupational disability thresholds must require 3 weeks of such disability but may be longer, and so on.

The most easily understood and applied threshold—and the one in widest use—is the medical expense limitation. Under the amendment this threshold, if used, must provide for an expense limit of $500. One of the problems with this type of threshold is that medical costs vary among the regions of a State and among varying economic classes. The amendment addresses this problem in the manner suggested by California Senate bill No. 10, January 8, 1972, and cited in the Institute for the Future analysis of no-fault insurance, by providing that medical expenses be calculated for the purpose of the tort restriction upon the basis of the reasonable average costs in the State of the same or similar services. Such a provision was included in the recently enacted Georgia no-fault plan and is also in effect in several other States.

Dollar medical expense thresholds are beginning to come under criticism on the basis that they tend to inflate medical expenses and lead to fraudulent claims practices. The experience in Florida is very disturbing. The experience in Massachusetts, which has an even lower dollar threshold than Florida, has been to the contrary very encouraging. The Institute for the Future in their analysis of no-fault mechanisms states:

> In a negligence-based suit, medical bills of even a modest amount strengthen the innocent victim's pain-and-suffering claim. However, under the Massachusetts no-fault plan, a suit is not possible unless the victim's total medical expenses exceed $500. Hence, those victims who believe that their injuries are not serious and think that, if pursued, the medical expenses would be nominal are likely to do nothing at all. They face the prospect of incurring, say, $200 in medical bills, for which they would undergo considerable inconvenience. All they would receive for this would be reimbursement for the actual expenses they paid for these medical services. The leverage that these small medical expenses had in strengthening their pain-and-suffering claims is eliminated by the threshold provision. (Institute for the Future, "Some Impacts of No-Fault Automobile Insurance," Vol. 1, page 16.)

The amendment does not require the use of a medical expense threshold. It permits the States to employ such a threshold but only in the minimum amount of $500. In view of the disparity in the experience of States which have employed such thresholds, the flexibility of the amendment would appear to be totally justified in this specific regard.

Other items suggested as the basis for the tort restriction include items of catastrophic injury such as dismemberment—traumatic or surgical amputation as the result of an automobile accident; serious and permanent disfigurement—presently included in the bill; the permanent loss of a bodily function—a term widely used in State plans; and the permanent partial or total loss of sight or hearing.

Additionally, the State may elect to define "serious or permanent injury" upon the basis of hospitalization reasonably required as a result of an accident for a period of at least 2 weeks or upon the basis of temporary or permanent disability. The definition of serious injury in terms of temporary disability—3 weeks of disability preventing a victim from working at his normal occupation, or 6 weeks of disability to engage in a substantial part of normal daily activities—is derived from the Department of Transportation study cited above.

The amendment also provides that injured victims whose economic loss exceeds the benefits provided under the State plan may bring an action to recover the amount of their loss in excess of those limits. This is in consonance with the present provisions of S. 354 except in one significant regard. Under S. 354 an injured victim whose monthly wages exceed the monthly limitation upon wage replacement benefits in the applicable State plan may not seek to recover that excess in a legal action even after he has exhausted all wage replacement benefits under such program. Under the amendment the State plan could provide that the victim could seek to recover any and all economic loss for which benefits are not provided.

This amendment addresses only those sections of the bill dealing with benefit levels for first-party coverages and restrictions on actions based upon negligence. I consider these to be the heart of this Federal minimum no-fault standards bill and to be the heart of the problem as regards unwarranted Federal intrusion into developing State programs. However, it is clear that in many additional regards this bill draws substantial, practical, and constitutional issues which need to be resolved before final action. While this amendment does not presume to address all of these serious questions, it does, I hope, reflect a concern to make more constructive the basic import of this legislation.

It is variously argued, depending on the expert consulted, that the Baker amendment would increase the premium costs to the consumers compared to S. 354 by 21 percent, or 9 percent, or not at all. I suppose we may take our pick. It is my personal estimate that it probably will increase it somewhat. It is also my personal estimate that it is only right and proper that in the enactment of a Federal no-fault guideline system—and that is what we are about—we should be at least as concerned with not excluding whole classes from the coverage they now have—we should be at least as much concerned with those we are about to legislate out of their rights—as we are with the premium costs. If we are so insensitive that we are determined to have a no-fault insurance system without any increase in cost, and we are willing to disenfranchise whole groups of people who have no remedy at all beyond the loss of their savings and hospitalization, I believe that we will be acting in a most callous way. I am not prepared to do that. I am prepared to experiment with no-fault insurance. I am prepared to believe that it will unclutter court dockets. I am prepared to believe it is utilitarian. I am not prepared to accept that we are not willing to pay the cost and throw a whole group of people out in the cold. I am persuaded that a flexible system such as is described in this amendment will give a chance for experimentation. I am not prepared to say that we have the wisdom of Solomon, or to say what the effect will be as to how many people will be helped and how many people will be hurt. I am not prepared to say that I know all the answers at this time.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER (Mr. HATHAWAY). Who yields time?

Mr. DOMENICI. Mr. President, will the Senator from Tennessee yield?

Mr. MAGNUSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MAGNUSON. Mr. President, I want to ask the Senator from Tennessee if we could not agree to set aside his amendment briefly, to discuss an amendment of the Senator from Delaware (Mr. BIDEN), without losing any of our time on the Senator's amendment.

Mr. BAKER. Yes. I am not sure I quite understand the Senator's inquiry. I have just had a request from the Senator from New Mexico, I believe, for time, and we now have a quorum call in progress—and what was the other request?

The PRESIDING OFFICER. The quorum call has been dispensed with.

Mr. BAKER. Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from Washington (Mr. MAGNUSON).

Mr. MAGNUSON. Mr. President, I thought we could dispose of the Biden amendment in about 2 or 3 minutes and then go back to the Baker amendment.

Mr. DOMENICI. That will be fine.

Mr. BAKER. I have no objection.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that the amendment of the Senator from Delaware (Mr. BIDEN) may be called up at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1209

Mr. BIDEN. Mr. President, I call up my amendment No. 1209 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 98, between lines 14 and 15, insert the following new subsection:

(g) EXCEPTIONS.—(1) The provisions of this section are inapplicable to the extent inconsistent with this subsection.

(2) Any State which is a no-fault State as of the date of enactment of this Act may establish a no-fault plan for motor vehicle insurance in accordance with this title by the third anniversary of the date of enactment of this Act.

(3) The alternative State no-fault plan for motor vehicle insurance (the State no-fault plan in accordance with title III of this Act) shall become applicable in any State which is a no-fault State as of the date of enactment of this Act on the third anniversary of the date of enactment of this Act unless, prior to such date, the Secretary has made a determination that such State has established a no-fault plan for motor vehicle insurance in accordance with this title.

(4) As used in this subsection, a "no-fault State" means a State which has enacted into law and put into effect a motor vehicle insurance law which provides, at a minimum, for compulsory motor vehicle insurance; payment of benefits without regard to fault to each victim on a first-party basis where the value of such available benefits is not less than $2,000; and restrictions on the bringing of lawsuits in tort by victims for noneconomic detriment, in the form of a prohibition of such suits unless the victim suffers a certain quantum of loss or in the form of a relevant change in the evidentiary rules of practice and proof with respect to such lawsuits.

Mr. BIDEN. Mr. President, this is a very simple amendment. It is intended to provide a 3-year exemption from the Federal standards of S. 354 to give the States a chance to enact no-fault insurance legislation on its own.

The purpose of the amendment is to give additional time to the States already pursuing independent paths to no-fault insurance. The States, therefore, which have already taken some action, should be given the benefit of a more gradual phasing in of the minimum Federal requirements.

As I say, the amendment is very simple. The first paragraph of the amendment states the 3-year extension, that is, that from the date in which the Federal no-fault legislation will be enacted, the States which presently have no-fault insurance as defined in this amendment would have 3 years to phase into the minimum standards.

The second part of the amendment defines a "no-fault State" as a State which has enacted into law and put into effect a motor vehicle insurance law which provides, at a minimum, for compulsory motor vehicle insurance. Payment of the benefits without regard to fault to each victim on a first-party basis where the value of such available benefits is not less than $2,000, and restrictions on the bringing of lawsuits in tort by victims for noneconomic detriment, in the form of a prohibition of such suits, unless the victim suffers a certain quantum of loss, or in the form of a relevant change in the evidentiary rules of practice and proof with respect to such lawsuits.

This is a very simple amendment, Mr. President. Its whole thrust is to allow those States which we heard about, those States which now have no-fault insurance legislation, the time to phase into the minimum standards of this bill rather than abruptly having to change now.

I do not have anything further to say on it. I understand the committee is inclined to accept it.

Mr. MAGNUSON. I will say to the distinguished Senator from Delaware (Mr. BIDEN) that I think this is a reasonable amendment which, as he has explained, gives the States which have a no-fault insurance plan the additional time to come into compliance with the bill. Since citizens of the States are already receiving some no-fault insurance benefits, I see no problem and, so far as I am concerned, I would be glad to accept the amendment.

Mr. BAKER. Mr. President, who has the time in opposition to the pending amendment?

The PRESIDING OFFICER. There is no time limitation on the amendment.

Mr. BAKER. Am I correct, the unanimous-consent agreement does not provide for time on other amendments other than mine?

The PRESIDING OFFICER. The Senator is correct.

Mr. BAKER. Mr. President, I seek recognition.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. BAKER. Mr. President, I really commend the distinguished Senator from Delaware (Mr. BIDEN) for his intentions and the purpose of his amendment, but I really cannot support it. How many States are involved?

Mr. BIDEN. Ten States are involved that presently would be qualified under this amendment as having no-fault insurance plans.

Mr. BAKER. I wonder about the other 40 States. For instance, in my State of Tennessee, the State legislature had up a no-fault insurance program for a long time, and I suspect that one reason it has not passed it is that it wants to wait and see what Congress will require.

The Senator from Delaware is doing precisely what I seek to do in my amendment, to give the States the flexibility and the time to experiment with their own programs on their own initiative, to see what has happened to the costs and who will pay for it.

Mr. BIDEN. Mr. President, will the Senator from Tennesee yield on that point?

Mr. BAKER. I yield.

Mr. BIDEN. My amendment is not intended to give any flexibility. It is merely to give the States some time.

I should like to correct my previous statement about the 10 States. It is 15 States.

Mr. BAKER. Twenty-two States, I think, that have no-fault insurance programs. Would it be the intent of the Senator's amendment to "grandfather" in for 3 years all the States that have no-fault insurance programs?

Mr. BIDEN. I did not hear the Senator.

Mr. BAKER. It is my understanding that 22 States have some form of plan which might be characterized as no-fault. Is it the intention of the amendment to grandfather in for 3 years all such States?

Mr. BIDEN. No, it is not; because by definition in this amendment, only 15 of those 22 States that the Senator mentions qualifies under this amendment.

Mr. BAKER. What about the other 35 States?

Mr. BIDEN. The other 35 States do not qualify either because they do not have any restriction on the tort system or the restriction does not qualify under this amendment.

Mr. BAKER. Mr. President, if we have to experiment with 15 States, if they need 3 years to see whether or not their system will work, why should we lock in the other 35?

Mr. BIDEN. That is not the purpose, to see whether or not it will work. As I understand, it is going to take some time to uniformly put the entire piece of legislation into effect. These States are already to some degree taking care of the very problem to which this bill is addressed. I do not think they have gone far enough. I happen to like the minimum standards set out in the Federal legislation.

It seems to me, however, that with respect to those States which presently have some protection in effect, there is no harm in granting them the time to change over the existing mechanism they now have. The other States have none.

Mr. BAKER. Is Kansas one of the 15 States?

Mr. BIDEN. Yes, it is.

Mr. BAKER. Would the Senator accept an amendment to his amendment which provided that any State that would hereafter accept a plan substantially in compliance with the Kansas statute would have the same benefit as those 15?

Mr. BIDEN. I am not sure the Senator understands that this is just for 3 years.

Mr. BAKER. I understand that perfectly.

Mr. BIDEN. Does the Senator happen to have a copy of the amendment? Section 4 of the amendment reads, as I said earlier,

> As used in this subsection, a "no-fault State" means a State which has enacted into law and put into effect . . .

The practical effect of a State taking the time to enact its own no-fault legislation which does not comply with the minimum Federal standards, it would seem to me, would not be at all worthwhile. It would be a waste of effort. But if they want to do that, I have no objection to that, within that 3-year period.

The only hooker I can see in there is "enacted into law and put into effect."

I see the distinguished Senator from Kentucky in the Chamber. I understand that the Legislature of the State of Kentucky has enacted it with effective dates later than today. They have enacted it, but they have not put it into effect.

I would be willing to change the language there to read:

> States which have enacted into law with an effective date no later than July 1, 1975.

In other words, it is absolutely a futile endeavor, because they are going to be doubling the work. There will be no rationale for allowing the States now to adopt the minimum standards, go through the entire procedure, and then within the 3-year framework have to go back and do all that work over. There seems some rationale for States that already have done that, States which already have an ongoing program, to be phased in over a 3-year period.

I think I understand the thrust of what the Senator from Tennessee is attempting to do with regard to this amendment.

Mr. BAKER. The thrust of my remarks is that it is patently unfair to let 15 States off the hook and make 35 States comply with the Federal statute.

Mr. BIDEN. I am not sure it is unfair. They have already moved. They have already indicated their desire to have no-fault. They do not go as far as we would like, but at least they have taken the initiative and have acted.

Mr. BAKER. Why not amend it to say those States that have thought about it have the benefit of this extension?

Mr. BIDEN. Thinking about it and doing it are two different things.

I know that in my State of Delaware, not only did they think about it, but also, they argued it and spent a lot of time on it, and they exercised their initiative and indicated that they meant what they said, that there was a need for no-fault.

Mr. BAKER. I am sure the Senator from Delaware understands and remembers what the Delaware statute says; but so much emphasis is placed on the restriction, the severe restriction, of the tort system under S. 354, it is my understanding that in Delaware there is no tort threshold. Why not let that be so in every State?

Mr. BIDEN. The definition is an evidentiary one—that is, that the statutory evidentiary exclusionary rule is one which is in effect in the State of Delaware, and it is not in effect in some of those remaining States, which are the States between the 15 that qualify and the 22 that exist.

Mr. BAKER. As I understand from the committee report on this bill, page 19, referring to the Delaware law, there is no restriction at all on tort. Would the distinguished Senator from Delaware then be inclined to ask the managers of the bill to modify S. 354 so that we can all follow the Delaware statute?

Mr. BIDEN. Not at all, because I do not think the Delaware statute should be followed. That is not the thrust of my amendment. I do not feel that the Delaware statute should be followed. I feel that the Federal statute, which is being offered here by the committee, should be the one that is followed. I agree that Delaware does not qualify under the legislative definition of what constitutes no-fault, but it does qualify as to the definition which exists in the amendment.

Mr. BAKER. Mr. President, it occurs to me that the only way the proposed amendment of the distinguished Senator from Delaware could accord any sort of equity to the remaining States of the Union would be to amend S. 354 to say, for example, that the Delaware no-fault law would be put into effect in all the States of the Union for 3 years, so that all of us get the same 3-year experimental period.

Mr. BIDEN. There is a big difference. We acted. The State of Tennessee has not acted. The remaining States have not indicated anything other than thinking about it—and thinking about it too long, in this Senator's opinion. There has been a showing of good faith on the part of Delaware—not nearly far enough, in my opinion—but at least they have taken the initiative and have acted. There is a big difference between that and thinking about it.

Mr. BAKER. It also occurs to me that while Delaware has acted, I am sure the Senator from Delaware is aware that S. 354 would be a Federal repealer of that State's statute.

Mr. BIDEN. Absolutely. That is as it should be.

Mr. BAKER. Without this saving amendment, all the acting Delaware had done would go down the tube.

Mr. BIDEN. This does not say "Delaware." All it does is let them phase in over a 3-year period.

Mr. BAKER. Only those States that have enacted something. As I said earlier, I would be willing to wager that every State in the Union has had some debate on no-fault. I know that in my own State of Tennessee they have had a great deal of debate. Bills have been introduced and have been voted up and down. I know that in the debate, one reason a bill was not adopted was that they anticipated this debate, in this body, at this time.

The argument was made, "Why should we adopt a State program, when we understand that in Washington next month"—this was last month—"they are going to pass a bill the Commerce Committee has reported that is going to repeal it? So why should we go through that?"

Fair is fair, and if we are going to exclude 15 States and say this is not going to apply to them, I want the same limitation made available to every State in the Union.

Mr. President, I cannot concur with the manager of the bill in the acceptance of this amendment.

Mr. BIDEN. If I may respond to the Senator, I would be willing to say that those States where a no-fault bill as defined by this amendment has been debated and not rejected would also qualify.

Mr. BAKER. I cannot accept that.

Mr. BIDEN. The Senator from Tennessee is not going to accept anything.

Mr. BAKER. Other than the statement I made a moment ago, which the distinguished Senator understood.

What about those States, including my own, that had before their legislature a no-fault bill which was proposed by the Governor, and which frankly discussed in their debates the lack of wisdom of adopting any no-fault program at all because they had been told and knew full well that the Hart-Magnuson bill was going to be debated in the Senate this spring and that, if adopted in its present form, it was going to repeal 50 of the 50 State statutes, if there were in fact 50? So why should they indulge in their own stultification?

We have served notice on the country, on 50 State legislatures, that we, the Congress of the United States, were going to consider no-fault. We have reported a bill from a standing committee of the Senate. It would repeal every no-fault statute in the United States, with the possible exception of Michigan, and I am not too sure about Michigan. Legislature after legislature in this country, I am sure, has taken the same stand as my legislature has taken and has said, "Why should we pass something that the Senate Commerce Committee is getting ready to repeal?" To give a 3-year free ride to States which passed far less than S. 354 and far less than my amendment No. 1137 simply because they have passed something, it seems to me, would be grossly unfair.

Mr. BIDEN. I compliment the legislature of the State of Tennessee on its foresight for not having taken the time and expended the money to set into progress an administrative procedure to administer a no-fault piece of legislation.

My State and 15 other States, by the Senator's definition, did not have the foresight to anticipate the Federal action and decided to move forward anyway. They now have administrative agencies in gear which give them money, are operating, and are staffed.

It seems to me that we are doing those States no great favor in just giving them an opportunity to let those administrative agencies which already exist in those States phase in to the minimum Federal standards.

The Senator is fortunate in that in his State they do not have to dismantle an agency, because there is none there, so his State is not in the position under this legislation that Delaware and 15 other States are in, where they have proceeded in one direction and are now asked to proceed in another—which I think they should be asked to do. The Senator's State has proceeded in no direction. It has no laws that it will have to mesh into, which is true of Delaware and 14 other States, and the other States do not have a no-fault law which has already been made available to accident victims in those 15 States.

I have nothing further to say. I would appreciate the Senator's comments.

Mr. DOMENICI. Mr. President——

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. MAGNUSON. Mr. President, the Senator from Delaware presented an amendment, which is pending.

The PRESIDING OFFICER. The Senator from Washington may yield to the Senator from New Mexico, if he wants to.

Mr. MAGNUSON. Did the Senator want to speak on the Baker amendment?

Mr. DOMENICI. No. I wanted to comment on the Biden amendment.

Mr. MAGNUSON. Very well.

Mr. DOMENICI. Mr. President, I would like to say to the distinguished Senator from Delaware that I wholeheartedly agree with the Senator from Tennessee, and I would like to share with the Senator from Delaware some remarks.

It seems to me it would not be any more difficult for the Senator's State and the other States that have no-fault laws to phase into the Federal standards, because they have already existing no-fault plans, than it would be for the State of New Mexico, which has no plan from which to go into S. 354, with all the demands made upon it.

I do not think the Senator really means it would be more onerous administratively or procedurally to the State of Delaware and the 14 other States that have no-fault plans and that have these procedures than it would be for New Mexico.

In fact, to the contrary, it seems to me that there is great justification in expecting in those States that already have plans an expedition in their conversion than is true in States without a plan in adopting plans, within 1 year, under S. 354, and have those requirements adopted and in effect.

I do not believe I am imagining this, because I want to share with my colleague a letter I received from our insurance commissioner. This is a truly professional agency in our State. The Commissioner has been in that job through Governors of both parties for more than 2½ decades. He basically states that a State like New Mexico would have extreme difficulty in putting into effect the administrative requirements of this bill, and in fact, he suggests he favors no no-fault theory if the State has to admit to more knowledge of these significant provisions under our tort law; namely, the more significant provisions provided in the bill

So it seems to me that we have a logical, reasonable request and more justification in asking for 3 years for trying to adopt such a law than the States which already have plans.

At a bare minimum, I think the Senator should further consider amending his amendments so as to permit the States, if they so desire—because it is for them to decide administratively whether the Senator is right or I am right—to choose any of the 15 plans which the Senator is providing to exist for 3 years.

If they think that would be a better way to phase in, we ought to give them the same privilege as would apply to all the States that would have that privilege.

Our State has not sat by without trying. In fact, the legislature passed a no-fault bill last year. It did not become law because one of the provisions with regard to medical coverage and the threshold was determined to be unconstitutional because of the extreme variety and cost of medical care within the State itself. So it was determined to be a denial of equal protection to say they all would get a maximum of $1,000, based on a legislative history that presumed they were all getting treated equally, when in fact we had disparities as high as 35 percent in medical care in one county as compared to another. I am sure they will pass one next session.

I think it would be patently unfair to say we are going to give those States that have a plan in existence 3 years to phase into the Federal standards, but a State like mine, where the insurance commissioner says it is going to be extremely difficult and in fact he would recommend against it, will not have the opportunity to phase into any one of the 15 plans in that 3-year exclusion.

I thank the Senator for yielding.

Mr. BIDEN. Mr. President, may I comment? The one big difference is that while New Mexico is deciding to phase in or out, the accident victims in his State are not protected by the no-fault concept, whereas in the 15 States they are. That is a major difference, and it seems to me a major justification for the exclusion.

If the Senator from New Mexico and the Senator from Tennessee are concerned, as they have expressed on the floor, with the entire concept of the bill, and the minimum standards of the bill, it would seem to me that this would at least pick at part of their argument on the 15 States.

I do not quite understand, Mr. President, why, for example, mechanically, the legislature, not having done it up to this point, would go through the entire procedure of debating, arguing, and adopting a piece of legislation that they know, by the time they got finished with adopting it, will have to be right back, within a period, probably, more realistically, of a year and a half, and have to put into effect the standards set out in the Federal legislation. It seems to me to be impractical. It seems to me to be an argument that really has little or no merit. I do not understand why we are being so prejudicial to the 15 States that are included under this definition. I am at a loss to understand that.

Mr. DOMENICI. Let me comment, first, that I do not think the Senator understands what I am suggesting. I am not suggesting that we permit them to go 3 years without any plan. I am suggesting that we allow the States to pick, if they so desire, from one that comes close to the Federal plan to one that goes to the other end and is so far away that it is like having no no-fault law. I am saying, let them adopt one of the plans of the 15 States. They will therefore in that period have the same coverage as one of those States will have.

Mr. BIDEN. Will the Senator tell me how long a time he would give them to adopt one of those plans?

Mr. DOMENICI. I would give them the time allowed under the bill to adopt what is in the bill; that is, 1 year; therefore, they would have 2 years to ease into a more difficult bill. I think they would choose it because it was practical. If it were impractical they would not.

Mr. BIDEN. So for a year from the time of the enactment of this bill, 35 States will have, up to that point, no no-fault coverage?

Mr. DOMENICI. I remind the Senator that they would not have under the bill we are considering now, so they would not have to have coverage whether the Senator's amendment were adopted or not.

Mr. BIDEN. I would be willing to attempt to modify my amendment to meet the Senator's concern by providing that a State would have to put into law, by July 1, 1975, a no-fault plan which qualifies under this amendment. I would be willing to do that. Apparently that would meet the Senator's objection.

Mr. DOMENICI. I do not understand the Senator.

Mr. BIDEN. If I understand what the Senator said, he said there is no reason to give only the 15 States, extending from Michigan to Delaware, this benefit; why not let individual States, like New Mexico, have the option of deciding whether or not it is easier to phase in their minimum no-fault standard to the no-fault standard set out in this bill. And the Senator said he would like to see a 1-year period given to those States to have the option to make that move. I am willing to do that.

Mr. DOMENICI. I am suggesting that any State which does not have a no-fault plan would be given the time this bill allows it to get a plan into existence, which would be within 1 year, and it would have the same 3 years. However, in any plan providing for the exclusion, they could do that and put the plan into effect after the 3 years. If the Senator is willing to amend his amendment, I will support it.

UNANIMOUS-CONSENT REQUEST

Mr. MAGNUSON. Mr. President, I ask unanimous consent that we might discuss the amendment of the Senator from Delaware. I stated that the committee would accept his original version of the amendment. I did not realize that there would be a great deal of discussion on the matter. Now we are discussing a modification to the amendment. I have not agreed to accept the modification to the amendment as yet. I have not had any time to study it. However, we have had to set aside the Baker amendment. And the time will not be running on that amendment during this debate.

I think that if we are going to have some other amendments suggested, I might say to the Senator from Delaware that we might go back to the Baker amendment, and then the other Senators might discuss this amendment. In the meantime I will take a look at it. I do not know what it contains. We agreed to accept the amendment. However, the modification to the amendment that we agreed to accept might be entirely different.

I ask unanimous consent that we may temporarily lay aside the amendment of the Senator from Delaware and go back to the amendment of the Senator from Tennessee.

Mr. BAKER. Mr. President, reserving the right to object, let me propound a parliamentary inquiry preparatory to making an objection.

The PRESIDING OFFICER. The Senator will state it.

Mr. BAKER. Is there a time limitation on the amendment of the Senator from Delaware?

The PRESIDING OFFICER. There is no time limitation on the amendment of the Senator from Delaware.

Mr. BAKER. By unanimous consent, the amendment of the Senator from Delaware is the pending business?

The PRESIDING OFFICER. The Senator is correct.

Mr. BAKER. Mr. President, I knew nothing of the Biden amendment. I had never heard of it. No one even talked to me about it. My amendment is pending today. There are 4 hours allotted to my amendment. I was surprised when I heard that this amendment was about to be accepted. I indicated that I was not about to agree. Under those circumstances I object.

The PRESIDING OFFICER. Objection is heard.

Mr. MAGNUSON. Mr. President, does the Senator want to continue with this amendment? Is that my understanding?

Mr. BAKER. The Senator is correct.

Mr. MAGNUSON. It is all right with me. I would like to get these amendments out of the way. The amendment that is pending is the amendment of the Senator from Delaware. Some change has been suggested. Someone now wants to submit an amendment to the amendment of the Senator from Delaware. And the Senator opposes that amendment.

Mr. COOK. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. COOK. Mr. President, the Senator from Delaware, as I understand it, has suggested a change in his amendment. Has he sent that change to the desk?

The PRESIDING OFFICER. Not as yet.

Mr. COOK. But when he does so modify his amendment, he will send that language to the desk?

The PRESIDING OFFICER. The Senator is correct.

Mr. BIDEN. Mr. President, the Senator from Mexico and the Senator from Tennessee have raised some concerns about this date. I wonder whether this amendment to the amendment would meet some of their concerns, particularly those of the Senator from New Mexico. It states that any State which is a no-fault State as of January 1, 1975, may establish a no-fault plan for motor vehicle insurance.

That goes to paragraph 2, line 4, of page 1.

Then, on page 2, paragraph (4), on line 9, it reads:

> As used in this subsection, a "no-fault State" means a State which has enacted into law by January 1, 1975, and put into effect no later than July 1, 1975, a no-fault plan for motor vehicle insurance.

And then the amendment continues.

Mr. President, I send that amendment to my amendment to the desk and ask that it be modified.

The PRESIDING OFFICER. The Senator is modifying his amendment?

Mr. BIDEN. I am.

The PRESIDING OFFICER. The clerk will report the modification.

The legislative clerk read as follows:

> (2) Any State which is a no-fault State as of January 1, 1975 may establish a no-fault plan for motor vehicle insurance in accordance with this title by the third anniversary of the date of enactment of this Act.
>
> (3) The alternative State no-fault plan for motor vehicle insurance (the State no-fault plan in accordance with title III of this Act) shall become applicable in any State which is a no-fault State as of the date of enactment of this Act on the third anniversary of the date of enactment of this Act unless, prior to such date, the Secretary has made a determination that such State has established a no-fault plan for motor vehicle insurance in accordance with this title.
>
> (4) As used in this subsection, a "no-fault State" means a State which has enacted into law by January 1, 1975 and put into effect a motor vehicle insurance law which provides, at a minimum, for compulsory motor vehicle insurance;

The PRESIDING OFFICER. The amendment is so modified.

Mr. COOK. Mr. President, might I check the wording of that amendment?

Down to the insertion of the date, January 2, 1975, after the word "law" on line 10, are there any other changes after that?

The legislative clerk read as follows.

and put into effect by July 1, 1975.

Mr. BIDEN. Mr. President, that should be January 1, not January 2.

Mr. COOK. Mr. President, I thank the Senator.

The PRESIDING OFFICER. The amendment is so modified.

Mr. BAKER. Mr. President, would the Presiding Officer kindly have the clerk report the amendment again?

The PRESIDING OFFICER. The clerk will report the entire amendment as modified.

The legislative clerk read as follows:

On page 98, between lines 14 and 15, insert the following new subsection:

(g) EXCEPTIONS.—(1) The provisions of this section are inapplicable to the extent inconsistent with this subsection.

(2) Any State which is a no-fault State as of January 1, 1975 may establish a no-fault plan for motor vehicle insurance in accordance with this title by the third anniversary of the date of enactment of this Act.

(3) The alternative State no-fault plan for motor vehicle insurance (the State no-fault plan in accordance with title III of this Act) shall become applicable in any State which is a no-fault State as of the date of enactment of this Act on the third anniversary of the date of enactment of this Act unless, prior to such date, the Secretary has made a determination that such State has established a no-fault plan for motor vehicle insurance in accordance with this title.

(4) As used in this subsection, a "no-fault State" means a State which has enacted into law by January 1, 1975, and put into effect a motor vehicle insurance law which provides, at a minimum, for compulsory motor vehicle insurance; payment of benefits without regard to fault to each victim on a first-party basis where the value of such available benefits is not less than $2,000; and restrictions on the bringing of lawsuits in tort by victims for noneconomic detriment, in the form of a prohibition of such suits unless the victim suffers a certain quantum of loss or in the form of a relevant change in the evidentiary rules of practice and proof with respect to such lawsuits.

Mr. COOK. Mr. President, will the Senator yield?

Mr. BIDEN. I yield the floor.

Mr. COOK. Mr. President, I would like to make an inquiry of the Senator from Delaware. We are now saying that some States which do not have a no-fault law, but which will have one, can qualify and will get 3 years. Am I correct?

Mr. BIDEN. The Senator is correct.

Mr. COOK. The Senator also has on page 2, line 12, the words "compulsory motor vehicle insurance."

May I inquire of the Senator from Delaware whether that language includes or excludes the present no-fault insurance plan in the Commonwealth of Kentucky?

Mr. BIDEN. I am not too familiar with the statute of the Commonwealth of Kentucky. However, I am informed that it does include compulsory motor vehicle insurance.

Mr. COOK. The Kentucky statute provides for the option of the insured. He can have it or not have it if he so desires. With that understanding and the phrase, " . . . at a minimum, for compulsory motor vehicle insurance: . . ." is the Senator really correct, that my State, which has in fact debated the matter and has in fact provided for a study commission and has, in fact, had the law passed in the House and Senate and signed by the Governor, providing an option for the individual to decide whether he wants it or not, is the Senator still sure that is included within the framework of these words?

Mr. BIDEN. Mr. President, as I understand the liability aspect of the words "compulsory motor vehicle insurance," under the Kentucky legislation, Kentucky would qualify.

Mr. COOK. Mr. President, may I say to the Senator from Delaware that I am not going to argue about the matter at this time. I will wait.

Mr. BAKER. Mr. President, I want to make sure that I understand what this is about. We are providing for a modification of Amendment No. 1209, which in fact would have excluded the States of Delaware, Minnesota, Michigan, New York, Kansas, Colorado, Connecticut, New Jersey, Hawaii, Utah, and Massachusetts from the immediate coverage of S. 354.

The PRESIDING OFFICER. The Senator is correct.

Mr. BAKER. And under the modified version, it excludes those States plus any other States which adopt some form of no-fault insurance by January 1, 1975.

Mr. BIDEN. It would include the States enacting no-fault legislation complying with section 4 of the amendment. Yes, all States would have the same benefits.

Mr. BAKER. What about those States which have it by January 1? That is an awkward date. What about March 1?

Mr. BIDEN. That will be fine. I will accept the modification to the amendment.

The PRESIDING OFFICER. Is the Senator from Delaware modifying the amendment?

Mr. BIDEN. Is it the desire of the Senator from Tennessee that that be done? I am not sure.

Mr. BAKER. I am asking the Senator from Delaware if he would consider modifying his amendment on page 1, line 4, to change it from January 1, 1975, to April 1, 1975.

Mr. BIDEN. Yes. I ask that the amendment be so modified.

The PRESIDING OFFICER. The amendment is so modified. The Senator will send his modification to the desk.

Mr. BAKER. Now, Mr. President, on page 2, in section (4), I take it there would be a similar conforming amendment.

Mr. BIDEN. Yes.

The PRESIDING OFFICER. The amendment is so modified.

Mr. BIDEN. It has been pointed out to me that the January 1 date in paragraph (4), page 2, is really a redundancy, that there is no need for it, but I am willing to modify that to April 1, 1975, if that is the Senator's wish. I request that the amendment be so modified.

The PRESIDING OFFICER. The amendment is so modified.

Mr. BAKER. A further inquiry of the Senator from Delaware. The words on line 10, page 2, "and put into effect by July 1, 1975", does that mean signed by the Governor, certificated by the Commissioner of Insurance and Banking or other responsible State official, or does it mean the company is actually doing business?

Mr. BIDEN. It means the company is actually doing business, people are actually buying policies.

Mr. BAKER. What if the companies refuse to sell policies?

Mr. BIDEN. I do not think they can, under the laws of the State. It is a compulsory and mandatory provision.

Mr. BAKER. Well, it is not a mandatory provision. They might have to do it under this form or not do it at all, but you cannot make them sell insurance in a State.

Mr. BIDEN. Well, that is correct. If they sell it, they have to do it in this form.

Mr. BAKER. Well, I am not really sure whether the space of time between April 1, 1975, and July 1, 1975, is sufficient to have it pass the general assembly and have it signed by the Governor, to have certificates of compliance issued and policies issued——

Mr. BIDEN. How much time does the Senator want?

Mr. BAKER. Let us see: We changed January to February, March—July, August, September—let us make it September 1, 1975.

Mr. BIDEN. Fine, no objection. I request that the amendment be so modified, to substitute "September 1, 1975" for "July 1, 1975" on page 4.

The PRESIDING OFFICER. The amendment is so modified.

Mr. BIDEN's amendment (No. 1209) as modified, is as follows:

On page 98, between lines 14 and 15, insert the following new subsection:

(g) EXCEPTIONS.—(1) The provisions of this section are inapplicable to the extent inconsistent with this subsection.

(2) Any State which is a no-fault State as of April 1, 1975 may establish a no-fault plan for motor vehicle insurance in accordance with this title by the third anniversary of the date of enactment of this Act.

(3) The alternative State no-fault plan for motor vehicle insurance (the State no-fault plan in accordance with title III of this Act) shall become applicable in any State which is a no-fault State as of the date of enactment of this Act on the third anniversary of the date of enactment of this Act unless, prior to such date, the Secretary has made a determination that such State has established a no-fault plan for motor vehicle insurance in accordance with this title.

(4) As used in this subsection, a "no-fault State" means a State which has enacted into law by April 1, 1975 and put into effect by September 1, 1975 a motor vehicle insurance law which provides, at a minimum, for compulsory motor vehicle insurance; payment of benefits without regard to fault to each victim on a first-party basis where the value of such available

benefits is not less than $2,000; and restrictions on the bringing of lawsuits in tort by victims for noneconomic detriment, in the form of a prohibition of such suits unless the victim suffers a certain quantum of loss or in the form of a relevant change in the evidentiary rules of practice and proof with respect to such lawsuits.

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I must say that the time taken by the quorum call has been productive. It has given us an opportunity to understand the amendment by the distinguished Senator from Delaware, to negotiate with him on certain aspects of it, and to familiarize ourselves with its import. I am not sure that we have all the difficulties worked out yet in conforming that amendment to all the requirements of the bill and to the several situations in the several States.

I have no desire to debate the matter further. I am perfectly agreeable now to the amendment being voted on. It is immaterial to me whether we have a voice vote or a rollcall vote. I must say that my vote, whether for or against the amended Biden amendment, will have no effect on my insistence on my amendment to S. 354, which is not affected by his amendment.

With that, Mr. President, I have nothing further.

Mr. MOSS. Mr. President, in the discussions we have worked out what seems to me to be a reasonable compromise. It does give the States additional time in which to act, and to that extent I think it is acceptable. We are prepared to vote. I see no reason to request a rollcall vote. I would therefore hope that it could be put to a vote so that we could return to the Baker amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified.

Mr. HRUSKA. Mr. President, with all due respect to those who are willing to accept this amendment and think it might achieve some good and be of some benefit, this Senator would like to take exception to that position. It is my intention to ask for the yeas and nays, and I do so at this time.

The yeas and nays were ordered.

Mr. MOSS. Mr. President, will the Senator yield?

Mr. HRUSKA. I yield.

Mr. MOSS. Since we had an informal understanding that we would not start voting before 2:30, could we agree that the vote would occur at 2:30 and would be followed by the vote on the Baker amendment?

Mr. HRUSKA. The vote on the Baker amendment is scheduled for 2:30.

Mr. MOSS. But if we can vote on this amendment at 2:30 and go right to the Baker amendment, that would satisfy the situation, I believe.

Mr. BAKER. It is my understanding that the request of the distinguished majority whip was that the unanimous-consent request should be that the vote on the Baker amendment occur not before 2:30. So far as I am concerned, I am perfectly willing to vote whenever anybody who desires to speak has had an opportunity to do so. I do not want to cut off the Senator from Nebraska or anyone else who has remarks to make.

Mr. HRUSKA. My remarks will be very brief, and we can vote in the next 5 minutes or the next 3 minutes.

Mr. BAKER. I yield to the Senator from Nebraska.

Mr. ROBERT C. BYRD. Would the Senator accede to the suggestion of the distinguished manager of the bill, that the vote on the amendment by Mr. BIDEN occur at 2:30 p.m. and that the vote on the amendment by Mr. BAKER occur either immediately thereafter or within a short time, whatever is agreed upon by the author of the amendment?

Mr. BAKER. May I inquire—if the assistant majority leader will yield—whether there are any other requests for time on this side?

Mr. DOMENICI. I ask the Senator to yield 5 minutes.

Mr. BAKER. I understand that the Senator from Nebraska wishes to speak.

Could we add to the unanimous-consent request that the Biden amendment be set aside, to which I will not object, so that these two requests for time can be honored?

Mr. ROBERT C. BYRD. If we could agree to vote on the Biden amendment at 2:30, we could also agree that following that vote there would be, say 15 minutes to a side remaining on the Baker amendment.

Mr. BAKER. I am agreeable to that. We have 15 minutes now; and if we could use that 15 minutes to finish the debate on the Baker amendment, we could vote on the amendments back-to-back at 2:30.

Mr. MOSS. Is that agreeable to the Senator from Nebraska?

Mr. HRUSKA. That is agreeable.

Mr. DOMENICI. I have an inquiry of the Senator from Delaware.

We are speaking of the Biden amendment, and we are being asked to agree to vote on it. We have not yet heard the proposed modifications to it that we have basically agreed upon. Do we still have before us a proposal to modify it, which will take place before the vote?

Mr. BIDEN. The modifications that were suggested during the quorum call by some of the distinguished Senators in the Chamber are acceptable to me. I understand from the staff that we will physically need 10 minutes or thereabouts to conform the language to the requested modifications, which include extending to 4 years, changing the date to June 30, and eliminating a section on line 13, page 2, to eliminate the words "to each victim," as has been suggested by the distinguished Senator from Kentucky. I understand that we will need about 10 minutes to conform the remaining language, and I am willing to accept all the modifications we have discussed.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Mr. BAKER. Mr. President, reserving the right to object, I think it is the better part of discretion now to let the staff make these corrections, that we suspend consideration of that amendment while that is being done, before we decide on a time to vote. It may be that difficulties will develop in trying to conform the amendment, or misunderstandings might occur. I suggest that we consider waiving the unanimous-consent request until we see the staff's work product on the Biden amendment.

The PRESIDING OFFICER. Is the request withdrawn?

Mr. ROBERT C. BYRD. It is my understanding that the distinguished Senator from Nebraska wishes to speak on the amendment by Mr. BIDEN.

Mr. HRUSKA. I had intended to make a few remarks, but I do not want to interfere with the schedule that was suggested by the assistant majority leader for completion of the debate on the Baker amendment.

Mr. ROBERT C. BYRD. Mr. President, I think it is the request of the distinguished manager of the bill.

The PRESIDING OFFICER. The Senator from Utah made the request.

Mr. MOSS. Mr. President, I will withdraw my request at this time and see whether we can get the matter clarified.

The PRESIDING OFFICER. The request is withdrawn.

The Senator from Nebraska is recognized.

Mr. HRUSKA. Mr. President, it seems to me that the amendment will do nothing but result in a good deal of confusion and uncertainty. The conditions that will prevail in each State will be very chaotic until some final action is eventually taken by the respective State legislatures.

Furthermore, it would discriminate in favor of the 15 States. They are discriminated in favor of, as opposed to those States that have not taken any action and have not had an opportunity to do so and have been inhibited somewhat by the pendency of the Hart-Magnuson bill.

I would suggest that if it is the intention to simplify the amendment and treat everyone equally, the amendment to be considered, instead of the Biden amendment, would be an amendment simply postponing the effective date of the Hart-Magnuson bill, S. 354, for 4 years from the time of enactment. In that way, the harassment and the trouble of going through each session of the legislature in 35 State legislatures on this matter for an interim bill would be avoided.

So the simple thing would be to change that provision in S. 354 with respect to the effective date. In that way, we would have completely uniform treatment of all the States. Each would know where it stands, and it would avoid the necessity of having each of the State legislatures getting into this highly emotional, frequently plowed field of no-fault automobile insurance.

The lines are tightly drawn. They have been canvassed again and again. This amendment would yield very little, if any, fruit. The general purpose would be served by simply delaying the effective date of the bill and it would simplify the drafting burdens that would be imposed upon the junior Senator from Delaware and would visit happiness and equity all the way around.

Mr. BIDEN. Mr. President, will the Senator yield?

Mr. HRUSKA. I yield.

Mr. BIDEN. I have no objection to the additional work. I do not feel it a burden, and we are delighted to have an opportunity to spend that extra 10 minutes.

Mr. HRUSKA. The Senator is very diligent and very conscientious, but I would have some consideration for the members of 35 legislatures who would have to go right back into this matter, which they have been deterred from doing until now as the Hart-Magnuson bill was pending in this body. Now we have provided for another 4-year period of uncertainty.

While the Senator is willing to assume the added burden, I do not think it is fair for us to impose that burden upon all the legislatures and the driving public who will not know for another 4 years whether they are afoot, on horseback, or behind a steering wheel.

Mr. MOSS. Mr. President, if the Senator will yield, one of the amendments that was suggested and was accepted as a modification by the author was to set back the time when the State legislature might act until after the 1975 period when the legislatures would be in again, and if the States wished to come under the 4-year moratorium, they certainly might do it within that length of time. If they did not wish to do so, they would have to act on a situation that conforms with the bill.

Mr. HRUSKA. I understand that fully, and yet by going through a lot of travail and legislative activity, they would enact a minimum of some kind, yet nothing final would be accomplished. If the proponents are going to resort to that type of facade, why not say there must be a 4-year delay from the date of enactment. This would be preferable to going through a nominal motion which would have little real meaning.

Mr. BIDEN. Mr. President, will the Senator yield?

Mr. HRUSKA. I yield.

Mr. BIDEN. Much of the Senator's argument is compelling. My original amendment suggested that only those States which now have in effect no-fault legislation be the ones granted this extension, so the legislatures did not have to go through the travail the distinguished Senator refers to, but I was persuaded by the very compelling arguments of the Senator from Tennessee and the Senator from New Mexico that we could give to those States the option of whether or not they wanted to exercise that travail. That is the reason why we further amended it.

The Senator points out it will be another 4 years before they know whether they are a buggy, or an automobile, or whatever. That is not correct. They will know where they will have to be. They will know where they are going. This merely delays conforming to S. 354 for that 4-year period, but they know where they are going and they know what they are going to be driving.

Mr. HRUSKA. I hope the amendment will be defeated. I urge my colleagues to act accordingly.

Mr. MOSS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MOSS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOSS. Mr. President, I yield to the Senator from Delaware, who has a modification of his amendment to propose. I think all who have engaged in this colloquy have agreed with it.

Mr. BIDEN. Mr. President, I ask unanimous consent that the modifications to my amendment that have been sent to the desk, which we have worked out, be presented at this time.

The PRESIDING OFFICER. The modifications will be stated.

Mr. BIDEN. Mr. President, I ask unanimous consent that the reading of the modifications be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment is so modified.

The amendment, as modified, is as follows:

On page 98, between lines 14 and 15, insert the following new subsection:

(g) EXCEPTIONS.—(1) The provisions of this section are inapplicable to the extent inconsistent with this subsection.

(2) Any State which is a no-fault State, as defined in paragraph (4) of this subsection, may establish a no-fault plan for motor vehicle insurance in accordance with this title by the fourth anniversary of the date of enactment of this Act.

Amdt. No. 1209 (as modified).

(3) The alternative State no-fault plan for motor vehicle insurance (the State no-fault plan in accordance with title III of this Act) shall become applicable in any State which is a no-fault State, as defined in paragraph (4) of this subsection on the fourth anniversary of the date of enactment of this Act, unless, prior to such date, the Secretary has made a determination that such State has established a no-fault plan for motor vehicle insurance in accordance with this title.

(4) As used in this subsection, a "no-fault State" means a State which has enacted into law and put into effect a motor vehicle insurance law not later than September 1, 1975 which provides, at a minimum, for compulsory motor vehicle insurance; payment of benefits without regard to fault on a first-party basis where the value of such available benefits is not less than $2,000; and restrictions on the bringing of lawsuits in tort by victims for noneconomic detriment, in the form of a prohibition of such suits unless the victim suffers a certain quantum of loss or in the form of a relevant change in the evidentiary rules of practice and proof with respect to such lawsuits.

Mr. BIDEN. Mr. President, three questions were raised by my distinguished colleagues.

One was with reference to paragraph (2), line 7, where it said "third anniversary of the date of enactment of this Act." It was suggested that by the fourth anniversary from the time the Federal legislation was enacted, each State would have had 4 years to comply if they had a no-fault plan as defined in this legislation.

A further modification requested was that we give States additional time to determine whether or not they want to move to an interim plan as defined in this legislation. It was agreed that September 1, 1975, would be such a date.

The remaining language merely conforms to accommodate both kinds of States, extending it from 3 to 4 years and extending the date in which the law must be enacted and putting in effect to September 1, 1975.

One last modification suggested by the Senator from Kentucky was that on line 13, page 2, where it presently states "without regard to fault to each victim on a first-party basis," it should read "without regard to fault on a first-party basis" eliminating the words "to each victim."

Mr. President, that meets with all of the objections that have been raised during the course of the debate on this amendment. I am prepared to yield the floor and have a vote.

Mr. MOSS. Mr. President, we are prepared to vote. I understand that the yeas and nays have been ordered.

The PRESIDING OFICER. The Senator is correct.

Mr. MOSS. We are ready to go to a rollcall.

Mr. BIDEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. Will the Senator send his modification to the desk?

Mr. BIDEN. I send the modification of my amendment to the desk.

The PRESIDING OFFICER. The amendment is accordingly modified.

Mr. BIDEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Delaware will state it.

Mr. BIDEN. Mr. President, there might be some confusion in that the Baker amendment, which was to have been voted on at 2 o'clock, is the pending amendment. Is it correct that the Biden amendment, which has no relation to the Baker amendment, is about to be voted on?

The PRESIDING OFFICER. The pending question is on agreeing to the Biden amendment, as modified. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce

that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Massachusetts (Mr. KENNEDY), and the Senator from Ohio (Mr. METZENBAUM) are necessarily absent.

I further announce that the Senator from Mississippi (Mr. EASTLAND), the Senator from New Mexico (Mr. MONTOYA), and the Senator from Mississippi (Mr. STENNIS) are absent on official business.

I further announce that, if present and voting, the Senator from Ohio (Mr. METZENBAUM) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Maryland (Mr. BEALL), the Senator from Florida (Mr. GURNEY), the Senator from New York (Mr. JAVITS), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

I also announce that the Senator from Utah (Mr. BENNETT), the Senator from Colorado (Mr. DOMINICK), the Senator from Delaware (Mr. ROTH), and the Senator from Pennsylvania (Mr. HUGH SCOTT) are absent on official business.

I further announce that, if present and voting, the Senator from New York (Mr. JAVITS) would vote "yea."

The Senator from Hawaii (Mr. FONG) voted "present."

The result was announced—yeas 74, nays 11, as follows:

[No. 156 Leg.]

YEAS—74

Abourezk
Aiken
Allen
Baker
Bartlett
Bayh
Bellmon
Bentsen
Bible
Biden
Brock
Brooke
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cranston
Dole
Domenici
Eagleton
Ervin
Gravel
Griffin
Hart
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Huddleston
Hughes
Humphrey
Inouye
Jackson
Johnston
Long
Magnuson
Mansfield
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Sparkman
Stafford
Stevens
Stevenson
Symington
Taft
Talmadge
Tunney
Weicker
Williams

NAYS—11

Cotton
Curtis
Fannin
Goldwater
Hansen
Hruska
Mathias
Schweiker
Scott, William L.
Thurmond
Tower

ANSWERED "PRESENT"—1

Fong

NOT VOTING—14

Beall
Bennett
Dominick
Eastland
Fulbright
Gurney
Javits
Kennedy
Metzenbaum
Montoya
Roth
Scott, Hugh
Stennis
Young

So Mr. BIDEN's amendment (No. 1209), as modified, was agreed to.

Mr. MOSS. Mr. President, I understand that we now return to the Baker amendment.

The PRESIDING OFFICER. The Senator is correct.

Mr. MOSS. Have the yeas and nays been ordered on the Baker amendment?

The PRESIDING OFFICER. The yeas and nays have not been ordered.

Mr. BAKER and Mr. MOSS requested the yeas and nays.

The yeas and nays were ordered.

Mr. MOSS. Mr. President, I understand that we have essentially completed the debate on this matter, and that as far as the sponsor of the amendment is concerned, he is ready to vote. I have nothing further to say, except that I do have some material I would like to place in the RECORD at this point, and then we would be ready to vote. The managers of the bill, of course, do oppose the Baker amendment, and would vote in the negative.

Mr. BAKER. Mr. President, unless there is someone else who cares to speak on the Baker amendment, I am prepared to vote.

The PRESIDING OFFICER. The Senate will be in order. The Senator will suspend until order is restored.

The Chair will state that the material requested to be printed in the RECORD by the Senator from Utah will be printed, without objection.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MATERIAL SUBMITTED BY SENATOR MOSS

While the Baker amendment is supposed to bring S. 354 into line with "responsible insurance reform programs" enacted by the states, the Baker amendment establishes benefit levels in lawsuit restrictions substantially below the average benefit level and tort restrictions of the various no-fault plans which have already been enacted.

Analysis of the average level of medical and rehabilitation expense and wage loss protection provided in the existing 14 state no-fault plans discloses that the average medical expense protection for the 14 state no-fault plans is $23,714. The average wage loss protection is $9,314. (These figures were calculated by adding up the medical and rehabilitation expense protection of each of the plans and dividing by 14. It was assumed that the unlimited medical and rehabilitation plans of New Jersey and Michigan had actual values of $100,000. Where a state no-fault plan lumped together recovery for wage loss and medical expense protection, the medical recovery expense protection was calculated to be one half of the total protection. The wage loss calculations were made in an identical fashion.)

No state which has enacted a no-fault plan restricting the right to sue has selected a lawsuit restriction as minimal as that provided in the Baker amendments. Thus, the federal minimum lawsuit restrictions under the Baker amendment would be below even the lowest common denominator in any existing state no-fault plan.

The minimum standards in the Baker amendment are two minimums. They do not insure correction of the deficiencies in the present system which were highlighted in the intensive Department of Transportation study of the automobile insurance system.

Rather than providing "substantial protection for all automobile accident victims" as Senator Baker said upon introducing his amendment, the amendment provides protection for "substantially all automobile accident victims." Those auto accident victims excluded from the no-fault compensation plan are those who are most seriously injured and most in need of insurance protection.

MEDICAL EXPENSE PROTECTION OF $3,000 TO $5,000 IS TOTALLY INADEQUATE

While Senator Baker's amendment would protect 95% of the automobile accident victims, those who would not be protected would be the ones most seriously injured. Who would propose a health insurance program which takes care of the first $500 of a person's health expense but provides no protection whatsoever for the catastrophic illness which cripples families financially and psychologically? Why, then, does such an approach make sense with regard to the automobile accident victim?

State Insurance Commissioner James J. Sheeran of New Jersey recently explained why nothing less than total medical and rehabilitation coverage for the automobile accident victim is necessary: "The New Jersey no-fault statute was the first to provide for unlimited medical expense coverage. This action was not taken lightly. The Automobile Study Commission established by the Governor and the legislature had available actuarial advice from which it concluded that the difference between a limited medical expense coverage and one without limitation would not have a significant effect upon the overall cost of the no-fault insurance coverage. It was the legislature's decision that the minute increase in cost overall that may result from a few accidents requiring substantial medical expense, would not justify depriving the few unfortunates suffering unusually severe injuries of full availability of necessary medical and rehabilitation services."

Not only does Senator Baker's proposed minimum standard for medical expense not compensate the person most in need of compensation, it also does nothing to improve the performance of the present system. The Department of Transportation's Automobile and Insurance Compensation Study, in volume 1 of the report entitled "Economic Consequences of Auto Accident Injuries" in Table 7 FS on page 89 discloses that the present system provides 100% recovery when medical loss is between $1,000 and $5,000. When medical expense is between $5,000 and $10,000 only 62% of the expenses are compensated under the present system, and when medical expense is between $10,000 and $25,000, only 52% of the medical expense is compensated. The DOT study shows that the Baker amendments would do nothing to improve upon the present inadequate compensation picture.

THE WAGE LOSS PROTECTION STANDARD IN THE BAKER AMENDMENT IS NOT ADEQUATE

A hopefully unintended consequence of the Baker amendment is the fact that a state could be in compliance with the minimum standard by requiring an individual to purchase wage loss protection at only $10 per month as long as the *total* equaled or exceeded the average statewide annual wage. Assuming that that is an unintended consequence and that Senator Baker will offer a perfecting amendment to eliminate that absurdity, the level of wage loss protection again leaves uncompensated those who are most seriously injured. Under S. 354 the very minimum $15,000 of wage loss protection compared to the Baker amendments ($5,800 to $11,000 totals) would insure that at least the average loss to those most *seriously* injured in an automobile accident (defined by the Department of Transportation to be those with economic loss exceeding $25,000) would be compensated. (See Table 7 FS on page 89 of the Economic Consequences of Automobile Accident Injuries Report of the Department of Transportation's Automobile Insurance and Compensation Study (April 1970).) It should be noted that the Department of Transportation in its final report recommended that states initially enacting a no-fault plan should provide at least 3 years of wage loss protection.

THE LAWSUIT RESTRICTIONS PROVIDED FOR IN THE BAKER AMENDMENTS ARE POTENTIALLY COSTLY AND MAY PROMOTE FRAUD AND OTHER UNDESIRABLE CONSEQUENCES

In introducing his amendment, Senator Baker pointed out that the definition of "serious or permanent injury" was identical to the definition of "serious injury" in the Department of Transportation's study.

He neglected to point out, however, the definition of "serious injury" in the Department of Transportation's study in no way related to the appropriate restrictions on lawsuits. The serious injury category in the Department of Transportation's study was used to separate out those individuals whose economic loss through a no-fault insurance system should be completely or substantially compensated and to find out how the present system was compensation that category of automobile accident victims. There was no indication in the Department of Transportation study that that category of automobile accident victims should be entitled to noneconomic detriment compensation from the lawsuit insurance system.

The cost consequences of the Baker standard of lawsuit restrictions are disastrous. The lawsuit restrictions are so minimal that the promised premium savings of no-fault would disappear. In fact, actuarial projections suggest the overall cost of no-fault with the Baker amendments would actually exceed the cost of the present system.

In revising the lawsuit restriction section of his amendment, Senator Baker defined a new category of injury entitled "An Automobile Accident Victim Can Bring A Lawsuit for Pain and Suffering." By the terms of the Baker Amendment, as modified, a person could sue if there was "permanent, partial or total loss of sight or hearing." My fear is that this particular provision could all but eliminate even the minimum restrictions on lawsuits provided for in the Baker Amendment. In the first place, the language is unclear as to whether "partial" loss of hearing would also have to be "permanent". Assuming that is the case, would not a great majority of Americans have a valid claim for pain and suffering lawsuits? Recent studies concerning noise pollution have disclosed a large percentage of the population, from one noise source or another, have suffered some type of permanent partial loss of hearing. Would it not, therefore, make it very easy for a trial lawyer to allege (in good faith or bad faith) as a result of an automobile accident (and the noise associated with it) his client suffered permanent, partial loss of hearing? In all likelihood the permanent partial loss of hearing could be medically demonstrated and the issue as to causation (auto accident or otherwise) could be one for the jury. With this additional hole in the lawsuit restriction section, the cost of the Baker Amendment could penalize the American consumer even more than State Farm suggested.

RECOGNIZING THE DEFICIENCIES OF THE BAKER PROPOSED MINIMUM STANDARDS, SOME MIGHT ARGUE THAT A STATE CAN EXCEED THOSE STANDARDS

In all probability the minimum federal standards will become the underlying standards in most jurisdictions. This is particularly true in those states which have not yet enacted any kind of automobile insurance reform plans. In those states the political situation suggests that the state will select the least amount of restrictions on lawsuits premitted by the federal bill—i.e., they will select the lowest possible tort threshold. The problem is that a low threshold coupled with a reasonable benefit package could produce cost increases in the state. Therefore, there would be great pressure to enact a no-fault plan with low benefit levels and low tort thresholds in order to appease the trial bar and still produce premium savings which the consumer expects from no-fault.

In many states that have considered and passed no-fault insurance programs they have begun by proposing no-fault plans with reasonably high benefit levels and significant restriction on lawsuits. Through the political process such programs have been compromised not for policy reasons but for political reasons, by reducing the benefit levels and the tort threshold. This process would be even more likely to be repeated in those states which, without the requirement of federal standards, have refused to undertake any reasonable reforms.

Thus, automobile consumers in the United States would end up being stuck with the *inadequate* minimum standards proposed in the Baker amendment in order to avoid what Senator Baker has termed some sort of "federal arrogance". Is the federal government arrogant every time it legislates in an area where the states are also free to legislate? Is it "arrogant" when it establishes the Consumer Product Safety Commission to establish minimum federal safety standards for consumer products? Is it arrogant when it establishes minimum federal pollution standards? Certainly Senator Baker's long standing support of minimum federal pollution standards would suggest that he does not believe that all federal standards which exceed those previously established by states demonstrates a "federal arrogance".

Mr. DOMENICI. Mr. President, today we will continue debate on S. 354, the National No-Fault Motor Vehicle Insurance Act. This bill is specifically designed to greatly alter our present insurance system by compensating the majority of injured victims on a no-fault basis.

I would be the first to concede that the results of our past insurance history have left much to be desired. In response to this rising demand for the improvement of our insurance system, 18 to 22 States have, or will have, shortly adopted State no-fault plans. These plans are specifically designed for the individual needs and characteristics of each State, which is quite obvious when comparing the drastically different plans of the Massachusetts and New York bills.

I am a firm believer in the fact that the need for a no-fault system has arrived. We have been a witness to the fact that so many States have adopted no-fault plans and the majority of which testifying before the Senate Commerce and Judiciary Committee praise the benefits gained from such a system.

The main problem which concerns me is that proponents of S. 354 are saying that this bill is the only real workable no-fault plan and that all of our present State plans, possibly excluding Michigan, are inadequate in meeting their needs.

I would like to go on record as saying that there are several provisions in S. 354 which are most desirable:

First. The establishment of a national minimum standard for no-fault plans. A national minimum standard is needed to insure a uniform system of auto insurance. It is very important that a minimum standard be designed to establish only the basic criteria for States in their establishment of their own individual plans. I believe that the so-called minimum standards under S. 354 are not necessary or needed in relating to States individual needs. I say this with respect to my own State of New Mexico and those of States throughout the Union.

Second. Compulsory insurance. This is a provision which I most strongly commend. My own State of New Mexico has long been plagued by an extremely high uninsured motorist rate and it is my feeling that the mandatory provisions under S. 354 will be important steps in remedying this situation.

It is my strong feeling that the medical coverage under a national minimum standard should be adopted to coverage only the vast majority of all individuals injured in accidents. This would leave those involved in a more serious injury the right to sue for additional damages. I am concerned that S. 354 goes beyond the necessary requirements to meet the majority of all injured victims. My own convictions lead me to feel that the most appropriate system is one which expeditiously compensates in full 95 to 98 percent of all injured victims but gives individuals suffering an injury of catastrophic nature the right to sue because of fault. It is for these reasons that I will offer my support for Senator BAKER in his amendments on the floor today.

Mr. BAKER, in his amendments, provides that 98 percent of all motor vehicle accident victims would be compensated under no-fault provisions. Proponents of S. 354 would say that this 2 percent is the one which comprises the majority of the actual dollars spent for medical expenses. These serious types of injuries should be settled on the basis of fault but in many cases would be limited under S. 354.

The work loss provision in Mr. BAKER's amendment would allow for a realistic payment of work loss earnings as computed by the average statewide earnings. This would mean that individuals, injured individuals are guaranteed work loss coverage for at least 1 year of payments from $5,800 to $11,000 annually depending on average statewide earnings. Any individual not at fault, who because of his previous earnings, has suffered a work loss in excess of the prescribed amount would be allowed the right to recover additional damages through suit.

Mr. BAKER gives the States minimum guidelines for establishing several definitions for serious or permanent injury. This approach offers the States more leeway as to meeting their particular needs in establishing the definition of such injury. The guidelines set forth under this amendment would again cover the vast majority of accident victims but would give those suffering serious injury the immediate right to sue for damages.

Mr. President, the basic point behind a bill for national standards should be to assist States in meeting their individual respective needs. It would seem quite obvious that S. 354 is not a minimum plan as pointed out by the fact that only one of our present State plans would meet these stringent requirements. I firmly believe that the proposal by Mr. BAKER would establish adequate minimum guidelines but would allow States the needed leeway to meet their specific requirements. I offer my support to this amendment because I feel the needs of New Mexico and the Nation would be met more adequately than under the more stringent requirements presently under S. 354.

Mr. President, I ask that a letter from the Insurance Commission of the State of New Mexico dated April 16, 1974, be made a part of the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF INSURANCE,
Sante Fe, N. Mex., April 16, 1974.
Hon. PETE V. DOMENICI,
U.S. Senator, U.S. Senate, Committee on Public Works, Washington, D.C.

DEAR SENATOR DOMENICI: This is in response to your letter of April 5, 1974 relating to S. 354 and my comments as to the impact the enactment of the bill would have on the citizens of the State of New Mexico.

I take pride in the fact that New Mexico has long enjoyed a highly stable insurance community and has an active market comprised of strong competitive companies serving the needs of the citizens. Aside from my feelings of personal satisfaction, I have also developed a sense of awareness of the accomplishments resulting under state regulation of the insurance business throughout the country.

We do not have adequate information available concerning the revenue implications which might result if we should have to comply with the different regulatory concepts set forth in S. 354. Notwithstanding the optimistic reports of universal cost reductions boasted in some quarters, the contradictory reports are cause for grave concerns.

While undoubtedly the potential for favorable results exist in the more populated areas, I believe that in the rural and suburban areas of New Mexico, where the present auto insurance costs are maintained at a rational level, there is a possibility that there will be spiraling insurance costs under the proposed program.

At the present time the administrative facilities to impose and regulate a compulsory insurance program do not exist in the State of New Mexico and while I appreciate the attempts to assure the continuity of government to protect accident victims. I am concerned over the burden imposed on New Mexico taxpayers.

Unquestionably, the auto reparations system needs improvement but I support a less drastic approach which does not virtually eliminate the tort liability system in meritorious cases nor eliminate accountability for the reckless and negligent drivers.

As I previously stated, I strongly endorse improvements in the system by which we compensate accident victims and New Mexico has been making efforts to provide such improvements under state regulation. The no-fault program was introduced in the 1973 Session of the Legislature and it is expected that it will again be introduced in the next session.

Enclosed is a summary of the approximately $29,000,000 of premiums paid by New Mexico citizens for auto liability insurance for the most recent period available. It is my understanding that there are 496,000 private passenger cars registered in New Mexico at the present time, which indicates that there are many cars being driven on the highways of the state without insurance.

For this and the other reasons stated herein, I sincerely urge that you vote against S. 354.

Best personal regards.

Very truly yours,
R. F. APODACA,
Superintendent of Insurance.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. BAKER. Mr. President, if there is no other Senator who cares to speak on this amendment, I am prepared to yield back the remainder of my time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. I yield back the remainder of my time.

Mr. MOSS. Mr. President, I yield back the remainder of my time.

Mr. MAGNUSON. Mr. President, I shall be very brief. I am opposed to the Baker amendment for many reasons. I merely wanted to point out——

The PRESIDING OFFICER. The Senator will suspend until the Senate is in order.

The Senator from Washington may proceed.

Mr. MAGNUSON. I, too, feel that we can vote on this matter today, one way or another. I know of no bill, in all the years I have been here, that has had more discussion, with more pros and cons, more give and take, from the day that we started, than the concept of no-fault.

I remind the Senate that the Committee on Commerce, over 3 years ago, recommended a study of the whole matter, which was new to us then. The Department of Transportation took on the task, spent, I think, something like $2 million, and reported to the Commerce Committee. The study was performed by a blue ribbon group which took up every possible question that could be asked about no-fault, including cost figures and everything else, and came back with a unanimous recommendation to the committee that no-fault ought to be passed and that it ought to be done now, that the American public was losing a great deal of money every month that we did not do something about it.

This may be repetitious to some Senators, and some may have some doubts about it. But I do not know how anyone can explain to his constituents, or to himself, the automobile insurance system as it now exists in this country, and not favor something like S. 354.

The American people pay more than $17 billion a year in premiums on auto insurance. The amount of money paid back to the American people in claims payments total about $8 billion a year. How can we justify that kind of a system?

Oh, I know: "You're in good hands with Allstate."

"Mrs. Schultz," the television interviewer asks, "are you not glad that you are with the family of Allstate?"

She is very glad, very happy.

"Now, as a matter of premium, now that you have signed up, you give us a dollar. Just think what good hands you are in. We will take the dollar, and here is the 50 cents you get back."

Fifty cents! how can this go on? I do not suggest there should not be administrative costs, trial lawyer fees, and all those things.

But something has got to be done. We have gone all over the bill. We have had all the lawyers it is possible to get, going at it—outside and inside—on the Judiciary Committee and the Commerce Committee, which are full of lawyers—all lawyers—and we tried to work out what looks like a palatable system. It is an idea whose time has come. I suppose the best way would be, if it would happen, would be to let the 50 States do it. There will be 50 different versions, but if there could be some uniformity, that would be the best way to go at it. But that drags along.

Three and a half years ago, the insurance commissioners of the United States met with me, and the distinguished Senator from New Hampshire (Mr. COTTON) was there, on two or three occasions—not once, but three or four times—and they said to us, "Give us a chance. Give us a couple of legislative sessions and we will tell you what we can do."

That was over 3½ years ago. Now we have had some assistance from the States, but not too much. I believe that 14 States have enacted genuine no-fault laws. That is all. I do not know of any answer to the need other than this Federal standards bill. I know that some people here might not want to vote for the Federal no-fault idea because their Governors and their State legislatures have said: "We will adopt some form of no fault. We haven't got to it yet, but we will pass it."

This bill does not bother them. Once they pass it, they are exempt. We are only talking to those States who may not do it and we are giving them a long period of time. We just accepted an amendment to do that.

Oh, I know that the trial lawyers are influential in their communities. Most of us here have been trial lawyers of a sort over a period of time. We have not abolished all right to sue in tort. I think the debate here has been very good. The Senator from Tennessee (Mr. BAKER), the Judiciary Committee—they have all contributed a great deal. This is a much different bill and a much milder one, if we want to put it that way, than the bill I introduced.

It is not as tough a bill as the one I wanted last year. We have accepted some amendments that will make it much easier.

So I am just hopeful that over the weekend each Senator can decide to support the bill. I do not know what the purpose of waiting that long is, unless the trial lawyers are doing something over the weekend. Of course, I know what the trial lawyers have been doing. I know what they have been doing to me. I suppose I know what they will be trying to do to me this fall. But I do not mind that. I never made it unanimous yet.

Something has got to be done about the auto insurance mess. How can we go home and justify making the American consumer pay $1 to get a crack at 50 cents, even though they put them on television and they say, "We are very happy to be with them as an insurance family?"

Mr. COTTON. Mr. President, if the Senator from Washington will yield for a moment, he is making a very powerful argument here but I do not want the RECORD to stand that this bill was reported out of the Commerce Committee unanimously.

Mr. MAGNUSON. Oh, no, no——

Mr. COTTON. I do not wish him to say that.

Mr. MAGNUSON. No, the vote was 15 to 3.

Mr. President, many people who oppose the bill have made a contribution to it because it is such a complicated matter. This is an idea whose time has come, as I have already mentioned, and I am going to be hopeful that we will get something started.

We have got to do something about auto insurance in this country.

Most insurance people whom I have observed during the past 4 or 5 years have said that they want some reform, "but not this." We have received a storehouse full of testimony from them. And from many other groups and individuals in this and in previous Congresses. Some provisions in the bill may be in the form that I would have written them, but it took many experts to prepare this bill. We have accepted some practical amendments to make the bill more palatable to those who might otherwise oppose it.

I said before that I oppose the Baker amendment, but I am not going to give all the reasons because many are technical. Basically it would add to the cost.

SENATOR BAKER'S AMENDMENT MAY VERY WELL CAUSE AN INCREASE IN AVERAGE AUTOMOBILE INSURANCE PREMIUM COSTS IN MANY STATES

Mr. President, because of the limited restriction on lawsuits contained in the proposed Baker amendments, a State enacting a no-fault plan in compliance with the Baker standards probably would increase average insurance premium costs in that State. It has not been possible to obtain cost information from the independent actuarial firm of Milliman and Roberston, but information has been provided by Mr. Dale Nelson, actuary for the State Farm Mutual Insurance Co. whose cost projections on S. 354 have paralleled those of the Milliman and Roberston. Mr. Nelson projects the overall effects of the proposed Baker amendment would produce a 21 percent increase in the costs of the present system broken down as follows: minus 6 percentage points because of the deduction in medical expense benefits—assumes a $5,000 level—a 2 percentage point savings in work loss, a 23 percent point increase resulting from the lower restrictions on lawsuits, and a 6 percentage point increase resulting from an increase in administrative expense. Mr. Nelson has shown how this cost increase would be distributed among three representative areas. In metropolitan areas the effect of the Baker amendments compared to the cost of the present system—excluding medical payments—would produce a cost increase of 8 percent; in normal areas there would be an 18 percent cost increase; and in rural areas there would be a 29 percent cost increase. If the costs of medical payments coverage under the present system are included, under the Baker amendments, there would be a 2 percent savings in metropolitan areas compared to a 21 percent savings under S. 354; in normal areas, there would be a 4 percent cost increase under the Baker amendments, compared to a 20 percent savings under S. 354; and in rural areas there would be a 10 percent cost increase under the Baker amendments compared to a 5 percent cost savings under S. 354. As Mr. Nelson concluded in an internal office memorandum dated April 9, 1974:

> Largely because of the lower tort threshold, Baker's amendments would result in a system costing significantly more than the presently constituted S. 354, in fact, except possibly for metro areas, it would cost more than the present system.

The cost implications of the Baker amendment as revised are of even greater concern to me. In revising the lawsuit restriction section of his amendment, Senator BAKER defined a new category of injury entitled "An Automobile Accident Victim Can Bring A Lawsuit for Pain and Suffering." By the terms of the Baker amendment, as modified, a person could sue if there was "permanent, partial or total loss of sight or hearing." My fear is that this particular provision could all but eliminate even the minimum restrictions on lawsuits provided for in the Baker amendment. In the first place, the language is unclear as to whether "partial" loss of hearing would also have to be "permanent". Assuming that is the case, would not a great majority of Americans have a valid claim for pain and suffering lawsuits? Recent studies concerning noise pollution have disclosed a large percentage of the population, from one noise source or another, have suffered some type of permanent partial loss of hearing. Would it not, therefore, make it very easy for a trial lawyer to allege—in good faith or bad faith—as a result of an automobile accident—and the noise associated with it—his client suffered permanent, partial loss of hearing? In all likelihood the permanent partial loss of hearing could be medically demonstrated and the issue as to causation—auto accident or otherwise—could be one for the jury. With this additional hole in the lawsuit restriction section, the cost of the Baker amendment could penalize the American consumer even more than State Farm suggested.

Mr. MOSS. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. McCLURE). All time has now been yielded back.

The question is on agreeing to the amendment of the Senator from Tennessee (Mr. BAKER).

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Ohio (Mr. METZENBAUM), and the Senator from Texas (Mr. BENTSEN), are necessarily absent.

I further announce that the Senator from Mississippi (Mr. EASTLAND), the Senator from New Mexico (Mr. MONTOYA), and the Senator from Mississippi (Mr. STENNIS), are absent on official business.

I further announce that, if present and voting, the Senator from Ohio (Mr. METZENBAUM) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Maryland (Mr. BEALL), the Senator from Florida (Mr. GURNEY), the Senator from New York (Mr. JAVITS), the Senator from North Dakota (Mr. YOUNG), are necessarily absent.

I also announce that the Senator from Utah (Mr. BENNETT), the Senator from Colorado (Mr. DOMINICK), the Senator from Delaware (Mr. ROTH), and the Senator from Pennsylvania (Mr. HUGH SCOTT) are absent on official business.

I further announce that, if present and voting, the Senator from New York (Mr. JAVITS), would vote "nay."

The Senator from Hawaii (Mr. FONG) voted "present."

The result was announced, yeas 31, nays 53, as follows:

[No. 157 Leg.]

YEAS—31

Aiken
Allen
Baker
Bartlett
Bellmon
Bible
Brock
Buckley
Byrd, Harry F., Jr.
Cotton
Dole
Domenici
Eagleton
Ervin
Fannin
Goldwater
Griffin
Hansen
Hartke
Helms
Hollings
Johnston
McClellan
McClure
Nunn
Scott, William L.
Sparkman
Stafford
Symington
Talmadge
Tower

NAYS—53

Abourezk
Bayh
Biden
Brooke
Burdick
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cranston
Curtis
Gravel
Hart
Haskell
Hatfield
Hathaway
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Long
Magnuson
Mansfield
Mathias
McGee
McGovern
McIntyre
Metcalf
Mondale
Moss
Muskie
Nelson
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Schweiker
Stevens
Stevenson
Taft
Thurmond
Tunney
Weicker
Williams

ANSWERED "PRESENT"—1

Fong

NOT VOTING—15

Beall
Bennett
Bentsen
Dominick
Eastland
Fulbright
Gurney
Javits
Kennedy
Metzenbaum
Montoya
Roth
Scott, Hugh
Stennis
Young

So Mr. BAKER's amendment was rejected.

Mr. MOSS. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PEARSON. Mr. President, the Committee on Commerce has devoted several years to the development of a reasonable bill to establish minimum standards for automobile insurance reform in the several States. The committee can now recommend with confidence to the Senate the passage of S. 354.

Because of the complexity of insurance regulation, and because of the serious inadequacies and inequities inherent in the existing tort reparation system, the committee has proceeded with extreme caution and extraordinary thoroughness in drafting the pending bill. Initially the 91st Congress approved a resolution sponsored by our distinguished chairman, Mr. MAGNUSON, authorizing a Department of Transportation study and investigation of the existing compensation system of automobile accident losses. Then Secretary of Transportation John Volpe, in March 1971, presented to the committee a 23-volume report which was devastating in its indictment of the system. The conclusion of the report was unmistakably clear, and supported by every parameter of consideration of the issue: that a compelling case could be made for no-fault.

Throughout the remainder of the 92d Congress and in the first session of the 93d Congress the committee continued to refine and perfect the initial proposals of Chairman MAGNUSON and the distinguished Senator from Michigan (Mr. HART). The committee has been assisted by the contributions of scores of public and private witnesses, the federally funded actuarial studies of Milliman and Robertson, and, most importantly, the conclusions and recommendations of the National Conference of Commissioners on Uniform State Laws. The model State bill proposed by the national conference has become the technical basis for the minimum standards enumerated for adoption by the several States in title II.

Mr. President, I believe all Senators have benefited from the constructive and detailed review of S. 354 conducted by the Committee on the Judiciary. Primarily, the constitutional issues raised by the bill have been reviewed in the appropriate forum. In concluding that S. 354 is constitutional, a majority of the Judiciary Committee has endorsed our proposal that its enactment will not precipitate the difficulties and inequities feared by those who have elected to oppose the bill.

Mr. President, the incredible deficiencies of the tort reparation system are so well documented and understood that it is hardly necessary in this general statement to dwell upon them. Those who are the victims of minor accidents are overcompensated while those who sustain serious or permanent injury are grossly undercompensated for their economic losses. The cost of administration of the system is so high that only 44 cents out of every premium dollar is returned to the victims of accidents. More than $8 billion annually is absorbed by the infrastructure of the "injury industry."

Those who are grossly undercompensated for their economic loss under the existing system, and under most quasi-no-fault systems now in force in the States, are few in numbers compared to those who sustain relatively minor injuries. Only 4 percent of all accident victims, or about 160,000 persons annually, sustain nearly 50 percent of all of the economic losses of all accident victims. According to the DOT study, however, these unfortunate few receive only about 31 percent of the benefits paid out of the system.

According to the best actuarial studies available adoption of title II minimum standards in the States would reduce premium payments by about $1.5 billion annually while increasing benefits by about $3–4 billion annually.

In attempting to eliminate the inequities, the committee has not only been sensitive to the need to control premium costs and increase benefit payments, but also to the obligation to retain the traditional tort remedy for those who, through no fault or negligence of their own, are the victims of serious or disabling injury. I want to stress that the law of wrongful death is left unimpaired by the committee bill. Anyone who is disfigured or sustains disabling injury or is unable to work for more than 3 months at his usual occupation will have access to the courts and a settlement for general damages and noneconomic damages—commonly called pain and suffering.

Every American should know that upon the adoption of S. 354 and conforming State legislation, he will not only be guaranteed first party benefits for all of his medical and rehabilitation expenses, at least $15,000 of his wage loss, and other economic losses, but he will also retain virtually unrestricted freedom to sue anyone who has wrongfully caused his injuries if those injuries are substantial.

Mr. President, in this statement I should like to observe, finally, that this is not a Federal takeover. The machinery established in every State to regulate insurance will continue to operate unimpeded. The rate base will continue to be the driving experience of individals within a particular State. Conditions in other States will only indirectly influence premium levels—just as is the case today. The several States will retain the opportunity to establish rates which reflect conditions at home. And if conditions at home are worse or better than elsewhere the rates vary accordingly.

Mr. President, if a great wall could be built around the territory of every State and if no driver were permitted to transport his automobile beyond the boundary of his State there would be no legitimate basis for congressional action on S. 354. The gravamen of this proposal is to fulfill the Federal responsibility in interstate commerce. The Supreme Court in 1944 held that insurance is interstate commerce. The Congress is responding to this ruling enacted the McCarran-Ferguson Act which expressly authorized the several States to exercise concurrent authority to tax and regulate insurance. The Congress did not abdicate its responsibility in that legislation; indeed the Congress has not the power to evade a constitutional duty. The Congress merely delegated certain of the inherent Federal functions to the several States.

Today the Committees on Commerce and Judiciary are sensitive to the preeminent Federal responsibility to regulate interstate commerce in a manner which promotes the necessary degree of conformance among the several States. The traveler who crosses a State line today must carry insurance, and pay premiums for the insurance, to protect him against the zone of liability established by the legislatures of the States in which he chooses to drive.

The adoption at the State level of a no-fault plan, while providing essential first-party benefits to its residents cannot, of course, influence the liability of those residents when they travel into a foreign jurisdiction.

The establishment of minimum standards as outlined in title II will promote lower costs, resolve complex conflicts-of-laws questions, and establish a minimum threshold requirement for civil liability which will eliminate predatory suits by claimants everywhere in the country.

Needless to say, the bill does not affect in any way an individual's criminal liability for his actions behind the wheel. Those criminal actions are an essential police power of the States, and Congress has no authority or responsibility to interfere.

Mr. President, I urge the adoption of S. 354, the National No-Fault Motor Vehicle Insurance Act, as a proposal which has been carefully structured to respond to an undisputed need.

Mr. TOWER. Mr. President, I would like to take this opportunity to express my views on the matter of S. 354, the so-called no-fault insurance bill, now pending before the Senate. Those views are developed from two separate perspectives: The federalism issues raised by the bill and the workability of the bill.

I believe that I must concur with the opinion of Dean Erwin Griswold that the bill is not assailable on constitutional grounds under existing precedent of the U.S. Supreme Court. That fact, however, does not mean that the Senate can simply ignore the constitutional implications of the bill. Quite to the contrary, this body has an absolute responsibility to the electorate of this Nation to assess such implications with the utmost care.

S. 354 has been proposed pursuant to the authority vested in Congress by the commerce clause of the Federal Constitution. That clause was first elaborated by the first Chief Justice, John Marshall, in the famous case of *Gibbons* v. *Ogden*, 9 Wheat. 1 (1824). In his opinion Mr. Chief Justice Marshall stated that the limits of the term "commerce" were exceptionally broad and that the power to regulate commerce "is complete in itself, may be exercised to its utmost extent, and acknowledges no limitations, other than are prescribed in the Constitution."

All must concede that automotive traffic in this Nation affects interstate commerce. It virtually supports the petroleum industry, the automobile industry and the tourist industry, among others. *Cf. Wickard* v. *Filburn*, 317 U.S. 111 (1942). But these facts notwithstanding, I submit that the authors, sponsors, and pushers of S. 354 have utterly failed to prove: First, that automotive-traffic-accident reparations are a fit matter for Federal regulation; second, that the fault system constitutes a burden on automotive traffic; and third, that the individual States are not fit to handle the matter of reparations for automotive traffic accidents. On these grounds alone I vigorously oppose the bill.

What we have is the author's naked assertion that:

> (3) The maximum feasible restoration of all individuals injured and compensation of the economic losses of the survivors of all individuals killed in motor vehicle accidents on Federal-aid highways in interstate commerce, and in activity affecting interstate commerce is essential to the humane and purposeful functioning of commerce;
>
> (4) To avoid any undue burden on commerce during the interstate or intrastate transportation of individuals, it is necessary and proper to have a nationwide, low-cost, comprehensive, and fair system of compensating and restoring motor vehicle accident victims and the survivors of deceased victims. S. 354, pp. 55–56, LL. 11–13 and 1–10.

Now that is just dandy language, but unfortunately all it reflects are conclusions. Although I believe there are cases that might support the proposition that the courts will not go behind the findings of Congress when it has found that a matter affects interstate commerce and should be regulated, the Senate has a right to expect an articulation of the rationale behind such a conclusion; and if one is not forthcoming, as in this case, the Senate should demand it. Someone's ipse dixit that the reparations system is in interstate commerce or that the fault system burdens interstate commerce simply will not suffice.

An initial inquiry is whether reparations, as contrasted with automotive traffic, are in interstate commerce, and I submit the answer is clearly that they are not. In the first place, determinations of fault are simply not trade, traffic, commerce, transportation, or communications among the several States. On the other hand, insurance policy sales, and payments pursuant thereto, are in interstate commerce, generally, but this avenue leads the bill's proponents to a real briar patch, for they have to admit that S. 354 implicitly repeals the McCarran-Ferguson Act. If Congress wants to regulate the subject aspect of insurance transactions, it can certainly do the same to any other aspect of insurance transactions should it so desire. Assuming, however, that there is yet vitality to the McCarran-Ferguson Act, one could say that Congress has withdrawn insurance transactions from the ambit of the commerce clause.

The question also arises whether the reparations system affects interstate commerce. Again, I submit that it clearly does not. Proponents of the bill say it does but don't tell us how, and I don't believe they can tell us how. No one is simple-minded enough to claim that no-fault insurance reduces traffic accident rates. Nor does anyone claim that no-fault will put fewer drivers on the road. In fact, the proponents give themselves away by claiming that the clause is necessary to the "humane" functioning of the commerce clause. I honestly believe the framers and Marshall would split their sides laughing if they could see that language.

The worst aspect of this bill is that it displaces the States from an area where the Federal Government has absolutely no business intruding. There is no proof whatsoever that the States cannot handle these kinds of problems. In fact, if the present State systems so burden interstate commerce, why has there been no case seeking to overturn State regulation on that ground? The simple answer is that the claimant would be laughed out of the courtroom. Furthermore, if the States cannot handle the problem, why does S. 354, by its own terms, attempt to coerce the States into setting up State no-fault plans with Federal standards, instead of establishing a Federal administration?

Proponents of the bill claim that nonuniformity of State laws burdens interstate transportation, but again they fail to articulate how. As Dean Griswold points out, there is precedent for Congress to pass a uniform reparations law, but that certainly does not dictate that Congress should pass such a statute. As a matter of fact, the "exhaustive" studies of the Department of Transportation clearly take the position that a uniform Federal statute should not be enacted. I quote from "motor vehicle crash losses" at page 140:

> Implementation. Without question, any revision of the system along the lines outlined above would entail major changes in existing institutions and practices. The orderly accomplishment of such changes would require further study, co-operation, understanding, planning and the dedicated effort of all concerned, especially of the insuring public
>
> Mere speculation without observation of the actual operation of a new system is an inadequate basis for immediate and fundamental changes of a national scope in an important area. *Experience with diverse plans in the States is essential,* and one state has already, this January, taken a step down the road. *The States are the best arena in which to solve the problem.* (Emphasis added.)

At the present time, 22 States have enacted no-fault laws, and those plans possess the essential diversity called for by Secretary Volpe. No prophets have yet appeared who are willing to guarantee that their visions of the no-fault paradise will, with certainty, come true.

Every prediction for the future success of a particular plan is coupled with the caveat that it might very well fail if the multiple actuarial guesses turn out, in actual experience, to be wrong. The fact that all the plans so far enacted are diverse is not a reason to enact uniform Federal standards. On the contrary, diversity is essential if enough solid actuarial experience is to be gained, and enough public experience is to be gained, to make an intelligent choice as to what benefits are needed, what exemptions are required, and what remnants of individual responsibility should be retained.

In my State, Texas, the legislature has enacted a no-fault insurance program attended by a number of revisions in State tort law, including modification of the guest statute and implementation of a comparative negligence test. The State legislature has resolved that it should be left to its own devices regarding no-fault, and I wholeheartedly concur.

As to the workability of the plan itself, I address first the matter of percentage of premium payout under the present fault system, as opposed to premium payout under no-fault. All of the following figures, except those relating to the Massachusetts experience, are taken from "best's aggregates and averages, property-liability." This report is an unimpeachable source of information for it is a composite of annual reports of every insurance company in the United States. These reports are accepted without question by State regulatory agencies.

Appendix A to these remarks compare automobile liability insurance payouts for 1972 with payouts of several types of insurance that do not require determinations of fault, including no-fault auto liability insurance in Massachusetts. Statistics on the Massachusetts experience were taken from a recent article in the Mississippi Law Journal. As can be seen, the payouts under the fault system are substantially higher than any of those payouts with which it is compared. Furthermore, the administration costs of no-fault in Massachusetts are substantially higher than for plans administered under the fault system. Thus, contrary to the conclusions in the bill, the fault system is a good deal more efficient, not less, than no-fault insurance.

It is claimed by some that Federal no-fault insurance will substantially relieve the congestion in court dockets. This is hogwash. Statistics of the Texas Judicial Council demonstrate that of the aggregate of pending cases on the dockets in Texas district courts, 4.5 percent are auto liability cases, most of which are settled before trial. In contrast, 70 percent of the cases on those dockets are criminal. Therefore, to apply the logic of the proponents of this bill, perhaps we should pass a no-fault car theft statute. Such a statute might provide for prosecution of those stealing Cadillacs, but set free those who steal Fords and Chevrolets. That would reduce docket congestion, in all probability, more than no-fault.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the amendment by Mr. MAGNUSON be temporarily laid aside and that the Senator from Illinois be recognized to call up his amendment, on which there be a time limitation of 30 minutes, to be equally divided in accordance with the usual form.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The Senator from Illinois is recognized.

Mr. GRIFFIN. Mr. President, will the Senator yield, without the time being charged to him?

Mr. PERCY. I yield.

PROGRAM

Mr. GRIFFIN. Mr President, I take this time to inquire of the distinguished majority leader whether he can tell us what the program will be for the remainder of the day, the remainder of the week, and anything he can tell us about next week.

Mr. MANSFIELD. Mr. President, it is my understanding that there will be few, if any, amendments offered to the pending business tomorrow.

I had approached the distinguished acting Republican leader and discussed with him the possibility of taking up

Calendar No. 746, S. 2986, tomorrow. He suggested that I give consideration to Monday.

Therefore, Mr. President, I ask unanimous consent that at 3 or 3:30 p.m., on Monday, the Senate go on a second track and proceed to the consideration of Calendar No. 746, S. 2986, the International Economic Policy Act of 1972, as amended.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. The purpose is to take advantage of the situation which confronts Congress in these troubled days. So long as that is agreeable——

Mr. TOWER. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. TOWER. I know it has already been agreed to. I did not have a chance to reserve the right to object—and I do not intend to object—but it is my understanding with the Senator from Montana that we will return to the consideration of the pending business at the close of business on Monday.

Mr. MANSFIELD. That is correct. And it will be the pending business on Tuesday. We would anticipate, on the basis of an agreeemnt entered into by the Senate, that the vote on final passage of the pending business would occur at 3 o'clock on Wednesday. Then we would go back on this bill again.

Mr. TOWER. In other words, the only time prior to the disposition of the pending business that we would be on the second track and in consideration of S. 2986 would be between the hours of 3 and 3:30 and the close of business on Monday?

Mr. MANSFIELD. That is right, unless an agreement was reached by the joint leadership and concurred in by the Senate, by which a second-track operation could take place on Tuesday, which I think is highly doubtful.

Mr. TOWER. I think it is highly doubtful.

Mr. MANSFIELD. Well, I think the Senator is being conservative. [Laughter.]

But when the pending business is disposed of, then this bill would be the pending business on Wednesday.

Mr. TOWER. The Senator has said he has not propounded that in terms of a unanimous-consent agreement. I would hope that would be negotiable.

Mr. ROBERT C. BYRD. It would not be, because it would automatically be the pending business following disposition of the then pending business.

ORDER FOR ADJOURNMENT TO MONDAY, APRIL 29, 1974

Mr. MANSFIELD. So, Mr. President, with the understanding that between the hours of 3 and 3:30 on Monday next the Senate will turn on a second-track posture, to Calendar No. 746, S. 2986, I ask unanimous consent that when the Senate adjourns today, it stand in adjournment until the hour of 12 noon Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. There will be no session tomorrow.

PROGRAM—CONTINUED

Mr. MANSFIELD. Mr. President, then on Tuesday we will return to the pending business, and stay with it, I assume, until it is finished, and then return to what will then be the unfinished business and become the pending business, S. 2986, authorization of appropriations for the International Economic Policy Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. After that, to continue with the query raised by the distinguished acting Republican leader, it would be the intention to turn to the aid to education bill, which has been on the calendar for 3 or 4 weeks—either that or the energy bill, depending upon the circumstances, and again after consultation with the Republican leadership.

Then, of course, we have to consider the possibility next week of taking up the supplemental appropriation bill.

That is about it into the immediate future.

Mr. GRIFFIN. Just so Senators will be aware, there is some possibility, I take it, that an amendment having to do with wage and price controls may be offered on Monday to the bill being called up.

Mr. MANSFIELD. Yes. As I indicated to the distinguished acting Republican leader, there will be such an amendment to the bill offered, and that will be the beginning of a struggle of some sort or other.

Mr. GRIFFIN. I thank the majority leader.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the amendment of the House to the amendment of the Senate to the bill (H.R. 9492) to amend the Wild and Scenic Rivers Act by designating the Chattooga River, North Carolina, South Carolina, and Georgia as a component of the National Wild and Scenic Rivers System, and for other purposes.

NATIONAL NO-FAULT MOTOR VEHICLE INSURANCE ACT

The Senate continued with the consideration of the bill (S. 354) to establish a nationwide system of adequate and uniform motor vehicle accident reparation acts and to require no-fault motor vehicle insurance as a condition precedent to using a motor vehicle on public roadways in order to promote and regulate interstate commerce.

Mr. PERCY. Mr. President, I call up my amendment No. 1202.

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk proceeded to read the amendment.

Mr. PERCY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Amendment No. 1202 is as follows:

On page 98, between lines 14 and 15, insert the following:

(g) Reporting Requirements.—The Secretary, in cooperation with the commissioners, shall annually review the operation of State no-fault plans for motor vehicle insurance established in accordance with this Act and report on—

(1) the cost-savings resulting from the institution of any such plan which meets or exceeds the national standards set forth in this Act and any subsequent savings resulting from the continuing operation of such plans;

(2) appropriate methods for refunding to members of the motoring public any cost-savings realized from the institution and operation of such no-fault insurance plans;

(3) the impact of no-fault insurance on senior citizens; those who live in farming and rural areas; those who are economically disadvantaged, and those who live in inner cities;

(4) the impact of no-fault insurance on the problem of duplication of benefits when an individual has other insurance coverage which provides for compensation or reimbursement for lost wages or for health and accident (including hospitalization) benefits;

(5) the effect of no-fault insurance on court congestion and delay resulting from backlogs in State and Federal courts;

(6) the impact of no-fault insurance, reduced speed limits, and other factors on automobile insurance rates; and

(7) the impact of no-fault insurance on competition within the insurance industry, particularly with respect to the competitive position of small insurance companies.

The Secretary shall report to the President and Congress simultaneously on July 1 each year on the results of such review and determination together with his recommendations thereon.

Mr. MANSFIELD. Mr. President, will the Senator yield, without any time being taken out of his allotment?

Mr. PERCY. I am happy to yield.

Mr. MANSFIELD. Mr. President, for the information of the Senate, may I ask if there will be any other amendments offered today after the disposal of the pending amendment offered by the Senator from Illinois (Mr. Percy)?

Mr. MAGNUSON. Mr. President, not as far as I know. I am going to ask that the amendment that I will have to offer go over to the first of the week, Monday or Tuesday.

Mr. HRUSKA. Mr. President, we have no amendments that I know of on this side.

Mr. MANSFIELD. Then, I would take it, on the basis, unless something comes up in the meantime, that the vote on the pending amendment will be the final vote today.

Mr. PERCY. Mr. President, it is not the intention of the Senator from Illinois to ask for a rollcall.

Mr. MANSFIELD. Or the disposition of the amendment.

Mr. PERCY. Mr. President, as a general principle, I am strongly in favor of allowing the States to act in a field of governmental activity as they see fit. I recognize the desirability, indeed, the need, for encouraging different States to use different approaches to social problems at different times. This is the essence of federalism which goes to the very heart of our governmental system. It is for this reason that I supported the Nixon administration's proposal that the

States be given several years in which to adopt genuine no-fault statutes of their own. Unfortunately, in the face of mounting evidence of the inadequacies of the present automobile liability insurance system, many States have done nothing or have not acted in a meaningful fashion.

Because of this unreasonable delay and the manifest need of all Americans for better automobile insurance coverage, I support the adoption of a national no-fault insurance system by means of establishing reasonable minimum standards applicable to all of the States. A Federal no-fault insurance system offers the possibility of lower premium rates for most drivers, broader coverage for most victims, and quicker, more equitable payment to those most seriously injured.

Mr. President, while I support the concept of no-fault automobile insurance, I have been concerned during the debate on S. 354 that our knowledge about all the effects of a no-fault system is not as great as it should be.

It is for this reason that I feel that the operation of any Federal no-fault insurance system requires close legislative and executive branch scrutiny. The amendment I am offering today is designed to enable the Congress and the President to undertake this important oversight function.

The amendment directs the Secretary of Transportation to annually analyze the operation of the various State no-fault insurance plans that would be established under S. 354 in order to determine their effect on insurance premium costs, on various economic and social groups, on court backlogs, and on the state of competition within the insurance industry. Under this amendment the Secretary of Transportation would be required to include in his report recommendations on how any cost savings resulting from the creation and operation of a national no-fault insurance system could be best passed on to the motoring public.

I would like to add one final point which should be obvious from the text of this amendment. Federal regulation is not contemplated under this legislation. It directs the Secretary of Transportation to perform an information-gathering and analysis function so that in the future we will all be better educated on the impact of no-fault automobile insurance on the insurance industry and the motoring public.

Mr. MAGNUSON. Mr. President, the Senator from Illinois made a very important observation, and his amendment, I think, is very consistent with the objectives and the philosophy of S. 354. It was never our intention to have the Federal Government interfere with the regulatory powers of the States.

Mr. PERCY. Mr. President, I am sorry. Could the Senator use his microphone? The Senator from Illinois has a common problem with the Senator from Washington, only mine is more severe.

Mr. MAGNUSON. So I think the traditional delegation to the States of the responsibility for regulation of the business of insurance should be continued. The Federal Government, of course, can provide technical assistance, if the States wish it. The amendment requiring the Secretary of Transportation to collect and report on informational matters relating to no-fault automobile insurance will provide such assistance without any interference. That is what they have been doing down there now, or should be doing.

On behalf of the managers, I am happy to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment (No. 1202) of the Senator from Illinois.

The amendment was agreed to.

The PRESIDING OFFICER. The question now recurs on agreeing to the amendment (No. 1132) of the Senator from Washington (Mr. MAGNUSON) and other Senators.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HART. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONSTITUTIONALITY OF S. 354

Mr. HART. Mr. President, during the time S. 354, the National No-Fault Motor Vehicle Insurance Act, was being considered in the Judiciary Committee, certain constitutional issues were raised and discussed quite fully. These issues fall into three groupings: First, whether Congress has authority under the interstate commerce clause and other sources of power to enact reforms of the existing automobile accident reparations system;

Second, whether the manner in which the bill substitutes the right to recover no-fault benefits for accident victims for the right to sue for damages in tort is consistent with due process and equal protection guarantees; and

Third, whether the bill exceeds constitutional limits on Federal authority to authorize or compel action by State governments or their regulatory officials by coercing or requiring States to take affirmative action in conflict with some States' own constitutional provisions or by leaving the administration of a federally imposed no-fault plan to State officials.

Because of the great importance of these constitutional questions raised, I would like to discuss each area briefly and to clarify the final views of the majority of the members on the Judiciary Committee regarding the constitutionality of S. 354.

1. CONGRESSIONAL AUTHORITY TO ENACT REFORMS FOR THE AUTOMOBILE ACCIDENT REPARATIONS SYSTEM

Mr. President, no witnesses, either before the Judiciary Committee or before the Commerce Committee, seriously questioned the authority of Congress to deal with the problems to which S. 354 is addressed. It was widely conceded that Congress, if it so chose, could create a Federal reparations system and assert direct Federal administrative control over determinations of liability and compensation for accident-caused injuries. Indeed, our colleagues, in their minority views of the Judiciary Committee report, agreed that—

> Congress clearly has the power, under the Commerce Clause of the Constitution, to enact a national automobile accident compensation system, subject to direct Federal regulation. (S. Rept. No. 93-757, Minority Views, p. 40.)

While this may, therefore, be regarded as a settled issue, I believe, in the interests of thoroughness, a review of the ample authority in support of that consensus would be beneficial.

First, Mr. President, it should be noted that S. 354 is predicated on congressional findings, specifying the needs which Congress has designed the legislation to fulfill and stating the relationship between those needs and Congress authority under the commerce clause. Without reviewing these findings in detail here, let us note their basic purport:

First, that the existing fault-based system of auto reparations is a burden on commerce, because it is inefficient, inadequate, and inequitable;

Second, that a no-fault system, mandating high minimum, first-party benefits and restricting tort remedies is necessary to remove this burden;

Third, that intrastate motor vehicle transportation affects interstate commerce in ways which require covering all parts of the nationwide accident reparations system with certain minimum standards; and

Fourth, that a system uniform in its essential aspects is appropriate to avoid confusion, uncertainty, and expense for participants in the system.

Mr. President, the Judiciary Committee believes these findings put the validity of Congress exercise of its authority under the commerce power beyond serious question.

They further justify extending that power, as S. 354 does, to all auto accidents and all insurance contracts within its terms. The Supreme Court long ago held that the business of insurance is interstate commerce, in terms which plainly bring the automobile insurance system within Congress purview to the extent that it is governed by S. 354. This matter is fully discussed in the case of *United States* v. *Southeastern Underwriters Association,* 322 U.S. 533 (1944).

In another important case, *United States* v. *Wrightwood Dairy Co.,* 315 U.S. 110 (1942), the Court held:

> The commerce power is not confined in its exercise to the regulation of commerce among the states, [but] extends to those activities intrastate which so affect interstate commerce, or the exertion of the power of Congress over it, as to make regulation of them appropriate means to the attainment of a legitimate end, the effective execution of the granted power to regulate interstate commerce. (315 U.S. 110 at 119.)

For another application of this principle, I direct your attention to the case *of United States v. Darby,* 312 U.S. 100 (1941).

2. THE CONSTITUTION PERMITS LEGISLATIVE SUBSTITUTION OF THE RIGHT TO RECOVER FIRST-PARTY BENEFITS FOR THE RIGHT TO SUE IN TORT FOR DAMAGES

Mr. President, I am pleased that our colleagues on the Judiciary Committee who submitted minority views did not endorse the claims of some that the concept of no-fault itself is afflicted by constitutional infirmities which would preclude its adoption by either Congress or a State legislature. Nevertheless, I will briefly review those points to set at rest any questions that might arise.

THE DUE PROCESS ARGUMENT

Some of the opponents of no-fault reform legislation have contended, both at the State and Federal level, that the due process clause forbids legislatures from eliminating the right to sue in tort for negligence in automobile accident cases, and to substitute therefor the right to recover first-party benefits.

This contention echoes arguments often invoked in the past, on many occasions in which major reforms have involved the elimination of some preexisting common law rule. Uniformly, such claims have been rebuffed. Indeed, it was a full century ago that the Supreme Court held in the case of *Munn* v. *Illinois*, 94 U.S. 113 (1876):

> A person has no property, no vested interest, in any rule of the common law. That is only one of the forms of municipal law, and is no more sacred than any other. Rights of property which have been created by the common law cannot be taken away without due process; but *the law itself, as a rule of conduct, may be changed at the will, or even at the whim, of the legislature, unless prevented by constitutional limitations. Indeed, the great office of statutes is to remedy defects in the common law as they are developed, and to adapt it to the changes of time and circumstances.* (94 U.S. 113, at 134.)

In numerous decisions, the Court has approved legislative schemes which, like no-fault auto reparations laws, substitute first-party recovery for tort rights. The leading case in this area, *New York Central Railroad Company* v. *White*, 243 U.S. 188 (1917), involved a workman's compensation statute, which the Court upheld in terms directly applicable here:

> No person has a vested interest in any rule of law entitling him to insist that it shall remain unchanged for his benefit. . . . The statute under consideration sets aside one body of rules only to establish another system in its place. If the employee is no longer able to recover as much as before in case of being injured through the employer's negligence, he is entitled to moderate compensation in all cases of injury, and he has a certain speedy remedy without the difficulty and expense of establishing negligence or proving the amount of the damages. (243 U.S. at 198.)

For purposes of due process and the Constitution, there is no meaningful difference between the character of the adjustment of rights and remedies involved in these workman's compensation cases and that involved in the enactment of a no-fault system for auto accident reparations.

Mr. President, opponents of no-fault have sought to distinguish workman's compensation on the grounds, first, that, unlike motorists, workmen and their employers have a "contractual" relationship; second, that , unlike motorists, workmen, their employers, and their fellow employees are all participants in a common enterprise, and third, that, under workman's compensation schemes, the workmen who lose their tort rights are, unlike motorists under no-fault, not required themselves to bear the burden of premiums to support the reparations system—it is supported by employer contributions.

These distinctions are of no moment. The "contractual" or "common enterprise" relationships among employers and employees do not in any way diminish the fact that, both under workman's compensation and no-fault, first-party systems are substituted for tort-based systems whereby tort law adversaries are treated as participants in a common fund and provided equivalent benefits. Similarly, the fact that employers formally bear the financial burden of contributing to the fund under workman's compensation constitutes a legalistic, but not an economic or functional difference between such systems and no-fault systems; employer contributions are labor costs from an economic standpoint, and necessarily, therefore, they affect the pay which workers take home as wages just as they would if they were insurance payments which workers were required to make out of what would otherwise be a larger paycheck.

Mr. President, a majority of the members of the Judiciary Committee believe there is no room for doubt that the carefully drawn provisions of S. 354 are a reasonable means of reaching the permissible legislative objectives of the statute.

It is important to bear in mind, as the Supreme Court recently emphasized in *Dandridge* v. *Williams*, 397 U.S. 471 (1970), that the standard of constitutional review applied to legislation in the social and economic field is simply whether the legislation in question bears a reasonable relationship to a proper legislative purpose. I believe it is amply demonstrated that there does exist a reasonable link between the objectives of S. 354, of removing specified burdens from commerce, and the means chosen to attain this objective—substitution of first-party benefits for tort rights.

THE EQUAL PROTECTION ARGUMENT

Mr. President, the equal protection question raised by opponents of this legislation would seem to present even less difficulty than the due process question, especially in view of the Supreme Court's 1970 decision in *Dandridge* v. *Williams*, 397 U.S. 471 (1970). In that case, the Court sustained against an equal protection challenge a State-imposed ceiling on welfare payments to large families, the effect of which was to discriminate in favor of children of relatively small families.

"In the area of economics and social welfare," the Court held:

> [A] State does not violate the Equal Protection clause merely because the classifications made by its laws are imperfect. If the classification has some "reasonable basis," it does not offend the Constitution simply because the classification "is not made with mathematical nicety or because in practice it results in some inequality." [Citations omitted.] (397 U.S. at 485.)

The case of Dandridge precludes successful equal protection attacks on any provisions of S. 354 which uses the seriousness of the injury as a basis for classification—on the ground that such distinctions create differing impacts on people in differing economic circumstances—or on provisions defining the circumstances in which actions for noneconomic losses may lie—section 206, permitting such suits only in cases of death, serious and permanent disfigurement, other serious and permanent injury, or more than 6 months' continuous total disability.

Mr. President, I further invite the attention of the Senate to the fact that the Supreme Court, on April 1 of this year, decided a case which directly bears upon this very issue. The case of *Village of Belle Terre* v. *Boraas* (Docket No. 73–191) involved a New York village ordinance which restricted land use to "families" and defined "families" as persons related by blood, adoption or marriage, or not more than two unreleated persons living and cooking together as a single housekeeping unti. Six unrelated college students were cited for violating the ordinance. The case was brought to the Supreme Court where this land-use restriction was challenged as violative of the equal protection clause of the Constitution.

The Supreme Court, in a 7-to-2 decision, written by Mr. Justice Douglas, held that in dealing with—

> [E]conomic and social legislation where legislatures have historically drawn lines which we respect against the charge of violation of the Equal Protection Clause if the law be "reasonable, not arbitrary" (quoting *Royster Guano Co.* v. *Virginia*, 253 U.S. 412, 415) and bears "a rational relationship to a [permissible] state objective." (citing *Reed* v. *Reed*, 404 P.S. 71, 76.

The Court went on to state the basic principle involving review of this type of economic and social legislation:

> But every line drawn by a legislature leaves some out that might well have been included. That exercise of discretion, however, is a legislative not a judicial function.

The Court included in a very instructive footnote a quote which the great Mr. Justice Holmes made a half century ago:

> When a legal distinction is determined, as no one doubts that it may be, between night and day, childhood and maturity, or any other extremes, a point has to be fixed or a line has to be drawn, or gradually picked out by successive decisions, to mark where the change takes place. Looked at by itself without regard to the necessity behind it the line or point seems arbitrary. It might as well or nearly as well be a little more to one side or the other. But when it is seen that a line or point there must be, and that there is no mathematical or logical way of fixing it precisely, the decision of the legislature must be accepted unless we can say that it is very wide of any reasonable mark. *Louisville Gas Co.* v. *Coleman*, 277 U.S. 32, 41 (dissenting.)

Mr. President, in light of this clear constitutional authority, it does not seem that any reasonable equal protection claim can be raised against this bill.

3. S. 354 DOES NOT EXCEED CONSTITUTIONAL LIMITS ON FEDERAL AUTHORITY TO AUTHORIZE OR COMPEL ACTION BY STATE GOVERNMENTS

STATE CONSTITUTIONAL PROVISIONS ALLEGED TO CONFLICT WITH PROVISIONS OF NO-FAULT PRINCIPLE

Mr. President, an argument was made to the Committee on the Judiciary that the Federal Government cannot compel a State to act in violation of its State constitution, and that various provisions in several State constitutions would conflict with the State action needed to implement S. 354.

Testimony presented before the Commerce and the Judiciary Committees shows that five States—Arizona, Arkansas, Kentucky, Pennsylavnia, and Wyoming—have a specific provision in their State constitutions prohibiting the limitation of the amount to be recovered for injury resulting in death or injuries to persons or property. In four other States—Ohio, New York, Oklahoma, and Utah—there is similar constitutional provision applicable only to injuries resulting in death. Finally, in 20 States, there are provisions which in various ways seeks to assure that all courts shall be open and every person shall have remedy for his injuries.

There is no basis for the suggestion that these State constitutional provisions will block implementation of a national no-fault law.

First, as Dean Erwin N. Griswold's opinion, submitted to the Judiciary Committee during hearings on S. 354, demonstrates in detail, there is in fact no or virtually no conflict between these State constitutions and no-fault. For example, constitutional provisions which forbid State legislatures from limiting the amount of damages recoverable in tort actions would not preclude the legislature from abolishing an underlying right of action altogether. Dean Griswold's analysis demonstrated that only in one State, Arizona, does the wording of the provision present serious difficulty, and, even in that State, legislative practice appears to indicate that the provision would not be interpreted to bar enactment of a no-fault statute like S. 354.

But, even if one or possibly more State constitutions do conflict with S. 354, such provisions would, to that extent, be void from the instant the Federal bill was signed into law. This effect is guaranteed, not only by the supremacy clause of the Constitution, but by the express language of section 201(a) of the bill, which specifies Congress intent in the most unmistakable terms to preempt provisions of any State law which would "prevent the establishment or administration in such State of a no-fault plan for motor vehicle insurance in accordance with this act."

One witness before the Committee on the Judiciary, Dr. Mitchell Wendell, alleged that preemption under the supremacy clause, and presumably under section 201(a) of th act as well, was effective regarding State courts but not legislatures or administrative agencies. On this theory, he presumed that such State instrumentalities would be free, or, conceivably, bound to disregard S. 354, until or unless directed to do otherwise by a court order.

Mr. President, a majority of the members of the Judiciary Committee have indicated their agreement with Dean Griswold's rebuttal of this point. I quote from his opinion:

> This argument is specious. The Supremacy Clause was intended to be effective. Under clause 3 of Article VI of the Constitution, all State legislative and executive officers, as well as State judicial officers, take an oath to support the Constitution of the United States, and this clearly includes an obligation to support laws which are validly made by Congress under the Constitution. The Supremacy Clause would be singularly deficient if it were read to recognize a situation in which State legislatures or executive agencies were free to act contrary to valid Federal legislation, only to be reversed when the matter appears before the State court. The obvious construction of the Clause is that the State legislation is void from the beginning even if the judgment to that effect is not made until the State or Federal court rules on the matter. The Supreme Court clearly accepted this principle in *Cooper v. Aaron*, 358 U.S. 1 (1958).

Further, our colleagues on the Judiciary Committee who submitted minority views agreed that—

> [A]ny State constitutional provisions prohibiting enactment of a no-fault plan pursuant to Title II would be rendered void, *removing any legal impediments facing a State desiring to enact such a plan.* (S. Rept. No. 93–757, Minority Views, p. 42.)

CONGRESS MAY CONFER AUTHORITY ON STATE INSTRUMENTALITIES NOT GRANTED BY STATE LAW

Mr. President, it should be noted that certain provisions of S. 354 authorize State insurance commissioners to perform certain functions which, under the law of some States, those commissioners may not now possess. It has been alleged that Congress may not thus confer authority beyond that granted by State law on State agencies.

This contention has been decisively rejected by our Federal courts, including the Supreme Court.

Let me cite an example. In the case of the *City of Tacoma* v. *Taxpayer of Tacoma*, 357 U.S. 320 (1958), the Supreme Court reversed a decision by the Supreme Court of Washington, in which the latter court forbade a municipality from acting under a Federal Power Commission license to exercise eminent domain power in the construction of a power project, when the municipality had no such powers under State law. The Washington Supreme Court ruled that only through corrective State legislation could the city's "inability to act be remedied."

The United States Supreme Court reversed. Its decision was technically based on principles of res judicata, since a prior court of appeals decision had already ruled on the precise question, unfavorably to Washington. But the Supreme Court's opinion makes clear its disapproval of the State court's holding. (357 U.S. at pp. 332–33.)

In conformance with the constitutional principle established in this and other cases, Congress has in the past acted to confer authority on State officials, sometimes in terms going far beyond the grants of power contemplated by S. 354.

An example of this technique is the Clean Air Act Amendments of 1970 (42 U.S.C. §§ 1857d et seq.). The Clean Air Act functions in a manner precisely analogous to the mechanisms established by titles II and III of S. 354. Under its complex provisions, States are directed to establish plans designed to attain air quality standards consistent with federally set criteria and recommended control techniques. (42 U.S.C. § 1857d (c)(2).) However, it is the State officials who must then carry out the federally promulgated standards, if necessary, on the basis of authority conferred by the Administrator of the Environmental Protection Agency. In three specific instances, the Clean Air Act expressly directs the Administrator to make necessary delegations of authority to appropriate State officials. (42 U.S.C. §§ 1857c–6(c)(1), 1857c–7(d)(1), 1857c–9(a).) Further, it should be noted that the Environmental Protection Agency has frequently exercised the authority granted by the act to make such delegations to State officials, for example, in plans promulgated for Kentucky, Idaho, and Colorado.

In view of these judicial and legislative precedents, the Committee on the Judiciary in their consideration of S. 354 unanimously rejected charges relating to the fact that the bill preempts State statutory or constitutional provisions, and thus authorizing State agencies to act in violation of conflicting State laws.

CONGRESS MAY REQUIRE STATE GOVERNMENT OFFICIAL TO TAKE AFFIRMATIVE ACTION

Mr. President, after consideration of this legislation by the Judiciary Committee, the sole constitutional issue which appears to remain a question in the minds of some concerns the residual question of certain mandatory responsibilities imposed pursuant to title III. I would like to address this point in some detail.

First, once S. 354 becomes law, if one or more States fail to prepare plans consistent with title II within the generous period of time prescribed by the bill, certain sections of the bill will impose mandatory responsibilities on State insurance commissioners pursuant to implementation of title III. It has been alleged before the Judiciary Committee and before the Commerce Committee that such implementation of mandatory "affirmative" requirements on State officials is beyond congressional power.

While declining to conclude flatly that these mandatory requirements are unconstitutional, our colleagues in their minority views included in the Judiciary Committee report contend that this approach rests on a "tenuous constitutional footing"—Senate Report No. 93–757, minority views, page 42.

A majority of the members of the Judiciary Committee have indicated their disagreement with this contention. Without going into the full argument detailed in the majority report of the Judiciary Committee, I would like to briefly note that one section of that report, beginning at page 14, discusses the requirements of title III—which will, in any event, apply only in those very few States which forgo the opportunity to adopt title II plans—and notes that they are tailored to the contours of traditional insurance regulatory practice. They contemplate that State insurance commissioners will perform tasks substantially identical to those which they already perform under State law—in an environment reshaped by the elimination of tort liability in auto accident cases and by the implementation of minimum first-party benefit levels by the insurance industry.

Indeed, it appears reasonable to assume that the Supreme Court would sanction these requirements as an eminently proper exercise of Congress powers under the commerce clause and the necessary and proper clause. The fact is, the Federal courts themselves have required far more extensive affirmative action of State officials, including State Governors and State legislatures for example, in reapportionment cases. For an illustrative case, I refer Senators to *Holt* v. *Richardson*, 238 F. Supp. 468 (D. Haw. 1965), remanded sub nom. *Burns* v. *Richardson*, 384 U.S. 73 (1966).

Mr. President, the authority of Congress to compel State action would seem to be at least as extensive as that of the Federal judiciary, a principle confirmed by numerous Supreme Court precedents. Some of the many cases involving this principle are *Sanitary District of Chicago* v. *United States*, 266 U.S. 405 (1925); *Board of Trustees of the University of Illinois* v. *United States*, 289 U.S. 48 (1933); *Parden* v. *Terminal Railway of the Alabama State Docks Dept.*, 377 U.S. 184 (1964); *Petty* v. *Tennessee Missouri Bridge Commission*, 359 U.S. 275 (1959); *United States* v. *California*, 297 U.S. 175 (1936); and *Maryland* v. *Wirtz*, 392 U.S. 183 (1968).

That authority is granted by these decisions of the Federal courts has been confirmed by congressional practice, most recently and dramatically with the Clean Air Act Amendments of 1970 as I discussed earlier. That legislation confers extensive and burdensome obligations on State officials and requires them to carry out these responsibilities.

Some witnesses before the Judiciary Committee pointed out that the Clean Air Act contains provisions authorizing the Environmental Protection Agency to issue administrative orders or to seek court injunctions, if State enforcement of plans implementing clean air standards is inadequate. These witnesses note that S. 354 contains no such express warrant for Federal remedial action, although it was conceded, as Dean Griswold noted, that inherent authority would lie in the Attorney General's Office to seek injunctions to enforce the law of the land, were it necessary to invoke that authority to put S. 354 into practice.

This distinction between the terms of the Clean Air Act and those of S. 354 does not alter the fact that the Clean Air Act is a far more thoroughgoing imposition of mandatory requirements on the State than is S. 354. As Dean Griswold explained in a letter on this point to the Senator from Nebraska (Mr. HRUSKA) subsequent to his appearance as a witness:

> As a matter of principle, the remedial provisions of the Clean Air Act (principally section 113, 42 U.S.C. § 1857c–8) do not qualify the absolute character of the state's affirmative obligations under that statute. They are intended to supplement state administration of implementation plans or to compel states to act, but, quite clearly, they are not substitutes for state administration.
>
> From a practical standpoint, the specific responsibilities imposed on states under the Clean Air Act are so extensive that they could not be carried out by the Federal Environmental Protection Agency through either of the two enforcement mechanisms provided by the Act—court actions for injunctions or administrative orders issued by EPA. As noted in my opinion, page 124, the Act requires states to undertake such programs as the establishment of vehicle inspection and maintenance programs, the retro-fitting of certain pre-1968 vehicles with emission control equipment, and similar measures that only state government agencies could, as a practical matter, accomplish. The only manner in which such large-scale programs could be established through the Clean Air Act's enforcement mechanisms would be for EPA to seek federal court or administrative orders against the delinquent state agencies themselves, specifically mandating them to act.
>
> This construction of the statute is confirmed by EPA's own practice. See, e.g., its analysis incident to the promulgation of certain state implementation plans at 38 Fed. Reg. 30632–33:
>
> "Direct Federal enforcement and massive, duplicative Federal programs . . . were not the means contemplated by the Act to solve these problems. It is clearly necessary that implementation of transportation control plans be carried out at the State and local level. The Chairman of the House Committee that reported out the amendments to the Act described their purpose as follows:
>
> "'If we left it all to the Federal Government, we would have about everybody on the payroll of the United States. We know this is not practical. Therefore, the Federal Government sets the standards, we tell the States what they must do and what standards they must meet. These standards must be put into effect by the communities and the States, and we expect them to have the means to do the actual enforcing.'"
>
> Although the proposed national no-fault bill itself makes no provision for a federal remedy in case of default by a state of its Title III obligations, as noted in my opinion (pages 138–150), court actions in the nature of *mandamus* or declaratory judgment would lie to enforce state obligations. Hence, in effect, the remedies for state default under both statutes are similar if not identical.

Mr. President, S. 354, although it does not go nearly so far as the Clean Air Act in imposing mandatory responsibilities on State governments is based on the same moderate approach to meshing a vital national objective with a tradition of predominant State administrative authority. In order to preserve the States' role, Congress establishes minimum standards sufficient to achieve its aims, but calls on the States to assume only those regulatory responsibilities which are requisite for putting those aims into practice.

Mr. President, a majority of the members of the Judiciary Committee found this approach to be an eminently sound technique for assuring the benefits of no-fault reparations to all American citizens.

Further, the majority on that committee believes that, based on our careful and thorough study, the bill, as Dean Griswold so aptly stated in his testimony, is constitutional "both overall and with respect to each of its provisions."

RESPONSE TO COST ANALYSIS CONTAINED IN MINORITY VIEWS OF THE JUDICIARY COMMITTEE REPORT ON S. 354

Mr. President, the minority views of the Judiciary Committee report (S. Rept. No. 93–757, 93d Cong., 2d Sess., pp. 50–54) tend to confuse the cost issue by giving the impression that premium costs will rise under a plan meeting the standards of S. 354. While it is true—because all injured victims are entitled to recover—that there will be more payments for economic loss under S. 354 than there are for combined economic loss and general damages under the tort system, the Milliman and Robertson actuarial study of this legislation indicates premium savings in every State for one plan meeting the requirements of S. 354—unlimited medical and $15,000 wage loss coverage.

These savings will result because: First, loss adjustment expenses will decrease under a first-party system; second, the overpayment of small claims will be eliminated; and third, a higher portion of drivers will carry insurance under the compulsory requirements of this bill.

SPECIFIC ANALYSIS OF MINORITY VIEWS STATEMENT ON COST

A. THE NAII COST PROJECTION OF S. 945—92D CONGRESS

First, the minority views of the Judiciary Committee report on S. 354 make reference to a cost study by an insurance group strongly opposed to Federal no-fault. This group, the National Association of Independent Insurers, based their estimates on an earlier bill considered in the 92d Congress, S. 945. That bill provided $50,000 in wage loss coverage while S. 354 as reported by the Commerce Committee, requires a State to provide only $15,000 in wage loss coverage. The effect of this change, as well as other differences in the required benefit levels, is to make the NAII cost projection no longer valid. There is some question whether the NAII cost estimates were even valid as to S. 945.

B. THE MINORITY VIEWS CREATE CONFUSION BY IMPLYING INCREASED "CLAIMS COSTS"—PAYMENT OF BENEFITS TO VICTIMS—WILL INCREASE PREMIUM COSTS TO INSURED PERSONS

The minority views state that:

> [I]t would appear that it could cost more to pay economic loss alone, under S. 354, than it costs to pay the combined economic loss and general damage total under the tort system (p. 52).

The meaning of this statement is that there will be more benefits paid to injured victims for economic loss alone, under S. 354, than they receive for both economic loss and general damages—pain and suffering—under the tort system. It is true that more benefits will be paid to injured victims under no-fault than under the tort system; that is one of the basic reasons why it is a sound reform proposal. But it is very, very inaccurate to characterize the payments of these increased benefits as meaning there will be increased premium costs to consumers.

These inaccurate and misleading statements concerning the costs under a no-fault system are repeated again in the following statement:

> By comparing the total tort system claim costs to S.[3]54's low benefit, low threshold and $2,500 per claim deduction, it is apparent that consumers in 44 States will experience an increase in costs. (p. 52)

Does that really mean that drivers will have to pay more for insurance under that no-fault plan? No. "Claims costs" is an insurance term which means the cost to an insurance company of paying injured victims entitled to recovery. In other words, the statement above means that the injured victims will receive more dollars in combined benefits for economic loss and general damages under a no-fault plan meeting the requirements of S. 354 than they do under the tort system.

What the tables prepared by the minority staff—minority appendices D and E, pages 81–83—really indicate is not the percentage increase in cost to consumers but rather the percentage increase in benefits paid to injured victims under a no-fault plan providing work loss benefits meeting the standards of S. 354. But as stated previously, even though benefit payments are substantially increased in an S. 354 no-fault plan, this does not mean premiums for auto insurance buyers will increase.

Indeed, the same Milliman and Robertson study from which the above figures were drawn indicates that a low benefit, tight threshold no-fault plan meeting the standards of S. 354 will produce savings in the average personal injury premium and the average total auto premium in every State. The exact percentage savings in every State for total and personal injury premiums are shown in column 4 of exhibits A–1 and A–2, respectively, of the Milliman and Robertson study, which are reprinted at pages 68–69 of the Judiciary Committee Report on S. 354. The savings in the average personal injury premium for each State are also shown in table B of the majority report of the Judiciary Committee—pages 23–24.

Mr. President, I ask unanimous consent that these tables be printed in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE B.—*Costs under plan meeting the benefit and threshold requirement of S. 354—Change in average personal injury premium*

State:	*Percentage decrease* *
Alabama	22
Alaska	9
Arizona	19
Arkansas	19
California	28
Colorado	10
Connecticut	21
Delaware	10
District of Columbia	20
Florida	19
Georgia	16
Hawaii	25
Idaho	12
Illinois	16
Indiana	12
Iowa	12
Kansas	15
Kentucky	12
Louisiana	22
Maine	7
Maryland	10
Massachusetts	25
Michigan	6
Minnesota	14
Mississippi	20
Missouri	20
Montana	10
Nebraska	8
Nevada	21
New Hampshire	14
New Jersey	28
New Mexico	17
New York	22
North Carolina	8
North Dakota	4
Ohio	18
Oklahoma	18
Oregon	11
Pennsylvania	18
Rhode Island	18
South Carolina	3
South Dakota	10
Tennessee	18
Texas	23
Utah	17
Vermont	6
Virginia	5
Washington	15
West Virginia	20
Wisconsin	8
Wyoming	8

* Bill provisions—Parameters and definitions:

Low benefit limitation:

Wage loss, maximum amount, $15,000 fixed.

Services, maximum period, 1 year.

Survivors, maximum amount, $5,000.

Tight Threshold Provision:

Disability, qualifying period, 6 months.

General damages, deductible, $2,500.

Source: Taken from Exhibit A–2 of the Cost Estimate Study of No-Fault Automobile Insurance (Variations on S. 354) (Prepared for the Federal Department of Transportation; study conducted by Milliman and Robertson, Inc., Pasadena, California (1973).)

EXHIBIT A-1

S. 354 COSTS UNDER BENEFIT AND THRESHOLD VARIATIONS—CHANGE IN AVERAGE TOTAL AUTO PREMIUM

State	High benefit level, tight threshold provision	High benefit level, loose threshold provision	High benefit level, no threshold provision	Low benefit level, tight threshold provision	Low benefit level, loose threshold provision	Low benefit level, no threshold provision
Alabama	−5	−1	+4	−9	−4	7
Alaska	0	+5	+10	−4	+1	+0
Arizona	−4	0	+6	−9	−4	+2
Arkansas	−4	0	+5	−8	−4	+1
California	−9	−4	+2	−13	−8	−1
Colorado	0	+4	+10	−4	0	+6
Connecticut	−7	−2	+5	−10	−6	+2
Delaware	0	+4	+10	−4	0	+6
District of Columbia	−6	−1	+6	−8	−4	+4
Florida	−5	0	+8	−10	−4	+4
Georgia	−2	+2	+7	−6	−2	+2
Hawaii	−8	−3	+5	−12	−7	+1
Idaho	0	+4	+8	−5	−1	+4
Illinois	−3	+2	+8	−7	−2	+4
Indiana	0	+4	+10	−5	0	+5
Iowa	0	+5	+10	−5	0	+5
Kansas	−1	+3	+8	−6	−2	+3
Kentucky	−1	+4	+9	−5	0	+4
Louisiana	−5	0	+7	−10	−4	+3
Maine	+2	+6	+11	−3	+2	+6
Maryland	−1	+6	+13	−5	+1	+8
Massachusetts	−8	−2	+5	−12	−7	+1
Michigan	+2	+6	+12	−2	+2	+8
Minnesota	−2	+4	+10	−7	−2	+6
Mississippi	−4	0	+4	−8	−4	0
Missouri	−5	0	+6	−9	−4	+3
Montana	+1	+4	+9	−4	0	+4
Nebraska	+2	+6	+12	−3	+1	+6
Nevada	−5	−1	+3	−8	−5	0
New Hampshire	−1	+4	+9	−6	−2	+4
New Jersey	−11	−6	+2	−14	−8	−2
New Mexico	−2	+2	+7	−7	−2	+2
New York	−6	−1	+6	−11	−6	+2
North Carolina	+2	+7	+13	−4	+2	+8
North Dakota	+4	+8	+12	−2	+2	+7
Ohio	−3	+1	+6	−7	−3	+3
Oklahoma	−3	+2	+8	−7	−2	+4
Oregon	0	+5	+11	−5	0	+6
Pennsylvania	−5	0	+7	−8	−4	+3
Rhode Island	−4	+2	+8	−9	−4	+4
South Carolina	+4	+9	+15	−1	+4	+9
South Dakota	+1	+5	+9	−4	0	+4
Tennessee	−4	+1	+7	−8	−3	+3
Texas	−5	−1	+4	−8	−4	0
Utah	−3	+1	+7	−7	−2	+4
Vermont	+3	+7	+12	−2	+2	+7
Virginia	+3	+8	+15	−2	+3	+10
Washington	−2	+2	+9	−7	−2	+5
West Virginia	−4	0	+5	−8	−4	+1
Wisconsin	+2	+7	+14	−4	+2	+8
Wyoming	+1	+4	+8	−2	0	+4

NOTES

(1) Entries are estimates of percentage changes in the average automobile insurance total premium (personal injury plus auto damage) payable per insured vehicle under the proposed no-fault system relative to the existing (or previous) tort liability system.

(2) Variation codes (HT, HL, etc.) are defined in exhibit C–1, State codes in exhibit E–1.

(3) These numbers should neither be used nor released without reference to the caveats in exhibit B.

EXHIBIT A–2

S. 354 COSTS UNDER BENEFIT AND THRESHOLD VARIATIONS—CHANGE IN AVERAGE PERSONAL INJURY PREMIUM

State	Variation					
	High benefit level, tight threshold provision	High benefit level, loose threshold provision	High benefit level, no threshold provision	Low benefit level, tight threshold provision	Low benefit level, loose threshold provision	Low benefit level, no threshold provision
Alabama	−12	−2	+11	−22	−11	+1
Alaska	+1	+12	+26	−9	+3	+17
Arizona	−10	0	+13	−19	−9	+4
Arkansas	−10	−1	+13	−19	−10	+3
California	−21	−10	+5	−28	−17	−3
Colorado	+1	+11	+25	−10	+1	+14
Connecticut	−14	−3	+10	−21	−11	+3
Delaware	0	+11	+25	−10	0	+15
District of Columbia	−15	−2	+14	−20	−9	+9
Florida	−9	+1	+16	−19	−7	+7
Georgia	−4	+6	+17	−16	−5	+6
Hawaii	−17	−6	+10	−25	−14	+2
Idaho	0	+10	+21	−12	−3	+9
Illinois	−6	+5	+18	−16	−5	+9
Indiana	0	+11	+24	−12	−1	+12
Iowa	+1	+12	+25	−12	0	+12
Kansas	−3	+7	+19	−15	−5	+7
Kentucky	−2	+9	+21	−12	−1	+10
Louisiana	−12	0	+16	−22	−10	+6
Maine	+6	+16	+28	−7	+4	+16
Maryland	−1	+11	+26	−10	+2	+16
Massachusetts	−17	−5	+10	−25	−14	+2
Michigan	+4	+15	+30	−6	+4	+19
Minnesota	−4	+7	+21	−14	−3	+11
Mississippi	−10	0	+11	−20	−10	+1
Missouri	−11	0	+14	−20	−9	+6
Montana	+3	+12	+25	−10	0	+12
Nebraska	+5	+16	+29	−3	+3	+16
Nevada	−13	−3	+8	−21	−13	−1
New Hampshire	−2	+9	+20	−14	−4	+9
New Jersey	−22	−11	+4	−28	−16	−4
New Mexico	−6	+5	+17	−17	−6	+6
New York	−13	−2	+13	−22	−11	+4
North Carolina	+5	+16	+29	−8	+4	+17
North Dakota	+9	+19	+31	−4	+5	+17
Ohio	−8	+3	+16	−18	−8	+7
Oklahoma	−7	+6	+21	−18	−5	+9
Oregon	+1	+12	+25	−11	0	+13
Pennsylvania	−11	+1	+15	−18	−8	+7
Rhode Island	−9	+3	+17	−18	−7	+7
South Carolina	+9	+20	+33	−3	+8	+20
South Dakota	+2	+12	+23	−10	−1	+10
Tennessee	−9	+2	+15	−18	−7	+7
Texas	−14	−3	+10	−23	−12	+1
Utah	−8	+3	+18	−17	−5	+9
Vermont	+7	+18	+30	−6	+5	+17
Virginia	+6	+17	+30	−5	+6	+19
Washington	−5	+5	+19	−15	−4	+11
West Virginia	−11	−1	+12	−20	−10	+3
Wisconsin	+3	+14	+27	−8	+3	+17
Wyoming	+4	+13	+25	−8	+1	+12

NOTES

(1) Entries are estimates of percentage changes in the average automobile insurance personal injury premium payable per insured vehicle under the proposed no-fault system relative to the existing (or previous) tort liability system.

(2) Variation codes (HT, HL, etc.) are defined in exhibit C–1, State codes in exhibit E–1.

(3) These numbers should neither be used nor released without reference to the caveats in exhibit B.

Mr. HART. This low benefit, tight threshold plan meets the minimum standards of S. 354.

Mr. President, the relevant cost factor of this bill to the American auto insurance consumer is the effect on premiums. The effect is to reduce the average premium in every State—urban, rural, North, South, East, and West.

But the question is raised—how can more victims be paid more benefits while still achieving premium savings? The answer is because, first, loss adjustment expenses will decrease under a first-party system, second, the overpayment of small claims will be eliminated, and, third, a higher portion of drivers will carry insurance under the compulsory requirements of this bill.

With regard to the first point, the predicted savings in loss adjustment expenses for each State are shown in the figures contained in appendix II of the Milliman and Robertson study, November 1973. The reason for this decrease in loss adjustment expenses is because of the fact that it will no longer be necessary to determine fault. This will mean substantial savings in administrative, investigative and legal expenses. Thus, under a no-fault plan, a higher percentage of the premium dollar will be returned as benefits to injured victims.

On the second point, the Department of Transportation study of the automobile reparations system, the Senate Commerce Committee hearings and the Commerce Committee report on S. 354, all demonstrate in extensive detail the problem of overcompensation for minor injuries under the tort liability system.

With regard to the third reason why cost savings will be achieved, the minority views contend that it is improper to take into account the fact that the Milliman and Robertson study postulates that the ratio of insured vehicles to total vehicles will be higher than it is under the tort liability system.

First, if there is any question about the feasibility of compulsory insurance, it should be noted that North Carolina, a State with many persons of moderate and low income and a substantial rural population, has a compulsory insurance law and has been able to obtain a ratio of 97 percent insured vehicles. There is every reason to believe that under a no-fault system requiring compulsory insurance, the percentage of uninsured vehicles will decrease substantially.

Of greater significance is the fact that a system of no-fault premium ratings will eliminate many of the inequities of the tort system which require some persons to pay very high premiums in an assigned risk category and eventually lead many persons to carry no liability insurance whatsoever.

What are the inequities in the present tort system that are a factor in precluding, for example, 19 percent of the vehicles in Illinois, 29 percent of the vehicles in Texas, and 20 percent of the vehicles in South Dakota, from carrying liability insurance? Many insurance companies simply refuse to insure certain persons or require them to insure under a "high risk" policy issued by a separate subsidiary, not because those individuals do not have safe driving records, but because of characteristics which insurers assume, based on social indicators, will not make these persons ideal defendants in the event they should be involved in an accident and a lawsuit does arise. These discriminatory social indicators involve such things as whether a person is divorced, has long hair, or has decorated his car with flowers. Persons in these categories may have a completely safe driving record and may have never been involved in an accident and, yet, may be denied insurance by a company or assessed much higher rates than other persons with similar driving records. The effect of the tort liability system which causes this unfairness in rating and which contributes to a high percentage of persons failing to carry liability insurance means that there is a drag on all persons who do carry insurance under the tort system.

In effect, the 70 or 80 percent in a State who do carry auto insurance constitute a smaller premium base from which to pay benefits to those suffering injuries. Moreover, the fact that significant percentages of persons carry no liability insurance means that a substantial uninsured motorists program must be established in order to protect insured drivers because of the significant likelihood that they will be involved in an accident with an uninsured motorist.

Under a no-fault system, since benefits will be paid directly by a person's own insurance company, the characteristics of a person as a potential defendant will be significantly diminished in determining insurance premium rates. The combined effect of the elimination of these unfair and discriminatory practices, together with the required compulsory insurance—under which a person not carrying no-fault insurance will be subject to tort liability even for nonserious injuries—will be that a substantially higher percentage of licensed drivers will carry insurance, thus increasing the premium base. The result of this increased premium base will be to reduce average premium costs.

C. THE MINORITY VIEWS ARE IN ERROR IN CHALLENGING THE INCLUSION OF MEDICAL PAYMENTS COVERAGE IN THE COST OF THE PRESENT SYSTEM

The Milliman and Robertson study included an assumption that a certain portion of insured persons carry "medical payments coverage"—and weighted the assumption in accordance with data in each State. They included the cost of this minimal medical coverage as a part of the total cost of the present personal injury insurance premium. The minority views have challenged the validity of including this portion of the premium.

The minority views claim that this inclusion establishes an improper base from which to calculate the savings that would accrue under a no-fault system. However, the inclusion of this medical coverage appears to be justified because it is a cost of personal injury insurance protection under the present system. In other words, the normal insurance bill breaks down the premium cost for personal injury liability, property liability, collision, and medical payments coverage.

It is clearly appropriate, in order to fairly compare the cost of the average no-fault premium which affects personal injury to that of the present bodily injury insurance system, to include this medical coverage which is clearly a part of the bodily injury insurance premium under the present system.

D. EXPERIENCE IN STATES WHICH HAVE ADOPTED NO-FAULT INDICATES CONSUMERS WILL RECEIVE PREMIUM SAVINGS

The minority views of the judiciary the actual experience in States which have adopted no-fault has failed to prove the validity of the Milliman and Robertson study. Yet, they give no specific examples which challenge the validity of that study, and the record in the States that have adopted no-fault reform indicates that premium savings have been achieved.

The Milliman and Robertson study appears to be very conservative in its prediction of premium savings. Average premium reductions for bodily injury coverages in States with no-fault laws in effect have exceeded the projections made on the Milliman and Robertson model. For example, the Milliman and Robertson model projected a 24 percent average bodily injury premium reduction in Massachusetts when, in fact, the average reduction has been closer to 40 percent.

In fact, the most powerful evidence of the effect of no-fault laws on premiums is the actual experience occurring in States which have enacted significant no-fault reform. The results have been an overall savings in average premiums as well as premium savings in the rural territories within these States.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD tables relating to private passenger automobile rates of the Aetna Casualty & Surety Co., family automobile policy.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

NEW JERSEY: PRIVATE PASSENGER AUTOMOBILE RATES: AETNA CASUALTY & SURETY CO. FAMILY AUTOMOBILE POLICY

Coverages: 15/30 Bodily Injury Liability, 10,000 Property Damage Liability, Personal Injury Protection, 1,000 Medical Payments, 15/30 Bodily Injury Uninsured motorists, Full Coverage Comprehensive (Symbol 4, Age 1), $100 Deductible Collision (Symbol 4, Age 1).

NOTE: While New Jersey provides unlimited medical coverage, it provides a low wage coverage of $5,200.

EXAMPLE 1.—35-YR-OLD MARRIED MALE, NO YOUTHFUL OPERATORS, NO ACCIDENTS OR VIOLATIONS: VEHICLE: 197X CHEVELLE MALIBU IS USED FOR PLEASURE ONLY

Coverage	Newark-02		Bergen County-10	
	April 1971	January 1973	April 1971	January 1973
Bodily injury and PIP	$123	$96	$64	$49
Property damage	56	50	38	34
Medical payments	10		6	
Uninsured motorists	5	2	5	2
Subtotal	194	148	113	85
Comprehensive	74	79	28	30
Collision	190	162	92	82
Subtotal	264	241	120	112
Total	458	389	233	197

EXAMPLE 2.—45-YR-OLD MARRIED MALE PRINCIPAL OPERATOR WITH AN 18-YR-OLD SINGLE MALE OCCASIONAL OPERATOR, NO ACCIDENTS OR VIOLATIONS. VEHICLE: 197X CHEVELLE MALIBU IS DRIVEN TO WORK 8 MI 1 WAY

Coverages	Newark-02		Bergen County-10	
	April 1971	January 1973	April 1971	January 1973
Bodily injury and PIP	$332	$259	$173	$132
Property damage	151	135	103	92
Medical payments	27		16	
Uninsured motorists	5	2	5	2
Subtotal	515	396	297	226
Comprehensive	200	213	76	81
Collision	513	437	48	221
Subtotal	713	650	124	302
Total	1, 228	1, 046	421	528

EXAMPLE 3 —21-YR-OLD SINGLE MALE OWNER AND PRINCIPAL OPERATOR, NO ACCIDENTS OR VIOLATIONS. VEHICLE: 197X CHEVELLE MALIBU IS DRIVEN TO WORK 2 MI 1 WAY

Coverages	Newark-02		Bergen County-10	
	April 1971	January 1973	April 1971	January 1973
Bodily injury and PIP	$308	$240	$160	$123
Property damage	140	125	95	85
Medical payments	25		15	
Uninsured motorists	5	2	5	2
Subtotal	478	367	275	210
Comprehensive	185	198	70	75
Collision	475	405	230	205
Subtotal	660	603	300	280
Total	1, 138	970	550	490

EXAMPLE 4.—70-YR-OLD MARRIED MALE, NO YOUTHFUL OPERATORS, NO ACCIDENTS OR VIOLATIONS. VEHICLE: 197X CHEVELLE MALIBU IS USED FOR PLEASURE

Coverages	Newark-02		Bergen County-10	
	April 1971	January 1973	April 1971	January 1973
Bodily injury and PIP	$117	$91	$61	$47
Property damage	53	48	36	32
Medical payments	10		6	
Uninsured motorists	5	2	5	2
Subtotal	185	141	108	81
Comprehensive	71	75	27	29
Collision	181	154	87	78
Subtotal	252	229	114	107
Total	437	370	222	188

MICHIGAN PRIVATE PASSENGER AUTOMOBILE RATES, AETNA CASUALTY AND SURETY CO., FAMILY AUTOMOBILE POLICY

Coverages: 20/40 Bodily Injury Liability, 10,000 Property Damage Liability, 1,000 Medical Payments, Basic Personal Protection Insurance, Basic Property Protection Insurance, 10/20 Bodily Injury uninsured motorists, Full Coverage Comprehensive, $100 Deductible Collision, Broadened Collision.

ANNUAL PREMIUMS

EXAMPLE 1.—35-YEAR-OLD MARRIED MALE WITH 3 DEPENDENTS AND AN ANNUAL INCOME LESS THAN $14,000. NO YOUTHFUL OPERATORS, NO ACCIDENTS OR VIOLATIONS. VEHICLE: A 197X CHEVELLE MALIBU (SYMBOL 4, AGE 1) IS USED FOR PLEASURE USE ONLY

Coverages	Terr 11—Detroit metropolitan		Terr 34—Detroit suburban	
	April 1972	October 1973	April 1972	October 1973
Bodily injury	$114	$53	$87	$41
Property damage	54	4	49	3
Medical payments	9		7	
Personal protection insurance		40		40
Property protection insurance		10		9
Uninsured motorist	7	3	7	3
Subtotal	184	110	150	96
Comprehensive	43	43	32	32
$100 deductible collision	131		80	
Broadened collision		170		124
Subtotal	174	213	112	156
Total	358	323	262	252

EXAMPLE 2.—45-YEAR-OLD MARRIED MALE PRINCIPAL OPERATOR WITH AN ANNUAL INCOME MORE THAN $14,000. HE HAS A WIFE AND 1 SON, AN 18-YEAR-OLD SINGLE MALE OCCASIONAL OPERATOR, NO ACCIDENTS OR VIOLATIONS, VEHICLE: A 197X CHEVELLE MALIBU (SYMBOL 4, AGE 1) IS DRIVEN TO WORK 8 MILES 1 WAY

Coverages	Terr 11—Detroit metropolitan		Terr 34—Detroit suburban	
	April 1972	October 1973	April 1972	October 1973
Bodily injury	$308	$143	$235	$111
Property damage	146	11	132	8
Medical payments	24		19	
Personal protection insurance		122		122
Property protection insurance		27		24
Uninsured motorists	7	3	7	3
Subtotal	485	306	393	268
Comprehensive	116	116	86	86
$100 deductible collision	354		216	
Broadened collision		459		335
Subtotal	470	575	302	421
Total	955	881	695	689

EXAMPLE 3.—21-YEAR-OLD SINGLE MALE OWNER AND PRINCIPAL OPERATOR WITH AN ANNUAL INCOME LESS THAN $14,000. NO ACCIDENTS OR VIOLATIONS: VEHICLE: A 197X CHEVELLE MALIBU (SYMBOL 4, AGE 1) IS DRIVEN TO WORK 2 MILES 1 WAY

Coverages	Terr 11—Detroit metropolitan		Terr 34—Detroit suburban	
	April 1972	October 1973	April 1972	October 1973
Bodily injury	$285	$133	$218	$108
Property damage	135	10	123	3
Medical payments	23		18	
Personal protection insurance		65		65
Property protection insurance		25		23
Uninsured motorist	7	3	7	3
Subtotal	450	236	366	202
Comprehensive	108	108	80	80
$100 deductible collison	328		200	
Broadened collision		425		310
Subtotal	436	533	280	390
Total	886	769	646	592

EXAMPLE 4.—70-YEAR-OLD RETIRED MARRIED MALE WITH 1 DEPENDENT AND AN ANNUAL INCOME LESS THAN $14,000. NO YOUTHFUL OPERATORS, NO ACCIDENTS OR VIOLATIONS. VEHICLE: A 197X CHEVELLE MALIBU (SYMBOL 4, AGE 1) IS USED FOR PLEASURE USE ONLY

Coverages	Terr 11—Detroit metropolitan		Terr 34—Detroit suburban	
	April 1972	October 1973	April 1972	October 1973
Bodily injury	$108	$50	$83	$39
Property damage	51	4	47	3
Medical payments	9		7	
Personal protection insurance		21		21
Property protection insurance		10		9
Uninsured motorist	7	3	7	3
Subtotal	175	88	144	75
Comprehensive	41	41	30	30
$100 deductible collision	124		76	
Broadened collision		162		118
Subtotal	165	203	106	148
Total	340	291	250	223

EXAMPLE 5.—SUMMARY RATES FOR TERRITORY 23—KALAMAZOO

	Sept. 30, 1973	Oct. 1, 1973
20-year-old male	$521	$453
30-year-old married couple	196	171
70-year-old retired couple	185	154

EXAMPLE 6.—SUMMARY RATES FOR TERRITORY 26—TRAVERSE CITY

20-year-old male	$481	$419
30-year-old-married couple	181	158
70-year-old retired couple	173	143

CONCLUSION

Mr. HART. Mr. President, it is clear that careful study of the Milliman and Robertson cost estimate projections indicates savings in the average automobile premium in every State.

It is also clear that premium savings have been achieved in States which have enacted substantial no-fault reform legislation.

Mr. President, I suggest the absence of a quorum.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that, pursuant to the request of the Senate, the bill (S. 1486) to regulate commerce by authorizing and establishing programs and activities to promote the export of American goods, products, and services and by increasing the recognition of international economic policy considerations in Federal decisionmaking, and for other purposes, was being returned to the Senate.

ORDER FOR ADJOURNMENT FROM MONDAY UNTIL 10 O'CLOCK A.M. ON TUESDAY NEXT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business on Monday next, it stand in adjournment until 10 o'clock on Tuesday morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

OBSERVANCE OF PERIOD FOR FASTING, REPENTANCE, AND PRAYER ON TUESDAY, APRIL 30, 1974

Mr. MANSFIELD. Mr. President, the hours between 10 and 12 o'clock on Tuesday next will be set aside—and this has been approved by the joint leadership—for the observance of the resolution submitted by the distinguished Senator from Oregon (Mr. HATFIELD), joined by many other Senators, and which passed the Senate unanimously. That time will be set aside as a period for fasting, repentance, and prayer in line with the resolution I have mentioned.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, when the Senate adjourns today, it will go over until Monday next at the hour of 12 noon.

After the two leaders or their designees have been recognized under the standing order, the distinguished Senator from Wisconsin (Mr. PROXMIRE) will be recognized for not to exceed 15 minutes, after which there will be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 5 minutes each, at the conclusion of which the Senate will resume the consideration of the unfinished business, S. 354. The pending question at that time will be on agreeing to the amendment by the Senator from Washington (Mr. MAGNUSON).

Somewhere between the hour of 3 p.m. and 3:30 p.m. on Monday—incidentally, prior thereto, there may be a vote on the Magnuson amendment or on amendments thereto—at some point between the hour of 3 p.m. and 3:30 p.m. on Monday, the unfinished business will be temporarily laid aside and the Senate will proceed to the consideration of S. 2986, a bill to authorize appropriations for carrying out the provisions of the Economic Policy Act of 1972, as amended.

Debate will ensue thereon on Monday for the remainder of the day, and amendments may be offered to the measure. Yea-and-nay votes could occur on such amendment or amendments. In any event, at the close of business on Monday, the bill (S. 2986) will be temporarily laid aside until the disposition of the unfinished business, the National No-Fault Motor Vehicle Insurance Act, S. 354, at the hour of 3 o'clock p.m. on the following Wednesday.

On Tuesday, the Senate will resume the consideration of th unfinished business, S. 354, the National No-Fault Motor Vehicle Insurance Act, with yea-and-nay votes occurring on amendments thereto, and possibly on the disposition of the bill.

On Wednesday, if the bill (S. 354) has not been disposed of prior to that time—which conceivably could happen before that time, because in that agreement we allowed for a motion to recommit or a motion to table at any time, so that bill could possibly be disposed of prior to the hour of 3 o'clock on Wednesday, though it is unlikely—but in any event, on Wednesday, if, prior thereto, the bill (S. 354) has not been disposed of, debate will resume thereon, with yea-and-nay votes possible occurring on amendments thereto, and if the bill has not been tabled or recommitted prior to the hour of 3 o'clock p.m. on Wednesday, the vote will occur on passage of the no-fault motor vehicle insurance bill at that hour.

On the disposition of that bill on Wednesday, the Senate will resume consideration of S. 2986, the bill to authorize appropriations for carrying out the provisions of the International Economic Policy Act of 1972, as amended, and votes could occur on amendments thereto or on passage of that bill on that day. If action is not completed thereon on Wednesday, action will continue on that bill on Thursday.

Mr. President, that about wraps it up insofar as the program for the next 2 days is concerned. I ask unanimous consent that if everything I have stated in the program has not already been agreed to, it might be considered put to the Senate. I understand, for example, that I had not gotten morning business for Monday as yet.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. As already stated by the distinguished majority leader, on Tuesday, between the hours of 10 a.m. and 12 o'clock noon, the time will be set aside in the Senate for comments in accordance with the Day for National Prayer and Fasting which was made possible by the resolution, which was offered by the distinguished Senator from Oregon (Mr. HATFIELD); so Senators will be reminded accordingly.

ADJOURNMENT UNTIL MONDAY

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 12 o'clock noon on Monday next.

The motion was agreed to; and (at 3:54 p.m.) the Senate adjourned until Monday, April 29, 1974, at 12 noon.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 25, 1974:

Department of Justice

Nathan G. Graham, of Oklahoma, to be U.S. attorney for the northern district of Oklahoma for the term of 4 years.

Clinton T. Peoples, of Texas, to be U.S. marshal for the northern district of Texas for the term of 4 years.

U.S. Postal Service

Robert Earl Holding, of Wyoming, to be a Governor of the U.S. Postal Service for the term expiring December 8, 1982.

Department of State

Alfred L. Atherton, Jr., of Florida, a Foreign Service officer of class 1, to be an Assistant Secretary of State.

Webster B. Todd, Jr., of New Jersey, to be Inspector General, Foreign Assistance.

Leonard Kimball Firestone, of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Belgium.

Robert Strausz-Hupé, of Pennsylvania, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Sweden.

Agency for International Development

John E. Murphy, of Maryland, to be Deputy Administrator, Agency for International Development.

Executive Office of the President

Henry E. Catto, Jr., of Texas, Chief of Protocol for the White House, for the rank of Ambassador.

International Exposition on the Environment

James G. Critzer, of Washington, to be Commissioner for a Federal exhibit at the International Exposition on the Environment being held at Spokane, Wash., in 1974.

Inter-American Foundation

The following-named persons to be members of the Board of Directors of the Inter-American Foundation for the terms indicated:

For the remainder of the term expiring September 20, 1976:
Jack B. Kubisch, of Michigan.
For a term expiring September 20, 1978:
John Michael Hennessy, of Massachusetts.
For a term expiring October 6, 1978:
Charles A. Meyer, of Illinois.

Board for International Broadcasting

The following-named persons to be members of the Board for International Broadcasting for terms of 3 years:
David M. Abshire, of Virginia.
John P. Roche, of Massachusetts.

The following-named persons to be members of the Board for International Broadcasting for terms of 2 years:

Thomas H. Quinn, of Rhode Island.

Abbott M. Washburn, of the District of Columbia.

(The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

In the Coast Guard

Coast Guard nominations beginning Carmin (n) Yannone, to be commander, and ending Richard L. Powell, to be commander, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on April 11, 1974.

HOUSE OF REPRESENTATIVES—*Thursday, April 25, 1974*

The House met at 12 o'clock noon.

Rev. Willis E. Lucas, First Baptist Church, Kokomo, Ind., offered the following prayer:

Eternal God, our Father, we recognize Thy greatness as the Creator and Sovereign of the universe. By Thy hand all things came into being and by Thy hand all the universe, its history, and its people are directed to destiny.

We give thanks that You so loved this world You made and those who live on it that You sent your Son to demonstrate that love at Calvary.

We are aware this day that You love us and desire with infinite passion to bless us personally and nationally. Recognizing that Your blessing is quite often beyond our mortal grasp to comprehend, we pray for faith to reach beyond ourselves and trust Your loving goodness. Thus accepting Your promise we ask for wisdom that Your servants and our leaders might seek, know, and use divine knowledge.

We have confidence that You hear our requests and we leave Thy throne in personal assurance. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 3292. An act to authorize appropriations to the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes.

The message also announced that the Secretary be directed to request the House of Representatives to return to the Senate the bill (S. 1486) entitled "An act to regulate commerce by authorizing and establishing programs and activities to promote the export of American goods, products, and services and by increasing the recognition of international economic policy considerations in Federal decisionmaking, and for other purposes."

REV. WILLIS E. LUCAS

(Mr. HILLIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. HILLIS. Mr. Speaker, I should like to acknowledge the words this morning of the Reverend Willis E. Lucas, pastor of the First Baptist Church of Kokomo, Ind. Reverend Lucas is an outstanding Midwest theologian who most recently was associated with the American Baptist Churches Evangelistic Association and formerly was a member of the Billy Graham Evangelistic Association.

His prayer this morning reminded me of the words of Matthew Henry when he wrote:

> Let prayer be the key of the morning and the bolt of the evening.

It is a privilege to have Reverend Lucas with us.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE A PRIVILEGED REPORT ON APPROPRIATION BILL FOR SPECIAL ENERGY RESEARCH AND DEVELOPMENT FOR FISCAL YEAR 1975

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a privileged report on an appropriation bill for special energy research and development for the fiscal year ending June 30, 1975.

Mr. CEDERBERG reserved all points of order on the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERMISSION FOR COMMITTEE ON GOVERNMENT OPERATIONS TO FILE REPORT

Mr. REUSS. Mr. Speaker, on behalf of the House Committee on Government Operations I ask unanimous consent that the committee may have until midnight tonight to file a report.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

PERMISSION FOR COMMITTEE ON HOUSE ADMINISTRATION TO FILE REPORTS ON TWO PRIVILEGED RESOLUTIONS

Mr. THOMPSON of New Jersey. Mr. Speaker, I ask unanimous consent that the Committee on House Administration may have until midnight tonight to file reports on two privileged resolutions.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

AMENDING WILD AND SCENIC RIVERS ACT BY DESIGNATING CHATTOOGA RIVER AS COMPONENT OF NATIONAL WILD AND SCENIC RIVERS SYSTEM

Mr. TAYLOR of North Carolina. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 9492) to amend the Wild and Scenic Rivers Act by designating the Chattooga River, North Carolina, South Carolina, and Georgia, as a component of the National Wild and Scenic Rivers System, and for other purposes, with Senate amendments to the House amendment to the Senate amendment thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 4, of the House engrossed amendment, after "(b)" insert "(1)".

Page 3, of the House engrossed amendment, strike out lines 11 to 15, inclusive, and insert:

(3) In section 7(b) delete clause (i) and insert in lieu thereof the following:

"(i) during the ten-year period following enactment of this Act or for a three complete fiscal year period following any Act of Congress designating any river for potential addition to the National Wild and Scenic Rivers System, whichever is later, unless, prior to the expiration of the relevant period, the Secretary of the Interior and, where national forest lands are involved, the Secretary of Agriculture, on the basis of study, determine that such river should not be included in the National Wild and Scenic Rivers System and notify the Committees on Interior and Insular Affairs of the United States Congress, in writing, including a copy of the study upon which the determination was made, at least one hundred and eighty days while Congress is in session prior to publishing notice to that effect in the Federal Register, and".

Page 3, of the House engrossed amendment, strike out lines 20 to 26, inclusive.

Page 4, line 1, of the House engrossed amendment, strike out "(d)" and insert "(c)".

Page 4, line 4, of the House engrossed amendment, strike out "including the protection of" and insert "for the purpose of protecting".

Page 4, line 7, of the House engrossed amendment, strike out "(e)" and insert "(d)".

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

FIGHT INFLATION WITH WHAT?

(Mr. SIKES asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

Mr. SIKES. Mr. Speaker, there has been speculation that the United States will get a new czar to fight inflation. A more pertinent question would appear to be, fight it with what?

The United States currently suffers from a 12-percent rate of inflation. The jobless rate is edging upward. Every housewife knows the cost of living is at an all-time high and still going up. Yet all price controls are being dropped and even standby control authority is apparently being allowed to die. Administration leaders appear to favor as little Government interference as possible in economic operations. This would indicate that inflation is to be allowed to run its course.

The average American feels that inflation is the Nation's No. 1 problem today. There is little to indicate a return to stability in prices within the foreseeable future. This points toward recession and there are many who state we already are in a recession.

It will be recalled that the administration's bold action in August 1971 in freezing prices had a salutary stabilizing effect. Subsequently, however, controls were abandoned in first one area and then another. Now we are back in a free running market and the situation is worse than before controls were undertaken. This is a situation that cannot indefinitely be ignored.

The standby price control authority should be continued in law and the administration should be preparing stronger steps against inflation.

WELCOME TO VISITORS FROM GRAND RAPIDS

(Mr. VANDER VEEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VANDER VEEN. Mr. Speaker, I have been a Member for approximately 2 months now. During my incumbency, the citizens of Grand Rapids have *started* a program involving bus trips to Washington—trips of the people to see "where the people govern."

While the rules of the House do not permit me to call attention to the presence of these traveling Michiganites, I am delighted they have been able to make the trip to Washington, visit some of the historic shrines and monuments, and spend some time seeing how the Congress works.

I am sure they have been impressed, as I still am, with the actuality of the people's voice controlling their own Government. I want to thank the leadership and you, Mr. Speaker, for the courtesies extended to these visitors from Grand Rapids.

A series of these trips is planned and from all indications there will be no trouble in signing up visitors to the Nation's Capital.

I wish those present today a very pleasant stay in Washington. I wish them a safe and interesting return trip to Grand Rapids. I extend to them and to all the citizens of the Fifth District of Michigan an invitation to visit Washington and visit with me.

RATE THE RATERS

(Mr. FREY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FREY. Mr. Speaker, I think it is time to rate the raters. Every group that appears in the country has taken upon itself the duty to rate the Congress. Many rate the Congress on the basis of as little as 5 votes, even though we had 540 votes in 1973. These groups are obviously advocate groups speaking from a particular viewpoint; yet the public is not aware of this nor are they aware of how these groups are funded. I can think of no better committee than our own Committee on House Administration, under the fair and impartial chairmanship of the gentleman from Ohio (Mr. HAYS).

I think a tremendous public service can be performed.

Mr. DICKINSON. Mr. Speaker, will the gentleman yield?

Mr. FREY. I yield to the gentleman from Alabama.

Mr. DICKINSON. I would like to commend the gentleman for his statements and I agree with him. We see so many groups in the country who are organized for the express purpose of effecting legislation on the floor, and label themselves with a name that sounds good. While they insist that we divulge everything, they do not even declare their sources of income. They do not state how much is spent or where or for what purpose. They are nothing more and nothing less than lobbying groups, and should call themselves lobbyists.

These lobbying groups rate the Congress on the so-called issues. In reality, oftentimes these "raters" chose a half dozen or so minor votes out of hundreds. Many of these votes chosen for rating were made in parliamentary maneuvering or as the lesser of evils. The raters do not explain this, or even seem to care.

I think it is time somebody took a look at these opinion-molding organizations.

Speaking on behalf of the minority of the Committee on House Administration, I welcome Mr. FREY's statement.

SOURCE OF INCOME OF CAMPAIGN REFORM ORGANIZATIONS

(Mr. HAYS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAYS. Mr. Speaker, as chairman of the Committee on House Administration, I thank the gentleman for his observations both as to the committee and the chairman. I might say to the gentleman that I am inclined to agree with him. There is an amendment pending at the moment in the markup of the so-called campaign reform bill, which will require these organizations to make public, the same as a candidate or any organization supporting a candidate, the source of their income. I am hopeful that it will be included in the bill, and then it would be wholesome after that to take a good look at them anyway.

NO JUSTICE

(Mr. GROSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GROSS. Mr. Speaker, 2 weeks ago when Members of Congress and their wives were fleeing Washington by the dozens on junkets to the far ends of the Earth, I was asked to comment and responded thusly:

> With the number of junketeers reported to be flitting all over the globe, it's a cinch all the problems of the world will be solved before the end of the Easter recess.

After reading President Nixon's request of yesterday for another $6 billion for foreign handouts, I must sadly report that my hopes were ill-founded.

Mr. Speaker, there ain't no justice.

PROVIDING FOR CONSIDERATION OF H.R. 13999, AUTHORIZING APPROPRIATIONS FOR THE NATIONAL SCIENCE FOUNDATION

Mr. LONG of Louisiana. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1058 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1058

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 13999) to authorize appropriations for activities of the National Science Foundation, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Science and Astronautics, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 182]

Alexander
Biaggi
Blackburn
Blatnik
Bowen
Brown, Calif.
Brown, Mich.
Buchanan
Carey, N.Y.
Clark
Clay
Cochran
Conyers
Davis, S.C.
de la Garza
Dellenback
Dellums
Diggs
Dorn
Drinan
Dulski
Eckhardt
Edwards, Ala.
Evans, Colo.
Flynt
Frenzel
Gettys
Giaimo
Gray
Haley
Hanna
Hansen, Wash.
Hébert
Holt
Horton
Hosmer
Johnson, Pa.
Kazen
Kemp
Long, Md.
Lujan
McSpadden
Mayne
Milford
Mills
Montgomery
Myers
O'Hara
Parris
Patman
Pickle
Powell, Ohio
Reid
Rooney, N.Y.
Rooney, Pa.
Rose
Rosenthal
Ruppe
Satterfield
Shipley
Shuster
Steiger, Wis.
Stokes
Stubblefield
Udall
Ullman
Waggonner
Whitehurst
Williams
Wilson, Charles, Tex.
Wyatt
Wylie
Young, S.C.

The SPEAKER. On this rollcall, 360 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PROVIDING FOR CONSIDERATION OF H.R. 13999, AUTHORIZING APPROPRIATIONS TO THE NATIONAL SCIENCE FOUNDATION

The SPEAKER. The gentleman from Louisiana is recognized for 1 hour.

Mr. LONG of Louisiana. Mr. Speaker, I yield the usual 30 minutes to the minority, the distinguished gentleman from Illinois (Mr. ANDERSON), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1058 provides for an open rule with 1 hour of general debate on H.R. 13999, a bill to authorize appropriations for the National Science Foundation for the fiscal year 1975.

The total authorization in H.R. 13999 is $783.2 million. This represents an increase in the Foundation's fiscal year 1974 budget of $142 million, most of which is allocated for new initiatives in energy-related research and development.

Mr. Speaker, H.R. 13999 includes authorization for appropriations for the scientific research project support program, for the science education program and for the program entitled "Research Applied to National Needs."

Mr. Speaker, I urge the adoption of House Resolution 1058 in order that we may discuss and debate H.R. 13999.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this rule, House Resolution 1058, provides for the consideration of H.R. 13999, the National Science Foundation authorization under an open rule with 1 hour of general debate.

The purpose of H.R. 13999 is to provide the fiscal year 1975 authorization for the National Science Foundation. The amount authorized is $788,200,000.

By way of comparison the fiscal year 1974 authorization was $635,600,000 and the fiscal year 1974 appropriation was $569,600,000.

The amount authorized in this bill for fiscal year 1975 is exactly what the administration requested. However, the Committee on Science and Astronautics did transfer some $19,500,000 from one program to another. Funds were taken from two categories dealing with research and put into five different categories dealing with education and science information, among other things.

Minority views were filed by ALPHONZO BELL and GEORGE BROWN objecting to the committee's transferring funds out of research programs which are largely devoted to research into solving the energy problem. They prefer the distribution of funds originally requested by the NSF.

Mr. Speaker, I urge the adoption of this rule in order that the House may begin debate on H.R. 13999.

Mr. Speaker, I have no requests for time, and I reserve the balance of my time.

Mr. LONG of Louisiana. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 13998, AUTHORIZING APPROPRIATIONS TO THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

Mr. LONG of Louisiana. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 1057 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 1057

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 13998) to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Science and Astronautics, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Louisiana is recognized for 1 hour.

Mr. LONG of Louisiana. Mr. Speaker, I yield the usual 30 minutes to the minority to the distinguished gentleman from Illinois (Mr. ANDERSON), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1057 provides for an open rule with 1 hour of general debate on H.R. 13998, a bill to authorize appropriations to the National Aeronautics and Space Administration for the fiscal year 1975.

The total authorization in H.R. 13998 is $3,253,184,000. Of this amount, $2,357,070,000 is allocated for research and development, $146,490,000 for construction of facilities and $749,624,000 for program management. The major research and development programs are: Space Shuttle, physics and astronomy, lunar and planetary exploration, launch vehicle procurement, space applications, aeronautical research and technology, and tracking and data acquisition. The program management division of NASA is allocated funds for manned space flight, for space science programs and for aeronautics and space technology.

Mr. Speaker, I urge the adoption of House Resolution 1057 in order that we may discuss and debate H.R. 13998.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as previously explained, House Resolution 1057 provides for the consideration of H.R. 13998, the NASA Authorization, under an open rule with 1 hour of general debate.

The purpose of H.R. 13998 is to provide fiscal year 1975 authorizations for the National Aeronautics and Space Administration in the amount of $3,253,184,000.

By way of comparison, the amount authorized for NASA in fiscal year 1974 was $3,064,500,000 and the amount appropriated for NASA in fiscal year 1974 was $3,002,100,000.

Major items authorized in this bill are the following:

Space Shuttle	$820,000,000
Space flight operations	308,300,000
Lunar and planetary exploration	266,000,000
Trading and data acquisition	250,000,000

The committee report includes a letter from NASA, requesting an authorization of $3,247,129,000.

This bill omits a provision in the earlier authorizations which placed a restriction on the use of funds for grants to universities where Armed Forces recruiters were barred. However, the committee report indicates that the committee does not approve of universities barring recruiters, and that the committee is to be notified if any grant to such an institution is planned.

Mr. Speaker, I urge the adoption of this rule.

Mr. Speaker, I have no further request for time and reserve the balance of my time.

Mr. LONG of Louisiana. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 11989, FIRE PREVENTION AND CONTROL ACT OF 1974

Mr. LONG of Louisiana. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 1016 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 1016

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11989) to enhance the public health and safety by reducing the human and material losses resulting from fires through better fire prevention and control, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Science and Astronautics, the bill shall be read for amendment under the five-minute rule by titles instead of by sections. At the conclusion of the consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Louisiana is recognized for 1 hour.

Mr. LONG of Louisiana. Mr. Speaker, I yield the usual 30 minutes to the minority, to the distinguished gentleman from California (Mr. DEL CLAWSON), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1016 provides for an open rule with 1 hour of general debate on H.R. 11989, the Fire Prevention and Control Act of 1974.

House Resolution 1016 also provides that the bill shall be read for amendment by titles instead of by sections.

H.R. 11989 establishes a National Bureau of Fire Safety, to be headed by a Presidentially appointed director. The Fire Bureau will be the Federal focus for efforts to improve America's fire prevention and control programs. Some of the work it will undertake will include development of technology to control fires, training and education in fire prevention techniques, and data collection on the effectiveness of various fire control methods. One of the most important functions of the Fire Bureau will be to conduct an extensive program of public education in fire safety and prevention.

The bill also establishes a Fire Research Center to conduct basic and applied research into causes and effects of fires.

Mr. Speaker, in the time it takes us to debate this bill today there will be 300 destructive fires in America. When those fires are finally extinguished, more than a quarter of a million dollars of property damage will have occurred. At least one person will be dead, and 34 people will be injured—many of them permanently scarred or disfigured.

Our Nation has long needed an improvement in its fire prevention and control methods. This bill can be the first step toward making that improvement by reducing the tragic waste of lives and money caused by fires.

I urge approval of the resolution and passage of the Fire Prevention and Control Act of 1974.

Mr. Speaker, I yield to the distinguished gentleman from California (Mr. Del Clawson).

Mr. DEL CLAWSON. Mr. Speaker, the rule providing for the consideration of H.R. 11989, the Fire Prevention and Control Act of 1974, is House Resolution 1016. This is an open rule with 1 hour of general debate. In addition, the rule provides that the bill be read for amendment by titles instead of by sections.

The purpose of H.R. 11989 is to provide assistance in the reduction and prevention of fires.

More specifically, the bill establishes in the Department of Commerce a National Bureau of Fire Safety. The Fire Bureau will undertake programs of technology development, data collection, and public education. The Federal responsibility for fire safety is placed with the Secretary of Commerce. The bill establishes a U.S. Fire Academy to improve the training of firefighters and the management training of fire chiefs.

Title II of the bill establishes a Fire Research Center in the Department of Commerce, which is to conduct basic and applied research on fire and its effects.

Title III establishes in the National Institute of Health a program for improved treatment of burn victims.

Mr. Speaker, I urge the adoption of this rule.

Mr. LONG of Louisiana. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

RETURN OF SENATE BILL S. 1486 TO THE SENATE

The SPEAKER laid before the House the following request by the Secretary of the Senate.

The Clerk read as follows:

Ordered, That the Secretary be directed to request the House of Representatives to return to the Senate the bill (S. 1486) entitled "An act to regulate commerce by authorizing and establishing programs and activities to promote the export of American goods, products, and services and by increasing the recognition of international economic policy considerations in Federal decision-making, and for other purposes."

The SPEAKER. Without objection, the request of the Senate is agreed to. The Clerk will return the bill to the Senate.

There was no objection.

GENERAL LEAVE

Mr. TEAGUE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on each of the bills on which the rules were just granted.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

AUTHORIZING APPROPRIATIONS TO THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

Mr. TEAGUE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 13998) to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 13998, with Mr. McKay in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN (Mr. McKay). Under the rule, the gentleman from Texas (Mr. Teague) will be recognized for 30 minutes and the gentleman from Ohio (Mr. Mosher) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Texas (Mr. Teague).

Mr. TEAGUE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the Committee on Science and Astronautics has undertaken perhaps its most intensive scrutiny of the National Aeronautics and Space Administration budget requested for fiscal year 1975. Every member of the committee on both sides of the aisle has played an important role in developing this bill. The members of the committee on both sides of the aisle have painstakingly examined this request embodied in H.R. 13998, the bill to authorize appropriations for the National Aeronautics and Space Administration. This bill was reported by the committee on April 9, 1974, by unanimous role call vote of those present. The distinguished gentleman from Ohio (Mr. Mosher), the ranking minority member of the committee, has labored with diligence to help develop this legislation. He, along with the distinguished gentleman from West Virginia (Mr. Hechler), the gentleman from Florida (Mr. Fuqua), and the gentleman from Missouri (Mr. Symington), the subcommittee chairman, along with members of the committee, have held hearings in Washington, at the NASA field centers and key industrial contractors on the programs included in the bill before us.

Since 1966, the Federal outlays for our national space program have continuously declined. Our outlays for our national space effort are over 40-percent less then they were 9 years ago. The funding proposed for this coming fiscal year will equal or slightly exceed that of the previous year for the first time in almost a decade. You all well know that the Apollo lunar and the Skylab programs have both been successfully completed even in the face of tight fiscal contraint. Our successes in our automated planetary program are well known, the most recent of which is the spectacular photography returned from the planet Mercury.

Even while new knowledge and scientific achievements are being made by NASA, the practical down-to-earth benefits of our national space program are multiplying each day. The Earth Resources Satellite has been an unprecedented success. Communications satellites are part of our daily lives. Weather, navigation satellites, and Earth resources technology is being applied to our national needs. New materials, new medical equipment, new methods of fabrication, and new electronics have all enriched our daily lives and improved our standard of living.

It is remarkable that within the span of a decade the use of space has become routine in many applications and its benefits have spread throughout the daily lives of all the people of the Nation. Clearly, this is only a beginning. The budget in the bill before you today includes funds for the support of the Viking Mars lander program in 1976; the Apollo-Soyuz test project in 1975, and the orbital flight of the first Earth orbital, low-cost transportation system—the Space Shuttle—in 1979.

Your committee took several actions with respect to the request for authorization of funds for the National Aeronautics and Space Administration. NASA requested a new authorization of $3,247,127,000 for fiscal year 1975. The bill, as reported by the committee, would authorize a total of $3,253,184,000. For research and development, NASA requested a total of $2,346,015,000; for construction of facilities NASA requested $151,490,100; and for research and program management, $749,624,000. The committee increased the total research and development authorization by $11,055,000 to $2,357,070,000; decreased the construction of facilities request by $5,000,000 to $146,490,000; and made no change to the request of $749,624,000 for research and program management. In taking these actions, the committee made several changes to the programs and added four language amendments to the bill.

For the Space Shuttle, NASA requested $800,000,000 and the committee added $20 million to the line item to provide for increased funding for work on the Space Shuttle main engine which has encountered technical problems typical of the early phases of the development program of this kind. These additional funds will aid in meeting current milestones for the Space Shuttle program of a first horizontal flight in 1977 and the first manned orbital flight in the second quarter of 1979.

In Space Flight Operations, two reductions were made. Five million dollars was deleted from the Apollo-Soyuz Test Project in recognition that successful management of that program is continuing to reduce total costs. Thus the reduction taken by the committee is made in recognition of successful program management and the reduced needs for funds.

Ten million dollars was deleted from development, test and mission operations area since a carryover of sufficient funds indicated that this reduction would not in any way hamper NASA's ability to support the manned space flight programs.

This bill provides $547,015,000 for NASA's Office of Space Science for fiscal year 1975, the lowest budget for this important work in several years, and some $55 million less than the budget plan for the current fiscal year. This decline in the space science budget is largely attributable to the fact that the Viking Project has past its peak in funding. Viking is designed to pursue a new phase of Mars exploration when the twin orbiter-lander spacecraft will be launched next year, arriving at Mars in the summer of 1976. The lander portion of the spacecraft will make detailed scientific investigations of the physical and chemical nature of the Martian surface, but primary emphasis will be placed on obtaining data relevant to the search for extraterrestial life; Mars is the planet believed most likely to harbor some form of life if any such exists elsewhere in the solar system.

NASA's planetary exploration program has been extraordinarily successful. Mariner 9 returned thousands of pictures of Mars, enough so that the entire surface has now been accurately mapped.

Pioneer 10 was the first spacecraft to fly beyond the orbit of Mars, the first to penetrate the Asteroid Belt, and will be the first manmade object to escape the solar system. As Pioneer 10 flew past Jupiter last December it took more than 300 close-up pictures of the largest planet and its inner moons, and provided considerable new scientific information on Jupiter's magnetic field and radiation environment.

More recently, Mariner 10 returned some remarkable images of Venus' cloud cover and some even more remarkable pictures of the surface of Mercury during the first close-up observations of the planet nearest the Sun.

The next major project in the planetary exploration program is the Mariner Jupiter-Saturn mission to be launched in 1977. Using the gravity assist technique the spacecraft will fly by Jupiter in 1979 and then on to Saturn in 1983.

The remainder of the space science program is made up of Earth orbiting satellites designed to study the Sun, the Earth's spatial environment, and astronomical phenomena which can provide clues to the origin and evolution of the universe.

After careful examination by our committee, the budget requests for the Office of Space Science appeared to be fully justified, and our committee recommends that the amounts requested be authorized without change.

Mr. Chairman, the next major division within NASA is the Office of Applications. NASA is requesting $177,500,000 for the forthcoming fiscal year to support the important work of this office.

Our committee believes that support of the applications program constitutes an excellent investment of public funds. Tangible dividends have already been produced, and we have only begun to scratch the surface.

The Office of Applications develops Earth orbiting satellites which provide such things as communications services, meteorological observations, and accurate surveys of the Earth's resources.

Communication satellites have revolutionized intercontinental communications during the short period of one decade. Today, there is a profitable private enterprise based upon the research and development work performed by NASA.

Weather satellites have taken their place as an important factor among the operational forecasting techniques of the National Oceanic and Atmospheric Administration. Again, this reflects the remarkable progress made by NASA during the decade of the 1960's.

Since its launch in July 1972, the first Earth Resources Technology Satellite (ERTS-1) has provided more than 100,000 clear images of mountain ranges, prairies, and deserts; oceans, lakes, rivers, and reservoirs; forests, ranches, farms, and cities. More than 1 million pictures have been distributed to some 300 investigators in the United States and 36 other countries. Among the practical purposes ERTS pictures serve are:

Monitoring urban development and planning future land use;

Estimating crop yields and taking inventories of timber;

Locating air and water pollution and mapping strip mine and forest fire scars;

Exploring for minerals and petroleum;

Discovering linear landscape features that may someday help in predicting earthquakes;

Updating maps and coastal and navigation charts;

Keeping watch on volcanoes;

Surveying the breeding ground of migratory waterfowl;

Studying flood hazards and managing water resources; and

Determining the distribution of marine life.

Mr. Chairman, our committee has always supported a vigorous applications program. This year, the committee voted unanimously to authorize the full amount of the requested funding for fiscal year 1975. The committee determined, however, to designate $2 million for research on short-term violent weather phenomena. In view of the devastation by tornadoes at the beginning of this month, this action by our committee seems especially timely. Our objective is to take fuller advantage of the scientific and technical talent, expertise, and facilities that exist within NASA than can be used to assist NOAA in this important work.

The committee also voted to designate $1 million of the Office of Applications budget for support of research on ground propulsion systems. Work is already underway on development of turbine engines for automobiles at the Lewis Research Center. In addition, the Jet Propulsion Laboratory is experimenting with a new technique for hydrogen injection into conventional automotive engines. The committee believes that NASA should be encouraged to do additional research on the development of energy conserving, efficient engines that have clean emission characteristics.

In the area of aeronautics and space technology, several significant changes were made in the budget proposed by NASA: $4,255,000 was added for aeronautical research and technology; $655,000 of that increase was added to provide research on hydrogen as an aviation fuel. It is clear in the long term that hydrogen will play an increasing role as a fuel substitute for hydrocarbons. This modest amount of money was provided so that NASA may take a long-range look at aircraft fuel needs. An additional $1.6 million was provided for research on a variety of aviation safety problems. These funds would be devoted to atmospheric research, fire technology, systems safety and hazard avoidance. One million eight hundred thousand dollars was also added in space and nuclear research and technology for a solar satellite power station systems study and several related technology areas. These funds would make it possible for NASA to reinstitute systems studies in the areas of power processing and conversion, structures and materials, and microwave power transmission, all of which are required if we are to reap the benefits in the years ahead of solar satellite power—an inexhaustible supply.

The fiscal year 1975 authorization also includes a new departure on the part of NASA, proposing the leasing of a tracking and relay satellite system. Such a system would provide NASA with a reduced requirement in the years ahead for ground-based overseas tracking stations, would provide greater coverage time for low Earth orbit satellites and allow greater amounts of data to be transmitted. Since it is still not clear as to whether a leasing arrangement or direct procurement of such a system would be in the best interests of the Government, this authorization includes language which would allow NASA to proceed with obtaining proposals for leasing but requires NASA to report the results of its analysis prior to a contract award. The interests of the committee in this matter did not go to who might or might not win the competition for lease but to the question of which approach would be most cost effective. I believe that the language included in the report accompanying the bill will accomplish that objective.

In construction of facilities, several changes were made leading to a net reduction of $5 million in the NASA request.

NASA requested $6,040,000 for an infrared telescope facility at an unspecified location. Four million dollars was added to provide for an optimized infrared telescope facility to be located at Mauna Kea, Hawaii.

NASA requested $15,880,000 for construction of a Space Shuttle landing facility at the Kennedy Space Center. Your committee in considering this item agreed with the need for these facilities but observed that excess authorization would be created for this project. Therefore, the committee is recommending the rescission of $10.9 million for fiscal year 1974 so that the authorization of funds for this facility for fiscal year 1975 will be sufficient to complete the program but will not provide more authorization than that which is needed to complete the project. In examining required modifications to Launch Complex 39 at the Kennedy Space Center, it became apparent to the committee that the lead time for architect engineering study would preclude the full commitment of funds requested in the total of $42,690,000. Therefore, the committee reduced that amount by $7 million. It is recognized that those funds will be requested in the next fiscal year but are not essential to the fiscal year 1975 budget. NASA also requested $4 million for construction and modification of solid rocket motor production and test facilities. Since a firm requirement for such facility has not been established, the committee deleted this request in its entirety.

In one construction project, $2 million was added for the construction of orbiter horizontal test facilities at the NASA Flight Research Center, Edward Air Force Base. The project requested by NASA was to support the Space Shuttle horizontal flight testing for an 18-month period. The resulting facility would have been insufficient to meet NASA's aeronautical needs for future years. Therefore, your committee felt it prudent that sufficient funds be provided for this facility so as to meet not only the short-term, Space Shuttle horizontal flight test needs, but also the longer term, aeronautical research program requirements.

Since 1966, total space program employment has continuously declined. This decline began first within the aerospace industry in 1966 and was followed by the start of the NASA inhouse employment decline which will continue in this coming year with an additional net reduction of 354 people for fiscal year 1975. In recognition of this, no reduction was made by the committee in the area of Research and Program Management since it is believed that NASA is undertaking an effective program to control their total personnel complement while maintaining an adequate mix of skills within its organization.

One area of special concern received the attention of the full committee and the subcommittees with respect to NASA employment. This area was that of equal employment opportunity. NASA has been cited by several sources for its poor record in employing minority and professional personnel in its organization. In statements before the committee, Dr. James C. Fletcher, Administrator of NASA, indicated that NASA's employment of professional personnel from the minorities and women were not at a satisfactory level and that NASA has adopted specific goals to improve this record. I believe it fair to point out that NASA's declining employment and relatively poor competitive salary position with respect to industry has not helped this situation. However, Dr. Fletcher did not use this as an excuse and has set what your committee believes to be reasonable and achievable goals for improvement in monorities and women professionals within NASA. Such goals have been set not only at NASA headquarters but in each field center and each major industrial contractor has been required to undertake affirmative action programs. Data received before the subcommittees and the full committee indicates that progress is being made. Of course, everyone would like to see it come faster, but when it is considered that approximately 600 engineers from minority groups graduated from college each year, it is not surprising that NASA finds it difficult to employ a large portion of these new graduates. Again, NASA is not relying on hiring strictly new graduates but on improving the skills of minority groups and women within the NASA organization. Again, Dr. Fletcher indicated that he was not satisfied with this current situation and has set realistic goals for improvement. Your committee will continue to review this matter to assess NASA's accomplishments in equal employment opportunity not only within NASA but also with NASA's key contractors.

I would like to now discuss in more detail my summarization of the bill before you. This bill was reported out by the committee on April 2 by unanimous rollcall vote of members present.

Referring to the listing of committee actions, I would point out that the net increase in the NASA authorization above that requested by the administration is $6,055,000 or two-tenths of 1 percent above the total budget request. The increase is modest but represents 11 changes taken by the committee after extensive hearings in Washington, the NASA field centers and the industrial contractors. Mr. Chairman, the bill before us today, H.R. 13998, is to authorize fiscal year 1975 appropriations for the National Aeronautics and Space Administration.

For the benefit of my colleagues, I will detail the bill and the committee actions taken. The National Aeronautics and Space Administration requested a new authorization of $3,247,129,000 for fiscal year 1975. The bill as reported by the committee would authorize a total of $3,253,184,000. This amount is $239,624 more than authorized for fiscal year 1974 or 5.5 percent more than authorized in the previous year.

A net increase of $11,055,000 for research and development is a result of several changes made in those line item categories. A reduction of $5,000,000 was made in construction of facilities bringing the net total increase, as mentioned previously, to $6,055,000.

I will now describe the program changes and four language amendments made to the bill.

MANNED SPACE FLIGHT

In manned space flight research and development, three changes were made; $20 million was added to provide additional funds for the development of the Space Shuttle main engine. During the past 6 months, the main engine program has encountered a number of technical problems typical of the early stages of a research and development program. The addition of funds will add assurance to NASA meeting their program goals for the Space Shuttle program of a first horizontal flight in 1977 and first orbital flight of the Space Shuttle in 1979; $5 million was deleted from the Apollo-Soyuz Test Project, part of the space flight operations line item, in recognition of NASA's excellent management and cost control in this program, thus allowing the committee to reduce the authorization request for this project without impairing the progress of the program scheduled to conduct a rendezvous and docking with the Soviets, July 15, 1975.

Ten million dollars were deleted from development, test and mission operations, a part of the space flight operations line item, because the committee found that sufficient carryover would be available from fiscal year 1974 funds to allow this reduction without impairing the technical contract support services provided within this category.

AERONAUTICS AND SPACE TECHNOLOGY

In the area of aeronautics and space technology, $655,000 was added to the areonautical research and technology line item to provide for aircraft hydrogen fuel research. It was the committee's position that hydrocarbon fuels, which will become increasingly scarce in the future, will require replacement. One of the more promising candidates is hydrogen used in NASA's rocket engines at the present time. This modest but important research work will aid in establishing technology for hydrogen fuel aircraft of the future.

Within the same line item, $1.6 million was added to augment aviation safety research. This additional research effort would include atmospheric studies with respect to turbulence and its effect on aircraft, systems safety and hazard avoidance. An additional $2,000,000 was also added for general aviation research. The intent of the committee in providing these funds is to expedite and expand work in the structural crash worthiness, the development of new wing forms for more efficient and safer flight, development of improved fuel systems for reduced hazards, investigation of advanced materials and fabrication techniques, emission reduction for aircraft internal combustion engines and applied research in aircraft handling characteristics.

SPACE AND NUCLEAR RESEARCH AND TECHNOLOGY

In consideration of the critical energy needs of the Nation during the next decade, $1.8 million was added to the space and nuclear research and technology line item to provide for additional studies on the part of NASA in the solar satellite power station area. It is the goal of these studies to identify and define major areas of emphasis necessary to bring a solar power station system to a practical level.

CONSTRUCTION OF FACILITIES

Several changes were made in the area of construction of facilities with a total net reduction of $5 million from the $151,490,000 requested by NASA for fiscal year 1975.

Four million dollars was added to provide for an optimized infrared telescope facility to be located at Mauna Kea, Hawaii. This telescope is essential to NASA's planetary exploration program providing a ground based, infrared telescope large enough to define spacecraft sensor requirements for planetary flyby. The additional funds would make the telescope usable after NASA completes its short-range program and would allow the National Science Foundation to have a more flexible infrared telescope facility usable throughout the remainder of the century.

A net reduction of $9,000,000 was made in the NASA request of $86,020,000 for Space Shuttle facilities for fiscal year 1975. A $7,000,000 deferral was made in funds for modification to Launch Complex 39 at the Kennedy Space Center. This deferral was made in recognition of the fact that architect engineering studies will take the better part of the coming fiscal year to complete, and therefore, construction funds could not be committed in the amount requested by NASA. The committee endorses the work being carried on in this project but deferred the funds recognizing that the program can be continued in an orderly manner without these moneys in fiscal year 1975; $2 million was added to the request of $1,940,000 for construction of an orbiter horizontal flight test facility at the Flight Research Center Headquarters, Edwards Air Force Base. The NASA request provided sufficient facilities for the 12-to-18-month horizontal flight test program of the shuttle orbiter. Since the aeronautical research needs of NASA extend into the future, the committee felt it more prudent to add sufficient funds to allow an adequate facility to be built to serve the long-term needs of the aeronautics program of NASA at that installation.

NASA requested $4 million for construction and modification of solid rocket motor production and test facilities, the location to be designated. Since facilities requirements in this area are not firm and the program award is under protest, these funds were deleted from the NASA request. Testimony before the committee indicates that there may not be a requirement for funds of this nature in the solid rocket motor program, and therefore, the deletion of the $4,000,000 represents a deferral of this item until adequate definition of this program is completed.

RESEARCH AND PROGRAM MANAGEMENT

The committee approved and recommends the $749,624,000 requested by NASA for research and program management for fiscal year 1975. These funds provided the salaries for in-house NASA personnel and support for administrative costs in operation of the NASA headquarters and NASA field centers. It should be noted that the authorization request for this line item includes a continued net reduction in NASA personnel in the coming fiscal year of 354. After analysis of the NASA budget request, it is clear that NASA is making a concerted effort to control their administrative costs. With several pay raises, NASA budget request for this item is only 6 percent more than fiscal year 1974. This control has been achieved by continued reduction of personnel and associated administrative costs.

LANGUAGE AMENDMENTS

The subcommittee has made four language amendments. In line item 1 (a)(7), space applications, the committee adopted language to specifically designate $2 million for research in short-term weather phenomena and $1 million for research on ground propulsion systems utilizing hydrogen. In both instances, it was the committee's view that these modest but significant efforts merited specific identification and funding. NASA has already contributed to both these areas and this amendment would assure continued research effort.

In line item 1(b)(14), construction of an optimized, infrared telescope facility, the word "optimized" was added to denote the committee's view that a flexible facility meeting long-term national needs should be constructed. This telescope was discussed earlier.

In line item 1(h), a provision was added to the bill rescinding $10,900,000 authorized for the orbital landing facility at the Kennedy Space Center in fiscal year 1974. This rescission of authorization was made so that excess authorization will not be provided because of the additional request made for this facility in the current bill.

A new section 7 has been added to authorize NASA to enter into a contract for tracking and data relay satellite services. It is NASA's position that such a system is within the state-of-the-art and can be purchased as a service. This would ultimately allow NASA to close several overseas tracking stations, provide additional low Earth orbit communication time, and increase the data transmission capability from a spacecraft. However, the committee in examining this area takes the position that NASA should thoroughly examine lease-versus-purchase and advise the committee of their findings prior to final committal to this method of operation. The actions of the committee reflect this position.

COMMITTEE VIEWS

In addition to the dollar and language amendments which I have discussed, the committee adopted 10 views which are:

CONTRIBUTIONS TO CRITICAL NATIONAL NEEDS

It is the view of the committee that NASA's scientific and technical competence in terms of personnel, and its extensive network of sophisticated facilities and equipment, some not fully used, provides an opportunity to utilize these capabilities in high technology areas critical to our Nation's needs, such as energy, transportation and environmental control. Therefore, your committee requests that NASA undertake a scientific and technological inventory of the capability within its control as well as NASA contractors and subcontractors, and provide to the committee not later than August 1, 1974 their assessment of the capability available and applicable to critical national needs.

FORWARD PERSONNEL PLANNING

The committee noted that the problem of bringing new young professional people into NASA continues, although it has been slightly alleviated by the stabilized personnel ceiling achieved by NASA with the fiscal year 1975 budget. While the average age of the professional work force is still increasing and is still of concern, another dimension of the problem requires investigation; the age distribution of the work force. It is noted that top and middle management of several NASA centers are approximately the same age. This portends a large retirement at a future date of a significant portion of NASA management talent. The committee recommends that NASA analyze this problem and report to the committee on its findings by August 1, 1974.

ERTS PROJECT

The committee wishes again to emphasize the importance that it places on the ERTS project. ERTS, too, has been an unqualified success. The data from this remarkable spacecraft has already proven its worth to several scientific disciplines, particularly geology and cartography. ERTS–I data is also being used in a quasi-operational sense for a variety of purposes such as repetitive low-cost agricultural inventories, fresh water management, environmental surveys, and pollution monitoring. Because of its pervasive coverage, the quality of its data and the many uses to which it can be applied. ERTS–I has come to be considered an imcomparable tool. Seldom has any enterprise been so widely acclaimed, by experts and laymen alike, for its potential contributions to the betterment of mankind's condition.

The committee notes with approval that authorization has been requested for the development of a new five-channel multispectral scanner during the forthcoming fiscal year. Although ERTS–C is not currently part of the

NASA program, it is assumed that the new five-channel multispectral scanner will ultimately be flown in an ERTS–C spacecraft. The committee takes this opportunity to urge that an ERTS–C mission be included as part of the NASA program next year. In this connection, the committee wishes to emphasize its view that the momentum of the ERTS project should be continued, and that every effort should be made to avoid a hiatus in the acquisition of ERTS data during the remainder of this decade, that is, during the period prior to the availability of the Space Shuttle.

Finally, the committee notes the fact that funding for support of investigations and for data analysis has been reduced sharply during the past year or so. Inasmuch as the ultimate goal of the ERTS project is the acquisition and analysis of data, and its application to many practical problems here on Earth, the committee wishes to state its concern that this aspect of the project may not be adequately funded.

ADVANCED TECHNOLOGY LABORATORY

During testimony on the fiscal year 1975 authorization covering the space and nuclear research and technology area, the committee was informed of NASA's planned Advanced Technology Laboratory to provide for the use of the Europe developed Spacelab to provide OAST with the capability to do multidiscipline research and technology in space.

Further inquiry revealed that NASA plans to lease a 747 type aircraft in order to conduct the experiments. In coordinating this activity with the Manned Space Flight Subcommittee it was learned that the Space Shuttle program will require a 747 or C–5A type aircraft to ferry the Shuttle Orbiter from the assembly site at Palmdale, Calif., to Cape Canaveral for launch.

The committee urges NASA to investigate the possibility of using the same vehicle required for Shuttle as their airborne tested for the Advanced Technology Laboratory effort thereby potentially realizing a permanent savings to the Government.

AIRCRAFT NOISE

The committee noted that as a result of its December oversight hearings on aircraft noise, the EPA has formed an ad hoc "aviation noise control requirements study" group. NASA should be urged to continue its participation in this group in an aggressive manner, and that EPA should be commended for organizing the group and proceeding with the study.

One of the major subjects discussed during the committee's December 1973 oversight hearings on aircraft noise was the possibility of the FAA proceeding with a rulemaking approach which would, for all practical purposes, eliminate potential use of a NASA-developed refan retrofit technology. The Administrator of the FAA, Alexander P. Butterfield, testified that the subject would be given his close personal attention. However, on March 26, 1974 the FAA announced a Notice of Proposed Rulemaking (No. 74–14; Docket 13582), which for all practical purposes, eliminates the refan retrofit as a viable option for the airlines because of the completion data for compliance established in the FAA notice—July 1, 1978. Extensive testimony taken during the December hearings showed that the refan retrofit technology would provide substantially greater noise reductions than the retrofit which will be required under the FAA proposed rule cited above. This action reinforces the committee's concern that the $44 million authorized to NASA for the refan retrofit technology is "down the drain." Continued action by the committee to preclude this from happening is warranted.

SUPERSONIC CRUISE AIRCRAFT TECHNOLOGY

Committee oversight hearings were held on this subject on February 22, 1974, during which NASA emphasized that the research being done was not a "supersonic aircraft program." It was stressed that the research is a part of the entire flight regime from general aviation to the hypersonic area.

After considerable discussion on this research area, the committee decided to call for a report by NASA describing and explaining alternative approaches to proceeding with supersonic research and technology in terms of major objectives, program content, and funding levels during the next decade.

PLUM BROOK STATION AT THE LEWIS RESEARCH CENTER

The budget data presented to the committee confirmed NASA's intention to place the Plum Brook Station, located near Sandusky, Ohio, in a standby status at the end of fiscal year 1974. Due to the far-reaching impact such action would have on our national research capability, the committee held an additional day of hearings on this subject.

Plum Brook Station represents a unique and valuable national resource. The land facilities and equipment of this station are valued at $118.9 million. Located at the station are "one of a kind" type facilities such as the space power facility constructed at a cost of $25 million. This facility is truly unique. It is the world's largest space environment simulation chamber, is equipped with a solar simulation system and has excellent instrumentation and data acquisition facilities.

Testimony revealed that several departments and agencies are interested in and negotiating for the use of the capabilities offered by Plum Brook. The Air Force and Navy are considering the use of the space power facility for testing space satellites, and negotiations are underway at this time. Some interest has been expressed in long-range use of the facilities by the National Oceanic and Atmospheric Administration and the Atomic Energy Commission. Discussions are also in progress concerning the use of Plum Brook for joint NASA/AEC terrestrial power systems programs. The NASA/NSF cooperative program on the investigation of full-scale wind-driven energy devices will be conducted at Plum Brook.

The committee has adopted a strong position opposing the NASA proposal to place Plum Brook in a standby mode. It is believed that a minimal 50-man operating force, over and above the small planned standby force, should be retained at this station for at least 1 year pending the outcome of negotiations with potential users of the facilities. Although some assurance has been received from NASA that a minimal operating force will be maintained beyond fiscal year 1974 for a "reasonable period of time," the committee believes that continuous and active attention on the part of NASA is required to keep Plum Brook operating as a valuable national resource. This subject will be an active oversight action during the coming year.

COAL RELATED RESEARCH

During both subcommittee and full committee hearings various energy-related research and development projects were reported to the committee. The information was provided both in prepared testimony and as a result of committee questions.

Dr. James G. Fletcher, Administrator of NASA, reported that during the past year NASA has intensified its interest and activity in advanced research related to the extraction and combustion of coal. Discussions have been held by NASA with the Department of Interior on ways that NASA might help in technology areas related to the mining of coal, mine safety, equipment reliability, and efficient nonpolluting conversion of coal energy to eletric power.

The committee strongly supports the application of space-related research toward the solution of problems related to coal, and urges that working arrangements be vigorously developed and expanded. The committee is pleased that cooperative relationships are being developed by NASA in conjunction with the Department of the Interior in this vital area.

SPACE BENEFITS INFORMATION

It is the sense of the committee that NASA should be doing much more in the area of disseminating space benefits information to the public at large through its public affairs organization.

Fully recognizing the statutory limitation on information dissemination by a Government agency, but also that statutory requirement under the Space Act to inform the American public, it is the view of the committee that more can be accomplished within the means available to the Public Affairs Office.

The committee strongly urges the Administration of NASA to consider the following recommendations in trying to fulfill this requirement.

Better utilization of available resources within the agency through coordinated efforts such as the technology utilization area;

More emphasis on space benefits, versus program status—through coordinated efforts such as the technology utilization area;

Consideration of coordinated efforts with other executive agencies such as Departments of Interior, State, Agriculture, NOAA, HUD, HEW, DOT, and so forth;

Strengthen educational programs through more extended use of the Spacemobile program and other type forums;

Possible involvement of industrial users;

Additional appearances by key NASA officials addressing space benefits;

Balance of media emphasis with press, TV and radio; and

Disseminate artifacts, mockups, and so forth, where public audiences can be expected.

Therefore, the committee wishes to emphasize that the Administrator of NASA should strengthen the agencies' Public Affairs program wherever possible so as to accomplish the goal of providing the public with this much needed information.

GRANTS TO INSTITUTIONS BARRING RECRUITING PERSONNEL

The committee has not included in the legislation any provision concerning grants to nonprofit institutions barring Armed Forces recruiting personnel from campuses. This type of provision, which has been included in NASA authorization legislation for the past 5 years, required the Secretary of Defense to report on a semiannual basis to the Administrator of NASA those institutions which barred military recruiters from college campuses, and prohibited NASA from making grants to those institutions. The amendment was originally introduced by the Senate at the time of the Vietnam conflagration, a period which was characterized by widespread campus disorders.

Although the reports submitted by the Secretary of Defense at one time listed 28 institutions, NASA had conducted business with only 1. The campus policy of that one institution, as it barred recruiting personnel, remained in effect for a period of 3 months during 1970 after which time the university changed its policy to once again permit recruiters on campus.

Due to a number of factors, including the Vietnam disengagement the Secretary of Defense now indicates that military recruitment is permitted nationwide at all but seven of higher learning. These institutions tend to be smaller liberal arts schools to which NASA has never made grants. Furthermore, there are no active grants or contracts outstanding at any of the seven named institutions.

This favorable change in the college environment therefore encourages the committee to drop the legislative requirement prohibiting grants to those institutions barring military recruiters. However, this does not imply any sanctioning by the committee on this type of campus policy or campus activity; indeed, the committee remains firm in its opposition to such institution policies.

The committee therefore requests that the Administrator or his designee, in coordination with the Department of Defense, ascertain semiannually the extent to which Armed Forces recruiting personnel are being barred from the campuses of nonprofit institutions of higher learning and that the Administrator inform the chairman of the committee of his intent to make any grant to such institutions. In this manner, the committee will be permitted to continue to monitor NASA's relationship with these institutions to determine whether prior legislative sanctions need to be reinstituted.

Mr. Chairman, I urge all my colleagues on both sides of the aisle to support the bill before us, H.R. 13998, as recommended by your committee.

Mr. Chairman, I yield 6 minutes to the gentleman from West Virginia (Mr. HECHLER) who is chairman of the Subcommittee on Aeronautics and Space Technology.

Mr. HECHLER of West Virginia. Mr. Chairman, the Subcommittee on Aeronautics and Space Technology, held extensive hearings and the fiscal year 1975 NASA budget request, was $732,410,000. We are recommending $738,465,000—an increase of $6,055,000, or 0.82 percent.

AERONAUTICAL RESEARCH AND TECHNOLOGY

Of the $6,055,000 increase $4,255,000 is for aeronautical research and technology. In both subcommittee and full committee hearings, members expressed concern about the decrease in the requested fiscal year 1975 amount for aeronautical research and technology—$166,400,000 compared to last year—$168,000,000. The relatively small increases in three areas are recommended based on the committee's conviction that problems in aviation must and can be solved more rapidly than proposed in the NASA budget.

HYDROGEN AS AN AVIATION FUEL

An increase of $655,000 from $755,000 to $1,410,000 is recommended to expedite investigation of the problems and prospects of liquid hydrogen as an aviation fuel.

As part of an oversight hearing held on February 22, 1974, aviation fuel conservation measures and the problems and prospects of hydrogen as an aviation fuel were extensively examined. These hearings showed that the use of liquid hydrogen as an aviation fuel offers much promise. But many hard problems remain to be solved. Opinions are far more numerous than hard facts—and statements about possible use of hydrogen as an aviation fuel range from 1980 to the year 2000.

We need to have more information about alternative fuels for the aviation industry in the decades ahead. The committee believes that we must move faster to learn more about hydrogen as a possible alternative fuel to current petroleum-based aviation fuels.

In order to move faster the committee recommends the increase of $655,000 to be used as follows:

First. Perform in-house design integration studies in advance of possibly moving to flight and ground operations experiments—$55,000.

Second. Do trade-off studies between the use of internal and external fuel tanks for aircraft—a major uncertainty—$200,000.

Third. Examine fuel tank insulation problems—$100,000.

Fourth. Work on the difficult problems of compatibility of materials with liquid hydrogen.

AVIATION SAFETY

An increase of $1,600,000 from $8,400,000 to $10,000,000 is recommended to provide for additional research on a number of aviation hazards. The committee continues to be concerned greatly about the level of effort and management attention given to aviation safety. After intensive inquiry it was concluded that NASA could productively use the additional $2,000,000 in a number of important areas. These are as follows:

First. Atmospheric research.—$190,000 would be used to support work on one or more of the following areas: clear air turbulence, studies of storm turbulence, and persistence of wake vortex turbulence.

Second. Fire technology.—$360,000 would be used to achieve new understanding of the fire hazard environment and the identification of new materials. Specific tasks would be carried out in materials research, fuel modification, smoke and fire detection and quenching, and studying passenger survival in hazardous fire incidents.

Third. Systems safety technology.—$250,000 would be used to support systems studies and accident analysis, cockpit visibility and crew/vehicle interactions.

Fourth. Hazard avoidance.—$800,000 would be allocated to support such work as wake turbulence marking and detection, wake turbulence flight testing, and runaway veer-off and overrun reduction.

GENERAL AVIATION

An increase of $2,000,000 from $4,900,000 to $6,900,000 is recommended for this important part of aviation—with emphasis on making general aviation aircraft safer, more reliable and more competitive in the world markets.

Direct and indirect contributions by general aviation to the gross national product are presently about $4 billion a year. The most recent FAA estimates indicate that general aviation aircraft carry as many people in intercity travel as the scheduled airlines.

General aviation's fleet of aircraft is over 50 times larger than that of the airlines—133,000 as compared with 2,600. There are about 720,000 general aviation pilots compared with approximately 35,000 commercial airline pilots. Finally the export value of general aviation aircraft and engines in 1973 was about $350 million.

Unfortunately, many of today's general aviation aircraft are based on technology of the 1940's and 1950's. Technical advances achieved in military and large commercial transports are in most cases either not applicable or not available to general aviation because of performance, cost or complexity.

The committee strongly believes that NASA can effectively and productively use the additional $2 million in a number of important ways, including:

First, $200,000 for expanding work on a new development in wing shape which should make aircraft more efficient and safer.

Second, $300,000 for expediting a program to enable aircraft to withstand crashes more safely.

Third, $850,000 for incorporating advanced design techniques using new materials, manufacturing processes, and propulsion concepts to upgrade the earlier technology of the 1940's and 1950's.

Fourth, $500,000 for providing additional emphasis on the development of pollution reduction technology for piston engines.

Fifth, $150,000 for simulation technology for pilot training, evaluation, and proficiency maintenance. The high accident rates in general aviation call for this type of action.

In summary the committee believes the modest investment in general aviation will pay handsome dividends, not only in reducing unnecessary loss of life, but in enhancing the competitive position of U.S. industry in the export market.

AIRCRAFT NOISE

While the committee is not, this year, recommending additional funds for aircraft noise abatement, it continues to be extremely interested in insuring that every possible step is taken by NASA and other Government agencies to bring about substantial noise level reductions. Oversight hearings were held in December 1973 and additional hearings are planned for this coming summer.

The committee is pleased to report that as a result of its December oversight hearings on aircraft noise, the Environmental Protection Agency has formed an ad hoc Aviation Noise Control Requirements Study Group. Its purpose is to identify specific measures which should be undertaken by various agencies in achieving noise reduction. The committee has urged NASA to participate fully with the EPA in its aircraft noise work which is being pursued in response to congressional intent expressed in the Noise Control Act of 1972.

One of the major subjects discussed during the committee's December 1973 oversight hearings on aircraft noise was the possibility of the FAA proceeding with a rulemaking approach which would, for all practical purposes, eliminate potential use of a NASA-developed refan retrofit technology. The Administrator of the FAA, Alexander P. Butterfield, testified that the subject would be given his close personal attention. However, on March 26, 1974 the FAA announced a notice of proposed rulemaking—No. 74-14; docket 13582—which for all practical purposes, could eliminate the refan retrofit as a viable option for the airlines because of the completion date for compliance established in the FAA notice—July 1, 1978. Extensive testimony taken during the December hearings showed that the refan retrofit technology would provide substantially greater noise reductions than the retrofit which will be required under the FAA-proposed rule cited above. This action reinforces the committee's concern that the $44 million authorized to NASA for the refan retrofit technology is "down the drain." Continued action by the committee to preclude this from happening is warranted.

QUIET RESEARCH SHORT-HAUL AIRCRAFT

The committee has for some years been pressing for the acquisition of technology which would permit the United States to produce various types of quiet, efficient airplanes suitable for the short-haul market—that is, up to about 1,000 miles. Last year the committee reported its concern about the termination of the quiet experimental STOL aircraft program—QUESTOL—by NASA in response to overall budget reductions. Largely due to congressional pressure to continue some kind of research effort in this field, NASA has devised a program less expensive than the QUESTOL would have been, but which will achieve many of the terminated program's objectives. The quiet research short-haul aircraft program will be carried out in coordination with the Air Force advanced medium STOL transport program and will draw extensively upon it because of the termination of the QUESTOL.

The research results of this program will be important not only to producing substantially more quiet, safe, reliable, economic short-haul aircraft in the 1980's for domestic use, but will strengthen the U.S. competitive position in world aerospace markets. This is another area in which a relatively modest investment by the Government should result in substantial returns—tangible and intangible.

SOLAR SATELLITE POWER STATION

An increase of $1,800,000 from zero funds is recommended for resuming study of this potential source of solar energy.

The committee noted that a $1,800,000 addition would make it possible for NASA to reinstitute systems studies and enhance technology programs to attack key problems. These problems are generally in the areas of power processing, power conversion, structures and materials, and microwave power transmission.

A solar satellite power station would be a large satellite in orbit which would receive energy from the Sun and convert it into a form which could be transmitted to the Earth—much like a radio signal. Much preliminary work remains to be done to find out what specific problems must be solved and to determine the economics of this kind of energy source.

TRACKING AND DATA ACQUISITION

A major decision considered by the committee involved a NASA proposal to amend the National Aeronautics and Space Act of 1958. This amendment would have permitted NASA to enter into a long-term leasing arrangement for services to be provided by a to-be-developed tracking and data relay satellite system—TDRSS.

The TDRSS is a communications concept which, if implemented, would result in the closing of most foreign ground stations presently part of the NASA tracking and data network and bring about considerable cost savings.

The proposed system is essentially an orbital communications network consisting of two satellites placed in synchrnous orbit spaced equatorially to permit up to 85 percent coverage of all low Earth orbiting manned and unmanned spacecraft below 5,000 kilometers. The satellites would receive commands from a ground station located in the United States and relay the appropriate data to the spacecraft. This system will also allow the spacecraft to transmit to the TDRSS satellites for transmission to the ground.

The operational and economic merit of the system and the technical risk associated with it are favorable and the committee recommends proceeding with its development. However, the major problem considered by the committee was how the system should be procured—leased or bought. The preliminary analysis provided by NASA showed the lease approach to be more expensive than a Government purchased system.

Major reasons advanced by NASA in favor of the lease were:

First. Leasing defers substantial expenditures past the peak shuttle funding requirements in the late 1970's. A contractor would develop, produce and launch the satellites by 1978 or 1979, but NASA would not begin lease payments for services until the system became operational.

Second. General Government policy is to lease rather than own communications services.

The committee devoted an extensive amount of time to examining the NASA proposal. Additional hearings were held beyond those scheduled, lengthy staff discussions were held with NASA, the GAO and the House Legislative Counsel.

However, the committee finally concluded that insufficient cost analysis comparing a leased system versus a NASA-owned system was presented to allow the committee to evaluate fully the NASA lease proposal. Particularly troubling to the committee was that NASA's preliminary analysis showed the leased system to be about 20 percent more expensive than a purchased system—using the discounted dollar technique of analysis.

A compromise arrangement was worked out which would permit NASA to proceed with sending out requests for proposals on the lease approach to obtain reliable data—but which calls for NASA to return to the committee for a review of the program prior to any contract award. In essence, the committee recommends that instead of amending the Space Act of 1958, the fiscal year 1975 authorization bill include a new section permitting NASA to enter into a lease contract. However, the authority to enter into and maintain the contract would remain in effect only so long as this provision is included in authorization acts.

The proposed language is in section 7 of the authorization bill. Under the provisions of this section, if specific authorization for the TDRSS lease is not included in the NASA authorization of fiscal year 1976, NASA would be required to terminate for the convenience of the Government any long-term contract which may be entered into under the authority of the new section 7. In such a situation the contractor would have a right under the contract to be paid for the contingent liability which might have accrued before the termination.

The approach recommended by the committee permits NASA to proceed with issuing its requests for proposals to industry in order to obtain more accurate information on the "lease versus purchase" aspects of the TDRSS—but makes it clear that no contract should be let before the committee has been provided with sufficient information to make a final decision. The committee does not intend or desire to participate in the contractor selection process associated with this procurement. Rather, the committee wishes to assure that the various methods of procurement have been thoroughly analyzed and the approach which is selected would be in the best interest of the Government.

ENERGY RELATED RESEARCH AND DEVELOPMENT

During both subcommittee and full committee hearings various energy-related research and development projects were reported to the committee. Examples were given of how NASA's management background and technical competence have led to an increasing variety of tasks being worked on in cooperation with other Government agencies. These cooperative activities include:

First. The Department of the Interior on the more efficient utilization of coal.

Second. The Environmental Protection Agency on ground transportation—increasing efficiency and reducing emissions.

Third. The National Science Foundation on solar energy and wind-driven energy devices.

Fourth. The AEC on advanced energy conversion systems for nuclear powerplants.

Going back to the fiscal year 1974 NASA authorization for a moment, I would like to point out that the committee recommended, and the House agreed, that a modest amount be added to the NASA budget request for energy-related R. & D. The purpose of this addition was to determine how the R. & D. results of nearly $1.5 billion spent on space nuclear power and propulsion could possibly be applied to the solution of our energy problems. In cooperation with the AEC, NASA has responded with a small program ranging between $2 and $3 million.

Dr. James G. Fletcher, Administrator of NASA, reported that during the past year NASA has intensified its interest and activity in advanced research related to the extraction and combustion of coal. Discussions have been held by NASA with the Department of Interior on ways that NASA might help in technology areas related to the mining of coal, mine safety, equipment reliability, and efficient nonpolluting conversion of coal energy to electric power.

The committee strongly supports the application of space-related research toward the solution of problems related to coal, and urges that working arrangements be vigorously developed and expanded. The committee is pleased that cooperative relationships are being developed by NASA in conjunction with the Department of the Interior in this vital area.

In line with the committee's view and the view of most expert observers that one major near term answer to the Nations' energy needs lies in the development and utilization of coal, I will later be offering an amendment. The amendment will call for a relatively small increase of $3,900,000 for coal related research. The time required to examine potential tasks thoroughly precluded me from offering the amendment in committee.

Mr. Chairman, I urge support of the bill before you today, as a commitment to solving the problems which I have described.

I would like to commend the chairman of the full committee (Mr. TEAGUE) for his great leadership in all phases of the space program, and in particular the manner in which he has inspired everyone associated with the program and with the House Committee on Science and Astronautics. I appreciate very much the excellent work done by our colleague from New York (Mr. WYDLER), the ranking minority member of the Subcommittee of Aerospace Technology, and all members of the subcommittee. I would also like to express the committee's appreciation to the excellent staff assistance supplied under the leadership of William G. Wells, and also the assistance supplied by Thomas N. Tate, Harold C. Gould, Elliott Bushlow, and Tish Schwartz.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HECHLER of West Virginia. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, I thank the gentleman for yielding.

Do I understand the bill calls for $788,300,000?

Mr. HECHLER of West Virginia. Mr. Chairman, the subcommittee portion of this bill, which is a NASA bill, I advise my colleague, the gentleman from Iowa, asks for $738,465,000. The entire NASA bill covers $3,253,184,000.

Mr. GROSS. I thought the committee was asking in this bill for something over that figure. Perhaps I am dealing with the right bill and the wrong report.

Mr. HECHLER of West Virginia. Mr. Chairman, I would advise the gentleman that this is the NASA authorization, H.R. 13998.

Mr. GROSS. That is my error. I thought H.R. 13999 was the first bill to be considered.

Mr. Chairman, may I ask the gentleman this question: Is there any money in this bill for the SST?

Mr. HECHLER of West Virginia. There is no money in this bill, as I advised the gentleman last year, for the development of a supersonic transport. There are funds in this bill for research in high-speed aviation.

Mr. GROSS. Mr. Chairman, the Aeronautics and Space Administration, as I understand it, got about $11 million last year in some bill for the continuation of experimentation on the SST.

Mr. HECHLER of West Virginia. Mr. Chairman, there is $8.9 million in this bill and we are calling for a specific report by NASA on its development of supersonic research. However, we are very clearly telling NASA that none of this money is to be used for a supersonic aircraft.

Mr. MOSHER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, so far as I am aware, this year's NASA authorization, as proposed in H.R. 13998, is remarkably free of controversy. It has the united support of the Science Committee, and I want to compliment Chairman TEAGUE for his leadership in preparing this excellently balanced bill.

H.R. 13998 calls for a total budget authorization of $3.253 billion. True, this figure is $6 million above that which the Administration requested, but that is an increase of less than one-quarter of one percent, and I believe it is warranted.

I would point out, by way of background, that a year ago NASA's fiscal year 1974 budget was sharply reduced and it was accepted only as a temporary reduction, below the $3.4 billion level previously planned by the Administration as a long-term level which should be sustained. At the time of last year's Administration request, it was recognized that increases would be required in the NASA budget in fiscal year 1975, and subsequent years, in order to achieve the funding level required to maintain a balanced space and aeronautics program.

The Administration did provide an increase in the fiscal year 1975 budget over the budget of last year, but because of the financial restraints within which the overall national budget was prepared, the proposed $100 million increase is much less than is required to maintain NASA's effort at the previously agreed-to level.

As a result, a number of programs are being delayed or otherwise reduced in scope. Most notably, the Space Shuttle, as the basic space transportation system for the coming decades, is being delayed approximately 6 months in its development cycle. The difficulty with such program cutbacks, of course, is the fact that these reductions often result later in increased total program costs, because of the complexity and scale of many of the programs.

The committee, therefore, is seeking to minimize the later costly impact of the

Shuttle budget cutback by adding $20 million. This is the largest single dollar amendment made to the administration budget, and this increase comes primarily from a reallocation of funding within the overall NASA program rather than the less fiscally responsible alternative of adding money to the total budget.

In spite of the constraints placed on the NASA budget, however, three new projects are planned as startups for fiscal year 1975. The three programs are the pioneer Venus, the SeaSat, and the heat capacity mapping mission programs, and all fall within the general category of unmanned space science and applications.

The first new program—pioneer Venus—is designed to study the composition and global dynamics of the atmosphere of Venus. Hopefully, this effort will give us a better understanding of the forces of both that planet and ours which drive the atmosphere, the weather, and the climate. This two-mission program is planned to fly to Venus in 1978.

The second new program—SeaSat—is an experimental application satellite designed to observe and measure physical characteristics of the oceans. The spacecraft will monitor such conditions as sea state, wave height, wind speed, ocean temperatures, and other characteristics. This data will be extremely useful for ship routing, ship design, storm damage avoidance, coastal protection, and port development.

The heat capacity mapping mission as the third new initiative is a small spacecraft designed to make thermal measurements of the Earth's surface. Information provided by the spacecraft will be of major value not only in locating hidden mineral resources but in constructing major civil works such as highways and canals. Potential geothermal sources will also be mapped from the spacecraft.

Mr. Chairman, Chairman TEAGUE has presented a comprehensive overview of NASA's principal ongoing programs including the Apollo-Soyuz project, the space tug, the Earth resources satellite program, and NASA's aeronautics activities to cite just a few key programs. I would therefore only add my support to his comments, emphasizing that the budget authorization recommended by this committee is extremely important in order to preserve this Nation's preeminence in space and aeronautics.

I would like to comment further however on an item related to NASA's facilities planning.

During NASA's peak funding years in the mid-1960's a number of highly modern and complex facilities were constructed. In this time frame, a budget of almost $6 billion supported an expanding and aggressive space program and over 400,000 personnel worked directly under NASA contract. Today, with a $3 billion budget, NASA's new starts are extremely limited and total contractor personnel number only slightly more than 100,000.

As a result, many of the facilities which were built to support these personnel and the rapid growth of the space effort are now badly underutilized. But, while space as a single functional area has suffered major budget cutbacks, Federal obligations for civilian R. & D. programs over the past 5 to 6 years have shown a steady rise—averaging almost 10 percent growth per year. Such research activities as national security, energy development and conversion, and health, to mention just three, have enjoyed major dollar gains.

My point is this, that within some agencies there are excellent facilities which lie dormant, while within others existing spaces are wholly insufficient to meet increasing program needs. In recognition of this dilemma, the Science Committee took what I consider to be a far-reaching step in opposing a NASA-proposed shutdown of the modern and unique Plum Brook Station located near Sandusky, Ohio.

Originally, NASA had intended to place that station—which NASA characterized as a "one of a kind" type of facility—on a standby status. In the course of hearings, however, it was revealed that several other departments and agencies are interested in negotiating for the use of various of the Plum Brook facilities. As an example, the Air Force and Navy are considering the use of the $25 million space power facility for testing space satellites. Interest has also been expressed in the use of Plum Brook by the National Oceanic and Atmospheric Administration and the Atomic Energy Commission. The joint NASA/NSF cooperative program on the investigation of wind-driven energy devices also is planned to be conducted at Plum Brook.

The committee therefore adopted a strong position which opposes the placing of Plum Brook in a standby status. Instead, it is our unanimous recommendation that a minimal 50-man operating force, over and above the small planned standby force, be maintained at the station for at least 1 year. One year should be sufficient to determine the outcome of negotiations with the various potential users of the facility.

I am personally very familiar with the nature of Plum Brook—its land, facilities, equipment, and manpower—and I commend the other members of the Science Committee for holding this station in an operating status through fiscal year 1975. Plum Brook is a unique and valuable national resource and we should make every attempt to see that it is more fully utilized.

Mr. Chairman, in summary, the authorization bill now before the House is the result of a very detailed analysis by the Science Committee of each single program proposed by NASA. I believe that the $3.253 billion we are requesting represents a well balanced program in terms of the resources we can make available. This is also a budget which is sufficient to maintain the higher priority efforts within our total space program.

I strongly urge all my colleagues to approve our committee bill.

Mr. TEAGUE. Mr. Chairman, I yield 3 minutes to the gentleman from Georgia (Mr. DAVIS), a member of the subcommittee.

Mr. DAVIS of Georgia. Mr. Chairman, I am pleased to join with the distinguished chairman of the Subcommittee on Aeronautics and Space Technology, Mr. HECHLER of West Virginia, in supporting the NASA authorization request.

The subcommittee on which I have the privilege to serve as ranking majority member has spent many weeks in hearings during the past few years in examining major problem areas such as these:

Maintaining U.S. leadership in world aviation;

Bringing about substantial reduction in aircraft noise; and

Improving aviation safety and reducing airport, air traffic congestion.

For a few minutes I would like to talk about a program which contributes to the solution of problems in all of the areas I have mentioned: Quiet, short haul aircraft technology development.

In fiscal year 1972, the Congress authorized a program called questol, an acronym for quiet, experimental short takeoff and landing aircraft. This program was initiated to develop two experimental flight vehicles to be used in validating quiet, propulsive lift technology. The information from the program was to be used as a foundation for design and certification criteria, noise regulation, and terminal area operations.

The fiscal year 1973 program amount approved by Congress was $27,500,000; however, the funds were impounded by the OMB. In November 1972, NASA selected a contractor and preliminary design work was accomplished. But in January 1973, the program was terminated because of budget cuts dictated to NASA by the OMB.

Last year, the Congress authorized the reinstatement of the questol program and urged that NASA not drop this important technology development from its aeronautical R. & D. effort.

Largely due to our continuing pressure to continue research in this important field of aviation, NASA has devised a program less comprehensive than the questol but also less expensive. The questol would have cost about $64 million whereas the new program, called the quiet research short-haul aircraft, will cost about $30 million.

This program will be carried out in coordination with the Air Force medium STOL transport program—AMST—and will draw extensively upon it. It is important for the Nation and our world leadership role that both of these programs proceed.

The results of the quiet research short haul aircraft program should lead to the United States producing substantially more quiet, safe, reliable, and operationally economic short haul aircraft in the 1980's. These airplanes will not only play a major role in domestic intercity transportation but should become a major factor in helping the United States to maintain its competitive position in world markets.

This type of investment is representative of NASA work in aeronautical research and development: Relatively modest investments by the Government, working in partnership with American industry, result in major national payoffs.

Mr. MOSHER. Mr. Chairman, I yield such time as he may consume to the distinguished gentleman from Florida (Mr. Frey).

Mr. FREY. Mr. Chairman, I rise to offer my enthusiastic support for H.R. 13998. I would also like to compliment the committee chairman, Mr. Teague, and our ranking minority member, Mr. Mosher, and my subcommittee chairman, Mr. Fuqua, for their leadership in restoring and strengthening what I personally consider to be a tightly constrained and financially inadequate NASA budget.

Mr. Chairman, although the NASA program has been covered in rather comprehensive fashion by the speakers preceding me, I would like to take a moment to highlight what I consider to be the keystone of our entire space effort. I am speaking, of course, of the Space Shuttle.

As I have pointed out a number of times to my colleagues, we now stand at the threshold of a new dimension in the concept of space transportation. History has shown us that major developments in land, sea, and air transportation have signaled profound changes in human affairs—if the time was right, if the need was there, and if the new potential was grasped. And it is my sincere conviction that "that next major development" is the Space Shuttle.

This vehicle represents much more than an extension of America's program for the exploration of outer space and the environment of Earth. It is, in effect, the basis for a new transportation system for man and materials from Earth to outer space and back, and will serve as the foundation for future programs of space research and interplanetary exploration. Realistically, its purpose is to lower the economic barrier which now limits the utilization of space for economic and social objectives. Achieving these objectives will help us to deal with important national and global problems confronting us now and in the future.

I cannot overemphasize, therefore, that one of the primary reasons for the Space Shuttle is to effect a substantial savings in the taxpayer's money. Whatever benefits mankind chooses to seek from space will come at a much lower price because of the Space Shuttle. Even at half the expected level of space activity over the next 10 years, development costs of the Space Shuttle can be completely amortized against savings on launch costs alone. Any enterprise in a competitive market which failed to modernize its plant and equipment to achieve this kind of timely increase in productivity would not be in business long. NASA clearly recognizes this situation, and accordingly has assigned the Space Shuttle its top priority.

Some of the specific benefits identified by extensive independent studies over the past few years make the reasons for the Space Shuttle even more apparent.

For instance, fewer types of launch vehicles will be required. All Thor, Atlas, Titan, Titan IIIC, and Saturn I missions will be flown by the Space Shuttle. Only the Scout for the very small payloads and the Saturn V for a few very large payload missions will be retained. Thus, the significant economies will be realized in terms of facilities, support equipment, personnel, and the attendant logistic support.

Moreover, once the Space Shuttle's development costs are written off, the recurring cost per pound for placing payloads in orbit is expected to drop to as low as $100 as compared to $700 to $800 for the most efficient expendable launch vehicles now in inventory. Added to this will be the reduced costs of the space vehicles we choose to place in orbit. Responsible independent studies have shown that satellites and equipment to be used in space may cost one-third less when this equipment is designed to take advantage of the more benign Shuttle launch environment, on-orbit maintenance, and recovery for reuse provided by the Space Shuttle. These savings from reduced space payload costs may approach $1 billion per year in the early 1980's.

But these statistics and facts all tend to mask the full promise of the Space Shuttle concept—the concept which holds the option to improve our lives, our hopes, and our future by enabling us to achieve a more fundamental partnership with our planet and ourselves. In actuality, through the Shuttle program we are directing our resources and talents to the many scientific areas which will be benefited by experiments carried on board the Space Shuttle. These are areas such as communications, weather, navigation, agriculture and forestry, astronomy, Earth resources, oceanography, pollution control, and energy. To highlight any one of these areas is to do injustice to the magnitude of the contribution the Space Shuttle will make to all other areas, but the Shuttle's influence and impact on the energy crisis is clearly indicative.

The national and world demand for energy will continue to grow in the decades ahead. The rise in consumption of electricity in particular will represent an increasingly large fraction of the overall energy demand. At the same time, the more economically accessible energy sources such as crude oil and natural gas show signs of near-term depletion. Recovery of new reservoirs of fossil fuels, on the other hand, such as tar and oil shale, draw opposition on environmental grounds. Thus, we are confronted by an unrelenting demand for energy resources in the face of societal opposition to full-scale exploitation of recoverable resources.

One of the energy resources which offers the greatest promise for large-scale recovery and utilization is solar power. This is not so much recovery and utilization of solar energy impinging on the Earth as it is the transmission and distribution of solar energy through a power relay satellite. Such a concept involves energy beamed from the space-borne power-generating complex to a passive relay satellite which, in turn, converts and reflects microwave energy into the consumer area where the energy is reconverted to electricity in clean high-efficiency electromagnetic powerplants.

The feasibility of a power relay satellite is now undergoing intense scrutinization by NASA and private industry. Preliminary study thus far indicates such a system holds great promise in helping this Nation achieve the kind of self-sufficiency now being called for.

But the key element in the feasibility of such a system is the availability of the Space Shuttle. The Space Shuttle affords the only means by which such a massive facility can be orbited, augmented, and maintained.

Again, I emphasize that the energy field is only one of a sizable number of areas in which the Space Shuttle will have significant impact.

Mr. Chairman, the money being requested for the Space Shuttle program for this year—$820 million—is indeed a sizable figure. However, because of the outstanding management control being exercised by NASA headquarters, the Shuttle funding requested is actually less than anticipated in earlier planning. But NASA has assured the committee that only minor delays will be incurred due to the budget cutback, and I for one would like to take this opportunity to compliment them for their ability to closely hold to original cost targets and be able to react in such dynamic fashion to the administration-imposed budget reduction.

Clearly, the Space Shuttle is one of the outstanding and highest priority efforts our space program has ever undertaken and I encourage my colleagues to provide this program their unqualified support.

Mr. MOSHER. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan (Mr. Esch).

Mr. ESCH. Mr. Chairman, I appreciate the gentleman from Ohio yielding to me this time. I, too, would like to commend our chairman, the gentleman from Texas (Mr. Teague), and our ranking minority member, as well as the ranking member of the subcommittee on which I serve, the gentleman from Missouri (Mr. Symington) and also our staff on the work they have done, and for their very diligent efforts in conducting the hearings in the field, and on oversight on these matters, in order to bring this bill to the floor.

Mr. Chairman, I rise in support of H.R. 13998, the NASA authorization bill for fiscal year 1975.

Mr. Chairman, I commend NASA for establishing a balanced program of space exploration and Earth-related scientific adaptations. Space exploration will serve the dual role of increasing our knowledge about other planets as well as increasing our knowledge about ourselves. Missions such as Mariner 10 and Pioneer 10 have provided scientists with new insights into the characteristics of Mars and Jupiter.

Satellite systems such as ERTS (Earth Resources and Technology Satellite) are particularly significant at this time, because they can help identify areas likely to contain energy resources. By using this new capability to the fullest we can assess our energy reserves much better. In turn, we will be able to make a better long-range distribution of our resources.

Work on the Space Shuttle continues to make good progress. The Space Shuttle will give us the capability to capitalize fully on the potential which space offers. Our brief time in space has paid rich dividends. By providing a stable, long-term research platform in space, man will be able to collect, digest, and learn from all that space has to offer. Such a platform has the added feature of being equally well suited for research regarding the Earth or space.

We can all take pride in the outstanding achievements which NASA has accomplished in space. They reflect the overall resourcefulness, ingenuity, and perseverance of Americans. At the same time I encourage NASA to give appropriate emphasis to aeronautics—the second letter in its name. Our mastery of space does not mean that there are no achievements left to be made on the original breed of "space"-craft—aircraft.

Aircraft noise and airport congestion have become formidable problems. They are aggravated by the ever increasing use of aircraft for business and pleasure travel. As the airplane becomes established in our living patterns, we must see to it that the negative side effects which accompany it do not likewise become established. Our recent experience with the automobile teaches us that we must meet the problems head on, now, while they are still manageable.

NASA has launched a multi-directional attack on the aircraft noise problem. An attack that looks to short-term remedies and long-term solutions. NASA is investigating two-segment landing approaches for commercial carriers which result in a significant noise reduction. The technique also results in a fuel saving over the normal landing procedure.

A more permanent way to eliminate much jet engine noise is by modifying the design of engines currently in service to reduce the velocity of the air passing through the engine. Jet engine noise is proportional to the velocity of the air passing through it, so a velocity reduction will produce a corresponding noise reduction. The modification is called refan retrofitting and its future is promising.

Airport congestion is responsible for impeding the convenience and promptness which air travel offers. Besides the aspect of distraught passengers, it is a contributing factor in airport accidents. NASA is seeking to resolve this situation by improved instrumentation and new techniques. Improved instrumentation will allow for closer spacings of takeoffs and arrivals; and reduced runway occupation times.

Mr. Chairman, I believe the current NASA bill represents a responsible measure designed to produce results in space and on Earth. It is a balanced effort which strives to get the most out of every dollar. I exhort my colleagues to join me in backing it.

Mr. TEAGUE. Mr. Chairman, I yield 4 minutes to the gentleman from Florida (Mr. FUQUA), the Chairman of the Subcommittee on Manned Space Flight.

Mr. FUQUA. Mr. Chairman, for 7 of the past 9 years the budget for the National Aeronautics and Space Administration has declined. The budget for fiscal year 1975 represents a budget which is slightly more than last year, but less than that which is necessary in the long run to maintain an adequate space program. In testimony before the full committee, under the leadership of the distinguished gentleman from Texas (Mr. TEAGUE) and in the Subcommittee on Manned Space Flight, NASA has stated that there was a decrease of $96.2 million from the amount requested of the Office of Management and Budget for the manned space flight program for fiscal year 1975. The reason I cite these facts is to point out the continuing critical position NASA finds itself in in accomplishing its programs.

In testimony before our committee, Dr. Fletcher, the Administrator of NASA, has continued to point out that a total annual budget of $3.4 billion is needed on a sustained basis to assure an adequate national space program. The budget before you today is below that level.

NASA's efforts in the Mercury, Gemini and Apollo programs are all well known to the Members of this body. The recently completed Skylab program has been an unprecedented success. The most valuable lesson that we have learned from Skylab is that man has an essential and important role in the utilization of space for his benefit. All of these programs continue to benefit our Nation by providing equipment and technology which has become part of the daily lives of the people of this Nation and the world. All of our lives are significantly better because we have had the foresight and the will to undertake difficult, high technology space programs. In July of 1975, the Apollo-Soyuz test project will accomplish a rendezvous and docking with the Soviets.

In addition to this, a number of significant experiments which are outgrowths of our Skylab program will be continued on this flight. Following the Apollo-Soyuz test project, the first orbital flight of the Space Shuttle is scheduled for the second quarter of 1979. In the case of the Space Shuttle program, our first low-cost space transportation system, the Office of Management and Budget reduced by $89 million the funds requested. Your committee restored $20 million for Space Shuttle main engine development work recognizing that technology problems associated with early development phases of such a complex program required additional effort. By this addition, it is expected that both cost and schedule will be maintained under control, and in fact, possibly improved for the Space Shuttle main engine work. Your committee reduced by $5 million funds requested for the Apollo-Soyuz test project based on the knowledge that successful management of this program has allowed significant economies in its accomplishment without sacrificing cost, performance or schedule.

NASA is to be complimented for the excellent management which allows such a reduction. Also $10 million was eliminated from the development, test and mission operations portion of the manned space flight request. The committee observed that sufficient carryover of funds would be available such that this reduction would in no way impair NASA's technology support of the manned space flight programs.

In construction of facilities, a net reduction of $9 million was made. This reduction was possible for several reasons. Modifications to launch complex 39 for the Space Shuttle will be accomplished over several years. Since the contract for final design has just been awarded, it was clear to the committee that portion of the funds requested, $7 million, could be deferred until the next fiscal year since obligation of these funds would be unlikely in fiscal year 1975. NASA also proposed the construction and modification of solid rocket motor production and test facilities at a location yet to be determined. This request for $4 million was deferred by your committee since no firm facilities requirement has been determined for this project.

Therefore, the committee recommends that the $4 million for this request be deferred until such time it is determined that such a need exists. NASA also proposed the construction of an orbiter horizontal flight test facility for a 12- to 18-month test program at the Edwards Air Force Base. After review, it was determined that NASA's needs in aeronautics research programs extended beyond the limited facility which would be provided for the Space Shuttle in this request. Therefore, the committee added $2 million additional funding to provide a facility meeting the needs of the total NASA aeronautics program at the Flight Research Center. It was the view of the committee that it would be more prudent to build an adequate facility for total needs at this time and ultimately save later costs to modify the smaller, proposed Shuttle facility. The committee is also recommending with respect to the construction of orbital landing facilities at the Kennedy Space Center the rescission of $10.9 million in fiscal year 1974 funding.

This rescission in previous authorization for this facility is recommended so that excess authorization will not be created for this facility since adequate funding is recommended within this bill to complete this facility. I would like to call attention to the fact that the committee adopted a strong view with respect to the capabilities associated with NASA personnel and facilities. It is the view of the Committee that NASA's scientific and technical capabilities in terms of both people and facilities provides an unequaled opportunity to use these capabilities in areas of high technological content critical to our Nation's needs. NASA's expertise in scientific and engineering areas is second to none and offers much to our Nation as we approach the time when we must solve difficult problems related to energy, transportation, and the environment. The committee has recommended that NASA undertake a scientific and technological inventory of its capabilities with an eye to their application to meeting critical national needs. I share with my colleagues on the committee the feeling that this is of importance to the Congress and the whole Nation that NASA's prowess be brought to bear in these areas. As the distinguished Chairman of this Committee, the gentleman from Texas, Mr. TEAGUE stated:

> Our national wellbeing is closely tied to an expanding technology and our national space program is in the forefront of providing that technology.

The view expressed by our Committee embodies the realization that this is not only a true statement, but a necessary demand to be met in the interest of our Nation.

I am including in my remarks a table summarizing the actions taken by the Committee in the manned space flight portion of the budget.

[In thousands of dollars]

Budget line item	Fiscal year 1975 budget request	Subcommittee recommendation
Space Shuttle	$800,000	$820,000
Orbiter	(647,500)	(647,500)
Main engine	(92,300)	(112,300)
Solid rocket booster	(22,600)	(22,600)
External tank	(26,000)	(26,000)
Launch and landing	(11,600)	(11,600)
Space flight operations	323,300	308,300
Appollo/Soyuz test project	(114,600)	(109,600)
Development test and mission operations	(175,200)	(165,200)
Space life sciences	(18,000)	(18,000)
Mission systems and integration	(15,500)	(15,500)
Advanced missions	1,500	1,500
Total, R. & D	1,124,800	1,129,800
Construction of facilities	[1] 86,955	[1] 77,955
Research and program management	346,133	346,133
Manned space flight total	1,557,888	1,553,888

[1] Excludes $8,251,000 for agency-wide supporting activities.

Mr. Chairman, the Subcommittee on Manned Space Flight held intensive hearings in Washington and in the field to fully examine the manned space flight portion of the NASA budget. Testimony was taken from NASA management, industry, the Air Force and the European Space Agency. You will note, from the summary that your committee recommends seven changes to the manned space flight portion of the NASA budget request for fiscal year 1975. They are as follows:

Space Shuttle—Addition of $20 million for main engine development.

Apollo/Soyuz Test Project—Reduction of $5 million.

Development, Test and Mission Operations—Reduction of $10 million.

Construction of Facilities—A net reduction of $9 million.

To place these recommended changes in perspective it should be noted that:

The NASA Manned Space Flight Research and Development request for fiscal year 1975 is $96.2 million less than the funds requested from Office of Management and Budget.

The NASA Space Shuttle request for fiscal year 1975 is $89 million less than the amount requested from the Office of Management and Budget for fiscal year 1975.

The NASA Space Flight Operations request for fiscal year 1975 is $232.2 million less than authorized for fiscal year 1974.

No funds are included in the fiscal year 1975 budget for the Skylab program which has been successfully concluded.

In examining the manned space flight request submitted by NASA, it is clear that this budget is at a level which severely limits NASA program opportunities. It assumes that success will be achieved with little or no development program problems. Such a posture could easily lead to higher program costs in future years when the typical problems of space development work are encountered.

Notwithstanding these considerations, the subcommittee felt that the need for restraint in budgeting also was essential and a small net reduction—$4 million—was the result of several changes. Therefore, the following program amounts are recommended.

SPACE SHUTTLE

NASA requested $800 million for the Space Shuttle in fiscal year 1975. As has been brought out in testimony before the committee, the Space Shuttle program buildup has been constrained by tight cost ceilings in fiscal year 1974. Difficulties have been encountered in activating main engine test facilities and completing main engine components tests. An increase of $20 million for the Space Shuttle program in fiscal year 1975 will provide for increased funding for the Space Shuttle main engine work which has encountered technical problems typical of early development phases of such a program. These additional funds will aid in meeting the current milestones for the Space Shuttle program of a first horizontal flight in 1977 and the first manned orbital flight in the second quarter of 1979.

The net effect of this addition of $20 million to the Shuttle main engine program should add confidence to meeting schedules and to holding total program costs at the current projection. Therefore, your committee recommends $820 million for the Shuttle program for fiscal year 1975.

SPACE FLIGHT OPERATIONS

NASA requested $323,300,000 for space flight operations in fiscal year 1975, $232,200,000 less than authorized in fiscal year 1974. Of the four areas within this line item, your committee made two changes:

Apollo/Soyuz Test Project—The Apollo/Soyuz test project is currently on schedule and within projected costs for fiscal year 1974. A launch on July 15, 1975, is expected to accomplish a rendezvous and docking with the Soviets and to conduct experiments in space augmenting a number of experiments conducted on the Skylab program, as well as other new experiments. Because of the success of the management of the Apollo/Soyuz test project, it is possible to reduce the funding for the project in fiscal year 1975. It should be noted that this reduction will in no way effect the addition of experiments as urged by your committee. The savings can be realized from the operational portions of the program. Therefore, your committee recommends $109,600,000 for the Apollo/Soyuz test project for fiscal year 1975.

Development, Test and Mission Operations—The development, test and mission operations are an essential component of all portions of the manned space flight program. They represent funds which provide contractor support to key mission oriented effort. Testimony indicated a carry-over of $18–20 million in development, test and mission operations from fiscal year 1974. Based on this information, your committee reduced the development, test and mission operations by $10 million. Therefore, your committee recommends $165,200,000 for development, test and mission operations for fiscal year 1975.

The committee recommends a total of $1,129,800 for research and development for manned space flight in fiscal year 1975.

CONSTRUCTION OF FACILITIES

NASA requested $86,955,000 for construction in support of manned space flight activities, excluding facility planning and design, minor construction and rehabilitation and modification work at the field centers which have been programed as part of agencywide project proposals.

Of the $87 million basic construction request, $86,020,000 was proposed for 10 projects directly in support of the Space Shuttle program. One nonshuttle-related facility has been requested at the Johnson Space Center in the amount of $935,000 for modifications to the center water supply system.

The committee has concluded that 7 of the 11 projects, for which authorization has been requested, should be approved. The other four construction projects require either adjustment or deferral.

The committee considers that shuttle-related projects in the amount of $77,020,000 should be approved.

The committee also considers that the one nonshuttle-related project for modifications to the water supply system at Johnson—$935,000—should be approved.

Our review has concluded that the

NASA bill should be amended concerning the four remaining projects:

Construction of Orbiter landing facilities, Kennedy Space Center, $15,880,000. This project includes the second increment of the project authorized for these purposes last year in the amount of $28.2 million. The fiscal year 1974 Appropriations Act, however, included only $17.3 million, leaving $10.9 million of the authorization unfunded. The NASA fiscal year 1975 request of $15.9 million includes $4,980,000 for new requirements and seeks reauthorization of $10.9 million for which appropriations were not granted last year. The committee does not agree with the NASA approach in this matter since it would result in duplicate authorization. However, we believe the project should move forward, since the construction contract has already been awarded. Accordingly, the committee recommends that the full amount requested, $15,880,000 be authorized, but that the bill be amended—section 1(h)—to rescind 10.9 million authorized last year.

Modifications to Launch Complex 39, Kennedy Space Center, $42,690,000. This project is the first increment of a $90 to $95 million project to meet the launch requirements for the Shuttle. This increment involves modifications to the vertical assembly building, one mobile launcher, and one launch pad. The committee agrees with the NASA proposal that this work proceed at the earliest practicable date and we recommend approval of the scope of work for the first increment as presented in the request. However, the committee considers that it is highly unlikely that the full amount requested could be obligated during fiscal year 1975, particularly in view of the facts that: a 360-day contract for final design has just been awarded; 6- to 12-month delays in procurement of critical materials such as structural steel, high-pressure pipe, and so forth, are being experienced; and specific "work packages" for the project have not been defined. Accordingly, the committee recommends the deferral of $7.0 million, and that the fiscal year 1975 project be authorized in the amount of $35,690,000.

Construction of Orbiter horizontal flight test facilities, Flight Research Center, $1,940,000. The NASA proposal involves the construction of a minimum size flight test hangar, limited shop space, and temporary office space housed in trailers, justified solely on the basis of meeting the 12- to 18-month horizontal flight test program for the Shuttle Orbiter. The committee believes such a facility should be built to serve longer term needs and should be designed for long-range aeronautical research needs and used initially to support the Shuttle. There are no other available hangars at the Flight Research Center to meet either the Shuttle or the long-term aeronautical research needs. Accordingly, the committee recommends the addition of $2 million to this project to provide the first increment of a facility for aeronautical research.

Construction/modification of solid rocket motor production and test facilities—location to be selected—$4,000,000. The committee is not convinced that a valid requirement currently exists for these facilities. As the committee is aware, the selection of the prime contractor for the development of the solid rocket booster has been protested by one of the unsuccessful bidders. Facilities requirements are not firm, and in fact, there is some indication that expenditure of Federal funds for these purposes may not be required, depending upon the outcome of the protest now under consideration. In any event, reprograming authority is available to NASA should an urgent need arise. Pending the development of firm requirements, the committee recommends that the $4 million requested for these purposes be deferred.

In total, for the manned space flight portion of the construction of facilities, the committee recommends approval of $77,955,000 and a net deferral of $9 million for facilities to be authorized for manned space flight.

RESEARCH AND PROGRAM MANAGEMENT

The fiscal year 1975 request for Research and Program Management for Manned Space Flight activities totals $346,133,000 or 46.2 percent of the total NASA request. These funds are required to provide the civil service manpower necessary for in-house research, planning, management and support of the on-going research and development effort, as well as the costs of operating, maintaining and supporting the three manned space flight field centers and their satellite installations.

Included in the amount under consideration is the estimated costs of salaries, maintenance and operating expense for the Kennedy Space Center—including support for the NASA element at the Western Test Range—$96.7 million; the Johnson Space Center—including the White Sands Test Facilities—$118.2 million; the Marshall Space Flight Center—including the Mississippi Test Facility, the Michoud Assembly Facility, and the Slidell Computer Complex—$131.2 million.

The committee considers that the Manned Space Flight Research and Program Management request for fiscal year 1975 is sound and recommends approval of the $346,133,000 requested.

SUMMARY

In summary, your committee has made several adjustments in the Manned Space Flight portion of the fiscal year 1975 NASA request, and recommends that the committee approve for authorization a total of $1,553,888,000 consisting of: $1,129,800,000 for Research and Development; $77,955,000 for Construction of Facilities; and $346,133,000 for Research and Program Management.

SPACE TUG

While the Space Shuttle is under development, an important adjunct to its capability will be the development of a Space Tug. This vehicle would deliver payloads from the Space Shuttle in low earth orbit to geosynchronous orbit or deep space. It would be an unmanned propulsion vehicle capable of transporting automated payloads to their destination. The Subcommittee on Manned Space Flight in an intensive review of this area in September-November 1973 reviewed the alternative available in providing a Space Tug for use with the Space Shuttle. It was clear from this review that it would be possible to utilize in the period 1979–1985 an existing upper stage vehicle modified for use on the shuttle. A number of such vehicles are available for this purpose requiring only a determination as to which would be most economical.

Following the 1985 period, NASA has stated requirements for a tug which would be fully reusable and would retrieve payloads from orbit. Since the interim vehicles would not possess this full capability, a full development program would be required for more sophisticated post 1985 Space Tug. Both NASA and the Department of Defense have established a substantial requirement for such a vehicle. The Department of Defense has determined that 60 percent of the satellite payloads in support of the national defense must be delivered to high energy orbits. Since several of the candidate upper stages available for modifications as Space Tugs were developed to meet Department of Defense requirements, and a large portion of the Department of Defense satellite payloads require such a vehicle, an interim design was reached by the National Aeronautics and Space Administration and the Department of Defense to have the Air Force manage and modify an existing stage as a Space Tug.

Such a vehicle will meet the early needs of both NASA and DOD at a minimum cost allowing for later development of a more sophisticated vehicle in the 1980's by NASA. To gain maximum economy in the Space Shuttle, it is important that this program be undertaken. I mentioned this today because it is an integral part of both the NASA and the DOD plans for full Space Shuttle utilization.

MISSION MODELS

NASA has continued to perform detailed cost analysis associated with the Space Shuttle program versus the conventional expendable launch vehicles presently in inventory.

In January of this year, NASA published a detailed technical memorandum entitled "The October 1973 NASA Mission Model," which shows that the Shuttle results in a cost benefit of $14.1 billion for the 12-year period of 1980–91. Copies of this memorandum are available to all Members of Congress if you so desire.

The October 1973 NASA mission model provides a projection of possible future payloads for the Shuttle era based upon current agency planning and user community interest. The cost of implementing this payload program utilizing the capabilities of the Shuttle system is then analyzed and compared to the cost of implementing the same payload effort using expendable launch vehicles. This analysis provides a basis for determining the cost effectiveness of the Space Shuttle system for space exploration and application in the future.

Just to give you some overview figures contained in the report, NASA has now documented a potential of 805 flights carrying a total of 986 payloads for the 1980–91 time period. To accomplish the same amount of payload activity with an expendable launch vehicle system would require on the order of 685 flights with no return of launch vehicle nor payload hardware. In terms of 1972 dollars, this works out to be $63.4 billion for the expendable system versus $49.3 billion for the Space Shuttle.

The 1973 mission model defines every user agency's requirements, including purpose, launch period, and number of payloads and flights. It includes not only NASA requirements, but also the Department of Defense, U.S. Government, Domestic Commercial Missions plus foreign launches and payloads.

NASA is to be commended for its thoroughness in preparing this document and I encourage them to keep up the good work. The following chart is a summary cost comparison by major user which I hope you will find of interest.

1973 MISSION MODEL SUMMARY COST COMPARISON BY MAJOR USER

Category	Vehicle and payload comparison				Program cost comparison (1972 millions)						
	Expendable case (best mix P/L)		Shuttle system case		Expendable case (best mix P/L)			Shuttle system case			
	Number Flts.	Number P/L	Number Flts.	Number P/L	P/L total	L/V total	Prog. total	P/L total	L/v total	Prog. total	Benefits
Automated S/C:											
NASA	191.0	211	156.3	221	$16,604	$2,502	$19,106	$13,432	$1,898	$15,330	$3,776
Non-NASA	81.0	125	73.7	125	4,928	1,271	6,199	4,057	890	4,947	1,252
DOD	231.0	303	271.0	304	11,905	3,559	15,464	9,026	2,679	11,705	3,759
Subtotal	503.0	639	501.0	650	33,437	7,332	40,769	26,515	5,467	31,982	8,787
Sorties:											
NASA	138.0	138	255.7	286	10,035	3,095	13,130	4,119	2,671	6,790	6,340
Non-NASA	30.0	30	48.3	50	2,828	942	3,770	1,011	506	1,517	2,253
Subtotal	168.0	168	304.0	336	12,863	4,037	16,900	5,130	3,177	8,307	8,593
Total:											
NASA	329.0	349	412.0	507	26,639	5,597	32,236	17,551	4,569	22,120	10,116
Non-NASA	111.0	155	122.0	175	7,756	2,213	9,969	5,068	1,396	6,464	3,505
DOD	231.0	303	271.0	304	11,905	3,559	15,464	9,026	2,679	11,705	3,759
L/V range supp						1,860	1,860		187	187	1,673
Subtotal	671.0	807	805.0	986	46,300	13,229	59,529	31,645	8,831	40,476	19,053
Nonrecurring invest	[1] 14.0	[1] 14					3,939			8,392	−4,953
Grand total	685.0	821	805.0	986			63,468			49,368	14,100

[1] Space station launches and space station logistics.

EQUAL EMPLOYMENT OPPORTUNITY

The Subcommittee on Manned Space Flight held extensive hearings at the NASA field centers and at the key industrial contractors plants. Incorporated in these field hearings are a number of briefings requested to establish NASA's efforts in equal opportunity employment and to examine the affirmative action programs of the industrial contractors. I am pleased to report that the attitudes and efforts being directed to this program are positive and are making headway. As the distinguished chairman of this committee has pointed out, the Administrator of NASA and the management of NASA are not satisfied with the progress made in these programs and have set firm goals and objectives, which are clearly understood, to improve minority and women employment. The management of each center in hearings held by the Subcommittee on Manned Space Flight indicated concerted effort is being made not only to recruit professional minority and women personnel, but to upgrade the training of people within their organizations so that they may assume positions of greater responsibility. The goals which have been set in these areas will not be easily made, but appear to be achievable. It is clear from the testimony that even when these goals are met that NASA will need to continue a concerted effort to assure an opportunity is provided for minority and women professionals and to upgrade the skills of the personnel within NASA. I believe that the management of NASA is now dedicated to accomplishing this.

SKYLAB

The outstanding success of the Skylab program marks a major turning point in using the vast potential of space operations for the benefit of all mankind. The scope of the Skylab accomplishments not only reaffirms the role of man in space operations, but also proves the value of space in advancing science and technology and contributing to the study of the pressing problems facing our planet. The unparalled productivity of the Skylab missions, which are yielding extensive scientific, medical, technological, and earth resources returns, is a preview of the tremendous opportunities ahead in the shuttle era.

Skylab, the Nation's first experimental space station, orbits at an altitude of approximately 270 miles above the Earth. The Skylab station provided a highly versatile, sophisticated set of laboratories with a capability for multipurpose scientific and applications experiments. During its nearly 9 months of operation, Skylab crisscrossed an area 50° north and south of the equator, where most of the globe's population is concentrated. The 3 Skylab crews carried out more than 50 major research programs and hundreds of separate investigations developed by specialists in universities, observatories, medical schools, industry, and Government agencies throughout the United States and abroad. From its unique vantage point in space—beyond the atmospheric veil of Earth—Skylab's sensors searched out and recorded new and far-reaching information about the solar system, the Sun, the Earth, and man himself.

The objectives of the Skylab program were to determine man's ability to live and work effectively in space for prolonged periods of time, to extend the science of solar astronomy beyond the limitations of Earth based observations, to develop improved techniques for surveying Earth's resources and environment from space, and to advanced knowledge in a variety of other scientific and technological disciplines.

The first two Skylab manned missions more than met these objectives and the third and final manned mission, which is nearing completion, is progressing extremely well. The Skylab 2 mission with Astronauts Conrad, Kerwin, and Weitz as the crew, was launched on May 25, 1973, and completed on June 22. During their 28-day stay, the crew not only carried out a vast array of scientific and applications experiments but also succeeded in repairing the Skylab station, erecting a sunshield to lower the temperature and releasing the jammed solar cell array. Both problems resulted from the loss of the Skylab's micrometeoroid shield shortly after the launch of the Skylab workshop on May 14, 1973. These repairs, which testified to the ingenuity and persistence of a tireless ground and flight team, spelled the difference between program success and failure. The

Skylab 2 crew demonstrated the indispensable value of man's judgment and capability to respond rapidly to problems, as well as unforeseen opportunities. The 28-day mission confirmed man's ability to live and work comfortably and efficiently in space. Despite the early difficulties, the major milestone objectives were met. About 80 percent of the planned solar observations time and 80 percent of the Earth resources passes were accomplished.

The second Skylab manned mission—Skylab 3—was launched on July 28, 1973, and completed on September 25. During almost 2 months—56 days—the flight crew, composed of Astronauts Bean, Garriott, and Lousma, carried out a highly productive, varied program of experiments. Again, the outstanding efforts of the flight crew and ground team surmounted a series of problems, ranging from the command module's reaction control system thrusters to the airlock's cooling system. Among its repair activities, the crew erected a second, supplementary sunshield and installed a special cluster of rate gyros. After an initial adjustment period, the crew found that they could easily work ahead of the preflight plan. Their efficiency and flexibility allowed additional, unscheduled tests and experiments to be conducted. As a result, the yield of experiment data from Skylab 3 exceeded even the most optimistic premission expectations. The crew sustained a high level of performance and capitalized on unforeseen, unique opportunities for solar and Earth observations. All 16 of the medical experiments required by the flight mission plans were accomplished, measuring the course of man's adaption to zero gravity. The Skylab living accommodations were highly satisfactory and zero gravity conditions proved an aid to most activities. As key indicators of the Skylab 3 mission's productivity, about 130 percent of the scheduled ATM solar observing time was accomplished—305 hours of actual observing time—and all the joint observation program tasks were carried out. In addition, 44 Earth observations data runs were conducted, significantly surpassing the total of 28 Earth resources experiment passes planned. Student experiments were also successfully conducted.

The third and last Skylab manned mission—Skylab 4—was launch on November 16, 1973. The Skylab 4 mission, with Astronauts Carr, Gibson, and Pogue as the crew, is adding significantly to the previous Skylab returns. Assuming that all continues to go well, the mission can last up to 85 days—almost 3 months' experience in space and a month longer than previously planned. The crew is continuing the solar physics, Earth resources, and medical experiments. In addition, the crew is using the solar telescopes and special cameras for observations of the comet Kohoutek.

With the completion of the third manned mission—February 8, 1974, for the extended 85-day mission—the flight phase of the Skylab program comes to an end. Its successful completion signals the beginning of a comprehensive, intensive period of activity as the hundreds of Skylab principal investigators all over the globe analyze and interpret the results of the experiments. From preliminary indications, the results will not only exceed all expectations but will also test and perhaps revolutionize many scientific theories. The harvest is just beginning and a new era of increasingly productive space operations—the shuttle era—is opening up. The preliminary Skylab results are a preview of the vast potential in the shuttle era.

EARTH RESOURCES EXPERIMENTS PACKAGE

The quality and variety of the returns from the Skylab earth resources experiments dramatically demonstrate the down-to-Earth dividends of space operations. From a vantage point in space, the Skylab crews have used remote sensing devices and high resolution cameras to study the Earth's environment and resources. Combined with the crews' knowledge and judgment, the complex Skylab equipment furnished an invaluable set of tools for acquiring critical information about spaceship Earth. The Skylab data will extend our knowledge about the Earth with the purpose of better understanding its resources and processes.

During the first two Skylab manned missions, valuable data on the continental United States and 34 other nations was acquired. The crews also collected detailed data on the Atlantic and Pacific Oceans, the Gulf of Mexico, the Caribbean and the Mediterranean Seas, the South China Sea, the Sea of Japan, and the Gulf of Aden. Over 20,000 earth photographs and 25 miles of computer tapes from the first two missions will be undergoing extensive analysis by 137 principal investigators throughout the United States and abroad. The Skylab 4 Earth resources experiments, with up to 50 passes possible, will significantly increase the storehouse of electronic and photographic data.

The Skylab Earth resources surveys included research projects in geology that could lead to the discovery of potential sources of oil, coal, and essential minerals. A principal investigator has reported that his study of Nevada geology uncovered a region likely to contain a significant mineral deposit. The Skylab surveys have also yielded initial information on potential geothermal energy resources in the Western part of the United States and Mexico. Other Skylab geological investigations involved the study of volcanoes in Nicaragua and Italy and earthquake faults in California.

Urban studies are another important facet of the Skylab earth resources experiments. During the first two manned missions, 13 U.S. urban centers were photographed: Asheville, N.C.; Aurora and Peoria, Ill.; Cedar Rapids, Iowa; Denver, Colo.; New Orleans, La.; Phoenix and Tucson, Ariz.; Pontiac, Mich.; Riverside-San Bernardino and San Francisco, Calif.; Salt Lake City, Utah; and the Baltimore, Maryland-Washington, D.C. area. The Department of Interior's U.S Geological Survey will attempt to calculate population growth since the 1970 Census, based on the high spatial resolution Skylab photography. This type of photography holds a great promise for regional planning and lan use in urbanized areas. In addition, th Skylab remote sensing techniques wer used to acquire survey data on vegetation patterns in States such as California, snow cover depths in Oregon' Columbia River basin, and pollution an weather data in the Great Lakes area

Meteorological investigations represent another major area of study. Photographic and remote sensing data fron Skylab, correlated with the supportin aircraft data, will improve our understanding of weather phenomena, including the development of hurricanes, tornadoes and hailstorms. The Skylab crew, for example, obtained extensiv data on the course of Hurricane Ava i the Pacific and storms in Oklahom and Texas. The influence of eddy currents, observed off the Yucatan Peninsula by the Skylab crews, on ocean currents and weather forecasting techniques is also being assessed.

In addition, the Skylab Earth resources surveys are uncovering data tha can be used to study conservation c precious water resources. Skylab monitoring of the central Florida lakes i uncovering useful information on th problem of premature aging of a bod of water because of excessive nutrient This information is being provided t local county planning authorities.

The early Skylab results have als yielded valuable data on sea condition sedimentation, and marine biology. Th Skylab 3 coverage of the Atlanti Ocean's Sargasso Sea, with its millior of tons of seaweed, is also being studie

The Department of Agriculture is already using Skylab photographs to pinpoint areas along the Texas-Mexic border where insects, such as fire an and fruit flies, might cross to infec crops.

Skylab experiment investigators i Mali will use the Earth resources data t search dry plains for new water source Analysis of the data is expected to provide clues to reverse the southward expansion of the Sahara Desert, whic has brought repeated droughts and famine in this part of Africa.

In the final Skylab flight, the crew i concentrating on observations of seasonal changes, sea and lake ice formations, snow cover patterns, and majo storms, particularly below the equato The crew is also conducting comprehensive observations of changes in vegetation in the Northern and Souther Hemispheres.

The Skylab Earth resources experiments, performed by well-trained crew using a sophisticated set of cameras an remote sensing devices, are providing vast storehouse of information about th Earth. The results have great potenti in advancing the study of geology, cartology, land and water planning an management, agriculture, forestr weather forecasting, oceanography, navigation and communication, and othe areas affecting the quality of life her on Earth.

The Skylab investigations of the Su are opening up a modern era of astronomy. The Skylab solar telescope perating in space above the distorting ffects of the Earth's atmosphere, are ielding new, exciting data about the ife-sustaining Sun. The data, which are ndergoing detailed scientific analysis, romise to revolutionize many of the ongstanding theories of solar physics. Scientists are already predicting that the Skylab results will deepen understandng of solar heating characteristics and heir influence on the Earth.

The importance of Skylab's solar inestigations cannot be overestimated. At time when energy problems are making n increased impact on the world, Skylab ata will lead to a far better understandng of the Suns nature and processes. This knowledge may well lead the way o new means of generating and conrolling solar energy for use on Earth. The staggering power of the Sun is illusrated by the fact that in a single second he Sun radiates more energy than man as used since the beginning of civilizaion. Yet the Earth receives only one wo-billionth part of this energy and ses under 1 percent of it.

The Skylab data will also advance scintific knowledge of how solar phenomna affect our planet. For example, the Skylab investigations should help to exlain the solar flares that periodically isrupt radio communications and trigr magnetic storms, resulting in power lackouts. The observations of sunspots will provide scientific results that will ncrease insight into the Sun's effect on weather.

Before Skylab, the Sun's corona was hought to be an essentially unchanging hell of million degree gases. In contrast, Skylab showed that the corona seethes with activity. The crews observed huge olar flares, shooting up over 100,000 miles. During Skylab 2, two "granddaddy" flares produced auroral lights on Earth. Each flare, reaching a temperaure of a billion degrees, could supply he Earths energy needs for the next 00 years.

The Skylab studies of the Comet Kooutek will test theories on the comosition of comets and the origin of our olar system. The Skylab telescopes and ameras provide a matchless opportunity o investigate the nature and evolution f the comet and tails as Kohoutek aproaches, passes, and recedes from the Sun, not to return for some 75,000 years. Scientists hope to shed new light on the rigin of comets. Are comets remnants rom the formation of our solar system r are they interstellar matter captured y the Sun? Does a solid comet nucleus xist? Comprehensive coverage of Kooutek provides a rare opportunity to cquire substantive data to help answer hese questions.

The success of the Skylab experiments n space processing under zero gravity onditions adds an entirely new dimenion to the science and development of materials. The vital role of materials in he course of civilization is seen in the lassification of prehistoric periods—the tone, the bronze, and the iron ages—nd mirrored in the high strength, high emperature materials, electronics, plasics and other materials that have spured rapid advances throughout society.

It was anticipated that zero gravity conditions would provide a favorable environment for manufacturing metal alloys, composites, and crystals. Skylab is proving this to be true. Fourteen space processing experiments have been carried out in the first two Skylab-manned missions. Although in-depth analysis is continuing, some highly promising preliminary results are already available. For example, initial results show that under two completely different processing conditions, large, perfect single crystals of complex substances were grown in Skylab. The size, perfection, and homogeneity of the Skylab crystals surpassed those grown on Earth.

In addition, there are indications that zero-gravity conditions lead to the formation of metals and metal alloys with higher strength and better properties than those processed under gravity.

Experience in processes such as welding, brazing, and cutting is a prerequisite for assembling large structures in space. The results of the Skylab metals melting experiment, in which electron beam cutting and welding techniques were investigated, were excellent. Exothermic brazing techniques were also studied. The Skylab results were better than experienced with ground-processed samples.

The results of the Skylab space processing experiments may well usher in a new era in materials science and engineering. Potential products range from new alloys with highly specialized physical properties to large, perfect crystals with valuable electrical and optical properties. Shuttle-borne laboratories offer tremendous promise for capitalizing on the advantages of space operations in advancing materials science and engineering.

As one Skylab experimenter emphasized:

> We have an opportunity to use the unique advantages of research in space to develop the technology we so desperately need to move forward in the science of materials processing. The possibility that we can directly or indirectly transfer to earth the knowledge derived from space research makes this phase of NASA's Skylab program truly exciting.

Another key area of investigation during the Skylab missions was directed toward increased understanding of the medical effects of space flight on man and the physiological factors that might limit future manned space operations. Before, during and after each mission, repeated tests of the major body functions were conducted. These intensive studies covered the cardiovascular system, nutrition and metabolism, physical work capacity, weight loss and recovery, equilibrium of body fluids, susceptibility to motion sickness, and similar areas. Skylab provided the first opportunity to make detailed measurements in flight that could be used to chart the time course of the various effects. The medical findings revealed no specific effects which set an upper limit on exposure to weightlessness. For the most part, the results confirmed the premission expectations of moderate weight loss, some deconditioning of the cardiovascular system, and very minor loss of calcium in the bones. The crews experienced a higher loss of red cells in the blood than had been expected, and some reduction in the mass of leg muscles.

Vigorous exercise was found to be an effective countermeasure in maintaining general fitness and is thought to account, at least in part, for the fact that the second Skylab crew returned more rapidly to normal than the first crew did. The longer missions showed somewhat greater effects than the 28-day mission, but the process appeared to be leveling off.

Overall, the health and performance of the Skylab crews were highly satisfactory. The Skylab program demonstrated that men can live and work in space for extended periods of time and readapt to the earth environment.

In addition to the major areas of investigation just described, Skylab supported a wide variety of individual experiments, ranging all the way from ultraviolet measurements of stars, nebulae, and galaxies to studies of the flying characteristics of astronaut maneuvering units. The crews also performed some 19 experiments on behalf of the high school students selected in the Skylab student project. Altogether, there were more than 70 other activities.

The Skylab missions attained almost all of the individual objectives, and significantly surpassed its broad goals. The high productivity of the Skylab program proves that space is a rich resource that can be used to the benefit of mankind. The success of the Skylab missions provides scientists, engineers, physicians, and others with a vast storehouse of data and paves the way for multiplying the beneficial returns from space operations. The end of Skylab marks the beginning of a whole new era of opportunity in space—the Shuttle era.

The CHAIRMAN. The time of the gentleman has expired.

Ms. ABZUG. Mr. Chairman, will the gentleman from Texas yield additional time to the gentleman from Florida (Mr. Fuqua) so that I may ask the gentleman a question?

Mr. TEAGUE. Mr. Chairman, I yield 1 additional minute to the gentleman from Florida (Mr. Fuqua).

Ms. ABZUG. Mr. Chairman, will the gentleman yield?

Mr. FUQUA. I yield to the gentlewoman from New York.

Ms. ABZUG. Mr. Chairman, I would say to the gentleman from Florida, as the gentleman probably recalls, I have had considerable objections in the past, which I still do, to the Space Shuttle. It has never been proved to my satisfaction that it is economically justified.

Does the gentleman have any evidence that there is any change, for example, in what the GAO stated in its latest study made last summer that—

> GAO is not certain the shuttle is economically justified . . . Technical problems and the cost overruns that usually follow such problems are more likely on the shuttle and, if they occur, could turn the projected savings into increased cost by 1990.

I might add that I notice that we have been increasing the amount of money for the R. & D. on this authorization since

1972, which then was $100 million, and now it is up to almost $1 billion, or $879 million.

I would ask the gentleman from Florida what that is being spent for? I am very much interested in research and development. I am not opposed to that but, as I have said before, I would like to have some of that money devoted to transportation on our Earth.

Mr. FUQUA. We did hold hearings on the GAO report. I think NASA has satisfactorily answered the questions that came up at that time. The contracts that have been let so far have come in on target, or even below in some areas. We have not experienced any cost overruns. Of course, this is based on 1971 dollars, and now we are in 1974, and we have had inflation, and the dollar today is not worth what it was in 1971.

But, this is based on 1971 dollars——

The CHAIRMAN. The time of the gentleman has again expired.

Mr. TEAGUE. Mr. Chairman, I yield 1 additional minute to the gentleman from Florida.

Mr. FUQUA. But, Mr. Chairman, I would say to the gentlewoman from New York that every evidence that we have had has been that we are running on the projections made at that time.

As far as the usability of the Shuttle is concerned, if we are going to continue in space with communications, weather satellites and in other areas of space such as the manufacturing and medicine, we will need this. We are just now beginning to get the payoff from space.

With the money that is going into the Shuttle now, we begin to get into the startup phase. Hardware is being produced. We have activities in different areas, including the State that the gentlewoman from New York represents, so this is a startup cost. Hardware is being produced now, is being tested, and will be assembled probably in another year or two.

Ms. ABZUG. If the gentleman will yield, the only thing that concerns me that has never been satisfied in the answers of the committee, is that the success of this particular program is contingent upon a very high level of use. We need about 10 times the payload of what we have actually been setting up there; so it seems to me that what we are doing is spending a lot of preliminary money, just as I have predicted before. I am sure the next time we come around, we will be into the billions of dollars and we still will not have utilized the payload that is required to make this an efficient system.

We may actually be wasting money and not expanding our technology and research for the needs that we have on this Earth.

I really wish we could get some more information on this, because it is not justifiable, in my opinion.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MOSHER. Mr. Chairman, I have no further requests for time.

Mr. TEAGUE. Mr. Chairman, I yield 4 minutes to the gentleman from Missouri (Mr. SYMINGTON).

Mr. SYMINGTON. Mr. Chairman, I rise in support of H.R. 13998, the NASA authorization bill for fiscal year 1975.

The subcommittee which I have the honor to chair has jurisdiction over NASA's unmanned space flight program.

I want at this point to express my gratitude to members of that committee on both sides, particularly Mr. ESCH on the minority side, for their help in this work. I appreciate the work of our chairman, the gentleman from Texas (Mr. TEAGUE) and the many contributions he has made in this worthwhile program.

Responsibility for this important work is divided between the Office of Space Science and the Office of Applications.

We can all take pride in the accomplishments of the space science program. The media has been full of accounts of the two most recent successful planetary missions—Pioneer 10, which gave scientists their first close look at Jupiter, the largest planet in the solar system; and Mariner 10 which returned remarkable images of cloud-covered Venus, and the even more remarkable pictures of Mercury, the planet closest to the sun which has never before been clearly seen even with the most powerful ground-based telescopes.

The science of astronomy has made greater advances during the past decade than at any time since the invention of the telescope. Because the Earth's atmosphere absorbs and obscures radiations from space, the ability to place instruments in orbit above the atmosphere has opened the way to observing and measuring phenomena which hold the secrets of the origin and evolution of the universe.

The next major astronomical spacecraft, called HEAO, will investigate the celestial sphere in the high energy range of the spectrum. Scientists tell us that because of the new techniques of space exploration we are now on the verge of a golden age of discovery in the science of astronomy.

There is much more that could be said about the accomplishments of the space science program, and while I don't wish to slight space science in my comments today, Mr. Chairman, I would nevertheless emphasize the space applications program.

The annual task of reviewing NASA's budget demonstrating the space program's value in terms of direct benefits to the nation, to its economy, and in improving the quality of life enjoyed by its citizens. This is what the space applications program is all about, and the reason the members of our committee have given it such strong support over the years.

Space applications refers to those satellite systems which provide communications services, meteorological observations, earth resources surveys, navigation, and air traffic control data, among other things. These systems already provide services and information worth hundreds of millions of dollars annually; and the future is even brighter.

Yet, despite repeated urgings by Members of Congress that space applications receive greater emphasis and increased funding, and despite public statements by top officials of NASA that the applications program will receive greater emphasis, the budget for this important work continues to be relatively small.

In a proposed budget of more than $2.3 billion for research and development, only 7.5 percent is designated for space applications—$177.5 million. For all the successes of the past and the great potential for the future, this seems to many of us an unwise distribution of resources.

Let me review some of the accomplishments to date. The first earth resources technology satellite—ERTS–1—launched in July 1972, is supplying remarkable data to help solve problems in agriculture, land use, forestry, hydrology, geography, and geology. Furthermore, the utilization of remote sensing imagery from ERTS–1 is producing great savings to user agencies both in terms of time and costs. The hearing record on NASA's authorization bill contains several examples, one of which was provided by the commissioner, department of natural resources, State of Georgia. The commissioner stated:

> Using the imagery provided through NASA's assistance, we are currently conducting a statewide survey of farm ponds and other impoundments. This study . . . will result in savings of 50–80% of a $4 million budget, relative to a study without remote sensing.

The head of a Dartmouth College project to produce a land-use map of Massachusetts, Rhode Island, and Connecticut, using ERTS–1 imagery, has a similar story. He reported that the image interpretation phase of land-use mapping can be accomplished using ERTS for about $1 per square mile, compared to $10 to $15 per square mile using the more conventional high- and medium-altitude aircraft method. He also reported that as much area can be mapped in 1 day using ERTS–1 for land-use interpretation purposes as can be done in 7 days with high-altitude aircraft, or in 31 days of conventional photo mapping.

Last year, the Iowa Geological Survey did an inventory of two large reservoirs, Red Rock and Ratsbun, using ERTS–1 imagery. Heavy spring rains in 1973 had threatened to overflow these reservoirs. For such emergencies in the past, ground measurements had to be made. Use of the ERTS–1 pictures for this purpose, which will continue to be needed on a seasonal basis, is estimated by the Iowa Geological Survey to save $10,000 to $20,000 a year.

In Alaska a previously unnoticed regional trend was identified on ERTS–1 imagery near the Umiat Oil Field. The alinement of many small lakes in that area—first detected by ERTS—identified a regional feature similar to the domed structures which form oil traps. Trends of faults were extended offshore from the North Slope oil fields indicating promising areas for future petroleum exploration. In addition, six copper porphyry prospects were discovered from ERTS imagery in the mountains of central Alaska, two of which are now being drilled by a private mining company.

Identification of wheat, corn, and soybean crops can readily be accomplished. Accuracies exceeding 90 percent were attained for acreage measurement of major crops in many States and several foreign countries.

During the major flood of the Mississippi River in the spring of 1973, computer recognition and mapping of surface water from ERTS data were used by the Corps of Engineers to evaluate flooded acreage and flood control structures.

In short, ERTS–1 has been a spectacular success by all accounts. In almost 2 years of operation, the potential of such a system for the solution of a multitude of everyday problems here on Earth has been amply demonstrated. According to everything we have heard, more than 300 principal investigators have been uniformly enthusiastic by the data that has poured forth from this extraordinary spacecraft. Whether it is surveying our crops or our oceans, monitoring our environment, conducting global geological surveys, or a myriad of other purposes, ERTS–1 has been enormously successful.

Dr. James Fletcher, the Administrator of NASA, is quoted as having said:

> If I had to pick one spacecraft, one space age development, to help save the world, I would pick ERTS and the operational satellites which I believe will be evolved from it later in this decade.

A second ERTS spacecraft was originally scheduled to be launched in November of last year. For financial considerations, the Office of Management and Budget decided to delay the launch of ERTS–B until early 1976. If that new launch schedule had been adhered to, there would almost certainly be a long hiatus in the acquisition of ERTS data, because ERTS–1 could not reasonably be expected to operate over such an extended period.

Our committee increased the authorization for the current fiscal year by $7 million and urged NASA to prepare ERTS–B for launch as soon as practicable. I am pleased to report that the administration has reconsidered the ERTS–B launch schedule, and hastened it by about 1 year.

Now let me turn to communications. Development of experimental communications satellites was one of the earliest efforts within NASA. In 1962 TELSTAR and RELAY confirmed that artificial satellites could provide reliable intercontinental communications, and the same year Congress passed the Communications Satellite Act of 1962.

In 1963, SYNCOM proved that satellites in geosynchronous orbit offered such overwhelming advantages for all types of communications, including voice.

The International Telecommunications Satellite Consortium—INTEL SAT—was established in 1964, managed by the successful U.S. COMSAT Corporation, and in the 10 years that followed a global operational network has come into being with more than 80 participating nations and more than 90 ground stations in operation. Four successively more capacious, efficient, and reliable generations of satellites have been developed and launched, and the latest models have a capacity of up to 9,000 two-way voice channels or 12 television channels. Two INTEL SAT IV provide service across the Atlantic Ocean, while a third is stationed over the Pacific, and a fourth over the Indian Ocean.

American businessmen now phone their counterparts in Europe routinely without knowing whether their voices are being carried by submarine cables or satellites. Since the introduction of commercial communications satellites, however, the cost to consumers of a 3-minute telephone call from Washington to London has been reduced from $12 to $5.40 and from Washington to Paris has been reduced from $12 to $6.75. In addition, a number of companies have been licensed by the Federal Communications Commission to operate domestic communications systems aimed at domestic markets for voice communication, data transmission, and television transmission. Capital investments, all privately financed, range from approximately $50 million to $250 million. The first domestic communications satellite was launched for Western Union by NASA just a few days ago—on April 13.

An advance experimental communications satellite, the Applications Technology Satellite–F—ATS–F—will communicate education and health services via TV to millions of people in India and in remote regions of the United States. ATS–F is a precursor to future direct broadcast satellites and is scheduled for launch on May 30 of this year. If these experiments prove successful, subsequent benefits to millions of people in remote areas will be almost immeasurable.

While NASA officials concede that there remains plenty of research and development work left to do on communications satellites, the Agency announced last year that virtually all such work within NASA would be phased out, with the expectation that private enterprise will pick up where NASA leaves off.

Mr. Chairman, many of us thought the decision to withdraw from experimental communications work was mistaken. Dr. Wernher von Braun, now retired from NASA, and working in private industry, had this to say:

> I cannot emphasize too strongly how unfortunate I feel it is that budget limitations seem to be forcing NASA to abandon its fifteen-year involvement in the further development of advanced technology for communications satellites. Caught in a budget pinch, even inside NASA the argument has been made occasionally that communications satellites have developed into such an industrial success story that private enterprise should be able to raise enough R & D money to experiment with more advanced but still unproven communications technologies. From my new vantage point in a private corporation which is deeply involved with advanced communications satellites, let me assure you, gentlemen, that this is wishful thinking.

It is noteworthy that the relatively small investment by NASA in communications research and development during the last decade has established the United States as the undisputed leader among the nations of the world in this important new technology. Mr. Chairman, I, for one, would not like to see that leadership challenged, and I am persuaded that the role of the Government in this important work should not be ended.

A third major effort in the application's effort involves meteorological satellites, one of the oldest and most successful of NASA's programs. Improved weather forecasting afforded by NASA-developed meteorological satellites in the Tiros and Nimbus series has already shown major results and potential as an aid to agriculture, to world commerce and to improved public safety and convenience. New technology adding to the potential in this area will be demonstrated soon with the launch of NASA's first meteorological satellite to geosynchronous orbit. The first of two synchronous meteorological satellites is scheduled for launch next month. It will provide continuous viewing of the United States during nighttime as well as daylight hours in order to monitor developments, especially violent storms. This capability distinguishes SMS from the coventional polar-orbiting weather satellites that are able to view a point on the globe only at intermittent periods.

Let me conclude, Mr. Chairman, by urging approval of the NASA authorization bill under consideration today. The many achievements of NASA have advanced the Nation's technology and enriched the lives of our citizens. The space program deserves our continued support.

Mr. GUNTER. Mr. Chairman, we are changing the way that we do business in our national space program. This is coming about because of the development of a low-cost transportation system—the Space Shuttle. In the past, our conventional rockets have required the design of small, highly sophisticated payloads. These payloads, of necessity, were very high in cost and difficult to build. The advent of the Space Shuttle will contribute to eliminating this as a problem. In addition to this, the Space Shuttle provides the opportunity to reuse the spacecraft many times. This will make it much more like a commercial airliner, thus again reducing the cost of space when compared to conventional launch vehicles which are expended on their first use.

The reusable Shuttle will open a new era in space exploration by reducing the cost of space operations. It will reduce the cost of flights for our planned automated spacecraft and also provide many new opportunities for beneficial space exploration.

Design of today's satellites is limited by such things as the size and weight carrying capacity and the launch environment of today's boosters. The service life of satellites is restricted by the relatively short lifetime of some components. Design costs are increased due to the need for redundant systems so that the entire mission, spacecraft and launch vehicle, are not wasted because of the failure of a key component.

The Shuttle will eliminate much of this complexity and provide a mild launch environment and a large payload bay. Malfunctions can be repaired in orbit and old equipment replaced with new. If necessary, the Shuttle will bring the entire satellite back to Earth for refurbishment and repair.

There have been many studies concerned with reducing the cost of payload programs through utilization of the Space Shuttle for transportation. Specific current satellites were analyzed to determine their design for use with the Shuttle. This resulted in payload program savings of about 30 percent when just minimum modifications were made to adapt to Shuttle flight, to as high as 58 percent when the satellite design was optimized to take full advantage of the Shuttle capabilities. Considerable effort has been expended on low-cost payload design concepts for the Space Shuttle era.

Instead of unique designs for each satellite, a modular design is used with simple geometric packaging. Heavier, low-cost materials and simple manufacturing processes were substituted for lightweight materials and precision machining. The available dimensions of the Shuttle cargo bay—15 feet by 60 feet—allowed a great degree of latitude in the design of booms, antennae and solar arrays. The modularized arrangement of standardized subsystems will facilitate the maintenance of spacecraft in orbit or on the ground.

It will become practical with the Shuttle for scientists to accompany their experiments into space, to conduct scientific research in space, and to evaluate observations. Moreover, they will be able to make all necessary adjustments to insure the success of their experiments, while in space.

To summarize, savings on the order of 40 percent of spacecraft program costs may be expected when the Shuttle becomes operational. Greater savings appear to be only waiting for innovative designers to exploit the full cost reduction capability of the Space Shuttle.

Your support of the bill before you today for authorizing appropriations for the National Aeronautics and Space Administration will be a vote for an economical national space program.

Mr. WINN. Mr. Chairman, I rise in support of H.R. 13998, the NASA authorization bill for fiscal year 1975. I would also like to join in complimenting both the chairman of the full committee, Mr. TEAGUE, and the ranking minority member, Mr. MOSHER, for their leadership in molding this NASA legislation.

Mr. Chairman, I have frequently heard our space program described as undergoing a kind of "benign neglect" and the NASA budget situation certainly supports that kind of conclusion. From the late 1960's in which the annual NASA outlay was approximately $6 billion, the NASA budget has suffered a steady decline to a figure today which is approximately half that of prior years.

The budget request for NASA for fiscal year 1975 in fact is the first budget since 1965 which has not suffered a cutback over the prior year. However, the current proposed request was increased only $100 million over that of fiscal year 1974 which is not even sufficient to cover inflation.

The price we are having to pay from this reduction is all too apparent. The reusable Space Shuttle which receives the single largest share of the budget—$820,000 in the committee bill—will now be pushed back in its timetable for use to the second quarter of 1979. Specifically, the cut that was imposed on the program by the administration results in a 6-month delay. What this means is that major thrusts in such fields as communications, earth resources, and meteorology will be correspondingly delayed because of their dependency upon the Space Shuttle.

The space program in fact suffers a critical problem with respect to the entire manned space flight effort. With the last Skylab flight which ended in February, the only manned flight left between now and the Space Shuttle in the late 1970's is the joint United States-Soviet docking flight, scheduled for July 1975. Thus, manned space flight will literally be dropped as a major activity for the next half dozen years.

Certainly, however, there are a number of very positive signs in this year's budget. Two programs in particular—the SEASAT and the heat capacity mapping mission—reflect NASA's determination to direct more of its resources to providing an immediate return on our investment in space. The SEASAT, which will be placed in Earth orbit in 1978, is to provide a comprehensive study of our ocean systems. This effort is aimed at developing a forecasting system which would be of great economic value to the shipping and fishing industries.

The other new applications start, the heat capacity mapping mission, is designed to make thermal measurements of the Earth's surface. This satellite will complement the Earth resources technology program by being able to determine locations of mineral resources and rock structures. The same information can even be used in such major civil works projects as highways and canals.

I would also like to address an additional initiative which I feel to be one of the most important in next year's NASA program. This is an effort which I personally suggested and which subsequently won the unanimous support of the committee. The amendment I proposed directs NASA to accelerate its effort in the meteorological area by earmarking $2 million of its space applications funding for research on tornadoes and other short-term weather phenomena. It is my hope that such a program will serve as the necessary catalyst in promoting a more effective and more solidly funded national effort in meteorology.

The timeliness of such action is certainly most obvious after the tornado catastrophes of earlier this month. The latest reports are that more than 320 are dead throughout the tornado-struck 11 State area. In addition, property damage is estimated to be in excess of one-half billion dollars.

What should be recognized however is that the annual number of such weather disasters, the amount of property damage, and most important, the number of lives lost, have continued to grow over the last 20 years. In fact, the yearly average of tornadoes alone has grown from approximately 650 in 1959 to over 1,000 last year. Although the new NASA program will study all types of short-term weather phenomena, I mention tornadoes in particular since over the last 10 years there have been approximately 10 times more tornadoes than hurricanes and tropical cyclones combined—with nearly twice the number of people killed by tornadoes in the course of the average year.

The authorization bill therefore recommends that NASA initiate a major research program in short-term weather phenomena with the primary purpose being to encourage the application of more advanced techniques and technology to a problem which is largely defying conventional approaches. I am sure that NASA would welcome the opportunity to become more involved in this crucial area, and the committee understands from other agencies now working in the field that they too would look forward to the addition of NASA resources and expertise. The project would be under the direction of a NASA director but would be carried out in close coordination with NOAA the Federal Government's lead Agency in the field of meteorology.

One further point that I would emphasize is that the committee added no further funding to the proposed space applications budget; rather, it is intended that the $2 million for weather research be made available from the money which was authorized but not obligated last year in conjunction with replacing the Convair 990 research aircraft. For fiscal year 1974, $5 million was authorized to procure a replacement aircraft but NASA needed only $3 million. Thus, the committee proposes that the $2 million NASA saved be applied to this new research effort in short-term weather phenomena.

I personally feel that this money which the committee has proposed—$2 million—will be returned to the public many times over. It was with a great deal of satisfaction that I witnessed the committee approve my proposal and I look forward to a similarly positive response from my colleagues here on the floor.

Mr. Chairman, in summary, this year's NASA authorization bill, as it increases the administration's request by only $6 million, provides for both a positive and well-balanced space program. Although there were a number of cuts in the budget which impact adversely on such vital programs as the Space Shuttle, NASA has done an outstanding job in developing a program which will permit this Nation to maintain its preeminence in space. I, therefore, commend H.R. 13998 to my colleagues and urge that they join with me in providing this legislation their fullest support.

Mr. GOLDWATER. Mr. Chairman, I rise in support of H.R. 13998, the NASA authorization bill for fiscal year 1975.

This authorization represents a responsible continuation of NASA's research into areas vital to our national well being. NASA has the arsenal of talent and resources necessary to provide the leadership for maintaining our preeminence in space and in aviation.

In particular I am concerned with the aeronautical research and technology program. This program concentrates on improving the safety, efficiency, and acceptability of civil aviation. NASA has demonstrated that with support and determination it could meet mankind's oldest dream—to have man walk on the Moon. This same perseverance is now being applied to meeting mankind's current demand—less congested airports, safer planes and quieter engines.

Aircraft noise is a more pervasive problem than many others because it affects passenger and nonpassenger alike. People living near airport flight approaches often do not need to read of this problem—they are audibly reminded of it many times each day. Since the growth of air travel is certain to accompany our increased national mobility, noise levels must be checked while the problem is still manageable.

NASA is coping with excessive noise by investigating a variety of short-term and long-term solutions. A promising short-term technique is the use of a two-segment approach for aircraft landings. Over 40,000 passengers were carried in 555 two-segment Boeing 727 approaches by 38 flight crews in fiscal year 1974. This technique resulted in a significant reduction of the approach noise footprint. Additional studies are in progress on the same technique applied to DC–9, DC–10, B–707, B–737, and B–747 aircraft. An added bonus of the technique is that it produces a fuel saving of about 10 gallons per landing. General use of this technique by commercial airlines could yield an annual fuel savings of 50 million gallons.

Other solutions under investigation include modifying the engines of 727, 737, and DC–9 aircraft by refan retrofitting. These aircraft account for 70 percent of domestic commercial fleet operations and refan retrofitting could reduce their noise factor by 75 percent. Further study is needed before this technique will be ready for implementation.

NASA also is engaged in investigations aimed at providing the technology base for a better understanding of the sources of engine noise. Such a fundamental understanding will lay the ground work for designing new engines with good noise profiles.

Our concern with noise pollution is matched by our concern with exhaust emission pollution. Research is under way to meet future environmental quality standards with minimum adverse effects on engine performance, weight, and system complexity. Recent emphasis has been given to reducing the levels of nitric oxide emitted. NASA has determined that injecting small amounts of hydrogen into internal combustion engines yields stable, highly efficient performance with reduced fuel consumption and low nitric oxide emission levels.

Improving aircraft safety has as many facets as there are causes which result in aircraft accidents. In fiscal year 1975 an evaluation will be conducted of the toxicity of gas emitted by burning aircraft interior materials. The objective will be to identify potentially dangerous materials and replace them with fire-retardant, nontoxic materials. In the area of airframes, steel, titanium, aluminum alloys, and composite materials will be tested with regard to fatigue, fracture, and lifetime. The testing will seek ways to reduce these detrimental effects and to establish better testing procedures to identify their presence.

Airport congestion not only results in passenger impatience but is a contributing factor in many airport accidents. Work is in progress to improve this situation by means of a precision automatic, zero visibility landing capability; primary displays and an independent landing monitoring system. Improved arrival accuracy will lead to closer longitudinal spacing, better flight path control, and reduced runway occupancy time.

Closely related to resolving the airport congestion problem is the overall upgrading of the available avionics. Avionics includes guidance, control, and navigation systems essential for safe and efficient flights. NASA is contributing to the design of new systems which incorporate integrated circuits for reduced cost and increased reliability. Improved avionics will provide the pilot with better flight information and reduce or eliminate the errors arising from unaided human judgment. The technology which enabled Americans to fly to the Moon without a midcourse correction must be adapted to provide reasonably priced, accurate avionics for Americans flying from Scranton to Baton Rouge.

Expanding our basic knowledge of atmospheric processes will aid the safe and efficient operation of aircraft. Research will continue in fiscal year 1975 on understanding storm airflow turbulence, clear air turbulence, fog formation and similar atmospheric hazards. Wake vortex flight research involves the development of aerodynamic methods aimed at reducing the landing and takeoff separation distances imposed by wake vortices generated by large jets on trailing aircraft. The goal is to cut the separation from 3 to 5 miles to 2 miles without decreasing aircraft performance. In fiscal year 1975 NASA will select among the candidate vortex minimization devices developed in past years and test the most promising devices in flight.

Mr. Chairman, I have focused my comments on NASA's contributions toward improving our Nation's aviation posture but the distribution of my time should not be read as indicating a disinterest in the remainder of NASA's overall mission. I believe NASA's continuing space role will produce achievements significant in their own right and set the stage for adaptations closer to home.

Mr. Chairman, I am pleased to lend my support to this bill and I urge my colleagues to join with me in voting for continuing America's leadership in the skies and in the heavens.

Mr. BELL. Mr. Chairman, I would like to urge my colleagues to join me today in supporting H.R. 12689, the bill to authorize appropriations to the National Aeronautics and Space Administration.

We must continue our work in the space program for its benefits to mankind are only beginning to be fully realized. We have invested too much money and manpower in this program to impair it any further. We in the Congress must have the foresight to continue our efforts in this regard.

I would like to address my remarks to some of the highlights of the space and aeronautics program during the recent years. In February of this year, the flight phase of the Skylab program was finalized with the successful splashdown of Skylab 4. These scientific laboratories have demonstrated the routine use of space for the benefit of mankind. The technology of this space program has increased our knowledge about the resources of the Earth. Skylab gathered information on the Earth's resources and environment to help with such problems as air and water pollution, flooding, crop deterioration, and erosion.

International cooperation has also been enhanced by the Spacelab program and the Apollo-Soyuz test project. These programs have demonstrated the concern shown by other nations of the world regarding our space program and our advanced technology in this field, and I believe it would be very unwise for the United States to retard our efforts in these areas at this time.

The Space Shuttle, expected to fly in 1979, will provide benefits of immediate value to Earth. The Shuttle is a reusable space transportation system that will greatly reduce the high cost of space flights. The Shuttle will also provide great assistance in the areas of energy and environmental protection.

In the area of aeronautics, NASA has given considerable attention to the problems of aircraft noise and pollution. To reduce aircraft noise, engines have been modified and sound deadening materials have been installed. Work has also been done to clean combustors to reduce the environmental impact of jet engine emissions. Studies relating to aircraft safety have also been made relative to the role of human error in aircraft accidents and runway visibility.

The technological benefits we are deriving from the space program are many. I would like to mention several, particularly those in the area of medical technology.

A battery developed for space use has enabled the development of a rechargeable pacemaker for heart disease patients. This new pacemaker eliminates the need for the repeated costly—in terms of both monetary loss and human suffering—surgery necessary for battery replacement. Some examples of successful transfer and diffusion of advanced aerospace technology into the area of rehabilitative medicine are: Orthotic manipulator arms that resemble the human arm in construction and operation and that restore arm function to paralyzed patients; a paper money identifier that enables a blind person to identify different paper bill denominations; an audible light meter which enables a blind person to detect whether it is day or night; and a portable cardiac emergency and resuscitation unit that was adapted from Skylab medical instrumentation that is now being used by emergency and rescue units.

Mr. Chairman, again I strongly remind my fellow Representatives that the space program deserves our continued support and encouragement through the passage of this measure. We have already learned much and benefited greatly from the program, and the future promises much more.

Mr. FLOWERS. Mr. Chairman, one of the important aspects of our national space program which is often overlooked is the program of international cooperation which has been successfully conducted by NASA since 1958. Over 87 nations participate in various joint scientific and technological programs with NASA. In each case, their portion of the costs are paid by the governments involved while we pay our own costs associated with such programs. A prime example of such commitments in this international effort is the development of the Spacelab by the European community which is currently underway. The Spacelab, which will be used with the Space Shuttle, is an investment by the European community of $400 million. This represents a substantial commitment to one of the most important payloads to be carried by the Shuttle program.

Another less tangible but very real plus of the Spacelab program which we should keep in mind is its international characteristics. It is being undertaken as a truly joint project between the United States and Europe to our mutual benefit. One aspect of this effort, which should not be overlooked, is monetary. The European community has undertaken the entire development of the Spacelab as well as the funding of the development. The cost of that development is approaching one-half billion dollars. Their efforts will result in the delivery to us of a flight article Spacelab and its ground supporting equipment. The arrangement is mutually beneficial in that we will buy all of our subsequent hardware needs from them. Of far greater significance, however, is the healthy growth of European involvement in our space efforts. Besides the hardware aspects, they are now full partners in the utilization of space. Through formalized arrangements they are helping to establish the requirements against which the Spacelab is being designed. They will have flight experiments as their needs and merits dictate. One of the flight crew of the initial Spacelab mission will be European and subsequent crew participation is aniticipated. All of this is beneficial to the space program but reflects equally well into international relationships with our European neighbors. I see the above as two very valid reasons why the Shuttle and Spacelab should have congressional support and I urge that we respond favorably in our voting.

I would like to say a word in support of the Space Shuttle and its related Spacelab by drawing a somewhat obvious analogy to the recently completed Skylab effort. The success of the Skylab program is well known and the rather dramatic repair efforts which began the flights forever proved the benefits of having man in orbit with the equipment. He not only was able to take corrective action which in this case transformed almost certan failure into unbelievable success, but in performing observations, he could adjust to changing circumstances and react to events of opportunity. The results are now beginning to be published.

We are getting glimpses of a potential for new products possessing unusual characteristics as a result of having been produced in a gravity free environment. The sun has now been examined as never before, shedding new knowledge on this vital life-giving process. The benefits of Earth study from orbit are becoming better known and defined. The benefits of Skylab, however, were limited by the launch mode. Now the Shuttle, with the Spacelab providing the work environment in which man can continue what the Skylab has barely suggested is possible, is coming into being. It is a very interesting age that we are entering and the Shuttle with the Spacelab is a significant part of it, well worthy of our support.

In adition to the Spacelab effort, on July 15, 1975, the last Apollo vehicle will be launched as part of the United States-Soviet Apollo/Soyuz test project.

It is gratifying to see the real progress which has been made toward the international rendezvous and docking mission which joins the efforts of the United States and the Soviet Union in a cooperative effort towards our goal of developing compatible rendezvous procedures and docking systems and conducting a joint flight mission test of these procedures and systems. This will provide a basis for future joint manned activities in space and possible space rescue activities.

It is rewarding to see the results that friendly cooperation between these two great nations has already accomplished in the past year which has seen the successful testing of the independently designed universal docking systems of each country in actual dynamic development docking system tests, and successful docking system seal tests. Mutual agreement has been reached on virtually all aspects of joint flight and mission planning. It can be said that this undertaking has already made a significant contribution to the cause of peace and better understanding between our two countries.

The Apollo/Soyuz test project payload of experiments has provided the scientific community with a rare opportunity to carry on manned research and space application activities in space. Among the group of experiments to be flown is a West German electrophoresis experiment. The electrophoresis process will be used to separate cells from liquid biological media by means of an electric field. In free-flow electrophoresis which will be conducted in this experiment, the sample flows continuously through the electric field. This scientific tool may become important to human medicine. Patients suffering from bone marrow disease could be treated by ablation of the diseased bone marrow with marrow of a healthy donor.

However, transplantation rejection usually results. The principal investigator proposes that this disease could be avoided by separating the bone marrow components that protect the patient from the immuno-reactive component which attacks the patient. Laboratory tests have demonstrated the capability of free-flow electrophoresis in this type of separation. At present the efficiency of free-flow electrophoresis is severely limited by several problems which do not exist in zero gravity. It is hoped that this experiment will demonstrate an efficient method for carrying out the cell separation process.

Another existing experiment involves soft X-ray which will provide an opportunity to confirm rocket observations of celestial soft X-ray emission in a region of the electromagnetic spectrum where very little data exists. With the data expected to be gathered on the Apollo/Soyuz test project flight an understanding of these energy sources may be possible which could lead to new methods of energy generation much as the understanding of the emission processes in the sun contributed to the development of nuclear energy.

Another valuable experiment with exciting potential involves earth observations and photography. Visual studies of specific problems to be solved will be complemented with photography of the specific area under observation. Included are definition of unmapped extensions of the San Andreas fault and related fracture systems in California for structural geology and earthquake studies; evaluation of snow cover and drainage patterns of the Himalayas in India for irrigation and flood control uses and evaluation of the growth of river deltas for land use studies and future gas and oil resources survey.

Although the international aspects of the National Aeronautics and Space Administration program is only one of many important aspects of their effort, it is a significant contribution not only to scientific and technological progress, but to world understanding. I urge your support of H.R. 13998.

Mr. YOUNG of Alaska. Mr. Chairman, as Congress deliberates over the NASA authorization legislation, I would like to point out the importance of one feature of the program to Alaska—the ATS–F experimental satellite.

The ATS–F satellites is the extension of the ATS–1 satellite that has provided Alaska with invaluable information on the potential of satellite communication for educational and health programs in the bush areas.

Few of Alaska's remote villages have doctors. Some are only now beginning to get paramedics. The use of satellite communications in conjunction with a health-aid training program has helped thousands of villagers receive medical treatment under the direction of doctors and other specialists located in the urban centers of Alaska.

In the classroom, NASA's bird has made instant reference material from the city libraries available to students and teachers alike hundreds of miles away. Only a few months ago I had the pleasure and opportunity to talk with village schoolteachers in half a dozen Alaskan villages using the presently orbiting satellite—the ATS–1, and transmission facilities at the nearby National Institute of Health. Representatives from the United Nations and the National Education Association who went to Alaska to investigate the potential for satellite use in Alaska concluded that—

> Statellite communications for Alaska, as part of an overall long-range educational communications system, are not only feasible but necessary for improved communications in the State. In many respects the satellite was "invented" for Alaska.

The recent demonstration of a low-cost portable ground station by Stanford University has made the widespread use of telecommunications more feasible for the Alaska villages. The 10-foot antenna and the two-foot cube of electronics powered by battery bring the possibility of two-way video, and voice transmission close to realization.

In Alaska, the continuation of the ATS-satellite and its experimental programs in education, health, and cultural exchanges is vital for the development of the human resources of my State.

Mr. COTTER. Mr. Chairman, today I am happy to express my support for the NASA authorization request by joining the distinguished gentleman from West Virginia (Mr. HECHLER) chairman of the Subcommittee on Aeronautics and Space Technology.

During the past 3 years a major concern of the committee on aeronautical research and development has been aircraft noise abatement. We have urged and supported more extensive efforts on the part of NASA in attacking the problem of aircraft noise, both in the short term and the long term. In addition to our regular annual authorization hearings, we have held special oversight hearings on aeronautical research and development and specific oversight hearings on aircraft noise.

Recently, we held 3 days of oversight hearings in December 1973 on aircraft noise. One major result of those oversight hearings was that the Environmental Protection Agency established an Aviation Noise Control Requirements Study Group. The purpose of this group is to identify everything necessary that should be done to get on with the task of reducing aircraft noise more rapidly.

Beginning in fiscal year 1973 our committee urged an expedited effort in a major noise reduction program: The refan technology program. The purpose of this program was to provide a basis for industry to proceed with modification of the existing, narrow-body jets of the commercial air fleet. This program included work toward modification of the 707, the DC–8, the 727, the DC–9, and the 737.

Subsequently, Office of Management and Budget dictated budget reductions led to a termination of the work for the 707 and the DC–8. I believe this was a mistake because these four-engine aircraft are among the major noise offenders. Last year, we attempted to have this program reinstated, but we were not successful.

The fiscal year 1975 budget contains the last increment of funding—$1 million—of a $44 million program for the refan modification technology. However, the results can only be applied to the 727, DC–9, and the 737. One of the major subjects discussed during the committee's December 1973 oversight hearings on aircraft noise was the possibility that the FAA would proceed with a rulemaking procedure which would for all practical purposes, eliminate potential use of the NASA developed technology. This remains a major concern of the committee and on behalf of the Congress we intend to follow this program carefully to help preclude the money Congress authorized from being wasted.

Aircraft noise remains a major problem in aviation. We must continue to pursue solutions vigorously. Airplanes must become acceptable neighbors and at the same time we, as a nation, must retain our world leadership in aviation.

Mr. REGULA. Mr. Chairman, I rise in support of H.R. 13998 the NASA authorization bill. I note that the committee has stated that it opposes NASA's plans to place the Plum Brook Station in Ohio—the world's largest space environmental simulation station—in a standby stage at the end of fiscal year 1974.

It and the scientists, engineers, and other highly qualified trained staff are among the natural assets I spoke about on December 19 in this House when I urged support of the Energy Reorganization Act and read into the RECORD a letter from the Honorable Roy Ash, Director of Office of Management and Budget. I reiterate, there is a reservoir of talent and energy in NASA. Over the last 2 or 3 years, NASA's dwindling budget has resulted in a release of numerous well trained staff and a cutback in facilities. I think it is important that these facilities and personnel be utilized to the fullest extent in our national effort to overcome the energy shortfall we have been experiencing.

Director Ash informed me in December that immediately upon the establishment of a national Energy Research and Development Administration, OMB would urge the ERDA administrator to undertake, on a priority basis, and in consultation with the NASA administrator a thorough review of all of NASA's personnel and facilities that might otherwise be released or closed down. He further stated that such a review should be made in the context of meeting ERDA's scientific and technological requirements.

I think it would be tragic to close down the Plum Brook Station at this time. I congratulate the committee on its stand and I urge my colleagues support of the committee's position, and its avowed intention to hold oversight hearings this year to ensure that a minimal operating force is maintained at Plum Brook.

Mr. BROWN of California. Mr. Chairman, I support this legislation and the continuation of the efforts of NASA to serve the needs of this Nation in many fiields. The expertise of the National Aeronautics and Space Administration is not being fully tapped by the Congress in many areas of vital national concern. One area of concern that has come to the attention of the media of the Nation is research being done by NASA in the area of alternative fuel and engine R. & D. An area that has received particular attention has been the NASA work with hydrogen fuel. In a time of uncertainties in petroleum supplies, and the continuing need to develop nonpolluting engines; the potential of an alternative fuel captures the public imagination. NASA is working on this problem, and this bill includes authorization for them to continue this important work at a minimum level. I have pending in the Science and Astronautics Committee a bill which would expand the involvement of NASA in the research and development of ground propulsion systems.

NASA is not the only organization that is interested in the potential of hydrogen fuel. A group of enterprising researchers in Utah, under the able leadership of Roger Billings, has working vehicles that run on hydrogen fuel. There is much work to be done, but if a small group can make progress in this field, as this group has done, then there is hope for real breakthroughs in this field.

Mr. Chairman, I would like to insert for the RECORD an article from Automotive News on the Billings research in Utah, as one of many examples of alternatives to the present gas-guzzling automobiles.

The article follows:

Two Fuel Storage Systems Debut on Hydrogen Car

Provo, Utah.—Hydrogen, as an automotive fuel, has a lot going for it.

Its exhaust is clean—it emits "fog, instead of smog," as one advocate put it.

And it is plentiful. The oceans are full of it.

One disadvantage, however, is that there are a number of developmental hurdles which must be overcome before hydrogen-powered cars can be produced, including needed improvements in storage containers and developments of hydrogen production and distribution systems.

Roger Billings, president of Billings Energy Research Corp. here, thinks the potential is there, however, and he recently showed a Monte Carlo to an energy symposium in Santa Barbara, Calif., which had a modified fuel system to allow it to run on hydrogen.

The car uses a conventional engine to which Billings' company added a modified carburetion system and a specially packaged hydrogen fuel supply. This modified fuel system was called a "significant milestone" by Billings.

Although young (26 years old), Billings has already made an impression on Detroit with a hydrogen-powered Volkswagen which won first-place honors in the Urban Vehicle Design Competition at the General Motors Proving Grounds in 1972.

The hydrogen fuel system he developed for the VW achieved the lowest emissions in the field of 63 vehicles and surpassed all 1976 standards.

Billings' experimental Monte Carlo actually has two types of hydrogen systems, which operate independently.

One is a sophisticated powdered metal hydride system in which the hydrogen is stored in iron titanium in a special tank in the normal gasoline tank area.

The other is a thermos-like tank containing supercold (minus 423 degrees Fahrenheit) liquid hydrogen, which is fed into the engine through a specially designed carburetion system.

The metal hydride storage system was designed by Billings Energy Research Corp. and is based on the hydrogen absorption capability of iron-titanium alloys discovered in the late '60s at Brookhaven National Laboratory.

The alloy is contained in a bundle of tubes which resemble a steam boiler. The hydrogen is held inside the metal powder by chemical bonds which are broken by heat from the engine's cooling fluid.

Billings said no production cost estimates are yet available, but he said the metals are not expensive.

The cryogenic hydrogen tank was designed by Beech Aircraft Corp., Boulder, Colo., an aerospace firm which developed oxygen and hydrogen cryogenic systems for the Apollo and Skylab space programs.

The two systems give the Monte Carlo a range of 145 miles, Billings said, but he said the prototype storage tanks are small and could easily be enlarged.

Billings said that even at present production costs, hydrogen is not unreasonably expensive.

"We are now buying liquid hydrogen at an operating cost of 2.5 cents per mile, vs. a cost of 3.5 cents per mile for gasoline at 50 cents per gallon, figured at 14 miles per gallon of gas," he said.

Billings said some projections on the cost of producing hydrogen from coal gasification indicate a possible two-thirds reduction—to eight cents per pound or less.

Asked about safety, Billings noted the "Hindenburg syndrome" and the subconscious word association between "hydrogen" and "bomb." But, he said, "if a crash were severe enough to break the tough little fuel box open, the fuel would escape so slowly that the possibility of fire casualties would be remote."

Frank Lynch, vice-president and director of engineering for the Billings firm, said that several vehicles have been built to demonstrate use of hydrogen for fuel, but that—until the Billings model—most had used gas which means bulky fuel storage systems and short ranges.

"The problem is that no matter how highly hydrogen is compressed at normal temperatures, it remain a gas with very little energy per cubic foot," Lynch said.

"This means that a tank large enough to propel the family sedan for 100 miles might weigh over half a ton and would usurp all of the trunk and most of the back seat.

"By switching to supercold liquid hydrogen and by developing a practical powdered-metal hydride storage system, we believe we have achieved a major breakthrough in the use of hydrogen for automotive energy."

Lynch said hydrogen is also feasible for a wide range of fuel uses, "from lawn mowers to locomotives." Because of its high energy output per pound, Lynch said hydrogen systems might result in a 30 percent weight reduction in aircraft.

Billings estimated that a 40 percent increase in engine efficiency can be realized with hydrogen. This, coupled with a lower production cost per million BTUs ($1.83 for gasoline, $1.60 for hydrogen made from coal, he said) makes the cost per mile of hydrogen fuel well below gasoline, Billings said.

"Another asset in the production of hydrogen from coal is that the vast deposits of sulfur-bearing coal make a suitable feed stock," he said. "The sulfur is removed without producing sulfur dioxide, so the process is virtually pollution-free."

Discussing the metal hydride storage system, Billings said that under proper conditions, certain iron-titanium alloys will absorb hydrogen by chemical reaction and contain it in a very dense state. When conditions are reversed, the hydrogen is released.

"The metal hydride method of storage allows a larger quantity of hydrogen to be held in a smaller volume than previously possible," he said.

"Metal hydrides also appear to be much safer than other hydrogen fuel storage methods. The hydrides under development at Billings Energy Research Corp. do not ignite and are relatively stable in air and water.

"In case of a serious collision, they would be safer than a conventional gasoline tank."

Billings said there are a number of problems in converting a conventional engine to run on hydrogen.

"The conventional engine powered by hydrogen has a tendency to backfire to such an extent that engine operation is rendered virtually impossible," he said. "If the engine does run, unless carefully controlled, it may produce as much as five times more nitric oxide than gasoline engines."

But Billings said his engineers have developed simple and inexpensive methods of controlling these problems.

In addition, he said, they have successfully converted a Wankel engine and a two-cycle engine, as well as standard auto engines.

"They are presently studying the conversion of diesels, which may prove to be the most efficient of all."

Billings said the power from a hydrogen-fueled engine is roughly equal to a gasoline unit. The exhaust of engines converted by Billings' firm, he said, contain no carbon monoxide, no hydrocarbons and about 0.2 grams per mile of nitric oxides, half the most stringent proposed standard.

Mr. MILFORD. Mr. Chairman, I rise in support of H.R. 13998, the NASA authorization bill for fiscal year 1975.

Among the sciences that have been advanced most by the space age, meteorology is one of the greatest beneficiaries. Meteorological satellites have a long and successful history. TIROS–1 was launched 14 years ago, in April 1960. The TIROS series of satellites evolved quickly into a national operational meteorological satellite system that has enhanced the effectiveness of NOAA's weather forecasting. The first operational satellite was launched for ESSA in 1966.

The earth orbiting satellite has proven to be an invaluable tool and one of the foremost direct applications of space technology to weather forecasting.

Meteorologists find it necessary to examine as an entity the weather and the particular quantities charter on the maps. Satellites provide such a field representation directly. Measurements made from the surface of the Earth must be laboriously interpolated between the discrete "point" measurements made at the stations.

Satellites view the atmosphere as a global phenomenon. That is, every area on Earth can be viewed regularly. Further, for near-Earth orbits the orbital period is a matter of hours, and through the choice of the orbit, every place on Earth can be viewed two or more times per day. Thus, satellites provide data where no surface weather stations exist or where they cannot be practically installed.

Satellite observations permit fast collection, and then readout of the data at a central ground station. One satellite in a near-polar orbit can view every point on Earth in 12 hours.

From their vantage point high in space, on an everyday, round-the-clock basis, weather satellite instruments are producing cloud pictures showing global weather front patterns, surface and cloud-top temperatures, wind directions and speeds, and measurements of atmospheric temperature and humidity; information formerly either completely unavailable or available only on a very limited basis.

Weather satellites have detected and tracked every tropical storm over the past several years, allowing time for threatened areas to receive warnings well in advance of the impact of a storm. Official estimates indicate that many thousands of lives and many millions of dollars of property have been saved as a result of satellite information about such storms.

The ability of satellites to provide comprehensive information about our atmosphere is helping to make weather forecasts more accurate now, but new sensors under development promise data which will enable scientists soon to make reliable, accurate weather predictions perhaps as much as 2 weeks in advance.

Mr. Chairman, I note with gratification that NASA's technological know-how is now going to be applied to the world's oceans. I am sure those in the oceanographic community, as well as those in the maritime meteorological communities, are equally gratified. The focus of this attention is NASA's first "sea satellite," to be known as Seasat-A, scheduled for lunch in 1978.

The sea profoundly affects the weather. In turn, it is affected by the atmosphere, acting as a heat reservoir and the biggest source of atmospheric moisture. It is the repository for the debris of man and nature, and serves as a source of petroleum and some useful minerals. It is a source of food and a means of recreation. It is, of course, a great global highway for commerce. The sea is many things, and it covers 75 percent of the planet Earth.

Because of its great expanse and its harsh environment, the sea presents difficulties in obtaining detailed and timely information about itself. For effective monitoring and forecasting, we need to know much more about wave heights, the location of major ocean currents, winds and pressure, and other parameters. Surface data taken from Seasat can be combined with the subsurface data taken by other, more conventional means. Together these data give a fairly good three-dimensional view of the ocean. Seasat will have the capability to observe the ocean on a day-and-night, near-all-weather basis. It will use a complement of active radar and passive microwave and infrared instruments.

The benefits that are predicted for SEASAT are impressive. One of this year's witnesses on the NASA fiscal year 1975 authorization bill, H.R. 13998, was Dr. John R. Apel, of the National Oceanic and Atmospheric Administration—NOAA—Department of Commerce. He testified:

> In principle, large economies are possible for activities using SEASAT-A-derived information directly or indirectly. In the area of maritime operations, minimum-time routing of transoceanic shipping around storms and adverse currents can save 12 to 24 hours of ship time on a single crossing which, when translated into savings at the rate of $10,000 a ship-day, amounts to eight figure numbers of dollars per year, world-wide.

He went on to list other benefits in terms of reduced cargo breakage and insurance rates, and improved harbor and canal scheduling. Wave forecasts would also help in scheduling the deployment of floating oil drilling platforms. Seasat also is expected to contribute to the national defense and to protection of life and property. Dr. Apel pointed out that the use of marine resources, living and nonliving, is also enhanced by knowledge of ocean currents, temperatures, and waves.

Mr. Chairman, the list of active users of Seasat data is large. It includes eight departments and agencies, several institutional users, plus the American Institute of Merchant Shipping, American Petroleum Institute, and the Sea Use Council. Surely, the modest authorization of $8 million for starting the Seasat program is a most worthwhile investment.

Mr. RANGEL. Mr. Chairman, on the agenda today we shall vote on the appropriation of funds to the National Aeronautics and Space Administration. No one will dispute that NASA's exemplary efforts in space research and operations have given the United States preeminence in space. It is also true, however, that NASA has the most dismal record of all Government agencies in minority hiring. Only 5.2 percent of its ranks are minority members compared to an overall average of 20 percent for the Federal Government as a whole.

NASA brought national attention to its inequitable hiring practices when it fired Mrs. Ruth Bates Harris, then Deputy Assistant Administrator for Equal Employment Opportunity. The official reason for her dismissal was because of a difference of opinion on NASA's equal opportunity priorities and opportunities. The truth of the matter is that NASA had no concrete policy and was attempting to "cover up." There have been various testimonies before the House Judiciary Committee relating to the fact that not only were minority hiring practices insignificant but that treatment of minority workers within NASA itself were stifling and blatantly discriminatory.

This Agency which firmly entrenched America in the space age continues to utilize neanderthal discriminatory policies against blacks, women, and other minorities. In concurrence with this backward stance, NASA's Equal Employment Opportunity Office is headed by a NASA trained physicist alleged to have management skills. I would like to know what relevance do his qualifications have for enacting a vigorous and effective minority employment program? Would NASA, an Agency which prides itself on professionalism, appoint someone trained in sociology for one of its science programs? I do not believe minority groups can afford to have a trainee in such a sensitive position.

If the majority of other Government agencies and departments can successfully reflect the national proportions of minorities, why can't NASA do the same? An Agency which is renowned for its can-doism, its ability to project man and machine into the inner recesses of space and successfully bring them back, should be able to meet an adequate minority employment level. Just as a rocket must build and reach an adequate escape velocity so must NASA's employment policy actively recruit minority members so that their numbers will be, in the future, self-perpetuating.

Mr. McCORMACK. Mr. Chairman, I rise in support of H.R. 13998 authorizing funds for the National Aeronautics and Space Administration. For 8 of the past 10 years, NASA's budget has declined. Only in the last year and in the bill before you today has that budget leveled off. As the distinguished chairman of this committee, the gentleman from Texas (Mr. TEAGUE) has pointed out, the increase in the NASA bill by the committee this year is one-fifth of 1 percent above the total budget request for this year or slightly more than $6 million.

It is my privilege to be chairman of the Subcommittee on Energy of the Committee on Science and Astronautics and I can say that NASA has the resources and the opportunity to contribute not only directly to the field of space exploration and utilization but also to the solution of our energy problems. The bill before you today recommends funds for research and development, construction of facilities, and research and program management tailored to a limited but vigorous space effort. The recent successes of Skylab and automated probes to Mercury are only a small indication of the significant contributions of NASA. The Earth resources technology satellite, weather and communication satellites all are improving the quality of life for the people of this country and of the world. These efforts are worthy of our continuing support.

Coming soon, in July of next year, the Apollo/Soyuz rendezvous and docking will take place. This joint United States-Soviet project is an important first in manned space flight. In 1976, the Viking program will land instruments on Mars for the purpose of determining if life exists or has existed there. In 1979, the Space Shuttle will herald a new day in low-cost space transportation and open space as an arena of routine operation. This bill supports these projects and merits our approval.

I urge support of my colleagues on the passage of H.R. 13998.

Mr. MATSUNAGA. Mr. Chairman, I am pleased to rise in support of H.R. 13998, which would provide for the needed authorization for important programs furthering man's quest for knowledge in his surroundings and the universe.

Mr. Chairman, I am especially elated in the wisdom and foresight characterizing this bill, which we have grown to expect from the distinguished chairman of the Science and Astronautics Committee, my good friend, the gentleman from Texas (Mr. TEAGUE), and his able committee. And there is nothing more exemplary of their respected achievements than the committee's decision to fund fully the much sought after infrared telescope project on the summit of Mauna Kea in my State of Hawaii.

In funding this project, the Science Committee has concurred with selection by NASA of this ideal site, described by world-ronowned astronomers as one of the finest, unobstructed locations for cosmic observations in the world. Indeed, as the distinguished members of the committee are no doubt aware, the Mauna Kea site is also the choice of an international cooperative effort to construct the second largest optical telescope in the world. By approving today's measure, the House will be taking the first major step toward constructing the world's largest infrared telescope to extend substantially America's capacity to study the cosmic phenomena now beyond the grasp of modern science. More tangibly, with the construction of the NASA Mauna Kea infrared telescope, scheduled for completion by 1976, NASA's capacity to support the planned 1977 Jupiter-Saturn space mission with the most effective facilities available to our scientists will be enormously improved.

Mr. Chairman, I urge overwhelming approval of H.R. 13998.

Mr. TEAGUE. Mr. Chairman, I have no further request for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is hereby authorized to be appropriated to the National Aeronautics and Space Administration:

(a) For "Research and development," for the following programs:

(1) Space Shuttle, $820,000,000;

(2) Space flight operations, $308,300,000;

(3) Advanced missions, $1,500,000;

(4) Physics and astronomy, $140,515,000;

(5) Lunar and planetary exploration, $266,000,000;

(6) Launch vehicle procurement, $140,500,000;

(7) Space applications, $177,500,000; of which $2,000,000 is designated for research on Short-Term Weather Phenomena; and $1,000,000 is designated for research on ground propulsion systems;

(8) Aeronautical research and technology, $170,655,000;

(9) Space and nuclear research and technology, $76,600,000;

(10) Tracking and data acquisition, $250,000,000;

(11) Technology utilization, $5,500,000;

(b) For "Construction of facilities," including land acquisition, as follows:

(1) Addition to flight and guidance simulation laboratory, Ames Research Center, $3,660,000;

(2) Rehabilitation and modification of science and applications laboratories, Goddard Space Flight Center, $890,000;

(3) Modifications for fire protection and safety, Goddard Space Flight Center, $1,220,000;

(4) Acquisition of land, Jet Propulsion Laboratory, $150,000;

(5) Addition to systems development laboratory, Jet Propulsion Laboratory, $4,880,000;

(6) Addition for integrated systems testing facility, Jet Propulsion Laboratory, $3,790,000;

(7) Modification of water supply system, Lyndon B. Johnson Space Center $935,000;

(8) Modification of 6,000 pounds per square inch air storage system, Langley Research Center, $515,000;

(9) Rehabilitation of 16-foot transonic wind tunnel, Langley Research Center, $2,990,000;

(10) Modification of propulsion systems laboratory, Lewis Research Center, $2,580,000;

(11) Modification of rocket engine test facility, Lewis Research Center, $660,000;

(12) Construction of X-ray telescope facility, Marshall Space Flight Center, $4,060,000;

(13) Modification of beach protection system, Wallops Space Flight Center $4,060,000;

(14) Construction of optimized, infrared telescope facility, Mauna Kea, Hawaii, $10,040,000;

(15) Modifications for fire protection and safety at various tracking and data stations, $1,430,000;

(16) Space Shuttle facilities at various locations, $77,020,000, as follows:

(A) Construction of Orbiter landing facilities, John F. Kennedy Space Center,

(B) Construction of Orbiter processing facility, John F. Kennedy Space Center,

(C) Modification to launch complex 39, John F. Kennedy Space Center,

(D) Modifications for dynamic test facilities Marshall Space Flight Center, and National Aeronautics and Space Administration Industrial Plant, Downey, California,

(E) Construction of Orbiter horizontal flight test facilities, Flight Research Center,

(F) Modifications for crew training facilities, Lyndon B. Johnson Space Center,

(G) Modification of the vibration and acoustic test facility, Lyndon B. Johnson Space Center,

(H) Construction of materials test facility, White Sands Test Facility,

(I) Modifications for solid rocket booster structural test facilities, Marshall Space Flight Center;

(17) Rehabilitation and modification of facilities at various locations, not in excess of $500,000 per project, $14,900,000;

(18) Minor construction of new facilities and additions to existing facilities at various locations, not in excess of $250,000 per project, $4,500,000;

(19) Facility planning and design not otherwise provided for, $10,900,000.

(c) For "Research and program management," $749,624,000, and such additional or supplemental amounts as may be necessary for increases in salary, pay, retirement, or other employee benefits authorized by law.

(d) Nothwithstanding the provisions of subsection 1(g), appropriations for "Research and development" may be used (1) for any items of a capital nature (other than acquisition of land) which may be required at locations other than installations of the Administration for the performance of research and development contracts, and (2) for grants to nonprofit institutions of higher education, or to nonprofit organizations whose primary purpose is the conduct of scientific research, for purchase or construction of additional research facilities, and title to such facilities shall be vested in the United States unless the Administrator determines that the national program of aeronautical and space activities will best be served by vesting title in any such grantee institution or organization. Each such grant shall be made under such conditions as the Administrator shall determine to be required to insure that the United States will receive therefrom benefit adequate to justify the making of that grant. None of the funds appropriated for "Research and development" pursuant to this Act may be used in accordance with this subsection for the construction of any major facility, the estimated cost of which, including collateral equipment, exceeds $250,000, unless the Administrator or his designee has notified the Speaker of the House of Representatives and the President of the Senate and the Committee on Science and Astronautics of the House of Representatives and the Committee on Aeronautical and Space Sciences of the Senate of the nature, location, and estimated cost of such facility.

(e) When so specified in an appropriation Act, (1) any amount appropriated for "Research and development" or for "Construction of facilities" may remain available without fiscal year limitation, and (2) maintenance and operation of facilities, and support services contracts may be entered into under the "Research and program management" appropriation for periods not in excess of twelve months beginning at any time during the fiscal year.

(f) Appropriations made pursuant to subsection 1(c) may be used, but not to exceed $35,000, for scientific consultations or extraordinary expenses upon the approval or authority of the Administrator and his determination shall be final and conclusive upon the accounting officers of the Government.

(g) Of the funds appropriated pursuant to subsections 1(a) and 1(c), not in excess of $10,000 for each project, including collateral equipment, may be used for construction of new facilities and additions to existing facilities, and not in excess of $25,000 for each project, including collateral equipment, may be used for rehabilitation or modification of facilities: *Provided,* That of the funds appropriated pursuant to subsection 1(a), not in excess of $250,000 for each project, including collateral equipment, may be used for any of the foregoing for unforeseen programmatic needs.

(h) The authorization for the appropriation to the National Aeronautics and Space Administration of $10,900,000, which amount represents that part of the authorization provided for in section 1(b)(12)(I) of the National Aeronautics and Space Administration Authorization Act, 1974, for which appropriations have not been made, shall expire on the date of the enactment of this Act.

Sec. 2. Authorization is hereby granted whereby any of the amounts prescribed in paragraphs (1) through (18), inclusive, of subsection 1(b) may, in the discretion of the Administrator or his designee, be varied upward 10 per centum to meet unusual cost variations, but the total cost of all work authorized under such paragraphs shall not exceed the total of the amounts specified in such paragraphs.

Sec. 3. Not to exceed one-half of 1 per centum of the funds appropriated pursuant to subsection 1(a) hereof may be transferred to the "Construction of facilities" appropriation, and, when so transferred, together with $10,000,000 of the funds appropriated pursuant to subsection 1(b) hereof (other than funds appropriated pursuant to paragraph (19) of such subsection) shall be available for expenditure to construct, expand, or modify laboratories and other installations at any location (including locations specified in subsection 1(b)), if (1) the Administrator determines such action to be necessary because of changes in the national program of aeronautical and space activities or new scientific or engineering developments, and (2) he determines that deferral of such action until the enactment of the next Authorization Act would be inconsistent with the interest of the Nation in aeronautical and space activities. The funds so made available may be expended to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment. No portion of such sums may be obligated for expenditure or expended to construct, expand, or modify laboratories and other installations unless (A) a period of thirty days has passed after the Administrator or his designee has transmitted to the Speaker of the House of Representatives and to the President of the Senate and to the Committee on Science and Astronautics of the House of Representatives and to the Committee on Aeronautical and Space Sciences of the Senate a written report containing a full and complete statement concerning (1) the nature of such construction, expansion, or modification, (2) the cost thereof including the cost of any real estate action pertaining thereto, and (3) the reason why such construction, expansion, or modification is necessary in the national interest, or (B) each such committee before the expiration of such period has transmitted to the Administrator written notice to the effect that such committee has no objection to the proposed action.

Sec. 4. Notwithstanding any other provision of this Act—

(1) no amount appropriated pursuant to this Act may be used for any program deleted by the Congress from requests as originally made to either the House Committee on Science and Astronautics or the Senate Committee on Aeronautical and Space Sciences.

(2) no amount appropriated pursuant to this Act may be used for any program in excess of the amount actually authorized for that particular program by sections 1(a) and 1(c), and

(3) no amount appropriated pursuant to this Act may be used for any program which has not been presented to or requested of either such committee,

unless (A) a period of thirty days has passed after the receipt by the Speaker of the House of Representatives and the President of the Senate and each such committee of notice given by the Administrator or his designee containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action, or (B) each such committee before the expiration of such period has transmitted to the Administrator written notice to the effect that such committee has no objection to the proposed action.

SEC. 5. It is the sense of the Congress that it is in the national interest that consideration be given to geographical distribution of Federal research funds whenever feasible, and that the National Aeronautics and Space Administration should explore ways and means of distributing its research and development funds whenever feasible.

SEC. 6. Section 203(b)(9) of the National Aeronautics and Space Act of 1958, as amended (42 U.S.C. 2473(b)(9)), is amended to read as follows:

"(9) to obtain services as authorized by section 3109 of title 5, United States Code, but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS–18;".

SEC. 7. The National Aeronautics and Space Administration is authorized, when so provided in an appropriation act, to enter into a contract for tracking and data relay satellite services. Such services shall be furnished to the National Aeronautics and Space Administration in accordance with applicable authorization and appropriation acts. The Government shall incur no costs under such contract prior to the furnishing of such services except that the contract may provide for the payment for contingent liability of the Government which may accrue in the event the Government should decide for its convenience to terminate the contract before the end of the period of the contract. Title to any facilities which may be required in the performance of the contract and constructed on Government-owned land shall vest in the United States upon the termination of the contract. The Administrator shall in January of each year report to the Committee on Science and Astronautics and the Committee on Appropriations of the House of Representatives and the Committee on Aeronautical and Space Sciences and the Committee on Appropriations of the Senate the projected aggregate contingent liability of the Government under termination provisions of any contract authorized in this section through the next fiscal year. The authority of the National Aeronautics and Space Administration to enter into and to maintain the contract authorized hereunder shall remain in effect as long as provision therefor is included in acts authorizing appropriations to the National Aeronautics and Space Administration for subsequent fiscal years.

SEC. 8. This act may be cited as the "National Aeronautics and Space Administration Authorization Act, 1975".

Mr. TEAGUE (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

AMENDMENT OFFERED BY MR. HECHLER OF WEST VIRGINIA

Mr. HECHLER of West Virginia. Mr. Chairman, I offer an amendment.

The clerk read as follows:

Amendment offered by Mr. HECHLER of West Virginia: Page 2, lines 13 and 14, delete the amount "$76,600,000" and insert in lieu thereof the amount "$80,500,000".

Mr. HECHLER of West Virginia. Mr. Chairman, during our committee hearings, Dr. James G. Fletcher, Administrator of NASA, reported that during the past year NASA has intensified its interest and activity in advanced research related to the extraction and combustion of coal. NASA has worked very closely with the Department of the Interior, and in particular with the Bureau of Mines and the Office of Coal Research in developing cooperative arrangements for the application of space-related research toward the solution of problems related to coal.

At the time NASA's budget was being developed and formulated, of course the Nation's energy situation was considerably different than today. There is no question that increased use of coal is vital to solve the Nation's energy problems.

What on earth does space have to do with coal?

In the first place, NASA has been deeply involved in protecting astronauts in a hostile environment—and since coal mines can be very dangerous places to work, it stands to reason that many of the lessons learned in outer space may be used in protecting miners beneath the earth.

Second, the extensive research and development which NASA has carried through both on space vehicles and on airplanes has resulted in expertise in areas like combustion efficiency on many types of engines and many kinds of fuel. This knowledge and experience can and should be transferred and utilized in more efficient combustion of coal.

Third, in recent years NASA has been hard at work on how to reduce harmful emissions from aircraft engines. Again, this experience can be applied in getting cleaner-burning coal.

My amendment is not designed to start up an entirely new phase of work in NASA; this is work which is already progressing, and my amendment is designed to speed up and emphasize the value of space-related research which can be translated into early payoffs to help solve the Nation's energy problems.

For example, the Marshall Space Flight Center at Huntsville, Ala., is evaluating for NASA and the Bureau of Mines hydrocarbon detectors previously used for detecting hydrogen leaks in launch vehicle fuel tanks, for possible use in detecting methane in coal mines. The development of fire control materials and techniques, particularly since the disastrous fire which killed three Apollo astronauts, has been high on NASA's priority list and the technology is transferable to prevent and control fires in coal mines.

NASA has done a great deal of work with magnetic fluids, and this work can possibly be applied in separating the scrap from the coal in the extraction process. Efficient, low-weight nickel-zinc batteries developed by NASA can be used in mine vehicles and to reduce the weight of mine safety equipment which the individual miner carries. NASA's Lewis Research Center in Ohio is developing more efficient, high-temperature combustion techniques which can be utilized to enable more efficient use of coal for electricity.

My amendment adds an authorization of $3.9 million to speed up the research which NASA is already doing in areas relating to the mining and combustion of coal.

My amendment is designed not to start an entirely new phase of work in NASA because such work is already progressing. My amendment is designed to speed up and emphasize the value of space-related research which can be translated into early payoffs to help solve the Nation's energy problems.

Mr. Chairman, this amendment was discussed in both the subcommittee and the full committee. The committee report on page 12 under the heading of "Coal-Related Research" urges NASA to press forward vigorously in the application of advanced research related to the extraction and combustion of coal.

Mr. Chairman, I ask for support for this amendment.

Mr. GROSS. Mr. Chairman, I move to strike the necessary number of words.

Mr. Chairman, this is a voluminous report accompanying this bill. I note on page of the report a table stating the cost of the bill as $3,253,184,000, but I am unable to find in the report any other table showing the actual appropriation for last year. I would like to ask someone knowledgeable about this bill how much was actually appropriated for the same general purpose last year.

Mr. FUQUA. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Florida.

Mr. FUQUA. The appropriation last year was $3,002,100,000. It is about $200 million.

Mr. GROSS. About $200 million over last year?

Mr. FUQUA. Yes. Primarily the increase is in the Space Shuttle area, because as I mentioned yesterday in my remarks, this is beginning to build up and will peak about 1975 or 1976.

Mr. GROSS. Is there no way by which we can cut down and hold this bill at the level of last year's spending, or less, in view of the critical financial condition of the country?

Mr. FUQUA. I might point out, the budget now is almost half what it was a few years ago. It was $5 billion and it is now down to slightly over $3 billion.

Mr. GROSS. There is a very good reason for that. I should think it would be cut, in view of the curtailed space activities of the Aeronautics and Space Administration.

Let me ask concerning page 89 of the report, the third paragraph, under the designation of the supersonic cruise aircraft research program. That, I take it, is a continuation of research on the SST, the supersonic transport, which was supposed to have ended a year or two ago.

Mr. HECHLER of West Virginia. Mr. Chairman, will the gentleman from Iowa yield?

Mr. GROSS. I yield to the gentleman.

Mr. HECHLER of West Virginia. Twenty-seven years ago in October 1947, a young officer from West Virginia named Chuck Yeager made the first supersonic flight in the Bell X–1 airplane. That was 27 years ago and this Nation has moved ahead by vast strides in supersonic technology since that time. We do not want to stand still. We do not want to go back to 1947 and simply rest there. It is essential to the progress of this Nation to investigate, to press forward the frontiers of technology, and to conduct research in the use of materials, the stresses created by high speed flight, minimizing noise and pollution, and assessing aerodynamics, propulsion, and structural efficiency. This does not mean we are authorizing a supersonic aircraft.

Mr. GROSS. Does the gentleman agree that on the basis of the French and British experiments with the SST, it is a great big white elephant?

Mr. HECHLER of West Virginia. Well, I am an opponent of the SST, I will say to the gentleman.

Mr. WYDLER. Mr. Chairman, will the gentleman yield?

Mr. GROSS. Yes, I yield to the gentleman from New York.

Mr. WYDLER. I think we are really going to have to try to understand that the funds that are in this bill for research into the problems of supersonic flight have nothing to do with building a supersonic airplane as such.

We also have funds in this bill, for example, to look into the problems of hypersonic flight, that is flight even faster than supersonic flight; but it is research into the same problems and concepts in that area, not into building a particular airplane. There is no money in this bill to build a supersonic transport. We have given up on that. This particular Congress has spoken on that issue and that particular plane markup has been dismantled. That project is at an end.

There is no attempt here in any way to revive the supersonic transport. We are continuing in the supersonic field, in the hypersonic field and in all aeronautics continuing research to try to understand it better and learn more about it and that is all these funds are for. These are not funds for a specific airplane. None of these funds are for anything of that type.

Mr. GROSS. I regret I do not have the hearings before the Subcommittee on Appropriations last year, but if memory serves me at all well, the money appropriated was practically designated as a continuation of the supersonic transport fiasco.

Mr. WYDLER. I can only assure the gentleman that I was a part of the hearings on these matters in the House and there was no attempt whatsoever to relate the spending of these funds to the resurrection of the supersonic aircraft. It was general investigative funds.

Mr. GOLDWATER. Mr. Chairman, I appreciate my colleague's concern with supersonic cruise aircraft research. This program is not aimed at circumventing the will of past Congresses with respect to a U.S. supersonic passenger carrier. One goal is to assemble comprehensive data in order to assess the environmental impact of foreign supersonic cruise aircraft. Another objective is to expand our technology base so that we can maintain the high standards of our current supersonic military aircraft. Aspects of this research such as improving structural features and reducing engine emission and noise levels have applicability to both civil and military aircraft.

With our current level of technology the balances may be tipped against supersonic cruise aircraft. But I do not believe we should abandon our efforts to understand and solve its problems. Where would our Nation be today if we abandoned every promising new idea because of a few initial obstacles?

Furthermore, an active program is essential in order that we might stay on top of any breakthroughs which other nations might achieve. Without an ongoing effort to assimilate quickly foreign advances, the timelag before implementation would place us at a serious competitive disadvantage. The cost of a crash "catchup" program would be much more than the total cost of a continuing modest effort.

If the negative side effects of supersonic cruise aircraft can be overcome then there will be time enough to reconsider its social desirability. I look forward to the day when technology advances will give Congress the opportunity to examine this topic from an improved position. Supersonic cruise aircraft research is not aimed at surreptitiously slipping a major aircraft project through Congress backdoor. When sufficient progress is achieved the advocates of supersonic technology will be proud to come through the front door.

The CHAIRMAN. The question is on the amendment offered by the gentleman from West Virginia (Mr. HECHLER).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. VANIK

Mr. VANIK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VANIK: On page 2, line 7, strike "$177,500,000", and substitute "$179,500,000";

On page 2, line 9, after "Phenomena;" add "$2,000,000 is designated for research on hydrogen production and utilization systems;"

Mr. VANIK. Mr. Chairman, I rise to offer an amendment to the committee bill. My amendment seeks to increase the authorized level of funding for hydrogen fuel research by an additional $2 million. Under the committee bill, NASA is authorized to conduct studies into hydrogen production and utilization systems. But this research effort is low-key and inadequately funded.

Hydrogen offers us great potential as a fuel for the future. It can be simply manufactured by splitting water into its component parts—hydrogen and oxygen. The energy required to split water apart can be supplied in any one of a number of ways—conventional electric powerplants, nuclear powerplants, solar energy, wind energy, and ocean thermal gradients.

The tremendous appeal of hydrogen fuel is that it is pollution-free. When hydrogen gas is burned, water is the only byproduct. Unlike electricity, hydrogen can be easily transported and stored.

There is already research being conducted into limited applications by hydrogen fuel. The committee has recognized the importance of exploring hydrogen as an aviation fuel by providing $655,000 for research into the use of liquid hydrogen in our planes. In addition, the committee report mentions the research presently being conducted into hydrogen fuel for automobiles by the Jet Propulsion Laboratory.

This research—although important—involves only limited and specific applications of hydrogen fuel. Hydrogen can do much more. It can be utilized for industrial processes and for a wide range of residential and commercial applications. In short, hydrogen provides us with a sensible and convenient alternative to our rapidly dwindling supplies of natural gas.

But before this conversion to an economy based on hydrogen can be made, extensive research must be conducted into three basic areas: production, safe transmission, and utilization. We must find the answers to questions such as: What is the most economical way to produce hydrogen? To what extent is hydrogen compatible with our existing transmission network for natural gas? What are the obstacles to converting to a hydrogen-based economy?

Virtually all research into the long-range potential of hydrogen is being conducted, on a limited basis, by only three companies. These resources are limited. In fact, a research program into the transmission of hydrogen gas was recently terminated for lack of funds. Experts and scientists in the field have told me that a budget of $2 million, as I have proposed, could be productively and wisely committed immediately to hydrogen research.

Other nations are actively pursuing this course. I understand that Italy, under the URATOM program, is alone investing $2 million a year to study the production of hydrogen from nuclear powerplants. Japan is also proceeding with a multimillion-dollar program in hydrogen production as part of their proposed $4 billion sunshine energy project.

We can no longer allow hydrogen research to go unnoticed. Its potential is too great; its promise is too important for us to neglect hydrogen any longer.

Mr. FREY. Mr. Chairman, will the gentleman yield?

Mr. VANIK. Mr. Chairman, I will be very happy to yield to my distinguished colleague.

Mr. FREY. Mr. Chairman, I would just like to associate myself with the remarks that have been made by the gentleman from Ohio (Mr. VANIK).

Mr. Chairman, I certainly am in favor of studying new energy sources. Hydrogen is a fuel that we can use which is not going to harm the environment, and whose byproducts are obvious. It will be an asset.

Mr. Chairman, certainly the amount of money that is in this bill is very small compared to the needs. This helps somewhat. I think it is a good amendment and will be glad to support it.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. VANIK. I will be happy to yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, where is this hydrogen research being carried out?

Mr. VANIK. Mr. Chairman, the present work is being done, as I understand, at the Jet Propulsion Laboratory. This is where the project is going on for development of hydrogen for automobile use.

Mr. GROSS. Mr. Chairman, where is that?

Mr. VANIK. Pasadena, Calif. I would urge a wider program. I urge a program of hydrogen research for which we can contract out and develop, I think, useful alternatives to the desperate need for natural gas.

Mr. Chairman, I hope the committee will accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. VANIK).

The amendment was agreed to.

AMENDMENT OFFERED BY MS. ABZUG

Ms. ABZUG. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Ms. ABZUG: Page 12, after line 3, insert the following new section:

"SEX DISCRIMINATION

"SEC. 8. No individual shall on the ground of sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity carried on or receiving Federal assistance under this Act. This provision shall be enforced through agency provisions and rules similar to those already established with respect to racial and other discrimination under title VI of the Civil Rights Act of 1964. However, this remedy is not exclusive and will not prejudice or remove any other legal remedies available to any individual alleging discrimination."

Renumber following section accordingly.

Ms. ABZUG. Mr. Chairman, I have from time to time appeared on the floor and requested this kind of an amendment in legislation pending before us.

It is important to note that under title VI of the Civil Rights Act, which covers essentially grant or federally assisted programs, there is no prohibition against discrimination based on sex. There is, however, a prohibition against discrimination on the grounds of race, color, or national origin. It is to fill this void that this amendment has been proposed.

Mr. Chairman, the Members may have observed that, since I have been here, this kind of amendment has been enacted in several other pieces of legislation providing for federally assisted programs: Public works, the energy bills, the water resources bills, and many others.

Mr. Chairman, I urge the committee to accept this amendment. I think it is particularly important in this instance, because there has already been a great deal of discussion concerning NASA's compliance with other provisions of the Civil Rights Act, particularly with respect to NASA's own employment practices.

I, myself, along with other Members of the House, have made statements in objecting to the dismissal of Mrs. Ruth B. Harris, who was the highest ranking woman in NASA. We expressed a great deal of shock and dismay concerning her dismissal. In this body, hearings have been held before the Committee on the Judiciary, and I, as well as other Members, have addressed myself to the issue of discrimination in NASA's own employment practices.

In the other body, a great deal of concern was expressed after hearings were held regarding Mrs. Harris' dismissal. I believe that NASA was asked to submit to the committee detailed and regular reports on the progress of its Equal Employment Opportunity programs as they relate to minorities and to women.

Mr. Chairman, I think this is important. I commend the chairmen of the committees for their efforts in both bodies and for having held these hearings and obtained this information.

I hope that we in this body and in this committee will spend some time in the consideration of these problems and in the consideration of the NASA program in order to make certain that the benefits of the program are made equally available to all people on a nondiscriminatory basis.

Women and minorities, I think, have thus far been significantly excluded through the policies of this agency.

I, therefore, urge the committee to accept this amendment as being in the spirit of the law and an important direction that this agency should be instructed by the Congress to take.

Mr. Chairman, I appreciate the opportunity of presenting this amendment.

Mr. EDWARDS of California. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I urge the committee to accept the amendment offered by the gentlewoman from New York (Ms. ABZUG).

Mr. Chairman, the subject of racial and sex discrimination in NASA's employment practices has been a concern of the Judiciary Subcommittee on Civil Rights and Constitutional Rights for many months.

Our concern was first triggered by events in October of last year which led to the firing of Mrs. Ruth Bates Harris, NASA deputy assistant administrator for the equal opportunity program and a woman long identified and highly regarded for her innovative and dedicated work in the area of human rights.

I determined that hearings should be initiated in order to review NASA's record and to insure that Federal civil rights laws and regulations were vigorously enforced. Unique to the hearings was my desire to review NASA's role in assuring equal opportunity in conjunction with the responsibilities of both the Office of Federal Contract Compliance of the Department of Labor and the Office of Federal Equal Employment Opportunity of the Civil Service Commission. While the testimony of the latter two agencies will be heard subsequently, NASA did testify about its equal opportunity performance record before my subcommittee on March 14, 1974. On the day before, critical testimony about the agency's civil rights record was voiced by several well-known national civil rights organizations.

Testimony presented to the subcommittee revealed that while NASA has been setting records in extra-terrestrial exploration, it has fallen far below the mark in assuring equal opportunity as required by Federal law. For example:

First. NASA's minority employment figure is approximately 5.5 percent, while the national figure on the Federal Government is now around 20 percent.

Second. Of NASA's 250 supergrade—policymaking—positions, only 1 is filled by a minority person.

Third. Out of a total of 47,531 persons employed by NASA contractors, only 2.5 percent are Spanish surnamed.

Fourth. The average GS grade of all NASA employees is about a GS–11. The average grade for NASA female employees is GS–6.

Fifth. Although utilizing a similar resource pool for skilled employees, NASA contractors utilize three times the number of minority persons as does NASA.

While promising improvement, NASA presented very little hard data designed to elevate its equal opportunity commitment beyond hollow and well-rehearsed rhetoric. The enrollment figures of its co-op program—highly touted as a program by which the number of women and minorities finishing college with a scientific competence will be increased—are illustrative:

First. For 1974, out of 792 enrollees, only 26 are Spanish surnamed.

Second. Out of 792 enrollees, there is not one Asian-American female participating. Not one American Indian—male or female—is enrolled in the co-op program.

Third. Of the 792 enrollees inthe co-op program, which is designed to increase the number of women and minorities in all disciplines of science, 514 are white males.

Clearly, NASA's equal opportunity program is not working. But why is it not working? The answer can be found in Samuel F. Yette's book entitled "The Choice":

> The basic move is keeping the three required ingredients to any solution—authority, responsibility, funds and/or personnel—in delicate suspension. One agency, for example, is given responsibility for a particular job, while another has the authority (but not the responsibility) while still another has either the funds or the staff—and never the three shall meet.

This description fits precisely the program design of NASA's equal opportunity effort. Authority for NASA-wide equal opportunity rests with the Equal Opportunity Program Office directed by an Assistant Administrator. However, each of the 10 NASA field installations—including headquarters—appears to exercise day-to-day responsibility for equal opportunity at NASA. Although highly centralized in other areas such as budgeting, internal auditing, and technological policy review, NASA equal opportunity program is decentralized and uncoordinated.

The Equal Opportunity Program Office lacks authority to veto the hiring of its field complement with the result the installations are not uniform, nor united in their efforts to insure equal opportunity. One field installation operates a day-care center for the children of employees, an obvious assistance in increasing the number of female employees, but nowhere in the NASA program design is there a mechanism by which this accomplishment can be replicated by the other installations. Modest goals and timetables for both internal equal opportunity and contractors, prepared by the Equal Opportunity Program Office, are accepted by some installations and rejected by others with the unfortunate result that installations accepting their goals and timetables wonder why and, indeed, are encouraged to pursue equal opportunity less vigorously since the effort is not agencywide.

Staff members with less than impressive credentials for equal opportunity are hired as replacements for qualified minority and female staff who resign in disillusionment over NASA equal opportunity policies. Although NASA belatedly hired an agencywide Federal women's coordinator about 2 weeks ago, she left after less than a week on the job. Her resignation, on the heels of the resignation of two more professional equal opportunity staff members, brought to six the number of minority and/or female professionals to leave NASA's Equal Opportunity Program Office since August 1973. Such a high turnover rate among professionals neither strengthens the chance for pursuit of equal opportunity, nor does it speak well of an office which, despite its mission, has been directed by a procurement chief, a labor relations specialist, and now an engineer. Interestingly enough, none of NASA's technical missions are directed by a Ph. D. in sociology or related fields.

Finally, to complete the trilogy of ingredients hanging in delicate suspension, but never meeting, there is money. At NASA, money for equal opportunity is not a line item. Thus, while the Equal Opportunity Office spends about $1 million annually, it is difficult to learn how much money is appropriated each fiscal year for equal opportunity at NASA. Field installations prepare their budgets including an amount for equal opportunity, but neither the adequacy of the amount, not the line item designations are apparently reviewed by the Assistant Administrator for the equal opportunity program with an eye toward coordination and maximum utilization. And thus, this is how a Federal Government agency purporting to insure equal opportunity develops and maintains the worst employment record in the Federal Government.

This record must be improved by a firm commitment from top management, a competent equal opportunity staff and, above all, a program design adequately funded and oriented to results, not good intentions. My colleagues, I serve notice today that I intend to scrutinize closely developments in the NASA Equal Opportunity Program Office during the coming fiscal year. Further, I plan to continue the subcommittee's review into the employment practices of NASA and other Federal Government agencies, because this Nation can no longer tolerate bureaucratic lawlessness and the wasting of its most valuable resource—a diverse citizenry.

This amendment relating to nondiscrimination in the awarding of grants by NASA is an important step in the right direction. I commend the gentlewoman from New York. I urge committee approval.

Mr. TEAGUE. Mr. Chairman, I rise in opposition to the amendment.

I do not oppose the amendment because of its objective but because I think it is rather unfair to NASA. NASA has done a good job in this area. Our committee has not ignored the situation, but when you have an agency like NASA that goes from 34,000 people in 1967 down to less than 24,000 people in 1974, when 47 percent of them are scientists and engineers, and when there was only about 500 women and 500 minority persons graduated in the field of science and engineering last year and they can get jobs that pay $1,200 more per year than NASA can pay them, certainly you see it has created a problem for NASA.

I know personally they have made a real effort in this field and they have set their goal this year to try to improve the situation. But if I understand the figures correctly, the female engineers and scientists, in our country, make up only about 3 percent of the total figures in these professions. NASA's percentage is 2.5. So they have made a sincere effort.

I want to let the RECORD show that NASA has recognized this in many ways. They set their goal of trying to do better next year in this field but they have had a real problem in the minority and sex fields. They are making a sincere effort and, as I said, I really think the amendment to a considerable degree is unimportant because it is already in the law. They are trying to do what the amendment says right now.

Ms. ABZUG. Will the gentleman yield?

Mr. TEAGUE. I am glad to yield to the gentlewoman.

Ms. ABZUG. I appreciate the remarks of the chairman with respect to the internal employment policies of the agency. The record indicates from what was said here by the gentleman from California (Mr. EDWARDS) and what was said in the other body by the gentleman from Wisconsin, Mr. PROXMIRE, that there has been a considerable problem of discrimination in the NASA agency not only with respect to professional levels but also with regard to clerical levels such as GS-6 and so on.

My amendment, however, emphasizes the problem that exists. It specifically refers, however, to the grant programs. Title VII deals with direct employment and does private by law a prohibition against discrimination on the grounds of race as well as sex, but title VI of the Civil Rights Act, which covers Federal grants programs does not prohibit discrimination on grounds of sex. Since this is so a contract could be let out or a grant given to the University of California even though it was demonstrated that the university was discriminating against women.

I know the chairman and I know he would want to show that in the event there were grants given to an institution which did discriminate on the grounds of sex, he would want to do something about it.

Therefore I think the Chairman would want very much to see that this subject matter is covered, just as it has been covered in the Energy Act, the Highway Act, the Public Works Act, the Water Resources Act, and some of the educational acts and hospital acts which do have grant programs in them.

The purpose of this amendment is to plug the loophole which is not provided for under existing law.

I think this committee as well as the other committees will continue their good work, and their oversight in seeing that NASA does begin to open up itself to women and minorities. This amendment will aid in this goal.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New York (Ms. ABZUG).

The question was taken; and on a division (demanded by Ms. ABZUG) there were—ayes 21, noes 35.

So the amendment was rejected.

Mr. CASEY of Texas. Mr. Chairman, I move to strike the requisite number of words.

Mr. CASEY of Texas. Mr. Chairman, I want to commend the Committee on Science and Astronautics for its diligence in preparing this bill and to commend the National Aeronautics and Space Administration for the tremendous work being done both in outer space and in helping solve the domestic problems of this Nation.

It is becoming increasingly apparent that NASA is not just engaged in sending men into outer space. While its space achievements have indeed given the United States a favorable image throughout the world, the unique scientific and technical talents of the NASA team are now being recognized for contributions in basic research that benefits all Americans.

Our distinguished colleagues of the Committee on Science and Astronautics, under the capable leadership of my fellow Texan, Chairman TEAGUE, are obviously well-versed on the achievements and capabilities of NASA as evidenced by their 1975 authorization recommendations.

While I know that the members of this committee are intimitately knowledgeable of the work that is going on in our NASA program, and that all of our colleagues are acutely aware of our achievements in space, I would like to cite just a few of the accomplishments and the work that may not be so well known.

Without going into the highly technical aspects involved, NASA is utilizing its knowledge gained from the space program to improve our environment, to provide better housing, to protect the health of our citizens, to make our transportation systems more efficient, and to enhance many other aspects of the daily lives of all Americans.

In the field of environmental protection, NASA is developing the world's most sophisticated system for detecting, measuring and tracing atmospheric pollution. It has developed new instrumentation for sewage system measurement. NASA has given us a new system that allows the recycling of valuable nonferrous metals from junked automobiles. And a new system to monitor beach erosion has been developed.

To improve our housing and urban construction, NASA has developed a device to detect lead paint in older housing and a new type of flat conductor cable to carry electrical power circuits in mass housing.

In the specific field of public safety, NASA has brought us an improved short-range radio communication system for firefighters, new fire retardant materials for clothing and other uses, the means to effectively test materials for flammability, an improved breathing apparatus for those who work in hazardous conditions and an early-warning fire detection device. Even the Lunar Rover, which carried our space men on the moon's surface, is being adapted as a vehicle that can be sent by remote control into mines to inspect suspected danger areas without endangering human lives.

The field of transportation is benefiting by NASA-developed systems for computerized bridge safety inspection, a means for measuring thermal stress on rails and on the wheels of rail cars, and a fire protection system for tank cars. A new nickel-zinc battery has been developed. NASA has brought us vastly improved brake linings, better pavement striping materials for road safety, and a new material that will provide permanent patches on our streets under any weather conditions.

Perhaps the greatest contributions of all by NASA, however, and the least recognized, are those in the medical field. The medical and health related contributions that have been spun off from our space efforts are almost countless. Only in the years ahead will we truly be able to measure the benefits in terms of the lives saved and improved by NASA's technology.

Because of NASA we now have a rechargeable cardiac pacemaker, an effective emergency cardiac care system, a computer system for cardiac diagnosis, a system for mapping placement of artificial heart valves and new sophistication in the instruments used to measure and diagnose cardiovascular troubles.

There is a new system for detecting bacteria. New steps have been taken against leukemia through a method of white blood cell preservation and biological isolation clothing.

Developments in computer technology by NASA have brought us new ways of analyzing infrared photos of burns. A new infant respiratory assist device has been developed. And there are a multitude of new pieces of equipment for tracing and analyzing body elements used in medical diagnosis.

Equipment developed for our spacemen has also been adapted into new rehabilitation equipment that is far superior to previous methods of exercising and retraining the paralyzed and other patients with special physical afflictions. Space technology has even been used to develop an automated device that identifies the denominations of paper money for the blind.

Mr. Chairman, I could continue at length enumerating the contributions of NASA to our daily lives. And I have not even talked about the many programs in which NASA shares its technology with the industries of our Nation and the world.

Suffice it to say that NASA today is far more than the glamor of firing men into space or sending them to walk on the Moon.

I would also like to make it clear that the benefits provided by NASA are just beginning.

In the future, the technology gained through NASA's efforts will provide new means of heating and cooling our homes and even running our factories as we harness the Sun's energy and move into other highly sophisticated methods of meeting the Nation's vital power needs.

NASA scientists will be at the vanguard in devising new ways to meet America's energy needs, just as they have provided revolutionary techniques for saving lives and improving our standards of living.

Perhaps some will say that I speak with prejudice because the Lyndon B. Johnson Space Center is in my district.

Mr. Chairman, I confess to my bias for NASA and the pride that I take in the Johnson Space Center, but I believe that any Member of this Congress, or any American, who knows the contributions of NASA to our Nation shares the same feelings.

I remain convinced that historians will record the investment of the United States in its space program and the earthly benefits that result as one of the wisest expenditures, either monitarily or in other terms, that any civilization has ever made.

Our Committee on Science and Astronautics is obviously aware of NASA's contributions to this country and its citizens. Again, I offer all members of this able committee my commendation and give them by sincere thanks for their leadership in making certain that the far reaching work of NASA is continued and enhanced.

I know that future generations will remember our actions on behalf of NASA with gratitude and I urge the full support of this Congress for the recommendations before us today.

NASA remains a sound investment for America.

The CHAIRMAN. Are there further amendments? If not, under the rule the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. McKay, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 13998) to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes, pursuant to House Resolution 1057, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. ASHBROOK. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device; and there were—yeas 341; nays 37, not voting 55, as follows:

[Roll No. 183]

YEAS—341

Adams
Addabbo
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Badillo
Bafalis
Baker
Barrett
Bauman
Beard
Bell
Bennett
Bergland
Bevill
Biester
Bingham
Boggs
Boland
Bolling
Brademas
Brasco
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Ohio
Broyhill, Va.
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burton
Butler
Byron
Camp
Carney, Ohio
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cohen
Collier
Collins, Ill.
Collins, Tex.
Conte
Corman
Cotter
Coughlin
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, Wis.
de la Garza
Delaney
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Diggs
Dingell
Donohue
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Foley
Ford
Forsythe
Fountain
Frelinghuysen
Frey
Fulton
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Grasso
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gubser
Gude
Gunter
Guyer
Hamilton
Hammerschmidt
Hanley
Hansen, Idaho
Harsha
Hastings
Hawkins
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hillis
Hinshaw
Hogan
Holt
Horton
Howard
Huber
Hudnut
Hungate
Hunt
Jarman
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kemp
Ketchum
King
Kluczynski
Koch
Kuykendall
Kyros
Lagomarsino
Landrum
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
Luken
McClory
McCloskey
McCormack
McDade
McEwen
McFall
McKay
McKinney
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Nedzi
Nelsen
Nichols
Nix
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Patten
Pepper
Perkins
Pettis
Peyser
Pike
Poage
Podell
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Rarick
Rees
Regula
Reuss
Rhodes
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Runnels
Ruth
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Scherle
Schneebeli
Sebelius
Seiberling
Shriver
Sikes
Skubitz
Smith, Iowa
Smith, N.Y.
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Ariz.
Stratton
Stuckey
Symington
Taylor, N.C.
Teague
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Traxler
Treen
Udall

Van Deerlin
Vander Jagt
Vander Veen
Vanik
Veysey
Vigorito
Waggonner
Waldie
Walsh
Wampler
Ware
Whalen
White
Whitten
Widnall
Wiggins
Wilson, Bob
Wilson,
Charles H.,
Calif.
Wilson,
Charles, Tex.
Winn
Wolff
Wright
Wydler
Wyman
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—37

Abzug
Ashley
Aspin
Broyhill, N.C.
Burlison, Mo.
Carter
Conable
Conyers
Crane
Dellums
Fraser
Froehlich
Goodling
Gross
Hanrahan
Harrington
Hays
Hicks
Holtzman
Hutchinson
Ichord
Landgrebe
Latta
McCollister
Miller
Obey
Randall
Riegle
Roybal
Schroeder
Shoup
Shuster
Slack
Snyder
Studds
Symms
Taylor, Mo.

NOT VOTING—55

Abdnor
Alexander
Biaggi
Blackburn
Blatnik
Bowen
Brown, Mich.
Buchanan
Carey, N.Y.
Cochran
Conlan
Davis, S.C.
Dellenback
Dorn
Evins, Tenn.
Flynt
Frenzel
Gettys
Gray
Haley
Hanna
Hansen, Wash.
Holifield
Hosmer
Johnson, Pa.
Kazen
Lujan
McSpadden
Mathis, Ga.
Milford
Mills
Montgomery
Myers
Patman
Pickle
Rangel
Reid
Rooney, N.Y.
Rooney, Pa.
Rose
Ruppe
Shipley
Sisk
Steiger, Wis.
Stephens
Stokes
Stubblefield
Sullivan
Talcott
Towell, Nev.
Ullman
Whitehurst
Williams
Wyatt
Wylie

So the bill was passed.

The Clerk announced the following pairs:

Mr. Holifield with Mr. Blatnik.
Mr. Rooney of Pennsylvania with Mr. Mathis of Georgia.
Mr. Shipley with Mr. Mills.
Mr. Rooney of New York with Mr. Stephens.
Mrs. Sullivan with Mr. Abdnor.
Mr. Stubblefield with Mr. Gettys.
Mr. Kazen with Mr. Johnson of Pennsylvania.
Mr. Davis of South Carolina with Mr. Blackburn.
Mr. Haley with Mr. Myers.
Mr. Biaggi with Mr. Brown of Michigan.
Mr. Alexander with Mr. Ruppe.
Mr. Rose with Mr. Frenzel.
Mr. Sisk with Mr. Conlan.
Mr. Rangel with Mr. Gray.
Mr. Reid with Mr. Stokes.
Mr. Bowen with Mr. Steiger of Wisconsin.
Mr. Carey of New York with Mr. Buchanan.
Mr. Evins of Tennessee with Mr. Lujan.
Mr. McSpadden with Mr. Towell of Nevada.
Mr. Pickle with Mr. Talcott.
Mr. Patman with Mr. Coughlin.
Mr. Montgomery with Mr. Wyatt.
Mrs. Hansen of Washington with Mr. Dellenback.
Mr. Dorn with Mr. Whitehurst.
Mr. Flynt with Mr. Wylie.
Mr. Hanna with Mr. Williams.
Mr. Milford with Mr. Ullman.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION FOR COMMITTEE ON RULES TO FILE CERTAIN PRIVILEGED REPORTS

Mr. BOLLING. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

AUTHORIZING APPROPRIATIONS TO THE NATIONAL SCIENCE FOUNDATION

Mr. TEAGUE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 13999) to authorize appropriations for activities of the National Science Foundation, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 13999, with Mr. Hanley in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN (Mr. Hanley). Under the rule, the gentleman from Texas (Mr. Teague) will be recognized for 30 minutes, and the gentleman from Ohio (Mr. Mosher) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Texas (Mr. Teague).

Mr. TEAGUE. Mr. Chairman, the administration's bill requesting authorization for the National Science Foundation for fiscal year 1975 was H.R. 12816, which I introduced February 13. That bill requested a lump sum of $783.2 million in new obligational funds, plus $5 million in excess foreign currencies to be used in support of NSF research abroad.

The total request was thus $788.2 million. This compares with total obligations for fiscal year 1974 of $646.3 million, about $67 million of which represented prior year funds brought forward.

The bill before us, H.R. 13999, is a clean bill reported without dissent from the full committee on April 4. This bill totals up to the same amount requested by the administration—that is, $788.2 million. However, the committee made a number of important changes which may be summarized as follows:

First, the committee line-itemed the budget according to the 13 major categories requested for the Foundation. This has been the policy of the committee since fiscal year 1972.

Second, the committee increased the requests in the three categories where they had been reduced from last year, the support for science education categories. The total of the increases in these three categories amounted to $15 million. The committee also increased science information activities by $3.3 million and the R. & D. incentives program, under the national and special research programs, by $1.2 million. This made a total increase of $19.5 million.

Third, the committee reduced the amount requested by a similar amount—$19.5 million. We cut the scientific research project support by $9.7 million and the research applied to national needs—RANN—program by $9.8 million. I would like to note that both of these categories received substantial increases from last year, sc we are confident that these cuts are warranted.

Fourth, the committee placed certain floors under a number of the programs, particularly those in science education where it wished to make sure that these funds would remain available for the purpose stipulated.

Fifth, the committee included a provision which requires the Foundation to coordinate its solar energy research and technology program—a part of the RANN program—with NASA so that the maximum advantage can be taken of the special capabilities of each agency.

Mr. Chairman, let me now go back and describe in detail the budget actions our committee took on this bill—and why we took them.

The changes to the budget request submitted by the administration were as follows:

CHANGES IN SECTION 1

A line item budget is recommended with totals for each category as shown in the table on page 120 of the report. This mode of authorization has been followed by the committee since fiscal year 1972.

INCREASES

The $19.5 million by which the committee increased the administration request is distributed as follows:

National and special research programs

Administration request	$84, 800, 000
Committee increase	1, 200, 000
Committee recommendation	86, 000, 000

Category 2.—An increase of $1.2 million which would be applied to the experimental R. & D. incentives program over and above the $1 million requested. NSF requested $11 million for this important technology transfer activity but the amount was reduced to $1 million by OMB. The committee believes that the addition indicated will provide a minimal level of activity to prevent complete deterioration of the program.

Science information activities

Administration request	$5, 000, 000
Committee increase	3, 300, 000
Committee recommendation	8, 300, 000

Category 4.—An increase of $3.3 million which would restore this program to the level originally requested of OMB by the Foundation—and also permit an increase of $300,000 over last year. The program needs emphasis, development, and coordination with other similar Federal efforts in order to become broadly effective.

Institutional improvement for science

Administration request	$3, 000, 000
Committee increase	7, 000, 000
Committee recommendation	10, 000, 000

Category 8.—An increase of $7 million which would restore the institutional grants for science program to last year's level. This program is of great importance to the Nation's colleges and universities since it is one of the very few in

existence which is devoted essentially to building up and improving the entire science department of those institutions which qualify for support. This program operated last year at the $7 million level but the Foundation had planned to eliminate it for fiscal year 1975. The committee is strongly of the opinion that the program should be neither dropped nor reduced.

Graduate student support

Administration request	$12,700,000
Committee increase	500,000
Committee recommendation	13,200,000

Category 9.—An increase of $500,000 which would restore the $300,000 cut from the 1974 level of this program and provide a small incremental increase of $200,000. The committee has been a strong advocate of the graduate student support program, although that program has consistently been reduced over the past 4 or 5 years. The committee believes that, particularly in view of the general scarcity of graduate student support and of the highly trained manpower it provides, this program should recede no further and that the $200,000 increase will barely make up for inflationary factors.

Science education improvement

Administration request	$61,400,000
Committee increase	7,500,000
Committee recommendation	68,900,000

Category 10.—An increase of $7.5 million to bolster the only major science education program which the Foundation retains. This program is designed to provide improvement in education methods and curricula, as well as assistance to students from the elementary level up to the postgraduate. The increase contemplated would restore this program to the 1974 level and includes $1.4 million to compensate for funds diverted to technician training and aid to scholars from abroad in energy-related study.

DECREASES

The $19.5 million by which the committee decreased the administration request is distributed as follows:

Scientific research project support

Administration request	$363,700,000
Committee decrease	9,700,000
Committee recommendation	354,000,000

Category 1.—Scientific research project support, the largest single component of the Foundation's overall program, was increased from $291.3 million in fiscal year 1974 obligations to $363.7 million for fiscal year 1975: A 24.8 percent increase. This occurred although the Foundation had requested of OMB an increase of only $41.7 million to a level of $333 million: A 12.2 percent increase. The committee action has placed the 1975 level for this category at $354 million.

Research applied to national needs

Administration request	$148,900,000
Committee decrease	9,800,000
Committee recommendation	139,100,000

Category 6.—Research Applied to National Needs (RANN), the second largest component in the Foundation's budget, was increased from $75.1 million in fiscal year 1974 to $148.9 million in fiscal year 1975: an increase of 98.2 percent. This occurred although the Foundation had requested of OMB an increase of only $6.9 million to a level of $82 million: an increase of 8.4 percent. The committee action has placed the 1975 level for this category at $139.1 million.

The reason for the decreases in these areas is to keep the total authorization within the amount requested by the administration. The categories chosen for reduction were those which had received, by far, the largest budget request increases over fiscal year 1974, both in dollars and in percentages.

It should be noted that both research projects and the RANN program received dollar increases of approximately $73 million. Under the change which the committee has made in H.R. 13999, research projects will still receive an increase of just under $63 million—$21 million more than it requested from OMB—which amounts to a boost of 21.6 percent. For RANN, the change made by the committee will still mean an increase of $64 million—or $57 million more than was requested of OMB originally—which amounts to a boost of 85 percent.

It is important, however, that it be understood that the chief reason for the large increases in both categories was to stimulate and accelerate the national energy R. & D. program. The committee is of the opinion that the small cuts made will in no way hamper the overall energy R. & D. effort.

LIMITATIONS IN SECTION 2

Subsections (a), (b), and (c) placed floors under the authorized amount in each of the education categories described in section 1, that is, categories 8, 9, and 10 shown in the table. These provisions mean that not less than the amount stipulated shall remain available for such purposes. They have been included to assure that funds in these areas shall not be transferred to or merged with other programs.

Subsection (d) places a similar floor under the experimental R. & D. incentives program contained in category 2 in accordance with the same rationale.

Subsection (e) places a floor of $2 million for fire research in the RANN program. The reason for this requirement is to assure that the scientific and technological research capability in the field of fire research continues as a part of the RANN program, category 6.

Subsection (f) places a floor of $1.5 million under the science faculty fellowship program in category 10. Last year the Committee on Science and Astronautics, as well as the Senate committee, stipulated that this modest program to assist faculty fellows should be maintained. In spite of that directive, the Foundation has planned in its 1975 budget to merge the fellowship program into the research participation program. While the two programs may reasonably be jointly administered, there are marked differences between them and the committee is of the opinion that the faculty fellowship program should not lose its identity. This floor does not involve any addition or deletion of funds; it simply allocates the $2.5 million scheduled for research participation into two programs so as to reinstate the fellowship program.

Subsections (g) and (h) place a floor of $3.8 million and $2 million under student programs and high school student projects, respectively, also in category 10. These floors have been established to assure that funding for lower-level science education programs shall not be merged with other programs or only partially funded.

It must be emphasized that all of the limitations which are directed toward making sure that the Foundation does not slight its programs for science education stem from a long-standing interest which the committee has had in this field—and from its conviction that without adequate manpower—both in numbers and in training, our best efforts in research and development in every area will prove ineffectual. The committee notes with grave concern that support of science education in the Foundation, in spite of numerous congressional warnings, has been steadily waning over most of the past decade. In fiscal year 1970, for example, support of science education amounted to 36 percent of the total Foundation budget. That support now stands at 9.7 percent. Although the overall budget for the Foundation has increased dramatically during the same period, the actual number of dollars for science education has dropped by more than 47 percent—from $165 million in fiscal year 1970 to a request of $87 million in fiscal year 1975. If inflationary factors are taken into account this falloff is much greater.

It is further a glaring indication of the attitude of the Foundation and of OMB that the major areas which both sought to reduce in the request for the current budget were the three categories involving science education support. The committee trusts that the Foundation will keep these observations in mind in the future.

Subsection (i) is designed to assure that, in the conduct of its solar energy research and technology program in category 6, the Foundation coordinates that program with NASA in such a way that maximum advantage will be taken of the special capabilities of each agency. It requires that the two agencies report on their plans, schedules and other findings to this committee and its counterpart in the Senate not later than 90 days after this act becomes effective. It further provides that where it is found that NASA can appropriately carry out parts of this program, particularly in the engineering and demonstration phases, it shall be so assigned and funded through NSF.

Mr. Chairman, the following table is a succinct graphic summary of the bill's history to this point:

COMPARISON OF FISCAL YEAR 1974 WITH FISCAL YEAR 1975, NSF REQUEST AND COMMITTEE ACTIONS

[In millions of dollars]

Categories		Fiscal year 1975 requests			Fiscal year 1975 committee action	
	(1) Fiscal year 1974 obligations	(2) Request to Congress	(3) Change from 1974	(4) Percent change from 1974	(5) Approved	(6) Change from request
1. Scientific research project support	291.3	363.7	+72.4	+24.8	354.0	−9.7
2. National and special research programs	91.6	84.8	−6.8	−7.4	86.0	+1.2
3. National research centers	42.5	52.5	+10.0	+23.5	52.5	0
4. Science information activities	8.0	5.0	−3.0	−37.5	8.3	+3.3
5. International cooperative activities	6.4	8.0	+1.6	+25.0	8.0	0
6. Research applied to national needs	75.1	148.9	+73.8	+98.2	139.1	−9.8
7. Intergovernmental science program	1.0	1.0	0	0	1.0	0
8. Institutional improvement for science	10.0	3.0	−7.0	−70.0	10.0	+7.0
9. Graduate student support	13.0	12.7	−.3	−2.3	13.2	+.5
10. Science education improvement	67.5	61.4	−6.1	−9.0	68.9	+7.5
11. Planning and policy studies	2.6	2.7	+.1	+3.8	2.7	0
12. Program development and management	31.6	39.5	+7.9	+25.0	39.5	0
Subtotal	640.6	783.2	+142.6	+22.2	783.2	0
13. Special foreign currency program	5.6	5.0	−.6	−1.07	5.0	0
Total, NSF	[1] 646.3	[2] 788.2	+142.0	+21.9	788.2	0

[1] The fiscal year 1974 total of new funds obligated is $577,400,000—while the total shown is $646,300,000. This is due to the following: (1) $64,400,000 in prior year regular funds brought forward; (2) $1,860,000 added by a pay increase supplemental; (3) $2,660,000 in prior year excess foreign currencies brought forward.

[2] Includes $116,100,000 for energy related budget amendment.

Mr. Chairman, I yield 10 minutes to the gentleman from Georgia (Mr. DAVIS), the chairman of the subcommittee that worked on this bill.

Mr. DAVIS of Georgia. Mr. Chairman, I rise to present to the Committee the bill H.R. 11999, the annual authorization for the National Science Foundation for fiscal year 1975, and recommend its adoption by the House.

Mr. Chairman, H.R. 13999 would authorize $783,200,000 for the National Science Foundation for fiscal year 1975, plus $5 million in excess foreign currency. The total authorization is thus $788.2 million. The amount authorized is the same as they requested in the President's budget, and represents an increase in the Foundation's budget over last year of $141.9 million. The bulk of the increase is associated with new initiatives in energy-related research and development.

Although the dollar amount is identical to that proposed in the administration's bill, this clean bill before us reflects some changes from the administration request which were deemed advisable by the Committee on Science and Astronautics. In making such changes, the committee added $19.5 million to the administration's request in five of the program categories and reduced the request by $19.5 million in two other categories. I shall describe the nature of these actions subsequently, but first I should like to highlight the major activities of the Foundation and to generally characterize the objectives of the 12 program areas itemized in the authorization bill. Continuing a practice first adopted in fiscal year 1972, the committee has approved a line item budget for the NSF.

The committee held 5 days of hearings on the authorization, including a full session with non-Government witnesses. In preparing the authorization bill, therefore, the committee had the benefit of testimony from academic and scientific professional communities as well as from NSF officials.

The largest single budget category is that of scientific research project support which has been authorized at a level of $354,000,000. The broad objectives of this program involve strengthening the scientific research potential of the Nation, promoting the progress of science, and helping to provide the broad base of scientific understanding needed to confront pressing national problems. Areas encompassed by the research project program include: Atmospheric sciences, earth sciences, oceanography, biological sciences, physics, chemistry, astronomy, mathematical sciences, social sciences, engineering, materials research, and computing activities. However, the fiscal year 1975 program will emphasize fundamental research directed toward the solution of energy-related problems. While the Scientific Research Project Support activity traditionally supports research related to many objectives, a more selective approach will be used in fiscal year 1975 to orient some of the research to those inquiries evaluated as most likely to have a potential impact on or promise for energy resource discovery, production, conservation, and use. Parallel research will be conducted on environmental effects.

Presently, the major portion of Scientific Research Project Support funds are concentrated in academic institutions and in several nonprofit research institutions, functioning essentially as a part of the academic science community. Most of the ongoing research is basic in character, although a few projects of a more applied nature are receiving support.

Another major program area is the National and Special Research Programs which would be authorized $86,000,000 for fiscal year 1975 operations. This program encompasses a broad range of activities and scientific disciplines. The projects which it supports are coordinated efforts, each designed to achieve specific objectives and each involving extensive participation by program staff in planning, management, and coordination. Many of the activities include a logistic component, and several involve some element of international cooperation.

Funding for the National Research Centers is recommended at a level of $52,500,000. These centers are supported by the National Science Foundation to meet national needs for advanced research in scientific areas requiring specialized instrumentation and equipment beyond the financial and management capabilities of individual institutions. These facilities are available for use by all qualified scientists and are managed and operated by nonprofit corporations or universities under contract to the Foundation.

Science Information Activities have been authorized $8,300,000 to pursue the objective of promoting the dissemination of scientific information and of helping scientists and others obtain and use the results of worldwide scientific research. The Science Information program supports activities whose results can be applied to improve and extend science information services provided by Government agencies, scientific societies, colleges and universities, and private organizations.

International Cooperative Science Activities, recommended at a level of $8 million, provides support for U.S. scientists who participate in research and exchange activities with scientists of other nations; for those who plan, organize, and participate in the activities of international scientific unions and organizations; for those who attend and present reports on their scientific research at international meetings; and for those scientists who visit and conduct research in foreign laboratories.

The committee has authorized $139.1 million for Research Applied to National Needs (RANN). This program is designed to focus U.S. scientific and technical resources on selected problems of national importance, with the objective of contributing to their practical solution. An important purpose of the RANN program is to reduce the lead time between scientific discoveries and their application in meeting national needs. The RANN program currently emphasizes three principal problem areas through its support activities—energy, the environment and productivity.

The Intergovernmental Science Program has been authorized $1 million for its fiscal year 1975 activities. The mission of this program is to aid State and local governments in increasing their capability to utilize science and technology effectively.

Funds approved for Institutional Improvement for Science total $10 million. This program provides annual grants for discretionary use by U.S. colleges and universities. Such grants are intended to help maintain quality in academic science at those institutions that have demonstrated strength in this area.

The authorization for Graduate Students Support has been approved at $13.2 million. The funds are to be utilized for graduate fellowships, graduate traineeships and postdoctorals. The primary objective of graduate students support is to assure that a modest number of the Nation's most talented graduate students in the sciences obtain the education necessary to provide the high level research capabilities needed by our modern society. Another more specific objective is the training of scientific and engineering manpower to help meet the Nation's energy problems.

Funds totaling $68,900,000 have been authorized for the category of science education improvement. The major objectives of this program are: To help assure the variety, flexibility, and quality of the Nation's scientific and technological manpower; to provide broad-based science education to promote understanding of public issues involving science and technology, and to enable individuals to apply scientific and technical resources in situations which are not specifically science/technology-oriented; to improve science education by employing new education techniques; and finally, to find means by which the Foundation's science education improvement activity can be made more effective.

The committee has approved a sum of $2,700,000 for planning and policy studies. This activity is divided into two program elements: First, studies of science resources and, second, science planning and policy analysis and program evaluation studies. Collectively, these two program elements aim at identifying science policy issues; building sound data and analytical bases from which to derive effective science policies; providing information for the Foundation and the President's Science Adviser for establishing priorities and programs for national science activities; and providing data on national manpower and R. & D. resources.

Program Development and Management, comprising the final budget category, has been authorized a sum of $39,500,000. This activity provides for the operation, support, management and direction of all NSF programs and activities previously described, and includes all necessary funds to develop, manage, and coordinate these program activities. It also includes salaries and operational expenses of all NSF employees.

A separate section of the bill authorizes $5,000,000 for the special foreign currency program. This activity utilizes U.S.-owned excess currencies in certain foreign countries to support cooperative scientific projects, seminars, and travel of U.S. and foreign scientists involved in mutually beneficial efforts. The Foundation awards grants to both U.S. and foreign institutions and scientists.

I should now like to describe how the bill before us today, H.R. 13999, differs from the administration's authorization bill. As I mentioned at the outset of my remarks, the committee added $19.5 million to the administration's request in five categories and reduced the request by $19.5 million in two other categories. The specific budget actions taken by the committee constitute the following changes in the administration bill.

Five line item categories were increased by committee action.

The category of national and special research programs was increased by $1.2 million to be applied to the R. & D. incentives program over and above the $1 million requested for that activity; $11 million had been requested by the NSF for this program, but the amount was reduced to $1 million by the OMB. The committee determined that an increase, bringing the program budget to $2.2 million, would allow for a minimal level of activity for this important technology transfer effort, and would prevent complete deterioration of the program.

An increase of $3.3 million for science information activities was approved by the committee. This increase would restore the program to the level originally requested of OMB by the Foundation, and would permit an increase of $300,000 over last year for a program which, although far from perfect, needs emphasis and development.

The third budget category increased by committee action is that of institutional improvement for science. The approved increase of $7 million would restore the institutional grants for science to last year's level. The committee recognizes the importance of this program to the development of the Nation's colleges and universities, since it is one of a very few programs devoted essentially to building up and improving the entire science departments of those institutions which qualify for support. This program operated last year at the $7 million level, but the Foundation planned to eliminate it for fiscal year 1975. The committee feels strongly that the program should be neither eliminated nor reduced.

An increase of $500,000 was approved for graduate students support activities. This would restore the $300,000 drop from the 1974 level of this program and provide a small incremental increase of $200,000. Although the program has been reduced steadily over the past several years, the committee has long been a strong supporter of its objectives and activities. In view of the general scarcity of graduate student support and of the shortage of the highly trained manpower which it provides, the committee believes that the program should be continued.

The final category which was increased by committee action is that of science education improvement. An increase of $7.5 million was approved in order to bolster the only major science education program which the Foundation retains. This program is designed to help improve educational methods and curricula and to provide assistance to students from the elementary level to post-graduate. The increase would restore this program to the 1974 level and would provide $1.4 million to compensate for funds diverted to technical training and aid to scholars from abroad in energy-related study.

Budget decreases recommended by the committee affect two line item categories. Committee actions reduce the authorization for scientific research project support by $9.7 million, and that for research applied to national needs by $9.8 million. The reason for the recommended decreases is to keep the total authorization within the amount requested by the administration. The categories selected for reduction were those which had received, by far, the largest increases over fiscal year 1974, both in dollars and percentages.

Scientific research project support, the largest single component of the Foundation's overall program, was increased from $291.3 million in fiscal year 1974 to $363.7 million for fiscal year 1975; a 24.8 percent increase. This occurred although the Foundation had requested an increase of only $41.7 million (12.2 percent) to bring it to a level of $233 million. The committee recommendation authorizes the sum of $354 million.

Research applied to national needs (RANN), the second largest item in the Foundation's budget, was increased from $75.1 million in fiscal year 1974 to $148.9 million for fiscal year 1975—a 98.2 percent increase. The Foundation's original request to the OMB constituted only an 8-percent increase which would have added $6.9 million to the fiscal year 1974 obligation and would have raised the program to a level of $82 million for fiscal year 1975. The committee's action places the RANN program budget at $139.1 million for fiscal year 1975.

I should like to note that in accordance with the administration's budget proposal both project research and RANN programs each would receive approximately $73 million increases. The committee recommendations would provide an increase of $63 million for project research—$23 million more than the Foundation had originally requested of OMB, and for RANN, committee changes will still allow for an increase of $64 million—or $57 million more than was requested of OMB and constituting a boost of 85 percent.

It is important to note that the chief reason for the large increase in both of these line item categories is to stimulate and accelerate the national energy R. & D. program. Had it not been for the urgency of this situation, the committee might have been ready to cut more deeply into these projects. I should point out that the committee is of the opinion that the small cuts made will in no way hamper the overall energy R. & D. effort which, while undoubtedly needing much of the additional funding it is receiving from many agencies, is not likely to be solved by dollars alone.

Mr. Chairman, I would just like to highlight several other aspects of the authorization bill before concluding my remarks. Section 2 places floors under several of the line item categories previously described. Collectively these floors, which I shall not take time to enumerate specifically, are intended to assure that the Foundation does not slight any of the programs which relate to the area of science education. These floors preclude the opportunity for funds to be transferred from education support programs. These actions stem from a longstanding interest which the committee has had in science education programs, and from the committee's conviction that without adequate manpower both in numbers and in training, our best efforts in research and development will prove ineffectual. The committee notes with grave concern that support for science education has waned over the past decade. In 1970, 31 percent of the NSF budget was directed to science education. In 1972, that percentage had gone down to 19 percent, and in the proposed budget for fiscal year 1975 only 10 percent of the overall budget is intended for science education activities. The committee encourages the Foundation to take note of this serious trend and wishes to emphasize its interest in seeing that the balance between science education and research support is redressed.

Mr. Chairman, this is a reasonable bill which will provide the funds necessary to keep American science and technology in the forefront, and which will provide the necessary emphasis on the field of energy research without which we cannot meet the objective of reducing our dependence on foreign sources of energy. It was reported unanimously by the Committee on Science and Astronautics. I urge its favorable consideration and adoption.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georgia. I am glad to yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, I would ask the gentleman from Georgia as to whether it was the National Science Foundation that was carrying on the study of the wild boar in Pakistan, and also the study as to the difference in the rhythms of catfish raised in India and those in Alabama, or some other Southern State?

Mr. DAVIS of Georgia. I think in the past such studies have been conducted.

Mr. GROSS. Are those studies continuing?

Mr. DAVIS of Georgia. Not to my knowledge. I do not think so.

Mr. GROSS. I would hope we are not increasing this bill by $200 million over last year for the purpose of carrying on studies of that kind.

Mr. DAVIS of Georgia. May I say to the gentleman from Iowa that the National Science Foundation's budget was increased last year. It is increased again this year. The real reason for the increases can be traced to the so-called Mansfield amendment which prohibited the Department of Defense from engaging in research of a basic nature where you could not be sure what the research would produce.

That, by the way, has happened many times in the history of science.

For example, penicillin was discovered quite as a matter of serendipity. The person who discovered penicillin had no idea it would turn out to be a miracle drug, but it did.

That is the value of basic research. It has always paid off, but you cannot always say what the result will be. Now, when the Mansfield amendment was applied to the Department of Defense, saying that they had to discontinue their basic research, then the Department of Defense was forced in effect to have a lot of their basic research activities carried on by the National Science Foundation which was created in 1951 for the purpose of conducting basic research.

When that occurred, a sort of a domino effect took place between the other agencies, and they got to worrying what they were going to say to the authorizing committees and the appropriating committees when they were asked as to what type of discovery they expected this year, and they decided that they would cut basic research activities out of their budget and send it to the NSF budget, and ask them to do it.

That has caused the NSF budget to increase.

Mr. GROSS. Could there be any money in this bill for the promotion of the metric system?

Mr. DAVIS of Georgia. There is no money in this bill for that at all.

Mr. GROSS. I am delighted to hear it.

Mr. DAVIS of Georgia. However, I might say that most scientists, most medical people, pharmacists, doctors, and many, many other people, to name but a few, do use the metric system.

I would also like to point out that in a treaty entered into by this country, I think in the year 1887, that the inch was defined as being 2.54 centimeters, so that in order to get the definition of an inch you have to go to the metric system.

Mr. GROSS. I thank the gentleman from Georgia for his learned explanation of the metric system.

Mr. DAVIS of Georgia. The gentleman from Iowa is entirely welcome.

Mr. GROSS. I am not at all convinced, but I would like to hear more.

Mr. DAVIS of Georgia. I will see that the gentleman does hear more about it.

Mr. TEAGUE. Mr. Chairman, I yield 1 additional minute to the gentleman from Georgia.

Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from Texas.

Mr. TEAGUE. I thank the gentleman for yielding.

I should just like to be sure that the gentleman from Iowa (Mr. GROSS) knows that the metric bill will be brought up and considered on the floor before long, as I am sure we will have adequate discussion and go into it, and the House can then vote on it.

Mr. DAVIS of Georgia. I should like to respond to the remarks of my chairman, the gentleman from Texas (Mr. TEAGUE).

Mr. GROSS well knows that I have been working on him personally for about 5 years with negligible results.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from Iowa.

Mr. GROSS. I thank the gentleman for yielding.

That is why I have been interested in the alligators in the Okefenokee Swamp.

Mr. DAVIS of Georgia. I am sure Mr. GROSS is intimating that if I push the metric bill very much, I will not be back in Congress but that I will be swallowed up by the alligators.

Mr. MOSHER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, it is very significant that the National Science Foundation attracts—and I enthusiastically assert that it certainly merits—an almost unique degree of united, bipartisan support in both Houses of the Congress.

I am confident that NSF's authorization for fiscal year 1975, as proposed here today by the Science Committee, deserves overwhelming support by the Members of this House.

I can assure the Members that the minority side of the Science Committee is in full support of this authorization bill.

The total dollar amount we are recommending is exactly the same NSF budget as requested by the administration; but within that total amount our authorization bill makes some relatively minor modifications in the various categories.

Our changes tend to emphasize a very strong, carefully considered, longtime conviction in the committee that NSF should not cut back on its traditional support of programs which support science education.

We clearly recognize today's urgent need for increased emphasis on energy related science, but we argue that it must not be at the expense of science education. We believe strong science education programs are indeed an imperative necessity as supportive of energy related research, and of all significant research.

Mr. Chairman, I cannot overemphasize the importance of the role of the National Science Foundation in maintaining our Nation's scientific strength. In today's dynamic, complex, interdependent society, suffering from so many unsolved problems, strong support of basic research and science education is crucially imperative. It is through the vigorous search for useful, new knowledge that we will best provide the means to address effectively our domestic and global problems.

I congratulate NSF for the manner in

which it inspires and maintains the health and the vigor of our scientific establishment.

For fiscal year 1975, the Science Committee is proposing a number of changes in the administration's requested budget for NSF. These changes are primarily in the very important science education categories. However, these increases recommended for Science Education, experimental R. & D. incentives, and the science information activities programs, are matched dollar for dollar by corresponding reductions in other program categories.

I repeat, the total budget approved by the Science Committee, therefore, is identical to that submitted by the administration, $788.2 million.

That figure represents an increase of $142 million over the fiscal year 1974 program level. And it is very significant that $138 million of that $142 million increase is for support of the accelerated energy R. & D. programs, aimed at the goal of energy self-sufficiency for our Nation. The bulk of this new energy-related funding is directed to the two areas of basic research and program oriented research.

We must also recognize however that the energy problem, and for that matter any science or technology-related problem, cannot be solved by money alone. It is essential that trained and educated manpower be provided as one key to the successful resolution of all such problems. This is particularly so in the energy field, because of the emphasis it places on the more advanced and esoteric academic disciplines.

An urgent concern of the committee, therefore, was that administration proposed increases for energy related research in the RANN applied research program, as well as budget additions in basic research in general, should be supported with continuing strength also in the science education categories. For this reason, the committee felt it necessary to add $15 million to three science education line items—institutional improvement for science; graduate student support; and science education improvement. We strongly objected to administration plans that these programs be cut.

The institutional improvement for science program, which we propose to increase by $7 million above the budget request, is designed to enhance the effectiveness of Federal research moneys by supporting activities directed to the development of innovative organizational and managerial procedures in Federal contract and grant administration.

Thus, funds from this program encourage universities on their own initiatives to appraise their current management situations, to develop innovative methods and procedures, and to test and evaluate the effectiveness of the methods and procedures developed. Experience proves the positive, creative, cost effective results of these efforts.

The second addition of funding in the general science education area, $500,000 is directed to the graduate fellowship program. This is the only program—Federal or otherwise—which offers support over such a broad spectrum of sciences in which the fellows are selected in nationwide competition solely on the basis of ability. Thus, the fellows represent the outstanding baccalaureates produced by our colleges and have been characterized in the past by their academic excellence at the universities in which they carry out their graduate training. It provides, with relatively few dollars, a strong encouragement for the most able scientists.

In spite of the outstanding results of this program—plus the strong endorsement of the graduate fellowships activity by both NSF and the scientific community—the OMB has insisted on cutting back that program, for reasons with which our committee cannot accept. Last year, one-half million dollars was cut from the fiscal year 1973 budget and an almost identical cut was proposed for the coming fiscal year. The committee's amendment would restore that $500,000 cut and bring the 1975 program back only to the present level of 1974.

The last of these science education recommendations approved by the committee, will provide for an addition of $7.5 million to the science education improvement program. Again, this addition will serve to restore the effort only to the level of last year's program. I wish it could be more, because I think a greater increase is warranted by the results of past experience and the problem of inflated costs.

I personally feel that this program is one of the most important pursued by NSF. Its major objective is to provide this Nation with an appropriate variety, flexibility, quality, and number of scientifically and technically trained manpower. Thus, in effect we are talking about maintaining sufficient manpower in the "training pipeline" to assure ourselves of the scientific talent needed for our future. No national resource is more important than that.

In summary, the committee felt it important to maintain a tight constraint on the total NSF budget for 1975, we agreed it would be unwise to increase the budget total beyond the administration request. But the committee has accomplished this by the judicious shifting of funding within the total program, so that all increases were matched by corresponding funding reductions. I compliment my colleagues on the Science Committee for preserving the administration requested budget level and I congratulate them as well for the wise emphasis they have given to certain of NSF's higher priority science education programs.

Mr. Chairman, I believe the bill before us today deserves the full support of every Member of the House. The National Science Foundation, in its role of maintaining the health of our basic science research and science education, is of vital importance to this Nation. This legislation has received the unanimous bipartisan endorsement of the members of the Committee on Science and Astronautics and I urge its passage without amendment.

Mr. TEAGUE. Mr. Chairman, I yield 2 minutes to the gentleman from West Virginia (Mr. HECHLER).

Mr. HECHLER of West Virginia. Mr. Chairman, I should like to add my commendation for the gentleman from Texas, the chairman of the full committee, and the gentleman from Ohio (Mr. MOSHER) the ranking minority member, and particularly for the gentleman from Georgia (Mr. DAVIS) for his leadership in bringing out this bill.

The major areas of activity in the Foundation's RANN program—research applied to national needs—are energy, environment, and productivity. The research being supported by RANN at both public and private institutions around the Nation is contributing significantly to the search for answers to increasingly urgent problems in our society. These range from solutions to our energy shortage to how to make municipal government more effective.

Research alone is not the goal of RANN. The title "Research Applied to National Needs" implies the necessity of a connection between the researcher and the user, so that the scientist's output will provide input to decisionmaking on national problems. Hence all RANN research projects must include a detailed utilization plan. On this basis, RANN is establishing strong initiatives for getting its research results into use, and the number of eases in both the private and public sectors where the research has had beneficial consequences is growing all the time.

I would like to give some examples of this research and the uses to which it is being put.

ENERGY

NSF is currently the lead Federal agency for solar energy research. The extremely important RANN program on solar heating and cooling of buildings is providing much new information needed by engineers, architects, and construction contractors. Among other significant results, NSF research support had led to preparation of a new chapter on solar energy design data, to be published this June in the latest edition of the American Society of Heating, Refrigerating, and Air Conditioning Engineers' "Guide to Applications." This publication is widely regarded as the "bible" of the American heating, ventilating, and air-conditioning industry.

In another solar energy project, four public elementary and secondary schools in Virginia, Maryland, Massachusetts, and Minnesota, have had experimental solar heating systems installed with NSF support. Private industry is participating jointly in the project. These experiments are expected to advance the technology for using solar energy for space heating and hot water in school buildings and to provide important information on the cost and feasibility of such solar systems. If these experiments are successful, a significant step will be taken toward making the widespread application of solar heating to schools a practical reality. Already hundreds of schools around the country have offered their facilities for similar experiments.

The flow of RANN research results is not necessarily from the Federal Government to non-Federal users. An energy conservation project supported by NSF at the University of Illinois has led to testimony by the scientists before congressional committees on a number of occasions and to the preparation of three special reports for the Departments of Commerce and Labor on energy flow in industry. Their findings have been of interest to nearly 40 separate Federal units, as well as to the Ford Foundation, numerous State agencies, and universities.

ENVIRONMENT

A very interesting area of environmental studies supported by RANN is that of coastal zone management—a matter of great concern to certain State governments. For example, work at the University of Texas in close cooperation with the Governor's office and the State land office has led to three coastal laws concerning coastal zone management. This successful research effort offers a prototype for other coastal States.

Another area of environmental studies is the RANN earthquake engineering program, which has supported some 80 projects. All of these have involved architectural and construction engineers, developers, and enforcers of codes and standards. One extremely interesting project was a study of the reasons for the collapse of Lower Van Norman Dam, which occurred in the February 1971, San Fernando earthquake. The partial collapse of this earthfilled structure came close to releasing 11,000 acre-feet of water and required the evacuation of 80,000 people. The State of California and city of Los Angeles cooperated with the University of California under RANN support in a study to determine the cause of this collapse. Using these results, the California Department of Water Resources is now examining over 1,100 other dams in the State and has decided to reconstruct or reinforce a number of these.

One of the most timely studies spanning the areas of energy and environment is a RANN-supported technology assessment of Outer Continental Shelf oil and gas development. Conducted by the University of Oklahoma, this resulted in a report entitled "Energy Under the Oceans," which has received very wide attention. The Council on Environmental Quality has recommended it in connection with its nationwide hearings on the Outer Continental Shelf, and has used the report in preparing its own conclusions. CEQ has also commissioned the Oklahoma research team to do a similar study of OCS management by the North Sea countries. The U.S. Geological Survey is modifying its public information and leasing policies in accordance with certain recommendations resulting from this subsequent study. Environmental groups, such as the Center for Law and Social Policy, and major oil companies as well have asked the study team to advise and assist them.

PRODUCTIVITY

A project supported by NSF at Case Western Reserve University that has proved most successful has sought to increase productivity in the construction of ship frames. It is concerned with precision in forming cold structural elements into complex forms by means of automatic computer controls. The Maritime Administration participated in the evaluation of the proposal, and two shipbuilding companies served as monitors when the project began. A laboratory-size bending machine was developed and demonstrated, which was so impressive that thus far six American shipyards have expressed an interest in obtaining such a bender. An American equipment manufacturer is now working directly with Case Western Reserve University to design a full-scale bender for commercial use.

In the area of making municipal government more effective and productive, I find a RANN-supported study of franchising problems in cable television especially interesting. This study, done by the RANN-Corp., resulted in a report, "Cable Television: A Handbook for Decision-making," and a series of detailed reports on specialized problems, which have been distributed to local officials and other interested persons. The city manager of Little Rock, Ark., has called these reports "the only professional, factual, unbiased source of information on CATV available to local officials."

These examples indicate some of the enormous strides the RANN program is taking in bringing researchers and users together. The program seeks to use every available means to insure that its research results are put to use. I think this is an exciting and groundbreaking effort that deserves the full support of the Congress.

Mr. MOSHER. Mr. Chairman, I yield 7 minutes to the gentleman from California (Mr. Bell).

Mr. BELL. Mr. Chairman, I rise in support of H.R. 13999, authorizing appropriations to the National Science Foundation for fiscal year 1975. This bill is a sound proposal and merits the support of all of us.

I would like first of all to express my appreciation and as well the commendation of all of us for the very fine work and leadership which has been shown by the chairman of our full committee, the gentleman from Texas (Mr. Teague) and to the chairman of the subcommittee, the gentleman from Georgia (Mr. Davis), for his very fine work and astuteness and understanding of the problems. Also, I wish to commend my good friend, the gentleman from Ohio (Mr. Mosher) for the leadership he has shown and the work he has done.

I believe that the basic and applied research which the current bill supports will set the stage for dividends which we will collect for many years to come.

Today, our energy shortcomings permeate virtually every sector of our economy and daily lives. With the passage of the bill—and my amendment—I hope to see the National Science Foundation leading the way in the search for an expeditious solution to the problem. With its arsenal of talent and resources, the NSF stands ready to meet the problem head on. My amendment would put $5.5 million back into the RANN budget, which is the major energy research budget in the NSF.

The scope of the energy problem is such that there can be no single all-encompassing solution. Rather, the aim is to develop a variety of new energy sources as well as improving the efficiency of our current resources.

The two principal programs within the NSF which contribute most to this effort are scientific research project support (SRPS) and research applied to national needs (RANN). Both of these have been cut almost $10 million each by the committee, making a total cut of approximately $20 million in our energy research.

In SRPS, for example, a detailed understanding of the combustion process in automobile engines is needed in order to extract the maximum amount of energy from automotive fuel as well as to further reduce engine pollutants.

RANN is aimed to producing more immediate results. RANN serves as an important bridge between NSF's basic research programs and the implementation of this research in solving practical problems. It serves to hasten the process of getting laboratory achievements into the overall economy.

One promising area under investigation by RANN is solar energy. Solar energy could provide a nonpolluting, economically acceptable means of heating and cooling our homes. It also can be used to generate electricity. Approximately 25 percent of the energy consumed in the United States is used for heating, cooling, and supplying the hot water need of buildings. Consequently the potential impact of solar energy could be profound. To accomplish this objective, a balanced program of research and subsystems tests will be carried out.

A coordinated effort is underway with the Atomic Energy Commission and the Department of Interior to harness the earth's internal heat. Achievement of geothermal energy production of tens of thousands of megawatts by the middle of the next decade could save at least 1 million barrels of oil daily. The possibility of geothermal energy was realized long ago. Many who have studied the U.S. geothermal resources have assessed its potential favorably with our present oil and gas reserves. NSF can help solve the remaining technical problems impairing its widespread use.

Projects are underway to develop new methods of storing and transporting energy. Advanced battery technology is expected to find use in both automotive propulsion and electric utilities. Superconductivity and magnetics technology applied to electric generating plants could increase efficiency. Likewise, work is in progress to improve our resource exploration and assessment capability. Precise identification of geothermal and fossil fuel reserves will help in planning the distribution of our energy supplies over the long run.

After years of inattention to the looming energy crisis, the Nation needs an accelerated effort in order to resolve the problem. I believe that the current bill will enable the NSF to spearhead the drive toward national self-sufficiency in energy. We must marshall our technology and fashion a comprehensive answer to the problem. An answer which combines traditional and new energy sources; which balances technological feasibility, cost, social acceptability, and environmental impact.

If we increase the RANN budget by another $5.5 million, while still staying within the budget—as my amendment provides—I believe that the NSF can provide the leadership necessary to substantially aid in the solution to the energy problem. It can provide the vital link in transforming abstract, scientific principles into concrete, everyday benefits such as reasonable power costs, stabilized employment, and the preservation of our high standard of living. And I look to the current bill to provide the NSF with wherewithal to accomplish this mission.

Mr. MOSHER. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan (Mr. ESCH).

Mr. ESCH. Mr. Chairman, I would like to first rise in support of the general bill and to commend the chairman, the gentleman from Texas (Mr. TEAGUE) and especially the chairman of the subcommittee, the gentleman from Georgia (Mr. DAVIS) and the staff who worked diligently in bringing this bill to the floor. In the usual manner they provided detailed scrutiny over the scientific community. Detailed oversight hearings were conducted and I commend them for their effort.

There will be only one or two issues in this bill today. I think perhaps the most important issue I might discuss would be the issue of the prospective amendment that may be presented by the gentleman from California that would, in effect, increase the authorization for RANN, while decreasing a most important authorization, that for institutional support.

I would like for the benefit of the committee to have a clear understanding of the issue. It is absolutely essential that the committee understand that the bill does increase the RANN effort 85 percent over what it was this year. The amendment of the gentleman from California will add an additional $5.5 million to RANN.

Second, it should be emphasized that the amendment of the gentleman from California will decrease the amount of funds available for institutional support programs by a like amount. Why are institutional support programs necessary? Perhaps the most essential reason they are necessary is to provide the very matching funds to come and join with those allocated funds in the RANN budget that the gentleman from California proposes.

As the testimony we have heard throughout the year emphasizes, one of the real problems in the energy field is the problem of proper training of technical people, that is engineers and scientists. Therefore, let us not be deceived that merely RANN projects going on under contract at various institutions will solve the energy problem.

The Members should make sure that they understand that if they vote against the amendment of the gentleman from California, they are not voting against energy. Indeed, they will be supporting a realistic energy program if they reject the amendment of the gentleman from California, because they will be continuing to provide institutional funds at the same level as they are this year.

It is unencumbered institutional funds, and they can be matched with project money coming outside of RANN.

Mr. Chairman, the third point that should be made is that the RANN money does not go merely for matters related to energy. That money is discretionary, and indeed, we do not know at this time what specific proportion of those RANN funds will go to energy-related applied research. So that, by voting for a lesser amount than the Office of Management and Budget suggested, we will be in no way encumbering or endangering our energy effort.

So, it is important for the members of the committee, I think, to realize that if they vote against the gentleman's amendment for the increase of the RANN budget, they will still be voting for an 85-percent increase in RANN over the present year.

Second, if they vote for the amendment, they will be voting to cut out a very essential program delivering funds to our institutions throughout the country which can act in a cooperative program on developing the trained technicians and trained personnel to fight in the energy field. So, when that amendment comes, whether a Member represents a district which has a UCLA in it, or a University of Michigan in it, I would urge them to reject the gentleman's amendment. Let us go ahead with the business of providing a realistic and comprehensive program of both basic and applied research in this field.

Mr. BELL. Mr. Chairman, will the gentleman yield?

Mr. ESCH. Mr. Chairman, I yield to the gentleman from California.

Mr. BELL. Mr. Chairman, I thank the gentleman for yielding to me. I wanted to correct a point the gentleman made.

Bear in mind that when we speak of the large increase in RANN, there is a reason for this.

What is the reason? The reason was because we had at one time an energy crisis, a particular energy crisis, which we still have. RANN amount was increased by that 80 percent to take care of the energy problem of this Nation and try to help in solving the energy difficulty. That is the reason for the increase.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. MOSHER. Mr. Chairman, I yield 4 additional minutes to the gentleman from Michigan.

Mr. ESCH. Mr. Chairman, I appreciate the gentleman from Ohio giving me this extra time.

Mr. Chairman, it is necessary to recognize that RANN itself last fall did not ask for that increase, but really that was a decision not from the National Science Foundation, but from the administration in trying to put energy there. However, at the same time it should be recognized that this is not the only delivery system for energy research. Let us not be deceived by thinking that if we cut this back, we are really going to cut back on our energy research in the country.

Indeed, it may foster it by providing funds out on a nonencumbered basis to our universities and colleges. I think the other point should be made that there has been information put out in some materials as to the amount of funding for this year in terms of those institutional grants.

The actual funding level for fiscal year 1974 was $10 million and not $3 million. So actually the committee kept the institutional improvement for science program at the same level as in the previous year.

Mr. FROEHLICH. Mr. Chairman, will the gentleman yield?

Mr. ESCH. I yield to the gentleman from Wisconsin.

Mr. FROEHLICH. Mr. Chairman, I am wondering what is so sacred about the figure of $788.2 million. We are so proud of the fact that the committee equaled in its bill the amount that the administration requested.

I am concerned, because I just spent 9 days with my constituents on their problems. They are concerned over energy.

What is wrong with increasing the energy appropriation to meet the administration's request without any cuts?

Mr. ESCH. Mr. Chairman, I will say to the gentleman that that issue was discussed in the committee. The committee felt very strongly that there should be certain restraints placed in the budget, not only as regards the authorization and the appropriation, but also as it relates to NSF even entering into such a field.

There is a question as to how quickly we can move ahead in any field and put dollars into a program. We know that dollars alone do not produce solutions, especially in scientific fields.

Mr. Chairman, the committee's judgment was that the dollars in science education could probably be spent more wisely than in RANN, and that an additional $5.5 million would not necessarily make or break the country's energy program.

Mr. BELL. Mr. Chairman, will the gentleman yield?

Mr. ESCH. I yield to the gentleman from California.

Mr. BELL. Mr. Chairman, I would like to point out that the gentleman has made a very valid point. There is nothing wrong with increasing the amount relating to energy, particularly, I will say to the Members, when we consider today that a very short time ago we were all concerned about energy as the main issue in this land.

I think that within reason we cannot spend too much money in this area.

My amendment will be within the budget; it will not exceed the budget. It will take something away from some of the educational areas, institutional education, for example. Let me point out something further. Institutional education is not the only source of our education either. There is educational training in RANN. So that is taken care of.

Mr. ESCH. Mr. Chairman, I appreciate the gentleman's comments, and I want to answer that point. My time is limited, so I will proceed to answer the gentleman.

The important point is that most of the RANN dollars that are in education are directed dollars, and what we mete out to our colleges and universities are some unencumbered dollars in order to apply matching training and matching programs for these funds.

Let me emphasize again that this is not the only area of energy we are dealing with, and it is not the only problem.

Mr. TEAGUE. Mr. Chairman, I yield 1 minute to the gentleman from Florida (Mr. FUQUA).

Mr. FUQUA. Mr. Chairman, I, too, rise in support of this important legislation as I feel it provides for a comprehensive program of science and technology support which reflects the need for both basic and applied research efforts on a national level. The authorization levels set forth in the bill agree with the total spending amounts recommended by the President and will contribute greatly to the ability of our Nation's scientists and teachers to contribute to knowledge and enable us to better understand and, thus, respond to the problems confronting us. Environmental concerns, energy technology, basic research in the areas of earth sciences, biological sciences, chemistry, and engineering are all supported by the National Science Foundation.

It is my privilege to represent three institutions of higher education—the University of Florida, the Florida State University, and Florida A. & M. University, all of which have talented and inquisitive scientists participating in NSF research programs. Being well known centers of learning excellence, several areas of NSF support are of special interest to these schools. Scientific research project support, graduate student support and the institutional improvement for science items are essential aspects of the NSF support effort.

In 1974, two-fifths of the total Federal effort in basic scientific research is made up of National Science Foundation's scientific research project support, the largest single component of the Foundations' overall program. The committee has placed this authorization level at $354 million. This program will support the continued extension of a fundamental scientific knowledge base from which to draw for social, economic, and technological advances. Basic research of this nature is, of course, carried on predominately at universities.

The need for scientific manpower is great indeed and this manpower pool is provided through various graduate student support programs, including that of the National Science Foundation. The committee has proposed to increase the President's request for graduate student spending by $500,000. This would bring graduate student spending just over the fiscal year 1974 level which means that the spending level will just meet inflationary factors. Because of the committee's concern about declining support for this program, it has placed a floor under this amount and would require expenditures of at least this amount. Certainly, the graduate student item is of very high priority and must be provided adequate support.

Finally, another program of high priority was jeopardized due to lack of administration support and the committee has recommended strongly that it continue to receive support. Accordingly, the committee has increased the institutional improvement for science item by $7 million to restore the institutional grants for science program to last year's level. Development and strengthening of outstanding science departments is a primary mission of this program support and has been utilized effectively by the University of Florida. In an exchange of correspondence with the graduate dean of the University of Florida, I learned of the important uses to which institutional improvement for science funds are put by that school. In order for the Members to better understand the importance of this budget item, I include Dr. Harry Sisler's letter at this point for the information of the Members:

UNIVERSITY OF FLORIDA,
Gainesville, March 27, 1974.

Hon. DON FUQUA,
Rayburn House Office Building,
Washington, D.C.

DEAR DON: Thank you for your letter of March 12, 1974, in which you share my concern about the proposed National Science Foundation Budget reduction of approximately seven million dollars for the Institutional Improvement for Science Program.

In response to your question regarding the manner in which the University of Florida has utilized these funds the following information may be of use to you. Approximately 82% of these funds are awarded by the University-wide Research Council, which is appointed by the President and is chaired by the Dean of the Graduate School. Awards are made to academic departments for the purchase of research equipment, scholarly books, or other research materials of a capital nature. The awards are made on a highly competitive basis through research proposals submitted by individual faculty members to the Graduate School. These applications are rated individually by members of a Faculty Screening Committee which recommends a list in order of priority to the Graduate Dean and the Research Council for consideration.

The remaining 18% of the grant funds are distributed by the Graduate Dean to the several College Deans for their use in bringing consultants and visiting lecturers to the campus.

Institutional grant funds are used in these ways for the following reasons. The availability of a central pool of significant research funds, awarded on a highly competitive basis, is important in encouraging the development of highest quality programs in research in Graduate education. It is difficult for a department chairman to distribute his own budgeted funds on a competitive basis, thereby denying support to colleagues with whom he must work closely and harmoniously; thus it is commonly difficult to use departmental funds to appropriately support outstanding programs. Centrally administered, competitive funds on the other hand can be used to award, encourage, and support only the best research, thereby assisting the University in achieving its goal of overall excellence.

The reasons for allocating funds for consultants and lecturers are several fold. First, the University has had a significant number of developing departments and interdisciplinary programs that need short visits of distinguished scholars, including both formal lectures and informal consultation to encourage, inspire, and advise. Second, the geographical position if the state is such that visits do not just "happen" as incidental stopovers; they must be planned, encouraged, and supported. Finally, uncommited funds of this type are the most difficult to obtain from rigidly structured State budgets.

The availability of institutional grant funds has been an important factor in permitting the Graduate Dean to continue to exert influence for the upgrading of quality in the University's programs in sciences. Furthermore, the relative importance of these funds has grown dramatically as other discretionary monies, primarily subvention funds from federal fellowship and traineeship programs, have shrunk toward zero. Faculty need and interest are at an all time high yet available funds are approaching a new low.

Examples of research equipment that was purchased in part with Institutional grant funds last year include a positive ion beam deflecting unit for the two million volt van-de-Graff accelerator; and amino acid analyzer for microbiological research; a microphotometer to study fluorescence and absorption of visible light in the biochemical analysis of single cells and groups of cells; a sixteen channel electroencephalogram polygraph for use in the Psychology sleep laboratory; an atomic absorption spectrophotometer for establishing a major research program in geochemistry; and a computer controlled data acquisition system to aid in investigating the environmental effects on plant growth, water use, and environmental quality of Florida's fruit crops.

In summary, Don, the NSF Institutional Improvement for Science Funds are very important to the University of Florida and I would urge you to advocate an increase in this item to at least the ten million dollar FY 1974 level.

Sincerely yours,
HARRY H. SISLER,
Dean.

The National Science Foundation launched major programs in the 1960's to upgrade the quality of the science programs of academic institutions. This included a comprehensive institutional science support program designed to upgrade the quality of university science programs and smaller-scale departmental programs designed to improve the science quality of individual departments. More than 100 institutions in all parts of the Nation participated in these programs, and the total NSF investments in these efforts totaled over $200 million. By fiscal year 1972 these programs had resulted in the upgrading of over 300 science departments.

An important goal of the National Science Foundation is to avoid undue concentration in its science research and education support to insure to the maximum degree that scientific strength is achieved and maintained in all regions of the United States. The evolution of U.S. academic science had resulted in the clustering of institutions having outstanding science capabilities in the Northeast, the Far West, and certain other regions of the Nation. To some degree, this clustering was reinforced by Federal programs of research procurement sponsored at universities during World War II in such fields as radar, nuclear physics, and others.

In 1952, the first full year of National Science Foundation program activities, fewer than 100 academic institutions offered the Ph. D. degree in science, and only 59 academic institutions in 33 States participated in NSF programs that year. By contrast, in fiscal year 1975 more than 950 academic institutions, several hundred other nonprofit institutions, and industrial and Federal laboratories will participate in NSF-sponsored research. These participants are located in all 50 States. More than 1,000 research scientists and 12,000 graduate students will be involved in these efforts.

The record has been that increased geographic diversity has accompanied increased support of basic research, the fundamental NSF mission. During the past 10 years there has been an increase in the percentage of the total dollar amount of scientific research project support awards going to areas outside of the northeast, north-central, and Pacific regions. The increased geographic distribution of research funds is a measure of an improved research capability in the other regions.

As a member of the Science, Research, and Development Subcommittee of the House Committee on Science and Astronautics, I heartily endorse this measure and urge its adoption.

Mr. MOSHER. Mr. Chairman, I have no further requests for time.

Mr. TEAGUE. Mr. Chairman, I yield 1 minute to the gentleman from Alabama (Mr. Flowers).

Mr. FLOWERS. Mr. Chairman, I appreciate the gentleman's yielding me this time.

I, of course, wish to express my support of this bill. I do want once again, however, to voice my opposition to some of the methods by which the National Science Foundation appears to make its grants. I do not want to say that NSF discriminates in favor of one section over the other or in favor of one college over the other, but I will just call the attention of my colleagues to the report of contracts and grants in the last fiscal year. This report clearly indicates that certain institutions in certain States continue to receive the lion's share of the National Science Foundation's grants. It seems to me that NSF has a definite obligation to see that these awards are distributed more equitably across our Nation. I am not persuaded that quality research people and institutions deserving of grants and contracts are located only in those few areas now receiving special attention. In fact, I am otherwise convinced that we have fortunately a widely dispersed national capability for research in the areas of interest to NSF, and consequently the National Science Foundation should make a better effort toward broader support.

I have made my position known to the Director and to the other officials of the National Science Foundation, and in this way I want to call their attention to it once again and hope that they will do a whole lot better by many sections of the country in the coming year than they have in the past year.

Thank you, Mr. Chairman.

Mr. WON PAT. Mr. Chairman, I will support the amendment that will be offered by my esteemed colleague from New York, Congressman Angelo Roncallo, to H.R. 13999, the National Science Foundation Authorization for 1975.

The amendment in straightforward language prohibits the Foundation from using Federal funds to support or conduct research on the human fetus which is outside the mother and has a beating heart.

As this amendment is essentially the same as that which the House approved last July 22 by a vote of 288 to 73 as part of the 1974 NSF authorization bill, I call on my colleagues today to again cast their vote in favor of this worthy amendment.

I must, in all good conscience, point out that human dignity cries out that we should once and for all prohibit the wanton, and I might add, unnecessary research on innocent and living fetuses which has been conducted so heartlessly in the past.

Medical science has testified that there is little practical knowledge which can be gained from the conduct of research on a live fetus And what little information is derived can never offset the untold pain which a fetus who can neither talk nor defend itself must suffer.

Regardless of our religious affiliation, and regardless of our overall views on abortion itself, I trust that this body will act once again to insure that Federal funds are not used in any way whatsoever to permit man, in the name of science, to violate the sanctity of the human fetus.

Certainly, as civilized people, we can do no less. Especially, in light of the past horrors committed in the name of research by those whose humanity was extinct.

Mr. BROWN of California. Mr. Chairman, it is sometimes easy to forget the underlying importance of basic scientific research in our rush to find immediate solutions to problems we face. This research that takes place at the frontiers of our knowledge often seems very abstract, technical, and esoteric. But it is here, in the minds and laboratories of gifted men and women, that the truly breathtaking, revolutionary discoveries that can change society occur. One of the paradoxes of these discoveries, as of life itself, is that they are often unpredictable. This is really what we mean by basic research—breaking such new ground that we cannot tell what we will find.

For example, the fission process itself was discovered quite by chance as a result of chemists bombarding uranium in their continuing search for new elements. The fusion process, on which many hopes are riding as an energy source for the next century, was discovered by chance in the course of studies of how the Sun gets its heat. And the laser—a contraction of "light in phase"—was discovered in the course of research on the kind of light emitted by atoms and molecules.

In recognition of the great potential value that basic research has for the Nation, Congress established the National Science Foundation in 1951. The Foundation's primary mission since then has been to support and strengthen scientific research in all the disciplines.

That we are keenly aware of the fact that basic scientific knowledge is the bedrock of the entire R. & D. structure is borne out by the program proposed for NSF next year. This program contains a 21-percent increase in basic research project support, to a total of $354 million, establishing a very vigorous program of fundamental research for the coming year.

Some areas of NSF's ongoing basic research support that have particular relevance to current problems are as follows:

Research on world climate conditions is helping to establish historical changes in weather and their causes, which have significantly affected temperature and precipitation. These studies are helping to define the boundaries of climatic variability and to establish measures of man's effect on climate. They are also important in studying the effect of climate on, for example, food production.

Research supported on basic magnetic properties of matter has led to development of a high-gradient magnetic separator for refining semi-taconite ore. This has now been tested successfully in the laboratory. Hopefully this process can aid in exploiting the Nation's 200 years' supply of iron resources, still underground because the ores are too impure for existing refining methods.

Research on blood flow has led to the possibility of using echo signals to measure the velocity of blood flow. This offers possible alternatives to present medical procedures involving catheterization of the heart that, although now performed extensively, are dangerous and expensive.

Research on economic systems is producing valuable predictive measures for anticipating trends in such areas as the U.S. trade deficit, effects of devaluation, and consequences of the interaction of one nation's economic system with others, and so forth.

In these and many other areas, it is important that we continue to increase our basic knowledge if we are to find constructive solutions to the problems ahead. In this regard, while I support this legislation very strongly, I am not convinced that we are using the full potential of our mental resources in vital areas of basic research. Not all such research comes under the National Science Foundation's guidance, and there are differences of opinion on how we can best use the limited resources available to us. However, I do believe that we can afford a greater commitment of resources, particularly in the energy field, than this bill authorizes.

Mr. FREY. Mr. Chairman, I am pleased to join my colleagues in supporting H.R. 13999 authorizing appropriations to the National Science Foundation for fiscal year 1975. I commend the chairman and all members of the committee for their diligence and cooperation in working on this bill.

The contribution which NSF can make to our Nation is greater today than perhaps at any other time in its existence. I speak, of course, of its ability to foster the research necessary to resolve the energy problem. Before the problem can be solved, it must be understood. NSF support the research essential to understanding and appreciating the factors affecting the problem.

The energy problem will require a comprehensive response. It is not likely that any one, miracle-type breakthrough will solve the problem. Rather the answer lies in aggregating many smaller achievements and channeling them toward the goal of national self-sufficiency in energy.

In this respect what is needed is not only technical progress but the effective integration of a series of individual advances into a coordinated, comprehensive solution. I am confident that NSF can provide the leadership in pursuing the required technical achievements. But I am equally concerned that NSF may not have the managerial depth and experience necessary to coordinate an aggressive attack on the energy problem. Holding the reins on such an enormous effort is a formidable task. In the past NSF has not been called to address such a sweeping program.

For this reason I encourage NSF to face up to this point and look for assistance from those agencies which have experience managing huge programs and meeting deadlines. I believe that NASA is in a particularly good position to provide the needed cohesion. NASA has considerable experience in managing programs which are not only large but also scientific. Furthermore, NASA is also contributing some significant technical contributions to the effort. NASA pictures from space are helping to identify new energy reserves. Work on solar panels for Skylab is parallel to work underway on implementing solar energy for domestic Earth use. NSF and NASA are a complementary pair and I believe would make good partners in the drive for independence in energy.

As a beneficial side effect to NSF's increased role in supporting energy R. & D., I hope that NSF would use this as an opportunity to diversify the geographical distribution of the programs it funds. A pattern has emerged whereby a disproportionate amount of its support is going to only a few States. There are some institutions whose high standing in the sciences makes them worthy candidates for NSF support. I am apprehensive that this situation may settle into a fixed pattern with the same few recipients cornering the market on NSF funds year after year.

If we are to build a solid and broad scientific foundation, then research funds must be available to a wide variety of people. Those institutions who may lag slightly the performance of their more prestigious brothers need the funding in order to bridge the gap. Thus, the objective of NSF research projects can be twofold. First, to accomplish a particular scientific mission; and second, to maintain and upgrade the capabilities of institutions who participate in the program.

Mr. Chairman, I have intended my remarks to serve as constructive observations on how NSF can better accomplish its mission and serve the Nation. The NSF has done a good job in the past and if it follows the few points I have made, I believe it will do an even better job.

Mrs. SCHROEDER. Mr. Chairman, I am disheartened that the House is once again, in the name of preserving the dignity of human life, engaging in emotional and acrimonious debate over a so-called fetus protection amendment which on its face betrays a disregard for life.

I am certainly not in favor of any experimentation which would prejudice the life of any human being, whether it be a fetus in its mother's womb, an aborted fetus, or any human being at any stage of its life. However, when we deny any experimentation on nonviable fetal tissue, which is the effect this bill would have, we are not respecting human life; we are depriving ourselves of medical research which does not endanger any human being and may well save the lives of many mothers and their babies in the future.

The emotional rhetoric in this debate has consistently failed to address the broader issue, of which fetal research is only a small part: the whole problem of ethics in biomedical research affecting humans of all ages, including research on prisoners, improper drugs use, and research being conducted on patients without their full knowledge of their risk.

A bill is now in conference—H.R. 7724—which would properly deal with this problem in a comprehensive and thorough manner by establishing a National Commission for the Protection of Human Subjects, composed of scholars from a variety of disciplines, including ethics, philosophy, law, medicine, and theology. This Commission would undertake a comprehensive investigation and study to identify the basic ethical principles which should underlie the conduct of biomedical research involving human subjects, and be authorized to establish and implement policies designed to assure that biomedical research involving human subjects is carried out in accord with those principles. Although limited to HEW grants, the findings of the Commission would certainly be applicable to all Federal programs.

There is no question that legislation of the type before us would be extremely damaging to scientific research. Experiments using tissue from nonviable fetuses, which are closely akin to the investigations undertaken in autopsies, have led to the discovery of cures for such crippling diseases as polio and German measles. Scientists who are dependent on the unique characteristics of fetal tissue are now on the verge of breakthroughs in several other areas, such as cures for sickle cell anemia, diabetes, cerebral palsy, and several forms of mental retardation. It is acknowledged that prohibitive legislation would greatly impede the progress of cancer research.

This amendment is also an insult to the many able and conscientious physicians who are trying to deal in a sensitive and tender fashion with the emergent fetus, while affording society the immense benefits which can be gained in the protection of mothers and newborn, as well as cures for major diseases.

To deny the right of experimentation on any fetus outside the womb of its mother as long as it has a hearbeat, regardless of its viability, could have ramifications far beyond the narrow issue of fetal research. For example, in organ transplants, the biological system must be kept fully functioning, including a full heartbeat, before a successful transfer can be made. The same issues as to the definitive vital signs, whether heartbeats or brain waves, or a combination of factors, are involved. This problem involves some of the most complex ethical, moral and legal issues of our time. It must not be determined by emotional debate on nongermane floor amendments which have not even had the benefit of due consideration by our legislative body.

For the interest of my colleagues I am inserting a recent New York Times article on fetal research.

Curbs on Fetal Research Impede Fight on Disease

(By Lawrence K. Altman)

Restrictions on fetal research that have been instituted in the last few weeks are seriously impeding doctors in several medical centers in the United States in their efforts to develop potential cures and preventions for a wide variety of diseases.

These curbs are now affecting research on cancer birth defects, aging, the common cold and other major health problems, according to interviews with leading medical investigators.

Last week, a Boston obstetrician was indicted for manslaughter in the death of a fetus in connection with a legal abortion. Four other doctors in Massachusetts were accused of violating a 19th-century law against grave-robbing after they used tissue from aborted fetuses for medical research.

In addition, anti-abortion forces and people who feel it is unethical to use products of human conception for research have picketed institutions around the country where fetal tissues are used in the laboratory. At least one city, Cleveland, has passed an ordinance prohibiting research on, or medical use of, products of aborted human conception.

As a result of that ban, Dr. Fred Robbins, dean of Case-Western Reserve Medical School there, said:

"We are in serious danger of losing a major grant that is built around developing diagnostic tests for early diagnosis of a variety of birth defects."

Dr. Robbins added: "You have to be a brave fellow to do fetal research these days."

In California, a law passed last year that bans scientific experiments on live fetuses has hindered such research at Stanford Medical School, a spokesman for the Palo Alto institution said.

The National Institutes of Health is sponsoring a registry to obtain data on a prenatal diagnostic test called amsiocentesis. The purpose is to assess the safety and accuracy of these tests from studies in the United States.

However, Dr. Duane Alexander of the National Institutes of Health said that in the wake of the Boston indictments, officials of Johns Hopkins Hospital in Baltimore had prohibited their doctors from obtaining samples of fetal cells which would otherwise have been discarded, as material for scientific controls for tests used in treating mothers and newborns.

CHILLING EFFECT

Neil Chayet, the lawyer for the doctors indicted in Boston, said "the chilling effect" of that case had caused two groups of investigators in Massachusetts to stop three human fetal research projects.

"These doctors are nervous about publicly revealing what research they are not doing anymore," Mr. Chayet said. "They fear they, too, may be implicated," he added.

At Harvard, a spokesman said that officials had imposed a "no comment" status pending disposition of the case against the doctors.

Concern resulting from debate over the ethics of fetal research has reportedly led to curtailment of some grants to researchers using fetal tissue. Further, researchers here, in Boston, Philadelphia and Cleveland said the growing public debate over fetal research had hampered some of their projects.

Over the last several decades fetal research has resulted in successful preventions of cripplers such as polio and German measles (rubella). And successful treatments of newborns as well as adults have resulted since World War II from research dependent on fetal tissues obtained from natural miscarriages and legal abortions.

But the investigators said that such therapies had become so routine that the public took them for granted and overlooked the fact that they had been developed from fetal research.

Some researchers criticized their own professional organizations and National Institutes of Health officials for not having prepared a list of such gains of defense of the opposition of mental research.

CRUX OF THE DEBATE

The crux of the debate over such research is: What use can be made of fetal tissue when scientists obtain "informed consent" from the mother? Researchers consider it ethically wrong to deny proper use of that tissue when it can potentially benefit mankind and when it would otherwise be wasted. Some people oppose its use under any circumstance, even with the permission of the parents.

The Rev. Warren Schaller, executive director of the National Right to Life Committee in Washington, said that the organization, a leader among anti-abortion forces, opposed experimentation on fetuses because the fetuses cannot give informed consent.

However, he said that the group had not taken an official position on the question of how researchers could do the study that require fetal tissue if curbs against such investigations were imposed nationally.

Dr. John F. Enders, the Harvard Nobel laureate, whose research involving fetal tissue led to the development of the polio vaccine, said:

"I feel it would be a big setback for the progress of medicine if use of fetal tissues were stopped."

Others pointed out the relevance of fetal research to the conquest of cancer program that has presidential and Congressional backing. Doctors are mystified why growth is so effectively controlled in the rapidly dividing cells of a fetus and child while similar biologic principles lead to uncontrolled growth of cancers and the apparent breakdown in immunologic defenses in malignant disease.

Barriers against the use of fetal tissue "certainly would impede progress in cancer research," Dr. Enders said.

DRAMATIC USES CITED

Vaccines and treatment of premature babies was among the most dramatic examples noted of life-saving therapies that could not have been developed without use of fetal tissue. Many doses of licensed vaccines now prescribed by doctors are prepared from fetal tissues obtained from just one fetus aborted in Sweden in 1962.

Other examples include blood cells that physicians use to help diagnose some cancers and other diseases. Laboratory technicians rely on fetal cells to detect viruses in protecting the public's health against outbreaks of many common viral infections.

Yet the researchers said they had been falsely accused of planning abortions for scientific investigations and that some political forces have purposely confused the separate tissues of proper controls on fetal research and legalized abortions.

Now researchers are trying to develop vaccines against diseases that cannot be prevented or to improve existing ones like the rabies vaccine. They are trying to discover treatments for genetic diseases like sickle-cell anemia and forms of cerebral palsy.

Also, to prevent further thalidomide tragedies, they are seeking to determine which drugs that are considered safe for adults might damage a growing fetus or newborn child. That was cited as one reason why the Boston doctors did the studies that led to their indictments.

With tragedies like thalidomide in mind, Dr. Richard Crout, who directs the Bureau of Drugs at the Food and Drug Administration, said "Almost every major drug disaster has occurred in children, often in newborns." Only after hundreds of newborns were permanently blinded did doctors learn that doses of oxygen that were safe for adults were deleterious to newborns.

MORE TESTING URGED

As a result, Dr. Crout said the agency was encouraging more, rather than less, testing of drugs in children to determine the safest, most effective dose of medication.

Such data are considered critical because doctors in recent years have discovered that the physiology of the newborn and children up to about age two years differs significantly from that of the adult. Accordingly, pediatricians often cannot prescribe drugs the way their colleagues do for adult patients.

Dr. Charles A. Alford of the University of Alabama in Birmingham, who is president of the Society of Pediatric Research, said "We could accidentally kill fetuses trying to use adult doses because fetuses do not handle the drug the same way the mother does."

Human fetuses are needed for research, in part, because only some of the critical information can be derived from animal studies.

Dr. Victor A. McKusick of Johns Hopkins Hospital in Baltimore, one of the world's leading geneticists, said that fetal tissue was essential to understand many discorders because cells from adults "just don't have the same biological characteristics as fetal cells."

GENETIC SWITCHES

Dr. McKusick went on:

"Development involves switching off certain genes and switching on other genes. Throughout development, different sets of genes operate at particular times, like an orchestra where certain instruments are silent, during some stages and playing only during others."

Largely as a result of environmental factors, humans have different types of protein in their red blood cells as fetuses and as adults. The switchover, which comes about the time of birth, is a natural event that many doctors wish to study as a model for other proteins that change when a baby enters the world. Dr. McKusick said:

"Many of the genetically determined malformations, for example, may be defects in protein that are around during embryonic development and then are switched off later on because they no longer have a purpose. One would never know about those except by studying fetal tissue. Therefore the root cause of many genetic defects could not be discovered unless one had access to the stage at which the action occurs, namely live fetal tissue."

Other doctors are growing fetal cells in test tubes in the laboratory as a model for studying human aging. Dr. Leonard Hayflick of Stanford Medical School has found that there is a finite life span of normal human cells that varies with age. Fetal cells double for about 50 cycles before dying whereas those taken from a 10 year old child, for example will die out after 30 or so cycles.

SAFER THYROID THERAPY

Thyroid disease is an area in which fetal research is credited with dividends in safer therapy. In 1948, Dr. Earl Chapman of the Massachusetts General Hospital in Boston and his colleagues gave small doses of radioactive iodine just before a group of women with heart disease had therapeutic abortions. From studies on the fetuses, these doctors determined that women with thyroid disease could be treated medically during the first four months of pregnancy without harming the fetus. The endocrinologic study also led to important knowledge of thyroid physiology. If the fetus has an abnormal thyroid, the baby can become a cretin.

The controversy over fetal research comes at a time when efforts of obstetricians and pediatricians have significantly lowered the nation's infant mortality rates, which had come under public criticism for so long. Better therapies to treat disorders in premature babies is credited in part for these lowered rates.

"A premature baby, in effect, is [physiologically] a fetus," Dr. Alford, the Alabama pediatrician said. He added: "We are right on the edge of going into an era when we can treat the fetus itself."

In Cleveland, where an ordinance prohibits use of "the products of human conception" for medical purposes, Dr. Robbins, a Nobel laureate and president of the American Pediatric Society, said:

"The most important thing in the debate is the infringement curbs offer to human rights by imposing one group of standards on us all. I don't care for it. If there were more women in Congress, I don't think you'd have quite this problem."

Mr. VANIK. Mr. Chairman, I rise in support of this legislation to authorize appropriations for the National Science Foundation. At the same time, I would like to raise one matter of concern to me in this pending legislation. The Research Applied to National Needs program was established within NSF to focus the resources of the Federal Government on selected scientific and technical problems with the objective of contributing to their practical solution. As the committee report outlines, the RANN program is currently engaged in funding research into three basic areas: Energy, the environment, and productivity. Of these three categories, energy consumes the lion's share of the present RANN budget.

In reviewing the scope of RANN's activity in the energy field, I find an impressive array of goal-oriented programs, particularly in the field of solar and geothermal energy. At the same time, I find a glaring lapse in RANN's activities in the research on hydrogen fuels. I enumerated the many advantages of hydrogen fuel earlier today during House consideration of legislation authorizing appropriations for the National Aeronautics and Space Administration. I was gratified by the House's acceptance of my amendment to increase by $2 million NASA's research into hydrogen production and utilization systems.

I am sorry to say that RANN has shown little inclination to become involved in hydrogen fuel research. There are many significant problems which must be resolved before hydrogen can assume a major role in our energy budget. A significant commitment is needed by the Federal Government before the many questions involving the production, transmission, and safe utilization of hydrogen can be resolved. At present, the burden of hydrogen fuel research is being shouldered by the private sector, but even here the commitment of resources is inadequate. It is up to NSF to demonstrate leadership in this vital area of energy development, for it was with just such projects in mind that Congress initiated the RANN program. I am hopeful that NSF will take a more active role in the coming months to explore the vast potential of this remarkable fuel.

Mr. EDWARDS of California. Mr. Chairman, it distresses me that the very delicate and complicated issue of fetal research has been brought to the floor of the House in its present form and without the benefit of full consideration by the appropriate committees. We are advised that to pass the amendment would have the effect of prohibiting the National Science Foundation from doing something it never has done and has no intention of doing; namely, providing Federal support for such research.

Therefore, a vote of "no" seems logical in order not to clutter up our statutes with unnecessary laws. However a "no" vote to this otherwise meaningless and useless amendment can also be interpreted as a vote for Federal support of fetal research and, depending on individual viewpoints, a vote either for or against the preservation of human life.

That is a decision I am not prepared to make, and perhaps others of my colleagues are in the same dilemma. Most of us are lawyers, not scientists, and most of us have had very little exposure to available information or expert opinion on this issue. I myself have done some reading on fetal research, but I cannot and do not claim to be an expert.

Because this amendment is irrelevant to this particular bill and the activities of the National Science Foundation, I feel a hasty decision on the issue of fetal research, without the benefit of full deliberation by the appropriate committees, is unwarranted. Therefore, the only appropriate vote I can cast is a vote of "present."

The CHAIRMAN. If there are no further requests for time, the Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is hereby authorized to be appropriated to the National Science Foundation for the fiscal year ending June 30, 1975, for the following categories:

(1) Scientific Research Project Support, $354,000,000.

(2) National and Special Research Programs, $86,000,000.

(3) National Research Centers, $52,500,000.

(4) Science Information Activities, $8,300,000.

(5) International Cooperative Scientific Activities, $8,000,000.

(6) Research Applied to National Needs, $139,100,000.

(7) Intergovernmental Science Program, $1,000,000.

(8) Institutional Improvement for Science, $10,000,000.

(9) Graduate Student Support, $13,200,000.

(10) Science Education Improvement, $68,900,000.

(11) Planning and Policy Studies, $2,700,000.

(12) Program Development and Management, $39,500,000.

SEC. 2. Notwithstanding any other provision of this or any other Act—

(a) of the total amount authorized under section 1 of this Act not less than $10,000,000 shall be available for the purpose of "Institutional Improvement for Science";

(b) of the total amount authorized under section 1 of this Act not less than $13,200,000 shall be available for the purpose of "Graduate Student Support";

(c) of the total amount authorized under section 1 of this Act not less than $68,900,000 shall be available for the purpose of "Science Education Improvement";

(d) of the total amount authorized under section 1 category (2) not less than $2,200,000 shall be available for "Experimental R. & D. Incentives";

(e) of the total amount authorized under section 1 category (6) not less than $2,000,000 shall be available for "Fire Research";

(f) of the total amount authorized under section 1 category (10) not less than $1,500,000 shall be available for "Science Faculty Fellowships for College Teachers";

(g) of the total amount authorized under section 1 category (10) not less than $3,800,000 shall be available for "Student Programs" including "Undergraduate Student Projects", and "Student Originated Studies";

(h) of the total amount authorized under section 1 category (10) not less than $2,000,000 shall be available for "High School Student Projects";

(i) prior to the obligation of any funds authorized under section 1, category 6, for the program of Solar Energy Research and Technology, the Foundation shall coordinate such program with the National Aeronautics and Space Administration and report the resulting plans, schedules, and other findings to the Committee on Science and Astronautics of the House of Representatives and the Committee on Labor and Public Welfare of the Senate within ninety days from the effective date of this Act. The coordinated program shall be designed to take maximum advantage of the special capabilities of each agency. Any part or parts of the program which, according to findings made under this provision, can appropriately be carried out by the National Aeronautics and Space Administration shall be so assigned, including managerial responsibility, and shall be funded by the Foundation pursuant to section 11(c) of Public Law 81-507 (64 Stat. 149.).

SEC. 3. Appropriations made pursuant to this Act may be used, but not to exceed $5,000, for official consultation, representation, or other extraordinary expenses upon the approval or authority of the Director of the National Science Foundation, and his determination shall be final and conclusive upon the accounting officers of the Government.

SEC. 4. In addition to such sums as are authorized by section 1, not to exceed $5,000,000, is authorized to be appropriated for fiscal year ending June 30, 1975, for expenses of the National Science Foundation incurred outside the United States to be paid for in foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States.

SEC. 5. Appropriations made pursuant to authority provided in sections 1 and 4 shall remain available for obligation, for expenditure, or for obligation and expenditure, for such period or periods as may be specified in Acts making such appropriations.

SEC. 6. No funds may be transferred from any particular category listed in section 1 to any other category or categories listed in such section if the total of the funds so transferred from that particular category would exceed 10 per centum thereof, and no funds may be transferred to any particular category listed in section 1 from any other category or categories listed in such section if the total of the funds so transferred to that particular category would exceed 10 per centum thereof, unless—

(A) a period of thirty legislative days has passed after the Director or his designee has transmitted to the Speaker of the House of Representatives and to the President of the Senate and to the Committee on Science and Astronautics of the House of Representatives and to the Committee on Labor and Public Welfare of the Senate a written report containing a full and complete statement concerning the nature of the transfer and the reason thereof, or

(B) each such committee before the expiration of such period has transmitted to the Director written notice to the effect that such committee has no objection to the proposed action.

SEC. 7. (a) If an institution of higher education determines, after affording notice and opportunity for hearing to an individual attending, or employed by, such institution, that such individual has been convicted by any court of record of any crime which was committed after the date of enactment of this Act and which involved the use of (or assistance to others in the use of) force, disruption, or the seizure of property under control of any institution of higher education to prevent officials or students in such institution from engaging in their duties or pursuing their studies and, that such crime was of a serious nature and contributed to a substantial disruption of the administration of the institution with respect to which such crime was committed, then the institution which such individual attends, or is employed by, shall deny for a period of two years any further payment to, or for the direct benefit of, such individual under any of the programs specified in subsection (c). If an institution denies an individual assistance under the authority of the preceding sentence of this subsection, then any institution which such individual subsequently attends shall deny for the remainder of the two-year period any further payment to, or for the direct benefit of, such individual under any of the programs specified in subsection (c).

(b) If an institution of higher education determines, after affording notice and opportunity for hearing to an individual attending, or employed by, such institution, that such individual has willfully refused to obey a lawful regulation or order of such institution after the date of enactment of this Act, and that such refusal was of a serious nature and contributed to a substantial disruption of the administration of such institution, then such institution shall deny, for a period of two years, any further payment to, or for the direct benefit of, such individual under any of the programs specified in subsection (c).

(c) The programs referred to in subsections (a) and (b) are as follows:

(1) The programs authorized by the National Science Foundation Act of 1950; and

(2) The programs authorized under title IX of the National Defense Education Act of 1958 relating to establishing the Science Information Service.

(d)(1) Nothing in this Act, or any Act amended by this Act, shall be construed to prohibit any institution of higher education from refusing to award, continue, or extend any financial assistance under such Act to any individual because of any misconduct which in its judgment bears adversely on his fitness for such assistance.

(2) Nothing in this section shall be construed as limiting or prejudicing the rights and prerogatives of any institution of higher education to institute and carry out an independent, disciplinary proceeding pursuant to existing authority, practice, and law.

(3) Nothing in this section shall be construed to limit the freedom of any student to verbal expression of individual views or opinions.

SEC. 8. Notwithstanding any other provision of this or any other Act, the Director of the National Science Foundation shall keep the Committee on Science and Astronautics of the House of Representatives and the Committee on Labor and Public Welfare of the Senate fully and currently informed with respect to all of the activities of the National Science Foundation.

SEC. 9. This Act may be cited as the "National Science Foundation Authorization Act, 1975".

Mr. TEAGUE (during the reading). Mr. Chairman, I ask unanimous consent that the bill may be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

AMENDMENTS OFFERED BY MR. BELL

Mr. BELL. Mr. Chairman, I offer several amendments and ask unanimous consent that they may be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. BELL: Page 2, lines 7 and 8: Delete "$139,100,000" and insert in lieu thereof "$144,600,000".

And on page 2, lines 11 and 12: Delete "$10,000,000" and insert in lieu thereof "$4,500,000".

And on page 2, line 22: Delete "$10,000,000" and insert in lieu thereof "$4,500,000".

Mr. BELL. Mr. Chairman, the amendment that I am proposing would increase the part of the budget dealing with RANN, research applied to national needs, page 67 in your report, from $139,100,000 to $144,600,000.

That is an increase of $5.5 million which is still below the amount the administration requested for RANN which was $148,900,000.

Almost two-thirds of the RANN budget is earmarked for programs designed to cope with the energy problem.

Bear in mind, this increase in RANN was precisely the figure requested by the National Science Foundation and by the OMB.

A considerable amount of the time was spent studying this matter by these two agencies and it was decided that $148,900,000 was the best amount to be budgeted for RANN.

The subcommittee then decided to cut $4.3 million from the RANN budget, getting it down to $144,600,000.

Then it was in the full committee where the present decrease was approved to reduce RANN by another $5.5 million and increase programs which involve increasing science education. Making a total cut in the RANN program of $9.8 million or in round numbers almost $10 million cut out of the heart of our energy research program.

Whereas, I concur that science education is important, I think we come to the question, however, of priorities—that is, assuming that we wish to stay within the total NSF budget with which I espouse—at this particular point in time.

My amendment would decrease the science education category of institutional improvement for science, page 84 in the report, an area that the committee has increased, incidentally, by $7 million, which amounts to a 233-percent increase over the NSF 1975 request.

My amendment would still leave this budget category with an increase of 50 percent over the budget request.

The question on all of this is, which of the needs of this Nation should have a higher priority, increased scientific education programs, or programs to develop new energy resources?

I say at this time the major need of this Nation is for the development of new energy resources.

The American people were deeply distressed a few months ago to discover the true meaning of shortages.

They did not like being dependent upon the Arab Nations for a large segment of our energy needs.

They did not like the long lines at gasoline stations.

We, therefore, embarked on an aggressive new course for this country—to make an all-out effort, to find and develop new sources of energy to make us self-sufficient.

The most vital issues in my district are still the energy-related problems.

These include the unemployment and inflation that still exist as a result of the shortages, and the fear that some day an Arab country might again turn off the energy tap.

I hold that just because the oil spigot has been turned back on, this is no time to roll over, relax, and go back to sleep again.

We must continue to pursue our goal of energy self-sufficiency.

The opponents of this measure may say that only $5.5 million will not make much difference, or that we have plenty already dedicated to energy research. First, I hold that we are not talking about $5.5 million but almost $10 million.

I submit that we need to concentrate as much money as possible in this direction to see to it that we will not get caught short again.

Besides, the amount involved is not as important as the symbol of what our Government agencies are intending to do.

We point the way, we furnish the leadership to the rest of the country.

If we cut back our energy research funds, that will symbolize a direction to the rest of the country.

A large portion of RANN work is done outside of the National Science Foundation by industries and universities.

If we display by our action in the House today that our energy research efforts are no longer the No. 1 priority, the adverse effects of this may be greater than we think.

The committee reduced the moneys for energy research so that they would have more to spend in the areas of science education improvement.

Now let us touch on the science education issue, for a moment.

I submit that the energy research program under RANN is the best school we have going for us today.

RANN provides on-the-job training for our students.

These research programs employ 1,000 students and 1,000 professors, and probably provide the best scientific education in the Nation.

Not only are the students learning while they do research, but so are the professors gathering a better understanding of how to teach new courses from the innovative research approaches that they have developed through the RANN programs.

The number of students and professors would be doubled if RANN receives their budget request.

So here is your science education improvement, built into RANN.

I believe that this program is a major step in the effort toward providing the taxpayer a full return on his investment in basic research.

Much of the antitechnology sentiment is the result of our failure to fully apply the techniques and know-how developed from our basic research.

People want solutions to problems.

They can understand their money going to research if they can see some anwers coming down the line.

The RANN program is designed to help supply those answers.

It is, therefore, imperative that Congress provide the leadership, direction, and perseverance necessary to resolve our energy problems.

If we do not provide this leadership, our goal of self-sufficiency cannot be achieved.

Mr. Chairman, it is vital that this amendment be passed.

Mr. SYMMS. Mr. Chairman, will the gentleman yield?

Mr. BELL. I yield to the gentleman from Idaho.

Mr. SYMMS. I thank the gentleman for yielding.

I must commend the gentleman in the well for making a very persuasive argument. I should like to ask him a question.

On page 64 of the report there is a listing of $300,000 for foreign science; on page 65, $8 million for international cooperative science activities, broken down into cooperative science programs, scientific organizations, and resources programs, international travel for $500,000, and support for special foreign currency projects, and support for cooperative science information activities with the U.S.S.R., UNESCO, UNISIST, and so forth.

Would the gentleman say that his amendment would be more important than these foreign activities?

Mr. BELL. I would have to say, in my opinion, I think this amendment is the most important aspect of the whole bill. I think there actually should be more budgeted, but I want to stay within the budget. I think it actually should be more.

Mr. SYMMS. Would the gentleman be happy to strike out $5 or $6 million out of this international cooperation and put it in the proper place in his amendment?

Mr. BELL. I want also to say that I think the idea of saying we have got to have this or else, might not be the correct approach. I think we can have a lot of things. I think we can do a lot of things if we use some intelligence about the way we do it. We can have things to promote energy, and we can also have things to help our relationship internationally.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. BELL was allowed to proceed for 2 additional minutes.)

Mr. FROEHLICH. Mr. Chairman, will the gentleman yield?

Mr. BELL. I yield to the gentleman from Wisconsin.

Mr. FROEHLICH. I thank the gentleman for yielding.

I should just like to commend the gentleman for his leadership in this area. I think the energy research part of this bill is probably the most important at this critical time. I want to let the gentleman know that I support his amendment, but if his amendment is not adopted, I have an amendment pending at the desk that will increase this area $9.8 million, regardless of the wonderful balancing against the appropriations by this committee.

Mr. BELL. I thank the gentleman.

Mr. SYMMS. Mr. Chairman, will the gentleman yield further?

Mr. BELL. I yield to the gentleman from Idaho.

Mr. SYMMS. I thank the gentleman for yielding.

I see that there is $200,000 in the report for support for special foreign currency projects. Would the gentleman tell me what that is?

Mr. BELL. I believe that that is for some foreign currencies that we have to use in our dealings in the National Science Foundation throughout the world.

Mr. SYMMS. Are we going to teach the foreigners how we counterfeit the money over here through our processes for obtaining scientific data?

Mr. BELL. I will not say that. I might say that there are some areas where there is some water. I think we have to face up to the priorities, however.

Mr. SYMMS. I appreciate the work the gentleman is doing. Would the gentleman be willing to accept an amendment to his amendment which would slice out—was it $5.2 million that he is adding?

Mr. BELL. $5.5 million.

Mr. SYMMS. To take $5.15 million out of the international cooperative science activities and replace it and move it over so that the membership would not have to?

Mr. BELL. If the gentleman will yield back to me, I think that the place to make the change is where I have designated it. I think that is the place that can take the largest change.

For example, as I said, right now under this bill it is 233 percent over the request.

So I think that making it 50 percent more than the 1975 budget request is certainly adequate. I do not think we need to get into cutting and I do not want to get into cutting the international area, because that is not my field of expertise but I think there are efforts there which we need.

Mr. MOSHER. Mr. Chairman, I oppose the amendment.

Mr. Chairman, it makes me very unhappy to have to oppose the amendment offered by my friend, the gentleman from California, but I think it is imperative that the House defeat this amendment. Let me address myself to several of the gentleman's remarks.

I am surprised to have the gentleman from California imply early in his remarks that our committee or this House should always accept the recommendations of the Office of Management and Budget or of the NSF itself. The gentleman made a strong argument that since the OMB and the NSF had recommended a certain amount of money for RANN we should accept it and should not reduce it.

I want to make the point that the committee thoroughly considered this and had abundant evidence on this subject and we are convinced that energy and related research as recommended in our bill is very adequate. It means a dynamic, tremendously increased program in energy research.

The gentleman from California constantly refers to cutting our energy program or reducing our energy program. Those are the words he used. I want to make the point that this bill very substantially increases our authorization for energy-related research. The administration proposed an increase of something like 98 percent. We have merely cut back to a level of about 85 percent—and that is an 85-percent increase over the present level. That is what we are proposing.

I do not take a back seat to anyone in my recognition of the emergency need, or if we want to use the word, the crucial need to move ahead in seeking alternative sources of energy so that we can become self-sufficient. So I make the point that the authorization bill as it stands before us represents an 85-percent increase in energy research over the present level.

The evidence before our committee I think supports the fact an 85-percent increase is about all the NSF has the capacity to use. Of course, there is controversy over that subject.

The gentleman from California talks about priorities. I agree that this is a matter of priorities we are discussing here today. The priority that the committee insists on, and it represents a carefully considered position of the committee over many years, is that we should not cut back on science education support. There is abundant evidence that the energy research of the future is going to depend on an adequately trained corps of scientists, adequately trained manpower. If we cut back on science education, as the amendment offered by the gentleman from California (Mr. BELL) would have us do, we cut the very substance out of a national resource that is imperatively needed to make science research effective.

We are proposing in our bill only maintaining the level of science education support as it exists today. I personally think it should be increased. We are asking only to maintain it as it is. I repeat that it is imperatively supportive of energy research.

Let me make a final comment, that the proposals offered by the gentleman from California (Mr. BELL) as represented in this amendment were carefully considered in both the subcommittee and I believe correctly in the full committee and by very substantial margins his proposals were defeated.

I certainly have nothing against the minority point of view in any legislative body, but I must report accurately that the committee is overwhelmingly in support of the authorization bill as it now stands. Therefore, I ask the House to defeat the amendment of the gentleman from California (Mr. BELL).

Mr. BELL. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent Mr. MOSHER was allowed to proceed for an additional 2 minutes.)

Mr. MOSHER. Mr. Chairman, I yield to the gentleman from California (Mr. BELL).

Mr. BELL. Mr. Chairman, the gentleman from Ohio mentions the fact that RANN has already been increased 80 percent. That is for a reason. As I mentioned earlier, it was because the energy crisis was a part of it; but even though the energy crisis is still here to some extent, we have seen fit to drop $20 million out of things that go to energy research and RANN programs; $10 million from RANN, $9.8 million and another $9.7 million from the basic research which affects energy.

Now, how long is it going to take us to learn to realize that we must face up to this energy crisis and concentrate on it. We cannot take it off and on and substitute something else.

Let me make one other point. There is education in the RANN program, as I said before. There are 1,000 students and 1,000 professors that are going to get the benefit of education, on-the-job training. Of the amount that goes to institutional grants, that money may not even get to many students. It goes to institutions, universities. They can do what they want with it. They might use it for institutional salaries or many other things. It may never get to any students; so I point out that the only way to get those students to get the benefits at the same time is through the amendment.

Mr. MOSHER. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute.

(By unanimous consent Mr. Mosher was allowed to proceed for an additional 1 minute.)

Mr. MOSHER. Mr. Bell's comments about the institutional grants ignore the fact that this program has a long history of effective support of actual research and actual students.

Moreover, his statement that we are cutting $20 million out of research might lead the House to believe we are cutting it out of actual existing research. We are only cutting it out of an actual administration proposal, which the committee feels was not warranted.

Mr. DAVIS of Georgia. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I reluctantly oppose the amendment offered by the gentleman from California (Mr. Bell), who is my very good friend and with whom I have worked nigh onto my 14th year on the committee.

I associate myself fully with the remarks of my good friend from Ohio (Mr. Mosher), with whom I have worked on the committee the same number of years.

I would simply say that Mr. Bell's amendment would give one the impression that all of the RANN money goes to energy and that the RANN program is the only part of the Government that is engaged in research in energy and finding new ways, new sources of using what we have.

In truth and in fact, the national effort bent toward the production of new sources of energy, new ways of using existing energy, come to about $1.5 billion, the national effort.

The RANN effort is just a small amount when compared to the entire national Federal effort in that field.

I would also like to point out another salient point, that is that about 42 percent of the RANN money, research applied to national needs is basic research. Forty percent of its money goes to basic research.

Now, when we say basic research, we do not know what use our discoveries will lead to, if we discover anything. If we discover anything, we cannot say in advance this is energy-related, because if we say that, then it is not basic research, it becomes applied research.

I say again that 42 percent of the RANN money is used in basic research, which cannot honestly be said to be energy-related.

Mr. Chairman, I would also like to repeat the information that my friend, the gentleman from Ohio (Mr. Mosher), stated to this chamber, and that is the fact that the RANN program this year, under the bill reported out by our subcommittee and by the full committee by an overwhelming majority, does raise the RANN budget 85 percent above what it was last year.

Mr. Chairman, we felt that was reasonable. We felt that the cutting down of the educational support money was unreasonable. As Mr. Mosher pointed out, it is a matter of a good many years standing, and I would add this one additional point, that when you have college students, graduate students, even postdoctoral students working on scientific projects, the odds, I would say, are about 3 or 4 to 1 that the project they select as being worthy of being worked on will in and of itself be energy-related, because, as Mr. Bell correctly states, that is the question today.

I respectfully urge, Mr. Chairman, that the members of this committee vote this amendment down.

Mr. FROEHLICH. Mr. Chairman, I rise in support of the amendment.

Mr. BELL. Mr. Chairman, will the gentleman yield?

Mr. FROEHLICH. Mr. Chairman, I yield to the gentleman from California.

Mr. BELL. Mr. Chairman, the gentleman just spoke of RANN and the National Science Foundation not being the only area in which research is done for energy. That is certainly true, but I want to raise this point: Is that not symbolic? Is that not what we are talking about? In every area in which an attempt is made to study energy, it should be made.

Mr. Chairman, I think that it is important and somewhat symbolic that we want to cut $9.8 million, almost $10 million out of RANN research right now. In fact the committee has already cut $9.7 million out of basic research which is in this bill, makes it almost $20 million that we have cut out of energy-related research in this bill.

Mr. Chairman, that to me seems rather ridiculous, that we would make those cuts at this particular time.

I think that it is very important that we realize basic research is a very important aspect, but I do not think at this particular point in time that it is so vital and important that we substitute educational facilities or institutes that are not going to do as much of an educational job, actually, as the RANN program will do.

Mr. Chairman, I think that is in itself a mistake. I do not think any of us want to be here voting against trying to increase the energy research of this country. That is what it is: This is research done in energy. I do not think we want to see this energy research stopped.

Mr. Chairman, I urge that we adopt the amendment.

Mr. FROEHLICH. Mr. Chairman, I commend the gentleman and agree with his statement.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. Bell).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. BELL. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently, a quorum is not present. The call will be taken by electronic device.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 184]

Adams
Alexander
Andrews, N.C.
Ashley
Biaggi
Blackburn
Blatnik
Bolling
Bowen
Broomfield
Brown, Mich.
Buchanan
Carey, N.Y.
Carney, Ohio
Cochran
Collins, Tex.
Conyers
Davis, S.C.
Dellenback
Dellums
Diggs
Dorn
Drinan
Evins, Tenn.
Fisher
Flynt
Frenzel
Gettys
Goldwater
Gray
Haley
Hanley
Hanna
Hansen, Wash.
Harsha
Hays
Hébert
Helstoski
Holifield
Hosmer
Johnson, Pa.
Karth
Kazen
Lujan
McFall
McKinney
McSpadden
Madigan
Martin, Nebr.
Milford
Mills
Montgomery
Murphy, N.Y.
Myers
Patman
Pickle
Quillen
Reid
Robison, N.Y.
Rooney, N.Y.
Rooney, Pa.
Rose
Runnels
Ruppe
Satterfield
Shipley
Shuster
Sisk
Steiger, Ariz.
Stokes
Stubblefield
Sullivan
Thompson, N.J.
Towell, Nev.
Udall
Ullman
Wampler
Whitehurst
Williams
Wilson, Charles H., Calif.
Wyatt
Wylie

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Hanley, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 13999, and finding itself without a quorum, he had directed the Members to record their presence by electronic device, whereupon 351 Members recorded their presence, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. When the Committee rose, the Chair had announced that the noes appeared to have it on the amendment offered by the gentleman from California (Mr. Bell).

Mr. BELL. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. FROEHLICH

Mr. FROEHLICH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Froehlich: On page 2, on lines 7 and 8, strike "$139,100,0000" and insert therefor "$148,900,000".

Mr. FROEHLICH. Mr. Chairman, this amendment addresses itself to the same area as the preceding amendment offered by the gentleman from California (Mr. Bell). His amendment transferred funds from one area to another. My amendment just increases the area dealing with energy research and technology, advanced technology applications, and human resources and services in Research Applied to National Needs.

The administration requested $148,900,000. The committee has cut this to $139,100,000. This restores it to the original request of the administration.

Mr. Chairman, this particular amendment addresses itself to full funding, as the administration requested, of $148,900,000 for energy research and technology. We are specifically interested in spending $50 million for solar energy, $22,000,300 for geothermal energy, $10,700,000 for energy conservation and storage, $6,200,000 for energy systems; $3,800,000 for energy resources; $1 million for energy and fuel transportation, and $900,000 for advanced automotive propulsion.

The committee has reduced this to spend the money in other areas. If my indication of demand by the people of this country as represented by those in my district means anything, it means that the people want this Congress to move forward immediately in energy research and energy development, so any cut in this area is totally uncalled for. Rather than fight with the committee over priorities, Mr. Chairman, I ask that the Members support this amendment that increases the appropriation to the amount asked for by the administration.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin (Mr. FROEHLICH).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. FROEHLICH. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. FROEHLICH

Mr. FROEHLICH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FROEHLICH: On page 3, after line 12, insert the following new paragraph (and redesignate the succeeding paragraphs accordingly):

(f) of the total amount authorized under section 1 category (6) not less than $94,900,000 shall be available for "Energy Research and Technology";

Mr. FROEHLICH. Mr. Chairman, my amendment guarantees that not less than $94,900,000 of the appropriations authorized for section 1, category 6 will be spent on energy research and technology. I offer this amendment to protect the integrity of our national commitment to energy self-sufficiency in the years ahead. Under the research applied to national needs (RANN) program, or category 6 of section 1, the President has recommended an appropriation of $148,900,000 with $94,900,000 of that money going to energy research and technology efforts, the remainder to be divided among four other research areas.

The committee has recommended an authorization for category 6 of $139,100,000, or $9,800,000 less than the administration has recommended. The discretion as to where these cuts will be made among RANN programs under category 6 will be left to the National Science Foundation. In other words, the total $9,800,000 reduction could be made in the energy research and technology field, leaving the other RANN programs intact.

I recommend this amendment to my colleagues in order to guarantee that the funding authorized under category 6 clearly reflects a commitment to solving our most urgent national need—the need for abundant energy in the years to come. This is a simple matter of priorities. The administration has wisely chosen to place the emphasis of the RANN program on solving our energy problems and improving our energy technology. Despite the recommendations of the committee, Congress must guarantee that the emphasis on energy remains. This is not a question to be resolved by more bureaucratic decisionmaking. It is a question which can be resolved right here by each of us, as representatives of nearly half a million Americans.

The RANN program is particularly suited to solving energy problems and advancing energy technology because its very purpose is to direct research toward specific problems of national importance with the objective of finding practical solutions to them. I can hardly imagine any problem of greater importance than energy. The $94,900,000 will be divided among efforts to advance solar and geothermal research, energy conversion and storage, energy systems, resources, fuel transportation and advanced automotive propulsion. A $9,800,000 cut in our commitment to these energy related fields of research and technology application would be a devastating blow. If cuts must be made, they should come from other RANN programs which must take a second priority to energy.

I am sure that few of my colleagues realized that past research authorizations and appropriations would go to studies of such importance as the perspiration odor of Australian aborigines, Polish bisexual frogs, continuity and change in Pacific Northwest belief systems or Burmese ants. I do not believe that these projects represent a responsible spending of the taxpayers' money and I am quite sure that the taxpayers do not think they do either.

This amendment will authorize appropriations for research where it is most needed to do the most good for the greatest number of people. It will mark a real commitment to energy self-sufficiency in the years ahead. If cuts must be made in the RANN program in order to fund other categories under section 1, then let us make sure that reductions in RANN spending still do not detract from energy research and technology efforts.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin (Mr. FROEHLICH).

The amendment was rejected.

AMENDMENT OFFERED BY MR. RONCALLO OF NEW YORK

Mr. RONCALLO of New York. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RONCALLO of New York: On Page 8, insert after line 11 the following new section:

SEC. 8. No funds—

(1) authorized to be appropriated under this Act to the National Science Foundation for fiscal year ending June 30, 1975, or

(2) heretofore appropriated to the National Science Foundation and remaining available to it for obligation and expenditure, may be used to conduct or support research in the United States or abroad on a human fetus which has been removed from the womb and which has a beating heart, unless such research is for the purpose of insuring the survival of that fetus.

Redesignate the succeeding sections accordingly.

Mr. TEAGUE. Mr. Chairman, will the gentleman yield for an announcement?

Mr. RONCALLO of New York. I yield to the gentleman from Texas.

CHANGE IN LEGISLATIVE PROGRAM

Mr. TEAGUE. I simply announce that the next bill will not be brought up this afternoon. It will be brought up next week. This will be the last bill.

Mr. RONCALLO of New York. Mr. Chairman, I will not use the whole 5 minutes for myself, because the Members voted overwhelmingly for similar amendments in the last session and are very familiar with the issues at stake. I will therefore use my time to make some legislative history.

The language of this amendment is nearly identical to that of section 10 of Public Law 93-96. There are only two differences besides the change of date which indicates the new fiscal year. The current amendment refers to "a human fetus which has been removed from the womb" in lieu of "which is outside the womb of its mother" in order to quiet the concerns of those who feared that the former language might be misconstrued to in some way restrict the termination of an ectopic, abdominal or other extra-uterine pregnancy. The new langauge makes it clear that no such restriction should be implied.

The second change adds to the legislative language the proviso that the restriction on the use of funds does not apply if "such research is for the purpose of insuring the survival of that fetus." I would not want to miss any chance, no matter how remote, of saving the life of any human child.

I am told that the National Science Foundation is not currently funding research directly on human fetuses, living or dead, but rather that it supports tissue and organ banks from which human research materials may be drawn. These materials may be used for the purpose of obtaining culture media and for the study or transplantation of fetal organs. Nobody has ever claimed that it is necessary to surgically remove these parts from the fetus while its heart is still beating for the simple reason that the parts of the body survive the heartbeat for varying lengths of time. In this respect, therefore, the amendment should be construed to require the Foundation to withhold funds from any institution which persists in using live fetuses for this purpose.

Also, this is not an antiabortion amendment in any way, shape or form. My own personal views on that subject are well known, but they are not at issue today. My amendment is only in effect from the time the fetus leaves the womb until it is brought to survivability or dies of its own accord. There is no feminist issue here, no liberal versus conservative issue, just a compassionate one. We are talking about a human fetus over which its mother no longer has any control, if indeed she ever had any to begin with. It is separate, distinct, and its body is no more at the disposal of researchers because it is going to die, than the body of anyone in this Chamber today.

Although it was agreed that a permanent ban on NSF support for live fetus research would be germane to this bill, I have limited this amendment to fiscal year 1975 at the request of members of the committee with whom I have been in contact. They told me that the Foundation has been able to live with the restriction this year without any trouble, but they preferred not to go for a permanent restriction at this time. I have yielded to their wishes in spirit of accommodation and hope that this will give a chance for the Commerce Committee to act on separate legislation for a Government-wide permanent ban which I have introduced with nearly 40 cosponsors.

I am in strong support of the bill as a whole and the fine work the Foundation is doing. My amendment will see to it that grantees accepting funds under its programs will conduct their research in an ethical manner.

I have attempted to keep this statement factual, rather than focus on the emotionalism which others have tried to inject into this issue in opposition to my amendment. In particular the gentlewoman from New York has raised several issues through a "Dear Colleague" letter and a special order which I am sure she will repeat today on the floor. The Members are entitled to an answer to her concerns on their merits or lack thereof.

First of all, it is not my amendment which is irrelevant; it is the commentary of the gentlewoman which is not germane to this bill. As she herself said, the NSF does not fund such research. At least I agree that it does not intentionally do so, but as I noted earlier in my remarks, it does support fetal tissue and organ banks into which there is no need to deposit materials taken from fetuses while there is still a heartbeat present. All her other remarks relate to research which may or may not be supported by NIH and are not at issue here today.

She states that the amendment is vague and poorly worded. I extended her the courtesy of an advance copy, but her letter and special order were obviously prepared before she had the benefit of seeing the new wording. I earlier mentioned that the amendment includes a specific provision permitting research attempting to save the life of the particular infant involved, no matter how experimental. I will not get engaged in this debate on the question of what is life. That is a subject more properly handled in a debate on abortion which I hope we will have in the House in the near future, but it too is not at issue here.

I have deliberately left the word "live" out of my amendment, although I personally believe there is no question about the basic humanity of the fetus, be it still unborn or untimely ripped from the womb. I have instead substituted a clear and simple test to determine whether nontherapeutic research may be performed. If the aborted fetus does not have a beating heart, research is permitted; if it does have a beating heart, research is not permitted. What could be less vague than that? There has also been some concern about my use of the word "fetus" instead of infant. I use this language, because that is the word used by the researchers in their journals up to the point of viability. Personally, I do not feel there is any difference, but I am using their term so they will be sure to understand what is meant.

The gentlewoman then goes into a whole litany of research on diseases and abnormalities. I cannot find any of these items which would be prevented by my amendment. I do have strong feelings about experimentation on the fetus in utero in contemplation of an abortion, but here as well such research would not be affected by passage of this legislation. Nor would aminocentesis; nor would fetal monitoring during labor. The period during which this amendment is in effect is limited to the time after the fetus is delivered and before it is brought to viability or dies of its own accord. As my colleague from New York has told you, research on live, delivered, previable fetuses is very rare. If so, how could all these advances which she and I both laud have been made through this technique? They have nothing to do with this simply because there was no real need to invade the bodies of these fetuses while their hearts were still beating. The organs and tissues still live after the heart stops beating. The gentlewoman has stated that hysterotemies are rare as well. This just is not so. There have been thousands of such abortions simply because it is dangerous to the mother to terminate a late-term pregnancy in any other manner. The reason there is not much live fetus research despite the availability of potential subjects is that most researchers abhor such invasions of human life just as much as the Members of this Congress.

There may be an isolated case where it might be necessary to have circulation in order to prove a point.

The last case like that I heard about took place overseas and was conducted by a researcher supported by NIH, not NSF. The point he was trying to make involved whether a sugar substitute could be metabolized by the fetus. To do this he decapitated them while they were still alive, and stuck tubes into the severed heads. Even here he could, instead, have waited until just after the hearts had stopped. As for me and mankind, I will stick to saccharine rather than condone vivisection on live human fetuses.

The gentlewoman also complained that four Boston doctors were indicted for fetal research. Let us look at the facts. Dr. Kenneth Edelin is accused of performing an abortion on a viable child, not a previable fetus. This was a baby that could have grown up to and contributed to society. He might have been sitting in this Chamber some years hence, had it not been for his unnecessary death. He had already reached the point where available techniques could have saved his life. This amendment does not apply in any case, as there are sufficient State laws preventing murder.

This would be a good place to take note that the age of viability is steadily dropping. Babies as young as 19 weeks have lived. If the doctors would spend more time using the techniques already at hand and expanding the frontiers of knowledge through experimental research designed in an attempt to bring its subject to viability, we would be much better off and lives of premature babies could be saved. The doctor does not know if he can save the child until he tries. In Bakersfield, Calif., a doctor was indicted for ordering that life-saving techniques not be applied to a viable aborted baby. His nurse, thank goodness, did not follow his telephoned instructions and the baby is currently living a normal, healthy life.

The other three doctors in Boston were indicted for intra-uterine experimentation, which once again is not at issue here.

The gentlewoman complains that there have been no congressional hearings on this subject. On April 11, 1973, I introduced H.R. 6849 which would make live fetus research a Federal crime if the taxpayers' funds were involved. Last May 15, I introduced H.R. 7850 which would ban the use of appropriated funds for this purpose on a Governmentwide basis. The bills now have about 35 cosponsors apiece, but the committees have still refused to hold hearings. I would be happy to join with the gentlewoman in writing the chairmen of the Judiciary and Commerce Committees, respectively, requesting prompt hearings on my bills. Then we both could present our views and give this House a chance to act on this issue once and for all.

To answer another of the gentlewoman's concerns, I will state for the record as part of the legislative history of this bill that it is not intended that my amendment be construed to prevent routine diagnostic or identification procedures such as blood-typing which can be safely performed on any premature infant, viable or not.

She has somehow been able to get hold of NIH's revised guidelines on the protection of human subjects. I invite her to let me see a copy, because there were many shortcomings in their original draft. She obviously has an inside track to the administration which I am not fortunate enough to share. It is interesting to note, however, that even NIH is talking about human subjects when they are talking about research on human fetuses. I still cannot understand why the gentlewoman persists in bringing NIH into the picture on a National Science Foundation authorization. NSF has not had any problems doing their fine work under the current restriction. I understand they have no objection to this 1-year amendment as currently worded. If the gentlewoman is going to be an advocate for NIH, let her save her comments for the conference report on H.R. 7724 which I hope we will have before us in the near future.

Let us stick to NSF and the very limited scope of this amendment and not get hung up in a discussion of NIH, abortion and intra-uterine research. The only issue here today is the separate delivered previable fetus which still has a heartbeat. He is going to die. So are we all. So are our aged. So are our terminally ill. So are our mentally retarded. None of us are at the beck and call of society for invasive research without our consent. If we are incapable of giving such consent, the very humanity which makes man different from the lower animals dictates that society leave us alone.

I cannot close without noting that society loses, rather than gains, when it moves toward a utilitarian view of life and permits the nonconsentual invasion of its own kind in the name of science. I urge the House to adopt this amendment as it has in the past and once again demonstrate our humanitarianism to the American people.

Mr. HUNGATE. Mr. Chairman, I rise in support of the amendment of the gentleman from New York, and urge the committee and the House to accept it.

Mr. HILLIS. Mr. Chairman, will the gentleman yield?

Mr. RONCALLO of New York. I yield to the gentleman from Indiana.

Mr. HILLIS. Mr. Chairman, I wish to compliment the gentleman from New York on offering this amendment to the National Science Foundation Authorization Act.

It is the intent of the Congress to guard the dignity of human life by prohibiting the use of Federal funds for live fetus research. This body proved this intent last May by voting 354 yeas to 9 nays to approve an amendment, identical to that offered today, to H.R. 7724 which established a program of biomedical research fellowships. In this instance the House was successful in clarifying the intent that HEW funds could not be used for live fetus research. However, other agencies besides HEW fund research in the life sciences. The House needs to reaffirm its position that the use of funds for live fetus research is unethical.

I believe that a vote in favor of the Roncallo amendment to this act will serve as an affirmation or extension of the intent of this body to continue to preserve the dignity of human life.

Mr. HOGAN. Mr. Chairman, will the gentleman yield?

Mr. RONCALLO of New York. I yield to the gentleman from Maryland.

Mr. HOGAN. Mr. Chairman, I rise in support of the amendment being offered by my esteemed colleague from New York (Mr. RONCALLO) which would prohibit authorization of funds for experimenting on a living infant outside of the mother's womb.

It is not accurate to refer to this person as a "fetus" because that term relates only to a child in the womb. Once the child is alive outside the womb it is no longer a fetus.

The House has clearly demonstrated its disapproval of fetal research in the first session of this Congress when it overwhelmingly adopted an amendment to the Biomedical Research Act, which put an outright ban on live fetus research. Three weeks later we adopted a similar amendment to the National Science Foundation bill.

I believe it is imperative that Congress take every opportunuity to express its conviction that human life, before and after birth, has value and must be protected. I am hopeful that Congress will eventually approve my constitutional amendment, which the gentleman from New York (Mr. RONCALLO) is also staunchly supporting, to overturn the Supreme Court's decision that legalized abortion across the country up to the moment of birth. Meanwhile, we must take every opportunity to stop the attack on the value and dignity of each human being.

I would like to call to the attention of my colleagues an incident that happened recently. On April 10, in the Washington Post there was a photograph of a mother and father bringing home 3-month-old Sherri Lynn Scorse, born 4 months premature, in the second trimester of pregnancy. She had been left to die in a crib after premature birth. Yet she lived. This is proof that we are dealing with a live human being at a stage much earlier than birth. To permit the experimentation on a live human being is another manifestation of the growing disregard in this country for the sanctity of human life.

Recognition of the unborn baby as a living human person within the womb is supported by the common law. The precedents of property, tort and welfare law have long recognized the legal rights of the unborn person. The dean of tort law, Professor Prosser, states—

> All writers who have discussed the problem have joined . . . in maintaining that the unborn child in the path of an automobile is as much a person in the street as the mother.—(W. Prosser, *Handbook of the Law of Torts*, Sec. 56, at 355 (3rd ed. 1964)).

Ample legal precedent in tort, property, and equity cases uphold the legal rights of the unborn child as a person separate and distinct from the mother in whose womb he is couched. How can we fail to protect him from this experimentation on his body against his will.

The unborn child, under the law of property can, among other things, inherit and own an estate, be a tenant-in-common with his mother, be an actual income recipient prior to birth, can sue in tort, can have his legal rights protected against a mother who refuses a blood transfusion to save his life.

The new liberalized attitude toward abortion presents a dilemma. How can it be a crime for a woman to misappropriate the estate of her unborn child, and yet not be a crime for her to kill that child? Can a woman, who has inherited an estate as a tenant-in-common with her unborn child, increase her own estate 100 percent simply by killing the child? Will the law, which has recognized the unborn child as an actual income recipient prior to birth, allow the child's heir, the mother, to kill the child for her own financial gain? These few possibilities are but a sample of the legal maze that the January 22, 1973, proabortion decision of the Supreme Court has created.

If the unborn baby can be tortiously injured, can inherit and be a beneficiary of a trust, can be represented by a guardian ad litem seeking support payments, and can be preferred to the parents' religious scruples against blood transfusions, how could we possibly allow that same human being to be used for experimentation?

We must uphold the rights of these human beings. They are not capable of giving consent to their being used as experimental subjects. It rests in the hands of Congress, therefore, to insure the equal protection of their rights.

This is not a time for half measures, but a time for the Members of this body to indicate their respect for human life. It is a time for Congress to demonstrate clearly that it will not fund research of this sort. If we fail to prohibit this research expressly, we will be contributing to the disregard for life expressed by the Supreme Court. Let us prove that America is not morally bankrupt but that we still cherish human life.

Mr. Chairman, I urge adoption of this amendment.

Ms. ABZUG. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I included rather extensive remarks on the subject in yesterday's RECORD on pages 11743–11746. The amendment, as the mover has just indicated, is irrelevant because it tells the National Science Foundation that it may not do something that it has not done and does not intend to do. It purports to ban research on live fetuses outside the womb, but its language does not conform with any medical definition of "live fetus."

Mr. Chairman, I want to say one thing to the Members of this House. If we continue to support these emotional and unscientific amendments, we place upon ourselves the responsibility for preventing research which is very necessary for matters relating to cancer, leukemia, birth defects, and a great variety of other diseases; survival of the premature infant and the health of the mother. For example, fetal research is essential to preventing hyaline membrane disease, the condition that caused the death of the infant son of President and Mrs. Kennedy and is the leading cause of deaths in infancy. Such great medical advances as the development of polio and rubella vaccines and fertility drugs and treatment for Rh incompatability could not have occurred without fetal research.

Mr. Chairman, the mover of this amendment would have us believe that it does not matter; it is just a way in which he can repeat a philosophical, nonmedical, nonscientific position which he holds. The fact is, since we started with these Roncallo amendments and other amendments, and since Congress permitted them to be approved in the last session of Congress, laws restricting fetal research have been passed in California, Cleveland, and are pending in Massachusetts and New York.

In Boston, four physicians were indicted in connection with studies that they performed on dead fetal tissue. The studies involved a comparison of various antibiotics administered to 33 women. The fetal tissues were anaylzed to determine the results. The four physicians were indicted by the county grand jury on charges of illegal dissection under an early 19th-century statute pertaining originally to grave robbery.

Mr. Chairman, it should be noted that in former centuries, medical researchers, sometimes surreptitiously, had obtained human cadavers in order to gather basic information about physiology and disease processes. Now, of course, autopsies are routinely performed, and pathology research has provided the fundamental core of knowledge upon which modern medical advances have been based.

The four indictments are a throwback to the oppressive and fantasy-ridden atmosphere of the Salem witch hunts, and are viewed with shocked horror by medical researchers and lay people who know how indispensable fetal research is in preventing and curing a great variety of diseases.

Mr. Chairman, the New York Times reported, in a story on April 20, 1974, by Dr. Lawrence K. Altman, that these curbs are now affecting research on cancer, birth defects, aging, the common cold, and other major health problems.

Since the Boston indictments I have contacted a significant number of researchers and doctors all over this country. Dr. Stanley James, who is a pediatrician on the staff of Columbia Presbyterian Medical Center in my district and chairman of the American Academy of Pediatrics Committee on Fetus and Newborn, has indicated that if these bans continue, the chilling effect will become so enormous that they are going to have to cease doing any type of research on development of fertility drugs which have helped so many women to conceive and give birth.

Mr. Chairman, no hearings have been held in Congress on this subject. In contrast, the National Institutes of Health have prepared regulations dealing with the issue of fetal research that have been widely circulated and discussed and are now being revised on the basis of medical and other informed comment.

Mr. Chairman, there is no reason to legislate on this issue; there is none whatsoever.

After the last amendment that the gentleman from New York (Mr. RONCALLO) urged upon this House and had this House pass, the NIH determined that of 15,000 grants, only two or three dealt with the so-called previable human fetuses, and these studies have been discontinued.

The CHAIRMAN. The time of the gentlewoman from New York (Ms. ABZUG) has expired.

(By unanimous consent, Ms. ABZUG was allowed to proceed for 2 additional minutes.)

Ms. ABZUG. Mr. Chairman, in the name of protecting life, this amendment and other restrictive laws are doing just the opposite. They are making it more difficult for doctors and pediatricians to bring healthy babies into the world, to keep them healthy and alive.

There is no necessity for the House to act on this kind of amendment. We have a right to be concerned with the ethical issues involved in medical research, but we must first fully understand all of its implications.

The amendment, for example, equates a beating heart with life; yet this does not conform with the accepted medical definition.

Mr. Chairman, I happen to be the mother of two grown daughters, whose births were preceded by several miscarriages. I happen to be the mother of two wonderful grown daughters who were brought on this Earth because of increased understanding accomplished through research by hysterectomies. I have an enormous personal appreciation of what medical advances have accomplished. I would not like to see the benefits of such progress denied to other women, to my daughters, and to all children.

I believe that in the year 1974, in the most medically advanced Nation in the world, it would be shocking and totally inappropriate for the Members of this House to take such a backward action. The chilling effect of these amendments have been enormous.

Mr. Chairman, I refer the Members to the statement which I have put into the RECORD. I will refer the Members to many articles which have been written in the New York Times, including that of last Saturday.

This issue is being confused. Emotionalism is being used in order to confuse this House as to what is the issue before us.

Mr. Chairman, I urge the Members to defeat this amendment.

Mr. ZWACH. Mr. Chairman, once again we have the opportunity to express our disapproval of the usage of any National Science Foundation moneys to conduct or support research in the United States or abroad on a human fetus which is outside the womb of its mother and which has a beating heart unless such research is for the purpose of insuring the survival of that fetus.

I would like to commend my distinguished colleague from New York (Mr. RONCALLO) for his efforts in this area. His leadership is greatly appreciated.

The 1974 NSF authorization contains similar language to the amendment before this body. The Roncallo amendment passed by an overwhelming 288 to 73 House vote last year and was signed into law along with the authorizing legislation. We must add the language once again this year.

We need a blanket coverage to pertain to all agencies that receive Federal funds. But until we can get such a law, we will continue to add "pro-life" language to each piece of pertinent legislation.

Mr. RONCALLO, in a "Dear Colleague" letter in regard to one of his fetus research bills said the bill was not an antiabortion bill. He added that no matter what our feelings on the Supreme Court decision on that subject, we can all share equally in our revulsion at the practices this bill would outlaw. Certainly if we can get upset about vivisection of dogs and other laboratory animals, we can take steps to protect our own kind, he concluded.

If live-fetus research is not antiabortion legislation, it is at least "pro-life" in nature. Research on live human fetuses certainly does not lend itself to prolonging life. And, life is all we have. I want to protect it.

I strongly support the Roncallo amendment to the NSF authorization and urge my fellow Members to vote for this provision.

Mr. DOMINICK V. DANIELS. Mr. Chairman, I rise to support the amendment offered by Mr. RONCALLO of New York which would continue the ban on live fetus research.

We are involved with the issue of life itself. And in acknowledging that there is life in that fetus, we must say "no to medical science, you cannot use that life for experimentation; no to medical science, you cannot declare there is no life there, no we will not permit any Federal money to be used in this endeavor."

Mr. Chairman, I strongly urge that my colleagues join me in supporting this legislation.

AMENDMENT OFFERED BY MR. SYMINGTON AS A SUBSTITUTE FOR AMENDMENT OFFERED BY MR. RONCALLO OF NEW YORK

Mr. SYMINGTON. Mr. Chairman, I offer an amendment as a substitute for the amendment offered by the gentleman from New York (Mr. RONCALLO).

The Clerk read as follows:

Amendment offered by Mr. SYMINGTON as a substitute for the amendment offered by Mr. RONCALLO of New York: On page 8, insert after line 11 the following new section:

SEC. 8. No funds—

(1) authorized to be appropriated under this Act to the National Science Foundation for fiscal year ending June 30, 1975, or

(2) heretofore appropriated to the National Science Foundation and remaining available to it for obligation and expenditure, may be used to conduct or support research in the United States or abroad to conduct research on a human fetus which has been removed from the work and which has a beating heart, unless such research is for the purpose of insuring the survival of that fetus or is otherwise consistent with the duties, responsibilities, and ethics of the medical profession under the Constitution and laws of the United States.

Redesignate the succeeding sections accordingly.

Mr. SYMINGTON. Mr. Chairman, the gentleman from New York (Mr. RONCALLO) and I were discussing this matter together, and I think the gentleman recognizes that I really have no objection to his proposed language. It is quite appropriate as far as it goes.

However, it does not go quite far enough, because it is clear to me that while the effort to save the life of an aborted fetus is the No. 1 concern, not only of the medical profession but of our society and our law, there could be research done in no way inimical to that objective during the course of the remainder of the life of that fetus should it die which is directly relevant to the health, perhaps, of the twin in the womb or the child to come later or the health of the mother.

Standing alone, the amendment offered by the gentleman from New York would prevent a doctor from doing anything he was not absolutely sure was directly related to saving the life of the fetus, even though he might be very sure in his own mind what he planned to do would in no way injure the prospects of the fetus but might tell him a great deal about the next child and about the mother's health and about disease generally.

I am not sure that the suggestion that the examination of the tissue of a fetus which had just died always provides inevitably the same kind of information that one would get from the fetus with a beating heart.

I am grateful for the chance to speak to this House on this subject. I suppose I have not had a more trying time in my legislative life than in answering the questions of people of good will and good heart and good hope for the moral standards of our country and who reflect strong views in their correspondence. However, we have to look at these matters not only from the standpoint of conscience but from an educated conscience, an understanding that what we are about to do actually may curtail the prospects for better medicine and may actually constrain the doctor from his ability to save lives to come.

I think it is essential that the House recognize the distinction. Indeed I felt that the gentleman from New York nearly did himself, but at the last minute he decided to proceed with his own amendment.

Mr. RONCALLO of New York. Will the gentleman yield?

Mr. SYMINGTON. I am happy to yield.

Mr. RONCALLO of New York. Mr. Chairman, I am concerned that the problem of the substitute amendment as presented would give sanction to at least two cases which are presently pending in this country, one case in California in which a doctor by the name of Ramirez allegedly aborted a fetus which was perhaps some 26 weeks old and then told the nurses not to give the baby sufficient oxygen. They refused, and that baby continues to live today. The other is the Boston case——

Mr. SYMINGTON. May I respond to the first point so I can answer as we go?

I would not consider that consistent with the duties, responsibilities, and ethics of the medical profession under the laws and the Constitution of the United States.

Mr. RONCALLO of New York. Apparently the Supreme Court does, because under their interpretation of the cases as decided last year they considered a fetus is a nonperson under the 14th amendment. So that is the problem we are faced with and that is why we need some guidelines here.

Mr. SYMINGTON. I think the gentleman is construing a decision of the Court to support his point, but I do not think it does so. If the action that the gentleman described were brought to the attention of the Court, they would, I should think, find that it was not consistent with the laws and the Constitution of the United States.

Mr. RONCALLO of New York. If the gentleman will continue to yield, the second case pending, of course, is that in Boston in which a Dr. Kenneth Edelin allegedly is charged with manslaughter for putting to death a baby that was between 22 and 24 weeks old, again without any further guidelines.

Medical ethics are not enough. There is a trend in a portion of the medical community today which says that the end justifies the means. This is what we are trying to control with my amendment. The substitute amendment offered by the gentleman from Missouri would say to those doing the research that they cannot perform live fetus research unless they themselves think they should.

Nor is the Constitution sufficient protection. That document provides the basic form of our democracy, but under it the Congress has the responsibility to legislate. There is no restriction preventing us from passing a law which goes further in the direction of civil rights than the Constitution demands. I believe the Supreme Court erred when they decided that the life of the fetus in utero could not be protected in the early stages of pregnancy, but they in no way said that we could not legislate protection once that fetus is separate from its mother. That is what we are trying to do today and what the gentleman's substitute would completely subvert. Constitutional guarantees are obviously insufficient in this case, and the present laws of the United States, with the sole exception of last year's amendment which will expire in a few months, do not even address the subject. Despite its use of my language at the outset, a vote for the substitute is a vote in favor of invasive research on live human fetuses.

Mr. SYMINGTON. An alleged action is now being tested under law.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. Symington was allowed to proceed for 1 additional minute.)

Mr. SYMINGTON. If I may proceed, Mr. Roncallo, perhaps there will be other opportunities for you to respond.

I just want to leave it to the Members of the House as to whether it is unsafe to incorporate into legislation of this kind the language, "under the Constitution of the United States and the laws of the United States," for fear that in some mysterious fashion the Constitution of the United States will subvert our intent, and that the laws of the United States are insufficient to protect the people.

Mr. HOGAN. Mr. Chairman, I rise in strong opposition to the amendment offered by the gentleman from Missouri (Mr. Symington). If one listened closely to what the gentleman from Missouri has said in support of his amendment, then one realizes that the gentleman's amendment totally thwarts the intent of the Roncallo amendment.

The gentleman from Missouri says that we should in fact experiment on a human being whose heart is still beating. The gentleman says you do not get sufficient research benefit after it has died. The gentleman says—and he adds to the Roncallo amendment—that the research would be forbidden only if it was inconsistent with the ethics of the medical profession, or in conflict with the Constitution.

I submit that the reason that this is the subject of debate on the floor of the House today is precisely because of the ethics of the medical profession, which has brought us to a point where medical doctors no longer acknowledge their responsibility to preserve life, but fully acknowledge their authority to destroy life. That's the status of medical ethics in this country today.

The Constitution, as interpreted by the Supreme Court, prior to January 22, 1973, historically has allowed unborn human beings legal protection.

Mr. SYMINGTON. Mr. Chairman, will the gentleman yield?

Mr. HOGAN. I will when I conclude my statement.

As of January 22 last year our Supreme Court no longer affords that protection. The Supreme Court now says that the unborn life—although it is life—it is life that has no value, and therefore it is not subject to constitutional protection.

Mr. SYMINGTON. Mr. Chairman, will the gentleman yield?

Mr. HOGAN. I will yield to the gentleman from Missouri if I have time when I have concluded. I will be happy to yield to the gentleman from Missouri.

Mr. Chairman, that is precisely the problem which we are facing today, which now confronts all of us.

Mr. Chairman, our colleagues might think that we are today debating the issue of abortion. Let me assure the Members that we are not. We really misspeak ourselves when we use the term "fetus," or "live fetus outside the mother's body," because, by definition, the fetus is inside the woman's body. Once it is alive outside the woman's body, it is literally, without question, a baby. When it is alive outside the woman's body it is a human being. It is a citizen of the United States. And it ought to be entitled to all the protection which we other citizens of the United States enjoy. And since that human being is incapable of giving knowledgeable consent to allow medical experimentation on his or her own body, then we, the Congress of the United States, have a responsibility to insure that that protection is given to that child outside of the mother's body.

That is why we should reject the amendment offered by the gentleman from Missouri as a substitute for the amendment offered by the gentleman from New York (Mr. Roncallo).

Mr. Chairman, I urge support of the amendment as offered originally by the gentleman from New York (Mr. Roncallo).

Mr. SYMINGTON. Mr. Chairman, will the gentleman yield?

Mr. HOGAN. I yield to the gentleman from Missouri.

Mr. SYMINGTON. Mr. Chairman, I would ask the gentleman from Maryland if the gentleman from Maryland had a brother, and perhaps the gentleman does, would the gentleman object—and you both of course being citizens—to, in the effort to save his life, to determine whether there was something at the same time in your condition that was relevant to your brother's? And am I suggesting anything different?

Mr. HOGAN. Yes, the gentleman certainly is.

Mr. Chairman, I would like to think that I would be willing to subject myself to medical experimentation to save the life of my brother, but I would like to make that decision for myself. I would not like to have someone else make that decision for me. That is what the gentleman's amendment proposes to do.

Mr. SYMINGTON. The gentleman from Maryland has referred to the word "experimentation," which I never used, and I voted against it the last time it appeared in this House. I am making the distinction between that of experimentation and research, and very clearly that research would be weighing, taking blood samples, making measurements. Such things would not be directly conducive to saving the life of the fetus, but could have a great impact on the life of the brother, sister, mother, or other members of the family of that fetus.

Mr. HOGAN. In any event, whether the gentleman calls it research or experimentation is a semantic distinction. In either event one is performing medical research on a human being without his consent, and that is what I object to.

Ms. ABZUG. Mr. Chairman, I rise in opposition to the amendment in the nature of a substitute offered by the gentleman from Missouri (Mr. Symington) to the amendment offered by the gentleman from New York (Mr. Roncallo).

Mr. DAVIS of Georgia. Mr. Chairman, will the gentlewoman yield?

Ms. ABZUG. I yield to the gentleman from Georgia.

Mr. DAVIS of Georgia. I thank the gentlewoman for yielding.

I should like to ask, without it being charged against the time of the gentlewoman from New York, that the Roncallo amendment be reread by the Clerk. I state my purpose as being this: In the debate it has come out that if a fetus is within the womb of its mother, it is a fetus; if it is outside of the womb of its mother, it is not a fetus.

Mr. Chairman, I ask unanimous consent that the Roncallo amendment be read again.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk reread the amendment offered by the gentleman from New York (Mr. Roncallo).

Ms. ABZUG. Mr. Chairman, I think that the amendment offered by the gentleman from Missouri (Mr. Symington)—although I started to say I understand his motives, and the debate, and the discussion that followed thereafter—really points out the incorrectness of our acting at this time. The truth is that it is a very rare event in the United States to get an abortus with a beating heart. Only when an abortion is performed by hysterotomy is such an abortus delivered. According to all of the information that I have received—and I am not a doctor—abortions are not performed by hysterotomy in this country, I believe, except for one medical center in this country. The preferred abortion techniques are curettage, saline injection, or injection of prostaglandin. In none of these methods does the abortus emerge with a beating heart.

The doctors illustrate very clearly the reason why we at this moment in this House should not act. We may be standing in the way of important scientific and medical advances. The NIH, after months of study, is at this moment dealing with these very complicated questions. I am not suggesting that we do not have a right to have some say about the ethics to show that we are concerned with the way in which we should deal with the problems that affect research. We know that there are human sensibilities, and we should have ethics, and we should respect them; but we should not vote a complete ban on studies, which is what this would cause. Such procedures, by the way, as were pointed out here as done customarily on living individuals of any age, is the kind of thing that we today will prevent if we pass this amendment, even as amended by the gentleman from Missouri (Mr. Symington). The drawing of body fluids, the obtaining of cell samples, and the like, would all be prevented. We would again be responsible—as I am sure none of us want to, regardless of our opinions on all of these subjects—for being the ones who are causing missed opportunities to advance knowledge. We would be responding by compromising human rights and dignity.

The abortus is usually dead tissue. The Boston doctors were indicted for having worked on dead tissue, not on any living tissue. And it is as a result of this kind of amendment that all over the country doctors and other people are being moved emotionally to act in a way they would not normally.

I make only one request of this House. Vote down the Roncallo amendment and vote down the amendment offered by the gentleman from Missouri (Mr. Symington) and let us get the regulations of the NIH which they are now preparing on safeguards and procedures which must be used on studies dealing with fetuses, abortuses, pregnant women, the children, and other groups. They are preparing these regulations in consultation with medical researchers and doctors and also lay people, including those in this room who may be concerned with the ethics and religion involved.

My appeal to this House today is that I beg the Members not to stand in the way of saving many human lives by passing a mindless, unthought-out amendment, even as amended with good intentions, and let us see those regulations and deal with this matter after hearings can be held and after we develop the kind of bill we can be proud of and not one which will stand in the way of progress. In the name of humanity I ask the Members to vote down the Roncallo amendment and the amendment offered by the gentleman from Missouri (Mr. Symington).

Mr. TEAGUE. Mr. Chairman, I know full well the majority of this House have committed themselves to supporting the amendment offered by the gentleman from New York. But it seems to me this subject is so much more important than we have time in which to consider it today. Surely this House should not make this a law without hearings and without having all the information available.

I did not know the gentleman was going to offer this amendment, nor did I know it in the committee. The only thing I knew was the National Science Foundation told me they had not and were not going to spend a penny on this.

If there is a bill in the Congress—and the gentleman says there is—in the Interstate and Foreign Commerce Committee, surely the proper way to consider it is to have hearings, and then hear the NIH on the matter as well as others. But to do this in such a way as we would if we vote on this amendment it seems to me is not only unfortunate for the people of this country but also for the Members of this House.

I hope next year the gentleman can get the Congress to hold hearings. I promise him if he does not—and if he needs some help on this—we will talk to NIH and take it up. But it seems to me it is too important to vote on it with the little consideration we can give it here today.

Mr. DAVIS of Georgia. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to say this. My esteemed colleague, the gentleman from New York (Mr. Roncallo), is not a member of our committee. This is a function which if it were to be found going on anywhere in the Government I would certainly think would be found in the National Institutes of Health. Certainly we know no such research is being conducted nor is it intended to be conducted in the National Science Foundation.

It is small wonder we have not had hearings on it. We do not have any jurisdiction over it. If any committee of the House has jurisdiction over a question of this kind it is the Committee on Interstate and Foreign Commerce which has the overview of the National Institutes of Health. I recognize, as my distinguished chairman, the gentleman from Texas (Mr. Teague) has pointed out, that the gentleman from New York (Mr. Roncallo), has the support of a majority of the Members of this House. I think he does. While I wish the amendment had not been offered, and while I do not think it is appropriate, I will not object to it at this point.

Mr. MOSHER. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from Ohio.

Mr. MOSHER. Mr. Chairman, reluctantly I join our subcommittee chairman, Mr. Davis, in accepting the Roncallo amendment, or preferably the Symington substitute amendment.

I accept personally, but only because the amendment would apply only for 1 year.

In that year, I strongly urge that our Science Committee, or perhaps the Commerce Committee, or both committees, should hold extensive, thorough hearings on this extremely important subject, so that all Members of the Congress and the public at large can better understand the crucial significance, the very serious implications of the Roncallo amendment.

Fortunately, this amendment really will have no impact on the National Science Foundation this year. It is at best irrelevant to NSF's activities. The Foundation does not support live fetus research and has no plans to do so.

Therefore, personally I can rationalize my acceptance of the amendment as a temporary and harmless inhibition on the NSF programs, pending much more thorough consideration.

In fact, the amendment may serve a very useful purpose as a trigger, forcing us to educate ourselves concerning this important subject much more thoroughly.

However, the amendment, as a precedent, can have implications far more serious and detrimental as applied to other agencies, notably the National Institutes of Health.

As I understand it, wisely responsible, carefully controlled research on live human tissues, including those of fetuses, surely can produce extremely valuable new knowledge and new techniques which likely will result in saving many, many human lives, and also will tremendously reduce human suffering. Thus, such research is imperative for the benefit of all humanity, all life.

Therefore, I am convinced that our ultimate national policy must be in strong support of such responsible, humane research.

Mr. RONCALLO knows well the very serious doubts I have concerning this amendment, but because it applies for 1 year only and harmlessly so far as NSF is concerned, I will not ask our colleagues to vote against it at this point.

I accept it on that limited basis, but reserving the right to cast my own personal vote against it, if a rollcall on the amendment is required.

Mr. WYDLER. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from New York.

Mr. WYDLER. Mr. Chairman, the point was made that this may not be the best vehicle for offering this amendment to the particular bill. That may be so, but the fact of the matter is that as the Members know, the gentleman from New York (Mr. RONCALLO) offered this amendment last year in the more appropriate committees of the House and the Congress itself has had a chance to take some kind of action, which seems to me to be very important to take.

The fact that as we stand here today they did not take action and this Congress is being called on to speak out and encourage the action to be taken by possibly the more appropriate committee, so I recommend to the Members of the House that they have an opportunity once again to make clear to the Government that we want action taken and to the other committees of the Congress that we want appropriate action taken and taken now.

I think this vote will give us a clear chance to demonstrate that, not only to the country, but to this Congress.

Mr. ROGERS. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from Florida.

Mr. ROGERS. Mr. Chairman, the Members may be interested in knowing, and maybe some do not, that there is already legislation in conference setting up in effect a blue-ribbon advisory board to do a study for the Congress and for the Government and to report to us on all the ramifications, not only in this area, but in all ethical areas. This is in process and is being pursued now.

The House has already acted. The Senate has acted. We are in conference now and that step is in the proceeding. It has already been stated that this type of work is not being done in the National Science Foundation and is not being done with any Government funds.

Mr. WYDLER. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from New York.

Mr. WYDLER. That is very good. I am glad to know we have at least a Commission to look into it, but the question left here is what is going to be the state of the law in the meantime?

Mr. ROGERS. I think the gentleman has already answered that.

The CHAIRMAN. The time of the gentleman has expired.

Mr. McCORMACK. Mr. Chairman, I move to strike the requisite number of words.

Mr. SYMINGTON. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Missouri.

Mr. SYMINGTON. I thank the gentleman. I think it is appropriate that we vote. I want the Members here to recognize that I have not changed one word of the amendment of the gentleman from New York (Mr. RONCALLO). The Roncallo amendment is absolutely intact as is its No. 1 objective to see that no research done on the unborn fetus endangers its life.

All I have done is added the words:

> or is otherwise consistent with the duties, responsibilities, and ethics of the medical profession under the Constitution and laws of the United States.

Now, as we vote on this question, let us not let our message to the medical profession be, "We do not trust you." More importantly, let not our message to the people of the United States be that we are afraid of our own laws. Let us rather reflect our faith in the humanity of the medical profession, the sense of the people, and the scope and justice of our laws.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri (Mr. SYMINGTON) as a substitute for the amendment offered by the gentleman from New York (Mr. RONCALLO).

The question was taken; and on a division (demanded by Mr. SYMINGTON) there were—ayes 45; noes 54.

RECORDED VOTE

Mr. SYMINGTON. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 136, noes 218, answered "present" 2, not voting 7, as follows:

[Roll No. 185]

AYES—136

Adams
Anderson, Calif.
Anderson, Ill.
Ashley
Aspin
Bell
Bennett
Bevill
Bingham
Bolling
Brademas
Breckinridge
Brooks
Brown, Calif.
Burke, Calif.
Burleson, Tex.
Burton
Camp
Clay
Conyers
Corman
Culver
Danielson
Davis, Ga.
Davis, Wis.
Dickinson
Diggs
Downing
Drinan
du Pont
Eckhardt
Esch
Eshleman
Evans, Colo.
Fascell
Findley
Fisher
Flowers
Foley
Ford
Fountain
Fraser
Frelinghuysen
Fuqua
Gibbons
Gonzalez
Green, Oreg.
Griffiths
Hammerschmidt
Hansen, Idaho
Hansen, Wash.
Harrington
Hastings
Hechler, W. Va.
Heinz
Helstoski
Henderson
Hicks
Holifield
Holtzman
Hosmer
Howard
Ichord
Jarman
Jones, Ala.
Jones, Okla.
Jordan
Kastenmeier
Koch
Lehman
McClory
McCormack
McFall
McKay
McKinney
Mahon
Mallary
Mann
Mayne
Mazzoli
Meeds
Metcalfe
Mezvinsky
Mink
Mitchell, Md.
Mollohan
Moorhead, Pa.
Mosher
Moss
Nedzi
Nichols
Obey
Owens
Pepper
Perkins
Poage
Podell
Preyer
Price, Tex.
Pritchard
Rangel
Rees
Reuss
Roberts
Robison, N.Y.
Rogers
Roncalio, Wyo.
Roybal
Seiberling
Sikes
Sisk
Smith, Iowa
Smith, N.Y.
Staggers
Stark
Steed
Steelman
Stephens
Studds
Symington
Taylor, N.C.
Teague
Thompson, N.J.
Thomson, Wis.
Thornton
Traxler
Udall
Van Deerlin
Vander Veen
Ware
Wiggins
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Wright
Yates

NOES—218

Abdnor
Abzug
Addabbo
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Badillo
Bafalis
Baker
Barrett
Bauman
Beard
Bergland
Biester
Boggs
Boland
Brasco
Breaux
Brinkley
Broomfield
Broyhill, N.C.
Broyhill, Va.
Burgener
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Butler
Byron
Carney, Ohio
Carter
Cederberg
Chamberlain
Chisholm
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cohen
Collier
Collins, Ill.
Conable
Conlan
Conte
Cotter
Coughlin
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
de la Garza
Delaney
Dellums
Denholm
Dennis
Dent
Derwinski
Dingell
Donohue
Dulski
Duncan
Edwards, Ala.
Eilberg

Erlenborn
Fish
Flood
Frey
Froehlich
Gaydos
Giaimo
Gilman
Ginn
Goldwater
Goodling
Grasso
Green, Pa.
Gross
Grover
Gubser
Gude
Gunter
Guyer
Hamilton
Hanley
Hanrahan
Harsha
Hébert
Heckler, Mass.
Hillis
Hinshaw
Hogan
Holt
Horton
Huber
Hungate
Hunt
Hutchinson
Johnson, Calif.
Karth
Kemp
King
Kluczynski
Kuykendall
Kyros
Lagomarsino
Landgrebe
Landrum
Latta
Lent
Litton
Long, La.
Long, Md.
Lott
Luken
McCloskey
McCollister
McDade
McEwen
Macdonald
Madden
Madigan
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Melcher
Michel
Miller
Minish
Minshall, Ohio
Mitchell, N.Y.
Mizell
Moakley
Moorhead, Calif.
Morgan
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Nelsen
O'Brien
O'Hara
O'Neill
Parris
Passman
Patten
Pettis
Peyser
Pike
Powell, Ohio
Price, Ill.
Quie
Railsback
Randall
Rarick
Regula
Rhodes
Riegle
Rinaldo
Robinson, Va.
Rodino
Roe
Roncallo, N.Y.
Rostenkowski
Roush
Rousselot
Ruth
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Scherle
Schneebeli
Sebelius
Shriver
Shuster
Skubitz
Snyder
Spence
Stanton, J. William
Stanton, James V.
Steele
Steiger, Ariz.
Steiger, Wis.
Stratton
Stuckey
Symms
Talcott
Taylor, Mo.
Thone
Tiernan
Treen
Vander Jagt
Vanik
Veysey
Vigorito
Waggonner
Walsh
Whalen
White
Widnall
Wilson, Bob
Winn
Wydler
Wyman
Yatron
Young, Fla.
Young, Ill.
Young, S.C.
Zablocki
Zion
Zwach

ANSWERED "PRESENT"—2

Edwards, Calif.
Evins, Tenn.

NOT VOTING—77

Alexander
Andrews, N.C.
Ashbrook
Biaggi
Blackburn
Blatnik
Bowen
Bray
Brotzman
Brown, Mich.
Brown, Ohio
Buchanan
Carey, N.Y.
Casey, Tex.
Chappell
Clancy
Cochran
Collins, Tex.
Davis, S.C.
Dellenback
Devine
Dorn
Flynt
Forsythe
Frenzel
Fulton
Gettys
Gray
Haley
Hanna
Hawkins
Hays
Hudnut
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jones, Tenn.
Kazen
Ketchum
Leggett
Lujan
McSpadden
Milford
Mills
Montgomery
Myers
Nix
Patman
Pickle
Quillen
Reid
Rooney, N.Y.
Rooney, Pa.
Rose
Rosenthal
Roy
Runnels
Ruppe
Schroeder
Shipley
Shoup
Slack
Stokes
Stubblefield
Sullivan
Towell, Nev.
Ullman
Waldie
Wampler
Whitehurst
Whitten
Williams
Wyatt
Wylie
Young, Alaska
Young, Ga.
Young, Tex.

So the amendment offered as a substitute for the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. RONCALLO).

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. MOSS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 281, noes 58, answered "present" 1, not voting 93, as follows:

[Roll No. 186]

AYES—281

Abdnor
Addabbo
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Aspin
Bafalis
Baker
Barrett
Bauman
Beard
Bennett
Bergland
Bevill
Biester
Boggs
Boland
Brademas
Brasco
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Broyhill, N.C.
Broyhill, Va.
Burgener
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Camp
Carter
Cederberg
Chamberlain
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cohen
Collier
Collins, Ill.
Conable
Conlan
Conte
Cotter
Coughlin
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, Wis.
de la Garza
Delaney
Denholm
Dent
Derwinski
Dickinson
Dingell
Donohue
Downing
Dulski
Duncan
du Pont
Edwards, Ala.
Eilberg
Erlenborn
Esch
Eshleman
Evins, Tenn.
Fish
Fisher
Flood
Flowers
Fountain
Frey
Gaydos
Giaimo
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Green, Oreg.
Green, Pa.
Gross
Grover
Gubser
Gude
Gunter
Guyer
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Harsha
Hastings
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hillis
Hinshaw
Hogan
Holt
Horton
Howard
Huber
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Jordan
Karth
Kemp
King
Kluczynski
Kuykendall
Lagomarsino
Landgrebe
Landrum
Latta
Lent
Litton
Long, La.
Long, Md.
Lott
Luken
McClory
McCloskey
McCollister
McDade
McEwen
McFall
McKinney
Macdonald
Madden
Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Melcher
Mezvinsky
Miller
Minish
Mink
Minshall, Ohio
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Moorhead, Calif.
Moorhead, Pa.
Morgan
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Nedzi
Nelsen
Nichols
Obey
O'Brien
O'Hara
O'Neill
Parris
Passman
Patten
Pepper
Perkins
Pettis
Peyser
Pike
Poage
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Quie
Railsback
Randall
Rarick
Regula
Rhodes
Riegle
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rostenkowski
Roush
Rousselot
Ruth
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Scherle
Schneebeli
Sebelius
Shriver
Shuster
Sikes
Sisk
Skubitz
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Steed
Steele
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stuckey
Studds
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Tiernan
Traxler
Treen
Udall
Vander Jagt
Vanik
Veysey
Vigorito
Waggonner
Walsh
Ware
Whalen
White
Whitten
Widnall
Wilson, Bob
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wydler
Wyman
Yatron
Young, Fla.
Young, Ill.
Young, S.C.
Zablocki
Zion
Zwach

NOES—58

Abzug
Adams
Anderson, Calif.
Ashley
Badillo
Bingham
Bolling
Brown, Calif.
Burton
Chisholm
Clay
Conyers
Corman
Culver
Dellums
Dennis
Diggs
Drinan
Evans, Colo.
Fascell
Findley
Foley
Ford
Fraser
Frelinghuysen
Fuqua
Harrington
Hicks
Holifield
Holtzman
Hosmer
Jones, Okla.
Kastenmeier
Koch
Lehman
McCormack
McKay
Meeds
Metcalfe
Mitchell, Md.
Mosher
Moss
Owens
Podell
Pritchard
Rangel
Rees
Reuss
Roybal
Seiberling
Stark
Symington
Teague
Thornton
Van Deerlin
Vander Veen
Wilson, Charles H., Calif.
Yates

ANSWERED "PRESENT"—1

Edwards, Calif.

NOT VOTING—93

Alexander
Anderson, Ill.
Andrews, N.C.
Ashbrook
Bell
Biaggi
Blackburn
Blatnik
Bowen
Bray
Brotzman
Brown, Mich.
Brown, Ohio
Buchanan
Burke, Calif.
Carey, N.Y.
Carney, Ohio
Casey, Tex.
Chappell
Clancy
Cochran
Collins, Tex.
Davis, S.C.
Dellenback
Devine
Dorn
Eckhardt
Flynt
Forsythe
Frenzel
Froehlich
Fulton
Gettys
Gibbons
Gray
Griffiths
Haley
Hanna
Hansen, Wash.
Hawkins
Hays
Hudnut
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Kazen
Ketchum
Kyros
Leggett
Lujan
McSpadden
Madigan
Michel
Milford
Mills
Montgomery
Myers
Nix
Patman
Pickle
Quillen
Reid
Rinaldo
Rooney, N.Y.
Rooney, Pa.
Rose
Rosenthal
Roy
Runnels
Ruppe
Ryan
Schroeder
Shipley
Shoup
Slack
Steelman
Stokes
Stubblefield
Sullivan
Towell, Nev.
Ullman
Waldie
Wampler
Whitehurst
Wiggins
Williams
Wyatt
Wylie
Young, Alaska
Young, Ga.
Young, Tex.

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. If there are no further amendments, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. HANLEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 13999) to authorize appropriations for activities of the National Science Foundation, and for other purposes pursuant to House Resolution 1058, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. GROSS

Mr. GROSS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. GROSS. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. GROSS moves to recommit the bill, H.R. 13999 to the Committee on Science and Astronautics.

The SPEAKER. Without objection, the previous question was ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. SCHERLE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device; and there were—yeas 330, nays 8, not voting 95, as follows:

[Roll No. 187]

YEAS—330

Abdnor
Abzug
Adams
Addabbo
Anderson, Calif.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashley
Aspin
Badillo
Bafalis
Baker
Barrett
Bauman
Beard
Bennett
Bergland
Bevill
Biester
Bingham
Boggs
Boland
Bolling
Bowen
Brademas
Brasco
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brown, Calif.
Broyhill, N.C.
Broyhill, Va.
Burgener
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Butler
Byron
Camp
Carter
Cederberg
Chamberlain
Chisholm
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cohen
Collier
Collins, Ill.
Conable
Conlan
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, Wis.
de la Garza
Delaney
Denholm
Dennis
Dent
Derwinski
Dickinson
Diggs
Dingell
Donohue
Downing
Drinan
Dulski
Duncan
du Pont
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Foley
Ford
Fountain
Fraser
Frelinghuysen
Frey
Froehlich
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Green, Oreg.
Green, Pa.
Grover
Gubser
Gude
Gunter
Guyer
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Hastings
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hogan
Holifield
Holt
Holtzman
Horton
Hosmer
Howard
Huber
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, Okla.
Jordan
Karth
Kastenmeier
Kemp
King
Koch
Kuykendall
Lagomarsino
Landrum
Latta
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
Luken
McClory
McCloskey
McDade
McEwen
McFall
McKay
McKinney
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Miller
Minish
Mink
Minshall, Ohio
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Nedzi
Nelsen
Nichols
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Patten
Pepper
Perkins
Pettis
Peyser
Pike
Poage
Podell
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Railsback
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Riegle
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rostenkowski
Roush
Roybal
Ruth
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Scherle
Schneebeli
Sebelius
Seiberling
Shriver
Sikes
Skubitz
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stuckey
Studds
Symington
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Traxler
Treen
Udall
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Ware
Whalen
Whitten
Widnall
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wydler
Wyman
Yates
Yatron
Young, Fla.
Young, Ill.
Young, S.C.
Zablocki
Zion
Zwach

NAYS—8

Crane
Gross
Landgrebe
McCollister
Mitchell, Md.
Rarick
Shuster
Symms

NOT VOTING—95

Alexander
Anderson, Ill.
Andrews, N.C.
Ashbrook
Bell
Biaggi
Blackburn
Blatnik
Bray
Brotzman
Brown, Mich.
Brown, Ohio
Buchanan
Burke, Calif.
Carey, N.Y.
Carney, Ohio
Casey, Tex.
Chappell
Clancy
Cochran
Collins, Tex.
Davis, S.C.
Dellenback
Dellums
Devine
Dorn
Eckhardt
Flynt
Forsythe
Frenzel
Fulton
Fuqua
Gettys
Gray
Griffiths
Haley
Hanna
Hawkins
Hays
Hébert
Hinshaw
Hudnut
Johnson, Pa.
Jones, N.C.
Jones, Tenn.
Kazen
Ketchum
Kluczynski
Kyros
Leggett
Lujan
McCormack
McSpadden
Michel
Milford
Mills
Myers
Nix
Patman
Pickle
Quillen
Reid
Rinaldo
Rooney, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rousselot
Roy
Runnels
Ruppe
Ryan
Schroeder
Shipley
Shoup
Sisk
Slack
Stark
Stokes
Stubblefield
Sullivan
Towell, Nev.
Ullman
Veysey
Waldie
Wampler
White
Whitehurst
Wiggins
Williams
Wyatt
Wylie
Young, Alaska
Young, Ga.
Young, Tex.

So the bill was passed.

The Clerk announced the following pairs:

Mr. Rooney of Pennsylvania with Mr. Runnels.

Mr. Hébert with Mr. Eckhardt.

Mr. Rooney of New York with Mr. Flynt.

Mr. Carey of New York with Mr. Mills.

Mr. Pickle with Mr. Slack.

Mr. Kazen with Mr. Rousselot.

Mr. Rose with Mr. Forsythe.

Mr. Stark with Mr. Rinaldo.

Mr. Reid with Mr. Anderson of Illinois.

Mr. Haley with Mr. Michel.

Mr. Hanna with Mr. Devine.

Mr. Patman with Mr. Myers.

Mr. Fulton with Mr. Ashbrook.

Mr. Milford with Mr. Quillen.

Mr. Gray with Mr. Collins of Texas.

Mr. McSpadden with Mr. Bell.

Mr. Blatnik with Mr. Brown of Ohio.

Mr. Stokes with Mrs. Schroeder.

Mr. Dellums with Mr. Carney of Ohio.

Mr. Alexander with Mr. Blackburn.

Mr. Biaggi with Mr. Brown of Michigan.

Mr. Hawkins with Mr. Shipley.

Mr. Hays with Mr. Frenzel.

Mr. Jones of Tennessee with Mr. Brotzman.

Mr. Kyros with Mr. Hinshaw.

Mr. Nix with Mr. Waldie.

Mr. Young of Georgia with Mr. Roy.

Mr. Sisk with Mr. Bray.

Mr. Ryan with Mr. Hudnut.

Mrs. Burke of California with Mr. Kluczynski.

Mr. Casey of Texas with Mr. Buchanan.

Mr. Chappell with Mr. Cochran.

Mr. Leggett with Mr. Dellenback.

Mr. Davis of South Carolina with Mr. Clancy.

Mr. Rosenthal with Mr. Lujan.

Mr. Dorn with Mr. Johnson of Pennsylvania.

Mr. Stubblefield with Mr. Ruppe.

Mrs. Sullivan with Mr. Wampler.

Mr. McCormack with Mr. Shoup.

Mr. Fuqua with Mr. Williams.

Mr. Jones of North Carolina with Mr. Whitehurst.

Mrs. Griffiths with Mr. Wyatt.

Mr. Gettys with Mr. Wiggins.

Mr. Ullman with Mr. Wylie.

Mr. White with Mr. Young of Alaska.

Mr. Young of Texas with Mr. Towell of Nevada.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION FOR COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE TO HAVE UNTIL MIDNIGHT, FRIDAY, APRIL 26, TO FILE REPORTS ON H.R. 14368 AND H.R. 13834

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce may have until midnight Friday, to file reports on the bills H.R. 14368 and H.R. 13834.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

LEGISLATIVE PROGRAM

(Mr. ARENDS asked and was given permission to address the House for 1 minute.)

Mr. ARENDS. Mr. Speaker, I should like to ask the majority leader if he will advise us of the program for next week.

Mr. O'NEILL. Mr. Speaker, will the gentleman yield?

Mr. ARENDS. I yield to the distinguished gentleman from Massachusetts.

Mr. O'NEILL. The program for the House of Representatives for the week of April 29, 1974, is as follows:

On Monday we will have:

House Resolution 1027, Judiciary Committee funding;

House Resolution 768, Select Committee on the House Restaurant funding;

H.R. 11793, Federal Energy Administration, conference report; and

H.R. 11989, Fire Prevention and Control Act, under an open rule, with 1 hour of debate. As the Members know, we adopted the rule on this today.

On Tuesday we will have special energy

research and development appropriations, fiscal year 1975. I understand this is the first time in history that an appropriation of this type for energy alone has been requested.

On Wednesday and the balance of the week we will have:

H.R. 14368, Energy Supply and Environmental Coordination Act, subject to a rule being granted;

H.R. 12993, broadcast license renewals, subject to a rule being granted;

H.R. 13053, national cancer amendments, subject to a rule being granted; and

H.R. 6175, Research on Aging Act, subject to a rule being granted.

Conference reports may be brought up at any time.

Any further program will be announced later.

ADJOURNMENT TO MONDAY, APRIL 29, 1974

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. O'NEIL. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday of next week.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

TWENTY-SIX YEARS OF PROGRESS

(Mr. PODELL asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. PODELL. Mr. Speaker, on this day, Israel is celebrating her 26th anniversary as an independent nation. Most nations created in the nationalist movement following the end of World War II have long since fallen into a pattern of dictatorship—coup-dictatorship. Israel has become one of the most successful democracies anywhere.

The 26 years of Israel's existence have been stormy, torturous, filled with violence and bloodshed. The Arab States have spent more than a quarter of a century denying a fact of life: Israel exists, and Israel will continue to exist, no matter what they do. Egypt is only now coming to its senses, and repudiating a self-destructive philosophy that led to nothing but 25 years of strife and war.

In the 26 years of her existence. Israel went from a land of desert and swamp to one that is literally flowing with milk and honey, as we were told in the Old Testament. She has opened her gates wide to all who wish to come and live there. She has made room for waves of emigrants—first the scattered remnants of Hitler's death camps, then the refugees of oppression from the remaining Jewish communities in Arab States, and most recently, for the few Jews that the Soviet Government has been good enough to free. For each of these groups of people, Israel has offered the promise of a home and a future, with no need to fear, any longer, because one is a Jew.

Even though most of the last quarter century was spent in a state of either preparedness for war or actual fighting, Israel has still managed to provide for the needs of her civilian population. The cost has been unthinkably high. No nation should have to make the sacrifices and pay the costs which have been imposed on Israel simply because she wishes to exist as a free and independent state. But in spite of all this, Israel is today a thriving nation.

Yes, Israel has problems. There is urban overcrowding. There is inflation. There is unemployment. There are various discontents, the same discontents that plague any highly industrialized society. For that is what Israel is. A thoroughly modern industrialized state. And she has become so in the span of recent memory.

Some people resent the fact that Israel seems to be dependent on the United States. Would that all our allies were so dependent. I cannot conceive of the day when Israel will turn on us, as so many other recipients of our aid have done, and castigate us for being generous enough to assist her when she needed us. Israel is not merely an endless funnel into which a generous Uncle Sam pours a stream of dollars and weapons. No, Israel is a nation that has proven she can care for herself, that she will find her own way out of the problems that beset her. Israel is the example which other developing nations should follow.

The difficulties now facing Israel and her new government, under the able leadership of Prime Minister Yitzhak Rabin, are not insurmountable. They require guts and determination. They will call for the best in both Israel and America. We have long had a solid and steady relationship with Israel, backing her when no other nation would. The rest of the world's major powers voted for the creation of Israel from Palestine in 1948, including the Soviet Union. In the ensuing years, the only friend remaining to Israel is this country.

We cannot now say that we have done enough. It is incumbent upon the United States to continue working with Israel to bring a lasting peace to the Middle East, one that will insure Israel's integrity as a sovereign state.

There are so many flattering things to be said about Israel that they become merely pious platitudes. She is the last truly pioneer society in the world. She has experimented with new lifestyles in communal living and child rearing. The fruits of her farmlands are known throughout the world for their flavor. Her men are strong, her women are beautiful. She is the spiritual home of three of the world's great religions.

She is unique, she is beautiful, she is resilient, she is strong.

She is Israel, and I wish her happy 26th anniversary, and may we live to see 26 more.

A CLASSIC CASE OF DISTORTED PRIORITIES

(Mr. BADILLO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BADILLO. Mr. Speaker, the enormous gulf between a pay check and a dividend check was dramatized yesterday when the Governor of New York, brought a virtual halt to all other business in order to provide $500 million emergency financial assistance to the Consolidated Edison Co. simply because the financially troubled utility failed to pay a dividend for the first time since 1885.

In the State of New York and in many other areas of the country men and women have gone without paychecks for months, and in many cases, years and very little concern has been given to their plight. However, when a large utility or other corporate enterprise faces a financial pinch, politicians and public officials stumble over themselves to bail them out. We have previously seen steps to provide aid to business giants such as Lockheed and Penn Central, now we have the case of Con Ed.

It is common knowledge that Con Edison has been mismanaged for years and that the utility is a prime example of gross inefficiencies in performance and planning. Although it is plagued by a variety of economic woes, the utility—in one of its more ill-conceived moves—persists in attempting to spend between $720 million and, possibly $1 billion on a pumped-storage generating plant at Storm King Mountain, a facility which will yield two kilowatts of electricity while requiring three kilowatts to pump water from the Hudson to a reservoir. The plain fact is that Con Edison simply does not need Storm King or a number of other planned facilities as, by establishing a comprehensive power grid in the Northeast, it could easily obtain necessary power from surrounding areas. Joined by then Representative JAMES ABOUREZK and Congressman ROBERT TIERNAN, I introduced legislation in the 92d Congress to establish such a power grid. Although haunted by the specter of blackouts and brownouts in the Northeast, no action was taken.

Beyond the technicalities, however, this whole sad tale is a classic example of how the privileged and narrow, special interests are given preferred treatment by Government and the press. Surely if such prompt action were to be taken on the pernicious unemployment crisis which has engulfed this Nation for the past several years it would be quickly resolved. However, it would appear that Governor Wilson and the leadership of the legislature are more concerned that Con Ed stockholders receive their dividend checks than that the interests of all the people are fully served. How can our priorities be more distorted and how can such hypocrisy be defended?

CONGRESSIONAL COUNTDOWN ON CONTROLS

(Mr. STEELMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. STEELMAN. Mr. Speaker, it is both instructive and wise to regard history as prologue. The earliest of peoples had their bout with wage and price controls, as have we. The experiment proved to be a failure. Yet the lesson seems to have been lost today as we approach the April 30 deadline, with a decision either to extend or not to extend the Economic Stabilization Act.

Robert L. Schuettinger, in an excellent study of the history of wage and price controls from 2800 B.C. to 1952 A.D., sets the economic scene in the ancient world for us. The following is from his account:

Ancient World

This is a small drop in the bucket of history. The conclusion that emerges speaks rather disparagingly of wage and price controls, despite the small time period and the miniscule population of the ancient world.

From earliest times, from the first days of organized government, rulers and their officials have attempted, with varying degrees of success, to "control" their economies. The idea that there is a "just" or "fair" price for a certain good or a certain kind of labor which can and ought to be enforced by government is apparently coterminous with civilization.

For the past forty-six centuries at least, governments all over the world have periodically tried to fix wages and prices. When their efforts failed, as they usually did, governments then put the blame on the wickedness of their subjects.

The passion for economic planning as Professor John Jewkes of Oxford University has cogently pointed out, is perennial. Centralized planning regularly appears in every generation and is just as readily discarded after several years of experimentation. Grandiose plans for regulating investment, wages, prices and production are usually unveiled with great fanfare and high hopes. As reality gradually seeps in, the plans are first modified, then drastically altered and finally quietly allowed to vanish unmourned. Human nature being what it is, of course, every decade or so, the same old plans are dusted off (perhaps given a different name) and the process, like spring following winter, begins anew.

As far back as the fifth dynasty in Egypt, generally dated at about 2800 B.C., the Monarch Henku had inscribed on his tomb "I was lord and overseer of southern grain in this nome."

For centuries the Egypt government strived to maintain control of the grain crop knowing that control of the people's food would necessarily mean control of their lives. Using the pretext of preventing famine, the government gradually regulated more and more granaries. Regulation led to direction and finally to outright ownership; land became the property of the monarch and was rented from him by the agricultural class.

In Babylon, about 4,000 years ago the code of Hammurabi Code imposed a rigid system of controls over wages and prices. The entire economy of Babylon was subject to minute regulation in all its aspects. These controls blanketed Babylonian production and distribution and, in fact, smothered economic progress for centuries.

On the other side of the world, the rulers of ancient China shared the same paternalistic philosophy to be found among the Egyptians and Babylonians and later, among the Greeks and Romans.

According to the Chinese scholar, Dr. Huan-Chang Chen, the economic doctrines of Confucius taught that "there are two sets of interests, those of producers and those of consumers. But nothing more markedly affects the interests of both sides at once than prices. Therefore, price is the great problem for society as a whole. According to the Confucian theory, the government should level prices by the adjustment of demand and supply, in order to guarantee the cost of the producer and satisfy the wants of the consumer . . . *It is the task of the superior man to adjust demand and supply so as to keep prices on a level.*" (Italics mine.)

The officials of the ancient Chinese Empire attempted to do what members of their class have perennially attempted before and since, in other times and other places. They attempted to replace the natural laws of supply and demand with their own superior judgment of what the proper supply and the proper demand *ought* to be.

Dr. Chen relates that "According to the official system of Chou (about 1122 B.C.), the superintendent of grain looked around the fields and determined the amount of grain to be collected or issued, in accordance with the condition of the crop; fulfilling the deficit of their demand and adjusting their supply."

As might be expected, however, this high-minded system did not always work as perfectly as intended since even mandarins are human and thus subject to error and occasionally corruption. Dr. Chen concludes dryly that "The chief difficulty in administering (production, price and wage controls) is that it is not easy for officials to undertake commercial functions along with political duties."

During the golden age of Athens, in the time of Socrates and Plato, the bureaucrats of the Acropolis were even less successful than their Oriental counterparts in interfering with the laws of supply and demand.

As a populous city-state with a small hinterland, Athens was constantly short of grain, at least half of which had to be imported from overseas. There was, needless to say, a natural tendency for the price of grain to rise when it was in short supply and to fall when there was an abundance. An army of grain inspectors who were called Sitephylaces were appointed for the purpose of setting the price of grain at a level the Athenian government thought, in its wisdom, to be just.

The result was as might be expected. Despite the penalty of death which the harassed government did not hesitate to inflict, the laws controlling the grain trade were almost impossible to enforce. We have an "Oration" from at least one of the frustrated Athenian politicians who implored a jury to put offending merchants to death. "But it is necessary, gentlemen of the jury," he urged, "to chastise them not only for the sake of the past, but also as an example for the future; for as things now are they will hardly be endurable. And consider that in consequence of this vocation very many already have stood trial for their life; and so great are the emoluments which they derive from it that they prefer to risk their life every day rather than cease to draw from you unjust profits . . . If then you shall condemn them, you shall act justly and you will buy grain cheaper; otherwise dearer."

Lysias was not the first and he was hardly the last politician to court popularity by promising the people lower prices in times of scarcity if only they would hang a few merchants. The Athenian government, in fact, went so far as to execute their own inspectors who did not enforce the price ceilings with sufficient zeal. Despite the high death rates for merchants and bureaucrats alike, the price of grain still rose when demand exceeded supply and ultimately the system collapsed.

The most famous and the most extensive attempt to control prices and wages occurred in the reign of the Emperor Diocletian who obviously was a poor student of Greek economic history. The year AD 301 saw a sharp rise in prices throughout the empire; in response Diocletian issued his far-ranging Edict which was full of such familiar words and phrases as "avarice," "lust of plunder," and "extortion", denouncing merchants of "immense fortunes" who were motivated by "private gain" rather than a patriotic desire to "keep profits within bounds."

BARRIER FREE ENVIRONMENTS ACT OF 1974

The SPEAKER pro tempore (Mr. Mazzoli). Under a previous order of the House, the gentleman from New Jersey (Mr. Widnall) is recognized for 5 minutes.

Mr. WIDNALL. Mr. Speaker, today I have introduced H.R. 14387, the Barrier Free Environments Act of 1974—an act to encourage through tax incentives the removal of architectural barriers to the elderly and the handicapped.

Stated in simple terms, I am proposing that a tax deduction be granted to those in private enterprise to the extent of expense they are willing to accept in removing man-made barriers which interfere with the freedom of movement and safety of our handicapped people. It will not amount to an objectionable loss of tax revenues that some might first suspect and it is not a creation of a loophole that offers to shift unfair burdens to the salaried taxpayer. The removal of physical barriers are one-time expenses, which offer advantages to all people.

The benefits to the businessman are obvious in the form of the proposed tax deduction and in a potential increase in trade from handicapped people. But there are other advantages recently pointed out by one of our leading insurance companies. The removal of physical barriers and acceptance of barrier free design specifications offer;

Fewer accidents, reduced losses, and lower health and accident insurance rates;

Standards for the handicapped meet the highest fire prevention standards, and thereby offer additional savings; and

Removal of hazards reduces liability claims, enhances on-the-job safety, reduces employee time loss due to accidents and reduces cost of liability insurance and workmen's compensation.

I am for all of these things but most of all, I am for positive actions that will free the handicapped individual and give him reasonable and fair opportunity to enjoy life in society as others do—that is, to the limit of his given capacity. I fear that unless we provide incentives to remove existing barriers—and in so doing strive to awaken society to the man-made restrictions we are imposing upon our less fortunate Americans—we will accomplish very little over an endless period of time.

This is not intended to suggest that nothing is being done to remove these barriers. On the contrary, a great number of efforts are underway in both the public and private sectors. We in the Congress have taken actions to require barrier free standards in federally supported construction programs, transportation programs and in a variety of demonstration and development projects. The Vocational Rehabilitation Act of 1973, established an Architectural and Transportation Compliance Board which is to look after and emphasize these national efforts. The Highway Act of 1973 gave specific assistance for special needs of the elderly and the handicapped. The Department of Housing and Urban Development has initiated programs which will develop standards for barrier free landscape, design of living units for the handicapped and a new standard for public buildings. The Veterans' Administration has only recently published new standards to be applied in VA hospitals and other VA facilities.

Also, I have real hope that we will see an omnibus housing bill enacted this summer. I am particularly hopeful that it will contain—for the first time ever, to my knowledge—a program which will specifically authorize the expenditure of Federal community development funds for the purpose of removing architectural barriers. We have tried to guard against the imposition of barriers in new public buildings, but we have not—up to this time—set out to remove those already in existence in the public domain. On the State level, all but a few States have taken actions to either encourage the removal or insure the avoidance of barriers. Few of those go beyond the public expenditures, but at least one State has extended the same tax incentives that I have proposed in this act.

The real accomplishments of course are those actions which take place at the local point of need. A number of good things are being done. The President's Committee on Employment of the Handicapped had long maintained a Committee on Barrier Free Design which has achieved innumerable gains. The American Institute of Architects has been at the fore of a very positive and aggressive effort to educate its membership and others in the professional aspects of barrier free design. The Easter Seal Society through both its national and State chapters has been a pioneer in these matters. They have been particularly effective in the State of New Jersey. And now, these three organizations, joined by the Paralyzed Veterans of America, are developing a major national effort—A National Coalition for a Barrier-Free Environment. This most commendable effort promises to join all those groups interested in assisting in a national undertaking and thus to facilitate the marshaling of resources and the organization of multigroup efforts at the State and local levels.

I regret that I cannot do justice here in recognizing many others that have been and remain active in this area of great need. I am certain that the list would be long and impressive. I am equally certain, however, that all of those involved would agree with me that today we are only a little way down a long, long road of need.

How do you answer a young capable person unable to pursue his potential in life because school facilities are designed beyond his physical reach; job opportunities are beyond accessible transportation limits; or transportation facilities will not accommodate his limited capacity; or, perhaps as his need is only a dwelling unit that will admit a wheelchair. The world becomes smaller as we continue the list of little things that influence the life of a handicapped person.

One of the most impressive and heartwarming efforts that I am aware of is one that will be initiated next Saturday, April 27, 1974, in Ridgewood, N.J. Under the title of Awareness Day, this community will turn heart and muscle to the task of making downtown Ridgewood "barrier free," so that handicapped people may have full and free movement in that area. It is a difficult and huge undertaking, but already the event has served to alert others to the problem and to draw spontaneous support from many organizations in the general vicinity.

One of the more gratifying aspects of Awareness Day, is the accompanying opening day ceremonies of the Little League baseball season. There is something very refreshing and symbolic in the fact that Ridgewood will be inviting its handicapped people to come out from behind barriers and join the world in enjoyment of youth sports. I believe the following editorial from the April 21, 1974, issue of the Ridgewood, N.J., Sunday News, will be of interest to many others:

AWARENESS DAY

Saturday has been designated Awareness Day in Ridgewood, a day when numerous civic-minded citizens in fields of sports, politics, municipal government and commerce have generously volunteered their time to help advance the concept of making downtown Ridgewood barrier free—thus enabling the handicapped to traverse the downtown area under their own power. The event coincides with the annual Ridgewood Baseball Assn. parade and a representative group of handicapped and nonhandicapped in wheelchairs will bring up the tail end of the march to demonstrate their willingness and ability to join the mainstream once physical barriers have been removed. The time to view the plight of the handicapped as a delicate, squeamish matter is long past. The men and women, veterans and students, children and grandparents confined for various reasons and for varied time periods to wheelchairs and crutches are members of our families—neighbors, friends. We owe it to the handicapped and to our communities to help end the thoughtless discrimination that has precluded them from normal commerce in all our downtown areas and mandated so many public buildings off-limited due to existing architectural barriers. Be aware of what is happening Awareness Day and be alert to the small modifications such as curb cuts, drinking fountains, telephones and toilet facilities that would make Ridgewood accessible to all of northwest Bergen's residents—not just to the privileged few blessed with the fragile gift of full bodily usage.

I have given you the description of the problem we face, may I now tell you something about its size?

It is noteworthy to observe the numbers of people involved in handicapping conditions. In order that we might gain a better appreciation of that segment, I am attaching copies of two tables recently developed in the course of a Department of Transportation study conducted on "The Handicapped and Elderly Market for Urban Mass Transit." Let me mention a few figures of importance which do not stand out in these tables.

First, over 13 million Americans suffer transportation dysfunctions.

Second, one-third of the elderly are handicapped. One-half of the handicapped are not elderly.

Third, only 47.8 percent of the handicapped, aged 16 to 64 are in the labor force, which compares to 65 percent for the general population.

Finally, 13 percent of the working age chronically handicapped would return to work if transportation were no longer a problem.

I believe these facts give ample evidence of the needs, and I urge favorable and prompt attention to the proposal I am introducing today. It offers another means for positive action in providing a new world of opportunity for our handicapped people. I am confident my colleagues will join me in support of this effort.

In closing, I want to declare my support for yet another effort being proposed in the interest of the handicapped by my colleague from Michigan (Mr. ESCH). I enthusiastically join Mr. ESCH in support of House Joint Resolution 844, a sense of Congress resolution that a White House Conference on the Handicapped be called by the President of the United States. I believe the potential accomplishments of such an undertaking will support passage of the resolution and I will at the proper time move to insure that the conference be organized and conducted by those persons it seeks to help—the handicapped people of the Nation. I include the following:

STATUS OF THE HANDICAPPED AND ELDERLY

The Handicapped. Determining the exact number of people with transportation dysfunctions is at this time impossible, because no comprehensive surveys oriented specifically to transportation handicaps have been undertaken. Reliable estimates can be made, however, by projecting on the national population incidence rates (determined by the National Health Survey). These projections yield the 1970 estimates for each handicap class. It was found that a total estimate of 13,370,000 handicapped Americans would experience difficulties in utilizing mass transit systems.

THE NATIONAL NUMBERS OF HANDICAPPED WITH TRANSPORTATION DYSFUNCTIONS[1]

Handicap class	Elderly handicapped	Nonelderly handicapped	Total handicapped
Noninstitutional: Chronic conditions:			
Visually impaired	1,460,000	510,000	1,970,000
Deaf	140,000	190,000	330,000
Uses wheelchair	230,000	200,000	430,000
Uses walker	350,000	60,000	410,000
Uses other special aids	2,290,000	3,180,000	5,470,000
Other mobility limitations	1,540,000	1,770,000	3,310,000
Acute conditions	90,000	400,000	490,000
Institutionalized	930,000	30,000	960,000
Total	7,030,000	6,340,000	13,370,000

[1] 1970 estimate, who can't use transit or who use transit with difficulty.

Sources: HEW National Center for Health Statistics, 1960 and 1970 census of population.

HANDICAPPED WHO ARE UNABLE TO USE TRANSIT

	Under 65	65 and over	Total
A. Can go out, but can't use transit	1,153,000	1,153,000	2,306,000
B. Can't leave home	878,000	878,000	1,756,000
C. Institutional	30,000	930,000	960,000
D. Acute conditions (temporary)	185,000	50,000	235,000
Total	2,246,000	3,011,000	5,257,000

A *minimum* of 5.3 million of the Nation's 13.4 million transit disadvantaged are probably unable to use transit.

The labor force statistics cited above imply additionally that a subgroup of our population which tends to be disadvantaged in employment also tends to be forced to use its limited resources for more expensive means of transportation. The handicapped, for example, take 14% of their trips by taxi compared with 2% of the non-handicapped. Clearly, an improvement in transit accessibility for the handicapped would not only increase their employment opportunities, but would also enhance every other aspect of life in which mobility is a factor.

OVERVIEW OF TARGET GROUP STATISTICS

Total elderly, 20,066,000.

Total handicapped, 13,370,000.

But there are significant overlaps: elderly and handicapped total (with no double counting), 26,406,000.

This breaks down to three relevant mutually exclusive classes:

Handicapped: Elderly, 7,030,000; non-elderly, 6,340,000.

Elderly who are not handicapped, 13,036,000.

Grand total, 26,406,000.

STATE WITHHOLDING FOR HILL EMPLOYEES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. Hogan) is recognized for 10 minutes.

Mr. HOGAN. Mr. Speaker, I am today reintroducing legislation which is clear in its intent and would be relatively simple to implement. The legislation would authorize the voluntary withholding of Maryland, Virginia, and District of Columbia income taxes in the case of Members of Congress and employees of the legislative branch.

For those employees who work on Capitol Hill and reside in one of the three mentioned jurisdictions, there is an unnecessary hardship each year when they are confronted with a yearly or quarterly tax income tax assessment by the jurisdiction in which they reside. There is no reason why their State income tax cannot be deducted from their paycheck if they so desire. I am told that the facilities are available to implement this procedure, the only additional expense would be administrative in nature.

With our escalating cost of living, this would assist those affected to plan their expenses in a more orderly manner.

In reintroducing this bill, I have received the cosponsorship of 32 Members of the House from both sides of the aisle.

The list of cosponsors follows:

LIST OF COSPONSORS

Mr. Anderson of Illinois.
Mr. Ashley of Ohio.
Mr. Bauman of Maryland.
Mr. Byron of Maryland.
Ms. Chisholm of New York.
Mr. Collier of Illinois.
Mr. Conyers of Michigan.
Mr. Daniels of New Jersey.
Mr. Davis of South Carolina.
Mr. Dellums of California.
Mr. Evans of Colorado.
Mr. Fauntroy of the District of Columbia.
Mr. Goldwater of California.
Mr. Hamilton of Indiana.
Mr. Hansen of Idaho.
Mrs. Holt of Maryland.
Mr. Howard of New Jersey.
Mr. Hungate of Missouri.
Mr. Mathis of Georgia.
Mr. Mitchell of Maryland.
Mr. Pettis of California.
Mr. Powell of Ohio.
Mr. Robison of New York.
Mr. Schneebeli of Pennsylvania.
Mr. Seiberling of Ohio.
Mr. Stark of California.
Mr. Stubblefield of Kentucky.
Mr. Thompson of New Jersey.
Mr. Whitehurst of Virginia.
Mr. Wright of Texas.
Mr. Wyman of New Hampshire.
Mr. Yatron of Illinois.

Mr. Speaker, all that needs to be done now is for Congress to take the time to consider this proposal.

I wish to insert the text of the bill at this point:

H.R. —

A bill to authorize voluntary withholding of Maryland, Virginia, and District of Columbia income taxes in the case of Members of Congress and Congressional employees

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subchapter II of chapter 55 of title 5 of the United States Code is amended by inserting after section 5517 the following new section:

"§ 5517A. Voluntary withholding of Maryland, Virginia, and District of Columbia income taxes; Members of Congress and Congressional employees.

"The Speaker of the House of Representatives shall enter into an agreement with the State of Maryland, an agreement with the State of Virginia, and an agreement with the Commissioner of the District of Columbia at the request for any such agreement from the proper State official, or such Commissioner in the case of the District of Columbia. Any such agreement shall provide that in the case of any Member of Congress or any Congressional employee who is subject to Virginia, Maryland, or the District of Columbia income tax and who voluntarily agrees to the withholding from his pay with respect to such tax, the appropriate disbursing officer shall comply with the State withholding statute, or in the case of the District of Columbia, subchapter II of chapter 15 of title 47, District of Columbia Code."

(b) The table of sections for such subchapter is amended by inserting at the end thereof the following:

"5517A. Voluntary withholding of Maryland, Virginia, and District of Columbia income taxes; Members of Congress and Congressional employees."

HEARING ON SOARING FOOD COSTS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Massachusetts (Mrs. Heckler), is recognized for 30 minutes.

Mrs. HECKLER of Massachusetts. Mr. Speaker, as I informed my colleagues on April 24, I recently conducted a day-long public hearing on soaring food costs and their effects on the lives of the people of the 10th Congressional District of Massachusetts.

Today I would like to continue to submit to the Record three additional testimonies concerning the impact of the food price crisis on individuals and institutions which were presented at the food hearing held in Natick on April 18.

I am certain that my colleagues in the House will find these statements valuable as sources of not only statistical data but as personal accounts of the seriousness of the inflation problem pointing out the need for remedial action on the part of Congress:

STATEMENT OF ALBERT LEES

My name is Albert Lees and I am owner operator of a medium size independent supermarket located in Westport, Mass.

I wish to thank you for this opportunity to express my opinion of the food prices and the forces affecting them today.

First of all I would like to say I resent very much the implication of excessive retail meat profits that has been voiced in recent weeks by Secretary of Agriculture Butz. My feelings are based on the fact that last fall when wholesale prices were rising at an unprecedented rate that at retail, I either held the line or only raised prices slightly in comparison to my costs even to the extent of taking losses in our meat departments. It has only been lately with lower wholesale prices that I have finally got my meat department operating at a profit again. Incidentally I would like to interject at this point that we are now beginning to see higher wholesale prices this week and it looks as though the bottom has been reached and I would assume a firming up of prices is at hand.

Now as to food prices as an overall picture and my opinion as to what we can expect to see in the future. Without a doubt price wise the picture can only be called gloomy with no end in sight. No matter how many government regulations are proposed or enacted nothing can change the law of pure supply and demand in the long run. The simple fact is that world wide demand at an all time high and rising as the developing nations have more and more economic muscle in the market place. This is evidenced most recently by the skyrocketing price of sugar that all of a sudden became an international commodity and affected our domestic supplies price wise dramatically. As more and more nations can compete with us internationally, prices have got to rise and we will have no direct control over the situation.

Probably the next largest single item affecting food prices is that of weather on our domestic crops and we are again this year seeing spring floods and tornadoes in some parts of the country. This again can only lead to shorter supplies and therefore higher prices.

Another factor I would like to point out also, and even though I agree completely with the national program food stamps have had a tremendous overall affect on food prices. They have allowed more people to eat more and better food than ever before and therefore the competition for available supplies is much greater than ever, it is just not possible for the Federal Government to pump 5 Billion dollars a year directly into one retail area of our economy without it having an impact on the segment of industry. However I repeat I do not say the program is bad I just say we have to recognize the facts for what they are doing to prices and live with them.

Now as for the effect all this has had on my business I will try to give you some background. I know that over the period of the past few years I have tried to make my business as efficient as possible and I have also absorbed as many price increases as I could but now being faced with higher labor costs, higher taxes, higher interest rates, and just higher operating expenses in general I no longer have any choice but to pass along each and every price increase to the consumer. As an aside to show you what I am faced with my February electric bill was $714.00 and my March bill jumped to $1142.00 for the same usage so with no pun intended there just isn't any Fat left in food prices at retail level.

I honestly wish I could give you some pat answers for the solutions to these problems but I do feel that now that price controls are all off we will soon see a return to a more normal situation in respect to food. Short range I see more higher prices but people being what they are I think Farmers will smell a buck and soon be producing food at a stabilizing of prices. Then hopefully with an expanding economy, food should again become a good buy in relationship to the monies being brought home. I know it doesn't help the housewife when she sees her grocery total in the supermarket but the fact remains that we are still the best fed nation in the world and spend less of our disposable income on food now than we did 20 years ago. Also as an industry the retail food business with a net profit of ½ of 1% which is only 25c on a $50.00 grocery order is at the bottom rung of the profit ladder in the United States at this time.

Again I thank you and if there are any questions you would like to ask I will do my best to answer them within the scope of my ability.

Statement by Mary V. Kennedy, R.D., Director of Dietetics, Newton-Wellesley Hospital

Thank you, Congresswoman Heckler, for inviting me to speak at this hearing. It is enlightening to realize a member of the United States Congress is concerned about the cost of food and the effects this cost has on institutions—schools and the public in general.

As director of nutrition services at the Newton-Wellesley Hospital, the ever increasing food prices has become alarming to me. As you know the function of the nutrition services within a hospital complex is to work in conjunction with the medical staff to insure proper nutrition for the patient—whether it be during his stay in the hospital or as an outpatient.

The procurement of food is based on 3 factors: "Quality," "availability," and "price." To maintain a set standard of quality it has become necessary to pay the high market price now being asked.

At this point in time—availability is now a controlling factor on the other two—most suppliers when presenting prices for yearly contracts have indicated their supply as limited, very limited, or none and then as time went on—cancellation of the contracts because of the unavailability of the product.

As you know good nutrition is based on foods that supply protein, fats, CHO, vitamins and minerals, namely, meats, fish, poultry, dairy products, fruits, and vegetables and bread items.

In January of 1973 our percentages of food expenditures for meat was 46%—In January of 1974 it was 54%—an increase of 8%. 36% of the food dollar in January 1973 was for poultry—in 1974 is was 64%—an increase of 28%.

Eggs, milk, butter, and cheese increased from 16–20%. Eggs rose from 55¢ dozen to 85¢ dozen wholesale. Milk went from 27¢ quart in February 1973 to 31¢ quart in February 1974. In one month our entire dairy category rose $1,260.00 from December of 1973 to January, 1974.

Bread and bread products increased 10% over January of 1973. Canned goods and staples, which include fruits, fruit juices, canned vegetables, cereals, and the like increased 8% over January of 1973. Would you believe that applesauce had an 81.3% change since February of 1973; pineapple products had a 34% change; tomatoes a 22% change.

Every month we receive notices regarding increased prices on contract food items, never a decrease. Daily it has become a game of Chinese checkers to obtain quality food at reasonable prices, only to be stumped by the lack of availability on the part of the distributor.

It is inconceivable to me how the Government expects health care facilities to provide quality nutrition services based on a good dietary regime while imposing regulations that restrict our buying power.

The patient expects quality food, the supplier expects payment of his bills. Health institutions find themselves in the middle trying to accomplish both goals, only to be stymied by high food prices.

Our community involvement in feeding the elderly on a "Traveling Meals, Inc." has been delayed by the high cost of food. The elderly can afford only a certain price per meal. We must be sure that we can provide nutritious meals at this cost before putting anymore financial burden on the hospital. Frustration once again.

In my opinion it is imperative that the Government do an indepth study on the cost of food, from the grower or producer to the packer, to the distributor, to the consumer.

Statement by Frank Sands

I am Frank Sands, president of Sands, Taylor, and Wood Company of Cambridge, Massachusetts, a flour distributing and bakery supply company which has been in business since 1790. I'm also vice president of the Massachusetts Retail Bakers Association, and I would like to speak as a representative of both these segments of the food business. I'd like to briefly outline the way I view the current situation on food prices and their effect on distributors and bakers in this area, relating in general to all bakery ingredients and specifically to wheat flour.

As a background, the bulk of these commodities the bakers use are shipped by rail and truck interstate for some two dozen bakery supply and wholesale grocery distributers in this area. We, in turn, distribute to bakers, restaurants, and institutions who transform the ingredients into finished food products for the consumer. A consumer who, as an American, has enjoyed the lowest percentage of disposable income spent for food anywhere in this world.

In the past, and as recent as less than two years ago, prices for flour varied as much as half a cent a pound, or in terms of our business, fifty cents per hundred pound bag in a year. This year, that variation has more than once occurred in one day. As I think as we all know by now, this was changed by the Russian wheat deal. The Russian wheat deal was precipitated by a world crop failure which we Americans didn't adequately know about and by the clever Russian buying of practically all our excess wheat, which ultimately left us with a very real possibility that this year we might use up our entire carry-over or surplus and run out of wheat before our new crop was grown.

The underlying cause, however, is a general up grading of world food consumption combined with the fact that as with energy resources the world is reaching the limitations of its capacity to sustain itself, given the present growth and consumption trends.

For example, world need for animal feed grain today is increasing at the rate of 600 million bushels per year, and for wheat alone, at the rate of 400 million bushels per year. Consider this 400 million per year increase in light of the fact that our anticipated record 1974 wheat crop is expected to be 2.1 billion bushels, roughly only five times the anticipated annual increase for wheat in the world. The U.S. consumer today is now competing with the oil rich countries of Africa, the Middle East, and Asia. These people who have spoken to you this morning are doing this. As well as they are competing with the monopolistic buying power of the communist countries.

In the short supply market, such as this past year, the only limiting factor to the price of wheat is when somebody says some where in the world "I can't afford to eat it any more." And as long as the means exist, people will use them to prevent starvation. Thus, we saw the price for our wheat climb from a dollar fifty a bushel to the unprecedented level of three dollars. A level which everyone thought would never be reached. But, it didn't stop there, it rose to four dollars, then to five dollars, and then past six dollars a bushel, four times that of the previous year. Try relating 400 per cent increases to other items we're talking about today. Suddenly, there are no exports any more.

I'm certain that export figures, the unwillingness of the USDA and an influx of speculators, combined with the best even now as a barely marginal surplus, there is enough grain in the world today, Congresswoman, to feed us for about two and a half weeks if we had a total crop failure. These factors combine to recreate the bewildering and unpredictable volability of prices, prices which as I have said, at times have fluctuated as much in one day as they have done in an entire year previously. This price tornado has forced the closing of an unusually large number of bakeries who are unable to compete with others who had the luck, and I use that word advisedly, to purchase major ingredients at low levels or had the financial resources to sustain loss which their competition could not.

It has been aggravated by other factors, such as higher freight costs and a deplorable performance of our railroads, which have been bankrupted by intractable unions and self serving management, and by soaring related costs such as paper, for flour bags and packaging; the well publicized cost of energy, it takes a lot of heat to heat a baker's oven. And practically everything else a baker uses. It is a seller's market today, the distributor and the baker are often forced to accept prices date of shipment, as we are now experiencing in sugar which jumped two dollars a hundred weight yesterday, without warning.

Naturally, these costs are going to have to be passed on to consumers. This is a particularly difficult thing to do for a retail baker, for example, who is personally confronted daily by customer resistance to valid increases. For the distributor as well, these are particularly difficult times, because his customers pressure him to protect him against increases and yet expect him to immediately reflect any declines for substantial inventory and transit, and in warehouses, this is virtually impossible to do. And yet today, the vast majority if not all the flour distributors in America, are selling products at a loss due to the recent decline of wheat prices from the six dollar level.

Consider too, the flour users who contracted several months coverage when wheat was at the six dollar level and we thought it might go to seven dollars. And these people now see a price close to four dollars and fifty cents. That translates to about three dollars and fifty cents a hundred weight variation on a sack of flour that people are experiencing an opportunity loss of business today, a twenty percent variation from the market high and a fifty percent variation from the low. The losses that the distributors and the bakers have absorbed and are now absorbing is staggering.

This could have been prevented by a more responsive government, specifically by the Institution of Wheat Export Controls at the proper time until the upward price spiral subsided at a much lower level. Today, however, American consumers must now face up to the fact that a greater proportion of their disposable income will henceforth be required for food. We must support research and more productive foods, just as we should be pursuing alternative sources for energy. For ultimately, even all these factors interrelate. We must better plan for the production and use of our food resources, especially by relating to world food needs. We can no longer afford to plan strictly in terms of our own country, isolationism must become an historical word.

On the other hand, Americans, both business people and consumers, should not be forced to bear the cost burden of correctable government mistakes. Just as responsible, capable, government can largely preclude mistakes so also effective measures should be taken to cure the mistakes which do occur, so that many people are never again so badly hurt in this process.

THE ARMENIAN GENOCIDE—1915–18

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. CRONIN) is recognized for 10 minutes.

Mr. CRONIN. Mr. Speaker, this past Sunday I had the privilege of joining the Armenian Community of the Merrimack Valley of Massachusetts in their annual commemoration of the massacre of the Armenians by the Turks in 1915. For the Armenians, the massacre commenced the elimination of 2 million Armenians from the Ottoman Empire; for the world, it marked the first policy of genocide witnessed in modern times.

The U.S. delegation to the recent sessions of the United Nations Commission on Human Rights supported Turkey and other nations in their efforts to delete references of the Armenian massacre from the report on genocide submitted to Sub-Commission on Prevention of Discrimination and Protection of Minorities. In addition the U.S. maintains a policy of financial aid to Turkey in exchange for the promise to end the production of opium which Turkey is now exploiting by requesting more money to halt poppy crop production.

I object to these policies and believe that at a time when America needs to improve her relationships around the world that we should not fail to recognize the achievements of the Americans of Armenian descent. We should acknowledge the many important contributions of that country to the United States, and support the Armenian people.

The following are excerpts from a book entitled "The Armenian Genocide" which clearly explain the position of the Armenians.

THE ARMENIAN GENOCIDE—1915–1918

In the spring of 1915, when European powers were involved in a struggle of life and death and could not or would not exert any influence upon Turkey, the Turkish Government resolved to solve the Armenian Question once and for all and embarked upon the execution of the policy of mass extermination of the Armenians.

On April 24, 1915, the Armenian intellectuals and national leaders of Constantinople and the provinces were arrested wholesale and were exiled to the interior of Anatolia, where they perished, either on the way or upon arrival at their destinations. Thereupon, after the civilian population was disarmed and the males drafted into the army, the villages were cut off, and the helpless victims were subjected to a systematic deportation and massacre at the hands of the regular army, the police and armed irregulars.

In this manner, deportation of the whole Armenian villages and towns followed one after another. Nearly two million Armenian men, women and children were forcibly ejected from their homes and, amid indescribable sufferings, were driven to the deserts of Syria. The greater number of the males were brutally murdered on the way, women were dishonoured or seized for a life in the harem, and many of the children were islamized. The survivors were subjected to untold misery and suffering. Of the deported population, half perished on the way by outright slaughter, famine and disease, or because of the insufferable desert life. The remnants, upon reaching their desert destinations, were subjected again to wholesale massacres (Der-Zor, Ras-ul-Ain).

In some places the Armenians were not even deported. They were simply massacred or burnt alive on the spot.

The entire property of the Armenians was either seized by the government or was looted by the mob or by highway bandits. Incalculable stores of cultural and material wealth were doomed to destruction, and an entire people with an ancient civilisation was crucified and martyred most brutally.

Under those conditions Armenians resorted to self-defence in a limited number of places (Van, Mussa Dagh, Shabin Karahissar, Urfa), with primitive weapons and died a heroic death.

The Armenian massacres have been presented extensively, together with numerous documents and testimonies of eye-witnesses, in Viscount Bryce's *The Treatment of Armenians in the Ottoman Empire 1915-1916* (a Blue Book submitted to the British Houses of Parliament) and in Dr. Johannes Lepsius's *Deutschland und Armenian 1914-1918*. Professor Arnold Toynbee's "*Armenian Atrocities, The Murder of a Nation*", Ambassador Morgenthau's "*The Secrets of the Bosphorus*", and "*The Tragedy of Armenia*", and Fridtjof Nansen's *Armenia and the East*" are some of the sincere testimonies of eminent men.

Selections from these testimonies are given hereunder:

HENRY MORGENTHAU

American Ambasador at Constantinople

The conditions of the War gave to the Turkish Government its longed-for opportunity to lay hold of the Armenians. At the very beginning they sent for some of the Armenian leaders and notified them that, if any Armenians should render the slightest assistance to the Russians when they invaded Turkey, they would not stop to investigate but would punish the entire race for it.

During the spring of 1914 they evolved their plan to destroy the Armenian race. They criticised their ancestors for neglecting to destroy or convert the Christian races to Mohammedanism of the time when they first subjugated them. Now, as four of the Great Powers were at war with them and the two others were their allies, they thought the time opportune to make good the oversight of their ancestors in the fifteenth century. They concluded that, once they had carried out their plan, the Great Powers would find themselves before an accomplished fact and that their crime would be condoned, as was done in the case of the massacres of 1895–1896, when the Great Powers did not even reprimand the Sultan.

They had drafted the able-bodied Armenians into the army without, however, giving them arms; they used them simply to build roads or do similar menial work. Then, under pretext of searching the houses for arms, they pillaged the belongings of the villagers. They requisitioned for the use of their army all that they could get from the Armenians, without paying for it. They asked them to make exorbitant contributions for the benefit of the National Defense Committee.

The final and worst measure used against the Armenians was the wholesale deportation of the entire population from their homes and their exile to the desert, with all the accompanying horrors on the way. No means were provided for their transportation or nourishment. The victims, who included educated men and women of standing, had to walk on foot, exposed to the attacks of bands of criminals especially organised for that purpose. Homes were literally uprooted; families were separated; men killed, women and girls violated daily on the way or taken to harems. Children were thrown into the rivers or sold to strangers by their mothers to save them from starvation. *The facts contained in the reports received at the Embassy from absolutely truthworthy eye-witnesses surpass the most beastly and diabolical cruelties ever before perpetrated or imagined in the history of the world* (underlined by the author). The Turkish authorities had stopped all communication between the provinces and the capital in the naive belief that they could consummate this crime of ages before the outside world could hear of it. But the information filtered through the Consuls, missionaries, foreign travellers and even Turks. We soon learned that orders had been issued to the governors of the provinces to send into exile the entire Armenian population in their jurisdiction, irrespective of age and sex. The local officers, with a few exceptions, carried out literally those instructions. All the able-bodied men had either been drafted into the army or disarmed. The remaining people, old men, women and children, were subjected to the most cruel and outrageous treatment (3).

THE TAPE CONTROVERSY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. YOUNG) is recognized for 3 minutes.

Mr. YOUNG of Illinois. Mr. Speaker, during the past several weeks, there has developed a controversy between the White House and the Judiciary Committee about the number of tapes to be furnished to the Judiciary Committee.

In connection with the inquiry by the Judiciary Committee, they have subpenaed approximately 42 White House conversations, and the White House is presently reviewing these tapes in preparation to turning over the ones the White House determines are relevant.

This is not an acceptable method of

procedure. Clearly, the President should not make the determination as to what is or what is not relevant when his actions are under investigation.

On the other hand, I do not believe that the Judiciary Committee should have unlimited access to all White House executive records, including nonrelevant conversations and documents.

It seems to be that the proper procedure for determination of which tapes and documents are relevant should be jointly made by the counsel for the President, Mr. James St. Clair, and by the counsel for the Judiciary Committee, Messrs. Doar and Jenner. These three men are all outstanding attorneys, and should be able to come to mutual agreement on the determination of which tapes and portions of tapes, and which documents and portions of documents are relevant and should be produced for the Judiciary Committee inquiry.

In the event that there would develop a dispute between the President's counsel and the counsel for the Judiciary Committee, the U.S. courts would then be the appropriate body to resolve any such controversy.

Some members of the Judiciary Committee have stated that they do not feel that the U.S. courts should have any participation in respect to any aspect of the impeachment inquiry. Such a position overlooks the very basic elements of our three-branch Government. The U.S. courts are the only proper place to determine a dispute between the legislative branch and the executive branch, in the event they cannot otherwise resolve their controversy.

ISRAEL CELEBRATES 26TH ANNIVERSARY AS A NATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, I take great pleasure in saluting the people of Israel on the occasion of the 26th anniversary of the founding of their nation, which this year is being celebrated on April 25. It was on the 6th of Iyar, May 15, 1948, that the Israeli people proclaimed their independence and founded the Republic of Israel—a strong and prosperous nation.

The ancient Hebrews first entered the land of Israel about the 18th century B.C., when the patriarch Abraham led his people to what was then called Canaan—later known as Palestine. These tribes settled there until they were captured and enslaved by the Egyptians. In the 14th century B.C. Moses led them in the exodus from Egypt and back to the Promised Land. After many years of such persecution, separation from their homeland, and assaults on their ethnic heritage, the Jewish people today have remained an honorable and determined people.

The Jews traditionally believed that their return to the Promised Land would be accomplished symbolically with the appearance of the Messiah, but in the late 19th century the concept of a political return began to develop and gain acceptance. Gradually Jewish communities began to be established in Palestine as homes for the resettlement of the socially ostracized, politically disenfranchised, or physically persecuted, and were composed of Jews from nations all over the world who sought new, free lives in the Promised Land.

On November 29, 1947, the United Nations General Assembly adopted a plan calling for the partition of Palestine into separate Jewish and Arab states, with Jerusalem remaining under international control. On May 5, 1948, the last of the British garrison left Palestine, and on May 14 the establishment of the State of Israel was proclaimed by David Ben-Gurion, head of the provisional government, to become effective at midnight.

In Israel, there are over 1,000 libraries, 5,000 schools, 200 Talmudical colleges, 52 colleges, and seven major universities. Utilizing these institutions, along with their many museums, the Israelis have developed a preeminent educational system.

The Israelis have also made astounding progress in the economic development of their nation. They have cultivated their land, swampy in places, desertlike in others, into a virtual garden. Even more impressive is the fact that over the years, Israel has been engaged in a program of assistance to other countries in need of economic and technical expertise.

Israel also has a fine symphony orchestra, internationally recognized artists and sculptors, and Nobel Prize-winning authors.

During its 26 years as an independent republic, Israel has become a symbol of the courage, strength, ingenuity, and perseverance of her people. With its many different schools, an economic policy that rivals that of Western Europe, and a social climate that enhances the lives of every citizen, Israel has gained the respect of other nations as a leader in today's society.

It is with pleasure that I join my colleagues in congratulating the people of Israel on the occasion of this 26th anniversary of the birth of their nation. I wish peace and prosperity to the people of Israel, and I extend my greetings to all people of Jewish descent, throughout the world, as well as those Americans of Jewish descent in my own city of Chicago and all over this country who are joining in this celebration.

A PROGRAM FOR TAX EQUITY AND ECONOMIC STABILITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. ADAMS) is recognized for 30 minutes.

Mr. ADAMS. Mr. Speaker, of utmost concern to the American people and the Congress is and should be the efficient and equitable functioning of our economy. There is now a good deal of debate going on about our present economic situation. The Nixon administration says we are not experiencing recession, that the economy will pick up and the inflation rate will fall. Others say we are, indeed, already in a recession. Some have even given up trying to make these distinctions and now claim the country is in a period of stagnation or slumpflation."

I have always felt, however, that facts and figures speak louder than words. The statistics for the first quarter of 1974 report to us that—

The GNP has fallen at an annual rate of 5.8 percent, the largest decline since 1958.

Inflation has risen at an annual rate of 10.8 percent, the steepest rate since 1951.

The Consumer Price Index rose in March at an annual rate of 14.5 percent.

Real spendable earnings of most of the work force have dropped 4.7 percent since last March.

The prime interest rate is running at almost 11 percent, a record high.

The Federal Reserve Bank has just raised the discount rate to a record 8 percent.

Demand for housing and automobiles, two of America's largest industries, is way down.

Nobel Prize Winning Economist Paul Samuelson translated these facts into a verbal diagnosis.

During the past 2 months, I have had a series of discussions with economists of the Brookings Institute and others about economic problems and policies. On the basis of those discussions, and the most persuasive economic facts above, I am convinced that the country is going through a period of serious economic decline and we in the Congress must move to quickly reverse that trend.

By this time, it appears that most people feel the country needs some stimulus to pull out of its slump. However, when it comes down to proposing solutions to our economic morass, disagreement, indecisiveness, and confusion again reign.

The administration says it would rather stimulate the economy by increasing Government spending than by cutting taxes, because spending is easier to cut off if necessary. Consequently, they have requested a $304 billion budget for fiscal year 1975, in addition to a $9.4 billion deficit.

However, as former Chairman of the Council of Economic Advisers, Walter Heller has indicated:

> The fiscal 1975 budget does not already provide such stimulus—a conclusion which is shared, after close inspection of the budget figures, by the Council of Economic Advisors, the Federal Reserve Bank of St. Louis, the Congressional Research Service of the Library of Congress, the Conference Board in New York—to name nothing but impeccable authority.

I believe a better alternative is to give the economy a little more stimulus through a payroll tax cut and increase revenues by closing the loopholes enjoyed by the practically tax-free oil industry.

Therefore, I am proposing the following tax measures: a one-third cut in social security taxes paid by all employees and the self-employed.

Elimination of the percentage depletion allowance and deductions on U.S. income taxes for intangible drilling expenses for both foreign and domestic oil and gas.

Elimination of U.S. tax credits for foreign taxes and royalty payments paid by oil companies to foreign governments.

Repeal of the assets depreciation range which allows businesses to write off their investments in plants and equipment at a rate 20 percent faster than before.

Strengthening of the minimum tax on the wealthy by increasing the tax rate, and disallowing certain deductions for preference income and for other Federal taxes paid.

PAYROLL TAX RELIEF

The greatest advantage to a social security tax cut over other reductions proposed by some of my colleagues, is that this cut will show up every week in workers' paychecks—not just at the end of the year in a larger tax refund. It will also diminish labor's demand for large wage increases which can only fire inflation. The effect of a one-third reduction—bringing the employees tax down from 5.85 percent to 4.2 percent and the self-employed from 7.9 percent to 5.85 percent—would be a $336 savings on an income of $8,000, a $420 savings on $10,000, a $504 savings on $12,000 and $630 savings on $15,000. The cut results in dollars being added to every paycheck a worker receives.

This extra money is terribly important to the country which as Walter Heller indicates—

> It is sliding into a recession not because of materials shortages and supply bottlenecks but primarily because of a sag in consumer spending and in home buying, *i.e.* because of a lack in demand.

General inflation, plus payroll tax increases—social security taxes have risen 31 percent since 1972—have drained away 4 percent of the real spendable earnings of workers since last January, and this inflation, partially caused by a tremendous price upsurge in our most essential items like food, fuel, and housing, is eating away a much higher percentage of low incomes than of high incomes. Food prices rose over 20 percent last year, hitting hardest poorer families who spend 40 percent to 50 percent of their income on food. The same is true with regard to fuel, those prices have jumped nearly 100 percent in a year, as compared to the 1-percent increase per year since 1950. This tremendous loss of purchasing power is the same as if Congress enacted a $10 bill tax increase.

The one-third reduction in employee contributions will be made up from revenues gained from the loophole closing provisions of my tax reform package.

These reforms are aimed primarily at the profit-laden oil industry and wealthy individuals—neither of whom have carried their fair shares of the U.S. tax burden for many, many years. Equity in our tax system demands that we tax fairly the presently excessive profits and spread the money out through the economy.

FAIR OIL TAXATION

During the past year, particularly within the last 2 weeks, we have been bombarded with news about tremendous corporate profits. The most incredible profits are those reported recently by some of the oil companies. Since last year's first quarter, profits of American Petrofina have risen 176 percent, Standard Oil of Ohio up 29.1 percent, Gulf up 76 percent, Standard of Indiana up 81 percent, Ashland up 22 percent, Commonwealth up 457 percent, Exxon up 39 percent, Occidental up 717 percent, Skelly up 97.5 percent, Texaco up 123.2 percent.

I include the following chart:

PETROLEUM INDUSTRY—SALES/PROFITS 1ST QUARTER, 1974

	Sales	Percentage of change over 1973	Profits (millions)	Percentage of change
American Petrofina	[1] $213.1	189.0	$13.1	176.0
Standard of Ohio	[1] 482.9	27.2	22.6	29.1
Gulf	[2] 4,516.0	114.7	290.0	76.0
Standard of Indiana	[2] 2,278.4	55.0	219.0	81.0
Ashland	[1] 672.6	53.2	19.4	22.0
Commonwealth	[1] 298.5	227.6	15.6	457.0
Exxon	[2] 9,945.0	59.4	705.0	39.0
Occidental	[2] $1,334.9	95.9	$67.8	717.6
Skelly	[1] 214.4	39.7	19.7	97.5
Texaco	[2] 4,924.0	97.4	589.4	123.2
Amerada-Hess	[2] 983.2	142.6	49.9	54.9
Continental Conoco	[2] 1,600.0	71.8	109.2	129.9
Getty Oil	[2] 655.3	63.8	73.6	122.5

[1] In millions.
[2] In billions.

Source: Economics Division, Library of Congress.

What makes this news even harder to take is the fact that several of the oil companies are reporting that while their profits are way up, production was only up 1.4 percent, refinery production was down 3.5 percent, petroleum product sales were down 3.1 percent, and natural gas sales were down 4.3 percent. That means that the oil companies are not plowing their profits back into production as they have been claiming as justification for their high profits.

The major reason oil companies are reaping such huge profits—besides their gains from increased prices—is that they receive tax subsidies from the Federal Government in the form of the percentage depletion allowance, deductions for intangible drilling expenses, and U.S. tax credits for taxes and royalties paid to foreign governments. The tax benefits are obviously quite lucrative, especially for oil companies' foreign operations. For example, Texaco domestic operations accounted for about 27 percent of their total earnings, while their foreign operations pulled in 73 percent. Even the Federal Energy Office admits that the 1973 oil industry profits came mainly from foreign operations.

In effect, the Federal Government subsidizes the overseas operations of American oil companies to the tune of at least $5 billion a year due to depletion allowances, intangible drilling deductions, and tax credits for foreign taxes and royalties.

The percentage depletion allowance and the tax deductions allowed for intangible drilling expenses are two preferential tax breaks the oil and gas companies have enjoyed for the past 54 years. The depletion allowance permits the companies to deduct 22 percent of gross income right off the top. Theoretically, this deduction is intended to compensate the companies for the loss of oil and gas in the well. However, the deduction is unique in Internal Revenue Service law in that it does not require companies to invest or expend any money, and it is taken in addition to regular business deductions for capital assets depreciation.

Furthermore, the depletion allowance is claimed at the same rate each year during the life of the well, even though the Treasury Department estimates that oil companies recover their costs 19 times over before the well runs dry.

The second tax break going for the oil and gas companies is the deduction for intangible drilling, exploration, and development costs. While the tangible costs—such as pipes, derricks, heavy equipment, and so forth—are capitalized and must be depreciated at a stated rate, the intangible costs—like salaries, fuel, and so forth—may be deducted all at once in the year in which they occur. These intangible costs may amount to 75 percent of the amount of total development.

Supposedly, this provision postpones the tax rather than exempts it. In fact, however, the company can reinvest the money into new oil enterprises and avoid paying taxes indefinitely, thereby receiving an interest-free loan, courtesy of the Federal Government.

The third tax break is the foreign tax credit. It allows corporations to deduct, dollar for dollar, taxes paid to foreign governments from their U.S. tax liability. But whatever tax bill the corporation may still owe is paid only when it decides to send all or part of its profits back home.

The fourth tax break is the oil companies' practice of taking a credit on their U.S. income taxes for royalties they pay to foreign governments in return for access to oil and gas bearing lands. Whereas the rationale for allowing a U.S. tax credit for foreign taxes paid was to prevent double taxation of the oil companies, it was simply an administrative decision at some point to treat royalties as taxes.

In my opinion, both foreign tax and royalty payments should be treated as business expenses for the purpose of U.S. income tax liabilities. These expenses should simply be deducted from—not credited to—the oil companies' income taxes. Thus the result would be that the oil companies would not be taxed unfairly but would be taxed at the same rate as domestic businesses.

BACK TO NORMAL DEPRECIATION RATES

Another tax break enjoyed by all businesses, not just the oil industry, is the asset depreciation range—ADR. It was intended to stimulate a sagging economy, provide more jobs and give American business a more competitive position in world trade. Adopted as part of the Revenue Act of 1971, ADR allows businesses to write off their investments in plants and equipment at a rate 20 percent faster than previously—regardless of the time it actually takes for the equipment to depreciate fully.

Under the old rules, companies had to spread their depreciation allowances over the actual useful life of the equipment. This is no longer the case. The "reasonable allowance" for wear, exhaustion and obsolescence of equipment has climbed to a rate that permits companies to write it off faster than they replace it. The result is lower tax bills for the companies.

THE RICH AND TAXES

Last year, 402 Americans with incomes of $100,000 a year or more paid no income taxes at all. Because there are so many wealthy tax avoiders, the Congress enacted a minimum tax law in 1969, but it, too, is frought with tax loopholes. Thus, only about one-quarter of those with income taxable under the minimum tax law actually pay the tax.

The present law imposes a flat 10 percent on certain kinds of preference income not subject to Federal income tax. However, its effect is eroded because it allows the taxpayer to exempt the first $30,000 of preference income, and second, it allows the deduction from the preference income of an amendment equal to what is paid in Federal income taxes.

My proposal would remove the deduction for other Federal taxes paid, it would remove the $30.000 exemption on preference income, and it would tax preference income at one-half the rate paid for Federal income tax. On the tax rate, this change would make the minimum tax progressive, rising from 7 percent to 35 percent in the case of individuals, or to a maximum of 24 percent in the case of corporations. In those rare cases when people in low tax brackets are subject to the minimum tax, the proposed change would reduce their burden from the present 10 percent to 7 percent.

EQUITY IN THE TAX SYSTEM

I have discussed the ways in which wealthy individuals and corporations have slipped through the tax net, while the average worker is trapped in it.

CONCLUSION

I have demonstrated ways by which wealthy individuals and corporations have slipped through the tax net, while the average worker is trapped in it. The biggest, the most powerful, the wealthiest companies in America pay income taxes at a rate that is far lower than does the clerk or gas station attendant or police officer.

Our tax structure needs an extensive overhaul, and the proposals I have made in this testimony amount to net annual revenue gain. For too long, we have excused tax loopholes for the wealthy on the dubious ground that "they are good for America." It has not worked out that way, and the average American taxpayer is caught in a squeeze of paying more and more of the tax load.

Every time an individual or corporation ducks out the loophole door, someone else has to pick up the tab. And usually, it is the one who can least afford to do so.

HEARINGS ON NATIONAL HEALTH INSURANCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. Corman), is recognized for 5 minutes.

Mr. CORMAN. Mr. Speaker, this week the Ways and Means Committee began hearings on national health insurance. This indicates an increased commitment on the part of administration and congressional leaders to the enactment of a program that will eliminate existing deficiencies and inequities in health care.

In his testimony before the Ways and Means Committee on Wednesday, April 24, 1974, Secretary of Health, Education, and Welfare Caspar W. Weinberger said:

> Comprehensive health insurance is a long-debated idea whose time for enactment has arrived.

I agree completely. To delay enactment of an adequate national health program means to continue with a situation in which needed health care is unobtainable for some and unaffordable to many—where people go without needed medical attention, because it is unavailable, inaccessible, or the cost is prohibitive.

I hope the administration and Congress will work together in the development of a program that assures everyone necessary care regardless of income or location, which reduces medical costs, and which encourages quality and efficiency in the delivery of medical care. I trust that during congressional deliberations on health insurance the Nixon administration will follow its own counsel and avoid what Secretary Weinberger called the "reckless attitudes of rule or ruin, our plan or no plan."

I am very pleased to join with Representative Martha Griffiths in the following statement released April 23, 1974, pertaining to the scheduled hearings on national health insurance proposals:

National Health Insurance

(Statement of James C. Corman, of California, and Martha W. Griffiths, of Michigan)

The House Ways and Means Committee begins public hearings on the subject of national health insurance Wednesday, April 24, 1974. The scheduling of public hearings by Chairman Wilbur Mills reflects the growing consensus that there are serious deficiencies in the availability, quality, financing, organization and delivery of health care in the United States.

There are few individuals who would deny the existence of a serious crisis in health care. Most would agree it is comprised of the following problems:

(1) *A good many Americans are unable to obtain needed health care.* There is a very uneven distribution of physicians, hospitals, nursing home facilities and other health resources throughout the country. As of December 31, 1972 there were 140 counties in the United States which had no active physician for patient care.

(2) *Many families can no longer afford the medical care that is available to them.* Inflation in health care has outstripped the paychecks of not only the low but the middle-income American family. In fiscal 1973 the average health bill for each American was $441. This represented a 10.3 percent increase over 1972, a 35 percent increase since 1970, and was 3 times more than the average health bill in 1960. The increase in average medical costs since 1950 has been 2½ times as great as the increase in wage levels during the same 23 year period.

(3) *Soaring medical care costs have far outstripped the general economic growth rate and existing health delivery arrangements appear totally resistant to effective and acceptable cost and quality controls.* The past few years have witnessed sharp increases in the amounts spent for medical care in the U.S. In fiscal 1973, the Nation's total health and medical care bill was $94.1 billion. This represented a $26 billion, or 38 percent, increase since 1970. We spent 3½ times as much for health care in 1973 as we did in 1960 and almost 8 times the amount spent in 1950. In fiscal year 1950, total U.S. medical care expenditures amounted to $12.0 billion and represented 4.6 percent of the gross national product. By fiscal 1960, their share of the gross national product had reached 5.2 percent. The rate in 1970 was 7.1 percent, and last year it moved up to 7.7 percent.

(4) The variety and mix of existing public health programs (Medicare for the elderly and disabled, Medicaid for the poor with eligibility requirements, benefits and costs varying from state to state), private health insurance, a few prepaid medical programs, etc., have produced intolerable inequities in the availability and cost of health care for Americans. The most visible deficiency is that low-income Americans receive less medical care, are less likely to have health insurance coverage (less than one-fourth of the children in poor families have hospital insurance), and are generally less healthy than middle and high-income Americans.

(5) The fragmented, disorganized, and inadequately regulated combination of public and private health programs and institutions have resulted in unbearable mismanagement, waste, and coverage gaps, as well as unnecessary administrative complexities, costs and abuses.

Dozens of different national health insurance programs have been designed to deal with some or all of these problems, which together constitute the current health care crisis. Careful examination of the most prominent proposals reveals that the Health Security Act of 1973 (H.R. 22, S. 3), which was introduced in the House with over 70 cosponsors and in the Senate by 23 Senators, would deal most effectively and adequately with the five major problems in health care outlined above. It is the only proposal to receive serious consideration that assures everyone would receive adequate medical care and that most American families would pay less than they are presently paying for normal (non-catastrophic) medical care. It is the only proposal that offers any promise of establishing effective cost and quality controls and alleviating inequities, waste, administrative expenses and complexities that exist under the current mixture of public and private health institutions.

Chairman Mills announced that the forthcoming Ways and Means hearings will focus on three health insurance plans: H.R. 13870, which was introduced on April 2, 1974 by Chairman Mills and Senator Kennedy; H.R. 12684, the Nixon Administration plan; and H.R. 1, which is sponsored by Congressman Al Ullman. The new bill introduced by Chairman Mills and Senator Kennedy and the Nixon plan are likely to receive the greatest attention during the committee deliberations.

As the Committee begins deliberations on these proposed national health insurance programs it should be understood that H.R. 22 (the Griffiths-Corman Health Security Act of 1973), the Nixon plan, and the new Kennedy-Mills proposal do not differ in terms of total cost. That is, the three programs will cost the American people approximately the same amount of money in terms of total dollars spent for health and medical care. They do differ substantially in regard to how many Americans will be assured needed medical attention, who pays for medical costs, or how health care costs are distributed and shared. And there are important differences in terms of realistic attempts to regulate the quality and costs of health care, to reorganize and improve the health delivery system, and to redistribute the availability of health care resources.

Adequate medical care is too important to the well-being of individuals, families and the nation as a whole to continue with a situation in which needed health care is unobtainable for some and unaffordable to many—where people go without needed medical attention because it is unavailable, inaccessible or the cost is prohibitive.

H.R. 22 would assure universal coverage for complete medical needs and reduce medical expenses for everyone by establishing a national insurance system of shared health care costs. The nation's total medical expenses will not be any higher under H.R. 22 than the Nixon or Kennedy-Mills plans. And, each family's medical expenses will be less.

Through a long-range national and regional budgeting process that compels hospitals and physicians to set their prices in advance and then stick to them, H.R. 22 would provide effective regulation of health costs. By encouraging prepaid health programs or health maintenance organizations, preventive medical care and office treatment, it would substantially improve the present health delivery system and the quality of health care received by many Americans.

The Nixon health plan introduced last February is better, in terms of increased coverage and expanded benefits, than the previous Administration proposal. However, the new proposal would still have a limited impact on the five major problems in health care we have identified.

It does not assure that everyone would receive needed medical coverage. In fact, it is a voluntary plan that guarantees large gaps in medical coverage and little improvement in the quality and cost of health care for most families. It provides strong incentives for employers not to hire (and thereby offer health insurance benefits to) the elderly, handicapped and others most in need of medical attention and insurance coverage.

The use of deductibles ($150 per person with a maximum of four per family) and coinsurance (25% beyond the deductibles up to a maximum of $1,500 for a family) makes the plan little more than a catastrophic health care program. For those covered, it would reduce major or catastrophic health expenses, but it would not reduce medical expenses for the vast majority of families.

The Nixon plan depends almost completely upon insurance companies and state agencies to provide cost and quality controls. Because these institutions have proven to be totally ineffective in controlling costs, the plan promises a continuation of health care cost inflation at the current rate of over 10 percent a year.

The Administration program guarantees increased profits for all segments of the health care industry and promises increased medical costs. It does not guarantee that needed health care will be available and obtainable for everyone. It would provide "welfare" for insurance companies rather than improved and less expensive health care for American families.

The new Kennedy-Mills proposals resembles in major respects the Nixon program. However, it does improve upon the Administration bill to the extent that it incorporates some of the fundamental principles and features of H.R. 22, such as Social Security financing, support of health maintenance organizations and quality controls.

With coverage based on mandatory payroll deductions and Social Security eligibility, more Americans would receive benefits under the Kennedy-Mills plan than under the Nixon proposal. However, it does not provide for universal coverage. Some of the most obvious gaps in coverage affect those earning less than $400 a year, institutionalized persons, students and some aged and disabled not eligible for Social Security.

The use of deductibles ($150 per person with a maximum of two per family) and coinsurance (25% beyond the deductibles up to a maximum of $1,000 a year for a family) means that, like the Nixon program, the Kennedy-Mills bill would not reduce the out-of-pocket medical expenses for most families. As described in *The New Leader*, it "would pay some benefits to some of the people some of the time."

The system of deductibles and coinsurance, plus a means test for low-income families in the Kennedy-Mills bill would result in mind-boggling administrative and account-keeping procedures. Somewhere, someone will have to keep an account for every covered individual and family in order to keep track of yearly deductible and coinsurance payments.

The use of insurance companies as "fiscal intermediaries" will reduce the amount of health care purchased by each family's dollar by the amount insurance companies take out for profits and expenses. It retains the complexities, inefficiencies and potential for abuse already existing in Medicare and Medicaid and repeats the Medicare mistake of leaving cost and quality controls largely in the hands of insurance companies and other "fiscal intermediaries."

The Kennedy-Mills plan has been promoted as a compromise between H.R. 22 and the Administration's bill, and as the national health insurance proposal having greatest chance of enactment. However, it would not provide an adequate and acceptable national health program unless major improvements are made which move it substantially closer to H.R. 22.

Specifically, provisions must be added which would eliminate the gaps in coverage and assure that everyone would receive needed medical care.

More stringent and realistic cost and quality controls, like the long-range budgeting features of H.R. 22, must be incorporated.

The insurance companies should be dropped. Whether as carriers or "fiscal intermediaries", there is overwhelming evidence that they would not contribute to effectiveness or efficiency of a national health program. Public funds should be administered by public officials.

Modifications in the financing features that would promise a reduction in current out-of-pocket medical expenses for families, such as reducing or eliminating deductible, coinsurance and Medicare premiums and greater use of general revenues, are necessary.

Medicare should be combined with the national health program so we would have one program, one administrative mechanism, one payroll deduction, one set of benefits for everyone. And provisions must be added that would protect current Medicare and Medicaid recipients in all states from a reduction in benefits when these programs are replaced.

The benefits should be expanded with greater emphasis on preventive services; and measures should be added that provide greater incentives for the development and use of health maintenance organizations and more explicit directives to redistribute the availability of physicians and other health resources.

The Kennedy-Mills bill will provide an adequate and acceptable national health program to the extent that it incorporates features in H.R. 22 that are needed if it is to deal effectively with the problems that comprise the health crisis. If the forthcoming Ways and Means deliberations are going to focus on the Kennedy-Mills bill, we are hopeful discussion will be directed toward the deficiencies we have identified and the incorporation of improvements we have suggested.

NATIONAL CITIZENS' COMMITTEE FOR FAIRNESS TO THE PRESIDENCY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee (Mr. Fulton) is recognized for 5 minutes.

Mr. FULTON. Mr. Speaker, in recent weeks I have submitted for the Record the names of these citizens in my district—Tennessee's Fifth—who have signed petitions on behalf of the President of the United States. These individuals are exercising their right, indeed their duty, to speak out, to voice their views in these troubled times. As participants in the activities of the National Citizens' Committee for Fairness to the Presidency, they are living up to their responsibility to participate in our political system, and I would like to commend these of my constituents to the attention of my distinguished colleagues:

Mary F. Black, Bettye T. Sellers, Don E. Ansley, Perry L. Williams, Bernice Williams, Jocelyn S. Davis, L. N. Guer, Louise S. Walden, Eugene H. Smith, Gale Clark, Jeanne Akin, William T. Davis, E. S. Medaugh, and Mrs. E. H. Medaugh.

J. M. Dickinson, Elizabeth T. Dickinson, Howard E. Frost, Jr., Evelyn L. Frost, Hampton J. Barnes, Thom M. Thomas, Elizabeth D. Jackson, Morse Kochtetzby, MD., Marjorie Kochtetzby, Thomas R. Dickinson, Charles D. Jacobs, Sandridge H. Taylor, Morris W. Hickman, June M. Price, and Hart J. Hill.

U.S. CENSURE OF ISRAEL

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. Holtzman) is recognized for 15 minutes.

Ms. HOLTZMAN. Mr. Speaker, I am deeply dismayed that the United States has joined in the United Nations Security Council resolution censuring Israel for its raid on Palestinian guerrilla bases in Lebanon.

I believe this action by the Nixon administration is disturbing not only to those of us who are concerned with the security of Israel, but to all Americans who believe the United States should play an even-handed and moderate role in the Middle East.

The Security Council resolution ignores the brutal and cowardly massacre at Kiryat Shimona which led to Israel's action. In joining this resolution, the United States joins with those nations who have always opposed Israel, and who feel that any actions that Israel takes in self-defense are wrong. The massacre at Kiryat Shimona was the work of the same lawless terrorists who hijack planes and murder innocent civilians at airports. How can the United States condemn Israel without even referring to this other, very bloody side of the issue?

In addition, the Security Council's censure is certain to damage morale in Israel, which already feels isolated and besieged, staggering under the toll of the Yom Kippur War. It is inexcusable that the United States, Israel's sole remaining ally, should choose this moment to slap it in the face.

Finally, I doubt that Ambassador Scali was accurately representing the will of the American people when he cast our vote for the censure. The overwhelming majority of Americans was shocked and horrified by what took place at Kiryat Shimona. I cannot believe they would support a resolution that condemns the Israeli action against the terrorist sanctuaries without acknowledging this bloody provocation.

I have written to Ambassador Scali and Secretary of State Kissinger indicating my opposition to this action. I hope that my colleagues in the Congress will do the same, so that the United States will never again lend support, in the United Nations or anywhere else, to those who would destroy Israel through murder and terror.

EARTH DAY AT NATIONAL CATHEDRAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. VAN DEERLIN) is recognized for 5 minutes.

Mr. VAN DEERLIN. Mr. Speaker, the national observance of Earth Week has come at a time of understandable concern for environmentalists. On every hand, it seems, the fight for clean air, for pure water and for an unmarred countryside has given way to other needs.

Fuel shortages of recent months give some hint of the crunch that lies ahead as we seek to balance industrial and economic need against a strong national desire to halt despoilation. Only today the Interstate and Foreign Commerce Committee, in marking up a new emergency energy bill, was making judgments between those often divergent interests.

But America's determination not to undo nature's handiwork remains very strong. It will find expression this Sunday at the National Cathedral here in Washington, at a service devoted to Earth Day.

Especially for this event the cathedral's dean, the Very Reverend Francis B. Sayre Jr., has written a Litany of Intercession, a responsive prayer in which the congregation will participate. Dean Sayre's litany follows:

LITANY OF INTERCESSION

Shine, Thou perfect Maker, Thy radiant light upon our tiny lives;
Unfurl Thy glory,
On earth O Lord.

Lest we mock the freedom Thou hast given us by loving less than Thou hast loved,
Unfurl Thy glory,
On earth O Lord.

Bless our kinship to every spark of life, exchanging with each the wonder of Thy miracle;
Unfurl Thy glory,
On earth O Lord.

Forgive our hands too hasty upon the gentle land, rudely spoiling what Thou so patiently prepared;
Unfurl Thy glory,
On earth O Lord.

Give us the gladness of mountains, O God; joy of unsullied seas, of fields and tossing trees and water pure, all conspiring to:
Unfurl Thy glory,
On earth O Lord.

That we may cherish Thy gifts and consecrate them untorn and fresh to the thanskgiving of each race unborn;
Unfurl Thy glory,
On earth O Lord.

For Thine is the bounty, Merciful Father, of the bread and of the wine, of body and blood, and of the infinite mystery of precious Creation. Such the heritage trusted to our hand; faithful then may we be as stewards of Thy glory, that all may behold at last Thy blessing upon the earth.
Amen.

WHY THE BYRD AMENDMENT SHOULD BE REPEALED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. RANGEL) is recognized for 5 minutes.

Mr. RANGEL. Mr. Speaker, as you are well aware, we are currently involved in a fight in the House of Representatives to repeal the Byrd amendment. It is my contention that the Byrd amendment must be repealed for many reasons, but perhaps none are more persuasive to my colleagues in the House than those which speak to the self-interest of the United States. Aside from the moral questions involved in continued U.S. support of the illegal, minority white regime in Rhodesia, the Byrd provision is not essential to our national security, brings us no real economic advantage, and is detrimental to the conduct of our foreign relations. Such is the professional judgment of the distinguished Secretary of State, Henry Kissinger.

The Byrd provision is not essential to the national security of the United States, although some special interest would have it so. There are 700,000 tons of "excess" ferrochrome in the U.S. stockpile—390,000 excess tons of high carbon ferrochrome and 319,000 tons of low carbon ferrochrome. The Nixon administration is currently seeking their release. Of the total amount of ore in the stockpile, 2.3 percent is needed for defense projects. It is estimated that there is enough ore for 40 years. There are some who contend that we should not depend on the Russians for our supply of chrome imports. Thus, the Byrd amendment is a credible effort to reduce this dependence. A brief history shall dispel these dubious arguments.

In 1964, 4.7 percent of U.S. chrome imports were derived from the Soviet Union. In 1966, before sanctions, this trade increased to 58 percent. In 1968, 1969, and 1971—during sanctions—58 percent of chrome imports came from the Soviet Union. In 1972, after the removal of chrome sanction, reliance on Soviet chrome continued at 58 percent. Chrome trade with Rhodesia has not diminished the dependence of the United States on Russia for chrome ore.

"The Byrd provision brings us no economic advantage." Some state rather erroneously, that the Byrd amendment was the essential element responsible for reducing the price of chrome ore. The rise in steel production is a more credible reason why chrome prices rose in 1971. In 1972 the price of ore decreased as steel production decreased. Any layman knows that as the demand rises so does the price and vice versa. Although the Byrd amendment was a factor, there were other major market factors compelling the price reduction. In support of this statement, Assistant Secretary of State for Economic and Business Affairs, states "general market and economic conditions govern chronic prices rather than the Rhodesian embargo." Whatever may be the disruptions followed by the reimposition of the Embargo by the United States, we believe they can be accommodated.

There have been adverse effects from the Byrd amendments. Two out of four U.S. ferrochrome plants, Ohio Terralloy in Brilliante, Ohio, and Foote Mineral in Steubenville, Ohio, have gone out of business. As a result, 700 jobs have been lost.

"The Byrd provision is detrimental to the conduct of our foreign relations." The U.S. relationship with the U.N. has been eroded by our charter obligations. This situation is further exacerbated by the fact that the United States is the only overt violator of the U.N. sanctions on Rhodesia.

The U.S. relationship with Africa is strained by the presence of the Byrd amendment. The former Assistant Secretary of State for African Affairs, David Newsom stated:

> In my four years as Assistant Secretary, the exemption on Rhodesian sanctions has been the most serious blow to the credibility of our African policy . . . the impact is greatest in countries where we have various specific interests, such as Nigeria and Kenya, and is greatest among the youth who are the coming generation in Africa.

In the issue of Industry Week magazine, which appeared on January 7, 1974, the following paragraph appeared:

> Over the last 18 months, there seems to have been a growing appreciation both in Whitehall and British industry that there is a real economic case for the maintenance of sanctions quite apart from the political and ethical ones that have had to take the burden of the argument in the past.

Secretary Kissinger has written—

> The Byrd provision has impaired our ability to obtain the understanding and support of many countries including such important African nations as Nigeria, a significant

source of petroleum and a country where we have investment of nearly 1 billion.

In conclusion, Mr. Kissinger's statement that the Byrd amendment is deleterious to U.S. interests both domestically and internationally seriously undermines the specious case of those who would uphold the Byrd amendment.

IMMIGRATION AND NATURALIZATION SERVICE SEMINAR

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. Eilberg) is recognized for 5 minutes.

Mr. **EILBERG**. Mr. Speaker, I wish to announce that another meeting in a series of seminars is scheduled for Monday, April 29, to be conducted by the Immigration and Naturalization Service. This seminar will commence at 9:30 a.m. in room 2237, Rayburn House Office Building.

During the seminar, representatives of the Immigration and Naturalization Service will discuss the statutory requirements for naturalization as well as the procedures to be followed in petitioning for one's naturalization.

In addition, the seminar will include a discussion of matters dealing with expatriation, derivative citizenship, and acquisition of United States citizenship at birth in a foreign country.

Once again, all interested staff members, particularly those who handle immigration and citizenship matters, are invited to attend this seminar.

PERSONAL EXPLANATION

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. Yatron) is recognized for 5 minutes.

Mr. **YATRON**. Mr. Speaker, I am submitting the following personal explanation for the Congressional Record, relative to an erroneous vote which I recently made.

On April 4, the House considered H.R. 12565, the supplemental defense appropriations bill. Rollcall No. 147 was a vote to increase aid to South Vietnam. The amendment was rejected by a recorded vote of 154 ayes to 177 noes. My vote is recorded as aye, although it was my intention to vote against increasing aid to South Vietnam.

I am making this statement to reflect my true intent to vote "nay," in opposition to increased assistance to South Vietnam.

IS THERE AN EFFORT TO BRING DOWN ARAB OIL PRICES?

(Mr. **SIKES** asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. **SIKES**. Mr Speaker, the administration has been strangely quiet about the high and unreasonable prices placed on oil by the Arab producing countries. Oil prices were doubled and redoubled by Mideast oil producing countries during the period of the October war. This pricing policy represents a greedy grab for power and profit. It is resulting in higher oil prices and in a threat to the economy of oil consuming nations.

Despite the obvious efforts of the United States to bring peace to the Mideast, there has been no reciprocal action other than a temporary lifting of the oil embargo by the Arab States. Nor has there been, and this is the strangest part, any indication of an effort by the American State Department to bring Arab oil prices within reason.

A decision to maintain unrealistically high prices is obviously not in the best interests of oil consuming or oil producing nations. The Arab States do not need the money higher oil prices will bring. Present prices will in time make it impossble for any nation which must have Arab oil to show a favorable balance of trade. They could even bankrupt some nations.

The United States cannot require a change in oil pricing policies by the Arabs but at least we can base some of the proposed benefits to Mideastern nations upon reciprocal action on their part. If the United States and other Western powers ignore the price gouging policy, it will have the effect of placing the stamp of approval upon it.

TOWARD A 100-KNOT NAVY

(Mr. **SIKES** asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. **SIKES**. Mr. Speaker, the Navy's goal of a "100-knot Navy," fleet capable of speeds of over 100 miles per hour, is closer to reality with announcement that the SES–100B surface effect ship has achieved more than 92 miles per hour during a test mission at the Naval Coastal Systems Laboratory at Panama City, Fla. This is a world record and is all the more spectacular because the 80-foot research craft is only the forerunner of a destroyer-sized vessel now in the design stage and scheduled for construction by 1976. This is only one of many important accomplishments at the Naval Coastal Systems Laboratory.

I believe my colleagues will be interested in reading the Navy's recent release on this matter and I submit it for reprinting in the Record:

SES–100B

Panama City, Fla.—The U.S. Navy's SES–100B Surface Effect Ship test craft achieved a speed in excess of 80 knots (92 miles per hour)—a world record for this type of vessel.

Textron's Bell Aerospace Division of New Orleans, Louisiana, which developed and now is testing the 100-ton propeller-driven craft for the Naval Material Command's Surface Effect Ships Project Office (PM–17), set the world speed record for this type craft during a test mission here on Tuesday, April 16, 1974. Prior to the high-speed run, Dr. David S. Potter, Assistant Secretary of the Navy for Research and Development, had participated in a test mission in the Gulf of Mexico and had operated the SES–100B for 30 minutes at speeds of more than 60 knots.

The record speed was accomplished during tests on an instrumented range, and the speed was recorded by highly-precise tracking radar, operated by U.S. Navy personnel.

A six-man Bell Aerospace/Navy crew was on board the SES–100B for the high-speed test mission. Captain Gordon H. MacLane (USCG-Retired), Bell's craft commander was at the controls. Other crew members were Lt. Robert Hartman, USN, Navy craft commander; Charles E. Lester, first officer; Alvin T. Thawley, test director; John S. Wakefield, data acquisition engineer; and Frank L. Richter III, chief of the boat.

The crew described the craft's stability as "excellent" and said they had a smooth ride throughout the high-speed operation. Bell Aerospace engineers reported that the craft performed flawlessly. They said the speed achieved was extremely close to predictions based upon analysis and model test data.

The record speed run followed the successful completion of testing necessary to confirm the technology for the design of a 2,000-ton ocean-going Surface Effect Ship. During missions in the Gulf of Mexico, the SES–100B has operated for considerable periods of time in high sea states, and has repeatedly demonstrated performance, stability and habitability exceeding expectations.

In addition, the Bell-developed SES–100B was the first Surface Effect Ship to expand its operating envelope to more than 70 knots (82 miles per hour). This milestone took place in testing on Louisiana's Lake Pontchartrain more than a year ago.

The extensive technical data being generated by the heavily-instrumented SES–100B is being used by the Navy and Bell Aerospace to validate the predictions and design features to be incorporated into larger Surface Effect Ships in the 2,000-ton class.

The SES–100B, almost 78 feet long with a beam of 35 feet and weighing a little more than 100 tons, rides on a drag-reducing cushion of air contained by catamaran-style side hulls and flexible bow and stern seals.

The air cushion is generated by eight lift fans driven by three marine gas turbine engines. When cruising, the center portion of the hull is clear of the water and the craft supported almost entirely by the air cushion with only the lower surfaces of the catamaran side hulls skimming the surface for stability and propulsion.

Propulsion for the craft is provided by three marine gas turbines which drive two semi-submerged, controllable pitch, supercavitating propellers.

ISRAEL'S 26TH ANNIVERSARY

(Mr. **KOCH** asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. **KOCH**. Mr. Speaker, last year on the celebration of Israel's 25th anniversary, I joined with millions of people throughout the world in affirming that "Am Yisrael Chai"—"the people of Israel live." Today, on Israel's 26th anniversary, the certainty of her continued peaceful existence is in doubt, and the mood on what should be a festive occasion is somber. This tiny state was once again forced to fight for survival—the Arab attack on Yom Kippur, the holiest day of the year in the Jewish calendar, launched the fourth war in Israel's 25-year history. More than 2,000 men were killed in that war, and even today, 6 months after a cease-fire, men, women, and children continue to die on the Golan Heights and along the Lebanese border. Last week, the unprovoked, brutal attack on an Israeli village by Palestinian terrorists operating from within Lebanese territory resulted in the death of 18 people; 5 men, 5 women, and 8 children, some of whom were thrown from rooftops.

Israel, in retaliation for the brutal murder of these 18 innocent civilians in the town of Kiryat Shimona, crossed into Lebanon, evacuated a village that harbored Palestinian terrorists, and then proceeded to destroy empty buildings. Not one person was killed. It is with a sense of outrage and moral indignation that I heard yesterday of the United Nations Security Council's resolution condemning Israel for its raid into Lebanon. The U.S. representative, John Scali, voted in favor of this resolution, although no mention was made of the brutal murder of 18 Israeli citizens. The Israeli delegation at the U.N. led by Yosef Tekoah walked out of this charade. In leaving, Mr. Tekoah said:

> My delegation will not be a witness to the travesty about to take place here . . . The resolution is another example of the bias and equity which prevail in the Security Council debates on the Middle East.

I am ashamed that our Government joined in this travesty. Not only must Israel defend her borders and try to maintain internal stability, she must now wonder where her friends stand.

Our country's improving relations with Egypt offer the promise for stability and peace in the Middle East. It is my fervent hope that yesterday's vote in the United Nations is not an indication that improved relations with the Arab world will take place at the expense of our longstanding, moral commitment to and support of Israel. Am Yisrael Chai—the people of Israel live.

PRIVACY INTERESTS ARE TOO OFTEN NEGLECTED

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, in an editorial aired April 21, WNBC–TV raised the privacy implications of a law in New York that requires a doctor to file with the State a copy of a prescription for some pain killers, amphetamines, and other similar drugs. WNBC–TV warns that such recordkeeping could lead to an invasion of privacy and urges that steps be taken to restrict access to these files. According to WNBC, there presently are no restrictions on access to these computer files.

This is an example of a legitimate Government information collecting activity—but one that is being carried out without sufficient privacy safeguards. We need to limit access to these files, but beyond this we must also develop a comprehensive measure regulating all public and private data collecting and information storage activities. We never will catch up with the many assaults on our privacy unless a national policy is formulated, first to establish what is acceptable data collecting activity and then to regulate its conduct.

I have joined with our colleague from California (Mr. Goldwater) in a bipartisan effort to do this. Our bill, the Right to Privacy Act, would establish a Federal Privacy Board to provide safeguards against information collecting, use, and transfer abuses. Our bill would regulate both the private and public sector. Our bill would not inhibit legitimate information collection, but it would provide a means by which consideration could be given to the potential dangers to our privacy of all information collecting activities. Today, privacy is often jeopardized and even usurped because of neglect. Too often privacy interests simply are never considered and protected in our rush to solve social problems. The "triplicate prescription law" is an example of this malady.

One thing that Watergate has done is to spark the public's awareness of the assault on our privacy that has been underway for some time. It is imperative that a Federal Privacy Board be established soon before we have no more privacy to protect.

The WNBC–TV editorial of April 21, 1974 follows:

This Law Is an Abuse

Every person who has a prescription filled in New York State for certain drugs is being watched by Big Brother. Their doctor-patient relationship is being violated.

New York State has what is called the "triplicate prescription law." When a doctor writes a prescription for some pain killers, amphetamines and certain drugs used for cancer patients, hyperkinetic children, arthritics and others in need of such medicine, he makes three copies. He keeps one copy, the pharmacist keeps a copy for his records and the third copy goes to the State Computer Bureau and this could lead to an invasion of privacy and a violation of civil liberties. The possibility of this information being misused is enormous. The Nassau County Medical Society, which is leading the fight to amend the law, points out that there are no restrictions as to which person, government agency or company may have access to these computer files . . . now or in future years . . . or how this information may be used.

We join the Nassau County and State Medical Societies in calling on the State Legislature for immediate changes in the triplicate prescription law to protect the doctor-patient relationship.

President Nixon has established a panel on privacy to "forge a person shield for every American against invasion of privacy from any source."

This would be a good place to start.

THE REGULATORY CHALLENGE POSED BY VINYL CHLORIDE

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, in the last several months questions have been raised concerning the link between vinyl chloride and a rare form of liver cancer. That chemical is used in many products ranging from hair sprays to pesticide sprays.

Earlier this month the Food and Drug Administration and the Environmental Protection Agency announced they were asking manufacturers to "voluntarily" halt the use of the chemical vinyl chloride in their products. I immediately wrote to the heads of these agencies to question why they would, in cases where they believe the public safety to be endangered, rely on voluntary action and not insist on mandatory removal of the dangerous products.

I received a response from the Food and Drug Administration on April 18. It contained the statement that the Federal Food, Drug and Cosmetic Act "contains no provisions which authorize this Agency to require or insist that a manufacturer or distributor recall any products." If that is so, obviously the Federal Food, Drug and Cosmetic Act is deficient.

While I have received no response from Russell Train, Director of the Environmental Protection Agency, I was pleased to see reported in the press today that the Environmental Protection Agency has issued what is termed by the UPI as "a rare emergency order" to halt the sale of thousands of cans of pesticide sprays containing vinyl chloride. That order takes effect immediately and covers 28 aerosol products intended for use in the home, hospital, and other places where food is handled, or in any enclosed area.

Surely the FDA must move as forthrightly on this subject as has the EPA, since the EPA did not have jurisdiction over such items as hair sprays. Surely as much, if not more, danger exists to people in the use of items such as hair sprays containing vinyl chloride as in the use of pesticides.

I am having legislative counsel prepare legislation to amend the Federal Food, Drug, and Cosmetic Act so as to give that agency the power it claims it needs to deal with situations of this kind. It is unfortunate that the FDA has not moved forthrightly in this matter to alert the public and Congress to the dangers inherent in such inadequate regulatory powers. The correspondence follows:

Department of Health,
Education, and Welfare,
Rockville, Md., April 18, 1974.

Hon. Edward I. Koch,
House of Representatives,
Washington, D.C.

Dear Mr. Koch: Commissioner Schmidt has asked me to thank you for your letter of April 4, 1974 concerning the Food and Drug Administration's request for a "Voluntary" recall of certain aerosol hair sprays manufactured by Clairol Inc. due to the presence of vinyl chloride monomer (VCM).

We are sending letters to all other manufacturers and major distributors of aerosol cosmetics requesting that they also recall any of their cosmetic products which contain VCM as a propellant.

Reviews by our scientists of the available toxicological and epidemiological data indicated that VCM may be dangerous when exposure is by the inhalation route. Based on these findings we concluded that those aerosol cosmetics which contained VCM as a propellant represented a potential health hazard and therefore should be removed from consumer channels as soon as possible.

The only statutory instrument available to the Food and Drug Administration under the Federal Food, Drug, and Cosmetic Act to get such products out of commerce is seizure.

Although seizure is a valuable tool, which does not require any voluntary action on the part of the manufacturer, it does have major limitations. The most significant of these limitations is the time required to implement a seizure action. This time-delay is compounded severalfold in situations, such as this, where numerous lots of products have been distributed nationwide. A separate seizure action against each lot of goods in each different locale would be necessary. Much of the defective products would be further dispersed before they could be located by the Food and Drug Administration and seizure implemented.

Recall is usually a much more efficient and practical means for reversing the chain of product distribution. The recalling firm usually has readily available all data with respect to quantity of products manufactured and/or distributed, names and addresses of customers and other pertinent identifying information. A notification to customers to return any defective merchandise can therefore be accomplished in a minimum of time. Recall is especially preferable to seizure in situations where potentially hazardous products are involved and speed in retrieval is all important.

We must point out however that the Federal Food, Drug, and Cosmetic Act contains no provisions which authorize this Agency to require or insist that a manufacturer or distributor recall any products.

Due to the nature of the hazard involved with these aerosol cosmetics, we felt that recall was the most appropriate means of assuring a rapid removal of these products from the market.

Clairol Inc. initiated this recall only after we advised them to do so. We were prepared to issue public warnings and institute seizure actions if the firm had not responded favorably to our request for recall.

We hope these comments are helpful to you in assessing the merits of our decision in this instance to request that these aerosol cosmetics be recalled.

Please let us know if we can be of any further assistance.

Sincerely yours,
ROBERT C. WETHERELL,
Acting Director,
Office of Legislative Services.

COMMUNIST PARTY, U.S.A.

(Mr. ICHORD asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ICHORD. Mr. Speaker, I noted with interest an article which appeared in a recent issue of the Saturday Review entitled "What's Happened to the Communist Party, U.S.A." The article, written by Roger M. Williams, is presented in an interesting manner and an effort appears to have been made to be as objective as possible. However, the article contains some very misleading statements that tend to give the Communist Party an undeserved aura of respectability and I feel it is important to set the record straight.

For example, the article cites the Communist Party as having made "notable contributions to American society by advancing programs and causes that eventually became national policy." In this connection, the article credits the Communist Party as "working for racial equality at a time when the Democrats and Republicans were perpetuating racism."

This assertion, of course, is not true. The Communist Party has never had any legitimate interest in the plight of the blacks. As a matter of fact the Communist Party relishes the tension and troubles associated with racial incidents not only because they embarrass the United States but also because they create polarization of conflicting forces on which communism is nourished. In its efforts to capitalize on racial incidents, the Communist Party has long regarded blacks, as well as other minority groups, as a primary target and has subjected them to intensive and extensive Communist agitation and propaganda.

In practice, however, the Communist Party has actually betrayed efforts by black citizens toward racial equality when those efforts clashed with the Communist Party's basic loyalty to defend and support the Soviet Union. For example, during the nonaggresison pact between the Soviet Union and Nazi Germany, the Communist Party called the war between Nazi Germany and Great Britain an imperialist war of no interest or concern to the United States. The Communist Party showed no concern at all over the fact that the racism of the Nazis was alike in essence to the racism of the extremists who would do injustice to the American Negro.

The Saturday Review article also credits the Communist Party with putting across the concept of peaceful coexistence with the Soviet Union, and comments that "this claim is not only valid but the same as a majority of Americans have gradually become to realize."

The House Committee on Internal Security, which I chair, held hearings in November, 1973, on the "Theory and Practice of Communism" which showed why peaceful coexistence, the general line of the current U.S.S.R. foreign policy, occupies an important role in Communist worldwide strategy.

Committee witness Charles Fitzpatrick, a long-time FBI informant inside the Communist Party's New York City organization, noted that many Americans are hailing the current thaw in East-West relations as evidence that the Communists have given up their goal of worldwide Communist rule. Nothing could be further from the truth. Mr. Fitzpatrick pointed out that the Communists have never entertained any ideas of a permanent reconciliation with non-Communists. He further noted that belief in the inevitable conflict between "capitalism and socialism" has always been a basic Communist tenet.

The Communists, by capitalizing on the deep desire of the American people for paece, hope to reap the many benefits of the present East-West détente, particularly by the gaining of a cutback in U.S. armament production which will help to render the United States incapable of offering effective resistance.

Mr. Speaker, the tendency to minimize the Communist threat as was done in the Saturday Review article can have tragic consequences since the Communist Party, the largest subversive organization in our Nation today, is part and parcel of the international Communist conspiracy whose ultimate objective is world domination by communism.

OUR GREAT INJUSTICE TO RHODESIA

(Mr. ICHORD asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ICHORD. Mr. Speaker, two fine Missourians and good friends of mine, Ed and Alma Sowers of Rolla, Mo., have been touring the world on the National Newspaper Association study mission and this year are taking a close, firsthand look at Africa and Latin America.

Ed Sowers is president and publisher of the Rolla Daily News, and the Sowers have been helping to educate and enlighten readers with a series of reports from their travels. I found the sixth in the series, published February 22, 1974, to be one of the most informative.

It is entitled "Our Great Injustice to Rhodesia" and refutes many of the allegations and myths we so often hear with respect to that bravely independent African nation.

Because of my high regard for the integrity of reportage by Mr. and Mrs. Sowers and because of my deep concern over American policy in supporting United Nations sanctions against Rhodesia, I insert this article at this point in the RECORD:

OUR GREAT INJUSTICE TO RHODESIA

SALISBURY, RHODESIA.—For shame, America!

For 200 years, now, you valiant sons and daughters have stood for—and often died for—justice and freedom for all the peoples of this earth.

Yet, at this time, while we continue to stand for justice in Vietnam, in the Near East—in many parts of the world—we have followed blindly and given force to a rank injustice to the great African nation of Rhodesia.

Showing weakness rather than strength, the United States joined the pack, led by the Communist-inspired "emerging nations" in the United Nations, and more heartbreaking still, by Rhodesia's mother country, Great Britain, and helped invoke "sanctions" restricting trade with Rhodesia, charged with "apartheid" or unfair policies dealing with its majority black population.

Seeking the truth of this situation, several of us on the National Newspaper Association Study Mission, concentrated on Rhodesia and the entire Mission was granted an hour-long interview with Mr. Ian Smith, the great, if beleaguered, Prime Minister of Rhodesia.

After the interview, and fact-finding forays into Rhodesia, this writer and several others are more firmly convinced than ever that Rhodesia is doing a great job of bringing civilization, culture, better living, education and health standards to its vast majority of black people, only a relatively few years removed from a primitive existence in the jungle.

Even as we talked to the Prime Minister, Rhodesia's expanded army was being buttressed to contain Communist-inspired (he said) terrorist attacks launched from borders to the northeast and Mozambique to the east. Sporadic shots across the Zambezi River to the northwest have killed several Rhodesians. (The river boundary area seemed peaceful enough to us as we enjoyed a sundown launch cruise on it.)

Later, we learned in Dar es Salaam, capital of Tanzania, that it is the object of the black-controlled governments of Tanzania (and other similar nations) to drive the white minorities (the colonizers who built the nations from the jungles) out of power and, in fact, out of the country. (A black government minister in Dar es Salaam very frankly told us just that!)

"The Communist-inspired terrorists are, unfortunately, killing black people, too," Mr. Smith said.

I asked the Prime Minister if the alleged International Communist Conspiracy is responsible for the sanctions and Rhodesia's isolation from the world? He answered:

"Not entirely. It is true that Red China-and Soviet-trained terrorists do stir up the trouble, while those nations and their satellites sit back and rub their hands with satisfaction. But the real force behind the sanctions is the British liberal Labor party."

An intense man, thin and rather tired-looking, Mr. Smith seemed downright sad (a sadness which was conveyed to us) when he referred to the mother country. One of his statements to us was delivered in confidence, but it can be said that Rhodesia, a nation most alike the freedom-loving, progressive states on this earth, feels it is almost without friends, except, hopefully, the United States!

"I think you have many friends in the United States, Mr. Prime Minister, even if our government doesn't always show it," I said, when it came my turn to shake Mr. Smith's hand as he left the conference room.

"Thank you, thank you, we do need your friendship."

The completeness of Rhodesia's isolation was emphasized when we realized that we do not maintain diplomatic relations with them, that Rhodesians—except those holding British passports—cannot get a visa to travel in the United States! Outlawed, too, by the United Nations, Rhodesia is traveling alone—well, almost alone. The Union of South Africa, meeting the same problems in race relations, is still closely allied with Rhodesia, as is Portugal.

(To show the domino effect of the lopsided world relationship with Rhodesia, a great hue and cry went up in Africa because the Portuguese Azores allowed the U.S. to use their bases recently to convoy military supplies to Israel. Obviously, the alignment of African nations includes North African Egypt, Libya and others!)

In its 200-year-stand for justice and freedom, the U.S. needs friends, too. Friends like Rhodesia, South Africa, Portugal, others! And the U.S. may be the loser in its unjustified, undocumented position. The adversity of sanctions seems to be making Rhodesia stronger, certainly more self-sufficient. The Prime Minister told us that, since sanctions were imposed, Rhodesia's gross national product (GNP) has doubled! Rhodesia is now producing almost all needed foodstuffs, is actually exporting some ag products, tobacco, etc.

The black man is "emerging" into his rightful place in the plentiful Rhodesian sun. Blacks and whites and coloured go to certain schools and colleges together. There are more and more hospitals for those who have been convinced they should accept free hospital care instead of the manipulations of witch doctors. The first newspaper I picked up in Cape Town carried the front-page headline: "Petty Apartheid Ended; 'Whites Only' and 'Blacks Only' Signs Come Down."

And, would you believe? (you U.S. Senators and Congressmen who may not know as much about S. Africa as we NNA reporters know), we visited the Soweto township Bantu Homelands where we saw 1,000,000 blacks living happily—some of them self-made millionaires—all of them in comfortable brick cottages, with running water, sewer, garden plots, and neatly uniformed children in nearby schools.

Several members of our Study Mission have signed a joint resolution urging the House to defeat the recent Senate action which, if passed by the House and signed by the President, would halt any purchases of chrome from Rhodesia, thus doing away with U.S. Senator Byrd's move to treat Rhodesia with the justice and dignity earned by this great free nation. Without benefit of Sen. Byrd's action, the U.S. bought low grade chrome from Russia—chrome which Russia had bought from Rhodesia—at a higher price than quality chrome from Rhodesia, the Prime Minister told us. If this be the price of detente, then . . .?!!

Even if passed by the House, the President should find it difficult to toss any further shafts at Rhodesia as inconsistent with his policy of detente. Instead, he should order Secretary of State Kissinger to include Rhodesia in his diplomatic travels. In fact, that has already been arranged, unofficially. I asked Prime Minister Smith if he would welcome a visit from Secretary Kissinger.

"I certainly would," he answered. "We would welcome all friends who come in peace to our country!"

For shame, America!

HEALTH SERVICES

(Mr. ROY asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. ROY. Mr. Speaker, over the past decade, the Congress has established a number of programs to increase the availability and accessibility of health services to the American people. The goal has been to make the benefits of modern medicine available to all Americans so that they might live healthier, longer lives.

The most important of these programs are the financing programs—the medicare and medicaid programs. The establishment of a national health insurance program, now supported in some form by virtually all elements of our society, seems assured in the near future. But no financing program can insure the availability of health services to all people; medicare and medicaid have not been able to, and even national health insurance will not be able to insure that health services are available to all people. Why? Because the availability and accessibility of health services depend on the presence of health professionals, especially physicians, especially primary care physicians, to provide such services.

As no financing program does—or can—insure the availability and accessibility of health services, no other program operating today, governmental or private, insures the presence of necessary health manpower in communities throughout the Nation. The National Health Service Corps, with just over 600 positions, is too small. The regional medical and the comprehensive health planning programs have different goals and no real capacity either to attract or to place health manpower where it is needed. The Federal health manpower training support programs, which effective in increasing the aggregate number of health professionals in the Nation, have had little or no success in this area. And none of the various State and local programs have been notably effective in insuring the presence of health professionals in communities where they are needed.

The United States today faces serious health manpower problems. The three most important are: First, the maldistribution of health professionals by geographic areas; second, the maldistribution of physicians by specialty; and third, the increasing reliance on graduates of foreign medical schools to provide health services in the United States.

MALDISTRIBUTION BY GEOGRAPHIC AREA

Today, the most serious limitation on the availability of health services is the inability of many citizens to pay for these services. But with the establishment of a national health insurance program guaranteeing to all Americans the ability to pay for health services, the most serious limitation on the availability and accessibility of health services will be the absence of health professionals, especially physicians, in communities across the Nation.

It has been recognized for many years that many communities and neighborhoods lack health manpower. There are two important considerations in this regard: First, the extent of the existing maldistribution of health manpower by geographic area; and second, the trend, evident over the past decade, of increased maldistribution of health manpower by geographic area.

If one analyzes the extent of the existing maldistribution of physicians—the most intensively studied of the health professions—by geographic area, two aspects of the problem become apparent: First, the maldistribution of physicians among various regions and States within the Nation; and second, the maldistribution of physicians among inner city and rural areas and suburban areas.

There is today a general maldistribution of physicians among various regions and States within the United States. The New England region, with a 1.90:1,000 physician/population ratio, and the Pacific region, with a 1.83:1,000 ratio, have much larger supplies of physicians than do the north-central region, with a 1.35:1,000 ratio and the east-south-central region, with 1.05:1,000 ratio. On a per capita basis, the New England region has 80 percent more physicians than does the east-south-central region.

Among States the variation is even more pronounced. New York, with a 2.36:1,000 ratio, has 265 percent more physicians, on a per capita basis, than does Mississippi with a 0.89:1.000 ratio.

As there is a maldistribution of physicians among various regions and States in the Nation, there is also a maldistribution of physicians among inner city and rural areas and suburban areas within the various regions and States.

Generally, inner city areas have many fewer physicians, on a per capita basis, than do suburban areas. For example, New York City poverty areas have a 0.65:1,000 ratio, while affluent areas of the city have a 2.50:1,000 ratio. This is a variation of almost 400 percent. In Chicago, the variation is from a 0.26:1,000 ratio to a 2.10:1,000 ratio, a variation of more than 800 percent.

Similarly, rural areas have many fewer physicians, on a per capita basis, than do urban areas. Nationwide the ratios are 1.73:1,000 for metropolitan areas and 0.80:1,000 for nonmetropolitan areas. In my home State, Kansas, one 7-county rural area has a 0.54:1,000 ratio, and another 13-county rural area has a 0.51:1,000 ratio. In contrast, the urban Wichita area has a 1.39:1,000 ratio, and in suburban Kansas City, Johnson County has a 1.27:1,000 ratio.

As there are clear inequities in the supply of physicians to various population groups within the country, the trend in the distribution of physicians is also clear.

In one 1959 survey, the physician/population ratio in New York was 1.87:1,000, while in Mississippi it was 0.72:1,000, a variation of 259 percent. In the same survey in 1969, the ratios were 2.21:1,000 and 0.77:1,000, and the variation had grown to 287 percent. Projections to 1990 indicate that in that year New York will have more than 400 percent more physicians than Mississippi.

The number of physicians in inner cities in the United States has actually decreased over the past two decades. One of the best studies, done in Chicago, indicates that the private office based physician/population ratio in the inner city there decreased from a 1.11:1,000 ratio in 1950 to 0.75:1,000 ratio in 1970. The private office based physician/population ratio in the suburbs simultaneously increased from 0.95:1,000 to 1.23:1,000.

The number of physicians in rural areas has also decreased over the past decade. In Kansas, between 1963 and 1970, 50 of the 105 counties lost physicians. All of the 50 counties are rural. This trend can be projected into the future, for in 1970, 20 counties—all rural—had more than 50 percent of their physicians over 60 years of age, and another 20—all rural—had more than 30 percent of their physicians over 60 years of age.

The above discusses, as an example, physician distribution. Available studies of the distribution of other health professionals, while not as extensive as those on physician distribution, indicate a similar, if less extreme, situation with respect to dentists, optometrists, podiatrists, and veterinarins.

Mr. Speaker, there is no question that there are today, on a per capita basis, fewer health professionals in the middle western and southern regions of our Nation than in the New England and Western regions. There are also many fewer health professionals, on a per capita basis, in our inner city and rural areas than in our suburban areas. And the maldistribution, both with respect to the regions of the country and to the inner city and rural areas has increased over the past decade.

MALDISTRIBUTION BY SPECIALTY

Just as physicians are today maldistributed by geographic area, they are maldistributed by specialty.

In the United States today, approximately 47 percent of the physicians are in the primary care specialties of general or family practice, internal medicine, pediatrics, or obstetrics and gynecology; 24 percent are in the surgical specialties. In contrast, in two planned or managed health service systems, the British National Health Service and the U.S. prepaid group practices, 74 and 69 percent, respectively, of the physicians are in primary care, while 8 and 20 percent, respectively, are in the surgical specialties.

A study by Schonfeld and others, at Yale University, estimates that a primary physician/population ratio of 1.33:1,000 is necessary to provide adequate primary care to the people. In the United States today, the primary physician/population ratio is 0.60:1,000. At the same time, a study by Bunker indicates that the surgeon/population ratio in the United States is more than twice the surgeon/population ratio in either the British National Health Service or the U.S. prepaid group practices. Bunker's study further indicates that the U.S. population undergoes twice as much surgery as the British population or the members of the U.S. prepaid group practices.

A study of the trends in the specialties of U.S. physicians indicates that in the future even a smaller percentage of physicians will be in primary care. For example, while 47 percent of all U.S. physicians are now in primary care, only 37 percent of physicians now in the residency phase of postgraduate training are in primary care specialties. As Weber reports:

> If physicians in each speciality were equally distributed in each age bracket and we assumed a 30-year practice life on the average, a ratio of 3.5 new trainees in the field for each 100 physicians (excluding interns and residents) would provide for a static number in that specialty. In 1970, general surgery had 12.2 new trainees for each 100 physicians in that field. That was the largest ratio for any major specialty.

One reasonable projection indicates that the United States will have 20,000 fewer family physicians and general practitioners in 1990 than in 1970. According to this study, the percentage of physicians in primary care is projected to decrease from 44.2 percent in 1970 to 39.6 percent in 1990, while the percentage of surgeons is projected to increase.

Mr. Speaker, it is clear that in the United States today we have proportionately too few primary care physicians and too many surgeons. This maldistribution is projected to worsen in the next decade.

FOREIGN MEDICAL GRADUATES

There is an increasing reliance on graduates of foreign medical schools to provide health services in the United States. At the present time, there are more than 63,000 graduates of foreign medical schools in the United States; they constitute over 20 percent of the active physicians in this country. In 1970, 10,540 foreign-trained physicians were admitted to practice in the United States. On a State basis, 38 percent of the physicians in New York are graduates of foreign medical schools. Similarly, 31 percent of New Jersey physicians, 31 percent of Delaware physicians, 29 percent of Illinois physicians, and 26 percent of Ohio physicians were trained abroad.

Of the 63,000 medical graduates in the United States, 17,000 are interns and residents. They constitute 33 percent of all intern and resident postgraduate physician trainees in the United States. On a State basis, 78 percent of the resident level trainees in New York State are foreign medical graduates. Similarly, 66 percent of the resident-level trainees in Delaware, 60 percent of those in Rhode Island, 49 percent of those in Illinois, and 47 percent of those in Ohio are foreign medical graduates. On a specialty basis, 54 percent of the pathology resident-level trainees in the United States are foreign medical graduates, while 52 percent of those in anesthesiology, 42 percent of those in pediatrics, 40 percent of those in obstetrics and gynecology, and 38 percent of those in general surgery are graduates of foreign medical programs. On a hospital basis, 311 hospitals in the United States—31 percent of all hospitals with postgraduate physician training programs—report that 76 percent or more of their resident level trainees are foreign medical graduates.

In terms of country of origin, 17,575 U.S.-licensed physicians are from Cuba, 7,352 are from the Philippines, 3,957 are from India, and 3,208 are from Italy. The magnitude of the immigration of physicians from certain countries is summarized in the following statement from Stevens 1972 study:

> Korea, where large sections of the country have no medical services available, has about 13,000 doctors to cover its entire population; today there are already 2,000 Korean medical graduates in the United States and more pour in each year. Thailand with 4,000 doctors, has produced 1,000 medical graduates now in this country. Outside Bangkok, physician services are woefully inadequate. There are more Thai graduates in New York than are serving all of Thailand's rural population of 28 million people. Iran produces 600 medical graduates a year; on an average there are at least 100 of the graduating classes from 1960 to 1969 now in the United States. Similar statements can be made for many, if not most, Third World countries.

There are a number of problems caused by the large number of foreign medical graduates in this country. The most important, of course, is that the practice of medicine requires the subtle interpretation of the psychological status of the patient for the competent performance of professional duties. The quality of care provided by large numbers of individuals who do not speak the English language well, let alone understand the subtle nuances of the American culture, must be questioned.

Beyond that, there is the problem of simple scientific/technical competence. Test scores indicate that while 80 percent of U.S. medical graduates would be expected to score higher than 80 percent on the ECFMG examination, only 12 percent of foreign medical graduates do so. Finally, there is the ethical question of the most affluent nation in the world importing, and utilizing to serve its own people, enormous numbers of physicians trained by the less affluent and developed nations of the world—nations that do not have adequate numbers of physicians serving their own people.

These, then, are the most dramatic problems. But there are other problems with which Federal health manpower legislation must deal. These include: The absolute shortage of public health, health administration, nurse clinician, and pharmacy clinician personnel; the need to improve the training provided by undergraduate schools of nursing, pharmacy, and allied health; the need to develop and support area health education systems to coordinate the provision of health education within the various areas; and the need to insure that all health professions, including those at the undergraduate level, have available to them adequate funds to insure their ability to complete their training in the health professions.

NATIONAL HEALTH SERVICES MANPOWER ACT

Mr. Speaker, the bill which I have introduced today, H.R. 1435F, the National Health Services Manpower Act of 1974, is designed to meet the problems which I have described above. It is intended as a complete program, a complete replacement for the existing titles VII and VIII of the Public Health Service Act.

NATIONAL HEALTH SERVICE CORPS SCHOLARSHIPS

Part A of the bill deals with the maldistribution of physicians and other health professionals by geographic area by establishing a program to provide, as an entitlement, a scholarship, up to $12,500, in any year for all graduate level health professions students. In return for this substantial support during training years, students would agree to serve, usually for 2 years, in the National Health Service Corps.

This program, if the option for support were chosen by 90 percent of eligible students, would make available every year, to provide service to underserved populations, more than 22,000 physicians and 8,000 dentists. It would also make available large numbers of optometrists, podiatrists, veterinarians, and other health professionals.

In addition to making available an adequate supply of health manpower for currently underserved populations, the program would have two benefits with respect to the education of health professionals. First, since the program would make funds available for students to pay sizable tuitions, up to $7,500 in any year, it would guarantee an adequate supply of funds to health professions schools. An adequate and guaranteed source of Federal funds has been a goal of these schools for some period of time. Second, by making the scholarship funds available as an entitlement, it would guarantee that all graduate level health professions students, no matter what their financial status, would be assured of adequate funds to support them while training in the health professions.

There are a number of details in the program which are necessary to make it a success. A detailed description of these is included in the section-by-section analysis of the bill which is included in the record. Three features are most important:

First. The bill provides for the Secretary to establish an "approved tuition" for each program at each health profession school each year. It then provides for each student a scholarship equal to the amount of such approved tuition, plus $5,000 for living expenses. The bill provides that the amount of approved tuition shall be the lesser of either one-half of the net educational expenditures per student in such degree program at an institution or $7,500. This provision insures that adequate funds, directly from the student and indirectly from the Federal Government, will be made available to each educational institution in each year. On the other hand, the $7,500 limitation insures that schools will not increase their costs to an unreasonable level simply because Federal support is available.

Second. The bill provides that any student who fails to complete a professional degree, because of either academic difficulty or voluntary termination of training, shall not be required to repay any of the funds provided to such student to support such training. This provision is included since the goal of the program is to provide services to underserved populations and individuals who do not complete their training would obviously be unqualified to provide such services. Further, to require students who failed or quit health professions schools to repay these rather sizable sums of money provided to them as scholarships would be inequitable. It would also discourage students from joining the program.

Third. The bill provides that any student who does finish a training program and who fails to begin service according to his or her obligation, shall pay to the Federal Government twice the amount of the sum paid to the individual as a scholarship plus the interest on such funds at the maximum legal prevailing rate since the time the scholarship funds were provided to such student. Again, the goal of the program is to provide services to underserved populations; therefore, new professionals who received support but refuse to provide such services should pay a heavy penalty.

The program which I have proposed today would make available to provide services to underserved populations thousands of physicians, dentists, and other health professionals.

NATIONAL HEALTH SERVICE CORPS

Part B of the bill is a revision of the National Health Service Corps program. This part of the bill is quite similar to H.R. 13469 previously introduced by myself and other members of the Subcommittee on Public Health and Environment, and provides for a strengthening of the administration of the National Health Service Corps program. Two provisions are particularly important:

First. The bill provides for planning and development grants, up to $25,000, for communities which have approved applications for National Health Service Corps projects. These grants will insure that physicians and other health manpower assigned to the communities by the Corps will be used efficiently and effectively.

Second. The bill provides for the National Health Service Corps projects to reimburse the Secretary from funds derived from fees from patients both for the amount of the salaries of assigned Corps personnel and for the amount of the funds provided to such assigned personnel as scholarships. The Secretary shall place the funds received as reimbursement for scholarships in a trust fund and use such funds for the provision of scholarships to students in training.

This provision insures that once the program is in operation the direct costs to the Federal Government each year will be minimal. This provision will be especially important after the passage of national health insurance when all residents of the United States will be able to pay fully for health services. In such situation, in fact, this provision will decrease the direct costs to the Federal Government of the part A scholarship program from a calculated $600 to $700 million in the first year to less than $200 million per year when it is finally fully operative, after the ninth year.

POSTGRADUATE PHYSICIAN TRAINING

Part C of the bill deals with the maldistribution of physicians by specialty by establishing a program to certify a limited number and an appropriate balance of postgraduate physician training positions.

The program would be administered by a national council and 10 regional councils. These councils would be composed of 19 members, 11 of which would be physicians, 5 of which would be nonphysician health personnel, and 3 of which would be representatives of the general public. The national council would annually set the total number of internship and residency positions to be certified in the following year. The total number in any year would not exceed 110 percent of the total number of medical and osteopathic degrees granted in the United States in that year. The national council would divide the limited number of positions to be certified among the various recognized physician specialties and subspecialties. The national council would distribute the certified positions to the various regional councils.

The regional councils would assign the positions distributed to them by the national council among the training institutions and associations of training institutions operating within the region. The regional council would not certify any position in excess of the number assigned by the national council. In certifying positions in institutions, the regional council would insure that no certified positions went to any institution which maintained any uncertified position.

The bill prohibits health insurers from reimbursing institutions for unapproved training positions.

There are a number of details in the program which are necessary to make it a success. A detailed description of these is included in the section-by-section analysis. Four features are most important:

First. The bill provides for the number of postgraduate trainee positions to be limited to 110 percent of the number of graduates of U.S. medical and osteopathic schools in any year. This limitation insures that even if all positions in certain specialties are filled and positions in others are vacant, the balance among physicians trained in the various areas will be generally appropriate. This limitation also has the effect of restricting the number of positions that will be available to graduates of foreign medical schools. Even if every position were filled, the total number of positions available for graduates of foreign schools could not be more than 10 percent of the number of graduates of U.S. schools. In 1973, there would have been 1,039 positions.

Second. The bill provides for the Secretary to pay any institution which obtains a decreased number of postgraduate physician trainees because of the operation of the program and which has a plan to replace such individuals with nonphysician manpower, at the rate of $10,000 for each such position decrease in the first year after such decrease and $5,000 for each such position decrease in the second year after such decrease. It is important to note that positions currently filled with graduates of foreign medical schools would be included in the calculation of such payments.

Third. The bill provides that the Secretary shall support, with grants of up to $100,000, the development of training positions in specialties, and geographic areas, in which the national council and a regional council determine that such additional positions are needed. It is anticipated that most of these positions would be in primary care. A large number of them would be in currently underserved regions of the Nation.

Fourth. The bill recognizes that while there is general agreement that physicians are now maldistributed among the various specialties, there is not agreement what the precise distribution should be. The bill, therefore, provides for an extensive study of the desired balance of physicians in the various specialties and subspecialties. This study would begin immediately on the enactment of the legislation, and would be finished before the national council began to certify positions in 1976 for the 1977 academic year. The bill provides for the Secretary to contract with a not-for-profit group with experience in the analysis of health service problems to perform the study.

The program which I have proposed today would then insure that the people of the United States will be served by a proper balance of physicians in the various specialties and subspecialties.

SPECIAL PROJECT GRANTS

The bill additionally deals, in part D, with a number of other problems faced by the Nation with respect to health manpower.

The bill provides that the Secretary shall make grants to schools of podiatry to meet the costs of projects to assist in developing a closer working relationship between these schools and other health professions training programs and academic institutions.

The bill also provides for grants to schools of nursing, pharmacy, public health, and health administration which agree to increase the size of, or institute new, graduate level programs for: First, clinical nursing personnel; second, clinical pharmacy personnel; and third, community and public health personnel and health administrators.

The bill provides for grants to undergraduate schools of nursing, pharmacy, and allied health to meet the costs of projects to: First, increase the supply or improve the distribution of health personnel; second, improve the curriculum of such school; third, establish a new program modification of existing programs at such schools; fourth, increase educational opportunity for disadvantaged students; and fifth, otherwise strengthen, improve, or expand programs to train such personnel.

AREA HEALTH EDUCATION SYSTEMS

The bill, in part E, deals with the current lack of coordination among various health education programs throughout the country by providing support, up to $500,000 in any year, for area health education systems.

The bill defines an area health education system as an entity which: First, evaluates the health education needs of the residents of an area and the effectiveness of the various health education programs in the area in meeting those needs; second, provides directly and coordinates the provision by other organizations and institutions of health education to the residents of the area; third, has contracts or other formal working arrangements with the various institutions and organizations in the area involved with health education; and fourth, has as members of the board of directors individuals which are associated with all the various institutions and organizations involved with health education within the area.

The bill also provides for the establishment of health education areas. It particularly provides that such areas shall follow the boundaries of one or more of the areas served by agencies established under section 314(b), the areawide health planning agencies.

LOAN GUARANTEES AND INTEREST SUBSIDIES

The bill, in part F, deals with the problem of access to undergraduate training programs in health education by establishing a program of loan guarantees and interest subsidies for students in these programs. The program established provides for the guarantee of a loan of up to $5,000 for any student in each academic year. The interest on such loan would be reduced by up to 3 percent per year by payments by the Secretary. The student upon graduation would have up to 5 years to repay the total amount of the loans made under the program.

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COSTS OF H.R. 14357

Mr. Speaker, the costs of the programs to be established by the National Health Services Manpower Act of 1974, H.R. 14357, are, when compared with present expenditures and with the benefits of the program, reasonable.

In fiscal year 1974, $1.044 billion was authorized to support the various programs which would be replaced by the programs described in H.R. 14357. In fiscal year 1974, the Federal Government actually provided approximately $723 million for these programs. In fiscal year 1973, more than $757 million were provided. The costs of H.R. 14357 would be reasonably expected to be on the order of $860 million in fiscal year 1975.

H.R. 14357 provides "such sums as may be necessary" to be authorized for each program included in the bill. In this case the authorization levels are not explicit. It is possible, however, by calculation, and by considering the previous appropriations for a variety of programs which will be extended, to project the probable costs of H.R. 14357.

The major cost under H.R. 14357 is for the scholarship program, part A. The legislation provides that each graduate level student in the various health professions shall be entitled to a scholarship for each year equal to "approved tuition" plus $5,000 for living expenses. The bill provides that the "approved tuition" shall be lesser of: first, one-half of the net educational expenditures at the institution; or second, $7,500.

Using the number of students in the various programs in the 1972–73 academic year, and using the "net educational expenditures" for the various types of schools determined by the Institute of Medicine study, the total cost, if 90 percent of the eligible students had chosen to participate, of the scholarship program for fiscal year 1973 would have been $648 million. The breakdown of this figure is included in table I. In fiscal year 1975, assuming a 10 percent increase in the total cost of the program over the 2-year period due to an increased number of eligible students and inflation of the education expenditure, the total cost of the scholarship program would be estimated to be $713 million.

One point needs to be emphasized with respect to the cost of the scholarship program. It is, that at such time as large numbers of professionals are actually providing services as members of the National Health Service Corps, the appropriations required to support the scholarship program, part A, will be dramatically decreased. This is because, under part B of the bill, sponsors of NHSC projects are required to reimburse the Secretary, from fees charged to patients, for the costs of the scholarships provided to health professionals assigned to such projects. It is estimated that, due to this provision, the appropriation necessary to support the scholarship program, would decrease to less than $200 million in the ninth year of the program, the first year in which the program would be fully operational.

In addition to the cost of the scholarship program, part A, the costs must be estimated for other programs included in the legislation, parts B through F. While these costs cannot be calculated, as may those for part A, they may be projected based on appropriations for similar programs over the past several years. If such projections are utilized, a total fiscal year 1975 appropriation of $125 to $150 million for the part B through F programs would not be unreasonable. Major portions of these funds would go to support the development of area health education systems and to support the expansion of graduate level programs for nurse clinicians, pharmacy clinicians, public health personnel and health administrators. Significant amounts might also be expected to be appropriated for programs to improve the undergraduate training programs in nursing, pharmacy and the allied health professions.

The costs of the program to assist hospitals to convert from postgraduate physician trainee manpower to other types of manpower, included in part C, would not require an expenditure until the first year of operation of the post-graduate physician trainee position allocation program, fiscal year 1978.

Mr. Speaker, while the cost of H.R. 14357 in fiscal year 1975 would undoubtedly be more than the fiscal year 1974 appropriation for the existing health manpower programs, the benefits of these programs—an adequate supply of health manpower in all of our towns, communities and neighborhoods—more than justifies the relatively small initial additional cost.

Further, the requirement for repayment by NHSC projects of scholarship costs insures that the appropriations necessary to support this program will decrease significantly once the program is fully operational.

I include the following material:

TABLE I.—ESTIMATED FISCAL YEAR 1973 COSTS OF NATIONAL HEALTH SERVICE CORPS SCHOLARSHIP PROGRAM, PART A OF H.R. 14357

	Number of students 1972–73 (1)	90 percent of number of students (2)	One-half of net educational expenditure (3)	Total payments for "approved tuition" (4)	Total payments for living expenses (5)	Total payments (6)
Medicine	47, 107	42, 396	4, 850	205, 620	211, 980	417, 600
Osteopathy	2, 565	2, 308	3, 500	8, 078	11, 540	19, 618
Dentistry	18, 456	16, 610	3, 700	61, 457	83, 050	144, 507
Optometry	3, 313	2, 982	1, 550	4, 622	14, 910	19, 532
Podiatry	1, 403	1, 263	2, 450	3, 094	6, 315	9, 409
Veterinary medicine	5, 437	4, 893	2, 775	13, 578	24, 465	38, 043
Total				296, 449	352, 260	648, 709

Note: Col. (1) Total number of students in the various degree programs in academic year 1972–73. Col. (2) 90 percent of the total number of students from col. (1). This is an estimate of the percentage of eligible students who will choose to participate in the scholarship program. Col. (3) One-half of the average net educational expenditure (in dollars) in the various degree programs in the academic year 1972–73, as determined by the Institute of Medicine. Used here as an estimate of the "approved tuition" to be paid under the scholarship program. Col. (4) An estimate of the total payments (in thousands of dollars) for "approved tuition" that would have to be made under the scholarship program in fiscal year 1973. These sums would substitute for existing title VII and tuition payments to the degree programs. Col. (5) An estimate of the total payments (in thousands of dollars) for living expenses, at $5,000 per student, that would have been made under the scholarship program in fiscal year 1973. The sums would substitute for the existing title VII scholarship and loan programs. Col. (6) An estimate of the total payments (in thousands of dollars) to be made to students under the program.

SECTION-BY-SECTION ANALYSIS OF H.R. 14357, THE NATIONAL HEALTH SERVICES MANPOWER ACT OF 1974

SEC. 1. States the short title of H.R. 14357, which is the "National Health Services Manpower Act of 1974."

Sec. 2. Amends title VII of the Public Health Service Act by deleting it and inserting in its place a new title VII called, "Title VII—National Health Services Manpower" and Parts A through E of new title VII.

Part A—National Health Service Corps Scholarships

Sec. 2—new sec. 701(a). Establishes a National Health Service Corps Scholarship Training Program in order to recruit physicians for the National Health Service Corps. (Note: The Public Health and National Health Service Corps Scholarship Training Program was originally created under the 1972 amendments to the Emergency Health Personnel Act. New Part A of H.R. — would substantially amend that already existing program and transfer it from section 225 of the Public Health Service Act to new title VII.)

New sec. 701(b). Sets forth eligibility requirements for individuals who wish to participate in the Scholarship Program. In order to participate such individuals must:

(1) be accepted for enrollment or enrolled as full-time students in accredited educational institutions which are located in the U.S., its territories or possessions) which are in full compliance with title VI of the Civil Rights Act (prohibiting discrimination on the basis of race, color, or national origin), and whose tuition charges do not exceed the amounts established under new sec. 701 (c)(2).

(2) pursue an approved course of study leading to a doctorate degree in medicine, osteopathy, dentistry, optometry, podiatry, or veterinary medicine, or a master's degree in clinical nursing, clinical pharmacy, community or public health, or health administration. While pursuing such study individuals are required to maintain acceptable grade levels.

(3) be eligible for, or hold an appointment as a commissioned officer in the Regular or Reserve Corps of the Public Health Service or be selected for civilian service in the National Health Service Corps; and

(4) agree in writing to serve in the Commissioned Corps or as a civilian in the National Health Service Corps in accordance with the conditions set forth under new sec. 702 regarding obligations on the part of individuals serving in the National Health Service Corps.

New sec. 701(c)(1). Entitles eligible individuals to receive an annual scholarship payment directly from the Secretary of HEW for a maximum of four approved academic years of professional training. Limits the annual amount of a scholarship payment to the participant's tuition costs (as approved by the Secretary) plus $5,000 to cover living expenses and other necessary educational expenses not covered by tuition costs. Requires the Secretary to make annual adjustments to the $5,000 payment in proportion to any inflation in living costs.

New sec. 701(c)(2). Requires the Secretary to determine the amount of tuition costs payable to participants. Provides that such amount cannot exceed (i) one-half of the institution's net educational expenditures for each student enrolled in the participant's program, or (ii) $7,500, whichever is less.

Sets a bottom limit on the amount of tuition costs which the Secretary can approve for each institution. Provides that such amounts cannot be less than:

(A) the greater of (1) the amount paid to the institution in 1973–74, under the Health Professions Capitation Grant Program and the program of Formula Grants to Schools of Public Health for each student enrolled in the participant's program, or

(2) 20% of the institution's net educational expenditures for each student enrolled in the participant's program in 1972–73; plus

(B) the average tuition paid by each student in the participant's program in 1973–74.

When determining net educational expenditures the Secretary is required to use the essential elements of the methodology developed by the National Academy of Sciences-Institution of Medicine for determining such expenditures.

New sec. 701(c)(3). Permits the Secretary to pay an accredited educational institution the tuition and other payments authorized under new sec. 701, instead of paying the scholarship recipient directly.

New sec. 701(c)(4). Requires payments authorized under this section to be paid from the National Health Services Corps Trust Fund established under new sec. 704A.

New sec. 702(a)(1). Sets forth tie obligations which must be met by individuals receiving National Health Service Corps Scholarships. Recipients must serve on active duty as commissioned officers in the Public Health Service (PHS) or as civilians in the National Health Service Corps (NHSC) when the training for which the scholarship was received is completed. Requires scholarship recipients to serve six months of active duty service for each year of scholarship support. Recipient must serve at least twelve months. During NHSC service, recipients must provide health services to medically underserved populations (as designated under new sec. 712) or serve in other areas or institutions which the Secretary has designated as having a priority need for health personnel.

New sec. 702(a)(2). Permits physicians and dentists who are doing internships and residencies in family practice to defer beginning the NHSC obligation until such training is completed. All others must begin their obligation upon completion of their academic training.

New sec. 702(a)(3). Permits the Secretary to require scholarship recipients to spend an eight-week period during each sponsored year in a medically underserved area (as designated under new sec. 712) in order to introduce the recipient to the type of practice he or she will engage in during the obligation period.

New sec. 702(b)(1). Entitles the U.S. to recover funds from NHSC scholarship recipients if such persons fail to serve in the NHSC. Establishes a formula for determining such amounts. Requires repayment of amount owed within two years after it becomes due.

New sec. 702(b)(2). Requires the Secretary to promulgate regulations to establish a mechanism for waiving or suspending compliance with NHSC obligations if compliance is impossible or would cause extreme hardship.

New sec. 702(b)(3). Provides that scholarship recipients who are academically dismissed or who voluntarily terminate their studies are not bound to repayment requirements. However, if such persons complete their studies at a later date they would be bound by the payback clause.

New sec. 703(a). Prohibits counting NHSC scholarship recipients as employees of DHEW when determining DHEW employment ceilings.

New sec. 703(b). Requires the Secretary to issue regulations implementing the National Health Service Corps Scholarship Program.

New sec. 704. Establishes a National Health Service Corps Trust Fund in the Treasury. Authorizes to be appropriated to the fund for fiscal years 1975, 1976, and 1977, an amount equal to the total amount of funds received by the Secretary for services rendered by the NHSC (as determined under new sec. 716(a)(3)).

Also authorizes to be appropriated for fiscal years 1975, 1976 and 1977, such sums as may be necessary to carry out the National Health Service Corps Scholarship Program.

Part B—National Health Service Corps

New sec. 711. Establishes the National Health Service Corps within the Public Health Service. Provides that the membership of the NHSC will consist of (i) regular and reserve offices in the PHS Corps, and (ii) civilian personnel as designated by the Secretary. (Note: The National Health Service Corps was first established in 1970 by the Emergency Health Personnel Act. The Act was amended and reauthorized in 1972. New Part B of H.R. —— substantially amends the already existing program and transfers it from sec. 329 of the Public Health Service Act to new ttile VII.)

Requires the Secretary to use the NHSC to improve the delivery of health services to medically underserved populations.

New sec. 712(a). Requires the Secretary to designate all medically underserved populations in the U.S. Defines the term, "medically underserved population," to mean: "a population of an urban or rural area (which does not have to conform to the geographical boundaries of a political subdivision and which should be a rational area for the delivery of health services) which the Secretary determines has a critical health manpower shortage or a population group determined by the Secretary to have such a shortage."

Requires the Secretary, when designating medically underserved populations, to consider the recommendations of the "a" or "b" health planning agencies that cover the area in which the underscrved population resides.

New sec. 712(b). Permits anyone to apply to have a population designated as medically underserved. Requires the Secretary to consider the following before designating a population as medically underserved:

(1) ratios of available health manpower to the population for which the application is made;

(2) indicators of the population's access to health services;

(3) indicators of the health status of the population; and

(4) indicators of such population's need and demand for health services.

New sec. 713(a). Establishes the conditions which the Secretary must follow when assigning NHSC personnel to a medically underserved area. Authorizes the Secretary to assign NHSC personnel to such areas only if:

(1) the State health agency, the local public health agency, or any other public or nonprofit private health agency or institution serving the population applies for assignment; and

(2) the local government responsible for the population certifies that such assistance is needed.

New sec. 713(b)(1). Prohibits the approval of applications requesting assignment of NHSC personnel unless the applicant:

(A) meets the conditions for application approved under new sec 716(a), and

(B) has given its "a" or "b" health planning agency the opportunity to review and comment to the Secretary on the information contained in its application.

Directs the Secretary to consider the population's need for health services and the willingness of the community to cooperate with the NHSC, when determining application approval.

New Sec. 713(b)(2). Sets a maximum time period for assignment of NHSC personnel to a medically underserved population. Terms this period an "approved assistance period" and defines it to mean: a period "which may not exceed four years from the date of the first assignment of NHSC personnel after the date of the approval of the application."

Prohibits the Secretary from assigning NHSC personnel to a medically underserved population after the approved assistance period has expired. Permits extension of assigned period only if:

(A) a new application is submitted meeting all conditions and requirements;

(B) the Secretary has evaluated (i) the community's continued need for NHSC personnel, (ii) the growth of NHSC practice in the community; and (iii) community support for the NHSC; and

(3) the Secretary has determined that the community has (i) made a concerted effort to recruit its own health manpower; (2) managed the Corps on a fiscally sound basis; and (iii) utilized the Corps appropriately and efficiently.

New sec. 713(c). Directs the Secretary to assign NHSC personnel to a medically underserved population only on the basis of the community's need for health services and without regard to its ability to pay for services.

New sec. 713(d). Directs the Secretary to try to assign NSHC personnel to communities in which they are most likely to remain after their assignment period has expired.

New sec. 714(a). Requires NHSC personnel to provide health services (i) in a form which is most appropriate for the community being served, and (ii) to the entire population of the community, regardless of any individual's ability to pay for care. Directs the Corps (if possible) to use any Federally assisted direct health service program or any other health service activity which would help the Corps deliver care to medically underserved populations.

New sec. 714(b). Authorizes the Secretary to make arrangements for the NHSC to:

(1) use any health facility located in the assigned area;

(2) use the equipment and supplies of the PHS;

(3) lease or acquire other equipment and supplies; and

(4) recruit and hire nurses and additional allied health professions personnel on a temporary basis.

New sec. 716(c) Requires the Secretary to make arrangements for the NHSC to use a PHS hospital or outpatient clinic if a PHS facility is located in the assigned area, and the arrangements can be made without jeopardizing the delivery of health services statutory PHS benficiaries. If no PHS facility is located in or serving the assigned area, then the Secretary is authorized to make such arrangements with the nearest PHS facility, or with any other health facility.

New sec. 715. Authorizes the Secretary to make one grant to each entity with an approved application under sec. 713. This start-up grant must be used to establish medical practice management systems for NHSC personnel, acquire equipment, and establish continuing education programs. Entities must apply to the Secretary for this grant, and its amount is limited to a maximum of $25,000.

New sec. 716(a). Sets forth the conditions of approval for applications requesting assignment of NHSC personnel to medically underserved populations. Requires each entity submitting an application to make a binding arrangement with the Secretary under which the entity agrees to:

(1) charge for health services rendered by NHSC personnel;

(2) collect charges for health services rendered (if reasonably possible). In this respect the applicant is responsible for collecting payments from any third party payor (including public agencies) that would ordinarily be responsible for paying for the costs of such services if the services were provided by other than NHSC personnel;

(3) pay to the U.S. the lesser of:

(a) 75 percent of all charges for services collected by the entity; or

(b) the pay and allowances of the NHSC personnel, plus an amount to cover the scholarship payments made to such personnel under sec. 701 (prorated to cover the length of each individual's assignment period).

New sec. 716(b). Requires the NHSC to charge people for services rendered. Charges can be made on a fee-for-service or any other basis and must be set at a rate which reflects the value of the services rendered. Rates are to be set by the Secretary pursuant to regulations. Individuals who cannot pay for services will receive them free of charge (as determined in accordance with the Secretary's regulations).

New sec. 717. Requires the Secretary, under his prescribed regulations, to adjust the monthly pay of NHSC physicians and dentists who are serving medically underserved populations in order to make their salaries competitive with physicians and dentists in established practices with equivalent training. The monthly increase is limited to a maximum $1,000, and can be made only for the first three years of an individual's assigned period. Thereafter, salaries must remain constant.

NHSC personnel who participate in the NHSC Scholarship Training Program become eligible for this increment upon completion of their service obligation.

New sec. 718. Requires the Secretary to (i) conduct recruiting programs for the NHSC at health professions schools and training centers, (ii) assist people who request assignment of NHSC personnel, and (iii) conduct public information programs in medically underserved areas about the NHSC.

New sec. 719(a). Requires the Secretary to conduct or contract for studies of methods of assigning NHSC personnel in order to identify (i) the characteristics of health manpower who are likely to remain in practice in medically underserved areas, (ii) the characteristics of areas which have been able to retain health manpower, (iii) the appropriate conditions for the assignment of independent nurse practitioners and physicians' assistants in medically underserved populations, and (iv) the effect that primary care residency training in such areas has on the health care provided in the area and on the decisions of physicians who have received such training to practice in medically underserved areas.

New sec. 719(b). Authorizes the Secretary to sell to communities to which NHSC personnel have been assigned, at fair market value, any equipment owned by him which has been used by NHSC personnel in providing health services.

New sec. 719(c). Prohibits including any NHSC personnel who are serving medically underserved populations in any employee counts in order to determine employment ceilings for DHEW.

New sec. 720(a). Requires the Secretary to make an annual report to Congress (by May 15 of each year) on:

(1) medically underserved populations designated in the previous year and those which will be designated in the current year;

(2) applications filed in the previous year requesting assignment of NHSC personnel and action taken on such applications;

(3) NHSC personnel assigned to medically underserved populations in the previous year and the number of such individuals who applied to the NHSC;

(5) total patients seen and patients visits recorded in the previous year;

(6) NHSC personnel electing to remain in medically underserved area after completion of service, and the number electing to leave;

(7) results of evaluations required under sec. 713(b)(2)(B)(ii) and (iii) for the previous year; and

(8) amounts charged, collected, and paid to the Secretary in the previous year for services rendered by NHSC personnel.

New sec. 720(b). Requires the Secretary to report to Congress by September 1, 1974, on the criteria used in designating medically underserved populations and the publication of a list of such populations by January 1, 1975.

New sec. 721. Renames the existing national advisory council as the National Advisory Council on the National Health Service Corps. The counsel is to be composed of fifteen members including membership from communities served and NHSC personnel assigned to such communities. Gives the Council the authority to review and approve NHSC program regulations.

New sec. 722. Authorizes such sums as may be necessary to carry out the purposes of the NHSC as authorized under part B of new title VII. Authorizes the Secretary to seek appropriations for the NHSC one year in advance but prohibits him from using such funds prior to the year for which they are appropriated.

Part C—Post-Graduate Physician Training

New sec. 731. Establishes within the PHS the National Council on Post-graduate Physician Training and requires its membership to consist of (i) eleven members in the profession of medicine and osteopathy, (ii) five members who are nonphysician health professionals, and (iii) three members from the general public.

New sec. 732(a). Defines the purpose of the National Council. Requires the National Council, before July 1, 1976, to study the system of post-graduate training for physicians in the United States. Specifically requires the National Council to:

(1) commission and supervise an investigation of physician specialty distribution in the United States and its possessions;

(2) develop collaborative working relationships with each physician specialty organization to determine and assist their individual activities with respect to the number and location of practitioners within each specialty;

(3) assess the need for financial support for the postgraduate training of physicians, especially in primary care specialties;

(4) assess the service needs of hospitals and other health institutions, the role of postgraduate physician trainees in meeting such needs, and alternative means of meeting such needs;

(5) assess the educational component of postgraduate training programs for physicians;

(6) assess the impact of FMG's on the present and future health care in the U. S. and foreign nations.

New sec. 733(a). Establishes in each of the Council, after July 1, 1976, to administer the program relating to the postgraduate training of physicians, authorized under new sec. 735.

New sec. 733(a). Establishes in each of the ten DHEW regions in the U.S., a Regional Council on Postgraduate Physician Training and defines the membership of each regional council to include (i) eleven members in the profession of medicine and osteopathy, (ii) five members who are non-physician health professionals, and (iii) three members from the general public.

New sec. 734(a). Defines the purpose of the regional council. Requires each regional council, before July 1, 1976, to conduct studies and other activities relating to the postgraduate training of physicians within its specific region. Regional councils are specifically required to:

(1) survey the institutions providing postgraduate training of physicians within the region and the types of training which is and might be provided by such institutions;

(2) assess the service needs of hospitals and other health institutions within the region, including an assessment of the role that postgraduate physician trainees play in meeting such needs and alternative means of meeting such needs;

(3) assess the educational component of the postgraduate training programs for physicians conducted within the region;

(4) assess the status of the financial support of the postgraduate training of physicians within the region, especially of primary care training programs;

(5) develop collaborative working relationships with regional medical programs, comprehensive health planning programs, State departments of health, and area health education system programs operating within the region.

New sec. 734(b). Requires each regional council, after July 1, 1976, to administer the program authorized under new sec. 736 regarding the certification of postgraduate training positions for physicians within its region.

New sec. 735(a). Requires the national council (beginning on July 1, 1976, and annually every July 1, thereafter) to conduct certification program which will:

(1) Establish the total number of postgraduate physician training positions to be certified for the year beginning the following July 1. Prohibits the number of positions certified from exceeding 110 percent of the total number of M.D. and D.O. degrees expected to be granted during the intervening year;

(2) assign the total number of certified positions to the various categories of specialty and subspecialty medical practice recognized within the United States.

(3) assign from the certified positions in each medical and surgical specialty and subspecialty certified positions to each of the ten regional councils.

New sec. 735(b). Requires the national council (beginning on October 1, 1976, and annually every October 1, thereafter) to directly certify each postgraduate training position in entities which train physicians in medical and surgical specialties and subspecialties and for which there is a severely limited national need. Requires that the number of such positions certified each year cannot exceed 10 percent of all postgraduate training positions certified in that year. Requires the national council (beginning on August 1, 1976 and annually every August 1, thereafter) to notify each regional council of such positions directly certified in its region. Prohibits the national council from directly certifying such positions if the regional council disapproves the certification.

New sec. 736(a). Requires each regional council (by October 1, 1976 and annually every October 1, thereafter) to certify all postgraduate training positions in a medical or surgical specialty within its region. Sets forth conditions for certification. Prohibits the regional council from certifying:

(1) any positions which exceed the number assigned by the national council;

(2) positions in entities have less than 150 certified positions;

(3) positions in any entity which maintains uncertified positions; or

(4) positions which are not a part of, at a minimum, an integrated three-year postgraduate physician training program.

New sec. 736(b). Sets up guidelines for regional councils to follow when certifying postgraduate training positions. Each regional council must:

(1) try to insure equitable distribution of positions within the region;

(2) insure that the educational component of each training program meets acceptable standards; and

(3) give special consideration to certifying positions associated with, as an integrated part, an area health education system, as defined under new sec. 751.

New sec. 737. Directs the national council and each regional council to coordinate with the Liaison Committee on Graduate Medical Education when meeting the requirements of secs. 732(a)(5), 734(a)(3), and 736(b)(2) concerning the educational component of postgraduate physician training.

New sec. 738(a) requires the Secretary to make grants or enter into contracts with entities or associations of such entities that provide postgraduate training for physicians and which are certified as likely to increase the number of those positions before July 1, 1977. Requires the assistance to be used to develop new or expand existing postgraduate training programs.

New sec. 738(b). Requires the Secretary when awarding assistance to give priority to (i) programs which train primary care physicians, especially family practitioners, and (ii) programs which train primary care physicians and are located in physician shortage areas.

New sec. 738(c). Limits the amount of such assistance to $100,000 per program in any fiscal year. Limits the term of the award to two years.

New sec. 738(d). Authorizes to be appropriated for fiscal year 1975, 1976, and 1977, such sums as may be necessary to make grants and contracts under new sec. 738.

New sec. 739. Requires the Secretary to make grants to entities which will:

(1) directly provide postgraduate training for physicians on July 1, 1977;

(2) have fewer postgraduate trainees as a result of the certification process established under new secs. 735 and 736; and

(3) will use the award to provide those services, formerly provided by postgraduate trainees, through other health professionals, especially nurse clinicians.

Requires the Secretary to pay $10,000 for each position decrease in the first year after the decrease has occurred, and $5,000 in the second year. Authorizes to be appropriated for fiscal years 1978, 1979, and 1980, such sums as may be necessary to carry out the provisions of new sec. 739.

New sec. 740. Requires the Secretary to contract for a study to:

(1) analyze the current distribution of physicians by geographic area and by specialty and subspecialty;

(2) project the expected distribution of physicians by specialty and subspecialty by geographic area in the years 1980, 1985, and 1990;

(3) examine and critically evaluate the various methodologies for estimating the optimal distribution of physicians by specialty and subspecialty and by geographic area.

(4) develop a reliable and appropriate methodology to establish the optimal distribution of physicians by specialty and subspecialty and by geographic area and use such methodology to make projections on the optimal number of physicians, and their geographic and specialty and subspecialty distribution for the years 1980, 1985, and 1990.

Requires the Secretary to contract for this study within 90 days after the appointment of the national council. Requires the national council to approve the entity conducting the study.

New sec. 740(b). Establishes guidelines for the national council to follow when approving the organization to conduct the study.

New sec. 740(c). Requires an interim report on the study by January 31, 1975 and a final report by January 31, 1976. Reports must be submitted to the House Interstate and Foreign Commerce Committee and the Senate Labor and Public Welfare Committee.

New sec. 740A. Prohibits any health insurer that:

(1) deals in interstate commerce, and

(2) grosses at least $1 million annually to reimburse or otherwise pay for these expenses associated with (i) non-certified postgraduate training programs for physicians, and (ii) programs which have been certified under new sec. 735(c). Requires the Secretary to assess a civil penalty of not more than $5,000 to health insurers not abiding by this requirement and permits the Secretary to take civil action against the insurer to collect it.

Supersedes State laws which would require a health insurer to make any payment which is prohibited under this section.

Part D—Special Project Grants

New sec. 741(a). Authorizes the Secretary to make grants to public or nonprofit private schools of podiatry and other entities for projects to:

(1) merge podiatric training programs with physician and other health professional training programs and academic institutions, or (2) make other cooperative arrangements among podiatric training programs and other health professional training programs and academic institutions.

New sec. 741(b). Authorizes to be appropriated such sums as may be necessary for fiscal years 1975, 1976, and 1977 to carry out the purposes of a new sec. 741.

New sec. 742(a). Authorizes the Secretary to make grants and enter into contracts with public or private non-profit private schools of nursing, pharmacy, public health, health administration and other public or non-profit private entities for projects to develop and expand graduate training programs for:

(1) clinical nursing personnel;

(2) clinical pharmacy personnel; and

(3) community and public health personnel and health administrators.

New sec. 742(b). Authorizes to be appropriated such sums as may be necessary for fiscal years 1975, 1976, and 1977 to carry out the purposes of new sec. 742.

New sec. 743(a). Authorizes the Secretary to make grants to public and non-profit private undergraduate schools of nursing, pharmacy and allied health and other public or non-profit private entities for projects to:

(1) increase the supply and improve the distribution of adequately trained health personnel;

(2) effect significant improvements in the curriculum of such schools;

(3) plan, develop or establish new programs or modifications of existing programs of health personnel education;

(4) increase educational opportunities for disadvantaged students; and

(5) otherwise strengthen, improve or expand programs to train health personnel.

New sec. 743(b). Requires the Secretary to give priority to entities whose application for grants has been approved by an area health education system (as defined under new sec. 751) serving the area in which the applicant is located.

New sec. 743(c). Authorizes to be appropriated such sums as may be necessary in the years 1975, 1976, and 1977 to carry out the purposes of new sec. 743.

Part E—Area Health Education Systems

New sec. 751(a). Defines the term "area health education system" to mean a public or nonprofit private entity that:

(1) continuously evaluates health education programs in its area and the effect and impact of such programs on residents of the area;

(2) provides and coordinates health education services in its area, including (1) nurse and allied health personnel training, (ii) post-graduate training of physicians in, at the minimum, primary medical specialties, (iii) continuing education programs, (iv) health professions career counceling, and (v) personal health maintenance services;

(3) has formal working arrangement with (i) a university health education center, (ii) State and community colleges and private universities and colleges which provide health professions, nursing, and allied health professions, (iii) hospitals and other health delivery entities providing health services or health education training programs, (iv) State and community public health agencies providing community health education, (v) voluntary health agencies and organizations providing health education within the area, (vi) State and local health planning agencies, and (vii) PSRO's;

(4) has a governing board whose members reside in the area and are associated with institutions and organizations from the educational field; (ii) institutions that provide health services, (iii) State and local health planning agencies, (iv) county and local governments, and (v) consumers of health services who are broadly representative of the area's population groups.

New sec. 751(b). Defines the term "health education area" to mean a geographic area designated by the Secretary. Requires such area to (i) be a rational area for planning and coordinating health education, (ii) include (if possible) at least one university health science center, and (iii) follow the boundaries of one or more sec. 314(b) areawide health planning areas.

New sec. 752(a) Authorizes the Secretary to make grants to public or nonprofit private entities for projects to plan, develop, and operate area health education systems. Limits the amount of a grant under this section to $500,000 per fiscal year.

New sec. 752(b) Prohibits the Secretary from making grants under this section unless the applicant has been approved by the sec. 314(b) areawide health planning agency and regional medical program operating in its area.

New sec. 752(c). Authorizes to be appropriated for fiscal years 1975, 1976, and 1977, such sums as may be necessary to carry out the purposes of new sec. 751.

PART F—LOAN GUARANTEES AND INTEREST SUBSIDIES

New sec. 761. Establishes a Federally guaranteed student loan program for students of nursing, pharmacy, and the allied health professions (as defined by regulations). Authorizes the Secretary, between July 1, 1974, and June 30, 1977, to guarantee loans made by non-Federal lenders to such students and to pay on their behalf a 3 percent interest subsidy on such loans. Limits the amount of a loan guarantee to $5,000 per student per academic year. Loans guaranteed under this program must be used for living expenses and necessary education costs during the period for which the loan is made.

Establishes a Health Manpower Loan Guarantee Fund in the Treasury to enable the Secretary to meet his responsibilities under this section. Authorizes to be appropriated, from time to time, amounts required for the operation of the fund.

TITLE II—MISCELLANEOUS

SEC. 3. Repeals the Public Health and National Health Service Corps Scholarship

Training Program under sec. 225 of the PHSA, Traineeships for Professional Public Health Personnel under sec. 306 of the PHSA, Project Grants for Graduate Training in Public Health under sec. 309 of the PHSA, the National Health Service Corps under sec. 329 of the PHSA, programs for Health Research and Teaching Facilities and Training of Professional Health Personnel under title VII of the PHSA, and programs for Nurse Training under title VIII of the PHSA.

H.R. 14357

A bill to amend the Public Health Service Act, to revise the programs of student assistance, to revise the National Health Service Corps program, to establish a system for the regulation of postgraduate training programs for physicians, to provide assistance for the development and expansion of training programs for nurse clinicians, pharmacist clinicians, community and public health personnel, and health administrators, to provide assistance for projects to improve the training provided by undergraduate schools of nursing, pharmacy, and allied health and to provide assistance for the development and operation of area health education systems, to establish a loan guarantee and interest subsidy program for undergraduate students of nursing, pharmacy, and the allied health professions, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the "National Health Services Manpower Act of 1974".

SEC. 2. Title VII of the Public Health Service Act is amended to read as follows:

"TITLE VII—NATIONAL HEALTH SERVICES MANPOWER

"PART A—NATIONAL HEALTH SERVICES CORPS SCHOLARSHIPS

"SEC. 701.(a) There is established the National Health Service Corps Scholarship Program (hereinafter in this section referred to as the 'program') for the purpose of obtaining physicians for the National Health Service Corps established within the Service by part B.

"(b) To be eligible for participation in the program, an individual must—

"(1) be accepted for enrollment, or be enrolled, as a full-time student in an educational institution in the United States, or its territories or possessions which: (A) is accredited (as determined by the Secretary); and (B) is in full compliance (as determined by the Secretary) with title VI of the Civil Rights Act of 1964; (C) does not charge any student in a degree program any tuition in excess of the amount established for such degree program under subsection (c)(2).

"(2) pursue an approved course of study, and maintain an acceptable level of academic standing, leading to a doctorate level degree in medicine, osteopathy, dentistry, optometry, podiatry, or veterinary medicine, or a master level degree in clinical nursing, clinical pharmacy, community or public health, or health administration.

"(3) be eligible for, or hold, an appointment as a commissioned officer in the Regular or Reserve Corps of the Service or be selected for civilian service in the National Health Service Corps; and

"(4) agree in writing to serve, as prescribed by section 702, in the Commissioned Corps of the Service or as a civilian member of the National Health Service Corps.

"(c)(1) Except as provided in paragraph (3), each eligible individual shall be entitled to the payment by the Secretary of a scholarship for each approved academic year of training (not to exceed four years). The annual amount of such a scholarship shall be equal to—

"(A) the tuition cost (approved under paragraph (2)) for the degree program of the institution in which the participant is enrolled, plus

"(B) $5,000 to cover living expenses, books, equipment, and other necessary educational expenses which are not otherwise paid as a part of the tuition payment. If the average of the Consumer Price Index (published by the Bureau of Labor Statistics) for the months in any fiscal year exceeds the average of such Index in the months of the preceding fiscal year, the Secretary shall increase the payments made under clause (B) for the fiscal year following such increase in proportion to the amount of such increase.

"(2)(A) The tuition amount approved by the Secretary for any institution shall not be more than the lesser of—

"(i) one-half of the net educational expenditures per student in such degree program at that institution as determined by regulations of the Secretary; or

"(ii) $7,500.

"(B) In no case shall the tuition amount approved be less than an amount equal to the sum of: (i) the greater of: (I) the amount paid to such institution for each student in such degree program under either section 770 or 309(c) in academic year 1973–1974; or (II) 20% of the net educational expenditure for each student in such degree program at such institution (as determined by the Secretary in academic year 1972–73; and (ii) the average amount paid as tuition by each student in such degree program in academic year 1973–1974. In determining such net educational expenditures, the Secretary shall utilize the essential elements of the methodology for determining such expenditures developed by the Institute of Medicine of the National Academy of Sciences in carrying out the study required by section 205 of the Comprehensive Health Manpower Training Act of 1971.

"(3) The Secretary may contract with an accredited educational institution for the direct payment to the institution of the tuition and other educational expenses, otherwise covered under this section, for students participating in the program. Amounts paid under contracts shall be in lieu of scholarship payments under paragraph (1)(A) to the students for whom benefit the contracts were entered into.

"(4) Payments under this subsection shall be made from the National Health Service Corps Trust Fund established under section 704.

"SEC. 702. (a)(1) An individual participating in the program shall be obligated to serve on active duty as a commissioned officer in the Service or as a civilian member of the National Health Service Corps following completion of academic training. Such period of active duty shall be six months of service on active duty for each year of training received under the program with a minimum service time of twelve consecutive months. The period of service required under this subsection shall be spent providing health services—

"(A) to a population designated under section 712 as a medically underserved population, or

"(B) if health manpower is not needed by such populations, in other areas or institutions (including Public Health Service and Veterans Administration hospitals and clinics. Indian Health Service hospitals and clincis, Federal and State prisons, State mental hospitals and neighborhood and family health centers,) designated by the Secretary as having a priority need for health personnel.

"(2) The beginning of a period of service for medical doctors or osteopaths shall be deferred for the period of time required to complete an internship and residency training in family practice, internal medicine, pediatrics, obstetrics and gynecology, general surgery, or psychiatry. Periods of internship or residency shall not satisfy any active duty service obligation under this section. For persons receiving degrees in other health professions the obligated service period shall commence upon completion of their academic training.

"(3) Any person participating in the program may be required to spend a period of eight weeks during each sponsored year in an area designated by the Secretary under section 712 for educational purposes and for introduction to the type of practice to be engaged in during the period of obligation. Travel costs to and from such area shall be provided by the Secretary.

"(b)(1) Except as provided in paragraph (2) or (3), if, for any reason, a person fails to either begin his service obligation under this section in accordance with subsection (a) or to complete such service obligation, the United States shall be entitled to recover from such individual an amount determined in accordance with the formula

$$A=2\phi\left(\frac{t-s}{t}\right)$$

in which "A" is the amount the United States is entitled to recover; ø is the sum of the amount paid under section 701 to or on behalf of such person and the interest on such amount which would be payable if at the time it was paid it was a loan bearing interest at the maximum legal prevailing rate; "t" is the total number of months in such person's service obligation; and "s" is the number of months of such obligation served by him in accordance with subsection (a). Any amount which the United States is entitled to recover under this paragraph shall, within the two-year period beginning on the date the United States becomes entitled to recover such amount, be paid to the United States.

"(2) The Secretary shall by regulation provide for the waiver or suspension of any obligation under this section applicable to any individual whenever compliance by such individual is impossible or would involve extreme hardship to such individual and if enforcement of such obligation with respect to any individual would be against equity and good conscience.

"(3) When a person undergoing training in the program is academically dismissed or voluntarily terminates academic training, he shall not be liable for repayment to the U.S. Government of amounts paid under this section on his behalf unless he, at some subsequent date, completes a doctorate level degree in medicine, osteopathy, dentistry, optometry, podiatry, or veterinary medicine, or a master level degree in clinical nursing, clinical pharmacy, or public health or health administration.

"SEC. 703. (a) Notwithstanding any other provision of law, persons undergoing academic training under the program shall not be counted against any employment ceiling affecting the Department of Health, Education, and Welfare.

"(b) The Secretary shall issue regulations governing the implementation of this part within six months of the enactment of this Act.

"SEC. 704. (a)(1) There is established in the Treasury of the United States a trust fund to be known as the National Health Service Corps Trust Fund consisting of such amounts as may be appropriated to the trust fund as provided in this subsection.

"(2) For each of the fiscal years ending June 30, 1975, June 30, 1976, and June 30, 1977, there are authorized to be appropriated to the trust fund an amount equal to the total amount received in each such fiscal year by the Secretary under the provisions of section 716(a)(3)(B)(ii) for services rendered by members of the National Health Service Corps. The amounts appropriated by this paragraph shall be transferred at least quarterly from the general fund of the Treasury to the trust fund on the basis of estimates made by the Secretary of the amounts to be received for the provision of such services. Proper adjustments shall be made in the amounts subsequently transferred to the extent prior estimates were in excess of or less than the amounts required to be transferred.

"(3) For each of the fiscal years ending June 30, 1975, June 30, 1976, and June 30, 1977, there are authorized to be appropriated to the trust fund such sums as may be necessary for the operation of the program.

"PART B—NATIONAL HEALTH SERVICE CORPS

"SEC. 711. There is established, within the Service, the National Health Service Corps (hereinafter in this section referred to as the 'Corps') which shall consist of those officers of the Regular and Reserve Corps of the Service and such other personnel as the Secretary may designate and which shall be utilized by the Secretary under this section to improve the delivery of health services to medically underserved populations.

"SEC. 712. (a) The Secretary shall designate the medically underserved populations in the States. For purposes of this section, a medically underserved population is the population of an urban or rural area (which does not have to conform to the geographical boundaries of a political subdivision and which should be a rational area for the delivery of health services) which the Secretary determines has a critical health manpower shortage or a population group determined by the Secretary to have such a shortage; and the term 'State' includes Guam, American Samoa, and the Trust Territory of the Pacific Islands. In designating medically underserved populations, the Secretary shall take into account (1) the recommendations of the entities responsible for the development of the plans referred to in section 314 (b) which cover all or any part of the areas in which populations under consideration for designation reside, and (2) in the case of any such area for which no such entity is responsible for developing such a plan, the recommendations of the agency of the State (or States) in which such area is located which administers or supervises the administration of a State plan approved under section 314(a).

"(b) Any person may apply to the Secretary (in such manner as he may prescribe) for the designation of a population as a medically underserved population. In considering an application under this paragraph, the Secretary shall take into account the following in addition to criteria utilized by him in making a designation under subsection (a):

"(1) Ratios of available health manpower to the population for which the application is made.

"(2) Indicators of the population's access to health services.

"(3) Indicators of health status of the population.

"(4) Indicators of such population's need and demand for health services.

"SEC. 713. (a) The Secretary may assign personnel of the Corps to provide, under regulations prescribed by the Secretary, health services for a medically underserved population if—

"(1) the State health agency of each State in which such population is located or the local public health agency or any other public or nonprofit private health entity serving such population makes application to the Secretary for such assignment, and

"(2) the local government of the area in which such population resides, certify to the Secretary that such assignment of Corps personnel is needed for such population.

"(b)(1) The Secretary may not approve an application under subsection (a) for an assignment unless the applicant agrees to enter into an agreement with the Secretary in accordance with section 716(a) and has afforded—

"(A) the entity responsible for the development of the plans referred to in section 314(b) which covers all or any part of the area in which the population for which the application is submitted resides, and

"(B) if there is a part of such area for which no such entity is responsible for developing such plans, the agency of the State in which such part is located which administers or supervises the administration of a State plan approved under section 314(a),

an opportunity to review the application and submit its comments to the Secretary respecting the need for and proposed use of manpower requested in the application. In considering such an application, the Secretary shall take into consideration the need of the population for which the application was submitted for the health services which may be provided under this section; and the willingness of the population and the appropriate governmental agencies or health entities serving it to assist and cooperate with the Corps in providing effective health services to the population.

"(2)(A) In approving an application submitted under subsection (a) for the assignment of Corps personnel to provide health services for a medically underserved population, the Secretary may approve the assignment of Corps personnel for such population during a period (referred to in this paragraph as the 'assistance period') which may not exceed four years from the date of the first assignment of Corps personnel for such population after the date of the approval of the application. No assignment of individual Corps personnel may be made for a period ending after the expiration of the applicable approved assistance period.

"(B) Upon expiration of an approved assistance period for a medically underserved population, no new assignment of Corps personnel may be made for such population unless an application is submitted in accordance with subsection (a) for such assignment. The Secretary may not approve such an application unless—

"(i) the application and certification requirements of subsection (a) are met;

"(ii) the Secretary has conducted an evaluation of the continued need for health manpower of the population for which the application is submitted, of the utilization of the manpower by such population, of the growth of the health care practice of the Corps personnel assigned for such population, and of community support for the assignment; and

"(iii) the Secretary has determined that such population has made continued efforts to secure its own health manpower that there has been sound fiscal management of the health care practice of the Corps personnel assigned for such population, including efficient collection of fee-for-service, third-party, and other funds available to such population, and that there has been appropriate and efficient utilization of such Corps personnel.

"(c) Corps personnel shall be assigned to provide health services for a medically underserved population on the basis of the extent of the population's need for health services and without regard to the ability of the members of the population to pay for health services.

"(d) In making an assignment of Corps personnel the Secretary shall seek to match characteristics of the assignee (and his spouse (if any)) and of the population to which such assignee may be assigned in order to increase the likelihood of the assignee remaining to serve the population upon completion of his assignment period. The Secretary shall, before the expiration of the last nine months of the assignment period of a member of the Corps, review such member's assignment and the situation in the area to which he was assigned for the purpose of determining the advisability of extending the period of such member's assignment.

"SEC. 714. (a) In providing health services for a medically underserved population under this section, Corps personnel shall utilize the techniques, facilities, and organizational forms most appropriate for the area in which the population resides and shall, to the maximum extent feasible, provide such services (1) to all members of the population regardless of their ability to pay for the services, and (2) in connection with (A) direct health services programs carried out by the Service; (B) any direct health services program carried out in whole or in part with Federal financial assistance; or (C) any other health services activity which is in furtherance of the purposes of this section.

"(b) Notwithstanding any other provision of law, the Secretary (1) may, to the extent feasible, make such arrangements as he determines necessary to enable Corps personnel in providing health services for a medically underserved population to utilize the health facilities of the area in which the population resides, and (2) may make such arrangements as he determines are necessary for the use of equipment and supplies of the Service and for the lease or acquisition of other equipment and supplies, and may secure the temporary services of nurses and allied health professionals.

"(c) If such area is being served (as determined under regulations of the Secretary) by a hospital or other health care delivery facility of the Service, the Secretary shall in addition to such other arrangments as the Secretary may make under subsection (b), arrange for the utilization of such hospital or facility by the Corps personnel in providing health services for the population, but only to the extent that such utilization will not impair the delivery of health services and treatment through such hospital or facility to persons who are entitled to health services and treatment through such hospital or facility. If there are no health facilities in or serving such area, the Secretary may arrange to have Corps personnel provide health services in the nearest health facilities of the Service, or the Secretary may lease or otherwise provide facilities in such area for the provision of health services.

"SEC. 715 The Secretary may make one grant to any applicant with an approved application under section 713 to assist it in meeting the costs of establishing medical practice management systems for Corps personnel, acquiring equipment for their use in providing health services, and establishing appropriate continuing education programs and opportunities for them. No grant may be made under this paragraph unless an application is submitted therefor and approved by the Secretary. The amount of any grant shall be determined by the Secretary, except that no grant may be made for more than $25,000.

"SEC. 716. (a) The Secretary shall require as a condition to the approval of an application under section 713 that the entity which submitted the application enter into an appropriate arrangement with the Secretary under which—

"(1) the entity shall be responsible for charging in accordance with subsection (b) for health services by the Corps personnel to be assigned;

"(2) the entity shall take such action as may be reasonable for the collection of payments for such health services, including if a Federal agency, an agency of a State or local government, or other third party would be responsible for all or part of the cost of such health services if it had not been provided by Corps personnel under this section, the collection, on a fee-for-service or other basis, from such agency or third party the portion of such cost for which it would be so responsible (and in determining the amount of such cost which such agency or third party would be responsible, the health services provided by Corps personnel shall be considered as being provided by private practitioners); and

"(3) the entity shall pay to the United States the lesser of—

"(A) 75 per centum of the amount collected by the entity in accordance with subsection (a) in each calendar quarter (or other period as may be specified in the agreement), or

"(B) the sum of (i) the pay and allowances for the Corps personnel for such quarter (or other period), and (ii) an amount which bears the same ratio to the total amount of payments made to Corps personnel provided to the entity under section 701 as the number of days in such quarter (or other period) bears to the number of days in the assignment period for such personnel.

Funds received by the Secretary under such an arrangement shall be deposited in the Treasury as miscellaneous receipts and shall be disregarded in determining the amounts of appropriations to be requested under section 722 and the amounts to be made available from appropriations made under such section to carry out this section.

"(b) Any person who receives health services provided by Corps personnel under this section shall be charged for such services on a fee-for-service or other basis at a rate approved by the Secretary, pursuant to regulations, to recover the value of such services; except that if such person is determined under regulations of the Secretary to be unable to pay such charge, the Secretary shall provide for the furnishing of such services at a reduced rate or without charge.

"SEC. 717. The Secretary shall, under regulations prescribed by him, adjust the monthly rate of pay of each physician and dentist member of the Corps who is directly engaged in the delivery of health services to a medically underserved population as follows:

"(1) During the first thirty-six months in which such a member is so engaged in the delivery of health services, his monthly rate of pay shall be increased by an amount (not to exceed $1,000) which when added to the member's regular monthly rate of pay and allowances will provide a monthly income competitive with the average monthly income from an established practice of a member of such member's profession with equivalent training.

"(2) During the period beginning upon the expiration of the thirty-six months referred to in paragraph (1) and ending with the month in which the member's regular monthly rate of pay and allowances is equal to or exceeds the monthly income he received for the last of such thirty-six months, the member shall receive in addition to his regular rate of pay and allowances an amount which when added to such regular rate equals the monthly income he received for such last month.

In the case of a member of the Corps who is directly engaged in the provision of health services to a medically underserved population in accordance with a service obligation incurred under section 702, the provisions of this paragraph shall apply to such member upon satisfactory completion of such service obligation and the first thirty-six months of his being so engaged in the delivery of health care shall, for purposes of this paragraph, be deemed to begin upon such satisfactory completion.

"SEC. 718. (a)(1) The Secretary shall conduct at medical and nursing schools and other schools of the health professions and training centers for the allied health professions, recruiting programs for the Corps. Such programs shall include the wide dissemination of written information on the Corps and visits to such schools by personnel of the Corps.

"(2) The Secretary may reimburse applicants for positions in the Corps for actual expenses incurred in traveling to and from their place of residence to an area in which they would be assigned for the purpose of evaluating such area with regard to being assigned in such area. The Secretary shall not reimburse an applicant for more than one such trip.

"(b) The Secretary shall (1) provide assistance to persons seeking assignment of Corps personnel to provide under this section health services for medically underserved populations, and (2) conduct such information programs in areas in which such populations reside as may be necessary to inform the public and private health entities serving those areas of the assistance available to such populations by virtue of their designation under this section as medically underserved.

"SEC. 719. (a) The Secretary of Health, Education, and Welfare shall conduct or contract for studies of methods of assigning under this part, National Health Service Corps personnel to medically underserved populations and of providing health care to such populations. Such studies shall be for the purpose of identifying (1) the characteristics of health manpower who are more likely to remain in practice in areas in which medically underserved populations are located, (2) the characteristics of areas which have been able to retain health manpower, (3) the appropriate conditions for assignment of independent nurse practitioners and physician's assistants in areas in which medically underserved populations are located, and (4) the effect that primary care residency training in such areas has on the health care provided in such areas and on the decisions of physicians who received such training respecting the areas in which to locate their practice.

"(b) Upon the expiration of the assignment of Corps personnel to provide health services for a medically underserved population, the Secretary (notwithstanding any other provision of law) may sell to the entity which submitted the last application approved under subsection (c) for the assignment of Corps personnel for such population equipment of the United States utilized by such personnel in providing health services. Sales made under this paragraph shall be made for the fair market value of the equipment sold (as determined by the Secretary).

"(c) Commissioned officers and other personnel of the Corps assigned to provide health services for medically underserved populations shall not be included in determining whether any limitation on the number of personnel which may be employed by the Department of Health, Education, and Welfare has been exceeded.

"SEC. 720. (a) The Secretary shall report to Congress no later than May 15 of each year—

"(1) the number, identity, population, and extent of underservice of all medically underserved populations in each of the State in the calendar year preceding the year in which the report is made and the number of medically underserved populations which the Secretary estimates will be designated under section 712 in the calendar year in which the report is made;

"(2) the number of applications filed in such preceding calendar year for assignment of Corps personnel under this section and the action taken on each such application;

"(3) the number of and types of Corps personnel assigned in such preceding year to provide health services for medically underserved populations, the number and types of additional Corps personnel which the Secretary estimates will be assigned to provide such services in the calendar year in which the report is submitted, and the need (if any) for additional personnel for the Corps;

"(4) the recruitment efforts engaged in for the Corps in such preceding year, including the programs carried out under section 718 (a)(1) and the number of qualified persons who applied for service in the Corps in each professional category;

"(5) the total number of patients seen and patient visits recorded during such preceding years in each area where Corps personnel were assigned;

"(6) the number of health personnel electing to remain after termination of their service in the Corps to provide health services to medically underserved populations and the number of such personnel who do not make such election and the reasons for their departure;

"(7) the results of evaluations made under section 713(b)(2)(B)(ii), and determinations made under section 713(b)(2)(B)(iii), during such preceding year; and

"(8) the amount (A) charged during such preceding year for health services by Corps personnel, (B) collected in such year by entities in accordance with arrangements under section 716, and (C) paid to the Secretary in such year under such arrangements.

"(b) The Secretary of Health, Education, and Welfare shall report to Congress (1) not later than September 1, 1974, the criteria used by him in designating medically underserved populations for purposes of section 712 of the Public Health Service Act, and (2) not later than January 1, 1975, the identity and number of medically underserved populations in each State meeting such criteria.

"SEC. 721. (a)(1) There is established a council to be known as the National Advisory Council on the National Health Service Corps (hereinafter in this section referred to as the 'Council'). The Council shall be composed of fifteen members appointed by the Secretary as follows:

"(A) Four members shall be appointed from the general public to represent the consumers of health care, at least two of whom shall be members of a medically underserved population for which Corps personnel are providing health services under this section.

"(B) Three members shall be appointed from the medical, dental, and other health professions and health teaching professions.

"(C) Three members shall be appointed from State health or health planning agencies.

"(D) Three members shall be appointed from the Service, at least two of whom shall be members of the Corps directly engaged in the provision of health services for a medically underserved population.

"(E) One member shall be appointed from the National Advisory Council on Comprehensive Health Planning.

"(F) One member shall be appointed from the National Advisory Council on Regional Medical Programs.

The Council shall consult with, advise, and make recommendations to, the Secretary with respect to his responsibilities in carrying out this section, and shall review and approve regulations promulgated by the Secretary under this section and section 225.

"(2) Members of the Council shall be appointed for a term of three years and shall not be removed, except for cause. Members may be reappointed to the Council.

"(3) Appointed members of the Council, while attending meetings or conferences thereof or otherwise serving on the business of the Council, shall be entitled to receive for each day (including traveltime) in which they are so serving the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule, and while so serving away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703(b) of title 5 of the United States

Code for persons in the Government service employed intermittently.

"(b) The amendment made by subsection (a) which shall change the name of the advisory council previously established under section 329 of the Public Health Service Act shall not be construed as requiring the establishment of a new advisory council; and the amendment made by such subsection with respect to the composition of such advisory council shall apply with respect to appointments made to the advisory council after the date of the enactment of this Act.

"Sec. 722. To carry out the purposes of this part, there are authorized to be appropriated such sums as may be necessary for the fiscal years ending June 30, 1975, June 30, 1976, and June 30, 1977.

"(2) An appropriation Act which appropriates funds under subsection (a) for any fiscal year ending June 30, 1975, may also appropriate for the next fiscal year the funds that are authorized to be appropriated under such paragraph for such next fiscal year; but no funds may be made available therefrom for obligation under this section before the fiscal year for which such funds are authorized to be appropriated.".

"Part C—Postgraduate Physician Training

"Sec. 731. (a) There is established in the Public Health Service the National Council on Postgraduate Physician Training (hereinafter in this title referred to as the 'National Council').

"(b) The National Council shall consist of nineteen members appointed by the Secretary of Health, Education, and Welfare (hereinafter in this title referred to as the 'Secretary') without regard to the provisions of title 5 of the United States Code relating to appointments in the competitive service from persons who are not officers or employees of the United States Government as follows:

"(1) Eleven members shall be appointed from persons in the medical and osteopathic professions. Of the eleven:

"(A) six shall be practicing physicians associated with specialty and subspecialty physician (and including osteopathic) organizations, including one each from the specialties or subspecialties of family practice, internal medicine, pediatrics, obstetrics and gynecology, surgery, and psychiatry;

"(B) two shall be physicians associated with organizations associated with postgraduate physician training;

"(C) two shall be physicians associated with medical schools or university health science centers; and

"(D) one shall be a physician in postgraduate physician training.

"(2) Five members shall be appointed from persons who are nonphysician health professionals. Of the five:

"(A) two shall be individuals associated with hospitals which maintain postgraduate physician training programs;

"(B) one shall be a State or local health planner or public health administrator;

"(C) one shall be a medical student;

"(D) one shall be a nurse or other allied health professional.

"(3) Three members shall be appointed from the general public.

The members of the National Council shall select a chairman from among their own number.

"(c) Each member of the National Council shall hold office for a term of four years, except that—

"(1) any member appointed to fill a vacancy prior to the expiration of the term for which his predecessor was appointed shall hold office for the remainder of such term, and

"(2) the terms of office of the members first taking office shall expire, as designated by the Secretary at the time of appointment, three at the end of the first year, three at the end of the second year, and three at the end of the third year, and two at the end of the fourth year, after the date of appointment.

No member shall be eligible to serve continuously for more than two terms.

"(d) Members of the National Council, while attending meetings or conferences thereof, or otherwise serving on business of the National Council, shall be entitled to receive compensation at rates fixed by the Secretary, but not exceeding for any day (including traveltime) the daily equivalent of the effective rate for grade GS–18 of the General Schedule, and while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703(b) of title 5 of the United States Code for persons in the Government service employed intermittently.

"Sec. 732. (a) Upon appointment and prior to July 1, 1976, the National Council shall conduct studies and other activities relevant to the various matters related to the postgraduate training of physicians specifically including the following:

"(1) The commissioning and supervision of the investigation of physician specialty distribution in the United States and its possessions as prescribed by section 740.

"(2) The development of collaborative working relationships with each physician specialty organization to determine and assist their individual activities with respect to the number and location of practitioners within each specialty.

"(3) An assessment of the need for financial support for the postgraduate training of physicians, especially in primary care specialties.

"(4) An assessment of the service needs of hospitals and other health institutions, the role of postgraduate physician trainees in meeting such needs, and alternate means of meeting such needs.

"(5) An assessment of the educational component of postgraduate training programs for physicians.

"(6) The assessment of the impact of foreign medical graduates on the present and future health care in the United States and foreign nations.

"(b) After July 1, 1976, the National Council shall administer the program established by section 735 and carry out such other activities as may be incidental to such administration.

"Sec. 733. (a) For each of the Department of Health, Education, and Welfare regions there is established a Regional Council on Postgraduate Physician Training (hereinafter referred to in this title as the 'Regional Council'). Each Regional Council shall consist of nineteen members appointed by the Secretary without regard to the provisions of title 5 of the United States Code relating to the appointments and competitive service from persons who are not officers or employees of the United States Government as follows:

"(1) Eleven shall be appointed from persons in the medical and osteopathic professions. Of the eleven:

"(A) six shall be practicing physicians including one each from the specialties or subspecialties of family practice, internal medicine, pediatrics, obstetrics and gynecology, surgery, and psychiatry;

"(B) two shall be physicians associated with hospitals which maintain postgraduate physician training programs;

"(C) two shall be physicians associated with medical schools or university health science centers; and

"(D) one shall be a physician in postgraduate physician training.

"(2) Five members shall be appointed from persons who are nonphysician health professionals. Of the five:

"(A) two shall be individuals associated with hospitals which maintain postgraduate physician training programs;

"(B) one shall be a State or local health planner or public health administrator;

"(C) one shall be a medical student; and

"(D) one shall be a nurse or other allied health professional.

"(3) Three members shall be appointed from the general public.

The members of each regional council shall select a chairman from among their own number.

"(b) Each member of a regional council shall hold office for a term of four years, except that—

"(1) any member appointed to fill a vacancy prior to the expiration of the term for which his predecessor was appointed shall hold office for the remainder of such term, and

"(2) the terms of office of the members first taking office shall expire, as designated by the Secretary at the time of appointment, three at the end of the first year, three at the end of the second year, three at the end of the third year, and two at the end of the fourth year, after the date of appointment.

No member shall be eligible to serve continuously for more than two terms.

"(c) Members of a regional council, while attending meetings or conferences thereof, or otherwise serving on business of a regional council, shall be entitled to receive compensation at rates fixed by the Secretary, but not exceeding for any day (including traveltime) the daily equivalent of the effective rate for grade GS–18 of the General Schedule, and while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703(b) of title 5 of the United States Code for persons in the Government service employed intermittently.

"(d) All members of a regional council shall be residents, and fully employed to the extent of their employment, within the region served by the regional council.

"Sec. 734. (a) Upon appointment, and prior to July 1, 1976, each regional council shall conduct studies and other activities relevant to the various matters related to the postgraduate training of physicians within the region served by the regional council, specifically including the following:

"(1) A survey of the institutions providing post-graduate training of physicians within the region, including an analysis of the types of training currently provided, as well as the types of training that might be provided by such institutions.

"(2) An assessment of the service needs of hospitals and other health institutions within the region, including an assessment of the role that postgraduate physician trainees play in meeting such needs and alternative means of meeting such needs.

"(3) An assessment of the educational component of the postgraduate training programs for physicians conducted within the region.

"(4) An assessment of the status of the financial support of the postgraduate training of physicians within the region, especially of primary care training programs.

"(5) Development of collaborative working relationships with regional medical programs, comprehensive health planning programs, State departments of health, and area health education system programs operating within the region.

"(b) After July 1, 1976, each regional council shall administer the program established by section 736 and carry out such other activities as may be incidental to such administration.

"Sec. 735. (a) On July 1, 1976, and not later than July 1 of each year thereafter, the National Council shall conduct a certification program as follows:

"(1) Establish the total number of postgraduate physician training positions to be certified for the year beginning on the next following July 1. Such certified positions shall not exceed 110 per centum of the number of doctor of medicine and doctor of osteopathy degrees expected to be granted in the intervening year in the United States.

"(2) Assign the total number of certified positions so established, to the various categories of specialty and subspecialty practice of medicine recognized within the United States. In assigning positions to the various categories of specialty and subspecialty practice of medicine, the National Council shall take into consideration the findings of the study conducted pursuant to section 740.

"(3) Assign from the certified positions so established in each physician specialty and subspecialty certified positions to each of the ten regional councils.

"(b) The National Council shall on October 1, 1976, and October 1 of each subsequent year directly certify positions in entities, and associations of such entities, which directly provide postgraduate training of physicians in those physician specialties and subspecialties in which sufficient numbers of physicians are not needed nationally to permit a proper distribution of such positions to the regional councils. Such positions shall not, in any year of the program, exceed 10 per centum of the total number of certified positions for such year. On or before August 1, 1976, and August 1 of each subsequent year the National Council shall inform the respective regional council of all positions proposed to be directly certified within such region. No position may be directly certified by the National Council if the respective regional council disapproves such position within thirty days of notification by the National Council of such proposed certification.

"SEC. 736. (a) Each regional council shall, not later than October 1, 1976, and October 1 of each subsequent year, certify postgraduate training positions in entities, and associations of such entities, which directly provide such training within the region served by the regional council. In certifying such positions, the regional council shall not certify any position—

"(1) in any physician specialty or subspecialty in excess of the number of certified positions in such specialty or subspecialty assigned to the regional council by the National Council under section 735(a)(3).

"(2) in any entity, or association of such entities, which has, or will have, in the aggregate, fewer than one hundred and fifty such certified positions;

"(3) in any entity which maintains any postgraduate physician training position, or any association of entities in which any participating entity maintains any such position, which is not certified by the regional council as a graduate training position for physicians; or

"(4) which is not a part of, at a minimum, an integrated three-year postgraduate physician training program.

"(b) In certifying positions, each regional council shall—

"(1) to the extent feasible, insure that the certified positions are equitably distributed geographically within the region served by the regional council;

"(2) insure that the educational component of each training program meets acceptable standards; and

"(3) give special consideration to certifying positions associated with, as an integrated part, an area health education system, as defined by regulations of the Secretary under section 751 of this Act.

"SEC. 737. In carrying out the provisions of sections 732(a)(5), 734(a)(3) and 736(b)(2) relating to the educational component of postgraduate physician training, the National Council and each regional council shall coordinate its activities with the Liaison Committee on Graduate Medical Education.

"SEC. 738. (a) The Secretary shall make grants to, and contract with, entities which directly provide, or associations of such entities which directly provide, or have the capacity to provide directly, postgraduate training of physicians and which are certified to the Secretary by the National Council and a regional council as likely to receive an increased number of certified postgraduate positions subsequent to July 1, 1977, to allow such entities to develop new, and expand existing, postgraduate physician training programs.

"(b) In the awarding of grants, the Secretary shall give special priority to (1) programs to train primary medical, especially family practice, physicians and (2) programs, especially programs described in clause (1), in regions with a relative shortage of physicians.

"(c) No entity may receive—

"(1) a grant or contract for more than $100,000 for the establishment, or the expansion of an existing program in the training of physicians in any particular specialty or subspecialty area, in any fiscal year.

"(2) a grant or contract for more than two consecutive years for the establishment, or the expansion of an existing program, for the training of physicians in any particular specialty or subspeciality area.

"(d) For each of the fiscal years ending June 30, 1975, June 30, 1976, and June 30, 1977, there are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

"SEC. 739. (a) The Secretary shall make grants to entities which—

"(1) directly provided postgraduate training of physicians on July 1, 1977; and

"(2) because of the operation of this part, are able to obtain a decreased number of postgraduate physician trainees following July 1, 1977; and

"(3) have a plan to utilize such funds to initiate the provision of services, previously provided by physicians in postgraduate training, by other health professionals and personnel, especially nurse clinicians.

The Secretary shall pay to such entities $10,000 for each individual position decrease in the first year following such decrease and $5,000 for each position decrease in the second year following such decrease.

"(b) For each of the fiscal years ending June 30, 1978, June 30, 1979, and June 30, 1980, there are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

"SEC. 740. (a) The Secretary shall, within ninety days of the appointment of the National Council, contract, with the approval of the National Council as provided in subsection (b), for the conduct of a study to:

"(1) Analyze the current distribution of physicians by speciality. The geographical distribution of medical and osteopathic physicians by speciality and subspeciality and by geographic area shall be determined. Physicians specialities and subspecialities shall be defined in a manner consistent with recognized categories; geographic areas shall be defined as a reasonable medical trade area for each speciality or subspeciality; special attention shall be given to determining the percent of time physicians in each speciality and subspeciality spent in primary care activities.

"(2) Project the expected distribution of physicians by speciality and subspeciality by geographic area in the years 1980, 1985, and 1990. Such projection shall be based on current trends in physician speciality training and choice of practice sites, the activities of various speciality boards and other organizations, and the retirement-death rate of physicians by speciality and subspeciality.

"(3) Examine and critically evaluate the various methodologies for estimating the optimal distribution of physicians by speciality and subspeciality by geographic area. Methodologies examined and evaluated shall include methodologies utilized by foreign countries.

"(4) Develop a reliable and appropriate methodology to establish the optimal distribution of physicians by speciality and subspeciality by geographic area. Utilizing such methodology, projections shall be made for the optimal number of physicians by speciality and subspeciality by geographic area for the years 1980, 1985, and 1990.

"(b) The National Council shall approve the organization selected by the Secretary to conduct the study required by subsection (a). Such organization shall—

"(1) have a national reputation for objectivity in the conduct of studies for the Federal Government;

"(2) have the capacity to readily marshal the widest possible range of expertise and advice relevent to the conduct of such studies;

"(3) have a membership and competent staff which have backgrounds in government, the health sciences, and the social sciences;

"(4) have a history of interest and activity in health policy issues related to such studies; and

"(5) have extensive existing contracts with interested public and private agencies and organizations.

"(c) An interim report providing a plan for the study required by subsection (a) shall be submitted by the organization conducting the study to the Committee on Interstate and Foreign Commerce of the House of Representatives and the Committee on Labor and Public Welfare of the Senate by January 31, 1975; and a final report giving the results of the study shall be submitted by such organization to the Committee on Interstate and Foreign Commerce of the House of Representatives and the Committee on Labor and Public Welfare of the Senate by January 31, 1976.

"(d) There is authorized to be appropriated $10,000,000, which shall be available without fiscal year limitations, for the conduct of the study required by subsection (a).

"SEC. 740A. No entity which is engaged in business in interstate commerce as a health insurer and which receives an annual gross income from the provision of health insurance of not less than $1,000,000 may reimburse or otherwise pay an individual or institution an amount resulting from expenses associated with the postgraduate training of physicians after July 1, 1977, unless such training has been certified by the National Council and, except for positions certified under section 735(b), the appropriate regional council. Any entity which makes a reimbursement or other payment prohibited by this section shall for each such reimbursement or other payment be subject to a civil penalty of not more than $5,000. Such penalty shall be assessed by the Secretary and may be collected in a civil action brought by the United States in a United States district court under section 1355 of title 28, United States Code. No State may establish or enforce any law which would require as a condition of doing business in such State that an entity described in this section make reimbursements or other payments prohibited by this section.

PART D—SPECIAL PROJECT GRANTS

SEC. 741. (a) The Secretary may make grants to public and other nonprofit private schools of podiatry and other public or nonprofit private agencies, organizations and institutions to meet the costs of projects to assist in—

(1) mergers between podiatric training programs and medical, osteopathic, and other

health professions training programs and academic institutions, or

(2) other cooperative arrangements among podiatric training programs and medical, osteopathic, and other health professions training programs and academic institutions.

(b) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section for the fiscal years ending June 30, 1975, June 30, 1976, and June 30, 1977.

SEC. 742. (a) The Secretary may make grants to public and other nonprofit private schools of nursing, pharmacy, public health, and health administration and other public or nonprofit private agencies, organizations, and institutions to meet the costs of projects to develop and expand graduate degree level training programs for—

(1) clinical nursing personnel, including programs for the training of pediatric nurse practitioners, nurse midwives, and other types of nurse practitioners;

(2) clinical pharmacy personnel; and

(3) community and public health personnel and health administrators.

(b) there are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section for the fiscal years ending June 30. 1975, June 30, 1976, and June 30, 1977.

SEC. 743. (a) The Secretary may make grants to public and other nonprofit private undergraduate (including baccalaureate, diploma, and associate degree granting) schools of nursing, pharmacy, and allied health and other public or nonprofit private agencies, organizations and institutions to meet the costs of projects to—

(1) Assist in increasing the supply, or improve the distribution of, adequately trained health personnel;

(2) Effect significant improvements in the curriculum of such schools;

(3) Plan, develop or establish new programs or modifications of existing programs of health personnel education;

(4) Increase educational opportunity for disadvantaged students; and

(5) Otherwise strengthen, improve or expand programs to train health personnel.

(b) In making grants under this section, the Secretary shall give priority to applications from entities whose application for such grant has been approved by an area health education system (as defined in regulations under Section 751) serving a health education area in which the applicant is located.

(c) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section for the fiscal years ending June 30, 1975, June 30, 1976 and June 30, 1977.

PART E—Area Health Education Systems

SEC. 751. For purposes of this title:

(a) The term "area health education system" means a public or nonprofit entity which—

(1) Evaluates, on an on-going basis:

(A) the health education needs of the residents of the health education area; and

(B) the effectiveness of the health education programs operated by the area health education system, entities associated with the area health education system, and other entities within the health education area, in meeting the health education needs of the residents of the area.

(2) Provides directly, and coordinates the provision by other entities, of health education services to the residents of the health education area including, at a minimum:

(A) The training of nurses and other allied health personnel;

(B) The postgraduate training of physicians in, at the minimum, primary care specialties;

(C) Continuing education for practicing physicians and continuing education and inservice training for nurses and other health professions;

(D) Counseling with respect to careers in medicine, nursing, and other health professions at secondary schools and community colleges; and

(E) The provision to the general population of education about:

(i) the appropriate use of health services; and

(ii) the contribution each individual can make to the maintenance of his own health.

(3) Has contracts or other formal working arrangements, with, at the minimum:

(A) A university health education center;

(B) State colleges, community colleges, and private universities and colleges, which provide education in the health professions, nursing, and the allied professions;

(C) Hospitals and other health delivery entities which provide health services or and which operate health education training programs;

(D) State and community public health agencies which provide community health education to the general population;

(E) Voluntary health agencies and organizations which provide health education to the general population;

(F) State and local health services planning agencies, including agencies established pursuant to section 314(b) and title IX of this Act; and

(G) Professional standards review organizations established pursuant to section 1152 of the Social Security Act.

(4) Has a governing board, the members of which shall include residents of the health education area who are:

(A) Individuals who are associated with institutions and organizations from the educational field;

(B) Individuals who are associated with institutions, organizations, or are themselves involved with the provision of health care services;

(C) Individuals who are associated with appropriate State and local health services planning agencies, including agencies established pursuant to section 314(b) and title IX of this Act;

(D) Individuals who are associated with county and municipal governments; and

(E) Individuals who are not providers of health care services and who are broadly representative of the various economic, socio, racial, and geographic population groups of such health education area.

(b) The term "health education area" means a geographic area designated by the Secretary. Such area shall:

(1) Be a rational area for the planning and coordination of health education;

(2) To the extent practical, include at least one university health science center; and

(3) Follow the boundaries of one or more areas established pursuant to section 314(b) of this Act.

"SEC. 752. (a) The Secretary may make grants, subject to the provisions of Section 751, to public or private nonprofit entities, to assist in projects for planning, developing, and opreating health area education systems. No project may receive more than $500,000 in grants in any fiscal year under this section.

"(b) The Secretary shall make grants under this section only to entities whose application for such grant has been approved by each agency established pursuant to section 314(b) and title IX operating in such area.

"(c) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of section 751 in the fiscal years ending June 30, 1975, June 30, 1976, and June 30, 1977.

"PART F—LOAN GUARANTEES AND INTEREST SUBSIDIES

"SEC. 761. (a) In order to assist students in accredited (as determined by regulations of the Secretary) schools to pursue an approved course of study leading to a baccalaureate, associate, diploma, or other undergraduate degree in nursing, pharmacy, or the allied health professions (as determined by regulations of the Secretary) to meet the cost of tuition and living expenses, books, equipment, and other necessary education expenses, the Secretary, during the period beginning July 1, 1974, and ending with the close of June 30, 1977, may, in accordance with the provisions of this section, and subject to the general provisions of this Act—

"(1) guarantee to non-Federal lenders making loans to such individuals for such purposes, payment of principal of and interest on such loans which are approved under this section, and

"(2) pay to the holder of such loans (and for and on behalf of the organization which received such loan) amounts sufficient to reduce, but not to exceed, 3 per centum per annum the net effective interest rate otherwise payable on such loan. No loan guarantee or interest subsidy under this section may, except under such special circumstances and under such conditions as are prescribed by regulations, apply to or be made for an amount which, when added to any grant or other loan under this or any other law of the United States, is in excess of $5,000 for any student in any academic year.

"(b) The Secretary may not approve the application of a student unless—

"(1) he determines, in the case of a loan for which a guarantee or an interest subsidy payment is sought, that the terms, conditions, maturity, security (if any), and schedule and amounts of repayments with respect to the loan are sufficient to protect the financial interests of the United States and are otherwise reasonable and in accord with regulations, including a determination that the rate of interest does not exceed such per centum per annum on the principal obligation outstanding as the Secretary determines to be reasonable, taking into account the range of interest rates prevailing in the private market for similar loans and the risks assumed by the United States;

"(2) the term of a loan for which a guarantee and interest subsidy is sought does not exceed five years, or such shorter period as the Secretary prescribes; and

"(3) he obtains assurances that the applicant will keep such records, and afford such access thereto, and make such reports, in such form and containing such information, as the Secretary may reasonably require.

"(c) Guarantees of loans and interest subsidy payments under this section shall be subject to such further terms and conditions as the Secretary determines to be necessary to assure that the purposes of this section will be achieved, and, to the extent permitted by subsection (e), any of such terms and conditions may be modified by the Secretary to the extent he determines it to be consistent with the financial interests of the United States.

"(d) In the case of any loan guaranteed under this section, the United States shall be entitled to recover from the applicant the amount of any payments made pursuant to such guarantee unless the Secretary, for good cause, waives his right of recovery, and, upon making any such payment, the United States shall be subrogated to all of the rights of the recipient of the payments with respect to which the guarantee was made.

"(e) Any guarantee of a loan under this section shall be incontestable in the hands of an applicant on whose behalf such guarantee is made, and as to any person who makes or contracts to make a loan to such applicant in reliance thereon, except for fraud or misrepresentation on the part of such applicant or such other person.

"(f) The cumulative total of the principal of the loans outstanding at any time with respect to which guarantees have been issued, or which have been directly made, under this section may not exceed such limitations as may be specified in appropriation Acts.

"(g)(1) There is established in the Treasury a health service manpower loan guarantee fund (hereafter in this section referred to as the 'fund') which shall be available to the Secretary without fiscal year in such amounts as may be specified from time to time in appropriation Acts.

"(A) to enable him to discharge his responsibilities under guarantees issued by him under this section, and

"(B) to make interest subsidy payments on such loan.

There are authorized to be appropriated to the fund from time to time such amounts as may be required for the fund. To the extent authorized from time to time in appropriation Acts there shall be deposited in the fund amounts received by the Secretary as interest payments or repayments of principal on loans and any other moneys, property, or assets derived by him from his operations under this section, including any moneys derived from the sale of assets.

"(2) If at any time the moneys in the fund are insufficient to enable the Secretary to discharge his responsibilities under this section to meet the obligations under guarantees of loans under subsection (a) or to make interest subsidy payments on such loans, he is authorized to issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions, as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations issued hereunder and for that purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act and the purposes for which securities may be issued under that Act are extended to include any purchase of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States. Sums borrowed under this subsection shall be deposited in the fund and redemption of such notes and obligations shall be made by the Secretary from such fund."

TITLE II—MISCELLANEOUS REPEALS

Sec. 3. Sections 225, 306, 309, and 329 and titles VII and VIII of the Public Health Service Act are repealed effective July 1, 1974.

THE HIGH PRICE OF FOREIGN AID

(Mr. ROUSH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. ROUSH. Mr. Speaker, the President's foreign aid program carries a high price tag to pay for policies the Congress has been told very little about and the American people probably do not want.

The total request of $5.18 billion, which the President considers a "minimum" for maintaining international equilibrium, is a large amount to ask people to pay on top of the news that we have had an 11-percent cost-of-living increase over a 3-month period. According to the Cost-of-Living Director we can expect more of the same in the months just ahead.

So the American people are asked to pour billions into other countries to buy them the peace and prosperity the President thinks is necessary for international harmony and our security. What about our peace and prosperity at home? We cannot even afford the antidepression tax reduction proposed by a number of economists because our new Secretary of the Treasury-designate tells us it is not good economics. But it is good economics evidently to invest in prosperity abroad.

Besides the total amount, which is only $1 billion less than the whole budget proposal for Federal aid to education, I also question the program initiatives and where they are taking us.

Our interest in the Middle East, financially and politically, is rapidly matching that of Southeast Asia and they are both turbulent areas. The dollar requests for each indicate the extent of our commitment. At a cost of $907.5 million we plan to pay Egypt not to fight, help Israel to defend herself, and reward Jordan for acting as a mediator in that part of the world. Meanwhile, we are undertaking to clean up the Suez Canal with some of these funds, which seems strange, since the Congress was just recently asked for money to expand the U.S. facility at Diego Garcia in light of the increased Russian presence to be expected in the Indian Ocean that will come with the opening of the Canal. We seem to be working at cross purposes.

For Indochina, South Vietnam, Laos, and Cambodia the amount requested is $939.8 million. I am sure that is a minimum, too. The President says it is an "austere" request. Our own health budget might be categorized as austere but not this request. The money is for a number of purposes, significantly to "shift their economies from war to peace and to accelerate the reconstitution of their societies." I did not know that fighting had ended in Indochina, especially since we are spending heavily on military assistance there. Funds to reconstitute societies still engaged in warfare seems premature. But the rationale obviously is that we have already invested heavily in these countries and rather than admit that the success we are nearing may not be forthcoming we will throw in more dollars.

I might add that I have never supported foreign aid. At times I have found some of the arguments tempting. This year I do not even find that the case.

The President warns us that we must not succumb to the temptation to "turn inward." I think it is time that we did so. We have a number of programs at home that are not working or are not working at full speed. I think particularly of the Water Pollution Control Act of 1972 which the Congress passed with such enthusiasm and which has not been implemented with any degree of fervor. I think of our housing program which does not qualify as a program anymore. I think of our need to do something about a responsible and respectable health insurance system for the American people. I think about our need to get inflation under control, to cut back unemployment. It is time we emphasized solutions to our own problems.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. Young of Alaska (at the request of Mr. Rhodes), from 3:30 today, on account of official business.

Mr. Horton (at the request of Mr. Rhodes), for today, on account of official business.

Mr. Jones of North Carolina (at the request of Mr. O'Neill), after 4 p.m. today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. McCollister), to revise and extend their remarks, and to include extraneous matter to:)

Mr. Widnall, for 5 minutes, today.

Mr. Hogan, for 10 minutes, today.

Mrs. Heckler of Massachusetts for 30 minutes, today.

Mr. Cronin, for 10 minutes, today.

Mr. Young of Illinois for 3 minutes, today.

(The following Members (at the request of Mrs. Boggs) to revise and extend their remarks and include extraneous material:)

Mr. O'Neill, for 10 minutes today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Mr. Adams, for 30 minutes, today.

Mr. Corman, for 5 minutes, today.

Mr. Fulton, for 5 minutes, today.

Ms. Holtzman, for 15 minutes, today.

Mr. Van Deerlin, for 5 minutes, today.

Mr. Rangel, for 5 minutes, today.

Mr. Eilberg, for 5 minutes, today.

Mr. Roy, for 5 minutes, today.

Mr. Yatron, for 5 minutes, today.

Mr. Badillo, for 15 minutes, April 30, 1974.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Goldwater, and to include extraneous material, following the remarks of Mr. Wydler during discussion of the SST funding in the Committee of the Whole today on H.R. 13998.

Mr. Roy, to extend his remarks in the body of the Record and to include extraneous matter notwithstanding the fact that it exceeds two pages of the Congressional Record and is estimated by the Public Printer to cost $2,664.75.

Mr. Hungate, to follow the remarks of the gentleman from New York, Mr. Roncallo, on H.R. 13999, in the Committee of the Whole today.

Mr. Rees.

(The following Members (at the request of Mr. McCollister) and to include extraneous matter:)

Mr. Towell of Nevada.
Mr. Goldwater in two instances.
Mr. Wyman in two instances.
Mr. Cohen.
Mr. Huber in two instances.
Mr. Mathias of California.
Mr. Ketchum.
Mr. Broyhill of Virginia.
Mr. Derwinski in three instances.
Mr. Ashbrook in two instances.
Mr. Mizell in three instances.
Mr. Maraziti.
Mr. Hogan.
Mr. Symms.
Mr. Whitehurst.
Mr. Shriver.
Mr. Hosmer in four instances.
Mr. Gilman in two instances.
Mr. Bob Wilson.

(The following Members (at the request of Mrs. Boggs) and to include extraneous material:)

Mr. Charles H. Wilson of California.
Mr. St Germain.
Mr. Rarick in three instances.
Mr. Gonzalez in three instances.
Mr. Brinkley in two instances.
Mr. Young of Georgia in six instances.
Mr. Luken.
Mr. Edwards of California.
Mr. Murphy of Illinois.
Mrs. Mink.
Mr. Harrington in two instances.
Mr. Gunter.
Mr. Udall in six instances.
Mr. Nix.
Mr. Macdonald.
Mr. Jones of Tennessee.
Mr. Rogers in five instances.
Mr. Tiernan.
Mr. Hamilton.
Mr. Koch.
Mr. Leggett.
Mrs. Sullivan.
Mr. Gaydos in 10 instances.
Mr. Reid.
Mr. Taylor of North Carolina.
Mr. Rees.
Mr. Meeds.
Mr. Bennett.
Mr. Rangel in 10 instances.
Mr. Donohue.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles.

S. 2771. An act to amend chapter 5 of title 37, United States Code, to revise the special pay bonus structure relating to members of the Armed Forces, and for other purposes; and

S. 3292. An act to authorize appropriations to the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes.

ADJOURNMENT

Mrs. BOGGS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 19 minutes p.m.), under its previous order, the House adjourned until Monday, April 29, 1974, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2235. A letter from the Secretary of Transportation, transmitting a report on negotiated contracts for experimental, developmental, test or research work, and industrial mobilization in the interest of the national defense, covering the period October 1973 through March 1974, pursuant to 10 U.S.C. 2304(e); to the Committee on Armed Services.

2233. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a copy of Presidential Determination No 74-17 that it is in the national interest that Israel receive assistance under the Emergency Security Assistance Act of 1973 exceeding $1,500 million and under title IV of the Foreign Assistance and Related Programs Appropriation Act, 1974, exceeding $1,700 million, pursuant to section 2 of Public Law 93-199 and title IV of Public Law 93-240; to the Committee on Foreign Affairs.

2237. A letter from the Assistant Secretary of State for Congressional Relations, transmitting reports on political contributions made by Ambassadors-designate Rodger P. Davies, Stanton D. Anderson, and Michael Sterner, and their families, pursuant to section 6 of Public Law 93-126; to the Committee on Foreign Affairs.

2238. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements other than treaties, entered into by the United States, pursuant to Public Law 92-403; to the Committee on Foreign Affairs.

2239. A letter from the Administrator of General Services, transmitting a prospectus proposing acquisition of the leasehold interest in a three-level basement parking garage located in the Nassif Building at 400 7th Street, Southwest, Washington, D.C.; to the Committee on Public Works.

2240. A letter from the Federal Home Loan Bank Board, transmitting the annual report of the Board for calendar year 1973, covering the operations of the Federal Home Loan Bank System, the Federal Savings and Loan Insurance Corporation, and the Federal Savings and Loan System, pursuant to 12 U.S.C. 1437; to the Committee on Banking and Currency.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Miss JORDAN: Committee on the Judiciary. H.R. 2208. A bill for the relief of Raymond W. Suchy, second lieutenant, U.S. Army (retired); with amendment (Rept. No. 93-1004). Referred to the Committee of the Whole House.

Mr. MANN: Committee on the Judiciary. H.R. 3532. A bill for the relief of Donald L. Tyndall, Bruce Edward Tyndall, Kimberly Fay Tyndall, Lisa Michele Tyndall, and the estate of Elizabeth M. Tyndall, deceased; with amendment (Rept. No. 93-1005). Referred to the Committee of the Whole House.

Mr. FROEHLICH: Committee on the Judiciary. H.R. 7768. A bill for the relief of Nolan Sharp; with amendment (Rept. No. 93-1006). Referred to the Committee of the Whole House.

Mr. FROEHLICH: Committee on the Judiciary. S. 724. An act for the relief of Marcos Rojos Rodriguez; with amendment (Rept. No. 93-1007). Referred to the Committee of the Whole House

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. THOMPSON of New Jersey: Committee on House Administration. House Resolution 768. Resolution to provide funds for expenses incurred by the Select Committee on the House Restaurant (Rept. No. 93-1008). Referred to the House Calendar.

Mr. THOMPSON of New Jersey: Committee on House Administration. House Resolution 1027. Resolution to provide funds for the Committee on the Judiciary (Rept. No. 93-1009). Referred to the House Calendar.

Mr. MAHON: Committee on Appropriations. H.R. 14434. A bill making appropriations for energy research and development activities of certain departments, independent executive agencies, bureaus, offices, and commissions for the fiscal year ending June 30, 1975, and for other purposes (Rept. No. 93-1010). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Texas: Committee on Rules. House Resolution 1071. Resolution waiving certain points against H.R. 14434. A bill making appropriations for energy research and development activities of certain departments, independent executive agencies, bureaus, offices, and commissions for the fiscal year ending June 30, 1975, and for other purposes (Rept. No. 93-1011). Referred to the House Calendar.

Mr. HOLIFIELD: Committee on Government Operations. House Report No. 93-1012. Control of pollution from animal feedlots and reuse of animal wastes (Rept. No. 93-1012). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WIDNALL:

H.R. 14387. A bill to provide income tax incentives for the modification of certain facilities so as to remove architectural and transportational barriers to the handicapped and elderly; to the Committee on Ways and Means.

By Mr. ADAMS:

H.R. 14388. A bill to amend chapters 2 and 21 of the Internal Revenue Code of 1954 and title II of the Social Security Act to reduce by one-third the rates of the taxes imposed on employees and self-employed individuals for purposes of the old-age, survivors, and disability insurance program, with a corresponding increase in the amount appropriated to the social security trust funds from general revenues for such purposes; to the Committee on Ways and Means.

H.R. 14389. A bill to amend the Internal Revenue Code of 1954 to raise needed additional revenues by increasing the amount of minimum tax imposed on tax preferences; to the Committee on Ways and Means.

H.R. 14390. A bill to amend the Internal Revenue Code of 1954 to raise needed additional revenues by repealing certain provisions relating to the allowance for depreciation; to the Committee on Ways and Means.

H.R. 14391. A bill to amend the Internal Revenue Code of 1954 to terminate the percentage depletion method of computing the depletion deduction for oil and gas wells and oil shale, to deny the deduction of intangible drilling and development costs, and to deny a foreign tax credit with respect to the income derived from any such well; to the Committee on Ways and Means.

By Mr. ANDREWS of North Carolina:

H.R. 14392. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income the amount of certain cancellations of indebtedness under student loan programs; to the Committee on Ways and Means.

By Mr. BROOKS:

H.R. 14393. A bill to amend the National Flood Insurance Act of 1968 to continue the present federally subsidized flood insurance program in any locality where construction of an adequate flood protection system has begun, and to eliminate the compulsory features added to such program by the Flood Disaster Protection Act of 1973; to the Committee on Banking and Currency.

By Mr. CARNEY of Ohio:

H.R. 14394. A bill to amend section 410 of the Federal Aviation Act of 1958 to provide financial assistance during the energy crisis to U.S. air carriers engaged in overseas and foreign air transportation; to the Committee on Interstate and Foreign Commerce.

H.R. 14395. A bill to amend title 39, United States Code, to provide that the postmark on mail matter shall disclose the name of the city or community in which the mail matter is actually mailed, the assigned zip code, and the date and time of mailing, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. CLARK:

H.R. 14396. A bill to amend chapter 81 of subpart G of title 5, United States Code, relating to compensation for work injuries, and for other purposes; to the Committee on Education and Labor.

H.R. 14397. A bill to amend title 39, United States Code. to eliminate certain restrictions on the rights of officers and employees of the U.S. Postal Service, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 14398. A bill to amend the age and service requirements for immediate retirement under subchapter III of chapter 83 of title 5, United States Code, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. CRANE:

H.R. 14399. A bill to amend the Par Value Modification Act; to the Committee on Banking and Currency.

By Mr. FRASER:

H.R. 14400. A bill to authorize the District of Columbia Council to provide for an increase in compensation for teachers and others in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. HÉBERT:

H.R. 14401. A bill to authorize military band recordings in support of the American Revolution Bicentennial; to the Committee on Armed Services.

By Mr. HÉBERT (for himself and Mr. Bray) (by request):

H.R. 14402. A bill to amend the act of September 26, 1966, Public Law 89-606, as amended, to extend for 2 years the period during which the authorized numbers for the grades of lieutenant colonel and colonel in the Air Force are increased; to the Committee on Armed Services.

By Mr. LONG of Louisiana:

H.R. 14403. A bill to amend title 18 of the United States Code to require that each reprint of certain material from the Congressional Record shall bear a notation that it is a reprint from the Congressional Record; to the Committee on the Judiciary.

By Mr. LUKEN:

H.R. 14404. A bill to regulate commerce and amend the Natural Gas Act so as to provide increased supplies of natural gas, oil, and related products at reasonable prices to the consumer, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. McDADE:

H.R. 14405. A bill to establish a national program for the employment of Vietnam-era veterans within the Federal Government; to the Committee on Post Office and Civil Service.

By Mr. MATHIS of Georgia:

H.R. 14406. A bill to provide for the establishment of an American folklife center in the Library of Congress, and for other purposes; to the Committee on House Administration.

By Mr. NIX:

H.R. 14407. A bill to provide assistance and full-time employment to persons who are unemployed or underemployed as a result of the energy crisis; to the Committee on Education and Labor.

By Mr. PRICE of Illinois (by request):

H.R. 14408. A bill to amend the Atomic Energy Act of 1954, as amended, to revise the method of providing for public remuneration in the event of a nuclear incident, and for other purposes; to the Joint Committee on Atomic Energy.

By Mr. ROY:

H.R. 14409. A bill to amend the Public Health Service Act to assure the development of effective, National, State, and area health services planning, development, and regulation programs, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 14410. A bill to amend title 38 of the United States Code to provide service pension to certain veterans of World War I and pension to the widows of such veterans; to the Committee on Veterans' Affairs.

By Mr. ROYBAL:

H.R. 14411. A bill to amend title 38 of the United States Code to increase to 16 cents per mile the mileage allowance payable to persons visiting Veterans' Administration medical and other facilities; to the Committee on Veterans' Affairs.

By Mrs. SCHROEDER (for herself and Ms. Abzug):

H.R. 14412. A bill to amend the Internal Revenue Code of 1964 to provide for an increase in the amount of the personal exemption for taxable years beginning after December 31, 1973; to the Committee on Ways and Means.

By Mr. STARK:

H.R. 14413. A bill to amend the Bretton Woods Agreements Act to establish the National Advisory Council on International Monetary and Financial Policies, and for other purposes; to the Committee on Banking and Currency.

By Mr. STEIGER of Wisconsin:

H.R. 14414. A bill to amend section 210 of the Federal Property and Administrative Services Act of 1949 by repealing the authority of the Administrator of General Services and of certain executive agencies to charge as an occupant of a Federal building for the use of such building; to the Committee on Government Operations.

By Mr. WALSH:

H.R. 14415. A bill to amend the Railroad Retirement Act of 1937 to eliminate the existing prohibition against payment of an annuity to an individual who continues to work (or returns to work) for his last nonrailroad employer; to the Committee on Interstate and Foreign Commerce.

H.R. 14416. A bill to establish a 90-day period during which Vietnam-era veterans currently barred from applying for service disabled veterans' insurance by reason of lapse of time may apply for such insurance; to the Committee on Veterans' Affairs.

H.R. 14417. A bill to amend the Internal Revenue Code of 1954 to revise the conditions necessary to obtain a moving expense deduction; to the Committee on Ways and Means.

By Ms. ABZUG (for herself, Mr. Rangel, Mr. Hanley, and Mr. Stratton):

H.R. 14418. A bill to amend title XVI of the Social Security Act to provide for emergency assistance grants to recipients of supplemental security income benefits, to authorize cost-of-living increase in such benefits and in State supplementary payments, to prevent reductions in such benefits because of social security benefit increases, to provide reimbursement to States for home relief payments to disabled applicants prior to determination of their disability, to permit payment of such benefits directly to drug addicts and alcoholics (without a third-party payee) in certain cases, and to continue on a permanent basis the provision making supplemental security income recipients eligible for food stamps, and for other purposes; to the Committee on Ways and Means.

By Mr. BINGHAM (for himself, Mr. Badillo, Mr. Brasco, Ms. Chisholm, Mr. Fish, Mr. Horton, Mr. Koch, Mr. Murphy of New York, and Mr. Podell):

H.R. 14419. A bill to amend title XVI of the Social Security Act to provide for emergency assistance grants to recipients of supplemental security income benefits, to authorize cost-of-living increase in such benefits and in State supplementary payments, to prevent reductions in such benefits because of social security benefit increases, to provide reimbursement to States for home relief payments to disabled applicants prior to determination of their disability, to permit payment of such benefits directly to drug addicts and alcoholics (without a third party payee) in certain cases, and to continue on a permanent basis the provision making supplemental security income recipients eligible for food stamps, and for other purposes; to the Committee on Ways and Means.

By Mr. BREAUX (for himself and Mr. Lott):

H.R. 14420. A bill to amend the Duck Stamp Act with respect to the treatment of moneys received from the sale of migratory-bird hunting stamps, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. CAREY of New York:

H.R. 14421. A bill to amend title XVI of the Social Security Act to provide for emergency assistance grants to recipients of supplemental security income benefits, to authorize cost-of-living increase in such benefits and in State supplementary payments, to prevent reductions in such benefits because of social security benefit increases, to provide reimbursement to States for home relief payments to disabled applicants prior to determination of their disability, to permit payment of such benefits directly to drug addicts and alcoholics (without a third party payee) in certain cases, and to continue on a permanent basis the provision making supplemental security income recipients eligible for food stamps, and for other purposes; to the Committee on Ways and Means.

By Mr. DENHOLM (for himself, Mr. Bergland, Mr. Burlison of Missouri, Mr. Mathis of Georgia, Mr. Mayne, Mr. Roncalio of Wyoming, and Mr. Smith of Iowa):

H.R. 14422. A bill directing the Secretary of the Department of Transportation to conduct a comprehensive, nationwide study of the effects of railroad abandonment, to develop an effective policy to assure an adequate, economic system for the transportation of freight with emphasis on branch line facilities in the movement of agricultural commodities, and prohibiting the Interstate Commerce Commission from authorizing any further abandonments of railway freight facilities for a period of 3 years after enactment of this act; to the Committee on Interstate and Foreign Commerce.

By Mr. FULTON (for himself, Mr. Kuykendall, Mr. Dent, Mr. Duncan, Mr. de Lugo, Mr. Ketchum, Mr. Bafalis, Mr. Waggonner, Mr. Brasco, Mr. Hosmer, Mr. Kemp, Mr. Podell, Mr. Davis of South Carolina, and Mr. Rarick):

H.R. 14423. A bill to amend title 17 of the United States Code to remove the expiration date provided in Public Law 92–140 which authorized the creation of a limited copyright in sound recordings for the purpose of protecting against unauthorized duplication and piracy of sound recordings; to increase the criminal penalties for piracy and counterfeiting of sound recordings; and for other purposes; to the Committee on the Judiciary.

By Mr. HOGAN (for himself, Mr. Anderson of Illinois, Mr. Ashley, Mr. Bauman, Mr. Byron, Ms. Chisholm, Mr. Collier, Mr. Conyers, Mr. Dominick V. Daniels, Mr. Davis of South Carolina, Mr. Dellums, Mr. Evans of Colorado, Mr. Fauntroy, Mr. Goldwater, Mr. Hamilton, Mr. Hansen of Idaho, Mrs. Holt, Mr. Howard, Mr. Hungate, Mr. Mathis of Georgia, Mr. Mitchell of Maryland, Mr. Powell of Ohio, Mr. Pettis, and Mr. Robison of New York):

H.R. 14424. A bill to authorize voluntary withholding of Maryland, Virginia, and District of Columbia income taxes in the case of Members of Congress and congressional employees; to the Committee on Ways and Means.

By Mr. HOGAN (for himself, Mr. Schneebeli, Mr. Seiberling, Mr. Stark, Mr. Stubblefield, Mr. Thompson of New Jersey, Mr. Whitehurst, Mr. Wright, Mr. Wyman, and Mr. Yatron):

H.R. 14425. A bill to authorize voluntary withholding of Maryland, Virginia, and District of Columbia income taxes in the case of Members of Congress and congressional employees; to the Committee on Ways and Means.

By Mr. LITTON (for himself, Mr. Abdnor, Mr. Armstrong, Mr. Brinkley, Mr. Clay, Ms. Collins of Illinois, Mr. Hosmer, Mr. Guyer, Mr. Hanrahan, Ms. Holt, Mr. Johnson of Colorado, Mr. Jones of Tennessee, Mr. McKinney, Mr. Moorhead of California, Mr. Murphy of New York, Mr. Regula, Mrs. Sullivan, Mr. Symington, Mr. Taylor of Missouri, Mr. Towell of Nevada, Mr. Treen, Mr. Ullman, and Mr. Walsh):

H.R. 14426. A bill to amend the Legislative Reorganization Act of 1970 to provide seminars to freshmen Members of the Congress, and for other purposes; to the Committee on House Administration.

By Mr. MEEDS:

H.R. 14427. A bill to authorize the purchase, sale and exchange of lands by the Lummi Indian Tribe of the Lummi Indian Reservation, Wash., and for other purposes; to the Committee on Interior and Insular Affairs.

By Mrs. MINK (for herself and Mr. Steele):

H.R. 14428. A bill for the relief of certain orphans in Vietnam; to the Committee on the Judiciary.

By Mr. PETTIS (for himself and Mr. Burleson of Texas):

H.R. 14429. A bill to amend the Internal Revenue Code of 1954 with respect to the tax treatment of capital gains and losses; to the Committee on Ways and Means.

By Mr. SCHNEEBELI (for himself, Mr. Eshleman, and Mr. Ware):

H.R. 14430. A bill to amend the Internal Revenue Code of 1954 and the Social Security Act to provide an exemption from coverage under the social security program, through a tax refund procedure, for employees who are members of religious faiths which oppose participation in such program, and to provide a similar exemption on a current basis (pursuant to waiver certificates filed in advance) for employers engaged in farming and their employees in cases where both are members of such faiths; to the Committee on Ways and Means.

By Mr. TIERNAN:

H.R. 14431. A bill to extend and improve the Nation's unemployment programs and for other purposes; to the Committee on Ways and Means.

By Mr. MAHON:

H.R. 14434. A bill making appropriations for energy research and development activities of certain departments, independent executive agencies, bureaus, offices, and commissions for the fiscal year ending June 30, 1975, and for other purposes.

By Mr. LOTT:

H.J. Res. 987. Joint resolution authorizing the President to proclaim May 4, 1975, as National Hike or Bike Sunday; to the Committee on the Judiciary.

By Mr. STEIGER of Wisconsin:

H.J. Res. 988. Joint resolution to authorize the President to issue a proclamation designating the month of May 1974, as National Arthritis Month; to the Committee on the Judiciary.

By Mr. TIERNAN:

H.J. Res. 989. Joint resolution to authorize the President to issue a proclamation designating the month of May 1974, as National Arthritis Month; to the Committee on the Judiciary.

By Mr. FORD (for himself, Mr. Mills, Mr. Lehman, and Mr. Bell):

H. Con. Res. 482. Concurrent resolution designating May 12 through May 18, 1974, as National Migrant Education Week; to the Committee on the Judiciary.

By Mr. TIERNAN:

H. Con. Res. 483. Concurrent resolution to request the Internal Revenue Service to reevaluate the present tax deduction for the business use of automobiles; to the Committee on Ways and Means.

By Mr. CRANE (for himself, Mr. Flood, Mr. Blackburn, Mr. Waggonner, Mr. Baker, Mr. Beard, Mr. Casey of Texas, Mr. Collier, Mr. Fish, Mr. Lujan, Mr. Parris, and Mr. Young of South Carolina):

H. Res. 1062. Resolution in support of continued undiluted U.S. sovereignty and jurisdiction over the U.S.-owned Canal Zone on the Isthmus of Panama; to the Committee on Foreign Affairs.

By Mr. DERWINSKI (for himself and Mr. McKay):

H. Res. 1063. Resolution creating a select committee to study the impact and ramifications of the Supreme Court decisions on abortion; to the Committee on Rules.

By Mr. REID:

H. Res. 1064. Resolution respecting the safety of the Jewish community of Syria; to the Committee on Foreign Affairs.

By Mr. YOUNG of Georgia (for himself, Ms. Abzug, Mr. Anderson of Illinois, Mr. Ashley, Mr. Badillo, Mr. Bafalis, Mr. Barrett, Mr. Bauman, Mr. Beard, Mr. Bergland, Mr. Biaggi, Mr. Boland, Mr. Bolling, Mr. Brasco, Mr. Brinkley, Mr. Brooks, Mr. Brown of California, Mr. Broyhill of North Carolina, Mr. Buchanan, Ms. Burke of California, Mr. Burton, Mr. Byron, Mr. Chamberlain, Ms. Chisholm, and Mr. Clark):

H. Res. 1065. Resolution to commend and congratulate Henry Aaron; to the Committee on the Judiciary.

By Mr. YOUNG, of Georgia (for himself, Mr. Clay, Ms. Collins of Illinois, Mr. Conte, Mr. Conyers, Mr. Corman, Mr. Cotter, Mr. Culver, Mr. Dominick V. Daniels, Mr. Davis of Georgia, Mr. Davis of South Carolina, Mr. Dellums, Mr. de Lugo, Mr. Derwinski, Mr. Diggs, Mr. Dorn, Mr. Duncan, Mr. Edwards of California, Mr. Edwards of Alabama, Mr. Eshleman, Mr. Fascell, Mr. Fauntroy, Mr. Fish, Mr. Flynt, and Mr. Ford):

H. Res. 1066. Resolution to commend and congratulate Henry Aaron; to the Committee on the Judiciary.

By Mr. YOUNG of Georgia (for himself, Mr. Fraser, Mr. Frenzel, Mr. Fuqua, Mr. Ginn, Mr. Gonzalez, Mr. Green of Pennsylvania, Mr. Gunter, Mr. Harrington, Mr. Hawkins, Mr. Hays, Mrs. Holt, Mr. Horton, Mr. Hosmer, Mr. Hudnut, Mr. Hungate, Mr. Johnson of California, Mr. Jones of North Carolina, Mr. Kemp, Mr. Landrum, Mr. McKinney, Mr. McSpadden, Mr. Mathis of Georgia, Mr. Meeds, and Mr. Metcalfe):

H. Res. 1067. Resolution to commend and congratulate Henry Aaron; to the Committee on the Judiciary.

By Mr. YOUNG of Georgia (for himself, Mr. Michel, Mr. Minish, Mrs. Mink, Mr. Mitchell of New York, Mr. Mitchell of Maryland, Mr. Moakley, Mr. Moorhead of Pennsylvania, Mr. Murphy of Illinois, Mr. Nix, Mr. Obey, Mr. O'Neill, Mr. Pepper, Mr. Podell, Mr. Powell of Ohio, Mr. Preyer, Mr. Rangel, Mr. Rees, Mr. Reid, Mr. Reuss, Mr. Robinson of Virginia, Mr. Rodino, Mr. Roe, Mr. Rose, and Mr. Rosenthal):

H. Res. 1068. Resolution to commend and congratulate Henry Aaron; to the Committee on the Judiciary.

By Mr. YOUNG of Georgia (for himself, Mr. Roush, Mr. Runnels, Mr. Sarbanes, Mr. Schneebeli, Ms. Schroeder, Mr. Sikes, Mr. Sisk, Mr. J. William Stanton, Mr. Stark, Mr. Stokes, Mr. Stratton, Mr. Stuckey, Mrs. Sullivan, Mr. Symms, Mr. Thone, Mr. Udall, Mr. Ullman, Mr. Vander Jagt, Mr. Vander Veen, Mr. Vigorito, Mr. Walsh, Mr. Whitehurst, Mr. Widnall, and Mr. Bob Wilson):

H. Res. 1069. Resolution to commend and congratulate Henry Aaron; to the Committee on the Judiciary.

By Mr. YOUNG of Georgia (for himself, Mr. Mathias of California, Mr. Charles Wilson of Texas, Mr. Charles H. Wilson of California, Mr. Winn, Mr. Won Pat, and Mr. Yatron):

H. Res. 1070. Resolution to commend and congratulate Henry Aaron; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADAMS:

H.R. 14432. A bill for the relief of D. Eugene Hokanson; to the Committee on the Judiciary.

By Mr. KING:

H.R. 14433. A bill for the relief of Mr. Rostislav K. Benes, his wife, Ludmila Benes, and child Hana Benes; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

A TRIBUTE TO DR. SAM D'AMBOLA

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, April 22, 1974

Mr. RODINO. Mr. Speaker, in today's society of hustle and bustle, when our working hours and our daily commitments seem to leave us less and less time to pursue our most cherished interests and to share these special skills with others, I wanted to take a moment to bring Dr. Sam D'Ambola's accomplishments to all my colleagues' attention.

"Doc" D'Ambola, of my hometown of Newark, N.J., can almost be described as our community's "renaissance" man. His leadership, his enthusiasm, and his commitment to the students and families of Newark extend into such multifarious areas that one must assume Dr. D'Ambola wastes little time in making the most of each day.

After graduating Barringer High School in Newark in 1940, Seton Hall College in 1947, and Downstate Medical School in 1951, "Doc" D'Ambola conducted both his internship and residency at our city's St. Michael's Hospital. Today he is president of the Essex County Chapter of the American Academy of General Practice, chief of clinics at St. Michael's, a member of the hospital's executive committee, and secretary of the medical staff. Continuing his medical education, in 1970 he became a "diplomate" on the American Board of Family Practice. Thus, from the first day "Doc" D'Ambola entered St. Michael's as a medical intern, he has been a vital part of the hospital's responses to new challenges and developments in its efforts to best meet the health needs of Newark's citizens.

Yet, for Dr. D'Ambola, his expertise in the medical area has been but a part of his service to our people. Throughout his professional studies, "Doc" D'Ambola trained, pursued, and mastered the difficult and technical skills involved in the art of fencing. In 1940, he served as cocaptain of the metropolitan and State championship Barringer team, while in the same year holding the title of individual State champion. At Seton Hall College, he became a member of the eastern intercollegiate championship team. In 1942, he achieved the eastern intercollegiate epee strip "C" title. And, in 1957–58, he was acclaimed as the open State foil champion.

With this remarkable record, Dr. D'Ambola, since 1960, has volunteered his teaching abilities and has served as the head coach of the Essex Catholic High School fencing team. During his tenure, he has compiled an unbelievable 183–12–1 record, captured nine State championships, eight Centrulo Tournament titles, two metropolitan championships, and in the process ran off 107 consecutive victories. Through his efforts, college scholarships were made possible for more than 50 of his students.

On Thursday evening, May 16, "Doc" D'Ambola will retire from his head coach position. The fencing alumni of Essex Catholic are to hold a tribute in his honor. As Dr. D'Ambola looks back on the special memories and experiences he has shared over the years, I am sure his sense of fulfillment for the self-confidence and pride he has helped to build and for the opportunities and challenges he has opened for his students will make this evening a truly unforgettable occasion. To Dr. Sam D'Ambola, my warm congratulations. How well deserved is this forthcoming tribute.

EDWARD F. PRIOR RETIRES AS CONDUCTOR OF MONTEREY PARK CONCERT BAND

HON. GEORGE E. DANIELSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. DANIELSON. Mr. Speaker, there are very few occasions these days when one is able to enjoy fine concert music without paying a great deal of money for the pleasure. However, the citizens of southern California have had the privilege of hearing the Monterey Park Concert Band for free for the past 12 years.

The Monterey Park Concert Band was founded and has survived through the generosity and labors of Maj. Edward F. Prior and his wife, Arlis. Back in 1962, after Major Prior was forced by illness to retire from his career as a trumpet soloist, he and his wife decided to organize and finance a concert band which, in addition to performing publicly, would serve as a workshop where musicians could improve their own ability by practicing in a group conducted by Major Prior.

Cards were sent out to some 200 musicians, including retired professionals and semiprofessionals, top-flight amateurs, and students, asking them to volunteer their services for the band. The result was the Monterey Park Concert Band, which gave its first performance in March 1963. Now, 11 years later, the band has over 75 members and is still an all-volunteer effort. Major and Mrs. Prior have poured nearly $10,000 of their personal funds into this project. The Monterey Park Concert Band has become very well known for its excellence. For 3 years, the band has performed in the annual 12-hour telecast at Christmas time from the Dorothy Chandler Pavilion at the Los Angeles County Music Center. Two of these performances won them Emmy Award nominations.

The success of the band is due in no small part to the talent of Major Prior. He was known as one of the finest trumpet players in the country at a very early age and has studied under many famous trumpet instructors. He has also played with top dance bands and served as Chief of Bands and Music, 5th Army Ground Forces, while he was in the Army during World War II. Later, he was a member of the Seattle Symphony Orchestra.

The spirit with which Edward and Arlis Prior have dedicated themselves to the Monterey Park Concert Band is truly amazing. To them, every penny of the $10,000 they have donated and all the work they have put into the band have been worth it. They are repaid, says Major Prior, by "the uplifting feelings of a job well done in seeing the joy of performing good music in the faces of our performers and the happy response from our audiences."

Now, however, Major Prior must retire as conductor because of his health. Unfortunately, but not surprisingly, he has not been able to find a replacement who will conduct without pay, as he did for over 12 years.

There are not many people like Edward and Arlis Prior—people who are willing to give so much of themselves so that others can get enjoyment out of the things they love. On the occasion of his retirement, I would like to extend my heart-felt thanks to Major Prior for making his part of our world a better place to live.

THE HANDICAPPED AND OLDER AMERICANS

HON. ELLA T. GRASSO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mrs. GRASSO. Mr. Speaker, according to 1970 census figures, more than 12 million Americans between the ages of 18 and 64 are disabled, with some 5.3 million working to support themselves and sometimes their families as well. Many of our older Americans over the age of 64 also suffer from impaired vision or hearing or other infirmities. Still other Americans each year are temporarily disabled.

People on crutches and in wheelchairs must have a chance to gain the personal freedom and independence that will allow them the dignity of making it on their own. Often, however, especially if disability comes late in life to the head of a family, dealing with daily life and work can be a difficult and frustrating experience.

We must continue our efforts to break down the barriers—architectural, psychological, and others—that stand in the way of fulfillment and success for the disabled and the elderly.

Of course, no building or bus was designed intentionally to keep the disabled from using it. Yet, barriers inhibiting free access by the disabled do exist, primarily because the architects and engineers who planned these buildings or designed mass transit facilities failed to take handicapped or elderly people into account.

It seems that the building and engineering industries—in developing new models—are considering the particular problems of the handicapped. More ramps and other facilities for the disabled are being installed. Accessibility to the handicapped has been a criterion for federally financed construction for several years. Yet, greater awareness is essential, and programs, such as the one being sponsored by the consumer advocacy council of Greater Hartford, are important sources of needed information and enthusiasm for barrier-free buildings and transit facilities.

It has been my privilege as a Member of Congress to work to help break down barriers impeding the handicapped and the elderly. A measure cosponsored by me and now pending before the Ways and Means Committee would provide tax incentives for the removal of architectural and transportational barriers to the handicapped and the elderly. Enactment of this legislation would be an important step toward doing away with high curbs, narrow and high steps in buildings, buses and trains, and tight hallways and aisles. Hopefully, it will lead to the installation of ramps where they are needed and to a general rethinking of design.

Barriers in transportation facilities are particularly obstructive for the handicapped, since the inability to utilize mass transit can often effectively isolate the disabled from the mainstream of community life. Buses, in addition to subway and railroad cars have not, in the past, been designed to make access possible for people in wheelchairs and for other disabled individuals. Turnstiles and other facilities at stations also cause problems.

A measure I have cosponsored would authorize grants under the Urban Mass Transportation Act of 1964 to assist States and communities in providing mass transit facilities that are planned, designed, and carried out to meet the special needs of the handicapped and older Americans. The bill would establish access to the elderly and the handicapped as criteria for the construction of federally financed mass transit facilities, and would authorize the funding of studies on how to improve transportation opportunities for the elderly and the handicapped. The legislation would also authorize free or reduced fares for the elderly and the handicapped on airplanes, buses, and trains.

In addition to barriers in buildings and transportation, disabled individuals also face resistance from the attitudes of employers and others who feel that an infirmity rules a person out of employment or other opportunities for which he or she may be well qualified. Since coming to Congress, it has been my opportunity to cosponsor legislation dealing with this psychological barrier standing in the way of the disabled.

Legislation cosponsored by me would prohibit discrimination against the handicapped in their participation in any Federal program. In addition, the Rehabilitation Act of 1973 had my strong support, and it was a great pleasure to assist in its drafting as a member of the House Education and Labor Committee. I wanted the bill, which was vetoed by the President, to become law, yet the measure which was finally enacted extended basic Federal programs for the handicapped and authorized the funding of research in this area, as well as expanded training programs for those assisting the handicapped.

I strongly support the efforts of the advocacy council in making people more aware of the barriers impeding the progress of the handicapped and the elderly. Awareness Day and activities like it will lead to a greater understanding of the fact that people in wheelchairs are not different, they are just in wheelchairs. This admirable event has my heartiest endorsement.

WINS RADIO SUPPORTS MINISH-WILLIAMS TRANSIT BILL

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. KOCH. Mr. Speaker, last month WINS Radio ran an excellent editorial that effectively presents the urgent need for the Minish-Williams transit aid bill. On March 6, the Rules Committee refused to give this bill a rule because the House Public Works Committee pledged to report out its comprehensive transportation package in 6 weeks. The 6 weeks have passed, but no bill has come forward.

The New York City metropolitan area, like other metropolitan areas in our country, is in desperate need of transit operating aid. The Minish-Williams bill would provide this emergency aid. The Public Works Committee bill has many facets affecting both the highway and mass transit programs; one cannot realistically expect enactment of this bill for several more months.

May I urge this House to approve the Minish-Williams bill, an emergency short term measure, now so that immediate aid can be sent to our beleagured transit systems while the House and Senate Public Works Committees undertake their consideration of the administration's urban transportation program proposal.

Since the March 6 session of the Rules Committee, Chairman MADDEN has indicated that he would give the Public Works Committee 8 weeks from that date to submit its bill. Eight weeks will be up next Wednesday, May 1. If the Public Works Committee bill has not been reported out by then, I hope that the Rules Committee will move expeditiously to submit the Minish-Williams bill to the floor for a vote.

The WINS editorial follows:

NEEDED NOW—THE MINISH-WILLIAMS MASS TRANSIT BILL

(By Robert W. Dickey)

It's unfortunate that the Minish-Williams emergency urban mass transit aid bill now stalled in the House Rules Committee has been pictured primarily as an effort to save the New York City subway fare.

This certainly would be one very desirable accomplishment of the bill, but it also offers aid in many other areas where it is urgently needed.

For example, this bill also would provide the state of New Jersey with 35 million dollars to revitalize its ailing railroad and bus lines. In addition, it would help the buses and commuter lines in Connecticut, Long Island, Westchester, and in other major metropolitan areas around the country.

We think that to dismiss this as a "big city bill" as the Nixon administration and some rural Congressmen have done, completely misses the point of the Minish-Williams bill.

The simple fact is that this legislation is an emergency measure desgned to provide *immediate* help to heavily populated metropolitan areas which already rely heavily on mass transit. These facilities are hardpressed financially at a time when they are in urgent need of improvement to meet the demands of the current fuel shortage.

The Nixon bill, which is being offered as an alternative, is long-range legislation that does not put enough Federal help where it is needed right now.

We think that the Nixon bill might have viability as part of a continuing public transportation improvement program, but Congress should approve, and the President should sign, the Minish-Williams emergency bill without further delay.

END THE SEATBELT IGNITION INTERLOCK NOW

HON. LOUIS C. WYMAN

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. WYMAN. Mr. Speaker, for months now I have had a bill pending before the House Commerce Committee to rescind once and for all the impertinent, unreasonable, bureaucratic, and outrageous Department of Transportation regulation requiring all new cars to have front seatbelts and harnesses tied into their automotive ignition systems. This demonstrably dangerous and patently inconvenient nuisance represents big-brotherism at its worst and should be rescinded by this Congress without delay.

Many colleagues are cosponsors of my bill, H.R. 10277, and we are all, collectively growing impatient with the stalling tactics of the subcommittee sitting on this measure. So is the general public as appears from an interesting letter to the editor of the Washington Post printed in today's edition:

BUCHWALD AND SAFETY BELTS

GALES FERRY, CONN.

Art Buchwald's recent column "Fasten Your Belt" addressed the dilemma of the 1974 automobile safety belts. In his own inimitable style, Mr. Buchwald has expressed the frustration which many of us feel whenever we slip behind the wheel of our new cars.

Instead of a reasonably simple and pleasant driving experience, we must strap ourselves and our passengers to some arbitrary position which will allow the engine to be started. Any deviation (or equipment malfunction) produces a wailing tone which can be alleviated only by walking or taking the bus. Thus absurdity is yet one more example of misguided bureaucrats robbing us of our individual liberties.

Certainly life is such a precious commodity that we must continually strive to protect ourselves from needless suffering and death. And certainly automobile safety harnesses reduce collision injuries to car occupants. Yet we must reconcile legitimate concern for automobile safety with the right of each American to choose his own destiny.

Obviously automobile safety equipment should be available to everyone who desires such. My 1970 model car included seat belts as mandatory factory installed equipment, and this seemed to be a satisfactory compromise. There were no ignition interlocks and I was able to choose whether or not I felt it necessary or desirable to fasten my seat belts.

Present automobiles safety devices are not only ludicrous, but potentially dangerous in themselves. The contortions—and I do not exaggerate—which are necessary to properly fasten the safety harness in order to start the engine can very conceivably cause panic and disaster in an emergency situation, such as delivering a pregnant mother to the hospital or removing a car from a burning garage.

I am not sure whether our elected representatives had the opportunity to debate and vote on this particular regulation. Let it be known, however, that there is a growing army of citizens who are fed up with bureaucratic, ill-advised, and personally-restrictive regulations out of the Washington complex.

Let's return some measure of sanity to automobile safety regulations by immediate legislative repeal of safety harness requirements.

EDWIN R. LINZ.

NATIONAL SECRETARIES WEEK

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. LEGGETT. Mr. Speaker, since this week is National Secretaries Week, I think it is appropriate to take time to acknowledge the contributions that our secretaries make to the smooth operation of the Congress.

The theme of National Secretaries Week this year is "Better Secretaries Mean Better Business." I think that is probably demonstrated here in the House as well as anywhere in the country. Speaking for myself, I know that my office would probably grind to a halt in short order—strangled by paper—if it were not for an efficient clerical staff. With the volume of correspondence, records, hearings, files, and other accumulations of paper that are at once the bane and lifeblood of a Congressman's job, it is a shortsighted person indeed who will refer to a member of his or any other staff as "only a secretary." The tremendous administrative burdens generated in any modern, efficient office fall largely on its secretaries, and I want to be sure that they know that their efforts are appreciated. I was reminded of this important event as follows:

Ril;

Remindre—

This is Nationa al secretarys Week. Tomorow iz thursday. Yu have 1 xx more day in witch too show yur apreciasion to your dedicatted, loyle, acurate, punctule, selflis, and atractiv stafxf

vary cinserellllliy!

OWEN R. CHAFFEE,
Asminstrativ Asistent.

POLICY FOR U.S. NAVY NUCLEAR WARSHIPS

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. BOB WILSON. Mr. Speaker, Representative CHARLES BENNETT, Democrat, of Florida, and I have today introduced significant legislation to set policy for the U.S. Navy's nuclear-powered warships.

There is no question that nuclear power for ships has come of age. Our dependence on fossil fuels for fighting ships is threatened by shortages and blockades, and the economy of nuclear propulsion is improving as oil prices continue to rise.

The Bennett-Wilson bill will establish beyond doubt that our Navy is embarking on a program to make its capital ships the most efficient and dependable ships afloat.

I include in my remarks a copy of this Bennett-Wilson bill and a thoughtful article on the need for a nuclear-powered Navy, by the distinguished military writer for Copley News Service, L. Edgar Prina:

H.R. 14364

A bill to establish the policy of the United States of America to modernize the strike forces of the U.S. Navy by requiring nuclear propulsion in new major combatant vessels to take advantage of improved military characteristics accruing from the essentially unlimited high speed endurance provided by nuclear propulsion

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled that:

It is the policy of the United States of America to modernize the strike forces of the United States Navy by the construction of nuclear powered major combatant vessels and to provide for an adequate industrial base for the research, development, design, construction, operation, and maintenance of such vessels. New construction major combatant vessels for the strike forces of the United States Navy authorized subsequent to the date this Act becomes law shall be nuclear powered, except as provided hereafter.

SEC. 2. *Definition:* For the purposes of this Act, the following definition shall apply:

"Major combatant vessel(s) for the strike forces of the United States Navy" shall mean:

(a) Combatant submarines for strategic and/or tactical missions;

(b) Combatant vessels intended to operate in combat in aircraft carrier task groups (i.e., aircraft carriers and the combatants which accompany them);

(c) Those combatant vessels designed for independent combat missions where essentially unlimited high speed endurance will be of significant military value;

SEC. 3. The Department of Defense shall include in its annual Naval shipbuilding request the following minimum number of nuclear powered major combatant vessels, until such time as Congress determines that an adequate force level exists in any specific category:

(a) Tactical combatant submarines, 5 per year;

(b) Strategic combatant submarines, 2 per year;

(c) Aircraft carriers, 1 per 3 years; and

(d) Major combatants to accompany aircraft carriers, 2 per year;

SEC. 4. The Secretary of Defense shall submit to Congress each calendar year, at the same time the President submits the budget to Congress under Section 11 of Title 31 United States Code, a written report regarding the application of nuclear propulsion to major combatant vessels for the strike forces of the United States Navy as defined in Section 2 of this Act. The report shall identify contract placement dates for their construction. Further, the report shall identify the Department of Defense plans for construction of nuclear powered major combatant vessels for the succeeding five years and certify whether such plans are adequate to provide a modern striking force for the United States Navy and to maintain the necessary industrial base for design and construction of such vessels.

SEC. 5. Neither the Department of Defense nor the Office of Management and Budget, nor any other executive department or agency, nor any employee thereof shall make any request for authorization or appropriation from Congress, either formally or informally, for construction of any non-nuclear powered major combatant vessels for the strike forces of the United States Navy unless and until:

(a) The President of the United States has fully advised the Congress that construction of nuclear powered vessels for such purpose is not in the national interest;

(b) The Congress, through (i) concurrent resolution or joint resolution, or (ii) by concurrent action of the Armed Services and Appropriations Committees of the Senate and the House of Representatives, has concurred with the President's determination.

Such report of the President to the Congress shall include for consideration by Congress an alternate program of nuclear powered ships with appropriate design, cost and schedule information.

[From the Copley News Service, Apr. 21, 1974]

NAVY WAITS FOR NUCLEAR POWER TO SURFACE

(By L. Edgar Prina)

Nuclear propulsion for U.S. Navy surface warships may be an idea whose time has come.

While the submarine Nautilus first proved ships could steam on the atom 'way back in 1955, there are only five nuclear-powered surface ships in the fleet today. Only one of them has been commissioned since 1967—the frigate California last February.

Now, three recent developments could accelerate the adoption of a long-range program for the construction of nuclear surface combatants. Involving money and personalities, they are:

The skyrocketing prices for petroleum products. Navy distillate fuel costs have almost tripled in the last nine months. A barrel could be purchased for $5.54 last July; the price April 1 was $15.50.

Defense Secretary James R. Schlesinger's recently declared determination to look at lifetime systerm costs rather than at procurement costs alone when making major weapons program decisions.

The promotion of Adm. James L. Holloway, III, to be the new Chief of Naval Operations as of June 29. Regarded as a "true believer" in nuclear propulsion, he will be the first CNO to have commanded a nuclear-powered ship, the aircraft carrier Enterprise, and the first officer to have commanded a nuclear ship in combat (against the North Vietnamese, 1965–67).

Although Admiral Hyman G. Rickover, the Navy's renowned nuclear propulsion expert, insists that one "misses the point" if he concentrates on cost rather than effectiveness comparisons, there is little doubt that the higher initial price tag for nuclear surface ships has been the principal factor in the slow pace of their construction.

Today, higher operation and maintenance costs for oil-fired ships, figured over their 30-

year life span, seem to be near the point they would cancel out their lower construction cost.

Asked by a House Armed Services subcommittee last year to give a comparison of the annual cost of fuel between a nuclear and conventional carrier, the Navy reply showed the latter was considerably more expensive.

Accordingly to the Navy, the estimated price for the nuclear fuel which would be initially installed in the attack carrier Carl Vinson (CVN-70) is about $90 million. The fuel would last for "at least" 13 years of normal operation of the ship.

On the other hand, the Navy said that to carry out the same missions, an oil-fired carrier would consume about 11 million barrels of fuel oil. Figuring a cost of $5.54 a barrel (as of last July) for distillate fuel oil, $.25 per barrel storage costs and $7.73 per barrel for the average peacetime costs for delivering oil to ships operating on the high seas, the total tab would be $13.32 per barrel.

Thus, for the 13 years operation, fuel would cost $11 million annually for an oil-fired carrier and $7 million for the nuclear one.

The Navy went on to estimate that if the price of distillate oil climbed to $10 a barrel, the comparative annual costs would be: oil-fired carrier, $15 million; nuclear carrier, $7 million.

But, of course, the Navy, as of April 1, was paying $15.50 a barrel. If the cost remains at this level—and few are predicting any lowering of prices—the comparative figures would be $20 million as against $7 million.

On a 30-year basis, it would cost $600 million for the purchase, storing and delivery of oil to a single carrier. The cost of the nuclear fuel, based on a price of $7 million a year, would be $210 million or $390 million less than for the oil-fired ship.

Neither Adm. Elmo R. Zumwalt, Jr., Chief of Naval operations, who is pushing for larger numbers of less costly warships, nor Rickover will say it is now less expensive to build and operate a nuclear carrier for 30 years than to build and operate an oil-fired one for the same period.

In fact, Rickover sticks with his statement of March 8 (written in February) when he discussed the lifetime comparative costs of nuclear and conventional ships at the San Diego Press Club.

"The nuclear carrier increases the task group cost about 2 per cent," he said. "Each nuclear escort increases the overall task group cost 1 per cent, so that four nuclear escorts increase the task group cost 4 per cent.

"Therefore, the lifetime cost for a complete nuclear task group consisting of a nuclear carrier and its four nuclear escorts is 6 percent greater than that of a conventional carrier accompanied by four conventional escorts."

As noted above, Rickover believes too much emphasis is placed on cost, particularly when the differential is so small over the lifespan of the ships, and not enough on effectiveness.

"We design our nuclear carriers with the capacity for almost twice as much aircraft fuel and 50 per cent more aircraft ammunition than the latest conventional carrier," he said.

"A nuclear task force is at least 50 per cent more effective than a conventional task force."

Schlesinger, who agrees that the lifetime cost approach is the one to take, conceded that acquisition costs of nuclear ships were far higher than for conventionally powered ones.

"But the operation and maintenance costs, and particularly the (nuclear) fuel costs, are now quite low," he said. "With the increase in the price of fuel (oil), I suspect the cost of operating a nuclear carrier over an extended period of time, over its lifetime, will be lower than would be the costs of operating a nuclear conventional carrier."

Pentagon aides, who said the secretary believed the savings on fuel would cancel out the higher construction cost of a nuclear carrier, admitted that the Office of Systems Analysis had no study to back him up.

Despite its obvious military advantages, most Navy and defense officials restrain their enthusiasm for nuclear propulsion because of its higher initial costs.

DALEY EXERCISES

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. DERWINSKI. Mr. Speaker, as a Republican Congressman representing a district in Cook County, Ill., I have my work cut out every year doing battle not only with forces of the AFL–CIO but also the so-called Daley machine. Having never had Mayor Richard J. Daley's support or endorsement, I can attest to the strength of the Cook County Democratic organization.

However, I have been intrigued as have many people across the country by the strength of the mayor within the Democratic Party especially as we look back at the 1972 Democratic National Convention when he was subject to verbal abuse from the far-left elements of his party.

Therefore, I was impressed by the editorial by WBBM Radio 78 in Chicago, on April 8, which I believe to be a very proper complimentary commentary:

RADIO EDITORIAL—DALEY EXERCISES

There was the chairman of the Democratic Party—Bob Strauss. Then there were those three esteemed men from the Senate—Scoop Jackson, Ted Kennedy and George McGovern. Even House Majority Leader Tip O'Neill got in the act. You see, they were all participating in last Thursday night's NBC special on the future of the Democratic Party. But the most interesting man to take part in the discussion was an elected official—not a member of Congress. Nor, for that matter, was he even a big-time governor. He was just our own Mayor—Richard J. Daley.

There he was—the man kicked out of the 1972 Democratic Convention—telling it like it was, is, and will be. When asked, for instance, what would be the key issues in the coming campaigns, he spoke not of Watergate but of the cost of living, inflation, unemployment and health. And when a film clip showed him greeting Nixon on his recent visit to Chicago, the Mayor said he represented all the people in the city—Democratic and Republican—and it was his duty to welcome this President—any President—to Chicago. What's more, he said he respected the office of the Presidency.

All of which explains—maybe—why Daley has survived every political punch and remains today a leader of the Democratic Party and co-author of its future. While we certainly don't agree with everything he does—we do think the Mayor is believable. He says people are worried about high prices and you think he probably is too. He admits he's in awe of the Presidency—and you know you are. He even talks like and lives like the fellow next door. In other words, he's one of the people.

No wonder he's represented them so long and so well.

THE SOVIET UNION AND THE SUEZ CANAL

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. ASHBROOK. Mr. Speaker, many Americans are asking why the United States is involved in helping to reopen the Suez Canal. While the benefits to the United States from such a reopening are questionable, the gains for the Soviets are quite definite. The Soviets will be able to use the Suez to make their naval presence more felt in the Persian Gulf and the Indian Ocean.

An editorial in the Mount Vernon, Ohio News, suggests using our mine removal technology as a lever to insure demilitarization of the canal. I believe this idea deserves the attention of the administration.

At this point, I include in the RECORD the editorial "Naval Ban Needed When Suez Reopens" from the Mount Vernon, Ohio News of Wednesday, April 24, 1974. I commend it to the attention of my colleagues:

NAVAL BAN NEEDED WHEN SUEZ REOPENS

The enthusiasm with which the non-Communist world is approaching the task of reopening the Suez Canal turns the clock back more than a century—to 1869 when the newly opened waterway was being universally hailed as "an idea whose time has come." Paralleling camel caravan routes, the canal cut some 4,000 miles from East-West voyages and brought new economic life to each hemisphere.

Fade and dissolve. It now is April 24, 1974. Warring Egyptian and Israeli forces have been separated and work to reopen the canal can begin. A team of U.S. Navy demolition experts has surveyed how best to remove mines from the Suez and explosives from its banks. The United States has pledged $10 million to finance the task, and U.S. warships are standing by to begin.

And that is only part of the picture. Some 20 nations including Japan, the European nations and the Soviet Union are eagerly offering money and services to President Sadat of Egypt. Industrialists and bankers from throughout the world are surveying the shores of the Suez to plan businesses, industries and recreation areas on a scale that can be considered ambitious, even by the standards of a 20th Century pharoah. Even Israel is enthusiastic about the prospect of an open Suez Canal with major cities and developments on its banks.

The West believes that Sadat is tilting toward it, away from the Soviet Union. It sees economic benefits from shorter sea lanes and it believes that a heavy Egyptian investment in the Suez region will lessen Sadat's appetite for a war that could destroy it.

There is, however, another side to the coin. It is a fact that the Suez no longer is competing against camel caravans. Apart from some economic advantages to Mediterranean and Indian Ocean ports, a Suez Canal capable of handling 60,000-ton ships is, by and large, insignificant to world commerce. Ambitious plans for a $7 billion dredging program to permit the Suez to handle 250,000-ton ships are just that and no more.

Politically there are danger signals in presenting Sadat the Suez on a dollar platter. He has given no assurances that the waterway will be internationalized. Indeed, he has already said that Israeli flag ships could not use it, and he gives every indication that he would use the canal as a trump card to gain further concessions from Israel.

The truth of the matter is that reopening of the Suez would benefit only one major nation—the Soviet Union which would receive the precious gift of an ocean artery from its ports in the Black Sea to the Indian Ocean where it is seeking to dominate the riches of the East.

The least the United States should insist upon, we believe, is that when the Suez is opened all warships should be prohibited from using it. While this would not assure that the Suez will be an instrument of peace, and not imperialism, it would put a modest brake on Soviet aspirations.

Technologically the United States has a major key to the lock on the Suez through its mine-removal knowhow. We should use this as a lever to ensure demilitarization of the waterway.

CENTENNIAL OF UNIVERSITY OF NEVADA, RENO

HON. DAVID TOWELL

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. TOWELL of Nevada. Mr. Speaker, observances are now being planned for the forthcoming centennial of the University of Nevada, Reno, and I would like to take this opportunity to recall some of the more significant steps in the history of this great institution. I highly commend the following to the attention of my colleagues:

The University of Nevada officially opened its doors as a preparatory school in Elko on October 12, 1874. With this kind of beginning the University of Nevada was typical of many small colleges that undertook the challenging tasks of higher education under adverse conditions. The earliest university efforts in Nevada were the products of a long European tradition of university work, an American collegiate tradition, and the Morrill Land Grant Act passed by the Congress in 1862.

In the century since 1874 the University of Nevada has evolved from a one-teacher, seven-student institution meeting in a small brick building into a modern "multiversity," serving more than 20,000 students. The university operations on the Reno campus date from 1886. The College of Agriculture, the College of Engineering, and the Mackay School of Mines are direct descendants of the congressional efforts of the 1860's to stimulate training in agriculture and the mechanic arts. The Colleges of Home Economics, Nursing, and Health Sciences are likewise products — among other things—of Federal Government programs to expand professional education. The College of Arts and Science, Business Administration, and Education have all, from time to time, responded to challenges from the Federal level to enrich the educational offerings available to young people. One of the two main campuses is located in Reno and has been an example of how Federal legislation, State funding, and public support may be combined to provide excellent education for all the people of the State.

The main activities to commemorate the 100th anniversary of founding of the University of Nevada will be held on the Reno campus in the months ahead. A number of events are planned for the late summer and for the academic year 1974–75.

I view the centennial celebration as a kick off of a great second hundred years.

INCOME FOR CALENDAR YEAR 1973

HON. ROY A. TAYLOR

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. TAYLOR of North Carolina. Mr. Speaker, in line with procedure which I have followed in disclosing in the CONGRESSIONAL RECORD the amounts and sources of all income received by my wife and me over and above my salary as a Member of Congress for each year I have been in Congress up to and including the calendar year 1972, I am hereby making public such information for the calendar year 1973.

The following is an itemized report of such income for 1973:

From a family-owned dairy far in Leicester Township of Buncombe County, N.C	$389.45
From dividends from a variety of stock and bonds (most belong to to me; some are owned by my wife)	3,994.40
From interest on purchase money real estate notes; savings deposits; Swannanoa, N.C. Baptist Church bonds; etc	599.76
From North Carolina Employees' Retirement Fund (based on service as Buncombe County attorney before coming to Congress)	1,251.06
	6,234.67

The stocks and bonds were purchased in western North Carolina at market value and most of them represent investments in North Carolina companies. All of the income mentioned above comes from property investments, and not from the use of my time, all of which is devoted to congressional responsibilities. I am a lawyer by profession but have not engaged in any practice since coming to Congress in 1960.

In addition to the foregoing information, I desire to divulge the amount of Federal and North Carolina State income taxes paid by Mrs. Taylor and me during each of the last 5 years as follows:

	Federal	*North Carolina State*
1973	$8,823.22	$1,928.80
1972	7,388.92	1,864.24
1971	7,789.28	1,907.34
1970	9,694.67	2,021.64
1969	10,641.57	2,012.27

The decreased amount of taxes owed for 1971, 1972, and 1973 resulted mainly from an increase in charitable contributions to colleges, churches, and so forth, which for these 3 years totaled $16,253.04.

THE PROBLEM WITH LEGAL SERVICES

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. CRANE. Mr. Speaker, in the name of legal services for the poor, the Office of Economic Opportunity has embarked upon a program of subsidized political agitation.

This point is made by one who has directed the program, Howard Phillips, former Acting Director of the Office of Economic Opportunity.

Mr. Phillips notes that—

> The present legal services activities . . . are used to finance a nationwide network of nearly 3,000 legal services attorneys, hundreds of organizations, and additional thousands of support personnel who are almost totally free to establish their own priorities for issues to receive attention and access to legal services resources. With nearly $80 million in support annually from O.E.O. alone, they work full-time, using the judicial system to change public policy.

Recent or pending cases, for example, include a Washington State suit in which attorneys of the Prison Legal Services project argued that their client, imprisoned on a marihuana charge, had been subjected to cruel and unusual punishment and a Pennsylvania suit challenging the detention of a convicted felon accused of committing an additional crime while free on bail. There have, in addition, been suits in New York and Hawaii knocking down the requirement that government employees be citizens of the United States and a class action demanding that an Iowa statute prohibiting the civil service employment of convicted felons to be set aside.

The legal services program, as it has been conducted, has served not to meet the legitimate legal needs of poor people but, instead, to stir up litigation for political purposes.

Discussing the legal services bill currently being debated in the Senate, Columnist James J. Kilpatrick notes that—

> The bill is an abomination. It is a perversion of the whole concept of giving the poor person a chance at equal justice under the law . . . The Senate bill erects no more than paper barricades against the activism of super-legal eagles who would be free to pursue social reform behind a camouflage of aid to the poor.

I wish to share with my colleagues the analysis by James J. Kilpatrick of the current legal services legislation. It is my view that the entire question of a legal services corporation itself should be carefully examined, for if individuals are being tried in State courts for offenses against State laws, the Federal interest in the entire proceeding remains questionable. Despite any differences I may have with Mr. Kilpatrick on this aspect of the question, I share his views concerning the problems with the current legislation. Following is his column as it appeared in the Memphis Press-Scimitar of March 25, 1974:

Legal Services for Poor Valid, But Not This Way

WASHINGTON.—It is a familiar rule of parliamentary procedure that a motion to reconsider can be made only by a member of the prevailing faction. Because I have long supported the concept of legal services for the poor, perhaps I am qualified to turn against the bill soon to be reported from a conference committee.

By every indication, the compromise legal services bill will be fairly close to the Nelson-Javits bill approved by the Senate in December. The bill is an abomination. It is a perversion of the whole concept of giving the poor person a chance at equal justice under the law. If the Senate and House should agree to this devious proposition, the President will have to be asked to use his veto power.

In supporting a legal services act, I have been guided by certain principles and observations that seem to me almost beyond dispute. The first is that the concept of equal justice under law is among the greatest ideals of our political system. The second is that our nation has served that concept poorly. Despite impressive improvements in recent years, we still have two systems of law—one for the rich, another for the poor.

A system of federally subsidized legal aid should have but one purpose, and that is to redress the imbalance. The poor family that has been bilked into a usurious installment contract should not be helpless at the hands of a well-heeled merchant. The poor person wrongly evicted from his home should have some aid in standing up to the slumlord. The ignorant or illiterate citizen, struggling with the complexities of a highly regulated society, often needs legal advice that he cannot afford.

A revitalized program of federal legal aid ought to have these aims in mind, and these aims only. Because the possibilities for abuse are quite real, a new Legal Services Corporation should be bound down by chains of law. At the very minimum, the corporation should be federally chartered for a limited term of no more than five years, at which time Congress could review the entire operation.

The Senate bill that now prevails is a far cry from the administration's recommendation. It bears no resemblance to a House-approved version that has some faults, but has many virtues also. The Senate bill erects no more than paper barricades against the activism of super-liberal legal eagles who would be free to pursue social reform behind a camouflage of aid to the poor.

These mischievous provisions are not immediately apparent. On the surface, the Senate version seems unalarming. It is only when the bill is examined line by line, as Senator Jesse Helms of North Carolina has examined it, that the shortcomings emerge.

Two examples may suffice to indicate the slippery business here afoot. The Senate bill contains a provision that could make available to legal aid attorneys "particular support functions of the federal government, such as the General Services Administration, the federal telecommunications system and other facilities." Helms calls this a "mind-boggling blank check," and it is. This loosely drawn authorization could equip the activist attorneys with everything from office supplies to free long distance telephone service, all at the taxpayers' expense.

For a second example: The House version wisely prohibits the proposed Legal Services Corporation from using private funds for purposes for which public funds could not be spent. The Senate version ominously omits this safeguard.

The concept of equal justice remains valid. But the disappointing and deceptive bill that now heads back toward the Senate floor, while it doubtless would accomplish many good things, would constitute an invitation to legal activists to come have a ball. This is not the idea. It is not the idea at all.

SPECIAL REPORT ON IMPEACHMENT FROM CONGRESSMAN DANIELSON

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. EDWARDS of California. Mr. Speaker, I am privileged to serve on the Committee on the Judiciary with the distinguished gentleman from California (Mr. DANIELSON) and I can certify that his contributions to the work of that committee are important and highly respected by the other 37 members.

Congressman DANIELSON has recently published a "Special Report on Impeachment" for the benefit of his constituents. This remarkable document, Mr. Speaker, is so well prepared and so properly describes the historic work being done by the Judiciary Committee that I am including it in the CONGRESSIONAL RECORD at this point so that all of the Members can have the benefit of this valuable report:

Special Report on Impeachment From Congressman Danielson

CALIFORNIANS ON THE JUDICIARY COMMITTEE

On the 38-member House Judiciary Committee, which is conducting the impeachment inquiry, there are 21 Democrats and 17 Republicans. Only 21 of the 50 States have Representatives on that Committee. Most of the 21 States have only one Representative on the Committee, but New Jersey has 3, New York has 4 and California has the largest representation with 5. Of the five, two are from Northern California, Democrats Jerome Waldie and Don Edwards. The other three are from our immediate area, Republicans Carols Moorhead of Glendale, and Charles Wiggins of Orange County; and I, your Congressman, am the only Southern California Democrat serving on the Judiciary Committee.

As a Member of the House Committee on the Judiciary, I have received thousands of communications from constituents, and from other people throughout our Nation, giving me their opinions and asking questions concerning the inquiry which the Judiciary Committee is now conducting as to whether or not President Nixon should be impeached. Many have asked questions as to how the impeachment procedure works, and it is apparent from the majority of the letters that the subject of impeachment is not well understood.

I hope you will find this Special Report on Impeachment both informative and interesting, and that it will answer any questions which you may have on the subject.

IMPEACHMENT—ITS HISTORY, ITS PURPOSE

Impeachment is a very important but seldom-used Constitutional proceeding. It was placed in the United States Constitution by the Founding Fathers, who adopted it from the English law and constitution, where it had been in use for more than 400 years, since the year 1376. The purpose of the impeachment process is to provide a procedure by which a public official can be removed from office when he violates his oath of office, abuses the powers of his office, undermines the integrity of his office or of the Constitution, or conducts himself in a manner which makes it grossly unacceptable and grossly incompatible for him to remain in office.

Impeachable conduct may be, but need not be, criminal conduct. The Constitution provides that, *in addition* to being impeached and removed from office, the person who is impeached may *also* be tried, convicted and punished if his offense is a violation of the criminal law. Of the 13 impeachments voted by the House since 1789, at least 10 included one or more allegations that did not charge a violation of criminal law.

The fundamental nature of impeachment is different from that of criminal law. The nature and purpose of impeachment is remedial—that is, it is to remove from office a person whose conduct is such that it undermines the integrity of that office or of the Constitution. The nature and purpose of criminal law is to punish a wrongdoer who violates a specific law.

HAVE ANY FEDERAL OFFICIALS EVER BEEN IMPEACHED?

So far as I have been able to ascertain, in the nearly 200 years of our existence as a Nation, the House of Representatives has conducted impeachment inquiries in sixty-nine (69) cases, before the present one. Out of that number of inquiries only thirteen (13) impeachments have been voted by the House, including the impeachment of President Andrew Johnson in 1868. In two instances, the impeached officer resigned prior to trial and the matter was not pursued further. Of the eleven impeachments which were tried in the Senate, four resulted in convictions. All four of these convictions were of Federal judges.

The 13 officials impeached were made up of the following:

One President—Andrew Johnson (1868)—Acquitted;

One United States Senator—Blount (1797)—Expelled from Senate before trial;

One Cabinet Officer—Secretary of War Belknap (1876)—Acquitted;

Ten Federal Judges (1803 to 1936)—2 resigned before trial, 4 convicted, and 4 acquitted.

WHAT DOES THE CONSTITUTION SAY ABOUT IMPEACHMENT?

Article II, Section 4 of the Constitution provides that, "The President, Vice President, and all civil Officers of the United States, shall be removed from Office on Impeachment for, and Conviction of, Treason, Bribery, or other high Crimes and Misdemeanors."

Article I, Section 2 of the Constitution states that, "The House of Representatives . . . shall have the sole Power of Impeachment."

And, Article I, Section 3 of the Constitution describes the Senate's role:

The Senate shall have the sole Power to try all Impeachments. When sitting for that purpose, they shall be on Oath or Affirmation. When the President of the United States is tried, the Chief Justice shall preside: And no Person shall be convicted without the Concurrence of two thirds of the Members present.

Judgment in Cases of Impeachment shall not extend further than to removal from Office, and disqualification to hold and enjoy any Office of Honor, Trust or Profit under the United States: but the Party convicted shall nevertheless be liable and subject to Indictment, Trial, Judgment and Punishment, according to Law.

Other provisions of the Constitution deny the President the power to grant reprieves and pardons in cases of impeachment (Article II, Section 2), and deny the right to trial by jury in cases of impeachment (Article III, Section 2).

WHAT DOES THE CONSTITUTION MEAN BY IMPEACHMENT?

Impeachment does not automatically remove an official from office. Impeachment is only an accusation. It is a process by which the House of Representatives charges the President, Vice President, or civil officers of the United States with misconduct. The charge of misconduct is made by a majority vote of the House. If the House does not think that grounds for impeachment exist, it will not vote to impeach. If, however, a majority of the House believes that there are such grounds, it will vote for impeachment. A vote to impeach is followed by a trial in the Senate.

After the trial, if two-thirds of the Members present in the Senate vote to convict, the officer is removed from office and may be disqualified from holding any other office in the Government. Conviction by the Senate, however, does not bar subsequent indictment, trial, or judgment of the convicted officer in a court of law.

WHAT IF THE JUDICIARY COMMITTEE DOES NOT RECOMMEND THAT THE PRESIDENT BE IMPEACHED?

At the conclusion of its inquiry, the Committee on the Judiciary will report to the House of Representatives such resolutions, articles of impeachment, or other recommendations as it deems proper. It is the prerogative of the House to accept or reject any recommendation made to it by one of its committees. If the committee does not recommend impeachment, the House still can impeach by majority vote.

WHAT HAPPENS IF THE JUDICIARY COMMITTEE RECOMMENDS THAT THE PRESIDENT BE IMPEACHED?

If the Judiciary Committee submits articles of impeachment against the President, the House of Representatives will debate the question on the floor of the House. Under the rules governing the order of business in the House, a direct proposition to impeach is a matter of high privilege and supersedes other business. At the end of the debate, each Member of the House will have the opportunity to vote either for or against impeachment.

IF THE HOUSE VOTES FOR IMPEACHMENT, WHAT HAPPENS NEXT?

If a majority of the Members voting favor impeachment of the President, a committee of Members is selected by the Speaker of the House to inform the Senate of the House's vote. A delegation of Representatives from the House, known as "Managers", prosecutes the case before the Senate. The Chief Justice of the United States Supreme Court presides over the trial. The actual conduct of the trial is governed by the Senate's rules of procedures for impeachment trials.

WHAT HAPPENS TO THE PRESIDENT IF THE HOUSE IMPEACHES HIM?

Impeachment is only a charge of misconduct. Only if the President were convicted of the charges by the Senate, would he be removed from office. But up until the time he is actually convicted by the Senate, he remains the Chief Executive of our Government, charged with seeing to it that the laws are faithfully executed. If convicted, the President would immediately be removed from office and the Vice President would take his place. There is no appeal. If he is not convicted, by a two-thirds vote, the President would be acquitted, and would remain in office.

WHAT HAPPENS IF THE PRESIDENT RESIGNS?

Many people have called for the President's resignation. Since last October I have predicted that the President may very likely resign. Would there be impeachment after he resigned? Probably not.

In our history, whenever a person subject to impeachment has resigned, the proceedings have been ended. If the President should resign, it would still be constitutionally possible to impeach and try him, but it is unlikely that this would be done since the main purpose of impeachment, removal from office, would have already been accomplished.

WHAT KIND OF INVESTIGATION IS THE JUDICIARY COMMITTEE CONDUCTING?

Numerous and serious allegations have been made against President Nixon and have impaired his capacity to lead the nation and to conduct the important functions of the Executive branch of the Federal government. It is the duty of the Judiciary Committee to examine each and every one of those allegations and to determine whether they should be dropped or pursued further. Only in this way can doubts be resolved and the air of suspicion cleared. Only in this way can the American people be fully informed as to the truth, and only in this way can confidence be restored in the office of the Presidency and the soundness of the American system of government.

In the course of its inquiry, the Judiciary Committee has been investigating the following charges, among others:

Violation of individual rights by illegal wiretaps, breaking and entering, and Internal Revenue Service harassment;

Burglary;

Conspiracy to obstruct justice;

Obstruction of justice;

Destruction of evidence;

Perjury;

Subornation (procuring to perjury);

Illegal campaign sabotage;

Possible bribery in cases where campaign contributions may be linked to favorable government decisions;

The President's personal finances and income tax returns.

During the process of gathering evidence, the Judiciary Committee has been delayed in its work by the unwillingness of the White House to supply certain evidence. Nevertheless, despite those time-consuming delays, the inquiry has continued and it is expected that the formal presentation of evidence will commence during the first week in May.

In the final analysis, the current impeachment inquiry is a demonstration to the world of the strength of our Constitutional system of self-government. Our nation is testing itself in an inquiry by one co-equal branch of government into serious charges against another branch, as is provided for in our Constitution. Our great nation with its precious freedoms will be stronger, not weaker, as a result of the impeachment proceedings currently being conducted in Congress.

WHAT IS THE ATTITUDE OF MEMBERS OF CONGRESS TOWARDS THE IMPEACHMENT INQUIRY?

Many Americans believe that the House of Representatives should dispense with any further inquiry, and impeach the President immediately. Others believe that the inquiry should be dropped entirely, no matter what the evidence may eventually show. The duty imposed upon the House of Representatives by the Constitution will not permit either of those options. It is the clear constitutional duty of the House of Representatives to inquire fully, and thoroughly, and fairly into all allegations of misconduct which have been lodged against President Nixon.

The ultimate vote for or against impeachment will probably be the most awesome responsibility that any Member of Congress will ever be called upon to meet. In discharging that constitutional responsibiltiy each Member of Congress must be guided by the evidence, the Constitution, and his own conscience. You have my assurance that this is precisely how I will reach my own decision. No one can do more, and no one has a right to do less. The American people are entitled to ask that much, and the American people should not accept less.

UNICEF TO AID VIETNAM REDS

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. ASHBROOK. Mr. Speaker, in the October 4 CONGRESSIONAL RECORD—33097—I warned that UNICEF, a United Nations agency heavily dependent on American financial contributions, was considering giving aid to both North Vietnam and Communist-controlled areas in South Vietnam. Unfortunately this has now come to pass.

According to the New York Times, on April 16 UNICEF announced plans to aid North Vietnam and areas held by the Vietcong in South Vietnam. The 3-year program calls for $18 million to be spent in the north and $4.5 million in the south.

Here we have the Vietcong about to receive $4.5 million, the same Vietcong who are bombing, shelling, and terrorizing innocent civilians in South Vietnam. I find it odd that UNICEF has decided to reward the Communists in Vietnam for starting a war that is still going on.

Since well over one-third of the total revenue received by UNICEF comes from the United States, I am unalterably opposed to UNICEF's proposed contributions. These contributions can only strengthen Hanoi's position in North Vietnam and in the territory it now occupies in South Vietnam. Why should the United States be donating such large sums of money to an organization that is working against our own best interests? Isn't it time that we stopped aiding our enemies?

Following is the text of the New York Times article:

UNICEF PLANS AID TO VIETNAM REDS

UNITED NATIONS, N.Y., April 16.—The United Nations Children's Fund announced plans today for aid to North Vietnam and to areas held by the Vietcong in the South.

The 3-year program was described in a report by Henry Labouisse, the fund's director, who called for $18-million to be spent in the North to help rebuild destroyed schools and $4.5-million to be spent in the South.

Mr. Labouisse has asked the agency's 30-member board for $8-million for the program. The balance will come largely from special contributions by governments. More than $12-million already has been given by European countries, Japan, Australia, New Zealand and Algeria.

Initial approaches to North Vietnam were made through the North Vietnamese Red Cross and were followed by visits by fund representatives to consult members of the Government on working out a program.

The North Vietnamese authorities have agreed to permit more frequent visits by fund representatives and are considering the possibility of a small field-office in Hanoi, Mr. Labouisse reported.

Arrangements for aid to the Vietcong-controlled areas have been moving ahead, but Mr. Labouisse's report suggested that final plans would have to be worked out between the agency and Vietcong authorities.

Vietcong officials were said to be ready to meet with relief officials at Loc Ninh, a city north of Saigon that is a headquarters for the Vietcong government. The Saigon authorities would have to agree to cooperate in permitting staff and supplies to be moved.

THE CASE FOR A FEDERAL OIL AND GAS CORPORATION—NO. 22

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. HARRINGTON. Mr. Speaker, the United Auto Workers Union has called for the creation of a Federal Oil and Gas Corporation as part of a comprehensive energy program for the Nation. Mr. Leonard Woodcock, president of the UAW, in a statement issued on February 15, charged that "the public welfare is being completely ignored" in energy matters and stated that a publicly owned corporation is necessary to break the major oil companies' stranglehold on our Nation's energy resources. The announcement of the UAW's endorsement of the corporation recently appeared in the Washington Star-News and is illustrative of the widespread support for a public oil corporation.

I would like to insert the Star-News article into the RECORD at this time for the information of my colleagues:

PUBLIC OIL AGENCY PROPOSED BY UAW

The United Auto Workers Union has proposed a comprehensive energy program, even as U.S. automakers were announcing new layoffs affecting nearly 70,000 hourly workers.

The UAW proposal asks formation of an authority that would compete with the large oil companies in exploration and production of oil and a suggestion that oil producing countries buy out the reserves and facilities owned by U.S. oil companies.

UAW President Leonard Woodcock, with more than 100,000 of his UAW members already cut indefinitely from auto payrolls, said yesterday that "the public welfare is being completely ignored."

"Democratic societies cannot tolerate a situation in which a few powerful corporations maintain a stranglehold on the very lifeblood of half the world," he said. "That stranglehold must be broken."

Woodcock said in Detroit that he would actively promote the 37-page report in Washington.

It also calls for nationalization of railroads, limitations on corporation monopolies—including the auto industry—and controls to restrict access to energy reserves by private firms, which develop such reserves for profit.

Ford Motor Co. said yesterday that nearly 16,000 workers face temporary layoffs of one and two weeks and another 1,800 would be idled indefinitely in the next three weeks because of the slump in big car sales.

On Thursday, General Motors announced it was laying off 50,000 workers over the next three weeks, also because big car sales are down. Chrysler Corp. will close a plant next week, idling 4,800 workers.

AFL–CIO President George Meany, meanwhile, said in Miami that the 3.5 percent rise in wholesale prices in January demonstrates "the complete bankruptcy of the administration's so-called price controls program."

"The price tags on food and fuel—basic costs of every American family—are astronomically high and there's no relief in sight," Meany said.

He said that in the last three months, wholesale prices have zoomed at what would be an annual rate of 32.3 percent if they continued on this course.

And the Executive Council of the AFL–CIO Maritime Trades Department, meeting in Miami Beach, yesterday urged Congress to reassert its 1946 goal of achieving "full employment" in the nation, with no more than 2.5 percent of the work force out of work. Last month the jobless rate was 5.2 percent, union officials noted.

THE PLIGHT OF MIGRANT WORKERS

HON. OGDEN R. REID

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. REID. Mr. Speaker, I wish to call to the attention of my colleagues the plight of one of the most vital yet exploited labor forces of our Nation—the migrant worker.

Migrant workers have been relegated to a subservient role, they are victims of every illness of our society—poverty, hunger, disease, prejudice, discrimination, and exploitation, yet Congress and State legislatures throughout our country continue to ignore their vital needs.

Consider for a moment how the energy crisis affects the migrant workers. Entirely dependent upon transportation while following the ripening crops which provide their work, the migrants are doubly burdened by the high fuel costs and fuel shortages. As they travel to secure work, they must pay outrageous fuel prices which cut deeply into their meager wages. Many migrant families, fearing they will be stranded without fuel or money to pay for it, are refusing to leave their homes this spring, as is proven by a U.S. Department of Labor manpower project survey in south Texas which indicates that the fuel shortage may keep 63 percent of the migrant farmworkers from traveling north this season to harvest crops.

Despite the severity of the fuel crisis, this may be the least of their problems. Fuel prices are only the most recent difficulty to be added to the long list of hardships which migrant workers, men, women, and children, chronically endure.

Health conditions continue to be a distressing illustration of the deplorable living conditions migrant workers must face. Flies, pesticides, lack of nourishing food, absence of sanitary facilities, wretched housing, overcrowding, and the forced life style of migration make migrants susceptible to all kinds of physical and emotional afflictions. The mortality rate for instance, from tuberculosis, influenza, pneumonia, and other infectious diseases, is more than twice the national average.

Migrant children, due to the lack of nutritious foods and adequate medical care, often suffer from such poor health during their infant years, that despite subsequent care, the damage is irreversible. Dr. Peter Chase of the University of Colorado Medical School, treated 300 children under the age of six who live in the migrant flow area between Texas and Colorado. His report included findings that 54 of the children were severely retarded in height, 159 lacked sufficient sight-giving vitamin A, 28 suffered protein malnutrition, 49 had enlarged livers, 29 had eye diseases suggestive of trachoma, and 7 suffered from kwashiorkor—starvation. The parents of these children work from dawn until dusk, yet do not earn enough to provide adequate food and medical care for their families.

Wages received by migrant workers are the lowest of the "working poor"—far less than the minimum wage for industrial workers—and the upredictability of work due to weather, crop, and soil conditions further cuts into their earning power. In addition, migrant workers are largely excluded from workmen's compensation coverage, thus precluding compensation for an injury or illness received on the job. Considering the increased mechanization of agriculture, increased use of chemical herbicides and pesticides, and the fact that agriculture has become the third most hazardous industry in the United States, with a fatality rate exceeded only by mining and construction work, this in my view, is unconscionable.

The problems of the migrant workers may be overwhelming, but we must not consider them insurmountable. The time has passed for promises, our task is to provide, not later, but now: minimum wage and guidelines for promotion; fringe benefits such as holidays and paid vacations; protections against discrimination in hiring, housing and wages paid; medical, dental, welfare and pension benefits; protection of enforced safety and equipment standards over pesticides used; and service centers established to aid migrant workers with social and legal problems they encounter. To ignore these tasks is to ignore one of the most deplorable situations existing in this country.

COST OF AUTOMOBILE OPERATION

HON. ROBERT O. TIERNAN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. TIERNAN. Mr. Speaker, today I am introducing a resolution requesting the Internal Revenue Service to reevaluate the figure that is presently allowed as a deduction for the business use of an automobile.

Presently, the IRS allows a 12 cents per mile deduction. This figure is based on a 1970 study of the cost of operating an automobile. Since this study, the price of an automobile has increased; the cost of maintenance, accessories, parts, and tires have risen substantially. But more recently we have seen a dramatic rise in the price of gasoline and oil. The 12 cents per mile figure is no longer a realistic measure of the cost of operating an automobile. By using this outdated figure, a taxpayer who makes extensive use of his automobile for work purposes, will be paying approximately $100 extra in Federal income taxes.

The resolution I am introducing asks the IRS to use more current cost estimates. The rises in the cost of operating an automobile are seriously affecting the budget of many workers who depend heavily on their car for business purposes. These increased business expenses should be reflected in the individual's income tax return. A more current and realistic figure will more adequately reflect the current costs of operating an automobile.

SECRETARY OF THE AIR FORCE JOHN L. McLUCAS ADDRESSES 31ST CONGRESSIONAL DISTRICT BUSINESS PROCUREMENT CONFERENCE

HON. CHARLES H. WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. CHARLES H. WILSON of California. Mr. Speaker, on April 4, I was privileged to host a Federal procurement and foreign trade conference in my 31st Congressional District to help persons who operate small businesses to obtain contracts from the Federal Government. Dr. John L. McLucas, Secretary of the Air Force, graciously accepted my invitation to address this conference, and his remarks were so topical and instructive that all who attended profited from his observations.

Before becoming Secretary of the Air Force in July of 1973, Dr. McLucas had an outstanding career in both government and business. And, because of his experience as president and founder of a number of businesses, Secretary McLucas is keenly aware of the difficulties confronting small businesses in establishing contracts with the Federal Government.

Sharing with me the opinion that such procurement conferences for the business community are extremely valuable, Secretary McLucas took time from a busy 2-day speaking schedule to address this 31st District conference. And, because his address on this occasion was so relevant to the important economic question of how to increase small businesses' participation in Government contracting, I would like to share his remarks with my colleagues:

REMARKS OF SECRETARY McLUCAS

Ladies and Gentlemen, I am very glad to be here. And I welcome this opportunity to speak to you today. I know that Congressman Wilson, as well as the procurement people from Washington, have gone to a great deal of effort to insure that this meeting is a success.

Another purpose for my being in the Los Angeles area today was to participate in the rollout ceremonies of Northrop's new lightweight fighter prototype—the YF–17. We bethat this program will further demonstrate the usefulness of the prototyping concept, and will also allow us to check the possiblity of innovative ideas which are too advanced or too unknown to be incorporated into a priced production program. Finally, it allows the maximum degree of initiative on the part of the contractor. I believe prototyping is important both from the point of view of advancing technology as well as holding down procurement costs. Of course, holding down costs is an objective we all favor, and I can assure you that it is taken very seriously by both DoD and members of Congress.

On Monday and Tuesday I testified before the House Appropriations Committee and this fourth appearance before a Congressional committee completes formal presentation of the Air Force FY 75 budget request. I believe that it and the total DoD budget are prudent and take into consideration the present capability of our adversaries as well as increases in defense research and development, especially in the Soviet Union. It is in this context that we justified further modernization of our Air Force weapons as well as the need to maintain a ready, high quality, all-volunteer force.

I know that many American citizens are concerned about the level of defense spending, but I believe it is necessary to point out that in view of the demands we must meet this is still a cost conscious budget. Although DoD is now requesting 85.8 billion dollars, in terms of constant dollars this really represents only a halt in the decline of defense funds that has occurred since the peak war year of 1968.

Another way of placing today's defense expenditure in perspective is to use the Gross National Product as a baseline. In 1973, defense spending accounted for 6.0% of the GNP. The 1974 estimate is 5.9%. Ten years ago it was over 8.3%. In World War II it was over 40%. It is certainly true that our GNP has dramatically increased through the years. However, the declining percentage allocated to defense coupled with the erosion from inflation has cut our real defense purchasing power. Defense spending, no matter which yardstick you choose to use, as a per cent of federal budget or per cent of GNP, is at its *lowest* point in real buying power since before the Korean conflict.

With the end of our combat involvement in Southeast Asia, we were able to concentrate upon our peacetime goals. But in seeking them we have and must maintain our strength and combat capability. We must also sustain a vigorous R&D program to assure our readiness over the long haul. And this means well trained and highly motivated men and women who are highly professional and who have a real sense of integrity.

A key link between this professional force and the equipment they operate is effective management of the procurement process. And I would emphasize that achieving greater efficiency in procurement is far more critical today as a result of the downward trend in military funding that I have just described. In fact, the only solution within our control is through better management which will allow us to stretch the funds available to us over the number of modern weapons that we can buy without any degradation in necessary quality.

As you are well aware, the procurement process has come under increasing scrutiny from Congress and the public. This concern about how and for what purpose our hardware funds are spent is part of the democratic process and we welcome constructive criticism of this key management function. Purchased goods and services consume a significant portion of defense resources, accounting for 43% of the total Air Force budget in FY 74. However, the amount available for spending on weapons systems has declined substantially in the last six years—from 40% in FY 69 to about 30% in FY 75.

The net effect of this trend on the procurement account is to limit the number of weapon systems and the number of units of each system that we are able to buy. Budgets may fluctuate slightly, but there has been a downward trend in number of aircraft procured. As an example, our new buy of 110 aircraft in this budget is the lowest since before World War II. However, I might add that we will soon be building the B–1, F–15, and the A–10. Thus, the total aircraft buy is bound to go up somewhat and reverse this trend.

Still the only apparent solution is to find ways of making the acquisition process more efficient. This can only be done in conjunction with you members of the industry. We in government must do our part in improving systems acquisition management, but industry must also become more efficient and produce more for the limited resources that we have.

One area of possible contractor improvement, which General Brown suggested in a speech in September of last year, was that of reducing overhead. For example, prime and subcontractor overhead combined make up almost two-thirds of all contractor costs. I understand that small business has been able to cope with the problem of overhead comparatively successfully. Another important area of contractor performance which the Air Force feels could be improved is that of subcontractor management. Effective action with respect to overhead and subcontractor management would contribute greatly toward reducing overall procurement expenditures and we intend to make a major effort to achieve this goal.

I would like to turn next to what we in government can do toward better conservation of procurement resources. First we must buy only what we need at the lowest overall cost. One application of this maxim which we are now working on is the Design to Cost philosophy of acquiring major weapon systems. Although the concept is not novel, it has been employed on a number of recent developments, including the lightweight fighter. The present emphasis upon design to cost is basically a change in our way of life in acquiring hardware which is more responsive to tighter budgets.

Simply stated, this means that we establish a production unit price *goal* during the development phase of a weapon system and require contractors to perform design and performance trade-offs to achieve that unit production price. In short, we tell industry what we can afford and industry tells us the best they can build, taking into account trade-offs between cost, performance, and schedule. If the resulting design meets our requirements, we then buy the article that gives us the best technical approach and is closest to that cost goal. Comparison is also envisioned among competing systems as well as within the existing system. I would caution, however, that design to cost is no panacea, and must be selectively applied.

Another related concept receiving more emphasis is Life Cycle Costing. This is a technique that gives proper consideration to future logistics costs. We have to insure that what we buy can be supported economically. The real cost of a weapons system includes more than the acquisition price. We are all familiar in our own lives with instances where we have spent more on the initial purchase of an item, a watch, a television set, or even an automobile for example, because we could expect lower maintenance and operational costs in the future. In the final analysis, it is a balancing of acquisition cost, life cycle costs, and performance requirements, that should determine the design of a system. These parameters, as well as the need to reduce overhead costs, directly affect the Air Force's relationships with its prime contractors; however, you as subcontractors will also find yourselves in an increasingly cost-conscious environment.

Also very important, we need competition to buy at the lowest sound price. We need the better ideas and ways of doing things that competition forces on us. That is why it makes sense to protect, aid, counsel, and assist small businesses in doing work for us. Without small business there would be very limited competition—and that includes the competition of ideas. We need your ingenuity and inventiveness, as well as your unique and specialized approaches to difficult technical problems. Our industrial base and the national defense could not be what they are today nor could it meet future tasks without you people in small business and large business working together, in partnership with the government.

Another thing we need in order to buy wisely is sound policy and procedure. In this regard some legislative changes would be helpful in making the procurement process more efficient. For example, all of us would benefit if the dollar limit on small purchases were raised from $2,500 to $10,000. As an additional step, while reviewing our policies and procedures for the purpose of improving efficiency, we can achieve a sharper separation of what is policy and what is essentially the "nuts and bolts" of procurement.

Even more important for reducing procurement costs, the real challenge is getting and keeping good people. The Air Force today has a total procurement work force of approximately 7,400 people: 4,600 civilians, 1,400 enlisted men, and 1,400 officers. This is the basic resource with which we must, each year, carefully execute over three million procurement actions through which flows that 43% of the entire Air Force budget I mentioned earlier. The responsibility of simultaneously supporting the Air Force mission and safeguarding the taxpayers' dollars is exceeding complex, requiring a very high degree of professionalism and integrity.

Thus we must have people who understand this process and the great variety of laws and administrative regulations upon which it is based—and who are action oriented. We need procurement professionals who know their product, its market and the requirement in order to use the procurement process to develop a sound businesslike approach for acquiring what we need. Material shortages and increasingly longer lead times make it even more essential that we develop a sound business concept which considers the highest achievable technology within the constraints of good business management considerations.

The Sixties saw a continued pushing of the technological base. This was in response to the environment which existed at that time. In today's environment, a sound business approach takes on even greater importance. People who contribute to that approach—effective procurement managers, imaginative contracting officers and competent buyers—will play an increasingly important role in the Seventies and Eighties. Acquisition managers must listen to them and support their decisions.

Before leaving the subject of Air Force procurement, let me point out as we perform these tasks we also help to implement a number of important national domestic policies. In addition to the promotion of Small Business, which is the purpose of this conference, we have stressed enhancing minority business opportunities. To illustrate this point we have already let contracts totaling about $13 million during the first six months of FY 74 to minority business.

In closing, I would like to thank Congressman Wilson for inviting me to speak to you. I believe it is important for us to consider seriously ways to make better use of our procurement resources. I appreciate the opportunity to be here with you and I am sure that you are receiving helpful information. I know that Don Rellins and his group of counselors and procurement experts will remain here until you get the answers you need. I hope that we can be of further assistance to you and I hope that you can help us in the future. You have my best wishes for a successful conference.

Thank you.

COMMUNITY CHALLENGE: BARRIERS TO THE HANDICAPPED

HON. JACK BRINKLEY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. BRINKLEY. Mr. Speaker, I was delighted to learn from Mr. Harold Russell, Chairman of the President's Committee on Employment of the Handicapped, that one of my constituents—Miss Pamela Sue Davis of Americus, Ga.—has won second place in the national "Ability Counts" writing contest sponsored by the Committee.

In advising me of the selection, Mr. Russell noted that Pamela and the four other top national winners, plus the 39 State winners, all high school juniors and seniors, will be guests of honor of the AFL–CIO and the Disabled American Veterans at the annual meeting of the President's Committee to be held here in Washington during May 1–3.

Mr. Speaker, on behalf of the Third District of Georgia, which I am privileged to represent, I would like to take this opportunity to express our deep pride and offer our highest congratulations to Pamela on this outstanding achievement.

At this time, Mr. Speaker, I would also like to commend to the attention of our colleagues Pamela's award winning report, entitled "Community Challenge: Barriers to the Handicapped."

Her report reads:

COMMUNITY CHALLENGE: BARRIERS TO THE HANDICAPPED

(By Pamela Sue Davis)

"Tomorrow's symposium on apathy has been cancelled, due to lack of interest." Do the words of this contemporary platitude cause one to laugh, or to think? In actuality, the statement makes a terse comment on a malady which increasingly affects society. Apathy has come of age.

Unconcern always has its consequences. To a handicapped individual, the results can be devastating. Statistics show that one out of seven persons throughout the world is handicapped to some degree.[1] Yet this sizable segment of our population is virtually ignored in many ways by its fellow citizens. Barriers on many levels are allowed to exist, and they undoubtedly contribute to the discouragement of self-confidence and self-sufficiency among the disabled.

On a smaller scale, anyone can examine the situation as it exists in his own community; for each community is a microcosm of society. Here, in Americus, Georgia, we have made many progressive steps in dealing with the handicapped. For example, a training center for the mentally retarded has been established. Organizations, such as Goodwill Industries and the Department of Vocational Rehabilitation, seek to make productive citizens out of the disabled. However, many barriers are being overlooked, particularly for the physically disabled. Before we can expect many of our less fortunate to adjust to the job world, we must strive to alleviate any obstacles.

In talking with Mr. Walter Williams of the Department of Vocational Rehabilitation, I discovered one community problem that needlessly exists. Though generally optimistic about the employment horizon of the handicapped, he deplored the fact that many public facilities are inaccessible to those confined to wheelchairs. Water fountains, public restrooms, phone booths, and other conveniences are taken for granted by most of us; but what frustration they can invoke from a handicapped person!

Consider the following and its implications. Last year, the Americus Jaycees began the construction of ramps in town to increase the mobility of those confined to wheelchairs. Now certain individuals have cited the need for specially marked parking places for those who need access to the ramps. Otherwise, they must alight from their cars and then maneuver their chairs through the streets to reach a ramp. Though the need has been established, nothing has yet been done. Why?

This question continually arises when one studies the ways in which environmental conditions could be improved for the handicapped but are, instead, allowed to remain as they are. Why are our modern conveniences completely useless for a portion of our citizenry? Why must many people remain outside the mainstream of life?

I feel that the public has been lulled into a sense of apathy. In our town and in every town, apathy is present to some extent. It is the product of an overly mechanized, complacent society. Many other reasons are more openly professed. Mr. Williams is aware of this when he admits, "Money is a problem here." It is not the lack of funds so much as it is the inability of concerned groups to receive a share of it for their efforts—another symptom of apathy, really. Funds can be found for any worthwhile eandeavor. It is a matter of *establishing priorities*. A budget can include funds for the disabled; yet the budget often finds itself a scapegoat for a multitude of unanswered requests. Excuses are not enough.

Adequate public facilities are but a small part of a truly compassionate community. From surveying the situation and discussing its ramifications with many individuals, I have concluded that our community has the potential to become a town where the healthy and the disabled can work together. Handicapped people have many obstacles to conquer alone. They must not only compensate for their physical impairments, they must also overcome their own psychological barriers. It is inhumane for a community to impose further, purely structural, barriers, especially when they could so easily be removed. We can start with the small changes, and then progress. It is not a utopian dream to visualize a day when Americus and every community meets the challenge of providing sufficient services and conveniences for all its inhabitants.

Why does apathy continue to exist? Psychologists feel that people are guilty of adopting the attitude: "It couldn't happen to me." Perhaps it could. One thing is certain—"it" has already happened to over twenty-five million Americans.[2] Are we justified in depriving any one of these twenty-five million of the services and the conveniences which others enjoy? As Edmund Burke once said, "Justice is the greatest concern of man on earth." We must meet the challenge that justice demands. We cannot give the disabled their lost faculties. But we can give them the fruits of our concern.

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[1] Howard A. Rusk, "Handicapped", *World Book Encyclopedia*, 1969, v. 9, p. 41.

[2] *Ibid.*

VOLUNTEER EXPO

HON. LAWRENCE J. HOGAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. HOGAN. Mr. Speaker, "A Volunteer Can Make a Difference" is the theme for Prince Georges County Volunteer Expo in connection with National Volunteer Week from April 21–27.

The Prince Georges County school volunteer services is proving that our schools can utilize volunteers to enhance the quality of education. In fact, the results of this program are remarkable. Initiated in 1966 with a total of 15 volunteers, today it numbers over 10,000 volunteers. These volunteers have increased the degree of personal attention given to students, and have increased the interest of a great many students in their schoolwork. The program has turned many students who have poor attendance records into regular class attenders and participants.

The Prince Georges County school system is the 10th largest school system in the country. Over 10,000 volunteers make the volunteer program the second largest program in the country in terms of the number of participants.

Aside from the benefits accrued by the students, the cost of the volunteer program is minimal with the only expense being administrative in nature. In fact it is estimated that if each of the volunteers was paid for his or her services at the minimum wage rate, the cost of the program would run in excess of $4 million annually.

Mr. Speaker, I would like to extend my full appreciation to those who have given unselfishly of their time and services in order to make the program in Prince Georges County successful.

Additionally, I would like to have inserted in the RECORD at this point a poem written by Ms. Marti King, the coordinator of the Prince Georges County volunteer program.

The poem follows:

A VOLUNTEER CAN MAKE THE DIFFERENCE

(By Marti King)

If you remember that it takes three of my steps to equal one of yours;
If you understand that I must view life at an eye level three feet below yours;
If you can let me try when I am ready instead of pushing me ahead or holding me back;
If you can touch my life with your faith without taking away my need for self-determination;
Then I can grow, and learn and become.

If you remember that it takes time for me to gain the experience in living you've already had;
If you understand that I can only relate to those things which have meaning on my level of maturity;
If you can let me take a step of independence when I can instead of thrusting me out or pulling me back;
If you can touch my life with your hope without destroying my sense of reality;
Then I can grow, and learn and become.

If you can remember it takes courage for me to try again after failure the same as it does for you;
If you understand that I must find out who I am for myself;
If you can let me find my own path when I want to instead of choosing for me the way you think I should go;
If you can touch my life with your love without taking away the space I need to breathe;
Then I can grow, and learn and become.

IF YOU WANT TO BE A MILLIONAIRE

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. BENNETT. Mr. Speaker, one of the most admired, personable, and able men I have ever known is James E. Davis, chairman of the board of Winn-Dixie Stores, Inc., and he recently made a truly outstanding graduation speech at Jacksonville University, which I include hereunder. The commonsense he expressed in his speech the other day, as he received his honorary degree from that university, is both thought-provoking and inspiring:

IF YOU WANT TO BE A MILLIONAIRE

I have allotted myself 21 minutes to make you a millionaire—if I can't do it in that time, you may just have to be happy and poor. In these days when the government endeavors to legislate equality through minimum incomes, regardless of productivity or demonstrated ability, we must assume that you buy the theory that what made the U.S. the greatest nation in the world is an inherent desire of individuals to be "unequal"—to excel others and not depend upon the government. It is important that Jacksonville University produce a new generation of millionaires to take the place of those who have been so generous in the past—the Swishers, the Phillips, Alex Brest, the Wolfsons, the Howards, the Goodings and several others who have been the financial underpinnings of this institution. You, the graduating class, are that generation.

I believe in daydreaming. A dream of what you want to be at 45 or 50 years of age is essential to motivate you. A dream so strong it becomes a plan. For the purpose of my talk, I have assumed your dream may be to become a millionaire. I've looked back over 66 years to try to identify the characteristics and attitudes that I think will help you.

First of all, let me say that it is a highly competitive world and it won't be easy. I went to the Produce Market in Miami at 2:30 a.m. for years and finished taking my telephone orders at 9:00 p.m. each night. If you don't enjoy long hours and hard work and if you can't select a vocation you can eat, drink and sleep, you probably won't make it and neither will your spouse unless he or she is sympathetic and understanding.

Believe me, life is uncertain at best—each of us is just a heartbeat away from eternity. Failure and loss of life stalks us always. Fear is a very essential element of success. My background is in perishable foods where fear is the secret of success. Fear the market will go down—fear you will neglect some detail and your merchandise will be garbage tomorrow. You will soon learn my version of Murphy's Law—anything bad that can happen will happen. Think it through in detail and take steps to prevent catastrophe and minimize damage. Always have an alternate airport in mind for bad weather. You must take big risks to make it big—but you must run a very scared race. Where there is no chance for failure, there isn't much chance for success. Risk is just another way of saying opportunity.

The greatest design for becoming a millionaire I have ever seen was written by Mr. Eli Witt of Tampa, the Hav-A-Tampa cigar man. Mr. Witt was an invalid, bedridden for many years, but he built a great tobacco and cigarette business. Through his influence from his sick bed atop the old Tampa Terrace Hotel, he held the cigarette tax off in Florida for many years. He summed up his philosophy in two paragraphs which he called "Design for Success". I quote:

"I say to any person, whether he is able or disabled, that if he expects to make a success through government paternalism, he is doomed to disappointment. First, the person must decide definitely and quickly what business he wishes to follow. Then forgetting obstacles and ailments he must apply his mind to learning every detail of that business, in and out, backward and forward. He must not let his love of golf, or tennis, or card playing or gambling, or even his wife, take his eyes from his objective. He must devote day and night to the task of finding out what makes his business tick or what is needed to make it grow.

"In so applying himself, the person with physical handicaps will not have time for worrying or fretting about his lot. He will become so engrossed that the handicaps will be forgotten. I have found it so and I have been happy."

I recommend Mr. Witt's "Design for Success" to you!

Too many Americans in recent years have concluded "We've got it made—no use to work—no use to worry." The truth is—you must be hungry—that's a basic characteristic you must have for success! If you can't be dedicated to producing a better product or service at a lower price, you aren't going to be even a part millionaire. Most humans produce better under stress—not under affluence. This means that if you are poor now, you may have a better chance of becoming a millionaire than the guy who is already one—and has ceased to be motivated—has to remain a millionaire. Productivity is the name of the game and the Japanese are breathing down our necks in an effort to replace the U.S. as the top economic producers in the world today. We cannot cure poverty with money—only productivity cures poverty and not some scheme to pay people who do not produce. The government cannot give anyone anything it doesn't take away from someone else! Whenever one person gets something without earning it, some other person has to earn something without getting it. Try this on yourself and see where it leads to!

A business is known by the people it keeps. The people who get ahead are those who do more than is necessary and keep on *doing it*.

Whenever you go out to get a job, remember—you never get a second chance to make a good first impression! You may never see the man who hires you again. A lot hinges on his first impression of you. He might not hire you. If 20% of the people associate beards and long hair with hippies and violence, don't run the risk of making a poor impression. A $1.50 haircut could be parlayed into a million dollars. In our business, we find that if we satisfy the cranky customer, we don't have to worry about the rest. A cranky customer may be a "square", but she is our customer and we intend to keep her.

Of course, the easiest way to become a millionaire is to strike oil, gold or marry money, but assuming you don't do any of these, let's talk about necessary personal traits you should develop.

At the top of the list is character—let's define character as something in your brain or heart that controls what you do when absolutely no one will ever know if you do wrong. It is a trait of personality your wife or husband and your banker will recognize and respect—especially if the banker loans you money. You will have to hire some money in your lifetime if you become a millionaire—and you will have to pay it back. We mentioned that you must take some risks and being able to borrow capital is one of the essential risks.

You must develop good judgment. It has been said that good judgment comes from exercising poor judgment and not making the same mistake twice. Judgment seems to be the ability to make use of experience—and few of us seem to be born with that faculty. We must acquire it. Don't rationalize your mistakes—analyze them coldly and profit by them. Competitors are really good for you in one area—they call painful attention to your mistakes. I believe you will find an important facet of judgment to be the ability to negotiate amiably. Trade hard—but not offensively. Judgment of what a buyer will pay in a sale is very important.

A most desirable characteristic is the ability to handle people—our relations with our associates and even our family. In this field, I think tact is a very important attribute. I recently read that a good supervisor is a guy who can step on your toes without messing up your shine. That's tact!

In developing the ability to handle people, I think you will find fairness is probably the most important ingredient in human relations. Perhaps you have heard the story of the employees chatting one day. One said, "Of course, the boss is mean, but he is fair." The other one said, "What do you mean, he is fair?" The reply was, "Well, he is mean to everyone." That is not the kind of fairness I have in mind when I point out it is important that we have this characteristic. Sincere acts of courtesy are never out of place in any business. I believe you will find a dedicated group is much more productive than one individual, so you must learn to be fair to your associates and work at binding them together; moving toward established goals.

Morale is one of the keystones in any business enterprise. I think it can best be defined as "Faith in the people at the top". You can be a hard boss, and still be liked—but not a nagging boss or a grouchy boss. You must be a boss who stays close enough to his business to know a good job from a poor one—a boss who cuts employees in for some of the "goodies" when it can be done. See that your employees don't refer to you as the "Boss" spelled backwards—double SOB! Encouragement is the all-important ingredient in any enterprise—without encouragement, we wither away and die financially and physically. Don't be afraid to dish out liberal doses of encouragement.

Most important, you can't be a millionaire unless you are a dedicated capitalist, and learn to handle money. Remember, you can't be a millionaire without making and saving $10,000 first—you crawl before you walk, and so long as you progress every year, that millionaire glint will stay in your eye. To become a capitalist is simple—just maintain the income over the outgo. This is a concept many educational institutions seem to neglect. If we spend more money than we make every week, we are going to be laborers and not capitalists, regardless of education, intelligence or high station. Hire money when you can use it at a profit—never borrow money to live on. Cut your spending or up your earnings. If you can't do this, you will never be a millionaire. If you don't have a financial plan, make it right now. If it involves making good money, take a little bookkeeping so you can understand your own finances, read a financial statement and balance your own checkbook. One year of accounting probably should be required course for all college graduates if they are going to have a moderately high income.

Your biggest hurdle in business is to get all the factors together and organize them so you can pay the bills out of the receipts. I think I could run almost any business if somebody would pay the bills. This everlasting problem spoils many business enterprises. Most of the downgrading of business is being done by those who can't do this—do not understand the skill required and turn their envious scorn on those who can do it. Our government for many years has been a classic example of inability to pay the bills out of the receipts—and they mess up any business wherever they get their fingers in the pie and eliminate competitive ingenuity.

An important tool of success is keeping your education up to date by reading. The accelerated pace of today's living makes it even more vital. Even with an earned PhD degree, you can be very uneducated within five years. There is no terminal degree in education—it goes on for your entire life. I have assumed that you have found that education comes largely from the written word. Books are an effort by those who went before us to give us the benefit of knowledge, research and experience. The intent was to make it so you would not have to make the same mistakes in a trial and error effort at solving problems. Socrates said, "Employ your time in improving yourself by other men's writings, so that you shall easily come by what others have labored for". Karl Marx said, "History is economics in action—the contest among individuals, groups, classes and states for food, fuel, materials and economic power." Remember, also, that a memory for figures, names and faces in your business is very important.

You must be an innovator—be on a constant search for better ways to do things. To be an innovator, you must be aggressive, tough minded and persistent. If you are a 3.5 student or better and you got that way by writing long-winded dissertations, shake the habit right now. The habit will lead to what we call the "3-page letter complex"—putting on three pages what should go in one paragraph. The ability to make a logical, concise presentation in writing is a "must"—it may be your only approach to a superior who must be made conscious of your abilities. Ability to cut through fluff and verbiage to get at the crux of a problem is precious—if you have it, cultivate it for it could make you a millionaire. Time is the most precious thing in the world—you must have the ability to make use of it efficiently. Another bad phase of the eduction problem is the "big word syndrome". When I hear a fellow on television start off with a lot of words that I have to look up, I wonder if he is really informing me or just trying to impress me or maybe make me feel stupid. You don't make progress with your associates by making them feel stupid.

The recent elimination of the grain surpluses in the United States may presage a worldwide famine. There are 75 million new mouths in the world to feed every year. Wheat, rice and corn are the staples of the world's diet and tell the tale in the food business. Available grain lands are relatively static compared to the expanding need.

Food production is probably the growth industry of the 70's. I don't believe burdensome, long-term food surpluses will ever exist again in our lives. Basic food production will be much more rewarding than in the past. There is as much dignity in tilling the soil, animal husbandry and forestry as there is in science, music or poetry. If this is not recognized by educated people, we may soon go hungry. If there is a crop failure in Russia, China, Australia, Argentina or the United States, we may find millions of people will starve. Don't overlook forestry, agriculture or food distribution in selecting your vocation.

I don't have to tell you that this is the age of the "goof off"—the era of the half-done job. The Winn-Dixie cashier who doesn't thank you—the mechanic who does not fix your car—the executive whose mind is on the golf course—even students who want crip courses. Tremendous opportunities exist to do jobs right and satisfied customers will flock to your door if you can do them better than your competition.

Let me remind you of some new and old-fashioned ideas in simple language that you need to adopt as a policy:

1. Honesty is not only the best policy—it is the only one for success in life. Don't give your word carelessly, but if you do, keep it. Keep appointments—be dependable—be on time.

2. A fair day's work for a day's pay and fair pay for a day's work. I've heard that the great inventor, Thomas A. Edison, said, "Genius is 1% inspiration and 99% perspiration".

3. The most dangerous drug of our times is not a hard drug, but a drug called "SFN"—something for nothing. Don't get addicted to it, or you will never be a millionaire.

4. There is no such thing as it can't be done—problems are unsolved opportunities. Someone is going to solve great problems and be liberally rewarded.

5. The "I will" is worth more than the "IQ", but together they are unbeatable. Real motivation to get results will make life interesting.

I have often wondered why some of the millionaires I know were not "A" students—some didn't even finish college, but were highly motivated and tenacious. Proper education undoubtedly would have made it much easier—you have this great advantage. If you desire to become a millionaire, don't have many sidelines—you have a full time job ahead of you.

Now if you aren't the aggressive type, if your plans do not seem to work out, but your health is good and you can digest anything you want to eat, don't be downhearted. A lot of millionaires can't digest their food and would give all they have to have good health. Sometimes success brings indigestion and nerves anyhow, so just be happy. There are counterbalancing things even in success. I think there is wealth in things other than dollars. To be a really good teacher, minister or doctor borders on the divine. My third grade teacher inspired me to believe in myself—I've idolized her since—I still keep in touch. She is 84 years old and a Winn-Dixie stockholder. The satisfaction from this type of life work must be overwhelming.

Each person in the world, no matter how humble, has a sphere of influence—real success consists of expanding that sphere of influence constructively each day.

Let me close by pointing out that opportunity for college graduates has never been greater—more people can afford more goods and services than ever before in history—all signals are A-OK—go for the Jacksonville University Graduating Class of April 21, 1974. You can be a millionaire—don't tell me it can't be done—I've seen it done. I made a similar talk almost 20 years ago and I wondered if it was wasted effort. Two years later, a man came to me and said, "I liked your talk—we think alike. My boss and principal stockholder has just died and I need a new boss and owner". I told him I did not want to be his boss, but if he could manage to become as good an expense man as he was a salesman, I'd show him how to buy the company and I would make an investment with him. He is now several times a millionaire and I am a satisfied stockholder.

In the parlance of the grocery business, there are 57 rules for success—the first one is to do a good job. Don't worry about the other 56!

MALDEN—A CITY ON THE MOVE

HON. TORBERT H. MACDONALD

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. MACDONALD. Mr. Speaker, I was encouraged by the announcement recently that additional funds for housing programs and for urban renewal were being released by the Department of Housing and Urban Development. The impoundment of these funds has created serious difficulties for the cities and towns across this country which rely on Federal funds to develop their communities.

My home city, Malden, provides a fine example of how these funds have been put to use to the benefit of the people. A recent article in the Boston Globe details the efforts of city officials in revitalizing the city. I have had the opportunity to work closely with Mayor Walter J. Kelliher and Redevelopment Administrator John Blake for many years, and I know of their commitment to the city of Malden.

I am especially pleased that, based on figures for the last fiscal year for which there is complete information available, my Seventh Congressional District as a whole received more Federal funds for housing and urban development than any other congressional district in Massachusetts. I hope that this partnership between Federal and local government continues to work as well in the future as it has in the past.

The news article follows:

[From the Boston Evening Globe, Feb. 25, 1974]

MALDEN—A CITY ON THE MOVE

(By Robert Rosenthal)

In 1957, Walter J. Kelliher was elected mayor of Malden. Young families in Malden were moving north to newer, greener communities. The city's business districts were becoming blighted and the city was almost bankrupt.

"I felt at the time," says Mayor Kelliher, 'that the hope for cities like Malden lay in establishing relations with the Federal government. They had money and nobody else did."

Urban renewal was the course that Kelliher chose. But the people of Malden didn't feel comfortable with this new term that meant change.

"They knocked me out of the box in 1959," Kelliher said in a recent interview, "but I felt that I was on the right path." In 1961 Kelliher ran again and won. He has not been defeated since and is now serving his seventh consecutive term as mayor.

According to Federal, state, and local officials, Kelliher, 61, is the man most responsible for success of urban renewal in Malden, a city of 56,000.

"Malden is an extremely successful program," according to Linda Ellenbogen, the community development representative for the Housing and Urban Development regional office in Boston.

"In the case of Malden," Miss Ellenbogen said, "the primary reason for the strong program is the mayor. Where you've got the political head of a city pushing for renewal, and the administration remains stable, you'll have success."

HUD has funded $53 million for Malden's urban renewal. This money has been used on projects ranging from sewer and water works, renovation of housing and building of civic areas to the building of low income and elderly housing.

Concentrated Code which is funded by HUD and the Redevelopment Authority of Malden, is one of the programs used in the city. Code applies to above-ground renovation of housing, streets, utility lines and planting trees.

In the two residential areas where Code programs have been instituted, Forestdale-Maplewood and Bell Rock-Belmont Hill there has been remarkable compliance.

Forestdale-Maplewood is an area of 618 acres. Under the Code program, each of the 4400 buildings in this area, the vast majority of which are private residences, were inspected starting in 1968.

It was found that 52 percent of the buildings in the area did not meet code specifications. Funds totalling nearly $4 million were spent in this area and today 98 percent of the buildings meet local fire and sanitary requirements.

Facilitating the improvement in Forestdale-Maplewood were grants of up to $3500 to home owners.

The Bell Rock-Belmont Hill area was blighted more severely. Of the 864 structures in this 108-acre section, 570 were initially below minimum standards.

In this area, according to John Blake Jr., administrator for the Malden Redevelopment Authority, the city ran into problems because of funding cuts from Washington. Even with these problems, 86.9 percent compliance was met.

"We would have much higher compliance with Code specifications in this area," Blake said, "but HUD can no longer get new funds out of Washington. We've had requests languishing for over a year."

M. Daniel Richardson Jr., area director for HUD, said that a January 5, 1973 Federal ruling, "terminated and suspended every program in the house. It was a basic moratorium on spending. Some projects in the works were not stopped but new applications were."

A revenue sharing bill which has been in the House and Senate for some time will replace the funneling and monitoring action of HUD, according to Richardson.

Linden Highlands is a large outcropping of rock that until last year had been sparsely developed with few residential buildings.

Three years ago the city offered 44 acres of land there for sale to developers for $1. Contingent in the sale was the building of multi-unit luxury apartments. There were no takers.

The reason was that Linden Highlands had very poor sewage and water facilities. Kelliher was able to swing state and Federal grants, which along with Malden funds, totaled $3 million. The funds were used to improve sewage, water and roadway systems.

With the improvements, Malden had an attractive piece of land for development. More than 50 developers contacted the city. The city chose the Flatley Company of Braintree.

The land was sold to Flatley in 1972 for $400,000. They are building a 15-structure, 1024-unit luxury apartment complex.

Today the development is one-third completed and, with no advertising, it is fully occupied. Rents range from $225 for a studio to $450 for a three bedroom apartment.

Mark Donovan, director of real estate development for the Flatley Company, said they did not expect this degree of success on the project which has a projected cost of $26.5 million.

"This is the first urban high density project we've undertaken," Donovan said. "But we decided along with Malden officials to make a self-contained community on the hill."

In 1972, according to Kelliher, tax revenue from Linden Highlands was $6,000. By 1975 the city expects to realize over $1 million.

"The idea behind Linden Highlands," Kelliher said, "represents an attempt to restore an economic balance among the people of the community. The 1970 census showed the median income for Malden to be $10,500. The median income for residents of the complex is $24,000."

There have been critics of Kelliher's renewal programs. Mrs. Amelia Miclette ran against Kelliher in last fall's mayoral election, losing 11,399 to 6675. Her campaign was based on the neglect of human needs in Malden.

A 43-year-old mother of five, Mrs. Miclette said, "No doubt the city was turned around in terms of physical development by renewal. It had to happen. But human needs were forgotten."

"Our schools have been neglected," Mrs. Miclette added, "but the real issue is planning for the city of Malden. Are we going to allow ourselves to become a rim of Boston or are we going to make it a human place to live?"

Kelliher admits that there are areas that have been neglected due to emphasis on renewal. He strongly defends his position.

"The city was on the verge of bankruptcy in 1961. I was dealing with a community in trouble. Now Malden is a fairly healthy economic community. Any decision is not popular with everyone. Fact is you still have to deal from a set of priorities."

Suffolk Faulkner was the first major renewal project in Malden. It was a deterioration neighborhood. The entire neighborhood was a financial drain on the city because of the need for police and fire protection.

Suffolk Square, the center of the 213-acre area, was a network of shabby stores, bars, gas stations and vacant lots. A large section was junkyards and marshlands that were used as dumping grounds.

Over $17 million was used to renew this area. Six hundred families were relocated. Dilapidated and badly deteriorated buildings were torn down.

The area now has 24 new businesses, 94 privately-constructed homes, two nonprofit housing facilities for moderate-income families and a 100-unit development for elderly housing.

All streets and sidewalks were repaved and relaid, new water service systems built, and new sewage and utility lines were introduced.

The 23-acre Charles Street area has also undergone a constructive renewal. It was an overcrowded Neighborhood Renewal Project. * * * been redeveloped as a clean modern light industrial area.

In 1960, a year before the area was cited for renewal, the assessed valuation was $411,250. Today the valuation of the area is put at $1,011,300.

One company, the Berkshire Apparel Corp., moved in and employs 500 people in a $500,000 plant.

The city's prime industrial area is the Malden Industrial Park. Renewal is now underway in this 140-acre area.

The $19 million being spent here is designed to refurbish an area containing industries that employ 4000 Malden residents.

Much of the area is now flat, razed land. Parcels of it are being bought and redevelopment has begun. Converse Rubber Co., the city's largest employer, is engaged in a $250,000 rehabilitation project.

Industries that are polluters are being relocated. One firm was even asked to leave the city. Solvent Chemical, a moth ball maker, has large stores of chlorine gas which pose a deadly fire hazard. It is moving to Niagara Falls.

Mayor Kelliher has definite ideas about industrial development and the concept of renewal. "Too many communities have only one industry," he says. "That's fine if the one industry thrives, but when that industry is in trouble the whole area suffers. We have a broad industrial base here now."

Downtown renewal in Malden is going on in the area referred to as the civic center. Nearly $14 million was originally funded for this area.

HUD directed, after it was found that this was not enough money to develop the 35 acres, that the project be subdivided into five general areas. The civic center is the first of these areas to be treated.

The civic center, which is under construction, will have a government center building housing municipal offices and the police department plus other governmental agencies. A downtown MBTA station is being built and is expected to be ready in 1975.

The other four areas in this district are in limbo, awaiting funds from Washington.

State-allocated funds to Malden for renewal total $4,617,774, according to Edmund Mangini, assistant to the state commissioner of urban renewal.

But, according to Mangini, Malden actually has received only $1,633,059 of the state allocated monies.

Kelliher discussed the need for knowing how to secure funds—"the blood and guts of any project. You have to be a guy who can plead a good case. I like to refer to it as grantsmanship. You've got to know which doors to knock on in Washington."

He continued, "You start off with your own congressmen. Then, depending on which party is in power, you stop off at the appropriate senator. From there, things can be smooth, but you've got to keep the pressure on."

Kelliher has kept the pressure on and the results are visible in Malden.

"I ran for this office with the premise that it is a full time job," he says. "I've done my homework and I know how things get done. Being a mayor doesn't mean that you just sit in a seat."

CONFERENCE REPORT H.R. 3927

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. BIAGGI. Mr. Speaker, I rise to indicate my support of the conference report to accompany H.R. 3927, the Environmental Education Act extension. I feel this report represents an effective compromise, one which will guarantee that this extremely worthwhile program can continue for the next 3 years.

There are those who contend that the great environmental concerns of several years ago are no longer as relevant due to our need to find immediate solutions to our energy crisis. However, this Congress has demonstrated its willingness to find solutions while not abandoning our commitment as a nation to preserving the environment. For example, we passed legislation last year which provides $50 million in research to develop solar heating and cooling, potentially the most inexhaustible and environmentally sound source of energy we have.

The key to understanding is education. This act was created in 1970 for the purpose of providing comprehensive environmental education activities and courses in schools and organizations throughout the United States so as to educate both children and adults to the environmental problems which face us today and in the future.

Yet as important as this legislation is to this country, this administration has chosen to provide it with the most meager of funds to such a degree that many worthwhile activities were forced to be scrapped due to lack of funds.

Despite these fiscal adversities and limitations the Environmental Education Act can point with considerable pride to the significant accomplishments it has achieved in the stimulation of public concern and action on ecological issues.

I am pleased to speak on behalf of this legislation. It is a vital bill, it deserves the support of my colleagues and the American people because it is all our environment that we are trying to save.

SMALL BUSINESSMEN NEED HELP FROM CONGRESS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. HAMILTON. Mr. Speaker, America owes much to its small businessmen. The debt is too often forgotten, however, in our preoccupation with giant corporations, big unions, conglomerates, multinational corporations, and agribusiness.

SMALL BUSINESS CONTRIBUTIONS

In our fascination with bigness, Americans often lose sight of the importance of the "smalls"—the small businessman who is the economic and commercial backbone of our communities. Anyone who has walked around a courthouse square in rural America or down most any street in an urban business district is soon made aware of the role the small businessman plays in his community. SBA Administrator Thomas Kleppe recently commented on the significance of the small businessman in America when he said:

> Our traditional values of individual initiative, social mobility, and political freedom are significantly dependent upon the strength of the free enterprise system, a system which is itself dependent in large measure upon the maintenance of competition provided by the existence of a large and healthy community of small enterprises.

The contributions of small entrepreneurs to our society are legion. Such technological marvels as the rocket engine, the Polaroid camera, the helicopter, the jet engine, the Xerox process, insulin, the vacuum tube, and countless other production devices and processes have been developed by independent inventors and small firms.

The people of the Ninth Congressional District in southeastern Indiana depend upon the small businessman for most of their daily needs. He contributes to the wide diversity of the economy in our communities. He is independent, civic-minded, resourceful and self-reliant. These are the qualities that go to the heart of what our Nation is all about. The small businessman has contributed significantly to the quality of life in America. His demise would have an unfortunate and worrisome impact.

That is why I am concerned that so much of what the Government does places a special hardship on the small businessman. He is less apt to be able to absorb higher taxes, inflation, increased wage rates, more paperwork, and tighter Federal regulations. Environmental and consumer legislation often cause him severe problems. All of these governmental actions fall with great force upon the small businessman, and I am persuaded he needs relief and special attention.

In economic terms, the small businessman's impact is enormous. Small businesses comprise 98 percent of the country's total business units, employ 65 percent of the Nation's nongovernmental work force, and produce about 40 percent of our gross national product. In 1972, they were responsible for 29 percent of total government procurement.

SURVIVAL THREATENED

Despite these contributions, small businesses are losing ground rapidly and disastrously to larger firms in terms of market share, assets, and profits. In 270 of 413 manufacturing industries—the business sector where figures are most complete—the 8 largest companies account for 40 percent or more of the value of the shipments from their industry.

In 1960, small- and medium-sized corporations in manufacturing had 50 percent of this sector's assets and were responsible for 41 percent of the profits. By 1970, these firms had only 33 percent of the assets, and by 1972 this had declined to 30 percent of the assets and 28 percent of the profits.

Small businsses are also losing out to the "bigs" in terms of tax liability. Recent studies, including one by my colleague, Congressman VANIK, have shown that the biggest U.S. corporations pay taxes at half the rate paid by small- and medium-sized businesses—26.9 percent versus 51 percent.

Furthermore, the small businessman carries the heaviest portion of the enormous Federal paperwork burden. A firm employing fewer than 50 people, for example, may be required to fill out as many as 75 to 80 different types of forms in the course of a year. For a business with a small office staff, and especially for the "mom and pop" stores, completion of these forms is a tremendously time-consuming and costly operation. Unlike large corporations, they cannot draw on in-house accountants or tax lawyers to handle this work. Small businessmen do it themselves.

Mr. Speaker, I am quite concerned by these developments that so adversely affect small businesses. The small businessman's situation remains tenuous, and the Federal Government should do all that it can to improve his chances for successful operation and growth.

LEGISLATIVE RELIEF

One way to help would be for the Congress to enact the Federal Paperwork

Relief Act, H.R. 12269, which I cosponsored earlier this year with several of my colleagues. This bill requires the General Accounting Office to study how reporting requirements could be reduced and streamlined and to report its findings to the Congress and the Executive, within a year after enactment, for legislative action and administrative improvements. In this way small businessmen would be relieved of the unnecessary portion of an estimated yearly load of 4½ million cubic feet of Federal paperwork. I am hopeful that the House Government Operations Committee, where the bill is now pending, will see fit to take action on it this year.

Another important congressional move of assistance to small firms would be passage of the Small Business Tax Simplification and Reform Act, known as the Evins-Bible bill. I introduced this bill in the 92d Congress, along with more than 100 of my colleagues, and have introduced it again this year as H.R. 14380, in hopes that the Ways and Means Committee will include it in its forthcoming sessions on tax reform. This bill:

Creates a permanent Federal Government committee to make a continuing effort to simplify our tax system, including business taxation.

Restructures downward the tax rates for firms earning less than $1 million in receipts a year in order to bring the rates more into line with the principle of ability to pay, the principle now applied to individual income taxes.

Encourages the establishment of new small business enterprises.

Promotes modernization, efficiency, and cost reductions for small business with provisions such as a 10-year carryover for small business net operating losses, accumulated earnings tax, and multiple surtax exemptions for certain small businesses under single-family control.

Authorizes a comprehensive study of the factors causing business failures, with recommendations to be made for preventing future failures.

CONCLUSION

The Evins-Bible bill, like the paperwork bill, is just pending, with no action scheduled. I hope this will not be the case for much longer. The challenges and obstacles that small businesses face are not going to disappear of their own accord. Enactment of measures like these is necessary to improve small firms' chances of survival, and would be one small way of thanking small businessmen for their tremendous contribution to the strength of our society and economy.

PUBLIC SAFETY OFFICERS

HON. WILMER MIZELL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. MIZELL. Mr. Speaker, I regret that I was unable to be present to vote on H.R. 11321—Public Safety Officers Benefit Act of 1974. As a cosponsor of similar legislation I am in strong support of this proposal and would have voted "yea" on final passage.

The law enforcement officer in America has become a target not only for the common criminal seeking to elude the grasp of the law, but also for revolutionary groups who despise the law itself and all who seek to uphold it.

Just as we owe the fullest measure of assistance to the man who daily places his life in danger in combating these forces of crime and revolution, we also owe his family a measure of security in the event he is struck down while performing that duty.

NUCLEAR PROPULSION

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. BOB WILSON. Mr. Speaker, yesterday Representative CHARLES BENNETT, Democrat, of Florida, and I introduced a bill to establish for all time a nuclear propulsion policy for major combatant naval ships. The time has come for us to set such a policy, and I believe the Congress will support the provisions of the Bennett-Wilson bill. I include as a portion of my remarks an illuminating column on nuclear propulsion written by the noted columnist, Robert S. Allen:

NUCLEAR PROPULSION

(By Robert S. Allen)

WASHINGTON, APRIL 27.—High-placed authorities apparently "have learned nothing and forgotten nothing".

They are still opposing building nuclear-powered submarines and surface warships.

They are resisting this despite two grim realities:

(1) The irrefutable superiority of nuclear power over conventional power; (2) the steady expansion of Russia's nuclear-powered submarine forces—already numerically superior to the U.S.

That's the characteristically outspoken charge of Admiral Hyman Rickover, "father" of this country's nuclear-powered submarines, who throughout most of his notable career has had to overcome powerful Navy resistance to modernization. Only last year, Congress had to take the initiative and promote him to full admiral in order to retain him on active duty.

"Inertia seems to be endemic to naval development," says Rickover. "Although nuclear submarines are now recognized as among the most vital warships we have, opposition to them has continued for over a quarter of a century. In nuclear-powered surface warships the opposition has been even more persistent."

SPELLING IT OUT

Rickover stingingly underscored his blunt rapping of official knuckles with the following scathing details:

A proposal by Defense Department "systems analysts" to "sink ten Polaris submarines to save money."

A Defense Department decision to "stop building any more nuclear submarines after 1970"—that unfortunately was overruled by Congress.

Last year, Congress had to intervene and increase the number of high-speed nuclear attack submarines when the Defense Department balked at that.

In 1971, the Navy scrapped a planned program "to provide each nuclear-powered carrier with its required four nuclear frigates and suspended indefinitely the nuclear frigate construction program." This was done despite the fact that "this was the only type of new combat ship having a fleet air defense capability."

One of two nuclear-powered frigates authorized by Congress was junked by the Defense Department, and construction of the other delayed for two years.

The five nuclear surface warships now in service "came into being only after much pushing and shoving by Congress."

"Reluctance to build nuclear submarines," declared Rickover, "has continued even though the Soviet has surpassed us in numbers of these craft since 1971, and are outbuilding us by three to one; and even though they now possess three times our submarine building capacity and are still increasing that capacity; and even though they have introduced nine new designs in the past seven years as compared to two for us."

SAME OLD STORY

Primary basis of the opposition to nuclear power is cost; that nuclear power costs more than conventional.

That's a time-worn argument against modernization, points out Rickover, citing numerous historic instances—going back to 1814, when Robert Fulton designed and built the world's first steam-propelled warship, while the Navy as late as 1869 "required all warships to carry a full set of sails."

"The excuse for not building better ships is always that they are 'more expensive'," says Rickover. "But all weapons of war are expensive. Cheap weapons will not win a war. And if we can't win a war, there is no sense in spending money on weapons at all."

Sharply assailing the contention that nuclear power is too expensive as compared to conventional power, Rickover makes two telling points:

(1) The cost of all weapons has soared as their capabilities have improved. Examples: The M–16 rifle cost three times as much as the World War II M–1; a C–5 transport plane is over 300 times as expensive as the World War II C–47; the fighter-bombers the Navy has today cost 25 times as much as World War II aircraft.

Asks Rickover sardonically, "Does that mean we should have only four or five planes on our carriers instead of 100?"

(2) Not only are oil costs increasing dramatically, but nuclear and conventional power costs must now be compared on a lifetime cost basis. Example:

"It now costs close to $25 a barrel to buy and deliver oil to Navy ships. At that rate, it would cost almost $270 million to provide the amount of oil for a conventionally powered carrier equivalent to the nuclear fuel in the Nimitz. That is almost three times the cost of the nuclear fuel for that carrier.

"The nuclear carrier increases the task group cost about two percent. Each nuclear escort increases the overall task group cost one percent, so that four nuclear escorts increase the task group cost four percent. Therefore, the lifetime cost for a complete nuclear task group consisting of a nuclear carrier and four nuclear escorts is six percent greater than that of a conventional carrier accompanied by four conventional escorts."

But that is "merely the peacetime cost", stresses Rickover. It does not take into account the many combat advantages of nuclear power—the immense range of nuclear ships as compared to conventional.

"When a nuclear carrier is substituted for a conventional carrier," points out Rickover, "the range of a carrier task group with four conventional escorts is doubled. When two of the four escorts are nuclear, the range of the carrier task group is almost doubled again. When all the escorts are nuclear, the range of the carrier task group is essentially unlimited.

"For these reasons a nuclear task force is at least 50 percent more effective than a conventional task force."

A GRIM LESSON

Lack of oil played a decisive role in Japan's defeat.

In stressing that, Admiral Rickover notes the following conclusion in a report, "Oil in Japan's War" of the Strategic Bombing Survey: "In every phase of the war, oil determined Japan's strategy and governed the tactical operations of its navy and air force. The collapse of the Japanese war effort was a consequence of their inability to maintain their supply routes to the southern zone."

In striking contrast, Rickover cited the performance of the *Truxtun*, nuclear-powered frigate voted by Congress over Pentagon opposition:

"While on a special mission, the *Truxton* steamed 8,600 miles at an average speed of almost 28 knots, traveling from Subic Bay in the Philippines to Perth, Australia, and crossing the Indian Ocean twice en route. This is the longest period of such high speed operation ever sustained by a U.S. ship. This high speed could have been continued for an essentially indefinite period had there been a need. At the conclusion of her mission, the *Truxton* was fully ready to undertake protracted combat operations.

"In contrast, our most modern oil-fired frigate would have had to refuel at least three times during such a transit and would have arrived at her destination with close to minimum fuel reserves, unable to conduct extended combat operations."

Yet despite the repeated demonstrated superiority of nuclear power, the Navy still has no firm long-range program to convert major combatant forces to nuclear power.

Rickover faults the Navy vigorously for this.

"We need a permanent program to build nuclear-powered ships," he asserts, "a program that will not be drastically changed every year or two as has happened in the past. We must build these first-line warships during peace. If war comes, it will be too late."

Representative Bob Wilson, Calif., ranking Republican on the Armed Services Committee, vigorously supporting these views, bluntly urged the Navy "to stop living in the past and to start recognizing the needs of the future."

"If we are to learn any lessons from the expanding Soviet naval capability and the current oil crisis," says the veteran legislator, "we must provide nuclear propulsion in all our new warships. Frankly, I can't see how the Navy can even be considering the design of new ships for our aircraft carrier forces which do not have nuclear propulsion.

"Yet the Navy is doing exactly that. It is working on the design of a new class of conventional-powered aircraft carriers and missile ships for our carrier task forces. What they are really doing is wasting taxpayers' money even to be looking at such designs."

THE CONSUMER ENERGY ACT OF 1974

HON. THOMAS A. LUKEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. LUKEN. Mr. Speaker, last Monday the Washington Post published an article in the financial section called "Huge Profit Margins Scored by Oil Majors." In the same edition, but in a different section, another article appeared entitled, "Sawhill Defends Fuel Prices."

Last December, while Americans were being asked to lower their thermostats, reduce their driving speeds, and pay higher prices for gasoline, the major oil companies announced fourth-quarter increases in profits of from 40 to 150 percent. Now at the end of the first quarter of this year, a winter marked by long waiting lines at gas stations, cold homes, and sharply increased prices for the insufficient gas that could be obtained, the majors are reporting new record profits: Gulf Oil Corp.'s profits are up 76 percent, Standard Oil of Indiana's profits are up 81 percent, and I predict the story will be similar from other "majors" as they, too, report their earnings to their shareholders.

The irony of all this is that on the same day these outrageous profit-level increases were reported to the wage earner, whose paycheck was controlled through the periods reported, Mr. John C. Sawhill, the new Administrator of the Federal Energy Office, is seen defending higher profits for the oil industry.

Mr. Speaker, this demonstrates once again the need for Congress to roll back oil prices. That is why I am today introducing the Consumer Energy Act of 1974. The bill has six titles the intent of which is to impose a level of fairness into how we deal with the fuel shortages we are experiencing now and are likely to continue experiencing into the future. The six titles are as follow:

Title I: The first title deals with regulatory reform. It proposes to deregulate small producers solely engaged in exploring for, developing, and producing natural gas and oil. But the larger companies would be subject to controls in both the interstate and the intrastate markets. Moreover, this title provides for an annual review of rates and allocation of supplies during times of shortages.

Title II: The second title imposes a rollback of domestic crude oil prices to what they were on December 1, 1973. This date is fair to the consumer and fair to the oil companies which were already enjoying high profits on that date.

Title III. Title III creates the Federal Oil and Gas Corporation which would discover and develop oil and gas deposits on publicly owned lands instead of leasing the mineral rights to major oil companies. This is not a nationalization of the oil industry, but a means of insuring a Federal input in energy development, a means of providing a competitive yardstick for the industry, and a means of increasing the domestic supply of oil and gas at reasonable cost to the consumer.

Title IV: Title IV requires that all oil and gas producers, refiners, and marketers have equal access to pipelines. It also proposes that at least 50 percent of lease sales for drilling rights on Federal land would be made on the basis of royalty rather than bonus bidding.

Title V: This title is for the protection of small businesses such as gasoline stations and home heating oil distributors. It prevents arbitrary termination or nonrenewal of their leases or franchises. It also insures that supplies are fairly allocated to all classes of retailers during times of shortage.

Title VI: The final title of the bill is designed to discourage waste of fuels. It does this by gradually eliminating price advantages, currently given on the basis of large consumption, while permitting the retention of progressive rate structures in which unit price increases with increased quantities consumed.

Mr. Speaker, so that they may be shared with the wide audience they deserve, I insert in the RECORD the two articles from the Washington Post, which point up the need for strong congressional action such as the Consumer Energy Act would provide:

HUGE PROFIT MARGINS SCORED BY OIL MAJORS

(By John Fitzhugh)

NEW YORK.— Leading off a week of oil industry reports, two of the major oil companies announced on Monday first-quarter profits more than 75 per cent higher than a year earlier.

Both companies said overseas operations were responsible for much of the jump. Gulf Oil Corp., one of the country's top five oil firms in terms of sales, said its earnings for the first three months of this year totaled $290 million, 76 per cent over the $165 million reported for the same period of 1973, and 26 per cent over the $230 million in the final quarter of last year.

Standard Oil of Indiana Amoco, which is ranked in the top 10 by sales, reported earnings of $219 million for the first quarter, up 81 per cent from both the $121.1 million in the first quarter of 1973 and the $121 million reported in the last three months of last year.

The company reported overall revenue of $2.28 billion after revenues of $1.47 billion in the first quarter of 1973, an increase of 55 per cent.

"I'd go along with predictions that place earnings 50 to 100 per cent above the first quarter of 1973," says Robert Hinckley, an analyst who follows the oil industry for W. E. Hutton & Co., a Wall Street firm.

"On balance this should be another fantastic quarter for the oil industry," says Alan Habact, a securities analyst with the brokerage house of Bache & Co. "I'm looking for large earnings gains, particularly from those with strong domestic operations."

Whereas 1973 was a year when the companies made most of their profit from international operations, other analysts also see the domestic scene as the strongest moneymaker in 1974.

This is because of the rise in domestic crude prices, they say. Crude oil which sold for $3.90 a barrel a year ago now costs $5.25 a barrel if it comes from an old well, and up to $10 a barrel if it springs from a new one.

Under federal price control regulations, prices are restricted for the "old crude"—which accounts for 75 per cent of domestic production—while the "new crude" can rise in price according to demand.

In contrast to private analysts, William Walker, general counsel for the Federal Energy Office, sees "very substantial gains" coming mainly from foreign operations. Price controls should have dampened domestic profits, he reasons.

"Domestic prices have increased only on a dollar-for-dollar basis to reflect increased costs," Walker says, noting that some foreign countries did not have such controls.

During the fourth quarter of last year the companies reported earnings gains ranging from 40 per cent to 150 per cent above the like period of 1972. Exxon's profits were up 59 per cent to $784 million, for example, while Gulf's zoomed 153 per cent to $230 million.

After public clamor and a congressional move to enact a windfall profits tax, the oil companies said the increased earnings were necessary to finance exploration for and development of new energy supplies.

Now the House Ways and Means Committee is about ready to report out the windfall profits tax bill to the floor. Some observers predict a harsh bill because of the higher earnings.

SAWHILL DEFENDS FUEL PRICES

John C. Sawhill, the new federal energy chief, defended the higher fuel prices that have settled in around the country and indicated yesterday they would pay off in increased supplies.

"Prices higher than in years past and substantial but reasonable profits are seen to be vital to our future well-being," he told the Senate Commerce Committee. "Where price elicits new supply, it serves a useful economic function and benefits consumers with increased supply, which ultimately results in lower prices."

Sawhill, appointed last week to the nation's top energy post, predicted that the oil industry's financial statements for the first quarter of 1974 would show a continuing rise in profits, which increased dramatically in 1973.

He also predicted, in comments made to reporters after testifying, that the price of gasoline would not rise "more than a few cents" per gallon.

"Prices are now in the low 50s," he said. "I wouldn't expect them to go over 60 cents."

They already have reached that point in some areas of the nation.

Sawhill criticized the proposed Consumer Energy Act which would, among other things, create a federal oil and gas corporation.

"It's been through the genius of our private enterprise system that we've been able to gain control over most of the reserves," he said.

Continuing the administration's arguments for eventual deregulation of the price of natural gas at the wellhead, Sawhill said such control "causes uncertainty and reduces investment in domestic exploration and development."

Sawhill said that in the late 1940s, 30 wildcat wells were needed to find a major field of oil.

"By 1972, 45 and 56 failed to produce a major field. Nine in 10 new field wildcat wells were unsuccessful," he said.

"Low prices in an increasingly high-cost, high-risk industry thus mean that reserves that would be found and produced at higher prices are 'simply left unfound and unproduced,'" he said, quoting Professor Edmund Kitch of the University of Chicago.

Sawhill listed his own suggestions to increase competition. In addition to deregulating the price of natural gas, these were: excluding the major oil companies from joint leasing ventures; equalizing the price of crude oil paid by refiners, and halting the penetration of major oil companies into the retail gasoline market.

Jack Moskowitz, an assistant to the chairman of Common Cause, the citizen's lobby, said that without a federal oil and gas corporation the extent of government control would be to regulate "prices set by a handful of powerful corporations who exercise dominant control at every stage of production and marketing processes."

"The present structure of the petroleum and allied products industry militates against an effective competitive market for oil, gas and other fuels," he said.

Elsewhere, C. O. Peyton, president of Exxon International Co., denied allegations that the firm acted improperly in reducing both direct and indirect deliveries of petroleum products made from Saudi Arabian crude to America's armed forces.

Peyton told the Senate Subcommittee on Investigations that not to comply with the Saudi Arabian demand in October, 1973, for the cutoff would have risked additional cutbacks and embargoes.

TAKING GAS FROM PUMPMASTER OZELBURGER

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. DERWINSKI. Mr. Speaker, next week we will take up measures affecting long-term energy needs. We have certainly had far more rhetoric than progress in energy-related matters.

One of the most entertaining and pertinent columns on policy restrictions on the energy shortage was in the April 7 Chicago Tribune by Michael Kilian, a journalist who has the well-deserved reputation for his astute observations.

The article follows:

TAKING GAS FROM PUMPMASTER OZELBURGER

(By Michael Kilian)

It is the dark of night. You are rattling along the highway in your "luxury car designed for today's needs" at 55 miles an hour getting 18.5 miles to the gallon. Your tank is nearly empty. There's not a town for miles. Suddenly, you see it. The building with the big garage doors. The gas pumps. The big revolving sign that says: "FOGCO!"

Today, Exxon. Tomorrow, Fogco. The idea comes from Sen. Adlai Stevenson, who is up for reelection this year and who has proposed that the federal government deal with the energy shortage and those outrageous oil company profits in one fell swoop by getting into the oil business itself—well to pump.

This wonderful new outfit would be called the Federal Oil and Gas Corporation. George Burditt, who, as nobody seems to know, is Stevenson's Republican opponent, gleefully seized upon the phrase and formed the acronym "Fogco." He didn't stop there.

"How the hell can you expect the federal government to run something like the oil industry," he said, "when it can't even deliver a letter from point A to point B?"

I don't mean to get involved in a senatorial campaign [not that it would make any difference. Illinois politics being what they are, Fogco is probably all that posterity will ever remember Burditt for.] But, as anyone who has ever dealt with a federal agency will attest, Burditt's point really zings in there.

The federally run gas station might have a sign saying FOGCO, but it would not be a big, revolving one. It would be an olive-drab sign with white stenciled lettering, hidden away somewhere behind the tire rack. After FOGCO, it would say something like: "Region C, Area 93, Substation 43027."

After pulling up to the pump, and waiting for some 30 to 45 minutes, you would be greeted by the federally run gas station attendant. Unlike the private industry attendants, who wear greasy overalls and nametags saying Ralph or Mongo, the federal gas station attendant would carry greasy overalls and a name tag saying something like "C. K. Ozelburger, Pumpmaster 3d Class."

Pumpmaster Ozelburger would then inform you that you had pulled up to Pump No. 2, which was not authorized to dispense gas to cars in your category. He would direct you to Pump No. 4, where another pumpmaster would inform you that you actually wanted Pump No. 1. You would then proceed to Pump No. 1, which you would discover was out of order.

You would then return to Pump No. 2, and slip Ozelburger a fiver. He would then have you fill out a requisition form and take down your Social Security number [all federal employees are trained to do this from birth]. Then he would proceed to fill your tank with gas. If you wanted an oil change or something, you'd have to make an appointment with the substation supervisor, or, better yet, with FOGCO's regional director.

Stevenson's point is that, while the oil companies are making those huge profits, the price of gasoline is skyrocketing. Some people are paying 65 to 79 cents a gallon. The federal government makes no profit, he says, and thus could do everything at cost.

Fine. Have you ever considered what it costs the federal government to do anything? Recall the OEO. Ponder the Post Office.

After filling up your tank, Ozelburger walks up to your window and says: "That'll be $62.95."

Being a federal employe, he doesn't even say "please."

MAX E. RAGLAND RETIRES FROM THE LA PUENTE CITY COUNCIL

HON. GEORGE E. DANIELSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. DANIELSON. Mr. Speaker, La Puente, Calif., a city in my congressional district, has benefited for the past 16 years from the able leadership of Max E. Ragland on its city council. Mr. Ragland was first elected to the city council in 1958, when the city of La Puente was only 2 years old. He has seen the city's population grow from 16,000 to 33,000, and has helped oversee the construction of many projects which have made La Puente into the pleasant community it is today.

Among the projects which have been completed during Mr. Ragland's tenure as city councilman are storm drains for protection against flooding, street lighting for public safety, a public library, a health center, a community recreation center and a very attractive city hall. Probably the most important development, however, was that of the South Hills Square Shopping Center and the Sunkist Shopping Center. For all these accomplishments, Mr. Ragland can claim a great deal of credit.

During his years on the city council, Mr. Ragland served as mayor for one term and as vice mayor for three terms. He was also active on various county and city committees, and has an impressive list of civic activities to his credit, such as the VFW, the Amercan Legion, the Boy Scouts, the La Puente Coordinating Council, the PTA—he received the California Congress PTA Life Membership Award—the Hudson Area Welfare Fund, and several others.

Fortunately for La Puente, Mr. Ragland does not intend to retire completely from public life. His interest in his people and his city is too strong for that. He plans to channel his energy and talent into civic organizations that perform important services in the La Puente area.

I am very grateful to Max Ragland for his dedicated work. I am certain that my congressional district will be reaping the benefits for years to come.

WHERE THE VETERAN IS KING

HON. BARRY M. GOLDWATER, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. GOLDWATER. Mr. Speaker, Assemblyman Lou Cusanovich of California, recently brought a newspaper article to my attention that I believe merits the full attention of my colleagues.

The article, written by Carolyn Goddard, assistant editor of the Las Virgenes Independent, Agoura Valley News, outlines the positive thoughts some veterans have regarding the treatment they have received at the hands of the Sepulveda, Calif., Veterans' Administration hospital.

I am grateful to Assemblyman Cusanovich for bringing this to my attention; I am grateful to Ms. Goddard for giving this the attention it deserves in the press; and I am especially grateful to the veterans who had the fortitude and wisdom to give light to the other side of the issue of treatment at VA hospitals.

I would like to present this very enlightening article for my colleagues' consideration:

WHERE THE VETERAN IS KING

It is not unusual for the minority dissident voice to receive much attention from the various news media. Today's attention getters center around the pickets, the strikes, any expose that lets the skeleton out of the bureaucratic closet. Why not, it's the screaming headlines that sell space and time. That's what the public demands.

Freedom of the press is a privilege, at times abused, sometimes misused, but the fact remains, nowhere else in the world is freedom of speech more enjoyed than in the United States of America.

It is a fact, ask any reporter in any of the media, the highest percentage of "hot tips" come from people who declare to know a big secret about someone else.

Also, a fact, good happenings, positive reactions to any situations are seldom, if ever, called to the attention of those that cover the news. The public has the right to know the true facts of any incident. Any reporter, worth his salt, diligently tries to uncover and report pertinent information covering both sides of the issue.

A fact, anger creates courage to speak out. Satisfaction creates complacency, an attitude of "all's right with my world," it's really not very interesting to anyone else. Perhaps human nature is afraid of strong negative forces breaking their bubble of utopia.

Absolutely factual, in no way, can man, or man's world be perfect. To hide the seamy side of life is equally as ridiculous as failing to recognize the sunny side of the street. No matter how you look it at, where there is smoke, there is fire.

As a matter of fact, realizing anyone who has had the experience of "cutting through governmental red tape and paper work" knows complete frustration, we are especially pleased when the veterans, patients at the Sepulveda Veterans Hospital speak out and ask for equal time to speak out and say, as a matter of fact, here in the Sepulveda Veteran's Hospital, the veteran is a king. As a matter of fact, this opinion deserves headline coverage!

Broke, have a medical problem, hesitant applying to the Veterans Administration for help? Recent publicity scare you off? Hey, kid you not, governmental red tape and paper work is enough to discourage the most determined individual. Don't take it from me, but, would you believe others, others, like yourself, veterans of the United States of America, your buddies?

Senator ALAN CRANSTON,
Washington, D.C.

DEAR SIR: We, the undersigned, are patients of the Veterans Administration Hospital, Sepulveda, California. We want you to know, speaking for ourselves, here, in building 2–1–A, we are Very Important Persons.

This is what it is like, being a patient in this V.A. Hospital. Once determined, once eligible, once assigned a bed, you enter another world, a world where the veteran is king pin. The entire personnel is geared toward one common cause, whatever is best for you.

Professional medical care, nothing but the best, not one Doctor, no ego trip involved, but professional consultation, a common cause, the common cause, whatever is best for you.

Never, are you treated as a charity patient, instead, each, and every individual is accepted on his own identity. Patient or help, no one cares, race, creed, or color has no bearing on you, as a person.

You get the feeling, someone really cares, someone really cares for you.

Rules, you, as a man better be able to accept, and want to get well. Otherwise, take a hike, others in need are waiting for your bed.

Talk about spit and polish, our ward would pass white glove inspection. Clean sheets every day, if the situation warrants twice a day.

The grub, chow is a daily ritual, one to look forward to, choice of menus, many of us have never had it so good. Sure our "flop house" degenerates complain, but try and take this caring away from them.

T.L.C. is administered lavishly, (tender loving care), just one part of this great professional team.

And, Buddy, if you ever thought a G.I. was thorough, wait until you get in here. From inside out, not one, but the whole team, makes sure that when you leave all systems are A Okay.

Damn, we all have the right to bitch, both ways. From the Veterans, here at the hospital in Sepulveda, we can only say thank you. This is what today and tomorrow is all about!

Sincerely,
M. Kelly Spellmeyer, WWII, Korea, U.S. Navy;
W. J. Wright, WWII, U.S. Navy;
W. B. Stanton, WWII, U.S. Marine Corps;
W. J. Maloney, WWII, U.S. Navy;
H. Stewart, WWII, U.S. Army;
L. G. Sheets, WWII, U.S. Army;
D. J. Gaudreault, V.N., U.S. Army;
J.D. Hollar, WWI, U.S. Army;
Paul Klein, WWII, U.S. Air Corps;
Frank J. Fourer, WWII, U.S. Army;
Patrick Mahoney, WWII, Coast Guard;
Edwin E. Morris, WWII, U.S. Army;
Dean A. Goddard, WWII Korea, U.S. Navy;
P. L. Stelephr, WWII, U.S.A.F.

PUBLIC OPINION POLL, SECOND CONGRESSIONAL DISTRICT, ARIZONA

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. UDALL. Mr. Speaker, as I have done for many years, this spring I sent a public opinion questionnaire to the constituents of the Second Congressional District of Arizona. More than 50,000 Arizonians responded, a new record for any poll sent out by my office.

I have prepared a report to my constituents on the results and since the subjects covered in the poll are of current interest, I take this opportunity to share the results with my colleagues:

TO THE RESIDENTS OF THE SECOND CONGRESSIONAL DISTRICT

In March, many of you responded to my questionnaire on the energy crisis, impeachment and the economy. In all, my office received over 50,000 replies. From these, we drew a scientifically selected sample, representing a cross-section of the district by age, sex, political party preference, county of residence and years lived in Arizona.

The following report sums up your responses:

ENERGY-ENVIRONMENT

An overwhelming portion of the district's citizens (78 per cent) consider environmental damage to be as bad in the long run as the energy crisis. They want any increased energy and fuel production tied to environmental safeguards, and oppose relaxing present safeguards in order to solve the energy crisis. Nearly three-fourths also suspect the oil companies of somehow engineering the energy crisis and bidding for higher prices, while 83 per cent declared oil profits are already too high.

IMPEACHMENT

Fully three-fourths of the citizens have either concluded that impeachment by the House and trial by the Senate are justified, or at least want a full House inquiry. There is also strong (68 per cent) sentiment favoring an April 30 windup of the House inquiry. Citizens split about evenly on whether or not the President should resign now, but surprisingly, one in four Republicans favor resignation.

THE ECONOMY

Asked whether the Administration's wage and price controls should be discontinued, retained or strengthened, 41 per cent said controls haven't worked and should be scrapped, a view apparently shared by the President and his Administration, based on their recent actions.

Some additional details of the survey's findings follow:

While most citizens (74 per cent) blamed the oil companies for the energy crisis, 55 per cent also said the crunch was inevitable because of our nation's rates of growth and energy consumption; 45 per cent blamed the environmentalists; 34 per cent accused government, and only 16 per cent blamed the Arabs and their refusal to sell oil to this country.

If rationing gasoline at the rate of 45 gallons per month per licensed driver over 18 years old were necessary, 56 per cent of the citizens said they would support such a plan and 44 per cent would oppose it. Those under 18 years of age differed from the older citizens, dividing evenly on this proposal. This reinforces responses I have received from younger drivers during my visits to high schools and in other meetings with young people in the district. They obviously are reluctant to give up their driving privileges entirely, when older persons would be restricted but not prevented from driving.

Continued private ownership of the oil industry, but with limited government power "to prevent collusion and monopoly and to allocate petroleum products" where needed, was favored by 76 per cent of the citizens. Only 8 per cent favored complete government takeover, and only 16 per cent supported complete freedom from government control.

Environmental damage is just as bad as

the energy crisis, in the view of an overwhelming (78 per cent) majority of the citizens. They support measures to make sure "that we don't ruin the environment" in expanding our fuel production. Only 22 per cent said we should "delay or relax" environmental controls in order to meet energy needs.

On the impeachment question, 40 per cent said impeachment by the House and trial by the Senate are justified, and another 35 per cent said they are uncertain whether the President should be impeached, but feel "sufficient questions have been raised to justify a full inquiry by the House." The remaining 25 per cent said the President has been "unfairly maligned," and we "should get off his back."

Party alignments are revealing. Favoring impeachment were 57 per cent of the Democrats sampled, only 18 per cent of the Republicans and 36 per cent of the independents. Favoring full inquiry were 33 per cent of the Democrats, 36 per cent of the Republicans and 39 per cent of the independents. Saying, "Get off his back," were 10 per cent of the Democrats, 46 per cent of the Republicans and 25 per cent of the independents.

If the House votes impeachment, 68 per cent of the citizens said the President should then be removed from office by the Senate, and 32 per cent disagreed. While 84 per cent of the Democrats and 67 per cent of the independents would favor removal, 56 per cent of the Republicans said the President should remain in office.

Asked whether President Nixon or Vice President Ford could best lead the country for the next three years, citizens were almost evenly split, 51 per cent for the Vice President and 49 per cent for the President. Age is important here, with 55 per cent of those under 18 favoring Mr. Ford and 58 per cent of those 65 or older favoring President Nixon.

Asked whether the President should resign immediately, the citizens are also split almost evenly. Younger citizens are again more likely to favor resignation and the older ones to favor his staying in office. While 69 per cent of the Democrats favor resignation, 26 per cent of the Republicans—more than one in four—say the President should quit.

Several comments come to mind as I examine these findings.

The nature and degree of the President's weakness, and the attitudes on impeachment and resignation, are particularly significant.

Has any former President fallen a hairsbreadth short of the Vice President in the public's confidence? It should be pointed out that Democrats and Republicans divide in exactly opposite proportions on this question, however, with 78 percent of Democrats favoring the Vice President while the same percentage of Republicans favor Mr. Nixon over Mr. Ford. Independents are aligned precisely with the average of the sample, almost evenly divided but leaning slightly toward the Vice President.

It is also significant that one in four supporters of Mr. Nixon's party believe he should resign, and that less than half of the Republicans, 46 per cent, say we should leave him alone.

We have strong sentiment for pursuing the inquiries, at least, if not going the full route to impeachment. Clearly, a major share of the citizens believe the questions raised are serious, deserve answers, and should be pursued by the House. But at the same time a majority also wants the inquiries ended promptly, and endorses the April 30 deadline that some have proposed. It is now clear the deadline won't be met, but I agree that a prompt resolution is important and will work for that goal.

It is also important that people who consider themselves independent lean heavily in the direction of impeachment or full inquiry. Independents, incidentally, account for one in every four voters in our sample. In effect, we found that the Democrats and Republicans tended to cancel each other out. It is the independents, then, who tip the balance.

On the energy issues, I am heartened that a large majority believes that we must preserve our environment and not back away from our commitments to protect it, while we attempt to expand our fuel and energy output in coming years.

This means Congress and Federal policymakers have a very thin line to walk. The public, in effect, wants to have its environment and to burn it, too. It remains to be seen whether such a pair of potenially contradictory wants can both be satisfied. If it is possible, it does seem that to fill such an order will be costly. Once the costs are more clearly visible, it will be interesting to see whether the public still sets the same demands. I expect public attitudes will prove to be subject to change as we learn more about the costs.

It is revealing that citizens also tend to want government to take a slim, middle road on the question of regulating the oil companies. Strongly as so many citizens feel that the oil industry is somehow responsible for the energy crisis in the first place, a very small number of citizens want complete government takeover.

This, in effect, adds a third condition to the equation. Besides wanting both continued high levels of energy available and high-quality environment, the public wants us to preserve the basic character of a free-enterprise economy.

Some leading thinkers on the subjects of the world's environment and its various shortages and scarcities have been telling us that the only answer will ultimately be less freedom of choice for all of us. It is clear from this survey that the citizens of the Second Congressional District of Arizona are not yet ready to accept that conclusion.

Sincerely,

Morris K. Udall.

Legislative Questionnaire, March 1, 1974

To the residents of the 2nd Congressional District:

As I have done for many years, I am once again mailing a questionnaire on current issues to all of the residents of the 2nd Congressional District of Arizona. I am doing so in order to find out the views of the people I represent in Congress.

Below and on the back of this sheet are listed 16 questions. I hope you will read them carefully and indicate our choices. Please note that I have provided three columns so that three members of your household may participate in this survey.

You need not list your name or address, although you may do so if you like. However, it would be most helpful if you would fill out the personal data section on the back of this sheet.

Undoubtedly, you will want to qualify some of the simple "yes" or "no" type questions, but keep in mind that is precisely the problem facing Members of Congress as particular bills come to a vote. If you aren't sure of your opinion, simply leave the space blank. It will be counted as "no opinion."

When you're through, please feel free to write me separately on any issue. I want to have your best thinking on these problems. Thank you very much.

Morris K. Udall,
Member of Congress.

A. THE ENERGY CRISIS

Below are five statements (questions 1–5) about the causes of the energy crisis. Please mark which statements you feel are substantially false.

1. The crisis is largely phony. It was caused by the oil companies trying to take advantage and make higher profits. True, 74 percent; false, 26 percent.

2. Our government caused the crisis by interfering with the free enterprise system and denying the oil companies incentives to produce more oil. True, 34 percent; false, 66 percent.

3. The environmentalists are largely responsible for causing it by slowing down the extraction of oil, coal and other energy sources, delaying the Alaska pipeline and insisting on anti-pollution devices which reduce gasoline mileage. True, 45 percent; false, 55 percent.

4. The crisis occurred because our country has grown so fast and we use more energy than anyone else in the world. It had to happen sooner or later. True, 55 percent; false, 45 percent.

5. The refusal of the Arabs to continue selling oil is a main cause of the energy crisis. True, 16 percent; false, 84 percent.

Additional energy questions:

6. Do you believe the big oil companies are making too much profit on the gasoline and oil they sell?

(a) Yes, they making too much profit. 83 percent.

(b) No, their profits are not out of line. 17 percent.

7. Which of the following things have happened to you as a result of the gasoline shortage?

(a) I had to wait in line at a gas station for more than 15 minutes. 80 percent.

(b) I ran out of gas and had to leave my car because I couldn't find a gas station open. 1 percent.

(c) I had to cancel a trip I had planned because there was no gasoline available. 18 percent.

(d) I have missed work because there wasn't gasoline available. 1 percent.

8. If you knew that there would be gasoline rationing which would guarantee each licensed driver over 18 years of age in your family an average of 45 gallons per month, would you favor or oppose such a system?

(a) Favor rationing plan. 56 percent.

(b) Oppose rationing plan. 44 percent.

9. A number of suggestions have been made as to how we can best deal with the energy situation. Which of these three alternatives is the closest to the way you feel?

(a) The federal government should take over the entire oil industry. 8 percent.

(b) The government should keep hands off. It should allow the free market price system to work so that oil companies have an incentive to find new sources of supply. 16 percent.

(c) Ownership of the industry should remain basically private. But the government should be given limited power to intervene to prevent collusion and monopoly and to allocate petroleum products to areas where they are needed the most. 76 percent.

10. Which of these two statements is the closest to the way you feel?

(a) The energy crisis is so severe that we must delay or relax, if necessary, imposition of environmental controls in order to ensure that we have as much energy as we need. 22 percent.

(b) In the long run, damage to our environment is just as bad as the energy crisis is now. We should make sure that when we expand our domestic production of oil, gas and coal that we don't ruin the environment. 78 percent.

B. IMPEACHMENT

In the last few months, many people have criticized President Nixon's handling of the Watergate situation and say he should be removed from office. Others say he has been unfairly maligned and should be allowed to complete his term. Still others are not sure whether he should remain or be removed, but feel enough questions have been raised to require a thorough inquiry by Congress.

Under our Constitution, the House of Representatives has the duty to determine whether charges should be brought against the President. This is called "impeachment." If Congress votes to "impeach" (that is, bring charges against) the President, the Senate then must decide whether he should be removed from office. Removal would require a ⅔ vote.

11. Which of these statements is the closest to the way you feel?

(a) I believe the House should impeach the President and send the case to the Senate for a final decision. 40 percent.

(b) I am not certain whether the President should be impeached, but I feel sufficient questions have been raised to justify a full inquiry by the House. 35 percent.

(c) I feel the President has been unfairly maligned. We should get off his back and let him do the job he was elected to do. 25 percent.

12. Regardless of your vote on the question above, if the President is impeached, do you feel the Senate should remove him from office?

(a) Yes, he should be removed from office. 68 percent.

(b) No, he should remain in office. 32 percent.

13. Some people are saying the debate over impeachment is taking too long and that the House should make a decision by some target date, April 30 perhaps, so that both Congress and the President can begin giving full-time attention to the nation's problems. Others say the question of impeachment is so important that the House should take as much of 1974 as it feels is reasonably necessary to make a decision. How do you feel?

(a) The House should conclude its inquiry by April 30. 65 percent.

(b) The House should take as long as is necessary to make the right decision. 34 percent.

14. Regardless of how you personally feel about the President and based on what you've read and heard, do you think President Nixon or Vice President Ford could best lead our country for the next three years?

(a) President Nixon. 49 percent.

(b) Vice President Ford. 51 percent.

15. Do you believe that President Nixon should resign at this time?

(a) Yes, President Nixon should resign. 50 percent.

(b) No, President Nixon should not resign, 50 percent.

C. THE ECONOMY

16. Over the past 2½ years, we've had a series of wage and price controls known as Phases I–IV. Some say such controls are necessary to prevent skyrocketing inflation. Others say such controls have clearly failed and have, in fact, aggravated shortages. Which of the following statements is closest to the way you feel?

(a) The wage-price control system hasn't worked and should be discontinued. As a basic rule, we are better off to let the free market system determine wages and prices. 41 percent.

(b) The system of wage and price controls has had its problems, but, on balance, it has helped check inflation and it should be retained. 19 percent.

(c) We no longer have much of a free market system left. Therefore, the controls should be extended and strengthened to protect ordinary people's income. 40 percent.

This completes the questionnaire except for some personal data I hope you'll provide.

D. PERSONAL DATA

	Percent
Your Sex:	
Male	52
Female	48
Your Age:	
Under 18	1
18–25	13
26–35	17
36–49	21
50–64	29
65+	19
Your Political Preference:	
Democratic	45
Republican	29
Independent	26
Your County of Residence:	
Pima	80
Cochise	16
Pinal	1
Santa Cruz	33
Your Years in Arizona:	
Less than 1	7
1–3	14
3–5	11
5+	68

NATIONAL CANCER PROGRAM

HON. JACK BRINKLEY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. BRINKLEY. Mr. Speaker, during the past several weeks I have corresponded with Dr. Frank J. Rauscher, Jr., director of the national cancer program at the National Cancer Institute, regarding scientifically approved but unfunded cancer research grant applications received by NCI during the fiscal years 1973 and 1974. In the April 9, 1974 RECORD, I inserted for the review of our colleagues a complete listing of approved but unfunded projects for fiscal year 1973, which according to Dr. Rauscher, totaled some $22,244,959—plus an additional $29,010,800 in unfunded construction grant applications.

This week I received from Dr. Rauscher a listing of approved but unfunded projects through April 17 of this fiscal year. Dr. Rauscher stated that the total cost to award each of these grant applications would be approximately $63.6 million. I have been advised by the Government Printing Office that to insert this listing of unfunded fiscal year 1974 projects would consume 14 pages of the RECORD at a cost of some $2,926. The excessive cost involved precludes publication but I wish to make this listing available to any of our colleagues who might be interested in copying or reviewing it. Also, I will have it with me during debate on the cancer bill.

Mr. Speaker, my purpose in obtaining this information and making it available for public review is to show that there are many excellent cancer research projects which cannot be funded at the levels presently being proposed. For instance, the May issue of the Saturday Evening Post contains an item about Dr. Linus Pauling, a former Nobel laureate, a professor at Stanford University and director of the Institute of Orthomolecular Medicine at Menlo, Calif. The article says of Dr. Pauling:

> Our country should look upon Dr. Pauling as a valuable national resource, his genius having unlocked the secret of the relationship between molecular abnormality and hereditary disease when he discovered that sickle-cell anemia arises from a minute abnormality in the molecular structure of hemoglobin. Dr. Pauling's contributions to medicine are so great that all listen when he proposes theories for cancer and health research.
>
> With a career batting average as good as Dr. Pauling's one would imagine that research grants would be thrust upon him. Not so!
>
> We were dismayed to learn that Dr. Pauling was recently turned down on his application for a grant from the National Cancer Institute . . . They (NCI) proposed $37,000 for two years, but gave the grant such a low priority that it was never funded.

Dr. Pauling is quoted as saying:

> The important discoveries are usually the ones that wouldn't be funded by a granting agency.

As you know, Mr. Speaker, we will next week be taking up H.R. 13053, the national cancer amendments of 1974, to authorize funding for our Nation's cancer research program for the next 3 years. H.R. 13053 calls for funding at the following levels: $750 million for fiscal year 1975; $830 million for fiscal year 1976; and $985 million for fiscal year 1977.

According to figures compiled by the American Cancer Society, the $750 million funding level proposed for next year would be more than $230 million short of the actual appropriations needed. At this point I would like to insert the ACS figures for the information and review of our colleagues:

*Incomplete list of NCI needs which would be un-met even if a $750 mil. budget were allowed in fiscal 1975**

Assumption #1: $750 mil. NCI budget.

Assumption #2: No new strategic manpower or institutions.

Shortage left after spending $750 million:

	Million
Research grants	$151
Grants and contracts to 16 newly designated comprehensive cancer centers needed to provide geographic coverage of U.S. in addition to 12 existing centers	32
Grants to use fully the lesser centers	10
Training and fellowship grants	27
NCI staff addition of 200 persons (would leave per-person workload double the load in 1970)	3
Cancer prevention research	9
Bladder, colon, other organ site task forces	16
Construction	12
Total shortage	260
Minus estimated item overlap	22
Net shortage surveyed	238
$750 mil. budget assumption	750
Fiscal '75 appropriation needed	988

* Does not cover all NCI areas.

In conclusion, Mr. Speaker, I would like to point out that we have recently been presented with a budget request of some $304 billion. And, of this enormous sum, NCI would receive a microscopic 0.2 percent for the purpose of finding a killer that strikes down more than 900 people in this country every day.

PRESERVING OUR OCEANS

HON. WILLIAM S. COHEN

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. COHEN. Mr. Speaker, we are all concerned about preserving the fish stocks and ecological balance of the world's oceans. One group that has taken the lead in the fight to safeguard our oceans is the Oceanus Institute of Manset, Maine.

Because I think my colleagues may be interested in the operations of this organization, I insert in the RECORD at this point an article which appeared in the Bar Harbor Times of March 28, 1974:

[From the Bar Harbor (Maine) Times, Mar. 28, 1974]

ALL PEOPLES OF THE WORLD NOW CLAIMED AS CITIZENS BY OCEANUS

The government of Oceanus, Oceanus being sea areas 3 miles or 5.6 kilometers or more from all coasts in the world, has been continuing its development for the benefit of all.

By the February 5, 1974 act of Oceanus Congress all individuals are now Oceanus Citizens, unless they individually send written renouncement of such and the civil rights Oceanus Citizenship gives them. Thus there are now billions of Oceanus Citizens.

To improve awareness of Oceanus and allow individuals to show their concern for preservation of fish stocks and other ecological balance in the world seas, the Oceanus Institute of Manset-Seawall, Maine is now sending those who send $1 each an Oceanus ecology emblem patch. The patch shows a globe backed by a perpendicular anchor surrounded by the wording Oceanus "Fellowship & Seamanship" and can be worn on cap, jacket or anywhere by all, especially mariners and conservationists.

The Oceanus Communications Office, addressed 73 Magazine Place, Petersborough, N.H. is now granting Oceanus Radio Amateur licenses and calls to those around the globe who send $5 and their valid radio amateur licenses from a land-nation. A good number have responded and local radio amateur 'DXers' should be hearing from them soon if not already.

A requirement for operating with an Oceanus Radio Amateur license is that the licensee operate aboard an Oceanus registered craft in Oceanus. The Communications Office therefore also is registering craft under Oceanus Flag while allowing such craft to retain registration under other flags. To acquire Oceanus Flag registration of a craft one need only send $5, a basic description of craft, type sail rig and/or engines, date built, commercial and/or pleasure use, estimated total value of craft, owner's name and mail address. The Oceanus Flag registration certificate while having a number of advantages will also be a document nice to put on display for a topic of conversation and attractiveness.

Admiral Welles, elected chief executive of Oceanus, says, "Part of seas preservation involves regulation of its inevitable commercial development that will result in billions of dollars of profits. As the most ancient and honorable legal tradition of the seas is that they are the common heritage of all, equitable shares of the profits should be shared with the all represented by Oceanus. Therefore Oceanus will evolve as the arbiter of commercial use of the seas for preservation and other profit to benefit all. Already one business firm has begun paying Oceanus Commercial taxes and other foresighted firms will soon begin doing likewise."

The first firm to begin paying Oceanus commercial use taxes pays only $25 annually but was given seniority number one that may prove valuable when Oceanus begins granting mineral right leases in its domains under provision that no harmful pollution occur. According to Admiral Ted Welles, Howard Hughes is now considering cooperating with Oceanus to better secure his ocean operations and rights to the minerals he is already mining.

Taxes Oceanus collects will be shared with land-nations recognizing and participating in the Oceanus Constitution government. Oceanus Communications Chancellor Wayne Green during his visit as the invited guest of the King of Jordan discussed Oceanus. Chancellor Green feels it is very likely Jordan will soon recognize and participate in Oceanus.

"Singapore is another good candidate for early recognition and participation in Oceanus." Admiral Welles says, "There are others that have shown interest but these two seem the strongest possibilities. Yet, after the scheduled June 1974 U.N. sponsored Law of the Seas Conference I believe, judging from their poor track record the last two times they met and from the poor agenda of this meeting, a lot of other countries will become interested and more likely go with Oceanus.

"When one studies all the other prospects, Oceanus seems the most sensible and it is best for all individuals too, and after all the seas are their common heritage."

"This June all are invited to participate in the election of Oceanus Congress Representors. Six people are standing for election to the three world-wide Representate seats and all wishing to vote in this election should send a self-addressed stamped envelope and request for their ballot to Oceanus Congress Record Office, Manset Seawall, Maine. Those Representors elected will participate in lawmaking; all are expected to respect in Oceanus domains. Therefore if one doesn't participate they have no legitimate right to complain when they don't like conditions at sea," Admiral Welles says.

The services of the Oceanus Institute, Inc. have been hired to give its talk and movie presentation. Maine's East Sullivan High School and Gordon College in Wenham, Mass. have hired these services most recently. The East Sullivan High School will benefit by this presentation 1 p.m. March 27 and Gordon College 10:15 a.m. April 17.

The Institute's presentation describes our dependence on life in all seas, a solution of our seas plight, and that the Oceanus Constitution world seas government of, by and for all may be the most significant bicentennial celebration of the Spirit of 1776, as Oceanus is the evolution of the successful U.S. Constitution concept founded on the Spirit of Life, Liberty and Pursuit of Happiness for All. Then the presentation shows the color movie "Clean Oil Tankers" giving audiovisual evidence of threatening yet avoidable sea pollution and concludes with questions and discussion.

For more data regarding this call, Admiral Welles. First try (207) 244-6615 or 3941 or (617) 396-8578.

NATIONAL SECRETARIES WEEK

HON. JOEL T. BROYHILL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. BROYHILL of Virginia. Mr. Speaker, over the years, the Congress has honored many associations, societies, and groups in our country. This week many governing bodies and organizations, here and abroad, are paying homage to thousands upon thousands of faithful public and private employees, we call secretaries. Unfortunately, the Judiciary Committee was unable to bring a House Joint Resolution to the floor in time to allow the House to join in this celebration. Perhaps next year we can be more considerate of this fine group of people to whom we as individuals owe so much.

The theme of the 23d consecutive annual Secretaries Week, April 21–27, is "Better Secretaries Mean Better Business," sponsored by the National Secretaries Association (International), the world's leading secretarial association. The week will be highlighted on Wednesday, April 24, which is designated as Secretaries Day.

Many Governors and mayors throughout the United States will officially proclaim "Secretaries Week," while their counterparts in Canada do the same. Many Chambers of Commerce also observe Secretaries Week, and service clubs such as Rotary, Lions, and Kiwanis frequently invite secretaries to participate in special programs.

The purpose of Secretaries Week is to bring recognition to secretaries for the vital role they play in business, industry, education, government, and the professions. It also serves to remind secretaries of their responsibilities to their employers and to their profession.

EDITORIAL SUPPORT FOR HOME HEALTH SERVICES ACT

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. YOUNG of Florida. Mr. Speaker, on April 10, 1974, H.R. 14121, the "Home Health Services Act of 1974," was introduced by 25 Members of this body. As has already been pointed out, this comprehensive legislation is an important first step toward making sure that all older Americans who wish to stay in their own homes can do so, while still counting on assistance when they need it.

H.R. 14121 will give the Secretary of Health, Education and Welfare more authority to make grants that would establish and cover the initial operating costs of additional public and nonprofit private agencies to provide home health services. It will also expand the home health care services now available and will provide for grants to public and private agencies for training of professional and paraprofessionals to administer home health services.

Mr. Speaker, on Sunday, April 14, 1974, the St. Petersburg Times editorialized upon the need for this kind of legislation. That editorial follows:

HELPING THE ELDERLY

One of the torments for some people confined to nursing homes is that they neither want nor need to be there. But they are because they cannot get the care they require if they stay in their own homes.

A bill, cosponsored by U.S. Rep. Bill Young, R-Pinellas, seems to offer a remedy. Called the Home Health Services Act of 1974, it would give HEW more authority to make grants for new and expanded home health care services.

That's the kind of positive idea we hope Congress will approve. Many elderly would welcome the opportunity to remain relatively independent and self-sufficient in their own homes if they could count on the occasional medical support they need.

Not only would the plan provide for services to be delivered to an individual's home, Young said, it would help to underwrite the costs of training professionals and paraprofessionals who would give the care. At a time when there is also a need to expand employment opportunities in service fields, that is a welcome extra.

TURKISH POPPY BAN

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. WOLFF. Mr. Speaker, as the chairman of the Foreign Affairs Special Subcommittee on International Narcotics Control, I have been especially concerned about the plans of the Turkish Government to reestablish the opium poppy crop. To further contribute to the debate on this important matter, I would like to bring the following WPIX editorial on the Turkish poppy ban to the attention of my colleagues:

Turkish Poppy Ban

When the drug problem was at its very peak, estimates were that about 80 per cent of all heroin available in this country started in the opium poppy fields of Turkey. An enormous amount of diplomatic energy went into getting an agreement from the Turkish government to ban illicit poppy production.

The United States paid more than 35 million dollars to compensate Turkish farmers for their loss of income, and, starting in 1972, the flood of heroin from those fields slowed to a trickle.

Many factors caused the drug crisis to ease in our country, not the least of which was a dawning awareness on the part of young people that the use of heroin was a one-way ticket to hell, but it would be a mistake to think that the trend away from drugs is irreversible. A new crop of potential addicts comes of age every year, and given a cheap supply on the streets, we could easily slip back into the old cycle of experimentation, causing more addicts, who then push a little to support their habits.

Thus it is sad news to hear that the new Turkish government has decided to reestablish the opium poppy crop.

When the ban was being debated three or four years ago, the President was given the authority to cut off all funds, military and foreign aid, to nations which did not cooperate in helping solve the drug problem in the United States. It would be good to remind the Turkish government that the authority still exists.

The Management of WPIX believes that our government must take whatever steps are necessary to dissuade the Turks from this action. It would be a tragedy for the easy supply of heroin to push this nation back into the mire and morass of drug addiction from which we are only now emerging.

We believe that the Administration should make it very clear to the Turkish government that if they choose to go this route, they may count on the United States for exactly nothing in the future.

We believe that every ounce of economic muscle should be used to prevent what could be a flood of cheap heroin on the streets of our cities.

What's your opinion? We'd like to know.

WHY JOHNNY AND JANE STILL CANNOT READ

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. HUBER. Mr. Speaker, remedial reading programs are proliferating in our high schools and even in our community colleges and regular universities, albeit sometimes under disguised names. A high school diploma no longer means you are able to read well. One of the causes of this problem, many experts agree, is the use of sight reading—or the infamous Dick and Jane series—which in addition to being frightfully dull, just did not do the job. A complete return to phonics would be helpful, according to the critics of the look-say system, and, therefore, I commend the attention of my colleagues to the story that follows of the efforts of Bettina Rubicam in this regard, who heads up the Reading Reform Foundation. This story, as it appeared in the Christian Science Monitor of April 22, 1974, follows:

A Crusader for Reading Reform

(By John H. Vesey)

Scottsdale, Ariz.

Oh, Oh, Oh.
Look, Look, Look.
See Mrs. Rubicam run.
Run, Run, Run.
Chasing Dick and Jane out of Arizona.

At least that's what Mrs. Bettina Hall Rubicam, Arizona's leading phonics evangelist, wants to do—get educators away from the emphasis on the sing-songy Dick and Jane beginning readers. This is the "look-say" sight-reading approach.

Under the name of Bettina Hall, Mrs. Rubicam spent her early career years with the American Opera Company and later was a Broadway star in Gilbert and Sullivan operettas.

That was in the 1920's. She remembers those years in the limelight fondly. "It was a good life," she said simply. She refers to them as her "way back, distant days," with her most enjoyable memory that of the lead in "Carmen." She did it 150 times at the age of 21.

Those were her yesterdays. Now, this dynamic woman who wonders aloud, "How does anyone ever get time to be bored?" is devoting her life to phonics or word decoding.

A READING ALTERNATIVE

That does not mean there is not time for her husband Raymond Rubicam, who retired in 1944 as head of Young and Rubicam International, Inc., a world-famous advertising agency, or their two children Steve and Joan.

To Mrs. Rubicam, any teacher who is not willing at least to consider phonics as a reading alternative "is a brainwashed teacher." She views the "look-say" methods as "look-guess" in practice.

That is why she is using her crystal-clear mezzo-soprano voice to boost phonics and further its use in the public schools.

Born in Providence, R.I., Mrs. Rubicam still has that refreshing Eastern accent, although she has lived in Arizona since soon after she married in 1940.

She began fighting for phonics in Arizona after reading Rudolph Flesch's book, "Why Johnny Can't Read." In 1960 she helped to organize and became the first president of Arizona Citizens for Strengthening Public School Education.

EFFORTS SWITCHED

Then in 1961 she switched her efforts to the Arizona Reading Reform Foundation, and on July 11, 1972, she was elected president of the national Reading Reform Foundation. She became its national chairman last January, succeeding Watson Washburn, the founder.

In addition to her national chores, Mrs. Rubicam still runs the Arizona foundation out of a storefront office in Scottsdale that she opened last October and furnished entirely with items purchased with trading stamps.

"It's an uphill battle to get basic phonics in the public schools again," she said. "But the situation is improving." As an example, she said, teachers don't have to rely on "bootleg phonics" anymore but can teach it openly without fear of reprisal.

"Young teachers of today are so fed up with the courses they get that they are hunting openly for ways of improving reading. They are the ones who come to us for help," she said.

DISAGREEMENT RUMBLES

Mrs. Rubicam might not have enough physical clout to punch her way out of the proverbial paper bag. But she has been giving educators out Arizona way a thrashing for not putting their educational weight behind phonics.

Although universities argue they are returning to phonics, Mrs. Rubicam rumbles her disagreement.

"The situation is beginning to change because publishers have had to. But universities still teach teachers to put an emphasis on sight-reading first. They still teach controlled vocabulary and memorialization.

"It's this process we've got to eliminate if these children are ever going to spell and read properly," she added.

Ask her about phonics and the effervescent Mrs. Rubicam will speak volumes. For instance: Why is "Dick and Jane" bad?

"Because it has failed too many children. This is obvious when you see how many children need remedial reading," she responded.

LETTERS, SOUNDS COME FIRST

And it has failed mainly because "the process of sight-reading isn't the initial process of reading. That process is knowing that letters have sounds and sounds make words."

Besides, the Dick and Jane approach requires total memorization, she contended "The brain can't memorize all the words in the English language," so when students come to long words they don't know, "they freeze up," she said.

"They are even taught" to skip over words if they are too difficult and concentrate on the meaning of the sentence.

"Obviously, if we have to tutor kids in this little back room of ours, something's wrong with the look-say method," she concluded.

Although phonics stretches back to Cicero's time, the look-say approach—personified by Dick and Jane—dates only to the 1840's, when Horace Mann tried to convince the Boston schoolmasters that if it could work in the Hartford, Conn., school for deaf and dumb children, it could be applied to normal students.

OLD ARGUMENT APPLIED

"Even back then they told him students shouldn't do sight-reading, because they substituted words, got frustrated, and couldn't spell anything," Mrs. Rubicam said.

"That's exactly what we're saying today," she added. "I hold nothing against sight reading. But I hold a great deal against it as an initial process."

Phonics and sight-reading can work together later "when a child understands his language and the linguistic construction of it. But children can get into bad habits if they start memorizing too early.

"It's far better to start reading off with phonics only and not bring in irregular memorized words until later."

Phonics is on the outside looking in educationally "because of the college of education," Mrs. Rubicam said, her voice bouncing off the walls in the Reading Reform Foundation office.

There is no deep-seated psychological reason universities prefer look-say to phonics; it is greed, pure and simple, Mrs. Rubicam indicated.

COLLEGE PROFITS CHARGED

"Phonics isn't being taught to prospective teachers because it's the college of education that are making millions of dollars from the present system."

She claimed one leading proponent of the look-say approach has made $2.7 million on publication royalties, and one of its originators has probably made 10 times that amount.

That is why it is "so difficult to make the changeover to phonics," she explained. "The colleges of education are dominating the thinking of the teaching of teachers."

Many local educators don't help "because they have their foot in the camp of the university and want to be considered a good boy," she said.

Those who "step out of line" and support phonics are told "if you persist in your attitude toward phonics, you may not get your doctorate," Mrs. Rubicam claimed. "That's what we're up against. This is a cabal."

MANY EDUCATORS DISAGREE

Educators do not always agree with Mrs. Rubicam. She is used to that.

An official with the Arizona Education Association, which represents nearly 18,000 teachers, accused Mrs. Rubicam of "giving a one-sided approach to phonics" and using her "money and time hassling principals, superintendents, and the State Board of Education to push her brand of phonics."

Commented the official, who preferred not be identified: "She sees phonics as a cure-all to education. It's not a panacea at all. It works well on some kids, but for others, it's not suited at all."

Mrs. Rubicam countered with the argument that schools make reading an almost insurmountable task by "making it out to be such a monster."

But, she added, "If they had started simply, it wouldn't be difficult at all. We have just gotten into too much child psychology. We're trying too hard to find other excuses why the children aren't learning, instead of going ahead and teaching them."

READING AT AGE TWO

Reading, she challenged, should be fun.

This corresponds with what she describes as the best definition of reading she has ever heard. It came from a four-year-old girl who had been reading since she was two because her grandmother was teaching phonics to pupils and the tyke was learning without knowing it.

Asked how she was able to read at such an early age and so well, too, the child replied: "The words just say themselves to me and I couldn't stop them if I wanted to."

Mrs. Rubicam was sold on phonics years ago. But her convictions were reinforced a few months ago by a fourth-grader who had gotten bogged down in reading because the look-say memorization method had him "shaking in his chair."

A little after-school phonics tutoring in the Reading Reform Foundation's backroom and "he came out one day and asked me: 'Is this all there is to it?' "

TIME FOR A TAX CUT

HON. ROBERT N. C. NIX

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. NIX. Mr. Speaker, the recently released economic figures for the month of May and for the first quarter of 1974 leave us in no doubt that our economy is stumbling into a recession. Worse than that, the economic slump is hitting us at a time of raging inflation, leaving us in the awkward situation some economists call "stagflation."

On the stagnation side, the gross national product sustained a drop of 5.8 percent, annual rate, from the last quarter of 1973 to the first quarter of 1974. This is the most severe drop in GNP in one quarter since the recession of 1958.

On the inflation side, the Consumer Price Index in March showed a 10.2-percent jump over the previous year—the greatest 1-year gain recorded since 1948. In my city of Philadelphia, the CPI showed an ever greater jump—10.9 percent—over the year before.

These figures are depressing enough, but one more statistic really brings home the state of our economy. In March, the average worker with three dependents suffered a drop in real earnings of nearly 1 percent, leaving him with 4.7 percent less in real earnings than he had a year ago.

The administration's current economic policy seems to consist of maintaining restrictive fiscal and monetary policies to combat inflation, while hoping that the economic downturn takes care of itself. This policy offers cold comfort, indeed, to the workingman trying to keep up with his bills, to the family unable to find decent housing it can afford, or to workers facing unemployment.

There are a number of actions that Congress can take to improve the economic situation. In the short term, I believe a tax cut is called for. Specifically, I endorse the concept of raising the personal exemption and providing for an optional tax credit. This proposal would pump several billion dollars into the economy. And the relief would go primarily to the lower- and middle-income brackets—the people who have been hit hardest by the recession-inflation crunch.

For many people, the cost of the necessities of life itself has become a heavy burden. In Philadelphia in the past year the Consumer Price Index has gone up 19.4 percent for food, 19.5 percent for fuel and utilities, and 11.3 percent for housing. A tax cut of the kind I have suggested would give some relief from rising prices and taxes to the people who most need it. It would help the American people through the economic crunch and it would give our economy the stimulus it needs to rebound from its present weakened state.

I do not believe that a moderate tax cut would appreciably add to our inflation problems. The administration's tight-money, recessionary policies have certainly not stopped inflation. The administration hopes that unemployment will not exceed 6 percent this year. Even if unemployment were allowed to go much higher, it would probably not deflate the economy much.

The problem of inflation can only be addressed in the context of a healthy economy. A tax cut, I believe, would help to restore that health. A number of prominent economists—such as Paul Samuelson, Walter Heller, and Arthur Okun—have endorsed this proposal for getting the economy back on the right track.

I hope that a fairly quick tax cut will be only the first step in taking on the important task of tax reform. The tax cut itself will be a step toward equity by bringing tax relief to those who need it most. Beyond that, we must begin reconsidering all the loopholes and preferences that now riddle our tax structure.

Recent studies of our tax system have confirmed two facts. First, the Federal Government "spends" about $80 billion a year by allowing that much money to seep through loopholes in the tax code. Second, the great majority of Americans—all but the richest and the poorest—pay about the same fraction of their income in taxes. In other words, when all taxes are considered together, our tax system is not progressive.

These two facts lead me to believe that comprehensive tax reform is both feasible and desirable. An equitable sharing of the tax burden, aside from the question of simple justice, will promote the economic health of the Nation and the fiscal health of the Federal Government.

Comprehensive tax reform will take time to study and enact. But I am hopeful that Congress can in this session enact a partial tax reform measure. A few simple reforms, such as closing the loopholes in the minimum tax, would yield enough revenue to balance a several billion dollar tax cut.

A tax cut now, followed by reform of the tax structure, would be a sound and progressive policy that would do much to restore economic health and to promote equity.

A PERCEPTIVE LOOK AT ARCHITECTURE AND ENERGY CONSERVATION

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. ARCHER. Mr. Speaker, I have recently had the opportunity to read a fascinating book entitled, "A Bucket of Oil." This book has been prepared by the firm of Caudill, Rowlett & Scott, an outstanding international architectural firm with headquarters in Houston. "A Bucket of Oil," shows the relationship between architecture and energy conservation. It is interesting and enlightening. In light of the broad energy problems facing our country, I think "A Bucket of Oil" offers a realistic and perceptive view of what can be done. I offer the following introduction from the book as an enticement for all of my colleagues:

THE HUMANISTIC APPROACH TO BUILDING DESIGN FOR ENERGY CONSERVATION

Oil is our new scare word. The symbol of another national, international crisis.

How are we going to keep warm in winter, cool in summer? What will happen to our life style? What will happen to all of us—poor or rich—when the well runs dry?

So many questions. At first too few answers. And then too much crisis and panic-produced thinking.

We think this is one crisis we already have a handle on in architecture. It's both too soon and too late to panic. Who are we? We are members of the CRS (Caudill Rowlett Scott) team, an interdisciplinary group that has been together 27 years trying to design and construct better buildings.

Energy, people and their buildings. That's what this book is all about. Throughout you will find these underlying premises: 1) Buildings today waste energy; 2) through proper design the wasted energy can be saved; 3) energy shapes buildings; 4) buildings shape the way people live, work and play; 5) energy can be saved without sacrificing esthetic and human values.

The energy crisis will obviously force us to cut back. The point is we can use less energy and still have buildings, even better buildings, whose forms and spaces possess architecture.

Buildings consume an incredible amount of energy, about one third of all the energy used in this country. The U.S. National Bureau of Standards people, who are on top of building technology and know what it's all about, say that about forty percent of that energy is wasted. For those of you who like to visualize numbers, that's 65 billion gallon buckets of oil each year wasted.

That's also 65 billion gallon buckets of oil that can be saved if we go about things in the right way.

Frankly, we got suckered into some of the mess we're in today, and not just by the relative amount of oil in the world and our ability to get it. The design profession picked up sloppy methods during the affluent 60's. Our firm, too. If our clients said they wanted all glass walls on the west, our engineers proudly replied: "We can do anything you want done, even make you comfy in a glass box." They were right. All they needed was some cheap fuel. We didn't have this attitude in the fifties. "More is better" crept up on us without our really knowing it. We began to like the superfluous, which we had hated. Buildings in the United States became obese. And did they eat energy!

What can be done? The obvious is to change the "more is better" attitude. We can't go on doing everything people want just because technology makes it possible. Energy is community property. We've learned that the hard way. A bad building which guzzles energy steals from its neighbors. With our attitude back in shape, we can do a better designing job.

That's what this book is about, too. Learning to design buildings to do their job without guzzling energy. Creating a Cadillac building with a Volkswagen engine. Cutting out that 40 percent waste factor.

We are after economy, defined at CRS as "maximum results with minimum means." But we must also realize that economy of energy concerns human life and human values. We are not giving up on the quality of life to save energy. Rather, we must rethink our life style in terms of energy conservation and other human values. When we spend energy, we want no waste. And when we spend energy, we want full value in return.

We can learn how to save energy—how best to use a bucket of oil. We have the technology. Can we learn to fulfill the needs of the human being at the same time?

Let's go back thirty years. We had oil and gas rationing. We knew what to do when we had no fuel readily available. We walked and used streetcars to get to work. We shut off heat in rooms except those with southern exposure to save oil—simple as that. We put the baby crib in the south bedroom. The sun coming through the windows did most of the heating. The baby was comfortable during very cold days with no oil-generated heat at all—only the heat from the sun. And in the coldest climates. We have past lessions as well as more flexibility than present day living standards suggest for saving energy.

Let's go back twenty-five years. The CRS team designed a so-called "solar house" in Oklahoma City. It wasn't sun powered with solar collectors, nor was it like the U.S. General Services Administration's energy conservation demonstration building in Manchester, New Hampshire, the University of Delaware Solar One house or Prototype One in New Mexico. A solar house back then was one which had a lot of glass to capture the winter sun and a lot of overhangs to keep the sun off during hot summer months—elementary but fundamental. In our solar house, fuel was saved all year round. Part of what we must do in this new energy crisis is not new at all.

After our so-called solar house, the CRS team made its reputation designing little naturally lighted and naturally ventilated schoolhouses.

Economy was what we were after then. The sun and wind were used to save money—not fuel. We argued that light from the sun cost a lot less than light from the power plant. That it took a very large fan to generate air flow to duplicate the effect of a comforting five mile an hour breeze. During these years of saving money by saving fuel, we learned much about the way certain buildings behave under different sky and wind conditions. In fact, we developed some fairly sophisticated methods to predetermine natural lighting and ventilation. The wind tunnel and sky dome at Texas A&M University were kept busy testing models for architects and engineers throughout the U.S. and other countries.

We found how to bounce light off the ground into deep, interior spaces; how to cut building costs by decreasing the perimeter and lowering ceilings, yet have quality natural lighting; how to funnel the cooling wind around the people who use our buildings; how to design pressure walls to ventilate leeward spaces, even reversing the direction of the wind and increasing the velocity. We also learned how to modify the outdoors with wind breaks and sun pockets, using the outside for functional activities. The key is control. And some controls we already know how to use.

The point is simple. Now is the time to recapture knowledge of natural ventilation and natural lighting. We need to be able to design supplementary systems for mechanical and electrical systems—in case the well runs dry.

Is the design profession ready? We know it's technologically possible to design and build energy saving buildings. Whether that will happen is a tough question. Certainly complacency exists in the profession. But there are many outstanding individuals and firms of architects, engineers and planners who are responding to the energy crisis.

In our own firm there is a wonderful atmosphere of excitement about being part of a movement which will result in a new era of building design. We get excited thinking about bringing in new kinds of buildings and new forms of cities. We want a chance to demonstrate what we can do to conserve energy and serve human values. We are capable of responding to the energy crisis if given a chance to innovate.

One problem is codes. Building codes. If the government starts imposing legalized restrictions on creativity, we're sunk. Government decisions—state and federal—will soon be made, significantly affecting how well the design profession will be able to respond to the energy crisis. What is at stake—what kind of codes the several states will have—is important both in and outside of the design profession. It's important for the energy crisis.

Prescription codes are the enemy. We're certainly not opposed to building codes designed to protect health and safety. This isn't the issue. What we fear is a different kind of code. Two kinds need mention here.

Prescription codes prescribe exactly how a something is to be done. Exactly how a building must be built. It's like telling a carpenter he can pound a nail only from a north-northeast angle. Or telling an artist a painting can have only two colors. It's strictly arbitrary. One the reason behind the prescription code becomes invalid, say through an advance in building technology or a new idea, it makes no sense. But, "It's the law, Do it." We should tell you here that the authors and their partners are "battle scarred veterans who have fought code wars in nearly every state of the United States. Lost most of them. Won a few. But very few.

Performance codes, the lesser of evils if we must have codes beyond health and safety protection, dictate what result should be achieved without specifying how to do it. Creativity is at least possible with performance codes.

In November 1973 we attended a Washington, D.C. meeting sponsored by the National Conference of States on Building Codes and Standards working with the Center for Building Technology of the National Bureau of Standards (NBS). The purpose of the meeting was to evaluate a model federal code then in the works which recognized energy conservation. The federal code is only a model. The individual states, which have the legal authority to pass building codes, are expected to come up with their own codes beginning in 1974.

That meeting is responsible for this book because what we heard there scared us.

Both sponsoring groups, particularly the people in NBS Center for Building Technology, have done a superb job providing alternatives to prescription codes, putting in their place performance codes which encourage, not stifle, creativity. And during the meeting we were greatly impressed with their systematic approach to developing guides.

Things were going great at the meeting for a while. Then, wham. Someone got up and recommended inserting this provision: "Windows in housing projects should not exceed 15 percent of the total wall area." A prescription code. No validity. Strictly arbitrary. Then one man sitting next to us said, "That's too much. We've got to get rid of these glass buildings." That wasn't so bad, but he also said, "The permissible use of glass should be half that." He got a hand of applause. Overreaction at its worst. This sort of thinking would set us back to the dark ages of architectural practice.

What we are saying is that function, beauty and economy can go down the drain along with energy if we are tied to prescription codes. And this is a loss we do not have to suffer because of the energy crisis.

Two cases in point: What happened to us

as designers, and to the people who live and work in our buildings, when even a fairly good idea was translated into a prescription code with the force of law?

First: The more space you have the more energy you need to heat and cool. Makes sense. Yet at least six states in which we built schools passed prescription codes that dictated excessive volume. We encountered this money-wasting regulation first in Texas in the early 50's. The Texas School Building Law from which this requirement came was passed in 1913—on the books nearly forty years. Because of it, millions of dollars in public tax money was wasted. What it actually said was this: "No part of the said classroom or studyhall shall be at a greater distance from the window than twice the height of the top of the window above the floor." Most school teachers would like their classrooms to be at least 28 feet wide, preferably 30. If so, the ceiling would have to be 14 feet high or 15 in the latter case. That's excessive volume—nearly one third more than necessary. The more volume, the more energy.

Second: In a north central state a few years ago, we proposed a highly compact "cold weather schoolhouse". Our clients, the local school board, the teachers and the children, loved the plan. It was circular. The library was the axle for two rings of classrooms. Our heating engineers particularly loved it because it had minimum outside walls. In our estimate we saved 27 percent outside wall over conventional schools built in the state at that time. That would cut the heating load substantially, reducing both the initial cost of the building and later operating costs. What happened? State officials turned it down flat. "Regulations state clearly that each classroom must have windows. Skylights won't do," they said. What a great building that would have been—with minimum energy input. We lost the battle. The state got a school. But one that was thirty years old before it was off the drafting board. Today energy is being wasted in that school because of a regulation.

Parenthetically, one of the most satisfying experiences we had in our long war of combating prescription codes happened just a few years ago in a southern state. The code read something like this: "The amount of glass area should not exceed the area of the largest wall." Admittedly we pulled a dirty. We again submitted a circular building. It drove the core police bananas.

If we are going to have to live with codes, we prefer performance codes. We have a lot of respect for the people who worked up the model federal code. If anyone can come up with a "good" code, they can. But what will happen when each state comes up with its own version?

And, in a sense, even a "good" code is not what we need for the design profession to have a productive, efficient, creative response to the energy crisis. We need freedom to design so we can build highly functional, people-oriented buildings requiring less energy.

To conserve energy, we need to work with principles. And working with principles is a process of re-discovery, not invention. There are principles of design which are as valid today as when the three of us were teaching college architecture years ago. We believe each has as its foundation an underlying principle: function, economy and form are one. And economy includes the economy of energy. By using the following principles which underscore the energy component, we form the basis for designing to conserve energy.

Orientation: If we're careful how we place the building on the site, we can save energy.

Solar heat control: Heat from the sun flows into a building by radiation, convection and conduction. This heat source can be controlled to reduce the amount of energy required to heat and cool a building.

Solar light control: Daylighting saves energy.

Task recognition: When the different heating, cooling and lighting requirements for specific tasks to be done within a building are recognized and acknowledged, savings in energy will result.

Efficiency: Less energy will be required if a building does its job with minimum floor area.

Regionalism: Recognition of a specific region—the climate, terrain, natural growth and local mores—leads to energy conservation.

Wind. Wind will help or hinder physical comfort. Directing and modifying the wind on and within a building can save energy.

Heat flow: When heat flow is caused by conduction, insulation is required to stop it; when heat flow is caused by radiation, a reflective material is required to stop it; and when heat flow is caused by convection, a vacuum or "dead air space" is needed; and, conversely, to cause heat flow, we take away insulation, the reflecting material, or dead air space.

Conditioned outdoors: If you condition outdoor space by modifying the effects of the sun, wind and rain to reduce the inside area, there will be substantial energy savings.

Controls: The ability to cut off the energy flow to certain sections of the building when not in use offers energy saving opportunities.

Comfort: Temperature tolerances differ among various regions. Social, economic background, age, as well as physical make-up of each individual also affect temperature tolerance of the individual. Accordingly comfort standards for all people lose their validity.

Centralization vs. decentralization: Whether the building plant or the heating/cooling system is centralized or decentralized depends upon each individual situation. Neither alternative should be ruled out.

Building geometry: The shape of a building can conserve energy.

Esthetics.: A person appreciates a building when he is satisfied physically, emotionally and intellectually. All three must be there because people are never only physical, only emotional, or only intellectual in actual experience. Intellectual understanding of architecture can influence how people react to cold temperatures in a room and vice versa. People will leave a room, for example, that is ugly, cold or confusing, sometimes without knowing exactly which reaction led them to the door. Physical comfort cannot be separated from esthetic comfort.

What's beauty these days? Let's zero in on this last principle. The energy crisis has already changed the notion of beauty. It's difficult to see beauty in buildings that have an inherent craving for energy. The highly admired complex forms of the 60's are losing their eye appeal, too, because people are beginning to realize that the juts, zigzags and extravagant use of outside walls are inefficient forms for saving energy. A new morality of form is emerging.

IN OPPOSITION TO THE TOCKS ISLAND DAM

HON. JOSEPH J. MARAZITI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. MARAZITI. Mr. Speaker, the Nation is looking to Congress to help curb inflation, stop wasteful spending in Government and to protect the environment.

I would like to bring to the attention of my colleagues in the House interested in doing something about these issues of vital concern, testimony I presented to the House Appropriations Committee yesterday in opposition to the Tocks Island Dam.

The Tocks Island Dam is a proposed U.S. Army Corps of Engineers project which would put a huge impoundment on the main stem of the Delaware. The dam alone is anticipated to cost over $360 million.

I do not believe the corps can justify this project from a cost/benefit ratio basis, which is required by law. I also believe this project is an environmental hazard, not only to the water quality of the river, but to the total environment of the beautiful Delaware River valley. The Council on Environmental Quality joins me in this view, and opposes the construction of the dam.

I urge those interested in combating inflation and preserving the environment to contact the House Appropriations Committee Subcommittee on Public Works and make your sentiments in opposition to the appropriation of funds for dam construction known.

The testimony follows:

TESTIMONY OF HON. JOSEPH J. MARAZITI IN OPPOSITION TO THE TOCKS ISLAND DAM

Mr. Chairman, and members of the Subcommittee, once again the issue of the appropriation of funds for the construction of the Tocks Island Dam is before you for consideration.

Once again I am appearing before you, as I did last year, to oppose this project. It still is fiscally irresponsible, unjustified from a cost-benefit-ratio point of view, environmentally dangerous, and unnecessary.

Alternatives still exist for flood control, water supply, power and recreation in the Delaware Basin at far less cost without destroying one of the last free flowing rivers in the East.

Last year this Subcommittee, and its counterpart in the Senate were wise enough to insert language in their Committee reports barring the use of appropriated funds for dam construtcion until the environmental and cost questions raised by the Council on Environmental Quality and the Delaware River Basin Commission had been resolved.

To date these issues have not been resolved. The Council on Environmental Quality still opposes the dam because of water pollution threats posed by upstream agricultural wastes from New York State and for other problems like municipal sewage treatment control.

Although the 1973 Delaware River Basin Commission Report would make it appear their objections to the project have been satisfied, I personally take issue with their findings on water protection assurances, payments-in-lieu-of taxes, requirements of landuse controls and feeder highways.

CEO STILL OPPOSES THE TOCKS DAM

Let me quote to you from a March 6, 1974 letter I received from Chairman Russell Peterson of the Council on Environmental Quality responding to my February 5th request for the Council on Environmental Quality's position on the water quality issues surrounding the dam:

" . . . The water quality issues, particularly as they relate to potential euthrophication, have *not* been resolved.

". . . I strongly feel that there is a pressing need to evaluate alternative measures to the Tocks Island Dam project, particularly to assure that water supply, power and recreation needs of that region can be met in a reasonably effective and economically efficient manner.

". . . I am not convinced that a major impoundment is the only solution to the present problems in the Delaware Basin. I believe we must seriously consider alternatives to the Tocks Island Dam project which will not impound a major segment of one of the last free-flowing rivers in the East.

". . . Other solutions to the water supply problem have been proposed."

AGRICULTURAL RUNOFF—AN UNRESOLVABLE PROBLEM

Mr. Chairman, Mr. Peterson also discusses the fact that while recently enacted water quality legislation may provide a basis for controlling Delaware River water quality, he states: "It is unreasonable to assume that there will be immediate implementation of necessary control facilities."

It would therefore seem that Chairman Peterson concurs with my earlier testimony which stated Environmental Protection Agency regulations were not adequate to take care of the problem of upstream dairy and poultry runoffs which would undoubtedly cause eutrophication of the proposed reservoir.

Further, I submit the problem of upstream dairy and poultry runoffs can never be solved. Therefore the dam will never be able to be justified because it constitutes a grave pollution hazard from a water quality point of view, to say nothing of the environmental destruction to the Delaware River Valley.

I say this because it is highly unlikely that the tremendous costs associated with developing a sewage treatment system to purify the main stem of the Delaware from upstream agricultural wastes would ever be justified, let alone undertaken by the State of New York.

The costs for such a mammoth undertaking would equal the more than $1 billion the proposed $360 million dam plus the recreation area, waste treatment system and other supporting facilities are already projected to cost.

By eliminating the $360 million, a substantial savings to the tax coffers of the nation could be made. As guardians of the Federal pursestrings, the Subcommittee is well aware of the need to protect taxpayer dollars!

1973 DELAWARE RIVER BASIN REPORT MISLEADING

The 1973 Delaware River Basin Commission Report appears to indicate that the seven reservations put forth by former Governor Cahill of New Jersey have been met. However, as I mentioned before, I don't feel the decentralized sewer system addresses itself to the real pollution problem, which is upstream agricultural runoff.

The report minimizes the potential eutrophication problem resulting from this runoff, and declares that no additional highways would be needed to accommodate the revised recreational facilities because of New Jersey State's action on the Federal highway act legislation.

I contend that the continued need to conserve energy, and gasoline, will cause the Delaware River Valley Recreation Area to become even more appealing as a recreation spot than it ever was because of its close proximity to New York. Visitor loads will undoubtedly be higher than anticipated because of this.

The Commission seems to lightly gloss over the problem of local opposition to state encroachment on home rule prerogatives pertaining to land use controls. Yet, this issue is so volatile that major land use planning legislation which was the results of two years labor by the House Interior and Insular Affairs Committee has been tabled by the House Rules Committee.

A close inspection of the original objections of the State of New Jersey will reveal the majority of the original objections and problems still remain unsolved.

WASTEFUL EXPENDITURES FOR POWER

Concerning the Corp's justification of the Tocks Island Dam from a power generation point of view, I mentioned in my earlier testimony last year that the proposed appropriation of Federal dollars for a pumped storage hydroelectric power station on Kitatinny ridge was a band-aid to stop an energy epidemic that could only be stopped by research providing long term energy solutions.

The energy epidemic I predicted is already upon us. The jump in the price of oil makes the concept of hydroelectric power even more costly and wasteful than it was last year.

Now instead of spending $4.00 for a barrel of oil, to pump water up the ridge, it will cost $12.00 and more a barrel to do the same thing. What's worse, the constant generating power plant is tremendously inefficient. It only uses 34% of the energy contained in the fuel oil it burns.

If we are going to put taxpayer dollars into energy, let's put them where they will do the most good in the area to be served.

The energy crisis forces the nation to expend dollars to find long range solutions to our energy needs that I spoke about last year.

Every dollar we spend on power should yield maximum results. We simply cannot afford "wasteful" dollars that the power generation portion of the dam represents.

The limited power that might result from the dam would not be available for at least 10 years after the start of dam construction. Therefore it could in no way alleviate the current energy crisis.

Great progress is now being made in the use of oil shale, coal gassification and liquefaction, and geothermal energy. Tremendous strides are being made in the area of tapping solar energy for use by man.

Rather than wasting energy dollars on Tocks, the emphasis should be on making appropriations available for research and development in these areas, which represent long term solutions to our energy needs.

WATER AND RECREATION ALTERNATIVES EXIST

The Council on Environmental Quality shares my view that viable alternatives to water and recreation exist. When I last testified before the Subcommittee, I believe I proved the point that the present river valley offers at least as many recreational opportunities as the Tocks Island Dam and lake would provide.

Chairman Peterson agrees that the dam without the lake is more than sufficient for recreation purposes.

No less than 11 major impoundments providing major sources of water for municipal use presently exist on the tributaries of the Delaware.

From the West and East branches of the Delaware, through Eastern Pennsylvania to Millville, New Jersey, these major reservoirs serve the water supply needs of this area of the Delaware River valley.

In addition, the state of New Jersey has gone on to provide for its own water resource needs through the construction of smaller reservoirs like Round Valley and Spruce Run.

As I pointed out last time, and ask again, I have yet to be able to find out who is going to benefit from the water at Tocks Reservoir that will amortize the investment.

FLOOD CONTROL

The U.S. Army Corps of Engineers has used flood control as one of the four bases of their justification for the dam. Although the issue of flood control is admittedly important and must be dealt with, there can be two roads towards the goal of flood control in the Delaware basin.

The last time I testified before the Subcommittee I mentioned flood control alternatives such as land contouring and the prohibition of construction on the flood plain.

Land use planning will have to become an integral part of the job of communities and states in the years to come. From an ecological point of view it is not impractical to suggest that no further construction be allowed on the Delaware river valley flood plain. To accomplish this goal, the natural flood plain must first be identified.

I think the preservation of this beautiful river valley in its present state is worth the cost of the environmental preservation road to flood control in the basin.

The last major flood in the valley was in 1955. Since then, four major impoundments providing for flood control have been constructed on the tributaries of the Delaware.

Altogether the Prompton, Beltzville, Walter and Jadwin reservoirs comprise a flood control capacity of some 83,099 million gallons of water.

In addition, the Neversink Reservoir, Cannonsville and Pepacton Reservoirs in upstate New York further act to hold back the force of the Delaware in times of high water. In addition, there are some 13 other impoundments on Delaware tributaries besides these.

I feel that with proper management, these impoundments on the tributaries are sufficient to account for the flood control needs of the region.

In addition to the construction of the new impoundments on the tributaries in the 19 years since the 1955 flood, another factor has to be taken into consideration. That is the increased demand of the population explosion on the East Coast upon the waters of the Delaware.

New York State has authority under a Supreme Court Decision to withdraw up to 800 million gallons of water a day from the Delaware. Recently they have been using up to the maximum allotment of their water supply from the river.

As "progress" continues to take its toll on the water resources of the mighty Delaware, it is not unreasonable to suggest that smaller, less costly alternatives on the tributaries of the Delaware will satisfactorily meet the region's flood control needs when combined with the four major reservoirs already constructed since 1955.

We have had no major floods in the Delaware valley since 1955, even though we have had tremendous thunderstorms and torrential rains since then.

It is obvious the lack of a flood is due to a larger number of impoundments on the tributaries of the Delaware. So, in effect, we already have a flood control system.

PROHIBIT FUNDS FOR CONSTRUCTION

Mr. Chairman, I urge this Subcommittee not to fund money for the construction of the dam, now or in the future.

At the very least, I would urge the members of this Subcommittee to maintain the environmental posture it took last year by including language in their report barring the use of construction funds until the environmental questions have been fully resolved.

I feel such a posture would be fully justified, and backed up not only by the Council on Environmental Quality, but also by the Office of Management and Budget. May I quote in part from a letter from the Office of Management and Budget to Secretary of the Army Howard H. Callaway of February 4, 1974.

In it, Deputy Director Frederick V. Malek states:

"Funds programmed for use in fiscal years 1974 and 1975 for the Tocks Island project will continue to be used only for land acquisition until the outstanding environmental problems associated with the project have been resolved."

Thank you, Mr. Chairman, and Members of the Subcommittee, for your time and attention to my remarks against the construction of the Tocks Island Dam.

Mr. Speaker, according to the Flood Control Act of 1936, before the Federal Government may involve itself in a project of this type, it must first be determined "if the benefits to whomsoever they may accrue are in excess of the estimated costs and if the lives and social security of the people are otherwise adversely affected." If we consider my foregoing statement, and the economic effect of the Tocks Island project, it is obvious that it is not economically viable and the condition set forth by Federal law is not met.

In evaluating the time stream of benefits and costs, the corps used a discount rate of only 3⅛ percent. This severely shortchanges the taxpayer. The current rate used by commercial banks is 7.5 percent. The Water Resources Council would set it at 6⅞ percent and private industry usually looks for a return of 10 percent. Even by minimum standards, there is no justification for evaluating the project at such a law rate of return. Why should we spend our taxpayers dollars on this project when it means excluding a project of higher yield?

Government investment in projects with insufficient discount future benefits when the small dollars invested elsewhere could return 9 to 10 percent is poor fiscal policy. By using a 6⅞-percent rate for major projects such as Tocks we would still insure the need of our future generations. At the same time it would guard against the approval of economically nonviable projects.

Assuming that the benefit figures projected by the corps are correct, the following table will provide some different figures for economic viability, if more aceptable rates are used. Figures use dare 1970 prices, 100 year life.

[In millions of dollars]

Benefits	Percent				
	3⅛	5	7	8	10
Recreation	11.708				
Power	3.230				
Water supply	10.236				
Flood control	3.824				
Total	28.998	28.998	28.998	28.998	28.998
Cost	18.289	26.150	32.054	36.144	44.337
Benefit/cost ratio	1.6	1.1	.90/1	.80/1	.65/1

The closer we get to a more commercially acceptable rate, the more economically questionable the project becomes.

If we examine the benefits a bit closer it is apparent that they are overstated. Any reduction would even further reduce the benefit/cost ratio.

A very good analysis of the projected benefits was made by the Environmental Defense Fund. Essentially they determined that the benefits to accrue from the project were about 50 percent less than those projected by the Corps of Engineers.

[In millions of dollars]

Benefits	3⅛ percent	Army Corps	EDF
Recreation		11.708	4.408
Power		3.230	1.000
Water supply		10.235	4.646
Flood control		3.824	2.241
Total		28.998	12.295

The difference stems from the fact that the corps has overstated the power and water supply benefits by failing to choose the lowest cost alternatives. However, the greatest difference is in the amount of recreation benefits.

The Environmental Defense Fund charges that the corps has overestimated the length of the recreation season; overestimated the value of a recreation day; inaccurately estimated the impact of drought conditions on recreation attendance; underestimated the consequences of inclement weather on recreation attendance, and failed to estimate the net difference in recreation attendance at the area as it exists today and as it would exist at project completion.

If we subtract the annual cost, it becomes apparent that Tocks Island is not an economically sound investment. With a benefit-to-cost ratio of .08 to 1 it certainly does not comply with the requirements of Federal law and therefore should not be undertaken.

Cost/benefit—Tocks Island

(Millions of dollars)

Benefits	3⅛ %
Recreation	4.408
Power	1.000
Water supply	4.646
Flood control	2.241
Total benefits	12.295
Costs:	
Interest and amortization	7.523
Operation and maintenance	1.851
Replacements	.660
Economic losses	4.502
Fish and wildlife loss	.500
Annual waste treatment costs	.674
Investment amortization	.677
Total annual costs	16.387

Even granting the arguability of the EDF's figures, they are certainly closer than those of the corps. The corps estimates 4.2 million annual visitors over a 98-day season at a value of approximately $1.35/each. This only nets $5.670 million—far short of the $11.7 million in their projections. In order for the Tocks Island project to net $11.7 million dollars at the recreational day value of $1.35, the number of annual visitors would have to be over 8½ million, or close to 90,000 people per day for the season. Even if we assume no inclement weather at all, this is more than double the amount of visitors that facilities are planned for.

When it is considered that the Delaware River Basin Commission has limited annual visitation to 4 million, such benefits are impossible.

Of more importance is the fact that none of the sewage facilities or expanded access roads necessary to service Tocks traffic are included in the corps costs. The sewage facilities alone are estimated at an average cost of $400 million, and the estimates for expanded road facilities vary in equally staggering amounts.

These costs must be incurred before any of the estimated benefits can accrue. In addition, these costs must, for the most part, be born by the residents of New Jersey. It is inconceivable that these required costs are not calculated in the benefit/cost ratio. If nothing else, the residents of New Jersey should insist that the return on their investment in sewage facilities and roads reflect sound fiscal policy.

Since 1962, when the Tocks Island project was authorized at $90 million, the estimate has increased to over $360 million. It must be emphasized that these are only estimates, and as such are not upper limits and certainly are not legally binding. They are essentially open-ended authorizations which transfer all further authority to those who handle the appropriations process. In a time when we are trying to reduce Government spending and promote sound fiscal policy, the fantastic escalation of the Tocks Island estimates could prove to be the source of serious fiscal problems.

I urge that this committee look again at the Tocks Island project with respect to both its environmental and economical impact on the Delaware region and the entire country. I am certain that a complete and unbiased revaluation of the entire project will expose its inadequacy and result in its termination.

IRS REPLY TO QUESTION ON PRESIDENT'S TAXES

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1974

Mr. VANIK. Mr. Speaker, earlier this month, I asked the Commissioner of Internal Revenue whether the President's voluntary reimbursement of his 1969 underpayment of—according to the Joint Committee on Internal Revenue Taxation—$171,055 could be treated as a charitable contribution—deductible from his 1974 taxes—or whether it is subject to application for being refunded to the President any time during the next 2 years.

The Commissioner replied that—

> The current position of the Internal Revenue Service is that a voluntary payment of a tax barred by the statute of limitations is an overpayment which will be refunded by the Service upon the filing of a timely claim . . . .

Most of these provisions would be altered in the case that a finding of civil or criminal fraud is made.

The full text of the letter from the Commissioner of the IRS follows:

APRIL 22, 1974.

Hon. CHARLES A. VANIK,
House of Representatives,
Washington, D.C.

DEAR MR. VANIK: This is in reply to your letters of April 8 and April 10, 1974, concerning President Nixon's payment of income taxes for the year 1969. Specifically, you have raised the following questions: (1) whether such payment may be treated as a charitable contribution to the United States Government under section 170 of the Internal Revenue Code of 1954; and (2) whether such payment may be refunded under section 6511 of the Code within two years from the date of payment.

Because of the policy of the Internal Revenue Service to protect the privacy of all taxpayers, I am sure that you can appreciate my inability to comment specifically with respect to President Nixon's tax status. However, a general statement of the law and of current Internal Revenue Service policy, as they relate to your questions, might be useful.

The current position of the Internal Revenue Service is that a voluntary payment of a tax barred by the statute of limitations is an overpayment which will be refunded by the Service upon the filing of a timely claim pursuant to section 6511 of the Code. This position is based upon the following provisions of the Internal Revenue Code of 1954: (1) section 6401 (a), which provides that the payment of a barred tax constitutes an overpayment; and (2) section 6402 (a), which provides that the Commissioner shall, within the applicable period of limitations, refund overpayments. Thus, an amount which is paid as a tax after the expiration of the statutory period of limitations remains a payment of tax subject to refund and is not a voluntary contribution or gift within the meaning of section 170 of the Code. In general, no deduction for a charitable contribution is allowable where the taxpayer may, by his action, obtain a refund of the amount contributed.

It is important to note that a taxpayer will receive no refund unless and until a claim for refund is filed. In addition, any recommended refund, if in excess of $100,000, must first be reviewed by the Joint Committee on Internal Revenue Taxation.

I hope that this letter has been helpful to you.

With kind regards,
Sincerely,

DONALD C. ALEXANDER.

DETROIT GETS TOP RATING—FOR CRIME

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. HUBER. Mr. Speaker, sad days indeed, have fallen upon Michigan's largest city, Detroit. It was known that the homicide rate was high and "Motown" was rapidly becoming known as "murder town," but this most recent study released by the Department of Justice purports to show that Detroit is among the most crime ridden cities in the Nation and indeed ranks first in many categories of crime. The article from the Sunday News of April 14, 1974 follows:

[From the Sunday News Apr. 14, 1974]

DETROIT GETS TOP RATING—FOR CRIME

(By John E. Peterson)

WASHINGTON.—In 1972, almost four-fifths of all of the businesses in Detroit were either burglarized or robbed, and nearly a third of the city's households were the targets of burglary and theft.

Sound incredible?

Perhaps, but those somewhat astounding statistics are contained in a $10 million Justice Department report purporting to show that actual crime is two to three times higher than reported crime in Detroit, Chicago, New York and Los Angeles, and five times higher in Philadelphia.

The report, scheduled for official release Sunday, was based on interviews conducted by U.S. Census Bureau census takers with some 25,000 persons and 2,000 businesses in each of the nation's five largest cities.

The survey, commissioned by the National Crime Panel of the Law Enforcement Assistance Administration (LEAA), claims to show that 3.1 million crimes occurred in those cities in 1972, even though the cities' police departments reported a total of only 1.2 million crimes.

Detroit led four of the major categories contained in the report. Among them:

Detroit had the highest rate of serious crime—68 per 1,000 persons—while Philadelphia had 63, Chicago 56; Los Angeles 53, and New York 36.

Detroit had the highest rate per household of burglary, 174 per 1,000 households, compared with 148 for Los Angeles, 118 for Chicago, 109 for Philadelphia and 68 for New York.

Detroit had the highest rate for burglaries of businesses, 615 per 1,000, compared with 390 for Philadelphia, 328 for New York, 317 for Chicago and 311 for Los Angeles.

Detroit had the highest rate of robbery of businesses, 179 per 1,000, compared with 116 for Philadelphia, 103 for New York, 77 for Chicago and 47 for Los Angeles.

Those figures are particularly startling when compared with the crimes actually tallied by the Detroit Police Department in 1972.

While Detroit police recorded 129,647 serious crimes that year, the National Crime Panel's survey claims there were actually 345,600.

In 1972, Detroit police recorded 42,563 burglaries of households and businesses. The survey claims there were actually 109,800.

Detroit Police Commissioner Philip G. Tannian, informed of the report's findings last week, declined to comment on them until he could thoroughly study the report.

But Donald F. Santarelli, chief administrator of the LEAA, said at a press briefing Thursday that he had "no doubts whatsoever" about the authenticity of the report's statistics.

"This is a completely new way to measure crime," he said. "For the first time in history, we have an accurate measurement of crime . . . right from the victim's mouth, which has been qualified in an unassailable manner."

Santarelli said the Census Bureau used at least 150 census takers in each city, when it conducted the interviews during the first three months of 1973. No one under 12 was interviewed.

"These were all trained census bureau personnel," he said, "and they used the latest, the very latest techniques," he emphasized. "Of course, not all these statistics are hard ones because they rely on human memory, but they still are the most accurate measurements we've ever had."

The report, Santarelli said, shows conclusively that people don't report crime "because it isn't worth it, they don't believe the criminal justice system works well enough to make it worthwhile.

"This survey tells us just how turned off people are to the criminal justice system," he said.

"We must try to turn them on again. We must bring consumerism to criminal justice."

Santarelli seemed confused at times during questioning by newsmen, many of whom openly told him they were skeptical of the report's findings.

At one point, he said, "This report virtually renders the FBI's Uniform Crime Report obsolete," but seconds later, he conceded that "there's really no way to compare the two reports . . . like apples and oranges."

Asked why murder was not included among the serious crimes surveyed by the panel, Santarelli said:

"All of our statistics are based on interviews with the victims, but of course, we couldn't interview a dead person."

Each of the 125,000 persons interviewed in the massive survey of the five cities was asked to respond to 238 questions in a 20-page questionnaire.

The questions ranged from ones on attitudes, such as "Is there anything you don't like about this neighborhood?" to ones about actual crimes, such as "Did anyone beat you up, attack you or hit you with something, such as a rock or bottle during the last 12 months?"

The questions covered rape, robbery, larceny, assault, burglary and auto theft.

According to the survey, about 45 percent of the 3.1 million criminal acts that it was told about were carried out against individuals, 40 percent against households and 15 percent against businesses.

Thefts constituted a majority of all crimes against persons. while about a third of all personal incidents involved violence.

In at least three-fourths of the crimes involving or threatening violence, the confrontation was between strangers, the reports said.

Minorities, including blacks and Spanish-Americans, were the victims of robbery and aggravated assault at much higher rates than whites, the report said.

Other findings contained in the report were:

Los Angeles and Philadelphia had the highest rate of assault, 34 per 1,000, followed by Detroit with 33, Chicago with 26 and New York with 10.

Detroit led in robbery and attempted robbery with injury against individuals, 32 per 1,000 compared with 28 for Philadelphia, 26 for Chicago, 24 for New York and 16 for Los Angeles.

Detroit also was high in attempted assaults with weapons, recording 12 per 1,000 persons, while Los Angeles and Philadelphia had 10 such incidents per 1,000 persons, followed by Chicago with eight and New York with six. Santarelli said there were no clear-cut explanations for many of the findings in the report.

"Why is there such a wide disparity of crime between New York and Philadelphia, two cities only 90 miles apart?" he asked.

"In funding this study, the LEAA's goal is to spark questions like that in the minds of criminal justice planners, administrators and enforcement personnel, and then generate programs and projects to provide effective answers," he said.

Santarelli observed that the survey found that the most frequent reasons given for not reporting crime were: Nothing could be done because of lack of proof, 34 percent; not important enough, 28 percent; police would not want to be bothered, 8 percent; too inconvenient, 5 percent; private or personal matter, 4 percent; and afraid of reprisal, 2 percent.

APPRECIATION SHOWN FOR SMALL BUSINESS ADMINISTRATION

HON. FERNAND J. ST GERMAIN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. ST GERMAIN. Mr. Speaker, a year ago the economy of Rhode Island suffered a stunning blow when the Department of Defense ordered huge cutbacks in the naval facilities at Quonset, Davisville, and Newport. With the loss of the Navy, the largest single employer in Rhode Island, prophets of doom speedily arose to voice dire forebodings. Once again, as it has since the days of founder Roger Williams, the resilient spirit inherent in the character of Rhode Islanders bounced up to confront adversity and turn it to advantage.

With courage and initiative, the citizens took positive action toward economic recovery, first seeking aid from the appropriate Federal agencies, such as the Small Business Administration.

In similar circumstances, Federal agencies proferring help are often abused and slandered by the populace, and rarely accorded the smallest degree of gratitude or acknowledgement. From Newport, R.I., one of the hardest hit areas in the naval cutbacks, Councilman Lawrence E. Newsome has extended thanks and appreciation for the Small Business Administration's endeavors on behalf of that city. I would like to acquaint my colleagues with the sentiments of Newport, Mr. Newsome, and all Rhode Island, as addressed to Mr. Thomas S. Kleppe, Administrator of the Small Business Administration.

NEWPORT, R.I., *March 31, 1974.*

Mr. THOMAS S. KLEPPE,
Administrator, Small Business Administration, Washington, D.C.

DEAR MR. KLEPPE: It has been almost a year since the Department of Defense announced the cutback in Newport, Rhode Island, and I felt this was a good time to reflect on what has been accomplished during the past year to facilitate our economic recovery.

As a city official who has been deeply involved in improving the business climate, I thought you would be interested in one of the foremost impressions that has been left with the City Council. From the day of the disestablishment announcement we have received more attention and cooperation from the Small Business Administration than all the other agencies combined. The direction we have received has made our job much easier.

We would especially like to thank Dan Koehler of the Washington Office and locally, Charley Fogarty and his team including Ed Migliaccio and Sal DeSimone. These gentlemen have made countless trips to Newport to participate in workshops, meetings, and individual conferences. Their understanding and expertise have been warmly welcomed by the City Council and especially by the small business community. It is hoped that this cooperation will continue as long as there are small business people in Newport who need your help.

Sincerely yours,

LAWRENCE E. NEWSOME.

WHY I BELIEVE RICHARD NIXON SHOULD BE IMPEACHED

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. BROWN of California. Mr. Speaker, today, 6 months after President Nixon fired Special Prosecutor Archibald Cox, the American people are deeply troubled. Public opinion surveys show that the vast majority of Americans believe Richard Nixon was involved in at least some aspects of the Watergate coverup, and do not believe that he is being honest in his statements about the missing and erased tapes. If, in fact, Richard Nixon is innocent of the charges against him, he is entitled to have these doubts dispelled, not only for his own sake, but also so that millions of American citizens can once again maintain a modicum of faith in the integrity of the officials they elect to high public office. If, on the other hand, Richard Nixon has been lying to us about the various allegations against him, he must be removed from office and replaced with someone who can command the basic respect which Americans should have for their highest Government official.

The Founding Fathers of our Nation, in their great wisdom, provided a means for resolving such a situation right in the U.S. Constitution. When there exists substantial evidence of wrongdoing on the part of the President, the Vice President, or a civil officer of the United States, the House of Representatives is empowered to "impeach" the official before the Senate. "Impeachment" merely means to accuse one of an offense, and requires a majority vote in the House. The Senate then must weigh the evidence and find the accused innocent or guilty. A two-thirds majority of all Senators present for the vote is required for a conviction, in which case the official is removed from office. Otherwise, he is found innocent, as President Andrew Johnson was when he was impeached a century ago, and continues to hold office.

The charges against Mr. Nixon are serious enough, and the evidence that has thus far been revealed against him is substantial enough, that a majority of the American people do not believe his claims of innocence. The only way in which we can settle the matter is through a trial in the Senate, and that requires that Mr. Nixon first be impeached by the House of Representatives.

JAMAICA PLAIN YOUTH WEEK

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. MOAKLEY. Mr. Speaker, a number of community organizations in Boston sponsor the Annual Jamaica Plain Youth Week. Mr. Jack Doherty, founder of the event, has fashioned this into a genuine opportunity for all concerned individuals and organization to serve Jamaica Plain youngsters. I would like to place in the CONGRESSIONAL RECORD, a recent article from the Jamaica Plain Tribune describing the preparations for this event:

YOUTH WEEK PLANNED APRIL 13–21

The sixth Annual Jamaica Plain Youth Week will be held April 13–21, and sponsored by a number of agencies in the community.

This "Spectacular" will be open to all youth of Jamaica Plain from the ages seven to seventeen and those who go to school in Jamaica Plain. Kicking off the events will be dress contest, swimming and basketball commence at noon on April 13th. Jack Doherty, the parade chairman and co-founder of Youth Week, has appointed Cmdr. Thomas Kelly, District 16 VFW, as the Grand Marshall of this affair. The list of events during youth week are as follows—Street hockey, bowling, one on one basketball, road and bike races, Ping-Pong, talent show, and ugly dress contest, swimming and basketball competition, an essay contest, field and track events, pass-punt and kick contest, photography exhibits, arts and crafts exhibits, and to follow up the events, an award and banquet night. All applications forms are to be returned to us as soon as possible so the planning committee can make all the necessary arrangements.

Application forms are available through the schools in the community as well as the Youth Resource Center up at Curtis Hall, and the Youth Office at ESAC, 169 Amory street, also at the Agassiz and Hennigan Community schools.

For those that are interested in contributing financially to the Youth Week events or those interested in volunteering their services, contact Jack Doherty at 524–7000 or Bonnie Gorman at 524–2555.

Members of the general planning committee include: John Grady, Paul McIrney, Jack Doherty, Jim Knoop; Gen, Chairman, Bonnie Gorman, Pablo Cruz, Chops Porter, Rick Capistram, Mary Phinney, Billy Hughes and Don Watson.

Final preparations are being made for the Jamaica Plain youth Week Talent Show to be held at 2 p.m. on 13 April at the Agassiz Community School Auditorium. The 13th is going to be a very full day for Jamaica Plain Youth with the kick-off parade commencing at noon—terminating at the Agassiz School where the Fun Fair then gets under way, providing exciting entertainment for the remainder of the day.

The major highlight of this Fun Fair will be the Talent Show which is open to all youth, seven to seventeen. The booking prerequisite is none other than a desire to have fun! Any and all forms of talent—from dance to drama and from songs to spoons. So come one-come all—but come soon. It is important that you "book" your engagement by Monday 7 April. This can be done in two ways: either call Bonnie Gorman at 524–2555, or submit your application to your local Community School, Curtis Hall Youth Resource Center, or to ESAC.

Concurrently there will be an all day exhibit at the Agassiz of Art Treasures produced by Jamaica Plain Youth throughout the year. Display items will include photography, canvases, various artifacts and "pop art". We encourage any and all *struggling* artists to submit media material to the art department of the Youth Week Committee by Wednesday, 9 April. Space can be secured by calling Bonnie at 524–2555.

IS GRAND JURY SYSTEM IN NEED OF OVERHAULING?

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. DERWINSKI. Mr. Speaker, the use of the grand jury has not only been subject to a great deal of discussion as a result of the Watergate-related indictments but the increasing controversy over the procedures of the Grand Jury prosecutors as related to its use in local as well as Federal courts.

The Suburbanite Economist, an independent newspaper chain serving Chicago and its suburbs, is known for its thoughtful and very prudent editorial style. Therefore, I believe its lead editorial of April 7, on this subject merits careful consideration:

> IS GRAND JURY SYSTEM IN NEED OF OVERHAULING?
>
> Has the purpose of the Grand jury system been perverted?
>
> This is a question that is the cause of increasing discussion among laymen as well as lawyers.
>
> When the Grand jury was inserted in our judicial system—England, which provided the framework for our government, doesn't have grand juries—the purpose was to provide a buffer between the citizen and tyrannical officials. Before a person could be brought to trial an impartial panel of citizens would consider the charges and determine if there were sufficient evidence to justify a trial. This would prevent harassment of innocent citizens by a prosecutor who for personal or political reasons decided to bring charges.
>
> Now, however, we hear frequent expressions of opinion that the Grand jury is no longer proving such a barrier, that it is putty in the hands of a strong prosecutor and that the publicity resulting from an indictment leaves an indelible impression among the general public that the accused is guilty, regardless of the outcome of the actual trial.
>
> As we hear them, the complaints stem from the fact that when one appears before the Grand jury he is not permitted to have a lawyer present to counsel him, he can answer only the questions put to him and may not offer information in his behalf unless permitted to do so. This gives the prosecutor wide leeway in asking damaging questions of the "when did you quit beating your wife?" nature.
>
> In fact, it is becoming not uncommon for lawyers to advise their clients to "take the fifth" instead of appear before the Grand jury. They believe the cards are so stacked against the person being investigated that they are better off to risk the onus that comes from refusing to testify. Thus, it is apparently a matter of opinion whether one suffers more from an actual indictment or from taking advantage of the fifth admendment, which permits refusal to answer questions on the grounds of possible self-incrimination.
>
> That such opinions exist, in whatever small degree, are cause for a speed-up of studies underway to improve the Grand jury system.
>
> When citizens who wish only to speak the truth are deterred from doing so because of a fear that they will be badgered and denied an opportunity to properly defend themselves, there is something wrong with our judicial system and it should be corrected.

THE THICKER SOLES

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. GAYDOS. Mr. Speaker, I realize that, as a political person, I am treading on perilous grounds in the field of fashion. But I do think that a constituent of mine has some interesting, and perhaps valid, comments which deserve more than my limited notice.

He calls attention to two new styles which he claims run counter to the national needs at this particular time. One is the "platform" heels and soles of today's supposedly chic shoes, both men's and women's. The other is the exaggerated cuffs that have appeared on trousers and slacks.

The superthick shoes, my constituent contends, are using up much needed materials for no good economic purpose at a time of growing scarcities, thus driving prices up and causing concern among suppliers of leather, rubber, and synthetic materials to say nothing of the glee among commodity speculators. He asks:

> Why, of all times, must we have these strange shoe styles right now? If there were any sense to the situation, then shoe soles and heels these days would have a minimum of depth. One pair of the new shoes must take enough material to make two or three pairs of ordinary shoes.

The constituent has nothing to say about the effects of the "platforms" on the wearer, although I have noticed claims that, by making one less agile, they could cause falls and injuries. But this is for hospital reports to determine. The heavy consumption of materials is, however, obvious.

The wide trouser cuff, and also the "flare" style which has been in vogue for some time, must command millions of extra yards of material and be responsible, in large part, for the strain on our cotton crop and synthetic production. Why have these fashions bobbed up now? Is there a plot involved to distress further the hard-pressed American economy?

The answers are not easy to find, as a rule, there is little commonsense in the world of fashion or in what the fashion market will accept. Styles change, sometimes on whim, and what was in favor one season becomes an outmoded thing the next, and there appears to be no set rule by which the transformations are planned, or in which they take place. So it is not surprising that we find, as we do now, scarce materials being used up for no reasonable purpose. And there is nothing, of course, that can be done about it except to meet the higher costs which such violation of economics brings about.

However, there is one consoling thought which my constituent, a troubled man, has not experienced, or so I believe. If materials do get shorter and shorter in supply and costs higher and higher, the owner of "platform" shoes will be in good position to walk out of the consequences. It will be years before he or she will need half soles and new heels. And, too, the wider cuffs on pants could provide, if needed, a ready source of patch materials for worn-out seats. So I am not too concerned about all this except to enter, for the record, a plea for the style-setters to be more aware than they seem to be of the overall economic condition.

A REMEMBRANCE

HON. FRANK J. BRASCO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. BRASCO. Mr. Speaker, last Sunday I attended a dedication of an ambulance for use in Israel. The equivalent of the Red Cross in Israel is the Red Magen David, which literally translated is the Red Star of David. That ambulance had been purchased by the membership of the Flatbush Park Jewish Center and the Tel Chai Chapter A.R.M.D. in my district.

It was dedicated to the memory of three young Israelis, Elazar Nahalon, Yehudah Pakula, and Hanoch Durlacher, who fell in the defense of their nation in the Yom Kippur War. One of their close comrades made the speech of dedication, in which he touched upon the memory and inspiration of his three comrades. In it he simply but eloquently describes them.

Rabbi David S. Halpern, the spiritual leader of the center, also delivered a moving tribute of these brave young men.

Each of them was painfully young, deeply motivated and earnestly selfless in love of country and desire to serve. One need not have served in combat, but insisted on doing so, and as a result met his death.

All represented the unquenchable spirit which motivates the people of Israel. All perished for an ideal they believed in: the inviolability and viability of their land of Israel.

Their sacrifice and how it was described by their friend, Binyamin Ben-Yitzchak, is worth sharing with other members of this body. I include it here.

> SPEECH OF DEDICATION
>
> (By Rabbi David S. Halpern)
>
> Today we are gathered here to dedicate an ambulance to the Red Magen David. The ambulance will be inscribed with the names: Elazar Nahalon, Yehudah Pakula, and Hanoch Durlacher, three boys who lived in Kibbutz S'Deh Eliyahu and gave their lives during the Yom Kippur War. I will tell you a bit about each one.
>
> I went to school with Hanoch; he was in my class. We were very close, and his loss was hard on me. Although a mine injury lowered his military profile after the six day war, he worked hard and dedicated himself to remaining an officer in the Army. When the Yom Kippur War broke out, Hanoch was not required to take part in combat, but he remained in the fight. He died on Simchat Torah, and like Moshe Rabanu, on his birthday. Just before his death, he had promised his fellow soldiers that he would return to finish the Hakafot, with a Torah taken from the new settlement of Ramat Magshimim, but he never did . . .
>
> Elazar was younger than I. He was a close friend of my brother, Rafael. He was a pilot and at the time of his death, was returning with a helicopter full of wounded soldiers, but they, too, never returned . . .
>
> I never met Yehuda, but he represented the soul of Israel. He was not Israeli born, but was born and raised in Melbourne, Australia. He came to the Kibbutz Ulpan just three years ago, and decided to remain and join the Army. He was killed on the Suez

Canal on the very first day of the war. When his parents learned of his death in Australia, they came to the Kibbutz and in spite of their sorrow, remained to work and help out because of the shortage in manpower.

The dedication of the ambulance today stands for life. These boys, Elazar Nahalon, Yehudah Pakula, and Hanoch Durlacher, who died for Eretz Israel, represent all those who died for this cause. In behalf of Kibbutz S'Deh Eliyahu, I wish to express my sincere appreciation for this honor. I am sure that in some way, this will be a comfort to their families and will preserve their memories L'Olam.

INTRODUCING LEGISLATION TO INCREASE THE MILEAGE ALLOWANCE FOR FEDERAL EMPLOYEES USING THEIR PRIVATE AUTOMOBILES TO CARRY OUT GOVERNMENT BUSINESS

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. WHITEHURST. Mr. Speaker, today I am introducing legislation to provide the Administrator of the General Services Administration with the authority to increase the mileage allowance for Federal employees who use their private automobiles on Government business. With the recent dramatic increases in the cost of gasoline, as well as the reduced mileage per gallon achieved by new cars due to antipollution devices, the cost of operating an automobile has increased substantially. In response to the rising cost, the GSA Administrator recently raised the allowance to 12 cents per mile which is the highest mileage rate allowed under existing law.

Since recent studies have demonstrated that the cost of operating a standard size automobile is now at least 14.4 cents per mile, and may be as high as 16.5 cents per mile, the bill I am introducing today will grant the GSA Administrator the authority to increase the mileage allowance up to as much as 17 cents per mile.

I want to make it clear that my legislation would not mandate an immediate increase to 17 cents per mile. It would merely increase the statutory ceiling on the mileage allowance from the present 12 cents to 17 cents. The Administrator would have the discretion to set the actual allowance in accordance with automobile operating costs at any given time.

The General Services Administration recently conducted a study which indicated that the average cost of operating a standard size automobile is 14.4 cents per mile. This figure was based on the operating costs in suburban Baltimore, an area which is believed to reflect the average prices, taxes, and road and driving conditions of the Nation as a whole. However, the study also points out that the costs of driving in many other metropolitan areas, such as Los Angeles, Chicago, and New York, are considerably higher than 14.4 cents per mile. In addition, the American Automobile Association has recently estimated that the cost of driving has climbed to an average of 16.5 cents per mile for most motorists. Since neither the GSA nor the AAA studies reflect the most recent increases in the price of gasoline, it is my judgment that a ceiling of 17 cents is quite reasonable.

The law states that Federal employees can use their private automobiles to carry out government business when it best suits the needs of the Government. Thus, Federal workers use their private automobiles only when their destination is inaccessible by public transportation or the cost of public transportation is greater than the cost of using their private automobiles. It is clearly the Government which benefits from this law, and not the individual Federal employee.

Since Federal workers are aiding the Government by agreeing to use their private automobiles on Government business, we should not tolerate these employees losing money by utilizing their own automobiles. Yet both the GSA and the American Automobile Association studies demonstrate that a considerable amount of money is currently being lost by the thousands of Federal employees who use their private automobiles for Government business. This is clearly inequitable. I urge the Congress to promptly enact my legislation so that Federal employees can receive just compensation for the expenses incurred while operating their automobiles to carry out governmental responsibilities.

SOVIET GIANT THREATENS INDIVIDUALITY OF TINY BALTIC STATES

HON. BARRY M. GOLDWATER, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. GOLDWATER. Mr. Speaker, in order to provide more information to my colleagues regarding the situation and sufferings taking place in the Baltic States, I would like to submit the following article from the March 17, 1974, issue of the Los Angeles Times, written by Murray Seeger. The article speaks eloquently for itself:

SOVIET GIANT THREATENS INDIVIDUALITY OF TINY BALTIC STATES

(By Murray Seeger)

TALLINN, ESTONIA.—The Soviet Union says it is composed of 15 constituent republics, but the United States and other Western governments maintain that there are only 12 Soviet republics.

The difference is the three small republics on the eastern shore of the Baltic Sea—Estonia, Latvia and Lithuania.

In the terms of Kremlin propaganda, "Soviet power came" to the three small countries in 1940 primarily to attempt to end the threat of Nazi takeovers and to avert dangers to the national security of the Soviet Union.

Stalin had been given a free hand to do what he wanted with the small countries by terms of the treaty he signed with Hitler in 1939. Although Finland to the north lost territory to the Soviet Union after the short, bitter war of 1939–40, it preserved its independence and smashed Moscow's military reputation.

The three Baltic states, which like Finland had been part of the old Russian Empire before the 1917 Bolshevik revolution, had enjoyed only 23 years of independence when Soviet troops took over in 1940. A year later, the Nazis made the question moot by sweeping north through the three nations in the rush to surround Leningrad.

Now, nearly 30 years after the Soviet armies restored the Kremlin's hegemony over the Baltic states, the three small republics still preserve in remarkable strength their own cultures and characteristics—which are as different from each other as they are from the Soviet Union.

In general terms, Lithuania has managed best to preserve its cultural inheritance while Latvia appears to be in most danger of disappearing as a national entity. Estonia stands some place in between—still filled with unique atmosphere and cultural resilience, but endangered.

In each country, there are brave souls who speak out for more autonomy within the Soviet system or outright independence but—given the domination of all official means of communication by the Communist Party and Soviet government—their voices are heard only faintly outside their borders.

There are thousands of others whose resentment of domination by "the Russians" is very deep. The Soviet Union has been more subtle in its efforts to dominate the small Baltic nationalities than some other groups have been, but the effects are nearly the same as with the Czar's notorious "Russification" campaigns in the days of the empire.

A young Baltic native said recently that "in a lot of places they will have a native in the top job but there is usually a Russian in the second job, watching the fellow on top."

None of the three Baltic states has a strong overseas ally to plead its case, only scattered islands of emigres who fled either at the time of the original Stalinist takeover or at the time of the Soviet army's return after the defeat of the Nazis.

Stalin destroyed the indigenous anti-Soviet leadership with terror campaigns that included prison, death sentences and exile.

After the tyrant's death, Khrushchev commuted most of the nationalists' sentences but only a few prisoners made it back to their homes, where they provided bitter object lessons to any younger citizens who might have considered challenging the Kremlin's authority.

The Soviets apparently thought the passage of time would make the new life under Moscow rule more attractive to the younger generation than it was to their parents. But many Baltic youths have proved to be strongly nationalist in spirit and unimpressed with the accomplishments of Soviet power.

"After the war, life was pretty difficult," a young woman said. "Things are much better now and the Russians tell us it is because of them.

"But we know we work harder than they do. Food is much better here than in Russia but clothing is not very good yet—it is bad all over the Soviet Union."

In order to blunt the edge of the nationalists' interests in independence, Communist Party leaders continually talk about what they consider the failings of the "nationalist bourgeois" governments of the 1920s and 1930s.

They never tell how Stalin forced the three small countries to accept the stationing of Soviet troops on their territory and fatally intimidated their elected governments.

Kremlin spokesmen blame "imperialist interferrence" and counter-revolutionaries for preventing the Communists from taking power in the republics in 1917, when they did in Russia. They emphasize that the Soviet army chased the Nazis out in 1944—and they expect continued payments of gratitude.

"The restoration of Soviet power in Latvia and its joining the fraternal family of the U.S.S.R. peoples marked a radical turn in the destinies of the Lettish people who won for themselves genuine freedom and independence, true national sovereignty," said August Voss, chief of the Latvian Communists.

Similar explanations are given by the Communist bosses of Estonia and Lithuania—along with impressive figures to show that the three republics have prospered as members of the Soviet Union.

From behind the walls of secrecy and the controlled press organs, however, dissenting arguments are heard.

Seventeen Latvian Communists in 1972, for instance, sent a letter to Western Communist parties, pleading for support. The anonymous writer said that deportations of Latvians and importations of non-Latvians had reduced the native population from 62% in 1959 to 57% in 1970.

Only 300 of 1,500 officials in the Latvian Ministry of Internal Affairs—the police and security agency—were Latvians, and many other imported officials spoke only in Russian, the writers said.

"There are firms where the Latvians are in an absolute majority, but if there is only one Russian among them, he will demand that all business be conducted in Russian and his demand is heeded. If it is not, the whole firm is accused of nationalism," the party members said.

Both the Latvians and Estonians, who have very low birthrates, have resisted the development of new major industries within their borders because they know new factories would have to be staffed with imported Slavic labor—Russian, Ukrainian or Byelorussian.

In Lithuania, where the Roman Catholic Church provides a rallying point for nationalist sentiment, underground spokesmen have also attacked the Moscow propaganda line about the benefits of Soviet power.

One of the many anti-Kremlin petitions signed by thousands of Lithuanians in recent years referred to a "national calamity."

"In the years of Soviet power in Lithuania, such vices as juvenile crime, alcoholism and suicide have grown ten-fold and divorces and abortions have taken on threatening proportions as well," the January, 1972, message said.

"The further we are removed from the Christian past, the clearer become the terrible consequences of forcible atheistic upbringing and the more widespread becomes an inhuman way of life deprived of God and religion."

All three of the republics have higher standards of living than central Russia. Stores are generally cleaner and better stocked and merchandise made in the republics is better than much of the output of factories in other parts of the country.

Although they are grouped geographically, there are cultural cross-currents that tend to keep the three little republics apart.

The Lithuanian and Latvian languages, for instance, are related, but the people are different because the Latvians were Lutherans dominated by Sweden and Germany for centuries.

The Lithuanians became Catholics and shared a long, close relationship with Poland and have a proud history as a one-time Eastern European power.

Estonia shares the "coffee culture" of Latvia from its similar German-Swedish-Lutheran history but its language is completely different, coming from the same small family as Finnish.

For Stalin, seizing the Baltics was a step to restoring the old borders of the Russian empire. They traditionally were a buffer for the Russian heartland against invasions from the north and west.

But the ancient enemy of the north, Sweden, threatens no one now and the attacker from the west, Germany, is a leading partner in what the Kremlin calls the "new era" of peaceful relations in Europe.

This change in history opens the question of the legitimacy of Soviet control over the Baltic states—a question on which there has never been a free expression of the natives' wishes.

Unfortunately, except for statements by such Kremlin critics as Alexander Solzhenitsyn and Andrei Sakharov, a few brave nationals and the small, scattered family of emigres, the question is seldom raised.

VARYING LEVELS OF ETHNIC PURITY

The three small Baltic states have shown different strengths in maintaining their ethnic purity against inroads by other nationalities, especially the Russians.

The Russian penetration has been most pronounced in the cities. In Riga, capital of Latvia, there are more Russians (43%) than Latvians (40%). Tallinn is about 35% Russian and 56% Estonian. Vilnius is 24% Russian and 43% Lithuanian.

The chart shows the ethnic composition of the countries in 1959 and 1970, percentage of growth of the local ethnic populations, and the total population.

	Ethnic (percent)		Russian (percent)		Ethnic growth (1959–70)	Population (in millions)	
	1959	1970	1959	1970	(percent)	1959	1970
Estonia	74.6	68.0	20.0	24.0	0.2	1.2	1.35
Latvia	62.0	56.8	26.1	29.8	.2	2.1	2.36
Lithuania	79.3	84.1	8.8	8.6	1.2	2.7	3.1

THE CONGRESSIONAL DILEMMA OVER INFLATION CONTROLS

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mrs. SULLIVAN. Mr. Speaker, the approaching expiration at midnight next Tuesday of the Economic Stabilization Act, providing authority for price and wage controls, is a matter of grave concern to many Members of Congress and to others who foresee in the months ahead an even worse surge of inflation than the one we have experienced in the past 15 months. The latest statistics on cost-of-living increases and the indications of a recession already underway sent shudders throughout the economy this week. The Democratic caucus of the Senate, according to news reports this morning, has now called for extension of the Economic Stabilization Act in at least some form before next Tuesday.

As a ranking member of the Committee on Banking and Currency, author of the 1969 Credit Control Act, and coauthor of the 1970 Economic Stabilization Act, I have been an advocate for many years of standby economic controls authority to enable a President to act forcefully to meet inflation dangers before they get out of hand. But, as I explained today at a luncheon meeting of the National Capital Democratic Club, there is absolutely no faith among the people of this country any longer in President Nixon's desire, willingness, or ability to use control powers fairly and effectively. This is our dilemma—and the Nation's.

Under unanimous consent, Mr. Speaker, I include as part of my remarks my speech this afternoon, as follows:

THE CONGRESSIONAL DILEMMA OVER INFLATION CONTROLS

(By Congresswoman LEONOR K. SULLIVAN)

If politics were only a great game—a kind of sports spectacular in which two teams battle for the championship before wildly partisan fans—this would be a time for all Democrats to be caught up in a frenzy of delight over the points being scored by our side over a battered and bleeding opposition. Democratic candidates for Congress have won almost every special election—and they were all seats held for years, and even for generations, by Republicans.

I am sure all of us here are deeply gratified that the voters in these traditionally Republican districts have reacted as they have to the events of the past 17 months since the last general election. Had they reacted otherwise, and followed their customary voting patterns, we could only wonder whether the American people had shut their eyes to reality and deadened their consciences with political tranquilizers.

We are, as I said, deeply gratified by these Democratic victories, but we are by no means caught up in any frenzy of delight over the *circumstances* in our national life which were responsible for bringing into the Congress Democrats to fill the seats held for so many years by the late John Saylor in Pennsylvania, by Jerry Ford and Jim Harvey in Michigan and by Bill Keating in Ohio. We had good candidates, well-known and well-qualified and politically experienced Democrats, carrying our party's colors in those battles, and they waged shrewd and hard-hitting campaigns; but it is significant that they all have publicly thanked President Nixon for making their victories possible in districts where Democrats, no matter how well qualified, had not been able to make a dent for a long time.

It is not surprising, therefore, that more and more leading Republicans in Congress and in the states are calling for the President's resignation before November, lest four of every five remaining Republican seats in the House and Senate are similarly overturned in November.

We can sympathize with the plight of the Republicans but we are not "wallowing" in it, any more than we are "wallowing" in Watergate, to use the Presidents' terms. This is not a hockey game or a football game in which every blunder of the other team evokes from all the fans on our side a roar of bloodthirsty cheering.

I know that a lot of conservatives in this country still feel that the Democrats are intent on destroying a Republic President for political advantage—that all we are interested in is overturning the results of the 1972 election. If that suspicion were valid, we would hardly have joined so overwhelmingly in ratifying the nomination of Jerry Ford as Vice President but would have kept Speaker Albert in the position of next-in-line to the Presidency. And we all know that Speaker Albert himself was the most insistent Member of Congress in making the Twenty-Fifth Amendment work effectively in elevating a Republican to the Vice Presidency. Furthermore, the care and caution reflected in the House's approach to the impeachment issue are further evidence that we are not trying to play games in order to overturn the 1972 election.

EROSION OF CONFIDENCE IN GOVERNMENT

In fact, we are being criticized by many impatient Americans, including many Republicans, for not acting faster on the impeachment issue.

But in the meantime—and this is an aspect of our national condition which should worry us the most—the excesses and blunders and omissions and malfeasances and crimes and cover-ups and subversions of the Constitution penetrated by leaders of this Administration have done far more than undermine the confidence of the American people in *a* President—in *this* President. They have eroded if not undermined the confidence of the American people in our *form* of government and in the honesty and integrity of virtually everyone in public life.

And, as a result, some powers which a President *should* have in order to function effectively in dealing with deep-seated and far-reaching problems confronting the American nation in a world of churning turnoil are being denied to President Nixon and may, for many years hereafter, be denied to *any* President for fear of the re-emergence of a Watergate mentality in positions of highest power. Of course, we can hardly be surprised by this public erosion of confidence in the office of the Presidency today.

We have painfully learned many lessons that we dare not forget—that Presidents are not automatically made omniscient or saintly or selfless merely by having been elected to that office. They are fallible and they must be watched critically and held accountable. That is being done today. But our dilemma is that when we have a President in whom public confidence is lacking, how do we provide him with the powers he should have and then make sure those powers are used properly? Congress cannot administer the laws and cannot make the day-to-day judgment in every area of national policy.

OPPORTUNITIES TO RAISE PRICES FURTHER

I want to discuss this today from the standpoint of one of the most critical areas of national concern—the economy of this country.

Barring unexpected action in the Congress between now and the end of the month—and any action in the Congress in that period of time on this issue would indeed be unexpected even with the horrifying new inflation statistics issued last week—the American economy in less than a week will be left to its own devices and to the free play of the market place for the first time since August 15, 1971.

The overwhelming majority of the American people—certainly all of business and virtually all of organized labor and most individual citizens—seems to regard the end of the price and wage control program on April 30 as not only inevitable but advisable.

I don't know how each of you feels about it, but I am terribly concerned over what this decision is going to mean to this country, not only in the weeks and months ahead, but into the foreseeable future.

One needs no crystal ball to see looming ahead after May 1 a tremendous surge in many prices and wages. True, not much of our economy is now under price control regulations. The Administration has been vigorously pursuing, for the past year, a policy of broad scale decontrol for industries which have pledged themselves for specified periods of time not to raise prices. But aside from the fact that these short-term agreements would be hard to police under any circumstances, the fact is that after May 1 there will be no authority left in the Federal Government to hold a club over the heads of most segments of the economy which are experiencing such strong product demand that they can easily raise their prices substantially and get away with it in the market place.

Up to now wage inflation has been sharply controlled, but how much longer can we expect wages to stay down? The wage controls which have been in effect since August of 1971 have been far more effective than the price controls, and wage rates have not kept pace with inflation. Labor leaders, therefore, are going to be under tremendous pressure from their members to seek not only "catch-up" wage increases but "go-ahead" wage increases as well.

Workers feel they have a lot of lost ground to make up and no one can really blame them for having this attitude—they are behind. Living standards for wage earners have fallen in the past year as they have for the elderly, the poor, and everyone on fixed incomes.

AN AMERICAN POLITICAL TRAGEDY

What should Congress do under those circumstances? On the surface, the logical answer would appear to be for Congress to extend immediately the authority to impose price and wage controls, so they would be on hand and available for use when and if the controls are deemed necessary to prevent an even more catastrophic surge in the inflation spiral. But Congress obviously is in no mood and of no mind to take this supposedly logical step. Both the House Banking and Currency Committee and the Senate Committee on Banking, Housing and Urban Affairs have voted decisively to table all legislation calling for an extension of the control authority beyond April 30.

Why? The answer to that question—like many answers these days to the agonizing questions facing the American people—lies in the character of the man who sits in the White House.

Democratic Congresses beginning in December of 1969 have given to Richard Nixon more power than *any* president has ever had in our *history* to deal with problems of inflation. Franklin D. Roosevelt, in the darkest days of World War II, did not possess all of the powers that Richard Nixon has had for the past four years in coping with inflation. Harry Truman during the Korean War also lacked many of the powers we have given to Richard Nixon. Many of these powers have not been used at all; others which have been used have been used *abominably*.

No, one—not industry or business, and certainly not labor, or the majority of the American people—has any confidence left in President Nixon's desire or willingness to use effective instruments of governmental policy to stop the inflation spiral which is destroying the economic base and vitality of this country. They just don't trust the man to do it right.

And this is an American tragedy, an American political tragedy. If we made a practice of impeaching Presidents for failure to lead our country boldly and courageously and intelligently through periods of economic peril, then certainly what has happened to the economy of this country in this past year would be an impeachable offense. But just as a Democratic Congress did not impeach Herbert Hoover because of deep-seated despair over his economic policies, it is unlikely that the Democratic 93rd Congress would impeach Richard Nixon on grounds of economic policy blunders. So I am not discussing this issue in terms of impeachable offenses; my point is that even if Watergate had never been discovered or had never occurred, and even if corruption in the highest levels of government had not been disclosed, and even if the integrity of the highest officials had not been brought into question in such excruciating ways, we would still be in a national crisis because of the economic failures of this Administration.

MISCONCEPTIONS ABOUT CONTROLS

Regardless of the outcome of the impeachment investigation, and regardless of the increasing possibility of the President's resignation—as more and more Republican leaders anticipate the wreckage of their party's political hopes in the coming November election if President Nixon remains in office—a crushing blow, and one which will have long-lasting effects, has already been dealt to the confidence of the American people in the ability of their national government to deal with the bread and butter issues of prices, wages, rents, and interest rates. Because of President Nixon's inept use of his vast economic powers, many of which are now expiring, there is a great possibility that for many years into the future, the public will look upon the whole idea of economic controls as a so-called noble experiment—like the Prohibition Amendment to our Constitution—as something that *can't* work.

That misconception is now being nurtured assiduously by many groups in the economy that have always wished it so—that controls *can't* work. It is more than 21 years since President Eisenhower lifted the Korean War control program and discouraged Congress from renewing the authority for controls even on a standby basis. President Eisenhower issued a very cryptic press release at the time saying that the controls were being ended because "they did not work." Aside from the fact that his characterization of the Korean War controls was not accurate, not true, millions upon millions of Americans have been born and have grown to adulthood since 1953 and have no knowledge whatsoever of the effective manner in which the Korean War controls were used by President Truman. Many, many millions of Americans now of voting age and older have no knowledge of the manner in which the economy was held from rampaging inflation during the worst war in our history, from 1941 through most of 1945.

ORIGIN OF STANDBY CONTROLS LAW

So when the controls die next week, we will not only see a general feeling of resignation on the part of the American people that very little has been lost by the demise of an ineffective and inequitable economic controls program, but I think it will be a long time before the public, and the Congress, will again be ready to provide standby authority to *any* Chief Executive to use when necessary in coping with severe dislocations in our economy which lead to the kind of dislocations and inflation which controls *properly used, could* combat.

That worries me as much as anything about out current economic problems.

I remember, during my first term in the Congress, that I joined with and supported a Republican Senator from Indiana, Homer Capehart, then the Chairman of the Senate Banking and Currency Committee in urging the adoption of standby economic powers to be used by a President in periods of inflation emergency. Eisenhower discouraged Senator Capehart from pushing such legislation and it died quickly in the Republican 83rd Congress. From time to time since then, some of us worked hard to enact *standby* economic protection powers to enable the government to deal with soaring prices brought about by unusual circumstances in the economy. This effort finally succeeded in the enactment in 1969 of the Credit Control Act which placed in the hands of the President and the Federal Reserve Board the power to regulate the terms and conditions of any form of credit in the United States.

That Act has *never* been put into effect, despite ruinous inflation in interest rates. But our success in passing it in 1969 led to the enactment of the standby price and wage control authority in 1970, exactly one year to the day before President Nixon—who had vigorously opposed the legislation—finally put it into effect with a great flourish on August 15, 1971, with not a mention, of course, of the fact that it was legislation passed by a Democratic Congress over his objection.

DISASTROUS PHASE III PROGRAM IN JANUARY, 1973

The freeze of August, 1971 *worked*—it worked! It stopped the inflation surge. From then until the end of 1972, the use of economic controls contained inflation in a very effective manner. Phase II *worked*. But in January of 1973, the Nixon Administration junked the effective controls of Phase II and went to the disastrous decontrol of Phase III, holding wages still under tight rein but letting prices run virtually unchecked. And we were told—oh how confidently we were told—that inflation had been tamed and the free market would quickly restore stability to the economy. But within a few months it was obvious that Phase III had turned into a disaster.

So in late March and early April of 1973—only one year ago—we tried to salvage the Economic Stabilization program by recommending legislation from the House Banking and Currency Committee to roll back all prices and interest rates to the levels in effect at the start of Phase III, January 11, 1973. We were overwhelmingly defeated on the House Floor by a combination of virtually all of the Republicans in the House plus many of the Democrats from the farming areas who were reveling at that time in a great rise of farm prices and what appeared to be unprecedented prosperity in the nation's agriculture. The farmer, we were told, was finally getting a "fair price" for his products. No one seemed to be mindful of the fact that at the same time the farmer's crop prices were going up, the farmer's costs of production were following suit—his feed costs, his fertilizer costs, his machinery costs, his *interest* rates.

"INDEPENDENT SPECIAL PROSECUTOR" OF INFLATION

And now we are in an economic crisis in which farmers are going broke, housing is at an almost complete standstill, small business is unable to afford credit, living standards generally have fallen, our school districts and colleges are going bankrupt, we are by all accounts heading into a recession while prices continue to surge.

And in a week we will be without power in the Executive to use any controls except the ones the Administration has refused to use at all—the credit controls.

As long as we have in office a President in whom the public has no faith or confidence in his ability to act fairly to combat inflation, few people want to give him any power to act. How, then, do we get through the remaining months—or years—of a Nixon Presidency under those circumstances? The solution, it seems to me, is to impose on this faltering Administration a division of responsibility—as was done in the required establishment of an independent special prosecutor in the Watergate investigation—to deal with our inflation crisis. Anti-inflation specialists in whom the people can have confidence must be brought into the Executive Department—either by the President acting in consultation with Democratic leaders, as he would undoubtedly do in case of war, or by insistence of Congress through legislation—to solve this problem before it destroys our economy in so-called "double-digit" inflation.

In the present atmosphere, we can enact necessary controls legislation *only* if that legislation is going to be administered by people who believe in what they are supposed to be doing and who will have the independence to do their jobs for *all* of the country without fear or favoritism. I offer this as an idea. The alternative seems to be to do nothing.

TRIBUTE TO BRUCE SHANKS

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. DULSKI. Mr. Speaker, Pulitzer Prize winning editorial cartoonist Bruce McKiniey Shanks of the Buffalo Evening News has retired after 41 years as a staff artist, and his incisive commentaries will be greatly missed.

A Buffalo native, his cartooning ability became evident in high school, although he had no formal art training. Many of his nearly 7,000 editorial cartoons were reproduced around the Nation and around the world, and all of my colleagues would recognize some of his work. As the occasional subject—although not always a flattered one—of his pen, I can attest to his timely deftness in editorial interpretation.

I would like to share with you Editorial Page Editor Millard Browne's warm tribute to Bruce Shanks. He will be missed in Buffalo, but he retires with heartiest best wishes for his well-deserved new leisure. We will be looking forward to seeing the promised contributions again from time to time:

SHANKS ERA AT NEWS DRAWS TO CLOSE

(By Millard C. Browne)

An era ends for this editorial page today with the printing of Bruce Shanks' farewell cartoon—on the day after he had already folded his drawing board and stolen quietly away with his wife to a well-earned retirement in a Florida condominium.

It has been a long and happy era for The News and its readers, for Shanks fans who have seen him reprinted all over the world, and, most of all, for every one of us at The News who has worked most closely with him.

Even now, we wouldn't dare to lay it on too thick, because if there is anything Bruce Shanks hates it is a lot of fuss and attention—and we're still depending on him for contributions, from retirement—lots of them, as the spirit moves him after he gets settled.

But it won't be the same. There won't be the daily give-and-take, the argument about whether to keep or change this or that little nuance in the background, the brainstorming together to come up with just the right caption.

And there won't be the chance any more to marvel each day at one of the most creative minds and prolific talents in this business—and to choose from a whole smorgasbord of roughly sketched ideas the one that seems most on target to be inked and shaded in finished form as that day's cartoon.

That has been one of the most prized delights of editing this page through much of the Shanks era, and of working at the next desk through the rest of it. It has been the chore that starts each day—arriving at the office about 7:15 AM to find Bruce raring to get going at his drawing board. A dozen sketches are all spread out on the table, ready for selection or ready to trigger a discussion of some slight adaptation—or of how to get an editorialized cartoon hold on some big new overnight development in the news.

There may be some newspaper offices where the editorial cartoonist can draw whatever he likes. But in most cases there is a process something like ours, in which the editors choose from among a variety of offerings in order to make sure that each day's cartoon is somewhere within the same ballpark as that newspaper's editorial policy.

At The News, we have always regarded the editorial cartoon as speaking—at least in its idea content—for The News as well as for the artist who draws it. On many occasions, in fact, the cartoonist and editorial writers have closely co-ordinated their thinking to achieve a one-two punch on important issues.

In general, while they all have wide latitude to generate and follow through on their own ideas, the whole operation involves a lot of teamwork—and in this Bruce Shanks, through all his years here, has assuredly been the Superstar of our team.

The proofs of that abound in all the thousands upon thousands of times his on-the-beam cartoons have been reprinted elsewhere, literally on every continent of the globe: in the presidential and Supreme Court chambers where his originals hang; in the Pulitzer Prize for a famous 1957 cartoon on reform in the labor movement; in the score or more of Freedoms Foundation and other awards he has won.

Thumbing back through the whole 23-year portfolio of Shanks cartoons, each of us at The News would probably pick a different favorite, just as many readers would.

One of Shanks' own favorites, he confessed during a reminiscent moment the other day, was drawn just 20 years ago when the Senate and the country were first beginning to stand up to the phenomenon known as "McCarthyism." Captioned "Ebbtide," that cartoon showed the late Sen. Joseph McCarthy sitting high and dry in a rowboat atop a little rock protruding from a moonlit sea.

A more recent favorite of the cartoonist himself is his January 1973 comment on the ending of the Vietnam War, "Wonder Who Won?" My own favorite, for stark eloquence, is his "Empty Bowl," also reprinted here—as it has been in scores of other places.

Probably the public favorite—distributed in the thousands of copies among schoolchildren over the years—was not really an editorial cartoon at all, but a marvelous Lincoln's Birthday tribute to the Great Emancipator, a brooding portrait of Lincoln composed entirely of a darkly and lightly shaded transcription of the full text of the Gettysburg Address.

In enumerating the Shanks strong points, anyone familiar with his work would rate him among the very top in his field as an artistic craftsman, and certainly as a witty idea factory. What you had to work closely with him to appreciate, however, was his absolutely amazing speed and facility at both roughing out an idea and at polishing it, under pressure, into a completely finished cartoon.

One of Bruce's greatest joys, indeed, especially in his most recent years, was working under deadline pressure to produce a cartoon on a "today" story for the first edition of the paper.

That happened probably far more often than most readers realized—and it certainly kept The News far ahead of most newspapers with cartoon comments on spot news developments. Never did that particular Shanks gift for timeliness come through more dramatically than on the tragic morning of June 5, 1968, when Sen. Robert F. Kennedy was suddenly shot in a Los Angeles hotel.

The event itself occurred a little after 2 AM, California time—or 5 AM Buffalo time. I first heard the news on a 6 AM radio broadcast and, rushing to work, found Shanks at the office at 7:10 with an idea all sketched and ready to start drawing for that day's paper. One problem was that no one then knew how serious the wound would prove to be, whether Sen. Kennedy would live or die, whether the event should be portrayed as an assassination, or as a near-fatal attempt.

But Bruce's cartoon covered all possibilities. And, printed on the day when Bobby Kennedy hovered between life and death, it still stands up as one of the most eloquent editorial cartoons of that or any year. It's the one printed here, called "Shame of a Nation," showing three terrible bullet holes in an American flag—one for JFK, one for Martin Luther King, one for RFK.

THE NATIONAL COUNCIL OF CHURCHES OF CHRIST SPEAKS TO NATIONAL ISSUES

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. RANGEL. Mr. Speaker, I would like to bring to the attention of my colleagues two position papers put out by the National Council of the Churches of Christ. These papers, which I place in the RECORD for your information, have been adopted by the governing board of the council, which includes representatives from 31 Protestant and Orthodox communions.

The first statement, "The Indochina War, Healing the Divisions of the Nation" speaks out on the long debated question of amnesty and puts the whole concept in perspective.

The second statement is entitled the "Resolution on Impeachment of the President of the United States." As the resolution states,

> If impeachment is recommended by the Committee, we urge the House of Representatives to act expeditiously and present a bill of particulars on impeachment to the Senate so that the President may have his "day in court" with full opportunity to restore confidence in the office of the President of the United States.

The two statements are as follows:

[National Council of Churches of Christ in the U.S.A.]

POLICY STATEMENT ON THE INDOCHINA WAR: HEALING THE DIVISIONS OF THE NATION

(Adopted by the General Board, December 2, 1972)

The war in Indochina has brought great destruction to three nations of Southeast Asia. Hundreds of thousands of persons have been killed, wounded or made homeless; the cultures have been disrupted; the landscape has been destroyed. The people of the United States must work for the rebuilding of Indochina, and the churches must take a sacrificial part in the reconstruction. But in this statement we will consider the harm which has recoiled upon this nation and its people.

The war in Indochina, the longest in the history of the United States, has also rent the fabric of American society. President Lincoln, responding to the hurts and disjunctions of another conflict, called upon the people of America to "bind up the nation's wounds." Tragically, the attention of the nation was too soon diverted from this task. Recrimination and injustice consequently lasted for an entire century. There is the danger that the American people will be similarly diverted today from the tasks of healing the nation.

The crisis of the war in Indochina is fundamentally one of conscience. Some Americans thought the war just and necessary, while others thought it an immoral and tragic mistake. Likewise, some young men served in the armed forces, while others resisted participation.

These differences have not always been accepted as permissible divergences of public opinion or even as legitimate exercise of conscience. Instead they have led to slander, recrimination, and the accusation that the basic ideals of the nation have been forsaken.

Consequently, families and friends have been divided by differing opinions on the conflict. For example, it is not unusual for parents to have one son who fought in Indochina, while another emigrated to Canada. Almost every aspect of American life has been affected by dissension over the war. The divisions between races, ethnic groups, age levels, and life styles have been widened as a result of it.

Not only has the whole nation suffered from division over the war, but those who served and those who resisted participation have especially suffered. Over 55,000 Americans have been killed in Indochina. Over 400 have been prisoners of war, held in North Vietnam—some for a very long time.

The veterans of the Vietnam era have also been hurt. Because the Selective Service System exempted and deferred many white, middle-class and educated men, those of non-white and lower economic backgrounds filled a disproportionate share of the ranks of the armed forces. Consequently, many of the problems of the veterans of the Vietnam era result from their backgrounds—approximately 20% of them return without a high school education and their unemployment rate is substantially higher than for others in the same age bracket.

The nation is not using its resources to meet the needs of veterans as substantially as it did after World War II. Many Vietnam era veterans are therefore hurt, frustrated and angry because not only is their nation not showing gratitude toward those who served, but it also appears to be ignoring and rejecting them.

Deep scars were also inflicted on those who believed the war immoral and refused to participate in it. Over 60,000 persons, both draft resisters and deserters, have become exiles in other nations. More than 100,000 men have been prosecuted for draft violations. Untold numbers of draft resisters and deserters have gone underground to avoid prosecution. Although most have returned, or have been captured, over 350,000 members of the armed forces deserted during the Vietnam era.

More than 300,000 Vietnam era veterans have received less-than-honorable discharges, a stigma they will bear for the rest of their lives. Some have been convicted by courts martial for crimes which would be considered felonies by civilian courts, but the actions of the overwhelming majority would either be misdemeanors or would carry no penalty at all in civilian life. The majority of less-than-honorable discharges result not from the decision of a courts martial, but by the order of a commanding officer. Had these men and women not been in the military service, their records would not have been permanently marred by this imputation of wrong-doing.

At this time of national distress, we should remember that God is our final judge; He alone is Lord of the conscience. We will stand at the last awaiting His judgment and needing His mercy. Our human system of justice is not designed to separate the righteous from the unrighteous in any such final sense, but merely to maintain the safety and welfare of the human community. It exceeds its function when it divides the community and stigmatizes some citizens because of past views and actions which no longer pose a threat to the safety of the community, if indeed they ever did.

Healing the lesions in our society left by the war in Indochina will require human compassion and political forbearance. The war was begun despite the protests of a substantial minority of the American people and continued despite the reservation of a majority. Some young men and women agreed with the majority—that the war was a mistake. Believing that it was also unjust and immoral, they refused to participate in it and thus incurred varying degrees of legal jeopardy. To hunt them down and prosecute them now is to add vindictiveness to victimization, neither of which is a proper basis for imposing criminal penalties and will only increase rather than heal the nation's hurts.

We further recognize the need for reconciliation on this issue within the Church. There have been Christians who entered the armed forces believing that the cause in Indochina was right and just. Other Christians have held opposite views which led them to resist the war and the draft.

We believe that Christ works in His Church, calling us together to be one body as a sign of His intention for the whole human family. His reconciling love overcomes mistrust and suspicion and heals hurt and pain. Christ calls us to new Being, both personally and corporately.

As He calls those in His Church to be reconciled, so we covet for America the experience of reconciliation. For reconciliation to begin, however, certain actions are necessary.

Genuine reconciliation demands that amnesty be granted to all who are in legal jeopardy because of the war in Indochina. The only exception would be for those who have committed acts of violence against persons, and even these cases should be reviewed individually to determine if amnesty is appropriate.

Such amnesty would include:

(a) draft resisters and deserters who have exiled themselves to other countries;

(b) those currently in prison or military stockades, those on probation, those who have served their sentences, and those who are subject to prosecution for violations of the draft or military law;

(c) draft resisters and deserters who have gone underground to avoid prosecution;

(d) Vietnam era veterans with less-than-honorable discharges;

(e) those who have committed civilian acts of resistance to the war or are being prosecuted upon allegations of the same.

God alone knows what actually motivates the actions of persons, and few act for one reason alone. Therefore, we feel it unwise to attempt to judge the motives of those to be given amnesty, just as we do not presume to judge the motives of those who were in the armed forces. For instance, we do not believe that draft resisters and deserters deserve different treatment, since the latter would be penalized simply because their convictions may have changed after entering the service, rather than before.

We view amnesty not as a matter of forgiveness, pardon, or clemency, but as a "blessed act of oblivion," the law's own way of undoing what the law itself has done.

Reconciliation further requires creating the possibility of new lives for those Americans hurt by the war in Indochina. Veterans should have adequate help for their unemployment, education, and health needs. To accomplish this will require the interest and response of all institutions in the United States. In addition, veterans' benefits provided by federal and state governments should be increased to a level at least comparable to those afforded veterans of World War II.

The Church at all levels needs to make its healing ministry available to veterans. Prisoners of war and those incarcerated in United States prisons also will require the development of opportunities to help them live fulfilling lives. In addition those Americans whose needs were not met but were even exacerbated because resources of the nation were diverted to the war effort, require the special attention of our nation. By granting amnesty and providing opportunities for those hurt by the war in Indochina, we would begin to repair some of the damage to our nation inflicted by that war.

[National Council of Churches of Christ in the U.S.A.]

Resolution on Impeachment of the President of the United States

(Adopted by the Governing Board, February 28, 1974)

The Gospel compels us to be concerned about the moral and ethical condition of the nation in which we live. To remain silent is to abdicate the responsibility to which we are called and in effect to approve and consent to the existing situation.

This nation is laboring under a heavy burden of protracted doubt and loss of confidence in its highest magistrate, the President of the United States. Both the President and the people are entitled to an early resolution of that impasse through the procedure provided by the Constitution.

In our judgment, the charges leveled against the President are sufficient in number and severity that the only way they can be resolved in fairness both to the President and the American people is for the Senate to examine them in the manner provided by the Constitution. It is apparent to many citizens that the President has abused or permitted those who serve his will to abuse the prerogatives of his office and infringe upon the rights and protections guaranteed every person by the Constitution. Individuals directly and personally answerable to the President have authorized or engaged in illegal wiretaps, burglary, the secret bombing of Cambodia and falsification of military records, instructions to commit perjury for alleged national security reasons, the obstruction of justice and corruption of the election process.

The House of Representatives has initiated the process through the present investigation by its Judiciary Committee. If impeachment is recommended by the Committee, we urge the House of Representatives to act expeditiously and present a bill of particulars called an impeachment to the Senate so that the President may have his "day in court" with full opportunity to restore confidence in the office of the President of the United States.

Although this will be a trying experience for the people of the United States, a nation is only as strong as the moral will it can muster to face its internal problems and resolve them through the orderly processes provided by its farsighted founders.

In this process, these things should be kept in mind:

1. Impeachment and "trial" are designed to protect the state;

2. The Presidency, whose prerogatives the incumbent is purporting to protect, is not the property of successive Presidents but of the people, and they are entitled to an accounting without concealments or evasions;

3. The President cannot—in the final analysis—avoid responsibility for the actions of persons whom he appoints and can remove at will; to claim ignorance of their activities does not avoid responsibility but demonstrates unwillingness or incapacity to exercise it competently.

Based on Policy Statements: The National Council of Churches Views Its Task in Christian Life and Work, May 16, 1951; The Hartford Appeal, February 25, 1959; and Human Rights, December 6, 1963.

"DÉTENTE"—STRATEGY FOR COMMUNIST CONQUEST

HON. GENE SNYDER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. SNYDER. Mr. Speaker, I fear many in this country and the free world have been deceived by the illusion of a détente between the United States and the Communist world. Others have been becoming disillusioned because of recent events such as the Soviets pressuring the Arabs to institute the oil embargo against our country, and their continuing agitation to keep Syria from settling its military conflict with Israel. Still others warned against the entire concept of détente from the outset.

My weekly column for April 12 demonstrated from the philosophy of the world communist movement the impossibility of any lasting reduction of tensions by the Communists.

In the April 20 issue of the AFL–CIO News, liberal columnist John P. Roche quotes both Lenin and Chinese Premier Chou En-lai to make the same point.

The two columns follow:

Lasting Détente Possible With the Communists?

Detente is defined as "a relaxation of strained relations or tensions (as between nations)." A world tired of war has been talking about detente between the United States and the U.S.S.R. and Communist China since President Nixon visited both those countries.

Soviet agitation of the Arab countries to initiate and continue an oil embargo against us led many to believe that the detente is but one-sided.

Sincere peace initiatives are not to be condemned, but we must know the thinking of the men with whom peace is sought. This is not understood by everyone where the Communists are concerned. Too many people think Communist countries have communism within their borders. Communist propaganda is not responsible for this mistake. The Communists always proclaim that so far they only have socialist societies, with socialist governments and socialist economics. For example, the Soviet newspaper KRASNAYA ZVEZDA (Red Star) put it very plainly on December 5, 1973 in an editorial lauding "Constitution Day" in the U.S.S.R.:

"Under the leadership of the Communist Party, a developed socialist society has been built in the Soviet Union, the equal nations and nationalities have united into an indestructible monolith and true people's power is triumphing. The further flourishing of socialist democracy is augmenting these historic achievements and accelerating our advance along the path toward the cherished goal—communism."

The Communists took over Russia in 1917, yet they still only have socialism, still are on "the path toward the cherished goal—communism." Why?

The answer to that why also tells us a lasting detente with them is impossible. The answer is that Communists believe communism will be the final stage of human society. They teach that socialism is the next to last stage, a transition from capitalism. They say communism will be stateless, but that it cannot supplant socialism until there is no longer any capitalist society anywhere on earth. By their definition, capitalism is bent on conquest. Therefore, a state structure—a socialist one—must be maintained for defensive purposes against capitalist states such as our own. Thus, for the Communists to achieve their ultimate goal of communism the United States must be changed from a capitalist society into a socialist one. Hence, they can never desist from forcing that change upon us. This involves subjecting us to total government control!

Soviets Use Facade of Détente To Lull Western Governments

(By John P. Roche)

Though the story may be mythical, it is too good not to be true. When the first member of the newly formed U.S. Weather Bureau arrived at a town in central Kansas, where his headquarters were located, he prompty got his instruments and went to work. Something seemed odd—the barometer was acting eccentrically—and suddenly he recalled his manual and the material on predicting tornados. Sure enough, the instruments seemed to be suggesting a "cyclone." He rushed out to warn the townspeople. They thought he was some kind of a nut, until the tornado hit. Then they went looking for the weather man to lynch him for "his" tornado.

I have some of the feelings he must have had as I read my correspondence from readers on the subject of detente. A surprising number of these missives accuse me of undermining reconciliation with the Soviet Union. The reasoning is a bit obscure, but generally it comes down to the proposition that if we all believed hard enough in detente, it would come true. The trouble is, from where I sit, if we all believed hard enough in detente, the Soviets would take us to the cleaners.

This is not just my paranoid imagination, "brain-washed by Cold War myths," as one reader charitably put it. The thing that drives me to desperation on occasion is that all you have to do is read what Moscow, and for that matter Peking, has to say on the nature and utility of detente. If they kept their intentions secret, I might have more respect for my critics. But, since Lenin's time, they have laid the cards face up on the table: detente is a technique designed to lull and gull the capitalist world.

Let us go back to the words of the master, Lenin. For background we must realize that Russia, after the Revolution and "war communism," was an economic shambles. Lenin accepted Bukharin's proposition that capitalism should be allowed to operate in the USSR under careful political supervision, designed to prevent the growth of a strong capitalist class. The New Economic Policy (NEP) was set up and the welcome sign put out for foreign entrepreneurs.

However, the NEP gave Lenin political problems with his own troops. In contemporary jargon, the Bolshevik "hawks" (led by Trotsky) accused Lenin of selling out Marxism. Without getting involved in the esoteric debate, Lenin felt called upon to placate his critics and did so by accusing them of naivete, of not being tactically flexible. He pointed out that the capitalists would compete to sell the Bolsheviks the rope for hanging capitalism.

He meant it. In his "Private Notes, 1921," he elaborated the point, not without scorn for capitalist stupidity. "The capitalists of the entire world, and their governments, in the rush to conquer Soviet markets will close their eyes to the . . . realities, and will thus turn into Blind Deaf-Mutes. They will open credits which will serve as a support for the Communist Party—even in their own countries, and will provide us with essentially needed materials and technology which will restore our military industries, essential for our future victorious attacks on our suppliers . . . they will be working for the preparation of their own suicides."

Let us skip to Moscow and Izvestia, Nov. 27, 1973. Concerned that détente might lead to a sense of popular relaxation, the paper vigorously called for vigilance: "The Marxist-Leninist ideology is waging an offensive against bourgeois and revisionist ideology along the whole front. Under conditions of the relaxation of tension we are faced with a crucial task: To make full use of the opportunities being opened up for a future offensive against bourgeois and revisionist ideology."

Radio Moscow, in Arabic, called upon the Arabs to take advantage of détente, which allegedly had weakened American ties with Israel.

This could go on indefinitely, but students pay tuition for that dubious benefit. Let me just wind up with a few words from Henry Kissinger's pal, Chinese Premier Chou En-lai, speaking to a banquet for visiting Cambodian Communists. The Red Chinese claim to be the authentic Leninists, and Chou was in that tradition: "The revolutionary people do not at all believe in so-called lasting peace or a generation of peace.

"So long as imperialism exists, revolution and war are inevitable."

I didn't say it—he did. Please don't hang the weather man.

CHECKBOOK DIPLOMACY AND SHARE-THE-WEALTH DÉTENTE

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. RARICK. Mr. Speaker, it does not take a degree in higher mathematics to add up the costs to the American taxpayers of the "peace settlement" of the October Middle East war. A pencil and paper will do nicely. This little exercise in simple addition will give those citizens who have recently signed their names to IRS form 1040 a whole new perspective into the workings of "checkbook diplomacy" and "share-the-wealth détente."

The first figure to write down is $2,200 million. Label this item "Emergency military loans to Israel during the October war." Congress, in approving this amount last fall, specified that $700 million should be repaid. However, highly placed sources in the administration revealed recently that the entire amount soon will be considered as a free gift to Tel Aviv, at the insistence of the State Department. Chalk one up for Dr. Kissinger's checkbook, drawn on the taxpayers' account.

Now, jot down under the heading, "Foreign aid to Egypt to cover the costs of renewing diplomatic relations," the sum of $250 million. Of this amount, $20 million will be used to clear war debris from the Suez Canal, $80 million for farm and industrial credit sales, and $150 million to rebuild war-damaged Egyptian property. Despite the fact that diplomatic relations were broken at Egypt's request 6½ years ago, some $34 million in U.S. aid has gone to Cairo during the last 2 years alone.

Include another $29 million to build and fortify a U.S. military installation on the tiny speck of land in the Indian Ocean called Diego Garcia. This is necessary, says the Pentagon, to keep an eye on the Russian ships going through the Suez Canal, after we reopen it for navigation.

Deposit two additional checks to Dr. Kissinger's credit.

Now write down $350 million under the column headed "Israel." Label $50 million of this "security assistance" and $300 million as "military credit sales." Label Dr. Kissinger "a bigtime spender with taxpayers' money."

Make a note of $207.5 million for "foreign aid to Jordan." Credit $100 million of it as outright military aid gifts, with $30 million as military credits and $77.5 million in economic aid.

Under the heading, "Middle East Slush Fund—the State Department prefers to call it a special requirements fund—write down $100 million. This is Dr. Kissinger's "miscellaneous détente kitty" to be used to bankroll the U.N.'s peacekeeping forces, refugee aid, and various development projects.

Now draw a line and total the figures. Of course, there are other "low profile accounts" tucked away in the massive State Department budget, but these are the largest ones. My arithmetic places the known total of money siphoned from the U.S. Treasury into the Middle East at $3,136 million.

In announcing his proposed budget for foreign aid spending for fiscal year 1975, President Nixon said that the $5,180 million he wants Congress to give him and Dr. Kissinger is "the minimum essential to support the responsible and constructive American role of international leadership and cooperation." This request by the President is a staggering 72-percent increase over present foreign aid spending levels.

If this is the "minimum" amount our Government thinks we should lavishly hand out overseas, heaven help the beleaguered American worker and taxpayer if the State Department ever demands the "maximum" to buy more "détente victories."

Any Member of Congress who has a shred of fiscal responsibility or any respect for the current domestic situation, knows what his answer to this global giveaway will be. It is a loud "No."

NIXON AND LINCOLN

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. HARRINGTON. Mr. Speaker, the assaults on the Nixon administration resulting from its Watergate difficulties have forced the President into a defensive posture.

One of Mr. Nixon's favorite approaches in these, his most turbulent days, is to appeal to history. Recently the President quoted President Lincoln, perhaps in an effort to liken his unpopularity to that of the Civil War President. This latest tactic has triggered a bemused reaction from eminent historians, including David Donald, whose "Getting Right With Lincoln," an essay in his Lincoln Reconsidered, traces the tradition of Presidents' appeals to Lincoln to justify their policies.

Richard Harris, a writer who has consistently captured the nuances and tone of political America, commented on Mr. Nixon's remarks in the New Yorker and concluded—

> History may find that the most dangerous enemies of the United States in the period since the Civil War were the Nixon administration's highest officials and the President himself. And history may also find that the greatness of this Nation was most severely tested by the manner in which its people turned inward to cleanse its corruption.

Mr. Harris' article follows:

NIXON AND LINCOLN

(By Richard Harris)

"The judgment of the world is usually wrong in the beginning, and it takes centuries to correct it," Tolstoy wrote. But in the case of Lincoln the world was right from the start. . . . The greatness of Napoleon, Caesar, or Washington is only moonlight by the sun of Lincoln. His example is universal and will last thousands of years." Tolstoy was in his thirties during the American Civil War, and nearly half a century later, on the hundredth anniversary of Lincoln's birth, he asked, "Now, why was Lincoln so great that he overshadows all other national heroes?" The answer was: "Because he loved his enemies as himself, and because he was a universal individualist who wanted to see himself in the world—not the world in himself;" because of his "peculiar moral power" and the "greatness of his character;" and, probably most of all, because "he was one who wanted to be great through his smallness."

At the hundred-and-sixty-fifth anniversary of Lincoln's birth, President Nixon turned up, unannounced, at the Lincoln Memorial to speak to the crowd of a few hundred people who had come there at lunch hour to pay tribute to the Great Emancipator. Mr. Nixon began his speech by asking much the same question Tolstoy had: "Why, why is Lincoln, of all the American Presidents, more revered not only in America but in the world?" The President's answer was that Lincoln "freed the slaves," he "saved the Union," he "died of an assassin's bullet just at the height of his career," he had "humility," "humor," "feeling and kindness for people," and he possessed "perhaps more than anything else the strength, the poise under pressure." Then Mr. Nixon said, "When we examine the American Presidents, it is quite clear that no President in history has been more vilified or was more vilified during the time he was President than Lincoln. Those who knew him, his secretaries, have written that he was very deeply hurt by what was said about him and drawn about him, but on the other hand, Lincoln had that great strength of character never to display it, always to stand tall and strong and firm no matter how harsh or unfair the criticism might be."

Some of the reporters who accompanied the President to the Memorial concluded that he meant to compare his current ordeal to President Lincoln's ordeal during the Civil War—and, possibly, to suggest that history may compare the two men favorably in other ways. The parallel ignores history. While it is true that Lincoln was bitterly hated and reviled during his Presidency, it is also true that he was widely loved and honored at the same time. During the height of the worst attacks on him, in 1864, he was reelected by a majority of two hundred and twelve electoral votes to twenty-one for his popular Democratic opponent, General George B. McClellan. If President Nixon were running for reelection at a comparable time of vilification—this year—he would probably not get any electoral votes at all.

If, indeed, President Nixon meant to draw a comparison between Lincoln and himself, another flaw in the parallel could be found in the two Presidents' personal reactions to public criticism. President Nixon has used or allowed others to use his immense official power to silence and destroy his detractors and opponents—through wiretapping, and bugging, physical surveillance, tax audits, bribery, and trumped-up criminal prosecutions. When these criminal acts were revealed, Mr. Nixon responded to critics of his conduct—members of the press, for the most part—through innuendo, smear, and vilification, and when these tactics failed, he tried to convince the people that their concern about Watergate was the creation of his political enemies. It is difficult to know whether these responses were examples of what he meant by "poise under pressure." It is clear, though, that he believes he has such poise, for he has written a book about it and often reminds us that he is always the coolest man in the room. We cannot now determine just how strong and firm Lincoln was in the face of personal attacks. "As a general rule, I abstain from reading the reports of attacks upon myself, wishing not to be provoked by that to which I cannot properly offer an answer," he said in his last public address. Of course, it is difficult for a President to respond "properly" to unfair criticism in public, and Presidents with dignity and courage have not responded at all. In private, a President is entitled to rage or whine or joke as he pleases about such matters. We all know that Lincoln chose the last course. When an old friend from Illinois asked him how it felt to be President, he said, "You have heard about the man tarred and feathered and ridden out of town on a rail? A man in the crowd asked him how he liked it, and his reply was that if it wasn't for the honor of the thing, he would much rather walk."

"The particular factor that I would like to address . . . has to do with Lincoln's vision about America's role in the world," President Nixon said at the Memorial. "What we sometimes forget is that Abraham Lincoln was a world statesman at the time that America was not a world power. Here on these walls are inscribed many of his very familiar usages [sic]. One from the Second Inaugural comes to mind when Lincoln said, 'To do all that we may to achieve and to cherish a just and lasting peace among ourselves and between all nations.' This is Lincoln one hundred and ten years ago." These words would scarcely have made Lincoln a world statesman even if he had spoken them, and he did not—at least, not in that way. What he said, in the words chiselled in marble above Mr. Nixon's head, was "With malice toward none; with charity for all; with firmness in the right, as God gives us to see the right, let us strive on to finish the work we are in; to bind up the nation's wounds; to care for him who shall have borne the battle, and for his widow, and his orphan—to do all which may achieve and cherish a just and lasting peace among ourselves, and with all nations." Mr. Nixon's remarks were written by his aides and rewritten by the President.

The distortions were small but far from trivial, for they altered Lincoln's intent. Lincoln's statement was a modest, and largely rhetorical, expression of the hope that America would remain at peace "with all nations"—a hope expressed by nearly all Presidents before and after him. Nixon's statement was a concocted claim that his role as Lincoln's historical heir compels him to forge a peace "*between* all nations." From what history tells us about Lincoln, it seems that he was primarily concerned about restoring the integrity and purpose of the nation he led. But President Nixon would change history for us, in order to justify his own quite different concern. Such changes are characteristic of his public statements. A little twist here, a tiny alteration there, an addition or omission elsewhere, and in the end the essential meaning has been fundamentally transformed into a falsehood. And, of course, no lie is small when it is spoken by a President.

The President's obsession with foreign affairs at the sacrifice of even the most pressing domestic concern—Watergate, above all, right now—has led him to seek an exceedingly peculiar resolution of his political problems. Lee W. Huebner, who had been a speech writer for the President since he took office, recently quit his job, and in an interview he said that one of the main reasons for the President's determination not to resign was his conviction that he would finally be saved from disgrace by an unusual set of constituents—the leaders of other nations. "He looks to that foreign audience," Huebner went on. "Emotionally, that's kind of the center of things for him, and it's where he hopes to make his mark in history. As long as they are willing to deal with him, to take his word seriously, he feels that he is in a strong position." Of course, once those leaders see how dependent on them he is—and surely they must have by now—he is their pawn, and thereby jeopardizes the one form of national security that he has most fervently promised the American people, Mr. Nixon's reliance on a foreign political base suggests that he has come to believe the unbelievable—that he can do what no other person in history has been able to do, and bring "a generation of peace" to the entire world. It is a dangerous delusion. His utensils—balance of power and detente—are rusty and fragile. They depend on circumstance, and no one can predict circumstances tomorrow or next month, let alone a decade or a generation from now. While easing international tensions is important, nothing better illustrates the flimsy nature of the existing detente than the intrusive and belligerent acts of the Soviet Union last fall during the war in the Mideast, which has long and clearly been a vital sphere of interest for the West. And nothing could be more perilous for Americans than to be lulled into believing that a totalitarian state like the Sovet Union will not grab all the power it can when it can.

In the speech at the Memorial, President Nixon continued, "When America, torn by civil strife, and when America, even after it was united with both the North and the South working together to build a greater country, could not and would not even play a great role in the world for years and years to come, and yet Lincoln with the mystical sense of destiny and vision saw it all ahead when he said, 'Ours is earth's last, best hope.' " Once again, these are not quite Lincoln's words, and that was not at all his meaning. The misquoted speech that Mr. Nixon referred to dealt almost entirely with the subject of slavery and Lincoln's proposal for emancipation by way of a Constitutional amendment. At the end of the speech, Lincoln said, "Fellow-citizens, we cannot escape history. We of this Congress and this Administration will be remembered in spite of ourselves. No personal significance or insignificance can spare one or another of us. The fiery trial through which we pass will light us down, in honor or dishonor, to the latest generation. We say we are for the Union. The world will not forget that we say this. We know how to save the Union. The world knows we do know how to save it. We—even we here—hold the power and bear the responsibiilty. In giving freedom to the slave, we assure freedom to the free—honorable alike in what we give and what we preserve. We shall nobly save or meanly lose the last, best hope of earth." If Lincoln envisioned "a great role in the world" for America, it was as an example—of decency and opportunity and freedom—to mankind.

"And now we come to today, one hundred and ten years later," Mr. Nixon continued. "Even Lincoln would have marvelled if he were living today. This nation now, the strongest nation in the world, the richest nation by far in the world, and a nation greatly respected all over the world, and the question he would have asked, as we must ask ourselves, is how will history look back on our time? What did we do with our strength? What did we do with our wealth? Did we use it only for ourselves, or did we recognize as Lincoln recognized that we had a destiny far beyond this great nation, looking out over the whole wide world?" Lincoln's major speeches and letters have almost nothing to say about the world outside the United States, except to report a couple of times to Congress that his Administration was doing its best to keep various European governments from intruding in our affairs. (One of Lincoln's few other remarks on the outside world—in his address to a committee from the New York Workingmen's Association, on March 21, 1864—would not be of much political use at home, but it might come in handy the next time President Nixon visits the Kremlin: "The strongest bond of human sympathy, outside of the family relation, should be one uniting all working people, of all nations, and tongues, and kindreds.") As Lincoln repeatedly made clear, his chief aim—in fact, his only aim—was to preserve the Union. But President Nixon has turned away from the Republic that Lincoln saved, and asks the people to avert their eyes from his Administration's betrayal of "the last, best hope of earth" while he forges a grand alliance with those who have enslaved hundreds of millions.

Any generally accepted list of "great" American Presidents would include Washington, Jefferson, Jackson, Lincoln, Franklin Roosevelt, and possibly Truman. These men possessed a unique American genius, which might be best described by the word "humanitarian." They had passionate and compassionate minds, and their political goal was to add to human freedom—not in some abstract or rhetorical way but practically, through giving ordinary men and women a better chance to fulfill themselves. Lincoln probably stated this goal as well as anyone, in a special message to Congress shortly after the outbreak of the Civil War: "This is essentially a people's contest. On the side of the Union it is a struggle for maintaining in the world that form and substance of government whose leading object is to elevate the condition of men—to lift artificial weights from all shoulders; to clear the paths of laudable pursuit for all; to afford all an unfettered start, and a fair chance in the race of life." Mr. Nixon has rarely displayed this kind of attitude, politically or personally. The scant attention he has devoted to domestic concerns—that is, the immediate well-being of the people he was chosen to serve—has usually revealed, instead, an authoritarian instinct, a desire to oppress rather than to liberate men. The other day, for instance, he ordered his latest Attorney General to press Congress for passage of a law restoring the death penalty for a variety of crimes. During the Civil War, a lawyer interceded with Lincoln on behalf of a seaman who he believed had been unjustly convicted of manslaughter. Lincoln listened to the story, then said, "It must be referred to the Attorney General, but I guess it will be all right, for me and the Attorney General's very chickenhearted." In addition to being compassionate men, the great Presidents have been men of Lincoln's personal integrity. A friend of Lincoln's who had set up a bank under the new National Bank Act wrote to the President to offer him a chance to buy some stock in the venture. Lincoln wrote back to thank him and decline, saying he realized that stock in a solid national bank was a good investment, but explaining that as President he felt he should not profit from a law passed under his Administration. Later, the banker said, "He seemed to wish to avoid even the appearance of evil."

In Mr. Nixon's speech, he told his audience, "These thoughts come to mind that Lincoln might well have advised us: One, that . . . America always used its strength, certainly in this century at least, used its strength to defend freedom and never to destroy it, to keep the peace and to defend the peace and never to break it." Historians of the future may find this statement puzzling, in light of our activities in Guatemala, Cuba, the Dominican Republic, Vietnam, Laos, and Cambodia. "I think Lincoln also would have had this admonition to his fellow-Americans on such an occasion as this in this particular period in our history," Mr. Nixon went on. "He would have hoped that America with its strength and its wealth would not turn away from greatness, despite the fact that some other nations in the world turn inward, failing to assume their responsibilities for building a peaceful world. Lincoln would have said, a great nation, a strong nation, a rich nation, and a great people will use their strength and their wealth to build a world in which peace and freedom can survive for themselves and for others as well. This, I think, is the Lincoln heritage for today. It is the Lincoln admonition for tomorrow and I would trust for the next generation and perhaps for the next century." Others might feel that the Lincoln heritage is, and will remain, what it has always been—to protect the Republic against its domestic enemies with patience and decency under law. History may find that the most dangerous enemies of the United States in the period since the Civil War were the Nixon Administration's highest officials and the President himself. And history may also find that the greatness of this nation was most severely tested by the manner in which its people turned inward to cleanse its corruption.

"I conclude simply by paraphrasing what Lincoln said so many years ago so much more eloquently, we could meanly lose what is mankind's last, best hope for peace and freedom, but we could also nobly save it," President Nixon said at the close of the memorial service. "Abraham Lincoln, who saved the Union, would say to us today, let this great Union, North, South, East, and West, now save the cause of peace and freedom for the whole world." Abraham Lincoln might be more inclined to warn us about a leader who would attempt to save his own political life and lose his nation's soul.

STATEMENT BY PRESIDENT LEOPOLDO BENITES AT THE OPENING SESSION OF THE SIXTH SPECIAL SESSION OF THE UNITED NATIONS GENERAL ASSEMBLY

HON. CHARLES W. WHALEN, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. WHALEN. Mr. Speaker, on April 9 the United Nations' General Assembly commenced its sixth special session to discuss the formidable problems relating to the world's raw materials and resources. President Leopoldo Benites of Ecuador opened the meeting with a very concise statement of the session's goals. He emphasized that the deliberations would represent a milestone in the history of the United Nations "not so much because of what we derive from it—because we cannot expect too much with such a broad subject and in so short a time—but because, from today onwards, it will be necessary to devise a completely new approach to international economic problems, a critical reformulation of the guiding principles and a restructuring of cooperation among States."

Mr. Speaker, I know that my colleagues share my great interest in this session of the U.N. Therefore, I am including the complete text of President Benites' statement at this point in the RECORD:

STATEMENT BY PRESIDENT OF SIXTH SPECIAL SESSION OF GENERAL ASSEMBLY, LEOPOLDO BENITES (ECUADOR), AT OPENING MEETING OF SESSION

Following is the text of a statement by Leopoldo Benites (Ecuador), newly elected President of the sixth special session of the General Assembly, prepared for delivery at the opening meeting of the session this afternoon:

It is with sincere emotion that I thank you for the honour you have conferred upon me by electing me to preside at the sixth special session of the General Assembly, and I believe I am correctly interpreting the feelings of the Chairmen of the Main Committees and of the representatives of the States elected to serve as Vice-Chairmen, if I express their gratitude to you on their behalf.

I consider it an invariable moral principle that every honour conferred entails an implicit duty. It is my duty to conduct your deliberations with objectivity, impartiality and fairness. I promise you that I will fulfil it.

I can assure you, with no flattery intended but rather as a serious warning, that, in my opinion, the sixth special session which we open today is one of those that represents a milestone in the history of our Organization, not so much because of what we derive from it—because we cannot expect too much with such a broad subject and in so short a time—but because, from today onwards, it will be necessary to devise a completely new approach to international economic problems, a critical reformulation of the guiding principles and a restructuring of co-operation among States.

In the last few months, we have witnessed an extremely interesting phenomenon: the unexpected effect produced by a single economic measure on the structure of international relations.

Firstly, the vulnerability of power relationships—of both economic and political power—which are based on the idea of the dependence of the producers of essential raw materials on the countries better equipped to process them, has been demonstrated. This is even more significant when we consider that some 25 developing countries have between 80 and 90 per cent of the total reserves of the essential raw materials for the industry of the more developed or, if you will, the better equipped countries. This will necessitate a reformulation of the problems in such a way that, by replacing confrontation by co-operation, effective and flexible solutions may be found.

A second inevitable consequence will be a change in the simplistic schemes which served as an instrument of development. In the light of recent events the differences in degrees of development, which cannot now be frozen by applying arbitrary designations, have become more marked. But these very differences will necessitate greater interdependence, more effective development of the forms of international solidarity and the search for means of preserving the unity of the developing world.

The impact of recent events on the inflationary process, on balance-of-payments disequilibria and on the high cost of living will—if a major disaster is to be averted—necessitate new approaches to the problems and more imaginative and creative solutions. The United Nations, as the centre for coordinating international co-operation, will have to make maximum use of the capacities both of its own bodies and of the specialized agencies.

We are faced with the challenge of many formidable problems which demand new solutions. In such a short time it cannot be hoped that such solutions can be found during the special session we are now opening, but it can be hoped that general principles and guidelines will be established for achieving them.

Allow me to express the hope that constructive co-operation will replace confrontation and that solidarity will replace isolation. The recent events have demonstrated the growing interdependence of States and their indissoluble links within the international community. They have also demonstrated that solutions cannot be found by grouping together economic forces in virtual battlefronts and that coexistence based on arbitrarily laying down the law has no place in the complex world of today. The United Nations, which is constitutionally the centre of international economic and social co-ordination, must therefore find new solutions for the new problems if we sincerely wish to avoid a crisis whose results are unpredictable. It will depend on our efforts whether we start today to advance towards the creative co-operation which will produce those solutions, or whether we leave the world beset with fear of a total, inevitable and dramatic crisis.

INTERNATIONAL UNDERSTANDING AND PEOPLE-TO-PEOPLE DIPLOMACY THROUGH SPORTS

HON. ROBERT B. (BOB) MATHIAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. MATHIAS of California. Mr. Speaker, in March, Alan A. Reich, Deputy Assistant Secretary of State for Educational and Cultural Affairs, spoke at the International Studies Association Conference in St. Louis on how sports help to further international understanding. His speech focused on the way sports helps nations communicate internationally on an informal and nongovernmental basis. He pointed out that sports opens doors to societies and leaders, provides a two-way exchange between different peoples, enhances the understanding and appreciation of another nation's values and culture, and develops a basis for continued communication and cooperation.

At a time when the United States is actively engaged in improving and strengthening our relations with other governments, I think it is significant that sports have played and continue to play an important part in what Deputy Assistant Secretary Reich calls "people-to-people diplomacy."

The title of Mr. Reich's speech is "International Understanding and People-to-People Diplomacy Through Sports." This is such an interesting and informative speech that I want to share it with my colleagues:

INTERNATIONAL UNDERSTANDING AND PEOPLE-TO-PEOPLE DIPLOMACY THROUGH SPORTS

It is a privilege to speak before the International Studies Association on furthering understanding through sports. This meeting will be, I am sure, a significant landmark in the process of engaging more fully American social scientists in exploring ways of enhancing the contribution of sports to international mutual understanding.

PEOPLE-TO-PEOPLE DIPLOMACY

Diplomacy has gone public. Many foreign offices no longer confine themselves to speaking with other foreign offices for peoples; they help and encourage peoples to speak for themselves across national boundaries. People-to-people communication has become a dominant force in international relations throughout the world.

Technological advances have made nuclear war a threat to mankind's existence. Fortunately, new initiatives and agreements in the disarmament field offer hope that the deadly cycle of weapons build-up will be broken. Prospects for increased government-to-government cooperation look better today than at any time since World War II. The great powers are focusing on areas of common concern and not only on their differences. The results appear promising.

In the past few years, social scientists increasingly have studied the relevance of informal, nongovernmental communications activities to matters of war and peace. As you know, research scholars are developing a more scientific base for these transnational cross-cultural communications activities. Their research suggests that the existence of informal communications tends to reduce the level of tension when conflicts of interest occur and contributes to a climate of opinion in which conflicts may be negotiated more effectively. Second, their research indicates that informal relationships create a greater openness in individual attitudes toward other nations, peoples, and cultures. These predispositions also lead to greater readiness to communicate and to resolve differences peaceably. Third, social scientists tell us that international cooperation and two-way exchange contribute to world-mindedness and to an internationalist perspective on what otherwise might be viewed as purely national problems. Finally, international people-to-people relationships help develop enduring networks of communication which cut across boundaries and reduce the likelihood of polarization along political or nationalist lines.

ROLE OF THE DEPARTMENT OF STATE IN INFORMAL COMMUNICATION

When you think of the State Department's conduct of our international affairs, people-to-people diplomacy and exchange-of-persons programs may not come immediately to mind. It is, nonetheless, a significant Department activity carried out with 126 nations of the world.

I would like to elaborate on the State Department's cultural relations program. The exciting, challenging job of the Bureau of Educational and Cultural Affairs is to use its resources to reinforce the work of American individuals and organizations who want to help construct the foundation of better relationships with the rest of the world. The Bureau also coordinates, as necessary, the activities of other government agencies with international exchange programs in such fields as health, education, social welfare, transportation, agriculture, military training, and urban planning.

There are several major elements in the Department's cultural relations program. Annually, some 5,000 professors, lecturers, and scholars are exchanged to and from the United States. The international visitor program brings to this country about 1,500 foreign leaders and potential leaders annually for orientation tours of 4–6 weeks duration. Each year we send abroad several leading performing arts groups and athletic stars. For example, recently we sent the New York City Ballet to the Soviet Union and the Philadelphia Philharmonic to the People's Republic of China; this month, in response to requests from several countries, we sent a tennis teaching team to the Near East. We also send some 150 U.S. lecturers abroad annually for brief lecture tours.

PRIVATELY SPONSORED EXCHANGES

We in the Department of State are aware our programs represent only a portion of the total private-public participation of Americans in exchanges aimed at furthering international mutual understanding. Service organizations, professional associations of doctors, lawyers, journalists, municipal administrations, and others link their members with counterparts throughout the world.

More than 40 national sports organizations carry on international programs involving their athletes in competition, demonstrations, and coaching clinics here and abroad. Several youth organizations conduct international exchanges with nearly 5,000 American and foreign teenage participants each year.

Numerous foundations, businesses, and institutions throughout America facilitate the private studies of many of the nearly 150,000 foreign students who come to the United States annually and approximately half that number of Americans who study abroad each year. Private American performing arts groups tour other countries; reciprocal opportunities are offered to counterpart groups from abroad.

Many People-to-People organizations actively promote and carry out meaningful exchanges; 480 American cities are linked through the Sister City Program with communities in 68 countries of the world.

COMMUNICATING INTERNATIONALLY THROUGH SPORTS

So much for people-to-people relations and international communication in general; what about sports, in particular? In this decade we have witnessed some of the most significant international sports events in history; some have made history. Although the Munich Olympic disaster, the Central America soccer war, and other occasional untoward events have tested our convictions about sports and international understanding, research suggests sports work against stereotypes and misconceptions in general. Lasting impressions reinforce the common humanity of sports over the long term. Our term *is* the long term in creating a favorable climate for international cooperation. I should like to comment on the ways in which sports, as a universal language, can further international understanding.

Sports open doors to societies and key leaders. They pave the way for expanded contact—cultural, economic, and political. The table-tennis exchanges with the People's Republic of China are outstanding examples in which U.S. athletes have been involved.

Sports provide an example of friendly competition and give-and-take, two-way interchange which hopefully will characterize and lead to other types of friendly relationships between nations. Even when competition becomes intense, the fact that the activity continues within the context of rules and controls can demonstrate the capacity for endurance of our ideals. I think more research is needed on this subject.

Sports convey on a person-to-person basis and through the media to the broader public a sense of commonness of interest shared with other peopels across political boundaries.

Sports enhance understanding of another nation's values and culture, so important but often absent in many forms of international communication. These qualities include determination and self-sacrifice, individual effort as well as teamwork, wholesomeness, empathy, good sportsmanship, and a sense of fair play. Sports thus can help to improve perceptions of other peoples and to close the gap between myth and reality.

In many countries, and especially the less-developed ones sports serves as a unifying force in helping overcome traditional tribal and linguistic pluralism. Heads of State in Africa, for example, have encouraged sports development for this reason. They also have promoted sports as a cohesive force for unity in the continent as a whole.

Sports organizations, in administering international sports activities, develop the bases for ongoing communication and cooperation. In this work, the numerous sports associations, as nongovernmental groups, are symbols of the freedom of peoples to organize themselves, to travel and communicate across national boundaries, and to work together to carry forward freely their own interests. They further the ideals of freedom. They also help develop leadership which is needed especially by the developing nations as they struggle to reduce the gap between the have and have-not peoples of the world.

I could illustrate each of these values of international sports with many examples, as I am sure you could. We also could cite cases in which negative results were realized. But on balance, the many thousands of ongoing interactions in sports annually are a tremendous force for good in the world. For all these reasons, the U.S. State Department has a serious commitment to international sports.

THE ROLE OF THE STATE DEPARTMENT IN SPORTS

Since sports in the United States is a nongovernmental activity, the State Department's role reflects this basic concept in international sports. As I mentioned earlier, our interest is in furthering international mutual understanding and communication over the long term. As part of the official U.S. cultural relations, our sports office in the Department carries out, in cooperation with the USIA and cultural officers in our embassies, a small, high-quality, and we hope catalytic, program. We provide policy guidance as necessary to the other federal agencies carrying out international sports programs. The Peace Corps currently has more than 100 U.S. coaches serving abroad on request of host nations. The Department of Defense carries out a world-wide military sports program with foreign military counterparts of 52 countries.

On request of other nations, each year we send a small number of teaching teams of outstanding athletes and coaches abroad to conduct demonstrations and clinics and teach sports administration. We bring several sports administrators annually to the United States for orientation programs as recommended by our embassies. Occasionally we arrange to "pick up" a U.S. group participating in a sports event abroad and send them on a goodwill tour into additional countries. When, for example, the Coca Cola Company sponsored an AAU international swimming meet in London, after the meet we sent four small teams of U.S. participants into Eastern Europe and North Africa. Our sports office, in cooperation with the embassies concerned, evaluates Department-sponsored tours to improve planning for future activities.

The Department also makes a few small seed money grants each year as an inducement to selected organizations in raising private funds to carry out their programs more effectively. Reflecting our interest in two-way interchange, we recently assisted the Partners of the Americas to develop a program of sending a group of basketball coaches to Latin America and bringing soccer coaches to their partner U.S. states.

In addition to these programs, we facilitate private efforts, when possible, by providing briefings on the cultural and political situation in countries to be visited, by offering suggestions for cooperative programming, by assisting with overseas communications or by furnishing guidance on international affairs. In response to requests for guidance from private organizations, our sports office has contracted for preparation of a manual on "how to conduct a successful international sports tour." We hope it will be helpful to private groups requesting it. Our Consulate General in Munich furnished considerable planning assistance to the U.S. Olympic Committee over a period of months. Thousands of Americans will be involved in the Olympic Development program as well as in the 1976 Olympic Games when 7,000 athletes from 122 nations will participate. We may be called upon to provide facilitative assistance.

There are thousands of privately-sponsored international sports activities annually involving trips to and from the United States of athletes, coaches, and administrators. It is in our national interest—in the U.S. taxpayers' interest—to help ensure that these activities do in fact contribute, to the maximum extent possible, to better international mutual understanding.

I frequently have been asked by leaders of private U.S. sports organizations what more they might do, beyond what they already are doing, to further international understanding. You might be interested in 12 suggestions I offer to them for their consideration and action:

1. Help strengthen the Olympic movement, including the Olympic development program.

2. Strengthen the ties which bind us with other peoples by actively participating in international sports associations.

3. Encourage excellence in all aspects of international interchange.

4. Ensure that participants conduct themselves as representatives of their country.

5. Develop cooperative programming with other private organizations such as People-to-People Sports Committee, Partners of the Americas, Operation Cross-Roads Africa, Sister Cities International, youth, and community service organizations.

6. Seek greater public visibility through the media to expose the maximum number of people here and abroad to the international goodwill generated.

7. Help insure U.S. participants in international sports interchange gain advance understanding of important cultural differences and political realities.

8. Seek facilitative and financial assistance of U.S. companies operating internationally, since they have an interest in carrying out public service activities abroad as they do in the United States.

9. Develop and carry out international sports events in support of disaster relief, which also serves to dramatize the humanity of sports.

10. Encourage and publicize the participation of international federation representatives at sports events to dramatize the universality of sports and its contribution to international understanding.

11. Assist other nations as requested in building their counterpart sports organizations to ensure ongoing interchange.

12. Provide home hospitality, in cooperation with community organizations, for international sports visitors to the United States.

We receive inquiries occasionally about State Department policies or guidelines concerning sports. One of our most important policies with respect to international sports is to encourage and assist while at the same time seeking to preserve and encourage the private sector initiative, vigor, diversity and dynamism which are America's strengths. Sports in the United States is best handled and managed by the private sector—not the government. Therefore, our facilitative role in helping U.S. sports organizations carry on their own international programs effectively is our most important one. Aside from encouraging but not controlling effective international communication through sports, we have very few policies. I would mention, however, the following:

The Department of State supports the Olympic movement and encourages the pursuit of the Olympic ideals. We hold with the Olympic precept that it is not winning, but participating well that, over the long term, will contribute most to enhancing international understanding and cooperation. We cooperate with the U.S. Olympic Committee in carrying out their Olympic development program.

The U.S. supports the United Nations Declaration of Human Rights and the principle of opposing discrimination. Sports should advance the ideals of individual dignity and human rights without regard to race, sex, color, or creed. In late 1972, the United States voted with the majority of nations in the General Assembly to uphold this principle in sports. On that occasion we noted with regret that some national and international sports organizations continued sports interchange with South Africa involving teams closed to otherwise qualified athletes because of their race and color. At that time we urged U.S. sports organizations to follow this principle.

We encourage increased participation by women athletes in international sports.

We encourage and facilitate actions which will result in the greatest possible contribution to international mutual understanding and which will minimize possible misunderstanding. We urge American sportsmen going abroad to view themselves as representatives of their country, to act accordingly, and to avoid poor sportsmanship which can reflect adversely on themselves and all Americans.

We assist, on request, private organizations and groups in understanding the political realities which may be important to them and to the United States in their international activities. We encourage private U.S. organizations in their dealings with sports organizations of other nations, and particularly those with highly-centralized governments and sports ministries, to become acquainted with relevant international rules and with negotiating techniques employed by their international counterparts so as to not put American sportsmen and organizers at a disadvantage.

In our own international sports programming, we attempt to be responsive to requests of other nations seeking American athletes, administrators, and coaches, rather than forcing our experitise and exports on them.

In the few international sports tours we sponsor, we concentrate on geographic areas of the world where communication is limited and where privately-sponsored programs are less likely to go.

We prefer to sponsor teaching teams of coaches and athletes who can work together with their international counterparts rather than competitions which can create aggressive or hostile feelings. To the extent we sponsor international competitive activities, we prefer to do so in those sports less likely to produce confrontation. We prefer to encourage and carry out programs which result in two-way interchange and dialogue.

We endeavor to carry out an evenhanded policy with respect to the private sports organizations in the United States. We cooperate appropriately with all groups contributing to international mutual understanding. The inter-organizational jurisdictional disputes on occasion create difficulty for the Department of State and embarrassment to all Americans; we take pains to not exacerbate or become involved in their problems and to take into account the rules of the many U.S. and international sports organizations. At the same time, we do not hesitate to ask them to cooperate with each other and with us in the national interest.

As with people in other sectors of American life whom we seek to bring into contact with international counterparts to further mutual understanding, we sponsor and encourage excellence. To do otherwise can be insulting to hosts abroad and demeaning to ourselves.

I am grateful to the International Studies Association and the International Society for Educational, Cultural, and Scientific Interchange for taking the leadership in expanding the scholarly interest in this key international activity. There is certain to be a radiating impact from this conference leading to greater cooperative efforts of the U.S. academic and sports communities to increase international mutual understanding. I would only urge full speed ahead as you address these issues so important to all of us.

Thank you for your continuing work to further the ideals of sports worldwide and in the process for helping to build the human foundations for the structure of peace.

THE ENERGY CRISIS IS NOT A CRISIS

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. SYMMS. Mr. Speaker, there is still a great deal of discussion about the energy shortage we have experenced. The April 1974 issue of the Alternative contains the following article about the energy crisis. I think that my colleagues in Congress will find the following article interesting:

[From the Alternative, April 1974]

The Energy Crisis Is Not a Crisis

(By Timothy J. Wheeler)

In the year 301 A.D., the emperor Diocletian called a press conference. "Unprincipled greed," [1] he said, had caused food prices to go up eightfold recently, and as Emperor of all the people, it was his duty to bring prices and wages into line. He had therefore issued a total edict that "commanded cheapness" in many hundreds of commodities and put ceilings on wages in almost every occupation, with the death penalty for offenders.

Did comprehensive wage-price controls, enforced with the death penalty, stop inflation? Not exactly. Thirteen years later the historian Lactantius reported the results of Diocletian's edict: "After the many oppressions [2] which he had put in practice had brought a general dearth upon the empire, he then set himself to regulate the prices of all vendible things. There was much bloodshed upon very slight and trifling accounts; and the people brought provisions no more to markets, since they could not get a reasonable price for them; and this increased the dearth so much that at last, after many had died by it, the law itself was laid aside." In a word, Rome starved.

In the year 1971 A.D., eleven days after promising that he would never impose wage-price controls,[3] the emperor Richard called a press conference to announce that he had

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Footnotes at end of article.

issued an edict imposing controls on most prices and wages.[4]

Did general wage and price controls, enforced by the Internal Revenue Service,[5] stop inflation? Not exactly. Two years later the historian Timothy observed that Richard's edict had brought a general dearth upon the empire. Among the goods reported in short supply after the imposition of controls were: wheat, beef, corn, soybeans, fish, pork, milk, cheese, bacon, chickens, turkeys, salmon, raisins, potatoes, dried fruit, mayonnaise, catsup, peaches, margarine, canned vegetables, canned meats, asparagus, artichokes, lobster, frozen berries, green beans, peas, apricots, Spam, cooking oil, baked beans, potato chips, onions, quail eggs, truffles, prawns, turtle meat, pitted cherries, capers, juniper berries, king crab, frogs, earthworms, lumber, paper, steel, horses, mules, copper, pet food, business forms, cow gallstones, cement, aluminum, machine tools, heavy machinery, plastics, detergents, fertilizers, hay, drill pipe, coal, hydroelectric power, and a large number of parts, supplies, and minerals for business and industry.[6] And, of course, petroleum—the energy crisis. . . . *and the people brought provisions no more to market since they could not get a reasonable price for them.*

There seem to be a great number of people who don't know what is causing the energy crisis. I am not one of them, and if you are, you did not read our little history lesson with your thinking-cap on.

Shortages are a novelty in this land of plenty. Understandably, many people blame the oil companies, or greedy capitalists, or them damn Arabs for the energy crisis. Possibly so, if we were only short of oil. But we need another sort of explanation for shortages of many different goods at once. Them Arabs can stop selling oil to the United States, but they can't cause shortages of beef, or coal or quail eggs.

A shortage means not enough supply to meet demand. When there is one shortage, the problem is not enough supply (dried up wells or Arabs). When there are many shortages, the problem in common is too much demand (a dollar blizzard). In other words, apart from the Arab oil embargo,[7] the oil shortages has little or nothing to do with the oil industry,[8] and everything to do with the surplus of dollars. We may conclude without doubt that the energy crisis originated in the money factories of Washington, D.C. The principal villain is inflation.

Inflation alone, however, does not cause shortages, at least not right away.[9] It robs widows and orphans, damages contracts, invites mismanagement, undermines morality (yes, it does), encourages shoddy merchandise, raises hell with the economy, causes depressions, and makes politicians wealthy, but that is another story.

What we need to know here is that inflation is an increase (an inflating) in the money supply—legal counterfeiting. The more money (or anything) there is in circulation, the less it is worth. So, as the government money factories keep producing more money,[10] the price of the dollar goes down and down, meaning that the dollar price of beef and coal and everything else goes up and up. When prices rise, tempers rise. As things get worse, the government promises to "fight inflation," [11] and the stage is set for the emperor to call his press conference.

Shortages never occur in the free market because prices can (and do) fluctuate to reflect changes in the supply and demand. When there is a greater demand for widgets, either 1) widget makers will make more widgets to satisfy the demand, or 2) the price of widgets will rise and demand will fall until supply and demand are again in balance and trading resumes. In either case, supply is sufficient to meet demand at the market price and there is no shortage.[12] You could not cause a shortage even if Uncle Howard left you enough money to buy up 99 percent of the world's widgets or gold or quail eggs.[13]

Shortages occur only when prices are fixed at a level below what the market says they should be. Naturally, more buyers want to buy at these bargain prices, but fewer sellers are willing to sell. There is not enough supply to meet demand at the government-fixed price, and that is what we call a shortage.

Competition eliminates the possibility of fixing prices in the open market—regardless of what you may have heard about monopolists, profiteers, price collusions, or sharpies who corner the widget market. To fix prices, you have to destroy the market—overrule the continuous bargaining by millions of traders that keeps the goods moving by adjusting prices. It takes power and a lot of it to thwart these millions of traders and enforce fixed prices.[14] The only force strong enough to do it is the law—police power. Government and only government has the power to fix prices and cause shortages.

Now we have pinned down the two principal causes of the energy crisis: government counterfeiting (inflation) and government price fixing. The first debases the currency and causes commodity prices to rise; the second foolishly attempts to suppress these price rises by force, and only succeeds in keeping goods off the market. Massive government regulation of oil and related industries makes matters a lot worse, but that need not be discussed here.[15]

To sum up: there is an energy crisis, but it is strictly artificial and man-made. It is caused by Emperor Richard's policies. It could be cured overnight by reversing those policies and letting the market function.

The emperor Richard knows all this. He knows he caused the oil shortage, and he knows he could end it tomorrow. Yet he does not do so. He believes his policies should remain in effect even if it causes the public inconvenience and hardship. The energy crisis, you see, is not a crisis at all. It is official U.S. government policy.

Why? Why does the government persist in policies it knows to be harmful to the public? Why is it an article of faith among politicians of both parties to keep oil prices fixed at artificially low levels, even though it causes shortages? These can be vexing questions if you trust politicians and believe the government is benevolent.

Such questions are less troublesome if you assume, realistically, that the principal business of the government is looking after the government, i.e., the care and feeding of politicians. Its policies are therefore shaped not by what is good for the public, but by what is necessary to stay in power. Call this cynicism if you want to, but it also helps to observe that the government is in business to fight miseries, not to cure them. If it cured our miseries, it would be out of a job. Since the job pays more than $450,000,000,000 a year (federal, state, and local)—with superb prospects for advancement—few of our miseries are likely to be cured by politicians. Indeed, politicians welcome and occasionally contrive new miseries for the public, since they can increase their wealth, prestige, and power by promising to "fight" this new evil. Emperor Richard's "fight" against inflation seems to be along these lines.

In my opinion, the government persists in its "energy crisis" policies because it is politically expedient. Gasoline and fuel oil prices affect almost everybody. Low prices are more popular than high prices. Therefore, the politicians promise to fight for low prices. They argue that lifting price controls would send gasoline prices out of reach of the poor—and after all, the poor are just as entitled to buy gasoline as the rich [16]. They promise to develop new sources of oil. And if the shortage persists, they still promise that everyone will get his "fair share" by—"reluctantly" of course—imposing gasoline rationing. Every one of the promises will be fulfilled with your money, and they will all help keep the energy crisis going and politicians employed.

Here is a sample of the prevailing political rhetoric: (Washington-AP)—"Proposals to lift price controls from natural gas could cost consumers an extra $18 billion annually in increased fuel costs, Representative Les Aspin (D.-Wis.) said yesterday. He said that natural gas deregulation 'amounts to nothing less than a multibillion-dollar profit grab by giant oil companies. . . ."

Representative Aspin is really pitchin' it. The fact is, he and his colleagues have already grabbed the $18 billion, and a lot more, with inflation. Every new dollar the federal government creates is a dollar stolen out of the economy. You and I have to cover these losses by paying higher consumer prices.[17]

Deregulating, freeing the market from the politicians' stranglehold, would make gasoline, fuel oil, and natural gas available again in plentiful supply. You would be able to buy "your share"—all you want and can afford. You would indeed have to pay more for it: not because the giant oil companies are ripping you off, but because the government is. The value of the dollar has been falling since 1862.[18]

But lifting wage-price controls would also mean less power and wealth for politicians, and they won't permit it. Politicians have been playing these games for millennia as we have seen, and they have invented an awful lot of ways to perpetuate and cover up the wholesale larceny that is the standard of excellence in their profession. The race has been on ever since King Glogg discovered he could take your money—without the risk of getting clubbed—by calling it taxation. Since that sorry day, politicians have invented indirect taxes (taxes hidden in the price of goods), progressive taxes, inflation-counterfeiting (a tax on capital), tax withholding (so you won't notice), and other refinements. They have also invented national emergencies, wars, austerity programs, rationing, and such to force you to lower your standard of living to what it should be after they've cleaned you out. No sacrifice you can make is too great to keep this noble enterprise afloat. So turn down your thermostat, drive at 55 mph, stop visiting grandma on Sundays, and stop bitching about it.

The price of a commodity, not bureaucrats, should tell you how to use it. If the price is low, you use it freely. If it is high, you have to conserve. By lifting controls and letting the dollar sink, the government would automatically promote the conservation of scarce energy. In the face of high petroleum prices, people would turn down their thermostats, drive slower, form car pools, and so on without being told by Washington, D.C. By retaining controls, the government is actually encouraging fuel wastage. And the next step, gasoline rationing, is much more wasteful.

You may as well get used to it all. So long as inflation and wage-price controls remain the operative federal policy, there will be general shortages, including of course the "energy crisis." How long this will go on, I don't know. But look what happened to Diocletian's Rome.

FOOTNOTES

[1] Politicians always blame the greedy and the profiteers when the public refuses to accept debauched currency at its face value; and as you can see, they have been doing it for millennia. Actually, the statement can be taken at face value referring to the greed of Diocletian and his predecessors who had, over two centuries, debased the Roman denarius from nearly pure silver to 99.98 percent base metal—in effect, the denarius was inflated to 1/4700 its former value. Here is what the Second Continental Congress had to say in November 1776, five months after it began

issuing worthless paper "Continentals" to finance the Revolutionary War: ". . . any person who shall hereafter be so lost to all virtue and regard for his country as to refuse to receive said bills in payment, or obstruct and discourage the currency or circulation thereof . . . shall be deemed . . . an enemy of his country."

[2] Lactantius is referring to the welfare state, reckless inflation, and crushing taxes. Nowadays, we call these "progress," not "oppressions."

[3] When the Administration later promised there would be no gasoline rationing, the nation's supply of gas cans sold out in a few days.

[4] "The lesson that government price fixing doesn't work is never learned"—Richard M. Nixon, 1956.

[5] A police agency.

[6] I am not making this up. In the interests of even-handed justice, I can also report that those goods reported in plentiful supply over the same period were: sunflower seeds, paper money, taxes, and political rhetoric.

[7] Shutting off, temporarily, between 5 and 10 percent of our usual supply (published figures vary)—not enough to cause serious dislocations.

[8] If further evidence is needed, available U.S. oil supplies are, in the middle of the crisis, at or near record highs.

[9] Over the long term, inflation seriously damages productive capacity by encouraging misinvestment. This restricts supply, and will cause shortages if price controls are in effect, or even higher prices if there are no controls. Either way it can prompt politicians to declare an emergency and impose controls on nonpoliticians.

[10] Unfortunately, nobody throws used money out with the rest of the garbage. The supply keeps growing, and its value sinks accordingly.

[11] A classic case of the government's unfailing preference to fight an evil instead of curing it. In this case, the government solemnly pledges to "fight" inflation when all it need do is *stop inflating.* Don't bother telling your representatives to stop inflating. They would sooner dishonor their mothers.

[12] The market is nonstop bargaining by buyers and sellers, both seeking the best price they can get. These traders, the experts in supply (what's for sale) and demand (what people will pay money for) will find the right (mutually agreeable to both) price to keep the goods moving. Their livelihood depends on it. So long as the traders can strike a bargain at whatever price they choose, goods will be readily exchanged and no shortage will develop. The goods stop moving and shortages (or surpluses) commence when the price is fixed by law at a point where either buyer or seller refuses to trade.

[13] When you try to cause a shortage by cornering the widget market, you will be bidding against all other widget buyers in the world. The higher you raise your bid, the more the other buyers will drop out of the bidding and order Ajax Patented Widget Substitutes, or go into dry goods. Finally you bid the price of widgets up to $17,000 a dozen. Every garage and attic in the world is ransacked for old widgets to sell to you. You succeed in buying every widget except those owned by that economic hobbyist in Vermont and the fine Smithsonian collection. Is there a shortage of widgets? At $17,000 a dozen? Don't be silly.

[14] Politicians' efforts to thwart traders are never entirely successful. There are always some who would rather trade than obey the law. This is called, notably by politicians, a black market, it works just like a free market, except that black market traders get much higher profit margins and prices to cover the risk of being fined or jailed. This situation is tailor-made for the enterpreneurs of the Mob, who live outside the law anyway. Thus criminals follow the government and its economic interventions the way grackles follow a horse pecking at the manure.

[15] Government regulation tend to cause industrial senility, hamper production, and create privilege and monopoly; and in all cases it causes prices to rise. Somebody has to pay for everything the regulators order, and it turns out to be you and I. I started to do a list of the government's regulatory attentions to the petroleum industry: all the way from the Santa Barbara channel and the North Slope oilfields to your empty gas tank. After the list got to be three pages long, I was too ill to continue, and resolved never to make it public. All this regulatory meddling was justified in the first place by the argument that it would prevent economic crises. You can see how well it prevented the energy crisis.

[16] The learned say that present oil shortages translate into gasoline prices of no more than 55–70 cents per gallon. The poor, like the rest of us, could conserve and buy less. It seems absurd to argue that they could not afford gasoline at such prices, especially if they can afford an automobile. I know from experience that the argument is false. Stationed in Europe a dozen years ago, I could buy gasoline from the Army, tax free, for 12 cents a gallon, but the Europeans had to pay 70–90 cents a gallon; it was sold by the litre. The Europeans were far worse off economically than American poor are today, but they managed very well despite an "unaffordable" price of gasoline. They adjusted to the circumstances with small cars, motorcycles, bicycles, and hitchhiking.

[17] Theft losses are deductible on federal income taxes. It would be interesting to deduct inflation as a test case.

[18] The year honest Abe Lincoln invented greenbacks. The Supreme Court legalized them seventeen years later, notwithstanding that the framers of the Constitution had specifically denied to both federal and state governments the power to print paper money. The paper money in your pocket is still not constitutional. Come to think of it, it's not even money.

FRESHPERSON POWER

HON. ELIZABETH HOLTZMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Ms. HOLTZMAN. Mr. Speaker, I would like to share with you and my colleagues in the House of Representatives a speech I gave on April 1, 1974, before the New York Women in Communications on "Freshperson Power":

FRESHPERSON POWER

Recent years have seen all kinds of people on the outskirts of power flexing their muscles. We hear of black power, senior power, women power, Indian power—to name a few.

I would like to discuss a new aspect of this phenomenon—freshman power. Or shouldn't we call it "freshperson" power? In these liberated days, the words "freshman" or "freshwoman" would seem too restrictive. But more important, "freshperson" carries a delightful dual connotation. It implies newness and new approaches, and it also suggests a wholesome impertinence and impatience.

The freshperson is not a novel phenomenon. But it is one that, unfortunately, has not received proper political or sociological attention—yet. Let me explore with you some of the main features of freshperson power.

I hope I won't be accused of being too unscientific if I pick myself—a rather unrandom selection—as an example.

The easiest way to detect a freshperson around the halls of Congress is to see which offices still have lights on after 6 p.m. Freshpersons are those who still haven't learned a fundamental Congressional maxim that was succinctly explained to me by a senior member: "The way you get along is to do the minimum."

The second characteristic is a singular reluctance to accept the ancient wisdom that you can't accomplish a thing in Congress until you have years of seniority under your belt (and pushing out your stomach), or a committee chairmanship to crown your head with grey.

So, freshperson power comes about when people follow the maxims they were taught in elementary school: hard work and using your head will get results.

Let me give you a good example of how a freshperson operates. When, in February 1973, the President of the United States announces a massive bombing of Cambodia, your first reaction after shock and dismay is to pull out your Constitution. (Freshpersons, it turns out, have the troublesome habit of keeping that document handy and referring to it often.) You search in vain through the Constitution for any provision authorizing the President to commit U.S. forces to hostilities without Congressional approval. And you come to the inescapable conclusion that the bombing is illegal. You don't simply rely on the language of the Constitution. You go back to the debates of the Founding Fathers, and you understand in very stark terms what they meant by the system of checks and balances. You realize quickly that the President's claim of unilateral war-making power gives him absolute power over life and death—and you know that the Founding Fathers never intended to concentrate that kind of power in any one person, or even any one branch of government. You realize the horrible distortion of budgetary priorities that occurs when a President, unchecked, can commit tax dollars to a war that he creates, leaving less of the federal budgetary pie for such things as education, health care, energy research, and the like.

When you realize too that the legislative process can't act in time to stop the war, you don't throw up your hands in despair and give up. You don't issue press releases or simply make statements on the floor of the Congress. You don't do what another Congressional sage suggests—something that is "quick and political," but produces no results. You do what I did: you search the case law carefully, and you decide that the courts have the power to halt an illegal Presidential war. And so you go to court.

You're sure that your case has a good chance of winning, although your Congressional colleagues pooh-pooh it, and your supporters wince at your going out on a limb.

But then the decision comes, and, for the first time in history, a court rules that a Presidential war is unconstitutional. An injunction is issued and it actually goes into effect for about four hours. Marshall overruled his decision. You are bouyed and elated by Douglas' decision, by his willingness to insist on the Supreme Court's duty to restrain illegal Executive action, and by his humanitarian determination to prevent any further deaths from occuring as a result of illegal Presidential action.

Unfortunately, Douglas' warning becomes tragically prophetic when mistaken bombing—which occurred once the injunction was lifted—kills hundreds of Cambodian allies.

You get defeated: You see a Supreme Court racing to shrink from a confrontation with the President—and, in so doing, sidestepping its own procedural regulations. But you also have a victory—a landmark Court decision and the education of the American public not only about political courage, but also about the constitutional restraints on Presidential war-making authority.

Freshperson power also depends on the adage ignorance is bliss—you remain oblivious to the suggestion that a newcomer can't, and shouldn't even try to, get a bill passed. So when you are faced with the prospect that a Code of Federal Evidence will automatically go into effect you undauntedly lobby your colleagues on the Judiciary Committee to enact your bill to stop the Rules. The stakes are pretty high—Those rules would have created an official Secrets Doctrine (and would have permitted a President's claim of Executive privilege to go unchallenged even in the courts.) The Rules also would have abrogated any newsman's privilege in federal courts and would have undermined state shield laws in the process.

This audience knows perhaps better than anyone else the significant role that a free press and free media have played in exposing official abuses and corruption—from Watergate and the President on down. So your bill is passed—

A freshperson is not only willing to confront the President when he abuses his power and the Supreme Court when it issues bad rules of Evidence; but is also impatient with bureaucracy, with red tape trammeling helpless people in its web. And so you fight absurd and inhumane bureaucractic decisions.

You get the State Department to reverse itself and grant a one-day visa for a visiting Latin American scholar to appear at a scholary conference at Queens College. You battle the Treasury Department and Social Security Administration so persistently that they agree to issue *EMERGENCY* checks to 7,000 of the most helpless New Yorkers, the poverty-stricken elderly and disabled whose singluar misfortune was that their new SSI checks were never delivered to them. They would have otherwise been relegated to starvation and despair for weeks until the new checks could be delivered.

And, of course, the surest clue to a freshperson is someone who asks the simple Question—WHY?

For some inexplicable reason, a freshperson never seems to outgrow the obsession with asking fundamental questions. So, for example, when the Secretary of Interior appears at hearings on leasing federally-owned, off-shore oil lands, ask him why the government charges a mere 16+2/3 percent royalty while some Arab countries are charging a 60 percent royalty. The question produces great consternation. And the answer you get, "We have always done it that way." Undaunted, you ask, "Is there any other justification for the figure-economic, business or political?" The answer is, "No, just history." Since billions of dollars of government giveaways to the oil companies may be involved, you request the General Accounting Office to investigate government royalty charges.

When your elderly constituents come to your District Office to complain that Medicare keeps cutting back on their reimbursements, and that they are often left with unreimbursed doctors' bills of thousands of dollars, you ask—WHY. You find that last year New York City's Medicare recipients lost $70 million in payments, and you find that two out of three New Yorkers are penalized while only one out two people in other states are in the same position. You ask for a GAO investigation of this problem.

Both off-shore royalties and Medicare problems have been around for years, but no one seemed to get around to questioning these matters and finding out what should be done to correct them.

Let me not, however, leave you with the impression that freshpersons are infallible. Sometimes—although rarely—you do make mistakes. If you are innocent enough to assume that a President will never conduct himself so as to be impeached—and many freshpersons are innocent in that way—you say when committee assignments come up, as I did, that you don't wan't to be on the Judiciary Committee because that's not where the action is going to be. But the older and wiser heads—hardbitten and cynical—know better and put you on that committee. And, so, despite yourself, you find yourself in the middle of history.

What is the moral of this story? (Keep fighting—and I'm addressing each of you here tonight when I say this.)

Freshperson power—to be serious about this term for a moment—is not limited to newcomers. Instead, it is open to anyone with the willingness to ask hard questions, the persistence to avoid the stereotyped roles created for you, the courage to challenge dishonesty and arrogance, the compassion to confront the callousness that assaults us, and an impatience with the status quo.

Women especially are newcomers in spirit to the establishment of power. We have not yet been corrupted by defeat, frustration and the participation in the cynical abuse of authority.

The battle for a decent society is there to win. I call on all of you to join me in the fight.

For us as women as for all freshpersons, the power is there to shape a truly just and decent society.

THE CRISIS IS IN UNDERSTANDING

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. LANDGREBE. Mr. Speaker, at a time when the problems of inflation and recession are weighing heavily on the minds of the citizens of the United States, I think it is time we put in perspective these problems and consider the place of private enterprise and its meaning to the people of this country. The following views of Mr. Earl W. McMunn, for the Ohio Farmer, present the status of our situation with decided clarity and insight. I would hope my colleagues would read and reflect upon Mr. McMunn's ideas as I find them pertinent to the issues at hand:

THE CRISIS IS IN UNDERSTANDING

(By Earl W. McMunn)

What's bothering you most these days? Probably inflation and the energy shortage. These are questions which concern people all over the country. Ours is an economy which runs on oil. And everyone is hurt by inflation.

There may be agreement on the questions. But people in positions of power are poles apart with the answers. There is good reason for this. The questions we face are largely economic in nature. But we are trying to apply political answers.

Economics is simple and easy to understand. It's only when we confuse economic thinking with political expediency that the going becomes difficult. And all too often the solution fails to work.

Ours is an economic system built around one simple word. That word is production. It is the boundless production of the American private enterprise system which has given us the world's highest living standard. Nothing like it has ever succeeded in lifting so many people to high levels of affluence.

This production did not come by chance. Neither was it the result of government planning or edict. It was the result of another simple word. That word was profit. Our incentive-oriented system offered rewards in the form of profits. And profits benefited all the people of this country by encouraging production of the things they wanted.

It's no accident that seven percent of the world's people use a third of the world's energy. Or, that we have almost 40 percent of the world's television sets and almost 45 percent of the world's motor cars. Or, that we use a third of the world's electricity, or a fourth of the world's steel and fly almost 60 percent of the commercial air miles. This is the affluence our incentive economic system has produced.

Now we are in a time of crisis. But the real crisis is not in inflation or a shortage of energy. These are but two of the symptoms. The real question is whether enough people understand the system which has provided their good living and the measures which are eroding it away.

During recent months the halls of Congress have reverberated with debate about energy supplies and food prices. But all the rhetoric has not put an extra gallon of gasoline into any tank or an extra steer into any feedlot. Some of the political solutions have made it more difficult to do either of these things.

The truth is that too many people don't understand that production is the only cure for shortages. And, that profit incentives will increase production if we but give them a chance to operate.

Price performs like the governor on a well-tuned engine. Each shift in price is a signal between the producers and consumers. Higher prices flash the message for more production. Lagging prices are an indication that too much product is going to market.

Government price controls are the political panacea which prevents the governor from operating. Messages which keep supply and demand in balance no longer get through. Then, control advocates blame the incentive enterprise system—never the roadblocks they have thrown in the way.

Rationing is no cure for shortages. It only spreads the misery. That's all it ever accomplishes, even when it can be made to work. And human nature being what it is, you can't often make it spread the shortages in an even-handed manner.

Our incentive enterprise system is under attack from two kinds of people. Some know what they are doing, and others do not. Those who know what they are doing include members of the "radical left." They believe in socialism where the people are directed by the heavy hand of government and there is no freedom to operate your business as you think best. This idea won't sell to freedom-loving people—so it is disguised under a variety of misleading labels.

The people who don't know what they are doing may be more benevolent, but are just as dangerous. With friends like these, you don't need enemies! A political solution that wrecks the economy is no help to anyone. Let's look at a few recent examples:

Little more than a year ago some consumers decided meat was too expensive. Egged on by "consumer advocates" and some elements of the press, they staged the meat boycott. This, in spite of the fact that food was then just about the best buy in the history of the nation.

The idea was to pressure livestock prices downward. What was the result? You know the answer. Livestock producers got the message, but not what the agitators had intended. The message was that consumers weren't willing to pay an incentive to get increased production. Why produce more, if your product isn't in demand. Producers sent sows carrying unborn pigs for this year's meat supply to market in record numbers. Supply lines were disrupted. Meat now costs more than it would have cost without the boycott.

Now we're going through the same thing with energy supplies. It isn't that we are out of fuel. Remember, we use a third of the world's total. We'd like to use more, and people have the money to pay for it. The supply of available money is greater than the supply of fuel. That is our trouble. But, what do we do? We try to hold down prices, and insist that everyone gets some.

This accomplishes two things. They are both bad, if we expect to solve our economic problem. Holding down the price stifles production. It also encourages unnecessary use.

Here's a solution with political sex appeal. People want cheap fuel, just as they want cheap food, cheap automobiles, and everything else. "Let's roll back prices and give them what they want." It's not until the scheme fails that the people realize they have been duped again. It all goes back to the simple principle that government has no wealth to give. Wealth comes only from productive work.

Attempts to help consumers by controlling prices are not new. The idea has been tried by rulers throughout recorded history—always with the same disastrous results.

The Romans tried it more than 1,700 years ago. Emperor Diocletian was famous for at least two reasons. He attempted to exterminate the Christians. He also tried to control wages and prices. He failed in both attempts.

Diocletian issued an edict freezing wages and prices. The penalty for any "chiseler" was death. But the scheme failed, just as it always has done. One historian of the time wrote:

"The people no longer brought provisions to market since they could not get a reasonable price . . . and many died . . . and the law was laid aside."

Americans deserve better than this. Our heritage of abundance was created by production and profits. Only incredible economic illiteracy can lead us to fumble away this birthright for a mess of pottage.

But the temptation to offer political panaceas for economic ills is always with us. Often it is almost irresistable. Isn't it the duty of the government to provide for our every need? What about the threats to "get" any Congressman who fails to comply?

So we accept continuing doses of unsound economics. Inflation results when the supply of money increases faster than the supply of goods. Where do we get that extra money? The federal government is the major source. Government spending is greater than income. Printing press money makes up the difference.

It's little wonder that our national debt has soared to something like half a trillion dollars. And it hasn't stopped there.

But the sad truth is that some of the leading spenders are most vocal in deploring the inflation they have helped to create. Their cures—more government spending and controls on profits. That's like trying to douse a raging fire with gasoline!

Recent polls reveal a high degree of disenchantment with government in general, and specifically with the performance of Congress. Perhaps the idea is getting around that excess government spending creates inflation. That good living is the result of production. And, that you can't get production without profits.

Our incentive system is a sturdy creation. But there is a limit to the abuse it can take. It can be made to founder with large enough doses of political meddling. This is when the advocates of socialism will move in with proposals to nationalize one industry after another. Always "to protect the people," of course. It can happen if we fail to understand the incentive system and what it does for people. This is why economic illiteracy may be our most critical national problem. It can lead to destruction of the system that has served people so well!

DEMAGOG VOICE ON VIET VETS

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. LANDGREBE. Mr. Speaker, recent public opinion polls show politicians to be held in extremely low esteem by the American public. I submit that the following article by John D. Lofton, Jr., goes a long way toward explaining some of the reasons why. The total lack of respect for our Vietnam veterans displayed by the chairman of the Senate Veterans' Committee is indeed sickening. If our public officials display such demogoguery and total lack of integrity, is it any wonder many of them are held in such low esteem by the American people?

[From Orlando (Fla.) Sentinel, April 11, 1974]

Demagog Voice on Viet Vets

Washington.—I don't know about you, but to me there's something stomach-turning about those who did so much to undermine the efforts of our fighting men when they were at war in Indochina, to be hollering about the lack of support for these same men now that they're home.

There's something nauseating about these people who denounced as criminal and immoral the efforts of over two and a half million American servicemen to help an ally resist Communist aggression, now to be lamenting the fact and wondering why no ticker-tape parades have welcomed back our returned Vietnam veterans.

Can it really be that those who worked so hard to misrepresent, lie about and distort the real role of the U.S. in Southeast Asia do not realize that they are in large part responsible for the degree of indifference, skepticism and downright hostility that has greeted our returned vets?

Exceptionally sickening has been the performance of the chairman of the Senate Veterans Committee, Sen. Vance Hartke. Presiding over a hearing recently, the Indiana Democrat whipped a group of returned Vietnam vets into a frenzy with raw-meat rhetoric.

Waving an "Honor Vietnam Veterans" bumper sticker, he cried: "A bumper sticker won't pay your tuition. It also won't put any food on the table. You can't eat bumper stickers, can you?"

The vets roared.

Hartke is good at this sort of demagoguery. It was he who, as a stalking horse of Endicott Peabody in the 1972 New Hampshire primary, denounced the impoundment of certain medical funds, telling a pregnant woman in Exeter:

"If you should get rubella and your baby should have any mental retardation, it will be Richard Nixon's fault."

The great irony is that while he may be gung-ho for our vets now that they are home, while they were in Vietnam he did nothing but malign their efforts even going so far as to suggest that our Prisoners of War be forgotten and left to rot in their prisons.

When our men were fighting and dying, Hartke criticized the U.S. for staying too long in Vietnam and having "perpetuated too many horrors." Our air and naval forces he attacked as "devastating" the lands of Indochina, "killing and making homeless tens of thousands of innocent civilians in the process." He characterized the war as being fought simply to prop up South Vietnamese President Thieu, "a two-bit dictator."

But the senator's most shocking suggestion was that our POWs be forgotten about.

Meeting with a group of high school students in Washington on March 3, 1971, Hartke was asked how a get-out-of-Vietnam resolution he sponsored related to getting our POWs back. He replied:

"I don't know what happens to American POWs. How do POWs get to be POWs except for having us involved in an undeclared war?"

When a student responded by saying: "We just can't leave them there." Hartke asked, "Why not?" When the student shot back in disbelief "Why not?" there was an uproar with another student exclaiming, "Oh my God."

Hartke then said: "Oh, I know you are shocked, that shocks you. How are you going to get them back? Are you going to go? We've made one attempt," he said, in a reference to the unsuccessful raid by U.S. forces on the Son Tay prison camp near Hanoi.

So, as I say, when people like Sen. Hartke, or Sen. George McGovern wonder why our Vietnam veterans have not been welcomed home as heroes, they have to look no further than their own speeches about the war.

The New York Times has editorialized: "Vietnam was an unpopular war; but that does not diminish the nation's debt to those who served in it."

But the Times is wrong. In making the war unpopular, those who did so have diminished the nation's debt to its Vietnam veterans. And for this they should forever be ashamed.

PRESIDENT JUST LIKE ANYBODY ELSE?

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. MICHEL. Mr. Speaker, an editorial appearing in the Monday, April 22, 1974 edition of the Peoria Journal Star has some rather pointed comments with respect to the manner in which the President is being treated as we move along in the seemingly interminable Watergate investigation. I commend the editorial's message to my colleagues and place it in the Record at this point:

President Just Like Anybody Else?

The President of the United States is a man like other men. Right? He is not above the law. Right? He is not entitled to special consideration or special treatment. Right?

He is answerable and subject to the law like anybody else. Right?

Then, how come unlike everybody else his talks with his lawyers are not confidential, he or his associates can not utilize the Fifth amendment, rules of evidence do not apply when he is under investigation, privacy of preliminary investigation before charges are made do not apply, he is not entitled to a presumption of innocence until proven guilty, it is fair to not only discuss the case and "try it" in press and public, and it is even fair to raise money and stage campaigns for his conviction?

Guilty or innocent, the President is not like other men in that the position he holds is unique, and it exposes him to unique demands, unique responsibilties, and unique expenses, as well.

Richard Nixon is not entitled to normal protections that apply to all the rest of us. That's a fact.

But he is entitled to some of the special protections as well as some of the special exposures and disadvantages that also go with the office. His detractors, however, argue it both ways.

They have taken advantage of the argument that he's "like everybody else" when that assists in injuring him, and have taken advantage of the argument that his is a special case not like anyone else when that assists in injuring him.

The Watergate is and was a disgraceful affair.

Two wrongs don't make a right.

Much of what we are doing adds disgrace to disgrace, and we do not purge ourselves by making a sacrificial goat of the President. We compound the black page in our history—and we create conditions for which we will get the bill, later.

It has been said that most of our problems were caused and created by past "solutions"—and we are now laying by a considerable store of future problems that we don't really need.

FUEL CONSERVATION BENEFITS FROM HIGH ALTITUDE FLIGHT

HON. GARNER E. SHRIVER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. SHRIVER. Mr. Speaker, many Federal regulations governing aviation are often based on policies which may be outdated and deserve reevaluation and reappraisal. Mr. Harry B. Combs, president of the Gates Learjet Corp., Wichita, Kans., spoke recently to the Society of Automotive Engineers 1974 National Business Aircraft Meeting and Engineering Display. Mr. Combs' topic was "Fuel Conservation Benefits from High Altitude Flight." He called on the Federal Aviation Administration to change its stand with respect to high altitude flight for any civil jet structurally capable of operating at such altitudes.

Under leave to extend my remarks in the Record, I wish to include the text of Mr. Combs' address which was made in Wichita on April 3, 1974:

Fuel Conservation Benefits From High Altitude Flight

(Remarks by Harry B. Combs, president, Gates Learjet Corp.)

Although the fuel problem appears to be easing off, I'm sure we all realize the constraints will be with us for a long time to come. For this reason, my subject this morning seems particularly pertinent to our present and future needs.

Since the early experiments in high altitude, long distance flight of the 1930's, most of the benefits have been self-evident. Pronounced fuel savings as well as substantial increases in speed were achieved almost immediately—first with the geared supercharged reciprocating engines and later with the turboprops, the turbojet, and the fanjet.

Today our engineers estimate that during the cruise segment of jet flight, a fuel savings of approximately 20% is achieved for every 5,000 feet of altitude up to 50,000 feet. This is indeed a very substantial saving and it alone should cause us to look carefully at the possibilities of high altitude operations.

Fuel savings, of course, are not the only benefit of altitude. Line of sight radio transmission significantly increases communication and navigational capabilities. There is also the obvious benefit of over-the-weather flight. If permitted, most jets could fly above the tropopause—that invisible line dividing the turbulent troposphere from the relatively stable stratosphere.

It is in the stratosphere where, for all practical purposes, the lapse rate ceases. And with the exception of convection thrusts of an occasional thunderhead this high sky is virtually free from storm conditions.

Those who pilot high performance jets know the tremendous feeling of elation and comfort and relief when at 40,000 to 41,000 feet they burst out of the turbulence and condensation of the troposphere into the smooth, eternal sunshine or starlight of the stratosphere. Here, too, with only a few notable jet stream exceptions, headwinds of any great intensity are seldom incurred.

And last but not least, high altitude flight must somehow be a solution to our ever-increasing traffic problems.

It is interesting to note that our air traffic control system requires horizontal separation of five miles—yet permits a vertical separation of less than one half mile. It's almost as if the system denied the fundamental fact that the airplane is a three dimensional vehicle. This disparity is heightened by the accuracy of conventional OMNI facilities which, before the advent of area navigation, forced the concentration of traffic into corridors, leaving vast lateral spaces unoccupied.

I think it safe to say that virtually all long ranging airline operations are concentrated in cruising altitudes between 29,000 and 39,000 feet, leaving open an almost unlimited canopy of sky above. It would seem obvious that aircraft manufacturers who follow man's dream of improving his capability are compelled to explore the potentials of high altitude flight. This becomes especially clear if we accept the principle that we are approaching a speed limit for business aircraft, at least in the present state of the art.

The problems and costs of supersonic flight are so great that for the next two decades it is doubtful general aviation will invade the field.

True, there has been a great deal of talk about building business jets in the transonic range—particularly in the .95 mach regime. But a hard look at the problem pretty well shatters this dream. It is far more difficult to build an airplane capable of cruising in the .95 to the 1.2 mach category than it is to build a true supersonic aircraft, because some component parts of such an aircraft are forced within the transonic range to obey the aerodynamic laws of subsonic speeds and some the laws of supersonic flow. As a result, the aircraft becomes neither fish nor fowl and ends up an engineering nightmare.

For this reason, I submit that it will be a long time before we cruise in excess of .88 or .89 mach with any economically viable and acceptable business jet. We are very near that capability now.

We can, of course, improve ranges by increasing our propulsion efficiency or by making provisions for additional fuel, or both. But if there is a speed constraint we will eventually reach range limits through cabin comfort restrictions. This leaves only the frontier of altitude where the fuel savings alone are so significant that the potential demands vigorous exploration. Let's see how we are progressing.

In August 1972 one business jet manufacturer considered increasing the maximum flight altitude of its aircraft to 47,000 feet. It wrote to FAA, then about a year later withdrew its request, reportedly as a result of FAA medical experiments documenting the catastrophic consequences of explosive decompression. One summary titled "Physiological Considerations for Certification Of Aircraft For Flight Above 40,000 Feet" will curl your hair. It refers to live tests on human subjects that very nearly ended in disaster, only the rapid restoration of oxygen supply prevented permanent brain damage.

The report states in part: "It must be concluded that the operation of light civil jet aircraft to an altitude of 45,000 feet as currently permitted is, at best, only marginal should a decompression occur to the flight altitude of the aircraft. The body of research indicates it would not be in the best interest of safety to increase the permissible maximum flight altitude to 47,000 feet."

What happens to the human body when it runs out of oxygen—collapse of all consciousness, the rolling back of the eyes, the brain damage—is nothing new. And you don't have to go to 45,000 feet. Holding a man six inches under water for three minutes will produce similar horrors. Moreover, sudden decompression is not a phenomenon unique to high altitudes. The DC–10 over France suffered a pressure failure below 15,000 feet. It was totally destroyed with a loss of 346 lives.

Before I take further exception, not to the FAA study's format but to its nonobjective conclusions, let me qualify myself as a witness.

Although I'm a member of the Mach 2 Club, I'm not an engineer. Although I'm a rated jet pilot, I'm not a physiologist. Rather, I base my qualifications for constructive criticism on the fact that I belong to a select group of individuals who comprise less than two and a half percent of the earth's total population. I'm a privileged member of the "Support The World" group. I am a U.S. federal income taxpayer, along with 77,000,000 other Americans.

Our membership in this exclusive club is strictly on an involuntary basis. Very strong, effective coercive means are used to keep our dues current. In fact, the dues are so confiscatory that many of us work most of the year for nothing. They let us keep the equivalent of only three or four months of our annual pay checks.

The American taxpayer individually and collectively is bearing the heaviest financial burden of any people in the history of civilization. Yet we can be thankful for one thing. As Winston Churchill said, "Democracy is the worst possible form of government except when you compare it with any other." We can also be thankful that under our system we still have the right to criticize our government. We pay dearly for this right, so let's use it.

We must also remember that government always comes after the fact. If it hadn't been for two boys in a bicycle shop in Dayton, Ohio, there wouldn't be an FAA. Somebody had to build an airplane, then along came the government to tell us how it should be built. And how to operate it. And they are still telling us. But industry must take the lead and make something before government steps in to regulate it. So it seems only proper that we have at least a small voice in how the government should regulate the products we create. Because if we don't, there won't be anything left to regulate.

With this thought in mind, I submit that medical evidence alone should not serve as the rationale for regulatory limitations of aircraft performance capabilities. The truth of the matter is simply that the report I quoted merely told us only one thing: namely, man cannot survive outside his natural environment without adequate life support systems. This we already knew. We didn't need a lengthy FAA medical summary to tell us so.

I suggest that the government's approach is wrong. I believe that FAA's attitude should be that manufacturers must prove how flight above 45,000 feet can be done safely, not that operations at those high altitudes are so hazardous we should never venture there. It's estimated that if an aircraft windshield shatters at 275 knots it will kill the crew. Should we limit jet speeds to 275 knots or build a windshield that will hold up at much greater speeds?

It's frightening to think how you might look if you lose all oxygen at 45,000 feet. But if you lose a wing at 500 feet, you won't look so good either. Should we say don't fly at all because if the wing comes off, we'll be dead? We've known that for a long time. That's why we build wings that won't fail. And if we intend to fly high, we must build a pressure vessel that won't decompress. If it were not possible to do this, we would never have put a man on the moon.

If we are going to build a pressurized vehicle it should be built so it will not suddenly decompress and its fail-safe capability should be demonstrated at any altitude. It's a lot like building a bridge. You don't build it with another bridge underneath. You build the first bridge so that it won't fail.

In addition to structural strength, we should also demonstrate that duality of pressurization equipment, such as pumps and inlet and outlet valves and regulators, can insure as much consistency of environment as say the principle of dual engines or dual electronics guarantees other forms of flight safety.

I submit that the FAA should change its arbitrary stand with respect to high altitude flight or any other type of operational activity involving the promise of additional aircraft capability.

Instead, the agency should adopt a positive constructive attitude of—"Show us that you can make it safe." This is a progressive approach and one for which I guess I put up my money when I joined that exclusive taxpayers club.

BLACK LUNG CLINIC 1974

HON. GOODLOE E. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. BYRON. Mr. Speaker, last week I joined with the Social Security Administration in holding the second annual black lung clinic at the VFW hall in Lonaconing, Md. The 1-day clinic provided former miners and their families the opportunity to meet with a team of specialists to discuss black lung claims and filing guidance. There are currently over 4,000 Allegany and Garrett County residents receiving such benefits, under Public Law 92–303.

I would like to take this opportunity to commend the dedicated and understanding men and women who assisted the claimants at the clinic and who made the meeting the success that it was. These include Mr. Hugh Johnson, Assistant to the Commissioner, Social Security Administration, and his Baltimore representatives at the clinic: Miss Helen Harvey and Mr. Larry Ageloff. Representatives of the Cumberland Social Security Office included the Director, Mr. James Robertson as well as Frank Tomko, Glenn Mueller, and David Linn. The Department of Labor was represented by Mr. Frank D'Marino who aided individuals filing for black lung claims for the first time.

I know you join me in expressing appreciation to all these public servants for a job well done.

REPRESENTATIVE LESTER L. WOLFF REPORTS TO HIS CONSTITUENTS

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. WOLFF. Mr. Speaker, in an effort to keep my constituents informed of the legislation on which I am working and to keep them up-to-date on the progress, in Washington, of issues that concern them, I print, at my own expense, a newsletter that is sent to every postal patron in the Sixth Congressional District of New York. Most recently, I wrote to them about the grievous state of the economy and the skyrocketing cost of living, unemployment, and inflation. I included in that newsletter the steps I have taken in this regard to help alleviate these conditions and I also wrote to them about my most recent efforts on behalf of the Vietnam veteran. I am including a copy of this newsletter in the hopes that it can benefit my distinguished colleagues:

NEWSLETTER

Dear Friend and Constituent,

I wish I were able to report to you that inflation was waning, that cost of living increases and unemployment were diminishing, but I cannot. Our economy will not take a turn for the better until this nation balances the scales of supply and demand and sees to it that its domestic needs are met at prices the consumer can afford. To do this, we must curb the vast export programs of oil and agricultural products that have resulted in shortages and the erosion of the American pocketbook at home.

In my ongoing effort to combat rising prices and shortages at the food markets and the attendant hardships and inconveniences being encountered by the housewife in providing for the family table (the result of foreign grain deals, especially with the Soviet Union and Red China) I introduced HR10844, the Export Priorities Act, to regulate the export of agricultural commodities and to mandate that minimum carryovers of these commodities be assured the domestic market before overseas shipments are made. We must provide food for the American table in sufficient supply and at reasonable prices before we ship abroad.

My bill, supported in the House by 80 cosponsors, both Democrats and Republicans, has caused some grain exporters to delay deliveries of overseas contracts, a move that temporarily has slowed down the projected price increase for bread to as much as a dollar a loaf.

With these economic problems on the domestic front, we cannot afford to permit a continuation of the cavalier manner in which many aspects of our foreign aid program are handled. Specifically, I refer to the Executive agreement with India to forgive $2.2 billion in debts owed the United States by the Indian government. This Executive agreement was entered into by Ambassador Moynihan and the Indian government without any prior consultation with Congress, even though it was Congress that originally authorized the selling of food to India at a price to be repaid in Indian rupees.

I have authored an amendment which was included in the recently passed Foreign Assistance Act to return to Congress the right to control any and all settlements, cancellations and renegotiations of foreign aid loans by requiring the Secretary of State to first gain Congress' concurrence before any agreements are concluded.

It is incredible to me that in light of our domestic problems over inflation and skyrocketing costs, steps are not being taken to, not only bolster our own economy, but to end this practice of simply wiping out foreign debts to nations that make no effort to cooperate with us in solving some of our difficulties both here at home and abroad.

WOLFF AIMS TO UPGRADE EDUCATION BENEFITS FOR VIETNAM VETERANS

The new GI Bill unanimously passed by Congress marks a breakthrough in this nation's heretofore often myopic treatment of Vietnam veterans as it increases the education subsistence allowance by 13.6 percent and extends the benefits eligibility time period from eight to ten years. These are significant and long overdue improvements, but they fall short of what I believe is needed to meet our national commitment to these men who fought so hard and so long in an unpopular war.

I am deeply concerned for the future of the hundreds of thousands of Vietnam veterans who for financial reasons are unable to take advantage of their new GI Bill simply because they cannot meet initial tuition costs. Particularly affected are those vets who live in states with high public education costs, such as New York, where tuition expenses average well in excess of $750.

My comprehensive Vietnam Era Veterans Educational Benefits Act, co-sponsored now by many members of the Veterans' Affairs Committee, of which I am the downstate NY member, would ease some of these difficulties that prevent veterans from gaining a higher education. Hearings on this measure are now underway before the full veterans committee.

In brief, this measure I have introduced would amend the GI Bill to provide for payment by the Veterans Administration of tuition costs in excess of $400 per school year to a maximum of $1,000. A second provision would permit a veteran to draw his 36-month educational subsistence allowance in larger amounts over a shorter period of time. (For example, if his subsistence allowance is $220 a month for 36 months, he could draw $440 a month for 18 months.)

It is my firm conviction that we ultimately must upgrade the benefits we afford our Vietnam veterans to a level that is on par with the educational opportunities we provide World War II veterans. All Americans, I believe, will agree with me that we cannot shirk our responsibilty to the Vietnam veteran and that we must honor our obligation by offering him every available opportunity to attain an enriching and productive life. He has earned our gratitude and respect—we owe him a chance at tomorrow.

LEGISLATION DELAY ON INDIAN AFFAIRS

HON. LLOYD MEEDS

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 25, 1974

Mr. MEEDS. Mr. Speaker, the Indian Affairs Subcommittee had announced hearings for next Monday and Tuesday, April 29 and 30, on two bills of major importance to the Indian community.

Hearings were scheduled on April 29 on House Joint Resolution 881, the American Indian Policy Review Commission, and on April 30, on S. 1017, the Indian contracting-educational reform bill. Unfortunately, we have had to cancel those meetings.

The full Interior Committee is in the midst of consideration of H.R. 11500, the surface mining bill, and we in the full committee are working diligently to get this legislation to the floor as soon as possible. Because of the scheduled Democratic Caucus next Wednesday and Thursday, which will prohibit the full committee from meeting, the full committee will meet on Monday and Tuesday on the surface mining bill.

I am sorry this will mean delay in considering what I believe to be progressive legislation in the area of Indian affairs. However, these hearings will be rescheduled as soon as our schedule permits.

HOUSE OF REPRESENTATIVES—*Monday, April 29, 1974*

The House met at 12 o'clock noon.

Rev. Jack P. Lowndes, Memorial Baptist Church, Arlington, Va., offered the following prayer:

Let every person be subject to the governing authorities.—Romans 13:1.

Our thanks to Thee, O God, for the help and guidance of Thy Spirit through the centuries and for Thy presence in our world now.

Our thanks to Thee for the land Thou has given us and for those who serve as our leaders. Guide us now through the troubled waters in which we move. For the Members of this body we pray—the House of Representatives of the United States of America. Keep their consciences alive, their spirits alert, their minds open, and their bodies able and willing to follow Thy way of love.

In Thy name. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of his secretaries, who also informed the House that on April 24, 1974, the President approved and signed a bill of the House of the following title:

H.R. 12109. An act to amend the District of Columbia Self-Government and Governmental Reorganization Act to clarify the provision relating to the referendum on the issue of the advisory neighborhood councils.

LEAVE OF ABSENCE

The SPEAKER. The Chair recognizes the gentlewoman from Michigan.

Mrs. GRIFFITHS. Mr. Speaker, I ask unanimous consent for leave of absence for the gentleman from Michigan (Mr. Diggs) through this legislative week, because of illness.

The SPEAKER. Is there objection to the request of the gentlewoman from Michigan?

There was no objection.

WE SHOULD NOT RENEW WAGE AND PRICE CONTROLS

(Mr. ROUSSELOT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROUSSELOT. Mr. Speaker, my colleague from New York (Mr. Koch) has just suggested that we should renew Federal wage and price controls. I think the exact opposite action is required. I believe it has been proven that the Government cannot manage the vast number of daily decisions relating to wages and prices in this country and that, in fact, the wage and price control mechanism has contributed mightily to the inflationary impact which we are now suffering.

Mr. Speaker, the very fact that these consumer prices that the gentleman from New York mentions have gone up is the direct result of the fact that wage and price controls are being taken off now. The unnatural pressures that have built up under those economic controls has occurred as a result of those arbitrary lids and controls. Now, the free marketplace is beginning to work again. The Congress caused the problem when it originally instituted wage and price controls in 1970.

Mr. Speaker, I could not disagree with my colleague more. Evidently, the Committee on Banking and Currency does not agree with Mr. Koch either, because it voted 21 to 10 to discontinue wage and price controls.

THIS IS POSTAL REFORM?

(Mr. GROSS asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. GROSS. Mr. Speaker, in opposing the so-called Postal Reform Act of 1970, I predicted on this floor that the new Postal Service would be self-sustaining—"completely free of deficit—as long as it has a pipeline out the back door pumping up money from the public well."

I am not at all pleased that this prophecy is being fulfilled.

In this fiscal year which ends June 30, the Postal Service has already received appropriations from the Federal Treasury of $1,478 million. Just before Easter the House voted a further nest egg of $230 million. An additional supplemental of $284 million is being incubated. Assuming final action on these two supplementals, the Federal Treasury will have pumped nearly $2 billion of Federal tax revenue into the Postal Service in fiscal 1974. Yet incredible as it may seem, even with this massive Federal payment, the Postal Service estimates a net operating loss of $385 million for fiscal 1974.

This means that in the third full year of operation of the new Postal Corporation, the total deficit—the difference between operating revenues and operating expenses—amounts to nearly $2.4 billion. This is exactly twice as much as the largest "revenue gap" which ever existed in the old Post Office Department—$1.2 billion in 1970.

Mr. Speaker, I seriously question that the Nation can afford this new "self-supporting Postal Service."

RESULTS OF QUESTIONNAIRE FROM 29TH DISTRICT OF NEW YORK

(Mr. KING asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matters.)

Mr. KING. Mr. Speaker, in mid-February I submitted my annual questionnaire to the residents of the 29th Congressional District of New York. I have, to date, received a very heavy response to this poll and have just received the tabulated results which I would like to share with my colleagues.

Since more than 20,000 persons responded to the poll, I believe the questionnaire virtually constitute a referendum of the district, and I have found it to be an excellent antidote to pressure mail.

Under leave to extend my remarks in the Record, I wish to include the tabulated results of my 1974 questionnaire:

1. Do you believe that sufficient proof of wrongdoing by President Nixon has been presented to warrant impeachment? Yes, 48%; no 52%.

2. Do you favor proposals to finance Presidential and Congressional election campaigns from tax money? Yes, 43%; no, 57%.

3. Do you believe the United States should give Russia and China the same beneficial trade status that non-communist countries are given? Yes, 36%; no, 64%.

4. Do you think the Federal government should provide a health insurance program to everyone, even if it meant higher taxes? Yes, 46%; no 54%.

5. Do you think Congress should allow drilling of oil on the outer continental shelf (in the Gulf of Mexico and the Atlantic Oceans)? Yes, 86%; no, 14%.

6. Do you approve of the new farm bill establishing a floor under agricultural prices? Yes, 53%; no, 47%.

7. Should the U.S. impose export controls on feed grains and other scarce commodities until our domestic needs are filled? Yes, 95%; no, 5%.

8. Should Congress adopt a strictly enforced limit on total federal spending each year? Yes, 85%; no, 15%.

9. Do you think the President should be compelled to spend all funds appropriated by Congress? Yes, 31%; no, 69%.

10. Do you believe network television fairly

presents both sides of the issues? Yes, 43%; no, 57%.

11. Should the United States reduce the number of troops stationed in Europe? Yes, 65%; no, 35%.

12. Do you feel Congress should repeal daylight savings time during winter months? Yes, 48%; no, 52%.

13. In our efforts to relieve the energy crisis, should the use of nuclear energy be expanded? Yes, 84%; no, 16%.

ANNUAL REPORT OF THE ADMINISTRATOR OF THE NATIONAL CREDIT UNION ADMINISTRATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Banking and Currency:

To the Congress of the United States:

Pursuant to the provisions of Title I, section 102, of the Federal Credit Union Act, as amended (12 U.S.C. 1752a(e)), enclosed is the Annual Report of the Administrator of the National Credit Union Administration for the calendar year 1973.

RICHARD NIXON.

THE WHITE HOUSE, *April 29, 1974.*

PROVIDING FUNDS FOR THE COMMITTEE ON THE JUDICIARY

Mr. THOMPSON of New Jersey. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 1027 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1027

Resolved, That the further expenses of the investigations and studies to be conducted pursuant to H. Res. 74, by the Committee on the Judiciary, acting as a whole or by subcommittee, not to exceed $979,000, including expenditures for the employment of investigators, attorneys, and clerical, stenographic, and other assistants, and for the procurement of services of individual special consultants or organizations thereof pursuant to section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i)), shall be paid out of the contingent funds of the House on vouchers authorized by such committee, signed by the chairman of such committee, and approved by the Committee on House Administration. Not to exceed $300,000 of the total amount provided by this resolution may be used to procure the temporary or intermittent services of individual consultants or organizations thereof pursuant to section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i)); but this monetary limitation on the procurement of such services shall not prevent the use of such funds for any other authorized purpose.

SEC. 2. No part of the fund authorized by this resolution shall be available for expenditure in connection with the study or investigation of any subject which is being investigated for the same purpose by any other committee of the House; and the chairman of the Committee on the Judiciary shall furnish the Committee on House Administration information with respect to any study or investigation intended to be financed from such funds.

SEC. 3. Funds authorized by this resolution shall be expended pursuant to regulations established by the Committee on House Administration in accordance with existing law.

Mr. THOMPSON of New Jersey (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the resolution be dispensed with and that it be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

CALL OF THE HOUSE

Mr. WYDLER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McFALL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 188]

Alexander
Badillo
Bafalis
Beard
Bell
Bergland
Blatnik
Bolling
Brademas
Breckinridge
Broomfield
Brown, Calif.
Brown, Ohio
Burke, Calif.
Byron
Carey, N.Y.
Carter
Casey, Tex.
Chisholm
Clark
Conyers
Danielson
Dellenback
Dellums
Derwinski
Devine
Diggs
Donohue
Dorn
Dulski
Eckhardt
Flowers
Flynt
Fountain
Fraser
Frelinghuysen
Frenzel
Goldwater
Gray
Gubser
Haley
Hanna
Hansen, Wash
Harsha
Hawkins
Hébert
Holifield
Ichord
Johnson, Pa.
Jordan
Kazen
Kluczynski
Kyros
McCloskey
McCormack
McEwen
McKinney
McSpadden
Milford
Murphy, Ill.
Myers
Nichols
Nix
Obey
Patman
Patten
Pickle
Powell, Ohio
Pritchard
Reid
Rhodes
Roberts
Roncallo, N.Y.
Rooney, N.Y.
Rooney, Pa.
Rose
Rostenkowski
Shuster
Sikes
Staggers
Stokes
Stratton
Stubblefield
Stuckey
Talcott
Teague
Udall
Vander Jagt
Waldie
White
Wiggins
Williams
Wolff
Young, S.C.

The SPEAKER. On this rollcall 339 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PERSONAL EXPLANATION

Mrs. BOGGS. Mr. Speaker, on rollcall No. 179 I inadvertently voted "yes." My intention was to vote "no." I would like the RECORD to indicate that my intention was to vote in the negative.

PERSONAL EXPLANATION

Mr. BOWEN. Mr. Speaker, on Wednesday, April 24, I was recorded as not voting and paired on rollcalls Nos. 179, 180, and 181. I was unable to be in the Chamber on that occasion, and I would ask that the RECORD show that had I voted on rollcall No. 179, to change the effective date of H.R. 11321, I would have voted "no"; on rollcall No. 180, to recommit H.R. 11321 to the Committee on the Judiciary, I would have voted "no"; and on rollcall No. 181, final passage of H.R. 11321, Public Safety Officers Benefit Act, I would have voted "aye."

PROVIDING FUNDS FOR THE COMMITTEE ON THE JUDICIARY

Mr. THOMPSON of New Jersey. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, House Resolution 1027 is for funding the Committee on the Judiciary in the amount of $979,000. This includes an unexpended balance which the committee had for the year 1973 of $492,070.88.

The chairman of the committee, the distinguished gentleman from New Jersey (Mr. RODINO), and the ranking minority member, the gentleman from Michigan (Mr. HUTCHINSON) appeared with other Members and their staff before the Subcommittee on Accounts and satisfied us that these funds are needed for two purposes, the first being the regular needs of the committee for ongoing work in other areas; and the second, an amount of $737,773.12 for the continuance of the work of the committee's investigative staff.

I must correct myself. That amount is for the projected need for the regular committee staff for the remainder of the year; $733,759.31 represents the amount requested for continuation of the work on the several impeachment resolutions. The subcommittee heard the gentleman from New Jersey (Mr. RODINO) and the gentleman from Michigan (Mr. HUTCHINSON) in depth and agreed overwhelmingly that this is a reasonable amount and a needed amount. It is anticipated that the work of the investigative staff will be finished by June 30.

I feel the request is not only reasonable but also justified, and I will be glad to yield for the purpose of debate only.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I thank the gentleman for yielding.

This, as I understand it, brings the total expenditure for this purpose to $2.5 million. Is that about the amount; is it more or less?

Mr. THOMPSON of New Jersey. For which purpose, may I ask the gentleman?

Mr. GROSS. For the investigation.

Mr. THOMPSON of New Jersey. It would bring the amount to $1,733,000.

Mr. GROSS. To date $1.6 million has been authorized. Is that not correct?

Mr. THOMPSON of New Jersey. A total of $1.6 million has been authorized for both. For the regular committee work, in the first instance the amount of $536,000, and a supplemental request in the amount of $70,000 for the regular committee, and for the impeachment proceedings $1 million.

Mr. GROSS. What is the total for the investigation to determine whether there will be impeachment proceedings?

Mr. THOMPSON of New Jersey. Assuming that this resolution is adopted?

Mr. GROSS. That is right.

Mr. THOMPSON of New Jersey. It is $1,733,759.31.

Mr. GROSS. Would the gentleman assume that the Judiciary Committee would be back on July 1 at the beginning of next fiscal year looking for another rather substantial handout?

Mr. THOMPSON of New Jersey. The gentleman from New Jersey does not make any assumption but expresses his belief that this will be sufficient. There may be unanticipated needs. If so, a resolution would have to be introduced and this process gone through again.

I can assure the gentleman from Iowa that although the committee feels this is totally justified there would indeed have to be very strong reason for any additional funding.

I might point out that there was unanimity in the Committee on the Judiciary relating to the needs represented in this request. We cut it back some because of the carryover which the committee had.

Mr. GROSS. I gather from the report that the committee has been spending at the rate of about $10,000 a day. I do not know whether that is accurate.

Mr. THOMPSON of New Jersey. The monthly spending rate, I might say to my friend, the gentleman from Iowa, has been $125,000, so that is quite close to what the gentleman said.

Mr. GROSS. I would ask my friend, the gentleman from New Jersey, if there was any indication given by the members of the Judiciary Committee as to when they expect to bring an end to the investigation and make some kind of report to the House of Representatives?

Mr. THOMPSON of New Jersey. The target date is June 30, I might say, or possibly a few days before.

Mr. GROSS. I thank the gentleman.

Mr. WYDLER. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from New York.

Mr. WYDLER. Can the gentleman tell me how much has been spent by the committee so far on the impeachment inquiry itself? What is that figure?

Mr. THOMPSON of New Jersey. It is $1 million.

Mr. WYDLER. Has that all been expended?

Mr. THOMPSON of New Jersey. I yield to the chairman of the Committee on the Judiciary, the gentleman from New Jersey (Mr. RODINO), to answer that question.

Mr. RODINO. Mr. Speaker, might I explain that, first of all, the Committee on the Judiciary made its original request last year for funds to provide for the work of the Committee on the Judiciary. We made no fund request at the time for the impeachment inquiry that we were charged with later.

We commenced our impeachment inquiry proceedings and investigation in November at which time a sum of $1 million was authorized and appropriated. That sum, however, was for the work of the Committee on the Judiciary, together with the impeachment inquiry staff.

Now, the moneys that were spent for the impeachment inquiry proceedings from November until the end of March were $438,365.34, out of the amount of money that we had authorized for us.

The amount of money that we are now requesting for the impeachment inquiry staff is through June 30, 1974. We anticipate that we will need $733,759.31, which makes a total in that area of about $1,172,124.65 that will have gone toward the impeachment inquiry proceedings through June 30.

Now, we are not able to give an exact breakdown as to the amount of money that went just to the Committee on the Judiciary, because the appropriation was for both the Committee on the Judiciary and the impeachment inquiry. This is what this further request is all about. It is for the work of the Committee on the Judiciary through the end of this calendar year; however, the work of the impeachment inquiry will proceed, we believe, with its investigation until the end of June—June 30—and we need the amount that is stated.

Mr. WYDLER. Mr. Speaker, if the gentleman will yield further, could I ask the gentleman, the chairman of the Committee on the Judiciary, how many charges are under investigation by the Committee on the Judiciary in its impeachment inquiry? Can the gentleman tell me the number that is being investigated?

Mr. RODINO. Mr. Speaker, there were originally some 53 stated allegations. These have been studied. They have been investigated. All of the material relating to these allegations has been assembled and collated.

The SPEAKER. The gentleman has consumed 5 minutes.

Mr. THOMPSON of New Jersey. Mr. Speaker, I yield myself an additional 5 minutes. I yield further to the gentleman from New Jersey.

Mr. RODINO. With this, the inquiry proceeded to the point where some of these charges were then considered as priorities in order that we might pursue the investigation with more central issues, because we thought that it was necessary to allocate the resources of our staff in those areas. At the present time no charges have actually been dropped, and our inquiry is still continuing; but, we have had to give priority to some of the allegations, because we felt that we would focus the investigation in certain areas at the present time.

Mr. WYDLER. Mr. Speaker, if the gentleman will yield further, would he tell me, then, how many are under active investigation at the present time?

Mr. RODINO. I believe about 53 allegations—I cannot tell the gentleman exactly, but we issued a report the other day and that report indicates just what areas presently are being just set aside and what areas are being pursued actively. I am not able to give the present number or an exact number.

Mr. DICKINSON. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from Alabama.

Mr. DICKINSON. Mr. Speaker, might I ask the gentleman on the Committee on the Judiciary, to make sure I have the facts correct.

In fiscal year 1974, the regular budget for the Judiciary Committee was $536,000.

Mr. RODINO. That is correct—the request for calendar year 1973.

Mr. DICKINSON. So, at the end of the year, in December, the gentleman came in for an additional $7,000 supplemental because he was running short, which was approved.

Mr. RODINO. Mr. Speaker, if the gentleman will yield, that was at the time that the Select Committee on Crime was terminating its operations, and we were taking over the operations of that committee and thus requested an addition in our budget.

Mr. DICKINSON. But at the same time, the Judiciary Committee came in and asked for $2 million additional because of the extra work load due to the impeachment inquiry. This was subsequently reduced to $1 million, which the committee did in fact get at that time; is that correct?

Mr. RODINO. That is correct.

Mr. DICKINSON. Now, the gentleman comes before our committee and says that he has $492,000, approximately, carryover.

Mr. RODINO. That is correct as of March 31, 1974.

Mr. THOMPSON of New Jersey. Mr. Speaker, it might be added that because the Committee on the Judiciary has not been before us until April, that they have on hand now only $142,000. However, we have reduced the request by the total amount of the carryover, or $492,000, which leaves us with the figure before us today of $979,000, for all purposes.

Mr. DICKINSON. The $979,000, it is my understanding, involves new money. Is that wrong?

Mr. THOMPSON of New Jersey. No, that is correct. We reduced the initial request by the amount of the carryover to arrive at $979,000.

Mr. DICKINSON. Of course, $733,000 is earmarked for the impeachment inquiry to run from now to the 30th of June, which means it is running at about $10,000 per day.

Can the chairman give us any assurance, any hope, that the date for the final report and conclusion of this investigation will coincide with the end of the fiscal year so that we can terminate this and end this, and the committee will not be back for more money?

Mr. RODINO. Mr. Speaker, the gentleman knows that I would want to terminate this as of now. If the investigation were completed, we could come back to the House and say that we have all the data. However, all I can tell the gentleman is that we have projected for June 30 because we believe that is a reasonable time within which that investigation will be fully completed and when the report will be coming back to the House.

Mr. DICKINSON. Of course, it was originally set for an April date; then that slipped and now we hear it is the first of July. I would hope that we have a good, firm date.

The SPEAKER. The time of the gentleman from New Jersey has again expired.

Mr. THOMPSON of New Jersey. Mr.

Speaker, I yield myself an additional 3 minutes.

Mr. Speaker, I yield to the gentleman from Missouri (Mr. HUNGATE).

Mr. HUNGATE. Mr. Speaker, I thank the gentleman for yielding.

In the 93d Congress, 1st session, the Senate Judiciary Committee was authorized $4,093,060 for the 12-month period.

For the corresponding period, the House Judiciary Committee was authorized $606,000. When the impeachment inquiry arose, it was awarded $1,000,000 additional funds for that work, bringing the House Judiciary Committee—38 members—to a total of $1,606,000 for the 1st session of the 93d Congress, compared to the Senate Judiciary Committee's—16 members—authorization of $4,093,060.

When the budgets of the two committees are compared, there is certainly room for valid complaint. The House committee does not ask for enough money for the importance of the work before it, which is assigned to it, of which impeachment is only a part.

Mr. SANDMAN. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. Mr. Speaker, I yield to the gentleman from New Jersey.

Mr. SANDMAN. Mr. Speaker, I would like to ask the chairman a public question, because he has set a time now of June 30. I presume he means 1974. If he means 1974, I would like him to tell us today when are we going to start some hearings, No. 1. We have been studying this thing for 5 months. We have not made rule No. 1 yet. We have not heard witness No. 1 yet. We have 53 issues. The committee recommended dropping about 40 of those, but no vote was even taken on these matters. We met last week to narrow the issues, but no vote was taken to narrow the issues.

When are we going to have an opportunity on that committee to vote for something or vote against something, and when will we have a set schedule? Otherwise, the gentleman is not telling the truth when he says we are going to end in 1974. This can go on for years.

Mr. THOMPSON of New Jersey. Mr. Speaker, I might respond. No statement has been made——

Mr. SANDMAN. When are we going to set an agenda? I would like to know that. When are we going to vote for something?

Mr. HAYS. Will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from Ohio.

Mr. HAYS. Mr. Speaker, if the gentleman will listen for a minute, maybe I can shed a little light on this. I am just as anxious as the gentleman is for the chairman to set a deadline. We have sat rather exhaustively in the subcommittee.

Mr. Speaker, it was reported in the press that I was against giving them any money, which is not true. I think we can cut to the heart of this issue and say that probably this matter can be terminated within a very few weeks after they get the evidence that they need, which has not been forthcoming.

The gentleman knows that as well as I do. There has been foot-dragging. There has been stalling. The President's attorneys have used every trick in the book to keep from giving the evidence.

Mr. Speaker, I have no disposition to prejudge this matter. I do not have any idea how I am going to vote on impeachment, but I do say that we ought to have this matter resolved, and the sooner the White House decides to bring forth the tapes, and the evidence, the sooner the House can make a judgment.

Mr. SANDMAN. Mr. Speaker, will the gentleman yield?

Mr. HAYS. No, just a moment.

Mr. SANDMAN. Mr. Speaker, this is what I would like——

Mr. HAYS. Mr. Speaker, I do not care what the gentleman would like. It is not always what a gentleman likes around here. The gentleman would like to have been Governor of New Jersey, but he was not.

Mr. Speaker, just let me say this to you, that I think the House wants to dispose of this. I think there are some tactical mistakes being made downtown on this matter, as I said a long time ago.

Mr. Speaker, one of the President's secretaries said the tapes will prove his innocence. That is great. If they do, we ought to bring that out, because I said a long time ago that if I were President and the tapes would prove my innocence, I would not only give them to the committee; I would do better: I would give them to the television and sit there grinning while they were being played on television. Let us share the blame around here.

Mr. SANDMAN. Mr. Speaker, will the gentleman yield to me for a couple of minutes, for one question?

Mr. THOMPSON of New Jersey. I yield to the gentleman from New Jersey.

Mr. SANDMAN. Mr. Speaker, I coincide entirely with what the gentleman from Ohio said about the tapes, but I am interested in this: When are we going to hear something about the 700 documents we have now? When are we going to hear something about the 5 months of investigations by a staff of 105 with 43 lawyers on it? Am I not entitled to know when this committee is going to start doing some work? It has not done a thing since November. Let us be honest about it.

The staff reports when they feel like reporting. When are we going to have an agenda to vote on?

Mr. Speaker, I want the gentleman to answer the question.

Mr. THOMPSON of New Jersey. Mr. Speaker, I say to my friend, the gentleman from New Jersey, and he is my friend, that he has stated the question three times. It will now be answered.

I yield to the chairman of the committee for an answer.

Mr. RODINO. Mr. Speaker, the gentleman has been asking this question time and again. He has asked it in the committee, and he has a right to ask it. However, I wonder whether the gentleman has not been able to understand the responses that we have been making time and again, that only when all of this mass of evidence, some of it which has not been forthcoming, has been assembled, has been collated, has been analyzed for presentation to him as a member, so that he can then make a judgment, will we present it to him.

Mr. Speaker, we are in no position at this time to give him any material because that material we are considering is a mass of information on the public record from various committees, some of it still in the White House, some of it recorded conversations that have not been produced.

Only after we have a comprehensive set of material and data are we as a committee going to be able to make a judgment. Only then can the gentleman honestly and justly say that the committee has not been in a position to hear the evidence because the evidence has not been forthcoming.

Mr. SANDMAN. One last question. When is the committee going to start meeting on consecutive days rather than once a week to hear what the counsel did last week? When will we do that?

Mr. THOMPSON of New Jersey. The gentleman from New Jersey asks a question which I respectfully suggest cannot be answered in the context of this debate which relates to the money requested for the work of the committee.

Mr. WYDLER. Will the getleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from New York.

Mr. WYDLER. I would just like to follow up and conclude what I was trying to find out about how many charges the staff still has to deal with. We do not seem to know the real number left, but can we be assured now that you have made this request that the number of charges has ended and there will not have to be any new charges made that will be investigated for impeachment purposes? I would like to have the chairman of the committee answer this question, because it is important in determining how much money is needed.

Mr. THOMPSON of New Jersey. I do not think that the chairman of the committee needs to answer that. Who knows what is going to be produced and what is to be adduced from that amount of requested materials when the requested materials of the White House are finally delivered?

Mr. WYDLER. I will just say that I would think that relates to the charges that are current. I am talking about new charges. Have we brought all of the charges that are going to be filed to an end? Has that ended?

Mr. THOMPSON of New Jersey. I do not think—and again I say this respectfully—that it is appropriate and debatable. I think anyone who has followed this would realize that here we are attempting to provide the committee with what its chairman and ranking member have requested. No one knows what is in those materials as yet undelivered. Anything might develop from that.

Mr. LATTA. Will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman for debate only.

Mr. LATTA. I want to thank the gentleman for yielding.

In answer to the question raised by the gentleman from New York, I would just like to point out that I do not want to be critical of the staff as individuals but I do want to be critical of the "freehand" given the staff in conducting this inquiry. In so doing, I might shed a little light on why it is costing so much and taking so long.

As the chairman indicated, there were some 53 stated allegations being investigated by the staff, and I was somewhat dumbfounded as a newcomer on the committee to learn that the Committee on the Judiciary had not itself first voted to instruct the staff to investigate these allegations before the staff selected and took off on them of their own volition. When I learned that the staff had gone into these 53 areas without committee instruction or direction, I could hardly believe it. They might have gone into 153 or 253 areas if they had had sufficient taxpayers' funds to pay for their investigations.

I think this procedure was wrong and that the Committee on the Judiciary was derelict in not specifically instructing the staff as to the allegations it wanted investigated. The committee as a whole did not so instruct the staff. It was no wonder that the staff informed the committee at our last meeting that some of the allegations were not worthy of any more of the staff's consideration. Hopefully, after we vote this money, which we will, the staff will get some instruction from the full Committee on the Judiciary as to which allegations the elected members of the committee wish to be pursued by the staff.

Mr. THOMPSON of New Jersey. I might point out to the gentleman this——

Mr. LATTA. I will be happy to have you point out anything.

Mr. THOMPSON of New Jersey. That the Committee on the Judiciary has rules; they have been operating under the rules in what we consider to be a splendid, bipartisan and constructive fashion. The questions which the gentleman raises and the criticisms that the gentleman makes here are not relevant to the funding of the committee which has been requested by both sides.

Mr. LATTA. Will the gentleman yield further?

Mr. THOMPSON of New Jersey. I decline to yield.

Mr. LATTA. My objections are relevant as we are considering a funding resolution to pay for this staff. We should not be spending taxpayers' funds for a staff operating on its own without proper instruction from the Congress.

Mr. McCLORY. Will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from Illinois.

Mr. McCLORY. I thank the gentleman for yielding.

I think it is incumbent on us to be informative as far as all Members of the House are concerned who are listening to this debate. I would like to make a couple of comments which maybe thereafter the chairman might want to comment upon.

It is my understanding that this week we will have submitted to us rules of procedure which will guide us during the entire impeachment inquiry, that is, receipt of evidence by the committee, and that we will act on that this week as to what our procedure is going to be for handling this inquiry.

And then on May 7, which is next week, or a week from tomorrow, we will begin the receipt of evidence. We will have first an initial presentation. Then we will continue, hopefully on successive days, or to meet as much as we can, mornings and afternoons, and sometimes on into the evenings, to try to expedite the receipt of all the evidence that will be received by us, with the idea of expeditiously bringing this to the House.

That is my understanding of how we are going to proceed. I think the chairman will concur with that so that there is some hope that we will resolve this at an early date.

Mr. THOMPSON of New Jersey. The distinguished chairman of the Committee on the Judiciary just stated to me that the statement made by the gentleman from Illinois is substantially correct.

Mr. LATTA. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I will yield very briefly to the gentleman from Ohio.

Mr. LATTA. Mr. Speaker, I would just like to point out that I do not agree with my friend, the gentleman from New Jersey, when the gentleman says that it is not relevant that we raise questions as to whether or not the staff of this committee should be instructed by the committee as to areas needing investigation when this staff has already spent $450,000 of the taxpayers' money. We probably could have saved a considerable amount of this money by having instructed the staff as to the allegations to pursue in the first place.

Mr. THOMPSON of New Jersey. Mr. Speaker, let me say to the gentleman from Ohio that I am not saying that the distinguished gentleman's questions are not relevant. I merely mean to say that I do not believe that they are relevant to the request for the money. They are relevant to the internal operations and the decisionmaking process in the Committee on the Judiciary.

Mr. BROWN of California. Mr. Speaker, I rise to express my great respect and appreciation for the work which has been going on over the last several months in the Committee on the Judiciary under the capable leadership of Chairman RODINO. The impeachment investigation which is currently underway constitutes one of the most important studies ever conducted by a committee of the House of Representatives, and the eyes of the world are examining every move made by the committee in the course of its investigation. The fact that this committee is overwhelmingly recognized for the fairness of this inquiry demonstrates more than just the objectivity and responsibility of the committee. Since, like Caesar's wife, this committee must avoid even the appearance of anything improper, it is truly amazing that Chairman RODINO, our distinguished colleague from the other side of the aisle, Mr. HUTCHINSON, and the other members of this committee have been able to conduct what promises to be a thorough and meticulous investigation without so much as a reasonable suspicion of partisanship suggested by the minority members of the committee. Judiciary members and staff must be complimented on their patience, lack of bias, self-restraint, and constant attention to the best interests of the Nation as a whole.

Considering the sheer volume of material which it is necessary for the committee to study in the course of its investigation, I must also commend the members and staff of Judiciary for the speed with which they are completing the investigation. The Congress is not known for the speed of its deliberations and studies on important matters, and rightly so, for the wide-ranging effects of our actions here make it critical that we take the time to be sure of what we are doing. And yet, without substantially compromising the thoroughness of their investigation, it appears that the Judiciary Committee will present us with the results of their work within the next 100 days—truly an expeditious performance.

The work of this committee seems even more impressive when one considers the obstacles which have been placed in its path throughout the course of this investigation by an executive branch which, for reasons on which we can only speculate, is making every possible effort to withhold the best evidence in this case.

Mr. Speaker, I strongly urge an overwhelming vote today in favor of House Resolution 1027, funding the continuing work of this committee, as an indication of the House's support for the outstanding job being accomplished under exceedingly difficult circumstances by the members and staff of the Committee on the Judiciary.

Mr. KOCH. Mr. Speaker, it is imperative that the additional funding through June 30 for the House Judiciary Committee's impeachment inquiry be appropriated. This resolution came up last week for approval before the House Administration Committee, of which I am a member, and I voted for it then. I now ask all my colleagues here today to support this resolution.

Last November 15, we passed the initial impeachment funding request by a vote of 367 to 51. Since that time, the White House has been responsible for delay after delay, refusing to submit material requested by the Judiciary Committee. The Judiciary Committee reached the point where it found it necessary to subpena documents and tapes which the President should have quickly and voluntarily provided. The extraordinary bipartisan anger at Presidential obstruction was reflected by the Judiciary Committee's most recent 33-to-3 vote—very nearly unanimous—to subpena 42 critical tape recordings.

The President said in rebuttal that the committee has all the facts it needs to put Watergate behind us and to conclude the impeachment inquiry. What arrogance. How can the President decide what evidence should be considered in the proceedings?

Mr. Speaker, this Nation will not respect its Government if the cleansing process does not take place. To limit the impeachment inquiry by withholding funding as of April 30—the end of this month—because the President has caused time-consuming delays would be to deny the American people and the Congress the only access to the facts which, for better or worse, they must have to make our Government processes work.

I believe that the President has committed impeachable offenses. I am convinced that he will be impeached. If he fails to provide the material requested, that will mean one more impeachable offense.

Mr. THOMPSON of New Jersey. Mr. Speaker, I think that we have discussed this matter in sufficient depth, and I therefore move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FUNDS FOR EXPENSES INCURRED BY THE SELECT COMMITTEE ON THE HOUSE RESTAURANT

Mr. THOMPSON of New Jersey. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 768 and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved, That effective January 3, 1974, expenses incurred by the Select Committee on the House Restaurant, pursuant to H. Res. 111 not to exceed $34,500 including expenditures for the employment of clerical, stenographic, and other assistants, and for the procurement of services of individual consultants or organizations thereof pursuant to section 202(1) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i)), shall be paid out of the contingent fund of the House on vouchers authorized by such committee, signed by the chairman of such committee, and approved by the Committee on House Administration.

SEC. 2. The chairman of the Select Committee on the House Restaurant shall furnish the Committee on House Administration information with respect to the activities of the select committee intended to be financed from the funds authorized by this resolution.

SEC. 3. Funds authorized by this resolution shall be expended pursuant to regulations established by the Committee on House Administration in accordance with existing law.

Mr. THOMPSON of New Jersey (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the resolution be dispensed with and that it be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. THOMPSON of New Jersey. Mr. Speaker, I was somewhat surprised that we did not have a rollcall on the last resolution, to further fund the Judiciary Committee and its impeachment staff.

The resolution that is now before us, Mr. Speaker, relates to the Select Committee on the House Restaurant in the amount of $34,500 to continue the work of that committee.

The distinguished chairman, the gentleman from Illinois (Mr. KLUCZYNSKI), appeared before the subcommittee, and the subcommittee was in substantial agreement that this amount of money should be granted, and the full committee felt likewise.

Mr. Speaker, I might point out that the committee has expressed its intent, that is, the majority have expressed their intent to approve no funds for this select committee in the 94th Congress.

Mr. DICKINSON. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from Alabama.

Mr. DICKINSON. Mr. Speaker, I thank the gentleman from New Jersey for yielding to me.

Mr. Speaker, I believe that the facts have been correctly stated by the gentleman from New Jersey (Mr. THOMPSON). I would like to reemphasize that this committee has done a good job, but we think that its existence has run its full course, that is, the need for it.

As stated in the report, we feel that this is the last time that this select committee should be funded, because we feel that the purpose of this select committee has been served.

For that reason, Mr. Speaker, I would support this resolution, and ask for its adoption.

Mr. THOMPSON of New Jersey. Mr. Speaker, I thank the gentleman from Alabama.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from Iowa.

Mr. GROSS. What is the provision in this resolution for visual training? Can the gentleman from New Jersey explain briefly how that is handled, the money for visual training, the program for visual training?

Mr. THOMPSON of New Jersey. As I understand it, that relates to education on matters of how to set the food out, how to illustrate the menus, and how to make the necessary arrangements.

Mr. GROSS. If the gentleman will yield further, was that done completely for the Members of Congress? They are not paid any talent fees, are they, for joining in this?

Mr. THOMPSON of New Jersey. Not talent fees, but I am sure that Mr. KLUCZYNSKI would be delighted if Members of the House wanted to observe this visual education to have them do so.

Mr. GROSS. If the gentleman will yield further, that does not include free meals, or something of that kind; does it?

Mr. THOMPSON of New Jersey. No. I understand that there are no free meals; but I might say that if the gentleman could have lunch with Mr. KLUCZYNSKI in all likelihood Mr. KLUCZYNSKI would buy the gentleman's lunch out of his own pocket.

Mr. GROSS. If the gentleman will yield further, I was not really seeking that kind of a favor, but I was wondering if that was the way it worked, with all of this visual training. I suppose they have a screen and movie cameras, and all of that sort of thing.

Mr. THOMPSON of New Jersey. I have not seen the type of educational materials.

Mr. ANNUNZIO. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from Illinois.

Mr. ANNUNZIO. I thank the gentleman for yielding.

Mr. Speaker, as a member of the Accounts Subcommittee, I would like to call to the attention of my colleagues that the statement has been made, that it is the majority opinion of the members of the Committee on House Administration that the Select Committee on the House Restaurant not be funded in the 94th Congress. I would like the record to show that the Committee on House Administration does not have that kind of jurisdiction. The committee was appointed by the Speaker, and we want the Speaker of the House to know what the feelings of the Committee on House Administration are at this time. But none of us have a crystal ball. We do not know who will be elected to the 94th Congress. We do not known who the Speaker will be in the 94th Congress.

I also want to point out that the entire budget of $34,500 is less than what a majority of the staff members are making on all of the other committees. I also want the record to show that I am against phasing out the Select Committee on House Restauaurant at this time.

The gentleman from Illinois (Mr. KLUCZYNSKI) is not here, but I know that I express his sentiments. I do hope that the Speaker in the 94th Congress, whoever he might be, will take under consideration the feelings of the Committee on House Administration, but I know he is not bound by our recommendations.

Mr. THOMPSON of New Jersey. The gentleman from New Jersey might state that the statement made in the committee was, indeed, not unanimous, although no formal vote was taken on it, and the subject may well arise in the next Congress.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. THOMPSON of New Jersey. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the two resolutions just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

FEDERAL ENERGY ADMINISTRATION ACT OF 1974

Mr. HOLIFIELD. Mr. Speaker, I call up the conference report on the bill (H.R. 11793) to reorganize and consolidate certain functions of the Federal Government in a new Federal Energy Administration in order to promote more efficient management of such functions, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of April 23, 1974.)

Mr. HOLIFIELD (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOLIFIELD. Mr. Speaker, I yield myself 15 minutes.

Mr. Speaker, I am privileged to report to the House on the successful outcome of the conference with the other body on H.R. 11793, the bill to establish a Federal Energy Administration. A similar Senate bill (S. 2776) passed the Senate on December 19, 1973, and on March 13, 1974, the Senate struck out all after the enacting clause of H.R. 11793 and adopted the language of its own bill. A conference was held on April 4 and 8, 1974. All conferees signed the report and the statement.

The following Members joined me as House managers in conference: Representatives ROSENTHAL, ST GERMAIN, FUQUA, HORTON, ERLENBORN, and WYDLER. I wish to express to them my appreciation for the time they gave and their dedicated work in helping to resolve the differences between the House and Senate bills.

The substance of the House bill, I am pleased to report, is preserved in the conference substitute. Provisions in the Senate amendment, accepted by the conferees, which added various reporting requirements and made changes in one particular or another, are consistent with the purposes of the House bill.

As the Members will recall, H.R. 11793 creates a temporary Federal Energy Administration to administer the Government's short-range energy programs. Separate legislation (H.R. 11510) has passed the House and is now before the Senate to take care of the longer range energy research and development.

H.R. 11793 provides for a Federal Energy Administration, headed by an Administrator, who is to be assisted by other designated officers, all these to be appointed by the President and confirmed by the Senate. A provision in the House bill for two Deputy Administrators was retained by the conferees. It is contemplated that one deputy will take charge of program operations and the other will develop plans and policies.

Also retained were provisions in the Senate amendment to require Presidential appointment and Senate confirmation of four additional officers if and when they are assigned principally to administer programs for allocation, pricing, rationing—if effected—and Federal-State coordination. It was agreed that these program areas are of sufficient importance to warrant that the persons in charge be appointed by the President and confirmed by the Senate.

The conference substitute authorizes 91 positions in GS-16, GS-17, and GS-18, the so-called supergrades, in place of the 100 such positions carried in the Senate amendment. The administration advised us that 91 new positions in these categories were essential to the effective performance of the Federal Energy Administration. At the same time, 14 such positions will be acquired by transfer of functions to the new agency, making 105 in all. The conference substitute limits the total number of supergrades in the FEA to 105, to prevent further accretions of supergrades. When the act expires in 2 years, the authority for the 91 additional supergrades also will lapse.

I may say to the members that the House conferees, in modifying the Senate language and limiting the total number of supergrades, received valuable advice from the Post Office and Civil Service Committee, and I wish to thank Chairman DULSKI, Mr. HENDERSON, and the staff of that committee for their assistance.

A provision in the House bill preventing the holding of two positions by top officers in the FEA was adopted in conference.

The conference substitute retains, in essence, the provisions of the House bill describing the Administrator's functions. For example, the House floor amendment to H.R. 11793 relative to propane pricing, is retained. At the same time, the conferees accepted language contained in both bills, but set out in greater length in the Senate amendment, making it clear that the statements of responsibilities and functions in the bill do not grant new program authority to the Administrator.

In other words, the functions and authority that the Administrator will have are limited to those: First, specifically transferred or vested in him by the bill; second, delegated to him by the President pursuant to specific authority of law; or, third, specifically vested in the Administrator by act of Congress. The intention clearly is not to give the Administrator free-floating authority, but to tie any program actions to statutory authorizations or Presidential delegations pursuant to law.

The Senate amendment had two titles: One to create a temporary Federal Energy Administration, and the other to create a permanent Energy Policy Council in the Executive Office of the President. The provision for the Energy Council was omitted in the conference substitute upon a recommendation of the House conferees, who pointed out that it was not appropriate to provide for a permanent council in temporary legislation.

At the same time, language of the Senate amendment was adapted in the conference substitute requiring the President, 6 months before the expiration of the act, to include in a report to the Congress on the disposition or continuance of FEA a recommendation concerning Federal organization of energy and natural resources. In other words, the President will have to reexamine the situation 1½ years from now and make recommendations to the Congress as to the future organization of energy and natural resources functions and agencies.

Provisions in the House bill governing administrative procedures and judicial review were adopted by the conferees as being more detailed and complete than the Senate version. The Members will recall that the House language on these matters was the result of a floor amendment by Mr. BROYHILL of North Carolina. Consistent with the legislative history of the House bill and the language of the Senate amendment, the conference substitute makes clear that the Temporary Emergency Court of Appeals will continue to function as an appeal court for matters now committed to its jurisdiction under the Emergency Petroleum Allocation Act of 1973.

The conference substitute retains the substance of the House bill and the Senate amendment giving the Administrator extensive authority to gather information, conduct investigations, and make onsite inspections and examination of records, with the subpena power to be used if necessary.

The House provisions that information be gathered and developed in meaningful categories, and that the Administrator's access to records be limited to enterprises engaged in energy supply and major energy consumption were retained. However, a provision for the use of administrative inspection warrants, contained in the House bill, was omitted at the insistence of Senate conferees who were concerned about possible invasion of privacy. If the Administrator is denied access or information which he is authorized to obtain, he will have recourse to the courts for judicial warrants or other legal process, but he will not be able otherwise to make any forcible entries.

In both the House bill and the Senate amendment, the Comptroller General was given an important role. He was to monitor agency operations, to make his reports available to the public, and to gain access to certain Administration and private records. The House bill authorized the Comptroller General to have access to all information possessed or acquired by the Administrator, and to certain records of Government contractors and recipients of Federal funds. The Senate amendment was considerably broader. It granted the Comptroller General the right of access to data from any public or private source or organization relating to the management and conservation of energy, permitted him to obtain information from persons under oath, and authorized the issuance of subpenas for the production of records.

The conference substitute retains the House language regarding the Comptroller General's access to records of Government contractors and recipients of Federal assistance, and authorizes the Comptroller General to request access to records of businesses engaged in energy supply or major energy consumption. The conference substitute also provides that the Comptroller General can issue subpenas only if he gets the concurrence, by resolution, of a duly established committee of the Congress having legislative or investigative jurisdiction over the subject matter. The resolution must set forth the necessity and scope of the subpena and the identity of the persons to be served. The Comptroller General's authority in these respects will, of course, expire with the termination of the act.

The conference substitute incorporates, with technical and clarifying changes, the substance of a provision in the Senate amendment that the Cost of Living Council and the Environmental Protection Agency are to receive notice 5 days in advance of proposed rules, regulations, or policies relating, respectively, to energy pricing and to the environment. The COLC may disapprove a proposed action, and the EPA may offer comments, which are to be published along with the proposed period, within the 5-day period. In emergencies, the requirements for notice may be suspended for 14 days.

Differences between the House bill and the Senate amendment were adjusted in such matters as protection of employment rights in connection with transfer and reversion of functions; informing the Congress and the public of waivers under the conflict-of-interest law (18 U.S.C. 208(b)); a report by the Administrator on oil and gas reserves; open meetings of advisory committees; protection of confidential information and disclosure of information to the public; and administrative functions relating to contracting and the acceptance of services.

House provisions providing a 2-year tenure for the FEA, safeguards in handling of personal data, and a ban on sex discrimination were accepted with minor modifications.

Senate provisions for a comprehensive energy plan to be developed by the Administrator, an Office of Private Grievances and Redress in FEA, and specific dollar authorizations for FEA in fiscal years 1974, 1975 and 1976, also were accepted. The Senate amendment provided for numerous reports on energy-related matters. Several of these were omitted and the majority retained, after modifications to allow more time for preparing the reports and to reduce their frequency.

This was, in my judgment, a very successful conference. There was give and take, which is the business of a conference, but, as I said at the beginning of my remarks, the essentials of the House bill are preserved. In resolving differences, we also accommodated valid requests of the administration. I am confident that the President will sign this measure, which can be on his desk within a few days.

I ask the Members to support the conference report.

Mr. DINGELL. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Michigan.

Mr. DINGELL. Mr. Speaker, I have read with great care the information gathering and public disclosure sections—13 and 14—of the conference report (H. Rept. 93-999) on H.R. 11793.

The bill, as agreed to by the conferees, directs that the FEA "shall collect" energy information from persons engaged "in any phase of energy supply or major energy supply or major energy consumption," and information concerning energy resources on Federal lands from Federal agencies, including data on reserves, production, leasing agreements, et cetera. It also directs that the FEA shall "assemble, evaluate, and analyze" such information. Most importantly it provides for public disclosure of such information in accordance with the Freedom of Information Act, 5 U.S.C. 552. The conference report states on page 30:

> The conference substitute incorporates a provision authorizing disclosure of confidential information under 18 U.S.C. 1905 to persons performing functions under this act, or in court proceedings. It also requires public disclosure, upon request, of information of the type which could not be excluded from public annual reports to the Securities and Exchange Commission.
>
> In other respects, the Freedom of Information Act will govern. The Administrator may withhold matters within the exemptions provided by that act, but there is nothing in the conference substitute requiring him to do so. In determining whether to disclose information under the Freedom of Information Act, the conferees expect that the Administrator will give consideration, among other things, to his affirmative duty imposed by section 14(a) to keep the public informed.

At this juncture, I think it important to note subsection (c) of 5 U.S.C. 552 which reads as follows:

> This section does not authorize withholding of information or limit the availability of records to the public, except as specifically stated in this section. This section is not authority to withhold information from Congress.

That subsection makes it clear that the nine "exemptions" in the act do not apply to Congress. Thus, this bill (H.R. 11793) is not authority for the FEA to withhold from Congress or its committees any information collected under this bill.

Mr. RANDALL. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. Mr. Speaker, I yield to the gentleman from Missouri.

Mr. RANDALL. Mr. Speaker, I commend my chairman for bringing back to the House an excellent conference report. I note in the report, at page 11, that the Comptroller General may have power of subpena to have access to oil company information including statistics and other data needed to formulate energy policy.

Mr. HOLIFIELD. Mr. Speaker, under certain circumstances, with the acquiescence of the committees of subject matter jurisdiction—incidentally, he can now come to a committee and obtain the papers by the committee's power of subpena.

Mr. RANDALL. Mr. Speaker, if the gentleman will yield further, I note the word on page 12, "Information gathering power," the administrator "shall." Now, that is about as strong as we can go, is it not? To say that he must or shall collect, assemble, and evaluate information by categorical groupings. I am glad such strong language is included.

I hope the gentleman may agree that the one thing we are plagued with most in this whole problem of the energy crisis, is the lack of accurate information.

Mr. HOLIFIELD. That is certainly right, and I want to compliment the gentleman who is chairman of the Government Operations Subcommittee that has been looking into this matter.

The gentleman has brought to my attention this very fact. We feel it is absolutely necessary for the Congress to have adequate statistical information in order to properly legislate.

Mr. RANDALL. Mr. Speaker, if the gentleman will yield further, on the provision of the conference report on the public disclosure of information, I think it should go on the record that the new administrator-designate, of FEO, Mr. Sawhill, was before our subcommittee last Thursday and as I listened to his testimony he has done a turn-around as far as the testimony of his predecessor, Administrator Simon.

I refer to the leak around the Arab embargo. At first Mr. Simon told us there were substantial quantities of leakage. However, it develops now from Mr. Sawhill that there may not have been much if any leakage, but all the while the people of this country did not know—they did not have any of these facts.

There were no statistics given even to the Library of Congress, nor even Customs. One could go down to the Customs in Treasury and find nothing on the manifest of tankers from the Middle East when we know very well at least some few were arriving.

Even the Freedom of Information Act would require there should be public disclosure of these matters.

Mr. HOLIFIELD. The gentleman is correct.

Mr. HECHLER of West Virginia. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from West Virginia.

Mr. HECHLER of West Virginia. Mr. Speaker, I wish to commend the gentleman from California for this excellent report.

On page 20 of the conference report, section 24, subsection 2(B), the Administrator of the Federal Energy Administration in consultation with the Secretary of the Interior and the Secretary of the Army is directed to transmit a report on construction of hydroelectric facilities. The subsection authorizes:

> A statement of the accomplishments which could be provided by the expedited completion of each facility, and a statement of any funds which have been appropriated but not yet obligated.

Mr. Speaker, I hope that we can assure that such a statement of accomplishments to be achieved by expedited construction of hydroelectric generating facilities, will be an objective analysis of both pluses and minuses which will result from a speeded-up construction of such facilities. For example, I am very much concerned that such a statement could be used as an excuse to speed up construction of a dam on the New River, being proposed by the Appalachian Power Co. Such a dam would destroy the beautiful New River.

I am sure the gentleman from California would concede that there are possible adverse effects, as well as beneficial effects, which might result from a crash program of all-out construction of hydroelectric facilities.

Mr. Speaker, I simply wish to make legislative history on this point. I would like to inquire from the gentleman from California whether he does not agree that such reports and statements should be completely factual, balanced and objective, in terms of both the pluses and the minuses of any crash programs.

Mr. HOLIFIELD. Mr. Speaker, I agree with the gentleman.

As the gentleman knows, of course, existing law requires an impact statement to the EPA, the Environmental Protection Agency, for any Federal expenditure of any concern of this kind.

This is merely to get the information out on it, and if any existing authorized and funded facility is lagging, we can find out why it is lagging and how much in funds has been spent on it and how much has not, and if any new facility is required, it would have to come to the Congress for authorization and funding.

Mr. HECHLER of West Virginia. Mr. Speaker, this section 24 does not contemplate the short-circuiting of any of the protections written into present law?

Mr. HOLIFIELD. No; it is not the intention of the conferees to require any kind of short-circuiting of the protections written in the existing law.

Mr. HECHLER of West Virginia. Mr. Speaker, I thank the gentleman from California.

Mr. RONCALIO of Wyoming. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Wyoming.

Mr. RONCALIO of Wyoming. Mr. Speaker, I noticed with interest the text appearing in the conference report on page 4, and I am pleased that the chairman of the committee, his fellow managers of the conference committee that they have retained the language introduced by the gentleman from Arkansas (Mr. ALEXANDER) dealing with the rollback of propane prices. I notice that the propane prices shall be based on the prices for propane in effect on May 15, 1973, and in summary it was put into the text that only actual cost increases incurred in the manufacture of propane can be passed on to the consumer.

Mr. HOLIFIELD. Mr. Speaker, the conferees were very much aware of the interest of the House in the cost of propane and in the propane policy adopted by the House under the amendment offered by the gentleman from Arkansas (Mr. ALEXANDER).

We have retained it; we have even strengthened it.

Mr. RONCALIO of Wyoming. Mr. Speaker, I commend the gentleman very much for it.

Mr. FROEHLICH. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Wisconsin.

Mr. FROEHLICH. Mr. Speaker, I also would like to commend the gentleman for retaining the propane language in the bill.

Mr. FROEHLICH. Mr. Speaker, I want to thank and congratulate the gentleman from New York (Mr. HORTON) and the other conferees for the fine work they have done on the FEAA conference report.

The Federal Energy Administration Act is responsible legislation, marking a consolidation and coordination of Federal energy-related agencies and efforts. It represents a firm movement away from the chaotic "state of emergency" tactics employed to date and a firm step toward a comprehensive effort to solve long- and short-range energy problems.

One intent of the FEA Act, as expressed in section 2, the "Declaration of Purpose," is—

> To insure fair and efficient distribution of, and the maintenance of fair and reasonable consumer prices for (energy) . . . supplies.

In the delineation of functions, section 5, the new FEA is charged with the promotion of stability in energy prices and fair and efficient implementation of energy programs so as to minimize hardship.

I point out these various passages, Mr. Speaker, in order to emphasize that fair and stable prices as well as equitable treatment are high-priority objectives of the conferees and, indeed, the entire Congress, in this legislation. I regret, as I am sure my colleagues representing other districts with rural populations do, that to date, the Federal Energy Office has failed to provide this fair and equitable treatment for the nearly 13 million families nationwide who rely on propane gas as a relatively inexpensive fuel for heating and cooking, and millions of farmers who require propane gas for agricultural production.

I certainly applaud the conferees for including the Alexander amendment passed by the House on March 5, 1974, in their report, thus providing explicit language on the problem of propane prices.

Section 5, subsection (11) relating to propane gas regulations reads:

> In administering any price authority, provide by rule, for equitable allocation of all component costs of producing propane gas. Such rules may require that (a) only those costs directly related to the production of propane may be allocated by any producer of such gas for purposes of establishing any price for propane, and (b) prices for propane shall be based on the prices for propane in effect on May 15, 1973.

Subsection (11) continues:

> The Administrator shall not allow costs attributable to changes in ownership and movement of propane gas where, in the opinion of the Administrator, such changes in ownership and movement occur primarily for the purpose of establishing a higher price.

Section 5, subsection (11) of the Federal Energy Administration Act addresses a very real problem—a problem of equity and fairness in sharing the burden of increased energy costs. This attempt to gain fair treatment for propane consumers deserves the attention and support of every Member of the House.

Propane consumers have been forced to bear an unusual and excessive share of increased energy costs. Hundreds of my constituents have contacted me about their propane gas bills which have doubled and tripled despite their efforts to conserve energy. Contrast a 100-percent, 200-percent, and in some cases, a 300-percent increase in propane prices with a 50- to 100-percent price increase for motor gasoline or home heating fuel and the enormity of the problem is clear. Believe me, I am not unsympathetic to the automobile driver or to those who require middle distillates to heat their homes, but I do believe that propane consumers have borne a greater portion of the burden than many other consumers and businesses. Propane consumers are not asking for special treatment, but they are rightfully demanding fair, equitable, and proportionate treatment along the lines of the provision in the conference report.

The propane price problem arises from the regulations established by the Federal Energy Office prior to January 31, 1974. In these regulations, propane gas was included under "other products" which pertained to everything but motor gasoline, No. 2 heating fuel and No. 2–D diesel fuel. Producers were allowed to apportion the increased production costs among these products in any proportion they desired. As a result, producers added a disporportionate share of the increased production costs to the price of propane in order to keep the price of other products lower than they should be. Propane consumers, in effect, have been subsidizing the users of other products ever since.

On January 31, 1974, the Federal Energy Office revised these price regulations providing for a proportionate pass-through of increased production costs. Only the percentage of increased costs equal to the percentage of total fuel production represented by propane gas could be passed through to the price of propane during the next year.

While this was a welcome change, it simply is not enough to correct the serious price inequities. In fact, the new regulations did nothing to reduce the disproportionate prices established before January 31; they only prevented the same thing from happening again. The Federal Energy Office specifically stated in the Federal Register of February 19, 1974, that it had no intention of correcting the price situation established before January 31. In other words, propane consumers are still subsidizing the users of other products because current propane prices still represent a disproportionate share of the increased costs incurred prior to January 31. This is clearly and unquestionably a discriminatory action by the Federal Energy Office against all propane consumers.

The other problem referred to in section 5, subsection (11) is the unconscionable practices of some propane brokers. The Legal and Monetary Affairs Subcommittee of the House Government Operations Committee has uncovered a number of propane brokers who have actually made hundreds of thousands of dollars in a matter of hours through a series of transactions involving the same stock of propane. The language in the conference report clarifies the powers of the Federal Energy Administration to halt this type of business practice. While millions of consumers have been making sacrifices to conserve energy, a few men have lined their pockets from the earnings of millions of Americans who are already hard pressed to pay legitimate price increases. I applaud the conferees for their attention to this serious problem.

The propane provision in the FEAA conference report is similar to a bill I cosponsored with the gentleman from Arkansas (Mr. ALEXANDER), on February 7, 1974, although the provision before us today is less forceful than my bill. Nonetheless, it still is a clear mandate from the Congress demanding and expecting fairer treatment for propane consumers.

It does disturb me that Congress has not responded to this problem faster and more forcefully, but I welcome this first attempt to correct a serious problem for millions of propane consumers. As soon as this legislation is signed into law, it is imperative that the new Federal Energy Administration moves into action quickly.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Speaker, I would like to ask the distinguished chairman of the committee whether or not there is any language in this conference report which would permit the Administrator to impose rationing by rule or regulation?

Mr. HOLIFIELD. No.

Mr. BAUMAN. I notice on pages 2 and 3 specifically there are references to the possibility of a subadministrator handling rationing, and it says, "if effected," and then further, it refers to three sources of power and mentions rationing as a possible imposition by the Administrator.

Mr. HOLIFIELD. Mr. Speaker, the Administrator has consistently said that if the time comes when rationing is required in this country, he will ask for the authority to impose it, but this does not increase the authority in that manner.

Mr. HORTON. Mr. Speaker, I yield myself such time as I may consume.

I would just like to commend the chairman, Mr. HOLIFIELD, not only for his leadership on the conference report but also for his leadership in the drafting of the bill and the handling of it in the subcommittee and full committee and later on the floor.

Mr. Speaker, I will not take long, as Chairman HOLIFIELD has already explained the conference bill. There are a few points, though, that I would like to emphasize.

First, this is a very important piece of legislation. It is important because of the remaining problems we face in meeting the short-term energy needs of this country. We were fortunate to make it through the winter months, using the ad hoc organization of the Federal Energy Office. But this should not cause us to disregard the remaining and significant organizational problems that have to be addressed through legislation. This bill creates a temporary organization designed to administer the programs to meet the expected near-term energy shortages. I hope soon we will have before us a conference bill on the Energy Research and Development Administration Act, which is designed to meet our longer-range energy needs. I also hope we will soon consider ways to provide overall coordination for programs affecting energy along the lines of proposals for a Department of Energy and Natural Resources or a Council of Energy Advisers.

Second, I want to emphasize that this conference bill remains an organizational bill as opposed to a bill granting program authority. It sets up the organizational structure and grants the administrative powers needed to run the existing energy programs now being handled by the Federal Energy Office. The bill does not prejudice any other program legislation now being considered, such as H.R. 13834, the new energy emergency bill, or H.R. 14368, the Energy Supply and Environmental Coordination Act, which I understand may be on the floor later this week.

Third, the conference bill is an excellent piece of legislation, benefiting from careful consideration in both this House and the other. As the chairman noted, the conference committee maintained the substance of the House bill. Accordingly, the bill here today contains powerful information-gathering authority for the Administrator so that we will be able to obtain the facts needed to make appropriate policy decisions. In the conference, we added to the authority of the Comptroller General so that he could respond to the expressed interests of House and Senate committees wishing to obtain information not available through the Federal Energy Administration. The Comptroller General is authorized to issue subpenas for energy information in response to resolutions of those committees which have legislative or oversight jurisdiction over the energy matters in question. In the House, certainly, we expect this authority would be granted only by those committees which are authorized to issue subpenas.

The conference bill provides a single set of administrative procedures for the Federal Energy Administration, which I think will help cut some redtape. The bill provides for the appointment of advisory committees and requires that their meetings be open to the public, except where national security is involved. The bill, in section 20, has extensive language assuring close coordination with State governments. It also includes a section establishing an Office of Private Grievances and Redress, which should speed consideration of requests for exemptions and other forms of relief. The bill includes in section 18, a requirement that there will be no discrimination due to regulatory or other actions of the FEA against any industry or region of the United States. This section was included with the tourism industry particularly in mind, as was the requirement that a report be issued within 30 days on what the gas situation will look like this summer. The conference bill also requires several reports which should help the Congress in the months to come keep track of what is happening in the energy field, and guide policy decisions in several problem areas such as the petrochemical industry.

Mr. Speaker, this bill has the support of John Sawhill, the FEO Administrator-Designate, and the administration. It deserves the support of the House. I urge adoption of the conference report.

Mr. WYDLER. Mr. Speaker, will the gentleman yield to me?

Mr. HORTON. I am glad to yield to the gentleman from New York.

Mr. WYDLER. Mr. Speaker, I also rise in support of this conference report. I was pleased and delighted to sign it.

I want to say the gentleman from California, the chairman of the committee, handled the conference in the same fashion as he did the committee and that is with a great deal of consideration for everyone's viewpoint but also with a determination to get the piece of legislation out.

I want to make that point because I am not criticizing him when I also say what I think has to be said here regarding this legislation. The fact is that although this was intended to be emergency type legislation to help our Nation at a time when it was suffering from an energy crisis, the Congress still allowed a period of at least 5 months to go by in trying to get some legislation through the Congress. We needed it to set up a permanent organization to handle the energy problems of our country. I do not think that is the kind of performance the people expect of the Congress or a record that any of us in the House or certainly in the other body can be proud of.

Once again I say as far as I am concerned the chairman of this committee is least guilty of causing that delay. In fact, he was one of those who led the way in trying to get this legislation acted on in a timely fashion. But from the point of view of the people and the needs of this country for action in the energy field I think what we have done finally, although it is a reasonable and good bill, took much too long a period of time and that the Congress was not responsive to the national need in a timely fashion.

Mr. BEVILL. Mr. Speaker, I rise in support of H.R. 11793, legislation which will, if passed, reorganize and consolidate certain functions of the Federal Government in a new Federal Energy Administration.

I am particularly pleased that the conference report retains the amendment offered by my distinguished colleague from Arkansas, the Honorable BILL ALEXANDER. As you know, this amendment prohibits the passing through of costs to customers of propane gas unless such costs are directly related to the production of propane. And future prices for propane shall be based on the prices which were in effect on May 15, 1973.

This amendment will protect individual propane users, as well as dealers. LP dealers have been struggling to remain in business since the price freeze. They are concerned about the people they serve. If something is not done to stabilize the price of propane, the entire industry could be placed in jeopardy as customers are forced to switch to other forms of heat.

Many people in Alabama and throughout the entire Nation have been hard hit by the huge increases in the cost of propane fuel. In some areas the price of propane increased by as much as 350 percent.

Realizing the chaos and hardships such increases were causing, I joined with several of my colleagues in introducing legislation to amend the Emergency Petroleum Allocation Act of 1973, to roll back the price of propane.

Following this action, the Federal Energy Office issued new propane pricing regulations to prevent future "price loading" onto propane. This regulation by FEO was followed a short time later by an FEO ruling which seeks to achieve a gradual reduction in the price of propane fuel.

This is a step in the right direction. But I believe this bill, containing the Alexander amendment, is still needed. I respectfully urge my colleagues to approve this legislation.

Propane gas is a big part of the total energy picture in Alabama. Many Alabamians, who must depend on propane fuel, live in the rural areas. A large number of these people are elderly and live on a fixed income. They use propane gas for heating their homes and cooking. The sudden, steep increases which occurred in the price of propane, placed a real burden on them.

In addition, Mr. Speaker, the district I represent is one of the largest poultry-producing areas in the United States. Propane fuel, at a reasonable cost, is vital to these poultry producers.

Since LP gas represents only 3 percent of a barrel of crude oil, increases in the price of imported crude oil only slightly increases the cost of producing propane.

I commend Congressman ALEXANDER for his efforts in this area, and I urge approval of this important bill.

Mr. ALEXANDER. Mr. Speaker, I would like to take this opportunity to congratulate the conferees on H.R. 11793 for their diligence and thoroughness in ironing out the differences between the two versions of the legislation authorizing a Federal Energy Administration.

Naturally, I was especially pleased to see that the amendment I introduced in the House to lower the cost of propane gas is included in the conference report. This provision clearly sets out the mandate of Congress to reduce propane prices which skyrocketed during the last year placing an unconscionable burden on the poor, the elderly and the residents of our countryside who could not afford to heat their homes because of this unjustifiable price increase.

The Federal Energy Office said their February 1 regulations would take care of this problem. However, 2 months later, we have seen nothing but token drops in prices—nothing to compare with the increases which came in the months preceding February.

I believe this legislation recognizes that pricing regulations must take into account two factors. The price must not be so high that the consumers cannot pay it and the prices must not be so low that it is unprofitable for the producers to manufacture the product. The rights of both the consumer and the producer are protected.

Warm weather is here. The immediate crunch is off. We cannot make amends to those who were forced to eat, sleep and live in their kitchens because that was the only room they could afford to heat. We cannot repay those who spent up to 75 percent of their limited income each month on propane bills.

However, our action now in enacting this legislation will prevent this squeeze on the pocketbooks of Americans next winter and allow some of our people once again to enjoy a heated home.

Mr. BROYHILL of North Carolina. Mr. Speaker, it is long past the time when Congress should be giving statutory authority to the Federal Energy Office. Study after study has shown that the energy-related programs are scattered in far too many departments and agencies of the Federal Government. Experience has taught us that this makes for poor program administration. Since the 92d Congress, many here in Congress have been asking for reform and changes in the administration of energy policy. For example, in the 92d Congress, I cosponsored a legislation calling for the creation of a Council on Energy Policy. Additionally, the President has asked for legislation in this area.

As we all know, the energy crunch is going to be with us for many years. In order to meet the demands and problems presented by this critical situation, it is imperative that Congress take the steps necessary to consolidate all energy-related matters into one office, thereby providing better coordination of energy policy administration. All of us are aware of the difficulties encountered by the constituents, small businesses, and large industries in our districts in trying to obtain information from the various Government agencies dealing with the energy crisis. Indeed, even our staffs have had more than their share of such frustrating experiences.

Another critical problem is the need for qualified personnel to staff this new agency. The Select Committee on Small Business, of which I am a member, recently held hearings on the effect the energy crisis is having on small business. One interesting aspect emerging from the hearings was the unanimous complaint that there are too few qualified people presently staffing the Federal Energy Office. So many of the people presently administering the program are on loan from other Federal departments, who stay for only a few weeks before returning to their original assignments. It goes without saying that this defect results in our constituents and staffs being given misinformation or no information, without a resulting bad feeling toward everyone trying to do an extremely difficult job.

Fortunately, H.R. 11793 remedies both of these problems. First, it transfers to the FEA energy functions currently housed in the Department of the Interior: The Office of Petroleum Allocation, the Office of Energy Conservation, the Office of Energy Data and Analysis, and the Office of Oil and Gas. Second, it gives the FEA a line item in the budget, thereby providing the agency with the necessary appropriations to insure the hiring of its own qualified administrative staff.

Needless to say, this bill is a necessity. As a member of the Interstate and Foreign Commerce Committee, which has worked long and hard to produce an acceptable energy measure, I feel it is imperative that we create the Federal Energy Administration to help us meet our goal of energy self-sufficiency.

Mr. STEIGER of Wisconsin. Mr. Speaker, I am extremely pleased to see the conference report on the Federal Energy Administration Act of 1974 come before us today. It represents the organizational foundation on which we can build a short-term energy policy to cope with our immediate fuel shortages.

Two provisions carry special significance. First, the bill addresses the problem of outrageous increases in the price of propane. Much of the blame for this past winter's soaring prices can be attributed to a disproportionate sharing of the increased cost of the crude products from which propane is derived. FEO first attempted to deal with this through a regulation prohibiting continuation of the disproportionate passthroughs, and then it tried to reduce the damage already inflicted through informal discussions with major producers. This helped, but more can still be done.

The bill before us requires an equitable allocation by rule of all component costs of producing propane gas. It suggests a formula under which propane prices would be based on May 15, 1973, levels plus a factor covering increased costs directly related to propane production. In addition, it breaks new ground by restricting the questionable activities of middlemen, who allegedly have driven these prices still higher. I expect these provisions to significantly ease the burden carried by the nation's propane consumers.

Second, I wish to indicate my pleasure with the information-gathering powers conferred by Sections 12 and 13. Access to reliable information on energy supply and demand is a prerequisite for a rational energy policy. Unfortunately, we have not had sufficient data in the past.

I was one of several Members to cosponsor legislation correcting this situation. The conference report before us today adopts the approach taken in that earlier proposal; the FEA has primary authority for gathering vital information, and the Government Accounting Office can verify and evaluate its findings.

Both the propane-pricing and the information-gathering provisions meet painfully obvious needs. I strongly endorse the positions adopted by the conferees on these particularly important issues.

Mr. KEMP. Mr. Speaker, I intend to support the enactment of the conference-reported bill now before us, H.R. 11793. I am, however, disappointed that the conferees did modify significantly the right to privacy provisions of the House-passed bill.

Let me refresh the memory of my colleagues on the history of that House-passed amendment.

When the bill was being read for amendments on March 7, an amendment was offered by the gentleman from California (Mr. GOLDWATER), for himself and for both the gentleman from New York (Mr. KOCH) and myself, to protect and assure the privacy of individuals and personal information affected by or obtained through the provisions of the Act. That amendment read, as follows:

> To protect and assure privacy of individuals and personal information, the administrator is directed to establish guidelines and procedures for handling data pertaining to individuals. He shall provide in such guidelines and procedures a reasonable and expeditious method for each individual data subject to:
>
> (1) be informed if he is the subject of such data.
>
> (2) gain access to such data.
>
> (3) contest the accuracy, completeness, timeliness, pertinence and necessity of retention or inclusion of such data.
>
> The administrator shall take necessary precautions to assure that no indiscriminate transfers of data pertaining to individuals is made to any other person, organization or government agency.

The broad support for that amendment was best reflected in the vote in this Chamber when 86 percent of those voting supported the amendment. I think such a plurality can best be characterized as overwhelming.

Unfortunately, that important amendment has been watered down in the conference committee. The conference-reported provision, proposed section 14(c), reads as follows:

> To protect and assure privacy of individuals and confidentiality of personal information, the Administrator is directed to establish guidelines and procedures for handling any information which the Administration obtains pertaining to individuals. He shall provide, to the extent practicable, in such guidelines and procedures a method for allowing any such individual to gain access to such information pertaining to himself.

How does this conference-reported language differ from the House-passed bill? In several ways, all important ones:

First, it strikes the requirement that an individual on whom information has been gathered be first informed that he is the subject of such data. How else is he to know?

Second, it strikes the important provision which gave him a right at law to contest the accuracy, completeness, timeliness, pertinence, and necessity of retention or inclusions of such data. This was the real "guts" of the House-passed provision. Under the conference-reported measure, there will be no right to either contest and to correct information.

Third, the conferees have stated in the statement of managers that—

> It was the intent of the conferees that this provision apply only to information concerning individuals in their strictly personal capacity, and not to information which relates in any way to an individual's business activities covered by this Act.

Thus, while one can obtain access to information about individual activities, one cannot obtain access about business activities, no matter how inaccurate, or impertinent, or incomplete, or untimely, or unnecessary for the carrying out of this act such information may be.

The conference-reported measure does not adequately reflect the commitment of this House—as reflected in its overwhelming passage of the amendment to insure this right to privacy—to the principle of assuring further that right against unwarranted intrusions by Government.

It, rather, infers a judgment that Government powers ought to subsume the rights of individuals.

With such a judgment, I could not disagree more.

Mr. HOLIFIELD. Mr. Speaker, I have no further requests for time, and I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The question was taken, and the Speaker announced that the ayes appeared to have it.

Mr. RONCALIO of Wyoming. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 356, nays 9, not voting 68, as follows:

[Roll No. 189]

YEAS—356

Abdnor
Abzug
Adams
Addabbo
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Ashley
Aspin
Baker
Barrett
Bauman
Bennett
Bevill
Biaggi
Biester
Bingham
Blackburn
Boggs
Boland
Bolling
Bowen
Brasco
Bray
Breaux
Breckinridge
Brinkley
Brooks
Brotzman
Brown, Mich.
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Butler
Camp
Carney, Ohio
Cederberg
Chamberlain
Chappell
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Conable
Conlan
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellums
Denholm
Dennis
Dent
Derwinski
Dickinson
Dingell
Donohue
Downing
Drinan
Duncan
du Pont
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Foley
Ford
Forsythe
Fountain
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Goodling
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gubser
Gude
Gunter
Guyer
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Hastings
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Holtzman
Horton
Hosmer
Howard
Huber
Hudnut
Hungate
Hunt
Hutchinson
Jarman
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kemp
Ketchum
King
Koch
Kuykendall
Kyros
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
Luken
McClory
McCollister
McDade
McEwen
McFall
McKay
McKinney
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Miller
Mills
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, N.Y.
Murtha
Natcher
Nedzi
Nelsen
Nichols
Obey
O'Brien
O'Hara
O'Neill
Parris
Passman
Pepper
Perkins
Pettis
Peyser
Pike
Poage
Podell
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Riegle
Rinaldo
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Rosenthal
Roush
Roy
Roybal
Runnels
Ruppe
Ruth
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Scherle
Schneebeli
Sebelius
Seiberling
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Stephens
Studds
Sullivan
Symington
Taylor, Mo.
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Treen
Udall
Ullman
Van Deerlin
Vander Veen
Vanik
Veysey
Vigorito
Waggonner
Walsh
Wampler
Ware
Whalen
Whitehurst
Whitten
Widnall
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—9

Collins, Tex.
Crane
Gross
Landgrebe
Rarick
Rousselot
Schroeder
Steiger, Ariz.
Symms

NOT VOTING—68

Alexander
Badillo
Bafalis
Beard
Bell
Bergland
Blatnik
Brademas
Broomfield
Brown, Calif.
Brown, Ohio
Burke, Calif.
Byron
Carey, N.Y.
Carter
Casey, Tex.
Chisholm
Danielson
Dellenback
Devine
Diggs
Dorn
Dulski
Eckhardt
Flowers
Flynt
Fraser
Frelinghuysen
Frenzel
Goldwater
Haley
Hanna
Hawkins
Ichord
Johnson, Pa.
Kazen
Kluczynski
McCloskey
McCormack
McSpadden
Milford
Murphy, Ill.

Myers
Nix
Owens
Patman
Patten
Pickle
Reid
Rhodes
Roberts
Roncallo, N.Y.
Rooney, N.Y.
Rooney, Pa.
Rose
Rostenkowski
Steiger, Wis.
Stokes
Stratton
Stubblefield
Stuckey
Talcott
Teague
Vander Jagt
Waldie
White
Wiggins
Young, S.C.

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Rostenkowski with Mr. Blatnik.
Mr. Rooney of New York with Mr. Flynt.
Mr. Patten with Mr. Hanna.
Mr. Rooney of Pennsylvania with Mr. Roberts.
Mr. Brademas with Mr. White.
Mr. Carey of New York with Mr. Rhodes.
Mr. Dulski with Mr. Bafalis.
Mr. Kazen with Mr. Frenzel.
Mr. Kluczynski with Mr. Beard.
Mr. Murphy of Illinois with Mr. Frelinghuysen.
Mr. Stratton with Mr. Carter.
Mr. Teague with Mr. Devine.
Mr. Hawkins with Mr. Reid.
Mr. Rose with Mr. Goldwater.
Mr. Stubblefield with Mr. Johnson of Pennsylvania.
Mr. Alexander with Mr. Bell.
Mr. Badillo with Mr. McCloskey.
Mr. Bergland with Mr. Nix.
Mr. Diggs with Mr. Brown of California.
Mrs. Chisholm with Mr. Waldie.
Mrs. Burke of California with Mr. Eckhardt.
Mr. Byron with Mr. Myers.
Mr. Casey of Texas with Mr. Dellenback.
Mr. Danielson with Mr. Stokes.
Mr. Stuckey with Mr. Roncallo of New York.
Mr. Dorn with Mr. Steiger of Wisconsin.
Mr. Flowers with Mr. Broomfield.
Mr. Pickle with Mr. Talcott.
Mr. Fraser with Mr. McCormack.
Mr. Haley with Mr. Wiggins.
Mr. Ichord with Mr. Brown of Ohio.
Mr. McSpadden with Mr. Young of South Carolina.
Mr. Owens with Mr. Milford.
Mr. Patman with Mr. Vander Jagt.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report just passed.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

FIRE PREVENTION AND CONTROL ACT OF 1974

Mr. DAVIS of Georgia. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11989) to enhance the public health and safety by reducing the human and material losses resulting from fires through better fire prevention and control, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from GEORGIA (Mr. DAVIS).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 11980, with Mr. LONG of Louisiana in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Georgia (Mr. DAVIS) will be recognized for 30 minutes, and the gentleman from Ohio (Mr. MOSHER) will be recognized for 30 minutes.

The Chair now recognizes the gentleman from Georgia.

Mr. DAVIS of Georgia. Mr. Chairman, I rise in support of the bill H.R. 11989, the National Fire Prevention and Control Act of 1974. This bill will provide a very modest, but badly needed effort to help reduce the staggering losses which our Nation experiences due to fires.

The magnitude of these losses will become clearer through a few statistics. Each year 12,000 Americans lose their lives as a result of fires. Thousands more are maimed for life. Among those who lose their lives every year are 200 firefighters who perish in the performance of their dangerous duty. The property losses are equally large. The estimates place the annual losses in this category in the billions.

H.R. 11989 would provide assistance to local fire departments and districts in several ways. The bill has three titles corresponding to the three areas in which the committee found that additional effort is needed.

Before describing these three titles let me emphasize one important point. And that is this. The bill will in no way reduce the responsibilities of the Nation's firefighting forces as they now exist. The thousands of dedicated firefighters, fire officers, and fire units across the country will continue to be the primary focus for community fire protection. It will be to these fire prevention forces our citizens can continue to look for improved firefighting and fire prevention. This bill is aimed at providing better information, better equipment, and better training for the Nation's firefighters.

Title I of the bill provides for the establishment of a National Bureau of Fire Safety with the following responsibilities:

First, this Bureau will conduct a program of public education aimed at bringing a better understanding to more people of what can be done to prevent and fight fires. It is particularly important that the old and the young, who make up 20 percent of the population but who incur 45 percent of the bodily injuries and the losses of life, achieve a better understanding of the simple things than can be done to prevent fire losses and injuries.

Second, it shall provide assistance in the development of more modern technology for use in the prevention, detection, and fighting of fires. This is a field with great opportunities for improvement. Let me cite just a few examples. The breathing apparatus which our firefighters now carry into a fire is unduly heavy and is limited in operating time to less than half an hour. Modern technology can lighten this loan and increase the operating time without sacrificing the high reliability which has been achieved in the devices now in use. Another example, where some progress has already been made, is fire detectors. A cheap but reliable fire detector which can be installed in every home, could save untold lives, and advanced technology can make a great contribution to the achievement of this goal.

The third responsibility of the Fire Safety Bureau is to operate a comprehensive national fire data system. One of the things that became clear during the committee's hearings was that although we know the coarse statistics concerning the results of fire, such as the number of deaths, we know very little about the detailed statistics, such as the causes of deaths. The fire data system would serve to develop these detailed statistics.

Fourth, and perhaps most importantly, the Fire Safety Bureau would have the responsibility of advancing the professional development of fire services personnel by providing high-quality training and education at the national level. The bill provides for the establishment of a U.S. Fire Academy to serve this function. The Academy is patterned after the FBI Academy which provides the same education and training for the Nation's law enforcement services. The Academy would be located on a site to be selected by a Site Selection Board appointed by the Secretary of Commerce, and would provide courses in all types of fire-related subjects. The training provided would be aimed at both technical proficiency for the firefighter, and leadership and management proficiency for commanders and fire chiefs.

In title II of the bill, the organic act of the National Bureau of Standards is amended to provide for a Fire Research Center. This Fire Research Center would carry on the already existing research activity of the National Bureau of Standards. In the past the work of this Center has been concentrated on basic research in such fields as combustion chemistry and the dynamics of flame ignition. The bill would extend this work to include research on biological questions related to the effects of fire exposure on man. For example, research would be done on the effects of smoke and toxic gases on the respiratory system, and on improved methods of providing first aid to fire victims.

Title III would provide for an expanded effort in the area of burn treatment. It calls for further medical research on burns, on the treatment of burn injuries, and on the rehabilitation of burn victims.

During the committee's hearings on this part of the bill we heard testimony from several doctors who are experts in this field. They pointed out that patients who are treated in hospitals with specially trained staff and which are equipped with special burn treatment facilities have a much higher chance of survival. For example, the national survival rate of children who have suffered burns over 60 percent of their body is between 10 and 20 percent depending on the age. But the survival rate for children with the same burn injury, who are treated in hospitals which are specially equipped and staffed, jumps to between 50 and 60 percent. The problem is that too few such specially equipped hospitals now exist.

For this reason the bill provides that the National Institutes of Health shall establish 25 additional burn centers at hospitals throughout the country, which will have the capability of both treating burn victims and training medical specialists in this field. In addition, the bill provides for the establishment, at 90 general hospitals throughout the country, of burn treatment programs which would provide the needed facilities for the specialized treatment of burn victims.

The funding authorized for the activities in this bill is very modest: $3.5 million would be authorized under title II to carry forward the already existing fire research program in the National Bureau of Standards. In addition $2 million would be authorized for the new fire activities under title I, and another $2 million would be authorized for the medical program in title III. The total amount authorized in the bill is $7.5 million.

Mr. Chairman, this bill was reported unanimously by the committee. It has wide support from the fire service community. I respectfully urge its favorable consideration by this body.

Mr. MOSHER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I very enthusiastically support H.R. 11989, the Fire Prevention and Control Act of 1974, and I commend both Chairman TEAGUE of the full committee and Chairman DAVIS of the Subcommittee on Science, Research, and Development for the leadership they have provided in bringing this innovative legislation to the floor.

This truly landmark legislation, to combat the ravages of fire, has the unanimous support of all minority members of the Science Committee. And I am proud to call very special attention to one Member on our side of the aisle, though not a member of the committee, the gentleman from Connecticut, BOB STEELE, who truly pioneered the efforts which brought forth this very important bill.

No Member of Congress has done more on behalf of the firefighters of America than Mr. STEELE. Just over 2 years ago he introduced the first comprehensive package of fire prevention and control legislation ever submitted to Congress, and the bill that is before us today, the Fire Prevention and Control Act of 1974, is a direct result of his vigorous, effective push. His knowledge, expertise, and specific proposals have been invaluable as groundwork in our drafting of this bill.

BOB STEELE truly was the leader in forging a Federal program for the prevention and control of fire. We on the Committee on Science and Astronautics recognize this, and I know that the firefighters of this Nation recognize it as well. The distinguished gentleman from Connecticut is acknowledged as the "fire expert" in this House, and his activities in that area typify his thorough and productive efforts also in other areas.

Mr. Chairman, in recent years our Science Committee has been besieged with legislative proposals seeking to combat one of the oldest people killers known to man—fire. This committee had before it over 75 separate bills when hearings began last session on fire prevention and control.

We welcomed the urgent emphasis these bills provided on today's increasing fire problems. It seemed to me a very sad state of affairs that public concern about fire safety tended to be limited to occasions of major fire catastrophe. And even the best planned annual campaigns to educate the public to the need, evoked only mild concern.

It is a startling fact that this seeming indifference is in the face of 12,200 people killed by fire in this country during 1972. Fully one-fourth of these victims were children, and 210 of the dead were firefighters.

The figures for damage to property are no less shocking. An estimated $2.9 billion of damage was caused by more than 2½ million fires in 1971. Of this total, approximately $2.3 billion represents damage to buildings and their contents.

These dismaying statistics were compiled by the President's National Commission on Fire Prevention and Control which released its comprehensive 24-month study on the Nation's fire problem in 1973. It is also of note that the Commission concluded that the principal causes of building damage were defective, misused, and overloaded electrical wiring and equipment; defective or overheated heating and cooking equipment; and careless use of smoking materials.

The point to be drawn from these statistics is that safety slogans and fleeting public concern have not accomplished the job. Thus, new techniques must be pursued to improve this Nation's ability to prevent and control fire. This was the Science Committee's challenge in drafting the proposed legislation and I see this bill as a creative, well-reasoned approach toward resolving our age-old fire problem.

Although the measure proposes a concerted effort on the part of the Federal Government to reverse growing fire losses, it is the declared policy of the bill that primary responsibility for fire prevention and control will remain in the hands of local authorities. There is no question, however, about the need for Federal assistance and Federal resources in support of local authorities, if we are meaningfully to reduce the Nation's fire losses.

The first of several key provisions of the legislation provides for establishment within the Department of Commerce of a National Bureau of Fire Safety. The so-called Fire Bureau will have as its mission to focus the Federal effort directed to fire prevention and control. The Director of the Fire Bureau will therefore undertake programs of technology development, training and education, data collection and analysis, and other efforts in cooperation with State and local governments.

As a part of the Fire Bureau, there will also be established a U.S. Fire Academy. The role of the Academy will be to supplement training now provided through various institutions by offering a more comprehensive program, plus providing training in more specialized and advanced areas.

The bill also creates a Fire Research Center in the Department of Commerce. The Center will carry on and expand the National Bureau of Standard's present fire program, directed to basic and applied research. There will be both a physical science program, addressing the physics and chemistry of fire and its effects, as well as a program aimed at the effects of fire on humans.

As the third and final major provision of the bill, the Secretary of Health, Education, and Welfare will be directed to establish a program of improved treatment and rehabilitation for burn victims. This will be carried out within the National Institutes of Health.

NIH will be responsible for sponsoring the establishment of three types of burn treatment activities: 25 new "burn centers," 25 new "burn units," and 90 new "burn programs." The "burn center" will be a separate hospital facility having highly advanced and specialized research and teaching programs as well as patient care. The "burn unit" will be a less elaborate facility operating as an adjunct to a general hospital although staffed with specialists. The "burn program" will operate as a staff of burn injury specialists without special facilities.

Mr. Chairman, there is no question but that this bill now before the House will significantly improve the Nation's ability to save lives and property. The public has been led to believe that we work and live in safe, modern buildings and that we as a nation are doing all we possibly can to reduce the toll of fire. Regrettably, this is not so.

I agree with those who characterize ours as a highly combustible society.

Therefore, I see the present legislation as a very positive measure to enhance the public's safety and welfare. The bill will channel $7.5 million of funding into a number of the highest priority problem areas. Hopefully, this will result in a major reduction in the fire hazards of the environment in which we all work and live.

I strongly endorse this measure and I urge my colleagues to join with me in voting for its passage.

Mr. Chairman, I yield 6 minutes to the gentleman from Michigan (Mr. ESCH).

Mr. ESCH. Mr. Chairman, I rise in support of H.R. 11989, the Fire Prevention and Control Act of 1974. I also wish to extend my appreciation to Mr. MOSHER, Chairman TEAGUE, and Chairman DAVIS for their diligence in bringing this bill to the floor.

Mr. Chairman, our Nation's fire record is deplorable. The yearly toll of death, injuries, and property damage is almost beyond comprehension. There are 12,000 deaths, tens of thousands of injuries, and $2 billion in property damage attributed to fires each year. The full impact of fire tragedy often is not fully appreciated. In addition, I am reluctant to admit that many Americans may have unknowingly acquiesced to the existence of fires. Fires have been with us for so long that they begrudgingly have been taken for granted.

The scientific progress of the past 100 years has proven wrong other accepted facts which were also once "taken for granted." That the chief mode of transportation was the horse, that malaria had no cure, that thought of man walking on the Moon was an idle daydream—all these were once taken for granted, but not any longer. If we apply the same determination to coping with the problem of fire as we have applied to other technical challenges, I am confident we can achieve correspondingly satisfactory results.

Mr. Chairman, I believe that the principal responsibility for the prevention and control of fires lies with local authorities. But I also know that local authorities alone often do not have the resources to spearhead a comprehensive fire campaign. The investigation and research necessary to solving the problem is beyond their means. This has been realized for many years and the National Bureau of Standards has been performing significant national studies on controlling fire.

It is time to expand the Federal Government's role in assisting local authorities fight fires. The Fire Prevention and Control Act of 1974 establishes a comprehensive framework by which we can attack the fire problem on several fronts simultaneously.

Title I of the bill establishes the National Bureau of Fire Safety within the Department of Commerce. The Fire Bureau will be the focal point for coordinating the Federal fire program. It will undertake public education, technology, and data collection programs. Public education will avail itself of the mass media and public service advertising. It will concentrate its message on the two groups most vulnerable to fires, the young and the elderly. The fire technology program will investigate a wide variety of fire safety equipment. Fire sprinklers and alarms must be built to work right the first time—there may be no second time. Protective clothing and breathing apparatus must be improved for our firemen. Data collection will give us a better overall picture of the causes of fire, and the techniques which best prevent fires.

Title I also establishes a U.S. Fire Academy. This recognizes that our conquest of fire will not come about by sheer brawn but by teaching men to use the latest technology. It will teach basic concepts and advanced techniques to firemen from all over the country. The Fire Academy will foster the high professionalism which our firemen have earned.

Title II of the act provides for the creation of a Fire Research Center within the Department of Commerce. This will be devoted to basic and applied research on fire prevention and control. The materials we use to build and furnish our homes must conform with a set of standards which provide at least a minimal level of fire safety for the occupants.

Other areas of research will include: The effects of fire and smoke on humans; the hazards caused by exposure to fire; and improved first aid methods for fire victims. This research recognizes that some fires probably will occur despite our best efforts. We must strive to reduce the human suffering of fire victims.

Title III of the act carries on this theme of alleviating human suffering by establishing in the National Institutes of Health a program to improve treatment and rehabilitation of burn victims. The bill provides for the dissemination of NIH's expertise by setting up local burn centers, burn units, and burn programs.

In conclusion, the bill authorizes the Secretary of Housing and Urban Development to insure loans made to nursing homes for the purposes of installing fire safety equipment. The aggravated tragedy of nursing home fires is a source of national shame. This provision will help rectify a situation long in need of help.

Mr. Chairman, I see the Fire Prevention and Control Act of 1974 as a vigorous attack on one of our oldest scourges. The bill will enable the Federal Government to lead the way in tackling the problem. While the Federal Government may lead the way, the road ultimately ends on every residential street and byway in our country. In fact, it ends at our doorstep.

The debate today has adequately demonstrated the need for this legislation. Although I rise in support of H.R. 11989, I would stress that this need may be inadequately met by the funding levels of the House bill. I am hopeful that in the conference with the Senate this inadequacy is, to the degree possible, corrected.

I am hopeful in the years ahead we can fully utilize the skill and expertise of this Center as we move to develop and implement the program.

In making this contribution we will be involved in a number of areas including a research and development program, a training and education program, and a national system of fire data and information. These are all worthwhile endeavors and I look forward to their initiation. However, I did want to briefly comment on one of these programs with which I am very familiar and which I believe merits special comment. I am referring to the provision for a program of improved treatment and rehabilitation of burn victims. I am privileged to have in my district the University of Michigan Burn Center. Headed by Dr. Irving Feller, this center is renowned for its pioneering work in this field. It has, as many publications have pointed out, "given second lives" to burn victims. I have visited the center on a number of occasions and believe that any assistance we provide will be returned manifold in benefits to those who have been badly burned.

Mr. DAVIS of Georgia. Mr. Chairman, I have no further requests for time.

Mr. MOSHER. Mr. Chairman, I yield 5 minutes to the gentleman from Oklahoma (Mr. CAMP).

Mr. CAMP. Mr. Chairman, I rise to offer my support for H.R. 11989, the Fire Prevention and Control Act of 1974. I would also like to congratulate the subcommittee chairman, Mr. JOHN DAVIS of Georgia, as well as the ranking minority member, Congressman MOSHER of Ohio, for their leadership in drafting this excellent piece of legislation. I am pleased to be associated with this landmark bill and look forward to its successful passage today.

Mr. Chairman, it is my personal belief that too few Americans realize the formidable losses which this Nation suffers each year because of fire. On the average, every minute of every hour of the day there is a fire in an American home. And on the average, each day approximately 175 Americans are killed or left permanently disfigured by fire. This tragic toll is far too high and must be reduced.

Statistics on destruction of lives and property in the United States are all the more discouraging when compared to the death and damage rates in many foreign countries. As an example, our death rate from fires is twice as great as that of Canada, four times that of the United Kingdom, and 6½ times that of Japan. Clearly, the Federal Government must increase its efforts to reduce these losses by focusing public attention and mobilizing public resources. This in fact is precisely the thrust of the legislation at hand: The bill now before us seeks to revitalize and expand the role of the Federal Government in dealing with our catastrophic fire problem.

In drawing up H.R. 11989, the committee based its legislation not only upon our own intensive hearings but also upon the results of a comprehensive 2-year study undertaken by the President's National Commission on Fire Prevention and Control. It was particularly interesting to me that the Commission's report identified as one of the highest priority safety functions that of providing a training and education program. As a result, the committee is recommending that a U.S. Fire Academy be established as a part of the suggested National Bureau of Fire Safety. The new Bureau in turn would function as an integral part of the Department of Commerce.

I personally feel that better training and education for our firefighters is of critical importance. The problem with the training offered today is that it is far from uniform in quality. This results in highly effective course work being available in some areas of our country while in other areas there is very little.

I point out, however, that the bill does recognize the existence within the United States of an established system for fire training. This system now provides basic training to recruit firefighters and certain advanced training in special fires, as well as some other types of training. But, because of the lack of uniformity in training now available, in addition the fact that there is only limited management training offered for fire chiefs, there is a compelling need to supplement current local and regional programs. Thus the role of the Academy in supplementing the present system will be to fill the gaps where there is now no activity and to improve ongoing programs as necessary.

Clearly, the Academy plays a key role as it is to take the lead in achieving a greater professionalism among the fire services and, where an improvement would result, to break away from conventional approaches by introducing more progressive and imaginative techniques and technology. In effect, the Academy is to serve as the principal vehicle by which to introduce new material and knowledge into the practices of the fire services.

I would also like to point out that the committee report accompanying the legislation addresses itself to the Academy facility proper. Specifically, the Academy will consist of whatever buildings and special facilities, staff and other personnel as are necessary and appropriate for its programs. The actual location of the Academy will be the selection of the Secretary of Commerce after he takes into account such factors as travel distance for students and local environmental suitability. The Secretary of Commerce is also permitted to designate more than one single site if he deems it desirable.

In this connection, I would like to recommend strongly that close consideration be given to establishing the Fire Academy at an institution which has the appropriate background and experience in fire training. I would venture to say that there may be a number of institutions throughout the Nation which meet this criteria but I would cite as one particularly unique example the Oklahoma State University in Stillwater, Okla.

I personally believe that OSU, which is known among fire experts as the "West Point of Fire Service," would be an outstanding location for the new Academy. The superb work which is conducted at the university in such areas as fire science, fire technology, and fire protection publications has received national recognition by experts in the field. In fact, the OSU fire technology degree program, which was started in 1937, is the oldest in the Nation.

Mr. Chairman, without question, there are any number of potential sites for the future Fire Academy, but it is my conviction that because of the impeccable credentials of Oklahoma State University plus its excellent geographical location that no institution is as well qualified as OSU. I therefore recommend that the Secretary of Commerce give close consideration to locating the Academy at Oklahoma State University.

Mr. Chairman, I strongly support H.R. 11989 as it envisions a broad approach to the prevention and control of fires in this country. Furthermore, the Department of Commerce has also indicated to the committee that it is ready and eager to manage the activities set forth in the proposed legislation. I therefore commend this legislation to my colleagues and ask them to join with me in offering this bill our unqualified support.

Mr. MOSHER. Mr. Chairman, I yield 1 minute to the gentleman from Arizona (Mr. CONLAN).

Mr. CONLAN. Mr. Chairman, I would like to make a few brief remarks in support of H.R. 11989, The Fire Prevention and Control Act of 1974. I want first to associate myself with the remarks of my colleagues who like myself have supported and cosponsored this bill.

Other speakers have recited in detail statistics about the thousands of deaths and billions of dollars in losses we suffer each year from fires. There is no need for me to repeat the numbers; we know the Nation has a problem. The question is—what to do about it?

Mr. Chairman, it is clear that we do not want another program of massive Federal intrusion into local affairs. Yet, I believe there is a proper Federal role in the area of fire prevention and control. This bill has been carefully drafted to insure that the Federal role does not tread on local responsibilities but is a supplement to local efforts.

H.R. 11989 acknowledges both the existence and limitations of training establishments already in operation at the State and local levels. Through the present training system, most firefighters get good training in basic and intermediate firefighting skills. However, there are limitations related to advanced or very special firefighting skills, for example aircraft or chemical fires, and management and command training for fire officers. The reason for this is easy to see—on a local level there is simply not enough demand for such specialized or advanced courses. However, nationwide there is sufficient need for specialized training. Recognizing this need, the U.S. Fire Academy is created by this bill.

Mr. Chairman, I want to also point out that under H.R. 11989, the Academy will not be sequestered in one central location. It will reach out to the volunteers and others who cannot attend courses far from home, by preparation of training aids, offering correspondence courses, sponsoring and staffing local workshops, and by training instructors who will return to the local firefighting organizations.

A similar situation occurs in the case of research on fire problems. No single local department can justify spending its funds on general research, yet research can save lives and prevent injuries. There is fire-related research now being done by various Federal agencies.

Research now being carried out at the Bureau of Standards, has developed an improved protective coat for firefighters. The Bureau and NASA are jointly funding the field testing of an improved firefighters breathing apparatus developed by NASA. Each of these projects should reduce firefighting injuries and at the same time enable firefighters to be more effective. Research funded by the National Science Foundation has shown that the large majority of fire deaths are caused by smoke or toxic gas inhalation. Also, basic research at the Bureau of Standards is examining fire ignition and flame spread. The knowledge gained in such research will be used to develop more accurate and usable flammability tests for building materials.

There is a need to coordinate and stimulate this basic research so H.R. 11989 creates within the Bureau of Standards a Fire Research Center. The Center will provide the research and testing. The results will become a national tool to enable the local jurisdictions, through their own fire code, and firefighting efforts to apply the latest methods to reduce fire's deaths and losses.

The area of data is another example of the need for Federal assistance. Fire-incident data must be collected, voluntarily, by the local fire departments. The local department may not see patterns merging or may see false patterns because of the relatively small number of fires and the random, sporadic nature of accidental fire. Yet, if such data is assembled and analyzed nationally, as this bill provides, clear patterns will emerge from the much larger number of incidents. Thus a national data system will identify problems, suggest priorities, and monitor the success of activities to reduce fire loss.

One last point, Mr. Chairman. It is my understanding that all fire service personnel and organizations are covered under the provisions of this bill. This is another example of the care with which H.R. 11989 is drawn, for local fire protection organizations vary from volunteer, paid full-time fire protection, to private industry contract service.

Mr. Chairman, I would like to point out for the record that in my district in Arizona many of the municipalities have contracted with private organizations as their sole source of fire protection. This has proven to be a very effective system.

I have been assured by the staff and the other members of the Science and Astronautics Committee that it is our intent that these private organizations are included under the provisions of this bill. Therefore, no firefighter will be denied the use of the opportunities and facilities created in this bill.

To summarize, Mr. Chairman, the Fire Prevention and Control Act of 1974 provides for a limited and balanced Federal role which includes activities in research, data analysis, and training. Carefully limiting the Federal role has three benefits. First, we are able to make the coverage broad—we do not have to try to restrict what we mean by a "fire department." Second, since we know the Federal Government will not be intrusive, we can encourage outreach training activities by the Fire Academy. Third, and most importantly, we can leave the responsibility for fire at the local level where it belongs, and where local people can control it.

Mr. MOSHER. Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts (Mr. CRONIN).

Mr. CRONIN. Mr. Chairman, I rise to speak in support of the Fire Prevention and Control Act of 1974, H.R. 11989. The need for this legislation has been clearly and completely documented in the report "America Burning" written by the National Commission on Fire Prevention and Control. This report covered America's fire problem in great detail and I do not intend to repeat those facts.

The fire problem was also discussed in hearings before our committee. Let me just say that the 12,000 deaths and hundreds of thousands of injuries annually demand action.

The most forceful recommendation of the National Fire Commission and a constant theme of testimony in our hearings was that a U.S. Fire Academy should be established to assist in training a more professional fire service for the Nation.

Testimony further pointed out that there is a good model for a U.S. Fire Academy, the British Fire Service Technical College in England.

Mr. Chairman, in order to better understand how best to meet the need for a U.S. Fire Academy, Chairman JOHN DAVIS and I have visited the British Fire Services Technical College at Moreton-in-Marsh, England. At this facility, built on the site of a World War II bomber base, there are modern classrooms, teaching laboratories, dormitories, dining halls, and so forth, that rival those in any American college or university. However, the outstanding facilities are those for teaching firefighting in realistic situations. Thus along the old runways there are full-scale models of a ship—surrounded by water—a warehouse, a seven-story tower, a commercial block, petroleum tanks, and manifolds, and a breathing apparatus training building. Students learn theory in the classrooms and put it into practice in these realistic fire situations. The Fire Service Technical College admirably serves the British needs and provides an interesting example for us.

However, the situation in the United States is somewhat different. First, our country is much larger and a single central training facility is probably not practical. Second, there is in existence in this country at the State and local level a fairly extensive establishment for basic firefighting training.

What is needed and what this legislation establishes is an academy to supplement, not duplicate or supplant, the existing training efforts. There are needs for higher level courses for officers—courses in strategy and command and public administration. There are needs for highly technical and specialized courses such as chemistry for arson investigation. Finally the local training efforts need to be supported through such approaches as preparation of training aids, courses for instructors, and regional workshops on new firefighting or fire prevention techniques.

H.R. 11989 has several provisions which will advance the Nation's fire safety performance, but most important to me are those provisions establishing a U.S. Fire Academy to fill the needs I have just described.

The bill also recognizes the fact that in most communities the fire departments are the primary operational Civil Defense organization.

In England we found that the local fire departments had complete responsibility for civil defense, primarily as a result of the emergency created by the complete devastation caused by the bombing raids during World War II. For this reason the bill provides for coordination between the Fire Academy and the Civil Defense Staff College in Michigan.

Mr. Chairman, for all the reasons I have given, I strongly urge the passage of the Fire Prevention and Control Act of 1974.

Mr. MOSHER. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. GILMAN).

Mr. GILMAN. Mr. Chairman, I rise in support of H.R. 11989, the Fire Prevention and Control Act of 1974.

I am particularly pleased to support this measure since it substantially incorporates many provisions outlined in a series of bills in which I joined the gentleman from Connecticut, Mr. STEELE, in sponsoring earlier in this Congress.

Mr. Chairman, in recent years we have been confronted with an alarming and steady increase in fatalities and property losses due to fire.

In Orange County in New York State, which is part of my congressional district, for the year 1972, deaths and serious injuries by fire totalled 55. It is obvious that when multiplied by the numbers of deaths and serious injuries throughout the other counties in our 50 States, this total can be staggering . . . an estimated 12,000 fatalities.

In world standings, the United States does not rank high in the prevention and control of fires. Canada, the United Kingdom and Japan all have had substantially greater success in preventing per capita death rates than our own country. For a nation that has led the world in technological advancement, this is not a laudable record.

Our advanced technology has, in fact, fostered increases in deaths and property losses. The influx of high rise buildings and the proliferation of synthetic materials, many of which are not sufficiently fireproof, are creating severe fire hazards.

While we can be proud of some of these advances, we should bear in mind that we may have been much too hasty in our developments without adequately preparing ourselves against the risks from fire.

It has been estimated that the price of destructive fire in the United States amounts to at least $11.4 billion a year.

The 1973 report of the National Commission on Fire Protection and Control entitled "America Burning," while bringing some startling facts to light, came up with some sound recommendations for congressional action. It is partially as a result of this thorough report that we are taking this action today.

By this legislation, the Congress is establishing a National Bureau of Fire Safety for acting as a central resource and for focusing national attention on fire prevention. Within this National Bureau, the bill provides for the creation of a long-needed U.S. Fire Academy, for advanced training and educational programs in fire-related subjects.

While this bill may not be the final solution for preventing and controlling fires, it is a significant step in recognizing this high-priced need—the need for improving national fire safety.

I urge my colleagues to wholeheartedly support this measure.

Mr. MOSHER. Mr. Chairman, I yield 10 minutes to the gentleman from Connecticut (Mr. STEELE).

Mr. STEELE. Mr. Chairman, almost 3 years ago, I became convinced of the need for a major new national effort to reduce the staggering loss of life and property damage resulting each year from the ravages of fire. With the assistance of fire experts from thoughout the country, I developed and introduced on February 2, 1972, the first comprehensive package of fire prevention and control legislation ever submitted to Congress, including legislation to create a National Fire Academy and eight other bills. It is in this context, Mr. Speaker, that I rise to offer my full support for the National Fire Prevention and Control Act of 1974.

In many ways, the conversations and the research I undertook paralleled the extensive investigation later conducted by the extremely able and knowledgeable chairman of the subcommittee on Science, Research and Development, Mr. DAVIS. I particularly wish to express my admiration for Chairman DAVIS' vigorous leadership in helping to obtain action on the fire problem and my appreciation for his efforts to move this vital legislation through the long legislative process as quickly as he did. Similar appreciation is due to my outstanding colleague from Ohio (Mr. MOSHER) who has worked effectively for this legislation from the outset and who has proved to be an invaluable friend of the Nation's 2 million firefighters, and to the other distinguished members of the subcommittee for their role in formulating a comprehensive, omnibus bill from the fire proposals referred to the committee.

In retrospect, my real awakening to the magnitude of the fire problem began the night I spent with Dennis Smith and Engine Company No. 82 in the South Bronx section of New York—which has been termed the busiest firehouse in the world. I witnessed a case of arson and three other fires within the first hour of my arrival. It quickly became apparent that these fires occurred every night in major cities across the country. I realize that like everyone else, my understanding of our Nation's fire problem came from a few, spectacular fires which were reported in local papers or on television. However, the most important part of a fire story, which generally goes unreported, begins after the fire, when individuals must put the pieces back together.

We are undertaking an enormous job. The mounting fire problem has been neglected by the Federal Government for too long. We must seek to reduce the total net annual U.S. fire loss, which is conservatively estimated to be $11.4 billion; to change the public's attitude about fires; to provide funds for effective programs; and to lend new equipment and better educated firefighters into an improved firefighting system. In short, we are being asked to help solve a problem that has been traditionally considered exclusively a local responsibility. But I consider these goals both justified and of the greatest urgency.

Consider, if you will, that during the 1 hour of debate on this fire bill, it is statistically probable that 300 destructive fires will begin to burn in the United States. By the time they are suppressed, these fires will have caused more than $300,000 worth of property damage. One person will be dead with 40 individuals injured, some crippled or disfigured for life.

Since I first introduced my 9 fire proposals, over 70 other related fire bills have been referred to the Science and Astronautics Committee and well over a quarter of the Members of Congress have either sponsored or cosponsored fire legislation. Certainly there has never been a greater recognition in Congress of our Nation's fire problem and the need to take positive action to improve our Nation's fire prevention and firefighting program.

History shows that there were similar periods of concern about fire, but unfortunately, they have been followed in every case by long periods of neglect and inaction.

One of the first such periods of concern prompted President Truman's Conference on Fire Prevention in 1947. Promises were made and recommendations were written. There were high hopes that these promises and recommendations would be implemented. But sadly, no action was taken for 20 years until Congress passed the Fire Research and Safety Act of 1968.

Two more specific cases further illustrate the cycle of concern and neglect. One period of concern followed the 1958 fire at Chicago's Our Lady of the Angels School in which 93 children were killed. Immediately, we closed, condemned, razed, and renovated thousands of schools. Yet, in the 10 years that followed, school fires increased by 272 percent. Another period of concern followed a fire in 1962 in Norwich, Conn., when firefighters routinely responded to a truck fire that unexpectedly and tragically blew up in their faces. Four firefighters were killed and six other persons were hospitalized with injuries caused by exploding chemicals. As a result, the Federal Government started to develop a uniform placarding system for marking dangerous cargoes. But once again, effective regulations were never implemented, and firefighters and law enforcement personnel are little better informed of potential cargo dangers today than they were 12 years ago.

These examples serve to illustrate the need for a continuing focus on the fire problem within the Federal Government. I emphasize the word "continuing"—which is especially critical because there have been many Federal programs which have been undertaken, but which have failed. I am confident that the legislation before us today will not fail because of neglect or by getting lost in a maze of bureaucracy.

Only the Federal Government can change our Nation's fire priorities. Today our fire safety efforts are designed primarily to suppress fires once they have begun rather than preventing them before they occur. The National Commission on Fire Prevention and Control illustrated this point by explaining that about 95 cents of every dollar spent on fire services is used to extinguish fires; while only 5 cents is spent in preventing fire. Congress must recognize that a full understanding of the fire problem is needed and that only the Federal Government has the resources to comprehend and address the total fire danger our society and technology has created for us.

The fact is that we live in a combustible society. The new synthetic fabrics that are wrinkleproof, fadeproof, and almost as flammable in some instances as a book of matches, are worn daily by all of us. We furnish our homes and offices with highly flammable synthetic materials that many times emit deadly fumes when burned. The chairs we sit on often contain such toxic substances, and commonly the mattresses and pillows, and even the insulation in our homes and offices incorporate these dangerous synthetics.

Obviously, then, there is a need for us to look at the role that we as Members of Congress can play in mobilizing the forces of the Federal Government against the fire problem and the unconscionable loss of more than 12,000 men, women, and children who perish in the 2.7 million fires which take place yearly in the United States. In my view, we should assess which steps hold the highest priority in terms of results for the money spent.

The Fire Prevention and Control Act of 1974 embodies three objectives which I view as being the most important first steps to be taken in reducing our Nation's fire problem.

First, is the creation of a National Fire Academy responsible for conducting courses and developing curriculums for use by colleges and universities, as well as local training centers. Specifically, the Academy would offer courses including techniques of fire inspection and fire arson investigation; tactics and command for fire situations; the administration and management of fire departments; civil defense operations; courses for training instructors and courses on fire-related subjects not available elsewhere. Also the Academy would offer assistance to existing local training centers and encourage additional centers where there are currently none. It would help colleges and universities develop 2- and 4-year degree programs in fire engineering. Of particular significance to firefighters across the Nation is the authorization to pay students up to 75 percent of the cost of attending Academy-approved courses at such colleges, with stipends of up to 75 percent for tuition, travel, and subsistence paid to students attending the Academy itself.

In fact, for the first time the National Fire Academy would provide our Nation with a continuing educational institution which would enrich the training courses of every fire department in the country. For the first time it would allow firefighters to engage in a systematic exchange of information. It would allow them to develop nationwide programs utilizing new technology and techniques. It would help volunteer, as well as paid, departments to improve their standards and training. And in the process, it would formally recognize the dedication and raw courage of the Nation's more than 2 million firefighters.

The second key objective is the establishment of a national fire data clearinghouse to provide a better understanding of the fire problem and to secure accurate, reliable data urgently needed in order to expand fire technology R. & D. programs. Under the legislation now before us, the Director of the National Bureau of Fire Safety within the Department of Commerce would collect and analyze data in order to give a realistic appraisal of the size and character of the Nation's fire problem. The information would serve as a basis to establish priorities and select those areas which need immediate attention. And as part of the effort to provide a continuing focus on the fire problem, the data would be used to monitor the progress of the fire safety program. All of this would be possible by developing a standardized data reporting system and assisting State and local governments in gathering data.

The third objective is to facilitate the transfer of technology to the fire service.

Manufacturers of firefighting equipment acknowledged in the documentary film "Firetrap" that there is far too little communication between fire departments and the developers of fire equipment. The results can be disastrous. Equipment is sometimes so incompatible that neighboring fire departments cannot assist one another in an emergency because the hose couplings are different sizes. Nearly 60 different sizes are sold by manufacturers. When I visited Engine Company No. 82, I witnessed firefighters using the same kind of flammable leather fire helmets that have been in use for over 100 years, even though safer and more practical helmets were developed many years ago. Additionally many firefighters are injured each year because they have to hang on the back of fire trucks for dear life on the way to a fire. In other countries, firefighters ride to the fire in safety in a special vehicle or in a special cabin behind the driver. Another grave danger to firefighters is the inadequate and flammable turnout coats they wear. The National Bureau of Standards tested some firecoats which proved unable to pass the flammability standard for children's sleepwear. One final part of the firefighters ensemble, the breathing apparatus, is also woefully inadequate because of its weight and bulk. It is so clumsy, in fact, that some firefighters refuse to use it.

It is important for us to make a special effort to improve the firefighter's uniform and breathing apparatus. We can make great progress in this vital area if we quickly capitalize on NASA's recent breakthroughs in firefighting technology. They have created a fire suit that offers protection from 1,500-degree flame. They have constructed a breathing system that is far lighter, smaller, longer lasting, and more efficient than current models. And they have produced several designs of clothing previously known in the firefighting profession.

This new equipment is being tested in actual fire situations by several paid departments across the Nation and by volunteer firefighters in eastern Connecticut.

Paid and volunteer firefighters alike have responded to NASA's innovations with enthusiasm. Now we must insure that such new equipment is mass-produced and distributed by private industry as quickly as it is developed.

In closing, I would add this point: The full effect of our failure in the area of firefighting equipment is hard to measure, but is nothing short of tragic. At least 170 firefighters died last year in the line of duty and nearly 40 percent of all firefighters were injured. We will never know just how many of these firefighters or how many of the roughly 12,000 Americans killed each year by fire could have been saved if our firefighters were provided with the equipment they need and deserve.

I hope we do not fool ourselves into thinking that by passing this bill the Nation's fire problem will disappear overnight. Rather, I hope it will be viewed as only the first step, the turning point toward a major new effort by our country to reduce the toll of fire.

This landmark legislation is of great importance to the tens of thousands of full-time and volunteer firefighters who place their lives in jeopardy regularly as part of their dedication and sacrifice as public servants. It will provide essential benefits to our Nation's fire service similar to those long enjoyed by law enforcement agencies. While Congress appropriated on average over $250 million per year between 1969 and 1972 for law enforcement activities, this bill authorizes a modest figure of only $7.5 million for fiscal year 1975.

To return to a point I made earlier, it is important for us as Members of Congress to determine priorities in terms of the results for the money spent. The National Commission calculated that if a 5 percent reduction in fire losses could be realized annually, the Nation's losses would be halved in about 14 years. Or to look at it another way, a 5 percent reduction in property losses would mean a saving of $350 million in the very first year.

But this legislation is important for a reason above the dollars and cents saved. It very well could yield substantial reduction in the number of deaths and injuries resulting from fire. And in our society, where we place the highest value on human life, this must be among our highest priorities.

Mr. SARASIN. Mr. Chairman, will the gentleman yield?

Mr. STEELE. I am happy to yield to my colleague, the gentleman from Connecticut.

Mr. SARASIN. Mr. Chairman, I thank the gentleman for yielding, and I wish to rise in enthusiastic support of this legislation. I wish to commend my colleague, the gentleman from Connecticut (Mr. STEELE) for the outstanding work the gentleman has done in this effort, an effort that is not only appreciated in the State of Connecticut, but throughout the country. The gentleman has done an outstanding job, and the gentleman deserves our sincere thanks for his concern.

Mr. CONABLE. Mr. Chairman, will the gentleman yield?

Mr. STEELE. I yield to the gentleman from New York.

Mr. CONABLE. I thank the gentleman for yielding.

I should like to associate myself with the remarks of the gentleman in the well and compliment him on those remarks. I rise in strong support of this legislation and urge all of my colleagues to accept it for the very cogent reasons he has given us. Such legislation is long overdue and I am glad it has finally been accomplished.

Mr. STEELE. I thank the gentleman for his comments.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. STEELE. I yield to the gentleman from New York.

Mr. KEMP. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the bill pending before us, H.R. 11989, the proposed Fire Prevention and Control Act of 1974.

This is of vital importance to the thousands of full-time and volunteer firefighters in our country whose lives and expertise are put on the line daily on our behalf.

THE PURPOSE OF THIS ACT

H.R. 11989 would enhance the national effort to more effectively control the occurrence of fires, thereby reducing their threat to life, limb, and property, and the inevitable scars associated with them and their terrible aftermaths. It is fully consistent with the commitment of the Congress to curb the incidence of fires and damage created by them.

This measure would, specifically—

Create a National Bureau of Fire Safety and a Fire Research Center within the U.S. Department of Commerce;

Authorize an improved treatment program to be conducted by the National Institutes of Health;

Authorize the Secretary of Housing and Urban Development to extend loan insurance to nursing homes for fire prevention equipment; and

Provide reimbursement for local firefighting efforts on Federal property.

All of this is needed.

Each year an estimated 3.6 million fires occur nationwide, killing 12,000 people and causing injury to an additional 300,000. Estimated annual losses due to fires in the United States total $11,400 billion.

Title I of the bill before us establishes within the Department of Commerce a National Bureau of Fire Safety, within which will be established a U.S. Fire Academy. The academy will conduct courses in all aspects of firefighting and provide teacher training for its enrollees—mostly fire service personnel—at fees set by the superintendent of the academy. In addition, it will develop and run correspondence courses, workshops, seminars, and conferences; encourage fire programs offered by State, local, and private organizations and institutions; and, promote fire prevention education among architects and builders.

The superintendent of the academy will be authorized to provide stipends covering up to 75 percent of tuition costs for students attending the academy or academy-approved courses at other universities or colleges, as well as providing scholarships to fire-engineering students. The superintendent may also provide institutional assistance of up to $2,500 annually per student enrolled in approved fire research and engineering programs.

One of the first bills I introduced at the beginning of this 93d Congress was H.R. 4094, a bill to provide for the creation of the National Fire Academy. The concept contained within that bill has been incorporated within the provisions of the bill pending before us.

I share with my colleagues, particularly who joined in the introduction of H.R. 4094, a deep sense of appreciation to the Committee on Science and Astronautics, and to its leadership, Mr. TEAGUE of Texas, its chairman, and Mr. MOSHER of Ohio, its ranking minority member, for incorporating that concept into the present bill. I also think words of praise are due for the gentleman from Connecticut (Mr. STEELE), who helped lead this effort.

THE COMPREHENSIVE APPROACH EMBODIED IN THIS BILL IS NECESSARY

I wish to take this opportunity to call to the attention of all my colleagues what I believe to be the principal merit of this bill: The use of a comprehensive approach to the problems of fire prevention, firefighting, fire damage reduction, and rehabilitation—of both property and lives.

When H.R. 4094 was introduced on February 7, 1973, it was as part of a comprehensive legislative package designed to attack this problem. In addition to the bill to create the National Fire Academy, I cosponsored the following measures:

H.R. 4095, a bill to provide the Secretary of Commerce with the authority to make grants to States, counties, and local communities to pay for up to one-half of the costs of training programs for firemen—a proposal incorporated in large measure and at a higher percentage rate as authority given to the superintendent of the academy in the bill before us;

H.R. 4096, a bill to provide the Secretary of Commerce with the authority to make grants to accredited institutions of higher education to pay for up to one-half of the costs of fire science programs—a proposal which also in slightly amended form is incorporated in the bill now pending;

H.R. 4097, a bill to provide financial aid to local fire departments in the purchase of advanced firefighting equipment — a proposal which I hope will soon be the subject of additional action by the committee and by the House;

H.R. 4098, a bill to provide financial aid for local fire departments in the purchase of firefighting suits and self-contained breathing apparatuses — a measure which too ought to be soon considered;

H.R. 4099, a bill to extend for 3 fiscal years — through June 30, 1976 — the authority of the Secretary of Commerce to carry out fire research and safety programs, an assurance which we now have; and,

H.R. 4100, a bill to establish a National Fire Data and Information Clearinghouse within the National Bureau of Standards — a proposal which will now be administered through the Fire Research Center within that Bureau, as that center is authorized by the pending bill.

Mr. Chairman, we take great strides today, but there is still much to be done. When I talk to men like Thomas Owczarczak, the chairman of the Legislative

Committee of the Western New York Volunteer Firemen's Association, or Patrick Mangan, Jr., the president of firefighters Local 282 in Buffalo, or Ronald D. Feuerstein of the Lancaster Volunteer Fire Department, or Kenneth Hoertz of the Elma Volunteer Fire Co. and others I know how much more we have to do to help them in their valiant efforts. I am committed to that undertaking.

Mr. STEELE. I thank the gentleman.

Mr. THONE. Mr. Chairman, will the gentleman yield?

Mr. STEELE. I yield to the gentleman from Nebraska.

Mr. THONE. I thank the gentleman.

Mr. Chairman, I, too, would like to associate myself with my other colleagues who have spoken in enthusiastic support of this bill. In particular, I should like to commend the gentleman in the well. He is the one who sparked my interest in this legislation. I am sure he also stimulated the interest of many other Members of this body in this legislation.

As pointed out in the report accompanying this bill, and as confirmed to me in previous discussions with Hobart H. Boswell, the fine president of Local 644, Lincoln Fire Fighters Association, Lincoln, Nebr., the six areas of the fire problem in America are as follows:

First. There needs to be more emphasis on fire prevention.

Second. The fire services need better training and education.

Third. Americans must be educated about fire safety.

Fourth. In both design and materials, the environment in which Americans live and work presents unnecessary hazards.

Fifth. The fire protection features of buildings need to be improved.

Sixth. Important areas of research are being neglected.

This legislation goes a long way in an effort to help solve some of these problems. It merits strong support of all Members of this body.

Mr. MOSHER. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota (Mr. Nelsen).

Mr. NELSEN. Mr. Chairman, I want to join in congratulating the chairman of the committee and also the ranking minority member. However, it has come to my attention that some of the provisions in this bill present a jurisdictional problem with the Committee on Interstate and Foreign Commerce. This has been brought to my attention by our chairman, as well as the chairman of our subcommittee, the gentleman from Florida (Mr. Rogers). I just visited a minute with Mr. Rogers, and there seems to be some area where these things can be ironed out. I hope the chairman and the ranking minority member will discuss this with Mr. Rogers, who I assume will later speak to that point.

I just want to add my word from the minority saying we hope this can be worked out, because these jurisdictional problems are sometimes a bit sticky, but committee jurisdiction needs to be adhered to in order to keep some semblance of organization as to our efforts on these various committees.

Mr. DAVIS of Georgia. Mr. Chairman, will the gentleman yield?

Mr. NELSEN. I yield to the gentleman from Georgia.

Mr. DAVIS of Georgia. I thank the gentleman for yielding.

I certainly agree with the remarks that the gentleman has made. The Burn Treatment Centers are clearly a matter of concern to the National Institutes of Health, the overview of which comes under the Committee on Interstate and Foreign Commerce. The gentleman is eminently correct in stating this. Our intention is not to get into the medical end of it at all.

I recently had a short conference with the gentleman from Florida (Mr. Rogers), and I quite agree that many authorizing funds for the National Institutes of Health would properly come through the Committee on Interstate and Foreign Commerce. I have, therefore, entered into an informal agreement and am preparing an amendment which would delete the actual funds, $2 million, which are allocated to the NIH.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. Nelsen was allowed to proceed for 1 additional minute.)

Mr. NELSEN. Perhaps the gentleman from Florida (Mr. Rogers) would care to respond so that we may have a better understanding. I yield to the gentleman from Florida.

Mr. ROGERS. I thank the gentleman for yielding.

We have had discussions here with the distinguished chairman of the committee. He has agreed that this subject matter is one which falls within the jurisdiction of the Committee on Interstate and Foreign Commerce, as our chairman, the gentleman from West Virginia (Mr. Staggers) has so stated.

The reason we feel somewhat strongly about this is because if we let every bill that comes up have some authority where people could go to the Committee on Appropriations without funneling it through the basic committee that has jurisdiction, we are going to have so many authorizations that we could never keep track of what is happening.

The chairman of the subcommittee, the gentleman from Georgia (Mr. Davis) has been kind enough to recognize this, and he says he will take care of this problem by an amendment, and then he will handle the matter in conference.

Mr. ESCH. Mr. Chairman, will the gentleman yield?

Mr. NELSEN. I yield to the gentleman from Michigan.

Mr. ESCH. I thank the gentleman for yielding.

I just want to get assurance from the chairman of the committee that has authorization on this that the correct channels will be followed.

Mr. ESCH. Mr. Chairman, I would want to have assurance, however, from the chairman of that committee that they are very much interested in and concerned with the burn centers and that we can develop a cooperative arrangement so that we can authorize additional funds for research in cooperation with this bill as we proceed. Can the chairman give me assurances that they are working on this program?

Mr. ROGERS. If the gentleman will yield, we are very much interested in the program. I might say we feel the authorization of $2 million probably would not move us very far at this time for the HEW estimates a burn center would cost between $1.2 and $1.5 million for the first year and about $800,000 to 1 million a year thereafter, and it might be difficult to have as many as 25 centers all at once.

Mr. ESCH. If the gentleman will yield further, does the gentleman also recognize the need to have burn centers throughout the country to support the work that is going on?

Mr. ROGERS. Yes. I think all of us would like to see this. Many hospitals are setting up burn centers along with the trauma centers and emergency medical facilities as well.

Mr. MOSHER. I yield 2 minutes to the gentleman from Pennsylvania (Mr. Goodling).

Mr. GOODLING. I thank my friend, the gentleman from Ohio, for yielding.

Mr. Chairman, I hope I can say everything I want to say in 2 minutes. I had no idea I was going to take part in this bill, but I want to point out to the Members of this House that this is one more instance where emotion takes over and good judgment goes out. I trust the supporters of this amendment have the ways and means of raising the money that this particular bill is going to require.

I suppose I should have on a bulletproof vest before I oppose this bill. I can assure the gentlemen I do not, but I still want to talk against the bill, even though I know the skids are greased.

Tornadoes are very prevalent and I assume that any time now we are going to have a bill to prevent tornadoes.

I would like to ask the chairman of the subcommittee a few questions if he will respond. Mr. Chairman, I notice in fiscal year 1974 the National Bureau of Standards had allocated $4 million for this purpose. Can the gentleman tell the House what was done with that $4 million, how much has been spent and what did we derive from the $4 million?

Mr. DAVIS of Georgia. Mr. Chairman, if the gentleman will yield, the gentleman is not talking about this bill.

Mr. GOODLING. I am talking about the Commerce Department budget for the fiscal year 1974, which was for the National Bureau of Standards program, under the National Fire Research and Safety Act for fiscal year 1974, which shows $4 million.

Mr. DAVIS of Georgia. They have an ongoing program at the National Bureau of Standards where they do a great deal of fire research. The other fire research is done by the Consumer Products Safety Commission under the Flammable Fabrics Act of 1967 or 1968. They do a great deal of research.

Mr. GOODLING. Can the gentleman give us an example of what they did specifically? Can he give us something specific?

Mr. DAVIS of Georgia. One thing they did was to test the flammability of carpeting. One way they did that was to take a sheet of metal with a hole in it and drop a pill in the center of that hole and measure how far the carpet burned before the flame went out.

Mr. GOODLING. Some time ago this Congress set up a bureau which has five Commissioners to look into standards of safety. Is that not a duplication of effort?

Mr. DAVIS of Georgia. I do not know what bureau the gentleman is talking about.

Mr. GOODLING. I have forgotten the exact name of the bureau. I used the name a week or two ago.

Mr. DAVIS of Georgia. There was a Fire Commission set up.

Mr. GOODLING. It is not the Fire Commission. This is a Bureau of Consumer Safety.

Mr. DAVIS of Georgia. That did not come out of this committee.

Mr. GOODLING. I realize that, but it is a complete duplication of effort.

Mr. DAVIS of Georgia. I think the gentleman must have reference to the Consumer Products Safety Commission which has to do with consumer products and in my view has no relevancy whatever to this bill.

Mr. GOODLING. I think if the gentleman will check, he will find that Commission is doing a great deal of what is proposed here.

One more question, if I may.

Mr. DAVIS of Georgia. Well, that is a consumer problem. They go into such things as children's pajamas and toys and things like that, but that is a consumer problem. This bill is designed to fight the broad subject of fire in general, as well as to learn how to prevent fire.

Mr. GOODLING. One more question. How much of this $7.5 million is budgeted for this year?

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

Mr. MOSHER. Mr. Chairman, if I have 1 more minute, I will yield to the gentleman.

Mr. DAVIS of Georgia. If the gentleman was noticing a minute ago, we had agreed to strike $2 million out of the bill. That has to do with the creation of the burn unit.

Mr. GOODLING. But for the fiscal year 1975, it is $7.5 million?

Mr. DAVIS of Georgia. That is correct. I have agreed to strike out $2 million of that and let the authorization for that come through the Committee on Interstate and Foreign Commerce. That leaves only $5.5 million in this bill.

Mr. GOODLING. How much of this is budgeted?

Mr. DAVIS of Georgia. It is all budgeted.

Mr. MOSHER. Mr. Chairman, I have one more request for time. I yield 2 minutes to the gentleman from Indiana.

Mr. LANDGREBE. Mr. Chairman, I experienced a very severe fire in my business on January 24. Perhaps I should not be up here speaking against this bill, but I must carry through a bit with the comments of the gentleman from Pennsylvania (Mr. Goodling).

We are already spending a good deal of money on fire prevention at the Federal level. Also, we have universities, States, and cities that have fire training academies. This is another one of those friendly little bills that authorized only $5.5 million to start, and then goes quickly to $15 million and $20 million.

I must remind the Members of this House and myself that the interest on our national debt has more than doubled. I repeat, more than doubled, during my short time in Congress, going from $14.6 billion for fiscal year 1969 to an amazing $29.1 billion in fiscal year 1975.

Now, if this is such a good, necessary bill, why do not the proponents move along with it a companion bill providing for the tax increases necessary to provide for its cost?

I would like to point out, too, that the administration opposes this bill on the grounds that the creation of a separate fire research center in the Bureau of Standards is a rather superficial exercise in more bureaucracy, more cost, without a resulting return on the taxpayers money; so with this brief explanation, I will be voting against this bill.

Mr. PARRIS. Mr. Chairman, I rise in support of H.R. 11989, the Fire Prevention and Control Act of 1974. It is my pleasure to have been able to participate in the committee effort which produced this legislation and to have been able to work closely with our very able subcommittee chairman, John Davis. I feel this act is an excellent piece of legislation, fully deserving the unanimous support which the committee provided it.

Mr. Chairman, man has always had an ambivalent relationship with fire. It has protected him but it has also frightened him. It has provided warmth to his home but it has also injured him. It has contributed substantially to his current-day prosperity but it has also destroyed his possessions and his environment.

Throughout the ages, however, man has been more and more able to control fire and use it for beneficial purposes. But he has never learned to completely control it and this is particularly so in 20th century America.

It is a documented fact that fire strikes a home in the United States on the average of every minute of every day. Hundreds of thousands of injuries and billions of dollars in property damage are the result. If this same problem with this kind of disaster and destruction were a public health problem it would be labeled an "epidemic"—an epidemic which reached more than three-quarters of a million of the Nation's 65 million residential dwellings in 1971.

In the course of the year, the United States reports 13 fires for every 1,000 of its residents. Japan, also a highly industrialized nation, records only 0.61 fires per 1,000 population. Japan also has only 2.9 fire deaths per million population while the United States records 57.1.

As if further emphasis is needed, I would also point out that during the 10 years ending in 1972, 3 times as many Americans died in fires as died in the Vietnam war—143,550 versus 49,925. This averages out to over 12,000 Americans killed annually by fire alone.

Another 190,000 are injured by fire each year—tens of thousands of them seriously enough to require special medical treatment. And there are only minimal resources and facilities to provide them with the type of specialized care which they require. In fact, fewer than 100 of this country's 6,000 general hospitals provide specialized burn care. In addition, there are only 12 centers in this country which can properly be classified as medical burn centers.

One reason for the cost and scarcity of treatment centers is a lack of basic knowledge about burns and the body's ability to heal from this type of injury. The amount of money being devoted to burn research has been minuscule when compared with the magnitude of the problem. In fiscal year 1972, the National Institutes of Health spent approximately $1.25 million on burn research in an attempt to reduce the 12,000 annual death toll. By contrast, $34 million was spent on research into renal disease—which kills 9,000 Americans annually—and $16 million on hypertension—which kills 16,000 Americans annually.

Another way of defining the dimensions of the fire problem is to analyze the enormous, complex system which has grown up over the years to combat fires. There are more than 20,000 fire departments in the United States with 200,000 paid firefighters and 20 million volunteers. And from any perspective, firefighting is a hazardous—and costly—occupation. Injury rates for paid firefighters are two to three times the national average for that of the manufacturing industries. Also, injury rates for volunteers are two to three times higher than for paid firemen.

Mr. Chairman, the legislation now before the House is a comprehensive bill designed to alter these horrible statistics by improving research, training, and education. Primary emphasis, of course, is placed upon the prevention and control of fires.

The act is in no way intended, however, to supplant State and local efforts at minimizing fire losses; rather, the legislation is designed to supplement these many worthwhile efforts.

To cite just one example of this cooperative relationship I mention the creation of a U.S. Fire Academy which is called for by H.R. 11989. This facility will provide access to the most advanced scientific, technological, and educational concepts. Instruction will be offered to as many firefighters as possible from around the country who will take the courses offered by the Academy.

The Academy will also offer management and administration courses for senior officers and establish a system of correspondence courses to permit training to be taken while the firefighter remains with his local unit. It will also support and encourage education and training programs at the local level such as in universities and community colleges.

Mr. Chairman, there are many additional important and innovative provisions in this bill. As a number of these have been discussed, I would therefore simply add my support to this significant piece of legislation and ask that my colleagues join with me in reducing the proportions of this Nation's fire problem.

Mr. TEAGUE. Mr. Chairman, losses from fires have reached very high levels in the United States. Each year more than 12,000 persons lose their lives as a direct result of fires and many tens of thousands are injured and maimed. Close to 200 of those lost are firefighters who die in the performance of their dangerous duty. The losses in property are equally large, and are estimated to exceed $2 billion each year. Other indirect costs of fire, for example the cost of maintaining fire departments, may total another $8 billion per year. The prevention and control of fires is and must remain the responsibility of local authorities. But if the trend of growing fire losses is to be halted and reversed, the Federal Government must make a contribution in certain fields where only a national effort can provide the needed initiative and effort. This bill is aimed at filling that need.

The need for improvement in all areas of fire prevention and control is evident. It is the intent of the bill to provide assistance in the reduction and prevention of fires and in the reduction of the losses resulting from fires. If enacted, the bill would set policies for Federal activities in this field and establish an agency to deal with fire safety matters.

As a result of 5 days of hearings, study of the National Fire Commission report, "America Burning," and personal member and staff involvement and study of the fire problem, the committee has found that the United States has the highest rates of death and property loss from fire of any industrial nation; that these losses are unacceptable; that while fire prevention and control is properly a local responsibility, the Federal Government can be of invaluable assistance; that both firefighting and civil defense programs can benefit from closer cooperation; that there is need for professional training for the fire services; that additional research is needed in the area of fire safety; that there is a need for a national fire data system; that the U.S. facilities for the treatment and rehabilitation of burn victims are severely limited in number; and that the Federal Government's role in research, data, and training needs to be strengthened in order to improve the effectiveness of the Nation's firefighters.

Title I of the bill establishes in the Department of Commerce a National Bureau of Fire Safety, the "Fire Bureau," headed by a presidentially appointed director. The Fire Bureau shall be the Federal focus of efforts to improve the Nation's fire prevention and control. To this end, the Fire Bureau will undertake programs of technology development, training and education, data collection and analysis, public education, and other efforts, in cooperation with State and local governments, which continue to have the primary responsibility, and with the private sector. The Director is instructed to insure that results of the Bureau's work are widely available and to encourage their use where applicable. This last item recognizes the diffuseness and diversity of the fire community which makes transfer of technology and utilization of new information particularly difficult.

Mr. Chairman, let me now explain the activities to be included in the Fire Bureau in the order they appear in the bill.

The Director is instructed to undertake a continuing and extensive program of public education in fire safety and fire prevention. It is the intent of the committee that this include programs in the schools, training for teachers, mass media/public service advertising, and educational materials. The bill provides that the Director shall collaborate with other organizations in this field and that the program shall include special messages targeted for particularly vulnerable groups, such as the young and the elderly. In recognition of the apathy which greets most current efforts in public education, the Director is instructed to conduct research into new methods of public education.

The Director shall develop new technology for fire safety to include both equipment and techniques. This section of the bill recognizes the need for new technology in fire protection and also recognizes that this must be proven technology. Because of the sporadic, surprise nature of fire incidents and because lives are at stake, equipment must function correctly the first time, often, as in the case of sprinklers, after long standby periods. Thus testing, evaluation, acceptance, and validation test procedures, operation tests demonstration projects, and actual fire investigations are included. In the area of techniques the Director shall develop purchase specifications and standards for equipment.

Further in the area of techniques the Director shall conduct research on the management and operation of fire departments, on fire department productivity, and on fire service personnel needs and problems.

The thrust here is to develop techniques and guidelines to enable the fire chief to utilize his manpower and equipment and resources effectively and efficiently.

Finally, the bill recognizes that there exists much underutilized technology which could be adapted to fire protection and instructs the Director to take full advantage of this resource.

The Director shall operate a comprehensive integrated national fire data and information system.

The integrated system shall collect data from all appropriate sources—for example, fire departments, insurance organizations, medical facilities—combine and analyze it so that it delivers its message to the desired user, publish, and disseminate it.

The Director is authorized to develop standardized fire data reporting methods to insure that reports from different jurisdictions are compatible, but the use of such standard reports is not made mandatory. The Director is, however, authorized to assist State, local, and other agencies in developing and reporting information, and to make use of existing data capabilities as much as possible, so that he can thereby encourage the development of a sound, reliable data base.

The bill establishes a U.S. Fire Academy as part of the Fire Bureau, to be headed by a Superintendent appointed by and responsible to the Director. The provisions of the bill recognize that there exists in the United States an established system for fire training. This existing system now provides basic training for recruit firefighters, certain advanced training in special fires such as flammable liquids, and other types of training. However, the training available to firefighters varies across the Nation and there is little management training for fire chiefs. Thus the role of the Academy in supplementing the system is to fill the gaps where there is no activity, and to improve existing programs where necessary.

To accomplish this, the Academy will have three separate activities: There will be courses of study given at Academy facilities; there will be correspondence courses offered by the Academy; and there will be assistance to existing and new and local programs.

The list of areas and means of instruction in the bill is intended to give the superintendent wide latitude in carrying out the program. To assist him in this the superintendent is directed to conduct a continuing study of the training needs of the Nation's fire forces. This activity will provide him with the information he needs to insure that his program does fill gaps; that is, supports, not supplants, existing programs. This continuing study will also inform him as to which local programs or which areas of training might need shoring up, and which courses should be offered or developed by the Academy.

Courses offered by the Academy would include techniques of fire inspection and fire and arson investigation; tactics and command for fire situations; the administration and management of fire departments; civil defense operations; courses for the training of instructors; and topics not offered elsewhere. Correspondence courses would be developed and offered in areas of need, where the topic can be handled in this way.

The superintendent is authorized to assist existing local training programs and to encourage the development of new programs, where they are needed. This assistance would be rendered through curriculum development, development of texts or manuals, workshops for instructors, and so forth, and by paying students up to 75 percent of the cost of their attendance at Academy-approved courses at colleges and universities.

As another kind of assistance to fire education, the superintendent is also authorized to encourage professional schools of architecture, city planning, and engineering to include fire safety in their curriculums. This would enable designers of buildings and products to understand the reasons for certain provisions in fire codes and the performance expected of their design.

The Academy proper shall consist of whatever buildings and special facilities, staff, and other personnel are necessary or appropriate for the Academy programs. The location of the Academy will be selected by the Secretary of Commerce after receiving a report from a site selection board. This board, the superintendent plus two others, will consider such things as travel distance for students, environmental factors, and so forth. If found desirable, the Academy may have more than a single site.

Because the existing training system is very diverse, the bill provides that the superintendent shall establish a committee to study the issue of accreditation of fire training courses. This committee would consider whether a mechanism of accreditation is desirable and what role the Academy should play.

Students in Academy courses and programs are to be selected from members of the fire services or civil defense forces, or other individuals that might be able to better contribute to reduction of fire losses with further training.

The bill provides that the Superintendent may establish fees for courses and may provide stipends to students, up to 75 percent of tuition, travel, and subsistence costs.

To encourage the growth of a cadre of trained fire professionals, the Superintendent is authorized to provide scholarships and make loans to full-time students in fire engineering courses.

The bill provides that a Board of Visitors be appointed by the Secretary of Commerce to review annually the Academy program and report to the Secretary.

The bill provides that a fire protection district or fire department may be reimbursed at least in part for its costs incurred in fighting a fire on Federal property. To receive this reimbursement the district or department must file a report with the Director stating: First, the losses or expenses incurred as a result of fighting the fire; and second, the costs of operation of the district or department for the year preceding the incident and the year of the incident, and the estimated costs for the following year. Using this report the Director can determine the relative burden of a particular Federal fire incident. The Director shall then determine and make a payment to the fire district or fire department which shall represent their costs less a pro-rata share of Federal payments made in lieu of taxes. The committee intends that, upon making such a payment, the Director will be reimbursed by the Federal agency on whose property the fire occurred.

Two million dollars is authorized to carry out the activities of the Fire Bureau for fiscal year 1975.

Title II of the bill establishes a Fire Research Center in the Department of Commerce which is intended to carry on the National Bureau of Standards fire program and which is to conduct basic and applied research on the phenomenon of fire in order to provide the information needed to develop new technology, better fire codes, and so forth. The activity shall have two parts: First, a physical science program to include the physics and chemistry of fire and its effects, and second, a program on the effects of fire on humans to include biology, physiology, psychology.

The intent of the bill is to authorize the Fire Research Center to conduct laboratory or test investigations of fires, and whenever necessary to supplement these controlled investigations with field investigations of actual fires.

The physical science program shall study such topics as fire dynamics, fire growth and spread, ignition, extinguishment, the early stages of fire—to improve early detection, that is, to determine what characteristics of a new fire one should detect—and the behavior of fire in buildings. The program shall study unique fire hazards that arise from industrial use of dangerous materials including chemical fires. A very important part of the program is the determination of the products of combustion, including smoke, which account for most fire deaths.

Another part of the program shall study the design of buildings and other structures to generate design concepts enabling an architect or builder to incorporate fire safety into buildings that are comfortable, beautiful, economical, and useful.

The human-effects program will investigate the effects of fire, smoke and heat on humans. The goal is to produce basic information on the actual mechanisms by which fire affects its victims so that buildings, products, materials, and procedures can be made safer.

Further, the program must cover both the actual or potential fire victims, who perhaps are exposed to fire once in a lifetime, and the firefighter whose job requires repeated exposure to fire. Specific areas of research shall include: First, the effects on humans of toxic substances produced by fires, for example smoke and other combustion products; second, hazards and stresses caused by the exposure to the heat, smoke and danger of fire, especially as this applies to firefighters; third, research for the development of simple tests to determine the cause of a fire victim's death—this recognizes the fact that many bodies are recovered badly burned, but may have been burned after dying from exposure to toxic smoke; fourth, improved methods of first-aid for fire victims, simple treatments to be given at the scene of a fire; and fifth, other studies—biological, physiological, and psychological—as necessary.

The bill also provides that the research program shall examine the psychological and motivational characteristics of arsonists.

The bill instructs the Director to insure that the results of the research program are put to work improving fire safety. The principal means of applying the results named in the bill are codes, standards, and test methods. However, the Director should also insure that where appropriate research results are given to the U.S. Fire Academy, to other Federal agencies, to industry, and to State and local governments.

Three million five hundred thousand dollars is authorized to carry out the fire research program for the fiscal year ending June 30, 1975.

Section 204 makes changes in the Organic Act of the National Bureau of Standards. The effect of these changes is to insert sections 201 and 202 of this bill into the NBS Organic Act to describe the fire research program to be carried out at NBS. The intent is to insure that a strong, competent scientific program in fire research be carried out and managed by the National Bureau of Standards

Title III authorizes and directs the Secretary of Health, Education, and Welfare to establish in the National Institutes of Health a program of improved treatment and rehabilitation of burn victims. The bill provides for a broad program of research, training, and improved treatment.

The bill provides that NIH shall sponsor and encourage the establishment of three types of burn treatment activities: 25 new burn centers; 25 new burn units; and 90 new burn programs.

The National Institutes of Health is also directed to provide training and support for the treatment and rehabilitation specialists necessary to staff the activities described above; to provide training in emergency care for burn victims; to increase their sponsored research program on burns, burn treatment, and burn rehabilitation; to systematically study smoke inhalation injuries; and to sponsor and support other necessary research and training programs.

Mr. Chairman, I support this bill, and I urge its adoption by this body.

Mrs. HOLT. Mr. Chairman, I rise in support of H.R. 11989, the Fire Prevention and Control Act of 1974.

I was pleased to cosponsor this important legislation, and I am equally pleased that it is before us today for consideration. The committee has seen fit to incorporate many of the suggestions from the report "America Burning" prepared by the National Commission on Fire Prevention and Control. This measure will provide our country, for the first time, with national standards on fire prevention and control, and will add greatly to the public awareness of fire and firefighters. There will now be a concerted effort to promote programs of fire prevention, and to mobilize our technological resources to improve our ability to combat fires.

The programs advanced by this legislation will greatly contribute to the safety of our firefighters through research into improved protective equipment and through quality training and teaching of advanced firefighting techniques. The establishment of the National Fire Academy is a step forward in upgrading the quality of training available to our firefighters, and in providing advanced curriculums to local training programs. I would ask that serious consideration be given to the State of Maryland as a location for the new Fire Academy. Maryland would certainly qualify under the criteria which will be considered by the Site Selection Committee in terms of access and location. In addition, the outstanding training which is being provided through the Fire Administration School at the University of Maryland, and the forward looking and highly proficient firefighting teams in Anne Arundel and Prince Georges Counties of my district, would serve as nuclei for the fledgling school in providing expertise from their own ongoing training programs.

It is my earnest hope that this new Federal program will make real inroads into our frightful national fire statistics, and will help to save thousands of lives, tens of thousands of injuries, and billions of dollars in damage and loss. It is interesting to note that the National Commission on Fire Prevention and Control commented that of every dollar spent on fire services, only 5 cents is directed toward fire prevention. H.R. 11989 will, while maintaining fire-suppression activities, reorient our approach and provide far more emphasis on the prevention which will yield huge benefits in lives and property.

Mr. Chairman. I urge my colleagues to join me in voting for this historic legislation.

Mr. COTTER. Mr. Chairman, I rise in strong support of the Fire Prevention and Control Act. As a member of the Subcommittee on Science, Research and Development, I was proud to play a role in the formulation of this needed legislation. I want to take this time to compliment the distinguished chairman of this subcommittee, JOHN DAVIS, who was the guiding force in putting together this fine bill.

Mr. Chairman, for the first time the Federal Government will have an agency that is dedicated to improving the Nation's fire prevention and control techniques. A National Bureau of Fire Safety will be established within the Commerce Department and will undertake systematic investigation of various fire technology developments, training programs, and educational efforts. This new bureau will also distribute this information and work with State and local government fire departments and officials.

Further, the bill creates a new fire research center to carry out the basic and applied research for the development of new firefighting technologies. For this innovative effort, the bill provides $3.5 million next year.

Finally, the bill also provides for assistance to people who suffer personal injuries from fires. The bill directs the Secretary of HEW to establish within the National Institutes of Health a new program of improved treatment and rehabilitation of burn victims. Further, the bill also provides loans to nursing homes for the installation of fire safety equipment.

As can be seen from this description of the bill, it is prudent, but necessary. Firemen not only from Connecticut, but from all over the United States testified in support of it. It represents a beginning in coordinating a systematic national attempt to prevent fires and protect firefighters.

In closing, Mr. Chairman, I cannot avoid observing that the passage of the Fire Prevention and Control Act of 1973, taken together with the Public Safety Officers Benefit Act of 1973, which provides $50,000 to firemen killed in the line of duty, and was passed yesterday, that the House of Representatives has moved constructively and swiftly to aid our Nation's firefighters.

I urge my colleagues to overwhelmingly support this necessary legislation.

Mr. KARTH. Mr. Chairman, I wish to speak in support of H.R. 11989, the Fire Prevention and Control Act of 1974. As one of many sponsors of earlier proposals in this area, I am pleased to see this necessary legislation coming to a vote on the House floor.

This bill will benefit both the average citizen who may never be involved in a major fire, as well as the Nation's firemen who must battle fires on a daily basis. A long-term benefit of this kind of legislation should be to reduce fire insurance rates in the United States.

Firefighting is now designated as the most dangerous occupation in the Nation. More than 12,000 persons, including close to 200 firefighters, lose their lives in fires in the United States each year. One of the findings accompanying this bill is that this Nation today has the highest rates of death and property loss due to fire of all major industrial nations.

The annual cost of fires in the United States—including property loss, fire department operations, burn injury treatment, operating costs of the fire insurance industry and productivity loss—is conservatively estimated at $11.4 billion. Not included in that monstrous total are losses suffered by businesses closed due to fire or wages lost when jobs are interrupted by fire.

These figures point out the necessity for accomplishing the things this bill tries to do. The problems we face were illustrated in the final report of the National Commission on Fire Prevention and Control issued in 1973.

The Commission said there should be more emphasis on fire prevention, and this bill attempts to do that through public education and through research and development of new techniques for fire prevention and control.

The Commission said firefighting units need better training and education, a problem this bill addresses through establishment of a U.S. Fire Academy.

Americans must be educated about fire safety, the Commission said, and the public education effort envisioned under this bill should do that. The Commission said that in both design and materials the environment we live in is unnecessarily hazardous and that the fire protection features in our buildings need to be improved. The Fire Research Center established under this bill, with duties that include studying the characteristics of fires and developing fire safety design concepts for buildings, will help solve this problem.

Another beneficial feature of the bill is its direction to the Secretary of Health, Education, and Welfare to establish in the National Institutes of Health a program of research, training, and improved treatment for burn victims. Improvements in this area are vitally necessary, especially when we realize that half the victims of burn injuries are children who may spend a long lifetime suffering from psychological as well as physical disfigurement if adequate treatment techniques are not available.

This is a broad bill to attack a problem that is growing in seriousness in the United States. I urge your support.

Mr. MURPHY of Illinois. Mr. Chairman, I was proud as a member of the Rules Committee when a rule was granted by the committee on the Fire Prevention and Control Act of 1974. This landmark legislation, being considered today, will add a national dimension to an all-out campaign against fire, the major killer of 12,000 Americans each year.

The form of this new approach is presented in the Fire Prevention and Control Act of 1974. I feel this is a necessary step toward educating our citizenry and professionalizing our firefighting efforts. The bill is designed to fight fire with increased technology and more efficient administration.

In the past we tried to tackle fire on a piecemeal basis, with each community providing its own limited forces. Although State and local governments will continue to have the primary responsibility under the new act, the Federal Government will assume a central role in the expansion of research, data, and training. A second aspect of the bill will increase the cooperation between civil defense and firefighting forces. These actions will consolidate our technological and experimental knowledge into a national effort to improve the overall effectiveness of the Nation's firefighters.

A historic provision of the Fire Prevention and Control Act establishes the U.S. Fire Academy. There has long been a need in our country for such an institution to act as a central education and training facility for fire services. The Fire Academy will be the principal means of transmitting new material and techniques to fire departments across the Nation.

The Fire Academy will service those individuals recommended for further training as well as those seeking careers as professional firefighters. Firemen need not be enrolled at the Academy since correspondence courses will be made available to interested parties. Workshops for instructors will also be provided, as will assistance to existing local training programs. A study will be conducted by the Fire Academy, moreover, to discern the training needs of the Nation and gear our future curriculum development in these areas.

Financial assistance to interested individuals should encourage many to participate in the program. Payment of up to 75 percent of the cost of attending Academy-approved courses in fire training will be provided. Interest in becoming a professional firefighter will be sparked by scholarships and loans made available to full-time students in fire engineering courses.

I am certain that the U.S. Fire Academy will be an excellent opportunity to raise the technical and professional status of fire services throughout the Nation.

A second innovative provision of the Fire Prevention and Control Act relates to the improved treatment and rehabilitation of burn victims. The new program is meant to eliminate the delay that often accompanies a burn victim's arrival at a facility and, furthermore, to insure that the hospital is able to attend adequately to his needs.

Three types of burn treatment facilities will be established. The first, the burn center, will be a separate hospital with interrelated programs of patient care, research and teaching. A highly professional staff consisting of general, orthopedic and plastic surgeons, specially trained nurses and physical therapists will be recruited. Additionally, psychologists, psychiatrists and social workers will be part of the staff. Burn patients will receive top medical attention at this facility, as well as help in rehabilitation.

The second center will be a burn unit which can be located within any general hospital. This unit will be reserved for burn patients and be staffed by burn specialists. The third type of program will consist of a staff of burn injury specialists without special facilities. This group will be more mobile and able to go where needed.

I feel that this three-pronged approach should lead to a considerable improvement in the treatment and rehabilitation of burn victims.

Hopefully the Fire Prevention and Control Act of 1974 will promote better use of manpower and equipment. Then we can successfully cope with the complex fire problems created by urban development.

Surely the personal aspects of this legislation are worthy of national attention. The untold tragedy to the lives of burn victims and their families highlights the need for effective action much more forcefully than mere words could ever express. Last year in Chicago alone there were more than 95,000 calls to the fire department—40,000 of those calls signalled real fires, leaving 216 dead, 690 injured. These statistics report an ever-increasing loss of life and property resulting from fire.

Unfortunately fire remains an unrecognizable problem until it strikes home. The time is now to awaken our citizens to the very real danger presented by fire. Hopefully, this legislation will be instrumental in saving lives and helping those who are needless victims.

Mr. KETCHUM. Mr. Chairman, I rise in support of H.R. 11989—the Fire Prevention and Control Act of 1974. The act establishes a comprehensive approach for coping with man's oldest scourge—fire.

Because the problem has been with us for so long, I fear that in the past we may have unwittingly resigned ourselves to the inevitability of fire's devastation. This bill dispels any notion of such complicity and sets the stage for a coordinated program to reduce sharply the losses due to fire. When Americans think of fires, they usually recall the spectacular incidents—a raging forest fire or a blazing warehouse—which attract hundreds of firemen and scores of fire engines. But the biggest problem is right in the backyard. It is the person who dies in an easy chair after falling asleep while smoking who contributes most to this Nation's deplorable fire statistics. Other culprits include overloaded electrical circuits and defective space heaters.

Fire strikes an American home every minute of the day. Every day more than 30 persons die and 500 are injured because of fire. The most frequent victims are often those least able to help themselves—the young and old.

The Fire Prevention and Control Act of 1974 will meet this enormous problem head on. The act establishes a National Bureau of Fire Safety to serve as the focus of Federal efforts to improve fire prevention and control. The Bureau will pursue programs of developing new fire technology, training firefighters, collecting data and cooperating with State and local governments which continue to have primary responsibility in firefighting.

A Fire Research Center is established to carry on the fire program of the National Bureau of Standards. The Center will investigate the scientific phenomenon of fire itself and the effects of fire on humans. The former will study topics such as fire dynamics, and fire ignition, growth and propagation.

Since some fires probably will occur despite our best efforts, we must be ready with meaningful assistance to fire victims. To accomplish this, the human effect program will study the effects of fire, smoke, and heat on humans.

Central to the Center's research is the development of standards to provide for proper use of materials for construction and furnishing of our homes. We need to reduce the ease with which clothing, bedding, and furnishings can ignite and spread. Standards are needed for safer matches, kitchen appliances, and space heaters.

The new Center will also explore the development of less expensive and more reliable and effective fire detection systems. The day hopefully will come when a reasonably priced fire detector is available for every home. Another important avenue of research to pursue is that aimed at an improved fire supression system. Triggered at the inception of a fire, such systems can control the growth of a fire and thereby reduce its threat. In this regard, title III of the act authorizes the Secretary of Housing and Urban Development to insure loans made to nursing homes for the purpose of the purchase and installation of fire safety equipment.

Mr. Chairman, I have enumerated several of the positive contributions which this bill makes to coping with the tragedy of fires. The bill also sets up a major public education program and establishes a special educational facility to teach basic and advanced techniques to firefighters.

Mr. Chairman, men have been plagued by fires for as long as they have dreamed of walking on the Moon. We have already fulfilled the latter dream. I believe that if we apply ourselves, we can make comparable progress in resolving one of man's oldest scourages. I look forward to our great-grandchildren being able to refer to fire engines and disfigured fire victims as anachronisms belonging to the past.

Mr. WINN. Mr. Chairman, I rise in support of H.R. 11989, the Fire Prevention and Control Act of 1974. I would also like to add my compliments to those of Mr. MOSHER in congratulating both Chairman TEAGUE and Chairman DAVIS for their initiative and perseverance in bringing this innovative piece of legislation to the floor.

Mr. Chairman, this Nation's fire record is appalling. Statistics for the number of fires and fire deaths in the United States are higher than those for any other industrialized nation. Although our rate of fire deaths—the number of deaths per million inhabitants—continued its drop in 1972 that has been the trend over the last 20 years, the absolute number of fire deaths in the United States increased. In addition, 1972 witnessed a significant increase in the amount of fire losses over those reported in 1971—the total loss for 1972 exceeding one-quarter of 1 percent of this Nation's gross national product. These statistics indicate the immediate need for improving all areas of fire prevention and fire control.

As a means of resolving our pressing fire problem, I feel it is important that the Federal Government assist local governments in a national effort in fire prevention and control activities. H.R. 11989 will provide precisely this type of assistance by establishing within the Department of Commerce a National Bureau of Fire Safety, whose function will be to improve the Nation's efforts in fire prevention and control through public education, advanced technology, training and education for firefighting personnel, as well as by a number of other concepts and techniques.

One particularly innovative approach will involve the increased use of data and statistics relating to fire problems. A comprehensive national fire data and information system will be set up to include statistical information on fires that have occurred. This will indicate such factors as cause, losses, injuries, means of suppression, the route of fire spread, et cetera. Any firefighting injuries will also be included. Furthermore, a vital data base will be created relating to fire laws and codes, inspection practices, and firefighting organization administrative structures. Technical information on fire properties of materials, fire behavior, and best methods of control, will also be entered.

In addition, the present legislation also establishes a U.S. Fire Academy to advance the professional development of fire service personnel, civil defense personnel, and related fire safety personnel. The provisions of the bill recognize the existence of an established system for fire training in the United States with the role of the Academy therefore to supplement the established system either by filling the gaps where there is little or no activity at present, or by improving existing programs where necessary.

All activities I have just described including the new Bureau as well as the fire data and information effort will be funded initially under a $2 million authorization.

This legislation also establishes within the Department of Commerce a Fire Research Center to perform and support research on all aspects of fire. The aim of the Center will be to provide scientific and technical knowledge applicable to preventing and reducing fires. This activity will have two parts including a physical science program focusing on the physics and chemistry of fire and its effects, and a program on the effects of fire on humans which will emphasize the disciplines of biology, physiology, and psychology—$3.5 million is authorized for this phase of the effort.

Finally, the bill establishes within the National Institutes of Health under the Department of Health, Education, and Welfare, a program of improved treatment and rehabilitation for burn victims. The compelling need for this particular program is best stated by the recent report of the President's Commission on Fire Prevention and Control which pointed out—and I quote—"at present, fewer than 100 of the 6,000 general hospitals in the United States provide specialized burn care. Together, these few hospitals treat only 8 percent of the Nation's patients with serious burn injuries."

As recommended by the Commission, this bill sets up three types of burn treatment activities. First, 25 new burn centers will be established. These centers will be separate hospital facilities having interrelated programs of research and teaching as well as patient care. Next, 25 new burn units will be organized. These units represent a less elaborate specialized facility in a general hospital for the exclusive care of burn patients. Third, 90 new burn programs will be initiated. Each program corresponds to a staff of burn injury specialists who will be trained to operate without special facilities. The authorization for this program of improved treatment and rehabilitation of burn victims is $2 million.

Mr. Chairman, H.R. 11989 is funded at a minimal amount—$7.5 million—in comparison to the pressing need for the types of programs which it proposes. When compared to our property losses alone of over $2 billion each year, not to mention losses in human lives—almost 12 thousand in 1972—this bill will pay for itself many times over in the benefits reaped from this Nation being able to better prevent and control destructive fires.

Because of the far-reaching beneficial impact of this bill I urge my colleagues to join with me in offering their support for this measure.

Mr. JOHNSON of California. Mr. Chairman, today the House of Representatives has an opportunity to act on legislation which is long overdue. The fire prevention and control legislation, H.R. 11989, is designed to provide the training and guidance needed to effectively fight and control fire in our communities.

In 1972 alone, fire caused the tragic death of over 12,000 Americans and brought about the destruction of over $3 billion worth of property. When fire is controlled, it is a useful element. On the other hand, if uncontrolled, fire is one of the most dangerous and deadly perils. It is the No. 2 accidental killer.

The time has come to take positive steps to improve and modernize our firefighting system. This legislation before us now can help to accomplish that end.

The bill, as it comes to us today, is the culmination of many long hard hours of review and study, not only by the able members of the Committee, but also by the National Commission on Fire Prevention and Control. The legislation includes many of the recommendations of that Commission such as the establishment of a fire academy for training firefighting personnel. It would also create a research center to carry on much needed research in the field of fire prevention and fire control.

The academy will provide firemen with the training and skills they need to operate modern equipment for maximum effect at the scene of a fire. This training will directly benefit the American public through better fire protection.

Certainly a key to fire control is good fire prevention. By learning new and better means of fire prevention, the firemen of America's communities can help each of us to do our part to avoid the ravages of fire.

In order to develop the new techniques of fighting fires, adequate research must continually be in process. The research center will permit this to happen by providing facilities and means of conducting experiments on flammability, fire detection, fire extinguishment, and fire behavior. In addition, new research would be started in areas related to fire such as medical evacuation, transportation, toxic substances, and related topics.

Mr. Chairman, the need for this legislation is great. Through the resources of the Federal Government we can help communities all across the land to improve the services they provide to their citizens, our constituents. I urge my colleagues to give this proposal their serious consideration, for each of us could some day be the beneficiary.

Mrs. GRASSO. Mr. Chairman, it is tragic and inexcusable that the United States—the technological leader of the world—has more per capita deaths and property losses from fire than any other major industrial nation.

Fires account for 12,000 deaths annually, second only to highway fatalities. Per million people, this country reports 57.1 deaths caused by fire, nearly twice that of second-ranked Canada. Another 300,000 individuals are injured, many of them scarred for life. In addition, the annual cost of fire has been estimated at more than $11 billion—33 percent more than Canada on a per capita basis.

Last year, the National Commission on Fire Prevention and Control released its shocking, but excellent, report on fire safety in this country. In transmitting the report, entitled "America Burning," Chairman Richard E. Bland stated:

> We know our great Nation has the resources and technology presently available to lessen the destructive impact of fire. We believe a continuing Federal focus on the fire problem is a necessity.

The bill before us today—H.R. 11989, the Fire Prevention and Control Act—incorporates most of the recommendations of the Commission. In both the 92d and 93d Congresses, I cosponsored bills to improve firefighting techniques and programs. I commend the committee's current efforts and strongly support the bill before us today.

The measure contains a three-pronged approach toward reducing human and financial losses resulting from fire. First, it establishes a National Bureau of Fire Safety to improve the prevention and control techniques. The Bureau would undertake programs of technology development, education and training data analysis, and public education in cooperation with State and local governments. Second, it establishes a Fire Research Center to conduct basic research on fire. Third, it directs HEW to establish a program of improved treatment and rehabilitation of burn victims. To finance these programs, the bill authorizes $102 million over 5 years, less than 1 percent of the annual national fire toll.

Most of the proposals which I have cosponsored have been incorporated into the language of H.R. 11989. For example, a National Fire Academy would improve and supplement existing training programs. The data and information system of the Bureau would meet the pressing need for statistical, practical, and technical information on fires. The Bureau would also develop and test new technology for fire safety and control, including modernized equipment. The Fire Research Center would conduct and coordinate basic and applied research on fire and improve our knowledge of the phenomenon of fire itself. All of these proposals have been cosponsored by me in separate bills introduced in the 92d and 93d Congresses.

Mr. Chairman, we entrust our firemen with the dangerous and demanding job of protecting our lives and property from fire. Unless they employ the best available equipment and utilize the most effective techniques, their jobs are made unnecessarily difficult and dangerous. Passage of H.R. 11989 would aid firemen by improving the availability of modern firefighting techniques.

The potential impact of H.R. 11989 on the safety and welfare of our Nation cannot be comprehended easily. Proper utilization of the Bureau of Fire Safety and the Fire Research Center, along with a sustained commitment by local officials and other concerned citizens, could lead to a decrease in the massive annual fire losses sustained by the United States. As the Commission on Fire Prevention and Control noted, such a commitment could reduce fire losses by 5 percent a year and cut the Nation's fire toll in half within 14 years.

The Fire Prevention and Control Act clearly is important, lifesaving legislation that must be written into law.

Mr. BIESTER. Mr. Chairman, the incredibly high rate of death, injury and property loss caused by fire in this country demands meaningful Federal action to assist in the control and prevention of fire. Twelve thousand Americans die each year from fire, and several hundred thousand are injured and maimed. Property losses are estimated to exceed $2 billion every year, and overall losses from fires including fire department operations, burn injury treatment, insurance costs and productivity losses come close to $12 billion annually. Despite technological advances in other areas, firefighting knowledge and technique have not kept pace, and often out-dated equipment must be employed in fighting huge high-rise conflagrations which may spew forth lethal fumes more deadly than the flames themselves.

Until recently there has been a general lack of Federal involvement in meeting the demands the constant threat fire imposes upon us. In 1968 the Fire Research and Safety Act provided for a comprehensive fire research program at the National Bureau of Standards and set up a National Commission on Fire Protection and Control to study fire problems. Their report to Congress, "America Burning," was submitted in 1973 and it included over 90 recommendations including the need to develop more effective control and prevention techniques, increase public awareness and concern for the seriousness of the threat of fire, establish a central data center on fire prevention and control methods, and provide financial support for both research into how best to control fire and training and education for firefighters across the country.

The Commission's report coupled with several extremely destructive conflagrations in this country has enhanced general public concern for the need for fire control and prevention legislation, and I was pleased to join in cosponsoring a package of legislation designed to meet these needs during both the 92d and 93d Congresses. Hearings were held in 1972 and 1973, and H.R. 11989 which was brought out of the House Science and Astronautics Committee on February 7, 1974, encompasses many of the recommendations made by the Commission's report and individual legislative proposals. I urge House passage of this legislation.

The major thrust of this proposal is fire loss prevention and the reduction of indirect fire costs such as the costs of operating fire departments by providing for better management techniques. To do this, H.R. 11989 calls for the establishment of the National Bureau of Fire Safety within the Department of Commerce to set policies and act as a spearhead for a national effort to improve fire prevention and control. During fiscal year 1975 $2 million is authorized for the Bureau to promote public education aimed at the young and elderly in particular through our schools, teacher training and the media; develop new firefighting equipment and techniques meeting certain specifications and standards; and establish a fire data system to make available to fire departments across the country statistical, practical, and technical information to assist them in their job of firefighting.

Within the Bureau of Fire Safety will be established a U.S. Fire Academy to run education programs in fire-related subjects and administer training grants to students and schools offering relevant courses. Courses will not only be offered at the Academy but also through local programs and via correspondence, thus making this training available to more firefighters. Support will also be given academy-approved courses at colleges and universities, and efforts will be made to encourage schools in related areas, such as architecture, to establish courses in fire safety as well. And of particular help to many local fire companies are provisions calling for the reimbursement of firefighting costs of fires fought on Federal property.

A Fire Research Center in the Commerce Department is established to carry on the National Bureau of Standards fire program. The Center will head up basic and applied research on all aspects of fire including the effects of fire on humans and the motivation of arsonists, and promote incorporation of their findings into relevant building, fire and other codes.

To assist victims of fires, the National Institutes of Health will establish a program to improve treatment and rehabilitation of burn victims. Hospital burn centers, burn units, and burn programs will be set up nationwide and provide training and support for specialists to work in these facilities.

To promote purchase and installation of fire safety equipment in nursing homes, H.R. 11989 authorizes the Department of Housing and Urban Development to provide loan insurance to nursing homes. The threat of fire is particularly severe in nursing homes because many residents are unable to flee in that event. Equipment such as sprinkler systems are necessary to comply with the Life Safety Code of the National Fire Protection Association, and the availability of such loans should lead to greater protection from fire for the residents of nursing homes.

While H.R. 11989 does not provide as much direct assistance to local fire companies as they may need, I believe it is an important step in promoting awareness and concern for the problems fire can cause, and the development of new techniques for fire fighting. I urge my colleagues to lend their support to this effort.

Mr. BAUMAN. Mr. Chairman, fire prevention and control is something which we in America all too often take for granted until it is too late—until a fire has damaged or destroyed a home or business, until it has taken the life of someone dear to us. Fires in our country are no small problem. More than three and a half million fires occur each year in the United States, killing an average of 12,000 people a year, and injuring 300,000 more. Direct and indirect costs resulting from these fires run more than $11 billion yearly.

The Fire Prevention and Control Act before the House today will help place more emphasis on prevention and enable financially strapped local municipalities to train their firefighting personnel more thoroughly. It will establish a new National Bureau of Fire Safety to coordinate these programs.

Adequate training in fire control and prevention will be especially important to the many volunteer fire departments across the country, and in my own district in Maryland, which is almost entirely rural. The men who serve in these volunteer departments do so at considerable risk. Many of these firefighters are injured each year in the line of duty. Often, they are inadequately equipped because of severely limited local budgets, and their training is necessarily limited for the same reason.

The bill before us today will be of real import to these men, who will now have the opportunity to receive thorough, advanced training in firefighting. A new U.S. Fire Academy, to be established within the new Bureau of Fire Safety, will design and conduct courses in all aspects of firefighting, and will offer correspondence courses, workshops, seminars and conferences. The Academy will be able to provide stipends to students of up to 75 percent of tuition costs at the Academy or other approved educational institutions with similar courses, such as the University of Maryland, which has pioneered in training fire fighters.

Needless to say, once this program has had a chance to train and equip many of America's firefighters, we will all be able to rest a little easier. For those in rural areas who are not served by full-time professional fire departments as in larger cities, the change will be especially important.

Finally, the new Bureau will engage in the development, testing and evaluation of new methods of firefighting and new equipment, and will conduct research on ways to construct buildings in order to minimize or eliminate the chance of fire. Over the long run, efforts at prevention will offer the most promise of reducing the occurrence of fires and saving lives.

At the very least then, we should enact this legislation in order to provide the sort of support for those brave men who risk their lives daily fighting fires, both by better equipping them for their jobs with training and machinery, and by stimulating efforts at fire prevention so that they will have to risk their lives less often. For many small communities in Maryland's first district, it is the only chance we have.

Mr. BELL. Mr. Chairman, I rise in strong support of H.R. 11989, the Fire Prevention and Control Act of 1974.

For too long our country has reacted indifferently to the problems associated with fire and fire safety. Fire, however, is an awesome killer claiming 12,000 American lives per year. Every minute there is a fire in an American home, and every day approximately 170 Americans are killed or left permanently disfigured by fire. The 1971 fire loss data reports property loss as a result of fire costing $2,743.46 million. Too many people have died or been injured by fire in this country, and the social and economic losses have been an unnecessary burden on the American taxpayer.

It has become increasingly evident in

greater Federal assistance in reducing fire losses by supplementing State and local fire authorities with programs of research, development, training, and education. The measure before us today focuses the role of the Federal Government on the problems of fire safety and control while maintaining the integrity of the local and State responsibility to this problem.

H.R. 11939 authorizes the establishment of a National Bureau of Fire Safety within the Department of Commerce to undertake a program of public education in fire safety and prevention, to develop, test, and evaluate fire equipment, and to analyze and disseminate fire information. There is also to be established a U.S. Fire Academy for the training and education of fire service, fire safety, and civil defense personnel.

A Fire Research Center within the Commerce Department is also to be established, the main purpose of which is the performing of basic and applied research on all aspects of fire prevention. Such work has the greatest potential for reducing future fire losses. An expanded program of research on burns, the treatment of burn injuries, and the rehabilitation of burn victims within the National Institutes of Health would also be authorized by this measure.

The Fire prevention and Control Act of 1974 also contains provisions that would assure Federal moneys and research in the areas of specialized fires, including forest fires and brush fires. In an average year in the United States, forest fires start in 125,000 places, burn 5 million acres, consume 113 million tons of wood, put out 165 cubic miles of smoke, emit 364,000 tons of smog-producing hydrocarbons, burn 25 Americans to death and injure 1,350 more. Expenditures for forest fire control activities average about $316 million per year, and a single large fire may cost as much as $10 million to suppress. In my own home district of southern California in the 1970 fire season, more than half a million acres were burned, killing 8 people and destroying 1,000 buildings. ings.

I would hope, Mr. Chairman, that my colleagues would join me by giving their unanimous support to this legislation. The Federal Government must commit itself today to fire safety, prevention, and control, for tomorrow may be too late.

Mr. BOLAND. Mr. Chairman, as a sponsor of the Fire Prevention and Control Act of 1974, I believe this to be a vital piece of legislation in reversing the alarming trend of death and property loss from fire in this country. When the Congress established the National Commission of Fire Protection and Control in 1968, it anticipated the need for a national focus on the problem—to provide coordination and direction for the diverse firefighting efforts of our local communities. And H.R. 11989, in answer to the recommendations of the Commission, provides just that.

Recognizing that fire prevention and control must remain a local responsibility, this bill establishes a national program of improved training, education and research which will augment existing local programs, not supplant them.

Federal efforts in this area will center in a National Bureau of Fire Safety within the Department of Commerce. Operating under the Fire Bureau will be a fire academy offering new educational opportunities in firefighting techniques and management through in-resident and correspondence courses. The goal here is a more uniform standard of training. Academy approved courses will be offered at colleges and universities throughout the country with enrollment encouraged with a student grant and loan program.

Professionalism and a nontraditional approach to the problems of fighting fires, and perhaps just as important, to the management and personnel problems of the fire department, is emphasized.

Setting a standard for firefighting equipment, through a testing and evaluation program, an area the Commission found particularly lacking, will also be a function of the Fire Bureau.

The Commission also found that important areas of research have been neglected. This bill authorizes the establishment of a Fire Research Center to conduct research on the phenmenon of fire on humans. The bill emphasizes relevance to real fire problems in the Center's research efforts, to get away from the compilation of a lot of inapplicable facts and figures.

The bill attacks the fire loss problem on many fronts—treatment and rehabilitation programs for burn victims will be expanded, loans to nursing homes for fire safety equipment are authorized and a public education program of much greater scope is instigated—but the dominant theme here is prevention. We have come a long way in sophisticated techniques for fighting fires but a large scale, concerted effort to prevent fire losses has been too long neglected.

Mr. Chairman, one need only take note of the sheer number of fire-related bills—more than 80, I believe—my colleagues and I have introduced in the first session of this Congress to realize how eminent is the need for Federal action. The statistics speak for themselves. We cannot afford to hesitate in approving this legislation.

Mr. MONTGOMERY. Mr. Chairman, I appreciate the gentleman yielding and would like to commend the Science and and Astronautics Committee for reporting this measure out favorably for consideration by the whole House. As cosponsor of a similar bill, I feel very strongly that the House of Representatives should give its very strong support and an overwhelming vote of approval to the Fire Prevention and Control Act of 1974.

I am particularly pleased with the section of the legislation that would lead to the establishment of a U.S. Fire Academy. This school in the techniques of fire prevention and firefighting will go a long way toward assisting local fire departments, especially volunteer units, to improve their skills in order to save lives and prevent needless property damage.

Mr. Chairman, I hope my colleagues will join me in voting for the bill.

Mr. BROWN of California. Mr. Chairman, firefighters are often viewed as glamorous figures, forever dashing off to perform feats of courage and acts of mercy. What is frequently given less thought are the consequences of the heroic acts of the approximately 200,000 paid firefighters and 2 million volunteers who man the 20,000 fire departments in the United States.

Each one of these firefighters is exposed to unusual occupational hazards each hour they are on duty. And, because an injured firefighter cannot function effectively, the entire country shares in the resulting losses due to deaths, personal injuries, and widespread property damage.

Injury rates for firefighters are two to three times the national average for the manufacturing industries. And the injury frequency rates for volunteer departments are two to three times higher than those of paid departments.

Like the injury frequency rate, the injury severity rate is higher for firefighters than the average for all manufacturing industries. The figure, in fact, is 3,936 for firefighters, compared with 702 for industries.

In addition, volunteer firefighters receive more serious injuries than their paid counterparts: 10,308 against 2,651 disability days per million employee-hours. When we consider these statistics it becomes clear that firefighting is one of our most hazardous occupations.

One way to help reduce injuries to firefighters and, in turn, reduce national fire losses would be to improve the equipment these men use. The National Commission on Fire Prevention and Control states in its final report, "America Burning":

> Of the fire chiefs and firefighters who responded to our nationwide survey early in 1972, more than seven out of ten said there is a need for greater innovation to improve the equipment and protective clothing they use every day.

The Fire Prevention and Control Act of 1974, H.R. 11989, responds to this need for development, testing and evaluation of firefighting equipment. It calls for a federally funded research program to provide technological expertise in innovation and the means to aggregate a market for new products. Such an equipment program offers a clear opportunity to upgrade the safety and effectiveness of the firefighter.

Further justification for such a program lies in the fact that there are barriers to developing innovative firefighting equipment. Manufacturers are reluctant to invest in research and development programs to produce new equipment which a fragmented market may reject. Traditionally, low levels of funding may discourage fire departments, especially volunteer departments, from purchasing new or untried equipment.

Viewed in the context of the enormous potential for having a favorable impact on reducing fire losses, this lack of technological innovation is especially disconcerting in today's world. For example, a typical breathing apparatus weighs approximately 30 pounds and carries 30 minutes' air supply. The weight of the device and other factors may lead to overexertion and a corresponding decrease in the length of air supply. In addition, some face masks leak, subjecting the firefighter to smoke, toxic gases, and superheated air.

The firefighter is also subject to blows from falling objects, mishandled equipment, and so forth. However, "turnout" coats offer little impact protection, although impact injuries to the trunk of the body occur 26 times as often as burn injuries to the trunk, according to a Bureau of Labor Statistics study.

Many fire helmets—the only piece of equipment designed especially for impact protection—fail to meet the common standard requiring resistance to an impact test. The test requirement is lenient compared to the standards of some other countries. The requirement in Great Britain is three times as high. Also, some hard plastic helmets soften and deform when subjected to heat. And metal helmets, while offering some impact protection, conduct heat.

It is clear, then, from the foregoing statistics and examples that priority attention must be given to developing, testing, and evaluating the effectiveness and the safety of firefighting equipment. H.R. 11989 recognizes the importance of this effort and proposes a coordinated and aggressive program to reduce the suffering and loss of life and property due to fire. Mr. Chairman, I support this bill and urge its adoption.

Mr. HUDNUT. Mr. Chairman, while serving as a member and acting director of the Board of Public Safety in Indianapolis, I worked closely with both the city and volunteer firemen and learned first hand about the evident need for improvement in all areas of fire prevention and control. Therefore, shortly after I became a Member of Congress last year I was glad to join in cosponsoring the bill, H.R. 5589, which was, in fact, the forerunner of the legislation we are considering today.

Losses from fires have reached very high levels in the United States. Each year more than 12,000 persons lose their lives as a direct result of fires and many tens of thousands are injured and maimed. The losses in property are equally large, and are estimated to exceed $2 billion each year. Last year 13 lives were lost in Indianapolis as a direct result of fires and property damage was approximately $9.6 million. In one major fire in the downtown business district property damage was about $8.3 million.

While I feel strongly that the prevention and control of fires is and must remain the responsibility of local authorities, it seems to me the Federal Government must make a contribution in certain fields where only a national effort can provide the needed initiative and effort. This bill is aimed at filling that need.

Another provision in the bill is to establish a U.S. Fire Academy, which will supplement and improve the present system for training firefighters and fill the gaps where there is no activity. To accomplish this, the Academy will have three separate activities. There will be courses of study given at the Academy facilities; there will be correspondence courses offered by the Academy; and there will be assistance to existing and new local programs. The Fire Academy concept is based on the highly successful national FBI Academy.

While a research effort has been underway for several years in the National Bureau of Standards the provisions of H.R. 11989 will increase the areas to be explored to include research on standardization of equipment, the effects of smoke inhalation and burns on the body, the behavior of fires involving high rise buildings, fire hazards arising from the transportation of combustible material, improved methods of providing first aid to victims of fires, and others. In my judgment, antiquated techniques and lack of an efficient mechanism for transmitting new advances down to the local fire station are responsible in part for the deaths of nearly 200 firemen a year and other deaths, injuries, and property losses. Hopefully, the passage of H.R. 11989 will provide the improvement we seek.

Mr. DRINAN. Mr. Chairman, I rise in support of H.R. 11989, the Fire Prevention and Control Act of 1974.

There is no one here today who has not known either first or secondhand the terrible disaster that is caused by fires each day in this Nation. But the tragedy of fire is not an unpreventable natural disaster. It is not like the tornado dropping from the sky virtually without warning and entirely out of human control. It is not like the rockslide caused by unknown forces beyond man's control. Rather, the phenomenon of fire is one that can be controlled to a very great degree by what we know today.

No one can question that fire is a national problem. Second only to motor vehicle accidents as a cause of accidental death, fire claims 12,000 lives each year while inflicting unnecessary injuries on 300,000 more. Fires in this country inflict over $11.4 billion a year in damage, not including the costs of lost employment, irretrievably lost businesses, and the toll it takes in irreplaceable personal pride and memories.

The United States reports by far the world's highest rate of deaths-per-million-population and economic loss per capita. But the tragedy is that these distressing statistics need not be so high. The fact is that the technology to prevent and fight most fires is available to us today. The technological know-how to prevent and fight many other fires is on the horizon. That is why I rise here today to support vigorously H.R. 11989.

The first area addressed by this proposed legislation is fire safety. Under title I, a National Bureau of Fire Safety would be set up for the purpose of improving the tools, instruments, and means of firefighting. This effort would be designed to reduce the hazards to individual people as well as to firefighting personnel once fire has broken out.

As a part of the National Bureau of Fire Safety, this bill would establish a U.S. Fire Academy. This Academy, recognizing the lamentable fact that many firefighters have not had the opportunity to receive the most complete, up to date, and technologically advanced training, would conduct courses in all levels and areas of firefighting procedure. It is reasonable to expect that this measure will reduce the personal dangers while increasing the effectiveness in this, the most dangerous of professions.

Today's modern, high-rise buildings, the most obvious examples of our advanced technological ability, are filled with volatile synthetic materials. These buildings and many of our modern homes, which are claimed to be "fire-safe," have the potential to turn into giant, smokey kilns of heat and flame when but a few errant sparks find their way to these flammable surfaces. From time to time in the news, we are filled with the horror of such infernos unexpectedly ignited.

Title II of H.R. 11989 would establish a Fire Research Center in the Department of Commerce. This Research Center would investigate all aspects of fire, particularly its chemical causes and the physical properties of its development. The Center would also investigate the biological, psychological, and physiological effects of fire on victims and firefighters. Therefore, I support this measure as a significant step toward learning how to prevent and to deal with fire and its causes and effects. This measure will enable us to help our fire-related technology to catch up with the sophistication of our new man-made environments.

Then there are the tragic victims of fire. Men, women, and children accidentally burned in but a few moments of time with the result that they will never again be able to function normally; men, women, and children severely injured or crippled by the toxic gases accidentally inhaled from burning synthetic materials. For these unfortunate victims, this bill directs the Secretary of Health, Education, and Welfare to establish an expanded research program on burns, treatment, and rehabilitation in the National Institutes of Health. We must do all we can to help these people victimized by fires we did not prevent.

Mr. Chairman, the time has come to change our priorities in the field of fire prevention and extinguishing. Today, only 5 percent of our dollars directed toward fire services goes toward fire prevention. H.R. 11989 is not a cure-all; it is but one step in an effort to put an end to these terrible tragedies caused by fire.

Mr. Chairman, last week we passed by an overwhelming vote the Public Safety Officers Benefits Act of 1974. That bill, when it becomes public law, will provide survivors' benefits for the dependents of firefighters killed in the line of duty. That law will be the first step in improving the terms and conditions of employment, and contribute to the overall effectiveness of our fire departments. H.R. 11989 is an important second step, which I urge my colleagues to take by voting in favor of it.

Mr. KEMP. Mr. Chairman, I rise in support of the important bill pending before us, H.R. 11989, the proposed Fire Prevention and Control Act of 1974.

This bill would enhance the public health and safety of all of us by reducing the human economic losses which result from fires.

The enactment of this bill is of vital importance to the thousands of courageous full-time and volunteer firefighters in our country whose lives and expertise or services whose members give more of themselves—yet unfortunately receive less credit and recognition for it—than our firemen. Every time that bell goes off in the enginehouse or the general alarm sounds out across the town and countryside, these men, these firemen, put their lives on the line—to protect the lives and property of others.

This bill has broad coverage. The committee, its leadership, and Mr. STEELE are to be commended for providing it. For purposes of the bill before us, the term "fire department" means—and the terms "fire prevention," "fire fighting," and "fire control" relate to activities conducted by—any organization consisting of personnel, apparatus, and equipment under the direction of a chief officer for the principal purpose of protecting property and maintaining the public's safety and welfare from the inherent dangers of fire. The personnel of any such organization may be salaried, volunteer, or a combination thereof. The location of the organization and its responsibility for extinguishment and suppression of fire shall include—but not be limited to—a city, town, borough, parish, county, fire district, fire protection district, or rural fire district. I think, Mr. Chairman, this covers everyone, as it should.

Voluntary service is one of the great traditions of our Republic. It arises from the cornerstone which is the ageless principle that men and women can act unselfishly from altruistic motives and that inward motivation toward self-satisfaction can be as strong a motivation as financial remuneration.

We have, in this country of ours, a great fulltime corps of firemen, and we have an equally outstanding corps of volunteer firemen. Each unit of government must determine for itself whether it wants a full-time fire department or a volunteer service. That is certainly no place for the Federal Government to interject its opinions. But, whatever that local decision, there is a role for the Federal Government. That role has been well reflected in the bill before us.

THE PURPOSE OF THIS ACT

H.R. 11989 would enhance the national effort to more effectively control the occurrence of fires, thereby reducing their threat to life, limb, and property, and the inevitable scars associated with them and their terrible aftermaths.

This measure would, specifically—

Create a National Bureau of Fire Safety and a Fire Research Center within the U.S. Department of Commerce;

Authorize an improved treatment program to be conducted by the National Institutes of Health;

Authorize the Secretary of Housing and Urban Development to extend loan insurance to nursing homes for fire prevention equipment; and

Provide reimbursement for local firefighting efforts on Federal property.

All of this is needed, for each year an estimated 3.6 million fires occur nationwide, killing 12,000 people and causing injury to an additional 300,000. Estimated annual losses due to fires in the United States total $11,400 billion.

And, nearly 800 firemen died in the line of duty during the past 10 years.

How does this bill deal with these problems?

Title I of the bill establishes within the Department of Commerce a National Bureau of Fire Safety, within which will be established a U.S. Fire Academy. The academy will conduct courses in all aspects of firefighting and provide teacher training for its enrollees—mostly fire service personnel—at fees set by the superintendent of the academy. In addition, it will develop and run correspondence courses, workshops, seminars, and conferences, encourage fire programs offered by State, local, and private organizations and institutions; and, promote fire prevention education among architects and builders.

These benefits will be available to full-time and volunteer departments.

The superintendent of the academy will be authorized to provide stipends covering up to 75 percent of tuition costs for students attending the academy or academy-approved courses at other universities or colleges, as well as providing scholarships to fire-engineering students. The superintendent may also provide institutional assistance of up to $2,500 annually per student enrolled in approved fire research and engineering programs.

One of the first bills I introduced at the beginning of this 93d Congress was H.R. 4094, a bill to provide for the creation of the National Fire Academy. The concept contained within that bill has been incorporated within the provisions of the bill pending before us.

THE COMPREHENSIVE APPROACH EMBODIED IN THIS BILL IS NECESSARY

I wish to take this opportunity to call to the attention of all my colleagues what I believe to be the principal merit of this bill: The use of a comprehensive approach to the problems of fire prevention, firefighting, fire damage reduction, and rehabilitation—of both property and lives.

When H.R. 4094, to provide for the creation of the National Fire Academy, was introduced on February 7, 1973, it was as part of a comprehensive legislative package designed to attack this problem. In addition to that bill, I cosponsored the following measures:

H.R. 4095, a bill to provide the Secretary of Commerce with the authority to make grants to States, counties, and local communities to pay for up to one-half of the costs of training programs for firemen. This proposal has been incorporated in large measure and at a higher percentage rate as authority given to the superintendent of the academy in the bill before us.

H.R. 4096, a bill to provide the Secretary of Commerce with the authority to make grants to accredited institutions of higher education to pay for up to one-half of the costs of fire science programs. This proposal is also in slightly amended form incorporated in the bill now pending.

H.R. 4097, a bill to provide financial aid to local fire departments in the purchase of advanced firefighting equipment and, H.R. 4098, a bill to provide financial aid for local fire departments in the purchase of firefighting suits and self-contained breathing apparatuses. No aid to departments is provided for as to these two categories in the bill before us, but greatly enhanced research funding as to fire techniques and equipment is provided for in the bill.

H.R. 4099, a bill to extend for 3 fiscal years—through June 30, 1976—the authority of the Secretary of Commerce to carry out fire research and safety programs, an assurance which we now have;

H.R. 4100, a bill to establish a National Fire Data and Information Bureau of Standards—a proposal which will now be administered through the Fire Research Center within that Bureau, as that center is authorized by the pending bill.

MUCH TO BE DONE REMAINS

Mr. Chairman, we take great strides today, but there is much which remains to be done. When I talk to men like Thomas Owczarczak, the chairman of the Legislative Committee of the Western New York Volunteer Firemen's Association, or Patrick Mangan, Jr., the president of firefighters Local 282 in Buffalo, or Ronald D. Feuerstein of the Lancaster Volunteer Fire Department, or Kenneth Hoertz of the Elma Volunteer Fire Co. and others I know how much more we have to do to help them in their valiant efforts.

We must move toward the enactment of those specific measures which were part of the comprehensive package which are not a part of the bill before us.

We must move to insure, even more strongly, all our firemen—full-time or volunteer—that we will stand behind them.

I am committed to that undertaking.

The CHAIRMAN. All time has expired.

Under the rule, the Clerk will now read the bill by titles.

The Clerk read as follows:

H.R. 11989

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the "Fire Prevention and Control Act of 1974".

FINDINGS

SEC. 2. The Congress hereby finds that—

(1) The United States today has the highest per capita rate of death and property loss from fire of all the major industrialized nations in the world;

(2) the losses of life and property resulting from fire which are now being experienced in the United States are entirely unacceptable;

(3) while fire prevention and control is and should remain a State and local responsibility, the Federal Government can be of invaluable assistance in attaining significant reduction in fire losses;

(4) the firefighting and civil defense pro-

grams in each locality can both benefit from closer cooperation;

(5) there is a need for professional training and education primarily oriented toward improving the effectiveness of fire departments, developing leadership for fire prevention, and reducing firefighter injuries;

(6) the state-of-the-art in fighting and in protecting persons and property from combustion hazards, requires additional research and development in the area of fire safety;

(7) there is a need for a national fire data collection, analysis, and dissemination system to establish priorities for research and action;

(8) the number of specialized medical centers for the treatment of burns which are properly equipped and staffed to save lives and rehabilitate the victims of fires is severely limited in the United States;

(9) the Federal Government's role in fire research and development, information collection and dissemination, and education needs to be further strengthened in order that the effectiveness of the Nation's dedicated firefighting forces may be increased.

DECLARATION OF POLICY

SEC. 3. It is therefore and hereby declared that the policy of the United States shall be to—

(1) reduce the Nation's losses caused by fires from starting and by improving the efforts and means for suppressing fires;

(2) supplement rather than supplant existing programs of research, training, and education, and to encourage new and improved programs and activities by State and local governments;

(3) place the responsibility for the Federal share of this fire reduction effort on the Secretary of Commerce of the United States;

(4) encourage increasing cooperation between the Nation's firefighting and civil defense forces at all levels;

(5) carry out an enhanced public education effort aimed at improving the understanding by every citizen of the methods and techniques fo fire prevention, fire rescue, and firefighting;

(6) develop and provide for the widest possible use of new approaches, techniques, and improvements in fire prevention and control;

(7) establish a United States Fire Academy to provide training and education beyond the basic training level;

(8) establish an integrated and comprehensive fire data system; and

(9) direct the National Institutes of Health to conduct an intensified program of research into the treatment of burn and smoke injuries and the rehabilitation of victims of fires.

TITLE I

NATIONAL BUREAU OF FIRE SAFETY

SEC. 101. There is hereby established within the Department of Commerce a National Bureau of Fire Safety, hereinafter referred to as the "Bureau".

SEC. 102. The Bureau shall be headed by a Director who shal be appointed by the President, by and with the advice and consent of the Senate. The Director shall serve subject to the provisions of section 5316 of title 5, United States Code.

SEC. 103. (a) It shall be the function of the Bureau, under the general direction of the Secretary of Commerce, hereinafter referred to as the "Secretary", and in cooperation and coordination with State and local governments and the private sector, to improve the Nation's efforts in fire prevention and control through public education, advanced technology, training, and education, improved statistics, and other relevant efforts.

(b) The Director shall insure that results and advances arising from the work of the Bureau are disseminated and shall encourage their use, where applicable, to further fire safety activities and to improve the effectiveness of firefighting and prevention activities.

PUBLIC EDUCATION

SEC. 104. The Director shall undertake, in collaboration with existing public and private organizations, including Civil Defense organizations, a continuing and extensive program of public education in fire prevention and fire safety which shall include specialized information aimed at those particularly vulnerable to fire hazards such as the young and the elderly, and shall sponsor and encourage research into new methods of public education in fire prevention.

FIRE TECHNOLOGY

SEC. 105. (a) The Director shall conduct a program of continuing development, testing, and evaluation of equipment for use by the Nation's fire, rescue, and civil defense services with the aim of making available improved suppression, protective, auxiliary, and warning devices incorporating the latest technology. In the conduct of this program, the standardization, compatibility, and interchangeability of fire equipment shall be given strong attention. Such development, testing, and evaluation activities shall include—

(1) safer, less cumbersome articles of protective clothing including helmets, boots, and coats;

(2) breathing apparatus with the necessary duration of service, reliability, low weight, and ease of operation for practical use;

(3) safe and reliable auxiliary equipment for use in firefighting such as fire location detectors, visual and audio communications equipment, and new types of mobile equipment;

(4) special clothing and equipment needed for brush and forest fires, oil and gasoline fires, and other special firefighting situations;

(5) fire detectors for residential use having high sensitivity and reliability and low cost and maintenance to insure wide acceptance and use;

(6) in-place fire prevention systems of increased reliability and effectiveness;

(7) methods of testing fire alarms and fire protection devices and systems on a noninterference basis;

(8) the development of purchase specifications, standards, and acceptance and validation test procedures for all such equipment and devices;

(9) operation tests, demonstration projects, and fire investigations in support of the activities set forth in this section;

(10) such other development, testing, and evaluation activities deemed necessary to accomplishing the purposes of this section.

(b) The Director shall not engage in the manufacture or sale of any such equipment or device except as may be necessary to develop, test, and evaluate it.

(c) The Director shall perform studies of the operations and management aspects of fire departments and services using quantitative techniques including operations research, management economics, cost effectiveness studies, and such other techniques as are found applicable and useful. Such studies shall include, but not be limited to, the optimum location of fire stations, the manner of responding to alarms, the operation of citywide and regional fire dispatch centers, the effectiveness, frequency, and methods of building inspections, and firefighting under conditions of civil disturbance. In the conduct and support of such studies, the Director is authorized to perform operational tests, demonstration projects, and fire investigations.

(d) The Director shall conduct research on problems concerning productivity measurement of fire department personnel, analysis of job categories and skills required under varying conditions, reduction of injuries to fire service personnel, the most effective fire prevention efforts by fire service personnel.

(e) In conducting the program under this section, the Director shall take full advantage of the applicable technological developments which have been made in other departments and agencies of the Federal Government, in State and local governments, and in business and industry.

FIRE DATA

SEC. 106. (a) The Director shall operate directly or through contracts an integrated, comprehensive national fire data program based on the collection, analysis, publication, and dissemination of fire information related to the prevention, occurrence, control, and results of fires of all types. The program shall be designed to provide an accurate national picture of the fire problem, identify major problem areas and assist in setting priorities, determine possible solutions to problems, and monitor progress of programs to reduce fire losses. To carry out these functions, the program shall include—

(1) information on the frequency, causes, spread, and extinguishment of fires;

(2) information on the number of injuries and deaths resulting from fires including the maximum available information on the specific causes and nature of such injuries and deaths, and information on property losses;

(3) information on the occupational hazards of firemen including the causes of death and injury to firemen arising directly and indirectly from firefighting activities;

(4) information on all types of fire prevention activities including inspection practices;

(5) technical information related to building construction, fire properties of materials, and other similar information;

(6) information on fire prevention and control laws, systems, methods, techniques, and administrative structures used in foreign nations;

(7) information on the causes, behavior, and best method of control of other types of fires, including, but not limited to, forest fires, brush fires, fires underground, oil blowout fires, and waterborne fires; and

(8) such other information and data as is judged useful and applicable.

(b) In the conduct of the comprehensive fire data and information program the Director is authorized to develop standardized data reporting methods and to encourage and assist State, local, and other agencies, public and private, in developing and reporting information.

(c) In the conduct of the comprehensive fire data and information program the Director is authorized to make full use of existing data gathering and analysis organizations, both public and private.

(d) The Director shall insure dissemination of such fire data to the maximum extent, and shall make the data available in appropriate form to Federal agencies, State and local governments, private organizations, industry, and business, and other interested persons.

FIRE TRAINING AND EDUCATION

SEC. 107. (a) There is hereby established within the Department of Commerce, as part of the Bureau, a United States Fire Academy (hereinafter referred to as the "Acadamy") which shall have the mission of advancing the professional development of fire service personnel, civil defense personnel, and related safety personnel.

(b) The Academy shall be headed by a Superintendent who shall be appointed by the Secretary and who shall be responsible to the Director of the Bureau.

(c) The Academy shall consist of such buildings and facilities and have such teaching staff and other personnel as the Superintendent determines to be necessary or appropriate for purposes of this section. The Superintendent shall have authority to enter into such contracts and take such other actions as may be necessary in carrying out the preceding sentence.

SEC. 108. The Academy shall be located on such site or sites as the Secretary selects subject to the following provisions:

(a) The Secretary is authorized to appoint a Site Selection Board consisting of the Academy Superintendent and two other members to survey the most suitable sites for the location of the Academy and make recommendations to the Secretary.

(b) The Site Selection Board and the Secretary, in making their recommendations and final selection, shall give consideration to the training and facility needs of the Academy, the accessibility and travel distance to the site from all parts of the country, environmental effects, the possibility of using a surplus Government facility, and such other factors as are deemed important and relevant.

SEC. 109. In furtherance of the mission of the Academy, the Superintendent is authorized to—

(a) conduct courses and programs of training and education in—

(1) the techniques of fire prevention, fire inspection, firefighting, and fire and arson investigation for members of the firefighting forces of the Nation;

(2) the tactics and command of firefighting for present and future fire chiefs and commanders of subordinate fire units;

(3) the administration and management of fire departments and fire services;

(4) such other subjects including civil defense related subjects and fields of study as are deemed necessary or desirable; and

(5) the training of present and future instructors in all of the above subjects;

(b) develop and administer a program of correspondence courses to advance the knowledge and skills of fire service personnel;

(c) encourage new and existing programs of education and training by local fire units and departments, State and local governments, and private institutions by supplementing and supporting—

(1) vocational training in the techniques of fire prevention, fire inspection, firefighting, and fire and arson investigations;

(2) the establishment of fire training courses and programs at junior colleges; and

(3) the support and encouragement of the number of four-year degree programs in fire engineering at colleges and universities found necessary by the Superintendent to provide an adequate number of graduates;

(d) provide stipends to students attending courses and programs approved by the Academy at universities and colleges in amounts up to 75 per centum of the cost of attendance; and

(e) encourage and assist in the inclusion of fire prevention and detection technology and practices in the education and professional practice of architects, builders, city planners, and others engaged in design and planning affected by fire safety problems.

SEC. 110. The Superintendent shall conduct a continuing study of the needs and contents of the educational and training programs needed at the Academy and elsewhere to educate, train, and maintain the Nation's fire forces. He shall coordinate these studies with appropriate officials of the Civil Defense Staff College.

SEC. 111. The Superintendent shall establish a Committee on Fire Training and Education which shall inquire into and make recommendations regarding the desirability of establishing a mechanism for accreditation of fire training and education programs and courses, and the role which the Academy should play if such programs are recommended. The Committee shall consist of the Superintendent as chairman and eighteen other members appointed by the Superintendent from among individuals and organizations possessing special knowledge and experience in the field of fire training and education or in related fields. The Committee shall submit to the Superintendent for transmission to the Secretary within one year after its appointment a full and complete report of its findings and recommendations; and upon the submission of such report the Committee shall cease to exist. Each appointed member of the Committee shall be reimbursed for any expenses actually incurred by him in the performance of his duties as such.

SEC. 112. The Superintendent shall admit to the courses and programs of the Academy individuals who are members of the firefighting, rescue, and civil defense forces of the Nation and such other individuals, including candidates for membership in these forces, as he determines can benefit from attendance. Students shall be admitted from any State in the Nation (as defined in section 401) with due regard to the adequate representation in the student body of all geographic sections of the country. In selecting students the Superintendent shall seek nominations and advice from fire departments, civil defense organizations, and other organizations who wish to send students to the Academy.

SEC. 113. The Superintendent may establish fees and other charges for attendance at courses and programs offered by the Academy.

SEC. 114. The Superintendent is authorized to provide stipends to students attending Academy courses and programs in amounts up to 75 per centum of the cost of attendance as established by the Superintendent.

SEC. 115. The Superintendent is authorized to provide scholarships to students attending full time at a fire engineering program of a two-year junior college or the last two years of a four-year engineering program at college or university.

SEC. 116. The Superintendent is authorized to make, or to enter into contracts to make, payments to institutions of higher education for loans, not to exceed $2,500 per academic year for any individual, to individuals enrolled on a full-time basis in undergraduate or graduate programs in fire research or engineering recognized by the Superintendent. Loans under this paragraph shall be made on such terms and conditions as the Superintendent and each institution involved may jointly determine.

SEC. 117. The Superintendent is authorized to conduct short courses, seminars, workshops, conferences, and similar education and training activities in all parts and localities of the United States.

SEC. 118. The Secretary shall appoint a Board of Visitors to the United States Fire Academy. The function of the Board of Visitors shall be to review annually the program of the Academy and make comments and recommendations to the Secretary regarding the operation of the Academy and any improvements therein which the Board of Visitors deems desirable. The Board of Visitors shall consist of eight individuals designated by the Secretary including persons who are representatives of the fire service community or who otherwise possess special knowledge and experience in fire prevention or fire training or in related fields or who are active in the field of education generally. Of the members first designated three shall be designated to serve for terms of one year, three for terms of two years, and two for terms of three years. Persons designated thereafter shall serve for terms of three years, except that if a member of the Board of Visitors dies or resigns, a successor shall be designated for the unexpired portion of the term. Each member of the Board shall be reimbursed for any expenses actually incurred by him in the performance of his duties as such.

SEC. 119. (a) Each fire district or department that engages in the fighting of a fire on Federal property may file a report with the Bureau setting forth—

(1) the amount of losses and expenses incurred by such district or department as a result of fighting such fire;

(2) the total cost of operation for such district or department during the year in which the report is filed and during the preceding year; and

(3) the estimated total cost of operation for such district or department during the year following that year in which the report is filed.

(b) Upon receipt of a report filed under subsection (a), the Director shall pay to each such district or department a sum which shall represent the cost to such district or department of fighting such fire, less a pro rata share of the payments in lieu of taxes for fire protection services, if any, for the period between the beginning of the annual payment period until the time of the fire, as determined by the Director.

SEC. 120. For the purposes of this title there is authorized to be appropriated not to exceed $2,000,000 for the fiscal year ending June 30, 1975.

TITLE II

FIRE RESEARCH CENTER

SEC. 201. (a) There is hereby established within the Department of Commerce a Fire Research Center (hereinafter referred to as the "Center") which shall have the mission of performing and supporting basic and applied research on all aspects of fire with the aim of providing scientific and technical knowledge applicable to the prevention and reduction of fires.

(b) The Center shall conduct directly or through contracts or grants a program of basic and applied fire research aimed at arriving at an understanding of the fundamental processes underlying all aspects of fire. Such program shall include scientific and field investigations of—

(1) the physics and chemistry of combustion processes;

(2) the dynamics of flame ignition, flame spread, and flame extinguishment;

(3) the composition of combustion products developed by various sources and under various environmental conditions;

(4) the early stages of fires in buildings and other structures, structural subsystems, and structural components and all other types of fires, including, but not limited to forest fires, fires under ground, oil blowout fires, brush fires, and waterborne fires with the aim of improving early detection capability;

(5) the behavior of fire involving all types of buildings and other structures and their contents (including mobile homes and high-rise buildings, construction materials, floor and wall coverings, coatings, furnishings, and other combustible material); and all other types of fires (including forest fires, fires under ground, oil blowout fires, brush fires, and waterborne fires);

(6) the unique aspects of fire hazards arising from the transportation and use in industrial and professional practices of combustible gases, fluids, and materials;

(7) design concepts for providing increased fire safety consistent with habitability, comfort, and human impact, in buildings and other structures; and

(8) such other aspects of the fire process as are deemed useful for pursuing the mission of the fire research program.

(c) The Center shall conduct directly or through contracts or grants research into the biological, physiological, and psychological factors affecting the human victims of fires and the performance of the individual members of fire protection forces. Such research shall include—

(1) the biological and physiological effects of toxic substances eencountered in fires;

(2) the trauma, cardiac conditions, and other hazards resulting from exposure to fires;

(3) the development of simple, reliable tests for the determination of the cause of death from fires;

(4) improved methods of providing first aid to the victims of fires;

(5) the psychological and motivational characteristics of persons who engage in arson, and the prediction and cure of such behavior;

(6) the conditions of stress encountered by firefighters, their effects, and their alleviation or reduction;

(7) such other biological, physiological, and psychological effects of fire as may have significant for purposes of this section.

SEC. 202. The Director shall insure that the results and advances arising from the work of the Center are disseminated and encourage the incorporation of these results and advances into the relevant building codes, fire codes, model codes, and other relevant codes, test methods, and standards. The Director is authorized to encourage and assist in the development and adoption of uniform codes, test methods, and standards aimed at reducing fire losses and costs of fire protection.

SEC. 203. For the purposes of this title there is authorized to be appropriated not to exceed $3,500,000 for the fiscal year ending June 30, 1975.

SEC. 204. Title I of the Fire Research and Safety Act of 1968 (Act of March 1, 1968, 82 Stat. 34; 15 U.S.C. 278f and 278g) is hereby repealed, and sections 201 and 202 of this Act are inserted as sections 16 and 17 of the Act of March 3, 1901 (15 U.S.C. 278f and 178g).

TITLE III

VICTIMS OF FIRE

SEC. 301. (a) The Secretary of Health, Education, and Welfare is authorized and directed to establish, within the National Institutes of Health and in cooperation with the Secretary, an expanded program of research on burns, treatment of burn injuries, and rehabilitation of victims of fires. The National Institutes of Health shall—

(1) sponsor and encourage the establishment throughout the Nation of twenty-five additional burn centers, which shall comprise separate hospital facilities providing specialized burn treatment and including research and teaching programs, and twenty-five additional burn units, which shall comprise specialized facilities in general hospitals used only for burn victims;

(2) provide training and continuing support of specialists to staff the new burn centers and burn units;

(3) sponsor and encourage the establishment in general hospitals of ninety burn programs, which comprise staffs of burn injury specialists;

(4) provide special training in emergency care for burn victims;

(5) augment sponsorship of research on burns and burn treatment;

(6) administer and support a systematic program of research concerning smoke inhalation injuries; and

(7) sponsor and support other research and training programs in the treatment and rehabilitation of burn injury victims.

(b) For purposes of this title, there is authorized to be appropriated not to exceed $2,000,000 for the fiscal year ending June 30, 1975.

FIRE PROTECTION ASSISTANCE

SEC. 302. Section 232 of the National Housing Act (12 U.S.C. 1715w) is amended by adding at the end thereof the following new subsection:

"(i) (1) The Secretary is authorized upon such terms and conditions as he may prescribe to make commitments to insure loans made by financial institutions to nursing homes and intermediate care facilities to provide for the purchase and installation of fire safety equipment necessary for compliance with the 1969 edition of the Life Safety Code of the National Fire Protection Association, as modified in accordance with evaluation by the Secretary of Commerce under the Fire Prevention and Control Act of 1974 or which are recognized by the Secretary of Health, Education, and Welfare as conditions of participation for providers of services under title XVIII and title XIX of the Social Security Act, as modified in accordance with evaluations by the Secretary of Commerce under such Act.

"(2) To be eligible for insurance under this subsection a loan shall—

"(A) have a principal amount not to exceed $50,000;

"(B) bear interest at a rate not to exceed the rate prescribed by the Secretary;

"(C) have a maturity satisfactory to the Secretary, but not to exceed twelve years from the beginning of the amortization of the loan or three-quarters of the remaining economic life of the structure in which the equipment is to be installed, whichever is less; and

"(D) comply with other such terms, conditions, and restrictions as the Secretary, in consultation with the Secretary of Commerce, may prescribe.

"(3) The provisions of paragraphs (5), (6), (7), (9), and (10) of section 220(h) shall be applicable to loans insured under this subsection, except that all references to 'home improvement loans' shall be construed to refer to loans under this subsection.

"(4) The provisions of subsections (c), (d), and (h) of section 2 shall apply to loans insured under this subsection, and for the purpose of this subsection references in such subsections to 'this section' or 'this title' shall be construed to refer to this subsection.".

TITLE IV

ADMINISTRATIVE AND RELATED PROVISIONS

SEC. 401. For purposes of this Act the terms "State" and "United States" include the fifty States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, the Canal Zone, American Samoa, and the Trust Territory of the Pacific Islands.

SEC. 402. The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers, and records of the recipient that are pertinent to its activities under this Act for the purpose of audit or to determine whether a proposed activity is in the public interest.

SEC. 403. All property rights with respect to inventions or discoveries made in the course of or under contract with any Government agency pursuant to this Act shall be subject to the basic policies set forth in the President's Statement of Government Patent Policy issued August 23, 1971, or such revisions of that Statement of Policy as may subsequently be promulgated and published in the Federal Register.

Mr. DAVIS of Georgia (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

AMENDMENT OFFERED BY MR. DAVIS OF GEORGIA

Mr. DAVIS of Georgia. Mr. Chairman, I offer a perfecting amendment.

The Clerk read as follows:

Amendment offered by Mr. DAVIS of Georgia: On page 17, after line 13, add the following new subsection to section 119: (c) In each instance where the Director makes payment under subsection (b), the President shall take such steps as are necessary to insure that the Federal department or agency having jurisdiction over the Federal property where the fire occurred shall reimburse the Director within 30 days for the amount paid to the fire district or department. Such payment shall be credited to the appropriation from which the Director made payment to the fire district or department and shall remain available until expended.

Mr. DAVIS of Georgia. Mr. Chairman, I rise in support of the amendment. I would have to say that the real author of this amendment is my colleague from Missouri (Mr. SYMINGTON). It arose out of the fact that a fire of considerable proportions occurred out in St. Louis. I know that every Member of Congress will remember that fire, because so many military records were destroyed in the course of it.

At this time I would be glad to yield to the gentleman from Missouri (Mr. SYMINGTON) for an explanation regarding this amendment.

Mr. SYMINGTON. Mr. Chairman, I thank my chairman very much for this opportunity and for his steady leadership on this bill.

Mr. Chairman, what the fire at the GSA installation in St. Louis showed us, just as we were preparing this legislation, was that it was quite possible for a major Federal fire to occur in a local fire district. Of course, the local fire district is responsible to put out that fire regardless of what arrangements it might have with the Federal Government for taking care of the bills.

In this particular case, there were no arrangements, and it was a very, very costly fire in terms at least of the local districts involved. I think it cost them about $26,000 to put it out, 40 different fire districts, hundreds of firefighters, 5,000 gallons of fuel, and 50 million gallons of water.

When that occurred, the committee took a look around the country to see to what extent the Federal Government had installations in States and communities which were protected by local fire districts. There were a great many, and a large part of them without any compensatory arrangements with the Government.

Therefore, we thought it would be only reasonable to include in a bill of this kind provision for Federal reimbursement to the local fire districts through the GSA. Then, it occurred to us that the Federal agency actually operating the structure ought to reimburse the GSA.

Mr. Chairman, I do not know if there are any World War I veterans here with us today, but if there are, I am sorry to have to say that perhaps the records of those individuals were destroyed in that fire. Something like 20 million veterans' records are gone forever, but a great many millions of others were saved by the prompt and sustained efforts of the St. Louis area firefighters.

As it turned out, the sprinkler system that had been so long advocated by our fire chiefs had never been installed; files which were improperly stacked in cardboard cartons in spite of the urgent and repeated requests by local fire officials to put them back where they belonged in metal containers contributed to the rapid spread of the blaze. That being the case, we decided on the committee that from now on, when there is a Federal fire, there ought to be accountability to the people of the local district, the taxpayers, for putting that fire out. It was this consideration that moved us to include these provisions in the bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia (Mr. DAVIS).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. DAVIS OF GEORGIA

Mr. DAVIS of Georgia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DAVIS of Georgia: On page 17, line 16, add at the end of section 120 authorizing appropriations for title I: ", and such sums as may be appropriated for the fiscal year ending June 30, 1974."

Mr. DAVIS of Georgia. Mr. Chairman, the situation regarding this language is as follows: The Assistant Secretary of Commerce for Science and Technology, Dr. Betsy Ancker-Johnson, has already appeared before the Committee on Appropriations and has laid plans for the placing in operation, in a very early stage, the operation of the National Bureau of Fire Safety.

However, any appropriation cannot be used unless there is some authority for using that appropriation. Fiscal year 1974 is almost over, so very little money could be spent between now and the end of this fiscal year. All this amendment does is to authorize the expenditures of such moneys as may be appropriated for fiscal 1974.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georgia. Mr. Chairman, I will be glad to yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, I thank the gentleman for yielding.

Is the gentleman taking out the $2 million in this section and making it open ended?

Mr. DAVIS of Georgia. No, this has nothing to do with the $2 million.

Mr. GROSS. But the gentleman is making it open ended; is that right?

Mr. DAVIS of Georgia. Only for 1974, only for fiscal year 1974, which will be over at the end of June.

Mr. GROSS. They could get away with $10 million if they wanted to from now until the end of June.

Mr. DAVIS of Georgia. I think our Committee on Appropriations can be relied on not to give them $10 million.

Mr. GROSS. I do not know about that, but this does make it open ended as to amount.

Mr. DAVIS of Georgia. For that length of time, just until the end of June, that is all.

Mr. GROSS. The gentleman has seen a lot of agencies, bureaus, and departments of Government rush in to commit money before the end of the fiscal year, has he not?

Mr. DAVIS of Georgia. I cannot say that I have. I will say this, that I have never seen the Committee on Appropriations work so promptly as they have this year. I appreciate it, but this is one time they got ahead of us and held the hearings on the appropriation before this bill could be scheduled. But as I say, there is mighty little of fiscal year 1974 left, and we have a reputable and able Committee on Appropriations. I am not worried about anything there.

Mr. GROSS. There are also plenty of bureaucrats who are pretty fast with a dollar too near the end of the fiscal year.

Mr. DAVIS of Georgia. They cannot vote in this House. They do not serve on the Committee on Appropriations.

Mr. GROSS. But they can spend the money, once it is made available. This is what we are talking about.

Mr. DAVIS of Georgia. Mr. Chairman, I do not think we need to worry about it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia (Mr. DAVIS).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. DAVIS OF GEORGIA

Mr. DAVIS of Georgia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DAVIS of Georgia: On page 22, at line 3, delete subparagraph (b), lines 3, 4, and 5.

Mr. DAVIS of Georgia. Mr. Chairman, this amendment has to do with the colloquy that was had among the gentleman from Florida (Mr. ROGERS), the gentleman from Minnesota (Mr. NELSEN), and myself, in which I agreed that their committee would indeed be the proper committee to do the authorizing.

Mr. Chairman, we would like to leave the rest of that title III in as language in order to recognize the need for assistance. This amendment that is being offered deletes the $2 million.

Mr. Chairman, I will say that the $2 million was allocated to the NIH, over which our committee has no jurisdiction. But I agreed with the gentleman from Florida (Mr. ROGERS) and the gentleman from Minnesota (Mr. NELSEN) to delete the $2 million from this bill. That is what this amendment does.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia (Mr. DAVIS).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. DAVIS OF GEORGIA

Mr. DAVIS of Georgia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DAVIS of Georgia: On page 22 delete lines 6 through 25 and on page 23 delete lines 1 through 22, removing section 302—"Fire Protection Assistance".

Mr. DAVIS of Georgia. Mr. Chairman, this is one of those situations in which our committee properly considered the question of installing sprinkler systems in nursing homes, making the cost of such installations subject to an FHA loan. But it was one of those cases where the right hand did not know what the left hand was doing. The Banking Committee had identically the same bill before it, or worded it so nearly identically as to serve the same purpose. Since it is already the law, we see no point in leaving it in this bill. Therefore, this simply deletes the section which has already been enacted into law.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia (Mr. DAVIS).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. DAVIS OF GEORGIA

Mr. DAVIS of Georgia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DAVIS of Georgia: Page 24, after line 7, insert the following new section (and redesignate the succeeding sections accordingly):

SEC. 402. For purposes of this Act, the term "fire department" means (and the terms "fire prevention," "fire fighting", and "fire control" relate to activities conducted by) any organization consisting of personnel, apparatus, and equipment under the direction of a chief officer for the principal purpose of protecting property and maintaining the public's safety and welfare from the inherent dangers of fire. The personnel of any such organization may be salaried, volunteer, or a combination thereof; and the location of the organization and its responsibility for extinguishment and suppression of fire shall include (but not be limited to) a city, town borough, parish, county, fire district, fire protection district, or rural fire district.

Mr. DAVIS of Georgia. Mr. Chairman, the purpose of this amendment is to clarify the identity of the different agencies that can become involved in the efforts of fire prevention and firefighting.

I will have to give credit for the thought that produced this amendment to my colleague from Connecticut (Mr. STEELE), who worked hard, diligently, and well on this bill. Although he does not serve on our committee, he has been keenly interested in it, and we are indebted to him for his efforts in that regard.

If the gentleman would like to comment on this amendment, I will be glad to yield to him for that purpose.

Mr. STEELE. I thank the gentleman for yielding, and I thank the distinguished subcommittee chairman for those kind remarks.

Mr. Chairman, I want to rise in support of this amendment.

It is important completely to clarify the fact that this entire bill is directed toward the health of both paid and volunteer fire departments of all kinds throughout the United States.

I support the amendment.

Mr. DAVIS of Georgia. Mr. Chairman, I ask unanimous consent that the amendment may be modified by correcting the word "combinatination" to "combination." This is just a typographical error.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia.

The amendment was agreed to.

AMENDMENT OFFERED BY MR. DAVIS OF GEORGIA

Mr. DAVIS of Georgia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DAVIS of Georgia: On page 24 add a new section 404 to give general contract and grant authority:

SEC. 404. Any of the activities carried out under the provisions of Titles I and II and Sec. 301 of Title III of this Act may be carried out directly or through contracts or grants.

Mr. DAVIS of Georgia. Mr. Chairman, as the amendment plainly states, this simply gives the Fire Bureau the authority to make grants or contracts in pursuance of the function of the Fire Bureau.

Somebody asked me awhile ago why all of this was not done in committee before we go to the floor of the House. I would simply like to say that you just cannot work this fast in a committee.

Mr. GROSS. Will the gentleman yield?

Mr. DAVIS of Georgia. I am happy to yield to the gentleman.

Mr. GROSS. How is this working? Are you giving them the money or loaning them the money or what?

Mr. DAVIS of Georgia. Yes, it works the same way as any other Government agency does.

Mr. GROSS. I was afraid of that, but go ahead.

Mr. DAVIS of Georgia. They have no authority to make any contract or any grant without this clarifying amendment. But there are many things that need to be done out of house rather than in house. This is true of NASA, it is true of most Government agencies. This simply gives them that authority.

Mr. GROSS. To either do it by contract or by grant?

Mr. DAVIS of Georgia. Yes.

Mr. GROSS. Those are the words, is that right?

Mr. DAVIS of Georgia. That is correct.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia (Mr. DAVIS).

The amendment was agreed to.

Mr. GROSS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, in the first place I wonder how in the world this bill ever got to the Committee on Science and Astronautics. There are no astronautics involved that I know anything about unless it is proposed to put firemen in the air someplace.

Mr. DAVIS of Georgia. Mr. Chairman, will the gentleman yield?

Mr. GROSS. Yes, I yield to the gentleman.

Mr. DAVIS of Georgia The way it happened was that the oversight, or overview of the National Bureau of Standards was given to the Committee on Science and Astronautics several years ago. It is employed almost entirely in matters of technical or scientific nature.

As this bill was originally drawn it was put under the National Bureau of Standards, but it was felt wiser to establish a sister bureau to the National Bureau of Standards so that it would be dealing solely with fire. This came as a result of the recommendations of practically every fire association in this country.

Mr. GROSS. Mr. Chairman, perhaps the gentleman from Georgia can answer a more mundane question.

This bill provides for the establishment of a fire academy, is that correct?

Mr. DAVIS of Georgia. It does.

Mr. GROSS. You are going out somewhere—do you know where as yet?

Mr. DAVIS of Georgia. No.

Mr. GROSS. And you are going to build a fire academy?

Mr DAVIS of Georgia. That is right.

Mr. GROSS. Where does the gentleman think it will be built?

Mr. DAVIS of Georgia. It will have to be built in a spot where the population is not dense, because a good part of the training of a fireman is creating a fire, and that creates smoke.

I visited the academy in England. They have a very fine one, one of the finest fire academies in the world over there. That came about as a result of the incendiary bombs that Hitler sent across the channel, which caused so many fires to happen in England. They are miles ahead of us on this.

However, I would like to point out to the gentleman from Iowa that this is a bill not only for establishing a fire academy, but that the bill as a whole is a bill that will save the public money. Here is why——

Mr. GROSS. The gentleman knows that there is never a rock turned over by Congress that will not save someone some money. I would state to my good friend, the gentleman from Georgia, that I would rather he not try to sell me on this bill on the basis that it is going to save money for somebody.

Mr. DAVIS of Georgia. If the gentleman will yield further, let me give the gentleman the reasoning.

The Law Enforcement Act did not save anybody any money, the battle was over whether we would compensate a person for his injuries, or whatever he might have suffered. But in this case, if we can cut down the number of fire losses——

Mr. GROSS. If you do.

Mr. DAVIS of Georgia. Which we will do.

Mr. GROSS. If you do.

Mr. DAVIS of Georgia. That is what we aim to do—then this will lower the insurance premiums for all citizens affected by it, in every State.

Mr. GROSS. That was to be my next question: What does the gentleman from Georgia anticipate will be the lowering of the insurance rates? Can the gentleman give us any kind of a percentage on the lowering of premiums on fire insurance?

Mr. DAVIS of Georgia. I can only say that if the experience on fire losses drops then the rates will certainly drop.

Mr. GROSS. The gentleman seems to be using an "if" about every other word.

Mr. DAVIS of Georgia. Well, that may be.

Mr. GROSS. I thought that the Bureau of Standards had been investigating this for years, and have we not been spending a good deal of money on the commission that produced the report that resulted in this bill?

Mr. DAVIS of Georgia. The Bureau of Standards has been doing a technical, scientific, laboratory type of job. The job of firefighting is far broader than that. It involves personnel, public relations, there are many, many things involved in it.

Mr. GROSS. Will the gentleman tell me: Is this academy going to be located in the Midwest, the South, the Northeast, or Northwest, or where?

Mr. DAVIS of Georgia. The bill provides for a site selection committee. I have not the faintest notion of what site will be selected.

Mr. GROSS. I am going to be out of a job pretty soon.

Mr. DAVIS of Georgia. I think the gentleman from Iowa would make an excellent firefighter.

Mr. GROSS. At $150 per diem and transportation, that could keep one occupied; could it not?

Mr. DAVIS of Georgia. I will entertain the gentleman's résumé.

Mr. GROSS. The gentleman from Georgia does not know where the academy is going to be located?

Mr. DAVIS of Georgia. I do not.

Mr. GROSS. And we are going to have a National Bureau of Fire Safety to go along with it? In other words, a brand new set of bureaucrats.

Mr. DAVIS of Georgia. That is parallel to the National Bureau of Standards.

Mr. GROSS. And we are going to spend what? Set up in this bill, if I read the figures correctly on page 19, is about $100 million to carry this to fiscal year 1979.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. GROSS was allowed to proceed for 3 additional minutes.)

Mr. DAVIS of Georgia. That is a projection that extends to fiscal year 1979. It is not in the bill.

In this bill we have taken $2 million out. It was $7½ million; it is $5½ million now.

Mr. GROSS. I know you took $2 million out of the bill.

Mr. DAVIS of Georgia. But that is a projection only.

Mr. GROSS. Where does the gentleman anticipate getting the money to liquidate this obligation of $100 million in the next few years?

Mr. DAVIS of Georgia. If the program is successful, it will earn its way.

Mr. GROSS. But that will not put the money back into the till; will it?

Mr. DAVIS of Georgia. No; it would not.

Mr. GROSS. We would have to increase taxes to do that; would we not?

Mr. DAVIS of Georgia. I suppose we would.

Mr. GROSS. We would have to increase taxes to recover the $100 million and more that will go into this. I cannot conceive that the gentleman is going to build an academy from the ground up and do it within these figures; and I do not think the gentleman thinks that he will get that job done for that money.

Mr. DAVIS of Georgia. I think so.

Mr. GROSS. It would be the first academy every built and equipped within the figures originally set forth.

Mr. DAVIS of Georgia. The one in England was built at the site of an old, abandoned airfield. We are dotted with those all over the country.

Mr. GROSS. Especially in the South.

Mr. DAVIS of Georgia. Yes.

Mr. GROSS. There are also a lot of other military bases in the South that would have to be closed in order to save the money to pay this bill?

Mr. DAVIS of Georgia. We have a lot of factory-owned land that will not cost much money.

Mr. GROSS. The gentleman is aware, is he not, that productivity in this country has gone down 6½ percent?

Mr. DAVIS of Georgia. I know that it went down.

Mr. GROSS. That the prime interest rate is now 11½ percent, and inflation is still running away with the country?

Mr. DAVIS of Georgia. It is.

Mr. GROSS. Still the gentleman brings this bill here today to start a brand new academy from the ground up and establish a new bureaucracy. I have not yet heard anyone say how many people this new bureau is going to employ. Has the gentleman any idea of how many payrollers will be required for this new addition to the Federal bureaucracy?

Mr. DAVIS of Georgia. We have not asked for any in this bill.

Mr. GROSS. Where are we going to get the money to do all of these things? Tomorrow somebody else will turn over a rock and find that Congress failed to put $100 million under it.

Mr. DAVIS of Georgia. I will say to the gentleman that this is one bill that I did not expect a long sermon on from the gentleman from Iowa.

Mr. GROSS. Why did the gentleman from Georgia not expect a sermon on it from the gentleman from Iowa?

Mr. DAVIS of Georgia. It is the most economical bill that has been before this House in a long time.

Mr. GROSS. Since when is more than $100 million economical, or to be taken lightly?

Mr. DAVIS of Georgia. There are only $5½ million in this bill and 1 year of authority.

Mr. GROSS. Has the gentleman from Georgia looked at page 19 in his report?

Mr. DAVIS of Georgia. That is not the bill; that is the projection.

Mr. GROSS. Of the cost. A projection of the cost; is that not correct?

Mr. DAVIS of Georgia. That is correct.

Mr. GROSS. Yes. That is what the gentleman is proposing by way of obligating the taxpayers 5 years hence?

Mr. DAVIS of Georgia. We are not doing that.

Mr. GROSS. Of course, the gentleman is.

Mr. DAVIS of Georgia. We cannot do that.

Mr. GROSS. Of course the gentleman is, because the report projects authorizations for the next 4 fiscal years.

Mr. DAVIS of Georgia. This bill has a life of 1 year. The gentleman has got the committee report in his hand, not the bill.

Mr. GROSS. What would the gentleman expect me to read in addition to the bill if not the committee report? Does the gentleman not stand back of his committee report?

Mr. DAVIS of Georgia. Certainly, I do. But I am not saying this bill represents $100 million. I do not know whether it will or not.

Mr. GROSS. I am not very good at mathematics but I do not have to be good or even have a sharp pencil to figure at least $100 million as the ultimate cost. It would be impossible to build an academy and carry out other provisions of legislation for less so let us face facts.

Mr. DAVIS of Georgia. There is a publication called "America Burning" which has a projected annual U.S. fire cost.

Mr. GROSS. The gentleman has referred to that in his report. I do not think if he builds an academy in the North, South, East, or West, or all four areas, that he is going to stop fires and I do not think the gentleman thinks so either.

Mr. DAVIS of Georgia. Talking about annual productivity, our annual loss there is $3.5 billion loss in productivity.

Mr. GROSS. We cannot have very much of a loss in the Nation's productivity and finance projects of this kind, and when productivity goes down 6.5 percent the economy is sharing signs of sickness. Is that not so?

Mr. DAVIS of Georgia. Yes.

Mr. GROSS. And how then are we going to finance this new bureau and this new academy? No matter how meritorious some of the projects may be, the economy, the finances, and the taxpayers of this country can take only so much abuse. My opposition to this bill is that we simply do not have the millions it will require now and in the immediate future.

AMENDMENT OFFERED BY MR. WOLFF

Mr. WOLFF. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. WOLFF: on page 13 line 9, subsection (e) of section 109 should be relettered to be subsection (f) and a new subsection (e) inserted to read as follows:
>
> "(e) Provide assistance to state and local fire service training programs through grants, contracts or otherwise; and . . .

Mr. WOLFF. Mr. Chairman, I rise to offer an amendment to H.R. 11989, which is cosponsored by Mr. GILMAN of New York, the Fire Prevention and Control Act.

My amendment is, for all practical purposes, a technical amendment designed to clarify the expressed intent and declaration of policy contained in the bill of which I am a cosponsor.

Section 3 of H.R. 11989 declares it to be the policy of the United States to "supplement rather than supplant existing programs of research and training, and to encourage new and improved local programs of research and training, and to encourage new and improved local programs in these areas." The committee report states that—

> The role of the Academy in supplementing the system is to fill the gaps where there is no activity, and to improve existing programs where necessary. To accomplish this, the Academy will have three separate activities: There will be courses of study given at Academy facilities; there will be correspondence courses offered by the Academy; and there will be assistance to existing and new local programs.

It is obviously the intent of H.R. 11989 to provide assistance to State and local fire service training programs; however, the bill contains no section which specifically authorizes grants or contracts to help support State and local training programs. The bill is clearly not intended to create any discrimination against State or locally sponsored and funded training programs, yet it will have this effect if an amendment is not adopted to clarify the intent of the bill.

Therefore, I am offering an amendment which specifically states that the superintendent of the U.S. Fire Academy will be authorized to provide grants or contracts to State and local fire service training programs including volunteer fire organizations which are: National Fire Prevention Association; New York City Fire Department; Nassau County Fire Marshall; Vocational Education and Extension Board of Nassau County; and New York State Office for Local Government.

The amendment recognizes that it is the intent of the bill to take full advantage of State and local training programs that already exist and to help further State and local efforts to step up training in fire prevention and control. I have been advised that there is no objection to this amendment by the chairman or ranking minority member. I urge my colleagues to give it careful consideration.

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. WOLFF. I yield to the gentleman from New York (Mr. GILMAN).

Mr. GILMAN. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I previously indicated my strong support for the Fire Prevention Act.

I now rise in support of this clarifying amendment which I am cosponsoring with the gentleman from New York (Mr. WOLFF), which authorizes grants of contracts to help support State and local programs, including voluntary fire training programs.

This amendment has the support of the New York State's Office of Local Government. It will help make this measure even more effective by extending its assistance to our local governmental bodies. Accordingly, I urge my colleagues to support this clarifying amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. WOLFF).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. STEELE

Mr. STEELE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. STEELE: Page 6, line 16, after "oil and gasoline fires," insert the following: "aircraft fires and crash rescue, fires occurring aboard water-borne vessels,".

Mr. STEELE. Mr. Chairman, I rise to offer an amendment to the committee bill to specifically authorize the Director of the National Bureau of Fire Safety to conduct a continuing program of development, testing, and evaluation of special clothing and equipment needed to combat aircraft fires, as well as fires on boats and other maritime vessels.

It is a tragic fact that fire has been and still is one of the most dangerous hazards associated with aviation and water transport on our Nation's rivers, likes, and on the oceans.

One of the most recent tragedies was the Brazilian jetliner crash which took the lives of 122 people. A fire in the rear toilets raced the length of the plane and in seconds engulfed the passengers in a dense and lethal smoke produced by the burning materials and fabrics. The accounts of the disaster aboard the Boeing 707 indicate that attempts to control the fire by use of fire extinguishers proved useless and that even though rescue operations were undertaken immediately, only 12 crewmen in the forward section of the plane survived. This accident near Orly Airport in France was not the first where passengers perished in a postcrash fire after impact.

In my own State of Connecticut, 26 passengers and 2 flight crewmembers died in an aircraft crash and fire at Tweed-New Haven Airport in June 1971. A letter I received from the State's chief medical examiner stated:

> The 26 passenger fatalities all died from the effects of the post-crash fire and exhibited second and third degree burns and evidence of smoke inhalation . . .

Further medical examination disclosed that the blood samples from 17 of the passenger fatalities indicated the presence of cyanide. The New Haven crash could have been a survivable crash, since the chief medical examiner's findings suggested the presence of impact trauma in only one of the 26 passengers who died in this tragic air disaster. However, our ability to meet the problem of aircraft fires has been greatly hindered by the failure to develop and utilize advanced technology and advanced fire resistant protective outerwear to enhance passenger rescue operations in postcrash fires.

I think it is important to note that last year Congress passed the Airport Development Acceleration Act of 1973 which raised the Federal participation for funding of firefighting and crash rescue equipment required by the Secretary of Transportation for airport certification from 50 to 82 percent.

It is my belief that if Congress is going to spend more money on airport firefighting and safety equipment, then it is important that we use some of this money to transfer existing advanced technology and to develop and utilize new technology to reduce the airport fire problem.

The new National Bureau of Fire Safety can play a major role in the development of this technology and I believe it is important that the legislation before us today clearly mandates such action.

Mr. Chairman, I have seen first hand the accomplishments that can be made when the Federal Government puts its energies in the task of development of such equipment. Just last September I had the privilege of presenting to the Connecticut State Fire Fighters Association two space age firefighting suits, developed by NASA at the Houston Space Center, which allow firefighters to work in extremely high temperatures during firefighting and rescue operations involving aircraft.

To illustrate the point further, the Navy and Coast Guard fire technology R. & D. program has developed a plastic helmet easily slipped over a man's head which provides a supply of air for up to 20 minutes. While this light mobile air system was originally designed for use aboard military aircraft carriers, it could easily be transferred into the private sector for use on all maritime vessels.

What is now needed is a firm commitment by the Federal Government to continue and speed up the development of this kind of aircraft and maritime firefighting technology. I believe that my amendment would provide this specific commitment and I urge its passage.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut (Mr. STEELE).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. STEELE

Mr. STEELE. Mr. Chairman, I offer a second amendment.

The Clerk read as follows:

> Amendment offered by Mr. STEELE: Page 12, after line 7, insert the following new paragraph (and redesignate the succeeding paragraphs accordingly):
>
> (4) the tactical training of personnel in the specialized field of aircraft fire control and crash rescue and the field of fires occurring aboard water-borne vessels;

Mr. STEELE. Mr. Chairman, I rise to offer an amendment to the committee bill to specifically authorize the superintendent of the National Fire Academy to conduct courses and programs in the tactical training of personnel in the specialized field of aircraft fire control as well as in the field of fire control aboard ships and other maritime vessels.

It is all too often that we read about passengers and crew members either dying or becoming severely injured as a result of fire occurring aboard aircraft and ships.

It is a sad fact that many of these incidents could have been avoided or lives saved and injuries averted if firefighters had the opportunity for advanced training in aircraft and maritime fire control and emergency rescue.

Under the Federal Aviation Act of 1958, the FAA has authority to prescribe minimum standards to be met by airport firefighters and crash rescue organizations. However, lack of a strong national uniform training program aimed at the unique hazards and controls in aircraft postcrash fire situations has hindered the ability of the FAA to mandate and enforce tougher, more comprehensive training standards. In the past, independent development of such training courses might have proved to be too expensive to make this available to most firefighters. But the resources of the new Academy would make possible a low cost development of such special programs.

In addition to the unique hazards confronting fire control personnel in aviation disasters, equally dangerous situations have to be faced when fire develops aboard maritime vessels. This amendment would authorize the academy to conduct courses to train fire control personnel in new techniques and procedures for battling fires or explosions occurring aboard ships. The training program could also offer specialized training to individuals not directly employed in fire control, but whose safety may depend on being able to react to fire situations. This course teaching para-firefighting skills could include dock workers, longshoremen, and vessel and other harbor related personnel.

I believe that it is extremely important that the legislation before us today specifically authorize the superintendent of the academy to conduct programs in the tactical training of personnel in the specialized fields of aircraft and maritime fire control.

Mr. GROSS. Mr. Chairman, I move to strike the necessary number of words.

Why is this bill being written on the House floor?

Mr. DAVIS of Georgia. Does the gentleman address that question to me?

Mr. GROSS. Yes, to anyone who cares to answer.

Mr. DAVIS of Georgia. We cannot work this fast in the committee.

Mr. GROSS. I guess that is as good an answer as any, and regardless of the content of the bill the money will be spent.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut (Mr. STEELE).

The amendment was agreed to.

Mr. STEELE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment offered by the distinguished chairman of the subcommittee for the purpose of defining "Fire Department" and related activities conducted by such organizations. As one who has worked closely with him in this matter, I would like to commend the gentleman for his clarifying amendment.

I believe that we are all aware of the need to have extremely precise legislative language in bills passed by the Congress. Often definitions can be the most important aspect of a piece of legislation. Thus I believe it would be most appropriate—indeed, virtually essential—to include a definition of the term "Fire Department" in the legislation before us today, for such action could forestall unnecessary problems in the future.

While it is true that the committee report accompanying this bill states that the committee intends that the term "Fire Deparment wherever it appears in the bill or in this report include fire protection districts or any other recognized firefighting organizations," the amendment before us would clearly express the intent of the committee and the Congress in this regard. Inasmuch as I have long fought to provide adequate assistance to our Nation's volunteer firefighters, as well as our paid firefighters, I am particularly concerned about the need to make it absolutely clear that volunteer fire departments would be eligible to receive the benefits of this legislation. It must be clear from the start that the National Bureau of Fire Safety is responsible for assisting all segments of the national fire service.

Mr. Chairman, I have a quick question I would like to address to the chairman or the gentleman from Ohio (Mr. Mosher) regarding section 115 and section 116 of the bill.

Section 115 gives to the superintendent of the Fire Academy, in the language of the bill, the authority "to provide scholarships to students attending full time at a fire engineering program of a 2-year junior college or the last 2 years of a 4-year engineering program at college or university."

Similarly, section 116 provides:

> The Superintendent is authorized to make, or to enter into contracts to make, payments to institutions of higher education for loans, not to exceed $2,500 per academic year for any individual, to individuals enrolled on a full-time basis in undergraduate or graduate programs in fire research or engineering recognized by the Superintendent.

Am I correct in assuming that the definitions of engineering and research in these two sections are meant to be construed broadly to include, for example, courses of instruction in fire technology and fire administration, as well as programs spelled out to the academy in section 109(a)?

Mr. DAVIS of Georgia. Mr. Chairman, I would say the answer to the gentleman's question is "yes." I would like to point out the language on line 5, page 13 of the bill, which is rather broad in its scope:

> (d) provide stipends to students attending courses and programs approved by the Academy at universities and colleges in amounts up to 75 per centum of the cost of attendance.

Also, on page 15, section 114:

> Sec. 114. The Superintendent is authorized to provide stipends to students attending Academy courses and programs in amounts up to 75 per centum of the cost of attendance as established by the Superintendent.

Therefore, I think in general that the intent is certainly broad.

Mr. STEELE. Mr. Chairman, I thank the gentleman from Georgia.

Mr. MOSHER. Mr. Chairman, will the gentleman yield?

Mr. STEELE. Mr. Chairman, I yield to the gentleman from Ohio.

Mr. MOSHER. Mr. Chairman, I would like to add my own comment in response to the gentleman's question. Yes, that would very definitely be my interpretation.

The CHAIRMAN. If there are no further amendments, under the rule the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Long of Louisiana, chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 11989) to enhance the public health and safety by reducing the human and material losses resulting from fires through better fire prevention and control, and for other purposes, had directed him to report the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 352, nays 12, not voting 69, as follows:

[Roll No. 190]

YEAS—352

Abdnor
Abzug
Adams
Addabbo
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Ashley
Aspin
Baker
Barrett
Bauman
Beard
Bennett
Bevill
Biaggi
Biester
Bingham
Boggs
Boland
Bolling
Bowen
Brasco
Bray
Breaux
Breckinridge
Brinkley
Brooks
Brotzman
Brown, Mich.
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Butler
Byron
Camp
Carney, Ohio
Cederberg
Chamberlain
Chappell
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collins, Ill.
Conable
Conlan
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellums
Denholm
Dent
Derwinski
Dickinson
Donohue
Downing
Drinan
Duncan
du Pont
Edwards, Ala.
Edwards, Calif.
Eilberg
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fisher
Flood
Foley
Ford
Forsythe
Fountain
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gude
Gunter
Guyer
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Hastings
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Holtzman
Horton
Hosmer
Howard
Huber
Hudnut
Hungate
Hunt
Jarman
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kemp
Ketchum
King
Koch
Kuykendall
Kyros
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Long, La.
Long, Md.
Lott
Lujan
Luken
McClory
McCollister
McDade
McEwen
McFall
McKay
McKinney
Macdonald
Madden
Madigan
Mahon
Mallary
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Miller
Mills
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, N.Y.
Murtha
Natcher
Nedzi
Nichols
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Pepper
Perkins
Pettis
Peyser
Pike
Poage
Podell
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Rhodes
Riegle
Rinaldo
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Rosenthal
Roush
Rousselot
Roy
Roybal
Runnels
Ruppe
Ruth
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Scherle
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Ariz.
Stephens
Studds
Sullivan
Symington
Taylor, Mo.
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Treen
Udall
Ullman
Van Deerlin
Vander Veen
Vanik
Veysey
Vigorito
Waggonner
Walsh
Wampler
Ware
Whalen
Whitehurst
Whitten
Widnall
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—12

Collier
Collins, Tex.
Crane
Dennis
Erlenborn
Goodling
Gross
Hutchinson
Landgrebe
Mann
Rarick
Symms

NOT VOTING—69

Alexander
Badillo
Bafalis
Bell
Bergland
Blackburn
Blatnik
Brademas
Broomfield
Brown, Calif.
Brown, Ohio
Burke, Calif.
Carey, N.Y.
Carter
Casey, Tex.
Chisholm
Danielson
Dellenback
Devine
Diggs
Dingell
Dorn
Dulski
Eckhardt
Fish
Flowers
Flynt
Fraser
Frelinghuysen
Gubser
Haley
Hanna
Hawkins
Ichord
Johnson, Pa.
Kazen
Kluczynski
Litton
McCloskey
McCormack
McSpadden
Milford
Murphy, Ill.
Myers
Nelsen
Nix
Patman
Patten
Pickle
Reid
Reuss
Roberts
Roncallo, N.Y.
Rooney, N.Y.
Rooney, Pa.
Rose
Rostenkowski
Steiger, Wis.
Stokes
Stratton
Stubblefield
Stuckey
Talcott
Teague
Vander Jagt
Waldie
White
Wiggins
Young, S.C.

So the bill was passed.

The Clerk announced the following pairs:

Mr. Rostenkowski with Mr. Blatnik.

Mr. Rooney of Pennsylvania with Mr. Hanna.

Mr. Patten with Mr. Reid.

Mr. Rooney of New York with Mr. Casey of Texas.

Mr. Brademas with Mr. Dingell.

Mr. Carey of New York with Mr. Nix.

Mr. Kazen with Mr. Frelinghuysen.

Mr. Dulski with Mr. McCloskey.

Mr. Murphy of Illinois with Mr. Dellenback.

Mr. Stratton with Mr. Stokes.

Mr. Teague with Mr. Young of South Carolina.

Mr. Stubblefield with Mr. Dorn.

Mr. Alexander with Mr. Carter.

Mr. Badillo with Mr. Litton.

Mr. Bergland with Mr. Fish.

Mrs. Chisholm with Mr. Waldie.

Mr. Diggs with Mr. Ichord.

Mr. Stuckey with Mr. Johnson of Pennsylvania.

Mr. Pickle with Mr. Bafalis.

Mr. Fraser with Mr. Gubser.

Mr. Haley with Mr. Devine.

Mr. McSpadden with Mr. Bell.

Mr. Flowers with Mr. Myers.

Mr. Danielson with Mr. Blackburn.

Mr. Hawkins with Mr. Steiger of Wisconsin.

Mrs. Burke of California with Mr. Patman.

Mr. Flynt with Mr. Talcott.

Mr. Milford with Mr. Broomfield.

Mr. McCormack with Mr. Vander Jagt.

Mr. Reuss with Mr. Brown of California.

Mr. Roberts with Mr. Roncallo of New York.

Mr. White with Mr. Wiggins.

Mr. Kluczynski with Mr. Brown of Ohio.

Mr. Rose with Mr. Eckhardt.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. DAVIS of Georgia. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate bill (S. 1769) to reduce the burden on interstate commerce caused by avoidable fires and fire losses, and for other purposes, a bill similar to H.R. 11989 just passed by the House.

The Clerk read the title of the Senate bill.

The **SPEAKER.** Is there objection to the request of the gentleman from Georgia?

There was no objection.

MOTION OFFERED BY MR. DAVIS OF GEORGIA

Mr. DAVIS of Georgia. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. DAVIS of Georgia moves to strike out all after the enacting clause of the bill S. 1769 and to insert in lieu thereof the provisions of the bill H.R. 11989, as passed by the House, as follows:

SECTION 1. This Act may be cited as the "Fire Prevention and Control Act of 1974".

FINDINGS

SEC. 2. The Congress hereby finds that—

(1) the United States today has the highest per capita rate of death and property loss from fire of all the major industrialized nations in the world;

(2) the losses of life and property resulting from fire which are now being experienced in the United States are entirely unacceptable;

(3) while fire prevention and control is and should remain a State and local responsibility, the Federal Government can be of invaluable assistance in attaining significant reduction in fire losses;

(4) the firefighting and civil defense programs in each locality can both benefit from closer cooperation;

(5) there is a need for professional training and education primarily oriented toward improving the effectiveness of fire departments, developing leadership for fire prevention, and reducing firefighter injuries;

(6) the state-of-the-art in fighting and in protecting persons and property from combustion hazards, requires additional research and development in the area of fire safety;

(7) there is a need for a national fire data collection, analysis, and dissemination system to establish priorities for research and action;

(8) the number of specialized medical centers for the treatment of burns which are properly equipped and staffed to save lives and rehabilitate the victims of fires is severely limited in the United States;

(9) the Federal Government's role in fire research and development, information collection and dissemination, and education needs to be further strengthened in order that the effectiveness of the Nation's dedicated firefighting forces may be increased.

DECLARATION OF POLICY

SEC. 3. It is therefore and hereby declared that the policy of the United States shall be to—

(1) reduce the Nation's losses caused by fire through better efforts to prevent fires from starting and by improving the efforts and means for suppressing fires;

(2) supplement rather than supplant existing programs of research, training, and education, and to encourage new and improved programs and activities by State and local governments;

(3) place the responsibility for the Federal share of this fire reduction effort on the Secretary of Commerce of the United States;

(4) encourage increasing cooperation between the Nation's firefighting and civil defense forces at all levels;

(5) carry out an enhanced public education effort aimed at improving the understanding by every citizen of the methods and techniques of fire prevention, fire rescue, and firefighting;

(6) develop and provide for the widest possible use of new approaches, techniques, and improvements in fire prevention and control;

(7) establish a United States Fire Academy to provide training and education beyond the basic training level;

(8) establish an integrated and comprehensive fire data system; and

(9) direct the National Institutes of Health to conduct an intensified program of research into the treatment of burn and smoke injuries and the rehabilitation of victims of fires.

TITLE I

NATIONAL BUREAU OF FIRE SAFETY

SEC. 101. There is hereby established within the Department of Commerce a National Bureau of Fire Safety, hereinafter referred to as the "Bureau".

SEC. 102. The Bureau shall be headed by a Director who shall be appointed by the President, by and with the advice and consent of the Senate. The Director shall serve subject to the provisions of section 5316 of title 5, United States Code.

SEC. 103. (a) It shall be the function of the Bureau, under the general direction of the Secretary of Commerce, hereinafter referred to as the "Secretary", and in cooperation and coordination with State and local governments and the private sector, to improve the Nation's efforts in fire prevention and control through public education, advanced technology, training, and education, improved statistics, and other relevant efforts.

(b) The Director shall insure that results and advances arising from the work of the Bureau are disseminated and shall encourage their use, where applicable, to further fire safety activities and to improve the effectiveness of firefighting and prevention activities.

PUBLIC EDUCATION

SEC. 104. The Director shall undertake, in collaboration with existing public and private organizations, including Civil Defense organizations, a continuing and extensive program of public education in fire prevention and fire safety which shall include specialized information aimed at those particularly vulnerable to fire hazards such as the young and the elderly, and shall sponsor and encourage research into new methods of public education in fire prevention.

FIRE TECHNOLOGY

SEC. 105. (a) The Director shall conduct a program of continuing development, testing, and evaluation of equipment for use by the Nation's fire, rescue, and civil defense services with the aim of making available improved suppression, protective, auxiliary, and warning devices incorporating the latest technology. In the conduct of this program, the standardization, compatibility, and interchangeability of fire equipment shall be given strong attention. Such development, testing, and evaluation activities shall include—

(1) safer, less cumbersome articles of protective clothing including helmets, boots, and coats;

(2) breathing apparatus with the necessary duration of service, reliability, low weight, and ease of operation for practical use;

(3) safe and reliable auxiliary equipment for use in firefighting such as fire location detectors, visual and audio communications equipment, and new types of mobile equipment;

(4) special clothing and equipment needed for brush and forest fires, oil and gasoline fires, aircraft fires and crash rescue, fires occurring aboard water-borne vessels, and other special firefighting situations;

(5) fire detectors for residential use having high sensitivity and reliability and low cost and maintenance to insure wide acceptance and use;

(6) in-place fire prevention systems of increased reliability and effectiveness;

(7) methods of testing fire alarms and fire protection devices and systems on a noninterference basis;

(8) the development of purchase specifications, standards, and acceptance and validation test procedures for all such equipment and devices;

(9) operation tests, demonstration projects, and fire investigations in support of the activities set forth in this section;

(10) such other development, testing, and evaluation activities deemed necessary to accomplishing the purposes of this section.

(b) The Director shall not engage in the manufacture or sale of any such equipment or device except as may be necessary to develop, test, and evaluate it.

(c) The Director shall perform studies of the operations and management aspects of fire departments and services using quantitative techniques including operations research, management economics, cost effectiveness studies, and such other techniques as are found applicable and useful. Such studies shall include, but not be limited to, the optimum location of fire stations, the manner of responding to alarms, the operation of citywide and regional fire dispatch centers, the effectiveness, frequency, and methods of building inspections, and firefighting under conditions of civil disturbance. In the conduct and support of such studies the Director is authorized to perform operational tests, demonstration projects, and fire investigations.

(d) The Director shall conduct research on problems concerning productivity measurement of fire department personnel, analysis of job categories and skills required under varying conditions, reduction of injuries to fire service personnel, the most effective fire prevention efforts by fire service personnel.

(e) In the conducting of the program under this section, the Director shall take full advantage of the applicable technological developments which have been made in other departments and agencies of the Federal Government, in State and local governments, and in business and industry.

FIRE DATA

Sec. 106. (a) The Director shall operate directly or through contracts an integrated, comprehensive national fire data program based on the collection, analysis, publication, and dissemination of fire information related to the prevention, occurrence, control, and results of fire of all types. The program shall be designed to provide an accurate national picture of the fire problem, identify major problem areas and assist in setting priorities, determine possible solutions to problems, and monitor progress of programs to reduce fire losses. To carry out these functions, the program shall include—

(1) information on the frequency, causes, spread, and extinguishment of fires;

(2) information on the number of injuries and deaths resulting from fires including the maximum available information on the specific causes and nature of such injuries and deaths, and information on property losses;

(3) information on the occupational hazards of firemen including the causes of death and injury to firemen arising directly and indirectly from firefighting activities;

(4) information on all types of fire prevention activities including inspection practices;

(5) technical information related to building construction, fire properties of materials, and other similar information;

(6) information on fire prevention and control laws, systems, methods, techniques, and administrative structures used in foreign nations;

(7) information on the causes, behavior, and best method of control of other types of fires, including, but not limited to, forest fires, brush fires, fires underground, oil blowout fires, and waterborne fires; and

(8) such other information and data as is judged useful and applicable.

(b) In the conduct of the comprehensive fire data and information program the Director is authorized to develop standardized data reporting methods and to encourage and assist State, local, and other agencies, public and private, in developing and reporting information.

(c) In the conduct of the comprehensive fire data and information program the Director is authorized to make full use of existing data gathering and analysis organizations, both public and private.

(d) The Director shall insure dissemination of such fire data to the maximum extent, and shall make the data available in appropriate form to Federal agencies, State and local governments, private organizations, industry, and business, and other interested persons.

FIRE TRAINING AND EDUCATION

Sec. 107. (a) There is hereby established within the Department of Commerce, as part of the Bureau, a United States Fire Academy (hereinafter referred to as the "Academy") which shall have the mission of advancing the professional development of fire service personnel, civil defense personnel, and related fire safety personnel.

(b) The Academy shall be headed by a Superintendent who shall be appointed by the Secretary and who shall be responsible to the Director of the Bureau.

(c) The Academy shall consist of such buildings and facilities and have such teaching staff and other personnel as the Superintendent determines to be necessary or appropriate for purposes of this section. The Superintendent shall have authority to enter into such contracts and take such other actions as may be necessary in carrying out the preceding sentence.

Sec. 108. The Academy shall be located on such site or sites as the Secretary selects subject to the following provisions:

(a) The Secretary is authorized to appoint a Site Selection Board consisting of the Academy Superintendent and two other members to survey the most suitable sites for the location of the Academy and make recommendations to the Secretary.

(b) The Site Selection Board and the Secretary, in making their recommendations and final selection, shall give consideration to the training and facility needs of the Academy, the accessibility and travel distance to the site from all parts of the country, environmental effects, the possibility of using a surplus Government facility, and such other factors as are deemed important and relevant.

Sec. 109. In furtherance of the mission of the Academy, the Superintendent is authorized to—

(a) conduct courses and programs of training and education in—

(1) the techniques of fire prevention, fire inspection, firefighting and fire and arson investigation for members of the firefighting forces of the Nation;

(2) the tactics and command of firefighting for present and future fire chiefs and commanders of subordinate fire units;

(3) the administration and management of fire departments and fire services;

(4) the tactical training of personnel in the specialized field of aircraft fire control and crash rescue and the field of fires occurring aboard water-borne vessels;

(5) such other subjects including civil defense related subjects and fields of study as are deemed necessary or desirable; and

(6) the training of present and future instructors in all of the above subjects;

(b) develop and administer a program of correspondence courses to advance the knowledge and skills of fire service personnel;

(c) encourage new and existing programs of education and training by local fire units and departments, State and local governments, and private institutions by supplementing and supporting—

(1) vocational training in the techniques of fire prevention, fire inspection, firefighting, and fire and arson investigations;

(2) the establishment of fire training courses and programs at junior colleges; and

(3) the support and encouragement of the number of four-year degree programs in fire engineering at colleges and universities found necessary by the Superintendent to provide an adequate number of graduates;

(d) provide stipends to students attending courses and programs approved by the Academy at universities and colleges in amounts up to 75 per centum of the cost of attendance; and

(e) provide assistance to State and local fire service training programs through grants, contracts or otherwise; and

(f) encourage and assist in the inclusion of fire prevention and detection technology and practices in the education and professional practice of architects, builders, city planners, and others engaged in design and planning affected by fire safety problems.

Sec. 110. The Superintendent shall conduct a continuing study of the needs and contents of the educational and training programs needed at the Academy and elsewhere to educate, train, and maintain the Nation's fire forces. He shall coordinate these studies with appropriate officials of the Civil Defense Staff College.

Sec. 111. The Superintendent shall establish a Committee on Fire Training and Education which shall inquire into and make recommendations regarding the desirability of establishing a mechanism for accreditation of fire training and education programs and courses, and the role which the Academy should play if such programs are recommended. The Committee shall consist of the Superintendent as chairman and eighteen other members appointed by the Superintendent from among individuals and organizations possessing special knowledge and experience in the field of fire training and education or in related fields. The Committee shall submit to the Superintendent for transmission to the Secretary within one year after its appointment a full and complete report of its findings and recommendations; and upon the submission of such report the Committee shall cease to exist. Each appointed member of the Committee shall be reimbursed for any expenses actually incurred by him in the performance of his duties as such.

Sec. 112. The Superintendent shall admit to the courses and programs of the Academy individuals who are members of the firefighting; rescue, and civil defense forces of the Nation and such other individuals, including candidates for membership in these forces, as he determines can benefit from attendance. Students shall be admitted from any State in the Nation (as defined in section 401) with due regard to the adequate representation in the student body of all geographic sections of the country. In selecting students the Superintendent shall seek nominations and advice from fire departments, civil defense organizations, and other organizations who wish to send students to the Academy.

Sec. 113. The Superintendent may establish fees and other charges for attendance at courses and programs offered by the Academy.

Sec. 114. The Superintendent is authorized to provide stipends to students attending Academy courses and programs in amounts up to 75 per centum of the cost of attendance as established by the Superintendent.

Sec. 115. The Superintendent is authorized to provide scholarships to students attending full time at a fire engineering program of a two-year junior college or the last two years of a four-year engineering program at college or university.

Sec. 116. The Superintendent is authorized to make, or to enter into contracts to make, payments to institutions of higher education for loans, not to exceed $2,500 per academic year for any individual, to individuals enrolled on a full-time basis in undergraduate or graduate programs in fire research or engineering recognized by the Superintendent. Loans under this paragraph shall be made on such terms and conditions as the Superintendent and each institution involved may jointly determine.

Sec. 117. The Superintendent is authorized to conduct short courses, seminars, workshops, conferences, and similar education and training activities in all parts and localities of the United States.

Sec. 118. The Secretary shall appoint a Board of Visitors to the United States Fire Academy. The function of the Board of Visitors shall be to review annually the program of the Academy and make comments and recommendations to the Secretary regarding the operation of the Academy and any improvements therein which the Board of Visitors deems desirable. The Board of Visitors shall consist of eight individuals designated by the Secretary including persons who are representatives of the fire service community or who otherwise possess special knowledge and experience in fire prevention or fire training or in related fields or who are active in the field of education generally. Of the members first designated three shall be designated to serve for terms of one year, three for terms of two years, and two for terms of three years. Persons designated thereafter shall serve for terms of three years, except that if a member of the Board of Visitors dies or resigns, a successor shall be designated for the unexpired portion of the term. Each member of the Board shall be reimbursed for any expenses actually incurred by him in the performance of his duties as such.

Sec. 119. (a) Each fire district or department that engages in the fighting of a fire on Federal property may file a report with the Bureau setting forth—

(1) the amount of losses and expenses incurred by such district or department as a result of fighting such fire;

(2) the total cost of operation for such district or department during the year in which the report is filed and during the preceding year; and

(3) the estimated total cost of operation for such district or department during the year following that year in which the report is filed.

(b) Upon receipt of a report filed under subsection (a), the Director shall pay to each such district or department a sum which shall represent the cost to such district or department of fighting such fire, less a pro rata share of the payments in lieu of taxes for fire protection services, if any, for the period between the beginning of the annual payment period until the time of the fire, as determined by the Director.

(c) In each instance where the Director makes payment under subsection (b), the President shall take such steps as are necessary to insure that the Federal department or agency having jurisdiction over the Federal property where the fire occurred shall reimburse the Director within 30 days for the amount paid to the fire district or department. Such payment shall be credited to the appropriation from which the Director made payment to the fire district or department and shall remain available until expended.

Sec. 120. For the purposes of this title there is authorized to be appropriated not to exceed $2,000,000 for the fiscal year ending June 30, 1975, and such sums as may be appropriated for the fiscal year ending June 30, 1974.

TITLE II

FIRE RESEARCH CENTER

Sec. 201. (a) There is hereby established within the Department of Commerce a Fire Research Center (hereinafter referred to as the "Center") which shall have the mission of performing and supporting basic and applied research on all aspects of fire with the aim of providing scientific and technical knowledge applicable to the prevention and reduction of fires.

(b) The Center shall conduct directly or through contracts or grants a program of basic and applied fire research aimed at arriving at an understanding of the fundamental processes underlying all aspects of fire. Such program shall include scientific and field investigations of—

(1) the physics and chemistry of combustion processes;

(2) the dynamics of flame ignition, flame spread and flame extinguishment;

(3) the composition of combustion products developed by various sources and under various environmental conditions;

(4) the early stages of fires in buildings and other structures, structural subsystems, and structural components and all other types of fires, including, but not limited to forest fires, fires underground, oil blowout fires, brush fires, and waterborne fires with the aim of improving early detection capability;

(5) the behavior of fire involving all types of buildings and other structures and their contents (including mobile homes and high-rise buildings, construction materials, floor and wall covering, coatings, furnishings, and other combustible materials); and all other types of fires (including forest fires, fires underground, oil blowout fires, brush fires, and waterborne fires);

(6) the unique aspects of fire hazards arising from the transportation and use in industrial and professional practices of combustible gases, fluids, and materials;

(7) design concepts for providing increased fire safety consistent with habitability, comfort, and human impact, in buildings and other structures; and

(8) such other aspects of the fire process as are deemed useful for pursuing the mission of the fire research program.

(c) The Center shall conduct directly or through contracts or grants research into the biological, physiological, and psychological factors affecting the human victims of fires and the performance of the individual members of fire protection forces. Such research shall include—

(1) the biological and physiological effects of toxic substances encountered in fires;

(2) the trauma, cardiac conditions, and other hazards resulting from exposure to fires;

(3) the development of simple, reliable tests for the determination of the cause of death from fires;

(4) improved methods of providing first aid to the victims of fires;

(5) the psychological and motivational characteristics of persons who engage in arson, and the prediction and cure of such behavior;

(6) the conditions of stress encountered by firefighters, their effects, and their alleviation or reduction;

(7) such other biological, physiological, and psychological effects of fire as may have significance for purposes of this section.

Sec. 202. The Director shall insure that the results and advances arising from the work of the Center are disseminated and encourage the incorporation of these results and advances into the relevant building codes, fire codes, model codes, and other relevant codes, test methods, and standards. The Director is authorized to encourage and assist in the development and adoption of uniform codes, test methods, and standards aimed at reducing fire losses and costs of fire protection.

Sec. 203. For the purposes of this title there is authorized to be appropriated not to exceed $3,500,000 for the fiscal year ending June 30, 1975.

Sec. 204. Title I of the Fire Research and Safety Act of 1968 (Act of March 1, 1968, 82 Stat. 34; 15 U.S.C. 278f and 278g) is hereby repealed, and sections 201 and 202 of this Act are inserted as sections 16 and 17 of the Act of March 3, 1901 (15 U.S.C. 278f and 278g).

TITLE III

VICTIMS OF FIRE

Sec. 301. (a) The Secretary of Health, Education, and Welfare is authorized and directed to establish, within the National Institutes of Health and in cooperation with the Secretary, an expanded program of research on burns, treatment of burn injuries, and rehabilitation of victims of fires. The National Institutes of Health shall—

(1) sponsor and encourage the establishment throughout the Nation of twenty-five additional burn centers, which shall comprise separate hospital facilities providing specialized burn treatment and including research and teaching programs, and twenty-five additional burn units, which shall comprise specialized facilities in general hospitals used only for burn victims;

(2) provide training and continuing support of specialists to staff the new burn centers and burn units;

(3) sponsor and encourage the establishment in general hospitals of ninety burn programs, which comprise staffs of burn injury specialists;

(4) provide special training in emergency care for burn victims;

(5) augment sponsorship of research on burns and burn treatment;

(6) administer and support a systematic program of research concerning smoke inhalation injuries; and

(7) sponsor and support other research and training programs in the treatment and rehabilitation of burn injury victims.

TITLE IV

ADMINISTRATIVE AND RELATED PROVISIONS

Sec. 401. For purposes of this Act the terms "State" and "United States" include the fifty States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, the Canal Zone, American Samoa, and the Trust Territory of the Pacific Islands.

Sec. 402. For purposes of this Act, the term "fire department" means (and the terms "fire prevention", "fire fighting", and "fire control" relate to activities conducted by) any organization consisting of personnel, apparatus, and equipment under the direction of a chief officer for the principal purpose of protecting property and maintaining the public's safety and welfare from the inherent dangers of fire. The personnel of any such organizahion may be salaried, volunteer, or a combination thereof; and the location of the organization and its responsibility for extinguishment and suppression of fire shall include (but not be limited to) a city, town, borough, parish, county, fire district, fire protection district, or rural fire district.

Sec. 403. The Secretary and the Comptroller General of the United States or any of their duly authorized representatives, shall have access to any books, documents, papers, and records of the recipient that are pertinent to its activities under this Act for the purpose of audit or to determine whether a proposed activity is in the public interest.

Sec. 404. All property rights with respect to inventions or discoveries made in the course of or under contract with any Government agency pursuant to this Act shall be subject to the basic policies set forth in the President's Statement of Government Patent Policy issued August 23, 1971, or such revisions of that Statement of Policy as may subsequently be promulgated and published in the Federal Register.

Sec. 405. Any of the activities carried out under the provisions of Titles I and II and Sec. 301. of Title III of this Act may be carried out directly or through contracts or grants.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read: "To enhance the public health and safety by reducing the human and material losses resulting from fires through better fire prevention and control, and for other purposes."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 11989) was laid on the table.

GENERAL LEAVE

Mr. DAVIS of Georgia. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

TRIBUTE TO THE LATE HONORABLE CARL THOMAS DURHAM

(Mr. FOUNTAIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. FOUNTAIN. Mr. Speaker, it is with sadness that I announce to the House on behalf of the North Carolina delegation the passing away early this morning of our former colleague, Congressman Carl Thomas Durham of Chapel Hill, N.C.

Congressman Durham was elected as a Democrat to the 76th and 10 succeeding Congresses. He served with great distinction from January 3, 1939, until January 3, 1961, when he retired.

He was not a candidate for renomination in 1960. Since his retirement he has lived in Chapel Hill, the seat of the University of North Carolina.

Mrs. Fountain and I extend our heartfelt sympathies to his loving companion and widow, Mrs. Durham, and to other members of his family during the time of sorrow.

Mr. Speaker, I will ask for a special order in the near future so that all who care to will have the privilege of paying their own personal tributes to our departed former colleague, Carl Durham.

COUNTDOWN ON CONTROLS

(Mr. STEELMAN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. STEELMAN. Mr. Speaker, the Economic Stabilization Act must be allowed to expire tomorrow with no provisions for wage and price controls to be continued on either a selective or standby basis. These controls have only aggravated inflation by created dislocations and shortages in the economy. The National Association of Manufacturers conducted a survey of its member firms concerning the effects of wage and price controls at the end of last year, and the overwhelming conclusion was that wage and price controls have not and will not stabilize the economy. The highlights of this survey follow:

NAM Industry Survey on Wage and Price Controls

The highlights of this survey included:

Almost two out of three companies indicated that removal of price controls would encourage them to increase their productive capacity. One out of every three companies have postponed or cancelled plant and equipment expenditures due to controls.

Approximately 50% of all firms acknowledging cutbacks indicated that production was interrupted or curtailed because of the unavailability of raw materials. In the greater majority of cases, these shortages resulted in production interruptions and reductions rather than in total curtailments. Slightly more than 44% attributed the cutbacks to uneconomical production where economic return does not justify production activity in light of controls. The remaining 6% of firms gave other reasons for these actions.

A total of 89.1% of small firms (under $50 million in annual revenues) and 97% of large firms (more than $50 million in annual revenues) reported that they have experienced unusual difficulty in obtaining their requirements of important materials or surplus.

The largest single factor contributing to the supply shortage situation has been the price control program itself.

Some 45% of the firms said controls are damaging the U.S. competitive position in foreign trade. Approximately 40% were "uncertain" and only 15% didn't feel controls hurt.

Some 95% of all firms responding to the survey predicted a serious worsening of shortages if controls continued, and at the same time 84% of all firms said that there would be an improvement in shortages problems if controls were promptly ended.

Three out of five small firms and four out of five large companies said that controls adversely affected corporate earnings.

Some 84% of all firms said "no" when asked if controls had any beneficial effects on the conduct of their business.

When asked if controls themselves have reduced the level of inflation, 14.7% said "yes", 51.7% said "no", while 33.6% were "uncertain".

Some 97% of the large companies and almost 92% of the small firms favored a prompt termination of controls.

All companies were asked: "Do you feel that, in the long run, consumers will end up paying more for products they purchase because of controls?" More than 76% of the small firms and almost 87% of the large companies said "yes".

WHO ME? YES, YOU!

(Mr. KOCH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KOCH. Mr. Speaker, 2 days from now the Economic Stabilization Act expires. Inflation continues to escalate; the Congress and the President stand by washing their hands of any responsibility, saying to one another, "Who me?" "Yes you," says the American people. Both are responsible for the death of any effective legislation to cope with inflation.

When John Dunlop, Director of the Cost of Living Council, appeared before the Banking and Currency Committee urging the removal of all controls except in two areas, health services and the construction industry, I had an exchange with him, which appears on page 345 of the transcript of hearings of March 6 through 8, 1974:

Mr. Koch. Let me ask you this: If you have the free market—and in my gut I know you are wrong but let me finish—if you have the free market which you are espousing, what do you do with the pensioners and retirees? We are talking now about an abnormal situation, not the normal free market that applies when you don't have this abnormal inflation?

I noticed two crises over the past 2 years because I eat a lot of cookies and a lot of tunafish. I noticed that a can of tunafish in the last year, a 3½-ounce can, went from 31 cents to 41 cents, and a 13-ounce bag of Keebler cookies went from 49 cents to 71 cents. A Congressman's salary permits the purchase of those without any problem. But a pensioner's salary does not.

What I am asking you is what are you doing with respect to the pensioners and the retirees who cannot afford the huge increases that have taken place in the area of necessities? How is your free market proposal going to affect them?

Dr. Dunlop. Let me make one comment about phase 2 that I forgot to make that is central. Phase 2 could not have lasted. It was breaking down at the time and some change had to be made.

The issue was not whether phase 3 was the only solution, perhaps, but whether phase 2 could have been continued, and it could not in my view. That is first.

Now about your question on cookies and tunafish. I support the answer that I would have to give to you is that the appropriate Government policy should be simply to try to increase the supply not only of cookies and tunafish given demand for these items, but also more importantly, of the basic raw materials out of which those and other products are made.

Mr. Koch. Is there any question in your mind, Dr. Dunlop, that when your program goes into effect, if it does, that tuna and cookies are going to increase in price in the next 6 months to a year?

Dr. Dunlop. Yes, there is.

Mr. Koch. There is a doubt in your mind?

Dr. Dunlop. Yes.

Mr. Koch. You think that those two items, using those for the purpose of illustration, have a chance of going down in the next 6 months to a year?

Dr. Dunlop. Yes.

Mr. Koch. When you come back a year from now, as I suspect you will, I will ask you about tuna and cookies.

Dr. Dunlop. I will be happy to tell you about them at that time. These primary prices are at a stage where they cannot continue at the levels they are.

In the case of many items, the prices must come down. By the time we talk again we will have a new set of crops which should help bring down those prices, certainly.

But even if they can't I will say this to you: No amount of price controls can do anything more than to insure that we will have less cookies and tunafish.

Mr. Speaker, this past Saturday I went to the same store where I buy my groceries and the same cookies are now 89 cents and the can of tuna fish is 45 cents. And, Mr. Speaker, a quart jar of mayonnaise which not too long ago sold for 79 cents is now $1.19.

I discussed this with a member of my staff this morning, a young woman who shops for herself. She describes inflation in the following way: she was able about a year ago to physically carry no more than $12 in groceries when she went to the store. Today she has no trouble at all in carrying $16 worth.

Mr. Speaker, it is not too late for this Congress to protect the American people by extending the Economic Stabilization Act. And it is not too late for the President to carry out that legislation effectively and stop the inflation. If both fail in their responsibilities it is the American people who will pay at the store and the public officials who failed that public who will pay at the polls. Congress and the President fiddle while the people burn.

COAL RESEARCH FUNDS

(Mr. HECHLER of West Virginia asked and was given permission to address the House for 1 minute, and to revise and extend his remarks and include extraneous matter.)

Mr. HECHLER of West Virginia. Mr. Speaker, last Thursday the House adopted my amendment to the NASA authorization bill adding $3.9 million for stepping up ongoing NASA research in combustion of coal, and transfer of space-related technology to improve mine safety, extraction of coal, and improving efficient methods of burning coal.

I encourage your support of an amendment I intend to offer to the special energy research and development appropriations bill on Tuesday, April 30, to add $3.9 million for the above purpose.

For several years, the Lewis Research Center, Ames Research Center, and other NASA Centers have been carrying on research which is directly related to the mining and combusting of coal and improvement of the safety of mining operations. For example, the Marshall Space Flight Center in Huntsville, Ala., is presently working with the Bureau of Mines in testing General Electric hydrocarbon detectors designed to detect hydrogen leaks in launch vehicles, for use in detecting methane in coal mines more effectively.

NASA has had considerable experience with the development of high temperature materials and technology needed for more efficient ground power systems, and indicates a capability of utilizing a portion of the additional funds in this area. The great expertise which NASA has developed in the use of magnetic fluids can also be transferred to the separation of scrap from coal. Further transfer technology can be applied in the miniaturizing of highly efficient, low weight nickel-zinc batteries for use in mine vehicles and miner safety equipment. Additional technology transfer is possible in suppressing fires in mines, and in the entire area of protecting miners in a hostile environment as has been developed by NASA, especially since the disastrous Apollo fire which killed three astronauts.

It is understandable that the Bureau of Mines and other Department of the Interior agencies should be the lead agencies with respect to coal. However, the energy appropriations bill already contains funds for coal liquefaction appropriated directly to the Atomic Energy Commission, funds for coal combustion techniques appropriated to the Environmental Protection Agency, and coal-related funds appropriated to the National Science Foundation. Therefore, my amendment is not designed to fragment the coal research program, but to insure that early utilization of coal be achieved in greater measure just as soon as possible.

LET US FACE THE FACTS

The SPEAKER pro tempore (Mr. MAZZOLI). Under a previous order of the House, the gentleman from Missouri (Mr. RANDALL) is recognized for 10 minutes.

Mr. RANDALL. Mr. Speaker, tomorrow, no matter how we may feel about it, all the provisions of the Economic Stabilization Act will expire. I know these controls have been regarded as bitter medicine. We know so well that many charges have been made about the inequities, particularly in the field of health care. We know of some instances particularly among retail clerks whose wages have not kept pace with prices. Truly there has been a great deal of disenchantment.

But, Mr. Speaker, many of our constituents have asked why we did not tell them in advance, for example, about the energy crisis. They say to me why did you not tell us about the energy crisis and when it was going to happen. Mr. Speaker, sometime later this summer or maybe this fall some of our constituents will be asking us why oh why prior to the expiration of the wage and price controls, we failed to make some effort to control inflation?

There simply must be some kind of standby authority or some kind of tools to provide a measure of control. Maybe we should continue the Cost of Living Council, or if by some other name a monitoring device to conduct the job of monitoring when inflation passes from a one digit increase to two digit rate of inflation—then it will really be rough.

Mr. Speaker, I take this time simply to stress that later today or tomorrow I intend to introduce some kind of standby authority and some comparable legislation to the effort by the Banking and Currency Committee to authorize a continuation of the Cost of Living Council.

We must all recognize the chairman of our Banking and Currency Committee is engaged in necessary activities outside of Washington. I would hope that on his return there might be some hearings which would provide for the continuation of some kind of economic controls.

I know these views are not popular. Just about everybody seems to be against any type of controls. Labor feels with quite a bit of justification that wages have not kept pace with prices. Big business feels their profit levels have not been equitable and fair.

Small business, I suppose, opposes the redtape. But let us not forget there is a great unrepresented constituency. They have not had much to say up until now. I am talking about the many millions of Americans who are on fixed incomes, either on social security or at the social security level. They are the ones for whom some provision must be made. Yes, maybe controls have been bitter medicine. But without some kind of monitoring or without some extension of the Cost of Living Council, we may very well be in deep trouble.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. RANDALL. I yield to the gentleman from California.

Mr. ROUSSELOT. I thank the gentleman for yielding. Is it not true that the whole Congress and the Joint Economic Committee and several other committees of this Congress could, in fact, act as monitors for this whole economic situation? Maybe we should not always delegate away the responsibility to someone else in the executive branch. Is that not a continuing problem?

Mr. RANDALL. I think that is right and I am glad that the gentleman from California has participated in these comments.

I would say that the point of the gentleman from California is well taken. Let us keep something for Congress. On the other hand, 435 men on this side of the Capitol and 100 men on the other side cannot administer or cannot execute. I think we must delegate authority downtown to the executive branch.

I am not of a suspicious nature. Yet I can very well envision that later on we are going to hear from downtown, "You took the tools away from us. You gave me nothing to work with to control inflation."

I would inquire of the gentleman, What kind of answer can we supply to such a charge?

Mr. ROUSSELOT. I would be delighted to try to answer that. First of all, if the administration does take the absolute position that the gentleman has just mentioned, I think that they would have to share in the responsibility of high prices. There has been no real effort on their part to continue wage and price controls. Basically, our former Secretary of the Treasury, Mr. Shultz has opposed the concept. So did others in the administration.

Our own Committee on Banking and Currency of the House voted 21 to 10 to not in any way continue wage and price controls. The committee tabled three bills that were before us.

Now, the answer to the gentleman's question, I say, is this: it is too difficult if not impossible for anyone in this country to try to manage wage and price controls at the Federal level. There are too many avenues of decisionmaking that go into the process.

I notice in Business Week magazine—April 27—and in some of the union publications they adequately describe why it is an impossible task for any central authority to attempt to undertake.

Mr. RANDALL. I would ask the gentleman, what was his view about the legislation of the gentleman from Ohio, Mr. STANTON; did he oppose the continuation of the Cost of Living Council?

Mr. ROUSSELOT. Yes, I did. I certainly did. It was my opinion that the standby Cost of Living Council machinery could add little.

Mr. RANDALL. I would hope there would be an opportunity to reconsider such proposal. I had the privilege to discuss his proposal with the gentleman from Ohio today.

Now we are on the next to the last day of the expiration. As late as it is this does not mean that some action cannot be taken even tomorrow or sometime in the near future. If we do not I submit to the gentleman that he and all the rest of us are going to have a difficult time explaining the responsibility which we had and we did not exercise. So I say regardless of the onerous burden, regardless of the differences that exist we must do something. We are talking about administration. We are also talking about some tools. Also we are taking the tools away from the Chief Executive if and when we let controls expire. The President may not use controls. That is his prerogative; but we have the opportunity, if we rise to it.

Mr. ROUSSELOT. Will the gentleman yield further?

Mr. RANDALL. Well, if you can be brief.

Mr. ROUSSELOT. I think that the free market system we have developed in this country does make the consumer "king." I think the ultimate decision is to be made by the consumer in what he buys or does not buy in the way of products and services. He is the one who does it; that is, supports or does not support high prices. When wage and price controls were removed from chickens, if the gentleman will remember, immediately after they were taken off prices went way up; but then as supplies began to come into the marketplace the consumer benefited, because prices were forced down by competition and by a full supply in the marketplace; so the answer to the gentleman is that it is my opinion the alternative is in letting the free market system work its will.

I am grateful to the gentleman from Missouri for bringing this subject up. I think we probably should have debated it more thoroughly on the floor, although I assure the gentleman that we debated it thoroughly in the Committee on Banking and Currency.

Mr. RANDALL. Mr. Speaker, I am always indebted to the gentleman from California and have the highest regard for him.

Mr. Speaker, of course we speak well of the free enterprise system, meaning the laws of supply and demand. I suspect these laws will work. But if they work it will be 6 or 8 months from now.

Mr. ROUSSELOT. Mr. Speaker, I think the gentleman is correct on that point.

Mr. RANDALL. Mr. Speaker, it may not by the first of the year, things may level off, but I am thinking during that interim of 3, 4, 5, or 6 months, what response can we give to those dear folks, and I am speaking of our senior citizens, 35 or 40 million of them, who are going to be helpless without some kind of controls or some kind of agency to monitor.

Mr. Speaker, I say to the House advisedly and considerately, that if there is one thing that has been helpful is the mandatory allocation act. It helped us. If we did not have some controls, on petroleum products the price of propane and the price of gasoline would be higher than now. Thank goodness they will be in effect after midnight, tomorrow night.

HOW TO CUT THE GASOLINE SHORTAGE IN HALF

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Hampshire (Mr. WYMAN) is recognized for 30 minutes.

Mr. WYMAN. Mr. Speaker, on Wednesday there is scheduled for floor action a split-off from the earlier energy conference report called the Energy Supply and Environmental Coordination Act (H.R. 14368). This legislation presents a long needed opportunity to this Congress to modify excessively and unnecessarily restrictive standards in the Clean Air Act of 1970 as they relate to automobile emissions controls.

At the appropriate time I shall offer an amendment, the text of which is included in these remarks, to provide that cars registered to residents of those parts of the United States having no significant air pollution from auto emissions shall not be required to have such equipment until September 1977 or the end of the energy crisis, whichever is later. The affected area comprises better than 90 percent of the geographical United States, and includes at least 70 percent of the Nation's cars.

Implementation of this amendment would save billions of gallons of gasoline a year. It would cut the gasoline shortages in this country in half at the very least, and it would be effective immediately. In addition, it would save purchasers of new cars who reside in unpolluted areas hundreds of millions of dollars in the price they must pay for their new cars as well as in operating costs thereafter.

The most recent EPA study on this subject indicates an existing fuel penalty on cars equipped in conformity with 1974 emissions controls which ranges from 18 percent in the larger and heavier cars on a declining scale to the smallest cars, but with an admitted fuel penalty average for all cars in excess of 10 percent. This is a wastage of at least 1 gallon in every 10 when it is recognized that in most States there is no significant air pollution from automobile emissions and no public health problem therefrom, present or prospective.

The areas in which there is significant auto emissions pollution are specified in general terms in the amendment with authority and direction to the Administrator of EPA to specify their precise limits within 60 days. Thereafter persons who reside in these areas must continue to operate emissions controls equipped vehicles, but all other residents of the United States may have and purchase cars without such controls for at least the next 3 years. Statistics show conclusively that the in-and-out traffic into designated air quality regions will not materially adversely affect the ambient air quality of those regions.

In this way, this country can adopt a sensible two-car policy that will save billions of gallons of gasoline, not harm a soul, and meaningfully protect both the general public and consumer interests throughout the Nation. There is no earthly sense in requiring all of the cars in the entire United States to cost much more and suffer a heavy additional fuel burden when there is auto-related air pollution only in very small concentrated locations, for example, from Boston, Mass., to Richmond, Va.; Chicago, Los Angeles, and on some days, Phoenix-Tucson.

As public indignation mounts over the waste and unreasonableness of existing requirements for auto emissions controls, it is the responsibility of this Congress to meet this problem and provide a workable solution. This amendment does just this and I urge its support in the public interest.

The amendment follows:

AMENDMENT TO H.R. 14368 OFFERED BY MR. WYMAN

On page 20, insert immediately after line 9 the following: I. TEMPORARY SUSPENSION IN DESIGNATED AREAS

(a) Section 203 of the Clean Air Act (42 U.S.C. 1857f–2) is amended by adding at the end thereof the following new subsection:

"(d) (1) During and after the period of partial suspension of emission standards (as defined in paragraph (3) (A)—

"(A) it shall be unlawful for any person to register within an area designated in paragraph (3) (B) a new motor vehicle or new motor vehicle engine which is manufactured during the period of partial suspension of emission standards and which is not labeled or tagged as covered by a certificate of conformity under this part, and

(B) no State shall permit any person to register a motor vehicle in violation of subparagraph (A).

"(2) During the period of partial suspension of emission standards

"(A) subsections (a) (1) and (4) of this section shall be inapplicable;

"(B) it shall be unlawful for any manufacturer to sell, offer to sell, or introduce or deliver for introduction into commerce (or for any person except as provided in regulations of the Administrator, to import into the United States), any new motor vehicle or new motor vehicle engine which is labeled or tagged as covered by a certificate of conformity unless such new motor vehicle or new motor vehicle engine is covered by a certificate of conformity issued (and in effect) under this part, or unless such new motor vehicle or new motor vehicle engine was manufactured prior to the period of partial suspension;

"(C) subsection (a) (3) shall not apply to any motor vehicle or engine attached thereto which is registered outside an area described in paragraph (3) (B) of this subsection;

"(D) it shall be unlawful for any manufacturer (i) to sell or lease any new motor vehicle or new motor vehicle engine which is labeled or tagged as covered by a certificate of conformity unless such manufacturer has complied with the requirements of sections 207 (a) and (b), or (ii) to fail to comply with subsection (c) or (d) of section 207 insofar as such sections apply to motor vehicles or motor vehicle engines to which subsection (a) (1) of this section applies or applied or which are labeled or tagged as covered by a certificate of conformity;

"(E) it shall be unlawful for any dealer to sell any new motor vehicle or new motor vehicle engine which is not labeled or tagged as covered by a certificate of conformity to an ultimate purchaser unless such purchaser provides such dealer with a signed statement that such purchaser will not register such vehicle in an area designated under paragraph (3) (B), and

"(F) it shall be unlawful for any ultimate purchaser to provide a statement described in subparagraph (E) knowing such statement to be false.

"(3) (A) For purposes of this subsection and section 209(C) the term 'period of partial suspension of emission standards' means the period beginning sixty days after enactment and ending on the later of September 30, 1977, or 12 months after the date on which the President determines that there is no longer any signficant shortage of petroleum fuels in the United States. Any such determination shall be published in the Federal Register.

"(B) Within sixty days after the date of enactment of this subsection and annually thereafter, the Administrator shall designate, subject to the limitations set forth in this subparagraph, geographic areas of the United States in which there is significant auto emissions related air pollution. The Administrator shall not designate as such area without subsequent legislative authorization, any part of the United States outside the following air quality control regions as defined by the Administrator as of the date of enactment of this paragraph:

"(i) Phoenix-Tucson, intrastate.

"(ii) Metropolitan Los Angeles, intrastate.

"(iii) San Francisco Bay Area, intrastate.

"(iv) Sacramento Valley, intrastate.

"(v) San Diego, intrastate.

"(vi) San Joaquin Valley (California), intrastate.

"(vii) Hartford-New Haven (Connecticut)-Springfield (Massachusetts), interstate.

"(viii) National Capital (District of Columbia-Maryland-Virginia), interstate.

"(ix) Metropolitan Baltimore, intrastate.

"(x) New Jersey-New York-Connecticut, interstate.

"(xi) Metropolitan Philadelphia (Pennsylvania-New Jersey and Delaware), interstate.

"(xii) Metropolitan Chicago (Illinois and Indiana), interstate.

"(xiii) Metropolitan Boston, intrastate.

For purposes of this subparagraph, the term 'signficant auto emissions related air pollution' means the persons of air pollutants from automobile emissions at such levels and for such durations as to cause a demonstrable and substantial adverse impact upon public health.

"(C) For purposes of this subsection and section 209(c) a motor vehicle shall be considered to be registered in a geographic area—

"(i) in the case of a motor vehicle registered by an individual if the individual's principal place of abode is in that area, or

"(ii) in the case of a motor vehicle registered by a person other than an individual, if the State of registration determines that such vehicle will be principally operated in such area.

"(D) Each State shall not later than sixty days following enactment of this Act, submit to the Administrator a plan for implementing subsection (d)(1)(B) of this section. Such plan shall contain provisions which give assurance that such State has one or more adequately financed agencies with sufficient legal authority to enforce such subsection (d)(1)(B) as determined in accordance with regulations of the Administrator."

(b)(A) Section 202(a) of the Clean Air Act is amended by inserting "and section 203(d)" after "subsection (b)".

(B)(1) Section 203(a) of such Act is amended by striking out "The following" and inserting in lieu thereof "Except as otherwise provided in subsection (d) of this section, the following:".

(2) Section 203(b)(2) of such Act is amended by inserting "or (d)(2)(A)" after "subsection (a)".

(C) Section 204(a) of such Act is amended by inserting before the period the following: "or section 203(d)".

(D) Section 205 of such Act is amended by inserting "(a)" after "Sec. 205.", by inserting "or paragraph (1)(A) or (2) of section 203(d)" after "section 203(a)", and by adding at the end of such section the following new subsection:

"(b) If a State fails to submit a plan under section 203(d) or if the Administrator determines (after notice and opportunity for hearing) that such State is not adequately enforcing such a plan, then such State (including any political subdivision thereof) shall lose its entitlement to and may not thereafter receive any Federal grant or loan assistance under this Act or under the Federal Water Pollution Control Act."

(E) Section 206(b)(1) of such Act is amended by striking out "being manufactured by a manufacturer" and inserting in lieu thereof "which are being manufactured by a manufacturer and which are covered by a certificate of conformity".

(F) The second sentence of section 209(a) of such Act is amended by striking out "No State" and inserting in lieu thereof "Except as provided in sections 203(d)(1)(B) and 203(a), no State".

(G) Section 209(c) of such Act is amended by striking out "Nothing" and inserting in lieu thereof "(1) Except as provided in paragraph (2) of this subsection, nothing"; and by adding at the end thereof the following new paragraph:

"(d) During the period of partial suspension of emission standards (as defined in section 203(d)(3)(A)—

"(1) no State may (in an applicable implementation plan or otherwise) adopt or attempt to enforce any standard relating to the control of emissions of motor vehicles (including engines attached thereto) registered outside of any area designated under section 203(d)(3)(B), and

"(2) no State may (in an applicable implementation plan or otherwise) adopt or attempt to enforce any law or regulation prohibiting any person from removing or rendering inoperative any device or element of design installed in compliance with regulations under this title in or on a motor vehicle (including any engine attached thereto) which is registered outside of any area designated under section 203(d)(3)(B), and

"(3) the Administrator may not promulgate any implementation plan which contains a provision prohibited by paragraph (1) or (2)."

(c) Willful and deliberate violation of section 203(d)(1)(A) of the Clean Air Act, as amended by subsection (a) of this amendment, shall be punishable by a fine of up to one thousand ($1,000) dollars, or imprisonment up to one year, or both.

(d) Motor vehicles registered in areas other than those designated in paragraph (3)(B) herein on the date of expiration of this amendment shall not be required to be retrofitted with emissions control devices nor to comply with emissions control standards or regulations issued pursuant to the Act of 1970 (42 U.S.C. 1857f) as amended.

(e) This amendment shall take effect sixty days after passage.

TERRORISM THREATENS U.S. INTERNAL SECURITY AS CONGRESS PONDERS ABOLITION OF HOUSE INTERNAL SECURITY COMMITTEE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. Ashbrook) is recognized for 60 minutes.

Mr. ASHBROOK. Mr. Speaker, it is indeed ironic, if not unbelievable, that while an Atomic Energy Commission report cites the possibility of "a rise of urban terrorist groups in this country of a sort without precedent in our history," the House of Representatives will soon consider abolishing the one House committee which has been probing such groups for several years—the House Committee on Internal Security—HCIS.

As if to point up the irony, the April 27 issue of the Washington Post ran an item entitled: "Hill Study Warns Terrorists Could Get Own A-Weapons."

The lead paragraph stated:

> The world-wide increase in terrorist groups' activity, the rash of political kidnapings and the proliferation of nuclear power plants raises a serious threat that uranium might be stolen in large enough quantities for terrorists to build their own atomic weapon.

The cause of concern was an Atomic Energy Commission study prepared for a Senate subcommittee which warned that present safeguards against the theft of uranium and plutonium for the manufacture of homemade atomic bombs was "entirely inadequate." To make matters worse, the AEC report noted the "increasing professional skills, intelligence networks, finances, and level of armaments of terrorist groups throughout the world," which, along with the possible availability of homemade atomic bombs infinitely increase the capabilities of violence. Stated the report:

> It is our opinion that the kidnapping of Patricia Hearst does not represent an isolated and passing incident, but is rather the precursor of a wave of such incidents.
>
> If not firmly and competently met, these kidnappings may lead to a rise of urban terrorist groups in this country of a sort without precedent in our history.

The report was referring, of course, to the Symbionese Liberation Army—SLA—which was the subject of a recent report by HCIS and reported on by the Chicago Tribune on March 4 (see Congressional Record, March 21, 1974, p. 7832).

It is interesting to note the part played by prison revolutionaries in SLA. As pointed out in the SLA report of the committee, several prison groups were involved with SLA, some of which were reviewed by the committee in its 1973 report, "Revolutionary Target: The American Penal System." In its prison hearings, HCIS sought to substantiate that revolutionary elements did seek to influence prisoners with their radical propaganda and visitations. At present a California State legislative subcommittee on civil disorders is investigating terrorist revolutionary groups in and out of California prisons.

The findings of the subcommittee should throw additional light on how the revolutionaries are seeking to foment trouble in the prisons. It should also prove interesting to learn to what extent the Revolutionary Union and the Venceremos Organization, both of which have been investigated by HCIS, contributed to prison unrest and dissention.

A summary of the committee's investigations and reports in recent years appears on page E219 of the Congressional Record of January 28, 1974. The Venceremos Organization and the Revolutionary Union are but two groups whose violence-prone inclinations illustrate the capacity for terror of certain elements in the United States. Other groups to which HCIS has directed congressional and public attention in the past included the Black Panther Party, the Progressive Labor Party, and the SDS, among others.

As in the case of the committee's prison hearings, other hearings by HCIS attempted to make public certain conditions and circumstances that could eventually result in trouble and violence. Of special significance are the hearings on SDS early in 1969. Almost a year before the tragic deaths at Kent State in 1970, HCIS had noted via its hearings that SDS agitation at that institution had caused disruptions with but 15 to 20 hardcore members of SDS out of an enrollment of more than 21,000 responsible for the trouble. Four disturbances two of which were violent, resulted from this carefully planned agitation, aided by films, pamphlets, newsletters, and directives by the Ohio regional SDS office in Cleveland some 30 miles away.

One SDS manual directed that:

> Beginning with guerrilla theater actions in dorms, we can escalate to disrupting classes, street marches, quick assaults on buildings, etc., before moving to the major confrontation of the struggle.

One SDSer, quoted in the Daily Kent Stater during the disruptions in 1969—months before the 1970 slayings—stated that:

> Sitting on the grass in front of the administration building is not fighting. They used guns at Cornell, and they got what they wanted. It will come to that here!

Contrary to a New York Times report had happened at Kent State since a 1958 panty raid, HCIS hearings on the SDS activities in 1969 at Kent State proved that that peaceful campus could be stampeded into disruption. Unfortunately, the prediction by the SDSer quoted above concerning the use of guns was soon to be tragically true.

On a broader scale HCIS, in August of last year, called attention in a report to the threat of political kidnapings, listed cases in various countries and named various groups involved. While most of the activity was abroad, the HCIS report noted that of 42 attempted or successful major political kidnapings, 21 involved U.S. citizens, and of 13 deaths, 6 were Americans. As noted by the Herald-News of Passaic, N.J., on March 6, Chairman Ichord drew public attention to this threat in these words:

> I am, like most Americans, appalled by the brutish insensitivity of political kidnappings. Whether this tactic is carried out in the United States or not, it is my belief that the committee in calling attention to this situation is carrying out its duty of informing the Congress and the American public of a matter that warrants their attention.

At the present time HCIS is conducting hearings on the subject of terrorism and I have introduced legislation which seeks to cope with this burgeoning threat. The committee will soon release a study on terrorism which, like the reports and hearings cited above, should help provide information on the scope of the danger and the various tactics and organizations involved.

On March 3, 1974, William Randolph Hearst, Jr., editor-in-chief of the Hearst Newspapers, stated in a lengthy editorial supporting HCIS:

> In the case of HUAC, and its less clumsily named successor, the most serious attacks have been the many congressional attempts at downright abolition. It makes no difference to its foes in Congress that the committee is acclaimed by our law enforcement officials everywhere as an invaluable source of continually undated information on radical groups of all descriptions, left and right alike. The committee must go.

Mr. Hearst was referring, of course, to the hearings, studies, and reports of the committee, which, like those cited above and many others, have provided information for law enforcement officials throughout the country. Reciprocally, police officials and employees over the years have appeared before HCIS and its predecessor, the House Committee on Un-American Activities to help inform both Congress and the public on various current threats to the internal security of the Nation. Law enforcement witnesses have appeared before HCIS and HCUA in connection with the riot hearings in the 1960's, the 1968 Chicago Democratic Convention disruptions, hearings on the Progressive Labor Party, the Young Socialist Alliance, to name but several instances. Needless to say, there is a mutuality of interests between the committee and the many law enforcement agencies throughout the country. In addition, testimony was recently received from an official of the International Association of Chiefs of Police on the many ramifications of the terrorist threat.

On the legislative side, the committee on many occasions has heard from representatives of veterans organizations on specific legislative proposals. Incidentally, my office has been receiving an increasing volume of correspondence in support of the continuation of the committee, and it is reassuring to be able to report on the overwhelming endorsements by many organizations, including the solid, patriotic veterans whose members carried the load in wars past and who today represent the managerial backbone of middle-class America in times of peace.

The following are but a few examples of the welcome support accorded HCIS which I wish to bring to the attention of my colleagues, particularly those who stood up on April 1 and voted to support the committee's 1974 appropriation.

THE AMERICAN LEGION

The Legion has recently informed us that its biyear resolution No. 405 of 1972 is still valid. That statement resolved that HCIS "continue vigorously" in its work which it had "so well undertaken in years past".

On April 8, 1974, its National Commander, Robert E. L. Eaton, has stated the Legion's position as follows:

> We are deeply concerned . . . about the proposal to abolish the Committee on Internal Security and transfer its jurisdiction to the Committee on Government Operations.
>
> The American Legion has long supported the work of the Committee on Internal Security. We believe this standing Committee of the House has rendered valuable service to the Congress and to the Nation. The phase-out of surveillance operations in the Executive Branch makes its work more important than ever before. We believe that the increased activity of terrorist organizations in recent months makes it imperative that the American people be reassured that work in the field of internal security is vigorously pursued.

VETERANS OF FOREIGN WARS

The VFW's 1973 National Resolution No. 102 is also still in effect. It stated in part:

> Our Commander-in-Chief commends the painstaking effort of the great majority of the House Committee on Internal Security for its fair-minded and comprehensive efforts to enhance our internal security without any valid witchhunting charges being brought against them.

Currently the VFW has issued an unmistakably clear message in April 1974, by its Commander-in-Chief, Ray Solden, to key Congressmen on the threat faced by HCIS particularly in the form of a packaged proposition:

> On behalf of your many friends in the Veterans of Foreign Wars of the United States, I urge you to support the continued existence of the House Internal Security Committee and not permit this irreplaceable national asset to disappear through any legislative sleight-of-hand or "package" proposal.

CATHOLIC WAR VETERANS

The CWV have long supported the activities of the House Internal Security Committee, wrote Mr. Neil G. Knowles, its national commander, to HCIS chairman, Congressman Richard Ichord. He said:

> The mere transfer of functions, without your files, would seal valuable records and make unavailable to the new subcommittee, the work of many years and, not to forget people, would mean that the present staff with inestimable value by reason of experience and background would be spread to the four winds.

The Commander concluded:

> We urge you to continue your efforts to see that the work of the Committee is not hindered or reduced.

THE FLEET RESERVE ASSOCIATION

The FRA has also corresponded with the House leadership and other senior House Members on behalf of HCIS urging them to "fully support the retention and continuance of a viable House Committee on Internal Security." Mr. Marvin Silverman, FRA's national president, stated that:

> As concerned Americans we oppose the transfer of the duties and responsibilities of the Internal Security Committee to other House committees.

NON-COMMISSIONED OFFICERS ASSOCIATION OF THE UNITED STATES

NCOA passed a resolution supportive of HCIS at its recent convention in San Antonio, Tex., April 19, 1974. It resolved that:

> Members of the Congress of the United States be petitioned by the Non-Commissioned Officers Association of the U.S.A. to reject any legislative efforts that will provide for the restructure or abolishment of the House Committee on Internal Security.

Mr. James O. Duncan, president of NCOA, warned in Stars and Stripes, on March 28, 1974, that well meaning but uninformed liberals are out to toll the death peal for HCIS.

NATIONAL ASSOCIATION OF UNIFORMED SERVICES

Brig. Gen. Hallett D. Edson, executive vice president, stated the position of this veterans' group on April 17, 1974, in correspondence with key House Members when he wrote that NAUS was "most concerned with various proposals that would tend to reduce the effectiveness of the House Committee on Internal Security." He added,

> Reorganizing the Committee system to reassign the HCIS as a subordinate element of any other committee, particularly the already overworked Judiciary or Government Operations Committee, would be tantamount to emasculating its true effectiveness.

AIR FORCE SERGEANTS ASSOCIATION

Donald L. Harlow, retired Chief Master Sergeant of the Air Force, in correspondence with selected House leaders, wrote that,

> The insidious attempt to eliminate the effectiveness of the House Internal Security Committee by integrating it with the already overworked Judiciary Committee is ludicrous in view of the terrorism already prevalent in the United States today.

These are but a few of the many organizations which, I am sure, view the issue of internal security as an integral part of our national security—both in peace and in time of conflict.

In the journalistic field, not all newspapers or journalists agree with our two local dailies, the Post and the Star-News, both of whom would be happy to see the committee abolished. I have quoted from the editorial, "Watchdog Committee" by William Randolph Hearst, Jr., who advises his readers to write their Congressmen and "make it strong and brief and do it right away." The Chicago Tribune of April 14 editorially labels the abolition move "A Sneak Attack." In an editorial on February 5, the St. Louis Globe-Democrat cites the Committee for a commendable job and asks that the committee be saved. On March 5 the Nashville Banner comments editorially that "Terrorism Threat Requires Vigilance in Congress" and notes that:

> At a time when terrorism threatens to undermine the future stability of the United States and its citizens, Congress is considering abandoning an investigative unit designed to keep tabs on subversive activities.

The very knowledgeable and alert newsweekly, "Human Events" noted on April 6:

> For over 35 years, through both HCUA and HCIS, the House has led Congress in investigating Nazis, Fascists, Communists, KKKers and other subversive elements in proposing effective internal security laws and in obtaining needed security action at the executive level.

As a clipping service would be needed to survey the sentiment in the journalistic field as to the future of HCIS, these references to press support should not be considered indicative. Suffice it is to say, that support from some responsible news sources has been forthcoming. Similarly, the endorsements of syndicated columnists Bill Buckley, Victor Lasky, Alice Widener and Victor Riesel are of significance because they are all especially intimate with the issues of internal security and have written in this area extensively. On this basis, their support of the committee's efforts is especially indicative.

Finally, as we consider the proposals of the so-called "Bolling Committee" to restructure the House committee system, let us not be lulled into making what could well be a fatal mistake in dismantling the House Committee on Internal Security by abolishing it and transferring its "functions" to the House Committee on Government Operations. This proposal is every bit as noxious as the proposal originally advanced by the Bolling Committee in December of 1973 to transfer the jurisdiction of the Internal Security Committee to the Judiciary Committee. Both Judiciary and Government Operations are already entrusted with enough work—far too much, in fact, to enable them to continually investigate subversion with a view to recommending needed and constitutionally sound legislation to cope with it.

As ranking minority member of the HCIS, I know that we need a standing and independent Committee on Internal Security. We need it now, perhaps, more than we ever have. All Americans are concerned with the alarming increase in terrorism and political kidnaping in this country. But how can we reasonably expect a subcommittee with a necessarily small staff—which also necessarily means inadequate research files—to maintain the sort of expert oversight needed to investigate such activities knowledgeably?

For that matter, as I read the Bolling report, how can we even expect that there will be a subcommittee established, as the report merely recommends transfer of jurisdiction, not the explicit establishing of a standing subcommittee?

The Bolling report states rather patronizingly that the broadening of the Internal Security Committee's mandate would not justify even a "second tier" status as a standing committee. This statement betrays the bias of the Bolling Committee staff as well as their ignorance of the subject with which Internal Security deals.

Internal Security's mandate is purposely narrow, as the field in which we investigate is highly sensitive. There are first amendment considerations in trying to investigate and recommend legislation in the internal security field, and our membership and staff are only too well aware of this. Indeed, only a trained staff of experts really conversant with the relevant court pronouncements in this area can be counted on to do this job effectively and properly. To transfer this function to an already overburdened committee with a staff that is not expert in this field is to work a great disservice on the Congress, the people, and the courts.

Furthermore, the Bolling report says that transfer to Judiciary is not recommended because of that committee's "heavy workload," but what of Government Operations, which has also a "heavy workload?" We are, in effect, asked to approve transfer of Internal Security's "functions" to one already overworked committee rather than to another. This is interesting argument, but only as a provision of elementary logic.

As for the report's assertion that our "legislative workload is light," what has this to do with anything? We are an investigative committee, which means that we are supposed to conduct continuing oversight inquiry not only to demonstrate the need for new laws, but also to see whether existing laws are sufficient and/or are being adequately enforced. Such inquiry also encompasses government personnel security practices and, this year, executive branch domestic intelligence gathering.

This last subject is of particular sensitivity, especially in view of the furor surrounding the intelligence activities of certain agencies and individuals during the past 2 years. I think it is reasonable to state that such a delicate subject should be entrusted only to a committee staffed with people who are experts in the field. This is no subject for part-timers or dilettantes.

Mr. Speaker, the last few years have seen much of this Government's internal security structure wiped out by dilettantes and special pleaders and others with perhaps more harmful motivations. The military intelligence community has been emasculated by systematic wrecking operations conducted by certain congressional committees and some of our most influential newspapers and broadcast journalists. The Subversive Activities Control Board has ceased to exist. The Justice Department has eliminated its Internal Security Division by incorporating it into the Criminal Division. The Attorney General's list has fallen into disuse. And now the Senate Internal Security Subcommittee has had to sustain a huge slash in its appropriation, a slash that may well cripple its operation.

All of this may make the Communists and other revolutionaries happy, and all of it may make certain of our more myopic liberals happy, but I doubt that the people of this country would be happy if they were fully aware of it. The unpleasant fact is that if the House Internal Security Committee is abolished—by whatever stratagem—the Nation will have lost virtually the only functioning agency left that can gather and disseminate information of the sort that we need in order to comprehend the threat posed by those groups and their camp-followers that work to undermine this country.

We cannot, as some liberals like to tell us, "leave it to the FBI," for the simple reason that the FBI does not gather and disseminate information as does a congressional committee. It is the investigative arm of the Justice Department. It does not have the informing function that a congressional committee legitimately possesses.

No, we need a standing House Committee on Internal Security. We need to know who is working to destroy this Nation. We need to develop information in a reasoned and expert manner, a manner that can be assured only by retaining the Internal Security Committee as a standing committee with adequate staff and funds to do the job that the people want and need to have done.

MORE SUPPORT TO EASE REGRESSIVE PAYROLL TAX

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. Burke) is recognized for 5 minutes.

Mr. BURKE of Massachusetts. Mr. Speaker, it gives me great pleasure to file my bill again with five additional cosponsors bringing the bill's total cosponsorship to 125. Mr. Biester, Mr. Burke of Florida, Mr. Luken, Mr. Shoup, and Mr. Bob Wilson of California join me in filing this legislation today.

In addition, Senator William Hathaway from Maine has taken the lead in filing this bill in the Senate. It is my hope that our combined efforts will attract sufficient support to bring about a reduction in the payroll tax during tax reform. I believe there is growing sentiment in both House and Senate and among Democrat and Republican alike to submit the editorial to the Congreson low- and middle-income individuals.

Last week, WBZ-TV and Radio, channel 4 in Boston, ran an editorial endorsing my bill. I am taking this opportunity to relieve the burden on the payroll tax sional Record:

Overhauling the Payroll Tax

Tax reform should soon be in the limelight again in Congress. And we'd like to put in a strong plug for one basic change proposed by Congressman James Burke of Milton. The Burke bill, which now has 122 co-sponsors, deals with Social Security—a subject that's generally overlooked in all the talk about tax reform.

Social Security has a much better image than other government tax and service programs. So more and more we've been relying on the Social Security payroll tax to finance basic government income and health programs. And ironically the Social Security tax hits hardest at the lower income people who have the greatest need for help.

With the latest changes, Social Security takes 5.85 per cent of all your earnings up to $13,200. So the total bite for people in that middle income range is $772—an increase of over $300 in the past two years. The way the system works, people in the lower income brackets pay that full 5.85 per cent on every penny they make. Upper income people pay on only a fraction of their earnings. So in essence the $25,000 a year executive pays only a little over three per cent. At $50,000, the effective rate falls to 1½ per cent.

Congressman Burke's bill would cut the rate to 3.9 per cent, but at the same time increase the earnings base up to $25,000. It would also have a third of the overall Social Security paid for by a general government contribution. That would automatically shift part of the burden to the fairer income tax. We know all this is tough to grasp in a few lines. But our Editorial Department would be glad to provide you with more information if you'll drop us a card or a letter. So let's hear from you. And remember we're always ready to air opposing views.

HEARING ON THE FOOD-PRICE CRISIS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Massachusetts (Mrs. HECKLER) is recognized for 30 minutes.

Mrs. HECKLER of Massachusetts. Mr. Speaker, as I informed my colleagues last week on April 24, I recently conducted a daylong public hearing on soaring food costs and their effects on the lives of the people of the 10th Congressional District of Massachusetts.

Those who participated as witnesses during this hearing, which was held in Natick on April 18, were spokesmen in behalf of various diverse institutions and organizations, representing the elderly, the poor, and the middle-income segments of our society.

I am certain that my colleagues in the House will find these statements valuable as sources of not only statistical data but as personal accounts of the seriousness of the inflation problem pointing out the need for remedial action on the part of Congress:

STATEMENT OF JOAN E. SECHER, SELECTWOMAN FROM MANSFIELD, MASS.

I would like to thank you first of all for supplying this excellent forum for various testimonies throughout your Tenth Congressional District to be presented and hopefully, have some positive effects on the astronomical food prices in this area especially.

I would like first of all to read a formal letter that our Board of Selectmen in Mansfield voted upon last evening to certainly endorse your efforts in this endeavor. "Dear Mrs. Heckler, This letter is to voice our strong objection to the rise in food prices and their effect upon consumers and institutions in the Town of Mansfield. These spiraling costs have had a devastating effect on the local economy, especially on the elderly and others with fixed incomes. The unending host of price changes daily in the area markets indicate the need for new national legislation to improve profit incentives for farmers and processors as well insuring a plentiful supply of food stuffs in line with changing consumer demands. Mansfield Board of Selection heartily endorse the efforts of your subcommittee to review your findings.

I have a few letters here that were written by Mansfield residents to certainly elaborate upon their specific problems with regard to their life styles. One that I think was particularly interesting was from a mother of six children. . . "How does the housewife of today keep her food budget within her means and yet supply her family with the same nutritious meals they were accustomed to eating?" and she does cite examples of increases in prices in her specific weekly shopping list. But, it summarizes, "with six growing children whose appetites are on the increase it is a challenge, to say the least. We are planting a vegetable garden in hopes of lessening the burden for the summer at least. However, it is our honest opinion that our government is not handling correctly the current supply and demand in the food market. What about all those acres of land that we're paying the farmer not to plant crops on? What about the greedings of the cattlemen lowering the quantity which they produce, so that demand becomes far greater than the supply? Hopefully, somebody will find a solution to the situation before we all die of starvation on the road to the poor house."

And again, not to be repetitious, certainly I think we can see the detrimental effect in all levels of society not only in the little Town of Mansfield, Massachusetts, but I think with a forum of this nature based on the variety of testimony—hopefully, when you go back to Washington, you'll have some concrete examples.

STATEMENT BY PHILIP SAPONARO, DIRECTOR OF THE SENIOR CENTER, NATICK, MASS.

Thank you Mrs. Heckler for this opportunity to articulate a little bit. You're very kind and I think you are quite timely because the problem of prices, high prices, is a problem that has plagued this nation of ours, this affluent, beautiful nation of ours, for many, many years. And I am not deluding myself that you with the wave of your little pinky hand can cure it overnight.

We are going to spur you on because Congress does need a Heckler—one which will stir up your fellow Congressmen, because I'm afraid they need a little bit of stirring up and I hope you bring back this message to the chambers when you tackle this severe problem. This problem is besetting all our senior citizens particularly, because most of them are on severely fixed incomes. At the present time, the SSI program gives a lot of them supplements up to a near moderate standard of living. That was a great step forward and just yesterday one lady came to me and thanked me with tears in her eyes for helping her with her application for Supplementary Security Income, a matter of twenty-five to thirty dollars a month extra . . . it meant that much.

Well, now, your subject this morning is food prices. Anyone that's ever walked into a food market, anyone that's ever picked up a newspaper, knows that prices are skyrocketing and everyone is shrugging their shoulders "what can we do about it." I don't know. You're looking for answers, but the fact remains, the stark real fact remains that something must be done about it no matter how drastic, no matter how unpalatable it may be to you and to me and to the rest of the country. Something must be done to hold prices within the reach of the average American. They must be held back. No matter what we think about it or what we don't like about the methods.

The last couple of days we had a couple of group meetings at the Natick Senior Center and I discussed your letter inviting me to come here and say a few words. I told them that I appreciated this opportunity and I wanted to make this a joint effort. I would like very much for them to express a few opinions through me to you. I have about a hundred letters here which I twisted their arms to write yesterday or the day before. I'm going to leave these with you, to look at at your leisure, when you have time. Let your staff look at them also. They're all worried, worried sick.

I would like to read a paragraph from several letters, if I may.

"Dear Mrs. Heckler, as a concerned member of the Natick Council on Aging, I urge you to act on behalf of all senior citizens in the matter of escalating costs of living, particularly food and utilities. These people are on fixed incomes for the most part, and can barely eke out an existence. Today, the Department of Public Utilities of Massachusetts granted Boston Edison, another increase which will place an intolerable burden on all residents in the Boston area. Meat, the best source of protein, is not within reach of a large portion of the population, particularly the elderly. The fact that price controls were lifted from food stuffs this past week means that a declining standard of living will decline further. Sincerely, E. M. Sullivan."

I wanted you to hear that. Here's another dear little lady.

"Dear Mrs. Heckler, I, for one, thought going through the depression years was bad enough, but now its worse for my husband had to retire at 62 which doesn't give him a big social security and owning your own home is all right, but paying high taxes and paying such high prices for food—it is pretty rough on us citizens who had looked forward to our golden years to be a little nicer. Now at times we feel how can we keep going on with these outrageous prices. Every week it seems food goes up and up. How much higher can it go? It sure bothers me and any help we can be to you just call—for I am one who is concerned. Mrs. Lena Sauro."

This is a five liner. I said, "Give me anything, even five lines," and she did.

"Honorable Heckler, We find prices of food too high for persons living on a fixed income especially the elderly. I am working with the elderly who are having a hard time making ends meet. Mrs. Adams."

I think that's all I need to read. I'll give the rest to you.

STATEMENT OF FELIX JULIANI

My name is Felix Juliani, Chairman of the Board of Selectmen from the Town of Wellesley.

I would like to preface my remarks by saying that I concur wholeheartedly with testimony expressed by the previous speakers.

We are called Town Fathers, but we cannot help our family of 29,000 citizens that are all concerned with existing spiraling high prices, the unemployment that now exists, the numerous businesses that have closed, etc.

Wellesley may be labeled an affluent community—but over 10 per cent of this group are retired older people living on fixed incomes—this inflationary price runaway has left them to reduce their balanced diet and eating habits to unhealthy substitutes or foregoing meals which will—and in some cases has—affected their health. They do not have the necessary financial stability of income to compensate for these increases. Also, may I add, they do not desire and are too proud to seek help in any form or become involved within Welfare roles of the community. This also concerns the younger people starting families and attempting to pay for their homes. They too, are concerned.

All facts of concern expressed here today by previous speakers prevail throughout the country. Our Administration should show more concern for our own people in this country rather than becoming involved with selling our wheat and other commodities to other countries—apparently ignoring our economic plight.

I am an advocate that charity begins at home. Then and only then should we help other countries.

This inflationary situation has also caused mass unemployment. This ought to be reversed by instituting protective measures by export controls as early as possible. I am seriously concerned with increased property taxes and I emphasize the fact that action speaks louder than words. I sincerely hope that our Administration and Congress will give us a fair shake and I endorse your efforts completely and wholeheartedly.

A PROGRAM FOR TAX EQUITY AND ECONOMIC STABILITY—PART 2

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. ADAMS) is recognized for 30 minutes.

Mr. ADAMS. Mr. Speaker, I rise today to outline to the House of Representatives the second part of my program for Tax Equity and Economic Stability—a proposal for the establishment of economic stability through curtailment prices.

NIXONOMICS

In my view, the Nixon Administration has not done an adequate job of attending to the economy. When Mr. Nixon became President, the Consumer Price Index was rising at 4.2 percent a year and unemployment was at 3.6 percent. After 4 years in office, 2 million more workers are unemployed and inflation during 1973 increased by 8.8. percent, which is the highest annual rate of increase since 1947.

The Congress was aware that economic problems were on the horizon as President Nixon took office, and shortly thereafter passed the Economic Stabilization Act of 1970, to give him discretionary powers over wages and prices to deal with those economic problems. As you may remember, the President failed to act for well over a year. A freeze can be effective when it is put on at the right time and removed at the right time.

When Mr. Nixon finally invoked some of his control authority, the country went through a series of freezes and phases that were too often applied too late and with an uneven hand. Overall after the program started the administration moved toward holding the line on wage earners while allowing business to increase prices and thus profits.

Although the administration started an effective control system under their phase II, a new Secretary of Treasury, George Shultz, was appointed and promptly began a campaign to abolish controls, which he knew Mr. Nixon inherently disliked. As columnist Clayton Fritchey has written:

> The controls were so effective in reducing inflation, however, that Mr. Shultz did not prevail until early 1973. His "victory" turned into a disaster of still unknown proportions.

At the time the phase II controls were abandoned, the inflation rate was down to 3 percent annually. Then phase III arrived. What Walter Heller, former Chairman of the Council of Economic Advisers under Presidents Kennedy and Johnson, has said of the 1969 economic era applies to phase III:

> The school's out, hands-off policy announced by Mr. Nixon early in 1969 touched off a rash of price increases and let a vicious wage-price spiral propel inflation upward even while the economy was moving downward.

A year ago, when the bill granting the President discretionary wage and price control authority was up for renewal, I voted against it because the discretionary authority had been badly used. The President's discretionary authority was extended, nevertheless, and the economic turmoil of the past year confirms my position that the discretionary authority would not be properly applied.

Last Thursday, when I introduced part 1 of my tax equity and economic stability program—consisting of a payroll tax cut for wage earners and the self-employed, and a closing of some of the tax loopholes enjoyed by the wealthy and the oil industry—I set forth some statistics for the first quarter of 1974 that paint just how bleak the picture really is. I repeat them now:

The GNP has fallen at an annual rate of 5.8 percent, the largest decline since 1958.

Inflation has risen at an annual rate of 10.8 percent, the steepest rate since 1951.

The Consumer Price Index rose in March at an annual rate of 14.5 percent.

Real spendable earnings of most of the work force have dropped 4.7 percent since last March.

The prime interest rate is running at almost 11 percent, a record high.

The Federal Reserve Bank has just raised the discount rate to a record 8 percent.

Demand for housing and automobiles, two of America's largest industries, is drastically down.

Nobel Prize winning economist Paul Samuelson has referred to our economic problems as follows:

> The economic experts were right in saying last spring that the U.S. was then moving into a "growth recession." Since last Easter, we shifted down from boom expansion to far below the 4% annual rate of real growth that is the par needed to provide jobs for a growing labor force in a technologically progressive economy. The unemployment rate is on the rise, and by next fall the odds favor its being nearer to 6% than 5½%.
>
> The experts were right who predicted that 1974 would be a year of "stagflation"—stagnation along with serious inflation. Price increases have been accelerating and spreading. This quarter's rate of inflation is hovering just below the 10% level. And the end is not yet in sight. I have been talking recently with businessmen all over the land. And virtually all tell me they are panting for an upward adjustment in their prices—to compensate them for what they consider a profit-margin squeeze as their raw material costs have soared. I presume that a survey of trade-union officials would show a similar desire on the part of workers for a "catch-up" in their wages.

It is clear that the President's idea of controls has not worked. His policies have worked neither for the consumer not for the wage earner. Consequently, those groups want no further controls. On the other hand, businesses can hardly wait to have controls taken off so they can increase prices even higher although profits are at a record high for most of big business.

The problems with controls have been duly noted here on Capitol Hill by the House and Senate committees with jurisdiction over the soon to expire Economic Stabilization Act. After listening to the witnesses at the hearings, the committees decided against reporting a bill to extend the President's discretionary control authority.

However, with the economy reeling, it seems irresponsible to me for the Congress to take no action.

There is great danger of rampant inflation in the next 2 years if those held back try to catch up the real income they have lost to farmers in food costs, to Arabian and U.S. oil companies in fuel costs, and to other nations through devaluation which among other things is causing an increase in the cost of raw materials. If we fail to create some kind of control mechanism, I am afraid that we will see inflation destroy the purchasing power of wage earners and those living on fixed incomes—the people who have already born the brunt of increased prices.

A PROGRAM TO ATTACK INFLATION

I am, therefore, introducing today legislation to create an independent Economic Stabilization Board to act as a monitoring agent over our economy, with the authority to institute price controls if the Board finds that they are required in order to keep inflation and unemployment within stated objectives. These objectives are to reduce inflation to an annual rate not to exceed 5 percent by the end of 1974, and 4 percent by the end of 1975; and to reduce unemployment to an annual rate of not more than 4.5 percent by the end of 1974, and 3.5 percent a year later.

Since experience has shown us we cannot give the President the authority in this area, I have provided for an independent Board.

The Board also is required to report quarterly to the Congress on the state of the economy and any controls it has instituted.

It is my hope that in limiting the scope of this bill to the direct control of prices—and not wages—we can strengthen the collective bargaining process and, most importantly, leave it in the private sector where it belongs.

As a result of the unevenly administered controls under the Nixon administration, I believe there have been unwarranted profits retained by some businesses, with the collective bargaining process not working as it should due to the restraints imposed to wages under the Ecnomic Stabilization Act. Now the worker will have the opportunity through collective bargaining to better his lot. The employer, through his knowledge that he will not automatically be able to pass wage increases through to the consuming public, will act as a restraining influence on wage increases.

I would like to quote extensively from an article Walter Heller has written recently, "The Untimely Flight From Controls," because I believe he outlines succinctly the problems we face:

> With demand softening and shortages easing in large segments of the economy, the old rules of the marketplace would suggest that inflation is bound to moderate. And the odds are that it will—but how fast, how, far, and how firmly is another matter. And that's where a price-wage monitor with a firm statutory base is badly needed. It could play a significant role in inducing big business to break the heady habit of escalating prices and in forestalling big labor's addiction to double-digit wage advances.
>
> Industry after industry has gotten into the habit of raising prices on a cost-justified basis as energy, food, and raw material prices skyrocketed. De-control will reinforce that habit. . . .
>
> Congress and the White House are taking undue risks if they rely entirely on market forces to achieve this end, especially in those large areas of the economy where competitive forces are not strong enough to protect the consumer. To serve as his ombudsman and to help prevent the picking of his pocket by a management-labor coalition, the consumer needs a watchdog agency that will bark and growl and occasionally bite. Such an agency—which could accomplish a good deal by skillful exercise of the powers of inquiry and publicity and much more if it were able to draw, sparingly, on powers of suspension and rollback when faced with gross violations and defiance—could provide substantial insurance against inflation by habit.

In addition to Mr. Heller's observations, I think it is instructive that even Dr. John T. Dunlop, Director of the Cost of Living Council, has warned of the probability of runaway inflation if certain sectors of our economy are not watched. Dr. Dunlop, who apparently has been preparing his own economic forecasts, says that the administration's economic projections are too low. He has said that the increase in prices in the second quarter "is not likely to be much different" from the torrid pace of the first quarter—the worst in 23 years. Further, Dr. Dunlop feels that the price bulge after economic restraints are lifted will be large.

As Dr. Dunlop stated in testimony before the Joint Economic Committee of the Congress:

> The Federal Government must have a continuing and deep concern with the rate of inflation, even apart from the primary tools of fiscal and monetary policy. Since [mandatory] wage and price controls are not adjudged to be an effective instrument for restraining inflation in the period ahead, there should be in the government an institutional focus of concern and activity applied to particular sectors to restrain inflation. . . . The government can and should use its influence and leadership with private parties, and State and local governments, to restrain prices and costs and to increase productivity.

My bill gives an independent board authority to impose price controls where needed to control rampant inflation.

I submit that the country needs a watchdog over inflation. The President and his chief advisers have proven incapable of controlling inflation. Therefore, I believe it is imperative that we establish this independent watchdog agency, which will be solely devoted to holding down the present enormous rate of inflation which is riddling our economy, soaking up our spendable income, devouring our savings, and seriously weakening our position within the international economic and political arena.

Mr. RANDALL. Mr. Speaker, will the gentleman yield?

Mr. ADAMS. Mr. Speaker, I yield to the gentleman from Missouri.

Mr. RANDALL. Mr. Speaker, many times, in speaking about the takeoff of prices after controls are off I can envision that this may very well be like the sign which we sometimes see at the top of that first big incline of a roller coaster. The wording is something like this: "Hold your hats but don't stand up."

Mr. Speaker, it could very well be just that serious. I am delighted to see this interest demonstrated by the gentleman from Washington.

Let me tell you that in the area of gasoline prices, the subcommittee which we are privileged to chair called Dr. Dunlop to the Hill a week or so ago. We said to him: "What did you do on each of these cost passthroughs, in 1973, on gasoline during the big climb from 28 cents to 30 cents and then on up to 50 cents? Did you ask for documentation of the justification of the cost passthroughs that were applied for?"

Then we called in the GAO who told us that nothing had been done. But then at least we had Dr. Dunlop or someone down there who had the responsibility to do something about cost passthroughs. But after midnight tomorrow night, there will be no one with any responsibility. That could very well be a sad, sad situation, and one that should concern all of us.

Mr. ADAMS. Mr. Speaker, I agree with the gentleman. I think his remarks are very well taken, and I think if we look at it in the context of the current world situation, where there are many shortages—and this has been aggravated by the devaluation of the dollar—we are going to see material costs in the United States rising, and we are going to see a continuation of the rise in prices that is going to occur because of the oil shortage, because this covers an enormous number of basic commodities.

Mr. Speaker, if there is not a monitoring agency and an ability to move into certain sections of the economy and apply controls or at least make the public aware of whether price increases are justified because of increases in material costs and not just simply because someone has control over a sector of the market, we are going to be in real trouble, and the people, as the gentleman mentions, are going to be extremely unhappy, when they awaken to this situation, with their representatives.

Mr. Speaker, I think the gentleman's remarks are very well taken, and I am pleased that he made his remarks today, because I had planned to do so also. I wish we could have planned on debating it at great length before the House tomorrow.

Mr. RANDALL. Will the gentleman yield for a final point?

Mr. ADAMS. I yield to the gentleman from Missouri.

Mr. RANDALL. Mr. Speaker, I suspect that the gentleman in the well and this Member may well be regarded as two voices crying out in the wilderness. But come June, July, or August or maybe September, there will be many, many others who wished they had made some comment today.

Mr. ADAMS. Mr. Speaker, I agree with the gentleman, and that was one of the reasons I introduced the bill today, so a vehicle will be available when they decide to do the job.

DISAPPOINTMENT AT THE UNITED NATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. Podell) is recognized for 10 minutes.

Mr. PODELL. Mr. Speaker, in a most discouraging turn of events, last week the United States joined with a majority of the members of the U.N. Security Council to condemn Israel for her raids into Lebanon.

Forgotten was the fact that these raids were in retaliation for the brutal guerrilla attack by Palestinian terrorists on the Israeli town of Quiryat Shemona, in which 18 Jews were killed in coldblood. Most of them were women and young children.

Forgotten was the fact that Israel has been literally bending over backward to avoid escalation of the current fighting along the Golan Heights.

Forgotten is the fact that Israel has met the Egyptians more than halfway in attempting to work out a peace settlement.

Forgotten is the fact that the Palestinian terrorists who attacked Quirayt Shemona are supplied and armed, and given whatever succor and assistance they need by the Governments of Lebanon, Syria, and Libya.

In voting with the majority of the Security Council on this resolution condemning Israel for being so bold as to defend herself from the attacks of bloodthirsty murderers, the United States doublecrossed Israel. Our Government had stated before the resolution came up for consideration, that we would veto any resolution that was onesided, that is, that did not equally condemn the terrorist raid on Quiryat Shemona.

To be sure, the United States put forth an alternative resolution that was even in its condemnation of both Israel and the terrorists, and this resolution was closely defeated. However, I cannot see how Israel can be condemned for acting in her self-defense. For years, terrorist raids have been launched against Israeli border settlements from Lebanon and Jordan. Israeli raids into Jordan cleaned out the terrorist encampments there, and forced the Jordanian Government to take strong action against the Palestinian terrorists. Israel's actions with regard to Lebanon were no different in nature or scope.

Every time Israel seeks to reassert her independence and sovereignty, every time she takes action to protect the lives and property of her citizens, she is roundly condemned by the Security Council. Have they forgotten in the last 26 years that it was the United Nations who was responsible for the existence of a modern State of Israel?

The Israeli action could not be anything other than self-defense. The raids were highly limited in scope. They were not launched until days after the terrorists murdered at Quiryat Shemona. They lasted only long enough to clean out the hell-holes from which the terrorists launched their attack. They did not go any farther than the goal of teaching the terrorists the lesson that they could not move against Israel with impugnity.

Had Israel's goal been other than self-defense, she would have launched a preemptive strike, or she could have carried the raids much farther into Lebanon to teach the Lebanese Government a lesson as well. I think that Israel's self-restraint under the circumstances, particularly when there were strong pressures from the survivors of the massacre to take the raids further, was quite remarkable.

I cannot understand how the United States could betray Israel on this question. Are we now so fearful of antagonizing the Arabs that we will blind ourselves to the murders committed under their auspices? Are we trying so hard to be evenhanded in the Middle East that we are in effect destroying a mutually profitable relationship with one of our firmest and most trustworthy allies?

The current state of affairs in the Middle East is not so precarious that the United States need sell out its self-respect and integrity. It is unthinkable for us to have told the Israelis that we would support them by vetoing a one-sided resolution, and then turning around and voting for a resolution that condemned only the Israelis.

If we are afraid of what the Arabs would think of us, I believe that this could do us more harm than good in our position in the Middle East. For if the Egyptian and Syrian Governments see how readily we abandon the cause of an old and trusted friend, why should they think that we will take their part with any greater consistency?

The United States is not a country whose vote in the United Nations should be sold to the highest bidder. At the very least, we should have abstained, as did Iraq and China. Neither one of those nations is particularly fond of Israel, and yet they did not vote as observers would have expected them to. Surely we could have done no less.

The vote cast by Ambassador Scali was a black mark on the record of American-Israeli relations. With that one vote, I fear we may have done more damage to the cause of peace in the Middle East than would have been done if we had kept our promise to veto the resolution. Nobody, neither Israel nor the Arabs, will want to deal with a go-between who cannot be trusted to keep promises. The respect that America has lost because of this ill-conceived vote may never be regained. And I fear that with it will be lost the ability of the United States to act as an effective intermediary in bringing peace to the Middle East.

AMENDMENT TO H.R. 14434 TO BE OFFERED BY MR. HECHLER OF WEST VIRGINIA

(Mr. HECHLER of West Virginia asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. HECHLER of West Virginia. Mr. Speaker, on April 30 I intend to offer the following amendment to the special energy research and development appropriation bill, H.R. 14434:

> Page 2, line 21, strike the amount "$8,935,000" and insert in lieu thereof the amount "12,835,000".
>
> Page 2, lines 22 through 24, strike all after the word "expended" and insert in lieu thereof a period.

ABC NEWS CLOSEUP

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, there is growing concern about the invasion of privacy by governmental agencies and corporations who have information on individuals—concern about what information is held, how it is used, and who has access to that information.

Last Thursday evening, April 25, ABC Closeup had an hour long documentary entitled "The Paper Prison: Your Government Record." Recordkeeping activities that were shown in the areas of school records, criminal arrest records, and veterans records should cause most people to wonder about what records exist on them—and how they are used.

For those who were unable to see the "Paper Prison," I am appending a copy of the transcript of that show which they will find worth reading.

I want to take this opportunity also to congratulate Mr. Paul Altmeyer, producer and writer of the script, who did an extraordinarily effective job in a visual and informative way in presenting a problem that concerns each and every one of us:

ABC News Closeup: The Paper Prison: Your Government Records

Produced and Written by: Paul Altmeyer.
Correspondent: Frank Reynolds.

PROLOGUE

Frank Reynolds. For twenty-seven years, this man was erroneously listed in FBI files as a fugitive from justice.

Harry Wachter: You know, it's hard to say, over the years, how this might have affected my life.

Frank Reynolds. If you've ever been arrested you can be marked for life. Even though you may have been found not guilty, that crucial fact may not catch up with your arrest record at the FBI's mammoth record-keeping center . . . Why?

Your children's school record may contain a confidential file with information that is inaccurate and damaging.

Mark Isaacs. The only way I can be given the opportunity to challenge it is to know that it exists, and to be given access to it.

Frank Reynolds. But in many states the police and other agencies have a better chance of seeing your child's school record than you do . . . Why? If you're a veteran discharged before March 22, 1974, take a close look at your discharge papers, especially this one . . . It's called DD–214.

Tony Arganda. A DD–214 turns into a paper prison which a veteran has to be in for the rest of his or her life.

Frank Reynolds. There's a three letter code there. You may not know what it means but prospective employers do . . . Why?

In the next hour, ABC News will attempt to answer these questions as we examine government records from your neighborhood school to the FBI, records that are being kept on you and your family.

PART I

Frank Reynolds. We begin with the premise that all institutions, governments included, must maintain records. What we propose to examine in the next hour is—how much record-keeping is enough? Is there unwarranted and unnecessary record-keeping? . . . And perhaps, most importantly, is there unauthorized access to these records?

How vast is government record-keeping? Well, this study, an exhaustive four-year effort by the Senate Sub-committee on Constitutional Rights, and released here for the first time, will give you some indication. Senator Sam Ervin, Chairman of the Sub-committee.

Senator **Sam Ervin**. They admit that they're operating 910 computer data banks which contain information about individuals. The Committee estimates that these 910 data banks contain at least one billion, fifty-two million different records.

Announcer. Document: Further findings from the Sub-committee's four-year study . . . The Treasury Department—names of two million coin collectors . . . Selective Service—files on fourteen million, eight hundred sixty thousand persons . . .

The Air Force—religious files on at least one million Air Force Personnel . . . The Small Business Administration—statements of personal history on five hundred thousand persons . . . Internal Revenue Service—two hundred and twenty thousand intelligence files . . . The White House—seven computer data banks, one containing the names of fifteen thousand, two hundred and four persons whom the President addresses by their first names.

Frank Reynolds. This ABC Closeup is concerned not with the records of friends or enemies, but with the records kept by government agencies on you and your family, on a majority of Americans.

Our starting point . . . the neighborhood school.

Joel Crausman, school phychologist, Montgomery County, Md. The thing about the schools, the school systems of America, is that they hold in their records and in their files the most, the vastest, the most comprehensive data bank, on every man, woman, and child educated in this country that any institution does. We make the IRS and the FBI pale by comparison.

Frank Reynolds. It may well be that America's school children are the victims of the most wide-spread invasion of privacy in the country.

All school systems keep records. Many keep confidential files. We discovered that just about anything can be put into these files by just about anybody, and that often, outsiders have an easier time seeing the records than do parents.

The National Committee for Citizens in Education has just completed an extensive fifty-state study of school record keeping practices. It is released here for the first time. The Senior Associates of the Citizen's Committee, Carl Marburger and William Rioux.

William Rioux. There are only four states in the country where we found that specifically the state stipulates that the parents have access to those records.

Carl Marburger. Anyone in the school staff, including the school secretary, the principal, the superintendent, the teacher, the counselor, can put something into the record. And by being unsupervised, no one ever pulls anything out, and no one ever knows precisely what goes in, and the parent himself is often denied access to what's in the record.

Frank Reynolds. ABC News examined at random school districts around the country . . . Wheaton, Maryland. Mr. and Mrs. Richard Dean, parents of two boys, discovered a confidential file at their son's school.

Richard Dean. Seventy-six different items that were in at least eight different locations . . .

Frank Reynolds. The Dean's case provides some insight into what goes into these files and how widely they're distributed.

Mrs. Richard Dean. There were remarks in this file that related to the family, and to us as parents.

Announcer. Document: From the Dean's confidential file, a description of one of the parents . . . Quote, "tense, domineering, intelligent, perfectionist-type person."

Joel Crausman. Any individual can write something on a piece of paper, put it into a file folder, and those comments can follow a youngster through his public school career. I have seen notes in youngsters' files which were put there by cafeteria workers.

Frank Reynolds. It took the Deans more than a year to track down every item in the confidential file, and to get the school to agree to destroy them.

Mrs. Richard Dean. About six months later, even though we had all the assurance of the Assistant Superintendent and all the school officials, we decided to just make a spot check . . . So we went into school and asked to see the files on all of our children. And, lo and behold, there appeared another document that supposedly had been destroyed.

Joel Crausman. There is no real assurance that confidential files are destroyed in their entirety, when they are supposed to be. A confidential file goes where the child goes . . .

Frank Reynolds. Can parents get to these files to have potentially damaging material removed? Menlo Park, California . . . These are the children of Mrs. Gladys Halperin. One of them suffers from a neurological handicap. Mrs. Halperin and a private neurologist challenge the accuracy of a psychological evaluation that has become a permanent part of the record of one of the children. It took Mrs. Halperin more than a year to gain access to this school file. She is now trying to have it expunged.

Gladys Halperin. This is incorrect and it's potentially stigmatizing, and we have no assurances from the school that this information is protected.

Frank Reynolds. We asked school board official, T. W. Stevens if the psychologist should share information with the parent.

T. W. Stevens. He should share with the parents the observations that he had made, but certain terms that he would use, he would not share because they're going to be misleading.

Gladys Halperin. It's necessary for psychologists to take the time to explain the full situation because parents are the ones that have the prime responsibility for the child.

Carl Marburger. We have built up a jargon. We have built up a cult of secrecy in the profession that we feel that the average parent cannot interpret.

Mark Isaacs. I felt a sense of outrage. The person who's described in these papers is not the boy I knew.

Frank Reynolds. Perkasie, Pennsylvania . . . This is the family of David Isaacs. An adopted eight-year-old, David was killed by an automobile just outside his home.

Court action followed, and it came to light that a confidential file had been kept on David from kindergarten through the third grade.

Announcer. From the confidential file on David Isaacs: quote, "David's feelings of superiority, if they do exist, are bolstered through parent attitudes. This could result in some negative attitudes towards school. The preceding statements are just observations."

Mark Isaacs. Balderdash . . . Because this is nonsense. I'm trying to figure out what he talked about. I tried . . . I read that . . .

Frank Reynolds. Mark and Maggie Isaacs, David's step-parents.

Maggie Isaacs: That may be another way of saying, a negative way of saying, that we tried to give the kid pride in being an individual, being himself. He was David Isaacs. This was important.

Frank Reynolds. Dr. William Keim, Superintendent of Schools, Pennridge School District.

Dr. William Keim. In that particular case it sounds like a psychologist, if that's who it was in a case like that who was conducting that interview, was making an observation.

Mark Isaacs. Anybody has a right to make mistakes. He can make an improper observation on my kid, your kid, anybody's kid. It goes in the record. But the thing I'm objecting to is it stays there. I should have the right to say, "This man is wrong."

Dr. William Keim. Do they know that? Do they know these records are completely open to them?

Well, if in our society, we issued a booklet of what everyone may do, and what is available, and what isn't available, I mean, we would end up, you know, with a Sears and Roebuck catalogue.

Mark Isaacs. There's such a thing as formal secrecy which says, no, I don't have the right, and effective secrecy, which doesn't say a word. It denies me the right by not telling me that these things exist.

A member of the school board told me that he did not think that the records of a school should be open to untutored eyes, and now, my reply to that was—everybody's eyes are untutored in most things . . . That, if I go . . . a trial by jury is a trial by twelve pairs of untutored eyes. Untutored eyes is the key to democracy.

Dr. William Keim. We would keep anything in the folder that we think would in any way help us guide their educational career.

Maggie Isaacs. I think one of the best things that parents can do about their children's records is to ask to see them in the first place, ask to see them regularly, and then challenge anything that they don't like, or don't agree with.

Mrs. Richard Dean. We feel that every parent should have the right to request the removal of any material that they consider irrelevant, that has nothing to do with the educational benefits to be gained by the child.

Mark Isaacs. Something should be done legislatively . . . Not just that the parents have permission to look at the school records, but that parents have a positively expressed right.

Frank Reynolds. In only twenty states do parents now have that right, and even in those twenty states, it is not always clear to which record they can gain access.

These are police records, records kept on youngsters, many of whom have not even been accused of a crime. The children are part of something called a pre-delinquent program.

These are records kept on youngsters in something called a delinquent diversion program. These records can track a child from one end of the country to the other

These types of programs, funded by federal money, are quietly mushrooming around the country. We examined some of them in California.

The Bell Gardens, California Police Department claims it has significantly reduced the number of juveniles entering the criminal justice system. But, at the same time, it has started, within that system, a vast new file of records on many youngsters not even accused of a crime. Bell Gardens Police Chief, Ferice Childers . . .

Ferice Childers. The age brackets that we deal with range from a babe in arms to a person eighteen, primarly. Everything that we do within this particular program, every action, every contact, is documented, and is entered in our computerized system of record keeping, and all the agencies here share the same files. They work together as a team.

Frank Reynolds. Money for these programs comes from one of the least-known agencies of the Federal government, the Law Enforcement Assistance Administration. The Administrator of LEAA is Donald Santarelli.

Donald Santarelli. We are the last line of defense in a sense, the net which catches the foul ball only. We can't take every pitch. The pitch is to be taken by such institutions as the family, the community, the church and the school.

Frank Reynolds. What is a pre-delinquent?

Donald Santarelli. I'm not sure I can answer that question. That's a question you should ask an authority on juvenile delinquency. I'm managing for the Congress and the Executive branch a support program designed to make local government more responsive.

Paul Altmeyer. But your organization has spent fifty-five million dollars on pre-delinquency programs.

Donald Santarelli. I can't answer that with any specificity.

Frank Reynolds. In Orange County, twenty-one police departments refer children to this center run by the County Probation Department. At the Newport Beach Police Department, we asked Juvenile Officers Bob Hardy and Mike McEveny what kind of youngster is being recommended for this program?

Officer Bob Hardy. This could be the child who is unable to cope with maybe his physical stature, being smaller or too large or is immature for his age and is unable to cope with his age peer group, because of his immaturity.

Paul Altmeyer. And he need not have any police record?

Officer Bob Hardy. This is correct.

Frank Reynolds. Dr. Charles Wiand, Director of the Behavior Assessment and Treatment Services Center.

Dr. Charles Wiand. They are not given specific, confidential information about various aspects of family conflict because it would be of little use to them, for one thing.

Paul Altmeyer. These progress reports . . . what do they say?

Officer Bob Hardy. A typical one will say that we have assessed the problem, that there is a sibling rivalry within the family between the brother and sister.

Dr. Charles Wiand. Some kind of notations are made, but it's not, in my opinion, injurious.

Officer Bob Hardy. If the juvenile moves out of the area to another jurisdiction and we, they want to take the benefit of the information that we've gathered on the subject before, and we will pass this information along.

Paul Altmeyer. So, if the child were to move from Newport Beach, California to Pennsylvania this record would stay then.

Officer Bob Hardy. It would stay with us until it was requested. But it would be available to them.

Frank Reynolds. If your child does get in trouble with the law, a record may follow the child, even though it was supposed to have been destroyed or sealed.

ABC News examined record-keeping practices in one big-city juvenile court—Los Angeles. Most juvenile courts throughout the country, have provisions to allow a youngster who has a court record, and who then is rehabilitated, to have that record permanently sealed. But is it sealed? Robert Overton, head of Juvenile Court Services, Los Angeles.

Robert Overton. The petition is filed with the Superior Court and then an investigation is conducted, and if that investigation proves satisfactory, the Superior Court will then order the records sealed.

Paul Altmeyer. But does that person know all of the agencies who have a copy of that record?

Robert Overton. Not necessarily.

Frank Reynolds. William Hogoboom, Presiding Judge of the Los Angeles Juvenile Court.

Judge **William Hogoboom.** It's always possible that they can be other places. There is no record system that I've ever heard of that is absolutely fail-safe proof.

Frank Reynolds. We also learned that when the Juvenile Court orders the Los Angeles Board of Education to seal a child's school record, the so-called sealed record is actually stored on microfilm along with unsealed records.

Paul Altmeyer. Do you think that that's a good policy?

Judge **William Hogoboom.** Well, it's a difficult policy for them to get back and seal the record.

Paul Altmeyer. Did you envision it as being on microfilm?

Judge **William Hogoboom.** Yes, I don't think it's important from my standpoint whether it's on microfilm or on . . .

Paul Altmeyer. With unsealed records?

Judge **William Hogoboom.** Well, I thought you indicated that there was one record, that each record was separate, but it was on microfilm . . .

Paul Altmeyer. No, they are mixed together, unsealed and sealed.

Judge **William Hogoboom.** Oh, no, it would be not a particularly good system.

Paul Altmeyer. Do you think it should be changed?

Judge **William Hogoboom.** I would think it should, yes.

PART II

Frank Reynolds. If you're a veteran you have a coded number following you that you may not know about. Look at your discharge form DD-214. If you were discharged before March 22, 1974, there is a three number code in Box 11-C. It's called a Separation Program Number or "SPN." It's the coded reason for your discharge. Even if your discharge is honorable, your SPN code may hurt you.

Tony Arganda. One of the reasons I haven't been able to get a job in my chosen, well, in my field, electronics, is possibly because there was a number on my discharge.

Frank Reynolds. Since 1967 alone, more than two hundred thousand veterans with honorable discharges have been labeled with damaging SPN numbers. There were more than five hundred such numbers. One could label you "a shirker." Another could say you had an "apathetic attitude." Another that you were a "marginal producer." Vague descriptions, but clearly unfavorable. We spoke with several honorably discharged vets around the country. Paul Cox, an ex-Marine.

Paul Cox. I got several awards. I got a Combat Gallantry Award and a whole bunch, of, you know, a whole chestful of ribbons. I made Sergeant. I worked my way up. I did my job. But now I've got this SPN number 305 early separation, it says. It's something strange, "for the convenience of the government," on my discharge paper, after supposedly serving my country well.

Frank Reynolds. Some veterans feel the SPN codes were used to punish legal political activity. James Mohler won the Navy Achievement Medal in Vietnam. However, he began circulating a legal petition to Congress to end the war. Mohler was then released from the Navy early, with an honorable discharge, but was given the SPN code, 302, for "substandard personal behavior."

Representative **John Seiberling.** This is a rather interesting case of Mr. Mohler. I'm looking at his reports from the Navy . . .

Frank Reynolds. Congressman John Seiberling of Ohio . . .

Representative **John Seiberling.** One that says RD 2 Mohler has developed very effectively as the leading radar man . . . Mohler is an outstanding RD . . . Mohler has a great deal of initiative concerning work in his rating . . . And similar complimentary statements.

Then we get to his discharge papers and they have a 302 Separation Program Number or SPN number, as it's called, and that stands for "substandard performance." And yet there's nothing in his records that show any basis for that kind of a rating.

Frank Reynolds. Despite the fact that these SPN lists were clearly marked "For Official Use Only," we found major corporations use them to screen prospective employees. ABC News learned that the following corporations have SPN lists: Firestone, the Chrysler Corporation, Standard Oil of California, Republic Steel, Sperry-New Holland, Boeing, McDonell-Douglas and Honeywell.

Rene Ramirez. Since certain veterans have honorable discharges and have adverse SPN codes, employers tend to look, only look, at the SPN codes because the SPN codes give you the actual reason for discharge.

Frank Reynolds. Rene Ramirez was a company commander in both Korea and Vietnam. A disabled veteran, winner of the Purple Heart, he has just completed law school, where he did an intensive study of SPN codes.

Rene Ramirez. When you had weak charges against a man, that you knew the charges would not sustain a court martial, and you didn't want him to see a lawyer, so what we would do is we would offer the man a general discharge, coerce him into accepting the general discharge, and get him out of the service that way. Now, the reasons we put down on their paper work, for their discharge, would be coded, when they were out of the service and put on their DD-214's. And they're carrying these numbers around now, and some of them don't even know what these numbers mean or why they were given to them.

Frank Reynolds. Isn't the Army really using a SPN number to punish a man?

Col. **Victor DeFiori.** That's not the intent, no, sir.

Frank Reynolds. Is that the effect?

Col. **Victor DeFiori.** It's not the intent. It may be the effect.

Frank Reynolds. We asked the Pentagon for a response and on March 14, 1974, spoke with Colonel Victor DeFiori.

Col. DeFiori, why does the Department of Defense need SPN numbers?

Col. **Victor DeFiori.** You must realize that for the past five or six years, the Department of Defense has been discharging about nine hundred thousand men and women per year. So we face the dilemma of trying to recognize meritorious service. And when we do recognize meritorious service, we are forced to at least acknowledge that some men and women do not perform meritorious service.

Frank Reynolds. During the course of our investigation into SPN numbers, and after we had questioned Colonel DeFiori, the Defense Department announced it would stop placing SPN codes on a veteran's DD-214 form. We returned to the Pentagon and spoke with General Leo Benade.

General Benade, why is it now possible to drop the SPN codes, when only last month Col. DeFiori told us it was necessary to keep them?

Gen. **Leo Benade.** I think it's a good illustration, Mr. Reynolds, of a system that was well intended, and for good reasons. But it became so painfully apparent that we were not succeeding in explaining the system, and a great deal of misinformation was flying about.

Frank Reynolds. Do you still believe, then, General Benade, that it was a good system, that you merely had difficulty in, as you say, explaining it?

Gen. **Leo Benade.** Anything that hurts people—and there is no question the other system did hurt some—this was never intended as such I can assure you. The military services have no desire to be vindictive or to pursue a veteran who has departed service. By May first, we hope to be set up everywhere with proper instructions out, and everyone trained, and then every veteran who desires to have a new form 214 be issued to him, need only apply to his parent service.

Frank Reynolds. Congressman Edward Koch of New York has been one of the leading congressional critics of SPN numbers.

Representative **Edward Koch.** The Department says that a veteran who has a SPN number on his discharge paper now, if he submits it, they will replace it with a new discharge paper. We think that there will be tens of thousands of veterans who are unaware of the SPN numbers and who will not make the effort and who will go through life stigmatized. And therefore Congressman Aspin and myself have requested the Pentagon to issue new papers to every veteran, and all of these discharges since 1955 bear SPN numbers, so they should all be replaced—automatically.

Frank Reynolds. More than eleven million veterans have been honorably discharged since 1960. It is estimated that more than half a million of them still carry bad SPN numbers on their records.

PART III

Attorney General **William Saxbe.** I had a lawyer come in from Columbus for a convention of some kind, and he got in some difficulty with the police, and when they took him to the police station—he was drunk and disorderly—asked for his name, and he told them that he was William B. Saxbe, the Attorney General of Ohio. And even though he had other cards in his pocket, they booked him that way. I had a dickens of a time getting my name off that docket, the police blotter.

Chief **Joseph McNamara,** Kansas City Police Department. We're aware of the concerns about privacy and we're staying on top of that problem. We would hate to see the police utilization of the computer curtailed. And I think we very much agree with FBI Director Clarence Kelley's stand that criminal records must be open to law enforcement officers for purposes of assisting in investigations of crimes.

FBI Director **Clarence Kelley.** And I hold up as an example of effective, fair, and efficient multi-state and federal cooperation on a criminal justice information system, the National Crime Information Center. . . .

FBI Tour Guide. Approximately a hundred and twenty-thousand inquiries will come to us each day. . . .

Frank Reynolds. The Federal Bureau of Investigation is the largest known repository of arrest information in the world. The FBI's Identification Division alone contains more than twenty million arrest records. But many of these records do not contain the disposition of the case—whether the person was found guilty or not guilty, or had the charges dropped or dismissed. These manual records move freely between the FBI and the nation's police departments, state and local licensing agencies, and in some cases—although they are not supposed to—to credit agencies and private businesses.

Now, the FBI has collected about five hundred thousand computerized arrest records at its National Crime Information Center. By 1984, the FBI expects to have five million computerized arrest records, and any one of these will be available to thousands of police departments in five seconds.

Harry Wachter. Now, since 1947, it's hard to say how many jobs I might have lost . . .

Frank Reynolds. Harry Wachter, an insurance salesman, moved from Arkansas to Virginia in 1947. An Arkansas asosciate thought Wachter ran out on a business deal, and swore out a warrant for Wachter's arrest. It was a misunderstanding. The warrant was then withdrawn. But it was only last year that Wachter discovered that that crucial fact had not been entered on his record for nearly thirty years.

Harry Wachter. A report came back stating that there was an FBI record that I was a fugitive from justice back in 1947, and nothing else was said on the FBI report. I have this record from the Arkansas Police Department, and it says, "We show no records whatsoever on this man."

It seems to be like, if the FBI gets a report that I have been arrested for a specific, for a definite matter, that they should have followed through with a disposition.

Frank Reynolds. Professor Alan Westin headed a National Academy of Sciences project which studied the National Crime Information Center.

Alan Westin. The courts themselves are in a morass as far as effective record keeping practices are concerned, so that the, very frequently, police departments and courts having other priorities and being under a great deal of pressure simply do not keep these dispositions properly reported and keep them up to date.

Frank Reynolds. The FBI places full responsibility for the accuracy of its arrest information on state and local police departments. But surveys show that up to twenty percent of state files are inaccurate or outdated.

Producer Paul Altmeyer and I spoke with FBI Director Clarence Kelley.

Mr. Kelley, most of us, I think have the impression of the FBI as a super efficient organization. Why is it not possible for you to include disposition of arrests and charges made against people on records that are submitted around the country, to these various law enforcement agencies?

Clarence Kelley. I'm very thankful that you make the statement that we're reputed to be super efficient, and I assure you that when we get a disposition, we do put it on the man's record. But we have had extreme difficulty in getting anywhere near one hundred percent compliance with our request that all dispositions come in. The law enforcement organizations just simply do not respond as they should.

Announcer. A study of the FBI's National Crime Information Center . . . from a letter from the Comptroller General of the United States . . . Quote, "Data is not available to indicate how computerized criminal information history has been used."

Clarence Kelley. Yes, there is some dispute as to the security and to the breadth of the information within that data bank which is under some dispute.

Frank Reynolds. What can you do about it?

Clarence Kelley. I think that there should be, of course, a recognition of individual rights, and you should confine yourself to that information which is helpful in the performance of your duty as a law enforcement person.

Frank Reynolds. But is it your view that mainly a record of serious crimes or serious offenses should be kept, let's say, in the NCIC?

Clarence Kelley. In the NCIC, they are serious crimes.

Frank Reynolds. Well, how serious is a serious crime, Mr. Kelley?

Clarence Kelley. May I, in this event, ask an authority to answer it, and Mr. Wason Campbell is the Assistant Director in charge of our computer operations. And would you answer that, Mr. Campbell?

Wason Campbell. I'd be happy to. Yes, the offenses, of course, are . . . it is limited to serious offenses.

Paul Altmeyer. It's my understanding that there are four hundred and twenty crimes under serious crimes, and these include such things as non-support and nonpayment of alimony. Is that true?

Wason Campbell. They are there yes, now. We are in the process of looking at the offenses which should be included, or to put it another way, offenses that perhaps should not be.

Frank Reynolds. Massachusetts created a Privacy and Review Board to screen the information in its own system, after it discovered more than seventy-five state and private agencies, and other individuals, had access to criminal history records. We spoke with Governor Francis Sargent who has refused to allow his state to share criminal history information with the FBI until safeguards are built into the system.

Gov. Francis Sargent. We found a number of mayors that were directly going to the records. We found local housing authorities that were going directly to the record, a variety of different insurance companies in Massachusetts could go directly to the records, and all sorts of credit companies. And I don't think this is what criminal history records are all about.

Frank Reynolds. What were the mayors going to the records for?

Gov. Francis Sargent. I can't understand. I can't understand why they would or why they should.

Frank Reynolds. Well, these records really are a potential source of blackmail, aren't they?

Gov. Francis Sargent. They are conceivably, yes.

Frank Reynolds. The case of Bill McLain, a former administrative assistant to Congressman Barry Goldwater, Jr., has amazed McLain and Goldwater, and has puzzled the FBI. McLain returned with us to this Los Angeles Federal Building, where he and Congressman Goldwater had earlier been invited to the FBI Field Office. The then Special Agent in Charge, Wesley Grapp, asked McLain for his driver's license number and punched it into a terminal.

Bill McLain. And to my great shock and amazement, back out of that teletypewriter came a long laundry list of my whole life's history. It listed specific things like where I'd lived.

I lived in San Diego and San Francisco and here in Los Angeles; had every address while I was in school; every address, apparently since I was eighteen years old; had my wife's background, where she had lived; my children, where they were born and where they lived; it had information about, detailed information about my education; it had information regarding my military activity which I was even more surprised to see, because military service jackets are supposed to be confidential information; it had information about government loans, which, again, by statute, are supposed to be confidential; it had information about my California driver's, driving history.

Representative Barry Goldwater, Jr. (R-CAL.): I was impressed by the thoroughness and efficiency of the FBI in the job that they have to do, but it wasn't until later that it really struck home, and I really sat down and started thinking about the implications of the computerability of the FBI or any agency of the government.

Frank Reynolds. Now it is proper for the FBI to have all of this information?

Clarence Kelly. Where did this information come from?

Paul Altmeyer. That's the question.

Clarence Kelley. I mean, but where? Over some sort of a computer network?

Frank Reynolds. Yes.

Clarence Kelley. Well, I frankly don't see how anything like that could possibly come over our computer network.

Wason Campbell. That just could not be. We do not have that kind of information. It is not computerized. And the story is a bad one.

Representative Barry Goldwater, Jr. The Bill McLain incident fired the, or fueled the fire that made me convinced that we in the Congress need to establish standards and regulation to prevent the potential abuse.

Wason Campbell. I will be pleased to pursue it and show you wherein it has no basis.

Paul Altmeyer. Does a data bank such as that exist, with information on it, such as that?

Wason Campbell. I do not know that.

Clarence Kelley. I'm not going to say that it's not true, but I'm going to say that it is highly unlikely.

Frank Reynolds. We went back to McLain and Congressman Goldwater and told them of the FBI's reaction. Congressman Goldwater then wrote to us: "Let me once again verify the tour. An extensive list of information came back. Amongst the information was his driving record, some historical data on his wife, and information on a contested will." We then again contacted the FBI. They said such information is not stored at the NCIC, adding that—quote—"We have no explanation for the basis of their claim."

Prof. Alan Westin: If you think about all the files that are kept by the criminal justice and law enforcement agencies, one way to think about it is that it's kind of an hors d'oeuvres tray of information. Depending on who you are in the criminal justice system, and what kind of access you have, you can pick and choose what kind of information you want to get.

Frank Reynolds. In researching this ABC Closeup, and prior to filming, Associate Producer Richard Gerdau, visited the FBI's computer center where he saw one drawer on a computer program file, labeled "Security Index." When ABC News went back to film, the label had been removed. It is the middle drawer on the right.

Paul Altmeyer. Mr. Kelley, what is the "Security Index?"

Clarence Kelley. The Security Index is a listing of persons who may well be considered as possible security subjects or who have been convicted of security violations.

Paul Altmeyer. How many people are on that list?

Clarence Kelley. I do not know. There is nothing ominous about it at all. It is just that within the organization there is a classification of various offenses.

Paul Altmeyer. Does one have to have a criminal conviction to make the Security Index?

Clarence Kelley. No . . . no . . . no.

Frank Reynolds. Who makes the judgment, then, Mr. Kelley? Is it sufficient . . .?

Clarence Kelley. Well, of course, you're in . . . actually, the determination as to whether or not a person is a suspect in this type of thing is one wherein it, it, goes through several levels, from the agent who first has the information through the supervisor through the assistant agent in charge, on through to people here at the Bureau. We realize that sometimes this has an impact which is not warranted by actual facts. And we're looking this over. As a matter of fact we're looking over the entire security field, to bring it more in line with, with the observance of the rights and privileges of people. We should not be a part of anything that might put a taint on a person carelessly.

And I'll admit that, well, this may have been the impact but it certainly wasn't the intention.

Frank Reynolds. After this interview, the FBI informed us Director Kelley had been in error. The FBI says that the Security Index was discontinued in 1971, and that the computer program file contained blank cards. The Security Index listed those people who would be arrested and interned in the event of war or "an internal security emergency."

ABC News examined the computerized record keeping system of one big city police department, Kansas City, Missouri.

Project Alert, as it's known, is considered one of the leading police computer systems in the country.

Designed as a municipal system, by then Police Chief Clarence Kelley, it has grown into a vast regional network, covering about ten thousand square miles of western Missouri and eastern Kansas. It links local, county, state and federal law enforcement agencies. We inquired about information gathered on four categories of persons—"mentals," "militants," "activists" and "associates. Melvin Bockelman, Manager of the Project Albert Computer System.

Melvin Bockelman. "Militants" . . . I think we have to recognize that we've gone through some trying times in our history. And during this period when the crime indices were rising back in the 1960's, they were very active, and it was considered useful information to computerize this.

Paul Altmeyer. But a "militant" need not have been convicted of a crime?

Melvin Bockelman. No, that is correct.

Frank Reynolds. In the course of ABC News' examination of Project Alert, persons classified as "mentals," "militants," or "activists" were removed from the computer. Kansas City's new Police Chief, also established a committee to review on a monthly basis, information stored in the Project Alert computers . . . Chief Joseph McNamara. . .

Chief Joseph McNamara. One example that comes to mind is that the hospitals had requested that we keep certain information on people who had received treatment for mental problems, and mental disorders. Now, we had an embarrassing situation when we discovered that, inadvertently, these people had been listed as escapees from mental institutions, when, in fact, that was not true at all. And so we just purged all of that information from the computer. The initial tendency of course, is to put in all of the information, feeling that we're using it for a legitimate and beneficial purpose of public protection.

Frank Reynolds. This is a "Field Identification Card." It is made out by Kansas City Police on someone called an "associate." It contains room for more than two hundred fifty personal entries. We rode one night with Sgt. Gary Schmidt, and asked about the "Field Identification Card."

Sgt. Gary Schmidt. If I stop a car out here, like this car right ahead of me here, and find out that he is a convicted felon, we have a procedure whereby we fill out an FIC card, stating where we stopped him, what he was doing, and the associates that were with him.

Paul Altmeyer. A convicted felon is supposed to associate only with law-abiding citizens. Isn't it creating a stigma on a law-abiding citizen?

Sgt. Gary Schmidt. Well, not really, I don't think. I don't think it creates a stigma on the law-abiding citizen. . . .

Paul Altmeyer . . . to be known as an associate of a convicted felon?

Sgt. Gary Schmidt. Yes . . . like I said, I don't know whether this information, when it goes into the computer, but if it would go into the computer, and the man that was riding in the car had never been arrested or never had a record, I don't think I would condone that.

Frank Reynolds. In the course of ABC News' examination, the information gathered on "associates," persons perhaps not convicted or even accused of any crime, was removed from the computer. But we discovered that the records on "associates" are still maintained in written form here at the department's Criminal Intelligence Center. Chief McNamara. . . .

Chief Joseph McNamara. We feel that this is appropriate for law enforcement to do things like this, to have certain information. We have a great need to know about certain information even though it's not based on past criminal convictions.

Frank Reynolds. The second area we examined—the security of the Kansas City system. This is Lenexa, Kansas. In 1970, the Lenexa Police Department joined the Kansas City Police Department's Project Alert. The then police chief went to major businesses and apartment house owners and offered to check out prospective employees and tenants for criminal history records. At least thirty-two people were barred from working or living in Lenexa. Former Lenexa Police Chief, David Gellatly.

Paul Altmeyer. Were you reprimanded by the Kansas City Police Department?

David Gellatly. No.

Paul Altmeyer. Was any suggestion ever made that Lenexa would be removed from Project Alert?

David Gellatly. No, sir.

Announcer. Document: Testimony from Clarence Kelley at his confirmation hearing as Director of the FBI, commenting on the Lenexa incident.

Quote . . . "he was reprimanded for that and they were advised that any further such violation would mean that the terminal would be taken away from the Lenexa Police Department."

Frank Reynolds. Mr. Kelley, you say that disciplinary action was taken against the officer?

FBI Director Clarence Kelley. Yes, sir.

Frank Reynolds. He says nothing happened to him at all.

Clarence Kelley. Is that right?

Frank Reynolds. Yes.

Clarence Kelley. Well, it was my understanding that disciplinary action was taken against him, and, furthermore, that the terminal in that department, was—the Chief was informed that if there be any such activity persist that they would be removed from the line.

I was not party to the reprimand nor to any disciplinary action, so unquestionably you are right, and just that I was given the wrong information.

Paul Altmeyer. Did you continue the practice after that?

David Gellatly. If someone asked, yes, we'd do it. But due to the publicity, the, apartment—you have to keep in mind that the apartment managers caught some heat over this—also—so consequently our requests for this type of information virtually came to a halt.

Paul Altmeyer. But if the request were made, you would continue to do it?

David Gellatly. That's correct.

Frank Reynolds. The Attorney General of Kansas ruled, in this decision, that under Kansas law, the Lenexa Police Department could give out this information legally, even though it was a clear violation of the rules of Project Alert. This is a vivid indication of legal and procedural problems that occur when police computer systems spread across state boundaries.

The weakest link in the security of any computer system is the human element. On two separate occasions, ABC News was able to gain access to a Project Alert Computer terminal and punch into the computer. While a violation of Police Department rules, it is not a violation of the law. Producer Paul Altmeyer explains . . .

Paul Altmeyer. We asked the Jackson County Prosecutor only for permission to film around his office. We made contact with a middle level official in the prosecutor's office and convinced him to let us use their computer terminal. We did this twice, at 8:00 a.m. when the office was nearly empty. We learned the code to the computer with relative ease. We gained access to information in it with even greater ease.

Frank Reynolds. The information on the computer printout is clearly labeled "For Official Use Only Within The Criminal Justice System." As a test, Altmeyer punched in the name of Kansas City Mayor Charles Wheeler.

His criminal history record showed he had been twice guilty of violating the Kansas City dog ordinance. We informed both Mayor Wheeler and Police Chief McNamara that we had gained access to the computer.

Chief Joseph McNamara. Well, we . . . we will take this and trace it back to the terminal in which it was used and determine whether or not it was a violation of . . . of the standards which we set. But this kind of a violation we would take direct action against and we can trace this back to see who was operating the terminal and why, in fact, that was done. Now, sometimes we can do things like this as a test, but you yourself punched this in?

Paul Altmeyer. Yes.

Chief Joseph McNamara. I see. Well, we can trace this back and find out who allowed you to do this and if they allow anything like this to occur again, we would cut off their access to the computer.

Frank Reynolds. Only a warning was issued to the prosecutor's office. No further action was taken.

Later, we learned the prosecutor, himself, had the terminal removed because of "light usage" and "difficulty in maintaining security control." No subscriber has ever been removed from the Project Alert system for a security violation. For that matter, no subscriber has ever been removed from the FBI's National Crime Information Center for a violation.

EPILOGUE

Prof. Alan Westin. The right to privacy is the right of each individual to decide what information about himself or herself should be shared with others.

Representative Barry Goldwater. It's not a partisan issue. It's something that all Americans should be concerned about.

Frank Reynolds. Understandably most of us feel rather helpless in the face of all these records, wondering what's in them and most importantly who has access to them.

Tonight we examined only some of the government files on us—you and me—and we have discovered there are some things that can and must be done.

Congress is now considering legislation to establish tighter controls over arrest records, the information on those records and who has access to them. This legislation is long overdue. Technology has made it far too easy to collect information. Technology, however, has not improved the accuracy of such information.

We asked law enforcement officials who is a pre delinquent. We received no satisfactory answer . . . perhaps because there is none.

Clearly, there is an urgent need for Congress to investigate the record-keeping practices of these so-called "pre delinquent" programs.

If you're a parent demand to know what's in your child's school record and who has access to it.

The states must guarantee parents legal access to their own children's school records and at the same time protect the confidentiality of those records.

During the course of our investigation we've seen some official changes take place. The Defense Department abolished those SPN numbers. But there are still half a million veterans tainted with unfavorable numbers. The Defense Department has a responsibility to inform them.

Just two days ago a federal court ruled that the FBI has the responsibility to expunge the record of a person who has been detained by the police and then exonerated.

The decision was a wise one and a first step in bringing legal order to a bureaucratic nightmare.

Government must maintain records. But no government, no police department, no school system, no armed service has any right or legitimate reason to brand any citizen without the citizen's full knowledge.

In the end the purpose of government record-keeping should be to protect, not restrict, the citizen's rights.

This is Frank Reynolds. Good night.

CREDITS—THE PAPER PRISON: YOUR GOVERNMENT RECORDS

Produced by: Paul Altmeyer.
Directed and Photographed by: Dick Roy.
Written by: Paul Altmeyer.
Correspondent: Frank Reynolds.
Associate Producer: Richard Gerdau.
Film Editors: William P. Thompson and James Franagan.
Production Associates: Paula Borger and Bernadette Carey.
Sound: David Blumgart.
Program Controller: Don MacLleod.
Director of Operations: David Buksbaum.

MR. SAXBE'S ATTITUDES

(Mr. SIKES asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, there have been a number of attacks on Attorney General William Saxbe. Some of these are from individuals who are well informed. Some are from the liberal elements of the press which may be prejudiced.

Those of us on Capitol Hill who know Mr. Saxbe and have worked with him know that he has a good background of moderation in government. He is new to his present work but he possesses the courage of his convictions. It is my impression that Mr. Saxbe is a down-to-earth individual who wants the Nation's laws enforced and who believes in apprehending and punishing criminals.

It is regrettable that a law-and-order man, who seeks law enforcement and who does not believe in pampering lawbreakers, automatically becomes subject to criticism from quarters where more concern is held for those accused of crime than for the victims. It would appear that instead of declaring Mr. Saxbe fair game, almost before the ink is dry on his commission, the critics would have the good grace to wait to see how the man performs in his new responsibilities.

IMPEACHMENT DEMONSTRATION

(Mr. SIKES asked and was given permission to extend his remarks at this point in the Record and to include extraneous matters.)

Mr. SIKES. Mr. Speaker, the impeachment demonstration of the past weekend seems something of a bust. We do not know who organized and paid for it, but it was, to some extent, a small-scale rehash of antiwar demonstrations and the abortive May Day protest. There was a sprinkling of the same professional organizers. There were many young people on a lark. The whole thing was laced with pot and beer. It was hardly a genuine outpouring of public sentiment. But it gave the press something to get excited about.

FAIRCHILD'S 10TH ANNIVERSARY, CRESTVIEW, OKALOOSA COUNTY, FLA.

(Mr. SIKES asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, Crestview and Okaloosa County celebrated the 10th anniversary of the Fairchild Industries plant in Crestview on April 15. The groundbreaking 10 years ago marked a proud occasion of a nationally known and important industry becoming part of the Okaloosa County Industrial Complex. The 10th anniversary was a happy recognition that Fairchild Industries had been an important member of Okaloosa County's vital growth pattern. Present with us at Crestview for the 10th anniversary celebration were Mr. Edward G. Uhl, president of Fairchild Industries and many others who were also present on the first day of Fairchild's Aircraft Service Operational Division in Crestview. Officiating at the 10th anniversary were Crestview's mayor, George Whitehurst, and Cecil Anchors, clerk of the circuit court.

The occasion was sponsored by the Crestview Chamber of Commerce whose president is Pace Allen, joined by other Okaloosa County Chambers of Commerce, with the active support of the city and county officials and business communities of the county.

Fairchild Industries is, of course, one of America's 500 largest corporations with plants in many States. However, I do not feel that any Fairchild facility has become more a part of the community than at Crestview. Fairchild currently employs close to 500 people who are friends and neighbors to us all. The work performed at Crestview by the employees is vital to our Nation's defense and important to every taxpayer in the savings and defense dollars by extending the useful life of military aircraft.

Through Fairchild hangar doors at Crestview have passed more than 1,300 aircraft of many different types. All have received the highest quality inspection and repair, returning to useful service in almost better than new condition. Cargo aircraft, fighters, and trainers have all received the outstanding attention and efforts of the Fairchild people here.

Because of our good climate, our living conditions and opportunities, the Aircraft Division has attracted top flight personnel, many of them former members of the armed services whose military careers were devoted to aircraft maintenance. Today the division has the talent and resources to offer complete maintenance, repair, modification, and design service to the military and civilian fleet operators.

More than a good neighbor, Fairchild has contributed strongly to the economic growth and prosperity of the area. For example, Fairchild's payroll alone during its years in Crestview has been more than $25 million. Last year Fairchild's Crestview employees received more than $3½ million.

But beyond the paychecks are many other areas in which the local business community is benefiting. Let me point out just a few of these ways in which this fine company is contributing to the better future for Crestview and Okaloosa County. Fairchild just this year paid out more than $150,000 for hospital and medical care for employees through their health insurance plan. Fairchild has also paid to Okaloosa County more than $600,000 in bond payments on its lease at Crestview. Fairchild's phone bill last year was more than $58,000 and it used more than $80,000 in electrical power. The company is spending $30,000 for guard services each year. To maintain the employment rate as necessary to fulfill its Government contracts, Fairchild spends more than $7,000 in classified advertising in local newspapers each year. I could state many other statistics but the important thing is to note that all local businesses and all of our community programs have benefited directly or indirectly because of Fairchild Industries selecting the Okaloosa area in which to do its business.

We certainly look forward to many more anniversaries of success for Fairchild Industries and to the same warm spirit of cooperation of plant and community.

The first employee was hired at Crestview facility February 22, 1964. His name is Lee Showers, aircraft mechanic/leadman, and he is still employed at the facility. Seventeen of the original employees remain from May 25, 1964.

It will be interesting to note that more than 1,329 aircraft have received modifications or modernizations during the 10-year period. These include a wide range of aircraft from the C–123 cargo aircraft to the F–105 fighter bomber as well as helicopters, interceptors, and trainers.

CONTINUATION OF CONTROLS

(Mr. RANDALL asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. RANDALL. Mr. Speaker, at a time when the upward trend of prices on everything the American people must have just to survive is the sharpest in history; at a time when prices are at a high level we would not have dreamed just 18 months ago, we are now just 1 day short of letting die the only hope we have for keeping prices in line.

I would be the last person to suggest that the Cost of Living Council has met even modest success in controlling prices. I would be the last to suggest that the Economic Stabilization Act, under which the Council operates, is strong enough medicine for dealing with our inflationary ills. But they are all we have and we are within just a few hours of losing them.

Three-dollar-a-pound beef is already with us. The parent who buys his little child a pair of school shoes will not get any change now from a $10 bill. Gasoline prices are up 50 percent over a year ago; propane, the only fuel available in many rural communities for heating and cooking, is 300 percent higher than last year. Hot dogs and hamburgers have become delicacies for large numbers of American families when they can be afforded. The $1 loaf of bread may yet become a reality. The rate at which preferred customers can borrow money has now passed 10½ percent. The average middle class American, if he can get a loan, must pay more.

The Economic Stabilization Act and its administrative agency, the Cost of Living Council, have a poor track record for holding these prices down. But if they are permitted to pass out of existence tomorrow, American consumers will be left alone and unprotected against the merciless onslaught of skyrocketing prices.

Strict price and wage controls are a strong and expensive medicine. But runaway inflation is a cancerous disease this country cannot afford. An immediate and total freeze on prices and wages seems to be totally indicated, to remain in effect at least until this Nation can regain its economic equilibrium.

But since the jurisdictional committees in neither House of Congress has recognized the urgent need for aggressively facing up to the price crisis, the next best thing seems to be an extension of the Economic Stabilization Act in some form and a reprieve of the Cost-of-Living Council under some name.

This action should be overwhelmingly supported in both Houses of Congress before midnight, April 30.

I understand that the other body is now ready to pass the substance of the so-called Muskie-Stevenson bill and send it to the House. This bill is by no means equal to meeting the emergency that now confronts us, especially with certain language it now contains. That bill, S. 3352, on page 3, lines 11 through 17, states that nothing in this act authorizes the continuation, imposition or reimposition of mandatory economic controls except those presently exercised under the Emergency Petroleum Allocation Act. This language should be removed. While it does not specifically prohibit invoking economic controls, it has the effect of denying that such controls are necessary. Millions of Americans who are today paying outrageous prices for everything they buy will not deny that they need the protection of price and wage controls and rollbacks in prices.

Mr. Speaker, I am introducing legislation today to provide for a 1-year program of mandatory controls over prices, wages, rents, and interest rates. In so doing, I realize that such a proposal will not be enthusiastically received in all quarters. But enactment of such a bill will be popularly accepted by housewives and other shoppers who find that each trip to the marketplace under existing conditions of spiraling prices costs more than did the previous trip. Wage earners, who may not receive the increases they now seek, will come to understand that putting the brakes on skyrocketing prices will relieve them from the constant clamor for more and more money just to remain even. Any wage increases that have been granted in the past year of galloping inflation have turned out to be meaningless; for the most part they have been absorbed by higher prices.

So, what I recommend and what I urge the Congress to do is, first, accept the Muskie-Stevenson proposal for keeping an eye on prices and acquiring all possible economic information for intelligently dealing with inflation. The second and most important step is for the Congress to move immediately to pass legislation to require the President to invoke a program of mandatory price and wage controls.

It has been reported that at the present rate of inflation, the purchasing power of every dollar laid away for emergencies will decline to zero in 10 years. Those persons who have bought Series E Bonds will have nothing to show, in terms of purchasing power, for their investment after paying taxes on interest derived from the bonds. Real estate investments—that is, the homes wage earners scrape and slave to purchase—will, after ten years, at the present rate of inflation double in price. But after paying the capital gains tax on the sale of this property ten years from now, the money derived from such sale will have less purchasing power than when the investment was made. Interest on the mortgage will further reduce this asset.

Something must be done to halt this terrible onslaught of inflation. Strict price and wage controls are not very much appreciated by anybody. Nobody except the people who find themselves slipping farther behind each payday when the paycheck is worth less and less as we struggle along without controls.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. STUCKEY (at the request of Mr. O'NEILL), for today, on account of illness.

Mr. BAFALIS (at the request of Mr. RHODES), for week of April 29, on account of illness in family.

Mr. DEVINE (at the request of Mr. RHODES), for today through May 1, 1974, on account of a death in the family.

Mr. FINDLEY (at the request of Mr. RHODES), for 1 week, on account of official business in the Middle East.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. RANDALL, for 10 minutes, today, and to revise and extend his remarks and to include extraneous matter.

(The following Members (at the request of Mr. GILMAN), to revise and extend their remarks, and to include extraneous matter:)

Mr. WYMAN, for 30 minutes, on April 29.

Mrs. HECKLER of Massachusetts, for 30 minutes, today.

Mr. ASHBROOK, for 60 minutes, today.

Mr. BROYHILL of Virginia, for 30 minutes, on May 7.

(The following Members (at the request of Mr. TRAXLER) and to revise and extend their remarks and include extraneous matter:)

Mr. ST GERMAIN, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. BURKE of Massachusetts, for 5 minutes, today.

Mr. ADAMS, for 30 minutes, today.

Mr. PODELL, for 10 minutes. today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. YATES, and to include extraneous matter.

Mr. KOCH, to extend his remarks at this point in the RECORD, notwithstanding the fact it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $836.

(The following Members (at the request of Mr. GILMAN) and to include extraneous matter:)

Mr. KEMP in five instances.

Mr. HANRAHAN.

Mr. ANDERSON of Illinois in three instances.

Mr. ARCHER.

Mr. GILMAN.

Mr. WYMAN in two instances.

Mr. MINSHALL of Ohio.

Mr. YOUNG of Florida in two instances.

Mr. WALSH.

Mrs. HECKLER of Massachusetts.

Mr. SYMMS in three instances.

Mr. HEINZ in three instances.

Mr. LANDGREBE in 10 instances.

Mr. GUYER.

Mr. MCCLORY.

Mr. BURKE of Florida.

Mr. KETCHUM.

Mr. ASHBROOK in two instances.

Mr. FREY.

Mr. HUDNUT.

Mr. BRAY in three instances.

Mr. DERWINSKI in three instances.

Mr. ROUSSELOT in two instances.

Mr. COUGHLIN.

(The following Members (at the request of Mr. TRAXLER) and to include additional matter:)

Mr. ANNUNZIO in six instances.

Mr. EDWARDS of California.

Mr. WALDIE in three instances.

Mr. GUNTER in three instances.

Mr. MATHIS of Georgia.

Mr. LEHMAN in 10 instances.

Mr. HARRINGTON in 10 instances.

Mr. GONZALEZ in three instances.

Mr. RARICK in three instances.

Mr. STEED.

Mr. O'HARA.

Mr. O'NEILL.

Mrs. SULLIVAN.

Mrs. MINK.

Mr. BURKE of Massachusetts.

Mr. SYMINGTON.

Mr. NIX.

Mr. FORD.

Mr. GIAIMO in 10 instances.

Mr. BRASCO in 10 instances.

Mr. REUSS in five instances.

Mr. SMITH of Iowa in three instances.

Mr. VANIK in two instances.

ENROLLED BILL SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 9492. An act to amend the Wild and Scenic Rivers Act by designating the Chattooga River, North Carolina, South Carolina, and Georgia as a component of the National Wild and Scenic Rivers Systems, and for other purposes.

BILL PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H.R. 9492. An act to amend the Wild and Scenic Rivers Act by designating the Chattooga River, North Carolina, South Carolina, and Georgia as a component of the National Wild and Scenic Rivers System, and for other purposes.

ADJOURNMENT

Mr. TRAXLER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 43 minutes p.m.), the House adjourned until tomorrow, Tuesday, April 30, 1974, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2241. A letter from the Secretary of the Army, transmitting reports of the number of officers on duty with Headquarters, Department of the Army, and detailed to the Army General Staff on March 31, 1974, pursuant to 10 U.S.C. 3031(c); to the Committee on Armed Services.

2242. A letter from the Acting Assistant Secretary of Defense (Installations and Logistics), transmitting a report on Department of Defense procurement from small and other business firms for July 1973 through February 1974, pursuant to 15 U.S.C. 639(d); to the Committee on Banking and Currency.

2243. A letter from the Assistant Secretary of Agriculture, transmitting the third annual report of the National Advisory Council on Child Nutrition, pursuant to 42 U.S.C. 1763 (f); to the Committee on Education and Labor.

2244. A letter from the Acting Assistant Secretary of the Interior, transmitting a copy of a proposed amendment to a concession contract authorizing the continued provision of facilities and services for the public in Grand Teton National Park for a term ending December 31, 1975, pursuant to 16 U.S.C. 17b-1; to the Committee on Interior and Insular Affairs.

2245. A letter from the Acting Deputy Assistant Secretary of the Interior, transmitting a copy of an application by the Central Nebraska Public Power and Irrigation District, Holdredge, Nebr., for a loan and grant under the Small Reclamation Projects Act, pursuant to 43 U.S.C. 422d(c); to the Committee on Interior and Insular Affairs.

2246. A letter from the Secretary of Commerce, transmitting the 61st Annual Report of the activities of the Department of Commerce, covering fiscal year 1973, pursuant to 15 U.S.C. 1519; to the Committee on Interstate and Foreign Commerce.

2247. A letter from the Deputy Assistant Secretary of Health, Education, and Welfare for Population Affairs, transmitting a revision in the previously submitted third annual report on family planning services and population research; to the Committee on Interstate and Foreign Commerce.

2248. A letter from the Secretary of Transportation, transmitting the seventh report of activities under the High Speed Ground Transportation Act of 1965, covering the year ended Septembe: 30, 1973, pursuant to 49 U.S.C. 1640; to the Committee on Interstate and Foreign Commerce.

2249. A letter from the Director, Administrative Office of the United States, transmitting the annual report for calendar year 1973 on applications for court orders made to Federal and State courts to permit the interception of wire or oral communications, pursuant to 18 U.S.C. 2519; to the Committee on the Judiciary.

2250. A letter from the Secretary of Commerce, transmitting the annual report of the Maritime Administration for fiscal year 1973; to the Committee on Merchant Marine and Fisheries.

2251. A letter from the Secretary of Commerce, transmitting the first annual report on ocean dumping and other man-induced changes to the ocean ecosystems, pursuant to 33 U.S.C. 1441 and 1442(c); to the Committee on Merchant Marine and Fisheries.

RECEIVED FROM THE COMPTROLLER GENERAL

2252. A letter from the Comptroller General of the United States, transmitting a report on alternative courses of action available to the Air Force for the strategic manned bomber; to the Committee on Government Operations.

2253. A letter from the Comptroller General of the United States, transmittnig a report on the use of revenue sharing funds by 250 local governments; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[*Omitted from the Record of April 25, 1974*]

Mr. STAGGERS: Committee on Interstate and Foreign Commerce.

H.R. 14368. A bill to provide for means of dealing with energy shortages by requiring reports with respect to energy resources, by providing for temporary suspension of certain air pollution requirements, by providing for coal conversion, and for other purposes; with amendment (Rept. No. 93-1013). Referred to the Committee of the Whole House on the State of the Union.

[*Submitted April 29, 1974*]

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 13834. A bill to provide standby emergency authority to assure that the essential energy needs of the United States are met, and for other purposes; with amendment (Rept. No. 93-1014). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Ms. ABZUG (for herself, Mr. Badillo, Ms. Boggs, Ms. Burke of California, Mr. Conyers, Mr. Diggs, Mr. Eckhardt, Mr. Eilberg, Mr. Helstoski, Ms. Holtzman, Mr. Podell, Mr. Riegle, Mr. Rosenthal, Mr. Stark, Mr. Stokes, Mr. Vander Veen, and Mr. Charles Wilson of Texas):

H.R. 14435. A bill to amend title 5, United States Code, to provide for the privacy of individual's records maintained by Federal agencies; to the Committee on Government Operations.

By Mr. ADAMS:

H.R. 14436. A bill to create an Economic Stabilization Board to establish objectives and standards governing imposition of price controls after April 30, 1974, and for other purposes; to the Committee on Banking and Currency.

By Mr. BIAGGI:

H.R. 14437. A bill to amend the Fair Labor Standards Act of 1938 to reduce and then repeal the credit against the minimum wage which is based on tips received by tipped employees; to the Committee on Education and Labor.

By Mrs. BOGGS:

H.R. 14438. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for social agency, legal, and related expenses incurred in connection with the adoption of a child by the taxpayer; to the Committee on Ways and Means.

By Mr. BURKE of Massachusetts (for himself, Mr. Biester, Mr. Burke of Florida, Mr. Luken, Mr. Shoup, and Mr. Bob Wilson):

H.R. 14439. A bill to amend the Social Security Act and the Internal Revenue Code of 1954 to provide for Federal participation in the costs of the social security program, with a substantial increase in the contribution and benefit base and with appropriate reductions in social security taxes to reflect the Federal Government's participation in such costs; to the Committee on Ways and Means.

By Mr. BURTON:

H.R. 14440. A bill to amend section 401 of the Social Security Amendments of 1972 to permit any State to utilize its public assistance payment levels for December 1973 (instead of the corresponding levels for January 1972) in limiting its liability for supplementation of Federal benefits under section 1616 of the Social Security Act; to the Committee on Ways and Means.

By Mr. CARNEY of Ohio:

H.R. 14441. A bill to amend title 39, United States Code, to provide for the mailing under the congressional franking privilege to Members of Congress of letter mail transmitted by their constituents in response to questionnaires of Members sent to constituents to obtain their opinions on public issues, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. COHEN:

H.R. 14442. A bill to amend certain provisions of Federal law relating to explosives; to the Committee on the Judiciary.

By Mr. CONABLE (for himself, and Mr. Green of Pennsylvania):

H.R. 14443. A bill to amend the Internal Revenue Code of 1954 with respect to lobbying by certain types of exempt organizations; to the Committee on Ways and Means.

By Mr. CONABLE (for himself, Mrs. Heckler of Massachusetts, and Mr. McKinney):

H.R. 14444. A bill to amend title XVIII of the Social Security Act to establish a program of long-term care services within the medicare program, to provide for the creation of community long-term care centers and State long-term care agencies as part of a new administrative structure for the organization and delivery of long-term care services, to provide a significant role for persons eligible for long-term care benefits in the administration of the program, and for other purposes; to the Committee on Ways and Means.

By Mr. FREY (for himself, Mr. Boland, Mrs. Chisholm, Mr. Kemp, Mr. Luken, Mr. Mazzoli, Mr. Roncalio of Wyoming, and Mr. Winn):

H.R. 14445. A bill to provide for a uniform application of safety standards for mobile homes and recreational vehicles in interstate commerce, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. FREY:

H.R. 14446. A bill to amend section 5345 of title 5, United States Code, to provide that certain prevailing rate employees shall not be subject to a reduction in pay; to the Committee on Post Office and Civil Service.

By Mr. GUNTER (for himself, Mr. Badillo, Mr. Dellums, Mr. Vander Veen, Mr. Fulton, Mr. Stark, Mr. Davis of South Carolina, Mr. Alexander, and Mr. Vigorito):

H.R. 14447. A bill to amend the Internal Revenue Code of 1954 to provide for the suspension of excise taxes on diesel fuel and special motor fuels, and to roll back the prices for such products; to the Committee on Ways and Means.

By Mr. GUYER (for himself and Mr. Latta):

H.R. 14448. A bill to amend the Internal Revenue Code of 1954 to relieve employers of 50 or less employees from the requirement of paying or depositing certain employment taxes more often than once each quarter; to the Committee on Ways and Means.

By HAWKINS (for himself, Mr. Perkins, and Mr. Steiger of Wisconsin):

H.R. 14449. A bill to provide for the mobilization of community development and assistance services and to establish a Community Action Administration in the Department of Health, Education and Welfare to administer such programs; to the Committee on Education and Labor.

By Mr. KYROS (by request):

H.R. 14450. A bill to amend the Federal Food, Drug, and Cosmetic Act respecting the new drug provisions of such act and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. LEHMAN:

H.R. 14451. A bill to amend the emergency Petroleum Allocation Act of 1973 to authorize and require the President of the United States to allocate asphalt and asphalt derivatives, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. LUJAN:

H.R. 14452. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to prohibit the Secretary of Transportation from imposing certain seatbelt standards, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MATSUNAGA:

H.R. 14453. A bill to amend title XVIII of the Social Security Act to require skilled nursing facilities under the medicare program and the medicaid program to provide medical social services; to the Committee on Ways and Means.

By Mr. PERKINS (for himself, Mr. Quie, and Mr. Andrews of North Carolina):

H.R. 14454. A bill to extend the authorization of appropriations for the Vocational Education Act of 1963 until fiscal year 1980; to the Committee on Education and Labor.

By Mr. QUILLEN:

H.R. 14455. A bill to amend title 39, United States Code, with respect to certain rates of postage, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. SYMMS (for himself, Mr. Cohen, Mr. Findley, Mr. Goodling and Mr. Rousselot):

H.R. 14456. A bill to suspend for a temporary period of time the provisions of section 27 of the Merchant Marine Act, 1920, in order to permit, under certain circumstances, vessels of foreign registry to transport fertilizer necessary to the production of agricultural commodities from Alaska to the west coast of the United States; to the Committee on Merchant Marine and Fisheries.

By Mr. WRIGHT:

H.R. 14457. A bill to amend the Federal Aviation Act of 1958 with respect to the definition of "air commerce" and "air transportation"; to the Committee on Interstate and Foreign Commerce.

By Mr. YATES:

H.R. 14458. A bill to provide that finding of permanent and total disability under title II or XVI of the Social Security Act, chapter 13 or 15 of title 38, United States Code, or the Railroad Retirement Act of 1937 will be considered as a finding of disability under any of such programs, and for other purposes; to the Committee on Ways and Means.

By Mr. BUCHANAN:

H.J. Res. 990. Joint resolution to designate May 1974 as National Needlepoint Month; to the Committee on the Judiciary.

By Mr. KUYKENDALL:

H.J. Res. 991. Joint resolution to authorize the President to issue a proclamation designating the month of May 1974 as National Arthritis Month; to the Committee on the Judiciary.

By Mr. THOMPSON of New Jersey:

H.J. Res. 992. Joint resolution to prohibit the Bureau of Labor Statistics from instituting any revision in the method of calculating the Consumer Price Index until such revision has been approved by resolution by either the Senate or the House of Representatives of the United States of America; to the Committee on Education and Labor.

By Mr. ROYBAL:

H. Con. Res. 484. Concurrent resolution requesting the President to proclaim the week of May 12 through 18, 1974, as National Migrant Education Week; to the Committee on the Judiciary.

By Mr. RODINO:

H. Res. 1072. Resolution; authorization for reprinting additional copies for use of the Committee on the Judiciary of the Committee print entitled "Procedures for Handling Impeachment Inquiry Material"; to the Committee on House Administration.

H. Res. 1073. Resolution; authorization for reprinting additional copies for use of the Committee on the Judiciary of the Committee print entitled "Work of the Impeachment Inquiry Staff as of February 5, 1974"; to the Committee on House Administration.

H. Res. 1074. Resolution; authorization for reprinting additional copies for use of the Committee on the Judiciary of the Committee print entitled "Work of the Impeachment Inquiry Staff as of March 1, 1974"; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials, were presented and referred as follows:

439. By the SPEAKER: A memorial of the Legislature of the Trust Territory of the Pacific Islands, relative to membership of the trust territory in the Asian Development Bank; to the Committee on Interior and Insular Affairs.

440. Also, memorial of the Legislature of the State of California, relative to Amtrak; to the Committee on Interstate and Foreign Commerce.

441. Also, memorial of the Legislature of the State of Colorado, requesting the Congress to propose an amendment to the Constitution of the United States prohibiting the assignment of students to schools on the basis of race, creed, or color; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARRETT:

H.R. 14459. A bill for the relief of Susan Magdalena Sotillo Daniele; to the Committee on the Judiciary.

By Mr. BROYHILL of Virginia:

H.R. 14460. A bill for the relief of Lim Jesusa Llacer and Emilio Llacer; to the Committee on the Judiciary.

By Mr. YOUNG of Florida:

H.R. 14461. A bill for the relief of Judith E. Sterling; to the Committee on the Judiciary.

SENATE—*Monday, April 29, 1974*

The Senate met at 12 o'clock noon and was called to order by Hon. James Abourezk, a Senator from the State of South Dakota.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Our Father-God, we thank Thee for this world which Thou hast given us for our home. For buds and blossoms, for lush fields and singing brooks, for cascading streams and stirring winds, for gentle rains, for warm sun, for the starlit heavens and all nature proclaiming Thy glory, we give Thee thanks. May our lives match all that is beautiful and good and true in the world about us.

We thank Thee, too, for the goodness in so many people and for the durability of our institutions. We thank Thee that when we wander from Thy pathway and transgress Thy law Thou dost call us back in love and forgiveness. With thankfulness for all that is good in the past and with forgiveness of all that is wrong, we beseech Thee to call us to a life we never yet have known—a new life of selfless service and a fresh devotion to justice, righteousness, and truth.

Through Him who is Redeemer and Lord. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. Eastland).

The assistant legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, D.C., April 29, 1974.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. James Abourezk, a Senator from the State of South Dakota, to perform the duties of the Chair during my absence.

James O. Eastland,
President pro tempore.

Mr. ABOUREZK thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, April 25, 1974, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT—APPROVAL OF A BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries, and he announced that on April 26, 1974, the President had approved and signed the bill (S. 1866) to provide increases in certain annuities payable under chapter 83 of title 5, United States Code, and for other purposes.

REPORT OF THE ADMINISTRATOR OF THE NATIONAL CREDIT UNION ADMINISTRATION—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. ABOUREZK) laid before the Senate the following message from the President of the United States, which, with an accompanying report, was referred to the Committee on Aeronautical and Space Sciences. The message is as follows:

To the Congress of the United States:

Pursuant to the provisions of Title I, section 102, of the Federal Credit Union Act, as amended (12 U.S.C. 1752a(e)), enclosed is the Annual Report of the Administrator of the National Credit Union Administration for the calendar year 1973.

RICHARD NIXON.

THE WHITE HOUSE, *April 29, 1974.*

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. ABOUREZK) laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 13998. A bill to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes; and

H.R. 13999. An act to authorize appropriations for activities of the National Science Foundation, and for other purposes.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills:

S. 2771. An act to amend chapter 5 of title 37, United States Code, to revise the special pay bonus structure relating to members of the Armed Forces, and for other purposes;

S. 3292. An act to authorize appropriations to the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes; and

H.R. 9492. An act to amend the Wild and Scenic Rivers Act by designating the Chattooga River, North Carolina, South Carolina, and Georgia as a component of the National Wild and Scenic System, and for other purposes.

The enrolled bills were subsequently signed by the Acting President pro tempore (Mr. ABOUREZK).

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred, as indicated:

H.R. 13998. A bill to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes. Referred to the Committee on Aeronautical and Space Sciences; and

H.R. 13999. An act to authorize appropriations for activities of the National Science Foundation, and for other purposes. Referred to the Committee on Labor and Public Welfare.

WAIVER OF CALL OF THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the call of the legislative calendar, under rule VIII, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ALLOCATION OF ENERGY RESOURCES TO THE TOURISM INDUSTRY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 760, Senate Resolution 281.

The ACTING PRESIDENT pro tempore. The resolution will be stated by title.

The assistant legislative clerk read as follows:

S. Res. 281, to express the sense of the Senate with respect to the allocation of necessary energy sources to the tourism industry.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution which had been reported from the Committee on Commerce with amendments to the preamble.

The resolution was agreed to.

The preamble, as amended, was agreed to.

The resolution, with its amended preamble, reads as follows:

Whereas tourism spending *by residents* and foreign visitors in the United States in 1972 totaled approximately $61,000,000,000;

Whereas tourism expenditures are the second ranking retail expenditure in the United States;

Whereas the Report of the National Tourism Resources Review Commission (June 25, 1973) estimated that spending for tourism in the United States is expected to total $850,000,000,000 over the decade 1970 to 1980;

Whereas tourism expenditures in the United States directly and indirectly provide employment for approximately four million Americans;

Whereas the leisure activity provided for Americans by the tourism industry is essential for a sound and healthy society;

Whereas the tourism industry is a major economic and social force in the United States;

Whereas the continued viability of the tourism industry depends upon the ability of international transport and of our public and private transportation system (including recreational vehicles), including sightseeing companies, motor coach operators, cruise lines, hotels, motels, and travel agencies to provide in a safe, economic, and efficient manner those goods, facilities, and services which support the tourism industry; and

Whereas the current energy shortage poses a serious threat to the tourism industry and consequently to the national economy and that of many States, areas, and cities: Now, therefore, be it

Resolved, That it is the sense of the Senate that in any allocation of energy supplies or other actions by Federal departments and agencies to alleviate the energy shortage, proper consideration should be given, in light of the facts expressed in the preamble of this resolution, to the provision of adequate supplies of energy to all segments of the tourism industry.

EXTENSION OF ENVIRONMENTAL EDUCATION ACT

Mr. MANSFIELD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 1647.

The ACTING PRESIDENT pro tempore (Mr. ABOUREZK) laid before the Senate the amendment of the House of Representatives to the bill (S. 1647) to extend the Environmental Education Act for 3 years, which was on page 1, line 7, strike out "Notwithstanding," and insert "Subject to".

Mr. NELSON. Mr. President, the House of Representatives has returned to the Senate with one amendment S. 1647, the Environmental Education Amendments of 1974.

The House has amended section 2 of the Senate bill by inserting "Subject to" in lieu of "Notwithstanding" section 448(b) of the General Education Provision Act.

Briefly, the Senate language prohibits the Commissioner of Education from abolishing the Advisory Council on Environmental Education that is mandated by section 3(c)(1) of the act. The House language returns to the Commissioner discretion on abolishing this statutory advisory council.

The question is not whether the council is to be reestablished when this bill is signed into law but rather, what procedure is to be used should anyone want to abolish the council. The Senate language would prohibit the council's abolishment prior to July 1, 1977, while the House amendment permits the Commissioner of Education to abolish the council pursuant to procedures explained in section 448(b) of the General Education Provision Act.

This section provides that the Commissioner can abolish a statutory advisory council only after such intent is published in the Commissioner's annual report to Congress and only if either House of the Congress does not disapprove of this action.

In anticipation that the Environmental Education Act—Public Law 91-516) would not be extended the Commissioner of Education published in the annual report distributed on May 17, 1973, his intent to abolish the council. Congress did not act and 90 days later the original council ceased to exist.

The bill, S. 1647, that we have before us today reestablishes a very popular program. On October 24, 1973, the House passed a bill, H.R. 3927 by a vote of 335 to 60. The Senate's action on S. 1647, the companion legislation, was unanimous. And the final House action on this one minor amendment was also unanimous.

The congressional intent on this legislation is clear: Once this bill is signed into law the program is officially renewed. The program includes the reestablishment of the Advisory Council.

This council is particularly important since it has four specific duties and responsibilities to perform. It does something. It is important that new members be appointed by the Secretary of HEW as soon as possible. This opinion is shared by all the former council members. In fact, the second annual report of the Advisory Council stresses this point, that the Council is an integral part of the legislation and should be renewed.

Mr. President, I ask unanimous consent that the second annual report of the Advisory Council on Environmental Education and a letter of support from Advisory Council consul, Ms. Linda Lee, be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Advisory Council on
Environmental Education,
Washington, D.C., March 1, 1973.

Dr. John Ottina,
Acting Commissioner, U.S. Office of Education, Washington, D.C.

Dear Commissioner Ottina: The Advisory Council on Environmental Education has recently completed a year of diligent service as representatives in advising and assisting the implementation of the Environmental Education Act of 1970 (P.L. 91-516).

Representing a wide variety of backgrounds and interests, the Council has attempted to carry out its mandated responsibilities.

As the report indicates, the Council has continued to operate under a limited budget and without formal staffing, thereby frustrating our efforts to produce more comprehensive results.

The Office of Environmental Education has also suffered from inadequate funding and staffing. This has hampered overall administration of the Act.

Bearing these constraints in mind, the Council questions that real progress in environmental education can be achieved unless and until there is significantly greater commitment by the Department and the Administration.

We urge your careful review and consideration in responding to the critical problems outlined in this Report.

Sincerely,

Ella Mae Turner,
Chairman.

Second Annual Report of the Advisory Council on Environmental Education, March 1973

I. FOREWORD

In the year since the First Annual Report of the Advisory Council on Environmental Education, the most compelling problems confronting the people of the world remain peace, poverty, population and pollution. Although peace appears to be somewhat closer at long last, progress in the other areas of critical concern to society is less evident. Most Americans are aware of the deterioration of the quality of the environment and genuinely desire to reverse that trend, but governments and institutions have been slow to respond effectively.

Since it is now widely accepted that the survival of human-kind depends upon coexistence with each other and the limited earth resources which support our fragile ecosystem, we must provide the contingent education for sound resource management and environmental planning. It has also become clear that the entire educational system must be revised and revitalized to meet these needs which the Environmental Education Act of 1970 defines as ". . . man's relationship with his natural and manmade surroundings, and includes the relation of population, pollution, resource allocation and depletion, conservation, transportation, technology, and urban and rural planning to the total human environment."

That Act (Public Law 91-516) was created to encourage the development of programs dealing with the process of relating man to his environment. Specifically, the legislation provided for Federal grants to a variety of public and private agencies, and a public and technical information responsibility in the U.S. Office of Education. Within that office, an Office of Environmental Education, as stipulated in the law, was designated in late 1971 to implement these functions.

The Act also provided for the establishment of an Advisory Council on Environmental Education composed of 21 representative citizens to review and report on the development and progress of environmental education programs. Bogged down in bureaucratic delays, the Council finally became an operating unit in December of 1971, with 19 appointees. It continues to be severely handicapped by the lack of adequate funding, lack of any staff personnel and lack of the full number of authorized appointments.

As noted in the Council's First Report, if it is to achieve its Congressional mandate to represent the environmental education needs and interests of the people of the United States, the Council should have been involved in the following activities:

Participation in the planning process for programs under the Environmental Education Act.

Program review during the developmental stages,

Recommendation of changes and modifications are appropriate,

Identification of problems beyond the scope of the Council to be channelled to the proper offices and officials, and

Dissemination of information for general public awareness and for technical assistance to new or continuing programs throughout the country.

Despite the acute limitations indicated, the Council's three Standing Committees have carefully analyzed the status of the Environmental Education Act and the Office of Environmental Education from these perspectives. The following report details the Council's findings and recommendations.

II. SUMMARY RECOMMENDATIONS

After reviewing the serious handicaps in the implementation of the Environmental Education Act, the Advisory Council recommends:

1. Extension of the Environmental Education Act.
2. Possible relocation of the Office of Environmental Education.
3. Evaluation of the environmental Education grants program.
4. Creation of an Interagency Coordination Committee for Environmental Education.
5. Restructuring the advisory council on environmental education.
6. Full staffing for the Office of Environmental Education.

III. DETAILED FINDINGS AND RECOMMENDATIONS

1. Extension of the Environmental Education Act

The Environmental Education Act of 1970 (P.L. 91-516) was passed as a result of Congressional initiative supported at the grass roots by educators, community action groups, conservationists and private citizens. The Act authorized a three year program of $5 million for fiscal year 1971, $15 million for fiscal 1972, and $25 million for fiscal 1973.

Appropriations never even approximated authorizations. Actual program funding totalled only $1.7 million in 1971 and $3 million in 1972, permitting the award of only 236 grants out of 3500 applications received. In those two years, staff and program support also came out of the line-item appropriation. The estimated program funding for fiscal 1973 is $3.1 million[*] with staff and program support costs borne by the overall Office of Education budget for the first time. Despite these limitations, public interest has remained high and fiscal 1973 applications are expected to reach earlier levels.

The importance of environmental education has been underlined by numerous governmental agencies, advisory committees and private groups. In its 1972 report to the President, for example, the Citizens' Advisory Committee on Environmental Quality stated that ". . . . the quality and accessibility of environmental education in this country . . . must reach citizens of all ages, encompass numerous academic and technical disciplines, and utilize the broadest possible range of formal and informal educational settings. . . ."

Due to the failure of the Office of Education to provide the Office of Environmental Education with staff, physical facilities and administrative support, the beginning of the program was delayed for nearly a year after its enactment. In the course of its discussions with recipients, examination of project reports and personal visits to ongoing projects, the Council finds that although there are many outstanding projects underway, these first three years cannot be considered a fair trial of the Congressional mandate. It is unrealistic to think that an environmentally aware public or an environmentally sensitized student population can be achieved in three years (or even six) with only $7.2 million (estimated) in direct funding. The need is too great and public interest too high to abandon the effort now. The program should be continued.

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[*] In view of the pending expiration of P.L. 91-516 on June 30, 1973, no funds were requested by the President for fiscal year 1974. The Council strongly recommends that the Executive Branch provide full funding of any new environmental education legislation. Congressman John Brademas, Chairman of the House Select Subcommittee on Education, has introduced with bipartisan support a bill (H.R. 3972) call for a new $60 million 3-year program.

2. Possible relocation of the Office of Environmental Education

In recommending the extension of Public Law 91–516, the Council does not necessarily recommend a continuation of the present bureaucratic location of the environmental education program. From the passage of the Act, Office of Education and Department of Health, Education and Welfare officials have been virtually silent on the subject of environmental education despite President Nixon's own support for the concept. In his February 8, 1971, Message to the Congress, the President said:

"The building of a better environment will require in the long term a citizenry that is both deeply concerned and fully informed. Thus, I believe that our educational system, at all levels, has a critical role to play."

Throughout its bureaucratic life, the Office of Environmental Education has been subject to considerable harassment including several office moves, inability to hire its full staff complement, delays in clearing documents and abrupt changes in deadlines.

If the Assistant Secretary for Education and the Commissioner of Education cannot assure the Congress that it will give priority to environmental education programs, as the present law provides, then any new or extended program should be located in more hospitable surroundings.

In view of the large number of pending governmental reorganizations, the Council does not have a specific recommendation at this time, but it hopes that the Congress will insist on this point in any consideration of new legislation.

3. Evaluation of the environmental education grants program

It is critically important that a careful and thorough review and analysis of the programs funded under P.L. 91–516 be undertaken. Such a review may enable the development of guidelines and model programs of national scope and significance for implementation throughout the United States.

The evaluation should be undertaken in the context of the criteria developed by the Council pursuant to Section 3(c) (2) of the Act and incorporated in the guidelines sent to potential applicants by the Office of Education.

It would be a violation of the public trust to deny to educational institutions and citizens groups the benefits of both the successes and failures of the efforts to date.

4. Creation of an interagency coordination committee for environmental education

Although the legislative history of the Environmental Education Act indicates that environmental education programs were to be "synergistic" in that they would draw not only on resources provided by the Act but also on those of other educational programs such as Titles I and III of the Elementary and Secondary Education Act, vocational education, cooperative education and the like, there is some confusion as to the extent to which this mandate has been carried out. In April 1972, the Deputy Commissioner of Education for Renewal told the House Select Subcommittee on Education that $11.5 million would be made available through this means in fiscal year 1972. There exists, however, at least for the record, no document indicating whether or not this was done, or whether or not programs called "synergistic" in fact served an environmental education need.

However a new or extended environmental education bill is structured, the Council recommends that a federal interagency coordinating committee on environmental education synergy be created under the aegis of the Council on Environmental Quality. The committee should be chaired by the Director of the Office of Environmental Education and include provision for the inclusion of advisory representatives of states and national private agencies.

The coordinating committee should be a working group sharing information and experience in an effort to maximize the effectiveness of the national environmental education effort. It should prepare a summary of its activities and recommendations for inclusion in the annual report of the Council on Environmental Quality to the Congress pursuant to the National Environmental Policy Act of 1970.

5. Restructuring the Advisory Council on Environmental Education

An advisory council can be no more effective than the program it serves and it, too, must have adequate resources and sufficient support within its agency to meet its objectives. Like the Office of Environmental Education, the Advisory Council has been beset with delays. Created more than a year after the passage of the Act, the Council was naturally unable to participate fully in the first year of grant awards. It has never had its full complement of 21 members as called for in the law.

Nevertheless, the Council has sought to do its job as effectively as possible and in all instances has received excellent cooperation from the Office of Environmental Education staff. As a result of its 16 months experience, the Council does have specific recommendations we believe could make it a more effective part of the overall environmental education effort:

1. Reduction in membership from 21 to 15;

2. Election of the Chairman by the members of the Council;

3. The provision of regular professional staff.

6. Full staffing for the Office of Environmental Education

The Office of Environmental Education has never had sufficient staff and for the past year has not even had the full complement of staff positions assigned to it. Through personal observation of Office activities, the Council finds that it is literally impossible for the staff to keep up with the daily demands on their time and resources despite the dedication of personnel willing to devote evenings and weekends to getting the job done.

In addition to its own considerable workload, the staff has also had to service the needs of the Council. Although members have been willing to make their own travel and meeting arrangements and cooperate in any possible way, in the absence of regular professional staff it has been seriously hampered in fulfilling its own legislative mandate.

IV. CONCLUSION

In three State of the Union Messages and three Special Messages on the Environment, President Nixon has spoken of the need for environmental literacy, new values and attitudes, and environmental awakening. At the time of the Third Annual Report of the Council on Environmental Quality in 1972, the President stressed the importance of both formal and informal education to prevent the environmental movement from becoming elitist.

The Environmental Education Act, signed into law October 30, 1970, was intended by the Congress to address the environmental needs of all citizens. It was widely believed that the Environmental Education Act and the National Environmental Policy Act of 1970 were mutually supportive laws, which read together provided a strategy for environmental protection involving standards, monitoring, enforcement, evaluation and dissemination in keeping with the mandate of P.L. 91–516 " . . . to encourage understanding of policies, and support of activities designed to enhance environmental quality and maintain ecological balance . . ."

Environmental education has received little more than lip service from the Executive Branch. We are nearly as far from achievement of its goals as we were at the time of the passage of the original legislation three years ago. In part through the efforts of the Office of Environmental Education, the needs are now more clearly articulated and there is stronger public support for an educational effort to enhance respect for the quality of life and to provide the practical tools for environmental problem-solving. Although the President has not requested additional funding for environmental education due to the potential expiration of the Environmental Education Act on June 30, 1973, it is the hope of this Council that the Congress which gave the Act life will let it continue to grow and assign it to an Agency which will conscientiously and creatively administer it.

The continued existence of the environmental education program will put us to the ultimate test: Are we sufficiently committed to environmental quality to match our resources with our rhetoric?

V. APPENDICES—APPENDIX A—THE ENVIRONMENTAL EDUCATION ACT

(Public Law 91–516, 91st Congress, H.R. 18260, October 30, 1970)

An act to authorize the United States Commissioner of Education to establish education programs to encourage understanding of policies, and support of activities, designed to enhance environmental quality and maintain ecological balance

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Environmental Education Act".

STATEMENT OF FINDINGS AND PURPOSE

Sec. 2. (a) The Congress of the United States finds that the deterioration of the quality of the Nation's environment and of its ecological balance poses a serious threat to the strength and vitality of the people of the Nation and is in part due to poor understanding of the Nation's environment and of the need for ecological balance; that presently there do not exist adequate resources for educating and informing citizens in these areas, and that concerted efforts in educating citizens about environmental quality and ecological balance are therefore necessary.

(b) It is the purpose of this Act to encourage and support the development of new and improved curricula to encourage understanding of policies, and support of activities designed to enhance environmental quality and maintain ecological balance; to demonstrate the use of such curricula in model educational programs and to evaluate the effectiveness thereof; to provide support for the initiation and maintenance of programs in environmental education at the elementary and secondary levels; to disseminate curricular materials and other information for use in educational programs throughout the Nation; to provide training programs for teachers, other educational personnel, public service personnel, and community, labor, and industrial and business leaders and employees, and government employees at State, Federal, and local levels; to provide for the planning of outdoor ecological study centers; to provide for community education programs on preserving and enhancing environmental quality and maintaining ecological balance; and to provide for the preparation and distribution of materials by mass media in dealing with the environment and ecology.

ENVIRONMENTAL EDUCATION

Sec. 3. (a) (1) There is established within the Office of Education, an office of environmental education (referred to in this section as the "office") which, under the supervision of the Commissioner, through regulations promulgated by the Secretary, shall be responsible for (A) the administration of the program authorized by subsection (b) and (B) the coordination of activities of the Office of Education which are related to environmental education. The office shall be headed by a Director who shall be compensated at a rate not to exceed that prescribed for grade GS-17 in section 5332 of title 5, United States Code.

(2) For the purposes of this Act, the term "environmental education" means the educational process dealing with man's relationship with his natural and manmade surroundings, and includes the relation of population, pollution, resource allocation and depletion, conservation, transportation, technology, and urban and rural planning to the total human environment.

(b) (1) The Commissioner shall carry out a program of making grants to, and contracts with, institutions of higher education, State and local educational agencies, regional educational research organizations, and other public and private agencies, organizations, and institutions (including libraries and museums) to support research, demonstration, and pilot projects designed to educate the public on the problems of environmental quality and ecological balance, except that no grant may be made other than to a nonprofit agency, organization or institution.

(2) Funds appropriated for grants and contracts under this section shall be available for such activities as—

(A) the development of curricula (including interdisciplinary curricula) in the preservation and enhancement of environmental quality and ecological balance;

(B) dissemination of information relating to such curricula and to environmental education, generally;

(C) in the case of grants to State and local educational agencies, for the support of environmental education programs at the elementary and secondary education levels;

(D) preservice and inservice training programs and projects (including fellowship programs, institutes, workshops, symposiums, and seminars) for educational personnel to prepare them to teach in subject matter areas associated with environmental quality and ecology, and for public service personnel, government employees, and business, labor, and industrial leaders and employees;

(E) planning of outdoor ecological study centers;

(F) community education programs on environmental quality, including special programs for adults; and

(G) preparation and distribution of materials suitable for use by the mass media in dealing with the environment and ecology.

In addition to the activities specified in the first sentence of this paragraph, such funds may be used for projects designed to demonstrate, test, and evaluate the effectiveness of any such activities, whether or not assisted under this section.

(3) (A) Financial assistance under this subsection may be made available only upon application to the Commissioner. Applications under this subsection shall be submitted at such time, in such form, and containing such information as the Secretary shall prescribe by regulation and shall be approved only if it—

(i) provides that the activities and services for which assistance is sought will be administered by, or under the supervision of, the applicant;

(ii) describes a program for carrying out one or more of the purposes set forth in the first sentence of paragraph (2) which holds promise of making a substantial contribution toward attaining the purposes of this section;

(iii) sets forth such policies and procedures as will insure adequate evaluation of the activities intended to be carried out under the application;

(iv) sets forth policies and procedures which assure that Federal funds made available under this Act for any fiscal year will be so used as to supplement and, to the extent practical, increase the level of funds that would, in the absence of such Federal funds, be made available by the applicant for the purposes described in section 3, and in no case supplant such funds.

(v) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this title; and

(vi) provides for making an annual report and such other reports, in such form and containing such information, as the Commissioner may reasonably require and for keeping such records, and for affording such access thereto as the Commissioner, may find necessary to assure the correctness and verification of such reports.

(B) Applications from local educational agencies for financial assistance under this Act may be approved by the Commissioner only if the State educational agency has been notified of the application and been given the opportunity to offer recommendations.

(C) Amendments of applications shall, except as the Secretary may otherwise provide by or pursuant to regulation, be subject to approval in the same manner as original applications.

(4) Federal assistance to any program or project under this section, other than those involving curriculum development dissemination of curricular materials, and evaluation, shall not exceed 80 per centum of the cost of such program for the first fiscal year of its operation, including costs of administration, unless the Commissioner determines, pursuant to regulations adopted and promulgated by the Secretary establishing objective criteria for such determinations, that assistance in excess of such percentages is required in furtherance of the purposes of this section. The Federal share for the second year shall not exceed 60 per centum, and for the third year 40 per centum. Non-Federal contributions may be in cash or kind, fairly evaluated, including but not limited to plant, equipment, and services.

(c) (1) There is hereby established an Advisory Council on Environmental Education consisting of twenty-one members appointed by the Secretary. The Secretary shall appoint one member as Chairman. The Council shall consist of persons appointed from the public and private sector with due regard to their fitness, knowledge, and experience in matters of, but not limited to, academic, scientific, medical, legal, resource conservation and production, urban and regional planning, and information media activities as they relate to our society and affect our environment, and shall give due consideration to geographical representation in the appointment of such members: *Provided, however,* That the Council shall consist of not less than three ecologists and three students.

(2) The Council shall—

(A) advise the Commisioner and the office concerning the administration of, preparation of general regulations for, and operation of programs assisted under this section.

(B) make recommendations to the office with respect to the allocation of funds appropriated pursuant to subsection (d) among the purposes set forth in paragraph (2) of subsection (b) and the criteria to be used in approving applications, which criteria shall insure an appropriate geographical distribution of approved programs and projects throughout the Nation;

(C) develop criteria for the review of applications and their disposition; and

(D) evaluate programs and projects assisted under this section and disseminate the results thereof.

TECHNICAL ASSISTANCE

Sec. 4. The Secretary of Health, Education, and Welfare, in cooperation with the heads of other agencies with relevant jurisdiction, shall, insofar as practicable upon request, render technical assistance to local educational agencies, public and private nonprofit organizations, institutions of higher education, agencies of local, State, and Federal governments and other agencies deemed by the Secretary to play a role in preserving and enhancing environmental quality and maintain ecological balance. The technical assistance shall be designed to enable the recipient agency to carry on education programs which are related to environmental quality and ecological balance.

SMALL GRANTS

Sec. 5. (a) In addition to the grants authorized under section 3, the Commissioner, from the sums appropriated, shall have the authority to make grants, in sums not to exceed $10,000 annually, to nonprofit organizations such as citizens groups, volunteer organizations working in the environmental field, and other public and private nonprofit agencies, institutions, or organizations for conducting courses, workshops, seminars, symposiums, institutes, and conferences, especially for adults and community groups (other than the group funded).

(b) Priority shall be given to those proposals demonstrating innovative approaches to environmental education.

(c) For the purposes of this section, the Commissioner shall require evidence that the interested organization or group shall have been in existence one year prior to the submission of a proposal for Federal funds and that it shall submit an annual report on Federal funds expended.

(d) Proposals submitted by organizations and groups under this section shall be limited to the essential information required to evaluate them, unless the organization or group shall volunteer additional information.

ADMINISTRATION

Sec. 6. In administering the provisions of this Act, the Commissioner is authorized to utilize the services and facilities of any agency of the Federal Government and of any other public or private agency or institution in accordance with appropriate agreements, and to pay for such services either in advance or by way of reimbursement, as may be agreed upon. The Commissioner shall publish annually a list and description of projects supported under this Act and shall distribute such list and description to interested educational institutions, citizens' groups, conservation organizations, and other organizations and individuals involved in enhancing environmental quality and maintaining ecological balance.

AUTHORIZATION

Sec. 7. There is authorized to be appropriated $5,000,000 for the fiscal year ending June 30, 1971, $15,000,000 for the fiscal year ending June 30, 1972, and $25,000,000 for the fiscal year ending June 30, 1973 for carrying out the purposes of this Act.

LEGISLATIVE HISTORY

House Report No. 91-1362 (Comm. on Education and Labor).

Senate Report No. 91–1164 (Comm. on Labor and Public Welfare).

CONGRESSIONAL RECORD, Vol. 116 (1970): Aug. 3, considered and passed House. Sept. 21, considered and passed Senate, amended. Oct. 13, House concurred in Senate amendments with an amendment; Senate concurred in House amendment.

APPENDIX B

ENVIRONMENTAL EDUCATION ACT FUNDING, FISCAL YEARS 1971–73

[In thousands of dollars]

	1971	1972	1973
Total appropriation	2,000	3,514	3,180
Program funds	1,725	2,999	3,180
Salaries and expenses	225	465	(1)
Advisory council	[2]0	50	[1]50

[1] Disbursement from Office of Education salary and expense budget.

[2] The Advisory Council was appointed in November 1971, 5 mos. after the beginning of fiscal 1972.

APPENDIX C

SUMMARY OF GRANTS IN FISCAL 1972

Among 162 grants totaling $2,999,040.00 for environmental education projects announced in late June 1972 by U.S. Commissioner of Education, Sidney P. Marland, Jr., were eleven for statewide evaluation and dissemination.

The 11 States receiving such awards included Alabama, Colorado, District of Columbia, Hawaii, Massachusetts, Michigan, Minnesota, New Hampshire, North Carolina, Texas, and Wisconsin.

Most of the 162 were made under the Environmental Education Act (P.L. 91–516), though some were funded under P.L. 90–35 (the Education Professions Development Act) and one was awarded under the Cooperative Research Act (P.L. 83–531). Grants were made in each of the 50 States, the District of Columbia, Puerto Rico, and Micronesia.

Range of awards, based on preliminary estimates which are subject to negotiation, is $900 to $60,000. The average per project is $18,544, while the median award is for $13,600.

A breakdown by regions and States indicates that O.E. Region V received the greatest cash total, $510,540, and had the highest number of funded proposals, 31 (Table I). Among individual states, New York and California were the sources of the most proposals (214 and 194, respectively), received the most awards (12 and 11), and the greatest cash totals ($206,900 and $205,250).

TABLE I: FISCAL YEAR 1972 ENVIRONMENTAL EDUCATION AWARDS—NUMBER OF PROPOSALS AND DOLLARS PER STATE AND REGION

Region and State	Proposals submitted	Proposals funded	Dollars funded per State
Region I:			
Massachusetts	52	6	82,300
Connecticut	47	4	61,900
New Hampshire	15	5	67,800
Vermont	12	3	39,000
Maine	9	1	44,000
Rhode Island	5	1	14,000
Dollars funded per region			309,000
Region II:			
New York	214	12	206,900
New Jersey	53	3	53,200
Puerto Rico	7	1	20,000
Dollars funded per region			280,100
Region III:			
Pennsylvania	76	7	172,000
West Virginia	11	1	12,500
Delaware	9	2	28,000
Virginia	27	5	44,400
Maryland	28	1	20,000
District of Columbia	32	6	87,750
Dollars funded per region			364,650
Region IV:			
Florida	47	5	124,000
Georgia	26	3	74,500
North Carolina	29	2	66,000
Kentucky	17	2	23,500
Alabama	26	2	52,000
Mississippi	16	1	8,000
Tennessee	18	2	24,000
South Carolina	6	1	8,000
Dollars funded per region			380,000
Region V:			
Ohio	52	4	96,500
Indiana	23	7	81,800
Illinois	24	7	127,440
Minnesota	42	6	78,300
Michigan	62	2	67,000
Wisconsin	39	5	59,500
Dollars funded per region			510,540
Region VI:			
Texas	37	3	49,200
Louisiana	9	1	25,000
Arkansas	3	2	65,750
Oklahoma	15	2	77,000
New Mexico	7	1	37,000
Dollars funded per region			253,950
Region VII:			
Nebraska	8	1	18,000
Iowa	17	1	5,800
Missouri	25	2	60,000
Kansas	6	1	11,000
Dollars funded per region			94,800
Region VIII:			
Colorado	38	4	139,000
Utah	8	1	13,600
Wyoming	4	1	9,000
South Dakota	5	1	26,000
North Dakota	12	2	34,000
Montana	17	3	47,000
Dollars funded per region			268,600
Region IX:			
California	194	11	205,250
Nevada	9	1	5,500
Hawaii	11	2	33,500
Trust Territories	1	1	25,500
Arizona	16	2	23,950
Dollars funded per region			293,700
Region X:			
Washington	39	3	75,500
Idaho	11	2	19,000
Oregon	40	5	68,000
Alaska	11	2	85,700
Dollars funded per region			248,200

Among grants of particular interest are:

To the Center for Research and Education of Denver, Colorado, for provision of technical assistance to State environmental education planning groups;

To the Center for Curriculum Design of Evanston, Illinois, for nationwide dissemination to environmental educators through regional workshops;

Eleven programs directed at minority groups (four black, four Indian, and three Spanish-speaking);

Eleven awards to special groups and institutions (five population, two architectural, and four museums);

Thirty-one applications from among 51 Fiscal Year 1971 grantees reapplying were funded.

In all, 33 awards were made for workshops, 11 for State evaluation and dissemination, 11 for personnel training, 25 for community awareness, 66 for instruction and curriculum, and 16 for evaluation and dissemination (Trade II).

TABLE II.—FISCAL YEAR 1972 ENVIRONMENTAL EDUCATION AWARDS, BY CATEGORY, AS COMPARED TO FISCAL YEAR. 1971 AWARDS

Categories	1972 E.E. awards, number of awards	1971 E.E. awards, number of awards
Type A: Workshops	33	36
Type B: Statewide evaluation and dissemination	11	5
Type C: Pilot projects:		
Personnel training:		
(A) Inservice educational personnel	4	1
(B) Inservice noneducational personnel	4	1
(C) Preservice education personnel	1	---------
(D) Preservice noneducational personnel	1	1
(E) Government personnel	1	1
Total personnel training	11	4
Community awareness:		
(F) School-community models	1	1
(G) Environmental education centers	14	6
(H) Citizen participation projects	10	11
Total community awareness	25	18
Instruction and curriculum:		
(I) Elementary and secondary programs	7	1
(J) Supplementary materials	18	1
(K) Curriculum development	38	8
Including Media projects (K_2)	3	
Total instruction and curriculum	66	10
Evaluation and dissemination:		
(L) General evaluation	1	1
(M) Dissemination: Information dissemination	12	0
(N) Dissemination: Information clearinghouse	3	0
Total evaluation and dissemination	16	1
Grand total	162	74

Thirty-four awards were made to institutions of higher education, eleven of them private institutions. In addition, 29 local education agencies, 29 private (or other) organizations, and 26 private environmental organizations were funded (Table III).

TABLE III.—FISCAL YEAR 1972 ENVIRONMENTAL EDUCATION AWARDS, BY TYPE OF ORGANIZATION FUNDED

Type of organization	Number of awards	Dollars funded
Institutes of higher education	34	599,900
Private/other	29	497,450
Local education agencies	29	486,000
Private educational organization	11	381,750
Private environmental organization	26	376,850
Public agencies and organizations	7	194,940
State education agencies	6	176,950
Museums	4	111,800
Community colleges/vocational education schools	9	87,300
Private elementary and secondary schools	4	56,600
Public libraries	3	29,500
Total	162	2,999,040

APPENDIX D

SCHEDULE OF ADVISORY COUNCIL ACTIVITIES

December 3–5, 1971, Full Council—Organizational Meeting, Washington, D.C.

January 9–10, 1972, Steering Committee, Washington, D.C.

February 6–8, 1972, Full Council and Standing Committees, Washington, D.C.

April 13, 1972, Dissemination Committee.

April 14–15, 1972, Executive Committee.

April 16, 1972, Congressional Oversight Committee, Washington, D.C.

June 22–25, 1972, Full Council and Standing Committees. Host: Minnesota Environmental Science Foundation.

July 24, 1972, Legislative Review Committee, Washington, D.C.

September 29–October 1, 1972, Full Council and Standing Committees, Washington, D.C.

December 1, 1972, Executive Committee, Green Bay, Wisconsin.

January 23–27, 1973, Full Council and Standing Committees—Annual Report Preparation. Host: National Association for Environmental Education, Miami, Florida.

March 30, 1973, Executive Committee, Washington, D.C.

May 4–6, 1973, Full Council and Standing Committees, Washington, D.C.

LINDA K. LEE,
Washington, D.C., April 15, 1974.

Hon. GAYLORD NELSON,
Washington, D.C.

DEAR SENATOR: On behalf of the first National Advisory Council on Environmental Education, I am writing to thank you and your Subcommittee for your diligent efforts to secure passage of S. 1647, extending the Act for an additional three years.

All of the Members of the original group have been polled and have expressed their gratitude for your efforts. We have an additional request that the text of our Second Annual Report, dated March 1973, be included in the Congressional Record at some point as it contains some specific recommendations for the operation and staffing of a Committee to be appointed under the new Act.

We hope that you and your staff will let us know if there is anything we can do at this point to secure prompt approval by the House of the Senate amendments, and to assist in the forthcoming appropriations process. We are unanimous in our belief in the importance of this program and the importance of its continuation and expansion.

With high regard,
Sincerely,
LINDA K. LEE,
Counsel, National Advisory Council, on Environmental Education.

Mr. NELSON. Mr. President, with this understanding of both the amendment and of the intent of the Congress I believe the Senate should concur with the House amendment regarding S. 1647, the Environmental Education Amendments of 1974 and send the bill to the President for his signature.

Mr. MANSFIELD. Mr. President, I move that the Senate concur in the amendment of the House.

The motion was agreed to.

VISIT TO ROMANIA, BULGARIA, AND THE SOVIET UNION—INTERPARLIAMENTARY UNION

Mr. HUGH SCOTT. Mr. President, I have just returned, after an official leave of absence, from the Interparliamentary Union meeting at Bucharest, Romania, as chairman of the U.S. delegation, following which I made two visits to Moscow with some days attendance at the Dartmouth VIII Conference headed by Norman Cousins and Yuri Zhukov as cochairmen. This conference is one which has been a source of much commitment on the part of Mr. David Rockefeller and of other gentlemen interested in Soviet-American relations, with discussions on problems of the economy.

I had one 2-hour meeting with General Secretary Leonid Brezhnev, and also a meeting with the heads of the two Houses of the Russian Congress, and with a number of other parliamentarians.

I will have more to say on my reactions and what was discussed with these gentlemen.

I found particularly interesting my conversation with Mr. Georgii Arbatov, the head of the U.S. Desk of the National Academy of Sciences, and with Mr. Yuri Zhukov, who is perhaps the best-known commentator and journalist in the Soviet Union today.

I had a number of newspaper, radio, and television interviews in the course of these visits.

The discussions were very useful, touching on matters of national security and mutual national interest, reduction of tensions, progress in the SALT talks, trade, emigration policies in the Soviet Union, the United States trade bill, and many other topics.

I think the trip was most useful and I am very glad that I had this rather unusual opportunity.

I also had the very great pleasure to talk with President Nicolae Ceausecu of Romania, and with Mr. Emil Bodnaraf, Vice President of the Council of States.

I also met with some officials in Bulgaria, so that I believe we got a very good overview of some of the major problems with which East and West are currently concerned and will continue to be concerned.

As I say, I shall have more to say later.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the distinguished Senator from Wisconsin (Mr. PROXMIRE) is now recognized for not to exceed 15 minutes.

PENTAGON MANAGEMENT INNOVATIONS

Mr. PROXMIRE. Mr. President, on Thursday, in my series of speeches on what is right with the Federal Government, I discussed how the Department of Defense has made great strides in improving the strategic capability of the United States. The addition of the Minuteman and Poseidon missile systems to our nuclear arsenal have provided us with the world's most devastating military force. Improvements in other high technological areas are producing similar results.

Today, however, there is another issue of military improvement and excellence I would like to address, and that is the question of management innovation in the Defense Department. Judging by the past 15 years, the Department of Defense has faced and solved more management problems with greater success than any business in the world. I have criticized the Defense Department before and I will do so again and vigorously. But in all fairness, they have done well in many respects and deserve credit for it.

It is reassuring to look back at the enormous problems the Department of Defense has solved by wise management and sound decisionmaking, especially since the mood of the country seems to be pessimistic and critical of all Government bureaucracies. A review of past and present defense management programs will quickly show that we are making progress.

In the late years of the Eisenhower "New Look," the emphasis was on strategic nuclear weapons and little attention was given to general purpose forces. The lingering effects of the massive retaliation doctrine had a detrimental impact on the preparedness of the Army and Navy.

Land and sea fighting capability was sacrificed for over-reliance on nuclear technology. Due to budgetary limitations, tactical forces were at a low level of effectiveness. Since that time, however, management decisions taken by the Department of Defense have prompted revolutionary changes in the firepower, mobility, support, and communications capabilities of the U.S. Armed Forces.

Starting with a ground force Army equipped with obsolete World War II arms such as the M–1 rifle, tube-type artillery, wornout vehicles, and a preoccupation with nuclear warfare, the Army has rapidly upgraded its capability.

Helicopters are now utilized on a scale unduplicated by any other country in the world for combat and general transportation. They can support troops in the field with aerial firepower and attack enemy armor units.

The U.S. M–60 tank with its recent modifications is second to none in the world. Even though we have not been successful in developing a newer tank at a reasonable cost, the basic M–60 variants have been found to be superb under many different conditions. A new family of artillery pieces with vastly improved ammunition have been procured and deployed with U.S. units around the world.

Most recently a new series of antitank weapons, the LAW, Dragon, and TOW are replacing the older bazookas and recoilless rifles. If these weapons prove out, they could dramatically change ground combat tactics, especially for Europe where the United States faces a substantial number of Soviet and Eastern bloc tanks.

A highly diversified family of tactical nuclear weapons ranging from the 155-millimeter artillery through Pershing to the latest Lance missile currently is available. These weapons are stationed in Allied countries in Europe and in the Far East. While the utility of tactical nuclear weapons is subject to various interpretations, there is no doubt that they have provided the backbone to the United States-European defense and are a continuing source of corcern to U.S.S.R.

The Navy faced a similar problem of preparedness. Essentially, the Navy was operating with the same ships in 1957 as were available at the end of World War II. Since then the Navy has made extensive use of nuclear propulsion for aircraft carriers, cruisers, and submarines. Nuclear powerplants, though more costly, enable ships to have almost unlimited endurance and of course are less dependent on foreign sources of energy.

Antisubmarine capabilities are immensely better than the predecessors. With underwater listening devices positioned at strategic locations and with other highly sophisticated programs, we have greater confidence about Soviet submarine programs, deployment patterns, and numbers.

Mr. President, I think it only appropriate for us, at a time when we are concerned—and should be concerned—with the Soviet increase in the strength of their submarines, to note that our antisubmarine capability has increased and improved as sharply at it has, and it is something that has not been widely enough commented upon or appreciated.

We are also making extensive use of surface-to-air, surface-to-surface, surface-to-subsurface and subsurface-to-surface guided missiles. What I am talking about is the deterrent we have from the air, the deterrent was have from the ground, and the deterrent we have from submarines in missiles that are capable of delivering nuclear warheads with fantastic destructive capability anywhere in the world. These new systems are deployed on surface vessels and submarines and provide a wide range of offensive and defensive capabilities.

The fleet air power of the U.S. Navy is without challenge in the world. There are no foreign carrier based aircraft that can compare with the superb and reliable F–4 or the follow-on more expensive F–14.

We recognize that in terms of aircraft carriers capability, we are in a class by ourselves. The Soviet Union has none, and no other country in the world has any, except some of the old aircraft carriers who have provided for them. While it is claimed that the U.S.S.R. is developing aircraft carriers, it is too often overlooked at these are not catapult-type vessels and therefore can operate only with a fraction of the capability of the U.S. aircraft force. It seems that they may be developing one or two, and we have 15 attack carriers in place right now.

Developments such as the hydrofoils and surface effects ships could put the Navy on the threshold of a new era in naval warfare if these vessels live up to their expectations and do not have significant cost overruns.

There has been a lot of criticism of various people in the Navy. There has been some criticism of Admiral Zumwalt, for example, but it should be added that he has enforced a new energetic management policy which has resulted in the Navy meeting personnel challenges head on and with positive effects.

In 1957, the Air Force concentrated on the strategic retaliation role and slighted tactical roles and missions.

The "100" series of supersonic aircraft was just coming into the inventory. Now the improved F–4 supply greatly enhanced capability including improve ordnance loads and more versatility.

Strategic airlift was in its infancy in 1957. All aircraft were propellor driven. The C–130 was just becoming available. The force today is composed of all jet aircraft including the efficient C–141—a big cargo-carrying plane—and the special purpose C–5A, which can deliver outsize equipment anywhere in the world. We have twice as many as the Air Force said in their report that they needed. We have a more responsive force and greater life capacity than any similar unit in the world. This is why I say that we have the most mobile force in the world, as well as one with an amazing and tremendously improved and increased fire power.

One of the most revolutionay developments has been the emergence of the "smart bombs" which enable a single weapon to destroy targets previously immune to carpet bombing. Interdiction capability with the A–7 and F–111 is significantly better than in prior years.

The dramatic improvement in the force structure of the United States can be attributed to the new management techniques now in existence. To begin with, Congress plays a much more active role in authorizing and appropriating funds and in overseeing programs.

In the late 1950's, the individual services prepared their own budgets in isolation from the others and with little integration of national policy or priorities. Total program costs were not estimated with regularity or precision. interservice rivalry often resulted in unbalanced national programs.

A few short years later, vast improvements had been made by increasing the authority of the Secretary of Defense in the formative stages of budget allocation to the services and by an improvement in legislative oversight. A planning-programing-budgeting cycle has been established to assist the Secretary and the services. Roles and missions have been sorted out so that the harmful effects of interservice rivalry have been minimized. The use of systems analysis has provided a new tool for making rational judgments among alternatives.

Procurement practices, though still flawed, may be improving if more than lip service is given techniques such as the use of milestones and incremental funding, designing to cost, hi-lo weapon mixes, use of prototypes, hardware competition, reduction of gold plating, and the use of independent operational test and evaluation.

The Secretary of Defense, James R. Schlesinger, has indicated a determination to cut out waste such as unnecessary support costs and the overstaffing in headquarters. The Army has taken the lead by dissolving several headquarters and transferring personnel from staff jobs to combat positions. It is hoped that the other services will follow the same path.

One of the most important management changes in the entire history of the U.S. Military Establishment has been the introduction of the All-Volunteer Army and the equal opportunity in theory now given to minorities in the military. The grand experiment appears to be working, and I am convinced that with the current positive thinking by the Secretary of Defense, it will not only work, but work well.

Being a member of the U.S. Armed Forces is no longer a second-class citizen role. Compensation for the lower and middle ranks has been raised to be comparable with civilian employment. The conditions of military life have improved year by year. When coupled with the enlightened thinking with regard to personnel policies, such as instituted by Admiral Zumwalt, the military will continue to be an attractive career for ambitious and patriotic young Americans.

In short, the Defense Department has provided our country with a unique broad spectrum of military capability able to defend us from attack and operate effectively throughout the world if need be. This could not have been accomplished without extraordinary management innovations.

Many of the innovations have been urged by Congress on a sometimes reluctant Pentagon.

As I said at the beginning, I expect to continue to criticize the military intensively in the future, as I have in the past. The fact that our military is so powerful, as I have indicated today, is another argument why I think we can with confidence reduce the fat, waste, and redundancy and reduce some of the proposals for excessive military spending that have confronted us, without fearing that we are going to reduce the power of our military force below that of the Soviet Union. I am convinced, as the head of the Air Force has said, that we have the most powerful Air Force in the world, without any question; and I think we have the most powerful Navy, without any question. We have an Army that has the mobility and the firepower to meet the enemy on equal terms.

We have a nuclear power that is overwhelming. When one considers the MIRV'ing of our weapons system, this is particularly true.

TAXES AND CONTROLS

Mr. PROXMIRE. Mr. President, in the remaining minute or so that I have I wish to call attention to an article that was printed yesterday in the New York Times relating to taxes and controls. The article was written by Mr. Thomas E. Mullaney, an economic commentator of great ability. I would like to read into the Record a part of what he said because later on today, I understand, about 3 or 3:30, the wage and price stabilization bill will be before the Senate and we will decide whether to renew controls that are to expire in the next couple of days. The article states in part:

> For various reasons, wage-price controls have not been working, especially since the shift to phase III in January, 1973, and ought to be scuttled so that the free market can operate again without the restrictive harness that has exacerbated supply problems—one of the roots of the present horrendous double-digit inflation trend.

Mr. President, I am looking forward to the debate on the proposal to extend standby powers to the President. I am going to be one of those who strongly opposes doing so. I think we have a clear record of failures under controls. I do not think it is wise to continue controls in view of the experience we have had. I think there are alternatives to meet the kind of inflation we have, heavily concentrated in energy and food. We cannot expect to control inflation by price and wage controls when we have an irresponsible attitude toward spending and taxes.

Mr. President, I ask unanimous consent that the article to which I have referred may be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CLASH ON TAXES AND CONTROLS

(By Thomas E. Mullaney)

Another classic confrontation may be erupting between the Congress and an incumbent Administration over national economic policies in this era of high inflation and increasing employment—or it may all turn out to be no more than political maneuvering keyed to next November's elections.

The potential clash, which has been simmering for some months with the growth of public furor over the intolerable level of prices, burst into the open last week when a large number of Senate Democrats indicated they favored a last-minute reprieve for some form of the economic-controls program, scheduled to expire completely two days hence. At the same time, more vocal support for a tax reduction was forthcoming from some legislators.

Both proposals seem highly inadvisable in the present atmosphere and probably are doomed to defeat, though anything can happen when tensions run so high as they are now over the unrelenting upward march of prices and services.

For various reasons, wage-price controls have not been working, especially since the shift to Phase 3 in January, 1973, and ought to be scuttled so that the free market can operate again without the restrictive harness that has exacerbated supply problems—one of the roots of the present horrendous double-digit inflation trend.

The proposal for a tax cut should also be consigned quickly to the inactive file because it is precisely the wrong medicine for an inflation-ridden economy at this time. It would serve to intensify the inflation problem without according any real benefits for the hard-pressed American public.

While a tax cut may seem enticing on humane grounds to provide financial relief, chiefly for the low-income group, it would really be a cruel illusion. It would tend to create bigger deficits in the Federal budget than now envisioned and reinforce the inflationary pressures in the economy that take so much out of everyone's pocketbook.

Even if a tax reduction were appropriate, it probably would be some time before it could wend its way through the legislative mill and would arrive on the scene when, hopefully, the economy is on an upward path again and inflation is receding from its current elevated level.

In any event, the slowness of the Congressional procedure for any action on taxes illustrates again the need for more flexible tax policies and a streamlined procedure for making changes.

In the judgment of most economists, a reversal of current economic trends should be underway soon—certainly during the second half of this year—albeit slowly.

Their optimism for an imminent turnaround is based on many factors: the end of the Arab oil embargo, fewer shortages of agricultural products and other materials, the basic strength of over-all consumer demand, the capital-spending boom by business and a diminished inflationary effect from the dollar devaluations in the last three years.

The economy has not been suffering from a lack of demand but rather from inadequate supplies. The latter situation seems well on the road to significant improvement and should not be complicated by a new injection of stimulus from the tax area that would tend to raise demand for so many goods.

Moreover, it should be noted that some $6-billion of potential additional consumer spending is being pumped into the economy at the moment with refunds to the public from the over-withheld taxes last year.

The principal objective of national economic policy should be control of inflation. It has become a pernicious disease that threatens the stability of our important thrift institutions, many lines of business, our whole financial system and the economic well-being of everyone.

As economist Alan Greenspan put it the other day: "We can't afford to fiddle around and tolerate high inflation any longer. We have run out of time and have got to tackle that problem right now if we are to bring the rate down to any meaningful, table level by 1976 or 1977. Unlike other countries, we have our important thrift institutions with over $300-billion in mortgages that are highly vulnerable to the impact of inflation and are already subject to disintermediation."

He was referring, of course, to the outflow of funds from the savings banks, savings and loan associations and insurance companies now going on because interest rates are so high elsewhere in the economy. A weakening of such thrift institutions could have devastating effects on homebuilding and home buying, where a recovery had been counted upon this year as one of the major props for an economic rebound.

What is clearly needed now is a firm rein on monetary growth by the Federal Reserve and on spending by the Government. This is apparently the only real solution—the classical one—that has been stressed in many periods of inflation, but it never seems to be applied long enough or vigorously enough to be allowed to work.

It is also imperative that the nation have the benefit of better statesmanship from the business world in the way of moderate price increases when controls die. And from labor in its wage demands. The economy, hobbled by lower production, higher costs and the biggest decline in worker productivity during the first quarter of this year since 1947, desperately needs to avoid further cost-push pressures.

The Fed, of course, has a particularly difficult role to fill. It must keep money tight but not so terribly restrictive that it pushes interest rates significantly higher and thus aborts the economic recovery that most economists are anticipating for the second half of this year.

It was certainly clear last week that the Fed intends to be tough. Arthur F. Burns, its chairman, indicated an iron-willed determination to come to grips with the inflation problem at a news conference last Monday. Then the central bank let it be known that it will roll over its bills at the average price that the market itself sets instead of actively submitting its bids. Then, on Wednesday, it pushed the discount rate up ½ point to a record high of 8 per cent.

Those three developments attest to the Fed's willingness to take still-higher interest rates in the effort to dampen inflation. In the meantime, the prime bank rates and other interest rates have been rising to new peaks too. How much further will they all go? And how long will the Fed tolerate risings rates and run the risk of so much turmoil in the financial markets, housing and industry in general?

The Fed's role must be accompanied—and helped—by restraint on spending by the Government.

Although the Nixon Administration remains confident that the Federal budget deficit in the year ending June 30 will be held down close to the $4.66-billion estimated earlier, some other analysts are skeptical. They believe the red ink will turn out to be somewhat greater in the current fiscal year and in the next one beginning July 1. The predicted deficit for the 1975 fiscal year had been $9.4-billion.

After the first nine months of the current fiscal year, the Treasury's deficit stood at more than $13-billion, but officials are hopeful that tax collections this month and in June will lower the deficit closer to the original estimate. That could turn out to be excessively optimistic if the economy does not soon develope considerably more bounce.

The present frightening and ominously threatening inflation course must be changed promptly and resolutely, lest it lead to tragic consequences. And that can only be accomplished through unrelaxed discipline on spending and monetary matters in the Congress, within the Administration and at the Federal Reserve. The nation can ill afford political solutions to its massive economic problems.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order there will now be a period for the transaction of routine morning business for not to exceed 15 minutes with statements limited therein to 5 minutes.

ORDER FOR RECOGNITION OF SENATOR PROXMIRE ON THURSDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Thursday after the two leaders or their designees have been recognized under the standing order the distinguished senior Senator from Wisconsin (Mr. PROXMIRE) be recognized for not to exceed 15 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR SENATE TO CONVENE AT 10 A.M. ON TUESDAY, APRIL 30, 1974

Mr. ROBERT C. BYRD. Mr. President, has the hour for convening tomorrow been set?

The ACTING PRESIDENT pro tempore. It has been set at 10 o'clock tomorrow morning.

Mr. ROBERT C. BYRD. I thank the Chair. It is my understanding that the first 2 hours tomorrow will be set aside for statements in connection with a National Day for Prayer. Am I correct?

The ACTING PRESIDENT pro tempore. The Senator is correct.

ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW AND FOR CONSIDERATION OF UNFINISHED BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at 12 o'clock noon tomorrow there be a period for the transaction of routine morning business for not to exceed 30 minutes, with statements limited therein to 5 minutes, at the conclusion of which the Senate resume consideration of the unfinished business.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SENATOR JAVITS' CONSTRUCTIVE SUGGESTIONS FOR A MORE RESPONSIBLE CONGRESS

Mr. PROXMIRE. Mr. President, last Saturday the Senator from New York (Mr. JAVITS) spoke at a Ripon Conference Society in New York City where he made a series of refreshing, innovative, and responsible suggestions as to how Congress itself might carry out its constitutional prerogatives in a constructive way.

Senator JAVITS did not propose that Congress become more effective by merely taking back power that many feel the Executive has been given or has usurped from Congress. Instead he suggested a series of means by which Congress can do far more with its existing institutions plus a few changes, so that it can do its job properly.

After citing the passage of the war powers bill and the new budget control bill, the Senator from New York proposed that:

First. The President report each year the steps he has taken to implement laws passed by Congress, and that he should answer questions proffered on this subject by congressional committees.

Second. The Speaker of the House reply for Congress at a joint session to the state of the Union message, making constructive proposals on what needs to be done.

Third. Congress by resolution vote on whether it is "satisfied" or "unsatisfied" with respect to executive action to implement recently passed congressional laws.

Fourth. Congress establish legislative liaison oversight offices to see to it that executive agencies carry out the will of Congress.

Fifth. Each House strengthen its rules to require complete disclosure of the financial situation of Members and candidates for Congress.

Sixth. Congress strengthen the Freedom of Information Act to encourage more disclosure and that it define with more precision the term "national security" so that that term is not abused.

Finally seventh, that Congress prohibit the use of electronic surveillance, and prohibit all wiretaps without court order.

Many of these proposed reforms draw on the experience we have had under the Employment Act of 1946. The President is required to submit his annual economic report. Congress holds hearings, listens to members of the executive branch, calls in outside experts, and then makes its own report on the economy. This has worked well.

The Senator from New York is proposing similar action with respect to other fields. He is proposing to make Congress stronger but to do it without limiting the authority and power the President now has.

These are most constructive proposals to help fulfill Congress responsibilities and obligations under the Constitution.

I commend them to the Congress and to the public and ask unanimous consent that the full text of the speech "Building National Institutions for the Future" be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

BUILDING NATIONAL INSTITUTIONS FOR THE FUTURE

(By JACOB K. JAVITS)

An opportunity to address the Ripon Society would always be welcome to a Republican who has long been associated with the party's progressive tradition. But this particular occasion bears significantly on what I want to say to you and to the American people. Your conference theme is *Building for the Future;* and that's my theme too. I feel strongly that in order to provide a solid foundation for that future, we must apply the sometimes painful lessons of the past to the decisions we make about the way we wish to govern ourselves today and tomorrow.

During these last months we have seen the investigating powers of Congress gather force. We have seen the beginnings of an impeachment inquiry into the conduct of the President of the United States. The daily headlines focus on the drama of today and the consequences to be anticipated tomorrow.

But the business of government will continue; and I believe that even as the impeachment inquiry draws to its conclusion, we must take the first steps that will prevent the recurrence of similar tragedies in the future. We must break new ground—find new ways to establish Congress solidly in its constitutional role as the maker of law and the protector of the rights of the people.

I have served for twenty-six years in the Congress, first in the House of Representatives and then in the United States Senate.

I am a man of the Congress. Whatever I have accomplished in public life has taken place within that body and I believe that it is potentially the highest expression of what's *right* about the American political process.

But, for a full generation, circumstances have been such as to cause Congress to acquiesce in the gradual loss of its powers and to surrender many of its responsibilities. We have been too ready . . . even too willing . . . to delegate the people's representation . . . that which could not be delegated, to surrender that which we had no right to surrender.

For the past thirty years, the pressures of world war and international depression . . . the presence of instant communication, the potential for atomic destruction, caused us to abandon much of our authority to the President of the United States. It is almost embarrassing to recognize that in an era in which the United States has struggled against brutal totalitarianism, we have lodged of our own free will more power in a single individual than does any other system of government that functions today. The time has come to restore the balance.

We are at the beginning of a struggle to revitalize democratic institutions and constitutional processes. The impact of Presidential war and the Watergate scandals has forced us to reassess the direction in which we have been moving for the three decades since World War II; that capacity for reassessment is at the heart of the country's finest tradition. We can be proud to be citizens of a Republic in which the first order of public business is to see to it that all men are subject to the processes of law, whatever the cost in personal embarrassment and discomfort.

I don't know of any other country in the world where the people would insist on a thoroughgoing examination of wrongdoing in the highest places, such as the one we're going through now. We DO insist on it because we know that the worth of our institutions hinges on the faith of the people that *each one of us is subject equally to law.*

But even as we undergo this grand inquest . . . and make no mistake . . . EVERY American is undergoing it . . . we must look at some of the root causes of our troubles and amend our rules if we are to avoid them in the future. If we have come close to the extinction of the moral authority of the Federal Government because of our failure to care for our institutions, we must RESTORE the authority by our willingness to take the necessary risks to reestablish its legitimacy.

One of the great virtues of our system of government lies in the fact that it enables us to examine and rectify past errors without destroying the political process or the constitutional framework which serves freedom. I am convinced, in fact, that we can strengthen that process by reading the Constitution in the light of the *past* and applying it in accord with the needs of the present and the future.

Watergate, its moral implications aside, was a symptom of political decadence. Lord Acton's aphorism that "power corrupts and absolute power corrupts absolutely," applied to the enormous powers of the Presidency, is as valid today as it was then. For Congress . . . unwilling to accept risk-taking responsibility . . . has been much too weak for the past thirty years and far too often it has been even impotent in asserting its will against executive encroachment. I believe also that the price we have paid has been far too high. The death and maiming of tens of thousands of our young in Viet Nam, the Watergate scandals and the shadow of impeachment are expressions of an almost grotesque imbalance of power. If we are to avoid in the future what Senator Buckley has called the "crisis of the regime" we must effectively restore the Constitution to the center of our institutions.

I believe that even as the turmoil of Watergate reaches a climax, even as the headlines proclaim congressional unpopularity, congressional ineptitude, congressional fear . . . *Congress has begun to restore a constitutional balance of its own authority* to the executive power.

Historians of the future will mark, I feel, the passage of the War Powers Resolutions of 1973 over the President's veto, as the first step in the Congress' reassertion of constitutional power. I take great satisfaction in having authored that resolution, for it put the stamp of the twentieth century on the constitutional directive that the United States will make war only when Congress *authorizes* war. For too many years Presidents ignored that requirement and Congress acquiesced in the emasculation of its authority. In the War Powers Resolution we regained the power over war and at the same time reasserted the inviolability of the Constitution. With this veto override the institutional structures of Congress have begun to work. We have begun to harness our resources, to assert ourselves as the supreme lawmaking body of the land.

For too long we in Congress tended to take our cues from the other end of Pennsylvania Avenue. We waited . . . if not for instruction then certainly for direction; and the direction was well on the way to becoming dictation. The War Powers Resolution was the first step on a long road back.

But Congress must, if it is to be an effective instrument of government, recapture ALL of the powers it has permitted to atrophy for at least a generation.

The Budget Control Bill, now in conference, can be yet another step in the right direction. For it will assure us of a rational instrument whereby we can know how much money is available to the Federal Government before we plan its expenditure. Adequate congressional staffing and computerization will enable us to go about the business of budgeting and appropriating much more efficiently.

A number of other reforms in the way we do congressional business are now before the Committee on Reorganization. The sooner we pass them the better. I contend, however, that we must do more!

Article 1, Section 1 of the Constitution directs that "all legislative powers herein granted shall be vested in a Congress of the United States." ALL legislative powers, not SOME. And what role does the President have when it comes to the law? In Article 2, Section 3 the Constitution directs that "he shall take care that the laws be faithfully exceuted." Again . . . ALL, not just SOME.

But what have we seen over the years? The President, as prescribed by the Constitution, delivers a State of the Union message in which he outlines a legislative *program*. He follows up that message with a series of specific legislative proposals. His representatives articulate the Executive Branch's conception of what laws are necessary. The Chief Executive himself discusses his legislative proposals in press conferences. On occasion he chastises Congress for not considering or passing his legislation. Congress responds . . . either positively or negatively . . . but it RESPONDS . . . it rarely, as an institution, INITIATES. That is not the way the machinery was supposed to work and it is not the way it SHOULD work.

Presidential initiative is sound enough . . . constitutionally appropriate. But there is nothing in the Constitution that requires congressional passivity. Rather, Congress is required to exercise "all legislative powers." I suggest that now is the time to take a careful look at the extra-constitutional dimensions that have slipped into the way we govern ourselves. It is time to dismantle those that are undemocratic and to add some others that will help to restore congressional power. For this is no battle of the politicians. *Congressional* power is *people* power. The 535 men and women who sit in the House and Senate are closer to their constituents and more responsive to their wishes on a day-to-day basis that the single man or woman who may sit in the White House.

In our time we have arrived at a situation in which government decisions have assumed a central role in the lives of the American people. The obligation of the Federal Government to assure maximum employment, fight inflation, decide on war and peace, these and a thousand things more, affect each of the over 200 million of us, more intimately than the Constitution makers could possibly have envisioned.

In the age of the communications revolution, government decisions are transmitted instantly. The business of government is described in detail and the communications media look for ways to transmit their information more effectively . . . with most drama, with most symbolic weight. Thus . . . the President as Monarch . . . as Commander-in-Chief . . . as the symbol of nationhood. Some of this is natural and to the good. But to the degree that it has encouraged excessive power in one branch of government . . . to the degree that it has stimulated a belief in one man as the embodiment of the nation . . . we have all suffered: the Congress, the Presidency . . . and . . . the people.

The State of the Union message was conceived as a meeting of colleagues, during which one person transmitted his views to a group of people with equivalent responsibilities. What we have transmitted by television tube in the State of the Union, however, is . . . quite simply . . . the visual equivalent of the "message from the throne."

Who can blame Presidents for seeing themselves as monarchs? Who can blame Senators and Representatives for paying court? They see the image of those roles in the still photographs and the news accounts projected daily and hourly round the world. They are fortunate enough to live in the richest, most powerful country in the world and the drama of the individual who wields its executive power is played out in a larger-than-life pageant . . . whether it be in the Kremlin or at the Great Wall of China or . . . alas, at Watergate.

As the Presidential figure grows in grandeur . . . the congressional presence diminishes even in its vision of itself. The Republic takes on the trappings of empire and the Senators pay court to the great elected Caesar. It is time to temper the drama. It is time for the *interaction of equals*.

I propose that a series of measures be considered as an overall legislative design to make Congress do the work it is obligated to do and to assure that the Executive Branch is responsive to its constitutional obligations and also to the restrictions imposed on it by that Constitution. I propose that Congress reestablish itself as a truly coordinate branch of the United States Government.

Before this session of Congress adjourns I shall introduce with other Senators legislation designed to assure the reform of national institutions, a National Institutions Act to assure that Congress takes the initiative in establishing the legislative needs of the country; that the President and his agents are encouraged to see to their constitutional obligations "that the laws be faithfully executed"; and that executive accountability for that execution of the laws is rendered into reality.

I propose, (1), that the President of the United States shall report annually to Congress on the steps he has taken to implement laws and resolutions passed by Congress during its last session; that he and the heads of the Executive Departments—the Secretaries of the Cabinet—shall respond to questions proffered by a Joint Select Committee chosen by both houses of the Congress.

I propose, (2), that the Speaker of the House of Representatives reply on behalf of the Congress, in an equivalent joint session, to the President's State of the Union message with a Congressional State of the Union message; that such reply be based on a congressional resolution that is to include a congressional assessment of legislative priorities and a statement of intent as to the manner in which Congress will deal with those priorities; that such reply include congressional *recommendations* to the President as to such action which he might take to deal with the specific national agenda recommended by the Congress.

I propose, (3), that Congress shall vote itself "satisfied" or "unsatisfied" with regard to executive action in implementing the laws passed by Congress; that a vote of "unsatisfied" shall be accompanied by a resolution directing such steps as are necessary to comply with congressional design.

I propose, (4), that Congress establish by law legislative liaison oversight offices within each Congressional committee to serve as a continuing link with the executive department or offices over which the committee has legislative oversight analogous to the liaison offices of the respective government departments with the Congress. These new offices will implement congressional intent as to legislation passed by the Congress and will serve as the relevant committee's arm in its efforts to see that such legislation is effectively transmuted into functioning law and regulation.

I propose, (5), that each house of Congress strengthen its rules so as to require complete disclosure of the financial assets and liabilities of each member and candidate for membership in the Congress as well as income tax information relevant to the public business. In addition, the same disclosure rules should apply to the President and Vice President and candidates for those offices; that each house clarify its rules on the use of material affecting national security; that Congress itself enact legislation to define with precision the *term* "national security" and set standards for the classification and declassification of government documents.

I propose, (6), that Congress strengthen the Freedom of Information Act to encourage more complete disclosure and DISSEMINATION of all information relating to government activity that is not circumscribed by new guidelines embracing precisely defined consideration of national security.

I propose, (7), that Congress prohibit the use of electronic surveillance, prohibit *all* wiretaps without court order; that Congress protect the right of privacy, so cherished by Americans, which has recently been threatened by increased use of computers, data banks and the exchange of confidential information within the government.

I am fully aware that these proposals are far-reaching and controversial. They go to the very essentials of the way we govern ourselves.

But, I believe that now is the time to concern ourselves with essentials.

Some will note the element of risk; that the ultimate effect of these measures will be determined only by long application.

I believe that we are about to celebrate two hundred years of risk-taking on behalf of great achievement, that the strengthening of the Republic is worthy of risk.

Others will contend that these proposals appear to shift the balance of governmental power from the Presidency to the Congress. I believe, however, that these measures only restore the constitutional processes to that state in which they were intended to function; and that if we are to survive and prosper as a Republic, Congress must reassume its role as a co-equal branch of government.

By reforming our institutions today we shall save them tomorrow.

In his recent book, *The Anguish of Change,* public opinion analyst Louis Harris wrote that "the public is far more sophisticated, far more concerned, and far more advanced, than the leadership believed." Harris said that although "there were those who admitted no flaws in the system . . . the shape of the future deeply concerned and would be shaped by the 85 per cent who wanted DESPERATELY to find orderly change. The changes they wanted were not always clearly spelled out. It was always easier to say what was wrong than how to right it. People were convinced however that change COULD be found."

I believe that Lou Harris is right about the sophistication and the concern of the American people; and I believe that the American people are right about the need for orderly change. Let us begin to make those changes in the way we govern ourselves. Let us begin to build for the future . . . now.

THE CHALLENGES OF ECONOMIC DECONTROL

Mr. PERCY. Mr. President, on May 1, the economy will be free again for the first time in more than 2½ years. This

new freedom cannot be allowed to go to our heads; it is the signal not for an economic free-for-all but for a new commitment by American business and labor to responsible economic behavior.

Two-digit inflation, astronomical interest rates, and danger of a real recession and plummeting productivity are signals of an economy in deep trouble. There are no simple, quick solutions—no instant snacks to pop off the shelf to satisfy this Nation's craving for economic stability. Extension of the wage-price controls, or quickie tax cuts just will not do the job.

Although I regret this has become a partisan issue, I strenuously disagree with those on the other side of the aisle who propose a tax cut. That would be disastrous in feeding the fires of inflation. Our need now is for a total national commitment to restraint and responsible action.

Businesses must exercise greatest restraint in price increases. The long-awaited price "bubble" that is widely expected to result from price decontrol should be taken not as an inevitable fact to be borne with forbearance, but as a challenge. I suggest to American industry that an appropriate measure of success in the next few quarters not be the health of profit-and-loss statements, but the extent to which companies can stabilize and even reduce prices of their products.

The standard of achievement for union leadership for the next several quarters should not be how much illusory new "spending power" they can bring back to their members as a result of wage bargaining. Instead, it should be wage packages that reflect real productivity performance.

Productivity poses a special challenge. The drop in GNP in the first quarter in part accounted for a drop of 5.5 percent in national productivity. Productivity growth rates are the most essential ingredient in a nation's economic health. They are the base on which real economic growth, price stability, and wage increases rest.

I call on American business and labor to join now in creating productivity councils to operate on the plant floor, in plant after plant, throughout American industry to increase efficiency, productivity and innovation. Labor should receive directly the rewards of increased productivity through productivity bonus and profit sharing plans. Information on creating such councils is readily available from the National Commission on Productivity. Many companies have experimented with them. They must become the norm in American industry, not the exception.

The day when organized labor demands more and gives less must end. The day when management does not resist cost increases and merely passes them on to the consumer in higher prices must also end.

The coming months hold a special challenge for this country's political leaders. We must avoid the temptations of neatly packaged, fast "solutions." Wage-price controls should not be continued in any form. We must particularly make clear to the American people that we are not entering just another "phase" of economic freedom, perhaps to be followed not so far down the road by another period of controls. The great danger in this would be to cause price and wage increases in anticipation of a new "phase" of control. We have got to make clear that we are scuttling mandatory controls for the longer term. Only if we do so can we prevent continued destabilizing wage and price behavior.

We are all in this together. Though we face very rough economic times, there are signs of hope. The unemployment rate has slightly declined. The toughest phase of the energy crisis is past without having done crippling harm to the economy. Busness investment is strong and will provide the productive base on which new stability can rest. The best response now is a united commitment to responsible behavior, and a new dedication to cooperative labor/management efforts to create an upsurge in the productivity in this country's human and material resources.

In closing, I would simply like to say to our beloved majority leader that I am deeply concerned about the debate which we will begin this afternoon on the question of extending wage and price controls. The effect of debate in the Congress today, at this late hour, can be to stimulate organized labor to get wages up, and industry to raise prices, before controls are reimposed.

The time has come for us to come to a decision, and come to it decisively. Controls have been disastrous in the past. Look what happened when we tried to freeze meat prices. Look at the crippling impact on domestic supplies of raw materials. The effect of controls has been seriously to weaken the basic functioning of this economy.

We should learn from experience. If we put controls aside and rely on labor and management to exercise restraint—restraint by Congress as well as by labor and management—we can return to stability and a free market. We need stability to stop the ravenous inflation that is eating away at the life savings and diluting the incomes of so many American families.

Mr. MANSFIELD. Mr. President, I listened with interest to what the distinguished Senator from Illinois has suggested, but I would like to propound a series of questions, and all I want in return is a yes or no answer.

Is it correct to say that, on the basis of the first 3 months of this calendar year, a rate of inflation exists today of 14.5 percent?

Mr. PERCY. That is correct.

Mr. MANSFIELD. Is there any indication that the rate of inflation has decreased during the present month of April?

Mr. PERCY. There is no indication of that whatsoever.

Mr. MANSFIELD. Is it true that the dollar at the present time, just today, has reached the lowest point overseas since November last?

Mr. PERCY. That is correct.

Mr. MANSFIELD. Is it true that there has been a 5.5 percent decrease in the productivity of the American worker over the past quarter?

Mr. PERCY. That is correct.

Mr. MANSFIELD. Is it not true—this is an encouraging sign—that the rate of unemployment has decreased from 5.2 percent to 5.1 percent?

Mr. PERCY. That is correct. It has remained relatively stable at that figure.

Mr. MANSFIELD. What is the status of the stock market today? Is it up or down? Before the Senator answers, I own no stocks.

Mr. PERCY. The stock market is not well today. The price-earnings ratio today is 8 or 9 times on the leading indices, as against 14 or 15 times a year ago. The stock market for every widow, orphan, family, everyone who owns stocks, has been disastrous in this past year.

Mr. MANSFIELD. What is the prime rate of interest?

Mr. PERCY. At one bank it is 11 percent. In most others it is 10½ to 10¾ percent, but the tendency is up rather than down.

Mr. MANSFIELD. All I can say is that at midnight tomorrow all controls will go off. What the Muskie-Johnston-Stevenson proposal seeks to do is to set up a standby price control responsibility which would be administered by the President or by an agency which he designated, or by both.

There has been a tendency to allege that this is a political move on the part of the Democrats. I deny that as strongly as I know how. The point is not to shift the burden to the President because he is one man who can operate responsibly whereas 535 in the Congress cannot; but the figures have been laid out, the story is stark, inflation is here, and we do face a crisis. Perhaps this country is in a recession at the moment. I do not know, but if we are not, we are very close to it.

I want to thank the distinguished Senator from Illinois for answering the questions raised succinctly and to the point. I think they carry a lot of weight because of the outside business experience which the Senator from Illinois has had as president of Bell and Howell, one of the big business concerns in this country and in that field.

Mr. PERCY. Will the distinguished majority leader yield for just one question?

Mr. MANSFIELD. I yield.

Mr. PERCY. Is it true that during this period of highest inflation, highest interest rates, rampant inflation, one might say, we have had a full panoply of controls enacted by the Congress and enforced by the administration——

Mr. MANSFIELD. But——

Mr. PERCY. To the best of its ability?

Mr. MANSFIELD. I would point out that when the administration put in controls for the first time, the inflation rate was around 4 percent, as I recall. Tomorrow, at midnight, all controls go off, including health services, construction industries, and others, and, on the basis of the proposal to be offered, they would be on a standby basis for the executive branch of the Government to proceed in the future to keep a tight lid under the controls.

Now, business profits have been exorbitant in some fields. Labor, on the other hand, has been restrained over the past 2 years. It is entitled to some consideration. I understand it wants controls off. Business wants controls off. But I wonder when we are going to give some consideration to the people. After all, what is the retiree, the fellow living on a fixed salary, going to do with his fixed income with the present 14.5 inflation rate, which is still rising?

Mr. AIKEN. Mr. President——

Mr. PERCY. Mr. President, is time available for the Senator from Illinois to get 2 minutes on the subject?

Mr. MANSFIELD. If there is not, the Senator from Vermont can be recognized.

Mr. AIKEN. Mr. President, I want to speak on my time, but I hope we can get——

The ACTING PRESIDENT pro tempore. Time for morning business has expired.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the time be extended 5 minutes and that the time be allocated to the distinguished Senator from Vermont.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. AIKEN. Well, I will ask my questions first, and then if there are 2 minutes left, I will yield to the Senator from Illinois.

How does the rate of inflation in this country over the past few months compare with the rate of inflation in Canada?

Mr. PERCY. My impression is that the rate of inflation in America since World War II has been under that of the industrialized nations, but in the last period of 3 months we have jumped ahead of almost all other industrialized nations.

Mr. AIKEN. My information may be different, but how does the rate of inflation in this country compare with that of France, Italy, Germany, and Japan? Have we zoomed ahead of them?

Mr. PERCY. In the last few months, we have been actually running a close second to all other industrialized nations—if not the first. Some have been up to 19 percent.

Mr. AIKEN. How about Japan? Is there more inflation, percentagewise, in Japan than in the United States today?

Mr. PERCY. Inflation in Japan is running as high as 30 percent at present.

Mr. AIKEN. Would you say there is more unemployment in the United States today than in Japan? I do not have the figures. But I understand that the United States is not alone in a somewhat unfavorable economic situation. All the rest of the world is also troubled.

Mr. PERCY. Anyone would know, including the distinguished Senator from Vermont, that even though misery does love company, we can take little comfort in saying that, relatively speaking, it is not so bad for us compared with other countries.

We all know how ruinous inflation is. The Senator himself asked how people on a retirement income propose to live with a 15-percent decrease in real buying power.

Mr. AIKEN. I assure the Senator from Illinois that I will live OK with what I have paid for——

Mr. PERCY. Very few Americans, particularly politicians, are as frugal as is our friend, the distinguished senior Senator from Vermont.

Mr. AIKEN. On the other hand, there is a general feeling that the President would be better able to deal with the situation than the Congress. Is that true?

Mr. PERCY. Congress and the President must share the responsibility. Congress must take its share. But most certainly this, and previous administrations, have not been free from contributing to the problem.

Mr. AIKEN. Under the amendment that I understand will be offered later today by the Senator from Maine (Mr. MUSKIE) and other Senators the responsibility for maintaining a strong economy would be transferred to the President. Is that not correct?

Mr. PERCY. The Senator is correct. The whole burden will be put on the back of the President, and he will be damned if he does and damned if he does not.

Mr. MANSFIELD. But if we do not do this, we do nothing. Is it worse to do something, or worse to do nothing and thus allow inflation to zoom through the roof?

Mr. PERCY. Mr. President, if the Senator from Illinois could have the remaining time reserved from the Senator from Vermont, he would be grateful.

Mr. AIKEN. Inflation is becoming a very difficult problem for the President and will be very difficult for future Presidents, I am sure.

Mr. PERCY. It could not be much worse than it has been. We have had wage and price controls and will have them right up until midnight tomorrow night.

Mr. ROBERT C. BYRD. Mr. President, if the Senator will yield, the "stick in the closet" has not been used.

Mr. PERCY. It has been used in a variety of fashions, in phases I, II, III, and IV, including two "freezes."

Mr. ROBERT C. BYRD. No, no, not after phase II was prematurely lifted.

Mr. PERCY. Wage and price controls may have worked for a very limited period of time, but then they became grossly unfair. Labor and management have become ingenious in finding ways to get around them, and the controllers were notable to deal with all of the ramifications of controls on an economy as giant as ours.

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that another 5 minutes be added to the morning hour, because this debate is most interesting. We are talking about a most interesting domestic problem, one which affects the pocketbooks of the citizens.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. AIKEN. Mr. President, I wanted to ask the Senator from West Virginia, Whose closet is the stick in?

Mr. ROBERT C. BYRD. I am talking about the President's comment that there was a "stick in the closet" and that he would use it in phases III and IV. The stick was not used; therefore, we cannot say that we have had controls and that they do not work and will not work if properly used.

I am not in favor of controls if the free market forces can operate properly and freely. However, it is one thing to say that we have controls and that they have not worked. It is quite another thing to say that they have not worked because the "stick in the closet" was not brought out of the closet and used to make them work.

Mr. PERCY. Mr. President, I thank the distinguished Senator. The stick has been used. We went all the way in some sectors. We froze meat prices, for example. Then we came back and froze them again for a period of 60 to 90 days. The result was utter disaster: shortages, reduced production, emptied supermarket shelves. Beef producers are still struggling to adjust to the dislocations of that unfortunate action.

Mr. ROBERT C. BYRD. Mr. President, if the Senator will yield further, at first the controls worked admirably, beginning in November 1971, through 1972, and into January 1973. They were then prematurely lifted by the administration. Why should they not have been retained? If they had been retained, perhaps there would not have been the inflationary situation we now have.

Once they were lifted, however, phase III came on, and for a period of some months the administration dawdled and tarried and dragged its feet while prices shot upward. Then came phase IV. There was that "stick in the closet" which the President said he would use. However, the closet door has never been opened. The stick might have worked. Perhaps controls would still be effective if they had been applied properly.

Mr. AIKEN. Mr. President, if the Senator will yield, the Senator from Illinois must realize that the orders received by the machine tool industry, which is perhaps the best indicator of our general economy have reached an alltime high.

I ask to have inserted here reports from this morning's Wall Street Journal and the Journal of Commerce setting forth the favorable machine tool order situations.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal,
Apr. 29, 1974]

MACHINE TOOL ORDERS SURGED 47 PERCENT IN MARCH—BOOKINGS, AT $322.8 MILLION, HIT HIGH; DEMAND FROM AUTO PRODUCERS IS CITED

Machine tool orders in March soared to record levels, 47% above February's strong performance and 30% higher than March 1973. Builders of these key capital goods report continued strong orders in April.

Buoyed by a spate of orders from auto producers for equipment to produce small engines, March machine tool bookings totaled $322.8 million, the highest monthly total since the National Machine Tool Builders' Association began keeping combined cutting and forming-type machine tool records in 1956. February orders totaled $219.8 million and March 1973's total was $247.5 million.

April orders probably won't equal the March total, some industry executives say, but they will equal or exceed the relatively strong order pace of previous months. And the outlook for coming months appears favorable, they add.

March orders for lathes, milling machines, boring mills, machining centers, grinders and other machines to shape metal by cutting rose to $255.8 million, up 47% from $171.4 million in February and up 50% from the $170.8 million of March 1973, the association reported.

Orders for metal-forming presses and other machines to shape metal with pressure totaled $67 million last month, a 46% gain from February's $45.8 million, but 13% below the $76.7 million of the year-earlier month, the association said.

USED MACHINES SET RECORD

Following the same pattern, March sales of used machine tools set a third straight record, the Machinery Dealers National Association, another trade group, said. Sales of used machines rose 8.4% from February and 32% from the year-earlier month, the association said.

"Customers and dealers alike are having an awfully tough time finding late-model machine tools," says Samuel H. Lohn, president of Lohn Machinery Co., Chicago. "Most of the dealers I know are spending more than half of their time in locating machinery."

Buyers of new machine tools are also having a harder time because most machine tool builders have backlogs that will keep them busy through the rest of 1974. Waits of more than a year for major machines aren't uncommon.

The efforts of auto makers to expand small-car production were responsible for most of the order bulge in March, machine tool producers say. The Chevrolet and Pontiac divisions of General Motors Corp., and American Motors Corp. all placed substantial orders for equipment to increase small-engine capacity. Some orders for equipment to make manifolds, bearings and other accessories carried over into April, the machine tool builders report.

But the basic strength in the machine tool industry is much broader than these small-car programs. Cross Co., Fraser, Mich., for instance, reports "quite a bit of farm equipment business," as well as automotive. F. Jos. Lamb Co., Warren, Mich., received orders from off-the-road equipment manufacturers, along with bookings for equipment to make auto transmissions. The energy situation is producing strong orders from producers of electric-generating equipment and other energy related industries, adds Ingersoll Milling Machine Co., Rockford, Ill.

"ANOTHER OUTSTANDING MONTH"

"April has been another outstanding month," says Ralph J. Spresser, vice president, sales, of the National Acme division of Acme-Cleveland Corp. "For us it was comparable to March. This time the orders were more spread out in such things as hydraulic and air fittings and bearings, as well as automotive. We are very pleased with the pattern," he says.

Machine tool shipments also picked up last month, reaching $176.9 million, which equaled the record set in December 1967, the national machine tools group said. The total was 32% higher than February's $133.8 million and almost 32% above March 1973's $134.2 million.

	March 1974	February 1974	March 1973
Comparative net new orders for metalcutting machines:			
Domestic	$219,350,000	$149,250,000	$149,100,000
Foreign	36,400,000	24,800,000	21,700,000
Total	255,750,000	174,050,000	170,800,000
3-month total for 1974, $599,350,000; for 1973, $426,000,000.			
Metalforming machine orders:			
Domestic	56,950,000	38,050,000	72,050,000
Foreign	10,050,000	7,700,000	4,650,000
Total	67,000,000	45,750,000	76,700,000
3-month total for 1974, $154,550,000; for 1973, $206,000,000.			

	March 1974	February 1974	March 1973
Comparative shipment figures for metalcutting machines:			
Domestic	$110,950,000	$86,300,000	$83,950,000
Foreign	18,450,000	9,550,000	14,850,000
Total	129,400,000	95,850,000	98,800,000
3-month total for 1974, $309,350,000; for 1973, $239,350,000.			
Metalforming machine shipments:			
Domestic	40,600,000	33,050,000	33,550,000
Foreign	6,850,000	4,900,000	1,800,000
Total	47,450,000	37,950,000	35,350,000
3-month total for 1974, $123,900,000; for 1973, $91,200,000.			

[From the Journal of Commerce, April 29, 1974]

SHIPMENTS OF MACHINE TOOLS RISE

The machine tool industry continued to experience a good level of business during the month of March, according to figures released by the National Machine Tool Builders' Association. During the month total industry backlogs grew to $2,395,000,000, it was revealed.

Shipments of new machine tools for the first quarter of 1974 reached a total value of $433,250,000. Total shipments for the month of March exceeded comparable 1973 levels by 32 percent, reaching a value of $176,850,000. This also represents a 32 per cent rise over shipments during February 1974, it was noted.

As measured in current dollars, the preliminary figure for March shipments equals the previous record shipment month—December 1967.

Net new orders for machine tools reached a value of $322,750,000 during March—the highest monthly total since the Association began keeping combined cutting and forming type machine tool records in 1956. The March total represents a 47 per cent increase over February and a 30 per cent increase over March 1973 orders.

TOTAL NET NEW ORDERS

Total net new orders for the first quarter were valued at $753,900,000—a 19 per cent increase over the first quarter of 1973.

New orders for metal-cutting type machine tools totaled $255,750,000 during March. This represents a 47 per cent gain over the previous month and a 50 per cent increase over March 1973. For the first quarter, metal-cutting machine tool orders totaled $599,350,000, a 41 per cent increase over the same period last year.

Shipments of metal-cutting machine tools totaled $129,400,000 during the month, representing a 35 per cent increase over February and a 31 per cent increase over March 1973. For the first quarter, shipments were $309,350,000—up 29 per cent over the first quarter of 1973.

Mr. **PERCY**. That is true. That is an important area of our economy. That is why the Senator from Illinois opposes the proposed tax cut of $6 billion through an increase in the personal tax exemption. I cannot imagine anything that would be more politically desirous but economically disastrous than to feed the fires of inflation by pumping $6 billion of additional spending money into this overheated economy. Good signs, such as extremely high investment in machine tools and other new productive capacity is exactly why it is premature to conclude that the economy is in recession and we need a tax cut to stimulate it.

I think the economy is on an upswing. It was anticipated that wage and price controls would hold. However, the recent decontrols were felt necessary by the Cost of Living Council because capacity was being cut back in view of the concern over regulations. As the regulation began to take hold and the limitation of supply began to be foreseen, we were faced with the impossibility of doing anything really to control inflation. The real question is, How are we going to increase production and industrial efficiency, which is the only real basis for holding down costs?

I should like to mention four actions that I think are necessary to end the inflation binge. I think wage and price controls are disastrous. They have not worked. They should be allowed to die.

I am addressing the question because of our knowledge of human nature. If labor and management both feel that this period of decontrol is only temporary and that controls can be restored, the pressure is going to be tremendous to get wages up in the interim period when they are not under control, and to raise prices before the freeze or a new phase of controls is reimposed. This is only human nature.

We want restraint. That is the overall purpose of the Senator from Illinois in taking the floor. As I have indicated in my opening remarks, we should certainly not let this period when we are freeing the economy from controls be a period that is free from all restraint. I am calling for voluntary restraint, and I ask other Senators to join me in asking labor and management to join in cooperative efforts to increase America's productivity and restrain wage and price increases.

I feel that debate on whether we should extend wage and price controls would be self-defeating. I strongly urge that we establish the psychology that we are going to do away with controls, pursue a moderate fiscal policy, and put our own House in order by enacting budget reform that we have worked so long and hard on.

Mr. **MANSFIELD**. Mr. President, if the Senator will yield, what about the $5.2 billion that the administration has requested for foreign aid? Which is more important?

The ACTING PRESIDENT pro tempore. The time for morning business has expired.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that I be recognized for an additional 2 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I yield to the Senator.

Mr. PERCY. Mr. President, I appreciate the comments of the distinguished Senator.

They should be carried on separately, and there may be certain areas of concurrence that we have on both sides of the aisle.

The third thing that should be done to fight inflation is the creation in every single plant in this country of labor-management productivity councils. We should not just take these increased costs and pass them on to the customer. Labor and management should sit down and say, "That is self-defeating. Every time we increase our costs and prices, we detract from the real income we are trying to create through wage increases." There needs to be a new cooperation between labor and management.

Fourth, I think we need a restoration of confidence in the leadership in this country, because buyer confidence and the confidence of all of us in investing in the future comes from the confidence we have in our leadership, and we have a great responsibility in Congress to see what we can do to settle these matters as quickly as possible so that there can be a national and international restoration of confidence in our leadership. Certainly Congress has a great obligation to act responsibly in the light of the given facts, and I trust we will face up to that responsibility, just as we expect labor, management, and the Executive to act responsibly in these critical times.

I thank my colleagues.

The ACTING PRESIDENT pro tempore. The period for the transaction of routine morning business has again expired.

NATIONAL NO-FAULT MOTOR VEHICLE INSURANCE ACT

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume the consideration of the unfinished business, S. 354, which the clerk will state.

The assistant legislative clerk read as follows:

> A bill (S. 354) to establish a nationwide system of adequate and uniform motor vehicle reparation acts and to require no-fault motor vehicle insurance as a condition precedent to using a motor vehicle on public roadways in order to promote and regulate interstate commerce.

MR. MANSFIELD. Mr. President, is there a time limitation on the pending business?

The ACTING PRESIDENT pro tempore. Only until the hour of 3 p.m. to 3:30 p.m. on Wednesday.

The Chair is in error; 3 p.m. to 3:30 p.m. today.

Mr. MANSFIELD. Will the Chairman yield me 2 minutes to speak outside the parameters of the bill?

Mr. MOSS. I yield.

INFLATION

Mr. MANSFIELD. Mr. President, I want to state something which cannot be gainsaid. The rate of inflation in this country today is 14.5 percent or more, going on the figures of January, February, and March of this year.

The rate of productivity loss on the part of the American worker is 5.5 percent so far this year, I believe. The stock market is down. The balance of payments is adverse. The dollar is at its lowest point since last November, and very few industries are under control today.

Those industries which are under control will go out of control at midnight tomorrow. So at midnight tomorrow there will be no controls left on any segment of the economy that I am aware of. The Muskie-Johnston-Stevenson proposal would set an initial date of May 1 if the bill becomes law. It would operate on a standby basis. It would apply to all segments of the economy, not just a part, as at the present time; not in just a few areas, as is the case at the present moment.

No one likes controls. I do not like them. But I like inflation a good deal less.

I think the people are entitled to some consideration in this area, because they are the ones who are being hit, they are the ones who are needing help, and they are the ones who must not be forgotten.

I thank the Senator from Utah.

The ACTING PRESIDENT pro tempore. The pending question is on agreeing to the amendment (No. 1132) of the Senator from Washington (Mr. MAGNUSON).

Mr. MOSS. Mr. President, I was happy to yield to the majority leader. I believe he was speaking on a subject that is inherent in the consideration of the bill we have before us, because he was speaking of inflation and the loss of purchasing power by the consumers in this country.

If this bill becomes law, and if the States put into effect no-fault automobile insurance, the consumers of this country will save $1 to $1.5 billion every year in premium payments on their automobile insurance. To that extent, it will be relieving some of the inflationary pressures which, as the majority leader pointed out earlier, fall so heavily on those with fixed incomes such as the elderly people living on pensions or social security.

So I think it is certainly of great importance that we pursue this matter now and this week get to the issue and pass this bill.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. ABOUREZK) laid before the Senate the following letters, which were referred as indicated:

REPORT ON EXCESS REAL PROPERTY

A letter from the Administrator of the National Aeronautics and Space Administration transmitting, pursuant to law, a report concerning NASA's plan to report to the General Services Administration, as excess real property, two parcels of land at the Michoud Assembly Facility, New Orleans, La. (with an accompanying report). Referred to the Committee on Aeronautical and Space Sciences.

REAPPORTIONMENT OF APPROPRIATION TO THE OFFICE OF TELECOMMUNICATIONS POLICY

A letter from the Director of the Office of Management and Budget reporting, pursuant to law, that the appropriation to the Office of Telecommunications Policy for "Salaries and Expenses" for the fiscal year 1974 has been reapportioned on a basis which indicates the necessity for a supplemental estimate of appropriation. Referred to the Committee on Appropriations.

REPORTS OF THE DEPARTMENT OF THE ARMY

A letter from the Secretary of the Army transmitting, pursuant to law, reports of the number of officers on duty with headquarters, Department of the Army, and detailed to the Army General Staff on March 31, 1974 (with accompanying papers). Referred to the Committee on Armed Services.

PROPOSED LEGISLATION BY THE DEPARTMENT OF THE AIR FORCE

A letter from the Secretary of the Air Force transmitting a draft of proposed legislation to amend the act of September 26, 1966, Public Law 89-606, as amended, to extend for 2 years the period during which the authorized numbers for the grades of lieutenant colonel and colonel in the Air Force are increased (with accompanying papers). Referred to the Committee on Armed Services.

REPORT OF DEPARTMENT OF DEFENSE PROCUREMENT FROM SMALL AND OTHER BUSINESS FIRMS

A letter from the Assistant Secretary of Defense transmitting, pursuant to law, the report of Department of Defense Procurement from Small and Other Business Firms for July 1973 to January 1974 (with an accompanying report). Referred to the Committee on Banking, Housing and Urban Affairs.

EXIMBANK TRANSACTIONS WITH CERTAIN FOREIGN COUNTRIES

A letter from the President of the Export-Import Bank of the United States reporting, pursuant to law, on loan guarantee and insurance transactions supported by Eximbank to Yugoslavia, Romania, the Union of Soviet Socialist Republics, and Poland during March 1974. Referred to the Committee on Banking, Housing and Urban Affairs.

AMENDMENTS TO THE HAWAIIAN HOMES COMMISSION ACT

A letter from the parties of record in the case of Kila against Hawaiian Homes Commission transmitting the order in the proceeding before the District Court of Hawaii, together with the complaint and answers thereto (with accompany papers). Referred to the Committee on Banking, Housing and Urban Affairs.

REPORT OF THE FEDERAL HOME LOAN BANK BOARD

A letter from the Chairman and Board member of the Federal Home Loan Bank Board transmitting, pursuant to law, the annual report of the Federal Home Loan Bank Board for the calendar year 1973 (with an accompanying report). Referred to the Committee on Banking, Housing and Urban Affairs.

REPORT OF THE SECRETARY OF THE TREASURY

A letter from the Secretary of the Treasury transmitting, pursuant to law, a report on the activities of the Department of the Treasury in connection with exemption from coastwise prohibition for certain barges of foreign registry (with an accompanying report). Referred to the Committee on Commerce.

Report of the National Railroad Passenger Corporation

A letter from the President of the National Railroad Passenger Corporation transmitting, pursuant to law, a report on the Amtrak 5-Year Financial Projection of Corporation Operations including a Revised Capital Acquisition Program (with an accompanying report). Referred to the Committee on Commerce.

Report of the Secretary of Commerce

A letter from the Secretary of Commerce transmitting, pursuant to law, the annual report of the Secretary of Commerce for the fiscal year ended June 30, 1973 (with an accompanying report). Referred to the Committee on Commerce.

Report of the Secretary of Transportation

A letter from the Secretary of Transportation transmitting, pursuant to law, a report on the High Speed Ground Transportation Act of 1965 and the railroad technology program for the year 1973 (with an accompanying report). Referred to the Committee on Commerce.

Report of the Secretary of Commerce

A letter from the Secretary of Commerce reporting, pursuant to law, on the implementation of the marine sanctuaries provision of the Marine Protection, Research and Sanctuaries Act of 1972. Referred to the Committee on Commerce.

Proposed Legislation for the District of Columbia

A letter from the Mayor-Commissioner of the District of Columbia transmitting a draft of proposed legislation to amend the District of Columbia Police and Firemen's Salary Act of 1958 to increase salaries, and for other purposes (with accompanying papers). Referred to the Committee on the District of Columbia.

Proposed Legislation for the District of Columbia

A letter from the Mayor-Commissioner of the District of Columbia transmitting a draft of proposed legislation to establish the District of Columbia Defender Service, and for other purposes (with accompanying papers). Referred to the Committee on the District of Columbia.

International Agreements Other Than Treaties

A letter from the Assistant Legal Adviser for Treaty Affairs of the Department of State transmitting, pursuant to law, copies of international agreements other than treaties entered into by the United States within the past 60 days (with accompanying papers) Referred to the Committee on Foreign Relations.

Report of the Secretary of Transportation

A letter from the Secretary of Transportation transmitting, pursuant to law, a report on contracts negotiated under 10 U.S.C. 2304 (a)(11) during the period October 1, 1973, through March 31, 1974 (with accompanying report). Referred to the Committee on Government Operations.

Reports of the Comptroller General

Two letters from the Comptroller General of the United States transmitting, pursuant to law, two reports entitled "Implementation of Emergency Loan Guarantee Act"; and "Increased Efficiency Predicted If Information Processing Systems of Social Security Administration Are Redesigned" (with accompanying reports). Referred to the Committee on Government Operations.

Contracts Proposed by the Bureau of Mines

A letter from the Deputy Assistant Secretary of the Interior transmitting, pursuant to law, a copy of a proposed contract with FMC Corporation, San Jose, Calif., for a research project entitled "Mine Shaft Fire and Smoke Protection System" (with accompanying papers). Referred to the Committee on Interior and Insular Affairs.

Proposed Legislation of the Judiciary Conference of the United States

A letter from the Director of the Administrative Office of the United States Courts transmitting a draft of proposed legislation by the Judicial Conference of the United States to amend section 2254, title 28, United States Code (with accompanying papers). Referred to the Committee on the Judiciary.

Amendments to the Federal Rules of Criminal Procedure

A letter from the Chief Justice of the United States transmitting proposed amendments to the Federal Rules of Criminal Procedure which have been adopted by the Supreme Court pursuant to title 18, United States Code, sections 3771 and 3772 (Mr. Justice Douglas dissenting) (with accompanying papers). Referred to the Committee on the Judiciary.

Report of the Railroad Retirement Board

A letter from the Chairman of the Railroad Retirement Board transmitting, pursuant to law, the annual report of the Railroad Retirement Board for the fiscal year ended June 30, 1973 (with an accompanying report). Referred to the Committee on Labor and Public Welfare.

Report of the Secretary of Health, Education, and Welfare

A letter from the Secretary of Health, Education, and Welfare transmitting, pursuant to law, the annual progress report on the 5-year plan for family planning services and population research (with an accompanying report). Referred to the Committee on Labor and Public Welfare.

Report of the General Services Administration

A letter from the Administrator of General Services transmitting, pursuant to law, the annual report of the General Services Administration covering the status of public building projects authorized for construction, alteration and lease pursuant to the Public Buildings Act of 1959 (with an accompanying report). Referred to the Committee on Public Works.

Acquisition of Leasehold Interest in Certain Property in the District of Columbia

A letter from the Administrator of General Services transmitting, pursuant to law, a prospectus which proposes acquisition of the leasehold interest in a three-level basement parking garage located in the Nassif Building at 400 7th Street SW., Washington, D.C. (with accompanying papers). Referred to the Committee on Public Works.

Proposed Legislation by the Atomic Energy Commission

A letter from the Chairman of the Atomic Energy Commission transmitting a draft of proposed legislation to amend the Atomic Energy Act of 1954, as amended, to revise the method of providing public remuneration in the event of a nuclear incident, and for other purposes (with accompanying papers). Referred to the Joint Committee on Atomic Energy.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. **Abourezk**):

A resolution of the Senate of the State of New York. Referred to the Committee on Finance:

"Senate Resolution No. 65

"Whereas, The federal Office of Management and Budget has proposed implementation of Circular No. A–70, entitled "Policies and Guidelines for Federal Credit Programs", which would preclude local governments from issuing tax exempt bonds to finance programs and facilities receiving federal assistance; and

"Whereas, State and local governments traditionally have employed tax-exempt financing for municipal programs and facilities; and

"Whereas, Local governments rely heavily on federal assistance for financing municipal programs and facilities; and

"Whereas, The implementation of Circular No. A–70 would significantly and adversely affect the ability of the state of New York and its political subdivisions to finance higher education facilities, medical care facilities, sewer, water, and pollution control facilities, highway and mass transit facilities, urban renewal and public housing projects, and privately owned low- and moderate-income housing funded by the state and by municipalities; and

"Whereas, Over a year ago, the attempt to implement Circular No. A–70 resulted in immediate and vigorous opposition by state and local governments and national interest groups, such as the National Governors' Conference, the Municipal Finance Officers' Association, and the National League of Cities/Conference of Mayors; and

"Whereas, Implementation of Circular No. A–70 would constitute direct federal intervention in, and substantial control of, debt management of the state of New York and its municipalities, and would result in severe curtailment of the volume of tax-exempt financing, as the state and local governments would be unable to utilize it with respect to projects whose financial feasibility depends upon federal assistance; and

"Whereas, Circular No. A–70 proposes an undesirable means of accomplishing public policy and has massive implications for public finance throughout the country; and

"Whereas, There exist no feasible financial alternatives to replace the combination of tax-exempt municipal financing and federal assistance to provide state and local facilities; and

"Whereas, It has come to the attention of the legislature of the state of New York that the Office of Management and Budget is planning specific action with respect to implementation of Circular No. A–70 in the near future; now, therefore, be it

"Resolved, That the legislature of the state of New York communicates its strong opposition to the implementation of Circular No. A–70 to the President of the United States and to the Director of the Office of Management and Budget; and be it further

"Resolved, That copies of this resolution be transmitted to the President and Vice-President of the United States, to the Director of the Office of Management and Budget, to the Speaker of the House of Representatives and to each member of the Congress of the United States from the State of New York."

A joint resolution of the Congress of Micronesia. Referred to the Committee on Finance:

"Senate Joint Resolution No. 98, H.D. 1

"A Senate joint resolution requesting the United States Government to take such action as may be necessary to make Trust Territory citizens living in the Trust Territory, who are survivors of United States citizens, eligible for Social Security benefits

"Whereas, under existing United States law, as interpreted by the Social Security

Administration, Trust Territory citizens who are survivors of deceased United States citizens, and who live in the Trust Territory, are not eligible to receive survivors' benefits under the United States Social Security program; and

"Whereas, United States citizens are not prohibited from receiving survivors benefits under the Trust Territory Social Security System; and

"Whereas, there are presently several families in the Trust Territory who fall within this category and would otherwise be entitled to receive Social Security survivors' benefits; and

"Whereas, many of these persons are in dire need of such benefits; and

"Whereas, the scope of this problem can be expected to expand in view of the fact that an ever-increasing number of Trust Territory citizens may become dependent on survivors' benefits in the future; now, therefore,

"Be it resolved by the Senate of the Fifth Congress of Micronesia, Second Regular Session, 1974, the House of Representatives concurring, that the United States Government is requested to take such legislative or administrative action as may be deemed necessary to make Trust Territory citizens who are survivors of United States citizens and who reside in the Trust Territory, eligible for benefits under the United States Social Security program; and

"Be it further resolved that certified copies of this Senate Joint Resolution be transmitted to the presiding officers of both houses of the United States Congress, the Chairman of the House Subcommittee on Territory and Insular Affairs, the Chairman of the House Committee on Ways and Means, the Chairman of the Senate Subcommittee on Territory and Insular Affairs, the Chairman of the Senate Committee on Finance, the United States Commissioner of Social Security, the Secretary of the United States Department of the Interior, the Secretary of the United States Department of Health, Education, and Welfare, and the High Commissioner of the Trust Territory."

A joint memorial of the Legislature of the State of Idaho. Referred to the Committee on Labor and Public Welfare:

"House Joint Memorial No. 26

"A joint memorial to the Honorable Senate and House of Representatives of the United States in Congress assembled and to the Senators and Representatives representing the State of Idaho in the Congress of the United States and to the Secretary of Labor of the United States and the governors of the ten western range States

"We, your Memorialists, the House of Representatives and the Senate of the State of Idaho assembled in the Second Regular Session of the Forty-second Legislature, do hereby respectfully represent that:

"Whereas, there exist a world and domestic red meat shortage, and

"Whereas, the western range sheep industry is an important supplier of red meat for the consumer, and

"Whereas, the sheep industry in Idaho alone contributes over seventy million pounds in food and seven million pounds of fiber annually, and

"Whereas, the western sheep industry cannot survive without the availability of foreign labor, and

"Whereas, the United States Department of Labor has established certain rules and regulations with respect to housing of agricultural workers as listed in the Federal Register, Volume 33, Number 213, Title 20, Part 620, and

"Whereas, said rules and regulations were designed for foreign agricultural workers employed in cultivated farming operations and not for the western range sheep industry, and

"Whereas, the United States Department of Labor is now applying to the range sheep industry these rules and regulations, and

"Whereas, said rules and regulations are impossible to apply to the range sheep industry, and

"Whereas, the United States Department of Employment will no longer certify for employment foreign shepherds for labor contracts unless these rules and regulations are complied with, and

"Whereas, the western range sheep industry positively cannot survive without the availability of foreign shepherds, and

"Whereas, the western range sheep industry is unique as to methods of operation by its nature on the range and wilderness-like terrain, and

"Whereas, said rules and regulations are impractical, infeasible, and impossible to apply, and not designed for the range sheep industry,

"Now, therefore, be it resolved by the Second Regular Session of the Forty-second Idaho Legislature, the House of Representatives and the Senate concurring therein, that we most respectfully urge the Secretary of Labor of the United States of America to proceed at the earliest possible date to exempt the range sheep industry from the provisions of the rules and regulations as adopted in the Federal Register on October 31, 1968, Volume 33, Number 213, Title 20, Part 620.

"Be it further resolved that the Chief Clerk of the House of Representatives be, and he is hereby authorized and directed to forward copies of this Memorial to the Senators and Representatives representing the western range states in the Congress of the United States; to each of the Governors of said states; to the Secretary of Labor of the United States and to all of the regional offices of the United States Department of Labor; to the Departments of Employment of each of the ten western range states; to the State Woolgrowers' Association of said states; to the Western Range Association, Los Angeles, California; to the President of the Senate and the Speaker of the House of Representatives of Congress and to the Senators and Representatives representing this State in the Congress of the United States."

A joint resolution of the Congress of Micronesia. Referred to the Committee on Finance:

"Senate Joint Resolution No. 4, H.D. 1

"A Senate joint resolution requesting the High Commissioner, the Secretary of the Interior and the United States Congress to work toward amendment of United States law so as to provide that the standard United States income tax collected on salaries of United States citizens earned in Micronesia be paid into the Congress of Micronesia General Fund

"Whereas, there are a large number of United States citizens employed in the Trust Territory by the Trust Territory Government, the United States Goevrnment and by private employers; and

"Whereas, under the present state of the law in the United States and in the Trust Territory these United States citizens working in Micronesia are required to pay income tax on their salaries to the governments of both the United States and of the Trust Territory; and

"Whereas, this double taxation works an undue hardship on the United States citizens working in Micronesia; and

"Whereas, the United States Government, by providing by law that the United States income tax collected on the salaries of United States citizens earned in Micronesia be paid into the Congress of Micronesia General Fund instead of the United States Treasury, would be partially fulfilling its obligation under Article 6 of the Trusteeship Agreement to "promote the economic advancement and self-sufficiency of the inhabitants" of the Trust Territory; and

"Whereas, the Congress of Micronesia could then exempt United States citizens who are employed in the Trust Territory from the Micronesia income tax; and

"Whereas, this change in the tax laws of the United States and of Micronesia would not only lessen the tax burden on United States citizens employed in the Trust Territory but would also substantially increase the annual income to the Congress of Micronesia General Fund and thereby enable the Congress of Micronesia to appropriate greater sums of money to projects and programs that will increase the economic self-sufficiency of Micronesian citizens; now, therefore,

"Be it resolved by the Senate of the Fifth Congress of Micronesia, Second Regular Session, 1974, the House of Representatives concurring, that the High Commissioner and the United States Secretary of the Interior and the United States Congress be and are hereby requested to vigorously work toward the amendment of United States income tax law by the United States Congress so as to provide that the standard United States income tax collected from United States citizens on salaries earned in the Trust Territory of the Pacific Islands be paid into the General Fund of the Congress of Micronesia instead of into the United States Treasury; and

"Be it further resolved that certified copies of this Senate Joint Resolution be transmitted to the High Commissioner, the United States Secretary of the Interior, the President of the Senate and Speaker of the House of Representatives of the United States Congress, and to the United States Commissioner of Internal Revenue."

A resolution of the Legislature of the State of Minnesota. Referred to the Committee on Foreign Relations:

"Resolution No. 2

"A resolution memorializing the President, the Congress and the State Department to refrain from negotiating or approving any treaty with Mexico which would, in effect, reestablish the bracero program

"Whereas, the bracero program, effective during 1942 to 1964, which provided for the contracting of Mexican Nationals as temporary farm laborers in the United States, was nothing more than an easy source of cheap labor and brought with it dehumanizing living conditions for them as well as their exploitation; and

"Whereas, the bracero program also established and maintained substandard wages, thus causing a detrimental effect also to be felt by countless American men, women and children whose family income depended on earning a decent agricultural wage; and

"Whereas, Congress, upon full examination of this program, brought it to an end; now, therefore,

"Be it resolved, by the Legislature of the State of Minnesota that the State Department of the United States should end negotiations with the Mexican government on reestablishing any form of the bracero program, and that no such program be promoted by the President or approved by Congress.

"Be it further resolved, that the Secretary of State of the State of Minnesota be instructed to transmit copies of this resolution to the President of the United States, the Secretary of State of the United States, the President of the Senate of the United States, the Speaker of the House of Representatives of the United States, and the Speaker of the House shall appoint a member of the House and the Senate Committee on Committees shall appoint a member of the Senate to personally deliver the resolution to the Washington offices of the Minnesota Representatives and Senators in Congress."

A joint resolution of the Congress of Micronesia. Referred to the Committee on Interior and Insular Affairs:

"SENATE JOINT RESOLUTION No. 115, S.D. 1

"A Senate joint resolution requesting the United States of America to grant greater administrative control and political autonomy to the people and government of Micronesia

"Whereas, the United States of America as an Administering Authority of the Trust Territory of the Pacific Islands obligated itself pursuant to the Trusteeship Agreement between the United States and the United Nations to promote self-government in the Trust Territory and in that respect to exercise and to have "all executive, legislative, and judicial authority necessary for the civil administration of the Trust Territory"; and

"Whereas, pursuant to and in accordance with its constitutional process, the United States of America decided that the purposes of the Trusteeship Agreement governing the Trust Territory of the Pacific Islands could best be effectuated by placing in the President of the United States, and through him the Secretary of the Interior, responsibility for the civil administration of all of the Trust Territory of the Pacific Islands; and

"Whereas, responsibility for the administration of civil government in all of the Trust Territory of the Pacific Islands, and all executive, legislative, and judicial authority necessary for that administration vested in the Secretary of the Department of the Interior have been redelegated and are now exercised by the High Commissioner, the Congress of Micronesia, and the High Court of the Trust Territory, respectively; and

"Whereas, under the redelegation of authority for the governance of the Trust Territory of the Pacific Islands, the Government of the Trust Territory is by law specifically denied and deprived of the power and authority to control and regulate air and sea transportation systems, the power to enact laws which may not necessarily be in harmony with the policies and laws of the United States, United States Presidential and Secretarial Orders, international treaties and agreements to which the United States is a party, and certain other laws relating to civil rights and liberties; and

"Whereas, the Trust Territory of the Pacific Islands has been under American governance and tutelage for nearly 30 years and it has been only recently that any meaningful and progressive dialogue has taken place to prepare Micronesians towards the time when they will be able to decide on their future political and constitutional status; and

"Whereas, the Trusteeship Council of the United Nations, and members of the United States Congress have in the past urged that the Administering Authority grant increasing authority to the people of Micronesia to hasten the process of self-determination and self-government; and

"Whereas, on January 23, 1974 the Honorable Rogers C. B. Morton, Secretary of the Department of the Interior addressed the people of Micronesia in a statement which said in part:

" 'You, the people of Micronesia are moving toward a new era of political self-reliance and increased economic self-sufficiency. You must be ready to accept the responsibilies that will come with these developments. At the same time, the government of the United States *must* and *will* do everything possible to provide you with the tools and skills to help you in assuming these responsibilities and in chartering a new course of a self-governing people'; and

"Whereas, specific steps and programs should now be undertaken to progressively give Micronesians the opportunity to run their own government; now, therefore,

"Be it resolved by the Senate of the Fifth Congress of Micronesia, Second Regular Session, 1974, the House of Representatives concurring, that the United States of America is respectfully requested to grant greater administrative control and political autonomy to the people and Government of Micronesia by acceding to the following:

"(1) the election by popular vote of the High Commissioner and the Deputy High Commissioner of the Trust Territory;

"(2) the appointment of the Justices of the High Court upon approval of the Congress of Micronesia through the exercise of its authority of advice and consent;

"(3) the granting of plenary power and authority to the Government of the Trust Territory to conclude or dissolve contracts or arrangements for any and all sea and air transportation services to, from, and within Micronesia;

"(4) the granting of the authority to the Congress of Micronesia to override the exercise of the power of disapproval of legislation by the High Commission when such legislation affects the internal affairs and matters of the Trust Territoy of the Pacific Islands;

"(5) the granting of complete authority to the Trust Territory Government to allocate and apportion all United States federal grant funds among the various program departments and capital improvement projects in the Trust Territory; and

"(6) the elimination of the necessity or requirement that the Trust Territory of the Pacific Islands must operate under an appropriation ceiling with regard to annual grant fund appropriations; and

"Be it further resolved that certified copies of this Joint Resolution be transmitted to the President of the United States of America; the Secretaries of the Departments of State and the Interior; the Presidents of the Security and Trusteeship Councils of the United Nations; the President and the Speaker of the United States Congress; the Chairman of the House Subcommittee on Territorial and Insular Affairs and the Chairman of the Senate Subcommittee on Territories and Insular Affairs of the United States Congress; the Chairman of the House and Senate Committees on Appropriations of the United States Congress; and the High Commissioner."

A concurrent resolution of the Legislature of the State of Hawaii. Referred to the Committee on Interior and Insular Affairs.

"SENATE CONCURRENT RESOLUTION No. 1

"Requesting the President of the United States to release Federal funds for use in conducting geothermal research

"Whereas, the current energy crisis is disrupting commerce and industry throughout the United States, and is seriously affecting the comfort and well-being of our citizens; and

"Whereas, prolonged shortages of energy resources could seriously endanger the public health, safety and welfare; and

"Whereas, the United States is heavily dependent upon the nations of the Middle East and other countries for the basic resources to generate our energy requirements; and

"Whereas, such dependence has made it extremely difficult for the United States to adequately provide for the energy requirements of our citizens; and

"Whereas, the energy crisis clearly demonstrates the necessity for the United States to seek diversity and develop alternate sources of energy susceptible to more direct control; and

"Whereas, exploratory research is likely to reveal heretofore untapped geothermal resources below the surface of the earth representing new, potential resources to fuel our energy requirements; and

"Whereas, research in geothermal resource probably will entail tremendous financial costs which can only be undertaken by the federal government; now, therefore

"Be it resolved by the Senate of the Seventh Legislature of the State of Hawaii, Regular Session of 1974, the House of Representatives concurring, that the President of the United States be and is hereby respectfully requested to release and make available federal funds for use in conducting geothermal research; and

"Be it further resolved that duly authenticated copies of this Concurrent Resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, and to each member of the Congressional delegation from the State of Hawaii."

A joint resolution of the Legislature of the Commonwealth of Virginia. Referred to the Committee on Public Works:

"HOUSE JOINT RESOLUTION No. 50

"Memorializing the Congress of the United States to take certain actions to assist the states and localities in the construction of water pollution abatement facilities

"Whereas, the Commonwealth of Virginia has made considerable progress in the reduction of water pollution, thereby demonstrating its commitment to a clean and healthful environment; and

"Whereas, the program of federal grants to advance the construction of facilities to reduce or eliminate water pollution has suffered a severe blow in the withholding of funds and the failure to appropriate funds by the federal government; and

"Whereas, many localities in the Commonwealth have invested substantial funds to provide primary sewage treatment facilities in their jurisdictions prior to the promulgation of new State and federal standards; and

"Whereas, many localities throughout the Commonwealth face critical financial difficulties because they have been required to undertake construction of new facilities to meet the new standards promulgated by State and federal authorities and to meet the growing needs of their communities but have been virtually denied the necessary grant-in-aid funds to assist with such construction; and

"Whereas, many communities are faced with a curtailment of growth because of overloaded sewage treatment facilities or a substantial increase in rates charged to users who are already bearing the major portion of the burden for construction of needed facilities; and

"Whereas, the State's financial capabilities are now severely taxed by the necessity to furnish its citizens with facilities and services in many areas; now, therefore, be it

"Resolved by the House of Delegates, the Senate of Virginia concurring, That the Congress of the United States is hereby respectfully memorialized to reenact the provision in the former federal law for prefinancing of pollution abatement facilities by owners with subsequent reimbursement when federal funds become available. Specifically, the Congress is memorialized to enact HR 9835, currently pending in the House of Representatives, which would provide for the reestablishment of these funds; and

"Resolved further, That the Congress of the United States is also respectfully memorialized to enact legislation providing a grace period for the construction of secondary treatment plants required by the Federal Water Pollution Control Act Amendments of nineteen hundred seventy-two, until sufficient federal funds are available to assist the localities in financing these projects; and

"Resolved finally, That the Clerk of the House of Delegates of Virginia is directed to send suitably prepared copies of this resolution to the Speaker of the House of Representatives, the President Pro Tempore of the Senate and the members of the Virginia delegation to the United States Congress."

A resolution of the Council of the City of

Port Wentworth, Ga., in opposition to the granting of amnesty to certain citizens. Referred to the Committee on the Judiciary.

A resolution of the City Council of the City of Seattle, Wash., requesting increased funding for summer youth employment. Referred to the Committee on Labor and Public Welfare.

A resolution of the Tri-County Community Action Agency, Athens, Ohio, in support of the continued existence of the Office of Economic Opportunity and Community Action agencies. Referred to the Committee on Labor and Public Welfare.

Petitions of the Model Neighborhood Citizens Committee, Inc., of Grand Rapids, Mich., supporting the Model Cities Program. Referred to the Committee on Banking, Housing and Urban Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. SPARKMAN, from the Committee on Foreign Relations, without amendment:

H.R. 12920. An act to authorize additional appropriations to carry out the Peace Corps Act, and for other purposes (together with additional views) (Rept. No. 93–793).

ORDER FOR STAR PRINT

Mr. ROBERT C. BYRD. Mr. President, on behalf of Mr. Cranston, I ask unanimous consent that there be a star print of Report No. 93–766.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. SPARKMAN, from the Committee on Banking, Housing and Urban Affairs:

Mary T. Brooks, of Idaho, to be Director of the Mint.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. SCHWEIKER (for himself and Mr. Javits):

S. 3390. A bill to amend the Community Mental Health Centers Act to provide for the extension thereof, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. SCHWEIKER:

S. 3391. A bill for the relief of Dinesh C. Pandya. Referred to the Committee on the Judiciary.

By Mr. PACKWOOD:

S. 3392. A bill to amend the Clayton Act to preserve competition in the geothermal energy industry in the United States. Referred to the Committee on the Judiciary.

By Mr. MUSKIE (for himself and Mr. Javits):

S. 3393. A bill to provide for the establishment of a new office in the Executive Office of the President and of a joint committee in the Congress in order to supervise policies and procedures with respect to the development and review of national defense and foreign policies of the United States and the protection and disclosure of information relating to such policies, and for other purposes. Referred to the Committee on Government Operations.

By Mr. SPARKMAN (by request):

S. 3394. A bill to amend the Foreign Assistance Act of 1961, and for other purposes. Referred to the Committee on Foreign Relations.

By Mr. ROBERT C. BYRD (for Mr. Bentsen):

S. 3395. A bill to reorganize the Department of Justice, to require nonpartisan appointments to policymaking positions in such Department, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. BUCKLEY:

S. 3396. A bill to amend the Internal Revenue Code of 1954 and certain other provisions of law to provide for automatic cost-of-living adjustments in the income tax rates, the amount of the standard, personal exemption, and depreciation deductions, and the rate of interest payable on certain obligations of the United States. Referred to the Committee on Finance.

By Mr. GRIFFIN:

S. 3397. A bill for the relief of Jose Ismarnardo Reyes-Morelos. Referred to the Committee on the Judiciary.

By Mr. HARTKE (for himself, Mr. Hansen, Mr. Cranston, Mr. Talmadge, Mr. Randolph, Mr. Hughes, Mr. Thurmond, Mr. Stafford, Mr. McClure, Mr. McGovern, Mr. Mathias, Mr. Inouye, Mr. Abourezk, Mr. Beall, Mr. Buckley, Mr. Burdick, Mr. Case, Mr. Church, Mr. Clark, Mr. Curtis, Mr. Domenici, Mr. Dominick, Mr. Fulbright, Mr. Gravel, Mr. Gurney, Mr. Hart, Mr. Haskell, Mr. Hatfield, Mr. Hathaway, Mr. Hollings, Mr. Humphrey, Mr. Jackson, Mr. Kennedy, Mr. Magnuson, Mr. Mansfield, Mr. McGee, Mr. McIntyre, Mr. Metzenbaum, Mr. Mondale, Mr. Moss, Mr. Muskie, Mr. Nelson, Mr. Ribicoff, Mr. Schweiker, Mr. Hugh Scott, Mr. Sparkman, Mr. Stevens, Mr. Tunney, Mr. Weicker, Mr. Williams, Mr. Young, Mr. Metcalf, Mr. Montoya, Mr. Pastore, Mr. Brooke, Mr. Javits, Mr. Packwood, and Mr. Taft):

S. 3398. A bill to amend title 38, United States Code, to provide a 10-year delimiting period for the pursuit of educational programs by veterans, wives, and widows. Referred to the Committee on Veterans' Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SCHWEIKER (for himself and Mr. Javits);

S. 3390. A bill to amend the Community Mental Health Centers Act to provide for the extension thereof, and for other purposes. Referred to the Committee on Labor and Public Welfare.

Mr. SCHWEIKER. Mr. President, the Senate Health Subcommittee this week begins hearings on legislation to provide health services. Specifically, the subcommittee will be considering migrant health, community mental health centers, National Health Service Corps, health revenue sharing, and a program for community health centers. On May 1 the subcommittee will receive testimony regarding the extension of the Community Mental Health Centers Act which is scheduled to expire on June 30, 1974.

Last year the Congress extended the community mental health centers program for 1 year without substantive change and we are now reviewing the program with the expectation that some changes will be made in the program. There are a number of recommendations before the subcommittee and the experience of 8 years of the program's operation prompts other suggestions for improvements in the program.

Nearly a year ago I introduced S. 1998, the Community Mental Health Centers Extension Act of 1973, which made many changes in the program. The bill provided for the extension of the program for 3 years, changed construction grants to facility grants for renovation or acquisition of existing facilities, and provided funding for operating costs in lieu of staffing grants. The measure strengthens the requirement for evaluation of programs both by HEW and the centers themselves. Although the bill retained the current provisions of the act making a distinction in the Federal share of moneys to centers in poverty areas, it would begin such Federal share at a higher level, and such support at a significant lower level.

Mr. President, I ask unanimous consent that a copy of my remarks at the time of the introduction of S. 1998 be included at this point in the Record.

There being no objection, the remarks were ordered to be printed in the Record, as follows:

[From the Congressional Record, June 14, 1973]

Schweiker Introduces Community Mental Health Centers

By Mr. SCHWEIKER:

S. 1998. A bill to amend the Community Mental Health Centers Act to provide for the extension thereof, and for other purposes. Referred to the Committee on Labor and Public Welfare.

Mr. SCHWEIKER. Mr. President, the authority contained in the Community Mental Health Centers Act for the continuation of this program and the funding of new community mental health centers expires June 30, 1973. The administration has not sought extension of that authority and is seeking funds in its budget request for fiscal year 1974 only to complete its commitment to existing centers. Thus, no new centers will receive any Federal support.

Although the Senate has already passed a bill which included an extension of this authority for 1 year without substantive change, I introduce today the Community Mental Health Centers Extension Act of 1973 which makes major changes in the program by amendments to the Community Mental Health Centers Act. The bill will extend the program for 3 years, change construction grants to facility grants for renovation or acquisition of existing facilities, and provide funding for operating costs in lieu of staffing grants. Also, the measure strengthens the requirement for evaluation of programs both by HEW and the centers themselves.

Although the bill retains the current provisions of the act making a distinction in the Federal share of moneys to centers in poverty areas, it would begin such Federal share at a higher level, and at a significantly lower level, and require that the additional funds for a center serving a poverty area be used for the poverty population being served in that area. I am confident that the Congress will decide to not only continue the community mental health centers program but to expand it, make funds available for initiating new centers and new services within existing centers, and assure a monitoring of the performance of federally supported centers to insure their responsiveness to community needs and national goals relating to community mental health care. This bill can be the basis for such a decision.

Mr. President, the community mental health center is a health services delivery system already federally funded in nearly 500 communities in which approximately 35 percent of the Nation's population lives. It embodies many of the attributes held in highest regard by the administration. Yet, the administration proposes to discontinue further Federal support. In my judgment this would be a serious mistake.

The community mental health center system stresses comprehensiveness by including within a single system all of the related services available to serve the population for which it is responsible. The services contained in a manner which enables a patient to move freely and easily from one service to another as needed without the duplication of effort and cost present when services are unrelated and uncoordinated. The program is designed to serve the total population of its designated geographic area. The funds allocated go almost entirely into services for the persons in need. Very little money is used for the support of a bureaucracy.

A noteworthy characteristic is the high degree of local responsibility with the controls and direction provided by local volunteer boards.

The community mental health centers program, which was to be initiated in each catchment or population area with Federal funding on a diminishing basis has moved steadily toward ultimate support by State and local government and private sources. Only about 30 percent of the money invested annually in operating the community mental health center program now comes from Federal funds. Forty-four percent comes from local and State government; 20 percent comes from patient fees and forms of insurance.

The program is not one which was developed and put together hastily in response to a crisis, but evolved out of 10 years of thoughtful deliberations with extensive community planning at State and local levels. The planning process was initiated during the Eisenhower administration, the crucial legislation was adopted during the Kennedy administration, and the program has had the continued support of each administration since.

The system is designed to be compatible with any proposed comprehensive plan for total health care delivery and thus might be joined as an already operating component. For example, the Senate-passed HMO bill, S. 14, provides for mental health services utilizing existing community mental health centers on a priority basis. Despite commonly held false assumptions, mental health services are demonstrably insurable within a plan of National Health Insurance.

Community mental health centers encourage community care with a minimum of institutional confinement which means that to the extent possible, the patient is responsible for the fulfillment of his own treatment plan while continuing as a self-reliant, tax-paying member of the community. These centers have already played a major role in the reduction of State hospital census by a dramatic 36 percent in the last 5 years, in closing a number of State hospitals in several States and in making a sharp reduction in the amount of funds expended in the construction of new institutions.

The center system places major attention on the development of a preventive approach with better and more efficient utilization of limited professional manpower. It has been suggested that the program was intended to be a demonstration and because it has been demonstrated to be successful and effective it should therefore be picked up by funding from other sources. The problem lies in the definition of "demonstration." It is clear that those who wrote the original legislation did not intend that Federal support would continue undiminished and forever. Funding grants were to be for a term of 8 years and provision was made for diminishing Federal participation during that 8-year period.

Thus, Federal funding was to serve a pump priming purpose. It was also to demonstrate to each community the merits of the program and the capability of each community to pick up gradually the financing of its own center. Congress set as its goal that a mental health center should be established in as many catchment areas as necessary to serve the total population of the country. It was not the intent of Congress when the initial legislation was enacted to assist a few favored communities to have centers and then to leave to chance the spread of the program elsewhere.

It has also been suggested that the program will be funded through national health insurance. Unfortunately, national health insurance does not yet exist nor does it seem imminent. In addition, it must be recognized that even if national health insurance supports continuation of an existing community mental health center, it would not, as a fee-for-service mechanism, provide the funding for consultation services, which are a major component of the preventive function. Nor would insurance provide funding for the initiation of new and needed centers where they do not already exist. Furthermore, there unfortunately remains some uncertainty at this time whether mental health coverage will be included in national health insurance legislation.

Can the program be supported and centers be initiated through revenue sharing? Without debating what may prove to be the eventual virtues of the revenue-sharing approach to Federal participation in local programs, there seems to be a disregard for reality in proposing this solution. There is no evidence that revenue sharing will be so effective immediately that each of the many programs which apparently are expected to derive their support from this source will each receive its equitable and essential share without interruption of service and irreparable damage.

Neither can anyone be confident about the prospects of equitable consideration in the intense competition which will take place not only between established programs but also with those which may be devised in response to State and local pressures. Doubts arise concerning revenue sharing as a solution because of the tendency on the part of State and local governments to use the funds shared with them for one-time capital expenditures rather than for programs involving long-term financial commitments. Then, there are indications that all the programs which are supposedly to be supported by revenue sharing are going to have to be financed with what appears to be less dollars than are currently available through present funding arrangements.

It has been pointed out that the Federal grant program for community health centers has resulted in an inequitable distribution of services with certain States and communities receiving a disproportionate amount of the funds available. It is true that some States were better prepared to move ahead than others and have attained more rapid and complete coverage of the population of their States. It hardly makes sense, however, that those States which have been confronted with greater difficulty in getting underway should be deprived of assistance simply because the funds have been inequitably distributed up to now. To take such a position is to perpetuate the inequity.

Mr. President, there are valid reasons why there should be a continuation of the Federal presence in a program to resolve the general and far-reaching problem of mental illness. Mental illness in its various manifestations is so pervasive in breadth and impact that the Nation cannot afford to let an aggressive program become merely a matter of State option.

I am deeply concerned about an approach to financing which does not provide for a continuing Federal regulating relationship. Though a substantial part of center funding may come from other sources and though program control and management may be local, uniform standards of practice and performance established by the Federal Government are highly desirable.

Historically, the care of the mentally ill has represented such a heavy burden on the resources of State government that the picture was one of shocking neglect. It was not until the Federal Government took positive action to correct the appalling situation that conditions began to change and hope at last arose for the future. There is inadequate evidence that the States are yet able to accept again full responsibility for this health problem, which is unique in terms of the number of persons affected and the range of services required. To force State government to assume too soon the entire burden which many States carried so badly in the past is to risk a return to the scandalous waste of human resources from which our Nation has just now begun to emerge.

Mr. President, my proposal makes several basic recommendations which are consistent, I believe, with administration goals and realistic in terms of the future of the community mental health center program and its development to meet the goals the Congress initially set for it:

First, that Federal funding continue for the purpose of assuring the initiation of a community mental health center in each of the 1,500 catchment areas required to encompass the total national population. Presently, there are 493 centers federally funded and a small number financed in other ways. This means there are at least 900 catchment areas for which centers must still be planned and initial funding secured. Continued Federal participation should at least make available an initial 8-year staffing grant for the support of a properly designed and approved mental health center in every catchment area still unserved by such a center, June 30, 1980, should be regarded as the target date for comprehensive national coverage with initiation staffing grants.

Second, that a ceiling be placed on the amount which can be allocated to any one center in order to avoid giving undue advantage to those having unusual grant-writing skills and in order to provide for an equitable distribution of available dollars to all catchment areas.

Third, that there be a continuation of preferential funding for centers serving poverty areas with the requirements that the additional dollars allocated to such preferential funding be used for the provision of service to the poverty population.

And finally, that long-term funding beyond the initial 8-year grant period be available to finance consultation and other preventive services not normally reimbursable from other sources. Preferential funding should also be available to support such services in poverty populations.

Mr. SCHWEIKER. Mr. President, I introduce today a bill to amend the basic Community Mental Health Centers Act. This legislation is basically the bill I introduced last year but contains several major changes. I am pleased to be joined by the distinguished Senator from New York (Mr. JAVITS) in the introduction of this legislation.

The changes from S. 1998 contained in this measure include specific requirements and definitions for community mental health centers, grants for development of community mental health centers programs, and changes in the percent of the Federal share for centers served, both poverty and nonpoverty; a limit in the amount of Federal funding which such centers may receive stated in terms of dollars per person served by such centers; and support of consultation and educational services beginning with the first year of the center's operation and funded separately from any developmental facility's acquisitional or operational support. In addition, the bill strengthens the requirements for centers to operate on funds from non-Federal sources.

Mr. President, the most significant issue facing the subcommittee with respect to the extension of the Community Mental Health Centers Act is the question of how to provide a financial basis for centers to continue operation after Federal support has ended and until a national health insurance program is in place. Unfortunately, national health insurance does not yet exist, although it does appear imminent.

However, it must be recognized that if national health insurance supports services provided by community mental health centers, it would not provide the funding for consultation services, which are a major component of the preventative function, Nor would insurance provide funding for new and needed centers where they do not already exist. Furthermore, there remains some uncertainty as to how much of the cost of providing mental health services will be covered in a national health insurance program.

Several suggestions have been offered to deal with this problem ranging from an indefinite extension of operational support for centers to a program of financial distress grants. The bill I introduced today allows the centers to receive operational support beyond the normal termination of such support until the centers reach the ceiling which no center can exceed. Another suggestion which I would like to see discussed in the hearings is a program of Federal matching of State support for centers. For example, for each $2 provided to a center after the eighth year of operation, the Federal Government could provide $1. I hope the witnesses will provide recommendations to the subcommittee on this crucial question.

Mr. President, I ask that the text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3390

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Community Mental Health Centers Extension Act of 1974".

FINDINGS

SEC. 2. (a) The Congress hereby finds that—

(1) community care is the most effective and humane form of care for the majority of mentally ill and mentally retarded individuals;

(2) there is currently a shortage and maldistribution of quality community mental health care resources in the United States;

(3) the federally funded community mental health centers have had a major impact on the improvement of care by: fostering coordination and cooperation between various agencies resulting in a decrease in overlapping services and more efficient utilization of available resources, bringing comprehensive community care to all in need within a specific geographic area regardless of ability to pay, and by developing a system of care which insures continuity of care for all patients; and

(4) until such time as legislation is enacted and becomes effective which insures all Americans financial access to the mental health services which are presently available through community mental health centers, Federal funds should continue to be made available for the purposes of initiating new community mental health centers responsive to community needs and national goals relating to community mental health care.

(b) The Congress further declares that the obligation for insuring the expansion of the community mental health center concept in the United States and the provision of comprehensive community care to all in need, rests with the Federal Government, and declares further that Federal funds should continue to be made available for the purposes of initiating new community mental health centers and new services within existing centers, and for the monitoring of the performance of all federally funded centers to insure their responsiveness to community needs and national goals relating to community mental health care.

SEC. 3. (a) Parts A and B of the Community Mental Health Centers Act (42 U.S.C. 2681) are redesignated as parts C and D, respectively, and the following new part is inserted before part B as so redesignated:

"PART A—OPERATIONS ASSISTANCE

"REQUIREMENTS FOR COMMUNITY MENTAL HEALTH CENTERS

"SEC. 201. (a) For purposes of this title (other than part B thereof), the term 'community mental health center' means a legal entity (1) through which comprehensive mental health services are provided in the area served by the center (referred to in this title as a 'catchment area') in the manner prescribed by subsection (b), and (2) which is organized in the manner prescribed by subsection (c).

"(b) (1) The comprehensive mental health services which shall be provided through a community mental health center shall include—

"(A) services for individuals who are inpatients in a hospital or other health services delivery facility, outpatient services, day care and other partial hospitalization services, and emergency services;

"(B) a specialized program for the mental health of children, including a full range of diagnostic, treatment, liaison, and followup services (as prescribed by the Secretary);

"(C) a program of comprehensive specialized services for the mental health of the elderly, including a full range of diagnostic, treatment, liaison, and followup services (as prescribed by the Secretary);

"(D) consultation and education services including services for health professionals, schools, State and local law enforcement and correctional agencies, public welfare agencies, health services delivery agencies, and other appropriate entities;

"(E) assistance to courts and other public agencies in screening residents of the center's catchment area who are being considered for referral to a State mental health facility for treatment to determine if they should be so referred and provision, where appropriate, of treatment for such persons through the center as an alternative to treatment at such a facility;

"(F) provision of followup care for residents of its catchment area who have been discharged from a State mental health facility; and

"(G) provision of each of the following service programs (other than a service program which the Secretary determines the center is unable to provide or for which there is not sufficient need (as determined by the Secretary) in the center's catchment area) or which the Secretary determines should be provided by another public or private nonprofit agency:

"(i) A comprehensive program for the prevention and treatment of alcoholism and alcohol abuse and for the rehabilitation of alcohol abusers and alcoholics.

"(ii) A comprehensive program for the prevention and treatment of drug addiction and abuse and for the rehabilitation of drug addicts, drug abusers, and other persons with drug dependency problems.

"(2) The provision of comprehensive mental health services through a center shall be coordinated with the provision of services by other health and social service agencies in the center's catchment area to insure that persons receiving services through the center have access to all such health and social services as they may require. The center's services (A) may be provided at the center or satellite centers through the staff of the center or through appropriate arrangements with health professionals and others in the center's catchment area, (B) shall be available and accessible to the residents of the area promptly, as appropriate, and in a manner which assures continuity and which overcomes geographic, cultural, or economic barriers to the receipt of services, and (C) when medically necessary, shall be available and accessible twenty-four hours a day and seven days a week.

"(c) (1) The governing body of a community mental health center shall be composed of individuals who reside in the center's catchment area and who, as a group, represent the residents of that area taking into consideration the employment, age, sex, and place of residence of the members of the governing body. At least one-half of the members of such body shall be individuals who are not providers of health care services. For purposes of this paragraph, the term 'provider of health care services' means an individual who receives (either directly or through his spouse) more than one-tenth of his gross annual income from fees or other compensation for the provision of health care services or from financial interests in entities engaged in the provision of health care services or in producing or supplying drugs or other articles for individuals and entities engaged in the provision of such services, or from both such compensation and such interests.

"(2) A center shall have organizational arrangements, established in accordance with regulations prescribed by the Secretary, for (A) an ongoing quality assurance program (including utilization and peer review systems) respecting the center's services, and (B) maintaining the confidentiality of patient records.

"GRANTS FOR DEVELOPMENT OF COMMUNITY MENTAL HEALTH CENTER PROGRAMS

"SEC. 202 (a) The Secretary may make grants to public and nonprofit private entities to carry out projects to develop community mental health center programs. In connection with a project for a community mental health center program for an area the grant recipient shall (1) assess the needs of the area for mental health services, (2) design a community mental health center program for the area based on such assessment, (3) obtain within the area financial and professional assistance and support for the program, and (4) initiate and encourage continuing community involvement in the development and operation of the program. The amount of any grant under this subsection shall be determined by the Secretary.

"(b) A grant under subsection (a) may be made for not more than one year, and if a grant is made under such subsection for a project, no other grant may be made for such project under such subsection. The Secretary shall give special consideration to applications submitted for grants under this section for projects for community mental health centers programs for areas designated by the Secretary as urban or rural poverty areas.

"(c) There are authorized to be appropriated for grants under this section $5,000,000 for the fiscal year ending June 30, 1975, and $5,000,000 for the fiscal year ending June 30, 1976."

(b) Sections 201 through 207 of such Act are redesignated as sections 211 through 217, respectively.

AMENDMENTS TO THE COMMUNITY MENTAL HEALTH CENTERS ACT

SEC. 4. (a) Section 211 (as redesignated by this Act) of the Community Mental Health Centers Act is amended to read as follows:

"SEC. 211. There are authorized to be appropriated for grants for facilities of public and other nonprofit community mental health centers under this title $15,000,000 for the fiscal year ending June 30, 1975; $15,000,000 for the fiscal year ending June 30, 1976; and $15,000,000 for the fiscal year ending June 30, 1977."

(b) (1) Section 212(b) of such Act (as redesignated by this Act) is amended by striking in the first sentence the words "a project for the construction of a community mental health center" and inserting in lieu thereof "construction, leasing, acquisition and renovation of a community mental health center facility".

(2) The second sentence of such section is amended by striking the words "construction of the center" and inserting in lieu thereof the words "the center facility".

(c) (1) Section 214(a) (3) of such Act (as redesignated by this Act) is amended by adding immediately after the word "groups," the words "citizens of mental health organizations".

(2) Section 214(a) (4) of such Act (as redesignated by this Act) is amended by striking the words "construction of community mental health centers" and inserting in lieu thereof the words "construction, leasing, acquisition and renovation of community mental health center facilities".

(d) Section 214(a) (8) of such Act (as redesignated by this Act) is amended by striking the word "construction" and inserting in lieu thereof "facility".

(e) Section 215(a) of such Act (as redesignated by this Act) is amended by striking the word "construction" and inserting in lieu thereof the words "the construction, leasing, acquisition or renovation of a community mental health center facility".

(f) Section 215(a) (as redesignated by this Act) is further amended by redesignating paragraphs (4), (5), and (6) as paragraphs (5), (6), and (7) and by adding after paragraph (3) the following new paragraph:

"(4) except in the case of a leasing project, reasonable assurance that title to such site is or will be vested in one or more of the agencies filing the application or in a public or other nonprofit agency which is to operate the community mental health center;".

(g) Section 215 (a) (5) (as redesignated by this Act) of such Act is amended by striking the words "construction of the".

(h) The third sentence of section 215 (a) (as redesignated by this Act) is amended by striking the words "of the cost of construction".

(i) Section 217 of such Act (as redesignated by this Act) is amended to read as follows:

"SEC. 217. No grant may be made under any provision of the Public Health Service Act for any fiscal year for any project described in this title unless the Secretary determines that funds are not available under this title to make a grant for such project."

(j) The title of part B of such Act (as redesignated by this Act) is amended to read "Part B—Grants for Facilities".

SEC. 5. (a) The heading for part C of the Community Mental Health Centers Act (as redesignated by this Act) is amended to read as follows:

"PART C—GRANTS FOR PORTION OF THE COSTS OF OPERATION OF CENTERS"

(b) (1) Section 220 (a) of such Act is amended by striking the words "compensation of professional and technical personnel for the initial operation" and by inserting in lieu thereof the words "compensation for operational costs for the operation of new comunity mental health centers or of new services in community mental health centers".

(2) Section 20(a) of such Act is further amended by adding at the end thereof immediately before the period the words "such as services for children and the elderly".

(3) Section 20(b) of such Act is amended to read as follows:

"(b) (1) Grants under this section for costs for any center may be made only for the period beginning with the first day of the first month for which such a grant is made and ending with the close of eight years after such first day; and except as provided in paragraph (2), such grants with respect to any center may not exceed 80 per centum of such costs for the first year after such first day, 65 per centum of such costs for the second year after such first day, 50 per centum of such costs for the third year after such first day, 35 per centum of such costs for the fourth year after such first day, 20 per centum of such costs for the fifth year after such first day and for each year thereafter until the limitation under section 224 (d) (1) is met.

"(2) In the case of any center providing services for persons in an area designated by the Secretary as an urban or rural poverty area, grants under this section for such costs may not exceed 90 per centum of such costs for the first year after such first day, 90 per centum of such costs for the second year after such first day, 90 per centum of such costs for the third year after such first day, 75 per centum of such costs for the fourth year after such first day, 60 per centum of such costs for the fifth year after such first day, 50 per centum of such costs for the sixth year after such first day, 40 per centum of such costs for the seventh year after such first day, and 30 per centum of such costs for the eighth year after such first day and for each year thereafter until the limitation under section 224(d) (2) is met.

"(3) For the fiscal year ending **June 30**, 1976, and for each of the succeeding seven fiscal years there are authorized to be appropriated such sums as may be necessary to make payments under grants under this section to community mental health centers which first received such a grant for the fiscal year ending June 30, 1975, or the next fiscal year and which are eligible for payments under such a grant for the fiscal year for which sums are authorized to be appropriated under this paragraph.".

(c) Section 221(a) of such Act is amended by—

(1) striking the word "and" at the end of paragraph (4);

(2) striking the period at the end of paragraph (5) and inserting in lieu thereof a semicolon; and

(3) by adding after paragraph (5) the following new paragraphs:

"(6) the services to be provided by the center are made available to any health maintenance organization serving residents within the catchment area for such center;

"(7) such center has made and will continue to make every reasonable effort to collect appropriate fees for services to individuals who are entitled to insurance benefits under title XVIII of the Social Security Act, to medical assistance under a State plan approved under title XIX of such Act, or to assistance for medical expenses under any other public assistance program or private health insurance program;

"(8) such center (A) has or will have a contractual arrangement with the agency of the State in which it provides services which administers or supervises the administration of a State plan approved under title XIX of the Social Security Act for the payment of all or a part of the applicant's costs in providing services to individuals who are eligible for medical assistance under such State plan, or (B) has made every reasonable effort to enter into such arrangement;

"(9) such center shall provide treatment and services to the extent practicable in the language and cultural context most appropriate to bilingual and bi-cultural consumers;

"(10) such center will provide, in accordance with regulations of the Secretary, an effective procedure for developing, compiling, evaluating, and reporting to the Secretary, statistics and other information (which the Secretary shall publish and disseminate on a periodic basis and which the center shall disclose at least annually to the general public) relating to (i) the cost of the center's operation, (ii) the patterns of utilization of its services, (iii) the availability, accessibility, and acceptability of its services, (iv) the impact of its services upon the mental health of the residents of its catchment area, and (v) such other matters as the Secretary may require; and

"(11) such center will adopt and enforce a policy (i) under which fees for the provision of mental health services through the center will be paid to the center, and (ii) which prohibits health professionals who provide such services to patients through the center from providing such services to such patients except through the center;

"(12) such center has established an evaluation program, either directly or by contract;

"(13) such center has a program whereby it screens, and where practicable, provides treatment for, persons within its catchment area who may otherwise be admitted to a State mental hospital;

"(14) such center has a program for the followup care of persons within its catchment area who are discharged from a State mental hospital.

"(d) Section 221(b) is repealed.

"(e) Section 221(c) is repealed.

"(f) Section 221 is further amended by adding at the end thereof the following new subsections:

"(b) Where an application for a grant under this part for a community mental health center is made, such application may not be approved unless the application provides or is supported by assurances that the applicant—

"(1) will provide in that fiscal year, either directly or through affiliation agreements, a program of comprehensive specialized services for the mental health of children. Such services must provide a full range of diagnostic, treatment, liaison, and followup services (as prescribed by the Secretary) for all children and their families in the area in need of such services; and

"(2) will make available consultation and education for personnel of all schools, probation departments, and other community agencies serving children in such area;

"(c) If an application for a grant under this part for a community mental health center is made, such application may not be approved unless such application provides or is supported by assurances that the applicant—

"(1) will provide in that fiscal year, either directly or through affiliation agreements, a program of comprehensive specialized services for the mental health care of the elderly. Such services must provide a full range of diagnostic, treatment, liaison, and followup services (as prescribed by the Secretary) for all elderly persons residing in the area in need of such services; and

"(2) will make available consultation and education for personnel of other community agencies serving the aged in such area;

"(d)(1) Where the Secretary determines that it is feasible for an applicant to provide a program for the prevention and treatment of alcoholism or drug abuse in the area to be served by the applicant and that the need for such a program is of a magnitude that would warrant the provision of such a program by the center, an application for assistance under this part may not be approved unless it contains or is supported by assurances satisfactory to the Secretary that the applicant will provide either directly or through affiliation with other public or private nonprofit agencies such programs in such fiscal year; or

"(2) Where the Secretary determines that it is feasible for the applicant to assist the Federal Government in treatment and rehabilitation programs for alcoholics and drug abusers in the area to be served by the applicant, an application for assistance under this part may not be approved unless it contains or is supported by assurances satisfactory to the Secretary that the center will enter into agreements with departments or agencies of the Government under which agreements the center may be used (to the maximum extent practicable) in the treatment and rehabilitation programs provided by such departments or agencies.

"(e) Any community mental health center which has received approval but not the funding of its application for assistance under this Act prior to June 30, 1973, shall be given a priority with regard to assistance applied for after such date under the provisions of this part."

(g) Section 224(a) of such Act is amended to read as follows:

"SEC. 224. (a) There are hereby authorized to be appropriated to enable the Secretary to make grants to community mental health centers to cover a portion of the costs of operating expenses, under the provisions of this part, $90,000,000 for the fiscal year ending June 30, 1975; $100,000,000 for the fiscal year ending June 30, 1976; and $110,000,000 for the fiscal year ending June 30, 1977. For the fiscal year 1974, and succeeding fiscal years, there are hereby authorized to be appropriated such sums as may be necessary to make grants to such centers which have previously received a grant under this part and are eligible for such a grant for the year for which sums are being appropriated under this sentence."

(h) Section 224 of such Act is further amended by adding at the end thereof the following new subsections:

"(c) No less than 1 per centum of the amount appropriated pursuant to subsection (a) for any fiscal year shall be available to the Secretary for evaluation of programs authorized under this Act. Each community mental health center shall spend no less than 1 per centum of a grant received under subsection (a) for evaluation of its programs' effectiveness in serving the needs of its catchment area community, and reviewing the services provided by the center.

"(d) Except for community mental health centers which have received assistance under this part prior to June 30, 1973 (for which the level of assistance shall remain unchanged), assistance under this part—

"(1) to centers not serving a rural or urban poverty area shall not exceed the lesser of the product of the number of persons served by such center multipiled by $31; $18;

"(2) to centers serving a rural or urban poverty area shall not exceed the lesser of the product of the number of persons served by such center multiplied by $30; or

"(3) Federal funds made available under section 203 or 204, as the case may be, will (I) be used to supplement and, to the extent practical, increase the level of State, local, and other non-Federal funds, including third-party health insurance payments, that would in the absence of such Federal funds be made available for the applicant's comprehensive mental health services or consultation and education services, as the case may be, and (II) in no event supplant such State, local and other non-Federal funds.

"(e) In making grants to community mental health centers under subsection (d)(2) of this section, the Secretary shall require assurances that such added funds shall be equitably used to serve the poor within such poverty area.".

(i) Part B of such Act is further amended by adding at the end thereof the following new section:

"GRANTS FOR CONSULTATION AND EDUCATION SERVICES

"SEC. 225. (a) The Secretary shall make grants to community mental health centers for the cost of consultation services not to exceed—

"(1) for centers not serving a rural or urban poverty area $1.00 per person residing in the catchment area of such center, and

"(2) for such centers serving a rural or urban poverty area $2.00 per person residing in the catchment area of such center.

"(b) There are authorized to be appropriated to carry out the purposes of this section such sums as may be necessary.

"(c) In no case shall funds appropriated under subsection (b) be used for the purposes of section 220.

"PROTECTION OF PERSONAL RIGHTS

"SEC. 226. In making grants to carry out the purposes of this part, the Secretary shall take such steps as may be necessary to assure that no individual shall be made the subject of any research which is carried out (in whole or in part) with funds provided from appropriations under this part unless such individual explicitly agrees to become a subject of such research.

"APPROVAL BY NATIONAL ADVISORY MENTAL HEALTH COUNCIL

"SEC. 227. Grants made under this title for the cost of acquisition and renovation of facilities and for the cost of compensation for operational costs may be made only upon recommendation of the National Advisory Mental Health Council established by section 217(a) of the Public Health Service Act. Grants under section 221(c) of this title for such costs may be made only upon recommendation of the National Advisory Council on Alcohol Abuse and Alcoholism.

"REIMBURSEMENT

"SEC. 228. The Secretary shall, to the extent permitted by law, work with States, private insurers, community mental health centers, and other appropriate entities to assure that community mental health centers shall be eligible for reimbursement for their mental health services to the same extent as general hospitals and other licensed providers.

REPEAL

SEC. 5. Parts C. D, E, and F of the Community Mental Health Centers Act as in effect the day before the date of enactment of this Act are repealed.

By Mr. PACKWOOD:

S. 3392. A bill to amend the Clayton Act to preserve competition in the geothermal energy industry in the United States. Referred to the Committee on the Judiciary.

Mr. PACKWOOD. Mr. President, early last month the Wall Street Journal reported that "interest in geothermal power is shooting up like a geyser in the fuel crisis." That statement was made while the hope for relief from the gasoline shortage had plummeted to a somber low. Yet despite encouraging developments of recent days, including substantial lifting of the oil embargo, the fuel crisis is not over. Nor is the happy prospect of an end to our energy woes within sight. So, we must proceed, as so many have painfully come to realize, to develop new energy sources.

As was amply illustrated this past summer in hearings before the Senate Interior Subcommittee on Water and Power Resources, geothermal power could be an abundant energy resource of important potential—a new energy resource.

Mr. President, to further detail geothermal's possibilities and problems, I ask unanimous consent that testimony I submitted during field hearings in Klamath Falls, Oreg., dealing with this very topic, be included in the RECORD at this point.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR BOB PACKWOOD

It gives me a great deal of pleasure to be able to accept Senator Hatfield's kind invitation and give my views on geothermal energy development to the Subcommittee on Water and Power Resources. I am confident that these hearings will provide the subcommittee with a wealth of stimulating and informative testimony from the witnesses gathered here, which will prove an invaluable aid to them in their study of this most vital area of concern.

I certainly do not need to inform the subcommittee of the importance of the job they are doing. The current energy shortage is a crisis which affects us all; its threads are inextricably woven into the fabric of our daily lives. For every man or woman who has driven away from a gas station with his gauge still pointing toward empty, for everyone that has lived through an electric blackout, the energy crisis is a specter that looms ever and ever closer. Although we can buy ourselves a little time with stopgap measures and temporary relief programs, in the next few years this country is going to become more and more like the man who crawls through the desert in search of an oasis, and each well he comes to is dry. We can no longer afford to vacillate and procrastinate; we must throw all our efforts into a search for a viable and lasting alternative to our present sources of energy supply.

I believe that geothermal energy is such an alternative, and one that deserves a high priority on the list. I will not attempt to go into extensive technical detail; it's not my field, and the subcommittee has no doubt already heard the statistics and opinions and arguments of the most distinguished experts on the matter. It would be redundant for me to try and sell their merchandise secondhand. But I would like to go into the background of the subject just a little bit.

Anyone familiar with the current wave of interest in geothermal energy is bound to ask themselves the question: Why wasn't this looked into before? The answer to that is that it was, but that up until just a few years ago there was a poverty of information on the topic, and the whole field looked terribly uncertain and risky to those who considered investing in it. There were a few attempts to delve deeper, but for the most part they failed.

However, this is all in the past. Now the scenario has changed completely. Now we have the facts and figures which demonstrate conclusively that geothermal energy can work. The experts tell us that in Oregon alone there are nearly 200 hot springs and wells which could over the next fifteen or twenty years provide up to 20,000 megawatts of dry steam. This constitutes a staggering amount of power.

The main impediment to development now is the Federal government. A substantial majority of the prospective sites for geothermal development are on Federally-owned land. Although some major companies have begun drilling on land leased from private owners, the federal territories still lie fallow. The reason for this, as I'm sure you know, is that, although Congress voted to open up this land for energy development years ago, the machinations and endless red tape of Federal bureaucracy have held up implementation of the act Congress approved. Naturally no one wishes to see the balance of the environment disrupted through rash or hasty action on the part of the agencies involved. But at the same time we should avoid any unnecessary delay as much as possible. Complacency is one thing we can't afford. Speed is of the essence.

The other major impediment to exploratory drilling which the Federal government has previously placed on those companies interested in tapping the resources of geothermal energy is the lack of any tax incentive. Companies drilling for other forms of natural power have always been protected by a deduction allowing for the uncertainty involved in any kind of test drilling. This is a just and necessary measure. However, because of a small technicality in the wording of the provision, geothermal energy has been exempted from the benefits of this measure. This means that only the largest companies are even able to consider geothermal energy; for the smaller groups, it's simply impossible in terms of financing.

I'm sure that other witnesses will be able to give you this history in much fuller detail. I merely wished to summarize it briefly in order to clarify my position.

Because of the current and growing energy shortage all across the country, what before was a regrettable oversight on the part of the government is now on the verge of becoming a major mistake. I previously mentioned the fact that most of the established sources of energy in our country are rapidly becoming insufficient to our vast need, or else are simply disappearing from the earth due to that same insatiable need. In the light of this, the need for new types of energy is crucial. It's time for the government to start providing active encouragement to the people who are willing to go out and tap this lode if we don't stand in their way.

There has been some improvement in recent months. The Department of the Interior has recently revised their rules and regulations concerning geothermal energy, after long months of total inactivity in spite of the energetic attempts of a few interested persons to generate some action on their part. The draft environmental statement necessary for any leasing of Federal lands has finally appeared. The interest of this very subcommittee in the topic points to a most encouraging trend toward recognition of the potential of geothermal energy.

But I submit that this is not enough. I submit that the government must provide more incentive and more dynamic encouragement to these companies. Certainly geothermal energy is by no means the only, or the final answer. But it is still a cheap and—this is most important—cleaner form of energy, and one in vast abundance.

It seems to me that if we don't move, and move soon, to exploit this rich opportunity, which could go a long way toward curing the energy crisis, then the question we will all be forced to answer the next time we all go home wont be about Watergate, or inflation, or the price of beef, but simply: "Where were you when the lights went out?"

Mr. PACKWOOD. And so, Mr. President, if this frontier is to be explored, if we are to realize the greatest benefits of geothermal power with a minimal commission of mistakes, we must plan now. We must be careful not to commit past errors—mistakes made more evident with each passing day—in the development of geothermal power. For if any lesson has been learned from the energy crisis in the last 6 months, it is the fact that none of this would have occurred if 60 years ago economic interests had not crowded out the public interest in the development of oil.

Well, Mr. President, it has all come to a head in the last 6 months. Too little planning, a lack of coordinated knowledge, not enough openness on the part of oil companies. Much of the blame for the mess we are in, and I will grant you not all of it, must be borne by the oil conglomerates. The oil companies' fingers in the energy pie have added up to a doubled-up fist which in recent months came dangerously close to delivering a knock-out punch to the consumer. Geothermal's potential amounts to a bonus slice of pie. But, big oil must not be allowed to change the public's bonus to bogus. For if we are to avoid the sorry state of energy oligopoly, it is imperative that the oil companies not be allowed to shape the destiny of yet another energy source—geothermal power. It is against this country's best interests to allow oil companies to control every segment and every phase of energy production. And, Mr. President, for the lack of direction, by governmental default, the oil companies are being allowed full claim to geothermal power. If we do not move now, I am convinced in the future, Congress and the American public will again be asking themselves, just as they are today about oil profits, how did we allow geothermal energy production to become dominated by a few conglomerates who, because of possible collusion or a noncompetitive environment, are suspect of price-fixing, of manipulation, or of fouling the public trust? How often, Mr. President, are we going to allow this country to be governed by crisis and default, instead of by foresight and anticipation? And make no mistake, we are already on the road to oil company domination of the geothermal area.

Applications for geothermal resource leases read like a cluster of gas station signs off of any interstate highway. Of 458 applications in my State of Oregon alone, 73 were from Sun Oil Co.; Chevron racked up 48; Shell Oil Co. paid $4.5 million in California to develop resources of 3,874 acres; and Union Oil Co. is already operating commercially in California. Mr. President, I ask unanimous consent that articles from the Oregonian and the Wall Street Journal, further explaining the great geothermal land rush, be inserted in the Record at this point.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Oregonian, Feb. 2, 1974]

Big Names of Energy Industry Bid on Oregon Geothermal Land

(By Andrew Mershon)

Oregon's geothermal wildcat leasing drew some of the biggest names in energy and industry Friday. Sixty-four corporations or individuals entered proposals on about one million acres of Oregon and 300,000 acres of Washington.

The Hunt family of Texas was heavily represented in the leasing, as were J. Paul Getty, Howard Hughes and L. H. Armour Jr. of Armour & Co.

Burlington Northern was a bidder as were Chevron Oil, Gulf Oil, Sun Oil and the City of Burbank, Calif.

In all, it was an afternoon of surprises. Bidding patterns established at least one new known geothermal resource area (KGRA) in the Newberry Crater area south of Bend. The reaction to the heavy interest in Newberry was immediate. It will require a formal environmental impact statement, and the state's most vocal geothermal promoter, Richard Bowen of the Geology Department, said he would fight any leasing of Newberry.

"The recreational potential is too high there; we have other sites, too many of them, to spoil that area. Geothermal does not belong in Newberry," he said flatly.

Newberry Crater, and the townships surrounding it, was perhaps the heaviest bid. The Bureau of Land Management map showed hundreds of lease applications, some two and three deep on the same parcels.

The pattern of lease applications was fairly scattered over Eastern Oregon, although no interest has yet been shown in the Baker area.

Applications were made on several hot springs in the Cascades, from Southern Oregon to the Canadian border. Washington state leasing was heaviest south of Mt. St. Helens.

Sun Oil Co. was the biggest filer in Oregon, with 73 applications; California Geothermal Inc. had 50 applications in Washington, Chevron filed 48 in Oregon and three in Washington.

Former Oregon geologist John Hook, now living in Kentucky, filed on one lease by mail.

BLM said it still cannot say where individual lease proposals are located. A crew of 14 worked until 1 a.m. Friday and from 7 a.m. until noon to serialize applications and post approximate locations on maps of Oregon and Washington. The markers are not identified by applicant, however.

"It looks like Oregon's been invaded by Texans and Californians," Noeth Gillette, agent for several applicants, commented later. "Do you think Oregon will ever be the same again?"

[From the Wall Street Journal, Feb. 21, 1974]

Energy Shortage Inspires a Big Rush To Develop Geothermal Power Sources

(By Earl C. Gottschalk, Jr.)

Federal lands were opened for the first time last month to exploration for steam and hot-water energy from the earth's innards, and the tallies of applications now available show that interest in geothermal power is shooting up like a geyser in the fuel crisis.

Bureau of Land Management offices in 10 western states were swamped with 2,456 applications for the privilege to poke around for pockets of potential geothermal power on 5.3 million acres of federal land. The Oregon-Washington region alone, for example, was inundated by 609 applications covering 1.4 million acres. D. B. Lightner, a bureau official in Portland, says 300 forms in the mail would have been cause for excitement.

On federal lands where geothermal resources are already known to exist, competitive bids were accepted for the first time on Jan. 22 in California. High offers totaled $6.8 million for 23,441 acres. The top bid was put in by Shell Oil Co., which paid $4.5 million to develop resources on 3,874 acres in the Geysers, one of the country's richest geothermal areas, 75 miles north of San Francisco.

When he saw the Shell bid, bureau official Walter Holmes says, "I almost dropped my store teeth." A decade ago, he says, leases on private land in the Geysers were selling for 20 cents an acre. (Other states will open federal lands for bids at later dates.)

FORGING NEW ALLIANCES

The geothermal rush is drawing hundreds of entrepreneurs besides the big oil and gas companies. It is also forging new alliances of major corporations and small geothermal companies that have know-how in the field. They are all trying to get in on the ground floor in exploiting a resource with great possibilities, but one that still had a long technological road to travel before there are profits to justify the high price of leases.

Technological hurdles might be easier to jump now that the fuel crisis is goading the federal government into providing more money for energy research. A proposed $20-billion federal energy research effort could channel federally guaranteed loans of up to $50 million into geothermal projects. The Senate recently passed a bill calling for this, and the House is pondering a similar idea.

Nobody is touting geothermal energy as the whole answer to the energy crisis, but by some estimates its contribution to the country's energy needs could be substantial by the end of the century. Only one field is operating commercially so far, providing steam to generate electricity for San Francisco. The power plant, in the Geysers, is a joint venture operated by Union Oil Co. The process, simply enough, is to pass steam or hot water from deep within the earth through turbines or heat exchangers used to produce electricity.

COMPETING BIDS

In all, the federal government has staked out 58 million acres in 14 western states where geothermal prospects might be located. They constitute about 60% of the country's geothermal resources. From now on, the government will be opening up lands for lease applications every month.

An applicant isn't expected to have discovered a geothermal resource. But he has to be fairly confident that one is there. For the first five years of the lease, the government charges $1 an acre rent. In each of the next five years of the lease, the rent goes up another $1 an acre. And the applicant is also required to spend at least $100,000 in an attempt to tap geothermal energy.

The smallest parcel available is 640 acres, and the largest, in any one state, is 20,000 acres. When two or more applications are filed for the same tract, as was frequently the case last month, the leases are opened to competitive bidding to resolve the conflicts.

Major oil companies had interests in applications for leases in every state where geothermal land was opened in January. Other big concerns—and even one city—are linking up with geothermal companies, often to take advantage of leases they already hold on private lands.

American Thermal Resources Inc., a small company that holds a lease in Nevada's Whirlwind Valley, is drilling an exploratory well there with the help of Chevron Oil Co., for instance. Magma Power Co. and its partly owned subsidiary, Magma Energy Co., are two small geothermal concerns that say they are having "serious discussions" with Dow Chemical Corp. about the possibility of developing 75,000 acres of leased geothermal land in California.

GEOTHERMAL PAY DIRT

Going it alone, Gulf Oil Co. says it drilled five geothermal wells after entering the arena last year and has eight more on schedule in 1974. A Gulf spokesman says the company has "hundreds of thousands of acres of geothermal leases in the West." Union Oil, the company that runs the geothermal generating plant in the California Geysers area, says it has hit geothermal pay dirt in New Mexico's Sandoval County, north of Albuquerque. A well drilled there, the company reports, was "equal to some of the better wells" in the Geysers, and may have commercial potential.

The city of Burbank, Calif., whose publicly owned utility has been enduring hard times in the energy crisis, is devoting $1.1 million to a search for geothermal energy. The money was used by a company called Republic Geothermal Inc., to bid on leases in central and southern California. Other small utilities might do well to take notice of Burbank's lead, says Robert Rex, who was a geologist at the University of California and an executive at Pacific Energy Corp. before he formed Republic Geothermal. "They don't want to be at the mercy of an oil cartel in the Middle East that dictates what energy prices will be in the U.S., he says.

But small utilities and giant companies are finding it somewhat frustrating to get geothermal power out of the ground. They are struggling with the paperwork of environmenttal impact statements that must accompany the projects. They are faced with materials shortages, particularly a current paucity of pipe. And, most important, many remain slowed by technological problems.

California's Imperial Valley, for instance, is an area harboring a vast reservoir of subterranean hot water, ripe for exploitation. San Diego Gas & Electric has been planning to build a $3 million geothermal power plant in the valley. But the company has been pushed a year behind schedule because brine in the underground water fouls the heat exchangers.

Mr. PACKWOOD. Mr. President, recognizing this trend for what it is—furtherance of the energy oligopoly—I am introducing legislation which will prevent oil companies from reaching out, from grasping and controlling geothermal power. The Geothermal Energy Industry Competition Act simply stated would prevent any person engaged in extracting crude petroleum from acquiring any geothermal energy production asset. It is legislation that anticipates a condition which if unchecked will surely be the subject of congressional investigation and public uproar 20 years from now; for just as we find ourselves in an oil dilemma today, it will be the geothermal controversy that shall surround us tomorrow, unless we look to the future with keener vision.

I ask unanimous consent that the text of the bill be printed at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3392

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Geothermal Energy Industry Competition Act".

Sec. 2. The Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914 (15 U.S.C. 12–27), is amended by inserting after section 7 the following new section:

"Sec. 7A. (a) It shall be unlawful for any person engaged in commerce in the business of extracting crude petroleum to acquire any geothermal energy production asset after the date of enactment of the Geothermal Energy Industry Competition Act.

"(b)(1) It shall be unlawful for any person described in subsection (a) to own or control any asset, the acquisition of which by him is prohibited under such subsection, more than three years after the date of enactment of the Geothermal Energy Industry Competition Act.

"(2) Each such person which, on the date of enactment of the Geothermal Energy Industry Competition Act owns or controls any asset which that person is prohibited, under subsection (a), from acquiring shall, within 120 days after such date, file with the Attorney General such reports relating to those assets as he may require, and shall, from time to time, file such additional reports relating to those assets as the Attorney General may require.

"(c) It shall be the duty of the Attorney General to commence a civil action for appropriate relief, including a permanent or temporary injunction, whenever any person violates subsection (a) or (b). Any action under this subsection may be brought in the district court of the United States for the district in which the defendant is located or resides or is doing business, and such court shall have jurisdiction to restrain such violation and to require compliance.

"(d) Any person knowingly violating the provisions of this Act shall upon conviction be punished by a fine of not to exceed $100,000 or by imprisonment not exceeding ten years, or both, in the discretion of the court. A violation by a corporation shall be deemed to be also a violation by the individual directors, officers, receivers, trustees, or agents of such corporation who shall have authorized, ordered, or done any of the acts constituting the violation in whole or in part.

"(e) For purposes of this section, the term—

"(1) 'geothermal energy production asset' means any asset used for the exploration or development of geothermal energy or used for the extraction of geothermal energy; and

"(2) 'asset' means any property, whether real or personal, and includes stock in any corporation which is engaged (directly or through a subsidiary or affiliate) in the business of extracting or producing geothermal energy."

By Mr. MUSKIE (for himself and Mr. JAVITS):

S. 3393. A bill to provide for the establishment of a new office in the Executive Office of the President and of a joint committee in the Congress in order to supervise policies and procedures with respect to the development and review of national defense and foreign policies of the United States and the protection and disclosure of information relating to such policies, and for other purposes. Referred to the Committee on Government Operations.

GOVERNMENT SECRECY CONTROL ACT OF 1974

Mr. MUSKIE. Mr. President, the practice of Government secrecy gives a higher priority to confidentiality than to candor. It encourages deception instead of disclosure. And it feeds the suspicion of many Americans that their Government will not tell them the truth.

Yet, as we all recognize, a certain degree of secrecy is essential to protect our defense and to promote the success of our foreign policies in a world where nations hostile to our interests hold both the power and the intent to undermine our cause and that of freedom.

In our democracy there is an inherent conflict between the need for secrecy and the need for a fully informed public. The only answer to that conflict is to find the balance between a society that is open and one that is dangerously exposed.

That balance is not easy to strike or keep. In recent years especially, as Presidential authority to determine our national security interests grew without effective check, the balance was upset. Secrecy—often self-serving, often unjustified—expanded at the expense of public knowledge and public trust.

Mr. President, the legislation I introduce today with the cosponsorship of the distinguished senior Senator from New York (Mr. JAVITS), the Government Secrecy Control Act, is an effort to restore the balance between secrecy and accountability by restoring the balance between the powers of the executive and legislative branches over national security policy and the information essential to its determination.

I view this bill as part of the broad, historic effort by the 93d Congress to redress the constitutional balance between the branches. It is a companion measure to the war powers legislation enacted over the President's veto and to the executive privilege and impoundment bills the Senate passed last session. I also see it as complementing the intent of the Budget Reform Act we recently approved, another means to strengthen the Congress by organizing it to inform itself and act effectively on vital issues.

There are pending in the Senate and the other body many interesting and important proposals to reexamine and restructure executive secrecy practices. Some would fix the time that information could be kept secret and restrict the numbers of officials who could impose secrecy. Some would vest extensive powers of review over the administration of information classification practices in a new, independent authority—a proposal I introduced in December 1971. And some would create in Congress a committee with power to declassify any information it found worthy of disclosure in the public interest.

The legislation I offer today incorporates some of the features of other bills. But it approaches the problems of secrecy from the perspective of sharing a constitutional power, the power to withhold or disclose sensitive information.

By default and inaction, responsive to the perceived, leading role of the President in dealing with cold war tensions, the Congress has permitted that power over information to lodge exclusively in the Executive. And the result of our one-way grant of discretion over secrecy policy has, inevitably, been abuses of power, a system of information classification which serves neither the interests of intelligent policymaking nor the requirements of an informed citizenry.

I do not need to review here the record of secrecy abuses in this administration and its predecessors. It is enough to note that standard classification stamps on documents no longer serve to protect information from disclosure. On the contrary, a "secret" marking on an official document often makes officials and journalists suspect that the contents are being hidden from the public more to conceal mistaken or questionable actions, than to promote national security.

The administration recognized this widespread disdain for the classification system in 1972 and issued Executive Order 11652 to reform the system. On the whole, the intent of the reforms is good. But their implementation has been haphazard at best.

The Government-wide machinery established to police the reforms, the Interagency Classification Review Committee, has not proved as effective as it should. One reason for its inadequacy is simple; it has no bureaucratic power. The full committee meets once a month in the White House, but its real work is carried out from an office in the Archives, where the committee staff consists of only two people: an Executive Director and his secretary.

If we understand that decisions on requiring or dropping secrecy are essentially matters of individual judgment where precise standards cannot be automatically applied to every case, then we realize that the surest way to regulate the thousands of officials who must make such judgments daily is to subject their decisions to continuous, impartial review. The review procedures in Executive Order 11652 are a step in the right direction, but the step is incomplete. All of the review is carried out inside the executive branch, and most of it is carried out at the lower policymaking levels of the very agencies where the volume of classified information—and of information improperly classified—is greatest.

The Government Secrecy Control Act would strengthen that review process within the executive branch. But, more importantly, it would expand the review power to Congress. By sharing the discretion to impose and maintain secrecy, the legislation would assure that the difficult, delicate, individual judgments about secrecy are checked and rechecked. Only through such thorough review can we establish that elusive, essential balance between secrecy and openness.

The review would begin in the executive branch, where a new office—with the power and staff which the Interagency Committee now lacks—would be established in the White House for the Registrar of National Defense and Foreign Policy Information. The Registrar would be a Presidential appointee, confirmed by the Senate, with power to oversee and regulate secrecy practices throughout the Federal Government.

He would also have the key function of compiling a monthly index, a register of classified information from every agency. It would be his responsibility to check the entries on that register to see that they actually describe the records being kept secret and their origin and location, and to see that the duration of secrecy imposed on them meets the policy standard of the act.

The bill, additionally, will link the Freedom of Information Act and its intent of broadening public access to official information directly to the reformed classification system. No information relating to national defense or foreign policy could be withheld from the public under the first exemption from disclosure in the Freedom of Information Act, unless the documents or records containing that information had been indexed on the register.

Under the provisions of the National Security Council directive of May 17, 1972, implementing the Executive order such indexing is supposed to be standard practice for classified material judged to have "sufficient historical or other value appropriate for preservation," including all top secret documents and all secret and confidential documents which are exempted from the order's general declassification schedule. In fact, some agencies are indexing all of their classified material. But the Defense Department, which generates the largest volume of such information, is only now beginning—late and tentatively—to establish any such index at all.

In compiling a Government-wide central index, the Registrar will act as the first line of defense against classification abuses. Able to know what is being kept secret, his office will also be able to correct improper agency secrecy practices.

Without such knowledge, no one can hope to bring the classification system under control. With an effective index in operation, officials will be able to inspect the system, trace its flaws, and make it stronger.

The Register compiled in the White House will also be transmitted every month to the New Joint Committee on Government Secrecy, in effect, the second line of defense against unjustified secrecy. The first of the committee's specific tasks will be to review the monthly Register as a way of reviewing the performance of the Registrar and of the agencies under his supervision.

The committee will have explicit authority to obtain documents or records listed on the Register and, if it finds them improperly classified, to direct that they be disclosed or that the date of their declassification be changed. If this legislation would make the Registrar a "secrecy czar," it would also make the joint committee a powerful watchdog over his office and authority.

The committee will be authorized to take "necessary or appropriate" action to enforce compliance with its subpenas or directives on a recalcitrant agency. Specifically, the committee will have the power to go to the U.S. district court to seek judicial enforcement of its will, just as the Watergate Committee is now doing in the matter of its contested subpena of President Nixon's records.

The committee's second specific task would be that of developing procedures for congressional handling of secret information. Few of our committees now have precise rules for handling classified records, and none have their own standards for security clearance of congressional employees. As a result, Members of Congress and their staffs are really at the mercy of executive decisions as to who may see or discuss what information. The joint committee, would be able to establish the basic ground-rules for the entire Congress in this respect and, in consultation with the Registrar, would act as arbiter between Members or committees of Congress seeking access to classified information and agencies seeking to withhold it or to dictate the terms of its disclosure.

More broadly, the joint committee would have the role of overall congressional monitor of national security policy. With the information available from the index, the committee will be in a position to steer other committees, foreign relations and armed services most obviously, into areas of inquiry and oversight they might otherwise miss. But the joint committee's own oversight should extend to assisting the coordination of policy by often competitive executive departments and to assuring a channel of full communication and current consultation between those departments and the Congress.

Finally, the legislation sets a standard for secrecy embodying both the positive finding that information is permitted to be kept secret only when its disclosure "would harm the national defense or foreign policy" and the negative rule that information shall not be concealed to hide "incompetence, inefficiency, wrongdoing or administrative error" or simply to avoid embarrassing officials or agencies. That standard is not precise and automatic. I believe, as I said earlier, that no one standard can be.

But, by design, the standard differs from existing practice in the executive branch by requiring classifiers to make a determination that disclosure would harm national defense or foreign policy, not the broader, more inclusive and less precise concept of "national security." The proposed narrowing of the standard reflects my concern that too loose a terminology in the past has permitted many of the abuses of classification authority. The tighter language should serve both to protect secrets which are vital and to encourage the flow of information which must be shared among our policymakers and with the public.

One of the most serious concerns with excessive secrecy is the role it plays in bureaucratic gamesmanship, enabling one official to keep his proposals and actions hidden from others who share his concerns, but not necessarily his views. It is essential that policy be made after the most exhaustive examination of alternatives and the fullest debate. When secrecy is used to short-circuit dissent, when policy is shaped by only a select few, it becomes doubly difficult to conduct policy or insure support for it even within the Government.

Unlike similar legislation offered in this Congress, the Government Secrecy Control Act dictates few specific practices to the Executive with respect to the length of time information may stay classified or the agencies or officials who may classify. The bill would establish the presumption that any classified material more than 10 years old be considered declassified unless the registrar, with prompt, specific notification to the joint committee, decided to enter it on the index. It would also give agencies 4 years in which to review their files of classified material originated within 10 years of the enactment of this legislation and to decide which records in those files should be put on the Register and which should be declassified.

But I regard declassification schedules and classification authority as being primarily housekeeping concerns which can best be regulated by the executive itself under the review of an informed Congress. One problem with mandating such limits now is that we lack information on the actual operation of the classification system. After the joint committee has been at work for a time, we may be in a better position to legislate in detail.

One danger in fixing secrecy time limits by law, rather than encouraging flexibility in practice, is that maximums become minimums. Thus, if a document classified "confidential" is required to be declassified 4 years after its origin as the present Executive order mandates, it will stay secret for 4 years, even if the information it contains only needs protection for 10 days.

Those who originate classified material should think of its declassification less in terms of months or years and more in terms of the events to which the material relates and the need of the community—scientific, specialized, or general—for access to information. Again, the considerations are subtle judgments about balance. Such decisions cannot be greatly facilitated by concrete time limits.

Also, unlike the proposal I offered myself over 2 years ago, this legislation would not establish an independent classification review authority, but would strengthen review procedures within the executive and impose a new level of congressional review. I have concluded that a branch with equal power—not an independent body—can best exert the necessary check over another branch. The Congress shares responsibility with the executive for the conduct of the national defense and of foreign policy. We should equip ourselves to carry our share of that responsibility fully.

Mr. President, Lord Acton is famous for his aphorism on the corrupting effect of absolute power. He also said, in the same vein:

> Everything secret degenerates, even the administration of justice; nothing is safe that does not show it can bear discussion and publicity.

It is the purpose of the Government Secrecy Control Act to share what has been absolute power over secret information and to insure, through that constitutional division of power and responsibility, that we halt the degeneration of public trust that stems from excessive secrecy.

The balance between openness and overexposure in a free society in an unfree world is, I acknowledge, extremely difficult to find and perhaps even harder to maintain under the pressure of events. But it was the proud boast of Pericles, in his funeral oration for the men of Athens who died in the first year of the Peloponnesian War, that—

> We Athenians are able to judge . . . all events . . . and instead of looking on discussion as a stumbling block in the way of action, we think it an indispensable preliminary to any wise action at all.

Our heritage of free speech is in the Athenian tradition. Like Pericles, we cherish the faith that men can govern themselves, that they can choose between right and wrong policies, that they can bargain openly in the marketplace of ideas and can strike the proper balance between private interest and the public good.

Secrecy upsets that balance. It corrupts the commerce of ideas. It blurs the distinction between right and wrong, and it erodes the foundation of self-government.

It is my hope that with this legislation we can begin to regain control over secrecy in Government, that we can further redress the balance of power between the branches of Government and between the Government and and the governed.

Mr. President, I ask unanimous consent that the text of the bill be included in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3393

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. That this Act may be cited as the "Government Secrecy Control Act of 1974".

STATEMENT OF FINDINGS AND PURPOSE

SEC. 2. Congress finds and declares that—

(1) the development and review of the national defense and foreign policies of the United States are Constitutional responsibilities which are shared by the legislative and executive branches of the Federal Government;

(2) the proper execution of the shared constitutional responsibility requires that maximum access to information relating to national defense and foreign policies must be afforded to the Congress;

(3) there is a need for the maintenance of procedures under which certain information relating to the national defense and foreign policies of the United States be kept secret; and

(4) the excessive or unnecessary imposition of secrecy limits access to such information and thereby prevents Congress from carrying out its constitutional responsibility in the development and review of such policies, hinders the proper development and execution of such policies within the executive branch, and impedes public understanding of such policies and their implementation.

(b) It is the purpose of this Act to establish in the Congress and in the executive branch a system to assure that national defense and foreign policy information is made available as necessary for the fulfillment of the Congress' constitutional responsibilities, to assure that procedures are established and maintained to protect information which in fact requires secrecy, and to promote the maintenance of an informed public.

STATEMENT OF POLICY

SEC. 3. It is the policy of the United States Government to permit information relating to the national defense or foreign policy of the United States to be kept secret only when the disclosure of such information would harm the national defense or foreign policy or when such information has been provided to the Government of the United States by a foreign government or international organization pursuant to an agreement which conforms to the policy of this section and which precludes the release of such information without the consent of that foreign government or international organization. It is also the policy of the United States Government not to permit information to be kept secret in order to impede access by Congress to such information or to conceal incompetence, inefficiency, wrongdoing, or administrative error, to avoid embarrassment to any officer or agency, or to restrain competition or independent initiative.

JOINT COMMITTEE ON GOVERNMENT SECRECY

SEC. 4. (a) (1) There is hereby established a Joint Committee on Government Secrecy (hereinafter referred to as the "Joint Committee") which shall be composed of the Speaker of the House of Representatives, the majority and minority leaders of the Senate and the House of Representatives, four other Members of the Senate appointed by the President of the Senate, and four other Members of the House of Representatives appointed by the Speaker of the House of Representatives.

(2) A vacancy in the Joint Committee shall not affect the power of the remaining members to execute the functions of the Joint Committee, and shall be filled in the same manner as the original selection. The chairman of the Joint Committee shall be selected by the members of the Joint Committee.

(3) The Joint Committee and any subcommittee thereof, is authorized, in its discretion (A) to make expenditures from the contingent fund of the Senate, (B) to employ personnel, (C) to hold hearings, (D) to sit and act at any time or place during the sessions, recesses, and adjourned periods of the Congress, (E) to require, by subpena or otherwise, the attendance of witnesses and the production of correspondence, books, papers, and documents, (F) to take depositions and other testimony, (G) to procure the temporary services (not to exceed one year) of experts or consultants or organizations thereof by contract at rates of pay not in excess of the per diem equivalent of the highest rate of basic pay paid under the General Schedule of section 5332 of title 5, United States Code, including payment of such rates for necessary traveltime, and (H) with the prior consent of the Government department or agency concerned, to use on a reimbursable basis the services of personnel of any such department or agency.

(4) Subpenas may be issued by the Joint Committee or by a subcommittee thereof, over the signature of the chairman of the Joint Committee or subcommittee or any member designated by either of them, and may be served by any member designated by any such chairman or member. Any such chairman or member may administer oaths to witnesses.

(5) Service of a Senator as a member or as chairman of the Joint Committee shall not be taken into account for the purpose of paragraph 6 of Rule XXV of the Standing Rules of the Senate.

(6) The expenses of the Joint Committee shall be paid from the contingent fund of the Senate on vouchers approved by the chairman of the Joint Committee

(b) (1) It shall be the principal duty of the Joint Committee to review the practices of Government departments and agencies originating or having custody of information designated to be kept secret pursuant to the policy of this Act and, upon determination that such practices fail to conform to that policy, to direct their revision. In carrying out this duty, the Joint Committee shall receive and review the Register of National Defense and Foreign Policy Information when transmitted under section 6(d), receive reports from the Registrar of National Defense and Foreign Policy Information, and receive notifications from the Registrar under section 6(c) (2) and (3) and section 7(b). In conducting such review, the Joint Committee may direct any agency originating or having custody of a document or other matter with respect to which an entry on the Register is made, to furnish that document or other matter to the Joint Committee for inspection to determine the propriety of the extent of protection accorded the document or other matter.

(2) Having conducted such inspection and reached such a determination, the Joint Committee shall, when appropriate, direct the public disclosure, in whole or in part, of such document or other matter or direct that the date entered on the Register in accordance with section 6(c) (1) (F) be changed.

(3) Upon consideration of reports from the Registrar and notifications from the Registrar in accordance with sections 6(c) (2) or (3) and section 7(b), the Joint Committee may direct the Registrar to modify authorizations given for aggregate entries on the Registar or for substituting codes for names of officials originating documents or other matters and may direct the Registrar to remove from the Register any entry or portion of any entry made for documents or other matters originated 10 years or more prior to the effective date of this Act.

(4) (A) Directives, including supenas, issued by the Joint Committee under paragraph (2) or (3) shall issue upon a two-thirds vote of the Members of the Joint Committee. In the case of any failure of the Registrar or any agency to respond within 15 days to directives or subpenas issued under paragraph (1), (2) or (3), the Joint Committee shall take such other action as may be necessary or appropriate, including bringing an action to enforce its directive or subpena.

(B) The United States District Court for the District of Columbia shall have original jurisdiction of actions brought pursuant to this paragraph without regard to the sum or value of the matter in controversy. The court shall have power to issue a mandatory injunction or other order as may be appropriate, and to make and enter a decree enforcing, modifying and enforcing as so modified, or setting aside in whole or in part the subpena or directive issued pursuant to this clause. The Joint Committee, in bringing or prosecuting an action pursuant to this paragraph, may be represented by such attorneys as it may designate. Appeal of the judgment and orders of the court in such actions shall be had in the same manner as actions brought against the United States under section 1346 of title 28, United States Code. The courts shall give precedence over all other civil actions to actions brought under this paragraph.

(c) It shall also be the responsibility of the Joint Committee to—

(1) recommend to Members and to other committees of Congress procedures for protecting or disclosing documents or other matters held by Members or committees and designated secret by authorized officials of the Executive Branch pursuant to the policy of this Act;

(2) recommend action by other committees or officers of Congress to be taken on requests for public disclosure of or access to documents or other matters originated by them or under their control and designated secret by them or other agencies of Congress; and

(3) recommend to Members and to other committees of Congress procedures for granting or denying employees of Congress access to documents or other matters designated secret pursuant to the policy of this Act and for disciplining any such employees for breaching such procedures.

(1) make available to Members and other committees of Congress and to the public such portions of the contents of the Register and such reports from the Registrar as the Joint Committee decides independently or upon request are necessary to the activity of Members or committees of Congress or appropriate to the maintenance of an informed public; and

(2) recommend to the Congress such legislation relating to the protection or disclosure of information dealing with the national defense or foreign policy as may be necessary or appropriate; and

(3) file reports at least annually, and at such other times as may be appropriate, with the Senate and the House of Representatives, containing its findings and recommenda-

tions with respect to the matters under its jurisdiction.

REGISTRAR OF NATIONAL DEFENSE AND FOREIGN POLICY INFORMATION

Sec. 5. (a) There is hereby established in the Executive Office of the President an Office of National Defense and Foreign Policy Information (hereinafter referred to as the "Office"). The Office shall be headed by a Registrar of National Defense and Foreign Policy Information (hereinafter referred to as the "Registrar") who shall be appointed by the President, by and with the advice and consent of the Senate.

(b) It shall be the function of the Registrar—

(1) to compile and transmit the Joint Committee on Government Secrecy a Register of National Defense and Foreign Policy Information in accordance with the provisions of section 6;

(2) to review entries on the Register to determine whether they comply with the policy stated in section 3, and with the provisions of section 6 of this Act, and to adjust those entries which are not in compliance with that policy or section or with the standards established by statute or Executive Order consistent with the policy of this Act for the imposition and duration of secrecy on information relating to the national defense and foreign policy of the United States;

(3) to recommend to the President, after reviewing existing orders and regulations and their administration, procedures authorizing Federal departments and agencies and the officials thereof to designate information relating to the national defense and foreign policy to be kept secret and to withdraw such designations and providing for the monthly submission by such departments, agencies and officials of entries for the Register;

(4) to report not later than March 31 of each year, to the President and the Congress on the administration of such regulations and orders within the executive branch, including (A) the numbers and titles of officials within Federal departments and agencies authorized to designate information relating to the national defense and foreign policy to be kept secret and to withdraw such designations, (B) the number of documents or other matters designated to be kept secret and withdrawn from secrecy during the preceding 12 months in each Federal department and agency, (C) the number of such documents or other matters designated in each Federal department and agency during that 12 months to be kept secret for a period in excess of 3 years from the date of origination of the document or other matter, and (D) the number and result of investigations in the preceding 12 months in each Federal department and agency into breaches of such regulations and orders;

(5) to review with the appropriate officials of any Federal department or agency any proposed final administrative action which would deny access by any person to information requested to be made available to that person under section 552 of title 5, United States Code, on the grounds that such information is exempted from disclosure to the public under the terms of subsection (b)(1) of that section and to approve or disapprove such action; and

(6) to review and promulgate regulations to standardize such other practices within the executive branch relating to secrecy of information, including security clearance procedures, routing designations for information and security measures for automatic data processing systems of secret information, as the Registrar deems necessary and appropriate to the fulfillment of the purposes of this Act.

(c) The Registrar is authorized (1) to appoint such officers and employees as may be necessary to carry out his functions; (2) to employ experts and consultants in accordance with section 3109 of title 5, United States Code, at rates not in excess of the maximum daily rate prescribed for GS–18 under section 5332 of such title for each day they are so employed (including traveltime) and pay such persons travel expenses and per diem in lieu of subsistence at rates authorized by section 5703 of such title for persons in Government service employed intermittently; and (3) to the fullest extent possible, to utilize the services, facilities, and information, including statistical information, of other Federal agencies in carrying out his functions.

(d) The Interagency Classification Review Committee established by Executive Order 11652, March 8, 1972, is hereby abolished, and the personnel, assets, liabilities, property, and records thereof are hereby transferred to the Registrar.

(e) Section 5313 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(22) Registrar, National Defense and Foreign Policy Information."

MAINTENANCE OF THE REGISTER OF NATIONAL DEFENSE AND FOREIGN POLICY INFORMATION

Sec. 6. (a) Any document or other matter which is originated after the effective date of this Act may not be kept secret pursuant to the policy of this Act or withheld from the public in accordance with section 552 (b)(1) of title 5, United States Code, unless an entry in the Register of National Defense and Foreign Policy Information meeting the requirements of this section is made with respect to such document or other matter.

(b) In carrying out his functions under section 5(b) the Registrar shall follow the procedures established in this section. Any document or other matter in the custody of the United States Government which is designated to be kept secret pursuant to the policy of this Act shall be entered on the Register in accordance with subsection (c) within twenty days after the date on which the document or other matter was originated, except that, in the case of any document or other matter which is originated outside the United States (other than a document or other matter originated by a foreign government), such entry shall be made within twenty days after the date on which that document or other matter was received by an agency in the United States.

(c)(1) Except as provided in paragraphs (2), (3), and (4), each entry required to be made in the Register shall contain the following information:

(A) a concise and complete description of the subject matter, including the title, if any, of the document or other matter;

(B) the name of the agency which originated the document or other matter;

(C) the name and title of the official who designated the document or other matter to be kept secret;

(D) the name of each agency to which such document or other matter was disseminated;

(E) the date on which the document or other matter was originated and the date on which it was designated to be kept secret; and

(F) the date on which such designation of the document or other matter can be withdrawn pursuant to the policy of this Act.

Each entry shall be indexed alphabetically by the title or subject matter of the document or other matter, and alphabetically by the name of the agency which originated the document or other matter.

(2) At the discretion of the Registrar and upon timely explanatory notification by the Registrar to the Joint Committee, agencies are authorized to make aggregate entries on the Register with respect to categories of documents or other matters which are too voluminous in quantity or too similar in content to require separate indexing.

(3) At the discretion of the Registrar and upon explanatory notification to the Joint Committee, agencies are authorized to substitute for the name and title of the official required by paragraph (1)(C) of this subsection a code and title identifying such official whose activity in gathering, transmitting, or analyzing secret information requires anonymity in the interest of his personal safety.

(4) No document or other matter destined for disposal within 60 days of its origination, such as a working paper or draft report, is required to be entered on the Register.

(d) A Duplicate Register covering all documents or other matters determined to require protection shall be transmitted to the Joint Committee not later than the fifth day of the month following the month in which such determinations were made.

TRANSITIONAL PROVISIONS

Sec. 7. (a) Upon the expiration of 4 years following the effective date of this Act, no document or other matter which was originated less than 10 years prior to such date may be withheld from the public pursuant to the policy of this Act or to section 552(b)(1) of title 5, United States Code, unless an entry meeting the requirements of section 6(c) has been made with respect to such document or other matter.

(b) After the effective date of this Act, no document or other matter which was originated 10 years or more prior to such date may be withheld from the public pursuant to the policy of this Act or to section 552(b) (1) of title 5, United States Code, unless the Register makes an entry meeting the requirements of section 6(c) with respect to such document or other matter and immediately notifies the Joint Committee of such entry.

AUTHORIZATION

Sec. 8. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

EFFECTIVE DATE

Sec. 9. This Act shall take effect 180 days after the date of its enactment.

Mr. JAVITS. Mr. President, I am pleased to join today with Senator Muskie in introducing the Government Secrecy Control Act."

The bill we introduce today addresses an issue of extraordinary importance to the American people—not only in the context of the Watergate affair, but in the long, historical context of the role of the Congress in exercising its constitutional responsibilities respecting the national defense and security policies of the United States.

Senator Muskie and I, and other Members of the Senate have sought throughout this Congress to restore the separation of powers by reinforcing the power and reaccepting the responsibility of the legislative branch in a wide variety of policy areas.

We have acted in the face of a pattern of conduct by Presidents, since 1932, the result of which has been a dangerous concentration of power in the Presidency. The accumulation and exercise of such power is a direct challenge to the basic constitutional principles of the separation and balance of powers between the three coordinate branches of Government.

We have acted already on the war powers issue, on budget control, on impoundment and on executive privilege—to restore to the representatives of the American people the authority which has been drained from them. In introducing this bill today, we act again to achieve this objective.

A national security classification system is necessary to protect our defense and to enable the executive department to carry out its foreign policy. However, the nature of that system, its administration and the exercise of classification authority must be the object of the most careful scrutiny to assure that fundamental principles of our democracy are not subverted. Maintaining the balance between protecting our national security and providing to the American public the information which it must have to fulfill its obligations under the democratic charter will not be easy.

I believe that action is long overdue in redefining the problem, questioning the basic assumptions and establishing that critical balance. Our bill is a starting point for what I know will be a most careful examination of this issue in Senator Muskie's Subcommittee on Intergovernmental Relations.

The current classification system is costly, inefficient and troublesome. It encourages large scale overclassification, a practice which in turn stimulates security laxness and jeopardizes the protection of material deserving national security classification. I think it well for us to recall Justice Potter Stewart's opinion in the "Pentagon Papers" case wherein he stated:

> That the hallmark of a truly effective internal security system would be maximum possible disclosure, recognizing that secrecy can best be preserved only where credibility is truly maintained.

According to some estimates, there may be 20 million classified papers currently held in the Federal Government, of which a very large percentage should not be classified at all. There are thousands upon thousands of employees who exercise the original authority to classify documents. Current practice sometimes tolerates classification of history, newspaper clippings and principles of nature.

Mr. President, steps have been taken in this administration to question and reform classification practices. Under Executive Order 11652 issued by President Nixon in 1972, each agency originating classified documents must index them and have its classification practices reviewed by the Interagency Classification Review Committee. There is also underway in the Department of Defense a formal evaluation of information policies as they actually exist and a stated goal of downgrading many documents through more realistic security classification guides.

Under our proposal, we seek to facilitate this process and to establish a vehicle by which Congress can monitor classification practices, review actions of the executive branch departments and agencies, and order the declassification of classified information. The new Joint Committee on Government Secrecy created by our bill could go to court to enforce its subpenas if necessary.

Of equal importance, the committee would be required to develop procedures for congressional handling of classified information. I believe that the committees of the Congress must develop such precise rules and standards for their own employees.

Mr. President, this bill will enable us to lay the groundwork for a more rational national security classification system as well as to restore the eroded power of the Congress in yet another important area. Most importantly it will make the operations of the Federal Government more open and credible to our people.

By Mr. SPARKMAN (by request):

S. 3394. A bill to amend the Foreign Assistance Act of 1961, and for other purposes. Referred to the Committee on Foreign Relations.

Mr. SPARKMAN. Mr. President, by request, I introduce for appropriate reference a bill to amend the Foreign Assistance Act of 1961 and for other purposes.

The bill has been requested by the President of the United States and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when it is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the Record at this point, together with the section-by-section analysis.

There being no objection, the bill and analysis were ordered to be printed in the Record, as follows:

S. 3394

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Foreign Assistance Act of 1974".

TITLE I

MIDDLE EAST PEACE

Sec. 2. The Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new part:

"Part VI

"Sec. 901. Statement of Policy.—The Congress recognizes that a peaceful and lasting resolution of the divisive issues that have contributed to tension and conflict between nations in the Middle East is essential to the security of the United States and the cause of world peace. The Congress declares and finds that the United States can and should play a constructive role in securing a just and durable peace in the Middle East by facilitating increased understanding between the Arab nations and Israel, and by assisting the nations in the area in their efforts to achieve economic progress and political stability, which are the essential foundations for a just and durable peace. It is the sense of Congress that United States assistance programs in the Middle East should be designed to promote mutual respect and security among the nations in the area and to foster a climate conducive to increased economic development, thereby contributing to a community of free, secure and prospering nations in the Middle East.

"Sec. 902. General Authority.—The President is authorized to furnish, on such terms and conditions as he may determine, assistance authorized by this Act and credits and guaranties authorized by the Foreign Military Sales Act in order to carry out the purposes of this part.

"Sec. 903. Allocations.—(a) Of the funds appropriated to carry out chapter 2 of part II of this Act, during the fiscal year 1975 up to $100,000,000 may be made available for military assistance in the Middle East.

"(b) Of the funds appropriated to carry out chapter 4 of part II of this Act, during the fiscal year 1975 up to $377,500,000 may be made available for security supporting assistance in the Middle East.

"(c) Of the aggregate ceiling on credits and guaranties established by section 31(b) of the Foreign Military Sales Act, during the fiscal year 1975 up to $330,000,000 shall be available for countries in the Middle East.

"Sec. 904. (a) Special Requirements Fund.—

There are authorized to be appropriated to the President for the fiscal year 1975 not to exceed $100,000,000 to meet special requirements arising from time to time in carrying out the purposes of this part, in addition to funds otherwise available for such purposes. The funds authorized to be appropriated by this section shall be available for use by the President for assistance authorized by this Act in accordance with the provisions applicable to the furnishing of such assistance. Such funds are authorized to remain available until expended.

"(b) The President shall keep the Committee on Foreign Relations and the Committee on Appropriations of the Senate and the Speaker of the House of Representatives currently informed on the programming and obligation of funds under subsection (a)."

Sec. 3. Section 620(p) of the Foreign Assistance Act of 1961 is repealed.

TITLE II

INDOCHINA POSTWAR RECONSTRUCTION

Sec. 4. Section 802 of the Foreign Assistance Act of 1961 is amended to read as follows:

"Sec. 802. Authorization.—There are authorized to be appropriated to the President to furnish assistance for relief and reconstruction of South Vietnam, Cambodia and Laos as authorized by this part, in addition to funds otherwise available for such purposes for the fiscal year 1974 not to exceed $504,000,000, and for the fiscal year 1975 not to exceed $939,800,000 which amounts are authorized to remain available until expended."

TITLE III

FOREIGN ASSISTANCE ACT AMENDMENTS

DEVELOPMENT ASSISTANCE AUTHORIZATIONS

Sec. 5. Section 103 of the Foreign Assistance Act of 1961 is amended by striking out the words "$291,000,000 for each of the fiscal years 1974 and 1975" and inserting in lieu thereof "$291,000,000 for the fiscal year 1974, and $546,300,000 for the fiscal year 1975".

HOUSING GUARANTIES

Sec. 6. Section 223(i) of the Foreign Assistance Act of 1961 is amended by striking out "June 30, 1975" and inserting in lieu thereof "June 30, 1976".

INTERNATIONAL ORGANIZATION AND PROGRAMS

SEC. 7. Section 302(a) of the Foreign Assistance Act of 1961 is amended by striking out the words "for the fiscal year 1975, $150,000,000" and inserting in lieu thereof "for the fiscal year 1975, $153,900,000".

MILITARY ASSISTANCE

SEC. 8. (a) Chapter 2 of Part II of the Foreign Assistance Act of 1961 is amended as follows:

(1) In section 504(a), strike out "$512,500,000 for the fiscal year 1974" and insert in lieu thereof "$985,000,000 for the fiscal year 1975".

(2) In section 506(a)—

(A) Strike out "the fiscal year 1974" in each place it appears and insert in lieu thereof "the fiscal year 1975"; and

(B) At the end of subsection (a) add the following sentence: "Orders not exceeding $250,000,000 in value may be issued under this subsection, upon such determination, during the period of any succeeding fiscal year that precedes the enactment of legislation authorizing appropriations for military assistance for that fiscal year."

(3) After section 506, add the following new section:

"SEC. 507. LIMITATION ON THE GRANT OF EXCESS DEFENSE ARTICLES.—

"(a) Except as provided in section 506, the aggregate value of excess defense articles ordered during the fiscal year 1975 under this chapter for foreign countries and international organizations shall not exceed $150,000,000.

"(b) The Secretary of State shall promptly and fully inform the Speaker of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate of each decision to furnish on a grant basis to any country excess defense articles which are major weapons systems to the extent such major weapons system was not included in the presentation material previously submitted to the Congress. Additionally, the Secretary of State shall also submit a quarterly report to the Congress listing by country the total value of all deliveries of excess defense articles, disclosing both the aggregate original acquisition cost and the aggregate value at the time of delivery."

(b) Section 655(c) of the Foreign Assistance Act of 1961 shall not apply to assistance authorized under any provision of law for the fiscal year 1975.

(c) Section 8 of the Act entitled "An Act to amend the Foreign Military Sales Act, and for other purposes", approved January 12, 1971 (84 Stat. 2053), as amended, is repealed, effective July 1, 1974.

SECURITY SUPPORTING ASSISTANCE

SEC. 9. Section 532 of the Foreign Assistance Act of 1961 is amended by striking out "for the fiscal year 1974 not to exceed $125,000,000, of which not less than $50,000,000 shall be available solely for Israel" and inserting in lieu thereof "for the fiscal year 1975 not to exceed $385,500,000".

TITLE IV

FOREIGN MILITARY SALES ACT AMENDMENTS

SEC. 10. (a) The Foreign Military Sales Act is amended as follows:

(1) Section 3(d) is amended to read as follows:

"(d) A country shall remain ineligible in accordance with subsection (c) of this section until such time as the President determines that such violation has ceased, that the country concerned has given assurances satisfactory to the President that such violation will not recur, and that, if such violation involved the transfer of sophisticated weapons without the consent of the President, such weapons have been returned to the country concerned."

(2) In section 24(a) and section 24(b) the parenthetical phrase in each is amended to read: "(excluding United States Government agencies other than the Federal Financing Bank)".

(3) Section 24(c) is amended to read as follows:

"(c) Funds made available to carry out this Act shall be obligated in an amount equal to 25 per centum of the principal amount of contractual liability related to any guaranty issued prior to July 1, 1974 under this section. Funds made available to carry out this Act shall be obligated in an amount equal to 10 per centum of the principal amount of contractual liability related to any guaranty issued after June 30, 1974 under this section. All the funds so obligated shall constitute a single reserve for the payment of claims under such guaranties, and only such of the funds in the reserve as may be in excess from time to time of the total principal amount of contractual liability related to all outstanding guaranties under this section shall be deobligated and transferred to the general fund of the Treasury. Any guaranties issued hereunder shall be backed by the full faith and credit of the United States."

(4) In section 31—

(A) Subsection (a) is amended by striking out "$325,000,000 for fiscal year 1974" and inserting in lieu thereof "$555,000,000 for the fiscal year 1975"; and

(B) Subsection (b) is amended by striking out "$730,000,000 for the fiscal year 1974, of which amount not less than $300,000,000 shall be available to Israel only" and inserting in lieu thereof "$872,500,000 for the fiscal year 1975."

(5) In section 33—

(A) subsection (a) is repealed;

(B) subsection (b) is redesignated as subsection (a); and

(C) a new subsection (b) is added as follows:

"(b) The President may waive the limitations of this section when he determines it to be important to the security of the United States and promptly so reports to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate."

(b) Obligations initially charged against appropriations made available for purposes authorized by section 31(a) of the Foreign Military Sales Act after June 30, 1974, and prior to the enactment of the amendment of that Act by paragraph (3) of subsection (a) of this section in an amount equal to 25 per centum of the principal amount of contractual liability related to guaranties issued pursuant to section 24(a) of that Act shall be adjusted to reflect such amendment with proper credit to the appropriations made available in the fiscal year 1975 to carry out that Act.

SECTION-BY-SECTION ANALYSIS OF THE PROPOSED FOREIGN ASSISTANCE ACT OF 1974

I. INTRODUCTION

The proposed Foreign Assistance Act of 1974 (hereinafter referred to as "the Bill") is an amendment to the Foreign Assistance Act of 1961, as amended (hereinafter referred to as "the Act"). The Bill also amends the Foreign Military Sales Act (hereinafter referred to as "the FMSA"). The major purpose of the bill is to provide authorization for appropriations for activities under the Act and the FMSA at the levels requested for fiscal year 1975 in the President's budget. The principal substantive amendment is the creation of a new part VI to the Act, providing authority and funding authorization for assistance to promote peace in the Middle East.

II. PROVISIONS OF THE BILL

Title I. Middle East Peace

Section 2. This section adds a new part VI to the Act, consisting of four sections, as follows:

Section 901 sets forth a statement of policy, emphasizing that a peaceful settlement in the Middle East is essential to the security of the United States and world peace and that assistance programs in the Middle East can contribute to such a peaceful settlement. The section provides that United States assistance in the area should facilitate understanding between the Arab nations and Israel, support efforts to achieve economic progress and political stability, promote mutual respect and security, foster increased economic development, and thereby contribute to a just and durable peace in the Middle East and a community of free, secure and prospering nations in the area.

Section 902 authorizes the President to furnish assistance under the Act and credits and guaranties under the FMSA to carry out the purposes described in section 901. Such assistance, credits and guaranties are to be provided within the framework of existing law. No additional or special authority is provided by this section for Middle East programs.

Section 903 indicates the levels of military assistance and security supporting assistance appropriations intended for Middle East programs. The $100,000,000 for MAP is for Jordan while the $377,500,000 in supporting assistance is for Israel, Jordan and Egypt. The $330,000,000 in FMS credits and guaranties is for Israel and Jordan. This section does not authorize appropriations in addition to the amounts contained in the regular authorizations for military assistance, security supporting assistance and FMS credits and guaranties contained in the Bill.

Section 904 establishes a Special Requirements Fund of $100,000,000 for fiscal year 1975 to meet needs which cannot be foreseen in the normal budgeting, authorization and appropriation cycle, but that are important to the efforts by the United States to help achieve peace in the Middle East. The section contains a requirement that the Congress be currently informed on the programming and obligation of funds from the Special Requirements Fund. The requirement is intended to provide for a complete and timely explanation by the Executive Branch as to the way in which the Special Requirements Fund is used, including wherever possible consultation with the Congress in advance of substantial obligations from this fund.

Section 3. This section repeals section 620 (p) of the Act, which prohibits assistance to Egypt absent findings by the President that such assistance is in the national interest. The fiscal year 1975 foreign assistance program includes assistance for Egypt. If the Congress agrees that such assistance is in the national interest by authorizing the Administration's program, the requirement of section 620(p) for a further finding by the President would be redundant.

Title II. Indochina Postwar Reconstruction

Section 4. This section amends section 802 of the Act to authorize $939,800,000 for Indochina Postwar Reconstruction assistance for South Vietnam, Cambodia and Laos for fiscal year 1975. This authorization will provide funding necessary to provide essential support for the war-torn economies of South Vietnam, Cambodia and Laos, as well as to begin the expansion of capacity for agricultural and industrial production in South Vietnam.

Title III. Foreign Assistance Act Amendments

Part I

Chapter 1—Development assistance

Section 5. Food and Nutrition.—This section amends section 103 of the Act which authorizes funds to alleviate starvation, hunger and malnutrition, and to provide basic services to poor people by increasing their capacity for self-help, by increasing the fiscal year 1975 authorization from $291,000,000 to $546,300,000. This authorization level will permit the Executive Branch to conduct the overall bilateral development assistance program at budget request levels. The overall program reflects a substantial increase in emphasis on the food and nutrition sector.

Chapter 2—Housing guaranties

Section 6. Extension of Housing Guaranty Authority.—This section amends section 223(i) of the Act by extending the termination date of the housing guaranty authority from June 30, 1975 to June 30, 1976.

Chapter 3—International organizations and programs

Section 7. Authorization.—This section increases the authorization for International Organizations and Programs under section 302(a) of the Act from $150,000,000 to $153,900,000 for fiscal year 1975.

Part II

Chapter 2—Military assistance

Section 8(a) (1). Authorization.—This section amends section 504(a) of the Act by authorizing $985,000,000 for military assistance for fiscal year 1975. This authorization includes funds for military assistance in the Middle East and also reflects the transfer of military assistance to Laos from the Department of Defense (MASF) budget to the military assistance program under the Act. This transfer is required by section 513 of the Act, as amended by Public Law 93–189.

Section 8(a) (2). Special Authority.—This section amends section 506(a) by extending the President's special authority to draw down DOD stocks and services for the military assistance program through fiscal year 1975 and such additional period as may precede the enactment of subsequent military assistance authorizing legislation. The provision for extending this authority for an additional period beyond the end of fiscal year 1975 is to prevent the lapse of the President's ability to meet unforeseen emergency needs, while leaving full discretion to the Congress in deciding whether to renew the authority in its consideration of subsequent military assistance authorizing legislation.

Section 8(a) (3). Excess Defense Articles.

This section adds a new section 507 to the Act, imposing a ceiling of $150,000,000 upon the aggregate value of defense articles ordered for the military assistance program during fiscal year 1975. The new section 507 is intended to provide a simplified substitute for section 8 of Public Law 91–672, which requires a charge to the MAP appropriation for excess defense articles granted to foreign countries by all federal agencies (other than the Agency for International Development) from sources within the United States or, if generated abroad, in an aggregate value exceeding $150,000,000 in a fiscal year. The complexities of the present law have created extraordinary property accountability problems for all federal agencies and have resulted in such anomalies as charges to the MAP appropriation for excess defense articles granted to South Vietnam under the separate Department of Defense funded MASF program. The requirements in present law for reports to the Congress are retained.

Section 8(b). Assistance to Cambodia

This section provides explicitly that section 655(c) of the Act, which prohibits assistance to Cambodia not specifically authorized by law, shall not apply during fiscal year 1975. Authorizations clearly contemplating assistance to Cambodia in fiscal year 1975 would seem either to satisfy or supersede the requirements of section 655(c). Nevertheless, this section, which is similar to section 12(c) of the Foreign Assistance Act of 1973 (Public Law 93–189), is intended to eliminate any doubt.

Section 8(c). Statute Repealed

This section repeals section 8 of Public Law 91–672, which establishes accounting procedures, requirements for charges to the MAP appropriation, and reporting requirements with respect to excess defense articles. This repealed provision of law is replaced by the new section 507 of the Act added by section 8(a) (3) of the Bill.

Chapter 4—Security supporting assistance

Section 9. Authorization.—This section amends section 532 of the Act to authorize $385,500,000 for Security Supporting Assistance activities. This authorization includes funds for the important Middle East programs described in Title I of the Bill.

Title IV. Foreign military sales act amendments

Section 10(a) (1). Conditions of Eligibility.—This section clarifies an ambiguous provision in section 3(d) of the FMSA regarding the ineligibility for further sales, credits and guaranties of countries that violate foreign military sales agreements. It makes clear that corrective action by a country that has violated an applicable agreement can restore its eligibility for sales, credits and guaranties not only of sophisticated weapons, but of other defense articles and defense services as well.

Section 10(a) (2). Federal Financing Bank.—This section amends section 24(a) and section 24(b) of the FMSA by authorizing foreign military sales guaranties to be issued to the Federal Financing Bank, which was established by the Federal Financing Bank Act of 1973, P.L. 93–224, approved on December 29, 1973 (87 Stat. 937), and by authorizing the sale to the Bank of promissory notes issued by borrowers pursuant to direct foreign military sales credits. The Federal Financing Bank is an instrumentality of the United States Government and, as such, is subject to the parenthetical clause in subsections (a) and (b), although section 6 of the Federal Financing Bank Act of 1973 authorizes the Bank to purchase any obligation sold, or guaranteed by a Federal agency. Purchases by the Bank under section 6 are required to be upon such terms and conditions as to yield a return at a rate not less than a rate equivalent to cost of money to the U.S. Government (or, whenever the Bank's own obligations outstanding are sufficient, to cost of money to the Bank), and the Bank is also authorized to charge a normal commitment fee in connection with such purchase. Any guaranty transactions with the Bank under the FMSA will be subject to the same reserve requirements under section 24(c) and controlled by the same aggregate ceiling under section 31(b) as guaranty transactions with private U.S. lenders will continue to be. It is expected that the participation of the Bank will (1) result in savings in financing costs to the Government as well as to guaranteed borrowers and (2) provide an additional means of financing the foreign military sales guaranty program.

Section 10(a) (3). Guaranties.—This section amends section 24(c) of the FMSA by reducing the requirement for obligation of funds in connection with foreign military sales guaranties from 25 per cent of the principal amount of contractual liability to 10 per cent of that principal amount, effective July 1, 1974. Funds obligated under section 24(c) are set aside as a reserve against claims due to defaults by foreign countries on private loans guaranteed by the United States. The absence of any defaults since the enactment of the FMSA in 1968 has demonstrated that a 25 per cent reserve requirement is unnecessarily high. In addition, it provides for retention in the reserve account of all funds not in excess of the principal amount of all outstanding guaranties.

Section 10(a) (4). Authorization and Aggregate Ceiling.—This section amends section 31 of the FMSA to authorize $555,000,000 for fiscal year 1975 to carry out the purposes of the FMSA and establishes a ceiling of $872,500,000 for fiscal year 1975 on the aggregate of credits and the principal amount of loans guaranteed. Section 2 of the Bill indicates our intention to provide $330,000,000 of the aggregate ceiling for Israel and Jordan.

Section 10(a) (5). Regional Ceilings.—This section repeals the ceiling contained in section 33(a) of the FMSA of $150,000,000 (excluding training) in military assistance, FMS credits and guaranties and vessel transfers to Latin America. This change is not proposed in order to expand significantly military sales to countries in Latin America. Rather, it is a part of our effort to establish a new, more mature relationship with the nations of the Hemisphere. This section retains the existing ceiling of $40,000,000 on assistance and sales to African countries, but would restore the President's authority to waive this limitation as originally contained in the FMSA. This waiver authority applies only when determined by the President to be important to the security of the United States. Each such determination must be reported to the Congress.

Section 10(b). Technical Amendment.—This section anticipates that obligations may be incurred in fiscal year 1975 for guaranties under section 24(c) of the FMSA prior to the amendment of that section by section 10(a) (3) of the Bill. In such case, it authorizes adjustments to accounts to reflect obligations for the reserve fund at a consistent rate of 10 per cent of the principal amount of contractual liability for the entire fiscal year 1975.

By Mr. ROBERT C. BYRD (for Mr. BENTSEN):

S. 3395. A bill to reorganize the Department of Justice, to require nonpartisan appointments to policymaking positions in such Department, and for other purposes. Referred to the Committee on the Judiciary.

Mr. ROBERT C. BYRD. Mr. President, on behalf of the distinguished Senator from Texas (Mr. BENTSEN), I introduce a bill entitled "The Justice Department Reform Act."

I ask unanimous consent that a statement prepared by Senator BENTSEN, together with the text of the bill, be printed at this point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR LLOYD BENTSEN IN BEHALF OF THE DEPARTMENT OF JUSTICE REFORM ACT OF 1974

Mr. BENTSEN. Mr. President, I am deeply concerned about the American people's loss of confidence in the Department of Justice. I believe that loss of confidence is due in large measure to the politicization of legal posts within the Department. The time has come to end what seems to have become the nearly standard practice of Presidents appointing as Attorney General one of the principal leaders of the political campaign in which they were elected. The time has also come to remove the U.S. Attorneys' offices from the patronage system.

John Mitchell, Robert Kennedy, and J. Howard McGrath, Attorney General under Truman, are the most obvious examples of men who managed the successful Presidential campaigns and who immediately after the election, were appointed to head the Justice Department. Unfortunately, the practice has been working its way into our political system for much longer that these relatively recent appointment. A Mitchell Palmer, Attorney General under Woodrow Wilson, had been the President's floor manager at the 1912 Democratic Convention. Frank Murphy, Attorney General under Franklin Roosevelt, served as leader of the Roosevelt forces in the State of Michigan. President Eisenhower's Attorney General, Herbert Brownell had not only been active in his campaign but had served as campaign manager for Republican Presidential candidate Thomas E. Dewey in both 1944 and 1948. Several of these men after appointment continued to serve as political advisers to the President, as well as his legal counsel. By historical tradition, and with certain exceptions, the top Presidential appointees in the the headquarters of the Department of Justice have been highly respected representatives of the legal profession. But where they have also been major campaign officials for the President their appointment only contributes to a growing perception of the Justice Department as a political instrument. With all of the highly competent members of the legal profession to chose from, it's simply not necessary to look to the ranks of the campaign staff for Justice Department personnel.

The conduct of some of the recent officials of the Department is too fresh in the mind of the public and too deeply etched on the minds of the bar to be passed off with a bromide that, "The next President won't let it happen."

It is time to assure the American people that law enforcement decisions will not be determined by partisan politics—either Democratic or Republican. It's time to get a little closer to the statement of President Lincoln's Attorney General, Elward Bates, when he said,

"The office I hold is not properly political, but strictly legal; and it is my duty, above all other ministers of state to uphold the law and to resist all encroachments, from whatever quarter, of mere will and power."

In an effort to restore that spirit, I am, today, introducing legislation, which I believe will be a major step to effectively deal with the politicization of government legal posts within the Department of Justice. My bill is directed at insuring the Department's capacity to administer justice evenly and at restoring the public's perception of the quality and impartiality of the Justice that is administered. Specifically, my bill will do the following:

First, it will statutorily prohibit the President from appointing as Attorney General, Deputy Attorney General, the Solicitor General or Assistant Attorney General, a person who held a paid or unpaid position in the election campaign in which he was elected. This prohibition includes the National and State party organizations at the time of his election.

Second, it will amend the Hatch Act, which prohibits, partisan political activities, to encompass within its perview, all personnel in the Department of Justice, including the Attorney General, his Deputy, the Solicitor General, and all of the U.S. Attorneys.

Third, the bill provides for the appointment of U.S. Attorneys and U.S. Marshals by the Attorney General. Such appointments would continue to be for four year terms, subject to Senate confirmation and reconfirmation after four years in the event of reappointment. Thirty years ago the Collectors of the Internal Revenue, the Postmasters and the United States Attorneys were the backbone of the patronage system. Today, only the Presidentially appointed U.S. Attorney remains. It's time that these positions were filled on the basis of ability to effectively enforce the Nation's laws rather than as rewards for backing a successful Presidential candidate.

Fourth, the bill provides that all assistant U.S. Attorneys and their legal staffs become part of the career service already effectively established within the headquarters of the Department of Justice.

The President must retain authority to carry out his responsibilities of seeing that our laws are enforced and my bill would not alter or inhibit that authority. But, the partisan orientation in recent years of those responsible for supervising the Nation's legal affairs seems extreme. If Justice is to be impartial it must for starters be non-partisan.

The Department of Justice should not be run or even give the appearance of being run by people who march to a drum beat emanating from the political advisers of any President or his party. We must move now to restore the American people's confidence that their laws are being enforced impartially and without regard to political affiliation. Decisions as to whether cases are prosecuted or dismissed, whether appeals are taken or settled, must *not* depend upon the political influence of the litigant. Even the appearance of impropriety undermines the American people's faith in our system.

I believe that the Congress has a responsibility to act now to restore that lost confidence. The enactment of this legislation would move us forcefully in that direction.

S. 3395

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Justice Department Reform Act".

APPOINTMENT OF OFFICERS

SEC. 2. (a) Chapter 31 of title 28, United States Code, is amended by inserting after section 560 the following new section:

"§ 506A. Qualifications

"Any individual who—

"(1) whether paid or unpaid, held a position of trust and responsibility to an individual who was elected to the office of President while serving (A) on the personal campaign staff of such individual, or (B) on an organization working on such individual's campaign, or

"(2) held a State-wide or national office or was employed by a State or national political party, respectively, that campaigned for an individual who was elected to the office of President,

shall be ineligible for appointment to any position under sections 503–506 of this title if the apointing authority is the President for whom such individual campaigned."

(b) The analysis of chapter 31 of such title is amended by inserting immediately below item 506 the following new item:

"506A. Qualifications."

APPOINTMENT OF UNITED STATES ATTORNEYS AND UNITED STATES MARSHALS

SEC. 3. (a) Section 541 of such title is amended by striking out "President" in subsections (a) and (c) and inserting in lieu thereof "Attorney General".

(b) Section 561 of such title is amended by striking out "President" in subsections (a) and (b) and inserting in lieu thereof "Attorney General".

(c) Section 27 of the Revised Organic Act of the Virgin Islands (48 U.S.C. 1617) is amended by striking out "President' and inserting in lieu thereof "Attorney General".

APPOINTMENT OF ASSISTANT UNITED STATES ATTORNEYS

SEC. 4. Section 542 of such title is amended to read as follows:

"§ 542. Assistant United States Attorneys.

"(a) The Attorney General may appoint assistant United States attorneys, and may assign such attorneys to assist any United States attorney the Attorney General considers appropriate.

"(b) Each assistant United States attorney is subject to removal by the Attorney General.".

POLITICAL ACTIVITY

SEC. 5. Section 7324 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(e) Notwithstanding the provisions of subsection (d) of this section, subsection (a)(2) of this section applies to all officers and employees of the Department of Justice."

EFFECTIVE DATE; INITIAL APPOINTMENT OF OFFICERS

SEC. 6. (a) This Act, and amendments made by this Act, other than this section, shall take effect 90 days after the enactment of this Act.

(b) Nothwithstanding subsection (a) of this section, any vacancy in any office affected by this Act may be filed in the manner provided by this Act at any time after the date of enactment of this Act.

(c) The provisions of this Act shall not apply to any individual holding an office affected by any amendment made by this Act if such individual would be eligible for appointment to such office after the provisions of this Act become effective.

By Mr. BUCKLEY:

S. 3396. A bill to amend the Internal Revenue Code of 1954 and certain other provisions of law to provide for automatic cost-of-living adjustments in the income tax rates, the amount of the standard, personal exemption, and depreciation deductions, and the rate of interest payable on certain obligations of the United States. Referred to the Committee on Finance.

COST OF LIVING ADJUSTMENT ACT

Mr. BUCKLEY. Mr. President, we have recently heard many complaints, both in and out of Congress, of the evils of "windfall profits" made by businesses. Today, in introducing the Cost of Living Adjustment Act, I would like to briefly discuss the "windfall" tax receipts reaped by the Federal Government at the expense of every taxpayer because of the insidious impact of inflation on real rates of taxation.

There is no greater economic injustice, especially to the aged and to those in lower income brackets, than that of chronic inflation. But the full cost of inflation, as it affects direct taxation, has been too long ignored. Today, a significant percentage of American workers receive routine adjustments in pay to reflect the deterioration in the purchasing power of their earnings. Yet, these adjustments have the effect of moving them into higher tax brackets where they have to pay the Federal Government a larger percentage of their real earnings.

For purposes of illustration, Mr. President, let us take the case of a man or woman, aged 25, who is employed at a sum of $10,000 per year. Let us assume an annual rate of inflation from this point forward of 6 percent—which is less than half the 14-percent rate actually experienced in 1973—and that over the years, the individual receives nothing more than cost-of-living adjustments in pay. In his 20th year on the job, the individual would be earning $45,500 per year, which would place him in the top bracket for earned income of 50 percent. Thus, without any increase in the real value of earnings, the individual would find himself in the same tax bracket as someone with many times his earnings.

Thus, the inequity: The existing tax schedule, that are stated in terms of constant dollars, simply do not reflect economic reality in an inflationary age. I do not think it is just to stretch out the taxpayer on this procrustean bed. The taxpayer should not be the victim of some dogmatic inflexible tax schedule. Rather, the schedule should reflect, in some way, the changes in day-to-day economic life, brought about by inflation.

The legislation I am proposing would adjust the tax tables automatically to reflect changes in the Cost of Living Index so as to shield taxpayers from the insidious increases in effective tax burdens imposed by inflation. These adjustments will insure that taxpayers do not find themselves escalated to higher tax rates while their real earnings remain the same.

My bill applies this same principle of equity to a number of areas of the tax code where the Federal Government is now realizing "windfall" tax receipts at the expense of the taxpayer. These are personal income tax, standard deduction, personal exemptions, depreciation, capital gains, and corporate income taxes.

In each case, the individual or business would have each one of these elements adjusted to reflect inflation so that the Government would not be able to continue to impose the hidden tax of inflation on individual citizens.

We must not continue to finance the Government through inflation rather than through a straightforward increase in tax rates. If the Government is to increase revenues taken from its citizens in the form of taxes, it is better that this is done openly through explicit increases in tax rates.

My bill offers Americans another form of protection from chronic inflation by directing the Treasury to issue savings and other bonds that are redeemable, and whose intent is payable, in constant dollars. In other words, the interest to be paid would be adjusted each year to reflect changes in the cost of living, as would the face value of the bond when surrendered at maturity. This would provide individuals and pension funds with securities that offer a substantial measure of protection against the loss of real value caused by inflation that in recent years has caused such hardship to those forced to live on savings and fixed income.

This bill does not offer a cure for inflation. It simply attempts to mitigate some of its consequences while taking the "profit" out of inflation for the Government.

At a later date I will discuss these proposals in more detail. I introduced the bill this time to initiate discussion of the subject so that this very important matter can receive the early and informed attention of the Congress. At a time when there is widespread public skepticism and pessimism concerning Government, I think it is necessary to let the taxpayer know that Government is responsive to his needs. I am convinced my proposal, which will effectively neutralize the "hidden tax," will be seen by most Americans as a positive, workable and fair piece of tax reform.

I send my bill to the desk and ask that it be appropriately referred. I also ask that it be printed at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3396

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Section 1. Short Title.

This Act may be cited as the "Cost of Living Adjustment Act".

Sec. 2. Rate of Taxation.

(a) Section 1 of the Internal Revenue Code of 1954 (relating to tax imposed) is amended by adding at the end thereof the following new subsection:

"(e) Cost-of-Living Adjustment.—

"(1) Changes in amount.—At the beginning of each calendar year as soon as the necessary data become available from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall report to the Secretary or his delegate the ratio which the price index for the preceding calendar year bears to the price index for the base period. Each dollar amount listed in the tables under subsections (a), (b), (c), and (d) of this section shall be multiplied by such ratio and, as multiplied, shall be the amount in effect for the calendar year in which such report is made.

"(2) Definitions.—For purposes of paragraph (1)—

"(A) the term 'price index' means the average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics; and

"(B) the term 'base period' means the calendar year 1973.".

(b) Section 11(d) of the Internal Revenue Code of 1954 (relating to surtax exemption) is amended to read as follows:

"(d) Surtax exemption.—

"(1) General rule.—For purposes of this subtitle, the surtax exemption for any taxable year is $25,000, except that, with respect to a corporation to which section 1561 or 1564 (relating to surtax exemptions in case of certain controlled corporations) applies for the taxable year, the surtax exemption for the taxable year is the amount determined under such section.

"(2) Cost-of-living adjustment.—

"(A) At the beginning of each calendar year as soon as necessary data become available from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall report to the Secretary or his delegate the ratio which the price index for the preceding calendar year bears to the price index for the base period. The dollar amount in paragraph (1) of this subsection shall be multiplied by such ratio and, as multiplied, shall be the amount in effect for the calendar year in which such report is made.

"(B) Definitions.—For purposes of paragraph (1)—

"(i) the term 'price index' means the average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics, and

"(ii) the term 'base period' means the calendar year 1973.".

Sec. 3. Standard Deduction.

Section 141 of the Internal Revenue Code of 1954 (relating to standard deduction) is amended by adding at the end thereof the following new subsection:

"(f) Cost-Of-Living Adjustment.—

"(1) Changes in amount.—At the beginning of each calendar year as soon as the necessary data become available from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall report to the Secretary or his delegate the ratio which the price index for the preceding calendar year bears to the price index for the base period. Each dollar amount listed in the table under subsections (b) and (c) of this section shall be multiplied by such ratio and, as multiplied, shall be the amount in effect for the calendar year in which such report is made.

"(2) Definitions.—For purposes of paragraph (1)—

"(A) the term 'price index' means the average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics, and

"(B) the term 'base period' means the calendar year 1973.".

Sec. 4. Personal Exemptions.

Section 151 of the Internal Revenue Code of 1954 (relating to allowance of deductions for personal exemptions) is amended by adding at the end thereof the following new subsection:

"(f) Cost-of-Living Adjustment.—

"(1) Changes in amounts.—At the beginning of each calendar year as soon as the necessary data become available from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall report to the Secretary or his delegate the ratio which the price index for the preceding year bears to the price index for the base period. Each dollar amount in subsections (b), (c), (d), and (e) of this section shall be multiplied by such ratio and, as multiplied, shall be the amount in effect for the calendar year in which such report is made.

"(2) Definition.—For purposes of paragraph (1)—

"(A) the term 'price index' means the average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics, and

"(B) the term 'base period' means the calendar year 1973.".

SEC. 5. DEPRECIATION.

Section 167 (a) of the Internal Revenue Code of 1954 (relating to depreciation) is amended to read as follows:

"(a) Allowance of Deduction.—

"(1) General rule.—There shall be allowed as a depreciation deduction a reasonable allowance for the exhaustion, wear and tear (including a reasonable allowance for obsolescence)—

"(A) of property used in the trade or business, or

"(B) of property held for the production of income. "

"(2) Cost-of-living Adjustment.—

"(A) At the beginning of each calendar year, as soon as the necessary data become available from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall report to the Secretary or his delegate the ratio which the price index for the preceding calendar year bears to the price index for the next preceding calendar year. The amount determined under this section to be a reasonable allowance for depreciation shall be multiplied by such ratio and, as multiplied, shall be the amount allowed as a depreciation deduction.

"(B) For purposes of this paragraph, the term 'price index' means the average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics.".

SEC. 6. ADJUSTED BASIS OF PROPERTY.

Section 1016 (a) of the Internal Revenue Code of 1954 (relating to adjustments to basis) is amended—

(1) by striking out the period at the end of paragraph (22) and inserting in lieu thereof a semicolon; and

(2) by adding at the end thereof the following new paragraph:

"(23) in respect to any period after December 31, 1974, before making any other adjustments of basis under this subsection, for an amount which is equal to the difference between—

"(A) the basis of the property, as determined under section 1011, before adjustment under this section, multiplied by the ratio which the price index (average over a taxable year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor statistics) for the taxable year in which the property is sold or otherwise disposed bears to the price index for the taxable year in which the property was acquired, or for the calendar year 1974, whichever is later, and

"(B) the basis of the property as determined under section 1011 before adjustment under this section.".

SEC. 7. COST-OF-LIVING ADJUSTMENT FOR CERTAIN OBLIGATIONS OF THE UNITED STATES.

(a) Savings Bonds and Certificates.—Section 22(b) of the Second Liberty Bond Act (31 U.S.C. 757c(b)) is amended—

(1) by striking out the colon and "*Provided*, That" in paragraph (1) and inserting in lieu thereof a period and "Except as provided in paragraphs (4) and (5), the"; and

(2) by adding at the end thereof the following new paragraphs:

"(4) In the case of a savings bond or savings certificate on which interest is paid and which is issued after the date of enactment of the Cost of Living Adjustment Act, the rate of interest on that bond or certificate shall be multiplied by the ratio which the price index for the calendar year in which the bond or certificate is issued bears to the price index for the calendar year preceding the year in which any amount of interest accrues. Whenever interest accrues on such a bond or certificate, the amount of interest which accrues shall be equal to the amount corresponding to the interest rate as multiplied under this paragraph. For purposes of this paragraph, the term 'price index' means the average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics.

"(5) In the case of a savings bond or savings certificate issued after the date of the enactment of the Cost of Living Adjustment Act, the redemption value of that bond or certificate shall be multiplied by the ratio which the price index for the calendar year in which the bond or certificate is issued bears to the price index for the calendar year preceding the year in which the bond or certificate is redeemed. The amount for which such a bond is redeemed shall be equal to the amount of the redemption value as multiplied under this paragraph. For purposes of this paragraph, the term 'price index' means the average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics.".

(b) Other Obligations of the United States Having a Maturity of One Year or More.—

(1) Rate of interest.—Notwithstanding any other provision of law, the rate of interest on any interest-bearing obligation of the United States having a maturity of one year or more issued after the date of enactment of this Act shall be multiplied in accordance with the provisions of section 22(b)(4) of the Second Liberty Bond Act as if that obligation were a savings bond or certificate. The Secretary of the Treasury shall promulgate such regulations as may be necessary to carry out the provisions of this paragraph.

(2) Redemption value.—Nothwithstanding any other provision of law, the face value of any obligation of the United States issued after the date of enactment of this Act having a maturity of one year or more, without regard to whether that obligation is interest bearing or not, shall be multiplied, on the maturity date of that obligation, in accordance with the provisions of section 22(b)(5) of the Second Liberty Bond Act as if that obligation were a savings bond or certificate. The Secretary of the Treasury shall promulgate such regulations as may be necessary to carry out the provisions of this paragraph.

SEC. 8. EFFECTIVE DATE.

The amendments made by sections 2, 3, 4, 5, and 6 of this Act apply to taxable years beginning after December 31, 1973.

By Mr. HARTKE (for himself, Mr. HANSEN, Mr. CRANSTON, Mr. TALMADGE, Mr. RANDOLPH, Mr. HUGHES, Mr. THURMOND, Mr. STAFFORD, Mr. MCCLURE, Mr. MCGOVERN, Mr. MATHIAS, Mr. INOUYE, Mr. ABOUREZK, Mr. BEALL, Mr. BUCKLEY, Mr. BURDICK, Mr. CASE, Mr. CHURCH, Mr. CLARK, Mr. CURTIS, Mr. DOMENICI, Mr. DOMINICK, Mr. FULBRIGHT, Mr. GRAVEL, Mr. GURNEY, Mr. HART, Mr. HASKELL, Mr. HATFIELD, Mr. HATHAWAY, Mr. HOLLINGS, Mr. HUMPHREY, Mr. JACKSON, Mr. KENNEDY, Mr. MAGNUSON, Mr. MANSFIELD, Mr. MCGEE, Mr. MCINTYRE, Mr. METZENBAUM, Mr. MONDALE, Mr. MOSS, Mr. MUSKIE, Mr. NELSON, Mr. RIBICOFF, Mr. SCHWEIKER, Mr. HUGH SCOTT, Mr. SPARKMAN, Mr. STEVENS, Mr. TUNNEY, Mr. WEICKER, Mr. WILLIAMS, Mr. YOUNG, Mr. METCALF, Mr. MONTOYA, Mr. PASTORE, Mr. BROOKE, Mr. JAVITS, Mr. PACKWOOD, and Mr. TAFT):

S. 3398. A bill to amend title 38, United States Code, to provide a 10-year delimiting period for the pursuit of educational programs by veterans, wives, and widows. Referred to the Committee on Veterans' Affairs.

TWO-YEAR EXTENSION OF GI BILL BENEFITS

Mr. HARTKE. Mr. President, today I introduce for myself, for all the members of the Committee on Veterans' Affairs, which I chair, and for 49 other Senators, a bill to extend for 2 years the period within which a veteran or eligible wife or widow may utilize their GI bill benefits. Currently, a veteran or other eligible person has an 8-year period following discharge or release from service in which to use educational assistance benefits earned while in service. The bill before you today would extend that "delimiting period" within which benefits may be used to 10 years. In addition, the bill would include provisions which would exclude in computing the delimiting period for certain veterans who were held as prisoners in the Vietnam theater of operations, that period of time during which they were detained together with any time which they were hospitalized immediately subsequent to their release.

Mr. President, quick action on this measure is necessary. If extension is not granted, almost 285,000 of the 1.5 million veterans currently in training will have their educational benefits completely cut off on May 31 of this year.

As my colleagues are aware, following 7 months of committee hearings and consideration, the House of Representatives on Febraury 21 passed H.R. 12628, a comprehensive measure amending veteran educational assistance benefits. Included in that measure, which passed by a vote of 382 to 0, were the same provisions extending the time period which are included in the bill which I introduce today. These provisions are also part of the Senate committee's own bill, S. 2784, the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as well as other measures pending before it which have been considered in hearings this past March and the entire month of April. Initially, it had been my hope that a measure could be agreed to by the Senate and then resolved in House-Senate conference hopefully for the President's signature so that there would be adequate time to implement a 2-year extension for those veterans whose eligibility expires on May 31. But, this now seems increasingly unlikely.

Although there is substantial agreement that educational assistance allowances should be increased, there is no similar agreement as to what those increases should be. My colleagues will recall that the administration opposes any increases beyond 8 percent while the House has already approved increases of 13.6 percent and S. 2784 would provide for increases averaging 23 percent.

Additional complexities are added by the widespread interest in some form of variable tuition assistance. Tough questions are presented as to how such a system could be developed which is equitable to all concerned, capable of being administered by the Veterans' Administration, and one which would avoid the substantial abuses that the Veterans' Administration fears will result. The question presented by variable tuition assistance continues to occupy not only the Senate committee but also the House committee as well, which has been holding hearings on whether to adopt such a system this month and last.

Further, a recent in-depth series by the Boston Globe concerning postsecondary schools whose courses are approved for VA benefits indicates that there are substantial abuses under the current GI bill which a responsible Congress cannot ignore. I have recently written Senator BROOKE who inserted the Boston Globe articles in the CONGRESSIONAL RECORD on April 4 and indicated that the committee would hold hearings on these problems and consider possible legislative amendments to curb the abuses cited.

Given the foregoing, I was quite concerned when officials at the Veterans' Administration informed me that in order to program their computers to insure no significant delays, they needed legislative authority prior to May 14 which is just 2 weeks away. While I remain hopeful that many of the problems as to the final shape of GI bill amendments may be worked out in the near future it is obvious that no agreement by the House, Senate, and the President on comprehensive veterans educational legislation can be enacted into law in the next 2 weeks.

The need to act separately and solely on a 2-year extension bill is thus apparent. I am most pleased that joining the committee in this measure are a large number of my colleagues including Senators MCGOVERN, MATHIAS, and INOUYE who have exhibited a welcome, active interest in developing a more adequate and equitable GI bill for our Vietnam-era veterans.

Mr. President, I ask unanimous consent that the text of the bill as introduced be printed in the RECORD at the conclusion of my remarks.

There being no objection, the text of the bill was ordered printed in the RECORD, as follows:

S. 3398

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1662 of title 38, United States Code, is amended—

(1) by deleting "eight" in subsection (a) and inserting in lieu thereof "ten";

(2) by deleting "8-year" in subsection (b) and inserting in lieu thereof "10-year";

(3) by deleting "8-year" and "eight-year" in subsection (c) and inserting in lieu thereof "10-year" and "ten-year", respectively; and

(4) by adding at the end thereof the following new subsection:

"(d) In the case of any veteran (1) who served on or after January 31, 1955, (2) who became eligible for educational assistance under the provisions of this chapter or chapter 36 of this title, and (3) who, subsequent to his last discharge or release from active duty, was captured and held as a prisoner of war by a foreign government or power, there shall be excluded, in computing his ten-year period of eligibility for educational assistance, any period during which he was so detained and any period immediately following his release from such detention during which he was hospitalized at a military, civilian, or Veterans' Administration medical facility.".

SEC. 2. Section 1712 of title 38, United States Code, is amended—

(1) by deleting "eight" in subsection (b) and inserting in lieu thereof "ten"; and

(2) by deleting "eight" in subsection (f) and inserting in lieu thereof "ten".

SEC. 3. Section 604(a) of Public Law 92-540 (82 Stat. 1333, October 24, 1972) is amended by deleting "eight" and inserting in lieu thereof "ten".

Mr. MATHIAS. Mr. President, I am pleased to join today with Senator HARTKE, the other members of the Senate Committee on Veterans Affairs and many other members of this body in introducing this crucial measure to extend the eligibility period for veterans educational benefits by an additional 2 years.

As a coauthor of S. 2789, the Comprehensive Vietnam-Era Veterans Educational Benefits Act, which was introduced last December and includes an identical provision for a 2-year extension, I believe it is essential that we now speed it through Congress as a separate measure, in view of the enormous number of veterans whose eligibility will otherwise expire on May 31. This will allow the Committee on Veterans' Affairs to take the time it needs to give careful consideration to the other elements of S. 2789 and other proposals, without being forced into hasty or ill-considered decisions by the May 31 deadline.

I would also like to take this opportunity to commend the chairman, Senator HARTKE, for his leadership and fairness in dealing with the entire range of veterans education issues. Both he and his committee staff have been unfailingly helpful and cooperative as we seek to devise an effective program of educational benefits to provide a genuine opportunity for all Vietnam-era veterans to pursue higher education or vocational training. This is particularly crucial at this time, given the alarming increase in unemployment currently being endured by vast numbers of Vietnam vets—an unemployment rate which may make further education and training an absolute necessity for economic survival.

I was most heartened by the favorable reception accorded to testimony provided by myself and the other coauthors of S. 2789 at the Veterans' Committee hearings earlier this month, and I am therefore confident that its main provisions, including the most important one for tuition payments, will receive full and fair consideration as the committee determines the contents of a final bill to report out to the full Senate in the weeks ahead.

In the meantime, today's introduction of a simple bill for a 2-year extension of eligibility is an indispensable interim step to allow tens of thousands of veterans to continue their education beyond May 31 of this year.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 291

At the request of Mr. WILLIAM L. SCOTT, the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of S. 291, a bill to provide a limitation on the types and number of questions which may be asked on the decennial censuses.

S. 2422

At the request of Mr. MATHIAS, the Senator from Kansas (Mr. DOLE) was added as a cosponsor of S. 2422, a bill to establish a National Center for the Prevention and Control of Rape and provide financial assistance for a research and demonstration program into the causes, consequences, prevention, treatment, and control of rape.

S. 2801

At the request of Mr. PROXMIRE, the Senator from Louisiana (Mr. JOHNSTON) was added as a cosponsor of S. 2801, a bill to amend the Food, Drug, and Cosmetic Act with respect to safe vitamins and minerals, and for other purposes.

S. 2854

At the request of Mr. CRANSTON, the Senator from Alabama (Mr. SPARKMAN) was added as a cosponsor of S. 2854, a bill to amend the Public Health Service Act to expand the authority of the National Institute of Arthritis, Metabolic, and Digestive Diseases in order to advance a national attack on arthritis.

S. 2938

At the request of Mr. MOSS (for Mr. JACKSON), the Senator from Wisconsin (Mr. NELSON) was added as a cosponsor of S. 2938, the Indian Health Care Improvement Act.

S. 3229

At the request of Mr. SCHWEIKER, the Senator from Nevada (Mr. CANNON) was added as a cosponsor of S. 3229, the Soviet Energy Investment Prohibition Act.

S. 3234

At the request of Mr. HUMPHREY, the Senator from Minnesota (Mr. MONDALE) and the Senator from Texas (Mr. TOWER) were added as cosponsors of S. 3234, a bill to authorize a vigorous Federal program of research and development to assure the utilization of solar energy as a major source for our national energy needs, to provide for the development of suitable incentives for rapid commercial use of solar technology and to establish an Office of Solar Energy Research in the U.S. Government.

S. 3258

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent that the Senators from Nevada (Mr. BIBLE and Mr. CANNON), the Senator from Tennessee (Mr. BROCK), the Senator from Massachusetts (Mr. Brooke), the Senator from New York (Mr. Buckley), the Senator from Kansas (Mr. Dole), the Senator from New Mexico (Mr. Domenici), the Senator from Alaska (Mr. Gravel), the Senator from Louisiana (Mr. Johnston), the Senators from Montana (Mr. Mansfield and Mr. Metcalf), the Senator from Wisconsin (Mr. Nelson), the Senator from Illinois (Mr. Stevenson), the Senator from California (Mr. Tunney), the Senator from New Jersey (Mr. Williams), and the Senator from North Dakota (Mr. Young) be added as cosponsors of S. 3258, a bill providing for displaying for public viewing at the Arlington National Cemetery, the names of certain deceased veterans.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 3388

At the request of Mr. Humphrey, the Senator from Maryland (Mr. Mathias) was added as a cosponsor of S. 3388, a bill to amend the Child Nutrition Act of 1966 for the purpose of providing additional Federal financing to the special supplemental food program.

ADDITIONAL COSPONSOR OF CONCURRENT RESOLUTIONS

SENATE CONCURRENT RESOLUTION 7

At the request of Mr. William L. Scott, the Senator from North Carolina (Mr. Helms) was added as a cosponsor of Senate Concurrent Resolution 7, urging the President to determine and undertake appropriate actions with respect to stopping armed attacks on aircraft and passengers engaged in international travel.

SENATE CONCURRENT RESOLUTION 66

At the request of Mr. Percy, the Senator from New Hampshire (Mr. McIntyre) was added as a cosponsor of Senate Concurrent Resolution 66, to urge the release from prison of Simas Kudirka, the Lithuanian seaman.

SENATE CONCURRENT RESOLUTION 79

At the request of Mr. Goldwater, the Senator from Oklahoma (Mr. Bartlett) was added as a cosponsor of Senate Concurrent Resolution 79, expressing the sense of the Congress with respect to the celebration of the 100th anniversary of the birth of Herbert Hoover.

ADDITIONAL COSPONSOR OF A RESOLUTION

SENATE RESOLUTION 281

At his own request, Mr. Packwood was added as a cosponsor of Senate Resolution 281, a resolution to express the sense of the Senate with respect to the allocation of necessary energy sources to the tourism industry.

NATIONAL NO-FAULT MOTOR VEHICLE INSURANCE ACT—AMENDMENT

AMENDMENT NO. 1220

(Ordered to be printed and to lie on the table.)

Mr. MOSS (for himself and Mr. Magnuson) submitted an amendment intended to be proposed by them jointly to the bill (S. 354) to establish a nationwide system of adequate and uniform motor vehicle accident reparation acts and to require no-fault motor vehicle insurance as a condition precedent to using a motor vehicle on public roadways in order to promote and regulate interstate commerce.

AMENDMENT NO. 1227

(Ordered to be printed, and to lie on the table.)

Mr. STEVENS submitted an amendment, intended to be proposed by him to amendment No. 1197 to Senate bill 354, supra.

STANDBY ENERGY EMERGENCY AUTHORITY—AMENDMENTS

AMENDMENTS NOS. 1221 THROUGH 1225

(Ordered to be printed and to lie on the table.)

Mr. ABOUREZK submitted five amendments intended to be proposed by him to the bill (S. 3267) to provide standby emergency authority to assure the essential energy needs of the United States are met, and for other purposes.

AUTHORIZATION OF APPROPRIATIONS UNDER THE INTERNATIONAL ECONOMIC POLICY ACT OF 1972—AMENDMENT

AMENDMENT NO. 1226

(Ordered to be printed, and to lie on the table.)

Mr. MATHIAS (for himself, Mr. Ervin, and Mr. Javits) submitted an amendment intended to be proposed by them jointly to the bill (S. 2986) to authorize appropriations for carrying out the provisions of the International Economic Policy Act of 1972, as amended.

AMENDMENT NO. 1228

(Ordered to be printed, and to lie on the table.)

Mr. HELMS submitted an amendment, intended to be proposed by him, to Senate bill 2986, supra.

AMENDMENT NO. 1229

(Ordered to be printed.)

Mr. MUSKIE (for himself, Mr. Stevenson, Mr. Johnston, Mr. Cannon, Mr. Case, Mr. Chiles, Mr. Haskell, Mr. Hathaway, Mr. Humphrey, Mr. Javits, Mr. Mansfield, Mr. McGee, Mr. Randolph, and Mr. Ribicoff) proposed an amendment to Senate bill 2986, supra.

ANNOUNCEMENT OF HEARING ON S. 3378, THE DEVELOPMENTALLY DISABLED ASSISTANCE AND BILL OF RIGHTS ACT

Mr RANDOLPH. Mr. President, as chairman of the Senate Subcommittee on the Handicapped, I announce that our subcommittee will conduct a hearing on S. 3378, the Developmentally Disabled Assistance and Bill of Rights Act, on Wednesday, May 1, beginning at 2:30 p.m., in room 4232, Dirksen Senate Office Building.

On February 8, 1973, the Subcommittee on the Handicapped held a full day's hearing on two bills: S. 427, a bill to extend the Developmental Disabilities Services and Facilities Construction Act; and S. 458, entitled "A Bill of Rights for the Mentally Retarded." We heard a total of 29 witnesses representing most concerned organizations at that hearing; unfortunately, the administration was unable to testify at that time.

Thus, this hearing is being held so that Hon. Caspar Weinberger, Secretary of Health, Education, and Welfare, and to submit a statement for the record on this legislation should contact Mrs. Patria Forsythe, professional staff member, or Miss Anne Hocutt, research assistance, Subcommittee on the Handicapped, at 202—25–9075.

ADDITIONAL STATEMENTS

THE TRUTH ABOUT "POLITICAL PRISONERS" IN SOUTH VIETNAM

Mr. HELMS. Mr. President, in the past several weeks, I have received letters from a number of constituents, who have expressed their sincere and deep concern for what they have termed, and I quote, "the imprisonment of 200,000 political prisoners in South Vietnam." These letters have come from what are predominantly college and university towns, and many writers have stated that they are students. Often, these letters have attached a document, published by the Coalition To Stop Funding the War, an organization located in Washington. This document, entitled "1974 Indochina Peace Pledge," urges members of the Congress to vote for legislation that sounds strikingly similar to the terms of the Paris Peace Agreement signed by the United States.

Mr. President, frankly, I am puzzled by this document; it urges that the Congress do what already has been done. I am even more puzzled, however, by the allegations that there are 200,000 "political prisoners" rotting in jails in South Vietnam. Because of my concern that justice be promoted not only in this Nation, but also throughout the world—indeed, not only in Vietnam, but also in Russia, where millions have been thrown in concentration camps and prisons merely for attempting to exercise the fundamental right of free speech—I decided to look into this issue and get the facts.

The immediate sources I found, including the Congressional Record, did claim—and I emphasize the word—claim that there were 200,000 political prisoners in South Vietnam. Basically, I found, these sources all based their determination of this fact on statements made by Father Chan Tin, a Catholic priest living in South Vietnam; a second source for this figure of 200,000 comes from a "white book" published by Ho Ngoc Nhuan, a deputy in South Vietnam's legislative body. It is important to note at this point that both Father Chan

Tin and Deputy Ho Hgoc Nhuan are definitely opposed to the incumbent government in South Vietnam and are two of its most outspoken critics; interestingly, neither are in prison for their outspoken political opposition to the government, in spite of an atmosphere of political oppression that each claims to see in their country at this time.

Since both of these sources are bitter opponents of the incumbent government, and since there is some question as to the authenticity of their claims, I decided to look even further into this matter in an attempt to get at the truth. Since the claims of the antigovernment sources are so readily available, I decided to look at what the government had to say; it is only fair to look also at the other side of the picture. But to be completely sure that I had all of the facts from as accurate a source as possible, and from a source whose objectivity in the matter was thė least questionable, I decided to check the figures of our own Government.

Because the question of political prisoners in South Vietnam is indeed a matter of national interest, the U.S. State Department, through our Embassy in Saigon, has made a major review of this situation. The facts found, and the conclusions drawn from them, shed new and important light on this entire matter. For example, a thorough study by Embassy officials found that there were 35,139 prisoners of all types in prison in Vietnam. Further, the study disclosed that these were common criminals of the type now serving in prisons in the United States.

Where then are those "200,000 political prisoners" so much talked about? The study found none. Further, the study included the claims of Father Chan Tin and examined them thoroughly. Those claims, the Embassy found, were without foundation. This fact is important, Mr. President, because so many Americans obviously have accepted Father Chan Tin's report as completely factual. Now the truth is known; and hopefully, the erroneous information being spread about will be corrected.

Adding credibility to these figures is an interesting comparison between the ratio of prison population to overall population in the two countries. According to information supplied by the National Criminal Justice Reference Service, the adult inmate population in Federal and State institutions in the United States as of 1970 was, rounded off, 350,000; this in a country whose population at that time was 203 million. This is 0.17 percent of the total population. In South Vietnam, the prison population is 35,000 in a nation of 19 million people, or 0.18 percent. The difference is one-one hundredths of 1 percent. The similarity is all the more amazing when you consider that Vietnam has just gone through a long and bitter war and still is fighting daily to quell terrorist activities by North Vietnamese soldiers who have infiltrated into South Vietnam.

Mr. President, Vietnam is an Asian country, whose system of values are Asian, not Western. Due to the French influence, the court system in Vietnam—in fact, the entire system of justice—is fashioned after the European system—that is, the civil code—rather than the Anglo-American system of laws. The Anglo-American system of laws, incidentally, is known for its rigid protection of individual rights, not only in the courts, but generally. Yet, in spite of these many factors tending toward the existence and use of political repression in South Vietnam, U.S. Ambassador Martin reported that, in almost 7 months of conversations with opponents of the incumbent government, with independent journalists, with representatives of humanitarian organizations of both the United States and other countries, he had not been given the name of a single prisoner who had been incarcerated for his political opposition to the present government of South Vietnam.

Mr. President, many Americans have been misled too long about the true state of affairs in South Vietnam. As I have stated on previous occasions, I do not doubt the sincerity of the many American citizens who write to me expressing their concern about the situation in Vietnam, even when their concern is based on obviously erroneous and perhaps contrived information. I do doubt, however, the sincerity—and the honesty—of those who circulate deliberately incorrect information for their own purposes, here, obviously to aid the Hanoi government in its imperialist design to control all of Vietnam.

Mr. President, in order for the members of the Senate to have the facts with regard to the so-called political prisoners in South Vietnam, I ask unanimous consent that the study made by the U.S. Embassy in South Vietnam, along with its supportive data and tables, be printed in the Record at the conclusion of my remarks.

There being no objection, the study was ordered to be printed in the Record, as follows:

[From American Embassy Saigon, Date December 26, 1973]

Father Chan Tin's View of "Political Prisoners": A Case Study of Militancy Overriding Objectivity

1. Summary: Several months ago, anti-GVN Catholic activist Father Chan Tin gave the Embassy a copy of a recent study listing 202,000 "political prisoners" allegedly held by the GVN as of June 1, 1973. The list contained some details about where these people were supposedly being detained. It differed markedly from both the GVN's claims and the standard estimates then used by the Embassy. Although we were reasonably confident that our estimates were valid, we nevertheless re-checked them in the light of his statistics. The Mission conducted an exhaustive survey, utilizing all available sources. It conclusively refutes the widely-spread charge, echoed by Father Chan Tin, that GVN jails harbor "200,000 political prisoners."

2. The Mission survey leads to the firm conclusion that the total prison and detention population in South Vietnam in the July-August period (the time frame of our check) was around 35,000. This figure comprises civilian prisoners of all types, not just "political prisoners" however defined. END SUMMARY.

3. The reporting officer called last July 27 on Father Chan Tin, the well-known Redemptionist priest whose anti-government activism has kept him in steady trouble with the GVN (although he himself has remained out of jail and free to voice his criticisms). This year he has been attacking the government on the civilian prisoner issue, an official spokesman Bui Bao Truc has returned the compliment with a series of hard-hitting references to Chan Tin in several GVN press briefings.

4. Chan Tin gave the reporting officer a copy of a two-volume paperbound work (Vietnamese language) titled "Political Prisoners in South Vietnamese After the Signing of the Paris Agreement," published a short while earlier by the Committee Campaigning for the Improvement of Prison Conditions in South Vietnam, which he heads. A key part of the report, and the only one that he stressed in his conversation with the reporting officer, was a table showing the alleged "political prisoner" population in South Vietnam as of June 1, 1973. The total figure given is 202,000. This table is reproduced in slightly altered format as Enclosure I.

CHAN TIN'S COMMENTS ON HIS FIGURES

5. In discussing his statistics, Chan Tin provided the following explanations and comments:

A. Common criminals are excluded from his table, which comprises solely what he called "political prisoners." Thus, the total prison population is larger than 202,000. In an attempt to demonstrate his objectivity in this regard. Chan Tin noted that his "political prisoner" total for Con Son (8,200) was smaller than the GVN's claimed capacity (9,614) and occupancy (9,898) for that facility as most recently published.

B. Asked to define his category of "political prisoners," he said it includes Communist detainees. (In this respect his definition is significantly broader than that used by some other anti-GVN critics.) He broke the category down into the following rough percentages:

Those arrested "for no reason"	60
Those arrested for what Chan Tin termed non-Communist dissidence	25
Those arrested for "Communist activities"	15
Total	100

About half of the 60% arrested "for no reason" he said, have absolutely no inkling of why they are in jail. The other half may have some idea, but he believed the reason is not defensible. The 25% which he listed as dissidents are those he viewed as non-Communist activists arrested on "security" charges, and "they know why they are in prison."

C. Pointing to the zero total under POW camps on his list, Chan Tin claimed that this too proved his objectivity. He exhibited some skepticism, however, that these camps are really empty.

D. The reporting officer expressed surprise at his inclusion of GVN military prisons, stating that these are presumably just for soldiers under military discipline. Chan Tin replied that many persons are in these jails for political reasons. Then, curiously backing off, he said that the total is only 12,000 and so their inclusion or exclusion makes little difference.

E. Chan Tin stressed particularly his statistics for district and village jails and police interrogation centers. He admitted these were estimates but each one came from "a person who is well informed" about the place. Acknowledging that the police centers have a high turnover, he insisted that one must nevertheless take their occupancy figures at any given moment as part of the total picture. He cautioned against using capacity figures (for these as well as other jails), since GVN cells are often extremely overcrowded.

CHAN TIN'S ESTIMATES COMPARED TO OTHERS

6. Chan Tin's list is the most ambitious effort we have seen documenting the oft-repeated charge that the GVN holds "hundreds of thousands of political prisoners." The figure mentioned most frequently is 200,000, which by coincidence or otherwise

is virtually what Chan Tin asserts. The chief importance of his list, in fact, is the boost it gives to the credibility of this statistic in some quarters, including influential circles in the United States. Senator Abourezk inserted Chan Tin's table in the *Congressional Record* last September 18 (S16787).

7. The only other major attempt we have seen to justify the 200,000 figure in detail appeared in a "white book" published last June by opposition Deputy Ho Ngoc Nhuan. However, there is very little coincidence between Nhuan's breakdown and Chan Tin's. Nhuan went into far less detail, gave significantly larger occupancy figures for the major prisons, and skimmed lightly over the smaller jails with roughly estimated averages. He included Phu Quoc among the big prisons with a figure of 40,000 occupants, thereby damaging his credibility from the start. Phu Quoc, designed in any case for POW's exclusively, is now reliably reported to be empty. Chan Tin avoided this trap and therefore, to this extent at least, must be taken more seriously.

8. Naturally, Chan Tin's figures differ markedly from the GVN's public claims. They also are far from the Embassy's standard estimates going back several years, which have agreed roughly but not wholly with the GVN pronouncements. Enclosure 2 highlights these differences. Comparison is difficult, not only because Chan Tin mentions just "political prisoners" but also because he groups the prison and detention systems in an individualistic way. In Enclosure 2 his grouping has been altered by the reporting officer so that similar categories can be roughly compared side by side. The GVN figures are based on two booklets about civilian prisoners published this year by the Information Commission. The first of these booklets came out in July; the second was an improved version appearing in November (see Saigon A–146 and Saigon A–281).

9. Although major discrepancies exist in more than one of the categories in Enclosure 2, by far the biggest problem concerns police detention centers and jails below the provincial level. The GVN's July booklet says that jails do not exist below the province level, while the November revision acknowledges an unstated number of facilities where people are held up for five days. The Mission has included in its estimates of the total number of prisoners of all types held by the GVN a fluctuating total of several thousand being temporarily housed in local lock-ups at various levels down to the villages. We have estimated the capacity of these local lock-ups at about 15,000. Chan Tin adds up local detention facilities around the country and arrives at a total of 101,800 "political prisoners" being held in them, or just over half his claimed total. The other half he places in regular civilian and military prisons.

UNCERTAINTIES OF THE STANDARD EMBASSY ESTIMATES

10. Based on the extensive knowledge that the US Mission had of the GVN prison system until recently through its Public Safety Advisors, we have been confident that the charge of 200,000 GVN-held "political prisoners" is a gross exaggeration. We estimated the total capacity of the GVN correction and detention systems, including all civilian jails from the national prisons down to the local police lockups, at 51,941 on December 31, 1972. Thus, the figure 200,000 is on the face of it physically impossible. As Enclosure 2 shows, the total occupancy figure on the same date added up to 43,717. This figure includes all categories of civilians held on that date. Since then, the number of prisoners has declined significantly, due to the release of thousands of prisoners on such occasions as Tet and Buddha's Birthday. The 1973 releases of Communist offenders in exchanges with the other side have also reduced the number.

11. However, we have always been aware of the possibility of soft spots in our analysis, although we have consistently believed they do not undermine the validity of our estimates. Since these areas have created some uncertainties, we think the chief vulnerabilities should be explicitly outlined, as follows:

A. Our 1972 end-of-year figures are based on statistics given to our Public Safety Advisors by the GVN. Such statistics were supplied periodically. Even though they were in-house figures, it is conceivable that the GVN's reporting system going up the line from local officials to the central statistics bureau was imperfect. However, no reliable source available to the Mission ever contradicted the general picture presented to the Advisors, who were themselves in a good position to check.

B. Occupancy can, and frequently does, exceed capacity. In short, as Chan Tin pointed out, the prisons are often overcrowded. This casts some doubt on our use of capacity figures as a yardstick. However, the GVN in recent years has increased its prison capacity significantly to meet the overcrowding problem. Since 1970 at least, the occupancy of the system as a whole has seldom if ever exceeded its total capacity. Even assuming the worst case, it is obviously not credible that a figure in the "hundreds of thousands" would be approached.

C. Our figures have excluded the military prisons, which are designed for AWOL soldiers, etc., and therefore would appear irrelevant to any discussion of civilian prisoners. Yet it may be contended that some civilians are tucked away in military jails, unaccounted for by the system. The number of people considered subject to military discipline adds to this possibility. There is also the problem of deserters—how do you classify a draftee who deserts the field of battle for political reasons and finds himself in the brig? Chan Tin would doubtless call his a civilian "political prisoner", but the GVN, as every other State including our own, would consider that he broke his oath and the law and classify him accordingly. A further complication is that some military offenders are held in civilian prisons, thus mixing the two categories. But this, if anything, makes the total we have used for civilian prison occupancy look worse than necessary. The errors therefore may cancel each other out. In any case, we judge that any uncertainty created by this factor does not invalidate the general estimates. It is noteworthy that Chan Tin's figure for this category comes to just 12,000, and he did not insist on it in talking to the reporting officer.

D. The police detention system and particularly the provincial interrogation centers have been something of a blind spot in our assessment. It is less easy to follow what the GVN is doing in some of these places than in the national or provincial prisons, and accordingly we must acknowledge some softness in the Embassy's usual occupancy estimates for them. But again, we have been confident that our Public Safety Advisors were aware of the general picture in the detention centers, if not always of the details. They could have picked up any major discrepancies in what their GVN counterparts said about the numbers detained there, particularly since other sources available to the Mission could verify the matter.

THE NEW EMBASSY SURVEY

12. In general, therefore, we have been confident that our standard estimates are valid. However, our knowledge of the prison and detention system cannot be perfect, and Chan Tin came up with new claims in his list. Accordingly, the Mission decided in August to recheck its estimates in the light of Can Tin's allegations, utilizing all Mission resources. The results appear in Enclosure 3. They show prisoners held as of July 24, 1973 (or August 22, 1973, in the case of interrogation centers). Where Chin Tin's list cites a figure that can be compared with a Mission finding, his figure is adjacent in parentheses.

13. The sources of our information are GVN records meant for internal use, i.e., what the GVN is telling itself on this subject. The figures are at least as good as our previous ones obtained by the Public Safety Advisors; and, given the concentrated effort behind the survey, they are probably better.

14. The results show clearly that Chan Tin's statistics are inflated. In nearly all cases, his number of "political prisoners" is higher than the *total* occupancy. This is true even for Con Son, which he cited as an example of his moderation. (However, Con Son's occupancy seems to have dropped over the past few months, due perhaps to the post-ceasefire release programs.) The only place where Chan Tin gives a figure lower than the Mission's is Chi Hoa, a major prison where even Chan Tin apparently concedes there are many common criminals.

15. The most dramatic discrepancies concern the provincial prisons and the detention-interrogation system. Chan Tin says there are 37 provincial prisons, and he lists eight other "big prisons" individually in the provinces. He claims these all held 73,000 persons since last June 1. In reality, only 35 of the former 37 provincial prisons are now operating. They held 14,291 prisoners on July 24. Not only does Chan Tin have outdated information on the number but he evidently double-counts the eight "big prisons." As for the detention-interrogation centers, Chan Tin puts 68,000 persons in district and village jails and 33,800 in specified interrogation centers. Our sources support the GVN's July claim that there are no district or village jails, and they enumerate exactly 314 persons in nine interrogation centers in the Saigon area on August 22—facilities where Chan Tin alleges there were 5,300 detainees last June. While these centers do have fluctuating occupancy rates, nothing can account for this discrepancy except sheer error on Chan Tin's part. Most of these places have *capacity* figures that don't approach his levels.

16. We can confidently estimate the capacities of many of the interrogation facilities outside of Saigon, and the maximum levels invariably fall below Chan Tin's claimed occupancies. The Quang Ngai Center, for instance, can hold no more than 300 detainees, and the Qui Nhon Center can accommodate just 1,000. According to reliable reports, both are now largely empty. The total occupancy of the installations not cited in the survey may be in the hundreds only. This, of course, is just a guess, but by extension from the 314 figure in the Saigon area it seems logical. We figure a thousand as a maximum estimate for the nationwide interrogation center population.

17. One of our remaining soft spots, despite the survey, is the detention system at the district and village levels. The contention that there are no jails at these levels may be true, but district and village police stations with an informal lock-up capability do exist, as obliquely acknowledged in the November publication of the GVN. Detentions here are meant to be brief and the physical arrangements largely *ad hoc*. No distinction is made between interrogation facilities, detention facilities, and what might pass for the local jail. It is unlikely that anyone held here enters GVN records unless and until he is passed on to the province level. Thus, the GVN tendency to ignore these facilities is natural. But to counter Chan Tin's charges effectively one must acknowledge the existence of these detainees and figure them in the total number. He patently exaggerates their numbers, and his claim should be met squarely. The real number is certainly very small these days; one could probably put it at no more than a thousand at any given moment.

Added to the interrogation centers, these facilities may bring the detention population to roughly two thousand nationwide. This is less than the number we've been carrying, based on the 1972 year-end figure of 4,060. Such a drop seems logical for the post-ceasefire period, but it cannot be verified.

18. Taking the Mission survey in its entirety, therefore, we reach the conclusion that the prison and detention systems together held about 35,000 persons in the July–August period, broken down as follows:

Category of Prisoners:	*Occupancy*
Inmates of national prisons	15,342
Inmates of provincial prisons	14,291
Communist offenders (held separately, pending release)	[1] 3,506
Detainees in interrogation centers and local lock-ups	2,000
Total	35,139

[1] These are the remainder of 5,081 held in this category at the time of the ceasefire. The others have already been released to the Communists in exchange programs negotiated with the Communist side.

Since our detention-interrogation estimate is probably high, a total of under 35,000 is defensible. The real total cannot be far from that figure in any case. This includes all categories of civilian prisoners, not just "political prisoners" however defined.

CHAN TIN'S ERROR

19. Obviously, if our new survey is right, Chan Tin went drastically wrong somewhere, despite the care he says he put into his estimates. The easy answer is that he was egged on by the Communists, and that he is their agent. He has often taken positions damaging to the GVN and favorable to the Communist side, but this is insufficient evidence to conclude that he is a willing Communist tool.

20. Chan Tin comes through to observers as a quiet but stubborn man. Being a priest, he views people's plights in a human way. He may know of cases of unjust imprisonment and mistreatment in GVN jails from contacts with parishioners. Educated at the Sorbonne, evidently during the era several decades ago when socialist ideas were common currency, he puts the human tragedies he meets into a class-struggle intellectual framework. These traits were illustrated, for example, during the July 27 call on him by the reporting officer. A teenage girl entered his office during the call with a folded note for a relative in prison. She had gotten conflicting reports about where the relative was being held. Chan Tin listened sympathetically, assured her he knew where the relative was, and, agreed to get the note to him. After the girl left, he then spoke to the reporting officer about the present situation in South Vietnam in dramatic class-struggle terms.

21. Translating these convictions into arguments that would convince a world impressed by statistics, Chan Tin clearly let his subjective view override his objectivity in his published survey. This thinking apparently led him into ever more extreme positions as he prepared the statistics. Last April, he told an Embassy officer and a visiting Congressional staffer that it was difficult to make an accurate estimate of the total number of prisoners; his own guess at that time was 100,000, though he heard of figures as high as 200,000. He has now gone up to the highest figure circulating among critics for "political prisoners" alone. Perhaps he is convinced emotionally that this figure "must" be correct because it provides him with justification for his commitment to the issue.

22. Also, we believe in this case that Chan Tin has been swayed by his sources, some of whom may be less scrupulous than he. They may be indeed close to the picture, as he claims, but they appear also to have either an ax to grind or an emotion-clouded concept of the numbers that can be held in some of the prisons and detention centers. Chan Tin's total figure compounds these smaller errors. It is thus a fairly typical instance of little flaws, hard to pin down but easy to believe if one is disposed to do so, hiding a gross weakness in the overall result.

AMBASSADOR'S COMMENT

23. I am again indebted to Mr. Sizer and the other Mission officers who contributed to this report for an exhaustive and painstaking analysis. In the best tradition of the Foreign Service this report, without bias or subjective emotional involvement, presents the facts as best they can be perceived after extensive study and research. It deserves, and I hope it will receive the widest possible dissemination.

24. This report will not convince those who believe only what they wish to believe. It will, I think, be convincing to those reasonable and objective persons who are still concerned with the truth—and, fortunately, the majority of the citizens of the United States still come within this category.

TABLE 1

FATHER CHAN TIN'S LIST OF "POLITICAL PRISONERS" ALLEGEDLY HELD BY THE GOVERNMENT OF THE REPUBLIC OF VIETNAM, JUNE 1, 1973

(From Publication Issued July 1973)

FOUR SPECIAL PRISONS	
Con Son (mostly for political prisoners)	8,200
Thu Duc (for women)	1,500
Tan Hiep (entirely for political prisoners)	2,500
Dalat (for juvenile males)	1,000
Total	13,200
SIX POW CAMPS	
Phu Quoc	x
Ho Nai (Bien Hoa)	x
Phu Tai (Qui Nhon)	x
Danang	x
Pleiku	x
Can Tho	x
Total	x
MILITARY PRISONS	
Go Vap	2,000
Four Big Prisons (Danang, Nha Trang, Can Tho, Pleiku)	6,000
Other Military Prisons	4,000
Total	12,000
NINE BIG PRISONS	
Chi Hoa	2,000
Gia Dinh	3,000
Can Tho	3,000
My Tho	2,000
Thua Phu (Hue)	2,000
Danang	3,000
Quang Nam	3,000
Quang Ngai	4,000
Qui Nhon	3,000
Total	25,000
THIRTY-SEVEN PROVINCIAL PRISONS	
Total for all 37 prisons	50,000
Total	50,000
DISTRICT AND VILLAGE JAILS	
Total for all	68,000
INTERROGATION CENTERS	
National Police Headquarters, Vo Tanh St., Saigon	1,000
Capital Police Headquaters, Tran Hung Dao Street, Saigon	200
Ben Bach Dang, Saigon	200
Ngo Quyen, Saigon	200
Bang Ky Bridge, Gia Dinh	800
Hang Keo, Gia Dinh	1,200
Military Security, Nguyen Binh Khiem St., Saigon	500
Capital Military Security, Nguyen Trai St., Saigon	200
Eleven police stations in Saigon	1,000
Four military region security intelligence centers	1,500
Quang Nam interrogation center	1,500
Qui Nhon interrogation center	1,500
Quang Ngai interrogation center	2,000
Forty-two province security stations	9,000
Forty-five province military security stations	2,000
District security stations	5,000
Military region offices of military security	1,000
Other interrogation places	5,000
Total	33,800
National total	202,000

TABLE No. 2

COMPARISON OF FATHER CHAN TIN'S POLITICAL PRISONER CLAIM, AND STANDARD U.S. EMBASSY ESTIMATE

Father Chan Tin's Claim as of June 1, 1972:	GVN Claim in July and November 1973 Booklets on Civilian Prisoners:	Standard U.S. Embassy Estimate:
Four "special prisons" plus Chi Hoa: 15,200 "political prisoners."	Five national prisons: Total capacity about 21,000 until June 1973; became 20,000 June 2, 1973, with de-activation of Dalat Reformatory; no "political prisoners."	Five national prisons: Total occupancy of 20,501 as of December 31, 1972.
Eight "big prisons" plus 37 provincial prisons: 73,000 "political prisoners."	Thirty-five provincial prisons (no others now operating): Total capacity less than 19,000; no "political prisoners."	Thirty-Five provincial prisons; Total occupancy of 19,156 as of December 31, 1972.
District and village jails and interrogation centers: 101,800 "political prisoners."	Jails below province level: July booklet says they do not exist; November booklet mentions temporary processing centers holding persons no longer than five days; no "political prisoners."	Detention system down to village level: Total occupancy of 4,060 as of December 31, 1972; we have assumed occupancy roughly the same since then, though figure fluctuates.
Military prisons: 12,000 "political prisoners."	Military prisons: July booklet does not discuss; November booklet says not applicable.	Military prisons: We have assumed these are strictly for soldiers under military discipline, and we have no evidence to the contrary.

POW camps: zero.	POW camps: July booklet does not discuss; November booklet indicates camps are empty.	POW camps: Empty.
Total: 202,000 "political prisoners."	Total: Capacity of prison system less than 40,000 until June 1973; less than 39,000 after June 2, 1973; no "political prisoners."	Total: Occupancy of prison and detention systems totaled 43,717 as of December 31, 1972; less since then.

[ENCLOSURE 3]

TABLE 3.—U.S. MISSION INFORMATION ON ALL TYPES OF CIVILIAN PRISONERS DETAINED IN SOUTH VIETNAM AS OF JULY 24, 1973

[Chan Tin's estimates of "political prisoners" as of June 1, 1973 in parentheses]

Nationl prisons:		
Chi Hoa	7, 911	(2, 000)
Thu Duc	1, 137	(1, 500)
Con Son	5, 498	(8, 200)
Tan Hiep	796	(2, 500)
Dalat Reformatory	[1] NA	(1, 000)
Total	15, 342	(15, 200)
Provincial prisons:		
Quang Nam	504	(3, 000)
Quang Ngai	452	(4, 000)
Quang Tin	182	----------
Thua Thien	329	(2, 000)
Danang	1, 003	(3, 000)
Binh Dinh	581	(3, 000)
Darlac m	234	----------
Khanh Hoa	1, 354	----------
Kontum	56	----------
Ninh Thuan	115	----------
Phu Yen	412	----------
Pleiku	406	----------
Binh Thuan	226	----------
Tuyen Duc	253	----------
Gia Dinh	182	(3, 000)
Binh Duong	229	----------
Binh Tuy	92	----------
Long An	116	----------
Phuoc Tuy	261	----------
Tay Ninh	428	----------
Bien Hoa	761	----------
An Giang	251	----------
An Xuyen	168	----------
Ba Xuyen	457	----------
Bac Lieu	336	----------
Chau Doc	368	----------
Dinh	386	(2, 000)
Go Cong	270	----------
Kien Giang	207	----------
Kien Hoa	399	----------
Kien Tuong	41	----------
Kien Phong	175	----------
Phong Dinh	1, 887	(3, 000)
Vinh Binh	498	----------
Vinh Long	672	----------
Total	14, 291	[2] (73, 000)
Communist Offenders (held in separate locations pending release): total	3, 506	[3] (NA)
Military prisons: Total for all	[4] 0	(12, 000
District and village jails: Total for all	[5] NA	(68, 000)
Interrogation centers:[6]		
National Police Headquarters, Vo Tanh St., Saigon	83	(1, 000)
Capital Police Headquarters, Tran Hung Dao St., Saigon	58	(200)
Ben Bach Dang, Saigon	15	(200)
Ngo Quyen, Saigon	2	(200)
Bang Ky Bridge, Gia Dinh	15	(800)
Hang Keo, Gia Dinh	70	(1, 200)
Military Security, Nguyen Binh Khiem St., Saigon	26	(500)
Capital Military Security, Nguyen Trai St., Saigon	14	(200)
Eleven Police Stations in Saigon	31	(1, 000)
Others	NA	(28, 500)
Total	[7] NA	(33, 800)

[1] The Dalat Reformatory was deactivated on June 2, 1973, and transferred to the Ministry of Social Welfafe. It will become a children's protection center.

[2] This total comprises 23,000 in the 8 prisons Chan Tin mentions specifically, plus 50,000 he lumps together in a separate category of provincial prisons.

[3] Chan Tin includes Communist offenders among other "political prisoners" and gives no separate figure for this category.

[4] The information received assumes that military prisons are irrelevant to the civilian prisoner issue. See airgram text for support of this assumption.

[5] According to the information received, there are no jails below the province level. This is correct, but it ignores the small detention capability of the police at the district and village levels. See airgram text.

[6] The Mission's findings in this category are as of Aug. 22, 1973.

[7] See airgram text.

SPACE EXPLORATION

Mr. MOSS. Mr. President, during these times of ever-rising costs of living and ever-bothersome social problems, a question frequently asked of the space program is, "Why can't we wait until all of our problems on Earth are solved before we try to solve problems in space?" This is an important question and is difficult to answer. Yet, in a recent review, the American Institute of Aeronautics and Astronautics has included a section that answers the question directly and specifically. I ask unanimous consent to have this section from Exploration of the Solar System printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WHY CAN'T WE WAIT UNTIL ALL OF OUR PROBLEMS ON EARTH ARE SOLVED BEFORE WE TRY TO SOLVE PROBLEMS IN SPACE?

Clearly, there is never enough financial support for all worthy programs, and our national budgeting process, just as in our everyday household or business budgets, consists of a balancing of needs. Economists attempt to do this by using formal benefit/cost analyses; that is, programs with the most benefit per unit cost should receive priority. But how do we quantify future, mainly unidentified benefits? Or costs, for that matter, if we include the actual costs of national resource depletion or environmental degradation?

The scientific community is often concerned because there are frequently insufficient long-term commitments to scientific programs. However, scientists sometimes do not understand that the ultimate source of support is the voting taxpayer, and most voting taxpayers do not understand what the scientist wants to do or why he wants to do it.

The following excerpt from the Hearings before the Subcommittee on Space Science and Applications of the Committee on Science and Astronautics. House of Representatives, Ninety-Third Congress. March 14, 1973, illuminates this point:

Congressman James Symington. I suppose that all of us feel the constraints of the current financial situation. Harder decisions are being made now than may have been the case 19 years ago, but that doesn't make them correct, just because they are hard.

When you say the decision was not made by NASA alone, or the fault was not that of NASA alone, and the blame belongs elsewhere, at least partially, I take it you're referring to the managers of the budgetary process. Now they probably are trying to think of what the market will bear in terms of public acceptance of programs, or perhaps to put it another way, what we will least notice is missing.

What I think our task may be, with your help, is to try to convey to the average citizen what would be missing if we failed to go forward with these projects.

You have described the concern of the scientific community in the suspension of the HEAO (High Energy Astronomical Observatory) project, but that concern obviously is not widely shared, as the average citizen knows nothing of it.

What am I to say to my constituents and people I speak to concerning the importance of this program in language they will understand?

Dr. Hofstader.* I think that is a very good question . . . Let me give you an example. When Einstein made his considerations about mass, and energy, and relativity, it looked like they were completely academic and had nothing to do with anything practical, but we know how important those things are. Those are the foundations of atomic energy.

The neutron was discovered in 1932. It's only 40 years since the discovery of the neutron. Now we have the whole atomic energy industry. Even as long ago as in the late 1930's or 1940's. Rutherford himself said that the neutron would never have any practical significance.

What I'm trying to say here is that scientists who are working with these abstract ideas, which apparently have no relationship to the real world, suddenly find that they are terribly, terribly important, and I think this is going to happen again . . . There's going to be a new source of energy that's going to turn the whole world around . . .

In today's "show me a result" atmosphere, the often long and arduous "scientific process" does not appear to generate much that people wish to buy; the man in the street finds it difficult to relate to, say, quantum mechanics. What do scientists have that we should want? C. P. Snow wrote in Science and Government of the contributions that science made to Britain's survival in World War II. He said, "Scientists have something to give which our kind of existential society is desperately short of; so short of that it fails to recognize of what it is starved: that is foresight."

It is that kind of foresight, for instance, that led knowledgeable scientists and engineers to predict many years ago the approach of our current energy crisis.

Scientific "foresight" was a key element in the potentially valuable discovery made by physicist Dr. Hans Bethe, when in 1933 he published his theory on the energy conversion process which powers the Sun. Although of enormous importance to the scientific world (Dr. Bethe won the Nobel prize for his work), there seemed little practical application of such knowledge here on Earth—until the energy crisis came along. The science and technology of nuclear fusion, perhaps the best hope for Earth's long-range energy needs, originated in Dr. Bethe's "abstruse" astrophysical theories.

More recently, a team of dedicated men discovered a polio vaccine. But their discovery would not have been made possible without the electron microscope, a tool which had been developed for purposes totally unrelated to polio research.

Clearly, well thought out long-range planning is required to maintain the Earth in a livable state. This planning must be on a global scale, and must include consideration for all peoples. This point was well illustrated by Dr. Ernst Stuhlinger in his letter to a nun working with the starving people of Zambia, Africa:

"About 400 years ago, there lived a count in a small town in Germany. He was one of the benign counts, and he gave a large part of his income to the poor in his town. This was much appreciated because poverty was abundant during medieval times and there were epidemics of the plague which ravaged the country frequently.

"One day, the count met a strange man. He had a workbench and a little laboratory in his house, and he labored hard during the daytime so that he could afford a few hours every evening to work in his laboratory.

"He ground small lenses from pieces of glass; he mounted the lenses in tubes, and he used these gadgets to look at very small objects. The count was particularly fasinated by the tiny creatures that could be observed with the strong magnification and which nobody had ever seen before.

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*Dr. Robert Hofstader, Department of Physics, Stanford University.

"He invited the man to move with his laboratory to the castle, to become a member of the count's household and to devote henceforth all his time to the development and perfection of his optical gadgets as a special employee of the count.

"The townspeople, however, became angry when they realized that the count was wasting his money, as they thought, on a stunt without purpose. 'We are suffering from this plague,' they said, 'while he is paying that man for a useless hobby!'

"But the count remained firm. 'I give you as much as I can afford,' he said, 'but I will also support this man and his work, because I know that some day something will come out of it.'

"Indeed, something very good came out of this work, and also out of similar work done by others at other places: the microscope. It is well known that the microscope has contributed more than any other invention to the progress of medicine, and that the elimination of the plague and many other contagious diseases from most parts of the world is largely a result of studies which the microscope made possible.

"The count, by retaining some of his spending money for research and discovery, contributed far more to the relief of human suffering than he could have contributed by giving all he could possibly spare to his plague-ridden community."

The direct benefits to man of the knowledge gained and the tools developed as a consequence of man's exploration of the solar system are only beginning to be recognized. More are still to come. But at what cost?

NASA's budget for 1974 is $3 billion, of which about $350 million is to be directly applied to solar system exploration projects. The total federal budget is $269 billion, of which $25 billion is for interest on the national debt, $81 billion is for defense, and about $126 billion is for human resources.

Thus the lion's share does go to societal concerns, as it should. At the same time, the third of a billion dollars that is slated for solar system exploration (13 hundredths of one percent of the total budget) is indeed a small investment in the future. As Lawrence Lessing wrote in FORTUNE in 1964:

"The purposes of this (space) exploration are no clearer to many men in this age than they were in Galileo's, so it is not strange that there is opposition. In this economic age, however, the opposition is not so much theological as budgetary. Both seem equally mistaken in the context of their times, for the earlier astronomical discoveries did not diminish man's spirit but rather enlarged and ennobled it, and space discoveries should have the same uplifting and enlarging effect. After all, a budget is only money, but new knowledge is a dukedom whose great wealth and resources cannot even be estimated or exhausted. Already the new knowledge acquired in space exceeds by far the value of funds so far spent. For knowledge, more than guns or butter, is the true power of modern states."

TAX INCENTIVE FOR RESOURCE CONSERVATION UTILIZING TAX-EXEMPT INDUSTRIAL DEVELOPMENT BONDS

Mr. HUGH SCOTT. Mr. President, on February 27, 1974, I joined my good friend from Nebraska (Mr. CURTIS) in sponsoring S. 3068, a bill to provide for a tax incentive for resource conservation utilizing tax-exempt industrial development bonds.

One of the Nation's leading experts on this subject, H. Lawrence Fox, recently testified before the House Ways and Means Committee in support of S. 3068. Mr. Fox, who is a partner with Pepper, Hamilton & Scheetz, presented his statement on behalf of the Sun Oil Co.

Because I believe Mr. Fox's testimony to be of great significance in light of current energy conservation efforts, I ask unanimous consent to print it and accompanying material in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT OF THE SUN OIL CO. AND H. LAWRENCE FOX*

Section 103(c)(4) of the Internal Revenue Code of 1954—"An Incentive for Recycling Waste and Conservation of Other Natural Resources."

INTRODUCTION

Madam Chairman and Members of the Committee, I am H. Lawrence Fox, Washington, D.C., and am representing The Sun Oil Company and myself. Joining me today, solely as an expert in tax-exempt financing, is Mr. John Noonan, New York, New York, Assistant Vice-President, Kidder, Peabody & Co., Inc.

The purpose of this presentation is to bring to your Committee's attention S. 3068, a Bill introduced on February 27, 1974, by Senator Carl T. Curtis (R-Neb.) along with eight co-sponsors. This Bill, among other things, provides for a tax incentive for resource conservation that has, to date, been largely overlooked; the tax exempt industrial development bond.

PROPOSED AMENDMENTS TO SECTION 103(c)

On March 6, 1973, Senators Curtis (R-Neb.), Allen (D.-Ala.), Dole (R.-Kans.) and Talmadge (D.-Ga.), introduced S. 1087 which would amend Section 103(c) of the Code to eliminate the requirement that water facilities financed under Section 103(c)(4)(G) be made available to the general public and to raise the $5 million exempt small issue exception to $10 million. Since that date, Senator Curtis concluded that S. 1087 should be broadened to also provide for industrial development bond financing of fuel saving devices and conversion costs of gas or oil burning equipment to other energy materials such as garbage (solid waste), coal, bark, peat or lignite, and to exclude certain capital expenditures, and to raise the $1 million exempt small issue to $5 million. Since these hearings concern themselves with the recycling or use of wastes as natural resources, my testimony will be directed only to that part of S. 3068 which would provide an incentive for industry to conserve fuel and to convert its energy consumption to the use of waste materials and natural resources which are more available than certain petroleum products. However, it is hoped that your Committee will consider the entire Curtis Bill.

HISTORICAL BACKGROUND OF THE PRESENT LAW

As you know, until 1968 the Internal Revenue Service considered the interest on all industrial development bonds (hereinafter referred to as "IDBS") to be tax exempt under Section 103(a) of the Code. This administrative position was overruled by the Revenue and Expenditure Control Act of 1968 (P.L. 90-364, 82 Stat. 268) which enacted Section 103(c) and which provides that, in general, IDBS are not tax exempt. This rule does not apply where governmental units obtain funds to operate various businesses themselves.

Moreover, the Act contains exceptions to the new general rule so that certain types of facilities may continue to be financed with tax exempt bonds just as they were prior to the enactment of Section 103(c)(1).[1] Some of these exceptions are based on the premise that there are certain legitimate functions of government for which most local governmental units do not possess the expertise required to be directly involved, such as residential real property, sports facilities and mass commuting facilities.

In addition, Congress recognized that the acquisition of certain types of facilities for private industry or business users are for the inherent good of the community even though their use or operation may yield a return on investment. A few examples are sewage or solid waste disposal facilities, air or water pollution control facilities and facilities for the furnishing of water, if available on reasonable demand to the members of the general public. In this category, Congress was concerned with the existence of specific problems and sought to maintain an incentive for their elimination. The precise means for utilizing that incentive was intentionally left flexible.

Finally, in addition to the exempt activities, Congress provided that small issues of $1 million or less in which the proceeds are to be used for land or depreciable property should continue to bear tax exempt interest. This exemption was subsequently broadened to $5 million if the governmental issuer makes a proper election.

LEGISLATIVE RECOMMENDATIONS

Your attention is directed to S. 3068 since it contains two proposed amendments (proposed Sections 103(c)(4)(H) and (I)) to Section 103(c) which are related to these hearings;

One, proposed Section 103(c)(4)(H) which provides for the tax exempt financing of any facility which will convert or replace gas burning or oil burning equipment to allow the burning of other energy source materials, such as garbage, coal, bark, peat or lignite. This new exception to the general rule is consistent with the original intent of the enactment of Section 103(c) since the conversion or replacement of oil or gas burning facilities will inherently provide a benefit to the public by helping to alleviate the demand for some of the petroleum products which are currently in short supply as well as induce the recycling of wastes. *If industry will* convert some of its energy needs to waste products or to some of the other natural resources in this country, oil or gas otherwise required for industry can provide heat for homes and gasoline for automobiles. In addition, our environment will benefit from the elimination or recycling of wastes.

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*As one of the original drafters of Section 103(c) and the first proposed regulations promulgated thereunder, I have maintained a continuing interest in the area as a tax lawyer and by writing several articles and following proposed legislation. The Sun Oil Company has sponsored only a part of this testimony; its endorsement was obtained solely because of my recommendation that the proposed legislation was socially desirable. The Company has not made any analysis of my testimony or how the legislation, if passed, could be used at its refineries or other facilities. Thus, it should be made clear that Sun's endorsement relates only to its policy that the nation should eliminate wastes and become energy independent.

[1] Section 103(c)(4) provides for tax exempt financing for: residential real property for family units; sports facilities; convention or trade show facilities; airports, docks, wharves, mass commuting facilities, parking facilities or directly related storage or training facilities; sewage or solid waste disposal facilities or facilities for the local furnishing of electric energy or gas; air or water pollution control facilities; and facilities for the furnishing of water, if available on reasonable demand to members of the general public. These special projects are known as "exempt activities". Section 103(c)(5) provides for tax exempt financing for industrial parks. Section 103(c)(6) provides for tax exempt financing for land or depreciable property provided the bond issue is $1 million or less and in certain instances $5 million or less; these are known as "exempt small issues".

Two, proposed Section 103(c) (4) (I) which provides for the tax exempt financing of facilities which are in the nature of fuel saving devices. It is believed that most industrial complexes currently waste approximately eight to ten percent of the fuel being consumed and, therefore, the acquisition of devices which would reduce or eliminate this waste should be encouraged. The public will be benefited by a reduction in both fuel consumption and hopefully solid waste.

SUMMARY

The two new exempt activities are of obvious benefit to the general community. This Section was amended in the Revenue Act of 1971[2] which indicates that Congress recognized the need to continually re-examine the priorities set forth in that Section. Thus, it is clear that these proposals are consistent with overall tax policy. In connection with the new exempt activities, resolving the energy crisis and the recycling of solid waste is as important today as was the control of pollution in 1968 and thereafter.

These proposals should be enacted as soon as practicable. Overall, S. 3068 will serve as an incentive for the creation of new jobs and may save existing ones. This worthy goal will be met without Federal allocation of funds or an increase in the bureaucracy to administer the use of the funds created by the incentive. It will aid in attaining the nation's goal of increasing the use of our full range of natural resources and will help to spur industry to eliminate certain fuel wastes and to recycle or convert certain wastes to fuel.

There is no question that enactment will insure that some of the projects which industry might not otherwise undertake by reason of high interest rates and/or limited return on investment will be considered and undertaken. In brief, enactment will provide an incentive to channel capital where it is sorely needed.

CERTAIN OTHER RELATED MATTERS FOR THE COMMITTEE TO CONSIDER

There are certain other amendments to Section 103(c) which the Committee may wish to consider in order to facilitate the recycling of wastes and to help eliminate the energy crisis. Section 103(c) (4) (E) provides for the tax exempt financing of solid waste disposal facilities. Regulations § 1.103–8(f) (2) defines such facilities to include only those where at least 65 percent of the materials introduced into the facilities are solid waste, and are completely valueless. While it can be argued that this interpretation conforms to the traditional notions of solid waste recycling, as a practical matter, few, if any, modern day recycling and reprocessing techniques operate with a valueless raw material. For example, old paper and junk cars are not valuable per se but are also not completely valueless.

In addition to the conceptual and definitional problems previously described, delays inherent in the administrative process of determining whether or not a given item is both a solid and is valueless has created a situation which is inconsistent with the nation's need to develop alternative resources that previously were not economic or efficient to use. For example, administrative delay in determining which facilities in the nuclear fuel cycle qualify as solid waste disposal facilities could have a significant impact on the development of this critical source of energy. This is in no way a reflection on the competence of the Internal Revenue Service or the Department of the Treasury which, of necessity, have been required by the existing Section 103(c) (4) (E) to make judgments in an area totally outside of their expertise. However, after six years neither has been able to interpret the Code and, therefore, it may be time for Congress to resolve this issue.

Perhaps the simplest method of resolving this would be to permit tax exempt financing of disposal facilities without reference to the type of waste handled, i.e., a waste disposal facility should be defined to include any that collects, stores, alters or disposes of significant amounts of items that, in their present form, are unused, unwanted, useless or dangerous. Such an amendment would recognize the fact that the recycling technique is not some latter day form of alchemy where the raw product is completely valueless, and constitutes 65 percent by weight or volume of the material handled.

S. 3068

A bill to amend section 103 of the Internal Revenue Code of 1954

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 103(c) (4) of the Internal Revenue Code of 1954 (relating to certain exempt activities) is amended—

(1) By striking out in subparagraph (G) "if available on reasonable demand to members of the general public." and by inserting in lieu thereof "whether or not to the general public.";

(2) by striking out the period at the end of subparagraph (G) and inserting in lieu thereof, "or"; and,

(3) by adding at the end thereof the following:

"(H) facilities which cause, allow, or result in the conversion from or replacement of gas burning equipment to or with oil burning equipment or facilities which cause, allow, or result in the conversion from or replacement of oil burning equipment to or with equipment which burns other energy burning materials such as garbage, coal, bark, peat, or lignite.

"(I) fuel saving devices for industrial facilities."

(b) Section 103(c) (6) of such Code (relating to exemption from industrial development bond treatment for certain small issues) is amended—

(1) by striking out in subparagraph (A) "$1,000,000." and by inserting in lieu thereof "$5,000,000.";

(2) by striking out "$5,000,000." in the heading of subparagraph (D) and by inserting in lieu thereof "$10,000,000.";

(3) by striking out "$5,000,000." in subparagraph (D) (i) and by inserting in lieu thereof "$10,000,000."; and

(4) by striking out in the heading of subparagraph (E) ". . . the facilities described in this subparagraph are faciliites . . ." and by inserting in lieu thereof ". . . the facilities described in this subparagraph, other than those described in sections 103(c) (4) (F), (H), and (I), are facilities . . .".

(c) Effective Date.—

(1) The amendments made by subsection (a) (1) of this Act shall apply with respect to obligations issued after the date of enactment of this Act;

(2) The amendments made by subsections (a) (2) and (3) of this Act shall apply with respect to obligations issued after the date of enactment of this Act, but only with respect to obligations issued before January 1, 1980; and

(3) The amendments made by subsection (b) of this Act shall apply with respect to obligations issued after the date of enactment of this Act.

Detailed Explanation of the Provision of S. 3068

SECTION 103(C) (4) (G)

Section 103(c) (4) (G) provides that facilities for the furnishing of water if available on reasonable demand to members of the general public may be financed with tax exempt industrial development bonds. The limitation that such facilities must be made of the general public is unnecessary. The mere acquisition of facilities for the furnishing of water should qualify because water facilities which are acquired by a private business user or industrial entity will alleviate such users demand from the source of supply being used by the public. The proposed amendment is consistent with the original intent of the statute that the acquisition of certain facilities through tax exempt industrial development bonds should be allowed whenever those facilities by their very nature are of sufficient benefit to the general public. It is also consistent with the Revenue Act of 1971 which added Section 103(c) (6) (G) to the Code.

SECTION 103(C) (4) (H)

Section 103(c) (4) (H) provides for the tax exempt financing of any facility which will convert or replace gas burning or oil burning equipment to allow the burning of other energy source materials such as garbage, coal, bark, peat or lignite. This new exception to the general rule is consistent with the original intent of the enactment of Section 103(c) with its exceptions for certain exempt activities since the conversion or replacement of oil or gas burning facilities will inherently provide a benefit to the public during the energy crisis. The exception is to apply regardless of the age or condition of the equipment being replaced and will benefit the public since it will help alleviate the demand for some of the petroleum products which are currently in short supply. If industry will convert some of its energy needs to waste products or to some of the other natural resources in this country, oil or gas otherwise required for industry can provide heat for homes and gasoline for automobiles.

SECTION 103(C) (4) (I)

Proposed Section 103(c) (4) (I) provides for the tax exempt financing of facilities which are in the nature of fuel saving devices. It is believed that most industrial complexes currently waste approximately eight to ten percent of the fuel being consumed and, therefore, the acquisition of devices which would reduce or eliminate this waste should be encouraged. The public will be benefited by a reduction in fuel consumption, and accordingly, this exempt activity is consistent with the original intent of the statute to allow tax exempt financing of facilities which will benefit the public indirectly even though a business user or private industry user may enjoy the immediate benefit by its acquisition.

SECTION 103(C) (6)

The proposed amendment to Section 103 (c) (6) (A) raises the limit on general exempt small issues from $1 million to $5 million and proposed Section 103(c) (6) (D) raises the alternative exempt small issue from $5 million to $10 million. Since the enactment of the exempt small issue exception two problems have arisen: one, the cost of living has increased by an inflation factor of 33[*] percent with the result that the original intent of Congress is being thwarted; and two, the computation of the capital expenditures as a limiting factor for the $5 million exempt small issue under the existing provision has created confusion and an undue administrative burden upon taxpayers and the Internal Revenue Service. Accordingly, these proposed amendments are needed to keep pace with the rate of inflation in the last six years and the anticipated rate of inflation in the near future. Moreover, they should eliminate some of the administrative burden associated with the present statute. This amendment is consistent with the Revenue Act of 1971 which amended Section 103(c)(6), in part, by reason of inflation and administrative burden.

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[2] Subparagraph (G) (relating to facilities for the furnishing of water) was added to Section 103(c) (4).

[*] Bureau of Labor Statistics, Office of Prices and Living Conditions.

Section 103(c)(6)(E)

Proposed Section 103(c)(6)(E) provides that capital expenditures incurred in connection with facilities acquired under Section 103(c)(4)(F) for pollution control and proposed Section 103(c)(4)(H) for fuel conversion devices and proposed Section 103(c)(4)(I) for fuel saving devices shall not be included in the capital expenditures limitation. This proposed amendment is required to insure that the acquisition of the facilities under Sections 103(c)(4)(F), (H) and (I) do not lessen the availability of the exempt small issue.

Effective Dates for Proposed Amendments

The amendments to Sections 103(c)(4)(G) and 103(c)(6) apply to obligations issued after the date of enactment.

Proposed Section 103(c)(4) (H) and (I) apply with respect to obligations issued after the date of enactment of this Act, but only with respect to obligations issued before January 1, 1980. The limitation of the benefits to be derived from subparagraphs (H) and (I) are limited to the period during which it is anticipated there will be an energy crisis. In the event these exceptions should be needed beyond December 31, 1979, it is anticipated that the Joint Committee and the Treasury will make such a recommendation.

REVERSE DISCRIMINATION

Mr. TALMADGE. Mr. President, in recent years, we have seen developing in our country a disturbing trend toward "Government by the numbers"—a policy of establishing national quotas in various aspects of American life, both public and private.

We have seen it take place in public schools in the South, and in some other States, where children are being bused long distances for the sole purpose of achieving an arbitrary, artificial racial balance. We have seen it in employment, in Government and in the private sector as well. This trend is now beginning to reach into colleges and universities.

A case in point is the widely publicized rejection of a University of Washington law student in favor of minority students with test scores and grade averages lower than his. The case went to the Supreme Court, which very neatly sidestepped the main issue as to whether or not it constituted unconstitutional discrimination in reverse.

It should be plain to any first-year law student that it is discrimination when a person is denied admission to a university purely and simply because of race, whether that race be white or black. How the Supreme Court could fail to so rule is beyond all comprehension.

There appeared in the April 25 edition of the Washington Star-News an excellent editorial on this issue, which I bring to the attention of the Senate and ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Reverse Discrimination

Sooner or later the Supreme Court is going to have to rule on whether institutions of higher education can legally force more qualified white applicants to stand aside in favor of less qualified members of minority groups. The court did a service to no one when it ducked the issue Tuesday.

The case at hand dealt with a complaint by Marco DeFunis Jr., a white student who was rejected in 1971 by the University of Washington's law school while 36 minority students with grade averages and test scores lower than his were admitted. The Supreme Court, by a 5 to 4 decision, held that the case was "moot"—that is, deprived of any legal significance—because DeFunis was allowed to continue in school pending a final adjudication and will graduate in June regardless of what the Supreme Court might have decided. While a decision may have been of no practical significance to DeFunis, it is, as Justice Brennan pointed out in his dissent, a matter that has stirred widespread debate and one that concerns "vast numbers of people, organizations and colleges and universities. . . ."

The court should provide educational institutions with clear guidance and, in fact, the majority opinion recognized that the issue raised by DeFunis can hardly escape review. When the next case comes before it, we believe that the Supreme Court should outlaw such reverse discrimination practices.

Justice Douglas, another dissenter from Tuesday's sidestepping decision, put it well: "The Equal Protection Clause (of the Constitution) commands elimination of racial barriers, not their creation in order to satisfy our theory as to how society ought to be organized. . . . If discrimination based on race is constitutionally permissible when those who hold the reins can come up with 'compelling' reasons to justify it, then constitutional guarantees acquire an accordion-like quality."

University of Washington officials denied they have a "quota system" for minorities in the law school but, as Douglas pointed out, quota or not, the policy "did reduce the total number of places for which DeFunis could compete—solely because of his race." The key to the problem, according to Douglas, is to develop an admission policy that can be applied "in a racially neutral way."

Certainly there is a need for taking affirmative action to improve the lot of blacks and other disadvantaged minorities, but that cannot mean that whites should be held back. Rather it must mean increasing the economic standing of minority groups and upgrading the educational system at the lower levels to put them in a better position to compete.

One of the cherished ideals of the American system is that every individual should be able to rise as far as his abilities and mental capacity will carry him. To bar a person from doing so because of his color, be he white or black, surely is not only a legal but a moral wrong.

FOREST MANAGEMENT APPROPRIATIONS

Mr. PACKWOOD. Mr. President, several weeks ago, I asked a number of people in the forest products industry to review and comment on the proposed fiscal year 1975 budget for the Forest Service. Their comments have been extremely useful to me in advancing my understanding of the impact of the budget on proper forest management activities.

Of particular interest to me were comments from two extremely well-qualified observers of the forest products industry. Vern White, editor of Western Timber Industry, and Herb Lambert, editor of Forest Industries, have each provided me with an excellent review of their thoughts on the problems facing forest management in the context of the Forest Service budget.

I am pleased to share their views with my colleagues. The two reports, taken togather, provide an excellent overview of two independent analyses of the problems we face. Vern concentrates on his conclusion that the funds which we have provided the Forest Service are not being spent as wisely as they could be. To a large extent, this is true. Herb concentrates on the theme that additional funding on a more consistent basis is needed in order for us to meet future needs and maximize forest management potential. I would urge each of my colleagues to study these two reports.

I ask unanimous consent that the text of the reports and the enclosure be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

March 28, 1974.

Senator Bob Packwood,
U.S. Senate, Old Senate Office Building,
Washington, D.C.

Dear Bob: This replies to your request for thoughts on the Administration's proposed budget for the U.S. Forest Service for fiscal '75 and the Daily Journal of Commerce's pickup of Alfred Baxter's warnings on timberland investment and impending timber shortage.

First, I am befuddled by the budget figures appended. In case after case, fiscal '75 proposals are more than previous years but are followed by minus signs in the final column marked "increase or decrease." Therefore, I am unable to understand what it is that the Administration proposes.

The Forest Service has worked for some years now under both budget and manpower constraints. Inflation has been heavy but its effect is doubtless dwarfed by the necessity to prepare NEPA statements, to put "interdisciplinary teams" into preparing timber sale layouts, to make "roadless studies" and otherwise meet challenges to use of national forests as producers of commercial timber. I can sympathize with the feelings of pressure on its finances and manpower.

Nevertheless, I do not agree that the solution to better timber management or more intensive forestry is more money and/or manpower for the Forest Service. In my opinion, the FS is an inefficient bureaucracy which is incapable of internal reform. More money and manpower will only get us more inefficiency—writ larger.

Since the Administration's early appropriation/manpower limits, the FS has, in my opinion, blackmailed the wood products industry into urging the Congress and the Administration to increase money and manpower. The blackjack is the threat not to get the job done in its timber sales program, under the guise of lack of finance. With the exceptions of FS Regions III (Albuquerque) and VI (Portland) the threat has been followed by the deed. Baxter's talk is partially in response to that blackmail.

In my opinion, the FS has far too many chiefs and far too few Indians. This is a function of bureaucracy which is incapable of internal cure. I understand the FS employs slightly more than 100 economists. Its studies of the marketing and manufacture of wood products—subjects far removed from managing forests—are legion. The Division of State and Private Forestry, for instance, is putting more manpower into a study of the efficiency of small sawmills—a subject the FS is no more qualified to conduct than the sawmills' millwrights are to discourse on forest genetics. Certainly the Forest and Range Experiment stations are beyond the FS' proper field of managing federal forests in embarking on long term studies of comparative architectural systems for light commercial construction, or in delving into long term economic studies of probable mill employment. Such studies are more fun and reap more prestige than planting, surveying or cruising timber, of course. Often they do little more than to permit the researcher to ride his hobby horse.

The first reaction to news of the budget cuts that I remember in Region IV was the addition of a fourth full time public relations man (FS calls them "information and education officers") in the regional office. That doesn't count their clerical staff or the full time PR man for the Willamette NF, also in Region VI.

That's all peanuts, of course, compared with big appropriations squanderers such as the timber access road engineering activity. An immense empire was built—then kept busy by overdesigning roads and overdetailing blueprints. It grew *in the face of* the FS turnaround to *reduce roadbuilding* by longer reach cable sales, helicopter and balloon yarding, etc. Even the later knowledge that staking and some design and survey work would be turned over to the timber purchaser hardly phased the road design crew. It is analogous to the growth of the British colonial office while the colonies disappeared, as cited by Parkinson.

The ambitions of the bureau may be served, Bob, but the interests of the public scarcely are by appropriations of funds for acquisition of lands to complete land exchanges. These almost always are "stumps for stumpage" trades in which the FS acquires more acreage of recently logged, often unstocked lands, in return for less lands, but containing harvestable timber. The FS fails to reforest the lands it has now. Meanwhile, it delivers to a favored operator the inventory which might better remain available for sustained yield cutting by local mills dependent on public timber.

What I'm trying to say is that, if the expensive economists who prepare hand-wringing studies about unreforested timberlands were kicked out of their offices, loaded into a crummy, given a mattock and made to plant trees, the FS and the American public would both be better off.

Alas, we both know it won't happen while FS officials are recommending budget provisions concerning themselves and their peers.

Either the Administration's budget office or the Congress must assume the most rigid and detailed line item control of the FS budget or there will be no reform. It is for failure to wade through that task—not for niggardliness in funding—that I fault the Congress.

The above heresy may get me expelled from the club, Bob, but, I'm sorry, I simply am not interested in playing the "Better forestry needs more funds" game. Better forestry needs a bit of spartan diligence.

Enclosed is a brief story from Western Timber Industry showing the increase in funding and the decrease in performance in the FS timber sale preparation and administration ("cut and sell") programs in recent years. Conclusions from these figures do need to be discounted for inflation and for the increasing ecological constraints alluded to earlier. But they're still grim!

Thanks for the opportunity to say it!

And best personal regards,

Sincerely,

VERNON S. WHITE,
Editor.

FOREST SERVICE TIMBER SALES PROGRAM FOR 1972 UNCHANGED FROM 1971 AT 12.4 BILLION

WASHINGTON, D.C.—The U.S. Forest Service timber sales program for fiscal 1972 will be unchanged from fiscal '71 at 12.395 billion board feet, FS timber management officials revealed.

Both years will be well below the 13.690 "sell" programed in fiscal 1970.

However, the financing budgeted to accomplish the fiscal 1972 sale program will be well above both previous years.

The budget presented to Congress calls for $27,718,000 to sell the 1972 program of 12.395 billion. Some $26,213,000 was appropriated to sell a like volume in '69 and $26,449,000 was appropriated to sell the 13.960 programed for fiscal '70.

The fiscal 1972 sale program is divided exactly as '71 was between regular sales (11.795 billion feet) and salvage and thinning sales (600 million).

Appropriations to administer the timber cut show a similar rising cost pattern.

The Administration asks Congress for $24,308,000 to administer a projected cut of 13.8 billion board feet in fiscal 1971. That compares with $22,902,000 for the 13.430 billion estimated for the current fiscal year.

The FS does not, of course, have a precise, direct control over a given year's cut, as the decision is the sale purchaser's within the overall life of the sale contract. Thus, the "cut" figure issued by the FS responds primarily to its estimate of probable market conditions related to the volume of timber under contract.

The only figures issued in the President's economic message concerned overall funds for timber management and the probable increase in the cut. The lack of any increase in the timber sales program was not included.

Figures used here for administration of the FS cut and sell programs do not include reforestation and other functions making up the greater part of the timber management portion of the FS budget. The full timber management section of the FS budget rises to $225.6 million in fiscal 1972 from $199.1 million.

A glance at the table below will reveal the taxpayer has, in four years, been asked to pay 29% more per thousand board feet to administer the FS timber harvesting program and 28% more per M to administer the timber sales program.

Or, put another way, the volume of timber proposed to be sold in fiscal 1972 is up 2½% over '68, but the cost of administering it is up 32%. Similarly, for administration of the harvesting program, volume to be cut is figured to rise 16% in the same four years, but cost of administering the cut rises 50½%.

Fiscal year	Cut			Sell		
	Volume[1]	Cost		Volume[1]	Cost	
		Total[2]	Per 1,000		Total[2]	Per 1,000
1969	11,883	$16,135	$1.35	12,064	$20,952	$1.73
1970	12,950	16,825	1.29	13,690	16,449	1.93
1971	13,430	22,902	1.70	12,395	26,213	2.11
1972	13,800	24,308	1.75	12,395	27,718	2.23

[1] In millions of board feet.
[2] In thousands of dollars.

APRIL 23, 1974.

Hon. ROBERT PACKWOOD,
U.S. Senate,
Washington, D.C.

DEAR BOB: A while ago you sent Bill Freeman, chairman of the board of Miller Freeman Publications, a brief note relating to the Administration's fiscal 1975 budget and a copy of that portion relating to the Forest Service and the national forests.

You invited Bill Freeman's comments, and he has replied. He, in turn, asked Vern White, of our Portland office, and me to comment also.

I suppose if there could be just one word to convey endorsement of most of the remarks contained in the material you had inserted in the RECORD, it would be, in my opinion, Amen! By that I simply mean full endorsement of the fact that there are remedies available to us to prevent recurrent crises in lumber and plywood supply and remedies available for the assorted problems in timber supply.

The remedies, as I feel have been explained in myriad versions during hearings in Washington, during some of your own field hearings, and at other times and places, are fundamentally two-pronged: Use the technical knowledge and expertise which professional forest managers possess; and allocate the funds necessary to do the job.

That expert knowledge and the results achieved in its application have been demonstrated, I feel, and are a matter of record. The funding, on the other hand, seems to get lost in the shuffle. Yet, without it the job can't be done. And the job entails not only supplying necessary building materials for national housing needs and goals, but supplying the range of non-commercial benefits which result from a "growing-to-its-full-potential" forest resource.

Regarding the funding, many knowledgeable economists and others have responded to the Forest Service's budget almost line-by-line. There is nothing herein intended to elaborate on that kind of testimony. I suspect one of the most recent comments you have received was that by George Craig, executive vice president, Western Timber Assn., San Francisco. I believe he sent you copies of testimony he presented at hearings as recently as the early part of this month.

Just as one example, Craig noted that the FY 1975 budget would reduce program funds for reforestation and stand improvement but expressed the expert opinion that such funds should, in fact, be increased by 50 percent. If you have seen the Forest Service's recent report on planting in 1973 I'm sure you have noted that the federal government planted 394,414 acres. The forest industries and other industries planted approximately three times as much—or 964,201 acres. Those industrial plantings accounted for, the report said, 74 percent of the total 1,229,391 acres planted by private landowners. This action may be placed in perspective by recalling the often-quoted statement that some 4,000,000 acres of federal lands are un-stocked or understocked. I cite just this one example because I feel it is one warranting understanding by those who set and manage the budgets. And I cite it, also, as a reflection of the comment made by you for the RECORD (and made by so many foresters) that outlays for intensive management (which includes re-stocking) of national forest lands are not just simply outlays, but are investments—with returns many times over the initial cost or allocation.

I can assure you, Bob, I would be the first to shout support for definitive action to reduce needless federal (and state) spending. But appropriations directed toward funding forest management on the level at which professionals are capable of providing it is simply good business and a sound investment. It seems, however, that that point inevitably is lost in verbiage, or in manipulation, or perhaps in pure cussedness. It could also be lost in ignorance.

While there may be no line item in the Forest Service budget for it, I suspect increasing dollars will have to be spent in coping with litigation. The expense will be both in dollars and in time spent on such cases. It would appear that foes of more intensive forest management, or even well-intentioned but insufficiently informed environmentalists, intend to limit the role of the Forest Service either by fiat or by slow tightening of assorted nooses. They, I feel, must share considerable responsibility when, ultimately, supplies of building materials are scarce and prices zoom to unbelievable levels.

The efforts at trying to wring from the Administration, or from skeptical legislators, or from a less-than-adequately-informed constituency the kind of investment funding which I feel federal timber management agencies should expend have to be pushed and pushed. S. 2296, which Sen. Humphrey introduced, and which you and others cosponsored, is one of the firmest steps in that direction so far taken. Let's hope the proposed legislation, and that proposed by Rep. Rarick, will reach the finish line. While I do not feel the blanket indictment is warranted, it seems that when the forest industry supports this kind of legislation it is accused of being singularly self-serving.

Yet, recently, Prof. Henry Vaux, widely-respected University of California forest economist, told a western meeting that "timber growing policy on California forest lands should be aimed at increasing our wood supply 75 percent above the present level of harvesting." Vaux, it may be stated unequivocally, is not an "industry man" nor a neophyte in forestry or forest economics and management. Much of California's forests, as you so well know, are federal holdings.

These are but minuscule comments, Bob, when compared with the range of expert testimony and support given in Washington in analysis of, and support of, intensified management of federal commercial lands. And, as I noted early in the letter, I make no attempt at a line-by-line analysis of the budget. It's simply that I believe dollars spent on this resource mean dollars returned to the Treasury and benefits and products provided for the population.

Waste of any sort is anathema. And I surely do not delude myself into believing that in any agency as large as the Forest Service, there are no places where savings could be made. But I am largely referring to waste on a national scale. Failure to more intensively manage a *renewable* resource is waste of the most shameful sort. The whole nation loses. Perhaps what we need is some sort of legislation which requires an Economic Impact Report to be filed when roadblocks are thrown into the way of federal timber owning and managing agencies as they seek to carry out their responsibilities.

This letter may smack of being an editorial in the magazine. That wasn't the intention. It is more a sharing of thoughts and beliefs, some of which may be of value to you in your consideration of action in the forest resource field.

While I do sign this as editor of FOREST INDUSTRIES and have spent some 20 years in the forest industry communications field, I believe a B.S. degree in forestry and familiarity with the resource in the South, the California area and the Pacific Northwest and, to a somewhat lesser extent, the Lake States, provides further foundation for the comments.

Cordially,

HERBERT G. LAMBERT,
Editor.

INCREASING SOYBEAN PRODUCTION

Mr. HUMPHREY. Mr. President, on April 17 the Wall Street Journal carried an article by David Brand concerning efforts of agricultural researchers to increase the yield per acre of soybean crops. Increasing the productivity of soybeans is a necessity if we are to meet the growing global demand for protein.

Past increases in U.S. soybean production have resulted largely from a vastly increased acreage devoted to soybean production. However, the availability of suitable croplands cannot possibly expand in proportion to growing world demand. This situation necessitates a significant breakthrough in increasing crop yields.

Richard Cooper, chief researcher at the U.S. Department of Agriculture's Regional Soybean Laboratory, has spent the last 5 years working to develop a dwarf soybean plant which he hopes will be considerably more productive than the present 4-foot plants. He hopes that the dwarf plants will yield 80 to 100 bushels per acre, which is about three times the national average.

The delicate nature of the present low-yield plant has made it difficult for agricultural researchers to increase the productivity of soybean plants as they have with other crops. Numerous techniques for increasing productivity are presently being explored. One possibility which has great potential is hybridization, which has significantly increased corn yields over the past 25 years. Another promising technique is that of fertilizing the plants with carbon dioxide which, according to Du Pont researchers Ralph Hardy and U. D. Havelka, would produce larger quantities of the nitrogen essential to increase bean formation. Agricultural scientists have also attempted to develop a "day-neutral" plant which would flourish at varying latitudes and be less sensitive to variance in levels of daylight.

Techniques such as these have the theoretical capability of increasing soybean yields but are not yet ready for application on a commercial scale. Lester Brown, of the Overseas Development Council, considers this the greatest research priority at present.

Mr. President, I ask unanimous consent that this article on soybean research be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AGRICULTURAL RESEARCHERS TRY TO BOOST YIELDS OF SOYBEANS GENETICALLY, BUT TASK ISN'T EASY

(By David Brand)

URBANA, Illinois.—The plant that Richard Cooper holds so lovingly isn't much to look at—just a brittle brown stem with clusters of ripe bean pods strung along it. But this homely plant has taken Mr. Cooper five laborious years of research to produce.

The plant is a dwarf soybean, and from it may spring the first generation of superproductive soybeans. At the Agriculture Department's Regional Soybean Laboratory, where he is chief researcher, Mr. Cooper has discovered that diminutive soybeans are more bountiful than normal four-foot-high soybeans.

Increasing soybean productivity may not sound very startling, but agricultural scientists see this research as a major hope of providing enough protein for a burgeoning world population. The soybean is higher in protein than any other plant known to man, but yields have remained frustratingly low. This has led to a tremendous global demand—and high prices—for the beans, particularly in the U.S., Europe and Japan, where soybeans are the principal high-protein feed for poultry and livestock.

Consumers also are affected directly by soybean production. Soybean oil is used in such products as margarine and shortening, and some Americans are even eating the bean itself as artificial meat, mainly in the form of hamburger "stretcher." For millions of Asians the bean—as a protein curd called tofu—has long been an integral part of a largely vegetable diet.

TRYING TO "BLIND" THE PLANT

The search for higher yields is leading scientists into some very odd areas. They have dwarfed the bean plant, emasculated it and gassed it with carbon dioxide. Now they are attempting to "blind" it as well.

Most of these projects probably won't pay off for several years. During that time the world demand for soybeans is expected to soar. Global consumption is increasing by 7% a year, faster than the beans can be grown in the U.S., which provides 90% of the world's exports. (Last year these exports—soybeans and their oil and feed products—earned the U.S. $3.8 billion.) However, between 1950 and 1973 U.S. soybean yields increased only six bushels to an average of 27.8 bushels an acre. (By contrast, through complex genetic manipulation U.S. corn yields have been raised in the same 25 years by more than 53 bushels to 91.4 bushels an acre.)

Total U.S. soybean production has soared 423% since 1950, but this has been achieved by quadrupling soybean acreage. The U.S. is fast running out of available cropland, however; it's estimated that this year some two million fewer acres of soybeans may be harvested.

The failure to increase soybean yields is beginning to result in "a deteriorating world supply and a great deal of worry about future protein supplies," says Lester Brown of the Overseas Development Council, a Washington-based think tank. "I doubt whether there is a greater global research priority than this."

THE SENSITIVE SOYBEAN

Trouble is, the soybean is a most unhelpful plant. It will thrive and produce pods laden with beans (which are the plant's seeds) only when there is the right amount of moisture, warmth and, most of all, daylight. As a result, more than 90% of the world's soybeans are grown in 30 U.S. states, Brazil and China. Varieties have been developed for other areas of the world, such as the tropics and Europe, but these are generally low-yielding.

Agricultural researchers say there isn't a single explanation of why the soybean has so far resisted yield breakthroughs. The soybean's high protein content (about 40% of its weight, compared to 8% for corn) is partly responsible because it takes more solar energy to produce a gram of protein than to produce a gram of carbohydrate.

Mr. Cooper, the Urbana researcher, has found another reason: Soybeans aren't very productive because they're too tall. He discovered that during the early stages of development, when the seed pods are growing, the plant becomes so tall (at least 50 inches high) that it can't support its own weight and bends over. Its thick foliage becomes entangled with the leaves of adjoining soybeans. This blocks out the sunlight from the droopy plant, causing flowers and pods to drop off and sharply reducing potential yields.

Mr. Cooper stumbled on this amazingly simple fact quite by chance. In 1967, he recalls, he planted soybeans on an Illinois farm as part of a research project. Instead of flourishing the plants were stunted by herbicide that had been used on corn in the field the previous year. But to his amazement the stunted soybeans yielded nearly 25% more than normal.

To prove his conclusion that the normal soybean plant is too tall, the following year he erected a maze of grid wires over a field of soybeans. The wires supported the beans and kept them upright. The result was considerably improved yields.

DEVELOPING A DWARF

Mr. Cooper theorized that if a soybean only half the normal height could be developed, the plant would hold up under its own weight. He went to work in 1969 and began looking for genetic traits in various soybean varieties that would give a plant stockiness but also the same number of beans as a normal plant. He found these characteristics in southern U.S. soybean varieties that don't keep growing until they are harvested, as do northern varieties, but grow to a certain height and then stop. After five years of crossing southern and northern varieties, he finally obtained a high-yielding dwarf plant.

He will plant his test field of dwarf soybeans in May; it will be late summer before he knows just how productive they are. "I need 80-to-100-bushel (an acre) yields before I can prove I've done it," he says. That would be three times the current national average.

Such high yields would also be possible with a hybrid soybean, the result of emasculating the plant. But the complexity of producing hybrid seeds appears almost overwhelming to many researchers.

A hybrid seed is the offspring of two different varieties of a plant. When the two carefully selected parents are crossed they produce an offspring that has "hybrid vigor"—the capacity to produce many more seeds than a normal plant. No one knows exactly what causes it, but it's a major reason that corn yields have increased so greatly over the past two decades.

THE HYBRID HASSLE

The soybean is far more complex to hybridize than corn because it is naturally self-pollinating. The soybean flower contains both the male and female parts and the pollen is shed and fertilization occurs before the flower opens. However, an Agriculture Department scientist, Charles Brim, has found a way to breed a soybean plant in which the male part is sterile. Thus, when the flower opens it is still unfertilized.

But the soybean's pollen is too heavy to be blown by the wind; so, scientists must rely on insects to carry the pollen from a fertile plant to a male sterile plant. "I guess we'd have to train lots of bees if we ever wanted to make this work commercially," Mr. Brim says.

There's another problem: Because of genetics, out of every four seeds produced by Mr. Brim's male-sterile parent, only three blossom into plants that will produce beans; the fourth plant is sterile.

Heavy applications of nitrogen fertilizer —another yield boosting technique used on corn—have no effect on soybeans. They have their own fertilizer factories. Their roots are invaded naturally by swarms of bacteria that nestle in the plant and extract nitrogen from the air in the soil. The bacteria convert the nitrogen to ammonia, which is passed on to the plant for conversion to protein.

Until recently this natural fertilizer system was considered very efficient. But then Du Pont Co. researchers Ralph Hardy and U. D. Havelka discovered that the bacteria start slowing down during the final 30 days of the plant's growing period, resulting in an inadequate supply of nitrogen when the need is greatest. This means that fewer beans are harvested, since nitrogen is essential to their formation. The researchers realized that if the bacteria could be persuaded to keep up their nitrogen production during those final 30 days, more beans would mature and yields would increase.

Scientists know that the bacteria in the plant's roots are kept alive by sugars supplied by the plant. The soybean makes these sugars by absorbing carbon dioxide from the air through its leaves (the process of photosynthesis). But as the plant matures, Messrs. Hardy and Havelka theorized, more of its sugars go to the developing seeds and fewer go to the bacteria. Thus, nitrogen production slows as the bacteria are denied food.

The answer, the researchers believed, was to feed the plant more carbon dioxide so that it would produce more sugars and keep the bacteria nourished. This they proved by surrounding growing soybean plants with sheets of plastic and pumping carbon dioxide into the enclosed area around the soybean leaves. They found the bacteria had provided the plant with more nitrogen in one week than they normally do during the plant's entire 100-day life. These test plants yielded nearly twice as many beans as usual.

Fertilizing plants with carbon dioxide in a field is impractical. Mr. Hardy says Du Pont hopes to develop a chemical that would increase the soybean plant's appetite for carbon dioxide.

Work on the appetite stimulant at Du Pont, it's thought, is fairly well-advanced. But the search at other laboratories for ways to "blind" the soybean is only just getting started.

In order to flower and mature properly the soybean must have a certain amount of daylight. If it is grown too far south, it gets too much light, flowers too soon and produces few beans. If it is planted too far north it gets too little light and keeps growing until killed by frost. Thus in the U.S., soybean varieties have been developed that will flourish only at certain latitudes.

Agricultural scientists believe it may be possible to develop genetically a soybean that is "day-neutral." If this could be done, says University of Illinois researcher David Whigham, soybeans might be developed that would grow anywhere in the world, including poor tropical countries and Europe. This would reduce the world's reliance on the U.S. for soybean supplies.

The research is still in its infancy, Mr. Whigham says. But there is promise in a recently discovered soybean plant that appears less sensitive to light than other varieties.

END OF AN ERA

Mr. GOLDWATER. Mr. President, Mr. Robert Hotz, writing in the April 15 issue of "Aviation Week & Space Technology," has succinctly spelled out what is ahead of us in space. The fact that we have been to the Moon and that we have photographed the surface of hitherto unexplored planets in our system certainly does not mean that we quit now.

The space shuttle is the next big and most important step that we have to make, and with this I am sure the American people will begin to realize that our investment in space has been a sound one that will return material wealth to the people.

I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

End of an Era

The successful Skylab program marked the end of the first era of manned spaceflight and laid the foundations of an expanded role for the future of man in space exploration. Skylab ended the era in which both the U.S. and the USSR space programs sought to determine the limits of man's useful performance in a space environment. Skylab answered affirmatively the questions of man's ability to adapt to a space environment and the value of his useful contributions to space operations. It also laid the foundations for future space operations by demonstrating the basic feasibility of shuttle operations and the habitability and workability of large long-duration space stations that hopefully will appear before the end of this century.

We think the most important contribution is the convincing manner in which Skylab proved beyond all shadow of doubt man's ability to adapt to long periods of space flight without losing his normal capability to work effectively over a broad spectrum of space laboratory activities. These ranged from the spectacular solar panel and solar shield external repairs to a wide variety of internal equipment and scientific experiment fixes that enabled the three Skylab missions to exceed all of their prescribed workload parameters by wide margins.

AVALANCHE OF NEW DATA

The whole cumulative achievement of Skylab requires considerable perspective to evaluate fully. Less than 15 years after Yuri Gagarin inaugurated manned space fight with a single orbit inside his spherical Vostok, a multimanned space station was kept operational for nearly six months—171 days, 13 hr. and 14 min. to be exact. Three crews shuttled to this space station and they performed an enormous workload both on their spacecraft and with the scientific experiments that produced an avalanche of new data sufficient to occupy groundling scientists for years.

All of the three crews returned in good condition and quickly readjusted from prolonged weightlessness to earthly gravity. Much was learned about exactly how to accomplish this during the three missions, and relatively simple solutions were found to most of the medical problems. The last crew which flew the longest mission, returned to earth in the best condition.

In addition to their constant work as space mechanics, the Skylab crews demonstrated that man is a valuable addition to the loop of scientific experiments and activities that can be performed uniquely from space. Trained human eyeballs again proved to be a valuable supplement to automated optical systems. Skylab crews made a number of significant observations from their orbital platform, some of which officials are pressing them not to discuss, such as activities along the Sino-Soviet border and new construction at Soviet missile test centers. There is no doubt that man must be an integral part of any future space reconnaissance system.

Skylab gave man a tremendous new vantage point from which to explore his universe, both outwardly with a fascinating new look at the sun and inwardly to the changing dynamic patterns of his home on earth. The Skylab earth resources equipment was probably the least effective on board the space lab. But even this breadboard model produced enough data to confirm the possibility for tremendous future contributions from space monitoring of the dynamic processes of this planet to insure a better, and perhaps longer, life for its inhabitants.

For the budgeteer bean counters, who perennially lament the expenditures on space exploration, Skylab offers some interesting facts that may help gauge return on investment. A rough cut from early earth resources data gathered by Skylab is yielding clues to new mineral resources that may ultimately be worth more than the cost of the whole U.S. space program to date. One potential copper deposit located in Nevada from Skylab pictures alone is estimated to have an ultimate value in the billions of dollars.

Another extremely interesting area where Skylab pioneered successfully is in experimenting with various manufacturing processes that are doomed either to limitations or imperfections by the pull of earth gravity. The idea of space manufacturing facilities to exploit the characteristics of weightlessness has been given its initial validity by Skylab.

FLEXIBILITIES' SIGNIFICANCE

But perhaps the real essence of Skylab's performance and its significance for future space operations were in its tremendous flexibility—both in initial design and in operational planning. This quality prevented the initial failure of Skylab when the solar shield was ripped off and a solar panel fouled in deployment and also surmounted a dozen other less spectacular equipment problems to keep the spacecraft operational and reap a bonus harvest of data. There was some additional equipment onboard Skylab, such as the onboard teleprinter that aided this flexibility. But primarily it was a spirit developed between the ground crews with their considerable array of resources and the flight crews who were able to focus these resources on solving their problems aloft. Because of this, philosophized one Skylab astronaut, "Skylab worked better broken than anybody had hoped for if it was perfect."

Skylab was an achievement that will ultimately benefit every inhabitant of this planet and of which every American should be extremely proud.

—ROBERT HOTZ.

THE GENOCIDE CONVENTION: FOR EVERYONE'S SAKE

Mr. PROXMIRE. Mr. President, some people may wonder why we should devote any time at all to consideration of the United Nations Genocide Convention treaty, when there are, it seems, so many more pressing and important issues for us to deal with in this day and age. It might seem to them that this treaty is irrelevant to the purposes and functions of this body.

But the truth is that this is an issue that has everything to do with why we are here, and with what we are working for every day, in two respects: it strengthens our national traditions by applying them to a worldwide problem, and it attempts to help people—both individuals and groups—by insuring their freedom and security.

In the first sense, the swift approval of this treaty can only do justice to our heritage of freedom, justice, and tolerance for all; in the second, it adds our name to that of 78 nations in opposition to the despicable crime of intentionally exterminating any racial, religious, or ethnic minority. The repeated occurrence of this crime, from the brutalities of Nazism to the tribal atrocities in Burundi, points up the need for our taking a stand against it without further delay. Yet this treaty was buried in legislative limbo for over a quarter of a century, and when brought to the floor earlier this year, never came to a vote. This was a sad mistake.

Fortunately, it is a mistake that can still be rectified, and I urge my colleagues to do so with all possible speed. For the sake of ourselves, our Nation, and all mankind, it is imperative that the name of the United States of America be added to the list of signatories of the Genocide Convention. It unquestionably belongs there.

A BETTER LIFE FOR THE HANDICAPPED

Mr. HUMPHREY. Mr. President, I have long been deeply concerned for the care, treatment, and opportunities provided by this Nation for its handicapped citizens. Recent developments in this field trouble me greatly and convince me that we need to continue to search intensely for better ways of serving the handicapped, both in institutions and in society.

Too often, our handicapped citizens have been the forgotten people.

We claim to have done away with old-fashioned attitudes which frequently sanctioned confinement of these people to beastly asylums and hospitals. In our supposedly enlightened, modern world, we have devised new and better methods of care, treatment, and rehabilitation.

But there are still many needs overlooked and many opportunities for real service neglected.

We may provide more accessible, modern facilities and better trained personnel to serve the handicapped, but too many members of so-called "normal" society still exile their less fortunate brothers and sisters to the attics of their minds.

The handicapped deserve better attention. Every American who has full use of his mental and physical faculties should, by way of giving thanks for his wholeness, be deeply concerned that the rights of mentally or physically handicapped persons to comprehensive habilitation services, and to an equal share of opportunity and hope, become a reality. Certainly this Nation must make this commitment.

Mr. President, I wish to address today three specific issues affecting the handicapped:

The recent trend toward "deinstitutionalization" of mentally retarded and emotionally disturbed patients.

The levels of pay and rules governing personal use of income earned by patients who work in institutions.

The right of the handicapped to equal educational opportunity.

There are, to be sure, many other facets of this subject that continue to demand and deserve our attention. I mention these three only as being among the most pressing.

THE RIGHT TO DECENT AND EFFECTIVE TREATMENT

"Deinstitutionalization" is a concept that, in theory, has strong arguments and evidence in its favor. I am not arguing the theory as much as the manner in which it is sometimes practiced.

Unfortunately, this appears to be an idea that has been misinterpreted and misapplied in many cases, and for the least defensible of reasons—to pinch pennies.

In the mental health profession, there has been a trend in recent years, further stimulated under Federal programs enacted by Congress over a decade ago, toward promoting community treatment centers. This is a worthy idea in principle, for it means more progress away from huge, centralized State institutions and toward preparing greater numbers of patients for entry into productive society and private lives of their own.

At the same time, a series of court decisions has struck down admittedly vague laws on involuntary commitment of patients to mental hospitals.

Finally, surging costs of operating these institutions have generated hasty eagerness by their administrators to embrace the community treatment concept—but as a means of holding down budgets, rather than helping those in need.

The result, recent studies and reports have shown, is often an outflow of patients from the institutions to the streets. They are ill-prepared for the outside world, and little is done to provide alternate sources of counseling, treatment, and shelter after they leave the institutions. Instead of community treatment centers, we are too often finding nothing more than boarding houses for the sick and frightened and unprepared. Though still dependent, they have been robbed of their security and plucked from the only living environment many of them have ever known.

Some become wards of welfare. Some may be fortunate enough to have relatives capable of caring for them. But many are elderly, and have no known family.

Treatment centers, when they indeed exist, are often privately operated and prefer patients who are easy and profitable to deal with, and to leave the chronically disturbed and the indigent to look elsewhere.

The State institutions, which as a result of these forces often have undergone severe depletion of financial resources and personnel, are left with the severely disturbed or retarded, too often amidst most deplorable conditions.

The professions dealing with the handicapped have undergone major changes in their thinking in recent years. The result has been much progressive thought, which properly applied could work to the benefit of the patients and the community alike. But for these new concepts to work requires a parallel rethinking of the role of Government in serving the handicapped.

What is needed is a new partnership of concern and dedication among government agencies at all levels, Federal, State, and local, to produce new methods and programs for delivering services to the handicapped. The Senate last year passed Senate Joint Resolution 118, proposing a White House Conference on the Handicapped. That resolution is awaiting action in the House of Representatives, where I sincerely hope it will receive favorable consideration soon.

But in the meantime, I would welcome and invite the ideas and suggestions of my colleagues in both Houses of Congress, and of professionals in this field. I believe the Federal Government should take the lead in bringing together all parties involved and working out an approach to solving the problems that have emerged in recent years.

THE WORK INCENTIVE IN REHABILITATION

The second matter I wish to address, Mr. President, is one that also has developed as a result of changes in the field of services to the handicapped.

It is the matter of pay to patients who work in institutions, and the rules governing the amounts of income that must be applied against the costs of care and the remaining portions that the patients are permitted to keep for personal use.

My colleagues will recall that this issue was raised in connection with Senate action on S. 2747, Fair Labor Standards Amendments of 1974, last February, and which was subsequently enacted into law to provide for long-overdue increases in the minimum wage. During Senate debate on this bill, the need for effective enforcement of the FLSA with respect to the employment of handicapped individuals, and the protection of the rights of such individuals who are institutionalized, was emphasized.

The Senate Committee report stressed the importance of District of Columbia District Court decision in December 1973, requiring the Department of Labor to notify public and private non-Federal homes, hospitals, and institutions of their statutory responsibility to compensate all mentally ill and mentally retarded patient-workers, and to notify all such workers of their rights under the act. And the committee noted that under the Rehabilitation Act of 1973, and in part in response to an original amendment I had introduced, an original and full study had been ordered into employment and wage practices in sheltered workshops and work activities centers.

However, a new dimension to the problem has resulted from the discontinuation of the aid to the disabled program. Under the aid program individuals who were employed were permitted to retain a portion of their earnings without a reduction of their public assistance grant.

With the enactment of the new title XVI supplemental security income program in 1972—under Public Law 92-603—which became the source of support this year for many of these individuals, a provision for earned income disregard was retained. However, in general terms, both under the predecessor adult assistance programs and under the new SSI program, Congress affirmed an intent that so-called inmates of public, non-Federal institutions should be the responsibility of State and local governments. One exception was permitted under the SSI program.

An otherwise eligible individual in a medical institution—hospital, nursing home, or intermediate care facility—which is receiving medicaid payments on his behalf, may receive a reduced SSI allowance of $25 monthly. In addition, while Federal financial participation remains restricted to persons in medicaid-certified institutions if medical services are being provided, medical institutions under former adult-assistance and present SSI programs are defined more broadly than under the title XIX medicaid definitions. Thus, a number of institutions, such as many county homes, not qualified under medicaid are still considered intermediate care facilities for public assistance purposes.

However, we are left with a labyrinth or maze of statutory and regulatory definitions which explain a widespread current state of confusion among the States as to which individuals in medical institutions are eligible for assistance payments, and which institutions qualify for assistance in which there is Federal participation. And this confusion was compounded by a delay in the publication of relevant Federal regulations until November 1973, with activation of the SSI program only slightly more than a month away. I am advised that there is currently a serious problem for many residents of institutions in Ohio, and who receive medical services, but for whom Federal assistance may not be provided due to an administrative mix-up affecting their eligibility status, as well as uncertainty over the definition of public institutions eligible for title XIX assistance.

Minnesota presents a different version of the problem. I am informed that the State department of public welfare is using the title XIX medicaid program to help meet the maintenance cost needs for those individuals residing in various types of congregate-care residential facilities. However, the net effect of this changeover from adult-assistance coverage is that the disregard of a portion of the earned income of these individuals is no longer permitted.

This will have a disastrous impact on the incentive to work, which plays such a vital role in the treatment and habilitation of handicapped persons. Mentally retarded persons, for example, who either perform jobs at those facilities or work in sheltered workshops, now find most or all of their earnings being applied against the costs of their care. The reports I have received are that such handicapped individuals in residential facilities, whose medical services are reimbursed under medicaid can expect a monthly spending allowance of only $16.

My office has been in contact with officials of the Social Security Administration and of certain State offices in an effort to achieve some clarification of this vitally important problem. Neither statutory law nor regulations appear to speak directly to this area of concern.

At a minimum, it is necessary that the title XVI supplemental security income program and the title XIX medicaid program be clarified with respect to the unique situation of handicapped persons living in a residential facility where they receive medical services, but who are also employed.

Imagine the difficulties the present inequities pose for administrators and other institutional personnel. Imagine them trying to explain to a mentally retarded patient why he should continue working when his personal allowance had been slashed so drastically.

It is true that the States, counties, and other local jurisdictions, and the institutions themselves, can work out ways of overcoming some of these problems. But the result is a patchwork of differing rules that make administration more difficult and create other problems.

The best solution, it seems to me, is for the Federal Government and the States to work out uniform solutions that are also fair to the patients—for whom, after all, the programs exist in the first place.

At the same time, however, such problems only strengthen the arguments I have made in the Senate on behalf of establishing reasonable income security for these persons. This is especially important, for example, where a mentally retarded person employed in a sheltered work situation also has achieved the capability to live independently.

Without sufficient income to meet the minimum costs of living, this person must face the necessity of being placed in an institution, which can lead to a substantial setback in his or her developmental progress. And the distant location of this institution may require the termination of that person's sheltered work program, leading only to further regression.

That is why I shall continue to press legislative initiatives to provide for the income requirements of such persons, either to enable them to live independently and continue making an important contribution in their community, or, where placement in a residential facility is needed, to continue to know the sense of accomplishment in earning and retaining an income from a worthwhile job.

THE RIGHT OF A HANDICAPPED CHILD TO LEARN

Mr. President, the third area that needs continuing attention and improvement is financing the education of handicapped children.

Last year, I was pleased when the Senate passed S. 896, the Education of the Handicapped Amendments of 1973.

Valuable as that legislation is, however, I suggested improvements at the time which I consider to remain valid and necessary.

First, I introduced a bill, S. 2095, which would provide major reinforcement of the principle of equal education opportunity for the handicapped. The bill would require that States spend at least as much upon education for the handicapped as for other students, in order to be eligible to receive Federal education-aid funds.

I view this requirement as enforcing the intent of a provision of the Vocational Rehabilitation Act of 1973, and incorporating an original bill I had introduced, to require that there be no discrimination against qualified handicapped individuals in any program of activity receiving Federal funds.

I am pleased to learn that a subcommittee in the House of Representatives has recently conducted hearings on a bill, H.R. 70, which was introduced by Representative JOHN BRADEMAS. That bill provides that the Federal Government would pay 75 percent of the extra costs to the States for educating handicapped children, based on the difference between those costs and the expense of educating nonhandicapped pupils.

This bill is similar to S. 6, of which I am a cosponsor, introduced on January 4, 1973, and referred to the Committee on Labor and Public Welfare. I would hope that the Senate would give early and favorable consideration to the principles of these two bills.

Children afflicted with any impairment of their faculties have the same right to a sound education as children without such handicaps. And we all know that education costs money, and is still more costly when the pupil is handicapped. We must assure by legislation that the equal education rights of handicapped children, already affirmed repeatedly in courts across the Nation, are protected and honored.

But another direct way that this Nation can protect and observe these rights is through adequately financing the education of its handicapped youth.

I have pointed out repeatedly that the same principle applies to these children as the one we discovered in our military and veterans hospitals and our vocational rehabilitation programs—that the cost of rehabilitation is returned many times over in savings when patients with handicaps are given the proper care, training, and motivation to leave the hospitals and institutions and become self-supporting and productive citizens.

Handicapped children, if given the proper education, and equality of treatment in all other respects, can and do become productive, self-supporting and well adjusted citizens. Their own lives are brighter and all of society benefits from their contributions.

I would plead with my distinguished colleagues to keep these principles in mind and to act affirmatively when legislative opportunities to apply them are brought before us.

NAVIES IN WAR AND IN PEACE

Mr. GOLDWATER. Mr. President, sometime ago I placed in the RECORD a commentary on the "Navies in War And in Peace," written by admiral of the fleet of the Soviet Union, S. G. Gorshkov. He has now written a second part of the paper and I believe there will be a third, so to keep the record complete and proper, I ask unanimous consent that this paper be printed in the RECORD.

There being no objection, the paper was ordered to be printed in the RECORD, as follows:

NAVIES IN WAR AND IN PEACE

(By Admiral of the Fleet of the Soviet Union S. G. Gorshkov)

(NOTE.—This article, by the man who has commanded the Soviet Navy for the past 18 years, was cleared for publication in the Soviet Union on 25 February 1972. In this, the second of an 11-chapter series, Admiral Gorshkov traces his countrymen's immemorial, lemming-like compulsion to reach the sea. Restrained, but never fully, by ancient and/or modern enemies, e.g., the Swedes and the Turks, and often constrained by either short-sighted tsars or commissars, the heirs of Peter the Great today assert their "undisputable and legal right to have warships in the Mediterranean Sea"—which may or may not put them on a collision course with the U.S. Navy.)

(Western historians have long believed that the genesis of the Russian Navy can be traced to one man and one ship—Peter the Great and the vessel be built with his own hands in 1693—a statue and replica of which occupy a place of honor in the Naval Museum at Leningrad. Admiral Gorshkov suggests the Navy had its beginnings ten centuries earlier.)

Due to a series of political and historical reasons, the development of the Navy of Russia, the largest continental power in the world, transpired in a very unique manner.

Without a strong Navy, Russia had been unable to join the ranks of the great powers. However, at various stages in history her leaders often did not understand the role of the Navy within the system of the country's armed forces and underestimated its capabilities. To a considerable degree this was fostered by many centuries of propaganda conducted by states that were hostile toward Russia, headed by England, which strived to prove that such a large continental power as Russia could not have interests at sea. This psychological coercion began when the Russian Navy under Peter I became one of the strongest navies in the world, and England became seriously alarmed with regard to her title of "Mistress of the Seas."

It must be acknowledged that the propaganda which was inimical to our Motherland had its results. It penetrated into Russia and often found ardent supporters among influential Tsarist high officials, who held the view that the country did not need a powerful Navy and that expenditures for its construction and for maintaining it at the required state of readiness should be cut in every possible way. Thus, in particular, War Minister Kuropatkin wrote in his diary prior to the Russo-Japanese war: "Yesterday with Witte . . . we rapidly convinced His Majesty of the need to halt expenditures for the Navy and the Far East." [1]

The hostile propaganda continually promulgated the idea that Russia is not a maritime country, but rather a continental one, and therefore she does not need a Navy. And if she indeed does need one, then it is only to handle modest coastal defense missions. These ideas were based on the slanderous assertion that the Russians are not a seagoing nation, but rather a dry-land nation, that the sea is alien to them, and that they are not good at seafaring.

Our country, without doubt, has been and is the largest continental power in the world. However, at the same time it has been, and remains, a great seapower. It is enough to recall that the length of the maritime borders of Russia is almost twice that of the coastline of the United States of America and almost 15 times that of France. The portion of the maritime borders of Russia, the U.S.A., and France are about the same—about two-thirds of the total national borders—while for Germany (up to World War II), it was one-third. Yet no one reproached Germany for the fact that, while a continental power, it was striving to have a large Navy.

And today there is widespread propaganda abroad, produced by American ideologists, asserting that the Soviet state does not need a powerful Navy. An example of this is President Nixon's speech of 4 August 1970 in which he stated: "That which the Soviet Union needs in the way of military preparations differs from what we need. The U.S.S.R. is a land power . . . We, however are primarily a seapower, and our needs are therefore different." [2]

One hardly has to say that Nixon's speech, which is a modern-day version of the old attempts by English politicians to show Russia's lack of need for a strong Navy, bears no relationship to the actual state of affairs and contradicts the interests of our state both past and present.

The opponents of Russian seapower have widely used (and are widely using) falsification of her military history. In particular, they assert that all of Russia's victories have been gained only by the Army, and that she can be powerful only by strengthening the Army at the expense of the Navy.

For example, the same Kuropatkin reported to the Tsar in 1900: "The lessons of history have taught us to follow the same path which our forefathers took, and to see Russia's main force to be her land Army . . ." [3]

Actually, as it is well known, both the Army and the Navy has actively participated in all of the wars which Russia has waged. Wars without the participation of naval forces have been very few. Thus, in the 200 years preceding the First World War, Tsarism waged 33 wars,[4] and the Navy failed to participate in only two of them (the Hungarian Campaign of 1849 and the Akhaltekinsk Expedition of 1877–1879).

The narrowness of the thinking and the intellectual limitations of the Tsarist satraps of Kuropatkin's type and his successor, Vannovskiy, did not pass Russia by without leaving a trace Their reactionary ideas in opposing a Navy did noticeable damage to the coordinated development of the armed forces, and, consequently, to the defensive capability of the country.

An examination of the role of the Navy in the centuries-old history of Russia leads to the main conclusion that in all stages of the life of the country, she had need of a powerful Navy as an integral part of her armed forces commensurate with the interests of a world power. And therefore Russia repeatedly attempted to build up her Navy even prior to Peter I (for example, the privateer Fleet of Ivan The Terrible in the Baltic).

The development and employment of the Russian Navy undoubtedly was greatly determined by the fact that Russia was the largest continental country in the world. The defense of her borders in wars with contiguous land enemies took place mainly with the aid of armies, which created the preconditions for the underestimates of the Navy by Tsarist high officials. As a result of this and a series of other reasons (among these not the least of which was the economy) the Navy of the Motherland developed rather unevenly. Surges in the naval might of Russia gave way to declines. And each time, a reduction in her seapower evoked new difficulties in the historical path of the state and led to serious consequences. Thus, the outcome of the Crimean War of 1854–1856 was predetermined by the economic of the English and French as expressed in the better armament of the armies and in the superiority of their fleets. The underrating by the Tsarist government of the role of the Navy led to the fact that under the conditions of the peace treaty of 1856 Russia was prohibited from having a Fleet in the Black Sea.

The lessons of this war were not studied by the autocracy. In the war with Turkey in 1877–1878, the appearance in the straits of English ships forced the victorious Russian Army, which was crushing the enemy before it and which was already standing at the walls of Constantinople, to flee without achieving one of the main goals of the war—free access to the Mediterranean Sea. In this case, errors by the Tsarist government with regard to questions of building up the Navy were one of the reasons for the fact that Russia, having begun a "semiwar"in 1877, could only conclude it with a "semipeace." [5] While at the same time England, without participating in this war, and by making only a demonstration of naval might, "was permitted to occupy the island of Cyprus . . . England thereby came into possession of the most important strategic point in the eastern Mediterranean." [6]

The weakness of the Russian Navy, which was revealed in the course of the 1877–1878

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War, greatly alarmed public opinion in Russia. As a result, in 1878 a Voluntary Navy, created by public contributions, was founded in the country: from April through September, broad sectors of the population donated several million rubles to its construction. The work of the cruisers of the Voluntary Navy began with the transporting of Russian troops who had participated in this war from Turkey to the Homeland. Such was the reply of a wide sector of Russian society to the underrating of the role of the Navy by the Tsarist government.

After the war with Turkey, somewhat greater effort was devoted to the strengthening of the country's naval power than prior to it. With regard to building up the Navy, this was expressed mainly in an increase in the number of ships. However, the necessary attention was not given to the qualitative side of the armament and also to the training of the personnel, which had a considerable effect on the results of the employment of the Navy in the Russo-Japanese War of 1904–1905.

In addition to the fundamental economic and political causes, the inactivity of the Russian Navy at the outbreak of the Russo-Japanese War and later its defeat could not have failed to have, according to V. I. Lenin's analysis in the article "The Fall of Port Arthur," a decisive influence on the grave outcome for Tsarism in this war.

In the period of decline, the Navy of the Homeland became inactive (particularly after the Industrial Revolution when the general lagging of Russia in comparison with the other large countries was vividly displayed). This was indicative of the gradual loss by Tsarist Russia of the position of a great power following an independent and sovereign policy and of her transformation into a supplier of cannon fodder to the imperialist plunderers fighting for interests which were alien to the Russian people.

The considerable difficulties for Russian seapower stemmed from her geographical position, which required having an independent fleet capable of ensuring the performance of missions confronting it in each of the far-flung naval theaters. Nonetheless, despite this, the Navy wrote many remarkable heroic pages in the history of the Motherland and played an important role in the fate of the state.

The history of the Russian Navy usually begins with the era of Peter I. In characterizing this era, Karl Marx said that one cannot imagine a great nation so shut off from the sea as Russia prior to Peter I. "Not a single great nation has ever existed or has been able to exist in such an inner-continental position as the state of Peter the Great did initially; no nation has stood by in such a manner to watch her shores and river mouths being wrested away from her. Russia could not leave the mouth of the Neva, the solitary path for delivering the products of the Russian North into the hands of the Swedes." [7]

Russia's struggle for outlets to the sea required the building of an army and a powerful navy with all urgency. Therefore the construction of the Navy under Peter I was the logical continuation of the preceding development of the Russian state and the actual recognition of the rebirth, under the new conditions, of the qualities of a seagoing people inherent in Russians since ancient times.

Actually, beginning as early as the 7th century, our forefathers engaged in armed combat on the Black, Mediterranean, and Caspian Seas (it was precisely at this time when the birth of the Russian naval art began). In the early 9th century, the feats of the Russians were widely known. History recalls the cruise of Oleg through the Black Sea to Constantinople with 2,000 ships carrying 80,000 warriors, and the sea cruises of Igor and Svyatoslav, and others. The voyages of the Russian princes overseas have received sufficient coverage in domestic historical literature.

Beginning in the 9th and 10th centuries "Russian ships sailed the Black . . . and Baltic Seas," [8] at the end of the 11th century the shores of the Gulf of Finland became part of the Novgorod possessions," [9] and by this time "the Russians knew the sea route around Europe via the Varanger and North Seas, along the shores of France and Spain, through the Mediterranean Sea to Constantinople." [10] In the 13th century after a prolonged and arduous struggle with the Swedes and the Livovian Order of Knights, Novgorod began to play an important role in commerce on the Baltic Sea and entered the Hanseatic League of maritime commercial cities. In the 12th century, the Russians engaged in maritime industry and trade on the White Sea, penetrated into the Pechora territory, and in the 15th and 16th centuries they sailed to Grumant (Spitzbergen), Novaya Zemlya, and to the Kara Sea.

Many foreign researchers have also written of the Russian navymen of that day. Thus, the English researcher Fred Jane pointed out: "This (the Russian) Navy can claim an older origin than the British Navy. One hundred years before Alfred built the first English naval ships, the Russians were already engaged in far off sea battles, and one thousand years ago the Russians were considered to be the best navymen of their time." [11]

The fatal invasion of the Tatars destroyed Russian seapower on the southern seas and for a long time separated Russia from the Black and Caspian Seas. She retained in her hands only the shores of the White Sea and a small section of the coast of the Gulf of Finland at the mouths of the Neva and Narva Rivers, where the people of Novgorod steadfastly opposed the enemies which were striving to completely cut them off from the Baltic Sea.

As a result of the prolonged, yet unsuccessful struggle for an outlet to the Baltic Sea, Russia, by the Peace Treaty of Stolbovo (1617), was completely cut off from the Baltic coast. The Swedish King Gustavus Adolphus called this peace one of the "Gods' greatest good deeds", and stated that it would be difficult for the Russian people to surmount the obstacle which had been set up.[12]

The Tatar yoke and the Polish and Swedish interventions following it held back Russia's development for almost five decades. The difficult period for Russia also affected the development of her Navy and maritime commerce (it was reduced to almost nothing). The Western countries, however, which were not subjected to such serious tests and which were protected from the Tatar invasion by the Slavs, developed rapidly and built mighty fleets which were used to conquer colonies and to expand maritime commerce.

However, the activity of the Russians, which had been checked on the southern and Baltic seas, continued in the north, where almost the entire shore from Pechora to the Sea of Okhotsk was explored, and the first information concerning Sakhalin and the Shantar Islands was obtained. In the south, despite the opposition of powerful enemies, the Don and Ukrainian cossacks reached the sea from the Dnieper and Don Rivers. The reunification of the Ukraine with Russia also had a great effect on the development of the Russian state.

Russia had not resigned herself to being cut off from the seas and continually waged a struggle for egress to them. In the situation which developed at the turn of the 16th century, the further development of the state and its economy could have proceeded only with the re-establishment of outlets to the sea. Yet this could be achieved only by the military route for which, in addition to a strong army, a navy was also required. The backward country had to surmount exceptional hardships to solve such a problem in a short time.

It was resolved to begin the breakthrough to the sea with the taking of Azov, which would relieve Russia from the threat of the Turko-Tatar attacks. The international situation and the system of military and political alliances (Russia, Poland, and Austro-Hungary against Turkey) affirmed the correctness of the choice of this direction. However, as the First Azov Campaign (1695) showed, the *strelets* troops [soldiers in the Russian Army in the 16th and 17th centuries—Ed.] turned out to be poorly suited to waging a large war, and the Army alone, without the aid of a fleet, was in no condition to capture the fortress, which received constant aid from the sea. Already by the spring of 1696 the construction of ships permitted the Navy to join the siege of Azov and by joint operations with the Army to capture it. It should be noted that the concerted operations of the young Russian land and sea forces in the taking of this fortress were favorably distinguished from similar but unsuccessful attempts of the British to capture Quebec (1691) and Saint Pierre (1693).

It is true that the capture of Azov did not solve the question of the return of outlets to the sea for free maritime commerce. A difficult struggle had to be won with one of the strongest powers—Sweden—which was dominant in Northern Europe. For this, Russia had to have not only a modern Army but also a no less modern Navy, without which it was impossible to achieve success in the struggle on the Baltic Sea. The first step in this direction was the transport, in 1702, of two warships which were built in Arkhangelsk from the village of Nyukhch (White Sea) to Novenets (Onezhskoye Ozero). They were delivered by portaging them over "His Majesty's Road," which stretched 160 verst [a Russian unit of measurement equal to .06629 miles—Ed.] through dense forests and swamps.

The appearance of a Russian Fleet in the Baltic had an immediate effect on the combat operations for an outlet to the sea at the mouth of the Neva and for possession of the island of Kotlin, and also on the success of the defense of St. Petersburg, which had been recently founded. By 1705, when the Swedes undertook a combined attack of land and sea forces against the city, Peter's Navy already numbered 11 frigates and 107 more light craft (mainly galleys). Encountering opposition by the Russian Army and Navy, the Swedish attack failed.

One of the most important dates in Russian history is 27 June 1709—on this day the victorious Battle of Poltava took place, signifying the end of Sweden as a great power. However, the aims of this war were not achieved. Twelve more long years of intense struggle were required to achieve them.

In order to clear the Gulf of Finland of hostile warships they had to possess Vyborg, to remove the direct threat to Petersburg, and to open the path for the Russian Fleet to the Finnish skerries. An attempt to solve the problem with some ground forces did not lead to success. Vyborg was taken later by closely coordinated operations by land and naval forces. It was followed by Riga, Pernov, Arensburg, the Moon Sound Islands, and Revel. The Navy gradually became the most important factor in the continuing struggle. As a result of joint operations of the ships and the troops landed from them, in the

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summer of 1713 Helsingfors [Helsinki] and Abo were captured, which created the direct threat of the seizure of the coast of Sweden and its capital. Yet, despite this, the Swedes did not consider themselves beaten, because they were confident that their ships of the line would be able to destroy the Russian Navy and to prevent the transit of landing forces across the Gulf of Bothnia.

The Hanko victory was the "first important victory (of Russia) at sea which raised the spirits in the Army and Navy and made them believe in their own power. Peter the Great, who equated the Hanko victory with the one at Poltava, awarded all of its participants with a medal struck in honor of the triumph."[13] This victory opened the way to the shores of Sweden and consequently to Stockholm to the Russian Navy and Army. "Both hands of the Russian potentate" had given Russia a glorious victory, which was of vast significance to her.

England and France, and subsequently also other states, fearing the strengthening of Russia and the complete defeat of Sweden, wove every type of intrigue against Russia and put pressure on her. However, Peter I did not give up his intentions to consolidate the shores of the Baltic Sea taken by him for Russia with the aid of a battle-proven Army and Navy, which became the real force supporting the independence of the state's policy. The Russian Baltic Fleet continued to grow. According to the general consensus there were only two powerful navies in the world at that time—the English and the Russian Navies.

Attempts to restrain Russia in her desire to reach the sea were not limited to intrigues and diplomatic pressure by foreign states: in the summer of 1719 England introduced her ships into the Baltic Sea. Inspired by this, the Swedes undertook active naval operations. However, in a naval battle off of Ezel [Saare] Island on 24 May 1719 the Russian line forces under the command of N. A. Senyavin defeated the Swedish squadron and captured three ships (including the flagship), and in July and August, galleys under the cover of ships of the line landed large landing parties in the area of Stockholm.

At the end of 1719 England concluded a military alliance with Sweden, directed against Russia, which inspired the Swedes to continue the war.[14] In 1720, large English naval forces again entered the Baltic Sea. However, the Russian Fleet, operating actively off of the Swedish coast, won a victory over the Swedes in a battle off Grengam Island. In 1721, despite the presence in the Baltic Sea of the English, the Russian pressure on the Swedes continually grew. On 30 August 1721, Sweden was forced to sign a peace treaty with Russia according to which it relinquished forever the areas of the Baltic coast taken by the Russian troops. This treaty was clear evidence of the importance of a Navy operating in concert with ground troops to achieve the goals of a war. Even the interference of England and other states could not ruin the results of the Poltava victory and prevent Russia from becoming firmly established on the Baltic shores.

Thus, the Navy fulfilled an important role in Russia's long and difficult struggle, initiated to re-establish outlets to the seas ensuring the development of her economy and freedom of overseas trade. Following the victory of the Russia Army at Poltava, the Navy smashed the Swedish naval power in battles at Hanko, Ezel, and Grengam, and forced it to relinquish forever the land captured by the Russians on the shores of the Baltic Sea.

On the medal struck in honor of the victory over Sweden it is written: "The end of this war through such a peace was obtained by no one other than the Navy, for it was impossible to achieve anything by land."

Although the Navy still remained a formidable force, signs of deterioration began to appear more and more after the death of Peter I. Ships, being maintained ever more poorly, fell into decay and were not replaced by new ones in time, since shipbuilding had slowed down. Russia lost her importance as a great seapower.

Russia's participation in the Seven Year War (1756–1763) evoked a timely increase in attention to the Navy, which blockaded the Prussian coast, acted in concert with the Army in taking Memel and Kolberg, and provided sea transportation.

For Russia, the problem of the return of her outlets to the southern seas which had been taken from her still remained, and this required the restoration of the Navy and an increase in its role within the system of armed forces. In 1769, the construction of warships was renewed in the Petrovsk shipyards, and as early as the Russo-Turkish War of 1768 to 1774 the young Black Sea Fleet, under the command of A. N. Senyavin, opened the country's way from the Sea of Azov to the Black Sea, won a series of glorious victories over the more numerous Turkish Fleet, and smashed the landing of its landing force in the Crimea, which aided the establishment of Russia on the shores of the Black Sea.

At the same time, the expansion of the Russian state was taking place toward the East for access to the Pacific Ocean. In the 17th and 18th centuries, the Russians first explored the vast territories of Siberia and the Far East and later Northwest America surprisingly rapidly. The results of these explorations are among the geographical discoveries of world-wide importance. Bering's expedition was organized by Peter I. It was followed by the expeditions of Malygin, Chelyuskin, the Laptev brothers, and others. They explored the shores of Siberia, Kamchatka, Alaska, the Aleutian and Kurile Islands, Sakhalin, and the Sea of Okhotsk, and pioneered Petropavlovsk-Kamchatka.

In the course of the long-time struggle for egress to the sea, Russia managed to build a powerful Navy and her own shipbuilding industry, possessing great potential capabilities. The talent of the Russian officers and admirals was crystallized in an advanced naval art and shipbuilding science. The glorious traditions of the Russian naval school, which gave the world and the Homeland such prominent naval leaders as Spiridov, Ushakov, Senyavin, Lazarev, Nakhimov, and Makarov, and such remarkable shipbuilders as Sklyayev, Vereshchagin, Kurochkin, Yershov, Titov, Bubnov, and Krylov, have been preserved for ages and are being multiplied by Soviet navymen.

THE RUSSIANS IN THE MEDITERRANEAN SEA

The ancestors of the Russian people appeared for the first time in their ships in the Mediterranean Sea as early as the 6th and 7th centuries. More than once they participated with the Byzantine Fleet in combat operations off the coasts of Italy, Sicily, Crete, and Cyprus. In the following centuries, cruises by Russian ships to the Aegean Sea and to the shores of Asia Minor continued. Owing to these cruises, political, cultural, and trade relations were maintained with the peoples of the Mediterranean countries. Later, the Russian Navy, in supporting the security of its own country from the southwest, did not lose a single battle in the Mediterranean Sea, and the remarkable victories in this region brought it world acclaim.

A brilliant page in history was written by the Baltic Fleet squadron, under the command of Admiral G. A. Spiridov, which was located n the Mediterranean Sea in the period 1769 to 1774. This expedition was intended to support the making of major political moves by Russia by threatening Turkey from the sea and by supporting the uprising of the Balkan peoples enslaved by the Turks. The Baltic squadron, consisting of 10 ships of the line and other combatants, were entrusted with unprecedented missions, which until then were considered inconceivable by many. In a letter to Orlov, the Commander in Chief of the Russian forces in the Mediterranean Sea, Catherine II analyzed this cruise in this manner: "All of Europe is marvelling at your feat and is looking at you with expectation." And the squadron brilliantly justified the hopes placed on it. Over a period of several years, in conducting military operations far from its own shores, it destroyed the Turkish Fleet in battles at Khios and Cesme, blockaded the Dardanelles, interrupted the sea communications of the enemy, landed numerous landing forces, thereby drawing the enemy's forces away from the main northern Black Sea area, and captured 20 islands in the Aegean Sea and several coastal cities, including also some on the coast of Cyprus. The Turks, who were constantly in fear of an attack against Constantinople from the south by the Russian Navy, were forced to maintain considerable army forces and the main part of the Navy in readiness to repel this threat.

The stay of the Russian Fleet in the Mediterranean Sea is an outstanding example of autonomous operations by a large naval formation completely cut off from its home ports, which increased the international prestige of Russia and evoked warm sympathy toward her by all the peoples of the Mediterranean Sea basin.

However, the countries hostile to Russia, above all England, still prevented the Russians from achieving full freedom of passage from the Black Sea into the Mediterranean. Only successful actions by the Russian Army and Navy from the north and from the south forced the Turks to conclude a peace, according to which Russia received land between the Bug and the Dnieper and finally established herself on the Sea of Azov and an outlet from it to the Black Sea. The Crimea was recognized as being an independent state by Turkey and subsequently joined Russia. However, the most important thing was that Russia acquired the right to free commercial navigation in the Black Sea with the right of transit into the Mediterranean.

Turkey did not resign itself to the results of the war. The rapid political rise of Russia had evoked irritation among the states hostile to her, which supported Turkey in every possible way in its attempts to compel the Russians by force to give up their territorial acquisitions in the south.

In August 1787, Turkey again initiated military operations against Russia, thereby forcing the drawing off of the Russian ground forces to the southern borders of the state. Taking advantage of this, Sweden, whose leaders still nourished hopes of wresting Baltic areas from Russia, in the summer of 1788 initiated military actions without declaring war, putting Petersburg in a critical position. The Swedish King, Gustav II, intended to seize the border fortresses by decisive attacks defeat the Russian Navy, land a landing force on the southern coast of the Gulf of Finland, and seize Petersburg. The main burden in the struggle for the security of the capital lay on the Baltic Fleet, which successfully defended our shores and, after a series of victories at sea, together with the Army, expelled the enemies from the borders of Russia. Clearly, had there not been a strong Navy, the ground forces would have been unable

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to rapidly cope with such a danger due to their insufficient strength.

The states supporting Turkey and Sweden in this war shifted from diplomatic pressure to threats: England introduced her Navy into the Black and Baltic Seas, and Prussia concentrated troops on the Russian borders. Yet the military actions in the south turned out favorably for Russia. The Black Sea Fleet under the command of E. F. Ushakov inflicted a defeat on the Turkish line fleet in 1790 at Kerch and off the island of Tendra, and in 1791 it finally routed it off of Cape Caliacra. Thus, the Turkish Fleet was expelled from the Black Sea and its Army, deprived of ship support, soon reduced its resistance. In 1792, peace was concluded in Yassakh according to which the Black Sea coast from the Dniester to Novorossiysk went to Russia.

During this war, Russia was unable to dispatch a squadron to the Mediterranean Sea due to the need to conduct combat operations in the Baltic and Black Seas. However, by taking advantage of the sympathy of the Mediterranean peoples, the Russians were able to rapidly outfit privateer detachments of Greek ships, and both at Trieste and Syracuse they created privateer squadrons which, by interrupting the enemy's shipping and attacking his coastal bases, diverted considerable Turkish land and naval forces from the main, Black Sea theater. This essentially created a second front for the Turkish Army, which undoubtedly had a considerable effect on the course and outcome of the struggle in the main area.

The international situation at the turn of the 19th century was extremely complex. After a bourgeois revolution, France waged a fierce struggle with England, which had already been a capitalist society for a long time, and which had seized the main colonial regions. Serious disputes arose between France and Russia, who were striving to take advantage of the legacy of the disintegrating German empire. In this period, Engels pointed out, it was only a question of whether the weak German states would form a French or Russian Confederation of the Rhine. The stratagems in the situation led to sudden sharp turns in the policies of the major countries of Europe and to changes in the directions of their main military efforts.

From 1797 to 1800, Russia, allied with England, Austria, and Turkey, conducted military operations against France. The Russian Army led by A. V. Suvorov displayed wonderful heroism in Switzerland and northern Italy. The Russian squadron in the Mediterranean Sea, under the command of F. F. Ushakov, freed the Ionian Islands from French domination, and later took an active part in driving the French out of Italy. One of the most brilliant deeds of the Navy was taking the strong fortress of Corfu in 1799 after a three month siege. Having received news of this Suvorov said: "Our Peter the Great lives. What he said upon beating the Swedish Fleet off of the Aland Islands in 1714 is, namely, that nature made only one Russia: she has no rivals—that we now see too. Hurrah! To the Russian Navy! . . . Now I say to myself: Why wasn't I at Corfu, even as a Warrant Officer?" [15]

It should be recalled for comparison that at this same time the English Fleet under the command of Admiral Nelson was conducting a siege for the second year of the weaker fortress of La Valletta on Malta and was unable to take it.

The political consequences of the victory of the Russian Navy in the Mediterranean Sea were very significant. Napoleon felt that the Ionian Islands were the most important jump-off position for military actions against Egypt, the Balkans, Constantinople, and the south of Russia. Therefore the expelling of the French from the Ionian Archipelago radically altered the situation in the Mediterranean Sea. Thus, the Navy was the most powerful weapon of the foreign policy of Russia, who by the actions of her Navy drew Italy, Sardinia, and even Tunisia into her own sphere of influence.

Despite the vast contribution of the Russian Navy in changing the political situation in Europe, Western European and American historians even today with the light hand of Mahan continue to ignore Ushakov in every way and refer to him merely as a conscientious pupil of Nelson's, supposedly due to which he achieved success. However, a simple comparison of dates of the largest battles conducted under the leadership of these two famous admirals shows that the main naval victories of Ushakov were won considerably before Nelson was able to display his talent as a naval leader.[16]

The flourishing of the naval art in Russia in the second half of the 18th century coincided with the furious development of the Russian art of war as a whole. Thanks to A. V. Suvorov, the Russian Army considerably increased its glorious combat traditions. F. F. Ushakov performed the same service for the Navy.

After the main forces of Ushakov's squadron had left the Mediterranean Sea, part of the ships and naval infantry remained there in order to ensure the safety of the Ionian Islands. Yet within only a few years Russia again began to concentrate naval forces here under the command of Admiral D. N. Senyavin to counter new attempts by the French to carry out takeovers in the Balkans and also to protect the Ionian Islands as bases for the Russian Navy in the Mediterranean.

Naval operations in this period were prosecuted in a very complex and rapidly changing military and political situation. At the end of 1806, Turkey, at the urging of Napoleon, declared war on Russia, which completely changed the mission of the Russian Mediterranean squadron, whose main goal became operations against Turkey from the south together with the allied English Navy. However, the true intentions of England boiled down to not allowing free passage of Russian ships through the Black Sea straits, thus ensuring complete sway for her ships in the Mediterranean Sea. As a result, Senyavin was forced to limit the squadron's mission to blockading the Dardanelles. Nevertheless, in a battle off the Dardanelles and in the battle at Aphantos, it routed the Turkish Fleet.

At the same time as the Russian Fleet was winning brilliant victories in the Aegean Sea, peace talks were underway in Neman between Napoleon and Alexander I. On 25 June 1807, within a week after the Aphantos battle the Peace Treaty of Tilsit was signed which sharply altered the foreign policy of the Tsarist government which shifted to an alliance with Napoleon. Russia received a breathing space, which was purchased at an extremely expensive price: Napoleon's territorial seizures in Western Europe were recognized, Russia was obliged to participate in the continental blockade of England, starting a war with her, she had to accede to France and Turkey all the strategic positions won by her by that time in the Mediterranean Sea to withdraw all of her forces, and to put a squadron under complete French authority.

This sharp turn in Russia's foreign policy created an exceedingly difficult situation for the Mediterranean squadron. And it was only after almost 20 years that it again appeared in the Mediterranean on the pleasant mission of rendering aid to the Greek people.

In 1827 the Russian squadron under the command of Admiral L. P. Geyden, together with the English and French squadrons, was supposed to force the Turkish occupation forces in Greece to cease exterminating the population which was fighting for national independence. Joint operations of the allied fleets began with the famous battle of Navarino (October 1827) in which the more numerous Turkish Fleet was completely crushed. In the Russo-Turkish War of 1828–1829 a Russian squadron under the command of Admiral P. I. Rikord tightly blockaded the Dardanelles and the Turkish coast from the south.

Later the Russian Navy did not conduct combat operations in the Mediterranean Sea, although its forces, right up to the squadrons of steam vessels, were regularly located there.

Thus, in summing up what has been said, we clearly see that the Mediterranean Sea, which is located close to the southwestern borders of Russia, beginning with the period of the sailing fleets, was the region having a most important significance for her defense. Russian squadrons conducted combat operations there not to seize foreign territories or enslave peoples, but for the sake of ensuring the security of their own country. This was a struggle of forces on the foremost line of defense of the country when threats of aggression arose from the southwest.

The operation of the Russian Navy in the Mediterranean Sea, which was of an exceedingly active nature, each time led to results which had a very significant effect on the overall course and outcome of the armed defense of the country from aggression from the southwest. Thus, in 1770–1774, the Navy rendered most important aid on the strategic plane, not only in the defense of the southwestern regions of the country, but also by diverting large enemy forces toward itself, and directly aided the Russian Army in achieving remarkable victories on the Danube front. And the timely movement of naval forces to the Mediterranean Sea and their brilliant victories played a great role in the conclusion of an exceptionally favorable peace treaty for Russia in the war of 1768 to 1774.[17]

The combat operations of Admiral F. F. Ushakov's squadron in the Mediterranean Sea from 1798 to 1800 had the goal of heading off the imminent aggression of Napoleonic France against Russia from the southwest. At that time the situation was crystallizing in such a manner that the capture by the French of the region of the Ionian Archipelago, which represented a first rate position for the subsequent development of military operations capable of having an effect on the course of Suvorov's campaign in Italy, forced Russia, while not expecting a direct attack, to send naval forces into the Mediterranean . The victorious actions of the Navy led to a radical change in the situation not only in the Mediterranean Sea, but also on its entire coastline, which was of inestimable aid to Suvorov's Army and aided in achieving the goals of the armed struggle of the state.

The presence of the Russian Fleet under the command of D. N. Senyavin in the Mediterranean Sea in 1806–1807 also had as its objective strategic cooperation with the Russian Army battling with the troops of Napoleonic France, which was allied with Turkey. And also in this case our Fleet achieved its goal, delivering a series of crushing defeats to the Turkish Fleet at sea and to the French troops in the Balkans.

As is seen, historically it has turned out that when a threat arises of enemy encroachment on the territory of Russia from the southwest, the Russian Navy has been moved into the Mediterranean Sea where it has suc-

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cessfully executed major strategic missions in defending the country's borders from aggression. In other words, our Navy has shown the whole world that the Mediterranean Sea is not anyone's preserve or a closed lake and that Russia is a Mediterranean power. The location of her forces in these waters is based not only on geographical conditions (the proximity of the Black Sea to the Mediterranean theater), but also the age-old need for the Russian Navy to stay there.

Today, when the capabilities of the imperialist aggressors to attack the Soviet Union directly from the Mediterranean Sea have increased extraordinarily, this region has assumed especially important significance in the defense of our Homeland. The constant presence there of the U.S. Sixth Fleet, with aircraft carriers and missile-carrying submarines, has as its basic mission a surprise attack against the Soviet Union and the countries of the Socialist community. The U.S. Navy command openly states that the missiles of the nuclear-powered submarines and the carrier aircraft from the Mediterranean Sea are aimed at objectives in the U.S.S.R. and the states of Eastern Europe and are in a constant state of readiness to deliver nuclear strikes against them.[18]

It is natural that in response to the direct threat, the Soviet Union is forced to undertake defensive measures and implement its undisputable and legal right to have warships in the Mediterranean Sea. They are there not to threaten peace-loving peoples, and not to implement any sort of expansionist desires, which are alien to the very nature of our Socialist state, but in order to nip aggression in the very bud, should the imperialists attempt to undertake it from this region.

And if our enemies more and more often look at the Soviet Navy and see it as a hindrance to their adventures, this means that it is accomplishing the mission assigned to it.

For several years, the Western bourgeois press, and state and military figures have been conducting a high-flown propaganda campaign with regard to the stay of Soviet warships in the Mediterranean Sea. A majority of the statements, having the goal of deceiving public opinion, are colored by false assertions that the Soviet Union is sending warships to the Mediterranean Sea supposedly to put pressure on individual states of this region, to conduct "gunboat diplomacy," to threaten the southern flank of NATO, etc. They write and say that the "political influence of the Russians in this strategically important sea is directly proportional to the numerical strength of their Fleet."[19] Admiral C. Duncan, an American who is Supreme Commander-in-Chief of the NATO Forces in the Atlantic, recently asserted that the most dramatic challenge that NATO is running up against is the fact that the Russians have put to sea.[20] Such statements are an attempt to ascribe to the Soviet Union intentions which are completely alien to it. Our influence in this region (as well as throughout the world) is growing, primarily owing to the policy of peace and friendship being conducted by the Soviet state.

Undoubtedly the strengthening of the prestige of the U.S.S.R. in the opinion of the Mediterranean peoples is also being fostered by the comparison by them of the policy of our state with U. S. policy. The most important instrument of American policy in the Mediterranean is the Sixth Fleet, which has repeatedly interfered in the internal affairs of the Mediterranean states and has supported aggressors in their actions against freedom-loving peoples. Such actions characterize U. S. policy as a clearly expansionary, antidemocratic, and policeman policy.

In contrast to the Sixth Fleet, the Soviet Navy has not once interfered in the internal affairs of the Mediterranean states and has not committed any sort of aggression against them. The presence of our warships in the Mediterranean Sea constantly prevents the disturbance of the peaceful atmosphere in this region and plays a deterrent role. As early as 1968 a TASS statement pointed out: "The Soviet Union as a Black Sea power, and, consequently, a Mediterranean power, is exercising its indisputable right to have a presence in this region. Soviet naval ships are in the Mediterranean not to create a threat to any people or state. Their mission is to promote the cause of stability and peace in the Mediterranean Sea region."

At the 24th CPSU Congress, L. I. Brezhnev said: ". . . Attempts to ascribe to the Soviet Union intentions that are alien to it do not deceive the people. With full responsibility we declare: we have no territorial pretensions whatsoever, we threaten no one and we intend to attack no one; we stand for free and independent development of all peoples. . . . In contrast to the aggressive policy of imperialism, the Soviet Union presents a policy of active defense of peace and the strengthening of international security.

COMMENTARY

(By Rear Adm. E. M. Eller, U.S. Navy, retired)

A graduate of the Naval Academy in 1925, Admiral Eller served in the Pacific during most of World War II and, in 1946, assumed the duties of Director of Public Information, Navy Department, Washington, D.C. After graduating from the National War College and serving on the Joint Staff of the Joint Chiefs of Staff, he commanded the Middle East Force, 1950–1951. After his retirement in 1954, Admiral Eller became Director of Engineering at Bucknell University, a position which he held until 1956 when recalled to active duty as Director of Naval History Division, Navy Department. Since his retirement in 1970 he has been spending his time writing, including his recent book *The Soviet Sea Challenge*. Admiral Eller is a three-time winner of the Naval Institute's Prize Essay Contest. He has received honorable mention in the Contest on three other occasions and has been a frequent contributor to the *Proceedings*.

Admiral Gorskov well understands the magic advantages which control of the sea bring a nation. Writing with clarity of perception and skill in slanted argument, he drives home the correct conclusion that the U.S.S.R. needs great power afloat to force the world into Communism. Without this force, she cannot insure successful insurgencies. Neither can she expand and dominate the world.

He sings the propaganda song of friendship and support of "peace-loving people." Yet throughout, his historical examples demonstrate to the Party that a strong Navy has helped bring vast territorial gains—and today opens to the world as "the most powerful weapon of Russia's foreign policy."

The shrewd leader of the Red Navy not only perceives the importance of seapower himself, but obviously has so convinced the leaders who count in the Politburo. Pronouncements like this group of significant articles are not made lightly in the U.S.S.R. They speak the party line, so we should listen carefully. With Gorshkov showing the way, the Kremlin has concentrated immense resources into the elements of maritime strength The results are frightening. Almost overnight the Soviets have rushed ahead to pass the United States and to become Number One on the oceans. These articles help show why.

As a professional naval officer, Admiral Gorshkov says strikingly little about tactics, training, naval weapons, leadership, and other essentials of the naval art. Clearly writing to inform, and to convince doubters, he concentrates on the military and political benefits to the country of a strong Navy.

Like the others, this second article has a facade of party line ideology. Yet the points Gorshkov drives home show understanding of the historical importance of seapower, astute thinking, and clever presentation to gain acceptance from the land-minded hierarchy:

He blocks opposition to naval power by accurately showing that "The Motherland" could not "join the ranks of great powers" without a strong Navy. Russia's past setbacks and failure to win territorial gains in war, he says, came usually because she lacked the necessary fleet. Many examples drive home the point and the effect upon the "historical path of the state."

Russia suffered in the past because Tsarist leaders swallowed hostile foreign propaganda (led by Britain and now the United States) that she is not a maritime country and therefore does not need the sea. Thus, if any Soviet leaders today oppose the aggressive build-up in all facets of seapower, they become suspect dupes of foreign anticommunist propagandists.

The U.S.S.R. has the longest maritime frontier in the world, almost twice that of the United States, and 15 times that of France. Thus, considering sea borders (he does not note that most of the U.S.S.R.'s are icebound most of the time), the Soviet Union has first need for seapower.

Russians are inherently sea going people. Therefore Peter I merely achieved a rebirth by creating "one of the strongest fleets in the world." The surge to first place today continues the trend and can produce the same large benefits.

In the homeland, the Army sorely needs a strong Navy "cooperating jointly with ground forces to achieve the goals of the war." When Peter I did not have a powerful fleet, he failed. When he did, he won his objectives. "The land army," Peter said, "has one arm, but the Government that possesses an army and a fleet, is a body with two arms." When Russian monarchs after Peter failed to maintain an adequate fleet, Russia either lost battles or failed to gain desired territory, especially in the Black Sea-Mediterranean area—or between wars did not atttain her diplomatic objectives. Thus seapower is a main instrument of national policy.

The Army needs a fleet also for distant operations. In the Napoleonic wars, Russia was not endangered by threat of attack from the Mediterranean. However, the conquests of Russia's Mediterranean fleet greatly furthered operations of the Army in Austria and Italy. Admiral Gorshkov calls this "strategic cooperation with the Army."

A Navy can ensure security of sea frontiers. The U.S.S.R. wants superiority for this purpose and not for the "imperialistic designs" of the capitalistic nations. Yet this frayed mask can't hide the evidence: Peter the Great had to have a fleet to hope to expand to the Azov and Black Seas. He needed it to gain the Baltic. He and successors needed it to reach for the Mediterranean.

Taking customary communist liberty with facts, Admiral Gorshkov gives the impression that the U.S.S.R.'s present European frontiers constitute, in considerable part, the bounds of a thousand years ago. Aggrandizement since against Moslems, Persians, and others in the south, the Baltic States and Central Europe in the west, the Tartars, Mongols and Chinese in the east—all have been merely protective measures in expansion that has not ceased.

The Motherland is a Mediterranean Power, and requires free access to it. The fleet now there "is based not only on geographical conditions (the proximity of the Black Sea to

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the Mediterranean theater) but also the age-old need of the Russian fleet to stay there."

When the Navy has superior strength (*as against Sweden in the Baltic and Turkey in the Black Sea*) *then it can carry the war overseas to the enemy. Invasion and territorial gains can follow.* Illustrations of successes must whet Politburo appetites for distant shores.

Indeed, territorial expansion is a major theme of this article: expansion to the west to win the Baltic coast; expansion "toward the east for an outlet to the Pacific Ocean"; and with special emphasis, expansion to the south, which has occupied so much of Russian history, and where opportunity of critical import still awaits in the Middle East, Africa, and the Indian sub-continent.

Singularly, in recounting territorial gains, Admiral Gorshkov carefully refrains from citing the large conquests from Persia around the Caspian. He does not mention the acquisitions west of the sea grasping for the Persian Gulf and Middle East (once again, as for most history, critical for control of civilization), where the U.S.S.R. has made significant gains in recent years. Neither does he mention the conquests to the east of the Caspian—nor the long yearning for India and the Indian Ocean, now close to fruition.

Takeover of the Crimea in one of the Turkish wars illustrates a maneuver not forgotten in Moscow. The Army with the Navy "forced the Turks to conclude a peace, according to which Russia received land between the Bug and the Dnieper, and finally established herself on the Sea of Azov and an outlet from it to the Black Sea." He adds that "The Crimea was recognized as being an independent state by Turkey and subsequently joined Russia."

Actually, of course, Catherine set up a puppet government, just as Stalin did after World War II in bordering states, employing ambitious nationals of these countries.

The Mediterranean stands out as the ultimate goal for southwest expansion (or semi-ultimate, for beyond lie the Suez Canal, Egypt, and all the vast seething continent of Africa to communize). The operations of a Russian fleet in the Mediterranean for several years in the 1760s and 1770s against Turkey evoke another statement of import. These, the Admiral writes, are "an outstanding example of autonomous operations by a large naval formation completely cut off from its home ports, which increased the international prestige of Russia and evoked warm sympathy toward Russia by all the peoples of the Mediterranean." And he adds of operations a few years later, "the Navy was the most powerful weapon of the foreign policy of Russia, who by the actions of her Navy, drew Italy, Sardinia, and even Tunisia into her own sphere of influence"—an 18th century preview of today.

The Soviet Union's predominant influence throughout the latest Arab-Israeli war, and the grave energy threat it raised for the Free World, demonstrate the correctness of Admiral Gorshkov's emphasis on the value of the Navy in international crises beyond her shores. It surely added to his stature and influence in the Politburo. Thus the Kremlin's intense drive to control the seas, and therefore civilization, will not slacken.

In condemning the U.S. employment of the 6th Fleet "as a clearly expansionary, anti-democratic, and policeman policy," Admiral Gorshkov reveals why the Russian Navy has returned to the Sea of History in force. He remembers how the Kremlin retreated in Azerbaijan, how it relaxed threats against Turkey, and how it failed to overthrow governments in Greece, Lebanon, and Jordan, to be replaced by Communist regimes.

Having shown how the Russian Navy through history has furthered conquests, the Soviet CNO concludes with a soothing note. His fleet in the Mediterranean, he avers, has only the mission "to promote the cause of stability and peace . . .

"We have no territorial pretensions whatsoever, we threaten no one and intend to attack no one."

In this connection, and as anchor to our comment, it seems appropriate to quote F. T. Jane's words of three quarters of a century ago: "Every Russian feels himself a member of the empire that will be the world empire of the future. And that empire will be a great sea-empire. . . . At some future date that great struggle . . . this new Punic War . . . is . . . likely to be absolutely decisive." Since he quotes from another passage of the book where these words appear, Admiral Gorshkov must have read these words, believed them, and preached them in the Kremlin. He is obviously preparing his Navy for "that great struggle."

FOOTNOTES

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[11] Jane, Fred. T., The Imperial Russian Fleet. Its Past, Present, and Future, London, 1904, p. 10.

[12] N. P. Lyshin, *Stolbovskiy dogovor i peregovory emv predshesttvovavshiye* (The Stolbovo Treaty and the Talks Preceding It), St. Petersburg, 1857, p. 58.

[13] *Voyennaya entsiklopediya* (Military Encyclopedia), Vol. VII, St. Petersburg, 1912, p. 175.

[14] Tarle, Ye. B., *Russkiy flot i vneshnkyaya politika Petra I,* (The Russian Navy and the Foreign Policy of Peter I), Voyenizdat, 1949, p. 83.

[15] *Istoriya russkoy armii i flota* (*The* History of the Russian Army and Navy), Vol. IX, Moscow, 1913, p. 57.

[16] F. F. Ushakov's victories: at Kerch in 1790; at Tendra in 1790; at Caliacra in 1791; and the taking of Corfu in 1799. Nelson's victories: at Abukir in 1798; and at Trafalgar in 1805 .

[17] Keep in mind the Kuchuk-Kaynardzha Treaty concluded by Russia and Turkey on 10 (21) July 1774, according to which Russia acquired the land between the Bug and the Dnieper, finally established herself on the Sea of Azov and outlets for herself to the Black Sea, and received the right of free commercial navigation in the Black Sea and an outlet to the Mediterranean Sea. The Crimea was recognized as a state independent of Turkey.

[18] Newsweek, 19 July 1971.

[19] Newsweek, 19 July 1971.

[20] Associated Press, 13 December 1971.

Mr. GOLDWATER. Mr. President, I also ask unanimous consent to include an article by James J. Kilpatrick in the Washington Star-News of March 27, 1974, entitled "Soviets Build Up—And We Let Down."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SOVIETS BUILD UP—AND WE LET DOWN

(By James J. Kilpatrick)

Sen. James L. Buckley of New York leaped onto the national stage last week with his plea for the President's resignation, but the senator had earned attention earlier this month on a different matter: national defense. Buckley has sounded alarm bells that our country will ignore at its peril.

Writing in the March 15 issue of National Review, the senator has pulled together data from a dozen intelligence sources. He lets the figures speak for themselves, and the figures speak eloquently: In every significant area of defense, the United States now lags behind the Soviet Union.

The requested defense budget for fiscal '75, amounting to $85.8 billion, represents the largest dollar amount ever proposed. The sum already has attracted criticism for its "extravagance," but Buckley argues convincingly that the request is not extravagant at all. Compared to what the Soviet Union is spending, the $85.8 billion is dangerously low.

Defense spending often is analyzed in terms of strategic forces and conventional weapons. Americans can find no comfort in either sector.

There was a time when the United States dominated the entire world in terms of nuclear weapons. This was the period of the 1950s and 1960s, when our deterrent strategy was based upon the "nuclear umbrella." The winds of change have blown that concept inside out. "The American nuclear umbrella," says Buckley, "is no longer credible—either to us or to our allies; or, more importantly, to our potential adversaries."

Over the past five years, expenditures for strategic forces have declined from one-third of the defense budget to less than one-tenth. If the Soviet Union also were reducing its strategic capability, our own changing emphasis might cause no alarm. Buckley observes that the Russians have relaxed nothing. The Soviet Union has developed five new strategic ballistic missiles and two new missile-launching submarines within one year.

The picture is as bleak in terms of conventional weapons. On paper, the United States retains an advantage in heavy bombers and major naval vessels, but the advantage is only on paper. Both the bombers and the ships are aging. By contrast, half the Soviet fleet has been launched since 1964. Its air force has been modernized and expanded. The introduction of two highly advanced MIG fighters "proves they are still willing to spend large sums for high quality general purpose forces."

"While our disinvestment has accelerated since 1968," Buckley writes, "the Soviet Union has increased its armed forces from 3.3 million in 1964 to 3.42 million in 1973. While our ground forces have declined, the Soviets have maintained 75 divisions at full strength throughout the period. Moreover, they have increased the total number of organized divisions that could be mobilized with reserves from 140 to 162 (105 motorized rifle divisions, 50 tank, and 7 airborne). These troops are being reequipped with modern tanks, artillery, and antitank weapons."

These disturbing figures, again, might not cause great concern if the United States were engaged in bold programs of research and development. Here, too, the comparison is dismaying. Since 1968 our own R&D has been cut by 21 percent while Soviet R&D "has been sustained at a level of 50 percent higher than ours." Most of our research necessarily has to be concentrated on "safe bets." The Soviets, with twice as many projects in motion, are much more likely to come up with far-out weapons that could make the imbalance of power drastically worse.

Buckley is not a pessimist, a defeatist, or a prophet of doom. It is not too late for the United States to regain a qualitative parity in this vital competition. But he asks the country to understand what is happening as the Soviets build up—and we let down.

SOVIET SPORTS PROGRAM

Mr. STEVENSON. Mr. President, the Commerce Committee recently reported S. 1018, a bill to create a National Commission on the Olympic Games to review the question of U.S. participation in the Olympic games. The Senate should be taking up this bill in the near future.

In connection with our study of this bill and international sports in general, we should consider the approach of the Soviet Union toward sports. The Soviets are our main competitors in international sport, and yet we know precious little about their sports program. It behooves us to become more aware of what the U.S.S.R. is doing in this area.

Toward this end, I ask unanimous consent that seven articles which appeared in the New York Times over the last 2 years be printed in the Record at the close of my remarks. These articles were authored by Dr. John Washburn, a long-time student of Soviet affairs in general and Soviet sports in particular.

I think the Senate will find, as I did, that these articles throw light on a subject we need to know more about.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the New York Times, Sept. 3, 1972]

A Russian Paradox: Yachtsmen of Proletariat Stronghold Make Waves in a "Rich Man's Sport"

(By John Nelson Washburn)

Yachting is surely the most paradoxical of all the sports on the 1972 Olympic program caught up in Soviet-American rivalry. It is always referred to as a rich man's sport. Yet the major stronghold of the world proletariat has developed a team of yachtsmen capable of threatening Western supremacy at Kiel.

How could that happen?

Primarily, because money is no problem of individual Soviet yacht racers of Olympic caliber produced over nearly two decades under the centrally organized, government-funded system of Soviet-sports.

The great majority of the U.S.S.R.'s top yachtsmen belong to the Armed Forces yachting team. Five of the six 1972 U.S.S.R. yachting champions qualifying for berths on the Olympic yachting team belong to it.

They are Roland Berdash in the Finn Dinghy Class; Vladimir Leont'ev in the Flying Dutchman Class; Boris Budnikov in the Star Class; Valentin Mankin in the Tempest Class, and Timir Pinegrin in the Soling Class. The 1972 Soviet national champion in the six approved Olympic yachting classes for 1972 who is not one of its members but a member of the "Labor" sport society is Boris Khabarov, in the Dragon Class.

ELITISM PREVALENT

An incident that occurred at the 1970 Soviet yachting championships points up the fact that the Armed Forces yachting team is a very potent organization, materially blessed and bureaucratically sheltered. A spirit of elitism prevalent on this team was exhibited in particularly crass form by Konstantin Aleksandrov, many times U.S.S.R. champion in the 5.5-meter Class and a member of the 1968 Soviet Olympic Yachting team.

The crusty, 50-year-old Aleksandrov evoked what one sports writer called "justifiable consternation" among the contestants at Riga during the first week of September. Aleksandrov, as coach of the Armed Forces yachting team, was in command of the cutter servicing the team. He discovered two Finn dinghies, belonging to the rival "Labor" sport society, which were being towed He ordered them to be cut loose immediately. These Finns would have to fend for themselves in the dead calm in the Bay of Riga, Aleksandrov insisted brusquely.

Atop the yachting hierachy of the U.S.S.R. is Igor N. Klimchinskii. His division directs the operations of yachting organizations in the U.S.S.R., with administrative support from the All-Union Sailing Federation. However, it is the Central Committee of the Communist Party of the Soviet Union that continues to set the policy.

A 1948 landmark decree provided that leading Soviet athletes must perfect their technique to the point where they could win world preeminence in their sport. Supporting the Communist Party Central Committee in its campaign for world stature on the part of Soviet athletes, including yachtsmen, is the Soviet press. On Sept. 2, 1970 in the newspaper Sovetskii Sport, yachtsmen of the U.S.S.R. engaged in international competition were criticized for ascribing their unsatisfactory final standings to "bad luck." Greater expertise on their part was called for in the years to come.

Judging by accounts in the Soviet press, comprehensive plans for creating a nucleus of expert yacht racers of Olympic caliber capable of making a good showing at the 1972 Olympics were made well in advance and carefully carried out.

One of the first noteworthy steps taken to enchance the results of Soviet racers in 1972 Olympic competition involved the scheduling of pre-Olympic yachting events in the U.S.S.R.

The yachting center at Riga was singled out to be the site of major Soviet national and international yachting competition for 1970–1972 because, as a writer noted: "The point is that for a majority of factors—winds, currents, weather conditions, etc.—conditions here are very similar to those in the Bay of Kiel."

In connection with the emphasis placed on the Baltic Sea yacht racing conditions present in the Bay of Riga, two important tactical moves were made to improve the image of Soviet yachting prowess at the 1972 Olympics. Valentin Mankin, the 1968 Olympic Finn champion, would represent the U.S.S.R. in the new two-man Olympic Tempest yachting class. A veteran racer Timir Pinegin, the 1960 Olympic Star champion, would be the U.S.S.R. entry in the new three-man Olympic Soling yachting class.

To accommodate Mankin and Pinegin, there was competitive sailing in both Tempest and Soling classes at the 1970 U.S.S.R. yachting championships, although this was in the nature of "Exhibition Races" featuring the two Olympic champions.

However, by the last week in July 1972, when the Soviet yachting championships were held, both men were brilliant performers in their new classes; Pravda hailed Mankin's feat of winning six of the seven races in the Bay of Riga; Sovetskaya Latva congratulated Pinegin on winning five of seven.

With all due respect of Klimehinskii, the ranking bureaucrat for Soviet yachting, and to Pinegin, the 45-year-old Muscovite who was U.S.S.R. Star champion for more than a dozen years before becoming U.S.S.R. Soling champion, the 34-year-old Valentin Mankin is undoubtedly Soviet yachting's most credible spokesman and most talented representative at the Olympics.

[From the New York Times, Sept. 17, 1972]

Soviet Hockey Gets Start in Kindergarten

(By John Nelson Washburn)

(On April 23 in the Sport Palace of the Central Sport Club of the Army (No. 39, Leningrad Prospect), starting at 1330 hours, recruitment will be conducted for the Central Sport Club of the Army's Hockey School for Children and Youth. Boys born in the years 1962–1966 will be received (and should bring with them their skates, sticks and birth certificate). A. Tarasov, A. Firsov and V. Brezhnev are conducting the recruitment.)

The Soviet goalie, Vladislav Tret'yak, proved to be a very fine hockey player during the Team Canada—USSR all-star hockey games in Canada earlier this month. Pravda, the Communist Party newspaper, modestly termed his performances "good;" the Canadian and American press rated them "sensational."

Tret'yek, 20 years of age, has a secret: He has some goalie proteges who are even younger, much younger. Their identities must be concealed for the time being, but they can be found at the Children and Youth's Sport School for Hockey operated by the Central Sport Club of the Army near the heart of Moscow at 30 Leningrad Prospect, where that boulevard meets Chapaev Lane.

For 17 of the 26 years since hockey was introduced to the U.S.S.R. on an official basis, the country's best hockey team has been the C.S.C.A. team. Five of the six Soviet defensemen who played at the world championships in Prague in April were members of the C.S.C.A. team: Tsygankov, Ragulin, Kuz'kin, Gusev and Lutchenko. They also play for the Soviet team in the first four games against Team Canada.

The Russians consider the youth school, necessary according to Anatolii Tasasov, director of the school, because the discovery of an excellent player cannot be trusted to luck.

"Today one must speak of scientific search for talented athletes and the art of the educator to spot a future athlete," he says.

For the last two years, Tarasov has been primarily responsible for entrance examinations to the school. Assisting him was Anatolii Firsov, the 31-year-old Army man who for many years has sparked U.S.S.R. Olympic, world, European and national champion teams. He led the C.S.C.A. team to its 17th national championship last spring.

Aiding Tarasov and Firsov was an Honored Master of Sport, Vladimir Brezhnev, a relative of the Communist party chief, Leonid Brezhner. For the 1971 entrance examination, this regular trio of examiners was joined by two C.S.C.A. team stars, Cladimir Vikulov and Aleksander Ragulin.

Vikulov, a 26-year-old forward, and Ragulin, a 31-year-old defenseman, were once pupils at the school and now serve there as instructors. But the most spectacular school alumnus is the goalie, Tret'yak.

He was so good as a pupil in 1968, when he was 16, that he made the C.S.C.A. team. But if Walter L. Bush, president of the Minnesota North Stars, does succeed with his plan to recruit Valerii Kharlamov under a $1 million contract, then that star forward may become the most famous alumnus.

GO AFTER THEM YOUNG

Judging by the text of a 12-line announcement printed in Sovetskii Sport on April 22, 1971, to qualify them for recruitment into the school a boy had to have been born in the years 1959 to 1964. But an announcement last April in that newspaper reflected a policy decision to attract even younger hockey prospects, those born in the years 1962 to 1966. Hopefuls in that age bracket were asked to prove their ages with birth certificates.

Whether prospects enter the school one year early or on the current schedule, the end result bodes ill for Soviet hockey opponents the world over in the years ahead.

In February, 1970, Arkadii Chernyshev senior coach of the Soviet all-state team, declared: "Never before have we had so much difficulty in forming an all-star hockey team, for this season we have so many new players worthy of a place on it."

Chernyshev's pleasant predicament will grow if the cycle of pupil-teacher development exemplified by Tret'yak continues to be effectively managed at the school. Moreover the Soviet Union may already have succeeded in laying the foundation for making Moscow the future hockey capital of the world.

[From the New York Times, Nov. 5, 1972]

The 84-Pound Soviet "Soldier"

(By John Nelson Washburn)

Sixty years ago, the United States amassed 128 points at the summer games in Stockholm. The Tsarist Russian Olympic team scored a mere 5.

Times have changed and the explosive rise of Soviet athletes cannot help but shape the attitudes of the United States Olympic Committee when it convenes tomorrow to select a new president. There are strong feelings that the head of the United States Olympic movement be a man committed to genuine awareness of the Soviet approach to Olympic competition.

Soviet adherence to Olympic principles at future games will naturally be influenced by the extent to which the United States remains aware of—and disinterested in—the military legerdemain or other questionable practices on behalf of Soviet Olympians.

A case in point: Olga Korbut, tiny gymnast from the Byelorussian Soviet Socialist Republic, undisputed darling of all spectators at the Munich Olympics as well as the clear favorite of television viewers throughout the world.

Strange as it may seem to her many American admirers, this talented girl from the city of Grodno on the Niemen River represents the Soviet Army. Olga Korbut has been so described by Sovietskii Sport of Aug. 22 in its five-line summary devoted to her as one of seven female members of the 1972 U.S.S.R. Olympic gymnastic team:

"Korbut Olga—master of sport of international class, year of birth 1955; Soviet Army (Grodno); champion of the U.S.S.R."

Any doubt as to Olga's military status was dispelled on Sept. 13 by Krasnaya Zvezda, central organ of the Ministry of Defense of the U.S.S.R. It listed Olga Korbut among Soviet Armed Forces representatives who won gold medals at the Olympics.

Known at home by her Byelorussian name "Volga," and to citizens of the Soviet Union as the girl who is "straight and slender as a birch tree," she is invariably called "Olga" by sports writers of the U.S.S.R., who use the diminutive form of her name to match her 84-pound, 59-inch frame.

During pre-Olympic competition as a 16-year-old, Olga won ovations from sympathetic Soviet crowds for her graceful acrobatics while placing third in the all-around individual in the U.S.S.R. national gymnastic championships at Kiev and winning that event in a major international meet at Riga.

LIKES MUNICH FANS

At Munich at 17, she earned three gold medals and one silver with her brilliant performances, especially on the balance beam and uneven parallel bars. She later confided to a Soviet sports writer that the attitude of Munich spectators toward her and the other Soviet female gymnasts pleased them, and they got the impression that their performances were being rated not by the judges but by the spectators.

Not surprisingly, Miss Korbut was hailed by the predominantly West German crowd at Munich and by television viewers in most nations of the world. However, back home in the Union of Soviet Socialist Republics, sports fans cheer Olga as a fine young athlete defending the colors of the Soviet Army.

To place Miss Korbut's Soviet Army status in proper perspective, a brief explanation is necessary. For years there have been many special Children's and Youth's Sport Schools in operation in the Soviet Union. More were added after the adoption in 1966 of still-classified Communist Party and Soviet Government decrees on measures for the further development of physical culture and sport.

According to Maj. Gen. Z. P. Firsov, writing in Sovetskii Sport in his capacity as Deputy Chairman of the Sport Committee of the Ministry of Defense of the U.S.S.R., Jan. 31, 1967:

"There had also been worked out measures for the creation within the Armed Forces of the U.S.S.R. of specialized children's and youth's sport schools. They will be opened in the Central Sport Club of the Army, in the Central Aquatic Sport Club of the Navy, and in the military sport clubs of Leningrad, Kiev, Minski, L'vov, Khabarovsk, Riga, Tashkent, Sevastopol, and other cities."

Evidently, General Firsov failed to mention specifically Olya's home town of Grodno. Moreover, an important athletic official, writing in the organ of the Ministry of Education of the Byelorussian SSR on Aug. 23, praised Olya for having successfully completed Secondary School No. 10 in Grodno, apparently an ordinary school with an instructor of physical culture by the name of G. V. Rakut.

Nevertheless, Olga has for at least a year been a star pupil in a school popularly known in the Byelorussian SSR as the "Grodno Gymnastic School of Renal'd Knysh."

Renal'd Ivanovich Knysh is Olga's gymnastics mentor. The innovative but demanding Knysh has made diligence the accepted norm at his school. He has gained the reputation of being the conscience of the young Byelorussian female gymnasts whom he has managed to recruit. Olga paid him tribute when, upon her return from Munich, she told a correspondent for the newspaper Sovetskaya Byelorussiya that her victories there were his as well as hers.

ONLY WOMAN SOVIET OLYMPIAN

Miss Korbut was the only Soviet Armed Forces representative on the distaff side of the U.S.S.R. Olympic gymnastic team. However, four of the seven male members were in the armed forces, three from Minsk and one from Moscow.

Naturally, the number of Soviet Armed Forces representatives on various 1972 U.S.S.R. Olympic teams varies considerably. For example, the men's basketball team had a relatively low percentage of military representative—three of 12, including the man who threw that "three-second" pass the length of the court.

On the other hand, six of the 11 members of the water polo team were not only military representatives but also members of the Central Aquatic Sport Club of the Navy. And, going back to Sapporo, the victorious 1972 U.S.S.R. Olympic ice hockey team claimed 13 of 20 members as military representatives.

One would be tempted to overlook this strong emphasis on the military in the training of Soviet Olympians, but for the fact that authoritative sources in the centrally organized, government-funded system of Soviet sports keep seeking to divert attention from this obviously prevalent phenomenon.

Such diversion characterized Pravda's editorial Sept. 17; in it, U.S.S.R. Olympians were congratulated for winning 50 gold medals, a postwar record for Olympic Games, but no mention was made of special Children's and Youth's Sport Schools or of the major role of the Soviet Armed Forces in preparing for, and successfully participating in internationaly Olympic competition.

One condition before permitting the 1980 Summer Olympic Games to be held in Moscow might be to require Soviet members of the International Olympic Committee to provide thier unenlightened colleagues from the West with at least enough information on Soviet Army-Navy Olympic proteges to enable us all to learn what military status, if any, the Olympic champion Olga Korbut and two-time champion Valentin Mankin will be enjoying while in Montreal in 1976.

[From the New York Times, Apr. 22, 1973]

Blowing the Whistle: Now Is the Time for United States To Charge Soviet Pros With Technical Fouls

(By Dr. J. Nelson Washburn)

Whatever the outcome of the series to be played by the visiting Soviet Olympic champion national basketball team and a group of American players, including some participants from the disputed games at Munich, there should be some unfinished business on the agenda of the United States Olympic Committee board of directors at the meeting here next Friday and Saturday.

Although the former president, Clifford H. Buck, was unsuccessful in his formal protest to reverse the result of the 51–50 game at Munich, the new president, Philip O. Krumm, is not precluded from undertaking another avenue to salvage the Olympic basketball gold medal for Americans.

The U.S.O.C. Board of Directors has long considered amateurism in terms of Olympic eligibility. The report on "Amateurism in The United States," presented to the board March 6, 1972, ran 11 pages.

Unfortunately, neither that report nor its sequel, submitted to the board July 7, 1972, contained a single word about amateur standing with respect to Olympic eligibility on behalf of Soviet athletes, including basketball players.

RULE IS DILUTED

Efforts to make Soviet Olympic basketball players disgorge their gold medals have been virtually ruined by backsliding exhibited by the International Olympic Committee more than two years ago. On March 14, 1971, the I.O.C. executive board approved unanimously Rule 26 on eligibility in a watered-down form, minus the one strongly worded paragraph it had contained that ruled ineligible for Olympic competition:

"Those who have capitalized in any way on their athletic fame or success, profited commercially therefrom or have accepted special inducements of any kind to participate, or those who have secured employment or promotion by reason of their sport performances rather than their ability, whether in commercial or industrial enterprises, the Armed Services or any branches of the Press, Theatre, Television, Cinema, Radio, or any other paid activity."

In this connection, the report in Krasnaya Zvezda, central organ of the Soviet Ministry of Defense, of the Moscow reception hosted by Minister of Defense Marshal Andrei Grechko last Oct. 10 is apropos. Honored guests were Soviet Olympians who were athletes of the armed forces, Marshal Grechko promoted 11 of these armed forces athletes "dosrochno," i.e. ahead of schedule. Two captains became majors; four senior lieutenants became captains; two junior lieutenants became lieutenants; two ensigns and a junior sergeant became junior lieutenants.

One of those promoted to lieutenant was Ivan Edeshko, whose court-length pass in the disputed final three seconds set up the winning basket by Aleksandr Belov at Munich.

Although the I.O.C. chose to extract the one tooth in Rule 26 on eligibility that applied to both 1972 Winter and Summer Olympics, the language of Rule 26 that remained was restrictive even essentially toothless. That language, printed in the "Participant's Declaration" signed by each and every participant in the Summer Olympics at Munich, stated:

". . . For national aggrandizement, governments occasionally adopt the same methods and give athletes positions in the Army, on the police force or in a government office. . . . Recipients of these special favors which are granted only because of athletic ability are not eligible to compete in the Olympic Games."

It will be difficult—but not impossible—to attribute to basketball skill a Soviet army career for Ivan Edeshko. The same goes for Sergei Belov, who contributed 20 points in the 51–50 victory over the Americans also was promoted last Oct. 10 from junior lieutenant to lieutenant. Nevertheless, Rule 26 still makes any national Olympic committee or national federation knowing of fraudulent "special favors" for individual members of its Olympic team responsible for such mischief, if proved. The rule also places the basketball team in jeopardy of disqualification and forfeiture of games won with its mischief-makers. On such substantial legal ground, the U.S.O.C. might still cast its traditional caution to the winds and undertake a legalistic protest.

In so doing, it could, with advantage, cite the unequivocal provision in the Act of Congress that incorporated the U.S.O.C. Sept. 21, 1950, the stated objective of seeking "to maintain the highest ideals of amateurism . . . particularly in connection with the Olympic Games. . . ."

The Krasnaya Zvezda account of the 11 promotions proudly declared that representatives of the armed forces of the U.S.S.R. had won 34 gold, 20 silver and 19 bronze medals of 107 gold, 46 silver and 50 bronze medals taken home from Munich by Soviet Olympians. About a dozen members of the United States armed forces competed in the Olympics but their programs were loosely organized.

Some observers believe that militarization of Olympic competition as practiced by the Soviet Union under Marshal Grechko has reached the point of becoming a mass phenomenon detrimental to the Olympic ethic. It may be appropriate, with both Ivan Edeshko and Sergei Belov on American soil, for the U.S.O.C. to blow the whistle on militarization of the Olympic movement and try to salvage the 1972 Olympic basketball title in the process.

[From the New York Times, May 14, 1973]

CINDERELLA IS DISCOVERED IN SOVIET TENNIS

(By John Nelson Washburn)

The fairy tale Cinderella is not unknown in the Soviet Union. And besides the stage version of Zolushka (Cinderella) playing regularly at Moscow's venerable Vakhtangov Theater in the 1972–1973 season there is at least in real-life Zolushka in the U.S.S.R. Her name is Evgeniya (Zhenya) Biryukova. Like the Vakhtangov's Zolushka, who is confronted with her stepmother's two daughters, Evgeniya has been overshadowed if not victimized by two female rivals. Their names are Olga Morozova and Marina Kroshina.

When the results of the 1972 U.S.S.R. tennis championships were published last September in Pravda and in Sovetskii Sport, a new Soviet women's champion appeared—20-year-old Evgeniya Biryukova, a native of Baku, capital of the Ajerbaidzhan Soviet Socialist Republic.

The home town newspaper, Bakinskii Rabochii, proudly noted Evgeniya's "Brilliant victory" in the final, Sovetskii Sport, in its account of her 6–3, 6–3 victory over an Estonian, Tiiu Parmas, seemed more impressed by Evgeniya's fine conquest of the defending women's champion, Olga Morozova, in the semifinals, 6–4, 6–2, praising her aggressive net-rushing tactics, court strategy and poise.

As for Pravda, its summary account reflected support for the dethroned Morozova by stressing her victory in the 1972 U.S.S.R. women's doubles and mixed doubles.

The official Soviet tennis rankings confirmed the fact that indeed "pervaya raketka" (the first racquet) among Soviet women for 1972 was Evgeniya Biryukova. The Tennis Federation of the U.S.S.R. in the discussion of the rankings, underscored the fact that Evgeniya Biryukova had literally leaped to fame and glory after being ranked No. 30 for 1969, No. 12 for 1970, and No. 4 for 1971.

She had wrested the coveted No. 1 ranking from Olga Morozova of Moscow, ranked No. 1 in the U.S.S.R. for 1969, 1970 and 1971. Moreover, in her leap upward, Evgeniya Biryukova had hurdled the third-ranking player of the U.S.S.R. for 1971 and the winner of the European women's tennis championship, Marina Kroshina of Alma-Ata.

Alas, when the time came for top Soviet women tennis players to venture abroad in March of 1973 for three American tennis tournaments, who should board Aeroflot's Flight 311 bound for New York but Olga Morozova and Marina Kroshina, escorted by Evgenii Korbut in his capacity as vice president of the Tennis Federation of the U.S.S.R.

Undoubtedly the high point of the tour for Morozova and Kroshina was their victory in the women's doubles at the United States national indoor championships held in Hingham, Mass. Sovetskii Sport reported that this was the first American national tennis championship ever won by Soviet players.

In its coverage of the tournament at Hingham, the Christian Science Monitor featured an article entitled "U.S.S.R.'s tennis princess," containing a photo of Olga Morozova, the 24-year-old Muscovite, who was said to have "No. 1 standing back home." Similar claims about Olga came in connection with subsequent tournaments in Akron and New York. Through repetition the untruth came to be accepted as an undisputed fact.

It should be noted also that, according to Krasnaya Zvezda of Feb. 1, 1970, the relationship of Evgenii Korbut to Olga Morozova was actually one of a Major of Engineers in the Soviet Armed Forces to an employe of the Soviet Army, and one of leader and senior coach of the tennis team of the Central Sport Club of the Army in Moscow to a team member. Muscovite military kinship apparently ruled out any mention to Americans of the existence of an unassuming Cinderella of Soviet tennis in the person of Evgeniya Biryukova, representing the minor "Stormy Petrel" sports club in the unimportant city of Baku.

For purposes of reference in the absence of any such listings currently available, the top 10 Soviet women and men tennis players for 1972, with their club affiliations, are:

WOMEN

1. E. Biryukova, Baku Stormy Petrel Club.
2. O. Morozova, Central Sport Club of the Army.
3. M. Kroshina, Alma-Ata Locomotive Club.
4. A. Eremoeva, Leningrad Dynamo Club.
5. A. Dmitrievna, Moscow Dynamo Club.
6. M. Chuvyrina, Moscow Dynamo Club.
7. E. Granaturova, Central Sport Club of the Army.
8. T. Parmas, Tallin Dynamo Club.
9. A. Ivanova, Tbilisi Gantiadi Club.
10. L. Karpova, Alma-Ata Locomotive Club.

MEN

1. A. Metreveli, Tbilisi Dynamo Club.
2. T. Kakuliya, Tbilisi Dynamo Club.
3. V. Korotkov, Central Sport Club of the Army.
4. Sh. Tarpishchev, Central Sport Club of the Army.
5. A. Volkov, Central Sport Club of the Army.
6. T. Leius, Tallin Dynamo Club.
7. A. Ivanov, Leningrad Sport Club of the Army.
8. P. Lamp, Soviet Army (Tallin).
9. S. Likhachev, Baku Oilers Club.
10. V. Egorov, Central Sport Club of the Army

[From the New York Times, June 17, 1973]

GYMNASTICS OVER POLITICS: WHILE OLGA BASKS IN THE LIMELIGHT SOVIET PRODIGIES ARE CATCHING UP

(By John Nelson Washburn)

What a troika it might have been: burly Leonid, dour Andrei and lovable Olga.

But apparently the Communist Party chief, Leonid I. Brezhnev, and Soviet Foreign Minister Andrei Gromyko picked their high-powered delegation for summit talks with President Nixon beginning tomorrow at the White House, without regard to the subtleties of public relations in connection with the forthcoming signing of an expanded bilateral cultural and sports agreement, or with any thought of rewarding Olga Korbut.

Only last month, Olga played an important role through gymnastics exhibitions at Dortmund, West Germany, and on national West German television in supporting her leader as he shared with Chancellor Willy Brandt the world spotlight in Bonn.

As the Soviet leaders go their way, 18-year-old Olga basks in the limelight of a foreign tour that has proved more successful than her two-week American visit in March. Though the meeting with Prime Minister Edward Heath on May 7 probably matched the warm reception accorded her and her Soviet gymnast teammates at the White House, a great new display involving four gymnastics exhibitions at Earls Court in London before sellout crowds engendered unparalleled accolades.

NEWSPAPERS WRITE RAVES

Epitomizing Olga's drawing power and magic, The Times of London wrote: "Olga Korbut, elfin Russian gymnast, enchants with her skill."

Moscow's Pravda also played up the fabulous impact of Olga and her gymnastic troupe: "They captivated their audiences."

But Pravda seemed to be misleading its readers at home and abroad with the statement that Olga alone could execute some of the fancy work she had demonstrated in London—the fantastic back somersault on the balance beam, for example. The evidence shows there are others where Olga came from. Doing what Olga does.

According to Sovetsky Sport's account of a U.S.S.R.-Japan dual gymnastics meet in Leningrad on April 11 and 12, the winner of the women's all-round title was a 15-year-old girl named Nellie Kim, from Chimkent on the southern border of Kazakh in Russia.

In the words of this journal, Miss Kim, evidently of Korean extraction had "put Chimkent on the gymnastics map" by her victory. In its appraisal of her repertory, Sovetsky Sport called attention to Miss Kim's version of the Korbut back somersault, coming not at the end, but in the middle of her fancy routine. Nellie Kim was praised as a girl gymnast "without nerves."

VARIANT OF OLGA'S LOOP

In addition, Soviet sports writers witnessed Lyubov Bogdanova of Moscow—in the absence of Olga Korbut—produce "a modernized variant" of the Korbut loop of the uneven parallel bars, a feat that Lyubov first demonstrated last November in a U.S.S.R.-Rumania meet.

Expressing shock that in only three years the trademarks of Olga's coach, Renald Knysh, had been compromised the Soviet writers nevertheless concluded that the achievements of young gymnasts like Nellie Kim and Lyubov Bogdanova were positive, not negative, phenomena. They had come, it was figured, because other coaches were not resting on their laurels, but were stimulating further innovative searching in the field of gymnastics.

It must be remembered, however, that although Olga Korbut burst upon the Western World at the 1972 Olympic Games in Munich, she had made a smashing gymnastics debut in several competitions in the U.S.S.R. as early as 1969.

BRILLIANT BACK SOMERSAULT

The major one was the XIV Spartakiade of the Soviet armed forces. There, as a 14-year-old with special permission to perform but not compete, tiny Olga performed a brilliant back somersault on the balance beam, making the sports page of Krasnaya Zvezda.

But, amazingly, Olga is not unique. As the youngest entry in that U.S.S.R.-Japan meet on Nov. 1, 1969, in which she won the women's all-round title, almost 3½ years later in the same place (Leningrad) and against the same country, Nellie Kim accomplished the same feat.

Although it is best to leave unidentified the many 12-year-old girls who are training assiduously in the Soviet to catch and overtake Olga and Nellie, an exception must be made in the case of the most promising young star of the 1973 Byelorussian junior gymnastics championships. The name she bears is understandably dear to all Russians: Tatyana Larina, the heroine of Pushkin's classic novel in verse, "Eugene Onegin."

[From the New York Times, July 29, 1973]

Moscow Planning Festive Treat for World University Games

(By John Nelson Washburn)

The 1973 World University Games are getting a tremendous * * * press as the Aug. 15 opening day ceremonies approach. Moscow sports writers are referring to the Games as "little Olympics." They cite the 4,400 top-flight competitors representing 70 countries who plan to participate in basketball, fencing, gymnastics, swimming and diving, tennis, track and field, volleyball, water polo and wrestling (classical and free-style). Invitations have gone out to 12 International Olympic Committee members, including I.O.C. President Lord Killanin.

Only students from 17 to 28 years of age, who were studying in institutions of higher learning in 1973 or had completed a course of study there in 1972, are eligible.

Extensive preparations to transform the Games into a grandiose festival devoted to peace and friendship have been under way for weeks. The accent is on traditional Russian hospitality, with little regard to cost. The newspaper Sovetskii Sport continues to underscore the need to do everything "at the very highest level."

The Muscovite hosts hope to win so many friends among competitors, guests and the more than 400 foreign journalists accredited to cover the Games, that Moscow cannot help but be chosen by the I.O.C. in 1974 as the site of the 1980 Olympic Games.

The 1973 World University Games in Moscow are the seventh held under the auspices of the International University Sports Federation (F.I.S.U.). Although the Russians competed in only five of the first six, they have won 89 gold medals, more than any other country.

The United States made its first appearance in 1965 in Budapest, where the fourth Games were held. The United States Collegiate Sports Council is in charge of American participation in Moscow Aug. 15 through 25.

The Americans may well be outclassed this year. In women's gymnastics, for example, the Soviet Union will be big favorites. In point competition, Aug. 16 through 19, in Moscow's Palace of Sport, the Soviets will be represented by Olympians. Listed on the Soviet women's gymnastic team are Lyubov Burda and Elvira Saadi and either Olga Korbut or Lyudmila Turishcheva, if not both. Miss Turishcheva, who made a series of spectacular performances while touring Brazil in May, 1973, was named as a Soviet competitor in the World University Games on July 19, after Miss Korbut's scheduled appearance in Moscow was jeopardized by the International Gymnastics Federation. The Federation's proposed rule banning Olga's gymnastic feats as too dangerous obviously has Soviet Government sports officials worried. But the strong reaction backing Olga and her coach, Renald Knysh, published July 15 in Sovetskii Sport, may mean that Olga's show will go as scheduled.

Olga under Knysh's tutelage, has been practicing a special routine including what Olga calls "several completely new elements unknown to anybody." It is reported that if Olga does compete in the Games in Moscow, she will not wear Soviet Army colors, but those of Grodno Pedagogical Institute, where she is enrolled as a freshman.

While gymnastics should steal the show in athletic competition on the distaff side at the University Games, basketball should attract the most attention in the men's events. Confronting the United States quintet, scheduled Aug. 16 through 24, will be the best Soviet players available. They will be tuning up for the 1973 European championships taking place soon thereafter. Besides strong Cuban and Yugoslav teams, there are entries representing Italy, Czechoslovakia and Bulgaria.

The basketball games will be refereed by arbiters from 33 countries. Approximately 1200 of the 1400 assigned to officiating duty at the World University Games will be Soviet citizens handpicked for the jobs involved.

ENERGY: CONTINUE CONSERVATION

Mr. HARRY F. BYRD, Jr. Mr. President, the lifting of the embargo against the United States by the major oil-producing nations should not be interpreted as a signal for a return to the wasteful energy consumption patterns of the past.

I think it is essential that America's citizens, industry and Government continue the kind of effort which during the past several months so dramatically reduced our use of scarce fuels. If we are to avoid a return to the gasoline lines of last winter and assure ourselves of adequate fuel to keep the economy healthy, then we must go on conserving.

In carrying out our conservation plans, and in framing long-range policy to assure sufficient energy for the future, it is essential that policy makers have available the key facts. This applies with particular force to data about petroleum supplies.

It is astonishing that the Government has lacked independently verifiable statistics to provide a foundation for energy policy.

This is not to say that a whole new battery of taxes, or extensive Government regulations, will necessarily provide an equitable solution for the energy dilemma. It is my hope that market forces will provide most of the solution, but Government action must be considered where serious inequities or dangerous shortages would otherwise result.

One area in which I think Government action probably will be appropriate is the reduction or elimination of certain credits against U.S. taxes for sums paid by the oil companies to foreign governments. In view of the dramatic increase in charges imposed by the oil-producing nations, I am concerned about the extent to which such charges should be allowed as credits against U.S. tax on other income.

I think it is important, too, for the Government to look carefully at the petroleum export situation. I recognize that trade patterns are complicated, but we cannot allow U.S. exports to result in any substantial net loss of scarce domestic energy resources.

In every area, the Government must establish the facts. Unless this is done, the national energy program will not have—or deserve—the confidence of the people.

Today, the people are asking a lot of questions—and rightly so. They want to know how the energy problem was allowed to become so critical, and what is going to be done about it.

How did the energy crisis come about?

I think the basic explanation is quite simple.

Today the United States has a trillion-dollar economy. That means that the gross national product—the sum of all our goods and services—is valued at more than a thousand billion dollars a year.

We first reached a trillion-dollar economy in 1971.

Just 10 years earlier—in 1961—the gross national product was a half-trillion dollars.

Think what that means: it took 185 years of American history to reach the half-trillion-dollar level, but it took only 10 years to get the other half-trillion.

What has happened to our energy resources during these years of phenomenal growth? Naturally, they have been seriously depleted.

Let us be frank about this rapid depletion of national energy resources: neither Washington nor the private sector has been very farsighted about this situation. There has been a lot of wishful thinking about the extent and availability of resources, and not much planning or action.

It is not that we were without prophetic voices of warning. Back in 1959—15 years ago—Senator Jennings Randolph, of West Virginia, introduced a resolution to establish a joint committee on a national fuels policy. And there have been numerous, more recent warnings of problems lying ahead in the energy field.

But action was long in coming. I gave early support to construction of the Alaska pipeline, and I find it astonishing that as late as last July this legislation—so important to development of domestic resources—passed the Senate by just one vote.

Nothing will be accomplished, however, by looking backward. We must take constructive action.

In the short run, the emphasis must be on conservation and allocation of resources.

Everyone regrets the necessity for the conservation and allocation programs. Long experience with Government programs of this kind indicates that despite the best efforts of all concerned, the regulations may not be fair to everyone.

One of the most important provisions that must be included in any energy program is protection against undue economic damage or dislocation. It is absolutely essential that we keep American workers on the job and American goods on the market.

Moreover, those administering energy programs must guard against any tendency to impose unfair burdens upon any single sector of the economy.

Travel is a good example. There is bound to be some reduction in travel, but it is important to remember that a man or woman out of work in the travel industry is just as much unemployed as a factory worker who is laid off.

Another important example is agriculture and industries related to agriculture. Fuel supplies adequate to sustain this vital sector of the economy are absolutely essential.

In framing our energy strategy, we must take a hard look at environmental constraints. I favor easing of automobile emission standards, for the time being, to give an opportunity for development of better technology as well as to conserve fuel in the short run.

I also support temporary easing of stringent sulfur emission standards in the burning of coal and a close examination of other standards that may hamper the struggle to conserve energy resources.

None of this represents an abandonment of the goal of cleaner water and air. It is simply a recognition that technology has not yet caught up with the demand for pollution control equipment and measures that will improve the environment without imposing unacceptable penalties in energy consumption.

Another point which I feel must be kept in mind in dealing with the energy crisis is the need for Government to set an example. Wasteful consumption of energy by the Government, in these difficult times, cannot be tolerated.

I might note that I joined in sponsoring legislation to require a reduction in fuel consumption by the Department of Defense, the biggest user in the Government, and that I voted in favor of a provision to ban shipments of critically short petroleum supplies to Southeast Asia.

Of all the actions we have taken and will be taking in the near future, I think the most important are the ones aimed at achieving the greatest possible degree of independence of unreliable foreign countries.

I list among such actions the approval of the Alaska pipeline.

Another important step toward energy independence was the Senate's approval of legislation to foster research and development in the energy field.

In many respects, coal may prove to be the key to the future. It is our most abundant fuel, and I think it is vital that we move ahead with efforts to mine it and burn it in ways that are safer and cleaner than those now available. I hope there will be major efforts in the field of coal liquefaction and coal gasification.

In the long run, I think one of the most attractive possibilities is solar energy. I understand that it is not yet practical for large-scale usage, but I believe that a maximum effort should be made to develop ways to harness and store the power of the Sun. Alone among energy sources, it is limitless and without adverse environmental effects.

Nuclear energy is being thoroughly explored. It may well be that nuclear power will "bridge the gap," so to speak, between our reliance on fossil fuels and the energy sources of the future—such as solar and geothermal energy.

I think we must insist, however, that major efforts be devoted to making nuclear energy safe—and that includes dealing realistically with the problem of radioactive wastes. The larger the scale on which we are obliged to use nuclear energy, the greater the problems that will be associated with its use.

A whole host of other possible resources—from oil in shale and tar sands all the way to harnessing the power of the tides—must be given consideration and study.

We will find the answers to our energy problems only if we explore every avenue.

NATIONAL HOUSING CONFERENCE LEGISLATIVE PROGRAM

Mr. HUMPHREY. Mr. President, the National Housing Conference is the oldest national public interest organization devoted to achieving better housing and living environments for all of our citizens. Over the years, the conference has been a major force in effectively representing the public interest, and one of the most significant contributions of the conference is its legislative report.

I need not remind my colleagues that our current housing and community development programs are in shambles due to the termination and suspension of most major programs.

I have reviewed the conference's legislative report which sets forth a comprehensive and sensible legislative program. Much of what the conference calls for in this report was adopted in the bill passed by the Senate (S. 3066) under the able leadership of our distinguished colleague, John Sparkman, chairman of the Committee on Banking, Housing and Urban Affairs.

Mr. President, I ask unanimous consent that the report, "National Housing Conference Resolutions Adopted by the NHC Membership at its annual meeting in Washington, D. C., March 3, 1974," be printed in the Record.

There being no objection, the report was ordered to be printed in the Record, as follows:

National Housing Conference Resolutions Adopted by the NHC Membership at its Annual Meeting in Washington, D.C., March 3, 1974

(By James H. Scheuer, President)

1. INTRODUCTION

When the Housing and Community Development programs were suspended in January 1973, the Administration promised better programs that would enable us to get on with the job. In the meantime, it has conducted a massive "evaluation" of 40 years of housing programs.

But this is all we have after more than a year—a self-serving justification of the freeze, long after the fact; no more than a renewed promise of better programs; a slight thawing of the freeze with a continuation of the moratorium and most of the impoundments of funds for housing and community development; and a clear signal that what the Administration had in mind all along was to get the Federal government out of any effective programs for housing assistance.

The only subsidized housing program in the President's budget for FY 1975 is a new leasing program to serve those of low incomes. This consists of 225,000 units of new construction and 75,000 units of existing housing. This is in addition to the 130,000 units earmarked in FY 1974 for this program, with 80,000 of the units intended for new construction and 50,000 for existing housing. However, this program will not be workable or effective in the form in which it has been offered. As proposed, it represents only another promise of housing which will not be fulfilled unless it is modified to make it attractive and acceptable to developers and owners.

Meanwhile the disastrous effects of the moratorium continue, the housing problems increase, the backlog of need continues to grow, and our capability to provide decent housing is rapidly diminishing.

We have seen only the beginning of the effects of the slow-down. We predicted a recession by the middle of this year if our existing programs were not reinstated. They were not reinstated and impoundments continue in housing and community development. The energy shortage is having a further depressing effect on the economy and employment. With the oncoming recession and increase in unemployment and inflation, the Government should take affirmative action to increase production in federally assisted and other housing programs to meet urgent needs.

With the passage of time, we will find that as housing continues to deteriorate and is taken off the market, as our population grows, as costs of housing production continue to increase along with other costs, more and more people in the nation will require some assistance to be able to live in decent housing.

In February the Commerce Department reported that housing was started at a seasonally adjusted annual rate of 1,486,000 units in January. This is nearly 1,000,000 units below the 2,472,000 rate of the same month in 1973. The rate of HUD-assisted housing starts in FY 1974 is optimistically estimated in the HUD budget at 187,400 units. This is 151,000 units less than the assisted housing units started in FY 1972—the last full year before the impoundments and suspensions of assisted programs.

As to FY 1975, the Budget projects HUD-assisted housing starts of 285,000 units, but this is based upon the assumption that the new leasing program will work. In the form in which that program is proposed, it is not workable. So we believe the number of assisted starts in FY 1975 will be only about 100,000 units—which would be 238,000 units less than the assisted housing units started in FY 1972. This is what will happen unless necessary modifications are made in the leasing program and unless our recommended additional authorizations and releases of impounded funds are made for low and moderate income housing.

We are losing housing and we are losing jobs. We do not believe that this nation can afford to face the full impact of program suspension until 1975 when the Administration's promise for "better" programs may be met. And we are not just discussing those people at the poverty level who need housing. We are talking about our growing number of moderate income families—about half of our nation's families—who cannot be served by the private market alone. We are talking about the contractors and builders, workers and suppliers who are facing economic disaster due to the cut-back. As their number increases, it will be more and more difficult for them to absorb the rhetoric that if you can't serve all, serve none!

While the President's budget for FY 1975 is the largest in history and while there is a requested increase in appropriations for HUD programs of $1.6 billion over the appropriations for FY 1974, the actual effect of housing and community development programs will be grossly inadequate to meet the needs.

In the case of housing, the only HUD-proposed program which would serve those of low income would be the new Section 23 leasing program. However, as proposed, we have a promise of this housing which we believe will not be fulfilled.

There is no housing funding proposed in FY 1975 for those of moderate incomes. Moreover, the impoundments are continued of $293 million of contract authority for the programs under Section 235, 236 and rent supplements. Thus in FY 1975, there are no additional authorizations proposed for these programs nor any further releases of these impounded funds. The budget continues to reflect the Administration's decision announced a year ago to terminate all federally assisted housing efforts, except a revised leased housing program financed through public housing which is unworkable in the form proposed. In consequence, there is no workable program proposed to meet the housing needs of low and moderate income families.

In the 1968 Housing Act, Congress recognized the urgency of meeting this need when it declared that the highest priority and emphasis should be given to meeting the housing needs of those families for which the national goal has not become a reality. The price our nation pays in depriving our people of decent housing and jobs is too high in relation to the proposed elimination of any workable programs of housing assistance.

For the fourth successive year, the proposed budget sets forth the Administration's support for legislation which would consolidate HUD's major community development categorical grants into a single community development block grant which the President calls "The Better Communities Act". For the third successive year, the budget proposes an initial funding level of $2.3 billion for this community development block grant which is projected to begin July 1, 1974.

Not only has there been no increase in the amount requested by the President for such block grants to reflect the impact of inflation and greater needs, but the budget confirms the Administration's decision to continue the impoundment of over $900 million funds previously appropriated for urban renewal, model cities, water and sewer, rehabilitation loans, open space and public facility loans. This includes an impoundment in FY 1975 of $277.5 million of the $600 million appropriated for urban renewal and no expenditures for urban renewal in that fiscal year and expenditures in FY 1974 at a funding level about 80% below the amounts available in FY 1973 and FY 1972. As to new impoundments in the budget for FY 1975, the Administration has substituted the term "reserves" for impoundments, such as the $3 billion "reserves" of funds for construction grants for water pollution control.

The Administration is continuing its pattern of stopping the flow of categorical grants before compensatory block grants are even approved or ready for distribution. This is a disastrous manner of handling the transition to the new block grant system by continuing to impound necessary funds and by failing to provide necessary additional appropriations for categorical community development programs. The viability of cities is jeopardized by such actions. This is too great a price to pay. The impoundments should be released and additional funding should be provided for categorical assistance for community development.

For most of the categorical grant programs for community development, there have been no funds available during FY 1974, except for very limited funding for urban renewal and model cities. For the programs that would be consolidated under the community development program, we recommend categorical funding for FY 1974 which would equal a total of $3.7 billion. This is in addition to the block grants for the consolidated community development program which would commence in FY 1975. Such funding is necessary as a matter of equity and fairness to local governments. They should not be short changed through the loss of categorical funding during FY 1974.

2. BRIEF SUMMARY

The National Housing Conference urges Congress to reverse promptly (a) the Administration's actions to abolish the federal role in assisted housing—except for an unworkable leased housing program—and the Adminstration's plan to continue impoundments of $293 million of contract authority for federally assisted housing; and (b) the Administration's termination of any further funding for existing community development categorical grants and continuance of the impoundment of over $900 million of funds for these programs, even before a new block grant program is authorized and operative. We believe that the impoundment actions will ultimately be reversed by the courts, but meanwhile the nation is being deprived of urgently needed programs.

Judge Richey of the United States District Court in Washington, D.C. has ruled that the President did not have the constitutional power to make the impoundments of contract authority for federally assisted housing and this decision is now on appeal. There have been more than 30 court decisions that have ruled that other impoundment actions of the Administration are illegal. Of course, we still hope that the Administration will release the impounded funds and contract authority, particularly with the urgent need to stimulate the economy and provide employment to offset the oncoming recession.

In summary, we recommend that Congress:

1. Enact immediately the proposed Emergency Mortgage Credit Act (S. 2735) which would reactivate through FY 1975 the housing and community development programs suspended by the Administration and provide urgently needed relief for the entire housing industry from the mortgage credit crunch. A separate Resolution was unanimously adopted by the Board of Directors and Membership that "in order to insure the continuity of vital housing and community development programs, NHC strongly urges the immediate passage of the Emergency Mortgage Credit Act of 1973 by the Congress without awaiting the enactment of the omnibus housing and community development legislation."

2. Enact the pending comprehensive legislation, S. 3066, which broadens and improves the current housing legislation and provides for an orderly transition from existing programs. The Senate Banking and Currency Committee has approved the Housing and Community Development Bill of 1974, S. 3066, which embodies the substance of S. 2182 and S. 1744, with the amendments adopted by the Committee. We support the actions taken by the Committee to revise the program proposed in the Administration's budget in order to achieve a more balanced housing program. Through additional authorizations and the use of carry over authority (impoundments), S. 3066 would authorize the following housing assistance programs:

(a) $120 million of additional contract authority for FY 1976 for home ownership assistance, plus the release of $220 million of contract authority which would be released from impoundment;

(b) $180 million of additional contract authority for FY 1975 and $200 million for FY 1976 for rental and cooperative housing under Section 502 to supplement the $52 million of contract authority which would be released from impoundment;

(c) $175 million of contract authority for FY 1975 and $190 million for FY 1976 for public housing traditional;

(d) $440 million of contract authority for FY 1975 and a like amount for FY 1976 for new leasing housing program;

(e) on rural housing for farm labor housing, self-help housing, and improvements, a total of $60 million for FY 1975 and a like amount for FY 1976;

(f) for the new consolidated community development, $2.8 billion for FY 1975 and $3.3 billion for FY 1976, but the amount for FY 1975 would be reduced by the use of currently available appropriations and contract authority of $530 million.

(g) urban renewal for FY 1975, $300 million of which there is currently available an estimated $281 million in contract authority.

For the foregoing and other programs, the total new authorization in S. 3066 would be $9.048 billion over a two-year period for FY 1975 and FY 1976, with authority to use an estimated $830 million now available. This would reduce the actual total of new authorizations to $8.2 billion.

There is also an increase in the annual limit to $500 million for operating subsidies in public housing.

We hope that the authorizations in the Senate bill—*if* fully funded and used—would enable the achievement of an annual rate of assisted housing starts during FY 1975 and FY 1976 which would approximate the 338,000 assisted units started in FY 1972.

The foregoing provisions in S. 3066 provide an additional authorization for traditional public housing which will produce low-income housing that is urgently needed. It will also help meet the crisis which is faced by local housing authorities who are threatened through the lack of any ongoing programs for them. These local institutions have experienced staffs with expertise which we cannot afford to lose.

We commend particularly the provisions in the Senate bill to encourage an economic mix in assisted housing and to meet increased operating costs, and in the House bill to incorporate consumer protections. We also support the closer coordination of housing programs with community development programs and with area and local housing plans.

Meanwhile, the House Subcommittee on Housing is in the markup stage on its housing and community bill, H.R. 10036. We urge deletion from the House bill of the proposed housing assistance block grants and authorizations of various forms of housing assistance programs to be determined by the localities, which are undesirable and unworkable.

3. Enact the pending community development legislation (S. 3066 and H.R. 10036) which would consolidate and improve the present categorical grant programs. We recommend the continuance of categorical grants during FY 1974 in the amount of $3.7 billion. This includes $1.5 billion for the completion and continuance of the present urban renewal and neighborhood development programs under the existing categorical grant system. It is not possible for local governments to function effectively without these categorical funds during FY 1974 in addition to the block grants to commence in FY 1975.

4. Reject the Administration's Better Communities Bill (H.R. 7277) which would surrender to the localities the allocation of Federal funds without regard to national goals of community development. Instead, we or any overall plan dealing with all aspects support the community development provisions in S. 3066 and H.R. 10036.

5. Enact the rural housing provisions in S. 3066 to improve the present FmHA programs and establish a system of low-income housing delivery in rural areas. There is also a pending rural housing bill in the House, H.R. 10902, which contains similar programs which we support.

6. Reject the Administration's request to authorize expansion of the experimental housing allowance programs until we get the benefit of the experience with the present experimental program. We agree that any evaluation of housing allowances must await the results of the present experimental program. We urge the Administration, however, to include explorations to determine whether Federal housing allowances will stimulate necessary additional production of housing for those assisted.

7. Reject the Administration's proposed legislation for a limited housing program of new construction at special low rents—which is described in Section 10 at page 31—as inadequate and unworkable.

8. Reject Secretary Lynn's proposal to abandon the 10-year housing goal, established in 1968, for the production of 26 million dwelling units—6 million for low and moderate income families—through new construction and rehabilitation. Housing is a problem of both production and family incomes.

The National Housing Conference calls upon the Administration to modify its recently announced program in order to make them workable and effective, as follows:

1. The proposed new Section 23 leasing program should be modified to provide an inducement and incentive to potential developers or owners to participate in the program through the following amendments in the proposed program:

a. Provide tandem financing at par for the purchase of HUD-insured mortgages on such projects.

b. Eliminate the priority to applications involving Section 23 assistance for 20% or less of the units. Such assistance should be available to all of the units in a project under procedures where the owner would seek to assure, insofar as practicable, that there is a reasonable range in the low income levels of those assisted.

c. Eliminate the requirement that the owner assume the loss of vacancies.

d. Add Section 221(d)(3) and 213 financing to the types of HUD-insured financing for projects to be assisted under Section 23; also, add financing under Section 515 of the Housing Act of 1949 administrated by the Farmers Home Administration.

e. Tie the Section 23 subsidies largely to additional housing production rather than any substantial amount of existing housing.

f. Permit the owner of newly constructed units assisted under Section 23 to work out a mutually acceptable program for the local housing authority to handle management.

2. With the oncoming recession and increase in unemployment and inflation, the Administration has taken some actions to stimulate housing production but they are not adequate or effective. The reduction in the FHA interest rate from 8½% to 8¼% amounts to a saving of $6 a month by reducing total monthly housing costs on a $33,000 house from $374 to $368, which most people cannot afford. HUD should lead the market in making further reductions in the interest rate as a result of further reductions which have already occurred in the financing market. At the present time the 8¼% mortgages are selling close to par. The time has come for HUD to reduce the 8¼% interest rate to 7¾%. This would result in a further saving of $12 in the monthly housing costs in the example cited.

3. The Administration has approved a tandem plan for GNMA to purchase HUD-insured mortgages—at an interest rate of 7¾% and a price of 96—to assist in the construction of 200,000 housing units. It is necessary to reduce this rate to 7% to reach more of the people who have been priced out of the market at today's high interest rates and high housing costs, together with other increases in the cost of living. The Labor Department reports that in January of 1974 consumer prices were 9.4% higher than they were a year ago and that during that period the average worker's purchasing power had declined 4%.

The President's budget for FY 1975 reflects authority for capital improvements in public housing of $235 million in FY 1974 and again in FY 1975 under a reinstated Modernization Program. This program is long overdue to correct the obsolescence and provide necessary repairs and replacements to have public housing.

The President's budget also shows an increase in operating subsidy funds from $350 million to $400 million for FY 1975. We recommend annual appropriations of $500 million for such operating subsidies.

Additional housing production and rehabilitation can be utilized as a means of promoting energy conservation. New or rehabilitated housing can approximately include such energy saving measures as: more insulation; the use of double or triple glazed windows; storm doors and windows; weather stripping and winterizing; the use of better designed heating systems; techniques to reutilize waste heat that is generated in the home; and, when it is determined to be feasible after a HUD-assisted pilot program, the greater use of solar energy.

We support programs which will achieve a reduction in prices on fuel oil to a more reasonable level. Increased prices of heating oil—by more than 300% in the Northeast—have created a serious problem in housing projects generally. In public housing, this will require increases in operating subsidies due to the limited income available from the projects.

These and other recommendations and the reasons for them are explained in greater detail on the following pages.

3. FURTHER STUDIES ARE RECOMMENDED BY THE PRESIDENT

The sad fact is that after six and one-half months of intensive study at HUD, the Administration did not recommend any housing program to meet the needs of the millions of families who cannot afford decent housing, including those who have recently been priced out of the market. Instead, the President called for further studies aimed at reaching a final decision "late in 1974 or early in 1975" concerning a program of cash housing allowances.

4. WHETHER CASH HOUSING ALLOWANCES ARE PRACTICAL

The message contains a theoretical discussion of the advantages claimed for a program of cash assistance to help the poor get better housing. However, it says that more studies are needed to determine whether that program can be put into practical operation—starting with the elderly poor and maybe only the poor who are on welfare. The message says that we must await the outcome of the housing allowance experiments to evaluate the possibility of further efforts. The Administration requests legislation to authorize an expansion of the Experimental Housing Allowance Programs to determine the practicability of such programs.

S. 3066 would direct the Secretary to undertake, on a pilot basis, programs of cash assistance for rental or homeownership expense so as to determine the feasibility of a policy of direct cash assistance. It would direct the Secretary, in carrying out these responsibilities, to develop specified data and analyses, such as the cost of an eligible beneficiaries under a full-scale program; the impact of housing allowances on the welfare of low- and moderate-income families and on the cost of housing in varying housing markets; and necessary safeguards regarding the quality and price of housing and the preservation, maintenance and improvement of the housing stock. Within eighteen months after enactment, the Secretary would be required to report to the Congress his findings, together with any appropriate legislative recommendations.

We recommend against an extensive program of housing allowances until we get the benefit of the experience under the present experimental program to determine the practicability and effectiveness of housing allowances. Also, there should be an exploration of alternative methods of stimulating production of housing for those of low and moderate incomes. We urge that the present experimental program involve explorations to determine whether federal housing allowances will add to the inadequate supply of standard housing. The experience with housing allowances in other countries shows they have been unable, through an allowance system, to stimulate necessary additional production of housing for those who are assisted. That is why we support the other housing programs in S. 3066 and H.R. 10036—with necessary amendments as we propose below—where the subsidies are properly tied to the additional housing production and rehabilitation which is required.

We are also concerned about federal housing allowances inflating housing charges by creating competition for a limited supply of housing. Moreover, if people assisted by cash allowances are largely restricted to the existing supply of housing, they are likely to continue to live in slums and insanitary housing. The Administration has not proposed an adequate program of quality control to assure that the housing would be suitable for habitation by those who receive cash assistance. In the experiments on housing allowances, we recommend the following actions and protections in an effort to achieve the best results and determine the extent to which the program can work effectively in areas which do not have a shortage of housing.

(a) An occupancy permit should be required on all housing units, with an inspection before and after occupancy.

(c) There should be careful screening of the tenants.

(c) There should be requirements as to tenant responsibility which will help protect the property and the owner.

(d) There should be a determination that the rent is fair and reasonable.

There has been a great deal of experience with housing allowances in welfare and relocation programs. The results show that such housing allowances have not produced more and better housing. On the contrary, the housing allowance payments have subsidized and perpetuated substandard housing. As a practical matter, this cannot be corrected because there has never been enough staff in welfare departments to check and assure that housing occupied by allowance recipients meets adequate standards.

5. SECRETARY SAYS THERE IS NO HOUSING PROBLEM FOR THOSE OF LOW INCOME—ONLY AN INCOME PROBLEM

In his testimony before Congressional committees, Secretary Lynn made his views clear that housing for those of low incomes does not really involve a housing problem at all. He says it is merely an income problem. His proposed solution is to increase people's incomes by providing them with cash assistance or increasing welfare payments.

With such a view, the Secretary concludes that we should not have a goal that, within ten years following the Housing Act of 1968, we should construct or rehabilitate 26 million housing units—6 million of which would be for low and moderate income families. Instead the Administration proposes that the goal of a decent home and suitable living environment should be achieved through the maximum use of the existing housing stock and that the statutory reference to a 10-year period should be repealed. The practical effect would be to eliminate the production goals, including 6 million additional housing units over a 10-year period to serve persons of low and moderate incomes—which is a minimum goal as stated in our Resolutions last year.

We completely and vigorously disagree with this view. Merely giving people additional income will not assure their ability to get decent housing at a fair price. In most areas of the country, the housing supply is constricted so that giving more money to prospective tenants and buyers will increase market prices; it will *not* result in adding to the present inadequate supply of standard housing, as shown by the experience with cash housing allowances in other countries. To assure an additional supply of decent housing for those of low and moderate incomes who cannot afford the market charges, it is necessary to tie the housing subsidy program to the additional production that is needed. Congress has properly recognized this in the past and we urge that it continue to do so now. The shortcomings of housing allowances are even more apparent in rural areas, where there are severe shortages of standard vacant units, virtually no code enforcement capability, and a small private building industry which would be physically incapable of responding to greatly increased housing demand. Yet, in spite of this, we not only have a proposal for housing allowances, but also a proposal within the Farmer's Home Administration to provide migrant farmworkers with rent certificates rather than a housing development program.

6. SUPPORT OF HOUSING PROGRAMS IN S. 3066 AND H.R. 10036 WITH NECESSARY AMENDMENTS

Contrary to the President's assertion in his speech of March 4, 1973 that the urban crisis has passed, America's cities continue to be in a struggle for survival. The need for decent housing continues to be at the heart of our urban crisis. Since the President has not recommended a program for housing to meet this need, it is necessary that Congress take the initiative in formulating a program.

We want to compliment the Senate and House Subcommittees in taking this initiative last year and this year. They have worked tirelessly and painstakingly in developing housing legislation which would meet the needs of persons of low and moderate income and stimulate the additional production that is necessary for this purpose.

They have formulated proposed legislation in S. 3066 and H.R. 10036 which squarely faces up to the housing problems of communities throughout the nation and their need for a continuing program to meet those problems. We support those bills, but with certain necessary and vital amendments which we describe below. The Senate Banking and Currency Committee has approved both the housing and community development legislation in S. 3066 as reported which includes the substance of S. 2182 and S. 1744 with the amendments adopted by the Committee.

Meanwhile, the House Subcommittee on Housing is in the markup stage on its housing and community development bill, H.R. 10036.

We congratulate Senator Sparkman for his leadership as Chairman of the Senate Banking and Currency Committee in achieving an overwhelming vote of 80 to 1 for his bill last year, S. 3248. We also congratulate that Committee and the Senate for formulating legislation which is truly responsive to the needs of the American people. There were commendable features in that bill which have been carried over to S. 3066. We will describe them briefly:

First is the provision—which is also in H.R. 10036—that the Secretary shall seek to assure that in each assisted project there is a reasonable range in the incomes of the occupants. Such an economic mix in housing developments is a key factor in achieving sound and wholesome communities—not just housing. Unhealthy communities are often created when developments are occupied solely by a stratified low income group. By including tenants who are largely self-supporting, but need some help in obtaining decent housing, there will be more of the leadership which is needed to develop good and stable communities.

Second is the provision in Paragraph 4 of Section 502(f) authorizing the Secretary to make additional assistance payments to meet increased costs above the initial operating expense levels. However, such payments would not be made under that provision until the increased expenses are first met from the increases in tenant's rentals to 30% instead of 25% of their income. Only the balance of the increased costs would be covered by an additional assistance payment. This provision will help to avoid defaults and foreclosures in assisted projects. Many of these have been due to increases in real estate taxes, utilities and maintenance costs, which have occurred at a faster rate than the tenants' ability to pay.

We congratulate the House Subcommittee on Housing for its inclusion of consumer protections in the housing bill which was reported by it and the full Committee last year. We are pleased to see that these provisions have again been included in Section 7 of Title I, Chapter III of H.R. 10036. One of the reasons that defects have been found in some homes on which HUD insured mortgages—particularly existing houses under Section 221(d)(2) without subsidies—has been the lack of these consumer protections. With proper administration, the consumer protection provisions in H.R. 10036 should avoid past abuses and difficulties in the housing programs of HUD. We recommend that S. 3066 be amended to include these consumer protection provisions as described in the attached Resolution No. 12.

7. RECOMMENDATIONS ON HOUSING ASSISTANCE BLOCK GRANTS IN H.R. 10036

The House bill, H.R. 10036—but not S. 3066—contains proposed new programs of block grants for housing assistance. The Senate and House bills differ substantially. We will first consider the provisions which are similar in both bills. We have endeavored to take a constructive approach of favoring those features of the proposals which we believe are necessary to accomplish their purposes, but opposing those features which we believe are not necessary and would be detrimental to the achievement of national housing goals.

Similiar housing features in both bills which we support

We recommend the following features in the housing assistance grant program in these bills, with modifications as indicated:

First, there is a requirement which we support for a close tie-in of housing assistance and community development. We believe that it is necessary that there be a coordination between these two programs in order to meet the needs of both programs; also, to assure effective housing programs under which local governments provide adequate facilities, services and a healthy community environment. As described below, these objectives can be achieved (1) through the requirement that HUD be authorized to approve only those housing projects which carry out and support the applicable housing plan of a unit of local government or its designee; and (2) through those other requirements which we support in paragraphs second through fifth below. We do not believe that the achievement of these objectives requires a housing assistance block grant under which the funds would be directly allocated to metropolitan cities and states and units of general local government for housing assistance administered by them—for the reasons set forth in paragraphs sixth and seventh below.

Second, there is a requirement which we

support for a proportional distribution of housing subsidies geographically. The sums authorized would be allocated by the Secretary on a basis where 75% goes to metropolitan areas and 25% to non-metropolitan areas. We support a system to achieve such an equitable distribution of housing subsidy funds to different areas based on appropiate criteria as to needs. If HUD finds that the funds allocated to any geographical area are not being used within a reasonable time, HUD should be authorized to reallocate the unused funds to other areas that have a need and demand. There should be a separate authorization for housing research and demonstration projects.

Third, there is a requirement in the bills which we support that the unit of general local government would prepare a housing plan for its area. The local government should (1) survey its housing conditions, (2) formulate a program for a balanced use of existing housing and the construction of new housing, and (3) determine the general location and character of projects to meet local needs. The plan should be formulated in a manner which will allow flexibility concerning the specific locations of projects and the plan should include the construction of housing for those of low and moderate incomes. An objective of such local housing plans should be to avoid undue concentration of assisted persons in areas containing a high proportion of low income persons; also, to take into account the availability of public facilities and services adequate to serve proposed housing projects. With regard to housing plans, there should be a considerable amount of flexibility allowed to insure that numerous small rural towns are not excluded from immediate participation in the housing programs merely because they lack a housing plan. Many small communities do not have a plan at this time, nor is it likely that they will create one in the near future, primarily because they have neither the expertise nor the will.

Fourth, there is a requirement which we support that housing projects in each metropolitan city or in each non-metropolitan area shall be in general conformity with the housing plan of the local government. We recommend that HUD be authorized to approve projects which will carry out the applicable housing plan. The housing plan could cover the need for housing which is directly related to community development, such as (1) on-site housing in urban renewal areas; (2) off-site relocation housing; (3) rehabilitation; or (4) other situations where there is a close relationship or tie between housing and community development. In the case of an area which does not have a housing plan, HUD should be authorized to approve housing projects which are in accordance with such terms and conditions as the Secretary may prescribe. We agree the provisions requiring conformity of housing projects to such housing plans of local governments should not become effective until the start of the community developments program—July 1, 1974, in the Senate bill or a year later in the House bill. Prior to that date, the housing programs should be continued under the revised housing assistance programs in the Senate and House bills, with necessary amendments.

Fifth, there is an authorization in the House bill to broaden the scope and boundaries concerning the types of housing assistance that may be made available from federal funds. We support this objective, but not the manner in which it is implemented in H.R. 10036 for the reasons set forth in paragraphs six and seven below. Instead, we recommend that the Secretary be authorized to take such additional actions as may be necessary, commencing July 1, 1975, to provide housing assistance to carry out and support the approved housing plans of units of local government. The types of housing assistance which the Secretary can provide should be broadened in the same way as is provided in Section 123 of H.R. 10036, except that the powers would be given to the Secretary instead of being vested in units of general local government in utilizing federal housing assistance. We recommend this for the following reasons:

(1) It will accomplish the purposes of the block grant provisions in H.R. 10036, but do so in a manner where the financing and assistance would be provided directly by the Secretary. This will assure that there will be uniformity concerning the applicable requirements for the different types of housing assistance.

(2) It will assure that these programs would be administered by federal officials with the necessary experience and expertise. This will also better assure the achievement of national housing goals. However, the Secretary would approve only those projects which will carry out and support the approved housing plans of local governments.

(3) It will maintain the identity of the three principal housing assistance programs, but broaden their scope to carry out local housing plans. The production capacity for low and moderate income housing is represented by private developers, cooperative groups, nonprofit corporations, local housing authorities, and private turnkey developers. The continuing maintenance of this production capacity for low and moderate income housing is geared to the availability of special national funding for each program—public housing in Chapter II, assisted home ownership in Section 402, and assisted rental and cooperative housing in Section 502.

Housing features in H.R. 10036 which we oppose

We oppose the following feature in the housing assistance program in H.R. 10036—but not in S. 3066 as reported—which we feel would be undesirable and detrimental in achieving the national housing goals:

Sixth, there is an authorization for a program of housing assistance block grants under which funds would be allocated directly to each metropolitan city and to States and units of general local government for use outside of metropolitan areas. We do not support these provisions for direct allocation of housing grants to metropolitan cities and to States and units of general local government for use in non-metropolitan areas. The housing block grants differ from community development block grants which relate solely to public programs of cities and other public agencies. In contrast, most of the housing programs involve private sponsors who are builders, developers or non-profit agencies. We believe that all sponsors—private and public—should file their applications for housing assistance with HUD which is providing the housing assistance to achieve national housing goals. However, as stated above, we believe that these funds should be limited for use in accordance with the housing plan of the local government when formulated. We do not believe that local public officials should be responsible for allocating the federal housing assistance for several reasons, namely:

(1) We have serious doubts concerning the experience, expertise, and capability of local officials in hundreds of local governments to process applications for housing grants from private and public sponsors. General local government in this country has had almost no experience in the design or administration of housing subsidy programs. Even the public housing program has operated without the active participation of general local government. To thrust almost all the responsibility for administering national housing assistance on to our local government would be a hazardous and unnecessary risk.

(2) To achieve greater economy and efficiency, the federal housing objective has been to encourage developers and sponsors to operate on a national basis. This requires developing greater uniformity concerning the applicable requirements for housing assistance and financing. The proposed local allocations of housing assistance would turn back the clock by adding a myriad of different requirements in hundreds of localities for processing allocations, rather than the uniform procedures that would be applied by HUD as a federal agency.

(3) There will be additional red tape which will impede the housing program and add to its costs. The bill would retain HUD controls on income limits, mortgage amounts, maximum housing assistance and many other matters to be administered by HUD. To these must be added the requirements and regulations to be administered by local governments as a condition for their distribution of the federal housing assistance. These duplicating and overlapping requirements and the lack of uniformity in local governments' requirements will discourage participation by developers, sponsors and lenders.

(4) There will be additional complications, burdens and difficulties if local officials become responsible for allocating federal housing assistance. This program will adversely affect and jeopardize the achievement of national housing goals.

(5) Rural areas particularly will suffer under block grants as proposed in H.R. 10036. Most small towns would not receive block grants, and at the same time the bill would terminate development under the public housing program. Small towns would not be able to meet their needs with the inadequate programs and funds available to them.

Seventh, there is an authorization of various new forms of grants, loans and housing assistance to be separately determined by each city, State or other unit of general local government. This would produce hundreds of varying methods of assistance which would utilize the housing assistance allocated by the federal government. This would certainly discourage developers and sponsors from operating on a national basis and deprive communities of the benefits of economies and efficiencies available from such developers and sponsors. There is a need for greater—not less—uniformity concerning the applicable requirements for housing assistance and financing in order to achieve our national housing goals. There is a need to continue the tested existing programs—as modified and improved in Chapters II and III of H.R. 10036. These programs work. They have been carefully formulated and designed to attract private developers and equity investments with a very limited return except for certain tax incentives. We oppose substituting untried and untested new programs to be formulated and administered by local officials who lack the experience and expertise that is required.

Moreover, the new proposed grant and financing programs will be workable. For example, the grants are to be made available for a period of three years, with no commitment concerning the continuance of these grants in later years. Such continuing grants are necessary to assure the lower charges required to serve those of lower incomes for whom the projects will be built. Sponsors and owners will not generally be prepared to make the investments and commitments to undertake assisted projects designed to serve lower income persons over a 40-year period—if the federal commitment for necessary housing assistance covers only the first three years.

It has been argued that there will be an assurance of the continuance of the grants for a period beyond three years because the federal government will guarantee the bonds issued by local governments to raise the funds for financing the development of the assisted projects. If appropriations are not made for necessary housing assistance after the first three years, the federal government will be compelled to pay a like amount of money in order to avoid defaults on the local bonds it has guaranteed. We believe that this method of providing funds for continuing housing assistance raises the following serious questions:

(1) The housing to serve low and moderate income families can be economically self-sustaining only if housing assistance payments are made during the period until the bond financing is retired. If for any reason the housing assistance payments were cut off at the end of three years, the project could not remain economically self-sustaining and the bonds would go into default. We question any plan which does not contemplate sufficient project income—including commitments for housing assistance—to provide for the orderly retirement of the bonds. It is unsound to finance a project unless it is self-liquidating, which requires a legal obligation for housing assistance to be discharged from continuing appropriations.

(2) If there is no appropriation for housing assistance at any time after the first three years, the federal government will be compelled to pay a like amount in order to avoid defaults on the local bonds it has guaranteed. A charge can be made that it is a subterfuge to rely on this federal guarantee of the local bonds in order to provide an equivalent amount of housing assistance for the project. Normally, guarantees of bonds are intended to meet unforeseen contingencies and protect against unusual risks in order to develop a better market for the bonds. Normally the sources for the repayment of the guaranteed bonds are assured in advance as part of the financing program. However, under this plan there will be no such assurance of the continued housing assistance required after the first three years in order to continue to serve persons of low and moderate incomes. An attack can be made that the federal guarantee of the bonds is being misused and distorted to serve a purpose not generally contemplated by federal guarantees of bonds.

(3) The proposed plan does not eliminate the need for continuing housing assistance after three years in order to serve those of low and moderate incomes. It merely seeks to avoid a direct commitment for this purpose beyond three years. If the Congress later refuses to authorize housing assistance after three years, both the Legislative and Executive branches may properly feel aggrieved if they find that they must make equivalent payments anyway because of the bond guarantees.

(4) When it is known in advance that housing assistance will be required for 40 years—even though the amounts may decline in later years as people's incomes increase—the sound and proper way is to obtain a commitment by law to provide the necessary assistance. Without such a commitment, sponsors and owners will not generally be prepared to make the investments and commitments to undertake assisted projects designed to serve lower income persons over a 40-year period.

(5) If annual appropriations are cut back after three years, or if they fail to compensate for inflation, we must assume that the poor will be hardest hit as rents are raised and the poor are excluded from occupancy to insure project viability.

We believe the housing programs should be financed and assisted under the tried and tested methods which are consolidated and improved in the Senate and House bills as part of the revised National Housing Act on FHA and the United States Housing Act on Public Housing. It is not necessary to substitute new and untried methods of housing assistance and financing to be administered by local governments in order to achieve the stated objectives of the housing assistance program under Chapter I of H.R. 10036. We recommend that these provisions be deleted as they would be seriously detrimental to the housing program and the achievement of national goals.

Amendment to include public sponsors

The present prohibition against public agencies participating in programs with subsidies and financing under Section 502—or the rural program under Section 515 of the Housing Act of 1949—should be repealed. Public sponsors should be eligible to file applications with HUD—in addition to the private sponsors who have been eligible—for subsidies and financing of projects under Section 502. This will provide HUD with a wider choice among projects and encourage HUD's selection of the better projects. This procedure is certainly preferable to the one in the Senate and House bills which involves a direct allocation of a large share of housing subsidy to public agencies who have previously been excluded entirely from these programs.

8. RECOMMENDED LEGISLATIVE AUTHORIZATIONS FOR HOUSING ASSISTANCE TO BE COORDINATED WITH COMMUNITY DEVELOPMENT

We support the authorization in Chapter I of H.R. 10036 in an amount which would aggregate $2.25 billion for the first 3-year period commencing July 1, 1975. These advance authorizations provide necessary lead time for initiating and planning programs. In the foregoing portion of these Resolutions, we recommended against the bill's authorization of various new forms of grants and housing assistance to be separately determined by each city, State or other unit of general local government. Instead, we recommend that the objectives of Chapter I could be fully accomplished through the use of the tried and tested methods of grants and housing assistance which are being continued in modified and improved form under Chapters II and III of H.R. 10036.

As a corollary to these recommendations, we urge that the authorizations of $2.25 billion for the 3-year period be modified so that they will relate to each of the three major housing assisted programs, namely:

For assistance under Section 402: an additional authorization of $200 million on July 1, 1975 and a like amount on July 1, 1976 and July 1, 1977;

For assistance under Section 502: an additional authorization of $300 million on July 1, 1975 and a like amount on July 1, 1976 and July 1, 1977; and

For annual contributions under public housing: an additional authorization of $250 million on July 1, 1975 and a like amount on July 1, 1976 and July 1, 1977.

The same aggregate amount of $2.25 billion for a 3-year period which is provided in Chapter I would be involved in these proposed authorizations aggregating: $600 million under Section 402; $900 million under Section 502; and $750 million under public housing.

9. RECOMMENDATIONS OF LEGISLATIVE AUTHORIZATIONS AND AMENDMENTS IN S. 3066 AND H.R. 10036; ALSO OTHER PROVISIONS IN BILLS

It is necessary to have legislative housing authorizations to cover the transitional period before the new authorizations would be made for housing assistance which would be coordinated with community development assistance. We are now in a stage where there is a serious gap and an absence of unimpounded legislative authorizations for continuing housing programs that are urgently needed.

At the beginning of last year (January, 1973), the President suspended all assisted housing programs and impounded $860 million of funds and contract authority in HUD programs. The Federal District Court in Washington, D.C., has ruled the President does not have the constitutional power to make these impoundments, but this decision is still on appeal.

Recently, the President has authorized the processing of applications for 200,000 units. Half of these would be under the Section 23 leasing program and the other half would be under Section 236 to meet the "bona fide commitments"—which refers to moral obligations or assurances—where applications had moved most of the way through the approval process by the date the program was suspended. However, this would release less than one-third of the funds and contract authority that were impounded which had been available under Section 235, 236 and rent supplements. The amounts released are wholly inadequate to meet the needs for housing of persons of low and moderate incomes. Moreover, no new applications are to be accepted under Section 236, but only those applicants will be considered who had "bona fide commitments" and suffered grave hardships by reason of the unwarranted suspension of the 236 program. It should be noted that some of these cases may not go forward as some HUD offices are seeking to limit developers to earlier cost levels which are unrealistic and unworkable.

Under H.R. 10036, there is an additional authorization of $150 million for the Section 402 home ownership program and $200 million for the Section 502 rental and cooperative program. With respect to public housing, there is an additional authorization in the House bill for annual contribution contracts of $140 million per annum.

As reported by the Senate Banking and Currency Committee, S. 3066, the Housing and Community Development bill of 1974 provides new authorizations for twenty-four programs, including HUD housing programs, Rural Housing Programs, the new consolidated Community Development Program, and Comprehensive Planning Programs. A total of $9 billion would be authorized for these programs over the two year period, Fiscal Year 1975 and Fiscal Year 1976. Authority to use the estimated $830 million now available in unobligated appropriations and contract authority could, reduce the actual total of the new authorizations to an $8.2 billion.

The table following summarizes by program and by section of the bill the new authorizations contained in the act.

HOUSING AND COMMUNITY DEVELOPMENT ASSISTANCE ACT OF 1974, NEW AUTHORIZATIONS

[In millions of dollars]

	Fiscal year—	
	1975	1976
HUD housing:		
Home ownership (sec. 402)	0	120.0
Rental housing (sec. 502)	180.0	200.0
Public housing, traditional (sec. 5c)	175.0	190.0
Operating subsidies for public housing (sec. 9b)	150.0	60.0
Security program (earmarked) (sec. 806)	(10.0)	(10.0)
Public housing modernization (sec. 5c)	30.0	30.0
New leasing program (sec. 8g)	440.0	440.0
Elderly housing loan program (sec. 804):		
Borrowing authority	(100.0)	0
Interest subsidy	3.0	3.0
Elderly housing facilities (sec. 504)	10.0	10.0
State housing guarantees (sec. 601)	50.0	60.0
Housing allowance demonstration (sec. 802)	43.0	0
Housing location demonstration (sec. 807)	20.0	0
Urban homesteading (sec. 814)	5.0	5.0
Solor energy demonstration (sec. 808)	2.5	0
National Institute of Building Sciences (sec. 811)	5.0	5.0
Rural housing:		
Farm labor housing (sec. 516)	25.0	25.0
Self-help housing (sec. 523)	10.0	10.0
Improvements (sec. 504)	25.0	25.0
Technical assistance (sec. 525):		
Grants	5.0	5.0
Loans	5.0	5.0
Research (sec. 506)	5.0	0
Community development:		
Community development (sec. 306)	[1] 2,800.0	3,300.0
Urban renewal (sec. 318)	[2] 300.0	0
Comprehensive planning:		
Planning assistance program (sec. 401)	100.0	150.0
Urban fellowships (sec. 403)	3.5	3.5
Total new authorization	4,402.0	4,646.5
2-yr total	9,048.5	
Less unobligated funds made available	811.0	
Total	8,237.5	

[1] There are currently available an estimated $530,000,000 in appropriations and contract authority which the bill would specifically make available for liquidating community development obligations. If this sum continues to be available, the new authority will be reduced to $2,270,000,000.

[2] There are currently available an estimated $281,000,000 in contract authority which, if unobligated, will reduce the new authority provided to $19,000,000.

The foregoing actions by the Senate Banking and Currency Committee represent a revision in the program proposed in the Administration's budget for FY 1975 in order to achieve a more balanced housing program. Unlike the Administration's budget, the Senate bill includes: (i) housing for those of moderate income as well as those of low income who are to be served under the leasing program; (ii) a conventional program under public housing; (iii) programs in modified form for home ownership assistance under Section 502; and (iv) a revival of a program for direct loans for elderly housing. These additional programs in the Senate bill are to be funded by reducing the contract authority for the leasing program by $200 million less than the amount requested by the Administration.

Instead of an authorization of $175 million for traditional public housing in FY 1975 and $440 million for the leasing program in that fiscal year—with approximately the same proportions in FY 1976—we recommend that the allocation of these amounts be in a revised ratio. Half of the total funds should be for traditional public housing and the other half for a leasing program. This will assure the production of urgently needed low-income housing because we know that the traditional public housing program will work.

With the foregoing authorizations in the bills as reported by the Senate Banking and Currency Committee, we hope that the authorizations in the Senate bill—*if* fully funded and used—would enable the achievement of an annual rate of assisted housing starts during FY 1975 and FY 1976 which would approximate the 338,000 assisted units started in FY 1972.

The Senate bill also increases the annual limit on operating subsidies for public housing from the Administration's proposal of $400 million to $500 million.

Program levels

S. 3066 provides that the President shall make such funds as may be appropriated or otherwise made available for obligation by the Congress for the programs authorized under this Act available in a timely manner for obligation in the year for which such funds have been appropriated or made available. The Secretary shall not withhold or delay or take any action which effectively precludes or delays the processing and approval of applications, and with respect to housing programs, the Secretary shall make available for commitment funds for the programs proportionate to the dollar amounts appropriated or otherwise made available for obligation by the Congress.

We support the larger of the authorizations on each of the foregoing programs as between the provisions in the Senate and the House bills. We recommend that these authorizations become effective on the date of enactment of the bill, but not later than July 1, 1974.

Other provisions in S. 3066 on housing assistance

S. 3066 as reported by the Senate Banking and Currency Committee includes some new provisions with respect to multifamily housassistance which we describe below, including some proposed amendments.

S. 3066 would authorize the Secretary, with respect to 20 percent of the project's units, to make additional assistance payments to the owner on behalf of tenants who cannot meet the basic rental with 25 percent of their income. These payments would be calculated to reduce rent payments to 25 percent of the tenant's income, but in no case to less than the utility costs for the unit unless the Secretary determines that unusually high utility costs in any area would cause undue hardship. Notwithstanding these provisions, the Secretary could reduce the 20 percent requirement if necessary to assure the economic viability of the project or increase it to promote economic integration of the project. Where all or substantially all of the project units are occupied by elderly families, payments could be made with respect to all of the project units.

S. 3066 would permit up to 20 percent of the assisted units in any project to be occupied by families with incomes at initial rental more than 80 percent of the area median but not more than the median. No assistance payment could be made with respect to units occupied by families with incomes equalling or exceeding the median.

S. 3066 would provide that an initial operating expense level would be established for each project, which would be the sum of the cost of utilities, maintenance and local property taxes at the time of full occupancy. Subsequently, the Secretary could make additional payments not to exceed either (A) the amount by which the sum of the cost of utilities, maintenance and local property taxes exceeds the initial operating expense level, or (B) the amount required to keep basic rentals of any units from exceeding 30 percent of tenant income. Such payments could be made only where the increased costs are reasonable and comparable to those faced by other projects in the community.

S. 3066 would require a project owner to pay the Secretary any rentals charged in excess of the basic rental charges, except charges over 25 percent of a tenant's income. Excess charges would be credited to a reserve for use in making additional operating assistance payments. When the reserve fund is adequate to meet these estimated additional payments, excess charges would be credited to the appropriation available for assistance payments through the next fiscal year. This provision would apply to Section 236 projects.

Between 15 and 25 percent of contracts authorized to be made after June 30, 1973 may only be used for projects planned in whole or part for occupancy by elderly families. At least 10 percent of total assistance payments authorized by appropriation Acts to be made after June 30, 1974 must be available only for dwellings or units approved by the Secretary prior to rehabilitation.

We support the foregoing provisions of S. 3066—and urge their inclusion in H.R. 10036, to the extent they are not already in that bill—except that we recommend the following amendments:

(a) We recommend an amendment to S. 3066 to increase the income limit from 80% to 90% of the area median income. The Senate bill as reported in previous years established an income limit of 90% of median which the Committee reduced this year to 80%. In previous years, the Administration had recommended the area median income as the limit. In view of the current high interest rates and high cost of housing, there is an additional urgency to increase the limit in S. 3066 to at least 90% of the median income in order to reach more of the moderate-income families who have been priced out of the housing market.

(b) We support the larger of the authorizations on each program as between the provisions in S. 3066 and H.R. 10036.

(c) With respect to the prototype cost limitation on low-income housing in S. 3066, we recommend 120% of prototype costs instead of the 110% in the bill.

10. ADMINISTRATION'S PROPOSED LEGISLATION FOR LIMITED PROGRAM OF NEW CONSTRUCTION AT SPECIAL LOW RENTS; ALSO, PROPOSED NEW SECTION 23 LEASING PROGRAM

The President's message refers to proposed legislation for a limited program of new housing construction to be made available at special rents for low income families. This program would be available only for areas where there is a shortage of housing—which the Secretary erroneously believes to be the exceptional cases. The Government would pay the developer the difference between such rents and fair market rents.

The Administration's bill—S. 2507 and H.R. 10688—contains provisions to carry out this program which would involve a new leasing program. Under it, the following are its principal features, which we find objectionable:

First, direct federal subsidies would be provided to the project owner which action is evidently intended—we believe unwisely—to exclude the local housing authority from participating in the new program.

Second, the number of assisted units in a project would be limited to 20%. There would be no flexibility to adjust for local needs and conditions such as a project specifically designed for the elderly of low income.

Third, the developer would have to obtain conventional financing. He would be prohibited from getting insurance of mortgages. By forbidding financing under HUD-insured programs, the effect will be to avoid the requirements customarily imposed in federal assistance programs to protect the public interest and the consumer, such as standards to assure the adequacy and quality of the housing and compliance with environmental controls.

Fourth, the assisted families would be required to pay 25% of their *gross* income for rent. There will be no deduction for minors, secondary wage earners and other cost factors which reduce the amount of effective income available to pay rents. This is an inequitable and burdensome requirement which is contrary to the sound housing policies and legislation that have prevailed for many years.

Fifth, the owner would not get a subsidy representing the difference between the amount paid by the assisted family—based on 25% of its gross income—and the fair market rental. Instead, HUD would establish a rental level based on the average for all housing in the area, including housing which is older or newly constructed. This does not take into account a fair market rental which reflects the cost of producing new housing that is needed to supplement the current inadequate supply.

In view of the objectionable provisions described above, we oppose the proposed legislation for a new Section 23 leasing program which we believe will not be workable or effective. It is not likely to attract builders, owners or lenders. We oppose the limited program of new construction proposed by the Administration's bill.

Proposed new section 23 leasing program

Without waiting for action on the proposed legislation for the new leasing program, the Administration took administrative action and published proposed rules concerning a revised Section 23 program for new construction and existing housing. While the budget projects this new program to produce 118,000 units before the end of FY 1974 and 300,000 units in FY 1975, no units have yet been processed or constructed under this revised program.

The present Section 23 leasing program has worked effectively and successfully with the active participation of local housing authorities and developers. We urge that this program be continued, rather than initiating the proposed new Section 23 leasing program. There is no need for a new program when we already have a program that is fully operative. However, if the Administration is determined to proceed with a new leasing program, we recommend that the present leasing program continue to be utilized until the new program becomes workable and operative. In order to make the new program workable, we recommend the amendments described below.

It is our conclusion that this new Section 23 program will not be workable or effective in the form in which it has been offered. As proposed, the new Section 23 program offers only the promise of housing which will not be fulfilled unless it is modified to make it attractive and acceptable to developers and owners.

The fact that HUD is prepared to provide subsidies covering some units in a project which are leased by an owner for low income occupancy provides no inducement or incentive to the potential developer or owner to participate in the program. On the contrary, occupancy by such low income families or persons will tend to create additional burdens and problems for a developer or owner. For example, experience shows that there are greater problems of maintenance and security in projects with low income occupancy.

Under the new Section 23 leasing program proposed by the Administration, the procedures are so complicated and the incentives for participation so lacking that we seriously question whether the program will work. It is our hope that the Administration will respond and make necessary changes to make the program workable in order to meet urgent housing needs, stimulate our lagging economy, and relieve unemployment. Accordingly, we are making constructive recommendations that the following changes be made in the Administration's proposed Section 23 leasing program to make it workable and attractive to potential developers or owners so they will participate in the program:

(a) With financing under existing HUD-insured programs, the developer will be required to absorb some discount on a multifamily mortgage in today's market. This discount would increase if the interest rate is further reduced at this time below 8¼% which now appears appropriate. We recommend an amendment that tandem financing be provided through GNMA for the purchase of HUD-insured mortgages on projects assisted under the Section 23 leasing program. The purchase should be at par, just as par purchases are now made by FNMA/GNMA of HUD-insured mortgages under Section 236, pursuant to tandem program 17. This will provide an incentive for developers to participate in the Section 23 leasing program if it is further modified as recommended below.

(b) There should be no priority to applications involving Section 23 assistance with not more than 20% of the units in a project. HUD has stated that this priority will not apply to housing for the elderly or small projects of an undefined size. It is also necessary that this priority be eliminated for all other housing which will receive Section 23 assistance. There must be a HUD underwriting to provide Section 23 housing assistance on all of the units in a project to be constructed in order to assure full occupancy and financing that will be acceptable to investors.

It should be recognized that this proposed Section 23 program presents a different problem than the piggy-back rent supplement program for low income occupancy of 20% of the units in a Section 236 project because in that project the other 80% are moderate income families who are also receiving subsidies, although they are in a lesser amount. The other 80% have an incentive to live in the Section 236 project because they get benefit of below-market rents. This is not true in the proposed Section 23 program for 20% occupancy by assisted families because the other 80% would have to pay the full market rent. They have no incentive to live in such a project, since they have a choice to get housing elsewhere at market rents without co-occupancy by low income families. It is necessary to assure that the leasing program can be utilized for some of the units in programs under Section 236—or its improved successor, Section 502—since economic integration can be more readily achieved in such projects. This objective can likewise be achieved by permitting financing under the Section 515 or equivalent rural financing programs.

As a matter of policy our organization has long favored the achievement of economic integration in subsidized housing projects to the extent it is practicable. We, therefore, recommend that the Section 23 procedures provide that the owner should seek to assure, insofar as practicable, that there is a reasonable range in the low income levels of those assisted under Section 23 through the selections made from among those certified as eligible by the local housing authority, and that the owner seek to obtain occupancy by people who will receive no assistance under Section 23, although we recognize that there is little likelihood of obtaining much of such occupancy. (There is a greater likelihood of obtaining such occupancy in a Section 236 project because there is less spread in incomes between those of moderate incomes who are assisted and the others who are not assisted.) However, to protect the owner and the lender, the Section 23 subsidies should be committed to cover *all* of the units in the project in the event this proves necessary if it is not practicable (either initially or later) to obtain occupancy by people who will receive no assistance under Section 23.

(c) There is a further requirement in the proposed new Section 23 program which is unworkable; namely, that the owner must assume the loss of vacancies. The proposed rules provide that the housing assistance payments are to be paid to the owners only for those units under lease by eligible families. The owner must depend upon the local housing authority to issue certifications of those eligible for occupancy. From among them, he must make a selection of those who are acceptable to him. This may be a time consuming process which involves factors beyond the control of the owner. Units may be ready for occupancy, but the local housing authority may not have certified sufficient acceptable families or persons to move into the units.

We recommend that vacancies be covered by Section 23 subsidies and that the owner not be required to assume the financial losses on unoccupied units which are ready for occupancy.

(d) The proposed Section 23 procedures refer to HUD-insured financing under Sections 207, 221(d)(4) or 231. To enable projects to be undertaken by cooperatives or other nonprofit organizations, it is necessary to add Sections 221(d)(3). We are advised that HUD is accepting this recommendation. These organizations have been active participants in the subsidized programs and their resources should be utilized to help effectuate the Section 23 leasing program. There are other technical amendments required to make it clear that the proposed regulations include a consumer-oriented cooperative as an owner; that the term "tenant" includes a member of a cooperative; and that the term "rent" includes carrying charges under a cooperative occupancy agreement.

(e) The proposed Section 23 procedures should permit financing under Section 515 of the Housing Act of 1949 administered by the Farmers Home Administration in order to reach those in less populated areas.

(f) Extensive use of the Section 23 program for leasing of existing housing will further inflate housing costs by creating competition for a limited supply of housing. To encourage additional production of adequate housing to serve low income groups, the Section 23 subsidies should be largely tied to the additional housing production which is required. This includes rehabilitation which assures that existing housing is improved to meet acceptable standards. Such use of the Section 23 program will stimulate necessary additional construction and rehabilitation so that adequate housing will be provided for those of low income who receive assistance under Section 23.

(g) HUD should provide sufficient funds for counselling for those families residing in Section 2 assisted projects who have a need for it.

(h) The owner of newly constructed units should have the right to work out a mutually acceptable program under which the management function would be handled by the local housing authority without securing HUD approval. Housing authorities should be restored to a more active participation in the new Section 23 leasing program. By avoiding the use of local housing authorities in management, the Administration is threatening to end the vital role of housing authorities as local institutions.

(i) As designed, the Section 23 program is unnecessarily complicated by costly, time consuming and needless procedural hurdles. In order to achieve the anticipated rate of production under this program, these procedures should be streamlined and simplified.

(j) There should be a time limit on HUD's review of an application and, failing action within the time prescribed, the application should be considered as approved.

All of the above recommendations apply to the proposed new Section 23 procedures and administrative actions applicable to new construction which includes rehabilitation of existing housing. Recommendations (b), (c), and (d) apply to the proposed Section 23 procedures on existing housing.

Necessary amendments in S. 3066 to make leasing program workable

For the reasons set forth above, amendments are necessary in Section 8 of Chapter II of S. 3066 to make the leasing program workable and effective. The amendments we recommend include the following:

1. S. 3066 contains a limitation—Chapter II, Section 8(g) (3) (E)—making ineligible for HUD mortgage insurance any project for which leasing assistance payments are contracted with respect to more than 20% of the units in the project, unless the Secretary determines that such insurance is necessary to provide for low-income families. This limitation should be deleted since it would make the leasing program unworkable and unattractive for builders and lenders in the production of housing project with units available for leasing assistance.

It is necessary to provide incentives for developers and lenders to provide housing for accupancy under the leasing program. A major incentive is the availability of financing with HUD-insured mortgages. Such HUD mortgage insurance has always been permitted in the past for the development of privately owned projects receiving assistance to serve those of lower incomes. This should be continued.

The proposed regulations of the Secretary under the Section 23 leasing program now permit HUD-insured mortgages in cases where more than 20% of the units will receive leasing assistance payments. This should likewise be permitted in S. 3066.

This limitation in S. 3066 was sponsored by the Administration as part of their objective to largely eliminate HUD mortgage insurance by starting to minimize and reduce its availability. This is an unjustified reversal of 30 years of favorable experience with HUD mortgage insurance programs which have pioneered in bringing suitable financing to more Americans.

We recommend an amendment which would remove the limitation with respect to HUD insurance of project mortgages where more than 20% of the units will receive leasing assistance payments.

2. Under the leasing assistance program, Section 8(g) (3) (C) of Chapter II of S. 3066 requires the project owner to assume the loss arising from a vacancy which occurs beyond his control, except for very limited losses covering a 60-day period.

The owner must depend upon the local housing authority to issue certifications of those eligible and acceptable for occupancy. Thus, vacancies will occur as a result of factors beyond the control of the owner, such as the failure of a local housing authority to certify enough families eligible and acceptable for occupancy.

The attached amendment would correct this inequity in the bill by providing that leasing assistance payments may be made only on a dwelling unit when it is ready and available for occupancy by a family certified or to be certified as a low-income family. It has further limitations that such payments may be made only when a family vacates a dwelling unit before the expiration of the lease for occupancy or when a public housing agency fails to certify a family eligible and acceptable for housing assistance payments and when the owner is making a good faith effort to otherwise fill the vacancy.

This amendment would continue the successful practice under the past Section 23 leasing program where the owner was paid the rental for a dwelling unit when it was ready for occupancy. However, the amendment adds further limitations to assure that the vacancy was beyond the control of the owner and that he is making a good faith effort to fill it.

3. S. 3066 contains a provision—Chapter II, Section 8(g) (3) (B) (ii)—which generally limits leasing assistance to not more than 75% of the units in any project. While it authorizes a waiver of such limitation by the Secretary or a public housing agency, this authority does not cover cases where all or any part of the remaining 25% of dwelling units cannot be rented within a reasonable period without leasing assistance payments.

We recommend an amendment which would provide that contracts for annual contributions would be in an amount sufficient to permit leasing payments with respect to all the dwelling units in the project. However, such leasing payments would be permitted on units in excess of 75% of the dwellings in the project only upon a determination by the public housing agency that such units cannot be rented without leasing assistance.

This amendment is necessary to avoid the default and foreclosure of a project mortgage where the 75% limitation threatens the success of the project, because all or part of the remaining 25% of dwelling units cannot be rented without leasing assistance payments.

4. S. 3066 contains a provision—Chapter II, Section 8(g) (3) (B) (iii)—that contracts for assistance payments may be for a term of 480 months on projects financed by state housing agencies involving newly constructed or substantially rehabilitated dwelling units. However, only half that term is authorized on similar projects financed by other lenders. Where such other lenders make a 40-year loan, they have the same need as a state agency for a 40-year term of assistance payments in order to make their loan feasible.

Accordingly, the same maximum term of assistance payments should be authorized for all lenders for similar projects. That is particularly important since there are many states which do not have state housing agencies.

Accordingly, we recommend an amendment that the maximum term for assistance payments on newly constructed or substantially rehabilitated dwelling units would be 480 months on projects involving all lenders, including state housing finance agencies and any others providing financing for the same purpose.

5. There are other places in this bill where there is a definition which makes it clear that the rental housing provisions apply to cooperatives. We recommend a perfecting amendment to add a similar definition to Section 8 of Chapter II on the leasing assistance program.

This amendment provides that the term "tenant" includes a member of a cooperative; the term "owner" includes a cooperative; and, with respect to members of a cooperative, the terms "rent" or "rental" mean the charges under the occupancy agreement between such members and the cooperative and the term "lease" means such an occupancy agreement.

11. THE ADMINISTRATION'S HOUSING PROGRAM WILL NOT MEET HOUSING NEEDS

The Administration's housing program will not help the growing number of moderate income families who cannot be served by the private market alone at today's high interest rates and inflated housing costs. We are talking about more than half of our nation's families. For these families, the Administration's reduction of interest rates will not give enough help.

A reduction of from 8½% to 8¼% on a $33,000 house amounts to $6 a month. This would reduce the total monthly house cost from $374 to $368, which most people cannot afford. Under the tandem program which reduces the interest rate to 7¾% on 200,000 units, the reduction on the same house would be $12 a month—from $368 to $356. Most of the families who normally could buy a house will still be priced out of the market. They can't pay $356 a month for housing, including debt service, taxes, insurance and the other expenses of home ownership.

Nor will the Administration's program serve those of lower incomes for whom the Administration offers two programs:

First, the Administration will commit $200 million for housing allowance experiments for the elderly poor, but no other poor. However, an allowance system will not stimulate the necessary additional production of adequate housing for those of low incomes who need assistance. Instead, housing allowances will further inflate housing charges by creating competition for a limited supply of housing. When people are assisted by cash allowances and are largely restricted to the existing supply of housing, they are likely to continue to live in slums and unsatisfactory housing. This has been the experience with housing allowances in the welfare programs. To obtain additional production of decent housing to serve lower income groups, the subsidies must be properly tied to the additional housing production which is required, as provided in bills now pending in Congress.

The revised Section 23 Leasing Program is the other program which has been proposed by the Administration to serve those of lower incomes. However, in the form in which it has been offered, it will not be workable or effective as explained in Section 10 of this Report. It is not likely to attract builders, owners or lenders. So, we are being given a promise of housing which will not be fulfilled.

12. SUPPORT OF PROGRAMS TO REDUCE INTEREST RATES, INCLUDING MODIFIED TANDEM PLAN AT 7% INTEREST RATE FOR 200,000 UNITS

The unprecedented increase in interest rates on mortgages has priced too many families out of the housing market. As explained in the preceding section, the recent actions taken by the Administration will not provide any significant amount of help for the growing number of moderate income families who cannot be served by the private market alone at today's high interest rates and inflated housing costs. The tandem plan of GNMA to purchase HUD-insured mortgages, at a price of 96, to assist in the construction of 200,000 housing units should be amended to reduce the mortgage interest rate from 7¾% to 7%.

This reduction is necessary to make this program fully workable and effective and to reach more of the people who have been priced out of the market as a result of increases in interest rates and housing costs, together with other costs of living. This 7% rate would reach an annual income level which would be $700.00 below the level reachable at a 7¾% rate. On a $33,000 house, this further rate reduction in interest rate would reduce the monthly cost of home ownership from $356.00 to $340.00. The reduction in the interest rate under the tandem program from 7¾% to 7% would reduce rentals from $294.00 to 279.00 a month on a housing unit costing $28,000, and from $258.00 to 245.00 on a housing unit costing $25,000. These reductions in monthly housing costs are necessary to reach more families who have been priced out of the market at today's high interest rates and high housing costs, together with other increases in the cost of living. The Labor Department reports that in January of 1974 consumer prices were 9.4% higher than they were a year ago and that the average worker's purchasing power, as measured by real spendable earnings, had declined by 4% during that period.

The reduction to a 7% interest rate under this tandem program is necessary to reach more people who have been priced out of the market as a result of these factors. It is also necessary to help assure the production of the 200,000 additional units which are necessary to provide jobs and stimulate the economy during the recession which is developing.

Legislative programs to reduce interest rates

We are pleased that some action is contemplated under pending legislative bills to provide some relief from the present high interest rates.

In addition to the tandem plan for par purchase of HUD-insured mortgages on 200,000 units at the 7% interest rate which we are recommending, we support the provisions in H.R. 10036—with the amendment proposed below—which would direct the Secretary to establish interest rates for FHA-insured mortgages at levels where discounts in excess of 4 points could be avoided for certain mortgages. When the FHA interest rate is established at a rate above 7%, the bill provides that the interest rate on mortgages in amounts up to 130% of prototype costs would be set at 7% or at a higher rate which would not be more than 1% below the regular FHA rate. At the present time when the FHA rate is 8¼%, the rate on mortgages on this lower cost housing would be 7¼%.

We recommend that the reduction be either 1% or such higher percentage as is necessary to achieve a 7% interest rate. At present this reduction would be 1¼% to reduce the 8¼% to 7%. The effect of this 1¼% reduction in interest rate would be to reduce monthly charges from $30 to $20—depending on the cost per unit—and to bring housing to many people who cannot afford the present higher interest rates. We also support the provision which would require the Government National Mortgage Association to use the tandem plan to support these lower interest rate mortgages at a price no less than 96. This program is supplementary to the program for GNMA purchases of HUD-insured mortgages at par on 200,000 units.

As a means of further reducing interest rates to reach more families who have been priced out of the housing market, we support the bills introduced by Senators Proxmire and Williams, S. 2169 and S. 2179, which provide for direct federal financing of home ownership and rental and cooperative housing for those of lower and moderate incomes. This would involve the Federal purchase of mortgages under Sections 235 and 236. This provision should be amended to cover the purchase of mortgages under the new Sections 402 and 502. Due to such financing at lower interest rates, this program would reduce the amount of interest subsidies and reduce the federal costs involved. However, it is necessary to avoid the inclusion of such direct federal loans in the budget as this would adversely affect achieving the size of the programs required. Since such loans are investments rather than nonreturnable costs, they should properly be excluded from the budget. Such action was recently taken for a budget exclusion in a similar case involving the Export-Import Bank, so the same practice should be followed on direct federal loans for low and moderate income housing. To accomplish this, the bills properly provide that the monies borrowed from the Treasury and used for secured loans for housing shall not be treated as expenditures for budget purposes and shall be exempt from any limitations on annual expenditure or net lending.

As modified and approved by the Senate Banking and Currency Committee, S. 3066 provides for the establishment of a Housing Cooperative Financing Association similar to the successful cooperative associations used for agricultural purposes. It includes features patterned after federal legislation establishing financing associations for housing. The Association would use private financing methods to provide loans at lower interest rates to housing cooperatives which would make it possible for people of modest incomes to achieve home ownership. Within a few years it is anticipated that the Association would become wholly privately owned, with the Government-held stock being retired, and that the Treasury advances would be fully repaid. There are sound reasons why a separate financial institution is needed for housing cooperatives. Cooperative housing—like any cooperative endeavor—has the greatest difficulty in securing financing because only a group of consumers is involved. This is in contrast to a profit making institution with established credit or a non-profit undertaking with an existing affiliated institution. This need for specialized financing institutions for cooperatives has long been recognized in the Department of Agriculture. We recommend that similar provisions be added to H.R. 10036 during the markup by the House Subcommittee.

13. LOW INCOME HOUSING, INCLUDING MODERNIZATION, SECURITY FOR RESIDENTS, OPERATING SUBSIDIES, AND OTHER AMENDMENTS

The President's budget for FY 1975 reflects authority for capital improvements in public housing of $235 million in FY 1974 and again in FY 1975 under a reinstated Modernization Program. We support the reinstatement of the modernization program and urge continued adequate funding for it. This program is long overdue to correct obsolescence and provide necessary repairs and replacements in public housing. Unless adequate funding is provided for such modernization, public housing throughout the country is seriously threatened by deterioration beyond a point where it can be saved. We recommend that the $100 million annual limit on the use of funds for modernization of public housing be increased to the $235 million proposed in the Administration's budget for FY 1974 and FY 1975.

We are pleased to note that H.R. 10036—Section 5(g) of Chapter II—authorizes the Secretary to undertake a program over the next three years to correct obsolescence and improve the conditions of public housing to meet proper standards and conform to codes. The program would also include facilities and equipment designed to improve the security of the residents in public housing and the property itself. The langauge of the bill should be broadened to provide assistance for a software program for the purposes described below.

We support the provisions of S. 3066 which would establish in HUD an Office of Security to be headed by the Assistant Secretary for Housing Management. The Secretary would be authorized to make grants to sponsors of federally insured or assisted multifamily projects to finance planning and development of specified measures to improve the security of their project. Eligible multifamily projects would be those insured under any provision and the National Housing Act, and those assisted under the public housing program of the Section 202 program of direct loans for housing for the elderly or handicapped. The Office of Security would also serve as a clearing house for information concerning physical security of federally insured or assisted housing projects, and federal assistance for this purpose, and would be required to cooperate with the Law Enforcement Assistance Administration in developing improved methods for providing housing security. In S. 3066 there is a $30 million additional authorization for annual contributions contracts in FY 1975 and a like amount in FY 1976 for public housing modernization. This will be sufficient to provide public housing modernization in the $235 million amount recommended by the President for FY 1974 and again for FY 1975.

Many of the concerns with crime and vandalism now associated with public housing developments can be eliminated by such a security program which should cover three areas:

First, the adoption of minimum security standards should be a part of the Minimum Property Requirements and included in HUD's rules and regulations for all new housing developments. There should be necessary increases in the allowed prototype costs to include such development for security purposes. Two model security codes do exist—one for buildings generally, and the other for the elderly specifically. They were developed by the Department of Justice's National Institute of Law Enforcement and Criminal Justice, and are readily available;

Second, for existing assisted projects, funds should be made available to provide the necessary hardware—locks, bolts, communications systems—and space modifications which have proven to be effective in reducing crime; and

Third, software program money (relatively small sums) should be available for assisted projects, to meet the cost of volunteer citizen patrols and residents' meeting expenses. We suggest that the Committee Reports include a full statement indicating the purpose and intent of the legislative provision to cover all of the foregoing security features.

The President's budget for FY 1975 shows an increase in operating subsidy funds from $350 million to $400 million. We recommend a further increase to $500 million for operating subsidies in public housing for FY 1975. For a further discussion of operating subsidies and necessary measures to increase the income from public housing, see Resolution No. 6 in the Appendix. It must be recognized that the proper operation and maintenance of public housing to serve those of low incomes requires an adequate continuing amount of operating subsidies and increased income from public housing.

Other provisions in S. 3066 on low income housing assistance

S. 3066 as reported by the Senate Banking and Currency Committee includes some new provisions with respect to public housing, which is referred to as low income housing assistance. These include the provisions which we describe below.

The present requirement that annual contributions be fixed in uniform amounts and paid in such amounts over a fixed period of years would be deleted in order to afford greater flexibility in the financing of public housing projects. Under the revised Act there would be a new subsidy structure which would provide for a separation between the authority to make annual contributions based on debt service requirements and the authority to make operating subsidy payments. This subsection would delete the present authorization to pay an additional annual subsidy of up to $120 per dwelling unit occupied by an elderly family, a large family, a family of unusually low income, or a displaced family as the purpose of these subsidies would be included under the broad operating subsidy authorization contained in section 9 of the revised Act.

S. 3066 would provide a limitation on the cost of project construction and equipment (excluding land, demolition, and nondwelling facilties) on the basis of which the amount of annual contributions would be calculated. This cost could not exceed by more than 10 per cent the appropriate prototype cost for the area, required to be determined at least annually on the basis of estimated construction costs of various new units in the area suitable for occupancy by persons assisted under the Act. In making his determination, the Secretary would be required to take into consideration the extra durability necessary for safety and security and economical maintenance, the provision of suitable amenities, the use of good design and architectural standards, the effectiveness of existing cost limits, and the advice of local housing producers.

S. 3066 would require annual contributions contracts to provide that when a public housing agency and the Secretary mutually agree that a project is obsolete, making it unusable for housing purposes, a program of modifications or closeout shall be prepared. It would authorize the Secretary to use such annual contributions as are necessary to enable the public housing agency to undertake an agreed-upon program of modifications. It also would authorize the Secretary to prepare a closeout program, utilizing such annual contributions as are necessary to accommodate outstanding indebtedness, the cost of demolition (if physical improvements are not to be sold) and the cost of relocation.

S. 3066 would authorize public housing agencies, or the Secretary, to provide housing for low-income families in the form of low-income housing in private accommodations in accordance with a new Section 8. Its purpose would be to provide such housing by taking full advantage of vacancies in the private housing market and by achieving economically mixed occupancy. The bill expresses the intention to vest in public housing agencies the maximum amount of responsibility in administration of the program under Section 8, including responsibility for the establishment of rents and eligibility requirements in accordance with criteria established by the Secretary. It authorizes the Secretary—in areas where no public housing agency exists or where the Secretary determines that a public housing agency is unable to implement the provisions of this section—to assume responsibilities which ordinarily would be assigned to a public housing agency under Section 8.

S. 3066 would authorize public housing agencies to provide assistance payments to assist in the construction or substantial rehabilitation of housing for low-income families in housing areas with respect to which the agency, in accordance with criteria approved by the Secretary, has determined that there is not, and not likely soon to be, an adequate supply of decent, safe, and sanitary existing housing for low-income families, or that such construction or rehabilitation is necessary to expand housing opportunities for low-income citizens within reasonable proximity to places of employment, or that such new construction is an essential component of a community development program. Public housing agencies may contract to make assistance payments with respect to a newly constructed or substantially rehabilitate dwelling unit for a term of not more than two hundred and forty months but such term would be renewable, except that no renewal could result in a total term exceeding four hundred and eighty months.

We support the foregoing provisions of S. 3066—and urge their inclusion in H.R. 10036, to the extent they are not already in that bill—except that we recommend the following amendments:

(a) With respect to the leasing program authorized by a new Section 8, we recommend amendments as set forth in Section 10 of this Report which are necessary to make the program workable and effective.

(b) We recommend amendments to carry out the program set forth in Resolution No. 6 in the Appendix.

(c) With respect tof the protoype cost limitation on low-income housing in S. 3066, we recommend 120% of prototype costs instead of the 110% in the bill.

14. UNWARRANTED CONCLUSIONS IN HUD STUDY, "HOUSING IN THE SEVENTIES"

Our analysis indicates that there are unwarranted conclusions in the HUD Study relating to subsidized housing which is entitled "Housing in the Seventies". In this Report, we make a comparison of some of the findings and conclusions in the HUD Study with the actual program facts.

Chapter 4 of "Housing in the Seventies" deals with the subsidized programs and sets out the Administration's rationale for their suspension. It organizes its findings and conclusions around several evaluative criteria. In this section of our Report, our comments relate to some of the HUD Study findings and conclusions on program viability and program efficiency. In the attached Resolution No. 5, we present further comments on the findings and conclusions in the HUD Study relating to "program equity" under Section 236 and Section 235.

Program viability

There are few areas of criticism of the subsidized housing programs which have been more distorted or more inaccurately presented than the various press and official statements on default, mortgage assignment and foreclosure rates. In the home mortgage programs, the high rates of 221(d)(2), 223(e) and 203(b) foreclosures and abandonments—which involve unsubsidized programs—in certain central cities have been laid off as evidence of the failure of the subsidized housing programs. In the multifamily rental programs, HUD officials and other critics have used default and default termination[1] statistics loosely and, in some cases, interchangeably and have failed to provide adequate analysis of the causes of default terminations, the types of subsidized rental projects which are prone to high default terminations, or administrative steps which could cause a reduction in default terminations.

1. Findings and Conclusions in HUD Report—Section 236 Program

"The Section 236, rent supplement, and Section 235 programs all evidence substantial problems of failure as reflected in mortgage assignments to HUD and foreclosures . . . 20% of all Section 236 projects are projected to fail during their first 10 years . . . Over 40 years . . . the failure rate may be 30 percent or more."

Program facts

HUD preliminary reports on mortgage insurance programs as of December 31, 1973, present the current facts on projects or mortgages taken over by HUD under Section 236:

There were a total of 24 mortgages involving $32,904,559 and 2,160 units which were acquired by HUD through foreclosure or conveyances. The total number of insured mortgages under Section 236 is over 3,695 involving $6,568,658,787 & 398,848 units. Thus, the number of project mortgages actually foreclosed as of December 31, 1973, represents about 0.65 of 1% of the total program under Section 236; the mortgage amount of foreclosed 236 projects represents about 0.5 of 1% of the total program; the number of 236 units foreclosed represents under 0.6 of 1% of the program.

As of December 31, 1973, there were 136 mortgages (excluding those foreclosed) which have been assigned to HUD in the amount of $190,333,296 representing 11,637 units. This represents under 4% of the total number of mortgages insured under Section 236; under 3% of the total amount of the 236 mortgages insured; and about 3% of the total 236 units insured.

These are the default terminations under 236 after more than 5 years of operation.

Currently, non-profit sponsored 236 projects account for ⅔ of all 236 default terminations but non-profit sponsors account for only about ⅓ of the total 236 projects insured.

As to projects on which the mortgage has been assigned back to HUD, we cite a statement made by the President of FNMA on April 11, 1973, before the Subcommittee on Housing and Urban Affairs, Committee on Banking, Housing and Urban Affairs of the Senate:

"It must be stressed that assignment back to the FHA does not necessarily mean project failure. For instance, many of today's successful Section 220 urban renewal projects were at one time or another assigned back to the FHA but were finally worked out successfully."

Although we do not have access to the data and simulations used by the HUD report, current 236 data and the experience of other FHA multifamily rental programs do not support the conclusion that 20% of Section 236 projects will fail during the first ten years and 30% will fail over their 40-year life.

2. Findings and Conclusions in HUD Report—Section 235 Program

"Rapid decay of Section 235 units in some neighborhoods, or financial setbacks suffered by owners, often leads to abandonment, defaults and foreclosures. It is currently projected that about 16% of all Section 235 units will fail during their first 10 years. Although the insurance fund for the Section 235 program was actuarially sound through 1972, recent foreclosure rates for Section 235 units are above actuarial expectations."

Program facts

HUD statistics on the 235 program as of October 30, 1973, provide the following on program status:

Currently, cumulative 235 default terminations as a percentage of insurance in force is running at 8.7% after more than 5 years of operation.

The Report itself recognizes that the Section 235 program was actuarially sound through 1972. Moreover, a separate HUD actuarial study concluded that (i) from an actuarial standpoint, relatively high default termination rates in the 235 program in its early years should not be a cause for alarm, and (ii) we should expect higher rates than in the 203(b) program, but, after the initial flow of high defaults has run off, the insurance fund will gradually stabilize itself, although it will take a longer period to do so than was the case in the 203(b) program.

3. Findings and Conclusions in Report—Sections 235 and 236

"Government subsidized housing programs contain structural problems that result in considerable program inequities and inefficiencies. Certain problems could be remedied through legislative changes. However, legislative correction of one problem would often tend to aggravate or create others . . . While administrative changes would marginally improve the efficiency and equity of production programs, serious problems . . . would remain."

Program facts

The Report is completely silent on those causes of 235 and 236 default terminations which can be avoided by proper HUD program administration. There are few areas of its subsidized program administration where HUD has been weaker than in the areas of multi- and single-family mortgage servicing and default terminations. From a personnel standpoint, HUD mortgage servicing has been the stepchild to production. From a program policy standpoint, production has heretofore far outweighed concerns for long-term ownership, management and program viability. From the standpoint of data systems and data analysis, mortgage services was an afterthought until the glare of Congressional and press focus on foreclosures forced attention to what was really going on in the programs.

For the Report to adopt a posture that there is a certain inevitability to unreasonably high default termination rates in the subsidized programs is specious. HUD has known, and knows now, what administrative steps are required in both underwriting and management to lessen default termination rates in both the multi- and single-family subsidized programs. These range from tighter adherence to existing underwriting procedures and to existing management and sponsorship requirements, to improving the quality and supervision of field processing personnel, to implementing a more vigorous and comprehensive counseling program, to improving and injecting more flexibility into its mortgage servicing procedures.

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[1] A default termination is an FHA-insured mortgage assigned to HUD or foreclosed by HUD or a mortgagee.

These are administrative requirements which have been amply identified and, in many instances, were implemented prior to the suspension of the programs in January, 1973. To indict the programs on the issue of "Program Viability" is to indict HUD's program administration. To imply that default termination rates for future production will be at unacceptable rates is to imply that HUD cannot or will not properly administer its own programs. Yet, the HUD Report is completely silent on this point and it appears unlikely that improved program administration was factored into the projections of future 235 and 236 default terminations.

Program efficiency

4. Findings and Conclusions in Report—Section 236 Program

"The 'market rent' of a Section 236 unit is higher, on average, than the rent charged for an identical unit in the private market . . . The main reason Federal costs exceed market value is that Section 236 units are not rent competitive with identical private units and therefore the direct subsidy is spent inefficiently."

Program facts

For about two years, there has been a HUD policy—which was published in the Federal Register—that determinations of feasibility of Section 236 projects must be based on estimated fair market rentals which do not exceed the rents obtainable for reasonably comparable non-subsidized dwelling units similarily located. As a result of this requirement, no 236 project can be approved unless the rents are competitive with comparable private units in the market. In fact, many applications for assistance under Section 236 have been rejected because the proposed rents were not competitive. Any problems that previously existed were remedied by the new HUD policy which has been in effect for about two years. Yet, there is no mention of this fact in the HUD Report.

15. SUPPORT OF COMMUNITY DEVELOPMENT PROGRAM IN S. 3066 AND H.R. 10036 WITH AMENDMENTS

We believe strongly that national problems such as community development require that the use of federal financial assistance be channeled to relieve problems defined by national guidelines and policies. In our opinion, this objective would be well served by the community development provisions of S. 3066 and H.R. 10036. These bills would consolidate a number of categorical grant programs into one block grant. The present categorical programs permit too little flexibility and scope for action and require too much paperwork. The year-to-year funding of these programs inhibits local planning and program effectiveness.

S. 3066 and H.R. 10036 would require a declaration of goals and a performance report. They would also require a program for removing slums and blight and providing low and moderate income housing. There would be continuity of financing and funds. Likewise, a specific acknowledgement of how Federal funds are to be spent and a yearly performance statement as a prerequisite for the grant are required.

In contrast with S. 3066 and H.R. 10036, the Administration's bill, H.R. 7277, would surrender to local communities the allocation of Federal funds among the various categories of community development without regard to national goals or any overall plan dealing with all aspects of the community development program. We do not support H.R. 7277, because we believe that the community development program should be applied to each locality not only to meet its needs, but also to achieve the national objectives and goals embodied in existing legislation which has been adopted through the years after extensive hearings and careful deliberation.

Recommended amendments to S. 3066 and H.R. 10036

Our support of the community development provisions of S. 3066 and H.R. 10036 is conditioned upon the continued availability, at an adequate level, of categorical grants for community development programs until special revenue sharing becomes effective. This is what the President recommended in 1972 but opposed last year and this year.

Most of the categorical grant programs for community development did not have any new authorizations released (a) during FY 1974, except for $322.5 million for urban renewal out of a total of $600 million appropriated and (b) a release of half of the $150 million appropriation for model cities for FY 1975. This new funding level for urban renewal was about 80% below the amount of new funding in FY 1972 and FY 1973. For the categorical programs that would be consolidated under the community development program, we recommend continued categorical funding for FY 1974 which would equal a total of $3.7 billion. This should include $1.5 billion for urban renewal as described in the next section. This categorical funding is in addition to the funding for community development block grants which would commence in FY 1975. Such funding of categorical assistance is necessary as a matter of equity and fairness to local governments. They should not be short changed through the loss of categorical funding during FY 1974.

In his budget for FY 1975, the President recommends that $2.3 billion be made available on July 1, 1974 under his proposed Better Communities Act. However, H.R. 10036 provides for a three-year federal authorization with obligation authority of $8.25 billion of which $2.5 billion would become available on July 1, 1975; $2.75 billion on July 1, 1976; and the balance of $3 billion would become available on July 1, 1977. S. 3066 provides for a two-year federal authorization with obligation authority of $6.1 billion of which $2.8 billion would become available on July 1, 1974, and the balance of $3.3 billion would become available on July 1, 1975. In view of the major programs which would be merged into the proposed community development program and in order to assure adequate financing and continuity, NHC recommends a three-year program and an increase in the foregoing proposed authorizations to $12.1 billion, with $3.7 billion available for obligation in the first year and $4.2 billion in each of the second and third years.

We support the provisions in H.R. 10036 authorizing a 100% grant instead of the 90% grant in S. 3066. Congress should recognize that municipalities and local governments lack the resources to provide a local share. This is evident from the fact that many local governments have found it necessary to utilize general revenue money in order to help balance their budgets.

In the event that the provisions of S. 3066 are accepted with the 90% grant, we recommend that communities be allowed non-cash credits toward the 10% local share. These credits should include all of those which have been currently recognized as eligible. The local community should be allowed to provide these credits to make up its local share over a two or three year period rather than on an annual basis. This will give them enough time to program and execute the activities involved in these credits.

We must continue to observe the principle that any families displaced through community development activities must be relocated in adequate housing. The requirement for a one-to-one replacement of low and moderate income housing units should be synchronized with the elimination of the units to the extent necessary to assure relocation. Funds should be reserved to implement such relocation as part of the community development program.

Provisions in S. 3066 which we support

We support the major provisions described below which are in S. 3066:

Illustrative of the provisions and objectives of the legislation to consolidate community development programs, we cite those in Chapter III or S. 3066 as reported by the Senate Committee.[2] The Chapter's primary purpose is the improvement of the living conditions and economic opportunities of persons of low and moderate income. Consistent with this objective and promotion of the general welfare, the following specific objectives are set forth: the elimination of slums and blighting conditions; the conservation and expansion of housing, increased public services, improved use of land, expansion of housing opportunities and increased neighborhood diversity, and preservation of property with special values. The maintenance of local effort is required.

Under S. 3066, financial assistance will be granted only upon the basis of a two-year application by a community development agency. Each application would be required to contain:

(1) A summary of a four-year community development plan demonstrating a comprehensive strategy for meeting the community's needs, specifically setting forth programs (A) to meet housing needs, (B) to prevent and eliminate slums and blight and upgrade neighborhoods through code enforcement and other improvement programs and (C) to improve community services and facilities to meet the economic and social needs of residents in areas affected by community development.

(2) A description of activities to be undertaken over the next two year period, the general location of these activities and requirements for Federally assisted housing units and rehabilitation loans.

(3) A certification that the applicant's program (a) is consistent with the objectives of the Chapter and area-wide plans; (b) affords adequate opportunity for public hearings prior to any acquisition of private land; (c) conforms to the requirement that two-thirds of expenditures made under the Chapter will be directed toward meeting housing needs, eliminating slums and preventing blight, and improving public services in support of community development objectives, unless specifically waived by the Secretary; (d) affords adequate opportunity for citizen participation in developing the application and in planning and executing the program.

(4) A performance report on activities carried out under the Chapter, together with an assessment of such activities in relation to the community's stated development needs and objectives.

The Chapter authorizes the Secretary to make grants to community development agencies for activities to be carried out under a two year contract. Thus, localities would be assured of program funds one year in advance of the current program year. The principle would be observed that funds for community development are available for staged programs of improvement over a period of time so as to permit advance planning.

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[2] To assure accuracy here and elsewhere, we have utilized some of the language of the Senate Committee's Section-By-Section Summary.

The Chapter would require the Secretary to allocate 75 percent of funds appropriated for use in metropolitan areas, and 25 percent for use in non-metropolitan areas. These funds would be distributed, first, to meet requirements of community development agencies with basic grant entitlements, and second, to agencies which have no entitlements, or have entitlements which are too low to meet their urgent development needs.

The Secretary is authorized to reallocate funds that are not utilized to (1) community development agencies serving localities which have no basic grant entitlements and (2) community development agencies which have entitlements which are too low to meet urgent development needs.

Community development agencies would receive an initial basic grant entitlement if during the fiscal years 1968–72 the locality served by the community development programs was assisted under Title I of the Housing Act of 1949 (or a neighborhood development program assisted or committed during fiscal year 1973), or a Federally assisted code enforcement program, or a Model Cities Program assisted under the Demonstration Cities and Metropolitan Development Act of 1966. The Secretary would be required to set a basic grant entitlement for each community development agency in an amount equal to the sum of the average, during the fiscal years 1968–72, or (a) loans made under Title II of the Housing Amendments of 1955, (b) grants made under Title VII of the Housing Act of 1961, (c) advances made under Section 702 of the Housing Act of 1954, (d) grants made under Title VII of the Housing and Urban Development Act of 1965, and (e) grants made under Part A, Title I of the Housing Act of 1949, the average annual grant made under Section 105 of the Demonstration Cities and Metropolitan Development Act of 1966, and under Part B of Title I of the Housing Act of 1949 (including fiscal year 1973 in the case of a locality receiving its first such grant).

As soon as practicable during the fiscal year, the Secretary would have authority to reallocate funds which are unobligated or expected to remain uncommitted in such a manner as he deems appropriate to achieve the purposes of the program.

The Senate bill would require that the community development agency hold a public hearing or publish its proposed application 30 days before submitting it.

The Secretary would be required to make his determination regarding any application and give written notice of his approval or disapproval within 90 days after submission unless the Secretary notifies the applicant in writing of his disapproval and sets forth the reasons with respect to performance by the applicant or the eligibility of proposed activities.

The Secretary would be required to reserve funds, to the extent necessary and feasible, to meet the housing requirements specified in the community development application to the extent he deems it necessary and feasible.

Community development assistance would broaden the activities which were previously eligible under urban renewal and other programs that are consolidated. There would be assistance for public services when these are not available in the locality through other federal programs. These "software" programs would serve persons residing in areas affected by community development activities. There would be technical or financial assistance to persons or organizations participating in the planning and execution of community development programs. This broadening of the scope of activities eligible under community development assistance will give localities a greater capacity and flexibility than has been available under categorical grant programs.

S. 3066 includes a 20% limitation on program expenditures which are not intended to be of direct and significant benefit to families of low or moderate income or to areas which are blighted or deteriorating, unless the Secretary finds modification of this limitation necessary to meet urgent community needs. We recommend that this provision in the bill be broadened to permit a larger expenditure to assure a proper balance between residential and non-residential development and to provide expanding economic opportunities.

The Secretary would be authorized to grant assistance only upon the basis of an annual application by a community development agency. A community development agency is defined as any State or unit of general local government. One or more public agencies, including existing local public agencies, may be designated by a unit of general local government to undertake the community development program, in whole or in part. While we concur in the desirability of recognizing units of general local government as being responsible to coordinate community development, it is necessary to utilize the valuable experience and expertise which has been developed through the years in existing local public agencies. We support the provision that the units of local government may designate existing local public agencies to participate in the community development program.

We support the foregoing provisions of S. 3066—and urge their inclusion in H.R. 10036, to the extent they are not already in that bill—except that we recommend the following amendments:

(a) Our support of the foregoing community development program is conditioned upon the continued availability, at an adequate level, of categorical grants for community development programs. We recommend continued categorical grant funding for FY 1974—for the categorical programs to be consolidated—which would equal a total of $3.7 billion. This should include $1.5 billion for urban renewal.

(b) We recommend larger authorizations for a three-year period for the consolidated community development program as described above.

(c) We recommend authorizing a 100% grant instead of a 90% grant. As explained above, if this is not done, we recommend the allowance of non-cash credits toward the 10% local share as described above.

(d) Since new communities have not participated in categorical grant programs during FY 1968 to FY 1972, which are used as a basis for grant entitlements, we recommend that adequate funds be reserved to provide grants to meet the community development objectives contained in new community development programs approved by the Secretary.

We recommend that most community development funds—and we believe this is contemplated under the language of the Senate bill—be required to be spent in project areas where the programs are comprehensive, such as those now undertaken in urban renewal and redevelopment programs. This will help to assure that the community development funds are utilized for eligible activities which will achieve national goals.

16. RECOMMENDED FUNDING FOR HOUSING ASSISTANCE AND COMMUNITY DEVELOPMENT DURING TRANSITIONAL PERIOD UNTIL NEW PROGRAMS BECOME FULLY OPERATIVE

It is necessary to provide adequate funding for housing assistance and categorical grants for community development during the transitional period until new programs become fully operative.

Transitional period until new programs become effective

Thus, in the case of the Revised National Housing Act in Chapter I, its provisions are to be effective at such dates as the Secretary shall prescribe, but not later than one year after the enactment of S. 3066. Likewise, in the case of low-income housing assistance in Chapter II, its provisions will not become effective until such dates as the Secretary shall prescribe, but not later than 6 months after enactment. While the community development provisions in Chapter III become effective upon enactment, it is recognized that they would not become fully operational until about a year later. At that time there would be no further categorical grants or loans under the programs which are being consolidated into the new block grants for community development.

There is no housing funding proposed in the budget for FY 1975 for those of moderate incomes. Moreover, the impoundments are continued of $293 million of contract authority for the programs under Section 235, 236 and rent supplements. Thus, in FY 1975, there are no additional authorizations proposed by the Administration for these programs, nor any further releases of these impounded funds. The budget continues to reflect the Administration's decision announced a year ago to terminate all federally assisted housing efforts, except a revised leased housing program financed through public housing which is unworkable in the form proposed. In consequence, there is no workable program proposed to meet the housing needs of low and moderate income families.

Moreover, the budget confirms the Administration's decision to continue the impoundment of over $900 million of funds previously appropriated for urban renewal, model cities, water and sewer, rehabilitation loans, open space and public facility loans. This includes an impoundment in FY 1975 of $277.5 million of the $600 million appropriated for urban renewal and no expenditures for urban renewal in that fiscal year except to meet past commitments. For most of the categorical grant programs for community development, there have been no funds available during FY 1974, except for very limited funding for urban renewal and model cities.

The Administration is continuing its pattern of stopping the flow of categorical grants before compensatory block grants are even approved or ready for distribution. This is a disastrous manner of handling the transition to the new block grant system by continuing to impound necessary funds and by failing to provide necessary additional appropriations for categorical community development programs. The viability of cities is jeopardized by such actions. The impoundments should be released and additional funding should be provided for categorical assistance for community development.

Recommended funding for housing assistance and categorical grants

We recommend the following funding to continue housing assistance programs and categorical grant programs during the transitional period until June 30, 1974:

1. Section 235—Program for Home Ownership Assistance:

Release of carry over of $220 million of contract authority for home ownership assistance under Section 235.

2. Section 236—Multifamily Housing Assistance:

Additional contract authorization of $180 million on July 1, 1974, plus release of carry over $52 million of contract authority for multifamily housing assistance under Section 236.

3. Rent Supplement Program:

Additional contract authorization of $50 million of contract authority on July 1, 1974, plus release of carry over of $13 million of contract authority for rent supplement.

4. Conventional Public Housing:

An additional authorization of annual contribution contracts of $175 million for conventional public housing.

5. Water and Sewer Facilities and Neighborhood Facilities:

An extension from July 1, 1974 to July 1, 1975 of the availability of authorizations for basic water and sewer facilities grants and neighborhood facilities grants, together with a release of the carry over of such contract authority for these programs.

6. Additional Authorizations for Urban Renewal:

An additional authorization for urban renewal of $1.5 billion on July 1, 1974, in addition to the release of the carry over of $277.5 million.

7. Model Cities:

An additional authorization of $400 million for model cities on July 1, 1974.

8. Comprehensive Planning:

An additional authorization of $75 million for comprehensive planning on July 1, 1974.

It is virtually important that we have this additional funding in order to continue all of the foregoing programs during the transitional period.

NEED FOR ADDITIONAL FUNDING FOR URBAN RENEWAL

We recommend a separate urban renewal authorization of $1.5 billion as stated above, in addition to the immediate release of the impounded authorization of $277.5 million. There is an urgent need for the expeditious completion of urban renewal projects and neighborhood development programs under previously approved plans. The amount authorized should be ample for the completion of all on-going urban renewal projects, including neighborhood development programs, in order to avoid a drain on community development grant funds. Except for outlays to meet previous commitments, the urban renewal program has been held in a suspended state as to new funding while we have been awaiting the enactment of a new community development program.

In addition, there is an urgent need for initiating urban renewal projects for new areas. In many cities, on-going urban renewal programs are reaching a stage of completion. Unless there is approval to initiate urban renewal projects in new areas, all renewal activities in such cities will shortly come to a halt. The established staffs with expertise will be lost due to a lack of program activity in the intervening period before the community development legislation is enacted and operative. Funding should be available to permit activities for the initiation of urban renewal in new areas, with provisions for the conversion of such projects for continued funding under the community development legislation when it is enacted.

The budget for FY 1975 shows that in FY 1974 only $322.5 million will be used of the $600 million appropriated and that no further funds are to be used in FY 1975. This underscores the urgency for action to provide the additional funding we recommend for urban renewal activities.

We urge rejection of the legislation proposed by the Administration which would give the HUD Secretary unlimited authority to terminate any existing categorical programs which are in progress and allow him to require a community to use its community development funds to complete that program—or if it gets urban renewal funds to complete, accept a reduction in the amount of its community development block grant. For example on an urban renewal project where there are temporary loans outstanding, those loans should be paid from the proceeds of land sales rather than diverting the new community development funds for this program.

The Senate bill would authorize the Secretary to terminate any urban renewal project as soon as practicable after consultation with the agency carrying out the project and the chief executive of the locality in which it is located, and to effect a financial closeout as if the project had been fully completed. Such closeout would be based on costs incurred and grants earned to the date of termination. All funds available at the time of closeout would remain available to the unit of local government in which the project is located. The Secretary would be authorized to condition distribution of funds under this chapter under such terms as he deems appropriate in order to repay temporary loans outstanding at the time of such closeout.

17. SUPPORT FOR AN EMERGENCY MORTGAGE CREDIT ACT OF 1973

Senators Sparkman and Tower (by request) introduced S. 2735 which is an Emergency Mortgage Credit Act. This legislation is intended to meet a number of critical problems, including additional authorizations for subsidized housing, urban renewal and model cities. The bill would also increase the availability of urgently needed mortgage credit for the financing of housing.

Additional authorizations for subsidized housing and community development programs

The bill includes a title to provide needed authorizations or extensions for the various HUD housing and community development programs through fiscal year 1975. It is essential that the housing programs for the nation's low and moderate income families have adequate funds to meet housing needs. Regardless of the amount of mortgage money available, these lower-income families cannot afford decent housing at today's prices without Federal assistance. It is also essential that there be adequate funds available to keep going such important programs as urban renewal, model cities and the other HUD community development programs.

The major provisions of the bill on additional authorizations include:

(1) $100 million of additional contract authority for the Section 235 Home Ownership Program on July 1, 1974, to supplement the $220 million of contract authority which has been impounded.

(2) $100 million of additional contract authority for the Section 236 Rental and Cooperative Program on July 1, 1973, and an additional $200 million on July 1, 1974, to supplement the $52 million of contract authority which has been impounded.

(3) $50 million of additional contract authority for the Rent Supplement Program on July 1, 1974, to supplement the $13 million of contract authority which has been impounded.

(4) $210 million of contract authority for public housing (in addition to the $140 million previously made available) and $250 million on July 1, 1974, which will be mainly used for the Section 23 leasing program.

(5) $1 billion of additional authorizations for urban renewal on July 1, 1974.

(6) $400 million of additional authorizations for model cities on July 1, 1974.

(7) $75 million of additional authorizations for comprehensive planning on July 1, 1974.

(8) An extension from July 1, 1974, to July 1, 1975, on the availability of funds for grants for basic water and sewer facilities and neighborhood facilities.

Elsewhere in these resolutions we discuss the totally unjustified moratorium that has been placed by the Administration on the HUD programs and how serious the suffering has been by those who would normally benefit from them. It is hoped that this moratorium will be ended, either voluntarily, by the Administration, or, if necessary, by the courts. If and when such an ending occurs, it is important that there be adequate authorizations available to get the programs moving again. These authorizations when appropriated would do just that.

Under the bill, authorizations would be provided for the programs through fiscal year 1975. In two cases, for the public housing and the 236 rental housing assistance programs, additional authorizations would be provided for this fiscal year 1974. In some cases, no new monies would be provided, but the authority to continue the programs would be extended through June 30, 1975.

Many of these programs are covered by the omnibus housing and community development bill. However, there is concern that such a bill would not be passed before mid-year of 1974. Furthermore, once such a bill becomes law, it will be necessary to provide funds for the new or revised programs, as well as for HUD to gear up with new regulations and procedures. All this will take many months.

The emergency bill is needed to insure that the existing HUD programs will continue until such time as the new or revised programs are enacted into law and become operational, with adequate funding. Thus, if there were a long delay in enacting new legislation, we would not reach the point when the new programs would become operational until some time during fiscal year 1975 or later. The existing programs would be phased out at the time that the new programs become operational. The bill specifically states this as the intention of Congress.

The needs of low and moderate income families and of our cities are too great to be allowed to suffer a hiatus. Many of the programs designed to meet undenied needs have been under suspension too long, and it is essential that we get them going again with adequate funds and authority to operate.

Mortgage credit relief

Very serious problems have arisen in the mortgage market. There is a lack of mortgage money and extraordinarily high mortgage interest rates for housing. In many states, there are usury limits on the maximum amount of mortgage interest that can be charged. The market rate exceeds this state usury ceiling and, therefore, there is no mortgage money available at any price. This bill will deal quickly with these problems.

During the month of January of this year, housing starts were down to a level of 1,486,000 on an annualized basis, which is nearly 1,000,000 units below the 2,472,000 rate of the same month in 1973. The rate of assisted housing starts in FY 1974 is estimated in the budget at 187,400 units which is 151,000 units less than the assisted housing starts in FY 1972. The level of housing construction is expected to get much worse unless the measures we recommend are adopted.

The provisions of the proposed Act will help to rectify some of these problems. It will increase the mortgage limits on FHA single family and multifamily loans in recognition of the substantial cost increase since these limits were last raised in 1969. It will raise the mortgage limits applicable to savings and loans and the secondary market operations of the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation. It will expand the ability of commercial banks to make mortgage loans and to finance the construction of housing. It will encourage greater flows of funds into thrift institutions as well as commercial banks by permitting 100 percent Federal insurance on deposits of public bodies as well as increasing the regular insurance limit on savings accounts from $20,000 to $50,000. It will increase the mortgage limit from $22,000 to $33,000 for purchases of mortgages by the Government National Mortgage Association under the tandem plan.

Bill is interim measure but does not detract from need for omnibus bill

There are many other things which need to be done as covered elsewhere in these resolutions. The proposals contained in this bill represent a first step toward dealing with the recurrent crisis in the supply of mortgage money. Many of the matters covered by this bill are also covered in the omnibus housing bill. However, there is concern that the omnibus bill will not be enacted soon enough to deal with today's crisis situation. That is why this bill is needed as an interim step pending enactment of broader range, omnibus housing legislation.

At the same time, we urge Congress to push forward as quickly as possible with the completion of the markup and passage of the omnibus bill. The interim bill does not detract from the need for the omnibus bill.

In his statement on the Senate floor, Senator Sparkman stated that he and Senator Tower had introduced the bill, by request, because they had not had time to study all of its provisions and because they are still hopeful that the omnibus bill will move rapidly toward passage and eliminate the necessity for the interim legislation. He stated that the omnibus bill is a complex bill covering a broad range of subjects and will require more time to complete. He also stated that it was very important that it became law and he would not want any prior action on an interim bill to detract from its passage and early implementation. However, realizing the difficulties facing housing, he agreed to introduce the interim bill so that it could be studied and if conditions so require—such as the delay in passing the omnibus bill—it could be enacted into law at the appropriate time.

Separate Resolution Urging Immediate Passage of Emergency Mortgage Credit

The following special Resolution was adopted unanimously by the Board of Directors and the Membership urging the immediate passage of the Emergency Mortgage Credit Act of 1973 without awaiting the enactment of the omnibus housing and community development legislation:

Whereas, funding for all housing and urban renewal programs will expire on June 30, 1974, and

Whereas, omnibus housing and community development legislation may not be enacted and signed by the President by June 30, 1974, and

Whereas, local housing authorities and urban renewal agencies are already beginning to lose experienced staff, and will be out of business on July 1, 1974, and

Whereas, even if omnibus legislation is enacted at an early date, it could not result in operational programs until late in Fiscal 1975, and

Whereas, it is imperative for local housing authorities, urban renewal agencies and developers to know now what the situation will be during the next fiscal year so that they can proceed with intelligent and responsible planning, and

Whereas, the Emergency Mortgage Credit Act of 1973 (S. 2735) would provide needed authorizations and extensions for the various HUD housing and community development programs through Fiscal Year 1975 and would increase the availability of urgently needed mortgage credit for the financing of urgently needed new housing, now therefore be it

Resolved, That the National Housing Conference at its 43rd Annual Meeting, held at the Statler Hilton Hotel, Washington, D.C., on March 3–4, 1974, in order to insure the continuity of vital housing and community development programs, strongly urges the immediate passage of the Emergency Mortgage Credit Act of 1973 by the Congress without awaiting the enactment of the omnibus housing and community development legislation hereinabove referred to; and thus such Emergency Act remain in effect until an acceptable omnibus bill is enacted by both houses of the Congress and signed by the President, and

Be It Further Resolved

That copies of this resolution be transmitted forthwith to the Chairmen of the appropriated Congressional committees and subcommittees with our urgent request that the emergency legislation herein requested be acted upon immediately.

18. PROGRAM TO ELIMINATE ABANDONED HOUSING, INCLUDING PRESERVATION OF EXISTING HOUSING AND NEIGHBORHOODS

Housing abandonment is one of the major problems facing our older cities. The phenomenon represents a paradox in that it often occurs in cities and neighborhoods where there is a severe shortage of sound housing. Often the buildings are of substantial original construction and the basic skeleton is still sound, although its facilities, walls, floors, windows, etc., have deteriorated. There does not appear to be any single cause for abandonment but there are a number of conditions which have been found to correlate with high incidence of abandonment. These include: general neighborhood decay with a high incidence of physical deterioration and high percentage of families with social and economic problems; tax delinquency; absentee white landlords owning buildings occupied by black and Spanish-speaking families, and which buildings were managed by an agent or superintendent rather than the landlord himself; high neighborhood crime rate; the building's financial structure and market conditions under which it is not possible to secure sufficient rents to meet operating costs (to extent necessary for sound maintenance) and generate a profit, particularly where there is little or no "sweat equity" input to maintenance and it is necessary to absorb the costs of a "middle-man" agent; and lack of mortgage and investment interest in the neighborhood.

Once the process of abandonment starts, it feeds on itself at an accelerating rate. An abandoned building is a visible and dramatic symbol that block deterioration, and then total neighborhood decline, is under way. Many abandoned buildings become the scenes of crimes and fires. These tend to discourage occupancy of the adjacent buildings; then the block, and finally, the neighborhood.

Many basic tools are needed to alleviate the problem and to prevent its recurrence. They will require heavy governmental investment in dollars and program management resources. We will not attempt here to get into all of the details of necessary tools but rather we want to suggest a broad framework, as follows:

(a) In those neighborhoods where present private owners no longer find it possible to profitably operate housing and maintain it at a decent level, there needs to be a quick and simple method of acquisition by public entities, quasi-public housing corporations, limited dividend corporations and perhaps community profit oriented corporations operating under public supervision.

(b) A massive program of easily available federal subsidies needs to be available to bridge the gap between tenants' ability to pay and the necessary costs for maintenance. These can be forthcoming through traditional tools, e.g., Section 23, Rent Supplements, Public Housing acquisition, Section 235–236, capital grants . . . or through a new flexible tool. In any event, this should be a production subsidy only available where it will be used for a tenant who will be moving into a specific sound housing unit (as against the housing allowance concept).

(c) Funds must be available for tearing down structures which are of obsolete design, or have deteriorated to a point beyond possible rehabilitation. In these instances, federal investment capital must be immediately available for building on the vacant sites.

(d) A parallel effort, again requiring heavy federal and state subsidies, must be made to achieve a sound neighborhood. This means superior security systems (e.g., police protection, street lighting, drug treatment and prevention programs), superior school systems, adequate community facilities, adequate health services as well as removal of physical blighting elements.

(e) Experiments such as "urban homesteading," scattered site cooperatives and condominiums, community management corporations, and others need to be encouraged. Undoubtedly, a diversity of approaches will be necessary in order to solve the problem. HUD has recently released 4,000 units to local governments for use under urban homesteading programs.

It is difficult to establish a necessary price tag for the program. It will be expensive, but the very survival of our cities is at stake. When one considers the dollar investment in our cities which is to be protected and enhanced, the price will be a cheap one to pay.

To start with, it is suggested that a pilot program be authorized for neighborhoods in different cities. Each program should cover an entire neighborhood.

From the experience derived under a pilot program, it should be possible to determine which measures are effective in solving the problems of housing abandonment. There would then be more meaningful data as to costs and techniques to enable the formulation of a program to meet this serious national problem. Legislative hearings will provide an opportunity to obtain further recommendations to improve the proposed program in a manner which is best calculated to achieve the desired results.

Provisions in S. 3066 to preserve existing housing and neighborhoods

S. 3066 would express the feeling of Congress that achievement of housing goals would require a greater effort to encourage preservation of existing housing and neighborhoods, and that such effort should concentrate to a greater extent on housing and neighborhoods where deterioration is evident but not yet acute. The scope of the President's annual report to Congress would be extended to include an assessment of developments and progress, together with an indication of future efforts in preservation of deteriorating housing and neighborhoods.

S. 3066 would authorize grants for demonstrating the feasibility of providing assistance to increase housing locational opportunities for lower income families by conserving and expanding the supply of housing in standard condition affordable to such families. It would require that the housing be in areas located within reasonable proximity to major employment opportunities and sufficiently dispersed so as to avoid excessive concentration and spread the responsibility for supporting services among several localities. The grants would be made to general purpose local governments, local public agencies designated by such governments, or regional combination of such governments, and could not exceed the actual cost incurred by a locality in carrying out eligible activities. Such activities would include the provision or improvement of local public and social services, improvements of the management and supervision of programs and services designed to provide increased housing opportunities for lower income families, payment of land acquisition, demolition or relocation expenses, and such other activities approved by the Secretary as furthering the purposes of the demonstration.

We support the foregoing provisions in S. 3066 and urge that similar provisions be included in H.R. 10036 to the extent they are not in that bill.

19. RURAL HOUSING

With the exception of public housing, HUD programs do not address the housing problems of rural areas. Such areas have 60 percent of the nation's substandard housing, but only 30 percent of the population. If the country's urban crisis is to be solved, a direct federal effort must be implemented to stem the flow of the young, the low income and the educated families emigrating from most rural areas. Housing must be a major tool of this policy. While the Farmer's Home Administration (FmHA) has rapidly expanded its subsidized housing program since 1968, Administration officials have conceded that FmHA programs are not serving low-income families; the programs were not designed to do so. Programs are needed to fill this gap.

S. 3066 and H.R. 10036 are urban bills; any rural provisions such as subsidy distribution are not only incidental, but inadequate. Institutions to develop low or moderate income housing do not exist in sufficient number or strength to insure an equitable urban-rural federal housing policy. The lack of financial institutions is only a part of the problem. Additional or improved financial institutions are not the solution, as the Administration's recommendations suggest. Not only are reforms of FmHA programs essential, but a program directed toward a system of low-income housing delivery must be established. The Rural Housing Bill of 1973 fills both needs (S. 2583; H.R. 10902).

Title I of the bill would establish the Emergency Rural Housing Administration as an independent federal agency with grant and loan funds for homeownership and rental housing programs. Loans and grants for rehabilitation, long available for urban residents, would be authorized with a partial deferred payment mechanism for homeownership. Rent supplements would be authorized for low-income rental occupants, a program never established for the FmHA 515 rental program.

These programs would be carried out by the creation of Rural Housing Organizations (RHOs) in areas not presently served adequately by public housing authorities or state housing entities. Such institutions would fill the void of rural institutions that the Administration's housing message alluded to. With the recent cut in FmHA staff, the county office system—while commendable for direct contact with loan recipients—is increasingly burdened with non-housing loan projects.

Title II of the bill amends the present FmHA programs and expands their area of operations to towns of less than 25,000 population—the cut-off point for most HUD programs. The amendments bring an equity to FmHA programs that have not existed since their inception in 1949.

Since 1949, Congress has recognized the necessity of a separate rural housing program. With the consolidation and reform of urban programs in S. 3066 and H.R. 10036, it is time to redirect the rural housing effort. Many essential rural housing programs remain terminated or frozen, such as the water and sewer grant program, and the 514–516 farm labor housing program. The Administration's recommendations are pitifully inadequate; the major housing bills, S. 3066 and H.R. 10036, do not attempt to deal with the problem. Until there is a recognition of the necessity to enact the Rural Housing Bill of 1973, the rural poor will continue to bear the brunt of the misery and the suffering of a massively disproportionate share of the nation's substandard housing stock.

20. URBAN GROWTH AND NEW COMMUNITIES

NHC urges the full utilization of the Urban Growth and New Communities Development Act (Title VII of the Housing and Urban Development Act of 1970) to help take care of the increased urban population, relieve city congestion and provide building sites at reasonable prices. There is an urgent need for new communities which are carefully planned with housing, shopping, industry, transportation, schools, hospitals, open spaces, recreational and cultural facilities.

Adequate federal grants should be authorized and made available to public and nonprofit agencies to assist all necessary new community projects and programs. Such federal grants should be made for water and sewer facilities; waste disposal; hospitals and health centers and services; mass transportation; parks and beautification; recreational and cultural facilities; public buildings and public works; neighborhood facilities; and other essential public services and facilities. To meet the needs of new communities, special provisions are required in the pending legislation to provide block grants for community development programs.

21. RELOCATION

NHC has long sought an adequate program of uniform relocation assistance. Now we urge full use and implementation of that legislation and all other laws providing relocation assistance. This includes the measures required to assure the availability of replacement housing prior to displacing people through new developments. NHC urges the repeal of the unrealistic and erroneous requirement that local public agencies absorb one-third of the cost of expanded relocation payments. To remedy this situation, the Senate has passed S. 261 and we urge the House to pass a similar pending bill, H.R. 3271.

22. EQUAL HOUSING OPPORTUNITY AND FREEDOM OF CHOICE

(1) NHC has always been committed to equal opportunity for all American families to secure good housing in good neighborhoods. It again reaffirms this position. Equal opportunity in housing is now the law of the land—both by statute and by court decree. Yet this opportunity is still denied to millions of American families throughout every section of the land because of their race, color, creed or national origin, or because of the myth which exists as to their desire or ability to pay for and maintain good homes. To overcome this denial of opportunity and to dissipate these myths, an urgent task is facing the nation.

(2) NHC has long supported the principle of a competitive housing market open to free bargaining by all American families without regard to racial or ethnic background. Many localities have been limited in achieving this objective, however, because of inadequate supplies of low and moderate cost living accommodations and the congestion of many minority group families in limited sections of the community.

(3) We urge the President and the Congress to take all steps necessary to provide an equal opportunity for housing. This includes full and adequate appropriations to achieve equal opportunity for all American families to secure good housing in good neighborhoods. We urge the Administration to take necessary affirmative actions to achieve this objective.

(4) We should provide an opportunity for freedom of choice in our housing programs. The choice of individual or cooperative home ownership or rental housing and the choice of city, suburban, new town or country living must not be limited by race, color, religion or national origin. With housing in each development available for a cross-section of income groups and a broader market, we can provide freedom of choice to people of all incomes to select where they want to live.

(5) Community discrimination against subsidized housing should be removed as it is a most serious constraint on the availability of building sites for low and moderate income housing. We recommend legislation which would prohibit States and local public bodies from discriminating against housing subsidized by the federal government, whether through legislative or administrative action. The legislation should authorize suits by interested parties, as well as the Attorney General, to enjoin such discriminatory action. The legislation should be strengthened by providing for federal preemption of local zoning upon an appropriate finding by the Secretary of HUD, so as to require opponents rather than proponents to initiate litigation.

(6) The effect of the current moratorium upon minority enterprises which were nurtured by subsidized housing programs has been disastrous. The stoppage of planned subsidized projects has hit hardest those minority-owned businesses involved in the housing industry. These firms lacked the financial resources to withstand even minimal production cutbacks and many went out of business.

(7) The incidence of housing segregation in the cities and suburbs continues to increase. In 1972, federally assisted programs began to require a number of affirmative actions to help expand housing opportunities beyond racial ghettos. Subsidized housing has done more than any other housing program to provide new opportunities for minorities to escape the confines of ghettos, to move nearer to new job opportunities and to improve the quality of life and environments necessary for minorities to escape the confines of ghettos, to move nearer to new job opportunities and to improve the quality of life and environments necessary for minorities to become a part of our overall society.

(8) There has been a tremendous cutback in these assisted programs without a concurrent replacement with other programs designed to increase housing opportunities and housing choices, at prices most minorities can afford to pay. This has caused incalculable harm, further disillusionment with the federal government and increased racial unrest. It has prolonged the fulfillment of the government's policy to assure every American a decent home in a suitable environment.

23. NECESSARY IMPROVEMENTS AND ACCELERATION IN HUD PROCESSING

In his recent speech before the Annual Convention of the National Association of Home Builders, Secretary Lynn stated flatly that there will be a need for FHA for a long, long time and that there will always be good mortgage risks that require FHA assistance. He further stated that one of his top priorities for the period immediately ahead is once again to provide timely FHA processing services in the offices that fail to do so, without sacrificing the important social goals built into the law. He said that a team of experts is being put together who will go directly into the area and insuring offices that appear to need help and do what needs to be done.

NHC feels that this action is long overdue since there have been intolerable delays and inequities in processing in many HUD offices. We recommend that HUD take all actions necessary to keep currently committed programs in operation in a reasonably efficient manner. It is essential for HUD's leadership to establish a program for production objectives for new and rehabilitated housing based on quality processing, and to direct these objectives to area and local offices with specific designations by: (a) program; (b) office; and (c) fiscal quarters.

This would require: (1) review of available personnel; (2) review of flow of approvals; (3) institution of target dates for stages of processing; and (4) avoidance of stop and go processing. Where necessary, HUD should use teams of troubleshooters.

We are still receiving reports concerning reductions in the staff involved in processing and production. We urge a review of available personnel to assure that these staffs are adequate—with such increases as are necessary—to provide prompt processing.

We favor a program to revitalize and streamline operations. This should include the adoption on a nationwide basis of those techniques and processes which have proven successful when tried in a limited number of offices. This includes the contemplated HUD nationwide extension of the San Francisco Plan. This contemplates an initial processing—with major responsibilities placed on the lender—for site appraisal and market analysis, which is limited to acceptance of the site, land value and obtainable rents. The feasibility stage of processing is discontinued. The later conditional commitment stage would consider the other items of processing, including cost estimates, the management plan and affirmative marketing.

HUD should also expand its efforts to test other processing innovations which are designed to shorten processing time. One technique to be explored should be the placing of responsibility on pre-qualified lenders to handle more of the processing themselves, subject to their certification as to compliance with applicable HUD requirements and a post audit. Where pre-qualified lenders do not provide quality processing on such matters, such pre-qualification authority would be removed. This new technique would represent an extension to multifamily housing of similar actions taken in certain offices on single family homes under the Accelerated Processing Program. The Accelerated Processing Program on single family homes should also be extended on a nationwide basis for single family homes.

We recommend that HUD keep current with its construction cost data and that it process cases on such current costs. It is also necessary that HUD utilize more realistic trends as cost factors to reflect anticipated cost increases and inflation. Such higher factors are justified in the light of our historical experience, particularly during this inflationary period. Abuses can be avoided since actual costs will be determined in the cost certification. Some projects which were released from the freeze are encountering serious problems in HUD offices which are requiring developers to build at their earlier cost levels which are unworkable.

It is also necessary that HUD adopt a realistic policy in allowing mortgage increases where actual costs are substantially higher than HUD's estimates, including construction costs besides non-construction costs. As a matter of equity, mortgage increases should be allowed in such cases, provided that the market will support the accompanying rent increases.

There should likewise be a realistic policy in meeting the requirement that the market rents be comparable. It should be recognized that there are certain costs involved in projects financed with a HUD-insured mortgage which involve social goals required by law, such as prevailing wages, equal opportunity, environment, management and affirmative marketing programs. These entail additional costs which should be recognized through appropriate adjustments in determining comparable market rents.

Likewise, we recommend that HUD keep current with its operating cost data and that it recognize such current costs at the time a project is started. Particularly during this inflationary period, HUD should discontinue the practice of looking back at earlier operating cost data and delaying approval of necessary rent increases. Such actions help to contribute to defaults which can be avoided.

Finally, we recommend that HUD keep current in the determination of income limits for assisted housing in metropolitan areas throughout the country. When income limits are used that do not reflect increases that have occurred during this inflationary period, people who urgently need housing are being denied the opportunity to get it even though units are available. Moreover, the market is being unnecessarily restricted because of unrealistic income limits which help to create vacancies and contribute to defaults.

Better processing of programs administered by public agencies

In addition to the foregoing actions to improve HUD processing in the private housing programs involving mortgage insurance and assistance, it is also necessary to assure better HUD processing and administration of programs administered by public agencies, such as urban renewal and other categorical programs for community development. HUD should redefine its role to concentrate on major policies and on constructive leadership in executing federal laws and to grant greater local autonomy to local government and agencies in undertaking and operating projects involving HUD aid. NHC believes this HUD role would constitute creative federalism.

The expenditure of federal monies should be subject to broad federal guidelines. Through the years, there has been a continuing increase in the burden and detail of HUD controls over local operations in the conduct of HUD-aided programs. HUD controls should be eliminated which are not required by federal law.

As to matters involving public agencies which now require prior HUD administrative approval, HUD should expedite programs by waiving such prior approval in cases where the public agencies will certify and proclaim that they have complied with all of the enumerated administrative requirements of HUD. Upon such certification covering all applicable administrative requirements, the public agencies should be allowed to proceed with their program, subject to post audit by HUD that the public agencies have conformed with their certifications.

HUD should accelerate processing, production and decision-making by federal and local officials and by participants in all HUD programs, including the establishment of time schedules for all actions required. There should be a time limit for submission of applications.

After applications have been approved and allocations made, there should be a time limit for contracting and execution. With respect to requirements for HUD approval after a contract or commitment is issued, there should be a recognition that HUD has a certain period within which to act; and, failing such action on matters requiring HUD's approval, the proposal to HUD should hereby be accepted and considered approved.

24. IMPACT OF ENERGY SHORTAGE ON HOUSING

We will briefly identify some of the impacts we anticipate from the energy shortage. The energy shortage will have a further depressing effect on housing production and sales. It will further contribute to the recession which we have anticipated and which was partly caused by the impoundments and the moratorium in housing and community development in 1973 and 1974.

With the oncoming recession and the increase in unemployment and inflation, we expect the Government to take affirmative action to try to increase production in federally-assisted and other housing programs to meet urgent needs and stimulate the economy and relieve unemployment. Unfortunately, the actions taken to date do not appear to be workable or effective. Elsewhere in this report we recommend measures which would make them more effective. Housing should be called upon to help bring the economy out of a recession, including a revival of subsidized housing programs.

Additional housing production and rehabilitation can be utilized as a means of promoting energy conservation. New or rehabilitated housing can appropriately include such energy saving measures as: more insulation; the use of double or triple glazed windows; storm doors and windows; weather stripping and winterizing; the use of better designed heating systems; techniques to reutilize waste heat that is generated in the home; and, when it is determined to be feasible after a HUD-assisted pilot program, the greater use of solar energy.

The Emergency Petroleum Allocation Act of 1973 directs the President to promulgate regulations for mandatory allocation of fuel oil. One purpose is to provide, to the maximum extent practicable, for protection of public health, safety and welfare. This includes maintenance of residential heating such as individual homes, apartments and similarly occupied dwelling units.

There are several instances where federally assisted housing projects have been unable to obtain an allocation of oil or natural gas for heating purposes. Additional regulations should be promulgated that establish the priority claim of federally assisted housing developments—whether FHA, subsidized or public housing—for fuel allocations. While some projects yet to be developed have been particularly hard hit, and their feasibility imperiled, the same priority ought to apply to the heating of existing units for which there is an outstanding federal subsidy.

The price of heating oil has increased by more than 300% in the Northeast and there have been other very large increases elsewhere in the country. This has created a serious problem in housing projects generally, including multifamily housing which is federally assisted. In the case of some privately owned projects involving no federal subsidies, the owners are facing such serious losses in operating their projects that there is a threat of further housing abandonment.

In the case of public housing, the local housing authorities are unable to collect sufficient additional income from the projects to meet these increased costs of heating fuel and other utilities, so they are in need of additional operating subsidies. The amount of operating subsidies requested by the President for FY 1975 includes a $50 million increase from the $350 million authorized last year to $400 million. We recommend a further increase to $500 million as provided in S. 3066.

We support programs which will achieve a reduction in prices on fuel oil to a more reasonable level. This will relieve housing projects of the serious problems which they are facing in endeavoring to collect sufficient income to meet their increased costs of operations. It will also help to relieve tenants of the large increases in rents that they are facing.

The gasoline shortage should result in a greater emphasis on the use of land within urbanized areas which are closer to employment and which have mass transportation. Large metropolitan areas have been permitted to sprawl into a low density form of development. It is difficult to serve such low density patterns of development with efficient mass transportation facilities. This form of development places a reliance on the automobile as the sole means of transportation to work, shopping, education and cultural facilities. The energy shortage, if properly handled, can put an end to leap-frog patterns of development at the urban fringe, namely, those single family houses on large lots or widely separate subdivisions unsupported by adequate public facilities—which makes the land cheaper.

The energy shortage may stimulate programs to bring industry into urban areas so that jobs will be available to those who can use mass transportation. This may result in meeting a need for providing a source of financing at the municipal level for such industrial development. Another financing alternative would be through the issuance by local public agencies of federally insured bonds to raise money for loans for industrial development that will produce jobs for those who live in urban areas and can utilize mass transportation.

The increased costs of fuel will result in increased costs in housing construction and operation. Energy shortages are likely to result in design changes to achieve greater fuel conservation.

Construction materials dependent upon petroleum for production may be in short supply, such as plastic products. However, alternative materials may be available to some extent, such as copper, steel, aluminum or concrete in place of plastic pipes. As to short supplies, the problems may be ameliorated due to the lower anticipated volume in housing and other construction and the resourcefulness of industry in increasing production in response to the market demand.

Program under S. 3066 to utilize solar energy

We support the provisions of S. 3066—and urge that a similar provision be included in H.R. 10036—which would amend Title V of the Housing and Urban Development Act of 1970 to authorize the Secretary to undertake, and make contracts, grants or provide other types of assistance for special demonstrations to determine the economic and technical feasibility of utilizing solar energy for heating or cooling residential housing. The demonstrations should involve both single and multi-family housing located in both urban and rural areas having distinguishable climatic characteristics, and could include demonstrations of new housing design or structure.

S. 3066 would authorize the Secretary to utilize any federally assisted housing program in the actual planning, developing and occupancy of the housing, and set aside any inhibiting development, construction, design or occupancy requirements for any demonstration. It would require the Secretary to include in any demonstration a full evaluation, and to report to Congress any demonstration within a specified time.

25. GUARANTEE OF STATE HOUSING BONDS

S. 3066 would authorize the Secretary to guarantee the principal, interest, and premium on State housing finance agency bonds to be used in financing housing for low-, moderate- and middle-income families and persons in accordance with State law, provided that the income on such bonds is subject to Federal taxation. The use of such guarantees shall not be a condition to any other assistance under the Act. It would further authorize contracts to make grants to cover not more than one third of the interest which the issuing State agency must pay on guaranteed taxable bonds.

The Secretary would be required to approve a State housing finance agency for guarantees if it operates in a State where additional housing is needed beyond that contracted by the private market, has a program meeting the housing needs of all persons, has established priorities consistent with community development programs, seeks to avoid an undue concentration of low income persons and to promote equal opportunities, operates in a State where adequate supplementary resources are available, and has the capacity to carry out the program.

We urge first that OMB circular A-70, which removes the tax-exempt status of State Housing Agency revenue bonds, be withdrawn. If it is not, we support the foregoing provisions of S. 3066—and urge their inclusion in H.R. 10036, to the extent they are not already in that Bill.

26. ADDITIONAL RESOLUTIONS IN APPENDIX WHICH COVER OTHER IMPORTANT MATTERS

In the foregoing statement, we have presented some of the major resolutions involved in proposed housing assistance and community development programs. There are other important resolutions described below which are in the Appendix. These are not being printed in the Congressional Record, but are available from the National Housing Conference upon request.

No. 1. Recommended Amendments

We list the amendments which we are recommending in S. 3066 and H.R. 10036, including those proposed above and in the attached Resolution No. 1.

No. 2. Equitable Treatment in Programs

The Administration is arguing that it is unfair to help some of the people who need housing unless help is given to all who need it. Yet the President's message makes it clear that the Administration is not proposing to adopt an equitable program now. It says it *may* later decide upon a program of cash assistance for housing. If so, it would be started only with some of the elderly poor. In contrast, the housing laws previously enacted and the proposals in S. 3066 and H.R. 10036—with our recommended amendments—would provide equitable treatment for those of low and moderate incomes who need help to get decent housing. There is a 10-year goal to provide adequate additional housing to meet the housing needs of these income groups.

Past laws have provided additional authorizations each year for such additional housing construction and rehabilitation and this would be continued under S. 3066 and H.R. 10036. When people know that such additional housing is scheduled to meet their needs, they are prepared to wait their turn. These housing programs provide equitable treatment which is designed to serve all who are equally in need and to assure that they get housing of good quality.

No. 3. Release of Impounded Housing Funds

The President's release of impounded housing funds was less than one-third of all the monies that were impounded under Sections 235, 236 and rent supplements. The Federal District Court in Washington, D.C. has held that the President does not have the constitutional power to impound such funds. To clarify the record, we urge that the Congress reassert its continuing intention that the Secretary cease any suspension of these housing assistance programs or any withholding of funds for them. A continuing program is necessary to meet urgent housing needs, stimulate the lagging economy and relieve unemployment. We recommend that authorizations of additional housing assistance in S. 3066 and H.R. 10036 become effective on the date of enactment of the legislation or on July 1, 1974, whichever is earlier.

No. 4. Existing Programs Have Been A Success

NHC has found that most of the complaints and criticisms about HUD programs did not involve new construction or rehabilitation under Sections 235 or 236. We have concluded that these programs have generally been effective in meeting their objectives and that their continuance is imperative (in the improved form proposed in S. 3066 and H.R. 10036, with our recommended amendments) to provide housing which is urgently needed by those of moderate incomes.

No. 5. Comparison of Findings and Conclusions from HUD Study with Program Facts Relating to Program Equity

This resolution presents a critique of HUD's basic conclusions on present Section 235 and 236 programs in relation to the income groups being served and the question of the program equity. For a comparison between HUD's conclusions and program facts on program viability and program efficiency, see Section 14 of the Main Report.

No. 6. Need for Adequate Operating Subsidies in Public Housing

NHC readopts last year's resolution in the attached Resolution No. 6 recommending necessary actions to meet deficits in public housing projects, including: (1) full payment of the HUD operating subsidies which are needed; and (2) the collection of more income from residents of public housing. Our recommendations as to how to increase income from public housing are contained in this Resolution.

No. 7. Actions To Help Alleviate Housing Credit Problem

The President's message recognized that there is a present famine with respect to mortgage credit and that higher interest rates and down payment requirements are pricing too many families out of the housing market. The message announces several administrative actions and legislative proposals to meet the problem. In the attached Resolution No. 7, we support these proposals, except for the one that would remove the limits on interest rates for FHA insured and VA mortgages. We feel there should be a continuing control of these interest rates along with additional measures to reduce interest rates.

No. 8. Consolidation and Simplification of Housing Laws

We are pleased that Secertary Lynn approved the consolidation and simplification of existing laws. However, we support the provisions to accomplish this which are in S. 3066 and H.R. 10036, instead of the proposals of the Administration in S. 2507 and H.R. 10688. The latter bills would remove many major matters of policy from legislative determination. It would substitute administrative decision in areas which have properly been decided by Congress historically. We completely and vigorously disagree with the aspect of the Administration's bills which would discontinue subsidized housing programs of the character covered in Sections 402 and 502 in S. 3066 and H.R. 10036.

No. 9. Program To Achieve a Reasonable Range of Income in Projects

We are pleased to note that S. 3066 and H.R. 10036 are designed to achieve an economic mix in projects. Moreover, the bills provide for a flexible housing assistance formula which will make it possible to serve a cross-section of families.

We believe that economically integrated housing developments are a key factor in achieving sound and wholesome communities—not just housing. We should seek to avoid the present segregation of a stratified low-income group in assisted housing, as this often creates unhealthy communities. Under the foregoing program, it would be possible to achieve economic integration on new projects during tenant or resident selection for initial occupancy. On existing projects, it is not intended that any families would be evicted in order to achieve economic integration; rather a cross section of income groups can gradually be achieved as existing tenants or residents move and others are selected to fill vacancies. It should be recognized that there is a need for increased production of public housing units in order to adequately serve the lowest income persons under a program involving economic integration. We reaffirm our past resolutions that the federal government has a responsibility to assure that all low income people are adequately housed.

No. 10. Amendment To Assist in Assuring a Reasonable Range in Income Levels Among Tenants

To assist in accomplishing the objective in S. 3066 and H.R. 10036 that each assisted project have a reasonable range in the incomes of occupants, we recommend the amendment in Resolution No. 10. This amendment would provide that 20% of the dwelling units may be occupied by tenants who have incomes at the time of initial occupancy which do not exceed the median income for the area as determined by the Secretary.

The Senate bill as reported contains this amendment. We urge that it likewise be included in the House bill.

No. 11. President's Impoundments Were a Formula for Disaster

The President's suspensions and impoundments of housing funds were a formula for disaster. Serious problems were created which will lead to new urban crisis in the future, increased inflation, and a recession. With the cutoff of housing assistance for those in low and moderate income groups, the pipeline of previously committed housing starts will have virtually dried up by mid-1974. Filling that pipeline again will take another 18 months. As a result the housing industry is due for extremely lean years between 1974 and 1976. Meanwhile, people of low and moderate income will be denied decent housing they otherwise would get with HUD's assistance.

No. 12. Presidential Suspension of Programs Was Unconstitutional

The widespread actions taken by the President in impounding appropriated funds and contract authority and suspending programs was unconstitutional. This is fully documented in the attached Resolution No. 12. Judge Charles R. Richey of the United States District Court in Washington, D.C., has ruled that the President did not have the Constitutional power to make these impoundments and this decision is now on appeal.

No. 13. Amendments to Provide Consumer Protections

We recommend the amendment in Resolution No. 13 to provide consumer protections and to avoid past abuses in housing with HUD insured mortgages. The amendment will require that all housing constructed with HUD mortgage insurance or assistance must be of good quality. The House bill includes this amendment, and we urge that it be added to the Senate bill.

No. 14. Amendment to Establish Reserve Fund to Meet Increased Operating Expenses

We recommend the amendment in Resolution No. 14 to provide that excess charges be credited to a reserve fund to be used by the Secretary to make additional assistance payments to meet increased costs above the initial operating expense level. S. 3066 provides for such additional assistance payments—and we recommend a similar provision for H.R. 10036—to pay such increases in operating expenses which are not offset by required increases in tenants' rentals. The proposed reserve fund would assure that money is promptly available for such assistance payments. Moreover, it would make it clear that the operating deficits resulting from increased operating costs are being met from operating surpluses resulting from excess rental charges paid to the Secretary. The Senate bill now includes this amendment. We urge it likewise be added to the House Bill.

No. 15. Pilot Program for Urban Homesteading

We support the pilot program for urban homesteading as an imaginative means of reusing abandoned or vandalized houses owned by cities or HUD, by providing an incentive to people to occupy and rehabilitate them. They are being offered the reward of obtaining free title in return for their investment of some of their resources and labor to rehabilitate the houses and continue to occupy them.

No. 16. General Housing Policies

We recommend the programs and policies summarized in Resolution No. 16 in addition to those set forth elsewhere in this Report. Illustrative of the matters covered are: that federally assisted housing should provide adequate space and facilities and meet proper standards for comfortable living; that measures be taken to assure the availability of enough land, at reasonable costs, to achieve our housing goals; that site selection criteria should be amended; and that rehabilitation programs for slum areas are not intended to be containment programs for present residents, who should have an opportunity to move into other areas.

27. RESOLUTIONS ADOPTED LAST YEAR

The resolutions adopted last year included a historical summary of each housing and community development program, including its legislative authority and appropriations; also the amendments which NHC recommended in legislation relating to each program. Since there has been no new legislation on these programs since last year, it is not necessary to present a new summary this year. We refer you to last year's resolutions for summaries and recommendations on existing programs and for resolutions on any subjects not fully covered in this report.

This year's report is concerned with current problems, including the President's message and budget sent to Congress, the effects of the continued impoundments and the suspension of housing and community development programs. The major part of this report relates to pending bills and our recommendations concerning them, including amendments which we deem necessary in the bills which we support.

28. CONCLUSION

In summary, referring again to the President's housing message, we have strong objections to its failure to recommend the adoption of an adequate program now to meet the urgent housing needs of those of low and moderate incomes. As substitutes for the battery of housing programs that we had prior to their suspension by the Administration, we are offered a Section 23 program—which is unworkable—and a limited release of 236 funds. While the release of some 236 funds will help, the limited measures taken are indeed objectionable as wholly inadequate to meet the need. The promised housing allowance program is objectionable on the ground that it is not designed to produce the additional housing that is needed. As an experimental program, it will produce few units, with little impact on the housing needs of our nation.

Recent events have increased the urgency for action to increase the production of housing for those of low and moderate incomes and to stimulate our depressed economy and relieve unemployment. In January of this year, housing starts were down to an annual level of 1,486,000 units, which is nearly 1,000,000 units below the rate of the same month a year ago. Without funds for additional subsidized housing and with a lack of mortgage money and high interest rates, we expect the level of housing construction to get much worse. This will increase unemployment and further depress our economy at a time when we are already facing greater unemployment and a recession accentuated by the energy crisis.

The rehabilitation of housing and the production of new housing will help relieve the energy crisis by reducing the consumption of fuel which is so scarce. Such housing will have improved heating systems, insulation and storm windows which will cut the need for fuel.

These factors—together with the critical need for housing to serve those of low and moderate incomes—emphasize the urgency for prompt action to carry out the recommendations in these resolutions.

We do not support the Administration's apparent belief that we can survive with virtually no workable assisted housing programs to be offered by it until mid-1975. We urge the Congress to reinstate our existing programs which are workable—with the improvements in the Senate and House bills—to avoid the disastrous social and economic consequences of no workable programs. We support S. 3066 and H.R. 10036 with amendments as presented in these resolutions. We look forward to early passage. We deplore the Administration's rhetoric that pretends that promises are an acceptable substitute for action.

REPORT ON VISIT TO MILITARY ACADEMY

Mr. GOLDWATER. Mr. President, as a Senate member of the Military Academy's Board of Visitors, I visited the Academy as a member of the Board on Wednesday, the 24th of April. While a full and more comprehensive report will be forthcoming to the President, at which time I will make that an entry in the RECORD, I think there are two things that should be called to the attention of my colleagues at this point. One is the true story of cadet attrition and the other the dire need for improvements in the gymnasium.

I will discuss cadet attrition first.

I ask permission that the report be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

CADET ATTRITION

BACKGROUND

Over the last twenty years, the USMA position toward resignations has varied from a "hard out" to a "sensible out" policy. Thus, the Academy's resignation policies can be characterized as both rational, realistic, and responsive to current trends and attitudes among today's youth.

Attrition is a subject which must be examined with great care and also must be related to specific factors such as attrition in civilian universities, college attendance by American youth, historical trends in West Point attrition, and attitudes among today's youth.

Historically over the last half a century, West Point attrition has hovered about the 30% line. That is to say, of those who enter in July, around 30% fail to graduate four years later.

About two years ago, the American Council on Education did a study which revealed attrition factors for civilian colleges. Among other things, the council discovered that in the average four-year college in America 53% of those who entered freshman year would not be present at graduation four years later. Considered against this record, USMA attrition is considerably lower than the national figure for civilian colleges.

Other studies on American education show that 50 years ago only 4% of the college-age population attended college. Now approximately 40% of the college-age population attend college. Moreover, there has been a tremendous increase in the available number of colleges, junior colleges, technical schools and other educational experiences from which to choose. Finally, there has been a great expansion in scholarships available for young people whose academic achievements are of the kind of desired in West Point candidates. These factors have two effects at West Point. The first is to provide a variety of choices for those who are seeking a college level education. For many young men, West Point used to be the *only* chance for a college education. Now, it simply is one of many alternatives. The second effect derives from this situation. Formerly, a young man who had no other possibility of college would hang on at West Point until thrown out for academic failure. Today, a young man with other opportunities will resign and take an "incomplete" on his record rather than have to explain an "F" to the Registrar of his new college.

Except for the fact that at the end of every major war there has been a dramatic rise in cadet resignations, attrition at West Point has hovered at about 30%. Similarly, there is a drop in resignations during the most active part of major wars. There are several reasons for this. One is that during a major war, a young man who drops out of West Point will be drafted. For many, this is an unattractive option. Also and unfortunately, during a war, many young men consider and look for the best way to serve rather than whether to serve. On the other hand, after a major war, promotions slow down and the training task that always faces the Army looks less glamorous than the challenge of leadership in combat. This prospect discourages some. Lastly, the inevitable anti-militarism which follows a war, combined with highly publicized investigations of service academies which also seem to follow, helps to drive up the cadet attrition rate.

The last factor that must be taken into consideration is the attitude of youth. Last spring, *Fortune* magazine, in an article commenting on college students, called the current situation with respect to young people in America the age of instant gratification . . . an age in which if success is not significant and quick there is a great tendency to shrug shoulders and quit. This trend carries with it the age of instant dropout. While the number of new cadets who drop out of West Point the first two months is down from last year's experience, those who did drop out did so much faster. Sadly, our experience shows that about one quarter of the first hundred to drop out will later write and beg for readmission. The Army is a stressful environment and for this reason West Point, in training young men for that environment, must be stressful. Some new cadets simply cannot adapt to stress. It is well that we find this out before much money has been spent on them. A "hard out" rule which would prohibit resignation during the first two months probably would salvage half of the first one hundred who leave. However, in this age of suicide gestures, even possible suicides, the adverse public impact would far outweight the gain in salvaged cadets.

As far as the financial cost of cadet attrition is concerned, it should be noted that two-thirds of the cadets attrited from any given class are so separated prior to the completion of their fourth class academic year. The public funds thus expended upon them, when compared with the total expended upon those who remain and successfully accomplish their four years of education and training at the Military Academy, are minor.

PROPOSED BOARD RECOMMENDATION

Concerning recent publicity on attrition rates at the academies, the following is suggested as a proposed formal recommendation to be used by the 1974 Board of Visitors for inclusion in its *Report* to the President:

"That the Department of Army recognize that the recently publicized comparisons of student's attrition rates at the Military Academy and certain Ivy League and other colleges are highly inaccurate; that Department of Army continue to support recognition of the fact that not all young men admitted to West Point will develop into officers of the high quality that the Army demands, and that some cadet attrition is indeed necessary if that high quality is to be maintained."

Mr. GOLDWATER. Next, I would like to bring us up to date on attrition because in February of this year Newsweek and the Army Times wrote articles stating that the West Point attrition was 39 precent and rising and then made a comparison with the Ivy League attrition. But the preparation of this article was done in a loose and false way and the results published were completely inaccurate. I have called the attention of this inaccuracy to Newsweek magazine, but I have not had time to hear what they intend to do about it.

So, to update attrition:

UPDATE ON ATTRITION

1. There are continued signs that the precis on attrition was an accurate prognosis on what was going to happen. Attrition at West Point is going down—not up. In November 1972, 17 cadets left West Point. In November 1973, 3 cadets left West Point. From 1 December 1972 through 15 February 1973 (which includes term end separations) 60 cadets left West Point. In the some period this year, 37 cadets left West Point.

2. Additionaly, this summer was the first Beast Barracks we have had in which a sizable number of Fourth Classmen indicated at the end of it that they had expected it to be harder and were disappointed that it was not more of a challenge.

3. Newsweek and Army Times both wrote articles stating that West Point attrition was 39 percent and rising, while the comparable Ivy League attrition was 7 percent. 39 percent is our postwar peake (Class of 1974) and reflects the resignations from 1970 to 1972. 1975 will be somewhere around 35 percent, and 1976 will be back to the normal 33 percent. 1977 is running several percentage points behind 1976 at an equal period in time.

4. The 7 percent figure for the Ivy League colleges is a hoax. We called three Ivy League engineering colleges which have curricula of the rigor as ours, their attrition averaged 35 percent. The same figure for three non-Ivy League engineering colleges of some distinction was 45 percent. In February 1973, the U.S. Office of Education said that dropout rates in 4-year colleges were as high as 52 percent. They also found the dropout rate in the Class of 1971 nationwide in 4-year colleges to be 53.7 percent. Thus, with the exception of 1974 which is our typical postwar aberration, we normally run lower than all the other colleges. Even the Class of 1974 is below all but the Ivy League engineering college average.

And following that, Lieutenant General Knowlton has made a statement on attrition which I would like to make a part of this report at this point.

PRECIS OF LIEUTENANT GENERAL KNOWLTON'S STATEMENT ON ATTRITION

1. Attrition within the United States Corps of Cadets is a subject that must be examined with great caution. It also must be related to specific factors: attrition in civilian universities; college attendance by American youth; historical trends in West Point attrition; and attitudes among today's youth.

2. Historically for the last half a century, West Point attrition has hovered about the 30% line—in other words, of those who enter on the 1st of July, around 30% will not graduate four years later. About two years ago, the American Council on Education did a study which produced attrition factors for civilian colleges. They discovered that, in the average four-year college in America, 53% of those who entered freshman year would not be present at graduation four years later. Thus, our attrition is considerably lower than the national figure for civilian colleges.

3. Similar studies on American education show that 50 years ago, only 4% of the college-age population attended college. There has been a tremendous increase in the numbers of colleges, junior colleges, technical schools, and other educational experiences. Furthermore, there are effective programs of scholarships for young people whose academic achievements are in an area we consider. This has two effects at West Point. The first derives from this situation. A young man who is seeking a college level education. West Point used to be, for many young men, the only chance for a college education. Now, it is one of many alternatives. The second effect derives from this situation. A young man who had no other possibility of college would hang on until thrown out for academic failure. Today, a young man with other opportunities will resign and take an "incomplete" on his record, rather than have to explain an "F" to the Registrar of his new college.

4. I have said that attrition has hovered about the 30% line. There is one notable historical explanation as shown on the attached chart: At the end of every major war there has been a dramatic rise in cadet resignations. Similarly, there is a drop in resignations during the most active part of a major war. There are several reasons for this. During a major war, a young man who drops out of West Point will be drafted. During a war, many young men consider the *best way* to serve, rather than *whether* to serve. After a major war, promotions slow down and the training task looks less glamourous. This prospect discourages some. Lastly, the inevitable antimilitarism which follows a war, combined with highly publicized investigations of service academies, helps to drive up the cadet attrition rate. The chart shows that we are right on the historical curve, although the curve has steadily amplified as each succeeding war has occurred.

5. The last factor that must be taken into consideration is the attitude of youth. *Fortune* magazine last spring, in commenting on college students, called this the age of instant gratification. But it carries with it the age of instant dropout. While the number of new cadets who drop out of West Point the first two months is down from last year's experience, those that did drop out did so much faster. My experience shows me that about a quarter of the first hundred to drop out will later write and beg for readmission. The Army is a stressful environment; some cadets cannot adapt to stress. It is well that we find it out before much money has been spent on them. We have attempted to find tests which will tell us in advance the retainability of an applicant. While some developments give us a rough indication, there are serious exceptions to make us very cautious in applying such tests as candidate screening. A "hard-out" rule which prohibits resignation during the first two months would probably salvage half of the first hundred who leave. However, in this age of suicide gestures and possible suicides, the adverse public impact would far outweigh the gain in salvaged cadets.

6. As a final note, we cannot accept the categorization phrase used to distinguish between *academic and aptitude* separations, and *motivational* separations. I have reviewed in detail every file of every resigning cadet since I became Superintendent. A large number of so-called motivational departures are concealed aptitude departures or concealed academic departures. This is the category

I mentioned earlier—those who do not wish to explain a failure and who leave before the failure becomes official. Mailing out a questionnaire as to why people left will not give you an authentic answer. The best answer on why young men leave is contained in the two indorsements within the resignation file which are signed by the Company Tactical Officer and by the Regimental Commander. A large number of resigning cadets refuse to face up to the real reason for their departure.

7. As a final note, the quality of a class is sometimes a factor of attrition. This year's First Class has the highest attrition in some years. Yet, it is an outstanding First Class and the best which I have seen as Superintendent. We should be careful in relating high attrition to failure; in this case higher attrition has given us greater success.

My colleagues will see that the attrition rate at West Point is better than most colleges in the country, or maybe I should have said the attrition rate is less than most colleges in this country, and when it is compared with colleges giving the tough engineering academic courses given at West Point, it is far better than most of them.

The largest number of young men in the history of the Academy are waiting to be selected, and they total almost 11,000. The highest number ever recorded before was slightly under 10,000.

This is a real healthy indication that young men are once again becoming interested in military careers.

Now I would like to touch very briefly on cadet training as it applies to the need for increased physical education facilities. As background:

Cadet Training: The Need for Increased Physical Education Facilities

BACKGROUND

1. The gymnasium is one of the oldest buildings still in existence at West Point. The major portion was constructed in 1910 with additions completed in 1935, 1947, and 1970. In the expansion of the Academy, less that 4½% of total expansion funds have gone into PE and athletic facilities. A new swimming pool, a few additional playing fields, and modification of the North Gymnasium represent the only facilities made available or improved using expansion money.

2. The present facilities were designed to accommodate a Corps of 2,700. Now that the Corps totals approximately 4,000 cadets and is likely to increase to 4,400, additional facilities are clearly essential. Currently, the need is partially met by overcrowding, by use of hallways, and by limiting the number of cadets in the various programs. Significant and of special interest is the fact that the inadequacy of the physical education and athletic facilities at West Point has been recognized by the Review Panel on Intercollegiate Athletics and Physical Education, a collection of experts in these fields which assessed USMA in these terms in 1972. In April of that year, this body stated, "It is inconceivable to the panel members that this wealthy and powerful nation would allow the athletic and physical education departments [at West Point] to function with the mediocre facilities which currently exist."

3. Because of the lack of facilities, cadets do not receive full benefits of significant parts of physical training. Present overcrowded conditions cause some 500 cadets per intramural day to be without adequate indoor physical activity five months each year. The existing area for wrestling consists of 13,000 square feet, the area for boxing 7,000. Both are inadequate. In addition, there are only eight handball courts to support cadet instruction, intramurals, activities of the Handball Club, and free play. Simultaneously, these same courts are used by officers and enlisted personnel for tournaments and free play. By comparison, USAFA, with almost the same program, has a 100% greater area for handball. Less than 40% of all cadets receive handball instruction due to an insufficient number of courts. In addition no areas now exist for judo, karate, and fencing. These activities are accommodated in areas designated for other purposes and results in late evening scheduling.

4. Locker space at USAFA is approximately twice that of USMA. Only Fourth Classmen (Freshman) and varsity athletes whose particular sport is in season have lockers in the gymnasium. Additionally, there are a limited number of lockers for the officers of the staff and faculty. No lockers are available for enlisted personnel of the post.

5. Since 1964, the expansion in man-hours of PE in the cadet curriculum has increased 76% in instruction and 100% in intramural athletics. Against this significant increase in load, the expansion request in question asks for only a 25% increase in space. Schedules have been adjusted in every way possible in order to make maximum use of the present indoor facilities. All space is crowded and becoming more so each year. No gymnasium in the country is used more than the USMA gym, morning, afternoon, and evening. It operates from 0745 to 2200 on a daily basis with only a slightly reduced schedule on Sunday. Throughout this entire time, 80 to 100% of the indoor facilities are in use for some activity. In addition to cadet use, the gym is used for inter-league competition, practice, and recreational play for officer, enlisted, and dependent personnel at West Point as well as by the Youth Activities Branch of Recreational Services for practice and competition in basketball, gymnastics, judo, wrestling, and swimming for the youth of the post.

6. The proposed project will modernize the USMA gym and correct its most significant deficiencies, among which is a severe shortage of combatives gyms. The expansion plan provides four of these. A detailed discussion of facilities now in use and other gym addition improvements is at Annex A.

7. A vital part of this project is the modification of Building 639. This work is necessary to enable the administrative offices of the Director of Athletics to be moved out of the gymnasium and into this new location. In the process, the administrative offices of OPE can be consolidated and made significantly more efficient. At present, these offices are scattered over four floors of the gymnasium. This situation makes coordination and control difficult. Under the gym expansion plan, the administrative offices of OPE would move to the area on the first floor now occupied by the administrative offices of the Director of Athletics. Current OPE administrative area then will be converted to critically needed combatives and special exercise areas.

8. While the proposed addition to the gym will give adequate space for an enlarged Corps of Cadets, it still will not provide first class facilities. Initial efforts to expand the gymnasium were made in 1965. In 1968 a renewed attempt was made which would have added 1,000,000 square feet of space at a cost of about $6 million. In 1970, an additional plan was created to add 68,000 square feet at a cost of approximately $12 million. Now in 1974 the plan calls for 28,000 square feet at a cost of approximately $8 million. Considering the tremendous need for space there is no choice but to make every effort to secure approval for the gymnasium addition in the MCA 75 program. If we wait any longer, additional construction will become so expensive that it will be extremely difficult to obtain even that level of expansion which will bring the gym facility from unsatisfactory to adequate.

DETAILED DISCUSSION OF FACILITIES

The following detailed information regarding the urgent need for the gymnasium addition is submitted for consideration:

1. General

a. Office of Physical Education activities to be accommodated by the gym addition.

(1) Instruction
(a) Boxing
(b) Wrestling
(c) Self Defense
(d) Handball
(2) Intramural wrestling
(3) Intramural handball
(4) Individual physical conditioning
(5) Reconditioning and corrective exercise
(6) Multi-purpose teaching stations (fencing, karate, judo, volleyball)
(7) In-season supply and repair space for instructional and intramural equipment.
(8) Administrative support area

b. Director of Athletics activities to be accommodated in Bldg. 639.

(1) Ticket sales
(2) Football coaching staff
(3) Other coaching staffs
(4) Office of the Director of Athletics

c. The requirement derives from the already overcrowded condition of the gym and from the increase in strength of the Corps of Cadets.

d. The project is urgent because there is insufficient space to meet present requirements for the physical training program. When the Corps reaches full strength of 4417, the inadequacy will become so acute that even with multiple scheduling some 500 cadets will not be able to participate in winter intramurals and will have no replacement indoor organized physical activity during the winter period. This urgency is further amplified because present cramped scheduling does not permit proper sanitation and disinfecting in the wrestling area.

e. Savings which will be effected amount to approximately $46,000 per year in man-hours for set-up and rearrangement of areas which now must be used for consecutive but unrelated activities.

f. The normal daily load that this project will handle during the academic year is 1100 cadets from 0800–1515 and 1300 from 1515–1800. From November to April, the normal daily load from 1515–1800 is increased to 200.

g. The supply and repair area for instructional and intramural equipment will handle an active inventory in the amount of appriximately $5,000,000.00.

2. Facilities now in use

a. Present accommodations for instructional and intramural boxing are two rooms encompassing an area of 7,470 square feet. The area is used seven hours/day (for instruction, 4 hours/day over 6 days/week and for intramurals, 3 hours/day over 4 days/week). When not in use for boxing, this time area is used for other combatives. During non-scheduled hours, the area is used by cadets for individual physical conditioning.

b. Accommodations for instructional and intramural wrestling area rooms originally designed, respectively, as a wrestling teaching station, a classroom, and handball courts. There are two of the latter so used. The total area is 13,000 square feet. As with boxing, the area is used 7 hours/day (for instructions, 4 hours/day over 6 days/week and for intramurals, 3 hours/day over 4 days/week). During hours not scheduled for instruction and intramurals, the area is used for varsity wrestling practice and cadet individual activity. This area also is used for combatives.

c. The OPE Supply and Repair facility is in the basement of the gym. It consists of two separate rooms and two narrow tunnels under the old swimming pool deck alongside the pool wall. The area involved totals 7,300 square feet.

d. Accommodations for the Office of the Director of Athletics presently are located on first floor of gym and consist of an approximately 24,000 square feet area.

3. Analysis of deficiency

a. The gymnasium was constructed in increments which, with the exception of the FY 1966 addition, the natatorium, were intended to support a cadet population of 2523. The increase to 4417 causes the building to be decidedly overcrowded. Because of the overcrowded nature of the entire gymnasium, the Physical Education program now is not optimum and will be made even less so when the Corps of Cadets ultimately increases to 4417. Considering the USMA mission, these conditions are unacceptable.

b. The areas used by boxing, wrestling, and combatives are not large enough. There is no provision for fresh air in these humid, heavily used rooms. The ventilation system recirculates approximately 85% of the stale air; it is not uncommon for stale air to be present for 48 hours subsequent to a two-hour wrestling session. Aside from the boxing and wrestling areas, no area now exists for combatives (unarmed combat, judo, and karate). The areas used for these three activities cannot continue to be used to satisfy requirements nor to satisfy expanded requirements because they are inadequate in size, improperly ventilated, not conducive to proper sanitary and disinfectant practices, and overcrowded to the point of presenting a safety hazard in the form of bodily injury through interference.

c. Overcrowded conditions leave no areas available for intramural teams to practice or to warmup.

d. The only spaces available for cadet individual and off-season conditioning are the running track, the weight room, and the handball court balcony. A number of small group practices now are held in hallways.

e. The major portion of the gymnasium is poorly ventilated which causes it to have an odorous atmosphere. Removal of boxing, wrestling, and combatives to an adequately ventilated environment will materially increase the habitability of the entire building.

f. Many groups tour the gymnasium as a part of USMA visits and orientations. These groups include, but are not limited to, the Board of Visitors, educators, leaders of business and industry, parents of cadets, cadet candidates and potential cadets, and parents and coaches from visiting schools and surrounding communities. The overcrowded and poorly ventilated nature of the gymnasium is distasteful to these people, all of whom are influential in causing young men to consider or not to consider attending the Military Academy.

g. Other areas (besides those used by boxing, wrestling and combatives) are scheduled for unrelated but consecutive physical activities during the course of each day. For example, instruction in gymnastics and competition in intramural basketball and wrestling all take place in the East Gym (second floor) at different periods during the day. This multiple usage results in excessive "wear and tear" of supporting equipment as well as in labor costs to rearrange the areas.

h. The OPE Supply and Repair facility, already too small, has increased its inventory from $350,000 in FY 1972 to $500,000 in FY 1974. With this 43% increase in supplies, the existing area cannot support even the active and in-season Physical Training Program. The area is used from 0700 to 1800 Monday thru Thursday, 0700 to 1730 Friday, and from 0700 to 1130 Saturday. The number of cadets outfitted annually encompasses 19 different intramural sports for 36 cadet companies. The facility additionally must support all cadet instruction and the normal operation of the gym including the repair and maintenance of all intramural sports equipment.

4. Consideration of alternative facilities and locations

There are no alternative facilities or locations which could be used to alleviate the deficiency other than Building 639. This building is included in this project as a place to house the Office of Director of Athletics facilities now located in the gym. Certainly, further overutilization of the present building does not represent a reasonable alternative. Such usage would result in an even less satisfactory physical education program than is now the case.

The total cost of this improvement in the gymnasium facilities will be roughly $9 million and is included in the amount being asked in this year's construction authorization bill. This is not a lot of money, and, frankly, I hope that the Senate and the House will see fit to pass it without any changes.

Frankly, after inspecting the building several times, I feel that we would be better off with an entirely new facility. But the cost of this would run into hundreds of millions of dollars, and I know that this is not obtainable at this time, so the best we can do is the improvements suggested by the engineers at the Academy.

One more observation made while on the scene was that the Eisenhower Hall, which is in effect the student union building, is practically completed and will be in use for graduation exercises. This is by far the most beautiful thing of its kind I have ever seen in this country and will give the Academy a long-needed facility to take care of the needs of the entire corps of cadets and the needs of the corps as it relates to their families, and so forth.

I urge my colleagues to visit the Academy whenever they have the chance to see the improvements that have been made over the past several years. I am sure you will be impressed.

RECESSION AND NATIONAL PRIORITIES

Mr. CRANSTON. Mr. President, everyone knew the economy was in bad shape. But it still came as a shock to learn from the statistics that things are even worse than we thought.

The rate of inflation in the first 3 months of this year was equal to a thundering 14.5 percent yearly rise—the worst in nearly a quarter of a century. Simultaneously, the U.S. economy skidded into the sharpest downturn since the recession of 1958. Our gross national product actually receded 5.8 percent.

Clearly, the President has been unable to improve the situation. I voted against continuing wage and price controls after April 30, precisely because I believe further Presidential manipulation of the Nation's economic machinery can only make matters worse. So the economy is turning back in the direction of a free market economy, with private enterprise, organized labor, and consumer groups having a greater voice in the decision-making, and the role of Government reduced a little. I think there is some cause for optimism in that.

Many economists believe that much of the current increased inflation is not caused by domestic demand. They believe, instead, that international events regarding food and fuel, excessive American spending overseas, our trade problems, and—at home—low productivity and inadequate competition are the factors lying at the root of our inflation. They believe, as do I, that we need new emphasis on encouraging the kind of brisk American competitive spirit that builds not only better mousetraps but cheaper ones. More competition in getting things done will make better use of our man and woman power, drive down prices and breathe new life into our economy.

Government must do its part. We in the Senate have passed the Budget Control Act to set up machinery in Congress to scrutinize all money requests and impose an annual spending ceiling.

Military expenditures are the most inflationary. They do not produce goods or services people can use, nor do they all really contribute to national security. Are we any safer because we now have more three- and four-star generals and admirals than we needed at the height of World War II? Is our country more secure because of the $30 billion we spend each year on nearly 2,000 foreign bases and installations—many of them obsolete—in some 30 countries around the world? I doubt it. This kind of wasteful spending drains our domestic resources and adversely affects our balance of payments. We are made militarily and economically weaker—not stronger.

Our current inflation started with the huge costs of the Vietnam war. Up to now we have spent more than $150 billion on that tragic war. Now the Nixon administration has asked for another $474 million for a total of $1.6 billion—this year for General Thieu of South Vietnam. I am strongly opposed to further wasteful assistance to his corrupt Saigon regime, and to excessive, extravagant, unnecessary military assistance and foreign aid we give to so many other dictatorships—in betrayal of our domestic principles and at the sacrifice of a stable economy at home.

Then there is the matter of the tax money the Government never collects. A respected tax research group here in Washington estimates $78.6 billion will be lost through tax loopholes in 1975.

If we collected all of that money it would almost pay for the Pentagon budget. And it would more than pay all the social security checks for 1 year. One-eighth of that figure would provide a million new jobs; 1/500th would buy the Santa Monica Mountains for a public park. The full amount would run the city of San Francisco at its current budget for 156 years.

Actually, many of the so-called loopholes are entirely just and worthwhile—like deductions for social security income or interest on home mortgages. But too many are unfairly loaded in favor of certain large corporations and wealthy individuals, and they should be eliminated.

There are many more spigots on the Federal Treasury. Uncle Sam still foots the bill for a Federal Board of Tea Tasters and the Interdepartmental Screw Thread Committee.

So we do not need to turn our backs on veterans, the unemployed or the elderly in order to keep down Government spending. Poverty, joblessness and ill health need not be tolerated for lack of funds. We don't have to rob consumers of their purchasing power or wreck the environments to stimulate the economy.

It is a matter of rearranging national priorities: of cutting back on unnecessary overseas military spending, plugging up unfair tax loopholes and special privileges for the wealthy, and putting the money to better, more productive use here at home.

Congress and the administration must agree to take these steps if we are going to control inflation and reverse a worsening recession.

SUDDEN INFANT DEATH SYNDROME

Mr. MATHIAS. Mr. President, the mystery of sudden infant death syndrome—which has long left the medical profession baffled and parents psychologically and emotionally distraught—has remained virtually unsolved. There are no facts or figures on how extensive SIDS actually is, although the estimates are surprisingly high. It is known, however, that no race, sex, or socioeconomic group is safe from its threat.

In recent years, the excellent work of such deeply concerned groups as the International Guild for Infant Survival, established by Saul and Sylvia Goldberg in 1964 after they, themselves, became the parents of a victim of SIDS, has brought the seriousness of sudden infant death syndrome to the attention of the Congress. Aided by the work and support of such committed individuals, the House and the Senate successfully passed S. 1745, a bill which authorizes funds for the research and study of sudden infant death syndrome. I was particularly pleased to learn that the President signed this important measure into law on April 22, 1974—Public Law 93–271.

The passage of this legislation lends new hope for expanded investigatory research into the problem. Such work would be particularly timely in light of results which have recently been obtained by several medical researchers at the Pennsylvania State University, who believe that they may have found a possible cause for sudden infant death syndrome. The new law would authorize funding to pursue the task that these scientists have begun, thus moving us ever closer to that day when we will know a sufficient amount about the disease to enable preventative measures for the first time to be taken.

Mr. President, at this time I ask unanimous consent to have the article from the Washington Post which reports the findings of the Pennsylvania State University doctors printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Washington Post, April 12, 1974]

Crib Death Causes Tracked

(By William Stockton)

A group of medical researchers say they have found that unexpected infant deaths may be caused by a chronic deficiency of oxygen in the blood.

Cause of "sudden infant death syndrome," sometimes called crib death, has long mystified medical experts and often leaves parents stricken with guilt that something they did killed their baby.

Studies by Pennsylvania State University doctors indicate infants do not die suddenly as had been believed but instead are victims of a chronic ailment that might have existed undetected for months.

If doctors can find an accurate means of identifying such newborns, it is possible they can be treated and their deaths prevented.

As a result, Dr. Richard Naeye, a Penn State pathologist, and Dr. Richard Leadeberg, medical examiner for the City of Baltimore, are searching for clues in the infant brain. They hope to find a brain connected respiratory defect that permits the blood oxygen deficiency to develop.

Naeye said, however, that research results which can be put to use are not near at hand.

"The landscape is littered with memorials to other researchers theories that weren't correct," Naeye observed. "We've made some progress but the brain is such a complicated organ."

Naeye said the aim is to identify factors in the infant that make him a high risk for crib death.

"Then we'll know which children to direct our clinical attention to if we are to prevent this disease," he said.

Sudden infant death syndrome is the biggest killer of babies in the United States between one month and one year of age, an estimated 10,000 deaths a year.

The death usually occurs during sleep without warning. Parents who left an infant sleeping peacefully a few minutes before return to the crib and find the child dead.

Many parents have attested to feelings of guilt, fed by worry they somehow were responsible.

Occasionally circumstances lead authorities to investigate the possibility a victim was a homicide victim.

The first encouraging finding about crib death came two years ago when Dr. A. Steinschneider of the New York State University Upstate Medical Center in Syracuse discovered a relationship between apnea and crib death.

It is apnea when an infant unexplainedly stops breathing during sleep. It is not uncommon and most infants resume breathing within a minute without help. The condition disappears after about six months of age.

But Steinschneider found that infants who experienced a high rate of apnea seemed predisposed to sudden infant death syndrome.

This finding set Naeye and his colleagues to examining crib death victims for respiratory abnormalities. They discovered such infants had more muscles around the arteries that supply blood to the lungs.

This indicated hypoxia or blood oxygen deficiency.

Naeye's results were reported last fall. He now has found that crib death victims also have more pigmented or brown fat around the adrenal gland more than normal infants.

Naeye said he isn't certain how this fat relates to crib death. But he views it as another important marker for the disease.

"The most important thing is that we've turned up the first evidence that something connected with sudden infant death syndrome has been going on for some time," he said.

"We found it is a chronic abnormality. In the past we thought that some acute event lead to death."

DEMOCRACY NOT DEAD IN LATIN AMERICA

Mr. CHILES. Mr. President, Alfonso Lopez Michelson has won an impressive mandate from his people in Presidential elections a week ago Sunday in Colombia. He has won 2½ million votes, 1 million votes more than the runner-up, Conservative Party candidate, Alvaro Gomez Hurtado. He has also gained what looks like a solid majority in both Houses of Congress. This election is the first wide-open election in Colombia since 1958 when the Liberal and Conservative Parties in Colombia decided to share power through an arrangement called the National Front. The fact that Lopez and his Liberal Party have generated the large mandate they have indicates that democracy is alive and well in Colombia.

Abstention in Colombia is normally quite high. The prearranged nature of the National Front seemed to stifle interest in politics and resulted in a steadily declining voter turnout. Between 1958 and 1966 the percentage of people voting in Presidential elections fell from 58 percent to 40 percent. By 1970 discontent had grown considerably. The candidacy of Gen. Gustavo Rojas Pinilla, who challenged the National Front candidate, revived interest in the election and brought out just over 50 percent. Whereas Rojas Pinilla all but won the 1970 election, his daughter Maria Eugenia won less than 10 percent in this election. It appears that abstention in this election was mostly among Conservatives and Rojas supporters, indicating some dissatisfaction within their ranks with their own candidates rather than a protest vote against the system as a whole as in the past.

All this, Mr. President, bodes well for democracy in Colombia and shows solid public support for Lopez Michelson. Now the mantel of responsibility falls on him to keep that support alive as he implements his program. This is the difficult task now. In democracies it seems that as decisions are taken, opposition develops and governance becomes increasingly difficult. I find it both interesting and encouraging that the President-elect is cautious about his clear mandate citing, as he has, cases in the United States where clear victories at the polls have withered away in the course of a few years. Being a longtime student of politics as well as a significant political leader in his country over many years, I am confident that he will bring great intelligence and judgment to the Presidency of Colombia.

I had the distinct honor and pleasure last August of meeting with Sr. Lopez Michelson in Bogotá and discussing a wide range of issues with him. I then journeyed to Cali, Colombia, where I had an opportunity to attend a political rally at which the President-elect spoke to his people. Colombians have made a wise and good choice for their next President and I send my heartiest congratulations to him.

Mr. President, I am further encouraged by this election because it is not an isolated event in the hemisphere but is rather one of several recent elections which have brought strong new leadership to Latin American governments. The election of Carlos Andres Perez as President of Venezuela in December of last year and that of Daniel Oduber as President of Costa Rica in February have given evidence that democracies in Latin America can bring to national leadership men of great capability and stature. They also show that despite political differences and diverse political parties, Presidents can still be elected by clear mandates.

Over the last several years the military has become an increasingly important factor in politics in Latin America as political parties and civilian political leadership have found it more and more difficult to hold sufficient public support to govern effectively. These three elections provide new faith that free democratic elections are still viable means of choosing national leadership. Having the opportunity to get to know personally Alfonso Lopez Michelson, Carlos Andres Perez, and Daniel Oduber, I am convinced that these are men who themselves have strong commitments to democracy and to effective leadership for their countries. I believe their elections augur well for good government in these countries of longstanding importance and friendship with the United States. I wish each of them well in the challenging tasks ahead.

For the interest of my colleagues, I ask unanimous consent that the following articles of these three men be published in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the New York Times, Apr. 24, 1974]

The President-Elect of Colombia

(By Lawrence Van Gelder)

With his thinning gray hair, horn-rimmed spectacles and subdued dress, Alfonso López Michelson, the President-elect of Colombia, gives the impression of a British clubman. The impression is enhanced by an air of irony and detachment that was in evidence yesterday when the 60-year-old law professor and former foreign minister held his first news conference since his overwhelming victory in the elections on Sunday.

Mr. López revealed not so much elation as trepidation at the size of his victory; with 90 percent of the votes counted he has 2.5 million, or one million more than his nearest rival.

"I confess that I look with fear at the large number of votes we won because historic experience shows that heavy votes have not generally been favorable to the winners," he said.

A U.S. PRECEDENT

Like a lawyer buttressing his case with an apt precedent, he cited the presidency of Lyndon B. Johnson, who won an overwhelming victory over Senator Barry Goldwater in 1964 only to see his popularity eroded by the Vietnam war.

The President-elect, who will take office on Aug. 7, said his Liberal party Government would be center-left and would act first on the party's platform: constitutional reform, alteration of the civil code to give equal rights to women, legislation to regulate monopolies and reorganization of the inefficient Agrarian Reform Institute.

He assured Conservatives that they would continue, as stipulated in the Constitution, to share with Liberals Cabinet posts and political appointments such as governors and mayors for the next four years.

For the last 16 years, Colombia has been governed by a coalition of Liberals and Conservatives, with the two parties alternating in the presidency and sharing legislative seats and other political posts. The system was created to stem the often bloody rivalry between the parties. This year was the first since its adoption in 1958 which Colombians could freely choose their President and legislative representatives.

A LEFT-WING LIBERAL

The man they elected President made his career as a left-wing Liberal, founding a splinter of the party that he called the Liberal Revolutionary Movement.

Born in Bogotá on June 30, 1913, Mr. López attended primary school in the capital and received his secondary education at the Lycée Pascal in Paris, the French Lycée in London and Saint Michel College in Brussels.

He began his law studies at Bogotá and obtained his law degree at the University of Chile.

He taught administrative law at Bogotá National University and other institutions and practiced as a lawyer in Bogotá, alternating his career and politics.

Politics was in his family. A big factor in his triumph was the reputation of his father, Alfonso López Pumarejo, as a great reformer and Colombia's best President this century. The elder López was elected for two terms, beginning in 1934 and 1942, but did not complete the second, resigning amid charges that his son—now the President-elect—was involved in shady financial dealings. The charges were not proved and the case was not an issue in this year's elections.

ELECTED A SENATOR

After founding the Liberal Revolutionary Movement, the younger López made his first bid for the Presidency in 1962, but was defeated. He was elected a Senator, opposing the Liberal-Conservative coalition and advocating rapid social reforms and relations with Cuba.

In 1967, Mr. López made his peace with the orthodox Liberal party leadership and, returning to the fold, served first as governor of César department on the Venezuelan border in 1947 and 1968 and then as Foreign Minister from August, 1968 to 1970 under a Liberal President.

During the recent campaign, he tried quite obviously to live down his radical past, presenting himself as a middle-of-the-road reformer, evading delicate issues and taking no strong stands.

The President-elect is married to Cecilia Caballero de López. They have three married sons.

[From Saturday Review World, Apr. 20, 1974]

The Promising Pérez

Architect of the counter-guerrilla force, onetime hard-liner, Carlos Andrés Pérez emerges as a Venezuelan president who will be tough on oil but dedicated to democracy

(By Pierre Salinger)

Caracas.—"We're waiting for Carlos Andrés!" For months after last December's elections, this cry was heard on every street corner and in every village in Venezuela.

Rarely have I visited a country where there was such an air in expectancy over the inauguration of a new chief of state. The wait was so long because the presidential elections are held early in December and the new government does not take power until the second week in March. But Venezuela is unique in many ways. It still believes in the quaint idea of democracy on a continent where revolutions, coups, and dictatorships have become a way of life.

Now the wait is over. Carlos Andrés Pérez Rodríquez—or Carlos Andrés, as the people call him—became president of Venezuela on March 12, at a time fateful in the history of this country and a fateful time for all of Latin America.

On arriving in Caracas recently, I was immediately struck by the growth of that modern city. The skyscrapers have mushroomed up tenfold, and the freeways that run through the city are among the most modern in the world. If you did not see the billboards in Spanish, you could easily imagine yourself in Los Angeles. And the comparison does not end there. Hemmed in as it is by the mountains, spread out along the floor of a valley that runs to the sea, Caracas is moving north and south so that the city now stretches close to thirty miles from one end to the other. But on the sides of those mountains, the poor have not moved from the *ranchos*. Hundreds of thousands of them live in misery, looking down on Caracas with its highly visible signs of wealth—much of which comes from the soil of Venezuela in the form of oil.

Twelve years ago, when I first went to Caracas, the country was torn by guerrilla warfare. A group of assassins allegedly dispatched by Fidel Castro had just narrowly missed killing the country's then-president Rómulo Betancourt. His hands still bear the scars of that botched attempt. I remember sitting on the patio of the Hotel Tamanaco, which is on a hill overlooking the city, and hearing gunfire as guerrillas attacked police stations on the streets below.

The man Rómulo Betancourt chose to fight the guerrilla movement in 1961 was Carlos Andrés Pérez, who was born into poverty on a farm near the Colombian border (his father had been born in Colombia, a fact with which Carlos Andrés was reproached during the presidential campaign). He had chosen politics at an early age: He was an activist for the *Acción Democrática* (Social Democrat) party at the age of sixteen and was elected to parliament at twenty-two. The coup that put dictator Marcos Pérez Jiménez in power on December 9, 1952, made a political exile out of Carlos Andrés. Then only thirty, he was already one of the young leaders of the AD party, and a price was put on his head. He fled first to Cuba, where he lived for three years (until Batista came to power and forced him out), and then to San José, Costa Rica, where he became editor of a daily newspaper. (One of his closest friends in Costa Rica was Daniel Oduber, then a rising politician; through a quirk of fate, Oduber is today Costa Rica's president.) During the Costa Rican exile, Pérez Jiménez allegedy sent a hired assassin to San José to liquidate Carlos Andrés. But the shot miraculously missed the young editor when he leaned over to answer a phone just as the gun was fired. When Pérez Jiménez was ousted in 1958 and Rómulo Betancourt took power, Pérez came home. Three years later, in 1961, he was made minister of the interior and was given the thankless job of rooting out the guerrillas.

The guerrillas were eventually vanquished. But putting down guerrilla movements is not a pastime for people with weak hearts or queasy stomachs. As Americans found out in South Vietnam, guerrilla warfare is the dirtiest kind. Inevitably, Carlos Andrés Pérez came out of his term of office successful in what he had set out to do, but with the reputation of being a hard-line law-and-order man.

That reputation was to hurt him as well as help him in his campaign for president.

Pérez had wanted to run for president in 1968, but his mentor, Rómulo Betancourt, persuaded him that this was a bad year for the *Acción Democrática* party. The years of rule under Betancourt and then under Raoul Leoni had produced stresses in the party structure which were to lead the party to defeat that year.

But when 1973 rolled around, Pérez was ready to run. Named as the AD candidate in August of 1972 (they have very long campaigns in Venezuela), Pérez now set out to rid himself of his image as a man whose sole claim to power was his ability to put down rebellion.

Pérez decided on a strategy first developed in Florida in 1970 by Lawton Chiles, a successful Democratic candidate for senator: Chiles won by dint of walking across the state, shaking hands with the voters. In line with Chile's strategy, Pérez's campaign was based on the notion that he was a man who had sprung up from the people and was now going back to the people to personalize politics and to encourage the highest possible level of local participation.

There were two themes to the Pérez campaign, both keyed to a careful market analysis of the Venezuelan electorate. The first, "Neither Weakness nor Tyranny," was aimed at softening his earlier tough-cop image, which had aroused storms of protest—particularly from the left wing of the AD party—when he had been named candidate. His second theme, "This Man Really Moves," addressed itself to Pérez's own seemingly boundless energy and enthusiasm (thus inferentially pointing up the weaknesses of his principal opponent, Lorenzo Fernandez). Eighteen hours a day, Pérez crisscrossed the country, working behind a platoon of highly effective advance men, who never failed to turn out big crowds for his arrival and his walks among the people.

But to say that the campaign was strictly a media-oriented gimmick operation would be unfair to Pérez. The candidate of 1973 was in fact far removed from the cop of 1961. He had come to understand that in defeating the guerrillas during his term as minister of the interior, he was only dealing with the overt manifestations of the underlying real problems of his country—that is, the huge gap between the very small number of rich Venezuelans and the very large number of his fellow citizens who are very poor.

Pérez, in fact, played on a theme that might have defeated a lesser man. Almost his entire program was based on the need to cut back on government handouts for fancy new freeways or showy public projects in Caracas, and to concentrate instead on the needs of the very poor rural areas. Even when speaking in Caracas, Pérez stuck with his theme of diverting help to the counryside. It was the believability of this appeal that helped the AD to carry Caracas for the first time in the party's history.

The 1973 campaign was probably the most expensive in the history of Venezuela. Hard figures are not easy to come by, but the campaign cost no less than $30 million, with the losing COPEI (Christian Democratic) party spending about twice as much as the AD party. In a country with 10 million people and 5 million voters, that amounts to about $6.00 a voter—somewhat more per capita than was spent on the lavish 1972 U.S. presidential election!

The election, held on December 9, 1973, was close all the way. But the real turning point probably came the day in September when Salvador Allende was overthrown in Chile. At that time the COPEI party, which is not unlike Eduardo Frei's Christian Democrats in Chile, was openly making noises about cooperating with Venezuela's tiny Communist party. A lot of Venezuelans reasoned that if Frei's government had led to Allende, something along the same lines could happen in Venezuela.

The results of the December election surprised even the most optimistic supporters of Carlos Andrés Perez. He received almost 49 percent of the vote—a significant achievement in a field of fourteen candidates. Lorenzo Fernandez, with close to 37 percent, trailed far behind. Perez's victory margin was highly significant—as was the polarization of the vote between two major parties out of the fourteen entries. The far Left and far Right were squeezed into insignificance by the results. *Acción Democrática* also rode in with a commanding majority in both houses of the Congress. Clearly, the voters of Venezuela have given Carlos Andrés Perez an unprecedented mandate to govern—and more than that, a clear command to prove that the democratic form of government is still capable of dealing with the complex problems of a Latin American country in 1974.

Pérez will need all the political elbowroom he can muster to deal with the problems he has to face.

There are, first, very few democracies left on the Latin American continent. The tide of history seems to be running against representative government, with military dictatorships of the Left and the Right filling the gap.

But more than that, Venezuela, with its oil resources, is at a fateful point in its history. Oil has always been the blessing and the curse of Venezuela. Its production of close to 4 million barrels per day, much of which goes to the United States, has attracted unusual attention from the neighbor to the north. U.S. economic penetration of Venezuela has been intense. Pérez believes that Venezuelan assets should belong to the Venezuelans—and should be more evenly divided. The crunch is sure to come.

Recently I returned to Caracas for another visit with Carlos Andrés Pérez. I got there some six weeks after his election, but there was still the atmosphere of a political campaign in his private headquarters on Avenida Libertador, in downtown Caracas.

I found Pérez little changed in the twelve years since I had last seen him. He is still relatively lean, although he has put on a few pounds, and he has allowed his sideburns to creep to a little below the lobes, in the style of today's pop stars and politicians. He has a vitality and enthusiam that fills a room, and the intense way in which he talks about his country's problems reflects his awareness that the task ahead is a back breaker.

Perez is direct, candid, and not given to weighing his words for fear of offending someone. Some samples: On the United States: "Without a doubt there has been a profound change in Latin America in the last ten years. There is a nationalistic development in Latin America which the United States does not seem to understand. This lack of understanding has put more distance between the United States and Latin America than there was, say, ten or twelve years ago. I would say that U.S.–Latin American relationships . . . have to be translated into a new deal, just as it was in the period of FDR's 'Good Neighbor Policy' and 'JFK's Alliance for Progress.' "

On democracy: "We have a great responsibility here in Venezuela to advance the cause of democracy. Without any doubt, if we fail here, it will have great repercussions in Latin America. We are compelled to demonstrate by our example that democracy . . . provides the necessary energy to confront the faces of capitalism."

On petroleum: "The petroleum crisis has placed us in a position of defending our national resources—in a position where it is we who are going to call the tune. We intend to use our petroleum as an *instrument*, not as a weapon, to obtain the technology we require at fair prices and under adequate conditions."

What can be predicted about the new government's attitude toward the United States? Pérez is not anti-American: He is pro- Venezuelan. That is an important distinction for American policymakers to understand. He is going to be tough on oil. He will certainly move quickly to take over the American oil companies in Venezuela, which under current contracts were to revert to the Venezuelan government in 1983. But he sees little need for waiting—especially with the current bloated income in dollars from the new oil prices. Venezuela does not need all the dollars it will get from the sale of its oil today, not even to accomplish Pérez's ambitious rural modernization plans. It does not want to cut down on the flow of oil to its old customers. So how to resolve this impasse? Some of Pérez's advisers are urging a novel plan on him: They say Venezuelans should not object to leaving a certain amount of their dollar earnings in the United States. That would help the U.S. balance-pay-of-payments problem. But Venezuelans do not want to see their dollars eaten up by constant inflation. Thus their solution: the "indexed" dollar. What does that mean? It means that if $1 million will buy 100 tractors in the United States in 1974, the Venezuelans want guarantees that the same $1 million will buy 100 tractors in 1980.

But Pérez's most important determination is to make democracy work in Venezuela, and perhaps to create a democratic bloc on the continent (starting with Colombia and Costa Rica), in order to apply pressure on those Latin American nations that have strayed from the democratic path.

In Venezuela, a president can serve for only five years. Five years is not a long time. But Carlos Andrés Pérez clearly intends to make each day of those five years count.

[From the New York Times, Feb. 8, 1974]

Costa Rica's Man in the Shadow

San Jose, Costa Rica.—As the margin of Daniel Oduber's lead in Sunday's Costa Rican elections began to slip the other day, one Opposition politician said with genuine sympathy, "Poor Daniel; he wanted so badly to be President."

But Mr. Oduber's lead held. Today, tentative final returns gave him 43.4 per cent of the vote—enough to avoid a runoff election though not enough to govern without the help of other parties. And so after 25 years of political triumphs and setbacks, he will assume the Presidency of this tiny Central American democracy on May 8.

Throughout his long political career, the 52-year-old Daniel Oduber (pronounced oh-doo-BEAR) Quiros has lived in the shadow of Jose Figueres Ferrer, known as Don Pepe, a diminutive 68-year-old politician with a dominating personality who is serving out his second term as President of Costa Rica.

While Mr. Figueres's charm won his popular support and newspaper headlines, Mr. Oduber preferred to play politics quietly, developing into a particularly good negotiator and a talented "arm twister" in the legislative assembly, where he served as president from 1970 to 1973.

"Oduber is a sort of L.B.J. of Costa Rica," one Congressman said. "He always knows when to give and when to take. In the assembly, all Opposition deputies were in one way or another indebted to him politically."

When controversy broke out last year over Mr. Figueres's close business relationship with the fugitive American financier, Robert L. Vesco, Mr. Oduber was conspicuously silent.

"You can criticize Daniel or you can simply say he was being pragmatic," one political source said, "because his nomination as party candidate depended on preserving Don Pepe's goodwill."

In broad political terms, Mr. Oduber is expected to continue President Figueres's Social Democratic policies, emphasizing the need for greater efficiency in the large public sector and stepping up agrarian reform programs.

The President-elect was born of humble parents in San José, the nation's capital, on Aug. 25, 1921. He was a conscientious student and paid his way through law college by working in the local telegraph office.

After completing his thesis on "the right to strike," he opened a law firm and worked in San José until moving to Montreal, for further studies at McGill University. In 1949, he began working for his Ph.D. at the Sorbonne in Paris.

While there he met and married a young Canadian, Marjorie Elliot. They now have a 10-year-old son, Luis Adrian.

His first political activity was at the age of 19 when he participated in the creation of the Center for the Study of National Problems, a body that brought together a generation of impatient young politicians and intellectuals and eventually provided the momentum for a revolution in 1948.

From 1951, when the National Liberation party was founded, Mr. Oduber gave more and more time to politics.

He became party secretary general in 1956 and entered Congress two years later. In 1961, he made his first unsuccessful bid for the Presidency.

From 1962 to 1966, Mr. Oduber was Foreign Minister, a post in which he strongly supported the United States-sponsored Alliance for Progress and frequently spoke of his close relationship with President Kennedy.

In his next bid for the Presidency in 1966, he won the party nomination but was defeated by just 4,220 out of 441,000 votes.

THE PAPERWORK JUNGLE

Mr. MATHIAS. Mr. President, as government grows more and more complex, the redtape which it produces encircles more and more of the affairs of private enterprise. The Kelly-Springfield Tire Co., which has a major plant in Cumberland, Md., published in its corporate newspaper this week an article describing the impact of this redtape, or the Federal paperwork burden, on its own operation. I would commend this article to the attention of my colleagues as the work of this session of the Congress continues, and ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

The Paperwork Jungle

Cumberland, Md.—Spring 1974 brought back the robin, the daffodil, and the forsythia to Western Maryland. However, the most visible creature to many of the Kelly-Springfield people was the government visitor—a species that seems to increase in number year by year.

While private companies have always had some amount of government involvement in their business lives, the extraordinary parade of visitors through The Kelly-Springfield Tire Company's Cumberland plant this spring demonstrates the heavy demands governmental regulatory agencies are making on the productive time of U.S. business and industrial concerns.

Most of the matters under consideration relate to environmental protection and employee safety. But the government is now taking an interest in a spectrum of affairs that ranges from sex discrimination in hiring practices to company-union negotiations.

Since these agencies are to be found on almost every level, local, state, and federal, there are often representatives from different agenices in the plant to discuss the same or similar matters.

The amount of time required to guide governmental visitors through the operations in which they are interested and to prepare reports, research situations, and to hold discussions is extremely great—not to mention the expenditures required to put into effect their recommendations to change or modify equipment and situations.

Dozens of Kelly-Springfield people in engineering, law, personnel, traffic, safety, production, development, quality control, testing, and many other departments spend a considerable part of their time handling government business and government visitors. But consider the plight of staff mechanical engineer, H. H. Peterson. His supervisor, Richard C. Winfield, manager of staff engineering, says that Peterson now spends 100 per cent of his time dealing with government bureaus, mostly on environmental matters.

Winfield reports that he spends from 30 to 50 per cent of his own time on government affairs.

Just as involved is Willys L. Smelser, manager of corporate safety, who estimates that at least half of his job is in dealing with government agencies, principally those charged with enforcing the federal Occupational Safety and Health Act (OSHA) and its Maryland counterpart (MOSHA).

To illustrate the time-consuming effects of government relations, Smelser said the OSHA people were in the plant on March 5, 6, 7, and 8. They were followed by the MOSHA representatives on March 11, 12, and 13, which allowed Smelser three days in two weeks to perform his corporate managerial duties.

On April 3, Smelser went to Baltimore with Peterson and attorney E. H. Tingle to attend a public meeting concerning proposed regulations on airborne noises.

For Peterson that was the second consecutive day in a row in Baltimore. The previous day he and Richard Beaman, manager of engineering, and Robert D. Merrick, secretary and counsel, met with Carl York of Maryland's air quality and noise control division to discuss converting the plant's boilers from oil-fired back to coal-fired.

On April 4, Smelser, Winfield, Beaman, Dale Chapman, project engineer, William L. Lloyd, chief draftsman, Charles Norris, manager, security, safety and training, and Kenneth M. Wilson and John Tolfree, plant division superintendents, spent four hours poring over the OSHA report—resulting from the March 5, 6, 7, and 8 visit. The state report was yet to come and to be dealt with.

Many of the state and federal agencies are known primarily by their initials, like OSHA, MOSHA, NLRB, OFCC, EEOC, ICC, DOT, FAA, and EPA, but some like the federal Wage & Hour Commission and the Maryland department of health and mental hygiene do not easily break down into acronyms or even series of initials, but they have their impact, too.

For Kelly-Springfield, the state department of health and mental hygiene might be unfolding a gigantic headache since its current project involves industrial waste disposal and the company's practice of disposing of some of its waste materials in the country landfill. Winfield and attorney Peter Lenhart, are grappling with that problem.

All of this is a mere sampling of the government's stampede through the plant. And that stampede is costing Kelly-Springfield's customers a pretty penny. Not only are the visits expensive and time-consuming, but bureaucratic decisions on air and water quality, on solid waste disposal, on noise levels, on personnel practices, and on dozens of other matters often result in multi-million-dollar expenditures, which add to the expense of doing business, and all raise the price of the products the company manufactures and sells.

SENATOR MUSKIE'S SPEECH AT THE NAVAL ACADEMY

Mr. HART. Mr. President, last week Senator Muskie delivered the keynote address at the 14th Annual Naval Academy Foreign Affairs Conference in Annapolis.

In his perceptive remarks, the Senator said that the United States is "on the verge of a new coherence in American foreign policy, a new sense of direction and common purpose, and a restoration of the bipartisan tradition in America's foreign relations."

He argued that there is now a broad popular consensus in four areas of our foreign policy: First, that an isolationist policy is not possible; second, that the general direction of détente is a proper one; third, that our alliances with Europe and Japan are still vital; and, fourth, that our policies should reflect the growing interdependence of the developed and underdeveloped world.

Senator Muskie's speech calls for a restored bipartisanship in our foreign policy based upon these areas of agreement. For the interest of my Senate colleagues, I ask unanimous consent that Senator Muskie's address be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

American Foreign Policy Today: Restoring the Bipartisan Tradition

(Remarks by Senator Edmund S. Muskie)

It is a great pleasure to be back in Annapolis and in such distinguished company. It's quite a change from the first time I was here, and it may take me a minute to get oriented.

It's a little hard for me to believe it now, but in 1942 I came here as a 120-day-wonder. The wonder was that I survived those 4 months, and that the Navy survived the aftermath.

As a 28-year-old lawyer who was already getting set in his ways, I was about as comfortable with Navy rules and with teenaged midshipmen as your admirals are these days with the equal rights amendment and the prospect of giving orders to "midship-persons."

Those of you who have dipped into ancient history may recall that during the war, things were done in something of a hurry. After Annapolis, I was sent to Penn State on a four-month course in diesel propulsion, and after that, I was ordered to an engineering billet on a YP. I've never been certain whether it was my lack of proficiency with diesels or just the Navy way, but my ship ran on gasoline engines. Of course, I know that sort of foul-up never happens any more.

However, I know you are not here to listen to reminiscences of the good old days when Z was just the last letter in the alphabet and Diego Garcia was a mess steward, not an island. Unlike old soldiers who supposedly just fade away, sailors, I suspect, talk themselves to death. This evening, at least, the talk will be serious. I hope it will not be fatal.

The United States is emerging today from one of the most difficult periods in the history of its foreign policy.

The older of us remember the active internationalism which characterized U.S. policy during the Cold War; the idealistic optimism; the clear perception of the forces of good and evil at work in the world—all these qualities seemed to evaporate in the military and moral quagmire of the Vietnam War.

Before Vietnam, America seemed to have a sharper focus: our foreign policy objectives were easier to define, and they enjoyed broad popular support. From Truman to Kennedy, the country seemed to share a strong sense of direction and a common purpose.

Vietnam ended all of that. The experience of that war was shattering to our morale, and only time will tell how deep and lasting the wounds have been. But one consequence of the war is already clear: Vietnam has changed our outlook on world affairs, has changed our image of ourselves, and has changed our view of the proper American role in the world today.

These changes in our world outlook have been accompanied by some of the most extraordinary internal changes we have ever seen in the fabric of American society. Many of our values have been radically altered in what historians may later call an American cultural revolution. The whole process has produced sharp generational gaps—including differing views of the U.S. role in world affairs.

Like all sudden change, the internal and external events of recent years have been upsetting to many Americans who view these new trends with alarm and even despair. The nation is viewed by many as having slipped its moorings, drifting on a sea of political and moral uncertainty. The words of the novelist, Hermann Hesse, may have a special meaning in our current condition:

"Human life is reduced to real suffering, to hell, only when two ages, two cultures and religions overlap. . . . There are times when a whole generation is caught in this way between two ages, two modes of life, with the consequence that it loses all power to understand itself and has no standard, no security, no simple acquiescence."

I

This bleak introduction will serve as a sharp contrast to the central argument I wish to make tonight. Despite a confusion of values after Vietnam; despite the current domestic trauma of Watergate; despite the dangerous Middle East conflict and spreading hostilities again in Indochina; despite an apparent cooling of détente even as our relations with Europe are heating up—despite all of this, I believe we are on the verge of a new coherence in American foreign policy, a new sense of direction and common purpose, and a restoration of the bipartisan tradition in America's foreign relations.

The reason for my optimism is that I perceive today a broad popular consensus on four fundamental principles of American foreign policy.

First, there is a general consensus that an isolationist policy is not a viable option for America. Despite our new and sensible aversion to entangling involvements in marginal regional conflicts, most Americans believe in a global interdependence which necessarily requires a significant American role in the world's political, economic and security affairs.

Second, there is general support for the principle of détente—relaxation of tensions and normalization of relations with our primary Cold War adversaries, the Soviet Union and Communist China. The terms of détente—and its pace—are appropriate subjects for public debate. But most Americans are for détente in principle.

Third, there is widespread agreement that our alliances with Europe and Japan are still vital, notwithstanding progress toward détente, and should be emphasized. Those alliances are widely perceived to be consistent with the policy of détente, and to have purposes which go beyond the provision of mutual security.

Fourth, there is a new awareness of the interdependence of the developed and undeveloped world. This fact was brought home painfully during the oil embargo, and it has received careful attention in the recent special U.N. session which was convened at the request of President Boumedienne of Algeria to consider the critical issues of world economic development. The session was most notable, I believe, in a remarkably enlightened address by Secretary Kissinger on problems of the world economy and world development. The Secretary's remarks were especially welcome in view of his past record of relative indifference to both these major problems of our times.

These four principles, in my view, form the basis of an emerging American consensus on the direction of our foreign policy and on our fundamental national purpose. Now is the time to seize what may be an historic opportunity—arising, ironically, in the wake of a bitterly divisive foreign adventure and in the midst of a poisonous political scandal at home.

The opportunity is to forge a new bipartisanship in the pursuit of common goals—goals which we can share not only among ourselves, but with the world at large.

II

The first of these principles is that a policy of isolation is not a viable option for America today.

The option of an essentially isolationist policy has always been something of an optical illusion. The argument for such a policy has rested on the notion that in a world of nuclear arms, a nation's physical security does not depend on its geopolitical positioning and that a global foreign and defense policy is therefore no longer necessary. In fact, it is sometimes argued, such global policies can reduce one's physical security by risking involvement in local conflicts which can escalate into global war.

The argument has a certain abstract attractiveness, but it is irrelevant to the actual condition in which we find ourselves. A small power may have the luxury to be concerned primarily with its physical security and the preservation of its independence. But a great power must be concerned not only with these minimal goals, but also with the creation and preservation of a favorable international environment. This does not require an interventionist policy—a policy which is neither possible or desirable—but it does mean that withdrawal from our major commitments in Europe and Japan is untenable.

U.S. withdrawal from those commitments would most certainly involve, in the long or short run, nuclear proliferation. In theory, a few more nuclear states might not make the world any less stable, and one could even argue that the U.S. could stay out of regional nuclear conflicts in such a world should stability break down. While one could imagine such a system in theory, most historians would find it doubtful that a major power like the U.S. could always stay out of conflicts involving other large states—conflicts which would unquestionably affect our political and economic interests.

Moreover, one must realistically consider the practical consequences of such a U.S. withdrawal. An independent Japanese nuclear force, quite apart from its possible impact on Japanese society internally, would likely be disruptive of what may be an evolving Asian stability. In Europe, a total American withdrawal from our security guarantees could be extremely destabilizing. In the present stage of European development, one can easily imagine the great strains that would occur in the Anglo-French-German relationship when confronted with the need to find a means, some kind of joint nuclear force with a shared decision-making mechanism, to replace the American shield.

It is clear that most Europeans, and especially the Germans, regard the American military presence as essential to their security. It is not that they fear aggression in the traditional sense. Rather, they fear—and I think properly—a loss of their freedom of action if the European balance is disturbed in a significant way—a freedom of maneuver which they feel is based on a mutual military paralysis of the great powers in the European arena.

We may debate energetically such questions as burden-sharing in the alliance, and insist—I think rightly—that the Europeans assume a greater share of conventional defense responsibilities on their own continent. There is nothing magic about the present number of American troops in Europe, and I believe we can consider significant U.S. troop withdrawals without undermining the fundamental commitment we have made to our N.A.T.O. allies. But such a debate—which will occur again this year in Congress—will not call into question our basic commitment to European defense or challenge the principle that a certain number of American troops should remain in Europe to guarantee that commitment.

Apart from these strategic considerations, there are economic realities which prevent us from seriously considering an isolationist policy. Economically, the United States is now the leading international investor in the world, both in the developing and advanced industrial economies. Moreover, we are increasingly dependent on outside resources, importing 26 out of some 36 basic raw materials consumed by an industrial economy. And despite the rhetoric of Project Independence, we are inevitably becoming more dependent on energy imports. Add to this a central monetary role in the world financial system, and it is clear that the stakes are simply too high in world economic affairs for us to seriously consider a policy of withdrawal.

And so there is a broad consensus, I believe, that an isolationist thrust is not relevant to the American condition. The issue today, as Professor Brzezinski of Columbia among others has argued, is not internationalism versus isolationism—but rather the forms and degrees of global interdependence.

III

Secondly, I believe there is a broad national consensus on the main thrust of our policies of detente with the Soviet Union and China. Here, also, there are sharp disagreements on the form and degree of interdependence we are seeking to establish with the Communist world. But detente—viewed, in Secretary Kissinger's words, as "a process of managing relations with a potentially hostile country in order to preserve peace while maintaining our vial interests"—is widely supported by the American people.

Detente is not founded on agreement on values—rather, it is based on the awareness by each side that the other is a potential adversary in a nuclear war. In such a world, the pursuit of peace, as Dr. Kissinger has said elsewhere, must begin with the pragmatic concept of coexistence—not an overly pragmatic policy which lacks humanity or vision, but a policy which shuns the moralistic excesses that obstruct negotiation and accommodation.

Detente, according to Hans Morgenthau, has been successful in at least three areas: *First,* it has reduced the ideological fervor in the overall Soviet-American relationship which, until recently, made negotiated settlements virtually impossible. *Second,* it has resulted in a substantial settlement of the German question through West German recognition of the territorial status quo in Central Europe and of the East German state, and through agreement on the international status of Berlin. *Third,* it has resulted in the 1972 agreements on strategic arms, which have reduced the tensions of an unregulated nuclear arms race.

To be sure, detente has been less successful in other areas, and there is a current drift in the Soviet-American relationship which raises serious doubts about its future development. There is pessimism on SALT II, an apparent hardening of Soviet domestic repression, and a growing awareness in both countries that detente has its limits.

We are caught today in a conceptual dilemma regarding those limits. Last month, in testimony before the Senate Finance Committee, Secretary Kissinger argued that our country has a right to demand of the Soviet Union responsible international behavior and to demand that agreements are observed in good faith. But he took issue with the purpose of the Jackson Amendment to the Trade bill—an amendment which I and over three-fourths of the Senate cosponsor—by arguing that it is fruitless for us to insist on basic changes in the Soviet internal system, and that in so doing, we risk other vital international objectives which we can constructively pursue together.

Proponents of the Jackson Amendment have argued that American concern with Soviet domestic policies is not meddling. Rather, it reflects that a stable peace must be based on a common moral framework. Detente, it is argued, can only be limited and precarious in the absence of such a common moral framework.

The Jackson Amendment confronts us with a moral and practical dilemma which will not be easy to resolve. But there is some possibility that a satisfactory compromise may be worked out which will permit the normalization of U.S.-Soviet economic relations without requiring us to turn our backs on those who are suffering most from Soviet repression at home. Proponents of the Jackson Amendment have indicated a willingness to compromise on the demand for totally free emigration in exchange for a substantially increased flow of emigrants and an end to the harassment of individuals applying for emigration. The Administration has indicated a willingness to link the trade and emigration issue by means of an annual congressional review. While the two sides have not reached agreement, there is some reason to believe that a compromise may ultimately be possible.

Whatever the outcome, the American people are in no mood to return to the confrontation policies of the Cold War era. Short of extreme Soviet provocation, the debate over detente has already been largely settled. In a nuclear world, there is no enduring alternative.

IV

Thirdly, I believe that there is a general consensus that our alliances with Europe and Japan are still vital, notwithstanding progress on detente, and must be emphasized. This consensus exists despite economic tensions with Japan and the increasing acerbity which has characterized our relations with Europe in recent years. These tensions have in large measure been a price we have paid for the pursuit of detente with the Soviet Union and China—for our policies were too shrouded in secrecy, pursued too unilaterally, and sprung on an unsuspecting world with too much flair and diplomatic surprise. Such a style inevitably caused resentment in Europe and Japan.

Our current relationship with Japan has improved somewhat after the diplomatic shocks of recent years. But our relations with Europe have continued to decline, and the harsh words spoken recently by both the President and the Secretary of State reflect the exasperation felt by American policy makers.

The U.S. grievance concerns the alleged failure of the nine-member Common Market to consult with the United States adequately before important decisions affecting our interests are made. There has been an increasing tendency, it is said, for the Europeans to follow the Gaullist dictum that Europe can avoid American domination only by making its decisions without consultation. This has led, in Secretary Kissinger's words, to "a tendency to seek European identity in opposition to the United States." The underlying cause, he says, is the internal weakness of most European regimes, which tempts them to side with Paris in anti-American positions involving little domestic risk.

It is difficult, in the present mood of the alliance, to measure the depth of these divisions. My own view is not pessimistic, for I believe there is a profound sense of psychological and cultural community at the heart of the Atlantic relationship which transcends the frictions which will always exist.

* * * * *

V

The *fourth* principle which forms part of an emerging consensus on foreign policy is that we and our allies in the developed world are linked in a relationship of growing interdependence with the underdeveloped world.

This renewed awareness was manifested only recently in the special U.N. meeting on current problems of world development. I welcome the remarks Secretary Kissinger made on that occasion, and it may be useful to review the six problem areas the Secretary identified at that time.

He first stressed that the global economy requires expanding energy supplies at equitable prices, and pledged the cooperation of the United States in reducing energy waste and in developing new energy supplies. Second, he urged the cooperation of producing and consuming nations in overcoming the cycle of raw material surplus and shortage—opposing any efforts which may be mounted by cartels of raw-material producers to negotiate artificially high prices. Third, he committed the United States to a major effort to assist the developing countries in food production and population control so as to bring about a stable balance, and called for a worldwide food reserve to meet food emergencies. Fourth, he called for special assistance to the poorest nations—those which are neither industrialized, nor produce raw materials or sufficient food—so as to prevent them from being overwhelmed in the current circumstances. Fifth, he committed the U.S. to a major scientific effort in developing farming technologies which are productive and labor-intensive, in improving the technology of birth control, and in expanding energy research and development. And sixth, he called for a worldwide trade, monetary and investment system which will sustain industrial civilization in the present era of scarcity.

The Kissinger speech, while providing little of substance in itself, is nevertheless a welcome rhetorical departure from earlier indifference to the problems of the developing world and the world economy. I believe that the disparity between rich and poor on a worldwide scale is the central moral problem of our time. The gap between rich and poor is widening, and there is a growing awareness of this global inequality and a determination to erase it. To the extent that we do not seriously address this problem, we are risking increased social strife on a worldwide scale and global anarchy.

A renewed awareness of global interdependence comes at a time when foreign aid, in the traditional sense, has lost most of its domestic constituency in America. But the popular disillusionment with our bilateral foreign aid programs is not entirely unjustified. What we need now is a massive effort on a multilateral scale, not simply to provide capital transfers to the developing world or to sponsor a variety of technical assistance of world aid, trade, investment and finance so as to cope realistically with the historic task before us.

Secretary Kissinger has spoken of a mood in the country in the early 1960s when he was first exposed to the higher levels of foreign policy decision-making in Washington. The mood may have been brash and over-confident, he said, but a spirit prevailed which was "quintessentially American: that problems are a challenge, not an alibi; that men are measured not only by their success but also by their striving; that it is better to aim grandly than to wallow in mediocre comfort."

A restored bipartisanship in American foreign policy does not exclude active partisan debate on the day-to-day issues of American foreign policy. But a restored bipartisanship recognizes the broad base of agreement concerning our purpose in the world and the great tasks before us. We must draw upon the strength that such unity gives us in order to fulfill the role which history has assigned us. We cannot shrink from those responsibilities. We must, in President Kennedy's words, welcome them.

THE JOHNS HOPKINS UNIVERSITY PRESS

Mr. MATHIAS. Mr. President, the oldest, continuously operating university press in the United States is the Johns Hopkins University Press in Baltimore. It was founded in 1878, and in the years since, it has had but three directors. For the past 26 years, Harold E. Ingle has directed the Johns Hopkins University Press with the utmost distinction. In July, he will retire and be succeeded by Jack G. Goellner.

Mr. President, the spring 1974 issue of the Johns Hopkins Journal contains an article announcing the forthcoming change of directors and relating some of the many notable achievements under Mr. Ingle's leadership. I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HAROLD INGLE TO RETIRE AS HOPKINS PRESS DIRECTOR, COMPLETES 26 YEARS OF SERVICE; JACK GOELLNER TO SUCCEED HIM

Founded in 1878, the Johns Hopkins University Press is the oldest continuously operating university press in the country. In that time, it has had but three directors, the third being Harold E. Ingle, who has headed the organization for the past 26 years. In July, Mr. Ingle will retire, and the Press will come under the direction of Jack G. Goellner, who came to Johns Hopkins in 1961 and has served as editorial director since 1965.

Reflecting back over his years as director—during which he worked under six of the University's ten presidents—Mr. Ingle recalls that the Press in 1948 consisted of a staff of four with a "warehouse" set up in two World War II Quonset huts located in the light shafts of Gilman Hall. About a dozen books a year were being published, representing a sales volume of about $75,000.

Today the Press has a staff of 50, operates its own off-campus warehouse, and this year is publishing 75 new books and recording sales of nearly $1.9 million. This figure includes seven scholarly journals that the Press publishes, including two of the oldest in the country: the *American Journal of*

Mathematics and the *American Journal of Philology*. There is a Press branch office in London to handle sales in the United Kingdom and Europe, and sales representatives all over the world—foreign sales now accounting for about 20 per cent of total sales.

One of the features that sets the Johns Hopkins University Press apart from many similar organizations, Mr. Ingle points out, is that it is virtually self-supporting, despite a market that rarely exceeds 3,000 copies per book. Two factors partly responsible for this are an agreement with Resources for the Future, Inc., which has led to publication of over 100 titles in the areas of energy, conservation, urban economics and urban development, and another agreement with the World Bank that has produced a strong list of titles in international economics and international development.

"Books in these areas have been big sellers in recent years," Mr. Ingle says. "We're also strong in most areas of the social sciences, and although our program is not as large in the humanities, it is a distinguished one. All these reflect areas of academic strength at Johns Hopkins, and that is as it should be."

Among the more formidable works that the Press has published during Mr. Ingle's directorship are the first five of a projected 20-volume set of the edited papers of Dwight D. Eisenhower, and the two-volume "Mammals of the World," by Ernest P. Walker. Two of the bigger sellers have been "The Individual, Sex and Society," edited by Carlfred Broderick and Jessie Bernard, and "A Preface to Urban Economics," by William Thompson, both of which have thus far sold well over 30,000 copies.

Jack Goellner, who succeeds Mr. Ingle on July 1, holds a bachelor's degree from Allegheny College and a master's degree in English from the University of Wisconsin.

Looking ahead, Mr. Goellner foresees no immediate major expansion in the book or journal publishing divisions, however there are some new areas into which the Press is venturing that could possibly develop significantly in the future.

"For example, we are developing a series of books in urban studies paralleling work being done in the University Center for Metropolitan Planning and Research that deals with some of the major policy questions confronting cities today," he says. "Another promising area is that of audio-visual materials. We are now working closely with the Medical Institutions on a program in continuing medical education for physicians that will involve printed material, tape cassettes and slides in an AMA-accredited program.. The potential here is enormous, and it could quickly become a major part of our total program."

DEMOCRATIC POLICY RESOLUTIONS

Mr. MANSFIELD. Mr. President, since January, Democratic Senators have met periodically to discuss issues of importance in the Senate and the Nation. They have agreed to four resolutions regarding issues of major concern to Americans, the most recent resolution being one adopted on April 24, which supports legislation which would restrain inflation by: First requiring the executive branch to monitor all sectors of the economy, private and public, and to enforce economic stabilization decontrol commitments, and, second, permitting within a reasonable time an orderly termination of the wage and price controls program.

The other three resolutions agreed upon by Senate Democrats call for passage this year of national health insurance and private pension plan reform and the creation of an instrumentality to deal better with matters of potential national crisis.

By way of followthrough on these Democratic positions, I would like to state that the House Ways and Means Committee began hearings on April 24 on national health insurance. Conferees are continuing to work toward agreement on the Senate and House differences regarding private pension reform legislation. And on Tuesday April 30, 1974, representatives of the House and the Senate will meet with representatives from the executive branch named by the President to discuss a better means of dealing with matters of potential national crisis.

Mr. President, I ask unanimous consent to have the four resolutions printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

RESOLUTION NO. 1 ON NATIONAL HEALTH INSURANCE

(Adopted by Senate Democratic Policy Committee on March 28, 1974)

Whereas, an urgent need exists to find better means of meeting the mounting expenses of Americans for health care;

Whereas, the high cost of medical care stands as a constant threat of financial disaster to tens of millions of Americans; and

Whereas, adequate health service, regardless of ability to pay, is the right of all Americans;

The Senate Democratic Policy Committee urges the passage *in this session* of legislation which will—

(1) create a national system of administrative overlapping and duplication in the current multiplicity of fiscal systems;

(2) provides financing by contributions from employers, employees and general tax revenue;

(3) allows for all varieties of medical practice ranging from fee-for-service to prepaid group practice;

(4) guarantees all Americans, regardless of ability to pay, adequate health services.

The Leadership is directed to communicate this resolution to the Chairman of the Finance Committee and to consider, with the House Leadership a joint request to the President urging cooperation in the design of a National Health Insurance Program.

RESOLUTION NO. 2 ON PRIVATE PENSION PLANS

(Adopted by Senate Democratic Policy Committee, April 9, 1974)

Whereas, private pension plans are supplements to Federal Social Security of growing essentiality in providing a secure and dignified retirement for Americans;

Whereas, equity suggests that private pension plans which provide work incentive to the employee ought also, in due course, vest an irrevocable interest in the employee; and

Whereas, widespread mobility of labor is an integral part of the American economic structure but, at the same time, often acts to cancel accumulated private pension benefits;

Therefore, the Senate Majority Policy Committee urges the enactment, this year, of legislation:

To set standards for insuring pension rights to employees after a reasonable period of service;

To require adequate management and funding of pension plans;

To provide insurance against termination of private pension plans; and

To establish mechanisms for transferring private pension benefits from one employment to another.

The Majority Leader is authorized to communicate this resolution to the Chairman of the Senate Committees on Labor and Public Welfare and Finance and to consider its substance with the Speaker of the House for the purpose of delineating a joint statement of the position of the Democratic Majority in Congress.

RESOLUTION NO. 3 ON ECONOMIC FORESIGHT

(Adopted by Senate Democratic Policy Committee, April 9, 1974)

Whereas, the energy shortage has kindled a national awareness of the uncertain supply of many resources, materials and commodities vital to national needs;

Whereas, the energy shortage also revealed that the nation is not equipped to provide a continuing and interrelated evaluation of the status and availability of basic resources, materials and commodities and, hence, cannot make the most effective and timely response to situations of adversity, with consequent detriment to the national well being;

Whereas, the Senate Majority Conference has approved Leadership efforts to pursue, in concert with the Senate Republican Leadership, the establishment of an appropriate forum at the highest level of national life for the purpose of assuring that national needs are fulfilled; and

Whereas, the President has indicated in a letter dated March 25, 1974, to the Leaders of the Senate his readiness to cooperate in an examination of this question;

The Democratic Policy Committee recommends:

(1) that consideration be given to constituting a national instrumentality composed of representatives of the Legislative and Executive Branches and members of the agricultural, industrial, labor and other private communities of the nation;

(2) that such instrumentality, if constituted, have the capacity both to forecast potential areas of national economic crisis and to propose to the President and the Congress such planning and policy alternatives as may be necessary to prevent or mitigate any such crisis; and

(3) that the Majority Leader, in concert with the Senate Republican Leader, engage in discussions with designees of the House Leadership and of the Administration in pursuit of the establishment of such an instrumentality.

RESOLUTION NO. 4 ON ECONOMIC POLICY

(Adopted by Senate Democratic Conference on April 24, 1974

Whereas, the overall rate of inflation is at its highest level in 23 years, consumer prices are climbing at the highest rate since 1948 and wholesale price increases continue at double digit levels; and

Whereas, real gross national product is falling at the steepest rates in 16 years and the real earnings of wage earners continue their decline; and

Whereas, all authority to control wages and prices (except in the petroleum sector) and to secure and enforce commitments to exercise price restraint and expand industrial capacity will expire in seven days; and

Whereas, if all such authority is abruptly abandoned, a new surge of inflation will ensue with renewed pressure to impose wage and price controls; and

Whereas, runaway inflation poses a serious threat to the economic well-being of the nation;

Now, therefore, be it resolved that the Democratic Conference condemns the Administration's abandonment of the fight against inflation, pledges its efforts to improve the economic condition of the nation and to that end specifically supports legislation to restrain inflation by (1) requiring the Executive Branch to monitor all sectors of the economy, private and public and enforce economic stabilization decontrol commitments; and (2) permitting within a reasonable time an orderly termination of the wage and price controls program and be it further,

Resolved, that the leadership shall select the appropriate legislative vehicle on the Senate floor within the immediate future to permit these proposals to be considered and enacted by the Senate.

REPORT BY SENATOR HUGH SCOTT ON OVERSEAS MEETINGS

Mr. HUGH SCOTT. Mr. President, it is not my custom to be away from the Senate while it is in session and debating such important matters as have been under consideration during the last week. However, I know that these have been well handled in my absence on official business. I wish to thank my distinguished colleague from Michigan, Assistant Minority Leader Senator ROBERT GRIFFIN for his willingness to serve on my behalf on those issues.

I shall make a full report to the Senate in due course on my travels and meetings during the last 2 weeks, but wish at this juncture to present a brief résumé of my activities at the Interparliamentary Union meetings in Bucharest and the Dartmouth VIII Conference in Tbilisi, and my meetings with the President of the Romanian State Council Nicolae Caeusescu and General Secretary of the Soviet Communist Party Leonid I. Brezhnev.

I shall dwell but little on the Interparliamentary Union meetings which took place between April 15–20 as Senator SPARKMAN and other delegates have undoubtedly already given the Senators their impressions of the Conference. Suffice it to say that I had the privilege of representing the United States delegation at the final session of the Council of the IPU. At that time, we reached unanimity on the final joint communique drafted by the IPU. I do want to commend both Senator STAFFORD and Congressman DERWINSKI for their contributions to the meeting. Messrs. STAFFORD and DERWINSKI are the congressional representatives on the I.P.U. Council and Representative DERWINSKI is also a member of the executive committee. They, and all members of the delegation did excellent and highly useful work during the Conference.

Perhaps the American newspapers have already reported on my private talk with President Ceausescu of Romania. I actually had two press interviews in Bucharest, four in Moscow and three in Tbilisi.

I found President Ceausescu to be every bit as cordial personally and as well disposed toward this country as he had been on his visit to this country last year, and as he was during my visit with him in 1971. Romania is much concerned that its efforts to orient itself into the trade orbit of the West and fears the effect on mutual relations if the favored nation clause in the Trade Act is rejected and if American credits for its burgeoning industry are frozen.

The Dartmouth VIII Conference received its name from having held its first sessions at that campus 14 years ago. It meets every 2 years, alternating between an American and Russian city. This session, the first which I have had the pleasure of participating in took place in Tbilisi, the capital of Georgia, a small semiautonomous Soviet nation—one of 15 which make up the Union of Soviet Socialist Republics—in the southern area of Russia, between two ranges of the Caucasus mountains and the Black and Caspian Seas. It attracted such eminent Americans as David Rockefeller, of Chase Manhattan Bank; Norman Cousins, editor of the Saturday Review/World; Hedley Donovan, editor-in-chief of Time; James Ferguson, president of General Foods; William Hewitt, chairman of Deere & Co., and former U.S. Ambassador to the United Nations, Charles W. Yost, as well as a greater number of distinguished academicians, scientists, and foundation officers.

It was much to my regret personally that my esteemed colleague from Missouri, Senator STUART SYMINGTON, was unable to be with us during our sessions in Tbilisi, but I was honored to extend an invitation on the part of the Russian and American cochairman to Senator EDWARD KENNEDY to appear to address the participants in a plenary session.

The Russian contingent, headed by Yuri Zhukov, was made up of an equal number of prominent citizens of the Soviet Union. Although each of course, under the nature of the Soviet system, works for the State, their statements, open, were frank and varied.

To summarize those views and ours, I shall quote just two lines from the final communique approved by the conferees as a whole:

> The participants of the Conference see detente not as a temporary tactic, but as an on-going and indispensible instrument of world peace.

This was the overriding issue and our 4 days of meetings covered every aspect of making détente truly viable and continuing.

For example, in a 2-hour visit with the General Secretary of the Communist Party of the Soviet Union, Leonid K. Brezhnev, on April 26 in his Kremlin office, I stressed that these Soviet-American conferences serve as a powerful impulse for the development of cooperation between the two countries in the spheres of politics, science, technology and economy.

Mr. President, I ask unanimous consent to print in the RECORD the communique which Mr. Brezhnev and I agreed to upon the conclusion of my 2-hour talk with him as well as the remarks made at the opening session of the Dartmouth Conference on April 22, 1974, by Yuri Zhukov, Deputy to the Supreme Soviet of the U.S.S.R. and important political commentator for Pravda.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JOINT COMMUNIQUE ISSUED APRIL 26, 1974, BY GENERAL SECRETARY LEONID I. BREZHNEV AND U.S. SENATOR HUGH SCOTT

The General Secretary of the Central Committee of the Communist Party of the U.S.S.R., Leonid I. Brezhnev, today received Senator Hugh Scott, the prominent leader of the U.S. Republican Party of the United States Senate.

A wide range of questions concerning the development of relations between the U.S.S.R. and Washington and a number of international problems was discussed in the course of the talks. Particular attention was paid to the problems of arms limitation as well as to questions of widening trade and commercial ties on the basis of complete equality and with no discrimination. The substantial steps towards improving American-Soviet relations undertaken in the past two years and the prerequisites created as a result of these steps for the further development of peaceful and mutual cooperation between the two countries were carefully evaluated by the two leaders.

It was noted that all this was in the interest of the American and Soviet people as well as to the relaxation of international tensions and strengthening of universal peace.

Mr. A. M. Alexandrov, Assistant to the General Secretary, also took part in the conversation.

STATEMENT BY Y. ZHUKOV AT THE FIRST MEETING OF THE EIGHTH DARTMOUTH CONFERENCE IN TBILISI, APRIL 22, 1974

Distinguished friends, I am pleased to see here both veterans of our meetings, with whom we have been meeting regularly for more than 10 years now, and new colleagues who have joined our discussions. The Dartmouth Conference has become a traditional and very important forum, whose participants have a precious opportunity to hold frank exchanges of views on the most pressing problem facing Soviet-American relations and on the urgent problems of the world without being apprehensive that their utterances will be heard beyond this forum and distorted for propaganda purposes.

The experience we have acquired shows convincingly that such a form of exchange of views—not only at the meetings, but also in informal talks—is of great importance for strengthening mutual understanding and co-operation between us.

Since we last had discussions with you in cozy, snow-covered Hanover, where the hosts of Dartmouth College gave us such a hospitable reception that now it will be difficult for our Georgian friends to excell them in this—but I am sure they will do it all the same, for there is no land in the world more hospitable than Georgia,—a great many important events have taken place in the world. However, if we take a look at the road we have travelled and analyse it, I think you will agree that the most important factor, which also determines to a large extent, the overall development of the international situation, has been further development of the cardinal reconstruction of Soviet-American relations that began two or three years ago.

Our meetings in Hanover were held under the auspices of the most important decisions taken at the first Soviet-American summit talks in Moscow, in May 1972. Our present meeting in Tbilisi is held under the auspices of the most important decisions taken at the second Soviet-American summit meeting in Washington, June 1973, and on the threshold of the third summit meeting to the preparations of which were devoted Mr. Kissinger's recent visit to Moscow, President Nixon's talks with the Chairman of the Supreme Soviet of the USSR Podgorny in Paris and A. A. Gromyko's meetings with Nixon and Kissinger in Washington.

The success of these talks is due, in a large measure, to the fact that the development of Soviet-American relations is based on a sufficiently firm foundation, built in the past two years, i.e. on the practical results of the two summit meetings. Only hopeless sceptics can deny the importance of the favorable changes that have already been achieved in the relations between the Soviet Union and the United States, the main tenor of which is their common desire to prevent the threat of war and contribute to the strengthening of international security and to the development of extensive, mutually beneficial cooperation.

As Comrade Brezhnev pointed out, we in the Soviet Union wish the new summit meeting to be marked by new, important steps toward the development of peaceful relations between our states and the improvement of international situation.

As Comrade Brezhnev pointed out, we in the Soviet Union wish the new summit meeting to be parked by new, important steps toward the development of peaceful relations between our states and the improvement of international situation.

I know that some of the incorrigible sceptics, who iced up and turned into icicles under the influence of their long involvement in the "cold-war", express far-fetched fears over this meeting and even try to persuade the President of the United States to abandon his trip. It is all the more important, therefore, that the wisest and most far-sighted Americans vigorously support the upcoming meeting, notwithstanding this.

Specifically, I have in mind the statements by Hugh Scott, the honorable Republican leader in the Senate who is present here, and by his colleague, Mansfield, the Democratic leader, made on April 3. "I think—said Senator Scott—that the President should go, and he must go enjoying full support of the American people". Mansfield for his part, said: "I want to pay tribute to the Senator for his very wise statement. I fully agree with him".

On the basis of the results achieved we can and must seek progress and make plans for the future with certain optimism. I would like to stress in particular that despite all the difficulties and obstacles the relations between the USSR and the USA have reached a stage where the two sides, as is stated in the final communique on H. Kissinger's stay in Moscow, have set themselves a binding goal—and I quote—"to make the process of the improvement of Soviet-American relations an irreversible one".

The Soviet public opinion actively supports putting the question this way. At the same time I was glad to read in the prepared report that they also take this attitude.

We are not at all inclined to overestimate the results already achieved in the development of Soviet-American co-operation or close our eyes to the great difficulties, which the two sides have yet to overcome. But the lofty goals, that the USSR and the USA set themselves aspiring to make the current détent irreversible, are worth the greatest efforts that will have yet to be made to achieve these goals.

It is in this spirit that we are beginning our discussions here today. We will, with complete frankness, say to each other what we think trying to understand each other better, and patiently, step by step, pave the way to solving the problems we are faced with. As usual, we will avoid making primitive propaganda speeches. We will respect each other's point of view even if we disagree with it.

At this point, I will not analyze the substance of the important problems which are inscribed on our agenda—a thorough discussion of these problems will be held in commissions and both sides will have a chance to present all their arguments in a comprehensive way. Besides, we will have an opportunity to meet and talk informally at breakfasts, lunches and dinners at breaks between the meetings and during tours. Incidentally, sometimes such contacts are even more fruitful than discussions at meetings.

I wish to state, first of all, that our delegation agrees, to a great extent, with the considerations presented in this paper.

We agree with your statement that the new era in Soviet-American relations—an era of relaxation of international tensions—was ushered in in May 1972 with the signing by President Nixon and General Secretary Brezhnev of the "Treaty on the Limitation of Anti-Ballistic Missile Systems" and the "Interim Agreement on Certain Measures with Respect to the Limitation of Strategic Offensive Arms" (p. 5). To this, and I hope you agree with it, we only add that the most important document, which ushered in this era, is the "Basic Principles of Relations Between the USSR and the USA", signed also at that time, in which both sides proclaimed their agreement "to proceed from the common conviction that in a nuclear age there is no other basis for maintaining relations between them, except peaceful co-existence" and proclaimed the principle of equal security of the sides, whose importance is also stressed in your report (p. 7), as well as the agreements on the prevention of nuclear war.

We fully agree with the statement of the American side to the effect that the basis of the policy for achieving a relaxation of international tension is, above all, our mutual interest in preventing a new world war (p. 1).

We agree that it is now necessary to take bold and decisive steps in the area of real and considerable reduction of thermonuclear arms in order to make the process of relaxation of international tensions unconditional and fruitful (p. 2),

We also agree with the statement in the American report that if the current talks on the limitation of strategic arms failed to reach their agreed objectives, which boil down to better qualitative and quantitative limitations on strategic arms and to taking measures on their effective reduction, the hopes of our peoples for peace could be frustrated by an uncontrolled arms race.

At the same time, it is clear to all of us that the problems, which are being discussed at the second stage of negotiations in Geneva, are very complex ones and call for their urgent solution. The very fact that the talks are continuing and that both sides are doing their utmost to find agreed solutions, is very gratifying and encouraging.

We fully share the viewpoint of our American collegues that the Dartmoor Conference is not the kind of forum where we should discuss concrete technical details of agreements of one kind or another, the more so that it is difficult to imagine technical problems more complex than those being dealt with at the talks on the limitation of strategic arms.

There is a great deal of talk about various formulas and principles of approach to agreement at the second stage. There is no doubt, however, that the cardinal principle of equal security of the sides, barring them from getting unilateral advantages directly or indirectly should continue to be the basic formula for bringing the talks to a successful completion. It was precisely the most scrupulous observance of this principle that made it possible to arrive successfully at agreed solutions at the first stage of the talks. This principle can be ensured only on the condition that due account is taken of all the aspects of both current and long-term strategic situation.

As you know, in the course of the preparatory talks, which State Secretary Kissinger had in Moscow and Minister for Foreign Affairs of the USSR Gromyko had in Washington, much attention was devoted to the problem of further limitation of strategic arms. The sides noted that despite the complexity of this problem there is every possibility for reaching mutually acceptable solutions. The two sides intend to continue vigorously their efforts to find such solutions.

A few comments now on the political problems referred to in the report of the American side.

1. *European security.* We regret that the questions of European security did not find a more detailed reflecting in the American report. Of course, this is a problem of multilateral relations rather than Soviet-American. But at any rate, it cannot be reduced only to the question of exchange of information and people, as some attempt to present it. In the first place, it is a question of turning the entire European continent into a zone of stable peace and security, where the relations among states would be based on the principles of peaceful co-existence and businesslike co-operation. Naturally, our two countries can and must make a great constructive contribution to a successful completion of the work of the European Conference on Security and Co-operation.

In this connection, it would be of great importance to reach an agreement, as soon as possible, at the current talks in Vienna on the mutual reduction of armaments and armed forces in Central Europe. Such a reduction, to be effected on an equal basis, would supplement the political detente with a military detente and contribute to the strengthening of peace and security on the European continent and building up trust between countries with different social systems.

2. *Middle East.* We agree that as a result of Soviet-American co-operation and the UN initiatives there are, at present, substantial grounds to hope for a durable peace in the Middle East. But at the same time, it is rightly pointed out in the report that the principal problems, which were the subject of UN Resolution 242 of November 1967, remain unsolved (p. 16). My colleagues, among them Comrades Primakov and Belayev, are prepared to speak on the substance of these problems in the respective commission.

3. *East and South-East Asia.* We agree that in the past few years there have been many positive changes in this area. As is correctly stated in the report, all countries welcomed the agreements on the termination of hostilities in Indo-China and on the activity aimed at a peaceful settlement. The report rightly states that the establishment of effective security and a just settlement of all major problems in Asia depend, to a considerable extent, on co-operation of the great powers adjoining the Pacific basin (p. 18).

At the same time, we state with satisfaction that it is pointed out in the report that the Soviet proposal on holding a conference on security in Asia can be a useful initiative; the report notes that this proposal has acquired an even greater weight after the recent statement by General Secretary L. I. Brezhnev that "all state of Asia without any exception should take part in it" (p. 19).

4. *Indian Ocean.* The report notes correctly that the process of reducing the danger of a new war and the abandonment of the policy of confrontation are linked to the establishment of "a peace zone" in this area.

The section of the report of the American side, dealing with the problems of scientific co-operation is a very interesting one. A whole number of ideas, contained in this section of the report, specifically on the productivity of agriculture, on biogeochemical cycles, on shaping the environment and others will, undoubtedly, be usefully considered by the respective commission.

As regards the economic relations between the USSR and the USA, we are in full agreement with the statement in the American report that the latest period is characterized by the determination of both sides to seek a substantial, high and stable level of economic ties; indeed, particularly characteristic of this new era are the agreements providing for broad technical and economic cooperation and also the establishment of institutions called upon to promote further the development of economic ties, such as the Soviet-American Board for Trade and Economic Relations.

The report also notes correctly that the healthy spirit of the economic detente is illustrated by the fact that after being an insignificant trade partner of the Soviet Union the United States has become one of its main trade partners among Western countries (p. 38).

We welcome the statement in the report that a sincere and persistent desire to have close economic ties with the Soviet Union is characteristic of the broad business circles and the present US Administration (p. 43).

We agree, at the same time, that the results achieved should not be overestimated. As is said correctly in the report we can be confident about fulfilling the pledge of a new era in economic detente only if we will take tirelessly joint efforts to overcome differences and eliminate obstacles. We accept your offer—to seek, in a frank and open discussion, ways for overcoming our problems and disagreements and taking decisive steps to make irreversible the considerable and stable growth of the volume of our economic ties. The report rightly states that by promoting mutual understanding and mutual accommodation the economic detente will help achieve our common goal—a lasting peace (p. 47).

Finally, we fully agree with you that personal contacts between Soviet and American public and political figures both formal and informal, are a valuable help in official political efforts aimed at strengthening the economic relations between the USA and the USSR (p. 55).

At the same time, we would like to try together with you to analyse a number of questions arising in connection with the wave of pessimism that can be observed in the USA—I would say—feigned pessimism—in the evaluation of the further development of Soviet-American relations, which you mention in your report.

You write, among other things, that the American public shows manifest signs of diminishing faith in the possibility of relaxation of tensions (p. 3). We would be grateful to you if you specified what you mean in particular, who it is and why he sows such pessimism.

In point of fact, according to the public polls three quarters of Americans favor further development of co-operation with the U.S.S.R. As far as the business circles are concerned it is well known that President of the National Industrialists' Association Douglas Kenna, member of the Board of Directors of the U.S. Chamber of Commerce Daniel Goldie, the Association of the U.S. Chemical Industry and other prominent figures, associations and corporations have also come out in favor of this, specifically in the course of the debates in a number of Congress commissions. At the same time, heads of some biggest corporations are successfully developing business ties with us.

We know that politicians of the Senator Jackson type are swimming against the current. But to what extent is their influence reflected on the opinion of the majority of Americans? At any rate, we would like you to clarify your thesis to the effect that the American public shows signs of diminishing faith in the possibility of relaxation of tensions

Moreover, the American reports mentions a number of fears, which are caused, in their words, in the American public, by the policies of the Soviet Union. We are well familiar with the attempts of the foes of detente to sow doubts being made to impede the development of Soviet-American cooperation and we refuted their arguments more than once. However, since some people in the United States continue to trust the propaganda that distorts the true aims of the Soviet foreign policy, we are obliged to make these questions clear.

The report, for example, speaks of certain concern over the plans of the U.S.S.R. in the area of the Indian Ocean because of the fact that the U.S.S.R. (as, incidentally, also the U.S.A.) abstained at the United Nations in the vote on "the peace zone resolution", and meanwhile—I quote from the report—"the U.S.S.R. got the right to use the dock facilities and ports for its navy on both sides of the Indian sub-continent" (p. 20).

Let me explain to you that such interpretations, which, indeed, often appears in the American press, puts everything upside-down. First of all, the Soviet Union, as was stated with authority, *inter alia*, by Comrade Brezhnev during his visit to India, is not opposed in any way to making the Indian Ocean a zone of peace; on the contrary, it supports this idea. If the delegation of the USSR abstained in the vote on the resolution you mention, it did so only because it contained some unacceptable provisions violating the generally recognized principle of the freedom of navigation; while the question of foreign military bases—and it is military bases that are a threat to peace—was not dealt with adquately in the resolution.

Secondly, the allegation that the USSR has some kind of military bases in the Mediterranian and in the Indian Ocean and also that the USSR got the right to use the dock facilities and ports on both sides of the Indian sub-continent is false from beginning to end. Soviet ships use the space of the Indian Ocean as well as of the other oceans equally with ships of all other countries. But unlike some other states which have military bases on foreign territories and, specifically, are about to establish a new base on the island of Diego-Garcia, which fact is correctly stated in the report of the American side, the Soviet Navy manages without bases on foreign territories. It makes its official and business calls at ports of other states on the generally accepted basis. It does not have at its disposal in the area of the Indian Ocean any dock facilities or ports for its needs, and follows the Latin saying "All which is mine I carry with me".

Now, the report of the American side states that "in the USA there is still concern over possible world claims of the Soviet Union, particularly fears of political expansion of the Soviet Union. Especially grave anxiety is caused by the building up of nuclear armaments and the navy and also by the restriction of freedom and human rights" (p. 44).

You write "there is *still*", from which I can conclude that in your opinion such delusions are on the decrease, and we can only rejoice at this with you together. However, as these delusions still persist, and while they are being constantly whipped up by malicious anti-Soviet propaganda, we can not disregard them.

The fact that in the United States even now, three years after the Twenty-Fourth Congress of the CPSU adopted the Peace Program, after such tremendous successes have been achieved in the implementation of this Program, after the principles of peaceful co-existence and equal security have been generally recognized, after the situation in Europe has been normalized on the basis of the recognition of the inviolability of borders and the renunciation of the use of force or its threat and after a radical turning point has been reached from hostility to cooperation in the relations between the USSR and the USA—the fact that even under these conditions there are people who *still* fear some "world claims" and "expansion" of the Soviet Union points to many things.

This fact reminds us of how much we have yet to do to dispel the persistent prejudices remaining from the "cold war". I am sure that in the final analysis we will succeed in it.

As regards the question of freedoms and human rights, which, incidentally, are not threatened by anything in the USSR, I would like to recall to you, so as not to come back to this question again, what was said in October last by Comrade Brezhnev at the Moscow Congress of Peace Forces about the anti-Soviet campaign mounted in the West under the slogan of "protection of human rights" in the socialist countries:

"Some initiators of this campaign contend that detente is impossible if no changes take place in the internal order of the socialist countries. Others seem to be unopposed to it, but declare with striking candidness their intentions to use the process of detente to weaken the socialist system, and strive, in the long run, for its breakdown. This tactic is presented to the broad public under the guise of concern over human rights or the so-called "liberalization" of our system.

Let us, dear friend, call a spade a spade,—Comrade Brezhnev went on to say,—there is talk of freedom and democracy, of human rights, while in fact this entire noisy campaign serves one purpose: namely to cover up the attempts at interference in internal affairs of the socialist states . . .

"Either you change your way of life or we have the 'cold war' we are told. But what if we retort in the same way? What if we, as a condition for the development of normal interstate relations, demand a change in such laws and regulations in the bourgeois society which run counter to our concepts of justice and democracy? I do not think such demands will improve the prospects for the sound development of interstate relations,"—concluded Comrade Brezhnev.

I would add to this that the late President of the USA Franklin D. Roosevelt realized full well the importance of this question. It was through his initiative that in November 1933, when relations between the USA and the USSR were restored, in the agreement with People's Commissar for Foreign Affairs Litvinov there were stipulated in the most careful manner provisions on non-interference in internal affairs of each other. These provisions remain in effect.

So, dead friends, we are going to continue with our dialogue started by us at the initiative of our friend Norman Cousins early in the 60-s at our first modest meeting in Dartmouth College. Those times were immeasurably harder, but to the credit of the Soviet and American citizens who came together then on a private basis; they were able to see on the international horizon overcast with black clouds a glimmer of hope for better times. They have turned out to be right having displayed sober-minded optimism, inherent in our two peoples, in the appraisal of prospects and political realism.

Yes, distinguished friends—political realism is the best criterion of an objective appraisal of developments. It calls for seeing both positive and negative aspects of international life, and for sober-mindedness in appraisals, which has nothing in common with sterile negativism or fool's rapture, as the Russian people say. In conditions of detente it is, indubitably, easier to solve any problems, but is it possible in some three years to adjust fully the mechanism of relations between East and West, which has been rusting for a quarter century of the "cold war"? There have been and will continue to be difficulties, and one can agree with the American Christian Science Monitor, which does not consider detente "a magic formula" promising "easy solution to all international problems".

There are no easy paths in international politics or in the improvement of relations between states that represent opposing worlds. Nor are there insurmountable difficulties. "The Soviet and American sides share the view that there are no such obstacles that could not be overcome",—stated recently the Washington Post.

To tell the truth, as a political observer of Pravda I do not often share the views of the Washington Post, in fact I frequently cross swords with it. In this particular case, however, I agree 100 per cent with its statement.

So friends, let's get down to business and guide ourselves by this principle: there are no such obstacles that could not be overcome when it comes to the development of Soviet-American relations, which are of such paramount importance to the cause of world peace.

CALIFORNIA'S EARLY CHILDHOOD EDUCATION PROGRAM

Mr. CRANSTON. Mr. President, Newsweek columnist Shana Alexander spotlighted California's unique early childhood education program in a recent article which I would like to share with Senators. Ms. Alexander's column provides a good sketch of what an ECE program in California looks like and why it creates such excitement among children, parents, and educators.

I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Four Million Lucky Kids

(By Shana Alexander)

Riddle: What's disastrous at both ends and wrong in the middle?

Answer: The education of the American child.

We spend $52 billion a year on public education, and still Johnny can't read and can't add—learning doesn't excite him. He drops out. High-school SAT scores have declined steadily for the past ten years. Colleges today have a half million unfilled places, and in the past year, 50 more colleges were forced to shut up shop.

The resultant waste of minds is staggering, its cost to the nation incalculable. Nothing we have is more precious than the next generation. To deny them the best possible start in life, to fail to prepare them to deal with this increasingly complex world seems to me a monstrous crime against our own humanity. If not genocide, it is at least an appalling form of slow national suicide.

One man determined to stop this waste is Wilson Riles, since 1971 California's superintendent of public instruction. Huge, graceful and ebony-black, Riles is a schoolmaster with the bearing of an emperor. In a sense, he is—his empire being America's largest public-school system, and his subjects its 4 million students. California's kids are urban and rural, rich and poor, white, black, Spanish-speaking and Oriental—altogether the most polyglot and difficult school population imaginable.

AN EXPLANATION

Today it is also the youngest. Thanks to Riles's passionate belief in early childhood education (ECE), California children begin public school at age 4½. Someday he hopes even to enroll 2½-year-olds. Recently I called on the superintendent in his Sacramento office and he explained why.

"Education is not like some of our other social problems. In education we know what to do, we know how to teach," Riles said.

"I am responsible for 4 million children, kindergarten through high school, of great diversity in wealth and ethnic background. Where better to begin than at the beginning? About 50 percent of a child's learning potential is developed by age 5, 80 per cent by age 8. By age 8, the end of the third grade, every child should be reading, computing, communicating and—above all things—excited about learning."

Accordingly, Riles and his staff developed a comprehensive ECE master plan and got the legislature to allocate $52 million for the first year's trial run, sufficient to cover one-fourth of children in kindergarten through third grade. To have included all eligible children would have cost a whopping $350 million. First legislators, and parents, had to be dazzled by what ECE could do. It was important too not to spend the money only in ghetto areas, but to demonstrate that all Californians had a stake in the program's success. ECE is a direct boon to California's taxpayers, who are now spending $150 million annually in remedial education, trying to repair damage that has already been done. "Compensatory education should not even be a career," says Riles. "The idea is to have it self-destruct."

RULE ONE

An ECE class doesn't look like a regular schoolroom. Rule one is to throw out rows of chairs, let kids cluster together on squares of carpet, and make procedures conform to the restless, curious natures of young children rather than forcing 5-year-olds to sit in rows like graduate students. Probably graduate students shouldn't sit in rows either.

A classroom offers several places to work—perhaps a pillow-cushioned reading center, an art table, another small table with math toys, another with reading and listening machines.

In deprived areas, "disadvantaged children," as they are called, represent one-fourth to one-third of the total school population. There the educational problem is not only acute but self-perpetuating from generation to generation; parents themselves barely literate cannot teach their children. As one black school principal told me, "If you shoot me dead in the head, I'm just gone. But if you shoot a child's brain, that's a l-o-o-o-o-ng death."

At the Russell School in Watts, which I visited, older children work with younger ones; fourth-, fifth- and sixth-grade volunteers assist in kindergarten through third grade. The volunteers are deliberately not the best readers in their own classes. Rather they are those whose own skills and self-image need strengthening. In one corner, two Spanishing-speaking youngsters struggled through an English reader, the 14-year-old boy tutoring an 8-year-old. Heretofore, for both kids, school had meant only frustration and failure. To see *both* youngsters learning now brought sudden tears to my eyes.

An old-time teacher told me, "This place used to be bedlam. I used to keep my running shoes on, to get out in time if I had to. We couldn't even keep a typewriter in the office. Kids would rip it off. Last year we found the custodian hanging from a coat hook. This year we've had just one minor paint-throwing since September."

MOTHER'S INVITED

Parent involvement is crucial to ECE success, especially as younger children come into the program. California parents once had to drop kindergarten children at the schoolhouse door. Today mother is invited in, and can even bring baby along. While the infant waits in a special day-care nursery, the parent may held tutor children or join a grownups' paint or pottery class. My favorite bit of parental artwork showed an exuberant poster-paint sunrise beneath a rainbow of dollar bills.

The final payoff of ECE is that it offers as much fresh sunlight at the far end as the near end of the educational tunnel. With ECE, the last year of high school becomes obsolete. By then, bright kids especially are bored to death with school anyway. So why not offer them jobs, travel or community work as alternatives to the supervised classroom? This would free teachers and liberate students to do what they want most: to "get tied in to something real."

It would also give them some kind of job skills, an idea with as strong appeal to affluent as to working-class families. In a sense, economically overprivileged but unskilled kids are the most disadvantaged of all.

In short, says Riles, early childhood education does not just pull up the bottom. It can take the ceiling off the bright kids, too.

When the ECE system becomes fully operational in California, it may turn out to be the most valuable news out of that state since 1849.

UNEMPLOYMENT PROBLEMS IN ALASKA

Mr. STEVENS. Mr. President, many hundreds of misguided jobseekers continue to travel to Alaska in search of employment on the Trans-Alaska Pipeline project.

These jobseekers do not have the true information about the employment picture in Alaska. Alaska has the highest indigenous unemployment rate in the Nation. Our cost of living is higher there than in any other State. These facts do not auger well for the ill-prepared jobseeker who is propelled to Alaska by rumor and gold rush stories of fortune. It is imperative, I think, to get the true information to those who would consider chasing employment prospects to Alaska.

Recently the Copley news service distributed a story written by Judy Graham concerning employment on the trans-Alaska pipeline. This story does provide accurate information that should be considered by pipeline jobseekers.

I ask unanimous consent that appropriate portions of the story be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

No Help Wanted: Job Seekers Won't Strike It Rich in Alaska

(By Judy Graham)

Anchorage, Alaska.—At the turn of the century it was gold that brought thousands of Americans "north to the future." Many of them never got close to Klondike gold—some were swept away by avalanches on the precipitous Chilkoot Trail, others starved trying to cross glaciers or drowned in the Whitehorse Rapids.

Others just never found gold, and went south again disillusioned.

Now it's oil that may draw thousands of job seekers with the prospect of pipeline jobs in Alaska, where wages average 15 to 25 per cent higher than "down below." The trip north may not be so hazardous now, but the chances of striking it rich haven't improved a lot since 1898.

Nevertheless, a report issued by the state of Alaska shortly after federal authorization of the trans-Alaska pipeline last January warned there may be "large numbers of unemployed, unskilled persons driving up the highway with their families, competing with Alaskan workers for jobs, or ending up as social and economic burdens to the people of Alaska."

At the same time Alyeska Pipeline Service Co. was reporting as many as 600 job seekers arriving in Alaska each month, and no jobs waiting for them.

"Many entire families find themselves stranded, cold and homeless," added John Ratterman, spokesman for Alyeska in a letter distributed to 35,000 "friends of Alaska," including newspapers around the country. The letter was part of Alyeska's "continuing effort" to discourage outside job seekers.

The fact is, there just won't be that many "casual" jobs, and most of them are likely to go to Alaskans.

Recent estimates by Alyeska call for 9,100 workers for the first year of pipeline construction, rising to 14,200 the second year and falling off to 10,600 the final year. About 1,400 management and technical personnel will be based in Alaska.

That sounds like a lot of jobs for a state with a population of a little over 300,000. But while the nation's unemployment rate just rose to 5.2 per cent, Alaska is plagued with a chronic jobless rate of 9 to 10.4 per cent—by far the highest in the country.

In 1972, the state Legislature passed an Alaska Local Hire Bill, requiring that residents be given preference for pipeline construction and some other jobs in the state.

That still may not solve the problem. A pipeline impact study prepared for the North Star Borough—where Fairbanks, "the hub of the pipeline," is located—expressed concern that long-time Alaskans may lose out on jobs to outsiders who are better educated or trained.

To offset this, the U.S. Department of Labor is developing a program for training unemployed Alaskans for pipeline construction and support jobs. The plan includes on-the-job training in cooperation with Alaskan unions.

Anchorage Teamsters' leader Jesse Carr recently outlined his own plans for recruiting and training "Alaskans first" for Teamsters' jobs on the pipeline. "If I run out of Alaskans, then I'll go outside," he was quoted as saying.

Other unions in the state are taking a similar stand and telling their affiliates down below to stay home unless they're called.

But it's hard to discourage people from coming north, especially when they've seen ads offering pipeline "job information"—for a fee—in newspapers in the Lower 48.

Alaska is already feeling the pinch.

By the end of last year the Salvation Army in Anchorage was reporting a 30 to 40 per cent increase in its welfare cases over the previous year, and it's expecting the situation to get worse.

"It's going to be close to disaster proportions," said a Salvation Army spokesman. "What are we going to do with them all?"

He described the typical case: "They overload the car with all their belongings. The car breaks down in Whitehorse (Canada) and they use their last penny for repairs. They get up here with no money and they can't find a job. They've probably underestimated how rugged it really is up here, and they have no place to stay.

"But still they keep coming." He quoted estimates of as many as 200,000 outsiders flocking to Alaska before completion of the pipeline.

SENATOR DOMENICI'S THOUGHTS ON THE AMERICAN FARMER

Mr. EASTLAND. Mr. President, I have had occasion to become aware of a speech given by the distinguished junior Senator from New Mexico (Mr. DOMENICI) to a group of New Mexico farmers during the Easter recess. It appears to me that the thoughts expressed by this perceptive young Senator are worthy of the consideration of all Members of this body, relating as they do to the importance of the American farmer not only to this Nation, but also to the entire world.

I particularly agree with Senator DOMENICI's idea that, because of this great potential for human benefit the U.S. Government has an affirmative duty to help farmers achieve that potential. Too often in the past some of our best intended actions have actually interfered with that objective. So, in my opinion, the affirmative duty to provide assistance carries with it the duty to examine all Government actions for their possible unintended adverse effects. Our farmers and their contributions to the welfare of the world are too important to do otherwise.

For these reasons, Mr. President, I request unanimous consent that Senator DOMENICI's remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

SPEECH BY SENATOR PETE V. DOMENICI

It is a great pleasure for me to speak to you here today. I have the greatest respect for the American farmer. American agriculture is the envy of the world. American farmers are the most productive in the world. This productivity has enabled our country to be the strongest in the world. No other country in the world can point with pride to what we Americans too often take for granted—that is the fact that only 4% of our 210 million people produce more than enough food and fiber to supply all of our basic needs. In Russia, 32% of the population is engaged in agriculture. In the Red China, 67% of the people vainly attempt to produce enough food and fiber for their needs. Both of these countries have recently had to buy our wheat—a sure indication that they aren't self-sufficient.

Let's take a quick look at our comparative productivity to Russian farmers. American farmers produce 40% more wheat per acre than Russian farmers. Our yield of corn is 85% greater per acre. And our yield of grain sorghum is a staggering 338% greater. The Russians know this—and it is one of the reasons they are interested in detente. They want to share in the technology which enables American farmers to be much more productive than their farmers. I am quite leary of sharing our technology without agreement from them to lessen their military budget and make some other concessions. It seems obvious to me that if they could become more efficient farmers, some of the 32% of their population now employed in agriculture would be available to produce other goods—and I don't want to see those other goods be war materials. This gives me grave qualms about detente.

However, even if Russian farmers had our technology, they would not have our profit incentives—the profit incentives which we have finally seen unleashed this last year. After 40 years of government-administered surpluses—40 years of holding back the productivity of American farmers—we have finally begun to encourage full productivity. Economists have long said that we do not have production problems in agriculture—we have distribution problems. This fact always bothered me, since it was used to explain the paradox of limiting American farm production while most of the rest of the world went hungry. We are no longer asking you to limit production—and we are trying to develop stable foreign markets for your products.

Why this sudden change? Why now, after 40 years of surpluses? I think that there are a number of factors involved. World population growth is one. The world population will be 4 billion by 1980. Lessened tensions with Cold War enemies which enables trade with them is another. The devaluation of our dollar in the world currency market is also a significant factor. This devaluation has made our agricultural products much more competitive in the world market. We have seen the resulting increased demand from this combination of factors.

However, dollar devaluation has caused imported raw materials to cost us more. Petroleum products—fuels and fertilizers—steel products—baling wire—and other raw materials now cost us more than ever before—and you feel the pinch when you buy, or try to buy, baling wire or fertilizer or other products affected by these raw material prices.

So now, in the last year, you have been experiencing for really the first time problems in production—not only in distribution. Problems with obtaining fertilizer due to price controls and the lack of domestic production capacity to supply your needs. I saw last year that price control of fertilizer was causing export of fertilizer you needed. I fought with you for decontrol of fertilizer prices. Even though we won our fight, there still is not going to be enough fertilizer available this year to meet your demands because American fertilizer plants can't make enough. Two large ammonia plants are currently under construction in Oklahoma, but they will not be completed this year.

Baling wire presented a similar problem. There are only three major producers of baling wire in the United States. The Japanese had been exporting a large amount of wire to us before dollar devaluation made it more profitable to make higher profit margin steel items. Not many people in the cities think baling wire is important to our farmers, but there was 44 million dollars' worth of hay produced in New Mexico last year, and at least 30 million dollars' worth was baled—mostly with steel wire. I fought successfully to allow a price increase to our domestic wire producers to encourage them to resume production. Again, even though we eventually won, they will not be able to produce all the baling wire we need.

The beef producers' problems of this past year, which are now even more acute, were caused by government interference to a great extent. The price freeze last year disrupted the orderly flow of beef to the consumer. Demand for beef was adversely affected. The independent truckers strike further hurt the cattle industry by backing up overfat cattle in the feedlots. American cattle feeders have lost more than a billion dollars since September of last year. That is one billion dollars of capital investment destroyed—taken out of our rural economy. This loss hurts the small town banks and businessmen, as well as the rancher and feedlot operator.

What have we learned from these recent experiences? One thing we should have learned is that price controls don't work—in fact, they are counterproductive. Would you plant grain if you knew you would lose money on it? Does the consumer have the right to ask you to do that? *Definitely* no, to both questions. Can we expect to buy fertilizer and wire at prices which insure losses to the industries which produce them? Again, no—no we can't.

What we have learned is that government price controls are doomed to failure because they are contrary to the basic American free enterprise system. We have seen this proven beyond a shadow of a doubt this past year. If adequate profits can't be made on any item, the supply of an item will dry up. Many of us have taken that truism so much for granted over the years that we lost sight of it. I don't think we will soon make that mistake again.

What responsibilities does government have to the American farmer? Government has the responsibility to give you a fair chance to make a good return on your investment—the same chance given any other businessman, because that's what you are—businessmen. And if government is going to ask you to produce as much as you can—a vital necessity to maintain a healthy nation and a favorable balance of payments—then it is government's responsibility to insure that you are able to use your great productive capacity to its maximum extent, free from shortages in production factors—shortages such as baling wire, fertilizer, and fuel.

I have great faith in the American farmer. I am sure that you will continue to provide the solid base upon which the whole American economy is constructed—the very foundation on which all the benefits of American life are built. As your Senator, I will continue to strive to see that our government meets its responsibilities to you.

OUR MEN MISSING IN LAOS

Mr. PERCY. Mr. President, on April 22 in Vientiane, a spokesman for both delegations to the Joint Central Commission in Laos said to a local reporter that the Commission should take up the question of prisoners of war. There has also been a news report that Emmet Kay, a civilian pilot held prisoner in Laos since May 1973, may be released by the Lao Patriotic Front within 60 days.

My latest information is that a spokesman for the Vientiane side has said that the question of release of POW's will be discussed by the Joint Central Commission at its next meeting in early May. The Commission was established to implement the agreements reached by the parties to the formation of the new Lao Government on April 5.

These are heartening reports.

At the time the Paris Cease-Fire Agreements on Vietnam were signed in January 1973, almost 300 Americans believed missing in Laos. It was hoped at that time that the signing of the Paris Agreement would result in the release and accounting not only for American servicemen in North and South Vietnam, but also for those who had been lost in Laos over the course of the war. Unfortunately, despite strong representations to North Vietnamese and Pathet Lao authorities by the U.S. Government, only nine Americans were identified by the Pathet Lao as having been captured. These nine prisoners were released by April 1, 1973, in Hanoi along with the almost 600 other American prisoners from North and South Vietnam. But subsequent efforts to obtain information concerning other Americans who might have been captured or who were missing in Laos have been wholly unsuccessful.

The Laos Cease-Fire Agreement which was signed on February 21, 1973, and the subsequent protocol to that agreement of September 14, 1973, contained provisions relating to the return of and accounting for prisoners but, for the most part, these obligations were not to become operative until the formation of the Provisional Government of National Union provided for in the agreements. The protocol did provide that within 15 to 30 days from the signing of the protocol the two parties were to report the number of prisoners still held and the names of any who died in captivity. Unfortunately, that date passed without any lists being produced.

On April 5, 1974, when the Lao coalition government was at last formed, new hope was raised for additional prisoner releases and new information about those missing in Laos.

It is still too early to know whether the reported Pathet Lao decision to release Emmet Kay in 60 days signifies an intention on the part of the Lao Patriotic Front to move promptly to fulfill its obligations under the Laos agreement and protocol of 1973. Although it is difficult to understand why Mr. Kay's release cannot take place immediately, it is interesting to note that the end of the 60-day period mentioned by the Pathet Lao would correspond roughly to the 60-day period following the formation of a Provisional Government of National Union originally specified in the Lao Cease-Fire Agreement as the deadline for returning all prisoners of war held by either side.

We would hope that the Lao Communist authorities would release Mr. Kay and any other prisoners they may hold and provide all information that they have concerning the fate of other Americans.

Although Laos suffered cruelly in the course of the war it is today perhaps the most fortunate of the Indochina states. Little, if any, fighting is taking place in Laos and all factions within that country are now engaged in the task of organizing their new government. How this experiment will work out in the long term, no one knows. For the moment, however, peace seems to have returned to Laos.

I am confident that all Americans wish the Lao people and their new government well. The Lao Leaders, and especially the Lao Patriotic Front authorities, should know that Americans are awaiting further word about our men missing in action in Laos. We have waited and hoped and have sought to hasten the formation of the new Lao Government. The time has now come for the Pathet Lao authorities to make good on their legal and humanitarian obligations to account for the missing men.

HUBERT HUMPHREY, THE HAPPY WARRIOR

Mr. ROBERT C. BYRD. Mr. President, in earlier and less complicated days in the American political arena, a popular and respected man earned the title of "The Happy Warrior."

Today, I would like to note the presence on the Senate floor again, during the past several days, of our own "Happy Warrior." Senator HUBERT HUMPHREY, to use the words of a recent Washington Star-News editorial, has suffered "a winter of discontent," during which he endured much physical pain. Knowing the distinguished Senator from Minnesota as we do, I am sure that the mental frustration he suffered from being away from the Senate floor was equally disturbing to him.

In the newspaper editorial to which I referred, Senator HUMPHREY was described as exuberant. This is an apt word, but to his verve and enthusiasm, there must also be added the qualities of sober judgment and an inordinate capacity for taking pains in the routine, time-consuming legislative duties that are inescapable parts of a responsible legislator's everyday life.

As mayor of a major city, as a U.S. Senator, and as Vice President of the United States, HUBERT HUMPHREY has spent his life in the center of the affairs of this Nation. His contributions to the well-being of the United States are too numerous to mention at this time. Suffice it to say that I and, I am sure, his colleagues on both sides of the aisle in this body are delighted to see him again with us. On and off the Senate floor, his cheerfulness and optimism are infectious, his political maturity and judgment are reassuring, and I believe that I voice the feelings of all Senators when I say—in the words of the Star-News editorial—"welcome back."

I ask unanimous consent that the editorial, to which I have referred, be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BACK TO WORK

When we think of Hubert Humphrey, a man we think a great deal of, the word "exuberance" springs to mind. The word fits. It contains, come to think of it, most of the letters in "Hubert," and in their proper order, too. A man of great enthusiasms, remarkable vigor, an inexhaustible fountail of language, and a talent for poking fun at himself.

For a man who has been so long at the center, or very near it, of this nation's political life, his absence from the stage for much of this past winter, the winter of his discontent, gave many of us an uneasy feeling. What was wrong?

Well, we knew better than to underrate the extraordinary toughness of this longtime fighter who remains so surprisingly young at the age of close to 63. It turns out he was off having six weeks of daily heat X-ray treatments for small tumors of the bladder—whether or not malignant, the doctors don't agree—but treatments that left him to suffer weeks of dreadful pain.

And, of course, he bounced back. He's at his stand in the Senate again, working the old 18-hour days, full of the usual beans, and looking and feeling good.

"I really don't worry about it," he said the other day, looking back on the ordeal. "I say in my mind, 'To hell with it, I have something else to do.' "

Welcome back.

TRIBUTE TO JOHN F. GRINER, 1909–74

Mr. STEVENS. Mr. President, last Monday America lost another one of its great citizens, John F. Griner, a prominent and universally respected labor union official, passed away at his Cairo, Ga., home. He was an active member of the AFL–CIO executive council up to his death, and an open, honest friend to those who were lucky enough to know him. He will remain a man who fought both for his beliefs, and for those he represented.

Mr. Griner was born in Camilla, Ga., on August 7, 9 years after the turn of the century. After his graduation from Columbus University he worked until 1936 with various railroads in the United States. Then, on November 27, 1936, he married his wife Claranell who now survives him with their two sons and two grandsons.

From 1936 to 1962 he served in Chicago as an adjudicator, liaison officer, and labor relations officer on the U.S. Railroad Retirement Board. In 1962, after the vice president for 16 years of the Illinois, Mich., and Wisconsin district, John Griner was elected the national president of the American Federation of Government Employees. For the next 10 years he was an outstanding President of the AFGE, whose membership he tripled to 325,000 in a decade.

Mr. Griner was a leading member of the Order of Railroad Telegraphers and the American Train Dispatchers Association, and was in addition a honorary member of three other railroad associations.

In my capacity as a U.S. Senator, I often had the opportunity to hear him give strong testimony before the Post Office and Civil Service Committee. He constantly fought for the AFGE, and in this did a great service to the country and especially to Alaska, where the Government is the top employer.

His death will be deeply regretted by all Alaskans. I can only hope that John Griner's tradition of honest, strong representation of his constituents, and he had constituents in the same manner that we in Congress have constituents, will be remembered and continued. I shall miss him as a great American and as a good friend, and I extend by deepest sympathy to his family.

DEAN IRVING R. MELBO

Mr. CRANSTON. Mr. President, I congratulate Dr. Irving R. Melbo, dean of the University of Southern California's School of Education, upon his retirement. He is an outstanding educator who has served public education well during a long and productive career.

Dr. Melbo received his master of arts degree from New Mexico Western College and—in 1934—his doctor of education degree from the University of California, Berkeley. His professional career in public education began with the Division of Textbooks and Publications of the California State Department of Education. He then became director of the department of research and curriculum for the Oakland Public Schools and, in 1938, became deputy superintendent of schools for Alameda County. The following year Dr. Melbo joined the faculty of the University of Southern California, and in 1953 he became dean of the school of education.

At the University of Southern California, Dr. Melbo instituted new recruitment and training programs to meet the critical shortage of teachers; he advanced the specialized training of teachers of handicapped persons; he spearheaded the establishment of two reading centers and supervised the construction of the Waite Phillips Hall of Education, the 12-story building currently housing the school of education. While at the university, Dr. Melbo authored books on education, history, natural history, and the social sciences.

With programs that now reach into several nations, the University of Southern California's School of Education has become an international influence in the field of teacher training. I wish to express my appreciation to Dr. Melbo, now dean emeritus, for his innovative and effective efforts in this field, and I wish him well in his retirement.

TAX CUT BAD ECONOMICS

Mr. PERCY. Mr. President, I wish to call the attention of my colleagues to a speech on Tuesday, April 23, by Dr. Otto Eckstein, a distinguished economist and president of Data Resources, Inc., a leading economic forecasting service. Though Dr. Eckstein's remarks dealt with a number of important economic problems, I wish briefly to call attention to a particularly relevant conclusion. Notably, Dr. Eckstein does not believe that additional fiscal stimulus is necessary now. He would oppose a tax cut.

Dr. Eckstein believes that evidence for an early upturn in economic activity is considerable. On this basis, he would recommend against additional purchasing power stimulation from Federal budget deficits. He argues that:

> Given the considerable lags from fiscal action to economic impact and given the short duration of the business cycle phases, it is a mistake to gear budget policy to the short run economic situation.

Mr. President, several of our colleagues in both Houses have suggested, as a result of first quarter figures showing a downturn in real GNP, additional fiscal stimulus through a tax cut. Though their proposals at this stage are not very precise, they seem mainly to be in the nature of an increase in personal exemptions. No matter what form of such tax cuts might take, their fiscal impact would be delayed until mid-1975, at which point the fiscal stimulation might actually be harmful.

This conclusion is supported as well by the Washington Post in an editorial of April 23. In that editorial, the Post argues that:

> It is most important not to introduce any change that would make the inflation worse. In its social effects, the rising inflation is currently the greater menace than unemployment. For at least another month the best course is the present one.

Mr. President, I oppose any effort to reduce taxes now. Such a step might appear to be good politics, but it could well be disastrously bad economics.

Mr. President, I ask unanimous consent that the Washington Post editorial and Dr. Eckstein's speech to which I referred, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Apr. 23, 1974]

THE RISING INFLATION

Everybody knew that the country was in the midst of a savage inflation and, simultaneously, a decline in economic production. The importance of the statistics over the past several days is the revelation that, the reality is a good deal worse than the expectation. What ought the President and his administration do about it?

The practice of American politics is based on the premise that the government has a duty to respond, immediately and visibly, to every instance of severe public distress. The activist impulse urges an attack of some sort, on the assumption that doing anything is better than doing nothing in a time of public anxiety. But this case is the exception, and for the time being it is clearly wiser and better for the administration not to try to change policy. It is not a good time to start fiddling loudly with the valves and throttles on the great and intricate machine that is the national economy.

As the figures show, the quarterly drop in the Gross National Product is the most severe in the 14 years since the Eisenhower administration's last and worst recession. The last time the quarterly inflation reached the present level was in the Truman administration, early in the Korean war. In each case the trouble, although serious, was comprehensible and there was an obvious remedy for it. When the Korean war sent prices up, the proper response was price controls and tighter credit. Prices returned to relative stability with remarkable speed. As for the 1958 drop in GNP, it was painful and damaging but it followed the normal postwar pattern of recessions and responded fairly well to the normal strategies of economic stimulation. The trouble now is that we are not dealing simply with 1951's inflation or 1958's recession, but with both of them together and the cure for each aggravates the other.

A great deal of attention is now being squandered on the doctrinal debate as to whether we are in a recession. Since President Nixon guaranteed the country several months ago that there would be no recession, the topic naturally draws a certain amount of polemic interest. But the debate over the term only obscures a clear view of our present condition. Calling it a recession suggests that we are merely dealing with another swing in the familiar business cycle, to be remedied by the familiar antidotes like, for example, cutting taxes.

On cue, Sens. Edward M. Kennedy, Walter F. Mondale and Hubert Humphrey now propose a huge $5.9 billion tax cut. There is a long list of good reasons why this conventional response is the wrong one. As the administration observes, the effect of a tax cut would only begin to appear many months from now around the beginning of next year.

Another reason—one that the administration does not make—is that the prospective impeachment of President Nixon makes it utterly unlikely that Congress will have the time or attention for the intricate, carefully crafted legislation that taxation requires. It is also necessary to point out that there have been two heavy cuts in income taxes since Mr. Nixon took office, and they are part of the reason for our present trouble with inflation. The federal government has large and growing social responsibilities to the American people and it cannot meet those responsibilities if it keeps cutting taxes.

Tax cut proposals on these customary lines assume that production is down because consumers have no money with which to buy. They assume that there is widespread unused capacity in American industry. But that is hardly a recognizable description of the present case. The main reasons for the precipitous fall in GNP last winter were confined, to an extraordinary degree, to two industries: automobiles and housing. Automobile sales were down, obviously, because of the oil crisis. Housing declined because of unprecedentedly high interest rates. They are still climbing, by the way, and a number of big banks have now posted their prime rates over 10 per cent, a hair-raising figure.

At this point it is worth considering the administration's analysis of the dilemma. The inflation has overtaken the rise in income, and that is why consumers are not buying as much as they did a year ago. They are spending more of their money, as the decline in savings shows, but the money buys less in volume. That, the administration now believes, is the most serious of the threats to the prospect of getting the GNP moving upward again. It follows that the proper response is cutting the inflation rate rather than resorting to standard anti-recession remedies that will make inflation worse.

Regarding inflation, the administration continues to hope that the worst will be over by summer. The theory is that we are now absorbing the worst effects of last year's spectacular runup of world commodity prices—most notoriously oil and foodstuffs, but also a wide variety of metals and fibers. Oil prices now seem likely to come down a bit, and food prices are already declining in anticipation of a very good crop. By summer, the theory continues, the American inflation rate will fall back to what the economists are now calling the "underlying" rate. That means about 6 per cent a year, compared with the present 11 per cent. If this drop occurs, interest rates will also come down and the administration will have much wider latitude in dealing with an unemployment rate which, by then, will probably be moving up.

For the present, it is most important not to introduce any change that would make the inflation worse. In its social effects, the rising inflation is currently the greater menace than unemployment. For at least another month, the best course is the present one. Although it goes against the grain to say so, the most sensible thing to do right now is nothing.

The Near-Term Economy in a Longer Perspective

(By Otto Eckstein)

This speech was presented to the Sixteenth Annual Forecasting Conference of the New York Chapter of the American Statistical Association in New York on April 18, 1974.

The 1974 economic outlook is so beclouded by the uncertainties created by commodity inflation, oil-induced international monetary disturbances, political instability, and the Federal Reserve, that it may be better for the forecaster to repair to a longer-term perspective. Most serious business decisions, other than stock market or commodity trading, will be validated only by the longer term forces in any event. So I shall assert a few long-term propositions I believe to be valid on the strength of the current evidence and on the basis of our longer-range studies, and draw some implications for policy.

THE SHORT-TERM OUTLOOK

Lest you take this approach as a cop-out of my assigned task, let me quickly enter the short-term Data Resources forecast on the public record. We continue to project about a 1% rate of real growth for 1974, with a modest real rate of increase after the first quarter and a beginning of above-trend growth at year-end. Whether this experience will be called a recession is a political matter on which I take no position.

The evidence for an early upturn is considerable: housing starts began to recover in January and should total 1.70 million units for the year; the year-over-year gains of retail sales began to widen in March; automobile sales, while low, stabilized in the opening six weeks of the year, and with the outlook for summer gasoline supplies at least as good as in 1973, some further mild recovery of unit auto sales is likely. Unit sales for the year should be 9.7 million units. Business fixed investment still looks headed for a 5% real gain, despite supply limitations of critical inputs to capital goods producers, and despite some reductions in capital outlays that have a short planning and production profile. The inventory condition shows some imbalances both on the high and low side, but they are very small by historical standards. Inventories are not likely to be the source of major instability. Federal fiscal policy provides neither a strong stimulus nor substantial restraint. A projected national income account federal deficit of $11 billion is not unreasonable during an economic setback, and the imbalance in the full employment budget will be smaller than its measurement error and conceptual ambiguities.

The near-term real movements of the economy are not particularly uncertain, and if you will review the forecasting record of organizations such as ours in recent years, you will find that the basic movements of the real GNP and its major components have not contained large surprises. But there are major uncertainties in other dimensions of the forecast. We are in the midst of the worst inflation since World War I: the total increase of the consumer and wholesale price indexes in the period 1968–1974 will be greater than in the immediate post-war years or in the Korean War inflation, though still less than in the World War I and Civil War years. How this inflation will unravel as we finish dismantling wage and price controls is impossible to foresee precisely, although it can be anaylzed in a longer range perspective.

The nature of the business cycle upswing is very much in doubt. Our forecasts this year project a good final quarter: business investment and housing should increase steadily and should be reinforced by higher automobile sales as more small cars are produced. But the Federal Reserve has now cast a large cloud over this prospect. If the Federal Reserve maintains the Treasury bill rate at 8% or higher, an inevitable concomitant of money growth as low as 5 or 6%, then disintermediation is inevitable, and the already mediocre supply of mortgage funds will dry up. With consumer gloom amply justified by rising unemployment, a stock market mired by high interest rates and security industry problems, and the presidential crisis, a second setback to housing would be sufficient to adopt the economic recovery.

SOME LONG-TERM PROPOSITIONS

1. The Investment/GNP ratio will be high for a long time.

Investments in energy and in the expansion of basic manufacturing capacity are pushing the investment share in the nation's output beyond the normal historical range. Business fixed investment has become less and less sensitive to the business cycle because of the size and technological complexity of the projects and the strength of the underlying demand for capacity. The next five years will see a major catchup element in investment to compensate for the inadequate outlays of the 1960's, when the dollar was overvalued and manufacturing suffered from depressed rates of return.

An investment ratio near 12%, compared to a historical average of 10½%, provides an underlying strength to the entire economy, There is little need to fear that the economy has any tendency to stagnation in the current historical setting. If the economy can be kept free from crises created by policies, financial conditions or events abroad, its progress will be strong and its ability to create jobs sufficient to absorb the growing labor force.

2. The financing needs for this large volume of investment will require large personal and business savings.

The American economy has shown a long historical tendency toward a constant saving rate. This savings share was sufficient to finance investment. But in the coming years, the saving rate has to move up a modest percentage if the investment needs are to be met.

Fortunately, personal saving is likely to be on the high side. The age structure of the population, smaller family size and changing attitudes toward large homes and cars will keep personal saving above normal. These personal savings will flow into the thrift institution, into rapidly rising pension fund reserves, and into other saving media.

Business saving is also likely to be quite high, although its share in Gross National Product may do no better than to remain constant. With the utilization rate of industrial capacity high and labor supply relatively ample, and, with the tax structure providing various investment incentives, total cash flow will grow near the GNP rate.

3. Budget deficits should be kept small.

There are times when private demand is weak and the purchasing power stimulus of budget deficits is needed to achieve high employment. However, in the inherently strong economy of the mid-1970's, there is no such need beyond the automatic stabilizing properties of the budget in recession. There is no present tendency to excess saving in relation to the large investment needs. Should the government be a net dissaver through budget deficits, it will only impose strains on the use of the economy's resources and help produce inflation.

Budget policy in the United States still tends to be made in the short-run content. Given the considerable lags from fiscal action to economic impact, and given the short duration of the business cycle phases, it is a mistake to gear budget policy to the short-run economic situation. There are human needs created in recession and there are social needs that become more explicit during a period of slack. These should not be ignored by a government with a social conscience. But meetings these needs should not be allowed to produce otherwise unjustified budget deficits.

We also appear to be embarking on a massive increase in military spending, in part justified by economic conditions. This is about the poorest approach to economic policy that one can envisage. To suppose that the American economy needs the stimulus of military spending is a libel on the capitalist system.

In recent months, personal tax reduction has also been suggested to meet the short-run situation. If enacted in the second quarter of this year, it would have its major impact in the middle of 1975. Also, the tax multiplier is peculiarly low at this juncture because the consumer items with high income elasticities, such as automobiles, are not likely to show their normal response to a tax reduction.

4. The current inflation is a historical episode rather than a permanent change in the nature of the economic structure.

There are at least three competing theories that have been advanced to explain the worldwide inflation. First, the inflation can be attributed to a collection of one-time misfortunes: the coincidence of the worldwide business cycle; the setback to the world food supply and the disappearance of the stabilizing U.S. agricultural stocks; the worldwide shortage of industrial raw and processed materials because of inadequate capacity expansion of the 1960's; the new bargaining power of the oil producers after the disappearance of the American surplus capacity; and the distortions created by wage and price controls imposed without a fully developed, war-time control machinery. Given this collection of disasters, it is not surprising that the inflation was finally exaceprated by speculative hoardings and wild price movements in the poorly regulated commodity exchanges.

A second theory attributes the inflation to excessive monetary expansion and perhaps excessively easy fiscal policies around the world. If governments **provided too much** money and too much stimulus to purchasing power, sooner or later this would express itself in a price explosion. The retention of fixed exchange rates beyond their proper day created such vast international money flows that other advanced countries found it impossible to control their money supplies. In the United States, monetary policy has suffered from the learning process of switching from the management of interest rates to the management of the money supply, and from an excessive recognition lag in assessing actual conditions. Federal Reserve policy remained easy much too long, and tightened only after the contractionary phase of the cycle had begun.

Finally, the inflation has been attributed to fundamental changes in economic structure: the growth of unions, the increasing concentration of industry, overzealous dedication to full employment policies producing expectations in which prices can only go up and unemployment would always be kept small.

While there are some elements of truth in each of these theories, the evidence seems to point mainly in support of the first and second, that the current inflation is an unfortunate historical episode rather than a fundamental change in economic structure. Certainly, given the wage record of the last few years, it would be hard to argue that increasing unionization is accelerating the rate of wage increases; indeed union members might well argue to the contrary. On the business side, the energy and commodity shortages are temporarily strengthening the market power of industrial companies, but this is a very recent development and one that will disappear as the shortages are relieved.

It is more difficult to divide the blame between acts of nature as opposed to lack of foresight and an inadequacy of our political system's ability to devise suitable policies. I do believe that there is an element of historical accident in the weakness of government in most of the major advanced countries. But one has to acknowledge that there are some deeper, more permanent problems in the inability of the political system to attract first-class people into political and public service careers, and in our inability to mobilize the political process toward more successful economic policies.

The computers fail us in weighing these matters. But what quantitative and historical analysis can be applied does seem to attach the preponderant weight to the episode theory of this inflation. When it is all over, the U.S. inflation rate is much more likely to settle into the 3½ to 5% range than to be much above it or to remain in the double-digit condition.

DEMAND MANAGEMENT FOR THIS BUSINESS CYCLE

The extraordinary inflation confronts policy with an apparently impossible choice: whether to resist inflation or to play the traditional role of counteracting recession. It would be pleasant to be able to suspend macro-policy as we are doing with controls. But demand management does not offer this option. The open market desk must be instructed; government spending must be decided.

The Federal Reserve has led us all a merry chase. The high hopes of January 1970, that a policy of managing aggregates would reduce the instability of the financial sector, have been dashed on the rocks of inflation and the ambitions of the Federal Reserve to do fine-tuning.

What should the managers of economic policy do at this critical juncture? In order to explore the possibilities, we have run a series of exercises with the DRI model, assuming alternative open market policies designed to achieve different rates of increase of the money supply. The base solution, the current DRI forecast, shows a rate of increase of 6.9% for the narrow money supply from the first quarter of this year to the first quarter of next year. Treasury bill rates drift lower, dropping to about 6½% by year-end. The money market developments already behind us in the last four weeks have lowered our housing stock forecasts by 50,000 units. If short-term interest rates are brought down after only a month or two of disintermediation, the housing recovery could still move forward 1.9 million by the first half of next year. Next year's real growth would be near 4%, sufficient to hold unemployment stable, and perhaps even drop it a few tenths below 6%. Next year's profit gain would be a modest one after the extraordinary results of this year and last.

But suppose that the Federal Reserve throws the employment objective overboard and is rigidly determined to keep the rate of increase of the money supply to 5% in the next twelve months to stop the inflation dead in its tracks. Under this assumption the Treasury bill rate stays over 8% for the rest of this year, bond yields remain over 9%, and housing starts fade away again in a few months to levels of about 1.4 million. Unemployment would rise to 6.2% by year-end.

But the real damage of this policy comes in 1975. Housing cannot recover in a condition of disintermediation despite ingenuity that might be shown by housing agencies. Housing-related items of consumption, such as home furnishings and appliances, would suffer a poor market in 1975. The momentum of the economy as a whole would be weak. Unemployment is 6½%, a full point over the forecast. By the second half of 1975, the political process would surely have lost patience with the Federal Reserve. The solution assumes 8% money supply growth thereafter.

What would this draconian policy accomplish in terms of ending the inflation? The whole body of economic literature, whether traditional or monetarist, shows that the wage-price mechanism works slowly. Our model solution does explicitly allow for a much quicker response of sensitive raw industrial and agricultural prices in response to the tighter monetary policy. But even after allowing for this factor, the rate of inflation does not begin to be affected significantly until early in 1975. By the end of 1976, the end of the solution period, the price level of 0.6% lower under the tougher price.

But suppose that policy were to err on the other side? In an alternative model solution we raised the rate of increase of the money supply by 8.5% and supplemented this stimulus with a personal tax reduction of about $10 billion. The results are not particularly desirable either. The economy recovers more quickly with a real rate of growth in 1975 of 4.3%, and unemployment driven down to 5.5%. But the excessive stimulus in the near-term creates another small business cycle. Consumers are induced once again to overextend their credit; the stock of consumer durables, which is already too great, is boosted some more; housing is stimulated until an even greater glut of homes is produced. Thus, the stimulative policy produces a rate of real growth in 1976 of only 3.2%, with unemployment rising to levels above the forecast by the second half of 1976. The price level would be 2.4% higher by late 1976, and both long and short-term interest rates would exceed the forecast levels.

Studies such as this can be no more than suggestive at this time. But the conclusions in support of a middle-of-the-road policy—a policy without deliberate fiscal stimulus and with the money supply allowed to increase sufficiently to accommodate at least a portion of the inflation—is also supported by a fundamental proposition of control theory. That proposition states, if paraphrased imprecisely, that the optimal degree of ambition of stabilizing policy depends upon the degree of uncertainty about the economy and on the time lags of policy. Our knowledge is certainly incomplete, and the time lags are approximately a year from decision to full effect. Under these circumstances we can only hope that the Federal Reserve will have the good judgment to confine its ambitions to its state of knowledge, and to steer a middle-of-the-road path, attaching some weight to both the employment and the inflation objectives, and limiting the swings of its actions to relatively modest variations in the monetary aggregates and of interest rates.

If the Federal Reserve does not follow this advice, all bets are off on our forecast.

THE WHITE HOUSE AND THE MEDIA

Mr. HUMPHREY. Mr. President, recently the noted and respected columnist, Marquis Childs, delivered a speech at the Frank R. Kent Symposium at Johns Hopkins University. The speech was entitled "The White House and the Media."

I commend this speech to the attention of all Americans and particularly those of us that are deeply concerned about secrecy in Government and the necessity for an open government.

Mr. Childs not only points out some of the problems that exist between the press and the Presidency, but he offers some constructive proposals; for example, he proposes that a candidate for President should be called on to say that, if elected, he will hold a certain number of press conferences. He suggests that it might be something like 25 in a given year. He further goes on to propose that the pledge could cover a variety of conferences, including full-scale televised press conferences and informal conferences in the President's office. He also feels that the press conferences should be extended to at least an hour.

These proposals are constructive, and I would hope that both political parties would include in their platform some practical suggestions and proposals relating to the contacts between the President and the media. The time has come when we must be keenly aware of the power of the Presidency and the necessity for the public to know what is going on in all of these key governmental offices—the Presidency, the committees of the Congress, and the two Houses of the Congress. Open government is not a threat to freedom; in fact, secrecy in Government is one of our great dangers today and that cloak of secrecy must be removed.

I ask unanimous consent that excerpts from Mr. Childs' address be printed in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE AND THE MEDIA

(By Marquis Childs)

For the future of representative government let me say at the outset that no relationship is more important than that between the White House and the media. This is true both as symbol, example, and in the actual education of the public in the processes of government and the issues of the day.

The revolution that has occurred since 1945 has been so sweeping, so pervasive in its thrust, as to seem to destroy all past restraints. The great upward sweep of America's capacity to build and produce that went along with far flung military might gave the United States a power undreamed of in the isolationist era that ended in 1941. Regardless of the party or the President in office, that power has been progressively concentrated in the chief executive. And increasingly that power has been exercised in secrecy if not in actual concealment. Seldom if ever have so many been told so little about matters directly affecting not only their daily lives but their longer future in a world in which the nuclear arms race goes on only slightly abated.

The revolution in communications has been equally far reaching. Television, the satellite bringing an instant view of far distant events, was likewise pervasive in its consequences.

When President Truman first admitted the red-eyed cameras into the Indian Treaty Room in the old State Department building he began the transformation. The tapes were to be reviewed before release and that was fortunate since in this dangerous experiment a new man on the job made so many booboos. Truman's successor, Dwight Eisenhower, wrestled not only with his syntax but with the hazards of live television. His facial expressions when harassed by a bristly question from Sarah McClendon were wondrous to behold.

The quantum jump came with President John F. Kennedy. He was a master performer. The Kennedy performances in the auditorium of the new State Department building were enlivened by wit, irony, clever riposte to questions considered impertinent, and now and then by serious and even solemn declarations of policy. With apparent impartiality he signaled to one reporter after another around the auditorium. Here was television, whether as news or as "show," or an amalgam of both, at its best.

Kennedy's immediate successor, Lyndon Baines Johnson, was intimidated by the Kennedy example. He tried several full dress conferences that came off with nothing like the verve and vitality of his predecessor. For the most part after his early ventures he limited his encounters with the media to the mini conference called on short notice and confined largely to the White House regulars. He had a total of 125 press conferences with 23 in 1967 and 19 in 1968.

President Nixon in his far fewer conferences has followed much the same pattern. He held seven press conference in 1972, seven in 1973. The total to date for his five years in the presidency is 35.

Indulging in nostalgia for those twice a week press conferences of Franklin Roosevelt when 50 or 60 reporters gathered around the President's desk is a futile exercise. America's vastly increased power and its centralization in the president is evident in the number of representatives both from abroad and at home eligible to attend press conferences.

The full-scale Nixon press conference is a television spectacular. The White House regulars have assigned seats in the front rows. Their chances of recognition are far better than for the several hundred correspondents in the rear rows. Their are familiar names and faces and the President often calls them by name. These men and women spend most of their working hours in and around the White House or traveling with the President. Their access not only to the chief executive but to his visitors has been severely limited under the Nixon administration.

The White House beat involves a large component of boredom. The power of reward and punishment rests with the chief executive. Before the energy crisis a reporter could take his wife and children on the press charter for a flat $100 round trip. That often meant a family vacation at Laguna Beach where the press is quartered with only occasional interruptions for working reporters to go the 14 miles to San Clemente to produce a Western White House dateline. As for punishment, it seems to have meant little to individuals. While White House resentment of Dan Rather was widely advertised, if anything it enhanced his reputation.

But at a higher level the White House was convinced that the tactics of intimidation had succeeded. The ineffable Charles Colson reported with glee how network executives had positively cringed before White House demands. A particular issue was the so-called instant analysis after presidential speeches. This was part of the administration's insistence on the message undiluted to the million on television. The analysis were in fact not so much commentaries involving opinion of the commentators as they were a summing up of the points that were made and those that might have been relevant which the President did not touch on. As such they seemed to me a legitimate and useful function of a free press. Yet one executive, William Paley of CBS, issued a cease and desist order barring such analysis. This was later revoked.

The question I raise is this: Do the media have a right to interrogate the chief executive? Is the confrontation an inherent right or is it the privilege of the man who occupies the office to use it to his own ends, to diminish it or perhaps to let it fall entirely into disuse. In my opinion it is a fundamental right. Under the American system if divided powers there is no question period during which the executive can be called on for an accounting. Limited as it is the press conference is the only medium of exchange between the public and the President whose powers have been so greatly enhanced. This becomes all the more important as the claims of executive privilege and national security have narrowed the response to the executive to Congress.

I would like to suggest ways in which the institution of the White House press conference can be less dependent on the wishes, the objectives, of the individual who happens to occupy the office. A candidate for President should be called on to say that if elected he will hold a certain number of press conferences, say 25 in any given year. To deal in generalities, promising to be free and open to the media, will not be enough since such promises are freely given and as freely ignored. The pledge I propose could cover a variety of conferences, the full scale televised conference and the informal conference in the President's office. Suggestions have been made for limiting the size of the televised conference with reporters in part of the alphabet at one conference and those at the other end at a following conference with reporters in part of the alphabet at one conference and those at the other end at a following conference. This would give wider opportunity for questioning. Consideration should be given to extending the time to at least an hour even though the networks carried live only a half hour. A presidential candidate who had pledged to hold a certain number of press conferences could be made to account if he fell short. There is no reason why the platforms of the major parties should not contain a similar pledge. Accessibility and openness at the top would surely set the pattern for the entire administration.

Can there be any doubt at this point of the terrible cost of secrecy and concealment as the avenues of information and access have contracted? When President Kennedy ordered the first 10,000 armed American ground troops into South Vietnam the public was never made aware of what the commitment meant. For failure to explore this beginning of the Vietnam involvement the media bears a sizable share of the responsibility. Then came the buildup under Lyndon Johnson to more than half a million ground troops. That buildup was carried out with every effort to lull the public into believing that with another hundred thousand troops victory would be at hand. Reporters such as David Halberstam who persisted in trying to tell the true story found every obstacle put in their way including pressure on editors and publishers. As the full measure of the American tragedy became known the country was torn apart. The President was compelled by the power of the peace forces to surrender the office.

The example of President Nixon is so new as to need little documentation. From the secret bombing of Cambodia to Watergate and all its dire consequences secrecy has exacted a heavy price. Much has been made by critics of the media of the barbed—the loaded some would say—questions put to the President in that press conference on Aug. 22 on the lawn of San Clemente. Here said the critics, the Nixon loyalists was proof that the press was out to get the President. These were the adversaries, the enemies, bearing down on a man they were determined to destroy. But in so far as the questions reflected hostility I believe this came in no small part from a long pent-up frustration. So much had been withheld, so much denied that was later shown to be true. The pertinent, the relevant questions had so long been deferred. The relationship between President and press had been poisoned during many months of frustration and hostility.

A President has many avenues to the public as Nixon has shown through his repeated resort to network television. He may bitterly resent the hair shirt of the working press as did, to take an earlier example, Herbert Hoover. But unless the right of the media to interrogate the chief executive at frequent intervals is recognized as a right and not a privilege conferred by an imperial presidency, the capacity of the American people for self-government, for comprehension and understanding of the world we live in, will continue steadily to deteriorate.

MEETING TODAY'S EDUCATION CHALLENGES

Mr. CRANSTON. Mr. President, educators today face a continuing challenge to present their students with interesting and stimulating learning experiences. The Creative Environment Center, an agency of the San Francisco Unified School District, is an example of educators who are meeting this challenge.

The Creative Environment Center strives to meet these challenges in two ways. First, the center taps many diverse sources in the formation of curricula programs. It emphasizes a joint effort by students, teachers, and the community at large in weaving together the strands of an interdisciplinary, multicultural curricula. Second, the center provides teachers with the expertise to change their existing classroom environment: Each teacher is free to utilize the multimedia programs in a way which best meets the needs of their students.

I ask unanimous consent that an article from the San Francisco Examiner be printed in the Record at the conclusion of my remarks. As the article observes, going to school need not be dull and tedious. It can, with the help of individuals such as the staff at the Creative Environment Center, be a continuing and challenging learning experience.

There being no objection, the article was ordered to be printed in the Record, as follows:

Doris in a Round World

(By Caroline Drewes)

Even President Nixon is on her list. Auburn-haired Doris Wecseo is a compulsive writer of letters.

On the strength of one of them, syndicated Examiner columnist Sydney J. Harris flew out from Chicago to observe what goes on in the barn-like third floor of the old brick building on Harrison Street.

Thanks to another of Miss Wecsen's letters, we arrived hard on the heels of Mr. Harris to find out for ourselves, and ran into a group of mothers from Commodore Sloat School who had an appointment for six months.

What does go on? It involves rekindling personal creativity, it involves the teaching-learning process, it involves teachers and students, and it is a little hard to explain.

The subject of ebullient Miss Wecsen's enthusiasm is the Creative Environment Center, the San Francisco Unified School District's year-old multimedia center which, to go back to her letter, "combines multiple-screen sight-and-sound slide programs, with ethnic gardens and multi-media school-community resource projects."

"At last," she had written us, "there is a center that works with students and teachers to see the relationship and interdependence of all subjects; that in teaching art a teacher must also include social studies, language arts, science, and math. Knowledge and learning come round full circle. The world is no longer flat."

James Koelker, former resource teacher Programs for the Gifted, is codirector with Doris, former dean of girls at James Denman Junior High School. The Center is the two directors' mutual brain child operating under the blessing of Dr. Raymond J. Pitts, assistant superintendent, Instructional Development and Services.

"We are a service," the directors told the Commodore Sloat mothers before showing them one of the demonstration programs—"Ecology of a City."

"We work with students and teachers and community resources, operating on a shoestring budget—$3,000 outside our salaries."

What once was an abandoned school warehouse has been converted into pleasant working quarters with space for office, technical equipment, a curtained-off demonstration room and two sheltered outdoor roof areas for botanical displays.

The Shakespeare garden, a project of Alamo fifth graders, involved the children in language, arts, botany, literature, geometry, and weather. It was set up to serve as an inspiration to other children, other teachers. It is one of a number of projected gardens.

Students interested in a special area of study, as well as teachers, then are invited to create a project on the premises. The multiple screen slide programs, complete with sound narration and music, like "Ecology of a City," can be developed with the technical cooperation of the two directors.

The Center is coordinating a community resources project with Walter J. Thompson and Galileo High School students who will work on actual advertising accounts.

"Every project starts with an investigation," the co-directors said in the course of the long morning. "It is like an archeological dig . . . Things learned in the classroom must be applicable to the world outside because that is where the kids will live . . . The classroom four wallbox bit has got to go. When students become part of the curriculum it's an exciting war to learn and an exciting way to teach . . . it is learning by process versus learning by product.

"We've beaten creativity out of our kids, we must put it back and there is no time. We must do it now . . . This is the doing of the learning, getting kids to create curriculum plus the fact that students learn to communicate with people out in the city.

"The difference we are trying to make is in no longer using youngsters as receptacles. They are no longer passive beings to be fed, but active agents in the teaching-learning process."

Jim and Doris said they had hoped by now to be in 16 schools with their equipment, they are in two—West Portal and Benjamin Franklin—and are seeking foundation aid for three more. The letter that Doris wrote, the letter that had spurred our visit, had begun, "The Creative Environment Center is expanding educational horizons for your children. Now we are asking the San Francisco business community, the public media, local foundations and everyone interested in educational expansion to get into the act. We need community support. Not just intellectual but financial."

THIRD ANNUAL U.S. MODEL SENATE, STETSON UNIVERSITY, DE LAND, FLA.

Mr. CHILES. Mr. President, I will have the opportunity this weekend to participate once again in what I consider to be a unique educational experience. Stetson University, in De Land, Fla., will sponsor its third annual U.S. Model Senate, a program which seeks to duplicate as closely as possible the activities and atmosphere of the U.S. Senate.

Sixty students, representing 20 colleges and universities across the Southeast, will each assume a senatorial characterization and participate in 4 days of committee hearings, party caucuses, and Senate floor sessions.

The students have already been actively researching and rewriting some of the major proposals we, in the Congress, are now considering.

Mr. President, this particular form of simulation is an important learning tool for our Nation's future lawmakers. The interchange of ideas which has occurred in past sessions and which is certain to occur again this weekend is stimulating and productive for both students and congressional representatives.

I believe one of the most remarkable features of this program is that it was initiated and is carried out by the students themselves. These young people have planned the program, invited the congressional representatives and handled the local arrangements. It is a bipartisan effort, as evidenced by representatives from both sides of the aisle. Congressman Bill Chappell from the Fourth District, has long played a leading role in assisting this program.

Joining in the Model Senate program this year are Senator Ernest Hollings, Dr. Floyd Riddick, Senate Parliamentarian, and Florida State Senator Richard Pettigrew. They are helping to provide our young people with a deeper knowledge and understanding of our governmental process.

President John E. Johns is to be commended for providing an educational atmosphere at Stetson which encourages this kind of learning experience. Dr. T. Wayne Bailey and Dr. Gary Maris have inspired the students to continue the program; however, the implementation of this program has rested with the students. I should like to commend the student chairman, Mr. Jeff Hurley, of Daytona Beach, Fla., for his effective leadership. Other Stetson students vitally involved in the program are Diane Bird, Miami, Fla.; Richard George, Jacksonville, Fla.; Nancy Kingstad, Miami, Fla.; Ray McCleod, Apopka, Fla.; Bob Schumaker, Fort Pierce, Fla.; Bruce Thomas, Daytona Beach, Fla.; Pam Waxler, Stuart, Fla.; and Matt Wimer, De Land, Fla.

A WISE MOVE

Mr. CRANSTON. Mr. President, Americans—and especially Californians—are movers. Between 1965 and 1970, 7,159,116 Californians moved at least once from one dwelling to another within the State. Another 1,783,534 people moved to California from other States during the same period of time. Still another 1,413,542 people moved out of California in the same years.

For many of these people moving was an unpleasant experience because they had problems with the companies they selected to move their household goods.

Some people were burdened with prices far in excess of the ones estimated prior to the move. Others were frustrated by tardy pickup and delivery of their household belongings. Many people found their furniture damaged on arrival at its destination and experienced long waiting periods for compensation—if they were lucky enough to get compensation at all.

I think it is time that the movers themselves move. Not to new houses, but to improve services to their customers.

To encourage that kind of move, I am today joining my colleague from Minnesota (Mr. Mondale) in the cosponsorship of S. 3334, a bill to improve the service in shipment of household goods.

Under this legislation, the 20 largest interstate carriers—which do 80 percent of the moving business in the United States—will be required to provide both to the Interstate Commerce Commission and to their customers records of their performances. Among the items which will be made public are:

(1) The total number of shipments the company has made.

(2) The number of shipments picked up late—and the percentage of the total number of pickups that the late pickups comprised.

(3) The number of shipments that were delivered on time and their percentage to the total number of pickups.

(4) The number of shipments that were both picked up and delivered late and a percentage comparison to the total shipments.

(5) The number of shipments in which the underestimation of cost exceeded ten percent and the percentage of that number to total shipments.

(6) The number of shipments in which the

> price was overestimated by more than ten percent and a comparison to the total by percentage.
>
> (7) The number of shipments in which damages were claimed and the percentage comparison to the total shipments involved.
>
> (8) The number of claims settled and the average percentage of the full claim amount.
>
> (9) The number and percentage of claims settled before judicial proceedings and before completion of judicial proceedings.
>
> (10) The dollar value of claims filed as a percentage of gross revenue and the dollar value of claims paid as a percentage of gross revenue.
>
> (11) The amount of time between submission of a claim and the settlement.
>
> (12) Other information which the Interstate Commerce Commission determines will help to carry out the purpose of the bill.

Under this legislation carriers will be required to submit these statistics on a quarterly basis. Carriers with authority to transport in all of the 48 contiguous States will be required to supply their customers with up-to-date information on their records and those of their competitors. Other carriers will be required to provide this information for their own companies only.

The educated consumer gets a good value for his dollar. I believe that this bill will serve as a great incentive to moving companies to improve the quality of their service through the publication of their service records. Those companies that do not will lose business because consumers will have the opportunity to select a company that has a better record. I have high hopes that this legislation will give the consumer a chance to make a wise move.

AMERICA'S FUTURE IN SPACE

Mr. MOSS. Mr. President, in this time of soaring prices, the citizens of the United States, and we, their representatives, are naturally concerned about the problem of inflation. One proposed solution is to trim the Federal Government's budget. Some people have gone one step further and have suggested decreasing the space program's budget. "Let the space program sit on its laurels and enjoy the fruits of its past efforts," they say. This is the problem to which I address myself today.

It is true that today we are cashing in on the dividends of yesterday's space exploration investments. Benefits from weather and communications satellites are now commonplace to the American public; and data from the ERTS satellite is aiding the discovery of oil and mineral deposits. Some of the discoveries, in the Western States and Alaska, will more than repay the costs of the ERTS program. As Dr. Petrone, an Associate Administrator of NASA, appropriately states:

> The challenges of the 1950's and 1960's have been converted into the opportunities of the 70's and 80's.

But the harvest that we presently reap from space exploration is there because of earlier sowing efforts. Dr. Petrone maintains that:

> Throughout the march of civilization, man's laboratories have been on the ground. Some were simple garage or attic-type workshops; others were large halls crammed with elaborate equipment. They shared the purpose of providing the means for applying new thoughts and techniques so that men could learn to do new things or to do known things more simply. Out of this myriad of laboratories of man's inventiveness have come thousands of products—from light bulbs and telephones to antibiotics and electron microscopes—to improve man's lot on Earth. These advances, of course, did not come overnight, but followed years of painstaking research and experimentation Likewise, we should not expect the full potentiality of laboratories in space to be realized overnight.

Soon, we will discuss and decide on our space program's budget for the coming year. I would hope that we will want to enjoy the benefits of yesteryear's exploration, and at the same time insure that, in the years ahead, we will be able to benefit from today's work. Once again, Dr. Petrone throws light on the subject:

> Our investment in space is already paying dividends. Benefits will increase in the future. While exploiting space, we must continue to explore. With our feet planted firmly on the ground, we must continue to be visionaries. With this approach, America's future in space will be assured.
>
> It has to be.

Mr. President, Dr. Petrone's above-quoted passages appear in his article in "Space Log," a TRW Systems review of 1973 space activities. Because of the entire article's relevance to the Senate's consideration of NASA programs, I ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

America's Future in Space

(By Dr. Rocco A. Petrone)

Since man first gazed at the stars, Sun, and Moon, he has dreamed of traveling in space, so he would better understand these objects of curiosity and his relationship to the universe about him. When man began to explore the world, civilization started on a journey that has today brought us to the start of a new era in his development—the era of sailing on the boundless oceans of space. The challenges of the 1950's and 1960's have been converted into the opportunities of the 70's and 80's.

The early years of the space age, marked primarily by exploration, are giving way to an era of exploitation. Springing from the discoveries of the space program, new knowledge, new technology and new tools are being used to make life on Earth fuller and richer. This exploitation of space has followed on the heels of discovery at a rapid rate. One has, for example, but to consider that, today, communications and meteorological satellites are commonplace, their contributions accepted in a matter-of-fact way by the public. Within but a few years after the launching of the first small satellites, a revolution in communication was produced by relay satellites that create an electronic bridge across the oceans and permit people to have an instantaneous awareness and contact throughout the globe.

And meteorology, although a science still in its infancy, has taken great strides with the advent of the weather satellites. This better understanding of the forces that shape our weather will provide a bonanza for humanity. This new understanding stems from data virtually current and gathered by the satellite on a world-wide basis free from the constraints caused by political boundaries. Similarly, the observation of Earth's natural resources from space has great potential for assisting in a better management of vital resources that are diminishing in face of the needs of an increasing population.

During this early period of highly significant accomplishment in unmanned spacecraft activity, there emerged the successful Mercury and Gemini programs, valuable preludes to the epoch-making Apollo. The Apollo Program, culminating in six visits to the lunar surface, fulfilled man's yearning over the centuries to visit and explore Earth's most prominent and provocative space neighbor—the Moon. This magnificent endeavor, with its predecessor undertakings, also paved the technical road to Skylab.

The Skylab Program encompassed both exploration and exploitation of space and was, indeed, the nation's first manned laboratory in space.

Throughout the march of civilization, man's laboratories have been on the ground. Some were simple garage or attic-type workshops; others were large halls crammed with elaborate equipment. They shared the purpose of providing the means for applying new thoughts and techniques so that men could learn to do new things or to do known things more simply. Out of this myraid of laboratories of man's inventiveness have come thousands of products—from light bulbs and telephones to antibiotics and electron microscopes—to improve man's lot on Earth. These advances, of course, did not come overnight, but followed years of painstaking research and experimentation. Likewise, we should not expect the full potential of laboratories in space to be realized overnight.

MAN'S ROLE IN SPACE

Investigations in space laboratories can well be expected to lead us to concepts and inventions and products as unimaginable to us at this time as our 20th Century innovations would have been to early laboratory experimenters.

Skylab was a unique laboratory. It provided two conditions never attainable in earth laboratories—weightlessness and location above the atmosphere—and it operated in a hard vacuum. These conditions in effect became the keystones of a new world. They are ingredients that make possible a whole new realm of scientific and technological pursuit.

In Skylab we were asking, "Can man perform useful work in space?" That question has been answered with an emphatic "Yes!" Now we are asking, "What shall we have him do next?" Obviously, we must provide a more permanent laboratory—or laboratories—in space, equipped with the tools and instruments scientists need for experimentation, and we must provide an economical transportation system between earth and the orbiting laboratory. NASA is developing such a space transportation system, based on a reusable Space Shuttle, which offers a new approach to space exploration.

The Shuttle provides a most versatile configuration to accommodate a wide variety of scientific payloads and experiments. Carried to orbit in a cargo bay, these payloads may be returned to earth for modification, repair, or re-supply. Moreover, the relatively benign launch environment of the Shuttle should ease considerably design parameters and, consequently, costs. Of these payloads, one of the most significant under development is Spacelab, a program pursued in partnership with our European friends. This imaginative, far-reaching exercise in international cooperation offers potential benefits significant not only technically but potically as well. As a module transported aboard Shuttle, Spacelab is a model of flexible capability offering a wide variety of mission choices to the international scientific community.

The impact of the Shuttle will not be limited to the near-Earth, since a reusable tug will be developed to boost spacecraft to a geosynchronous orbit and return them to the shuttle orbit. Likewise, the Shuttle will be used as a launching platform from which to pursue the further exploration of the solar system.

This new approach to space exploration will also eliminate the artificial distinction between manned and unmanned programs. Man will be included in the project when his unique talents can contribute to the mission. Both man and instruments in space are indispensable. In many instances there is no practical alternative to having man operate the instruments. In other cases instruments can be controlled and monitored just as well from the ground stations.

The future space program must not be viewed myopically by looking only to immediate returns and applications. Experience has shown that it is the pursuit of knowledge in the broadest context that has produced the greatest return. More often than not, the seemingly irrelevant knowledge acquired in an earlier day has found fruition in untold benefits in a later period. In fact, the pursuit of knowledge is probably the best and most lasting dividend of the space program.

As in other realms, man's curiosity about the universe reaps many dividends, often with unexpected and lasting benefits. Modern man usually does not appreciate how many common attributes of our society were derived in this manner. History is replete with examples.

Attempts by the ancient Babylonians to measure and describe the world about them led to the development of mathematics. Numeric, algebraic, and geometric methods have been traced to the Hammurabi dynasty, about 1900 B.C. During the 4th and 5th centuries, B.C., the rapid development of Babylonian astronomy became the main carrier of the early Babylonian mathematical methods throughout the world. Their work is most obvious in the division of hours and degrees into 60 minutes, but it also underlies all of our modern mathematics that is the language of the physical world.

UNLOCKING THE SUN'S SECRETS

There are still many unsolved mysteries about our sun. Data obtained through Skylab's solar instruments is telling us more than we ever knew about the structure of the Sun and plasma physics. One of the big puzzles in solar astronomy is how the Sun handles the conversion of huge amounts of energy from the surface, where temperatures range from 4800 to 6500 degrees, to the corona, where they measure in the millions.

Early results from Skylab showed that certain structures anticipated to exist on the surface of the sun actually extended very far out into the corona as much as 100,000 miles. The Sun is emitting energy in tremendous shock waves of extremely hot gases, which swirl about like a hurricane on Earth. As these gases expand outward, they grow even hotter; this is a very surprising phenomenon. From Skylab data, scientists found that the rate of increase in temperature is much steeper than previously supposed. Now, a skeptic might ask, "And what good is this new information?"

Briefly, we are learning more about plasma physics by studying the sun, which provides hot gases in higher temperatures and in larger volumes than could be duplicated in the terrestrial laboratory. This knowledge of plasma physics is needed for guiding the development of fusion reactors on Earth, reactors that will probably become power plants of the future, helping to solve today's energy crisis. In fact, our first understanding of the process of nuclear fusion came from the study of the Sun, when all other forms of understood energy sources failed to account for its age and luminosity.

To continue our present type of civilization, new energy sources must be provided. Fossil fuels, our primary energy source today, have definite limits on their availability. Many nations are trying to protect their present sources of energy. Nevertheless, within predictable time limits, the oil wells of the world will run dry and coal mines will be depleted. Civilization will be faced with a crisis for survival unless new energy sources are discovered. Perhaps the answer is already written in the stars.

SPACE AS TOOL FOR ASTRONOMERS

Fascinating discoveries in astronomy during the past decade have shown scientists a universe filled with objects emitting tremendous amounts of energy, defying explanation based on the state of knowledge today. Quasars, pulsars, and black holes are among these baffling objects. Many believe that quasars are the most remote objects in the universe. Looking like stars when viewed through an optical telescope, they emit more energy than the most powerful galaxies known. If they are as distant as many astronomers think, the total amount of energy emitted by a quasar in 1/30 of a second would equal the energy developed in the world during 1973. It is now realized that these energetic phenomena are not as rare as originally thought, and that nature frequently releases enormous quantities of energy by processes that are as yet beyond our comprehension.

Pulsars—spinning, burned-out remnants of stars—are believed so dense that a cubic inch may weigh a billion tons. And even denser are black holes, believed to be the final stage in the collapse of dying stars. The material is so densely packed and the gravitational force so great that even light waves are unable to escape from the volume of black holes. Many scientists now believe these objects are manifested by emissions only seen from above the Earth's obscuring atmosphere.

In its High Energy Astronomy Observatory (HEAO) program, NASA plans to place into space scientific instruments capable of performing high-sensitivity, high-resolution studies of celestial X-ray, gamma rays, and cosmic rays.

Information returned by HEAO will help provide a better understanding of the nature and origin of these high-energy astrophysical objects.

NASA is also developing a Large Space Telescope (LST) scheduled for launch in the 1980's, with which scientists will be able to gaze deeper into space—possibly to the very outer edges of the universe. Because this multi-purpose optical telescope will be in orbit above Earth's atmospheric haze, turbulence, absorption, and air glow, it will see the heavens clearly. Scientists will be able to view celestial sources—such as galaxies, stars, quasars, and pulsars—which are 100 times fainter than those seen by the most powerful ground-based optical telescopes. The resolving power of the LST will enable scientists to make a more comprehensive evaluation of the mass, size, shape, age, and evolution of the universe. And it will improve the ability to discover and explain new celestial objects such as the recently discovered quasars and pulsars.

Another question that intrigues astronomers is the search for planets around nearby stars. It is highly unlikely that we will ever see a planet around any other star, for it would shine only by light reflected from its parent star. However, there is a way to determine a planet's existence. By observing the periodic gravitational motion of the intrinsically much more luminous star, astronomers could determine the approximate mass of a planet and its distance from the star. Some scientists claim to have already observed what they believe to be a star-planet pair—Barnard's star. The high resolution of the LST would permit the detection of such planets—if they exist—around about 80 other similar stars within 30 light years of Earth. Such discoveries would add to our knowledge about the basic processes of formation of the Earth and would serve as one indicator of the chances of other intelligent life in space, possibly the most intriguing question of all.

And so it is that we really stand on the threshold of viewing with understanding a vast universe, one that will reveal, I am sure, new knowledge, a quantum jump away from our current concepts.

SPACE AS A NEW BEGINNING

The Renaissance flowered in Italy in the 14th Century and spread through Europe during the next two centuries. Following in the wake of enlightenment was a great revival of art and literature, a gradual changing of customs, relationships, and institutions, together marking the transition from the medieval world to modern times. This flowering did not result from man becoming inherently more intelligent or having a larger body of facts and experience to draw upon; rather, it came from man looking at himself and his world in a new perspective. I believe that our first uncertain steps in space can mark the beginning of a new perspective and a new Renaissance.

The Moon, our nearest neighbor in space, was once thought to be remote and inaccessible to man. Americans were the first men to walk on the surface of the moon—far from Earth. It was a mind-expanding experience. From the moon, Earth is a tiny blue planet in the void of space—the only one of its kind, as far as we now know. The view of the fragile-looking planet Earth from space brought home the truth that all boundaries between nations are artificial. How can man view for long his problems as only those that touch him daily instead of those of the world?

Pioneering is always costly. Exploring space is costly. So was the Renaissance in medieval times. Those huge cathedrals required tremendous resources. These resources could just as well have gone for better housing, food, and clothing for the less fortunate. But who can deny that the faith, hope, and love symbolized by the upward reaching spires of those cathedrals has not contributed in a lasting manner to the progress of mankind over the centuries?

Money in itself is not a natural quantity, but is a measure of human activity. The real issue in paying for a space program, with its resulting knowledge and perspective, is whether or not we want to continue to grow and learn, or are we satisfied to return to a new, materially rich but spiritually deadening Dark Age. To fail to explore what can be seen from the distance, to fail to ask why and how, about what is around us is to deny purpose and meaning to why we are here. How can we not sail upon this new ocean?

Our investment in space is already paying dividends. Benefits will increase in the future. While exploiting space, we must continue to explore. With our feet placed firmly on the ground, we must continue to be visionaries. With this approach, America's future in space will be assured.

THE NEW EDITION OF SENATE PROCEDURE, PRECEDENTS, AND PRACTICES

Mr. HOLLINGS. Mr. President, today Senators are receiving the latest revised edition of Senate Procedure, Precedents, and Practices. This new edition, prepared under the supervision of Dr. Floyd M. Riddick, the Parliamentarian of the U.S. Senate, supplants the 1964 version.

As one of 100 students of Senate Procedure, I would like to express my thanks to Dr. Riddick and his coworkers.

The authorship of so important a book is no easy task. The writer must be historian, detective, lawyer, grammarian, and stylist, in addition to parliamentarian. He must be familiar with the precedents and practices of the Senate all the way back to its earliest sessions. He must amass so wide a knowledge that without total commitment, his labors could not succeed.

We are fortunate indeed to have just such a man as our Senate Parliamentarian. We look to him day in and day out for advice, and we respect the knowledge and dedication he brings to his work. Dr. Riddick goes about his job in full knowledge that the acts of today become the precedents of tomorrow, and he does not shrink from the responsibility which this entails.

This book is the stuff from which is made good legislation—and good legislators. It helps bring order and courtesy and the atmosphere for progress to our endeavors. It gives a sense of direction. It is, in short, an indispensable tool of the Senate. When the going gets tangled, we have this work—and we have the great interpretive abilities of Dr. Riddick—to get us back on course.

Mr. President, the presentation of the new edition of Senate Procedure is a most welcome event, and I congratulate Dr. Riddick and his very competent coworkers for bringing this project to a successful culmination.

PUBLIC EDUCATION

Mr. HOLLINGS. Mr. President, we hear a lot of speeches about education every year at this time. Most of them are well-intentioned. But—because the name of the game as the school year ends is oratory and inspiration—many of these talks are short on facts and lacking in candor.

Recently I had occasion to listen to an education speech which laid it right on the line. It cited chapter and verse. It told the facts. And it painted a picture from life. In truth, the picture is not a pretty one. But before we can improve the situation, we must face the facts—and face them frankly.

Public education is in deep trouble. It is getting further and further from the people. Its administration, especially in the larger cities, has been stultifying. Crime in the corridors is becoming an epidemic. Good, old-fashioned education is going by the boards. And every dollar we get to build up our system comes only after pressuring and cajoling and reversing the edicts of the national administration.

Last week the South Carolina Education Association assembled in Columbia for its annual convention. It was fortunate to have as its main speaker the president-elect of the National Education Association, James A. Harris. If this speech is any indication of what kind of leadership the NEA will have under its new president, then we will all be blessed. Here is an educator who calls it as he sees it and tells it like it is. His speech mirrors a commitment and a dedication that are all too rare these days.

Mr. President, for anyone interested in where we are and where we should be heading in education, this address is required reading. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

SPEECH OF JAMES A. HARRIS

I am going to focus on a few issues that affect education and are national in scope, but are issues with very definite implications for most major cities in the country.

Education to a large degree in these areas is still a losing game. The total system is failing the educational process to a greater degree than society can afford. If the major cities fail, the Nation fails. We will continue to lose ground at an increasing rate each year until impressive and, in some instances, drastic changes are instituted.

A portion of the necessary change is one of commitment, and the remainder includes involvement and support.

Let's take a look at the national picture. There are nearly two million school-aged children not in school. The majority, but not all, of this nearly two million are in the large cities.

Of the students that we currently have in our classes, more of them will spend a portion of their lives in a correctional institution than those who will attend all of the institutions of higher learning. On any given day, there are thirteen thousand school-aged children in correctional institutions and 100,000 in police lockups or jail.

Twenty-three percent of all of our students drop out of school, with a much larger percent of those that remain having an unsuccessful experience that fails to provide them with the skills that would permit them to be successful in today's society.

Henry T. Hillson, president-elect of the New York City High School Principals Association, described conditions in a November 30, 1970, article in U.S. News and World Report: as a result of school policies, New York high schools are packed with students who have no interest in education. We have thousands of pupils, literally thousands, who pass no subject. Some have not passed a single subject in two full years. They roam the buildings at will. They come and go as they please, go to classes or not, as they wish. They hang around in the toilets.

They disturb classrooms, and we may not do anything about them unless they engage in an act of violence. We cannot even ask the superintendent for suspension. There is nothing anybody can do to get them out of school before they are twenty-one, if they wish to stay.

Hillson made this prediction at that time: "Unless the board of education and the state legislature take action with respect to some kind of control or some kind of special schooling for this disruptive group, within a limited period of years we won't have a good academic high school left in the city. And that goes for every big city where there is a population problem." This is nearer to being a fact today than it was when it was spoken four years ago.

This describes public schooling in too many of our cities. Alternative school programs that have developed are underfunded, halfhearted, and weak.

A reality that I consider even more frightening is the crime in schools. A few weeks ago I spoke at the memorial service for the assassinated superintendent of schools in Oakland, California. Mr. Foster was slain by the group that is currently involved in the Patricia Hearst food ransom case. The significance of that tragedy is that it was not an isolated incident, but was rather a part of an organized effort to persuade opinion in the schools. Mr. Foster was with his aide not just because they were close friends, but rather, because that school like others in the area had adopted protection policies that stated that the teachers would never walk the halls alone or go to the parking lot alone. Today, it is necessary that many major cities have such policies.

The California state department of education recently published a 1973 report on conflict and violence in California's high schools. That task force indicated that general crime is a serious problem showing an unmistakable increase in the schools of the state. Vandalism, in particular, appeared to be a serious problem for most schools. Indications were that it was increasing in freqeuncy and yet the rate of increase did not appear to be as great for vandalism as for some other types of school crimes. For a four-month period from September to December 1972, juveniles committed assaults on 122 teachers and 512 juveniles in Los Angeles County.

In the same county, the following was reported: there were two murders on school grounds, assaults on 49 peace officers, and 299 cases of weapons possession.

In 110 school districts throughout the country surveyed by the U.S. Senate subcommmittee, vandalism incidents increased from 186,184 in 1964 to 250,549 in 1968. NEA statistics estimated that the annual cost of vandalism to schools is two hundred million dollars.

The California schools report the following monthly averages:

Twenty-eight assaults on certified personnel.

Nine assaults on peace officers.

Seventy-four assaults on students.

One hundred twenty possessions of guns, knives, or bombs.

One thousand, three hundred nine incidents of vandalism or theft.

And, mind you, the schools of California are rated as being safer than the schools of eight other systems of the nation.

I gathered a few figures on the schools of the District of Columbia, Baltimore, Philadephia, and Memphis. The latest information covered a three-year period from 1969 to 1972.

RETENTION RATE: 1969–72 (9–12 GRADES)—"PUBLIC SCHOOLS"

District of Columbia, 9,034−5,287=3,747 or 41%−59% elsewhere.

Baltimore, 13,336−8,457=4,879 or 37%—63% elsewhere.

Memphis, 10,391−1,589=8,802 or 84%—15% elsewhere.

Philadelphia, 17,754−6,180=11,574 or 65%−35% elsewhere.

The elsewhere includes the street, jobs, jails, some alternative program, the military, or some combination of these. The point is that 59 percent of D.C. students had an unsuccessful experience in school. And, that was true of 63 percent of the students in Baltimore. It means that most left with less than a high school education.

A large segment of all students receive an education which is inadequate for today's society. Most of these individuals will be a burden on society for the remainder of their lives.

Again, this dropout rate is a national problem—they are not alone.

For each 100 students that attended school across the nation, the following is true:

Twenty-three drop out, 77 graduate from high school, 43 enter college, 21 B.A., 6 M.A., 1 PhD.

There are a few other urban school characteristics that are worth mentioning. To illustrate these, let's take a close look at what happened recently in Maryland. The Baltimore teachers were involved in a long, bitter strike that divided the teachers, disrupted education, achieved modest gains, and inflicted wounds that will be years in healing. Again, what is true in Baltimore that produced this unavoidable display of true professionalism by teachers is true in an alarming number of urban centers.

They are already, or rapidly becoming more than fifty percent minority.

Washington, D.C., 74.3%; Miami, 68%; Chicago, 41%; New Orleans, 49.3%; Baltimore, 48%; Atlanta, 53%; Newark, 67%; San Antonio, 53%.

The inner city white children are attending private and parochial schools in rapidly increasing numbers. The student public school minority population is even a greater percent than the city's minority population.

The school boards and other governing bodies with large amounts of power are often composed of individuals with only a business interest in the city, whose desire is to reduce or maintain school spending at minimum levels. They emerge from behind the suburban drapery to impose their desires. They are not educators, rarely residents of the inner city, and even more rarely educational missionaries.

These individuals combine their legitimate authority with behind the scenes maneuvering to resist negotiations efforts. During the strike, the Baltimore teachers found that banks introduced unusual and unreasonable collateral requirements for teacher loans. The teachers' credit union that includes key people from the administration refused to make teacher loans. The food stamp program that is available to other groups of striking and unemployed segments of the community were denied to the teachers.

A quick settlement is of little consequence to boards in such situations. Their children rarely attend these schools. Each day of the strike saves thousands of dollars in unpaid teacher salaries. They are ideally situated to carry out their aim of regressive spending and bare bones minimal inner city education. They apparently have no priorities that are served by first class education for inner city children. Professional excellence is not common jargon in our central cities.

There has never been a large scale commitment to these children that was sufficient to initiate an upward trend in inner city education.

The union played a negative role in Baltimore, and is directly responsible for the fact that the gains were so modest, and the division at the conclusion of the strike was so great. Throughout that episode in Baltimore, as in many cities, the union conducted itself in a self serving role. They attempted to push the association into untenable relationships with other organizations. In Baltimore, as in many similar situations, they were more concerned with discrediting association leadership than they were in improving teacher welfare or education.

Traditional big city union domination is considered by many to be one of the contributors to the plight of education in those areas. Unions have traditionally been willing to walk to improve teacher welfare, but it is rare indeed for it to stand up to improve education.

Inner city education has recently been further victimized by an unfriendly Nixon administration. Federally funded education programs have been constantly in danger of elimination. This administration has erased more progress in urban education than they, or anyone else, have erased on any kind of recording tape. While it is true that they know firsthand what it means to be imprisoned, their sentences are short when compared to the millions of children in prisons of ignorance from which they may never emerge.

Mr. Nixon has performed like a retarded Robin Hood. The very poor have been robbed to share with those of less poverty. He takes from the poor to give to the rich.

The new ESEA guidelines raise the poverty level guidelines from three to four thousand dollars.

The already too small pie that formerly served those earning three or less thousand dollars per year will be cut to serve the three to four thousand bracket.

New guidelines will make it legal to fund certain private school programs to further weaken the assistance to public education.

The House version of the guidelines for ESEA would offer the option of allocating funds on the basis of locally developed tests. Those schools receiving the lowest test scores would be rewarded for incompetence. If the grades were raised, funds would be eliminated. Specially designed tests could direct funds to those with little economic need and, again, the inner city would be shortchanged.

This is the kind of reverse Robin Hood thinking that suggests that the way to shorten fuel lines is to permit gas prices to go so high that only the wealthy can afford it. Now that prices are up, the embargo is lifted. There will be sufficient fuel, but the price will remain high. Like the Russian wheat deal, there is much about it that goes against the grain.

It is this kind of climate that breeds the thinking that appeared in the January 7 Christian Science Monitor this year. Kenneth Garrett, education editor of that publication, suggests that the way to eliminate most school problems is to reduce the compulsory age level to 14. He further suggests that loosening the school age would cause many students to stay in school. How is that for a contradiction? It is estimated by some that this would immediately dump five million additional unemployable youths on the streets.

To get the total picture, consider what is happening in higher education. Tuition rates are increasing semiannually. Only the middle income and above can afford to pay college tuition. To have two college-aged youngsters represents a major portion of the salary of a middle income family.

Nobody is really objecting to the fact that States are spending more to incarcerate a child than to educate that same child. That is a fact.

It costs approximately $5,395.00 for one year in Harvard, and $3,525.00 for George Washington University in Washington, D.C. The State will not spend this five thousand four hundred dollars per child that it takes to provide a top education at Harvard, or $3,525.00 for George Washington. However, the State is willing to spend in Iowa $9,000.00 per student for one year in the juvenile home at Eldora, Iowa.

Maryland spends $18,000; Illinois and Michigan, $10,000; Virginia, $3,877; Missouri, $2,300; District of Columbia, $7,469 per child for one year in a correctional institution.

While we are at it, what are these same States actually spending on each child in school?

Iowa spends $1,058.00 per pupil. Pennsylvania spends $1,313.00 per pupil. Illinois spends $1,144.00 per pupil. Michigan spends $1,183.00 per pupil. Missouri spends $881.00 per pupil. Virginia spends $868.00 per pupil. In D.C. for fiscal year 1974, $1,385.00, Tennessee spends $759.00 per pupil.

Henry M. Levin, Associate Professor, Stanford University, prepared a report for the Committee on Equal Educational Opportunity in January 1972. His report titled "The costs to the Nation of inadequate education" has the following to say:

"An inadequate education for a substantial portion of the population not only handicaps those who are undereducated, but also burdens society with reduced national income and government revenues as well as increased costs of crime and welfare.

The purpose of this study was to estimate the costs to the Nation of such educational neglect where an inadequate education for the latter third of the 20th Century was defined as an attainment of less than high-school graduation. Using data from the U.S. Department of Commerce and other sources in conjunction with extensive research literature from the social sciences, this report obtained the following findings:

"1. The failure to attain a minimum of high school completion among the population of males 25–34 years of age in 1969 was estimated to cost the Nation:

$237 billion in income over the lifetime of these men; and $71 billion in foregone Government revenues of which about $47 billion would have been added to the Federal Treasury and $24 billion to the coffers of State and local governments.

"2. In contrast, the probable costs of having provided a minimum of high school completion for this group of men was estimated to be about $40 billion.

"Thus, the sacrifice in national income from inadequate education among 25–34-year-old males was about $200 billion greater than the investment required to alleviate this condition.

"Each dollar of social investment for this purpose would have generated about $6 of national income over the lifetime of this group of men.

"The Government revenue generated by this investment would have exceeded government expenditures by over $30 billion.

"3. Welfare expenditures attributable to inadequate education are estimated to be about $3 billion each year and are increasing.

"4. The costs to the Nation of crime that is related to inadequate education appears to be about $3 billion *a year* and rising."

This also could not exist if efforts to blame teachers alone for inadequate education would stop.

The NEA will vigorously resist any effort through so-called accountability schemes to place the responsibility on teachers alone. An industrial mentality will not and cannot work in school evaluations for a variety of reasons.

If education is to have an evaluation spotlight, the light must be shared by all who make or fail to make educational decisions.

Taxpayers, legislators, school officers, curriculum directors, administrators, school board members, and teachers. Teachers are not superhuman, and they will not be scapegoats. We are only a part of the answer. We could supply answers to a good many more of the problems than we are permitted. As orderly negotiations processes are achieved, we will have a fairer share of the input, and then we will readily accept more of the responsibility.

This situation could not exist if our Nation had a commitment to children in general and inner city education in particular. And it will not exist long if we are willing to do a few things to our own priorities.

China did—education top priority. Factory-school. Literacy moved from 26 percent to 67 percent in twenty years.

I am convinced that we must immediately undertake a yet to be developed concerted effort to reverse conditions that presently exist. We owe it to children. We can afford it. We are spending fantastic sums on things that are much less important. Our national priorities have become distorted.

At present—defense planning of U.S. equipping submarine with multiple independently targeted reentry vehicles (MIRV). Each Polaris sub—destroy 175 or more cities. Single sub commander—empowered to destroy almost all major life on the planet.

UNITED STATES HAS 11—RUSSIA 40

We have a commitment to the military. The 1974 Federal budget allocates $87 billion for defense and $4.8 billion for education. Money spent on one naval weapons plant could build 35 schools for four million each.

The United States and Russia currently have the equivalent of one ton of TNT for every person—man, woman, and child—on the face of the Earth, and we are both still building.

In Vietnam, we spent in excess of 352 billion to kill 937,562 Viet Cong, which is 40,000 per person. We were willing to spend 40,000 to kill each person. Where does this suggest our national commitment is?

Let's take a look at another of our Nation's top budgetary items, the space program. This has cost us betwen 3.4 billion to 5.4 billion every year since 1963.

The proponents of this program list the advanced technology learned. We have a new, hard coating for cookware, a new insulation, a new speed detection device that is being used by the police in Huntsville, Alabama, digital clocks, new ball point pens that will write upside down, and a pile of moon rocks. This is not too impressive when we realize that it has cost in excess of 40 billion dollars.

We have permitted our priorities to become illogically arranged. There comes a time when somebody, some group, or some organization must say we are on an unproductive venture. There are obviously some better ways to do what we are doing.

The NEA is determined to cause radical changes to take place in urban schools. A significant portion of our budget and energies will be used in this direction beginning next year. Local programs will be developed to target individual cities. Coalitions with other organizations are being formed so that our full force might be realized. The one million four hundred thousand member NEA has invited the four hundred thousand member AFT to join such coalitions. However, we doubt that they will respond because their real commitment is not, nor has it ever been, to exert an all-out effort to improve education. And, ironically, other public employee groups have joined with us.

The NEA is also determined to cause some radical changes to take place in the political scene on the state and national level. We are going to raise more money, make more phone calls, and push more doorbells than we ever dreamed of in the past. We have the voting records on politicians. We will support those who are satisfactory, work with those who need to improve, and grant early retirement to those who are unsatisfactory.

By the way, it will become increasingly difficult to buy off teachers at the negotiations table with salary proposals alone. We want to talk about how we do our business, what we must work with, and the constant retraining that we must have. These determine to a large degree the kind of job we will be able to do. We now see that where we have settled for salary alone no one else knows enough about or has sufficient interest in education to do what is necessary to move it into the seventies.

We still have an education that was born in log cabins, nurtured in rural settings, and shoehorned into urban areas, and it stands grossly wanting in a space age setting that requires a global perspective and a total commitment. We still have people that believe the way to solve the energy crisis is have Americans ration gasoline, or that the threat of war would end if all countries had a democratic form of government, or that the way to prevent teacher strikes is to deny teacher negotiations. Such thinking is outdated and unproductive. They deal with only a portion of a problem that is massive and complex.

The government can afford what we know must happen. And, it is the Federal Government that must increase its share of the educational dollar. It must move toward one-third general aid, save categorical aid, and work for funding of special programs. We need 670,000 additional teachers to upgrade programs.

Four hundred thousand are needed to reduce class sizes, 245,000 are needed for special programs; 21,000 are needed for kindergarten; 6,000 to reinstate programs cut.

The five billion dollar defense hike alone would staff schools adequately.

We can no longer do the disservice of allowing our country to be halfhearted or casual about its commitment to children. These schools must be staffed by teachers that are united in an organization that will strike as hard at inferior education as it will at low salaries and poor working conditions. I and the remainder of the NEA leadership are totally committed to this.

We have a responsibility to kids and education. Our best efforts have not been permitted. To this date, the education for many kids has not been good enough. I am of the opinion that we must cause to happen a program that will push education to the top of our nation's priority list. When education is what it should be, our Nation will be closer to what it should be.

The same energies that conquered the outer space can conquer the inner city. Adequately educated young people will leave us a far greater legacy than will digital clocks or a bag of moon rocks.

OPPOSITION TO NO-FAULT INSURANCE

Mr. HRUSKA. Mr. President, I would like to take this opportunity to set forth in a comprehensive manner the various bases of my opposition to S. 354, the Federal "no-fault" bill which is currently before the Senate.

My remarks in this regard will generally parallel the minority views of the Committee on the Judiciary (S. Rept. 93–757) which are generally reflective of the opinions held by seven of the committee's 16 members.

The bases of opposition to S. 354 may be summarized as follows:

First. The approach adopted by S. 354 is of doubtful constitutional validity. By compelling the States to create agencies and to staff and fund them to administer a Federal law, S. 354 forces the States to become agents of the Federal Government. Few more powerful instruments for the centralization of the Government could be devised. Such an approach interferes with, indeed violates, the sovereignty of the States as manifested in the 10th amendment.

Second. S. 354 may jeopardize the citizen's right of recovery. If a State refuses to adopt legislation under title II and to administer a no-fault plan under title III or if S. 354 is held unconstitutional, the citizen's right to recover through either the no-fault plan or by traditional tort remedies would be jeopardized. S. 354, by and large, abolishes the tort remedy. Thus, if a State refuses to administer a no-fault plan, a citizen cannot recover under either tort or no-fault.

Third. S. 354 violates the basic tenets of federalism as manifested in the McCarran-Ferguson Act. The Nation will fare best if the States, which are closest to the people, are capable of responding to the needs of its citizens. S. 354 constitutes another attempt, however, to rectify perceived problems by encroaching on the powers of the States and arrogating to the Federal Government another incident of power that has been traditionally retained by the States.

Fourth. Contrary to the early promise of the proponents of S. 354, the bill will likely increase the costs to the consumer. An analysis of S. 354 reveals that, by comparing the no-fault economic loss payment to the tort system combined economic loss and general damage payment, a majority of the States will experience an increase in costs. Comparing the total tort system claim costs to S. 354's low benefit, low threshold, and $2,500 per claim deduction, the analysis indicates that consumers in 44 States will experience an increase in costs. In only six States will there be a decrease. Thus, by either comparison, S. 354 will cause an increase in premiums to the consumer in a preponderance of the States. By virtue of the so-called Abourezk amendment, which was accepted by the Senate and eliminated the $2,500 deductible feature, premium costs will likely rise another 11 percent over earlier anticipated cost consequences.

Fifth. S. 354 presents several serious inequities. It will grant a windfall to truckers, rental vehicle owners and other fleet owners at the expense of private vehicle operators. The bill also discriminates against the rural States. Cost decreases, if any, will be concentrated in the urban States at the expense of drivers in rural States where cost increases will be the case. Furthermore, S. 354 imposes an inordinately high tort threshold and medical base.

Sixth. Inherent in S. 354 are certain anti-small-business and anticompetitive features. The bill would deal many of the small companies a severe blow, threatening their existence, because of the narrow spread of risk with which they work and because of added costs of Federal regulation.

For these reasons, which I shall discuss at length, the Congress should reject S. 354 as presently drafted and await the presentation of a legislative proposal which might be more in keeping with traditional Federal initiatives and more responsive to the enlightened needs of the Nation.

With respect to the constitutional issue, the scheme proposed in S. 354 raises a question which goes to the heart of our Federal system. S. 354 would compel the sovereign States to create agencies, to grant broad powers to the newly created agencies, to staff the agencies, and to fund them through the State treasury, all for the purpose of administering a Federal no-fault automobile insurance system. What we have, quite simply, is the Federal Government passing a law but forsaking any responsibility in carrying out the demands of the law.

Mr. President, few more powerful instruments for the centralization of all power in the Federal Government could be devised. If the Congress adopts the approach of S. 354 we will lay the groundwork for vitiating the ability of the

States to respond to the needs of its own citizens.

Let us examine the consequences of this approach. Under S. 354, Congress would become an overseer in the field of automobile insurance with the States serving as the workers. What will spur the Federal Government to act responsibly? Not the cost of administering the plan—the States will have to finance the administration. Not the duty to oversee a Federal agency responsible for administering the act—there will be no such agency; the States will have to create their own. Not the considered opinions of Federal employees having ready access to the Congress—there will be no such Federal employees.

Mr. President, let us also take the approach of S. 354 to its logical conclusion. If the power of Congress over interstate commerce is not subject to the limits of federalism, Congress can order the States to carry out nearly any program. Justice Douglas in *Maryland* v. *Wirtz,* 392 U.S. 183 (1968) described the consequences that might flow from such an approach:

> If constitutional principles of federalism raise no limits to the commerce power where regulation of State activities are concerned, could Congress compel the States to build superhighways crisscrossing their territory in order to accommodate interstate vehicles, to provide inns and eating places for interstate travelers, to quadruple their police forces in order to prevent commerce-crippling riots, et cetera? Could the Congress virtually draw up each State's budget to avoid "disruptive effect[s] * * * on commercial intercourse?

If all this can be done, then the National Government could devour the essentials of State sovereignty, though that sovereignty is attested by the 10th amendment.

The similarity between the examples paraded by Justice Douglas and the scheme proposed by S. 354 is striking. The fears the Justice expressed in *Maryland* v. *Wirtz* could come to fruition by this bill which, while not compelling "* * * the States to build superhighways to accommodate interstate vehicles * * *," compels the States to staff, administer and manage a no-fault insurance plan to accommodate travelers on highways. It should also be noted that the fears expressed by Justice Douglas were shared by the majority in the *Wirtz* case which noted that the Court has ample power to prevent "* * * undue interference with the States as a sovereign political entity."

I venture to say, Mr. President, that if the Federal Government had to create a bureaucracy to administer S. 354 and to appropriate money to fund the program, we would not even be considering this bill on the floor of the Senate. But what has S. 354 done instead? It passes all the toil and responsibility to the States. Aren't the proponents of S. 354 asking the Congress to act as a monarch issuing decrees and then absolving itself of all responsibility in carrying out the decrees? I think they are.

Mr. President, the constitutional argument can be stated quite simply: the constitutional scheme of federalism imposes limits on the power of the Federal Government to interfere with State sovereignty. This principle was stated long ago by Chief Justice Marshall in *McCulloch* v. *Maryland,* 4 Wheat. 316 (1819). There the Supreme Court recognized that federalism limited the power of the Federal Government to tax the States. Declaring that the power to tax is the power to destroy, the Court would not permit the Federal Government to utilize the taxing power to emasculate State sovereignty. By the same token, the exercise of the commerce power by Congress in such a way as to tamper seriously with State sovereignty is subject to limitation by the core concept of federalism as manifested in the tenth amendment.

Mr. President, if the power to tax is the power to destroy, the power to force the States to carry out Federal programs is the power to subdue. Such a power is contrary to our system of federalism. For that reason, I believe that S. 354, in adopting such an approach, is not constitutional.

We must be mindful of the hazardous effects that might flow from a decision by a State to refuse to administer the no-fault plan or from a judicial finding that S. 354 is unconstitutional. The consequences could be grave indeed.

We are dealing here with the rights of citizens to be compensated for property damage, personal injuries and the loss of their loved ones. The purpose of S. 354 is, by and large, to abolish the tort remedy. Thus, this fact taken together with the refusal or inability of a State to administer a no-fault plan would leave a citizen without any means of recovery. He could not recover under tort nor could he recover under no-fault.

It was argued in the Hearings that State officials, including legislators, could be mandamused if they refused to implement the no-fault plan. Such an argument assumes that S. 354 is constitutional. But that assumption aside, should the Congress authorize the use of the bludgeon of a writ of mandamus to force the States into line? Are we willing to raise the specter of the Federal Government compelling State legislators and State administrators to implement and administer a Federal law? I hope not.

Any approach that would contribute to a confrontation between the States and the national Government should be avoided for that reason alone. S. 354, because it sets the stage for a play of brinksmanship between the Federal and State governments is extremely ill-advised.

S. 354 is also violative of long-standing Federal policies. Since the very beginning of the regulation of insurance, the States have been the principal agencies for carrying out this responsibility. This policy was codified in the McCarran-Ferguson Act of 1945, Public Law 79–15 (59 Stat. 33) and is reflective of the basic tenets of federalism. Yet, S. 354 asks us to turn our backs on this long-standing policy.

We have chosen a system of government which as one of its basic precepts the belief that the Nation will fare best if the States. which are the closest to the people, are capable of responding to the needs of their respective citizens. S. 354 constitutes another attempt, however, to rectify perceived problems by encroaching on the powers and prerogatives of the States. By foisting a purported Federal "solution" on the States, the bill would arrogate to the Federal Government another incident of power that has been traditionally retained by the States.

Mr. President, I am reminded of the wise counsel of Justice Brandeis who advised that the States should be permitted to serve as "laboratories" so that they may "try novel social and economic experiments without risk to the rest of the country." Surely, if a State is successful in devising a workable formula for no-fault insurance, the other States will follow suit.

Indeed, it appears that the States are moving, each in its own way, to deal with the problems in the automobile accident reparations field. Since January 1, 1971, when Massachusetts became the first State to adopt no-fault insurance, other States have enacted a version of no-fault insurance. No plan has yet solved all the major problems. But the States are continuing to experiment in the true spirit of federalism. The Federal Government should not preempt these efforts.

I urge my colleagues to reject this attack on the sound values embodied in the McCarran-Ferguson Act. The States have functioned well under the act and we should not disturb these efforts.

The subject bill also presents a number of anticompetitive and anti-small business features. Sound public and congressional policies have historically protected small business. Through the years, speech after speech has been delivered on this floor on behalf of the small entrepreneur. Legislation has safeguarded him from unfavorable economic effects and conditions, from the shadow of giant competitors both foreign and domestic, and even from ill-advised encroachments by the Federal Government itself.

Small business is a vital part of our economy. Strong and vigorous small commerce is our first line of defense against the evils of monopoly. It is also a supplier of needed goods and services to many consumers who would be ignored or abused by larger enterprises. So the wisdom of the Congress was surely correct in evening up the odds in favor of small business.

Now we have before us a bill that could reverse these past efforts insofar as the automobile insurance business is concerned.

Approximately half of this industry is made up of small companies that limit their operations to a handful of States—five or less. About 200 companies do business in only one State. Altogether, the small company segment of the industry represents somewhere in the neighborhood of 350 to 400 individual firms. The National No-Fault Motor Vehicle Insurance Act would be crippling to most and fatal to many of these small companies.

The act would require automobile insurers, as a condition of doing business, to provide medical and rehabilitation reimbursement without any limit whatsoever. A hundred thousand, a million, 3 million—the sky is the limit. It does not take a mathematical wizard to deduce that several catastrophic claims—and I am talking about four or five, no more—would result in tremendous expenditures year after year until the victim either dies or is restored to health.

For the large insurance company, the catastrophic claim presents no difficulty. The big company has enormous funds at its disposal, a sizable cash flow and a countrywide spread of risk. Nevertheless, even the large company hit by an extraordinary number of catastrophic claims would ultimately be compelled to raise its rates. But even under this circumstance, the big company is better off, because it can spread its rate increase thinly across many more policyholders and thereby retain a favorable competitive position. Therefore, it should come as no surprise to us that chief among the insurance industry supporters of the National No-Fault Motor Vehicle Insurance Act are large insurers.

But consider the plight of the small company. Typically, small companies spring up in response to a particular need and they serve a carefully defined, limited clientele. Perhaps their customers happened to live in one of the many vacuums left by the marketing plans of larger insurers. Maybe they lived in sparsely populated areas, where the inconvenience and expense of serving them would not be rewarding enough for a big company. Maybe they comprised a market that was not attractive to the big company: for example, residents of tiny towns and small cities, farmers, and so on.

The small insurer carves out specific markets and then confines its operations to serve only those markets. It is responsive to local needs in a way that a larger insurer could never be. In this way, the small company builds up a rapport with its customers and confidence and knowledge about its special market. As a result, it was the small, independent company that experimented and pioneered many of the consumer-oriented coverages we take for granted today such as uninsured motorist coverage, drive-other-car coverage, good-student discounts and many more.

These are the companies that S. 354 would push from the marketplace with its unrealistic mandate for limitless benefits. Just a few catastrophic claims falling on the small company and its limited reserves would be gone. When the small insurer responded by raising its rates, as it must, that increase would necessarily be higher because it would be spread across a small number of policyholders. Such action would, of course, result in a loss of business.

As many of my colleagues know, both large and small insurers buy layers of reinsurance to protect themselves against the catastrophic loss. A typical reinsurance agreement might require the company to pay all losses up to $25,000 and then reinsurance would pay additional losses up to, say, a million dollars.

It will be evident that a large company, with its greater funds and countrywide spread of risk, could afford to pay losses up to $50,000 or $100,000 before using its reinsurance. Consequently, the cost of that reinsurance would be less since it would be used less often.

But the small company, which could afford to pay only $25,000 out of its own pocket, would have to ask its reinsurer to accept a much greater financial burden, and it would have to use its reinsurance backup more often. Thus, the small company would find its reinsurance costs increasing at the same time its income was falling because of a slipping competitive posture.

During hearings of the Judiciary Committee, representatives of the reinsurance industry said they thought there would be adequate reinsurance capacity if S. 354 were enacted. Perhaps they are right, but that is only half the story we should be concerned with. The other half concerns the price of that reinsurance and that is where the wheel starts to squeak. Will there be reinsurance available at a price that these small companies can afford to pay and stay in business?

In this regard, it is also important to note that small insurers will be struggling with the ever-present problems of inflation and the alarming cost increases of medical care and automobile repair. Those costs, added to the prospect of further outlays for unlimited medical benefits and increased reinsurance premiums, could tip the scales against survival.

Caught between the twin pincers of rising costs and falling income, the small company could certainly go under, the first casualties being the 200 or so one-State operations. But before long, many of the two, three, and five-State companies could go down or be absorbed by their giant competitors.

In the end, the public would be deprived of the healthy competition that the small company has provided for more than half a century. The public would be dissatisfied and the actions of the Congress that have discouraged economic concentration would be frustrated. I do not believe that we can enact a bill that would have such grievous consequences.

It would also appear that the States are moving in the direction of the no-fault concept. Proponents of S. 354 claim that a nationwide automobile reparations system is the only way to assure that everyone everywhere who is injured in an automobile accident will have certain minimum benefits available. They are not satisfied with the progress made by the States so far in enacting no-fault or with the type of some of the no-fault laws enacted.

However, an examination of the record reveals a great deal of State interest in no-fault. By 1972 there were seven States with some form of no-fault programs in effect. These States were: Delaware, Florida, Massachusetts, Minnesota, Oregon, South Dakota and Virginia. Three other States had enacted no-fault laws which became effective on January 1, 1973: Connecticut, New Jersey and Maryland.

By the end of 1973, 22 States had passed no-fault legislation. However, in three of these States—New Hampshire, New Mexico and Illinois—the no-fault bills enacted were vetoed. The Governors of each of these States continued to favor and support the no-fault concept.

Recently, Georgia became the 20th State to enact a no-fault law. The other 19 States are: Arkansas, Colorado, Connecticut, Delaware, Hawaii, Florida, Kansas, Maryland, Massachusetts, Michigan, Minnesota, Nevada, New Jersey, New York, Oregon, South Dakota, Texas, Utah and Virginia.

It appears then that in about a year's time the number of States enacting no-fault laws doubled. Additionally, virtually all State legislatures meeting this year are considering no-fault legislation. To me, this adds up to a great deal of legislative interest and action.

Over the years, as insurance problems have arisen there has been a tendency on the part of some to call for Federal legislation as the only answer. Only a few years ago, back in 1969, a Federal solution to the insurer insolvency problem was strongly promoted. Speaking in behalf of S. 2236, the Federal Insurance Guaranty Corporation Act, its supporters at that time said:

> Federal legislation is needed in this area.
>
> It is high time Congress enacted the Federal Insurance Guaranty Act.
>
> The problem of insurance company insolvencies is national in scope. Therefore, a national solution is required.
>
> A Federal Insurance Corporation . . . would replace the present patchwork system of financial guarantees which consist of a few state insolvency funds. . . .

As it turned out, S. 2236 was completely unnecessary. Prompt and effective action was taken by State legislators. All but three States have enacted insolvency legislation applicable to property and casualty insurance companies.

Like S. 2236, S. 354 might prove to be a mistake. State legislators have shown that they are fully able to design and adopt no-fault plans that meet the legal and economic needs of their citizens. S. 354 would preempt all of the 20 State no-fault laws already enacted and prevent other States from adopting less sweeping approaches. History has shown us that this approach could be ill-advised.

Mr. President, no doubt the central question of the American consumer with respect to no-fault is its anticipated impact on auto insurance premiums.

The proponents of S. 354 disguise or ignore certain problems posed by the bill by stating that all will incur lower insurance premiums under Federal compulsory no-fault than under a tort liability system. However, this is not necessarily the case since the conclusion is based on some rather misleading assumptions for which we currently have no "hard" data but rather only subjective estimates.

It would likely be futile to debate this empirical problem here again but we can look more closely at the probability of whether this bill can promise "something for everybody."

To begin with, the only way the bill can deliver as promised is to make the auto insurance industry so much more efficient that prices fall for everybody, not just reckless drivers. S. 354 purports to do this by: First, attempting to eliminate certain legal costs associated with the current tort-liability system by employing no-fault; and second, imposing Federal controls on the insurance industry.

Analyzing the second contention first, basic economics tells us that increased efficiency arises out of vigorous competition which compels firms to trim costs, innovate their product or service and improve distribution. The optimal way to promote competition in the insurance industry would be to allow each State to devise its own no-fault plan and then to observe which produced the best results for consumers. This "best" structure could then be offered to consumers as each firm bid for the consumers' dollar. If no one single nationwide plan evolves or emerges, then it would be clear that such an alternative is suboptimal and inefficient.

This bill seeks to circumvent and short circuit this normal evolutionary competitive process and to compel the States and insurance industry to adopt its own, untested, no-fault bill. Furthermore, many smaller, highly efficient, customer-oriented firms have indicated in hearings that due to the problems of reinsurance which would arise under this bill, they will be forced out of business thus removing another strong competitive force that produces greater efficiency and lower prices.

If history repeats itself in the area of regulation, federally run no-fault will ultimately lead to the cartelization of the insurance industry with set, fixed, monopoly prices instituted and enforced by the Federal Government.

In short, the adoption of federally run non-fault would increase rather than decrease inefficiency in the auto insurance industry since it will curtail competition: First, between different State-proposed bills; second, between firms due to the forced bankruptcy of some; and third, between the remaining firms due to the inevitable Government cartelization of the industry.

With respect to the question of legal costs, the issue here is whether this no-fault bill will actually lead to a significant savings. To date, we do not have substantial information on this issue but even assuming the answer is affirmative with respect to existing plans, this does not argue for Federal no-fault but only for some "optimal" form of no-fault. This particular plan does not seem to offer the great savings in legal costs promised since disputes between insurers and policyholders which could not be resolved by negotiation would be resolved by court proceedings. These disputes would obviously occur in major, personal injury cases and in other instances where they now occur.

Thus, even if the no-fault concept can lead to lower legal fees, this in itself does not compel a federally authorized mandate. Moreover, the notion introduces some obvious significant inefficiencies via the competitive structure of the industry which would most likely outweigh any advantages from the reduction in legal fees. It is vigorous competition between firms that yields greater efficiencies and lower prices, not Federal mandates or rearrangements of liability requirements.

The basis for the premium reduction claim by the proponents of S. 354 is the actuarial study performed by the firm of Milliman and Robertson under a grant from the Department of Transportation.

We are all aware that the validity of actuarial studies is based on the fact that they are grounded on actual events that have occurred in the past. Unfortunately, however, the Milliman-Robertson study was based on data generated under the tort system which was projected for no-fault. This is similar to projecting the output of Florida grapefruit based on last year's harvest of Florida oranges. The major problem in this regard is the obvious absence of much of the information crucial to the calculation of no-fault cost estimates, including information relative to economic loss and recovery from collateral sources. Such information is not essential to the settlement of a tort liability claim and is frequently not collected. However, since it is the purpose of S. 354 to pay economic loss while restricting the payment of general damage, it is mandatory that we collect economic loss data based on no-fault as opposed to tort experience.

It is clear then that the tort data base employed by Milliman-Robertson had to understate the amount of economic loss that will actually occur under no-fault, thus biasing the cost savings.

The Milliman-Robertson Study recognized this critical shortcoming by noting that ". . . they [the cost predictions] are subject to a high degree of uncertainty as well as being very susceptible to misinterpretation." If Milliman and Robertson were this cautious in their own estimate of S. 354's results, how can we treat them as conclusive?

In point of fact, when the Milliman-Robertson estimates were compared with the actual no-fault experiences of Florida and Massachusetts, the model failed by more than 33 percent in both instances—Florida predicted a decrease in premiums when in fact Florida has experienced an increase. In short, the Milliman-Robertson study appears to be a highly unreliable predictor based upon the fact that it utilized tort liability data to estimate no-fault premiums, while recognizing that a no-fault system as proposed under S. 354 will in no way resemble the tort system that generated their results.

In addition to the caveat just noted, Milliman and Robertson noted five additional caveats. However, rather than continuing with the obvious statistical flaws in the study, let us closely examine its results along with the adjustments Milliman and Robertson imply in these six caveats.

At this point, I offer for inclusion in the RECORD a table from the Milliman-Robertson study with respect to the total auto premium that would be paid under no-fault vs. tort. This table is found at page 58 of the report of the Committee on the Judiciary.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE I.—S. 354 COSTS UNDER BENEFIT AND THRESHOLD VARIATIONS—CHANGE IN AVERAGE TOTAL AUTO PREMIUM

	High benefit level, tight threshold provision	High benefit level, loose threshold provision	High benefit level, threshold provision	Low benefit level, no tight threshold provision	Low benefit level, loose threshold provision	Low benefit level, no threshold provision
Alabama	−5	−1	+4	−9	−4	7
Alaska	0	+5	+10	−4	+1	+0
Arizona	−4	0	+6	−9	−4	+2
Arkansas	−4	0	+5	−8	−4	+1
California	−9	−4	+2	−13	−8	−1
Colorado	0	+4	+10	−4	0	+6
Connecticut	−7	−2	+5	−10	−6	+2
Delaware	0	+4	+10	−4	0	+6
District of Columbia	−6	−1	+6	−8	−4	+4
Florida	−5	0	+8	−10	−4	+4
Georgia	−2	+2	+7	−6	−2	+2
Hawaii	−8	−3	+5	−12	−7	+1
Idaho	0	+4	+8	−5	−1	+4
Illinois	−3	+2	+8	−7	−2	+4
Indiana	0	+4	+10	−5	0	+5
Iowa	0	+5	+10	−5	0	+5
Kansas	−1	+3	+8	−6	−2	+3
Kentucky	−1	+4	+9	−5	0	+4
Louisiana	−5	0	+7	−10	−4	+3
Maine	+2	+6	+11	−3	+2	+6
Maryland	−1	+6	+13	−5	+1	+8
Massachusetts	−8	−2	+5	−12	−7	+1
Michigan	+2	+6	+12	−2	+2	+8
Minnesota	−2	+4	+10	−7	−2	+6
Mississippi	−4	0	+4	−8	−4	0
Missouri	−5	0	+6	−9	−4	+3
Montana	+1	+4	+9	−4	0	+4
Nebraska	+2	+6	+12	−3	+1	+5
Nevada	−5	−1	+3	−8	−5	0
New Hampshire	−1	+4	+9	−6	−2	+4
New Jersey	−11	−6	+2	−14	−8	−2
New Mexico	−2	+2	+7	−7	−2	+2
New York	−6	−1	+6	−11	−6	+2
North Carolina	+2	+7	+13	−4	+2	+8
North Dakota	+4	+8	+12	−2	+2	+7
Ohio	−3	+1	+6	−7	−3	+3
Oklahoma	−3	+2	+8	−7	−2	+4
Oregon	0	+5	+11	−5	0	+6
Pennsylvania	−5	0	+7	−8	−4	+3
Rhode Island	−4	+2	+8	−9	−4	+4
South Carolina	+4	+9	+15	−1	+4	+9
South Dakota	+1	+5	+9	−4	0	+4
Tennessee	−4	+1	+7	−8	−3	+3
Texas	−5	−1	+4	−8	−4	0
Utah	−3	+1	+7	−7	−2	+4
Vermont	+3	+7	+12	−2	+2	+7
Virginia	+3	+8	+15	−2	+3	+10
Washington	−2	+2	+9	−7	−2	+5
West Virginia	−4	0	+5	−8	−4	+1
Wisconsin	+2	+7	+14	−4	+2	+8
Wyoming	+1	+4	+8	−2	0	+4

Mr. HRUSKA. This Milliman-Robertson table reveals that only a no-fault bill with a structure of low benefits and a tight threshold yields a reduced premium, on the average, for all States—column 4 of table. A low benefit limitation provides: First, a maximum wage loss benefit of $15,000; second, a maximum period of 1 year for loss of services; and third, a maximum survivor's benefit of $5,000. A tight threshold requirement provides: First, that a tort remedy cannot be pursued without a qualifying disability period of 6 months; and second, in the event a tort claimant is successful, $2,500 is deducted from his general damage recovery. Of course, the cost-saving deductible feature is now no longer available and this will push costs even higher. However, for purposes of this analysis I will not make the additional 11-percent upward adjustment.

I do not think it is unlikely to expect that, given current levels of medical payments and the cost of living, most States will find a $15,000 fixed maximum for wage loss and a $5,000 death benefit woefully inadequate. Moreover, some States may also find the tight threshold provisions to be unduly harsh restrictions on the rights of seriously injured victims.

If we turn to column 2 of the table which projects premium costs with high benefits and a loose threshold, we are made aware of the more realistic costs of no-fault.

A high benefit provision would allow: First, a $25,000 wage-loss maximum; second, a 33-year loss of services period maximum; and third, a $15,000 death benefit ceiling. A loose threshold provides: First, that only 2 months of disability is necessary in order to pursue a tort remedy; and second, in the event a tort claimant is successful, does not contain a deductible general damage feature.

Assuming that most States will select a combination of high benefits and tight threshold, the figures set forth in column 1 of the Milliman-Robertson study need further adjustment in order to account for additional caveats which are set forth in the study.

The major adjustments and their percentage changes are as follows:

First. Since current tort insurance policies contain a first-party medical no-fault provision, we must factor out this false savings from no-fault savings. Since personal injury premiums currently account for half of this first-party insurance, a 25-percent reduction must be made in the no-fault cost savings.

Second. Although S. 354 intends to subtract out $2,500 from serious litigated settlements which is a major source of no-fault savings, it seems reasonable that a jury would raise the settlement by that amount in the interests of justice and to insure that their settlement was paid. Since litigated damages in serious tort cases now average approximately $25,000, we require an additional adjustment of 10 percent.

Third. Since S. 354 will lump commercial vehicles with private vehicles, private vehicles will experience an increase in premiums—not accounted for by Milliman-Robertson—of at least 12.5 percent over tort. This figure is based on the fact that the commercial premiums under no-fault will fall from 20 to 10 percent of the total so that private premiums will rise by 10/80 or 12.5 percent.

Fourth. Since the brand of no-fault contemplated by S. 354 would subtract out payments received from social security, workmen's compensation, and State disability, the total amount going to an injured person will fall as compared to tort. This is clearly a false savings since it involves a lessening in the amount received by the victim. This false savings has been estimated to total between 15 to 30 percent.[1] For purposes of adjustment, I will take the more conservative figure of 15 percent.

Mr. President. This, by no means, exhausts the flaws of Milliman-Robertson but these adjustments are all quite obvious and indisputable. Let us now reconstitute table I with these adjustments of some 62.5 percent (25+10+12.5+15). Moreover, for simplicity's sake, let us concentrate on column 1, the most likely structure, and column 4, the structure most favorable to S. 354.

I ask unanimous consent that this table be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE II.—S. 354 ADJUSTED COSTS UNDER BENEFIT AND THRESHOLD VARIATIONS—CHANGE IN AVERAGE TOTAL AUTO PREMIUM

	(1) High benefit level, tight threshold		(4) Low benefit level, tight threshold	
	Original [1]	Adjusted [2]	Original	Adjusted [1]
Alabama	−5	−2	−9	−4
Alaska	0	+1	−4	−2
Arizona	−4	−2	−9	−4
Arkansas	−4	−2	−8	−3
California	−9	−4	−13	−5
Colorado	0	+1	−4	−2
Connecticut	−7	−3	−10	−4
Delaware	0	+1	−4	−2
District of Columbia	−6	−2	−8	−3
Florida	−5	−2	−10	−4
Georgia	−2	−1	−6	−2
Hawaii	−8	−3	−12	−3
Idaho	0	+1	−5	−2
Illinois	−3	−1	−7	−3
Indiana	0	+1	−5	−2
Iowa	0	+1	−5	−2
Kansas	−1	0	−6	−2
Kentucky	−1	0	−5	−2
Louisiana	−8	−2	−10	−4
Maine	+2	+3	−3	−1
Maryland	−1	0	−5	−2
Massachusetts	−8	−3	−12	−5
Michigan	+2	+3	−2	−1
Minnesota	−2	−1	−7	−3
Mississippi	−4	−2	−8	−3
Missouri	−5	−2	−8	−4
Montana	+1	+2	−4	−2
Nebraska	+2	+3	−3	−1
Nevada	−5	−2	−8	−3
New Hampshire	−1	0	−6	−2
New Jersey	−11	−5	−14	−6
New Mexico	−2	−1	−7	−3
New York	−6	−2	−11	−4
North Carolina	+2	+3	−4	−2
North Dakota	+4	+6	−2	−1
Ohio	−3	−1	−7	−3
Oklahoma	−3	−1	−7	−3
Oregon	0	+1	−5	−2
Pennsylvania	−5	−2	−8	−3
Rhode Island	−4	−2	−9	−4
South Carolina	+4	+6	−1	0
South Dakota	+1	+2	−4	−2
Tennessee	−4	−2	−8	−3
Texas	−5	−2	−8	−3
Utah	−3	−1	−7	−3
Vermont	+3	+5	−2	−1
Virginia	+3	+5	−2	−1
Washington	−2	−1	−7	−3
West Virginia	−4	−2	−8	−3
Wisconsin	+2	+3	−4	−2
Wyoming	+1	+2	−2	−1

[1] Original premium estimate savings by Milliman-Robertson.

[2] Adjusted premium savings (−62.5 percent) based on text analysis rounded to nearest integer.

Mr. HRUSKA. Examining the adjusted no-fault, under its most likely structure it indicates that 22 States will experience either an increase or no change in premiums, an additional 7 States will experience no more than a 1-percent decline with 14 experiencing no more than a 2-percent decline. In short, for 43 of the 50 States the benefits from no-fault are highly unlikely and probably nonexistent. In fact, given my earlier comments, these minute decreases will probably be substantial increases.

Mr. President, this ends my direct refutation of the false savings promised by S. 354 as based on the Milliman-Robertson study. However, I feel there are several other key cost-related issues that should be discussed at this time as they cast even more serious doubt on the validity of the Milliman-Robertson projections. These may be summarized as follows:

First. Milliman-Robertson admit candidly that more premiums will be paid out, but intend to spread this cost over more drivers since S. 354 mandates that all drivers carry no-fault. This implicitly assumes that uninsured drivers are no more cost producing than current insured drivers. This is clearly fallacious. Uninsured motorists often drive poorer quality vehicles under less safe conditions than current insurees which is one reason they are uninsured. Thus, when they are included, they will have more than proportionate impact on costs increase. Consequently, this is yet another key factor that unduly biases downward the cost estimates for no-fault under S. 354.

Second. Milliman-Robertson further assume—by use of tort data—that general driving habits will not change. This appears highly unlikely since all evidence indicates that consumers are quite sensitive to the lower premiums awarded to them for safe driving. It seems reasonable that when this cost incentive is removed, driving patterns will deteriorate.

Third. The probability of fraudulent small claims would seem to be greatly expanded under no-fault. Many accidents that are nonauto related will be compensated under no-fault. Until the advent of no-fault the burden of proving that an injury was caused by an automobile accident has always been upon the victim or party presenting the claim. The defendant, the person at fault, has always provided third party verification of the loss. Under no-fault, the allegation of a loss will satisfy the burden of proof. The 18-percent penalty payment for delay or refusal to pay will discourage investigations for purposes of verification.

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[1] See Wells, Herbert R., Testimony before Senate Judiciary Committee, January 24, 1974.

In summary, the Milliman-Robertson analysis offers no sound basis for projections of cost savings because—

It is based on tort rather than no-fault data even though no fault will not even closely resemble tort in its impact on cost or premium structure, thus eliminating any confidence in its estimates;

The only two no-fault States for which we have sufficient no-fault empirical data, Florida and Massachusetts, yielded a 33-percent difference in their actual versus the projected Milliman-Robertson results:

When the most likely structure of Milliman-Robertson is corrected for some of its most obvious errors of double counting and false savings, 43 of the 50 States experience virtually no cost or premium savings. This result, when combined with factors (1) and (2) casts serious doubt on whether any State can be projected to experience savings based on Millman-Robertson.

By assuming that, first, current uninsured drivers are no more cost producing than current insured drivers; second, that driving habits will not change under no-fault; and third, that fraud will not increase even with a monitor removed; Milliman-Robertson further bias their results.

The proponents of no-fault refuse to admit that S. 354 holds potential for increasing automobile insurance costs. Current data can provide no indicia of the scope of the potential increase.

Mr. President, these are sound reasons for rejecting the subject bill.

Mr. President, in order to complete the record on S. 354, I also offer for inclusion at this point in the RECORD the following additional documents:

One. Excerpts from the minority views of the Judiciary Committee's report on S. 354 relating to the constitutional issue;

Second. A staff memorandum setting forth the methodology utilized in the preparation of certain cost charts contained in the minority appendices of the report issued by the Committee on the Judiciary; and

Third. Excerpts from the minority appendices of the report of the Committee on the Judiciary accompanied by explanatory notes.

There being no objection the material was ordered to be printed in the RECORD, as follows:

EXHIBIT 1

EXCERPTS FROM THE REPORT OF THE COMMITTEE ON THE JUDICIARY ON S. 354 (No. 93-757)

THE CONSTITUTIONAL ISSUES

General

S. 354 represents a novel attempt to employ the States as agents of the Federal government. It would interject the authority of the Federal government in an area that has traditionally been a matter of legislative and regulatory concern at the State level—the automobile accident reparations system. Yet, while supplanting the power of the States to fashion a system designed to meet the needs of its respective citizens, S. 354 would nevertheless compel the States to create and utilize its own instrumentalities, officials and facilities to implement and administer the pervasive and far-reaching Federal program contemplated by the bill.

This novel approach works in the following manner. As a first step, the bill would preempt any provision of any State law, statutory or constitutional, which would prevent the establishment or administration in any State of a no-fault plan for motor vehicle insurance under standards set forth in title I. Each State could, in accordance with title II, establish a no-fault plan which meets or exceeds the Federal standards at any time prior to the completion of the first general session of the State legislature that convenes after the bill is enacted. If a State does not choose to enact a no-fault plan in accordance with title II, an alternative Federal no-fault plan, title III of the bill, would automatically go into effect in that State nine months later. In either case, the State would be compelled to administer, operate, supervise, and tax the no-fault plan, whether it voluntarily adopts its own plan under title II or has the Federal plan imposed upon it by title III. Thus, all activities—regulation of insurance, setting of rates, taxing, management of motor vehicle registration, investigation of claims, and litigation procedures—would be required to be performed by State agencies and officials utilizing State facilities and mechanisms subject to the approval and supervision of the Secretary of Transportation.[12]

In short, under S. 354, States must either conform their accident and insurance laws to the standards of title II, or the standards of title III become binding on them. In either event, State agencies would be compelled to administer federally-established requirements, and in addition, State governments could be required by these provisions, as well as those in title I, to legislate in response to Federal directions.

Such a scheme raises two constitutional issues. The first is whether Congress has the power to authorize State officials, legislative and administrative, to implement a nationally-designed plan notwithstanding any contrary provisions in State constitutions, *provided* each State *voluntarily* chose to follow the national plan. The second question is whether Congress has the power to *compel* the States to administer a Federal law even if those States are not willing to adopt such a no-fault plan. This question arises out of title III would unilaterally and automatically impose a no-fault plan on the recalcitrant States, and thereafter compel them to administer the federal plan.

We are persuaded that the answer to the first question, on a purely legal basis, is in the affirmative.[13] A study of the second question, however, leads us to conclude that it is doubtful that the Congress possesses the power to force unwilling States to take any affirmative action in administering a federally-imposed no-fault plan.[14]

Required State action

As a prelude to examining these constitutional issues, it is necessary to consider the various ways in which S. 354 commands State action. The following provisions of the subject bill would require affirmative State action in order to meet the Federal standards, whether or not the State voluntarily adopted a plan that met or exceeded the requirements of title II or had a title III plan imposed upon it:

Section 104 requires each State in which a no-fault plan in accordance with either title II or title III of the Act is in effect, to ensure that every owner of a motor vehicle provides continuous security (ordinarily by insurance) with respect to that motor vehicle so long as it is either registered or present in that State.

Section 105 deals with the availability of insurance, and requires a State to form and administer an assigned risk plan. Under subsection (a)(1) of this section, the State Insurance Commissioner "* * * shall establish and implement or approve and supervise a plan." Subsection (a)(2) requires that the plan to be established "* * * shall make available * * * [coverages] which the Commissioner determines are reasonably needed."

Section 105(a)(4) provides the insurers may consult and agree as to operation and rates under the plan, "* * * subject to the supervision and approval of the Commissioner", and rates shall "* * * first be adopted or approved by the Commissioner," and shall be nondiscriminatory "* * * pursuant to regulations established by the Commissioner."

Section 105(a)(5) requires the plan to give favorable rates "* * * as determined by the State * * * [to] * * * economically disadvantaged individuals * * * [which shall be] * * * subject to the supervision and approval of the Commissioner."

Section 105(a)(6) purports to make a broad grant of power to the State Insurance Commissioner. It provides that in order "* * * to carry out the objectives of this subsection, the Commissioner may adopt rules, make orders, enter into agreements with other governmental and private entities and individuals and form and operate or authorize the information of bureaus and other legal entities."

Section 108 could require the State to create an agency to administer an assigned claims plan and to establish an assigned claims fund in certain circumstances. Under this section, any victim or deceased victim's survivor may obtain basic restoration benefits through the assigned claims plan established in the victim's State of domicile. Subsection (b)(1) authorizes insurers to organize an assigned claims bureau, plan and rules "* * * subject to approval and regulation by the Commissioner." If, however, the plan is not organized in a manner considered by the Commissioner to be in accordance with the Federal Act and with State law, then the Insurance Commissioner is empowered and directed to "* * * organize and maintain an assigned claims bureau and an assigned claims plan." Because the language of the provision is mandatory ("he shall"), the assigned claims bureau in the State, as organized, must follow certain specific requirements of the Federal Act even though the State might wish to solve the problem by other means.

Section 109 authorizes and requires the State Commissioner of Insurance to regulate the insurance companies which provide insurance protection in his State. It also compels the Commissioner to "* * * establish and maintain a program for the regular and periodic evaluation of medical and vocational rehabilitation services." He "* * * shall establish and maintain * * * the program * * * to assure that * * * the services meet the definitions of the Federal Act, * * * to assure that * * * the services are necessary and the recipient is making progress, and * * * to assure that * * * the charges are reasonable." Under subsection (c), progress reports on rehabilitation must be submitted by the supervising physician to the State vocational rehabilitation agency, and "* * * * the State vocational rehabilitation agency shall file reports with the applicable restoration obligor." Further, "* * * there shall be provisions for determinations * * * to be made of rehabilitation goals and needs and for periodic assessments of progress."

Section 111(d), like Section 108, compels the State to create an agency if none is in existence. It provides that a restoration obligor shall promptly refer each victim to whom basic restoration benefits are expected to be payable for more than two months "* * * to the State vocational rehabilitation agency." Thus, if the State does not have such an agency, it is under Federal compulsion to create one.

Footnotes at end of article.

Section 201(d) provides that "* * * the Commissioner in each State shall submit to the Secretary [of Transportation] periodically, all relevant information which is requested by the Secretary * * * so that the Secretary may * * * evaluate the success of such [no fault] plan in terms of the policy of the Act."

Section 211(a)(2) provides that any automobile liability policy will automatically be deemed to include no-fault benefits in the State of issue unless "* * * the Commissioner determines by regulation that the liability coverage is only incidental to that policy."

Section 211(b) provides that all the terms and conditions of any policy issued pursuant to either a State title II enactment or the title III federal enactment, "* * * are subject to approval and regulation by the Commissioner in such State". "The Commissioner shall approve only terms and conditions which are consistent with the purposes of the Act and are fair and equitable to all persons who may be affected."

Scope of Federal authority

Because the business of insurance is deemed interstate commerce, Congress clearly has the power, under the Commerce Clause of the Constitution, to enact a national automobile accident compensation system subject to direct Federal regulation. In *United States* v. *South-Eastern Underwriters Association*,[15] the Supreme Court declared insurance to be a matter of interstate commerce and therefore not capable of being regulated by the States. Subsequently, Congress in the McCarran-Ferguson Act of 1945 (59 Stat. 33) delegated back to the States the primary responsibility for supervision of insurance. Congress, however, retained the ultimate authority to legislate on insurance matters and it is this authority that would be the basis for any Federal regulation of insurance. Moreover, by virtue of the Supremacy Clause, no State law, constitutional or statutory, could thwart the exercise of this power to institute direct Federal regulation of automobile accident compensation.

Since 1968, Congress has invoked this power to regulate the form and content of insurance policies. Examples include the Flood Insurance Act of 1968,[16] the National Insurance Development Program for riot insurance,[17] and the more recent Crime Insurance Program.[18]

It is also clear that Congress has the power to enact an automobile accident reparations system which would encourage States to adopt voluntarily—not by coercion—a Federally-designed, no-fault insurance plan. Congress frequently has established national minimum standards and has encouraged States to adopt conforming legislation either by conditioning grants-in-aid [19] on satisfactory State action or by imposing direct Federal regulation as an alternative in any State which fails to adopt legislation satisfying the Federal standard.[20]

This approach, *viz*, encouraging States to adopt legislation conforming to Federal standards, has been sustained in *Steward Machine Co.* v. *Davis*, 301 U.S. 548 (1936). In that case, the Supreme Court upheld the constitutionality of title IX of the Social Security Act which imposed a 90 percent credit for payments to a State unemployment compensation fund, provided that the State unemployment compensation law satisfied certain criteria. An Alabama corporate employer challenged title IX, claiming, *inter alia*, that under the Tenth Amendment "* * * the tax and the credit in combination are weapons of coercion, destroying or impairing the autonomy of the states." [21] Justice Cardozo, speaking for the Court, rejected this argument by noting that Alabama, pursuant to title IX, had of its own volition enacted a statute complying with Federal standards:

"Who then is coerced through the operation of the statute? Not the taxpayer. He pays on fulfillment of the mandate of the local legislature. Not the state. Even now she [Alabama] does not offer a suggestion that in passing the unemployment law she was affected by duress. . . . For all that appears, she is satisfied with her choice, and would be sorely disappointed if it were now to be annulled.

"We cannot say that she was acting not of her unfettered will, but under the strain of a persuasion equivalent to undue influence, when she chose to have relief administered under laws of her own making, by agents of her own selection, instead of under federal laws, administered by federal officers, with all the ensuing evils, at least to many minds, of federal patronage and power." [22]

It is important to note that in both the oral argument and in the Opinion of the Court, the point was emphatically stressed that the Social Security Law did not coerce the State to adopt the legislation. A vital distinction was made in the Opinion between federal "inducement" of the States and outright "coercion." [23] In oral argument, Assistant Attorney General Jackson, later Supreme Court Justice, pointed out that ". . . there is no compulsion upon the State to adopt any kind of legislation whatever." [24] Thus, to the extent that S. 354 encourages, but does not coerce, States to enact a Federally-designed, no-fault automobile insurance plan under title II, we believe that it rests on firm constitutional ground.

A further question exists, however, where a State, although willing to adopt a plan under title II, has a constitutional provision prohibiting it from enacting such a plan. Testimony presented before the Committee [25] reveals that five States (Arizona, Arkansas, Kentucky, Pennsylvania and Wyoming) have specific provisions in their Constitutions prohibiting the limitation of the amount to be recovered for injury resulting in death or injuries to persons or property. In four States (Ohio, New York, Oklahoma and Utah) there is a similar Constitutional provision applicable only to injuries resulting in death. Finally, in one State (Connecticut) there is Constitutional language which creates a doubt whether the legislature could enact legislation limiting the right to recover for injuries.

However, as several witnesses have testified, to the extent that any provision of a State Constitution is in conflict with S. 354, it would be rendered invalid by the Supremacy Clause (Article VI, Clause 2) upon the enactment of S. 354. That Clause provides that:

"This Constitution, and the Laws of the United States which shall be made in pursuance thereof; * * * shall be the supreme law of the land; and the Judges in every State shall be bound thereby, and any thing in the Constitution or Laws of any State to the contrary notwithstanding."

S. 354 makes in unmistakably clear that it preempts the field of automobile accident reparations to the extent that State Constitutional or statutory provisions would conflict with or hinder the Federal policies embodied in that bill. Accordingly, any State Constitutional provisions prohibiting enactment of a no-fault plan pursuant to title II would be rendered void, removing any legal impediments facing a State desiring to enact such a plan.

In sum, S. 354 would exercise the power of Congress to preempt any provision of any State Constitution or statute that would otherwise frustrate a State's attempt to enact a no-fault insurance plan in accordance with title II of the bill. We turn then to consider whether Congress has the power to force States who are unwilling to enact such a plan, but who nevertheless would be subjected to the imposition of a no-fault plan under title II and to take affirmative action in implementing and administering the Federal no-fault insurance plan.

Limitation on Federal authority

As indicated earlier herein, S. 354 contemplates that a State would be compelled to act as an agent of the Federal government in implementing and administering the no-fault insurance plan imposed on it by title III even if the State consciously chose not to adopt such a plan. Affirmative State action would be required on two levels. First, the State would be forced to devote existing State agencies, officials and facilities to regulate and operate the title III plan in accordance with sections 103 through 111 and section 114 of title I, sections 201(d), 203, 204(e), 204(f), 205, 208, 210 and 211 of title II, and sections 302, 303 and 304 of title III. Secondly, if no agencies existed in the State to discharge these duties, the State would be required, presumably by legislation, to create and staff them.

The suggestion that a State may not adopt a title II plan so that a more restrictive Federal plan under title III would become applicable in the State is not chimerical.[26] Several State Attorneys General testified before the Committee that S. 354 not only may be unconstitutional but also represents an inadequate resolution of conflicting policies and interests.[27] If their views are representative of those held by their respective State legislators, it is quite likely that a State would choose not to adopt a title II plan but instead contest the constitutionality of the bill with respect to title III.

Thus, we are directly faced with this serious constitutional question: Does the Congress have the power to employ a regulatory scheme that compels the States to devote its agencies, personnel and facilities to administer a Federal law. It is our conclusion that this approach rests on tenuous constitutional footing. Indeed, such an approach could constitute so serious an invasion of State sovereignty protected by the Tenth Amendment that it is inconsistent with our constitutional Federalism.

Presumably, the power of Congress to employ the States in this manner is deemed by the proponents of S. 354 to be based on the "Necessary and Proper" Clause of the Constitution. The theory apparently is that because Congress has the power under the Commerce Clause to legislate the end, *viz*, the adoption of no-fault automobile insurance, it has the power under the "Necessary and Proper" Clause to legislate the means to secure this end. However, where the commerce power is exercised in such a way as to seriously tamper with State sovereignty, its exercise contravenes the constitutional principles of Federalism. As Chief Justice Stone said in *New York* v. *United States*,[28] the Federal government may not "* * * interfere unduly with the State's performance of its sovereign functions of government."

The constitutional immunity of certain State instrumentalities from Federal taxation illustrates the point that a power of Congress can be restricted by the principle of Federalism. Like the Commerce Clause, the clause conferring on the Congress the power to tax [29] appears to be without limitation, so long as all duties, imports and excises are uniform throughout the United States. However, the Supreme Court has recognized that the constitutional scheme of Federalism imposes limits on the power of the Federal government to tax the States.[30] Recognizing that the power to tax is the power to destroy,[31] the Court will not permit the Federal government to utilize the taxing power to emasculate State sovereignty.[32] Similarly, the exercise of the commerce power in such a way as to tamper seriously with

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Footnotes at end of article.

State sovereignty would be subject to limitation by virtue of the concept of Federalism as manifested in the Tenth Amendment.

There is, of course, substantial precedent for the proposition that Congress, in the exercise of the power constitutionally granted to it may, to a certain extent, regulate the conduct of States just as it may regulate the conduct of citizens of the States. For example, the Supreme Court has upheld the power of Congress to impose price and wage controls on States [33] and to apply the Federal Safety Appliance Act to a State in its capacity as a railway operator.[34] These are cases, however, where the exercise of Congressional power has fallen on activities of the States that parallel that of its citizens—*viz.*, commercial, proprietary or employment activities.[35] And the Federal regulation was not so pervasive or comprehensive that it threatened the States' ability to control or direct the activities of its own agencies and officials, as S. 354 contemplates. In short, these cases do not support the authority of the Federal government that S. 354 purports to invoke to control the exercise by the States of their sovereign or police powers.[36]

The limit on the power of Congress under the Commerce Clause to control sovereign State action that the constitutional principle of Federalism imposes was discussed by Justice Frankfurter in the opinion of the Court in *Polish Alliance* v. *NLRB* as follows:

"The process of adjusting the interacting areas of national and state authority over commerce has been reflected in hundreds of cases from the very beginning of our history.

"The interpenetrations of modern society have not wiped out state lines. It is not for us to make inroads upon our federal system either by indifference to its maintenance or excessive regard for the unifying forces of modern technology. Scholastic reasoning may prove that no activity is isolated within the boundaries of a single State, but that cannot justify absorption of legislative power by the United States over every activity." [37]

The delicacy of Federal-State relations in our constitutional system and the difficult task of adjusting those relations was also discussed by Justice Douglas in his dissenting opinion in *Maryland* v. *Wirtz*,[38] in which the Supreme Court, as noted above, upheld the application of the Fair Labor Standards Act to State employees. In the course of his opinion, the Justice made an argument to illustrate the consequences that could result if the concept of Federalism did not impose limits on the power of Congress:

"If constitutional principles of federalism raise no limits to the commerce power where regulation of state activities are concerned, could Congress compel the States to build superhighways crisscrossing their territory in order to accommodate interstate vehicles, to provide inns and eating places for interstate travelers, to quadruple their police forces in order to prevent commerce-crippling riots, etc.? Could the Congress virtually draw up each State's budget to avoid "disruptive effect[s] * * * on commercial intercourse?" [Citation omitted.]

"If all this can be done, then the National Government could devour the essentials of state sovereignty, though that sovereignty is attested by the Tenth Amendment." [39]

The similarity between the examples paraded by Justice Douglas as "horribles" and the scheme proposed by S. 354 is striking. The trepidations the Justice expressed in *Maryland* v. *Wirtz* could come to fruition by this bill which, while not compelling "* * * the States to build superhighways to accommodate interstate vehicles * * *", compels the States to staff, administer and manage a no-fault insurance plan to accommodate travelers on highways. It should also be noted that the fears expressed by Justice Douglas were shared by the majority in the *Wirtz* case which disagreed that the application of FLSA impaired the State's functions of government but nonetheless noted that "* * * the Court has ample power to prevent * * * undue interference with the State as a sovereign political entity." [40]

Extended to its logical conclusion, the approach proposed by S. 354 could emasculate State governments. If the Federal government could enact elaborate plans and then compel the States to devote their personnel and facilities to implementing and administering the plans subject to Federal supervision and direction, it could, to use the words of Chief Justice Stone, "* * * interfere unduly with the State's performance of its sovereign functions of government," [41] and thwart the very "Republican Form of Government" which the Congress is entrusted to guarantee to the States by Article IV, Section 4. In short, such an approach could relegate the states to a mere servile status. Instead of a partner relationship between the States and the national government, as contemplated by Federalism, the relationship would be more akin to that of master and servant. We believe that the line should be drawn to prevent a long step in this direction.

This conclusion is not affected by the fact that Congress, as noted above, has frequently established national minimum standards and has encouraged States to adopt conforming legislation by conditioning grants-in-aid on satisfactory State action. Neither is it affected by the fact that the Federal government could impose direct operational control in any State which failed to adopt legislation satisfying the Federal standards. Neither of these approaches can serve as a precedent for the approach adopted by S. 354 which would order or mandate, not merely encourage, the exercise of State governmental power.

In the case of grants-in-aid, the State can voluntarily decline to take measures conforming to Federal standards. It is not coerced to take such measures. As noted above, the Supreme Court in Steward Machine Co.[42] stressed the vital distinction between Federal "inducement" or "encouragement" of the States and outright coercion. S. 354, however, does not respect this distinction. In contrast to a grant-in-aid, S. 354 would automatically impose title III—along with the attendant detailed requirements on State officials, outlined above—on any State which fails to enact legislation satisfactory to the Secretary of Transportation within a specific time period. Accordingly, the proposed legislation is inconsistent with the principle underlying grants-in-aid.

Nor can those statutes which impose direct federal regulation as an alternative in any State which fails to adopt legislation or to take administrative measures satisfying the federal standards, serve as a precedent. For here, the Federal law displaces State law and the Federal government itself takes over the basic task of administering the Federal program. It does not coerce the states to take legislative or administrative action.[43]

The Report of the Commerce Committee cites only one case—parenthetically and without discussion—in support of the imposition of the duties outlined above.[44] That case is *Testa* v. *Katt*, 330 U.S. 386 (1947), which held that the Rhode Island courts were obligated to enforce claims under federal law. *Testa* does not support S. 354, however, for two reasons.

First, the principle of *Testa* v. *Katt* is applicable only where the States have agencies and personnel adequate and appropriate to undertake the duties imposed. The Supreme Court noted in *Testa* that the Rhode Island courts had jurisdiction "* * * adequate and appropriate under established local law to adjudicate this action. *Under these circumstances, the state courts are not free to refuse enforcement.*" [45]

In accordance with this distinction one witness observed:

"In states that have not opened their courts to remedies such as those contemplated in S. 354, there is no 'adequate and appropriate' jurisdiction and, at least arguably, no corresponding duty to enforce federal law. This conclusion is underscored by a concurring opinion of Justice Frankfurter in *Brown* v. *Gerdes*, 321 U.S. 178 (1944), discussing the limits on federal coercion of state courts, even to enforce a federal claim. He said: 'Neither Congress nor the British Parliament nor the Vermont Legislature has power to confer jurisdiction upon New York courts.' 321 U.S. at 188." [46]

Moreover, there is little doubt that considering the scheme established in S. 354 as a whole, a State Insurance Commissioner would need considerable authority to administer the law. S. 354 purports to grant this authority to the State Insurance Commissioner. However, as the opinion of Justice Frankfurter in *Brown* v. *Gerdes* quoted immediately above makes clear, Congress does not have the power to impose grants of authority upon officials of another sovereign. Aside from grants of power to State agencies, some of which may have to be created, it also appears that various portions of S. 354, particularly Section 104, would require State legislative action to enact laws implementing the regulation. Thus, it is quite clear that the States do not have "adequate and appropriate" means now existing to administer the law. Accordingly, contrary to the implication in the Commerce Committee Report, *Testa* v. *Katt* does not support S. 354.

Second, it is one thing to obligate the State courts to enforce Federal law as they enforce State law but another to subjugate State legislatures and administrative agencies to Federal authority. The State courts have long exercised concurrent jurisdiction with the Federal courts. But, S. 354 does not impose a mere requirement that the States enforce Federal law. Rather, by mandating affirmative action by both State legislatures and administrative bodies in an area that has traditionally been within the province of the police powers of the State to promote the welfare of its citizens, the bill strikes at the sovereignty of the States. Unlike a requirement that State courts hear cases involving Federal law which at the most imposes an extra workload on the courts, S. 354 would displace the power of the States to take measures it deems necessary for the public welfare.

In sum, the power of Congress to impose pervasive and comprehensive duties upon a sovereign state, the discharge of which are mandatory, is a startling innovation not supported by any authorities known to us. Under S. 354, the States would become subject to interference and control, both in the functions which they exercise and the methods which they employ.

Few more powerful instruments for the centralization of government could be devised. Under S. 354 the ability of the national government to threaten, indeed emasculate, the autonomy of the States is at once apparent.

CURES THAT CAN WORSEN THE ILL

A State's refusal either to adopt legislation under title II or to administer a title III plan could deny claimants of benefits, or at a minimum, create a confused and uncertain legal situation in which large scale inequities would result.[47] An even more difficult situation would arise if S. 354 were held unconstitutional.

As stated earlier herein, the fear that a state would refuse to comply with either titles II or III is not chimerical in view of the bill's tenuous constitutional footing, be-

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Footnotes at end of article.

cause of antagonism toward either the plan itself or the method by which it is imposed, or because a State may not desire to appropriate funds in order to create agencies required by S. 354.

Hazardous potential

The consequences that could flow from a State's refusal to implement a title III plan, or any part thereof, would be grave indeed, jeopardizing both traditional tort remedies and no-fault benefits.

First, insurers might not be able to offer coverage in a State. Under sections 109(a) and 211(b) of S. 354. terms and conditions of an insurance contract and the rates charged for the contract must be approved by the State Insurance Commissioner. Thus, if the State Commissioner refused to approve the contract and rates, it is quite likely that the insurer could not lawfully offer the basic reparation insurance. This fact, taken together with section 302 of title III which would abrogate any tort remedies, would leave the automobile accident victim without any means of reparation.

Second, those injured in an automobile accident might be unable to obtain benefits from an assigned claim fund if otherwise unable to obtain reparations from basic restoration insurance. Under section 108, an "assigned claim plan" can *only* operate through an "assigned claims bureau" either "approved" or "organized and maintained" by the State Commissioner. Thus, unless the State creates such a bureau and the legislature appropriates funds for it, or unless it approves assigned claims funds established by the insurance companies, there could be no "assigned claims plan."

Third, an automobile accident victim's right to benefits for a basic item of allowable expense covering medical and vocational rehabilitation services may be jeopardized. Section 103(16) relieves an insurer from the obligation to pay these expenses "unless the facility in which or through which such services are provided has beer accredited by the department of health, the equivalent government agency responsible for health programs, or the accrediting designee of such department or agency of the State in which such services are provided, as being in accordance with applicable requirements and regulations."

If a state does not provide for such accreditation, the medical and vocational rehabilitation services for which reimbursement is sought could not be evaluated and therefore, under the terms of the section are not recoverable.[48]

Inadequate remedy

Although the matter is not free from doubt, mandamus may lie against the state officials or legislature, if necessary, to force compliance with the federal standards.[49] However, this procedure could raise more problems than it would solve.

It would raise the spectre of the federal government forcing State legislators[50] and State administrators to implement and administer a Federal law. The Supreme Court has often spoken of "' * * * the special delicacy of the adjustment to be preserved between federal equitable power and state administration of its own law."[51] The bludgeon of a writ of mandamus, if used indiscriminately, could shatter this delicacy. Any approach that would contribute to a confrontation between the States and the national government should be avoided if for that reason alone. S. 354, because it could set the stage for a play of brinkmanship between the federal and state governments, is therefore extremely ill-advised.

THE INTERESTS OF FEDERALISM

In a recent case, Justice Black described Federalism as requiring:

"* * * a proper respect for state functions, a recognition of the fact that the entire country is made up of a Union of separate state governments, and a continuance of the belief that the National Government will fare best if the States and their institutions are left free to perform their separate functions in their separate ways."[52]

S. 354 would forsake this belief.

For this reason, the Committee believes that S. 354 is not only of doubtful constitutionality, but also of doubtful wisdom. In the view of this Committee, S. 354 constitutes another attempt to rectify perceived problems by encroaching on the powers and prerogatives of the States. By foisting a purported federal "solution" on the States, the bill would arrogate to the Federal government another incident of power that has traditionally been retained by the States. Aside from the strong grounds for questioning the bill's constitutionality, S. 354 would thwart efforts to take advantage of the values derived from a Federal system. In the words of one of the witnesses:

"In light of the entire statutory scheme, [employing State officials to perform their duties according to a federal mandate], the net effect of S. 354 could be to impair the essence of statehood under our Constitution If it is enacted, there is reason to believe that the Congress will have "overlept the bounds of power," *Steward Machine Co.* v. *Davis*, 3d U.S. 548, 587 (1937), and intruded on state autonomy in a manner not contemplated by our basic charter.[53]

We realize that it is tempting to impose a uniform standard. But uniformity can never be the ultimate touchstone, lest the values of federalism be lost. Respect for federalism requires respect for State policy in balancing the interests of its citizens, and requires a tolerance of different approaches.[54]

The virtue of experimentation that is endemic to the Federal system is particularly compelling here where changes are sought in a complex area which involves a number of ancillary societal issues and difficult problems of definition. We believe that it is wise to heed the counsel of Justice Brandeis and to permit the various states to serve as "laboratories" in order to "* * * try novel social and economic experiments without risk to the rest of the country."[55] Surely, if a State is successful in devising a workable formula for no-fault insurance, the other States will follow suit.

Indeed, it appears that the states are moving, each in its own way, to deal with the problems presented by the automobile accident reparations system. Massachusetts was the first state to enact a no-fault law. It became effective on January 1, 1971. Already, just three years later, 20 states have enacted a version of no-fault, and the overall "no-fault population" is more than 42 percent.[56] Moreover, as the Commerce Committee Report notes, the Commissioners of the National Conference on Uniform State Laws have just recently (August, 1972) voted final approval of a uniform Act for no-fault motor vehicle insurance.[57] Thus, there appears to be a good chance that the States will adequately deal with this problem in the near future. Given the apparent constitutional infirmity of S. 354 and the values in permitting the States to deal with this problem as they have dealt with the insurance area generally, avenues other than federal coercion should be employed. The McCarran-Ferguson Act, which is reflective of the sound values derived from permitting the States to deal in this area, should not be disturbed.

FOOTNOTES

[12] See S. Rept. No. 93–382, at p. 2.

[13] In support of this point, see *Hearings*, Statements of Erwin Griswold and Thomas Matthews.

[14] A number of witnesses testified that the employment of a regulatory technique that compels, rather than merely permits, the States to administer a Federal law could be unconstitutional. *Hearings*, Statements by Norman Dorsen, Professor, New York University School of Law; Dr. Mitchell Wendell, former Counsel to the Council of State Governments; Thomas C. Matthews of Wald, Harkrader and Ross, Washington, D.C.; Attorneys General John L. Hill of Texas and Andrew P. Miller of Virginia; Chesterfield Smith, President, American Bar Association; Leonard Ring, American Trial Lawyers Association; and Rudolph Janata, President, Defense Research Institute.

[15] 322 U.S. 533 (1944). The case is based upon Congressional authority pursuant to Art. I, Sec. 8, Cl. 3 of the Constitution.

[16] 42 U.S.C. ch. 50.

[17] 12 U.S.C. ch. 13, subch. IX–C.

[18] 12 U.S.C. ch. 13, subch. IX–C, Pt. C.

[19] See, e.g., 23 U.S.C. ch. 1 (Federal Aid for Highways); 42 U.S.C. §§ 601–604 (Aid to Families with Dependent Children).

[20] See, e.g., 1970 Amendments to the Clean Air Act, 42 U.S.C. ch. 15B; Wholesome Poultry Products Act, 21 U.S.C. ch. 10.

[21] 301 U.S. at 586.

[22] 301 U.S. at 589–90.

[23] See 301 U.S. at 590–97. See also *Hearings*, Statement of Norman Dorsen, Professor, New York University School of Law.

[24] 310 U.S. at 565.

[25] See *Hearings*, Statement of Edwin Griswold.

[26] In testimony before this Committee, Professor Norman Dorsen explained how the title III plan is more severe, and questioned whether this aspect of the bill is invalid in itself:

"On the crucial issue of the availability of tort liability section 206(a) of Title II (for states that voluntarily enact plans) abolishes all actions except for (1) unsecured vehicles, (2) persons designing, manufacturing, and servicing vehicles, (3) intentional injuries, (4) certain losses stemming from work loss under section 204(b)(2), replacement service loss exempted under section 204(c), and survivors' losses exempted under section 204(d), and (5) non-economic detriment in excess of $2,500 if an accident results in death, serious and permanent disfigurement or other injury, or more than six continuous months of total disability.

"By contrast, section 303(a), the comparable provision under the 'alternative state plan' of Title III permits tort actions only in the first three categories noted above. It therefore goes considerably further than section 206(a) in abolishing tort actions, and imposes a more restrictive law on states whose legislatures do not enact a non-fault statute."

[27] See *Hearings*, Statement of Andrew P. Miller, Attorney General, Commonwealth of Virginia.

[28] 326 U.S. 572 (1946).

[29] Article I, Section 8, Clause 1.

[30] See, e.g., *New York* v. *United States*, 326 U.S. 572 (1946).

[31] See *McCullough* v. *Maryland*, 4 Wheat. 316, 431 (1819).

[32] See *Metcalf & Eddy* v. *Mitchell*, 269 U.S. 514 (1925).

[33] *Maryland* v. *Wirtz*, 392 U.S. 183 (1968).

[34] *United States* v. *California*, 295 U.S. 175 (1935).

[35] To the same effect see *Parden* v. *Terminal Railway of the Alabama State Docks Dept.*, 377 U.S. 184 (1964) (railroad owned by the State of Alabama).

[36] Nor do those cases which require State officials in carrying out existing State functions to conform to Federal constitutional requirements or to Federal regulations provide a basis for S. 354. *See Hotl* v. *Richardson*, 238 F. Supp. 468 (D. Haw. 1965), *aff'd. and remanded sub. nom.* Burns v. Richardson, 384 U.S. 73 (1966); *Maryland Committee for Fair Representation* v. *Tawes*, 377 U.S. 656 (1964); *Lucas* v. *44th General Assembly of the State of Colorado*, 377 U.S. 713 (1964) (reappor-

tionment cases). *See also, Sanitary District of Chicago* v. *United States,* 266 U.S. 405 (1925); *Board of Trustees of the University of Illinois* v. *United States,* 259 U.S. 48 (1933); *Petty* v. *Tennessee Missouri Bridge Comm'n.,* 359 U.S. 275 (1959). While the federal court in each of these cases required the State officials to conform their actions to the requirements of either the Constitution (e.g., the reapportionment cases) or federal statute, the actions of the officials involved programs or policies that were already in existence. S. 354 would, by contrast, require the *creation* of programs and policies. It would direct the States to establish new agencies, administered by State personnel and funded by the States in order to carry out a program created unilaterally by the Federal government. The distinction is between carrying out an existing State program consistent with the Federal law, constitutional and statutory, and creating State administrative agencies to administer purely Federal programs. *Cf. Testa* v. *Katt,* 330 U.S. 386, 394 (1947). If a State decides of its own volition to administer or regulate a certain matter, it must conform to the Constitution or to overriding Federal statutory policy. But, it is an entirely different matter to compel the States to administer a program created by the Federal government. The line is an easy one to draw. Because Federalism and the power of the States as sovereign bodies are at stake, the line should not be crossed for the reasons discussed *infra.* Moreover, this distinction is entirely apart from the difference in magnitude between the interference by the Federal government in State affairs presented by S 354 and the limited Federal authority invoked in the above cited cases. *See* text accompanying notes 33–40, *infra.*

[37] 322 U.S. 643 (1944), at 649–50.

[38] 392 U.S. 183 (1968).

[39] 392 U.S. at 204–205.

[40] 392 U.S. at 196.

[41] *New York* v. *United States, supra,* at 587.

[42] *Supra,* n. 16.

[43] Thus, statutes like the Clean Air Act of 1970, as amended, 42 U.S.C. § 1857 *et seq.,* do not constitute precedents for the approach adopted in S. 354. As one witness wrote the Committee, ". . . [u]nder that statute [the Clean Air Act of 1970], if a state fails to adopt an implementation plan conforming to the federal standards, the Federal administrator himself promulgates regulations. The Federal administrator may delegate much of his authority to a state, but there is nothing in the statute which would compel an unwilling state to accept that delegation. If a state fails to meet the Federal Clean Air Act standards, the alternative is not compulsion, judicial or otherwise, on state legislative or administrative officials. Instead, it is direct regulation, by an established Federal administrative apparatus." See *Hearings,* letter dated February 7, 1974, to Chairman Eastland from Thomas C. Mathhews, Jr. Dean Erwin Griswold in a letter to Senator Hruska dated February 15, 1974, while acknowledging that title III of S. 354 does not contain the backup remedial provisions of the Clean Air Act, contended that such provisions "do not qualify the absolute character of the state's affirmative obligations under that statute" and suggested that a recalcitrant state could be mandamused to perform the obligations. A discussion of the inadequacy of the mandamus remedy is set out, *infra.*

[44] S. Rep. No. 93–382, p. 71.

[45] 330 U.S. at 394. (Emphasis added.)

[46] *Hearings,* Statements of Norman Dorsen, Professor, New York University. In *Douglas* v. *New Haven & Hartford R.R.,* 279 U.S. 377 (1928), the New York courts had dismissed an action under FELA brought by a Connecticut resident against a Connecticut corporation based upon an accident occurring in Connecticut. The New York statute permitted action by a non-resident against a foreign corporation but only in certain circumstances of which this was not one. The Supreme Court upheld the statute saying, "It may well be that if the Supreme Court of New York were given its discretion, *being otherwise competent,* it would be subject to a duty. But, there is nothing in the Act that purports to force a duty upon such Courts as against an otherwise valid excuse." (Emphasis added.) Thus, if a state court's jurisdiction does not extend to such a case for reasons other than that the source of the law is federal, the state court cannot be required to hear the case. See also, *Missouri ex. rel. Southern Ry.* v. *Mayfield,* 240 U.S.C. (1950)

[47] See *Hearings,* Statement of Thomas C. Matthews, Jr.

[48] For a discussion of other inequities that might result, see *Hearings,* Memorandum submitted on behalf of Insurance Company of North America.

[49] SS *Hearings,* Opinion on the Constitutionality of the National No-Fault Motor Vehicle Insurance Act by Erwin N. Griswold. *Contra,* see Letter dated February 7, 1947, to Chairman Eastland from Thomas C. Matthews.

[50] As noted above, state legislative action may be required to create certain agencies to administer the plan, to authorize officials to take certain measures and to appropriate funds to finance the administration.

[51] *O'Shea* v. *Littleton,* No. 72–953, decided Jan. 15. 1974, 42 U.S.L.W. 4139, 4143, quoting *Stefanelli* v. *Minard,* 342 U.S. 117, 120 (1951). See also *Younger* v. *Harris,* 401 U.S. 37 (1971).

[52] *Younger* v. *Harris,* 401 U.S. 37 44 (1971).

[53] Hearings, Statement of Norman Dorsen, Professor, New York University.

[54] Professor Hart has explained why a perfect uniformity of law in the United States would be unacceptable: "Common sense and the instinct for freedom alike can be counted upon to tell the American people never to put all their eggs of hope from governmental problem-solving in one governmental basket." Hart, "The Relations between Federal and State Law," 54 Colum. L. Re. 489, 540 (1954).

[55] *New State Ice Company* v. *Liebmann,* 285 U.S. 262, 311 (1932) (dissenting opinion).

[56] See *Journal of Commerce,* July 12, 1973.

[57] S. Rep. No. 93–382, p. 20.

STAFF MEMORANDUM MINORITY CHARTS: METHODOLOGY

The staff analysis of the cost implications of S. 354, reflected in appendices, C, D, and E of the minority report, is derived exclusively from the detailed numbers submitted to the Senate Committee on the Judiciary by the actuarial firm of Milliman and Robertson. The Milliman and Robertson report itself contains 153 appendices which tabulate cost projections in the 50 states and in the District of Columbia under 3 different sets of assumptions. It will be convenient to show the derivation of the figures in the staff analysis by reference to a specific Milliman and Robertson appendix for a specific state. Alabama is chosen as the exemplar state simply because it is the first state listed (alphabetically) in M&R appendices I, II, and III.

The basic assumptions made by M&R are contained in the body of their report. Alabama is considered to be a "standard" state. That is, Alabama does not have a state-funded temporary disability law which would furnish wage continuation benefits. California does have such a law, and the wage continuation benefits made available by independent state law are *deducted* from the benefits provided by S. 354. It is the massive deduction of wage loss claims which allows M&R to project substantial cost savings in California under S. 354, and accordingly California must be considered separately as a "non-standard state." There are only five states which have similar laws.

Milliman and Roberston also lists five states as having an unusually high "tort propensity", meaning that an unusually high percentage of citizens hire lawyers to process their claims, and file an unusually high percentage of lawsuits. In these states any no-fault plan which restricts tort rights will show an unusually large decrease in residual tort claims and average claim values. The Milliman and Robertson assumptions for all states are similar with respect to benefit levels. The schedule of benefits called "Low Benefit" is assumed to be the lowest benefit permissible as a minimum complying benefit under S. 354. Wage loss benefits are limited to a total of $15,000. The monthly limit is calculated on a base figure of $1,000 per month, which varies up or down in proportion to the ratio of state per capita income to national average per capita income. For Alabama, the formula produces a maximum monthly wage loss benefit of $744.

Replacement of services, under the "Low Benefit" plan, will be payable for a maximum of 1 year, on a daily basis, with a maximum based on $15 a day, variable by state.

Survivor's benefits under the "Low Benefit" plan may be limited to a maximum of $5,000. The average payment will vary in each state. The assumption for Alabama is that the average driver will receive $5,129; the average passenger will receive $4,583; and the average pedestrian will receive $3,959, with all figures including medical and funeral benefits payable.

Milliman and Robertson assume that S. 354 as presently drafted contains a "High Threshold." An injured person will be completely barred from any right to recover in tort for general damages, or "non-economic detriment" unless the injury results in death; in injury which is both permanent *and* serious; in disfigurement which is both permanent *and* serious; or results in *more than* six continuous months of total disability. There is no data base available which can state the percentage of victims who suffer more than six continuous months of total disability but do not sustain "serious and permanent" injury or disfigurement. Milliman and Robertson assumed that the number of people who suffer more than six continuous months of temporary total disability are the same number, in aggregate, as the people who incur at least $2,000 in medical expense. Based upon this untested assumption the Milliman and Robertson report makes a $2,000 medical expense threshold (which is *not* in S. 354) equivalent to the actual threshold, contained in S. 354, of more than six continuous months of total disability.

The Milliman and Robertson report also contains tables showing the effect of a "Loose Threshold." This is a hypothetical threshold based on the assumption that Congress might amend the High Threshold of S. 354 to provide for a lesser temporary total disability period of two continuous months. Again, there is no data base which permits an estimate of the number of victims who suffer two months of total disability. Miliman and Robertson assumes that a medical expense threshold of $600 would be the equivalent of the 2 months temporary total disability threshold.

Further assumptions made by Miliman and Robertson are that every motorist in the state who carries insurance is an "average motorist" who will carry bodily injury liability insurance with limits about double the minimum limits required by the state financial responsibility law. In the case of Alabama it is assumed that the state minimum requirement is a 10/20 policy but the average motorist will have available a policy which will pay up to $20,000 to each person injured in the accident without limit as to the number of persons. The average motorist who buys liability coverage, it is assumed, will also buy Medical Payments coverage. The limits of

Medical Pay are nowhere stated, but each insured driver is assumed to have enough to contribute to a gross, assumed, medical payments pool.

The appendices of the Milliman and Robertson report make detailed calculations for the cost of various programs under various benefit and threshold plans. The assumptions for Alabama under the permitted "Low Benefit Level" of S. 354 are stated in Appendix II–18. All costs are based on an assumed set, or "radix" of 100,000 total bodily injuries.

One set of assumptions deals with the present "Tort System." It is assumed that from the radix of 100,000 injuries 34,712 injured persons will recover an average of $364 each for medical expense reimbursement; 13,804 persons will recover an average of $627 each for wage loss; 3,792 persons will recover an average of $377 each for the replacement of lost services; and 824 claimants will recover an average of $13,606 for the economic losses of the estate of the decedent under the Alabama Wrongful Death Act. These economic losses total $34,467,000 per 100,000 injured victims in the radix.

It is further assumed by Milliman and Robertson that 32,938 injured claimants will recover general damages in addition to their recovery of economic losses. The average general damage payment is assumed to be $1,067, for a total "noneconomic detriment" payment of $35,133,000.

The combined cost of economic loss recovery and general damage recovery under the present tort system in Kentucky is thus $69,600,000 for each radix. The General Damage recovery of $35,133,000 is 50.4% of the total tort recovery. By coincidence, this is the same as the national average, which shows that general damage recovery accounts for 50.4% of total tort cost and economic loss recovery accounts for 49.6% of total tort recovery. The highest percentage of general damage occurs in New Jersey (a "tort-propensity" state) which shows 55% in the Milliman and Robertson appendix; and the lowest percentage is 46.7%, shown in North Dakota and Wyoming. The corresponding figure for each state is shown in Staff Analysis Appendix C. appended to the Minority Report of the Senate Committee on the Judiciary.

The persistent assumption of no-fault proponents is that a plan like that of S. 354 can pay no-fault benefits to all victims at a cost substantially less than that of the total tort system, and coupled with the device of reducing general damages by a threshold requirement, the cost of no-fault benefits plus reduced residual general damages will still be less than the total cost of the tort system.

The Milliman and Robertson appendix II–I for Alabama predicts the cost of economic benefits under the Low Benefit level of S. 354, as defined. Medical expenses for 74,477 claimants in the radix at $417 each, on average, will cost $31,031,000. Wage loss will be paid to 32,552 claimants at an average of $514 each, it is assumed, for a total cost of $16,729,000. Replacement of services will cost $5,356,000 for 18,330 claimants at an average of $292 each. Survivors' benefits in death cases, it is assumed, will be paid to 2,407 claimants. These cases all exceed the threshold, so that in death cases all claimants will recover the Low Benefit no-fault benefits and the innocent claimants will recover their full economic loss. The total cost in death cases will amount to $24,627,000 (compared to $11,756,000 under tort).

Total economic loss payments under S. 354's Low Benefit system will cost, in Alabama, $77,743,000. In additional, the no-fault system will pay residual general damages to the most seriously injured victims. The total amount will depend upon which threhrold is adopted. A significant observation can be made at this point. The total cost of all recoveries in the tort system, for both economic loss and general damages, are $69,600,000 (per radix) in Alabama according to Milliman and Robertson cost estimates. The total cost per radix of economic loss payments under S. 354, in injury and death cases, excluding general damages completely, amounts to $77,743,000. This is an *increase* over total tort costs of 11.6%. Similar results for each state, based on the Milliman and Robertson figures in their state by state appendices, are listed in Appendix D of the Staff Analysis appended to the Minority report.

When economic loss benefits under no-fault alone cost more per radix of 100,000 cases than the total tort recovery, there is no way for a reduction in general damages to make no-fault cheaper. Even under the highest of thresholds a substantial portion of the general damage payment will still be made. The Milliman and Robertson appendix for Alabama, II–I states the assumption that under a "Loose Threshold" 9,571 injured claimants would recover general damages in an amount averaging $2,443 each, for a total of $23,381,000. These numbers should be compared to the existing tort system in which 32,938 claimants are assumed to recover $1,067 each for a total of $35,133,000.

These numbers illustrate an important principle. As the total number of claimants is reduced by a threshold device, the cases barred from recovery are the cases of low average value. The cases which remain, while much fewer in number, will have a much higher average claim value. In Alabama, it is assumed that the hypothetical 2 month temporary total disability threshold (which is assumed to be the equivalent of a $600 medical expenses threshold), will reduce the number of claimants recovering general damages from 32,938 to 9,571, a reduction of 71%. The average claim cost will increase from $1,067 to $2,443, an increase per claim of 129%. The total payable to the remaining 29% of the potential claimants will' be $23,381,000 instead of $35,133,000, which is a reduction of only 33.5%.

When the general damage total under the Loose Threshold ($600 medical expense equivalent) plan is added to the economic loss payments of $77,743,000 the total payable under the S. 354 Low Benefit plan amounts to $101,124,000. This is an *increase*, in Alabama, of 33.6% over the total cost of $69,600,000 for both economic loss and general damages under the Tort system.

General damages can be reduced further by a higher threshold, but the principle of diminishing returns applies. A much higher threshold will not produce a proportional reduction in general damages. The Milliman and Robertson report assumes that if the threshold is raised from 2 months temporary total disability to more than 6 months continuous total disability, the number of claimants will be reduced from 9,571 (Loose Threshold) to 6,405 (Tight Threshold). The average claim cost would rise, in Alabama, from $2,443 to $3,354. The payment of $3,354 each, on average, to 6,405 claimants for general damages would add $21,482,370 to the economic loss costs of the plan. Note that increasing the equivalent medical expense threshold from $600 to $2,000 reduces the number of claimants from 9,571 to 6,405, a reduction of 33%. The average claim cost would increase from $2,443 to $3,354, an increase of 37%. The net change in total cost would be to reduce the general damage cost from $23,381,000 to $21,482,000, a decrease of only 8%.

According to the figures projected by Milliman and Robertson, a Tight Threshold equivalent to $2,000 in medical expense would still add $21,482,000 in general damages to the economic loss cost of $77,743,000 under no-fault. The general damage cost alone would amount to 30.9% of the total cost of both economic loss and general damages under the tort system.

Stated another way, in Alabama the cost of economic loss benefits alone under S. 354 would cost 11.6% more than the total cost of all tort recoveries under the existing tort system. If general damages are paid under a hypothetical $600 medical expense threshold, it would cost an additional amount equal to 33.6% of the total cost of the tort system. The combined additional cost would be 11.6% plus 33.6% of total tort recovery cost, or an increase of 45.2%, using the $2,000 medical expense threshold, equivalent to the actual 6 months disability threshold of S. 354, would produce a total recovery of general damages equal to 30.9% of the total recovery cost of the existing tort system. The combined additional cost would be 11.6% attributable to economic loss benefits and 30.9%, attributable to general damages under residual tort claims for a total increase or 42.5% compared to present tort recoveries. A similar calculation is made for each state, based on Milliman and Robertson assumptions, in Appendix G of the Staff Analysis appended to the minority report.

At this point it will be necessary to evaluate one further Milliman and Robertson assumption. The figure in the printed appendix, II–1, for Alabama under "Tight Threshold" shows the average value for general damage claims to be $2,104 instead of $3,354. How is it possible for the higher threshold to produce a lower average claim costs than is listed for the lower threshold? At first glance it does not seem possible that a $600 threshold should produce an average cost of $2,443 while a $2,000 threshold produces an average cost of only $2,104. In general, the higher the threshold the higher the residual average claim costs. The explanation is simple enough. S. 354 in its present forms requires a *deduction* from every residual tort claim which passes the threshold. Sec. 206(a) (5) abolishes tort recovery except in cases where the injury exceeds the threshold, and contains a further exception providing that the wrongdoer is liable for damages for "noneconomic detriment in excess of $2,500". The language means that if a jury determines the fair value of a serious and permanent disfigurement case should be $4,500, the court must slash $2,500 from the verdict and return it to the wrongdoer or his insurance company. Milliman and Robertson makes a curious assumption that courts, juries, claimants and claim adjusters will regard this arbitrary and unjust deduction with such repugnance that they will refuse to give it full enforcement. It is assumed by the actuaries that juries will react to the arbitrary deduction of $2,500 from general damages with an equaly arbitrary addition of an extra amount to the initial damage evaluation before deduction. However, the deductible will have a partial effect in that the addition will average only $1,250 more than true value of each claims. The true value, plus $1,250, will then be reduced by the mandatory rebate of $2,500. This will result in a net effective reduction of $1,250.

The above described assumption is listed as assumption No. 17 in the Milliman and Robertson Exhibit D. "Model Input Assumptions": "The $2,500 general damages deductible will be 50% effective and will operate as a $1,250 deductible per claim." It does not matter whether one believes or disbelieves this set of assumptions. In order to use the individual state appendices correctly it is necessary to realize that the figure stated by Milliman and Robertson for the General Damage claim cost under a Tight Threshold in the *net* figure after the assumed deduction of an effective $1,250 per claim. For Alabama the stated average claim cost of $2,104 under Tight Threshold means that the assumed true value per claim is $2,104 *plus* $1,250, or $3,354.

If an amendment to S. 354 should remove the deduction, then the residual general damage cost, based on the $3,354 value would amount to 30.9% of the total cost of all tort recoveries under the existing system.

The effect of the deduction is to reduce the average claim cost for residual general damages to $2,104 for 6,405 claimants, producing a total cost after reduction of $13,476,000. This total amounts to 19.4% of the total cost of all tort recoveries under the present system for combined economic loss and general damages. In summary, the payment of the economic loss benefits under the "Low Benefit" level allowed by S. 354 amounts to an increase of 11.6% over the assumed present cost of tort system recoveries. The residual general damages under the Tight Threshold level of S. 354 with its present 6 month total disability threshold, plus its present $2,500 per claim deduction will add costs amounting to 19.4% of the assumed present cost of total tort recoveries. The combined cost *increase* will be 11.6% plus 19.4% or 31.

The state by state cost increases of S. 354 in its present form, as compared to the tort system total recoveries in each state, are tabulated in Appendix E of the Staff Analysis appended to the minority report. Unfortunately the table is mis-titled and as printed Appendix E is said to show the cost increase of S. 354 with Low Benefit, *Low* Threshold, and $2,500 per claim reduction. In fact the cost increases shown are the lesser increases which will occur with the high "Tight Threshold." The cost increases would be even greater if they were based on the greater amount of general damages allowed by the "Loose Threshold" hypothesis. As related to Alabama, the cost increase for residual general damages with the "Loose Threshold" (equivalent to $600 in medical expense with no deductible) would amount to 33.6% of the assumed present total tort recoveries. This increase added to the 11.6% increase produced by the economic loss benefits would produce a combined increase of 45.2%.

In summary, Appendix E of the Staff Analysis shows the actual increases that will occur in each state with S. 354 in its present form with a 6 month total disability threshold combined with a $2,500 per claim mandatory rebate or deduction, based entirely upon the cost assumptions of Milliman and Robertson. The increases would be much higher if the deductible is either removed or lessened by amendment, or if the threshold requirements are made less stringent by amendment. In its present form S. 354 would produce a cost decrease only in those unusual nonstandard states which have either a "tort propensoity" as defined or temporary disability laws which make wage loss repayment primary. These states with projected cost decreases are California, Connecticut, Hawaii, Massachusetts, New Jersey and New York. Everyone of these states except California has already enacted a no-fault law which is supposed to reduce premiums. It must be remembered that the Milliman and Robertson cost projections compare S. 354 with an assumed tort system. No comparison has been made between the assumed cost of S. 354 and either the actual cost or the assumed cost of the existing state no-fault laws.

There would appear to be a substantial conflict between the Staff Analysis showing a cost increase of 31% in Alabama and Milliman and Robertson's Exhibit A–2 which says that the average personal injury premium in the state will decrease by 22% with the low Benefit level, Tight Threshold provisions of S. 354. The difference between 78% of present premium and 131% of present cost is startling. The difference becomes understandable when a closer analysis is made of all the Milliman and Robertson's assumptions. Appendix II–I for Alabama lists all the costs for tort recoveries under the present system under the caption, "Tort System." These costs, for medical, wage, replacement services, and survivors' losses recovered in tort claims total $69,600,000 per radix of $100,000 injuries. The Milliman and Robertson report then adds on a large lump sum figure of $12,671,000 captioned "Medical Payments by Option," and assumes that this is a cost of the "Tort System." The assumption is obviously both arbitrary and erroneous. It is assumed that every insured driver carries a voluntary Medical Payment Policy. That assumption itself is unjustified in fact. No detail is given as to what limits of Medical Pay are assumed to be carried by the average driver, nor what the average claim cost is, nor how many claimants recover. The average tort recovery of medical expense is said to be $364 per claim. If the average Medical Pay recovery is the same, then the total of $12,671,000 assumes there are 34,810 additional Medical Pay claimants. That would mean that the "Tort System" pays just about as many medical claims as the no-fault system.

The blunt fact is that Medical Payment insurance is not a part of the tort system. Medical Pay is classic first-party, no-fault insurance which should not be confused with Bodily Injury Liability insurance. The purchase of Medical Pay coverage is purely voluntary. No state requires it. Many drivers, on a tight budget, do no buy it. Most drivers probably do not need it, in view of the testimony that approximately 9 out of 10 families now have some form of medical insurance.

The no-fault coverage of S. 354 will be mandatory. The driver will be given no choice with respect to purchase of duplicate coverage. The cost of the mandatory coverage should not, in all fairness, be compared to the cost of voluntary first party coverages under the pretense that optional Medical Payment policies are part of the "Tort System."

Another mathematical device used by Milliman and Robertson is the assumption that the present tort system has adjustment expenses which average 19% of total losses paid, but that under S. 354 residual damage claims will bear loss adjustment expenses of 25%, death claims will bear loss adjustment expenses of 11%. The assumptions are unproven. Indeed, the testimony received by the Judiciary Committee revealed that system expenses in Massachusetts under no-fault have shown a substantial percentage *increase* rather than a decrease, resulting in a lower percentage of payout of the premium dollar. This is not a major item, however. In most of the states the appendices of the actuaries show such a small difference between Tort System adjustment expense and no-fault adjustment expense that the differences will not significantly affect percentage results and can be ignored. In Alabama, for example, a 19% assumed adjustment expense for the Bodily Injury liability system benefits of $69,600,000 would produce an expense of $13,224,000. The no-fault benefits are assumed to require an adjustment expense of $11,675,000.

Another mathematical device inherent in the actuarial cost projections of Milliman and Robertson which should be borne in mind is the assumption that *all* drivers carry limits nearly double the minimums of the financial responsibility laws. In Alabama, for example, the minimum is a $10,000/$20,000 Bodily Injury Liability policy. Many drivers undoubtedly carry the minimum, particularly if they live at low economic levels. Milliman and Robertson assumes that all drivers carry a type of policy not actually sold, which has a limit of $20,000 per person regardless of the number of persons. Obviously a $20,000/unlimited policy would cost more than a $10,000/$20,000 policy, and some purchasers would elect not to buy it. The mandatory requirement of S. 354 gives the driver no choice on limits. He must buy the higher cost package. All the actuarial studies on no-fault plans have shown that cost increases are higher when compared to minimum range coverages than they are when compared to voluntary medium range coverages. The cost increases shown in the Staff Analysis will be enlarged for the present minimum limit purchaser.

The most important mathematical device used by Milliman and Robertson is to make assumptions as to the ratio of insured and uninsured drivers under tort, and a projected different ratio under S. 354. All the Tort System expenses are divided by a number estimated to be the percentage of drivers who now carry medium limit bodily injury liability coverage plus uninsured motorist coverage plus medical payment coverage. The resulting number is said to be a "unit cost." The total cost of the benefits under S. 354 are divided by the assumed percentage of the drivers who will purchase the compulsory coverage. The division results in a number called the "Unit Cost" of no-fault. The number of insured drivers under S. 354 is assumed, in every state, to be a much larger number of drivers. The mathematical result is predictable. If a smaller total cost figure is divided by a small number, it may produce a higher "Unit Cost" than would result from dividing a larger cost number by a larger insured ratio number. In Alabama, "Tort System" costs are divided by 59. S. 354 costs are divided by 79. As a result, the higher costs of no-fault are assumed to result in lower "Unit" Cost.

If this mathematical device proves anything it proves only that a compulsory system may lower unit costs if it spreads the costs over a broader base. The assumption might prove that compulsory insurance is cheaper than voluntary insurance. It does not fairly prove that no-fault is cheaper than Tort.

Practical experience has shown that a compulsory system has some highly undesirable side effects in bringing into the system high risk, high cost drivers who are subsidized, eventually, by good drivers. This has been demonstrated in New York, where assigned risk rates in many territories are lower than preferred risk rates. Massachusetts and New York, pioneers in compulsory insurance, are also pioneers in the highest premium levels in the United States. They have also pioneered in developing the most acute claims consciousness and the highest litigation rates in the United States. Milliman and Robertson itself assigns a "Tort Propensity" rating to Massachusetts of 25%, and rates New York at 15%. It cannot be assumed, in predicting premium levels, that a compulsory plan will necessarily decrease costs.

If compulsory requirements do have a cost-reducing effect, as the mathematical model predicts, then compulsory tort insurance would still be cheaper than compulsory no-fault insurance. A fair test of this assumption can be made by reviewing the Milliman and Robertson cost predictions made for Kentucky. Their report, submitted to the Senate, states that the "average personal injury premium" in Kentucky under S. 354 with a low benefit level and tight threshold would be reduced 12%. Kentucky has just passed a no-fault law with a benefit package of $10,000 and a threshold of $1,250 in medical expense. Kentucky has a constitutional provision which would prohibit the legislature from abolishing traditional tort rights. It is generally accepted that any citizen can *waive* his constitutional rights, even though he cannot be compelled to give them up. Accordingly the new Kentucky law has a unique optional feature. A Kentucky driver must elect whether he will retain his constitutional rights to tort recovery, or whether he will waive them and elect no-fault benefits. Either way insurance coverage will be compulsory. This will mean that in Kentucky there will be two classes of cars on the road, "tort cars" which retain tort recovery rights and tort liability, and "no-fault cars" which are entitled to no-fault benefits but give up tort recovery rights unless the injury exceeds the high threshold.

Milliman and Robertson reported cost estimates to the Kentucky legislature. For the first time they had to make a direct comparison, in the same state, with the same accident and injury rate and same medical and wage cost levels, of the relative cost of a compulsory tort liability system and a compulsory no-fault system. The result of this comparison blows apart the argument that no-fault costs less than tort.

In its cost analysis for the Kentucky optional bill, Milliman and Robertson said that if 40% of the insured drivers accepted no-fault and 60% retained tort, then the average bodily injury premium for no-fault would *increase* 6% over present levels and the average bodily injury premium for tort (including medical payment) would *decrease* 8%. The differential between 92% and 106% is 15%. In short, tort would cost 15% less than no-fault coverage.

The ratios change as the proportions between tort cars and no-fault cars change. If 60% of Kentucky insurance buyers elect no-fault and only 40% retain tort, then tort will be 9% cheaper than the present rates and no-fault would cost 2% more than present rates—a differential which still heavily favors tort.

In closing it should be said that there is reason to believe that the costing model of Milliman and Robertson may seriously understate the costs of a no-fault system. Their model would predict that in Florida its $5,000 benefit, $1,000 threshold plan should cost about 10% less than tort. The Judiciary Committee heard testimony concerning the only actuarial study which had analyzed the actual, developed, loss data in Florida. In fact no-fault did not cost less than the tort system in Florida, but instead produced higher costs ranging from 5% to 25% among various companies, with an average *increase* in loss costs of 10%.

EXHIBIT 3

APPENDIX C: STAFF ANALYSIS BY STATE OF THE GENERAL DAMAGE PAYMENT TO THE COMBINED PAYMENT FOR ECONOMIC LOSS AND GENERAL DAMAGES

Ratio of general damage to total payment

	Percent
Alabama	50.4
Alaska	48.9
Arizona	50.8
Arkansas	49.2
California	52.6
Colorado	50.9
Connecticut	54.2
Delaware	50.5
Florida	50.4
Georgia	48.5
Hawaii	51.3
Idaho	48.0
Illinois	52.7
Indiana	51.4
Iowa	50.4
Kansas	50.5
Kentucky	48.4
Louisiana	49.6
Maine	49.4
Maryland	52.9
Massachusetts	53.5
Michigan	51.6
Minnesota	50.3
Mississippi	47.8
Missouri	52.1
Montana	47.0
Nebraska	49.4
Nevada	50.2
New Hampshire	51.0
New Jersey	55.0
New Mexico	49.6
New York	52.2
North Carolina	50.3
North Dakota	46.7
Ohio	52.2
Oklahoma	49.8
Oregon	50.0
Pennsylvania	51.5
Rhode Island	51.4
South Carolina	48.4
South Dakota	48.5
Tennessee	50.1
Texas	52.6
Utah	53.1
Vermont	46.8
Virginia	50.8
Washington	52.7
West Virginia	49.0
Wisconsin	50.2
Wyoming	46.7
National average	50.4
Highest State average, New Jersey	55.0
Lowest State average, North Dakota and Wyoming	46.7

This chart which appears at page 81 of the Judiciary Committee Report, simply sets forth Milliman & Robertson data demonstrating that approximately 50 percent of the dollars awarded under tort systems cover economic (out-of-pocket) losses while the balance goes to cover non-economic (pain and suffering, disfigurement, etc.) losses.

The chart is revealing since it points out that, contrary to the representations of many, generally only one-half of the dollars awarded under tort systems go to cover general damages.

APPENDIX D

STAFF COMPARISON OF NO-FAULT ECONOMIC LOSS PAYMENT TO TORT SYSTEM COMBINED ECONOMIC LOSS AND GENERAL DAMAGE PAYMENT

[Dollar amounts in millions]

State	Combined tort cost, economic loss, and general damage	No-fault low benefit cost (excluding general damages)	Ratio of increase or decrease (percent)
STANDARD STATES			
Alabama	$69.6	$77.7	+11.6
Alaska	144.1	134.0	−7.0
Arizona	93.7	91.0	−2.9
Arkansas	81.7	91.0	+11.4
Colorado	85.8	87.1	+1.6
Delaware	85.1	87.5	+2.8
Florida	90.0	84.0	−6.7
Georgia	77.4	85.7	+10.7
Idaho	83.8	93.4	+11.6
Indiana	78.2	80.2	+2.6
Iowa	75.8	87.6	+3.7
Kansas	74.2	81.2	+9.4
Kentucky	92.1	97.8	+6.2
Louisiana	72.9	82.5	+13.2
Maine	93.8	92.8	−1.1
Maryland	104.2	91.3	−12.4
Michigan	91.9	91.2	−.8
Minnesota	96.9	92.2	−4.8
Mississippi	87.2	95.4	+9.4
Missouri	82.9	77.1	−7.0
Montana	96.0	107.9	+11.2
Nebraska	81.8	87.4	+6.8
Nevada	92.6	98.7	+3.
New Hampshire	89.8	81.9	−8.
New Mexico	80.4	85.8	+6.7
North Carolina	89.5	85.1	−5.0
North Dakota	87.4	117.4	+17.6
Ohio	83.1	81.7	−1.7
Oklahoma	67.9	73.0	+7.5
Oregon	81.7	85.4	+4.5
Pennsylvania	99.2	90.6	−8.7
South Carolina	85.3	91.4	+7.2
South Dakota	83.3	93.8	+12.6
Tennessee	106.3	102.0	−4.1
Texas	68.4	69.5	+1.6
Utah	73.8	70.7	−4.2
Vermont	102.3	106.4	+4.0
Virginia	95.7	98.2	+2.6
Washington	85.4	82.5	−3.3
West Virginia	95.3	97.1	+2.0
Wisconsin	103.8	98.2	−5.4
Wyoming	102.4	114.6	+13.0
NONSTANDARD STATES			
California [1]	113.5	88.6	−22.0
Connecticut [2]	113.0	89.6	−20.8
Hawaii [1]	118.8	95.0	−19.9
Illinois [2]	83.3	79.1	−5.0
Massachusetts [2]	87.4	72.9	−16.6
New Jersey [2]	109.4	77.9	−28.8
New York [2]	108.2	80.0	−26.2
Rhode Island [1]	84.1	73.0	−13.1

[1] State temporary disability law pays benefits for 1st 26 weeks of disability which are deducted from no-fault reparations.

[2] Tort propensity of State will cause not-at-fault bodily injury claims to be increased beyond data base indication as follows: Connecticut—15 percent; Illinois—10 percent; Massachusetts—25 percent; New Jersey—10 percent; and New York—10 percent.

Source: Millman and Robertson cost model.

Note: Cost stated per 100,000 injuries to nearest million dollar

This chart which appears at page 81 of the Judiciary Committee Report sets forth Milliman & Robertson data to summarize the total cost in each state of the economic loss costs and death benefits, alone, under S. 354 excluding entirely the estimated cost of residual general damages under S. 534.

This cost is compared to the total cost of the tort system, including general damages, on a state-by-state basis.

In 26 states with standard tort systems, it will cost more to pay just economic losses and death benefits under S. 354 than it costs to pay the total claims for economic loss and general damages under the tort system.

This means there is no way to cut general damages enough to make S. 354 cheaper which was the original theory of no-fault proponents. Residual general damages will add even more cost to the already higher cost.

APPENDIX E

STAFF TABLE SHOWING COST INCREASE OF S. 354 WITH LOW BENEFIT, TIGHT THRESHOLD, AND $2,500 PER CLAIM DEDUCTION COMPARED TO TOTAL SYSTEM CLAIM COSTS

Ratio of increase

	Percent
Alabama	31.0
Alaska	9.2
Arizona	16.6
Arkansas	29.4
California [1]	−3.9
Colorado	20.0
Connecticut [2]	−2.7
Delaware	19.2
Florida	9.9
Georgia	30.1
Hawaii [1]	−5.2
Idaho	34.0
Illinois [2]	11.8
Indiana	20.8
Iowa	20.9
Kansas	28.3
Kentucky	24.5
Louisiana	23.4
Maine	18.7
Maryland	7.2
Massachusetts [2]	−9.3
Michigan	17.6
Minnesota	12.4
Mississippi	28.6
Missouri	11.1
Montana	27.9
Nebraska	23.9
Nevada	22.2
New Hampshire	8.1
New Jersey [1 2]	−11.1
New Mexico	24.4
New York [1 2]	−11.1
North Carolina	13.5

Footnotes at end of table.

APPENDIX E—Continued

STAFF TABLE SHOWING COST INCREASE OF S. 354 WITH LOW BENEFIT, TIGHT THRESHOLD, AND $2,500 PER CLAIM DEDUCTION COMPARED TO TOTAL SYSTEM CLAIM COSTS—Continued

Ratio of increase	*Percent*
North Dakota	34.4
Ohio	15.7
Oklahoma	20.4
Oregon	21.6
Pennsylvania	8.0
Rhode Island [1]	4.6
South Carolina	14.2
South Dakota	31.0
Tennessee	14.8
Texas	19.4
Utah	14.6
Vermont	21.2
Virginia	21.8
Washington	14.8
West Virginia	19.9
Wisconsin	13.3
Wyoming	29.3

[1] State temporary disability law.

[2] Tort propensity.

NOTE.—This chart has been recaptioned to indicate a "Tight" rather than "Low" Threshold as originally set forth in the Judiciary Committee Report.

Explanation:

Low Benefit equals: $15,000 maximum wage loss; $5,000 survivor's death benefits; and Unlimited Medical Expenses.

Tight Threshold refers to: Death; serious and permanent disfigurement or other serious and permanent injury; or more than six (6) continuous months of total disability.

This table indicates the ratio of no-fault costs under S. 354 with a low benefit ($15,000 fixed) tight threshold (six months) structure and $2,500 per claim deduction as compared with total tort system claim costs.

These results are based on Milliman & Robertson's own cost estimates, State by State, as contained in their report. The major difference between these results and those submitted by the majority is that these results are not then divided by an increased number of drivers yielded by the compulsory nature of no-fault. In other words, these results which M. & R. concur with are based on the same percentage of insured drivers under both systems. This compulsory provision is a false savings as indicated by Milliman & Robertson's analysis of Kentucky which also proves this.

It should also be noted that this chart takes into account the false savings generated under S. 354's mandate for a $2,500 deduction from every claim for general damages which passes the tight threshold.

Tort System costs in this chart do not include medical payment costs. M&R's appendix includes medical payment as a cost of the "Tort System." This would be an error since medical payment is first party, no-fault—not tort.

APPENDIX F

RECASTING BY VEHICLE TYPE (CALIFORNIA PREMIUM MODEL—1972)

Item	Premium in millions: Total	Private passenger	Commercial
1. California liability premium	1,326.2	1,077.5	248.7
2. Less property damage	(349.0)	(269.4)	(79.6)
3. Personal injury premium	977.2	808.1	169.1
4. Less medical	171.5	161.6	9.9
5. Available for tort remedy	805.7	646.5	159.2
5a. Tort percentage of premium	(100.0)	(80.2)	(19.8)
6. Threshold savings (45 percent, line 5)	(362.5)	(290.9)	(71.6)
7. No fault added coverages	409.2	409.2	0
8. Total no-fault benefits	852.4	764.8	87.6
9. Percentage of premium after threshold use	(100.0)	(90.0)	(10.0)
9a. Percentage change after threshold use	(+5.8)	(+18.3)	(−45.0)
10. Social security, UCD offsets, etc. (15.8 percent line 5:65 percent PP:35 percent Comm)	(127.7)	(83.0)	(44.7)
11. Net no-fault benefits after offsets	724.7	681.8	42.9
12. No-fault percentage of premium	(100.0)	(94.1)	(5.9)
13. Savings—No fault over tort	(−10.0)	(+5.5)	(−73.0)
EFFECT OF INCOME TAX DEDUCTIONS			
14. Liability premium tort remedy (1972)	805.7	646.5	159.2
15. Payable after 40 percent income tax deduction (1972)	?	NA	95.5
16. No-fault premium (net) (197?)	724.1	681.8	42.9
17. Premium payable after 197? tax deduction			25.7
18. Premium savings from no fault (197?)			69.8

Source: Herbert F. Wells, chief product research specialist, Farmers Insurance Co.

APPENDIX G

STAFF TABLE OF COST INCREASE OF S. 354 NO-FAULT BENEFITS OVER TORT SYSTEM BENEFITS

[In percent]

State	Tort total	Ratio of no-fault economic loss	Ratio of no-fault general damages, $600 threshold	Ratio of no-fault general damages, $2,000 threshold	Net cost, increase $2,000 threshold
STANDARD STATES					
Alabama	100	+11.6	+33.6	+30.9	+42.5
Alaska	100	−7.0	+27.2	+22.2	+15.2
Arizona	100	−2.9	+31.9	+29.4	+26.5
Arkansas	100	+11.4	+31.2	+27.9	+39.3
Colorado	100	+1.6	+30.6	+28.5	+30.1
Delaware	100	+2.8	+28.6	+25.4	+28.2
Florida	100	−6.7	+29.2	+25.4	+18.7
Georgia	100	+10.7	+32.9	+30.9	+41.6
Idaho	100	+11.6	+29.5	+27.5	+39.1
Indiana	100	+2.6	+30.7	+28.7	+31.3
Iowa	100	+3.7	+30.1	+28.4	+32.1
Kansas	100	+9.4	+31.7	+29.1	+38.5
Kentucky	100	+6.2	+30.7	+28.1	+34.3
Louisiana	100	+13.2	+25.6	+22.3	+35.5
Maine	100	−1.1	+31.4	+29.6	+28.5
Maryland	100	−12.4	+31.3	+29.3	+16.9
Michigan	100	−.8	+30.1	+27.4	+26.6
Minnesota	100	−4.8	+29.6	+26.8	+22.0
Mississippi	100	+9.4	+32.1	+30.1	+39.5
Missouri	100	−.7	+31.4	+28.9	+22.9
Montana	100	+11.2	+28.2	+25.5	+36.7
Nebraska	100	+6.8	+29.3	+27.7	+34.5
Nevada	100	+3.2	+31.3	+27.6	+30.8
New Hampshire	100	−8.2	+27.1	+25.4	+17.2
New Mexico	100	+6.7	+30.5	+28.2	+34.9
North Carolina	100	−5.0	+30.8	+29.3	+24.3
North Dakota	100	+17.6	+28.4	+26.0	+43.6
Ohio	100	−1.7	+29.9	+27.3	+25.6
Oklahoma	100	+7.5	+27.2	+24.7	+32.2
Oregon	100	+4.5	+29.6	+27.7	+32.2
Pennsylvania	100	−8.7	+29.1	+26.0	+17.3
South Carolina	100	+7.2	+28.9	+27.0	+34.2
South Dakota	100	+12.6	+30.1	+28.2	+40.8
Tennessee	100	−4.1	+29.3	+25.6	+21.5
Texas	190	+1.6	+32.0	+29.8	+31.4
Utah	100	−4.2	+32.5	+30.4	+26.2
Vermont	100	+4.0	+28.4	+26.5	+30.5
Virginia	109	+2.6	+30.6	+28.7	+31.3
Washington	100	−3.3	+30.7	+27.9	+24.6
West Virginia	100	+2.0	+30.4	+27.4	+29.4
Wisconsin	100	−5.4	+30.2	+27.7	+22.3
Wyoming	100	+13.0	+27.4	+24.7	+37.7
California [1]	100	−22.0	+30.3	+26.4	+4.4
Connecticut [2]	100	−20.8	+29.1	+27.0	+6.2
Hawaii [1]	100	−19.9	+27.2	+21.8	+1.9
Illinois [2]	100	−5.0	+28.8	+27.6	+22.6
Massachusetts	100	−16.6	+19.8	+14.6	−2.9
New Jersey [2]	100	−28.8	+29.4	+27.0	−1.8
New York [2]	100	−26.2	+26.2	+23.6	−2.6
Rhode Island [2]	100	−13.1	+30.6	+28.3	+15.2

[1] State temporary disability wage continuation.

[2] Tort propensity

This table indicates the increased costs of no-fault over tort under different threshold structures ($600 or loose vs $2,000 or tight) based on Milliman-Robertson data, state by state, with particular emphasis on replacing general damage losses by economic losses as provided for in S. 354. It does not divide these increases on a per capita basis as does the majority report because: (1) that per capita basis is based on increased number of motorists who will be insured due to compulsory nature of S. 354 which is not pertinent to no-fault vs tort comparison; (2) it assumes that new drivers added are no riskier than current drivers which is clearly not a valid assumption. Evidence in those states where compulsory tort systems have been introduced have experienced premium increases of anywhere from 15–25 percent due to the inclusion of the riskiest drivers.

This chart does not take the $2,500 deduction mandated by S. 354 into consideration. Additionally, it assumes that administrative costs of insurers will remain constant.

In layman's terms, this chart may be interpreted as follows: (1) column 2 sets forth the increase or decrease anticipated in the ratio of no-fault economic loss to total tort costs (from Table D); (2) column 4 sets forth the additional decrease or increase in anticipated general damage recovery outside no-fault under S. 354; and (3) these two figures account for the net cost increase or decrease set forth in column 5.

Actually, all this chart does, vis-a-vis Appendix E, is calculate the additional effect which can be anticipated by eliminating S. 354's $2,500 deduction.

The chart does not add medical payment costs to "Tort System" as M&R's figures do. M&R adds all of medical payment average costs to the Tort System costs.

NOTE.—This chart also corrects an error of transportation of numbers which appeared in the printed version of page 84 of the Judiciary Committee Report.

NATIONAL NO-FAULT MOTOR VEHICLE INSURANCE ACT

The Senate continued with the consideration of the bill (S. 354) to establish a nationwide system to adequate and uniform motor vehicle accident reparation acts and to require no-fault motor vehicle insurance as a condition precedent to using a motor vehicle on public roadways in order to promote and regulate interstate commerce.

Mr. MOSS. Mr. President, as I understand it, Mr. President, the amendment of the Senator from Washington is the pending business at this time.

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. MOSS. It is my understanding Mr. President, that there will be one or more modifying amendments presented to the amendment of the Senator from Washington, which we discussed earlier last week, and have all but completed our discussion on the amendment.

It has been suggested that if we get to a roll call on this amendment, we set a time certain. I withhold any request as to that now, however, until I have had an opportunity to confer further with the ranking minority member of the committee.

Mr. President, several of my colleagues have expressed concern over S. 354, the National No-Fault Motor Vehicle Insurance Act, because they fear that owners of heavy commercial vehicles will experience a substantial savings in their vehicle insurance premiums. They point out that these savings in their vehicle insurance premiums may very well surpass the savings of the ordinary passenger car owner and argue that such a savings constitute a "windfall."

The Senate Commerce Committee was aware of the possibility that owners of heavier commercial vehicles would experience substantial premium savings. Therefore, the committee provided a mechanism whereby a State could provide for the redistribution of the insurance premium burden by allowing the insurers of passenger cars to be reimbursed by the insurers of passenger cars on some basis other than fault—on the basis of weight, for example.

Because some people have argued that loss shifting on the basis of weight would not be adopted by the States and that loss shifting on the basis of fault for heavy commercial vehicles would be more appropriate, I bring to the consideration of my colleagues on the Senate floor the amendment which is now before us.

The amendment would permit reallocation of loss between heavy vehicles—over 8,000 pounds unladen weight—and other vehicles based upon fault if a State decided such reallocation was necessary to prevent a "windfall." This determination of fault would be at the insurer level, and would not affect the ability of the accident victim to recover timely compensation without regard to fault. In order to insure owners of heavy commercial vehicles some advantages under a no-fault system the amendment preserves a no-fault, even at the insurance company level, for the first $5,000 of loss.

This, Mr. President, is the pending amendment, which we have discussed at some length heretofore on the Senate floor. It is my understanding, as I say, that there is a modifying amendment, or perhaps more than one, to be offered, but I do not see in the Chamber the Senator whom I expected to offer that amendment. I therefore, at this point, suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. COOK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. COOK. Mr. President, I send to the desk an amendment to the pending amendment, which I understand is the amendment of the Senator from Washington.

The VICE PRESIDENT. The amendment will be stated.

The legislative clerk read as follows:

On page 2, line 9 of amendment No. 1132, delete "one or more of the motor vehicles involved has an unladen weight in excess of eight thousand pounds" and insert in lieu thereof the following: "one or more of the motor vehicles is of a type other than a private passenger motor vehicle and by designation the State has determined that the owner of such type would receive an unreasonable economic advantage or suffer an unreasonable economic disadvantage in the absence of the grant of such right of reimbursement."

Mr. COOK. Mr. President, this amendment to the amendment of the distinguished chairman of the Committee on Commerce, I believe, is consistent with the goals of the pending amendment, as well as with the principles of minimum standards for no-fault systems and substantial equity among America's drivers.

As drafted, amendment No. 1132 I believe fails to get at the essence of the problem which arises from the complete preclusion of the right of subrogation on the basis of fault. Many have commented, and accurately so, that the bill as reported would provide a substantial windfall to truckers, since their insurers would only have to insure against the damage which a truck might suffer, rather than the damage it might cause. I believe this advantage ought to be corrected, but the amendment of the Senator from Washington is in my opinion, too restrictive, and would only allow subrogation in accidents involving the heaviest vehicles. Therefore, inherent disadvantages would have remained because of the elimination of the right of subrogation against many other classes of vehicles that do more damage than they incur, or suffer more than they cause.

For these reasons, I am offering an amendment to amendment No. 1132, which would allow the States to permit subrogation of claims in excess of $5,000 in accidents involving types of vehicles which the State determines would be inherently favored or discriminated against economically due to the preclusion of this right. This would further the concept of flexibility on the State level, and would allow the States to remove any inequities that might result from the existing blanket prohibition of the right of subrogation.

As a final effect of my amendment, I might mention that this provides an alternative method for the States to deal with the problems of incorporating motorcycles in a no-fault system. As you know, Mr. President, last week the Senate adopted an amendment which would allow a State to exempt motorcycles from the requirements of the Federal bill. I objected strenuously to this amendment, because I felt that motorcycle drivers sustain severe damage, and should not be forced to seek redress in the courts while everyone else would have appropriate first-party coverage. My amendment would give the States the opportunity to include motorcycles in their plans, while helping to ease the premium burden on the small vehicles through the subrogation mechanism. I truly believe that this adaptation will provide a more equitable and reasonable mechanism for balancing the cost burden of no-fault.

Mr. President, our respective staffs have gone over this amendment and we have gone over it. It is my understanding that this will be accepted as an amendment to the pending amendment.

Mr. MOSS. Mr. President, I wish to say something about that, but I am happy to yield first to the Senator from Nebraska (Mr. HRUSKA) who would like to proceed at this point because he must go to a markup.

The VICE PRESIDENT. The Senator from Nebraska is recognized.

Mr. HRUSKA. Mr. President, I rise in support of the amendment proposed by the Senator from Kentucky as a much more suitable approach to the problem at hand. It is not quite as definitive as the original amendment but it will be of great value in getting at the root of the problem.

The root of the problem, and one of the major objections to the bill is the tremendous advantage accorded to truck operators. This windfall to commercial vehicle and fleet operators is very substantial. If there is any question about it, we could refer to page 54 of the Judiciary Committee report and see the details of the size of the windfall which is actually being thrown into the laps and pocketbooks of commercial truck operators.

The form in which the amendment proposed by the Senator from Washington is couched is simple and it is easy to understand. It provides that one rule would apply to trucks under 8,000 pounds unladen weight, and another rule to others. However, we should not be fooled into thinking this is a simplistic matter because it is not. This is a very complicated amendment we are considering today. It is an amendment that undertakes to compose a basic new policy and in the composition of this new policy we find a great many factors to be considered.

The principal amendment proposed here by the Senator from Washington seeks to reduce the size of the windfall that will accrue to large truckers. The effort to reduce the size of that windfall is sought by subrogation of actions at law against insurers of trucks in excess of 8,000 pounds where losses exceed $5,000. The question arises as to whether such an amendment has an impact or will be of any considerable significance to achieve its declared goal. The analysis will show that its impact would be small.

Commercial vehicle and fleet operators will benefit greatly by S. 354 as it is written, and only a very small degree less than that by reason of the proposed main amendment. This benefit to the commercial vehicle and fleet operators will be at the cost of and to the detriment of consumers, namely, the private passenger operators.

During our hearings in the Judiciary Committee, we had a witness from the State of California, the most populous State in the Union, who utilized the State of California as a model. Under the present tort system, about 20 percent of the liability premium is paid by commercial operators, but under no-fault they will pay only about 10 percent after the threshold savings take effect.

Ten percent of the bill which they now pay is a tremendous amount of money. The amount that they will spend will be only $42.9 million out of $724 million paid in California for no-fault benefits under the present schedule.

The no-fault benefits are reduced again by income tax deductions, social security offsets, workmen's compensation, and State disability benefits. The coverage afforded by all those classifications are considered primary coverage, and the protection afforded under S. 354 will be only supplemental. So the load will be transferred from one category of expense on behalf of the consumer to another category.

Furthermore, commercial insurance premiums are deductible for income tax purposes, although this is not permitted in the case of privately owned passenger cars, except for very small exceptions, as in the case of a traveling salesman or in a similar category.

As a result of this tax preference, commercial operators under tort are permitted to deduct about 40 percent, on the average, of their liability premium. Under S. 354, the difference between tort and no-fault premium, after taxes, would amount to $69.8 million in California, according to the record compiled by the source I have identified.

Projected over the whole United States, under S. 354, commercial operators should make a profit, a windfall, Mr. President, in the range of $700 million.

That problem is recognized. That is the reason why the Senator from Washington has proposed an amendment. However, it is clear upon analysis that the amendment will not be meaningful by way of whittling down the $700 million amount appreciably.

It should be made clear that only a small percentage of motor vehicle accidents actually exceed $5,000 in economic loss.

Moreover, the amendment by the Senator from Washington (Mr. MAGNUSON) is very carefully circumscribed. It says that it will not take in all of the trucks, but will be limited only to trucks in excess of 8,000 pounds. When we substract from the small percentage of automobile accidents which result in an economic loss of $5,000 or more, the passenger cars and also the trucks under 8,000 pounds of unladen weight, we find that the impact of the principal amendment is minimal indeed.

According to the Automobile Personal Injury Claims Study conducted by the Department of Transportation in 1969, $5,000 in benefits would cover 84.3 percent of all economic loss suffered by accident victims. That means that at most only 15.7 percent of economic loss sustained in accidents with vehicles over 8,000 pounds would be eligible to subrogation under the Magnuson amendment. This is because the amendment would allow for subrogation of the amount of loss paid in excess of $5,000.

The avowed purpose of the Magnuson amendment is to eliminate the windfall to commercial vehicle operators that is created by the elimination or reduction of subrogation. But the amendment, by application of the over 8,000 pound limitation, effectively eliminates the majority of commercial trucks from the subrogation picture.

By reviewing the material published in the Commercial Car Journal of July 1972, we learn that about 63 percent of all trucks in true commercial use weigh under 8,000 pounds. That means only 37 percent of the trucks on the highways exceed a weight of 8,000 pounds unladen. This does not consider trucks used for personal transportation, or trucks used on farms, or trucks that are so small as to be lighter than cars. Only 37 percent of commercial trucks would trigger the subrogation mechanism under the pending amendment.

Thus, the combined restrictions of 8,000 pounds and $5,000 serve to make the amendment incapable of making even a dent in the windfall to truckers.

Under the amendment, subrogation would take place in only about 37 percent of the accidents involving commercial trucks, and then only for 15.7 percent of the economic loss incurred. This means subrogation of only 6 percent of the losses involving commercial trucks and elimination of only 6 percent of the windfall to truckers.

When we put that windfall benefit in the range of $700 million, that is not much of a concession.

It is for that reason that I speak on behalf of the amendment advanced by the Senator from Kentucky. Its language is more equitable. It will get right at the crux of the matter and put it in the paying column commensurate with the benefits they get and commensurate with the principle of equitable financing of any system of insurance. Certainly, if we are going to have no-fault insurance, it should be included.

It is no secret that this Senator is opposed to Federal no-fault insurance. It belongs in the States in the first place. That is where it should stay. However, this amendment would put this particular aspect of the problem, namely, to get rid of the windfall for truckers, in the hands of each State, and they would be guided by the circumstances, the facts, the statistics, the risks, and the payout of their policies in their own particular State. That makes sense.

It is my hope that the amendment of the Senator from Kentucky will be approved.

The PRESIDING OFFICER (Mr. HASKELL). The Senator from Utah is recognized.

Mr. MOSS. Mr. President, I have listened to the remarks of the Senator from Nebraska concerning what he considers to be the unfairness of using the designation of 8,000 unladened. Although I do not agree fully with him on that point, I do agree with his ultimate conclusion that the amendment of the Senator from Kentucky makes it even more clear and fully flexible to the State by giving an expanded definition of motor vehicle that may be excluded from the requirements that are placed on those who drive private passenger motor vehicles under the bill we are considering.

It is the unfairness of the interinsurer subrogation that the committee has been very much concerned about.

There are not many people who have analyzed and understand the interinsurer subrogation.

THE UNFAIRNESS OF INTERINSURER SUBROGATION

What is "interinsurer subrogation?" It is the process whereby fault determinations are removed from the consumer level but preserved at the insurance company level. If A and B are involved in an auto accident, A's insurance company pays A without regard to fault and B's insurance company pays B. Then A's insurance company and B's insurance company determine whether A or B was at fault. If A was a fault, A's insurance company pays B's insurance company an amount equal to what B's insurance company paid B, and conversely.

Why is "interinsurer subrogation" unfair? The cost of insurance is distributed in such a way as to cause good low-income drivers to subsidize good high-income drivers. The low-income person or retired person pays more for insurance than is fair considering what each is entitled to receive.

NO-FAULT WITH INTERINSURER SUBROGATION

Good driver A who earns $60,000. Good driver B who earns $5,000. Both are good drivers who live in the same territory, drive similar cars similar distances. Both pay the same for their insurance because cost based upon average loss of average person in community, for example, $15,000.

But if both are insured and lose 1 year of wages, Driver A receives $60,000 and driver B receives only $5,000.

Driver B has subsidized driver A because both have paid the same for their insurance—both have contributed equally to the insurance pool—but driver A receives a far greater amount from that pool if he is injured.

No-fault with interinsurer subrogation would be like life insurance where two healthy people the same age paid the same for a life insurance policy but A received $60,000 worth of protection and B received only $5,000 premium worth of protection.

NO-FAULT WITHOUT INTERINSURER SUBROGATION DOES NOT MEAN THAT THE GOOD DRIVER PAYS FOR THE LOSSES OF THE BAD DRIVER

The good drivers' rates will be lower than the bad drivers' rates under a no-fault plan which prohibits interinsurer subrogation.

Rates would be based on such factors as: First, territory; second, miles driven; third, amount of loss likely to be sustained; and fourth, likelihood of sustaining loss.

A high-income driver would have a relatively high loss likely to be sustained but a low likelihood of sustaining such loss—because he is a good driver.

A low-income bad driver would have a relatively low loss likely to be sustained but a high likelihood of sustaining loss.

Thus, the low-income bad driver would have to pay more for his insurance than the high-income good driver—but the low-income good driver would pay less than the high-income good driver.

An analogy illustrates this principle. Suppose fire insurance is purchased for a $50,000 home and a $15,000 home. All else being equal, the $50,000 howeowner would pay more for the fire insurance. But suppose the $50,000 home is brick, and located in the suburbs a block from a fire station and suppose the $15,000 house is of a frame construction and located in the inner city where fire protection is spotty. It would not be unreasonable to assume that given the above suppositions the $15,000 homeowner would pay more for his fire insurance than the $50,000 homeowner, assuming the fire insurance was even available.

That is the reason why this is excluded from the amendment offered by the Senator from Washington (Mr. MAGNUSON).

The amendment of the Senator from Kentucky permits the States to exclude from this provision vehicles of a type other than a private passenger motor vehicle, and by designation the State has determined that the owner of such type then receives an unreasonable economic advantage or suffers an unreasonable economic disadvantage in the absence of a grant of such right for such reimbursement.

I think such flexibility should be granted to the State. I think general interinsurer subrogation is bad. But if it is selectively applied for the specific purpose on which the State makes a finding, I think it is appropriate.

I therefore approve the amendment, and as far as the managers of the bill are concerned, we are willing to accept the amendment of the Senator from Kentucky.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kentucky to the amendment of the Senator from Washington.

Mr. COOK. Mr. President, I thank the manager of the bill and the chairman of the Commerce Committee. I think that by this amendment we now have a better and more effective way in which to move. I hope that we may have an opportunity to discuss this proposal with our colleagues before we have a final vote on the Magnuson amendment, as amended, at, I believe, about 3 o'clock.

Mr. MOSS. That is the expectation of the manager of the bill. If a rollcall vote is called for—which has not yet been done—it would come somewhere near 3 o'clock.

Mr. COOK. Mr. President, I move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kentucky to the amendment of the Senator from Washington.

The amendment was agreed to.

Mr. MAGNUSON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MOSS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the amendment of the Senator from Washington, as amended.

Mr. MOSS. Mr. President, I have some comments to make that really go to the amendment and to the bill as a whole. In view of the understanding that we will not finally dispose of the amendment until 3 o'clock, I propose to make some of those remarks now. In the meantime, if a Senator comes to the Chamber with an amendment, we will try to arrange it so that he can call up his amendment. We are trying to move the bill along at an appropriate pace so that we can dispose of it in a logical fashion by the time set in the unanimous consent agreement for a vote on final passage at 3 o'clock, as I recall, this coming Wednesday.

Mr. President, it has often been said that the bill before us is not entirely fair to all of our citizens. I think that this is a misunderstanding. And I think it is particularly of value that we have no fault insurance so far as our elderly senior citizens are concerned.

SENIOR CITIZENS NEED NO-FAULT

Opponents of S. 354 have asserted that the National No-Fault Motor Vehicle Insurance Act discriminates against retired persons, and because of the complexity of the subject some well-meaning people have been misled into believing this canard.

S. 354 would provide the retired person and the senior citizen a real break. It may be one of the most important pieces of legislation for the economic well-being of the aged to be developed in this Congress.

The reason why the bill is so advantageous is because it will reduce insurance premiums for the average retired person by a tremendous amount. Today, the senior citizen must buy automobile liability insurance and the premium for that insurance is determined on the basis of the average medical costs and wage loss of the average person in the community. Since the average person has, by definition, higher wage loss potential than a retired person, and since the average person will be forced to incur higher medical expenses than a person who is entitled to medicare benefits, it follows that the senior citizen is today forced to pay out a lot more for automobile insurance than he can ever get back in the form of benefits. For the population generally, according to the DOT study, only about 44 cents comes back as benefits for every $1 paid in as premiums. The senior citizens of America are not getting back even 44 cents out of the premium dollars they can so ill afford to waste.

Under S. 354, the retired person would merely be required to pay a premium based upon the amount of loss he personally—or members of his immediate household—would incur in the event of an accident. Because he has no wage loss, and because a large portion of his medical expense would be covered by medicare, his loss exposure would be very small. Therefore, his automobile insurance costs would be substantially less than those under the present automobile insurance system.

Let me respond to the allegations that have been made to the effect that S. 354 is bad legislation for the elderly:

Opponents argue that millions of retired persons in States which they have already enacted some kind of no-fault program will be required to pay more for their automobile insurance. That argument is incorrect. Most of those States have eliminated fault determinations at the consumer level but permit fault determinations at the insurance company level. As a result, the rates for retired persons are established on the basis of the loss of the average person in the community. In other words, the retired person whose losses would be minimum is required to subsidize his more affluent neighbor. This, of course, is not the case under S. 354 where subrogation between insurance companies is not permitted.

Opponents also allege that private passenger automobile owners will subsidize the losses caused by commercial vehicles. This is not the case. Under S. 354 the State is given the option as to whether or not to provide adjustments between commercial vehicle rates and private passenger automobile rates by establishing loss shifting on the basis of weight, for example. An amendment will be offered to permit this kind of reimbursement on a fault basis.

There is no discrimination between retired persons and other persons with respect to the prohibition against bringing lawsuits for noneconomic detriment or the deductible on any recoveries for noneconomic detriment when lawsuits are permitted under the bill. The purpose of the deductible is to insure that even those injuries described as serious are, in fact, serious enough to produce losses in excess of $2,500.

It should be pointed out that actuarial studies by the independent firm of Milliman & Robertson, Inc., have disclosed that the costs would go up substantially if the prohibition against lawsuits in S. 354 were modified in any substantial way. This increase in premiums would be particularly detrimental to a retired person on fixed income.

In sum, S. 354 is extremely beneficial to retired persons. This explains why the American Association of Retired Persons have been so vigorous in their support of the bill.

"NO-FAULT DISCRIMINATES AGAINST THE POOR" RESPONSE

Mr. President, it has also been alleged that the no-fault bill discriminates against poor people. A persistent effort has been made during the years that this bill and its predecessors have been pending in the Senate to label no-fault insurance as discriminatory against the poor. This is just not so. It is most emphatically not true as to S. 354 as favorably reported by both the Committee on Commerce and the Committee on the Judiciary.

S. 354 insures, as a national standard, that automobile insurance will be available—

> To any economically disadvantaged individual, at rates as determined by the State, which shall not be so great as to deny such individual access to insurance which it is necessary for him to have in order to earn income and to be or remain gainfully employed" (Sec. 105(a)(5)).

Opponents apparently have told poor people who are currently driving without insurance that, because S. 354 requires every owner of a motor vehicle, as a national standard, to buy insurance, the effect of enactment will be to force them to choose between giving up the right to drive or driving illegally. The assertion is false in view of the provision requiring the plan—which each State must establish and implement or approve and supervise—to make no-fault coverages available at a rate which they can afford. Any other policy would be shortsighted; to take away an automobile needed for employment because of inability to pay insurance premiums would just increase the welfare rolls and that is certainly not the intention of either of the committees that have reported favorably this legislation.

Automobile insurance is not available on this basis under the present system. It can be very hard under the present system for a person with a low income or who belongs to a minority group to obtain automobile insurance coverage, and when he does, it is often after payment of a terrific surcharge in addition to the regular premium. People in lower economic strata are far more apt to have their auto insurance policies, once issued, canceled or not renewed than are people in more fortunate economic strata. The behavior of the marketplace under the present system does discriminate against the poor, by forcing them too often to choose between driving without insurance coverage or to use their limited resources to obtain coverage at astronomically high rates from the State assigned risk fund. S. 354 is designed to eliminate such abuses. The bill has a tough provision prohibiting most cancellation, refusal to renew, or other termination except for nonpayment or loss of license, section 105(b).

RESPONSE TO ARGUMENT THAT S. 354 BENEFIT LEVELS ARE TOO HIGH

In addition, Mr. President, there is the criticism that S. 354 benefits are too high. I should like to address myself to that for a moment.

MINIMUM BENEFIT LEVELS REQUIRED BY S. 354

S. 354 requires a State enacting a no-fault plan in compliance with minimum Federal standards to provide that each owner of a motor vehicle purchase an insurance policy—or provide proof of self-insurance—which provides protection against all medical and rehabilitation losses, per-month wage loss up to at least $15,000, and replacement services and survivors' losses up to limits which the State determines to be reasonable.

THE MINIMUM BENEFIT LEVELS REQUIRED BY S. 354 ARE REASONABLE

Opponents of S. 354 argue that the benefit levels required in S. 354 are unreasonably high because they exceed those established in some existing State no-fault plans and because they reason that some States should be free to set low levels of benefits if they so choose.

There are several responses to these contentions.

COVERAGE OF SERIOUSLY INJURED NECESSARY

A principal criticism of the present liability-based automobile insurance system is that it does not provide adequate compensation for the seriously injured automobile accident victim, whether or not that victim has a valid lawsuit. The Department of Transportation study of the present automobile compensation system disclosed that an automobile accident victim sustaining economic loss in excess of $25,000 recovered from all sources of compensation on average 30 percent of his loss, if he had a valid lawsuit, and 30 percent of his loss if he had no lawsuit. While a plan of no-fault automobile insurance reform providing first party benefits and restricting lawsuits represents an improvement over the present liability-based automobile insurance system, it does not correct a major deficiency of the present system unless the no-fault benefit levels are high enough to take care of most seriously injured automobile accident victims. The benefit levels prescribed for State no-fault automobile insurance reform plans in S. 354 would take care of the seriously injured automobile accident victim. Each and every automobile accident victim would be fully compensated for his medical and rehabilitation expenses. Supporters of S. 354 are in agreement with the governments of Michigan and New Jersey, which provide for unlimited medical and rehabilitation coverage for their citizens involved in automobile accidents. As Commissioner James J. Sheeran of New Jersey recently explained in a letter to Senator CASE:

> The New Jersey no-fault statute was the first to provide for unlimited medical expense coverage. This action was not taken lightly. The automobile study commission established by the governor and the legislature had available actuarial advice from which it concluded that the difference between a limited medical expense coverage and one without limitation would not have a significant effect upon the overall cost of the no-fault insurance coverage. It was the legislature's decision that the minute increase in cost overall that may result from a few accidents requiring substantial medical expense would not justify depriving the few unfortunates suffering unusually severe injuries of full availability of necessary medical and rehabilitation services.

It is reasonable to provide as a minimum Federal standard the requirement that all States provide unlimited medical and rehabilitation coverage. Commissioner Sheeran has cogently stated why it makes sense to establish this as a minimum Federal standard. Who, after all, would argue that the first $1,000 of a person's medical cost should be compensated under a national health insurance plan, while a catastrophic loss is left uncompensated?

Furthermore, a comprehensive rehabilitation program not only can restore the automobile accident victim to a useful and productive life, it can produce overall cost savings for the automobile insurance system. By restoring the automobile accident victim in as short a time as possible, less dollars have to be paid for wage loss or replacement services loss.

A comprehensive medical protection program which fully pays for modern emergency medical services can also have a beneficial impact upon the Nation's death rate. A recent study of highway fatalities in rural Vermont found that:

> 23 percent . . . died of probably survivable injuries due to problems throughout the emergency care system,

And that—

> Almost half of those who were taken from the scene of the accident alive but died afterwards died of injuries that were either definitely or possibly survivable. (See Senate Commerce Committee Report on S. 354, as reprinted in the Senate Judiciary Committee's Report on S. 354, at page 112).

The minimum required wage loss protection of $15,000 represents the average wage loss of those most seriously injured automobile accident victims. Thus, wage loss protection of $15,000 would assure that approximately 98 or 99 percent of all wage loss resulting from automobile accidents would be compensated. In addition, $15,000 of wage loss protection would insure families of seriously injured automobile accident victims that they would not have to go on welfare or sell their homes. Nor would the low-income automobile accident victim who has sustained severe injuries be forced to settle low with the insurance company or the negligent driver who had caused him noneconomic detriment for which a lawsuit could be brought under S. 354.

An analysis of the average level of medical and rehabilitation expense and wage loss protection provided in existing State no-fault plans discloses that S. 354 is not substantially out of line with such averages. The average medical expense protection for the 14 State no-fault plans is $23,714. The average wage loss protection is $9,314. These figures were calculated by adding up the medical and rehabilitation expense protection of each of the plans, and dividing by 14. It was assumed that the unlimited medical and rehabilitation plans of New Jersey and Michigan had actual values of $100,000. Where a State no-fault plan lumped together recovery for wage loss and medical expense protection, the medical expense protection was calculated to be one-half of the total protection. The wage loss calculations were made in an identical fashion.

Therefore, it appears that the unlimited medical and rehabilitation expense recovery is not only justified but actually is economic and will have an advantageous effect on citizens who drive motor vehicles on the highways of this country and that overall there will be savings in premiums and no undue cost.

Mr. President, although I have more, I would hope that perhaps there might be other Senators who would come in with amendments and I therefore suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HELMS). The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MOSS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOSS. Mr. President, my understanding now is, from discussion with Senators who have generally been in opposition to the bill, that there is no objection now to the amendment before us as it was amended by the Senator from Kentucky. Therefore, at this point, I move adoption of the Magnuson amendment as amended.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. MOSS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MOSS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOSS. Mr. President, I send to the desk an amendment, and I ask that the amendment be printed. It is offered on behalf of myself and the Senator from Washington. I am not positive that I will call up this amendment tomorrow, but I do want it at least available on the desk for Senators, for consideration when we discuss this bill further. That is my reason for offering the amendment today. I will not call it up today.

The PRESIDING OFFICER. The amendment will be received and printed and will lie on the table.

Mr. MOSS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PENDING BUSINESS (S. 354) LAID ASIDE TEMPORARILY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that under the agreement previously reached last week, the pending business be laid aside temporarily.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION OF APPROPRIATIONS UNDER THE INTERNATIONAL ECONOMIC POLICY ACT OF 1972

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar No. 746, S. 2986, and that it be laid before the Senate.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

S. 2986, a bill to authorize appropriations for carrying out the provisions of the International Economic Policy Act of 1972, as amended.

The PRESIDING OFFICER. Under the previous order, the Senate will proceed to the immediate consideration of the bill.

The Senate proceeded to consider the bill which had been reported from the Committee on Banking, Housing and Urban Affairs with an amendment to strike out all after the enacting clause and insert:

That section 210 of the International Economic Policy Act of 1972 is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 210. For the purpose of carrying out the provisions of this title, there are authorized to be appropriated not to exceed $1,581,000 for the fiscal year ending June 30, 1975, and not to exceed $1,750,000 for the fiscal year ending June 30, 1976.".

Mr. MANSFIELD. Mr. President, it is my understanding that Senators MUSKIE, STEVENSON, and JOHNSTON will be ready to initiate debate on the pending legislation at the hour of 3 o'clock; that an amendment will be offered; but, if my memory serves me correctly, there will be no vote on that amendment today. So I assume we could consider the rest of the afternoon to be educational in outlook.

RECESS UNTIL 3 P.M.

Mr. MANSFIELD. Mr. President, therefore, I ask unanimous consent that the Senate stand in recess until 3 p.m., and at that time the Senator from Maine (Mr. MUSKIE) or I be recognized.

The PRESIDING OFFICER. Without objection, it is so ordered.

Thereupon, at 2:27 p.m., the Senate took a recess until 3 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. HELMS).

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills:

H.R. 9492. An act to amend the Wild and Scenic Rivers Act by designating the Chattooga River, North Carolina, South Carolina, and Georgia as a component of the National Wild and Scenic Rivers System, and for other purposes; and

S. 2771. An act to amend chapter 5 of title 37, United States Code, to revise the special pay bonus structure relating to members of the armed forces, and for other purposes.

The enrolled bills were subsequently signed by the Acting President pro tempore (Mr. ABOUREZK).

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 11793) to reorganize and consolidate certain functions of the Federal Government in a new Federal Energy Administration in order to promote more efficient management of such functions.

AUTHORIZATION OF APPROPRIATIONS UNDER THE INTERNATIONAL ECONOMIC POLICY ACT OF 1972

The Senate continued with the consideration of the bill (S. 2986) *to authorize* appropriations for carrying out the provisions of the International Economic Policy Act of 1972, as amended.

HEALTH CARE AND STANDBY WAGE-PRICE CONTROLS

Mr. MANSFIELD. Mr. President, pending the arrival of the distinguished Senator from Illinois (Mr. STEVENSON) who will manage the bill which is now before the Senate because it comes out of the Committee on Banking, Housing and Urban Affairs, I should like to make a few observations and, if I may, direct some questions to the distinguished Senator from Louisiana (Mr. JOHNSTON) relative to the health care program and its application.

First, let me say, to put the economic picture starkly and bleakly, the dollar overseas is down and down to its lowest point since last November.

Our trade balance is down.

The stock market is down.

The gross national product is down—around 5 percent or a little bit more.

Unemployment is down, from 5.2 to 5.1 percent, but that is a good sign.

Productivity is down by 5.5 percent.

Interest rates are up. The prime rate now in a number of banks stands at 11 percent.

Inflation, from March 1973 to March 1974, amounted to 10.5 percent. For the first 3 months of this year, January, February, and March, the inflationary figure is 14.5 percent—and going up.

These facts indicate the position in

which the United States economy finds itself at the moment.

Mr. President, I think that will serve as an introduction to the question which I am about to propound to the distinguished Senator from Louisiana. It has to do with health care and wage and price control. As a sponsor of the Muskie-Stevenson-Johnston amendment, which is designed to place wage and price controls on a standby basis, I should like to take this opportunity to clarify the situation which is of great concern to many of my constituents in Montana and others throughout the Nation—a concern regarding the status of health care.

Hospitals and nursing homes are deeply concerned that many administrative regulations and legislative action continuing controls over the health care industry but, at the same time, decontrolling many other aspects of our economy, will have a serious and economically disastrous effect.

Many of these institutions are finding it extremely difficult to operate when they are forced to accept increases in the cost of supplies, drugs, equipment, and salaries, but they are not permitted to pass directly these increases in their patients' charges. Under any reasonable system, there is just no way that this can go on too long without many of the facilities going into bankruptcy or shutting down entirely.

I also understand the general philosophy behind health-care cost increases. This is an area in which the consumer has little choice.

It is my understanding that as of midnight on Tuesday, April 30, all controls will be taken off health care and other economic areas in the same category at the present time. Is that a correct statement?

Mr. JOHNSTON. That is correct.

Mr. MANSFIELD. It is my further understanding that the legislation now being considered would apply only to those sectors of the economy that the President and the appropriate agency would decide should be controlled. Is that correct?

Mr. JOHNSTON. Well, it goes a little further than that, in that it relates only to those sectors of the economy in which there is serious inflation and in those sectors in which that serious inflation produces serious hardship or serious deprivation and in which the imposition of controls would not produce an untoward lessening in supply.

Mr. MANSFIELD. The basis, then, on which the President and/or the agency could act would be for reasons of:

First, severe inflation in the economy as a whole, in a particular sector of the economy. Furthermore, these standards would apply to all sectors of the economy and the President and/or the appropriate agency would have to make an affirmative decision before it could go into effect;

Second, serious inflation in an economic sector which, in the absence of controls, would lead to severe hardship or deprivation; and

Third, that the need for controls to moderate that hardship or deprivation outweighs the possible adverse supply consequences of controls.

That is the basis, then, on which the President and/or the agency so designated to carry out the elements of this act, if it becomes law, would be guided by?

Mr. JOHNSTON. That is correct.

Mr. MANSFIELD. I have usually supported wage and price controls for all, if it was deemed necessary, but I believe we must cautiously approach selective controls. Any counsel that the distinguished Senator or members of the Banking Committee might offer the administrators of the hospitals and nursing homes would be most appreciated. I think the first thing we could say is that along with the rest of this act, controls will be taken off the public health sector tomorrow at midnight.

Mr. JOHNSTON. That is correct. I would further say to the distinguished majority leader with respect to health care, that the triggering tests for controls do not involve anticipatory inflation. In other words, the test requires that there be serious inflation in the economy as a whole, that there be actual serious inflation in the particular sector involved. The fact that inflation may occur at some point in the future is not sufficient unto this bill to trigger the controls. The testimony we heard in the Subcommittee on Production and Stabilization, at least from the people in the health-care industry, indicated there was not now that kind of inflation in the health-care industry.

What the administration stated was that it feared inflation would result from the removal of controls. So I would say to the distinguished majority leader that anticipated inflation is not sufficient to meet the test. It must be actual inflation.

I would also say with respect to health care that they are treated alike with all the other sectors of the economy. We are not singling out health care as did the bill the administration initially introduced.

With respect to cost passthrough, I would simply point out that controls, first of all must be daily administered under section 205 of the bill. A provision which improperly or unreasonably would not permit cost passthrough would be inequitable and unreasonable.

Second, the bill requires that the effect on supply would be taken into consideration by the President and that any regulations which unduly restrict supply are not to be implemented by the President.

Mr. MANSFIELD. I thank the distinguished Senator from Louisiana. I feel that this will give encouragement to the health-care area. It is understood that there will be no special or selective consideration given to the health-care area and that it will be treated on the same basis as other economic areas and segments of the economy and that all controls will expire, unless something is done, at midnight, April 30, 1974.

Mr. JOHNSTON. That is correct.

Mr. MANSFIELD. I thank the Senator and apologize to the Senator from Illinois (Mr. STEVENSON) for bringing up this question at this time.

Mr. HUDDLESTON. Mr. President, to reiterate what the distinguished majority leader has just pointed out, controls still exist on medical services, including hospitals and nursing homes. The health care industry has for some months been caught in a squeeze because of these price controls, which will expire at midnight tomorrow. And, that expiration will enable all segments of the economy to be treated equally.

Would not the pending bill, however, authorize the President to discretionarily reimpose such controls for a period of 30 days after enactment as he so desires?

Mr. JOHNSTON. That provision has been taken out of the bill.

Mr. HUDDLESTON. It has been deleted?

Mr. JOHNSTON. Because of the concern of the Senator from Kentucky and the distinguished majority leader relative to this 30-day provision, that has been taken out of the amendment that Senators MUSKIE, STEVENSON, and I will shortly introduce. No controls may be imposed in any sector unless findings are made with respect to that sector.

Mr. HUDDLESTON. As to the question of findings, there is some language in the amendment to be introduced which may lead to different interpretations. I refer to that language which calls for a determination as to whether serious inflation exists or if serious hardship might prevail. What is the description that the Senator would attach to the term serious inflation?

Mr. JOHNSTON. We gave a great deal of thought to the question of definition, as to how far to go. On the one hand, we were tempted to put in some guidelines, some percentages of inflation or other concrete figures. But as we analyzed it, we realized that profit percentages, for example, in the food retailing industry are traditionally very small, so that a 3-percent profit in retail food is a big profit; whereas, a per unit profit of 25 percent in furniture is not considered to be a high profit. So it was very difficult—in fact, we thought impossible—to come out with any meaningful concrete guidelines stated in numerical figures. We thought the best we could do was to make very strong tests—serious inflation, serious hardship, serious deprivation—and leave it to the President, within the guidelines, to exercise that discretion.

I might say in that respect that it is very much like the Export Administration Act, which has the same kind of generalized language but has always been strictly construed by the administration.

There is always, of course. the chance that the law may not be obeyed. But we think that the meaning of serious inflation, serious hardship, and serious deprivation is sufficiently clear and sufficiently strong so as to be a real deterrent to the promiscuous use of the authority under this bill.

Mr. BROCK. Mr. President, will the Senator yield for a question?

Mr. JOHNSTON. I yield.

Mr. BROCK. I wonder whether the Senator from Louisiana would not be the first to admit that with the language in his amendment, and given the statement of the administration, the statement of the Cost of Living Council Director, Mr. Dunlop, as to the existence of serious inflation and the existence of the serious impact on people of the health care industry, there should be no question in the Senator's mind that if his amendment is adopted, wage and price controls would be continued on that profession. I think that is the real answer to the question the Senator is seeking.

Mr. JOHNSTON. I have an answer to that; but in deference to the Senator from Illinois, who must catch a plane and get to New York, if we may have the pending measure submitted and then have a short statement on it, I will then address myself to that question.

THE NEED TO CONTINUE STANDBY CONTROLS

Mr. ROBERT C. BYRD. Mr. President, the authority giving the President broad standby powers to control wages and prices will expire at midnight, April 30. In recent weeks the Congress has been bombarded with requests that this authority be allowed to expire. Given the precarious state of our economy today, I strongly believe that this is one time that the Congress should take an action which may not be an altogether popular one. In my view, we have no alternative but to continue to give the President the standby powers he may need in combating the double digit rise in prices we are experiencing today. In essence, this means that we should take immediate action to extend the Economic Stabilization Act of 1970, as amended, for at least 6 months or perhaps through the remainder of this year.

My position is based on two matters of concern which I have not been able to resolve to my satisfaction.

First, the so-called consensus forecast for 1974 calls for a continuing sharp rise in prices for the first two quarters of this year, and a considerable moderation in price pressures during the second half of the year. This forecast is based largely on the hope that the prices of food and petroleum will cease to rise sharply in the second half of 1974. So far we have no concrete evidence that this will be the likely outcome. And based on the record of 1973, it is clear that we can place little faith in consensus forecasts when it comes to projecting the outlook for prices.

In early 1973 both Government and private forecasters, you will recall, were generally agreed that prices measured by the GNP price deflator—the broadest measure of price movements in the economy—would increase by about 3 percent in 1973. The evidence shows that none of these forecasters came close to anticipating what actually happened. The GNP deflator actually increased by 5.3 percent. And for the first quarter of 1974, we have just learned the unhappy news that the deflator rose by an annual rate of 10.8 percent, seasonally adjusted, which marks the most inflationary rise in the general level of prices in over two decades.

Moreover, we must take into account the fact that this sharp rise in prices was accompanied by a 5.8-percent drop in the Nation's real output—the sharpest decline since the 9.2-percent plunge recorded in the first quarter of 1958, a recession year. Thus, could it be then that our economy is in the process of entering another period of "stagflation" similar to that experienced during 1970 when prices continued to rise sharply despite growing slack in the economy and rising unemployment? Right now it appears that this could be the case.

So given the experience of the past year and the uncertain outlook for the balance of 1974, I have come to the conclusion that April 30 is not the appropriate time to allow standby control authority to lapse.

Second, given the very distinct possibility of an appreciable surge in prices after April 30 if controls are lifted completely from the economy—with the exception of petroleum—it should be readily apparent that decontrol should be gradual rather than sudden. On February 6 of this year, Director John Dunlop of the Cost of Living Council outlined in considerable detail the council's plans for decontrol. In an attempt to spread out and reduce the expected bulge in wages and prices after April 30—the administration's target date for decontrol of most sectors of the economy, except for petroleum, health care and construction—the council has been in the process of decontrolling most industries in exchange for certain inflation reducing commitments which would remain in force for a period following the termination of mandatory controls. Basically, these commitments have included:

Price restraint by companies, for as long as 6 months.

Pledges of production increases, if possible, through reactivation of marginal or discontinued operations, as well as commitments for capital expansion, with regular reports on expansion filed to the council.

Diversion of supply from foreign to domestic markets.

Procedures to encourage greater labor-management cooperation concerning common economic and industrial relations problems.

Provision for better industry statistics, with greater disclosure of information in order to monitor agreements as well as improve the overall government data base for economic analysis.

Consequently, if the Congress should allow the controls authority to expire on April 30, these decontrol commitments will immediately become null and void, thereby canceling out the effects of the painstaking efforts taken by the Council to provide for an orderly transition from mandatory economic controls. To me this course of action would be irresponsible. Instead, despite the unpopularity of the controls issue, the Congress should "bite the bullet" and take immediate action designed to give the President the appropriate powers needed to: First, effectively monitor all decontrol commitments; second, continue controls on certain sectors of the economy after April 30; and, third, reapply mandatory controls, if necessary, on those sectors that fail to live up to their decontrol commitments.

Mr. President, in making these observations, I do not wish to convey the impression that I am a fan of controls. I am a firm believer in the free enterprise system. Under normal conditions wages and prices should be governed by the discipline of free market forces. However, it should be abundantly clear that the economy is not today operating under normal circumstances. I am concerned about the uncertain outlook for prices for the balance of this year. I am also equally concerned about the prospect for a tremendous surge in prices, if wage and price controls are terminated by Congress on April 30. We are well along in the process of decontrolling the economy. However, this process cannot be effectively completed if we in Congress simply walk away from the controls issue on April 30.

In my judgment, standby authority should be extended now, so that the "club in the closest" will be available for the President to use it to protect middle- and low-income wage earners, retirees, social security annuitants, and persons living on small fixed incomes. Whether the President would use the "club," would be his decision based on circumstances we cannot foresee at the moment. But at least, it would be available to him.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. STEVENSON. Mr. President, what is the pending business?

The PRESIDING OFFICER. S. 2986.

Mr. STEVENSON. I yield to the Senator from Oregon.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that my legislative assistant, Ed Kemp, be allowed the privilege of the floor during the consideration of this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENSON. Mr. President, I yield to the Senator from Wyoming.

Mr. HANSEN. Mr. President, I ask unanimous consent that my assistant, Thomas Carter, be allowed the privilege of the floor during the consideration of this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENSON. I yield to the Senator from Tennessee.

Mr. BROCK. Mr. President, I ask unanimous consent that the following three members of the minority staff of the Committee on Banking, Housing and Urban Affairs be allowed the privilege of the floor during the debate on this bill: Howard Beasley, Thomas Cluff, and Patten Alshire.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENSON. I yield to the Senator from Louisiana.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that Stanley Marcuss, Jack Weiss, and Reid Feldman be allowed the privilege of the floor during the consideration of this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENSON. Mr. President, S. 2986 authorizing appropriations for the Council on International Economic Policy—CIEP—for the next 2 fiscal years. The current authorization expires on June 30 of this year.

As reported by the Banking Committee, S. 2986 would authorize $1.58 million for fiscal 1975 and $1.750 million for fiscal 1976. These levels are up from the $1 million authorized for fiscal year 1973 and $1.376 million for fiscal 1974, but down from CIEP's projected expenditure of $1.8 million for fiscal year 1975.

S. 2986 as introduced would have authorized appropriation of "such sums as may be necessary" until expiration of the International Economic Policy Act of 1972. Under current law, that act does not expire until June 30, 1977. Therefore, as introduced, S. 2986 would have granted unlimited authorization for the next 3 years beyond that if the act was extended.

Hearings on S. 2986 were held in the subcommittee on International Finance in March of this year. At that time, particular attention was given to the contents of its annual report and to the CIEP plays in formulating and coordinating U.S. international economic policy.

After considering all the factors the committee concluded that there was no justification for unlimited authorizations and that to grant them would deprive Congress of its legislative oversight responsibilities.

CIEP is a new organization. It was established by Executive order in 1971 and was not given a statutory base until less than 2 years ago. Last year, a major change occurred in its anticipated functions with the transfer of responsibility for trade negotiations to the Office of the Special Trade Representative.

The role which CIEP plays in any administration will vary. It will depend on such factors as the nature and importance of the issues confronting the Nation and the power and personalities of the individuals charged with responsibility for dealing with them.

CIEP is composed of executive branch officers at the highest level. They include the President, the Secretary of State, the Secretary of the Treasury, the Secretary of Agriculture, the Secretary of Defense, the Secretary of Commerce, the Secretary of Labor, the Director of the Office of Management and Budget, the Chairman of the Council of Economic Advisers, and the Special Representative for Trade Negotiations. With a membership composed of such officials, CIEP's importance, the role it plays, the influence it exercises, and, hence, the amount of staff and other resources it needs will depend on the importance the President assigns to it and the extent to which officers of the executive branch choose, or are directed, to invoke its coordinating mechanism. This will vary from time to time.

It is, therefore, incumbent on the Congress, through its legislative committee, to continue the exercise of its oversight responsibilities on a regular and systematic basis. For this reason, the committee rejected unlimited authorizations of unlimited duration.

As to the amount authorized, the committee believes that $1.581 million for fiscal year 1975 and $1.750 million for fiscal year 1976 are adequate to permit CIEP to continue its work, fulfill the responsibilities contemplated for it by the Congress, and meet increased expenditure requirements necessitated by law and increased costs. The committee does not believe that additional staff and consultants are needed for this purpose. It, therefore, does not intend the increase over last year's $1 million level to be used for additional professional staff or personnel during the next fiscal year but due instead for projected increases in operating expenses for such items as rent to the General Services Administration, printing, supplies, equipment, and other services. The sum authorized is adequate for these purposes. It will be time enough when CIEP is again before the Congress to determine if its responsibilities justify an expansion in staff.

Mr. President, the Council on International Economic Policy is intended to serve an important and useful function. S. 2986 as reported to the Senate by the Banking Committee will permit it to do so. It will also preserve Congress oversight and review responsibility while insuring CIEP adequate resources.

AMENDMENT NO. 1229

Mr. MUSKIE. Mr. President, pursuant to the discussions and negotiations that have taken place during the last few days, at this point I send an amendment to the desk on behalf of myself, Senator STEVENSON, and Senator JOHNSTON.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. MUSKIE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with, and that it be printed in the RECORD, together with a fact sheet.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment and fact sheet will be printed in the RECORD.

The amendment is as follows:

At the end of the bill, add the following:

TITLE II: COST OF LIVING ACT OF 1974

SEC. 201. This title may be cited as the "Cost of Living Act of 1974".

FINDINGS AND PURPOSES

SEC. 202. It is hereby determined that inflation poses a danger to the economic well-being of the Nation, and that in order to constrain domestic inflation, the Federal Government should have a continuing concern with the rate of inflation, supply, industrial capacity and means of increasing productivity. To contribute to the moderation of inflation, it is the purpose of this title to authorize the President to monitor public and private economic activity, and stabilize prices, rents, wages, salaries, dividends, and interest while providing for the orderly termination of economic stabilization controls and enforcement of decontrol commitments.

PRESIDENTIAL MONITORING AUTHORITY

SEC. 203. To carry out the purposes of this title, the President shall—

(1) review the programs and activities of Federal departments and agencies and the private sector which may have adverse effects on supply and cause increases in prices and make recommendations for changes in such programs and activities to increase supply and restrain prices;

(2) review industrial capacity, demand, and supply in various sectors of the economy, working with the industrial groups concerned and appropriate governmental agencies to encourage price restraint;

(3) improve wage and price data bases for the various sectors of the economy to improve collective bargaining and encourage price restraint;

(4) conduct public hearings when appropriate to provide for public scrutiny of inflationary problems in various sectors of the economy;

(5) focus attention on the need to increase productivity in both the public and private sectors of the economy;

(6) monitor the economy as a whole, including such matters as wages, costs, productivity, prices, sales, profits, imports, and exports; and

(7) conduct a continuing review of the effect of economic concentration and anticompetitive practices on price and wage inflation and recommend legislation and other appropriate action to reduce the impact of such concentration or practices on inflation.

ENFORCEMENT OF DECONTROL COMMITMENTS

SEC. 204. Notwithstanding the expiration of the Economic Stabilization Act of 1970, as amended,

(1) any commitment made or given as a condition of, in connection with, in exchange for, or in the course of decontrol or the grant of other relief from or under such Act, prior to May 1, 1974, shall continue in full force and effect; and

(2) the authority and provisions of sections 203 (relating to Presidential control authority), 208 (relating to sanctions), 209 (relating to injunctions and other relief), and 211 (relating to judicial review) of that Act (as in effect on April 30, 1974) may be invoked against, and shall apply to, any person who violates any commitment made or given as a condition of, in connection with, in exchange for, or in the course of decontrol or the grant of other relief to such person from or under such Act, prior to May 1, 1974.

ORDERLY DECONTROL AND STANDBY CONTROL AUTHORITY

SEC. 205. (a) The President is authorized to issue such orders and regulations (hereinafter "controls") as he deems appropriate, accompanied by a statement of reasons for such orders and regulations, to—

(1) stabilize prices, rents, wages, and salaries at levels not less than those prevailing on April 24, 1974, except that prices may be stabilized at levels below those prevailing on such date if it is necessary to eliminate windfall profits or if it is otherwise necessary to carry out the purposes of this title; and

(2) stabilize interest rates and corporate dividends and similar transfers at levels consistent with orderly economic growth. Such orders and regulations shall provide for the making of such adjustments as may be necessary to prevent gross inequities, and shall be consistent with subsections (b) through (k) of this section.

(b) The President may in his discretion impose controls pursuant to this section or any person who violates a decontrol commitment.

(c)(1) The President may not impose controls pursuant to this section on any person unless the President first makes and publishes in the Federal Register the following findings, together with the reasons therefore:

(i) that there is serious inflation in the economy as a whole;

(ii) that there is serious inflation in an economic sector, which, in the absence of such controls, would lead to severe hardship or deprivation; and

(iii) that the need for such controls to moderate such hardship or deprivation outweighs the possible adverse supply consequences of such controls.

(2) In making the findings required under this subsection, the President shall consider, inter alia, the following:

(A) the extent to which such inflation can be moderated by such controls without the imposition of controls over other sectors;

(B) the extent to which competition in the relevant sector moderates inflationary pressures;

(C) the extent to which such controls will limit supply in the affected sector—

(i) by causing curtailment of production or productivity or impairment of capital formation, productive capacity, or resource availability, or

(ii) by stimulating an increase in foreign demand sufficient to create or exacerbate any domestic shortages; and

(D) the anticipated period of time required for market correction of any inflation or shortage, measured in light of the seriousness of such hardship or deprivation.

(d) Orders and regulations issued under this section shall—

(1) be generally fair and equitable;

(2) provide for the making of such general exceptions and variations as are necessary to foster orderly economic growth and to prevent gross inequities, hardships, serious market disruptions, domestic shortages of raw materials, localized shortages of labor, and windfall profits;

(3) take into account changes in productivity and the cost of living, as well as such other factors consistent with the purposes of this title as are appropriate;

(4) provide for the requiring of appropriate reductions in prices and rents whenever warranted after consideration of lower costs, labor shortages, and other pertinent factors; and

(5) call for generally comparable sacrifices by business and labor.

(e) In determining the wage increases to be permitted under economic stabilization controls, or fashioning commitments under subsection (e) of this section, the President shall give consideration to the need for real earnings to keep pace with increases in the cost of living.

(f) Notwithstanding any other provisions of this title, this title shall be implemented in such a manner that wage increases to any individual whose earnings are substandard or who is a member of the working poor shall not be limited in any manner, until such time as his earnings are no longer substandard or he is no longer a member of the working poor. The President shall prescribe regulations defining for this purpose the term "substandard earnings," but in no case shall such term be defined to mean earnings less than those resulting from a wage or salary rate which yields $3.50 per hour or less.

(g) Whenever the authority of this title is implemented with respect to significant segments of the economy, the President shall require the issuance of regulations or orders providing for the stabilization of interest rates and finance charges, unless he issues a determination, accompanied by a statement of reasons, that such regulations or orders are not necessary to maintain such rates and charges at levels consonant with orderly economic growth.

(h) The authority conferred by this section shall not be exercised to preclude the payment of any increase in wages—

(1) required under the Fair Labor Standards Act of 1938, as amended (29 U.S.C. 201 et seq.), or effected as a result of enforcement action under such Act; or

(2) required in order to comply with wage determinations made by any agency in the executive branch of the Government pursuant to law for work (A) performed under contracts with, or to be performed with financial assistance from, the United States or the District of Columbia, or any agency or instrumentality thereof, or (B) performed by aliens who are immigrants or who have been temporarily admitted to the United States pursuant to the Immigration and Nationality Act, as amended (8 U.S.C. 1101 et seq.) or

(3) paid in conjunction with existing or newly established employee incentive programs which are designed to reflect directly increases in employee productivity.

(i) For the purposes of this section the term "wages" and "salaries" do not include reasonable contributions by any employer pursuant to a compensation adjustment for—

(1) any pension, profit sharing, or annuity and savings plan which meets the requirements of section 401(a), 404(a)(2), or 403(b) of the Internal Revenue Code of 1954 (Title 26 U.S.C.);

(2) any group insurance plan; or

(3) any disability and health plan:

unless the President determines that the contributions made by any such employer are unreasonably inconsistent with the purposes of this title. Employees in all industries subject to controls under this title shall be treated equally for the purposes of this title.

(j) No State or portion thereof shall be exempted from any application of this title with respect to rents solely by virtue of the fact that it regulates rents by State or local law, regulation or policy.

(k) Nothing in this title may be construed to authorize or require the withholding or reservation of any obligational authority provided by law or of any funds appropriated under such authority.

ACQUISITION, CONFIDENTIALITY, AND DISCLOSURE OF INFORMATION

Sec. 206. (a) For purposes of carrying out this title, the President may by regulation, order, or otherwise obtain such information from, require such reports and the keeping of such records by, make such inspections of the books, records and other writings, premises, or property of, and take the sworn testimony of, and administer oaths and affirmations to, any person as may be necessary or appropriate. The authority to obtain information under this subsection or section 208 of this title does not extend to copies of disclosures to departments or agencies of the United States excepted from disclosure under subsection (b) of this section.

(b) For purposes of carrying out this title, the President may request from any department or agency of the United States, and that department or agency shall provide him, economic information except:

(1) information, the disclosure of which to another Federal agency is expressly prohibited by law, or

(2) trade secrets, commercial, financial, or demographic information which is privileged or confidential and obtained by an agency from a person for statistical or law enforcement purposes, the disclosure of which to another Federal agency would frustrate development of accurate statistics or proper law enforcement.

(c) For purposes of carrying out this title, the President may request economic information from State and local governments, including agencies and instrumentalities thereof.

DELEGATION

Sec. 207. The President may delegate the performance of any function under this title to such officers, departments, and agencies of the United States as he deems appropriate.

SUBPENA POWER

Sec. 208. The head of an agency exercising authority under this title, or his duly authorized agent, shall have authority, for any purpose related to this title, to sign and issue subpenas for the attendance and testimony of witnesses and the production of relevant books, papers, and other documents, and to administer oaths. Witnesses summoned under the provisions of this section shall be paid the same fees and mileage as are paid to witnesses in the courts of the United States. In case of refusal to obey a subpena served upon any person under the provisions of this section, the head of the agency authorizing the subpena, or his delegate may request the Attorney General to seek the aid of the United States district court for any district in which such person is found to compel that person, after notice, to appear and give testimony, or to appear and produce documents before the agency.

PERSONNEL

Sec. 209. (a) Any agency or officer of the Government carrying out functions under this title is authorized to employ such personnel as the President deems necessary to carry out the purposes of this title.

(b) The President may appoint five officers to be responsible for carrying out functions of this title, one of whom shall be appointed by and with the advice and consent of the Senate and who shall be compensated at the rate prescribed for level II of the Executive Schedule (5 U.S.C. 5313) one of whom shall be compensated at the rate prescribed for level III of the Executive Schedule (5 U.S.C. 5314) and three of whom shall be compensated at the rate prescribed for level V of the Executive Schedule (5 U.S.C. 5316). Appropriate titles and the order of succession among such officers may be designated by the President.

(c) Any member of a board commission or similar entity established by the President pursuant to authority conferred by this title who serves on less than a full-time basis shall receive compensation from the date of his appointment at the rate equal to the per diem equivalent of the rate prescribed for level IV of the Executive Schedule (5 U.S.C. 5315) when actually engaged in the performance of his duties as such member.

(d)(1) In addition to the number of positions which may be placed in GS–16, GS–17, and GS–18, under section 5108 of title 5, United States Code, not to exceed twenty positions may be placed in GS–16, GS–17, and GS–18, to carry out the functions under this title.

(2) The authority under this subsection shall be subject to the procedures prescribed under section 5108 of title 5, United States Code, and shall continue only for the duration of the exercise of functions under this title.

(e) The President may require the detail of employees from any executive agency to carry out the purposes of this title.

(f) The President is authorized to appoint, without regard to the civil service laws, such advisory committees as he deems appropriate for the purpose of consultation with and advice to the President in the performance of his functions under this title. Members of advisory committees, other than those regularly employed by the Federal Government, while attending meetings of such committees or while otherwise serving at the request of the President may be paid compensation at rates not exceeding those authorized for individuals under section 5332 of title 5, United States Code, and, while so serving away from their homes or regular places of business, may be allowed travel expenses including per deim as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently. Committees established under this title which are composed of members representative of labor and management or labor, management, and the general public to provide advice on methods of improving labor-management relations or the collective-bargaining process or assuring wage and salary settlements consistent with gains in productivity and the goals of stabilizing the economy and facilitating development of the Nation's energy reserves are exempt from the provisions of section 10 of the Federal Advisory Committee Act.

(g) (1) Under such regulations as the President may prescribe, officers and employees of the Government who are appointed, without a break of service of one or more workdays, to any position for carrying out functions under this title are entitled, upon separation from such position, to reemployment in the position occupied at the time of appointment or in a position of comparable grade and salary.

(2) An officer or employee who, at the time of his appointment under paragraph (1) of this subsection, is covered by section 8336(c) of title 5, United States Code, shall continue to be covered thereunder while carrying out functions under this title.

EXPERTS AND CONSULTANTS

SEC. 210. Experts and consultants may be employed, as authorized by section 3109 of title 5, United States Code, for the performance of functions under this title, and individuals so employed may be compensated at rates not to exceed the per diem equivalent of the rate for grade 18 of the General Schedule established by section 5332 of title 5, United States Code. Such contracts may be renewed from time to time without limitation. Service of an individual as an expert or consultant under this section shall not be considered as employment or the holding of an office or position bringing such individual within the provisions of section 3323(a) of title 5, United States Code, section 872 of the Foreign Service Act of 1946, or any other law limiting the reemployment of retired officers or employees.

REPORTS

SEC. 211. (a) In transmitting the Economic Report required under section 3(a) of the Employment Act of 1946 (15 U.S.C. 1022), the President shall include a section describing the actions taken under this title during the preceding year and giving his assessment of the progress attained in achieving the purposes of this title. The President shall also transmit quarterly reports to the Congress not later than thirty days after the close of each calendar quarter describing the actions taken under this title during the preceding quarter and giving his assessment of the programs attained in achieving the purpose of this title.

(b) In carrying out his authority under this title, the President shall study and evaluate the relationship between excess profits, the stabilization of the economy, and the creation of new jobs. The results of such study shall be incorporated in the reports referred to in subsection (a) of this section.

(c) The President shall review and appraise the programs and activities of the departments and agencies of the United States in light of the policies set forth in section 202 of this title for the purpose of determining the extent to which those programs and activities contribute to the achievement of those policies and shall report his conclusions to the Congress in the reports required by subsection (a) of this section.

FUNDING

SEC. 212. (a) There are authorized to be appropriated to the President to remain available until expended, such sums as may be necessary to carry out the provisions of this title.

(b) The President may accept and use in furtherance of the purposes of this title money, funds, property, and services of any kind made available for such purposes by gift, devise, bequest, grant, or otherwise.

EXPIRATION

SEC. 213. The authority under this title expires at midnight April 30, 1975, but such expiration shall not affect any action or pending proceeding, civil or criminal, not finally determined on such date, nor any action or proceeding based upon any act committed prior to May 1, 1975.

ADMINISTRATIVE PROCEDURE, SANCTIONS, AND JUDICIAL RELIEF AND REVIEW

SEC. 214. Sections 207 (relating to Administrative procedure), 208 (relating to sanctions), 209 (relating to injunctions and other relief), 210 (relating to suits for damages and other relief), and 211 (relating to judicial review) of the Economic Stabilization Act of 1970 as in effect on April 30, 1974, shall apply to actions taken under this title.

EFFECT ON PETROLEUM ALLOCATION ACT OF 1973

SEC. 215. For purposes of administering and enforcing the Emergency Petroleum Allocation Act of 1973, nothing in this title alters the Economic Stabilization Act of 1970 as incorporated by reference in the Emergency Petroleum Allocation Act.

EFFECTIVE DATE

SEC. 216. This title takes effect May 1, 1974.

SEVERABILITY

SEC. 217. If any provision of this title or the application of such provision to any person or circumstances is held invalid, the remainder of this title, and the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

MUSKIE-STEVENSON-JOHNSTON COST OF LIVING ACT

FACT SHEET

Provisions

Directs and authorizes the President to monitor inflation, and allows for the continuation of COLC-type structure.

Allows enforcement of decontrol commitments entered into under Economic Stabilization Act.

Allows imposition or reimposition of controls only if a decontrol commitment has been violated, or upon findings by the President of (1) serious inflation in the economy, (2) serious inflation in a sector which otherwise would lead to severe hardship or deprivation, and (3) a need for controls to moderate hardship or deprivation which outweighs the possible adverse supply consequences of controls.

Does not affect control authority on petroleum under Emergency Petroleum Allocation Act of 1973.

Other authority and direction to President:

Discretion to require reports and recordkeeping from private sector;

Discretion to hold public hearings;

Review and recommend changes in programs and activities of federal government and private sector;

Review and work with industry and government to encourage price restraint;

Improve economic data bases;

Focus attention on need for increased productivity; and

Review and make recommendations on economic concentration and anticompetitive practices.

Administrative and other provisions:

Delegation of functions by President;

Subpoena power;

Personnel: employment, appointment and detail;

Employment of experts and consultants;

Reports by President quarterly and in annual Economic Report;

Funding authorized "as may be necessary";

Procedural and other safeguards for control authority as in Econ. Stab. Act; and

Requires that any wage controls take into consideration cost-of-living increases.

Danger of inflation

Inflation continues to increase:

March CPI was 10.2% over its level one year ago, the highest twelve-month increase since 1948.

First quarter CPI increase was at a 13.3% annual rate.

Average real wage earnings dropped 0.9% in March, a decrease of 4.7% in the past twelve months.

Abandonment of authority to deal with inflation could produce even worse results:

Phase IV controls still cover 12% of the Consumer Price Index, 32% of the Wholesale Price Index, and 24% of the labor force.

Under Phase II inflation was 3.6%, but under Phase III prices escalated so fast a freeze was required.

Congress must take responsible and prompt action.

Importance of standby control authority, enforcement of decontrol commitments, and economic monitoring

Standby control authority (Section 5 of the Act) is necessary to avoid an inflationary bulge after April 30th, and to meet special serious inflationary problems which might arise in the next year. The findings required under the Act protect against reimposition of controls except when inflation is in fact serious, or to enforce decontrol commitments. Other provisions protect against unfair wage controls. This Act would promote an orderly transition to a free-market economy, and help to avoid the need for reimposition of comprehensive wage and price control.

Enforcement of decontrol commitments (Section 4 of the Act) would allow the Cost of Living Council (or any successor agency) to hold industry to agreements as to future pricing and policies which were entered into as a condition of decontrol under the Economic Stabilization Act.

Economic monitoring alone (Section 3 and the remainder of the Act) can provide alert to special inflation and shortage problems, long-run study of inflation and shortages, and a beneficial psychological effect on economy. No existing agency has the specialized mission or capacity for dealing with these problems.

Mr. MUSKIE. Mr. President, this amendment is the product of joint effort on the part of the distinguished Senator from Illinois (Mr. STEVENSON), the distinguished Senator from Louisiana (Mr. JOHNSTON), and myself. It is based in large part upon the legislation which they developed in the Committee on Banking, Housing and Urban Affairs for the purpose of dealing with the whole question of the transition from the economic control authority contained in the Economic Stabilization Act.

Because they have devoted this kind of attention to this issue and because this is largely their handiwork, I should like to yield at this point to the distinguished Senator from Louisiana, and the floor manager of the bill, S. 2986, to discuss it; and I will follow his discussion with appropriate comments of my own.

Mr. JOHNSTON. I thank the distinguished Senator from Maine, whose efforts have alerted the Democratic majority to the need for this bill and to the urgency for this bill, and without whose sponsorship in the Democratic Caucus we never would have gotten to the point where we are.

Mr. President, in 1970 when inflation in the Consumer Price Index reached 4.4 percent, the response of the Congress was to provide the President with pervasive wage and price control authority. In 1974 when inflation in the Consumer Price Index has reached 14.5 percent—the highest rate of peacetime inflation in the history of the Republic—the response of many is to throw in the towel in the fight against inflation. Mr. President, it would be more than unwise to give up the fight against inflation; it would be downright irresponsible.

Mr. President, Senator MUSKIE, Senator STEVENSON, and I and other cosponsors have joined in introducing this amendment, the Cost of Living Act of 1974. There is no more important issue before the Congress this year than inflation.

Over a period of many weeks, the Subcommittee on Production and Stabilization which I chair has heard testimony from leading economists in the Nation and representatives of labor, business, consumer groups, and other interested parties. I wish that I could say, based upon their testimony and the economic indicators in recent days, that the end of inflation is in sight. But we cannot even see the light at the end of the inflationary tunnel. What we do see is a possible economic ambush lurking around the termination of controls—an ambush aimed at the earnings of the consumer—in particularly those who lack the power to keep their earnings up with inflation. And, Mr. President, it is not too much to say that the danger of an ambush lurks for the free enterprise system as we know it.

If the first quarter inflationary rate of 14.5 percent in the Consumer Price Index is frightening, it is even more frightening to consider that during this same period of time the Wholesale Price Index increased at the staggering rate of 24.8 percent. The rate of inflation in the Wholesale Price Index is a forerunner of inflation in the Consumer Price Index. These wholesale price increases have not yet made their way to the supermarket. Increased prices in energy which affects most consumer products are not yet fully reflected in consumer prices. The same can be said for commodity prices. Thus it is, Mr. President, that inflation may, and probably will, get worse before it gets better. The end of serious inflation is not in sight.

Mr. President, the bill which I and my colleagues have introduced will perform three basic tasks. First, it will provide the President with the duty and authority to monitor the economy. Second, it would provide for the enforcement of decontrol commitments previously given. And, third, it will provide standby wage and price control authority. Each of these functions is essential in the fight against inflation.

First, the act would require the President to perform a variety of data-gathering and economic monitoring activities. The authority to engage in these activities was requested by the administration in its proposed amendments to the Economic Stabilization Act. The act requires the President to review and recommend changes in the programs and activities of the Federal Government and in the private sector, review industrial capacity, demand and supply, and work with government agencies and industrial groups to encourage price restraint. The act further requires the President to improve the wage and price data bases; to conduct public hearings; to focus attention on needed increases in productivity; to monitor the inflation in the economy; and to review anticompetitive practices bearing upon the rate of inflation.

There are several reasons why provisions for these activities is essential. First, monitoring and data gathering may provide early warning for special inflationary and shortage problems in the economy. Second, these activities will inevitably provide us with greater understanding of the sources and structure of inflation in our economy. In short, Mr. President, to use an old baseball expression—"you can't hit 'em if you can't see 'em."

The second function of the Cost of Living Act of 1974 is critically important. It provides for the enforcement of commitments given by industry in the course of gradual decontrols carried out by the administration over the past several months. Mr. President, one of the most successful aspects of the Economic Stabilization Act of 1970 was the securing of such commitments. A very substantial portion of the economy has been decontrolled by the use of this very innovative commitment technique. These commitments represent bargains, fairly struck, in which the administration surrendered some of its direct control in exchange for anti-inflationary promises on the part of industry. These commitments had to do not only with prices but with exports, expansion of productive capacity and other factors which truly bear upon inflation. The commitments were practical, workable, specially tailored to each particular situation and, most important, Mr. President, are likely to be effective.

To abandon these commitments now is unthinkable. These bargains should be enforced.

One bill makes it clear that commitments given during the decontrol process should be in full force and effect during their entire stated duration. If they are violated, the violators may be subject to recontrol, criminal or civil penalties, injunctive relief or other proceedings under the act. Enforcement of commitments is essential in the fight against inflation and is an integral part of the process of orderly decontrol of the economy.

Finally, Mr. President, I come to what may be the most controversial and certainly is the most misunderstood part of this proposal—namely, the bill's provision for standby controls authority. The standby controls authority established in this act represents a major departure from the pattern of standby authority granted to the President in the Economic Stabilization Act of 1970 and extended since that time. The ESA gave the President carte blanche authority to establish wage and price controls on the Nation's economy. The effort of this bill, and my own efforts since I first began working on this problem in the Subcommittee on Production and Stabilization, has been to limit the President's discretion to impose controls to a very narrow band of special circumstances in specific sectors of the economy.

As witness after witness before our subcommittee testified, Mr. President, the time for comprehensive wage and price controls has passed. And the authority we provide in this bill does not contemplate that they will be reimposed.

Mr. President, the hallmark of this bill is the limiting nature of the standby controls authority. An across-the-board freeze of the economy or economy wide controls cannot be implemented under this bill.

I have already discussed the fact that controls may be imposed for violation of a commitment. Absent such violation, controls can be imposed only if the President makes and publishes in the Federal Register specific findings on three factors: First, in order to impose controls on any sector of the economy, the President would have to find that there is serious inflation in the economy as a whole; second, the President would have to find that there is serious inflation in the relevant economic sector, which, in the absence of controls would lead to serious hardships and deprivation; third, the President would have to balance the need for controls against their possible adverse impact on supply.

Thus, Mr. President, serious inflation in the whole economy is not enough; nor is serious inflation in the particular sector sufficient to trigger controls. The President must also find that in the absence of controls, such inflation would lead to serious hardship and deprivation. These factors recognize that some kinds of inflation cannot be cured by controls and that some inflation does not produce hardship and deprivation. For example, if the price of gold toothpicks goes through the roof, this would not invite controls, because of the lack of hardship.

Mr. President, this bill also recognizes that controls are not always appropriate even where inflation is producing hardship and deprivation, if the need for additional supplies through the market mechanism outweighs the hardship or deprivation. The President is required to make findings and to note the following factors:

First, the extent to which such inflation can be moderated by such controls without the imposition of controls over other sectors. Food is a classic example here because experience has shown the price of food in the supermarket cannot be effectively controlled when all the costs to the farmer continue to escalate.

Second, the extent to which competition in the relevant sector moderates inflationary pressures. The better the competition, the more effective the market mechanism, and, in turn, the less the need for controls.

Third, the President is required to determine the extent to which controls will limit supply in the affected sector by curtailing production or by stimulating foreign demand.

And we have plenty of examples of that happening under the ESA of 1970.

Finally, the President is required to determine the anticipated period of time required for market correction of the inflation or shortage measured in light of the seriousness of such hardship or deprivation. On month filet mignon may be bearable, but one week in winter without heating oil is too much.

In sum, Mr. President, this bill contemplates, this bill authorizes, only selective controls where the need is acute and then only in such circumstances that their effectiveness can be demonstrated.

Mr. President, there has been much discussion about the psychological effect of controls or of standby controls. This bill is designed to create a psychology against inflation. To the industrialist, it warns that irresponsible price rises invite controls. It rewards responsible price activity by leaving off controls. It does not invite the kind of anticipatory inflation that was seen with the present act. That act encouraged price rises in anticipation of the freeze which was sure to come. This bill has the opposite effect.

The controls authority we have provided curtails substantially the President's broad discretion, under the Economic Stabilization Act, to impose wage and price controls throughout the economy. Under our bill the President could impose controls only on selected sectors of the economy and then only upon making the detailed written findings required in the bill.

Second, by limiting the President's discretion, I believe the bill will reassure businessmen and industrial decisionmakers that controls will not be reimposed lightly and that their reimposition will not be subject to mere political whim.

The third purpose of my bill is, at the same time, to cool the current inflationary psychosis afflicting the American consumer public by reassuring consumers that the President does possess standby authority to impose controls in any sector of the economy where there is truly serious inflation leading to serious hardship or deprivation.

Fourth, I believe that by setting clear standards in advance, governing the imposition of controls, we can avoid the lynch-mob atmosphere that inevitably accompanies even those substantial price increases which are highly justifiable on the basis of supply and demand. By establishing definite standards in advance for the imposition of controls, we can require the administration to consider at the front end of the controls process the economic distortions and dislocation which all too often during the past year have been dealt with after the fact.

Mr. President, I have been advocating a limited system of standby control authority for nearly 4 months now. Time and time again I have had to explain—and I want to do that again today—that those of us who support standby controls authority do not endorse economic controls per se. I am not here to defend or debate the success—vel non—of the economic stabilization program. I will leave that to those who engineered the original program in Congress or to those in the executive who ran it, but the distortions the programs produced are obvious and documented.

The case against controls is—in my judgment—overwhelming.

How then can we return to the free market as quickly as possible and with the least danger?

Both labor and business witnesses all say end controls. Completely. And now.

I believe that approach to be a great mistake. It carries a potential for danger of the severest dimensions to that same free enterprise system that we all want to protect and foster.

It is a paradox—perhaps even a contradiction in terms, but I believe it to be true that the best way to a free market is through standby controls.

Let me explain.

The real danger of ending controls now and completely, as I see it, is that inflationary pressures coupled with the psychology of frustration will stampede the American people, and therefore the Congress, into a demand for controls that completely stop inflation. Is this possible? Can inflation be stopped? Yes. But consider the price.

First, freeze incomes. That is easy. We did it before. But really to freeze prices for more than a few weeks requires a system that must inevitably extend through allocation, rationing, and production and use controls to a fully-planned national economy.

Then the questions: Who plans what and for whose benefit?

Such a system is, I submit, inherently inconsistent with freedom as we know it. How could this specter result from a total end to controls?

Consider the scenario. First, note the inflationary pressures for 1974. While the Consumer Price Index rose at the annual rate of 14.5 percent in the first 3 months of 1974, wholesale prices climbed at almost twice that rate—24.8 percent. Wholesale prices must be reflected in consumer prices, and this is a clear indication that substantially higher consumer prices are on the way. Skyrocketing prices of basic commodities and spot and future markets are even more dramatic signals.

Wheat, soybeans, cotton, sugar, potatoes, and other commodity producer prices range from two to several times their levels of a year or two ago—and the end is not in sight. Middle Eastern crude has risen in price almost four times, bringing with it the price of both domestic petroleum and alternate energy forms. This dramatic rise in the price of energy will affect the cost of virtually everything, from fertilizer to food, from steel to automobiles, from plastics to clothing. And the full effect in price has yet to come.

What is the rate of inflation for 1974? The economists approach that very question with trepidation. Consensus is found in the prediction that inflation will continue undiminished. When we began our subcommittee hearings in February, even the pessimist did not forecast a first quarter rate of 14.5 percent in the Consumer Price Index.

Next consider inflationary expectations. The rule is: That which people expect to happen in terms of inflation usually does. That is what happened in phase III. With the announcement of broad decontrols, people expected inflation to soar and they raised their prices to keep up with the expected rise. This expectation is aggravated by the further expectation that broad controls will again be imposed in response to the problem. So prices are again raised to in order not to be caught with prices or profits down in the coming freeze.

Then consider the psychology of frustration inherent with the American people. The Gallup poll has measured it: Only 23 percent have confidence in the President; less than that, in Congress. Respect for our basic institutions—the Government, the church, and certainly big corporations—is at an alltime low. Perhaps Vietnam started it. Watergate has certainly aggravated it. Inflation brings this frustration home to every American. Free enterprise used to be well nigh sacred, or at least taken for granted. But a lynch mob psychology fueled by the inflationary fires of 1974 could, I fear, produce a comprehensive, radical, and unwise system of controls for the American economy.

So, Mr. President, I urge the Senate to adopt this amendment because I believe it is the best insurance policy we have against another round of comprehensive wage and price controls. I have heard this reasoning referred to as "doubletalk," but I do not think it is that at all.

The fact is that a precipitate abandonment of all stabilization authority would loose a terrible inflationary psychology on the people of this country.

Mr. President, I said a few moments ago that our proposal for standby authority has been misunderstood. I would like to anticipate, if I may, several of the arguments we have heard time and time again.

The theme we hear over and over again is that standby controls authority is inflationary in itself. Industry and labor, we are told, will push for all they can get in wages and prices so they would not get caught with their dollars down if controls are reimposed. Furthermore, it is usually said that controls will inevitably be reimposed, because the political pressure to apply statutory controls authority is irresistible.

In response, Mr. President, our bill provides controls authority very different from the authority under the ESA. We require the detailed findings to be made and made carefully before controls may be imposed. We intend for controls in any sector to be the rare exception and not the rule. Indeed, I think I can speak for all the cosponsors of this bill in saying that we would all prefer that it not be necessary to exercise this authority at all.

So we are not talking here about the usual wide open statutory authority. The act is modeled after the Export Administration Act—not a model of clarity, I admit—but a bill whose drastic control provisions have been invoked about as frequently as a new comet is sighted in the sky.

The controls authority we provide is not inflationary for another reason as well. Because we contemplate pinpoint controls—of a particular industry or a particular firm or union, if necessary—

this bill creates a powerful incentive or responsible behavior. Nobody likes to be under economic controls. But if they leap irresponsibly to raise prices or wages, that is the surest way they will be brought back under controls, and any recontrol will be subject to a rollback to wage or price levels of April 24, 1974.

Perhaps comprehensive wage and price controls authority create anticipatory increases. Each person takes shelter in the knowledge that his fate will be the common fate. Under our bill responsible behavior will be rewarded and irresponsible behavior punished.

Finally, on the subject of "anticipatory inflation," I cannot resist saying, Mr. President, that we are talking about a self-fulfilling prophecy. If Senators who preach the inevitability of recontrol would instead join with us in emphasizing the highly restrictive nature of the authorization we proposed today, they would do much to reassure business and labor that there is no need to make hay while the sun still shines.

Mr. President, another major objection is that our bill is not in the best interests of the workingman. The unions have been stung by the failure of wages to keep pace with inflation. So, they say, how can you again present this administration with the club to beat us over the head?

There is no question about it: Much of whatever success phase IV achieved was achieved at the expense of the workingman. I have condemned that approach to controls and do so again today.

Our bill provides specific protection against further erosion of the workers standard of living, and we intend that that protection be honored.

I might also add that wages can be controlled only on a sector-by-sector basis and then only when the requsite findings are made. Wage orders issued prior to April 30, 1974, continue in effect for 30 days and then the unions, like industry, are given the chance to behave responsibly—at the peril of recontrol. We recognize that there is catching up to be done.

Finally, Mr. President, we hear the charge that this proposal is politically motivated.

It is said we are trying to appease the public with an insubstantial mechanism for fighting inflation. Or that we are simply trying to shift the blame for inflation to the Administration.

We do not pretend that the Cost of Living Act will provide a panacea for inflation. Indeed, the act is only a stopgap measure—to help us gain a further understanding of the inflation problem we are up against and to keep the lid on in the meanwhile—at least a little.

The act is also a stopgap in another way. I believe it will provide at least marginal restraint on inflationary forces and keep us from hurdling headlong into an inflationary panic and back into comprehensive wage and price controls.

Again, the issue is not controls. We are all against controls. The issue is limited controls authority, and the authority to engage in monitoring and orderly termination of the present program.

There is no attempt to pin the political blame for inflation on the administration. The causes of the present inflation are deeply rooted and, at least to a major extent, the result of international forces that no administration could gage or cage.

Let me say one word about the politics of this issue. We are told that this bill cannot pass because both business and labor are opposed to it. That is a powerful combination, I admit, and I do not like to find myself on opposite sides either of business or of labor. But the rank and file in labor are consumers, too. We will get no thanks from labor if by taking off controls we allow the rate of inflation to continue to accelerate at such a rate that any wage increases are eaten away as they have been this year.

We will get no thanks from business if we heed their present advice and allow all controls authority to expire so that inflationary pressures create an absolute demand in the latter part of 1974 for the reimposition of a system-wide arrangement of freezes and controls. I think that is the ultimate issue. Are we willing to have an ounce of prevention in April 1974, or do we want the whole cure in the latter part of 1974? The whole cure, I am afraid, would imperil our very free enterprise system.

If inflation gets too bad with a system of no controls, if it continues to accelerate, and if we in Congress do not do something about it in the latter part of 1974, we will be right back here considering not a modest restraint in a carefully limited grant of Presidential authority to control inflation, but a pervasive system of Government controls and allocations, under which the Government will decide who does what, for whom, and why.

I hope we will not have to find that inevitable conclusion. I hope that we will pass the bill this year, this month.

Mr. CASE. Mr. President, the administration and the Congress together must act positively to bring inflation under control. For that reason, I am pleased to cosponsor the amendment to add the Cost of Living Act of 1974, submitted by Senator MUSKIE, which provides for a 1-year extension of standby authority for wage and price controls.

Adoption of our amendment will not mean that new controls will be imposed. Certainly, we hope such action does not become necessary. But our economic situation is too serious to justify reliance on fiscal and monetary policy alone.

I am hearing every day from constituents who are caught in a double-digit inflationary spiral that, according to the Joint Economic Committee, has reduced the buying power of wage earners in manufacturing industries to a point lower than it was in 1972. Naturally, other wage earners are affected in much the same manner. In these circumstances, it would be irresponsible to allow the current authority for controls, as included in the Economic Stabilization Act, to expire at midnight Tuesday, April 30.

Mr. BROCK and **Mr. MUSKIE** addressed the Chair.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. JOHNSTON. Mr. President, I believe the Senator from Maine had yielded to me.

Mr. MUSKIE. I believe that is correct.

The PRESIDING OFFICER. The Senator from Maine had the floor.

Mr. MUSKIE. Mr. President, I was happy to yield to the Senator from Louisiana to explain his amendment, inasmuch as it has played such a large part in the work done in the Committee on Banking, Housing and Urban Affairs on this subject. At the same time, I wanted to explain my own views with respect to the amendment and why I have introduced it. I have introduced this amendment in behalf of myself, Senators STEVENSON and JOHNSON, and Senators CANNON, CASE, CHILES, HASKELL, HATHAWAY, HUMPHREY, JAVITS, MANSFIELD, MCGEE, RANDOLPH, and RIBICOFF.

Mr. President, before I get into the substance of the amendment, I would like to state the reason why I felt impelled to get involved in this whole issue.

Like all Americans and all Senators, I have been watching the economic indexes for recent weeks and months with great alarm and concern. I was aware of the effort initiated in the Senate Committee on Banking, Housing and Urban Affairs, by Senators STEVENSON, JOHNSTON, and BIDEN, and my own colleague from Maine (Mr. HATHAWAY) to deal with this problem of transition from the period of controls ending April 30.

As the evidence of inflationary pressures accumulated, my alarm grew. Two weeks ago, I saw the prospect of April 30 coming and going with all authority to deal with inflation disappearing, and with Congress sitting on its hands. In all candor, it seemed to me that was the mood of Congress, so far as I could discern. Everyone concerned seems unhappy with controls, the way controls have worked, and the problems controls have generated. Labor, business, and even the consumer all seem to have accepted with resignation the inevitability that on April 30 at midnight the Economic Stabilization Act would expire, and with it all authority to impose controls whatever unpredictable circumstances might arise. I simply could not bring myself to sit idly by and permit that to happen without raising my voice in protest.

As I read the sentiment in the Senate and the House of Representatives, it seemed very doubtful to me that the idea of standby control authority could be sold to Congress. So I at first limited my legislative initiative to the creation of a monitoring agency, which could be a continuation of the Cost of Living Council, simply to keep its finger on the economic pulse, gather data and information, and develop judgments as to what public policy ought to be implemented.

When I presented this suggestion to the Democratic Conference last week, the surprising reaction was that such a measure would not be enough, and that we ought to do more than create a monitoring agency. I say that was a surprising reaction; I am not sure that it necessarily signified a willingness on the part of a majority of the Senate to do something more than that, or even that much; but the reaction of the caucus encouraged Senator STEVENSON, Senator JOHNSTON, and myself to at least present to the Senate today, with the cooperation of the Senate leadership, a proposal that includes both the monitoring function and standby control authority.

Our proposal is as simple and clearcut as that. The standby control authority could not be used except at the discretion of the President, and his discretion is limited, as the distinguished Senator from Louisiana has so well pointed out, by the guidelines set out in the amendment.

This amendment would add to S. 2986, the Council on International Economic Policy authorization bill, a new title, "The Cost of Living Act of 1974," drafted in response to the Senate Democratic Caucus resolution adopted last Wednesday.

But the Cost of Living Act is not a partisan measure. We are joined by two distinguished Senators from the other side of the aisle, Senators JAVITS and CASE, who applaud this effort. This is not, I repeat, a partisan effort. It is not an attempt to gain partisan advantage, as far as this Senator is concerned. I am simply concerned that Congress should not sit on its hands when the authority to deal with this problem expires tomorrow.

The purpose of the amendment and the purpose of the resolution adopted by Democratic Senators last week is to respond in a constructive way to the rapidly increasing rates of inflation, when wage and price controls, under the Economic Stabilization Act, expire tomorrow night at midnight.

This amendment, as the Senator from Louisiana has so well pointed out, is designed to provide for an orderly transition from the existing system of wage and price controls to an uncontrolled free market economy. It would give the President standby authority to impose controls in any economic sector, after making specific findings to justify such controls, until April 30, 1975. It would also allow enforcement of decontrol commitments made under the present law, and whose term would continue beyond April 30; and it would establish a successor agency to the Cost of Living Council to monitor the economy and to report periodically to Congress.

Phase IV controls, Mr. President, which will expire tomorrow, still cover 12 percent of the Consumer Price Index, 32 percent of the Wholesale Price Index, and 24 percent of the labor force.

I think it would be interesting to spell out the components of those figures. That 12 percent of the Consumer Price Index, for instance, includes petroleum, which accounts for 3.6 percent; health, which accounts for 5.6 percent; and autos, auto parts, and auto insurance, which account for 3 percent.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. MUSKIE. I yield for a question.

Mr. PROXMIRE. Is it not true that the petroleum segment would not be decontrolled, because the law would continue on the books until February 28, 1975?

Mr. MUSKIE. Petroleum is covered, of course, by the Emergency Petroleum Allocation Act, which has been enacted.

Mr. PROXMIRE. Is it not also true that this would represent, if controls expire tomorrow night, which I think all of us expect they will, the most gradual decontrol that this country has ever had with any kind of wage-price control system? We have had experience, of course, with World War II and the Korean war. Always before there was a much more precipitate decontrol than we have had in the last year.

Mr. MUSKIE. Yes, and a much sharper escalation of prices. It is that historical experience, may I say to the Senator, including the abandonment of phase II controls, which prompts me and my colleagues to join in sponsoring this legislation.

If the Senator can assure me that he has in his possession historical data that throws that fear into doubt, I would be glad to listen to it, but the historical experience, including that following World War II, is that the precipitate abandonment of controls does result in a surge of inflationary prices, and it is that expected surge which concerns us.

Mr. PROXMIRE. No, what I am saying to the Senator from Maine is that we have only 12 percent of the economy now under control in terms of the Consumer Price Index, 24 percent in terms of wages——

Mr. MUSKIE. And 32 percent of the wholesale price index.

Mr. PROXMIRE. Thirty-two percent in terms of the wholesale price index. This represents a much lesser area of decontrol, therefore, than we have had before and is a much more gradual decontrol process because we moved toward it over many months.

Mr. MUSKIE. I do not know how the Senator draws those judgments. I do not know of any historical parallel for this precise set of economic circumstances. In March, for example, industrial commodities escalated at the annual rate of 35 percent—that is wholesale price increases, which are inevitably going to be translated into retail price increases.

Unless I have figures presented to me comparable to those which measure the pending pressures, then I cannot accept a historical comparison. But from the data we have I am not prompted to reach the Senator's judgment which, of course, is his privilege to reach, when I see the dangers now lurking under the present surface of the economy.

Mr. PROXMIRE. I am simply asking the Senator if it is not true that much of the problem has already occurred, in view of the fact that much of the decontrol is already achieved and regardless of how we act on the Senator's bill or the proposal of the Senator from Louisiana, wholesale prices will be translated into higher consumer prices anyway. No one will argue that we will not have some kind of passthrough such as we had in the past. Control or no control would make no difference on this score.

Mr. MUSKIE. As I understand the Senator's argument, there is nothing we can do about it—so, because we cannot do anything about it, we should not try. We will not do anything to correct it, if we do nothing, and the Senator is quite accurate in that. But when he says that because of the phasing down of controls which has already taken place, the economy has absorbed all the heat, I would disagree with him. I disagree, not on the basis of my knowledge as an economist. I am not an economist, as the Senator knows; but such distinguished economists as Mr. Heller, Mr. Okun, Mr. Schultze, Mr. Pechman, and Mr. Perry, whose advice and analysis is worthy, tell me that it has not.

The Senator may, of course, be more of an expert in this field than I, and of course he is entitled to form an independent judgment on such matters. But these economists disabuse me of any notion that the heat has been taken out of the economy; that the "phasing down" which has taken place has solved the problem; and that on May 1 we need not fear that the inflationary pressures may be unleased.

I do not buy that notion. I cite the 12 percent of the CPI, the 32 percent of the WPI, and the 24 percent of the labor force now under control, which represent the potential of inflationary pressures. And when we look at some of the components of these indexes still under control, we see that the problems could be serious, indeed.

Finally, what we are proposing here is not the reimposition of controls but the continuation of a monitoring function. No one will seriously argue that it is inflationary for a monitoring agency, with standby controls, to be available, if needed, to deal with an unpredictable economic future.

I suggest to the Senator that with the kind of ferment now boiling in the economy, the future is unpredictable, indeed. I would not undertake to predict what the picture will be 6 months from now. Maybe the Senator can. But it is the unpredictability of the future, not the reconstruction of the past 2 years, that we are concerned with here. We are talking about monitoring what happens, so that we can stay on top of it. We are talking about standby authority just in the event what the Senator regards as improbable happens, that economic circumstances develop that mandate controls.

May I say, if that happens, under those circumstances, the medicine that may have to be applied could be much more drastic than the medicine we are talking about here, or the medicine that has been applied over the past years.

Mr. PROXMIRE. If the Senator from Maine will yield just briefly, and I apologize for interrupting his presentation, I would agree with much of what the Senator has said regarding the inflationary pressures in the economy. No one is denying that. No one is disputing the eminence of the economists the Senator mentioned or the people who have been supporting the position taken by the distinguished Senator from Maine. There is considerable wisdom in it.

What I am saying, however, is that the

proposals of the Senator from Maine and the Senator from Louisiana would not do very much about this situation. They would not prevent prices going up sharply. Further, our experience has been that we have given even the authority to be provided here today to the President and he has exercised the authority for the past 2½ years and the results have been disastrous. It is not as if we had good experience with price controls. But we started with an inflation of 4 percent and now after many months of inflation it is 14 percent. I am saying that more of the same medicine, which served us so badly before, is not logical.

Mr. MUSKIE. I read history differently from the Senator. There was, first of all, a freeze in August 1971. In phase II, inflation went down to an annual rate of 3.6 percent from 4.5 percent, when we had meaningful controls. It was only when the meaningful controls were abandoned in January of 1972 that the economy began to run out of control. So I say to the Senator that the history of the past 2 years runs counter to his argument.

Let me give the Senator a summation of what is feared by those in a position to know what is to be feared. Interviews with business executives as reported in the New York Times, on April 22 of this year, indicate that the ending of all control authority would "bring another spasm of price increases that will further erode" already shrunken paychecks. In addition to health, increases were predicted in metals, automobiles, cigarettes, whisky, processed foods, machinery, home furnishings, furniture, and cans.

Mr. Dunlop has predicted that doctor bills could go up 9 percent during the next fiscal year, while under controls they would go up to only 4 percent. Hospital fees could go up 17 percent, whereas under controls the increase would only be 10 or 11 percent.

It is these kinds of prospects, added to the erosion already taking place in the paychecks of the average American worker, that causes me alarm.

The real income of the wage earner in America in the past year has gone down 4.7 percent. That was under controls. It was not the controls that caused that decrease in real income but the failure to control prices that ate away the real income.

I suspect I could make almost as eloquent an argument as the Senator from Wisconsin about mismanagement, but I do not take comfort in that. I would be pleased if the Senator has got another answer. I have heard him talking about the necessity to build up production of products such as food, and I support those programs. But I also believe it necessary to have at hand—not necessarily in use, but to have at hand—control authority to apply when circumstances justify, when nothing else will work.

I cannot understand this fear of making available the necessary authority to do a minimal job. It will not work miracles. The Senator does not have to argue that it will not. I will buy that argument of the Senator. But I am saying that we need some kind of policy, some kind of authority, some kind of monitoring agency, as a minimal effort to meet our responsibilities in Congress. I do not see it as a cure-all.

Mr. PROXMIRE. In response to the latter part of the Senator's speech—and I intend to speak later on it—it indicated the vast amount of authority the President would have without taking further action. The President will still have great power to cope with inflation if he chooses to use it without extension of wage and price controls.

The second point is that the argument the Senator has made, that in the past few months we have had a very, very serious decline in real income by tens of millions of American workers, is exactly the point. That is the way wage and price controls have been administered and will be the way wage and price controls are administered since we are not going to have a new administration of people with different attitudes. The same people will be administering the standby controls, and they will be roughly of the same nature. Prices are not controlled, but wages are. The consequence is that the working people will suffer tremendous inequities. I see nothing in the legislation which would change that situation. We would continue to have an inequitable, unfair imposition of wage and price controls on the people of the country, which is so clear, and which the Senator himself has brought up.

Mr. MUSKIE. That authority is the kind which must be administered by the executive branch. What should we do, go out of session until we have a new President? We will have only one President for some time.

Blaming him or denigrating him does not dispose of our responsibility. As I read the Constitution, we still have a separate, well-identifiable responsibility, as the legislative branch, to make policy for the people of this country.

The polls indicate that Congress is held in low esteem.

Among the reasons for this low rating is our failure to handle the economic and energy problems of this country in a way that makes itself felt to the average citizen's household.

I think we have a responsibility to act to meet inflation. I think there are some circumstances justifying controls in addition to other policies designed to get at the causes of inflation.

I was price administrator for my State at the time of the Korean war. When I got through with that year-and-a-half experience, no one was stronger against controls as a routine matter than I was, and I still am. But I still recognize their value during the time of the Korean war. They did make an impact, they were of value, and they helped to keep down the cost of living.

From August of 1971 until December of 1972, they were also of value. It was only when they were abandoned precipitately that their value dissipated, and we find ourselves in the present economic chaos which confronts every American. Does that mean that we now should do nothing?

I wish we had a better answer than this, and if the Senator does I would be willing to listen. I am not talking just about the long-term programs to increase food production. We need that, too. I am talking about a better answer as to what might happen in the period of transition from April 30, within the next few months, to perhaps a year or more. What do we do in that period if things get out of control, if the fire really begins to blaze?

What do we do? Do we tell the people, "Our policies are designed to increase the food crop in 1976, and if you will wait until then, that will solve your problem"? Or that we are going to enact national health insurance? I do not know how long that is going to take. Perhaps the Senator has a good reading on the prospects and perhaps expects national health insurance to be enacted in the latter part of this year and to be implemented so rapidly that it will control inflation in the health sector. But that takes time. What do we do for emergencies in the months that lie immediately after May 1?

With respect to the workingman, it is not a control on wages that has eaten away at his income. It is the failure to control prices. We are urged to say here, as a Senate, that we are going to take controls off prices. That they have worked badly, so we are going to take them off. That there is no way we can make them work. The possible consequence, however, would be to unleash the very forces that have eaten away at the worker's income.

Mr. President, it is for this reason that we believe that standby control authority is necessary to avoid an inflationary bulge when these existing controls expire, to enforce voluntary decontrol commitments which have already been obtained, and to meet whatever special inflationary problems may arise in the next year.

Under this amendment, the President will be able to impose or reimpose controls if decontrol commitments are violated or if he makes three findings: First, that serious inflation exists in the economy; second, that serious inflation exists in a particular sector of the economy which would lead to severe hardship or deprivation if uncontrolled; and third, that there is a need for controls which outweighs any adverse supply consequences of such controls.

The amendment also gives the President discretion to require reports and recordkeeping from the private sector; the power to hold public hearings if necessary; authority to review and recommend changes in programs and activities of the Federal Government and the private sector; power to review and work with industry and Government to encourage price restraint: authority to improve economic data bases and to focus attention on the need for increased productivity; and power to review and make recommendations concerning economic concentration and anticompetitive practices.

The amendment provides that these functions may be delegated by the President as he chooses; that experts and consultants may be employed as necessary; that individuals and documents may be subpenaed in the process of factfinding;

that the President will report to Congress quarterly and also in his annual Economic Report; and that funding will be authorized as necessary.

Mr. President, I hope that the standby control authority in this bill would not have to be used. But past experience does not cause me to be too optimistic. After periods of control, it is common for an inflationary bulge to develop in response to the lifting of restraints. This in itself might not be so serious if the bulge evens out before too many months. But many experts on the economy are especially concerned that, in this instance, price increases will soar even as the economy is in a period of recession. Continued "double digit" inflation combined with recession could present the gravest economic conditions, crippling the stability of employment, investment, production, and income.

For example, interviews with business executives reported in the New York Times on April 22 indicate that an end to all control authority would "bring another spasm of price increases" which would erode already shrunken paychecks. Increases were predicted in health, metals, automobiles, cigarettes, whisky, processed foods, machinery, home furnishings, furniture, and cans. As for health, Cost of Living Council Director John Dunlop has predicted that doctor bills could go up 9 percent during the next fiscal year and hospital fees as much as 17 percent without control authority.

But even without implementation of standby controls, the monitoring authority contained in this bill could have a useful effect in dampening inflationary pressures which will develop after April 30. The function of the monitoring agency authorized by this bill would be to collect data on the economy, identify potential shortages, and assess the impact of Government and private policies and decisions on the economic health of the Nation. It would also provide an economic "early warning system," to alert us to special inflationary and shortage problems.

The energy crisis provides a perfect example of the necessity for such an information system. Many people in and out of Government foresaw the development of fuel shortages years ago. But since there was no central, independent agency monitoring the development of the shortage, and because of the suddenness of the Arab oil embargo, it appeared to spring from nowhere. This in turn led to the spectacle and the Government scurrying in every direction at once, searching not only for information, explanations, and policies, but for scapegoats as well. That is not a course we can afford to repeat.

In addition, the agency established by the act would provide us with insight into the long-run problems of inflation and shortages in America. The inflationary trend of the past few years is too serious to ignore. There are no proposals which promise to cure it instantly or entirely.

But the absence of a cure does not preclude the need for diagnosis. Continued study could give us important understanding of how to fashion our long-run economic policy.

When the Economic Stabilization Act expires tomorrow, no other agency in the Federal Government will perform these functions. The Council of Economic Advisers, for instance, has a staff of 46 permanent positions. The Cost of Living Council, which has until now been charged with monitoring the economy and administering controls, has a total staff under its jurisdiction of about 900 persons. While far fewer would be needed to perform the monitoring functions under this amendment, a separate, competently staffed office would be needed.

Finally, Mr. President, the psychology of the American economy could only be helped if a monitoring agency, with reserve standby control authority, kept track of inflation. No one will ask for higher wages, or higher prices, merely because it exists. But its activities could help promote a responsible attitude toward inflation on the part of business, labor, and the public at large.

Mr. President, the provisions of this amendment, the Cost of Living Act of 1974, are a minimal response to the widespread concerns which are being expressed today by some of the most knowledgeable observers of our economic situation. Inflationary pressures could explode unless the resources of the Government are poised for action to deal with such an event. The Government must not abandon its determination to deal forcefully with intolerable inflation rates should they develop as some pessimistic analysts now believe. This amendment signals such a determination and a continued will to deal with the problems of our economy until we are over the present crisis.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. ROTH). The Senator from Florida is recognized.

Mr. CHILES. Mr. President, I wish to take this opportunity to compliment the Senator from Louisiana (Mr. JOHNSTON). I think the work that he did as chairman of the Subcommittee on Banking first brought this entire matter into focus and brought attention to what was going to happen if controls were allowed to expire on April 30. The Senator from Illinois (Mr. STEVENSON) was a member of that subcommittee, and I think at that time they had a discussion which we now see come forth in this legislation. I also commend the distinguished Senator from Maine (Mr. MUSKIE) who raised this issue in caucus and brought the attention of the Senate to this area. I have been talking about this subject for a month on the floor of the Senate. I could see where I thought we were headed if we allowed controls to expire. Certainly anyone can see that controls have not worked in phase III. That is something anyone could prove without any problem, but we have to focus on our responsibility as Members of Congress and as Members of the Senate.

Mr. President, we cannot do the job of the President. We cannot be the Executive. But at the same time, if we allow all controls to expire then I think we do have to stand with the responsibility that the President could not respond to the issue if he wanted to, even if he had a change of heart, and if he recognized that phase II was better than phase III, and that it is necessary to have some kind of controls.

Standby controls were provided a year and a half or 2 years before he exercised them, and inflation was just over 4 percent, and now we are going to allow them to expire when we are facing an inflation figure of over 14 percent. It does not make sense.

Mr. President, when we look at those in favor of the expiration of controls we see some mighty forces. When the U.S. Chamber of Commerce gets together with the labor movement conscience would cross conviction—when we could support that sort of thing—but does conscience cause conviction at this time?

When I look at my State we have a number of people on fixed incomes, people who are retired or living on salaries that are fixed and cannot depend on the next range of salary agreements to bring them up. They are the people who are going to suffer. They are suffering now and they will suffer more on April 30 when the popup occurs. With reference to the popup, I think it is a question of when and how much it would be on April 30, because already we have seen indications in some contracts. As I judge the past, labor always has sort of been blamed for inflation. It looked as if labor sat down and big management said, "Let's go along with that and take our profit on top." We have these target industries leading the pack and the others have to follow. That is why we were talking about controls to start with and giving someone jawbone authority, and here we would take it all away.

I think Mr. Dunlop was doing a pretty good job as he was phasing out controls and making agreements with different industries. They were saying, "If you let us out from under this, we agree that for 2 years or 3 years we will not raise our prices over a certain amount." That was working well. Now, we say, "You can tear up those agreements if you do not like them. Now we are going to take away all authority to enforce those bargains and agreements and you can go up to any figure you want."

Now, I see in this legislation an opportunity to say, "You bargained for it, you got out early," and at the same time give someone authority to say, "Let us examine this package and see if it is inflationary or what it is going to do to the economy." At least then there would be some kind of authority.

The easiest thing is to make the argument, "This does not do much, this does not do the job; we have not solved the problem before, so why do it with this?" That does not give me much comfort when I go back to Florida and talk to the people there who are on fixed incomes and say that I sat here and did not do anything, that I sat here and let the inflation go on.

There has not been enough help for hospitals and most of us recognize that. We are addressing that in this bill also. It is not enough to say that we are taking off all controls. What will it be if these bills go up 70 or 90 percent? We have been talking about enacting a national health care bill but most of us realize that will not happen this year. It will be at least another year before there is any help in that area. Here we have the opportunity and we have the responsibility to determine how we are going to stand on this question.

While right now I can genuinely say to someone that we granted the controls, the President designed phase II and phase III so he has to stand or fall on whether it worked or not.

But when we take away the tool to provide any kind of controls, then I think he and I have to stand on whether there was any opportunity or not. That is something I am not going to look forward to going back on, because when April 30 comes we start the whole round again. We cannot do anything about energy as it goes through the whole inflationary spiral, and we cannot do anything about food as it goes through the whole inflationary spiral, but we can do something about feeding oil or gasoline to the flame and making it go up faster.

If we look at the jeopardy we are in with these kinds of prices, with 14 and 15 percent increases, then I think we see we need to be saying that we are taking every step we possibly can. It seems to me that if we have to come back and put in additional controls, we are going to be in a much better position to do that by saying, "Yes, we tried to go just to standby controls, we tried to go just to jawboning, but it did not work."

But if we take them off entirely and have the tremendous "pop-up," what happens when we try to pop on the controls again? There I think we would jeopardize the economy by trying to operate by that kind of method.

I hope Senators will understand their responsibility on this occasion, because I think it is a responsibility, basically, to the people we represent—not to the national chamber, not to the AFL–CIO, but really what would be best for the guy who is out there working and making things work now. What is going to be best for him and for the citizen who has already done his work and is now retired and is caught in this whole process?

Mr. President, I shall now make a more detailed statement on this matter.

I rise to throw my wholehearted support behind the proposal introduced by Senators MUSKIE, STEVENSON, and JOHNSTON. This amendment embodies authorities which I spoke in favor of on the floor of the Senate nearly a month ago. At that time, I called for standby price control authority, authority to enforce commitments, and jawboning authority as minimal powers necessary to deal with inflation. Underlying these recommendations made on April 4 was the obvious necessity for an information system to monitor prices and determine when and if these authorities should be exercised.

S. 2986 would make these policy authorities the law of the land for a period ending a year from tomorrow by which time hopefully inflationary pressures in the economy will have subsided.

In the meantime, though, we must have some standby authority to use if necessary, but also to persuade and to pressure producers to not just let the lid pop on Wednesday when price controls expire.

Mr. President, I am a cosponsor of this bill and urge my colleagues to support it. I do so because I believe our economy is at a crossroads. I believe we are at a point in time where the management of our economy is crucial.

Over the next several months we can either phase out price controls in an orderly fashion as the economy settles at a new equilibrium level or we may see a new spurt of inflation as prices that have been effectively restrained by controls shoot forward, feeding into still another round of inflation.

This inflationary period we have just been through is very unusual. It has not been a general inflation across the whole economy but has been an inflation spurred by higher prices of critical commodities, mostly food and fuel. These higher prices have increased our cost of living, thrown everybody's family budgets out of whack, created dislocations in the U.S. economy and thrown the world economy into great uncertainty. Food and fuel costs are so important to every individual's and every nation's budgets that literally everyone has been affected.

What we have as a result is a new economic situation, domestically and worldwide, where food and fuel now cost more relative to everything else. Prices and markets, as well as politics and attitudes are now adjusting to this new reality. It is now a fact of life that these vital goods are costing everybody more, leaving less money to spend on other things.

This one shot price change for food and fuel may change some as increased agricultural production comes on the market later this year and as new competitive factors come into the production and pricing of oil. But this downward adjustment will be marginal at best in comparison to the large upward shift in these prices over the last several months.

The point is do we now face this new reality squarely and decide to live with the worldwide changes in the prices of basic commodities or do we make an abortive effort to go back to "the world that was" by letting all other prices catch up to food and fuel.

If we take this second road and just abandon the whole effort to control inflation then we will simply invite a second round of inflation. We will go from an inflation which is very special in its nature to the same old game that we have been through before of prices pushing each other to ever higher levels.

We know what that game is about and we know what will happen as a result. And we know how to avoid it.

This legislation will help us do that and so I think we need to give the most serious consideration to it and support its passage.

Mr. President, I ask that my colleagues look at the record of the recent past before voting on this legislation if they want to know with certainty what will happen to the economy over the next year if we do not pass this legislation.

There is no crystal ball that we need. All we need to do is to look at what happened with the price control program over the last several years to see what will happen.

Looking back, we can see that the initial period of tight controls, what we now call phase II, was really very successful. The Consumer Price Index went up only 3.3 percent between August 1971 and January 1973 in comparison to a rise of 8.8 percent after that during calendar year 1973. The Wholesale Price Index went up only 5.7 percent during phase II and then rose 18.2 percent in 1973.

Now what happened in between? What happened was phase III. Phase III made a lot of the regulatory procedures of phase II self-administering. Phase III dropped prenotification requirements and eased reporting provisions except for the largest economic units. Enforcement staffs were cut.

In a word, major steps were taken to slacken the Government's efforts not only to control prices but to watch prices and enforce commitments. Inflationary pressures began to build. These are the very same authorities we want to continue in the Muskie-Stevenson-Johnston bill.

By the spring of 1973 phase III had to be tightened up and by June 1973 a new freeze had to be announced, which led eventually to phase IV.

All this is very trying. Nobody wants price controls. It is obvious now that many people and sectors of our economy have been hurt by controls and their situations need to be addressed individually. Hospitals are a good case of this.

But the general economic situation clearly requires that we legislate some standby authority. Just because we are fed up with price controls does not mean that we can abandon them. Inflation will not disappear just because we do not want to look at it for what it is.

I think it is vital to the permanent termination of price controls as an instrument of our economic policy that we have an orderly phase out of controls rather than having them expire arbitrarily tomorrow.

April 30 is no magic number. It has nothing to do with the trend of our economy. It has nothing to do with what our economic policy should be. It is the end of the authorization for a piece of legislation which was passed when we did not know what life would be like today.

There is no reason why we have to let the necessary enabling legislation die tomorrow and strip the Exectuive of the authority to monitor prices and to have if necessary the means to impose controls. We have a lot of other options. And one option is the Muskie-Stevenson-Johnston bill which I support and strongly urge my colleagues to support as the very least that we should do and as the most sensible thing to do until we can assure the American people that we have the inflation problem in this country licked.

Mr. MUSKIE. Mr. President, will the Senator yield?

Mr. CHILES. I yield.

Mr. MUSKIE. I would like to compliment the Senator on his statement. I think he has articulated well what is in the minds of his constituents.

I would like to complement what he has had to say by asking unanimous consent to include in the RECORD at this point an article which appeared in the Wall Street Journal of April 15, 1974, by Walter W. Heller, entitled "The Untimely Flight From Controls."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE UNTIMELY FLIGHT FROM CONTROLS

(By Walter W. Heller)

Congress is about to outdo the White House in running away from the inflation problem:

While correctly observing that business and labor are bitterly opposed to wage-price controls—and that consumer views range from skeptical to cynical—Congress is mistakenly sending such controls to the gas chamber rather than putting them in cold storage.

While correctly concluding that broad-scale mandatory controls had outlived their usefulness in an excess-demand, shortage-plagued economy. Congress is mistakenly walking away from its responsibility to assert the public interest in price-wage moderation in an economy plagued by softening demand and rising unemployment.

While correctly observing that the White House has done its level worst to discredit controls, Congress is mistakenly refusing even to give John Dunlop and the Cost of Living Council the leverage they need to insure that the pledges of price moderation and supply increases made in exchange for early de-control by many industries will be redeemed.

Granting that controls are in ill repute, one wonders how Congress can explain to itself today—let alone to voters next fall—the discarding of all wage-price restraints in the face of record rates of inflation of 12% in the cost of living and 15% in wholesale prices (including an ominous 35% rate of inflation last month in industrial commodity prices). Is it the product of a growing "what's-the-use" attitude? Is it an implicit surrender to an inflation that is deemed in part to be woven into the institutional fabric of our economy and in part visited upon us by uncontrollable external forces like world food and material shortages and oil cartels? In short, is inflation now thought to be not just out of control but beyond our control?

MILTON FRIEDMAN'S STREAK

An affirmative answer to these brooding questions seems to underlie Milton Friedman's recent economic streak—one which evokes surprise, astonishment, and disbelief in the best streaking tradition—from Smithian laissez-faire to Brazilian indexation. At present, we use the cost-of-living escalator selectively to protect 32 million Social Security and civil service beneficiaries and 13 million recipients of food-stamps and to hedge inflation bets in wage contracts for 10% of the labor force. Mr. Friedman would put all groups—those who profit from inflation and those who suffer from it alike—on the inflation escalator and thus help institutionalize our present double-digit rates of inflation.

Meanwhile, interest rates are soaring as Arthur Burns and the Fed man their lonely ramparts in the battle against inflation. With wage-price control headed for oblivion in the face of seething inflation, the Fed apparently views itself as the last bastion of inflation defense. So it is adding to the witches' brew by implicitly calling on unemployment and economic slack to help check the inflation spiral.

In this atmosphere, and deafened by the drumfire of powerful labor and business lobbies, Congress seems to have closed its mind to the legitimate continuing role of price-wage constraints. What is that role in an economy relying primarily, as it should, on the dictates of the marketplace?

First are the important transitional functions of the Cost of Living Council for which Mr. Dunlop, with vacillating support from the White House, asked congressional authority. In its new form after April 30 the Council would have:

Enforced commitments made by the cement, fertilizer, auto, tire and tube, and many other de-controlled industries to restrain prices and-or expand supplies—commitments that would become unenforceable when COLC goes down the drain with the Economic Stabilization Act on April 30;

Protected patients against an explosion of hospital fees by keeping mandatory controls on the health-care industry until Congress adopts a national health insurance plan;

Prevented an early explosion of construction wages and the associated danger that housing recovery might be crippled;

Maintained veto power over wage bargains that are eligible for reopening when mandatory controls are lifted.

Beyond Phase 4's post-operative period, government needs to assert its presence in wage-price developments in several critical ways.

The first would be to continue the important function of monitoring other government agencies, of keeping a wary anti-inflationary eye on their farm, labor, trade, transport, energy and housing policies. The point is to protect consumers from the price consequences of the cost-boosting and price-propping activities of the producer-oriented agencies. The White House could continue this function without congressional authority, but a statutory base would give the watchdog agency much more clout.

Second would be the task of working with industry, labor, and government units to improve wage bargaining and relieve bottleneck inflation by encouraging increased production of scarce goods and raw materials.

Third, and by far the most important, would be the monitoring of major wage bargains and price decisions and spotlighting those that flout the public interest.

The trauma of Phases 3 and 4 has apparently blotted out memories of the painfully relevant experience of 1969–71:

The school's-out, hands-off policy announced by Mr. Nixon early in 1969 touched off a rash of price increases and let a vicious wage-price spiral propel inflation upward even while the economy was moving downward.

Only when Mr. Nixon finally moved in with the powerful circuit-breaker of the 90-day freeze was the spiral turned off.

Today, the urgent task is to see that it's not turned on again. In that quest, some forces are working in our favor;

Much of the steam should be going out of special-sector inflation in oil, food, and raw materials.

The pop-up or bubble effect of ending mandatory controls should work its inflationary way through the economy by the end of the year.

As yet, wage settlements show few signs of shooting upwards as they did in 1969-70, when first-year increases jumped from 8% to 16% in less than a year. Wage moderation in 1973—induced in part by wage controls, but even more by the absence of inordinate profits in most labor-intensive industries and by the fact that the critical bottlenecks were in materials and manufacturing capacity rather than in labor supply—has set no high pay targets for labor to shoot at.

Thus far in 1974, the aluminum, can, and newly signed steel settlements won't greatly boost those targets. So the wage-wage spiral is not yet at work. Since, in addition, cost-of-living escalators apply to only one-tenth of the U.S. work force, the ballooning cost of living has not yet triggered a new price-wage spiral. Still, there is a distinct calm-before-the-storm feeling abroad in the land of labor negotiations.

A MODERATION IN INFLATION

With demand softening and shortages easing in large segments of the economy, the old rules of the marketplace would suggest that inflation is bound to moderate. And the odds are that it will—but how fast, how far, and how firmly is another matter. And that's where a price-wage monitor with a firm statutory base is badly needed. It could play a significant role in inducing big business to break the heady habit of escalating prices and in forestalling big labor's addiction to double-digit wage advances.

Industry after industry has gotten into the habit of raising prices on a cost-justified basis as energy, food, and raw material prices skyrocketed. De-control will reinforce that habit.

Once these bulges have worked their way through the economy, we tend to assume that virulent inflation will subside. Indeed, in some areas such as retailing, farm products, small business, and much of unorganized labor, competitive market forces will operate to help business and labor kick the inflationary habit.

But in areas dominated by powerful unions and industrial oligopolies, a prod is needed if habitual inflation—inflation with no visible means of support from underlying supply and demand conditions in the economy—is to be broken. If it is not, the threat of a wage break-out will loom large in upcoming wage negotiations in the construction, communications, aerospace, ship building, airlines, mining, and railroad industries. In those critical negotiations, the wage moderation of the past two years could go up in smoke if the ebbing of non-labor cost pressures is simply converted into profits rather than being shared with consumers in price moderation.

Congress and the White House are taking undue risks if they rely entirely on market forces to achieve this end, especially in those large areas of the economy where competitive forces are not strong enough to protect the consumer. To serve as his ombudsman and to help prevent the picking of his pocket by a management-labor coalition, the consumer needs a watchdog agency that will bark and growl and occasionally bite. Such an agency—which could accomplish a good deal by skillful exercise of the powers of inquiry and publicity and much more if it were able to draw, sparingly, on powers of suspension and rollback when faced with gross violations and defiance—could provide substantial insurance against inflation by habit.

CONTENTS OF AN ACTION PROGRAM

An action program to accomplish the foregoing would have included—indeed, given a miracle of courage, conviction and speed, could still include—the following elements:

A quick and simple extension of the standby powers of the Economic Stabilization Act.

Granting of the authority requested by John Dunlop for the transitional period.

The establishment of a monitoring agency—preferably by statute and equipped with last-resort suspension and rollback powers, but if that is not to be, then by White House action and relying mainly on instruments of inquiry and publicity—to look over the shoulder of big business and big labor on behalf of the consumer.

To declare open season on wage-price decisions under present circumstances—as we seem hell-bent to do in our disenchantment with controls and sudden revival of faith in the market system—would be one more example of the classic action-reaction pattern that excludes the middle way. The Congress and the country may well rue the day when, largely at the behest of big business and organized labor, the government presence in their price and wage decisions was mindlessly liquidated, leaving the consumer to fend for himself.

Mr. MUSKIE. Mr. President, the Senator and I are nonexperts in this field. I do not think that adjective can be attributed to Dr. Heller. So perhaps it would be useful to have the article in the RECORD so it can be read by our colleagues.

Mr. CHILES. I think it would be useful. During the weekend, as a matter of fact, on Friday, I had an opportunity to have Dr. Charles Schultz appear before a panel of people from Florida who are interested in this problem. At that time there was a discussion of the question, and it was certainly his feeling, as articulated to the Senator from Maine before, that standby controls would be wise to keep in process, and he felt the Congress would be very wise if it enacted and kept standby controls in process.

Mr. PROXMIRE. Mr. President, I am happy I was on the floor when my two distinguished colleagues from Maine and Florida spoke. I think what they said is very persuasive and is something we have to consider carefully, because we have a most serious inflation, which is the No. 1 economic problem that confronts us, and it is one for which Congress has heavy responsibility.

No. 1, I think we should recognize that the economy has been largely decontrolled. The fact is that 68 percent of the Wholesale Price Index, as the Senator from Maine described, has already suffered the decontrol bubble or popup. Eighty-eight percent of the retail Consumer Price Index that has been under control now has been decontrolled. So we have had the most gradual decontrol process we have ever had at any time.

It is not very comforting for us to see the very serious inflation we have had in the last few months, but it is, in perspective, very largely—not entirely, but largely—an energy inflation. The sharp increase in energy prices not only means higher gasoline prices; it means higher fuel oil prices, higher transportation prices, higher processing prices. It takes energy to process and transport everything we buy and that energy is very expensive. It amounts to 20, or 30 or 40 percent of the cost of almost all the foods we buy. If we do not stabilize energy prices, we are going to face higher prices as a result.

We have legislation on the books that provides price and wage controls now for energy. It is going to continue until 1975. In addition to that, I have a long list of powers the President of the United States has at the present time to prevent inflation.

Nothing has been said, to my knowledge—today, at least—about the delegation of authority and power that we give to the President of the United States when we give him standby wage and price controls. Arthur Burns, Chairman of the Federal Reserve Board, said there is no greater power we can give anybody than the economic power to control wages that are paid and prices that are charged. This is an immense power than Congress should surrender to any President, Republican or Democratic only with the greatest reluctance and only after providing real safeguards.

It is true that there are guidelines here, but they are self-determining guidelines. The bill introduced provides that the President must determine whether there is serious inflation or hardship, but he makes the determination. There is no provision that it go back to Congress. There is no provision even for a negative veto. We are urged to give the President this tremendous, overwhelming power at a time when we have argued over and over again that the President has too much power and that Congress has surrendered too much power.

Mr. President, I am unalterably opposed to any legislation extending price and wage controls. In taking a strong stand against any legislation to extend controls, I find myself in the uncomfortable position of being in opposition to many of my Democratic colleagues, including our distinguished majority leader. I am sorry that I find it necessary to oppose the resolution taken by the Democratic caucus last week. Nonetheless, I believe it is essential that the control program be terminated on April 30.

Mr. President, I do not believe there is any serious disagreement that the control program has been a colossal failure. And yet there are those who are worried that the abandonment of controls might somehow worsen the most serious inflation we have had in a quarter of a century. Inflation is indeed a serious problem. But it is equally true that the control program has been unable to curb inflation and, in fact, may have contributed to inflation. It is also true that the control program has held back wages and reduced the purchasing power of the average working family. It is also true that the control program has produced serious shortages in our domestic economy which in some cases has led to a loss of jobs.

It is also true, Mr. President, that for all practical purposes, the control program is already phased out.

Mr. SPARKMAN. Mr. President, will the Senator yield to me for a few remarks?

Mr. PROXMIRE. I am delighted to yield to the Senator from Alabama.

Mr. SPARKMAN. I agree fully with the remarks made by the Senator from Wisconsin. We have no more able and dedicated members of the Committee on Banking, Housing and Urban Affairs than the Senator from Illinois (Mr. STEVENSON) and the Senator from Louisiana (Mr. JOHNSTON), who are the chief architects of this proposal, and I certainly respect the able Senator from Maine (Mr. MUSKIE). I have enjoyed his remarks. I compliment him upon his presentation.

But there are a few things I would like to call attention to in reference to controls. The Senator from Maine was right in the midst of it during the Korean war, I understood him to say. Well, I lived through it during World War II. Controls worked in World War II. Controls worked in the Korean war. But they worked under war conditions in which the country was mobilized.

When the controls remained on following World War II, I think we can all remember how disastrous they became and how abruptly they were removed by President Truman in 1946, if I correctly remember the time. There is a difference between peacetime controls and wartime controls. Pressures exist in wartime. The country is mobilized. It is united. It wants to do these things. These conditions do not occur in peacetime. We do not have the pressure that exists in wartime.

I think this is recognized by our committee. Every argument made by the distinguished Senator from Maine was made in our committee, as the Senator will recall; and following that, the committee voted on this very proposal. What was the vote?

Mr. PROXMIRE. The vote was 11 to 4.

Mr. SPARKMAN. 11 to 4 against it.

Then the committee had another vote, immediately following that one. Does the Senator recall that vote?

Mr. PROXMIRE. That was a vote of 15 to 0.

Mr. SPARKMAN. It was a unanimous vote against all control measures then pending. That was the way the committee then voted, and the committee had gone into every single one of these questions at the hearings. The committee held hearings and heard from people in all walks of life regarding the desirability of continuing controls.

Furthermore, I wish to compliment Dr. John Dunlop for the work he did in the almost impossible position he held as head of the Cost of Living Council. I think he did excellent work. But did Dr. Dunlop ask for a continuance of controls beyond April 30? Only in the field of health care and possibly in the field of construction. If I remember correctly, that was just the way he presented it to us. He did not ask for a continuance of controls. But he was the man who was carrying them forward.

Mr. JOHNSTON. Mr. President, will the Senator yield?

Mr. SPARKMAN. May I continue for just a minute?

The administration has not asked for controls to be continued. I do not know what the thought is in the President's mind or in the minds of the members of the Council of Economic Advisers, and those people, but I can say they have never asked us to continue the controls beyond April 30. I am not privy to their thoughts, but I rather suspect that they want to see the controls brought to an end.

I now yield to the distinguished Senator from Louisiana.

Mr. JOHNSTON. I should like to make two points to the distinguished Senator from Alabama, who is also our chairman.

First of all, on the question of the vote of the Committee on Banking, Housing and Urban Affairs, the subcommittee voted 4 to 3 for the bill. The subcommittee is where the hearings were held. It is where the experts testified. That is an indication of the force of the testimony. It is true that the full committee voted 11 to 4 against the bill, but the full committee did not hear all the evidence, nor did the full committee have the benefit of the 14.5 percent first quarter rise in inflation.

Mr. PROXMIRE. Mr. President, I think the Senator from Louisiana would agree that the Senator was present at many of the hearings of the subcommittee, practically as often as the members of the subcommittee, even though I am not a member of the subcommittee.

Mr. JOHNSTON. The Senator from Wisconsin was there, in fact. But on the question of Dr. Dunlop, my understanding is that Dr. Dunlop told me that he supports the bill. I think he said so publicly. I am sure his position can be ascertained. It has been in the newspapers that he supports the bill, even if the administration may not support the bill. Perhaps it is not the exact wording that Dr. Dunlop prefers.

I think the administration recognizes that if we do not have some club in the closet, prices will get out of control. The Senator from Wisconsin says that 88 percent of the economy is out of control—or some such figure. But 100 percent of the economy today remains under the standby controls.

What we will see on May 1 will be not only a lessening of the taking off of controls that exist now, but the taking off of standby controls. That is what worries me. If an industrialist has the power to raise prices either a responsible amount or an irresponsible amount, and he knows that responsibility is going to be upon him, that is a powerful incentive to act responsibly to avoid a reimposition of controls. What is he going to do? I believe it is a powerful incentive to act responsibly on those who have the power to raise prices or to ask for an increase in wages.

That is the simple question. It is not whether the price controls work. It is not whether phase I, II, III, or IV is a success. The question is what is the psychology of the marketplace, to provide something that can be done when prices are raised irresponsibly or when wages are raised irresponsibly.

Mr. SPARKMAN. Mr. President, let me say this in reply to the Senator from Louisiana. Again, I compliment him. He did a tremendous job in holding hearings and in presenting the bill to the full committee. But even his subcommittee voted 4 to 3 on it. That was a pretty strong minority vote cast against it in the subcommittee.

I will say this If we have to have controls, I would rather have them in this form than to have them in the form of continuing controls as they are. In other words, the subcommittee's proposal is for standby authority with a trigger, as I understand.

Mr. JOHNSTON. That is correct; there are no continuations.

Mr. SPARKMAN. If we had to have any, I would prefer to have the Senator's type. But with reference to the administration, I say again that I am not privy to the Presidents' thoughts. Perhaps the great Senator from Vermont may be. He is a member of that party.

Mr. AIKEN. Mr. President, may I ask a question of the distinguished Senator from Wisconsin?

Mr. PROXMIRE. Yes; I am happy to yield for that purpose.

Mr. AIKEN. The Senator from Wisconsin is one of our ablest Senators. Is he trying to tell the Senate that by approving the pending amendment the Senate would express the belief that the President up to now has not had authority to do any better job than he has been doing in the field of controlling inflation? Is that the interpretation that will be placed on the amendment?

Mr. PROXMIRE. I do not know how we can place any interpretation on the amendment except to say that we want the Senate to give the President power to impose controls on any sector of the economy he wants to. We have had it on the books for 3½ years, and we have had a very bad experiment with it. The President has a great deal of authority to control inflation outside of this legislation and outside the Wage Stabilization Act, and which I think are fundamental. I am talking about the control of Federal spending, the control over, one, the area of energy, the area of the export of food and the imports of food, of the stockpiling of goods, of military goods, the antitrust laws, and many others areas.

Mr. AIKEN. This amendment would give him some authority, some of which he has had, but some of which he may not have had up to now.

Mr. PROXMIRE. The Senator from Louisiana is the expert on his amendment, but I think he would agree with me—that this amendment would give the President somewhat less authority than he has at the present time because he would have to meet standards, and he does not have to meet any standards under the present act. He could impose wage and price controls at any time without a finding. He has to make a finding in this case.

Mr. AIKEN. He does not have to have any new legislation?

Is it the feeling of the Senator from Wisconsin that we need to have stronger legislation than is proposed by this amendment?

Mr. PROXMIRE. It is the feeling of the Senator from Wisconsin that this legislation does nothing useful; it would not restrain inflation. We have tried legislation like it, or similar legislation, but it has not worked. It did not stabilize prices. Under it prices rose three times as fast.

Mr. AIKEN. Then this amendment would ostensibly place much less power in the hands of the President and would be ineffective.

Mr. PROXMIRE. It would be ineffective with respect to inflation, yes, and also with respect to many other things. It is my contention, although many other Senators disagree, that these wage and price controls discriminate against the workingman and has kept his wages down and has resulted in a serious drop in wages.

And I think that will occur again.

Mr. AIKEN. The Senator was not present this morning when I inserted in the RECORD two articles appearing in the Wall Street Journal and the New York Journal of Commerce, pointing out that the machine tool business is now having unprecedented activity and orders. In fact, I understand some of the industry has orders that will take at least 3 years to fill.

As I understand it, the machine tool industry is one of our best indicators as to the future or even the present status of our economy. I know it is not the only one. I think agriculture, perhaps, would come first, but the machine tool industry is considered one of the prime indicators relative to our prosperity and predicted prosperity, and those articles from those two papers will be in the RECORD in the morning. So I do not think the situation is entirely hopeless, as some would like us to believe.

Mr. PROXMIRE. May I say just one thing, in reply to the Senator from Vermont?

Mr. AIKEN. Yes.

Mr. PROXMIRE. It could be argued, of course, that if the machine tool industry is an indication of the economy, it is going to be zooming, booming, with all kinds of inflationary pressures.

The answer is that everything balanced, the machine tool industry is doing well, but housing is doing very badly, and resources are being drained out of housing into this area. So I think it is unfortunate, that we are clearly——

Mr. AIKEN. I understand that one reason that housing is doing so badly is that they cannot get the machine tools and other equipment and material necessary to go ahead in that area.

Mr. PROXMIRE. The reason, of course, is that inflation is so bad and interest rates so punishing that it has knocked the life out of housing. Housing is enormously sensitive to interest rates.

Mr. AIKEN. But the Senator from Wisconsin does maintain that the enactment or approval of this amendment would not improve the situation?

Mr. PROXMIRE. Yes, indeed. I thank the Senator.

Mr. SPARKMAN. Mr. President, may I add this: I am glad the Senator from Wisconsin said what he did with reference to housing. I was going to mention, when the Senator was speaking of the machine tool industy——

Mr. AIKEN. There is a shortage. An extreme shortage of many machines.

Mr. SPARKMAN. That it is one of the great businesses in this counrty, but one of the greatest is housing, and it has completely lost its zip, for two reasons. First of all——

Mr. AIKEN. Any attractive house would sell for more today than when it was new, because they are unobtainable.

Mr. SPARKMAN. Housing has gone down to one of the lowest ebbs it has ever reached.

Mr. AIKEN. And more people are going into the sawmill business than there have been for years. They must be the optimists.

Mr. SPARKMAN. It has gone down

for two reasons. First, the inflationary effect, as the Senator from Wisconsin has pointed out, the high interest rates, and the lack of available money for housing. Savings and loan associations, as I understand, are in a deficit position as far as intake and output are concerned.

Another reason is that the President, by his edict in January of 1973, dealt almost a mortal blow to housing in this country, from which it has not yet recovered.

Mr. AIKEN. But forest products are selling well. Very well.

Mr. SPARKMAN. I hope they will continue to sell well, and I hope that housing will recover. By the way, I was pleased to hear the President say, I believe as a part of his announcement a couple of days ago, that within 2 weeks time he was coming forward with a housing program that he hoped would spur us on again.

Mr. PROXMIRE. It was very encouraging. As the Senator from Alabama has likewise pointed out, the housing industry was struck, not a death blow but an absolutely crippling blow, in January 1973 when we had a moratorium on all Government assisted housing, meaning that 60 percent, far more than half, of the American people who cannot afford to buy new homes unless they get Government assistance, are out in the cold, and meaning that the 600,000 starts we have hoped we would have every year for 10 years in subsidized housing we are not going to get in the coming year, in addition, of course, to the very, very serious impact of an 11 percent prime interest rate, which is devastating on convention housing.

Mr. SPARKMAN. One further thing I would like to say in connection with the statement the Senator from Louisiana made: I did not intend to say that Dr. Dunlop is opposed to this legislation. I would say that he had not advocated this type of legislation. Dr. Dunlop did want us to continue controls on health care and on construction. He designated those two.

I can say in all fairness that Dr. Dunlop has talked with me several times. I admire him, and I admire the work he has done and his ability, and I would say in all fairness that he would like to see some legislative base whereby he will be able to continue to operate. But in his testimony before us he particularly mentioned the fields of health care and construction.

I thank the Senator from Wisconsin.

Mr. PROXMIRE. I thank the Senator from Alabama.

Mr. President, those who are in favor of giving the President standby control authority argue that controls may be needed on a selective basis to curb excessive inflationary pressures which might arise in particular sectors of the economy. It is also argued that we need to retain the control authority to provide for a more orderly phaseout of the present control program. Whatever the theoretical economic merits of these arguments, I believe there are overwhelming practical reasons for not giving the President any more control authority.

First of all, there is no assurance that the administration would administer the standby control authority in a fair and equitable manner. In fact, the past record indicates just the opposite. The price and wage control program has had a disastrous effect on working families. There is no reason to assume the administration would suddenly change its tune if it were given standby control authority. We have had controls now for nearly 3 years. While wages have been held down, the rate of inflation is 3 times as bad as when it was at the beginning of the control program. How much evidence do we need to convince us that controls do not work—at least in the hands of the present administration.

Let me remind the Senate just how badly workers have suffered under the administration's control program. During the last 15 months from January 1, 1973 to March 31, 1974, the Consumer Price Index rose at an annual rate of 10 percent. During this same period, average weekly wages of nonfarm workers increased at an annual rate of only 5.2 percent. In other words, prices rose almost twice as fast as wages. Real purchasing power for the average working family declined at an annual rate of 4.8 percent.

If we look at what happened during phase IV, the picture is even worse. During the last 8 months from August 1, 1973 to March 31, 1974, the Consumer Price Index rose at a staggering annual rate of 15.9 percent. During this same period average weekly earnings for nonfarm workers increased at an annual rate of only 1.6 percent. This represents a drop of 14.3 percent in purchasing power for the average working family.

There might be some merit to continuing the control program if it could be shown that conditions were improving. But the figures show just the opposite. Workers have been clobbered by the program and the situation is getting worse, not better. At the same time, the rich and powerful have benefitted from controls. During 1973, corporate profits were up 27 percent from the previous year.

The rich have gotten richer while the working families of this country have been squeezed and squeezed dry. In the hands of the present administration, the price and wage control program has been an engine of inequity. It has resulted in a massive redistribution of income in favor of the well-to-do. And now some of my Democratic colleagues in the Senate want to give standby control authority to the same team which brought us 15 percent inflation and wage increases so low that real wage income fell sharply in the last 8 months. Perhaps a case for standby controls could be made if we were dealing with another administration. But we are not dealing with another administration. We are dealing with this administration. And I say that on the basis of its record, the present administration has failed and failed miserably. It simply cannot be trusted with any more authority.

Mr. President, aside from the equity argument, there is a second reason for not giving stand-by control authority to the present administration. Even if we ignore the disastrous impact controls have had and are likely to have on wage-earners, we have no way of knowing whether the control authority will be used wisely and judiciously even on the price side. The President has flip-flopped on the question of controls so many times that there is no predicting how he might use the stand-by authority even if we gave it to him against his wishes. The President said he did not want the original authority to control prices and wages and that he had no intention of using it and yet suddenly controls were invoked on the entire economy in August of 1971. In 1973, the President said repeatedly he was against another freeze and yet in June he ordered just such a freeze. Who can tell or predict what the President might do if we give him standby control authority?

In normal times, there might be some argument for giving the President standby authority to control prices and wages. But we are not living in normal times. We are dealing with a President whose political credibility has been seriously impaired by the Watergate developments. Who knows what erratic new policy the President might adopt if he had standby authority. Could a politically weakened President withstand pressure from the hill and the press to reimpose controls even in those cases where controls were not justified?

Mr. President, former Secretary Schultz made essentially the same argument in testimony before the Senate Banking Committee. This was the President's Secretary of the Treasury speaking, a man who has been considered the No. 1 expert or economic authority, in the administration—that it would be a serious mistake to give the President standby control authority. He said if the authority were on the books, there would be tremendous pressure to use it. He more or less acknowledged that the President might be tempted to use the standby authority unwisely in response to these pressures. Why should we tempt the President with this authority when he does not want it, when he has not asked for it, and when he has demonstrated a consistent record for abusing similar authority when it was given to him?

Mr. President, there is a third reason for not giving the administration standby authority to reimpose price and wage controls. To a large extent, the economy has already reacted to the termination of controls. As I indicated previously, only 12 percent of the Consumer Price Index is under control.

The temporary acceleration in the rate of inflation—the so-called price bubble—is already occurring and may be at a peak. In other words, the most painful transition effects may be behind us. However, the reenactment of the control authority would constitute a new ball game. Many corporations and union leaders would try to beat the reimposition of new controls by increasing prices or demanding wage increases even higher than they otherwise would have. Thus, the enactment of standby control authority can be self-defeating and counterproductive.

The distinguished Senator from Louisiana (Mr. JOHNSTON) has just said that we have 100 percent standby controls now and by the day after tomorrow we will have no standby control program, none, zero. I would disagree with his view that the absence of standby controls will result in anticipatory action by labor and management. If I were managing a company or were the head of a union, I would say that if there are standby controls, without further action, I had better get on the "stick" and start working for a price or wage rise. But if there is no standby authority on the books, it would take debate, a bill, hearings, and months of consideration, maybe a couple of years, before it would go into effect and under those circumstances we are much less likely to act in anticipation.

Mr. JOHNSTON. Mr. President, will the Senator from Wisconsin yield?

Mr. PROXMIRE. I am happy to yield to the Senator from Louisiana.

Mr. JOHNSTON. My question is relative to the psychology of this thing. Does not the Senator concede that when we have a system of standby controls, where authority to use the standby controls is carefully limited to situations of serious inflation resulting in serious hardship or serious deprivation, and where that trigger is required for the use of controls, is it not ordinary psychology—human nature—to say that by rewarding those who act responsibly and by punishing those who act irresponsibly, we are more likely to get the kind of conduct we want for responsible wage and price control conduct? That seems to be self-evident.

Mr. PROXMIRE. My answer is that these standards look good. They read well. They are politically unassailable, but they do not mean anything. If we look at the standards, they can be applied by the administration any way they wish.

The first standard is a case in point and will be the case for years to come, regarding serious inflation. We have had that for the past 5 years. Any time during the 5 years the administration could say the first standard is met because we can always find hardship in any industry. There is all kinds of hardship always in all large industries. We can go down each standard and find they do not actually apply any real discipline. If we have to have a court finding or some congressional action, that will be different. But that is not in the bill. So the self-determined standards by the administration, as I say, are good window dressing but do not add any force.

Mr. JOHNSTON. The standards are meaningful. They are strict and stringent, albeit they are in general terms. The Export Administration's Act is couched in equally broad terms, which has always been considered by this and previous administrations to be a real brake, a real parameter, on the authority which they can exercise. I think the only way we can say that these standards are meaningless is to assume that the administration will disobey the law, or to assume that it will ignore the law. That may or may not be a safe assumption.

Mr. PROXMIRE. If the Senator were President, or I were President, we could easily impose wage and price controls under this bill any time we wanted to do so and in virtually every sector. With serious inflation in the economy we are going to have that with us for years. We have had it in the past and it will continue. Some people have argued in the past that 1 percent or 2 percent was serious. Now we have a different perspective. So, standard No. 1, is not a significant limitation at all. In the second standard we have here the serious inflation which would lead to severe hardship and deprivation. Well, that is easy to show. There are numerous big industries in health and construction and in food and in any number of other areas. We could go on and on. We cannot name an industry in which serious deprivation or hardship would not follow the end of controls.

One more point. The third standard is the need for controls to moderate hardship or deprivation. Who will make that determination? Who will weigh the factors? It will be done by the administration. Any time the President feels he would like to impose wage and price controls in the construction industry or any other industry, or at any time he wishes to impose whatever he wishes to impose, he can make that finding, or his lawyers can make it for him. The Senator from Louisiana knows that able administrators can always find ways to permit a price or wage policy to meet standards, particularly when they do not have to come to Congress to require affirmative action on the part of Congress before we can trigger the control mechanism.

Mr. JOHNSTON. On point 2, relative to finding serious inflation in a particular sector, that is balanced off by the requirement that the absence of controls would result in serious deprivation or hardship, that would have to be proved or would have to be shown to be effective, that the controls themselves can moderate the serious hardship or the deprivation.

Mr. PROXMIRE. Shown by whom?

Mr. JOHNSTON. Shown to the President and he must in turn put the findings in the CONGRESSIONAL RECORD. Again, I quite acknowledge that any President can disobey the law and very little can be done to a President——

Mr. PROXMIRE. I do not think the President would disobey the law. He would abide by the law as scrupulously as he saw it. But it is up to him to interpret it.

Mr. JOHNSTON. There are restrictions on the President. He can capriciously and arbitrarily put on wage and price controls, without any standards at all. What this bill does is to give some meaningful standards which, if he obeys the law, will circumscribe his authority and activity in a strict way.

Mr. PROXMIRE. We just disagree on the meaningfulness of the force and effect of the standards. On the basis of the experience I have had, any President—I am not talking about President Nixon—if he wants to do so, could meet the standards easily, at any time he wished. I have not heard any hypothetical example given of any industries, for instance, where the President could not do that. He could do it right now, where there is any real likelihood the President has put the controls on.

Mr. JOHNSTON. One good example, and this is in answer to the question from the Senator from Tennessee (Mr. BROCK), who propounded the question prior to the time we had the chance to answer it. His question related to health care and whether health care would virtually automatically be brought under this bill.

My response is this, that the bill requires present serious inflation in a particular sector resulting in serious hardship or deprivation—no anticipated inflation. In my judgment, at least, according to the testimony before the Subcommittee on Production and Stabilization, serious inflation does not now exist in the health care field. The problem is one of anticipatory inflation, what happens when the lid is taken off. That is not sufficient under this particular standard, to trigger controls, because the inflation must be present—the hardship, the deprivation must be present—and, further, it must be shown that controls could temper, could leaven that hardship or deprivation and reduce it.

Mr. PROXMIRE. It is easy. All the President has to do is wait for 1 month and get the price statistics, and they vary enormously in the various sectors month by month. We have seen almost every section of the economy rise and fall in price. Then he could do it on the basis of the most useful period to make his point—the last 3 months, the last 5 months.

Mr. JOHNSTON. The President can watch after April 30, after controls are taken off; and those industries that act irresponsibly, that raise their prices higher than necessary to recoup costs, raise their prices to make windfall profits, raise their prices to create a psychology of inflation—those, in fact, will be the sectors, if any, which are controlled.

Mr. PROXMIRE. But it is up to the President, himself, to determine whether this criteria is met, whether in fact there is a serious inflation in that sector. It does not say that it has to be 5 percent or 3 percent or 15 percent.

The Senator gave his opinion, and it may be a very good opinion, that there is no serious inflation now in the health sector. The President may disagree with that, and sincerely disagree. There is nothing the Senator from Louisiana or anybody else could do about Presidential action. The matter could be taken to court, and I suppose that eventually the whole industry might show—it takes months to fight these things out—an arbitrary increase was unjustified, and yet the price could have been rolled back. The President would be free to do that on the basis of his sincere feeling that inflated prices were occurring in the health industry or another industry.

Once again, if standby controls were given to a reasonably stable administration, there might not be a problem. But we are not dealing with a reasonably stable administration. We are dealing with an administration whose economic policy can be summed up in one word—erratic. Under these circumstances, no one can be sure just how the standby control authority might be administered. Corporations would want to protect themselves in case there is another freeze. Unions would do likewise. As a result, price and wage demands will go up even more if we give the President standby authority to reimpose controls.

Mr. President, there may be some who think it is smart politics to give the President standby authority to control prices and wages so that if he did not use it, he could be blamed for inflation. Here we go again. This is exactly the type of political game playing which led to the passage of the original Economic Stabilization Act of 1970.

I recall very well, to be frank about it, when certain Members of the House and the Senate told me exactly that: "We have a no-lose game as far as the Democrats are concerned. We put this into the law; the President is not going to use it; and we blame him for inflation and beat him in 1972."

We know what happened. What happened was that that power over prices and wages caused a great deal of trouble. The President did use it. In retrospect, we made a gigantic blunder in giving the President that authority, a blunder we were warned against by the Chairman of the Federal Reserve Board, who was friendly to the President, but who recognized that this is far more power than we should surrender to him.

Public opinion polls reveal that respect for Congress as an institution is at its alltime low, as the Senator from Maine has indicated. The Harris poll shows that 21 percent of the people think that Congress is doing a good job. The Gallup poll shows that 30 percent think so. The Harris poll shows that they hold us in less respect than the President. The Gallup poll shows that we are held in not much more respect than the President. At any rate, we are not doing well with the people. We cannot command the respect and confidence of the public if we give away our powers to the President. How do we improve our image if we engage in transparent political buckpassing? We do not fool anyone but ourselves when we play these games.

Mr. President, there are some who feel that unless Congress gives the President standby authority for price and wage controls, the President will blame Congress for inflation. Many of those who are in favor of extending the wage and price control program are not out to embarrass the President. Instead, they believe they are acting defensively to avoid being blamed for inflation by the President and his spokesman in the November election.

If this is the only real reason for extending the price and wage control program, it is a mighty slender reed. First of all, the President's credibility has been so undermined by Watergate that nobody but his most ardent supporters are going to believe him.

Second, I believe most Americans look to the President for economic leadership. When things go right, he gets the credit. When things go wrong, he gets the blame. The current President, or a new President, may try to shift the blame to Congress. But I do not believe many people will buy that argument.

Third, those who follow Government affairs closely—the news media—will not be taken in by such an outrageous attempt to blame Congress or the Democrats for inflation. The administration itself did not seek standby authority. The decision to terminate the program was bipartisan. All six Republican members of the Senate Banking Committee voted against standby controls and the administration bill as well. The vote in the House Banking Committee was 21 to 10 against all control bills. The Republican members voted 10 to 2 against any control authority.

Mr. President, the record is clear that controls have not worked and that the decision to terminate the program was a bipartisan one. Some Republican politicians might attempt to distort the record in November in order to blame the Democrats for inflation. But the American people are wiser than that argument gives them credit for. They know how badly this standby power has been misused and mishandled by this Republican administration. I do not see how such tactics—blaming the Democrats for the administration of this program—could possibly succeed. In fact, they are likely to backfire on anyone who tries to make such an absurd claim. We have enough credibility gaps without someone trying to add a new one.

Mr. TOWER. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. TOWER. Until now I have agreed with everything the Senator from Wisconsin has said.

Mr. PROXMIRE. I did not expect the Senator to go along with the last part of my presentation.

Mr. TOWER. I would point out that no one should try to make political capital out of this. I think the committees of the respective Houses acted on the basis of what they considered to be some pretty strong grassroots opinion about wage and price controls that come from all sectors of the economy. I do not think it is really a politically exploitable item.

Mr. PROXMIRE. I thank the Senator. He will recall that the vote in the committee was 11 to 4 against the bill that is essentially before us today, and 15 to 0 against other bills that were proposed. So it was overwhelming, and in some areas it was unanimous.

Accordingly Mr. President, I believe the Congress should face the issue on its merits and not on what might be politically expedient in November. The record is abundantly clear. Controls have not worked. Inflation has tripled under controls. Wages and real income have lagged far behind. Serious domestic shortages have been created. There is no reason to assume standby controls would be administered any differently. The time has now come for the Congress to face up to its responsibilities and exercise leadership. The time has now come to end the price and wage control program which has robbed the pockets of the average working family.

There are other actions we can take and should take and have taken to cope with the kind of inflation we suffer now. Standby wage and price controls should not be one of them.

I urge that the amendment to continue the authority on a standby basis be defeated.

I yield the floor.

Mr. ROTH. Mr. President, in anticipation of an end to the controls program, I introduced, over a month ago, Senate Joint Resolution 201 to establish a National Commission on Inflation. The Commission would promote voluntary wage and price restraints, insure that a sustained period of inflationary wage and price increases does not occur upon the termination of mandatory control authority, and promote the level of confidence in the Nation's ability to control inflation.

Shortly after I introduced Senate Joint Resolution 201, I asked Dr. Arthur Burns, the Chairman of the Board of Governors of the Federal Reserve System, for his views on my proposals. I am pleased to report that Dr. Burns had come out in support of my proposal to establish a National Commission on Inflation.

In his response, he said:

> I have reviewed with great interest your proposal for a National Commission on Inflation. You have my support in this endeavor to promote voluntary wage and price restraints.

Dr. Burns correctly predicted that my proposal would encounter opposition. But he believes, as I do, that we cannot simply turn our backs on inflation

He said in his letter:

> Our inflationary problem is so serious that we cannot afford to overlook any possible benefits that might be found in a new approach of this kind.

Mr. President, I ask unanimous consent that the letter from Dr. Burns may be printed in the Record at this point.

There being no objection, the letter was ordered to be printed in the Record, as follows:

April 8, 1974.

Hon. William V. Roth, Jr.,
U.S. Senate,
Washington, D.C.

Dear Senator Roth: I have reviewed with great interest your proposal for a National Commission on Inflation. You have my support in this endeavor to promote voluntary wage and price restraint.

I have one suggestion that you may wish to consider, namely, involving the Congress in the Commission's work. I would be inclined to add the majority and minority leaders of both Houses of Congress to the membership of the Commission.

You may encounter some negative reactions to your proposal on the grounds that such a Commission would be ineffectual. But our inflationary problem is so serious that we cannot afford to overlook any possible benefits that might be found in a new approach of this kind.

Sincerely yours,

Arthur F. Burns.

Mr. ROTH. Mr. President, I have also introduced legislation to provide the President with standby controls authority, but my legislation would also provide for congressional oversight of the control process. I do believe that both the President and the Congress should have the discretion to impose controls on any sector of the economy which is obviously abusing the fight against inflation.

However, it now appears that politics has entered the picture to such an extent that any attempt to deal with inflation might fail. Therefore, I intend to offer an amendment to the pending amendment which would provide for congressional oversight of any new controls authority. In order to avoid the political arguments over inflation, I believe that the Congress should assume equal responsibility for its control.

If the Congress is not willing to provide both the President and the Congress with the authority to impose standby controls, I will offer an amendment to establish the National Commission on Inflation as an anti-inflationary watchdog agency. This is the very least we can do to handle the inflation problem.

We have all heard that mandatory controls have the potential to cause economic distortions and create shortages. But, we have not emphasized the fact that the economic controls have had a restraining influence on inflationary expectations, which can be as harmful as inflation itself.

The National Commission on Inflation would not have mandatory control authority, but it would serve to dampen the economy's inflationary expectations. The National Commission on Inflation would provide an ongoing center of Government vigilance to promote voluntary restraint, guard against abuses of economic power, and promote the level of confidence in our ability to solve our inflationary problems. The Commission would:

Not provide for mandatory economic control authority, except with respect to petroleum products, which are under the Emergency Petroleum Allocation Act of 1973.

Authority a review of industrial capacfor public scrutiny of inflationary problems in various sectors of the economy.

Authorize a review of industrial capacity, demand, and supply in various sectors of the economy, and would encourage cooperation between Government agencies and industrial groups to work for price restraint.

Focus attention on the need to increase productivity in both the public and private sectors of the economy.

Monitor the economy as a whole, by requiring, as appropriate, reports on wages, productivity, prices, sales, profits, imports, and exports.

If the Senate fails to provide the President with standby controls authority, coupled with the safeguard of congressional oversight, I will urge my Senate colleagues to consider legislation to establish the National Commission on Inflation as a watchdog agency.

Members of Congress have blamed the President for our present inflationary problems. But, if we refuse to take any action now, when the rate of inflation is the worst in recent history, we will have only ourselves to blame.

We are bombarded almost daily with news reports and Government indices on the worst rate of inflation that many Americans have ever experienced.

Arthur Burns said last week that the inflation problem is "grave and dangerous."

The Congress must take the initiative. We should, at the very least, instruct the President to "talk tough" to prevent runaway price and wage increases.

As a firm believer in the free market system, I am fearful that an explosion in wage and price increases, coupled with the upcoming congressional elections, could lead to intense pressures to reimpose strict wage-price controls. In order to avoid these pressures, we must provide a vehicle for strong public jawboning, jawboning that is backed up by a highly visible Government entity.

The National Commission on Inflation would fulfill that role. It would guarantee a degree of coordination in the Government's response to inflation.

It would be authorized to deal solely with the problems of inflation, and would report to the President, the Congress, and the American people on any decisions, actions, or price and wage increases which would substantially contribute to inflationary pressures in the economy.

We here in Congress cannot turn our backs on inflation. Inflation is our No. 1 problem, and we must make its solution our No. 1 priority.

Mr. HUMPHREY. Mr. President, first, I wish to commend the distinguished Senator from Delaware for his very thoughtful and constructive remarks and proposals. I want to say to the Senator from Delaware that I look with considerable favor upon his proposal for the oversight function of Congress. I consider his suggestion of the National Commission on Inflation to be constructive. I am hopeful that as this debate goes along and before we come to some final resolution we will be able to bring about some wedding, so to speak, of these ideas because I believe the Senator has demonstrated a grave and serious concern over the problems of inflation and a great sense of responsibility as to the role of Congress, as well as the Executive, in trying to work out an effective anti-inflation program.

Mr. President, the question faced by the Senate today, simply put, is this: Will Congress allow the Federal Government to wantonly abandon all effort to deal with the increasingly desperate problem of inflation; or will we act responsibly to provide the legislative authority to do what we believe must be done, if even the smallest progress is to be made, in controlling inflation?

That is the question, as I see it. I have heard arguments made for and against wage and price controls. I have heard it said that it is smart politics to be for standby controls. I disagree with that. I do not think it is smart politics to be for any kind of controls, standby or mandatory. But I think it is a responsible position. People that have long supported me in public life are opposed to the very position I am taking in this statement today.

I have not found many in the labor movement in support of standby controls. I have not found many in the business community in support of it. But that does not mean that the Congress of the United States should abandon its responsibility.

The question I have to place before this Senate is: If you do not want any kind of governmental activity, including something as modest as standby wage and price controls, or the proposal that has been advanced by my esteemed friend and distinguished colleague, the Senator from Maine (Mr. MUSKIE) for a monitoring system, then what is it the opposition recommends—more inflation, pretending it is not happening, ignoring its dire results? Because, may I add, that every Member of Congress knows if the inflationary conditions continue to grow, if the Wholesale Price Index continues to go up, if the real value of our gross national product continues to go down, if the purchasing power of wages continues to be eroded, if the value of the dollar continues to fall, if our balance of payments continues in deficit, then this country is in a crisis second only to World War III.

Therefore, I am not going to be moved by what some pressure group in business or labor or anybody else says we ought to do. I do not have any panacea here and I am not trying to pretend I do, as my remarks will so indicate.

I have heard it said controls will not work. Well, they did work in phase II. They worked very well. Then came January of 1973 and they took them off, just at the time they were working. The testimony before the Joint Economic Committee in January and February 1973 is replete with statements from prominent people in business, labor, and the academic community, economists, and others, that the taking off of so-called phase II, or its abandonment, was a serious mistake.

I submit Members of the Senate can check the CONGRESSIONAL RECORD and the committee hearing records and they will find page after page of statement and testimony pointing out that phase II price and wage controls were working and did work; that those controls did hold back forces and pressures of inflation; that they were working with reasonable equity; and the argument and the criticism was that they were prematurely removed.

So I do not buy the argument that controls do not work. I happen to believe that the administration, after it removed phase II or abandoned phase II, did a very poor job in controlling inflationary forces. It is not easy to do even a medium job. This is a difficult assignment. Quite frankly there is no agreement in Government circles or among economists on how we best try to moderate the forces of inflation. No one would dare speak with any degree of responsibility to the point that we can stop inflation. What we are talking about is how we moderate it. How do we slow it down? How do we bring it under control?

The proposition before the Senate, the amendment that has been proposed and been offered here by members of the Commerce Committee, by my distinguished friend and colleague from Maine (Mr. MUSKIE) and other Senators, Senators JOHNSTON, STEVENSON, MANSFIELD—and the whole list of our cosponsors is on the proposal, and I am proud to say I was one of those early cosponsors, is designed to give the Government some of the tools that might be helpful and some of the precautionary mechanisms that could be used even if only with partial effectiveness.

So the question is, Will Congress allow the Federal Government to wantonly abandon all efforts to deal with the increasingly desperate problem of inflation, or will we act responsibly with what knowledge we have, what experience we have, to provide the legislative authority to do what we believe ought to be done if even the smallest progress is to be made in controlling inflation?

We will not be able to administer this program. Congress does not run the Government. But Congress is supposed to set policy. Members of city councils do not run the fire department, but they do set the fire prevention code. I had the privilege of serving as the mayor of a city. The job of the administration of that city was to carry out, to the best of its ability, the ordinances and the codes that were passed by the city council. There was no assurance on the part of the council members that the job would be well done, but the council members knew that their responsibility was to provide the authority, the machinery, the mechanism, and the procedures so that whatever job was undertaken, hopefully, could be well done.

I am not here to argue that we should pass this legislation and then be able to go out to the country and say, "Well, we gave the President the authority. Too bad he did not use it." But I can tell you, Mr. President, that both the President and the Congress have the responsibility to the American people to try to set up whatever means of protection we can formulate to maintain a healthy economy.

We give to the President of the United States vast authority under the defense program. We do not know whether he is going to be a good Commander in Chief or not. But I will tell you this, Mr. President: We have the responsibility to provide him with the authority and with the means to be a good Commander in Chief.

There was a time when the Congress of the United States refused to pass a law to even fortify Guam before World War II, and how many articles were written on how the Congress had failed to heed the call of national security and national defense. I think our job in the Congress is to write public policy as best we see that policy, and not to sit here and say, "Well, the President would not act, or if he does act, he would not act properly." That may well be the case—he may act but he may not act properly. But the question is; What will we do?

It was to this point that I addressed myself in the caucus of the Democratic Members of this body, because I happen to believe that the people of America have the right to expect the Congress to do something and not to just sit idly by and say they are going to let the forces of the economy just take hold. If that is the case, then we ought to abandon Project Nimbus, which makes weather predictions, and say we are just going to let hurricanes take control. We are not going to give anyone a forewarning. We are not going to give anybody time to take care of the safety of their person and property. We will just let the forces of nature take hold.

We do not do that in matters of health legislation. We do not do that in anything, and I submit that the Congress has the responsibility to attempt to provide some workable program to at least moderate, if ever so little, the pressures and forces of inflation.

Everybody knows that the recent inflation has been the most virulent in many decades, and I want to predict to this floor now that it is going to get worse. When the Economic Stabilization Act comes to an end, every part of this economy is going to try to put itself in position to take care of whatever it feels, from its standpoint, to be its best position. That is what happened at the end of the Korean war. It is what happens whenever there is a delay. And the months of May and June will see fantastic increases in prices, with tremendous demands on the part of labor—and rightly so—to be able to catch up with wage increases. You are going to have problems in America that will be staggering.

We may not be able to do anywhere near what we ought to do to ameliorate these conditions, because we have had a lot of soft, soothing, syrupy talk to the effect that everything was going to be better, when the simple truth was that it was not getting better.

By the way, this is not only characteristic of our own country; the forces of inflation are worldwide.

The numbers recorded by the Consumer Price Index and the Wholesale Price Index are nothing short of staggering. These numbers are by now familiar to all of us.

We have all heard and read so many accounts of "record increases" and the "double digit" inflation that even the largest numbers have ceased to have a sharp effect. Rather than repeat any more numbers, let me take a moment to discuss some of the underlying factors. Let me explain how some of them are changing. Some types of inflation can be dealt with by wage and price controls, and some of them cannot be. Much of the inflation we have experienced in 1973 stems from causes over which price and wage policies could have little control.

By contrast, much of the inflation in 1974 stems from causes which could be influenced by an appropriate wage-price policy. Unless Congress acts, and acts promptly, we will be abandoning the wage and price policy at the very moment when it is most needed and possibly could do the most good.

Let me spell out some of the differences, as I see them; between the 1973 style inflation and the 1974 style inflation. In 1973 inflation was caused in the main by sharply rising prices for commodities—that is for petroleum, for grains, and for industrial raw materials. All of these commodities move in world trade. Prices are set in world markets. Even if we had the best possible price-wage policy here in the United States in 1973, these price increases could not all have been halted. I think they could have been moderated somewhat, but not halted. There is no way in which the United States can insulate itself from the world economically, for any length of time, in this day and age.

Furthermore, of course, we did not have the best possible price-wage policy. Instead, we had a roller coaster, on-again, off-again stages, up and down, in, and out yoyo prices and freezes, which only made a bad situation worse.

However, 1973 is now history. I commend the analysis of what went wrong in 1973 to the historians. They will have plenty of material.

The Senate must now turn its attention to what is happening now, in 1974, and what will be happening in the forthcoming months. Two things are happening with respect to inflation. Policies are needed to deal with both of them.

First, price pressures are coming less from raw commodities and more from manufactured goods. Prices of steel, of textiles, of chemicals, and of rubber products are rising sharply. Some of this rise is inevitable, because the increased cost of fuel and of raw materials must be passed on.

I do not for a moment suppose that these price increases could be halted entirely, nor is that the thrust of my remarks. However, they can be kept within reason. They can be limited to the increases made necessary by increased costs.

The questions are these: Can we count on the steel industry to voluntarily and on its own initiative limit its price increases to the minimum, necessary amount? Can we count on the chemical, the drug, or the automobile industries to do the same? Can we expect these industries even to honor the decontrol commitments they have already made with the Cost of Living Council when there is no longer a Cost of Living Council? Can we expect the force of competition to limit price increases in these great, basic industries?

In every case the answer is "No, no, and again no." These are not truly competitive industries. They are in some instances monopolies or oligopolies. They are administered price industries. When inflation moves into the concentrated, administered price industries, as it will increasingly during 1974, Government has a responsibility to observe what is going on, to bring pressure on these industries, to give guidance or set guidelines, and to act as a "watchdog."

Some of us whose memories go back a few years remember that Government did perform this "watchdog" function in the Kennedy administration and in the Johnson administration—yes, jawboning, as the Senator from Delaware said, and as others have said, to give guidance, to set guidelines, and to act as the Senator from Maine has proposed, as a watchdog to bring to bear the forces of public opinion upon those who would exploit this economy. That is the least we can do here—the very least. To do less would be to abdicate our responsibility.

I was present when some of that went on. I recall the time when we had no wage-price controls, but we did have wage-price guidelines, and the steel industry was in a management-labor dispute. I recall when the late President Johnson called in the heads of the steel industry and the leaders of the United Steel Workers of America and said to them that he expected them to negotiate a contract that was within the wage-price guidelines.

He said:

> I will give you a set of rooms in the Executive Office Building. They will be on the floor above the Vice President's office. I am going to have the Secretary of Labor meet with you every day. I will expect the Vice President to tune in on what you are doing. I shall be looking out of the window of the Oval Room in the White House. I want you to report back here every night at the conclusion of your daily negotiations.

The President also said:

> I think we will get something done.

The strike was averted and the negotiations were completed. The result of those negotiations was that the agreement fell within the wage-price guidelines which had been established. So it can work. However, it cannot work if we do not try it.

We remember how dismayed we were when the new Nixon administration proclaimed its doctrinaire aversion to all forms of guidelines and moral suasion. We saw throughout 1969, 1970, and early 1971 what a mistake the administration had make. We watched an administered price inflation get worse and worse despite recession and high unemployment. We saw things get so bad that in August 1971, an administration that swore it would never interfere in the market imposed total interference in the form of a price-wage freeze. It simply had to do so. This is not to be critical. It was an absolute necessity.

Are we going to sit here today and watch the very same thing take place again? Are we going to actively encourage—indeed, insure, the repetition of that mistake by denying the administration any authority to conduct a price-wage policy? Inflation has become too serious. We cannot afford such a mistake today. Government must have the authority to deal with administered-price inflation, and to deal promptly and effectively.

Whether the Government will use that authority or not, I cannot say. However, I think that it ought to have it. I believe that our responsibility is to provide that power.

Let me turn now to the second thing that is happening with respect to inflation in 1974. The second big inflationary pressure in 1974 is wages. Wages were not a cause of inflation in 1973. Wages lagged way behind prices. The tragic result is that the worker has suffered a severe loss of real income. Real spendable earnings are currently nearly 5 percent below what they were a year ago. Last week, Mr. President, we learned that, during the first quarter of this year, the real buying power of the average paychecks dropped at a rate of more than 12 percent.

The American worker has not had a fair deal. And that, of course, is why he is bitterly opposed to what is called wage controls, because he believes that the only control that was exerted was on wages, and he is basically right. Regrettably, much of the mechanism of Government was used to legitimatize price increases rather than control prices.

That did not make the legislation that we passed, however, wrong. The very same medication that can save your life when properly used and prescribed by an ethical doctor can also take your life or destroy it. Opium products are a necessity in the control of pain. They also can be used abusively to destroy humankind by making narcotic addicts out of people. Whatever we have can be used properly or abused, and what we need to understand in this body is that we have the job of trying to prescribe the kind of legislation that is needed, and whether or not that legislation will be properly administered is something over which we cannot have full control, even though I must say that by a very good program of oversight, as was suggested, we might very well be able to make a very real contribution.

So it is a fact, of course, that workers have lost ground, and I want to see them get the kind of wage increase that will permit them to make up that ground. But I want the increases to be fair and reasonable, and I want to avoid locking the economy into another 3-year spiral of wages chasing prices and then prices chasing wages.

How is this to be avoided? In part it can be avoided by providing working people with some modest tax relief, which some of us in this body believe is important and essential. This can substitute for part of the wage losses of the past 2 years, and provide some form of equity in sharing the burdens of the Government. But tax relief is only part of the answer. The other part is the maintenance of Government machinery which can monitor what is happening to prices and wages and then set standards of fairness and reasonableness.

I do not want to see traditional wage relationships get out of line with one another as they did in the construction industry in the late 1960's.

And let the Senate not forget what happened. There were wage settlements made in 1969 in the construction industry, which were completely out of proportion to any other wage agreements which were being negotiated. Let me say to my friends in the organized labor movement, I sat with them when they were uttering their complaints, when the construction industry was going up one line of wage and price increases and the rest of the economy was being held on another line. That was good for no one. Once these disparities and inequities are introduced into the wage structure they take a long time to get reversed or equalized. The cost is more and more inflation, and inflation is a curse that can be endured only by the rich. It is not a cost that working families can afford to pay.

Inflation is a curse to people on fixed incomes, the working families of this country, the elderly, and the poor. Many of our giant corporations manage it quite well just by increasing prices. But a worker is always behind. A 3-year wage contract negotiated by a union has this kind of a prospect: The first year, the worker is trying to catch up on what he lost last year. For the second year, he is holding even with the cost of living; and the third year, he runs behind again. That is what happens in wage contracts.

No one has a greater stake in moderating these forces of inflation and bringing them under control than the working people of America. They cannot afford the "luxury" or the injury of inflation.

In sum, price-wage policy faces two crucial tasks in 1974. First it must deal with administered price increases in concentrated industries. Second it must provide standards of equity and reasonableness in wage settlements. To do this job, the executive branch must be given a few tools with which to work. They must be given the authority as well as the responsibility. The bill we have before the Senate today would provide that authority. I believe it would do so in a way that avoids the excessive delegation of power to the Executive. The Senate should pass this amendment to provide a system of monitoring the economy as outlined in section 203 of the proposed amendment. I ask unanimous consent that section 203 be printed in the RECORD at this point in my remarks.

There being no objection, section 203 was ordered to be printed in the RECORD, as follows:

PRESIDENTIAL MONITORING AUTHORITY

SEC. 203. To carry out the purposes of this title, the President shall—

(1) review the programs and activities of Federal departments and agencies and the private sector which may have adverse effects on supply and cause increases in prices and make recommendations for changes in such programs and activities to increase supply and restrain prices;

(2) review industrial capacity, demand, and supply in various sectors of the economy, working with the industrial groups concerned and appropriate governmental agencies to encourage price restraints;

(3) improve wage and price data bases for the various sectors of the economy to improve collective bargaining and encourage price restraint;

(4) conduct public hearings when appropriate to provide for public scrutiny of inflationary problems in various sectors of the economy;

(5) focus attention on the need to increase productivity in both the public and private sectors of the economy;

(6) monitor the economy as a whole, including such matters as wages, costs, productivity, prices, sales, profits, imports, and exports; and

(7) conduct a continuing review of the effect of economic concentration and anti-competitive practices on price and wage inflation and recommend legislation and other appropriate action to reduce the impact of such concentration or practices on inflation.

Mr. HUMPHREY. Our amendment further provides for a system of orderly decontrol in section 204 of the amendment. I ask unanimous consent that this section be printed in the Record at this point in my remarks.

There being no objection, section 204 was ordered to be printed in the Record, as follows:

Enforcement of Decontrol Commitments

Sec. 204. Notwithstanding the expiration of the Economic Stabilization Act of 1970, as amended.

(1) any commitment made or given as a condition of, in connection with, in exchange for, or in the course of decontrol or the grant of other relief from or under such Act, prior to May 1, 1974, shall continue in full force and effect; and

(2) the authority and provisions of sections 203 (relating to Presidential control authority), 208 (relating to sanctions), 209 (relating to injunctions and other relief), and 211 (relating to judicial review) of that Act (as in effect on April 30, 1974) may be invoked against, and shall apply to, any person who violates any commitment made or given as a condition of, in connection with, in exchange for, or in the course of decontrol or the grant of other relief to such person or under such Act, prior to May 1, 1974.

Mr. HUMPHREY. Finally, there is provision for orderly decontrol and standby control authority. I ask unanimous consent that section 205 of the amendment be printed in the Record at this point in my remarks.

There being no objection, section 205 was ordered to be printed in the Record, as follows:

ORDERLY DECONTROL AND STANDBY CONTROL AUTHORITY

Sec. 205. (a) The President is authorized to issue such orders and regulations (hereinafter "controls") as he deems appropriate, accompanied by a statement of reasons for such orders and regulations, to—

(1) stabilize prices, rents, wages, and salaries at levels not less than those prevailing on April 24, 1974, except that prices may be stabilized at levels below those prevailing on such date if it is necessary to eliminate windfall profits or if it is otherwise necessary to carry out the purposes of this title; and

(2) stabilize interest rates and corporate dividends and similar transfers at levels consistent with orderly economic growth. Such orders and regulations shall provide for the making of such adjustments as may be necessary to prevent gross inequities, and shall be consistent with subsections (b) through (k) of this section.

(b) The President may in his discretion impose controls pursuant to this section on any person who violates a decontrol commitment.

(c)(1) The President may not impose controls pursuant to this section on any person unless the President first makes and publishes in the Federal Register the following findings, together with the reasons therefore:

(i) that there is serious inflation in the economy as a whole;

(ii) that there is serious inflation in an economic sector, which, in the absence of such controls, would lead to severe hardship or deprivation; and

(iii) that the need for such controls to moderate such hardship or deprivation outweighs the possible adverse supply consequences of such controls.

(2) In making the findings required under this subsection, the President shall consider, inter alia, the following:

(A) the extent to which such inflation can be moderated by such controls without the imposition of controls over other sectors;

(B) the extent to which competition in the relevant sector moderates inflationary pressures;

(C) the extent to which such controls will limit supply in the affected sector—

(i) by causing curtailment of production or productivity or impairment of capital formation, productive capacity, or resource availability, or

(ii) by stimulating an increase in foreign demand sufficient to create or exacerbate any domestic shortages; and

(D) the anticipated period of time required for market correction of any inflation or shortage, measured in light of the seriousness of such hardship or deprivation.

(d) Orders and regulations issued under this section shall—

(1) be generally fair and equitable;

(2) provide for the making of such general exceptions and variations as are necessary to foster orderly economic growth and to prevent gross inequities, hardships, serious market disruptions, domestic shortages of raw materials, localized shortages of labor, and windfall profits;

(3) take into account changes in productivity and the cost of living, as well as such other factors consistent with the purposes of this title as are appropriate;

(4) provide for the requiring of appropriate reductions in prices and rents whenever warranted after consideration of lower costs, labor shortages, and other pertinent factors; and

(5) call for generally comparable sacrifices by business and labor.

(e) In determining the wage increases to be permitted under economic stabilization controls, or fashioning commitments under subsection (e) of this section, the President shall give consideration to the need for real earnings to keep pace with increases in the cost of living.

(f) Notwithstanding any other provisions of this title, this title shall be implemented in such a manner that wage increases to any individual whose earnings are substandard or who is a member of the working poor shall not be limited in any manner, until such time as his earnings are no longer substandard or he is no longer a member of the working poor. The President shall prescribe regulations defining for this purpose the term "substandard earnings," but in no case shall such term be defined to mean earnings less than those resulting from a wage or salary rate which yields $3.5 per hour or less.

(g) Whenever the authority of this title is implemented with respect to significant segments of the economy, the President shall require the issuance of regulations or orders providing for the stabilization of interest rates and finance charges, unless he issues a determination, accompanied by a statement of reasons, that such regulations or orders are not necessary to maintain such rates and charges at levels consonant with orderly economic growth.

(h) The authority conferred by this section shall not be exercised to preclude the payment of any increase in wages—

(1) require under the Fair Labor Standards Act of 1938, as amended (29 U.S.C. 201 et seq.), or effected as a result of enforcement action under such Act; or

(2) required in order to comply with wage determinations made by any agency in the executive branch of the Government pursuant to law for work (A) performed under contracts with, or to be performed with financial assistance from, the United States or the District of Columbia, or any agency or instrumentality thereof, or (B) performed by aliens who are immigrants or who have been temporarily admitted to the United States pursuant to the Immigration and Nationality Act, as amended (8 U.S.C. 1101 et seq.); or

(3) paid in conjunction with existing or newly established employee incentive programs which are designed to reflect directly increases in employee productivity.

(i) For the purposes of this section the term "wages" and "salaries" do not include reasonable contributions by any employer pursuant to a compensation adjustment for—

(1) any pension, profit sharing, or annuity and savings plan which meets the requirements of section 401(a), 404(a)(2), or 403(b) of the Internal Revenue Code of 1954 (title 26 U.S.C.);

(2) any group insurance plan; or

(3) any disability and health plan:

unless the President determines that the contributions made by any such employer are unreasonably inconsistent with the purposes of this title. Employees in all industries subject to controls under this title shall be treated equally for the purposes of this title.

(j) No State or portion thereof shall be exempted from any application of this title with respect to rents solely by virtue of the fact that it regulates rents by State or local law, regulation or policy.

(k) Nothing in this title may be construed to authorize or require the withholding or reservation of any obligational authority provided by law or of any funds appropriated under such authority.

Mr. HUMPHREY. On Monday, April 22, I outlined in a brief statement my observations on the deterioration in the Nation's economic condition. I am chairman of the Subcommittee on Consumer Economics of the Joint Economic Committee, Mr. President. I spend a great deal of my time on the work of that full committee, and on Monday I stated my observation as to what has been going on and what we might do about it. I ask unanimous consent that those remarks be printed in the Record at this point.

There being no objection, the remarks were ordered to be printed in the Record, as follows:

Humphrey Blasts Nixon Administration Economic Failures

For generations economists have claimed that a high rate of inflation could not exist side by side in our economy with a drop in economic activity, high levels of unemployment and high interest rates. Unfortunately, they will have to rewrite all their textbooks.

The Nixon Administration has clearly proved that, with its economic policies, you can have all of this bad news at the same time.

We have experienced a 5.8 percent nosedive in the real value of the gross national product, the worst drop in total economic activity since the major Republican recession of 1957–58. But we have also suffered a red-hot and broadly based inflation, pushing prices up 10.8 percent in the last three months—the steepest quarterly increase since 1951.

The latest figures confirm that the glowing State of the Union rhetoric about "no recession" and "reduced inflation" was simply the empty promises of a beleaguered President who confused what he would like to see with the hard facts of economic life.

I see no reason to share the optimism regarding hoped for economic performance in the second half of 1974 that is being voiced by the Administration. Its failure to project accurately economic conditions in the last several years has only been surpassed by its inability to deal with our nation's economic woes.

We are now in the midst of a recession. Economic activity has declined in each of the past three months and a further drop in output is expected by many observers.

The unemployment rate has jumped from 4.6 percent in October 1973 to 5.1 percent in March 1974. But this highly unsatisfactory level is expected to do even higher in the next several months.

There is little evidence to support the White House expectation that inflation has reached its peak.

There may be some leveling off of food price increases temporarily during the harvest season.

But it is my judgment that higher prices for raw material to the industrial sector, rising labor costs after a year of relative wage stability, and soaring interest rates will result in pushing prices up at similarly high rates for the remainder of 1974.

As the staggering wholesale price rise of 19 percent during the last 12 months works its inevitable way into retail sales, the harassed American consumer will be faced with yet another big dose of inflation this fall.

With prices racing way ahead of wages for the second straight year, the total failure of Nixon economic policy is painfully evident to America's working families.

We learned Friday that real weekly spendable earnings fell an incredible 12 percent rate during the past quarter.

To reverse the failures of Nixon economic policy we must immediately:

Reduce taxes for low and middle income families in order to stimulate the economy through consumer demand;

Mount an expanded program of public service jobs for the unemployed;

Replace the mismanaged wage/price control program with a permanent inflation monitoring institution, with largely voluntary wage/price guidelines, but some limited stand-by authority to prevent highly inflationary wage and price increases.

While the Administration has consistently argued against such measures, I believe that, in light of its most recent failures, a completely new approach to economic policy is warranted.

In all my years in government, it is hard to remember a failure of leadership any more glaring than the failure of this Administration to develop effective policies to deal with inflation.

Mr. HUMPHREY. There, Mr. President, I did make what I hoped, at least, were some positive proposals. It is not fair for those of us here in the Senate or anywhere else to merely be critics. We do have a responsibility at least to offer some suggestions.

I said that to reverse the failures of the current economic policies, we should immediately reduce taxes for low- and middle-income families in order to stimulate the economy through consumer demand, because we are in a recession; that we should mount an expanded program of public service jobs for the unemployed—there is no reason, in this country, why people who want work, who want to go to work, should not have that opportunity; that we should replace the mismanaged wage-price control program with a permanent inflation monitoring institution, such as is proposed in this amendment, with largely voluntary wage-price guidelines, but some limited standby authority to prevent highly inflationary wage and price increases.

I made the proposal before this amendment came before us. I did not speak lightly, and I did not go out and consult every pressure group in the country. I happen to believe that the greatest single problem facing this country today is the economic problem, and I am, as a Senator, not going to run away from it. I would rather be marked wrong in my recommendations than not make any recommendations. I believe, with Franklin Roosevelt, that we should try, and if what we try should not work, we should try something else, but we should not be guilty of the sins of omission. We should have the courage to try to do something that can be helpful.

In addition to giving the Senate my reasons for supporting this amendment, I have asked the staff of the Joint Economic Committee to determine what some of the leading professional economists have recently advised about the Federal Government continuing some price-wage policies.

The names are in addition to such well known economists as Walter Heller and Charles Schultz, whose support for this bill is already on the record.

Otto Eckstein, former member of the Council of Economic Advisers under President Johnson has said:

> The actual rate of inflation up to the April 30th renewal deadline will be so poor that it would be grossly irresponsible to abandon the stabilization program at this instant."
>
> One possibility which I think in any economic discussion has to be raised in whether it wouldn't be practical to go to a free world market approach, take our punishment of seeking equilibrium and get on to a simpler kind of situation. My own belief is that the risk of such a drastically changed strategy during a period of such severe instability would be a social experiment of such high risk that the country cannot afford to run it. The essential task is not whether to swap controls, but to identify what should be retained in the present programs, and what functions need strengthening.

Robert A. Gordon, president elect of the American Economic Association, in a letter to me just 2 days ago supported the Cost of Living Act, saying:

> The rate of inflation has continued to accelerate and clearly will be unacceptable this year by anybody's standard. It was a serious mistake to do away with all controls, and this egregious error should be corrected as soon as possible.

Prof. Saul H. Hyman also sent me a letter of support for this action, saying:

> I feel that it is most important that the Federal Government continue to monitor general wage and price trends, report its findings on behavior in leading sections to the American people, and state most clearly (and publicly) what it regards as appropriate quantilative goals in the wage-price area.

Dr. Gardner Ackley, Chairman of the Council of Economic Advisers under President Johnson, told the Joint Economic Committee in Febrauary:

> Controls may have reduced the rate of inflation in 1973 by perhaps somewhere between 1½ to 3%.
>
> I am suggesting that authority of a general sort, some kind of continuation of government interference in wage and price making process seems to be important, . . .

Mr. President, this is just a sampling of the kind of support this legislative measure has received among the economics profession.

I do not say that there are no economists who are opposed to these standby controls. Indeed, there are. Nor do I say that standby controls will have the kind of success I would hope they would have. But I must say that I consider it my responsibility as a U.S. Senator to see that the executive branch has our advice and counsel, that we legislate what we believe to be necessary public policies, and that we do this in the full knowledge that the situation which we face is most unusual, that even a successful wage and price policy can only have a limited effect but that effect is important enough so that we should give it support.

If we could hold back the rate of inflation by 1 percent, it would mean billions of dollars saved to the American people. But not if we throw open the gates and say to everyone, "Go to it. Grab everything you can get. Raise prices as much as you wish. Get as much as you can at the bargaining table on wages."

Mr. President, if that is what happens, then I would suggest that the United States will be in the most serious economic condition it has faced since the Great Depression.

Mr. President, I ask unanimous consent to have printed in the RECORD an article written by the distinguished economist, Dr. Walter Heller, in a recent issue of the Wall Street Journal.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE UNTIMELY FLIGHT FROM CONTROLS

(By Walter W. Heller)

Congress is about to outdo the White House in running away from the inflation problem:

While correctly observing that business and labor are bitterly opposed to wage-price controls—and that consumer views range from skeptical to cynical—Congress is mistakenly sending such controls to the gas chamber rather than putting them in cold storage.

While correctly concluding that broad-scale mandatory controls had outlived their usefulness in an excess-demand, shortage-plagued economy, Congress is mistakenly walking away from its responsibility to assert the public interest in price-wage moderation in an economy plagued by softening demand and rising unemployment.

While correctly observing that the White House has done its level worst to discredit controls, Congress is mistakenly refusing even John Dunlop and the Cost of Living Council the leverage they need to insure that the pledges of price moderation and supply increases made in exchange for early de-control by many industries will be redeemed.

Granting that controls are in ill repute, one wonders how Congress can explain to itself today—let alone to voters next fall—the discarding of all wage-price restraints in the face of record rates of inflation of 12% in the cost of living and 15% in wholesale prices (including an ominous 35% rate of inflation last month in industrial commodity prices). Is it the product of a growing "what's-the-use attitude? Is it an implicit surrender to an inflation that is deemed in part to be woven into the institutional fabric of our economy and in part visited upon us by uncontrollable external forces like world food and material shortages and oil cartels? In short, is inflation now thought to be not just out of control but beyond our control?

MILTON FRIEDMAN'S STREAK

An affirmative answer to these brooding questions seems to underlie Milton Friedman's recent economic streak—one which evokes surprise, astonishment, and disbelief in the best streaking tradition—from Smithian laissez-faire to Brazilian indexation. At present, we use the cost-of-living escalator selectively to protect 32 million Social Security and civil service beneficiaries and 13 million recipients of foodstamps and to hedge inflation bets in wage contracts for 10% of the labor force. Mr. Friedman would put all groups—those who profit from inflation and those who suffer from it alike—on the inflation escalator and thus help institutionalize our present double-digit rates of inflation.

Meanwhile, interest rates are soaring as Arthur Burns and the Fed man their lonely ramparts in the battle against inflation. With wage-price control headed for oblivion in the face of seething inflation, the Fed apparently views itself as the last bastion of inflation defense. So it is adding to the witches' brew by implicitly calling on unemployment and economic slack to help check the inflation spiral.

In this atmosphere, and deafened by the drumfire of powerful labor and business lobbies, Congress seems to have closed its mind to the legitimate continuing role of price-wage constraints. What is that role in an economy relying primarily, as it should, on the dictates of the marketplace?

First are the important transitional functions of the Cost of Living Council for which Mr. Dunlop, with vacillating support from the White House, asked congressional authority. In its new form after April 30 the Council would have:

—enforced commitments made by the cement, fertilizer, auto, tire and tube, and many other de-controlled industries to restrain prices and-or expand supplies—commitments that would become unenforceable when COLC goes down the drain with the Economic Stabilization Act on April 30;

—protected patients against an explosion of hospital fees by keeping mandatory controls on the health-care industry until Congress adopts a national health insurance plan;

Prevented an early explosion of construction wages and the associated danger that housing recovery might be crippled;

Maintained veto power over wage bargains that are eligible for reopening when mandatory controls are lifted.

Beyond Phase 4's post-operative period, government needs to assert its presence in wage-price developments in several critical ways.

The first would be to continue the important function of monitoring other government agencies, of keeping a wary anti-inflationary eye on their farm, labor, trade, transport, energy and housing policies. The point is to protect consumers from the price consequences of the cost-boosting and price-propping activities of the producer-oriented agencies. The White House could continue this function without congressional authority, but a statutory base would give the watchdog agency much more clout.

Second would be the task of working with industry, labor, and government units to improve wage bargaining and relieve bottleneck inflation by encouraging increased production of scarce goods and raw materials.

Third, and by far the most important, would be the monitoring of major wage bargains and price decisions and spotlighting those that flout the public interest.

The trauma of Phases 3 and 4 has apparently blotted out memories of the painfully relevant experience of 1969–71:

The school's-out, hands-off policy announced by Mr. Nixon early in 1969 touched off a rash of price increases and let a vicious wage-price spiral propel inflation upward even while the economy was moving downward.

Only when Mr. Nixon finally moved in with the powerful circuit-breaker of the 90-day freeze was the spiral turned off.

Today, the urgent task is to see that it's not turned on again. In that quest, some forces are working in our favor:

Much of the steam should be going out of special-sector inflation in oil, food, and raw materials.

The pop-up or bubble effect of ending mandatory controls should work its inflationary way through the economy by the end of the year.

As yet, wage settlements show few signs of shooting upwards as they did in 1969–70, when first-year increases jumped from 8% to 16% in less than a year. Wage moderation in 1973—induced in part by wage controls, but even more by the absence of inordinate profits in most labor intensive industries and by the fact that the critical bottlenecks were in materials and manufacturing capacity rather than in labor supply—has set no high pay targets for labor to shoot at.

Thus far in 1974, the aluminum, can, and newly signed steel settlements won't greatly boost those targets. So the wage-wage spiral is not yet at work. Since, in addition, cost-of-living escalators apply to only one-tenth of the U.S. work force, the ballooning cost of living has not yet triggered a new price-wage spiral. Still, there is a distinct calm-before-the-storm feeling abroad in the land of labor negotiations.

A MODERATION IN INFLATION

With demand softening and shortages easing in large segments of the economy, the old rules of the marketplace would suggest that inflation is bound to moderate. And the odds are that it will—but how fast, how far, and how firmly is another matter. And that's where a price-wage monitor with a firm statutory base is badly needed. It could play a significant role in inducing big business to break the heady habit of escalating prices and in forestalling big labor's addiction to double-digit wage advances.

Industry after industry has gotten into the habit of raising prices on a cost-justified basis as energy, food, and raw material prices skyrocketed. De-control will reinforce that habit.

Once these bulges have worked their way through the economy, we tend to assume that virulent inflation will subside. Indeed, in some areas such as retailing, farm products, small business, and much of unorganized labor, competitive market forces will operate to help business and labor kick the inflationary habit.

But in areas dominated by powerful unions and industrial oligopolies, a prod is needed if habitual inflation—inflation with no visible means of support from underlying supply and demand conditions in the economy—is to be broken. If it is not, the threat of a wage break-out will loom large in upcoming wage negotiations in the construction, communications, aerospace, shipbuilding, airlines, mining, and railroad industries. In those critical negotiations, the wage moderation of the past two years could go up in smoke if the ebbing of non-labor cost pressures is simply converted into profits rather than being shared with consumers in price moderation.

Congress and the White House are taking undue risks if they rely entirely on market forces to achieve this end, especially in those large areas of the economy where competitive forces are not strong enough to protect the consumer. To serve as his ombudsman and to help prevent the picking of his pocket by a management-labor coalition, the consumer needs a watchdog agency that will bark and growl and occasionally bite. Such an agency—which could accomplish a good deal by skillful exercise of the powers of inquiry and publicity and much more if it were able to draw, sparingly, on powers of suspension and rollback when faced with gross violations and defiance—could provide substantial insurance against inflation by habit.

CONTENTS OF AN ACTION PROGRAM

An action program to accomplish the foregoing would have included—indeed, given a miracle of courage, conviction and speed, could still include—the following elements:

A quick and simple extension of the standby powers of the Economic Stabilization Act.

Granting of the authority requested by John Dunlop for the transitional period.

The establishment of a monitoring agency—preferably by statute and equipped with last-resort suspension and rollback powers, but if that is not to be, then by White House action and relying mainly on instruments of inquiry and publicity—to look over the shoulder of big business and big labor on behalf of the consumer.

To declare open season on wage-price decisions under present circumstances—as we seem hell-bent to do in our disenchantment with controls and sudden revival of faith in the market system—would be one more example of the classic action-reaction pattern that excludes the middle way. The Congress and the country may well rue the day when, largely at the behest of big business and organized labor, the government presence in their price and wage decisions was mindlessly liquidated, leaving the consumer to fend for himself.

Mr. HUMPHREY. Mr. President, Dr. Heller has outlined for us the dangers in what he calls "the Untimely Flight from Controls."

He properly notes that Congress and the White House are taking undue risks if they rely entirely on market forces to achieve a leveling off of inflation and to bring about price moderation.

Dr. Heller goes on to recommend an action program which includes: First, a quick and simple extension of the standby powers of the Economic Stabilization Act; second, granting of the authority requested by Dr. John Dunlop for the transitional period; and third, the establishment of a monitoring agency—preferably by statute and equipped with last-resort suspension and rollback powers, much of which is included in the bill before us.

I would hope that Members of Congress would heed the advice given by this distinguished economist. It makes good sense.

Mr. President, I would hope that the Senate will have the courage and the foresight to pass this amendment.

Mr. MUSKIE. Mr. President, I have listened with great interest and appreciation to the analysis of the problem and the rationale for supporting the amendment which has just been given by the distinguished Senator from Minnesota (Mr. HUMPHREY).

As always, he brings to a subject which he feels deeply, great eloquence and the ability to articulate commonsense. His presentation is almost as good as the one he made at the Democratic Caucus, when he was not quite so restrained or inhibited, which he has uncharacteristically been this afternoon.

But I appreciate his statement. He and I, as cosponsors of this legislation, are fighting an uphill fight. But it is a worthy one. His support for this legislation is a great reassurance to all of us, and I want to express to him my appreciation.

Mr. HUMPHREY. Mr. President, I want to thank the distinguished Senator from Maine and to commend him, and the distinguished Senator from Louisiana (Mr. Johnston) and the distinguished Senator from Illinois (Mr. Stevenson) and others who have taken a real lead here. I believe very strongly that what they are doing is necessary, even if it may be painful and at times uncomfortable.

Mr. JOHNSTON. I should like to add to the kudos of my colleague from Maine and say my only regret with respect to the remarks of the distinguished Senator from Minnesota (Mr. Humphrey) is that more Senators could not have heard it because I daresay, if the Senate as a whole heard that speech, this bill would pass overwhelmingly. I hope it does. I hope that he will get to the problem on Wednesday and repeat some of his speech because it is very powerful and persuasive. It brings forth the key points in the fight against inflation. I hope that the Senator from Minnesota will repeat it.

Mr. HUMPHREY. I thank the Senator from Louisiana very much.

Mr. HANSEN. Mr. President, at the 11th hour, one more proposal has surfaced that would extend the Economic Stabilization Act for another year. I firmly believe that we do not stand to benefit from any further reliance upon price and wage controls, and we ought to permit the controls to die tomorrow night. For whatever temporary use and relevance controls had in 1971, they no longer are working against inflation. Their main result now is to produce shortages, inefficiencies, and wasteful practices, and these inevitably put further pressure on our serious inflation problem.

I am particularly disturbed by the proposed legislation's language that would grant continued standby authority to reimpose mandatory price and wage controls. The Congress must recognize the lessons that we should have learned a year ago when the Stabilization Act was up for renewal. At that time, the many proposals for new freezes, price rollbacks, and other strong measures simply encouraged business and labor to put through every possible price and wage increase out of fear that subsequent, tougher controls would disallow those actions. This same practice will follow this year if the Congress passes legislation with standby authority for the reimposition of controls. That would give business and labor every incentive to try to beat the system by raising prices and wages as fast and as far as possible.

Instead, we in the Congress must face up to our responsibilities and stop tinkering artificially with price and wage decisions in the marketplace. Thirty-two and one-half months of controls have been more than enough. Direct price and wage controls have been tried, and they have been found wanting. They should be permitted to end tomorrow night and we should face up to the fight against inflation by reliance upon the fundamentals of sound fiscal and monetary policies.

Mr. JAVITS. Mr. President, I find great satisfaction in what is occurring. I realize that we have had a number of hours of debate on this subject and that at times I have not been able to be here, but I want to add my point of view to the Record as it will be read tomorrow and Wednesday by other Members of the Senate. I wish to express my satisfaction with what is, at long last, occurring here.

Mr. President, the idea of standby wage and price controls was written off as being dead only a week or 10 days ago, when the concept was turned down by heavy votes both in the House and Senate Banking Committees. I believe that lesser men would have called it a day.

But I also believe that the feeling which has brought this measure to the floor now, with what I consider to be substantial support, indicates the kind of conscience which is almost imperceptibly changing the nature of Congress.

The conscience of Congress has been stimulated by the understanding that we represent all the people, even in a cozy political year such as 1974. We represent all the people. We have not been intimidated. It is interesting that it is mainly the so-called liberals who back the amendment, men who are, in essence, responsive to labor, as I am myself, but who are not sold to anyone. Many times labor is right. We are all with them. We are delighted to have their backing. But we are no one's handmaidens. This is what this action indicates, that there is a conscience, and that it is an American conscience as shown by the jury in New York—of which I am very proud—which acquitted Mitchell and Stans notwithstanding the label of Watergate. It shows that justice is still evenhanded in the United States. The jury was charged on the basis of the facts in any given case. It was not doctrinaire.

So it must be with us.

None of us like controls. I do not like them. I have been in business a long, long time, and in big business, and no one liked controls then. But sometimes they are necessary, as we ourselves have found.

Great wars have consumed so much and have produced so little. They produce nothing in terms of material things. It is swept under the rug for so long, and we pile up an accumulation of disbursements without recompense of so many tens of billions of dollars, we have to pay for it, and we have to pay for it in some kind of discipline. This is that kind of discipline.

So I rise tonight only to emphasize the fact that at last, in this and many other matters, Congress is beginning to face its duty, that nothing is dead around here to which the voice of conscience speaks and where there can be a response from the voice of conscience.

The fact is that the most damaging blow to the continuance of an essential wage and price policy was the fact that labor walked away from it. It is my conviction that it is to the worst detriment of the workingman to walk away from it. Sure, he is going to get "his." But "his" will inevitably leave him worse off at the end of 1974, just as he was worse off at the end of 1973 in terms of real income.

The point is that unless some stability is introduced into the price structure, of which wages are an element, unless some effort is made to redress the balance of fairness, we will not get anywhere by a policy of cutting off one's nose to spite one's face, and that is exactly what is happening in the labor field. It is true that labor has been imposed upon, abused, discriminated against; and that labor has been disciplined where very few others have been. But that does not mean that controls policy is wrong per se, or that it is still not in labor's best interest. We will prove that it is, and the very eloquent statements that Senator Humphrey read, coming from distinguished men, will prove that, also.

We are not blindly—in this amendment which Senator Muskie has taken such outstanding leadership in developing—moving into a control area. Is it not shameful to Congress that as of April 30, tomorrow, no commitment, made in good faith to the Price Administrator, Dr. Dunlop, in exchange for a release from controls at earlier dates when the law was invoked, can be enforced by any agency of the United States? Why are we just jettisoning that, throwing it into the ashcan? That is not a great way to win respect for government.

In addition, we are allowing no other way in which that kind of commitment, even if patriotically desired, may be made by a whole industry.

I think the case for standby authority is very strong and the fight is very worthwhile. Let us remember that the public still makes, especially in an election year, the debate in this country. I believe that working men and women understand that they cannot maintain these standards of living without the aid of government at this time.

All we are asking for is that the authority be not dismantled, so that if it has to be invoked, it does not become wound up in its own feet, as often happens here. I have a salient example of this: The Senate ought to be working deep and hard on the energy issue; but this critical issue may die in the process of the Congress attempt to take action. We have not yet passed a single effective energy measure. Yet, this is the crying need of the country and the world. It is no wonder that the people rate Congress as only 30 percent effective when we cannot get untangled from our own feet in the face of an emergency as critical as that. Everybody has forgotten all about conservation, although the problem is still very deeply with us.

So, Mr. President, I think that the effort to maintain standby authority is not only a worthwhile fight, but also that it is absolutely essential in the interests of our Nation that it be made.

While I respect the sincerity of those who are opposed to us, I hope they will respect our sincerity. Whether or not our battle is successful will depend very much on whether the people are as aroused as we are. I am delighted that Senator Case and I have contributed the bipartisan nature to this particular effort, and the kind of support and eloquence of the argument, and the urgency of the moment, I believe, give us a very good chance to succeed.

So I join my colleagues in my commitment and deep conviction that this is the right thing to do. We see on many sides the power in Congress to assert itself, not to be dead on its feet, and I believe that America gives us a pretty reasonable chance to succeed when we do right.

I had a very old friend in California who never went to school but who headed an enormous corporation. He was a great success. He used to say, "There is always a right way to do right." And that is what we are doing.

Mr. TOWER. Mr. President, I do not wish to detain the Senate. It is getting late. I will have more to say on this matter on Wednesday. But I think I would be remiss if I did not say a word or two at this time.

I was the minority floor leader twice when the authority under the Economic Stabilization Act of 1970 was renewed. Twice I have supported it. Twice I have debated in favor of it. But I have come to the conclusion that it is time to let the mechanism of the marketplace work its will.

The Senator from Wisconsin (Mr. PROXMIRE) made a valid point in noting that much of our economy is already decontrolled and we are at this moment feeling some of the price bubble that we had predicted would occur with the expiration of the authority on April 30. I think in the proposal that has been made by men of good will and good intention, we may be holding forth to the general citizenry of this country a promise we cannot fulfill.

We must understand our inflation in context. We are in a worldwide demand-pull inflation, and any unilateral efforts on the part of the United States to deal with it will not solve the problem. That is not to say we are powerless to act here at home. But, a regulation of the economy, or attempted regulation of the economy, will not alter the fact that there is an ongoing worldwide demand-pull inflation and that it is likely to continue.

So I am hopeful people in this country will not be deluded into thinking that if we act favorably on this measure, we are indeed going to end inflation or perhaps even slow its momentum. I am not sure what the actual impact of this measure would be, should it be enacted, but I have little hope that we can stabilize prices without allowing the market-regulated economy to work.

ORDER FOR H.R. 13999 TO BE HELD AT THE DESK TEMPORARILY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that H.R. 13999 be held at the desk temporarily.

The PRESIDING OFFICER (Mr. MUSKIE). Without objection, it is so ordered.

EXTENSION OF TIME FOR THE SPECIAL COMMITTEE ON AGING TO FILE ITS REPORT

Mr. ROBERT C. BYRD. Mr. President, on behalf of the distinguished senior Senator from West Virginia (Mr. RANDOLPH), I make the following unanimous-consent request.

Mr. President, on behalf of the chairman of the Special Committee on Aging, the Senator from Idaho (Mr. CHURCH), I ask unanimous consent to move from April 30 to May 15 the date by which the report of the Special Committee on Aging, "Developments in Aging 1973, January–March 1974," shall be submitted. This request has been cleared with the distinguished Senator from Hawaii (Mr. FONG).

The extension is requested because the Committee on Rules and Administration is considering Senate Resolution 310, a resolution to print additional copies of the report.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 2686—PRIVILEGE OF THE FLOOR

Mr. JAVITS. Mr. President, I ask unanimous consent that Ms. Leslie Bander may have the privilege of the floor during the consideration of the Muskie amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT FROM TUESDAY UNTIL 10:30 A.M. ON WEDNESDAY, MAY 1, 1974

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business tomorrow it stand in adjournment until the hour of 10:30 a.m. on Wednesday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS ON WEDNESDAY, MAY 1, 1974

Mr. ROBERT C BYRD. Mr. President, I ask unanimous consent that on Wednesday after the two leaders or their designees have been recognized under the standing order there be a period for the transaction of routine morning business with statements limited therein to 5 minutes each, the period not to extend beyond 11 o'clock a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION OF UNFINISHED BUSINESS (S. 354) ON WEDNESDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the hour of 11 o'clock a.m. on Wednesday the Senate resume consideration of the unfinished business, the no-fault insurance bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 354, NO-FAULT INSURANCE BILL—TIME LIMITATION AGREEMENT—ORDER OF BUSINESS ON WEDNESDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the resumption of the no-fault insurance bill on Wednesday the pending question be on the adoption of the amendment by Mr. MONDALE; that there be a time limit thereon of 20 minutes, to be equally divided; that a vote then occur on the Mondale amendment; that upon the disposition of the Mondale amendment there be a 20-minute time limitation upon an amendment by Mr. HELMS, and that the vote then occur; that upon the disposition of the vote on the Helms amendment, the Senator from Nebraska (Mr. HRUSKA) be recognized to make a motion to recommit; that there be a 90-minute debate on the motion to recommit and that upon the disposition thereof the vote occur; that if the bill is not recommitted, there be 1 hour of debate prior to the vote at 3 p.m. on final passage of the bill, for which waiver of paragraph 3, rule XII already has been secured; and that in each instance the time be divided and controlled in accordance with the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, tomorrow the Senate will convene at the hour of 10 a.m. After the two leaders or their designees have been recognized under the standing order, there will be 2 hours for statements in connection with the Day for National Prayer and Fasting, as envisioned by the resolution introduced by the distinguished Senator from Oregon (Mr. HATFIELD).

At the hour of 12 o'clock noon there will be a period for the transaction of routine morning business for not to exceed 30 minutes, with statements limited therein to 5 minutes each. At the conclusion of the transaction of routine morning business, the Senate will resume consideration of the unfinished business, the no-fault insurance bill. Yeas and nays may occur on amendments to that bill. Conference reports are in order at any time, and other measures cleared for action may be called up. Yea-and-nay votes may occur.

ADJOURNMENT UNTIL 10 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 10 a.m. tomorrow.

The motion was agreed to; and at 6:24 p.m. the Senate adjourned until Tuesday, April 30, 1974, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate April 29, 1974:

DEPARTMENT OF STATE

Stanton D. Anderson, of Maryland, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Costa Rica.

Joseph W. Twinam, of Tennessee, a Foreign Service Officer of class 4, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the State of Bahrain.

Michael Sterner, of New York, a Foreign Service Officer of class 2, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the United Arab Emirates.

DEPARTMENT OF JUSTICE

James L. Browning, Jr., of California, to be U.S. attorney for the northern district of California for the term of 4 years. (Reappointment)

David G. Trager, of New York, to be U.S. attorney for the eastern district of New York for the term of 4 years vice Robert A. Morse, deceased.

IN THE AIR FORCE

The following officer for temporary appointment to the grade of brigadier general in the U.S. Air Force under the provisions of chapter 839, title 10 of the United States Code:

To be brigadier general

Col. Harry C. Aderholt, [redacted], Regular Air Force.

IN THE ARMY

The following-named officers to be placed Army of the United States (major general on the retired list in the grade indicated under the provisions of title 10, United States Code, section 3962:

To be lieutenant general

Lt. Gen. Sylvester Collins, Jr., [redacted] U.S. Army).

Lt. Gen. Richard Thomas Knowles, [redacted], Army of the United States, (major general, U.S. Army).

Lt. Gen. George Phillip Seneff, Jr., [redacted], Army of the United States (major general, U.S. Army).

Lt. Gen. Glenn David Walker, [redacted] Army of the United States (major general, U.S. Army).

The following-named officers for temporary appointment in the Army of the United States to the grade indicated, under the provisions of title 10, United States Code, sections 3442 and 3447:

To be brigadier general

Col. James T. Tuberty, [redacted], U.S. Army.

Col. Rex D. Wing, [redacted] Army of the United States (lieutenant colonel, U.S. Army).

Col. Kenneth E. McIntyre, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Richard M. Connell, [redacted], Army of the United States (lieutenant colonel. U.S. Army).

Col. Charles I. McGinnis, [redacted] Army of the United States (lieutenant colonel, U.S. Army).

Col. Donald F. Packard, [redacted] U.S. Army.

Col. Emil L. Konopnicki, [redacted] U.S. Army.

Col. Franklin J. Glunn, [redacted], U.S. Army.

Col. John K. Stoner, Jr., [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. James W. Cannon, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Emory M. Sneeden, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Roswell E. Round, Jr., [redacted] Army of the United States (lieutenant colonel, U.S. Army).

Col. Thomas B. Mancinelli, [redacted] Army of the United States, (lieutenant colonel, U.S. Army).

Col. Sampson H. Bass, Jr., [redacted] Army of the United States, (lieutenant colonel, U.S. Army).

Col. William R. Todd, [redacted], Army of the United States (lieutenant colonel, U.S Army).

Col. Richard S. Kotite, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. George B. Price, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. James C. Pennington, [redacted] Army of the United States, (lieutenant colonel, U.S. Army).

Col. James M. Thompson, [redacted] Army of the United States, (lieutenant colonel, U.S. Army).

Col. Alexander M. Wayland, [redacted] Army of the United States, (lieutenant colonel, U.S. Army).

Col. Louis W. Prentiss, Jr., [redacted] Army of the United States, (lieutenant colonel, U.S. Army).

Col. Edwin L. Kennedy, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Richard L. Prillaman, [redacted] Army of the United States, (lieutenant colonel, U.S. Army).

Col. John B. Blount, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Paul J. Mueller, Jr., [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Rufus C. Lazzell, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. William E. Cooper, Jr., [redacted] Army of the United States, (lieutenant colonel, U.S. Army).

Col. William B. Steele, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Daniel W. French, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Edwin C. Heffelfinger, [redacted] Army of the United States, (lieutenant colonel, U.S. Army).

Col. Jere W. Sharp, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Charles F. Gorden, Jr., [redacted] Army of the United States, (lieutenant colonel, U.S. Army).

Col. William L. Shea, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Alfred L. Sanderson, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Lucien E. Bolduc, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Donald E. Rosenblum, [redacted] Army of the United States (lieutenant colonel, U.S. Army).

Col. Donald E. Sampson, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Wilman D. Barnes, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Emmett W. Bowers, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. William H. Fitts, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. William J. Livsey, Jr., [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Floyd C. Adams, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Alfred J. Cade, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. David E. Watts, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. James F. Cochran III, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Joseph N. Jaggers, Jr., [redacted] Army of the United States (lieutenant colonel, U.S. Army).

Col. Thomas D. Ayers, [redacted] Army of the United States (lieutenant colonel, U.S. Army).

Col. William C. Rousse, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Walter F. Ulmer, Jr., [redacted] Army of the United States (lieutenant colonel, U.S. Army).

Col. Glenn K. Otis, [redacted], Army of the United States (major, U.S. Army).

IN THE AIR FORCE

The following-named Air Force officers for reappointment to the active list of the Regular Air Force, in the grade indicated, under the provisions of sections 1210 and 1211, United States Code:

LINE OF THE AIR FORCE

To be colonel

Chasteen, John R., [redacted].
Shiner, Byron D., [redacted].
Snyder, Wallace S., [redacted].
Zeck, Francis H. C., [redacted].

To be lieutenant colonel

Kirby, Elwin G., [redacted]
Roddy, John M., Jr., [redacted]

To be captain

Machuta, James J., [redacted]
Orman, Charles R., [redacted]

The following-named Air Force officer for reappointment to the active list of the Regular Air Force, in the grade of major, Regular Air Force, under the provisions of sections 1210 and 1211, title 10, United States Code with active duty grade of temporary lieutenant colonel, in accordance with sections 8444 and 8447, title 10, United States Code:

LINE OF THE AIR FORCE

Kimbrough, Duke S., [redacted]

The following-named Air Force officers for reappointment to the active list of the Regular Air Force, in the grade indicated, under the provisions of sections 1210 and 1211, title 10, United States Code, with active duty grade of temporary colonel, in accordance with section 8444 and 8447, title 10, United States Code:

MEDICAL SERVICE CORPS

To be lieutenant colonel

Berlow, Leonard, [redacted].
Dye, Fred C., [redacted]

The following-named officer for promotion in the Regular Air Force under appropriate provisions of chapter 835, title 10, United States Code, as amended. Officer is subject to physical examination required by law:

LINE OF THE AIR FORCE

Captain to major

Fahey, Omer D., [redacted].

The following-named officers for appointment in the Regular Air Force, in the grades indicated, under the provisions of section 8384, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform the duties indicated, and with dates of rank to be determined by the Secretary of the Air Force:

MEDICAL CORPS

To be major

Alcazar, Esteban A., [redacted]

DENTAL CORPS

To be captain

Buikema, Donald J., [redacted]
Gambino, Peter A., [redacted]
Hastings, Dwight L., [redacted]
Jackson, Anson B., [redacted]
Schmitt, Charles R., [redacted]

JUDGE ADVOCATE

To be captain

The following-named Air Force officers for promotion in the Air Force Reserve, under the provisions of sections 8376 and 593, title 10, United States Code:

LINE OF THE AIR FORCE

Lieutenant colonel to be colonel

Madison, Thomas M., [redacted]

MEDICAL CORPS

Gomezdisdier, Rafael M., [redacted]
McIntosh, Duncan A., [redacted]

LINE OF THE AIR FORCE

Major to be lieutenant colonel

Anderson, Dana R., [redacted]
Burer, Arthur W., [redacted]
Cody, Leonard S., [redacted]
Crotts, Larry W., [redacted]
Draper, Dichard L., Jr., [redacted]
Given, David J., [redacted].
Hallawell, Joseph F. Jr., [redacted]
Huntsman, Robert J., [redacted]
Johnson, Richard E., [redacted]
Kersen, Sidney T., [redacted]
Malkosky, Robert W., [redacted]
Moody, Donald R., [redacted]
Schlosser, Martin G., [redacted]
Stone, Ralph E., [redacted].
Wilkes, James F., [redacted]

DENTAL CORPS

Kay, William D., [redacted]
Salzmann, Jacob A., [redacted]

MEDICAL CORPS

Cruzjimenez, Pedro R., [redacted]
Magnuson, Arthur W., [redacted]

NURSE CORPS

Lienemann, Patricia A., [redacted]

The following-named persons for appointment as Reserves of the Air Force, in the grade indicated, under the provisions of section 593, title 10, United States Code, with a view to designation as medical officers, under the provisions of section 8067, title 10, United States Code:

MEDICAL CORPS

To be colonel

Chan, Claude H., [redacted]
Freeark, George L., [redacted]
Hahn, John R., [redacted].
Hough, Gerald P., [redacted]
Lindes, De Armond, [redacted]
Migden, William, [redacted]

To be lieutenant colonel

Gilpin, Eugene L., [redacted]
Mills, Robert D., [redacted].
Panettiere, Frank, [redacted]
Stewart, Roger R., [redacted]
Vause, David D., [redacted]

The following-named officers for appointment as Reserves of the Air Force, in the grade indicated, under the provisions of sections 593 and 1211, title 10, United States Code:

LINE OF THE AIR FORCE

To be lieutenant colonel

Boze, William E., [redacted]
Clark, Ned E., [redacted].
Royer, Kenneth D., [redacted]

The following-named persons for appointment as temporary officers in the U.S. Air Force, in the grade indicated, under the provisions of sections 8444 and 8447, title 10, United States Code, with a view to designation as medical officers under the provisions of section 8067, title 10, United States Code:

MEDICAL CORPS

To be lieutenant colonel

Burstein, Alvin J., [redacted]
Livonia, Robert A., [redacted]
Stewart, Roger R., [redacted]
Strine, James A., [redacted]

The following-named persons for appointment as a Reserve of the Air Force, in the grade indicated, under the provisions of section 593, title 10, United States Code:

LINE OF THE AIR FORCE

To be colonel

Herron, Arthur W., [redacted].

To be lieutenant colonel

Hoffman, Albert J., [redacted].
Mancuso, Salvatore T., [redacted].

The following-named officer for appointment as a Reserve of the Air Force, in the grade indicated, under the provisions of sections 593 and 716, title 10, United States Code, with a view to designation as judge advocate, under the provisions of section 8067, title 10, United States Code:

JUDGE ADVOCATE

To be lieutenant colonel

De Ment, Ira III, [redacted].

The following-named officer for appointment as a Reserve of the Air Force, in the grade indicated, under the provisions of sections 593, 8351 and 8381, title 10, United States Code:

LINE OF THE AIR FORCE

To be lieutenant colonel

Day, Paul R., [redacted].

IN THE ARMY

The following-named cadets, graduating class of 1974, U.S. Military Academy, for appointment in the Regular Army of the United States in the grade of second lieutenant, under the provisions of title 10, United States Code, sections 3283 through 4353:

Abdo, Michael J., [redacted].
Adair, Lawrence R., [redacted].
Adams, Jonathan P., [redacted].
Adams, Stephen C., [redacted].
Albrecht, William E., [redacted].
Aldridge, William R., [redacted].
Aleshin, John N., [redacted].
Alexander, Charles W., [redacted].
Alexander, Keith B., [redacted].
Alexander, Robert S., [redacted].
Allinder, William L., [redacted].
Anderson, Brian W., [redacted].
Anderson, Gary J., [redacted].
Anderson, Jeffrey W., [redacted].
Anderson, Robert C., [redacted].
Anderson, Norman H., [redacted].
Andren, Erik S., [redacted].
Andreotta, Mark P., [redacted].
Annis, Paul T., Jr., [redacted].
Anthony, Thomas J., Jr., [redacted]
Armstrong, Clare H., III, [redacted]
Arn, Stephen P., [redacted].
Arunski, Karl J., [redacted].
Astin, Roger W., [redacted].
Austin, Mark W., [redacted].
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Ballard, Richard F., [redacted].
Ballew, William W., [redacted].
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Barclay, James C., [redacted].
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Barnett, Harold D., [redacted].
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Bash, Homer J., [redacted].
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Di Giorgio Emilio, [redacted].
Dillon, Joseph R., [redacted].
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Di Silvio Steven M., [redacted].
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Ingalls, Morris J., [redacted].
Ingalls, Paul B., [redacted].
Inskeep, James H. W., Jr., [redacted].
Izzo, Dominic J., [redacted].
Jackson, Jerry P., [redacted].
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Jacobs, Kim A. [redacted].
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Jones, Kim D., [redacted].
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Kirk, Flayo O. [redacted].
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Palguta, Thomas J., [redacted].
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Russell, Mark W., [redacted].
Russell, Dean E., [redacted].
Rybczynski, Joseph S., [redacted].
Rynd, David P., [redacted].
Rynearson, Charles B., Jr., [redacted].
Sablan, Francisco A., [redacted].
Sachau, Jeffrey D., [redacted].
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Sample, Allen L., [redacted].
Sample, Steven C., [redacted].
Sanders, Edward M., Jr., [redacted].
Sapanara, John M., [redacted].
Sargent, Christopher L., [redacted].
Sauer, Charles P., [redacted].
Saum, Allen E., [redacted].
Saunders, Raymond M., [redacted].
Schado, Patrick A., [redacted].
Schaefer, John A., [redacted].
Scharling, Robert C., [redacted].
Schenck, Steven J., [redacted].
Schmidt, Thomas, [redacted].
Schumacher, Gregory A., [redacted].
Schwamb, Richard H., [redacted].
Scott, Lloyd M., II, [redacted].
Scott, Mark W., [redacted].
Scott, Winfield W., III, [redacted].
Scribner, Barry L., [redacted].
Searle, Marvin S., II, [redacted].
Seeber, Donald C., [redacted].
Seeley, David M., [redacted].
Shaffer, George E., [redacted].
Shambach, Stephen A., [redacted].
Sharp, James T., [redacted].
Sharp, Walter L., [redacted].

Shaver, Timothy S., [redacted].
Shaw, Worth D., Jr., [redacted].
Shelden, David A., [redacted].
Shires, Scott L., [redacted].
Shortal, John F., [redacted].
Siegel, David E., [redacted].
Sihelnik, Stephen A., [redacted].
Sills, Paul N., [redacted].
Silva, Robert S., [redacted].
Sinclair, Christopher B., III, [redacted].
Sitero, Charles M., [redacted].
Skaggs, Alvah L., III, [redacted].
Sladky, John F., Jr., [redacted].
Smith, Bryan E., [redacted].
Smith, Jeffery B., [redacted].
Smith, Maurice R., Jr., [redacted].
Smith, Stephan G., [redacted].
Snyder, Thomas L., Jr., [redacted].
Sole, William R., [redacted].
Sommerville, Jeffrey R., [redacted].
Soncrant, James T., [redacted].
Sorensen, Clark B., [redacted].
Spaulding, Milton C., [redacted].
Speakes, Stephen M., [redacted].
Spencer, William J., [redacted].
Spinelli, James L., [redacted].
St Cyr, Kenneth L., [redacted].
Stamilio, Anthony J., [redacted].
Stavridis, Thomas J., III, [redacted].
Stellar, Frederick W., [redacted].
Stengel, Mark E., [redacted].
Stevens, David S., [redacted].
Stevenson, Steven W., [redacted].
Stinnett, Gary R., [redacted].
Stinson, David R., [redacted].
Stone, Steve E., [redacted].
Stratton, James R., [redacted].
Strickland, Tracy L., [redacted].
Stuart, Peter J., [redacted].
Studer, Randal W., [redacted].
Sullivan, Harold H., Jr., [redacted].
Svoboda, Martin J., II, [redacted].
Sweeney, John G., Jr., [redacted].
Swinson, Mark L., [redacted].
Tafone, Paul J., [redacted].
Tanner, Timothy T., [redacted].
Tart, Randal G., [redacted].
Taylor, Franklin R., Jr., [redacted].
Taylor, Glenn A., [redacted].
Taylor, Theodore R., Jr., [redacted].
Thebaud, Charles C., Jr., [redacted].
Thielke, Frederick L., [redacted].
Thomas, Carter S., [redacted].
Thomas, Laurence E., Jr., [redacted].
Thomas, Patrick A., [redacted].
Thompsen, David W., [redacted].
Thompson, James E., [redacted].
Thorsen Robert H., [redacted].
Tixier, Michael L., [redacted].
Tobin, Charles K., [redacted].
Toomy Robert S., [redacted].
Toothman, Edward J., [redacted].
Topping, Gerald W., [redacted].
Toth, John E., [redacted].
Trauth, Stephen R., [redacted].
Trompak, George S., [redacted].
Troxell, John F., [redacted].
Troxell, Robert T., [redacted].
Tulay, Michael P., [redacted].
Turner, Albert F., Jr., [redacted].
Turner, Duncan C., [redacted].
Turner, Thomas R., II, [redacted].
Twohig, John J., [redacted].
Tyler, Timothy J., [redacted].
Tyson, Timothy C., [redacted].
Ulrich, John W., [redacted].
Van Arsdale, Lee A., [redacted].
Van Vleet, John A., [redacted].
Veit, Rudy T., [redacted].
Vestermark, James A., [redacted].
Vidmar, Stephen M., [redacted].
Vincent, Mark S., [redacted].
Vincent, Richard L., [redacted].
Visnovsky, Robert G., [redacted].
Vollmer, Jeffrey R., [redacted].
Vonderscheer, Eric A., [redacted].
Vozzo, Louis, [redacted].
Wahlgren, Van E., [redacted].
Walker, Alan J., [redacted].
Walker, John S., [redacted].
Wallace, Michael D., [redacted].
Wallace, Richard T., [redacted].
Wallinger, David T., [redacted].
Walls, John D., [redacted].
Ward, James W., [redacted].
Ward, Joseph M., [redacted].
Warner, Karl K., [redacted].
Webber, Kenneth E., III, [redacted].
Webber, Paul M., [redacted].
Weber, Robert J., [redacted].
Weber, Thomas J., [redacted].
Webster, Dwight S., [redacted].
Webster, William G., Jr., [redacted].
Weidner, Michael L., [redacted].
Weisz, John, [redacted].
Wells, Herbert W., III, [redacted].
Wells, Steven E., [redacted].
Welt, John D., [redacted].
Wentz, Walter E., III, [redacted].
Westenhoff, Charles M., [redacted].
Wheeler, Clayton R., [redacted].
White, Charles E., [redacted].
White, Christopher B., [redacted].
White, French R., III, [redacted].
Whitman, Courtenay S., IV, [redacted].
Whitman, Mark H., [redacted].
Wiacek, Stephen J., [redacted].
Wilcox, Christopher J., [redacted].
Wildemann, Eric R., [redacted].
Wilkinson, Glenn F., [redacted].
Williams, Gerald W., [redacted].
Williams, Harry L., Jr., [redacted].
Williams, Robert J., [redacted].
Williams, Robert S., [redacted].
Williamson, David R., [redacted].
Willis, Colen K., [redacted].
Wills, Thomas G., [redacted].
Wimberley, James W., [redacted].
Withers, Benjamin G., [redacted].
Wittman, Craig P., [redacted].
Wolf, William A., [redacted].
Wolfe, Russell S., Jr., [redacted].
Wright, Alan K., [redacted].
Wright, James A., [redacted].
Yeterian, Edward M., [redacted].
Yezak, Herman R., Jr., [redacted].
Youngbluth, Terry R., [redacted].
Zacherl, Donald H., [redacted].
Zeigler, Peter H., [redacted].
Zieske, Larry A., [redacted].
Zwack, Daniel A., [redacted].

The following-named cadets, graduating class of 1974, U.S. Air Force Academy, for appointment in the Regular Army of the United States in the grade of second lieutenant, under the provisions of title 10, United States Code, sections 3283 through 4353:

Council, William C., Jr., [redacted].
Monaghan, Joseph P., Jr., [redacted].

The following-named distinguished military student for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of title 10, United States Code, sections 2106, 3283, 3284, 3286, 3287, 3288, and 3290:

Hicks, Ancil L., [redacted].

EXTENSIONS OF REMARKS

SOMETHING RIGHT

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Monday, April 29, 1974

Mr. HARRY F. BYRD, JR. Mr. President, the April 24 edition of the Richmond Times-Dispatch included a balanced and fair-minded editorial praising President Nixon for refusing to impose coupon rationing of gasoline when the shortage was most critical.

The editorial points out that if rationing had been implemented as urged by many in February, a large bureaucracy would now be administering a cumbersome and unnecessary program.

The newspaper comments that—

> As long as President Nixon is being blamed for everything from the defeat of local candidates to sunspots, it is only fair that he be credited when he does something right.

I agree.

I ask unanimous consent that the article "Something Right" from the Richmond Times-Dispatch of April 24, 1974, be printed in the Extensions of Remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SOMETHING RIGHT

As long as President Nixon is being blamed for everything from the defeat of local candidates to sunspots, it is only fair that he be credited when he does something right. And sometimes when the 10 thumbs of the federal government are concerned, doing something right means doing nothing at all.

On the question of initiating federal rationing of gasoline to American drivers, Mr. Nixon acted correctly. By doing nothing.

Four to six months ago, the President was under considerable pressure to start rationing as the Arab oil embargo began to take effect and Americans began to experience some inconvenience. Many citizens and politicians felt that rationing would be a fairer way for persons of meager or modest means to get their share of gasoline, although experience with rationing teaches that it is about as fair as life.

But now that the nation has survived a rough February in line at the service station and the oil embargo has been lifted, consider how fortunate we are that Mr. Nixon did not take a panicky leap into the rationing business. Overnight, states like Virginia are able to lift the simple expedients, such as odd-even purchasing of gasoline, that they had imposed to deal with the temporary problem. If the central government had gotten into coupon-book rationing, a large and costly bureaucracy would have been set up to run a system that, once established, would have been difficult to disestablish.

Judging from the extreme difficulty the administration has had in extricating itself from the jungle of wage-price controls, the government could have been in the rationing business for years. Certainly the system would not have been ended overnight.

In this case, Mr. Nixon acted on his conservative instinct and it paid off for him and the nation.

DOREEN GRANT SPEAKS ABOUT ENTHUSIASM, THE GOD WITHIN

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. KEMP. Mr. Speaker, I wish to commend to the attention of my colleagues the following column by Doreen Grant entitled: "Enthusiasm, the God

Within" which appeared recently in western New York's Photo News.

With the quiet eloquence that marks all her columns, Doreen Grant outlines those characteristics which constitute mature adult enthusiasm. I am certain many Americans will find her remarks incisive and personally edifying. As she says, enthusiasm is "somewhere between wanting to make the world over, and wanting to hide from it." The article follows:

ENTHUSIASM, THE GOD WITHIN

Nobody is born bored. All of us can learn to foster that precious faculty which gives joy to our lives and purpose to our days.

In the morning of our lives a caterpillar is an astonishment, and a pink iced cake a marvel. But somewhere en route to adulthood we lose our enthusiasm, not because we have grown wise and sad, but because we misconceive it to be callow.

True adult enthusiasm is not puppy-dog eagerness for every new smell and sound and blade of grass, but rather the original endowment grown up—tempered and shaped by experience, judgment, humor.

The word enthusiasm comes from entheos—the god within—and means basically to be inspired or possessed by the god, or if you will, by God. It is an open secret, as commonplace and tireless as sunlight, that gives joy and purpose to all our days, if only we don't despise it.

The taproot of enthusiasm is learning. Learning makes us a child again in relation to the new thing, but it also means admitting that we don't already know. When I was in school there was a country lad who was an expert square dancer, but he wished to learn what he called "round dancing". The other boys laughed at him, but the girls didn't. He would say, "I'd ask you to dance, but I don't know how. Will you teach me? I like music. I like pretty girls, too." We taught him, and we scrambled for the privilege.

A woman who had always been afraid of flying took her first plane trip, and was miserably uneasy as the plane took off for its transatlantic trip. "I finally realized," she said afterward, "that I wasn't afraid of flying. I was afraid of not knowing how to act in a plane. I was wildly eager to ask questions, but first I had to admit my greenhorn standing. Once over that hurdle, I got along fine. And I learned some fascinating things about planes. You see, the air resembles a fluid, like water . . ." And she was off, the quintessence of enthusiasm.

Enthusiasm is sustained by the free play of our faculties. Too often, for example, our vision is exercised as a tool, too rarely as a joy. When crossing the street, we see a car coming and we go back to the curb. We need such practical information to survive, but its usefulness ought not to eclipse awareness of that world beyond, where a yellow taxi on a rain-black pavement is transportation, yes, but also a streak of color on a gray day, and a reason to have eyes.

Early one evening in spring, I walked along a busy London street, with a man who had been working fiercely hard. Suddenly he stopped and said, "I hear a cricket". Horns blew, feet hurried by, and that man's mind was groggy with problems—yet he heard a cricket. We hunted until we found him, scraping his legs at the edge of a grating, and we smiled and went on oddly comforted, reminded of our own ability to perceive and receive a world. I learned then that enthusiasm is partly willing attention, a turning aside to see, instead of hunching up inside like the affronted snail. Without enthusiasm, we are blind and deaf and only half know our world.

A little girl I know is a fledgling marine biologist who spends her allowance on specimens. One day I asked her if this passion wasn't depriving her of other important things like after-school treats and movies. "I suppose so," she said. "But if I can't have both, I'll take biology."

She had already learned that without purpose, there is no lasting delight. It's hard to be enthusiastic and aimless. I have learned again and again that when I travel to a new city as a tourist, I often enjoy it without any real desire to go back. But if I take time to meet and get to know the people in those cities, I touch some deeper pulse of that city and am aroused to know it better.

There comes a time in nearly every life when purpose fails and fundamental enthusiasm quits, taking with it, to some extent, our very will to live. This dulling of the radiance can come about abruptly, because of a crisis, or gradually, from the abrasion of daily living. It can happen when a long-held job is snatched away; or on that morning when you find yourself so-and-so many years old without having done one tenth of the things you'd planned to do.

The temptation to give up is strong. But this is the one moment above all others, to hang on. The human mind is lazy and loves not to be disturbed, but some tough sinew of it—that very portion that is capable of enthusiasm—doesn't run to fat; it stretches thin and snaps us back.

One of the most exhilarating women I know was hit by a series of blows, culminating in the loss of a young son. For two or three years she was indifferent to everything. After a gap of some time, we met, and I was much comforted to find her lustre restored. "Day after day", she said, "I had to make myself go about my daily work. Everything was flat. Then one day I saw a couple quarreling on the street, so young, and obviously so much in love. I found myself understanding—I can't tell you how much. I talked with a refugee woman who told me about her lost family in Europe, and I understood, truly understood. I found myself with a new heart, and a new enthusiasm. I feel that understanding is the one thing that can save the world. If it took grief to teach me, at least I've learned that."

I couldn't agree with her more.

There is no magic formula that can cloak us with the gladness in living—indeed enthusiasm IS that willingness. At times that involves acceptance of things as they are, at others it means DARING to change things.

Somewhere between wanting to make the world over, and wanting to hide from it, is a balance that permits intelligent adult enthusiasm.

MADE IN WASHINGTON

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. SYMMS. Mr. Speaker, each month the Foundation of Economic Education at Irvington on The Hudson, N.Y., publishes the Freeman.

Enclosed are the following articles from this month's Freeman which I commend for my colleagues:

MADE IN WASHINGTON

(By Paul L. Poirot)

The fact that the nation's crises are made in Washington leads many citizens of the United States to the false conclusion that solutions are to be found there, too. Opinion polls may reveal that the popularity of the President, or of the Congress, or both, has fallen below zero; yet an overwhelming preponderance of these same supposedly disillusioned citizens will demand that the Federal government "do something" to solve whichever crisis happens to be most aggravating at the moment.

Let there be no doubt that crises are made in Washington—whether it be a matter of meat, grain, energy, transportation, education, health care, or even inflation. The reason why shortages invariably are caused in Washington is because that's where all the raw material is concentrated.

The raw material concentrated in Washington? The meat? The grain? The fuel? No, of course not these things. But meat is not the raw material of a meat shortage, nor fuel the raw material of an energy shortage. The only raw material of any shortage of goods or services is *coercive intervention*. And only when that coercive intervention is concentrated in Washington can there be the kind of shortage that amounts to anything like a crisis.

Let's stick to the "energy crisis" for a moment. What is meant by *coercive intervention?* It is the use of violence to disrupt or interfere with the peaceful voluntary actions and transactions of willing buyers and sellers. For example, someone steals a gallon of gas, or a whole truckload, or bombs a refinery, or even an entire oil field.

Those are forms of coercive intervention, and they are destructive and disruptive of production and trade. But does the theft of a gallon of gas or the shutdown of a particular oil field result in a shortage or crisis of national or international proportions? No, it doesn't. The market, if left open and free to function, can readily cope with and adjust to such changes. If supplies are diminished to some extent, higher prices will discourage consumption and stimulate production until a new balance is achieved, with no crisis whatsoever.

MAJOR VIOLENCE

Suppose there is more extensive violence—such as an Israeli-Arab war that closes canals, cuts pipelines, destroys producing wells and shipping facilities. Wouldn't that bring an energy crisis? Indeed it could, but not necessarily, and not directly. Any crisis that comes of such warfare will come only in those countries where the war is used as an excuse to close the market and coercively prevent prices from adjusting to the new conditions of supply and demand. If the citizens of the United States, for instance, allow themselves to be stampeded by war in the Middle East to either demand or allow ceiling prices on oil and gas and other fuels, only then would there be concentrated in Washington the raw material of an energy crisis. And, to repeat, that raw material is coercive intervention: not the war in the Middle East, but the coercion turned against the people of the United States by the government in Washington to which they had surrendered their freedom of choice and freedom to trade.

MARKET INTERFERENCE

The process of closing the market against citizens is called *price* control, but a more realistic name would be *people* control or *prohibition*. Citizens are coercively prohibited from buying or selling precious fuels at market prices. If the legal price is lower than the free market rate, the consequence is a shortage—a demand that will not voluntarily be satisfied at that arbitrary price—a crisis of coercive intervention that must persist as long as the Federal government chooses to exercise the power of choice citizens have relinquished.

What motivates individuals to allow government to close the market may be of interest, but it doesn't have anything to do with the consequent shortage or crisis. Perhaps it was sympathy for Israelites or hatred of Arabs, a desire to befriend the poor, a concern over pollution, an objective of national self-sufficiency, an attempt to curb profit margins, or any one of the other reasons that might have entered 200 million different minds.

The fact is that the power to close the market was concentrated in Washington and was exercised; and no other consequence was possible except a shortage and a crisis, at the prices and under the rules coercively prescribed. To then demand that Washington exercise further power, impose additional prohibitions, can only aggravate the crisis. All that is necessary to effect an instantaneous and miraculous end to the shortage is to lift all controls over the production and marketing of fuels; leave the matter to the voluntary actions of willing buyers and sellers in an open market.

So, how does one go about lifting these controls? Write his Congressman to do something? Perhaps that might be helpful. But an alternative is to stop writing Congressmen to do things for us, do what we can for ourselves and accept the responsibility for such risk decisions and actions. Washington would soon get the message if we wanted to try freedom.

A Better Idea

The use of force to battle an idea tends to generate it rather than to kill it. I doubt if an idea has ever been killed by means of force. The enemy of the free market is an idea—the belief that controls can serve the freedom of man. . . .

Any law or regulation will be nullified whenever enough persons judge it to be unwise and improper, and not until then. Not every person needs to become convinced that it is unwise. Not even 51 per cent of them need to become convinced. All that is necessary is for a few thought leaders in all walks of life to become convinced because they are the ones to whom many others turn for guidance and advice. It is this understanding among the thought leaders that we now lack and that we must have for success in regaining freedom to trade.

DANGERS OF CONTINUED DEFICIT SPENDING

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Monday, April 29, 1974

Mr. HARRY F. BYRD, JR. Mr. President, on April 18 and 19, WRAL–TV of Raleigh, N.C., telecast an excellent editorial warning of the dangers of continued, large-scale deficit spending by the Federal Government.

I am convinced that the inflation which is eating into the paycheck of every working man and woman is chiefly caused by the huge deficits which the Federal Government has been running.

The Federal funds budget has not been balanced since 1960, and deficits are increasing. For the 6-year period ending June 30, 1975, the accumulated deficit will total $133 billion—and that is one-fourth of the entire debt piled up throughout our history.

As WRAL–TV put it:

> In Washington . . . the name of the game is spend, spend, spend.

It is high time that we called a halt to that game.

I ask unanimous consent that the text of the WRAL-TV editorial be printed in the Extensions of Remarks.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Dangers of Continued Deficit Spending

If the trend continues, many upcoming election campaigns may be fought on an issue unrelated to Watergate, the energy crisis, or any of the glamor subjects. The campaigns may be fought on the sobering issue of inflation.

Already the rise in wholesale prices has jumped to an annual rate of more than 15 percent, and in the past three months the government's wholesale price index has risen at an annual rate of nearly 25 percent.

As every housewife knows, food costs have risen alarmingly. Interest payments are climbing, with the prime rate now nudging 10.5 percent. The prices of steel, construction, clothing, health care—all are expected to hit new peaks in the coming months, and no end in sight.

That's what has economists worried. Inflation may become permanent, bringing eventual panic and collapse. The government has tried to rig the market by means of wage-price controls. That hasn't worked. The money supply has been jiggled. That hasn't worked either.

Reducing federal spending would work, but neither Congress nor the Administration has the stomach for it. There's too much boondoggling, too much barrel politics. Instead of trying to sit on expenses, the Adminstration wants Congress to approve a new budget amounting to $304 billion. Congress seems more than willing.

There's no question about the effect that this massive spending would have on the economy. It would send the economy rocketing through the roof, with terrifying consequences for all of us.

The President's budget calls for an increase of $29 billion in federal spending for the year beginning July 1st. Eighteen billion dollars of that is new debt. In this Administration alone, government spending has gone up by $100 billion, which is an increase of 50 percent in only six years.

As Sen. Harry F. Byrd of Virginia put it recently, with great restraint, "I submit that federal spending is out of control."

The Senator's words make a small impression in Washington, where the name of the game is spend, spend, spend. Cutting expenses, balancing the budget—these things require momentary sacrifices for the sake of long-term benefits. Sales would dip. Some workers would be laid off until the economy could readjust. Such sorrows most politicians prefer not to inflict on their constituents, and certainly not at election time.

And so the nation continues to lurch forward toward its rendezvous with disaster—the kind of disaster that invariably strikes a nation too soft for self-denial and thus a prey to grinning golliwogs willing to trade the general good for votes. What will you do when your money will no longer buy anything?

MRS. BEATRICE PERRY—WOMAN OF THE YEAR

HON. JAMES G. O'HARA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. O'HARA. Mr. Speaker, this Saturday evening, May 4, the Eta Lambda Zeta Chapter of metropolitan Mount Clemens, Mich., will be presenting its annual "Woman of the Year" award at their dinner-soiree. Eta Lambda Zeta is a chapter of Zeta Phi Beta Sorority, which was organized in 1920 on the campus of Howard University, as a sister organization to the Phi Beta Sigma fraternity.

Each year the more than 300 chapters of this sorority in the United States and Africa celebrate Finer Womanhood Week, which culminates with the presentation of the "Woman of the Year" award.

This year the Eta Lambda Zeta Chapter's award is being given to one of the truly outstanding women in Michigan—Mrs. Beatrice Perry of New Haven.

So much can be said about "Mama Bea," as she is affectionately known to her legion of friends, that it is hard to know where to begin. For as long as anyone can remember, she has been a tireless friend to anyone in need—in need of anything that she could possibly provide. It is said that "Mama Bea's refrigerator is a poor man's restaurant; her pocketbook, a poor man's bank; and her home, a poor man's hotel."

She is forever giving of herself to someone else's benefit. She has been known to stay up, or get up, to drive a worker to his place of employment so that he will not be late to work and lose his job. The homeless and the jobless have found acceptance and assistance in settling in the community, no matter who they are.

Mrs. Perry has toiled for years to provide for the education of young people, and to make their educations the best there is. In this effort, she has provided all young people of the area with a shining example of what it is to be a good citizen and a true friend. It is a gift that is beyond measure.

My wife and I have been privileged to know Mrs. Beatrice Perry as a friend for many years. We value her friendship greatly. Her thoughtfulness and her untiring efforts for her community have been an inspiration to us. It is in knowing and working with people like "Mama Bea" Perry that makes the work of a Congressman rewarding.

I cannot think of a better choice as "Woman of the Year." Mrs. Perry is a "woman of all years."

LOW-INCOME HOUSING

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. LEHMAN. Mr. Speaker, 25 years ago, when I was first in the automobile business, those who worked for our company were able to buy brandnew homes for their families. The employees—mechanics, salesmen, clerks, and even maintenance people—were able to meet modest down payments and mortgage payments that were in line with take-home pay.

We are still in the automobile business, but today, rarely can the salesmen and mechanics, and certainly not the lower-income employees, buy a home, despite much higher salaries and commissions. New dwelling costs are far out of reach.

Ironically, it was in those times, a quarter of a century ago, that the Congress, in the Housing Act of 1949, committed itself to the goal of "a decent home and a suitable living environment for every American family." But for millions of low-income American families, that goal has been nothing but a hollow joke. Despite a series of housing bills, our citizens, from young married couples to the elderly, cannot buy decent homes or a suitable living apartment.

Today, the housing situation is difficult for the middle-income family. The situation for low-income families is a disaster. According to the Department of Housing and Urban Development's own estimates, there are over 13 million households with incomes below $5,000 annually, who are eligible for housing subsidies, but for whom there is no subsidized housing available. Almost all of these families living in housing which is either unsafe or unsanitary.

Housing subsidies in the form of tax deductions go to those who do not need relief as desperately as the low-income families. In fact, subsidies which go to well-to-do homeowners in the form of tax deductions amount to four times as much as all other housing subsidies combined.

The only program which has been developed to meet the housing needs of families with incomes below $5,000 in any significant way has been low-rent public housing.

We need to deal with our housing problems from the bottom up through middle-income families.

The Housing Act of 1949, which set our national housing goal, set low-income housing at an estimated 10 percent of housing production. In 1972, housing starts for the poor amounted to less than 1 percent of total starts.

To convert some of the billions of our annual defense budget to underwrite, support, and assist buyers and renters of low- and middle-income housing will provide individual Americans a home to defend, as well as a homeland.

LEADERS IN THE FIGHT AGAINST MUSCULAR DYSTROPHY

HON. WILLIAM F. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. WALSH. Mr. Speaker, it has recently been brought to my attention by the executive director of the Muscular Dystrophy Association of America, Mr. Robert Ross, that television personalities all across the country are leading the fight against muscular dystrophy.

The broadcast media are today subject to a great deal of criticism from people and organizations claiming radio and television stations focus too much attention on the negative aspects of our society.

I think it only fair now to highlight this contribution the media are making to fight this dread disease.

Mr. Ross has written to me to single out the work of two television stations and two individuals and I would like to share that letter with my colleagues:

Congressman WILLIAM WALSH,
Syracuse, N.Y.

DEAR CONGRESSMAN WALSH: I believe you'll be interested to know that a signal contribution to the welfare of citizens in your area and elsewhere throughout the country—especially children and adults afflicted by neuromuscular disease—has been made by WHEN-TV, Syracuse, New York through the efforts of Jean Daugherty, and by WSYR-TV, Syracuse, New York through the efforts of Bill Everett.

In very large measure, it's thanks to individuals like Jean and Bill and stations like WHEN-TV and WSYR-TV throughout the United States that Muscular Dystrophy Associations of America has been able to make such gratifying progress toward increasing public awareness of the life-and-death problems represented by muscular dystrophy and related disorders—and toward enlisting constructive support from concerned citizens in your district and elsewhere.

WHEN-TV and Jean Daugherty and WSYR-TV and Bill Everett have furthered the educational thrust of this Association in many ways, but I'd like to pay special tribute to their aid in promoting our Carnivals Against Dystrophy project. The enlightenment and inspiration they've provided their youthful viewers through this project have led directly to a significant enhancement of our ability to serve patients in your constituency and throughout the nation.

Inspired by TV personalities at stations all over the country, young people held more than 40,000 backyard carnivals in 1973. Their efforts led to the realization of MDAA's programs of research and patient and community services.

As you may know, the Carnivals project functions primarily through promotion by popular children's TV personalities like Jean Daugherty and Bill Everett. These broadcasters invite their young viewers to write for a free kit, which contains all elements essential to the production of a fun-filled Carnival—which youngsters organize and run in their own backyards. Through the project, participants learn how to organize and set up a complex event, how to cope with responsibility, and how to meet the challenge of operating a business enterprise of their own. But perhaps the greatest benefit they derive from Carnivals is the "education in compassion" which it gives them—their increased awareness of the plight of the less fortunate.

In furthering this project in your area, Bill Everett and WSYR-TV and Jean Daugherty and WHEN-TV have done even more than help provide desperately-needed assistance to the victims of neuromuscular disease whom this Association seeks to serve. They've helped enrich the very spirit which has inspired this nation's greatest achievements.

Sincerely,

ROBERT ROSS,
Executive Director.

FEO PREDICTS ALASKAN OIL WILL BE EXPORTED

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. ANDERSON of Illinois. Mr. Speaker, virtually hidden in last Monday's New York Times was a statement by the Northwest Regional Administrator of the Federal Energy Office that in the first years of operation of the trans-Alaskan oil pipeline significant quantities of crude oil would be exported probably to Japan. These exports will occur because U.S. west coast markets will be unable to absorb the total throughput of TAPS. Although I am fully aware that such exports must be sanctioned by the President and Congress, it is indeed intriguing that similar predictions of such exports were greeted rather derisively when the Alyeska system was approved last summer.

As my colleagues will recall, the debate over a transmission system to bring Alaska's crude oil to market focused on the merits and disadvantages of the finally authorized Alaskan project and a MacKenzie Valley route across Canada. A central aspect of the debate concerned the ability of different regional markets to absorb the oil that system would transport. Myself and a number of other Members, after intensive study of petroleum supply and demand patterns, concluded that in the early years of operation the west coast markets could not absorb the full throughput of the Alaskan pipeline/tanker system. Partly as a result of this finding, we argued that the national interest would be better served by a pipeline system across Canada to deliver oil to U.S. Midwestern markets.

In spite of these findings, Congress was continually assured by TAPS proponents that such exports were thoroughly unforseeable. The Interior Department personally assured me that "District V—the west coast—demand would absorb all domestic lower 48 production, all North Slope production, all Canadian imports, and all Western Hemisphere imports." The State of Alaska commissioned a lengthy study that concluded that the "west coast demand will be sufficient to account for all of Alaska's Prudhoe Bay production. As the member companies of the trans-Alaskan pipeline group assured Governor Egan more than a year ago, no oil will be sold to Japan." Finally, then Deputy Secretary of the Treasury William E. Simon testified:

> The earliest we can expect an Alaskan pipeline is in the mid-1977 or early 1978. By then, demand in District V will most likely exceed supply from California and southern Alaska by more than the capacity of the Alaska pipeline.

It now appears to the Federal Energy Office that all of these predictions are rather inaccurate.

Mr. Speaker, I do not raise this point to beat a dead horse. Rather, these developments occur just when another dispute involving Alaskan energy is beginning. Instead of crude oil, natural gas is at stake. Two competitive entities are seeking to bring the vast North Slope gas reserves to market: The Arctic gas consortium via a trans-Canadian pipeline that will service the Midwest and the west coast, and the El Paso Gas Co. which is promoting a trans-Alaskan pipeline/tanker system to feed west coast ports, and, potentially, overseas markets. As the decision date comes closer, a wide range of issues will surely be raised. I suggest to my colleagues that during the course of the debate they carefully examine the evidence and look askance at any project that may allow our precious fossil fuel reserves to flow overseas. One mistake is more than enough.

A news article follows:

[From the New York Times, Apr. 22, 1974]

OIL EXPORTS FORESEEN

SPOKANE, WASH.—A large portion of oil transported through the trans-Alaska pipeline will be exported, probably to Japan, during the line's early years of operation, Jack B. Robertson, regional administrator of the Federal Energy Office, said yesterday. West Coast markets originally earmarked for as many as 2 million barrels of Alaskan crude oil daily would not be able to absorb that quantity until 1985.

THERE'S NO SUCH THING AS A FREE LUNCH

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. SYMMS. Mr. Speaker, Secretary of Agriculture Earl L. Butz is one of the most outspoken men in Government. Recently there appeared in the Herald, a newspaper in Bonners Ferry, Idaho, an article by Mr. Butz which supports his reputation for being outspoken. What the Secretary has to say in the article entitled "There's No Such Thing as a Free Lunch" deserves the attention of everyone—in Government and out of Government. As is usual for Mr. Butz, he is right to the point, using a minimum of words to say a great deal.

The article follows:

[From the Bonners Ferry (Idaho) Herald, Apr. 18, 1974]

THERE'S NO SUCH THING AS A FREE LUNCH

(By Earl L. Butz)

In the old days the king called in his three wise men to tell them he'd become interested in economics. "But," he said, "it sounds confusing and complicated. I want you to go out and boil it down for me in a way that I can understand."

Nine months later they came back and reported they had completed the job. They said they had condensed all of economics into a single book of 200 pages. The king said, "That's too long. I don't have time to read that much."

He had the chairman beheaded, and told the other two: "Now I want it boiled down."

They came back in 30 days and said they had economics boiled down into a single chapter of 20 pages. The king said, "That's too long. I don't have time for it."

He had the chairman beheaded, and turned to the remaining wise man: "You know your job. Now, boil it down."

"Yes sir, Mr. King!"

This wise man came back in three days: "Mr. King, I think I have it. I have boiled down the entire subject of economics into a single sentence of eight words."

The king said, "That's fine. I have time for that. What is it?"

"There's no such thing as a free lunch."

I tell that story because I think those eight words sum it up pretty well. Economics is a description of what you and I, and others like us, do in order to get our share of the things that are in the real life around us.

Unfortunately, there are a lot of people around—you know them and I know them—who think that there is such a thing as a free lunch.

Take the role of the Federal government—Uncle Sam, if you will. Some people look on him as a kind, benevolent old gentleman who hands out free gifts. They look on him as a child might look at a grandfather.

Take most any state or local project. If there's work or money involved, it's easy to say: "Let's have the Federal government do it." You see this happening all the time. Maybe it's a new courthouse in the county seat, or a sewage plant, or just one of many things: "Let Washington do it."

"There's only one way the government can do anything—that's with your money. The government is not a form of voluntary giving; it is a form of compulsory giving. You lose your home or your land if you don't pay your taxes. There's nothing benevolent about old Uncle Sam when it comes to you paying the tax bill. There's no such thing as a free lunch.

The next time you see a headline saying that the Congress has voted a $1 billion project, just figure that on the average this is about $5 out of your pocket and out of the pocket of every other member of your family.

"But," somebody says, 'we're just talking about our own little community project. If we don't get that Federal money, somebody else will use the money. This project costs only a few thousands dollars. That's a drop in the bucket compared with what the Federal government spends on other things."

You've heard that, or something like that, many times, I'm sure.

Fact is, most everything the government does is, of itself, a drop in the bucket. However, when you add up all the little drops, it makes quite a bucketful. And the bucket is spilling over.

We're already spending about 34% of our gross national product for government—Federal, state or local. That means that we have given to the government one-third of the decisionmaking power over how our money is spent.

There are many things that we want and need to have the government do. The problem develops when it seems so painless and easy to add "just one more." That's how we got the 34%—by adding "just one more." We have direct control over the dollars that we spend individually; however, we lose direct control over our dollars when we pay them out as taxes. The control then becomes diffused and political and hard for any one of us as an individual to do very much about.

If you don't think so, pick up the newspaper almost any day. Chances are you can read one to several stories about this or that proposal to launch a government project of some kind. Each one is a proposal to spend more of your money. Some are worthy causes, but how much "say" do you have in deciding whether you want to pay more for each of these projects?

The farther away from your local government the decision gets, the harder it is for you to exercise control. That's why the Federal budget has been balanced only 4 of the past 20 years. That's why inflation is eating us up. That's why we ought to reverse the trend in this country and return more government to local decision-making. That's why we should ask about every public project, "Is it worth what it costs if we had to pay for it directly?"

Even then there are problems. If your local government is making a capital improvement of some kind, you'll probably find you can't save tax dollars in the budget ahead of time and pay cash. You'll probably have to borrow, float bonds, build up a debt and pay for the project twice through interest payments. There's no such thing as a free lunch.

All right, but we run out of the rich pretty quick. The great bulk of the tax load comes out of the pockets of ordinary people. There's no other way. If we held every rich guy by his heels and shook out all his money, it would still be a drop in the bucket.

Tax the corporations? When you tax them, they have to get the money somewhere, since it is strictly illegal for them to manufacture money. When the corporation is taxed, the corporation tacks the cost onto the price of the article you buy. When you buy Corporation X.Y.Z.'s handy dandy little gizmo, you pay the corporation's tax.

A corporation, then, is a tax collection agent for Uncle Sam. That kind, benevolent old gentleman is a wily old cuss who has his hand in your pocket in a way and at times when you don't suspect it. *There's no such thing as a free lunch.*

Take ceilings on prices. We've heard a lot about them in the last few months. Inflation has been chasing prices of many things up the trees. It happened on food last summer. Housewives not only complained; some of them became activists and picketed. They demanded that "something be done."

Well, the government is also a listening post. When somebody in political office hears the chant loud and clear from back home, he figures he'd better do something or he won't be around to hear the chant the next time. The urge for personal survival in Washington is a powerful instinct. It's the primary political instinct, you might say.

Last summer, in response to the cry from back home, controls were put on food. All of a sudden, the market was telling farmers not to produce as much. The market after all is nothing more than a sounding board for the desires of people. You might call it an echo chamber. Each day people all around the country, by spending their money, say, "I want more of that." The price goes up. Or they say, "I want less of that." The price comes down.

Each person, including you and me, whispers something to the market each time we make even a little decision about how we spend our money. Those little whispers, billions of them a day, echo back from the market echo chamber. It shouts back that nationally we want more of this, or more of that, or less of it.

Stock markets reverberate. Corporations shake. The little store down at the corner quivers. All before the loud echo of those billions of little decisions that we make everyday.

Let's say the market thunders that it wants more of something—the price goes up. But the housewife fusses that "It's already too high priced." So the government puts on a ceiling. Well, that doesn't make any more of the product. We go right on making all those little decisions, each of us, that put the price up in the first place. Now that the price isn't going up anymore, as a result of the ceiling, we buy even more of it.

Pretty soon, there's not enough to go around. We keep right on buying—but the fellow who makes it is getting a wrong signal. The market is telling him not to produce as much. The price isn't attractive anymore. His costs keep climbing, but the price for what he makes doesn't. So he quits. Or his banker makes him quit. There is less of the product around.

There's only one thing you can do then—ration the product with ration stamps. If you don't, there won't be any of it down at the store when you get there. People don't like that. What good is a controlled price if the product isn't there to buy?

What controls do is substitute government ration stamps for our dollar bill ration stamps. Instead of you and me setting the price by our own decisions with the way we spend our dollar bills, we let the government make the decisions by parceling out ration stamps to us—so many for each one of us. The same for each. That's the bureaucratic way of being fair.

So controls, then, which set out to do us a favor, end up discouraging production, instead of encouraging it. The ration stamp cure for the disease of low supply makes more of the disease by discouraging production. *There's no such thing as a free lunch.*

Another common principle is that most everything has a cost-benefit ratio to it. The item has a benefit, or we don't want it. And it has a cost, or we can't get it. That's the way it is with anything where there isn't enough to go around.

You can walk out and look at the moon. It's pretty on a clear, crisp night, and you can take in all of the scene you want to; it doesn't cost you a cent. Unless maybe you wear glasses, which I do. Then even looking at the moon isn't free.

The point is, if something is scarce, and practically everything is, it has a cost. Whether you pay that cost or not depends on how you look at the benefit and whether you have the money to pay.

Most everything has a cost-benefit ratio. You can't escape it. Are we going to have completely clear air and not enough energy? Are we going to poison coyotes—and maybe some birds while we're at it—and have enough wool and lamb; or are we going to listen to the howl of more coyotes at the cost of less lamb?

Are we going to feed DES to cattle and perhaps have a residue in some beef livers in an infinitesimal amount which has never been known to harm anyone's health; or are we going to avoid even one particle of DES per trillion in beef liver and pay more for beef, since it costs more to raise it without DES?

Are we going to disrupt a narrow strip of tundra and disturb some wildlife in remote parts of Alaska, while tapping the rich oil supplies there, or are we going to have gas rationing? Are we going to have well-planned forest harvests and reforestation, or are we going to look at the undisturbed wilderness and hoard resources? For every benefit there is an offsetting cost.

There's no such thing as a free lunch!

SOCIAL SECURITY NEEDS AIRING

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. BURKE of Massachusetts. Mr. Speaker, today I filed an additional five names as cosponsors of my social security bill calling for a reduction in the social security taxes from 50 percent on the employer and 50 percent on the employee too, or a 5.85 percent on both to a reduced amount of 3.9 percent on the employer and 3.9 percent on the employee with the balance being financed out of general revenue.

The regressive burden now being carried by the small business and low- and middle-income worker is outrageous and must be changed.

I include for the information of the Members of the U.S. Congress an editorial dealing with social security that appeared in today's Boston Globe:

SOCIAL SECURITY NEEDS AIRING

It is nearly two years since The Globe first advocated a serious review by Congress of the payments structure of the Social Security system. Its basic inequity, weighing more heavily on the low end of the income scale, has become even more onerous in the interim as inflation has hit the poor hardest.

For this reason we welcome the work being done by Rep. James A. Burke (D-Mass.) in collecting signatures from his colleagues in support of his proposal to halve the rate of collections while nearly doubling the amount of income susceptible to the payroll tax. It is the detail of his bill that deserves particular attention because it breaks new ground in congressional attempts to deal with this tricky problem.

The heart of the issue is the broad and unforgiving nature of the taxes paid into the system. No allowance is made for the fact that the total income of the taxpayer may be very low—5.85 percent of each dollar up to the maximum of $13,200 a year is collected from all employed persons, matched by equal amounts from their employers. All employees with income above $13,200 a year are paying a lower proportion of their incomes than those with less than $13,200.

Earlier attempts to tackle the problem have had prestigious sponsorship from at least four Democratic senators—Muskie of Maine, Mondale of Minnesota, Williams of New Jersey and Hartke of Indiana.

The important changes proposed included shifting a proportion of Social Security collections to the general tax system. They also suggested personal exemptions, low income allowances and elimination of ceilings on collections.

Outside Congress, others are looking at the question. Alicia Munnell, an economist with the Federal Reserve Bank of Boston, has just published a paper in the bank's Economic Review advocating a series of slowly vanishing exceptions based on the number of dependents that would have its largest effect on families with incomes below about $5,000. The Munnell work shows that raising the portion of income subject to taxation to $18,000 would just compensate for revenue lost through the system of dependency deductions.

The Burke proposal would cut the rate of payment in half for all contributors but would raise to $25,000 the maximum amount subject to Social Security taxes.

While Mr. Burke's has some obvious advantages in terms of reducing the burden on persons with low incomes, we harbor some reservations over at least one obvious defect: persons with incomes between $20,000 and $25,000 as well as those with less, would pay less than the full $704 annual obligation under the current payment structure. That relief does not shout for enactment. We don't suggest an immediate choice between these two alternatives or others that may surface. But we agree emphatically with Alicia Munnell that "payroll tax reform should be given the highest priority" and hope that Congress, which is just rediscovering some of its oats, will take the job up quickly.

INDIAN AGENCY TAPS OKLAHOMA FOR AWARD

HON. TOM STEED

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. STEED. Mr. Speaker, in recognition of her sincere dedication and compassionate volunteer service, one of my constituents, Mrs. Marie Cox of Midwest City, Okla., has been awarded a national leadership citation from the Bureau of Indian Affairs. I am most happy to add my commendation to the many accolades she so rightly deserves.

The following article from the Oklahoma Journal newspaper provides the highlights of her distinguished service:

INDIAN AGENCY TAPS OKLAHOMA FOR AWARD

An Oklahoma Indian woman has been singled out by the U.S. Bureau of Indian Affairs to receive a leadership award Tuesday in Washington, D.C.

Mrs. Marie Cox, a Comanche and a resident of Midwest City, will be presented the national award by Morris Thompson, commissioner of Indian Affairs, for her work with foster children.

Mrs. Cox has worked on state and national levels to find solutions to problems of Indian children who are orphans, delinquent, retarded or abandoned.

As chairman of the National Action for Foster Children Committee, she worked to develop a bill of rights for foster children which was ratified by Gov. David Hall last week.

Mr. Cox also organized North American Indian Women's Association.

Under her leadership, this group made a national survey of the special needs of the Indian child to use in proposing programs for those who receive care away from home. Mrs. Cox now serves as national adviser to the association and is adviser on women for the U.S. Secretary of Labor National Committee Eighteen.

She has been a longtime volunteer worker to promote an understanding of Indian heritage and culture.

In 1969, Mrs. Cox wrote the Historical Indian Dress Review which was later presented at the Smithsonian Institute's Fourth Annual Folk Life Festival in Washington, D.C.

Mrs. Cox was also asked by the Fashion Group Inc. of America to include her modern adaptation of her tribal dress in a collection of "How America Dresses," which toured Europe.

She is a member of Oklahoma Historical Society and served on Oklahoma City Community Relations Commission's Indian Committee

Mrs. Cox is a member of National Congress of American Indians and serves as secretary for the executive board of National Hall of Fame for Famous American Indians.

She has conducted seminars on American Indians for the YMCA, YWCA, Campfire Girls and Boy Scouts and has been a guest speaker at several public schools.

Mrs. Cox was recently asked to submit her biography for the Encyclopedia of American Women.

A native of Lawton, Mrs. Cox attended Fort Sill Indian Boarding School and graduated from Walters High School. She attended Pacific Union College in Angwin, Calif., and Central State University.

Mrs. Cox and her husband, James, a councilman of the Comanche Tribe, live at 3201 Shady Brook Drive.

MAJORITY LEADER THOMAS P. O'NEILL, JR., SAYS CONGRESS SHOULD DEAL WITH THE REPUBLICAN ECONOMIC MESS

HON. THOMAS P. O'NEILL, JR.

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. O'NEILL. Mr. Speaker, the Republican administration is putting the Nation through another economic barrel roll.

Interest rates are up past 10 percent and still climbing. Yet, Dr. Burns says the Federal Reserve is not going to do anything about it.

The gross national product drops in recession proportions during the first 3 months of 1974. Yet, the cost of living shoots up 14½ percent, highest since the Korean war.

The administration says it will slow down inflation by letting unemployment go up even higher. Then, privately, the administration slips $1.5 billion into the Defense budget, just to prime the economy.

It is time for Congress to deal forthrightly with this Republican economic mess. We need to find ways to put people back to work, to boost production, to reduce interest rates, and to stimulate the economy.

We need public services employment and a release of impounded funds for such programs as the antipollution sewer construction program which Congress voted in 1972. We should begin a program of public works that will provide long-term benefits to communities and to great masses of people. And we should dampen the inflationary effect of these actions by eliminating that pump-priming $1.5 billion from the Defense budget.

That is the kind of economic remedy this Nation needs, not the sit-on-your-hands attitude of the administration.

NIX SUMS UP ASIAN AND PACIFIC SUBCOMMITTEE HEARINGS AS LEADING TO CONCLUSION THAT WE MUST BRING AT LEAST 100,000 MEN HOME FROM ASIA

HON. ROBERT N. C. NIX

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. NIX. Mr. Speaker, the Asian and Pacific Affairs Subcommittee of which I am chairman has held 19 days of hearings since April 1974.

We have covered many vital matters including the Cambodian crisis in which American forces were engaged in bombing without any action by Congress, or treaty obligation; a pure case of Presidential war.

From last fall until now, we have engaged in hearings on our remaining involvement in South Vietnam, where there is now no peace, nor any prospect for peace. In addition, we have examined the strained relations between the Soviet Union and the Peoples Republic of China which could explode into nuclear war. At the same time we see growing ties between the Soviet Union and Japan because of the oil crisis, because of Japan's utter dependence on oil to keep the world's third greatest industrial economy functioning and her people free from starvation.

In short, the old order is changing. The rivalries of the distant past have caught up with the present. The world, even in Asia, is not necessarily divided into Communist and anti-Communist camps. There is still great tension between the Communist world and our own, but other problems now demand attention as well.

For all of these reasons, it is now apparent that it is time to withdraw our ground forces from forward bases in Asia.

We have about 36,000 men in South Korea, 33,000 in Thailand, about 36,000 in Okinawa, and 19,000 in Japan, as well as 7,000 or so troops in Taiwan, and 19,000 in the Philippines.

The greatest danger to our own peace and safety is the presence of our airmen in Thailand, who number 33,000 and whose mission is the protection of the Thieu government in South Vietnam in the event of an attack by the North Vietnamese. Yet bombing missions from these bases is forbidden by statute. The bases themselves do nothing for Thailand, they are only there to involve us once again in the Vietnam war. That is their only purpose.

We have 36,000 men in South Korea. The South Korean Armed Forces number well over 600,000 men and they have a reserve force of approximately the same number. Our forces serve only a symbolic purpose. What is their real value? It appears from Defense Department testimony that they serve an unspecified political purpose. We have not been able to learn what is the need for our men in Okinawa. They are in training units. They could train elsewhere.

Our forces were in Asia to serve our policy of containment of the Peoples Republic of China. Now we are improving our relations with the Peoples Republic of China, which has as its major concern a million Soviet troops on its Siberian border. This is the major fact in Asia, the rivalry between the Soviet Union and the Peoples Republic of China. It is a dangerous rivalry and much of the trouble in Southeast Asia comes from the fact that the Soviet Union is now trying to contain the Peoples Republic of China.

What are our interests in Asia? They are limited. They are limited to maintaining our few viable commitments. In short the nations of Asia do not need us in the way they did before.

Most of those outside of Southeast Asia do not need our military help. Those in Southeast Asia, an area where we have no security interests, have to prove that they can defend themselves and that they do not totally rely on us.

Whatever we need to accomplish in Asia militarily can be done from mid-Pacific bases under our control and for the most part American territory.

Has the administration recognized any of these problems? They are taking some action but not enough. For instance, they are buying up two-thirds of the island of Tinian for air force and naval bases. Our base in Guam is being expanded for air and naval purposes.

What is more, we are now taking men out of Asia. But in a very small way: 4,000 men out of South Korea, a few thousand out of Thailand.

We are not an Asian power, yet we recognize that fact only grudgingly.

Our treaties and Executive agreements which were signed to contain China are now being used to maintain a stance of being the peacemaker for the entire area, including by indirection the Peoples Republic of China.

We have the following treaty commitments in Asia:

First, Republic of China—Taiwan, Mutual Defense Treaty, December 2, 1954.

Second, Japan, Treaty of Mutual Cooperation and Security, January 19, 1960—replaces earlier treaty signed on September 8, 1951.

Third, Korea, Republic of South, Mutual Defense Treaty, October 1, 1953

Fourth, New Zealand, Australia, ANZNS, SEATO, September 8, 1954.

Fifth, Thailand, Southeast Asia Collective Defense Treaty, including nations which have disassociated themselves with the treaty. September 8, 1954.

Sixth, Philippines, Mutual Defense Treaty, and SEATO, August 30, 1951, and September 8, 1954.

South Vietnam was a protected state under the SEATO treaty and the Tonkin Gulf Resolution were basis for our action in South Vietnam which cost 50,000 lives and a cost exceeding $100 billion.

We are supposed to be at peace in Asia and yet our present forces there on the ground in Asia will cost at least in personnel costs alone a billion dollars a year. If we kept those forces under arms in American bases we would at least reduce our balance-of-payments problems by a billion dollars a year. If we reduced our total forces since these very same troops would not have a ground mission in Asia and we emphasized our naval forces we would save more than a billion dollars a year.

The time has come for the United States to rely on its naval forces, for the sake of protecting our allies while controlling our own budget here at home. Naval forces being missile armed can accomplish whatever military mission we should undertake. They can be controlled by our own foreign policy since they can avoid unnecessary difficulties.

But the most important thing to remember about our old bases is that new missions will be found for them if we do not close them down. Our forces and bases serve no other than a political purpose. We must prevent our involvement in a Sino-Soviet dispute by withdrawing our forces from forward garrisons. They no longer serve our allies, even those allies which have been reluctant to rearm in their own defense.

Our men are in a position in Asia of having a mission found for them. The balance-of-power politics of the Secretary of State should not be allowed to supply our men as a counterweight to Sino-Soviet designs.

It is time to bring our men home. It is time for us to accept the role of a Pacific power rather than an Asian power.

AMENDMENT TO H.R. 14434

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. COUGHLIN. Mr. Speaker, tomorrow I will offer the following amendment:

> Page 8, before the period in Line 2, insert the following: ": *Provided further*, That no part of this appropriation shall be obligated, expended, or used for research, development, or other activities relating to the Liquid Metal Fast Breeder Reactor until the Commission has submitted to the Appropriations Committees of the House and Senate and to the Joint Committee on Atomic Energy a detailed breakdown of the total planned costs for the Liquid Metal Fast Breeder Reactor program research operations and construction and (1) a period of thirty days has passed (after the submission of such breakdown), or (2) such committees (before the expiration of such period) have transmitted to the Commission written notice to the ef-

fect that they have no objection to any such obligation, expenditure, or use".

TROUBLED AND TROUBLESOME KIDS

HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. HELSTOSKI. Mr. Speaker, today we live in a complex society characterized by change. As a result, many young people often find themselves confused, with problems, and with nowhere to turn for advice. Juvenile delinquency in some shape or form has at one time or another plagued virtually every community in America.

In an effort to combat the problems of juvenile delinquency, the New Jersey State Legislature passed the municipal youth guidance act of 1947. This legislation enabled municipalities to set up local youth guidance councils, designed to use community resources to help young people with their problems. Over the years, as a result of this legislation, many communities have established local youth guidance councils.

Recently however a drive has been launched to establish a youth guidance council in each municipality. Five Bergen County residents, I am proud to say, have founded the association of municipal youth guidance councils to foster and encourage the program in each municipality in the State. These five are: Arthur J. Davis of Upper Saddle River, Louis J. D'Arminio of Hackensack, Police Chief George Hecker of Montvale, Roderick Thorp of Upper Saddle River, and James J. Craffey of River Vale.

Mr. Speaker, an article concerning the youth guidance council program appeared recently in New Jersey Municipalities, a monthly magazine. Written by Mr. Craffey and entitled "Troubled and Troublesome Kids," the article offers further insight into this program. In view of the fact that juvenile delinquency is a problem with which we are all concerned, I would like to share this article with my colleagues. The article follows:

TROUBLED AND TROUBLESOME KIDS

(By James J. Craffey)

Kids in trouble have problems that deserve far more attention than the present juvenile justice system offers. Most of the inequities in the juvenile justice system can be traced right back to the community, which has always been considered the frontline barricade in the fight against juvenile delinquency.

Many towns lack concern and know-how in tackling the problems of their youth effectively. Full-time juvenile officers are scarce. Many police departments rely solely on the Juvenile Court to handle their "problem" kids.

The inequities show up in municipalities everywhere. The "incorrigible" from your town who is in a correctional institution may have been the sacrificial lamb for an easy-living mother who decided her torrid love affair was more important than her parental duties. You may find a child sent to Juvenile Court for stealing a bag of candy while an adjoining town referred the same problem to its Youth Guidance Council.

You should know why a 16-year old from your town was charged with "auto theft" for taking a car without his parent's permission while youngsters in an adjoining town are charged with "joyriding" for the same offense. You find kids from your town on probation for offenses that a juvenile judge in another county treats as a youthful transgression that deserves a community solution rather than a court disposition.

Juvenile delinquency will never be stopped in any community by the seemingly punitive measure of "passing the buck" to the juvenile court. Only when a municipality has the machinery to help youngsters at the first sign of a problem will it make a dent in the juvenile problems threatening the peace and welfare of the community.

Almost half—49 per cent—of the juvenile cases referred to the juvenile courts in New Jersey in 1972 were "adjusted at in-take." This means that the offenses were not serious enough to warrant the intervention of the judge in the first place. Yet, few communities offer complainants an alternative to the satisfactory resolution of the problem for themselves and for the young perpetrators.

The seemingly "soft" disposition of cases by the juvenile courts have local police annoyed and disgusted. The fault, however, does not lie with the Juvenile Court, which is overburdened, not with the Probation Departments, which already work far beyond their physical capacity. The fault lies within the community. Local police, the juvenile courts and the Probation Departments cry out for a community-based alternative which will handle youth problems effectively.

CHANGES

Changes are in the wind, fortunately. The State Legislature recently changed the 53-year old Juvenile Code to reflect society's attitude that incarceration is not the solution in the making of a law-abiding citizen. Under the new Juvenile Code, no longer will youngsters in New Jersey wind up "behind bars" for being truant, incorrigible, growing up in idleness etc.

The new Juvenile Code distinguishes between the criminal and non-criminal nature of a youth's transgressions. It distinguishes between a "delinquent" and a JINS (Juvenile In Need of Supervision). The acronym JINS officially permits us to recognize the unmet social, psychological, medical or educational needs of youngsters brought into the juvenile justice system.

A youngster becomes a "delinquent" for committing a misdemeanor, violating a municipal penal ordinance or is adjudged a "disorderly person." In these cases the young offenders expose themselves to Skillman, Jamesburg or one of the other youth correctional facilities maintained by the state. However, the odds are pretty good that the child will never make it to any one of these places.

The state youth correction facilities have room for only about 700 youngsters. This is about 1½ places for each of the state's 567 municipalities. At a cost of about $12,000 per year to keep a youngster in one of these institutions, it makes sense to launch an all-out effort to find alternatives to help the youth of the state become law-abiding citizens.

Youngsters charged with "incorrigibility," "truancy," "growing up in idleness," etc., may not be labeled a "delinquent" and may not be subjected to the severe restrictions and ignominies of incarceration. Under the new Code, the Juvenile Judge is expected to come up with specific recommendations for the care and welfare of these JINS youngsters. The judge cannot succeed without the involvement of the community.

While the new Juvenile Code has paved the way for diverting more and more youngsters from the formal juvenile justice system, few towns have plans or programs underway to meet their new responsibilities in handling the problems and needs of their troubled and troublesome youngsters. Neither the police nor the courts can do the job alone. The community must respond with the resources to help youngsters with incipient behaviour problems.

A milestone in juvenile justice occured unceremoniously in the state over 25 years ago that offers municipalities an effective answer. Led by far-sighted legislators like State Senator David Van Alstyne Jr. of Bergen and top penologists like Sanford Bates, then head of the Department of Correction and Parole, the State legislature introduced a landmark approach for communities to fight juvenile delinquency.

The Municipal Youth Guidance Council Act of 1947 permits municipalities to set up local Youth Guidance Councils to mobilize a community's resources to help youths with problems. In the intervening years over 400 municipalities have taken advantage of the enabling legislation and have benefitted from local Youth Guidance Councils. Today, 26 years later, the Youth Guidance Council approach is relevant and valid. The President's Crime Commission in 1967 endorsed and encouraged the concept of community-based organizations like Youth Guidance Councils as the most effective way to coordinate the services that youths in a community need to win the struggle toward adulthood.

A Youth Guidance Council activates your community's expressions of concern and interest in resolving the problems of its younger citizens. It serves as the community eyes for the welfare of its young, ever watchful to straighten out anything that might go wrong.

The Youth Guidance Council calls for the active involvement of three local governmental departments to make the program effective. A member of the governing body, a representative of the police department and a representative of the school system are mandatory appointees by the Mayor and Council to the Youth Guidance Council. Four other citizens such as a psychologist, minister, lawyer, physician or other professional also are appointed to the seven-member body.

Many towns have had problems obtaining the services of professional people in the community. The citizen appointments now are being filled by residents who work with youth such as leaders in the Girl Scouts, Boy Scouts, Little League, Junior Football and recreational departments. Possessing extraordinary common sense and an intense interest in the development of youngsters, these people are performing admirably after a brief training period.

ADJUSTMENT COMMITTEE

The local Youth Guidance Council is empowered to appoint members of an Adjustment Committee which takes referrals from the police, schools and parents, looks into the problem, and assembles the resources of the community to deal effectively with the problem. The Adjustment Committee may recommend treatment for the youth and his family at a community mental health center, act as intermediary in a family dispute or intercede for the youngster in personal or family situations.

Juvenile and other police officers find the Adjustment Committee a welcome alternative in resolving behavior problems locally. Police maintain the Adjustment Committee referral is an added asset to stationhouse adjustment, and juvenile Court. Appearances before the Adjustment Committee occur in a matter of days rather than weeks as is the case with juvenile court. By the time the youngster gets to court, the police tell you, the youngster often has forgotten why he's there. With an Adjustment Committee, the problem is handled expeditiously and the youngster understands completely what is expected from him in the future. Quick resolution of problems often stop youths from continuing a "devel-may-care" attitude that brings them into further contact with the police.

Parents find the Adjustment Committee helpful when they sense a problem of alienation in the child. Conferences are arranged at which the nature of the problem is uncovered or at which a determination is made that the help of a professional is needed. Problems develop when a 14-year old resorts to stealing because a strict parent doesn't believe in allowances; a parent may impart higher goals than the child has in mind or is able to achieve. Many potential drop-outs have been re-routed back into the school system after the communications gap was bridged by the Adjustment Committee. Many other youngsters have embarked on rewarding pursuits after personal or family problems were settled at Adjustment Committee sessions.

A Youth Guidance Council offers even more to a community. Charged with the responsibility for overlooking all services to youth, the YGC stands as a protective barrier against delinquency-breeding conditions. The local movie that shows pornographic films or an older group that buys beer for minors or a school policy that causes inordinate suspensions or truancy comes under the intensive study of a well-organized Youth Guidance Council.

Youngsters may need mental health services, a VD clinic, a drug abuse program, or answers to numerous questions that plague energetic, growing youths. An alert Youth Guidance Council will make positive referrals to the proper agency to eliminate or alleviate the problem.

COSTS ARE LOW

If the Youth Guidance Council offers so much, must it not cost a town quite a bit? Not so. Most Youth Guidance Councils operate on budgets of less than $500 a year, many on less than $200 and some on just pennies. It's a strictly volunteer activity. It harnesses the energies of capable people who want to help. The funds that are spent generally go for booklets that inform residents about drugs, alcohol and relations with the police. Some Youth Guidance Councils have developed extensive drug programs and special vocationally-oriented projects that the State Law Enforcement Planning Agency (SLEPA) felt worthy of funding.

Starting a local Youth Guidance Council requires good planning like any other worthwhile community project. It is important the community understand and support the concept of the Youth Guidance Council before the governing body introduces an ordinance establishing one.

The police chief, his juvenile officer, members of the governing body and representatives of the school system generally provide the impetus by getting together to discuss the Council and its relationships to the needs of the town and its younger citizens. A small group at this stage accomplishes much more than a larger, unwieldly group.

When the needs and objectives have been defined, the organizing group should be enlarged to include representatives from all youth-serving organizations such as the Scouts, recreational groups, PTA, Boy's Club, etc. The community's young leaders also should be invited. During these meetings you should be looking at and sizing up top candidates for appointment to the Youth Guidance Council. Look for people who know and understand kids of all ages, who can keep a secret, and who will earn respect from others.

Reflect the composition of your community in the make-up of your Youth Guidance Council membership. Statistics show that twice as many black kids as white end up in institutions so it is important to bring in leaders from the black community. It's also known that the language barrier prevents many Spanish-speaking kids from getting a fair break. Involvement from representative sections of the community will help to establish acceptable standards of behaviour throughout the entire community as well as help those kids who perhaps are not being helped now.

Each year the Youth Guidance Council submits a report to the Mayor and Council and elects a chairman, vice chairman and secretary. The procedures for handling youngsters attending sessions with the Adjustment Committee are filed with the juvenile court in the appropriate county. The juvenile court judge has an interest in a community's steps towards preventing juvenile delinquency and should be kept informed.

Some communities have Juvenile Conference Committees that resulted from a New Jersey Supreme Court directive to juvenile judges in 1953 to help relieve the bench of the explosive increase in juvenile court referrals. Under this system, the juvenile judge appoints representatives in various towns to hear cases and to adjudicate problems that the judge does not feel serious enough to become directly involved in.

While approximately 173 Juvenile Conference Committees operating in the state bring some relief to the court's case-handling problems, this system responds to a youth and his problems *after* the youngster has been sent to juvenile court. On the other hand, the Youth Guidance Council steps into action when the youngster's behaviour first comes to the attention of the community; it offers services to overcome the problems *before* they become serious. Youngsters sent to the Adjustment Committees of Youth Guidance Councils generally never become involved with the formal juvenile justice system.

Another approach that you should know about is the Youth Service Bureau which has been adopted by some municipalities. It results from a specific recommendation of the President's Crime Commission. The Youth Service Bureau and the Youth Guidance Council have the same objectives, and function in a similar way. There is one slight difference. A Youth Service Bureau requires a paid director and budgeted services while a Youth Guidance Council is entirely voluntary.

Funds are available for a Youth Service Bureau by application to the State Law Enforcement Planning Agency. Funding is for three years after which the community is expected to continue the program at its own cost. Some Youth Guidance Councils are starting Youth Service Bureaus to obtain funding to provide needed services that their communities cannot now afford. In the long run, the interests of your younger citizens must dictate which route you take: Are you willing to pick up the tab after three years or are you committed to a voluntary program that offers continuity at little or no cost.

Juvenile justice in New Jersey and elsewhere still has a long way to go, even with a Youth Guidance Council. If a JINS (Juvenile in need of Supervision) does not commit a criminal act in the eyes of the law, one questions why the youngster comes under the jurisdiction of the court instead of a social agency equipped to take care of the problems. These are the youngsters who require help from the community; it's a duty of the community to respond, to fill the gap so that non-criminal problems receive non-criminal solutions.

By helping a youngster to steer a correct path at the age of 10 or 11, by the time the child is 16 he'll have a positive attitude and respect for the law. Catch a child early enough and your chances of preventing further harm to him and the community are many; let his problems mount up and everyone can expect a lot more trouble.

Albert C. Wagner, recently retired head of Corrections and Parole for the state, responded to a question about the best way to reduce the prison population, in this way: "Help the kids, now!" This noted penologist signals a warning for all communities to get involved now or face the consequences later. The Municipal Youth Guidance Council is the first step toward helping the kids in your town to stay out of trouble.

THE CASE FOR A FEDERAL OIL AND GAS CORPORATION NO. 23

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. HARRINGTON. Mr. Speaker, the editors of the New Republic recently called for the creation of a Federal Oil and Gas Corporation. An editorial appeared in the New Republic on February 2, stating that the proposed corporation would give the Government direct, dependable data on all aspects of oil and gas development, and would provide the petroleum industry with desperately needed competition. The New Republic's endorsement of the Federal Oil and Gas Corporation is yet another indication of the widespread support for a publicly owned oil company, and I would like to insert the article into the RECORD at this time for the information of my colleagues:

PUBLIC OIL AND GAS

Not since the scandals of Teapot Dome have America's oilmen been so roughly handled as they were by the Senate Interior Committee last week. It was not a routine interrogation, not the kind of polite questioning oilmen are used to when they appear before the Senate Antitrust or Joint Economic Committees. The mood was angrier. Senator Jackson, chairman of the committee and an early publicist of the energy crisis himself, opened by saying, "the facts are we do not have the facts." He chastised Shell Oil for its ad attacking the proposal for an excess profits tax without mentioning how much money Shell made last year. Senator Ribicoff said the industry is "reaping the whirlwind of 30 years of arrogance," and Senator Javits asked each executive to submit a written explanation reconciling each company's claims of shortage with the high level of fuel in stock.

While attention focused on the oilmen and their inability to explain the sudden crisis to the Interior Committee, other senators were on a more promising track. The Senate Commerce Committee was hearing testimony on the best suggestion to come out of the crisis. It is a plan, sponsored as an amendment to a natural gas deregulation bill (S2506), to create a real and permanent competitor in the oilfields in the form of a Federal Oil and Gas Corporation. Headed by five presidential appointees, the corporation would function outside the civil service, exploiting oil and gas on federal lands. Adlai Stevenson III introduced it, with co-sponsors Kennedy, Hart, McGovern, Mondale and others, and Rep. John Moss has a duplicate bill in the House. The Federal Oil and Gas Corporation (FOGC) isn't put forward as an instant remedy, but as a corrective to some of the follies that brought us where we are. If the fuel shortage is going to last for 10 or 15 years as the oilmen claim, and if prices continue to rise swiftly as the company executives say (hope?) they will, the government must find a better basis for regulation than it has today. So little is known about energy production that Congress isn't even sure there is a crisis; it has no reliable data from which it can form a judgment. When the natural gas producers said they were running out of gas because the government had kept prices too low, Congress was inclined to believe them and get ready to endorse a price increase. Yet it still doesn't know whether or not the gas producers are telling the truth. When the oilmen asked for price increases, Congress was inclined to disbelieve. Again there was a lack of evidence, and it was the independent oil refiners who spoke up, pointing out that at least part of the shortage was due to the major companies refusal to sell crude oil to them.

Noncompetition in the fuel industry is a very old story, and Senator Stevenson's answer itself is not original. As Melville Ulmer reported recently in these pages, the idea of a federal yardstick corporation in energy was first outlined in a *New Republic* article of 1926. This was the concept behind the Tennessee Valley Authority, the successful federal venture in the field of multi-purpose public power. But as old and proven as it is, the idea has never been tested in the oil industry, for the reason that the oil lobbyists have a great many friends in the right places.

The government has from time to time taken shots at the anti-competitive structure of big oil, and it continues to process lawsuits and restraint-of-trade inquiries. Last summer the Justice Department filed its first important antitrust suit against the major oil companies in years, and the case is now moving toward a consent decree. Also last year the Federal Trade Commission issued a report that concluded, "The major oil companies . . . have engaged in conduct which exemplifies their market power and has served to squeeze independents at both the refining and marketing levels." It recommended a partial break-up of the majors. But these suits move slowly; the antitrust laws do not come to grips with the immense modern fact of domination of the energy industry by big oil. Congress could pass new antitrust legislation, or it could simply order a divestiture by big oil of pipelines and refineries. That would help. But Congress has shown no enthusiasm for such drastic action. Nor is there any guarantee that oil corporations wouldn't find new ways to work their will within the literal restrictions of the law while ignoring its intent, as they do today. Congress, therefore, ought to be responsive to Stevenson's plan. It proposes no seizure of property, no interference with private business. It would merely introduce a new competitor to the market.

More than 50 percent of America's fuel is said to lie on federal land, most of it unexploited. What can this be but a public resource? Unlike private companies, the only incentive the government needs to exploit that resource is public need and demand. The Arab oil embargo has made the oil giants hungrier than ever for federal property, and last week the President gave them a hint of the feast to come by ordering the Interior Department to triple the number of acres leased for offshore drilling in 1975. The FOGC is an alternative approach to the disposal of the country's resources that would provide a built-in regulation of industry appetites.

Las December 18 two representatives of the oil industry came to Stevenson's hearings to say that he'd stumbled into a danger zone. Frank Ikard, president of the American Petroleum Institute, and Charles Spahr, chairman of Sohio and the API, testified against the FOGC on the grounds that it would be *too competitive*.

They said that the American oil industry, though naturally the best in the world, could collapse in a moment if the government were to barge in. The "deep and unanimous conviction among oil companies of all sizes with all ranges of activity," Ikard said, was that FOGC, or even debate on FOGC, would raise the terrible specter of nationalization. And fear of nationalization, he said, would scare investors. They in turn would stop buying oil stocks, companies would lose the massive capital income they need to explore and to build plants, profits would drop, free enterprise in oil would die.

And that wasn't all. Even if investors weren't scared off, Ikard maintained, the Stevenson bill would give such great advantages to the FOGC that others wouldn't be able to compete. In the first place, he said, the new company would get first choice of the best federal land and wouldn't have to pay royalties for its use. (The bill gives the federal corporation first pick of 20 percent of any federal land put up for lease.) At first glance this does not seem to be a devastating blow, since the major oil companies would continue to control the rich fields they hold today and would continue to get 80 percent of all new lands. Ikard also protested that the federal corporation would be siphoning off experts, drills and pipe material from private industry—all of which he said are already in short supply.

Though the oil industry may suffer some shortages today, finding men to do the job has never been as difficult as finding jobs for the men. Moreover the development of FOGC would be gradual; it is inconceivable that a corporation starting from scratch in 1974 could drain the market of men and equipment faster than the country could supply them. Furthermore we are unpersuaded that a federal company running on a budget of $50 million a year, even with its free land, could threaten the survival of Exxon (profit in the first nine months of 1973: $1.6 billion), Texaco (nine months' profit: $838 million) or Gulf (nine months' profit: $570 million).

Ikard did make a good point that's worth repeating: he said the FOGC will not alleviate the present oil shortage. A corporation launched this year would contribute very little to oil production in this decade. FOGC would, however, give the government direct and dependable data on the drilling, pumping, refining and marketing of oil and gas. It would do extensive research on fuel that lies on government property, filling in some of the gaps in the government's knowledge of its own reserves. It would encourage competition not just by trying to undersell the majors, but by seeking out independent markets for its crude oil. Though the FOGC would not make fuel available at 1973 prices, it would provide an independent standard by which to judge the majors' performance. Congress ought to get behind it.

AWARENESS DAY

HON. WILLIAM R. COTTER

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. COTTER. Mr. Speaker, Gov. Thomas Meskill has proclaimed Wednesday, May 1, 1974, to be Awareness Day in the State of Connecticut. Awareness Day is sponsored by the Consumer Advocacy Council of the United Cerebral Palsy Association. The council is comprised of people who are physically disabled and are concerned with the elimination of the many architectural and attitudinal barriers which hinder the handicapped in their day-to-day activities.

Physically disabled people are willing to work and have proven their ability as employees.

Awareness Day, used successfully in 35 States to date, is one ingenious method of bringing the problems of the handicapped to the attention of the public.

I commend the Consumer Advocacy Council, and especially its energetic Chairwoman Phyllis Zlotnick, for its worthy efforts on behalf of Connecticut's handicapped citizens. I urge my colleagues to join me in support of the objectives of Awareness Day.

MEMORIAL TO U.S. CONGRESS ON POLITICAL ASYLUM

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. LEHMAN. Mr. Speaker, at the request of State Representative Gwen Cherry, and out of respect for humanity, as well as respect for the Florida House of Representatives, I am inserting into the Record for my colleagues' attention a memorial to the U.S. Congress regarding the granting of political asylum:

[From the Journal of the Florida House of Representatives, proceedings at Tallahassee of the Third Legislature, [under the Constitution as Revised in 1968], second regular session, Friday, April 12, 1974]

A Memorial to the Congress of the United States Requesting the Institution of a Uniform Policy With Regard to the Granting of Political Asylum

Whereas, the United States of America has long been a home for persons of all nations, of all colors, of all creeds, and of all political persuasions, and

Whereas, this fact has for generations applied particularly to those persons suffering persecution in their homeland for their beliefs, both philosophical and political, and

Whereas, the "Golden Door" of America has liberally granted a protective political asylum to those persons who are, in words carved into our own Statute of Liberty, "yearning to breathe free", and

Whereas, the granting of political asylum, however, has often suffered from arbitrary standards applied in an irrational and discriminatory manner, and

Whereas, this fact has caused concern and frustration, both on the part of friends of our nation in other lands and on the part of residents and citizens of the United States who have loved ones and friends remaining in foreign lands, and

Whereas, a uniform policy establishing standard criteria for the granting of political asylum would significantly ease this problem and help America retain its reputation as a home for the persecuted of the world, now, therefore, be it resolved by the Legislature of the State of Florida:

That the Congress of the United States is respectfully requested to institute a uniform policy and to establish uniform standards with regard to the granting of political asylum.

Be it further resolved that copies of this memorial be dispatched to the President of the United States, to the President of the United States Senate, to the Speaker of the United States House of Representatives, and to each member of the Florida delegation to the United States Congress.

COMMUNITY CHALLENGE: BARRIERS TO THE HANDICAPPED

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mrs. MINK. Mr. Speaker, the people of Hawaii are very proud of one of our young people, Miss Judy Yoshida, of Honolulu, Hawaii, who has won first place in the national "Ability Counts" writing contest sponsored by the President's Committee on Employment of the Handicapped and participating Governors' Committees on Employment of the Handicapped.

For her outstanding research and report on the problems confronting handicapped individuals, how they tried to solve these problems, and how others might help them, Miss Yoshida will receive $1,000 and a certificate at the annual meeting of the President's Committee on Thursday, May 2, at the Washington Hilton Hotel.

In her report, Miss Yoshida quotes Thomas Jefferson "that all men are created equal," in proving that handicapped people are deserving of an equal place in our society.

Because of the nationally recognized excellence of this Hawaii young woman's essay, I am pleased to spread it today on the pages of the RECORD for the edification and inspiration of all Americans:

COMMUNITY CHALLENGE: BARRIERS TO THE HANDICAPPED

(By Judy Yoshida)

"We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty, and the pursuit of Happiness." [1] Quoted from the brilliant work of Thomas Jefferson, these words express the desire of the handicapped—Equality. Jeff Lambrecht, a member of the Hawaii Athletic Club for the Deaf, expressed his opinion of the handicapped very tragically by saying, "I believe that equality is something that we will never receive, but I honestly feel that our mental ability is just as adequate as any other 'normal' human being." [2]

The tragedy is that a great majority of handicapped people feel the same way. They must constantly wage a campaign in their own behalf to try to convince Mr. & Mrs. Normal that their disabilities have *not* all but left them useless vegetables. Training and rehabilitation for many could turn them into useful people. It isn't often that people *beg* for the right to help themselves.

In a recent survey conducted at several large shopping centers on Oahu, I discovered that sixty-three per cent (63%) of the employers claimed that they definitely would not hire handicapped people. Of the sixty-three per cent (63%), forty-seven per cent (47%) of the employers that possessed negative attitudes did not even have an explanation of why they did not hire handicapped people, while the remaining sixteen per cent (16%) gave ingenious answers such as "It's bad for the business" or "The other employees might feel as though anyone could get the job." Twenty-six per cent (26%) of the employers were willing to hire handicapped people, provided that they were qualified for the job. Only nine per cent (9%) of the positive thinkers already have handicapped employees. Eleven per cent (11%) of all respondents refused to make statements.

The survey reveals that the most difficult barrier the handicapped have to overcome is the indifference and the apathy of people in our communities. I feel that the architectural barriers can fall more readily if negative attitudes are eliminated. Our people will be willing to change their facilities to make their places of business or work accessible to the handicapped instead of waiting to be mandated by law to act. We will have the desire to help the disabled succeed in their endeavors. However, the task of tearing down these attitudinal barriers will require the efforts of everyone in the community.

Mass media could be a very effective way of informing the public that handicapped persons "seek the opportunity to be self-sufficient and independent like their neighbors." [3] Nationwide publicity can spotlight their activities and abilities, and communicate the feelings of truly courageous citizens. Through this type of exposure, our people can be encouraged into the realization that the handicapped could be any of them in the community who were unfortunate victims of a crippling disease, an accident, a birth defect, and even war. We would no longer look down at these people as "hopeless freaks," but as individuals who have pride in themselves and who strive for equal opportunity that we deny them.

Early education programs for handicapped children would allow them to go to school with "normal" children. Acceptance is as important for the handicapped child as it is for the adult. Taught early, acceptance can be the key to the elimination of the attitudinal barriers.

Students could also participate through a volunteer program permitting them to work with handicapped children once a week. This experience could provide an opportunity for youth to redefine the terms "handicap" and "disabled" and in the process, start rewriting the stereotypes we have guarded for too long. Students can also help plan exhibits of work done by handicapped children displayed at main shopping centers.

Libraries and schools should add to their now sparse collection of resource books on the handicapped. Presently, the Hawaii State Library System has approximately seventy-nine (79) books about the handicapped. By comparison, the Library has eight times more books about sex (650) and three times more on drugs (243) than they do on the subject of the handicapped.

Most of all, to help change our present situation, we should wage an "all-out campaign to eliminate the barriers which impair the safety, comfort, and mobility of the handicapped." [4] Our goal is to make the public more sensitive, alert, and aware of the discrimination that handicapped people face.

The community changes needed to break the barriers, both attitudinal and architectural, are not expensive. They will not serve only a few, but rather, be of benefit to everyone. One out of every ten people in the United States has temporary or permanent disabilities. This includes unexpected disabilities such as pregnancy, broken legs or arms, or a weak heart that requires confinement to a wheelchair. The number of people who will benefit from accessible facilities and more important, an accessible transportation system, will amount to millions by the year nationwide. Make no mistake, my proposals do not call for a society adjusted for "freaks," but rather a society built to exclude no one. As it is man's exclusive ability to reason, let it also be man's exclusive capacity to be compassionate. As George Bernard Shaw once said . . .

"The worst sin towards our fellow creatures is not to hate them, but to be indifferent to them; that's the essence of inhumanity." [5]

SURVEY

1. How many handicapped applicants have you encountered?

2. If you have hired handicapped people, what types of problems have you encountered?

3. How many handicapped workers do you have on staff?

4. Given a situation: There are two applicants; one handicapped with a college education (Master's Degree) and job experience. The other person is not physically handicapped, has a college degree (BS) and no job experience. Which would you hire? Why?

5. When hiring handicapped persons, does your firm have preferences as to the type of handicapped person it would allow working for you? Yes No

6. Would you be willing to open a position for a handicapped person?

7. What facilities are available for the handicapped workers and/or handicapped in the general public?

a. Does your building have hallways that are 3 feet wide?

b. Do you have ramps for wheelchairs?

c. Do you have low-reaching drinking fountains?

d. Do you have low-reaching telephone booths?

e. Do you have hand rails in your restrooms?

f. Do you have wide doorways?

8. Would your company be willing to remodel your facilities to suit the handicapped?

Comments

The purpose of this survey was to try to evaluate employer attitudes towards handicapped persons in order to see the extent to which attitudes have changed or not changed in recent years.

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[1] "Declaration of Indepedence," World Book Encyclopedia, Vol. 5, (1964, U.S.A.), p. 66.

[2] Interview, Jeff Lambrecht, December 18, 1973.

[3] Community Challenge: Barriers to the Handicapped, The President's Committee on Employment of the Handicapped and participating Governors' Committees on EH, pamphlet.

[4] "From Welfare to Productive Employ," *Honolulu Star-Bulletin*, March 4, 1969, p. F-1.

[5] The New Book of Unusual Quotations, Rudolf Flesh, Feb. 1968, p. 178.

ON THE SUPREME COURT'S DECISION IN THE WAYNE KENNEDY CASE

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. WALDIE. Mr. Speaker, in the Wayne Kennedy case, the Supreme Court decided that a Federal employee can be fired, without prior hearing, in order "to promote the efficiency of the service." I wholeheartedly disagree with every aspect of this decision.

Who knows what will promote the efficiency of the service? I can safely say that my view of what will promote efficiency is altogether different than that of President Nixon and the administration.

But these differences of opinion aside, I am greatly concerned that Government agencies will now use this case as an excuse to get rid of civil servants whose views and statements may not agree with the political persuasion of the administration in power.

In these days, when the President and OMB Director Roy Ash are pursuing policies that will lead to the contracting out of a tremendous number of jobs now performed by Federal employees, we need to encourage Government employees to speak independently, without fear of retribution, where it is believed that the administration's contracting out policy will ultimately result in high profits for large corporations and cost the taxpayers a great amount of money.

In conclusion, the Government must recognize that Federal employees do not surrender their constitutional rights as citizens upon entering the civil service, and that further "the efficiency of the service" is perhaps most ill-served by efforts to silence criticism and to make "yes men and women" of all Government employees.

DEAN ROWE RETIRES

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. JONES of Tennessee. Mr. Speaker, one of Tennessee's truly outstanding educators has recently announced her retirement. Dean Marie Penn Rowe has served Lane College in Jackson, Tenn., as dean of women for the past 26 years and has given freely of her time and energy to the community.

I recently had the pleasure of attending a gathering at Lane College at which she was honored by the City Federation of Women's Clubs, which she had served as president for the past 13 years. We will truly miss her in west Tennessee as she retires to California with her husband, Mr. Rowe.

The Jackson, Tenn., Sun recently featured a story on Dean Marie Penn Rowe which I commend to everyone who has known and appreciated her over the years as it has been my pleasure to do. That article follows:

[From The Jackson (Tenn.) Sun, Apr. 21, 1974]

FEDERATION PAYS TRIBUTE TO LONG-TIME PRESIDENT

(By Dee Cain)

Her face begins to crinkle and she breaks out into a hearty laugh, sometimes laughing until the tears run down her cheeks.

That's the way it is when Dean Marie Penn Rowe is with a group of people she likes—and her friends say she just plain loves people.

A special group of those friends is gathering this afternoon to honor Mrs. Rowe, who has been Dean of Women at Lane College for the past 26 years.

The City Federation of Women's Clubs will pay tribute to her years of service at a dedication tea from 4–6 p.m. at the C. A. Kirkendoll Building at Lane College.

The federation will name its recently acquired clubhouse the Marie Penn Federation Clubhouse in honor of her 13 years service as federation president.

She is moving to California in early June.

Mrs. Rowe's years in Jackson have been busy and fruitful, to the point that most friends constantly ask her how she does it all.

"I have my own formula for that," she says; "And it's the reason I can do all I do. I appreciate the opportunity to be a good citizen. I'm not afraid of work, I'm not afraid of criticism and I'm not afraid to be involved.

"I wanted to be involved," she emphasizes, "I wanted to work with people—not just a segment of people, but all kinds of people. They're a part of my life."

In her years as a representative liaison between Lane College and the community and state, Mrs. Rowe's life touched many people.

She has been an active participant in the Democratic Women's Club, both locally and nationally, and was one of two Tennessee women named to Hubert Humphrey's campaign committee in 1968.

"I've been interested in politics for years, ever since I studied at UCLA," she says with a smile. "I was there when Jack Kennedy was elected and heard his speech, and was involved in the campaign for both Jack and Bobby."

She credits her years of travel and experiences to the opportunity given her by C. A. Kirkendoll when he was president of Lane College.

"He asked me to be the liaison person for Lane, and it was through his influence that I became involved in all my activities. I've met people I never thought I'd meet, and I've cherished every minute of it."

She had been a member of the board of directors for more organizations than she can remember—YMCA, United Fund, Church Women United, Friends of the Library, Mental Health Association, Jackson Arts Council and Mayor's Advisory Committee, to name a few.

She also is a member of the executive board of NAACP and the advisory committee for the Board of Education, and is treasurer of C.M.E. Minister's Wives and Interdenominational Minister's Wives.

In thinking back over her years of service, she remembers a time in Monroe, La., when her husband was pastor of a church there. They were involved in community welfare work and initiated a Christmas fund for the poor.

"I still remember handing out food slips of only $1.50 per family," says says; "That was a long time ago."

Two projects in which she is especially interested are those of the City Federation, and her work with Western State Hospital.

"Those two are close to my heart," she says with a smile.

Although substantial payment has been made toward the cost of the clubhouse to be named after Mrs. Rowe, more than $3,000 remains to be paid on the house.

At this afternoon's tea, contributions for the fund will be taken in Mrs. Rowe's name.

"We hope to clear all indebtedness on the clubhouse as a tribute to Dean Penn before she leaves," says Mrs. Emma Ross, a fellow Federation member who has known Mrs. Rowe for more than 20 years.

"Anyone who donates will sign a memory book to be presented to Dean Penn as she leaves," she says. "The public is welcome."

Mrs. Rowe, a lively, happy woman who says she has been too busy to grow old, has taken a lot of kidding about marrying and moving to California to become a "normal housewife." Her friends say she'll never be able to settle down without getting involved in new activities.

"Her mind is like a squirrel in a cage—it's forever running," laughs a friend.

As she looks forward to her new home and experiences, she pauses a moment to express her feelings about Jackson.

"I don't know anyone I've ever had such deep admiration for as the people in the city of Jackson—they're fine, fine people—and I'll miss them."

BAN THE HANDGUN—XLV

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. BINGHAM. Mr. Speaker, important handgun hearings are being held this week in New York by the State commission of investigation. In New York, where the State legislature has enacted the Nation's stiffest gun control laws, the proportion of homicides committed by handguns has jumped 27 percent in 4 years. Evidently this crisis can not be controlled by one State alone. Federal legislation controlling manufacture and possession of handguns must be enacted. I append herewith an article that appeared in the April 23 edition of the New York Post and an editorial that appeared in that same newspaper on April 24.

SCI OPENING HEARINGS ON ILLICIT HANDGUN USE

(By Carl J. Pelleck)

The State Commission of Investigation today begins a series of public hearings to show what part illegal handguns play in forcing people here to "live under a constant and pervasive fear."

The hearings, scheduled to run through Thursday and longer if necessary, stem from an 18-month study by the SCI of the city's criminal justice system.

"In the course of gathering information and statistics," commission chairman Howard Shapiro noted in his statement prepared for the opening session, "the commission has become aware of, and concerned with, the high crime rate and particularly, its relation to the increasing availability and use of handguns in the commission of crimes."

Because of the seriousness of the situation, Shapiro said the commission made a statewide inquiry to see if current laws are adequate to cope with the problem.

Shapiro's statement listed a series of "criminal incidents, involving the illegal use of handguns," which were recently reported as "regular occurrences" in daily newspapers.

"These daily crimes, committed with the illegal use of handguns, illegally obtained and possessed, explain vividly why so many people in this city, and elsewhere in the United States live in constant and pervasive fear in going about their everyday tasks and why, when they return home, literally barricade themselves with reinforced locks and iron bars.

"This is a shocking condition for a civilized society."

In announcing the hearings yesterday, the commission said it was going to look at the handgun problem on a statewide basis. However, the bulk of the problem is apparently centered in the city, Shapiro indicated in his statement.

"FRIGHTENING FIGURE"

Citing statistics for 1969 through and including 1972, Shapiro said 2,744,469 crimes of all types were reported in the state for the three year period. Of that number, he said, 1,959,823 crimes or 71 per cent of the state total were reported here in the city.

"On the average, almost 500,000 crimes of all types have been reported in New York City each year during that period. Even for a population of eight million people, this is a frightening figure," he said.

Comparing 1969 city crime statistics to 1973 figures, Shapiro noted that reported homicides increased here by 58 per cent; assaults by 33 per cent; and robberies by 25 per cent.

He said handguns were used in 42 per cent of homicides here last year compared to 33 per cent in 1969. Similarly, guns were used in 28 per cent of robberies last year compared to 23 per cent of the time in 1969.

Numerous city, state and federal officials will testify at the hearings to be held in the commission's 25th floor hearing room at 270 Broadway. The sessions will begin daily at 10 a.m.

NO SHORTAGE OF GUNS

Early yesterday morning, only hours before the State Commission of Investigation began public hearings on the handgun plague, a mugging suspect was arrested in the Bronx after spraying shots around a street and wounding two persons—including himself; he was carrying not one but two guns.

The incident added a few more numbers to the commission's pile of statistics. As reported by SIC Chairman Shapiro, guns were used in 28 per cent of the robberies committed in the city last year, as compared with 23 per cent in 1969. The comparison on handgun homicides was 42 per cent in 1973, up from 33 per cent in 1969.

More data will be forthcoming daily during the hearings. They will corroborate the arguments of gun-control advocates and contribute further to the "constant and pervasive fear" that haunts many New Yorkers. The commission's proposals on realistic regulation of guns, particularly hand weapons, are urgently awaited. But there is no reason why the Albany Legislature cannot initiate new action on its own.

OMAR BURLESON DAY

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. TEAGUE. Mr. Speaker, in everyone's lifetime he is privileged to meet and know an individual who is something special. This privilege was accorded to me when I first met OMAR BURLESON in 1947 and I am proud to say that we have been friends ever since. I was also privileged to attend the ceremony in Anson, Tex., when OMAR BURLESON's friends honored him by erecting a bronze cast of their favorite son in the town square.

I include an article which appeared in the Big Spring Herald for Sunday, April 21 in the RECORD.

The article follows:

OMAR BURLESON DAY: HUMBLE, HIGH PAY RESPECTS TO FAMOUS SON

(By Joe Pickle)

ANSON.—They came here Saturday from the sprawling reaches of the 17th Congressional District by plane, bus and in pickups, the humble and the high, some 2,500 strong, to pay respects to a distinguished congressman and unveil the bronze cast of a favorite son.

"This is very humbling and touching," said Congressman Omar Burleson whom the district first sent away to Congress after he had filled several positions of trust in his native Jones County.

His wife, Ruth, compared it to that "wonderful, wonderful day 28 years ago when we stood on the east steps of this courthouse and saw the signs you had hung and scrawled on the sidewalk for our first time back home."

The unveiling of the likeness of Rep. Burleson, cast in bronze by Juan Dell of Lubbock was the capstone of an Omar Burleson Day There were receptions for the congressman at the high school cafeteria, for Ruth Burleson and Miss Dell at the First Methodist Church. There was a big barbecue with heaped up plates. Then music by the famous Hardin-Simmons Cowboy Band, and then a duet by Gene and Bobbie Moore, singing at the request of the congressman. "Glory, Glory, Hallelujah" rang out against a backdrop of towering thunderheads in the east, the budding elms on the square and the tender silence of a friendly crowd.

EXTRA FLAVOR

For extra flavor the Albany troupe gave a sampler of its renowned "Fort Griffin Fandangle." "Friends and neighbors," said Burleson, when presented by his friend, B. J. Gist, "We are deeply touched by this rememberance from those of you among whom we have known for a long time. I get the feeling I would like to do something with each of you."

Reflecting the esteem of his colleagues were Olin (Tiger) Teague, College Station, chairman of the House Veterans Affairs committee, W. R. (Bob) Poage, Waco, chairman of the House Agriculture Committee, and Rep. Bob Casey, veteran congressman from Houston, along with Mrs. Casey and Mrs. Teague. There were letters from President Richard M. Nixon, congratulating the district on its judgment in repeatedly choosing Burleson, regrets from vice president Gerald Ford and from Gov. Dolph Briscoe, and letters from all 23 members of the Texas delegation and Sens. John Tower and Lloyd Bentsen, and hosts of others for a momento.

BOOTS SUITS

People were there from everywhere it seemed, people in broad brimmed hats, boots, bright plaid business suits, Levis, peg-leg pants, alligator shoes and sneakers; people with skin leathered and wizened by the sun and wind, people bleached by the shade of offices; brown people, black people, white people; babies in baskets, toddlers, and old men tottering on canes.

It was their day as well as the congressman's. When the wrapping came off the bronze likeness of Burleson, a great cheer went up, and when Mrs. Burleson, recalled how "you have wept in our sorrows, and shared in our joys," they listened quietly. And when she paraphrased a current ballad of "tying a yellow ribbon on every mesquite tree," they clapped and laughed.

RAIN DROPS

"When this is over and you're home, I hope heaven pours out a blessing on you" she said, "and I mean rain." And she meant it; and they meant it, too, as they flocked up the north steps of the 1910 courthouse to embrace them, show off grandchildren, and welcome back once more a now famous son.

WFL INTRODUCES WORKERS TO JOYS OF CAPITALISM

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. SYMMS. Mr. Speaker, the free enterprise system has come under heavy assault by the news media. From reading the reports of the opinionmakers, one is led to believe that the system is the cause of our problems, rather than the panacea it really is. At any rate, I was very glad to learn in reading the Washington Post, of April 28, 1974, that Adam Smith is alive and well, albeit buried in the sports section for now. I would like to share the astute observations of Writer William Barry Furlong with fellow free enterprisers and with those who should become more aware of the workings and the merits of the free enterprise system.

The article follows:

WFL INTRODUCES WORKERS TO JOYS OF CAPITALISM

(By William Barry Furlong)

Ordinarily, competition is celebrated in American life the way Spiro Agnew celebrated Law and Order; more in rhetoric than in fact. In the time and place where I grew up it did not take much in the way of cynicism to observe that most businessmen loved talking about competition more than they loved engaging in it.

In no place was this truer than in sports. In big league baseball, football, basketball, the magnates talked about competition triumphantly, while they carefully arranged to murder it.

The competition they talked about, of course, was on the playing field and it was fierce, genuine and remorseless. But in the front office—in matters of money—everything was done to avoid competition: pro leagues depend for their very survival on arrangements between magnates that spell the very denial of competition in the classic economic sense.

This is not a harsh judgment or a particularly moral one. It is a simple, palpable, practical fact. If the money men in sports engaged in competition—in the classic capitalist sense—they would be trying to put out of business the very people they relied on to play the on-the-field games with them. They perceived that it would be very awkward for the American League to have to get along with seven or 11 teams, or for the NFL with 25 or 23, simply because of some manic devotion to the capitalist system and to its theories of competition. So they became practical men: They—and Congress and the courts—found ways to adjust to this awkwardness in the capitalistic system by working out noncompetitive ways for sports to survive.

All this is by way of prelude to a portentious point:

In the last week, we've seen competition work—in sports—in so classic a manner as to make Adam Smith smirk. It is almost enough to renew one's faith in the screed and creed of the U.S. Chamber of Commerce. And to cast glances of righteous hauteur at the ghost of Karl Marx (who was known, in the farthest reaches of the British Museum, as a wrong guy—he neglected to pay his overdue book fines).

For the events in pro football this last week were clearly of benefit to the customer of pro football and the laborer within it.

And they came about for no other reason than the growing competition between the NFL and the nascent World Football League. These guys have not worked out a deal between them as yet and so they are frantically almost capitalistically, plunging into a genuine competition. For scholars, it may be the last—indeed, the only—case history of how competition works beneficially within the structure of a capitalistic society.

For it is my conviction that the rule changes adopted by the NFL this week will improve the product for the buyer. They will make the NFL game more exciting, more wide open, more visceral in its compulsions for the fan. It is my further conviction that they would not have been adopted this year if the WFL had not got position on the NFL by scheduling summertime games on TV and on the field, when the greatest excitement the NFL might generate is whether it will have players, or a season, at all. To be sure, there may be nay-sayers: it is always dangerous to explore the minds of NFL magnates, dodging the stalactites and stalagmites all the way, but for the most part they are as transparent as a scoundrel's scowl.

As far as the laborers are concerned, the example of Charley Harraway of the Washington Redskins—far more than that of Larry Csonka, Jim Kiick and Paul Warfield of Miami—is illuminating. For Harraway was faced with the choices facing every working man; He might be discarded—despite his skills—at any time.

In these precincts Harraway is known with respect and affection, as an intelligent, articulate and concerned man. At one time, he was the premier blocking back in the NFL. He performed well enough as a blocker for Larry Brown to help Brown win the rushing title and to help the Redskins go to the Super Bowl in the 1972–73 season. In that year he got a salary—let's guess at $45,000—and incentive pay. The latter might be worth, let's say, $15,000. Total income: $60,000. Next year, the salary goes up a notch, the incentives go down a lot. The net: a smaller net income for Charley. He balks. He won't sign a new contract. He decides to play out his option at 90 per cent of his base pay, $45,000, meaning that he makes $40,500. That's about a one-third cut—almost $20,000—from his previous pay.

More than that, the Redskins move in a guy to take over his job. His name is Duane Thomas and whatever else he may be known for, he worked as a blocking back in college for a runner named Mercury Morris. It takes Thomas a year to learn the ropes but then the Redskins have got Charley Harraway by the you-know-what. In 1974 he either plays at this price or he dosn't play at all.

Except for the World Football League: It introduces a note of competition and suddenly a laborer named Charley Harraway has got a job at five times the salary with hope, and security, for the future.

So I am happy for Charley Harraway, for the fans of pro football, and most of all for the system. Rhetoric aside, isn't it nice to know, Pete Rozelle, that the system works? In however classic, and unexpected, a manner.

GURNEE IS ILLINOIS' 13TH DISTRICT FIRST BICENTENNIAL COMMUNITY

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. McCLORY. Mr. Speaker, it was my privilege to participate in the impressive ceremonies held Sunday afternoon, April 28, in Gurnee, Ill., at which time the village of Gurnee received its American Revolution Bicentennial designation.

Mr. Speaker, I was privileged on that occasion to present an American flag flown over the Capitol to the village of Gurnee, and to receive from Pam Powell, assistant to Anne Armstrong, counselor to the President, an American Revolution Bicentennial flag, which in turn, I presented to Gurnee's young and dynamic president, Richard Welton.

Mr. Speaker, eloquent remarks were delivered by Pam Powell; the regional director, Delbert Black; the State of Illinois Bicentennial Commission director, Dr. Samuel Lilly; State Senator Karl Berning; Circuit Judge La Verne Dixon, and the Reverend Julius Koch of the Bethel Lutheran Church of Gurnee. An inspiring narration was given by Fred Kattner of the prose work, "Duty, Honor, and Country," by Douglas MacArthur. Gurnee Grade School Superintendent Milton J. Davis, the Gurnee Community Church Minister, Richard Hunt, and Bishop Allen Willey of the Church of Jesus Christ of Latter Day Saints also contributed to the successful program.

Mr. Speaker, the Warren Township High School Symphonic Band, under the direction of Sam J. Licocci, and the Viking School Singers, under the direction of Mrs. Marilynn Walters, as well as the Viking School Band Brass Ensemble, directed by Tom Erlenborn, provided musical renditions which were inspiring and appropriate for the occasion. The wife of Gurnee's mayor, Mrs. Joanne Welton, performed beautifully with her soprano rendition of the "Star Spangled Banner," and "America the Beautiful."

The entire program was under the able direction of the Bicentennial committee chairman, Mrs. Paulette White of Gurnee.

Mr. Speaker, the keynote address was clearly that of Gurnee's Mayor Richard Welton. Dick Welton's succinct and eloquent remarks would seem to me to establish a pattern for city officials throughout the country who seek to have their municipalities designated as Bicentennial communities, in order to participate actively in our Nation's 200th birthday celebration.

I am pleased to conclude this statement by attaching the remarks of Village President Richard Welton, as follows:

REMARKS BY VILLAGE PRESIDENT RICHARD WELTON

Good afternoon. I would like to take this opportunity to thank each of you for joining us today. We are particularly honored by those who have taken the time to visit Gurnee to participate in this occasion. On behalf of the village board and the Gurnee Bicentennial Commission, I would like to say we are honored to receive this certification. We will proudly fly the bicentennial flag at our municipal facility. This Federal community designation represents a challenge as well as an opportunity to us in the village of Gurnee.

Why did Gurnee get this recognition or special attention? We are not a bastion of revolutionary history! None of our Gurnee fore-fathers signed the Declaration of Independence. We don't have a Boston Tea Party Festival. We don't have the Liberty Bell to enshrine as Philadelphia is doing. We don't have a famous battlefield to dedicate. We don't have millions of dollars to build a new civic center. So why were we chosen to be a National Bicentennial Community, if we don't have any of these unique or special characteristics? The only thing that makes Gurnee special, is because we want to be special.

We were able to do this because first of all we are a community encompassing enthusiastic citizens, viable organizations, and optimistic businessmen. Therefore, our village board chose to establish a committee that would be representative of these various elements. We formed a citizens advisory Committee which became a reality by early summer of last year. Its forty members represent fraternal, social and philanthropic organizations geographical interests, commercial and industrial businessmen, school and church affiliated groups, as well as many interested citizens.

Upon receiving the original application for Federal designation, I turned it over to this committee. Because of this, the Gurnee Bicentennial Commission was established by village ordinance to carry out the necessary planning to receive certification. This commission provided the forum through which these pluralistic groups were able to communicate, and from this came the ideas, suggestions, and priorities. Most importantly it channeled the energies it takes to institute specific goals. These objectives though not unprecedented on a national scale are special to Gurnee. These aims were submitted through formal application. And because we cared enough to fulfill the requirements, we received the honor of Federal designation. These requirements confocalized the three Federal thematic areas, which are heritage, festival and horizons.

The areas that the Gurnee Bicentennial Commission selected to emphasize under heritage, will create a special awareness of Gurnee's past through educational programs which will allow our citizenry to better understand the nature of our community. How it originated, where it is today, and how we can better it tomorrow.

The purpose of festival that the commission wishes to accomplish have already been manifested last year, in "Gurnee Days". This event, which is special to Gurnee, will continue to explore the diversity and variety of the many interests and talents of the individuals that make our country a vigorous one. The main ingredient of this success is our spirit of participation.

The third and last category is horizons. Which is probably the most special. Its purpose is to establish priorities for the future. We hope to create an atmosphere that allows our many pluralistic elements to continue to participate in the shaping of our future mores and traditions. We shall achieve this by encouraging healthy discussions of ideas and suggestions. Only then can we identify those values we wish to preserve, those we wish to create anew, and those which we wish to perpetuate. Thus establishing the necessary priorities needed to sustain them.

These are the basic guidelines we have met to achieve Federal designation. We shall accomplish these goals with enthusiasm. We are optimistic because of an abiding belief in our basic democratic institutions that were established 200 years ago. The bicentennial is not an ending, but it marks for Gurnee the beginning. The beginning of our third century. This is why we in Gurnee feel we are special.

FOOD EXPORTS

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. WOLFF. Mr. Speaker, I would like to share with my colleagues the statement I made before the International Trade Subcommittee of Banking and Currency on the matter of unrestrained food exports. I believe it is important for the House to recognize the dangers inherent in our present lack of control over food exports. Our response to the problem of irresponsible and misdirected export agreements will carry tremendous significance, not only for the American consumer, but for our traditional customers and for those underdeveloped nations overseas who rely upon U.S. food production.

The complete text of my testimony follows:

STATEMENT OF THE HONORABLE LESTER L. WOLFF BEFORE SUBCOMMITTEE ON INTERNATIONAL TRADE, COMMITTEE ON BANKING AND CURRENCY APRIL 25, 1974

Mr. Chairman, I am pleased to have the opportunity to testify today on the subject of export controls. As the sponsor of H.R. 10844, one of the principal measures being considered by the Subcommittee, I feel it is extremely important that this attention be given to the impact which excessive export demands have had on the domestic economy, in terms of inflationary costs and shortage of supplies. Our response to the problem of irresponsible and misdirected export agreements will carry tremendous significance, not only for the American consumer, but for our traditional customers overseas and for those underdeveloped nations which depend upon the U.S. for their basic needs.

H.R. 10844, the Export Priorities Act, which I introduced on October 10, addresses itself specifically to the problem of uncontrolled exports of agricultural commodities. Close to 30 Members of the House have cosponsored this legislation, and an identical bill, S. 2411, introduced by Senators Javits and Stevenson, is pending before the Committee on Banking, Housing and Urban Affairs.

This legislation arose from my concern over unconscionably high food prices facing the American consumer and the possibility of severe shortages of certain essential commodities, in particular wheat and feed grains. The Council of Economic Advisers recently reported that "perhaps half of the acceleration in food prices could be attributed to . . . the boom in export demand." Our total food bill jumped $14 billion in 1973; we have experienced the most rapid escalation in food prices since the Korean War. Not only is the American consumer finding himself "priced out" of the supermarket, but he faces the greatest shortages of staple food products ever experienced in peacetime America. This scarcity not only has an obvious effect upon the American consumer, but will ultimately hinder the responsibility we owe to our neighbors overseas. At the time I introduced H.R. 10844, it was predicted that the United States would find itself so short of certain commodities, like wheat, that it would reach a point where we would either have to shortchange our own people or turn a cold shoulder to needy nations abroad. In a recent statement issued jointly by Dr. George E. Brandow, professor of agricultural economics at Penn State, and Dr. Norman E. Borlaug, who won the Nobel prize for developing a new strain of wheat, the comment was made that "it is already evident that the possibility of scarcity is a real one and that the mishandling of food under such conditions would cost as many lives as some nuclear wars."

We are and have been mishandling the allocation and distribution of our food supplies, and the wheat situation is a case in point. You are all undoubtedly familiar with the running battle between the Department of Agriculture and the baking industry, the Chicago Board of Trade and others concerned over the possibility of a wheat shortage before the 1974 crop is available. It is predicted that between now and sometime in July when the '74 crop is harvested, the U.S. will find itself over 100 million bushels short of wheat. This prediction is reached using USDA figures, although the Department of Agriculture actively denies the possibility of a shortage occurring. I would like to briefly run down the controversy for you. Our total domestic need is 800 million bushels of wheat. Our supply is 2.1 billion bushels, which sounds like more than enough to feed this Nation and cover any emergencies that may arise. However, the Administration has permitted export commitments totaling 1.4 billion bushels, which leaves only 700 million bushels, 100 million less than we actually need. The Department of Agriculture, however, claims that we will not be able to meet present demand but actually have a 178 million bushel carryover. This is due to the fact, or I might say hope, that many announced export sales may be "phony," that is, not take place, be cancelled or deferred. Whether this contention is based on hard evidencc or wishful thinking is impossible to tell, as neither the Congress nor the public has been privy to the reasoning behind Secretary Butz' thinking. The real point, however, is that even if we do find ourselves with a carryover of 178 mililon bushels, the Department has neglected to add that this carryover represents a 60% reduction from last year's carryover of 438 million bushels, and that a reasonable and necessary carryover should be about 300 million bushels. I might just add that this carryover which we refer to as a "surplus" is in reality the bulk of the world's grain reserves. It is as essential to domestic needs as it is to global requirements.

If anything, the controversy over the possibility of a wheat shortage points to the highly significant role which exports play in dictating food prices and supplies. There exists and will continue to exist a precarious balance between food production and global (including U.S.) needs. Any massive, mismanaged or irresponsible export agreement carries the potential of being extremely dangerous and catastrophic. Again, to refer to a case in point, we look back to the U.S.-Soviet wheat deal in the summer of '72, which was the largest private grain sale in U.S. history. The General Accounting Office has already detailed the Administration's utter negligence and lack of responsibility in negotiating this agreement. The fact is that we sold the Soviet Union over 400 million bushels of wheat, approximately 20% of our supply, at about $1.64 a bushel, and we helped them finance the deal on generous credit terms. In addition, the agreement cost us about $300 million in export subsidies. It jacked up the price of bread in the States by about 2 cents a loaf, cost the U.S. taxpayer millions, and created a very real dent in our wheat supply. Now rumor has it that the Soviet Union is willing to sell back to us our own wheat, to help us stave off scarcity, not at $1.65 a bushel. but at the market price of over $4 a bushel. The GAO report concluded that as a direct result of the Russian grain agreement, "domestic wheat prices rose from about $1.68 a bushel in July 1972 to $3 in May 1973. Consumer costs attributed to the sales included higher prices for bread and flour-based products, increased prices for beef, pork, poultry, eggs and dairy products resulting from higher costs for feedgrains, and a severe disruption of transportation facilities with attendant higher costs and shortages or delays in delivering certain supplies." The GAO also commented that since "(the Department of) Agriculture had no way of assessing the implications of such large sales on the domestic economy . . . (the Department) was an involuntary participant to the disruptive effects of Russia's large purchases made in a short time frame."

The Soviet wheat deal and the current wheat situation are perhaps the most blatant indicators of the need for an intelligent approach to allocating our food supplies. We might look back as well to the shortages of soybeans, cotton-seed oil and meal which has plagued us in '73. The severity of these shortages led finally to export controls, but the controls were hastily contrived and poorly managed. As a result, we alienated traditional trading partners like Japan. Even while denying the possibility of a wheat shortage, the Administration has been running helter-skelter to try to get deferrals on announced export sales, and just recently, decided it was necessary to lift the quota system on wheat imports. We might well ask how this happened when we harvested the biggest crop in history last year. The very concept of continuing to export a commodity that is in short supply at home and then encouraging imports of the same product is economic folly.

We need to introduce some measure of order into what is now a chaotic handling of our food export policy. That policy is run now on a philosophy that tries to reconcile two opposing points of view. The Department of Agriculture says in one breath that "no government should undertake lightly to abrogate contracts that were made in good faith", and in the other that "almost every agreement to sell is in fact a conditional sale, subject to cancellation."

I do not advocate export controls lightly; since first coming to Congress, I have sought to broaden our free enterprise system and broaden the free market. However, I think we are kidding ourselves in maintaining that a free market situation as regards agricultural exports actually exists when our largest sales have gone to non-market states, like the Soviet Union, where unified states monopolies are set up against individual U.S. traders. We do not have a free market situation when massive export agreements benefit few at the expense of many; and we do not have a free market when traditional trading partners are denied access to exports because of scarcity, or because other nations are building up their own stock of food reserves at our expense.

The Export Priorities Act, which I introduced last fall, has actually a two-fold purpose. It attempts to provide a more orderly marketing system of our agricultural products and to widen participation in the international sale of food commodities by providing for an export licensing and allocation system. It also seeks to insure American consumers an adequate supply of food at reasonable prices. The bill requires the Secretary of Agriculture to pinpoint exactly what can be exported through a public forecast of domestic needs. The amount available for export would be the total number of bushels available, less the domestic need, a reasonable carryover, and a reserve for international natural disaster needs. I might also point out that the bill defines a reasonable carryover as 40% of domestic needs, which represents a level necessary both for the security of the American consumer and world needs. The provision which establishes an export licensing and allocation system, besides protecting supplies needed for domestic consumption, would protect traditional markets for U.S. exports and leave room for new markets that might emerge as a result of hardship. The Secretary of Commerce would be authorized to lift this export licensing system in the case of any agricultural commodity which he determines is produced in sufficient quantities to meet both U.S. demands and world requirements from the U.S.

I might add, Mr. Chairman, that the U.S. is almost alone among the major food producers of the world in not restraining food exports. Canada, Argentina and Australia have created wheat boards, and these countries plus the Common Market countries have moved to control exports. There are so many unpredictable or difficult to control factors influencing food supplies and prices like the weather, the availability of fuel supplies and inflation, surely we should introduce some measure of restraint over those factors, like exports, which we can control.

In conclusion, I might just say that in the wake of the energy crisis, I doubt very seriously whether the American people will stand for further rapid price hikes and shortages in another basic commodity, food. Having muddled through the problem of gas lines, we cannot allow bread lines to be next. We have a responsibility both to the American consumer and to our old friends and needy neighbors overseas to tackle the problem of uncontrolled exports before the situation controls us.

CHICAGO ITALICS CLUB HONORS JUDGE PHILIP ROMITI

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. ANNUNZIO. Mr. Speaker, on April 27, 1974, at the Chateau Royale in Chicago, the Italics Club honored a most distinguished Chicagoan—Hon. Philip Romiti, judge of the Circuit Court of Cook County, as the "Man of the Year 1974," for his leadership and active interest in civic and community affairs.

Over 500 people, including Presiding Judge Joseph A. Powers and Illinois State Representative William J. Laurino, attended the Italics Club Annual Award Dinner Dance. Club President Mary M. Mento presented a plaque to Judge Romiti in recognition of his outstanding leadership and example of excellence, and also an album containing letters of tribute from Mayor Daley, Senator STEVENSON, Senator PERCY, Governor Walker, and Judge Romiti's many, many other friends and admirers. He was also presented with a gold honorary lifetime membership in the Italics Club by General Dance Chairman and first Vice President Carmello A. Blacconeri.

The Italics Club gave donations in the name of Judge Romiti to the Villa Scalabrini Home for the Aged and Miss Joan Marie Mostardi of Oak Park, Ill., a senior at Trinity High School, received the Victor A. Arrigo scholarship and will attend Notre Dame University.

The Victor A. Arrigo scholarship was created by Dr. Mary Ellen "Mancina" Batinich, Chicago educator and civic leader, shortly after Representative Arrigo's death in October 1973. Victor Arrigo was a former Illinois State legislator and leader in veterans' affairs.

I extend my warmest congratulations to Judge Philip Romiti for meriting the Italics Club's "1974 Man of the Year Award," and at this point in the RECORD include his biography. The biography follows:

PHILIP ROMITI, JUDGE OF THE CIRCUIT COURT OF COOK COUNTY

Judge Philip Romiti was born in Hurley, Wisconsin, where he received his early education. The son of immigrant parents born in Rome and Piemonte, he was graduated from Superior State College, Superior, Wisconsin, and then attended De Paul University College of Law where he was awarded the J.D. degree. In the same year he was admitted to the bar and remained at De Paul University Law School as a member of the faculty. In 1960 Judge Romiti bacame the dean of De Paul's College of Law and retained that position until 1968 when he was elected Judge of the Circuit Court of Cook County-Criminal Division.

For 12 years Judge Romiti served as Magistrate in the Village of Hillside. He has devoted much time to public service including being the Mayor of the Village of Hillside from 1965–1968.

His civic and community activities have included the following: President and organizer of Hillside Little League, Chairman of the Hillside Community Chest, President of the Hillside Lion's Club, member of the Fourth Degree Knights of Columbus, President of the Confraternity of Christian Doctrine of Saint Domitilla Parish, Board of Managers of Proviso YMCA, member Citizen's Committee Chicago Police Sergeants' Association, Vice President of the Hillside Public Library, member of the Lay Advisory Board of Villa Scalabrini and member of the Board of Trustees of the Joint Civic Committee of Italian Americans.

Judge Romiti and his wife, Grace, have six children and three grandchildren.

VOTE

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. JONES of Tennessee. Mr. Speaker, I would like to take the opportunity today, to include two speeches that were given by David Camp, and Margaret Ronk at a Democratic rally in Alamo, Tenn., on April 1, 1974.

I am proud of these two young people as I know their parents are. Their feeling of patriotism and citizenship as exemplified in their speeches is gratifying. The text of the speeches follow:

VOTE

This speech was given April 1, 1974 by David Camp at a Democratic Rally. Age 11.

Yes, 4 letters v-o-t-e. Such a short word to have such a great meaning. According to the Webster this means a choice between candidates for an office. It is unfortunate that far too many people do not realize the importance of this word—but to us, as Americans, the results of this word can be the decision to determine the way of life for all of us—white people, black people, red people, and yellow people. Yes, decisions that are made as a result of voting decides our way of life. Then why do so many people remark; "I'm not going to vote this time, my vote won't make any difference anyway." I'm afraid that these people have never really stopped to think about what it means to be able to choose our way of life through voting to elect our governmental officials which decide for us our form of government.

Now, let's take a look at these 4 letters. First let's look at the V. *V* which brings to my mind the word valuable; which you are to the United States, your state of Tennessee, your local county and city. Every person should consider the privilege to vote as being valuable. Everyone needs to have his say about "who" governs our country, on higher level or on a local level. By voting to elect officials to represent us, we indirectly govern ourselves. All states have certain requirements for voters. A few years ago Tennessee passed a law which gave 18 year olds the right to vote. A registered voter cast his ballot secretly, either by writing on a paper ballot or by using a voting machine.

The *O* stands for Opportunity. Voting gives one the opportunity to cast his feelings by voting for the man, or as some do, the party of his choice. If one does not take advantage of this opportunity, he should never criticize the one who holds our government offices. If you don't like the way they are operating our government, then run for an office. Who knows, you just might have the opportunity to vote for yourself.

And then *T* is for Teach. Teach others to be good citizens by going to the polls and casting your vote. One cannot tell others to vote if he doesn't vote himself. We are also teaching patriotism through voting.

E which stands for Effort is a valuable letter in this word. Put forth the effort to make your country what it should be. Who knows, your vote might be the deciding vote which would bring peace and happiness to our country.

Now v-o-t-e. The next time there is an election—local, state, or national go out and vote. Through this you can show others that you are the kind of citizen everyone should be.

UP THE FREE STAIRCASE

This speech was given April 1, 1974 by Margaret Ronk at a Democratic Rally. Age 10.

One of the most important privileges every American citizen has is the right to be free! This hasn't always been true. This has been made possible through dedicated faithful citizens of our country such as George Washington, Abe Lincoln, Thomas Jefferson and most of all—all of our veterans who have sacrificed much time and for many their lives that we—yes all of us—might be free!

Many years ago, as winter was beginning a group of soldiers struggled into Valley Forge, in Pennsylvania. Their uniforms were old and worn. Some had blankets over their shoulders, rags wrapped around their feet because they had no shoes. These men had been fighting to protect their country to be free. They were very discouraged. George Washington was the leader of these men. He had great faith in the right to be free, he fought to keep his army together in the long cold winter at Valley Forge. Eventually he led his army to Victory. George Washington helped the 13 original colonies become independent, he became the father of our nation. Many Americans believed he was the greatest American who ever lived.

As we look at people like George Washington and other great country men it makes us appreciate our freedom more.

Many times we feel as I'm sure George Washington did very discouraged and feel that we are taking steps down instead of upward. However as I can see through continued determination if we keep struggling we'll eventually start upward. As I think of freedom I'm reminded of a very popular book that many of you have read, it is named "Up the Down Staircase" but freedom makes us want to change and think of "Up the Free Staircase." This staircase has 4 steps all leading upward.

On the 1st step I see an F which reminds me of friends. We have the right to choose our friends.

The 2nd step is a R which brings to my mind Religious Freedom. A Freedom which is one of the most important, our right to worship God as we please.

Shining bright on the next step is an E for eager. Yes, we should find ourselves to be eager to fight and defend our freedom.

And as I reach the top. The last step is marked with another E for equal rights. All men are created equally and are given the rights to choose for themselves.

If we, yes all Americans will struggle together and walk up these 4 steps FREE I'm sure our lives will be much happier and our country will remain free as we walk "Up the Free Staircase."

SHAKING UP THE COMMITTEE SYSTEM

HON. JAMES W. SYMINGTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. SYMINGTON. Mr. Speaker, as the House moves closer to consideration of the Bolling Committee report it is useful, I think, to review some of the analytical reactions of the press.

The attached article in the Wall Street Journal hints at some of the problems the plan will encounter, but quite properly, to my mind, recognizes the essential integrity and diligence which Dick Bolling and his colleagues on the Select Committee on Committees brought to their complex and onerous task.

[From the Wall Street Journal, Apr. 25, 1974]

Shaking Up the Committee System

(By John Pierson)

Washington.—Dick Bolling is too modest. Here he comes with a plan to shake up the committee system in the House of Representatives. Yet he has the nerve to sit there and say it won't change the power structure.

"No, sir," declares the Missouri Democrat, a bit too blandly, "my reforms are *neutral* on the subject of power. All they would do is make the House *work better*.

Rep. Bolling's modesty has a purpose. It's in his interest now to soft-pedal his revolution. No sense in riling up the very people whose votes he still needs to pass it.

What's more, it could well be the Bolling reforms *will* make the House work better by letting members serve on only one major committee (and thus stop spreading themselves too thin), by forcing the House to organize right after the fall election (and thus get off to a running start in January), and by pulling the myriad strands of energy and the environment together in a single committee (where interests can clash more intelligently.)

But this author of a fine book called "Power in the House" knows better than to think his plan is "neutral" on the subject of who's in charge when it would:

Drastically reduce the power of the single most powerful man in Congress, Rep. Wilbur Mills (D., Ark.), and of the Ways and Means Committee he chairs. Mr. Mills and his committee would lose control over Social Security, unemployment and medical benefits and foreign trade. (They also would lose their awesome monopoly over tax expertise, because every committee would be required to study the impact of tax policy on subjects within its jurisdiction.)

—Lessen the authority of all committee chairmen by establishing the principle and practice that the House membership—the sweaty, anonymous, rank-and-file—can rearrange committee jurisdictions and decide who gets what piece of the legislative action whether the chairmen like it or not.

Add to the clout of Speaker Carl Albert by cutting his rival, Rep. Mills, down to size and by formalizing and broadening the Speaker's authority to refer bills to committees.

Add to the responsibilities of the Rules Committee, the House's traffic cop, by letting it play referee when a committee wants to dispute the Speaker's decision on where to refer a bill. (Rep. Bolling is likely to chair the Rules Committee one day.)

Give additional muscle to the rank-and-file by providing even the most junior member with a major committee assignment, and by improving the flow of information to committee members, who in times past have had to depend on their chairmen for facts.

HARD TO BE NEUTRAL

To humble Rep. Mills and other chairmen while elevating the Speaker and the membership is hardly to be "neutral" on the subject of power.

One must admit however, that while Rep. Bolling's plan would shake up power in the House, it would not move that body in any radically new direction, but rather the same way it has been jiggling in recent years—seniority and the chairmen down, the Speaker and the members up.

Things run in cycles. As Rep. Bolling shows in his book, the rise of the chairmen—buttressed by the seniority system—followed almost inevitably the overthrow in 1910 of a powerful and arbitrary speaker, Rep. Joe Cannon of Illinois. "Czar Cannon," they called him.

Now, the worm is turning again. No longer do years of service automatically entitle a member to chair a committee. The Democratic Caucus, composed of all members of the majority party, has begun electing chairmen. Thus far, the caucus has chosen to re-elect all the senior men. But the threat of dismissal cannot hang lightly over the less popular or less able chairmen.

Other changes testify to the gradual and still-incomplete erosion of the once mighty power of chairmenship: open meetings; chairmen not allowed to head more than one of their own subcommittees; subcommittee chairmen entitled to hire at least one staff member of their own; chairmen obliged to announce meetings at least 24 hours in advance and to call caucuses of their committee Democrats.

The trend is accentuated by the retirement, death or defeat of the old giants and their replacement by a new breed of chairman, less schooled in the arts of leadership. The House Judiciary Committee, now conducting the impeachment inquiry, is a case in point.

Judiciary's former chairman, Emanuel Celler, represented a Brooklyn district that returned him to the House 25 times. With job security like that, Rep. Celler could stay in Washington, master his committee's subject matter and learn how to get things done, a fact worth pondering when some deplore the existence of "safe" districts.

Judiciary's new chairman, Peter Rodino, is from Newark and until recently, has had to tread water fiercely just to keep from drowning in a sea of ethnic and racial animosities; Irish against Italian against Black. Rep. Rodino's lack of leadership training—plus the new mood of democracy in committees—has forced him to run his panel in a far more collegial, for less autocratic way than Rep. Celler ever did.

Chairman Mills' decline began, perhaps, when he ran unsuccessfully for the presidency in 1972. Ill health further eroded his authority by keeping him away from the House for long periods.

Meanwhile, House Democrats have found a mechanism for overriding Rep. Mills' practice of bringing bills to the floor under a closed rule, which permits no amendments. The new weapon has been brandished once, on the trade bill, to force floor consideration of an amendment that would deny Export-Import Bank credits to the Soviet Union if it persists in making it hard for Soviet Jews to emigrate.

The 15 Democrats on Ways and Means have long served as the majority's committee on committees; under Rep. Mills' lead, they decide what committee assignments go to each Democratic Congressman. But this authority has now been diluted by the addition to the committee on committees of the chairman of the Democratic Caucus, the Majority Leader and the Speaker.

As the power of the chairmen has declined, Speaker Albert's authority has been enhanced somewhat by the packing of the Rules Committee with Democrats usually loyal to him, and by formation of a Democratic steering and policy committee, chaired by the Speaker, to shape legislative proposals. The steering and policy committee not long ago pressured the Rules Committee to send the consumer protection agency bill to the floor.

There is, however, little likelihood that the Speaker will replace the chairmen as the real power in the House. Rep. Albert is not that ambitious, and he plans to retire after another term or two. His likely successor, Majority Leader Thomas P. O'Neill of Massachusetts is more comfortable with power.

But it may be the country has become too complex for any Speaker of the House ever to wield the power of a Czar Cannon and some of his 19th-Century predecessors. "In those days," observes a key Democratic staffer, "the country didn't want anything done. Congress would pass the tariff and go home. Blacks didn't vote. Immigrants weren't registered. The country was white, middle class and reasonably happy.

"It's easy for a Speaker to be effective when he doesn't have anything to do."

ASSERTIVE AND INDEPENDENT

Along with a more complex country comes a more independent House membership—better educated, more assertive, more interested in issues and ideology than in going along and cutting deals.

Democracy, then, may be the watchword in the House in the years ahead. And democracy could mean achievement or chaos.

Some members put their hopes in the caucus of the majority party as the means of organizing domocracy and channeling it into useful talks. To date the caucus has been mostly promise, except perhaps in 1972 when it forced a reluctant Foreign Affairs Committee to approve an end-the-war amendment to the foreign aid bill.

For the caucus to exercise real power would require party discipline. The caucus, through the steering committee, might hammer out a party position on a bill and then force a committee chairman to send it to the floor on pain of losing his job. A two-thirds vote in caucus might bind members to support the party's position on the floor.

In the past, the Democrats have shunned this kind of "binding." The party was so divided between North and South that any attempt to apply discipline just would have widened the split. Now that the enrollment of black voters has worked a wondrous moderation of Southern Democratic politics, perhaps the time is ripe for a little party discipline.

One old-style Southerner doesn't agree. Democratic Rep. Joe Waggonner Jr. of Louisiana, leader of a declining band of Southern conservatives, maintains that as the South moves toward the center, the North moves toward the left. "So the gap remains," says Rep. Waggonner, not without satisfaction.

Even if he's wrong about the North-South gap, a new division may be emerging in the Democratic ranks, and one just as poisonous—a division between old-style labor Democrats and newer Democrats who haven't much use for organized labor or New Deal solutions.

So suppose the caucus can't get it all together. What then?

"Chaos," replies Rep. Waggonner, "I don't have any reservation about it." Nor is he alone in having forbodings.

Rep. Bolling, the reformer, sees a good chance that if Democrats win a lot of seats from Republicans this fall—because of Watergate—they'll accomplish nothing at all after the election for want of agreement on what to do. Or they'll try to ram a mess of liberal legislation down an unwilling country's throat, much as they did after the GOP's Goldwater debacle in 1964.

"If they behave as they usually do, they'll throw it out the window," says Rep. Bolling, "and that'll insure the election of a Republican President in 1976."

AFTER THE LANDSIDE

Laments a liberal Democratic staffer who spends a lot of time trying to elect liberal Democrats to Congress: "I just hate to think of what this place will be like next year, if we have the kind of landslide they've been talking about . . . It'll be a zoo."

Another liberal staff man puts a brighter face on things. "We're heading back into the 1840s, to a genuinely rowdy, boisterous House of Representatives," says he. In the early days of the republic, the House was often the scene of fistfights, canings and similar expressions of a backwoods democracy's animal spirits.

"In the future," the staff man says, "you're going to see a good old legislative slugfest on the floor, where competing interests go at each other openly and the majority wins.

"It won't be good for the special interests, but it may be good for the country."

Picture it, Pete Rodino, all five-feet-seven-inches of him, strides onto the floor of the Huse in muddy boots, his coon hounds baying about his heels. He sits down with a careless manner, props his feet on the back of the chair in front of him and commences to eat an apple . . .

EXECUTIVE PRIVILEGE

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. LANDGREBE. Mr. Speaker, there has been a great deal of controversy surrounding the matter of Executive privilege and the Watergate affair. Twenty years ago there was also a great brouhaha about Executive privilege. At that time, when Senator McCarthy was requesting documents from the executive branch of Government for his investigation of subversion and security risks, members of the news media which are now opposed to claims of Executive privilege could not support it vigorously enough. Apparently these people believe that the Watergate affair is more important than Communist subversion, since Executive privilege in regard to the former is attacked by them as a cover-up, and in regard to the latter, is supported by them as one of the most solemn rights of the Chief Executive. The leftist liberal media are very selective about what they want covered up. In their book, Communist subversion should be protected.

Recently the Washington Post and the New York Times printed editorials attacking President Nixon's use of Executive privilege. For example, the New York Times wrote:

> In his latest efforts to uphold the doctrine of executive privilege, President Nixon is warning that excessive intrusion by Congress or other investigators upon the confidentiality of the Oval Office would leave future Presidents surrounded by a staff of yes-men and eunuchs . . . Mr. Nixon's legalistic protestations about his duty to protect the Presidency fade into nothingness. The Presidency cannot be safe unless democratic ideals and principles are fully understood and firmly lodged in the White House and in the country.

Again the New York Times wrote:

> . . . it is up to the prosecution alone, and not the President or his lawyers, to determine what constitutes the necessary evidence. Any deflection from such a course would be a victory for cover-up.

Contrast the position of 1974 with the position of the Times in 1954:

May 17, 1954:

> The question is whether the powers of investigation which Congress has assumed, and which it seemingly must have if it is to legislate intelligently, include the power to invade the deliberations of the President or his confidential representatives, against his will, on any issue whatever. A clear line can certainly be drawn between the duty of the executive to tell why it needs money, to account for money spent and to explain and report on plans and results; and, on the other hand, its right to formulate its opinions and discuss its policies in private.

April 22, 1954:

> But they [the American people] also have a right to a thorough consideration of the extent to which a legislator acting on behalf of either house of Congress may transgress upon the privileges and the domain of the Executive branch of the Government . . . By common consent everyone recognizes the independent of the Judiciary. In turn the Congress must take care to see that it does not infringe on the Executive.

May 18, 1954:

> From the very outset of the fight between Senator McCarthy and the Eisenhower Administration this newspaper has maintained that the fundamental issue is an attempt on the part of the Legislative branch in the person of Mr. McCarthy to encroach upon the Executive branch, incomplete disregard of the historic and constitutional division of powers that is basic to the American system of government.
>
> The President has been late—but not too late—in recognizing the deep significance of this issue and in standing up to it, while the committee itself has apparently swallowed Mr. McCarthy's contention that he and it are entitled to know and pass judgment upon every word, every thought that transpires within the Executive departments. . . .
>
> The committee seems to feel that it has the right to pry farther into the conversations and discussions among members of the executive branch while they were considering a serious problem and, perhaps, reaching important decisions. The committee has no more right to know the details of what went on in these inner Administration councils than the Administration would have the right to know what went on in all executive sessions of a committee of Congress.

May 10, 1954:

> Mr. Truman did his countrymen a service at his birthday party in this city on Saturday evening by speaking for a group much larger and a group infinitely smaller than the Democratic party. He spoke for all Americans who might find themselves less free or less well governed if the legitimate power of the Executive were usurped by Congress. He spoke also as one of that little company of men, so varied in character, intellect and strength, the living and the dead, who have been called upon to fill the increasingly exacting position of the President of the United States. He spoke against the current attempt to infringe upon the constitutional and traditional separation of powers. He spoke with obvious goodwill toward a political opponent, the man who succeeded him in the White House . . .
>
> The issue is more important than the success or failure of an administration, the rise or decline of a party . . . the legislative branch of the Government has expanded "its functions and activities into the very center of the power of the executive branch." He [Truman] properly added that "it is not the business of Congress to run the agencies of government for the President." . . .
>
> We all know, or should know, the heads and fronts of this legislative arrogance. We all know, or should know, the harm they have done to the honor, influence and effectiveness of executive agencies. . . .
>
> Mr. Truman spoke with a sense of responsibility, and more mildly than some of the rest of us, unhampered by his special background, might do. But he spoke wisely. President Eisenhower may take him as a voice, at this time, for a great mass of opinion, not primarily partisan in its nature, that demands for an elected President freedom to fulfill, without arbitrary and unjustified legislative interference, the mandate of the electorate.

Nor was the Times alone in its support of Executive privilege in 1954. On May 9, 1954, the Washington Post printed an editorial which read:

> The Senator's arrogance—his readiness to put his own judgment above that of others—has led him finally into an attempt, in the Senate's name, to override even a President order forbidding the publication of F.B.I. reports. This is nothing less than a direct attempt at legislative *usurpation of* executive authority. It would establish a congressional tyranny in place of the constitutional separation of powers. All this is rationalized, to be sure, in the name of patriotism.

In another 1954 editorial the Washington Post said:

> It is a settled principle . . . a principle enunciated by George Washington and adhered to uniformly by his successors in the presidency, that it is a matter of presidential discretion to determine whether it is in the public interest to give Congress executive documents it may request.

From the editorials quoted above, one can only conclude that Executive privilege, in the considered opinion of two of the major newspapers of this Nation, may be properly invoked only if one is covering up security risks, subversives, and Communists. Executive privilege cannot be used for any other purpose, apparently, and certainly not to shield men who are not suspected of leftist leanings. By their ambivalent attitude toward Executive privilege, the Post and the Times have once again displayed for all to see the biases of which they claim to be innocent.

Of course, these papers and the other media who follow their lead could remove this impression if they would vigorously campaign for congressional investigations of subversion in Government, investigations which have not been held for

20 years. Mr. Otto Otepka might give the investigating committees some leads on where to start, and they can take it from there. The failure of the media to clamor for such investigations forces me to conclude that the media are less interested in uncovering evidence of graft, subversion, corruption, and treason in the Government than they are in getting the scalp of Richard Nixon.

NATIONAL CANCER CONTROL MONTH

HON. LOUIS FREY, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. FREY. Mr. Speaker, I would like to call to the attention of my colleagues two columns written in 1971 by Stewart Alsop, columnist for Newsweek magazine.

Mr. Alsop, as we all know, suffers from the most dread of diseases—cancer—and his graphic description of how he learned he was afflicted with cancer and the treatment he underwent will, I am sure, make us all more aware of the suffering of those with cancer.

Tomorrow, on the last day of National Cancer Month, I will submit Mr. Alsop's remaining two columns on his battle with cancer.

The article follows:

[From Newsweek, Aug. 30, 1971]

GOD TEMPERS THE WIND

(By Stewart Alsop)

WASHINGTON.—I have often wondered what it would be like to be told I had an inoperable cancer, and I suspect a lot of other people have asked themselves the same thing. This is my excuse for writing about a very personal experience, rather than the President's economic policies or some other topic in the news.

I first knew something was really wrong on Monday morning, July 19, when I threw the trash in the dump after a delightful vacation at my country place in Maryland. The dump is an old stone wellhead with steep sides about 4 feet high. My 4-year-old son Andrew and I clambered up the slippery side of the dump to throw in the trash, before going back to Washington and to work.

"Come on, Daddy," Andrew shouted, and scampered for the car. For a long moment, I couldn't move. Climbing up the side of the dump had left me panting for breath, my heart beating furiously. "Alsop," I said to myself, "face it. You're in trouble."

For a good many months, I had had similar spells of hard breathing and pounding heart, especially on the tennis court, and I had belatedly made an appointment with our family doctor, Dr. Richard Perry, for that very afternoon I'd suspected emphysema or lung cancer—I used to be a two-pack-a-day man. But I was wrong. "You're *very* anemic," Dr. Perry said. "I'm sending you to Georgetown Hospital right away."

VERDICT

I spent that Monday evening being poked and pricked and questioned by platoons of doctors. At 8 a.m. on Tuesday, a young doctor gave me a local anesthetic, shoved a needle through a bone in my lower back, and pulled out some marrow—an unpleasant experience, which makes your legs twitch like a frog's. The marrow test, I had been told, would show whether I had "aplastic anemia"—a serious but non-malignant disease—or some form of cancer.

I had to wait several hours for the verdict, and I now know what it must be like for a man charged with a capital crime to wait for the jury to decide. I also found how useful—indeed, essential—a wife's hand can be. When I felt myself sinking deep into fear, I would put out my hand, and my wife Tish would take it, and pull me back and up. In the early afternoon, Dr. Perry came in. He has a nice face—a bit like a younger Ed Muskie's—and his nice face looked embarassed.

"I'm sorry," he said, and the two words sounded like the knell of doom, "but you have leukemia—acute myeloblastic leukemia. I've got a bed for you at the National Institutes of Health, where they know more about leukemia than anywhere in the world."

"You're sure I have this kind of leukemia?" I asked, and I was pleased that my voice was steady.

"Ninety-five per cent sure," Dr. Perry said. I didn't ask him about the prognosis because I was afraid of the answer.

DEPENDENT

My wife spent the night on a cot in my room. I took a sleeping pill, and woke up at 4, and thought of her, and small Andrew, and the five other children, and the end of a good career and a pleasant life, and reached for her hand again, she pulled me back and up. The next day, she drove me to NIH, and I met Dr. Glick for the first time.

Dr. John Glick, who was assigned to my case, is 28, half my age, but I soon developed a dependent relationship with him, with Dr. Glick *in loco parentis*. He is a brilliant doctor and a good man, cheerful without being irritating, candid without being cruel.

The reason I'd had such a long wait for the verdict at Georgetown, he said, was that the doctors had spent hours arguing about my marrow slide. The slide was very puzzling—about 40 per cent of the cells were certainly abnormal, but they weren't typical of any leukemia. They'd finally decided on acute myeloblastic leukemia—AML for short—but there would be more marrow tests to confirm the diagnosis.

Suppose I had AML, I asked, what would happen to me? The chances were, he said, that I'd end up in a "laminar flow room," where I'd be treated with very strong drugs to knock out the bad cells, and thus get a "remission" of the cancer. The trouble was that the treatment would also kill white cells, which fight infection, and I had very few left anyway. Infection was the chief danger to life during treatment, and a laminar flow room decreased the danger by about 60 percent—air flowed out only, no one was allowed to enter the room, and everything, food, water, bed sheets, was sterilized.

"Can dry Martinis be sterilized?" I asked, and he laughed, and said they could.

How long would I stay in one of these rooms? "A month, six weeks—till we get a remission." I would lose a lot of weight, and most of my hair would fall out, but a healthy body came back fast. And how long did a remission usually last? Well, there was a man in NIH right then, who'd had a remission that lasted for seven years. What was the average? I asked.

Great advances in treatment had been made, Dr. Glick said, and more were being made all the time—in one form of Hodgkin's disease cures ran up to 75 per cent. But AML was a bad disease. Even so, more than half the patients lived for a year after treatment. How many died before two years?

"About 95 per cent," said Dr. Glick briskly, and changed the subject.

My wife couldn't stay with me—it is against NIH rules. That night, the sleeping pill wore off again, and there was no hand to reach for in the dark, and I felt terribly alone and terribly frightened.

DIAGNOSIS

A few days after that bad night, the first harsh diagnosis was changed to one at once more ambiguous and more hopeful, and instead of being cooped up in a laminar flow room, I am sleeping in my own bed and beginning to do some work again. I shall write once more about the emerging possibilities for controlling this dreaded but fascinating disease—and then, I hope, the subject will not be mentioned again in this space. But even before the diagnosis was changed, it seemed to me that a sort of protective mechanism was already at work, which partly answered that question that I suspect a lot of people have asked themselves.

Something of the sort happens in combat, I think. At the very first, there is a naked sense of vulnerability, but then "God tempers the wind to the shorn lamb." The protective mechanism takes over, and the intolerable becomes tolerable, the fear less fearful, and death itself—"a necessary end, will come when it will come."

[From Newsweek, Sept. 6, 1971]

TAMING THE BEAST

(By Stewart Alsop)

WASHINGTON.—The British, in their great days, used to reward those who had served their country well with huge fortunes and vast estates—Blenheim Palace, awarded by a grateful nation to Winston Churchill's ancestor, the Duke of Marlborough, is an example. It might be a good idea to offer similarly generous rewards to the medical specialists who find the ways to tame the cancer-beast.

Rather against my will, I have learned a good deal recently about cancer, and especially about leukemia, or marrow cancer. Last July 20, I was admitted to the National Institutes of Health with a disease diagnosed as acute myeloblastic leukemia, or AML, a very bad disease. In early August, I was discharged with a diagnosis with few, if any, precedents in the records of the NIH: "Pancytopenia of unknown etiology."

Translated from the medicalese, this means: "This man's blood is in bad shape, and he's got some bad cells in his marrow, but we're not sure what they are, so let's wait and see." My youthful physician and mentor, Dr. John Glick, has told me that the possibility that I might have an entirely new disease "could not be ruled out." I was disappointed to learn that according to medical protocol, the new disease, if it so proved, would be recorded in the medical dictionaries, not as Alsopitis, but as Glick's disease.

INSTINCTS

In any case, once my energies were revived by blood transfusions, my reportorial instincts reasserted themselves, and I asked a lot of questions, about cancer in general and leukemia in particular. The picture that emerges is fascinating, for cancer is a fascinating disease (although one could wish one were not so personally involved). Four great steps have been taken toward taming the beast. Four more steps remain. When they are taken—and sooner or later they will be—the beast will be tamed.

Here a brief medical lesson, parroted from Dr. Glick. The marrow has the function of producing and regulating the cells that make up the blood. Cancer that attacks the marrow crowds out or destroys the three main types of blood cells, so death can come in three ways.

Hemoglobin, or red blood cells, carry oxygen to the body and provide energy. If there are not enough of them, the patient dies of congestive heart failure or simple exhaustion. The platelets are the cells that mainly control bleeding, and if there are not enough of them, the patient dies of internal hemorrhage, or even a small cut or scratch. The white blood cells control infection, and if there are not enough of them, the patient dies of an infection that a healthy body would throw off easily.

TRANSPLANT

Transfusions can do two-thirds of the job the marrow is supposed to do. Blood transfusions, which raise the hemoglobin count, were first performed successfully at the turn of the century. They were the first true body transplants, and the first step toward controlling the beast. Platelet transfusions—the second step—are much more recent. Techniques for separating out the platelets, by a centrifugal process, and matching them precisely to the patient's platelets, were perfected only in the last five years.

A patient can be maintained on hemoglobin and platelets almost indefinitely, although there is always a risk of hepatitis. In my own case, my hemoglobin count was about half normal when I was hopsitalized (the doctors were surprised to learn that I'd played a couple of sets of tennis the day before) and my platelet count was in the cellar. I had two blood transfusions and one platelet transfusion in the hospital, and since then the counts (knock on wood, cross fingers) have held steady above the danger level.

This is one reason I may have Glick's disease rather than AML. If I had classical AML, Dr. Glick remarked the other day, and I had gone this long without chemotherapy, I would probably be dead. Chemotherapy is the third great step, also taken only in recent years, toward taming the beast.

The injection of very powerful chemicals into the veins kills—or seems to kill—the bad cells, and thus induces a "remission." A patient in remission may appear to have a perfectly normal marrow. Chemotherapy thus prolongs the life of a leukemia patient—but, alas, not indefinitely. The bad cells always come back—or so nearly always that records of actual cures are "statistically negligible."

The four steps needed to tame the beast are these:

First, the hepatitis problem has to be solved. Techniques for screening blood and platelet units for hepatitis have been much improved, but some hepatitis slips through the screen. Thus, every transfusion increases the risk of hepatitis, a disease for which there is no specific cure. A person with hepatitis plus leukemia is obviously not a brilliant actuarial risk.

What reward will the researcher who comes up with a total hepatitis screen deserve? Say, $500,000, tax free?

Second, a way needs to be found to increase the white-blood-cell count by transfusion. A body that happily accepts hemoglobin and platelets rejects white blood cells, although there are occasional successful transfusions, especially from matched siblings. (My brother Joe's blood is a fine match, although, as Dr. Glick remarked, it is "a bit old," a remark I could hardly wait to repeat to my brother.) Now, the doctors have to depend on powerful antibiotics—the fourth great step in taming the beast—as a substitute for white blood cells. But if the white cell count goes too low, even the most powerful antibiotics won't work. This is why most leukemia patients die of fever brought on by infection (which the great Dr. Osler once remarked was as good a way to die as any).

For the researcher who first finds out how to transfuse white blood cells with consistent success, how about a cool million and a good suburban house?

A NEEDED DRUG

Third, and very important, a drug needs to be found that will kill the bad cells and not the good cells. Chemotherapy is like killing the crabgrass on a heavily infested lawn—too often, the grass dies too. If someone finds a drug that will zero in on the cancer-crabgrass only, the beast will be three-quarters tamed. For the discoverer of such a drug, how about $10 million, a yacht, a country house and a fine town house?

But the grand prize—another Blenheim and a Rockefeller-size fortune—should go to the genius who answers the question I naively asked Dr. Glick: "Why do the bad cells come back?"

"If we knew the answer to that one," said Dr. Glick, "we would know what starts a cancer in the first place, and we'd be well on the way to a cure, not of leukemia only, but of all cancers." Dr. Glick is sure the answer will be forthcoming, one day. Then, at long last, the beast will be truly tamed.

AMERICA THE DUTIFUL

HON. TENNYSON GUYER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. GUYER. Mr. Speaker, there has been considerable dialog and controversy over the proposed setting aside of April 30 as a day of fasting, prayer, and humiliation. The fact that the resolution passed in the Senate, yet did not emerge from a subcommittee in the House Judiciary Committee, is not nearly as important as whether the American people continue in the spirit of divine communion all the days of each year, as we move from crisis to decision, and from darkness to light, as a people united.

Hundreds of congregations and thousands of people will be voluntarily searching their hearts, asking for pardon, and pledging a new devotion, the calendar or resolution notwithstanding.

Prayer is not something you command, demand, or mandate by legislation. Nor should the privilege of prayer be prohibited by law. After a certain Supreme Court ruling, this little poem emerged:

Now I sit me down in School
  Where praying is against the rule;
Any time my head I bow
  Becomes a federal matter now.
Any prayers a class recites
  Violates the Bill of Rights
Non-believers now, may have their day
  Thanks, to *what we fail to say!*

We can best serve our country by moving in the spirit of those who came to these shores to find a place of worship unmolested. We can best emulate our Founding Fathers whose trust in God and solid faith in His goodness, inspired our first Day of Thanksgiving.

As we near the celebration of our 200th birthday, America might well thank God for our blessings, our bounties, our opportunities—and even for our challenges.

With prosperity unequaled, comforts undreamed, freedom unmatched, and options untaken—we would indeed do well to kneel in humility and prayer.

We have Freedom of Speech—Yet all too seldom raise our voices for truth and justice

We have Freedom of Assembly—Yet somehow cannot get to meetings

We have Freedom of Worship—Yet find it hard to get to church

We have Freedom from Want—Yet seem to have no time for Grace at the table

I believe this is an excellent time for all of us to look into our own mirrors, search our own hearts, pray for more personal light, and in unity, not strife, pray for our country, its leadership, and its people.

With fewer critics and more builders, with gratitude for opportunity, with a zeal for personal regeneration, individual consecration, and collective determination to move from darkness to light, this may well be our finest hour. With privilege goes obligation. With benefits, also goes work. Now may be our most historic moment to turn America the Dutiful into a new kind of America the Beautiful.

NOW IS TIME TO REPEAL YEAR-ROUND DAYLIGHT SAVING TIME

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. ASHBROOK. Mr. Speaker, in December of 1973, Congress adopted a bill providing for mandatory year-round daylight saving time. I was strongly opposed to the passage of this legislation.

The American people have now had an opportunity to judge for themselves the advantages and disadvantages of year-round daylight saving time. The results are overwhelmingly negative.

According to a Louis Harris survey, only 19 percent feel that the decision to adopt year-round DST was a good one. Another 32 percent view the decision as neither good nor bad. A resounding 43 percent, however, believe that it was a bad decision. The negative response is even greater among those living in small towns and rural areas.

I hope that Congress will take note of the strong feelings of the American people against year-round DST. Congress should move now to repeal this unpopular legislation. There is no reason that residents of Ohio's 17th Congressional District and the rest of the Nation should be subjected to yet another go-around of year-round DST.

Following is the complete text of the Louis Harris survey from the April 24 edition of the Mansfield, Ohio, News Journal:

Most People See Year-Round Fast Time a Mistake

(By Louis Harris)

In the aftermath of the winter-long gasoline crunch, the American people tend to agree that the law making Daylight Saving Time mandatory on a year-round basis was a poor idea. Only 19 per cent rate the daylight saving move as a "good decision," while 43 per cent say it was a "bad decision," and 32 per cent say it was "neither good nor bad."

The major criticism centers on the perceived dangers to children going to school in the dark. Parents report that they became deeply worried over their offspring crossing streets in the early morning hours in darkness, citing numerous cases of children actually hit by cars and even killed.

The other major misgiving is that while daylight savings was invoked as an energy-saver, people report they used just as much extra heat and electric light in the dark hours of the morning as they believe they saved in the late afternoon. Thus, the rationale for the move lost much credibility with the public.

In late March, a cross section of 1,495 families was asked:

"In your opinion, was the decision to go to Daylight Saving Time year-round in order to save fuel a good decision, a bad decision, or neither good nor bad?"

Winter daylight saving

	Total public percent
Good decision	19
Bad decision	43
Neither good nor bad	32
Not sure	6

The daylight saving move was most resented in the Midwest and South, particularly in the small towns and rural areas, where majorities could be found in opposition. These areas are especially hard hit by two conditions:

1. They contain agricultural communities where many people have to rise early to begin their chores, and they would rather begin work in daylight than in darkness, and 2—Children in these locations tend to have to go longer distances to school, thus increasing the dangers they might face in the early morning darkness.

When people were asked why they felt the way they did about Daylight Saving Time, the volunteered answers broke down this way:

Behind people's views on daylight saving

	Total public percent
Why Bad Decision:	
School kids endangered	24
Use more electricity in AM	11
Hate getting up in dark	7
Use lot of fuel in AM	2
Use cars to take kids to school	1
Why Good Decision:	
Like daylight saving time	7
Gain an hour at day's end	6
Saves energy	6
Why Neither Good Nor Bad:	
Didn't save any energy	16
No difference at all	11
Doesn't affect us	6
Not sure	3

The Harris Survey found the public highly vocal and opinionated on the Daylight Savings Time issue. For example, a young mother in Nashville, Tenn., said, "I have two little ones, eight and six, who had to go to school all winter long in the dark hours. They would hold each other's hands, trembling every morning as they left to walk to school. I've aged 10 years worrying about them." A businessman in Little Rock, Ark., said, "It was just plain foolishness. We all just used more electricity in the morning and less in the afternoon, no gain at all." A mother in Stonington, Conn., reported, "They claimed that we would save energy by not putting lights on early in the evening. But I personally used up more gasoline taking my kids to school in the car every day than I ever could have saved."

The small minority who stood firm in defense of the change to Daylight Saving Time could be found mainly in the big cities in the East and West. The chief benefit they saw was to have an hour at the end of a day in daylight to spend in leisure. A Los Angeles secretary put it this way: "I like daylight saving, because it lets me get my work done early and then have some time in the late afternoon daylight to play tennis, swim, or go shopping. I think it's great." A businessman in Seattle added, "I was able to get in some extra rounds of golf and then also see the kids in daylight for a change during the winter. It was a good deal."

But the heavy weight of public opinion is against year-round Daylight Saving Time, for even those with no strong opinions on the matter mainly felt that it did not succeed in conserving more fuel.

AIR FARES ON WEST COAST HALF THOSE ON EAST COAST

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. HARRINGTON. Mr. Speaker, despite the fact that the intra-California air market is unregulated by the CAB, and despite the fact that the density of those air corridors is equal to the density of the corridors in the northeast, air fares in the West are only half those in the East.

An article by John T. Harding appeared in the March 21 Washington Post, examining this rate differential. Not only do I believe this to be an appropriate matter for review by the regulatory agencies involved, but also appropriate matter for review by the Congress.

For that reason, I insert it in the Record at this time for the information of my colleagues.

The text follows:

Why Are Airline Fares on West Coast Half Those on East Coast?

(By John T. Harding)

(Mr. Harding is a physicist who works for the Federal Government).

Recent articles in the Washington Post have dealt with the increasing cost of traveling by air. This week the CAB granted its airlines a 6% surcharge to compensate for rising fuel costs; in July short haul fares will rise dramatically. A comparison of CAB regulated fares and California intrastate fares (which are regulated by the California Public Utility Commission) suggests that short haul fares are already substantially higher than they need to be.

Upon moving to Washington from Southern California five years ago, I discovered that it cost over twice as much per mile to travel by air in the Northeast as it did in California. In fact, it costs more per mile to travel by bus here than by air in California. Fares have risen in both regions over the past years, but the aforementioned relationships are still valid.

Reporting on its four year passenger fare investigation, the CAB claims that its carriers' short-haul fares are not high enough, that long haul passengers are in effect subsidizing the short haul passenger.

CAB carrier costs are summarized in a "cost based" formula $19.25+4.95c/mile. Now for the first time, a basis exists for comparing costs of CAB and intrastate carriers. Previously whenever fares in high density markets were cited as being unnecessarily high the airlines responded that they were subsidizing low density markets.

The CAB has decreed that cross-subsidization of markets is unacceptable and has obviously concluded that costs depend on distance alone and are independent of traffic density. The table attached compares intrastate fares with CAB costs on the basis of distance.

The intrastate fares shown are those currently in effect on Pacific Southwest Airlines, the dominant intrastate carrier in the California corridor. Since PSA is strictly a short-haul airline (all routes under 500 miles) and has never failed to make a profit on its airline operations, it is inescapable that PSA's costs are about half as great, at every distance from 65 to 480 miles, as those claimed for CAB carriers.

Why should a person be able to fly from Los Angeles to Fresno for $15, yet pay twice as much to fly the same distance from Washington to New York? Surely major trunk carriers are not paying twice as much for Boeing 727 aircraft as PSA, or twice the interest rate on their bank loans.

Apparently operating costs are several times greater for CAB carriers than for California intrastate carriers. Yet a review of those circumstances over which the airlines have no control would make it appear that operations are intrinsically more difficult in California than in the Northeast, for example. Since this conclusion is at odds with conventional wisdom, consider the following information:

Myth: Northeast corridor airports are more congested than those in California.

Fact: Los Angeles International airport in fiscal 1972 produced 32% more flight operations and 7% more passenger enplanements than the busiest New York airport.

Myth: The airspace around the Northeast corridor cities is more congested.

Fact: No less than five airports in the Los Angeles area each experiences more total aircraft operations than any airport in the New York area. If all airports in the metropolitan areas are included, Los Angeles regional airports produce twice the number of aircraft operations as those in the New York area.

Myth: Northeast Corridor airports experience unusually poor weather conditions.

Fact: The Los Angeles area experiences over twice as much "Instrument Flying Rule" weather conditions as New York, Washington or Boston.

Myth: CAB airlines are subject to more stringent safety requirements than intrastate airlines.

Fact: Safety regulations are imposed by the FAA and are identical for all commercial passenger-carrying airlines. PSA and Air California have flown 15 billion revenue passenger miles without a single passenger fatality, a safety record that few CAB airlines can match.

Myth: CAB airlines provide a higher quality of service than the intrastate carriers.

Fact, PSA and Air Cal presently command 80% of the Los Angeles-San Francisco market, despite the fact that their fares are no lower than the intrastate fares of their numerous CAB competitors, United, TWA, Western, Continental and Air West. These airlines compete on the basis of service and it is clear that 80% of the passengers find the intrastate airlines superior with respect to punctuality and service. By comparison, travel on the Eastern shuttle is spartan.

Lest anyone conclude that this low cost service in California is a small scale phenomenon which is not relevant to the Northeast, the following statistics should be noted:

CITY PAIR

Stockton-San Francisco.
Los Angeles-San Diego.
Fresno-San Francisco.
Fresno-Los Angeles.
Los Angeles-San Francisco.
San Diego-Sacramento.

* Exclusive of 8% tax and security charge.

Distance, 65 miles, intrastate fare,* $7.64, CAB "cost *", $22.47.

Distance, 101 mile, intrastate fare,* $7.64, CAB "cost *", $24.25.

Distance, 164 mile, intrastate fare,* $10.42, CAB "cost *", $27.37.

Distance, 213 mile, intrastate fare,* $15.05, CAB "cost *", $29.79.

Distance, 347 mile, intrastate fare,* $16.43, CAB "cost *", $36.43.

Distance, 480 mile, intrastate fare,* $24.31, CAB "cost *", $43.01.

The California air corridor is the most heavily travelled in the world. In fiscal 1972 there were 5.5 million origin-destination air passengers between the Los Angeles and San Francisco metropolitan areas, as compared to 2.0 million between New York and Boston and 1.7 million between New York and Washington. The number of passenger miles flown by PSA alone exceeds the sum total to all origin-destination air traffic within the Northeast corridor (including every airline and every city between Boston and Richmond).

In 1973 PSA transported 6.4 million revenue passengers—a total of 1.9 billion revenue passenger miles. That is more passenger miles than any CAB local service carrier except Allegheny and more passengers than Continental, and almost as many as Brainiff, National or Northwest.

Finally, it is irresistible to point out that had PSA collected $19.25 per passenger and $4.95 per passenger mile in 1973, its airlines revenues would have totalled $218 million instead of an actual $95 million. The difference of $123 million is the amount those lucky 6 million Californians saved by not having the CAB regulate air travel within California.

From the foregoing I conclude that there is no intrinsic reason why air fares cannot be as low here as they are in California. Comparing the CAB cost formula and the PSA fare structure, one is forced to conclude that the CAB carriers are annually incurring at least four billion dollars of expenses which are unnecessary to the providing of safe, dependable high quality air transportation. That is a staggering cost to pay for regulation!

The CAB's primary concern is to see that none of its proteges fail financially. Consequently, fares are set high enough that even the most egregiously inefficient airline does not suffer the bankruptcy it deserves.

By contrast, the California Public Utilities Commission has been concerned primarily with the public interest. Traditionally it has regulated fare increases but not decreases, and has not inhibited entry or exit of airlines in the California market. Consequently, any number of intrastate airlines which could not meet the prices set by the most efficient carriers have had to terminate service.

The net result has not been chaos as predicted by the CAB, but a highly dependable, safe and inexpensive air travel system within California. This could not have occurred without some regulation, but the objectives of the regulation have had a profound impact on whom is benefited.

Airline stockholders should be very grateful to the CAB. The public must look elsewhere for their interests to be served.

NO-FAULT AUTO INSURANCE

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. HANRAHAN. Mr. Speaker, there has been much controversy over the issue of no-fault auto insurance. S. 354, the Motor Vehicle Reparation Act, will go before the Senate for a vote in the near future. For the benefit of my colleagues. I wish to insert this article which is a vote for no-faul auto insurance.

[From Economist, Mar. 31, 1974]

FOR NATIONAL NO-FAULT AUTO INSURANCE

After much controversy, Illinois enacted a no-fault auto insurance law a few years ago. No sooner was it passed, however, than it was knocked out by the state Supreme court on rather technical grounds. Since then, no new law has been passed, though some insurance companies do provide no-fault protection if the customer wants it.

Now there is a movement afoot to enact a national no-fault law (Senate bill 354). The bill is expected to be reported out of the Senate Judiciary committee very shortly.

As we see it, the idea of a national no-fault law makes sense. State lines are no barrier to auto travel. The average person may put as many miles on his car out-of-state as in-state, especially if the family takes an extended vacation trip by auto. Nor is there any reason why the standards should be different. The cars being insured and the driving conditions are virtually the same throughout the country.

Furthermore, the states are dragging their feet. Despite broad acceptance of the no-fault concept, only 12 states have adopted no-fault laws that prohibit lawsuits for economic loss up to a specified amount.

As proposed, the bill would set minimum national standards that would assure victims the following first-party benefits:

1. Unlimited medical and hospital expenses and the costs of rehabilitation, and up to $1,000 for funeral expenses.

2. A monthly work loss benefit payment of at least $1,000 multiplied by a factor representing per capita income in a given state compared to the national per capita income average. On the basis of a $25,000 aggregate limit, work loss benefits would range from $35,000 down to $17,000 as each state determines its own needs.

3. Replacement services for injured persons who must hire others to perform necessary household services, subject only to daily limitations set by states.

An alternative federal plan for states failing to meet the above benefit levels would provide for unlimited medical, hospital and rehabilitation benefits; work loss benefits of up to $1,000 per month without time limitation, and up to $200 per week in other first-party benefits.

In addition, companies could not cancel no-fault policies without 30 days' notice and even then only if the policyholder fails to pay the premium, loses his driver's license or fraudulently acquires the policy. Payments due a victim are payable on a monthly basis with an annual interest rate of 18 per cent for overdue payments and each state must inform consumers of the rates being charged in a manner to permit consumers to compare the prices.

We are sure the uniform, strict provision on cancellation of policies would be most welcome to consumers, especially senior citizens who suddenly find themselves out in the cold even though their past driving record is good. Based on the experience of no-fault states and cost analysis studies no-fault can be expected to reduce the cost of auto insurance considerably.

We believe the time has come for a national no-fault auto insurance act.

SOURCES FOR STATISTICS

HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. OWENS. Mr. Speaker, on April 11, I delivered a statement to the House of Representatives outlining a 10-point program for tax reform. For the information of interested Members, I am providing a list of sources for some of the key statistics appearing in my statement:

SOURCES FOR STATISTICS

1. Three hundred individuals over $200,000 paying no 1969 tax: Speech by Assistant Secretary of the Treasury for Tax Policy, April 29, 1972.

2. Taxes on $8,000 married worker range from $565 to $762 depending on how return filed—jointly, separately, standard deduction, low-income allowance.

3. Gulf Oil tax rate: Washington Star, January 22, 1974, P. A1, quoting Senator Percy's questioning of Z. D. Bonner, Gulf's president, Senate Permanent Subcommittee on Investigations hearings, on January 22, 1974.

4. Rates on $6,000 family range from 4.15 percent up to 6.35 percent depending on how return filed.

5. Opinion poll: Louis Harris Associates, New York, N.Y., May 1972.

6. Average rate of 6% on oil: statement of Stanford G. Ross, Senate Subcommittee on Multinational Corps, Committee on Foreign Relations, 1–30–1974, p. 2.

7. Revenue increase of $3+ billion from taxing oil like other industries: +$2.9 billion from combined repeal of percentage depletion and "intangible" deductions; tax credits for oil royalties, $250+ million. Figures are for fiscal year starting in 1974. P. 48. House Report No. 93–927, Joint Economic Commission.

8. 1972 percentage depletion and intangibles costs: Ways and Means Committee publication of June 1, 1973. 1974 depletion and intangibles cost: Tax Notes magazine, January 21, 1974 (oil and gas only).

9. Tax credit cost and unused credits: Congressman Vanik, News release and accompanying letter from Department of Treasury, February 7, 1974.

10. $250 million from capital gains reforms: alternative rate figure, $100 million, Treasury (individuals only); one-year holding period, $150 million, Office of Senator Gaylord Nelson (1972 figure).

11. $400 million for carryover basis: staff estimate, adjusted for homestead or small estate exemption, based on Treasury estimate of $600 million.

12. Estimated 1974 cost of exemption for municipal bonds, $3.2 billion. Estimated proceeds to cities and states, $2+ billion. Cost of 50% subsidy, 1974, $3.6 billion. Additional proceeds to cities, over $1.4 billion. Additional cost to federal government, $400 million. Based on OMB estimates and Congressional Record, May 16, 1973, pp. 16026–27.

13. ADR estimate, Tax Notes magazine, January 21, 1974.

14. Minimum tax: pro and con analysis of HR 967—Library of Congress publication.

15. Hobby farming: staff estimate based on figures in Congressional Record, supra.

COMMENTS ON H.R. 14368, THE ENERGY SUPPLY AND ENVIRONMENTAL COORDINATION ACT OF 1974 AND ON THE IMPACT OF ITS PASSAGE

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. BROWN of California. Mr. Speaker, this week we will be asked to consider H.R. 14368, a bill which is innocuously entitled the "Energy Supply and Environmental Coordination Act of 1974." This bill will be described as a moderate, necessary, and relatively noncontroversial revision in the Clean Air Act. It will be said that the provisions of this bill were subjected to extensive hearings, floor consideration, and conference committee consideration. In fact, H.R. 14368 contains amendments that will delay the attainment of clean air by 2 years in most polluted areas, and actually cause a deterioration of air quality in other areas. The claim that this bill will increase the supply of any energy source, including coal, is unproven. Air pollution controls are not the main limiting factor in coal production, and this bill cannot be considered a move to increase coal supplies.

In addition to the Clean Air Act amendments, this bill contains in section 11 the authority to obtain access to energy information. The energy information section is basically unrelated to the remainder of this bill, and it could be just as logically attached to any other legislation pending before this body. The main thrust of H.R. 14368 is to amend the Clean Air Act in several particulars, and this information access section should not be considered cause to ignore the negative aspects of this legislation.

The amendments to the Clean Air Act have not been demonstrated to be necessary. The extensive hearings produced sharply differing testimony, with those who were required under the law to control their own pollution predictably protesting, but those who had less of a conflict of interest on the most part testified that the law could be met. The previous debate in this body and in the conference committee was under entirely different circumstances, since it was part of so-called emergency legislation. The provisions of this bill, which is basically only title II of that legislation, were bound with other provisions that affected the livelihood of millions of Americans. At that time we were told, in effect, that we had to take some losses in order to make some gains. The gains, the positive parts of the Energy Emergency Act that the President vetoed, are no longer linked to this package. With the exception of the energy information section, this bill could be called the "Environmental Delay and Degradation Act of 1974."

It is important to understand what H.R. 14368 does, and to understand that capitulating to industry pressures in the particulars of this bill will only cause the industry to apply further pressures in the future. In 1970, this body resolved to make the air throughout the United States meet, by 1977, minimum air quality standards based upon health criteria. It is only 4 years later, and we have pending a proposal to allow stack emissions to continue to 1979 and allow the automobile manufacturers 2 more years to meet the auto emissions standards. I cannot help but suspect that those 2 years will be used to lobby Congress to grant even further delays, and, with the precedent of this legislation, we will probably agree to even more delays.

H.R. 14368 makes a dangerous and philosophically inconsistent switch from the Clean Air Act in the sections that allow the Federal Environmental Protection Agency Administrator to suspend local and State air pollution regulations, and other sections which allow the Federal Energy Administrator to order coal conversions without permission of a State or local agency. This is in direct conflict with section 116 of the Clean Air Act which states:

> Nothing in this Act shall preclude or deny the right of any State or political subdivision thereof to adopt or enforce (1) any standard or limitation respecting emissions of air pollutants or (2) any requirement respecting control or abatement of air pollution; except . . . such State or political subdivision may not adopt or enforce any emission standard or limitation which is less stringent. . . .

The existing law allows stricter, though not weaker local air pollution regulations. Local governments would lose this authority under provisions of the bill.

The authors of the bill claim that the public health will continue to be protected, even though emissions of air pollutants will probably increase under it. If this were the case, then why does the bill not continue to use "primary ambient air quality standards" in its reference to public health instead of vague and undefined "significant risk to public health" language? The committee report on H.R. 14368 says the following about the "significant risk" language.

> What is intended is that some violation of the national primary ambient air quality standards may be permitted so long as any of the public would not be exposed to significant health risks.

We are not playing games here, and this language clarifies nothing. The primary ambient air quality standards are the ones set to protect the public health, and that should be the standard used in this bill.

The sections of this bill that provide the most serious potential for environmental degradation may not be fully review of Federal actions under a variety recognized in a quick reading. The existing Clean Air Act provides for judicial of circumstances. It also provides for State and local governments to establish and enforce stricter air pollution regulations. Section 2 of this bill contains the following extraordinary language on suspensions of air pollution regulations:

> Any suspension . . . shall be exempted from any procedural requirement set forth in this Act or in any other provision of local, State, or Federal Law.

This same section contains a prohibition against local governments requiring a continuous reduction system for air pollution emissions. Even though these provisions are a sharp divergence from the existing language, they may not appear too drastic. However, they assume benevolence and good will on the part of the Administrator. If we have learned anything this past year, we should have learned that government is of laws, not men, and a good guy is not always in charge. Why do we need to remove the safeguards of judicial review under sections 304 and 307 of the Clean Air Act, as this bill does? And why do we need to completely supersede State and local governments to accomplish the purposes of this bill?

Section 4, relating to automobile emissions standards may not appear to be as controversial. Yet, where is the proof that this effective 2-year extension is needed? The president of General Motors, Mr. Edward Cole, was before the U.S. Senate Committee on Public Works on November 5, 1973, and was asked if GM could meet the standards if they were told that they had to do so. Mr. Cole said: "The answer is 'yes.'"

In my review of the data I have been convinced that the necessity for meeting the auto emissions standards has been proven, and this delay is not justified. This body apparently disagrees, but the body of evidence does not support further delays in cleaning up the automobile, which is responsible for over 60 percent of the Nation's air pollution.

Section 6 of this bill contains an exemption from the National Environmental Policy Act of 1969 for coal conversions that are ordered within 1 year after the passage of the bill. The exemption from the NEPA legislation is completely unjustified, and again establishes a dangerous precedent. If the environmental impact of the orders under this bill is not assessed, then why should they be allowed? Environmental review should be, and under present law is, a routine procedure.

Mr. Speaker, the Members of this body may be aware of all of these factors, and still consider the passage of this legislation a positive act by the Congress. If that is the case, then the responsibility for the effects of this legislation shall be on this Congress. I suspect that many Members feel that this bill is not as bad as it could be.

Since this legislation is the product of a hard-fought compromise package that was developed during the Energy Emergency Act debate, many Members may feel that it is proper to support it now. But the situation has changed since last winter, and the sense of panic has left us. The public has not shown any desire to remove these environmental safeguards. The time to analyze these proposals has given some of us a different perspective on the matter. We now have numerous studies underway to evaluate some of the provisions of this legislation. The passage of H.R. 14368 may appear to be a prudent decision, but it is still supporting delay and degradation of the Nation's air quality. This I cannot support. I urge that this bill be defeated.

THE DISTURBING AUTO STATISTICS

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. GAYDOS. Mr. Speaker, I call attention to statistics published in recent days in the Wall Street Journal concerning automobile production and sales in this country and in Japan, our fast-rising competitor in this field.

During the month of March, the Journal reports, production of new cars in the United States fell 37 percent below the year-earlier mark to complete the lowest quarter production since 1970. The count: 591,874 cars in March; 936,120 in March a year ago.

The first quarter of this year, the Journal continues, found production 34 percent under the previous year and 28 percent below the output scheduled last December. The drop reflected, of course, the energy shortage which shifted the consumer interest to small cars.

And what, then, happened in Japan? Another Journal report, this one out of Tokyo, contained words of enthusiasm from the Japanese standpoint. Exports of 199,815 units in February were up 18 percent and 20 percent from a year earlier.

The Japan Automobile Manufacturers Association said the value of the exports was $456.4 million, or 25 percent more than in January and 42 percent above that of February 1973. Included in these statistics is a price increase averaging 20 percent made over the last year.

The Japanese export performance, good as it was in the world at large, scored most heavily in our own market. A total of 98,675 autos were shipped by Japan to this country in the month of February for a sensational rise of 58 percent over the same month a year ago.

It is easy, I submit, to dismiss these figures as reflections of the gasoline shortage here and the growing popularity of small cars which U.S. manufacturers only now are beginning to turn out in sufficient numbers to meet the new demand. But they hold a solemn truth. We are continuing to lose auto sales to Japan in a disturbing degree and this means, of course, sharp reductions in present jobs, and indeed potential unemployment, not only in our auto industry but in the many different industries—steel, glass, rubber, plastics, and so forth—which keep it supplied.

Every Japanese-made car sold here represents one less car which could have been made by an American company and American workers. And if this uncomfortable fact could be balanced against the possibility that a Japanese at the same time was riding around in an American-produced car, then we might be happy about it and feel that the interests of international trade were being served. But few U.S. cars are in Japan. The reason is that Japan, with import duties, Government-set quotas, and all the other trade restrictions for which that land is noted, has made it virtually impossible for any save the wealthiest Japanese to come up with enough money to buy an American car.

And, still, the U.S. market is wide open for Japanese cars. Our Government, indeed, seems to welcome them. Although their prices have been boosted in recent months, they still compete briskly here with our own cars. Their virtues flood the television tube. They enjoy American acceptance, and I seem to detect a "status" thing developing about the Mazda, the Toyota, and Datsun, among many of our people. Meanwhile, the U.S. car is kept out by Japan design and purpose. Is this fair?

Involved in these statistics is more than a shift of buyer preference because of the energy problem. I point out that every American who buys a Japanese car, or any car made overseas, becomes a likely continuing customer for the foreign manufacturer. A high percentage of those purchasing cars, it has been found, replace the one they have with newer models of the same kind. Thus, the Japanese gains being made in our market now can be looked upon as gains which will persist for many years to come, or until the U.S. company is able, if ever, to win back a Mazda, Toyota, or Datsun owner.

How much worse need the imparity become in Japanese sales here with the token U.S. sales in Japan before we, as Congressmen, do something about it? Certainly, statistics showing auto production skidding here, while Japanese car exports to the United States rise by 58 percent are not something which we can leave much longer to those in Government who seem resolute in keeping this country's interests secondary on trade matters in some vaunted notion that we have responsibility to make everybody abroad prosperous at our own expense.

My district is one which turns out a large amount of the steel used in Detroit. It has other major suppliers to the auto industry. Car bodies are stamped out in a giant plant in the area which I represent. My concern is the jobs and the future of my constituents engaged in these pursuits and all those in business and other fields who depend upon them. Therefore, I intend to do everything I can to right this auto sales imbalance with Japan and hope that others in Congress, equally concerned, will join me.

COMMONSENSE ON OIL PROFITS

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. ARCHER. Mr. Speaker, the recent announcements concerning the profits of oil companies have brought about a variety of reactions throughout the country. The increase in pretax income for 1973 over 1972 must be put into the proper perspective. Mr. Robert F. Hurleigh in his commentaries over the Mutual Broadcasting Network has provided a much needed balance on the whole issue. I commend these three commentaries—April 12, 15, and 17, 1974—to my colleagues.

The commentaries follow:

COMMENTARY BY ROBERT F. HURLEIGH, APRIL 12, 1974

During the oil crisis of the past several months the public has been bombarded with extravagant charges, and a certain amount of demagoguery, aimed at making the oil comcompanies the scapegoats. The anger of the American motorist, waiting in long lines for a few gallons of gas, was fanned every day by new accusations by politicians, many deeply concerned and anxious to escape the voters' wrath by pointing the finger of blame at the oil industry. And when the fourth quarter and annual reports of the profits of oil companies were published in January the screeching reached a deafening crescendo. Indeed, the oil companies—taken as a group of some 30 of various size—had a pre-tax income 54 per cent higher than the year before. So there stood the oil companies: big fat cats. I'm sure many political cartoonists had a field day resurrecting that old picture of a bloated tycoon—diamond stickpin, thousand dollar bills bulging from every pocket and with his arm around a burnoosed Arab sheik. Certainly, a 54 per cent increase in pre-tax income for 1973 over 1972 was remarkable and demanded examination. But all we got was a superficial examination and what has come very close to being a very dangerous witch-hunt.

This reporter has been around a long, long time and has learned that the American people are basically fair-minded, and though their attitudes may, for a while, be present by inflammatory charges and constant repetition, they are not dumb—as Mr. Lincoln decided many years ago. Because the hostility of a few months ago may be dissipating, perhaps we can clear our minds enough to take a look at the other side of the coin, for this is what any fair-minded person will want to do. And in so doing, we should note that some of the very newspapers and television companies whose reporters were quick to take the meat axe to the oil industry had a greater profitability in 1973 than most of these oil companies. So if we wanted to talk about "unconscionable" profits, we should in all fairness recognize such facts. And there is an urgent need to understand the underlying factors responsible for the unusual level of earnings experienced by oil companies in 1973. In 1972, more than half of the overall profits of the oil companies were earned in the United States, but last year the proportion changed drastically and dropped to only 37 per cent and thus, with this larger, worldwide operation, the largest single effect on profitability came about through devaluation of the dollar—an action of the United States government. Thus, of the total growth in profits, the great bulk—more than 85 per cent—occurred outside the United States. We'll have more facts for your consideration at a later time, but, for now—so goes the world today.

COMMENTARY BY ROBERT F. HURLEIGH APRIL 15, 1974

A few months ago we pointed out in one of these commentaries that a Senate Subcommittee on energy problems had presented to the Senate one of the most comprehensive, all-inclusive reports, with recommendations, that had been made to that time. Now, that Subcommittee report was made twenty years ago—and has been gathering dust in the archives of Congress ever since. We have been told by energy experts that this Subcommittee report needs only up-dating to be an effective guide today. Yet, it has remained half-lost and half-forgotten for all these twenty years while several Congressional committees are writhing and wrangling to come forth with energy legislation.

As most of us know, the temper of the times is dangerous and some members of Congress seem more anxious to use the energy lag as an issue than to make a thorough, well-reasoned and open-minded assessment of all the abnormal forces which have been at work—especially in 1973 and continuing into this year. Instead of using the oil companies as scapegoats, the Congress and the Administration should be doing a little honest soul-searching, examining its own role in bringing about the energy shortage and to restrain themselves from the impulsive rush to take punitive action simply because they feel that the public, incensed by the personal frustrations and hardships of the oil crisis, is hostile and that the issue is politically attractive. The petroleum industry will have to find twice as much oil between 1970 and 1985 as it did in the preceding fifteen years. That's how much more oil the world is using every year.

The estimated cost of finding that oil and providing the facilities to satisfy this expanding world market will amount to well over a trillion dollars, and in the United States alone, the oil industry must come up with more than a half trillion dollars. This is about four times as much as was spent for the same purposes during the preceding fifteen years. So here's the trillion dollar question: Where's the money coming from? Well, half of that will have to be borrowed—loans from banks, et cetera. But profits will be needed to pay the other half and to make interest and principal payments on the loans. And no matter all the hullaballoo we've heard about the tremendously high profits of the oil companies in 1973 and probably in 1974's first half, the average annual growth in earnings of the oil companies for the last five years has been no more than twelve percent, and if we're going to expect the oil companies to do the job that must be done, they're going to require a return on their invested capital of 15 percent or better and it's about time that Congress begins to take a meaningful look at the true facts. So goes the world today.

COMMENTARY BY ROBERT F. HURLEIGH, APRIL 17, 1974

It takes a long time for the truth to catch up with a lie. That's an often used cliche, but it is a truism because it has been proved accurate time and again. It's astonishing that much false information—not necessarily lies, but certainly false and misleading information—is often disseminated only to be proved incorrect at a later date. We have had a considerable amount of false information spread around by people in high places, and misleading information by a gaggle of others, in regards to the oil crisis that the truth is having a hard time catching up. After all the blame heaped on the oil industry for the crisis and its resultant frustrations, we are beginning to get a different story. And yet, the media is not giving the same exposure to these corrective reports as was given to the earlier charges.

Take this case in point: During the finger-pointing and blame-casting of a couple of months ago, one of the nastier charges was to the effect that the oil industry was dishonest about its supplies and inventories. Now, buried within the papers and briefly mentioned, if at all, by radio and television, is the report of the Federal Energy Office that the oil companies were telling the truth. The Energy Office has been auditing the oil company refineries, and says the nation's system of monitoring oil imports is as foolproof as any system we have in this country. So here we have the information that the oil industry, after auditing, has been truthful in its reports on refinery operations and imports, yet I am sure that very few of the people who heard the emotionally charged accusations against the oil industry will ever know the truth. But you and I will know, and possibly a handful that reads below the centerfold on inside pages of newspapers.

There's another bit of information that has been given almost no exposure over-all about the financial situation of the big oil companies: The stock prices of Exxon, Mobil, Texaco and others are way down—as much as 40 percent off the 1973 highs. Now that should be as much of a surprise to you as it was to me, because we all know these oil companies had soaring profits last year, and will report "embarrassingly high profits" for the first quarter of this year. But isn't it surprising that the people who own these oil companies, through their shares of stock, the share holders, lost money if they bought their stock last year and still hold it.

Most financial observers agree that the principal reason for this drop in the stock of the big oil companies is the political uncertainties hanging over the industry in almost every corner of the world, including the United States. As far as this reporter has been able to learn, that information has not been given the attention its importance warrants. So goes the world today.

CONGRESSMAN WILLIAM LEHMAN SPEAKS BEFORE SOUTH FLORIDA BUSINESS PEOPLE

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. LEHMAN. Mr. Speaker, recently I had the pleasure of filling in for a colleague and speaking before a group of south Florida business people. I am inserting into the RECORD the text of that speech:

ADDRESS BY CONGRESSMAN WILLIAM LEHMAN

It's a pleasure to be here with you this morning, Gillis Long told me that this group would be a particularly interesting one, and I was more than happy to have the opportunity to take his place.

I understand I'm supposed to speak about politics and retailing. Being a former small businessman myself, I am well aware of how much the Federal government can affect business, and sometimes adversely. I own a Buick dealership in Miami, which my son now runs, and often he has a lot of advice for me as a Congressman.

Our present economic state, however, is the single largest difficulty facing the businessman today. As you know, the President's wage/price authority is due to expire April 30. The House Banking and Currency Committee has tabled legislation to give the President an extension of this authority, and a Senate Committee has also gone on record as opposed to any extension. From the way it looks, the President's authority in this area will die a natural death on April 30.

As one colleague put it, and I agree, we have overmedicated the baby in trying to come to terms with inflation. Now it's time to give our marvelous free economic system a chance to straighten things out. It's plain that controls and freezes and voluntary compliance have had little, if any effect in bringing inflation under control.

For the first time, we are no longer lagging behind in our rate of inflation compared to the rest of the world. We now have the dubious distinction of being the front-runner in inflation, which increased by an alarming 10% last year, according to the Federal Reserve Board. In the last three months, the Consumer Price Index has increased by 12.1%, while the Wholesale Price Index has increased 29.4% in that same period.

The question is obvious. What can be done?

I believe that the answer lies in redirecting our enormous military and defense expenditures into the production of goods and services, and particularly housing construction. Not only will this provide employment, but increasing supply and consumer goods will provide a sound basis for combatting inflation.

Judging from my mail, another area of interest to the businessman is the Consumer Protection Act, which recently passed the House. This legislation would create an independent, non-regulatory agency to represent the interests of consumers before Federal agencies and the courts. The bill authorizes the Consumer Protection Agency to evaluate and respond to consumer complaints, and to transmit them to other agencies for appropriate action. The CPA is also authorized to develop and disseminate consumer-related information, and to promote product testing and research.

As you are not manufacturers, enactment of this legislation will not affect you as greatly. However, I know that as a car retailer, I received consumer complaints, and often I couldn't turn to General Motors and pass the buck along without incurring the wrath of my customer. Often the retailer has to bear the brunt of the consumer's anger when it comes to a product that just doesn't measure up to what the consumer thought it should.

I think it's interesting to note that Montgomery Ward, J. C. Penney and Giant Food Stores support the objectives of this legislation.

And to be candid, I think the business community is going to have to face up to the fact that there is such a thing as "consumer power." Passage of this legislation in this Congress is an indication of how widespread that power is.

One main reason for favoring a CPA is the enormous growth of monopoly and lack of competition in so many key industries. In many areas, there is nothing even resembling either price or quality competition. For example, what's the difference between Exxon Plus and Super Shell and lead-free Amoco? Hopefully the CPA will be able to provide us with this information.

Although many business organizations have voiced their opposition to the bill, it will benefit business as well as consumers. Honest business has nothing to fear. Those who sell shoddy merchandise, and I'm sure that's not true of anyone in this audience, obviously will find little comfort in a Consumer Protection Agency.

A third area of interest to you is, no doubt, the enactment of the recent minimum wage increase legislation.

As you are aware, the new bill brings minimum wage coverage and overtime coverage to workers in detail and service establishments in a series of steps, by decreasing the dollar volume limitation of the business in order to be exempt.

The wage rate itself will increase in a number of steps. After the first full month after enactment, the minimum wage will be $1.90 an hour, increasing in incremental steps to $2.30 an hour effective January 1, 1977.

I supported the minimum wage bill in Committee and on the House floor twice since I came to Congress. Far too many of our citizens, through no fault of their own, are in a daily struggle with severe hardships as a result of repeated upward surges in the cost of living. We can no longer ignore those working men and women who suffer most from the effects of inflation. And increasing the minimum wage so that it will be more profitable to work than go on welfare will be the only way to break the welfare cycle.

1974 CONGRESSIONAL QUESTIONNAIRE

HON. J. HERBERT BURKE

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. BURKE of Florida. Mr. Speaker, each year since I was selected to Congress and took office in 1967, I have submitted to my constituency a list of questions and solicited their responses to questions regarding matters which I think are of national importance.

This year, as in the past, I sent to all the households in my district the following questionnaire.

It is my intention, after all of the replies are received, to tabulate the results. I will then inform my colleagues of the feeling of my constituents with regard to the above questions.

A letter to the district constituents and the questionnaire follow:

SPRING, 1974.

DEAR FRIEND: The second session of the 93rd Congress is now underway. As your Congressman, I solicit your views on matters which I probably will be required to vote upon this year.

As I have done, each year since coming to Congress in 1967, I am submitting to you, and to each household in my Congressional District, my annual questionnaire.

Our system of government thrives on participation by all our citizens. I value each and every response received, and I would, therefore, like to make it possible for you to respond without incurring the cost of postage. Unfortunately, I do not have the funds to personally pay your postage, but you may, if you wish, deliver your response to my district office at 440 South Andrews Avenue, Fort Lauderdale, Florida and my staff will personally deliver it to me.

As soon as the results are tabulated, I will release them to the Florida news media. I will also have the results printed in the *Congressional Record* for my colleagues to read, and try to include this information in one of my future newsletters to you.

Thank you in advance for your prompt attention to my questionnaire.

Very truly yours,

J. HERBERT BURKE,
Member of Congress.

CONGRESSMAN J. HERBERT BURKE'S 1974 CONGRESSIONAL QUESTIONNAIRE

(NOTE: Yes or no answers for husband and wife.)

1. The President has been under attack from various quarters. Do you feel the President should:

A. Resign?

B. Be impeached?

C. Remain in Office?

2. Campaign reform is essential to help prevent future campaign abuses. Do you favor:

A. Limiting campaign spending?

B. Limiting individual campaign contributions to a fixed amount?

C. Public financing of campaign costs?

3. To help cope with the energy crisis would you favor:

A. Developing new forms of energy?

B. Increased gas costs?

C. Relaxing regulations on emission control devices on new automobiles?

4. Do you favor our support of Israel?

5. The following are proposed tax reforms, which, if any, do you favor?

A. Elimination of the oil depletion allowance?

B. Extending to all unmarried individuals the full tax benefits of income splitting enjoyed by married individuals?

C. Revisions of the graduated income tax to give relief to low income people?

D. Elimination of tax free bonds?

6. Do you favor federal regulations of interstate condominium and real estate sales?

7. Should wage and price legislation be reenacted if the present law is allowed to expire?

8. Year-round Daylight Savings time was enacted last year. Would you favor repeal of this law?

OPTIONAL

Do you have any party preference? Republican; Democrat; Independent.

Age? 18–21; 22–30; 31–45; 46–65; over 65.

Are you a Veteran? Yes; No.

If you are a Veteran, which of the following applies? W.W. I; W.W. II; Korea; Vietnam.

STATEMENT OF U.N. SECRETARY GENERAL WALDHEIM AT THE CLOSING OF GENERAL DEBATE AT THE SIXTH SPECIAL SESSION ON RAW MATERIALS AND DEVELOPMENT

HON. CHARLES W. WHALEN, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. WHALEN. Mr. Speaker, at the end of general debate at the United Nations' special general assembly conference on raw materials and development, Secretary General Kurt Waldheim offered a brief statement of his impressions of the discussions. In doing so, he described the meetings as providing a "vivid picture of the world economic situation." He emphasized, however, that "No one has any illusions about the difficulties which will be encountered, or the efforts which must be made to combine and shape these proposals into agreed policies and plans of action, which will be the foundation of a new world economic order."

In conclusion, Mr. Waldheim stated his five major observations of that historic meeting.

I believe the Secretary General's views deserve the thoughtful consideration of each Member of the House. Therefore, I am inserting the text of his remarks:

TEXT OF STATEMENT BY SECRETARY-GENERAL KURT WALDHEIM AT CLOSING OF GENERAL DEBATE IN GENERAL ASSEMBLY

For the past two weeks, the General Assembly has conducted a debate of remarkable scope and depth on the most pressing and fateful issues of our time. The high level of representation in the Special Session has been matched by the quality and substance of the interventions. It is no exaggeration to say that this Special Session is an unprecedented event, not only for the United Nations but for the world community.

We now have before us a vivid picture of the world economic situation seen from many different points of view and an extraordinary wealth of constructive proposals. No one has any illusions about the difficulties which will be encountered, or the efforts which must be made to combine and shape these proposals into agreed policies and plans of action, which will be the foundation of a new world economic order.

All over the world, the proceedings of this Special Session have been followed with extraordinary interest. The world expects, and anxiously awaits, the first concrete steps which this Assembly will take to deal with the emergency situation which, in one way or another, now faces all nations. The anxiety and expectation of the world community is heightened by the undoubted fact that, quite apart from the medium and long-term problems which confront us, the fate of millions of people may well depend, within the next few months, on what this Special Session does, or does not do.

As I said in my opening statement, the perspectives of different nations or groups of nations vary enormously. Certainly that observation has been amply borne out by the general debate. But the debate has also, and perhaps more significantly, demonstrated a striking degree of agreement among Member States on a number of important aspects of the problem before the Assembly. Clearly, the debate has provided the substance for a process of negotiation, coordination and harmonization which will endure beyond the week of the Special Session which remains to us.

At this stage in the work of the Session, however, after following the debate with the closest attention, I feel that a summary of my main impressions might be helpful in formulating the decisions which are necessary both for immediate action and for continuing expeditiously the vital work which this session has initiated. The following observations are made with full respect for the positions of Member Governments as stated in the course of the debate, and in full cognizance of the strenuous efforts being made in the *Ad Hoc* Committee to formulate a declaration of principles and a programme of action.

First, no one could have failed to be impressed by the range, the relevance and the seriousness of the general debate, illustrating dramatically the undeniable interdependence of the many issues which must be tackled in the evolution of a new world economic order. It is imperative to maintain the momentum which this debate has generated and to agree on the principles which will give it direction.

Second, it is imperative to provide now financial and other assistance to those Member States placed in the greatest jeopardy as a result of recent violent economic changes and great natural disasters. Individual Member States and groups of States have undertaken steps bilaterally, collectively, and through international organizations to meet some of these needs. The International Bank for Reconstruction and Development, the International Monetary Fund and the other members of the United Nations system are also striving to do all they can to help. However, all these efforts are not enough. A potentially disastrous gap continues to exist between minimum needs and the resources so far made available to meet those needs. It is imperative that we take steps to mobilize greater resources before this Special Session ends.

Third, it is imperative to effect the speedy transfer of the necessary assistance to those Member States most in need, and also to make arrangements to monitor continuously future needs and responses to those needs from the world community. The United Nations system stands ready to act as catalyst and clearing-house for everyone's efforts, and would be willing to act in whatever manner and through whatever mechanisms the General Assembly may decide. I wish to emphasize that any arrangements made by the United Nations system would be complementary to those made by individual Member States and groups of States.

Fourth, it is imperative to recognize that the developing countries must earn more to pay for their imports, and that they still depend on commodities for the greater part of their export earnings. To the extent that progress could be made on this basic problem, progress could be made in ameliorating the acute financial crisis to which I have just referred. In the past, international efforts have failed to produce significant overall results in the field of commodity agreements. Today, however, and more than ever before, it is in the interests of both producing and consuming countries to initiate, during this Special Session, acting which will lead to the resolution of this problem.

Fifth, and finally, it is imperative, as I have said, that the momentum generated by this Special Session should be maintained. The basic problems so courageously and constructively faced by this Assembly will increase in complexity and intensify over the coming months. It follows logically that the sooner realistic international policies can be established and effective action taken to implement those policies, the sooner it will be possible to move from our present dangerous defensive position to one where bold and positive action can be taken to establish a new economic and social order for the benefit of all of mankind. Whatever the outcome of the Special Session, some relatively simply and effective arrangements must be made to ensure continuity and follow-up.

The Administrative Committee on Coordination, which consists of the heads of all the agencies, organizations and programmes of the United Nations system, met here at United Nations Headquarters last week. The members of this Committee, including the heads of the International Bank for Reconstruction and Development and of the International Monetary Fund, asked me to inform this Assembly of their readiness to make available immediately the services of their institutions in order to facilitate and support any action within their competence that may be taken by the General Assembly. Recent experience has shown the usefulness of the United Nations system in focussing many forms of assistance to the maximum effect in dealing with a critical situation.

I believe that this Special Session will prove to have been a truly historic meeting. My main concern, which I know is shared by all of the distinguished representatives in this Hall, is to get the maximum of agreement, the maximum of effective decisions, out of the few days of the Session that remain. If upon the adjournment of this Session we know where we are going, if we have begun to face up to the most urgent needs, and if we have made the necessary arrangements to follow up what has been done here, then this session will indeed prove to have been a turning point in world affairs.

ANNOUNCEMENT OF HEARINGS ON FEDERAL EMPLOYMENT PROBLEMS OF THE SPANISH SPEAKING

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. EDWARDS of California. Mr. Speaker, the Civil Rights and Constitutional Rights Subcommittee of the House Committee on the Judiciary will conduct a hearing on the Federal employment problems of the Spanish speaking. On Monday, May 6, 1974, Mr. Irving Kator of Civil Service Commission will present the most recent statistics on Spanish-speaking employment in the Federal Government, agencywide and Mr. Edward Valenzuela will testify on behalf of IMAGE, a Spanish-speaking employee's group.

The hearing on May 6 will commence at 10 a.m. in room 2226 Rayburn House Office Building, Washington, D.C. Persons wishing to submit statements for the record may write to the Judiciary Committee, 2136 Rayburn House Office Building, Washington, D.C. 20515.

DIESEL TAX SUSPENSION

HON. BILL GUNTER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. GUNTER. Mr. Speaker, with another possible nationwide independent truckers strike tentatively scheduled for May 13, with all the adverse economic effects it could bring to all segments of the country, I am today reintroducing the Emergency Diesel Fuel Tax Suspension Act with additional cosponsors.

In addition to the original cosponsors, I am pleased to announce that the following Members have joined in support of this legislation which I believe is as urgently needed today as when it was first introduced last February: Mr. Alexander of Arkansas; Mr. Badillo of New York; Mr. Davis of South Carolina; Mr. Dellums of California; Mr. Fulton of Tennessee; Mr. Stark, of California; Mr. Vander Veen, of Michigan; and Mr. Vigorito, of Pennsylvania.

This now brings to 21 the number of cosponsors of this legislation.

Previously, the following Members joined as cosponsors: Mr. Burke, of Massachusetts, a member of the Ways and Means Committee of the House to which this legislation was referred; and Mr. Tiernan, of Rhode Island; Ms. Abzug, of New York; Mr. Brown, of California; Mr. Edwards, of California; Mr. Miller, of Ohio; Mr. Pepper, of Florida; Mr. Riegle, of Michigan; Mr. Seiberling, of Ohio; Ms. Schroeder, of Colorado; Mr. Thompson, of New Jersey; Mr. Waldie, of California; and Mr. Whitehurst, of Virginia.

Mr. Speaker, the dilemma still facing sectors of the economy dependent upon the capability of the Nation's truckers to purchase diesel fuel at prices which will allow them to stay in business and move the Nation's food supplies and other commodities has not disappeared simply because that dilemma is temporarily off the front pages of the newspapers.

Since the settlement of the last nationwide strike by independent owner-operators and their return to work, news of the predicament they face in the cost of fuel has faded. But the problem has remained all too real.

It is reassuring in this regard that a number of colleagues have indicated their continued concern with this problem by asking to cosponsor the legislation which I introduced initially last February 7 and reintroduced again on March 14. I believe this interest shows the responsiveness of Congress even where the problem has become subsurface and no longer commands immediate public attention.

The legislation would suspend collection of the Federal tax on diesel fuel for 6 months tied to a freeze at January 15, 1974 price levels.

The fact remains that roughly half the truckers in the country received no benefit from the passthrough provision Congress permitted the Interstate Commerce Committee to implement without the delay ordinarily required, and that such a passthrough provision is itself inherently inequitable and further damaging to the economy.

In addition, the fact remains that the problem—spiraling diesel fuel costs—has not and will not go away at any early date.

Therefore, I am again urging suspension of the diesel fuel tax for 6 months, at a figure estimated at $185 million, and at a time when the highway trust fund enjoys a $2 billion surplus.

Because of the continuing nature and seriousness of the problem and the threat of another nationwide strike, I continue to invite additional cosponsors and to urge consideration by the Committee on Ways and Means.

GREAT LAKES WATER LEVELS CONTINUE UNCHECKED

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. VANIK. Mr. Speaker, the March, 1974 monthly bulletin of Great Lakes Water Levels published by the National Ocean Survey of the U.S. Department of Commerce has been published. As usual, it shows that the millions of Canadians and Americans that live in the Great Lakes basin still face enormous problems and will continue to face them for an unknown amount of time.

Each of the Great Lakes is significantly above their "long term averages," the best factor to use in comparison of the incessantly fluctuating levels. The Bulletin shows these statistics:

Lake Superior—5 inches above long term average;

Lakes Michigan-Huron—19 inches above long term average.

Lake St. Clair—32 inches above long term average;

Lake Erie—32 inches above long term average; and

Lake Oontario—14 inches above long term average.

Mr. Speaker, with water levels at these heights, the Great Lakes are nothing but a catastrophe waiting to happen. Even a mild storm can whip the waters to a fury that knows no bounds—natural or manmade. Beaches and sand bars that previously helped dissipate the tremendous force of wind driven waves have long since been eroded or drowned under the additional water. Elaborate manmade measures, constructed at the cost of millions of dollars, have been reduced to underwater piles of broken concrete and rusting reinforcement after only several heavy Great Lakes storms.

Our propensity to spend moneys on shoreline protection structures is an expensive treatment of the symptoms of the high levels of the Great Lakes, but it unfortunately does nothing to cure the causes of those symptoms. While millions are being spent on protection, most of it is for naught; practically nothing is being done to prevent high water levels from occurring or reoccurring.

It is interesting to note in the water-level statistics above that two of the Great Lakes, Lake Superior and Lake Ontario, were much closer to their long-term averages than the other three "middle" Great Lakes. Both Lake Superior and Lake Ontario are equipped with regulation facilities. These facilities allow control of water outflow and thus provide an important measure of regulations not available to the other lakes. Although there obviously are limits to the amount of water that can be discharged — depending on downstream water levels, weather conditions, and so forth—control facilities on each Great Lake would mean the water-level problems could be treated as a system-wide situation.

Such a system-wide control would allow low-level lakes to accept a small amount of water from upstream high-leveled lakes, thus creating an equity in water-levels arrangement that would benefit all the lakes in the long run.

Mr. Speaker, I urge all my colleagues, and particularly those Members from the Great Lakes States, to give consideration to installation of such controls on the middle lakes—three would be required, one on the St. Clair River below Lake St. Clair and north of Detroit, another south of Detroit on the Detroit River's path to Lake Erie, and a third on the Niagara River between Lake Erie and Ontario.

While we are currently in the midst of close-to-historical high water levels, middle lake control facilities can also serve to prevent low water levels that have caused an equal amount of damage and concern in other years. As recently as 1964–65, our complaints were that the Great Lakes did not have enough water. Boats were grounded, beaches were turned into unusable expanses of mud, and inter-lake commerce was severely crippled.

Middle-lake controls would allow us to prevent the natural discharge of water from lakes facing water shortages during those periods.

The cost of such facilities would be expensive. Maj. Gen. Ernest Graves of the Corps of Engineers, in his testimony before the House Subcommittee on Water Resources in April, 1973, estimated adequate control works could cost about $350 million. But what are the consequences of continuing to follow the treat-the-symptoms-only arrangement?

The State of Ohio estimates that the disastrous fall storm of 1972 caused $22 million in damage and resulted in seven Ohio shoreline counties being declared disaster areas.

An equally devastating storm over the Great Lakes Basin in the spring of last year caused more heavy damage. High waters, wind, and wave action caused $12 million damage in Chicago alone within only a 5-month period.

The second highest water levels in history were in the spring of 1951. Damage estimates for that period amounted to $61 million according to the National shoreline study. In that same storm, the Corps of Engineers estimated that a recurrence of a similar storm in the same Great Lakes shoreline region would cause a minimum of $120 million in property damage. That figure does not include consideration of the development that has occurred on the shorelines since the end of that period of enormous destruction in 1952.

Additionally, Mr. Speaker, millions of dollars of private and public money is spent on programs to halt the shoreline erosion that the exceedingly high water causes. Private citizens often spend thousands of dollars apiece in what usually turns out to be fruitless attempts to save their land and homes. Railroad ties, poured concrete, truckloads of broken cement and sandbags, have all proven to be at best only short term deterrents to the wrath of storm driven high waters.

Clearly, we must give middle lakes regulation serious consideration as the one way in which we can halt the continuous disastrous cycle of high and low water levels.

"CHANGING INFLUENCES IN AMERICAN EDUCATION," AN ARTICLE BY WILBUR COHEN

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. BRADEMAS. Mr. Speaker, one of the wisest and most experienced spokesmen for education in our country is the Honorable Wilbur J. Cohen, former Secretary of the Department of Health, Education, and Welfare and now dean of the school of education of the University of Michigan.

I believe that Members of the House will read with interest the thoughtful address delivered by Dean Cohen at the 26th annual meeting of the American Association of Colleges for Teacher Education on February 22, 1974 in Chicago, Ill.

I insert at this point in the RECORD the text of Mr. Cohen's remarks:

CHANGING INFLUENCES IN AMERICAN EDUCATION[1]

(By Wilbur J. Cohen)

In preparing my remarks for this occasion I had recurrent conflicts as to whether to develop my views as a professor concerned with such issues as the improvement in the quality of teaching and the learning process and changing faculty-student relationships; or as a dean concerned with institutional relationships involved in recruitment of faculty, students, and money, promotions, salary increases, and the teacher surplus; or should I discuss issues from the standpoint of a former Assistant Secretary of Health, Education, and Welfare interested in the fascinating process of federal education legislation; or as a former Undersecretary to John Gardner interested in developing the Office of Education into a model of excellence; or as a former Secretary of Health, Education, and Welfare concerned about national priorities and policies in education and the respective roles of the federal, state and local governments in financing, administering, and improving what has now become a $100 billion a year educational system that involves about 7 percent of the Gross National Product.

Because tomorrow morning you will be hearing from my distinguished colleague and friend, Elliot Richardson, it occurred to me that it might be appropriate to discuss some current issues on which Mr. Richardson and I have had identical experiences. We were both Assistant Secretary for Legislation, Acting Secretary, and Secretary of H.E.W. Irrespective of differing policies and views, however, no one who has shared these three responsibilities can fail to have some sympathy and understanding for the other.

Mr. Richardson was an outstanding Secretary of H.E.W. under great handicaps. I wish he were still there.

THE CURRENT SCENE: APPROPRIATIONS

The federal situation in education is currently somewhat more favorable than it has been in the last five years. The President's legislative and budgetary recommendations for education are now in a more constructive direction. The largely negative and restrictive approach of the Executive Branch in earlier years at last has been superseded by a more cooperative approach toward Congressional views.

My own opinion is that this sharp turnabout is due largely to Watergate—in the sense that the President now believes it necessary to be more cooperative with the Congress as a countermeasure to the resignation-impeachment campaign.

The five years in which Congressman Perkins and his colleagues, such as John Brademas on the House Committee on Education and Labor and Senators Williams, Pell, and Javits on the Senate Committee on Labor and Public Welfare, have withstood the pressures from the Executive Branch have at last paid off. Likewise, the unwillingness of the Subcommittee on Appropriations under the Chairmanship of Representative Daniel Flood and Senator Warren Magnuson to accept the Executive Branch's cutbacks in federal education and health appropriations have been important factors in making this turnabout a reality.

To this factor I must add the vigorous opposition of the NEA and the ACE and their affiliates, and the opposition of the Committee on Full Funding of Education Legislation.

Many of the Administration's budget recommendations for education are still disappointing in my judgment.

Although the Budget requests $37.9 million for the Head Start program—an increase of 10 percent over this year—according to the Budget this is only to keep up with inflation and is not an increase in the 379,000 children served by the program.

If this policy of taking account of inflation were followed in other education programs, it would have meant increases for other programs. But the Budget cuts $150 million from aid to libraries, reduces assistance for construction of college and university facilities; cuts the funding for foreign language training and area studies; eliminates aid to land-grant colleges; reduces federal support of the training and development of university teachers; and provides zero funding for university community services, State Post-Secondary Education Commissions and veterans' cost of instruction programs.

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[1] Delivered at the 26th Annual Meeting of the American Association of Colleges for Teacher Education, February 22, 1974, Chicago, Illinois.

I urge my fellow deans and faculty colleagues to interest themselves in the specific appropriation requests and urge individual members of the House and Senate Appropriations Subcommittees to make education a higher priority in the Federal Budget.

There are 10 members of the House Subcommittee and 13 members of the Senate Subcommittee. This gives an opportunity for deans and faculty members in more than a hundred schools to participate in influencing a major redirection of national policy.

THE CURRENT SCENE: LEGISLATION

The President has also receded from his advocacy of the Better Schools Act and has indicated his willingness to work with the Congress in a more cooperative manner in revising the Elementary and Secondary Education Act of 1965. Both the House and Senate Committees have formulated revisions which are still under consideration.

Action in the House and Senate will probably take place during the coming months. I am optimistic that the legislation will include a number of improvements. But each of us should follow closely the discussions and be ready to give our recommendations and revisions if needed.

In reviewing the proposed legislation I made one small observation. At no point in any of the provisions are the schools or colleges of education recognized as a focal point of value, or importance. I believe the institutional importance of schools of education should be recognized in some way in federal legislation. Unless and until we convince federal and state legislators and administrators and federal and state lobbyists that we represent an important institutional, academic, intellectual, faculty, student, teaching, learning system, we will continue to be treated as second class in the university and in budgetary priorities at the federal and state levels.

If we believe we have something to contribute, if we believe we have more to contribute, I believe we must find a way to dramatize our concern about improving the quality of teachers and teaching, the importance of our programs, and our willingness to work with all the parties involved in educational policy.

INEQUALITIES AMONG THE STATES

Now let me turn from the immediate to the longer run. A major factor affecting the future of education in the United States is the wide range of financial resources, personnel, and services among the 50 states. The state with the highest per capita income is about twice that of the lowest state. Personal income per child of school age also varies by more than two to one. State and local tax yields vary by nearly sixty percent. Per capita state expenditures for all education varies among the states by four to one. Public school graduates as a percentage of ninth graders four years previously range from sixty percent in one state to ninety percent in another—a fifty percent variation. Median school years completed also varies by about one-third from nine years to twelve years.

The educational potential of many children is clearly affected by these variations as well as by variations in health and medical conditions. Infant mortality varies among the states by more than two to one; physicians and dentists in relation to population by about three to one. Welfare aid per child varies even more widely—over five to one.

These variations are portrayed in 132 ranked items of state data, published each year by the National Education Association in a useful report entitled *Ranking of the States*. This is one of the most significant statistical reports affecting the future of our nation; it raises the fundamental question as to whether we can permit the continuation of such conditions on the basis of political boundaries.

The need for raising the educational, health, and social services in those states with lower levels of performance must become a major focus of national policy during the coming years. State "rights" must not continue to be the excuse for perpetuating state "wrongs." An intelligent national policy of reallocating financial responsibilities among various programs can help the states and localities to meet their responsibilities more effectively. At the same time we must increase local participation in improving the quality of services and their accessibility, effectiveness, and flexibility to meet a variety of needs.

Such a national program would involve:

1. Transferring the financial and administrative responsibility for cash payments for the welfare of children and the working poor from the states to the federal government, along the lines recommended by President Nixon and supported in 1972 by Secretary Richardson and Senator Ribicoff;

2. Establishing a national health insurance system covering everyone, along the lines recommended by Representative Martha Griffiths of Michigan, Senator Edward Kennedy, and numerous other members of Congress, which would reduce the mounting burden on the states for the financing of Medicaid;

3. Redirecting federal revenue sharing to (a) encourage and require states and localities to deal with education, health and other public services on a wider metropolitan basis, (b) reduce the property tax as a major element in financing education.

4. Increasing substantially the federal funding of education programs of great national concern, particularly early childhood, vocational, community, and continuing education programs; programs for the disadvantaged, the handicapped, and the gifted; and research and experimental education programs.

5. Strengthening state and local social services which are directed toward improving human welfare, such as child welfare services, services for older persons, vocational rehabilitation, and community mental health services.

These five measures would do a great deal over time to reduce existing variations, discriminations, and inequities; they would make it possible for states and localities to spend more money, time, energy, and thought on improving the quality of education and other human services.

The interstate competition for keeping state taxes low (in order to obtain industries and jobs) must not be a factor in perpetuating substandard conditions in health, education, welfare, housing, and social services. Only truly nationwide policies on major universal programs can assure every child and every person of the constitutional guarantee of equal protection of the laws. This assurance should be our high priority goal by the 200 Anniversary of the Declaration of Independence.

Politicans who proclaim the advantages of states' rights, decentralization, and the greater wisdom of state legislatures over the National Congress, neglect the basic economic fact that competition among states and localities to keep down taxes has acted as an important factor in preventing the improvement of educational, health, and social services in many states and localities.

If we retain federal revenue sharing, we should make a greater effort to overcome the interstate competitive factor and to see to it that there are some minimum standards which should be met in every state.

A case in point are the proposals for minimum standards for state unemployment insurances. After nearly 40 years, many States still do not have a minimum desirable level of benefits. It is clear that only federal legislation can assure each state that it will be able to meet the standard in relation to other states' competitive tax situation.

Likewise, the movement for federal standards in state workmen's compensation is a vital need after 65 years of such state laws.

Two important questions—and objections—usually arise from the issues I have just discussed. The first is: where is the money going to come from, and won't increased federal and state taxes stifle incentives and restrict the options of individuals in utilizing their incomes as they think best? The second is: doesn't greater reliance on the federal taxing power lead to centralization, the abuse of power, invasion of privacy, and the wider impact of errors?

On the cost and tax question, let me say that educators need to take a more effective leadership role in advocating the closing of tax loopholes in our federal tax system. An additional $10 to $20 billion a year in federal revenues could be raised by closing tax loopholes.

Another $10 to $15 billion a year could be obtained by the elimination of waste and low priority programs in the Defense and Agriculture Departments.

And $10 to $20 billion a year additional in tax yields could become available from the technological and other growth factors in the economy.

We clearly should be able to direct more resources to education, health, and welfare by a longer-range plan which makes human services a higher priority than they are now in our national, state, and local budgets.

As for the questions related to centralization, privacy, and options, I can only say that there is no substitute in laws or in institutions for the policy that eternal vigilance is the price of liberty. We must continue to depend on the freedom of the press, a multiple political party system, academic freedom and tenure, and the independence of higher education and the judiciary.

SOME EDUCATIONAL QUESTIONS

There are some specific controversial educational policy questions I would like to comment on.

I believe that a number of difficult educational problems could be handled better if we had fewer school districts. School district lines should not be drawn, retained, or gerrymandered to represent a single cohesive social, racial, or income group. We need a broader geographical, income, ethnic, and racial distribution in school districts. The organization of separate school districts by central city and suburban areas will in the long run help neither to save the central city nor the surburbs, but rather will lead to judicial intervention in order to assure carrying out the constitutional requirement of equal protection of the laws.

In this area of state responsibility, the State Departments of Education, the Legislatures, and the Governors, in my opinion, have been derelict by not taking leadership to redefine the boundaries of school districts in the light of urbanization and metropolitan development. This is a state function but the states have largely avoided it as well as other important areas of educational concern within the jurisdiction of state power.

Fortunately, the number of school districts has been declining. Educators, however, should help this process to proceed more rapidly, but more importantly to reexamine the boundaries and programs of school districts with a view to making them more consistent with economic, political and social realities and needs. This action will be vigorously opposed by various local power blocs, but this opposition should help to indicate the importance of the change.

Another area of vital concern is the need to reexamine the importance and function of the so-called "neighborhood school," a concept derived from earlier and simpler days. Why should a handicapped or gifted child go to a neighborhood school which does not have the specialized talent and resources to meet the child's needs? Why should every neighborhood school try to be a replication of other schools? Why not try for diversity and allow families to select schools which meet their needs whether the schools are in or out of the neighborhood?

I am concerned and not enthusiastic about the various voucher proposals which are being discussed and experimentally implemented. I believe they could create a breakdown of public responsibility for education and encourage racial, ethnic, and social class segregation. But if school systems gave parents a limited and periodic choice of schools within the community and tried to offer different patterns of educational emphasis, we could probably retain a system which emphasized both quality and diversity.

We should also give serious consideration to lowering the compulsory school-attendance age and at the same time making carefully supervised real work opportunities available to youth, beginning at age 14. There are many problems in this kind of proposal, but there are also difficult problems in continuing our present emphasis on compulsory education and on schools as a place of incarceration, serving a custodial function during the period of adolescence.

I would prefer to emphasize the role of schools in community and lifetime continuing education. If some people drop out of school at age 15, let us entice them back at age 25, 35, or 45 by making educational facilities and resources convenient, attractive, and necessary. The fact of the matter is that many of today's dropouts from schools and colleges are talented and highly creative persons who are frustrated and alienated, not only from the schools but also from teachers, principals, parents, and community values.

This prompts me to suggest that we allow some individuals to leave secondary school before four years if they pass appropriate examinations which would entitle them to a graduation certificate. What is so sacrosanct about four years for a high school certificate?

Individuals in both secondary school and college should be able to fulfill a substantial number of course requirements by passing written examinations. Why hold students back to meet requirements they can satisfy? Let them concentrate on areas in which they need more personal attention, time, and study.

CONCLUDING OBSERVATIONS

The general purpose of these provocative and controversial remarks is to urge the deans, department heads, and faculty members to take a more affirmative role in moulding national policies affecting education.

My experience during the eight years I was in the Department of Health, Education, and Welfare convinced me that deans of schools of education and their faculties were not very noticeable, influential, or articulate in federal educational policies.

I now think they could and should be more influential. They have a perspective and an experience which should be a more meaningful imput into educational policy.

The deans of medical schools are a model we could follow. They make their views known. They are forceful, persistent, and vocal.

As a first step in this direction I suggest we press for legislation to provide federal and/or state institutional grants to schools of education with more than a certain number of students. I think this would bring us the attention and experience we need to move ahead.

I think that those of us in schools of education must take a major leadership role in developing new policies for the future. Important changes in our political, economic, and social institutions are underway. We must be prepared for major changes in the way we handle energy, water, air, and human creativity.

THE U.N. CONDONES MURDER

HON. FRANK J. BRASCO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. BRASCO. Mr. Speaker, the Security Council of the United Nations has chosen to condemn Israel for her April 12 raid into Lebanon. That punitive expedition was made after three Arab terrorists made their way into a settlement in northern Israel at Qiryat Shemona, and butchered 18 noncombatant civilians, including a number of women and very small children. Their crime was to be Jews living in range of these terrorists. This is not the first time such an atrocity has been perpetrated. Nor, regrettably, shall it be the last.

Israel, aware that retaliation against the government allowing murderers to mount such efforts from its territory was imperative, sent a military expedition across the Lebanese border to destroy part of the sanctuaries utilized by these groups. Lebanon has been amply warned in the past that such retaliation would follow that kind of attack. The whole world knows Arab terrorists utilize these shelters as bases for mounting offensive operations.

Israel has become the subject of a peculiar international double standard. She is attacked by surprise by the Arabs in October, while her people observe the holiest day of the Jewish year. Yet the world largely cheers the Arabs on. Terrorists hijack planes and murder Israeli civilians, and the world calmly watches, saying nothing. Murderers committing these crimes blithely walk the streets of a dozen Arab capitals, while as many European nations allow those captured after perpetrating these crimes to walk away unscathed from any and all efforts to punish them.

On all this, the United Nations, posing as both setter and observer of international standards of morality, places its imprimatur. This latest action is almost as violent as the actual atrocity against Israeli civilians the U.N. chose to ignore. It is to the shame of our own country that we chose to go along with the Security Council's condemnation of Israel.

It is utterly vital for us to place the U.N. in perspective, rather than to merely rail against the obvious hypocrisy and immorality of this latest action. The average person in this and many other countries has had it drummed into their head that somehow, in spite of all errors, the U.N. in some manner symbolizes international honor, integrity and decency. Many an apologist for this organization will deprecate such acts as this, offering the excuse that in the end, and after all, the United Nations is "man's best hope." To any intelligent observer this kind of logic is of course fraudulent.

It is essential for us to place the U.N. in perspective, noting that its official condoning of international acts of murder and terror is a further danger to world peace and order it claims to seek. By setting itself up as a moral guardian, the gullible, well-meaning and blind believer are encouraged to place a misguided faith in this basically fraudulent organization. The menace to the entire world emerges in the form of a false reliance on this body.

Let us say that, still reposing some element of confidence in it, we allow the U.N. to assume some significant role in "keeping the peace" in some extremely volatile future international situation. Inevitably there will emerge some challenge to its role, such as Nasser's demand that U.N. buffer forces remove themselves from the area between potential contending forces. We all remember that Nasser's demand of U Thant in 1967 was acceded to by that man, directly encouraging Nasser to set in train the very events culminating in the 1967 war. It can almost be predicted with certainty that in some future situation the U.N. will do what it deems politic or what will serve the interests of its true clients, such as the so-called "third world and nonalined nations." These countries are often client states of the Soviet Union, or, in the case of the Arabs, intent upon serving more short term selfish interests at the expense of Israel or some other target country. International morality as such, becomes a tool to serve national or regional expediency. That, by itself, is not surprising, because again, most observers know the U.N. has increasingly become such a creature.

However, to continue to repose misplaced faith in it, and to encourage masses of well-meaning people to share that belief, is to set the stage for tragedy of a massive order. If the great powers are intertwined in such a dispute, as they are today, the potential exists for world calamity. It is therefore vital that the United Nations be examined and judged by us as an undertaker would examine a corpse: with few illusions and minimal expectations.

The U.N. is a tool for nations seeking American money at the expense of American interests. It will mute its hatred and championing of anti-American interests temporarily at contribution time. The U.N. is far more attuned to international socialism as the Soviet Union expresses it than to any form of parliamentary democracy. It is institutionally anti-Western and acts accordingly, and our support for that organization is an active contribution to those forces which seek an end to the United States as we know it. By assailing our few real allies, such as Israel, the U.N. aids the cause I believe it supports. For us to delude ourselves that this is not the case is to indulge in destructive self-delusion.

Surely, when the U.N., as it did in this recent condemnation, acts as callously as the League of Nations did toward Ethiopia, we can delude ourselves no longer. If Jews are to be subjected to an ages-old anti-Semitism in a relatively sophisticated form, then it is up to us to at least understand that our Nation is being subjected to a similar double standard. Let us strip away the rhetoric of world peace, see the U.N. for what it is, and treat it accordingly.

If Israel and a number of other dues-paying nations were to leave that body, it would be effectively crippled. Not to do so leaves it viable and able to continue its masquerade, in turn guaranteeing worse betrayals in times to come.

SUMMER FUEL USE GUIDELINES

HON. BILL GUNTER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. GUNTER. Mr. Speaker, I am extremely pleased at the action of the House today in passing the conference report authorizing the establishment of an independent Federal Energy Administration. I believe this legislation reflects the general recognition of the House that our energy problems, though alleviated somewhat in recent days since the lifting of the Arab oil embargo, will remain with us in varying forms and degrees of severity well into the future, and that the Nation needs to plan now for its future energy requirements.

Particularly, I am pleased that the authorizing legislation includes intact an amendment I offered on the floor when this bill was first before the House with respect to obtaining clear and comprehensible indications from the Energy Administrator of the amount of fuel expected to be available for summer vacation use by citizens.

The uncertainty which has surrounded summer vacation planning has badly hurt the tourist industry not only in my own State of Florida but all regions of the country.

Recently, the Federal Energy Office has finally moved to recognize the problems faced by the tourist industry and citizens alike who have been uncertain how far they could hope to travel this summer on their vacations, or whether they could travel at all. Mr. Simon recently gave general approval to going ahead with summer vacations and indicated specifically, for example, in connection with my own State, that travelers need not shun their customary summer Florida vacations. Creation of a special tourism advisory panel by FEO, though much belated, represents another welcome step toward recognizing the clear need to alert citizens generally about the suitability of travel during the upcoming summer months.

Hopefully, passage of the conference report today with the tourism amendment I offered will further prod the Energy Administrator to indicate with additional precision the suitability of summer travel and assist citizens in planning their vacations.

The amendment provides that—

> Not later than 30 days after the effective date of this act, the Administrator shall issue preliminary summer guidelines for citizen fuel use.

It is my hope, Mr. Speaker, that the new Federal Energy Administrator will comply with this provision to the fullest and issue such guidelines in as much detail as possible, and hopefully will not wait until the full 30-day period allotted by the provision expires, given the lateness of the time and the fact that summer is already fast approaching.

The tourist industry in my State and other States has been badly affected already by the uncertainty that continued for so many months and the lack of guidance available from the Federal Energy Office. With the lifting of the Arab embargo and clear indications of the amount of fuel available for citizen use this summer, there should be no further delay in removing the psychological obstacles to travel that may still exist because of lingering uncertainy or confusion.

NATIONAL COAL POLICY

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. HEINZ. Mr. Speaker, this week the House of Representatives will be asked to approve significant modifications in our Nation's clean air laws in order to facilitate the greate utilization of coal in both manufacturing processes and in electrical power generation.

I fully support the establishment by this Congress of a "national coal policy." In a country which has a supply of coal of up to 400 years, burning oil and gas to produce electricity is shamefully wasteful. But we must not convert to coal so quickly and recklessly that this and future generations of Americans will pay the horrible price of increased emphysema, lung cancer, and other respiratory diseases which are associated with the high levels of sulphur dioxide and other pollutants which will be spewed into the air if we allow coal to be burned without regard to the proven public health threat of uncontrolled plant emissions.

Unless this country is faced with a critical energy shortage that is an immediate and substantial threat to worker's jobs and our Nation's national security, there can be no defense for the adoption of an inflexible policy that would endanger American's health. To adopt such a policy would be to run the risk of trading the "energy crisis" for a "health crisis."

The danger of such a health crisis was pointed out by Charles G. Watson, M.D., in a recent column in the Pittsburgh Post-Gazette. Dr. Watson argues that:

> Relaxation of air pollution standards and/or passage of legislation to compromise enforcement of these standards can only jeopardize the community's health.

I recommend that all my colleagues study carefully Dr. Watson's persuasive analysis. His statement, which has won the endorsement of the Allegheny County Medical Society's Committee for Environmental Problems, could not be more timely.

Dr. Watson's statement follows:

ENERGY CRISIS COULD BECOME HEALTH CRISIS

(By Charles G. Watson, M.D.)

The current "energy crisis" has spawned a complex array of challenges to our society.

There is endless comment about the necessity to convert from low sulphur fuels to relatively high sulphur fuels because of relative availability. The cost of energy is rising sharply, and there are considerable pressures on lawmakers to compromise existing obtainable standards of environmental quality.

It is unfortunate that the fundamental question of the community's health has received little exposure in the public forum. Unquestionably, air pollution beyond a certain degree has a significant effect upon human health. At what point does this occur, and who is susceptible?

To answer these, we must recognize short-term effects (for example, the effects of an air pollution "episode" upon a person suffering from asthma) and long-term effects (such as the effects of chronically polluted air upon an entire community after decades of exposure).

Short-term effects are easily identifiable and can, in part, be measured. Long-term effects are insidious, intertwined with other environmental and constitutional factors and, by and large, immeasureable. Some data have come from the experimental laboratory. Most have come from observations of the health status of a community acutely or chronically exposed to known pollutants—epidemiologic data. (Epidemiology is a science that deals with the incidence, distribution, and control of disease in a population.)

In 1969 and 1970 the federal Environmental Protection Agency brought together all available experimental and epidemiologic data and, on the basis of these, established air quality standards for the individual pollutants found most commonly over our cities. They identified 24-hour standards, levels of pollutants that could safely be exceeded in a community only once a year, and annual standards, the safe upper limits of an average of daily pollutant concentrations throughout one year. Each state was mandated to achieve these air quality standards by May 31, 1975.

In Allegheny County, we have a comprehensive monitoring system which measures those two pollutants which locally have the greatest effects upon health, namely particulate matter and sulphur dioxide (SO^2). Seven monitoring stations operate through the three river valleys. Their data are expressed in terms of an air pollution index, issued for each monitored community and, as an average of the values obtained from the seven stations, for the county.

The index was designed so that a level of 100 (first stage alert) would correspond to the federal 24-hour air quality standard, the level that may be exceeded in any one locale only once per year. Similarly, an index of 25 corresponds to the federal annual air quality standards. According to the health effects criteria adopted by the federal government, the average of 365 consecutive daily air pollution indices in Allegheny County or for any one of its individually monitored communities must be less than 25. As mandated by the federal Clean Air Act, our county must meet this standard by May 31, 1975.

What has received scant publicity to date is that the average composite index for the county for the preceding 365 days has ranged between 45 and 50 for the past year. And during the past year we have had several pollution "episodes" in which the county index has exceeded 100. Expressed in more relevant terms, levels of particulate matter and sulphur dioxide in the county are significantly in violation of existing federal standards, standards based upon existing reliable health effects data.

And while sulphur dioxide concentrations in the county have fallen over the past year, particulate matter concentrations continue to rise. The annual index, therefore, has remained almost twice as high as the federally accepted safe upper limit of 25.

Relaxation of air-pollution standards and-or passage of legislation to compromise enforcement of these standards can only further jeopardize the community's health. The asthmatic or individual with significant chronic bronchitis or emphysema is usually well aware of the effect of an index of 100 upon his or her breathing.

The effects of chronically polluted air upon a healthy individual are far more insidious and unpredictable. This we must all be aware of. This must be the sole premise underlying the establishment and uncompromising enforcement of safe air quality standards.

The "energy crisis" must not be permitted to become a potential "health crisis" by weakening or failing to enforce existing effective and well-thought-out environmental legislation at county, state or federal levels.

POLLSTERS CANNOT COUNT ON PUBLIC

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. DERWINSKI. Mr. Speaker, since more than any other American city in the country, Washington, D.C., specifically the Government establishment, greets every public poll with intense interest, I believe that thorough review of the techniques of pollsters might be in order.

A column by Orv Lifka, editor of the Suburban Life, a publication serving Cook County, Ill., treats the subject of pollsters in a fascinating fashion in the April 25 edition of the newspaper.

The article follows:

POLLSTERS CAN'T COUNT ON PUBLIC

(By Orv Lifka)

Professional pollsters are nibbling nervously at their pencils because Washington isn't the only place where questions are going unanswered these days.

According to the opinion takers, an increasing number of queries made at American doorsteps are floating away untouched, like soap bubbles in the breeze.

They fail to realize that more questions are being asked, as the teenager complained about his parents. Furthermore, many of the answers rest with the pollsters themselves, if they are doing any resting.

When a poll taker approaches a citizen he may fire the first shot, like Syria on the Golan Heights, but he's only inviting a reciprocal barrage, "Who are you? Why should I tell you anything? Do you know that our Doberman pinscher is right behind you, and he hasn't been fed today?"

By answering just these three questions the pollster is bound to improve the national average.

Their bosses could help by asking some questions of themselves: "How long is the American public going to hold still for this stuff? Are these intrusions appreciated, as the man said when he poked holes in the hornets' nest? How did I ever get into this racket anyway?

The average American's life is a quiz show without prizes. He isn't up more than ten minutes before someone asks how long he's going to be in the bathroom. At the breakfast table his wife asks whether he mailed the letter she gave him yesterday and if he knows he just dribbled egg yolk on his shirt.

No sooner has he backed his car onto the street than someone asks where he learned to drive. On reaching work he's hit with "Did you forget that we start at 8:30?" and "Who left the half-eaten cheese sandwich on the switchboard?"

When he goes to lunch the waitress wants to know how he wants his hamburger, what kind of dressing he prefers for his salad, his choice of beverage and how he expects her to live on 15 cent tips.

Home once more, he's given some multiple choice questions by his helpmate: Does he want to eat before she tells him what Junior did? Would he like to try fixing the basement water pipe himself, or should they call the plumber right away?

Television poses a raft of questions ranging from selecting the programs to commercials asking whether the wavering picture isn't due more to his stomach distress than the termites in the set.

Taking all these things into consideration, as the tax assesor said when checking his house, it's no wonder he has no desire to play school with opinion surveyors. The question is how he managed to put up with them so long.

Gallup, Roper and others who fondly finger the public pulse may have to find other ways of learning what lurks in the hearts and minds of men. Perhaps they could give trading stamps; certainly their polls must have disclosed that this is another business that could use help.

They must realize by now that the world will never run out of questions. But nobody has all the answers.

DR. ALAN F. GUTTMACHER

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. FRASER. Mr. Speaker, it is with regret that we note the death of Dr. Alan Guttmacher last month. Dr. Guttmacher, obstetrician, gynecologist and author, is best known for his work in family planning and for his leadership of the planned Parenthood-World Population Federation.

Dr. Guttmacher worked to advance the right of the individual to control personal reproductive decisions and to alleviate the ignorance common in discussions of family planning. He believed deeply in spreading the word about birth control both here and abroad. It was during Dr. Guttmacher's years as president of Planned Parenthood that the United States saw the greatest growth in national programs to make contraceptive information available to all.

Though this outline of his professional career conveys only a distant impression of the man, Dr. Guttmacher's humanity is reflected in his writings and his competence by the organization he led. His life was spent in the intelligent service of those who wish more control over their lives, and his death is a loss to us all.

CHAIRMAN McFALL SPEAKS TO AERO CLUB

HON. WILLIAM E. MINSHALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. MINSHALL of Ohio. Mr. Speaker, the Aero Club of Washington had the privilege, April 23, of hearing an outstanding address by the distinguished chairman of the House Transportation Appropriations Subcommittee, JOHN J. McFALL. As a member of this subcommittee myself, I enjoy serving with Chairman McFALL whose efforts, like mine, are directed toward encouraging a climate in which our national economy can benefit through the continued healthy growth of the air transportation industry.

Chairman McFALL's speech follows:

LEAVE YOUR PARACHUTE HOME

I appreciate the invitation to be with you this afternoon at your monthly luncheon.

At a recent hearing we were told that our nation's air transportation industry has moved out of its youthful and exciting era of providing a new transportation medium to a more mature phase of development. In taking this step, I hope this great industry has not lost the enthusiasm that has made it so great.

Clearly, our air transportation industry has matured rapidly. Within a few decades aviation has become vital to our industrial growth and overall national prosperity, as well as our national defense.

During this early development period, we in the Congress have worked with industry to achieve improved air transportation both domestically and internationally.

Domestically, the Airport and Airway Trust Fund has provided the funding mechanism to modernize our air transportation system. In the three years that I have been Chairman of the Transportation Appropriations Subcommittee, well over a billion dollars has been appropriated for airport construction and new facilities. Research funding has also been substantially increased. These efforts, I believe, are essential both to upgrade our existing system and to develop a system that will meet the challenges of the 1980's.

We have worked hard together for the promotion of aviation safety. As a result, our nation's safety record is unsurpassed by any other country in the world.

In the international arena, great progress has been made and, again, much of the credit goes to you people in industry. Today, most of the international air carriers fly American-made aircraft. Recently, the United Kingdom installed a NAS Stage A type system with U.S. made equipment. Other countries, including some behind the iron curtain, are interested in the modern air traffic control and navigational equipment and systems used in this country.

It is evident, in my judgment, that we have a highly successful, dynamic, and vitally important aviation industry. An industry that not only benefits this country but the world-at-large. It is also evident that this success has been achieved through the cooperative efforts of industry, Congress, and the Executive branch.

But while our accomplishments are great, we must not allow ourselves the luxury of complacency. If we are to keep the best aviation system and industry in the world we must maintain our efforts. That is why I supported a U.S. SST. That is why I recently approved the development of a preoperational aeronautical satellite. And that is why

I have opposed, and will continue to oppose, additional taxes or user charges which may place an unreasonable burden on aviation.

However, if we are to maintain our supremacy in air commerce, you in the private sector must also continue to do your part.

Our aviation industry has always been willing to take the initiative and move ahead with new technology. We were recently told that among our nation's railroad companies interested in one area of technology, there was a rush to be second for fear of being first. This rush to be second has never been a charactistics of our aviation industry—and I hope it never becomes one.

In some industries, problems are most typically dealt with by turning them over to the Government with a shrug of the shoulders. This has not been the case with the aviation industry. You have demonstrated the ability to turn adversity into advantage and problems into profitable service. And if new problems provide new challenges then you should feel very challenged indeed these days. Along this line, I would like to mention a few things which I feel industry should be considering.

Of immediate concern to all of us is the fuel problem. It may be mitigated to some extent shortly—but all of us should continue to be aware of the need to conserve. Considerations of the past were cost per mile, cost per revenue passenger, and so forth. But today the fuel situation impacts on aircraft manufacturers, air carriers, general aviation, and the traveling public. Clearly, industry must develop new ways to conserve fuel and still provide adequate service to the public.

Ground congestion is another thorn in the side of the traveling public. Many of our nation's airports need improved ingress and egress to relieve present peak-hour ground congestion. In many areas, off-airport access, although often not within the jurisdiction of the airport sponsor, still requires improvements to meet current and future demands. If we ever get a national tranportation policy, hopefully, it will provide some guidance in the area of integrating the various transportation modes.

As I have said in the past, if we had an integrated transportation policy, we would know where to locate our transportation facilities. We would be able to project the use of airports, for example; and perhaps to deal with the problems of loading capacity and ground passenger service. We would be able to spread the passenger load more evenly—not only among airports, but among the alternate modes of tranportation. We would have an important leg up on the problems of noise and congestion if we knew well in advance where we are going to put our new transportation facilities.

Today, industry and government are working hand-in-glove to improve the environment by reducing noise and air pollution. The public must be informed of the amount of effort going into this field. We must let them know what we have accomplished, and what we expect to accomplish in the near future, if we are to benefit from their cooperation and assistance. And without that cooperation and assistance, the continued growth of commercial air transportation could be endangered by the very ones whom it seeks to serve.

As you know, many of our present civilian aircraft were essentially spin-offs from the development of military aircraft of the future. We may not have this luxury for the aircraft of the future. Because of this, there is a need to determine what the civilian market will require in terms of capacity and performance in the future before further development work is performed. Neither the public nor industry can afford an Edsel-with-wings, any more than it can afford to ignore future aircraft development.

Both airport and air carrier operators can work to improve the use of cargo transportation devices for the loading and unloading of wide-bodied aircraft, as well as the potential for sharing equipment, gates, and passenger transporters.

Air carriers should also be looking at flight schedules and gate usage practices to determine if added efficiencies can be introduced to reduce landside delays.

I realize that some of what I have discussed is not amendable to simplistic or rapid solutions. But the solutions are there. It remains for us to seek them out and develop them. In the contemplation of pressing problems we must be mature enough not to bale-out and leave the American public stranded. We are counting on your competence and youthful enthusiasm to meet these challenges, and to keep our aviation industry in the lead throughout the world.

UNITED STATES SUPPORTS ISRAEL'S ENEMIES

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. ROSENTHAL. Mr. Speaker, when Arab guerrillas murdered 18 persons, mostly women and children, at the Israeli town of Kiryat Shemona, the United Nations was unconcerned. But when Israel reacted by striking the bases in Lebanon from which the Palestinian terrorists had struck, the United Nations was quick to condemn Israel.

There would be nothing new about this outrageous double standard were it not for the fact that for the first time it had the support of the United States.

Israel has long considered this country her truest and best and possibly her only friend in the community of nations.

The Nixon administration has shown exceedingly poor judgment in this matter. I am deeply disturbed by this action and the administration's seemingly headlong rush into Arab arms.

The Security Council resolution condemned Israel's raid against the guerrilla bases in Lebanon but was conspicuously silent on the question of what prompted that action in the first place—the Palestinian slaughter at Kiryat Shemona.

The United States did attempt to insert a reference to that attack in the resolution but was defeated 7 to 6. At that point, the United States should have vetoed the one-sided measure or, at the very least, have abstained from voting.

Other nations which might also have abstained as a form of silent support for Israel had the rug pulled out from underneath by the United States.

The result was, in the words of Israel's representative,

> Another example of the bias and inequity which prevail in Security Council debate on the Middle East.

By voting for the resolution the United States sided with those nations who consistently have opposed Israel and have always condemned as wrong any actions Israel has taken to defend herself. This must be viewed as the best news the Arab guerrillas have had since they began their campaign of terror and murder.

The position of the Nixon administration could not possibly be more remote from that of the American people in this matter. It violates all standards of justice.

THE END OF A PAINFUL LESSON

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. ROUSSELOT. Mr. Speaker, hopefully, our Government—this Congress—has learned the painful lessons of Federal wage and price controls. After nearly 3 years of sustained effort, during which many of my colleagues and I warned that a controlled economy would inevitably result in shortages while failing to control inflation, we finally stand on the eve of the expiration of the authority for the implementation of economic controls, the Economic Stabilization Act of 1970.

The American people continue to suffer from the destabilizing effects of "economic stabilization," as reflected in a decline in real income and productivity for the first quarter of 1974 while prices have continued to soar at double-digit annual rates.

Such discouraging trends will undoubtedly be cited as evidence that some form of controls remain necessary to prevent runaway inflation. Nevertheless, the effort to perpetuate or to reinstate controls must by all means be resisted, for it is nothing but an attempt to avoid dealing with the real causes of inflation, which are the failure of the Federal Government to control expansion of the budget and the money supply. Business Week magazine of April 27, 1974, quoted an official of the Cost of Living Council as saying:

> The program was a cover for highly expansionary fiscal and monetary policies.

It is time we stopped using economic controls to cover up the effects of irresponsible fiscal and monetary policies. There is no reason why the American people should continue to suffer from the failure of their Government to live within its means.

The article in Business Week is an excellent history of the effects of economic controls. I am inserting excerpts for the attention of my colleagues and strongly commend that they read the entire article:

[Excerpts From Business Week, Apr. 27, 1974]

DID CONTROLS FLUNK THEIR FIRST PEACETIME TEST?

On a warm August evening 32 months ago, President Nixon startled the nation by proclaiming a "new economic policy," which abruptly scrapped his much-vaunted gradualist economic game plan and imposed a freeze on prices and wages. The move, coordinated with actions to float the dollar and cut taxes, clearly violated the President's own noninterventionist economic philosophy. But it seemed at the time a brilliant maneuver to dampen the fires of inflation while stimulating an almost stagnant economy.

Next week, America's latest experiment with controls is expected to pass into history, and few will mourn it. Yet in an age of relentless worldwide inflation, it would be both premature and politically naive to assume that America's experimentation with incomes policies in general and controls in particular is ended. Indeed, Congressional Democrats this week were already talking of extending controls authority. An important precedent has been set, and the example of Western Europe suggests that once a country resorts to an incomes policy, it is very likely to pursue the same path again and again.

This makes it imperative for government policymakers to make a swift assessment of the value of the 1971–74 controls. Already several fundamental conclusions stand out clearly:

The longer a controls program is imposed, the more diminished its effectiveness. The initial shock can work wonders. But over the long pull, controls simply fight natural economic forces.

Peacetime controls are far more difficult to manage than wartime controls. It is simply a matter of motivation: It is easier to get cooperation when a nation is on a complete war footing than when it is at peace.

The newest economic factor undermining the success of even the best-planned controls program is the international—and multinational—nature of economic enterprise. In the controls program now ending, for example, it was repeatedly demonstrated that companies restricted by price constraints on the domestic market simply slipped out the side door and sold goods abroad. Meanwhile, affluent foreigners traded huge dollar holdings for scarce U.S. commodities.

In the light of these conclusions, it is no wonder that a vigorous debate is already under way among economists. While there is no simple division between conservatives and liberals, at least three separate schools of thought stand out:

Opponents of controls. "To the extent that controls suppress prices in one period, you induce the backup of demand and a disinclination to expand supply, which induces worse inflation down the road," says Alan Greenspan, a long-time advisor to the Nixon Administration and head of Townsend/Greenspan Associates. "Price and wage controls never work, period."

In the middle of the road. "To judge the controls program from what happened in the past year is like judging Jack Johnson fighting a bear," says Arnold Weber, a Carnegie-Mellon University dean who was executive director of the Cost of Living Council during the first freeze. "Controls worked well during Phase II, and I favor maintaining them now on a standby basis—to be used surgically on selective trouble spots in the economy."

Proponents of some controls. Social and political pressures, rather than purely economic considerations, suggest "the need to institutionalize some form of permanent prior review of price and wage increases," says Robert F. Lanzillotti, dean of the business college at the University of Florida in Gainesville and a former member of the Price Commission.

Such views show there is no single, sharply focused verdict to guide policymakers if government once again finds it must turn to an incomes policy. Nor is there any consensus on what goals the 1971–74 control program was supposed to serve. Controlling inflation, of course. But Marina Whitman, a member of the Price Commission during Phase II and later a member of the Council of Economic Advisers, believes that failing in that goal does not necessarily imply total failure. She says: "Though there is no clear evidence that the inflation is lower today than it would have been without controls, they may have enabled us to hold down unemployment, and that's a plus for the program." A CLC official puts is more pointedly: "The program was a cover for highly expansionary fiscal and monetary policies."

* * * * *

Controls Only Work Short-Term, Cost-Push

C. Jackson Grayson, Jr., dean of the business school at Southern Methodist University, headed the Price Commission from October, 1971, until it was disbanded in 1973 at the beginning of Phase III. He and Louis Neeb, the commission's executive director, have just finished a book about their Washington experience. In an interview with BUSINESS WEEK, Grayson takes a last look at the controls program and what can be learned from it.

Q. Is it appropriate to abandon controls when inflation is accelerating as it is now doing?

GRAYSON. Yes. Controls can only work a short while, and they work best in a cost-push inflation. They cannot handle a demand inflation or a supply inflation, which is what we have now.

Why were controls undertaken in the first place?

Because the President decided that the economy was about to recover. He wanted to assist that without having inflation. He was going to stimulate the economy. If people had felt that we were about to take off on another inflationary binge, then they would have acted to protect themselves. Wages would have gone up; prices would have been raised. Under these conditions, controls probably work better than at any other time. But you could see demand inflation coming near the end of Phase II.

What is your general assessment of our experiment with controls?

I hope that the nation has learned a lesson: that controls are not the only answer. They work under very limited conditions for a very limited time. We kept them on too long.

How would you rate cooperation with the controls program?

Very good throughout most of the program. The period in which I began to see it eroding was in Phase IV, when people progressively began to get disenchanted with the ability of controls to work. During Phases I and II, I think controls were more successful in holding down price hikes. Real earnings rose, and that means wages rose faster than prices.

It is claimed that controls failed because the controllers never believed in them. What's your response?

I disagree with Professor Galbraith and others that the best people to run controls are those who believe in them as a way of life for the economy. I think if you do that you are very likely to perpetuate the controls. I think it is better to put people in who want to get themselves out of the job.

Do you have advice of officials who may design a future controls program?

I would warn that any control program tends to move toward controlling returns on investment. We had that in World War II and to some extent in the Korean War. And that's a very dangerous direction, because it ends up beginning to make allocation decisions in society as to which industries get what return.

What do you see ahead for inflation?

I am very concerned that the inflation rate for years ahead is not going back to the levels of the early 1960s. There are too many inflationary biases in the economy, even with the dropping of controls. While there are going to be some leading wage settlements in the double digits, I don't see double-digit wage settlements across the entire economy. There are a lot of people trying to exercise restraint because they know that inflation is self-defeating. The problem is that wages are not now going to be coupled to productivity; they will be coupled to prices.

Will we see a return to controls?

I really fear that this is going to happen, that the nation will be weary of inflation, trying to keep up, each person ineffectively protecting himself. We'll begin to think, well maybe this time we could do it differently—better. If they go in at the right time, they will have a little impact. But they will probably stay in too long again and we will probably end up worse off than when we started.

Do we need some kind of standby controls authority?

Absolutely no. The only way that you get price decreases is if business doesn't worry that it is going to get slammed when it lowers prices. If businessmen think that authority is there waiting, like a sniper's rifle sitting over the economy, they might not lower their prices sufficiently.

Could you sum up your experience with controls?

Yes. Here is a poem written by A. A. Milne, called *The Engineer:*

Let it rain! Who cares?
I've a train upstairs,
With a brake which I make
From a string sort of thing,
Which works in jerks,
'Cos it drops in the spring,
Which stops with the string,
And the wheels all stick
So quick that it feels
Like a thing that you make
With a brake, not a string . . .
so that's what I make
When the day's all wet.
It's a good sort of brake
But it hasn't worked yet.

OUR PRESENT ENERGY SHORTAGE

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. HEINZ. Mr. Speaker, I recently came across an interesting and useful article in the November/December, 1973, issue of the Sierra Club Bulletin which I would like to share with all my House colleagues. "The Crisis We Won't Face Squarely," by Robert Entwistle, provides a clear analysis of the roots of our present energy shortage—our unchecked demand for energy.

Despite evidence to the contrary that should have served a strong and forceful warning, the United States, over the past decade, has acted as if it had an ever-increasing supply of energy. Our annual increase in energy consumption over the last 10 years has been 5.4 percent. Our rate of demand for electricity alone increases even faster, at the rate of 7 percent annually. A Department of Interior study projects that while per capita use of electricity was about 2,000 kilowatt-hours in 1950 and 7,800 kilowatt-hours in the year 1971, at current rates of increase the per capita consumption will reach 32,000 kilowatt-hours by the year 2000.

Mr. Entwistle argues convincingly that we cannot afford to base our society's future on a belief in infinite energy resources. Last winter's energy crunch and the continuing fuel shortages indicate how finite those resources actually are.

We must squarely face the "real" energy crisis—the crisis of demand.

Then we must take strong, immediate steps to change our Nation's patterns of energy consumption. This is our only recourse.

Mr. Entwistle's article follows:

THE CRISIS WE WON'T FACE SQUARELY

(By Robert Entwistle)

NOTE: Graphs are not reproduced in RECORD.

A country that runs on oil had better run fast.

Alfred Toynbee has suggested that civilizations rise because of some fortunate set of characteristics and usually fall from an excess of those same characteristics. These days, the average American uses more energy in a week than a man living 150 years ago used in a lifetime. Our production and distribution of cheap energy is far beyond anything known before in history. Cheap energy in huge quantities is at the root of our affluence—and may be at the heart of our imminent demise.

Since 1945 our domestic consumption of oil has been rising at the rate of 5.4 percent a year, and this pattern of exponential increase shows every sign of continuing. Yet in 1971 our domestic extraction of oil, which had been following the upward trend of demand and use, suddenly stopped increasing.

The oil supply crisis is bracketed between our geometrically increasing consumption and the plain fact that we are in the first stages of running out of domestic oil supplies. We mistake the real problem when we talk about a shortage of oil, for what we are actually facing is a consumption rate far in excess of a rational oil budget.

There is little that we can do to increase our oil supply. Exponentially increasing oil importation is almost certainly fiscally unsound and politically undesirable, while new sources of refinable fuels will be economic (and environmentally acceptable) only some years in the future. But the most frightening aspect of this problem is the continued silence of the federal administration in the face of national confusion about the cause of the oil shortage. It is as if the administration did not trust the American people to know the truth.

There is strong evidence that much of our oil consumption is more a habit of consumption than something essential to our affluence or standard of living. We will argue (with the support of the President's Office of Emergency Preparedness) that an all-out "crash" program of oil conservation is our best hope, perhaps our only hope.

THE OIL CRISIS DEFINED

The United States has six percent of the world's population, nine percent of the world's oil reserves—and uses 49 percent of the world's energy. That said, it should not be surprising to see the tremendous gap between our consumption and extraction rates that is illustrated by chart A. In 1971, our rate of domestic extraction no longer matched our rate of consumption. The extraction rate, in fact, leveled off, and it is expected to stay at 1971 levels for the next 15 years or so before starting to drop sometime after 1990. Consumption, on the other hand, continues to rise at the rate of about 5.4 percent a year. This is caused partially by the rise in our population, but a far more significant cause is our steady increase in the per capita consumption of energy; year after year, Americans are using more and more of the stuff that feeds our technology. The difference between domestic extraction and consumption, then, is our "oil deficit." It is, simply, the difference between what we have and what we use.

That deficit is increasing at the rate of about 300 million barrels a year. The deficit for 1973 will probably reach 1.7 billion barrels. By 1981, the oil deficit will approximately equal every barrel of oil we can suck out of our own ground and tidelands. The paucity of our own resources is appalling. While oil companies recently have shown some urgency in getting at the oil off the west coast of Florida, for example, the sad fact is that if we could obtain this oil all at one time it would be consumed in a little over four months. Similarly, the much-heralded Arctic oil reserves, the subject of so much antagonism lately between the oil industry and environmentalists, probably represents less than four years of a fuel supply. Such sources are far from solutions. There is no solution so long as the problem continues to be viewed in terms of meeting our growing levels of consumption. A survey of choices shows us blocked at every turn.

THE FALLACY OF IMPORTATION REVEALED

We may be able to alleviate the deficit for the next several years by increasing our importation of foreign oil. To think this is a solution, however, is a snare and a delusion, for importation is economically dangerous and ultimately self-defeating.

We spent the past 25 years teaching the world about economic diplomacy, and now there is some evidence that the Middle East states have learned. Not only have several of these states cut us off from their oil supplies altogether (although hopefully temporarily), several others have raised their prices to five dollars a barrel and the others are likely to follow. The effect of the probable rise in oil prices over the next several years is illustrated in Chart B. The cost of importing our oil needs could be as high as 15 billion dollars a year within five years.

This is ruinously expensive, obviously, but it has another effect which is more insidious—and damaging. We have had a negative balance of trade for some years now, and increasing prices for imported oils are not likely to help the situation. Our current high interest rates have helped maintain the value of the dollar, such as it is, on the international market by attracting foreign holders of dollars to investment in the United States—but some of these investments are possibly sinister in their implications, such as Japanese investors getting involved in the strip mining of American coal and the clear-cutting of American forests. We may ultimately find ourselves in the peculiar position of letting our non-oil resources get ripped off by the Far East so that we can afford to buy the oil resources of the Middle East.

If we insist on maintaining our present rising oil consumption rate, we will have to make some difficult compromise that might not be worth the cost. Attempting to solve the problem by exponential importation may require that we sell our economic soul—and even that solution would be temporary, since like our oil, our soil is probably finite.

OTHER SOURCES CONSIDERED

Two sources appear marginally feasible now. They are shale oil and the high-temperature reduction of coal (pyrolysis). There is some research now going on in shale oil, but with our conventional technology costs are still extremely high even considering the rising price of conventional oil. While leases are now being granted, the Bureau of Mines estimates that substantial fuel from shale oil is 10 to 15 years away, and the environmental effect would probably be profound. Under conventional methods, the extraction of shale oil would mean massive strip mining projects in Colorado and Utah. Ten times as much material has to be mined and processed to obtain the same amount of energy out of oil shale as compared with coal. And an enormous burden on water supplies would be placed on an area already short of water.

Coal pyrolysis is more promising. The Russians have reported moderate success, and our Bureau of Mines has been running a pilot plant for some years. Again, the process has a long way to go before it becomes competitive with present oil costs, with estimates varying between 8 and 15 years before substantial quantities of fuel can be produced.

Given the technological, environmental, and economic problems involved with shale oil extraction and coal pyrolysis—not to mention the time it will take for either to become practical—we cannot reasonably consider them to be present solutions. They are just two more definitions of the problem.

THE HEART OF OUR DILEMMA ILLUMINATED

There is no way that this writer can detect to increase our oil supply to actually meet our ever-growing demand. As noted, there are a number of things we can do to maintain our present supply level for the next 15 or 20 years, perhaps even increase it slightly. But the real problem simply will not go away. That problem is the consumption rate, compounded by our increasing population and an increasing per-capita use of energy. It is clearly telling us, as it has been telling us for years, that we have been extracting oil at rates which were not in our long-range best interests. We apparently have chosen to ignore that lesson in the past; we cannot afford to ignore it any longer.

The information that we would begin to run out of oil in the early 1970's has been known for at least 25 years. But consider only the past 10 years, how we have reacted:

We permitted automobile efficiency to decline almost 9 percent.

We permitted our mass transportation systems to almost disappear.

We doubled our use of oil to produce electricity.

We spent almost $50 billion on an interstate highway system.

Suppose we had taken just one of those highway billions and put it into the research for a truly economical 100 mpg personal transportation system; not only would this have saved us billions of barrels of oil, and improved our international economic situation by perhaps billions more, it could have cut our automobile emissions by more than half. Suppose we had put a couple more of those billions into modernizing the 19th-century technology of the railroads. Suppose we had put one of those billions into research that would have shown us how to use high-sulphur coal without pollution in generating plants, instead of oil.

The fact is that the choices we made with respect to energy were more often the wrong choices. We were approaching oil bankruptcy and we ignored the fact. We tended not toward an oil conservation policy, but toward increased use of energy-inefficient systems. This is well illustrated in the transportation sector.

We use 61.8 percent of our oil consumption, or 9.8 million barrels per day, for transportation. Have we made the most efficient use of our transportation technology in terms of conserving oil? In ***Energy Trends and Their Future Effect on Transportation***, W. E. Mooz used the term "energy intensiveness" to describe the relative energy efficiency of the various transportation systems. (The data in the passenger sector are shown in figure 1.) Driving an automobile requires more than three times the energy of a bus, and 17.4 times more energy than riding a bicycle. In the typically congested urban situation a bicycle is about as fast as a car. The use of the airplane is growing faster than any other mode and illustrates that we are actually trending toward the *lowest* energy-efficient system.

FIGURE 1

Mode	Energy intensiveness, Btu-passenger mile	Percent of use
Airplane	7, 150	9. 3
Automobile	5, 400	88. 8
Train	2, 620	.7
Bus	1, 700	1. 2
Backpacking (2 mi/h)	906	Neg.
Walking (3 mi/h)	524	Neg.
Bicycle (8 mi/h)	310	Neg.

The automobile accounts for 4.6 million barrels of oil a day, or more than 29 percent of our total consumption. Since 1940 the energy efficiency of the automobile has declined from 15.3 mpg to 13.4 mpg because of increases in the weight of cars and the size of the motors. In 1973 that 30-year trend toward bigger and faster cars will require that we use 201 million more barrels of oil. That's a lot of oil for a sex symbol.

Anti-pollution devices will impose a further 15 percent decrease in automobile energy efficiency and increase oil consumption by 4 percent. But suppose we could double the energy-efficiency of cars? That would cut oil consumption by almost 15 percent and would reduce emissions very greatly. After years and billions of dollars worth of advertising, about the only way we have to change the big car habit is to recognize what big cars are *really* costing us and to add part of that cost to their price.

An annual tax, which would be zero for 30 mpg cars and gradually rise to $1,000 for cars getting less than 10 mpg, could be an effective approach. If we imposed 10 percent of the tax next year and increased it 10 percent every year for ten years, we could effect a significant change in both oil consumption and air pollution. Bills now before Congress recognize the need for progressive taxes, but none of them imposes penalties adequate to force the swift development of more economical automobiles.

As Rogers Morton observed, present emission control regulations will be canceled out in ten years by the increase in automobiles. A 50 percent reduction in emissions could have a dramatic and long-range effect. It would save us billions in our foreign trade deficit, and save lives through decreased lung cancer rates.

The transportation of freight uses 3.3 million barrels of oil per day, or 21 percent of our total consumption. As shown in the table below, the patterns away from energy-efficient systems are almost identical to the passenger sector.

Mode:	*Energy intensiveness B.t.u./ton mile*
Airplane	63, 000
Truck	2, 400
Rail	750
Ship	500

Of the oil used for freight transportation, 60 percent is used by trucks, but they only carry 19 percent of our freight. The $40 billion spent on the interstate highway program stands in stark contrast to the $900 million doled out to the near bankrupt railroads in the same period. Clearly, the Highway Trust Fund amounts to a significant subsidy of the relatively inefficient trucking industry.

The long-range fact of the matter is that automotive and trucking fuel is almost a minor part of the problem. Indirectly, the automotive industry alone employs one in every seven people. The energy used to produce and support the automobile and truck is almost as large a part of our budget as the fuel. In 1968 the breakdown of automotive materials consumption appeared as it is shown below:

[In percentage]

Item:	*Gross market consumption*
Steel	21. 0
Aluminum	10. 4
Lead	54. 7
Nickel	14. 3
Natural rubber	68. 8
Zinc	36. 5

Our oil problem is the first dramatic example of what Dennis Meadows was talking about in *The Limits of Growth* when he predicted a catastrophic decline in population as a result of exponential growth and the consequence depletion of raw materials. Automobiles and petroleum are the single most dominant influence on both the American and the international economy and upon our usage of raw materials, and the great majority of our seemingly unregulated conservation problems can be directly traced to their influence.

A SOLUTION PROFFERED

Can we reduce oil consumption and general consumption without reducing our standard of living? Clearly "yes" if we measure affluence as a matter of "quality" rather than "quantity." I would guess that almost a hundred billion has been spent on production/consumption advertising in the past 25 years. General Motors alone spends a quarter billion a year. Most of this incredible fortune has been spent to convince us that "newer," "bigger," and "more powerful" would improve our masculinity, sexuality, and social standing.

Consume we did. But I doubt that the advertising has done much more than reduce our complaints about the absence of alternate values. The key question reduces to, "Can we make our powerful industrial complex serve the long-range needs of the people?"

Part of the answer to date lies in the strange energy-related inaction of the Administration. This is compounded by the presence of a detailed study by the President's Office of Emergency Preparedness outlining energy conservation measures which they estimate would reduce consumption 30 percent over what would be projected at present levels of increase. Chart A shows the effect of oil conservation measures suggested by the OEP beginning in 1971. However, that date is long past. Also shown in Chart A is the effect of the same mild conservation measures (home insulation, car pooling, etc.) starting in 1975. The same intensity of effort toward conservation has a lower effect because consumption has continued to increase. The procrastination means that through 1990 the consumption deficit will be 16 billion barrels worse or the conservation effort must be more intensive.

Why does the Administration procrastinate? Why does the President tell us "drive slower and have faith in free enterprise?" The impression is that it is explained either by an unwillingness to face reality or an overawareness of that $61 million in largely industrial campaign contributions, or a little of both. In any event, the interests of the American people are being poorly served.

The warnings about our energy consumption levels are now coming home to roost. We are well along in the first stages of running out of oil, and there is very little we can do if we maintain the present increasing level of consumption.

The short-range question asks if we can make the transition from our assumption of an unlimited supply of oil to the realistic position of living within a declining oil budget. Can we make that transition in an orderly fashion, seeing it as an opportunity, or will we resist reality and produce economic chaos? We taught ourselves and the world the affluence produced by a production/consumption society. Now can we lead the world toward the acceptance of quality rather than quantity, toward population control and an economy that serves the people while living within a rational natural resource budget? And the answer is: If we want to.

TWENTY-FOURTH CENTURY CLUB

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. ROUSSELOT. Mr. Speaker, I am sure that you and our colleagues in the House of Representatives will agree with me that periodic newsletters and questionnaires are an essential means of keeping our constituents abreast of our legislative activities and also serve to keep us informed of their views and concerns. As you know, there is an expense involved in this kind of communication for which there is no congressional allowance. Therefore, in order to provide for the cost of constituent-information mailings, my supporters have formed the "Twenty-Fourth Century Club" to establish an operating fund. The club operates as a trust, and the treasurer and assistant treasurer are the trustees of the account. None of these funds are disbursed to me directly and no disbursements are made to cover any personal expense to me. All funds are applied to public information activities to benefit all the voters in the 24th Congressional District. The club does not have a political campaign purpose, and the funds which are solicited and received by the members of the club are kept in an account separate from any campaign activity. I want this information to be made public and I am placing it in the CONGRESSIONAL RECORD for that purpose at this time. The following is a letter sent by the chairman of the Twenty-Fourth Century Club to the entire membership with a complete statement of receipts and expenditures.

The letter follows:

TWENTY-FOURTH
CENTURY CLUB,
Arcadia, Calif., April 15, 1974.

To the MEMBERS,
Twenty-Fourth Century Club:

This organization was founded for the purpose of funding Congressman Rousselot's Voter Information Program, of which his Washington Report is the principal increment. The Twenty-Fourth Century Club operates as a trust for the benefit of all the voters in the Twenty-Fourth Congressional District of California. Mr. Joseph M. Crosby, Treasurer, and Mr. Clark J. E. Hunt, Assistant Treasurer, are the principal trustees of Club funds. Mr. Crosby is president of California Liquid Fertilizer Company, and Mr. Hunt is a California certified public accountant (retired).

Enclosed you will find a financial report up to December 31, 1973, showing both receipts and disbursements as well as the funds on hand at the ending date. As can be seen from the enclosed report membership dues are the backbone of this program.

We are grateful to all those members who participated in the initial year of the Twenty-Fourth Century Club by paying their dues for 1973. If you have not renewed your membership for 1974, will you please send in your $100.00 dues now?

Very truly yours,
DONALD E. BUTLER, *Chairman.*

Twenty-Fourth Century Club, statement of receipts and disbursements, year ended December 31, 1973

RECEIPTS	
Membership (86 (a) $100 each)	$8, 600. 00
Miscellaneous small contributions	3, 183. 50
Transfer from Washington Report account	3, 444. 43
Interest received	173. 79
Total receipts	15, 401. 72
DISBURSEMENTS	
Preparation and printing of Washington Report	3, 070. 92
Preparation and printing of membership appeal	1, 806. 16

Miscellaneous printing	$149.49
News media subscriptions	225.00
Press clipping service	161.60
Professional services of research assistants, etc	1,371.63
Miscellaneous supplies and expense	363.24
Total disbursements	7,148.04

CASH ON HAND, DECEMBER 31, 1973

Wells Fargo Bank—account 0616-010492	4,827.76
Lincoln Savings & Loan Association-account 10-142455	3,425.92
Total	8,253.68

We certify that the above information is complete and correct for the entire period of the existence of the Twenty-Fourth Century Club from its beginning up to December 31, 1973.

JOSEPH M. CROSBY,
Treasurer.
CLARK J. E. HUNT,
Assistant Treasurer.

ABOUT FUTURE COST OVERRUNS BY PENTAGON

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. ASPIN. Mr. Speaker, the Pentagon is attempting to cover up millions of dollars in future cost overruns by juggling the financial data used to prepare quarterly reports to Congress on the status of new weapons.

I have publicly released an internal Pentagon memorandum which outlines the efforts to blame more and more cost increases on inflation. The memorandum orders changes in the preparation of the selected acquisition reports—SAR's—which are approximately 10- to 15-page reports provided each quarter to the 4 congressional committees which oversee Pentagon spending. The SAR report is the principal document used on Capitol Hill to check the progress or troubles of new Pentagon weapons.

The change involves increasing the amount of each cost increase that would be considered inflation. At present, a system of "then year" dollars is used to account for cost increases. Under this system, the cost of changes such as correcting technical problems or schedule delays are expressed in the dollars of the year the particular change occurs.

Under the new proposed system outlined in the Pentagon memorandum the cost of all changes will be expressed in the so-called base year constant dollars plus inflation from the base year to the year the change occurs. The "base year constant" dollar will be the value of $1 in the year when the first estimate of the cost of the new weapon was made.

Generally speaking, changes occur several years, or as many as 10 years after the first estimate of base year constant dollars are calculated. But all changes will be expressed under the new proposal in "constant base year" dollars plus inflation no matter when the change and resulting cost increase takes place.

Thus, if a change resulting from mismanagement, a schedule change or correcting a technical foulup occurs today, the cost of the change will be calculated in constant base year dollars of the first year an estimate was made, plus an inflation charge.

The net impact is to make inflation appear to be the largest single cause of the cost increases.

One difficulty with the new system is that it will make it more likely that the program manager will make costly program changes since a great deal of any change will be considered inflation.

There are already too many pressures on project managers to make program changes now and with this new system, program managers are even more likely to make expensive changes.

Technological problems such as new innovations as well as problems with contractors currently create pressure on project managers to make changes. Change orders coming at the right time can save a contractor who is in trouble because the cost of the contract is increased due to the changes. The whole system is known as "contract nourishment."

Mr. Speaker, this new system is very unrealistic and designed consciously to mislabel cost overruns as inflation even though many cost increases are directly the result of the Pentagon's foulups. All cost charges should be calculated on the basis of the best estimate or then-year dollars. The decision to make a change which costs money can only be calculated on the basis of what the change really costs today—not what it could have cost some years ago. This way cost overruns can be properly separated from inflation.

Take the hypothetical case of a new missile on which an estimate was first made in 1968. The missile misfires in tests in 1974 and needs extensive redesign, then the change is calculated in 1968 dollars plus inflation. But, this change occurred in 1974. Using 1968 dollars is a phony, irrelevant measure in which large inflation or escalation allowances disguise the true cause of the cost overruns. I am afraid, Mr. Speaker, that this change was a deceptive accounting trick that will make cost overruns appear to be a thing of the past, even though they are continuing unabated.

Certainly inflation is a real factor affecting costs, but it cannot become a catchall for all miscalculations and mismanagement.

These proposed changes have been under consideration since last November when a committee chaired by an official of the Department of Defense's Comptroller's Office and representatives of the military department was formed. The memo which I have released is the result of the committee's work. One thing is clear: some military officers would clearly prefer to scrap the SAR report.

One military officer told a member of my staff that the SAR was "redundant" and duplicated other information provided to Congress.

The stage was set for change after Secretary of Defense Schlesinger publicly expressed dissatisfaction with the current format of the SAR report in congressional testimony. Schlesinger told the House Armed Services Committee on February 7, 1974, that—

> The present composition of the SARs, the selected acquisition reports, presupposes a degree of clairvoyance for the Department of Defense we cannot pretend. We do not know what the strategic situation will be 8, 10, or 12 years from now. We cannot tell you for sure whether the number of F-15's, to be procured should be 750, 600 or 1,500. That depends on the evolution of the strategic conditions and development of alternatives.

Mr. Speaker, I do wish to endorse one decision contained in the Pentagon's memorandum which requires outlining various future inflation factors based on inflation rates of 2, 4, 6, and 8 percent. Given the instability of our economy the calculation of the ranges of possible future inflation in a sound proposal.

The SAR report was originally initiated in 1967 by former Pentagon Comptroller Robert Anthony. The earlier SARs covered only eight major new weapons systems. In February 1969, Senator JOHN STENNIS asked the Pentagon to compile a similar report on all new major weapons systems.

Today the Pentagon, on a quarterly basis, sends to Congress approximately 45 reports on individual systems which outline costs, schedules, and technical characteristics of each system. Problems of new weapons usually come to the attention of Congress through the SAR report.

At present, according to Pentagon regulations any new weapons which cost $50 million for research or $200 million for procurement should be included on the SAR reporting system.

The memo follows:

SELECTED ACQUISITION REPORTS (SAR)

INSTRUCTIONS FOR PREPARATION OF PROGRAM ACQUISITION COST AND COST VARIANCE ANALYSIS SECTIONS

A. *Program Acquisition Cost Section.* This section will be prepared in accordance with the format shown in Enclosure 1 but will continue to reflect the data element breakdown currently reported.

1. *Development Estimate* (Column 1). Enter as the baseline estimate the Planning Estimate (PE) or Development Estimate (DE) whichever is applicable for the particular system. Also, head the column appropriately. Enter the program cost for Development, Procurement (in terms of total and the data element breakdown currently reported), and Construction in constant base-year dollars with the year of PE/DE approval as the base year. Enter the amount included in the PE/DE for escalation as Economic Change. Complete and label total lines as shown in Enclosure 1.

2. *Changes* (Column 2). For appropriation totals and the escalation amounts only, enter the cost variance between the PE/DE and the CE. Escalation changes will be distributed between Economic Change as defined in Enclosure 3 and escalation related to all other variance categories.

3. *Current Estimate* (Column 3). As at present, reflect the best current estimate of the Program Acquisition Cost, with the composition of that estimate completed in the same manner as described in paragraph 1 above for the PE/DE, except that program change related escalation will be shown separately.

4. *Unit Costs.* As at present, divide the procurement quantity into the procurement

cost and the total quantity into the Program Acquisiion Cost for the Procurement Unit Cost and Program Unit Cost, respectively, and enter these unit costs in the applicable PE/DE and CE columns. Use the breakdown between Development and Procurement Escalation shown in the Cost Variance Analysis for both the PE/DE and the CE to compute the unit costs less escalation and those with escalation included.

5. *Funding.* By appropriation, enter that portion of the TOA (including escalation) for the current and prior fiscal years, programmed for the budget year, and required to complete the program.

6. *Estimates.* Identify the annual rate assumed in the PE/DE for escalation for the entire program period. Identify also the annual rate and total amount assumed in the CE for future escalation applicable to the "To Complete" segment. Then, in the table which follows, enter the changes to the CE which would result from alternative rates for future escalation. Thus, if one of these rates was selected in lieu of the rate assumed in the CE, the latter would be adjusted by the amount shown for that rate.

B. *Cost Variance Analysis.* This section will be prepared in accordance with the format shown in Enclosure 2. As at present, it will continue to quantify and explain the cost variances between the PE/DE and the CE. However, the cost variances will now be classified and reported according to the categories listed and defined in Enclosure 3, and as indicated therein, escalation associated with each variance category will be reported in that category but separately identified in the Escalation column. Thus, all other cost data as reflected in the Development, Procurement, and Construction columns will be expressed in constant base-year dollars. The remarks should explain concisely but completely the cause and circumstances of each change.

1. *Development Estimate.* Enter in the appropriate columns the applicable costs reflected in Column 1 of the Program Acquisition Cost section.

2. *Previous Changes.* For each variance category, enter in the appropriate columns the cost variances between the PE/DE and the CE which represent changes through the previous submission. Economic changes will be entered in the Escalation and Total columns only and will reflect escalation attributable solely to Economic Change as defined in Enclosure 3. For all other types of changes listed, the escalation associated with each variance category will be identified and reported in the Escalation column. It is recognized that due to the lack of adequate source records, it may be difficult in the case of some older programs to make an accurate distribution, by category, of the escalation associated with Previous Changes. In these instances, all of the escalation variance may be entered as Economic Change, subject to OASD(C) approval for the particular program.

3. *Current Changes.* For each variance category, enter in the appropriate columns the cost variances between the PE/DE and the CE which represent changes reported in the current quarter. Economic changes will be entered in the Escalation and Total columns only and will reflect escalation attributable solely to Economic Change as defined in Enclosure 3. All Escalation changes including those associated with variance categories other than Economic which are the result of a revision in the current quarter of the assumed escalation rate previously used in the "To Complete" segment of the CE will be reported as Economic Change.

4. *Total Changes.* Enter the total of the previous and current changes.

5. *Current Estimate.* Enter the applicable costs reflected in Column 3 of the Program Acquisition Cost section. The Development Estimate line (1 above) plus or minus the Total Changes line (4 above) must equal the Current Estimate line.

E-XX

[Dollars in millions]

Program acquisition cost	(1) Development estimate (fiscal year 1970–fiscal year 1979)	(2) Changes	(3) Current estimate (fiscal year 1970–fiscal year 1982)
Development	$282	$27	$309
Procurement	1,490	342	1,832
Airframe			
Engines			
Avionics			
Etc			
Construction			
Total, less escalation	1,772	369	2,141
Escalation:			
Economic change	591	238	829
Program change related		132	132
Total escalation	591	370	961
Total cost	2,363	739	3,102
Quantities:			
Development	14		14
Procurement	729	+150	879
Total	743	150	893
Unit costs:			
Procurement:			
Less escalation	2.04	.04	2.08
With escalation	2.78	.32	3.10
Program:			
Less escalation	2.38	.02	2.40
With escalation	3.18	.29	3.47

Funding	Current and prior years	Budget year	To complete	Total
Development	$222	$100	$53	$375
Procurement	75	173	2,479	2,727
Construction				
Total	297	273	2,532	3,102
Quantity:				
Development	14			14
Procurement		50	829	879
Total	14	50	829	893

Estimates: Col. (1) reflects the estimate of program costs at the time of development estimate approval (fiscal year 1970), at which time subsequent escalation was assumed at a rate of 2 percent annually through fiscal year 1979. The current estimate, col. (3), reflects the effect of program and economic developments since fiscal year 1970, and a revised escalation assumption for the to complete segment of the program. This revised assumption is 3.5 percent annually, which equates to $851M. The table below indicates the change to the current estimate which would result from other rates.

Escalation rate	Dollar (millions)
2 percent	−370.0
4 percent	+80.0
6 percent	+461.1
8 percent	+941.2

COST VARIANCE ANALYSIS—BASE YEAR: 1970

[Dollars in millions]

	Base-year dollars						
	Dev.	Proc.	Const.	Subtotal	Escalation	Total	Remarks
Development estimate	$282	$1,490		$1,772	[1] $591	$2,363	
Previous changes:							
Economic					+21	+21	
Quantity		+12		+12	+4	+16	
Engineering	−15			−15		−15	
Schedule		+66		+66	+21	+87	
Etc							
Subtotal	−15	+78		+63	+46	+109	

	Base-year dollars						
	Dev.	Proc.	Const.	Subtotal	Escalation	Total	Remarks
Current changes:							
Economic					+$217	+$217	
Quantity		+$249		+$249	+97	+346	
Engineering	+$42			+42	+5	+47	
Schedule		+15		+15	+5	+20	
Etc							
Subtotal	+42	+264		+306	+324	+630	
Total changes	+27	+342		+369	+370	+739	
Current estimate	309	1,832		2,141	[2] 961	3,102	

[1] $54 dev., $537 proc.

[2] $66 dev., $895 proc.

VARIANCE ANALYSIS CATEGORIES

Program Acquisition Cost variances should be identified separately for development, procurement, and construction. The cost variances should also be classified according to the categories specified below. Escalation associated with each type of change will be identified as a part of the change but also separately identified as escalation. However, changes in escalation associated with variance categories other than Economic will be reported as Economic when such changes result from a revision in the assumed escalation rate previously used in the "To Complete" segment of the Current Estimate.

a. *Quantity Change.* A change in quantity, either of the entire system or a major component thereof, to be procured. The cost of such a quantity change will be computed in terms of the cost-quantity relationships and learning used in the Baseline estimate. Consequently, that portion of the current price attributable to change in other categories will be excluded.

b. *Engineering Change.* An alteration in the physical or functional characteristics of a system or item delivered, to be delivered, or under development, after establishment of such characteristics.

c. *Schedule Change.* A change in a procurement or delivery schedule completion date or intermediate milestone of development or production.

d. *Economic Change.* A change due solely to the operation of one or more factors of the economy. This includes changes from the Baseline estimate for escalation after considering escalation experienced to date and a revised assumption on future escalation. This does not include escalation associated with other types of changes except as indicated in the underlined portion of general guideline above.

e. *Unpredictable Change.* A change by Acts of God, work stoppage, Federal or State law changes or other similar unforeseeable events. Unforeseeable events include extraordinary contractual actions under the authority of P.L. 85–804, except that formalization of informal commitments should be reflected under the other categories, as appropriate, and not included under this category.

f. *Contract Performance Incentives.* A net change in contractual amount due to the contractor's actual performance being different than was predicted by performance (including delivery) incentive targets; as differentiated from cost incentive targets; established in a Fixed Price Incentive or Cost Plus Incentive Fee Contract. This category also includes any changes in amounts paid or to be paid a contractor due to (1) award fee contract or (2) the sharing provisions of a value engineering incentive clause included in any type of contract.

g. *Contract Cost Overrun (Underrun).* A net change in contractual amount over (under) that contemplated by a contract target price (FPI contract), estimated cost plus fee (any type cost reimbursement contract) or redeterminable price (FPR contract), due to the contractor's actual contract costs being over (under) target or anticipated contract costs, but not attributable to any other cause of cost growth previously defined. Offsetting profit or fee adjustments attributable to cost incentive provisions, if any, shall be considered in determining the net contract cost overrun (underrun).

h. *Estimating Change.* A change in program cost due to a correction of error in preparing the Baseline estimate. These include mathematical or other errors in estimating. Excluded from this category should be revisions of cost estimates that occur because of other change categories, i.e., engineering, schedule, etc. For example, a cost change which occurs because of the addition of a new warhead is an engineering change, and not an estimating change; a revised production schedule is a schedule change, not an estimating change.

FIRST CONVICT THEN TRY

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. DERWINSKI. Mr. Speaker, nationally syndicated columnist Nicholas von Hoffman certainly does not qualify as a superfan of the President.

Therefore, I was rather intrigued with his remarks in a column in the Wednesday, April 24, Chicago Tribune's "Perspective" section.

Since the House Judiciary Committee, in receiving further funds for its operation this afternoon, gave assurances of "impartiality" as the closeness of a possible vote on impeachment approaches, it behooves all Members to maintain their objectivity and political impartiality.

I commend Mr. von Hoffman's article to the Members for serious consideration.

FIRST THEY CONVICT NIXON, THEN THEY TRY HIM

(By Nicholas von Hoffman)

WASHINGTON.—A congressman was overheard, the other day, saying in tones of angry laughter, "We're going to impeach his ass. We're going to do it."

He's right. We're going to do it, altho nobody will quite know why. In the case of President Andrew Johnson, policy as well as pride and personality were involved. Nixon's policies, such as they are, would never get another man impeached. Nevertheless, one senses the decision has been made and that some time in the next year or so, if not sooner, Nixon will be impeached, convicted, and thrown out onto the sidewalks of Pennsylvania Avenue.

Your daily newspaper will carry a picture of the rear end of the moving van, and a caption will explain that some of the van's contents may become tax-deductible gifts.

None of this has to do with whether or not there are enough votes in the House of Representatives to do him in now. Before too long there will be. But the formal process of legal impeachment has to wait upon a kind of informal social impeachment, whereby the man is stripped of the reverence, protections, and deference with which we treat our Presidents.

He has to be tried, convicted, disgraced and expelled before he is formally accused.

That goes against our much-quoted dictum that a man is innocent until proven guilty, but such is our awe of the Presidential office that we can't lay rough, legal hands on its occupant, unless we are already certain of his guilt. The process is terribly unjust to Nixon, who can't possibly get a fair trial, but it will preserve the kind of monarchical Presidency that we dote on.

To accomplish this, Nixon must be turned into a pariah before the House Judiciary Committee recommends his impeachment. We have a thousand devices for that. Until a few months ago, any American President could have sent the IRS his American Express slips and doodles on April 15th and gotten a pass.

But now under the dispensation of impeachment, Nixon is going "to be treated like everybody else." A President is only treated like everybody else when he is on his way to being turned into a non-President.

You strip Nixon of the golden aura of potens et majestas by having galloping poll takers bounce around the country, asking if we think the President should be impeached. An even better example is a recent Harris Survey that ran in one paper under a headline reading: "Public Believes Dean over President."

The wording of the question itself would have laid Harris open to charges of blasphemy and lese majesty a year ago: "Who do you think has been more truthful about the Watergate cover-up—President Nixon or John Dean?"

Small, unflattering tidbits about Nixon and his family are now broadcast and repeated with the special satisfaction of the self-righteous. Other Presidents have had to take this kind of insulting deglamorization from their enemies, but Nixon is getting it from almost everybody.

Had the French come forward with a bunch of documents to prove that Louis XVI wasn't really the legitimate king of France, they would be doing what we're doing. We're showing ourselves that we aren't committing regicide, because this character Nixon isn't our real king.

In all of this, Nixon has been unfailingly cooperative. By playing with his Yo-Yo in public, by swearing he isn't a crook, by his hand-pumping vulgarities at Pompidou's funeral, by two-dozen gaucheries large and small, he makes it easier and easier for his friends to disavow him.

The way he has released the tapes and evasions he gets no points for cooperation, and the trickle of information is slow enough so that the whole nation has time to focus on each petty theft, each tax delinquency, each bit of rottenness that affronts our ideal of the Presidency.

Beyond all questions of guilt or innocence, he must be impeached because we, the Super Bowl people, have been promised the show. We're gearing up for it emotionally the way we did when the ballyhoo built up for the Billie Jean King-Bobby Riggs match.

The business is already so advanced that some people, like James Reston of the New York Times, are pressing for a TV blackout, but that can never be. We are a free people and we have been guaranteed the right to watch everything live in our living room.

WHAT IS BEYOND LAND USE CONTROL?

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. RARICK. Mr. Speaker, Newsday writer George Biderman recently pointed out an unfortunate truth in the Federal land use control question:

> Today we are moving toward a new era in the assertion of public interest which preempts an individual's right to use his land any way he wants to . . . and sometimes even tells him he can't use it at all.

This statement may come as a shock to American property owners who have always looked upon the fifth amendment prohibition against Government seizure of property without just compensation as protecting their private property rights. A number of groups, individuals and agencies are hard at work determining just how far the "taking issue" can go before it becomes seizure and therefore subject to the just compensation clause of the Constitution. In fact, the Council on Environmental Quality commissioned a study to look at the taking issue. The subtitle of that 329-page document is most revealing of the motives behind Federal land use controls.

> The Taking Issue, a study of the Constitutional Limits of Government Authority to Regulate the Use of Privately-owned Land *Without Paying Compensation to the Owners*. (Emphasis added.)

Essentially what the public interest scholars and lawyers are concerned about is how they can rip off the private citizen landowner of his property legally. We have gone from an era when the watchword of the robber barons was "the public be damned," to a period when the attitude expressed "in the public interest" is "the individual citizen be damned."

It should not even be needed to make mention of the simple fact that there is no such thing as group rights, only individual rights. By prohibiting the Government from infringing upon liberty and freedom of individual citizens, the Constitution has secured the rights of us all. Any attempt to take away the individual right—property, speech, worship—is actually an attack upon all Americans.

If there is such a groundswell of support for Federal laws to regulate the uses a private citizen can make of his property, then it should be done by amending the Constitution by changing the fifth amendment—not by passing additional State and Federal laws.

I insert the related newsclipping at this point:

[From the Washington Post, Apr. 27, 1974]

PRICES PAID FOR PUBLIC LANDS RAISE QUESTIONS

(By George Biderman)

NEW YORK.—Mention the Fifth Amendment and you will probably evoke memories of mobsters reciting into microphones: "I respectfully decline to answer the question on the grounds that it might tend to incriminate me."

But the Fifth has provisions other than the protection against self-incrimination, including its final phrase, "nor shall private property be taken for public use, without just compensation." A mere dozen words, but the ways in which they have been interpreted when we try to create new parks or to save wetlands, open space and wilderness often lead to greater ripoffs of the public purse than organized crimes—except that these are usually both legal and "respectable."

The key to the ripoff potential lies in the last two words: "just compensation." "Compensation" isn't a controversial word in this context. It means money. What the authors of the Bill of Rights said was that if the government wants to take a man's property or use it, it must pay him. This has become one of the most cherished rights in our free society, cherished in the very special ways that we cherish money and property.

The controversy comes in deciding how much money is "just" payment. Lawyers have become rich, judges gray and juries hung in the process of deciding how much the taxpayers will have to pay a private property owner for the use or ownership of his property. And a number of once-respected politicians, lawyers and businessmen have become convicts as a result of criminally upping the ante to the taxpayers.

Like most other laymen, I once thought that "just compensation" is easy to define in practice: The owner is entitled to get from the government what he could have got from a private buyer. "Fair market value," the lawyers call it. As a matter of fact, I thought that this was the only way to be "just."

But when I became interested in conservation some 30 years ago, I discovered that "fair market value" can be grossly unfair to the taxpayers and bring windfall profits to real estate speculators. Historically, this most often happened when taxpayers' money was used to create a public project which, in turn, zoomed surrounding land values.

Highways are a good example. Once a highway is built, land that formerly had been usable for farming or forestry suddenly becomes immensely valuable. Filling stations, hot dog stands and automobile dealers line the roadway; new housing subdivisions breed shopping centers. . . . The wheels turn and land prices climb. An advance tip on a proposed highway route can mean fortunes for speculators and "cooperative" office-holders (witness, among other cases the recent Maryland trials).

But what happens when you want to save part of this newly valuable land for a park or wildlife refuge, say? Do the taxpayers then have to pay the owners the inflated price created by the highway that public taxes built? That's what happens most of the time. Is it "just?"

The question becomes more complicated when the public health, safety and welfare are involved. Nothing in the constitution gives a private property owner the absolute right to use his property in a way which injures or endangers the public; that is the basis for anti-pollution laws.

The public interest also can override other ways in which a private property owner may want to use his property. Local building and zoning codes are written to protect or to enhance all sorts of public values like preserving open space, vegetation, the "character" of a community, a neighbor's view or the value of his property—all legal objectives. Through the years, none of these have been held (after bitter court battles) to be a "taking" of private property under the fifth amendment. Yet all in one way or another take away some of the owner's freedom of action.

Today we're moving into a new era in the assertion of public interest which preempts an individual's right to use his land any way he wants to . . . and sometimes even tells him he can't use it at all.

Congress probably will pass a national Land-Use Policy Act in this session or next despite President Nixon's withdrawal of support. Under the National Coastal Zone Management Act, millions of federal dollars are going to state and local government this year to begin to protect our vanishing shorelines.

Well intentioned state and local land-use laws—and there will be many more to come—call for "just compensation" to many property owners. So it is illuminating, and frightening, to look at some examples of how some present land management laws have worked:

A woman who owned 160 acres in the heart of Yosemite National Park in 1956 offered to sell the land to the government for $20,000. The law establishing the park allowed her to keep her land and cabin, but it also required maintaining the area in its natural state for the enjoyment of future generations. Someone in the National Park Service didn't want to spend the money, so her offer was turned down. In 1968, real estate operators began bulldozing for a vacation home subdivision. The government hastily condemned the property for $265,000 of our money. "Just compensation"?

The 65,000-acre Point Reyes National Seashore near San Francisco was established in 1962. Congress appropriated $14 million to buy about half the acreage, leaving the other half in private ownership so long as the owners continued its "pastoral use," mainly for grazing land and dairy farms. Enter the resort developers who started to buy up the "pastoral" land for motels, vacation homes and dude ranches. It cost the taxpayers an extra $43 million to buy up the threatened land at the new fairmarket value. Fair?

An Islip, N.Y., builder obtained a town permit for a bayfront boatel on Fire Island. The National Park Service notified him that the property would be subject to condemnation because the Fire Island National Seashore Act regulations prohibited both commercialization and multiple dwellings. He went ahead and built the boatel anyway, before the bureaucratic machinery could move. The government decided that condemning both the land and the boatel would be "too expensive." Is the builder entitled to "fair-market value" for an illegal building?

Shortly after a New York State Tidal-Wetlands Act was enacted, an individual bought slightly more than a third of an acre, mostly wetlands, on the Fire Island bayfront. A decade or so earlier, the previous owner had paid $2,600. The New York Department of Environmental Conservation granted the new owner a wetland building permit because condemnation would have been "too expensive." Does "just compensation" mean "no-risk gamble"—if the property were to be condemned, you get your money back and maybe, some profit; if not you get to build on some choice land?

These are only a few examples of how "fair market value" has become the Catch 22 of land-use and conservation laws. It forces the public either to pay exorbitant amounts or to permit the very development the law sought to stop to go on its merry (and profitable) way.

"Just compensation" can be interpreted so that both the public interest and the right of private property owners are protected. Some public-interest lawyers tell me that not only is this constitutional but that it has been done in a number of cases were public officials were willing to dig in their heels and refuse to pay "fair-market value." The formula is simple: The owner is entitled to get back the amount he has invested in the property plus a reasonable rate of return for the period of time that he had held it, based on prevailing interest rates. No costly lawsuits over appraisals, no inflation of appraised "real-market value" by the seller and deflation by the buyer. "Just compensation."

What about the person who bought at an inflated price after the law was passed? Then it's up to the public officials who are supposed to protect the taxpayers' interests to "hang tough." The prohibitions or restrictions on use of the property were on record when it changed hands. It makes no sense for the taxpayers to shell out a "fair market value," which assumes that the law doesn't exist.

Congress and state and local lawmakers should put this formula into the land-use laws rather than relying, as is commonly the case, on "fair-market value."

(The customary prohibition on paying no more than fair-market value originally was intended to keep venal officials from offering outrageous settlements in condemnation cases and splitting the take.) Until this happens, enlightened public officials and all of us beleaguered taxpayers should fight any definition of "fair-market value" that defies both common sense and the public interest.

That fight will be carried on over the kicks and screams of real estate lawyers and their clients. And don't forget that many lawmakers and judges once practiced real estate law themselves, so they're wedded to the "fair-market value" shibboleths.

TAX ANALYSTS AND ADVOCATES SAYS "EVIDENCE IS THIN" ON DISC'S

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. VANIK. Mr. Speaker, the April 29, 1974, issue of Tax Notes, a publication of the public interest tax study group, Tax Analysts and Advocates, contains an article by Gerard M. Brannon, entitled, "Treasury on DISC: Evidence Is Thin." In the article, Mr. Brannon discusses the report issued by Treasury on April 15, 1974, on the effectiveness of the Domestic International Sales Corporation tax provision.

Because of the importance of this tax loophole and its growing cost to the public, I would like to enter Mr. Brannon's article in the RECORD at this point. The author concludes that:

> The data just isn't around to say that DISCs produced an effect that would not have occurred without them.

Mr. Speaker, I have also provided an analysis of the Treasury DISC report in the April 23, 1974 CONGRESSIONAL RECORD, page 11499. I also entered into the CONGRESSIONAL RECORD of March 28 on page 8828 correspondence from the General Accounting Office regarding the lack of adequate information on the DISC tax loophole.

The repeal of DISC must be one of the priorities of this year's tax reform efforts.

The Tax Analysts and Advocates article follows:

TREASURY ON DISC: EVIDENCE IS THIN

(By Gerard M. Brannon)

The Treasury Department made a small step in the right direction with its April 15 report on the operations and effects of a major tax preference for exporters. But the data is sparse and the evidence for the effectiveness of DISC is thin.

It is rare, even unique, for Treasury to analyze and report publicly on the effectiveness of a specific tax incentive. The Revenue Act of 1971 included a controversial tax preference for exporters, which provided that corporations can defer indefinitely half their profits from exports sold through domestic international sales corporations (DICSs). The law also required that Treasury make annual reports on the operation and effect of the DISC incentive.

The report contains the eye-catching statistic that the use of DISCs cost the Treasury $250 million in calendar 1972, more than twice the $100 mllion forecast by DISC proponents in 1971.

However, the report is generally unsatisfying because there just wasn't much data to analyze. For one thing, the DISCs only went into operation in 1972 and the approximately 2,200 returns analyzed are generally for that first calendar year. In addition, many other events, including two devaluations, occurred which had an obvious effect on exports. The data just isn't around to say that DISCs produced an effect that would not have occurred without them.

The main information in the report is the material that describes how DISC works. The DISC sales covered about $16 billion of exports, nearly one-third of the total U.S. exports for 1929. About 40% of this was export of goods which had been run through DISC ownership and the rest were commission sales.

The first striking statistic is that the DISC profit on these sales was $1.2 billion. The real punch in the DISC tax rules is the provision that export "profits" can be arbitrarily assigned to DISC by formula even if the DISC is a mere paper organization.

BETTER FORMULA POSSIBLE

Under the law, a DISC can claim as profit 4% of sales or it can claim half the combined taxable income of itself and its related supplier attributable to exports. Nearly all DISCs opted for the second alternative. This means that total profit on DISC sales was about $2.4 billion (15% of the $16 billion in exports). Most of the revenue estimates assumed that the profit rate would be 8% on sales (not 15%), which is about the average profit rate for all U.S. manufacturing.

Thus, the revenue cost for 1972 was $250 million, compared with the official estimates of $100 million when DISC was approved by Congress.

It is not clear whether this suggests that the long run estimate (about $300 million) is also too low. Export profits may have been abnormally good in 1972 since this was so close to the devaluation that occurred after the Smithsonian Agreement. Export profit rates, on the other hand, may be higher than we thought. There is also another explanation which the Treasury report doesn't list: business may be able to juggle costs so that profits on the tax-favored sales look very good.

The basic question emphasized by this profitability figure is why the DISC provisions were written as they were. As long as we were devising arbitrary formulas to allocate some of the manufacturing profits to the DISC, a straight assumption of an average overall profit rate of 8%, with half being reported as DISC profit, would have been conceptually better. At root, DISC is an export subsidy and there is no reason to make the subsidy higher in cases where the profits on exports are higher. Where the export profits are high, there is less need for an incentive. Basing the tax rule on product by product profits not only yields the wrong conceptual result, but it means that the whole provision and its administration is far more complicated. It can also mean, as happened in 1972, that the export subsidy enacted is far more generous than the Congress thought it was enacting.

Another interesting statistic as to how DISC operated in 1972 is the revelation that about 90% of DISC sales were by subsidiaries of corporations with over $100 million of assets. These corporations account for less than half of corporate sales in 1969, and probably near half in 1972.

An interesting analysis is the brief material in Chapter 5 dealing with the export effect of DISC. Not much could be done here, In the first place, there was a devaluation of the dollar averaging 9% at the beginning of 1972. Devaluation means that an export sold for a price in pounds, or francs or whatever, that would have converted to $1.00 in 1971 would convert to $1.09 in 1972. This was a benefit to exporters three times as great as the DISC benefit, and it must have dominated the total export growth in 1972.

Treasury made a stab at making a defensible comparison between 1972, when the DISC program went into effect, and 1971 when it was not in operation. It asked for exports of the DISC, its parent and any related U.S. company. It asked for all exports, not just those made through DISCs.

EXPORT EFFECT

Treasury said that if one assumed that the proportions of each type of export (i.e., parent corporation, related corporation and DISC) in the total are constant, then the percentage change in these figures provides an estimate of the percentage change in exports passing through DISC's On the basis of this assumption, Treasury said, the data can be said to measure DISC exports for the reporting firms. A total of 166 returns gave figures for 1971 and 1972.

Using this data, Treasury takes some solace from the fact that exports for the 166 rose by 14.14% while the total U.S. exports rose by only 12.37%. Treasury said that the group of 166 is heavily weighed with transportation equipment exporters, mainly automobiles, an export category which did badly in 1972. Treasury said this would have tended to distort the export results for DISC-users downward.

This is too flimsy a data base to give much information. It is also striking that total exports in 1973 rose 40%, led by a staggering 88% increase in agricultural exports. These were clearly related to the additional devaluation in early 1972, the worldwide food shortage and the worldwide inflation. Little DISC is going to be hard to find in these large patterns.

MANY FACTORS

Even if there were not so many other things happening there would be a tough analytical problem. It is how to separate results due to DISC from things that happen to DISC firms. Treasury's analysis was quick to dismiss the poor performance of DISC firms in the transportation equipment line as something that happened to DISC firms and implies that the other cases of above average export increases is due to the DISC incentive. But this doesn't follow at all. A particular firm planning to expand exports would be glad to use DISC.

Another firm planning to drop exports in favor of an overseas subsidiary would not use DISC because its deferral under DISC would be soon cut off. The data would then show

DISC firms expanding exports faster than non-DISC firms.

Whether we can find out anything about causes from the DISC–non-DISC comparison that Treasury attempts is to my mind doubtful. It is worth the effort in data collection but my own judgment is that any results one gets from this will be very suspect if they cannot be reconciled with independent information on the sensitivity of exports to price changes.

Basically, the DISC revenue loss of $250 million on $16 billion of exports is identical to the after-tax profit that could be enjoyed by a 3% price increase, or it could be explained as financing a 3% price decrease. In the long run the latter explanation should prevail. If the DISC arrangement attracts new exporters this should increase the supply of U.S. goods in foreign markets and push down the price (or keep it lower than it would have been). When the price decrease effect offsets the tax advantage there would be no further reason to expand exports. (Prices must be important because people concerned about exports are forever yakking about our "pricing ourselves out of the world market.")

If DISC causes prices on U.S. exports to be lower than they would have been the revenue loss is even greater than the apparent one. (A tax benefit passed along in lower prices cuts the before tax profit and implies a greater revenue loss. This effect was conspicuous in the discussion of "pass through" of investment incentives for public utilities.)

Finding out how the DISC provision changes U.S. exports is going to be a tough job that will have to get into the basic questions of price effects of DISC and the effect of price changes on exports. The rinky-dink figures in the Treasury report don't even scratch the surface.

U.S. COMPANIES' 1974 INVESTMENT IN MIDDLE EAST OIL

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. ASPIN. Mr. Speaker, despite the recent Arab oil embargo 12 major U.S. companies plan to invest more for oil and gas projects in the Middle East in 1974 than they did in 1973 according to a study of oil company investment strategies which I am publicly releasing today.

Last year the group of 12 companies invested $516.7 million in the Middle East. In 1974, they plan to invest $536 million in the same region.

This survey which was conducted by my staff by telephone, and in some cases letters, the companies were asked to provide detailed information on capital budgets for 1974 and actual expenditures for 1973. Specifically, each of the companies was asked to provide data on foreign versus domestic investment for 1973 and 1974 as well as the amount of foreign investment which took place in the Middle East. All the information contained in the survey was provided directly to my staff by responsible officials of the companies concerned.

Mr. Speaker, this half billion dollar investment by 12 major companies in the Middle East is completely contradictory to the administration's goal of energy independence. I believe that it is foolish for the United States to invest capital in a region where security of supply is practically nonexistent. Worldwide, including the Middle East, the 12 companies plan to invest at least 43 percent or $6.4 billion overseas. Last year the same companies and in addition Mobil Oil spent 46 percent of the capital outlays or $5 billion outside the United States. Mobil refused to provide any information on their 1974 capital outlays.

Apparently the administration's Project Independence has had negligible impact on big oil's investment strategy—they still plan to spend practically the same percentage of their investment funds on foreign projects this year as in 1973. These companies maintain great flexibility in changing their capital budgets and could easily accommodate the goals of Project Independence.

In fact, several companies significantly altered their 1973 capital outlay plan because of higher profits and the high cost of successful lease bids.

Mr. Speaker, the big oil companies are ignoring the goals of Project Independence and the Nixon administration is doing absolutely nothing about the industry's attitude and investment plans.

When asked what the administration was doing to change the oil companies' investment strategy toward increased domestic capital outlays, Eric Zausner, the Assistant Administrator of FEO, candidly admitted in a discussion with a member of my staff that Project Independence is in the planning stage and no definite proposals on the way to achieve energy independence will be available until this fall and early winter after the completion of an administration study of energy self-sufficiency.

Mr. Speaker, there is a basic and fundamental contradiction between the achievement of energy self-sufficiency and the structure of multinational, U.S.-based oil companies. Multinational companies want to maximize profits worldwide and President Nixon wants to make us self-sufficient. Until the administration develops ways to keep investments at home Project Independence will be another one of Mr. Nixon's pipedreams.

The study reveals that three U.S.-based companies—Exxon, Gulf, and Standard of California—plan to invest more abroad than in the United States.

Mr. Speaker, as a first step toward achieving the goals of self-sufficiency, a foreign tax credit should be eliminated. The administration has suggested some changes in the tax laws but the overall result of these changes would be to leave untouched existing incentives for oil companies to invest abroad. The oil companies can reduce their tax liability on foreign source income by practically zero through the use of the foreign tax credit.

One encouraging development revealed by the study is the increase in domestic investment planned by the 12 companies. According to the study the domestic investment will increase from $5.8 billion last year to $8.7 billion this year. Overseas investment will rise from $5 billion in 1973 to $6.5 billion in 1974.

The details of the study follows:

U.S. OIL COMPANY CAPITAL EXPENDITURES

[Capital expenses in millions]

	Domestic	Foreign	Middle East	Percent domestic
1973				
Arco	507.0	85.5	3.3	85.6
Ashland	186.0	48.0	5	79.5
Cities Services	374.7	25.3	10.2	93.7
Exxon	944.0	1,986.0	19.2	32.2
Getty	[1]198.0	[1]7.2		96.5
Gulf	306.3	346.4	15.5	46.9
Mobil	764.0	569.0		57.4
Murphy	58.2	57.5	412.0	50.3
Phillips	178.7	173.0	10.1	50.8
Standard California	576.0	624.0	195	48.0
Sun Oil	213.0	111.0	3	65.7
Standard Indiana [2]	631.0	268.0	65	70.2
Texaco	896.0	704.0	190	56.0
Total	5,831.0	5,003.0	516.7	54.0
1974				
Arco	962.0	217.2	8.8	81.6
Ashland	200.0	50.0	9	80.0
Cities Services	453.7	30.8	7.9	93.8
Exxon	3,000.0	3,100.0	22.0	49.2
Getty	[3]159.7	68.4		70.1
Gulf	750.0	756.0	17.6	49.9
Mobil	Will not provide information.			
Murphy	113.0	59.0	3.45	65.7
Phillips	321.0	215.0	20.5	59.9
Standard of California	768.0	832.0	209	48.0
Sun Oil	336.0	272.0	8	55.3
Standard of Indiana	568.0	286.0	80	66.5
Texaco	1,100.0	900.0	150	55.0
Total	8,730	6,480	536	57.0

[1] Includes all capital expenditures.

[2] Domestic defined as United States and Canada. The Middle East is defined as those countries bordering the Eastern Mediterranean, Persian Gulf, Red Sea, Gulf of Aden, and Gulf of Oman.

[3] Includes exploration and production expenditures only. Does not include marketing, manufacturing, and transportation operations which would be mostly domestic.

ARDEN HOUSE REPORTS

HON. BILL GUNTER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. GUNTER. Mr. Speaker, in 1950, Dwight D. Eisenhower founded the American Assembly at Columbia University. Its purpose being to conduct in-depth discussions on important issues and to report its findings and recommendations for national policy.

The topic of the 44th American Assembly was choosing the President. The participants met at Arden House, Harriman, N.Y., on December 16–19, 1973; they represent a broad range of experience, competence, and leadership. Those attending paid their own travel expenses, with only meals and housing provided during the session. The discussions were conducted in an open and nonpartisan climate. The conclusions reached were not unanimous, but this is as it should be. For the true strength of this Nation lies in the individual's right of free expression and respect for opposing points of view.

The serious thought and discussion which took place at Arden House is only a beginning. For this work to be truly meaningful, it must stimulate discussion, and eventually action, on a much larger plane. It is for this reason that I am

inserting the assembly's final report in the RECORD:

FINAL REPORT OF THE 44TH AMERICAN ASSEMBLY

(At the close of their discussions the participants in the Forty-fourth American Assembly, on *Choosing the President*, at Arden House, Harriman, New York, December 16–19, 1973, reviewed as a group the following statement. The statement represents general agreement; however, no one was asked to sign it. Furthermore, it should not be assumed that every participant subscribes to every recommendation.)

The Presidency of the United States may be the most powerful office in the world. But it is far from all-powerful; in our multicentered system it depends—in fact as well as in Constitutional theory—on active cooperation from other institutions. And when the Presidency strays beyond the bounds of law or broad consensus, those other institutions can, if they will, call it to account.

The fundamental way we enforce accountability is the national election to decide who shall leave and who shall enter the White House. Through a long and not untroubled history the presidential election process has worked its way every time, determining the peaceful transfer of authority. Such a record in meeting one of government's most difficult problems cautions against radical change in the basics of the system, particularly because history provides so many examples of new rules producing surprising and sometimes unwelcome results.

Therefore we do not take lightly the responsibility to explore, as thoroughly as we can, what changes in structure and substance are needed in the choosing of Presidents. The past decade's disarray in the Presidency impels a hard look at the long run, not some temporary patchwork to meet a current crisis with fashionable solutions. It is in that spirit that the Forty-fourth American Assembly urges the following reforms:

1. *The number of people given serious consideration for the Presidency should be larger than at present and the early stages of the winnowing process made more competitive.*

Effective choice requires a reasonably large array of possibilities. Yet over the past quarter century only about a hundred individuals (nearly all white males) have been considered "serious" potential candidates. Furthermore, there is strong evidence that usually, by the time the formal nomination process starts, a front-runner has been identified who then goes on to win the nomination. Thus the parties and the public are all too often presented with a virtual *fait accompli.*

Therefore, we recommend that, well before the formal nomination process begins, national, state, and local party organizations, members of Congress, state and local officials, and private organizations, not only assess such candidates as present themselves, but also conduct a systematic search for persons who should be encouraged to contend. Serious consideration by such organizations should stimulate appropriate attention by the media.

2. *Those who bring forward potential candidates should be prepared to argue that the persons they propose are fit to be President, not just to win the election.*

In practice, the present system over-emphasizes name familiarity, manufactured charisma, access to large financial resources, and premature calculations of electability. We do not suggest as an alternative any comprehensive list of qualifications for the Presidency. Rather, we call upon candidate-proposers to argue thoroughly and directly the case that their candidate has what it takes to lead the nation with excellence for the next four years. That argument should reach beyond mere assertions of intent to the facts of the candidate's political and other experience. In particular the candidate's capacities for fulfilling administrative and executive roles should be demonstrated. At a minimum, he should have demonstrated, in practice, devotion to the rule of law, talent and desire for political negotiation, and a capacity to seek the truth, to articulate it effectively to the public, and to keep his word.

3. *Party responsibility and grass roots democracy in the nominating process should be revitalized.*

The role of the parties has been undercut by the spread of direct primary elections for national convention delegates and by candidates who fight general election campaigns with personal organizations separate from—even hostile to—the party. Neither primaries nor personalized organizations can substitute effectively for the continuous attention, experienced judgment, and persistent energy of party leaders organized across the nation to bring forward candidates for office at all levels. We should recognize that responsible leadership is vital to public decisions; the parties should insist that a presidential candidate who wears the party label represent the party.

We are as opposed to a return to boss rule as we are to a national direct primary. A party, if it is to retain its vitality, needs the continual infusion of new members and an open, democratic structure from the grass roots to the top. We urge effective means to achieve fair representation of and the widest possible participation by all segments of a party's adherents including distinctive social, economic, and ethnic constituencies.

To these ends, we recommend the following measures:

a. Reduce the number and variety of state presidential primaries, or at least discourage their spread.

b. To the extent that presidential primaries are retained they should be held at simultaneous times in different regions of the country. These elections should be staggered across time.

c. Restrict participation in primaries, caucuses, and conventions to party members only.

d. Vigorously publicize the opportunities for participation in caucuses, conventions, and primaries and in other ways encourage far greater participation of party members.

e. Insist that the deliberations of caucuses and conventions be conducted fairly and openly. All official deliberations must be open to press and public.

f. Require that delegate selection take place in the same calendar year as the presidential election.

g. Where primaries are held, encourage preference ballots over binding delegate elections, with the objective of maximizing the responsible decision role of the delegates at the national convention. To the same end favorite son candidates should not be discouraged.

h. Where primaries are held, require delegate candidates to list their presidential preferences, if any, on the ballot.

i. Require all employers to release employees elected as state or national convention delegates for the period necessary for their service, just as employees are released for jury duty.

j. Provide for a significant number of convention seats for a representative group of elected officials and other party leaders as voting delegates.

4. *The influence of money in choosing the President should be brought under new and stringent controls.*

Money has emerged as the root of more evil in presidential politics than the public should put up with. As striking as the violations of law that have come to light are the vast inequalities of resources among contenders, particularly in the early phases, a factor which distorts fair competition as it corrupts the competitors. The magnitudes are new; the problem is old and difficult, and we must guard especially against abridgments of Constitutional rights. Recognizing the complexities and the temptation to leap too quickly to too much control, we recommend the following five measures:

a. Substantially extend the principle of public financing of presidential nomination and election campaigns. Such a program should encourage small contributions from private sources, be formulated so as to reduce the advantage of incumbency, and provide reasonable support for minor party candidacies.

b. Channel all public presidential general election funds through the national party committees, in order to strengthen the party's responsibility for their nominee's campaign.

c. Limit the amount an individual or organization (other than the national party committees) can contribute to any single candidate in a primary or general election.

d. Require complete and reasonably prompt public disclosure of the taking, transferring, and spending of all campaign monies.

e. Establish an independent Federal Elections Commission, with full powers of audit, investigation, subpoena and prosecution, to police the use of money in Federal campaigns. Lack of an effective enforcement agency, with strong, independent powers, has substantially vitiated the impact of previous control legislation. The Commission should be fully staffed; it should receive prompt reports of every transaction.

5. *Access to television and radio time should be allocated more fairly among presidential aspirants.*

The present situation is grossly unfair. It deprives the elecorate of information it needs to choose intelligently. An incumbent President enjoys the immense advantage of immediate access to as much time as he requests. Well-heeled candidates can buy their way into far more exposure than their poorer competitors. Thus far, Section 315 of the Federal Communications Act of 1934 (the equal time provision) has frustrated attempts to get even rough equality in exposure among major candidates. We recommend:

a. The networks and stations should be required to assume as a condition for the renewal of their licenses the obligation to provide substantial free time to candidates for the Presidency and Vice Presidency, in both the nomination and the election campaigns. Public broadcasting stations, television and radio, should be encouraged to make their facilities available to such candidates, and the public broadcasting system should be strengthened to permit such communication throughout the country.

b. Any television or radio broadcaster carrying an address by the incumbent President should provide equal time for response to the major opposition party national committee.

c. The equal time provision of the Federal Communications Act should be repealed and a formula for differential equality of access for major and minor candidates should be adopted.

d. The independent stations and public broadcasters should initiate new forms of programming on the presidential election process that facilitate rational comparison of potential or declared candidates, sustained exploration of issue stands, and the thorough and objective review of the candidate's political experience.

6. *The presidential election should be by direct popular vote.*

We urge the Congress to put forward an amendment to the Constitution that would abolish the electoral college and create an improved system of electing the President by direct popular vote.

7. *The system for selecting vice presidential candidates should be changed.*

Of the ten post-World War II candidates for the Presidency, four had been Vice Presidents. As long as we retain that office, the Vice President must be considered as a potential President. The practice of choosing the vice presidential candidate at the national convention is, to say the least, an accident-prone procedure. Therefore we propose that parties devise a different and more deliberative system. One attractive alternative is to give the presidential nominee the option of bringing a recommendation to the national committee within thirty days after his nomination for their advice and consent.

In the long run, changes in public attitudes, the character of issues, the relations between formal democracy and private interests, and the predilections of the mass media may prove more significant than any of these reforms. But we need not stand waiting for slow and anonymous historical evolutions. What we have proposed can be done now. And of our recommendations, none is more urgent than a revival of political parties willing and able to meet their foremost charge.

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[1] Discussion leader.

[2] Rapporteur.

[3] Delivered formal address.

CONGRESSMAN SEIBERLING'S ARTICLE ON THE CUYAHOGA RIVER VALLEY

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. VANIK. Mr. Speaker, the May 1974 issue of the Environmental Journal of the National Parks and Conservation Association carried an excellent article by our colleague from Akron, Mr. Seiberling, on the Cuyahoga River Valley in northern Ohio. Congressman Seiberling, along with myself, Congressman Regula, and 43 other Members, has introduced legislation to create a park of up to 20,000 acres in this "miracle of greenness" that lies still undeveloped between the major cities of Akron and Cleveland.

The distinguished chairman of the House Parks and Recreation Subcommittee (Mr. Taylor) has already held one hearing on this legislation, H.R. 7176, and we are hopeful that the committee will soon be able to journey to Ohio to inspect the parklands firsthand.

I include the article by Representative Seiberling in the Record, as follows:

Cuyahoga Valley: Symbol of Grace in a Congested World

(By John F. Seiberling)

Several years ago the Cuyahoga River in northeast Ohio became famous as the river that caught on fire. An oil slick ignited, and debris in the river burned for several days. It was a freak occurrence, but it demonstrated to the world the extreme problems of water pollution. Within the confines of Cleveland, the river is greasy, grossly polluted, and devoid of marine life. Totally dominated by factories, docks, and warehouses, it is inaccessible to the public.

By contrast, only a few miles upstream the Cuyahoga flows virtually unimpeded through a greensheathed floodplain. North of Akron the river changes again, becoming a narrow, wandering, scenic, and nearly wild stream in a pastoral setting. Here, only a few miles away from the factories and smokestacks of Akron and Cleveland, the river flows through the Cuyahoga Valley—a swath of green, nestled between the sprawling suburbs of the cities.

The Cuyahoga Valley is one of the most scenic areas in northeastern Ohio and is the only major open space remaining between Akron and Cleveland. Through a quirk of nature, the valley until now has been spared from heavy industrialization. Its steep, wooded slopes, while contributing greatly to the valley's scenic beauty, presented a great physical impediment to commercial development. Most of the valley is located on a floodplain, presenting serious problems to potential developers. The alluvial soil, although agriculturally productive, has low bearing capacity. And builders were further discouraged by the limits to the size of future development imposed by the width of the valley floor, which varies from five hundred to five thousand feet.

Thus the Cuyahoga Valley and its river have been left as a tremendous resource to the people of Ohio, the Midwest, and the entire country. But today it is threatened on all sides by prospective commercial and high-density developers who wish to build in the area in spite of the inherent difficulties presented by geography. Several priceless parcels of land have already been lost to urbanization, despite activities of local park boards and the state of Ohio to acquire threatened lands in the valley. A bill now before Congress would make the valley into a national resource and would help meet the critical national shortage of public recreation lands near urban areas. And it would preserve for future generations the outstanding natural and historical qualities of one of our nation's largest urban areas.

The Cuyahoga Valley is biologically unique. It is a "botanical crossroads," a meeting place for plant life of the East, West, North, and South. The western edge of the Appalachian plateau crosses the Cuyahoga River near the town of Independence and turns south just west of the valley. The Cuyahoga thus becomes a dividing line between eastern mountain and western prairie botanical provinces. Beeches and sugar maples dominate the hillsides along the river. Stands of oak and hickory crown the drier ridges, while red maples, ashes, and a few remaining American elms occupy the more moist upland areas. Ohio buckeye is common in the valley floor. On the floodplain are lofty sycamores, cottonwoods, boxelders, and black walnut trees.

Northern hemlocks survive in many of the hundreds of ravines that run back from the valley floor into the rolling uplands. An outstanding example is Tinkers Creek Gorge, a registered national natural landmark. Here nothern and southern vegetation meet. The gorge contains a virgin forest, representative of presettlement forests. A beech-maple-hemlock association thrives on the moist, cool floor of the gorge, while an oak-hickory association grows on the drier areas at the top.

Several species of willow thrive on sandbars and along the riverbanks. Wildflowers and grasses color the open fields. In spring the woods are dotted with trillium, mayapples, Solomons sea, hepatica, anemone, dogtooth violets. Dutchman's-breeches, wild ginger, and trailing arbutus. The Stumpy Basin Nature Conservancy area supports a dozen or more rare species of plants including buffalo berry, two species of juniper, yellow oak, burr oak, three species of gentian, rough-leaf dogwood, and prairie grasses.

The river, marshes, meadows, and woods offer permanent and temporary homes to a variety of animal life. Among the more familiar animals are cottontail rabbits, opossum, white-tailed deer, red foxes, chipmunks, woodchucks, and raccoons. Birdlife includes common birds such as the cardinal, eastern blue jay, song sparrow, turtle dove, bank swallow, redwing blackbird, robin, goldfinch, downy woodpecker, wood thrush, tufted titmouse, and black-capped chickadee. The valley is also frequented by less common species such as the indigo bunting, pileated woodpecker, scarlet tanager, eastern bluebird, evening grosbeak, Baltimore oriole, and bald eagle. It is within the winter range of the snowy owl and the summer range of the turkey buzzard. Migrating ducks and geese find the floodplain a favorable resting place during their long flights north and south on the flyway.

The Cuyahoga Valley has long played a significant role in American history, and many historical landmarks remain. An Indian tribe of the mound-building culture occupied the valley from 600 B.C. to 800 A.D., and more than 300 sites of archeological interest have been identified. Later residents included other Indian tribes, explorers, missionaries, farmers, and craftsmen. The Cuyahoga offered the shortest portage between the Great Lakes and the Ohio and Mississippi valleys. It was so important to the Indians as a trading route that they declared the valley sacred ground to ensure that it remained open and free from warfare.

The Indians named the river the Cuyahoga, which is generally thought to mean "crooked river." It is one of the most unusual rivers in the world because its upper reaches run parallel to and in opposite direction from its lower reaches. It begins as a trickle many miles east of the valley mouth and joins with another stream flowing south until the combined waters meet the Akron escarpment. After cascading over waterfalls in a magnificent ravine, the river makes a majestic turn from its southerly course to flow north to Lake Erie. The river's mouth forms the port of Cleveland.

For a short time the Cuyahoga River was the boundary between the United States and Indian lands. It soon became a major gateway to the Northwest Territory when settlers streamed across the Indian lands to the west of the rivers.

Prosperity came to the valley wtih the construction of the Ohio Canal in 1827. The river and its tributaries were harnessed to power gristmills and sawmills. This was the valley's most colorful era. The canal provided the means of opening up and developing inland Ohio. It provided a water passage between the Great Lakes waterways and the overland route to the east and the south, making it possible to transport goods cheaply.

The canal's demise began with the coming of the railroad in the 1850s, and the canal ceased operations in 1913. However, much of the canal, with its locks and diversion dams, remains intact. The village of Peninsula, which once sported five hotels and fourteen bars and was the resting spot for barge passengers and crew, has been restored. A 1½-mile section of the canal near Tinkers Creek is listed in the National Register of Historic Places. The area includes two locks, an aqueduct over the creek, a mill, and a house all dating from 1832.

Today the Cuyahoga Valley is a sleepy, rural area with few permanent residents. Although the river is polluted, most of its tributaries are not. The Army Corps of Engineers has undertaken a major restoration program for the river, and construction of a regional sewage treatment plant is underway. In addition, many local citizens have participated in projects to clean up the river and have strongly supported efforts to preserve the valley's natural and historical resources.

The idea of preserving the Cuyahoga Valley is not new. As long ago as 1925, the famous landscape architectural firm founded by Frederick Law Olmsted declared that the valley was the most important scenic asset in the Akron area and recommended that it be preserved in its entirety as a rural park. In the mid-1960s an Ohio State Department of Natural Resources report reached the "indisputable conclusion that the valley must be preserved as open space land."

Following publication of the study, the Akron and Cleveland Metropolitan Park Districts joined in an effort to create a 20,000-acre park in the valley region. The state of Ohio named preservation of the Cuyahoga Valley the state's most important recreation goal and has joined with the two park districts to help preserve 14,500 acres. The Bureau of Outdoor Recreation has provided $6 million in matching grants as the beginning of a $35 million, twenty-year program. However, within five years, many large and key sections of the valley may be lost to development. The price of land, which is still relatively reasonable, will escalate sharply in the time period outlined by the state plan.

In 1972, the National Park Service conducted an intensive feasibility study on the proposed plan to create a Cuyahoga Valley National Historical Park and Recreation Area. The unofficial draft report recommended a federal area of about 15,000 acres. It would be managed in cooperation with 7,500 acres of nonfederal areas abutting the federal unit to form an "umbrella" park of some 22,500 acres.

Within the park would be such public and quasi-public areas as the historic Jonathan Hale Farm—a preservation project honoring one of the valley's first settlers—and the nineteenth century Western Reserve Village, which has been reassembled in the valley. Also within the park area would be the Blossom Music Center, the outdoor summer home of the Cleveland orchestra. Adjacent to the park would be several public and private areas such as Cleveland's lovely Brecksville Reservation and Akron's Virginia Kendall Park, which contains cliffs exposing the most magnificent Paleozoic rock found in the valley.

The Park Service study envisions an overall transportation network including the canal and railroad. Automobile traffic would be limited to local traffic. Trail systems for bicycling and hiking would be integrated with those of the metropolitan parks of Cleveland and Akron. With much of the valley ultimately restricted from development, an 1800s aura can be restored. Primitive, walk-in camping areas could be provided along the river. Large areas of the park would remain undisturbed, offering a vast outdoor laboratory for students and visitors. Access to the river would be available to boaters, canoers, and picnickers. Most service functions and facilities would be located on the edge of the park.

The park would serve the recreational needs of some four million people who live less than an hour's drive away. Ohio, the sixth most populous state in the nation, has no national parks or national recreation areas. Indeed, the eastern north-central region of the country—Ohio, Indiana, Illinois, Michigan, and Wisconsin—makes up 20 percent of the total population of the country, yet only 1 percent of all federally administered recreation areas are located within this five-state region.

The Cuyahoga Valley National Historical Park and Recreation Area would preserve for present and future generations a magnificent scenic and historic open green space. The image of the upper river as a haven for canoers and rafters would replace the image of the "burning river" mouth. The Cuyahoga would cease to be an example of the worst of pollution and would become a symbol of how America can preserve natural grace and harmony within easy reach of the residents of our congested, urban world.

Thoreau's words, spoken of a village, are yet truer for the inhabitants of a modern metropolis, who will be "saved not more by the people in it than by the woods and swamps that surround it."

Congressman John F. Seiberling represents the Fourteenth District of Ohio, which includes Akron and part of the Cuyahoga Valley. A member of the House Committee on Interior and Insular Affairs, he serves on the subcommittee on National Parks and Recreation. Mines and Mining, and the Environment. He has lived in the Cuyahoga Valley for fifteen years and has photographed it extensively.

IMPEACHMENT AND RESPONSIBLE JOURNALISM

HON. SIDNEY R. YATES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. YATES. Mr. Speaker, the following is an editorial presented on Friday, April 26, by WGN radio and television in Chicago, Ill. I heartily approve of the position taken by WGN. I should like to commend them for their representation of the public interest. The resolution which I have filed provides for the televising of possible impeachment proceedings. I am pleased that this excellent broadcasting company has joined me.

IMPEACHMENT AND RESPONSIBLE JOURNALISM

With the House Judiciary Committee expected to begin impeachment hearings early in May, questions are being asked about electronic coverage of the impeachment process. The questions are not limited to the activities of the House Judiciary Committee. Whatever the committee recommends, there will be debate on the floor of the House of Representatives. And, if the House should vote to impeach President Nixon, he will be tried before the Senate.

Like most other procedural questions, there is little precedent, and none where the electronic media are concerned. The closest parallels we can find are in the rules of the House and Senate. At present, neither allows live broadcast reporting of its floor proceedings.

Generally speaking, we feel the electronic journalist should be as free to report with the tools of HIS trade as is the reporter representing a newspaper, wire service or magazine, provided, however, there is no disruption of the event itself. And, modern technology makes broadcast coverage without disruption routine.

Now to the specifics of the impeachment process. There is concern that the presence of microphone and camera could cause some of those taking part in the proceedings to play for the media, to create a show for their own purposes. We would hope that the nature of the matter being considered would dictate only the most serious and sober conduct . . . by all concerned.

We think the public can determine for itself how members of Congress and other participants conduct themselves.

There is provision for the House Judiciary Committee, and even for the full House and Senate, to meet in closed session to discuss impeachment evidence. However, when public sessions are held, they should be open to all media.

The national interest in the impeachment proceedings is overwhelming. The public should be kept as fully informed as possible, as fully informed as the broadcast media can keep them. We hope Congress sees it the same way and modifies its rules accordingly.

SUPPORT FOR S. 628 REAFFIRMED

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. WALDIE. Mr. Speaker, as the result of an apparent mechanical failure of the electronic vote recording system, my vote in support of S. 628 was not recorded. For the record, I would like to make it clear that I continue to support S. 628, for which I was floor manager in the House of Representatives on Wednesday, April 24, 1974.

SENATE—*Tuesday, April 30, 1974*

The Senate met at 10 a.m. and was called to order by the President pro tempore (Mr. EASTLAND).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

NATIONAL DAY FOR HUMILIATION, FASTING, AND PRAYER—TUESDAY, APRIL 30, 1974

Hear the words of the 139th Psalm: *"Search me, O God, and know my heart: try me and know my thoughts; and see if there be any wicked way in me, and lead me in the way everlasting."*

Let us pray:

O God, our Creator, Redeemer, and Judge, to whom all men and nations are accountable, in all our humanity and imperfection, we bow in Thy presence today seeking Thy forgiveness. We have offended against Thy holy laws. We have left undone those things which we ought to have done; and we have done those things which we ought not to have done. Forgive us, good Lord, and by Thy Holy Spirit equip us as we lead in affairs of state so also to lead in morality and in things spiritual.

Almighty God, who has blessed this Nation beyond measure, forgive us if we have been unmindful of Thy providence, cold in our love of Thee, callous in our attitude toward others, insensitive to the claims of Thy Spirit. Forgive us for our love of ease, our devotion to things, our absorption with pleasure, our unbridled pursuit of profits. Deliver us from all falsehood and idolatry, from all covetousness, from hard bargaining and ruthless competition. Save us from class warfare and class hatred, from racial antagonism, from self-serving partisanship, from living to ourselves alone, and from putting our trust in our own strength when our trust should be in Thee.

May a new life and a new spirit be born in this Nation, shaping our conduct and directing our destiny. Make us a new people for new times. By Thy higher wisdom, guide the President and all who are in authority over us, and all citizens of the Republic, that this Nation, born in Thy faith and nourished in Thy truth, may seek to serve Thy great purposes for mankind. Help us, O Lord, not only to pray for but to believe in Thy forgiveness and in the resurrection of a cleansed and renewed nation. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Monday, April 29, 1974, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, the Senate is very much aware of the fact that the period between the hours of 10 a.m. and noon today has been set aside for statements in connection with the provisions of Senate Joint Resolution 183, proclaiming April 30, 1974, as the National Day for Humiliation, Fasting, and Prayer.

The Senate will return to its regular business at the hour of noon today.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HUGHES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

SENATE JOINT RESOLUTION 183—NATIONAL DAY FOR HUMILIATION, FASTING, AND PRAYER

The PRESIDENT pro tempore. Under the previous order, the Senate will now proceed to 2 hours of discussion on the National Day for Humiliation, Fasting, and Prayer as provided for by Senate Joint Resolution 183.

The distinguished Senator from Iowa (Mr. HUGHES) is recognized.

Mr. HUGHES. Mr. President, I ask that the resolution be reported.

The PRESIDENT pro tempore. The resolution will be stated.

The assistant legislative clerk read as follows:

S.J. RES. 183

Joint Resolution to proclaim April 30, 1974, as a National Day for Humiliation, Fasting, and Prayer.

Whereas it is the duty of nations, as well as of men to owe their dependence upon the overruling power of God, to confess their sins and transgressions, in humble sorrow, yet with assured hope that genuine repentance will lead to mercy and pardon, and to recognize the sublime truth, announced in the Holy Scriptures and proven by all history, that those nations are blessed whose God is the Lord; and

Whereas we know that we have been the recipients of the choicest bounties of Heaven; we have been preserved these many years in peace and prosperity; we have grown in numbers, wealth, and power as no other nation has ever grown; but we have forgotten God; and

Whereas we have forgotten the gracious hand which preserved us in peace, and multiplied and enriched us; and we have vainly imagined, in the deceitfulness of our hearts, that all these blessings were produced by some superior wisdom and virtue of our own; and

Whereas intoxicated with unbroken success, we have become too self-sufficient to feel the necessity of redeeming and preserving grace, too proud to pray to the God that made us; and

Whereas we have made such an idol out of our pursuit of "national security" that we have forgotten that only God can be the ultimate guardian of our true livelihood and safety; and

Whereas we have failed to respond, personally and collectively, with sacrifice and uncompromised commitment to the unmet needs of our fellow man, both at home and abroad; as a people, we have become so absorbed with the selfish pursuits of pleasure and profit that we have blinded ourselves to God's standard of justice and righteousness for this society; and

Whereas it therefore behooves us to humble ourselves before Almighty God, to confess our national sins, and to pray for clemency and forgiveness: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress hereby proclaims that April 30, 1974, be a "National Day of Humiliation, Fasting, and Prayer"; and calls upon the people of our Nation to humble ourselves as we see fit, before our Creator to acknowledge our final dependence upon Him and to repent our national sins.

Mr. HUGHES. Mr. President, I should like to invite the attention of the Senate to the fact that millions of Americans today are observing this day as a national day of prayer, humiliation, and fasting, on behalf of our Nation and its people.

An article appears in the Washington Post this morning, under the byline of Marjorie Hyer, entitled "Millions To Pray For U.S. Today," which indicates that 33 States have followed the suggestion of this resolution, and their Governors have issued proclamations declaring a day of prayer, humiliation, and fasting, as of April 30, 1974.

I have also been informed that dozens of mayors across the Nation have likewise issued proclamations declaring for their cities a day of prayer, humiliation, and fasting.

Many of the churches and synagogues across our Nation have voluntarily, without publicity or solicitation, declared an appeal to their parishes and their congregations that their people observe, in their usual ways, in their synagogues, churches, and temples, a day of prayer for our Nation, a day of humiliation, seeking forgiveness for our sins, and a day of fasting, as appealing to Almighty

God to again honor and call us to that which we have said we are.

Mr. President, I ask unanimous consent that this article in the Washington Post, by Marjorie Hyer, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MILLIONS TO PRAY FOR UNITED STATES TODAY

(By Marjorie Hyer)

Millions of Americans will pause sometime today to spend a few moments in reflection and prayer for their country.

The unanimous vote of the Senate last Dec. 20 to designate April 30 as a National Day of Humiliation, Fasting and Prayer has apparently brought a nationwide response unmatched for enthusiasm by anything short of major tax cuts.

Religious groups as diverse as the National Conference of Catholic Bishops, the Orthodox Church in America and the National Association of Evangelicals are backing the observance.

In Kentucky, the Rev. Dr. Thomas A. Carruth, head of the department of prayer and spiritual life of the Ashbury Theological Seminary, was so taken with the idea that he rented a wide-area telephone line to promote it.

"We expect millions of people to participate," he said in a telephone interview. "Our telephones have been ringing so hard we can nardly get any sleep around here."

Governors of 33 states have followed the suggestion of Dr. Carruth and his handful of volunteers to issue formal proclamations marking the observance.

Most of the governors were favorably disposed to the idea because residents of the states had already been promoting it from the grass roots, said Geraldine Conway, who was working with Dr. Carruth.

A National Day of Humiliation, Fasting and Prayer was the brainchild of Sen. Mark O. Hatfield (R-Ore.). A deeply religious man, the senator views the observance as an antidote to the many crises that confront the nation.

"It's to say: 'We have erred. We're distressed. We're at the end of our rope and we have no place to turn but to God'," he said in an interview.

"We have become so entranced with our scientology, with our technology, with our affluence and our materialism that we have lost our philosophy of life."

Although today is the first anniversary of major developments in Watergate—just a year ago H. R. Haldeman, John D. Ehrlichman and Richard G. Kleindienst resigned from the Nixon administration and John W. Dean III was fired—the focus of the National Day of Humiliation, Fasting and Prayer is strictly nonpartisan.

"Watergate is but a manifestation of a deeper sense of malaise in American life," Sen. Hatfield said.

Passed by the Senate just before Christmas and given no promotion outside routine mention in news dispatches, the resolution for the special day apparently struck a responsive chord in many Americans.

Without fanfare or publicity, thousands of churches and groups of churches have planned observances of the day.

Religious institutions and individuals alike have viewed it as an opportunity to do something about national problems.

Paul Reinke, a realtor in Moorestown, N.J., bought full-page ads in 15 area newspapers at a cost of "about $1,000" calling on readers to "suspend business as usual" and observe the day.

He did it, he said, because "man has tried to make a better world and has failed. We've turned away from the real source of help which is God."

Sen. Hatfield, who is a Lincoln buff, modeled his resolution for a special observance on a proclamation for a similar occasion issued by the Civil War President on April 30, 1863.

"President Lincoln did not appeal to any pretentious image of national self-righteousness; rather he called the nation to repentance," Hatfield said.

The resolution for today's observance, patterned after the Lincoln proclamation, notes that as a nation "we have been preserved these many years in peace and prosperity; we have grown in numbers, wealth and power as no other nation has ever grown; but we have forgotten God . . .

"We have failed to respond, personally and collectively, with sacrifice and uncompromised commitment to the unmet needs of our fellow man both at home and abroad; as a people we have become so absorbed with the selfish pursuits of pleasure and profit that we have blinded ourselves to God's standard of justice and righteousness for this society . . ."

Mr. HUGHES. Mr. President, from the very inception of this Nation, from the moment it was conceived by our forefathers, there has been prayer and appeal to Almighty God involved in everything this Nation has done. In the Halls where they were writing and drawing up the Constitution, the men involved in drawing it together knelt in prayer daily. Even in disagreement they knelt in prayer, and in fact locked the doors and asked God's guidance in resolving, in reconciling, and in bringing into being what has been called these last 200 years probably the greatest document of freedom ever conceived in the history of mankind. It still stands to this day, declaring the freedoms of men, including the freedom and the right to worship or not to worship.

Throughout the years, several Presidents have issued proclamations on their own, declaring particular days of prayer, of humiliation, of fasting, and of repentance. Governors of every State of the Union have called their States and their people to days of prayer, fasting, and humiliation. Mayors have done so. It has been done on every level of government.

I know not of a single inauguration of any Governor in this country or a single inauguration of any President in this country or a single inauguration of any mayor in this country in which there has been no call to prayer, in which there has not been an appeal for God's guidance. Every session of the U.S. Senate has been opened with prayer. Every session of the House of Representatives has been opened with prayer. At every meeting of the great political parties in this country there has been an appeal to God for guidance in the conduct of the affairs and business of this country.

We dare to print on our coins the words "In God We Trust," which is a dangerous statement. If we trust in God, then we appeal to the one God, the Almighty God, for guidance, even in the coin of the realm, and in what we do in purchasing, negotiating, and selling.

We arrive today, at a point in 1974, as a nation which from its inception has been committed to God, calling on God every day in prayer, at every level of the government structure. In that belief, we have come together here this morning, in the Senate of the United States, for 2 hours, on this day of April 30, 1974, because the Senate passed, without objection, the resolution which the clerk has reported to us, calling upon the people of our country, by their various customs and commitments and their own understanding of God, in their homes, in their churches, in their synagogues, and in their temples, to pray once again for the Creator's guidance of this great Nation; to pray for forgiveness of our sins; to humiliate ourselves, in the recognition that we have sinned, that we have been wrong; to observe this day as a day of fasting because God has directed us in the Holy Scriptures to fast, thereby making sacrifice to God, in believing that by this fast He will honor our appeals and prayer.

None of us takes this resolution lightly. In the observance of this day across this Nation, no one will ever know how many millions of Americans are observing this day. Many are not working. Some Members of the Senate have decided to close their offices and release their employees and are observing this day by not working, with prayer and fasting. It would have been my hope that this might have been done. But because of the differences in our country and our respect for religious freedom, and after an appeal to the leadership, it was decided that the men and women of this Government would decide for themselves how they observe this day, as we have allowed the same freedom for our people in the various States and cities of our country.

It is a day not to be taken lightly, if we still believe in a Creator, in a God. We read in the Holy Scriptures:

> In the beginning God created the heaven and the earth.
>
> And the earth was without form, and void; and darkness was upon the face of the deep. And the Spirit of God moved upon the face of the waters.
>
> And God said, Let there be light: and there was light.

God spoke and brought into creation that which we are. If we subscribe to this belief in an Almighty God who created the universe and all there is and everything that is, and believe that that God cares individually for each of us, regardless of our position or power or prestige, and if we believe that God still concerns Himself in the affairs of men and nations, and if we believe in the morality that that Deity has set out for us to follow—not only as individuals but also collectively as nations—then any observance of contemporary times would indicate to the vast majority that there is great need for prayer and humiliation, for seeking once again God's forgiveness, to repent.

What does the word "repent" mean? It means to change your ways, to change direction, to turn about and go in a different direction from that in which you are headed. It means to recognize wrongness in what we have been doing. It means to identify with the fact that we are not God but are subservient to God; that on our knees, we have communication with God; that a Divine Creator still rules the universe; and that above and beyond man and this creation is that God.

I would hope that our distinguished colleagues pause in their observance today, as they feel so called to cloister themselves in their own closets or wherever they see fit, to pray to God according to their own understanding and revelation, and to identify with the needs of our Father in again directing the pathways of this great country.

If we have passed this resolution in this body believing in what it says, and if these 33 Governors have issued similar proclamations calling their States to prayer, humiliation and fasting, and if these dozens of mayors have done likewise, surely it is not a political act because if it were to be a political act, what would that mean that we are in our relationship with God Almighty Himself?

For us to take such a thing lightly, to call upon God, the Creator, to intervene in the affairs of man, particularly for those of us in positions of leadership in this country, it would be a desecration against God; it would be a desecration against God not to believe in what we are doing and not to follow through in what we have said in calling for this guidance.

Most surely the hour and the need is apparent to everyone. If anyone were to believe in the Book of Revelations and see the declaration of what the signs would be, and look across the world at the hunger and famine where tens of millions of people are hungry and facing starvation, at the pestilence, the earthquakes, the nations rising against nations, at mankind unable to find solutions for that which he seeks, where no group of nations or a single nation can guarantee or offer peace to anyone else because the alliance is built on the ability to kill rather than on the ability to love, and where we come to rely more on hatred and bitterness than on love of our brothers in this world, and where we have said we do not believe it is possible to live by the standards that are set up before us, then one must call to mind the fact that in the Book of Revelations it is said to us by the Creator that brought all of this, including us as individuals, into being, that these are the signs of those times.

But God has proven throughout the history of mankind and creation that He does not require a majority to intervene. He has proven time and time again that if just a few care, that if just a few repent, that if just a few bare their souls to God in Heaven, if just one leader cares enough to make that sacrifice, that He will intervene. In the bargaining process, He has said many times, "Find Me one, find Me three, find Me ten, and I will spare the city and the nation."

In most instances, the one, the three, or the ten could not be found and destruction did abound.

So let us not live in ignorance of the Holy Word of God in this country, but rather in the understanding that we are men and women gathered together in faith and belief, calling on the Name of Almighty God. A nation where the vast majority seem to follow Christ and call themselves Christians and believe in Jesus as the Son of God, following the words and teachings He gives, with full tolerance of those of other faiths who worship God in a different manner, it behooves us to observe what we see in this Holy Book as the Word of God. We say on Sunday that we believe—the majority of us—and the rest of the time we fail to attempt to practice, even individually, that belief, let alone collectively.

So the hour is with us today in this year of Our Lord 1974, when we have an opportunity again to turn back to our Creator in prayer, to again bare our souls, our consciences, and hearts to Him, and again to call upon God to honor, as He has always honored, His creation, and to intervene in the affairs of man that there might be justice, continued freedom, love, lack of hunger, clothing for the naked, and all the things we need in this expression of love for those with whom we have been brought to live together on this Earth.

I appreciate the fact that the Senate has expressed itself in this way. I appreciate the fact that it has been the vehicle that at least was the initial instrument through which the people of this country took over by the millions, without word from us, but unto themselves to observe this day in prayer and fasting. It is my hope that we can once again recognize our relationship to our Creator and to our Father God; that we can today have a new beginning in justice, fairness, equality, care, and concern for our brothers and sisters on this Earth; and that as a nation our leaders can rid themselves of their pride and arrogance, that all of us can dare be humble and bow before God and say, "Forgive me, for I have sinned," and that in doing this our Father will hear, and redirect us, and reguide us as a nation, because He had a hand in selecting us for these positions of power.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. HUGHES. I am happy to yield to the Senator from Rhode Island.

Mr. PASTORE. Mr. President, I want to say as seriously as I can that I consider it to be a distinct privilege to have been on the floor of the Senate this morning to listen to the very, very inspirational dissertation given to us by our distinguished colleague from Iowa.

I would say that possibly the best speeches and dissertations known to the civilized world have been made on the floor of the Senate. And I dare say that none excels in inspiration and quality the very fine oration we have just heard from our distinguished colleague. I rise to congratulate him and I trust and I hope that all those who have heard and all those who will read this very, very fine inspirational thought will realize that man's destiny is wound up in his faith, whatever that faith may be, and his recognition of the existence of the Almighty.

As our distinguished colleague has said, this Republic was founded upon our trust in God and in our Declaration of Independence we acknowledge that God, the Creator, has created us. We always have lifted our eyes to Heaven in our democracy and today we are exhorted to remind ourselves that we are sinners, that we must become contrite, and that we must observe the fast as a sacrificial gesture—that we are serious and that we mean to amend our lives.

I congratulate my colleague for one of the finest talks I have ever heard in my life.

Mr. HUGHES. I thank my distinguished colleague from Rhode Island, and will be happy to yield to the distinguished Senator from Nebraska.

Mr. CURTIS. Mr. President, the Declaration of Independence, carries these words: We hold these truths to be self-evident, that all men were created. We are also aware that all authority comes from God; all governments, good or bad, are the instruments of God, and they derive their authority from Him. The great Quaker, William Penn, declared, "Man will be governed by God or ruled by tyrants."

Mention has been made of the prayers in the Constitutional Convention. It was the oldest and perhaps the wisest man in that convention who, just before that motion was made, declared:

> The longer I live, the more convincing proofs I see that God governs the affairs of man. If a sparrow cannot fall without his notice, is it possible that an empire could rise without His aid?

Thus said that great man Benjamin Franklin.

I believe that Jesus Christ is the Son of God, that He is Divine, and that He is the Savior of man. And it was He who said, "Render unto Caesar the things that are Caesar's, but unto God the things that are God's."

The Senate, by this resolution, has directed the Nation to stop and recognize the fact that not everything belongs to Caesar; that not all of the problems of man can be solved by Caesar; and also that Caesar is not without sin.

I do not think it is necessary that we, here or anyplace else, attempt to enumerate what might be termed our national sins. Such a thing might be a bit morbid.

The sovereign, all-wise God does not need our enumeration. He knows all. It will not be necessary that we provide Him with a subscription to one or more of the daily papers published in the country for Him to know what our national sins are.

Much of our activity as politicians—perhaps too much of it—is directed in the pursuit of prosperity. That might be said of individuals. We place an overvalue on things. Yet we are taught by the Son of God that we should "seek ye first the Kingdom of God, and all these things will be added." Such is the prescription for real prosperity.

Mr. President, mention has been made of the many States and cities and churches that have joined in this special day. One of the ablest, and to my mind one of the most distinguished divines in the city of Washington, is the Reverend Ben Sheldon, of the Sixth Presbyterian Church. Last Sunday he preached on the subject, "What the Bible Teaches About Fasting." I think it is fitting that we share with all of the readers of the CONGRESSIONAL RECORD that splendid sermon. I ask unanimous consent that it appear in the RECORD at this point.

There being no objection, the sermon was ordered to be printed in the RECORD, as follows:

God's Chosen Fast

(By Benjamin E. Sheldon)

There is a qualitative difference in the proclamation that has been issued by the U.S. Senate concerning next Tuesday, April 30, as a National Day of Humiliation, Fasting and Prayer and the other resolutions and proclamations that have been made from time to time over the years, both in the tone and content of the resolution itself and particularly in its reference to fasting.

Abraham Lincoln's call to the nation during the Civil War for an expression of National Repentance and Prayer was also accompanied by a call for fasting. But as far as I know, this is the first time in 100 years that a call for national fasting has been issued.

And the reason for this is very simple: fasting is not a common practice and it is not widely understood or accepted in the American church.

But fasting was widely understood and widely practiced in Biblical times. There are in the Bible at least 86 separate references, both in the Old Testament and in the New, in 30 different books of the Bible.

Among those who fasted are Moses the lawgiver, David the king, Elijah the prophet and Daniel the Seer. Jesus fasted, as did John the Baptist and his disciples. St. Paul fasted. And this practice is not limited to men only in the Bible, for Hannah the mother of Samuel and Anna the prophetess in the temple also fasted. Church history records that Luther, Calvin, Knox, and John Wesley also engaged in this spiritual exercise, as did Dwight L. Moody, to name only a few.

I. THE BIBLE GIVES US MANY REASONS FOR FASTING

Occasions of national calamity: Then David rent his clothes and so did all the men who were with him, and they mourned and wept and fasted from morn until evening for Saul and for Jonathan his son and for the house of Israel, for they had fallen by the sword (I Samuel 1:12).

Personal affliction: "The Lord struck the child that Bathsheba bore to David and it became sick. David, therefore, besought God for the child and David fasted and went in and lay all night on the ground." (II Samuel 12:16).

Approaching danger: "Then Esther said to Mordecai, 'Go, gather all the Jews to be found in Susa and hold a fast on my behalf, and neither eat nor drink for 3 days, night and day. I and my maids will also fast as you do. Then I will go into the king and if I perish, I perish.' " (Esther 4:16)

The ordination of ministers: "And when they had appointed elders for them in every church, with prayer and fasting, they committed them to the Lord in whom they believed." (Acts 13:3)

To receive revelation from God: We read in the Book of Daniel that Daniel fasted and prayed before the Lord in order to receive revelation from God. (Daniel 9:2)

II. FASTING MAY BE ACCOMPANIED BY CERTAIN OTHER SPIRITUAL ACTS

By prayer: "Then I turned my face to the Lord God, seeking him by prayer and supplications, with fasting and sackcloth and ashes." (Daniel 9:3)

By confession of sin: "So they gathered at Mispah and drew water and poured it out before the Lord and fasted on that day and said there, 'We have sinned against the Lord.' " (I Samuel 7:6)

"The people of Israel were assembled with fasting and in sackcloth, and with earth upon their heads, and they stood and confessed their sins and the iniquities of their fathers." (Nehemiah 9:1–2)

By humiliation: "Moses lay prostrate before the Lord, forty days and forty nights; he neither ate bread nor drank water because of all the sin which the people had committed, in doing what was evil in the sight of the Lord, to provide his to anger." (Deut. 9:18)

III. TWO IMPORTANT SCRIPTURAL PASSAGES

There are as I have said, many references to fasting in the Words of God. But two Scriptures, I believe, are extremely important in this regard. The first is Isaiah 58:1–9:

Cry aloud, spare not, lift up your voice like a trumpet; declare to my people their transgression, to the house of Jacob their sins. Yet they seek me daily and delight to know my ways, as if they were a nation that did righteousness and did not forsake the ordinance of their God. They ask of me righteous judgments, they delight to draw near to God. "Why have we fasted and thou seest it not?" "Why have we humbled ourselves, and thou takest no knowledge of it?" Behold, in the day of your fast you seek your own pleasure, and oppress all your workers. Behold, you fast only to quarrel and to fight and to hit with wicked fist. Fasting like yours this day will not make your voice to be heard on high. Is such the fast that I choose, a day for a man to humble himself? Is it to bow down his head like a rush and to spread sackcloth and ashes under him? Will you call this a fast, and a day acceptable to the Lord? Is not this the fast that I choose: to loose the bonds of sickedness, to undo the thongs of the yoke, to let the oppressed go free, and to break every yoke? Is it not to share your bread with the hungry, and bring the homeless poor into your house; when you see the naked to cover him, and not to hide yourself from your own flesh? Then shall your light break forth like the dawn and your healing shall spring up speedily; your righteousness shall go before you, the glory of the Lord shall be your rear guard. Then you shall call, and the Lord will answer; you shall cry, and he will say, Here I am."

And the second passage is Jesus' own word on fasting in the Sermon on the Mount, Matthew 6:16–18:

And when you fast, do not look dismal, like the hypocrites, for they disfigure their faces that their fasting may be seen by men. Truly I say to you, they have their reward. But when you fast, annoint your head and wash your face, that your fasting may not be seen by men but by your father who is in secret, and your father who sees in secret will reward you.

A. From these two Scriptures we learn several things. In the first place we learn that fasting is not purely an "if" question. Jesus didn't say, "Now IF you fast . . ." but rather fasting is a "when" matter. Jesus said, "WHEN you fast . . ." In other words, Jesus makes it clear that he considers that fasting is valid and that it is something we will, on occasion be doing.

B. We also see, from both passages, that the practice of fasting has been in the past and, no doubt, will continue to be in the future abused, carried to an extreme, made into a formalistic gesture, causing people to be hypocrites. For that God meant to be a personal private kind of spiritual and physical exercise evolved into a public ritual that bred hypocrisy and all forms of self righteousness, and the *real* blessing was lost as the ceremony and the ritual became more and more important.

Actually, in the Bible, God only commanded one fast. He commanded the people to fast on the Day of Atonement. On that day, which we know in modern America as Yom Kippur, the people were commanded to "afflict themselves" with fasting. But by the time of Jesus the Pharisees had come to the place where they were advocating a fast twice a week, Mondays and Thursdays. Remember the story Jesus told of the self-righteous Pharisee who stood and prayed in the temple, "Lord I thank thee that I am not as other men. *I fast twice a week!*" This was the Pharisaic requirement.

We must recognize, then, that there is always the danger that any spiritual exercise that is done habitually may become an empty form, a ritual devoid of any spiritual content. But just because this danger is present doesn't mean that we should (or should I say "should *have*"?) abandoned the practice of fasting. We don't abandon prayer just because some people make it an empty form—for I am sure that some people do. That does not mean that we therefore shouldn't pray.

C. These two passages teach us how we ought to fast. "When you fast," Jesus said, "Wash your face and annoint your hair. Don't let anybody see your fasting." You know, the Pharisees would mat their heads with earth and smear ashes on their faces to give themselves a pale washed out look. They went around in public looking like the wreck of the Hesperus, so that everybody would know they were fasting. Don't be like them, "Jesus said. "Do it unto the Lord. Do it privately. Do it so that nobody knows you're doing it." And when he said to wash our faces, etc., I believe he meant that we are to go about our regular business. You can fast and go to work or carry on your regular routine. Nobody will know it but your heavenly father, but your father who sees in secret will reward you.

The passage in Isaiah also deals with this problem: Fasting had become a form, a ritual. People were doing it, but at the same time living their lives as if they didn't even care about God. Making a great show of humbling yourself; fasting and even putting ashes on your head, is NOT what pleases God.

Oh, how much the prophets dealt with this question! What pleases God is not to refrain from fasting, but to fast and at the same time to give yourself to righteousness with all your being; to be concerned with holy living and to care genuinely for the needs of the rest of the world. That's the fast I choose, says the Lord.

IV. MANY BENEFITS ARE DERIVED FROM FASTING

1. Fasting enables us to increase and intensify our devotion to God, to honor, glorify and bless him:

Say to the people of the land, "the prophet Zechariah was commanded, "When you fasted and mourned in the fifth month and in the seventh these 70 years, was it for me you fasted?" (Zech. 7:5)

And the answer of course is obvious. It ought to have been unto the Lord. But it wasn't. It was unto themselves. It was to be seen by men. It was an empty form. But if you do it right, if you do it unto the Lord, it is a means of intensifying and increasing our own personal devotion to God. Acts 13 speaks of the Christians at Antioch:

While they were worshiping the Lord and fasting the Holy Spirit said, "Set apart for me Barnabas and Saul for the work to which I have called them. (Acts 13:2)

Here we see that fasting was coupled with a worshiping of the Lord. Fasting in itself can be a spiritual act of devotion to God.

2. Fasting can be a means of gaining personal spiritual understanding and direction. Twice-widowed Elizabeth Elliott in her recent book on guidance entitled *A Sure And Certain Light*, has this to say:

One way of taking myself in hand is fasting. I have not done this often, but at times when the most difficult decisions faced me, I have found it helpful. It seems to me a sensible way of proving that I am serious.

You are after something specific from God, and although your own will may be too weak to will his will, it is at least strong enough for this one small thing. God in his mercy and fatherly love takes note of this flicker of movement toward him.

3. We fast that God may hear our earnest pleas and supplications.

"So we fasted and besought our God, and he listened to our entreaty." (Ezra 8:23)

In some mysterious manner, fasting is a way of saying, "I really mean it Lord. I'm not just mouthing prayers. I'm willing even to go without food to show you that I mean what I'm praying about." It's a way of entreating God.

4. This may surprise you: it is a way of

changing God's mind. In Jonah 3:5, 10 we read:

> And Jonah cried, yet 40 days and Nineveh shall be overthrown. And the people of Nineveh believed God; they proclaimed a fast and put on sackcloth, from the greatest of them to the least. When God saw what they did, how they turned from their evil way, God repented of the evil which he had said he would do to them, and he did not do it.

Yes, the people of Nineveh, in prostrating themselves before God with repentance and fasting, were able to change God's mind. David also fasted, you recall, for the little child born to Bathsheba. But the child died, and so David got up and ate and went back to his regular routine.

> . . . then David's servants said to him, "What is this thing which you have done? You fasted and wept for the child while it was alive; but when the child died you arose and ate food!" David said, "While the child was still alive, I fasted and wept, for I said, Who knows whether the Lord will be gracious to me that the child may live. But now that the child is dead, why should I fast? Can I bring him back again? I shall go to him, but he will not return to me." (II Sam 12:16–22)

V. WHAT IS "FASTING?"

"Fasting" means "not to eat." But there are several valid interpretations of this, several kinds of fasting described in the Bible.

A. *The absolute fast*—not to eat at all.

1. Paul did this after his conversion: "For three days he was without sight and neither ate nor drank." (Acts 9:9)

2. Ezra did this when he was mourning the infidelity of the returned exiles after the captivity: "Then Ezra withdrew from before the house of God, and he spent the night neither eating bread nor drinking water, for he was mourning the faithlessness of the exiles."

3. Moses did it on Mt. Sinai not once but twice.

4. Jesus did it in the wilderness after his baptism.

B. Then there is the *partial fast*

1. "Daniel ate no delicacies, no meat nor wine, for three full weeks" (Dan. 10:3) Elijah was fed by the ravens in the wilderness. John the Baptist ate locusts and wild honey. All of them ate, but not the normal fare.

C. Finally, there is the *normal or regular fast*—no food, but water or other liquids for a limited time, a few days or perhaps only a meal or two.

VI CONCLUSION

Now all of this has been prompted by the call by the U.S. Senate, the National Capital Union Presbytery, the Sixth Church Session and our own inner convictions for a day of national humiliation, fasting and prayer. We shall have a service here on Tuesday evening at 8:00 p.m. At that service we shall engage in earnest prayer, and at the same time we shall speak about the reasons why humiliation and repentence are so vital, so desperately needed in our land.

But today I am talking about fasting. I want to urge you to consider fasting on Tuesday, or at least going without 1 or 2 meals if you don't feel able to refrain from eating entirely. Or, if you prefer not to omit your regular meals, consider eating only very simply that day. I'm not attempting to prescribe what you ought to do, for that is exactly what was wrong all through the Bible. Fasting became formalistic, a ritual, prescribed by the priests, and that was not as it ought to be. It is a personal, private matter between you and the Lord.

But I suggest to you that by some tangible concrete act you let God know that you are in earnest about praying that God may spare our nation from the judgment that is impending if there is not a great change. I cannot say to you seriously enough, and I believe you in your deepest heart and convictions would share this belief, that our national need is more serious than it has ever been in terms of the kinds of immorality and evil that are taking place today.

But God has said:

> If my people who are called by my name will humble themselves, and pray, and seek my face, and turn from their wicked ways, then I will hear from heaven and will forgive their sin and heal their land. (II Chronicles 7:14)

And so let us come together, in a spirit of genuine humility and repentance, seeking God earnestly, demonstrating to him that we care enough to engage in some form of fasting, and let us passionately pray for our nation and for ourselves. The expression of our seriousness in fasting will be a blessing to us and to God.

Mr. CURTIS. Mr. President, I yield the floor.

Mr. GOLDWATER. Mr. President, it is my strong belief that our religious faith lies at the foundation of America's strength and greatness, and I would certainly support any proposal or even legislation that might tend to point that out or, in another way, to bring it home to the people. I am not certain, however, that the motive of this joint resolution expressed in the language it contains stops at that point, so I cannot give it my wholehearted support as much as I would like to. For example, the resolution talks about our having made an idol out of our pursuit of our national security.

Mr. President, it was God's belief that righteous men should defend themselves, their principles and, yes, even their God and their churches, and if we did not have national security, whatever that particular word means in this resolution, then I am a bit confused. The resolution goes on to say that "We have failed to respond, personally and collectively, with sacrifice and uncompromised commitment to the unmet needs of our fellow man, both at home and abroad." Mr. President, no nation in the history of man has made such advancements to eliminate poverty as has this country.

No nation in the history of man has done as much to stamp out starvation. The major part of our budget now goes to the helping of people less fortunate than others to the point that the country faces bankruptcy because of the deficit spending required. No nation in the history of the world has ever done so much for its fellow men abroad. Witness the Marshall plan. Over $100 billion has been given to needy countries all around this world. Wheat and food stuffs and medical aid have been flown into the very heart of the jungles and on to the scorching deserts, and as far as what we have done personally, I think that is up to each man's conscience. I do my best, but I am again confused when language such as this is contained in the resolution. A spirit of humbleness and gratitude for the many blessings we have is one thing, but if there is to be any suggestion that we as a nation and people should feel humiliated, I cannot agree. I believe that among all the peoples of the Earth we have done the most to help our citizens to help themselves to develop their fullest capacities. And we have supported the cause of liberty abroad without any pursuit of ambition or conquest.

If this is to be a day of prayer, then I will pray, as I always do, for my country and for my family and for all people, but we can never have a day of humilitation in the United States as long as we continue to do what we have been doing while keeping in mind that we were endowed by our Creator with certain inalienable rights among which are life, liberty, and the pursuit of happiness. Personally, I am so darn proud to be an American that I have no room to feel humiliated. I do not like some of the things that have been going on but they do not humiliate me. They are problems brought on by years of not paying attention to morals or ethics, so I will include in my prayers a prayer that all of us elected or nonelected pay attention to these two important facets of life.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Florida is recognized.

Mr. CHILES. Mr. President, I wonder if the Senator from Arizona will yield to the Senator from Florida for a question.

Mr. GOLDWATER. Yes. I am very happy to do so.

Mr. CHILES. Mr. President, I really am glad that the Senator brought out the point he did concerning humiliation. I think that that has caused misunderstanding on the part of the resolution, as I understand the resolution.

I think that we tend to think we are saying, by the word "humiliation," that we are ashamed of our country. I do not think that the word should mean that. I do not think that it meant that when Lincoln proclaimed a time for prayer and fasting. That, I think, has to be the genesis of this particular resolution.

When Lincoln said in that resolution that we had become too self-serving, too self-sufficient, he said:

> We have grown in numbers, wealth, and power as no other nation has ever grown. . . . We have vainly imagined, in the deceitfulness of our hearts, that all these blessings were produced by some superior wisdom and virtue of our own. . . . We have become too self-sufficient . . . too proud to pray to the God that made us!

He speaks of the need for prayer, fasting, and humiliation. Many of us do not think of Lincoln as being a person who was ashamed of his country. We do not think of the leadership he provided for us as being in any way weak or in any way groveling. However, I think in that resolution of prayer and fasting, we find much of what Lincoln found in this. There are the very same words in many instances.

So I think that to say that we could be humble before God, to say that we could stand in humility before the Almighty does not mean that we are ashamed of our country in any way. It does not mean that we humble ourselves before any other ideology or any other being. But perhaps because one of our faults is that we have become so proud, as Lincoln said, and we have become so self-sufficient, as Lincoln said, we have reached the point where we do not think that we can humble ourselves before God any more.

I think that is the kind of thing the resolution speaks to, the kind of thing we should try to make clear when we adopt the resolution or speak to it.

Mr. GOLDWATER. Mr. President, I appreciate the comments of my friend, the distinguished Senator from Florida.

I certainly think that when Lincoln called for this resolution, it was at a time much different than today. The country had just gone through probably the worst experience the world had ever gone through, and it had survived. I remind my friend, the Senator from Florida, that the country, though torn, had survived. We are in no comparable position today.

Let me comment on humility. I do not think that any person who believes in God and prays ever does so in any but a humble way.

I do not think the American people are a nonreligious people. In fact, I have seen more evidence of a rebirth of religion in this country, particularly among the young, than I have ever seen before.

I realize that there are people in this country who always have seen, and probably always will see, no place for God in the scheme of their lives and who place material acquisitions and material advances ahead of the spiritual. For these people I have only pity. So I can only hope and pray that those people may see the mistakes of the way they are living.

But what did disturb me about the resolution—and I voted for it—was the word "humiliation."

It will be grossly misunderstood by our adversaries around the world. And we did not have the number of adversaries at the time of Lincoln. Nor did we have the kind of adversaries that we have today.

So I was afraid that they might jump on this word and take advantage of it and propagandize it to the end that we will be looked upon as a country filled with but one meaning of the word "humiliation."

I think that if we had used some other word, it might have been better. I have no opposition to the purpose of this resolution. I just want to make it perfectly clear that this is one Senator who, while he understands the purpose of the resolution and stands with it, took exception to the word "humiliation," even though I know what Lincoln was getting at when he wrote those words many years ago.

Mr. CHILES. Mr. President, I thank the distinguished Senator. I think that by this colloquy we are clearing up whatever misunderstanding there could be.

I note again that Lincoln was not the first to use this language. There was a resolution or prayer and fasting by the Assembly of Virginia in 1774, signed by Washington, who was the head of the Assembly of Virginia at that time.

It is interesting to me to note that at that time it said:

> Tuesday, the 24th of May, 14 Geo. III. 1774
>
> This House, being deeply impressed with Apprehension of the great Dangers, to be derived to British America, from the hostile Invasion of the City of Boston, in our Sister Colony of Massachusetts Bay, whose Commerce and Harbour are, on the first Day of June next, to be stopped by an armed Force, deem it highly necessary that the said first Day of June be set apart, by the Members of this House, as a Day of Fasting, Humiliation, and Prayer, devoutly to implore the Divine Interposition, for averting the heavy Calamity which threatens Destruction to our civil Rights, and the Evils of civil War; to give us one Heart and one Mind to oppose, by all just and proper Means, every Injury to American Rights. . . .

So, it was stated therefore that they should observe that day. That was the day on which the Assembly of Virginia was facing the British Empire. They called themselves British-Americans. And yet they were willing to say it was a day of humiliation, prayer, and fasting.

The Americans have been fairly successful, as we see from our history and as the Senator from Arizona and I have an opportunity to stand here and discuss the matter today.

So I really think as we look at history and note that there was a resolution that Washington signed as President of the United States, in which he speaks again of the matter and points out some of the willingness to rely on the Divine Providence, in which he said on the 19th day of February 1779, as the day for public thanksgiving and prayer:

> And on that day to meet together, and render their sincere and hearty thanks to the great Ruler of Nations for the manifest and signal mercies which distinguish our lot as a Nation . . . and at the same time, humbly and fervently to beseech the kind author of these blessings graciously to prolong them to us,—to imprint on our hearts a deep and solemn sense of our obligations to Him for them—to teach us rightly to estimate their immense value—to preserve us from the arrogance of prosperity, and from hazarding the advantages we enjoy by delusive pursuits—to dispose us to merit the continuance of his favors, by not abusing them, by our gratitude for them, and by a correspondent conduct as citizens and as men; to render this country more and more a safe and propitious asylum for the unfortunate of other countries; to extend among us true and useful knowledge; to diffuse and establish habits of sobriety, order, morality, and piety, and finally to impart all the blessings we possess, or ask for ourselves, to the whole family of mankind.

Again he speaks of the need for humiliation, prayer, and fasting. This is, now, Washington first as the head of the Assembly of Virginia and second as the father of our country and President of our country.

I think when we view the historical context of the resolution for prayer and fasting, we really are humbling ourselves before our Divine Maker, and no one should misinterpret those words as indicating any less resolve on our part as a country to pursue freedom.

Mr. GOLDWATER. I just wanted, as one Senator, to make perfectly clear what I am sure is the feeling of all, that we feel no humility in the fact that we are Americans.

The Senator has alluded brilliantly to prayers offered by Presidents and commanders in chief. I do not think any man who has even entered into anything even slightly dangerous, particularly battles or in my case flights, has ever done so without, in effect, humbling himself. I did not purposely fast, though sometimes I was forced to, but there was always prayer.

We do this all the time. The country is built upon a religious foundation, and I think sometimes the American people forget the words that we "were endowed by our Creator."

So I merely wanted to add to what the Senator has recited the fact that I have never known a soldier, sailor, airman, or marine who did not pray. And when we pray, we in effect humble ourselves, whether we say it or not. This is the purpose of prayer.

Fasting is something else we can indulge in or not. It is the denial of things material to our bodies and to ourselves. But I just wanted to make it abundantly clear that when we talk of humiliation, I do not want someone in a godless country saying we are ashamed of our country, and we are humiliated by being Americans.

I understand fully the religious implications. I just hope that some of our enemies around the country who do not happen to believe in any god can hear the words we are speaking today. I think they will have a better understanding of what religion means to the United States, its history, and its future.

I might close by saying that if the Senators in their supplications today have their hearts in it, and the American people have their hearts in it, and as a result we can grow in these feelings, then we have taken the greatest step forward toward strengthening ourselves against the inroads of communism, or slavery, as I like to put it, that we have ever taken. This kind of spiritual approach is stronger than any mass military effort we can ever put together.

If we have a weakness in this country, it has been, in my judgment, as I have stated, a laxness in morals and understanding of ethics; and all the tortures we have been through for the last few years would never have happened had we had people in public life and out of public life who demanded the highest level of moral and ethical conduct.

Again I thank my friend from Florida for developing this into what I think will be a very interesting passage.

Mr. CHILES. I thank my distinguished friend from Arizona. Mr. President, I wonder if the distinguished Senator from Iowa will yield for a series of questions by the Senator from Florida.

Mr. HUGHES. I am delighted to yield to the Senator from Florida.

Mr. CHILES. I first want to join with the senior Senator from Rhode Island in his remarks about the eloquent message that the distinguished Senator from Iowa, my colleague and my brother, has given on the floor of the Senate on this resolution. I think it was a wonderful statement. As always, he spoke from the heart, and I want to associate myself with his remarks.

Today is for me a sort of unique opportunity. I cannot remember, in 12 years as a State legislator and now after 3 years of having the opportunity to be a Member of this body, ever having had an occasion to stand in any of those forums and speak on this subject.

I think too many times we seem to have a feeling that it is not the proper thing to do, perhaps that it is not the manly thing to do, to acknowledge what we all seem to want to acknowledge, that we are God's children, that we do recognize that we have a divine leader and Father; that too many times we feel we cannot bring that into the affairs of government, and we get into the problem of the separation of church and state and how we could conduct ourselves in that respect, to the extent that we almost do not act. Just by the very fact that in 15 years of public life this is the first time I have ever taken the opportunity to stand up in a legislative assembly and speak to the need for divine help for our country and for ourselves as individuals, I think, recognizes that fact.

I think the resolution, therefore, gives us a tremendous opportunity in that regard. I just want to explore a few things, if I might, with the Senator from Iowa, to help me in my thinking.

Mr. HUGHES. Mr. President, if the Senator will yield for one moment, I would like to comment on what he has just said.

Mr. CHILES. Yes.

Mr. HUGHES. First, in all of my political life, since I have been holding public office, or running for public office, now, for 16 years—which in comparison with that of many of this body is only a minute—nonetheless I have witnessed a great deal of confusion around the question of the separation of church and state in the Constitution. That confusion has been so widespread that most men in political office are almost afraid to mention the Word of God in relationship with their public activities, which in my opinion is pure poppycock.

The constitutional separation of church and state is related to the laws governing the country in relationship with funding, supporting, and so on, of churches and church educational institutions, and has nothing to do whatsoever with men and women living their faith, speaking their faith, and walking their faith in relationship to the conduct of their public duties as well as their private lives. As a matter of fact, the two are inseparable, and freedom is inseparable from God, in my opinion.

Mr. CHILES. I thank the Senator for those comments. I think one of the problems that we have with the leaders in this Nation today, when we see our credibility challenged at all levels, is that we are afraid to speak out and acknowledge that we do believe in a Divine God, and what our beliefs are regardless of what they are.

Some of what I have said in some of the comments I am making comes from a person that I want to acknowledge. I wish I could remember all my sources, but Derek Prince, who is presently residing in Florida and serves as president of the Christian Growth Ministries, in Fort Lauderdale, Fla., has written a book entitled "Shaping History Through Prayer and Fasting." Some of the comments I have been making came from that book, and I wish to acknowledge it.

But I want to look back to what Lincoln had to say. As we all know, throughout Lincoln's public life he always acknowledged his complete reliance on the Divine. As we look at his life and the times in which he lived, we can see how important that had to be to him and the strength he derived from it.

But Lincoln at times was called an atheist, in one of his campaigns, as I recall, because he did not believe in any form of organized religion. I do not believe he ever joined a particular denomination or church. Does the Senator from Iowa recall?

Mr. HUGHES. Yes. I recall this. As a matter of fact, in a recent book by Dr. Trueblood on "The Spiritual Evolution of Abraham Lincoln," there is a comment on the fact that in the conduct of the campaign he was attacked as being a nonbeliever. The vast majority believed that he belonged to an organized church, though that was a matter in dispute. Some thought he had joined a church in Washington while he was President. But certainly he came under heavy attack at the beginning of his tenure as President for being a nonbeliever. And in his later days as President, because he was constantly relying on God, he was attacked from both ends of the spectrum.

Mr. CHILES. At no time was he promoting some kind of state-sponsored church. That is again what we are dealing with in this resolution. I find it interesting, in looking into the history of this resolution, to find that fasting is something very much a product of the Old Testament. Yom Kippur is a day of fasting and atonement, very much a part of the Jewish religion, as there were many other days of fasting in the Old Testament seeking reliance on the Divine.

I just wanted the Senator's comments on the fact that there has been fear on the part of some of our colleagues, perhaps, as expressed here on the floor of the Senate, that this would signal some form of weakness to say that this was a resolution of humiliation. I know that the Senator is much more familiar with the Bible than I am. But I wonder whether he recalls, with me, the passages in the Bible such as the one when Jehoshaphat had an army approaching him and he was in great fear and trepidation, because he had no army of his own to fight them off, yet he called on his people for prayer and fasting and, as I recall, they were quite successful, because before they set out to meet the opposing army, they sang and prayed and, as a result, they beat off the army that was coming on them. They did not have to fight, because the opposing army destroyed itself, and Jehoshaphat's people spent 2 or 3 days picking up the spoils.

So I wonder again whether that gives the Senator from Iowa some assurance, as it gives me, that we do not have to worry too much about some foreign nation misinterpreting this, if we are true in our intent that we are ready to humble ourselves and humilitate ourselves before our Divine Ruler.

Mr. HUGHES. I would say to the distinguished Senator from Florida that if humiliating myself before God is a weakness, then I prefer to be weak.

If asking for forgiveness and seeking repentance from the Almighty Creator is going to be embarrassing to me before other nations, then I prefer to be embarrassed.

Because the source of creation, the Creator of heaven and earth, the Guider of all mankind, the Deliverer of truth and love, has said that we should humble ourselves before the one God.

In our humility, I can hardly stand with the arrogance and fear of some other nation, regardless of how mighty it might be, regardless of how it might feel about my humility before my Creator. I cannot but honor the feelings of other men and any nation that honors and respects the differences in religious beliefs and what individual feelings may be in relationship to that. But I know that I can speak forcefully, in a different light than has been expressed, about my own feelings in relation to the Scriptures which I read, that direct me in my beliefs, as one Senator in this country, as one citizen of this Nation that I love, along with the other people in the country. There is no fear in expressing humiliation before God the Creator.

To those who do not acknowledge God, to those who do not fear God, then God is on our side. The expression of that humiliation is one that no matter how much we can do, we have not done enough.

Mr. CHILES. If I recall the words of Solomon, who is known as one of the wisest rulers of all time and one of the wisest men of all time, being the son of David and taking on the kingdom or the crown of David, as passed on to him, he was asked by God what favor he wished, because David had been held in so much favor by God.

As I recall it, Solomon said:

> So give to thy servant a heart with skill to listen so that he may govern thy people justly and distinguish good from evil. For who is equal to the task of governing this great people of thine?

So here is this man who is recorded throughout history as being one of the wisest and most skillful administrators and Governors and it seems that he sought this kind of divine help.

So I wonder again whether that admonishes us as leaders to seek help and to acknowledge that we need it, that we do not have all the wisdom ourselves, as Lincoln pointed out in his resolution, and as this resolution seems to kind of point out today.

Mr. HUGHES. Well, I know of no leader in this Nation who has not called upon God for divine guidance, not only in his capacity as Governor of the people and making recommendations and offering solutions, but also in the awesomeness of the responsibility of rising to a position of higher power. Possessed of the realization of his own fallibility and his own finiteness and his own limited capacities, contemplating—in the loneliness of his own room, if in no other place—what we face relating to each other as men and women on his planet, he cannot but realize he needs help and guidance above and beyond that which comes from the finite, the material, the brain, and the science on this Earth. Because when we are dealing with the senses, then we are dealing with material existence. To go beyond that, we must deal in the Spirit.

As our Father said, "God is the Spirit" and we must relate to God in Spirit. That relationship is something which comes from something beyond what we can identify in the flesh.

Mr. CHILES. As the Senator from Iowa joins me in the feeling that we as leaders must try to seek this divine help and that the leaders of this country have sought that help, at the same time, is there not a great need for the people of the country themselves, who also govern in their capacity as citizen officers of this country, to offer prayers for their Governors and not just for themselves?

As we are seeing many times, we do not really use our public office to express our opinions on the Divine. Many times people think there is a need for the people to pray for their government.

Mr. HUGHES. The Scriptures themselves direct all believers to pray for the government and the leaders of government. There is a moral responsibility on the part of the people to see that they do pray for the leadership of their government. Whether we would agree in a free society with that leadership or not makes no difference at all. God indicated to us in the word that He has selected the leaders of nations. He also has directed us to pray for divine guidance and supplication. Most people accept that responsibility and occasionally remember their leaders in their prayers.

We need the prayers of all the people from the heart and the soul for carrying out our duties in the place we hold in this Government of ours.

Mr. CHILES. The Senator from Iowa pointed out very eloquently in his opening remarks what one or two believers can bring about and the responsibility, therefore, of one or two or a handful of leaders to work for their beliefs and for their country and what their responsibility could be in that regard. I wonder, because the resolution does speak of fasting, whether the Senator could think of a few selected instances of fasting and how fasting has appeared to change events of history.

I recall, as I know the Senator does much more than I, when Jonah went to Nineveh to bring a message that Nineveh was going to be destroyed, because it was an evil and wicked city. Even though Jonah had brought that message, and he had been sent to bring that message, as I recall, the ruler of Nineveh at that time immediately declared a fast and had the people wear sackcloth and ashes. They immediately began to fast; and after that fast, the Lord decided not to destroy Nineveh.

As I recall, Jonah was quite upset at the time, because the Lord had seen fit to save Nineveh, even though originally he had said that it would fall. Jonah was quite concerned, but the Lord pointed out that if people were ready to change at any time, should there be any feeling on His part that could not change His disposition or will toward those people?

I know that the Senator recalls the events of Jonah bringing the message to Nineveh, and the fast and the wearing of sackcloth and ashes, and how that changed the events of history at that time. Certainly, that would be an act of humiliation, or humbling oneself.

Mr. HUGHES. There are many times in the Old and the New Testament in which they are called upon to fast and do penance and wear sackcloth and ashes. Certainly, the Senator has just recalled one time in which God turned away His wrath.

There are also many instances of doing penance and realizing the wrongness of what we are doing in times of great success, rather than in times of apparent failure within nations. It appears in times of great abundance and great wealth, which seem to be periods of personal moral deterioration, when the people begin deteriorating in their personal morality in relationship with each other. As a result, the cloth and the fiber of the nations deteriorate, the family structure is destroyed, and so forth.

Fasting is an accepted cleansing. It is a denial. It is a cleansing before God, and has been from the beginning. Jesus, himself, declared, in casting out the demons, when the Apostles asked why they failed, that this comes about only by prayer and fasting. Fasting is referred to in the Scriptures from beginning to end.

If the Senator will yield, I should like to read at this point a chapter from Isaiah in relationship to what we are doing here today. I read from chapter 58:

> Cry aloud, spare not, lift up thy voice like a trumpet, and shew my people their transgression, and the house of Jacob their sins.
>
> Yet they seek me daily, and delight to know my ways, as a nation that did righteousness, and forsook not the ordinance of their God: they ask of me the ordinances of justice; they take delight in approaching to God.
>
> Wherefore have we fasted, say they, and thou seest not? wherefore have we afflicted our soul, and thou takest no knowledge? Behold, in the day of your fast ye find pleasure, and exact all your labours.
>
> Behold, yet fast for strife and debate, and to smite with the fist of wickedness: ye shall not fast as ye do this day, to make your voice to be heard on high.
>
> Is it such a fast that I have chosen? a day for a man to afflict his soul? is it to bow down his head as a bulrush, and to spread sackcloth and ashes under him? wilt thou call this a fast, and an acceptable day to the Lord?
>
> Is not this the fast that I have chosen? to loose the bands of wickedness, to undo the heavy burdens, and to let the oppressed go free, and that ye break every yoke?
>
> Is it not to deal thy bread to the hungry, and that thou bring the poor that are cast out to they house? when thou seest the naked, that thou cover him; and that thou hide not thyself from thine own flesh?
>
> Then shall the light break forth as the morning, and thine health shall spring forth speedily: and thy righteousness shall go before thee: the glory of the Lord shall be thy reward.
>
> Then shalt thou call, and the Lord shall answer; thou shalt cry, and he shall say, Here I am. If thou take away from the midst of thee the yoke, the putting forth in the finger, and speaking vanity;
>
> And if thou draw out thy soul to the hungry, and satisfy the afflicted soul: then shall thy light rise in obscurity, and thy darkness be as the noon day:
>
> And the Lord shall guide thee continually, and satisfy thy soul in drought, and make fat thy bones: and thou shalt be like a watered garden, and like a spring of water, whose waters fail not.
>
> And they that shall be of thee shall build the old waste places: thou shalt raise up the foundations of many generations; and thou shalt be called, The repairer of the breach, The restorer of paths to dwell in.
>
> If thou turn away thy foot from the sabbath, from doing thy pleasure on my holy day; and call the sabbath a delight, the holy of the Lord, honourable; and shalt honour him, not doing thine own ways, nor finding thine own pleasure, not speaking thine own words:
>
> Then shalt thou delight thyself in the Lord; and I will cause thee to ride upon the high places of the earth, and feed thee with the heritage of Jacob thy father: for the mouth of the Lord hath spoken it.

What the Prophet is saying here is a reference to sackcloth and ashes and going about our own merry way, doing business as usual, and seeking not that which is truth as he has described it when he says, "Will you call this a fast and a day acceptable to the Lord?" Then he says:

> Is not this the fast that I have chosen? to loose the bands of wickedness, to undo the heavy burdens, and to let the oppressed go free, and that ye break every yoke?
>
> Is it not to deal thy bread to the hungry, and that thou bring the poor that are cast out to thy house? when thou seest the naked, that thou cover him; and that thou hide not thyself from thine own flesh?

Then he describes the revelations of God as a result of this kind of fast. There is a simple ritual of denying a little food and putting on sackcloth and strewing ashes. But unless the heart turns back, unless the circumcision of the heart has taken place, unless you have repented, unless you have turned, unless you have changed direction, it will not be honored in the annals of the Most High. I say to the distinguished Senator from Florida: I think that is what we are talking about.

Mr. CHILES. I think that is absolutely so. I wonder if the Senator sees a parallel between that and the events that often happen in the life of the junior Senator from Florida. As long as everything is going along fine, I am in command; and it is only when things sort of go on the rocks that I start seeking a little help and that I start wanting to get some outside help, because I cannot handle it.

There seems to be a parallel between that and the situation in this country today. Things have been going along well for this country for a great number of years, and suddenly we are faced with an energy crisis and inflation and a shortage of materials, the fact that other countries are beginning to gang up and restrict what they are going to send us.

Everybody is now saying to me when I go home, in effect, "Why don't you pass some law and do away with this inflation? What is the matter that we can't pass some law and do that?"

Perhaps we have allowed the people to feel that we could govern all destinies, and we took all the credit while everything was swimming along so well and we were enjoying the high prosperity we have; and now we have to recognize that we are in a quandary. As the resolution says, we thought these things were produced by some superior wisdom and virtue of our own, and in fact they were not. In fact, now we do not know where to turn for the answers as to how to cure inflation or what to do about the energy crisis. We cannot find any law to pass that is going to take care of all the problems that seem to be besetting this country. Every government in the world is under pressure today, especially the democratic governments, or those that are trying self-government, whether it be England, France, Italy, or Denmark. You name the country, and we see the kind of pressure they are under today in their attempt of self-government.

Mr. HUGHES. Mr. President, I would say to the distinguished Senator from Florida that basically what he is saying is right. I happened to listen to the news night before last. I heard that the distinguished Governor of Maryland had decided to sign 300 bills into law that night. Having been the Governor of my own State for some period of years and having signed many bills into law, in looking back over the years I cannot imagine one of those bills that would change the heart of a single man. I cannot imagine the legislative process that has cleansed the soul and turned men about.

Yes, it is necessary to have good works, it is necessary to do good deeds, it is necessary to establish a society of law and to have men live by law. But if we lived by the word of God there would be no need for a welfare program, because then we would do as the prophet said and feed the hungry, clothe the naked, and care for the poor. If we believed and lived by the word of God we would not need massive institutions for those who violate the law, because our concern would be for the souls of others more than for our own. I would care more for how you were clothed than I, and I would care more that you were happy than I.

As I understand it, the Master said to us in relating to us His guideposts for life, "Love the Lord God with all your heart, and all your mind, and with all your soul, and love your neighbor as yourself."

How did he identify the neighbor? He identified the neighbor by telling the parable of the Good Samaritan—a neighbor is one who is different than we are. He identified the people of the earth as being our neighbors in that parable. He told us to establish our relationship in our own family structure, to be unafraid and to be able to pray with our wives and our children, to live in the structure of a family once again and to know that in that family there was a God center that mattered, and then to be able to love even one other person, as he described—just one.

If each of us loved one, it would alter the course of humanity. If we truly loved one other person as directed by the Lord, it would change the course of the human race, and if one dozen would love each other as He loves them it would change the history of the world for thousands of years to come, again because it is a revolutionary tactic we have not learned to follow.

Mr. CHILES. I thank the distinguished Senator from Iowa.

Mr. HUGHES. I thank the Senator from Florida.

Mr. President, I am happy to yield at this time to the Senator from Wyoming.

Mr. HANSEN. Mr. President, I am privileged to be in the Chamber this morning to take note, with other Members of the Senate, of the significance of the resolution that was passed by this body. I think it is highly fitting and appropriate as has been pointed out by the Senator from Iowa, a man I have known for many years. He and I served our respective States as Governors in the early 1960's and from that time forward I have grown to admire and respect and cherish his friendship.

Mr. President, today we observe a national day of humiliation, fasting, and prayer. The day was set for observance by a joint resolution I was pleased to cosponsor with the distinguished senior Senator from Oregon.

This resolution, passed by the Senate, could well be as important as any we have considered in the 93d Congress. Some may question whether there is an Almighty. For the benefit of those who continue to question even after seeing the wonder of His works in their daily lives, I will say that: If there is a god who cares about the actions of mankind on this Earth, nothing we do here could be more important than to seek His guidance through prayer, and to offer thanksgiving for the many blessings of our country and the world.

There is evidence that many communities in every one of the 50 States will be pausing during the course of this day to reflect upon our ultimate dependence on God and to exhibit the continual need we have to seek His guidance.

The difficulty of these times underscores the necessity for the strength that can come from faith. This day, which the Senate has by resolution declared to be one of humiliation, fasting, and prayer, should permit each of us to focus more clearly upon ultimate truths.

Thy will be done.

Let each of us assess our action and examine our consciences—not on the basis of fulfilling our personal, selfish desires—but rather to see that what we do and what we think make us better instruments of Him.

Thy will be done.

The distinguished Senator from Iowa said that if we would practice what has been taught us and what we have been directed to observe in the Bible we would not need all the laws, including the welfare programs and many other programs we have. I cannot escape from the realization that although we meet now in almost continuous session from the first to the last of the year, really only 10 laws are necessary to direct and guide mankind in order that we may become better instruments of His will. If we could take into our hearts and practice in our daily lives those commandments given to us through Moses, we would need no other law, because they have been so continually true down through the ages. They cover all the ramifications of mankind's emotions and experiences as to serve adequately for a guide that is just as applicable and appropriate today as it was back in the days of Moses.

I am pleased that the Senate by resolution has decided to set aside this day to call attention to the need each of us has better to understand what God's will is, to ask ourselves more often than we are prone to do how our personal desires square with the things God would have us do, and from that comparison, from that self-examination redirect and refocus our lives in order that we can, indeed, become better instruments of His will.

Each day the Members of the Senate and of the House—of the Congress of the United States—open their deliberations by hearing a prayer offered by the respective chaplains. It is entirely appropriate that it should be this way. It is unfortunate that each of us cannot take more closely into our hearts the need to reflect upon these prayers and to cast our eyes heavenward and understand better and more clearly and deeply than we do, the relevance of God's teachings to these troubled times.

I thank my distinguished colleague from Iowa for the inspiration, for his leadership, and for the deepened faith that his deep convictions have brought to each of us.

Mr. HUGHES. I thank my distinguished colleague from Wyoming for his comments and his constant contributions to the areas of worship, faith, and prayer that we have followed privately each week since I have been in the Senate meeting privately with the Senate prayer group. The Senator from Wyoming has been a constant contributor and attendee there. I have valued his friendship these many years. It has strengthened my faith to observe his personal faith and way of life.

Mr. ROBERT C. BYRD. Mr. President, I want to express appreciation to the distinguished Senator from Iowa for what he has said here today, and also to the distinguished Senator from Florida (Mr. CHILES), to the distinguished Senator from Nebraska (Mr. CURTIS), to the distinguished Senator from Wyoming (Mr. HANSEN), to the distinguished Senator from Rhode Island (Mr. PASTORE), and other Senators.

I also wish to express my compliments and my gratitude to the distinguished senior Senator from Oregon (Mr. HAT-

FIELD), for his vision, faith, and courage in offering the resolution to which other Senators have alluded, the resolution which provides for a national day of fasting, prayer, and humiliation.

As I sat and listened to these colleagues of mine, I thought of a story by Tolstoi. Tolstoi told the story of a young man who had land hunger. He added farm to farm and land to land, but he could never get enough. One day a stranger appeared before him and promised him all of the land that he could cover in a day if he would return by sunset to the point from which he departed. The stranger pointed to the grave of the young man's father and said, "That is the point to which you must return."

So the young man started out at the break of day to get, at last, enough land. His original plan was to cover a plot of ground 3 miles square, but after he had walked the first 3 miles, he looked about him. The land looked so fertile and so level that he decided he would walk 3 more miles. Then he walked 3 more miles. Then he ran 3 more miles, and then he ran 3 more miles, until he had covered a distance of 15 miles before he turned upon the second side. He completed the second side—a total distance of 30 miles—just as the sun crossed the meridian.

All through the long afternoon, as he made his way back to the starting point, the road became less level, more hilly, stony, and more difficult. He managed to complete the third side, and he was finishing the last side of the square, he could only make his way painfully along the ground, crawling on his stomach, cut by the briers and sticks, and bleeding from the wounds made by the stones. When he was within a few yards of the starting point, he saw, ahead, at the grave of his father, the grim face of the stranger.

The young man reached the starting point just as the sun went down, but he had overtaxed his strength and he fell dead on the spot. The stranger who was called Death said, "I promised him all of the land he could cover. You see how much it is—6 feet long, 2 feet wide. I have kept my pledge."

Tolstoi told the story of many a life. I think he spoke of the lives of individuals and also of nations. He told the story of every life in which the love of self and the greed for gain shrivels the soul and leaves the life a miserable failure at last.

I believe, as I have indicated, that that story befits the lives of nations. My colleagues here today have reminded us all that our Nation was conceived and built out of a wilderness by men and women who believed in God. The Bible was their guiding light. They were men and women of many faiths, some of them not belonging to any church at all, but almost to the man, they believed that there is a Creator who governs the destinies of men and nations. We see, as we study the lives of these great men who built the Republic, this strong spiritual awareness in their words and deeds.

References have been made already to some of the great men who had a part in the building of this Republic. Franklin, at the Convention, I recall, stood to his feet one day and addressed the chair in which sat Gen. George Washington. Franklin said, "Sir, I have lived a long time. The longer I live, the more convincing proofs I see that God still governs in the affairs of men. And if a sparrow cannot fall to the ground without our Father's notice, is it possible that we can build an empire without our Father's aid?" Franklin said, "I believe the sacred writing which says, 'Except the Lord build the house, they labor in vain that build it.'" And he proposed that there be a prayer each day at the Convention; "else," he said, "we shall succeed no better than did the builders of Babel."

Here was a truly great man—Benjamin Franklin—who had already traversed the Psalmist's span of three score years and ten.

He is accorded by all men of this country as having been a man of tremendous wisdom. He was a man who stood tall among other great men—Hamilton, Madison, Washington, the Commander of the Armies at Valley Forge, the man who was destined to become the first President of the United States—and, yet, Franklin stood unabashed before that great man and in the midst of that great audience and proclaimed his solemn belief that God governs in the affairs of men. The Convention adopted his proposal and offered prayer daily. The result: the greatest document of its kind ever written—the Constitution of the United States.

As the distinguished Senator from Iowa has stated, there has never been a leader of this country, there has never been a President, who has not made reference to the great Lawgiver, to the Creator and to His plan and His governance of the destinies of men.

Webster, the great orator, asserted his belief, likewise, in the Bible.

Webster said:

> If we abide by the principles taught in the Bible, our country will prosper and go on prospering. But, if we and our prosperity neglect its instructions and authority, no man can tell how suddenly a catastrophe may overwhelm us, and bury all our glory in profound obscurity.

Robert E. Lee, a man who exemplified Christian character, referred to his belief in the Bible as follows:

> The Bible is a book in comparison with which all others are of minor importance, and which, in all my perplexities and distresses, has never failed to give me light and strength.

These were truly great men, tall men, who stood above the fog, in public duty and in private thinking. They expressed, with the honesty and humility of a trusting child, their simple faith in a higher power.

Mr. President, the distinguished Senator from Iowa (Mr. HUGHES) is an ordained minister. Time and time again he has inspired those of us who serve with him. I admire his convictions—convictions that have led him to give up his Senate seat at the end of his present term to contribute his talents to the full-time service of God and his fellow men.

I am not a minister. But I am like Paul—of all men, I am "most miserable." I recognize that we are all sinful men and women. We all have our faults and our shortcomings. And I am glad that we do take a moment in our busy lives to pause and think of the many blessings to our country that have been provided by the Great Lawgiver.

I have never seen Him, Mr. President, but I believe that there is a Creator. I have not seen electricity, either. However, I would not put my finger into an empty electric socket. The electricity is there, and I know it is there. I have not seen the wind, but I know it comes and goes. So it is with God—He exists. He has always been.

I cannot explain Him. But I believe that He is, has been, and always will be.

I was taught, as other Senators were taught, I am sure, to believe in God. We were taught by mothers, fathers, and teachers, and by the examples of others, that there is a God.

I care not what another man may believe. I care not what church he may or may not attend. But for myself, recognizing my own shortcomings, I still believe steadfastly that this Nation has been blessed by the Almighty. It has been guided by the hand of an omnipotent and divine being, an omniscient, omnipresent Creator, who had a place in His plan for the United States of America.

I was reared by very poor foster parents. I lost my mother when I was 1 year old. I had a praying foster mother. Often I have gone into the home after midnight, walked up on the porch, and seen through the window that old woman on her knees, praying. Often, after she had gone to bed, she would let me in her humble home and would cook something for me to eat. It mattered not the hour, whether it was 1 or 2 o'clock in the morning, she would prepare something for me to eat before I went to bed. After I had gone to bed, I would hear, coming from the other room, the words of her fervent prayers.

Always, when I left the house for a period of days or weeks, she would say to me: "Robert, be a good boy. I always pray for you." I have no doubt that her prayers have somewhat protected me.

I also had a Godfearing foster father—an honest, humble, hard-working coal miner.

Mr. President, that little bit of personal history constitutes the main tie that I have with religion from the beginning, a praying mother, a woman who had no degrees, who had not been to this world's colleges, who had not been to any high schools, who could scarcely write her name. But she had an unshakable, indomitable, unwavering faith. Her example and the noble example of her husband have never left my memory.

Mr. President, we as parents and grandparents, as Senators, and as men and women in places of leadership in this country should seek to set an example for our children and posterity. We ought to express by our words and actions our belief that there is an Almighty who governs the destiny of men and nations. Our faith will there be inculcated and instilled into the plastic minds and hearts of our younger people, that they in their turn will preserve and perpetuate the spiritual awareness that has come down to us from the very beginning of our country and that has made our country great. We see the evidence of the faith of our fathers all about us—on our coins, on our currency, on our public buildings here in the Nation's Capital.

I believe that if our country is to remain a great country, it is going to have to remain a country that believes in God, and we have a duty to perpetuate the faith of our fathers.

It may be only a minority of the people of the country who will continue to pray. But, as the distinguished Senator from Iowa has pointed out, a minority has often preserved a nation. Let us remember that had there been but 10 righteous men, God would have spared Sodom. Who knows, perhaps a few—relatively speaking—mothers on their knees in this country today are keeping the United States of America free?

Last night, I passed beside the blacksmith's door,
And heard the anvil ring the vesper chime,
And looking in, I saw upon the floor,
Old hammers worn with beating years of time.

"How many anvils have you had," said I,
"To wear and batter all these hammers so?"
"Only one," the blacksmith said, then with twinkling eye,
"The anvil wears the hammers out, you know."

And so the Bible, the anvil of God's word,
For centuries, skeptic blows have beat upon,
But, though the noise of falling blows was heard,
The anvil is unharmed, the hammers gone.

Mr. HUGHES. Mr. President, I compliment and also thank the distinguished Senator from West Virginia, the majority whip, for sharing with us the deep devotions of his heart as well as the personal relationships of his family in his youth that have brought him to being the man he is and to living the faith that he lives today.

I count myself fortunate to be one who has been able to serve these few years with the distinguished Senator, but more particularly to share these few minutes with him personally as he spoke from the depth of his soul of his faith in an Almighty God and his continued belief in a Nation that believes in God and that finds its pathway through that faith.

Mr. President, I could not help recalling as I listened to the distinguished Senator from West Virginia and the distinguished Senator from Nebraska that one of the greatest dissertations I ever read on Jesus Christ was from another great Nebraskan.

I wish that I had thought to bring it with me so that I might have entered it into the Congressional Record this morning. The statement, or the speech, as it might have been, was by William Jennings Bryan, and was one of the most enlightened that I can recall ever reading. Perhaps at a later time I might be able to bring it and have it printed in the Record, once again to share it with my colleagues.

Mr. President, if I might, as we go into the last 10 minutes of this 2 hours that have been allocated for Members of the U.S. Senate to express themselves and their hearts in relationship to Senate Journal Resolution 183, a resolution calling the people of our Nation to a day of prayer, humiliation, and fasting, I would, in these closing minutes, just share with you some of the philosophical observations I have as I look at the history of mankind and look to the future.

I can make one observation that is relatively reliable: As I look at my colleagues around the Senate, 25 years from now at least 90 percent and perhaps more, of the Members of this body will have penetrated that veil we call death. Before the year 2000 we will know the truth of the word of God: whether we have lived by it and honored it, what the expectations are, whether death is the end, whether we are as worms, or whether in fact it is graduation day, a birthday into eternity, as the Scripture has revealed to us that it is.

If, in fact, this happens to be truth and not farce, as I believe it is, and if in fact, as the Master said to us, "If you believe in Me, ye shall never die," then it would behoove us today, in honoring our God and our Creator by this simple resolution, to look at the world and its people, His creation, and to look at the history of man's failure throughout the entire history of that creation, and of God's forgiveness, I might add, in that repeatedly He has turned back and forgiven the created.

But as I read history, every alliance of nations in history has failed. Every agreement between nations made by man in all of the history of mankind has gone into nonexistence and failed. Since the first time man picked up a club as a weapon and hit his brother over the head, from the first time he destroyed his brother until this very day, each time that he has developed a more efficient weapon he has used it against his brother. In every age and every time, whether it was the bow replacing the club or the gun replacing the bow and arrow, and then the cannon, the airplane, and the bomb, man has used that weapon. He has never failed to do it.

Now we have brought ourselves to an age where we have placed in the hands of the leadership of nations weapons with the capacity to destroy hundreds of millions of people, and in fact perhaps to devastate the Earth itself to where it will no longer be inhabitable by what we know as the human race. This is the bar of destruction that is abroad in the world today in the hands of people—the creation of God—some admittedly not calling upon a Creator or God, others acknowledging their creation by God but unable to kneel before that God who has created them.

What are we talking about when we speak of the need for humility today? We are talking about the fact that God has brought us in His time to point where we not only can, but we will, destroy ourselves without learning the facts and laws the Creator has given us to live by.

What are those facts and laws? They are very simple. First, the law given to Moses, the Ten Commandments. How many of us really live by those Ten Commandments? If we followed them, we would need little other law.

For those of us who follow the laws of Jesus Christ, what do we have that He told us to do, and how is it we can never follow those instructions?

He said to love one another. He said, "Love your enemies, and by loving your enemies you will heap coals of fire on their heads."

He did not say to build bombs to destroy or guns to kill. He said to turn and love your enemies, thereby heaping coals on their heads. He said to turn your other cheek if struck. He said if someone asks for your coat, give him your cloak also; deny not those who knock on your door and seek your help, but deny yourself in feeding the hungry and giving drink to the thirsty.

Yes, that is what He said, that and much more. And I might add in conclusion that if this seems foolish, if it seems impossible, to those who say, "It will never work, we would be destroyed," I would say that it has never been tried.

Can we simply live by faith, and thrive? I would turn to Luke 10:23:

> Then turning to the disciples he said, privately, "Blessed are the eyes which see what you see! for I tell you that many prophets and kings desired to see what you see and did not see it, and to hear what you hear, and did not hear it.

Then, if I may go back to the Master's prayer in Luke 10:21:

> I thank Thee, Father, Lord of Heaven and earth that thou has hidden these things from the wise and understanding and revealed them to babes; yes, Father, for such was Thy gracious will. All things have been delivered to me by my Father; and no one knows who the Son is except the Father, or who the Father is except the Son, and anyone to whom the Son chooses to reveal Him.

The time is with us, abroad in the Earth and in our Nation, when we must as leaders of the world, not just as leaders of our country, learn that things such as we are doing today are not a political exercise. We have not designated 2 hours to discuss a resolution on humiliation, prayer, and fasting simply because four or five men want to come upon the floor of the Senate to make an open display of their faith before mankind. We are here because it is a time when there is need for beneficence; because every elected leader of this Nation in my lifetime, when he stood and raised his hand, with his other hand on the Bible to take the oath of office, declared that the basic problems of this country were spiritual problems, that they must be met with a spiritual response, and as a nation we have failed to respond. Even though we live in the midst of the greatest abundance man has ever known, with the greatest food and fiber producing capacity, the greatest military-industrial complex, the greatest industrial capacity, the greatest educational system, the greatest capacity to commit ourselves to defense and to war, the greatest science and technology that man has ever known, we really have not found peace in our hearts, nor have we found safety in the world, nor have we rid ourselves of fear.

What we are really dealing with is man finding God and his relationship with God in his heart. In all of time, we have failed to make that commitment. That should not be embarrassing to a nation or its people. It should bring hope in the realization that if we will try to make that commitment, God will honor that effort.

God stands behind his Word. The integrity of the Word is the Creator Himself. I believe in the Word of God but I pray that the people of our land and our Nation will honor by prayer and with humiliation and fasting the appeal for the restoration of a nation, under God, not wanting power and prestige, nor displaying arrogance, but living in humility and with love and concern for every man, woman and child on the face of the Earth.

I believe that those millions today who are observing this resolution from the heart, in appealing to their Creator in the way they know and in the religious structure they observe, know that God will honor their request and their appeal that there can, and will be, another day of beginning, a day of renewal, and a day of reconciliation.

Mr. HELMS. Mr. President, I wish I could feel adequate in participating in this discussion this morning. Actually, I came to this Chamber so that I could be the beneficiary of the splendid witness of faith so evident in the messages by my friends and colleagues. And I have been rewarded, Mr. President, as I always am when I am in the company of the distinguished Senator from Iowa (Mr. HUGHES), the distinguished Senator from Wyoming (Mr. HANSEN), the distinguished Senator from Nebraska (Mr. CURTIS), the distinguished Senator from Florida (Mr. CHILES), the distinguished Senator from West Virginia (Mr. ROBERT C. BYRD), and others who have spoken here today.

For my part, the longer I live, the more convinced I become that America's travail today is due to our departure from the faith of our fathers. So it is good that on this day, the Nation is being encouraged to ponder our spiritual heritage. I do not presume to speak for others, but in my own life, the only rough moments have come when I tried to go it alone.

I am thankful that I was reared by parents who were God fearing. I am aware that there are some who reject the idea that there is a Master who loves us, and who also will judge us. Indeed, I believe that is precisely our problem. We are so busy trying to find manmade solutions to manmade problems that we have turned away from our only real source of wisdom and strength.

So, Mr. President, if this day is the beginning of a spiritual rebirth in America, then there is the blessing of hope. I commend my distinguished colleagues who have so inspired me today, and I thank them for the blessing of their friendship.

Mr. McGEE. Mr. President, I want to take this opportunity to express my sincere support for the Senate observation of April 30 as the National Day for Humiliation, Fasting, and Prayer.

There has never been a more compelling need than now for the citizens of this Nation and their leaders to pause and humble themselves before their Maker. It is a time for reconciliation of the divisions and animosities that exist among our people. It is a time to recapture the substance of our values as a nation. It is a time to rebuild a sense of confidence in our future. It is a time for restoration of faith and trust in the leadership of our country, and conversely it is a time for the Nation's leaders to seek, once again, divine guidance and inspiration for their decisions. But most of all, it is a time to rekindle the spiritual strength of our country.

In recent years we have tended to place ourselves beyond God's judgment and wisdom. We need to renew this spiritual relationship and once again turn to our Maker as a source of strength, compassion, and healing. Amid the uncertainties of our crises now shaking the Nation, we must reach out to one another. We must turn to God for help in nurturing that human compassion which exists within us all, but which has somehow been suffocated by the personal dilemmas of each of our lives.

As we humble ourselves in a genuine spirit of repentance, we can heal these wounds and divisions; we can overcome any obstacle; we can face the future with confidence. Too often we fail to turn to the one who can help us the most in times of crisis. The time is now to turn back to our source of strength. His hand is out. Let us all reach for it and grasp it.

Mr. BARTLETT. Mr. President, as I expected, the people of Oklahoma and the United States have responded overwhelmingly to the congressional resolution designating today, April 30, as a day for humiliation, prayer, and fasting.

It has never been more important than in today's society that we as a nation pause to recognize our dependency on God.

We live in a fast, sophisticated age which tends to make us feel independent and self-sufficient.

It is reassuring to every American that we as a nation are following the leadership of the Lincoln administration by recognizing the help we need from God to face successfully the many challenges our Nation faces.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer (Mr. JOHNSTON) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had passed the bill (S. 1769) to reduce the burden on interstate commerce caused by avoidable fires and fire losses, and for other purposes, with amendments, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (S. 1647) to extend the Environmental Education Act for 3 years.

The enrolled bill was subsequently signed by the Vice President.

TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDING OFFICER (Mr. JOHNSTON). Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed 30 minutes, with statements therein limited to 5 minutes.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. FONG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on April 29, 1974, he presented to the President of the United States the following enrolled bills:

S. 1647. An Act to extend the Environment Education Act for 3 years.

S. 2771. An Act to amend chapter 5 of title 37, United States Code, to revise the special pay bonus structure relating to members of the armed forces, and for other purposes; and

S. 3292. An Act to authorize appropriations to the Atomic Energy Commission in accordance with section 261 of the Atomic

Energy Act of 1954, as amended, and for other purposes.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

Report of National Advisory Council on Child Nutrition

A letter from the Assistant Secretary of Agriculture, and Chairman, National Advisory Council on Child Nutrition, transmitting, pursuant to law, the third annual report of that Council (with an accompanying report). Referred to the Committee on Agriculture and Forestry.

Report of Maritime Administration

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report of the Maritime Commission, for fiscal year 1973 (with an accompanying report). Referred to the Committee on Commerce.

Report on Ocean Dumping and Other Man-Induced Changes to Ocean Ecosystems.

A letter from the Secretary of Commerce, transmitting, pursuant to law, the first annual report on Ocean Dumping and Other Man-Induced Changes to Ocean Ecosystems, October 1972, through December 1973 (with an accompanying report). Referred to the Committee on Commerce.

Report of Comptroller General

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Revenue Sharing: Its Use by and Impact on Local Governments", Department of the Treasury, dated April 25, 1974 (with an accompanying report). Referred to the Committee on Government Operations.

Proposed Amendment to Concession Contract

A letter from the Acting Assistant Secretary of the Interior, transmitting, pursuant to law, a proposed amendment to a concession contract within Grand Teton National Park (with accompanying papers). Referred to the Committee on Interior and Insular Affairs.

Application for a Loan Under Small Reclamation Projects Act

A letter from the Secretary of the Interior, transmitting, pursuant to law, an application by the Central Nebraska Public Power and Irrigation District of Holdrege, Nebraska, for a loan and grant under the Small Reclamation Projects Act (with accompanying papers). Referred to the Committee on Interior and Insular Affairs.

Change of Progress Report on 5-Year Plan for Family Planning Services and Population Research

A letter from the Deputy Assistant Secretary for Population Affairs, Department of Health, Education, and Welfare, transmitting, pursuant to law, a change in the Third Annual Progress Report on the Five-Year Plan for Family Planning Services and Population Research (with an accompanying paper). Referred to the Committee on Labor and Public Welfare.

Proposed Legislation From Office of Management and Budget

A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a draft of proposed legislation to provide for the employment and compensation of employees of the White House, and for other purposes (with an accompanying paper). Referred to the Committee on Post Office and Civil Service.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the PRESIDENT pro tempore:

A joint resolution of the Congress of Micronesia. Referred to the Committee on Foreign Relations:

"House Joint Resolution No. 77

"A House Joint Resolution Requesting the Government of the United States to Sponsor the Trust Territory of the Pacific Islands for Membership in the Asia Development Bank

"Whereas, the Asian Development Bank is an international development finance institution established for the purpose of lending funds, promoting investment and providing technical assistance to developing member countries, and, generally, for fostering economic growth and cooperation in the Asian and Pacific region; and

"Whereas, the Trust Territory of the Pacific Islands is now eligible to become a member of the Asian Development Bank by virtue of its associate membership in the Economic Commission for Asia and the Far East (ECAFE) of the United Nations; and

"Whereas, admission to membership in the Asian Development Bank requires the sponsorship of the applicant by one of the member countries along with an undertaking by the sponsoring member country that it will be responsible for all obligations that may be incurred by the applicant; and

"Whereas, the Congress of Micronesia is prepared to authorize and appropriate all sums necessary for Micronesia to fulfill all obligations that it will incur by reason of admission to membership in the Bank and in the enjoyment of the benefit of such membership; and

"Whereas, the United States of America is a member of the Asian Development Bank and its sponsorship of the Trust Territory's application for membership in the Bank would be furthering the fulfillment of the United States obligation under Article 6 of the Trusteeship Agreement to "promote the economic advancement" of the people of Micronesia; now, therefore,

"Be it resolved by the House of Representatives of the Fifth Congress of Micronesia, Second Regular Session, 1974, the Senate concurring, that the Government of the United States of America be and is hereby requested to sponsor the Trust Territory of the Pacific Islands for membership in the Asian Development Bank; and

"Be it further resolved that certified copies of this House Joint Resolution be transmitted to the President of the United States, the Speaker of the House of Representatives and the President of the Senate of the United States Congress, the Secretary of the United States Department of the Treasury, the Secretary of the United States Department of the Interior, the President of the Trusteeship Council of the United Nations, and the High Commissioner of the Trust Territory."

A resolution adopted by the Board of Commissioners, Perry County, Ohio, praying for the provision of funds to support the Community Action Program. Referred to the Committee on Labor and Public Welfare.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. PASTORE, from the Committee on Commerce, without amendment:

S. 1479. A bill to amend subsection (b) of section 214 and subsection (c)(1) of section 222 of the Communications Act of 1934, as amended, in order to designate the Secretary of Defense (rather than the Secretaries of the Army and Navy) as the person entitled to receive official notice of the filing of certain applications in the common carrier service and to provide notice to the Secretary of State where under section 214 applications involve service to foreign points (Rept. No. 93–794).

By Mr. PASTORE, from the Committee on Commerce, with an amendment:

S. 2457. A bill to amend the Communications Act of 1934, as amended, to permit the Federal Communications Commission to grant radio station licenses in the safety and special and experimental radio services directly to aliens, representatives of aliens, foreign corporations, or domestic corporations with alien officers, directors, or stockholders; and to permit aliens holding such radio station licenses to be licensed as operators (Rept. No. 93–795).

By Mr. PASTORE, from the Committee on Commerce, with amendments:

S. 1227. A bill to amend section 415 of the Communications Act of 1934, as amended, to provide for a 2-year period of limitations in proceedings against carriers for the recovery of overcharges or damages not based on overcharges (Rept. No. 93–796).

AUTHORITY TO PRINT PART 2 OF SENATE REPORT NO. 93–765

Mr. FONG. Mr. President, I ask unanimous consent that the minority views on S. 411, a bill to amend title 39 of the United States Code relating to postal rate adjustments, be printed as part 2 of the Senate Report 93–765.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. LONG, from the Committee on Finance:

William E. Simon, of New Jersey, to be Secretary of the Treasury; and

David Robert Macdonald, of Illinois, to be an Assistant Secretary of the Treasury.

(The above nominations were reported with the recommendation that the nominations be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. SPARKMAN, from the Committee on Foreign Relations:

John P. Constandy, of the District of Columbia, to be Deputy Inspector General, Foreign Assistance;

Sam Y. Cross, of Virginia, to be U.S. Executive Director of the International Monetary Fund; and

Rodger P. Davies, of California, a Foreign Service officer of the class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary to the Republic of Cyprus.

(The above nominations were reported with the recommendation that the nominations be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. METCALF:

S. 3399. A bill to amend section 552 of title 5 of the United States Code (known as the Freedom of Information Act) to provide for the classification and declassification of official information in the interest of national defense. Referred to the Committee on Government Operations.

By Mr. CHILES:

S. 3400. A bill to extend coverage of the automobile assistance program and the specially adopted housing program to those veterans qualifying for assistance under section 351 of title 38, United States Code. Referred to the Committee on Veterans' Affairs.

By Mr. BAYH:

S. 3401. A bill to include laboratory fees for routine cytological tests for the detection of uterine cancer within the coverage of Federal employee health insurance plans. Referred to the Committee on Post Office and Civil Service.

By Mr. JAVITS:

S. 3402. A bill to amend the Higher Education Act of 1965 in order to provide authority to assist training of disadvantaged students for the legal profession. Referred to the Committee on Labor and Public Welfare.

By Mr. DOLE:

S. 3403. A bill to amend the Act of August 31, 1922, to prevent the introduction and spread of diseases and parasites harmful to honeybees, and for other purposes. Referred to the Committee on Agriculture and Forestry.

By Mr. THURMOND:

S. 3404. A bill for the relief of Maria Luisa Fernandez-Martinez. Referred to the Committee on the Judiciary.

By Mr. GRAVEL:

S. 3405. A bill to direct the Secretary of the Treasury to study the impact of the cost of living in the State of Alaska on the tax burden imposed on its residents, and for other purposes. Referred to the Committee on Finance.

By Mr. GRAVEL:

S. 3406. A bill to amend the Comprehensive Employment and Training Act of 1973 to provide flexibility in adjusting the maximum pay rate for public service jobs in high cost of living areas. Referred to the Committee on Labor and Public Welfare.

By Mr. COOK (for himself, Mr. HUDDLESTON, Mr. BROCK, Mr. PEARSON, and Mr. HARTKE):

S. 3407. A bill to amend the Act of September 23, 1940 (Public Law 815, Eighty-first Congress) to provide for disaster assistance in a manner which assures increased protection against personal injuries resulting from disasters. Referred to the Committee on Labor and Public Welfare.

By Mr. STEVENS:

S. 3408. A bill to provide that the laws restricting the coastwise trade to vessels of the United States shall not apply to certain hovercraft on routes over land or over water only as an incidental part thereof. Referred to the Committee on Commerce.

By Mr. TUNNEY:

S. 3409. A bill to amend the National Labor Relations Act, as amended, to amend the definition of "employee" to include certain agricultural employees. Referred to the Committee on Labor and Public Welfare.

By Mr. ROBERT C. BYRD (for Mr. METZENBAUM):

S. 3410. A bill to enable the United States to insure an adequate supply of food for its citizens, while providing food to foreign countries for humanitarian purposes, by establishing a Federal Food Reserve for certain designated commodities and by establishing controls on exports of such commodities. Referred to the Committee on Agriculture and Forestry.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. METCALF:

S. 3399. A bill to amend section 552 of title 5 of the United States Code (known as the Freedom of Information Act) to provide for the classification and declassification of official information in the interest of national defense. Referred to the Committee on Government Operations.

Mr. METCALF. Mr. President, I introduce for appropriate reference a bill to amend the Freedom of Information Act to provide for the classification and declassification of official information in the interest of national defense.

Companion legislation (H.R. 12004) was introduced in the House on December 18, 1973, by Chairman MOORHEAD of the Government Operations Subcommittee on Foreign Operations and Government Information, on behalf of himself and 24 other Members.

This bill reflects a great deal of study by the House Committee on Government Operations and its Foreign Operations and Government Information Subcommittee. Persons interested in the subject may wish to review Chairman MOORHEAD's remarks, at page 42297 of the CONGRESSIONAL RECORD for December 18, 1973, and House Report 93–221, dated May 22, 1973 and entitled "Executive Classification of Information—Security Classification Problems Involving Exemption (b)(1) of the Freedom of Information Act (5 U.S.C. 552)."

At this point I do not know that I would support all features of this bill. However, it is important that its provisions be conveniently available for comment during the important hearings on this subject which the Senate Subcommittee on Intergovernmental Relations will conduct. The MUSKIE and MOORHEAD subcommittees are conducting a thorough study of this extraordinarily important and complex matter.

By Mr. BAYH:

S. 3401. A bill to include laboratory fees for routine cytological tests for the detection of uterine cancer within the coverage of Federal employee health insurance plans. Referred to the Committee on Post Office and Civil Service.

Mr. BAYH. Mr. President, today I am introducing legislation to include routine coverage of Pap smears for the diagnosis of uterine cancer in our governmentwide health insurance program for Federal civilian employees. Several months ago I introduced a bill to provide similar coverage in the medicare program. I did this because routine tests are most effective in discovering uterine cancer when it is at the early stages at which cure is most likely. Thus, any measures which encourage their use are highly desirable in cutting the death rate from this disease and in decreasing the amount of money spent on the extremely costly treatment of advanced stage uterine cancer. A study several years ago by the U.S. Public Health Service concluded that the Pap test was the most cost-effective diagnostic tool in the cancer area. At that time, it was estimated that for every $1 spent on diagnosis, $9 was saved on costs of treatment and care of victims of uterine cancer. Since medical and hospital costs are significantly greater now, it is clear that the cost effectiveness of Pap smear testing is even more impressive at the present time.

It is very important, Mr. President, that we use all available means to encourage women to take this simple test. The reason I introduced my bill to include routine Pap smears under the medicare program is that covering any service under an insurance program increases usage, even when the service is relatively inexpensive, as the Pap test is. Therefore, we can increase use of the Pap test by encouraging all insurance companies to provide this coverage. While a number of insurance companies do provide this coverage, I was dismayed to discover that neither of the two governmentwide health insurance programs for Federal civilian employees do so. It seems to me that if the Federal Government is encouraging use of the Pap smear through various public health and research programs, we have a responsibility to set an example for others by encouraging female Federal employees themselves, and female family members, to have this test done.

There are currently almost 3 million Federal civilian employees. If routine coverage were extended to them, we would significantly increase the number of women who avail themselves of the opportunity to get a Pap smear at the interval recommended for their age group, either yearly or twice yearly. In addition, the example provided by the Federal coverage might encourage other group plans to adopt similar provisions. I hope that other Senators will support this effort to decrease the national mortality rate from a form of cancer over which we have a great deal of control when it is discovered early.

I ask unanimous consent that the text of this bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3401

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That paragraphs (1) and (2) of section 8904 of title 5, United States Code, are each amended by adding at the end thereof the following:

"(G) Laboratory fees with respect to not less than 2 routine cytological tests each year for the detection of uterine cancer for each female employee or annuitant, and each female member of the family of an employee or annuitant, enrolled in the Plan."

SEC. 2. The amendments made by the first section of this Act only apply to each contract entered into under section 8902 of such title, or any renewal of such a contract, which is effective with respect to any calendar year commencing at least 30 days after the date of enactment of this Act.

By Mr. JAVITS:

S. 3402. A bill to amend the Higher Education Act of 1965 in order to provide authority to assist training of disadvantaged students for the legal profession. Referred to the Committee on Labor and Public Welfare.

Mr. JAVITS. Mr. President, I send to the desk for appropriate reference a bill to amend part D of title IX—graduate programs—of the Higher Education Act of 1965 in order to permit the Department of Health, Education, and Welfare to continue supporting the training of disadvantaged students for the legal profession as previously assisted through the Office of Economic Opportunity. This is an administration proposal.

Part D currently requires that each student receive a minimum of $2,800 for each academic year of study. It also requires that at least $4,200 be paid to the institution for each disadvantaged student who receives a stipend and studies there for a profession. Under the authority proposed by this bill, the Secretary would determine the stipend levels for law students from disadvantaged backgrounds. The bill would not provide for institutional allowances for this program, but would authorize the Secretary to make grants to or enter into contracts with public and nonprofit private agencies and organizations to assist the training of disadvantaged students for the legal profession. By so doing, it would permit HEW to operate the legal education opportunity program in the same manner as it has been run for OEO. Without these revisions, the number of disadvantaged students now studying with Federal assistance in the legal education opportunity program would be reduced from over 200 to 31.

The bill provides that funds already appropriated for fiscal year 1974 shall be available for the activities authorized by the proposed amendments to part D. Thus, no additional authorization is required.

By Mr. DOLE:

S. 3403. A bill to amend the act of August 31, 1922, to prevent the introduction and spread of diseases and parasites harmful to honeybees, and for other purposes. Referred to the Committee on Agriculture and Forestry.

THE AFRICAN HONEYBEE

Mr. DOLE. Mr. President, the African honeybee represents a serious threat to our beekeeping industry and to an important part of American agriculture. Under existing law, we have inadequate protection from this threat. This is why I am introducing legislation today to strengthen protective measures by the Department of Agriculture to prevent the spread of the African honeybee into this country.

THREAT TO U.S. FOOD PRODUCTION

The spread of the African honeybee, also known as the Brazilian honeybee, could lead to a multibillion-dollar disaster for American agriculture. The African honeybee could destroy the beekeeping industry in this country, as we know it, and the impact could be not only a severe reduction of honey production, but a sharp decline in the supply of fruits, vegetables, and seed crops.

One of the most important roles of the beekeeping industry in U.S. agriculture is its part in the pollination of crops. About 90 crops are dependent upon bees for pollination. The value of farm commodities directly dependent upon insects for pollination has been estimated by the Department of Agriculture at $1 billion. Honeybees have a primary part in this pollination since present day farming operations have largely eliminated wild insect pollinators. The destruction of our honeybee population, which the African honeybee could cause, would cripple some of our most important fruit, vegetable, and seed industries. These commodities include alfalfa and onion seed production, tangerines, tangeloes, mandarin oranges, all melon and cucumber crops, apples, cherries, and other tree fruits. Crops valued at $6 billion are greatly improved by bee pollination, although they are not directly dependent upon it. It has been shown that the output of such crops as long-staple cotton are greatly enhanced by bee pollination. The loss of bee pollination could result in a decline in the level of production from these crops.

HONEY SUPPLY IN DANGER

The production of honey is also at stake with the beekeeping industry. While honey and beeswax production has a lower economic significance than the pollination role of honeybees, the sales of honey and beeswax represent a primary source of income for the beekeeping industry. Revenues from these sales have been estimated at nearly $150 million. And production levels are normally over 220 million pounds of honey and 4 million pounds of beeswax annually.

Honey has traditionally been recognized as a nutritious and delightfully tasty food. In recent years, there has been a new appreciation of honey as a "natural food." The African honeybee represents a threat to the continued production of this commodity. We could deprive ourselves of an adequate supply of honey by not taking steps to protect our honey industry. This legislation is designed to provide the additional necessary protective measures.

AFRICAN HONEYBEE TRAITS

In 1971 and 1972, a special committee, appointed by the National Research Council and the National Academy of Sciences, studied the African or Brazilian honeybee and the impact it could have in the United States. I am proud to say that Dr. Charles D. Michener, department of entomology of the University of Kansas, was chairman of this committee. The findings of the committee were that this exceptionally aggressive and ferocious strain of bees could migrate to North America and become a serious public nuisance and a major problem to the beekeeping industry.

The African honeybee was accidentally introduced into Brazil in 1957, hence the secondary name of Brazilian honeybee. The bee has since moved throughout most of South America. Although the strain has mixed with other breeds of honeybees, it has not lost its extremely aggressive traits.

DESTROY OTHER BEES

The African honeybee threatens the existence of domestic honeybees. It forages so aggressively that other strains kept by commercial beekeepers cannot compete, and in South America, domestic bees have disappeared in areas where the aggressive strain has appeared. Occasionally, the African bees completely take over the hives of other bees.

The African bee also leaves managed hives readily to migrate long distances and establish itself in new areas. This represents a dual threat to beekeepers. The African or Brazilian strain, having taken over the local bee colony, may suddenly depart, leaving the beekeeper without any producing bees, and leaving the crops in the area without a pollinating agent.

The wide-ranging and rapid-spreading traits of the African bee make it a double liability to beekeepers. It is known to spread at a rate of about 200 miles a year so that within a few years, virtually all beekeepers in this country could be vulnerable to it, especially in the Southern parts of the United States.

It is especially significant that southern beekeepers are the most exposed to the African bee because of the warmer climate and the closer geographical proximity to South America. Southern beekeepers do a great deal of breeding and development in bees. Stocks of bees produced in the South are transported to the Northern part of the country in the spring. Although it is thought that the African bee could not live in the colder temperatures in the Northern United States, it could still have a major impact on northern beekeepers because of the restocking patterns in the trade.

DANGEROUS TO PEOPLE

The African bee is especially known for its vicious attacks on animals and people. In its tour to Brazil, the special committee noted several reports of people being stung to death by this strain of bees. The bee readily attacks any human or animal which intrudes into its area. Swarms of the African or Brazilian bee in flight are especially ferocious and when more than one swarm are united, they are reported to be dangerous. The aggressive bees will follow their "victims" up to about 100 meters whereas domestic bees normally follow only about 10 meters.

The aggressive traits of the African bee could make it difficult for beekeepers to maintain the colonies. Should the African bee become dominant in this country, communities would probably begin to object to the presence of beehives in the area. Because of their sting, African honeybees as pollinating insects could become such a liability as to be unacceptable for this purpose.

PREVENT SPREAD

My bill basically strengthens two approaches to preventing introduction of the undesirable strain. Officials in the Department of Agriculture are aware of the African honeybee threat and are working to prevent its introduction. However, I believe more comprehensive action should be taken. This bill has been drawn up in consultation with the Department.

The first part of this legislation would strengthen existing law by prohibiting importation of the African or Brazilian honeybee in all its stages, from germ plasm to the adult. Presently, the law only prohibits introduction of the adult stage. This amendment will allow the

USDA to take steps against introduction of all life stages including the eggs, larvae, and pupae.

RESEARCH NEEDED

An exception is made for research purposes and I hope the Department will initiate further study on this strain, if it has not already done so. In addition to its aggressiveness, the African bee is known to be extremely hard working. It flies farther and for longer periods to find honey than the strains it replaces. It also works in a wider range of weather conditions. Many beekeepers say that the African bee produces more honey.

So further research is needed for two reasons. First, development of genetic strains to counter the African bee's aggressiveness is needed. Second, genetic research may allow the development of the productive traits of this strain in other bees. I hope the Department will be successful along this line.

COOPERATION WITH OTHER GOVERNMENTS

The second aspect of this legislation authorizes a program of eradication and control with the Governments of Canada, Mexico, and Central America. This type of cooperation already exists for other natural pestilence and for diseases. It makes sense to stop the spread of the African honeybee before it reaches our own borders and I hope the provisions of this bill will allow that to be accomplished. Programs which may be established under this bill should supplement cooperative activities between the United States and the countries of South America where the bee already exists.

Mr. President, I hope that my colleagues in the Senate will support this legislation. It is potentially beneficial to beekeepers in every State. The threat of the African bee to our honey producing industry is serious and since this bill would help reduce that threat, I hope it will receive early consideration.

I ask unanimous consent that the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3403

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1 of the Act of August 31, 1922, as amended (42 Stat. 833; 76 Stat. 169; 7 U.S.C. 281), is amended to read as follows:

"(a) In order to prevent the introduction and spread of diseases and parasites harmful to honeybees, and the introduction of genetically undesirable germ plasm of honeybees, the importation into the United States of all honeybees is prohibited, except that honeybees may be imported into the United States—

"(1) by the United States Department of Agriculture for experimental or scientific purposes, or

"(2) from countries determined by the Secretary of Agriculture—

"(A) to be free of diseases or parasites harmful to honeybees, and undesirable species or subspecies of honeybees; and

"(B) to have in operation precautions adequate to prevent the importation of honeybees from other countries where harmful diseases or parasites, or undesirable species or subspecies, of honeybees exist.

Honeybees imported pursuant to paragraph (2) of this subsection shall be imported under such rules and regulations as the Secretary of Agriculture and the Secretary of the Treasury shall prescribe.

"(b) Except with respect to honeybees imported pursuant to paragraph (1) or (2) of subsection (a) of this section, all honeybees offered for import or intercepted entering the United States shall be destroyed or immediately exported.

"(c) As used in this Act, the term 'honeybee' means all life stages and the germ plasm of honeybees of the genus *Apis*."

SEC. 2. Section 2 of the Act of August 31, 1922 (42 Stat. 834; 7 U.S.C. 282), is amended to read as follows:

"SEC. 2. Any person who violates any provision of section 1 of this Act or any regulation issued under it is guilty of an offense against the United States and shall, upon conviction, be fined not more than $1,000, or imprisoned for not more than one year, or both."

SEC. 3. The Act of August 31, 1922, is further amended by adding the following new sections:

"SEC. 3. The Secretary of Agriculture is authorized to cooperate with the Governments of Canada, Mexico, Guatemala, Belize, Honduras, El Salvador, Nicaragua, Costa Rica, Panama, and Colombia, or the local authorities thereof, in carrying out necessary research, surveys and control operations in those countries in connection with the eradication, suppression, control and prevention or retardation of the spread of undesirable species and subspecies of honeybees, including but not limited to *Apis mellifera adansonii*, commonly known as the African or Brazilian honeybee. In performing the operations or measures authorized in this Act, the Governments of such countries shall be responsible for the authority necessary to carry out such operations or measures on all lands and properties therein and for such other facilities and means as in the discretion of the Secretary of Agriculture are necessary. The measure and character of cooperation carried out under this Act on the part of the United States and on the part of the Governments of such countries, including the expenditure or use of funds appropriated pursuant to this Act, shall be such as may be prescribed by the Secretary of Agriculture. Arrangements for the cooperation authorized by this Act shall be made through and in consultation with the Secretary of State.

"SEC. 4. Funds appropriated to carry out the provisions of this Act may also be used for printing and binding without regard to section 501 of Title 44, United States Code, for employment, by contract or otherwise, of civilian nationals of Canada, Mexico, Guatemala, Belize, Honduras, El Salvador, Nicaragua, Costa Rica, Panama, and Colombia for services abroad, and for the construction and operation of research laboratories, quarantine stations, and other buildings and facilities.

"SEC. 5. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act."

By Mr. GRAVEL:

S. 3405. A bill to direct the Secretary of the Treasury to study the impact of the cost of living in the State of Alaska on the tax burden imposed on its residents, and for other purposes. Referred to the Committee on Finance.

ALASKA TAX IMPACT STUDY

Mr. GRAVEL. Mr. President, most Americans now consider the high cost of living the No. 1 economic problem facing our country. In fact, many consider it the most critical of all problems, both economic and noneconomic.

With inflation rampant, now proceeding at the astounding annual rate of 14.5 percent, it would be amazing if people were not concerned. My constituents continually keep me apprised of the rising cost of food and other goods. Traveling back to the State often as I do, I am also repeatedly approached by individuals who wonder when inflation will subside. They relate to me the hardships it has brought them.

When I return to my State I am also brought face to face with another cost-of-living problem — the considerably greater cost of goods in Alaska than in other areas of the country. Alaskans are not only subject to the rapidly escalating prices that all Americans suffer, but also must contend with higher base prices. Many people in the lower 48 States talk with concern about a loaf of bread eventually costing a dollar. In Alaska it is a reality.

The Bureau of Labor Statistics compiles comprehensive and detailed reports on variations in the cost of living throughout the country. The Urban Family Budgets Series reports cost variations for living expenses for a family of four at three different levels. In the lower budget, the U.S. urban average cost is $7,386. In Anchorage, Alaska, the same goods would cost $11,096, or 50 percent more. Even at the exorbitant rates of inflation this country is experiencing today, it will be more than 3 years before the average U.S. cost of living reaches that experienced by Alaska right now. And, of course, by that time the cost of living in Alaska will have reached new records as well.

I have discussed this general problem with my colleagues many times, and I am sure they are well aware of our situation. Today I would like to address a more specific problem—the impact of the progressive Federal income tax structure on Alaskans. The progressive rate structure gouges Alaskans twice. On the one hand, they are required to pay much more in Federal income taxes for an equivalent standard of living. On the other, the progressive rate structure institutionalizes the high cost of living in the State, and retards progress in bringing our cost of living closer to that of other Americans.

As I stated before, Alaskans at the lower budget level of the BLS study pay 50 percent more to live than the average person. The BLS study also details the comparative costs in the budget among other categories of expenditures. The category with the greatest differential—personal income taxes—reveals that Alaskans pay 119 percent more, or over twice as much, as the average for an equivalent standard of living. Thus in relative terms, personal income taxes contribute more than any other category to Alaska's high cost of living.

People in my State must earn more to pay for added housing, food, clothing and other expenses. However, as their income increases to pay these additional costs, income taxes also increase by an even greater percentage. Consequently, we bear not only the added cost of goods and services, but a heavier tax burden as well.

Our income tax system is based on the concept of ability to pay. It is assumed that a man earning $10,000 can pay more in taxes and should bear a greater share of the expenses of Government than a man earning $7,000. By and large this is the case. But if the person earning $7,000 lives in Buffalo, Cleveland, Kansas City, Houston, or San Diego, and the person earning $10,000 lives in Anchorage, it is not the case. In Anchorage, $10,000 will not buy as much as $7,000 in these other cities. And yet because of our tax structure, Alaskans pay not only a greater dollar amount of taxes, but a higher percentage of their income as well.

Congress must not permit this inequitable situation to continue. In an area such as Alaska, taxes should be based on real income rather than money income so that residents do not pay taxes at rates much higher than other Americans.

Because our tax laws are now so cumbersome and complex, making the needed changes requires a detailed study and an exhaustive analysis of potential methods for making cost of living adjustments. Consequently, I am introducing a bill today that will direct the Secretary of the Treasury to study this problem in depth and report back to Congress. As we must have this information to determine how best to proceed, my bill makes no changes or adjustments in tax laws. It simply directs the Secretary to provide Congress the information it needs to consider the problem and alternative courses of action. I hope my colleagues will join me in seeking the information we require.

I ask unanimous consent, Mr. President, that the text of my bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3405

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Alaska Cost of Living Tax Impact Study Act of 1974."

SEC. 2. The Secretary of the Treasury (hereinafter referred to as the "Secretary") shall conduct a study of the impact of the high cost of living in the State of Alaska (hereinafter referred to as "Alaska") on the tax burden imposed on the taxes paid by the residents of that State under subtitles A and B of the Internal Revenue Code of 1954 (relating to income taxes and estate and gift taxes).

SEC. 3. In carrying out this study, the Secretary shall—

(1) develop, with the advice and assistance of the Bureau of Labor Statistics, a comprehensive cost of living index to reflect the average cost of living for Alaska and major regional subdivisions thereof;

(2) determine the amount of taxes paid and the relative tax burden of residents of Alaska as compared to residents of the United States residing in the 48 contiguous States, for various budget levels in terms of purchasing power;

(3) analyze the equity of the current system of applying fixed dollar deductions, exclusions, limits, rate structures, and other amounts to taxpayers in Alaska in view of the abnormally high cost of living in Alaska;

(4) identify and evaluate alternative methods and procedures of applying cost of living adjustments to fixed dollar amounts and taxable income for taxpayers in Alaska; and

(5) consider the need, benefits, and feasibility of making the adjustments identified in paragraph (4), and in general in providing a cost of living adjustment to taxpayers in Alaska because of their abnormally high cost of living relative to taxpayers in the other States.

SEC. 4. The Secretary shall complete such study and shall submit to Congress a full and complete report thereon, together with the recommendations of the Secretary with respect to the matters included in the study, not later than one year after the date of enactment of this Act.

By Mr. GRAVEL:

S. 3406. A bill to amend the Comprehensive Employment and Training Act of 1973 to provide flexibility in adjusting the maximum pay rate for public service jobs in high cost of living areas. Referred to the Committee on Labor and Public Welfare.

ALASKA AND THE CETA PAY LIMIT

Mr. GRAVEL. Mr. President, the Comprehensive Employment and Training Act of 1973, passed by this Congress, was a large step toward changing the relative roles of the Federal and State governments in the policymaking and administration of manpower programs and funds. I supported this legislation and its objective of giving more responsibility for manpower planning to the States.

While broadening and increasing the functions of State governments, it was, of course, necessary for the Federal Government to establish standards and oversight regulations to insure that the intent of Congress in appropriating such funds will be fulfilled. The Federal Government is responsible to the citizens of this country for expending tax moneys and, thus, must provide standards for State programs.

One provision of the act, section 208 (a)(3), provides that those manpower funds used for public service jobs shall not be used to pay individuals at a rate in excess of $10,000. While I do not argue the need for this limit, in establishing one national standard, Congress did not take into account its impact on high cost-of-living areas, such as Alaska.

I do not wish to go into an extensive discussion with my colleagues on the high cost of living in Alaska, and, indeed, it is not needed, as I am sure they are well aware of the situation.

But I would like to make one comparison. Using Bureau of Labor Statistics' Urban Budget Study data, it can be determined that this $10,000 national standard is worth only $7,000 to a wage earner in Alaska in real terms. That is, to say that the buying power of a public service employee is worth 30 percent less in Alaska than in the rest of the country.

When I wrote Mrs. Blanche McSmith, Alaska State Director of the Public Employment Program, about the public service employment provisions of CETA, she provided me with a detailed analysis of the act which explains the practical ramifications of the pay rate limit in Alaska. I ask unanimous consent, Mr. President, to include her letter in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATE OF ALASKA,
OFFICE OF THE GOVERNOR,
Juneau, Alaska, March 14, 1974.

Hon. MIKE GRAVEL,
U.S. Senate,
Washington, D.C.

DEAR SENATOR: This will supplement our recent exchange of communications regarding the Comprehensive Employment and Training Act (CETA). In your last letter, you will recall your request for our evaluation of the new legislation and its relationship to solving Alaska's unemployment problem. The delay has been due to receipt of guidelines of the Public Employment Programs under Title II, which we have carefully reviewed. The guidelines as printed in the *Federal Register* only outlined regulations for the Public Employment Programs; therefore, the observations are confined to this program.

There seem to be very few differences in provisions of Title II Public Employment Programs and the existing program. However, the differences are very serious for Alaska (detailed explanation of the differences in subparagraphs). It was unfortunate this program was included in the comprehensive package. Local governments and agencies have just learned through "trial and error" to effectively render the necessary services to the long-neglected segments without a network of boards, commissions, and committees, which ofttime prove to be unwieldy, bungling, bureaucratic nightmares. This legislation calls for local, state, and national councils. In a state the size of Alaska, in order that a council be truly representative, hold meetings, and assume functions it is authorized to do, thousands of dollars are required for per diem, travel, etc., just to get together. Very often the struggle for power and prestige in such groups causes people to lose sight of the real goals of the program and divert funds for non-producing meetings that could benefit the needy persons.

The provision of making funds interchangeable from Title II to Title I would be a convenient vehicle for accomplishing unwise use of funds.

We certainly don't like to be extremely suspicious of the organizational procedures provided under this legislation; however, Alaska is crowded now with countless boards, commissions, and committees. Considering vastness and isolated areas of Alaska as well as transportation problems, it just seems likely that representation will not be effective.

(a) The salary limit of $10,000.00 a year in contrast to $12,000.00 in the existing program. Pro-rating this amount means that a participant's monthly salary would be limited to $833.00 a month. This will have a significant effect upon State agencies in view of the anticipated raise, retroactive pay, and transfer of PEP participants to Title II funding. Unless this is changed for Alaska, all of the positions would be limited mostly to positions such as the following, or similar jobs on the "lower end of the totem pole".

Funding Would Be Limited to Positions in This Group, But Only in Some Districts:

Clerk-Typist I, II, and III, Clerk I, II, and III, Custodian Workers I and II, Laborers, Accounting Clerk I, II, and III, Library, Teacher, and Laboratory Aides, Cook I, Guard I and II, Fish & Game Technician I and II, Health Information Assistant, Document Processor Clerk I, II, and III, Storekeeper I.

Positions With Salaries "Out of Reach" Under Title II Limitations Unless Agencies Make Greater Contributions:

Housing Specialist Trainee, Administrative Assistant I and II, Manpower Specialist I and II, Manpower Specialist Trainee, Assistant Equipment Operator I, II, and III, Claims Investigator, Claims Examiner, Oceanographer, Laboratory Assistant, Eligibility Worker, Correctional Officer Trainee, Social Worker I, II, and III, Maintenance Mechanic, Auto Mechanic Helper, Policemen, Firemen.

(b) Another side of the coin will be the differences in wages in different districts. The anticipated highest level would be Range 10, Step A. A sample computation is attached hereto to demonstrate the differences following passage of the pay raise bill. (Exhibit I).

With the new pay raises, Barrow, Interior Alaska, North Arctic Circle, Hooper Bay, Bethel, Nome, Dillingham, and the Aleutians could have only positions with additional contributions. $939.00 is the lowest salary in Barrow, $881.00 in Nome, and $909.00 in Bethel. With the anticipated pay raises, the lowest salary a State worker will draw amounts to $709.00. The highest salary Title II can pay is $833.00 a month, without supplement.

(c) Other problems would occur in transferring higher-paying PEP positions, such as Administrative Assistant, Equipment Operator, Manpower Specialist, etc., into Title II positions. Either drastic cuts will be necessary or agencies' budgets will require larger contributions, which would cause a hardship. You will recall that PEP participants require equal salaries and benefits as others in similar capacities. This goal could not be possible in Alaska with the proposed reduction in the maximum salaries.

(d) In addition, this $10,000.00 limit would limit hiring of the one-third professional PEP participants allowed, and would also limit hiring men and women with family responsibilities. Likewise, the hiring of Veterans, top priority of the program, would be affected. The salaries of jobs presently held by men participants would be insufficient to support the cost of living.

Our fear is that a large number of needed positions would be eliminated for agencies having limited budgets or participants subjected to cut in pay or downgrade at the same time other State and local employees are receiving raises. Both State agencies and local governments are operating on budgets which cannot afford additional funds for higher salaries. The local governments pattern wages on the basis of State wages; therefore, it is highly possible that local salaries will be increased.

(e) Thirty-day period of unemployment required prior to PEP employment (in contrast to the present fourteen days). Under Title II a PEP applicant has to be unemployed thirty days at the time he applies and secures work. Since PEP is treated as State temporary, this category is not entitled to advances in receiving salaries. Applicants in dire circumstances would be subject to grave inconveniences and suffering for six weeks to two months without income. Local governments normally have a two-week waiting period before first check is available.

(f) The method of computing characteristics of segments is unrealistic and cumulative totals fail to reflect the number of persons who have actually gone through the program. The unrealistic totals result from computing all action on the 6–43 form. In the new program another method should be devised to count upgrades, recalls, transfers, etc., instead of counting them as terminations (this suggestion applies to Boxes 11 and 12 on the 6–43's).

(g) The same problem exists in computation of racial statistics. For Alaska the form should include categories of Eskimos, Aleuts, or Alaska Natives. At the present time, "American Indian" is included. Aleuts, Eskimos, and some Natives are not American Indians, and they were counted as White or "Other". If these statistics are to be meaningful, the method of reporting must be changed to include such groups on the forms. When Native organizations originally objected to exclusion of these categories, we were advised that only Alaska had this problem, and the forms were made up for all the other states. Due to the fact that Alaska and Alaska Natives are specifically mentioned in the law, particular attention should now be given to including them in the reporting forms.

The guidelines provided for complaints and suggestions to be sent to the following address:

Assistant Secretary for Manpower, U.S. Department of Labor, 6th and D Streets, NW., Washington, D.C. 20213.

Attention: Pierce A. Quinlan, Acting Associate Manpower Administrator for Manpower Development Programs.

To be sent within fifteen days after publication of the guidelines or by April 1st. Other members of Alaska's delegation will be sent copies of the recommendations as well.

We sincerely trust you will do everything in your power to improve the provisions of this legislation to benefit Alaska.

With best wishes, I am,

Very truly yours,

Mrs. Blanche L. McSmith,
State Director, Public Employment Program.

Mr. GRAVEL. Mr. President, because of the need to adjust this limit for Alaska, I am introducing, today, a bill to empower and direct the Secretary of Labor "to increase this maximum pay rate for those areas with a cost of living greater than 15 percent of the national average by an amount proportionate to the difference between such national average and that area's cost of living." This bill will provide the relief that is needed for Alaska, but it will not significantly increase the Department of Labor's burdens, as would be the case if adjustments in the pay rate limit were made for insignificant cost-of-living variations throughout the country.

Public service jobs in Alaska have proved to be a very good means for providing employment and training assistance to individuals, and for getting them into full-time permanent jobs. It has also helped State and local governments improve the level and quality of services they are able to give their committees. My bill will allow the public service jobs under the Comprehensive Employment and Training Act to continue the excellent work begun by the Public Employment Program.

I ask unanimous consent that a table showing how the proposed payroll plan will affect PEP be printed in the Record.

There being no objection, the table was ordered to be printed in the Record, as follows:

EXHIBIT I.—HOW THE PROPOSED STATE'S PAYROLL PLAN WILL AFFECT PEP

	Anchorage Ketchikan Juneau	Petersburg Sitka Palmer	Kenai Kodiak Seward	Fairbanks South A.C.	Valdez	Nome Dillingham Aleutians	Hooper Bay Bethel	Barrow Interior North A.C.
7B	*709	*731	*754	*777	*802	881	909	939
Present salary	(584)	(606)	(629)	(652)	(677)	(756)	(784)	(814)
8A	*731	*754	*777	*802	*827	909	939	969
Present salary	(606)	(629)	(652)	(677)	(702)	(784)	(814)	(844)
9A	*777	*802	*827	854	881	969	1,001	1,034
Present salary	(652)	(667)	(702)	(729)	(756)	(844)	(876)	(909)
10A	*827	854	881	909	939	1,034	1,073	1,113
Present salary	(702)	(729)	(756)	(784)	(814)	(909)	(943)	

Asterisks (*) denote salaries to be paid under State pay raise plan in different districts requiring additional funds from agencies as differing from those that will be funded under title II public employment program ($10,000 year limit or $833 per month). Asterisks represent salaries applicable.

By Mr. COOK (for himself, Mr. Huddleston, Mr. Brock, Mr. Pearson, and Mr. Hartke):

S. 3407. A bill to amend the Act of September 23, 1940 (Public Law 815, 81st Congress) to provide for disaster assistance in a manner which assures increased protection against personal injuries resulting from disasters. Referred to the Committee on Labor and Public Welfare.

Mr. COOK. Mr. President, earlier this month tornadoes ripped through 10 Southeastern States, including the Commonwealth of Kentucky, destroying property and endangering countless lives. In Kentucky alone total damage is estimated to be in the tens of millions of dollars. Many areas were left little more than rubble in the storm's path.

Among those buildings damaged or destroyed were 18 of Kentucky's elementary and secondary schools, with a combined enrollment of 10,850 students. It is frightening to consider the lives that might have been lost if the tornadoes had struck earlier in the day. Many of these schools have made less than adequate provision for such an emergency, and arrangements for emergency shelter are particularly poor. If such a disaster were ever to recur, it would be inexcusable not to have assured that these students had the best available protection.

I have sent a letter to Governor John E. Davis, Director of the Defense Civil Preparedness Agency, requesting his Agency's assistance in determining the best emergency procedures and the soundest available shelter in each of Kentucky's elementary and secondary schools. It is my understanding that the Defense Civil Preparedness Agency can provide engineers and professional advisers to survey public facilities of all types to determine the most effective and reasonable emergency planning in each situation. Such a service could prove invaluable in future emergencies, and I hope that many more public agencies will take advantage of this assistance.

I have also asked that the agency assist me in contacting each of Kentucky's public and private schools, outlining those services available to them through the DCPA. Engineering advice in planning new construction could save countless lives, and I have asked that this assistance be provided immediately to those schools rebuilding after this recent disaster.

I am also introducing legislation that would allow the Commissioner of Education to approve additional funds for replacing or restoring school buildings damaged during national disaster situations in order to insure that adequate provision is made for emergency protection during any future disaster. These additional funds would be money well spent in insuring against future tragedies. I ask unanimous consent that a copy of this proposal be printed in the Record.

There is no better example of the importance of professional planning advice than the school in Baldwin County, Ala., that had planned to usher the entire student body into the auditorium in the case of an emergency. Technical people from the regional office of the Defense Civil Preparedness Agency in Thomasville, Ga., advised against this procedure, pointing out that under extraordinary circumstances the auditorium roof would collapse well before the roof in the building's main corridor. Within the year tornados struck. The auditorium roof collapsed, but the children were safe, huddled in the building's central hallway.

I believe I have made my point very clear. It is my hope that every school in Kentucky will take advantage of these professional services.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3407

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 16(a) of the Act entitled "An Act relating to the construction of school facilities in areas affected by Federal activities, and for other purposes", approved September 23, 1950 (Public Law 81–815), is amended by inserting before the last sentence thereof the following new sentence: "For the purpose of the preceding sentence, the phrase 'the cost of construction incident to the restoration or replacement of the school facilities' includes such additional amounts as the Commissioner may approve in order to assure that the facilities, as restored or replaced, will afford maximum protection against personal injuries resulting from a disaster.".

By Mr. STEVENS:

S. 3408. A bill to provide that the laws restricting the coastwise trade to vessels of the United States shall not apply to certain hovercraft on routes over land or over water only as an incidental part thereof. Referred to the Committee on Commerce.

Mr. STEVENS. Mr. President, I introduce a bill which would exempt air cushion vehicles used in land transportation from the Jones Act. Presently, since an air cushion vehicle known also as a hovercraft is capable of being used as a means of transportation on the water, I have been informed that they would be classified as a vessel and subject to the provisions of the Jones Act. This interpretation would necessitate that an air cushion vehicle—ACV—be manufactured in America before it could be used to transport supplies and people even within one State. The problem is that currently no ACV are being produced in the United States.

My bill would allow ACV being manufactured outside the United States to be used for land transportation. I do not believe that this is contrary to the spirit of the Jones Act since the bill clearly provides that any transportation over water can only be incidental to the basic purpose—land transportation. These ACV will not compete with American vessels in coastwise trade, since a permit will be only granted by the Commerce Department after a showing is made by the applicant that a land route is involved with only incidental crossing over water. I feel that my bill, if enacted into law, will benefit the Nation as a whole as well as be of a particular benefit in developing a feasible transportation system in Alaska.

Alaska's vast size and varied terrain are part of its attraction and strength—but cause a myriad of problems for people in the transportation business.

Less than one-eighth of Alaska is served by roads; in 586,000 square miles, Alaska has only about 2,700 miles of road: Not all those miles are paved; not all are passable year round; not all are connected to the contiguous highway system of North America. In the great northern tundra expanses, the snowmobile and dogsled still reign as the only means of transportation on the ground.

Overall, only the airplane unites the farflung villages in Alaska. And, it is particularly in the Arctic—with its ferocious winter snows and water-laden summer tundra—that the airplane suffers from capricious weather and scarcity of landing strips. While the helicopter does not need runways, it still needs good weather to fly—and shares with the airplane the high cost of operation—and passes this price along to the customer.

Despite this lack of surface transportation, new roads and railroad tracks are not in the immediate future for the far northern and western reaches of Alaska.

Tundra and permafrost challenge the best engineers, and offer innumerable construction and maintenance problems and costs. While the permafrost is frozen rockhard year round, the surface covering of tundra, which can vary from a few inches to a few feet, melts into a soggy, spongelike state for about 3 months each summer. Since the permafrost absorbs nothing, water from melted snow and thawed tundra remains on the surface. And tundra is not smooth, but pockmarked with millions of holes—all water filled in summer.

There is hardly any gravel in these northern expanses—so every cubic foot must be transported, mainly by air. Another problem is that not all this area is flat—some of the highest and ruggedest mountains in the country are formed across northern Alaska. Also, across this area run hundreds of thousands of streams and rivers, requiring either bridging or ferry crossing for conventional surface transportation.

But even if all the engineering problems were readily solved, there would still be untold ecological problems. Impact studies would have to be conducted, with no guarantee that their findings would be favorable. It may not be practical or wise to criss-cross this virgin country with highway or rail.

So we must turn to modes of transportation other than the conventional. The ACV seems to offer the most functional solution. While formerly used almost exclusively on water, the ACV has land-transportation abilities, proven in the Canadian Arctic.

Riding on a cushion of forced air, these vehicles can travel up to 55-miles per hour and carry up to a 40-ton cargo load. That is about the same capacity as the C–130 Hercules commonly used for hauling in these areas. The ACV rides across snow, ice, surface water or land with equal ease. It can negotiate ice pressure ridges and mountain passes. And the beauty of its operation—for engineers and ecologists alike—is that there is no disturbing of the surface of the earth.

The cost per ton mile makes it extremely attractive for long-haul routes. Alaska could have an inland ferry system, carrying passengers and freight across areas previously only flown over—for much less the price.

The advantages of the ACV for tundra travel are not confined to cargo and passenger transportation. The overwhelming and pressing need for scientific study in this area of Alaska requires fast, versatile all-terrain modes of transportation. The ACV can be equipped with all manner of scientific instruments, and studies from geology to wildlife can be conducted from these craft.

The promise these vehicles hold for opening up Alaska's vast bush country—to hauling and study—is enormous. One ACV is currently operating in Alaska's interior in conjunction with studies being done by the Alyeska Pipeline Co., and a second vehicle may be in Alaska this summer. These craft have proven their worth and reliability in the Canadian north. Now we are looking at demonstrating their capabilities in Alaska this summer—with an eye toward operational systems in the not-too-distant future.

Mr. President, I hope that the Senate gives prompt consideration to this proposal and that in the near future hovercraft can provide a vital link in Alaska's transportation network.

I ask unanimous consent that the bill be printed in the Record at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3408

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 27 of the Merchant Marine Act, 1920 (46 U.S.C. 883) is amended by striking out the period at the end and inserting in lieu thereof a colon and the following: "*Provided further,* That nothing in this section, or in any other provision of law restricting the coastwise trade to vessels of the United States, shall prohibit the transportation of merchandise or passengers by air cushion vehicle on any route over land or over water only as an incidental part thereof, if a permit is obtained from the Secretary of Commerce for the purpose of operating pursuant to this proviso in accordance with regulations prescribed by the Secretary. For the purpose of this section the term 'air cushion vehicle' means a vehicle which travels over land or water on a cushion of air generated by such vehicle.".

By Mr. TUNNEY:

S. 3409. A bill to amend the National Labor Relations Act, as amended, to amend the definition of "employee" to include certain agricultural employees. Referred to the Committee on Labor and Public Welfare.

LEGISLATION BRINGING FARMWORKERS UNDER THE COVERAGE OF THE NATIONAL LABOR RELATIONS ACT

Mr. TUNNEY. Mr. President, once again, the bitter harvest of a new spring is spreading through the agricultural areas of California and the Nation. It is the annual struggle for union recognition by the Nation's farm workers, a tense triangular dispute with the growers, the United Farm Workers and the Teamsters Union in desperate contention.

In the middle are the farmworkers. So, too, are American consumers.

The farmworkers have no electoral process of resolving the jurisdictional dispute between the two unions. And the consumer has no alternative but to pay the higher food prices caused, in part, by the seemingly unending and unyielding conflicts in our farm lands.

Farmers, too, are caught in the Nation's last remaining struggle for recognition by a significant corps of labor. Their crops may go unharvested or undelivered to the market.

The unions also suffer, for they have spent millions of dollars in the prolonged dispute, and the solidarity, which is their common defense, has been sundered with the AFL–CIO standing with UFWA against the Teamsters.

And always, simmering in the rising dust of the fields, is the threat of bloodshed and violence.

Cesar Chavez has made a creed of nonviolence, and the Teamsters have said they, too, disavow strong-arm tactics. Nonetheless, the collision of wills involved in so monumental a dispute inevitably strikes dangerous sparks.

In short, the showdowns in the great farming valleys of California produce only victims, and there will be no resolution until that day when the farmworkers themselves are assured an orderly procedure by which they can elect the union they want to represent them. That day depends on affirmative action here in Congress.

Consequently, I am, once again, introducing legislation to bring farmworkers under the National Labor Relations Act. I first introduced such legislation in 1969 when I served in the House of Representatives. Representative B. F. Sisk of California has a similar measure currently before that body.

The reasoned certainties of NLRA will replace the explosive uncertainties of strikes, picket lines, boycotts, lockouts, and other mass actions and give farmworkers the security to validate their long-sought goals of decent wages and working conditions.

As mentioned earlier, the philosophy of nonviolence has inspired much of the organizational efforts among farmworkers, but it now needs the solid steel of law to assure workers their right freely and secretly, under legitimate and responsible supervision, to elect the union they believe can most effectively bargain collectively for them.

Systematic, sanctioned elections, fully regulated under NLRA, provide the surest procedure for settling jurisdictional disputes and for bringing order and permanence to contractual relations between worker and grower.

As outcasts from NLRA, the farmworkers have no way, I believe, to achieve lasting representation of their interests. NLRA will assure them protections and guarantees it already provides 95 percent of the Nation's working force.

All too often, after years of valiant struggle, the voice of farmworkers has been lost in the winds that sweep the valleys and their aspirations of dignity and opportunity have gone unfulfilled.

I believe, as I have over the years, that farmworkers should be brought within the shelter of NLRA, and a long and oppressive chapter of labor history can, at long last, be closed. I urge swift Senate approval of this legislation.

I ask that the full text of the bill be printed at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3409

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2(3) of the National Labor Relations Act, as amended, is amended by striking out the following phrase: "as an agricultural laborer, or".

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 411

At the request of Mr. McGee, the Senator from Tennessee (Mr. Brock) was added as a cosponsor of S. 411, to amend title 39, United States Code, relating to the Postal Service, and for other purposes.

S. 1147

At the request of Mr. Dominick, the Senator from Arkansas (Mr. McClellan) was added as a cosponsor of S. 1147, to amend the Occupational Safety and Health Act of 1970.

S. 1637

At the request of Mr. Bayh, the Senator from Maryland (Mr. Mathias) was added as a cosponsor of S. 1637, to discourage the use of painful devices in the trapping of animals and birds.

S. 2363

At the request of Mr. Cranston, the Senator from Vermont (Mr. Stafford) was added as a cosponsor of S. 2363, a bill to amend chapter 39 of title 38, United States Code, relating to automobiles and adaptive equipment for certain disabled veterans and members of the Armed Forces.

S. 2854

At the request of Mr. Cranston, the Senator from Illinois (Mr. Stevenson) was added as a cosponsor of S. 2854, a bill to amend the Public Health Service Act to expand the authority of the National Institute of Arthritis, Metabolic, and Digestive Diseases in order to advance a national attack on arthritis.

S. 2871

At the request of Mr. McGovern, the Senator from California (Mr. Cranston), was added as a cosponsor of S. 2871, to amend the Food Stamp Act of 1964.

S. 3023

At the request of Mr. Kennedy, the Senator from Iowa (Mr. Clark) was added as a cosponsor of S. 3023, the Biomedical Research Act of 1974.

S. 3067

At the request of Mr. Hartke, the Senator from Maryland, (Mr. Mathias), was added as a cosponsor of S. 3067, a bill to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans, and for other purposes.

S. 3072

At the request of Mr. Hartke, the Senator from Maryland (Mr. Mathias), was added as a cosponsor of S. 3072, a bill to amend title 38, United States Code, to liberalize the provisions relating to payment of dependency and indemnity compensation, and for other purposes.

S. 3233

At the request of Mr. Humphrey, the Senator from Kentucky (Mr. Cook), was added as a cosponsor of S. 3233, a bill for the relief of certain individuals formerly employed by Nationwide Food Service in the U.S. Senate Restaurant.

S. 3280

At the request of Mr. Kennedy, the Senator from Kansas (Mr. Pearson) was added as a cosponsor of S. 3280, the "Health Services Act of 1974."

S. 3316

At the request of Mr. Moss, the Senator from Oregon (Mr. Packwood), the Senator from New Hampshire (Mr. McIntyre), the Senator from North Dakota (Mr. Young), the Senator from Michigan (Mr. Hart), the Senator from Montana (Mr. Metcalf), the Senator from Minnesota (Mr. Humphrey), and the Senators from Massachusetts (Mr. Kennedy and Mr. Brooke) were added as cosponsors of S. 3316, to establish National Historic Trails as a new category of trails within the National Trails System, and for other purposes.

S. 3330

At the request of Mr. Harkte, the Senator from Iowa (Mr. Clark), and the Senator from Wyoming (Mr. McGee) were added as cosponsors of S. 3330, to amend title 10 of the United States Code to provide severance pay for regular enlisted members of the U.S. armed services with 5 or more years of continuous active service, who are involuntarily released from active duty, and for other purposes.

S. 3334

At the request of Mr. Mondale, the Senator from Colorado (Mr. Dominick), the Senator from New York (Mr. Javits), and the Senator from California (Mr. Cranston) were added as cosponsors of S. 3334, to amend the Interstate

Commerce Act in order to improve service in the transportation of household goods by motor common carriers.

S. 3341

At the request of Mr. Metcalf, the Senator from Alaska (Mr. Stevens) be added as a cosponsor of S. 3341, to revise certain provisions of title 5, United States Code, relating to per diem and mileage expenses of employees and other individuals traveling on official business, and for other purposes.

S. 3361

At the request of Mr. Proxmire, the Senator from Minnesota (Mr. Humphrey) was added as a cosponsor of S. 3361, to assure the continuation of the Consumer Price Index.

S. 3388

At the request of Mr. Humphrey, the Senator from Pennsylvania (Mr. Schweiker) was added as a cosponsor of S. 3388, a bill to amend the Child Nutrition Act of 1966 for the purpose of providing additional Federal financing to the special supplemental food program.

S. 3398

At the request of Mr. Hartke, the Sentor from Indiana (Mr. Bayh), was added as a cosponsor of S. 3398, a bill to amend title 38, United States Code, to provide a 10-year delimiting period for the pursuit of educational programs by veterans, wives, and widows.

SENATE JOINT RESOLUTION 115

At the request of Mr. Bartlett, the Senator from North Carolina (Mr. Helms) was added as a cosponsor of Senate Joint Resolution 115, to limit the use of limousines and to promote the use of economy cars by the Federal Government.

SENATE JOINT RESOLUTION 173

At the request of Mr. Dominick, the Senator from West Virginia (Mr. Randolph) was added as a cosponsor of Senate Joint Resolution 173, requesting that the President appoint a National Commission for the Control of Epilepsy and its Consequences.

SENATE JOINT RESOLUTION 202

At the request of Mr. Griffin, the Senator from California (Mr. Tunney), and the Senator from Colorado (Mr. Haskell) were added as cosponsors of Senate Joint Resolution 202, designating the premises occupied by the Chief of Naval Operations as the official residence of the Vice President, effective upon the termination of service of the incumbent Chief of Naval Operations.

ADDITIONAL COSPONSORS OF A RESOLUTION

SENATE RESOLUTION 302

At the request of Mr. Brooke, the Senator from South Dakota (Mr. McGovern), the Senator from California (Mr. Cranston), and the Senator from New Jersey (Mr. Williams) were added as cosponsors of Senate Resolution 302, a resolution on the "River Blindness" Rehabilitation Program for the Sahelian Countries of Africa.

GRANT OF LAND TO CITY OF ALBUQUERQUE FOR PUBLIC PURPOSES—AMENDMENT

AMENDMENT NO. 1230

(Ordered to be printed and referred to the Committee on Interior and Insular Affairs.)

Mr. DOMENICI (for himself and Mr. Montoya) submitted an amendment in the nature of a substitute, intended to be proposed by them jointly, to the bill (S. 2125) to amend the act granting land to the city of Albuquerque for public purposes, approved June 9, 1906.

TAX TREATMENT OF CERTAIN ARMED FORCES PERSONNEL AND CIVILIAN EMPLOYEES WHO ARE PRISONERS OF WAR OR MISSING IN ACTION—AMENDMENT

AMENDMENT NO. 1231

(Ordered to be printed and to lie on the table.)

Mr. DOMENICI. Mr. President, I am submitting today an amendment intended to be proposed by me to H.R. 8217 dealing with the tax treatment of Armed Forces personnel and civilian employees who are prisoners of war or missing in action. My amendment would provide tax exemption for all pay received by military personnel while hospitalized as a result of service in a combat zone. This amendment would also extend for 2 years forgiveness on Federal income tax for MIA's who subsequently were determined dead. That is, it would prevent any additional hardship to a serviceman's family which would result from the collection of taxes for years following his actual death. Also, it provides that a widow would be eligible for surviving spouse tax treatment for 2 years following the year in which her husband's missing status is changed, rather than the 2 years following the year of actual death.

This amendment contains the provisions that were included in H.R. 8214 relating to tax breaks for military and civilian POW's, MIA's, and their families. That bill was recommitted, because of the large number of unrelated amendments which were attached to it. This is simply too important a matter not to be given our immediate and undivided attention.

Introduction of this measure brings to mind once again that more than a year ago many millions of Americans across the Nation witnessed firsthand and on television the emotion-packed, heartwarming return of some of our POW's and MIA's from Vietnamese prison camps. Those were days of joy in American homes nationwide, and we as a nation rejoiced with those who had waited so long and so anxiously for the return of their loved ones.

However, that chapter of the Vietnam war is still unended for some 1,300 American families, families who still wait, still wonder if their servicemen are alive or dead. Our search and inspection teams have been permitted to examine only a handful of areas in Southeast Asia where our missing men were last seen alive. All efforts to obtain a satisfactory "accounting," a central provision of the Paris peace agreement, have been frustrated because the North Vietnamese continue to disregard their obligation to assist in the exhumation of remains and to accompany our joint search teams.

Our Nation has been bravely defended by her fighting men; and until each of those men is account for and until each of those families is given the satisfaction of knowing a loved one's status, we cannot let our pursuits for accountability cease. We cannot allow even a day to pass without doing all possible to determine where 1,300 courageous American men are—alive or dead.

Because of this tragic situation and because of our concern for these men and their families, I urge my colleagues to support this POW-MIA tax relief legislation. It in some small measure expresses our concern and our gratitude to those Americans who have given and who continue to give so much for our Nation.

EXTENSION OF POSTAL RATE ADJUSTMENTS—AMENDMENT

AMENDMENT NO. 1232

(Ordered to be printed and to lie on the table.)

Mr. HATHAWAY submitted an amendment intended to be proposed by him to the bill (S. 411) to amend title 39, United States Code, relating to the Postal Service.

AMENDMENT OF EXPORT-IMPORT BANK ACT OF 1945—AMENDMENT

AMENDMENT NO. 1233

(Ordered to be printed, and referred to the Committee on Banking, Housing and Urban Affairs.)

Mr. HATHAWAY submitted an amendment, intended to be proposed by him, to the bill (S. 1890) to amend the Export-Import Bank Act of 1945, as amended, to extend for 4 years the period within which the bank is authorized to exercise its functions, to increase the bank's loan, guarantee, and insurance authority, to clarify its authority to maintain fractional reserves for insurance and guarantees, and to amend the National Bank Act to exclude from the limitations on outstanding indebtedness of national banks liabilities incurred in borrowing from the bank, and for other purposes.

AUTHORIZATION OF APPROPRIATIONS UNDER THE INTERNATIONAL ECONOMIC POLICY ACT OF 1972

AMENDMENT NO. 1234

(Ordered to be printed and to lie on the table.)

Mr. HATHAWAY submitted an amendment intended to be proposed by him to amendment No. 1229 proposed by Mr. Muskie (for himself and others) to the bill (S. 2986) to authorize appropriations for carrying out the provisions of the International Economic Policy Act of 1972, as amended.

AMENDMENT NO. 1235

(Ordered to be printed and to lie on the table.)

Mr. HUDDLESTON. Mr. President, under amendment No. 1229 offered by Senators Muskie, Stevenson, and Johnston, the President is authorized to impose economic controls on a sector-by-sector basis after he has made three findings.

In making these findings, the President must consider the extent to which inflation can be moderated by economic controls on one sector without imposing them on other sectors. He must further consider the extent to which competition moderates inflation, the effect of controls on supplies and the time frame required for market correction of inflation.

These required considerations are both desirable and necessary. I have been concerned for many months with the availability and unavailability of materials and commodities; and, accordingly, I am particularly pleased to see explicit language requiring consideration of the affects of economic stabilization efforts on supplies.

In 1973, goods constituted 47.7 percent of the gross national product of the United States. Structures—such as bridges, building, and highways—equaled 10.8 percent of the GNP. This leaves output of service-oriented activities at 41.5 percent of our $1,288.3 billion economy.

Mr. President, while the general language of amendment No. 1229 calls for fair and equitable treatment of all sectors of the economy, it is, I believe, imperative to afford the service sector the same explicit Presidential consideration as that given the supply sector. For this reason, I am submitting an amendment intended to be proposed by me to the Cost of Living Act of 1974 which requires the President, in determining applicability of controls to a service-oriented sector of the economy, to consider the extent to which such controls will limit, or otherwise affect, the quality of services rendered. I request that my amendment be printed in the Record at this point.

There being no objection, the amendment was ordered to be printed in the Record, as follows:

AMENDMENT NO. 1235

After the semicolon at the end of section 205(2) (2) (C) (ii) strike out "and".

Redesignate clause (D) of section 205(c) (2) as clause (E), and insert immediately before such clause (E), as redesignated, the following:

"(D) in the case of controls applicable to a service-oriented sector of the economy, the extent to which such controls will limit, or otherwise affect, the quality of services rendered; and".

POLITICAL LEADERSHIP INTERN PROGRAM ACT—AMENDMENT

AMENDMENT NO. 1236

(Ordered to be printed and to lie on the table.)

Mr. HUMPHREY. Mr. President, I submit an amendment to S. 1539, the Education Amendments of 1974, to add a new title XII under the Higher Education Act of 1965, and which would be cited as the "Political Leadership Intern Program Act of 1974."

My amendment would authorize the Commissioner of Education to make grants to institutions of higher education which establish internship programs under which students will be provided practical involvement with elected officials in State and local government in the performance of their duties.

It is expected that the students will be assigned to jobs of solid responsibility, whether in researching important State and local issues, or in providing the day-to-day services that are requested by constituents, or in helping to draft legislation.

This important work experience would be coordinated with the student's educational program, and he or she would receive course credit as well as a limited stipend.

A primary feature of such programs would be the initiation of direct, ongoing interchanges between public service officials and educators. Students, political science professors, and those serving in elected office would share experiences and insights in guidance consultations and group seminars. I believe this procedure will be of incalculable benefit, both in challenging public officials to reflect upon new opportunities and directions required in representing and assisting our people, and in increasing understanding and stimulating insight among educators and students about the demands and challenges of public office.

We know that elective office at all levels of government in America, as well as our political system, are presently undergoing a time of severe testing. Call it a "credibility gap," a "low performance rating," or "voter alienation"—whatever the term, it points to a widespread undercurrent of dissatisfaction among our people about the ability of their representatives to deliver on their promises and about the responsiveness of government at all levels in addressing urgent problems and needs of the people.

We in government must address this public mood without delay in pressing forward on an action agenda to resolve urgent local and national issues—inflation and recession; the threat of continued energy shortages; assuring the continued availability of food supplies and other national resources; and required improvements in public facilities and services, health care, education, housing, and social welfare programs on behalf of all our people.

At the same time, however, we must do everything possible to expand opportunities for effective involvement in public service, particularly on behalf of those who have the potential to be the public leaders of tomorrow. This is the direct purpose of my amendment. Students would be enabled to evaluate a career in government and to test and temper their knowledge of the political system early in their educational years. By this direct work experience, they will have a solid basis for evaluating what is presented to them in their reading, in the classroom, and after their college years.

A nationwide intern program would bring a significant number of young people closer to government and—as recent political science studies have shown—there can be a resultant improvement in the confidence our young people have in our political system.

On the other side of the coin, college interns can provide an important pool of assistance to our understaffed and overworked State and local governments. And these governments would have an opportunity to review and recruit some very talented young people for eventual full-time employment.

My amendment provides for grants to colleges and universities for the planning, development, administration, and operation of student internship programs. Any institution within the United States, is eligible to apply for an internship program grant under this program.

Under these grants, students would be given internship stipends, half paid by the Federal Government and half paid through arrangements made by the institutions of higher education with State and local governments. The internship programs would be administered by the institutions of higher education with the cooperation of State and local elected officials. All administrative costs would be paid by the Federal Government.

The Commissioner of Education, with the assistance of a National Advisory Council for Political Leadership Interns—established under my amendment—would select the institutions to receive grants. The Council would set the criteria for the awarding of grants.

My amendment calls for an allocation of $5 million for fiscal year 1975 and the same amount for 2 succeeding years. These funds would support over 6,800 full-time interns each year. This figure is based upon an average Federal support of $780 per intern for a 12-week off-campus, full-time internship. The internship funds would be distributed among the States in the same ratio as the number of Members of Congress from each State. With a $5 million appropriation, approximately 16 interns would be able to participate from each congressional district.

There is wide support for this legislation from institutions of higher education, State and local governmental officials, and from many national professional organizations.

Two prominent national organizations have given strong support to this measure, the National Association of Schools of Public Affairs and Administration and the National Center for Public Service Internship Programs.

Mr. President, at this point I ask unanimous consent that the text of two letters supporting my amendment from Dr. Thomas Murphy, president of the National Association of Schools of Public Affairs and Administration and from Mr. Alan H. Magazine, executive director of the National Center for Public Service Internship programs, be included in the Record at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HUMPHREY. Mr. President, there is a great value in educating students through internships. There is perhaps no better way to learn, than to apply theory to problems in the real world and then to examine and evaluate the consequences. The accumulation of these experiences through off-campus internships is an excellent means of gaining new knowledge. My amendment attempts to encourage the development of this type of learning experience for college students throughout the United States.

There have been several important recent publications that have discussed the goals and benefits of internships. I ask unanimous consent, Mr. President, that the text of "Goals and Objectives of Internship Training," a section of a research report on Urban Internships in Higher Education, by Dr. Donald G. Zauderer, be included in the RECORD at the conclusion of my remarks, along with the text of my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. HUMPHREY. Mr. President, my amendment is a revision of S. 1271, the Interns for Political Leadership Act, which I introduced on March 15, 1973, and which was cosponsored by Senators BAKER, BIBLE, BROCK, GRAVEL, HART, HATHAWAY, MATHIAS, MONDALE, MOSS, STEVENSON, THURMOND, TUNNEY, and WILLIAMS. It should also be noted that my original bill to establish an internship program was passed by the Senate in the 92d Congress as an amendment to the Education Amendments of 1972 (S. 659). Although it was not included in the final conference report in this legislation, subsequently enacted into law (Public Law 92-318), it received widespread support in both Houses. I believe that the revisions completed in this latest version of this legislation fully answer the questions raised and resolve the concerns expressed in the course of respective Senate and House debates 2 years ago. I urge that my amendment now receive prompt and favorable action.

EXHIBIT 1

NATIONAL ASSOCIATION OF
SCHOOLS OF PUBLIC AFFAIRS
AND ADMINISTRATION,
Washington, D.C., April 29, 1974.

Hon. HUBERT H. HUMPHREY,
U.S. Senate, Old Senate Office Building,
Washington, D.C.

DEAR SENATOR HUMPHREY: I understand that you intend to introduce an amendment to S. 1539, the Education Amendments of 1974, to provide for authority for the appropriation of $5 million for public service internships. This would be a proposed new Title XII to the Higher Education Act of 1965 and would provide for institutions of higher education to plan for, develop and administer public service internship programs under grants authorized by the Commissioner of Education.

May I take this opportunity to inform you of my complete support for your proposed amendment. There is a need for these types of internship programs throughout the country to prepare persons for public service leadership positions. Certainly, recent events in our country demonstrate the critical need that exists for the adequate preparation of persons for carrying out those programs which are so vital to our public welfare.

The National Association of Schools of Public Affairs and Administration, representing 128 institutions with schools or programs in public administration, offers its complete support to your proposed legislation to further the vital purposes that you have in mind in offering this amendment. If enacted, we will be most pleased to work as closely as possible with the Commissioner of Education to see to it that any funds expended carry out the programs' purposes to the maximum extent.

Please do not hesitate to call on us if we can be of any further assistance in this matter.

Sincerely,

THOMAS P. MURPHY,
1974–75 President.

NATIONAL CENTER FOR PUBLIC
SERVICE INTERNSHIP PROGRAMS,
April 29, 1974.

Hon. HUBERT H. HUMPHREY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HUMPHREY: The Board of Directors, general membership, and staff of the National Center for Public Service Internship Programs wishes to extend their appreciation for the interest you have demonstrated throughout your career in public service to the fostering of the internship concept. In these days of waning public confidence in our governmental institutions at all levels, it is particularly important that the public service be infused with the views of the young, able citizens who will be our future leaders.

Public service intern programs are designed to benefit both the participants of the programs and the recipients of the intern's services. Considering that our Nation's Bicentennial is fast approaching, and that our future course will be determined by today's youth, I cannot imagine a more appropriate undertaking than a Federal program that would help finance the training of our college and university students.

The National Center for Public Service Internship Programs represents the interests of a large segment of the internship community. As such, we have worked hard to bring attention to internships, and to have internships attain their proper role in the educational process. We feel strongly that the amendments that you have proposed in The Education Amendments of 1974 (S1539) will help accomplish this goal.

With appreciation for your efforts, I remain

Sincerely,

ALAN H. MAGAZINE,
Executive Director.

EXHIBIT 2

[From Urban Internships in Higher Education]

GOALS AND OBJECTIVES OF INTERNSHIP TRAINING

(By Donald G. Zauderer)

Who gains what benefits from internships? A delineation of potential benefits to the central actors (students, university faculty and administrators, and host agencies) can serve to increase the level and quality of participation. Learning goals can be more easily achieved when individuals are aware of the benefits that can accrue as a result of vigorous participation by all actors in this systemic network.

THE STUDENT AS PRIMARY BENEFICIARY

Academic Benefits—An individual's ultimate utility to society is based on the capacity to collect data from a variety of sources (including personal experience), order the data around concepts and ideas, and develop the requisite understanding for problem solving. The authoritarian system associated with traditional university courses places the student in a tight dependency relationship with the professor. Authoritarian-dependency relationships may not foster independent thinking or the capacity to examine experience and interpret learning. This is not to suggest that traditional learning is unproductive, since it is important that students grasp the central theoretical and substantive components in a body of knowledge. However, internships provide an opportunity for the discriminative use of this information within a real-world context. When the individual is cut away from dependency on the professor, he becomes responsible for organizing his own activity and for developing a personal learning strategy. The student is induced to construct learning goals as well as the instrumental strategies for the achievement of these objectives. Suddenly the highly structured arrangement for learning (books, teachers, library reserve, syllabi) is absent, and the student needs to construct learning strategies around the resources of the new working environment. The intern is thrust into a new game, in which personal and intellectual attributes must be combined in the successful execution of work tasks.

The faculty advisor can assist the student in constructing a paradigm for examining his experience. Student interns are bombarded with data, and the ordered and systematic examination of experience will lead to the internalization of knowledge. The student will then have learned from experience, and be able to utilize the knowledge in subsequent years. Internships provide students with the opportunity to think systematically about personal experience. The absence of this capability may lead to a life characterized by confusion and error.

Internships also provide opportunities to apply theoretical notions to real-world concerns. A university-based internship program is based on the belief that there are certain forms of knowledge that can best be acquired away from campus. According to Robert Sigmon:

"Risks are involved for universities that sponsor and sanction intern-type programs. We risk an awareness that universities do not, after all, have a monopoly on all knowledge and learning opportunities. *We risk redefining teaching as the providing of learning environments rather than dispensing of knowledge about the past* [emphasis mine]."[1]

Meyer and Petry have also emphasized the importance of providing new learning environments. They assert that "without the meat of experience to interact with and fill out the skeleton of theory, there is no body of understanding."[2] Hennessy states that:

"Internships work because they personalize data. They work because they give to political life and events a reality that makes them part of the intern's own being. They give to facts some of the warmth and color of the human condition. . . ."[3]

Thus, an internship can "bring theory to life" by engaging students in experiences that have been the subject of scholarly inquiry. An intern studying under me, who is majoring in Organization Theory, commented:

"Before this experience I was unclear as to the potential utility of ideas learned in the classroom. Working has provided an opportunity to test some of these ideas, and I now have a much clearer perspective on what is really important in keeping an organization healthy and alive."

Internships also expose students to knowledge available only in nonacademic settings. Many important research questions have escaped the professional literature, yet are basic to the research interests of practitioners. Thus, interns often acquire important

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Footnotes at end of article.

information that is not available in traditional academic sources.[4]

An important goal of education is to expose students to the multidisciplinary aspects of social problems. A student intern in a local housing authority will soon gain some understanding of how law, economics, political science, sociology, psychology, anthropology, and engineering relate to housing problems. This exposure may also sensitize students to the need to build a cross-disciplinary emphasis into their academic program. An internship, then, may increase the student's capacity to make informed choices on his own university education.

Internships may also open up research opportunities, since interns frequently develop a high measures of rapport with agency staff, and utilize these contacts and information resources in subsequent research efforts. Donald H. Haider cites this as one of the most important benefits of the American Political Science Association's State and Local Government Internships at Columbia University. According to Haider, a number of dissertations developed from the internship experience.[5] In this way a student can utilize the internship as a resource base in subsequent academic work.

Personal Growth and Development—Personal growth has always been a by-product of university education. Universities have provided counseling and psychological services, and a variety of extra-curricular activities that are important elements to campus life. Internships provide an additional means by which students can grow and mature.

James S. Coleman, in an article dealing primarily with secondary education, stresses the importance of preparing students to become effective members of society. He contends that *all* students need training in basic skills. Among these are skills of some occupation, skills in making decisions in complex situations where consequences follow from decisions, physical and mechanical skills, bureaucratic and organizational skills (how to cope with a bureaucratic organization, whether as an employee or a customer or a client, or as a manager or enterpreneur), emergency skills, and written and verbal communication skills in argumentation and debate.[6] This partial list of skills presumes that one of the major purposes of education is to assist individuals to develop as effective participants in society, while Coleman's discussion relates specifically to secondary education. Some individuals with a high level of training in intellectual skills may still not possess the requisite characteristics to make significant contributions in an organization. In most noneducational institutions, success depends upon the quality of cooperative effort. Performance criteria are far broader than writing a research paper, a midterm, and a final examination; and one's productivity may hinge upon an ability to communicate and work constructively with others. The internship can provide an opportunity to test the adequacy of human relations skills and to construct an agenda for personal resource development.

John Duley has emphasized the significance of "value clarification" in one's education.[7] Many students experience years of confusion and uncertainty in forming the basic values that will guide their lives and commitments. This uncertainty often leads to apathy, confusion, random career choices, and a limited commitment to education. If one is unsure of values and goals, then it may seem unreal to exert effort in academic study.[8] Both the student and the university suffer under such circumstances. The internship provides an opportunity to examine the rewards and liabilities of a particular work culture and to clarify essential values and commitments. The explicit examination of these questions can increase the student's capacity for judgment relative to future training and career choices. This is not to suggest that internships are designed for confused and apathetic students. If such were the case, organizations would soon refuse to participate in these programs. Rather, it does suggest that value clarification is a preoccupation of most students, and internships provide an excellent mechanism to examine these questions. One of the most important events in one's life is to acquire and reject values and develop instrumental strategies to construct a life style based upon this learning.

Students are often insecure about their ability to make productive societal contributions. The isolation of educational institutions often leaves students with an uncertain feeling about their capacity to function effectively in the larger community.[9] As a result, they often lack self-esteem, pride, and confidence in their adequacy as human beings.[10] Interns, however, frequently emerge from their experience with a renewed sense of importance and develop confidence in their ability to participate effectively in the larger community.

Internships and Career Development—Another result of campus isolation is that students frequently make unsound career choices. The Newman Commission reported that "in many areas, students undertake years of graduate training in a particular field only to find that they aren't sure why they've done it, or if it really is what they want for a career."[11] This may result in dropping out, completing the degree but seeking work in another field, or working with only a marginal commitment to the field. This outcome is terribly inefficient from an individual and societal point of view. Internships provide an opportunity to examine the degree to which interests and skills are compatible with particular occupations. According to James R. Davis, they "provide the opportunity to explore experimental life styles without making a lasting commitment."[12] The process of testing career decisions becomes far more costly in the post-college years, especially if the market is in disequilibrium and the labor supply far exceeds the pool of available jobs. Thus, internships provide a convenient vehicle for students to develop occupational preferences.

In addition to helping students formulate judgments about career choices, internships often serve to launch careers. Academic directors are proud of the fact that some students receive job offers as a *direct* result of internship experience. Host agencies regularly hire some of their interns or recommend them to other agencies. If neither of these events occur, the intern might still be able to secure a good recommendation for his own employment search. In essence, internships can give students a competitive edge in a marketplace that values experience. Also, internships provide a personnel director with a broader data base in assessing qualifications. In this regard, personnel directors are relying far less on the mere possession of credentials and are attempting to structure a proper "fit" between job characteristics and individual ability, aspirations, personality, and work habits.

THE UNIVERSITY INTEREST IN INTERNSHIP PROGRAMS

The primary function of the university is to provide quality education. To the extent that internships generate educational benefits for students, the university interest in such programs is served. However, there are also other distinct benefits that accrue to the university.

As Martin Kramer[13] has ably pointed out, many students are turned off by the narrow professional assumptions of traditional course offerings. This can be manifested by a "pervasive negativism" that influences the emotional tone of the campus. It may reduce student commitment to learning tasks. As a result, faculty may experience considerable frustration in teaching an unwilling and passive client.

Obviously, an internship program alone cannot change the climate of a particular campus. It can, however, be one dimension of a multiple strategy to rekindle student enthusiasm for the learning process.

Internships can assist students in constructing an agenda for learning. When career goals are clarified, one is more likely to choose courses discriminately. Professors benefit because students know "why they are in the course." Furthermore, Thomas Murphy has reasoned that internships may assist students in developing a "more sophisticated perspective from which to evaluate the words of professors."[14] Professors thrive on challenging classroom commentary, for teaching then becomes an occasion for their own learning. The rewards for teachers increase when students approach learning in a positive manner.

While learning can become more meaningful after an internship experience, it also can serve to exacerbate a student's frustration relative to the course offerings on campus. If students identify learning needs that the university cannot provide, they may communicate this to the faculty and administration. This can provide an occasion for the university to receive feedback on the relevance of its curriculum to contemporary needs. It might induce faculty to reexamine course offerings. There are forces within all institutions that act against change, so that vehicles need to be established to identify problems and evaluate performance in light of changing circumstances. Internship programs constitute one mechanism for generating feedback bearing upon the appropriateness of the curriculum for the contemporary needs of business and government.[15][16]

Internships can also serve as a community relations vehicle. Students are engaged in community affairs and establishing relationships with broad segments of the population. Community support can be manifested in fund raising, student recruitment, research support, and technical assistance. According to Thomas Murphy, "interns frequently provide important linkages between previously isolated interests.[17] There is much to gain if working relationships can be established in the larger community.

The utilization of the work environment as a laboratory for study also amounts to the "expansion of learning resources and physical plant usage, often without increased costs."[18] It enables the university to offer a broader range of programs at only a fraction of the cost associated with learning activities centered on campus. The marginal cost of these programs is not high and they serve to open up diverse learning opportunities for students. High school students are becoming more and more discriminating in their choice of schools, and the availability of these programs can also assist in recruitment efforts.

BENEFITS TO THE HOST AGENCY

Community organizations have an obvious stake in internship programs. In many cases, the presence of an intern enables an agency to undertake projects that it could not have done otherwise. This would especially be the case for organizations with a limited fiscal base. Albemarle County, Virginia, for example, instituted a summer internship program in 1967. Interns have carried out many critical projects, and a cost-benefit study indicates that "for every one dollar spent, the county has received three dollars' worth of service."[19] The total expenditure in salaries over a five-year period was $17,911.91, and the estimated productivity in one office alone (county planners) was valued at $30,000. Interns can provide valuable services to an organization, and at only a fraction of the cost of staffing with additional permanent employees.

Similarly, an internship can be an excellent recruitment mechanism. It provides an opportunity for a first-hand evaluation of capabilities, and consequently personnel choices can be made at lower risk. Furthermore, the transition costs of hiring interns is lower. The individual is well acquainted with the organization and can more readily contribute to the on-going efforts of an office. On a more general level, government internships help in attracting qualified individuals to fill the growing number of jobs in the public sector. An evaluation study of the Urban Corps summer internship program in New York determined that one-fifth of the students were more likely to work for the Government because of their internship experience.[20] Consequently, internship programs, whether sponsored by the university or government agencies, increase the pool of individuals interested in government work.

The existence of interns in an organization can also invigorate the permanent staff. Students are often enthusiastic, and pursue work tasks with high motivation. They bring new ideas and attitudes that can improve the work climate in an organization. It gives permanent staff an opportunity to share the skills and perceptions they have developed from years of experience. Most agency staff receive personal rewards by taking part in the professional development of a student. Similarly, interns may contribute to the learning of the staff, as they might bring an infusion of new ideas into the organization or question practices that exist merely because of tradition.[21] In addition, the presence of college interns keeps the organization apprised of changes in the aspirations and skills of college students. This awareness could assist agency administrations in restructuring policies that increase job satisfaction and productivity.[22]

If interns are carefully managed they can make significant contributions. David Kiel, in his evaluation of North Carolina internships, found that 61 percent of agency respondents strongly agreed that "the intern performed a valuable service for the agency. Six percent strongly disagreed with this statement. Ninety percent of the respondents strongly agreed with the statement that read, "I am convinced that students can be a valuable resource in helping my agency to achieve its goals.' No respondents strongly disagreed with the statement".[23] In an evaluation of the Urban Corps program in New York City, 85 percent of agency respondents rated interns as either very good or good.[24] Some interns earn the complete confidence of agency staff and are accepted as a member of the professional team. The frequency and degree of student contributions depends upon the skills of both the intern and agency personnel. Most academic directors are proud to recount cases in which their students were given important responsibility after a short time on the job.

FOOTNOTES

[1] Sigmon, Robert L. "A Notebook on Service-Learning." Raleigh: North Carolina Internship Office, October 1972a.

[2] Meyer, Peter and Perry, Sherry L. "Off-Campus Education: An Inquiry." Report of a conference on "Off-Campus Experimental Education," held October 1971 at St. Petersburg, Florida. Atlanta: Southern Regional Education Board, Student Intern Project, 1972. HE 004 391 (RIE Feb. 74), p. 21.

[3] Hennessy, Bernard C. Political Internships: Theory, Practice, Evaluation. University Park: Pennsylvania State University, Administrative Committee on Research, 1970, p. 103.

[4] Sigmon, Robert L. "A Notebook on Service-Learning." Raleigh: North Carolina Internship Office, October 1972a, p. 11.

[5] Haider, Donald H. "The Columbia University Experience with the APSA State and Local Government Internship Program." Prepared for delivery at the American Political Science Association Conference on Political Science and State and Local Government, October 26–29, 1972, Biloxi, Mississipi.

[6] Coleman in Ritterbush, Philip C., ed. Let the Entire Community Become Our University. Washington, D.C.: Acropolis Books, Ltd. 1973, p. 187.

[7] Duley, John. "The Use of Critical Incident Writing and Values Clarification Processes for Student Self-Evaluation in Field Experience Education." An Occasional Paper for the Society for Field Experience Education presented January 1973 at Michigan State University, East Lansing, Michigan, pp. 4–5.

[8] Humphrey, Hubert. Quoted in Congressional Record S. 4874. March 15, 1973.

[9] (Newman, Frank, Chairman). Report on Higher Education. U.S. Department of Health, Education, and Welfare, March 1971. Ed 049 718, p. 4.

[10] Davis, James R. "Cooperative Education: Prospects and Pitfalls." Journal of Higher Education 42 (February 1971): 139–146, p. 141.

[11] (Newman, Frank, Chairman). Report on Higher Education. U.S. Department of Health, Education, and Welfare, March 1971. Ed 049 718, p. 5.

[12] Davis, James R. "Cooperative Education: Prospects and Pitfalls." Journal of Higher Education 42 (February 1971): 139–146, p. 145.

[13] Kramer, Martin. "The Concept of Experimental Learning." In Founding Conference Report, edited by Society for Field Experience Education. Hofstra University, Hempstead, New York, November 10, 1972, p. 9.

[14] Murphy, Thomas P. Government Management Internships and Executive Development. Lexington, Mass.: D.C. Heath & Company, March 1973, p. 8.

[15] Tyler, Ralph W. "Values and Objectives." In Handbook of Coperative Education, edited by Asa S. Knowles and Associates. New York: Jossey-Bass, Inc., Publishers, 1971, p. 23.

[16] Murphy, Thomas P. Government Management Internships and Executive Development. Lexington, Mass.: D. C. Heath & Company, March 1973, p. 7.

[17] Murphy, Thomas P. Government Management Internships and Executive Development. Lexington, Mass.: D. C. Heath & Company, March 1973, p. 4.

[18] Sigmon, Robert L. "A Notebook on Service-Learning." Raleigh: North Carolina Internship Office, October 1972a, p. 12.

[19] National Association of County Officials. "Albemarle's Intern Program: One County that Didn't Punt." Paper presented at a conference at Dallas, Texas, March 2, 1973. p. 4.

[20] Nash, George and Nixon, Julian H. Response to Challenge: The New York City Urban Corps. New York: Columbia University, Bureau of Applied Social Research, May 1967. ED 031 135. p. 3.32.

[21] Murphy, Thomas P. Government Management Internships and Executive Development. Lexington, Mass.: D. C. Heath & Company, March 1973, p. 7.

[22] Buckle, Leonard G. and Buckle, Suzanne Thomas. "Field Experience and Pre-Professional Counseling." In Let the Entire Community Become Our University, edited by Philip C. Ritterbush. Washington, D.C.: Acropolis Books, Ltd., 1973, p. 86.

[23] Kiel, David H. "Student Learning through Community Involvement." Raleigh: Southern Regional Education Board and North Carolina Internship Office, July 1972, p. 40.

[24] Nash, George and Nixon, Julian H. Response to Challenge: The New York City Urban Corps. New York: Columbia University, Bureau of Applied Social Research, May 1967. ED 031 135. pp. 3.21–3.22.

Amendment No. 1236

On page 337, between lines 8 and 9, insert the following new section:

POLITICAL LEADERSHIP INTERN PROGRAM

SEC. 527. (a) The Higher Education Act of 1965 is amended by redesignating title XII and all references thereto as title XIII and section 1201 through 1206 and all references thereto as 1301 through 1306 and by inserting immediately after title XI the following new title:

"TITLE XII—POLITICAL LEADERSHIP INTERN PROGRAM

"PROGRAM AUTHORIZED

"SEC. 1201. The Commissioner is authorized to make grants, in accordance with the provisions of this title, to institutions of higher education for the planning, development, administration, and operation of an internship program under which students will be provided practical political involvement with elected officials in the performance of their duties at the local and State levels of government through internships in their offices. Such internship program shall be carried out through arrangements administered by institutions of higher education, and with the cooperation of State and local governments. Under such program the interns, who are students at any institution of higher education which is a grant recipient, will be assigned duties in offices of State and local elected officials, which will give them an insight into the problems and operations of the different levels of government, as well as an opportunity for research and for involvement in the policymaking process. Arrangements for such grants shall provide for coordination between the on-campus educational programs of the persons selected and their activities as interns, with commensurate credit given for their work and achievement as interns.

"SELECTION OF STUDENTS FOR PARTICIPATION AND DISTRIBUTION OF GRANTS

"SEC. 1202. (a) The students who are to participate in the internship program provided for in this title shall be selected by the institutions of higher education receiving grants under this title.

"(b) The Commissioner shall assure that grants under this title are distributed among the States in the same ratio, to the extent practicable, as the number of Members of Congress of a State bears to the total number of Members of Congress in all States.

"(c)(1) In order to assist the Commissioner to select institutions of higher education within a State to receive grants under this title, he shall appoint a National Advisory Council for Political Leadership Interns. Such Council shall be composed of 12 members appointed from among individuals especially qualified to serve on the Council.

"(2) The Council shall advise the Commissioner with respect to the distribution of grants under this title within each State and with respect to such other matters of policy as may be appropriate in carrying out the objectives of this program as authorized under this title.

"(3) The Commissioner shall make available to the Council such staff, information, and other assistance as it may require to carry out its duties under this title.

"(4) The provisions of part D of the General Educations Provisions Act shall apply to any Council established under this title.

"(d) Whenever the Commissioner determines in the third quarter in any fiscal year that grant funds will not be needed in any State he may redistribute such funds to institutions of higher education in other States which he determines have a need for them.

"FEDERAL SHARE

"SEC. 1203. (a) The Federal share of the cost of planning, developing, and administering of any program assisted under this title shall not exceed 100 per centum of such cost.

"(b) The Federal share of the cost of operating an internship program under this title shall not exceed 50 per centum of such cost.

"ADMINISTRATION

"SEC. 1204. The Commissioner shall by regulation prescribe the stipends to be paid by institutions of higher education to the interns participating in the program assisted under this title and the duration and other terms and conditions of such internships.

"DEFINITIONS

"SEC. 1205. For the purpose of this title—

"(1) the term 'Members of Congress' includes the Resident Commissioner for the Commonwealth of Puerto Rico and the delegate for the District of Columbia; and

"(2) the term 'State' means the fifty States, the Commonwealth of Puerto Rico, and the District of Columbia.

"APPROPRIATIONS AUTHORIZED

"SEC. 1206. There is authorized to be appropriated to carry out this title the sum of $5,000,000 for the fiscal year 1975 and the same amount in each of the two succeeding years. Funds appropriated pursuant to this section shall remain available for the succeeding fiscal year after the fiscal year for which they were appropriated.

"SHORT TITLE

"SEC. 1207. This title may be cited as the 'Political Leadership Intern Program Act of 1974'.".

(b) The amendment made by subsection (a) shall be effective after June 30, 1974.

On page 123 in the Table of Contents, after item "Sec. 526." insert the following new item:

"Sec. 527. Political leadership intern program.".

AMENDMENT NO. 1237

(Ordered to be printed and to lie on the table.)

Mr. HANSEN (for himself and Mr. McGEE) submitted an amendment intended to be proposed by him to the bill (S. 1539) to amend and extend certain acts relating to elementary and secondary education programs, and for other purposes.

ADDITIONAL COSPONSOR OF AMENDMENTS

AMENDMENT NO. 1208 TO H.R. 12628

At the request of Mr. CRANSTON, the Senator from South Dakota (Mr. McGOVERN) was added as a cosponsor of amendment No. 1208, to establish a Commission on Veterans' Rights, to the act (H.R. 12628) to amend title 38, United States Code, to increase the rate of vocational rehabilitation, educational assistance, and special training allowances paid to eligible veterans and other persons; to make improvements in the educational assistance programs; and for other purposes.

AMENDMENT NO. 1215 TO S. 3203

At the request of Mr. DOMINICK, the Senator from Virginia (Mr. WILLIAM L. SCOTT) was added as a cosponsor of amendment No. 1215 intended to be proposed by him to S. 3203, to amend the National Labor Relations Act to extend its coverage and protection to employees of nonprofit hospitals.

NOTICE CONCERNING NOMINATIONS BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. ROBERT C. BYRD. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

Lawrence A. Carpenter, of Texas, to be a member of the Board of Parole for the term expiring September 30, 1977, vice Gerald E. Murch, retired.

Burt C. Hurn, of Missouri, to be U.S. attorney for the Western District of Missouri for the term of 4 years (reappointment).

On behalf of the Committee of the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Tuesday, May 7, 1974, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

ANNOUNCEMENT OF HEARINGS BY SUBCOMMITTEE ON PUBLIC HEALTH, EDUCATION, WELFARE, AND SAFETY OF THE DISTRICT OF COLUMBIA COMMITTEE

Mr. TUNNEY. Mr. President, the Subcommittee on Public Health, Education, Welfare, and Safety of the District of Columbia Committee will hold a public hearing on Wednesday, May 1, 1974, at 9:30 a.m., in room 6226, Dirksen Senate Office Building, on the following bills:

S. 2730, to extend for 3 years the District of Columbia Medical and Dental Manpower Act of 1970;

S. 3389, to amend the act entitled "An Act to incorporate the American University," approved February 24, 1893; and

H.R. 8747, to repeal section 274 of the Revised Statutes of the United States relating to the District of Columbia, requiring compulsory vaccination against smallpox for public school students.

Anyone wishing to present testimony on any of these bills should contact Robert Harris, staff director, District of Columbia Committee, room 6222, Dirksen Senate Office Building, by the close of business Tuesday, April 30, 1974.

NOTICE OF HEARINGS TO BE HELD BY THE SUBCOMMITTEE ON FOUNDATIONS

Mr. HARTKE. Mr. President, I ask unanimous consent that a text of a public notice prepared by the Senate Finance Committee on the subject of upcoming hearings to be held on May 13 and 14 by the Subcommittee on Foundations be printed in the RECORD at this point.

There being no objection, the notice was ordered to be printed in the RECORD, as follows:

FINANCE SUBCOMMITTEE ON FOUNDATIONS ANNOUNCES HEARINGS ON INTERNAL REVENUE SERVICE ADMINISTRATION OF THE TAX LAWS PERTAINING TO PRIVATE FOUNDATIONS

Senator Vance Hartke, Chairman of the Finance Subcommittee on Foundations, announced today that the Subcommittee will hold two days of hearings on Monday and Tuesday, May 13 and 14, on problems which may exist in connection with the administration of the tax laws pertaining to private foundations by the Internal Revenue Service. The hearings will be held in Room 2221, Dirksen Senate Office Building on May 13 and 14, and will begin at 9:30 A.M. each day.

Senator Hartke stated: "These hearings will afford both the Treasury Department and other interested persons an opportunity to discuss the problems involved in the administration of the provisions of the Tax Reform Act of 1969 on private foundations and other charitable organizations."

MONDAY, MAY 13

Senator Hartke continued, "The first day's hearings will focus on the organizational structure of the Internal Revenue Service with respect to tax-exempt organizations. There will also be a presentation of the data which the IRS has collected concerning the impact of the Tax Reform Act of 1969 on private foundations and other charitable organizations. The Subcommittee will attempt to assess the efforts of the Internal Revenue Service in its monitoring of tax-exempt organizations. In addition, the Subcommittee intends to review the effectiveness of existing tax legislation in improving the charitable efforts of private foundations."

TUESDAY, MAY 14

"The second day of hearings," Senator Hartke went on, "will be devoted to public witnesses who wish to comment on the way the Internal Revenue Service administers the tax laws pertaining to private foundations, and the way the Tax Reform Act of 1969 and its implementation has affected the ability of foundations to serve grantees.

Requests to Testify.—Senator Hartke advised that witnesses desiring to testify during this hearing must make their request to testify to Michael Stern, Staff Director, Committee on Finance, 2227 Dirksen Senate Office Building, Washington, D.C., not later than Friday, May 3, 1974. Witnesses will be notified as soon as possible after this cutoff date as to when they are scheduled to appear. Once the witness has been advised of the date of his appearance, it will not be possible for this date to be changed. If for some reason the witness is unable to appear on the date scheduled, he may file a written statement for the record of the hearing in lieu of a personal appearance.

Consolidated Testimony.—Senator Hartke also stated that the Subcommittee urges all witnesses who have a common position or with the same general interest to consolidate their testimony and designate a single spokesman to present their common viewpoint orally to the Subcommittee. This procedure will enable the Subcommittee to receive a wider expression of views than it might otherwise obtain. Senator Hartke urged very strongly that all witnesses exert a maximum effort, taking into account the limited advance notice, to consolidate and coordinate their statements.

Legislative Reorganization Act.—In this respect, he observed that the Legislative Reorganization Act of 1946, as amended, requires all witnesses appearing before the Committees of Congress "to file in advance written statements of their proposed testimony, and to limit their oral presentations to brief summaries of their argument."

Senator Hartke stated that in light of this statute and in view of the large number of witnesses who desire to appear before the Subcommittee in the limited time available for the hearing, all witnesses who are scheduled to testify must comply with the following rules:

(1) A copy of the statement must be filed by the close of business Friday, May 10.

(2) All witnesses must include with their written statement a summary of the principal points included in the statement.

(3) The written statements must be typed on letter-size paper (not legal size) and at least 50 copies must be submitted before the beginning of the hearing.

(4) Witnesses are not to read their written statements to the Subcommittee, but are to confine their ten-minute oral presentations to a summary of the points included in the statement.

(5) Not more than ten minutes will be allowed for the oral summary. Witnesses who fail to comply with these rules will forfeit their privilege to testify.

Written Statements.—Witnesses who are

not scheduled for oral presentation, and others who desire to present their views to the Subcommittee, are urged to prepare a written statement for submission and inclusion in the printed record of the hearings. These written statements should be submitted to Michael Stern, Staff Director, Committee on Finance, Room 2227, Dirksen Senate Office Building not later than Friday, May 24, 1974.

ADDITIONAL STATEMENTS

A MORE BEAUTIFUL CAPITAL

Mr. BENTSEN. Mr. President after a tedious, cold, and rather trying winter on the Potomac, we are all heartened by the coming of spring. In a short time, we have seen a flowering of Washington that has changed the landscape and given a lift to the local inhabitants and thousands of visitors as well.

Azaleas, dogwood trees, and tulips have all emerged in a riot of living color that for months have been available in Washington only on its museum canvases. This Capital spring is another reminder of the efforts made by both the National Park Service and the District of Columbia administration to carry out the goals of the Committee for a More Beautiful Capital.

This group was led by Mrs. Lyndon B. Johnson who brought her special love of the wildflowers and foliage of Texas to bear on the Nation's Capital. Lady Bird Johnson was an energetic lover of natural beauty and she believed that the U.S. Capital should be a centerpiece of America's natural beauties not just a sterile center for its national monuments. Through her efforts, Washington was planted thick with flowers, trees, and shrubs that have been a joy for us all since. She made a special effort to improve those parts of the city that are away from the Government buildings and into the neighborhoods and along the entrance avenues to the Capital.

Mrs. Johnson had both a special eye for beauty and a special feel for the people who have enjoyed it. I salute her for her foresight and thank her for such a lovely legacy.

I ask unanimous consent that an editorial from the April 29, 1974 Washington Post concerning the role of Mrs. Johnson in beautifying the National Capital area may be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A MORE BEAUTIFUL CAPITAL

Once again the city is smiling. This year, it seems to us, the smile of spring—the eager young grass, the proud flowering of the azaleas, the joyous showmanship of the daffodils and tulips—is even more intense than ever. The unruly April weather, no doubt, has spurred a special energy in this steadfast blooming. The tedious grind of winter, with its legacy of potholes and broken pavements, is already forgotten. The triumph of bloom and color even wins out—well, it almost does—over the noisy disruption of Metro construction.

On balance, then, this capital is once again more beautiful than we remember and it is beautiful largely because of the efforts, launched nine years ago, by Mrs. Lyndon B. Johnson and her Committee for a More Beautiful Capital. So once again we are grateful.

The radiance of spring's smile, to be sure, fades a little the further away you get from the capital's monumental heart and the great floral displays in the White House vicinity. As you drive east along Rhode Island Avenue—one of the many entrance avenues which Mrs. Johnson took special pains to beautify—the new cherry trees on the median become more sparse and the ground cover is trampled. Neglect and vandalism have taken some toll. But yet the median and all the other small parks and planted areas we inspected in a spring tour the other day of the less affluent districts of our town were freshly raked and tended. The energy has clearly infected the city's gardeners as well as those of the National Park Service.

Before returning to our typewriter, we dropped in on our favorite playground, the community plaza in front of the Buchanan Elementary School at 12th and E Streets SE. It had been dedicated by Mrs. Johnson six years ago. One or two of the young trees had succumbed. A picnic table had been broken and some of the limbs of the timber jungle jims were missing. But on the whole, the place seemed not much worse for six years of enthusiastic wear and tear. The children seemed caught up in the season's energy, swinging and climbing, chasing up and down that cobblestone mountain and making happy noises. Here, too, we are happy to report, the city seemed to be smiling once again.

THE PRESIDENT'S DISCLOSURE

Mr. GOLDWATER. Mr. President, I do not think it is necessary for me to explain here how long and consistently I have argued for complete disclosure of all the information concerning the Watergate situation and related matters. Although many of my long-term friends have allegedly been involved, I have nevertheless insisted upon full disclosure and a policy of letting the chips fall where they may.

Mr. President, I believe that the way was opened last night for all the material required or merely asked by the House Judiciary Committee and other investigative bodies to be made available. I have no patience with people who whine and say, "But the President didn't do it the way we wanted."

It is my considered opinion that the President of the United States has some rights and some responsibilities in this matter regardless of what you might think of him. We still have in this country—at least I sincerely hope we have—a separation of powers which, in effect, prevents one branch of the Government from dominating or dictating to another branch of the Government. In this, I believe the President has gone as far as he possibly could on the question of materials sought by the House Judiciary Committee. He is making public today 1,200 pages of transcripts of taped conversations which have been subpenaed by Congressman RODINO's Judiciary Committee. And to fulfill the intent of the subpena he has agreed to let Chairman RODINO and the ranking Republican member of the Judiciary Committee to come to the White House, listen to any tape they so desire, and question him about those tapes. I believe this is a fair and equitable way to approach an extremely difficult problem.

And I might say, Mr. President, I am a little tired of those who insist that all of the tapes be turned over manually to the staff of the House committee. What are we after here? Do we want the truth and the information contained in those tapes; or do we want some kind of special privilege for the staff of the Judiciary Committee?

Given the experience that Mr. Nixon has had with leaks to the press and the news media, I am inclined to believe I would follow the procedure he laid down last night. What is so important about the staff of the Judiciary Committee having access to the tapes? Could it be because some members have promised their friends they might play them for the entertainment of the guests at a Georgetown cocktail party? Could it be for the purposes of organized leaks to certain segments of the press?

Mr. President, I am frank to say that I do not know the answer to these questions nor do I believe the President knows the answers, but I do believe that they are a valid consideration in light of what has happened in this case.

It strikes me that the President has made available to the press, to the public, to the investigative agencies complete digests of what was contained in the taped conversations. And it strikes me that he went out of his way to provide a means by which these transcripts could be verified with the actual tapes. If that is not enough for the Rodino committee, I am afraid I will have to reach the conclusion that the House Judiciary Committee, on a question of the very gravest national importance, has decided to play a partisan role aimed at vote-getting rather than truth-getting.

PUBLIC OWNERSHIP OF THE PAPERS OF PUBLIC OFFICIALS

Mr. BAYH. Mr. President, early this year I introduced S. 2951, a bill designed to establish clear congressional policy on the question of who owns the official papers generated by a President or Member of the Congress in the course of performing his official duties. Similar legislation has now been introduced in the House by Congressmen LATTA, of Ohio, and GUYER of Ohio. There have been several newspaper and magazine articles in recent weeks on this subject which I would like to share with my colleagues. I ask unanimous consent that a selection of these articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, Jan. 8, 1974]

PRESIDENTIAL PAPERS

The dispute over President Nixon's large and legally questionable tax deduction for the donation of his Vice-Presidential papers to the National Archives raises once again the unresolved issue of the ownership of the papers of Presidents and other public servants.

Such papers are of inherent interest and therefore of taxable value only because the individual involved held public office for which he was paid a salary out of public funds. In the case of Presidents and many lesser officials, these papers are not personal in any true sense because they were generated by the flow of public business and were prepared in Government offices with the help of publicly paid secretaries and assistants.

Yet neither law nor custom is clear on what is proper practice. George Washington and most of the other early Presidents took their papers with them when they left office. Some of these letters and documents were subsequently donated to libraries and historical societies, a few were purchased by the Government from heirs, and still others became scattered and lost.

Beginning with Andrew Jackson, however, a dozen Presidents or their heirs gave their papers to the Library of Congress without receiving any financial compensation. That is the policy that all Presidents and public officials ought to follow and that Congress ought to mandate by law.

Herbert Hoover began the modern practice of conveying Presidential papers to a special library when Stanford University and later the Hoover Library at West Branch, Iowa, became the depository for his papers. But this practice is inconclusive on the question of establishing personal ownership of Presidential papers or obtaining a tax break for donating them. Thus, when Franklin D. Roosevelt planned his library at Hyde Park, he treated his papers as the property of the United States and, after his death, the Surrogate Court of Duchess County upheld their interpretation. Nevertheless, Presidents Eisenhower, Johnson and Nixon—as well as Supreme Court justices, members of Congress and others—have taken sizable tax deductions for the "gift" of papers that, strictly speaking, were public documents.

The change in the 1969 tax law made it impossible for any taxpayer, not just a public official, to claim a charitable deduction for the gift of papers on which he holds a common law copyright. That change is unjust to private citizens, notably authors and artists, whose papers may have considerable value and who produced these papers by their own efforts—not on Government time or with the assistance of Government employes. As so often happens, the tax-writing committees of Congress created a new injustice by refusing to face up squarely to an old injustice—in this instance, the perversion of public documents by public officials for private pecuniary advantage.

Clearly, there is need for a law expressly establishing the Government's proprietary right to speeches, letters, memorandums and other documents compiled by public officials on Government time and at public expense.

[From Time magazine, Dec. 31, 1973]

Who Owns the President's Papers?

President Nixon's unprecedented disclosure of his personal financial records early this month has not allayed the suspicion that he has reaped unwarranted gain while in office. Last week new controversies erupted:

Former Internal Revenue Service Commissioner Sheldon Cohen, a Democrat, said that the President apparently violated IRS rules by improperly listing his $50,000 annual expense account as additional salary. Counted that way, and not as an expense allowance, the sum increased not only Nixon's adjusted gross income but also the size of the maximum tax deduction he could take for charitable deduction to a fixed percentage of adjusted gross income. In three of the four years affecting Nixon's recent tax returns, he would be allowed charitable deductions up to 50% of that income. Thus the larger Nixon's adjusted gross income, the more quickly he could claim as a deduction all the $576,000 valuation placed on the vice-presidential papers that he donated to the National Archives. An accountant commissioned by the Washington *Post* last week estimated that from 1969 through 1972 the President saved $13,000 in taxes (an amount equal to 17% of the $78,651 that he actually paid).

There was new criticism of the Government-paid improvements on Nixon's homes at Key Biscayne, Fla., and San Clemente, Calif. Last week the General Accounting Office, the congressional watchdog agency that monitors spending, charged that some of the $1.4 million spent at the two residences increased the value of the property but did little to protect the President. GAO officials maintain that Nixon should personally have borne at least part of the nearly $24,000 for landscape maintenance, $19,300 for building a private railroad crossing and cabana, $8,400 for property surveys, $10,600 for driveway paving and $3,800 for a new sewer line.

Above all, politicians, tax lawyers and historians continued to question the propriety—if not the legality—of Nixon's claiming a big tax break for donating his vice-presidential papers to the National Archives. The papers had been prepared or gathered while he was on the public payroll, primarily using public facilities and the services of other federal employees. To the non-expert, Nixon's papers might seem to contain a lode of trivia. Occupying 825 cu. ft., they include 414,00 letters, 87,000 items relating to public appearances (including speech texts), 27,000 invitations (along with acceptances and refusals) and 57,000 items relating to foreign trips. Nonetheless, this material could well be valuable to historians who one day will attempt to piece together a profile of America in the 1950s.

F. Gerald Ham, president of the Society of American Archivists, insists: "I think it is a fiction that these are private papers. The very great bulk of these papers originate from one activity only—that of serving in a public capacity. I think they should be public papers." A 1969 study for the American Historical Association put the case even more strongly. The association said that the concept that a President's papers became his property after leaving office was "a lingering vestige of the attributes of monarchy, not an appropriate or compatible concept . . . for the head of a democratic state."

Nixon, however, has the weight of precedent on his side. Presidents since George Washington have treated documents from their days in office as their own, taking them home with them on leaving office. In the 19th century, the Government had to pay nearly $200,000 to get back some of the papers that were in the hands of various descendants of Washington, the two Adamses, Jefferson, Madison and Monroe.

The heirs of Abraham Lincoln held his papers until his son Robert Todd Lincoln gave them to the Library of Congress, stipulating that they remain sealed until 1947—as they were. Thus there is even a precedent for the requirement that Nixon attached to the gift of his papers—that they be withheld from the public until after he leaves office. This stipulation, however, has led to criticism that Nixon is not entitled to claim a deduction for the papers until he relinquishes full control over the gift.

Nor was Nixon unique in affixing a price tag to his papers and taking a tax deduction. Platoons of onetime Government officials have turned over papers to historical societies and university libraries. Senator Hubert Humphrey donated more than 2,700 boxes of materials to the Minnesota Historical Society, and took tax deductions of $199,153 for those papers dealing with his vice presidency. Former California Governor Pat Brown got a $105,000 tax write-off for giving his papers to the University of California. Former U.S. Ambassador to India John Kenneth Galbraith gave some papers to the Kennedy Library, and took what he now feels was a "meager" deduction of $4,500.

Some public officials have not viewed the mementos of their official days as negotiable paper. Though the record is not entirely clear, it seems that of all Presidents, only Nixon and Lyndon Johnson personally sought monetary gain from their papers. Minnesota's Governors have traditionally donated their papers to the state's historical society and have not benefited financially. Many Wisconsin officials have contributed their papers to their state's historical institutions. Adlai Stevenson gave his papers to Princeton and sought no tax advantage.

SLIM PICKINGS

There are many officials, however, who have kept their memos, letters, speeches and other papers in their families unless given a financial incentive to part with them. Thus the rule that permitted tax deductions proved a boon for historians. But a law passed in 1969 made the historians' pickings slimmer. Congress, seeking to bar Lyndon Johnson from reaping continued tax benefits from the private papers of his political offices, abolished tax deductions for donations of papers.

The elimination of this incentive has seriously cut the flow of historical documents. Yale University Archivist Herman Kahn complains: "People are sitting on their papers in the hope that the law will be changed." Except for those donated in a spirit of patriotism or altruism, it seems, many historical documents will remain stuffed in former officials' attics and scrapbooks until those papers can again earn a tax deduction—or until a new law declares that papers produced by officials serving the public belong to the public.

[From the Detroit News, Mar. 31, 1974]

Tax Probers To Sidestep Issue: Are Papers Nixon's To Give?

(By John E. Peterson)

WASHINGTON—The joint Congressional Tax Committee reviewing President Nixon's tax-deductible gift of vice-presidential papers has decided to sidestep the broader question of whether the papers were really his to give away.

The committee had agreed Jan. 21 to a request by M. B. Schnapper, a Washington historian, that it rule on whether public papers of high government officials are their private property or belong in the public domain.

In a letter to Schnapper, the committee chief of staff, Dr. Laurence N. Woodworth, said the issue "is one of the questions on which the committee will have to pass judgment."

Last week, however, an aide to Woodworth said the committee decided not to research that question because "it would lengthen our investigation well past the April 1 date we have set for the release of our report."

Instead, the aide said, the committee will focus solely on the question of whether Mr. Nixon beat the July 25, 1969, deadline for depositing his papers in the National Archives for tax-deduction purposes. That was the last day donations of papers could have been claimed as tax deductions under the Tax Reform Act of 1969.

The President sent the National Archives 641,000 documents accumulated during his eight years as vice-president in the Eisenhower administration after a Chicago appraiser had valued them at $576,000.

Mr. Nixon then claimed that amount in tax deductions spread over four years.

If the tax committee rules that Mr. Nixon's deductions are not valid because the papers were not actually given in the National Archives before July 25, 1969, the President might have to pay back taxes amounting to several hundred thousand dollars.

But if he did pay the back taxes, Schnapper says, Mr. Nixon then would be free to ask for his papers back and sell them on the open market.

"And," Schnapper contended, "if the Joint Tax Committee does not decide the matter, President Nixon, under current interpretation, would be free also to sell all of the Watergate tapes. You can imagine what kind of a price they might bring."

Schnapper believes that Congress may have acted under a delusion when it abolished tax deductions for the gift of papers and documents in a provision of the Tax Reform Act of 1969.

"The congressmen who sponsored the bill apparently believe that there was a law giving the presidents and other public servants the right to take hundreds of thousands of dollars in tax deductions on gifts of official documents and papers to the nation," Schnapper said.

"But in all actuality, they were repealing a law that didn't exist."

Schnapper, editor of the Public Affairs Press, has spent thousands of hours in the National Archives and the Library of Congress doing research on the status of official documents and papers.

"There was no law whatsoever sanctioning the gifts of such papers for purposes of tax deductions," he said.

"The only directly relevant statute is the Presidential Libraries Act, based on a joint resolution of Congress passed on Aug. 12, 1955. That act authorizes the General Services Administration 'to accept for deposit the papers and other historical materials of any president or former president, or any other official or former official of the government, and other papers relating to and contemporary with any president or former president.' But there is no authorization allowing tax deductions on such deposits."

Schnapper said several early drafts of that law did have clauses stipulating that the documents of presidents and other officials be "deemed gifts exempt from federal taxation" but those clauses were deleted in the measure that finally passed.

"Not only that," he said, "but the law that passed refers to the donation of 'land, buildings and equipment' for presidential libraries very precisely as gifts whose value can be deducted from federal taxes.

"It is my opinion that there is a very sharp legal distinction between the use of the word 'gifts'—and the word 'deposits.'"

Schnapper conceded, however, that many recent presidents and numerous other public servants have considered their "charitable contributions of official documents" to the National Archives as the equivalent of private gifts entitled to tax deductions under internal revenue laws.

"Such an assumption is utterly absurd," he declared. "President Johnson, for instance, donated more than 31 million of his papers to the National Archives and took tax deductions on those gifts in 1965, 1966, 1967 and 1968. (The amount of the deductions cannot, under law, be revealed).

"If his papers were appraised at 90 cents a page, which was the rate President Nixon (who revealed the figures himself) got for his vice-presidential papers, President Johnson could have claimed a tax deduction totaling between $22 and $28 million, depending on how it was spread out.

"Yet it is entirely obvious that President Johnson's 31 million papers consisted, at best, of only a few thousand he actually authored himself.

"The remainder, of course, were official documents written and created for him by federal employes at great cost to the American taxpayers. To claim that President Johnson or any other president has the right to give those papers back to the American people and claim gigantic tax deductions is to bizarrely twist whatever rules of logic yet remain in this troubled world."

The first President to take a tax deduction on the gift of public papers and documents accumulated by him in office was President Truman, Schnapper said.

"President Truman got a letter authorizing him to do that, from one of his own appointees in the Internal Revenue Service," he said.

"President Eisenhower's lawyers became aware of that letter and used almost the same language in framing a deed of gifts for Ike's papers," Schnapper said.

The assassination of President Kennedy was unexpected, and so there was no provision in his will for the disposal of his presidential papers, Schnapper said.

The Kennedy heirs took no tax deductions on the gift of his papers to the government, he said.

Not only are there no laws allowing public officials to transform official documents into private property for tax-deduction purposes, Schnapper said, but the only known judicial decision further supports the view that such papers are public property.

"When President Roosevelt died, his will made no mention of his public papers," Schnapper said. "His executors sought a ruling as to whether they were private property or in the public domain.

"On July 21, 1947, the Surrogate Court of Dutchess County, N.Y., ruled that 'the official documents of President Franklin D. Roosevelt are the property of the United States.'"

Furthermore, Schnapper said, FDR as early as 1938—when he made arrangements for his presidential library at Hyde Park—publicly announced that he considered his official documents and papers the property of the American people," the people's record."

Most presidential papers, he said—including those of Jackson, Van Buren, Lincoln, Grant, Garfield, Benjamin Harrison, McKinley, Theodore Roosevelt, Taft, Wilson and Coolidge—were deposited freely with the Library of Congress without any deals allowing tax exemptions or other financial gain.

"The proclivity of government officials for treating their official documents as private papers, amounts—in effect—to an illegal copyright," Schnapper said.

He cited Section 8 of the Copyright Act, which states that "No copyright shall subsist in the original text of any work which is in the public domain . . . in any publication of the United States government." And Schnapper said he is convinced that the tendency of presidents and other public officials to treat public documents as their own is basically incompatible wtih the concept of American democracy.

"If presidents and other public servants are permitted to continue to treat their documents of office as private property," he said, "they and their heirs remain free to sell those documents to the highest bidder, keep them secret as long as they choose to do so, or simply destroy them.

"None of those practices are consistent with the overriding right of the public to know that exists in a democracy.

"Under the circumstances I would hope the Joint Tax Committee will change its mind and provide a definitive ruling for the future."

[From Newsday, Dec. 30, 1973]

A PAPER DISPUTE

(By Anthony Marro)

WASHINGTON.—When George Washington left the presidency in 1796, he packed up most of his official papers and took them back home to Mount Vernon.

When John Adams left office, he followed this precedent, possibly because he didn't want his arch-enemy and successor, Thomas Jefferson, rummaging through them.

Others followed suit, and by the time Lyndon Johnson went back to Texas in 1969 it was generally assumed that an ex-President's papers were his to dispose of as he saw fit. So Johnson had 30,000,000 pieces of paper, 5,500,000 microfilmed documents, half a million photographs, and 2,010,420 feet of motion-picture film carted back to Austin to be placed in the Lyndon Baines Johnson Presidential Library.

Now comes H. G. Jones, the director of the North Carolina Department of Archives and History, to argue that it was public property that Washington and his successors toted back home, and that Presidents, including the present incumbent, should not be allowed to consider official papers to be their private property. (Jones also is opposed to the idea of presidential libraries, including the one he calls "that Pharaoh's monument in Austin." But that is a subject for another day.)

Simply put, Jones argues that anything produced on government time, at government expense, and for a government purpose should be considered government property. "I've been agitating about this for a long time," he said recently. "Most of these papers shouldn't even be thought of as papers—they should be thought of as *records*, the records of government."

Jones doesn't argue that all such papers belong to the public. He is willing to let public officials take their personal letters and diaries with them when they leave office. "The key is whether the papers were developed for a government purpose," he says. "If they were, they should belong to the government."

Jones says he has had trouble getting anyone concerned about this except "a tiny fraternity of ineffective archivists." And not all of his fellow archivists agree with him.

"There certainly is a strong tradition that holds that a President's papers belong to him," says James O'Neill, the deputy archivist of the United States, and a man who has debated the matter with Jones in the past. "Jones makes a very logical case for saying that the papers ought to be public. I can't fault his logic—all I can fault is his understanding of law and history."

We have learned in recent weeks that President Nixon donated his pre-presidential papers to the National Archives and was able to claim a $576,000 tax deduction because of this gift. This enabled him to pay federal income taxes of only $793 and $878 in two of the years that he was living in the White House, drawing a salary of $200,000 a year, and accumulating the assets that have made him a millionaire.

The papers in question—some 1,176 boxes containing about 600,000 documents—date back to Nixon's years as a senator and vice president. They include papers dealing with the Alger Hiss spy case and with his trips to Latin America (where he was assaulted by anti-American mobs), and to Russia (where he argued with Khrushchev). They also contain many routine documents and memoranda such as the 27,000 invitations that he accepted or rejected during those years.

While a number of persons have questioned whether Nixon's action met the legal definition of a "gift" and whether he made it in time to claim the deduction, Jones and a handful of others have raised the larger question of whether the papers were his to give in the first place.

One of these others is M. B. Schnapper, the editor of the Public Affairs Press (most recent publication, the American Civil Liberties Union handbook, "Why President Richard Nixon Should Be Impeached"). Like Jones, Schnapper believes that the papers belong to the public and not to the President. "Things that are done in the course of a public servant's official duties cannot be considered private property or turned into private profit," he says.

This is similar to the argument that then-Sen. John Williams (R-Del.) made on the floor of the Senate in 1969, when he was trying to eliminate the tax write-off for such gifts. He said that one thing that bothered him about the practice was that public officials were making a profit by giving the public things that already belonged to the public.

"I am sure that in many cases many of the papers are just plain junk," he said, "but to the extent that they do have value, they were developed by government officials on government time with the aid of government staff personnel, were typed by government secretaries on government paper and were even stored in government files."

Both Jones and Schnapper say there is no law that specifically gives a public official the right to treat government documents as his private property. They say the practice is based on tradition, not law, and it's about time the tradition was changed.

Schnapper thinks that the reason some of the earlier Presidents carried off papers was simply because there was no place to leave them. "Until 1897, the Library of Congress was just a hole-in-the-wall in the capitol, and we didn't have a National Archives until after 1930," he says. "I think some of them took them home because they didn't know what else to do with them."

Jones thinks another reason for the tradition is that the constitutional separation-of-powers doctrine has been interpreted to permit a President, while in office, sometimes to withhold records and information from Congress.

But Jones argues that it is an "illogical and quite unconstitutional proposition" that a President should be able to turn these documents over to his heirs, and that they, as private citizens, should be able to decide what part of the public record should be preserved.

And this is where archivists begin to have nightmares, for while recent presidents—Truman, Eisenhower, Kennedy and Johnson—have left their papers to presidential libraries, there is no guarantee that others will. And the record of the past has been that documents important to our history have been burned (intentionally or by accident), lost, censored by widows, and distributed as souvenirs.

During his Nov. 17 press conference at Disney World, Nixon suggested that if it's discovered that he isn't entitled to a tax deduction for the papers, he'd be happy to take them back and sell them on the open market. "I'll be glad to have the papers back, and I'll pay the tax," he said, "because I think they're worth more [than the $576,000 tax deduction claimed]."

So this seems as good a time as any to take a closer look at what Jones calls "the larcenous habits of Presidents from George Washington on" and determine whether Nixon has any right to march over to the archives and repossess those 1,176 boxes of papers.

[From Newsday, Apr. 14, 1974]

WHO OWNS THE PRESIDENT'S PAPERS?

(By Anthony Marro)

WASHINGTON.—President Nixon's unsuccessful attempt to turn his public papers into a $576,000 tax shelter has focused attention on the larger question of whether the bulk of the papers should have been considered his in the first place.

At least three bills now pending in Congress would declare any papers developed by or for federal officials in connection with their official duties to be the property of the government, and not personal property.

One of the bills—introduced by Sen. Birch Bayh (D-Ind.) would require outgoing Presidents, vice presidents, senators, congressmen, and other elected officials to deposit their official papers in the National Archives within 180 days of leaving office.

Two similar measures introduced by Delbert Latta and Tennyson Guyer, both Republican House members from Ohio, would affect the papers of all government employees, not just those of elected officials.

Bayh feels that "in the case of Presidents and many other lesser officials, these papers are not personal in any real sense because they were generated by the flow of public business and were prepared in government offices with the help of publicly paid secretaries and assistants."

Traditionally, presidents have considered their official papers to be personal property. The tradition started with George Washington, who simply packed up most of his official papers and took them home with him to Mount Vernon.

Others followed his example, and when President Johnson left office in 1969, few challenged his right to box up more than 30,000,000 pieces of paper, 5,550,000 microfilmed documents, and half-a-million photographs, and have them carted home to Texas for deposit in the Lyndon Baines Johnson Presidential Library.

But under a new law, effective July 25, 1969, officials are no longer permitted to donate their papers and then treat the donation as a tax deduction. The Joint Committee on Internal Revenue Taxation concluded that Nixon was not entitled to a $576,000 tax deduction for the donation of his presidential papers to the National Archives because there was not sufficient proof that he had given the papers prior to the July 25, 1969 deadline.

Largely because of the historical precedents, the Joint Committee decided that Nixon had grounds to claim the papers as his own. It questioned, however, whether it is a good thing for Presidents "to derive profit from the sale of materials that were produced while they were public servants," and suggested that congressional committees might want to consider "the whole question of the ownership of papers of public officials." This is what Bayh hopes to do.

Expected to support him is an increasingly vocal band of historians and archivists who maintain that such papers should be public documents. One of these, M. B. Schnapper, the editor of Public Affairs Press, insists that Presidents have never had a statutory right to the documents, and that the tradition is "fuzzy and inconsistent."

He maintains that "they cannot be regarded as private property that can be sold, concealed, or destroyed at the whim" of the officials.

The Latta and Guyer bills are in the House Judiciary Committee. Because the committee is so deeply involved in its investigation of whether Nixon should be impeached, it is not likely that their bills will get an airing in the near future, congressional sources say.

But Bayh's bill is in the Senate Government Operations Committee. According to one committee staffer, there is some reluctance to begin hearings because "there's concern that it will look like another razor slice at the President . . . and because there are some congressmen who don't want their own papers made public." But, he said, there's a "reasonable chance" hearings will be held soon.

THE BICENTENNIAL

Mr. HUGH SCOTT. Mr. President, as our Nation approaches its most significant 200th anniversary celebration, I would like to comment on the formulation of plans now under consideration across America. As John Adams wrote two centuries ago, the day after he voted for the resolution of independence, the occasion should "be solemnized with pomp and parades—and illuminations, from one end of the country to the other, from this time forward forever more." For myself and Senator SCHWEIKER, I can proudly announce that Philadelphia is planning what I think Mr. Adams had in mind and what the March 25 edition of U.S. News & World Report has called "a model" program. Over the next 3 years our Nation's birthplace will bring cultural, educational, and historical understanding to the actions of John Adams and our Founding Fathers. Philadelphia's realistic approach of using the facilities and resources already available embodies the concept of the American Revolutionary Bicentennial Administration. All facets of such programs will "improve the life of the community in fields like art, recreation, education, and housing—not just in 1976 but for years to come." Philadelphia has set an example all cities, large and small, can easily apply to their circumstances and surroundings.

I suggest that every Member of this distinguished body help all the hometowns of America plan effectively the most meaningful celebration America will ever experience.

I ask unanimous consent that the excellent article from U.S. News & World Report, "Do It Yourself Bicentennial: Philadelphia Sets a Pattern," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DO-IT-YOURSELF BICENTENNIAL: PHILADELPHIA SETS A PATTERN

The city where American independence was born is emerging as a model for the kind of revamped Bicentennial proposed by President Nixon.

Originally, the focal point of the nation's 200th birthday party was to have been a billion-dollar world's fair in Philadelphia. The plan fell apart two years ago as costs escalated and disagreements arose over exactly where the exposition should be.

Under the President's revised outline for the Bicentennial, no city will play the dominant role. Rather, Mr. Nixon said in a March 10 radio address, "we shall seek to trigger a chain reaction of tens of thousands of individual celebrations—large and small—planned and carried out by citizens in every part of America."

LOCAL INITIATIVE

Philadelphia, despite its setback, has taken the initiative in planning a pace-setting celebration. Out of the ruins of the aborted world's fair, a low-keyed but vibrant Bicentennial is starting to take shape.

Beginning later this year, the city is embarking on a two-year American birthday party that will include 300 events—ranging from a ceremonial convening of the present U.S. Congress to a cultural feast of drama, dance and music.

Also scheduled are an enormous flower show, dozens of conventions of learned societies, and religious convocations including one which civic leaders hope Pope Paul VI will attend. Museums will offer dramatic new exhibits, and major events will be held in virtually every main field of sports. Altogether, the celebration is expected to cost about 130 million dollars and attract up to 18 million visitors in 1976—some six times as many as this city normally gets.

ENERGY NO PROBLEM

The energy crisis, if it continues into 1976, is discounted as a dampening factor because the city is located in the midst of the nation's largest concentration of population and is amply served by railroads, buses and airlines.

"It's true there won't be any expo here," observed an official of the Bicentennial planning agency, Philadelphia '76. "But there will be so much else happening that most people won't know the difference."

Critics of the city's celebration, on the other hand, contend that the Bicentennial is far less enterprising than it was to have been under original plans. Whole sections of the city were slated for rebuilding at that time.

Many Philadelphians, who had hoped the fair would enhance the city's reputation and lay to rest old jokes about the community's "stodginess," were stunned when the proposal was killed by the Federal Government.

But almost immediately, residents began to put together plans for a smaller-scale fete.

Under Philadelphia '76, formed last year, a new concept emerged—with the emphasis on already-existing institutions of prominence such as the Philadelphia Orchestra, Franklin Institute and Philadelphia Muesum of Art.

Planners agreed to capitalize on the city's No. 1 historical attraction: Independence Hall, the stately red-brick structure where the Declaration of Independence was adopted in 1776.

Although the edifice was surrounded mostly by commercial slums only two decades ago, the entire area has been rebuilt and the hall now is the focal point of one of central Philedelhphia's most fashionable residential and business districts.

THE LIBERTY BELL

Anticipating enormous crowds at the site over the next two years, officials of the National Park Service, which runs the hall, recently decided to move the building's most famous occupant, the Liberty Bell, to another location. The instrument was rung in July, 1776, to announce the vote for American Independence.

Despite considerable opposition to removing the bell from its traditional home, plans are to reinstall it across the street on a mall. In its present location inside the crowded hall, the bell often was visible to only a relatively few people directly in front of it—and small children frequently complained they coudn't see it at all.

After the move, the bell will be housed inside a structure to protect it from the weather, but visitors—as they traditionally have been able to do—still will be allowed to touch the most famous symbol of American liberty.

"We couldn't change that," explained Douglas G. Warnock, acting superintendent of Independence National Historical Park. "It means a lot to be able to touch it. The bell has a charisma of its own."

Several other important historical sites near the hall are being restored, and a visitors' center—to include twin theaters where films will explain the park's significance—will be completed in 1975.

In addition, several houses once owned by Benjamin Franklin are being restored. A below-ground museum on the site will feature sound-and-light presentations of Franklin's accomplishments.

EXHIBIT AREA

A second major area of Bicentennial activity will be along Benjamin Franklin Parkway at the edge of the city center, where many museums, galleries and other public institutions are located. Dozens of exhibits—including live dramatic shows—are planned. Park areas are to be enlivened with open-air shops, restaurants and entertainment.

A 58-acre concentration of flowers and gardens, called Philaflora, will be the main attraction at a third focal point in Fairmount Park.

At dozens of other historic sites throughout the area, preparations are being made to welcome tourists on a large scale.

Example: Cliveden, the sturdy Georgian house around which the Battle of Germantown swirled, recently was opened to the public after centuries of ownership by descendants of the man who built it. The two-story mansion in which a handful of redcoats held off General Washington's army still has holes made by bombarding cannon.

CULTURAL ACTIVITIES

Another kind of attraction which many believe will be the "crowning glory" of the Bicentennial is a variety of cultural programs.

The Philadelphia Orchestra is planning an ambitious offering of concerts throughout much of 1976. Eugene Ormandy, conductor of the orchestra, plans to perform new American compositions every few weeks during the period, including a major new work by Leonard Bernstein.

Some of the concerts will be presented at Robin Hood Dell, an outdoor theater which will be renovated in time for the Bicentennial.

"We want to emphasize American music during this period," Mr. Ormandy said, "and we are continually looking for more good compositions."

Other cultural presentations under consideration in the city are two specially commissioned operas, a jazz festival, innovative ballets, a musical, a film festival, and shows of American art. Drama groups will sponsor a series of American plays.

Altogether, the celebration is turning out in the view of many Philadelphians to be far more varied and enterprising than they expected after the collapse of the fair.

LATEST PLAN: "ALL AMERICA WILL BE THE SHOWCASE"

A new blueprint of how the nation's 200th birthday will be celebrated was laid down by President Nixon in a radio address on March 10. The highlights:

The Federal Government, which originally was intended to initiate many nationwide Bicentennial programs, now will step back and encourage cities and States to generate projects meeting local needs.

Each local celebration is to include "a project to improve the life of the community in fields like art, recreation, education and housing—not just in 1976 but for years to come."

Co-ordinating the effort in Washington will be a revamped American Revolution Bicentennial Administration, to be headed by John Warner, former Secretary of the Navy.

Encouragement will be offered to private companies to join in the effort in such ways as financing improvements to historic sites and making films about immigration.

The President declared:

"In 1976, there will be no single city in which we celebrate our 200th anniversary and no single exhibit of our progress. No one city would be big enough. All America will be the showcase."

ENERGY CHOICES AND THE "TRIPLE E" STATEMENT

Mr. ALLEN. Mr. President, in a recent Wall Street Journal, the eminent physicist, Ralph Lapp, called to our attention the "hard energy choices ahead" in the ensuing months and years. Dr. Lapp correctly highlights a fundamental fact about the general population's unwillingness to consider the dark and foreboding energy future predicted by more and more scientists and businessmen. He says that when lecturing, people tend to discount Cassandra-like statements and instead retreat into a shell wherein they say, "the scientists will come up with a solution."

The problem is, as many in this Chamber know all too well, that even the scientists do not agree on what constitutes the energy problem much less know the avenues we should follow to alleviate and/or solve our long-term needs. Dr. Lapp's article suggests a beginning point but does not give a final solution.

Dr. Lapp makes one perceptive suggestion which is worthy of serious consideration by this body—and soon. A suggestion for policy change which is well within the powers of this body. He says:

> The much-publicized Environmental Impact Statement must be replaced by a "Triple E" statement that strikes a balance between environmental, economic, and energy considerations.

Perhaps because of our different perspectives on the problem, Dr. Lapp and I disagree about the necessity for, effectiveness of, "Project Independence." The physicist and the politician naturally approach the conquering of a massive national problem from opposite poles. But I respectfully remind my colleagues that the Manhattan project for which the good Dr. Lapp is justifiably noted, and the space program from which the whole scientific community can take real pride, are examples of solutions to problems from a combination of forward thinking by public officials, the scientific community, and the Nation's industrial machine. It is an old bromide, but it does work: when Americans decide, we "can do."

Other than my minor disagreement with Dr. Lapp about Project Independence, I believe his article deserves close attention and consideration by all Senators. I ask unanimous consent that Dr. Lapp's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Apr. 23, 1974]

THE HARD ENERGY CHOICES AHEAD

(By Ralph E. Lapp)

The United States is entering a disquieting new era in its economic history. We are moving out of an era when energy was easy to find and easy to exploit—a fundamental development whose implications will reach well into the 21st Century.

The Arab oil embargo has ended, the long lines at the service stations have disappeared at least temporarily and the short-run "energy crisis" has eased. Yet we remain an energy-short nation even now and the long-run trends are not comforting. An analysis of this nation's future energy needs leads inevitably to these conclusions:

There is no way we can meet the self-sufficiency goals of "Project Independence" by President Nixon's 1980 deadline, and probably not even by 1985. Dependence on foreign oil will be a brutal fact of life for at least a decade, more likely two.

There is no way we can sustain the giddy growth rates in energy consumption of recent years. Even under the best of circumstances energy conservation is going to be mandatory. We are going to have to adapt our transportation system—indeed our whole system of generating and using energy—to an age of energy scarcity, and this will require a whole series of profound political and economic adjustments.

There is no alternative, in the long run, to primary reliance for our energy needs upon coal and atomic power. Simultaneously, we are going to have to move toward an "all-electric" economy, perhaps even to the extent of eventually substituting electric automobiles for gasoline-burning ones.

Increasing U.S. energy consumption has accompanied a growing Gross National Product for well over a decade. Last year the U.S. consumed an amount of energy equivalent to the heat produced by burning 3 billion tons of high-rank coal or 13 billion barrels of oil. Actual oil consumption in 1973 amounted to 6.3 billion barrels; add to this the natural gas consumed and it develops that 77 percent of our energy was delivered in the form of pumpable fuels.

GROWTH EVERY YEAR

Last year our energy consumption increased 4.8 percent over that of the year before, and consumption increased 4.9 percent the year before that. If we were to continue growing at this rate, then in 1984 we would be using the energy equivalent of 24 billion barrels of oil annually. Of course, we could get some of this energy from nonpetroleum sources, but even so, we would need some 11.6 billion barrels of petroleum products in 1985.

There is no way we can get those 11.6 billion barrels, unless the Arabs decide to act against their own self-interest and authorize greatly stepped-up production at low prices. There is no way we can get even the 9.5 billion barrels that the National Petroleum Council estimates we will need in 1985. And there is no easy way we can make up the difference out of U.S. resources, either. America, to repeat, has run out of easy energy sources. It must now grapple with the tough choices.

What are those choices? Although our petroleum resources are not fully exploited, they hold little promise of keeping pace with demand. This means we must now look to coal, lignite and oil shale, all of which, unfortunately, must be mined. Mining, of course, entails many problems—not the least of which is the sheer volume of earth which will have to be moved. For example, production of 1 billion barrels of synthetic crude oil from oil shale would require mining and processing 1.7 billion tons of the shale, not to mention disposing of the talc-like waste. By way of comparison, the U.S. coal industry mines only about 0.6 billion tons annually.

The Fort Union Formation in the Upper Missouri Basin holds a vast treasure of sub-bituminous coal, some of it reaching 100 feet or more in bed thickness. Luckily, it's low in sulfur and is quite close to the surface; and, because coal is a close chemical cousin to oil, it can be liquefied and/or gasified.

But will a Northern Plains state like Montana allow the industrialization that could convert it into a new Texas on the U.S. energy map? Can the necessary water be found to operate huge synthetic fuel plants? What price-per-barrel has to be assured the synthetic fuel industry to attract the necessary capital? What should be the use of the coal which is now being unit-train shipped to midwestern electric utilities? Who decides what fraction of the coal goes to boilers in steam-electric plants and what goes to making gasoline or aircraft fuels? These are critical questions for the nation's energy future.

But here's an even more fundamental question: Just what is an "allowable" annual growth rate in energy consumption? Our present growth rate of nearly 5% a year simply cannot be sustained. On the other hand, a "zero growth" policy, advocated by some environmentalists, would have an economy-wrecking potential.

Rather arbitrarily, I have calculated that each barrel of oil (or its energy equivalent) is linked to about $100 of Gross National Product. If so, a cutback of 1 billion barrels in annual oil consumption would mean a $100 billion dent in the GNP. Of course, this is a grossly simplified calculation, but it does indicate the scope and painfulness of the economic decisions we are going to have to make.

Detroit's monomania for the superhorsepower engine, coupled with the fuel robbery perpetrated by lowered compression ratios and air pollution controls, has contributed mightily to our fuel crisis. Yet with so much of the nation's well-being linked to the motor car, we can hardly afford to dislocate our economy by precipitous, ill-considered responses. Nor can we let environmental considerations alone dominate policymaking for such things as transportation, the location of power plants and the development of energy resources. I believe the much-publicized Environmental Impact Statement must be replaced by a "Triple E" statement that strikes a balance between environmental, economic and energy consideration.

SHIFT TO LIGHTER CARS

It seems obvious, however, that for the nation to live within its energy means, Detroit must at least shift to lighter, higher-performance cars. I see no reason why Detroit cannot continue to increase units sales, adding 25 million more vehicles to the car population by 1980—provided the gasoline mileage goes up to an average of 18 miles per gallon. This would allow full mobility for Americans—that is, 10,000 miles per vehicle-year—while consuming no more fuel than automobiles did in 1973. It would, however, mean flushing the low-performance cars out of circulation.

Similarly, it is obvious that the air cargo business cannot rocket ahead on the vertiginous growth rate of past decades. Shipping cargo by air is energy lunacy, much more wasteful of fuel than transporting things by rail, measured on a ton-mile basis. Trucks, too, are less efficient than trains. Inevitably, we must return to the rails, and this will require a national metamorphosis that will occupy the remaining decades of this century.

The fact that the United States is running out of pumpable fuels places high priority on central station generation of power, using either solid fossil fuels or uranium. Next year about 30% of all U.S. fuel consumption will be directed to electric energy generation and this is expected to grow by 50% by the end of the century. By then, up to 60% of all electric generation is projected to come from nuclear power sources—from 1,000 nuclear stations. By the year 2000, uranium should be substituting for the annual burnup of more than 2 billion tons of coal.

Atomic power raises environmental and safety issues which must be faced. But for anyone concerned about the ravages of strip-mining, it also offers immense advantages over coal and oil shale. In fact, once the power-breeder reactor comes on line, it will be possible to coast through the entire 21st Century without mining a single ton of uranium ore; industry will merely rework ore already mined and tap the full potential of the atom.

As we move toward massive reliance upon coal and atomic energy, we also will move toward an all-electric economy. Unlike oil and gasoline, which can be distributed easily for utilization in automobile engines and other small power plants, coal and atomic energy lend themselves best to exploitation in central power plants. If advances in electric batteries or other methods of storing energy make the electric car a reality, each garage, in effect, will become a private filling station, with the car charged up there overnight for use the next day.

The U.S. energy economy is so often projected only as far as the year 2000 that people overlook the energy requirements of the next century. Whereas this century will be reckoned by energy historians as 90% fossil and 10% nuclear, the relationship will become increasingly nuclear in the future. Although it's unlikely that 21st Century Americans will be free to waste energy the way we have, many experts think that the U.S. population will grow very slowly in the next century and not exceed 400 million by the year 2100. Thus, I would expect that total energy consumption would no more than triple in the next century and that nuclear sources could maintain a viable U.S. energy economy through the 21st Century.

A BLEAK PICTURE

The world-wide energy picture, on the other hand, is very bleak. The "easy energy" sources of other nations should run out rather soon in the 21st Century. The proved reserve of 500 billion barrels of oil in the Persian Gulf may seem immense, but it cannot satisfy the rising energy expectations of developing countries for very long. The run-out of "easy energy" and the on-set of "tough energy" could have revolutionary consequences for the growth of the planet's population. Merely feeding the growing populations of underdeveloped nations may eventually impose energy requirements that many nations will not be able to meet. Nor will many of these nations be able to afford the U.S. solution: a highly-electric economy designed to mate with nuclear power. Result—a widening of the gap between the have and the have-not nations.

I have found that in lecturing about the subject of future energy supply people discount rather gloomy forecasts as these by saying that "scientists will come up with a solution!" There are, of course, a number of energy options already in sight, but all have their drawbacks. None qualify as "easy energy," especially if all costs are reckoned, and it is this advent of "tough energy" that has such fundamental significance to our future way of life.

CHOOSING THE PRESIDENT

Mr. GOLDWATER. Mr. President, this past spring it was my pleasure and honor to have attended the Air Force Academy Assembly, whose theme was "Choosing the President." Students from many colleges across the country were in attendance with the cadets and their keen perception and understanding of the problems wrapped up in the subject were brought home to me during the course of my discussion with them. They have now compiled their final report, and I ask unanimous consent that it be printed in the Record.

There being no objection, the report was ordered to be printed in the Record, as follows:

[Sixteenth Air Force Academy Assembly, 13–16 March, USAF Academy, Colo., Final Report]

Choosing the President

At the close of their discussion, the participants in the Sixteenth Air Force Academy Assembly reviewed as a group the following statements. Although there was general agreement on the Final Report, it should by no means be assumed that every participant subscribes to every statement.

The opinions, interpretations, and conclusions in the Final Report of the Sixteenth Air Force Academy Assembly are those of a majority of over 100 students from 75 universities and colleges who attended. The contents of this report are in no way to be construed, directly or indirectly, as endorsed or approved by the U.S. Air Force Academy, the U.S. Air Force, or the Department of Defense.

The choice of a President is the most important and most difficult act of citizenship in American life. Americans have become painfully aware of this fact.

This conference has explored many aspects of the current crisis of the Presidency, and the implications of this crisis in nominating and electing future Presidents. Delegates have been candid and forthright in expressing their conflicting views.

Much attention has been focused upon the qualifications of possible candidates. The need to bring new possibilities to public attention has been recognized. The continuing responsibility of all citizens to take part in the nominating process has been acknowledged.

The methods of making a presidential choice have become increasingly complicated, costly, and frustrating to many people. Possible reforms have been critically examined.

The following summary of ideas discussed by the delegates is presented with a full realization that no summary can do justice to the complexities involved in making a democratic system work effectively in an age of revolutionary change. This crucial task calls for the devotion of every citizen who believes that the American experiment still offers a great hope for humanity's future.

I. THE CRISIS OF THE CONTEMPORARY PRESIDENCY

Presidents in the twentieth century have been exerting more and more power in many fields. Faced by a series of war and other emergencies, Americans have placed greater and greater demands upon the Presidency.

Apparently unwilling or unable to cope with many of the problems of a technological bureaucratic society, Congress has thrust much authority and responsibility upon the shoulders of Presidents. The strong Presidents of our time have accepted these powers—and added more on their own initiative.

Questions offered to the delegates on this topic were these: (1) Has executive power been abused at the expense of other branches of government? (2) What, if any, contemporary changes in the office of the President call for new and different talents? (3) To what extent should the attributes of the President and the Vice-President be complementary or similar? (4) Should the role of the Vice-President be more specifically defined?

The Assembly felt that executive power had been over-extended on an unprecedented scale, but much of the responsibility for that flow of power could be traced to the failures of other branches of government to check the flow. The potential for abuse was always there, and Presidents found it difficult to draw the line between a necessary exercise of power and abuses justified in the name of the national interest. Chief executives contended that they could do anything not specifically forbidden by the Constitution—and this led to aggrandizement of the executive office.

To combat these abuses, one group suggested that the Presidency had to be brought under close scrutiny by other branches of government, particularly the Congress. Others called for more thorough efforts to educate the public on the need for a restoration of the balances of power among the executive, legislative and judicial branches of government. The tendency of Congress to shift decisions to the President might be counteracted by developing more public support for Congress with the courage to play a more active role in decision-making and the oversight function.

On the question of making changes in the office of the President calling for new and different qualities, there was considerable agreement that the mass media should focus more attention on proposals to streamline the Presidency, and to emphasize the need for accessibility to the public of presidential aides and advisors. Some delegates thought there should be more national discussion of the entire executive branch of the government—the vast bureaucracy with its spreading powers—rather than concentrating simply on the office of the President.

Substantial numbers of the delegates indicated that the Vice-Presidency had been neglected and down-graded too heavily in the present system. Many felt that Vice-Presidents should be chosen from candidates of the highest stature, and considered as possible Presidents. There was much support for the idea of specifying specific areas of responsibility in which Vice-Presidents would have an opportunity to function effectively. Others thought that Vice-Presidents should confine their activities to advisory councils and other duties allocated by Presidents.

The second topic on the agenda discussed in the opening sessions of the conference was what manner of person the President should be.

Everyone recognized the difficulties in developing criteria for a human being who might have most of the qualities necessary to carry out the staggering range of duties placed upon the President by the enormous expansion of the office in modern times and by the tremendous expectations of the American People. No one felt that a fully satisfactory list of qualities could be developed, but there was a consensus that a continuing effort to produce good criteria could be helpful to the voters when the time came to make a choice.

Some delegates said that Presidents had to have a high degree of "sensitivity" to the needs of citizens with a wide variety of backgrounds, and a special concern for those who had little wealth and little access to the levels of power. The President had to try to speak for all of the people most of the time, but he should frequently speak for those who were often forgotten or ignored—the "have-nots" of the populace. "Sensitivity" was described as a responsiveness to both the effective and non-effective elements of the entire constituency. It was suggested that the role of the President in this regard was not merely to act upon the will of the people but to act in the interest of the American people.

It was generally recognized that a President should have high political skill, but his moral character was considered more important than his political agility by many delegates. There was an acknowledgment that the standard virtues needed by a good citizen were the virtues necessary in a President: honesty, humility, willingness to consider others, energy, integrity, ability to accept criticism, readiness to stand alone if that should be required in a dangerous situation. (The constitutional provision for impeachment was regarded as a viable tool for helping to insure proper standards of conduct in the office of the Presidency).

One of the questions under this heading was "Whose advice is likely to be most valuable in asssessing presidential candidates—e.g., journalists, party leaders in Congress, psychiatrists, political scientists, economists, business leaders, organized interest groups? Whose advice is likely to be least valuable?" There was a consensus that all of these groups should be regarded as sources of opinion, but none was to be given special weight. The Assembly recognized, however, the prominent role of the press in bringing valuable information about political candidates to the attention of the public.

II. PRESIDENTIAL NOMINATION

The nominating process was thoroughly analyzed and a number of reforms were discussed.

There was general agreement that too many potential candidates were screened out before the formal nominating process began, and that there should be attempts to increase the number of active, serious competitors for the presidential nomination in the early phases of the contest.

Most of the delegates voiced opposition to the idea of a direct national presidential primary, although some delegates strongly supported it. The present system of state primaries, caucus gatherings, and national conventions—while admittedly complicated and costly—was preferred because this system would probably involve more people and cover all of the states. It was also regarded as less costly than a national primary; a minority, however, insisted that the present system might be *more* costly than a well-organized national primary. But many of the delegates thought that a national primary might lead candidates to concentrate their efforts more intensely in a limited number of states with large populations, with the other states being neglected.

One group proposed that a system of direct national party primaries be adopted. Under this plan, each party would have a primary involving all of the contenders for that party's nomination. The winning candidate would have to receive a majority of the votes cast in that primary. If a majority was not achieved, a runoff election would take place between the party's top two vote getters. Candidates for a party's nomination would have to declare their candidacy six months prior to the primary date. Only the parties in the primary election would be represented in the final election. The number of parties in the primary election would not be limited, as a matter of necessity, to the two major parties. The winner of each party primary would then be that party's candidate for the final election.

Some delegates favored direct primaries in each state, with no caucus selections.

Another group suggested that caucuses should be held in each of the fifty states by each party, with the five leading candidates emerging from this process to be voted upon in national party primaries. The winners of the national primaries would be the final candidates of the parties.

A majority of the proposals offered by delegates called for selection of the vice-presidential candidates from two to thirty days after the presidential nominations.

It was suggested that uniform procedures for the nomination process in primary and caucus structures should be instituted nationally. The political parties, rather than state or national governments, were considered to be the right channels for the development of such rules.

There was consistent support for those who advocated control over the nominating process by the political parties. Some participants declared that presidential and vice-presidential candidates should be required to pledge vigorous support for the programs outlined in the party platforms. This was countered by a suggestion that the candidates should formulate and/or propose platforms that they would support.

One group suggested that presidential candidates should announce their vice-presidential running mates at least one month prior to the national conventions, in order to give party members sufficient time to consider these candidates. Another proposal was that the presidential nominee should make the selection of his running mate from a slate chosen by his party's national committee; the choice would be made after the national convention, after a thorough investigation of possible candidates by the national committee.

Another group submitted a minority report outlining a three-point plan: (1) Selection of the vice-president would be deferred until after the election in which only the presidential nominees would be candidates; (2) The newly elected President would nominate a Vice-President; (3) Approval of the nominee by a two-thirds vote of the Senate would be required.

The recent rule changes made by the two major parties were not regarded as sufficient. It was suggested that committees of the two parties should give continuing review to the guidelines for the selection of delegates. There was evident support for proportional allocation of delegate votes as a result of state primaries—rather than having a victorious candidate take all of them.

The Assembly divided equally on a proposal to go on record in opposition to enforcement of rigid "quota systems" by the parties.

III. PRESIDENTIAL ELECTIONS

The handling of presidential campaigns stimulated three major questions: (1) On what realistic basis could the Democratic and Republican parties form viable coalitions for winning presidential elections? If they could not do so, what should be substituted for the parties? (2) Should presidential campaigns be run independently of the parties, as they appear to have been in recent elections? (3) Can campaign financing be reformed so as to strengthen effective competition between candidates for president? How?

There seemed to be general agreement that new coalitions would be formed, but that the development of the new alignments would be slow. With the Republican party in disarray as a result of the Watergate scandals, it was considered likely that the G.O.P. would find it difficult to retain its hold on the groups that flocked to the Republican banner in 1972. There were definite signs that labor unions and ethnic minorities were increasing their identification with the Democratic party. Women's groups and other minorities working toward their own solidarity did not appear ready to swing overwhelmingly toward either party.

Most of the delegates at the conference, however, appeared to be fairly confident that the two old parties would survive if their leaders made realistic efforts to bring people from many groups into positions of authority. And these leaders, whether conservative or liberal, seemed to be aware that more doors had to be opened for minority groups' members and more voices had to be heard.

Many participants felt that it would be very hard for the parties to recapture control of campaigns from presidential candidates. The main hope seemed to be placed in the idea that candidates could be found with loyalty to the parties. These candidates might see the value of using their power to revitalize the parties as instruments of electoral participation. The mass media could do much to highlight the significance of the parties in the American political system.

After extensive discussion of the question of reforming the financing of campaigns, the use of public funding was endorsed by most of the delegates. It was generally admitted that plans for putting the distribution of public funds on an equitable basis would be difficult to achieve.

There was general support for a ceiling on expenditures in political campaigns; for strict enforcement of precise laws on the reporting of contributions, expenditures, and auditing of campaign funds; for a combined process involving both public and private contributions; for definite limits on the amounts that might be given by individuals and families.

One group proposed that the dollars a candidate raised through his own efforts should be matched by public funds. The total amount in each case would be determined by a formula setting a specific expenditure for each registered voter.

Others advocated the allocation of a number of hours of broadcasting time to be provided by networks and stations to political parties and candidates without charge. This would cut down the costs of campaigning. But a fair distribution of this time would present thorny problems.

When the discussion turned to the conduct of elections, these questions came up: (1) Does the Electoral College remove the presidential elective process farther away from democratic control? (2) Could the electoral vote system be retained while eliminating some of its significant drawbacks? How? (3) Would direct election of the President (and the Vice-President) effectively support the "one-man, one-vote" principle in presidential elections? Is this desirable?

Most of the delegates favored the retention of the Electoral College in some form, although a number of changes were suggested.

One group called for the adoption of the Lodge-Gossett proposal. Under this plan, electoral votes would be awarded in proportion to the percentage of the popular vote received by each candidate. Another group urged consideration for a constitutional amendment which would provide for these steps: (1) If a candidate received 50 per cent or more of the popular votes, the Electoral College would not be asked to cast ballots—the candidate would be declared the winner; (2) Electors would be legally bound to vote for a candidate who carried the state in which they were chosen. Under the present system, electors are free to vote for any candidate.

In the opinion of many members of one group, the Electoral College had outlived its original purpose. These delegates contended that the principle of "one-man, one-vote" would be best served by the direct election of the President and Vice-President. They had varying views on whether the candidates would be required to get a majority of the votes cast, or whether a plurality would be sufficient. If a majority should be required, a run-off election might have to be held in some cases.

IV. THE PUBLIC AND THE PRESIDENT

There was almost unanimous agreement that increased realism about the American Presidency was needed.

There was also a great deal of support for the idea that political debate in presidential elections should be more rational—and that newsmen, media executives and others involved in mass communication should be urged to do all they could to create an atmosphere of rationality.

There was a general awareness of the fact that action had to be taken as rapidly as possible to counteract trends toward withdrawal of the public from political involvement.

In one group, a debate centered on whether the media (particularly television) should be forced by subsidies to become a public educator. The use of compulsory subsidies was rejected. But a consensus was reached that the media should be encouraged to provide a forum for the presentation of issues and personalities. Investigation of public personalities and issues within the limits of fair journalism also was advocated. Governmental restrictions on the press—especially by extension of the libel laws—was unanimously opposed.

Another group reaffirmed its respect for freedom of the press, and called for greater understanding of the standards and practices of professional journalism. At the same time, this group called on journalists to show more responsibility and more thoroughness in research.

A number of suggestions were offered to overcome the apathy of many voters and counteract trends toward withdrawal. Among them were:

(1) Opening up the nominating process would provide the voters a wider variety of choices and make participation in elections more meaningful;

(2) More rational examination of issues and personalities could help citizens to see acceptable ways of overcoming problems that now seem beyond solution;

(3) Frank and forthright debates—with frequent demonstrations of honesty and humility—would gradually restore the sense of trust and confidence which is essential in a self-governing society;

(4) In locations where registration of voters was impeded in any significant way, new efforts should be made to remove these barriers. Registration should be made as easy and simple as possible, but incoming voters should be reminded of their obligations to become well-informed before casting their ballots.

In general, the participants in the conference indicated their belief that incremental changes in the methods of selecting, nominating, and electing Presidents and Vice-Presidents would occur and would have enough beneficial effects to make the American political system more vigorous than it is today.

In the last hours of the discussions covering many topics, the delegates faced the fundamental questions of whether it might be necessary to restructure America's social and economic relationships and to alter the values and attitudes of the American public—perhaps through the adoption of a parliamentary form of government or other drastic transformations.

The parliamentary system was brought up as a possibility from time to time in the course of the conference. But the inadequacies of parliamentary governments in Britain, France, Germany and other countries were as evident to the delegates as the defects of the present American constitutional government.

The Assembly placed much emphasis on revitalization of the educational process as a necessary element in producing the more alert, active citizens who might make the Presidency into a responsive instrument of the people rather than the elected monarchy it has tended to become.

With millions of people now calling for reforms, many of the delegates felt that there is increasing evidence that leaders in all branches of the American government (and in the educational and communication systems) knew that they must respond.

NASA AND "DOMESTIC NEEDS"

Mr. MOSS. Mr. President, one of the real pleasures of my association with the Committee on Aeronautical and Space Sciences is the mail that it brings me from around the country, frequently from young people.

I am frequently impressed with how knowledgeable many of these young citizens are about aeronautics and space, and with the strength of their commitment to the programs conducted by the National Aeronautics and Space Administration. The clarity of youthful vision is often useful in pulling us back from the meaningless, if not incorrect, cliches we all slip into at times.

At my suggestion, one of my young "pen pals" wrote the Senators from his State on the subject of the NASA budget; he has now reported back to me on the response he had from one of his Senators. John tells me that his Senator wrote that while he supported the space program, he believed that:

> It is necessary to continually review our national goals and priorities and . . . perhaps moderate the NASA budget in favor of our domestic needs.

My young friend expressed puzzlement about this answer. John writes:

> One thing that struck me odd, was the word "Domestic." NASA certainly isn't foreign.

Mr. President, I want to assure John, and my colleagues, that NASA is indeed not "foreign."

The multiple benefits we earn from NASA programs, it is true, accrue to all mankind. But clearly the major beneficiary is the United States. And, of course, the funds we appropriate to NASA are almost all spent here in the United States.

Unless we decide that weather prediction, better communications, crop monitoring, flood and severe storm warnings, the search for new energy sources, safer, more efficient aviation, earthquake prediction and pollution monitoring—to name a few—are not related to "domestic needs," perhaps we need to choose our terms more carefully.

NATIONAL READING IMPROVEMENT PROGRAM

Mr. DOMENICI. Mr. President, as one of the cosponsors of S. 1318, the Elementary School Reading Emphasis Act of 1973, I am happy to see that the principal provisions of S. 1318 have been incorporated into S. 1539, the Education Amendments of 1974, as title VII, the national reading improvement program. I believe that if these reading programs are put into effect, it will be a major step forward for education in this country, and especially for efforts to help those students who are experiencing difficulties in school.

I feel that the basic problem underlying most failures to succeed in school is a lack of adequate reading skills—approximately 90 percent of school dropouts are poor readers. Failure to develop good reading skills in children is not, unfortunately, an isolated phenomenon as nearly half of the schoolchildren in large urban areas are reading below grade level. Since reading is so fundamental to education, the improvement of reading instruction must be a high priority in any effort to improve education in our country.

The national reading improvement program, title VII of S. 1539, would concentrate efforts to solve this national problem where help is most needed, in schools with a high proportion of students reading below grade level, where demonstration projects would be funded.

In addition to demonstration projects in schools having high percentages of children with reading deficiencies, the program would authorize experimental special emphasis projects. In schools participating in this part of the program, all children in the first and second grades, and older children having reading problems, would be taught reading by highly trained reading specialists in conjunction with reading teachers. Special emphasis projects would also involve intensive summer programs for children who are experiencing reading difficulties.

The national reading improvement program would also provide financial assistance for research and development projects to improve the methods of reading instruction, including the use of educational television and radio; establish an Office for the Improvement of Reading Programs within the Office of Education and a Reading Improvement Laboratory within the National Institute of Education; and establish a Presidential Reading Achievement Award.

I support this provision of S. 1539 as I feel that improvement of the teaching of reading is the key to success in school, and to a large degree, in life, for millions of American children.

U.N. SECRETARY GENERAL'S STATEMENT AT CLOSING OF GENERAL DEBATE IN GENERAL ASSEMBLY

Mr. McGEE. Mr. President, last week United Nations Secretary General Kurt Waldheim issued a statement upon the closing of the general debate at the Special Session of the General Assembly.

In that statement, the Secretary General stressed the need to provide financial and other assistance to those member countries "in the greatest jeopardy." Mr. Waldheim has been pressuring the wealthier countries, the oil producers and the industrial nations to set up a special fund for those countries hardest hit by the steep rise in oil prices.

The Secretary General further emphasized that it was imperative the developing countries earn higher returns on their commodities to enable them to pay for their imports.

The Secretary General urged the Special Session of the General Assembly to make a renewed effort, "in the interests of both producing and consuming nations." He closed his remarks by saying:

> If we have begun to face up to the most urgent needs, and if we have made the necessary arrangements to follow up what has been done here, then this session will indeed prove to have been a turning point in world affairs.

The Secretary General's plea to the member States of the United Nations represented a recognition of the need for cooperation on the part of the entire international community in coming to grips with world economic problems. It is marked by eloquence and farsightedness and I believe it demands the attention of all my colleagues.

I ask unanimous consent that the statement be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Text of Statement by Secretary General Kurt Waldheim at Closing of Genebal Debate in General Assembly

(Following is the text of a statement by Secretary-General Kurt Waldheim at the closing of the General Debate on the question of raw materials and development in the General Assembly today:)

For the past two weeks, the General Assembly has conducted a debate of remarkable scope and depth on the most pressing and fateful issues of our time. The high level of representation in the special session has been matched by the quality and substance of the interventions. It is no exaggeration to say that this special session is an unprecedented event, not only for the United Nations but for the world community.

We now have before us a vivid picture of the world economic situation seen from many different points of view and an extraordinary wealth of constructive proposals. No one has any illusions about the difficulties which will be encountered, or the efforts which must be made to combine and shape these proposals into agreed policies and plans of action, which will be the foundation of a new world economic order.

All over the world, the proceedings of this special session have been followed with extraordinary interest. The world expects, and anxiously awaits, the first concrete steps which this assembly will take to deal with the emergency situation which, in one way or another, now faces all nations. The anxiety and expectation of the world community is heightened by the undoubted fact that, quite apart from the medium and long-term problems which confront us, the fate of millions of people may well depend, within the next few months, on what this special session does, or does not do.

As I said in my opening statement, the perspectives of different nations or groups of nations vary enormously. Certainly the observation has been amply borne out by the general debate. But the debate has also, and perhaps more significantly, demonstrated a striking degree of agreement among member states on a number of important aspects of the problem before the assembly. Clearly, the debate has provided the substance for a process of negotiation, co-ordination and harmonization which will endure beyond the week of the special session which remains to us.

At this stage in the work of the debate with the closest attention, I feel that a summary of my main impressions might be helpful in formulating the decisions which are necessary both for immediate action and for continuing expeditiously the vital work which this session has initiated. The following observations are made with full respect for the positions of member governments as stated in the course of the debate, and in full cognizance of the strenuous efforts being made in the ad hoc committee to formulate a declaration of principles and a programme of action.

No one could have failed to be impressed by the range, the relevance and the seriousness of the general debate, illustrating dramatically the undeniable interdependence of the many issues which must be tackled in the evolution of a new world economic order. It is imperative to maintain the momentum which this debate has generated and to agree on the principles which will give it direction.

Second, it is imperative to provide new financial and other assistance to those member states placed in the greater jeopardy as a result of recent violent economic changes and great natural disasters. Individual member states and groups of states have undertaken steps bilaterally, collectively, and through international organizations to meet some of these needs. The International Bank for reconstruction and development, in the international monetary fund and the other members of the United Nations System are also striving to do all they can to help. However, all these efforts are not enough. A potentially disastrous gap continues to exist between minimum needs and the resources so far made available to meet those needs. It is imperaitve that we take steps to mobilize greater resources before special session ends.

Third, it is imperative to effect the speedy transfer of the necessary assistance to those member states most in need, and also to make arrangements to monitor continuously future needs and responses to those needs from the world community. The United Nations System stands ready to act as catalyst and clearing-house for everyone's efforts, and would be willing to act in whatever manner and through whatever mechanisms the general assembly may decide. I wish to emphasize that any arrangements made by the United Nations System would be complementary to those made by individual member states and groups of states.

Fourth, it is imperative to recognize that the developing countries must earn more to pay for their imports, and that they still depend on commodities for the greater part of their export earnings. To the extent that progress could be made on this basic problem, progress could be made in ameliorating the acute financial crisis to which I have just referred. In the past, international efforts have failed to produce significant over-all result in the field of commodity agreements. Today, however, and more than ever before, it is in the interests of both producing and consuming countries to initiate, during this special session, action which will lead to the resolution of this problem.

Fifth, and finally, it is imperative, as I have said, that the momentum generated by this special session should be maintained. The basic problems so courageously and constructively faced by this assembly will increase the sooner realistic international policies can be established and effective action taken to implement those policies, the sooner it will be possible to move from our present dangerously defensive position to one where bold and positive action can be taken to establish a new economic and social order for the benefit of all of mankind. Whatever the outcome of the special session, some relatively simple and effective arrangement must be made to ensure continuity and follow-up.

The administrative committee on coordination, which consists of the heads of all the agencies, organizations and programs of the United Nations System, met here at United Nations Headquarters last week. The members of this committee, including the heads of the International Bank for reconstruction and development and of the International Monetary Fund, asked me to inform this assembly of their readiness to make available immediately the services of their institutions in order to facilitiate and support any action within their competence that may be taken by the general assembly. Recent experience has shown the usefulness of the United Nations System in focusing many forms of assistance to the maximum effect in dealing with a critical situation.

I believe that this special session will prove to have been a truly historic meeting. My main concern, which I know is shared by all of the distinguished representatives in this hall, is to get the maximum of agreement, the maximum of effective decisions, out of the few days of the session that remain. If upon the adjournment of this session we know where we are going, if we have begun to face up to the most urgent needs, and if we have made the necessary arrangements to follow up what has been done here, then this session will indeed prove to have been a turning point in world affairs.

NATIONAL LIBRARY WEEK

Mr. SCHWEIKER. Mr. President, I join with my colleagues in observing that the week of April 22–27 was National Library Week.

I can think of no broader repository of knowledge than that to be found in our Nation's libraries. Informational needs begin in the local community where persons of varying occupations, ages, social status, education, and interests live and work. People rely on information from many sources and in many forms, and they all go to the library to seek it.

From the time of enactment of the Library Services Act, Federal funds have brought library services to more than 17 million people for the first time. Today nearly every citizen is in a library service area. In 1956, when this program was established, only six States provided grants-in-aid to localities for the support of public libraries. Today, there are nearly 44 States which provide such funds. Since 1965, the Federal Government has been helping 60,000 public and private elementary and secondary schools buy books, films, and other library materials.

What is needed today is the continued commitment of the Congress to insure the upgrading and expansion of our Nation's libraries along with a consistent national policy with respect to library and information services. A proposal which seeks this latter aim is presently pending in the House. I refer to Senate Joint Resolution 40 which would authorize and request the President to call a White House Conference on Library and Information Services in 1976. Senate Joint Resolution 40, which I cosponsored, passed the Senate last year. The purpose of this conference would be to stimulate a national debate about the value of libraries and information resources in our society, as well as define the appropriate roles of local, State, and Federal governments in the support of these important national resources. I can think of no time more appropriate for undertaking this nationwide planning than during our bicentennial year 1976. I hope the 93d Congress will move to the adoption of this important legislation thus assuring that proper recognition be given to the future role of libraries in our national life.

POSTAL RATES INCREASE

Mr. MOSS. Mr. President, in the next several weeks the Senate will take up consideration of S. 411, a bill to "spread out" the scheduled increases of postal rates on magazines and newspapers.

This bill has the strong support of the majority of the members of the Post Office and Civil Service Committee. It is a measure that many of us in the Senate have advocated for some time.

The main argument for S. 411 can be stated briefly and cogently. First, the existence of a large number of magazines in this country is threatened by sharply rising costs, and the main element in this squeeze has been the increased cost of postal services. Second, if we allow these magazines to die, the quality of American democracy will be diminished, for such publications are essential to democracy's "marketplace of ideas."

Those who favor enactment of S. 411 are not asking the Federal Government to embark on a totally new policy. Throughout our history, the Federal Government has helped pay for the costs of mail service in order to encourage the dissemination of ideas. In the 24 years following World War II the average annual appropriation for second-class postal rates was $283 million. So the cost of S. 411—an average of some $50 million for 14 years—is comparatively small.

I certainly hope that the Senate will act favorably on S. 411 in the near future. For those of my colleagues who may not be fully acquainted with the problems now faced by many publications, I recommend two recent articles printed in the Christian Science Monitor. I ask unanimous consent that these articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Christian Science Monitor, Apr. 22, 1974]

EXISTENCE OF NEWS MAGAZINES AT STAKE

(By Robert P. Hey)

WASHINGTON.—In the next few days an important postal issue will come before the full Senate. What the senators decide could have a profound effect on the reading of millions of Americans who receive their newspapers or magazines through the mail.

In a narrow sense, the issue is strictly whether the Senate should slow down the schedule of steep increases in postal rates paid by mailed publications. A bill introduced by Sen. Gale W. McGee (D) of Wyoming would do this.

For profit-making publications, the increases originally scheduled for each of the next three years would be spread out over six, effectively cutting the annual rate of increase in half. Nonprofit publications would spread their greater postal rate hikes over six additional years beyond their present eight-year schedule, giving them 14 years to make the adjustment.

At this point it seems touch-and-go as to whether the bill will become law this year. Its supporters voice very cautious optimism; its opponents say they "frankly do not know."

In any case, the real issues far transcend the narrow question of postal rates. They include:

Would these steep postal rate increases—if they were not slowed—in effect, censor the news for many Americans? Some publishers and members of Congress say it would.

Their reasoning is that many publications now making marginal profits would be forced to close; others would have to curtail newsgathering.

The result, they say, would be to impinge on the quantity, variety, and quality of news being provided Americans.

How serious would effects of higher mail rates really be on publishers?

Sen. Hiram L. Fong (R) of Hawaii, ranking Republican on the Senate Post Office and Civil Service Committee, does not think the effects will be nearly as severe as some publishers say. (He was one of two committee members who voted against the bill during committee consideration.)

INCREASES MAY BE 300 PERCENT

In its majority report on the McGee bill, the Senate committee said, "It has been advised that the current and anticipated postal rates threaten the quality, if not the existence, of the national weekly newsmagazines."

The committee said that "postal rates for regular-rate publications will surely be at least 217 percent higher in 1976 than they were in 1971." Further, it added, there is the "strong probability" that by July, 1976, "the rate will have increased by 300 percent."

Congressional sources saw two decisions have led to this rate hike. the first was by Congress in 1971, when it decreed that the reorganized postal service—which came into existence the following year—should pull itself out of financial red ink and break even by 1984.

The second was by the Postal Service, which decided that all classes of mail should basically pay their own costs, as part of this push toward the break even point.

This second decision reversed an historic position of the post office, since its inception in the late 18th century. "Our early leaders took the position," says the majority report of the Post Office Committee, "that the post office ought to provide strong impetus to the promotion of the idea of democracy and self-government. . . . Eminent men led the post office, fostering the belief that the [free] press ought to be subsidized, an idea that has persisted as a part of accepted opinion in this country until the recent precipitous increase in postal rates."

The McGee bill would not effect the eventual end of this subsidy. But it would give publishers of mailed magazines and newspapers six more years to reach the higher rates.

Particularly hard-hit at the moment, congressional and publishing sources say, are nonprofit magazines and newspapers—those published by educational, fraternal, trade, and religious organizations. Their rates have been lower in the past than those of profit publications; they are being raised the most.

INCREASES ESTIMATED

For example, the majority report of the Senate Post Office Committee lists the estimated second-class postage rate increases scheduled for Boys' Life, the official publication of the Boy Scouts of America. Before May, 1971, the postage bill for its 2,300,000 copies was $395,000. Today it is $585,000. On July 6 of this year it will be $673,000—unless the McGee proposal by then has become law.

Ultimately the Boys' Life postage bill will be $1,383,000. Under the present rate-increase schedule, this figure would be reached by July, 1981. The McGee bill proposes slowing the rate of increase so that this maximum is not reached until July, 1986.

The effect of such a cost increase, say numerous congressional sources who support the measure, will be to drive many small publications out of business.

They also note, as do some publishing

sources, two related problems that concern publishers.

SORTING NOT RECOGNIZED

One is that publishers insist they do much of the post office's normal sorting work themselves, yet receive neither recognition nor reduced postal rates for this work. One publishing source says that at his firm's printing plant, employees sort magazines into 90 separate groups, one for each of the truck routes on which the post office will send them.

These sorted bundles are delivered to the post office on carts, he says, which postal employees merely roll across their loading dock to the proper trucks; the time-consuming sorting already has been done. "But when we go to the Postal Rate Commission" to discuss rates, the publishing source says, "this sort of thing is not even recognized."

The second additional concern is the Postal Rate Commission itself. Separate from the Postal Service, it determines postal rates for all types of mail after hearing recommendations from the Postal Service and comments from mail users.

PRESENTATION IS COSTLY

Some publishing sources here charge that it is so expensive to make an effective, formal presentation before the commission, even under recently changed rules, that many mail users—including small publishers—cannot effectively present their views.

But these issues are not before the Congress. The McGee bill would merely give publishers more time before the full postal rate increases go into effect.

No one is certain when the full Senate will discuss the measure and vote on it. Estimates range from this week through the first week in May. But all agree that whenever Senate majority leader Mike Mansfield can find the time in a crowded Senate schedule, he will work this bill in.

The bill is expected to be voted on without being altered, and its backers are cautiously optimistic that it will pass. Opponents say they do not know what will happen.

What the Senate does will be pivotal. Sources in the House of Representatives say there is considerable House support for the McGee concept, embodied in an identical House bill sponsored by U.S. Rep. James M. Hanley (D) of New York.

HEARINGS PLANNED

If the Senate passes the McGee bill, a subcommittee of the House Post Office and Civil Service Committee plans to hold short hearings during May on the issue. It is considered certain to approve the measure; the full House committee is expected to do likewise.

No one is sure yet what the full House would do, although supporters think they would probably win.

The biggest problem in the House could be that the issue would not reach the House floor for a vote until after July 6, when the next round of rate hikes take effect.

If the Senate should defeat the McGee proposal, however, the issue would be dead for this year. The House subcommittee would not hold hearings, as it would consider the cause fruitless.

PRESIDENT MIGHT VETO

If Congress were to approve the bill, the question then would be: Would President Nixon sign it into law? The White House has not said. Several sources who favor the bill—both in and out of Congress—guardedly say they believe he would. Some point to the quiet if nonpublic support that they say the Postal Service has given the bill. "I can't imagine the postmaster general would be out of step with the President on this," says one.

A source close to Senator Fong says he "does not know" what the President would do. One Democratic source on the Senate Post Office Committee insists that during closed-door sessions on the bill, Senator Fong said that the President would veto the bill; but this same source says he personally believes Mr. Nixon would sign it.

In any case, the McGee measure seems to have paused at the crest of a legislative hill as it awaits Senate consideration. In the next few days will it roll forward toward legislative enactment, on the momentum provided by Senate approval? Or will it be pushed back toward defeat by an unfavorable Senate vote? Members of Congress, publishers and the reading public should know in a few days.

[From the Christian Science Monitor, Apr. 23, 1974]

U.S. Postal Service—Subsidy Only Answer

(By Robert P. Hey)

Washington.—Questions are being raised in the halls of Congress on whether the U.S. Postal Service ever should reasonably be expected to operate debt free.

In 1971 Congress said the new postal service must be operating in the black by 1984. Now some prominent members of Congress who are abreast of postal issues think they then were unrealistic.

Perhaps, some privately are beginning to say, the postal service needs long-term—maybe even permanent—government subsidiary to do as good a job as the nation demands.

One top congressional expert on postal service, who asks not to be identified, now concludes the postal service "probably cannot break even." As postal costs of doing business rise and citizen demands for better service do likewise, he foresees that inevitably Congress will have to rethink the whole question. So will the public, he adds.

SUBSIDY ISSUE STIRS

"There's a definite stirring over in Congress," recently says another knowledgeable postal source, on the subsidy issue. He cites the case of one senator deeply involved in postal issues. As late as last fall, the source says he was "pleading" that mail users give the two-year-old postal service time to work out its problems; but now he believes that this will never be possible without partial government subsidy.

Increased congressional interest in the subsidy question comes despite last year's successful postal-service efforts to improve service—complaints to members of Congress dropped off as the year progressed.

It comes too, despite postal-service success in reducing its deficit—from $175 million for fiscal year 1972 to $13 million for fiscal year 1973.

What causes the congressional subsidy talk are the ominous forecasts—as Congress views them—of ever-rising costs of delivering the mail. Where should this money come from?

REPORT RELEASED

A recently released report of the Senate Committee on Post Office and Civil Service, stemming from its investigation of the postal service, concluded that "the postal budget could be expected to rise at a rate not less than 10 percent each year of the foreseeable future."

If the present postal rates remain unchanged and labor costs increase by 5.5 percent annually, according to a Government Accounting Office report, a 50 percent productivity gain will be necessary for the postal service to break even by 1984. Many members of Congress consider this an attainable goal.

No congressional action on subsidy is expected this year. The postal issue Congress immediately faces is a bill to slow down the rate of increase over the next few years in postal costs of second-class mail—magazines and newspapers. The Senate is to vote on this bill within a few weeks. The proposal would not change their ultimate postal cuts, however and consequently would not involve any permanent subsidy.

REASON FOR BILL'S DEFEAT

In fact, the issue of subsidy is a major reason for the defeat last year in the House of Representatives of a bill containing a similar provision. Under that proposal mail costs of smaller-circulation newspapers and magazines would have been partially subsidized by the federal government.

However, the idea of permanently subsidizing some mail users and not others—such as regular letter writers—helped arouse so much opposition to the proposal that the House refused even to consider it when it came to the floor for a vote.

This experience is one reason why specialists on the postal issue say Congress—when it ultimately considers the subsidy issue—will not subsidize some mail users without subsidizing them all.

In any case, no congressional consideration of the subsidy issue is imminent.

"It's a bit down the road yet," a Senate source says. . . . "But it's certainly something that Congress is going to have to face."

IMPACT ON MAIL USERS

So must the American people, says the Senate Post Office and Civil Service Committee in a recently released report on last year's investigation of postal service. "The issue in the last analysis," it says, "is whether the mail user should bear the cost of the postal service, or whether the postal service should be sustained at least in part by federal financing through taxes.

"This is a question of public policy not only for the Congress to consider in the light of the postal experience of the last few years; it is also a matter to which the public itself should give thought. . . . As mechanization and modernization become more and more effective, the amount of that contribution can be expected to diminish."

For the short run the committee report makes two recommendations:

Through 1979 the federal government is subsidizing the postal service at the rate of 10 percent of its 1971 budget. The report recommends this be changed to 10 percent of each year's budget, reflecting the expected annual increases in postal-service budgets. In fiscal year 1975 alone such a change would mean an extra $400 million in subsidy.

Additionally, the report suggests that Congress consider raising that percentage from 10 percent to 15 percent. Such an increase, it says, might be reasonable, "because of the increase in costs and the lag in modernization."

ARMENIAN AMERICANS

Mr. BUCKLEY. Mr. President, each year thousands of Americans of Armenian ancestry commemorate April 24 as a day of mourning. On that day in 1915, a barbaric campaign aimed at removing all Armenians from Turkish soil was resumed in full force. By 1920, after a total of 25 years of systematic and merciless persecution, the Turks had massacred more than 1½ million Armenians, and had deported to the Syrian desert another million, half of whom perished there or on the way by starvation, disease, exposure, and murder.

Unfortunately, the experience of the Armenians in Turkey is not unique even in this, the 20th century. For many Americans, secure in a free society, these events seem remote and somehow unreal. I commend the Armenian Americans for their efforts to focus the attention of the world on this and other episodes of man's inhumanity to his fellow man.

The Armenian people are not a small

and displaced ethnic group. They are admired throughout the world for their industriousness and thrift. They have made great contributions in this country and in others. These people deserve our commendation, for America has profited greatly by giving them sanctuary. It is fitting during this month of commemoration for the Armenians that we extend to them our sympathy and our respect.

SENATOR BENTSEN ON THE ECONOMY

Mr. RIBICOFF. Mr. President, earlier this month it was my privilege to introduce my good friend and colleague, Senator Lloyd Bentsen, to the Connecticut Business and Industry Association.

Senator Bentsen, who serves with me on the Finance Committee, spoke not only from his own broad base of practical business experience. More recently, as chairman of this committee's Subcommittee on Financial Markets, he has concerned himself with the problems of new companies and small businesses finding adequate financing. In his address to the association, Senator Bentsen made a number of perceptive points about the state of financial markets today, the economy as a whole, and the current mood of the American people. His remarks are certainly worthy of consideration and discussion.

I ask unanimous consent that the text of Senator Bentsen's remarks be printed in the Record.

There being no objection, the remarks were ordered to be printed in the Record, as follows:

Connecticut Business and Industry Association, Hartford, Conn., April 1, 1974

I am honored by your invitation to appear before this distinguished forum and I am happy to meet the members of the Connecticut Business and Industry Association.

It is refreshing to get out of the supercharged atmosphere of our troubled capital and enjoy the stability of Hartford. But I find here—as in Washington and in Texas—people are worried.

And regardless of geography, they worry generally about the same things—most of them related to the economy.

What ranks highest is inflation—which was a minor worry in 1969. It is a major worry today.

If prices weren't enough to worry about, there is the additional worry of shortages—unprecedented in peacetime.

We have had beef shortages, wheat shortages, steel shortages, and paper shortages.

The ultimate blow was the energy shortage, which seemed to develop overnight into a full-blown crisis, turning our economy and our individual life styles topsy-turvy, and bringing additional worries of widescale unemployment, industrial slowdowns, and the possibility of power failures.

Now that is a long enough list of worries to occupy our entire population for years. Of course we have read all the admonitions about the futility of worry and what it does to our digestive systems. But there are times when we would be idiotic not to worry.

I worry about our economy. And about the lack of confidence in our economy—knowing that we have to rebuild one in order to rebuild the other. But I have determined to confine myself to what James Reston has called "Preventive worry"—which is one of the essential functions of government.

Some of the problems that weigh heavily on us today could have been avoided if government had fulfilled that function better.

Four years ago was a very frustrating time for me—and for many people who were knowledgeable about the petroleum industry and about energy in general.

We tried to sound the warning that a crisis was building. We tried to call for action to prevent it. But our pleas and our warnings were unheard.

The frustration that I felt then I am feeling again today, because I am convinced that if action isn't taken, this country will face a *capital shortage* within the next four or five years that equals or exceeds the severity of the energy shortage.

Industries and businesses must have capital. They need it to operate. They need it to expand and grow. Capital, as much as energy, forms the foundation of our economic system.

It has always been relatively easy in our country for someone with an idea to get the money to put that idea to work. But it isn't easy anymore. It grows more and more difficult. And when the day comes that capital dries up, when financing is not available, plants will shut down. Workers will be out of jobs. And the prosperity that Americans have enjoyed and shared—and taken for granted—will be at an end. This should be of concern to the laborer, and the labor union as well as business. It takes a $25,000 capital investment to create one job in manufacturing.

There are many signs that our country is headed for a serious capital shortage.

Stock prices are lower today than in 1968, although most other economic statistics are at all-time peaks.

The number of individual stockholders, after growing steadily for many years, is declining.

For some time, individuals have geen selling more stocks than they have been buying.

And new issues of equity stock have become very difficult to sell. This means new companies are finding it harder to obtain financing. And existing companies are finding it tougher to get the money they need to grow.

As Chairman of the Senate subcommittee on financial markets, I have been deeply concerned about this situation which I have been investigating for some time. I presided over hearings last summer and fall, and we recently concluded two days of hearings on legislation I have introduced in an effort to stem the tide, bolster our financial markets, and head off a potential capital shortage that would cripple our economy as effectively as the energy shortage.

I want to share this concern with you, because we have a situation here that has a profound effect on every American. What we do about it now will have a profound effect on every American. What we do about it now will have a profound effect on future generations. And we want the ideas of the American people on resolving this problem.

The phenomenal growth of our economy has depended on the ability of men with new ideas to raise capital backing from fellow citizens who believed in those ideas—to promote them, develop them, and in doing this, to provide the jobs that have enabled the American people to enjoy the highest standard of living in the history of the world.

This arrangement made the United States unique. In no other country has the private investor had such an opportunity to influence the development of new products, the growth of new industries, the generation of new job opportunities, and the stimulation of competition that is the cornerstone of our economic system.

But the "individual investor" on Wall Street has become an endangered species. His numbers have dwindled alarmingly over the past decade. His territory is now dominated by the big institutions—the mutual funds, the insurance companies, and the trust departments of banks, with their control of large pension funds and other investment capital.

These institutions buy and sell stock shares in huge lots. And, for the most part, they have been interested in the big, super-growth stocks.

Ten years ago, the individual investor accounted for 65% of the dollar value of trading volume on the New York Stock Exchange. Today he accounts for less than 30% of the trading.

As time goes by, he has less and less opportunity to exercise his judgment on investments, and he feels less and less a part of the Nation.

His daily life is influenced by the financial decisions of a few giant institutions: He lacks the means and expertise to compete with them, and he feels powerless to question those decisions.

And what of the small businessman who has a good product and needs to expand to meet the demands of a growing market? Where does he go to find the capital to expand, or just to stay in business?

He has two choices: He can borrow money or sell equity in his company on the stock market.

If he can't get financing on the equity market, his chances of long-term financing from financial institutions are meager. Interest rates are prohibitive and institutions are not eager to make long-term commitments to new or small companies.

And the businessman is finding it harder and harder to get the money he needs on today's equity market.

His company may be well established, under good management, with an attractive product, a good earning record and excellent prospects for the future. But all too often it does not attract the attention of the big institutional investors that dominate the market.

Stock in the MacDonald's hamburger chain is doing well these days. At the end of 1972 the market value of MacDonald's stock was about $2.1 billion, while the company's book value was $200 million. At that same time, though, the book value of United States Steel Corporation was about $3.6 billion but the market value of its stock was only $2.2 billion.

Something is wrong with our economy when the stock market is long on hamburgers and short on steel. There is a serious economic distortion when we can raise money to raise hamburger stands but not to raise steel plants.

What happens when a good company with good prospects cannot raise money? Its choices are limited. It can sell out to another company that can raise money. It may be confronted with the choice of merging voluntarily or becoming the target of a takeover. Or it may simply cease to exist, depriving all its employees of their livelihood and adding to the pressures on our economy.

I am not condemning the institutional investors. For the most part, institutions are doing a good job for their clients, and they are certainly putting badly needed capital into the equity markets. But there is cause for concern when their influence far outweighs that of individual investors.

There is cause for concern in the testimony that one large bank trust department has invested more than 60% of its assets in just 20 issues. This represents a tremendous concentration.

A witness from the nation's largest bank trust department told our subcommittee that they are receiving over a billion dollars in new investment funds every year—in addition to the $27 billion they already manage. He also testified that the investment decisions for that incredible sum are made by an eight-man committee.

My legislation is intended to ease that problem, to help spur the flow of needed capital from individuals and to diversify stock investments of large institutions. The bill I have offered has four basic provisions.

One provision prohibits bank trust departments, insurance companies, or other pension fund managers from investing, in the future, more than 5% of the pension assets they control in any one security, or from using pension funds to acquire more than 10% of the outstanding shares of any single company.

I believe this is an effective means of preventing concentration in a few securities and of encouraging greater interest by the institutions in well-managed small and medium-sized companies—the kinds of companies that, with adequate financing, could grow to become the Xeroxes or IBM's of tomorrow, creating thousands of jobs and adding millions of dollars to our gross national product.

The second provision permits managers of pension funds to invest 1% of the assets they manage in higher-risk new companies. This would encourage diversification and facilitate the flow of a limited amount of pension investments to new or expanding companies which present greater than normal risks, but offer the opportunity for greater than normal returns.

The third provision is for a graduated capital gains tax, decreasing the capital gains rate for an asset as the length of the holding period increases. This would help reduce the present "lock-in" of long term assets and provide greater liquidity in our capital markets. And a graduated capital gains rate would also help revive the risk-taking spirit that has been so important to our economic growth.

The fourth provision would also encourage greater individual investment by increasing the amount of capital losses an individual can deduct against ordinary income. The present maximum of $1000 per year would be increased to $4000 per year, which would provide a good incentive for investment and result in a greater turnover of securities.

These provisions, I believe, would go a long way toward restoring the capital-raising mechanism of the financial market which has been so successful in the past, and which is faltering so badly today.

Restoring that mechanism should be a matter of major concern to us. Looking ahead, we can anticipate that the American economy is going to face unprecedented needs for capital as we attempt to solve the problems of energy supply, environmental protection, and mass transportation—all of which will involve the private sector.

Consider just a few of these needs:

The domestic oil industry, according to some estimates, will require $200 billion in capital by 1985.

Power utilities will need $70 billion over the next five years.

Bethlehem Steel estimates its needs at $3 billion to $4 billion per year between now and 1980 to replace obsolete facilities, install pollution control equipment, and expand capacity to meet increased demand.

Changes in the automotive and transportation industries will require tremendous outlays.

We will need investors to supply the capital for all these, as well as for all the smaller industries that contribute to our economy.

We will need new ideas and new approaches. And we will need to open up the marketplace to men who have new ideas to be developed and made available to the public.

We have not reached the end of our technological achievement by a long shot. And we have not run out of innovators and inventive genius. These are many Edisons yet to be born.

We want to be ready to put new ideas to work. And, in turn, to let those ideas put the people of this country to work.

If we are going to accomplish this, we are going to have to look beyond the crisis in today's headlines and do a little preventive worrying about the challenges that are ahead of us.

As I said earlier, this preventive worry is one of the essential functions of Government and the people have a right to expect those in government to exert every effort in performing this job.

SHORTAGE OF CONFIDENCE

I think it is a fair statement that the average citizen expects his government to do what he cannot do for himself—to tax him fairly, spend his tax dollars prudently, help him gain every opportunity he can for work, education, and happiness in a basically free and unfettered society.

But he has reason to wonder what is going on when inflation destroys his wages and takes food from his table.

He has reason to wonder why his affluent and all-powerful Nation has not developed enough energy sources to meet its needs.

We have public officials being indicted and convicted and there is evidence of widespread wrong-doing in high places.

Now that's a very pessimistic picture—and I have painted it intentionally to make a point.

My point is that it's amazing that the people of this Nation have *not* lost more confidence than they have—because some of the happenings of the past few years have strained credulity in the effectiveness of representative government.

The people have not lost faith because they are basically an intelligent, honest, freedom-loving electorate. They know the difference between good government and bad politics. They know that leadership has its limitations, and that the destiny of democracy is somewhere in between the demands for instant solutions and the counter-demands for caution and resistance to change.

Our country has recently been through some very trying months, and difficult days lie ahead. But, is this a harder time than the long midnight of World War II, when we fought for our lives on two sides of the world? Or the great depression, when soup lines were commonplace and no work was to be found? Or the Civil War, when our Nation was split asunder? I think not.

If you listen to all the voices of gloom and doom, you would think that the year we have just finished was the worst in our history, and that the year now underway will be even worse.

But, I happen to agree with Ralph Waldo Emerson, who said, "This time, like all times, is a very good one . . . if we but know what to do with it."

Americans behave heroically in times of crisis. We have lived through many "times that try men's souls" since Thomas Paine wrote of the dark hours of the American revolution.

The American people believe in our system and they want to see it work. But they are restless and impatient—as they have always been throughout history.

They have been sending us a signal: To get on with the important issues of national security and national well-being and to stop corrupting the system by the way some act politically.

I think it's time we tuned in more closely to the message they are sending.

In my judgment, we will hear them say that they don't expect miracles, but they do expect action;

That they don't expect saintliness, but they do expect honesty;

That they don't expect the absence of politics, but they do expect restraints on vicious partisanship;

That they don't expect government to do all things for all people, but they do expect government to do its best and to do it honestly and fairly.

All of this together is not much to ask of both political parties. It's not much to ask of those who hold positions of public trust. But it's the agenda I believe the people of America expect to be dealt with, and the agenda up which to base all we aspire to do as a Nation and leader of nations.

TAXES AND CONTROLS

Mr. FANNIN. Mr. President, I would like to call to the attention of my colleagues an article in the New York Times of April 28, 1974.

The author points out that a tax cut "is precisely the wrong medicine for an inflation-ridden economy at this time."

Mr. President, there is no magic formula for curbing inflation. We must return to a fundamental economic policy. As the author concludes:

> The present frightening and ominously threatening inflation course must be changed promptly and resolutely, lest it lead to tragic consequences. And that can only be accomplished through unrelaxed discipline on spending and monetary matters in the Congress, within the Administration and at the Federal Reserve. The nation can ill afford political solutions to its massive economic problems.

Mr. President, I ask unanimous consent to have this entire article printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Clash on Taxes and Controls

(By Thomas E. Mullaney)

Another classic confrontation may be erupting between the Congress and an incumbent Administration over national economic policies in this era of high inflation and increasing employment—or it may all turn out to be no more than political maneuvering keyed to next November's elections.

The potential clash, which has been simmering for some months with the growth of public furor over the intolerable level of prices, burst into the open last week when a large number of Senate Democrats indicated they favored a last-minute reprieve for some form of the economic-controls program, scheduled to expire completely two days hence. At the same time, more vocal support for a tax reduction was forthcoming from some legislators.

Both proposals seem highly inadvisable in the present atmosphere and probably are doomed to defeat, though anything can happen when tensions run so high as they are now over the unrelenting march of prices and services.

For various reasons, wage-price controls have been working, especially since the shift to Phase 3 in January, 1973, and ought to be scuttled so that the free market can operate again without the restrictive harness that has exacerbated supply problems—one of the roots of the present horrendous double-digit inflation trend.

The proposal for a tax cut should also be consigned quickly to the inactive file because it is precisely the wrong medicine for an inflation-ridden economy at this time. It would only serve to intensify the inflation problem without according any real benefits for the hard-pressed American public.

While a tax cut may seem enticing on humane grounds to provide financial relief, chiefly for the low-income group, it would really be a cruel illusion. It would tend to create bigger deficits in the Federal budget than now envisioned and reinforce the inflationary pressures in the economy that take so much out of everyone's pocketbook.

Even if a tax reduction were appropriate, it probably would be some time before it could wend its way through the legislative mill and would arrive on the scene when, hopefully, the economy is on an upward path again and inflation is receding from its current elevated level.

In any event, the slowness of the Congressional procedure for any action on taxes illustrates again the need for more flexible tax policies and a streamlined procedure for making changes.

In the judgment of most economists, a reversal of current economic trends should be under way soon—certainly during the second half of this year—albeit slowly.

Their optimism for an imminent turnaround is based on many factors: the end of the Arab embargo, fewer shortages of agricultural products and other materials, the basic strength of over-all consumer demand, the capital-spending boom by business and a diminished inflationary effect from the dollar devaluations in the last three years.

The economy has not been suffering from a lack of demand but rather from inadequate supplies. The latter situation seems well on the road to significant improvement and should not be complicated by a new injection of stimulus from the tax area that would tend to raise demand for so many goods.

Moreover, it should be noted that some $6-billion of potential additional consumer spending is being pumped into the economy at the moment with refunds to the public from the over-withheld taxes last year.

The principal objective of national economic policy should be control of inflation. It has become a pernicious disease that threatens the stability of our important thrift institutions, many lines of business, our whole financial system and the economic well-being of every one.

As economist Alan Greenspan put it the other day: "We can't afford to fiddle around and tolerate high inflation any longer. We have run out of time and have got to tackle that problem right now if we are to bring the rate down to any meaningful, table level by 1976 or 1977. Unlike other countries, we have our important thrift institutions with over $300-billion in mortgages that are highly vulnerable to the impact of inflation and are already subject to disintermediation."

He was referring, of course, to the outflow of funds from the savings banks, savings and loan associations and insurance companies now going on because interest rates are so high elsewhere in the economy. A weakening of such thrift institutions could have devastating effects on homebuilding and home buying, where a recovery had been counted upon this year as one of the major props for an economic rebound.

What is clearly needed now is a firm rein on monetary growth by the Federal Reserve and on spending by the Government. This is apparently the only real solution—the classical one—that has been stressed in many periods of inflation, but it never seems to be applied long enough or vigorously enough to allow it to work.

It is also imperative that the nation have the benefit of better statesmanship from the business world in the way of moderate price increases when controls die. And from labor in its wage demands. The economy, hobbled by lower production, higher costs and the biggest decline in worker productivity during the first quarter of this year since 1947, desperately needs to avoid further cost-push pressures.

The Fed, of course, has a particularly difficult role to fill. It must keep money tight but not so terribly restrictive that it pushes interest rates significantly higher and thus aborts the economic recovery that most economists are anticipating for the second half of this year.

It was certainly clear last week that the Fed intends to be tough. Arthur F. Burns, its chairman, indicated an iron-willed determination to come to grips with the inflation problem at a new conference last Monday. Then the central bank let it be known that it will roll over its bills at the average price that the market itself sets instead of actively submitting its bids. Then, on Wednesday, it pushed the discount rate up ½ point to a record high of 8 per cent.

Those three developments attest to the Fed's willingness to take still-higher interest rates in the effort to dampen inflation. In the meantime, the prime bank rates and other interest rates have been rising to new peaks, too. How much further will they all go? And how long will the Fed tolerate rising rates and run the risk of so much turmoil in the financial markets, housing and industry in general?

The Fed's role must be accompanied—and helped—by restraint on spending by the Government.

Although the Nixon Administration remains confident that the Federal budget deficit in the year ending June 30 will be held down close to the $4.66-billion estimated earlier, some other analysts are skeptical. They believe the red ink will turn out to be somewhat greater in the current fiscal year and in the next one beginning July 1. The predicted deficit for the 1975 fiscal year had been $9.4-billion.

After the first nine months of the current fiscal year, the Treasury's deficit stood at more than $13-billion, but officials are hopeful that tax collections this month and in June will lower the deficit closer to the original estimate. That could turn out to be excessively optimistic if the economy does not soon develop considerably more bounce.

The present frightening and ominously threatening inflation course must be changed promptly and resolutely, lest it lead to tragic consequences. And that can only be accomplished through unrelaxed discipline on spending and monetary matters in the Congress, within the Administration and at the Federal Reserve. The nation can ill afford political solutions to its massive economic problems.

FREEDOM OF EMIGRATION AND THE TRADE REFORM ACT

Mr. RIBICOFF. Mr. President, earlier this month, the Finance Committee, on which I serve, had the opportunity to hear some excellent testimony in support of section 402 of the Trade Reform Act—the Jackson amendment on freedom of emigration.

Testimony in support of the Jackson amendment, which has 78 cosponsors here in the Senate, was presented by a three-member panel led by Stanley H. Lowell, chairman of the National Conference on Soviet Jewry. Testifying with Mr. Lowell were Prof. Seymour Martin Lipset, of Harvard University, an executive member of the Academic Committee on Soviet Jewry, and Sister Margaret Traxler, cochairman of the National Interreligious Task Force on Soviet Jewry.

Professor Lipset appeared as a substitute witness for Prof. Hans Morgenthau, who was unable to attend.

Because of the continuing discussion and debate over this portion of the trade bill, it is important that the basic objectives and purposes of the Jackson amendment be restated. I ask unanimous consent that the texts of this testimony and the attachments submitted to the committee be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Statement of Stanley H. Lowell, Chairman, National Conference on Soviet Jewry, on Title IV of the Trade Reform Act (H.R. 10710), Submitted to the Senate Finance Committee, April 10, 1974

Mr. Chairman and Members of the Finance Committee: I appear before you as spokesman for American Jewry through a group of organizations who support Section 402 of HR 10710. I am Chairman of the National Conference on Soviet Jewry, (NCSJ), as assembly of 38 national organizations listed in Appendix A of this statement, as well as hundreds of local community councils and welfare federations. The NCSJ represents the organized American Jewish community, comprising a nationwide constituency of 4 million members, in matters associated with the well-being of Jews in the Soviet Union.

In addition, I am speaking here in behalf of the Union of Councils for Soviet Jews, a federation of 19 community groups, and the Committee on Concerned Scientists.

Some of those I represent have provided additional written statements, and I submit them herewith for the record. I am also accompanied by Sister Margaret Traxler, Co-Chairman of the National Interreligious Task Force on Soviet Jewry, which represents leaders of Protestant, Catholic and Jewish religious bodies in the United States; by Professor Seymour Martin Lipset of Harvard University, who is a member of the executive committee of the Academic Committee on Soviet Jewry; and by Jerry Goodman, Executive Director of the National Conference on Soviet Jewry.

1. VALUE AND APPROPRIATENESS OF FREEDOM OF EMIGRATION LEGISLATION (SECTION 402)

Section 402, popularly known as the Jackson amendment, both symbolizes and gives substance to America's continuing commitment to human rights. This commitment has been reaffirmed overwhelmingly in the Senate by 78 Senators, who have joined in cosponsoring the Jackson amendment. Moreover, in December, the House of Representatives adopted the House version of Jackson/Mills-Vanik Bill by a vote of 319 to 80.

In our view, Section 402 envisions a realistic formula to employ American economic resources and capabilities to secure the fundamental human right to emigrate, and to assert this linkage in situations where rights and opportunities to emigrate are suppressed or effectively denied. The right and opportunity to emigrate is not exclusively a domestic or national concern, but rather a concern of all mankind. This transnational concept is expressed in the Universal Declaration of Human Rights and is recognized throughout the international community. The Soviet Union has, for example, ratified the International Convention on the Elimination of All Forms of Racial Discrimination, which specifies the right to leave one's country.

As it has in the past, by the enactment of Section 402 the Congress of the United States will give tangible meaning to human rights that too often are merely expressed and enshrined in noble sentiments. This willingness is a profoundly American characteristic of which all of us can be justly proud.

As Dr. William Korey, a widely recognized specialist on Russian history and author of the recently published volume, "The Soviet Cage", points out:

"The Jackson/Mills-Vanik East West Trade and Freedom of Emigration legislation is deeply rooted in the American tradition, which has displayed a continuing concern for oppressed minorities abroad. All too often Jackson/Mills-Vanik is treated as if it is *de* *novo and sui generis,* that it has suddenly appeared on the scene, that it is somehow alien to American tradition and American policy."

Dr. Korey has provided a summary of the extensive examples of initiatives by the U.S. Congress and various Administrations on behalf of Soviet Jews—initiatives which date as far back as over a century ago. I urge you to review them as they are outlined in Appendix B.

Thus, there is not only an internationally accepted norm in the form of the Universal Declaration of Human Rights and other international conventions that encourages a transnational concern for human rights, but also a long American tradition of tangible action on behalf of human rights through the exercise of American diplomatic and economic influence.

In flagrant violation of international conventions upholding the right of an individual to leave his country and in defiance of international concern and protest, the Soviet Union has mobilized its awesome government apparatus to suppress the right and opportunity of its citizens to emigrate.

2. HARASSMENT OF JEWS APPLYING TO EMIGRATE

I wish that time permitted a full disclosure here today of the human background to the statistical record on emigration. Behind the impersonal data in the waiting list of more than 120,000 applicants and the "hardcore" list of approximately 1,600 cases repeatedly denied visas, are poignant examples of individual courage to which statistical analysis could never do justice. There is Valery Panov's resistance to the cruel maneuver that would separate him from his wife, Gallina, by offering him an exit visa while denying her the same opportunity. Both were principal dancers at the Kirov Ballet in Leningrad. And despite official attempts to silence him by endangering his disabled son's life in an unnecessarily rigorous form of military service, Dr. Benjamin Levich, the world reknowned electrochemist, continues to assert his determination to leave the Soviet Union for Israel. Still incarcerated are the Prisoners of Conscience, such as Alexander Feldman, quarring stone in a prison camp under a 3½ year sentence on trumped up charges for the real crime of seeking to emigrate to Israel. And there is another category of prisoners, such as Jan Krylsky, who has been incarcerated in a mental institution for attempting to apply to emigrate. Those few examples symbolize the commitment to freedom and dignity, expressed by the tens of thousands who seek nothing more than to claim a human right respected throughout the civilized world.

For Soviet Jews who are demanding their Right to Leave, the present reality is grim indeed. The application process itself in order to obtain a visa is designed by the authorities to terrorize and discredit the applicant and to intimidate others from applying. During the application process, applicants are subjected to obstacles designed to discourage them from completing the process. The applicant is required to: obtain clearance from the manager or fellow tenants of his place of residence; obtain a character reference from his place of work often involving an appearance before a group of his colleagues (or school, if he is a student); repair his dwelling; in many cases obtain written permission from his parents to emigrate regardless of his age; and finally pay 940 rubles ($1,300), the required exit fee.

Those individuals the applicant has to deal with to get through the above steps are encouraged to embarrass, malign, and belittle him. He is likely to be fired from his job (or lose his pension, if retired), picked up arbitrarily by the police for questioning, have his apartment searched periodically, and be subjected to other forms of harassment. As a result, some applicants are frightened, change their minds and withdraw their applications; others who might have applied are intimidated so that they do not begin the application process at all.

An individual fired from his job for having applied to emigrate is placed in double jeopardy. He cannot find another job, since all employment is controlled by the State and it is the Soviet authorities who have brought about his dismissal. The authorities recently issued a decision that anyone who has not worked for four months can be subjected to the charge of "parasitism", since he cannot earn money and thus is to be seen as a "parasite" of the State. "Parasitism" is a criminal offense and can result in a prison sentence of a number of years.

Ostracism of applicants from their professions is accompanied by the additional torment of being made outcasts and "traitors" to Soviet society. The psychological impact upon them, in consequence, has a devastating character. Particularly aggravating as a form of mental torture is the rupturing of families by, for example, permitting parents to obtain exit visas but not their children; or allowing a husband to leave, but not his wife. Such cases are, by no means, unique.

Despite the stigmatization and the intimidation—and with no certainty on the part of the applicant as to when or if he or she will receive a visa—applications for exit visas appear to continue at an undiminished rate.

The number of Jews who have received an "affidavit" from a relative in Israel, (the "affidavit" is the initial requirement in the process of applying for exit), but whose applications have not been acted upon, is now at the 120,000 level. This figure is especially impressive given the circumstances I have briefly outlined which the applicant can be expected to encounter.

3. FALSE CLAIMS BY SOVIET OFFICIALS ABOUT EMIGRATION PRACTICES

Soviet officials, through the Embassy in Washington, are again issuing statements to Congressmen claiming that 95% of all Soviet citizens who apply to emigrate to Israel or the U.S. are permitted to do so, and that, furthermore, permission to depart is denied only to "those persons who possess state secrets; recently served in the armed forces having a speciality connected with military secrets; and to those who serve prison sentences."

As you may remember, this was the same claim Mr. Brezhnev made when he met with Senators in June, 1973 to lobby against the Jackson/Mills-Vanik Amendment.

But, as Senator Jackson has frequently observed: "What is so curious about this intensive lobbying effort is that if Mr. Brezhnev is right—if virtually all those Soviet citizens wishing to emigrate are in fact free to go—then he need not fear, he need not even object to the Jackson amendment".

As indicated from my previous comments, the rate of Soviet Jewish applicants who are permitted to leave in no way approaches the 95% of those who apply. The more than 120,000 Jews still in the USSR who have placed themselves in jeopardy by securing from abroad the documents necessary to begin their visa application process make a mockery of Soviet assertions that 95% of those wishing to emigrate are free to do so.

Moreover, one need only look at any list of Jews denied visas to expose the "Soviet security" excuse for visa refusal. Those refused include dancers, physicians, laborers, as well as scientists in obviously non-sensitive fields. I would be happy to provide, if the Committee so desires, a list of such "refused" cases with details of their situations.

Soviet propaganda also obscures the extensive campaign by Soviet authorities to reduce the number of applicants. One can only imagine how many more would apply if they could do so freely.

Contrary to the impression which Brezhnev tried to give in Washington in June, 1973, and to the statements still emanating from Soviet officials, there has been no *fundamental* change in the emigration situation.

4. SUSPENSION OF THE "EDUCATION TAX"

The one change in the emigration situation was the suspension last April of the so-called "education tax." This onerous tax had been imposed in August 1972 and applied to individuals with higher education, so that it significantly curtailed the ability of better educated Jews to leave the country.

It must be noted that the tax was only one of a number of formidable obstacles to emigration. Those remaining barriers have already been described by me. In fact, the more educated Jews who would have been affected by the education tax continue to be the group most frequently denied the right and opportunity to emigrate, even with that tax not enforced. Moreover, since the tax suspension the Soviet authorities have increased other forms of harassment and instituted new ones.

It is equally important to note, however, that the elimination of this particular barrier was clearly in response to the solidifying of support in the Congress around the proposed freedom of emigration legislation. In fact, the official notification of the Soviet decision to suspend the tax came within a week after Senator Jackson formally introduced the amendment to the Trade Reform Act, exactly one year ago today.

5. CHARACTERISTICS OF THE CURRENT STATUS OF SOVIET JEWISH EMIGRATION

Some of the harsh aspects of the present emigration situation in addition to those alalready discussed are summarized below:

1. Substantial diminution in the number of exit visas granted in the first quarter of 1974. Emigration figures will be 30% below those of the corresponding months in 1973. The number of Soviet Jews permitted to emigrate in the first three months is about 1000 less than the monthly average permitted to leave in 1973.

2. Continued harassment of prominent Soviet Jews whose applications have been rejected over and over again. It is not uncommon for this group to suffer spot arrests and be detained for periods of one day to several weeks on vague or artificial charges.

3. Consistent denial of permits to Jews from the heartland of the USSR, including the major population centers of Moscow, Leningrad, Kiev, Odessa and Kharkov, where the bulk (75%) of the Jewish citizens reside. Soviet policy seems to be to discourage further applications from these cities by denying a large proportion of those made, and by increasing severe as well as petty harassment of those who apply. Only 14% of those Jews permitted to emigrate come from these areas, but, significantly, one-third of the national total of rejections are from applicants in these areas.

4. A consistent reduction in the number of exit permits granted to Jews holding university degrees or possessing technical skills.

5. Approximately forty Jewish "Prisoners of Conscience", whose only real crime has been their efforts to emigrate to Israel. Recently, three new trials were held of Jews who were apparently selected as object lessons to other would-be applicants; they were sentenced to stiff prison terms.

6. IMPORTANCE OF ENACTMENT OF THE FREEDOM OF EMIGRATION LEGISLATION

We believe that the economic and political benefits that would accure to the Soviet Union from access to U.S. markets, credits, and technologies on favorable terms, exceed any economic and political liabilities that might result were they to provide the right and opportunity to emigrate to those seeking to leave the Soviet Union. Simply put, we believe the USSR will choose the vast economic benefits which will accrue to it over continuing restrictive emigration practices. It would be illusory to assume that Soviet leaders would weigh the alternatives, if we do not make it necessary to do so. Thus, the provision of U.S. trade and aid benefits without a corresponding requirement for Soviet performance on the emigration issue as a *quid pro quo* would not likely influence Soviet behavior on emigration. Neither would an advance of trade and aid benefits, based on good faith, and subject to later review, be likely to influence Soviet behavior. Indeed, until now, nearly $300 million in U.S. credits have been freely granted, without significant changes in behavior patterns. Judging from Soviet performance over the past year in exacerbating Middle East hostilities, encouraging continuation of the oil embargo, and in other international relationships, it would be naive to seek to influence a change in Soviet emigration practices by enactment of a Trade Reform Act without Section 402.

Emigration figures can be manipulated; emigration barriers, such as the education tax, can be imposed and suspended at will. The arbitrary and capricious nature of Soviet practices requires a legislative check and a requirement for continuing compliance, as provided in Section 402.

At the same time, the *quid pro quo* envisioned by Section 402, would entail no changes under the Soviet law, as there is no Soviet law prohibiting freedom of emigration. If they chose to do so, the Soviets could humanize their position on emigration—and thus bring their practice into line with their own official pronouncements—by policy decision and administrative implementation.

7. DR. KISSINGER'S STATEMENT ON EFFECTS OF ENACTMENT OF JACKSON AMENDMENT

I would like to address myself to an unfortunate and highly questionable statement which Dr. Kissinger made before this Committee on March 7, to the effect that enactment of the Jackson/Mills-Vanik legislation would most likely result in the termination of Soviet Jewish emigration.

In our view, such an assertion by the Secretary of State could prove to be a self-fulfilling prophecy. Indeed, it can well be viewed by the Kremlin as an open invitation to make his prediction a reality. Dr. Kissinger's off-hand remark may well endanger the welfare of would-be emigrants in the USSR in whom the Secretary and the President have pledged personal interest and commitment.

With respect to the argument that passage of the Jackson amendment would not only impede detente, but also hinder the people it is intended to help, I would like to quote from an open letter by Dr. Andrei Sakharov to the U.S. Congress dated September 14, 1973, which urged enactment of the amendment:

"Those who believe that the Jackson Amendment is likely to undermine anyone's personal or governmental prestige are wrong. Its provisions are minimal and not demeaning.

"It should be no surprise that the democratic process can add its corrective to the actions of public figures who negotiate without admitting the possibility of such an amendment. The amendment does not represent interference in the internal affairs of socialist countries, but simply a defense of international law, without which there can be no mutual trust.

"Adoption of the amendment therefore cannot be a threat to Soviet-American relations. All the more, it would not imperil international detente.

"There is a particular silliness in objections to the amendment that are founded on the alleged fear that its adoption would lead to outbursts of anti-semitism in the USSR and hinder the emigration of Jews.

"Here you have total confusion, either deliberate or based on ignorance about the USSR. It is as if the emigration issue affected only Jews. As if the situation of those Jews who have vainly sought to emigrate to Israel was not already tragic enough and would become even more hopeless if it were to depend on the democratic attitudes and the humanity of OVIR (the Soviet visa agency). As if the techniques of 'quiet diplomacy' could help anyone, beyond a few individuals in Moscow and some other cities."

I have attached the full text of Dr. Sakharov's letter to our testimony (Appendix C).

We share the hopes of men of good will all over the world for a system of relationships among nations that assures world peace and expanding apportunities for better lives for the people within their borders. In our opinion, detente results from the process of constructing such a system. Accordingly, a genuine detente requires something more than a brittle stability or *status quo* in relationships between nations, and conditions within them. Certainly, detente is not achieved by *unilateral* concessions on the part of one nation to another, without reciprocal undertakings by the second that would genuinely advance bilateral and international harmony. One of the requirements for more harmonious bilateral and international relationships is the right and opportunity for people and ideas to move with relative ease among countries, whatever the differences in their political system. This is why the Freedom of Emigration legislation represents a critical building block in the pattern of detente that hopefully is evolving between the U.S. and the USSR; it is not a deterrent to it. The Soviet Union wants billions in foreign trade. All we want are some human rights. Is this so uneven a trade?

We are proud that the United States Congress is taking this leadership role in upholding the longstanding American commitment to human rights by insisting on respect for the fundamental right to emigrate in return for the extension of U.S. economic benefits. We are pleased that the majority of members of the Finance Committee are among the 78 co-sponsors of the Jackson amendment. We urge the Committee's favorable action on this vital legislation.

APPENDIX A

CONSTITUENT ORGANIZATIONS OF THE NATIONAL CONFERENCE ON SOVIET JEWRY

American Federation of Jewish Fighters, Camp Inmates and Nazi Victims, Inc.
American Israel Public Affairs Committee.
American Jewish Committee.
American Jewish Congress/AJ Congress Women's Division.
American Trade Union Council for Histadrut.
American Zionist Federation.
Americans for Progressive Israel/Hashomer Hatzair.
Anti-Defamation League of B'nai Brith.
B'nai Brith/B'nai B'rith Women.
Bnai Zion.
Brith Sholom.
Central Conference of American Rabbis.
Conference of Presidents of Major American Jewish Organizations.
Council of Jewish Federations and Welfare Funds.
Free Sons of Israel.
Hadassah, Women's Zionist Organization of America.
Jewish Labor Committee/Workmen's circle.
Jewish War Veterans of the U.S.A.
Labor Zionist Alliance.
Mizrachi Women's Organization.
National Jewish Community Relations Advisory Council.
National Council of Jewish Women.
National Jewish Welfare Board.
National Council of Young Israel.
North American Jewish Youth Council.
Pioneer Women.
Rabbinical Assembly.
Rabbinical Council of America.
Religions Zionists of America—Mizrachi, Hapoel Hamzrachi, Woben's Organization of Hapoel Hamizrachi.
Student Struggle for Soviet Jewry.
Synagogue Council of America.
Union of American Hebrew Congregations.
Union of Orthodox Jewish Congregations of America.
United Synagogue of America.
Women's American ORT.
The World Zionist Organization, American Section.
Zionist Organization of America.

APPENDIX B

A CENTURY OLD TRADITION OF AMERICAN INITIATIVES ON BEHALF OF OPPRESSED MINORITIES

(Excerpted from remarks by Dr. William Korey, Director, B'nai Brith United Nations Office, to the American Israel Public Affairs Committee, May 7, 1973.)

The Jackson/Mills-Vanik East-West Trade and Freedom of Emigration legislation is deeply rooted in the American tradition, which has displayed a continuing concern for oppressed minorities abroad. All too often Jackson/Mills-Vanik is treated as if it is *de novo* and *sui generis*, that it has suddenly appeared on the scene, that it is somehow alien to American tradition and American policy.

As early as 1869, President Ulysses S. Grant, upon hearing from American Jewish petitioners of a contemplated expulsion of 20,000 Jews from an area of southwestern Russia, intervened with czarist authorities. If that expulsion was halted, one chronicler of the episode notes, it was a consequence of American concern.

At least ten American Presidents, from Grant to Richard M. Nixon, have intervened directly or indirectly on behalf of Russian Jewry in the past 100 years. A prominent Secretary of State, James Blaine, formally justified diplomatic intervention in the internal concerns of a foreign country on grounds that "the domestic policy of a state toward its own subjects may be at variance with the larger principles of humanity".

Humanitarian intervention on behalf of persecuted Irish and Armenians as well as Jews remained a distinctive feature of the American diplomatic landscape during the nineteenth and early twentieth centuries.

Frequently the Congress has acted as a spur to Administration action. In 1879, for example, the House of Representatives adopted a resolution which criticized a czarist policy that refused the Jews the right to own real estate. The measure was introduced by Samuel Cox—who, like Charles Vanik, was a congressman from Ohio.

The following year Cox inserted into the Congressional Record a letter from a Russian Jew—the first, but not the last to appear in the Record—which opened as follows: "In this hour of all but hopeless misery, groaning under the yoke of a cruel and heartless despotism, we turn to the West."

In 1883 a House resolution called upon the Administration to exercise its influence with the government of Russia to stay the spirit of discrimination and persecution as directed against the Jews.

A decade later, in 1892, the House of Representatives refused to allocate funds for food transport to Russia on grounds, in the words of Tennessee Congressman Josiah Patterson, that the czarist regime, by its treatment of Jews, has shocked the moral sensibilities of the Christian world.

Especially significant was the legislative effort in 1911 to abrogate an 80-year-old Russian-American commercial treaty. This drive constituted almost the dress rehearsal for the Jackson/Mills-Vanik congressional drive of today. Behind the 1911 effort was a determination to relieve the desperate plight of Russian Jews, although the battle was technically fought over the more narrow issue of passport discrimination against American Jews seeking to visit Russia.

A proclamation by President William Howard Taft in March 1910 extending to Russia minimum tariff rates despite reluctance by the U.S. Tariff Board prompted the public campaign. Towards the end of that year, New York Congressman Herbert Parsons cautioned the Administration that the House might demand the termination of the 1832 commercial treaty. The implied threat was rebuffed. Secretary of State Philander Knox argued in a note to the President that "quiet and persistent endeavor" (quiet diplomacy, in modern parlance), would be more effective than treaty abrogation in changing czarist policy.

A series of State Department memoranda in early 1911 buttressed the Philander Knox note with arguments that find a remarkable echo today: America's commercial and industrial interests would allegedly be harmed; antisemitism would fall upon Russian Jews. There were other statements made at the time: We have no right to intervene in the internal affairs of foreign countries; there were even warnings that antisemitism would take place in the United States as a consequence of these efforts.

Much of the American public saw the issue differently. A massive number of petitions and resolutions bombarded Congress. Public rallies were held in various cities, culminating in a mass meeting in New York on December 6, 1911, under the auspices of the National Citizens Committee and addressed by Woodrow Wilson, William Randolph Hearst and Champ Clark. One week later, speaker after speaker arose in the House of Representatives to express sympathy for Jews and to condemn the barbaric practices of czarist Russia. The vote for abrogation was overwhelming—301 to 1.

With the Senate certain to have a similar lopsided vote, the Secretary of State hastened to soften the impact on the angry czarist regime. In language which stressed friendship between the two countries, he advised the Russian Foreign Office that the United States was terminating the commercial agreement as of January 1, 1913.

Russian officials reacted with astonishment. They failed to comprehend, as a historian of the event observed, "how a moralistic crusade could dictate political action."

That failing should no longer obtain. Senator Henry Jackson has repeatedly emphasized, both publicly and privately, that the United States, as a nation of immigrants, has a vital stake in the right to emigrate freely.

The amendment addresses itself not to trade *per se;* indeed, its sponsors are vigorous advocates of a greater degree of trade. The matter of the legislation focuses upon trade *concessions* which the USSR desires and seeks: most-favored-nation treatment, and credit guarantees.

The price asked for such concessions can hardly be described as extravagant. On the contrary, the price is but minimal: adherence to international standards of conduct that are appropriate for any civilized society.

International morality and law concerning the precious right to emigrate must be upheld, and America, in championing this right, pursues a course which had been integral to its purpose since the very founding of the republic.

Appendix C

Open Letter to the Congress of the United States From Andrei Sakharov, Moscow, September 14, 1973

At a time when Congress is debating fundamental issues of foreign policy, I consider it my duty to express my view on one such issue—protection of the right to freedom of residence within the country of one's choice. That right was proclaimed by the United Nations in 1948 in the Universal Declaration of Human Rights.

If every nation is entitled to choose the political system under which it wishes to live, this is true all the more of every individual person. A country whose citizens are deprived of this minimal right is not free even if there were not a single citizen who would want to exercise that right.

But, as you know, there are tens of thousands of citizens in the Soviet Union—Jews, Germans, Russians, Ukrainians, Lithuanians, Armenians, Estonians, Latvians, Turks and members of other ethnic groups—who want to leave the country and who have been seeking to exercise that right for years and for decades at the cost of endless difficulty and humiliation.

You know that prisons, labor camps and mental hospitals are full of people who have sought to exercise this legitimate right.

You surely know the name of the Lithuanian, Simas A. Kuditka, who was handed over to the Soviet authorities by an American vessel, as well as the names of the defendants in the tragic 1970 hijacking trial in Leningrad. You know about the victims of the Berlin Wall.

There are many more lesser known victims. Remember them, too!

For decades the Soviet Union has been developing under conditions of an intolerable isolation, bringing with it the ugliest consequences. Even a partial preservation of those conditions would be highly perilous for all mankind, for international confidence and detente.

In view of the foregoing, I am appealing to the Congress of the United States to give its support to the Jackson Amendment, which represents in my view and in the view of its sponsors an attempt to protect the right of emigration of citizens in countries that are entering into new and friendlier relations with the United States.

The Jackson Amendment is made even more significant by the fact that the world is only just entering on a new course of detente and it is therefore essential that the proper direction be followed at the outset. This is a fundamental issue, extending far beyond the question of emigration.

Those who believe that the Jackson Amendment is likely to undermine anyone's personal or governmental prestige are wrong. Its provisions are minimal and not demeaning.

It should be no surprise that the democratic process can add its corrective to the actions of public figures who negotiate without admitting the possibility of such an amendment. The amendment does not represent interference in the internal affairs of socialist countries, but simply a defense of international law, without which there can be no mutual trust.

Adoption of the amendment therefore cannot be a threat to Soviet-American relations. All the more, it would not imperil international detente.

There is a particular silliness in objections to the amendment that are founded on the alleged fear that its adoption would lead to outbursts on anti-semitism in the U.S.S.R. and hinder the emigration of Jews.

Here you have total confusion, either deliberate or based on ignorance about the U.S.S.R. It is as if the emigration issue affected only Jews. As if the situation of those Jews who have vainly sought to emigrate to Israel was not already tragic enough and would become even more hopeless if it were to depend on the democratic attitudes and on the humanity of OVIR [the Soviet visa agency]. As if the techniques of "quiet diplomacy" could help anyone, beyond a few individuals in Moscow and some other cities.

The abandonment of a policy of principle would be a betrayal of the thousands of Jews and non-Jews who want to emigrate, of the hundreds in camps and mental hospitals, of the victims of the Berlin Wall.

Such a denial would lead to stronger repressions on ideological grounds. It would be tantamount to total capitulation of democratic principles in face of blackmail, deceit and violence. The consequences of such a capitulation for international confidence, detente and for the entire future of mankind are difficult to predict.

I express the hope that the Congress of the United States, reflecting the will and the traditional love of freedom of the American people, will realize its historical responsibility before mankind and will find the strength to rise above temporary partisan considerations of commercialism and prestige.

I hope that the Congress will support the Jackson Amendment.

A. Sakharov.

September 14, 1973.

Appendix D

Message to U.S. Senators From Moscow Jews on Hunger Strike

We know that soon you are to discuss and solve a question in which we are vitally interested. We are referring to the Jackson amendment. It makes certain aspects of Soviet-American relations dependent on free emigration from the USSR and that means—dependent on morality, international law and human rights. Occasionally, voices are raised in the West that emphasize that in Soviet Jewish emigration a certain degree of progress has been reached which permits the moral factor to be glossed over in intergovernmental relations. The impression is created that only a small "1,000" Soviet Jews who were denied visas cannot leave. Is it really that way?

And what about the tens of thousands in such towns as Sverdlovsk, Kuibyshev, Novosibirsk, Irkutsk and many others which are, practically speaking, closed to emigration. People in these towns almost never submit emigration documents, not because they do not want to, but because they know, in advance, the local authorities will not issue emigration visas and can use repressive measures against them at any moment. Can't these people be counted among those "refuseniks" who are known today in many countries? Furthermore, there are the papers required of potential applicants which are unlawful, even according to Soviet law. How many thousands, and maybe tens of thousands, of parents refuse to give permission to their children, even those with overage children themselves, simply out of fear for their own fate? Isn't it possible to include these people in the group of ill-fated thousands who received *formal* refusals? ! ! And what kind of Jewish emigration progress can we talk about when, in the USSR, to this day there is no emigration law, nor any published instructions regarding emigration visas? The recent statement Deputy Minister of the Interior Alkhimov made while in the USA can be used as evidence of this "progress." He stated that Jews are detained in the USSR on grounds of state security and other reasons.

What kind of other reasons? As a rule, it is the absence of any kind of grounds; it is the arbitrariness of the state; it is simply the whim of the government to permit, or not permit, a particular family to leave. The fate of our families and of many others represents a perfect illustration of this statement. In our view, those who, in the name of global and til now vague goals, are prepared to absolve the Soviet government and consider that human rights regarding emigration are being fulfilled, are committing a tragic mistake. The battle is only beginning and its first results can only encourage, but not set one at rest. That is why we are turning to you at a time when we are staging a hunger strike as an extreme way of making the Soviet government respect our human and civil rights. Because of this, the Soviet authorities removed our links to the world, disconnected our telephones interrupting our very contact with overseas, with correspondents, friends and relatives in Israel and in Moscow itself.

But, even in times long past, when the means of communication were not yet perfected, people found each other and understood each other's needs. We believe we will not remain alone in our struggle for human rights.

Prof. DAVID AZBEL,
Chemist.
Prof. VITALY RUBIN,
Sinologist.
VLADIMIR GALATSKY,
Artist.

FEBRUARY 18, 1974.

APPENDIX E

TEXT OF LETTER SIGNED BY 180 SOVIET JEWS

To the People and the Congress of the U.S.A.: In October 1973, during the Middle East War, a record number of Jews left the USSR for Israel. Some Western observers believed that at this fateful time the Soviet Union was exhibiting good will, at least in this matter.

We, too, welcomed this record flow of emigration, regardless of under what circumstances it was set up. But at the same time there were events which forced us to consider that the situation of Jewish emigration from the USSR, in fact, worsened. In this period when the attention of the world was diverted by the conflict in the Middle East, in the Soviet Union a wave of persecution was initiated against those seeking exit visas to Israel. In October, at least 16 persons were arrested and imprisoned for 10 to 15 days. Many times this number were detained for 1–2 days, especially at the time of the World Conference of Peace Forces which took place in Moscow. A large number of Jews were shadowed day and night. In Moscow there were several instances of cruel beatings instigated by and with the participation of police and the KGB (i.e. Soviet secret police). Many others were threatened with long imprisonment if they continued to seek visas for Israel. These were not empty words.

On October 23rd, Leonid Zabelishensky, a former teacher at the Ural Polytechnic Institute, was arrested in Sverdlovsk. He had been dismissed from his job just after applying for an exit to Israel. Subsequently he was charged with "parasitism" (i.e. refusal to work) and is in danger of imprisonment. (Ed: After a four day trial, on December 20th Zabelishensky received a sentence of six months).

On October 18th, Alexander Feldman was arrested in Kiev. The accusation of "hooliganism" which was brought against him was false from the beginning to the end. Following his trial, which was marked throughout by irregularities and violations of Soviet law on the part of the court, Feldman was sentenced to three and a half years.

Since the beginning of October the Moscow KGB has been making intensive preparations for a political show trial. Based on the KGB inquiry to date it appears that the planned show trial will center on the allegation that many Jews who leave for Israel transmit to the Western powers anti-Soviet and espionage type documents. Experience shows that this kind of trial helps to spread fear among those who are considering applying for exit visas. A similar discouraging effect is achieved with a prominent display group: the *Otkazniki* (i.e. Jews who have been refused exit visas repeatedly for many years).

The fact that Feldman's case (as well as others) was created out of nothing shows that anyone striving for permission to leave can be arbitrarily imprisoned. The fact that among people being detained in the USSR "in the interest of state security" are students, musicians, and athletes shows that the authorities can arbitrarily condemn anyone to wait for an exit visa for an indefinite time. Thus, these overtly repressive strikes (from the groundless refusal of visas to long imprisonment) against comparatively few people produces frightening pressure and acts as a brake on the tens (or even hundreds) of thousands of people who might apply to emigrate. Precisely because there has been a heightening of repression during the last two months, we consider that the situation of emigration to Israel has worsened.

We often hear opinions expresesd by naive individuals that attention from the West and the demand by the West for free emigration put the Soviet Jews in danger. Events in the last two months show convincingly once more that the absence of just such attention is dangerous for us and is pregnant with serious consequences.

Freedom of emigration is not an internal affair of a state. Emigration policy is subject to international control. The Soviet Union admitted to this, having ratified the International Convenant of Civil and Political Rights and the International Covenant on Social and Cultural Rights. A state striving for acceptance by the international community of democratic nations can no longer be excused for maintaining attitudes towards civil rights which were formed in the dark years of the Stalin period. It is wise and prudent to demand of the Soviet Union that it discharge its international obligations on this point.

STATEMENT TO THE FINANCE COMMITTEE OF THE U.S. SENATE

(By Hans J. Morgenthau)

A rational consideration of trade between the United States and the Soviet Union must start from the premise that from the very beginning of its history the Soviet Union has regarded foreign trade as being inseparable from foreign policy. It has regarded foreign trade as a weapon of Soviet foreign policy. As Lenin put it in 1921:

"The capitalists of the entire world, and their governments, in the rush of conquering Soviet markets, will *close* their eyes to the above mentioned realities, and will thus become blind deaf mutes. They will open credits which will serve as a support for the Communist Party in their countries and will provide us with essential materials and technology thus restoring our military industries, essential for our future victorious attacks on our suppliers. Speaking otherwise, they will be working to prepare their own suicides."

In 1952, Stalin voiced his confidence in the profit motive of Western businessmen as an instrument through which the Soviet Union would be made strong enough for its final triumph. Khrushchev was equally explicit in 1957. What I said in my testimony before the Senate Foreign Relations Committee in February, 1965, applies today:

"The leaders of the Soviet Union have consistently laid the greatest stress upon the expansion of foreign trade. They have not tried to emphasize what foreign trade can do for private profits and international peace. They have consistently shown a particular interest in whole industrial plants rather than manufactured goods. But the Russian leaders are not Manchester liberals. They have wanted foreign trade not for the commercial purposes our businessmen want it for, but in order to gain the political strength necessary to achieve the universal triumph of Communism. . . . I am not arguing here against Western trade with Communist nations per se. I am only arguing in favor of the proposition that foreign trade has a different meaning for Communist nations than it has for us. Trade with Communist nations is a political act which has political consequences. It is folly to trade, or for that matter to refuse to trade, with Communist nations without concern for these political consequences."

There is, therefore, nothing extraordinary in making benefits in foreign trade dependent upon political concessions on the part of nations whose foreign trade policies serve political processes altogether. Such a linkage is dictated by common sense unless we want to make sure that Lenin's, Stalin's, and Khrushchev's expectations come true. The only legitimate question to be asked concerns the expediency of the political conditions proposed in the so-called Jackson Amendment.

The expediency of the Jackson Amendment has been attacked before this committee on three major grounds; that it increases the risk of nuclear war, that it may cause the complete cessation of Jewish emigration from the Soviet Union, and that it tries to interfere with the domestic affairs of the Soviet Union. These arguments are astonishing both in themselves and in view of their eminent source.

It can be taken as common knowledge that nuclear war between the two superpowers has been avoided not by virtue of what a particular diplomatic maneuver accomplished or avoided but because of the nuclear balance of power between the United States and the Soviet Union and because of the remarkable self-restraint with which both superpowers have managed conflicts between them.

The second argument assumes that the emigration policy of the Soviet Union is a mere reflection of United States foreign policy. There is no evidence for such an assumption. It is of course true that the Soviet government is most sensitive to foreign and particularly American, opinion and that it will therefore try to avoid antagonizing that opinion unless it feels it must heed overriding interests to the contrary. Based upon that argument, a case could indeed be made in support of the Jackson Amendment, whose message of disapproval is unmistakable. However, determining the Soviet emigration policy are of course considerations of domestic policy, the most important of which is that the Soviet Union does not mind getting rid of certain categories of troublemakers and unreliable elements and supposedly unreliable elements regardless of what the United States does or does not do.

The Jackson Amendment does not seek a change in the domestic regime of the Soviet Union. It does not try to introduce, for instance, parliamentary democracy or freedom of speech into the Soviet system. Rather it attempts to give the Soviet Union an incentive to comply with certain fundamental requirements recognized by the Soviet Union itself as legally binding and which have become one of the tests of civilized government.

International peace and order are a function of the balance of power—that is, of an approximately equal distribution of power among several nations or a combination of nations, preventing any one of them from gaining the upper hand over the others. It is this approximate, tenuous equilibrium that provides whatever peace and order exists in the world of nation-states.

But, the equilibrium does not operate mechanically, as the "balance" metaphor would seem to indicate. Rather, it requires a consensus among the nations involved in favor of the maintenance—or, if it should be disturbed, of the restoration—of the balance of power. In other words, the dynamics of the arrangements are embedded in a moral framework without which, in the long run, it cannot operate. The participants must give their moral approval, in theory and more importantly in practice, to the principles of the balance of power itself in order to make it work.

What makes certain domestic policies of the Soviet government a matter of vital concern to the outside world is its refusal to become part of a moral consensus that is the lifeblood for the balance of power, and which would make genuine detente not only possible but well-nigh inevitable. Were the Soviet Union part of such a system, one would indeed not need to care on political grounds about how autocratic and despotic its government might be. But as long as the Soviet Union remains outside such a system, at best indifferent and at worst hostile to it, the rest of the world has a vital interest in certain of its domestic policies. If the Kremlin abated its present totalitarian practices by allowing its people a modicum of freedom of movement, it would be taking the first step toward joining and in a sense recreating a system that would itself be a manifestation of detente and provide the moral framework for the balance of power.

Thus our interest in the totalitarian excesses of the Soviet government is not unwarranted meddling in the affairs of another sovereign nation in a misguided spirit of liberal reform. Nor does it solely express a humanitarian concern or serve to placate public opinion at home. Foremost, it is at the service of that basic interest which the United States and the Soviet Union have in common: survival in the nuclear age through a viable balance of power and genuine detente.

Testimony of Sister Margaret Ellen Traxler, Chairman, National Interreligious Task Force on Soviet Jewry Before Senate Finance Committee, Washington, D.C., April 10, 1974

My name is Sister Margaret Ellen Traxler. I reside at 1340 East 72nd Street, Chicago, Illinois. I am the chairman and one of the founders of the National Interreligious Task Force on Soviet Jewry. I have also served as the president of the National Coalition of American Nuns and as the executive director of the National Catholic Conference on Interracial Justice.

The National Interreligious Task Force on Soviet Jewry is a coalition of men and women representing all of the religious communities in the United States who are determined to extend every possible effort to ameliorate the plight of Soviet Jewry. We are totally commited to the proposition that Soviet Jews should be given the basic human right to live with dignity within the Soviet Union or to be able to leave that nation in an atmosphere of freedom for the nation of their choice. The executive committee of the National Interreligious Task Force firmly supports the Jackson Amendment and believes that this amendment can be a vital factor in aiding the basic aspirations of Soviet Jewry.

In the light of the Task Force's commitment to Soviet Jews, I should like to read to you the State of Conscience of the National Interreligious Task Force on Soviet Jewry which was adopted in Chicago on March 20, 1972 at our initial plenary session attended by representatives of every major religious denomination in the United States. This Statement of Conscience is the foundational statement of purpose for the Interreligious Task Force and remains the seminal declaration which brings our constituency together around this great and crucial human rights question.

Statement of Conscience of the National Interreligious Consultation on Soviet Jewry, March 20, 1972, Chicago, Illinois:

"Thou shalt not stand idly by while the blood of my brother cries out to thee from the earth."

"Let justice roll down as the waters, and righteousness as a mighty stream."

The National Interreligious Consultation on Soviet Jewry, meeting in unprecedented deliberation on March 19 and 20 in Chicago, Illinois, calls upon the conscience of mankind to make known its profound concern about the continued denial of the free exercise of religion, the violation of the right to emigrate, and other human rights of the 3 million Jewish people of the Soviet Union and of other deprived groups and nationalities.

For believing Christians and Jews, the denial of the spiritual nature of man and his right to nurture and to perpetuate the spiritual life is to deny the creative power of God in whose image He made man. The discrimination against the Jews by the Soviet Union gives us all reason to believe that, under the pretext of being anti-Zionist, it is the very contribution of the Jews to humanity which is under attack. It is precisely the Jewish testimony in the world that man's identity and freedom are not granted primarily by any state of constitution but are found in the nature of man himself. That is why each human being is threatened in his fundamental right to freedom of conscience when the Jews are persecuted.

Realizing our own failures in racism and in other areas of human rights, we nevertheless cannot remain silent as long as the Soviet Union continues to hamper or strangle the spiritual and cultural life of the Jewish people through extreme and special acts of discrimination. We appeal to the Soviet authorities to grant religious rights to Russian Jewry—the establishment of religious, educational, and cultural institutions for the perpetuation of Judaism and Jewish culture; the lifting of the prohibitions against publishing Hebrew Bibles and prayerbooks and the production of religious articles; the permission to train rabbis and Jewish teachers both in Russia and in seminaries abroad; the creation of a representative body of Soviet Jewry with freedom to communicate and associate with their co-religionists abroad.

We appeal to the Soviet authorities—let them live as Jews or let them leave to be Jews. This consultation is gratified to know that the Soviet government has heard the pleas of millions in many lands and has permitted several thousands of Jews to leave the country for Israel and elsewhere. We urge the Soviet authorities to relent, and to continue to allow the thousands of others who have sought exit visas to emigrate to the countries of their choice—which is their right under the United Nations Declaration.

This consultation is deeply disturbed by the reports of growing acts of harassment, intimidation, arbitrary arrests, and confinement of Jews and dissenters to mental institutions. We appeal to the Soviet government to end this policy of wanton oppression and fear.

This consultation protects against the continued imprisonment under ruthless conditions of prisoners of conscience—Jewish and non-Jewish—and we urge that they be released and be shown clemency.

This consultation protests against the government sponsored campaign of anti-Semitic and anti-Zionist propaganda which constitutes an incitement to hatred and violence in contravention of the United Nations Declaration on Human Rights.

This consultation resolves to commit itself to a program of continuous watchfulness and unrelenting efforts in demanding and in championing freedom for all of Soviet Jewry, of Christians, and of intellectuals—of all who suffer for their courage and their struggle for human dignity:

"This National Interreligious Consultation on Soviet Jewry consisting of Protestants, Roman Catholics, Eastern Orthodox, and Jews, authorizes a direct appeal to President Nixon, as the representative of the American people, to convey in clear and forthright terms to the Soviet authorities during their forthcoming conversations in Moscow the expectation of the American people—Christians and Jews, black and white, liberal and conservative—that these discriminations and denials of Soviet Jewry and others be stopped now, and that fundamental human rights be granted—now. We seek the relaxation of international tensions and conflicts between the United States and the Soviet Union, and the surest test of the genuineness of the commitment of Soviet authorities to the cause of universal peace and justice is the granting of justice and freedom to the Jews and other deprived religious groups and nationalities."

I speak for the executive committee of the Interreligious Task Force and for thousands of Christians in the United States in stating to you in the most emphatic terms that in the age after Auschwitz, we as Christians are not going to stand by and allow Jews to be persecuted, intimidated or deprived of their rights in any country. It is on this fundamental principle that the National Interreligious Task Force on Soviet Jewry today voices support for the amendment offered by the distinguished Senator from Washington, Henry M. Jackson.

PROMISE AND PERFORMANCE

Mr. FANNIN. Mr. President, the Finance Committee has recently concluded public hearings on H.R. 10710, the Trade Reform Act of 1973. The committee received testimony from many segments of the economy and I have been impressed by the preponderance of testimony urging the prompt enactment of the bill.

We have been told of the many problems that threaten to erode our world trading system such as a tighter world supply of food and other commodities, the Arab oil embargo, and the escalation of global inflation.

We have been told that in order to solve these problems promptly, the United States must have the authority to enter into complex broad multilateral negotiations to reduce tariff and nontariff barriers and to deal with the issues of supply access and export restrictions.

We have been warned that failure to enter into multilateral trade negotiations will result in economic confrontation leading to decreased world trade, less efficient allocation of global resources, and the prospect of worldwide recession.

We have not been told what the prospects for success will be if this Nation enters into complex multilateral trade negotiations—only the dire consequences of our failure to negotiate.

One method of predicting success for the process of multilateral negotiations and the cooperative approach to solving our international problems is to examine the track record of a relatively simple negotiation.

The European Economic Community maintains preferential trade arrangements which constitute discriminatory and illegal tariff barriers against American citrus. This problem has been with us since 1969. It is a problem the administration trade negotiators have known about for the same period of time, a problem which they have always maintained violated world rules, a problem which they claimed they had adequate tools to deal with, a problem which they say they are dealing with positively. Yet, after nearly 5 years, it has been reported that the United States and the European Common Market will soon ask a GATT panel for more time to resolve the citrus and other issues in connection with the damages expected to result from the expansion of the European Common Market.

Mr. President, the issue of EEC discrimination against our citrus is simple and clear cut in comparison with the proposed multilateral negotiations which will deal with quotas, restrictions on agricultural trade, preferential trading arrangements, and nontariff barriers. The failure to solve this fundamental problem leads to the inescapable conclusion that this Nation stands little chance of solving our international economic problems short of granting intolerable concessions.

What is to be gained by granting new trade negotiating authority when we lack the will or the cooperation of our trading partners to settle a basic issue under existing authority?

A little history here is not only appropriate but will put this matter into perspective. The extensive preferential trade arrangements brought into being by the European Economic Community are in violation of the very first article of the General Agreement on Tariffs and Trade. Particular among those preferential agreements which are of concern to me and which affect the welfare of Arizona are those granted to a number of Mediterranean orange producers.

Fourteen years ago, in the fall of 1960, the EEC in multilateral negotiations in Geneva established its common external tariff. Duties for fresh oranges were proposed at 20 percent a.v. from October 16 to March 31 and 15 percent from April 1 to October 15 with no "binding" against increase offered.

The United States at that time expressed no interest in the duty for the period of October 16 to March 31, the period when most Mediterranean oranges are marketed in the EEC. But, on the basis of being the first supplier of fresh oranges to the EEC during the perod from April 1 to October 15 and of having prior bindings with three member states, the United States insisted upon and finally received a duty binding at 15 percent a.v. for the April-October period.

Today the EEC has preferential import duties for seven Mediterranean countries which are not Members of the Community.

These preferences not only provide unequal treatment for the United States but, in practice, have encouraged these Mediterranean producers to prolong their marketings well into the April-October period, the very time of normal maximum shipments from the United States.

I have been in touch with the highest executive branch officials on this matter for the past 4 years.

For example, on May 7, 1970, I asked the President's special trade representative to inform me of the administration's position with respect to these EEC tariff preferences.

The special representative answered on May 19, 1970. He said that the United States had opposed the Spanish and Israeli preferences as violations of the most-favored nation provision of GATT; that the EEC had recognized this GATT breach and, while it had terminated those agreements, it was then arranging new agreements with those countres. He said the United States did not consider the Tunisia and Morocco agreements to be in accordance with GATT. He emphasized that existing U.S. laws strengthened his hand in dealing with the matter. I ask unanimous consent that the text of this letter be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Office of the Special Representative for Trade Negotiations,
Washington, D.C. May 19, 1970.

Hon. Paul Fannin,
Committee on Finance, U.S. Senate,
Washington, D.C.

Dear Senator Fannin: Thank you for your letter of May 7, 1970 inquiring about the Administration's position with respect to preferential trade arrangements between the European Community (EC) and non-member countries.

As you know, one of the main tenets of the General Agreement on Tariffs and Trade (GATT) is the so-called most-favored-nation principle. The GATT, however, does permit departure from the MFN principle for trade between members of customs unions and free-trade areas. When the EC agreed to give preferential tariff treatment to Spanish and Israeli citrus without the formation of a customs union or free-trade area, the United States and other GATT contracting parties opposed that action. The EC recognized its action as a breach of its GATT obligations and requested GATT contracting parties to accord it a waiver to permit this discrimination in favor of Israel and Spain. The United States opposed that request, as did a number of other contracting parties, and it was withdrawn by the EC. The EC subsequently terminated the discriminatory measure, but is now negotiating other agreements with Israel and Spain. These agreements are more comprehensive than the discontinued arrangements. They will, no doubt, include citrus fruits among the commodities to be accorded low-duty admission to the EC.

The EC agreements with Morocco and Tunisia provide for reductions of tariff rates by the EC, but the reductions are not extended to third countries, including the United States. Citrus fruits are among the products to which the EC applies the duty reductions specified in those agreements. The countries involved claim that their actions are not in conflict with their GATT obligations because they are forming free-trade areas, as the GATT permits. The United States does not agree that the agreements are consistent with the GATT. A GATT working party was unable to reach agreed conclusions on the point, nor have the GATT contracting parties reached a decision on the matter. (The EC agreements with Morocco and Tunisia were considered by the GATT Council on April 28, 1970, and it is expected that they will soon be considered again by that body.)

The Administration is now considering how best to proceed in order to effectively exert its GATT rights and further the interests of United States citrus exporters.

In conclusion, I assure you that we are much concerned regarding the effects on United States trade of special commercial arrangements between the EC and non-member countries. My present view is that the provisions of Section 338 of the Tariff Act of 1930 and of Section 252 of the Trade Expansion Act of 1962 (with the amendment proposed in H.R. 14870, the Administration's "Trade Act of 1969") are well calculated to strengthen our hand in dealing with these agreements and the trade problems arising from them.

Sincerely yours,

Carl J. Gilbert,
Special Representative.

Mr. FANNIN. Mr. President, in August 1970, the Trade Information Committee of STR, at the specific request of the California-Arizona citrus industry, held a public hearing under provisions of the Trade Expansion Act to consider the U.S. industry's objections to the preferential agreements.

I appeared as a witness at that hearing. Here is the statement I made at that time:

I am here this morning as a result of my deep feelings concerning the importance of fairness in international trade and particularly the importance of seeing that our trading partners in the free world treat us equally with their other partners. The foreign trade policy of the United States since World War II has been to support and stimulate free trade. Free trade requires the removal of non-tariff barriers as well as tariff barriers and it requires fair methods of competition among trading partners. The United States must not tolerate discrimination against its exports to countries that wish equal access to United States markets.

It is my understanding that this Committee has convened at the request of the California-Arizona Citrus League so that the League may present its views concerning the preferential tariff reductions extended by the European Economic Community to certain countries bordering on the Mediterranean. My understanding of the situation is that Tunisia and Morocco have been granted tariff reductions of 80% and that Spain and Israel have been granted tariff reductions of 40%. Exports from the United States must pay the full tariff. It is not at all surprising then that the League would make this request for the citrus growers of California and Arizona.

Let there be no mistake about the importance of citrus to Arizona. Citrus is a cash crop which provides a sufficiently high return so that otherwise unusable land may be developed into citrus orchards. The export of frush citrus is an important part of the Arizona agricultural economy. The EEC represents the largest overseas market for fresh citrus exports. Loss of this important market would be a severe blow to Arizona agriculture. It must not be permitted to happen!

The preferences extended by the EEC directly affect fresh citrus exports. However, the consequences of citrus are only a part of the total effect. If the preferences can be maintained against United States citrus then preferences granted by the EEC could be maintained against any United States export commodity whether agricultural or industrial. And, if the EEC can successfully maintain discriminatory preferences of this type, so can any other trading partner of the United States.

The very heart of the General Agreement on Tariffs and Trade is the General Most Favoured Nation Provision. As you know, this provision requires that preferences extended to a preferred nation must be extended to all other GATT members. Failure to extend such a preference violates the express agreement recited in GATT and agreed to by all the EEC member countries.

The Congress of the United States wrote the Trade Expansion Act of 1962 with the hope that it would stimulate the economic growth of the United States and maintain and enlarge foreign markets for the products of United States agriculture, industry, mining, and commerce. The Act specifically incorporated into it the Most Favoured Nation Provision, that any duty or other import restriction or duty-free treatment proclaimed by any trade agreement shall apply to products of all foreign countries.

The Act, however, made provisions for those instances where continuation or expansion of United States agricultural exports is intentionally frustrated. Section 252 specifically treats the restriction or oppression of United States agricultural exports by foreign countries. Congress intended that when the conditions described in Section 252 existed, the President is to take the prescribed action. If the EEC will not withdraw the preferences granted or extend them on a Most Favoured Nation basis, then the President must invoke the sanctions of Section 252 of the Trade Expansion Act of 1962 in order to preserve the principle of Most Favored Nation. It is my sincere hope that the EEC will take heed of these proceedings and live up to the agreement expressed in GATT. This would be the best possible solution, but if it cannot be achieved then, I assure you, the United States will follow the mandate of Section 252.

Mr. President, subsequently, in October 1970, I asked the administration to submit, for inclusion in the record of the Finance Committee, a description of the U.S. action to be taken in connection with these EEC preferential tariffs. The Department of State replied that these preferences violate the MFN provisions of GATT, that they had injured U.S. industries, and that they expected corrective action within "a reasonable period of time."

That was 3½ years ago. Since then the preferences have not only continued but have been extended to other countries. How short, then, is "a reasonable period of time?" To producers a reasonable period of time expired long ago.

In February 1971, I made a floor statement citing business frustration in dealing with international problems such as this. I ask unanimous consent to insert this statement in the Record also.

There being no objection, the statement was ordered to be printed in the Record, as follows:

The Effect of Nontariff Barriers of Citrus Growers in Arizona and California

Mr. Fannin. Mr. President, during the past 12 months the Congress has been intensely concerned with matters relating to foreign trade. I have made several statements regarding serious problems in foreign trade, and I introduced a bill to regulate unfair import practices.

Our trade problems have not gone away; they have become even more acute as time has passed.

Mr. President, the foreign trade policy of the United States since World War II has been to support and stimulate free trade. But free trade requires more than the removal of tariff barriers.

Through a series of negotiations under the General Agreement on Tariffs and Trade—GATT—tariffs have been progressively lowered to a point where most industrial goods are now exchanged in increasing amounts and with increasing ease throughout the more developed world.

With these reductions, tariffs have become relatively unimportant as a factor in restricting international trade. Obstacles of much greater importance have sprung up. These are the so-called nontariff barriers that exist in different forms in most countries. The most troublesome of these nontariff barriers are national buying policies, administrative procedures, the indirect subsidizatons of exports, and preferental tariff arrangements.

Today I want to bring to the attention of my colleagues one very serious problem being caused by nontariff barriers. This situation provides a good example of the frustrations encountered by many American businessmen seeking to do business abroad.

This specific case involves citrus growers in Arizona and California who are fighting to maintain their historical access to markets in the European Economic Community—EEC.

The first exports of American citrus to Europe began in the late 1800's. Exports in significant quantities started in 1930. The EEC represents the largest overseas export market for U.S. fresh citrus exports. Exports to the world market from California and Arizona over the last 5 years averaged 27 percent of gross sales and totaled approximately $70 million. Fresh oranges are the largest earner of foreign exchange of all fresh and canned fruits and vegetables. Thus, it is important to maintain export markets not only for the citrus growers, but for the entire United States.

The citrus case is one which should have been resolved months ago, and would have been, if the United States had been defending its exporters. The case involved a clear cut violation of the most favored nation—MFN—principle. It is significant that the principle involved is the cornerstone of the general agreement on tariffs and trade. For without this principle, there is no reason for continuing with GATT. This may sound like a startling statement, but there is no point in deceiving people into believing that GATT is useful, when in fact it is not observed. This is especially true in light of the fact that the State Department advises that the EEC says that it is not interested in discussing principles. Without the observance of basic principles, there can be no orderly world trade.

Mr. President, it is important to note that five of the six members of the EEC do not produce citrus. The citrus produced in Italy is, with small exception, consumed in Italy. In other words, the EEC has no domestic production that it is protecting.

The current citrus fight began in late 1969. On September 1, 1969, the EEC signed an alleged association agreement with Tunisia and Morocco. The principal purpose was to grant those two countries an 80-percent reduction in the common external tariff on fresh oranges and lemons. At approximately the same time, but not by treaty, the EEC granted a 40-percent reduction in the common external tariff to Spain and Israel on oranges, lemons, and grapefruit.

Brazil, South Africa, and the United States, the three major non-Mediterranean suppliers of citrus, protested this action to GATT. The EEC, recognizing the illegality of its action, requested a waiver of the MFN rule. A working party was organized to study the tariff reductions. It became apparent that the waiver the EEC requested on the preferential duty reductions to Spain and Israel would not be granted. Rather than receive a negative vote, the EEC withdrew its request for a waiver and said it would withdraw the duty reductions to Spain and Israel.

Although the EEC announced that it would take this action in January, it did not do so until April and the action was not effective until May. This had the effect of allowing Spain and Israel to enjoy the preferential duty reduction during the major part of their shipping season. Additionally, on October 1, 1970, treaties between the EEC, Spain, and Israel reestablished the discriminatory 40-percent duty reduction.

The effect of the preferences in 1970, the first year of their existence, was a direct loss of $2¼ million to citrus growers in Arizona and California. In the Netherlands market, for example, each country with a preference increased its market share while every country without a preference decreased its market share.

The California-Arizona Citrus League on behalf of the producers of fresh citrus for export requested a hearing as provided for in the Trade Expansion Act of 1962. Evidence was presented at that hearing documenting the illegality of the EEC's action. The United States has since stated publicly that the EEC action was illegal, and asked to consult with the EEC under the applicable provision of GATT. The consultation took place January 18, 1971, in Brussels. The EEC admitted it was discriminating, but said it did not matter. A second meeting is scheduled for February 15–20.

The importance of this case is so significant that in August of 1970, I personally appeared and testified at the hearing held pursuant to section 252 of the Trade Expansion Act of 1962. I did this because of my conviction that the United States must achieve MFN treatment or else come to realize that its trading partners have no interest in dealing fairly with the United States.

In order to maintain the creditability of the United States in world trade and to emphasize to the EEC that the United States will not allow other trading blocs to discriminate against it, the United States must win this fight for equal treatment.

Unless the most favored nation principle can be firmly reestablished through this action, the entire structure of the fair trade rules established by GATT will be further, and perhaps fatally, undermined.

The importance to the United States of obtaining a MFN solution cannot be overstated. While citrus is the commodity concerned this time, next time it could be any industrial or agricultural commodity. If the EEC is willing to disregard its commitment to observe the most favored nation principle embodied in GATT, then it cannot be trusted to observe any other commitment. If the EEC wishes continued access to the U.S. market, then it must permit U.S. products to enter its market without discrimination.

The citrus case is fortunate in that both the principle and damages sustained are clear cut and well documented. If the United States cannot obtain most-favored-nation treatment for itself, this will be another clear signal of the need to reexamine the GATT agreement to ascertain whether these provisions offer the United States full reciprocity in international trade.

Mr. President, the time for negotiating a solution is fast running out. I would hope that the Department of State can remedy the discriminatory EEC practices under existing provisions of law. However, if the Department of State fails to resolve the issue, it will become necessary to enact legislation which will affect the imports of EEC products into this country. There is strong support in the Senate for a trade bill. Last year, such a bill passed the House of Representatives. It would not be difficult to use an important House bill as a vehicle for an amendment forcing a resolution of the citrus fruit problem which is vital to the economy of the State of Arizona—as well as California, Texas, Florida, and other States.

If the State Department refuses to face the issue squarely, the Congress will be forced to act.

Mr. President, I yield the floor.

Mr. FANNIN. Mr. President, on March 30, 1971, the Senate unanimously adopted Resolution 89 which reads as follows:

Whereas discrimination in international trade is contrary to the trading interests of all nations; and

Whereas proliferation of discriminatory trade arrangements by the European Economic Community is harmful to the world trading system; and

Whereas the European Economic Community has recently accorded preferential tariff treatment with respect to citrus fruit from Tunisia, Morocco, Spain and Israel, to the detriment of United States exports; and

Whereas the European Economic Community has received preferential concessions from Tunisia, Morocco, Spain and Israel in return for its discriminatory preferences, also to the detriment of U.S. exports; and

Whereas these discriminatory preferences are inconsistent with provisions of trade agreements and impair concessions granted to the U.S. in trade agreements negotiated under the Trade Agreements Program; and

Whereas the Congress of the United States has enacted Section 252 of the Trade Expansion Act of 1962 and Section 338 of the Tariff Act of 1930 to provide remedies for injury to U.S. exports trade arising from such discriminatory preferences:

Now, therefore, be it resolved, by the Senate that it is the sense of the Senate that the President shall promptly make every effort to obtain the removal of the discriminatory import preferences maintained by the European Economic Community with respect to citrus fruits and, should such efforts not succeed, the President shall take appropriate remedial steps within 60 days from the date of this resolution against the European Economic Community pursuant to Section 252 of the Trade Expansion Act, or Section 338 of the Tariff Act of 1930.

Mr. President, 3 months later, in July, I reminded our Secretary of State of our frequent exchanges in the past year on the subject of preferences—all of which were without result. He was assured that the Senate had passed Resolution 89 "seriously."

At that point there was movement. The EEC, unilaterally they say, announced on July 27, 1971, a temporary reduction of its fresh orange import duty from 15 percent to 8 percent for the period June 1 to September 31. While this, of course, did nothing to lessen the GATT violation or eliminate the preferences, it apparently lessened executive resolve to get on with a lasting solution to the preference problem. In 1972 the EEC further reduced the duty to 5 percent for the same period for the years 1972–73. It did nothing, however, to stop its discrimination toward the United States or to stop its open violation of GATT.

In the fall of 1972 the EEC decided to extend its citrus preferences to Lebanon, Cyprus, and Egypt. Again the American industry sought a hearing under the provisions of the Trade Expansion Act. Again there was a hearing, in February 1973, and again I made a statement at that hearing.

And again nothing happened.

The EEC decision to expand, to take in as new members the United Kingdom, Denmark, and Ireland, compounded the existing problems.

Now, in addition to the existing preferences offered by six countries, these preferences were to be extended to the three new members, each of which had lower fresh orange duties than had the EEC six.

Under such expansionary circumstances another GATT rule is supposed to come into play which should result in the adjustment of the common external tariff so that "the duties and other regulations of commerce . . . shall not on the whole be higher or more restrictive than the general incidence of the duties and regulations of commerce applicable in the constituent territories prior to the formation of such union."

Negotiations between the nations of the world and the EEC to achieve compliance with the above rule go by the popular name of the "twenty-four:six negotiation." These negotiations have been going on for over a year with no visible result. Time is about to run out.

The 24:6 negotiations were originally scheduled to end in June 1973. Then, they were extended to July 1973. After that, an extension was granted to September 1973. Then according to newspaper articles, the EEC was given a firm deadline of February 15, 1974. That date was extended 30 days and then into April. Now I read that the United States and the EEC have asked GATT for a 60 day extension of the time to withdraw concessions. When will it end?

The events I have just outlined lead to two conclusions, both of which argue against passage of H.R. 10710 as it is currently structured. First, the conclusion seems inescapable that the European Community has no desire to treat the United States in a fair and equitable manner. The maintenance of discriminatory and illegal tariff barriers against our citrus for the last 5 years establishes that conclusion to my satisfaction and only an immediate showing of good faith by the EEC would change that view. To show such good faith the EEC would, as a minimum, have to reduce the duty on our citrus to 4 percent from April 1 to October 15. At that point, I would begin to believe in their sincerity.

Second, the inability of the administration, as set forth above, to deal with a trade problem involving one commodity and with one—supposedly one—country certainly does not lead one to believe that they can successfully negotiate thousands of commodities with the 126 free world countries. Further, we must note that in the multilateral negotiation the EEC—the project of our current failure story—will effectively represent 65 of those 126 free world countries.

The frustration and delays which I have described over a trade problem—a problem which the Executive states is in violation of GATT, is injuring American industry, can be handled within U.S. law, and for which, in 1970, corrective action was expected "within a reasonable period of time"—demonstrate clearly the need for more explicit trade legislation.

One of the best ways to be more specific is to provide that the United States shall grant most favored nation treatment only to those countries which truly reciprocate by providing such treatment to our trade, and then only to those countries which have an effective trade agreement with the United States.

We must not, in the future, leave the handling of such trade matters to individual executive resolve to invoke legal option; we must provide explicit directions in this field and I expect the Senate so to act in its consideration of H.R. 10710.

A GOOD MAN—JOHN R. CAULEY

Mr. DOLE. Mr. President, this week John R. Cauley, an institution of Washington journalism, enters retirement.

For nearly 14 years, while serving in the House and Senate, I have known John Cauley as a talented, dedicated, and skillful newsman who has kept the readers of the Kansas City Star well advised of events in official and unofficial Washington. Honesty, fairness, and objectivity have been his hallmarks—along with a sharp eye for the small details which make his stories among the most interesting and readable of the many hundreds of news accounts written in and about the Nation's Capital.

In yesterday's paper, John permitted himself a rare departure from his usual objective style to share a few personal reminiscences with his readers over nearly 40 years as a journalist and more than two decades of covering the people and events of Washington. This is a most interesting article, and I am sure the many Senators who have known John Cauley would enjoy reading it. Therefore, I ask unanimous consent that "Washington Beat—Hobnobbing With History," an article by the Kansas City Star's Washington bureau chief, John Cauley, be printed in the Record at the conclusion of my remarks.

And I know that John's many friends in the Senate and in the Washington press corps join me in wishing him the very best in his retirement. We will miss him, but we know he has earned this opportunity to enjoy a more leisurely pace and the company of his many nephews and nieces.

There being no objection, the article was ordered to be printed in the Record, as follows:

Washington Beat—Hobnobbing With History

The chief of The Star's Washington Bureau, who retires Tuesday, looks back over 21 years covering the White House and the Washington scene.

(By John R. Cauley)

Washington.—I have been among the most fortunate of men.

For the last 21 years based here in Washington as a member of the bureau of The Kansas City Star I have had the exciting, fascinating and often times hectic and strenuous experience of reporting on personalities and events in one of the most challenging and troublesome periods in the life of this nation.

Put it this way: I have had a front-row seat to observe and record the unfolding of great political dramas which have fascinated, inspired and shaken the people of this country.

I accompanied President Eisenhower, President Kennedy, President Johnson and President Nixon on trips throughout this country and to many parts of the world.

In 1959 I was with Richard Nixon, then vice-president, when he made his historic trip to the Soviet Union and by sheer luck was able to listen to the hour long conversation between Mr. Nixon and Premier Khrushchev in the famous "kitchen debate."

In 1963 I went with President John F. Kennedy to Europe and witnessed among other dramatic events the tremendous reception Mr. Kennedy received in Berlin.

LINE OF DUTY

I have been "upstairs at the White House," which is the living quarters, during the administrations of four Presidents and in various degrees of formality and informality.

I have been sailing with the late John Foster Dulles, secretary of state in the Eisenhower administration; and on many a Friday afternoon I sat in on relaxed briefing sessions with Dean Rusk, when he was secretary of state, in the sumptuous eighth floor quarters of the State Department. I was at Hyannis Port, Mass., in November of 1960 to observe John F. Kennedy sweat out his narrow election victory, and I had Christmas dinner with Bob and Ethel Kennedy shortly after President Kennedy was assassinated. I have been to San Clemente, Calif., and to Key Biscayne, Fla., with Richard Nixon. I have been to many background and on-the-record sessions with Secretary Kissinger.

All of this certainly is not boasting or name-dropping. My friends who know me will tell you that. But it is the job of a Washington reporter to know the top people in any administration and to earn their trust in him. I was able to move around in such exalted circles not because I was John Cauley but because I was the Washington representative of a great newspaper such as The Kansas City Star.

Back in the early 1930s in the grim, dark days of the depression when I had just graduated from the journalism school at the University of Missouri, working in a gasoline station and later squeezing out a living by publishing a small neighborhood newspaper in Kansas City, if anyone had told me that some day I would be chief of the Washington bureau of The Kansas City Star and that five Presidents, three secretaries of state, many senators and House members, cabinet officers and justices of the Supreme Court would call me by my first name and share their confidences with me, I would have told him he was just dreaming.

Well, it wasn't a dream at all, but a wonderful reality.

Dr. Henry Kissinger, who is not given to mawkish statements, observed upon being sworn in as secretary of state that nowhere except in America could a German Jewish immigrant achieve such an eminent position. As they say in the Senate, I associate myself with Secretary Kissinger's remarks.

IRISH STOCK

My grandparents were poor Irish immigrants who came to this country with nothing except a desire to work and to be good citizens. My father was a plasterer who spent the summer paying off the winter grocery and rent bills when he was idle because of the weather. Before she was married my mother was a clerk in a department store in Rushville, Ind., where my brother, four sisters and I were born.

Now as retirement approaches and I look back on 38 years on The Star's staff, 21 of them in Washington and 10 as bureau chief, I reflect on how the good Lord has blessed me, how good, kind and considerate to me have been The Star, my family, my friends and my colleagues in the press corps.

If I had to chart the course of my life again, there would be very little I would change in that tremendously satisfying scenario.

One of my close friends once said of me, "Cauley is the kind of guy who works hard, plays hard and prays hard."

I won't quarrel with that assessment. As the baseball managers say, I have always tried to be a competitor who has put out 100 per cent effort. And that effort has been rewarded a thousandfold.

The ironic aspect of my assignment to Washington was that I resisted it when it was first offered to me. One day in the fall of 1952 the late C. G. (Pete) Wellington, who was managing editor, later executive editor, of The Star, and my mentor and great friend, called me to his hotel room in Boston where we were attending a convention and said, "John, we want to send you to the Washington bureau."

I was stunned and flabbergasted.

This was a curious reaction, I know, because it is the ambition of every aspiring reporter to be assigned to Washington. The Capital is the major league where all the big hitters are.

NO HOLDS BARRED

I was then 44 years old, telegraph editor and had been informed several times that I was being groomed for executive responsibility. I had a pleasant home in Kansas City, many long-time friends and an enjoyable life.

Reluctantly, I agreed to give Washington a try. It was difficult to explain to my friends in Kansas City that all of a sudden I was no longer an editor and headed toward the top in The Star heirarchy, but just a reporter and the third man in the bureau at that. They all thought I was being exiled to "Siberia."

Before I left for Washington I went to see the late Roy Roberts, then president of The Star, a great and colorful personality, a man who had a tremendous impact on my life and who was a warm friend and counselor. Mr. Roberts was in St. Luke's hospital recuperating from an operation.

I said, "Mr. Roberts, I hope you and Pete know what you are doing."

"What do you mean?" he asked a bit testily.

"Well, here is a Republican administration coming to the White House and you're sending an Irish, Catholic Democrat to cover it," I replied.

"I don't care what you are," Mr. Roberts said. "Just go to Washington and call them as you see them."

No reporter could have asked for a better mandate than that and in all these 21 years it never once has been violated or compromised.

Never once have I been told to slant a story this way or that or take out after some politician for partisan purposes.

Sure, I receive ideas and suggestions from 18th and Grand all the time. Some hit pay dirt and some don't. But always when I have been asked to check out a suggestion or a tip and in the several cases where I reported back that I couldn't see a story in it, the reaction inevitably has been, "O.K., that's all we wanted to know."

Two of my experiences in covering big political stories epitomize the elements of luck, good and bad, the necessity of knowing top officials and having them trust you and being at the right place at the right time.

Both incidents involve the late Robert F. Kennedy although I want to emphasize that there were many other cases where other high officials, both Democrats and Republicans, were important.

The good one first: Shortly after John F. Kennedy was elected President in 1960, his brother Bob set up an office here in Washington to help organize the new administration and to screen names for high-level jobs, cabinet and below.

One day I heard that a New York newspaper was going to publish a story that Senator Fulbright of Arkansas had been virtually picked by J.F.K. to be secretary of state. This was difficult for me to believe for the reason that Fulbright had almost always voted with the Southern bloc on racial issues and with many African nations achieving independence and coming into the United Nations the choice of Fulbright just didn't make sense.

I then learned from a colleague that Bob Kennedy had held a so-called background session with some young reporters the night before and that the name of Fulbright had been floated out—hopefully to be shot down soon by his opponents.

I hurried to the Kennedy headquarters and opened a door—not the "right" one I should have if I had followed protocol as I learned later but the right one for me at the time.

Inside there was a small reception going on for a woman staff member. Bob Kennedy was there as was his assistant, John Seigenthaler. I asked John if I could talk to Bob. He said sure. I went into Bob's office and asked him if he could give me some guidance on who J.F.K. was going to pick as secretary of state and secretary of defense.

Bob first mentioned Fulbright. He said J.F.K. had a high regard for the senator but feared there would be problems on the race issue. Bob also mentioned David Bruce, a career diplomat (now the American emissary to Red China), who was under consideration, as the New York Times was reporting also every day.

Then I remember vividly that Bob said, "The leading candidate right now is Dean Rusk." Rusk had been an assistant secretary of state under President Truman and was then head of the Rockefeller Foundation.

I then asked him about the secretary of defense. Bob replied that "Sarge (Sargeant Shriver, a Kennedy brother-in-law) is in Detroit now interviewing Bob McNamara."

Before I left Bob said, "There is one more name in the works for the job at State, but I can't tell you now. Call me tomorrow."

Also before I left I was informed that in the reception room where I should have gone in the first place was an assortment of important political personages, including members of Congress, waiting to see Bob. I simply had walked into the wrong door at the right time.

The next morning The Times ran my story on page one under a two column head saying Dean Rusk would be the new secretary of state and that McNamara, president of Ford Motor Company, was the top choice for the Pentagon.

A few days later the appointment of Rusk was announced officially by the President-elect and if I remember correctly the appointment of McNamara came shortly afterward.

Roy Roberts called me on the telephone to congratulate me on the original story. That call was a great source of satisfaction, but I did not tell Mr. Roberts how I had sweated out the formal announcement.

L.B.J. EPISODE

Now comes the incident in which my luck turned sour, although I had, along with Cecil Holland, then of the Evening Star, an exclusive story that Lyndon B. Johnson, then Senate majority leader, was under top consideration for the Democratic candidate as vice-president.

Here is what happened: Early in the morning after J.F.K. had been nominated, I went to the Kennedy headquarters hotel in Los Angeles and in the lobby met Cecil Holland.

He asked me if I knew where Bob Kennedy was because we both figured that Bob would play a prominent role in helping J.F.K. pick a running mate. I knew the location of Bob's suite so Cecil and I went there and as we stood outside the door before knocking we could hear Bob on the telephone. Our ears perked up when we heard Bob say to the party on the other end of the line, "What do you think of Lyndon Johnson for vice-president?"

This was especially interesting because at this point L.B.J., who had lost out to J.F.K. in the presidential nomination race, was considered more or less a long shot for the second spot. There were others, among them

Senator Symington of Missouri, being mentioned more prominently. And there was no love lost between the Kennedy and Johnson camps.

We knocked on the door and a Kennedy security officer reluctantly let us in.

Bob was in his bathrobe eating a breakfast of pancakes and eggs and frequently got up to take telephone calls in the corner of the room. He wasn't exactly enthusiastic about talking to Cecil and myself.

We asked him about the vice-presidency and, not telling him we had overheard from outside his conversation, whether Senator Johnson was being considered.

Bob conceded that he was checking with big city Democratic leaders, such as David Lawrence of Pittsburgh, Mayor Wagner of New York, Ray Miller of Ohio and Mayor Daley of Chicago, about Johnson but that no definite decision had been made. The support of the big city leaders was important, especially on Johnson, who was suspect because of his Southern background.

Cecil and I left to go to the press section to write our stories. Paul V. Miner, then managing editor of The Star and now president, was supervising the convention news operations.

I told Paul that I had talked to Bob Kennedy, what Cecil and I had overheard and what Bob reported to us.

I wrote my story carefully, pointing out that the Kennedy people were sounding out sentiment on Johnson but that other names were in the running and that a decision was expected soon. However, the fact that Bob Kennedy was operating as he did was significant, and it turned out later my hunch was right.

My story on Johnson moved on the wire to Kansas City and was the lead article in the first edition. Then later came the denials, the heated arguments between Bob Kennedy and Sam Rayburn, then speaker of the House, and other circumstances which caused the desk to subordinate my lead.

My hunch was strengthened early in the afternoon when I was standing outside the entrance of the J.F.K. suite. Clark Clifford, a confidant of Senator Symington, came out. He was grim-faced and walked past reporters without comment. I knew then that J.F.K. had given him the bad news and that Johnson was the choice.

Then late in the afternoon Senator Kennedy called a press conference. He appeared in the press room with Senator Johnson and announced his choice of the Texan as his running mate.

I was, of course, terribly disappointed on what had happened to my story, one of the biggest I ever had had. For a few seconds I was furious. I pounded both of my fists on the table in The Star's workroom and shouted, "They wouldn't believe me, would they, they wouldn't believe me!"

PART OF THE GAME

I do not want to blame anyone for what happened to my story. Roy Roberts later told me, "When I went out to lunch your story on Johnson was a 5-column head. When I got back it was buried." It is the nature of the men on copy desks to be overly impressed with the wire services, and in this case the wire services didn't have the story that I did. I was an editor and copy reader for 17 years in Kansas City and I know. But as I philosophized later, that's all part of the game. You win some and you lose some.

Another example of how luck and contacts help in getting a story was when Bob Kennedy died and I was sent to New York to cover the funeral. Fortunately, I knew Patricia (Pat) Reilly, who was in the press office handling the funeral arrangements. She gave me a New York police department pass which was pure gold. It got me through police lines to St. Patrick's Cathedral and to the funeral Mass. Then through Pierre Salinger, press secretary to President Kennedy, and Ed Guthmann, press secretary to Bob Kennedy, I got on the funeral train going to Washington, and on the train talked to Ethel Kennedy, Jackie Kennedy, Sen. Ted Kennedy and some members of the Bob Kennedy family.

When the train arrived in Washington four hours late (the air conditioning had gone off during the trip) I got into a telephone booth and dictated my story for over an hour. When I got out of the booth I was drenched in perspiration, just as if I had been thrown into a Kennedy swimming pool.

SOVIET VISIT

Perhaps the most spectacular experience of my career as a Washington correspondent was the assignment to the Soviet Union to cover the visit of Richard M. Nixon, then vice-president, in July of 1959.

The press plane, a jet chartered from Pan American Airways, was the first commercial aircraft to land in the Soviet Union since World War II, and the big jet had set a New York to Moscow (8 hours and 53 minutes) record.

I often think about this amazing journey and recall back in the 1930s when my father once took my brother and me to see the Cardinals play baseball in St. Louis and the train trip required almost that much time one way.

Wow! I thought at the time, flying nonstop to Moscow in Communist Russia.

However, more drama was about to come—a front-row seat at the famous "kitchen debate" between Mr. Nixon and Premier Khrushchev at the American exhibition in Sokolnika Park near Moscow. Remember that wonderful musical comedy song, "With a Little Bit of Luck"?

Mr. Nixon was scheduled to have a private tour with Khrushchev at the exhibition and to deliver a major speech opening the American exhibition.

BAD START

But many things went awry. First, five days before Mr. Nixon departed, President Eisenhower issued a proclamation designating the third week in July as "Captive Nations" week, during which free people would re-dedicate themselves and pray for the liberation of the enslaved people back of the Iron Curtain.

When the vice-president arrived at the exhibit, Khrushchev was furious about the captive nations resolution, saying, "It stinks and is provocative."

At a model television studio, Khrushchev took out after Nixon in a taped show, a fact which the vice-president realized would be shown in the United States and would put him on the defensive.

I must explain that there was a "pool" of reporters assigned to Nixon and Khrushchev, an arrangement whereby this "pool" relays the story to other correspondents afterward.

But as Khrushchev needled Nixon on the walk through the exhibit grounds, I got a big break. The "pool" broke down, workmen dropped their tools and spectators surged around the two leaders. It was chaos. I literally was swept up in the crowd to the front of the model American home where Nixon decided this was the moment to strike back.

The vice-president made the point that this was a replica of a typical American house in the United States costing $14,000 and that almost any steelworker could buy it.

Here I was standing immediately back of Nixon and Khrushchev and with Leonid I. Brezhnev, now the head of the Russian Communist Party, nearby, listening for over an hour to an historic debate on the merits of the capitalistic and Communist systems, and, I might add, taking notes as fast as I could.

Mr. Nixon was tremendously effective and more than recouped the losses he suffered earlier in the day. Afterward I talked to the vice-president as he sat in his car. He said Khrushchev had almost knocked him out of the ring earlier and that it was important that he strike back.

The newspaper stories on the "kitchen debate" (there were no live television or radio accounts of it) sent the political stock of Nixon soaring in the United States. He demonstrated how skillfully he could debate with even such a rugged adversary as Khrushchev.

After "filling in" my colleagues who could not hear what had been said, I rushed back to the hotel, wrote for over an hour and then filed my story to Kansas City. It was an experience I will never forget.

IKE MESSAGE

Also memorable are my experiences with four Presidents, each of whom had their own personal and political strengths, their own way of dealing with the press and their share of human frailties.

First, Eisenhower. In 1951 I went to Europe on an assignment and before I left Mr. Roberts, who had been actively promoting the general as the Republican presidential candidate, told me, "Johnny (he always called me Johnny), when you get to Paris tell Slick Persons that Ike has to make up his mind one way or another—and soon."

"Slick" Persons was Maj. Gen. Wilton B. Persons, a top aide to Eisenhower, then supreme commander, Allied forces, Europe. Later General Persons, who became a top assistant to the President at the White House, often told me that I was the man who delivered "the message to Garcia."

I sometimes had the impression that Ike never really had the appetite to seek the presidency or to serve in it. But the trappings, the accoutrements of the most powerful office in the free world and that stirring song, "Hail to the Chief" often have a way of changing a man's mind.

The general came to the White House at a time when the American people were longing for a period of world peace and domestic tranquillity and generally he served that purpose well despite several major illnesses. Many of his critics, however, complained that he was content to coast along and that he did not initiate any programs vital to the country.

President Eisenhower, unlike Kennedy and Johnson, had no inclination to deal with the press, which was why his press secretary, James C. Hagerty, possessed so much power. But the general portrayed a magnetic personality to the public and in parades, with his arms outstretched, he always received thunderous applause.

Ike seldom read the newspapers or listened to the news programs on television, a fact which was often a source of embarrassment to him and his aides.

Several times at news conferences, which he held regularly, a reporter would ask Eisenhower a question dealing with an issue which had been on page one all week. The President frequently would respond by saying, "Well, this is the first time that this has been called to my attention but I will say this . . . ."

Once, at a reception for Republican leaders in the Rose Garden of the White House, President Eisenhower, then nearing the end of his first term, was overheard saying to a friend that he didn't want to run for another term but that "they tell me they haven't got time to build up anyone else." When that story came out there were a lot of red faces at the White House and the President had some explaining to do.

J.F.K. CONTACTS

My contacts and friendship with John F. Kennedy began when he first came to the Senate in 1953.

Once when I took Richard B. Fowler, then president of The Star, and John W. Colt, then executive editor, to see Kennedy in the White House, he opened the conversation by saying, "John Cauley is a long-time friend of mine since my Senate days."

In 1956 at the request of Rev. Maurice E. Van Ackerson, I asked Senator Kennedy to speak to a Rockhurst day dinner at the Hotel Muehlebach, which he did.

Early in 1959 J.F.K. came to Kansas City to sound out prospects for delegates to the Democratic National Convention.

The senator asked me if I could set up a meeting for him with Roy Roberts, which I did. I sat in on the 2-hour conversation and it was fascinating, both of them being intense political animals. Mr. Roberts, a stanch Republican and one of the "kingmakers" in the G.O.P., told me that The Star would not support Kennedy editorially, but that he admired Kennedy's honesty, personal charm, political savvy and intellectual attainments.

One of my most memorable experiences was when I traveled with President Kennedy to Ireland, Germany and Italy in the summer of 1963.

In Berlin the President received the most overwhelming reception of his career. From the motorcade behind the President's car I will never forget the sight of that sea of human faces chanting "Kenne-day, Kenne-day."

I saw President Kennedy privately several times in his office where he talked for background which was invaluable.

His language often was earthy and sometimes acid. Once when I reminded him of a political opponent in his own party he got up from his desk and said "that — is always trying to kick me in the —."

Immediately after Senator Kennedy was elected President I, along with several other reporters, was at the home of his father, Joseph P. Kennedy, on Nantucket Sound near Hyannis Port, Mass.

Ethel Kennedy said to the reporters, "All we have is milk punch. If you guys want Scotch or Bourbon you'll have to fix it for yourself in the kitchen."

Later the President-elect and his wife, Jackie, appeared in the living room and he introduced Jackie to each reporter, amazingly calling almost everyone by his first name.

OFF THE RECORD

After awhile the President-elect talked off the record to the reporters saying that he thought the debates with Vice-President Nixon were the turning point in the campaign.

He also added, "If Nelson (Rockefeller) had been running, he might have clobbered me."

As we prepared to leave, Kennedy came up to me and asked, "You got a ride back?" and after I said yes he said, let's go out here on the porch. I want to talk to you."

Just the President-elect and I were there, and I remember it was gray and sleeting outside. He wanted to know how Charlie Brown, a Democrat, had come out in the 7th Congressional District of Missouri. I told him I had heard Charlie had been defeated, but I thought, too, how unusual it was for a President-elect to be concerned about a relatively obscure member of the House from Missouri.

I will always remember, too, when I rode with Senator Kennedy on his private plane from Lewiston, Maine, to Providence, R.I. early on the Monday morning before the election.

His voice was hoarse and his eyes were red from fatigue. It was bitter cold as we deplaned and I asked him, "Jack, how do you size up the campaign?"

He answered wearily, "I have just one big worry. I wonder if this country is ready for a Catholic President."

There will always be controversy and debate about the record of the Kennedy years in the White House.

History, of course, will have to be the judge. But in this reporter's judgment Kennedy, among other accomplishments, reignited the spirit of the country, especially among the young persons, worked for a government more responsive to the needs of the people and he had a tremendous impact on the world.

He demonstrated how he could recoup from a major disaster such as the Bay of Pigs and come back with a smashing triumph such as forcing the Russians to remove their missiles from Cuba.

Secretary Rusk once told me, "We greatly underestimated the affection, admiration and understanding that the world had for Jack Kennedy."

Almost everyone knows where he or she was when the President was assassinated in Dallas in November of 1963, and space does not permit me to chronicle my experience. I have written of it extensively in The Star previously.

That night I was in the Rose Garden at the White House when the helicopter bearing the new President, Lyndon Baines Johnson, came in after the presidential plane had landed at Andrews Air Force Base. I will always remember that eerie sight, the helicopter approaching and the Washington monument, bathed in light, in the background.

As he was walking toward the Oval Office, Mr. Johnson spotted me and Bill Theis of the Hearst newspapers and came over to shake hands. For a moment I was stunned, then all I could say was "God bless you, Mr. President." He said "Thank you" and moved on.

JOHNSON YEARS

Lyndon Johnson was an able, fascinating, articulate and mysterious man. He could be kind and considerate and also tempestuous and tyrannical.

An example of Mr. Johnson's temperament occurred one morning when I had an appointment to see him and was ushered into the upstairs living quarters at the White House where the President was sniffing into his nose some sort of medication for postnasal drip. A valet was putting on Mr. Johnson's hose—an unforgettable sight.

Despite the fact that the President had just returned from a triumphal campaign trip to the Northeast, he was in a foul mood.

He asked the telephone operator to contact Prof. Eric Goldman, an "in-house" intellectual on the staff. He was informed that the professor was at a television studio for a taping session. L.B.J. blew up.

"You tell the professor that I want him to have a passion for anonymity," he shouted. "And if he doesn't he is fired."

In the next few minutes the President threatened to fire three other top aides who were not in their offices.

President Johnson had colorful phrases to describe some of his top aides. He had great admiration for Robert McNamara, secretary of defense, and once referred to McNamara as "that guy with the Stacomb on his hair," a reference to McNamara's slick black pompadour hair style.

Mr. Johnson was responsible for much constructive legislation, but the war in Vietnam finally destroyed him and forced him to the decision not to run again.

Once in the living quarters he told me about Vietnam in this one dramatic sentence, "Maybe I just should have walked away from the whole thing."

Mr. Johnson sometimes was naive and overpossessed with a sense of his own power. After many agonizing moments, The Star announced that it would support L.B.J. for President, the first time that the newspaper had endorsed a Democrat for the White House since Grover Cleveland.

After The Star disclosed its decision, Mr. Johnson was jubilant. He figured that The Star, with its background as a Republican newspaper and with the reputation of Roy Roberts as a G.O.P. "kingmaker," would bring other Republican publications into line.

L.B.J. was at the ranch in Texas when he learned of The Star's decision. He called Mr. Roberts on the telephone and after thanking him, said, "Now John Cauley and Joe Lastelic (my colleague) are on my team."

To his everlasting credit, Mr. Roberts snapped back, "The hell they are. They're on my team."

R.M.N.

Now about Richard Milhous Nixon. What can one say in this torrential time? My relations with Mr. Nixon were excellent when he was vice-president but, along with my colleagues in the press corps, my contacts with him since he has been President have not been satisfactory, to put it charitably.

Mr. Nixon's antipathy toward the press is difficult to explain. It would have been so easy to have cordial if not exactly cozy-cozy relations.

Before and after the trip to Russia in 1959, Mr. Nixon had reporters to his home and to the Columbia Country Club for parties. He and his wife, Pat, were gracious and charming host and hostess.

It is my opinion that the President does well at what few press conferences he has, and in more informal sessions in his office and in the White House briefing room he is generally effective and forthcoming.

An oversimplification might be that he rubs many reporters the wrong way and many reporters rub him the wrong way for inscrutable reasons.

There is no doubt that Mr. Nixon has compiled an excellent record in foreign affairs—especially his initiatives toward Red China and the improvement of relations with the Soviet Union. And it should be remembered that Mr. Nixon ended the long war in Vietnam and got the prisoners of war home.

How he got so fouled up with Watergate would take a book to recount. His principal explanation is that he was busy running the country instead of the campaign. One of my own theories is that if he had read regularly the transcripts of, the daily White House news briefings, as Mr. Kennedy and Mr. Johnson did, he would have been aware of the questions being asked about Watergate, drawn the conclusion that the scandal would not go away and perhaps moved more expeditiously than he did.

It is tragic that a man with such extraordinary ability and dedication should have his record debauched with such issues as Watergate and the income tax controversy. He should never have accepted the blind loyalty of such aides as Bob Haldeman and he should have detected the machinations of other people around him. For this the President must bear full responsibility.

ABIDING FAITH

During the administrations of four Presidents I have witnessed many monumental, significant and indeed revolutionary changes in this country and its institutions, some good, I think, and some not so good.

But every time I return from abroad I think of what a strong, wonderful and resourceful country this is. Sure it has its weaknesses and frailities, but it has been durable enough to survive them.

I have an abiding faith and confidence in the American people. Sometimes I get discouraged at their lackadaisical attitude on public affairs, but when the chips are down they usually make the right judgments.

For a life-long bachelor it may seem strange for me to say that I still have faith and hope in the younger generation, despite their weird ways, frequent irreverence and know-it-all attitude.

I have nine nieces and nephews and at the last count 14 great-nieces and nephews, the eldest of whom delight in telling me what has been wrong with my generation.

I have a nephew Thomas Lee Stephenson, 24, who was graduated from the Universtiy of Missouri and played football there and who is now a reporter for the Dallas News. I am proud of him.

Once I visited him at Columbia and I said, "T. L., when I was a student here I didn't waste my time on girls and beer," which was an observation correct only in that I didn't have the money to pursue such activities.

It is typical perhaps of this younger generation for him to make a devastating reply. T. L. put his hand over his mouth in a mock yawn and said, "Uncle John, you bore me. And never say 'girls and beer.' Say, 'women and Cutty Sark'."

Best Recollections

Memorable quotes from 21 years in Washington:

President Eisenhower after being asked at a press conference if he could give a major idea of Vice President Nixon that General Eisenhower had adopted in his role as chief decision maker: "If you give me a week I might think of one. I don't remember." The President said he made the remark in jest and just as the press conference was breaking up.

President Kennedy, addressing a group of foreign military attaches: "Now when you go back to your respective countries, people will tell you not to go into politics. But let me say that it was not too long ago that I was an obscure Navy lieutenant. I got into politics and now I'm commander in chief."

Kennedy also once remarked: "When I was in the House I often wondered how President Truman could get into so much trouble. Now I know. It's easy."

President Johnson, discussing the war in Vietnam: "Maybe I should have just walked away from the whole thing." Also Mr. Johnson once told this reporter: "What this country needs are not more people with A.B., M.A. and Ph.D degrees, but more garage mechanics, beauty parlor operators and plumbers"

President Nixon: "The easiest period in a crisis situation is actually the battle itself. The most difficult is the period of indecision—whether to fight or to run away."

Dean Rusk, former secretary of state, a chain smoker, upon being asked if he had read the Public Health Service report on the dangers of smoking: "Yes I have. But I figure this job will get me before the cigarettes."

Secretary Kissinger, after a man approached him at a party and said he had always wanted to meet him and thank him for saving the country: "You're welcome."

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, as a nation that believes itself to be a world leader, the United States should preserve that deserved reputation and respect by ratifying the Genocide Convention. It is important that our Nation use its present position of moral leadership in our own interests and in the interests of mankind. The Genocide Convention, which has been ratified by 78 other nations since 1948, but which still awaits our approval, is in both our Nation's and the world's interests. The crime of genocide, so blatant during the Third Reich, prompted the writing of this treaty. Yet genocide continues today and will continue until every nation, including the United States, uses its moral leadership to keep this crime from occurring.

Immediately after World War II, the United States was one of the main supporters of a treaty on genocide. I believe that the people of the United States still support strongly such a treaty. It has been 25 years since President Truman asked for the treaty's ratification, yet the Senate has never voted directly on this treaty. It is sad that after a quarter of a century the U.S. Government has not ratified a treaty on a crime that is condemned by every rational person.

The United States has a responsibility to the world and to itself to use every resource in its power to insure that the deliberate extermination of any group will never again be repeated. The freedom and liberty so dear to the American people can be spread throughout the world only if we assert our positive moral leadership. The Genocide Convention is an excellent opportunity for the United States to continue in its world leadership role for the betterment of all peoples. I urge the Senate's support for the resolution ratifying the International Convention on the Prevention and Punishment of the Crime of Genocide.

EXPORT OF AGRICULTURAL COMMODITIES

Mr. JAVITS. Mr. President, last September Senator Stevenson and I introduced legislation (S. 2411) that would have established a reasonable and balanced system for regulating the export of our major agricultural commodities. At that time we were beginning to experience the inflationary effects contributed to by the way a sale of wheat to the Soviet Union was handled and its effect on domestic food prices. We had also undermined the confidence of our traditional trading partners by imposing unilateral export restrictions on a number of agricultural commodities, such as soybeans.

Secretary Butz has now admitted that export controls applied in such a manner were harmful, but in the meantime our food stocks have been reduced to the lowest level in over 20 years, without developing any adequate system to cope with the underlying problem of increasing world dependence on U.S. agricultural production.

We have now reached the unprecedented situation of relying entirely on this year's crop, without our traditional backlog of reserves, to feed ourselves and the world. The lack of a reserve cushion could well produce a volatility in commodity markets as great, or greater, than we experienced last year. With inflation raging at record levels in the United States, a repeat of last year's food price increases is absolutely unacceptable. It is essential to develop a sound agricultural export policy, in cooperation with other nations, to provide food security for our own people without depriving the rest of the world of needed commodities. That is easier said than done, because the real choice may be between mass starvation in Africa and Asia, and an adjustment in our eating habits.

As Anthony Lewis pointed out a few days ago in an editorial in the New York Times, per capita U.S. beef consumption has increased from 50 pounds in 1950 to 119 pounds in 1973.

> Feeding corn to cattle in feed lots, you end up putting on the table in steaks and stews only 5 percent of the calories that were in the corn. An American now uses 2,200 pounds of grain per year to feed himself, a Chinese 400. But of the American figure only 140 pounds are eaten directly as grain in bread or other cereal products. Of the Chinese 400, 360 are eaten as grain.

It is these fundamental choices that we must explore in developing a world food policy and examining our export policy. We shall consider these issues in hearings on S. 2411 and other legislation to be held under Senator Stevenson's chairmanship at the end of this week. As a important guide to the consideration of these issues, I commend to my colleagues a section on the next harvest that appeared in the Economist (London) on April 20, 1974. Mr. President, I ask unanimous consent that the articles from the Economist (London) be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Economist, Apr. 20, 1974]

The Next Harvest

THE PLOUGH, HARROW AND HARVESTER HOLD THE KEY TO THIS YEAR'S INFLATION

Across the northern hemisphere farmers are now sowing the crop that, by this summer, should be ripening into the largest harvest ever reaped. It will need to be. The world's food supply has never before been so perilous. Two years ago our granaries were bulging with surplus grain. Today they are touching bottom. The turnaround has been sudden. It started with the failure of the Russian crop in 1972 and of the Indian monsoon later that year. It was aggravated by a sudden reversal in America's farm policy. Not even a record crop last year stopped prices from soaring, or grain from running out of the world's reserves. By the end of this season in June, world wheat stocks will stand at one-third the level of four years ago, and today there are 300m more mouths to feed.

This season's crop, therefore, is the most important in modern times. If it fails to yield a bumper harvest it will not only make famine a near certainty in areas of the Indian subcontinent; but it will dash the hopes of politicians in the west of bringing inflation under control. It is the unprecedented tripling of wheat prices, and the doubling of soybean, animal feed and beef prices over the past two years, more than any other factor, has stoked up world inflation.

All eyes should be on Chicago's commodity markets. A sudden fall in prices there will have a far greater effect on food prices than any politicians' wranglings. Fortunately early guesses are that this year's farm output should be well up on 1973. In anticipation, some prices have already begun to edge down and wheat has fallen 35 per cent from its recent peak in the last six weeks. But there is so much lost ground to be made up that it would be optimistic to forecast prices falling back to even double the levels of early 1972. If prices do retreat any further farmers will merely put their harvest in store rather than plump it on to the market. So prices will remain high and until the world's granaries are topped up again every harvest will be a close-run thing.

It is an unhappy situation. The empty storage bins in Kansas have affected almost every economic indicator in the industrialised world. Americans themselves are now paying 30 per cent more for their food than in 1972. In Japan the food index has climbed 11 per cent in the last three months leaving all other retail prices behind. Britain's food bill has jumped also, adding an extra and quite unprecedented £700m a year to its balance of payments deficit just to import the same quantity of food. The greatest surprise of all is that the European common market, once isolated from the world grain trade by its exceptionally high farm prices, is now a source of relatively cheap food. These are turnarounds that not a single pundit foresaw as little as two years ago.

The rules are now quite changed. Throughout the 1960s harvests were largely routine affairs, attracting little political or economic notice. There was ample grain in the world and prices were low and stable. When there were shortages, as in India, the main exporting countries were happy to make vast shipments at concessionary prices. Those days are gone. If the underdeveloped world needs grain now, it must pay for it in competition with British or Japanese demand. There are no longer enough stocks to bale out countries by charity. Aware of the extraordinary political danger of this new situation, Mr. Henry Kissinger, the American Secretary of State, has called for a world food conference of the United Nations this November. By that time the harvest will be in and we will know the worst. What are the prospects?

THE HARVEST—IT CAN'T BE TOO GOOD

Everything depends on the great plains of North America which provides 60 per cent of the world's trade in wheat and most of its animal feed. Encouraged by the promise of high prices America's farmers are rushing to plant 6 per cent more land than last year. A total of 340m acres could be under the plough in the United States, the highest for 18 years. By October 76m tons of wheat may have been harvested in America and Canada, 40m tons of which will be available either for export or stock-piling. Even a crop of this size, however, is unlikely to bring prices down. Anything below these expectations could trigger off new price increases.

The important animal feed grain crop is also expected to be good. American production should be up 15 per cent this year to about 213m tons, and the world crop of coarse grains should exceed 680m tons. If this brings animal feed prices down it will be welcomed by livestock farmers who have been squeezed by increased costs. But the output of soybeans, one of the major protein sources for animal feed, will fall this year, after 1973's record jump of 25 per cent. Plantings in the United States will be 5 per cent less. The soybean price at $6 a bushel is still extremely high, although at one time the price hit $11. American farmers are clearly not reckoning on any further drop and, waiting for better prices, have hung on to 6.6m tons of stocks from last year. Production this year could touch 42m tons, one-third of which would be exported, earning America $3.5 billion at present prices. So soybeans will remain the country's largest single foreign currency earner.

The American monopoly of the soybean is not likely to last out the decade. At present the soybean, which is very sensitive to the length of daylight, can only be grown in a relatively narrow band of land that runs across the United States. But new genetic variations are being bred that will allow the bean to grow farther to the north in Canada and Europe and southern climates like Australia. Brazil is already expending its crop rapidly.

SPECULATION—CHICAGO'S TRICKS

America will always fix the world prices of most food. International investment money has poured into Chicago's commodity markets. Business has multiplied with fashion, and turnover in the farm futures is now running at $200 billion a year—considerably more than on the world's combined stock markets. To label this money speculative is meaningless. To believe that it can only force prices up and never down is naive. What has happened is that the big international grain trading companies, caught out by the sudden drop in world stocks and fluctuating exchange rates, have now begun to cover their requirements increasingly far forward. To guarantee supplies they are taking long term, and therefore speculative, positions. This has led to a substantial shift of private stocks to the international trading companies which understandably believe that grain is a safer home for their spare cash than the vagaries of the currency markets. These companies will continue to snap up supplies if they fear that by the spring of 1975 world stocks will again be touching bottom. For the world has got itself into a situation now where not merely this year's crop but the one in 1975 as well cannot afford to be anything less than a record breaker.

Chicago's prices are likely to stay far more volatile than they were throughout the 1960s when grain prices shifted only a few cents a month. Farmers as well as financiers have begun playing the swings and roundabouts now that prices are unsettled; that means when the next downturn in prices does come, perhaps early next year if harvests go well, it will be as sharp as the rise since 1972.

AMERICA—A CHANGE OF POLICY

Under President Nixon and his Secretray of State for Agriculture, Mr. Earl Butz, American farm policy has quietly been reversed in the last two years. Traditionally the great silos of the middle west, the Kansas cathedrals as they are called, were regarded as the storage bins for the world. Huge stocks of wheat and corn were piled up at the expense of Uncle Sam, and with these surpluses hanging over the market prices were kept low. The Department of Agriculture would also pay farmers handsomely for keeping as much as 60m acres lying fallow. These two schemes cost $4 billion a year.

The world was happy with this policy but not the American taxpayer. Today the federal government has got out of the grain business altogether. There are no more expensive stocks to be financed and the surge in world prices that has directly resulted has pushed American farm exports up to $18 billion a year. This is $9 billion more than in 1972 and this sum accounts by itself for the entire dramatic turn-around in America's balance of payments. America's farmers grew over $90 billion of produce last year and are costing the taxpayers only one-eighth the subsidies in 1972.

So far so good. But Mr. Butz's policy is already running into trouble. American domestic prices have risen as sharply as export prices and the public, accustomed to years of cheap food, is angry. American grocery prices went up 14 per cent last year, a rise that will probably be matched in 1974. If food prices are to fall for the American housewife they must fall on the world market first, and that means a proportionate decline in America's export earnings, and a return to the old policy of storing the world's grain.

So much grain has been exported from the United States that by the end of this season America may very well be having to import from Canada for the first time. This spring it was almost forced to restrict exports of wheat as its own stocks dwindled to a tiny 4m tons. The danger of Mr. Butz's policy is that America's major trading partners are unlikely to rely for their food supplies on a country that does not have ample stocks and therefore becomes an unreliable supplier. Japan, for example, buys from the United States the food it needs to keep its society going. Yet, last summer, President Nixon banned all exports of soybeans to Japan because domestic stocks were running low. So Japan has already turned to Brazil as an alternative source. Also Mr. Butz's policy has played right into the hands of the common market. Britain, which ranks with Japan as the world's largest food importer, now has a greater guarantee of supply at cheaper prices within the EEC than with its traditional trading partners.

RUSSIA—THE HUNGRY BEAR

Russia is the great unknown in the grain trade. It was the failure of its harvest in 1972 that triggered off the hectic price increases. Within a season Russia changed from a food exporter to a net importer, swallowing its pride and taking 30m tons of grain from the Americans. That $1.2 billion deal, negotiated directly between President Nixon and Mr. Brezhnev, brought, more than anything else, better relations between the superpowers. America, in effect, bailed Russia out of a political crisis. But the deal was bungled. Russia got the grain excessively cheaply while the American public and America's traditional trading partners had to pick up the tab.

Within a year the Russian harvest had completely turned around with a massive crop of 222m tons of grain, 32 per cent up on the previous season. Though this was heralded as a victory for collective farming, it was nothing of the sort. Much of the grain was of low protein quality and there was nowhere to put it since the best granaries were already chock-full with American wheat. Russia has since delayed further shipments from the United States (to the relief of the Department of Agriculture) but grain is still being stored, in Mr. Brezhnev's picturesque phrase, "under the Russian skies". About 15m tons are thought to have been ruined, and although Russia lent 2m tons of its surplus to India, there has been massive wastage. This year's crop will be much more modest and sensible: an estimated 205m tons which should be enough to keep Russia away from the world markets for another year.

Despite ambitious new plans to open up more than 100m new acres in Siberia, Russia's agriculture will remain an unpredictable mess for many years to come. Large areas are subject to five-yearly cycles of frost and drought. This will not change even if, miraculously, Russian farming becomes more efficient. So Russia, which is able to store only minimal stocks, will be dipping into the reserves of the west again in future. Only next time the Americans will not be out-smarted and will present the Kremlin with the same bill as their other trading partners pay. Russia has also agreed to provide the United States with detailed advance reports of how well its harvest is going.

Another unknown is China. The most boasted success of Chairman Mao's revolution has been to make almost every commune in the country self-sufficient in food. China has accumulated central stocks of about 40m tons of grain, but at least as much again is held in local storage around the country, forming an ample buffer against sudden bad harvests. Nonetheless China has been a regular, if unobtrusive, buyer of between 3m and 5m tons of wheat a year, mostly from Canada and Australia. Internal transport difficulties make it much easier to import food at one end of the country and export it from the other than to move grain and rice between north and south. Strong national campaigns that every Chinese should "eat a mouthful less a meal" do not imply that there is any surplus production, particularly since the green revolution varieties of rice have not been widely introduced.

INDIA—DRY MONSOONS

In direct contrast to China's policy, India's brand of socialism imposed central control over food distribution. Food wholesalers in India have been nationalised and interstate grain trade was illegal until last month.

Farmers have hoarded as a result, unwilling to sell to the state, and there have already been food riots this year when official channels of distribution broke down.

Sadly, things are certain to get worse. Since 1970, when India produced 108m tons of grain, its harvests have been failures. Only 95m tons were grown in 1972, and this year's crop is not expected to be more than 106m tons. The country will be short of about 1m tons of fertiliser this season, which must mean a drop in grain yields of about 8m tons. Worse, the wheat harvest now being gathered is badly diseased with wheat rust. A 48m ton crop had been hoped for; but no more than 40m now looks likely. Unless there is an exceptionally good monsoon the Indian subcontinent is likely to need to buy 10m tons of grain on the world market. At present prices that could cost over £500m—a sum it is unable to meet.

The Indian subcontinent's possible imports of 10m tons of grain this year would be nearly twice the amount imported to the whole continent of Africa. And although the green revolution took its most effective roots in south-east Asia, the great advances in the late 1960s, which made India self-sufficient for a brief two years, are not being repeated. All the original green revolution progress was made on the best farms, which had full irrigation and could afford fertilisers. Most of this good farmland is now converted to the new varieties, while few of the poorer peasant farms have been developed with even the simplest irrigation.

World prices in Chicago are directly linked to the monsoon that sweeps across India and south-east Asia every summer. That monsoon which ripens 90 per cent of the world's rice crop did not come in 1972 and the world price of rice, which had fallen to $80 a ton, flew up to $600 a ton a year later, beating any rise registered on Chicago's trading boards. So, just as the west was emptying its granaries of wheat, the east was also gobbling up its stores of rice. Despite an excellent harvest four months ago the price of rice has not come down. Stocks in Burma and Thailand ran out at the end of last season. And last year's crop of 320m tons, while well up on the disastrous 293m tons in 1972, is only 3 per cent up on 1971; for south-east Asia's production to keep pace with the rise in population and increased demand it should have been 7 per cent higher. The extreme volatility of the international rice market stems largely from its minuteness. Out of that 320m tons of paddy rice cropped in 1973, only 10m tons will go on to the world market. A shortfall in the total crop therefore can wipe out the margin usually available for world trade.

FERTILISERS—SPREADING IT THIN

The record acreages now being planted mean nothing unless they are matched by record yields—and that requires good weather and ample supplies of fertiliser. The true pessimist will point out that this is the year that the 20-year drought cycle is due to hit America's midwest, but the more serious problem is the acute shortage of fertilisers. The bulk of nitrogen-based fertiliser comes from natural gas, and prices have been raised along with oil. A fertiliser like urea, which was selling at $40 a ton in 1971, today fetches $260 on the world market—when it is available. Morocco, the world's major phosphate exporter, quietly tripled its prices earlier this year to $42 a ton and is considering another increase in July.

Those farmers who have been able to afford these new prices are, paradoxically, exactly those who need it least. This year American farmers will be spending an extra $4 billion on fertilisers, 40 per cent more than in 1973. They will be buying up more supplies that could be far more profitably used in the developing world. A ton of fertiliser on a virgin field can put up wheat yields by about 10 tons. But the more fertiliser is applied, the smaller the extra crop. This law of diminishing returns means that the world food supply will be restricted this year as the rich plains of America and Europe are over-fertilised at the expense of the developing world.

The fertiliser shortage has put a firm lid on the green revolution. The new high-yielding varieties of wheat used in Latin America and India and the miracle rice cultivated throughout south-east Asia depend purely on fertilisers for their effectiveness. Without fertilisers yields are minute. The shortage, therefore, will hit particularly hard those countries that are most reliant on marginal supplies.

WORLD FOOD CONFERENCE—AN UGLY EQUATION

More people now die each year of overweight than famine. And there can be no doubt of the world's ability to feed itself: 55 percent of the developing world's arable land is not even under cultivation, and that which is still produces extremely low crop yields. An even safer guarantee is that a man can survive healthily on 500 lb of wheat or grain eaten a year: hundreds of millions do. And yet one-third of the world's population uses two-thirds of its grain, feeding most of it to livestock. The average American eats less grain directly than the Indian or the Mexican and yet he needs to grow a ton of grain to feed the animals to provide him with meat—and, at times, heart attacks.

This year or next there is likely to be a widespread famine in some areas of the world for the first time. Some countries will pay more money for the grain to keep their livestock alive than others will be able to afford for their starving populations. In contrast to the 1960's, there will not be the reserves available to rescue the poor without hurting the livestock of the rich. It is an ugly equation. The United Nations food conference in Rome, called by Mr. Henry Kissinger, will try to find an answer. The United Nations has discredited itself in the past by crying wolf too often, forever forecasting famine. Except for the drought now devastating the southern Sahara for the third successive year, there has been little sustained famine in the world in the last 20 years, except that caused by war.

If things go well, the task of the United Nations will be to prevent world reserves of grain running so dangerously low again. Any grandiose scheme for an expensive international grain reserve is certain to fail. But the Food and Agriculture Organisation in Rome has a suitably modest plan by which each exporting nation would undertake to hold its own stocks to a minimum level. An international tag would be kept on these stocks and at least the world would be guaranteed a certain level of emergency supplies that would tide it over more than one failed harvest or monsoon. And the United States would not again find its granaries almost empty by the end of a season, trusting the weather and a good crop to rescue the world.

NATIONAL HOLIDAY OF SIERRA LEONE CELEBRATED

Mr. HARTKE. Mr. President, on April 19, Sierra Leone celebrated its national holiday. The Republic of Sierra Leone become independent on April 27, 1961, but it celebrates the date on which it proclaimed republic status, April 19, 1971, as its national holiday.

Sierra Leone has an estimated population of 2.6 million in a land area of 27,925 miles. The republic lies within the well-known tropical rain forest and experiences about 125 inches of rain per year.

In 1460, the Portuguese explorer, Pedro de Cinta, gave the Sierra Leonean territory its name which means Lion Mountain. The first Englishman to arrive was John Hawkins. Sir Francis Drake visited the country in 1580.

In 1787, a number of freed slaves from England and America arrived in the area of what is now the capital, Freetown, and in 1791, another group arrived under the auspices of Sierra Leone Co., which eventually became the governing body of the settlement. Slave trade was abolished in the colony in 1807 by an act of Parliament.

The United States' relationship with Sierra Leone began with American missionary activity during the 19th century. In 1959, the United States opened a consulate at Freetown. Today, we are represented with a full diplomatic mission on the embassy level.

With an estimated gross domestic product of $427 million—1971—and the export of its mineral wealth—diamonds, iron ore and bauxite, Sierra Leone's economy is rapidly expanding. Tourism is becoming a major factor in the economic development of the area as people flock to the beautiful 210-mile coastline with water temperature hovering at 72 degrees fahrenheit.

It is in the spirit of friendship that has lasted so long that I extend to the government and the people of Sierra Leone the best wishes of the American people on the occasion of their republic day.

SPEECH BY SENATOR JESSE HELMS OF NORTH CAROLINA—NATIONAL DEFENSE NIGHT

Mr. THURMOND. Mr. President, the distinguished Senator from North Carolina, Mr. Helms, gave an inspiring and hard-hitting speech in an appearance on April 16 before the Daughters of the American Revolution at Constitution Hall here in Washington.

This speech typifies Senator Helms' performance in the Senate. He is frank, honest, and speaks from the heart. He is the kind of representative who does not rationalize his views but takes a firm stand. His performance here in the Senate is like a breath of spring, a renewing of values.

Senator Helms was introduced in a beautiful manner by Mrs. Henry Stewart Jones, chairman of the national defense committee at that time, now president general of the DAR.

Senator Helms' address to the DAR was the finest I have heard delivered to this organization during the 20 years I have served in the Senate.

Mr. President, I ask unanimous consent that Senator Helms' remarks be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

National Defense Night

(By the Honorable Jesse Helms)

Madam President, gracious and dedicated members of the Daughters of the American Revolution, distinguished guests, ladies and gentlemen.

I come tonight as one who is immensely grateful to the D–A–R for your unyielding allegiance to the principles which give substance to mankind's yearning for liberty. To me, the D–A–R has always symbolized the hope of our nation. Your good citizenship is the very fabric of the miracle of America, and I am honored to be with you on this splendid occasion. You make me proud to live in America.

An honest confession being good for the soul, I confess that I am tonight traveling on Mrs. Helms' credentials—and those of my two daughters, all three of whom have been active and enthusiastic in the work of the Daughters of the American Revolution.

So you honor me with your invitation to be here this evening—and with such an elegant introduction, which I shall be the first to acknowledge that I do not deserve.

Such credentials as I may have come to me from my relationship with the ladies of my house.

Somehow, I am reminded of the elderly gentleman in one of the cities of my state who was presented the annual Citizenship Award by his fellow townsmen a couple of years ago.

The old gentleman just happened to be the wealthiest man in town. He owned a thriving business, plus about one-third of the stock in the local bank—and so on.

So when the award was presented, he was asked to say a few words.

Very softly he began: "It was 48 years ago that I came walking into this town, wearing the only pair of shoes to my name, and with my entire wardrobe on my back. All of my possessions—everything that I owned in this world—were tied on the end of a stick in a red bandanna."

He paused, wiped a tear from his eye, and added: "You folks immediately made me a part of your community—and just look: Tonight you have presented me with this honor."

Just as he was sitting down, a little boy walked over to him and whispered: "Mister, what was in that bandanna?"

The old gent whispered back: "Three hundred thousand dollars in cash, and 700 thousand negotiable securities."

Now that's what you call communicating.

Mrs. Helms, by the way, asked to be remembered to you. She is in Raleigh, with an older daughter, who is to make me a grandfather for the second time, any moment now. Mrs. Helms wanted very much to come with me tonight—and I am always disappointed when she cannot. She's the best thing I've got going for me—or going with me.

During the past 30 years, I've turned to Dorothy on countless occasions for advice. She has a sound set of principles, and I've rarely found her to be in error when she really made up her mind about something.

Last August, we flew over to London where I was to make a speech. We drove out to Dulles Airport, and I was loaded down with our bags. My briefcase kept slipping from under my arm. So I asked Dorothy to carry the briefcase, and that would leave my hands and arms free for her and my suitcases.

That worked out nicely, I checked the bags, and we boarded the plane. We were about 30 minutes out over the Atlantic when I asked her to hand me my briefcase.

She informed me that she had given me the briefcase in the airport lobby, after I had checked our bags.

I didn't remember her doing so, but I knew she must have done so—because her memory was so clear about it. I realized that I must have left it lying somewhere in the airport lobby.

I asked the stewardess to have the captain send a message back to Dulles to check on my briefcase, and to send it to London on the next flight.

Sure enough, they found my briefcase—just where I'd left it: In the lady's restroom.

I welcome you to Washington. It's nice for the American people to come here—to visit their money.

This is a city populated by politicians who no longer speak from their hearts—but to the press gallery. And, where I work, I see daily reminders of what it must have been like just before Rome fell. If some of my distinguished colleagues would just start wearing togas, the scene would be complete.

What matters in this town is whether you get your name in The Washington Post and The New York Times tomorrow morning. What happens to the next generation is not relevant. Nothing matters except the next election.

It is getting so that you can't keep up with what we are beating our breasts about unless you read the papers. The papers and the TV have it all figured out. The prevailing attitude here is that all will go well with this country if we just incorporate the editorial pages of The Washington Post and The New York Times as ad hoc amendments to the Constitution, and set up the pundits of ABC, CBS, and NBC as justices of the Supreme Court.

They tell us that the politicians who are elected by the people are controlled by special interests. Meanwhile, only the news media—to hear the news media tell it—are pure as the driven snow, able to rise above the petty pursuit of privilege, and pursue the truth.

Not long ago the President of one of the television networks sent me a grandly printed, multi-color brochure printed on papers as heavy as cardboard to emphasize the lasting importance of the wisdom enshrined therein. It was, of course, one of his own speeches. In that speech he declared that only the news media could scale the chaste heights of objectivity because, and I quote, "the media belong to all the people." I worte him back a note saying that I was delighted to learn that the media belongs to all the people because I was a people but that he had overlooked sending me my dividend check.

But what is a special interest? It is obviously an interest that the liberal news media don't approve of. I know as a positive fact that some politicians do have such special interests.

In my own case, my special interest is the 800,000 people who elected me a United States Senator over the opposition of every major metropolitan daily in my State.

This is a city obsessed with Watergate. All that matters is Watergate—or, to put it more accurately, all that matters is the power struggle that has grown out of the welter of charges, exaggerations, innuendo, hearsay evidence.

Staggering Federal deficits are no concern to the Congress. The hovering clouds of Government controls are of little moment. The subject of our declining national defense capability is pushed aside to make room for the latest Jack Anderson quotation from an unidentified source. The Panama Canal giveaway is strictly second-rate when compared to the news of what Henry Kissinger's bride ate for breakfast this morning.

As for Watergate, like you, I look at it—and I see what you see: Stupidity, duplicity, meanness. Like you, I see illegal conduct not vastly different from 1969, and 1964, and 1960. There has been perjury, and even some corruption of Power.

But the major news media to the contrary, I find it difficult to see that these reprehensible activities constitute a really major threat to the political freedoms of this Nation, or to the constitutional institutions. Without diminishing the seriousness of the crimes alleged and proved in individual cases, a true perspective would find that they are of lesser importance when balanced against the constitutional upheaval that the major news media are so zealously promoting.

For, mind you, impeachment and convictions would be a major constitutional upheaval. It is is true that impeachment is provided for in the Constitution; but the wisdom of invoking it is left to the House. It would amount to a de facto ministerial form of Government subject to the whims of public confidence. And unfortunately, that public confidence is too easily subject to the monopoly media—the networks, the wire services, the newspapers read by the decision-makers in this city. This monopoly of the major media serves the same function in today's naked power struggle as the manipulated mobs of the past brought pressure for the removal of kings.

I have contempt for the petty men who perpetrated those crimes. But I also see that the crimes of Watergate are a frail vehicle of continued exploitation by those with a political goal in mind.

This is not the first time that the press and the politicians have assailed a President. I was looking, not long ago, at some of the abuse that was heaped on George Washington. One newspaper of the period said that the President was "the scourge and misfortune of our country." Tom Paine, the journalist, wrote to Washington and said: "As to you, sir, treacherous in private friendship . . . . and a hypocrite in public life, the world will be puzzled to decide . . . whether you have abandoned good principles, or whether you ever had any." Benjamin Franklin's grandson, Benjamin Bache, was one of the noisiest anti-Washington pamphleteers of his day. When Washington left office, Bache wrote: "Every heart . . . ought to beat high in exultation, that the name of Washington ceases from this day to give a currency to political iniquity and to legalize corruption."

The attacks on Washington are now forgotten, but they serve to remind us that the objectivity of journalists is not always beyond reproach. Nor does the struggle for power that characterizes government in action provide an environment of disinterested motives. Let us look at the only instance in our history where impeachment was brought against a United States President.

The story begins not with Andrew Johnson, but with Abraham Lincoln. As everyone knows, Lincoln was advocating a policy of reconciliation with the South as the War drew to a close. But this policy did not suit the radicals who controlled Congress and the press. For it became obvious that the Radicals would lose their control if 'the Southern states were readmitted to the Union—and to Congress—on their previous basis. It particularly did not suit Edwin Stanton, who, as Secretary of War, was the most powerful of the Radicals and virtual dictator of Washington. There was talk of putting forward a new candidate when Lincoln's term was over.

But the Radicals could do nothing because Lincoln was the only one that had the confidence of the war-torn nation. He was renominated, reelected, and inaugurated for his second term on March 4, 1865. The war was drawing to its inexorable close. On March 27, Lincoln met with Grant and Sherman secretly, and gave them orders to conclude peace agreements based upon the pre-war situation. On April 2, Richmond fell.

On April 9, Lee parleyed with Grant upon the battlefield at Appomattox. Meanwhile, Lincoln visited Richmond, and returned to Washington on April 11 where he gave an address that evening outlining his plan of reconciliation. Stanton was outraged that Lincoln had ordered that the Virginia General Assembly should meet in Richmond for the purposes of supervising the withdrawal of Virginia troops. He countermanded the order until Lincoln returned, and talked the

President out of it. For a meeting of the Assembly under legitimate auspices was exactly the opposite of what Stanton had in mind. On April 14, Lincoln was felled by the hand of John Wilkes Booth.

Instead of the adulation of a dead President which one might expect after such a tragedy, the Radicals praised God for delivering the Nation from the fiendish plans of Lincoln. For they all felt that Vice President Andrew Johnson's expressed sentiments were exactly in accord with their own thinking.

The mystery of Lincoln's death was never solved. Although general orders were issued to take Booth alive, Booth, weak and crippled, was shot dead by some one in a special calvary unit sent directly by Secretary of War Stanton. The eight conspirators who were thought to have been in touch with Booth were given summary trial in an illegal military tribunal under Stanton's control. They were not allowed to testify in their own defense. Their lawyers were given no previous access to the charges or to the line of evidence to be presented. During the three months that the prisoners were held in Washington, they were compelled to wear black canvas hoods that completely covered their heads and shoulders, with one opening for food and another for air. When the trial began, heavy padding was added over the ears so that no sound could penetrate.

All were adjudged guilty. Four were hanged with unseemly haste days after the trial ended; the other four were sent to rot in a military prison on a tropical island off the coast of Florida. Thus great precautions were taken by Stanton at every step to ensure that any guilty secrets the prisoners may have had would never escape to public notice.

The kind intentions of Secretary Stanton in arranging such a trial are necessary clues to the character of the man who precipitated the impeachment of President Johnson. Although everyone was universally convinced before Lincoln's death that Johnson was a believer in the radical platform, the responsibilities of the Presidential office gradually brought about a striking change. Perhaps the fact that Johnson was born in my home town of Raleigh, North Carolina, before he moved to Tennessee, had some subliminal effect upon him. From being an advocate of reconstruction, he moved to being a proponent of reconciliation whatever the political result.

The radicals' plan was to dissolve the State lines in the South, disenfranchise the ex-Confederates, and enfranchise the ex-slaves. Such a plan would give them the votes to keep them in power indefinitely; without it, they were completely destroyed. The package included two statutes passed at the same time: The Reconstruction Act and the Tenure of Office Act. The first put great powers into the hands of the Secretary of War; the second forbade the President from dismissing any official whose nomination had received the advice and consent of the Senate. It was acknowledged at the time that this law was passed primarily to protect Stanton's position. Both were passed over the President's veto.

The inevitable showdown came at a Cabinet meeting to discuss executive actions to mitigate the severity of the Reconstruction Act. Stanton stood alone in opposition. Johnson dismissed him, and the radicals in Congress brought impeachment. The articles of impeachment began with his dismissal of Stanton and ended with general allusions to high misdemeanors such as speaking disrespectfully of Congress. It was the power play direct, and it lost by one vote.

The fact that the only instance of Presidential impeachment in our history is so besotted wtih the basest kind of vindicative power politics should give us pause when the procedure for getting rid of a President is once more hauled forth. The Constitutional criteria for impeachment are so general that the have engendered enormous debate. I myself think that they should be restricted to those situations where the motives of the participants are clearly disassociated from political rivalries. Because the continuity of the institution of the Presidency is at stake, I want to be certain that the charges are based on precise evidence of evil actions that clearly prevent the President from properly fulfilling his oath of office. Finally, I insist that the bill of particulars detail precise situations without the coloration of hearsay evidence and innuendo. Even if a President has done something which is incompatible with his office, only the gravest of such offenses would justify a massive dislocation of our political system.

Moreover, we must not forget that while the Constitution is the heart of our political system, it is nevertheless the barest sketch of what actually exists. Political parties, of course, are the most obvious addition. The complexities of State laws and customs are others. Historical patterns, ethnic responses, philosophical coalitions are all elements that are real, but not marked in the Constitution. If we allow to the interlocking major news media monopoly the power to drive a President into retirement, as they did with Lyndon Johnson, or to choose whom to impeach, or whose character to assassinate then we will have let loose in our land a tyrannical power that cannot help but oppress the people.

It goes without saying that everyone has the right to criticize the President and his Administration. I have exercised that right myself, frequently.

I am gravely concerned when the President personally negotiates a strategic arms limitation treaty that locks us into a position of quantitative inferiority with the Soviet Union.

I am not surprised that the Soviet Union, since then, has made amazing qualitative leaps in missile production, bringing them almost abreast of our technological superiority. There should be no concessions in SALT II until the Soviets agree to verifiable equality in the throw-weight of central strategic systems. This means not just equality in numbers of missiles, but equality in the tonnage of nuclear warheads carried by the missiles.

I am also gravely concerned when the President proposes to give the Soviet Union most-favored-nation tariff treatment and subsidized credits on trade. This means giving the Soviet Union the same preferential rate of duty that we give to free enterprise nations. But the whole purpose of most-favored-nation tariff treatment is to eliminate government interference with the free market. It is ridiculous to give these advantages to a Communist country where there is no free market to trade in, where the government sets the price of raw materials and products, and prohibits foreign companies from having their own sales opreations.

And it is doubly ridiculous to give Eximbank credits—subsidized by the U.S. taxpayer—to develop Communist industry.

And I am even more deeply concerned when these developing ties with the Soviet Union are making deals at the expense of those suffering oppression inside. It is simply not right to make business deals—which are really political deals—without demanding concessions in the totalitarian system. We should listen to the words of the exiled writer, Alexander Solzhenitsyn, and work for freedom first.

As some of you may know, I am the sponsor of a resolution in the Senate to make Solzhenitsyn an honorary citizen of the United States. About two weeks ago, Solzhenitsyn wrote to me in our continuing correspondence, and explained the program he had presented to the Soviet Union. He said:

"This program proposed that my country refrain unilaterally from any external conquests, from violence against any neighboring states, from any worldwide claims, from any world contention, and in particular from the arms race—a proposal which I made on such a scale that it surpasses anything that is today hoped for in terms of a moderate. mutual reduction of tensions.

Ladies and Gentlemen, Solzhenitsyn is a remarkable individual. With only the power of the Pen he has forced the Soviets to do what the United States would not do—and that is to get some relief for the dissenters and the oppressed. He has been in the forefront criticizing the harassment of Jews and the Soviet controls on freedom of emigration. He is a great Christian who is the forefront of a religious revival sweeping through the orthodox churches of the East, calling for a return to the Christian foundations of Russia and throwing off the ideology of Communism. Now he comes forth and calls upon the Communists to give up their thirst for world domination. I am disappointed when our President fails to support Solzhenitsyn's cause.

I am shocked when the President proposes to give away the Panama Canal. A couple of months ago, Secretary Kissinger signed a Joint Declaration of Principles with Panama agreeing to negotiate a treaty to surrender our sovereignty over the Canal Zone and transfer jurisdiction to Panama. Just signing that agreement of principles was in itself a rash abdication of our position. The Canal Zone is United States Territory. We bought it in fee simple and paid for all the private titles. By treaty we were granted sovereignty to the complete exclusion of the exercise of sovereignty by Panama. Congress is the legislature for the Canal Zone. Domestic legislation applies in the Canal Zone. A Federal District Court sits there. But above and beyond that, the Panama Canal is the unique expression of the American genius. We did it where everyone else failed, by bringing together the financial, diplomatic, engineering, medical, and organizational skills as no one else could, and we have kept it running ever since.

And I have news for Dr. Kissinger and the Panamanians: We aren't going to give it over. A few days ago, 35 Senators joined in signing a resolution demanding our continued sovereignty over the Canal.

It was proposed by two of the most distinguished and powerful Senators in the Senate, Senator John McClellan of Arkansas and Senator Strom Thurmond of South Carolina. I have the humble honor of being one of the junior Senators on a list that included the Chairman and ranking minority members of most of the important committees of the Senate.

But this is the way to oppose policies that one believes to be injudicious or harmful. It is our political system in action. It doesn't always work, but it works more often than any other system that the world has devised. There is no need to resort to outrageous distortions and perversions of basic Constitutional relationships between the branches of government in the struggle for power. All we need to do is to keep our heads, renew our faith in our Creator, and rededicate our nation to the proposition that liberty will *not* be trampled under the heels of tyrants.

I am proud to live in America. Dark clouds have indeed passed over our history; but our power, our strength, our dynamic will to survive and develop ourselves has always led us further on. What is important once more is that we prevent elements alien to our political traditions from assuming roles which fortunately they were always before denied in the end. We have a triumphant history, full of generosity, providing the fullest opportunity for the free enterprise of our citizens. I will not apologize for a system that has brought so many, so far.

To the contrary, like the DAR has done throughout the years, I can lift my head and proudly declare: This is my country.

The hope of mankind, ladies and gentlemen, resides where it always has—in the simple, trusting faith of our fathers. For so long as we abandon it, or relegate it to second place in our national life, our problems will continue to fester and compound.

So the hope of America lies in a spiritual rebirth among our people. The only way out of a rut is up! We can teach our children and grandchildren that this Nation grew great because it was born in an atmosphere of faith—that the very beginning of this Nation is tied inseparably to a Creator who destined that we be different, and greater, and stronger.

We need to remind ourselves of that great truth, that a God who lets no sparrow fall without his notice was highly unlikely to have been an idle spectator when a great nation was born in his name.

So, how we train our children—the kind of example we set—does matter. In the long run, it may be almost all that matters.

SENATE OFFICE BUILDING PLANS TO BE REVIEWED AT HEARING

Mr. RANDOLPH. Mr. President, 2 years ago the Senate adopted legislation authorizing construction of an addition to the Dirksen Office Building. In that measure, the Committee on Public Works and the Senate Office Building Commission were given the responsibility to approve plans for the new structure.

The first preliminary plans for the addition to the Dirksen Building have been submitted to the committee for its consideration. It is our desire to provide the much needed working space for the Senate in a setting that is compatible with the traditions of the Senate and is an example of the high quality of American planning and design. The committee has decided, therefore, to conduct a public hearing on the preliminary plans so that they may be subjected to extensive examination.

Mr. President, I ask unanimous consent that the text of the press release announcing the hearing be printed in the Record.

There being no objection, the text of the press release was ordered to be printed in the Record, as follows:

Washington.—Preliminary plans for an addition to the Dirksen Senate Office Building will be reviewed at a hearing in late May, Senator Jennings Randolph, chairman of the Senate Public Works Committee, announced today.

Architects and others with experience in building design and urban planning will be invited to discuss recommendations for the exterior design of the building prepared under the direction of Architect of the Capitol George M. White.

Members of the Committee decided to seek outside comments after reviewing the exterior plans with White.

Legislation authorizing completion of the Dirksen Building, which was begun in 1955, requires the Public Works Committee and Senate Office Building Commission to approve plans for the project.

"It is especially important that the City of Washington—and particularly Capitol Hill—be reflective of the best America has in planning, architecture and construction," Randolph said. "Poor design occurs in many buildings after it is too late for correction."

Randolph said the Committee does not want to restrict the creative freedom of those responsible for designing the addition to the Dirksen Building. "Our intention is to seek the viewpoints of others to help us avoid some of the mistakes of the past," he said.

Randolph said drawings of the proposed exterior of the building will be on display in the Committee hearing room (4200 Dirksen Building) prior to the May hearing. A definite date for the hearing will be determined soon.

ECONOMIC ANALYSIS

Mr. BROCK. Mr. President, the ability or power of the OPEC nations to operate with indifference to market forces appears to have been exaggerated. Unfortunately, when a particular group takes a position in defiance of basic economic forces, it is attended by great publicity; when this attempt fails, little notice is paid.

Mr. President, I ask unanimous consent to have an editorial from the April 4 Wall Street Journal printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Economic Analysis

For the first time since the Arab-Israeli War, OPEC is coming hard up against the fact that the only way to maintain current prices is to curtail production. Whether it can hold together in the face of this necessity is very much open to doubt. Its members do not have, as commonly believed, identical interests in low production and an artificially maintained price. Their interests are in fact highly, and probably fatally, diverse.

Saudi Arabia, for example, has very little reason to keep a high price umbrella over world oil and thus to encourage development of other oil and energy sources. Oil, after all, is Arabia's only resource. Its oil production costs are among the world's lowest. It doesn't need vast sums for domestic economic development; it does need assurance of stable, long-term demand for its basic product. Perhaps most important, it needs the long-term health and good will of the United States to help protect it against Russia, China and other sources of leftist subversion on the one hand or the ambitions of Iran on the other.

"Iran, the next most significant OPEC member, has a different set of interests. It has launched costly economic and social development programs—not to mention investment in sophisticated and expensive weaponry. It needs ever greater foreign exchange earnings. Its oil production costs will no doubt be rising as it comes to depend more heavily upon secondary oil recovery. It is less concerned about long-term oil market conditions because it envisions itself as becoming an industrial nation, the sooner the better. It wants high prices for oil, now.

"And that is meaningful. Oil experts estimate that the high OPEC price has sufficiently dampened world demand, particularly from underdeveloped nations, so that world supply and demand again are back into a rough balance. At the rate Saudi Arabia is increasing production there may soon be a supply overhang against the world market of some 2 million barrels a day.

"Such an overhang could not exist very long before market prices based on the $11.65 a barrel OPEC posted price begin to crumble. Other OPEC nations are probably closer to Iran's position than Saudi Arabia's, but few of them are likely to look kindly on suggestions that they cut production to offset the Saudi increase. Some have been threatening such irrationalities, but how many will cut their production to keep prices high for the fellow who takes over their former markets?

"In other words, barring some new world convulsion, there is a good chance the Saudis will get their way and that the price of oil soon will be slipping downward. One high-placed expert thinks it may bottom out at about $6 to $7 a barrel, which would be a price most nations, except the very poor, could live with. Even Iran, which has been bartering future oil production for capital goods like mad (and at nominal prices not far from that floor), wouldn't be hurt badly by such an event. The U.S. still would have price leeway to develop new energy sources but the pressure will be less. The great world capital dislocations so many have feared will be less pronounced.

". . . the real foolishness may have been in thinking that [the oil cartel] could conduct an outrageous assault on a vital world market without springing a leak under the inexorable pressures of economics."

WORLD POPULATION AND FOOD SUPPLIES

Mr. HARTKE. Mr. President, there are no more important subjects before us than the two issues of world population and world food supply. Too many people are hungry and malnutritioned; too many are without decent housing and proper clothing; too many people are simply without hope.

Recently, the distinguished Ambassador of Iran to the United States, His Excellency Ardeshir Zahedi, addressed the United Nations on these vital matters.

Mr. President, I ask unanimous consent that his brief but eloquent remarks be printed in the Record.

There being no objection, the remarks were ordered to be printed in the Record, as follows:

April 25, 1974.

Comments by His Excellency Ardeshir Zahedi, the Ambassador of Iran to the United States, at the United Nations

Mr. Secretary-General, Excellencies, Distinguished Guests: It is a great pleasure to be with you this morning on this important occasion.

My country is pleased to join in the efforts to find solutions to two of the most important problems of our day.

As an indication of our concern, I have the high honor to read to you the following message which has been sent by my august sovereign, His Imperial Majesty, the Shahanshah Aryamehr:

"I have learned with pleasure of the Declaration on Food and Population signed by a group of distinguished people which will be submitted to the Secretary General of the United Nations Organization on the 25th of April, 1974.

It is my sincere hope that this declaration will create a sense of urgency and contribute to a greater awareness among nations of the grave problems facing mankind in view of the rapid population growth on the one hand and the precarious state of the world food production on the other.

Priority must be given by governments to implementing sound population control and environmental protection policies, to devising methods of increasing food production, especially that of grains, to encouraging increased cooperation between developing and developed countries in order to provide aid for population control and food production programs and to making provisions for sufficient food reserves to guard against famine.

I earnestly hope that the world population conference and the world food conference organized by the United Nations and to be held in August and November respectively will help to promote a concerted effort on behalf of all the nations of the globe to seek wise solutions to these crucial issues which will have a vital bearing on the future of mankind."

MEDIA ATTACKS ON PRESIDENT NIXON

Mr. THURMOND. Mr. President, while the Congress is trying to get at the issues on the impeachment matter, the press is continuing its efforts to convict the President before the American public.

This issue was well drawn by the distinguished Senator from Florida (Mr. GURNEY) in a statement made recently in Tallahassee, Fla. The Members of the Congress will find informative some comments on this point which appeared in a United Press International story entitled, "Senator Contends Media Has Turned U.S. Against Nixon." This article was published in the April 18, 1974 issue of the Sarasota Herald-Tribune.

Mr. President, I ask unanimous consent that the portions of this article which relate to points I have raised be published in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

SENATOR CONTENDS MEDIA HAS TURNED UNITED STATES AGAINST NIXON

(By ED GURNEY)

TALLAHASSEE.—U.S. Sen. Edward J. Gurney, R-Fla., said Wednesday that the news media have turned the American public against President Nixon and pose a "dire danger" to the nation.

Gurney said the public image of all politicians has suffered because of media handling of the Watergate scandal and post-Watergate reporting of the President's campaign financing, income taxes and GOP setbacks in recent congressional races.

Gurney, a member of the Senate Watergate Committee, said that neither that panel nor the House Judiciary Committee, which is weighing an impeachment resolution against Nixon, has yet reached any concrete conclusions.

"Even after we finished those hearings, which lasted as you recall all summer long last year, the people of the United States were overwhelmingly against impeachment and they were overwhelmingly against the resignation of the President," said Gurney, speaking without a prepared text.

"But with no new evidence being presented, this propaganda has spilled all over the airwaves, and spilled out over the press, for week after week and month after month—until, now, you've got a majority of the people in the United States, even though the evidence has not been presented—even the House Judiciary Committee has not assembled the evidence yet and no single member has heard it—you've got a majority of people in the United States who already convicted the President in their minds.

"And why? Why? Only one reason, and that's the propaganda that's come out of the media," he said. "And I make my case, that it isn't good, it's bad for this country."

Gurney said that an anti-Nixon bias prevails at all levels of the news media.

"Until these people become reasonable, and sensible in the presentation of what's news and what's fact about what's going on in America, this whole governmental system of our country is in deep danger."

He added, "if you want to assess that as a menace, you can," and drew applause from the rotarians.

FINANCIAL DISCLOSURE BY SENATOR HASKELL

Mr. HASKELL. Mr. President, the events of the past year have certainly substantiated the already strong need for legislation which would require public officials to make full and complete disclosure of their financial situation.

As a cosponsor of disclosure legislation introduced by Senator CASE, S. 405, I would like to reiterate my view that a public office is indeed a public trust. If we are to work to keep—or perhaps more appropriately regain—that public trust we must take steps to make our own personal financial affairs open to public scrutiny.

As a matter of public record, I ask unanimous consent to have printed in the RECORD, a copy of my 1973 Federal income tax return.

There being no objection, the tax return was ordered to be printed in the RECORD, as follows:

U.S. INDIVIDUAL INCOME TAX RETURN

Floyd K. and Eileen N. Haskell, 2707 Williamette Lane, Littleton, Colo.

County of residence, Arapahoe, Colorado.

Occupation: U.S. Senator, Housewife.

Filing Status—check only one:

2 Married filing joint return (even if only one had income).

Exemptions: 6a Yourself, b Spouse.

7 Total exemptions claimed, 2.

INCOME

9 Wages, salaries, tips, and other employee compensation, $42,263.89.

10a Dividends, $23,748.46; 10b Less exclusion $200.00; Balance $23,548.46.

11 Interest income, $2,030.00.

12 Income other than wages, dividends, and interest (from line 38), $5,811.61.

13 Total (add lines, 9, 10c, 11, and 12), $73,653.96.

14 Adjustments to income (such as "sick pay," moving expenses, etc. from line 43), $6,272.65.

15 Subtract line 14 from line 13 (adjusted gross income, $67,381.31.

TAX, PAYMENTS AND CREDITS

16 Tax Rate Schedule, X, Y, or Z, $16,045.60.

18 Income tax (subtract line 17 from line 16) $16,045.60.

19 Other taxes (from line 61), $296.80.

20 Total (add lines 18 and 19), $16,342.40.

21a Total Federal income tax withheld (attach Forms W-2 or W-2P to front), $10,997.76.

b 1973 estimated tax payments (include amount allowed as credit from 1972 return), $6,940.00

22 Total (add lines 21a, b, c, and d), $17,937.76.

BALANCE DUE OR REFUND

24 If line 22 is larger than line 20, enter amount overpaid, $1,595.36.

26 Amount of line 24 to be credited on 1974 estimated tax, $1,595.36.

29 Net gain or (loss) from sale or exchange of capital assets (attach Schedule D), $4.90.

31 Pensions, annuities, rents, royalties, partnerships, estates or trusts, etc. (attach Shedule E), $4,039.95.

37 Other (state nature and source); See Exhibit 1 attached, $1,766.76.

38 Total (add lines 28, 29, 30, 31, 32, 33, 34, 35, 36, and 37). Enter here and on line 12, $5,811.61.

PART II ADJUSTMENTS TO INCOME

40 Moving expense (attach Form 3903), $3,002.80.

41 Employee business expense (attach Form 2106 or statement), $3.269.85.

43 Total adjustments (add lines 39, 40, 41, and 42). Enter here and on line 14, $6,272.65.

PART III TAX COMPUTATION

44 Adjusted gross income (from line 15), $67,381.31.

45 (a) If you itemize deductions, enter total from Schedule A, line 41 and attach Schedule A, $17,910.12.

46 Subtract line 45 from line 44, $49,471.19.

47 Multiply total number of exemptions claimed on line 7, by $750, $1,500.00.

48 Taxable income. Subtract line 47 from line 46, $47,971.19.

PART V OTHER TAXES

55 Self-employment tax (attach Schedule SE), $296.80.

61 Total (add lines 55, 56, 57, 58; 59, and 60). Enter here and on line 19, $296.80.

Name(s) as shown on Form 1040; Floyd K. & Eileen N. Haskell.

MEDICAL AND DENTAL EXPENSES

1 One half (but not more than $150) of insurance premiums for medical care, $150.

10 Total (add lines 1 and 9). Enter here and on line 35, $150.

TAXES

11 State and local income, $3,901.66.

12 Real estate, $2,616.02.

13 State and local gasoline (see gas tax tables), $30.

14 General sales (see sales tax tables), $350.66.

17 Total (add lines 11, 12, 13, 14, 15, and 16). Enter here and one line 36, $6,898.34.

INTEREST EXPENSE

18 Home mortgage, $3,679.40.

19 Other (itemize):

Vet. Admin. loan, $323.44.

Chem. Bank loan, $1,156.01.

Interest on tax deficiency, $1.82.

20 Total (add lines 18 and 19). Enter here and on line 37, $5,160.67.

CONTRIBUTIONS

21 a Cash contributions for which you have receipts, cancelled checks, etc., $1,113.50.

b Other cash contributions. List donees and amounts. See Exhibit 2 attached.

24 Total contributions (add lines 21a, b, 22, and 23). Enter here and on line 38, $1,113.50.

MISCELLANEOUS DEDUCTIONS

33 Other (itemize). See Exhibit 3 attached.

34 Total (add lines 30, 31, 32, and 33). Enter here and on line 40, $4,587.61.

SUMMARY OF ITEMIZED DEDUCTIONS

35 Total medical and dental—line 10, $150.

36 Total taxes—line 17, $6,898.34.

37 Total interest—line 20, $5,160.67.

38 Total contributions—line 24, $1,113.50.

40 Total miscellaneous—line 34, $4,587.61.

41 Total deductions (add lines 35, 36, 37, 38, 39, and 40). Enter here and on Form 1040, line 45, $17,910.12.

LONG-TERM CAPITAL GAINS AND LOSSES—ASSETS HELD MORE THAN 6 MONTHS

6.

(1) 800 Rights Pacific Gas & Electric, E, pre-1972, $50.00.

(2) Transferee liability paid in connection with J. J. Monaghan Co. shares of which had been owned by taxpayer, A, 1969, $40.20.

11. Net gain or (loss), combine lines 6 through 10, $9.80.

13. Net long-term gain or (loss), combine lines 11, 12(a) and 12(b), $9.80.

SUMMARY OF PARTS I AND II

14. Combine the amounts shown on lines 5 and 13, and enter the net gain or loss here, $9.80.

15. If line 14 shows a gain—

(a) Enter 50% of line 13 or 50% of line 14, whichever is smaller (see Part VI for computation of alternative tax). Enter zero if there is a loss or no entry on line 13, $4.90.

(b) Subtract line 15(a) from line 14. Enter here and on line 29, Form 1040, $4.90.

RENT AND ROYALTY INCOME

(a) Kind and location of property if residential, also write "R."

Col. O. & G. Lease No. 0220.

(c) Total amount of royalties, $423.01.

(d) Depreciation (explain below) or depletion (attach computation), $93.06.

2. Net income or (loss) from rents and royalties (column (b) plus column (c) less columns (d) and (e)), $329.95.

INCOME OR LOSSES FROM PARTNERSHIPS, ESTATES OR TRUSTS, SMALL BUSINESS CORPORATIONS

(a) Name and address:

Sucan Ltd., Partnership, (c) Employer identification number, [redacted], (d) Income or (loss), $155.

Can Us Ltd., Partnership, (c) Employer identification number, [redacted] (d) Income or (loss), $250.

Mtn. Valley Assn., Partnership, (c) Employer identification number, [redacted] (d) Income or (loss), $3,615.

1 Totals, $3,710.

2 Income or (loss). Total of column (d) less total of column (e), $3,710.00.

Total of parts I, II, and III (Enter here and on Form 1040, line 31), $4,039.95.

COMPUTATION OF NET EARNINGS FROM NON-FARM SELF-EMPLOYMENT

5 Regular Method—Net profit or (loss) from:

(b) Partnerships, joint ventures, etc. (other than farming), $3,710,00.

6 Total (add lines 5(a), 5(b), 5(c), 5(d), and 5(e)), $3,710.00.

8 Adjusted net earnings or (loss) from nonfarm self-employment (line 6, as adjusted by line 7), $3,710.00.

9 Nonfarm optional method: (a) Maximum amount reportable, under both optional methods combined (farm and nonfarm), $1,600.00.

COMPUTATION OF SOCIAL SECURITY SELF-EMPLOYMENT TAX

12 Net earnings or (loss): (b) From nonfarm (from line 8, or line 11 if you elect to use the Nonfarm Optional Method), $3,710.00.

13 Total net earnings or (loss) from self-employment reported on line 12. (If line 13 is less than $400, you are not subject to self-employment tax. Do not fill in rest of form.), $3,710.00.

14 The largest amount of combined wages and self-employment earnings subject to social security tax for 1973 is, $10,800.00.

15 (a) Total "FICA" wages as indicated on Forms W–2, N.A.—US. Senator.

16 Balance (subtract line 15(c) from line 14), $3,710.00.

17 Self-employment income—line 13 or 16, whichever is smaller, $3,710.00.

18 If line 17 is $10,800, enter $864.00; if less, multiply the amount on line by .08, $296.80.

20 Self-employment tax (subtract line 19 from line 18). Enter here and on Form 1040, line 55, $296.80.

EMPLOYEE BUSINESS EXPENSES

1 Travel expenses while away from home on business;

(a) Airplane, boat, railroad, etc., fares, $7,410.16.

(b) Meals and lodging (I.R.C. § 162(a)), $3,000.00.

Total travel expenses, $10,410.16.

4 Employee expenses other than traveling, transportation, and outside salesman's expenses to the extent of the reimbursement, $6,182.85.

5 Total of lines 1, 2, 3, and 4, $16,593.01.

6 Less: Amount of employer's payments for above expenses (other than amounts included on Form W–2), $13,323.16.

7 Excess expenses (line 5 less line 6). Enter here and include in line 41, Form 1040, $3,269.85.

1 Business expenses other than those included above (specify). See Exhibit 4 attached.

2 Total, $2,581.06.

MOVING EXPENSE ADJUSTMENT

(a) What is the distance from your former residence to your new business location? approx. 1,500 miles.

(b) What is the distance from your former residence to your former business location? approx. 10 miles.

1 Transportation expenses to move household goods and personal effects, $1,389.30.

8 Expenses incident to: (a) purchase of a new residence, $1,613.50.

9. Total (Add lines 6, 7, and 8), $1,613.50.

10. Enter lesser of the amount on line 9 or $2,500 ($1,250 if married, filing a separate return and you resided with your spouse who also started to work during the taxable year), (See instructions C(2)), $1,613.50.

11 Total moving expenses (Add lines 1, 2, and 10.), $3,002.80.

13 If line 12 is less than line 11, enter the excess expenses here and on line 40, Form 1040, $3,002.80.

Exhibit 1—Other Income

Collections of accounts receivable for fees for legal services as practicing attorney prior to election to U.S. Senate	$1,404.75
Less accounts paid left over from law practice:	
Publications	48.36
Employee taxes	22.31
Telephone	3.32
Subtotal	73.99
Total	1,330.76
Allowance for travel received from Treasurer of the U.S.. for induction into U.S. Senate	654.00
Less travel expenses	218.00
Subtotal	436.00
Total	1,766.76

EXHIBIT 2—CHARITABLE CONTRIBUTIONS

Harvard Law School fund	$200.00
Harvard College fund	100.00
Harvard Law School Association	30.00
Mental Health Association of Colorado	25.00
Boston Symphony Orchestra	100.00
United Negro Fund	50.00
Saint Mary's Church	500.00
Children's Hospital	30.00
Children's hearing and speech center	60.00
Boys Sponsors, Inc	5.00
Unreimbursed travel expenses for benefit of charity (Medical Center of Denver) fund-raising speech	13.50
Total	1,113.50

EXHIBITION 3—MISCELLANEOUS DEDUCTIONS

Chemical Bank custodian and investment counsel fees	$669.30
Chemical Bank tax fee	80.00
Legal fee for protection of investment in Mountain Valley Association and long distance telephone calls	553.25
Legal fee for tax advice and preparation of returns	500.00
Employee business expenses from Part II, line 2 of Form 2106 and Exhibit 4	2,581.06
Colorado Bar dues	$104.00
Contribution to Colorado Democratic Party (Century Club)	100.00
Total	4,587.61

EXHIBIT 4

EMPLOYEE BUSINESS EXPENSES

Expense item	Total expense	Amount reimbursed [1]	Amount unreimbursed [2]
Entertainment	$1,076.92		$1,076.92
Publications	1,977.80	$1,967.80	10.00
Expenses for informing constituents	1,392.82	178.00	1,214.82
Miscellaneous	4,316.37	4,037.05	279.32
Subtotal	8,763.91	6,182.85	2,581.06
Travel	[3] 7,410.16	[4] 7,140.31	[5] 269.85
Living expenses	[3] 3,000.00		[5] 3,000.00
Total	19,174.07	13,323.16	5,850.91

[1] Reported in pt. I, lines 4, 6 of form 2106.

[2] Reported in pt. II, line 2 of form 2106 and line 33 of exhibit 1.

[3] Reported in pt. I, lines 1 (a) and (b) of form 2106.

[4] Included in line 6, pt. I of form 2106.

[5] Reported in pt. I, line 7 of form 2106 and on line 41 of form 1040.

TENNESSEE ASSOCIATION OF BROACASTERS URGE SUPPORT OF AM/FM RADIO ALL-CHANNEL BILLS

Mr. BROCK. Mr. President, soon the Senate will be faced with a decision on Senate bill 585, regarding AM/FM radio all channel bills. I have just received a resolution from the Tennessee Association of Broadcasters in which they urge the Congress to support and approve this measure. I ask unanimous consent that this resolution be printed in the RECORD for my colleagues to view.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION

Whereas, the Congress of the United States is currently considering two AM/FM Radio All-Channel bills, Senate Bill S–585, introduced by the Honorable Frank Moss, and House Bills HR–8266, introduced jointly by the Honorable Lionel Van Deerlin and the Honorable Clarence J. Brown, and

Whereas, the Tennessee Association of Broadcasters, through action by its Board of Directors, considers this legislation of vital importance to the broadcasting industry of the nation, and,

Whereas, passage of the above referenced proposed legislation would permit FM radio to reach proper and deserved equity with all other media, and,

Whereas, passage of the proposed legislation would provide the general public having readily and completely available to them the full services to which they are entitled.

Now, therefore, be it resolved, that the Tennessee Association of Broadcasters respectfully urges the honorable members of the Tennessee Congressional Delegation to support and work for passage of Senate Bill S–585 and House Bill HR–8266.

THE ELDERLY KITCHEN

Mr. McGOVERN. Mr President, last week I sponsored three public forums on the problems of senior citizens in South Dakota. At each of these meetings I heard from a variety of witnesses and concerned citizens who outlined in detail the special problems which our elderly face.

While I was in Rapid City, I had the opportunity to visit the facilities of the Elderly Kitchen. This is one of the most worthwhile and meaningful programs run by and for senior citizens, that I have seen in quite some time. The staff and the members share in the enthusiasm of preparing and providing hot, nutritious meals and the atmosphere is friendly and inviting.

On Easter Sunday, April 14, the Rapid City Journal printed a story about the activities of the Elderly Kitchen. I know that there are others who would enjoy reading about this program.

I therefore ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

EASTER IS A SPECIAL TIME AT ELDERLY KITCHEN

By Diane Pawelski

An ordinary, two story, white building, almost isolated in the uncleared, undeveloped flood plain along Chicago Street, has attracted from 50 to 100 low-income Indian and white elderly people each week day for over two years. The reason? A hot, nutritionally-balanced meal, which is often the only full meal most of these people eat each day.

Inside the center, members were seen here and there, waiting—for other friends, for dinner. To the right, a shiny, white door opened and the hot damp smells of the kitchen rolled out. This was clearly the heart of the Elderly Kitchen.

When Living Today visited the center on Wednesday, Minnie Oney and four other women were baking homemade rolls for the noon meal, along with boiled franks, corn, and for the Easter season, dyed, hard-boiled eggs and rabbit-shaped cookies.

No matter what went on during the noon hour—elections proceeding in the dining hall, visitors or photographers invading the kitchen, phone ringing—the old country-sized kitchen was clearly the center of operations. Several members popped in and out the doorway to greet someone, ask about a missing friend who is in the hospital or just ask about dinner. Just the type of thing one would do at home. . . .

Mrs. Marie Rogers, director of the Elderly Kitchen refers to them as her "great, big family" that comes five noons a week for the balanced meal. Equally important, the Kitchen serves companionship and warmth, she said. "Most of the members are lonesome, as well as hungry, and they come to meet friends," said Mrs. Rogers. "Once they start coming, they develop these friendships and start worrying about each other."

As she spoke, one older man on crutches, poked his head into the kitchen, saying the dining room was too crowded and asking for a place to sit.

Mrs. Rogers continued, "Some of these folks have never been taken care of in their old age. They live on Social Security or welfare or disabled benefits and cannot even afford much food."

Since some have started eating at the Paha Sapa Kitchen, they have improved their health and have been going less frequently to the hospital, she said.

Lillian Chell, public health nurse from the Pennington County Health Department, visits the center once a week. She concurred and added, "There has been a very definite change in a couple of cases." She feels that much of the reason for this is the companionship as well as the food.

Meanwhile, food preparations for the day and the Eastern dinner to be held on Good Friday continued in the kitchen. Minnie, assisted by Hanna Afraid of Hawk and Mary Colvin, a volunteer worker, were serving the noon meal to the crowded dining room. Because special Eastern cooking was necessary, two other volunteers, Alma Randall and Thelma Iron Eyes, were enlisted to help.

Members had been arriving over the last hour by car, by foot and by Paha Sapa bus for the meal. The bus, driven by Connie Haynes, makes two trips to north and south Rapid City to bring some who would be unable to come otherwise.

At each of the two long rows of tables stood a single Easter lily, symbolic of the season. The room can only seat 44 people at a time, but the overflow is absorbed by taking turns or setting up additional tables in the lobby. There one sees the only other Easter decorations—a few plastic flowers with candles, some paper decorations and egg shells on a "tree" and an egg carton cross . . . Touches that most of the diners probably don't have at home.

Once the noon meal was over, Minnie and her friends began final plans for "Easter Friday." "Nearly 50 pounds of turkey with all the trimmings and even pumpkin pie will be the menu for Friday," she said. On a tour of her kitchen, one is impressed that she is able to turn out meals for 50–100 persons. Only one stove was seen, one freezer and two refrigerators. Minnie said, "A second oven, upstairs, is used for special meals."

"The Easter meal will be started at 5 a.m. Friday," she said, "when Hanna will arrive to put the turkeys in the oven. And, of course, we will bake bread that day, too," she added. "The Kitchen serves homebaked bread each day," she said proudly.

The Elderly Kitchen continues to function although their funds are not great. "We are supposed to collect 50 cents per meals for persons under 55 years of age and 25 cents per meal for those over 55," said Mrs. Rogers. "But these people just don't have the money. Some days we only collect $3." In fact, she now has a woman staying at the center who has no where else to go.

"We are supposed to be self-supporting by next fall when the last year of a three-year pilot program runs out," she said. (Currently they are funded 50 per cent by the federal government through the Older Americans Program and 50 per cent through contributions.) "But there is no way we can be self-supporting unless the few of us who work for salaries start working as volunteers." But Mrs. Rogers indicated this was impossible as most of these workers are the head of a household and have to work.

As she talked, people stopped to ask her questions, phone calls interrupted and meals were being served to the latecomers. "We will also have a problem, about a year from now, when we will be forced to move out of the flood plain. And so far there is no where for us to go," she said. "The program just cannot die," she stated.

The solemn but friendly, content faces of the elderly members told the story. Ordinary people, they seemed a part of the homey, warm kitchen that makes room for all who come.

DON'T GIVE OUR NATIONAL TREASURE AWAY

Mr. THURMOND. Mr. President, the April 1974 issue of the Armed Forces Journal highlights a guest editorial by Frank Gard Jameson, an official of Rockwell International, regarding international trade.

Mr. Jameson points out that our largest asset to offset the dollar drain for oil is food. He advocates a more aggressive international trade in food products. This is an area in which America has a great capacity.

Mr. President, I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Armed Forces Journal International April 1974]

DON'T GIVE OUR NATIONAL TREASURE AWAY

(By Frank Gard Jameson)

In a recent editorial, the *Los Angeles Times* quoted an obviously well meaning U.S. government official in Bangladesh who, in a typically warm and sympathetic American approach to that country, suggested that our food surplus be made available to their hungry people at a price lower than the world's market.

Cold and hunger are two of the most terrible enemies of mankind.

As a generous nation, we have always responded to those in need in the world. We just *forgave* a debt of several billion dollars owed to us by India for food we had sent them to alleviate their hunger—although we have had an unbalance of trade and a large national debt, we do have a surplus of food.

Other nations today have a surplus of oil which can combat that other half of the cold/hunger problem, but I do not see them giving it to us or to the people of the world who are cold. Instead, they sell it to us at high prices and end up with a surplus of dollars that will wreck the world's economy—certainly ours—when a certain $40-$50 billion unbalance in trade occurs against us.

The largest asset we have to offset this dollar drain for oil is *food*. But we seem to view this American treasure as something that should be *given* away to the less fortunate. The $20 billion a year in food exports to other nations could offset our expenditures for oil in a large way.

Our other exports which used to be large, such as automobiles and electronics, have become noncompetitive in the world market. Aerospace, which a few years ago was above agriculture (because lawmakers decided to pay our farmers *not* to raise crops which could have been exported), has helped a lot with commercial aircraft sales, but is far outshadowed by farm exports today.

The only thing worse than the energy crisis would have been if it had not happened to awaken the American people and lawmakers to the fact that with energy consumption doubling every 10 years, even at the old oil prices, the oil producing nations could have taken their surplus dollars and brought America—just as we did to the rest of the world when our productivity gave us a large favorable balance of trade in the 1920s, 1930s, 1940s and 1950s.

If oil costs $12 per barrel instead of $3, then let our wheat cost $12 per bushel instead of $3. Sure, food prices will go up, but Americans today still feed their families on 20% of their wages when Europeans spend 35% and workers in India and China spend 80%. Europeans have been paying $1 per gallon for gasoline for years—that's why they built small cars.

If the Germans and Japanese had won World War II, does anyone think that they would have rebuilt America with their national treasure as we have done? We have proven that we are the most generous nation in the history of the world. Now, let us *sell* our greatest natural treasure—food—instead of giving it away. If the oil producing nations who now have surplus dollars (Russia with surplus gold, or any other wealthy nation) want to buy our food and then give it away to the hungry of the world, they can prove their greatness as we did.

PRICES AND PRODUCTION OF SOFTWOOD LUMBER AND PLYWOOD

Mr. SPARKMAN. Mr. President, a highly significant study of interest to those concerned with economic controls and the softwood lumber and plywood industries has just been completed by the Rinfret-Boston Associates.

The 10-month study, made under the direction of the noted economist Pierre Andre Rinfret, is entitled "Prices and Production, An Economic Analysis of the Production, Marketing and Pricing Behavior of Softwood Lumber and Plywood Products."

The Rinfret study is significant to my colleagues from at least two important standpoints. First, it points out the distortions and disruptions that recent price controls created for such a highly competitive industry whose very competitiveness creates an efficient price system.

On Aug. 15, 1971, price controls were imposed on the superbly efficient pricing mechanism for softwood lumber and plywood. After imposing of controls, the market mechanism stopped working. The results of imposing rigidity on a system historically characterized by flexibility were disruptions and distortions. Entrepreneurial drive was frustrated. The allocation of product through a competitive, highly variable price structure was stymied.

When price controls were removed, the industry immediately began to operate in a more efficient manner as supply expanded and prices decreased. Controls were inefficient; the free market is efficient, benefitting producers, distributors and consumers.

Of equal importance, the study comprises the first comprehensive, objective overview and evaluation of the economic forces at work in the softwood lumber and plywood industry.

The Banking, Housing, and Urban Affairs Committee in recent years has been increasingly concerned over the effect of periods of rapidly escalating prices and shortages of softwood lumber and plywood and their impact on housing production. The committee held hearings during these periods of price escalation in 1969 and, more recently, in March of 1973.

In 1969, the Housing and Urban Affairs Subcommittee issued a report which held as a major conclusion that to reach the Nation's housing goals in the years ahead increased timber production would be necessary. It found that the national forests which contain approximately 50 percent of the Nation's inventory of mature softwood timber, were producing far less than could be achieved under modern intensive management with proper funding by the Congress. And that this could be accomplished without impairing the use of the forest to meet the conservation and recreation needs of the American people.

Legislation to meet the long-range timber needs for housing and other uses was introduced by me and other members of the committee following our study, but until recently, no further action was taken by the Congress. To this end, I have been encouraged by recent Senate passage of S. 2296, the Forest and Rangeland Environmental Management Act, sponsored by the distinguished Senator from Minnesota (Mr. HUMPHREY), which provides the direction for improved management of all the national forests' functions.

However, during the committee's hearings many questions were raised in an effort to gain insight into the highly complex workings of this complicated industry. It is commendable that the wood industry requested this study be done by the Rinfret-Boston Associates. The industry recognized that few people understood its complexities, the unique nature of its operations, and its dependence on a renewable raw material that may be unavailable when needed most.

Through research and analysis, the Rinfret report explains how the industry operates, identifies the forces that make it function as it does, traces the interrelationship of these forces, and shows the results they produce. It will be an extremely helpful reference document to the Banking, Housing and Urban Affairs Committee in its continuing overview of lumber and plywood supply and prices, and should be of great interest to each of my colleagues.

It is my understanding that each Member of the Congress will be receiving a copy of the full report within the next few days, but at this time, I ask unanimous consent that a brief summary of the report be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

WHEN RIGIDITY IS IMPOSED ON FLEXIBILITY

"A major threat to the American economy is the possibility of a return to price controls by a Government which doesn't remember the distortions and disruptions which such controls created for industries like softwood lumber and plywood.

"On Aug. 15, 1971, price controls were imposed on the superbly efficient pricing mechanism for softwood lumber and plywood. After imposition of controls, the market mechanism stopped working. The results of imposing rigidity on a system historically characterized by flexibility were disruptions and distortions. Entrepreneural drive was frustrated. The allocation of product through a competitive, highly variable price structure was stymied.

"When price controls were removed, the industry immediately began to operate in a more efficient manner as supply expanded and prices decreased. Controls were inefficient; the free market is efficient, benefitting producers, distributors and consumers."

These paragraphs are a basic finding of a 10-month study and analysis conducted by Rinfret-Boston Associates, Inc., under the direction of the highly regarded economist, Pierre Andre Rinfret. The report, published in April 1974, is being distributed by its sponsors in the wood products industry: American Plywood Association, National Building Material Distributors Association, National Forest Products Association, National Sash and Door Jobbers Association, North American Wholesale Lumber Association, Southeastern Lumber Manufacturers Association, Southern Forest Products Association and Western Wood Products Association.

The chaos wrought by the controls imposed on the wood products industry in 1971–73 are a matter of record. In time, even those charged with responsibility for carrying them out came to realize how ill-advised they were. Donald Rumsfeld, after serving as director of the Cost of Living Council, cited the forest products industry as an example of how ineffective and "just plain wrong" controls had been. The Council's counselor, C. Jackson Grayson, said in 1973, "The price problem on lumber stemmed wholly from a demand situation, and that is the sort of case where the market over the long run is a better regulator than the people in a control agency." Council Director John C. Dunlop testified, "Given a desired high demand for lumber and wood products, the only way to maintain price stability in these markets over an extended period is to increase the supply of these products. Wage and price controls which mandate artificially low prices and, at most, have a temporary effect in halting the price rise, at the expense of market distortions and apparent shortages."

And Dr. Walter J. Mead of the University of California, the distinguished authority on wood industry economics and marketing, told the Price Commission in 1972: "Lumber is a highly competitive industry. You don't need price controls . . . Probably the price of lumber today or in the next six months would have been lower if you had not controlled the price . . . If the price goes up people will supply more."

Last year, several segments of the industry came to the conclusion that few people understood its complexity, its excruciating dependence upon a remarkable raw material that was so plentiful and self-perpetuating and yet so frustratingly unavailable when needed most. Very few recognized that severe economic damage could be caused by well-meaning but poorly informed tinkerers. But, it was agreed that any in-depth research of how the industry works would have no meaning unless conducted by an unbiased, respected organization.

The result is the Rinfret-Boston Study—65 pages, plus an appendix that includes survey samples and dozens of charts and tables. It comprises the first comprehensive, objective overview and evaluation of the economic forces at work in the softwood lumber and plywood industry. Through research and analysis, the report explains how the industry operates, identifies the forces that make it function as it does, traces the interrelationship of these forces, and shows the results they produce.

The study was confined to industry operating conditions and markets since 1970. It did not consider or forecast future conditions or market prospects and it focused exclusively on the softwood industry, excluding hardwood lumber and hardwood plywood. Also excluded were environmental considerations.

The unique report is entitled "Prices and Production, An Economic Study of the Production, Marketing and Pricing Behavior of Softwood Lumber and Plywood Products."

After delving into the operation of the industry, its complex distribution process, its import-export situation, how its pricing is set, and how its products are ultimately put to use, the report winds up with a chapter that details the industry's economics in a free market and under controls.

In a summary of its analysis, Rinfret-Boston Associates said:

"In this industry there is no centralized decisionmaking. No individual firm acts regularly as a price leader. The forces influencing supply and demand are so widely diffused that they can not be affected by any individual firm.

"There is a real, independent and effective 'market' for lumber and plywood, composed of a highly interactive network of individuals. Its operations are not confined to any specific time or place. On any given day this market may involve thousands of offers to buy or sell, with the resulting transactions a matter of public record.

"Like an endangered species, this market should be prized and protected."

The report said that the flexibility of the industry's pricing system is perhaps its "most important characteristic." Many buyers and sellers, widely dispersed, maintain a continuous stream of transactions, it said, and every sale "is influenced by preceding sales and, in turn, influences future trasactions." This sensitive but efficient mechanism, based on the forces of supply and demand, was inherently in conflict with the outside pressure of Federal price control, Rinfret-Boston Associates found, and its summary went on to these other salient points:

Softwood products are a "true commodity," subject to constant market pressures and highly volatile. Short-term disruptions of supply and demand can have significant effects on prices, but softwood supply is usually not sensitive to such price changes.

When Phase One was imposed in August, 1971, prices had been rising due to stepped-up residential construction, but they still were below 1969 peak levels. The 90-day freeze held prices, although, as a mild winter permitted high building levels, dealers bought aggressively.

Under Phase Two (Nov. 15, 1971, to Jan. 11, 1973), softwood demand reached record levels. Timber inventories fell and heavy bidding on timber sales boosted stumpage costs. Orders piled up, prices rose, and higher production boosted operating costs, chiefly for maintenance and labor. Because the control system allowed nonuniform increases in prices, some industry members felt regulations were not applied equitably within the industry.

"Unusual business practices" arising from Phase Two disrupted the marketplace, resulting in widely differing prices. Dealers, plagued by uncertainties over regulations, reported greater difficulty in meeting customer demand. "The softwood industry could not operate rationally" as "regulations limited price increases but failed to take into account increasing demand, thus leading to market distortions and shortages in 1972."

Phase Three, starting Jan. 11, 1973, brought confusion and uncertainty over whether prices could be raised. A growing number of producers and wholesalers began operating on the premise that the market was free. As a result, market forces played a greater role in determining prices. One indication of a return to more normal conditions was that the spread narrowed between the prices of Canadian lumber, which was uncontrolled, and lumber produced in the United States.

By April, 1973, the demand was clearly subsiding. Housing starts were 16 percent below April 1972, and the question was: how severe would the decline be? Phase Three had not created "the havoc and confusion" of Phase Two because "free market rather than controlled prices prevailed."

THE MAST PROGRAM

Mr. THURMOND. Mr. President, in various locations across the United States the Army is pressing forward with a program known as military assistance to safety and traffic.

Last year it was my pleasure to amend the military procurement bill to provide for the MAST program and I am pleased to see the Army is implementing it where appropriate.

In this connection, my attention was called to an article in the Louisville Courier-Journal on April 11, 1974, by Bill Powell under the title, "Plans Are Moving Along To Make Army Helicopters Part of Emergency System."

Mr. President, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Louisville Courier-Journal, Apr. 11, 1974]

PLANS ARE MOVING ALONG TO MAKE ARMY HELICOPTERS PART OF EMERGENCY SYSTEM

(By Bill Powell)

MADISONVILLE, KY.—In a few months, helicopters from Ft. Knox and Ft. Campbell are expected to be available to nearly two-thirds of Kentucky for "special emergency" illness and injury cases on a 24-hour basis.

Groundwork for Ft. Campbell participation in the program, known as the Military Assistance to Safety and Traffic (MAST), was laid here last week.

It included a conference of local, military, state and other officials and the appointment of a committee to complete the plans through Washington channels.

Ft. Knox involvement in the program is in a more advanced stage. Col. Frank Wasko, Ft. Knox information officer, said the military there is "ready to go" as soon as civilian-sponsor requirements are met and approval comes from an inter-agency group in Washington. The group represents the Department of Defense, Department of Transportation and the Department of Health, Education and Welfare.

Col. R. B. Austin, commander of the U.S. Army Hospital at Ft. Campbell, home of the 101st Airborne Division (Airmobile), said recently he saw no reason why the Ft. Campbell program would not be in operation by mid or late summer.

Col. Wasko said the civilian sponsor of the Ft. Knox program is the Louisville Chamber of Commerce, Ft. Campbell's civilian coordinator is the Buerau of Medical Services, Kentucky Department of Human Resources.

The MAST program, which must be formally requested by the "civilian community," would make available 12 "Huey helicopters already assigned to the 326th Medical Battalion at Ft. Campbell, according to Col. Austin. Col. Wasko said Ft. Knox plans to use six "Hueys." The helicopter is capable of carrying six litter cases at speeds of up to 160 miles an hour.

Jack D. Walker, field worker for the Kentucky Bureau of Medical Services, said here he regarded the Ft. Knox program as "just a short time away from materializing" and that "the Ft. Campbell effort is well on its way."

Walker said the helicopters would be able to answer "authorized" calls up to 120 miles from each base.

"The decision to call a MAST helicopter will rest with the law officers, physicians or other responsible parties at the emergency scene," said Walker.

The service would be free to the public, the sponsors would be required to pay for certain radio and other equipment.

"A lot of lives will be saved by this," said Walker. "It certainly would have been highly useful during the recent tornado tragedy in Kentucky, but it will be valuable on a person-by-person basis."

The helicopters already are available in certain crisis situations, such as the use of Ft. Knox aircraft to help transfer tornado victims from Brandenburg, but until MAST begins operation large-scale coordination is lacking.

Walker said a radio network would serve hospitals, ground ambulances and helicopters when arrangements are complete.

Walker noted that the program would involve "really serious" cases requiring speedy transfer from one hospital to another, removal of accident victims to hospitals from remote areas and the emergency movement of blood and medical supplies.

He said the use of both bases extends service from the western tip of Kentucky to the farthest point of a circle reaching the eastern edge of Fayette County.

Ft. Campbell helicopters also could cover a large portion of Western Tennessee (the base straddles the Kentucky-Tennessee line south of Hopkinsville) and a tip of Southern Illinois. The Ft. Knox "circle of operations" covers a large portion of Indiana, according to maps displayed at the Madisonville conference.

Nationally, the MAST program is about 4½ years old but Walker said, "We're not too far behind in the expansion of it."

An Army spokesman at Ft. Campbell yesterday said MAST operations, as of Feb. 17, included 2,500 missions involving 2,800 patients for 5,094 air hours "throughout the country."

Army officers said an "educational program" would be conducted to acquaint the public with the service.

"It all boils down to the military offering services which are available anyway, and the civilian community asking for it and meeting the requirements," Walker said. "That's what the meeting here was all about."

CHANGE IN GOVERNMENT OF PORTUGAL

Mr. KENNEDY. Mr. President, news of a change in the government of Portugal may have struck many people of the world as a surprising and alarming event. Yet, those who have been concerned about Portugal's continued warfare in Africa anticipated that the people of Portugal would some day demand a change in the government's African policy.

From the proclamation issued by the new regime, it appears that one of the reasons for the overthrow of the government in Lisbon was the "inability of the present political system to define an overseas policy leading to peace."

Last Thursday's coup was predictable for those who insisted that the 13-year campaign in Africa was not only a drain upon the resources and economy of metropolitan Portugal, but that was a war that was also an immoral and unjust assault upon the homelands of 15 million African people.

African Nationalists who defended against the Portuguese have steadfastly believed that the people of Africa deserve to determine their own fate and destiny. And so their courageous resistance in pursuit of liberation was sustained by the universal quest for self-determination.

Regrettably, this change in power is another example of forceful military intrusion in a nation's political processes. But hopefully, the promising goals of this junta's proclamation will be realized, in its intent to complete "a program of salvation for the country and the restitution to the Portuguese people of the civil liberties of which they have been deprived."

General Antonio Spinola is emerging as a hopeful and promising leader of the Portuguese people in a fashion likened to that of Gen. Charles de Gaulle when Algeria pressed for independence from France.

Peace loving people from around the world pray that General Spinola will succeed in his efforts to establish a noncombatant alternative to the needless killing that has plagued the Portuguese territories of Angola, Mozambique and Portuguese Guinea since 1961.

I join with all Americans who want to see a timely settlement to the struggle that has disrupted the lives and hopes of people in Portugal and in Southern Africa, for too long.

As we wait and watch events unfurl in the coming weeks and months, it is my hope that aid and comfort from people of goodwill shall guide families in those troubled lands so that life for all of them can be framed in strengths borne of peace and justice.

REAL ESTATE SETTLEMENT COST REFORMS

Mr. BROCK. Mr. President, two recent publications have come to my attention vividly illustrating the need for basic reforms to relieve the consumer from the high cost of settlement charges. These deal with the economic burden on the consumer of kickbacks on title insurance and the antiquated land title recording system in the United States. The Real Estate Settlement Procedures Act, S. 3164, which I introduced on March 13, 1974, deals with both of these problems.

KICKING BACK ON TITLE INSURANCE

According to an article appearing in the April 13, 1974, issue of Business Week in many States home buyers are being bilked by the practices of lawyers accepting millions of dollars in legal but unethical kickbacks on title insurance. According to this article, house buyers are required by lending institutions to provide a title insurance policy that guarantees that the mortgage will be paid off even if a defect is later discovered. The buyer pays the premium on this policy. In some cases, the title insurance company will remit a secret premium or kickback of each policy to the lender's and buyer's attorneys. These "commissions" are paid as a matter of course, though rarely do the attorneys do any work for the title company.

The New York State Insurance Department has estimated that the 15 percent kickback going to attorneys in the State comes to some $4 to $6 million annually. Estimates vary from State to State.

But outlawing the kickback is a difficult political task. The article points out that the New York State Senate recently defeated a State insurance department's proposal to outlaw the payment of such commissions.

The Real Estate Settlement Procedures Act of 1974 would remedy this situation by prohibiting kickbacks and unearned fees. It is to the credit of many of our fine State bar associations that they have endorsed the passage of this legislation to correct the questionable practices of some attorneys.

Mr. President, I ask unanimous consent that the text of this article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record as follows:

Kicking Back On Title Insurance

As every homeowner knows, his role at the house closing is to sign endless pieces of paper—most of them checks—to the seller, the mortgagee, the lawyers, and title insurance companies. Though they may come as a shock, most of the costs are disclosed. But one customary cost is rarely mentioned: a kickback from the title insurance company to the lawyers. It will surprise most home buyers that in many states, lawyers are accepting millions of dollars in legal but unethical kickbacks. And despite the occasional cries of reformers, neither legislatures nor bar associations are willing to correct this abuse.

The mechanics of the kickback are simple, though they vary from state to state and among cities and counties within states. New York state is typical. There, the house buyer must provide his lending institution with a title insurance policy that guarantees that the mortgage will be paid off even if a defect in title is later discovered. Usually, the buyer will want a similar policy covering his equity interest. The buyer, of course, pays the premium on both policies. But he usually is not told that, after the closing, the title insurance company will remit 15% of the premium of each policy to the lender's attorney. These "commissions" are paid as a matter of course, though rarely does either attorney do any work for the title company and despite the fact that the buyer has also paid a separate fee to each attorney.

In New York, as a final insult to the buyer, real estate attorneys perpetuate a custom whereby a "tip" of $10 or more is passed under the table from the buyer to a salaried employee of the title insurance company. Like the kickback, this fee is not revealed. Lawyers say privately that they pay it because otherwise the title companies will slow down the closing.

FEW DEFENDERS

It is almost impossible to calculate how much money changes hands through title insurance kickbacks. The New York State Insurance Dept. estimates that the 15% kickbacks going to attorneys in the state comes to some $4-million to $6-million annually. In Chicago the amount is probably less because the kickback rate there is 10%, but in Tampa the rate is 20%, and in eastern and central Pennsylvania, 15%. In New Jersey, where one lawyer commonly represents buyer, lender, and seller, title companies frequently submit two bills to the lawyer. One, labeled "gross amount," is handed to the client. The other marked "net amount," is remitted to the title companies and the lawyer can pocket as much as 25% of the total premium.

Few lawyers defend this kickback arrangement. Says Herbert C. Denenberg, Pennsylvania's former insurance commissioner: "Attorneys should be out of the title insurance business as agents because it leads to abuses and conflicts." His old department is considering a proposal to eliminate such commissions paid to attorneys and real estate brokers.

But outlawing the kickback is a difficult political task. Just last month, the New York State Senate soundly defeated a state insurance department proposal to outlaw the payment of such commissions. The bill's defeat was nothing new. Like a rite of spring, the insurance department has been submitting similar bills to Albany, and each time the legislators, many of whom are lawyers and some of whom are directors of title insurance companies, turn the department down. This time around, the legislators were upset by the wording of an insurance department memo that referred to the paying of kickbacks.

The state insurance department's inability to get its proposed legislation enacted is symptomatic of the general lack of industry regulation. Only 12 states currently attempt to exert any controls over the insurance companies, according to Joseph D. Burke, executive vice-president of Philadelphia's Commonwealth, Land Title Insurance Co.

Even in those states, regulation is anemic. In Illinois, for instance, title insurance is regulated by the Financial Institutions Dept., not by the Insurance Dept. Thomas Raleigh, supervisor of consumer credit for Financial Institutions, says, "In our state, title insurance companies are not well regulated at all. If you read the law, it gives me very little power to do anything. Our examination is just a joke, literally a joke."

Many title insurers privately speak in favor of legally abolishing the commission, but they are rarely heard in public, even though the American Land Title Assn. went on record last fall as opposing kickbacks. A spokesman for Chicago Title & Trust Co., which is being sued over its practice of giving lawyers "prompt payment discounts," says privately that he hopes his company loses so the payments can end. Sheldon B. Lubar, Assistant Secretary of the Housing & Urban Development Dept., and Thomas R. Bomar, chairman of the Home Loan Bank Board, have both endorsed provisions of several bills pending in Congress to eliminate the kickbacks. Bomar says that kickbacks "may violate existing federal criminal law dealing with commercial bribery."

ASKING QUESTIONS

Bar associations have largely remained silent. Not until 1972 did the American Bar Assn. address itself directly to the problem. Then, in shaping its position on pending Congressional legislation to regulate real property closing costs, the association's board of governors adopted this resolution: "Any payments that increase closing costs without any compensating protection to the seller or the buyer, such as kickbacks, are highly improper and should not be tolerated."

The resolution has not been widely circulated or understood. A committee on insurance law of the Chicago Bar Assn. failed last year to adopt any position; despite heated debate. Until Business Week began asking questions late last year, the New York State Bar Assn. had never considered the question of kickbacks, according to Ellsworth A. VanGraafeiland, president of the association. Shortly thereafter, the bar's Committee on Professional Ethics released an opinion that permits a lawyer to accept a kickback if he obtains his client's consent to do so. The opinion did not deal with the criticism that the commissions provide lawyers with incentives to shop for the most expensive insurance.

Moreover, as Monroe H. Freedman, dean of Hofstra University Law School and a columnist on ethics for the *New York Law Journal*, points out, the basic ethical premise of the legal profession is to "avoid even the appearance of an impropriety." He suggests that the new rule requiring disclosure and consent may not go far enough. "If the bar is participating in a system of no functional value other than defrauding the client," says Freedman, "what looks all right on the surface, when examined may have at least the appearance of impropriety."

LAWYERS' FUNDS

The Connecticut Bar Assn., on the other hand, has recently ruled that it is unethical for an attorney to accept a rebate from a commercial title insurance company. But a Connecticut lawyer has access to a direct competitor of commercial companies. Lawyers there have founded the Connecticut Attorneys' Title Guaranty Fund, Inc. This is essentially a client security fund. Any lawyer may join by paying a modest sum. The lawyer then searches the title and, based on his opinion, may issue a policy on behalf of the fund. Costs to the buyer are usually about

25% lower than those of commercial companies, according to William T. Margiotta, of the Connecticut Attorneys' Fund. The fund has a very low loss ratio, and a 15-year moratorium on dividend payments to participating attorneys runs out in 1981. Margiotta admits that such a payment would pose ethical problems, since the dividend would be a disguised commission.

Lawyers operate such funds in several states. The oldest, Florida's, began in 1947, and for several years it has been paying out dividends to participating attorneys. The practice has never been questioned, and the ABA has specifically approved such funds.

Meanwhile, the kickbacks grow as the title insurance business mushrooms. Title insurance is a necessity in most parts of the country (it is rarest in New England) because lending institutions will not rely on the opinions of local lawyers that titles are sound. And title insurance is not issued just once on the same property. Each time a home changes hands, a new policy is written covering many identical risks previously insured against. Rapid turnover of homes by a mobile population thus raises the title insurance bill.

The lender's insistence on insurance reflects the complexity of real property law. Legal rights in a single plot of ground can number in the dozens: rights of mortgages, widows, heirs, contractors, neighbors, ancestors, holders of easements, and interests of taxing, water, and sewer authorities.

All these claims upon land are filed in a variety of public and sometimes private offices. A recent HUD study recorded 74 different sources of land title information in Cleveland, for instance. If any potential claim is overlooked, the buyer may someday find himself in the uncomfortable position of losing his property. In the absence of insurance, the only recourse is to sue the attorney—if he can be found, if the statute of limitations has not run out, and if he is solvent. And precisely because attorneys can be sued for making negligent mistakes, they are often excessively cautious, thus prompting even more litigation. Even when all the links in the chain of title are spotted, a forgery in a previous deed can stir up costly trouble.

But, as one critic complains, because attorneys are tied into the traditional practices of the title business, they are not disposed to finding or advocating solutions to the problems created by this tangle of real property law. Instead, he says, title companies and lawyers have achieved a working, if sometimes uncomfortable, partnership.

LAND TITLE RECORDATION REFORM

Mr. BROCK. Mr. President, the U.S. Bureau of the Census recently published a revealing study entitled "Land Title Recording in the United States: A Statistical Summary," which concluded that reform is long overdue to modernize land title recording.

The study traces the development of land title recording in the United States. It then considers the prospect for the future. The observation is made that although legislative improvements such as marketable title acts may reduce the need for ancient records, the law, nevertheless, requires their storage. Until recently this meant storage of large, cumbersome, full-size copy. Here costs are substantial. But these storage requirements can be reduced by 95 percent or more with the use of presently available techniques of microphotography. Combined with advanced data processing equipment now available, microphotography could eliminate any serious problem of storage space of records.

But the potential for savings and improvements in the quality of recording services is not limited to recording offices. The use of computerized records, microfilmed documents, and cathode ray tube display systems can greatly enhance the speed and ease of title examinations.

Although such potential for savings exist, the land record survey reveals wide variations in procedure and cost of operating record systems. Part of this is attributable to autonomy in local situations. These local features have an acceptance frequently rooted in tradition and lore.

The study concludes that to serve the information needs of the future, then, land records should become part of larger systems. Information on land use, economic activity, taxation, public services, population and planning should be combined with information involving ownership, management, and financial interest to provide an integrated data system. Modernization can now extend to the use of remote sensing immediately responsive to changes in physical features. A few jurisdictions have begun such updating in data management and procedures. In the great majority of jurisdictions, reform is long overdue according to the report.

The Real Estate Settlement Procedures Act of 1974 recognizes the need for basic reforms in the area of land title recording. Section 9 of that legislation would establish on a demonstration basis, land parcel recordation systems and directs the Secretary of Housing and Urban Development to make a thorough study of the problem. HUD would be required to recommend to Congress ways in which the Federal Government can assist and encourage local governments to modernize their methods for the recordation of land title information, including the feasibility of providing financial assistance or incentives to local governments that seek to adopt one of the model system developed by the Secretary under the legislation.

It is urgent that this body act in an expeditous manner to enact legislation to provide for these urgently needed reforms.

WORLD FOOD CRISIS

Mr. McGOVERN. Mr. President, as most Americans are becoming more aware, the world is facing not only an energy crisis but a food crisis as well. For the first time in recent years, food production worldwide is falling behind population growth. In fact, it is now estimated that the world has only 27 days worth of food reserves should a serious crisis strike at any place around the globe. Only a few short years ago, when disaster struck any part of the globe, the United States, cooperating with international agencies, rushed all the food that was necessary to deal with the problem. Today, drought is spreading through the sub-Sahara area and thousands of Africans ares uffering from hunger and malnutrition, even death. We know this is happening, yet we no longer have the food surpluses available to deal effectively with the problem.

We are also learning that some of the technological breakthroughs—most commonly known as the "green revolution"—we expected would provide the world with more than enough food now may not fulfill that promise. We are learning, for instance, that the so-called green revolution is heavily dependent on energy intensive agricultural products, especially on fertilizer. It so happens that fertilizer is often a derivative of petroleum and other chemicals which are now both in short supply and available only at very high prices.

The U.S. Government along with other government and international organizations such as the United Nations and the Food and Agriculture Organization recognize the dimensions of this impending crisis. Yet, we are all gropping toward a solution without yet having reached an agreement upon means to deal with the problem. It may be that in the end we will not be able to avert serious hunger and malnutrition in many parts of the world but the final judgment of history will depend upon how hard we tried to do our very best to avert that crisis.

As chairman of the Select Committee on Nutrition and Human Needs and as the ranking Democrat on the Committee on Agriculture and Forestry, I am especially aware of this world food situation, in no small part because it is having a very direct and adverse effect on the nutritional status of our own people. For this reason, the Nutrition Committee is conducting an in-depth study of the problem and is attempting to develop a coordinated National Nutrition Policy. This study, in the form of hearings, will take place during the period June 19–21. We hope that in the near future the committee will be producing detailed documents providing Members of Congress with the information they need to consider the courses of action that our Government should follow.

I ask unanimous consent to print in the RECORD several recent articles describing both the study being conducted by the Select Committee and the policy options that will be open to our Government and the general nature of the world food problem.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, Apr. 22, 1974]

AFFLUENCE AND SURVIVAL II

(By Anthony Lewis)

BOSTON, April 21.—In one short sentence recently Professor Jean Mayer of Harvard, the great nutritionist, illuminated the profound moral and political test that awaits this country on the issue of food.

"The same amount of food that is feeding 210 million Americans," he said, "would feed 1.5 billion Chinese on an average Chinese diet."

The question is: Will we, can we go on pursuing our extravagant way of life in an increasingly hungry world? It is not some remote or speculative question. Half the people in the world now go to bed hungry every night. And the looming probability is that thousands, even millions may starve in the year ahead unless they get help from outside—mainly from the United States.

That prospect is based on factors that can already be estimated with fair accuracy. For one, there is a serious worldwide fertilizer shortage, caused in part by the quadrupling in the price of oil that goes into nitrate fertilizer and in part by insufficient fertilizer plants to meet demand.

In India, the fertilizer scarcity has already hit hard, along with difficulty in pumping water because of gasoline shortages. The spring wheat crop target was 30 million tons. Recent estimates put the actual figure nearer twenty million.

In Asia generally, fertilizer supplies will be inadequate at least through this year. Crops are therefore expected to be down substantially. But the rising population inexorably pushes the need for food up 2 to 3 per cent a year. For those reasons, the experts foresee a huge food deficit in Asia this year—the largest in memory, one has said.

As a practical matter, grain to make up the shortfall in Asia would have to come in large part from the United States. Only the U.S., Canada, Australia and New Zealand are net grain exporters now, and America is by far the largest.

And so we Americans shall probably have to decide before the end of 1974: Do we avert our gaze from Asia, cut ourselves adrift from a main problem of mankind? Or do we help others survive by doing the food equivalent of turning down our thermostats?

We have no surplus now, and no grain carryover to speak of. We can probably help on the scale needed, then, only by adjusting our own eating habits.

The American diet has turned more and more toward meat: fifty pounds of beef per capita in 1950, 119 pounds in 1973. And beef is a terribly wasteful food to produce. Feeding corn to cattle in feed lots, you end up putting on the table in steaks and stews only 5 per cent of the calories that were in the corn. An American now uses 22,000 pounds of grain per year to feed himself, a Chinese 400. But of the American figure only 140 pounds are eaten directly as grain in bread and other cereal products. Of the Chinese 400, 360 are eaten as grain.

If the United States is going to play a substantial part in bridging the world food deficit, there will have to be a change in our diet. Of course we need not eat less nourishing or appetizing food; in terms of taste and real value the American diet is a well-known disaster. American food habits have been spreading, and that trend also will have to change. That leads to a longer run point about the world food situation. The general assumption has been that the growing problem of population and food could be met by spreading American agricultural methods to the less developed world, with mechanization and intensive use of commercial fertilizer and pesticides. That assumption is now under challenge.

The problem is brilliantly, fascinatingly analyzed in the current issue of Science by Professor John S. Steinhart of the University of Wisconsin and Cecil E. Steinhart. What they demonstrate is that the American food system is immensely energy-intensive. Huge amounts of energy are poured into growing crops without much labor, then even more into processing and packaging, and still more at the consumer and into auto-powered shopping, refrigeration and the like.

In "primitive" cultures, the Steinharts say, each one calorie of energy invested produces five to fifty calories of food. In industrialized food systems, it takes five to ten calories of energy to get one in food. If all countries followed our energy-intensive pattern, the world would use 80 per cent of its annual energy just to produce food.

Barring some breakthrough in renewable energy sources, the Steinharts conclude, the choices for man "appear to be either less-intensive food production or famine for many areas of the world." As energy costs go up, even developed countries will have to find ways of using more labor and less energy in their food production.

One commodity is essential for needed change in either the immediate future or longer term, and unfortunately it is in short supply. That is leadership in Washington. We can only hope that it will appear, and work toward that end. If man does not deal with his food problem in terms of the small world he inhabits, as the Steinharts say, then "the food shortage will solve our population problem."

[From Newsweek, Apr. 1, 1974]

RUNNING OUT OF FOOD?

(NOTE.—Perhaps in ten years, millions of people in the poor countries are going to starve to death before our very eyes . . . We shall see them doing so upon our television sets. How soon? How many deaths? Can they be prevented? Can they be minimized? Those are the most important questions in our world today.)

When that apocalyptic warning was sounded by British author C. P. Snow five years ago, it was dismissed by many food experts as unduly alarmist. At that time, miracle seeds and fertilizers were creating a global "green revolution," and there was even talk that such chronically hungry nations as India would soon become self-sufficient in food. But today that sort of optimism is no longer fashionable. World stores of grain are at their lowest level in years—only enough to last for 27 days—and there are grim signs that the current shortage is not just a temporary phenomenon but is likely to get worse.

In the coming decades, some scholars believe, food scarcity will be the normal condition of life on earth—and not only in the poor countries but in the richer ones as well. Unless present trends are somehow reversed, says biologist J. George Harrar, "millions of people in the poor areas will die of starvation. But the affluent societies [including the United States] will experience dramatically reduced standards of living at home." Even Agriculture Secretary Earl Butz, a notorious optimist on the subject of food, concedes that Americans may have to substitute vegetable for animal protein. "We have the technology," Butz told NEWSWEEK's Tom Joyce reassuringly, "to make better hamburgers out of soy beans than out of cows."

Even now, food shortages affect the entire world. In the last two years, famine has threatened India and visited widespread misery upon the sub-Sahara nations of Africa where an estimated quarter million people have died. Scarcely less shocking, half of the world's 3.7 billion people live in perpetual hunger. The industrial nations are swiftly buying up the dwindling supplies of food and driving up food prices so high that poorer countries cannot afford to pay them.

Prospects for the future are clouded by the old Malthusian specter of population growth. A year from now there will be 4 billion human beings on earth, and by the end of the century that figure is expected nearly to double to 7.2 billion. Food production is simply not growing fast enough to feed that many mouths, and it is unlikely to do so in the decades ahead. A complicating factor in the race between food and people is the burgeoning affluence in such parts of the world as Western Europe, Japan and the Soviet Union. Rising expectations in these areas have bred strong new demands on the world's food supplies. More and more people want their protein in the form of meat rather than vegetables, and this in turn has driven up the need for feed grains for the growing herds of livestock. "Affluence," argues economist Lester Brown, "is emerging as a major new claimant on world food resources."

To meet this proliferating demand for food, insists John Knowles, president of the Rockefeller Foundation, "the world's basic food crops must double in the next eighteen years." The more positive thinkers among the food experts are convinced that this can be done—basically by expanding the area of land under production and by raising the output of crops on the cultivated areas. The world has the means to do the job, they argue—if the underproductive countries would order their societies a little better, if the richer countries would pump larger amounts of capital and know-how into the less fortunate nations for the development of agriculture, if more irrigation and fertilizer were brought into play, if mankind would use its common sense.

Many students of the food crisis are far less optimistic. "We have just about run out of good land, and there are tremendous limitations on what we can do in the way of irrigation," contends Prof. Georg Borgstrom of Michigan State University. Economist Brown supports this view. "The people who talk about adding more land are not considering the price," he says. "If you are willing to pay the price, you can farm Mount Everest. But the price would be enormous."

Moreover, Brown and other experts do not expect the sea to solve the world's food problems. Huge fishing fleets have depleted many traditional fishing grounds, and the overall catch is declining. Anchovies, one of the major ingredients in animal feed, recently disappeared from the waters off Peru for two years—largely a result of over-fishing. Water pollution, too, is taking a heavy toll of fish life along the world's continental shelves. And much of the fish that is caught each year is being squandered. "Every year, Americans use tons of tuna fish in pet foods," one food expert points out. "But how much longer will we be able to afford the luxury of feeding our cats and dogs on food people could consume?"

Fertilizer, an essential element, is also becoming prohibitively expensive. Petroleum is a major source of fertilizer, and the towering price of oil thus has a direct effect on agriculture. Dr. Norman Borlaug, sometimes called the "father of the green revolution," has complained bitterly that Arab oil politics, aimed at the industrial countries, will eventually strike most heavily at the developing nations. "India," remarks Brown, "is really up the creek. As a result of the fertilizer shortage, grain production is likely to be off 6 to 9 million metric tons."

On top of all these problems, the world's farmers have been beset by weather conditions that threaten to dislocate food patterns around the world. According to some meteorologists, these changes in climate will probably be a long-range factor. For a variety of reasons, they point out, the earth seems to be cooling off, and this cooling process is causing a southward migration of the monsoon rains. This in turn is producing a dry-weather pattern stretching from the sub-Sahara drought belt through the Middle East to India, South Asia and North China. Even the U.S. could soon be at the mercy of the weather. Some meteorologists are predicting a cyclical return to drought in the Great Plains States—possibly even dust-bowl conditions. "Even a mild drought in this tight supply situation," said one Agriculture Department official, "could be a disaster."

Over the years, the U.S. supplied a staggering $20 billion worth of food to needy countries under Public Law 480, the so-called Food for Peace program. But in recent years, the program has been allowed to wither, and with food demand rising around the world, American farmers—encouraged by the Administration—have flung themselves into the business of exporting food on a strictly cash-and-carry basis. In the fiscal year ending in June 1972, the U.S. exported $8 billion worth of farm products; last year the figure reached $12.9 billion; and when this fiscal year ends in June it is estimated that it will have zoomed to $20 billion. The U.S. now views agricultural products not as a give-away item but as a way of earning the foreign exchange needed to pay for imports, including high-priced crude oil. "Food for crude" is the shorthand for the current policy at the Department of Agriculture.

With virtually all U.S. food surpluses committed to trade, not aid, it is difficult to see how the U.S. can continue to play its old role as provider of food to the world's hungry masses. And there are many people in Washington who do not see this as such a bad thing. "The worst thing we can do for a country," says a State Department official, "is to put it on the permanent dole. That would be an excuse not to solve its own problems, especially population. Now, our thinking is that feeding the world is an international problem, maybe one for the United Nations." That view was underlined last September when Henry Kissinger asked the United Nations to call a world conference on the problems of feeding the world. "No one country can cope with this problem," said the Secretary of State.

In response, the U.N. plans to hold a World Food Conference in Rome this November. Among the major proposals certain to be made are that the less developed nations discourage population growth and that the industrial nations work together to help feed the world's poor. Indeed, Dr. A. H. Boerma, the Dutchman who heads the U.N. Food and Agriculture Organization, has proposed a "world food reserve"—roughly like that of the Biblical Joseph, who advised the Pharaohs to store up grain in good years against future famines. But so far, the suggestion has been greeted with a total lack of enthusiasm in the U.S., Canada and Australia, the only countries in the world with significant food surpluses.

Resistance to an international controlled food reserve is easy enough to understand. Farmers fear that such vast stores of controlled food might, at some point, be unloaded on the world market, sending prices down in a dizzying spiral. And governments do not want to give up a formidable political weapon. In the politics of international food, agriculture may very well turn out to be the United States' ace in the hole. "We are not," declares one high-level Washington official, "going to throw that away too easily."

And so, to a very large extent, the U.S., as the greatest food producer in the world, will still be in a position to determine who gets food in the decades ahead; it will almost certainly be American food and American policy that answer the questions posed by C. P. Snow. "We are going to have some big moral decisions to make," says Sen. Hubert Humphrey. "We will be faced with famine situations in Africa, Asia and other parts of the world where there are victims of rising population and bad weather. But the question, I believe, is going to come down to whether Americans will be willing to cut down on their own consumption to help those poor people."

[From the Wall Street Journal, Apr. 18, 1974]

Nourishing Notions

(By Alan L. Otten)

Five years ago, Jean Mayer, Harvard's distinguished nutrition and health expert, was busily master-minding the White House Conference on Food, Nutrition and Health for President Nixon. As White House conferences go, it was quite successful, charting or catalyzing a variety of government programs and actions.

Today, Dr. Mayer is just as busily organizing a major nutrition study for the Senate's Select Committee on Nutrition and Human Needs. Six panels of experts, at Committee hearings on June 19, 20 and 21, will assess progress since 1969 and discuss possible new efforts to improve nutritional levels in America.

"The two conferences are very different," Dr. Mayer declares. "The aim of the White House Conference was to gain final popular acceptance of hunger and malnutrition, problems that some of us had long seen but which the country as a whole wasn't awake to. The Senate study is more to edify Congress than the public."

The difference in goals dictates a difference in size. The earlier conference was enormous; several hundred people prepared papers for 36 different panels, and more than 5,000 people met for a week to debate those ideas and hammer out final positions. Only about 75 people are working in the six panels for the coming Senate hearings. They'll evaluate current programs, the problems that remain, and options for dealing with them, and they may indicate a few favored solutions; for the most part, however, they'll leave the decisions to the Senators.

And while the 1969 meeting took place against a backdrop of general agricultural abundance and optimism, the June hearings come at a time of mounting worry about acute food shortages and even widespread famine in much of the world.

Dr. Mayer, a short, incredibly energetic man whose speech still shows a musical trace of his native France, has approached his current assignment with the same political shrewdness and organizational flair he displayed in arranging the White House assembly. He carefully balances his study panels with representatives of farm groups and food firms, consumer spokesmen, doctors, academics. He works hard to win administration cooperation and to allay White House suspicions that the Senate inquiry is a plot to embarrass the President, contrived by Committee Chairman George McGovern, ranking Republican Charles Percy, and other Nixon critics.

"Five years later is a logical time to review what has happened since the White House Conference," he argues. "Progress in improving diet among the poor has been very good. Progress on consumer programs has been good. Progress on relating nutrition to general health has been inadequate or difficult to evaluate."

. . . viewing programs that grew out of the earlier meeting, while three are primarily exploring new areas. A review panel on nutrition among the poor will, for example, look at the tremendous growth in food stamps, school breakfasts and lunches, meals for the elderly. It will examine the impact that rising prices may have had on these programs, and the need for further help for such special groups as old folks and Indians.

A second review panel is surveying consumer developments—unit pricing, nutrition and ingredient labeling, restrictions on additives. It will consider such further steps as more precise food labeling for people with heart disease and other ailments, and the possibilities of better nutrition education in public schools.

* * *

The tie between nutrition and health is the province of a third review panel. The White House meeting and later events made the public aware of such health threats as high-cholesterol foods, Dr. Mayer says, "but not much has been done to help them handle these problems." He hopes the experts will look at proposals for grading meat differently, getting industry to lower the cholesterol or salt content of foods, and provide more exercise facilities in cities and suburbs.

One panel breaking new ground—in "a modest but important area"—will examine how the government might obtain and dispense better nutrition information. It will, for instance, see whether there can't be far more frequent surveys, possibly every month, to track how changing food prices affect the eating habits of families in different income groups.

The final two study groups, working closely together, are tackling the "macro" concerns of food production and international trade. They'll try to come up with ideas for increasing the availability of food, particularly more nutritious food, and for determining how much food ought to be available for export. Specifically, they'll get into the controversial questions of government-held food reserves and increased government control over the export of grains and other foods.

Dr. Mayer notes one major change in these two broad areas since 1969: food manufacturers and processors appear far more willing now to accept a larger degree of government intervention, in order to insure steady supplies of major commodities at relatively stable or only slowly-rising prices.

Admittedly over-simplifying, he suggests that two opposing camps may be forming on major food issues such as grain reserves. On one side, favoring greater government involvement and control, are consumer representatives, the food companies, and the State Department (interested in showing friendship toward potentially starving Third World countries.) On the other side, farmer spokesmen, grain traders, and the Agriculture Department seek a minimum of government intervention.

U.S. food policy has long had three chief aims, Dr. Mayer points out: to insure good supplies of food to the American people at relatively low cost; to help balance our international payments; and to continue to provide a bulwark against world famine.

"These aims," he says, "have been impaired in the past year or so by a number of factors, including the disorderly way we handled our surpluses. I hope the Senate panels can suggest policies that will move us back in those directions."

OREGON LEGAL SCHOLAR SCORES ON EXECUTIVE PRIVILEGE

Mr. PACKWOOD. Mr. President, more than at any other time in this generation's memory, we are passing through a period of critical self-evaluation as a nation. While many events which prompted this analysis demand our scorn as free and just Americans, nevertheless, our examination in the end can only serve to strengthen this country's foundations.

Recognizing this fact—that only through challenging inquiry and constant reassessment can we maintain the value of democratic institutions—I heartily commend to the attention of my colleagues the winning manuscript of the 13th Annual Samuel Pool Weaver Constitutional Law Essay Competition. The contest, conducted by the American Bar Association, is named for the late Samuel Pool Weaver, who was a professor of law at Gonzaga University, and awards a $5,000 first-place prize.

David B. Frohnmayer, associate professor of law at the University of Oregon, won the contest for the second time in 3 years, establishing him as the first person to win the essay competition twice in the many years it has been held.

Considering the crucial period of evaluation we as a country are now undergoing, the topic of Professor Frohnmayer's essay, "The Constitutional Dimensions of Executive Privilege," warrants our special attention. The fabric of President Nixon's address to the

Nation last night, inextricably woven with the winding thread of executive privilege, lends particular poignancy to this year's winning essay.

Professor Frohnmayer's succinct analysis of the constitutional issues surrounding the use of executive privilege is a worthy addition to the understanding of this substantial executive power.

Mr. President, I ask unanimous consent that this noteworthy essay be printed in the Record.

There being no objection, the essay was ordered to be printed in the Record, as follows:

An Essay on Executive Privilege

(Samuel Pool Weaver Constitutional Law Essay Competition)

A legislative body deprived of information on the conduct of public affairs is impotent to act in the national interest. The judicial process becomes a mockery unless it has the capacity to determine the truth in controversies between parties. Any legal doctrine which denies information to legislatures or courts threatens the essence and independence of these institutions, and must therefore be justified, if it can be justified at all, only by the most compelling considerations of law and policy. The stakes in the long standing debate on the existence and constitutional scope of the doctrine of executive privilege could not be higher.

The political and legal developments arising out of the 1973 Watergate investigations have cast the executive privilege question onto the center stage of public controversy. Yet the complex problems which appear in stark relief in that controversy have been implicit in American constitutional theory from the beginning. And, although the doctrine of executive privilege has sometimes been witnessed exclusively in the narrow context of the relationship between Congress and the Executive branch, it is now doubly clear that the question also entails a confrontation between the Executive branch and the Judiciary. Not only are courts called upon to rule on the validity of congressional demands for executive branch information;[1] courts themselves, as agents for prosecutors, grand juries, or the integrity of their own processes, are called upon to demand compulsory production of documents and testimony from officers and employees of the executive branch.[2]

This essay will examine the scope and constitutional basis of the doctrine of executive privilege as it has been asserted in courts and legislatures. Since recent litigation has acknowledged the existence of an executive privilege, it becomes particularly important to analyze the unsatisfactory and incomplete rationale advanced for the doctrine in order to define the contours and limits upon which courts should insist. Otherwise executive privilege becomes the assertion of an implied royal prerogative not witnessed for two centuries in this nation. As such it would be an open invitation to the destruction of representative government, and thereby, to tyranny.

I. PROBLEMS OF DEFINITION

It is ironic but perhaps understandable that the doctrine of executive privilege has not even been susceptible of a uniformly accepted precise definition. The formal term "executive privilege" itself originated only two decades ago,[3] although Presidents have claimed the right to withhold information from Congress, the courts and the citizenry since the earliest days of the Republic.[4]

The asserted scope of the doctrine reached its historical zenith when former Attorney General Richard Kleindienst recognized no right of judicial review of the claim, and testified that executive privilege denotes—

"The constitutional authority of the President in his discretion to withhold certain documents or information in his possession or in the possession of the executive branch from compulsory process of the legislative or judicial branch of the Government, if he believes disclosure would impair the proper exercise of his constitutional functions."[5]

A more restrictive view of the privilege was recently offered by Senator Sam Ervin, who urged a rationale focussing on confidential communications, and limited to those who advise the President in matter directly related to the official functions of the office of the President:

"Executive privilege is the power of the President to keep secret confidential communications between the President and an adviser or even among the advisers of the President which are made for the purpose of enabling the President, of assisting the President, to exercise in a lawful manner some constitutional or legal obligation resting upon him in his official capacity."[6]

The latter definition rejects the unlimited Presidential discretionary power urged in the Kleindienst testimony and requires that the communications relate to the lawful conduct of the President's duties. To that degree the Ervin definition commendably circumscribes exaggerated claims of prerogative and provides independent standards for judging the propriety of a claim of privilege. However, this definition presents problems of its own. Modern history demonstrates that the constitutional or legal obligations which Presidents have asserted to lie within an "official capacity" are breathtakingly sweeping in scope. Scholars,[7] until recently,[8] have described and even encouraged an exalted view of the uses and scope of Presidential power.

Although eminent authorities have accepted the arguments justifying an executive privilege in some form,[9] agreement even on this proposition is by no means unanimous. Legal historian Raoul Berger recently testified that the entire doctrine "rests on unproven assertion by the executive branch" and is a "myth, without constitutional foundations."[10]

The first conclusion compelled by these contradictory statements, then, is that it is both difficult and undesirable to state a uniform definition of the privilege. Sound analysis requires a careful examination of the varying contexts, judicial or legislative, in which the doctrine is asserted,[11] the persons who attempt to invoke it, and the subject matter which it is asserted to cover. In fact, "executive privilege" is not one concept, but many. Wigmore noted no less than seven analytically separable doctrines which have been asserted as the basis of a governmental privilege of non-disclosure: the substantive tort immunity of executive officers; the constitutional assertion of the executive's freedom from compulsory process, from the duty to be a witness, or from the duty to attend court; the doctrine that official records are irremovable; the privileges relating to informers' communications to government; and the topical privilege for state secrets and official information.[12]

This essay will focus principal attention on the definition, origin and scope of the asserted constitutional argument for executive privilege in relation to the duty of executive branch officials to testify or produce documents to Congress and its committees. It is obvious that unless careful contextual distinctions are respected, authorities relating to one aspect of doctrine will be used impermissibly in the articulation of another.

II. CONSTITUTIONAL SOURCES OF EXECUTIVE PRIVILEGE

The dispute over the existence and scope of executive privilege cannot be resolved by a traditional lawyer's retreat to adjudicated cases.[13] As a consequence, the question of executive privilege must be determined by resort to other jurisprudential techniques of constitutional interpretation: interpretation of the constitutional text; analysis of inferences from constitutional structure; reference to historical intent and precedent; or analysis of principle and policy. As will be seen, neither the text nor structure of the Constitution provide an unassailable basis for a privilege to withhold information from Congress. The argument from history and the "framer's intent" is at best fraught with ambiguity, but on balance supports Congressional inquiry rather than executive privacy. Only the argument from policy and principle suggests any deference to the executive. Even this argument, however, does not support an unqualified privilege to withhold information and, although the Constitution places some limits on the scope of Congressional inquiry, which the President, as any other citizen might claim, these arguments for a presidential privilege seem, upon analysis, largely non-constitutional in origin and justification.

A. The constitutional text

The few textual provisions of Article II enumerating presidential powers make no mention of an executive privilege to withhold information. Nor does it appear that the cryptic phrase, "executive power," can be so construed.[14] On the contrary, the only explicit, textual authorization for governmental secrecy of any kind is vested in Congress.[15] Likewise, only Congress was granted the immunity of the Speech and Debate Clause,[16] which could serve as the theoretical foundation for a refusal to divulge information. Moreover, *McGrain v. Daugherty*[17] represents clear decisional authority for a construction of the term "legislative power" to legitimate the broadest types of investigatory functions by Congress into executive conduct.

In light of the obligation imposed upon the President by article II, section three to "give to the Congress Information of the State of the Union . . .," some commentators, including Justice Story, have even concluded that there exists an affirmative duty on the part of the President to assist the deliberations of Congress by providing all requested information.[18] At the very least, however, the thrust of such a clause should negate any inference that the faithful execution clause of article II provides generalized support for the executive privilege.[19] In short resort to constitutional text provides no clear justification for the executive branch to deny information to Congress.

B. Constitutional structure

A distinguished commentator has argued forcefully that inferences from constitutional structure should be utilized as an intellectual method of legal interpretation.[20] Such a mode of reasoning is explicit in recent assertions by the Attorney General concerning the justification for executive privilege:

"The authority of the President to withhold information from the coordinate branches of the Federal Government stems from the separation of powers doctrine embedded in the first three articles of the Constitution and implicit throughout the document. While not expressed in a constitutional clause, executive privilege necessarily flows from the powers vested in the President by article II.[21]

This interpretation is said to confer unreviewable discretion in the President to invoke the privilege and to extend its scope to all employees of the Executive branch.

Whatever be its virtues in other contexts, this assertion is structuralism run rampant. The defects, however, are less those of intellectual method than of a failure to understand the structure to which the method is purportedly applied. The separation of powers theory in reality refers not to separated and

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distinctive "powers", but rather to separated institutions which were designed deliberately to share a wide range of overlapping powers and functions.[22] As the Supreme Court has explicitly acknowledged, the Constitution "enjoins upon its branches separateness but interdependence, autonomy but reciprocity."[23]

The defect of the structuralist method here, then, is that a properly understood doctrine of the separation of powers yields no inference, as a matter of deductive logic, from which the power to withhold information necessarily flows. In truth, the obverse, interdepartmental comity in sharing information, would seem a more justifiable inference. And, just as the separation of powers doctrine fails to produce a satisfying theory of the origin of the privilege, it also provides no clear analytical basis which would guide the President, or anyone else, in invoking his discretion as to the proper scope for the doctrine in a given instance. A structuralist justification of the doctrine, at this level of abstraction, is simply tautological.[24] As a leading authority has accurately put it, *"the 'separation of powers' does not confer power; it only protects a power otherwise conferred.* The existence of withholding power must therefore be proven, not assumed."[25]

Since many state constitutions possess a separation of powers structure, state court precedents from such jurisdictions would be persuasive authority on the validity of an executive privilege shield against disclosure to a legislative body. The only modern state decision on this point arose two decades ago in Massachusetts. The court there expressly denied the executive's power to withhold information.[26] This result is especially significant in repudiating the structuralist theory inasmuch as the Massachusetts Constitution states the separation of powers theory in its most rigid and unyielding form.[27]

C. The argument from intention and historical precedent

As Shakespeare reminded us respecting the scriptures, the devil may likewise cite history for his own purposes. The arguments for constitutional interpretation by reference to the Framers' intentions and the precedents of historical experience call for obvious caution. As one noted historian put it:

> "[M]ost talk about the intent of the Framers—whether in the orations of politicians, the opinions of judges, or the monographs of professors—is as irrelevant as it is unpersuasive, as stale as it is strained, as rhetorically absurd as it is historically unsound. . . . On some of the great issues of constitutional law that have agitated our times the Framers expressed no clear intent, or invited their descendants to generate an intent of their own; on others they divided . . . on still others they framed their intent in words whose meaning is now so different from what it was in 1787 that to quote a Framer at all is to quote him quite out of context.[28]"

Both advocates[29] and opponents[30] of the doctrine of executive privilege have resorted extensively to historical precedents in support of their respective positions, and, indeed, the United States Supreme Court has expressly sanctioned the resort to English Parliamentary history and colonial experience as an important device of constitutional interpretation.[31]

Insofar as historical claims with respect to the Framers' intentions can safely be evaluated, opponents of an executive privilege have marshalled by far the most impressive evidence.[32] Berger described his findings as follows:

> ". . . Parliament enjoyed an untrammeled power of inquiry into executive conduct . . . no Minister or subordinate interposed any objection to the right of Parliament to inquire, and [there is] substantial evidence that the Founders meant to adopt this power of the 'Grand Inquest of the Nation', without the slightest indication that they intended in any way to cut it down. Against this history, the pseudo-precedents after 1787 carry an all but impossible burden.[33]"

The history of executive privilege following the adoption of the Constitution yields more ambiguous conclusions. Attorney General Rogers referred to "150 years of legislative acquiescence"[34] by Congress in the assertion of executive power to withhold information. A successor Attorney General stated even more confidently that this history of acquiescence in the privilege yielded "Burkean rules of constitutional prescription of the highest vitality."[35]

Careful study[36] has shown the embarrassingly inaccurate historical research which underlay the initial arguments of the Attorney General for executive privilege. But history does not clearly demonstrate that Congress always has been conscious to insist on its prerogatives of inquiry in demanding information of the executive. If history is to value the precedent of Congressional demand, it should also account for presidential refusals. Even presidents, such as Jefferson,[37] who have ultimately complied with the substance of demands by Congress and the courts for information have formally asserted their theoretical legal discretion to withhold it.

In short, the post-1787 precedents are of limited value. They bear all of the earmarks of their essential character as political compromises, and thus yield no unitary conception of the Constitutional basis of a privilege. There exists no compelling reason to insist on the rule of *stare decisis* for historical episodes which are ambiguous in contour, unyielding to conceptual analysis, and uniquely the product of the particular political struggles from which they arose.

Finally, on a matter of such fundamental constitutional importance as access to information which may affect the destiny of a nation, it is well to question the validity of any "Burkean rule of constitutional prescription." Even though executive pretensions may never have been repudiated, this fact does not demonstrate their legal validity. "Nor does a governmental practice conceived in error become elevated to the plane of legality because the error has been long persisted in."[38] In short, barring the existence of other authority, the essential ambiguity of historical experience will not serve to establish the constitutional basis for executive privilege.

D. The argument from principle and policy

In litigation concerning the Special Prosecutor's right of access to recordings of White House conservations, the Federal courts[39] though without citation of textual authority, acknowledged some residual validity to the concept of an executive privilege to resist judicial process. In fact, the real justification for the claim appears to rest on arguments from principle and from an assessment of competing policies respecting the scope of judicial discretion. Such considerations are not specifically constitutional in nature, but to the extent that any doctrine of executive privilege can be sustained, these imperfectly articulated arguments are its strongest bulwark.

The merits of policy considerations which may justify a claim of executive privilege in the context of a congressional inquiry are best assessed in three categories. First, there exist concerns respecting the dangers of excessively broad and unjustified Congressional investigations such as characterized the era of Senator Joseph McCarthy. Second, some have argued the necessity to preserve absolute candor in vital processes advisory to the President. Finally, it is important to assess policy rationales for certain testimonial privileges, nonconstitutional in origin, which are sometimes inappropriately confused with a constitutional claim on behalf of the President. It is in this last context that the arguments of *In re Subpoena to Nixon* merit closest consideration.

1. The Scope of Legislation Investigations

Decades ago, *McGrain v. Daugherty*[40] securely established the sweeping scope of the Congressional power of investigation. Many authorities, Woodrow Wilson among them,[41] have even regarded investigative oversight of the executive as a more significant legislative function in a representative government than legislation itself. Surely this power is even more vital in an era of Presidential government wherein executive agencies manage a public sector of historic dimension and possessing unprecedented power to affect national life.

Yet the dangers of legislative investigations to personal liberties have often been noted.[42] Even those who do not favor an expansive role for executive privilege have candidly acknowledged the dangerous potential of a future legislative McCarthyism.[43]

President Eisenhower's refusal in 1954 to disclose information to Congressional investigating committees[44] might in reality find its true justification not in the theory of the separation of powers, but rather in the protection of privacy of innocent third parties from Congressional tactics of improper public exposure.

This rationale for an executive privilege has a certain initial appeal, particularly since the right of privacy has been given an explicit constitutional justification.[45] Moreover, there is some suggestion that the Supreme Court might recognize the right of privacy as a substantive limitation on Congressional powers of investigation.[46]

However, the "privacy" rationale is also subject to serious limitations. The substantive constitutional doctrine is subject to trenchant criticism.[47] Apart from this point it is not clear why the executive branch, rather than affected individuals, should invoke these protections. Finally, it is questionable whether the "privacy" right is fairly applicable to matters of such inherent public interest as the subjects of a congressional investigation, particularly in view of the decimating impact which the first amendment doctrines of *New York Times v. Sullivan*[48] and its progeny have visited on the parallel law of defamation.[49] Nor is this policy rationale significantly clarified by reference to the executive's own right of privacy. As Judge Sirica correctly observed, Presidential privacy of itself has no merit; it should be granted deference only insofar as it furthers a public rather than personal interest.[50]

It is fair to acknowledge that legislative demands for information could become vehicles for harassment of the executive. However, historically, political means of adjustment have seemed capable of moderating most excesses. And should such controversies ever reach the courts, the restraint can be imposed through the means by which discovery devices have traditionally been controlled.

Supreme Court adjudication, most notably concerning the commerce clause, has typically determined that once an area of plenary congressional power is established, the Constitution imposes few constraints other than through protections for individual liberties which act as restraints on governmental power generally. This principle appears particularly appropriate to the Congressional power of investigation. If the power is acknowledged, it is difficult to articulate a workable countervailing theoretical principle of executive power which moderates its exercise. Degrees of permissible legislative activity cannot be established. In this light, a doctrine of executive privilege constitutes an inappropriate mechanism for constraining

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legislative inquiry. It is better to focus on the limits of Congressional power to demand rather than on any substantive executive power to withhold.

Legislative investigations can be made fully subject to judicial controls which serve to protect important countervailing interests. Inquiries potentially infringing on personal rights can be circumscribed by techniques of statutory construction,[51] by insistence on the adjudicatory procedures of due process,[52] or by a careful review of authorizing legislation or the scope of a given committee's investigatory authority.[53] Substantive infringements on individual rights by Congressional actions are explicitly subject to judicial review,[54] and the Supreme Court has not hesitated to limit the scope of legitimate legislative purposes within the confines of the Fourth and Fifth Amendments.[55]

These limitations on Congressional action were forged in the context of the claims of an individual against his government, rather than in the conflict between two coordinate branches of that government. But the limitations exist as powerful weapons against most significant legislative excesses. The factor which distinguishes the inquiries of a Senate Select Committee investigating the Watergate scandals from the inquisitions of a Joseph McCarthy is neither the substantive reach of investigative power nor the subject matter of investigation. Rather, it is the growth in intervening decades of a greater judicial sensitivity to Constitutional limitations favoring personal freedoms.

2. The Plea for Candor in Executive Deliberations

The policy basis for the judicial decisions in *In re Subpoena to Nixon* rests explicitly on an acknowledgement that the President might be deprived of candid advice were his advisors to be subject to later questioning. Two points are immediately apparent. First, this appears to be a consideration of legislative policy rather than constitutional prescription. It is analogous to the policies underlying testimonial privileges created by statute and the common law which apply to confidential communications arising out of certain important relationships. It suggests that any such privilege is the proper subject of congressional statutory definition, rather than an inherent attribute of executive power.

Second, if the privilege focuses on personal advice of this nature, the policy would dramatically and properly restrict past executive assertions about the scope of executive privilege and limit it to personal relationships of advice to the President.

The conclusion which follows, then, is that executive privilege as to judicial process is in reality a non-constitutional doctrine relating to the exercise of judicial discretion. The doctrine is one of special deference to unique needs of an institutional presidency. It is a principle of judicial discretion which, because of these concerns, calls for a more exacting demonstration of need for disclosure. These are concerns to be evaluated in arguments on the return of court process, as in *United States v. Burr*,[56] not reasons for fusing its issuance. Proper focus on the demand for relevance and a special showing of necessity prevents a judicially unmanageable inquiry into the substantive kinds of executive information which privilege is said to protect beyond disclosures otherwise prohibited by law.

Although courts could forge a broad, judicially-created doctrine of immunity, as was acknowledged in *Barr v. Matteo*,[57] the competing policies which favor disclosure of relevant information to Congress and courts must preclude such a conclusion.

In short the plea for candor cannot constitute the basis for an unreviewable and absolute privilege for executive discussions. Still less could this be true in the impeachment process, where the very function of the constitutionally authorized legislative process is investigation of executive misconduct.

3. Policies of Governmental Privileges Against Disclosure

The District Court in *In re Subpoena to Nixon* commendably rejected the absolutist theory of executive privilege and properly asserted a judicial role in evaluating the claim.[58] However, it erred seriously in accepting *United States v. Reynolds*[59] as sound authority for an *executive* privilege[60] *Reynolds* explicitly dealt with a governmental, not an executive privilege. Although the executive branch asserts the claims in court proceedings, the privilege itself descends from the evidentiary doctrine of state secrets, and is thus a matter the substance of which is fully within the legislative power to define. This point is of particular importance since the fine line of demarcation between disclosures which involve "national security" as opposed to mere political embarrassment should be subject to congressional scrutiny.

This essay cannot examine all of the evidentiary doctrines relating to state secrets, the identity of informers, and the confidentiality of investigative files.[61] However, to the extent that the bases of such privileges do not rest securely on statutory authority which Congress has the power to grant or modify, they are based implicitly upon arguments respecting desirable policy, not inherent executive authority to withhold information.

III. THE JUDICIAL ROLE

The evidentiary doctrines applicable to executive privilege in court processes are similar in rationale to those urged to deny disclosure of information to Congress. Congress, no less than the courts can show a necessity for information, since it functions as a "grand jury to the nation."[62] And since the power of congressional inquiry has no limitation to "case or controversy," some authority suggests that congressional power to seek information is even more sweeping.[63]

But it does not follow that the Federal Courts should necessarily always be arbitrators of the appropriate flow of information between the President and Congress. The doctrine of executive privilege against disclosure to Congress has little theoretical foundation. But the considerations respecting the Constitutional duty to assist Congressional inquiry are analytically independent of issues concerning the appropriate method for enforcing such an obligation.

In an earlier era a conflict of this magnitude between Congress and the Executive would quickly have occasioned invocation of the "political questions" doctrine. However, on the basis of the Court's decision in *Baker v. Carr*,[64] a leading authority has argued elaborately that the executive privilege question is appropriate for adjudication.[65] Moreover, the Court has shown an increasing willingness to demarcate the boundaries of Congress and the Executive, and even to adjudicate with respect to their allegedly "internal" affairs.[66]

Justice Rehnquist, in his former capacity as Assistant Attorney General, acknowledged that an executive officer who refuses to appear or supply information is subject to contempt citation for refusal to honor a Congressional subpoena.[67] The issue might well be posed to the courts, for example, in the case of an executive branch official subject to conflicting directives regarding disclosure of information in his possession. It is therefore important to consider certain principles of judicial discretion, analogous to those respecting the evidentiary privilege, which can limit and define the judicial role, even if they do not deny jurisdiction to the Court.

First, it is obvious that many questions concerning access to information can be settled by political accommodation between the two branches of government. To the extent that such accommodation succeeds, it furthers the purposes of the constitutional separation of powers theory.[68]

Second, contrary to the problems faced by a court in enforcing compulsory process, Congress has powerful political means to enforce its demands. Senator Kennedy recently stated the point accurately:

"Congress already has subpena and contempt powers. It can presently hold up nominations, cut off funds, or withhold authorizations. Until it has utilized, much less exhausted, its existing powers to require testimony or documents from the executive it need not develop more powerful arsenals for enforcing its will."[69]

A doctrine of "exhaustion of Congressional remedies" which abdicated a judicial role unless Congress had resorted to the draconian power of impeachment would ask too much, in view of practical political realities. But a demand that Congress speak with clarity, and as an institution, is surely an appropriate consideration for argument on the return of compulsory process issued by Congress.

This consideration is especially significant in affording time for accommodation, in permitting issues to be cast in sharper relief, in permitting political accommodation without judicial intrusion, and in forcing Congress as an institution, rather than in one of its committees, to determine the appropriate occasion for a Constitutional confrontation.

Third, to the maximum extent possible, Congress, by statute, should codify the interwoven evidentiary doctrines which are now called executive privilege into coherent statutory law. Such action would clarify, if not resolve, many legal issues, present questions more clearly for eventual judicial resolution, and provide Congress with more refined techniques by which to confront the executive.

Fourth, and finally, courts should, where possible, resolve questions of privilege and inquiry by traditional techniques of a non-constitutional nature. Judicial examination of authorizing resolutions or the statutory authority of Congressional committees is one such method. Together with a sensitivity to questions of relevance and the possibility for harassment and inconvenience, these techniques for the exercise of judicial discretion permit resolution of many vital questions without creation of a constitutional crisis.

IV. CONCLUSION

The question of executive privilege presents a myriad of important issues which are beyond the scope of this essay to relate. Questions concerning the amenability of executive officials to court process, the types of persons entitled to assert privilege, and the applicability of the doctrine of waiver call for immediate attention. Yet surely most important is the threshold issue concerning the Constitutional basis of the asserted privilege.

Our generation has debased the superlatives of its political rhetoric by overuse. But surely one conclusion does not distort the use of language. The fate of representative government in the United States will hinge on the ability of our legislative and judicial institutions to resist an uncontrolled executive prerogative over the life blood of a democratic society: access to information.

FOOTNOTES

[1] Senate Select Committee v. Nixon, 42 U.S.L. Week 2212 (D.D.C. Oct. 17, 1973)

[2] See, *e.g.*, In re Subpoena to Nixon, 360 F. Supp. 1 (D.D.C. 1973), *aff'd sub nom.* Nixon v. Sirica, 42 U.S.L. Week 2211 (D.C. Cir. Oct. 12, 1973) (en banc)

[3] See Schlesinger, Executive Privilege: A Murky History, Wall Street J., Mar. 30, 1973, at 8, col. 3

[4] See generally, Berger, Executive Privilege v. Congressional Inquiry, 12 U.C.L.A.L. Rev.

1043, 1288 (1965); Schwartz, Executive Privilege and Congressional Investigatory Power, 47 Calif. L. Rev. 3 (1959)

[5] I Hearing before the Subcomm. on Intergov't Rel. of the Comm. on Gov't Operations and the Subcomms. on Separation of Powers and Administrative Prac. and Proc. of the Senate Comm. on the Judiciary on S. 858, S. Con. Res. 30, S.J. Res. 72, S. 1106, S. 1142, S. 1520, S. 1923, and S 2073, 93d Cong, 1st Sess. 20 (1973) [hereinafter cited as 1973 Executive Privilege Hearings]. Kleindienst argued that the President could assert the privilege claim with respect to proposed testimony by any of the 2½ million employees of the executive branch *Id*. at 46

[6] *Id*. at 41.

[7] C. Rossiter, The American Presidency (2d ed. 1960); E. Corwin, The President: Offices and Powers 1787–1957 (4th ed. 1957) R. Neustadt, Presidential Power (1960).

[8] A. Schlesinger, Jr., The Imperial Presidency (1973).

[9] Corwin, The Constitution and What It Means Today (13th ed. 1973).

[10] R. Berger, 1973 Executive Privilege Hearing 234, 244.

[11] See, *e.g.*, Younger, Congressional Investigations and Executive Secrecy: A study in the Separation of Powers, 20 U. Pitt. L. Rev. 755 n. 1 (1955). However, Younger's conclusion that the "political doctrine of executive secrecy" should be sharply distinguished from the "evidentiary rule of executive privilege" seems less persuasive when the executive branch invokes the identical rationale, the protection of candor in presidential advice, for denying both legislative and judicial access to evidence of the internal deliberations of the White House.

[12] 8 Wigmore, Evidence § 2367 (McNaughton rev. 1961).

[13] An Assistant Attorney General recently could cite only six cases even remotely bearing on the executive's alleged right of nondisclosure: Unted States v. Reynolds, 345 U.S. 1 (1953); United States v. Curtiss-Wright Export Corp., 299 U.S. 304, 319–20 (1936); New York Times Co. v. United States, 403 U.S. 713, 729–30 (Stewart, J., concurring); Environmental Protection Agency v. Mink, 93 S.Ct. 827, 834 (1973); Soucie v. David, 448 F.2d 1067, 1071 n. 9 (D.C.Cir. 1971); and Ethyl Corp. v. Environmental Protection Agency, Civ. No. 72–2355 (4th Cir. 1973). Hearings on the Freedom of Information Act (H.R. 5425, H.R. 4960) Before a Subcomm. of the House Comm. on Gov't Operations, 93d Cong., 1st Sess. 171–72 (1973). See also Kaiser Aluminum & Chem. Corp. v. United States, 157 F. Supp. 939, 944, 141 Ct.Cl. 38 (1958).

[14] R. Berger, 1973 Executive Privilege Hearings at 245.

[15] U.S. Const. art. I, § 5, cl. 3.

[16] U.S. Const. art I, § 6, cl. 1. See generally, Ervin, The *Gravel* and *Brewster* cases: An Assault on Congressional Independence, 59 Va. L.Rev. 175 (1973); Reinstein & Silvergate, Legislative Privilege and the Separation of Powers, 86 Harv.L.Rev. 1113 (1973).

[17] 273 U.S. 135 (1927).

[18] See Memorandum prepared in 1971 at the request of Senator Stevenson of Illinois, "The Doctrine of Executive Privilege," 1973 Executive Privilege Hearings 104, 105–106.

[19] See Schwartz, *supra* note 4 at 40.

[20] C. Black, Structure and Relationship in Constitutional Law (1969).

[21] Statement of Hon. Richard G. Kleindienst, 1973 Executive Privilege Hearings 18, 20.

[22] See, *e.g.*, Frohnmayer, The Separation of Powers: An Essay on the Vitality of a Constitutional Idea, 52 Or. L. Rev. 211, 215–20 (1973); In re Subpoena to Nixon, 360 F. Supp. 1, 8 (D.D.C. 1973) *aff'd sub nom*. Nixon v. Sirica, 42 U.S.L. Week 2211 (D.C. Cir. Oct. 12, 1973) (en banc):

"The Special Prosecutor has correctly noted that the Framers' intention to lodge the powers of government in separate bodies also included a plan for interaction between departments. A 'watertight' division of different functions was never their design. The legislative branch may organize the judiciary and dictate the procedures by which it transacts business. The judiciary may pass upon the constitionality of legislative enactments and in some instances define the bounds cf Congressional investigations. The executive may veto legislative enactments, and the legislature may override the veto. The executive appoints judges and justices and may bind judicial decisions by lawful executive orders. The judiciary may pass on the consitutionality of executive acts." (Footnotes omitted)

[23] Youngstown Sheet & Tube Co. v. Sawyer, 343 U.S. 579 (1952).

[24] See Schwartz, Executive Privilege and Congressional Investigatory Power, 47 Calif.L. Rev. 3, 8 (1959).

[25] Berger, Secrecy and the Presidency, Wash. Post, July 24, 1973, at A20, col. 5. (Emphasis in original).

[26] Opinion of the Justices to the Senate, 328 Mass. 655, 102 N.E.2d 79 (1951).

[27] See Mass. Const. art. XXX (1780).

[28] C. Rossiter, 1787—The Grand Convention 288 (Mentor ed. 1966). See also Wofford, The Blinding Light: The Uses of History in Constitutional Interpretation, 31 U.Chi.L.Rev. 502 (1964).

[29] See, *e.g.*, Wolkinson, Demands of Congressional Committees for Executive Papers, 10 Fed.B.J. 103 (1949); The Power of the President to Withhold Information from Congress, Memorandum of Attorney General Rogers compiled by the Subcommittee on Constitutional Rights of the Senate Committee on the Judiciary, 85th Cong., 2d Sess. (1958); Statement of Attorney General Kleindienst, 1973 Executive Privilege Hearings, 18, 20–26.

[30] See, *e.g.*, authorities cited notes 4, 14 and 18, *supra*.

[31] See, *e.g.*, *Ex parte* Grossman, 267 U.S. 87, 108 (1925); Powell v. McCormack, 395 U.S. 486, 522–31 (1969).

[32] See Berger, *supra* note 4 at 1053–78.

[33] Berger, 1973 Executive Privilege Hearings 243, 244.

[34] See Memorandum of Attorney General Rogers, *supra* note 28 at 71.

[35] Statement of Attorney General Kleindienst, 1973 Executive Privilege Hearings at 19.

[36] Berger, *supra* note 4 at 1078–97.

[37] See Frohnmayer, *supra* note 21 at 227 n. 69.

[38] Schwartz, *supra* note 4 at 22.

[39] *In re Nixon, supra* note 2.

[40] 273 U.S. 135 (1927).

[41] W. Wilson, Congressional Government (Meridian ed. 1956).

[42] See, *e.g.*, T. Taylor, The Grand Inquest (1955).

[43] See *e.g.*, Statement of Senator Adlai E. Stevenson III, 1973 Executive Privilege Hearings 90, 92:

"[Eisenhower] was . . . provoked by the persistent demagoguery of Senator Joe McCarthy, and we who are skeptics about executive privilege must face responsibly the question such demagoguery raises."

[44] Public Papers of the Presidents: Dwight D. Eisenhower 483 (1954).

[45] Roe v. Wade, 93 S.Ct. 705 (1973); Griswold v. Connecticut, 381 U.S. 479 (1965).

[46] *Cf*. Doe v. McMillan, 93 S.Ct. 2018 (1973).

[47] Ely, The Wages of Crying Wolf: A Comment on *Roe* v. *Wade*, 82 Yale L.J. 920 (1973); *Cf*. Tribe, Foreword: Toward a Model of Roles in the Due Process of Life and Law, 87 Harv. L. Rev. 1 (1973)

[48] 376 U.S. 254 (1964)

[49] *But cf*. Time, Inc. v. Hill, 385 U.S. 354 (1967)

[50] In re Subpoena to Nixon, 360 F. Supp. 1, 5 n. 8 (D.D.C. 1973)

[51] *E.q.*, Tenny v. Brandhove, 341 U.S. 367 (1951)

[52] *E.q.*, Powell v. McCormack, 395 U.S. 486 (1969)

[53] See, *e.q.*, Barenblatt v. United States, 360 U.S. 109 (1959); Watkins v. United States, 354 U.S. 178 (1957); United States v. Rumely, 345 U.S. 41 (1953); Sinclair v. United States, 279 U.S. 263 (1929)

[54] Gravel v. United States, 408 U.S. 606, 620 (1972)

[55] See Doe v. McMillan, 93 S. Ct. 2018, 2031 (1973) (Douglas, J., concurring)

[56] 25 Fed. Cas. 30, 34 (No. 14, 692d) (1807)

[57] 360 U.S. 564 (1959).

[58] In so doing, the court followed the precedent of all common law countries including, more recently, England. See generally, Cappelletti & Golden, Crown Privilege and Executive Privilege: A British Response to an Amercan Controversy, 25 Stan. L. Rev. 836 (1973).

[59] 345 U.S. 1 (1953).

[60] 360 F. Supp. at 5.

[61] See generally authorities cited *supra* note 4.

[62] Schwartz, *supra* note 4 at 24, 31.

[63] *Id*. at 28–30.

[64] 369 U.S. 186 (1962).

[65] Berger, *supra* note 4 at 1349. However Schwartz questions whether article III permits such a result, *supra* note 4 at 45.

[66] See *e.g.*, Powell v. McCormack, 395 U.S. 486 (1969); Doe v. McMillan, 93 S.Ct. 2018 (1973).

[67] II Hearings before a Subcomm. on Foreign Op. and Gov't Info. of the House Comm. on Gov't Op. on the Pentagon Papers 379, 385 (June, 1971).

[68] See generally Frohnmayer, *supra* note 21.

[69] Opening Statement of Senator Kennedy 1973 Executive Privilege Hearings 15, 17.

CITY OF COMPTON'S CINCO DE MAYO CELEBRATION

Mr. TUNNEY. Mr. President, I am pleased to inform my colleagues of the extensive preparations and plans being formulated by the city and citizens of Compton, Calif., to observe Chicano Awareness Week. The highlight of their observance will be the Cinco de Mayo celebration being held in conjunction with their sister city, Puebla, Mexico.

Puebla's significance to our sister republic's struggle for liberty is unique. On May 1, 1862, the French General Laurencez and his mercenary army—considered to be the strongest in the world—arrived at Mocameo Beach on the coast of Veracruz. President Henito Juarez, a Zapotecan Indian, had assigned Gen. Ignacio Zaracosa to lead a peasant army, composed of Mestizos and Zacofoaxtia Indians, to defend the flag and the Mexican people against injustice and tyrannical influence.

General Laurencez, considering it a simple and amusing military maneuver, marched toward Puebla. In a tremendous show of raw force, Gen. Ignacio Zaracosa led his followers, many armed with machetes, to victory."

Throughout the years the 5th of May, El Cinco de Mayo, has become to the Mexican people of the Republic and Atzlan—southwestern United States—a memory of national pride and emotion. On this day General Zaracosa sent the following message:

> "The national defenders have covered themselves with glory."

In 1970, California Gov. Ronald Reagan proclaimed the first week in May as "Chicano Awareness Week." In 1971, Compton College Movimiento Estudiantil Chicanos de Atzlan (M.E.Ch. A.) with the support of the community, moved and received approval of El Cinco de Mayo as a legal holiday for the college district. These efforts snowballed until early 1972, when the Compton Unified School District and the Compton City Council followed suit. Thus, Compton is the only city in the entire United States to have proclaimed this an official holiday.

In Compton, this day symbolizes for the Mexican his heritage of a noble race of people, as in spirit of Benito Juarez's statement, "El respeto al derecho ajeno es la paz." "The respect of another's rights is the peace."

Much work is being put forth by el comite civico patriotico, the sister city committee, and city hall staff, that the 1974 Cinco de Mayo celebrations will be the best ever. It is sincerely hoped that the entire community will join in the festivities, honoring dignitaries from the sister city of Puehla, expected to arrive May 1, 1974.

Celebrations will be taking place throughout the city for the entire week. Among those planned by the committee and the city are:

April 27, 1974, the Cinco de Mayo queen's dance at the English Square.

May 1, 1974, the reception of Puebla dignitaries at City Hall.

May 4, 1974, the cohost banquet—honoring the dignitaries and the queen and her court—at English Square.

May 5, 1974, the Cinco de Mayo parade, followed by grand festivities at Lueders Park.

These impressive activities are worthy of our notice and commendation and it is with this in mind that I extend best wishes to the respective sister cities of Compton and Puebla, el comite civico patriotico, the sister city committee, and city hall staffs, and the following dignitaries: Mr. Lorraine Cervantes, chairperson of the sister city committee; Miss Volanda Berumen, El Cinco de Mayo queen; Princesses Rossana Colrea, Barbara Soteco and Maria Consuelo Corareubiaz; the visiting dignitaries from the city of Puebla: Regidor Miguel Bautista; el sechetario del regidor, Licenciado Arel Tobar Campo; ayumtamiento Licenciado Pacheco; Ayudante Del Licenciado Pacheco, Licenciado Toquedo; el director de governacion, Licenciado Manuel Merino.

Finally, I respectfully convey my warmest personal regards to the Gobernador of the State of Puebla, Mexico, Don Guillermo Morales Blumenkron; the presidente municipal of the city of Puebla, Dr. Louis Basquez la Puente, to Mayor Doris Davis and the City Council of Compton, Calif., for their encouragement and support of this most worthwhile endeavor.

THE ENERGY SHORTAGE

Mr. BARTLETT. Mr. President, it is important to note the increase in activity of exploration and development of oil and gas as a result of the current price levels of oil and gas.

The oil royalty in Osage County, Okla., is owned by the Osage Indian Tribe. Quoting from an editorial in the April 19, 1974, issue of the Tulsa Tribune:

Osage Boomlet

The location may have been symbolic, but the crisp bidding for oil and gas leased on the grounds of the Osage Tribal Museum in Pawhuska Wednesday was for real.

And for the first time in 18 years, the bidding topped the $1 million mark. "Maybe it was the weather," one oilman told Tribune Reporter Keith Griffis, "Or more likely it was the attractiveness of $10 crude oil."

Bidding took place under a tall elm tree, and it seemed like old times in the Osage. It was also under a tall elm that money changed hands when the oil boom was going strong and fortunes were made by the bold.

Today it is more a matter of simple economics. Squeezing more oil out of the once rich pools had been unprofitable until the price of crude began to climb.

It is more boomlet than boom but the new surge of interest in Osage oil is good news for Oklahoma.

DÉTENTE: SOME QUALMS AND HARD QUESTIONS

Mr. BROCK. Mr. President, Gen. Matthew B. Ridgway, one of our most distinguished military commanders in Korea and in World War II, has offered some important thoughts about the inherent risks of détente and about the future of this Nation. His call for the widest public debate on these fundamental issues, as it appeared in the New York Times, is expressed in the same inimitable language with which he used to inspire his troops in combat.

As a contribution to the suggested public debate, I herewith ask unanimous consent that General Ridgway's article, "Détente: Some Qualms and Hard Questions," be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Détente: Some Qualms and Hard Questions

(By Matthew B. Ridgway)

Pittsburgh.—"Détente," I believe, poses the potentially gravest danger to our nation of all the problems we face. Whether it is to prove a siren's call to lure us to our destruction, or the first long step toward defusing the terrible threat of nuclear warfare and worldwide holocaust, no man can today predict with any assurance.

But what any reasoning person can clearly perceive is the distinct possibility that treaties can be abrogated or ignored, that solemn undertakings by the Soviet leadership can be deliberately flouted or repudiated and that an overnight reversion to the hard-line policies of a former Soviet Government can take place.

Against these possibilities this country must have ample safeguards, for we are dealing not with the fate of our own nation, though that may well be what we are doing, but with the fate of a civilization, the fate of the fundamentals on which our nation and the free world have built that civilization through two millennia.

What must be done is to critically and coldly examine and analyze every facet of this problem through the widest practicable public debate and then to make basic decisions and formulate policy guidelines.

Fortunately, it appears that an assessment of where we may be going, for what reasons, and for what guarantees of national benefits, is being made constructively, by highly qualified individuals, in and out of Government, whose intellectual honesty, integrity, competence and devotion to our country command respect.

There can be no real lessening of tensions, except in an atmosphere of mutual trust. Such trust does not exist. Positive action, not mere words, by the Soviet Government will be required over an extended period to create such trust. For America's part, I fail to see how it can exist in view of the unrelieved evidence of the actions taken and the courses pursued by the Soviet Government over the last fifty years, the frequently expressed fundamental objective of spreading its form and concept of government throughout the world—in short, of its aim of world domination.

Would it be in our national interest to extend long-term credits to the Soviet Union for the development and marketing of Siberian oil and gas reserves in exchange for Soviet promises to let us share them at fair prices years hence; to furnish technology that we have developed and that the Russians lack and eagerly seek; to continue to pare our military strength while the Soviet Union continues to augment its own in the nuclear and conventional fields, as it has been doing for the last five years; to consent to the present disparity in nuclear capabilities brought about by our 1972 agreement on limiting strategic weapons; to agree to a common percentage in the reduction of armed forces in Europe, leaving the Soviet Union in its present position of greater strength—another Soviet proposal?

These are hard questions of immense significance to us and to the free world. They demand hard thinking.

Under the vision of those who established our form of government, mankind's fires of imagination were kindled. They burned with an intense flame and spread over much of the world. They have yet to be extinguished. But now in the continuing erosion of morals and ethics, and in the apathy and muddled thinking of many of our own people today, they have been allowed to burn dangerously low.

We now have before us in our greatest hour for two centuries, an opportunity to show the world whether we are determined to keep those fires burning; whether we shall be found too lacking in integrity, too weak in moral courage, too timid in planning, too irresolute in execution to set before Almighty God and mankind an example of those principles, faithfully adhered to, on which our Founding Fathers staked "their lives, their fortunes, and their sacred honor"—whether we will show the world an example of what in our hearts we know is eternally right.

In this Bicentennial era, the choice is ours to make.

VOLUNTEERS IN MINNESOTA JUVENILE COURTS

Mr. MONDALE. Mr. President, a worthwhile, innovative program has been developed in Minnesota to help deal with the serious and growing problem of juvenile delinquency. At a time when experts predict that 1 out of every 9 youngsters nationwide will have been to juvenile court by age 18, the Parent-Teachers-Student Association in Hennepin County, Minn., has offered to assist the courts in working with juvenile offenders. The response of the volunteers in the courts program, a project of the PTSA, is an encouraging expression of concern for the very real need to provide guidance to young people in trouble. Over 700 volunteers are serving in Hennepin County, giving support to the juvenile courts in handling young offenders.

The Albert Lea Evening Tribune recently carried an article describing this commendable, cooperative effort by the PTSA and juvenile courts in Hennepin County. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JUDGE ASKS VOLUNTEERS' HELP WITH TROUBLED KIDS

(By Mike Bulger)

"We're naturals for each other," said Judge Lindsay G. Arthur of Minneapolis today addressing a Volunteers in the Courts Project seminar in Albert Lea.

Volunteers in the Courts is a project of the Parent-Teachers-Student Association (PTSA) and is an attempt to assist juvenile courts. An all-day seminar was held today at the Kahler Motel.

PTSAs and juvenile courts should work closer together, Arthur said. "We're naturals for each other because we do have the same general object. We have kids in mind.

"We're concerned, both of us, with children in trouble. We need you to come in and look at the courts to tell us how to do a better job. Your outside view could be helpful to us.

"We should be getting closer and closer together in the function of helping children. I think if we can get closer together we can reduce crime and delinquency, we can reduce divorce rates, and a whole lot of other things," Arthur suggested.

"The real challenge is that they are tomorrow. They will make decisions in the next generation. We have to find new resources so juveniles don't have to come to court at all," he asserted.

About 75 per cent of juveniles arrested do not reach court in Hennepin County. They are diverted by police or court services personnel, according to Arthur. Volunteers can assist greatly in diverting others, Arthur said.

"Our theory is if a child can get the help he needs elsewhere, and will get the help he needs elsewhere, why bother the court, why spend the taxpayers' money, why stigmatize the child?" he challenged.

The PTSA can be especially helpful in working with schools, Arthur said. He stated that nearly all of those brought to juvenile court have a reading problem which could be corrected with special programs.

"The parents of America, more and more, are turning over to the schools the job of giving moral values," he added.

"We're having a hard time not saying that two-thirds of the crimes in America can't be solved way back in grade school."

Over 700 volunteers in Hennepin County work with juveniles. Arthur said some are used for "hand-holding" while others develop social histories. Some work with probation officers; others are used as guardians when the parents are incompetent.

"It's a cop-out to say 'we're just a small community and we can't afford all these wonderful things,'" Arthur said. Small counties can afford them, he said, and many are already spending more per capita than the Metropolitan area.

CURRENT U.S. POPULATION

Mr. PACKWOOD. Mr. President, I would like to report that, according to current U.S. Census Bureau approximations, the total population of the United States as of today, May 1, is 212,057,998. In spite of widely publicized reductions in our fertility levels, this represents an increase of 1,393,578 since May 1 of last year. It also represents an increase of 151,755 since April 1 of this year—that is, in just the last month.

Over the year, therefore, we have added enough people to fill two cities larger than San Diego, Calif., and in just 1 month, we have added the equivalent of a new Lansing, Mich.

UNIFORM NOTARY ACT

Mr. TUNNEY. Mr. President, I would like to bring to the attention of my colleagues and the governing officials in each of their States an important development in the modernization of notary laws. A California-based organization, with a national membership, the National Notary Association, has prepared, with the assistance of the Yale Law School Legislative Service, a Uniform Notary Act.

The Uniform Notary Act, the first major notary legislation initiated in over two centuries, would bring a marked advance to the current practices of the Nation's nearly 2 million notaries public if adopted by all the States. This advance will ultimately result in all Americans being better and more responsibly served.

In this age of instantaneous communication networks and all the miracles of technology, isolationist State notary statutes have become obsolete appendages hindering society. The Uniform Notary Act suits more than just the needs of one State; it serves the needs of the Nation at large. Obviously, the interest of national unity would be more abundantly served by standardized notary law and practices.

This uniform law would not only bring the disparate practices of notaries public into conformity in each State, but would also upgrade and professionalize the notary office, which is rooted in man's earliest history. The modern notary public performs an important function in the conduct of today's business and society as did the "Notarius" of the Roman period of history.

The Uniform Notary Act, written and promoted by the National Notary Association in the public interest, is the culmination of their many years of research and inquiry. They, along with a National Uniform Law Advisory Committee, composed of respected public officials, attorneys, law schools, and legislators, donated countless hours to the research, development and drafting of this act. The dedication of all these parties has resulted in an act that truly reflects the needs of all sectors of American society.

I am pleased to be able to announce that my home State has taken the lead in introducing this measure in both houses of the legislature. In the opening weeks of the 1974 California Legislature, the Uniform Notary Act was introduced by State Senator Alan Robbins and Assemblyman Daniel Boatwright as S.B. 1603 and A.B. 2881, respectively. These progressive legislators have set the precedent for adoption of a Uniform Notary Law by each of the United States.

In fact, many other States are currently reviewing and preparing the Uniform Notary Act for legislative introduction. Recently, the act has also been introduced in Maryland.

Among the provisions of the Uniform Notary Act are the standardization of notary stamps and seals and the requirement that these identifying symbols appear on all notarized documents. Notaries will also be required to keep a detailed journal of all notarial acts. This journal would describe the pertinent circumstances of each notarization as well as contain the signatures of the parties to the transaction.

Recent national events have pointed out the importance of this type of detailed journal. The propriety of the President's gift of papers to the National Archives was called into question precisely because the circumstances of the notarization were not clearly stated. Had the Uniform Notary Act been in effect, the notary involved would have been required to keep a written record of the grant deed notarization in his journal including the date of the document, the date of the notarization and the President's signature executed in the journal. This record would have prevented the present confusion about the nature and dates of that particular notarial act.

The cumbersome "certificate of authority" once required on all interstate documents has been eliminated in the Uniform Notary Act. With the standardization of notarial procedures and identification, documents will be able to flow freely from one State to another, promoting and encouraging interstate commerce.

All notaries must be bonded by responsible surety companies to provide financial recourse to parties should they be damaged by a notary's wrongful acts. If the public must depend on a notary's acts in the conduct of their business, it is imperative that the public be protected against improper performance of those acts.

The Uniform Notary Act clearly defines the limits of notarial authority and strengthens the distinction between notarial acts and legal acts. It imposes penalties for wrongful conduct as well as promotes a code of the highest level of notarial conduct.

Another important contribution of this legislation is the language in which it is written. Difficult and obscure legal interpretations have been discarded in favor of clear, nontechnical language which can be understood by the notaries public—most of whom are not attorneys—who much implement the provisions of this act. It is always important to design laws that are comprehensible to those they govern.

Mr. President, I hope my colleagues will take heed of this interesting new development. Modernization of the Nation's notary laws, and the adoption of a uniform law among all the States, would certainly be of great benefit to all Americans. I commend the National Notary Association and all the individuals and organizations with which it acted in drafting this model legislation.

OUR TRANSPORTATION POLICY

Mr. BROCK. Mr. President, I have long felt that our transportation policy has been lacking in balance and imagination. This feeling is obviously shared by Mr. Willard F. Rockwell, Jr., of Rockwell International, a company heavily involved in the aerospace and transportation fields. In a recent article, he very aptly points out the need for us to take an overall view of the transport problem and to construct our policies on that basis. I am afraid we are still a long way from that rather commonsense goal. At this moment, for example, the question of whether we should subsidize bulk ocean shipping between Canada and Florida is to be made totally in isolation, without any consideration of other transportation alternatives.

Unfortunately the Maritime Subsidy Board's position in refusing the railroads to present their case may be legally correct. If so, the fault is largely ours in Congress, for we have failed to construct a full national transportation policy and the institutions to properly implement it.

In his article, Mr. Rockwell also draws our attention to the vitally important questions of financing transportation improvements and the need for cooperative action to effectively meet our transport needs. I believe these are significant points and I ask unanimous assent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Riding the Rivers of Mobility if We Are Going To Have a Balanced Transportation System, We Need Vision

(By Willard F. Rockwell, Jr.)

Transportation is synonymous with livability—the freedom to move about anywhere we wish and as quickly as we wish in a common safety with our neighbors. To achieve that freedom we need new and improved ways of getting people and freight into, out of and around our cities.

Mobility has been a prominent characteristic of the American people for more than 200 years—from the days when pioneers first crossed the Allegheny Mountains, paused a while, then literally raced down the Ohio River, to the period just following World War II, when the move to California developed into the greatest short-time migration in the 600,000-year history of man. C. L. Dennis, head of the railway clerks' union, summed up that 200-year sweep of mobility in one sentence: "The American West has won and the continent conquered far less by force of arms than by transportation."

The river of mobility flows today just as strongly as it did 200 or 100 or 25 years ago. People simply will not accept an immobile America. They will not accept as a vision of the future the current waist-high weeds on train tracks in some major passenger terminals throughout the country. Economic history has shown us, time and time again, that the demands for mobility are always met.

President Abraham Lincoln anticipated the demands of the people for mobility more than 100 years ago when he standardized the railroad track gauges of America. Back in 1928, East and West Coast aircraft manufacturers foresaw a similar demand at a time when there were only 2,000 tons of air freight, 53,000 passengers and 3,500,000 pounds of mail each year. The national interstate highway builders were answering that demand in 1939 when Americans at the New York World's Fair saw for the first time the concept of superhighways sweeping from city to city.

The demand is still here; but sometimes, amidst the clamor of protest, dissent and obstruction, can the voices of the people always be heard? For example, big trucks too often have been made villains in the mobility drama. But trucks cannot be legislated off the highways, any more than passenger cars can be legislated out of existence. Both are major, integral parts of the American way of life and of our transportation future. We have the finest domestic air service in the world, but it must not be shackled forever to a 600-mph speed. And yet the supersonic jet transport becomes meaningless if it does not mesh into a system of roads or rails that carries people. The National Railroad Passenger Corporation (Amtrak) concept should be offered every encouragement to succeed. A railroad right-of-way is a heritage of the American people, an essential part of American mobility; and it must be woven into the pattern of a national transportation system.

There are big obstacles on the road ahead. Magazines such as *Business Week, Newsweek, Time, U.S. News and World Report,* and *Harper's* in addition to our daily papers, have taken turns—and sometimes acted simultaneously—in lamenting the chamber of transportation horrors. According to the articles—and most of them are factual—we are drowning in a sea of negatives: traffic congestion, air pollution, environmental degradation, soaring traffic deaths and inadequate transportation.

We don't need a repetition of the statistic that one third of every American city is dominated by businesses that cater exclusively to the motorcar. We all know about the fissures that are appearing in Roman monuments because of traffic vibrations, and another story of airport terminal traffic jams such as those that exist in Los Angeles International, is a waste of time. Quite correctly, urban mass transit holds a prominent place in planning for livability. But *Fortune* magazine recently pointed out that the land-people ratio in the United States is 11 acres per person. If the whole present world population—3.7 billion people—were put inside the United States' borders, the resulting density would not be much greater than that of England today. Our abundance of land mass emphasizes the need not for urban transit alone but for *all* kinds of transportation, a system that embraces autos, subways, trains, trucks, aircraft, buses, barges, even bicycles. Each is related to the others.

These areas have occupied the time and energy of countless talented and dedicated citizens. What must be emphasized is the need to consider all the areas and all at the same time. We cannot continue devoting our concern on Monday to the railroads, on Tuesday to the trucking industry, on Wednesday to the bus lines, on Thursday to urban mass transit and on Friday to the airlines. It's all one problem, and it demands one concentrated effort for solution.

There's no denying the intramural fights in the industry. The trucking industry has a chip on its shoulder when it comes to the rails, the bus lines are ready to take on both the railroads and the airlines at the drop of a hat; steamship lines feel that they're orphans of the storm. Business Week has emphasized the necessity of bringing harmony to the warring highway and mass transit lobbies and cooling the emotional energies not only of the suppliers of transportation but also of the political bodies embroiled in the fight. The major industries concerned should approach the overall problem with far more enthusiasm and cooperation, and less consideration for single industry views, than they have done in prior years.

We must devise the finest balanced transportation system in the world, one that will carry 210 million Americans into the 21st century. It's embarrassing to go to a foreign country today and find far better surface transportation than is offered at home. To achieve this balance, we'll need a national commitment in money, in community cooperation and in technical talent. Of the three, some people consider the problem of financing the most difficult. The sheer size of the necessary investment in transport systems in the cites alone is awesome, especially if we are to approach this overall problem in the broad, sweeping manner in which it must be treated.

Highway construction costs of the past are an indication of what awaits in the future. In the past 17 years alone we've spent $40 billion on our 34,000-mile network of interstate highways. Since the day we started to make the switch from dirt to macadam, we've spent $500 billion (according to former Undersecretary of Transportation James Beggs). With that money we have constructed the finest highway system of any nation in the world.

When we move from highways alone to all transportation on a national scale, the problem of financing becomes monumental. Funding for urban mass transit in four years has quintupled from $200 million to $1 billion. Next year, the funding will be increased to $2 billion, as more and more cities prepare their plans for participation in the federal program.

Increased incentive in the form of research and development funding, along with definitive prospects for long-term hardware programs, must be made available for priming revolutionary new concepts in all areas of transportation. Congress is the keeper of the national purse, and the pressure of priorities is endless. But to encourage serious planning in any national area, whether it be in defense or people mobility, we must have funding that will make commitments effective. We must not, for example, treat our engineering and scientific teams as so many Yo-Yoes on a string—a situation that has become a way of life in our defense industries. Perhaps one of the solutions in this most difficult area will come, as the *Harvard Business Review* has pointed out, from a totally new concept of financing. Just a few years ago a major milestone in financing created the Comsat satellite; and as a result of that innovative financial thinking, the communications industries of the world leaped ahead. Perhaps business, government and the general public—through the sale of stock—will participate in the funding of a balanced national transportation system. Hopefully, our innovative financial planning did not stop with Comsat.

Many people think that funding ranks second, not first, among our problems. And they have a point. In the past decade we've seen many cases where funding for transportation systems was available, but that availability was completely ignored in local jurisdictional disputes. So, to these people, cooperation—among government, business, labor and local jurisdictions—is the most critical problem facing us today. President Richard M. Nixon, in a recent letter to the National Defense Transportation Association, acknowledged that problem when he urged that the country find new ways in which labor, industry and the government can achieve solutions of transportation problems.

IT TAKES 20 YEARS TO GO FROM A CONCEPT TO COMPLETION OF A MASS TRANSPORTATION SYSTEM

But how do we get total cooperation between government and industry, between industry and labor, between state and state, city and city, community and community?

The patience of the country, in the interest of fairness, has been monumental. We've witnessed all-out struggles between local governments and Washington, between bus systems and subway systems, between advanced hardware and existing equipment. We've become hardened to delay—but delays that last for a good portion of a man's adult life are intolerable.

It takes about 20 years to go from the concept stage to completion for a mass transportation system. It's been almost 25 years since the first discussions began on San Francisco's Bay Area Rapid Transit System (BART), and the first train has yet to roll beneath the bay. And 25 years isn't the record—it takes even longer to plan highways. Construction on the interstate highway system was started in 1956, but the actual planning began in the '30s, and portions of that system still are incomplete.

We put a man on the moon slightly more than eight years from the day we received the go signal. Why was it possible to do something that was so apparently impossible, and do it with such flawless precision and within such a relatively short time span?

Part of that answer is that the Apollo spacecraft was pointed in the right direction—toward the moon and away from the interminable conflicts on earth. A handful of major contractors moved with remarkable precision in planned increments, answering to one central authority, The National Aeronautics and Space Administration.

We did not have delegations from the dark side of the moon protesting our choice of landing sites.

No one chained himself to our spacecraft.

None of the astronauts threatened to go on strike in mid-voyage.

We had a goal.

We had adequate funding.

We had the unstinting support of more than 50,000 subcontractors.

We had the complete cooperation of the American people—they wanted to achieve the goal.

We had the greatest technical talent ever assembled.

After eight years and two months, the results were Neil Armstrong and "one small step for man." We were fortunate. Once the launch vehicle was 10 feet off the pad at Kennedy Space Center at Cape Canaveral, we had the entire universe spread out for us. From then on we had a virtually unhindered journey with the cheers of the world to spur us on.

In other words, if we can put a man on the moon, why can't we get the commuter trains running on time? The answer is: We can, but it won't be easy.

We can't apply those Apollo precision tactics to an earthbound national transportation system. The planners will have neither the authority nor the temerity of Georges Haussmann, who literally bulldozed through the streets of Paris the present wide boulevards that are a monument to his genius.

Our planners—and correctly so—must constantly be aware that current transportation routes within our major urban areas cannot be altered immediately in any drastic way without disastrous long-term results. We can't destroy buildings, homes, utilities or centers of employment. That's why the stress for a 27-year long-term program; we must have time to evaluate the total impact. Transportation selection must not only meet current needs, it must also have the growth potential to meet broad changes in requirements for transportation of the future. In short, to fulfill our present needs while adequately preparing for the future will require a kind of genius from every one of the hundreds of local jurisdictions that must be involved in the planning, building and operation of effective public transportation. Finally, we come to the technical aspects of future transportation systems. Advanced technology is an important part, but only a part, of the overall transportation picture. Metroliners, hovercraft, hydrofoils, high-speed bus systems, innovative trolley energy systems, electric cars, vertical and short-takeoff aircraft, skybuses, BART—all of these and others will play a part in the ultimate national transportation system.

Literally hundreds of companies, large and small, are now actively engaged in efforts the end products of which will ultimately be meshed into the entire picture. The future of transportation vitally affects many industries—not just the automobile manufacturers, the subway builders, the railroads, the buses, the trucking industry and the airlines, but also other groups not normally associated with transportation. It's to our advantage to get every segment of American society and industry involved in solving the transportation needs of this country. It should be obvious that it's the only way it can be accomplished.

The leadership that made the Apollo program a reality has given us an unshakable confidence in our ability to cope with any technical problem on any scale—local, national or global. With a balanced transportation system serving the needs of *all* Americans, we can move back from the rivers that built Pittsburgh and St. Louis and back from the sea that gave us New York and San Francisco. We can look to the mountains or out to small islands, or wherever the human spirit moves a group of people to live and work together.

Mobility is a necessity—almost a right, and certainly a pleasure, particularly when it's good. For that reason *we will have,* within this century, a balanced national transportation system for both people and cargo in the air, on the land and on the sea which will rank, along with the landing on the moon, as one of the greatest scientific achievements of all time.

THE ETHICS OF HUMAN SURVIVAL

Mr. MONDALE. Mr. President, on April 19, the distinguished Senator from New Hampshire (Mr. McIntyre) gave an important address before the New Hampshire Council on World Affairs and the International Center of New England.

In this thoughtful speech, Senator McIntyre addressed the two principal challenges we face in the world today—the ability to avoid nuclear catastrophe and the ability to recognize and deal with a society of shortages. His incisive linking of these problems, and his stress on international cooperation and a new spirit of conservation, are imaginative and should be carefully considered. And his plea for greater stress in the development of renewable sources of energy for the decades ahead must be heeded.

I commend the distinguished Senator for this address, and recommend it to all my colleagues.

Mr. President, I ask unanimous consent that the text of his address appear in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

The Ethics of Human Survival

(Address by U.S. Senator Thomas J. McIntyre)

A funny thing happened to me on the way to re-election in 1972. I found myself defending President Nixon against the attacks of my Republican opponent—and the publisher of the largest newspaper in our State.

Today I find it tragically ironic that in the aftermath of Watergate, the energy crisis and economic shambles, the one element in the Nixon record that I chose to defend remains the single accomplishment that still has some validity.

I speak of detente, an achievement that however overblown by White House rhetoric, however attacked by the Powells and the Loebs as a sell-out, remains the last bit of disintegrating evidence that there was a time when Richard Nixon thought more of his country than he did of himself or his political fortunes.

Detente with the two largest Communist nations in the world, a detente reached by an American president who built his political career on Red-hunting, underscores Walter Lippman's thesis that the quantum leaps in history can only be made by leaders who are converts to a cause.

No Democratic president—and surely no liberal Democratic president—could have persuaded our country that it was in our best interests—and the world's best interests—to thaw the Cold War and cool the arms race.

Richard Nixon did this. And whether one accepts the cynical explanation that it was a grandstand play for the history books, or whether one believes he was sincere in his expression that the world is safer when the leaders of conflicting ideologies remain on speaking terms, the reassuring fact remains that detente helped ease our way out of Vietnam—contributed to heading off a big power confrontation in the Middle East last Fall—opened the door to strategic arms limitation agreements—and increased opportunity for greater trade and cultural exchange.

But to say that is not to say that detente is somehow *more* than it is—a trap White House enthusiasts frequently fall into.

Detente, purely and simply, is nothing more than an unspoken understanding between the United States and the Communist titans that every caution must be taken to avoid blundering into a nuclear war that no one could win.

In short, detente merely keeps the lines of communication open in order to exercise that caution—but that alone is worth respecting—and preserving.

I believe now as I did in 1972 that this is Richard Nixon's crowning achievement.

For what it's worth, I believe that his motivation was more noble than self-seeking.

And despite the fact that so many other Nixon endeavors have been soiled by scandal, suspicion and failure—I believe the President is determined to keep this achievement clean for the history books.

Unlike some on the radical right, I do not believe the President will go to the Moscow summit and make disastrous concessions just to save his image as a peacemaker. And unlike some on the liberal left, I do not believe the President will go to the Moscow summit with a hard-line posture aimed at winning back the conservatives in the Senate who could save him from an impeachment conviction.

But no matter how noble and selfless his motivation going into that Moscow summit conference, he will represent his country not as a strong leader riding on an overwhelming mandate—but as a leader who has forfeited the trust and confidence of three-quarters of his people.

That is the *real* tragedy of Watergate, my friends. But that tragedy will only be compounded—that leader only further weakened—the hopes for continued detente and mutual disarmament only diminished—if we let suspicion and distaste divide us along the *only* road that can indeed lead the world to a generation of peace.

We must—as one people—make it clear to the Soviet Union that however weakened Mr. Nixon is he still speaks for our desire for peace, for an end to the arms race, for communication and international cooperation—and that he has our united support in seeking those goals without compromising our security, our integrity or our dedication to the principles of individual freedom and national self-determination.

My friends, the events of the year and a half since the election in 1972 have made those goals more important than ever before.

For in that year and a half, the Damoclean sword that has hung over mankind's head since the invention of the atom bomb has been honed to a double-edge.

Now we are threatened not only with the unthinkable in terms of life destruction—*but with the unthinkable in terms of running out of those precious resources that sustain life.*

In the past 18 months all of mankind has been brought face to face with the shattering realization that this planet earth simply cannot meet our *needs*—unless we curb our *demands.*

Now Mr. Loeb and his kind can scream all they want about fear-mongering "eco-freaks," but the truth is that the best minds around the world agree that the day of the "frontier mentality" is over. Man cannot continue to ravage the earth, its skies and its waters in the blind confidence that just over the horizon there is more earth and skies and waters to exploit. There isn't.

And time is running out on the opportunity to change our ways before it's too late. Consider these unhappy facts:

Almost every country in the world is plagued with the problem of fresh water supply.

In many regions all arable land is already under cultivation. Much of what remains is eroding into desert or can be turned into productive acreage only by a heavy application of money and technology. Witness the tragic drought, land devastation and starvation in Ethiopia, and the Sahel countries of Mali, Mauritania, Senegal, Upper Volta, Niger and Chad.

Man's careless polluting has not only soiled the air and fouled the rivers, but threatens the oceans so essential to life and the very *climate* of the earth.

In the face of this, we are told to expect a doubling of the earth's population by the end of this century—which means we must double our food production and build enough houses, hospitals, ports, factories, bridges in the next thirty years to equal *all* the construction work since the beginning of man's time on earth!

Now this would be awesome enough, but when we inject into this scenario the fact that energy is the instrument which makes all work possible and we consider that two of the fossil fuels that are the major sources of energy may be near exhaustion by the year 2000—then we can understand why the seventh decade of this century may be the most significant crossroads in all history.

The experts may disagree on exactly how soon we're going to run out of oil and natural gas, but run out we will. And the longer this country insists upon doubling its energy consumption every 15 years, the sooner that day will be.

Let me digress here for one minute to give you an example of what this insatiable demand implies. The recent discovery of a 10-billion barrel oil field at Prudhoe Bay on the Alaskan North Slope excited the entire petroleum industry.

But what does it mean—this tremendous 10 billion barrels windfall of oil? It means less than a two-year supply for the United States!

What I'm saying, then, is that it is not only futile to tie our hopes of survival to an energy source that sooner or later will be gone forever more—it courts disaster from another front—a global scramble for ever diminishing supplies that could touch off open warfare.

We saw what happened this Winter. For all of Mr. Kissinger's determined efforts to promote international cooperation among the consumer nations, there was a frenzied race to reach separate agreements for oil supplies from the Arab countries.

Crude oil prices soared. Result? Not only were we inconvenienced for a time. Not only are we smarting under higher gasoline and oil prices. Not only is there little hope that we'll ever get substantial price relief. But the have-not countries, already poor, are being stretched to the breaking point to buy the oil they so desperately need to inch forward into the 20th Century.

And now, we have heightened international tensions, a widening gap between rich and poor, dangerous alliances born of desperation, and a blueprint for global disaster.

So I come full circle to my original point—the crying need to preserve the spirit of detente—and to build upon that spirit. In short, to make detente *more* than a mutual determination to avoid blundering into war—to make it include a mutual determination to avoid *any* unilateral action that would aggravate the energy crisis and its consequences.

This will require infinite patience and skill, for the challenge pits mankind's infinite capacity for greed and instant gratification against the moral and intellectual capacity that distinguishes him from the animals.

While there is still time, man must impose a discipline upon himself that he has not felt since the Industrial Revolution. If he refuses to accept that discipline voluntarily, a steadily worsening situation may impose it abitrarily—and I'll get to that point in a minute.

For now, I say man needs every break he can get in this crucial challenge to the worst and the best that is in him, and for a start I would urge as emphatically as I can that he be relieved of the temptation to take the easy path and forget the consequences.

In my judgment, this means emancipation from dependence upon all nonrenewable sources of energy, for as those sources are used up the struggle for what remains will grow ever more intense—and ever more dangerous.

I not only believe the seeds of disaster are sown into any situation where such precious resources are located only in certain regions—I believe the events of the past Winter prove that they are also planted in a situation where a handful of giant, multi-national companies controls the supply, the distribution and the price of those commodities!

I am convinced, my friends, that the sooner man frees himself from that dependence the better will be our chances for a stabilized world economy, for lasting peace—and for the survival of the species.

And I believe that the only way this can be done is for the richer nations of the world to undertake crash research programs to develop alternative sources of energy—and to make the resultant technology available to all nations as quickly as possible.

To do this means clearing three great hurdles and the first of these is tied once again to the importance of maintaining the spirit of detente.

The crash programs I'm talking about—programs to develop practical, economical and effective means of drawing energy from the sun, the wind, the tides, the earth's inner heat, ocean currents, hydrogen and waste—will cost a great deal of money.

But if the United States and the Soviet Union insist upon pouring $1.5 trillion into the arms race in this decade, and another $2 trillion into that senseless pursuit in the eighties how much will be left to spend on alternative energy sources?

This, then, is another compelling reason to keep detente alive and make the second round of disarmament talks a success.

Beyond this, there are two more hurdles to overcome, each reinforcing the other.

The first of these is the kind of conventional wisdom that dictates using first what is most easily available.

Thus in the first pinch of the energy crisis the Nixon Administration laid out a program that concentrated not on developing the exotic energy sources—sun, wind, water, geothermal—but on coal, which is still in relatively abundant supply, oil shale, and offshore oil deposits.

This is understandable to some extent, for the technology was advanced enough to encourage further development, and the supply was there.

But it is even more understandable when one recognizes the petroleum industry's ceaseless efforts over many, many years, to ridicule and discourage any effort to look for energy sources beyond fossil fuels.

Remember, the giants of that industry not only control oil, they own great shares of the Nation's coal and uranium supplies—and they were in ready position to bid for offshore drilling rights and leasing of oil shale deposits, most of which are located on Federal lands owned by you and me, the taxpayers of this country.

These are the same giants of the industry, my friends, who were equally quick to use the fuels crisis to increase their profits by 52 percent in a single year and use the same crisis to attack environmental protection standards and regulations.

And these are the self-same giants of the industry who refused to build up domestic refining capacity in time to ward off a supply crisis that would have come even without the Arab oil embargo.

I bring this up not to castigate Big Oil, though it richly deserves castigation, but to point up how Big Oil's greed, arrogance and influence in the highest seats of government will make the third and final hurdle even harder to clear.

Let me explain:

As we enter what is becoming known as "The Scarcity Society," a challenge even greater than developing new technology is what Harper's Magazine this month calls the challenge of restoring "civic virtue."

In brief, this civic virtue is the willingness of the individual in the Scarcity Society to discipline himself to sacrifice for the *sake* of the society. This means voluntarily cutting back on demands for the kind of creature comforts that waste energy and other precious resources that must be shared as fairly as possible.

I believe people will respond to this challenge. I believe people showed that they would when they turned down their thermostats, formed car pools, observed lower speed limits—and did all this because they believed they were doing it for the greater good of all society.

But the question is this: Will they *continue* to exercise this civic virtue if they feel they are being ripped off by an industry profiting at their expense? If they feel that their government's plan to get them through the energy crisis plays right smack into the hands of that self-same rip-off industry?

Couple that suspicion with fears, legitimate or exaggerated, of the environmental risks associated with concentrating on the development of the more traditional sources of energy and that third hurdle looms even higher.

People *do* worry about the consequences of off-shore oil drilling. And they're bound to be concerned about the impact of extracting oil from shale and surface-mining for coal. If it takes more than a ton of shale to produce only a barrel of oil, that means that a plant producing 50,000 barrels of oil a day will have to dispose of more than a ton of shale waste every *second*. As for surface coal mining, that process is now denuding 4,650 acres a week and has already stripped-out the equivalent of an area twice the size of Connecticut!

With regard to nuclear power to generate electricity, it's obvious that progress has been disappointingly slow and that the optimism of the 40's has been disappointing. Right now there are only some three dozen operating fission reactors and they supply only five percent of the Nation's electrical capacity. Nuclear fusion remains perhaps the most attractive of all energy possibilities, but there are those who believe the process will never be perfected.

So with all these handicaps, large or insignificant, to pursuing traditional paths toward more energy, it seems to me that we must break free of this pattern to restore public confidence, win cooperation, and ease concerns.

I believe the leadership of this country must take two actions and take them quickly.

First, the emphasis must be switched from developing more fossil fuel energy sources to developing the renewable, non-polluting, non-exploitable, easily-shared sources.

Right now the Administration plans to spend $11 billion over the next five years on energy research and development. Of that total, 96 percent is earmarked for nuclear power and fossil fuels, leaving but a pittance for examining the vast potential of solar energy, wind, tides, and geothermal sources. I find this unthinkably shortsighted.

Second, we must ease our way out of Big Oil's stranglehold on our government, our economy, our foreign policy, yes, and even in our very way of thinking about energy.

The tax breaks given this most pampered of industries need a thorough review (and thank goodness, they're finally getting it!) And something must be done to break the well-to-customer control the industry giants exert. Some would make these giants get rid of all but one operation. Some would make them divest themselves of tankers and pipelines. I introduced the first of the new wave of break-up-the-industry bills, a measure to make the big companies get rid of their retail outlets, and I think political reality dictates that this measure may have the best chance of passage at this time.

Does all this mean I'd like to see the oil industry destroyed overnight? Dismantled? Abolished completely? Of course not.

We have to be practical. We have to keep in mind that even if we launched crash programs tomorrow it will still take many years and many dollars to replace traditional energy sources with clean and renewable alternatives—not so many years and dollars as the oil industry would like you to believe, of course, but enough so that common sense tells us we're going to have to live with oil for a time to come.

But besides the time lag factor, we have to remember, too, that it takes energy to produce energy. So it will take fossil fuel energy to create the technology to produce renewable source energy.

So if this means a refinery in New Hampshire—if this means drilling for oil off the shores of New England—then what must be must be.

But not without a firm commitment to escape from an oil-dominated economy as quickly as possible.

Not at the cost of irreparable environmental damage.

And not over the wishes of those most immediately affected!

And the last brings me to my final point:

We have two choices of how we can all survive in a society where clean air, clean water, arable land, oil, natural gas, certain crucial minerals and metals are in ever diminishing supply.

We can discipline ourselves away from a lifestyle of wasteful consumption and toward a lifestyle of conscious conservation—or we can have that more ascetic lifestyle forcefully imposed!

Make no mistake about it, ladies and gentlemen, if scarcity becomes the rule rather than the exception, you can expect to see your individual liberties erode as more and more must share less and less—and the authority to allocate is gathered into fewer and fewer hands.

The people of Durham have had a foretaste of what I'm talking about.

With the threat of empty fuel oil tanks, with irritating price differentials, with long lines at the filling stations, an overambitious governor and his publisher mouthpiece pulled out all the stops to shove a refinery down Durham's reluctant throat.

They didn't succeed. In part because of their own heavy-handed crudeness. In part because the people of Durham argued their case so effectively. In part because the pro-refinery zeal overlooked something more precious to New Englanders than fuel oil—the sanctity of the town meeting and its decisions.

Even in a Society of Scarcity that sanctity can be preserved, because New Englanders understand the wisdom of frugality and they'll practice frugality. Especially if failing to could cost them their cherished liberty.

Let me sum up then:

Our world is more one world than ever—and smaller, more precious, and in greater danger than ever.

That world—and we who live in it—can only be saved by cooperation, mutual respect and selflessness at every level from the individual to the community to the entire world.

On the global level, the preservation of detente is as important to preserving and protecting earth's life sustaining resources as it is to preventing a nuclear holocaust.

And finally, as important as developing alternative sources of clean and renewable energy is the need to build public confidence in the fairness of energy policy by making that policy fair. If the people are satisfied that it is fair, if they are satisfied that it is properly directed, then they will exercise the civic virtue of self-sacrifice for the common good.

There are those who believe man is destined to live in a Society of Scarcity from now to the end of time—including the author of the disturbingly impressive article in Harper's that I referred to earlier. I do not share that pessimism.

If the world will tighten its collective belt for the long pull—

If the spirit of detente not only lives but flourishes—

If the richer nations of the world will pool their ingenuity and their capital to develop a wide diversity of cheap, plentiful, clean and non-exploitable sources of new energy—then I can see the day when mankind will enter a new era in a new society—an era not only marked by ready access to enough energy to meet all reasonable needs, but an era marked by a great lessening of international threats and tensions—a society not only distinguished by the health of its ecology, but rich in its opportunities for the full expression of the human potential.

We can have that—if we want it enough to work for it.

COST CONTROLS

Mr. HANSEN. Mr. President, we have discussed at great length whether the economic stabilization cost controls should expire tonight, or whether the President ought to be given standby authority to renew the controls if inflation becomes serious. An admendment has been offered by my distinguished colleagues that would extend the authority of the President to stabilize prices when he makes specified findings of serious inflationary trends.

The rationale behind the effort to extend controls cites an expected inflationary bulge when controls are lifted. Proponents say that inflation is continuing to increase at the present time, and that abandonment of authority to deal with inflation could produce even worse results.

It is true that we are presently experiencing in the economy significant inflationary price increases. During the first quarter of 1974, the Consumer Price Index increased at a 14.5 percent annual rate. However, this is not to say that prices will continue throughout the year to increase at this rate. Significantly, 88 percent of the economy has been decontrolled during the last few months. The recent price increases reflect an expected "catch-up" in prices of industries as they were decontrolled. I expect that the rate of inflation in these industries will now level off.

This opinion is shared by administration economists. George Shultz comments:

> If you think of this as a balloon, we're trying to let the air out gradually without having it pop with a big explosion.

Assistant Treasury Secretary Edgar Fiedler says:

> We've gotten such a large part of the economy out from under price controls already that much of the price bubble has been taken.

And furthermore:

> You can safely say the (price) indexes will be rising at a slower rate after April 30, predicts Don R. Conlan, associate director and chief economist at the cost council. Mr. Conlan asserts that the worst of the food and fuel price jumps of the recent months are behind us.

We have thus far seen the most gradual decontrol of the economy over a long period in this Nation's history. We may thus expect a more restrained increase in prices following decontrol.

It is true that we may expect further price increases in the health and construction industries as controls are lifted. This is inevitable, for these institutions must be able to compete on the market with suppliers that have raised prices, and with other wage earners.

I am concerned with the rate of inflation in this country. I agree that something should be done. However, I am convinced from our past experience with cost controls that artificial price ceilings and controls will not work. After all the rhetoric and rationale, these facts remain:

> 1. Cost controls have not controlled inflation. In the period before cost controls we were experiencing inflation at a rate of about 4.0%. In 1973, inflation surged at a rate of 8.8%, the highest increase in 25 years. We are now experiencing inflation at a yearly rate of 14.5%. This is a poor record for the effectiveness of presidential authority to stabilize prices.
>
> Dr. John Dunlop, Cost of Living Council Director, has himself conceded that cost controls have had dubious effects on the econ-

omy. I quote from his testimony before the Senate Committee on Banking, Housing and Urban Affairs:

> There are wide differences of views to the independent effects of controls: some believe controls have had no perceptible effect while others seem to think that direct controls can and do significantly contrain the rate of inflation. Still others urge that while controls may have a short-term restraining influence, wages and prices tend to bounce back in a short time to levels they would have achieved without controls . . .
>
> Price controls probably have had a very limited impact on food prices . . .
>
> Controls may have reduced the increase in prices by one or two percentage points by the end of 1972, and the impact on wages was smaller . . .
>
> The presence of controls contributed to a greater fiscal stimulus through Congressional appropriations than was appropriate . . .
>
> The outlays of the federal government on controls have been at the annual rate of about $100 million; several studies of the costs to business of complying with the regulations have produced estimates between $721 million and $2 billion a year . . .
>
> Most business leaders and their spokesmen argue that price controls have now introduced something called serious "distortions" and shortages . . .
>
> In my view, controls may have a small and incremental effect to constrain inflation for short periods . . . Their potential for adverse effects on output and efficient production needs always to be watched carefully . . . Controls tend also to have an adverse effect on responsible collective bargaining.

2. Cost controls have caused distortions, shortages, and have caused more problems than they have solved. Controls have inhibited commitment of capital needed to expand supply; supply in many areas has dwindled causing shortages. Workers have suffered, while wages have been held down as prices have soared.

Quality of health care has been seriously jeopardized by controls. I quote from one constituent: "Hospitals are experiencing extreme difficulties now with the personnel situation with the restrictions of a 5.5% in wage increases . . . The hospitals are again facing personnel problems, and without recourse, we are watching salaries again shrink in comparison to other salaries in the community to a non-competitive level. I have over 400 employees that are very disgruntled over this wage situation and are convinced that they are being discriminated against because they happen to work for a hospital . . . The Cost of Living Council and the President are driving our industry straight into unionism! The only means left for us to comply with the revenue-expense controls is to face the possibility of lay-off of employees and to cut back vitally needed community services."

3. The people of this country do not want controls. I have several hundred letters from people in Wyoming, and 99 out of 100 are *against* extension of controls in any form. These letters are from workers, housewives, farmers, ranchers, doctors, hospital administrators, laborers. This is the voice of the people, and we as elected representatives ought to comply to that voice.

The unpopularity of cost controls was reflected in the recent unanimous vote of 15–0 of the Senate Banking Committee to dispense with all cost controls after April 30.

I object to the present amendment for several additional reasons:

The amendment is an open door to further reimposition of cost controls. It does not differ significantly from the original authority given to the President. The criteria for extending control are too broad and vague. In a complex and multifaceted economy such as ours, shortages and inequities are bound to exist some place at any time. Inflation will continue as world inflation continues. "Severe hardship," "a need for controls to moderate hardship or deprivations" are vague terms that will be used to rationalize imposition of controls.

Political pressures could lead to reimposition of controls, regardless of legislative intent. We need not delude ourselves that just because the language expresses a spirit of restraint, the power will not be used.

Historical precedents also clearly indicate that controls are not likely to work. I quote from a study entitled "A Brief Survey of Price and Wage Controls From 2800 B.C. to A.D. 1952," by Mr. Robert Schuettinger, Heritage Foundation, Washington, D.C.:

> The record of government attempts to control wages and prices is clear. Such efforts have been made in one form or another periodically in almost all times and all places since the very beginning of organized society. In all times and in all places they have just as invariably failed to achieve their announced purposes. Time after time an historian has laconically concluded ". . . the plan to control rising prices failed utterly." Or ". . . the laws were soon repealed since no one paid any attention to them,"
>
> In Egypt, government controls over the grain crop led gradually to ownership of all the land by the state. In Babylon, in China, in Greece and Rome various kinds of regulation over the economy were tried and usually either failed completely or produced harmful effects . . .
>
> During the American War of Independence, Washington's army nearly starved at Valley Forge largely due to what John Adams called "That improvident Act for limiting prices (which) has done great injure, and (which) in my sincere opinion, if not repealed will ruin the state and introduce a civil war." As one economic historian explained, "The regulation of prices by law had precisely the opposite effect to that intended; for prices were increased rather than diminished by the adoption of the measure."
>
> Even in the Organized State *par excellence* (the Kaiser's Germany) economists pronounced price and wage controls to be ineffective.
>
> If an historian were to sum up what we have learned from the long history of wage and price controls in this country and in many others around the world, he would have to conclude that the only thing we learn from history is that we do not learn from history.

And finally, above and beyond all of the arguments thus far cited, I believe that to artificially and arbitrarily regulate prices by the Government is not in harmony with the tradition and spirit of freedom in America. It appears to me that the philosophy reflected by mandatory Federal cost restraints is incompatible with values of personal freedom and self-reliance. It is incompatible with the traditional American way represented by private enterprise and the free market. I firmly believe that if we would let private enterprise and the free market work without interference, many of our most serious problems would solve themselves. The competitive nature of the free market and the numerous checks and balances supplied by varied interests will ultimately lead to a more equitable balance.

BILLIONS MORE—FOR 900 FEET MORE?

Mr. HASKELL. Mr. President, I call to the attention of my colleagues an editorial from the May 1, 1974 issue of Forbes magazine, entitled "Billions More—For 900 Feet More?" In this article M. S. Forbes, Jr., argues that Defense Secretary Schlesinger's request for upgrading the accuracy of American nuclear warheads is unwise in light of the limited benefit likely to be derived from such a program.

In the midst of galloping inflation that reached 10 percent last year and promises to go as high as 14 percent in 1974 it is more incumbent than ever that we subject every budget proposal to the most careful cost-benefit scrutiny. There is no area in which this is more true than in defense.

This does not mean that we should ignore our Nation's defense posture, for certainly we do not wish to obstruct equitable and meaningful arms limitations agreements or remove an American President's strategic options. But it does emphasize the importance of maintaining a rational balance between the dictates of our national security and the urgent domestic requirements of our people. Today we must ask ourselves if the addition of 900 feet of accuracy to our nuclear warheads is really worth an eventual expenditure of billions of dollars—dollars which might better be spent in areas of urgent domestic concern.

I think that Mr. Forbes goes a long way in his article toward establishing the balanced perspective with which defense expenditures should be viewed. I ask unanimous consent that Mr. Forbes' article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Billions More—For 900 Feet More?

(By M. S. Forbes, Jr.)

The U.S. may be heading for a hugely expensive arms race with the Soviet Union.

For fiscal 1975, the Defense Department is earmarking approximately $300 million to develop technology to build more highly accurate missiles. If this program were followed through from drawing board to launching pad, the cost could run to billions of dollars.

According to Defense Secretary James Schlesinger, the U.S. needs missiles with greater target accuracy to increase the ability of the U.S. to deter limited nuclear attacks and to wage a limited nuclear war. As things stand now, imply past Presidential statements, the President has little flexibility in responding to a limited Soviet nuclear attack except with an all-out nuclear onslaught against Soviet cities. In short, suicide or surrender.

By retargeting more missiles from Russian cities to military targets, and by developing accurate missiles to hit those targets on the bull's-eye, Schlesinger suggests, the U.S. increases its nuclear credibility among its allies and the Kremlin, while possibly saving civilian lives as well.

The Defense Department is also worried about Russia's arms buildup, fearing the Soviets may surpass the U.S. in nuclear capability sometime in the 1980s.

Alas, the case for more accurate, deadlier missiles is not entirely convincing.

First of all, the U.S. already has the ability to strike at a variety of Russian targets, and plenty of these targets are not near cities. Greater missile accuracy is not needed to avoid large numbers of civilian casualties—we can hit multiple bases, dams, utilities many miles from concentrated city centers.

Second, U.S. missiles possess excellent accuracy now; our warheads are capable of striking within 1,500 feet of their targets. Schlesinger's program would only reduce that to 600 feet. Is a saving of 900 feet worth $billions?

The Pentagon's assertion that the U.S. is falling behind the Soviet Union is open to question, too. The U.S. today has over 7,000 warheads compared with Russia's 2,300. By 1977 the respective numbers will be 10,000 and 4,000.

Increasing nuclear strength, Winston Churchill observed, serves only to "make the rubble bounce."

What could be the Kremlin's reaction to the Pentagon's plans? Just what the reaction of our own hawks would be—more, deadlier weaponry.

In waging nuclear war, we have the means and the flexibility. What's to be gained trying to get more of what we've already got?

PROFIT PERFORMANCE OF MAJOR OIL COMPANIES

Mr. MONDALE. Mr. President, an editorial in yesterday's New York Times highlighted the incredible profit performance of the Nation's major oil companies during the first quarter of 1974. And it correctly points up the outstanding work of Representative Joe Karth in the House Ways and Means Committee in fashioning a tax measure which will help end the unjustifiable increases in oil company profits, increases which go beyond what is needed to encourage domestic exploration and development.

I commend the New York Times editorial for its recognition of Joe Karth's important role in shaping this measure, and I ask unanimous consent that the text of the editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Oil: Fat City

> The first-quarter profit returns of the oil companies are coming in, and the results are staggering—a mirror image of the prices that consumers are paying. Exxon was, in a sense, low with a gain of only 39 per cent and first-quarter earnings of $705 million. Texaco was up 123 per cent to $589 million. Gulf up 76 per cent to $290 million, and Indiana Standard up 81 per cent to $121 million. Occidental Petroleum, a relatively pygmy, increased its first-quarter earnings by 718 per cent.
>
> The new head of the Federal Energy Office, John C. Sawhill, has managed to take these oil earnings in stride; he finds them "reasonable," and indeed "vital to our future well-being." With professorial equanimity, Mr. Sawhill told a Senate Committee, "Where price elicits new supply, it serves a useful economical function and benefits consumers with increased supply, which ultimately results in lower prices."
>
> It is difficult to argue with anyone's "ultimately," but what has actually happened to date is clear enough. As the price of this nation's domestic crude oil has nearly tripled in the past eight months, domestic crude oil production has scarcely increased. In fact, in the last two months, domestic crude output has been 2 per cent less than a year ago.
>
> The explanation appears to be that crude oil stocks are now slightly higher than a year ago, and producers are being careful not to let prices break downward. Refinery runs are also lower than a year earlier. Thus, if the oil companies continue to be careful not to give consumers too much oil, prices should hold up nicely. So, for 1974, oil profits promise to double over 1973 and reach about $8 billion.
>
> The Administration continues to champion a so-called "windfall profit tax," but the version of this tax likely to emerge from the House Ways and Means Committee would not yield much revenue after its first year. This is because a "plowback" provision would permit the oil companies to recapture their windfall tax payments if they reinvested them in oil production—as they are likely to do anyway.
>
> Thanks to an amendment introduced by Representative Karth of Minnesota, the plowback rule would not apply in 1974 and the windfall tax would thus yield about $500 million this year. But the effect would be cut in half in 1975, and thereafter the oil companies could recapture the whole of any remaining windfall taxes.
>
> Ways and Means has voted to phase out the 22 per cent oil depletion allowance by 1977—but with a string of exceptions for natural gas, small "stripper" wells, the first 3,000 barrels a day of other wells and the Alaska pipe line. The Alaska project is being given until 1979 to get in on depletion allowances before the goodies run out.
>
> With the kind of profits the oil industry is making, it needs no special tax breaks any longer—if it ever did. The plowback provision of the proposed windfall tax should be eliminated entirely, not just in 1974. And Congress should act now to abolish oil depletion allowances without a long phase-out—and without exceptions.

NATIONAL HEALTH POLICY

Mr. HANSEN. Mr. President, national health insurance is an important issue. In the hearings and debate, it is vital that we be well-informed of the facts of health care. I hope that this statement will contribute to that goal.

Mr. President, a new legislative proposal, by Senator Edward Kennedy and Representative Wilbur Mills, is before the Congress. It is called the Comprehensive National Health Insurance Act of 1974.

This is an attractive one to some; it has incorporated ideas of several other plans and has new mechanisms that some believe are admirable; it will be well received by a number of people, for it offers comprehensive, universal health coverage. In fact, it seems almost too good to be true. But is it really the answer?

Experience with vast governmental programs has taught us that we must be careful of far-reaching and comprehensive initiatives that could end up changing the very nature of American life. The Great Society programs of the early 1960's, medicare and medicaid, and other Government programs have shown us that often these programs can create more problems than they solve. Unless the proposed program is consistent with basic economic principles, it could cause more problems than originally existed.

In considering national health insurance, we must be careful not to repeat the mistakes of the past. We must build the new legislation according to tested principles.

I submit that the Kennedy-Mills proposal, although attractive to some, is actually built upon a foundation of brightly-colored sand, that will crumble when subjected to the rigors of actual implementation and use. Let me say why.

Mr. Kennedy and Mr. Mills describe American health care as a "crisis" of unprecedented proportions. They speak of a system that is fragmented, unable to deal with the needs of the American people, the effects of which has been "to price millions of Americans out of health care, as well as to create a general feeling of helplessness in dealing with the situation."

They claim that "private health insurance has not proven adequate protection against costs for most Americans."

Our present health system is not perfect, nor is it without serious problems. It must be improved, but I do not believe that the situation merits the hyperbole expressed by the proponents of the new bill. May I point out:

First, the life expectancy of Americans is higher than ever before.

Second, there are more physicians per person in America than ever before—nearly 175 per 100,000 persons.

Third, most Americans are covered with some kind of health insurance. According to Health Insurance Association of America figures of 1972, some 182 million Americans, or nearly 9 out of 10 of the civilian resident population, were protected by one or more forms of private health insurance. Another 17.4 million low-income persons were covered under the medicaid program, and 21 million persons over 65 by medicare benefits.

A total of 182 million—90 percent of the population—had hospital expense insurance; 143 million were protected against regular medical expenses; 5 out of 9 of those under age 65, according to 1972 estimates, were protected by some form of catastrophic coverage; and 73 million persons were covered by some form of disability income coverage. This is an impressive record, indeed.

Fourth. Martin S. Feldstein, a widely known and universally recognized expert on American health care delivery, has concluded that:

> Contrary to a widespread impression low-income families do not receive less medical care than the rest of the population. Even in the period before Medicaid . . . the evidence indicates that the poor got as much hospital care as people with higher incomes. . . . The use of physicians' services now shows almost no relation to income . . . The evidence thus suggests that the difference among income groups in the use of health care are relatively unimportant.

Facts supporting this are conclusive.

Fifth, Dr. Harry Schwartz, a member of the editorial board of the New York Times, and the university professor at the New Paltz Branch of the State University of New York, states:

> Insofar as medical science can control illness and death, the United States in the 1970's has a population enjoying the best health and the greatest longevity in the nation's history. To improve health and longevity further the primary need is for more

knowledge to cure presently incurable diseases, for individual life styles and life patterns that will prevent the self-inflicted injuries and deaths that are now so prevalent, and for radical improvement in the material conditions of the most deprived groups of Americans.

Sixth, people in large part are generally satisfied with the medical care that they receive. A recent Louis Harris poll, commissioned by a Senate subcommittee, rated health care as 15th on the list of the Nation's most serious problems, with only 3 percent indicating it to be a top priority. A 1971 University of Chicago poll, based on a nationwide sample, found 84 percent of the people satisfied, and 10 percent dissatisfied. The Washington Post poll of March 1974 showed that people are generally satisfied with their medical care—again indicating no strong grassroots pressure for health care reform. Six of every seven local residents were found to be at least pretty satisfied with their medical care. Only 1 person in 10 expressed a strong measure of discontent.

Never in history has there been such a wealth of knowledge and understanding as now. Artificial kidneys, heart surgery, brain surgery, artificial lungs, emergency treatments—all demonstrate the real quality of modern American medicine.

Senator KENNEDY and Representative MILLS have endorsed four basic principles of health care. Each sounds fine, but let us consider them carefully:

1. America has a responsibility to offer every American family quality health care whenever they need it, regardless of income, where they live, or any other factor.

This new proposal is built from the assumption that health care is a basic right that should be enjoyed by everyone—one level of health care for all Americans.

It appears to me that it would be excellent if we could all enjoy the same health and medical care benefits.

But if we expect these things from the Government at low cost, we are deluding ourselves. These benefits are largely the result of positive individual action, and are difficult to legislate.

2. The Federal Government should assume this responsibility by establishing a system of compulsory national health insurance which covers all Americans with a standard comprehensive set of basic benefits supplemented by protection against catastrophic costs.

Let me point out that this new comprehensive benefit plan actually pays only one-half of a medium-income family's health costs, leaving the rest available for private insurance supplementation. The cost of that benefit is a new 4 percent payroll tax, which will make the total social security tax a whopping 15.7 percent upon the working man of this country.

I agree that Americans should have access to health insurance and adequate catastrophic coverage. However, whether the Federal Government should assume the role and require compulsory participation is another question. Compulsory enrollment in a health insurance plan does not mean that the people will embrace the benefits of the plan. It will not teach good health care habits, nor will it send doctors to rural and ghetto areas. Furthermore, I do not believe that the people of this country want to be forced into an inflexible, single health insurance scheme.

One of the prime responsibilities of government is to contribute to the betterment of the people. We are trying to improve the living conditions of our people. We are trying to help them to develop to their full capacity.

But the idea of giving every American a guaranteed income, or buying each a new house or a new car, or providing free medical care, is fundamentally at cross-purposes to the larger goal of improving his life condition. In our society, these benefits are the result of individual initiative. To propose an approach that does not encourage traits of self-reliance is to defeat the intended purpose. Dependence upon the government, the suppression of individually, incentive and dignity—in short, the ethic of getting-something-for-nothing is encouraged by such sweeping promises.

We must not lead the American people into false expectations, which when not met, will only promote further disillusionment and discontest.

The health system that we adopt must reaffirm the traditional American values of hard work, self-reliance, and responsibility to provide for one's self what one can. It must encourage people to be responsible for their own health care. The way to help the poor is not to do it for them, but to help them do it themselves. The system must provide positive incentive to the underprivileged to improve their condition.

3. The national health insurance system should incorporate incentives and controls, (a) to assure that all health services are of high quality, well-organized and efficiently delivered, and (b) to slow down inflation of health care costs.

Currently popular plans of prospective budgeting, health planning, HMO's, and professional peer review have must merit, and should be encouraged, in my view. However, this must be done privately under the direction of Federal guidelines. Artificial cost controls and restraints have not worked in the past and can be expected to be unworkable in the future.

The high cost of health care today is due largely to demand that outstrips supply. The rapid increase in demand for health services immediately following medicare and medicaid exceeded the immediately available supply of health services. To provide the services in quantity and quality to match this demand, health costs rose rapidly. The increased technology necessary to provide these services caused them to become an expensive commodity, and prices rose.

However, even after costs rose, the demand still continued to rise, and because of the prepaid insurance concept, the actual out-of-pocket expenditures of the patient remained small. The cost-plus retrospective reimbursement procedure embodied in medicare and medicaid and insurance plans encouraged liberalized utilization and prescription of health services.

It is interesting to note that the cost of a total stay in a hospital, the real cost with which the patient is concerned, has been rising more slowly than the cost per day. More tests and other services are being performed, but in a shorter number of days, according to Stuart H. Altman, Deputy Assistant Secretary for Planning and Evaluation-Health, Department of HEW.

The American people cannot expect to receive sophisticated medical care at high intensity levels without paying for it.

We must recognize the law of supply and demand as controlling the costs and prices of services. It is inevitable that costs will rise when the demand exceeds the supply.

4. The national health insurance system must provide needed health service resources and develop higher quality, better organized and more efficient health services.

Let us be sure to build upon the strengths of the present system. Such policy will encourage healthy competition between providers; it will promote private enterprise. The Kennedy-Mills bill envisions Federal control over State and local planning through the direct authority of the Secretary of Health, Education, and Welfare and a national health insurance resources council dominated by nonprofessional consumers. With the heavy club of Federal funds, the Government will be able to control health planning and other aspects of health and medical care delivery. This would be unfortunate.

Mr. KENNEDY and Mr. MILLS offer four guarantees with regard to free choice:

1. The Federal Government must not remove the freedom of every physician and every patient to choose where and how they will give or receive health care.

This new health insurance bill is an open door to complete governmental control and regulation of the health care system. While stopping short of complete regulation, it leaves little room for free choice. It is not a voluntary program; every person is required to contribute. He may not choose instead a private insurance policy, except in addition to the comprehensive government policy. The private insurance industry is relegated to an administrative intermediary role with the option only to offer supplemental policies covering the first $1,000 of family medical expenses incurred under the Government plan. Doctors who participate, and there are compelling incentives to do so, essentially become employees of the Government. They bill the Government for patient services and are paid by the Government.

2. The Federal government must not take over ownership of the various elements of the health care system.

The Kennedy-Mills proposal swings open the door to governmental ownership of the health care system. With control over all health care funds spent in the country, the Government would have virtual authority over all health care delivery institutions.

3. Neither the Federal Government, nor any of its agents, should make any medical judgments in a patient's care; this function is reserved solely to the responsible physician and his peers.

The proposed legislation is such that it will promote the concept of physician and institutional medical care monitoring through bureaucratic mechanisms that preclude individual and personal judgments, and contribute to established norms of accepted care that physicians will be required to follow. It is a stifling prospect, using artificial structuring that can hardly be expected to work in the real world.

> 4. The Federal Government should not make community policy, but should offer financial and technical support, and information and guidelines based on national planning to support local policy formulation.

This principle is a good one and I support it wholeheartedly. Mr. KENNEDY and Mr. MILLS are aware of the need for health care planning at regional and local levels, in accordance with Federal guidelines and principles only.

It is my belief that the "medicredit" bill, introduced by Senator VANCE HARTKE of Indiana, and cosponsored by myself, more than any other bill, is fundamentally sound and will do more than any other proposal to promote and improve the good health of the American people. It is widely supported by Members and represents a strong consensus in Congress. It is consistent with fundamental principles of health care. Here are some of its prominent features:

It reaffirms the traditional American value of self-reliance and responsibility to provide for one's own self what one can. It encourages people to be responsible for their own health care by providing them the means to purchase health insurance.

It would not require any additional taxes upon the working people, or any other group. The Kennedy-Mills proposal before us would mean the burden of an additional 4 percent payroll tax—that is $411 on the median family income of $10,285—1971. This hits hardest the low- and middle-income worker. The tax credit feature of medicredit gives taxes back to families based on need.

Assistance is based on financial need. Medicredit would provide comprehensive health insurance for those with no income; for the more wealthy, medicredit would provide help on a decreasing scale.

Medicredit is wholly a voluntary program, making health care available to those who want it. It is an incentive program, not a compulsory one.

Medicredit preserves freedom of choice in the selection of a doctor, hospital, and insurance company or policy.

Medicredit builds upon that which is best in our present system. It encourages healthy competition between providers; it promotes private enterprise, individuality, and inventiveness.

Medicredit is the only health bill that provides unlimited benefits for psychiatric care.

Catastrophic coverage is included for everyone—includes unlimited inpatient hospital care, skilled nursing facility care, and prosthetic aids. Physicians' services continue without limit under basic coverage provisions. Maximum liability amounts roughly to 10 percent of taxable income.

Medicredit provides incentive for employer-employee plans, which are more economical and efficient than separate individual plans.

Medicredit recognizes that high medical costs are caused by insufficient supply and high demand. It does not seek to impose artificial cost controls upon medical services; rather, it seeks to stimulate the development of medical care resources through the best and most-proven way known: the capitalistic incentive.

Medicredit preserves the rights and responsibilities of physicians to practice good medicine while being directly accountable to the public.

I do not claim that this proposal will solve all of our health care delivery problems. But I do believe it to be the most realistic legislation before the Congress.

It makes sense.

We can afford it.

It deserves careful attention and thoughtful consideration.

EXTENSION OF STANDBY WAGE AND PRICE CONTROL AUTHORITY

Mr. HASKELL. Mr. President, last Thursday a decision was made to press for a temporary extension of standby wage and price control authority. Yesterday, an amendment of which I am a cosponsor, was introduced by Senators MUSKIE, STEVENSON, and JOHNSTON to accomplish this.

The amendment was designed to provide for temporary standby economic control authority, enforcement of decontrol commitments, and continuation of an economic monitoring agency. Under its provisions, standby controls could be imposed only if the President ascertained, by a set of predetermined criteria, that the economic situation was serious enough to warrant them. These criteria include violations of decontrol commitments, serious inflation in a particular industry or sector, and determination that the need for controls to moderate particular hardships outweighs the possible adverse supply consequences of their application.

The authors of this amendment have taken great pains to insure that controls will not be applied arbitrarily, and that both labor and business will be given every opportunity and incentive to exercise self-regulation. The carefully designed trigger mechanisms come largely as the result of the increasingly strong criticism of controls by elements of both labor and business, who oppose an extension of authority on the grounds that controls are basically discriminatory and distort the equilibrium forces of the free market.

At this point, I would like to emphasize my agreement in principle with these arguments. Past inequities have indeed, plagued the program, and it has become abundantly clear that indefinite and sporadic application of such controls has distorted the price mechanism and aggravated many of the supply problems in the economy. Therefore, I do support a complete phaseout of wage and price controls at the earliest possible date, since to continue them indefinitely while a growing body of evidence attests to their adverse consequences would, in my view, be unwise.

But in the same sense, to completely dismantle the Cost of Living Council in the face of rampant inflation and without adequate provision for enforcement of decontrol agreements would not only be unwise—it would be irresponsible. One need only note the statistics just released by the Commerce and Labor Departments which show that increasing inflationary pressures could lead to an annual inflation rate in excess of even last year's record 10 percent to see the dangers inherent in a complete discontinuation of controls.

As evidence of this danger, and in anticipation of the ultimate demise of the COLC, the Federal Reserve recently raised its discount rate to a record 8 percent, prompting an immediate response by most major banks who further tightened the money supply by raising their prime lending rates to 10½ percent, as high as they have ever been.

The theory behind the Fed's action apparently is that in the absence of any wage and price controls, restrictive monetary policy becomes the major strategy for coping with spiraling inflation. But under the circumstances, the Fed's policy of tightening the money supply, while helping to control inflation, will also exacerbate the unemployment and production problems that plagued the economy in the first quarter of 1974. With productivity registering a drop of 5.5 percent at an annual rate, total output of goods and services in the private sector off at an annual rate of 6.5 percent, and real income per man hour—compensation minus inflation—declining at an annual rate of 5.6 percent, there are few free market mechanisms left to take up the economic slack of a reduced money supply. More precisely, in an economy in which both high unemployment and high inflation are interacting in a categorical denial of classical economic principles, classical economic policies, pursued dogmatically, may only increase our economic dislocation. As Dr. Walter Heller succinctly stated in last week's Wall Street Journal:

> Interest rates are soaring as Arthur Burns and the Fed man their lonely ramparts in the battle against inflation. With wage-price controls headed for oblivion in the face of seething inflation, the Fed apparently views itself as the last bastion of inflation defense. So it is adding to the witch's brew by implicity calling on unemployment and economic slack to help check the inflation spiral.

In light of this it would seem ill-advised, regardless of our economic predispositions, to discontinue controls completely at this time. Rather, while working toward the earliest possible phaseout, we must reconcile ourselves to equitable and temporary standby authority to act in those areas which in the future show unusually strong inflationary pressures.

Let us hope, of course, that this control authority granted by the Muskie-Stevenson-Johnston amendment will not, in fact, have to be used. If everyone exercises due restraint there is reason to believe that only a short transition period toward decontrol will be necessary. But in the interim, if incentives to the private sector for self-regulation prove inadequate, we must have alternative courses of action available. We must not write a blank check for those who would erase decontrol commitments or indiscriminately hike wages and prices against the best interests of us all, while the Federal Government sits by with its hands tied. Such a course is both economically unsound and politically unwise.

It seems highly incongruous, then, that the Congress should be contemplating an incontrovertible end to wage and price controls at a time when inflation threatens to reach the highest levels in American history. Underlying economic currents demand a serious reconsideration of the question of extension of control authority. These temporary standby controls, accompanied as they are by adequate safeguards against unwarranted application, are one of our most important tools in the fight against a repetition of the troubling performance of our economy in the first quarter. Therefore, I strongly urge your support of the Muskie-Stevenson-Johnston amendment.

ECONOMIC STABILIZATION

Mr. MATHIAS. Mr. President, I rise today in support of an amendment I offered yesterday to the Muskie amendment to S. 2986. The Muskie amendment would provide for continuation of wage-price controls. I have offered this amendment jointly with Senator Ervin, Senator Javits, and Senator Huddleston in the belief that any further extension of wage-price controls should be accompanied by adequate procedural safeguards to insure the fairness and due process which have been lacking in the program to date.

It can safely be said that the wage-price program has not been a popular one. One reason for its unpopularity has been its lack of success. We have witnessed galloping inflation despite the existence of controls. I submit, however, that there are additional reasons for the unpopularity of the program, and these lie in the manner in which it has been run.

In October of last year, we held hearings in the Subcommittee on Separation of Powers on problems of procedure before the Cost of Living Council. We were concerned with the fairness of the operation of the program. The hearing record is now available and it demonstrates, through the testimony of business, consumers, labor experts, academics and lawyers, that changes in the procedural requirements accompanying controls are badly needed if the program is to be extended.

The amendment that I have offered, together with Senator Ervin, Senator Javits, and Senator Huddleston, is designed to correct some of the problems revealed in those hearings.

First. The amendment would require any agency administering a control program to publish any internal rules and guidelines upon which it bases its decisions. We found that the Cost of Living Council was using secret standards to make decisions. Some were in the form of an internal manual used to train personnel charged with making these decisions. As a result of the hearings held in the Subcommittee on Separation of Powers, the basic manual in use by the Cost of Living Council was eventually published. Without a statute, we cannot be sure that all information and all standards in the agency which are being used are being disseminated.

Second. The amendment would require any agency to assign reasons for its decisions and to publish them as a useful body of precedent. Persons regulated by a wage-price control agency should have available to them this source of advice as to what the law may require of them. Aside from basic fairness, the availability of such information should allow a more efficient program. In addition, I believe that any agency administering a control program should be bound by its own past decisions. This provides a very real limitation on its discretion and helps prevent the possibility of arbitrary decisions.

Third. The amendment would require 10 days notice and opportunity for comment. Using the loophole contained in section 553 of the Administrative Procedures Act, the Cost of Living Council has generally failed to give such opportunity, using boiler plate language to establish "cause" for failure to give notice. The program has been in existence for some time now and the "emergency" justification for rushing orders into effect is rarely, if ever, applicable. In view of this, the basic fairness of notice and opportunity for comment should be given precedence. Moreover, many errors in the formulation of regulations, errors which later come back to haunt both the public and the agency, might be avoided by providing a thorough process for the exchange of views in advance.

Fourth. The amendment would require public hearings on rules which are likely to have substantial impact on the Nation's economy or on large numbers of individuals or businesses. The amendment would require such hearings on matters which meet this standard even if the hearings had to be held after the implementation of the order.

Fifth. The amendment would require the issuance of a statement of exhaustion of administrative remedies within 60 days of a request for one. Our hearings demonstrated that in case after case, the decision of the Cost of Living Council was to make no decision at all. Parties would petition the agency for action and instead of receiving a grant or denial, they would receive no answer at all. This left them hanging in limbo and served to elevate the tactic of Government delay into a national policy. I believe that this is wrong and that people should have the right to a speedy determination of their rights and obligations.

An amendment similar to the one offered today has already been offered and accepted by the Senate. That amendment was directed at procedural problems posed by the various energy bills before the Congress. These provisions were accepted by a vote of 79 to 7 on that occasion and are now a part of the conference report on the Federal Energy Administration Act which the Senate will soon consider.

If the Congress determines that an extension of a wage-price program in some form is necessary, I believe that the procedural safeguards set forth in this amendment constitute a minimum set of requirements.

This much seems clear—no program will long retain, or deserve, popular support if its decisions are not arrived at by a process which appears open, fair, consistent, thorough, rational, enforceable, and necessary.

S. 3066: HOW IT HELPS THE ELDERLY

Mr. WILLIAMS. Mr. President, as chairman of the Subcommittee on Housing for the Elderly, I receive numerous letters detailing the shabby housing conditions that older Americans must face every day. Again and again the elderly of this country cry out for a comprehensive program that will answer their needs.

Two years ago the Senate passed S. 3248, the Housing and Urban Development Act of 1972, which contained many provisions of special interest to the elderly. Unfortunately, no final action was taken on that proposal by the House. This year, under the able leadership of Senator Sparkman, the Senate passed S. 3066, the Housing and Community Development Act of 1974, which also included several important provisions for older Americans. We now await the progress of housing legislation in the House.

Mr. President, the need for new legislation to authorize the building of units for the elderly is critical. All the programs that have produced successful housing units for older Americans have been frozen. We have waited over 3 years to pass housing legislation, and many elderly cannot afford to wait any longer.

I have prepared an analysis of the Housing and Community Development Act of 1974 (S. 3066) as it relates to the critical needs of the elderly, and I ask permission to have it printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

Housing and Community Development Act of 1974 (S. 3066): An Analysis of Sections Relating to the Elderly

I. NEW CONSTRUCTION

The need for new units is the No. 1 issue in the field of housing for the elderly, and the new Senate bill authorizes funding for four major programs that provide for new construction. The 1971 White House Conference on Aging recommended an annual minimum production of 120,000 units specially designed for the elderly. I am very pleased to report that this bill, S. 3066, would provide an estimated 117,550 units for older persons in fiscal year 1975, a level that comes very close to meeting this important recommendation.

Based on the best available information, here is an outline of the programs that could provide new construction if this bill were to become law:

UNITS OF NEW CONSTRUCTION FOR THE ELDERLY AS CONTAINED IN THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974 (FISCAL YEAR 1975)

Program	Total units authorized	Units for the elderly
1. Traditional public housing	92,000	[1] 36,800
2. Sec. 502 multifamily	[2] 150,000	[3] 37,500
3. Revised sec. 23 leased housing	133,000	[4] 33,250
4. Sec. 202 (as revised)	5,000	5,000
Plus revolving fund		5,000
Total	380,000	117,550

[1] 40 percent of total units authorized.
[2] Includes carryover.
[3] 15 percent of total units authorized.
[4] 25 percent of total units authorized.

Revised section 202 housing for the elderly

Once again the Senate has seen fit to renew one of the most successful housing programs in the history of Federal involvement in this field: the Section 202 Housing Program for the Elderly and Handicapped. As originally created by the Housing Act of 1959, this program provided direct loans to sponsors to be paid back at 3 percent interest. The funds for the program were provided by appropriations, and the payments were paid into a "revolving fund" to be used again. Because the full amount of every loan had to come directly from appropriations, the financing of this program had a heavy impact on the Federal Budget. For this reason, the program never produced a large number of units in any given year. Four years ago the 202 Program was phased out in favor of the Section 236 Program of interest subsidies. The reason for this change was very simple: the 202 Program, a direct loan approach, had too costly an impact on the Budget.

I have attempted to meet this objection to the 202 Program by suggesting certain revisions which have been included in the final version of S. 3066.

First, a new National Elderly and Handicapped Housing Loan Fund is established. This fund would pick up the old "revolving fund" money that still exists in the dormant 202 Program (an estimated $100 million), and it would also receive money from the Treasury Department. The Secretary of the Treasury would be authorized to borrow money ($100 million for fiscal year 1975) which would then be turned over to the fund to be loaned out as 3 percent loans through the 202 Program. All receipts and disbursements in and out of the fund would be excluded from the accounting for the Federal Budget. The direct loans are not expenditures; they are investments that will be paid back with interest. These investments are backed by mortgages which are in turn backed by land and improvements.

It is important to point out, however, that this revised 202 approach does not avoid the appropriation process. The Treasury borrows the money at one rate (today about 7½ to 8 percent) and the 202 loans are paid back at three percent. Therefore, there must be an appropriation to make up the interest differential. The bill would authorize an appropriation of $3 million to make up this difference for fiscal year 1975.

Approximately $100 million exists today in the old 202 "revolving fund." If this amount is added to the $100 million authorized by S. 3066, there would be enough funds to build approximately 10,000 units. This amount is reflected under item four in the chart shown above.

Traditional public housing

Public housing is one of the victims of the housing freeze. The Senate bill would unlock that freeze by authorizing the Secretary of HUD to enter into contracts for annual contributions of $720 million for fiscal year 1975. Included in this figure would be $175 million for new construction which would support approximately 92,000 units. The bill does not set aside a certain percentage of these units for the elderly, but recent experience in public housing has indicated that about 40 percent of all new units are built for older Americans. If this trend continues, the bill would then provide 36,800 units for the aged.

Section 502 multifamily housing assistance and rent supplement

The Section 502 program is essentially a revised version of the Section 236 program of interest-subsidy. The Senate bill calls for an estimated 150,000 new units for Fiscal Year 1975. The authorization is set at $180 million, but there is also a carry-over of $50 million from the old Rent Supplement program which has been combined with Section 236 in the new Section 502 program. The overall intent of Section 502 is to secure a mix of incomes within projects. The Secretary is required to make additional payments (rent supplements) with respect to 20 percent of the units in each project. A special exception is made on behalf of the elderly allowing up to 100 percent of the units to receive additional payments.

The funds authorized under Section 502 have a special amount set aside for the elderly. At least 15 percent but not more than 25 percent of all 502 funds must be used for projects reserved for the elderly. This section would provide 37,500 new units if 25 percent of the funds are used for housing older persons.

Section 23 leased housing

New construction under Section 23 Leased Housing program is heavily favored by the Administration. The Senate bill calls for approximately 200,000 units under Section 23 covering existing units, new construction, and substantial rehabilitation. Indications from HUD are that at least 50 percent of all Section 23 funding will go to new construction, perhaps more. If two thirds of the units authorized under the Senate bill were new units, the funding would yield approximately 133,000 units. Secretary Lynn has indicated that 25 percent of Section 23 funding will be set aside for the elderly. One fourth of the projected 113,000 new units would provide 33,250 units for older persons.

The feasibility of utilizing Section 23 for the elderly (especially on the part of nonprofit sponsors) still remains questionable. Final regulations were issued as late as April 22, 1974, and it is not yet clear what direction this program will take in a final housing bill approved by both House and Senate.

II. RELATED HOUSING PROGRAMS

Security from crime

Crime in housing has been an important issue before my Subcommittee on Housing for the Elderly. On July 13, 1974, I introduced the Housing Security Act of 1974 (S. 2180). I am pleased to report that my proposal has been incorporated into S. 3066. An authorization level of $10 million has been set for fiscal year 1975. The bill establishes an Office of Security at HUD and authorizes funding to assist security programs in federally financed housing. Ten million dollars is especially earmarked for this purpose as part of operating subsidies and cannot be used for any other purpose.

Congregate housing

S. 3066 also authorizes the Secretary to encourage public housing agencies to construct congregate housing, which is defined as "low-income housing (a) in which some or all of the dwellings do not have kitchen facilities, and (b) connected with which there is a central dining facility." The Secretary may use up to ten percent of the amount of annual contributions each year for this purpose.

Intermediate housing

Today a great need exists for living arrangements which provide meaningful alternatives to institutional care, especially for the elderly. One of my bills, S. 2181, called for a program to provide "intermediate" housing based on the successful experiments at the Philadelphia Geriatric Center. Under this program single family homes across the street from the Center were converted into three-unit apartments for those elderly who had difficulty living independently but did not need full institutionalization. The proximity of these converted units to the Center made needed supportive services readily available.

This innovative use of existing housing stock should be expanded. My bill called for just such a program, but no language was adopted in the final Senate bill. The Housing Subcommittee felt that this program could be pursued under the Section 502 or the Section 202 programs (see above) which they approved. And therefore, there was no need to amend the law. Nevertheless, in their report on S. 3066, the Banking, Housing, and Urban Affairs Committee expressed their full support of intermediate housing and similar attempts to provide alternatives to institutional care.

Supplemental loans: Neighborhood outreach

Section 504 of the Senate bill provides for supplemental loans for expanding and improving housing opportunities. More specifically, it allows the Secretary to insure supplemental loans to enable sponsors of Section 502 projects for the elderly to add space to common facilities to accommodate elderly persons living in the neighborhood. The Secretary is authorized to make periodic assistance payments on behalf of any owner of an elderly project who receives an insured supplemental improvement loan. Reasonable fees will also be charged nonresident elderly families who utilize the facilities.

The object of this program is to expand the common facilities (such as central dining) of existing elderly projects so that older residents of the neighborhood may take advantage of the various opportunities provided.

Section 312 rehabilitation loans

The three percent Federal rehabilitation loan program (Section 312) is retained in a revised version in S. 3066. These low-interest loans are provided to owner-occupants whose incomes are 50 percent or less of the median income for the area, or who otherwise could not afford rehabilitation without paying more than 25 percent of their income for housing. The authorization for this program remains at $150 million for each fiscal year.

III. OTHER SECTIONS OF INTEREST TO THE ELDERLY PROTOTYPE COSTS

The Secretary is required to determine prototype costs for construction under Section 402 (single-family) and Section 502 (multi-family). The Senate bill does not specifically refer to the added cost necessary for design for the elderly. However, there is language in the Committee report that recognizes the need for special costs for older persons.

Restrictions on high rise construction for the elderly

Section 805 of the Senate bill permits the Secretary of HUD to approve construction of high rise buildings for the elderly only if he determines, on the basis of land costs, safety and security factors, and the availability of community services, that such construction is appropriate.

Housing for the elderly: Integrated by age

Under the provisions for Multi-family Housing Assistance (Section 502), not less than 15 percent nor more than 25 percent of the funds available are reserved for the elderly (see discussion above). Of the amounts that are set aside under this provision, not less than five percent must be available for use only with respect to "integrated projects." The bill defines integrated as "any project in which not less than ten per centum nor more than 50 per centum of the dwelling units are planned for occupancy by elderly or handicapped families.

CONTROL OF GOVERNMENT SNOOPING

Mr. MONDALE. Mr. President, last Wednesday the distinguished Senator from Wisconsin (Mr. NELSON) gave the opening testimony before a House Judiciary subcommittee which is considering legislation to control Government snooping.

The Senator from Wisconsin has been concerned with this issue long before Watergate became a household word, and has been a leader in the Senate in helping to secure protection for American citizens from the unwarranted interference of Government surveillance. In his testimony, Senator NELSON explained the source of his deepseated concern and the measures which Congress should enact to meet the problems of Government spying.

One measure discussed in detail is S. 2820, a bill introduced by Senator NELSON to prohibit the use of warrantless wiretaps in national security cases. I am proud to be a cosponsor of this legislation, and share my colleague's hope that Congress will consider it carefully.

Mr. President, I ask unanimous consent that the Senator's testimony before the House Judiciary subcommittee be printed in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

STATEMENT BY U.S. SENATOR GAYLORD NELSON

The time is long past due for Congressional action to check the dangerous abuses of government wiretapping and other surveillance activities. Indeed, continued inaction by Congress in this area would be inexcusable.

The need for action, and therefore the importance of this subcommittee's inquiry, are clear. Uncontrolled government wiretaps and other surveillance activities constitute an intolerable threat to fundamental constitutional rights and liberties. Individual freedom—the cornerstone of our democratic system—is but an illusion in a society where the government can invade an individual's privacy at will.

Until recently, most of the public did not appreciate the inherent dangers of government snooping. Now the public understands that government snooping poses a real threat to everyone, regardless of his or her station in life. Now 77% of the public favors legislation to curb the abuses of government wiretapping and spying.

The explanation for this shift in public opinion is easy to understand. The Watergate scandals and other events have underscored the dangers of government snooping in a dramatic fashion.

Hearings by the Senate Watergate Committee and other Congressional bodies, as well as reports by various periodicals, exposed in sordid detail how the government could and did invade the privacy of law-abiding individuals. Reference to just a few recent examples is sufficient to illustrate the magnitude of dangers of government snooping:

On April 14, 1971, it was revealed that the FBI had conducted general surveillance on those who participated in Earth Day celebrations in 1970. These activities involved tens of thousands of citizens, state governors, representatives of the Nixon administration, and members of Congress. As the one who planned that first Earth Day, I cannot imagine any valid reason for spying on individuals exercising their constitutional rights of speech and assembly in a peaceable manner. There is still no satisfactory explanation of the surveillance. Nor is there any guarantee it could not be repeated in the future.

A 1973 Senate subcommittee report detailed the extensive spying secretly conducted by 1500 agents of the U.S. Army on more than 100,000 civilians in the late 1960's. This surveillance was directed principally at those suspected of engaging in political dissent. No one in the Congress knew about this spying. No one in the executive branch would accept responsibility for it. Again, there is no guarantee that this sorry episode could not be repeated. In fact, a Senate committee learned recently that in the last three years—after the administration assured the public that the military would no longer spy on civilians—the U.S. Army has maintained numerous surveillance operations on civilians in the United States. And an article in *The New Republic* magazine of March 30, 1974 detailed the U.S. Army's use of wiretaps, infiltrators, and other surveillance techniques to spy on American citizens living abroad who supported the presidential candidacy of George McGovern. The Army's spying was reportedly so extensive that it even intercepted a letter from a college librarian in South Carolina who requested information about a German publication;

On December 5, 1973, Retired Rear Admiral Eugene LaRoque revealed the existence of a secret unit in the Pentagon which engages in the same kind of activities conducted by the White House "plumbers";

Testimony before the Senate Watergate Committee and the Senate Judiciary Committee documented White House efforts to use confidential tax returns of thousands of individuals to spy on and harass its "enemies."

For many years Constitutional authorities and other citizens have repeatedly expressed alarm over the rapidly expanding practice of governmental invasions of privacy by wiretapping, data collection, and other forms of surveillance. In 1967 I made a lengthy speech on the floor of the Senate on this issue and in 1971 introduced legislation to establish a joint congressional committee to control government snooping. In this session of Congress I have introduced three separate bills designed to remedy the abuses of government spying. One of these measures—a bill to prohibit the use of wiretaps without approval of a judicial warrant in so-called "national security" cases—has been introduced in the House by the Chairman of this subcommittee.

Because this last bill, entitled the "Surveillance Practices and Procedures Act of 1973," is presently before the subcommittee, the remainder of this testimony will be devoted to a discussion of it.

The bill is a direct response to wiretap abuses in so-called "national security" cases. Last May it was revealed that in 1969 the White House by-passed established procedures and authorized wiretaps on the telephones of seventeen government officials and newspapermen. The purported basis of these "taps" was a concern that sensitive information was being leaked to reporters by government officials. The government, however, did not obtain a judicial warrant before installing the taps. The government alone decided whom it would tap and for how long.

Subsequent investigation showed that some of the government officials tapped did not have access to sensitive information. It was also learned that two of the taps were maintained after the individuals involved had left government service and joined the presidential campaign staff of Senator Muskie. In none of the cases was the individual suspected of having violated the law.

These were not isolated incidents. Warrantless taps based on so-called "national security" reasons were placed on the telephones of newspaper columnist Joseph Kraft in 1969 and in 1971 on friends of a Navy yeoman suspected of passing sensitive information to the Joint Chiefs of Staff. Again, none of these individuals were even suspected of having violated the law.

The use of so-called "national security" taps, however, has not been confined to the present administration. Democratic and Republican administrations since the 1930's have used such taps to spy on law-abiding individuals. Various government reports indicate that since that time thousands of individuals have had their telephone conversations intercepted for so-called "national security" reasons.

From the very beginning, those sensitive to civil liberties recognized the dangers of warrantless wiretaps. Such taps enable the government to exercise unchecked and unreviewed power over the individual. There is no opportunity for a court, the Congress, or the public to demonstrate that the taps are unreasonable. For this reason, Supreme Court Justice Oliver Wendell Holmes called them "dirty business." In my view, such taps are also unconstitutional.

To understand the basis of this opinion it is necessary to examine the language and judicial interpretation of the Fourth Amendment. That amendment states quite simply that

"The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated, and no warrants shall issue, but upon probable cause, supported by Oath or affirmation, and particularly describing the place to be searched, and the persons or things to be seized."

One need not be an historian or a lawyer to understand the essential purpose of this amendment. It is intended to protect the individual's privacy from unreasonable invasions by the government. To afford this protection, the amendment contemplates that a neutral court—not the government—will determine whether any search and seizure planned by the government is reasonable. Otherwise the government would be both advocate and judge of its own case.

The Fourth Amendment thus limits the power of the government. Like the other amendments in the Bill of Rights, it reflects the Framers' intention that individual liberty, rather than unrestrained governmental power, be the hallmark of our political system. In his dissent in the 1928 Olmstead case Supreme Court Justice Louis Brandeis articulated the importance of the Fourth Amendment in our scheme of government:

"The makers of our Constitution undertook to secure conditions favorable to the pursuit of happiness. They recognized the significance of man's spiritual nature, of his feelings and of his intellect. They knew that only a part of the pain, pleasure and satisfactions of life are to be found in material things. They sought to protect Americans in their beliefs, their thoughts, their emotions, and their sensations. They conferred, as against the Government, the right to be let alone—the most comprehensive of rights and the right most valued by civilized men.

To protect that right, every unjustifiable intrusion by the Government upon the privacy of the individual, *whatever the means employed,* must be deemed a violation of the Fourth Amendment." (Emphasis added).

The Fourth Amendment's protections apply to all government searches and seizures. No exception is made for national security cases or any other kind of circumstance. The absence of any expressed exceptions, moreover, cannot be interpreted as an oversight or a failure of the Founding Fathers to appreciate future developments in which world affairs would be overshadowed by the nuclear sword of Damocles.

When the Constitution was drafted in 1787, our country was only 11 years old. The new American citizens had recently concluded a long war with England to preserve their country's independence. That independence was not entirely secure. That threat of foreign attack and subversion remained ever present. Despite the existence of this threat, the Founding Fathers adopted the Fourth Amendment and made no exception to its application.

In the 1967 *Berger* and *Katz* cases, the Supreme Court held that the Fourth Amendment applies to wiretapping for criminal purposes. In effect, these decisions required the government to obtain an approving judicial warrant before it could install a wiretap in a criminal investigation.

In the 1972 *Keith* case the Court, by an 8-0 vote, decided further that the government could not wiretap individuals without a judicial warrant even when the individual's activities threatened the nation's "domestic security." Again, the Court made clear that wiretaps must adhere to the safeguards delineated by the Fourth Amendment:

"Though physical entry of the home is the chief evil against which the wording of broader spirit now shields private speech from unreasonable surveillance."

The Supreme Court has not yet decided whether the Fourth Amendment's protections apply to cases involving the intelligence activities of foreign powers and their agents. In the *Keith* case, the Court stated explicitly that it did not consider those situations where American citizens have a "significant connection" with foreign powers and their agents.

Because the Court has not ruled on these "national security" taps, the present administration maintains that it may install warrantless wiretaps in certain situations. In a September 1973 letter to Senator William Fulbright, Chairman of the Senate Foreign Relations Committee, then Attorney General Elliot Richardson stated that the administration would continue to install warrantless wiretaps against American citizens and domestic organizations if the administration believes their activities affect "national security" matters.

Mr. Richardson's comments apparently still reflect administration policy. Last January the Justice Department reported that it had authorized three warrantless wiretaps for national security reasons—an average week's quota according to the department. The department did not explain to any neutral party the justification for the taps or identify the subjects of the taps.

The continued use of warrantless wiretaps for so-called "national security" reasons underscores the need for Congressional action. People in our country should not be afraid to speak to one another on the telephone, never knowing whether the government is listening or how the government might use any information obtained. Every citizen should be assured that the privacy of his or her telephone conversations will not be invaded unless a neutral court first determines that the invasion is justified.

The Surveillance Practices and Procedures Act is designed to provide that assurance. The bill includes three principal provisions.

First, before it could wiretap American citizens for national security reasons, the government would have to obtain a judicial warrant based on probable cause that a specific crime has been or is about to be committed. This provision would thus protect an individual's privacy against unjustified national security wiretaps.

Second, before the government could wiretap a foreign power or its agents, it would have to obtain a judicial warrant based on the belief that the tap is necessary to protect national security interests. The warrant standards for foreign powers and their agents would thus be less rigorous than those required for American citizens. This warrant requirement will in no way undermine the government's ability to protect against foreign attack or subversion; the government will be able to wiretap foreign powers and their agents any time there is a need for such surveillance.

The justification for this second warrant procedure is plain. The government's desire to wiretap should be reviewed by a court. There should be no exceptions. Otherwise the exceptions may be stretched to sanction an unreasonable invasion of an individual's privacy—a situation which would violate the rights and liberties guaranteed under our Constitution.

Third, every American citizen wiretapped would be informed of the surveillance within 30 days after the last authorized interception. This provision would assure every wiretapped American citizen the opportunity to protect against violation of his or her constitutional rights. The disclosure of the wiretap could be postponed however, if the government satisfies the court that the person wiretapped is engaged in a continuing criminal enterprise or that disclosure would endanger national security interests.

The need for legislation such as this should be beyond dispute. Warrantless wiretaps—whether for "national security" reasons or other purpose—pose a grave danger to individual rights of speech and privacy. Such taps invest the government with an aboslute power over the individual. They enable the government to pry into an individual's private affairs without justification. They foster the reality of an Orwellian state in which the government becomes a monster to be feared rather than a servant to be trusted.

That is not the kind of government envisioned by our Founding Fathers. The underlying and fundamental premise of our Constitution is that all government power is limited by checks and balances. This is no less true of the government's power to protect "national security." That power is not so absolute that it can excuse infringements of the right to privacy and other constitutional liberties. It would indeed be ironic if the government could invoke "national security" to violate those individual freedoms which the government is obligated to defend.

The public apparently agrees that invocation of "national security" cannot excuse violations of constitutional rights and liberties. A recent Harris opinion poll found that 75% of the public believes that "wiretapping and spying under the excuse of national security is a serious threat to people's privacy."

More than 20 years ago, Justice Felix Frankfurter voted with a majority of the Supreme Court to condemn as unconstitutional President Truman's seizure of the steel mills, an action which that President also tried to justify in terms of "national security." In explaining his vote, Justice Frankfurter observed that

"The accretion of dangerous power does not come in a day. It does come, however slowly, from the generative force of unchecked disregard of the restrictions that fence in even the most disinterested assertion of authority."

The observation is equally true of warrantless wiretaps in so-called "national security" cases. Over the past few decades, the use of these taps has generated an unchecked power in the executive branch. The danger has now been exposed. In wiretapping, as in other matters, unchecked power can be and often is exercised in an arbitrary and abusive fashion.

It is not a question of good faith. Even the best of intentions can lead individuals—and their government—astray. If Congress wants to insure respect for constitutional limitations and constitutional liberties, it should not rely on the good will of government officials; it should enact legislation which defines clearly the government's obligations and the individual's rights. This is at least one lesson of Watergate. Time will tell how well Congress has learned the lesson.

THE THREAT OF NUCLEAR THEFT AND SABOTAGE

Mr. **RIBICOFF**. Mr. President, over the weekend I released a report prepared for the Atomic Energy Commission which finds that the AEC's present system of safeguarding explosive uranium and plutonium in the nuclear power industry is "entirely inadequate" to meet the threat of theft by terrorist groups and the subsequent manufacture of nuclear bombs.

This internal report, prepared by a team of four outside consultants and one AEC official, stresses that even the new safeguards regulations implemented by the AEC last month are inadequate and must be strengthened immediately. The study group makes several recommendations including the establishment of a Federal Nuclear Protection and Transportation Service to provide an immediate Federal presence wherever the use of force may be needed to protect these incredibly dangerous materials from falling into the hands of would-be saboteurs and blackmailers.

The report also declares that "acquisition of special nuclear material remains the only substantial problem facing groups which desire to have such weapons." It further states that "the potential harm to the public from the explosion of an illicitly made nuclear weapon is greater than that from any plausible powerplant accident," including a meltdown of the core and a breach of the containment vessel of a nuclear plant.

As serious as the safeguards problem is today, the report makes clear that it will magnify manyfold unless we come to grips with it now. It takes only 20 pounds of plutonium to make a crude bomb. The AEC estimates that by 1980, there will be more plutonium in the commercial sector than the Government sector, including the Government weapons program. The present generation of light-water nuclear reactors will produce 60,000 pounds of plutonium a year by 1980. The next generation of reactors—the so-called fast breeder, which produces more plutonium than it consumes—will generate 600,000 pounds of plutonium annually by the year 2000. The basic message of the report is that we must design effective nuclear safeguards before it is too late.

I released this report, Mr. President, because the general public is entitled to know of the serious danger posed by the failure of the AEC to institute an adequate safeguards system. The report is written in such a way as to highlight the dangers in the present system without suggesting specific ways that nuclear materials can be stolen or bombs made. There is a separate section listing scenarios for breaching the present safeguards systems, which has been classified by the AEC and is not made public.

The clear danger detailed in this report makes it one of the most important documents ever to come out of the AEC. It was transmitted to AEC Licensing Director John F. O'Leary as a working paper for the Commission.

The team of consultants reports:

> It seems to us that the present system of protecting facilities and transportation which handle special nuclear materials is inadequate.

In assessing the present system, the group says:

> The factors involved in preventing the illegal acquisition of special nuclear material and the subsequent manufacture of nuclear weapons have received a great deal less attention than those associated with power plant accidents. The relevant regulations are far less stringent and we feel they are entirely inadequate to meet the threat.

The study also finds:

> Even though safeguard regulations have just been revised and strengthened, we feel that the new regulations are inadequate and that immediate steps should be taken to greatly strengthen the protection of special nuclear materials.

The safeguards problem detailed in the report confirms the findings of a safeguards inquiry by the Subcommittee on Reorganization, Research, and International Organizations, which I chair. The report represents the first confirmation from within the AEC of criticism of its safeguards system by outside experts, including Dr. Theodore Taylor, a distinguished nuclear physicist and former designer of atomic bombs at Los Alamos. Dr. Taylor testified before the subcommittee on March 12. His testimony and the reply of AEC officials the next day on safeguards, were inserted in the Record by me on March 21.

In response to the safeguards danger, the subcommittee adopted my amendment to establish a Bureau of Nuclear Materials Security in a new Nuclear Safety and Licensing Commission—NSLC. This should lead to setting up a security force within the Bureau for protecting commercial nuclear materials in transit and in storage, as the study group recommends.

The amendment is a key provision in S. 2744, the Energy Reorganization Act of 1974, which divides the AEC into separate development and regulatory agencies: a new Energy Research and Development Administration—ERDA, and the new NSLC respectively. I am hopeful that the bill will be considered by the full Government Operations Committee and will reach the Senate floor by the end of May.

The bill contains several provisions to insure the safety of the new nuclear power technology, but perhaps the most basic question it addresses is the protection of plutonium and highly enriched uranium from theft and diversion. The present safeguards system is now fragmented among 99 personnel in three directorates of the regulatory division of the AEC. The AEC has a total of 7,439 employees. There is no single safeguards director to coordinate licensing, regulations, research, and inspection activities aimed at preventing theft and internal division of weapons-grade materials.

The new Bureau of Nuclear Materials Security would pull these fragments together into a high-level, high-visibility unit under a strong director. As such, the bureau would have the capability to immediately tighten all aspects of safeguarding commercial nuclear materials and installations against threats, theft, accidents, and sabotage.

Among the other study-group recommendations are:

"A dynamic testing system," including the use of "blackhat" infiltration teams, to determine whether safeguards systems now being used in individual nuclear fuel and power facilities can withstand actual attempts to breach them.

Apply the same "rigor and depth" in safeguarding nuclear materials as is now used in examining the safety of nuclear powerplants.

Establish a continual and strong liaison between the AEC and the FBI, CIA, and other appropriate agencies so that a level of resources is expended on the nuclear safeguards problem that is commensurate with the importance of the issue.

Upgrade and refine materials accounting systems to block sneak thieves from diverting weapons-grade materials from inside nuclear reprocessing, fabrication and storage facilities.

The study group finds that uncertainties in present materials accounting systems "make it impossible to say that an explosive mass has not been diverted." Furthermore, the study finds that—

> The time delay in the inventory system is long enough to allow a skilled diverter to have constructed an explosive device before the system can reach a conclusion that a diversion has taken place.

The study group cites three major factors as increasing the danger of nuclear theft:

The widespread and increasing dissemination of information on how to make homemade bombs;

Increasing numbers of people with varying psychological attitudes who have worked in the nuclear industry and are experienced in processing weapons-grade materials;

The Patricia Hearst kidnaping, which if not firmly met, "may lead to a rise of urban terrorist groups in this country of a sort without precedent in our history."

The AEC study group consisted of: Dr. John Geogin, Union Carbide Nuclear Division; Robert Jefferson, Sandia National Laboratory, AEC; Dr. Daniel Kleitman, professor of mathematics, MIT: William Sullivan, former Assistant Director of the FBI and former Director of the Office of National Narcotics Intelligence; and Dr. David Rosenbaum, consultant on terrorist threats to technology and former assisant to Mr. Sullivan at ONNI. Dr. Rosenbaum wrote the report.

Mr. President, so that Congress and the public can be fully informed of the AEC's inadequate safeguards system, I ask unanimous consent that the following materials be printed in the Record at the conclusion of my remarks: Excerpts of major findings, recommendations and problems in the report; the report itself; the official AEC comments on the report; section 204 of S. 2744, establishing a Bureau of Nuclear Materials Security; news articles from the New York Times, Washington Post, and Washington Star-News on the report; and an editorial in the Hartford Courant on the safeguards problem, which appeared before the AEC report.

I also ask unanimous consent that an article from the Christian Science Monitor entitled "AEC Safeguards of Nuclear Fuels Called Inadequate," and an article from the Hartford Courant entitled "Availability of N-Bomb Goods Hit" be printed in the Record.

Mr. President, the lessons of the report are clear for all Americans. If we are someday to confidently rely on nuclear power as a main source of our electricity, we must begin now to make the handling and transportation of nuclear materials airtight and foolproof. Otherwise we will be held hostage by the very technology that is supposed to give us self-sufficiency and prosperity.

There being no objection, the material was ordered to be printed in the Record, as follows:

SAFEGUARDS REPORT

MAJOR FINDINGS

The potential harm to the public from the explosion of an illicitly made nuclear weapon is greater than that from any plausible power plant accident, including one which involves a core meltdown and subsequent breach of containment. (p. 4).

Acquistion of special nuclear material remains the only substantial problem facing groups which desire to have such weapons. (p. 4).

The budget allowed for safeguard reviews and the number and qualifications of the people concerned with safeguards will have to be substantially increased. (p. 10).

It seems to us that the present system of protecting facilities and transportation which handle special nuclear materials is inadequate. (p. 11).

The uncertainties in the accumulated material balances of the atomic energy operation of the country already make it impossible to say that an explosive mass has not been diverted, and if reliance is placed solely on material balance methods that statement will have to be expanded many, many fold in the near future. The current use of these techniques is probably not worth their cost. (p. 16).

One can do something about safeguards by the use of accounting and measurement, but this will require a new approach to the subject. It will be necessary to direct the accountability effort not toward detection of diversion. (p. 17).

The time delay in the inventory system is long enough to allow a skilled diverter to have constructed an explosive device before the system can reach a conclusion that diversion has taken place. On the basis of timeliness as well as one the basis of sensitivity the calculation of inventories as exemplified in the MUF (Materials Unaccounted For) and LEMUF (Limit of Error/Materials Unaccounted For) concepts fail to provide safeguards. (p. 24).

It is our hope that this study will contribute to a new understanding of the level of danger represented by the potential acquisition quantities of special nuclear material by malevolent people. We feel that the danger is large and growing due to the widespread and increasing dissemination of precise and accurate instructions on how to make simple nuclear weapons, and due to the increasing professional skills, intelligence networks, finances, and level of armaments of terrorist groups throughout the world. (p. 35).

The factors involved in preventing the illegal acquisition of special nuclear material and the subsequent manufacture of nuclear weapons have received a great deal less attention than those associated with power plant accidents. The relevant regulations are far less stringent and we feel they are entirely inadequate to meet the threat. (p. 35).

It will be necessary to direct the accountability effort not toward computing an overall balance as it now is, but toward the detection of diversion. (p. 34).

Even though safeguard regulations have just been revised and strengthened, we feel that the new regulations are inadequate and that immediate steps should be taken to greatly strengthen the protection of special nuclear materials. (p. 34).

MAJOR RECOMMENDATIONS

It is necessary to adopt the same framework for safeguarding protection as is normally used in examining the safety of power plants and to apply it with the same rigor and depth. (p. 4)

The seriousness of the problem demands a clear commitment by the AEC to bring the risk to the public from safeguards problems down to the level of public risk associated with the operation of nuclear power plants. (p. 5)

We recommend the establishment of a federal nuclear protection and transportation service. We further recommend that all protection functions which could require the use of force be direct federal responsibilities . . . an upgraded system ought to be adopted *immediately* as a temporary measure. (p. 13)

The AEC should establish a continual and strong liaison with the CIA, FBI, and other appropriate agencies, and should exert every effort to see that these agencies expend a level of resources on safeguards problems commensurate with the importance of the issue. (p. 14)

In addition to conventional compliance inspections to determine adherence to regulations, a dynamic testing system should be devised to provide a realistic examination of the overall safeguards afforded SNM by each licensee. (p. 15)

Every attempt should be made to employ measurement techniques that yield material balance consistency checks within a period of one day. (p. 29)

The effort against diversion should be based on a continuing "diversion path analysis" so that the means of detection are continually tuned to the problems posed by diversion . . . We recommend the establishment of a continuing effort on "diversion path analysis" by the AEC with the objective of insuring an increasingly effective application of advanced measurement techniques to the solution of safegards problems. We further recommend that the licensees be required to perform such analyses in their facilities, and to formulate measurement schemes to protect against every potential diversion path discovered. (p. 31)

MAJOR PROBLEMS

Even though safeguard regulations have just been revised, two factors have appeared in recent months which make necessary a new and fundamental look at the problem. The first of these is the widespread and increasing dissemination of precise and accurate instructions on how to make a nuclear weapon in your basement. . . . larger and larger numbers of people with experience in processing special nuclear materials and with varying psychological attitudes are dispersed in the overall industrial community. (p. 2) . . . The second new factor is the recent start of political kidnappings within the United States. It is our opinion that the kidnapping of Patricia Hearst does not represent an isolated and passing incident, but is rather the precursor of a wave of such incidents. If not firmly and completely met, these kidnappings may lead to a rise of urban terrorist groups in this country of a sort without precedent in our history. (p. 3)

We believe these new factors necessitate an immediate and far reaching change in the way we conduct our safeguards programs. (p. 3)

It is our strong feeling that the point of view adopted, the amount of effort expended, and the level of safety achieved in keeping special nuclear material out of the hands of unauthorized people is entirely out of proportion to the danger to the public involved . . . (p. 4)

Our estimate of the maximum credible threat to any facility or element of transportation handling special nuclear materials is fifteen highly trained men, no more than three of which work within the facility or transportation company from which the material is to be taken. (p. 6)

Protection of the common defense and security against significant armed attack is not a responsibility which is reasonable or equitable to assign to private industry. . . . There is also a substantial question as to when private guards can legally use their weapons. (p. 11)

Perhaps the greatest problem with the present inventory and material balance control system is the lack of timeliness of the data. (p. 18)

A SPECIAL SAFEGUARDS STUDY

ATOMIC ENERGY COMMISSION,
Washington, D.C.

JOHN F. O'LEARY,
Director of Licensing:

Approximately two months ago you asked me to form and direct a Special Safeguards Study. Our instructions were to "say what ought to be done about safeguards." This study group consisted of myself, Dr. John Googin of the Union Carbide Nuclear Division, Mr. Robert Jefferson of the Sandia Laboratory, Professor Daniel Kleitman of the Massachusetts Institute of Technology, and Mr. William Sullivan, formerly Assistant to the Director of the F.B.I. and Director of the Office of National Narcotics Intelligence.

We have tried to do an independent and professional job. Because of the short time allowed we decided to concentrate our efforts solely on the problem of diversion of explosive quantities of special nuclear material. While we restricted our study to licensed facilities, we believe it may have implications for other facilities as well. We could not have done our study as well without the considerable help we received from people and offices throughout the Atomic Energy Commission. I would particularly like to mention the outstanding guidance, cooperation and help we received from Ralph G. Page, Chief, Materials and Plant Protection Branch. Mr. Page's knowledge of the safeguards problems and the respect his name carries in all of the facilities we visited made our task much easier.

DAVID M. ROSENBAUM.

INTRODUCTION

This document is the result of a short intensive look at safeguards problems by five knowledgeable people who have no vested interest in the system as it now operates. Our mandate was "to say what ought to be done." We restricted our attention to the unauthorized acquisition of special nuclear materials in quantities necessary for the manufacture of nuclear explosives. Because of the short time allowed, we have taken a very broad brush view of the problem. A considerably longer study might, of course, lead us to modify some of our conclusions; but we doubt very much that we would change them in any fundamental way, regardless of the time and depth allowed. Readers of this paper may be interested in the classified paper, *Diversion Scenarios*, written by the same authors, which contains some examples of ways in which special nuclear material might be diverted under present regulations.

In recent years the factors which make safeguards a real, imminent and vital issue have changed rapidly for the worse. Terrorists groups have increased their professional skills, intelligence networks, finances, and levels of armaments throughout the world. International terrorist organizations, particularly those of the Arabs, probably have the ability to infiltrate highly trained teams of 10 to 15 men into this country without detection. In addition, a number of groups in Latin America have graphically shown the ability of urban terrorist groups to operate with near impunity for long periods of time. These groups are quite different in character from those more traditional rural movements which operate in close conjunction with the peasantry. Urban groups are normally led and largely staffed by upper middle class members of the establishment who hold, or have held, important jobs in the community. Such groups can have an enormous impact on a society even when they lack the strength to take power themselves.

Even though safeguard regulations have just been revised, two factors have appeared in recent months which make necessary a new and fundamental look at the problem. The first of these is the widespread and increasing dissemination of precise and accurate instructions on how to make a nuclear weapon in your basement. While such information may have always been available in the unclassified literature it was masked by a great deal of irrelevant and incorrect information, also readily available. There is a slow but continuing movement of personnel into and out of the areas of weapons design and manufacturing. These moves are sometimes forced and can create very strong resentments in the people involved. As a result, larger and larger numbers of people with experience in processing special nuclear materials and with varying psychological attitudes are dispersed in the overall industrial community. In addition, the psychological effect on terrorist groups of widespread dissemination of such information should not be overlooked.

The second new factor is the recent start of political kidnappings within the United States. It is our opinion that the kidnapping of Patricia Hearst does not represent an isolated and passing incident, but is rather the precursor of a wave of such incidents. If not firmly and competently met, these kidnappings may lead to a rise of urban terrorist groups in this country of a sort without precedent in our history. These groups are likely to have available to them the sort of technical knowledge needed to use the now widely disseminated instruction for processing fissile materials and for building a nuclear weapon. They are also liable to be able to carry out reasonably sophisticated attacks on installations and transportation. We believe these new factors necessitate an immediate and far reaching change in the way we conduct our safeguards programs.

THE ESSENCE OF THE PROBLEM

The potential harm to the public from the explosion of an illicitly made nuclear weapon is greater than that from any plausible power plant accident, including one which involves a core meltdown and subsequent breach of containment. Because of the widespread dissemination of instructions for processing special nuclear materials and for making simple nuclear weapons, acquisition of special nuclear material remains the only substantial problem facing groups which desire to have such weapons.

Not only do illicit nuclear weapons present a greater potential public hazard than the radiological dangers associated with power plant accidents, but the factors involved in preventing their potential manufacture have received a great deal less attention and consequently the relevant regulations are much less stringent. It is our strong feeling that the point of view adopted, the amount of effort expended, and the level of safety achieved in keeping special nuclear material out of the hands of unauthorized people is entirely out of proportion to the danger to the public involved and to the point of view, effort, and safety achieved in radiological matters, particularly those associated with power plants. We believe that it is necessary to adopt the same framework for safeguards protection as is normally used in examining the safety of power plants and to apply it with the same rigor and depth. In particular, the threat and the system designed to meet that threat, should be viewed in terms of *design basis incidents*. We need to design safeguard systems to assure that *no single failure* of an active or passive feature of any system will lead to the inability of that system to perform its function. Only by viewing the problem in this framework can we take realistic and adequate steps to meet it.

The seriousness of the problem demands a clear commitment by the AEC to bring the risk to the public from safeguard problems down to the level of public risk associated with the operation of nuclear power plants.

THE THREAT

Our estimate of the maximum credible threat to any facility or element of transportation handling special nuclear materials is fifteen highly trained men, no more than three of which work within the facility or transportation company from which the material is to be taken. We believe that the "insiders" can include anyone up to the higher levels of management of the organization involved. This threat estimate is by nature both subjective and imprecise, but we believe it to be informed and conservative. It was arrived at after informal discussions with the FBI and CIA, and based on those discussions and on prior relevant experiences of the members of this study.

While any estimate of a maximum credible threat will be subjective and uncertain, we recommend that the AEC periodically ask the FBI and the CIA for formal written estimates of the maximum credible threat from both domestic and foreign groups. We do not believe that there is any need for the AEC to fund any group outside the government to make a study to determine the threat, as such a group is unlikely to have the capabilities and experience in this area which reside in the FBI and the CIA and, in any case, would have to get most of their current information from those two agencies.

We have not made any attempt to discuss the threat imposed by particular groups, although we considered many such groups in making our estimate, . . . which might carry out those threats.

DIVERSION SCENARIOS

A wide range of scenarios was considered by the group. They included those presented by Theodore B. Taylor in the December 1973 articles in the "New Yorker" and his testimony before congressional committees, those suggested during extensive conversations with the technical and management staffs of organizations actively involved in the production of fuel elements, and those known to the members of the group from their own extensive involvement with security problems. The set of scenarios was certainly not complete, but it represented the types that we felt should be used as the basis for developing an effective safeguards system. Some of these scenarios are given in the classified paper, "*Diversion* Scenarios," by the same authors.

Recommendations

The fundamental recommendation

By far the most important recommendation we have to make concerns the structure within which safeguards problems are viewed. Once the Commission adopts the same framework for safeguards safety as is normally used in examining the safety of power plants, and applies it with the same rigor and depth, the public hazard associated with the unauthorized acquisition and utilization of special nuclear materials will be quickly brought to the level of the hazard associated with nuclear power plant accidents. At present we believe safeguards hazards to be many times greater.

Recommendation

We recommend that the threat represented by unauthorized acquisition of special nuclear materials and the adequacy of systems to meet that threat, should be viewed in terms of *design basis incidents*. Safeguard systems should be designed to assure that *no single failure* of an active or passive feature of a system will lead to the inability of that system to perform its function. The regulations and the level of review should be sufficient to reduce the hazard to the public from unauthorized acquisition of special nuclear materials to the same level as that from nuclear power plants.

In order to carry out this recommendation the budget allowed for safeguard reviews and the number and qualifications of the people concerned with safeguards will have to be substantially increased.

Federal protection of special nuclear materials

Protection of the common defense and security against significant armed attack is not a responsibility which it is reasonable or equitable to assign to private industry. Private companies have neither the capability nor the desire to meet the sort of threats described in our document on diversion scenarios, much less those posed by the maximum credible threats. There is also a substantial question as to when private guards can legally use their weapons. We were told by one transportation company that it had written to the Attorneys General of the 48 contiguous states asking whether their uniformed guards can carry arms across the state border. They were informed in every case that they could not do so without a license. The company does not plan to license its guards to carry guns in any except its home state even though, because of AEC requirements, its guards will carry weapons across the country and will be instructed to do what is necessary to protect the SNM. Other companies have instructed their guards not to use their weapons to stop theft of special nuclear material, but only in defense of their lives. *It seems to us that the present system of protecting facilities and transportation which handle special nuclear materials is inadequate.*

There are a number of other physical security problems that should be handled directly by the Federal government. An example of the sort of thing we have in mind is a Federal organization that would:

(a) Carry and protect all shipments of significant quantities of licensed special nuclear material.

(b) Approve (in addition to the regular licensing approval) the physical protection plans for fixed sites handling significant quantities of special nuclear material.

(c) Provide the armed guards for fixed sites handling significant quantities of special nuclear material.

(d) Make prior standing arrangements to get an adequate response team (not necessarily of its own personnel) to the site of any attempted diversion in a timely manner. Sometimes this might involve a response by air as well as by road. In open areas, for example, it is vital that escape by air as well as by surface vehicle can be monitored and interdicted. Depending on the locality this might involve fighter planes, radar equipped search planes, and/or helicopters. Where necessary, prior arrangements will need to be made with the Department of Defense for emergency assistance.

(e) Include a Special Response Force which would respond to incidents of diversion with special equipment and trained personnel, much as the Joint Nuclear Accident Coordinating Center teams respond to weapons accidents. The Special Response Force would also have the responsibility to contact and coordinate any other federal, state and local agencies needed.

Recommendation

In order to limit the responsibility of licensees for the national defense and in order to insure a properly graded capability against the diversion of special nuclear material, we recommend the establishment of a federal nuclear protection and transportation service. We further recommend that all protection functions which could require the use of force be direct federal responsibilities. There are many possible ways to do this and the alternatives ought to be studied in a systematic and careful way, but an upgraded system ought to be adopted *immediately* as a temporary measure. If a small federal force is formed now it will help to meet the present pressing need and can be enlarged and improved as the need grows.

The need for better intelligence

The first and one of the most important lines of defense, against groups which might attempt to illegally acquire special nuclear materials to make a weapon, is timely and in-depth intelligence. Such intelligence may involve electronic and other means of surveillance, but its most important aspect is infiltration of the groups themselves. It is not the AEC's business to conduct this sort of intelligence, but it is the AEC's business to see that those agencies of the United States Government which have intelligence gathering responsibilities, including the FBI, CIA, and NSA, focus their attention upon this particular threat to our national defense and security. While it is true that if any of them came upon such information in the course of their general intelligence duties they would communicate it to someone in the Atomic Energy Commission, unless they are frequently prodded they will not focus more than pro forma attention on safeguards problems and their resources will be invested elsewhere in response to other pressures.

Recommendation

The AEC should establish a continual and strong liaison with the CIA, FBI, and other appropriate agencies, and should exert every effort to see that these agencies expend a level of resources on safeguards problems commensurate with the importance of the issue.

Dynamic testing

Recommendation

In addition to conventional compliance inspections to determine adherence to regulations, a dynamic testing system should be devised to provide a realistic examination of the overall safeguards afforded SNM by each licensee. We suggest the use of gaming analysis, including "blackhat teams" such as those used by Sandia Labs, to study sabotage and diversions involving weapons. Licensing should use the existing capability of AEC contractors to perform theoretical "blackhat" studies of fixed facilities and transportation. These studies should develop threat scenarios and detect systems weaknesses so that safeguards can be evaluated on a more realistic basis than that which can be accomplished by inspecting only for compliance with regulations. The resulting threat scenarios could form the basis for a simulated but dynamic testing of a licensee's SNM safeguards, and the modification of regulations to close loopholes.

Accountability: Discussion

The strong emphasis on material balance techniques for the control of special nuclear material has roots going back to the early days of the Manhattan Project. The extremely high unit values of the first materials produced made process control of manufacturing at the high level of analytical laboratories easily justifiable on economic as well as strategic grounds. Even in these early days, the percent of uncertainty was of the same magnitude as can be obtained at the present; but because of low throughput and inventories, the actual quantities of materials involved in the uncertaintics were in fact very small.

The feeling that material balance techniques can yield uncertainties in the weight quantities of SNM on hand comparable to the early days still persists despite the fact that it is really the percent inaccuracy that is unchanged. This percent of uncertainty applied to present and projected inventories and throughputs makes the use of the inventory and material balance much too gross a technique for detection of diversions which are large enough to be of critical importance. *The uncertainties in the accumulated material balances of the atomic energy operation of the country already make it impossible to say that an explosive mass has not been diverted, and if reliance is placed solely on material balance methods that statement will have to be expanded many many fold in the near future.* The current use of these techniques is probably not worth their cost.

Material balance techniques do have positive value: they are essential to process control and their existence has great deterrent value for those who are unaware of its limitations.

Although inaccuracies of measurement will lead to total LEMUF's above critical masses this is not to say that the measurement techniques and concepts of current regulations and similar existing technology could not be used to detect diversion. In fact we believe the opposite: *one can do something about safeguards by the use of accounting and measurement, but this will require a new approach to the subject. It will be necessary to direct the accountability effort not toward computing an overall balance as it now is, but toward detection of diversion.*

There are some significant obstacles in the use of accountability for safeguards. A serious problem with inventory and material balance control systems is the ease with which they can be confused by bad data. Just the normal errors of transposed figures and misread instruments are a continuing problem, and the confusion which can be introduced by a person skilled in the analytical arts and the physics and chemistry of a process is frightening. The standard samples to labs can be altered to force a bias on the whole process. Interfering materials can be added to samples and process lines. Instruments can be made to give erroneous results. The very complexity of the process invites tampering of a kind which defies detection.

Another serious problem with using MUF's and LEMUF's as a safeguard is that there is no reasonable procedure for going from an observed MUF to a conclusion that a theft has occurred. Current procedure involves rechecking measurements, performing a new inventory, waiting for an error to be found, and then cleaning equipment to recover material not inventoried.

Perhaps the greatest problem with the present inventory and material balance control system is the lack of timeliness of the data. For large plants the best that is done is to give results every month. In cases where there are problems in closing a balance, it is often weeks more before a resolution of the difficulty and its assignment to error, loss or diversion is possible. From the point of view of safeguards, where the critical time to trace materials may be in hours if not in minutes, this historical information is only of very limited value. It can never say that an explosive critical mass has not been diverted. It can only put a reasonable limit on how many might have been.

The goal of accountability in safeguards

Traditional forms of industrial theft involve concealment of the acts of theft so that the thief can continue his employment and normal life. Accounting systems provide a deterent to such theft by rendering its exposure probable. They may also, if timely, provide aid through the discovery of theft to apprehension of the thief and the recovery of material.

In the present context one can distinguish two kinds of theft having accountability relevance. First there is an individual or group that seeks to continue employment supplementing its income from theft and therefore is trying to avoid exposure. For this group the goals of accounting usually are deterrence and capacity for ultimate disclosure and traceability of loss. Secondly there is a thief seeking a one-time diversion of a large quantity of material. Such a thief can only be affected by a type of accounting that can quickly disclose the theft and indicate his guilt. He will seek to hide his theft only long enough to give him time to avoid pursuit or, if the quantities he has stolen are insufficient for his purposes, to steal more.

Two of the most crucial roles of accountability are thus related to its deterent effect and its timely ability to detect large but subcritical concealed diversions of a kind such that the thief will desire to steal more within a short time.

A third crucial role of accountability is the ability to detect very large diversions of material in the time period between its removal from "where it should be" and its physical removal from the plant to a place of concealment. This is the most difficult task since it may require detection in hours or less.

The explicit needs of accountability required by these goals are:

1. Deterrence of the long-term thief: high probability of ultimate detection and high probability of tracing of losses. Rapid detectability is of value primarily for tracing.

2. Detection of subcritical thief: high probability of discovery. The time scale needed depends upon the frequency with which thefts can be made.

3. Detection of gross theft: timeliness is crucial and daily information would be desirable.

It is not sufficient that an accounting system provide that a shortage in material show up in the measurements. Measured shortages may rise from faulty equipment, reading errors, recording errors, computer failures, accidental misplacement of materials, accidental spillage, misalignments and many other sources. It is necessary that the accounting system have, in addition to a timely ability to detect shortage, a timely ability to trace the shortage to specific areas, batches of material, work shifts, or other categories in order that it can serve as a credible deterrent, facilitate elimination of other causes, and make possible timely detection of the theft.

A plan to immediately tighten the physical security of the plant, and interviewing of staff, etc., in the event of a large measured shortage is also needed. If accounting procedures give daliy checks they may discover in-plant diversions before physical removal from the plant is completed. They have little value if they are delayed until after removal.

In developing effective accountability procedures one can distinguish two kinds of stealable items that require sharply different approaches. There are:

1. Removal of container, substitution of content in containers, removal of identifiable objects, content of vaults, etc.

2. Removal of material in bulk state from processes or between processes, removal of unpackaged scrap.

Detecting the former represents a straightforward accounting problem, that can be attacked by standard procedures, as discussed in the recommendations below. They involve such measures as redundant measurement, redundant measurement responsibilities, remote files, tamper checking as well as tamper safing, frequent counting and spot checking.

Safeguards against the latter may require ingenious measurement techniques tailored to the diversion vulnerabilities of the particular process line in question. We recommend below that in the latter case both the AEC and licensees continually analyze for diversion paths and measurement technique needs in each individual plant on a continuing basis.

Accountability: Recommendations

Emphasis on MUF and LEMUF

Because of the finite errors in the methods of analysis; because these errors cannot be reduced to a size which is much smaller than has been experienced in the past; because of the way in which errors must accumulate in the calculation of an inventory based on many measurements; because of the human factors and the statistics of the system; there does not appear to be any way in which the measurement of the total inventory of an operating plant, or even a large segment of that inventory, can ever be known to better than one tenth of one percent. At the present time the real possibilities are much closer to a one percent error in the complex systems used to generate fuels containing SNM. Much of the difficulty with plutonium is related to its complex chemistry and the extreme health hazard presented by the element. The same error, of near to one percent, can be expected in the more advanced uranium systems where efforts are being made to generate fuels which can operate at very high temperatures. These uranium fuels will be complex composites of refractory materials which require many operations to generate and each complexity introduces a new element of irreducible error. With the expected throughputs of thousands of kilograms per year these errors are too large to allow any significant safeguards dependence on MUF and LEMUF data.

Beyond the lack of sensitivity of the data generated is its lack of timeliness. Even on a monthly basis Inventories are difficult to finish before the next inventory begins and the detection of a diversion after a month's time removes much of the significance of the detection. Even when an inventory change is detected, it is really necessary to check the whole inventory process for error and to redo the inventory to generate a better statistic before a declaration of diversion is justified. This process takes several weeks more. In the meantime any feeling of confidence is based on the physical protection system and the evidence that it has not been violated. The time delay in the inventory system is long enough to allow a skilled diverter to have constructed an explosive device before the system can reach a conclusion that diversion has taken place. On the basis of timeliness as well as on the basis of sensitivity the calculation of inventories as exemplified in the MUF and LEMUF concepts fail to provide safeguards.

Recommendation

We recommend that the concept of a periodic measure of material balance around large flows and inventories as expressed in the current concepts of MUF and LEMUF be abandoned as a basis of safeguards.

Double contingency in measurement

One of the more likely techniques for diversion is the falsification of measurement either by a direct entry into the record of false numbers, alteration of instrumentation, the changing of the contents of a measured batch after measurement, or the substitution of one material for another of similar properties. In those instances where measurements are made by single individuals it would seem that there could well be another check of the same measurement in the normal operations of the process, especially if it was a simple determination, such as mass. A container of material could be weighed as it left one process area and weighted again as it entered the next. Some change in the recorded weights would be expected, due to the absorption of moisture for example, but a comparison of the measured change with that routinely expected would be a valid and useful check for tampering.

Where duplication of a measurement would not be an easy process, it should be possible to have representatives of two separate parts of the plant system observe the taking of a single set of measurements as a check on the accuracy of the step and the recording of the data. In many instances one can measure two or more properties of the batch with high precision so that tampering or replacement can be more easily detected. Precise measurements can be made of the weight and neutron radiation from a container of material so that plutonium can not as easily be replaced with inert material. The results of the neutron radiation measurement can be kept inaccessible to the operator in a remote data bank for use in rechecking the container at a later time. With two or more precise measurements of the nature of a batch one can check accurately for changes in the contents without the need for an accurate measurement of the contents.

Recommendation

We recommend the adoption of a philosophy of double contingency in measurement through the scheduling of measurements out of and into process or storage steps, the observation of measurements by two independent individuals with redundant responsibilities, and, where possible, the precise measurement of two or more parameters of a given batch for tamper checking purposes.

Counting of objects

In many of the production operations involving SNM very large numbers of similar objects, like fuel pellets, are made. Because of the small size of the critical mass, large numbers of small batches of material are generated in all operations involving SNM. The large numbers of items and containers offer a means of adding to the amount of information about the production process and hence to the safeguards information. It should be possible to count the numbers of fuel pellets passing through a given step in the process, the number going into product, and the number going into salvage, in the way a bank counts coins.

The number of containers moved from one area or process step to another should be collected. The adoption of containers with easy to differentiate characteristics, colors, or shapes would allow the establishment of classes of containers, which could increase the information content of container counting.

The numbers of objects of different types moving about the system are easily subjected to analysis against an established model. Any deviation can serve as an indication of a change which might be part of an internally generated diversion.

Recommendation

We recommend that any object generated in operations involving SNM be counted as soon as an identifiable shape is established and that a number count of movements of these items be maintained as they progress through the process until identity is lost.

Frequency of measurement and analysis

For the detection of diversion there needs to be special emphasis on the timeliness of the data collected. The larger the rate of diversion the shorter the time to detection needed. For the diversion of large amounts of materials, several kilograms in the case of plutonium and several 10's of kilograms in the case of uranium-235, detection is needed within hours at the very most. Those measurements which can aid in the detection of diversions of large quantities of materials should be made frequently, but their cost can be low. Among them would be numbers from the counting of containers, the measurements of mass; and measurements which indicate the operating inventories of equipment on a continuing basis, such as liquid level, neutron and gamma background. These easy and frequently taken numbers, when combined with the numbers generated in the transfers between processes, can be of great importance in the detection of diversion. There should also be some measurements of the contents of storage areas and vaults on a continuing basis. While these measurements might not include the whole inventory on any given day, they should include a significant portion, say ten percent on a random basis, so that all containers would be checked within a month after they were introduced into the process.

The flow of data from all measurements, large and small, should be compared to expectations on a daily basis. Much of the data should be put into a computer data bank and immediately checked against expectations.

Recommendation

We recommend that emphasis be given to the frequent collection and analysis of easily obtained numerical information about SNM processing plants. This information should be compared against a working model of the system on a daily basis and where possible should be compared against expectations immediately. Every attempt should be made to employ measurement techniques that yield material balance consistency checks within a period of one day.

Direct detection of diversion by measurement technique

Because of the relatively large percentage errors inherent in most of the measurements systems which can be applied to the detection of the diversion of SNM on a timely basis, it is necessary to apply them directly to the process stream. The use of by-difference techniques between the flows in large streams is sure to result in a lack of sensitivity. In a manner analogous to the way door monitors are used to detect the diversion of small amounts of SNM moving through the entrances of a building, there should be measurements of the possible small flows out of the main processing lines to salvage operations through direct and expected routes like the collection of grinding swaf, or through indirect routes like the materials collected on filters in the ventilation system. These methods do not have to be too sensitive to be useful if the method of diversion are anticipated. For example, one problem is the passing of SNM through portals opened for a test or real emergency situation. Here the only requirement is the ability to detect the diversion of a gross amount through an infrequently used path. The effort against diversion should be based on a continuing "diversion path analysis" so that the means of detection are continually tuned to the problems posed by diversion.

Recommendation

We recommend the establishment of a continuing effort on "diversion path analysis" by the AEC with the objective of insuring an increasingly effective application of advanced measurement techniques to the solution of safeguards problems. We further recommend that the licensees be required to perform such analyses in their facilities, and to formulate measurement schemes to protect against every potential diversion path discovered.

Safeguards as an organization function

Since safeguards are really the protection of the system against events which are determined more by people and their attitudes from day to day than by the outcome of many fixed decisions of some time past, what is done on one day affects the nature of the result on the next. To assure the dynamic character of safeguards activities they must be the primary activity, even if not the sole activity, of at least one organizational position of authority in all groups which are involved with SNM. This position needs to be structured so that there is a very frequent reexamination of the basis of the ongoing safeguards program in cooperation with all of those involved in production, physical protection, accounting, quality assurance, safety, and personnel in order that the condition of the operation and its people can be treated as part of the whole problem. There must also be an ongoing analysis of the attitudes of the people in the plant and the community around the plant.

Recommendation

We recommend that an organization be established by each licensee with the duty of examining all of the data which relates to safeguards, including material flow information and information about personnel. We further recommend that as part of its responsibility this organization should make a daily determination of the most likely deviation from measurement expectations which could have safeguards significance and investigate it. The committee should have the duty to suggest changes which might be made in the materials flow measurement, the physical protection technique or the assignment of personnel that could promote safeguards efficiency.

CONCLUSION

It is our hope that this study will contribute to a new understanding of the level of danger represented by the potential acquisition of explosive quantities of special nuclear material by malevolent people. We feel that the danger is large and growing due to the widespread and increasing dissemination of precise and accurate instructions on how to make simple nuclear weapons, and due to the increasing professional skills, intelligence networks, finances, and level of armaments of terrorist groups throughout the world.

The essence of the problem as we see it is the following. The potential harm to the public from the explosion of an illicitly made nuclear weapon is greater than that from any plausible power plant accident, including one which involves a core meltdown and subsequent breach of containment. The factors involved in preventing the illegal acquisition of special nuclear material and the subsequent manufacture of nuclear weapons have received a great deal less attention than those associated with power plant accidents. The revelant regulations are far less stringent and we feel they are entirely inadequate to meet the threat. *The seriousness of the problems demands a clear commitment by the AEC to bring the risk to the public from safeguards problems down to the level of public risk associated with the operation of nuclear power plants.*

The report contains a number of specific recommendations. By far the most important is that the threat represented by unauthorized acquisition of special nuclear material and the adequacy of systems to meet that threat, should be viewed in terms of *design basis incidents.* Safeguards systems should be designed to assure that *no single failure* of an active or passive feature of a system will lead to inability of that system to perform its function. In addition to this general recommendation we have made specific recommendations about physical protection, the need for better intelligence, and the use of dynamic testing.

We feel that the use of MUFs and LEMUFs have very little if any value for safeguards and that the current use of these techniques is probably not worth their cost. We do believe that one can do something about safeguards by the use of accounting and measurement, but this would require a new approach to the subject. It will be necessary to direct the accountability effort not toward computing an overall balance as it now is, but toward the detection of diversion. *We recommend that the current concepts of MUF and LEMUF be abandoned as a basis of safeguards and that they be replaced by a different type of accounting and measurement system, which we have sketched out in the report.*

Even though safeguard regulations have just been revised and strengthened, we feel that the new regulations are inadequate and that immediate steps should be taken to greatly strengthen the protection of special nuclear materials. We hope that this paper will contribute in a positive way to the speedy implementation of such steps.

AEC Comment on Safeguards Report

The safeguards study made for the Atomic Energy Commission and released by Sen. Ribicoff is part of a total new review of the safeguards required to protect nuclear materials from theft. This new critical self-appraisal is designed to assure that safeguards are continually upgraded to protect the growing quantity of these materials being used by private industry.

The AEC's most recent action in this area was taken just last November to significantly strengthen the existing safeguards requirements for AEC licenses. The new safeguards study, prepared by an independent group at the request of the AEC's Director of Licensing, was begun before the deadline for implementing all of the November requirements.

The fuel used in practically all of the nuclear power plants in operation today or expected to go into operation over the next several years consists of low-enriched uranium which cannot be made into a bomb. Plutonium is being used in the breeder reactor development program. Highly-enriched uranium is used in the naval programs and in the civilian High Temperature Gas Reactor program. A very small amount of plutonium is being used for demonstration purposes in light water cooled nuclear power plants. However, light water reactors are not contributing significantly to the safeguards problem at this time.

The Commission is taking a hard look at the study to determine what additional measures should be taken to further strengthen the requirements to safeguard nuclear materials from theft.

A copy of the study was provided to Sen. Ribicoff, at his request, earlier this week

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From S. 2744

BUREAU OF NUCLEAR MATERIALS SECURITY

SEC. 204. (a) There is hereby established in the Nuclear Safety and Licensing Commission a Bureau of Nuclear Materials Security under the direction of a Director of Nuclear Materials Security, who shall be appointed by the Commission and who shall serve at the pleasure of and be removable by the Commission.

(b) Subject to the provisions of this Act, the Director of Nuclear Materials Security shall—

(1) enforce, on behalf of the Commission, regulations which he shall recommend and the Commission promulgates relating to the safeguarding of special nuclear materials and high-level wastes resulting from all activities licensed under the Atomic Energy Act of 1954, as amended;

(2) monitor, test, and recommend upgrading internal accounting systems for special nuclear materials licensed under the Atomic Energy Act of 1954, as amended;

(3) develop, in consultation and coordination with the Energy Research and Development Administration, contingency plans for dealing with threats, thefts, accidents, and sabotage relating to special nuclear materials and high-level radioactive wastes resulting from all activities licensed under the Atomic Energy Act of 1954, as amended;

(4) conduct a thorough review of the desirability and feasibility of establishing a security agency within the Bureau to execute some or all of the functions of the Bureau, and report his recommendations to the Commission within one year of the effective date of this Act; and such report shall be transmitted to the Congress by the Commission as soon as it is received;

(5) engage in or contract for research which the Director of Materials Security deems necessary for the discharge of the functions of the Bureau.

(c) Nothing in this section shall be construed to limit in any way the functions of any office of the Energy Research and Development Administration relating to the safeguarding of special nuclear materials and high-level wastes resulting from all activities within the jurisdiction of the Administration pursuant to this Act.

[From the New York Times, Apr. 28, 1974]

AEC Report Warns of Peril of Terrorists Stealing Uranium

(By Anthony Ripley)

WASHINGTON, April 26.—An internal Atomic Energy Commission study released today contains a warning on what it called "entirely inadequate" safeguards to prevent the theft by terrorist groups of uranium and plutonium for the manufacture of homemade atomic bombs.

"We feel that the danger is large and growing," the report said. It cited "increasing dissemination" of precise and accurate instructions on how to make simple nuclear weapons and "increasing professional skills, intelligence networks, finances and level of armaments of terrorist groups throughout the world."

The report was prepared by three scientists and two law enforcement specialists and sent this week to the commission's director of licensing.

A copy of the report was sent to Senator Abraham A. Ribicoff, Democrat of Connecticut, and was released late today by the Joint Committee on Atomic Energy.

"In recent years the factors which make safeguards a real, imminent and vital issue have changed rapidly for the worse," the report said.

CITES KIDNAPPING

It cited the growth of Arab terrorism, urban terrorist groups in Latin America and the so-called Symbionese Liberation Army in the United States.

"It is our opinion that the kidnapping of Patricia Hearst does not represent an isolated and passing incident, but is rather the precursor of a wave of such incidents," it said.

"If not firmly and competently met, these kidnappings may lead to a rise of urban terrorist groups in this country of a sort without precedent in our history."

STEPS FOR SAFETY

Steps recommended in the study to increase safeguards included the following:

Designing a system to protect "our estimate of the maximum credible threat," which was set as an attack by 15 highly trained men on a facility storing or transporting nuclear material.

Setting up of a Federal nuclear protection and transportation service and upgrading of the present protection system by forming a "small Federal force" trained to respond to theft.

Setting up of an intelligence network with "continual and strong liaison" with the Central Intelligence Agency and the Federal Bureau of Investigation.

Development of "threat scenarios" to test the adequacy of protection through "gaming analysis."

Tightening of accounting procedures to locate losses immediately.

Development of "double contingency" when measuring plutonium and uranium in and out of processing steps with two independent observers to check each other.

Development of a system of daily, precise measurements and counting of nuclear materials.

"The potential harm to the public from the explosion of an illicitly made nuclear weapon is greater than from any plausible power plant accident, including one which involves a core meltdown and subsequent breach of containment," the report said.

Senator Ribicoff also released the report, saying, "The general public is entitled to know of the serious danger posed by the failure of the A.E.C. to institute an adequate safeguards system."

The Senator is sponsor of a bill to reorganize the agency and upgrade the protection of uranium and plutonium.

He withheld a section of the report that listed possible scenarios for breaching the system of protecting nuclear materials. He said that the section was classified.

[From the Washington Post. April 28, 1974]

AEC Antitheft Measures Called Grossly Inadequate

(By Thomas O'Toole)

The Atomic Energy Commission spends $50 million a year safeguarding its uranium and plutonium against theft, a figure an AEC study team says is grossly inadequate.

"The potential harm to the public from the explosion of an illicitly made nuclear weapon is greater than that from any plausible power plant accident," the five-man study team told the AEC in a 35-page report released by Sen. Abraham A. Ribicoff (D.-Conn.). "It is our strong feeling that the . . . level of safety achieved in keeping special nuclear material out of the hands of unauthorized people is entirely out of proportion to the danger to the public involved."

The study team was made up of one AEC official and four outside consultants, including William Sullivan, former assistant director of the FBI and director of the Office of National Narcotics Intelligence. Their language was low-keyed, but there was no mistaking the threat they see in the rise of terrorism around the world.

"These groups are likely to have available the technical knowledge needed to process fissile materials and for building a nuclear weapon," their report states. "They are also liable to carry out reasonably sophisticated attacks on installations and transportation.

"We believe," the team concludes, "these factors necessitate an immediate and far-reaching change in the way we conduct our safeguards programs."

One of the first changes the study team recommends is the establishment of a federal force to protect and transport uranium and plutonium, a kind of nuclear Brinks service guarding fissionable metals instead of money.

The report criticizes the way private concerns are asked to guard and transport uranium and plutonium, declaring flatly that private industry should not even be asked to take on such a job.

"Private companies have neither the capability nor the desire to meet the sort of threats" posed by terrorists, the report says, "much less those posed by maximum credible threats." The report describes the maximum credible threat as an attack by 15 highly trained men, three of whom work inside the organization making, handling or shipping the uranium or plutonium.

"We believe the 'insiders' can include anyone up to the highest levels of management," the report said. "This threat estimate is by nature both subjective and imprecise, but we believe it to be informed and conservative. It was arrived at after informal discussions with the FBI and CIA, and based on those discussions and on prior relevant experiences of the members of this study."

The study says there is a serious question as to when private guards can legally use their weapons defending nuclear shipments. It says some companies employ guards who have no bullets in their guns, while others have instructed their guards to fire their guns only in defense of their lives and not in defense of the uranium or plutonium.

"We were told by one transportation company that it had written to the 48 contiguous states asking whether their uniformed guards can carry arms across the state border," the report says. "They were informed in every case that they could not do so without a license . . ."

In a recent study released by the General Accounting Office, the sloppiness in shipment of nuclear materials was seriously criticized.

The GAO said that one shipment of uranium was made on a flatbed truck with an open bay. It said the truck had no alarm system or radio and was driven by one man, who was unarmed. It also said the driver had no pre-planned route; he chose his own route.

Just as serious as the shipping problem, the AEC report goes on, is the accounting problem of making sure that whatever uranium and plutonium go into a factory come out again in the right form and bound for the right place.

"The uncertainties in the accumulated material balances of the atomic energy operation of the country already make it impossible to say that an explosive mass has not been diverted," the report states, "and if reliance is placed solely on material balance methods that statement will have to be expanded many, many fold in the near future."

Earlier this year, Congress was told that the AEC had spent $5 million investigating the disappearance of 132 pounds of uranium-235 from a fuels fabricating plant at Apollo, Pa. The metal had disappeared over a period of years, and for a while the Peoples Republic of China was a suspect in the investigation.

How serious is the disappearance of 132 pounds of uranium 235?

That is precisely the amount of uranium in the bomb that destroyed Hiroshima in 1945. It is far more than is needed to fashion a weapon these days, when the AEC privately says that 11 pounds of uranium-235 is all a sophisticated engineer needs to make an atomic bomb.

The AEC concluded that the missing 132 pounds had been lost through spillage, bad inventory methods, bad weighing techniques and human accounting errors. This alone was enough for the AEC study team, which recommends that the present accounting system in nuclear plants "be abandoned as a basis of safeguards.

[From the Washington Post, Apr. 27, 1974]

HILL STUDY WARNS TERRORISTS COULD GET OWN A-WEAPONS

(By Thomas O'Toole)

The world-wide increase in terrorist group activity, the rash of political kidnapings and the proliferation of nuclear power plants raises a serious threat that uranium might be stolen in large enough quantities for terrorists to build their own atomic weapon.

That is the conclusion of a special safeguards study done for the Atomic Energy Commission. The study was released yesterday by Sen. Abraham Ribicoff (D-Conn.) in his capacity as chairman of the Senate Subcommittee on Executive Reorganization. Ribicoff's panel has been conducting hearings on the proposed separation of the AEC into two separate organizations.

Ribicoff released the study over objections by the AEC, which asked him as late as yesterday morning not to make the study public. Ribicoff originally embargoed the study until Sunday, then angrily moved it up one day when the Joint Committee on Atomic Energy put out excerpts of the report yesterday afternoon.

"That was a courtesy copy they got and they put it out as if it was their own," an aide to Ribicoff said. "The senator is deeply disturbed by this move, which he regards as a tactic to keep the full story from the people."

The report was prepared for the AEC's director of licensing by a team of four outside consultants and one AEC official, who together concluded that safeguarding nuclear weapons materials has become a far more difficult task than it used to be.

The study blamed the rise of terrorist groups as one factor in the growing risk of nuclear theft.

"International terrorist organizations, particularly those of the Arabs, probably have the ability to infiltrate highly trained teams of 10 to 15 men into this country without detection," the study warned.

"In addition, a number of groups in Latin America have graphically shown the ability of urban terrorist groups to operate with near impunity for long periods of time," it said.

The study said that today's terrorists are vastly different from their ancestors, a difference that makes them far more skilled at terrorism.

"These groups are quite different from those more traditional rural movements which operate in close conjunction with the peasantry," the study said.

"Urban groups are normally led and largely staffed by upper-middle-class members of the establishment who hold or have held important jobs in the community. Such groups can have an enormous impact on a society even when they lack the strength to take power themselves," it said.

The study said that while nuclear safeguards had been strengthened in recent years, more recent events made further strengthening a necessity.

"The first factor is the widespread and increasing dissemination of precise and accurate instructions on how to make a nuclear weapon in your basement," the study group said. "While such information may have always been available it was masked by a great deal of irrelevant and incorrect information, also readily available."

The growth of nuclear power has also greatly increased the number of people around the world who have the knowhow to make a basement bomb.

"There is a slow but continuing movement of personnel into and out of the areas of weapons design and manufacturing," the study went on. "These moves are sometimes forced and can create very strong resentments in the people involved, and as a result larger and larger numbers of people with experience in processing special nuclear materials and with varying psychological attitudes are dispersed in the overall industrial community."

The study said the second factor forcing a stronger safeguards program is the recent rash of political kidnapings in the United States.

"It is our opinion that the kidnaping of Patricia Hearst does not represent an isolated and passing incident," the study team concluded, "but is rather the precursor of a wave of such incidents. If not firmly and competently met, these kidnapings may lead to a rise of urban terrorist groups in this country of a sort without precedent in our history."

The study team recommended the establishment of a federal nuclear protection and transportation service, whose sole job would be the protecting and shipping of nuclear materials. It suggested that such a force be set up now, "to help meet the present pressing need for such a force."

It also recommended that the U.S. intelligence network devote more time to infiltrating terrorist groups and more money in studying the ways that terrorists might conceive to steal nuclear materials.

[From the Washington Post, Apr. 27, 1974]

REPORT WARNS OF ATOMIC THEFTS

(By Roberta Horning)

An internal Atomic Energy Commission report warns that safeguards against thefts of extremely hazardous nuclear materials and the subsequent manufacture of home-made nuclear bombs are "entirely inadequate."

The document, which was prepared by four outside consultants and one AEC official, strongly recommends the immediate establishment of a special federal nuclear protection cadre and transportation service to safeguard nuclear materials moving about the country.

Some of the recommendations have a science fiction-like quality.

The consultants recommend, for instance, creation of a Special Response Force to respond to "incidents." The force would get emergency help from the Defense Department, including the use of fighter planes and setting up "black hat teams" to develop contingency plans for dealing with sabotage or diversion of nuclear materials.

"The potential harm to the public from the explosion of an illicitly made nuclear weapon is greater than that from any plausible power plant accident," the study says.

Moreover, it says, the potential for sabotage and theft has received a great deal less attention from the public and the AEC than has power plant safety.

"The seriousness of the problem demands a clear commitment by the AEC to bring the risk to the public from safeguards problems down to the level of public risk associated with the operation of nuclear power plants," the study says.

The study group said that "in recent years the factors which make safeguards a real, imminent and vital issue have changed rapidly for the worst."

As examples, the study team cites the increase of terrorist groups and their greater professional skills, intelligence networks, finances and levels of armaments throughout the world.

In addition, the report says, two new factors have emerged in recent months "which make necessary a new and fundamental look at the problem."

The first of these, it says, is the widespread and increasing dissemination of "precise and accurate instructions on how to make a nuclear weapon in your basement."

The second, it says, is the recent start of political kidnapings in the United States, the Patricia Hearst case.

The study team said it does not believe the Hearst kidnaping represents an isolated or passing incident, but is rather the precursor of a wave of such incidents. "If not firmly and competently met, these kidnapings may lead to a rise of urban terrorist groups in this country of a sort without precedent in our history," it says.

The safeguards study was ordered by the AEC two months ago and apparently was considered an internal document to be used in future policy making.

However, a copy of the report was obtained by Sen. Abe Ribicoff, D-Conn., who decided to make it public tomorrow.

But late yesterday, Rep. Melvin Price, chairman of the Joint Congressional Committee on Atomic Energy, released a copy and announced he plans to hold hearings as soon as possible on what the AEC plans to do about safeguards.

The study group consisted of Dr. John Googin of Union Carbide Nuclear Division; Robert Jefferson of the Sandia National Laboratory, AEC; Dr. Daniel Kleitman, professor of mathematics at the Massachusetts Institute of Technology, William Sullivan, former assistant director of the FBI, and Dr. David Rosenbaum, former assistant to Sullivan when he was with the Office of National Narcotics Intelligence.

[From the Hartford Courant, Apr. 16, 1974]

LOCK THE NUCLEAR BARN DOOR

The threats of terrorists blackmailing the United States and other countries with homemade nuclear devices made from stolen nuclear materials will increase in the next few years.

The increasing prospect of that threat was recently voiced by a Ford Foundation-sponsored study; testimony before a U.S. Senate subcommittee chaired by Connecticut's Senator Ribicoff; and by State Rep. Russell L. Post, Republican of Canton.

The Ford Foundation study concluded that nuclear bombs or devices that would disperse lethal radio-active materials could be built by one person or a group of persons using non-nuclear materials obtained at hardware stores or scientific supply houses. The nuclear materials that could be used in such devices will be widely transported between atomic facilities within four years, and some of the materials could be obtained by organized terrorists now, according to the report.

Recently Assemblyman Post raised several questions about the safety of atomic plants and shipments, warning that they are vulnerable to sabotage and political blackmail.

The Ford Foundation study states that commercial and military facilities do not maintain an accurate inventory of atomic materials, and that very strict accounting procedures are needed, linked together by computers and alarm systems to prevent the loss of even minute amounts of the materials that, in total, could be used to make atomic devices.

Present inventory systems are so uncoordinated that even atomic hoaxes can be at least temporarily successful because government and industry officials can't be certain that some materials might not in fact have been stolen.

In 1970, the mayor of Orlando, Florida, received a written threat that the city would be destroyed with a nuclear explosive if a demand for $1 million was not met. The threat was accompanied by a diagram showing the exploding device, accurate enough to cause officials to take the threat seriously. And for a time local officials were not certain where to go to determine whether any atomic materials had been stolen. Later, the perpetrator of the hoax, a local high-school boy, was arrested.

A recent study of "non-conventional nuclear threats" for the Department of Defense concluded that there is a need for coordinating federal, state and local agencies to quickly assess the credibility of any threats when they occur. An expert on nuclear safety, Dr. Theodore B. Taylor, who testified before Senator Ribicoff's committee, commented that the need for coordination is of such high urgency, and the possibility of threats is so great, that the work of coordination should be under the National Security Council.

Dr. Taylor also told Senator Ribicoff that the risks are "international in scope. Special nuclear materials stolen in one country could be used for nuclear threats in other countries . . ."

According to the Ford Foundation study, there is little time left to tighten security and perfect safeguards to prevent atomic materials from being stolen from the expanding and increasingly more complex nuclear market.

The many warnings on the growing danger of atomic theft and blackmail should be heeded by international federal, state and local authorities, and security measures should be established as soon as possible.

The time to lock the nuclear barn door is now—not after a blackmail attempt is made, or after an atomic device has been constructed by terrorists who managed to steal fissionable material from commercial or military atomic supplies.

[From the Christian Science Monitor, Apr. 30, 1974]

AEC SAFEGUARDS OF NUCLEAR FUEL CALLED "INADEQUATE"

(By Monty Hoyt)

Washington.—A major study—the second in three weeks—has found U.S. safeguards to prevent possible nuclear theft or blackmail by terrorist groups "entirely inadequate to meet the threat."

A report prepared for the Atomic Energy Commission by a team of outside consultants was released by Sen. Abraham Ribicoff (D) of Connecticut last weekend, over the AEC's objection. The Senator, chairman of the Senate subcommittee on executive reorganization, has been holding hearings on his bill to reorganize the AEC into two separate agencies.

The report said: "The harm to the public from the explosion of an illicitly made nuclear weapon is greater than that from any plausible power plant accident."

The widespread growth of urban terrorism coupled with the "increasing dissemination of precise and accurate instructions on how to make a nuclear weapon in your basement" make it imperative to have an "immediate and far-reaching change" in the nuclear safeguards program, the report finds.

A study by the Ford Foundation Energy Policy Project, released earlier this month, came to the same conclusion.

The wave of political kidnappings in the U.S. characterized by the Patricia Hearst case, "may lead to a rise of urban terrorist groups in this country of a sort without precedent in our history," the AEC report warned.

"These groups are likely to have available to them the sort of technical knowledge needed to use the now-widely disseminated instructions for processing fissile materials and for building a nuclear weapon. They are also liable to be able to carry out reasonably sophisticated attacks on installations and transportation," the report states.

Senator Ribicoff, in releasing the study, said he was doing so because "the general public is entitled to know of the serious danger posed by the failure of the AEC to institute an adequate safeguards system."

Nonetheless, the study found even the newly revised and strengthened AEC safeguard regulations to be "inadequate."

"The seriousness of the problem demands a clear commitment by the AEC to bring the risk to the public from safeguards problems down to the level of public risk associated with the operation of nuclear power plants."

Among the recommendations made by the report:

Establish a federal nuclear protection and transportation service, bringing all protection functions requiring use of force under direct federal responsibility.

Set up strong links between the AEC and the CIA, FBI, and other intelligence-gathering agencies to focus on the safeguards problem as it affects national defense and security.

Devise dynamic testing systems for nuclear licensees, including "blackhat" infiltration teams, to determine if safeguard systems in individual plants can withstand attempts to breach them.

The AEC, which earlier this year instituted more stringent regulations to protect nuclear materials, has consistently defended its safeguards system.

"The system is complete for the level of risk today," an AEC commissioner told this newspaper prior to the release of the report. However, he acknowledged that as quantities of nuclear materials in the private sector increased, "existing safeguard requirements may in the future need to be upgraded."

Upgrading materials accounting systems to thwart would-be thieves from diverting weapons, grade materials from nuclear facilities.

The report states that "safeguard systems should be designed to assure that no single failure of an active or passive feature of a system will lead to the inability of that system to perform its function."

Criticisms in the Ford Foundation study said that despite the current inadequacies in the system, further safeguards could be implemented to reduce the risk of nuclear theft to "an acceptable level."

While the threat of nuclear theft is low, the results could be catastrophic, the Ford study warned. Terrorists or criminals could use the materials to threaten groups, governments, or even whole communities.

"It [the problem] will magnify many-fold unless we come to grips with it now," Senator Ribicoff warns.

[From the Hartford Courant, Apr. 27, 1974]

AVAILABILITY OF N-BOMB GOODS HIT

(By Robert Waters)

Washington.—A report to the Atomic Energy Commission (AEC) made public Friday by Sen. Abraham A. Ribicoff, D-Conn., claims that the AEC is using an "entirely inadequate" system to safeguard nuclear explosives from terror groups capable of building their own bombs.

The report, made by a team of four outside experts and one AEC official, claims that the threat "to the public from an illicitly made nuclear weapon is greater than that from any plausible power plant accident."

Ribicoff said he was making the report public because the American people are "entitled to know . . . the serious danger posed by the failure of the AEC to institute an adequate safeguards system."

The report specifically says the recent Patricia Hearst political kidnaping case is an example of the dangers the nation may face if a better safeguard system isn't set up.

"It is our opinion" the report says, "that the kidnaping of Patricia Hearst does not represent an isolated and passing incident but is rather the precursor of a wave of such incidents.

"If not firmly and competently met, these kidnapings may lead to a rise of urban terrorist groups in this country of a sort without precedent in our history.

"These groups are likely to have available to them the sort of technical knowledge needed to use the now widely disseminated instructions for processing fissile materials and for building a nuclear weapon. They are also liable to be able to carry out reasonably sophisticated attacks on installations and transportation.

"We believe these new factors necessitate an immediate and far-reaching change in the way we conduct our safeguards programs."

PARTLY SECRET

Ribicoff said that the AEC report he was releasing was only part of the complete document submitted by the experts. Another separate section is being kept secret, he said.

This section lists "Scenarios" for specific examples—of how uranium and plutonium used in the nuclear power industry may be seized. Ribicoff said the section of the report he was releasing contains no specific outlines or suggestions on how materials can be stolen or bombs produced.

In assessing the AEC's present safeguard system, the consultants said:

"The factors involved in preventing the illegal acquisition of special nuclear material and the subsequent manufacture of nuclear weapons have received a great deal less attention than those associated with power plant accidents. The relevant regulations are far less stringent and we feel they are entirely inadequate to meet the threat."

The experts contended that even though safeguard regulations had recently been strengthened, these new regulations too were inadequate.

"Immediate steps should be taken to greatly strengthen the protection of special nuclear materials."

A major recommendation by the experts is "the establishment of a federal nuclear protection and transportation service . . ."

RIBICOFF BILL

Ribicoff noted that his own bill, awaiting committee approval, calls for a reorganization of the AEC and the establishment of a "Bureau of Nuclear Materials Safeguards."

The study group found that uncertainties in present materials accounting systems, "make it impossible to say that an explosive mass has not been diverted." Furthermore, the study found that "the time delay in the inventory system is long enough to allow a skilled diverter to have constructed an explosive device before the system can reach a conclusion that a diversion has taken place."

Ribicoff termed the report "one of the most important documents ever to come out of the Atomic Energy Commission."

"Its lessons are clear for all Americans. If we are someday to confidently rely on nuclear power as a main source of our electricity, we must begin now to make the handling and transportation of nuclear materials airtight and fool proof," Ribicoff said. "Otherwise we will be held hostage by the very technology that is supposed to give us self-sufficiency and prosperity."

Ribicoff added:

"As serious as the safeguards problem is today, it will magnify manyfold unless we come to grips with it now. It takes only 20 pounds of plutonium to make a crude bomb. The AEC itself estimates that by 1980, there will be more plutonium in the commercial sector than the government sector, including the government weapons program. The present generation of light water nuclear reactors will produce 60,000 pounds of plutonium a year by 1980. The next generation of reactors—the so-called fast breeder, which produces more plutonium than it consumes—will generate 600,000 pounds of plutonium by the year 2000. We must act before it is too late."

The AEC study group consisted of: Dr. John Googin, Union Carbide Nuclear Division; Robert Jefferson, Sandia National Laboratory, AEC; Dr. Daniel Kleitman, professor of mathematics, MIT; William Sullivan, former assistant director of the FBI and former director of the Office of National Narcotics Intelligence (ONNI), and Dr. David Rosenbaum, former assistant to Sullivan at ONNI.

[From the Hartford Courant, Apr. 27, 1974]

RIBICOFF SAYS AEC TRIED SUPPRESSION

WASHINGTON.—An angry Sen. Abraham A. Ribicoff, D-Conn., charged Friday that the Atomic Energy Commission (AEC) attempted to suppress a report outlining "entirely inadequate" AEC systems for safeguarding nuclear materials.

Ribicoff said an AEC member called him Friday morning after learning that the Connecticut Democrat planned to release the story. Ribicoff said he was asked "to sit on it."

"I told them 'you can't do that' ", he said.

"You just can't keep this report from the public, I told the AEC," said Ribicoff.

Ribicoff's comments came after his staff learned early Friday evening that the Congressional Joint Commitee on Atomic Energy, apparently forewarned that Ribicoff was releasing the report himself, distributed copies of it Friday evening in the House of Representatives Press Gallery.

Members of Ribicoff's staff said the premature release of the report was obviously intended to undercut Ribicoff's comments and statements on the report.

Ribicoff himself said he was "deeply disturbed" that the joint committee had launched "this last minute tactic to keep the full story from the people." Ribicoff said he had earlier scheduled the report for Sunday publication in order to give both newsmen working on the story and the AEC itself time to complete a "well-rounded story" on the report.

The Connecticut Democrat said that he had personally ordered copies of his own statement together with the AEC report to be sent into the AEC Friday so that they would have ample time to comment on it.

QUORUM CALL

Mr. FONG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, is there further morning business?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

NATIONAL NO-FAULT MOTOR VEHICLE INSURANCE ACT

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of the unfinished business, S. 354, which will be stated by title.

The second assistant legislative clerk read as follows:

> A bill (S. 354) to establish a nationwide system of adequate and uniform motor vehicle accident reparation acts and to require no-fault motor vehicle insurance as a condition precedent to using a motor vehicle on public roadways in order to promote and regulate interstate commerce.

Mr. MOSS. Mr. President, is the bill now open to further amendment?

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. MOSS. Mr. President, it is our expectation that at least three amendments will be presented today, although under the unanimous-consent agreement, the rollcall votes on at least two of those amendments will go over until tomorrow. For the presentation of those amendments, we will be prepared very shortly.

At this time, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MOSS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOSS. Mr. President, I understand that the bill at the present time is open to further amendment.

The PRESIDING OFFICER (Mr. JOHNSTON). The Senator is correct.

Mr. MOSS. Mr. President, I will in a few moments offer an amendment that I have submitted. It is printed and lying on the desks of each Senator.

First I would like to say a word or two about the general purposes of the bill.

One question that is often asked about S. 354 is: Why does the No-Fault Automobile Insurance Act limit a person's right to sue for his intangible damages in certain cases.

In order to provide every automobile accident victim timely compensation for economic loss—up to certain limits—while at the same time reducing the average cost of automobile insurance. To decide whether or not such a limitation is sound, one must first examine and understand the way in which the present automobile accident compensation system works.

I have at my desk—and I will submit it for the RECORD—a tabulation from the Department of Transportation report on the automobile compensation system which summarizes vividly the working of the present system.

This is a comparison of the reparations received by fatally or seriously injured persons with or without tort recovery by size of loss.

In a case where there is total economic loss of less than $500, 54 percent receive recovery with tort. However, the ratio of net recovery to loss with tort is 4.5 percent, whereas without tort it is 0.8 percent.

Going up to the highest category, 25,000 and over, the ratio becomes even more warped—with tort, it is .3, and without tort, it is also .3.

The table shows what happens to automobile accident victims whose injuries result in various levels of economic loss—both those with recovery based upon fault—tort recovery—and those without such recovery. The overall picture is very bleak. Those with fault-based tort recovery—only 48 percent of the automobile accident victims—recover only 60 percent of their economic loss. Those without fault-based recovery obtain only 40 percent of their economic loss. The inescapable conclusion is that the present compensation of automobile accident victims, either those at fault or those not at fault, is inadequate. The inadequacy is particularly significant when a person is seriously injured and sustains a large amount of economic loss.

This table depicts certain distortions in the present compensation pattern for automobile accident victims. As stated in the Department of Transportation study:

> When the economic loss was small, *i.e.*, less than $500, the victims recovering under tort received an average of 4½ times their economic loss; but, at the other end of the loss spectrum, when loss was $25,000 or more, even successful tort claimants recovered a net recovery of only ⅓ of their economic loss.

In fact, when economic loss exceeded $25,000, the individual, on the average, recovers only 30 percent of his economic loss whether he has or does not have a fault-based claim.

There is a further irony with regard to the performance of the present automobile compensation system. Those automobile accident victims with tort recovery who are theoretically entitled to compensation for both tangible and intangible losses are likely to receive compensation for intangible damage only when their economic loss is small. As the Department of Transportation study notes:

> Furthermore, while tort theory says that qualified, innocent victims are entitled to compensation for all their losses, both tangible and intangible, even successful tort claimants with serious injuries, who presumably also suffered serious intangible losses, do not on the average recover even their economic loss.

How would S. 354 change the automobile accident victim compensation as depicted in table 9?

S. 354 would assure each and every automobile accident victim—whether he had fault-based lawsuit recovery or not—100-percent compensation of his or her economic loss up to about $25,000. All medical and rehabilitation expense would be paid for, no matter how great that expense. In addition, payment for pain and suffering would be made to the most seriously-injured victim, not the least seriously-injured. This table depicts the compensation picture as it would be under S. 354.

It shows that those with serious injuries and valid claims, if they have a small claim, receive more than their intangible loss, while those with a large claim for serious injuries receive less.

Additional recovery for noneconomic detriment would be available to persons seriously and permanently injured or laid up for more than 6 months. Under the bill as it has now been modified, it is 90 days, laid up for more than 90 days. Survivors of deceased victims would be able to sue for their noneconomic detriment in accordance with State law. Recovery for noneconomic detriment would not be related to economic loss, although persons with the greatest economic loss on the average are those with the most serious injuries. But a small child who lost an eye would receive all its small economic loss—that is, medical expenses—and still be entitled to sue for noneconomic detriment—pain and suffering, et cetera.

When we compare the above table to the preceding table describing the present compensation system. The automobile accident victim has gained a great deal by merely eliminating the overpayment of small claims.

The automobile insurance premium payer has also gained a great deal. The independent actuarial firm of Milliman & Robertson, Inc., which was commissioned by the National Association of Insurance Commissioners to develop an accurate no-fault costing model, has presented the best available actuarial information on S. 354. It discloses that average premiums will go down in every State which enacts a State no-fault plan in compliance with the minimum Federal standards in S. 354. The chart I shall submit for the RECORD shows the percentage decreases in average personal injury insurance premium and the dollar savings of the individuals that such a savings makes.

For example, in California, under their legislation, with the new amendments which have been tacked on on the floor, the amount has been recalculated. The amendments which were adopted on the floor changed the 90-day threshold and eliminated the deductible of $2,500 for noneconomic detriment. It has been changed so that the premiums are varied now.

California would go down 22 percent with these amendments included.

For example, my State of Utah would go down 11 percent in premium costs, and so it goes through the whole list. The corrected tabulation is as follows:

TABLE 9.—COMPARISON OF REPARATIONS RECEIVED BY FATALLY OR SERIOUSLY INJURED PERSONS WITH AND WITHOUT TORT RECOVERY BY SIZE OF LOSS

Total economic loss	Percent with tort recovery	Ratio of net recovery to loss	
		With tort	Without tort
$1 to $499	54	4.5	0.8
$500 to $999	63	2.6	.5
$1,000 to $1,499	49	2.4	.7
$1,500 to $2,499	47	2.0	1.0
$2,500 to $4,999	44	1.6	.6
$5,000 to $9,999	44	1.1	.6
$10,000 to $24,999	52	.7	.4
$25,000 and over	42	.3	.3
Total	48	.6	.4

Total economic loss	Ratio of net recovery to loss	
	With tort	Without tort
$1 to $499	1.0 +	1.0
$500 to $999	1.0 +	1.0
$1,000 to $1,499	1.0 +	1.0
$1,500 to $2,499	1.0 +	1.0
$2,500 to $4,999	1.0 +	1.0
$5,000 to $9,999	1.0 +	1.0
$10,000 to $24,999	1.0 +	1.0
$25,000 and over	.9 +	.8
Total	.99+	.9

Note: Percent with tort recovery: Those with serious injuries and a valid negligence claim.

BILL AS AMENDED ON THE FLOOR—I.E.—NO DEDUCTIBLE OF $2,500 AND 90-DAY THRESHOLD

State	
Alabama	16.0
Alaska	3.0
Arizona	14.0
Arkansas	14.0
California	22.0
Colorado	6.0
Connecticut	15.0
Delaware	6.0
District of Columbia	15.0
Florida	13.0
Montana	5.0
Nebraska	2.0
Nevada	17.0
New Hampshire	8.0
New Jersey	23.0
New Mexico	12.0
New York	16.0
North Carolina	2.0
North Dakota	.1
Ohio	13.0
Georgia	18.0
Hawaii	19.0
Idaho	7.4
Illinois	11.0
Indiana	6.0
Iowa	5.3
Kansas	11.0
Kentucky	7.0
Louisiana	17.0
Maine	1.2
Maryland	4.2
Massachusetts	20.0
Michigan	.5
Minnesota	9.0
Mississippi	15.0
Missouri	14.0
Oklahoma	11.0
Oregon	5.0
Pennsylvania	14.0
Rhode Island	14.0
South Carolina	2.0
South Dakota	7.0
Tennessee	13.0
Texas	17.0
Utah	11.0
Vermont	0
Virginia	0
Washington	10.0
West Virginia	14.0
Wisconsin	1.7
Wyoming	.5

But every State, every single State in the Union, would be able to reduce its premium cost under this plan, S. 354, when the State puts it into effect.

Some persons argue that while the compensation requirements make sense, the right to sue should not be restricted. I have a table which shows that the value of the right to sue is not that significant and that most pain and suffering dollars go to persons with small economic loss—and less serious injuries in most cases. The following table from the Milliman and Robertson study shows what would happen to auto insurance premium costs under S. 354 if the bill did not limit a person's right to sue:

State	
Alabama	+1
Alaska	+17
Arizona	+4
Arkansas	+3
California	−3
Colorado	+14
Connecticut	+3
Delaware	+15
District of Columbia	+9
Florida	+7
Georgia	+6
Hawaii	+2
Idaho	+9
Illinois	+9
Indiana	+12
Iowa	+12
Kansas	+7
Kentucky	+10
Louisiana	+6
Maine	+16
Maryland	+16
Maine	+2
Michigan	+19
Minnesota	+11
Mississippi	+1
Missouri	+6
Montana	+12
Nevada	+16
Nevada	−1
New Hampshire	+9
New Jersey	−4
New Mexico	+6
New York	+4
North Carolina	+17
North Dakota	+17
Ohio	+7
Oklahoma	+9
Oregon	+13
Pennsylvania	+7
Rhode Island	+7
South Carolina	+20
South Dakota	+10
Tennessee	+7
Texas	+1
Utah	+9
Vermont	+17
Virginia	+19
Washington	+11
West Virginia	+3
Wisconsin	+17
Wyoming	+12

In nearly every case they would go up significantly.

In summary, S. 354 limits a person's right to sue for his intangible damages in certain cases. This limitation is justified because:

First, the present right to sue for intangible damages does not insure even the auto accident victim with a fault-based lawsuit adequate compensation for major economic loss much less anything for pain and suffering;

Second, S. 354 provides a much more substantial compensation system for all auto accident victims—even those with tort recovery under the present system—at a lower cost than the present system; and

Third, to the extent insurance dollars are paid to auto accident victims for their pain and suffering under S. 354, the recipients will be those with serious injuries rather than those with slight injuries.

The National No-Fault Motor Vehicle Insurance Act limits a person's right to intangible damages which are not to his economic detriment as defined in the bill, and this enables a more equitable recovery for those who sustain injury by reason of the operation of a motor vehicle. It not only makes it sure that every person with injury will receive compensation, but he will receive it promptly and without long delays occasioned by investigation and court suits; and for that reason, the cost of the insurance will be less, but nevertheless, the person's recovery will be certain and swift, and there will be substantially more dollars paid back to the premiumpayer, rather than being utilized for other administrative purposes, lawsuits, investigations, and all of the other costs.

In fact, the study of Milliman & Robertson showed that only 44 cents of every premium dollar paid in for injury insurance arising from automobiles goes back in payment to those who are injured. That means that a person who pays his premium has a chance at only 44 cents on every dollar he pays if he gets injured. Of course, if he does not get injured, the premium is divided elsewhere; that is the insurance principle. But even in the worst circumstances, only 44 cents back to those who pay the premiums and support the insurance industry.

AMENDMENT NO. 1220

Mr. President, I call up for consideration Amendment No. 1220.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. Moss' amendment (No. 1220) is as follows:

> On page 98 between lines 14 and 15, insert the following two new subsections:
>
> (g) FINANCIAL ASSISTANCE TO STATES.—The Secretary is authorized to provide grants to any State for the purpose of reimbursing such State for any governmental cost increases resulting from the implementation or administration of a no-fault plan for motor vehicle insurance in accordance with this Act. The Secretary shall, by regulation, establish procedures for awarding such grants on a fair and equitable basis among the States.
>
> (h) AUTHORIZATION FOR APPROPRIATIONS.—There is authorized to be appropriated to the Secretary to carry out his responsibilities under this Act such sums as are necessary, not to exceed $10,000,000, such sums to remain available until expended.

Mr. MOSS. Mr. President, this amendment would authorize the Secretary of Transportation to make financial assistance available to the States to help them meet the cost of converting to a no-fault motor vehicle insurance system and the cost of implementing the national standards in S. 354. Specifically, the Secretary is authorized to provide grant money "for the purpose of reimbursing any State for any governmental cost increases resulting from the implementation or administration of a State no-fault plan for motor vehicle insurance in accordance with this Act." The amendment requires the Secretary to establish fair procedures for making such grants on a fair and equitable basis among the States. Ten mililon dollars is authorized to be appropriated for this purpose, in a single authorization to remain available until expended.

Mr. President, there is no question but that this bill, S. 354, imposes obligations on the States, the obligation to comply with the national standards for no-fault motor vehicle insurance. It is within the power and duty of Congress under the Constitution to set these standards and it is wise policy to set these standards for the States to meet rather than to have the Federal Government take over the whole business of regulating and administering insurance from the States. But even though it is in the best interest of our Federal-State relations to merely set national standards, it does not seem fair for one level of government—the Federal Government—to set the standards and for another level of government—the State governments—to have to pay all the costs and carry all the financial burdens of converting to the system mandated by those standards.

This amendment cures any potential unfairness by, in essence, directing the Federal Government to hold harmless the insurance departments and commissions of the 50 States. And there are costs involved in converting to a no-fault auto insurance system, primarily the educational and public information program costs in acquainting agents, brokers, and drivers with the provisions of the new law and with instructions on its operation, and in answering questions from private citizens as well as companies.

Mr. President, let me make it perfectly clear that this limited financial authorization is not a device, like some grant-in-aid programs, through which the Federal Government will take over State insurance departments. There is absolutely no provision for continuing financial assistance to State insurance regulators. Once the no-fault plan in accordance with national standards is implemented and functioning, there will be no need for Federal appropriations.

This amendment will ease the transition to nationwide no-fault and pledge the Federal Government toward paying its fair share of the cost of implementing this system which can save so many lives, restore so many traffic victims through rehabilitation, speed up compensation, eliminate discrimination against senior citizens and poor people, and raise public respect for the legal profession by taking away the incentive for "ambulance chasing." The driving force in this great enterprise will be the 50 States and their insurance commissioners, but there is no reason why they should be forced to incur extra expenses to the extent that it is Congress that has set the standards.

Mr. Justice Douglas, in his new book "Go East Young Man," writes:

> I came out of my five-year tour of duty in the Executive Branch convinced that while national standards were needed to eliminate discrimination, produce equity and raise the level of our county courthouses, the driving forces should be local. The standards, in other words, should come from the center—whether it be setting minimum wages on one hand, or the ban on warrantless arrests

. . . on the other. But the execution has to be local.

Mr. President, I agree with that observation with the qualification that we should help pay the cost of that local execution when it directs the change in policy.

Mr. President, I note on my amendment that there are two small errors in the designation of the subsections to be added, and I ask unanimous consent to modify the amendment as follows:

On line 1, page 1, of the amendment, change the "(g)" to "(h)", and at the beginning of line 3, on page 2, change the small "(h)" to "(i)".

The PRESIDING OFFICER. Without objection, the amendment is so modified.

Mr. MOSS. Mr. President, I know of no opposition to the amendment. As a matter of fact, I think it would be welcomed by those who have some reservations about the States taking over the no-fault and, therefore, I think it would not be opposed. I think that those who have any reservations about the amendment will see it as an opportunity to save the States harmless so no increase in cost would be put on their insurance department by shifting over to the no-fault system.

Mr. TAFT. Mr. President, I have no personal objection to the amendment, so far as I know. I understand that the senior Senator from Nebraska is anxious to be heard on the subject of the amendment and, in the absence of the senior Senator from Nebraska, I suggest the absence of a quorum if the Senator from Utah does not object.

The PRESIDING OFFICER (Mr. HATHAWAY). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MOSS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. MOSS. Mr. President, I move that the Senate stand in recess, subject to the call of the Chair, but no later than 2 p.m. today.

The motion was agreed to; and, at 1:09 p.m., the Senate took a recess, subject to the call of the Chair.

At 2 p.m. the Senate reassembled when called to order by the Presiding Officer (Mr. ALLEN).

Mr. MOSS. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is on agreeing to the amendment of the distinguished Senator from Utah (Mr. Moss) No. 1220 as modified.

Mr. MOSS. Mr. President, I had about finished my discussion on that. I had understood there was perhaps going to be some discussion by the Senator from Nebraska but I do not see him here at this moment. I have been informed that the Senator from Minnesota (Mr. MONDALE) will be over here very shortly to call up his amendment.

I move, therefore, that the pending amendment be temporarily laid aside until we can give the Senator from Nebraska the opportunity to indicate whether he intends to speak against it or not.

The motion was agreed to.

Mr. MOSS. Mr. President, it is my understanding that there may be a speech or two on the bill. Senator MONDALE has indicated that he would be here within 10 minutes and, for that reason, I think I should suggest the absence of a quorum, and I do suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. DOMENICI). The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLEN. Mr. President, in the short span of 3 years since the Department of Transportation completed its study of the auto accident reparations system more than 400 no-fault bills have been considered by the States. Virtually every State has been carefully studying the problem and 21 States representing more than 42 percent of the country's population have taken affirmative action in the area of no-fault legislation. In the 1974 sessions of the State legislatures, 39 of them are again considering the subject and a number of these no-fault bills have a reasonable chance of enactment this year. I believe that this graphically illustrates real progress toward achieving the ultimate goal of total reform in this area. While these plans may not be as uniform as some would desire, they reflect the needs of individual States as determined by their elected lawmakers. This demonstrates that the individual States can do the job in conformity with the wishes of their people without a Federal program being forced upon them.

For those who believe the only way to reform long-standing systems and institutions is to tear them down overnight, this response by the States may be criticized as too slow. But I think this legislative batting average is very good, considering the great complexity of the problem, the wide range of viewpoints as to how best to deal with it, and the fact that any substantial changes will abrogate fundamental, long-established human rights and prerogatives.

The officially stated policy of the Congress insofar as regulation of insurance is concerned is set forth in the McCarran-Ferguson Act, as follows:

> The Congress hereby declares that the continued regulations and taxation by the several states of the insurance business is in the public interest. . . .

I perceive no public outcry to change this policy and yet S. 354 attempts to do so by a flanking maneuver under the guise of "improvement" in auto reparations. The bill presents the carrot of continued State regulation by stating specifically in section 109 that—

> The commissioner, in accordance with applicable state law, shall regulate restoration obligors providing security covering a motor vehicle in his State. . . .

This carrot is on a Federal string, however, because in section 201, this authority is taken back by providing for preemption and initial and periodic review of State no-fault plans by the Federal Government. Right now, States have the right to regulate rates, establish residual market plans, approve forms, oversee assigned claim plans and many additional regulatory prerogatives. Under the national no-fault scheme, these rights would be subject to "periodic review" by the Federal Government. A straitjacket of conformity would be imposed on the States, regardless of local needs or desires, by a group of Federal bureaucrats.

I submit that this is neither necessary nor desirable. States are already responding to the need for reform of the reparations system. These changes are being made on the basis of local requirements and preferences. Congress has spoken through the McCarran-Ferguson Act, to which I have just alluded, that the regulation of insurance by the several States is in the public interest. I see no reason to change this policy directly or indirectly. The States have evidenced expertise and ingenuity in regulating insurance and the no-fault issue should not indirectly do what Congress has not seen fit to do directly—erode away another cornerstone of State authority that has served the public responsibly over the years.

Several constitutional questions have been raised during the course of the hearings on this bill. Some of them were made a part of the CONGRESSIONAL RECORD of December 22, 1973, by Senator HRUSKA and dealt primarily with the testimony of Dr. Mitchell Wendell. Included were questions dealing with the power of Congress to authorize States to enact no-fault laws; the authority of a State to administer a Federal no-fault law different from or in preference to the State law; then the effect of mandating particular kinds of State administrative structures and relationships in the likely result of enactment of S. 354. In addition, several State bar association officials have raised the issues of equal protection and due process of law particularly in regard to the threshold concept.

I do not hold myself out as a constitutional expert although I am concerned particularly about the State-Federal relationship questions that have been discussed. For example, I cannot help but wonder where the State agencies are to obtain the money to administer the various portions of the act if they are forced to come under title III. I envision substantial administrative costs under title II also, which will have to be budgeted for in the State no-fault legislation to be adopted. Since it is in effect a Federal act not needing approval of a State legislature, is the Federal Government authorized to raid the State treasuries to administer the act? And that would be the effect of the act. Or must the States pass legislation even for title III? Similar questions have arisen with respect to the 55 miles per hour speed limit and it is my understanding that several States will not put this limit into effect until it is approved by their State legislatures.

I might state that in my home State of Alabama the 55-mile-an-hour speed limit has been put into effect by executive order without waiting for the legislature to act and it is working very efficiently and effectively.

The same could be true with respect to title III here.

In any event, I do share the concern of many over the constitutional issues raised here, not only from a philosophical and legal standpoint but from an economic one as well. In this period of rampant inflation and public concern over costs, the economic consequences of the possible invalidation of S. 354 should make us pause. These consequences would fall most immediately, of course, upon insurance companies but that is not my primary concern. I am worried about the inevitable rate increases that would be passed on to the public in the event that S. 354 increases the companies' losses and expenses.

We have no way of telling in advance what those increases might be, but the experience of Illinois and Florida might give us some guidance.

In 1971, Illinois passed a no-fault law providing modest no-fault benefits and a very limited restriction on tort rights. A constitutional challenge was anticipated, but companies were obliged to develop plans for implementing it well before the law went into effect on January 1, 1972—Normally, companies need at least 60 to 90 days before the effective date of an act of this nature to program their computers, develop and submit policy forms and rates, train agents and adjusters, and educate their policyholders. In addition, policyholders whose contracts expire in the first month of the new law will have their renewals processed before the act goes into effect—in the fall of 1971, a taxpayer's suit was filed in the Circuit Court of Cook County challenging the constitutionality of the law and seeking an injunction against the various State agencies to stop them from administering it. On the day before the law was to go into effect, the trial court held it unconstitutional and issued the injunction. The companies had already made the necessary and, I might add, costly preparations to implement the new law. In addition, the companies had issued their policies with the broader benefits at the same rates as before, in anticipation of some saving from the tort limitation. Technically, in view of the notice of appeal, the law was still in effect until a final determination by the Illinois Supreme Court.

The companies were forced to continue providing no-fault benefits at the same rates until a final decision came down 4 months later. It was estimated that this period of uncertainty cost companies in Illinois some $10,000,000 in "tooling up" costs and approximately $65,000,000 in losses incurred without offsetting premium.

In Florida, the property damage portion of the law was invalidated last year, almost 2 years after the law went into effect. Here the companies were forced to go back and review all of their old cases in order to segregate and renegotiate those that could be reopened because of the invalidity of the threshold. While no overall estimates have been made of the cost involved, it is certain it could run into millions of dollars.

These illustrations show the detrimental economic effects that can occur should a no-fault law be held invalid. This concern can be multiplied one-hundred fold with respect to S. 354. Florida and Illinois no-fault laws had very modest benefit levels and were confined to single States. S. 354, on the other hand, has unlimited medical benefits and substantial wage loss, loss of services and survivors benefits in both titles II and III. Should these laws be held invalid after the implementation period and after policies have been issued, the results could be catastrophic. With no cost-saving features and very broad benefit levels, companies would be "on the hook" for many hundreds of millions of dollars. Such a decision could create serious financial problems for many companies, particularly the smaller ones. But more important, rate increases for the public are rendered likely if not inevitable.

This is one more reason for supporting State-by-State solutions rather than a national program. There is no way that the constitutionality of a no-fault law, Federal or State, can be determined with finality in advance of its actual implementation. Individual State constitutional determinations, while burdensome, will not create as much havoc as a nationally imposed system such as proposed in S. 354.

The rights and obligations of motorists and accident victims have long been defined, enforced, and governed by State law. But S. 354 would change all that and put it on a national basis. A strong presumption therefore exists in favor of State responsibility and prerogative for changing that system. Only a showing of callous indifference or disregard by a State for the best interests of its citizens should rebut that presumption. No such showing can be made, and, on the contrary, we are witnessing an ever-increasing amount of serious study and action by the States on this issue.

It is rather easy for everyone—academicians, lawmakers, and insurance people included—to criticize the existing fault system on a variety of counts. It is not so easy, on the other hand, to design a new program to supplant it. The reordering of an entire system of intricately balanced rights and responsibilities in a way that is fair, equitable, and workable, is a truly monumental task. In my opinion no one has the knowhow to accomplish it overnight by adequate experimentation and experience-gathering, in a real-world framework.

The State-by-State process may not immediately produce as uniform a pattern of no-fault laws as S. 354 would mandate, but there cannot be genuine experimentation without reasonable flexibility to test out different approaches. Out of the crucible of State experience, the best reparation systems will emerge. Most important, a defect arising in the law of one State will do only one-fiftieth the mischief it would do in a nationally mandated program before it can be corrected.

One area of concern that has been of major importance is the cost aspects of S. 354. Certainly, the estimates of cost by different actuaries have varied considerably. This occurs because the only statistics available are those generated under the liability system, and because many judgmental assumptions must be made as to what will happen under a real world no-fault program. The truth of the matter is that no one can provide any really dependable assurances or guarantees as to how much a program of this magnitude will end up costing.

Even Milliman and Robertson, the proponents' own actuaries, have placed many caveats on their cost estimates. They say:

> Although the conclusions presented in this report are probably the best estimates available, it should nonetheless be recognized that they are subject to a high degree of uncertainty as well as being very susceptible to misinterpretation. It thus becomes essential to specify that those conclusions neither be used nor released except in conjunction with a thorough understanding of the following caveats.

The points listed can best be summarized as follows:

First, premium changes will vary by size of vehicle;

Second, the study does not deal with changes in territory or classification which may be substantial;

Third, cost implications of the input assumptions and supporting data base to model should not be underestimated or overlooked;

Fourth, no attention was given to existing premium rate levels;

Fifth, the study is confined to the auto system and not the effects of changes in the system on other types of insurance; and

Sixth, there is no attempt to predict the effects of other influences on auto premiums such as auto safety or the energy crisis.

It is confined to the cost of a single bill.

Many of the particular problems alluded to by Milliman and Robertson worry me. For example, aggregate or average figures do not tell the story for individual groups of insureds.

This bill effectively abolishes the difference between right and wrong, between fault and no fault, and imposes a liability without regard to who was to blame.

S. 354 mandates a sudden, almost 180-degree swing from a fault base to a near-total no-fault system, which abolishes loss-shifting by tort, the mechanism by which those who cause the most accidents and losses are required to bear the greatest share of the premium burden. The overall effect will be to thrust the biggest proportionate share of the cost of the new system on the shoulders of those who least deserve a premium boost.

The low-mileage, private-passenger car owner, for example, will be paying a relatively bigger share of the total premium burden and the trucking company less than at present. The careful, law-abiding motorist will pay a relatively bigger share and the habitually negligent driver a small share because there will no longer be loss shifting through tort. The middle-aged family man will pay more in relation to the young, unmarried hotrodder because the former will have to insure his entire family while the latter normally pays for himself alone. Rural residents will, as is brought out in the Milliman and Robertson report, pay relatively more and urban residents less because the impact of the threshold is more in urban areas with their high incidence of lawsuits than in rural areas.

Milliman and Robertson also cites the cost implications of the input assumptions including psychological factors affecting tort action rates and large first-party loss projections. Along these lines, I am concerned about cost escalation with many of the interworking provisions of the bill, particularly the unlimited benefit provisions and the penalty sections.

No comparable precedent exists in the way of private or social insurance which affords such completely openended benefits. Both medicare and Blue Cross have built-in limitations on benefits. Yet, the inflationary impact even those programs have apparently had on utilization and cost of hospital facilities and services is well known. We must assume S. 354 will have at least as serious an inflationary effect in the area of vehicle injury cases, both as respects medical/hospital care and rehabilitation services.

Add to these considerations the fact that the ability of companies to identify and resist claims involving overtreatment or overutilization of medical/hospital facilities will be handicapped by the severe sanctions imposed by S. 354 on insurers for not paying each and every claim within 30 days of presentation. The penalties for any delay beyond that period are such that insurers may not be willing to risk questioning many doubtful claims. The end result will be an increase in costs, which must ultimately be reflected in rates.

A selected portion of the final results of the Milliman and Robertson study has been vaunted by the proponents as the greatest thing since the internal combustion engine. Interestingly enough, even the author of the study took issue with this and sought a retraction because it misled the public. For some motorists who now have sizable rates because of their extraordinary hazard, the subsidy by their fellow citizens under this law will be very pleasing. But for the many other responsible citizens, whose rates are increased, this law will generate a hostility that will know no bounds, particularly when they learn that the major reason for the increase is the subsidy for the careless. The final result of this could be regrettable for all.

S. 354 will also have an unfortunate, perhaps lethal effect on small insurance businesses. Many of these companies have operated for many years in the best tradition of American small business enterprise, serving capably and progressively the insurance needs of important segments of the motoring public. Historically, they have pioneered new innovations, new coverages and lower cost products in the true spirit of the American free enterprise system.

These companies do not have national operations. Most of their exposure to loss is localized in a State or small group of States. I am fearful that the unlimited, open-ended exposure mandated countrywide by this bill could seriously jeopardize the ability of many of these small but good companies to grow and furnish capacity and competition in the auto insurance market—perhaps even to remain in the market. This reading comes straight from managers of such companies, a number of whom testified before the Judiciary Committee. Reinsurance costs for the unlimited benefits and the reserving requirements when the cost is indeterminate or where the duration of the loss is unknown are of considerable concern to them. As small companies they must have reinsurance, regardless of cost, and the reserving must be done in order to maintain any semblance of financial stability.

The Congress has always favored the entry and growth of small entrepreneurs and has disfavored heavy economic concentration within an industry. The effect of S. 354 upon the insurance industry would, I believe, be just the opposite of this policy.

In conclusion, I would ask my colleagues to remember that few systems for handling socioeconomic problems are either all good or all bad. It therefore makes sense to try to combine the best features of the existing and the proposed.

While the American public would undoubtedy like to see many changes for the better in the automobile accident reparations picture—and, as well, in a host of other systems in this country affecting their pocketbook—I am unaware of any strong wave of sentiment for total or near-total overturning of the whole system. In fact there are many solid indications that the prevailing sentiment is for more moderate reform.

In other instances where prudent government has embarked on journeys into essentially uncharted waters with new benefit programs, they have not felt it either necessary or wise to try to jump all the way from home base to theoretical infinity in terms of totally covering every conceivable risk or hazard of loss. I see no warrant for singling out auto accidents to be the sole exception.

Mr. President, I ask unanimous consent to have printed in the RECORD an appendix showing the cost increase of S. 354, together with an article that appeared in the Journal of Commerce; a letter from Gov. George C. Wallace of Alabama addressed to me in opposition to the no-fault insurance bill on the theory that it would infringe upon the rights of the States, a statement by the Honorable Francis H. Hare, one of the most eminent attorneys in Alabama, before the Committee on the Judiciary of the Senate in opposition to the no-fault auto insurance plan, which is dated January 31, 1974.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

APPENDIX E: STAFF TABLE SHOWING COST INCREASE OF S. 354 WITH LOW BENEFIT, LOW THRESHOLD, AND $2,500 PER CLAIM DEDUCTION COMPARED TO TOTAL SYSTEM CLAIM COSTS

Ratio of increase

	Percent
Alabama	31.0
Alaska	9.2
Arizona	16.6
Arkansas	29.4
California[1]	3.9
Colorado	20.0
Connecticut[2]	−2.7
Delaware	19.2
Florida	9.9
Georgia	30.1
Hawaii[1]	−5.2
Idaho	34.0
Illinois[2]	11.8
Indiana	20.8
Iowa	20.9
Kansas	23.3
Kentucky	24.5
Louisiana	23.4
Maine	18.7
Maryland	7.2
Massachusetts[2]	−9.3
Michigan	17.6
Minnesota	12.4
Mississippi	28.6
Missouri	11.1
Montana	27.9
Nebraska	23.9
Nevada	22.2
New Hampshire	8.1
New Jersey[1, 2]	−11.1
New Mexico	24.4
New York[1, 2]	−11.1
North Carolina	13.5
North Dakota	34.4
Ohio	15.7
Oklahoma	20.4
Oregon	21.6
Pennsylvania	8.0
Rhode Island[1]	4.6
South Carolina	14.2
South Dakota	31.0
Tennessee	14.8
Texas	19.4
Utah	14.6
Vermont	21.2
Virginia	21.8
Washington	14.8
West Virginia	19.9
Wisconsin	13.3
Wyoming	29.3

[1] State temporary disability law.

[2] Tort propensity.

APPENDIX F

RECASTING BY VEHICLE TYPE (CALIFORNIA PREMIUM MODEL—1972)

Item	Premium in millions		
	Total	Private passenger	Commercial
1. California liability premium	1,326.2	1,077.5	248.7
2. Less property damage	(349.0)	(269.4)	(79.6)
3. Personal injury premium	977.2	808.1	169.1
4. Less medical	171.5	161.6	9.9
5. Available for tort remedy	805.7	646.5	159.2
5a. Tort percentage of premium	(100.0)	(80.2)	(19.8)
6. Threshold savings (45 percent, line 5)	(362.5)	(290.9)	(71.6)
7. No fault added coverages	409.2	490.2	0
8. Total no-fault benefits	852.4	764.8	87.6
9. Percentage of premium after threshold use	(100.0)	(90.0)	(10.0)
9a. Percentage change after threshold use	(+5.8)	(+18.3)	(−45.0)
10. Social security, UCD offsets, etc. (15.8 percent line 5: 65 percent PP: 35 percent Comm)	(127.7)	(83.0)	(44.7)
11. Net no-fault benefits after offsets	724.7	681.8	42.9
12. No-fault percentage of premium	(100.0)	(94.1)	(5.9)
13. Savings—No fault over tort	(−10.0)	(+5.5)	(−73.0)
EFFECT OF INCOME TAX DEDUCTIONS			
14. Liability premium tort remedy (1972)	805.7	646.5	159.2
15. Payable after 40 percent income tax deduction (1972)	?	NA	95.5
16. No-fault premium (net) (197?)	724.7	681.8	42.9
17. Premium payable after 197? tax deduction			25.7
18. Premium savings from no fault (197?)			69.8

Source: Herbert F. Wells, chief product research specialist, Farmers Insurance Co.

WILL FEDERAL LAW HAPPEN? "HOPE NOT," SAYS PRODUCER

(By Lynn Brenner)

Although the passage of federal no-fault by the Senate Commerce Committee last week was greeted hopefully by such industry associations as the American Insurance Association, a spokesman for New York producers last week told The Journal of Commerce that he hopes federal no-fault legislation will not become a reality.

Abraham Eisenstein, president-elect of the New York State Association of Insurance Agents said that "I honestly and sincerely hope it does not" become a federal law.

FAVORS NEW YORK LAW

Mr. Eisenstein emphasized that he is all in favor of the New York no-fault law, and that the question of federal no-fault must be taken "in proper context.

"If all they're saying is that unless the states come up with a reasonable facsimile of their standards, they'll have to pass legislation, that's good—if it helps to spur the states to pass their own no-fault laws."

But Mr. Eisenstein stressed that while in favor of possible guidelines, on a federal level, he feels that government in general "has discovered that by virtue of its authority, it can stick its two cents into any field. I don't want them not to be interested—but they don't know when to get out of a business."

MAIN OBJECTION

Mr. Eisenstein went on to explain that his primary objection to federal no-fault legislation would be that it would have to be based on "a least common denominator".

The New York law, for instance, of which he is an advocate, has a limit of benefits which, he said, would be far too high for Puerto Rico. (New York's limit of benefits under no-fault is $50,000. Puerto Rico's law has a limit of $2,500.)

Guidelines are all right, Mr. Eisenstein said, "they're a legitimate governmental interest. But nobody knows New York needs like we do."

Citing another example of what he feels is New York's more-than-average performance, the agent referred to the fact that under New York law, "the producer must learn through an educational process what his responsibility to the public is."

In some other states, Mr. Eisenstein said, requirements for licensing of agents and brokers do not mandate a formal training period. "Standards are lower elsewhere," he said.

Mr. Eisenstein made a point of emphasizing that he favors the no-fault concept, and believes that the New York law is working well.

EXPERIENCES AIRED

Explaining that he had recently returned from the Boston Eastern Agents Conference, a meeting of producers from Maine to Delaware, Mr. Eisenstein said he had the opportunity to discuss the progress of no-fault in states where the law has been in operation longer than it has in New York.

In Connecticut, he said, the insurance department has found, through a recent survey of the no-fault law, that there have been far fewer complaints from insureds under the new system than there were under the old tort system.

Mr. Eisenstein pointed out that this success is encouraging, especially, he added, since the Connecticut no-fault law is inadequate compared to New York's. The Connecticut law has a benefits limit of $5,000.

Mr. Eisenstein further pointed out that Connecticut went to compulsory auto insurance at the same time as no-fault, hoping to eliminate a 10 per cent segment of uninsured drivers.

The ratio of uninsured drivers in Connecticut had not really been improved, he said. "But in New York, we learned that 15 years ago.

"But our percentage of uninsured drivers is impressively lower, even with the greater volume of cars."

SERVE CLIENTS BETTER

In Massachusetts, Mr. Eisenstein said figures show that agents can serve their clients better under the no-fault system. Massachusetts has had a no-fault law for three years. Mr. Eisenstein quoted a high source in the Massachusetts Insurance Department as saying that under no-fault, the complaint ratio from the public is "phenomenally low"—one complaint a month.

Mr. Eisenstein expressed the hope that a survey of New York no-fault would be possible in September, after the law has been in operation for a number of months.

He added that New York's standards in this area have been high. No-fault, he said, also gave the companies a chance to demonstrate a sense of "corporate citizenship", in which they had all too often been backward.

"Companies shouldn't be ashamed to show their face in public and live up to their civic responsibility. And this gives them a chance to demonstrate it," as well as giving the producer a greater opportunity to serve his clients.

MARYLAND BILL KILLED IN HOUSE

ANNAPOLIS.—Legislation that would have yielded about $1.2 million extra annually to firms that finance auto insurance policy payments in Maryland was killed in the House of Delegates earlier this week by a 57 to 52 vote.

The bill would have allowed an increase of up to 50 per cent in the interest that could be charged on the so-called "premium finance" loans.

This would have amounted to about $1.50 for each $100 lent out.

FORCED TO BORROW

According to delegate Martin S. Becker, D-Montgomery, the bill's floor manager, about 250,000 Marylanders each year are forced to borrow money to finance their automobile insurance policies.

Without the interest rate increase, he said, many of these motorists would not be able to find financing, and thus will not be allowed to drive, since auto insurance, is compulsory in Maryland.

STATE OF ALABAMA,
GOVERNOR'S OFFICE,
Montgomery, Ala., March 19, 1974.

Re. S. 354—National No-Fault Motor Vehicle Insurance Act.

Hon. JIM ALLEN,
U.S. Senator,
Senate Office Building,
Washington, D.C.

DEAR SENATOR ALLEN: The above bill proposing a Federal No-Fault Insurance Program is presently pending in the U. S. Senate. I strongly oppose passage of that bill and, likewise, the National Governors Conference and the Council of State Government are both on record as opposing this legislation.

In testimony before the Senate Judiciary Committee, Professor Norman Dorsen, Professor of Constitutional Law at New York University School of Law, said in part, "What we have in Title III is a detailed plan imposed on states that will not, or constitutionally cannot pass, their own no-fault law. Title III commands state officials to perform their duties according to a Federal mandate, even if the state has not authorized these officials to act in the indicated manner.

"I know of no other Federal law that purports to employ state officials in this way. In the light of the entire statutory scheme, the net effect of S. 354 could be to impair the essence of statehood under our Constitution. If it is enacted, there is reason to believe that the Congress will have 'overlept the bounds of power,' *Steward Machine Company vs. Davis* 301 U.S. 548, 587 (1937), and intruded in state autonomy in a manner not contemplated by our basic charter."

It is my strong belief that if no-fault is to become law, it should be enacted by each state individually tailored to meet the needs of its increase in coverage upon the citizens of Alabama resulting in increased premiums which many cannot afford to pay. Insurance coverage and rates should be established in accordance with the loss experience and driving records in each state. To force upon the citizens of Alabama coverage and premiums which reflect the driving habit and loss experience of states such as California and New York would be a grave disservice to our people.

I strongly urge that you oppose S. 354 and that you contact your colleagues in the Senate and request that they do likewise.

With best wishes and kindest personal regards, I am

Sincerely yours,

George C. Wallace,
Governor.

STATEMENT BY FRANCIS H. HARE

Mr. Chairman, my name is Francis H. Hare. I am a resident of Birmingham, Alabama. I am a trial lawyer.

I confess to a great feeling of deference. First, because I am addressing the distinguished Judiciary Committee of the United States Senate and, second, because I have the honor to speak in behalf of the Association of Trial Lawyers of America and in part for the International Academy of Trial Lawyers and, finally, because the subject involves the most important question of legislative principle and conscience of any bill that has been before this body in my lifetime.

I came here to invite you to test the so-called No-Fault Bill. You have already heard, or will presently hear, that Bill subjected to the test of economics by using the expertise of actuaries and men familiar with statistics and financial problems. The Bill fails that test, but that problem is not within my assignment here.

You will test the Bill alongside the terms of the Constitution of the United States. As a lawyer, of course, I have an opinion on that matter. I am convinced that the Bill is unconstitutional. But neither is that aspect of the Bill within the scope of what I came here to say.

I am here because to my knowledge no serious and searching effort has been made to lay down against the text of this Bill the ancient and accepted, the cardinal commandments of statesmanship, of legislation—the test of right and wrong.

THE BILL IS UNCONSCIONABLE

I will not insult you gentlemen by citing reason or authority for the proposition that the first commandment in making laws is justice and that the definition of justice is "right and wrong." I hasten to apply that test to this No-Fault Bill. We do not have long to wait—no longer than it takes to read the title, "No-Fault."

The essential philosophy of the Bill is to abolish in courts of law any difference between right and wrong, any distinction between the guilty and the innocent in automobile cases. The bold and brazen war cry of the Bill is that it equates the good with the bad, the wrongdoer and his innocent victim.

The purpose of a law is to do justice. The very definition of justice is the difference between right and wrong. Any so-called law that announces at the threshold that it is too expensive or too much trouble for the courts of justice to distinguish between who is right and who is wrong offends the basic and eternal standards and principles of jurisprudence which you lawmakers are here assembled to protect.

At the risk of repeating myself, I ask that we look again at the basic essence of the proposed Bill. No English-speaking country, no civilized nation west of the Iron Curtain, not even Russia has abolished the concept of justice itself by denying the innocent relief against the wrongdoer on the theory that it is a matter of indifference or difficulty to the law to distinguish between right and wrong.

The proponents of this Bill have spent perhaps a hundred million dollars in advertising and propaganda to gain acceptance of it from the American public. Those who will be defendants in automobile cases in the future know they will be defendants and are organized. The victims of the future, those who will be plaintiffs, have no way of knowing that fact and they are not organized. But the verdict of history on this No-Fault proposition will come when the years bring their toll of 60,000 dead, a half million seriously injured and millions who suffer property damage and when they find that the greedy insurance companies have robbed them of two of the most precious rights a citizen can have: These two same rights which I have named: The right in the name of justice to demand a difference between right and wrong and the right of every human being to remedy against a wrongdoer who has mangled his body and inflicted pain and suffering upon him.

THE IMPORTANCE OF PAIN

Bear with me a few minutes and let me discuss pain with you. The high-handed authors of the Bill would sweep aside the idea of pain as if it were the invention of lawyers and not anything really important in the deliberations of Senators and Congressmen or among the rights of citizens.

Very few people who have been the victims of intense and prolonged pain ever receive a jury verdict that is anything like adequate for what they have suffered. Pain is not only unpleasant to endure; it is unpleasant to think about. The only chance of fair consideration for the victims on the issue of pain and suffering is to persuade the lawmakers to steel themselves to the disagreeable task of looking at the shocking reality of what pain is and what it does to a man. It is human nature to keep our minds from the impact of other people's troubles as we much keep our minds from the thought of our own eventual death. If we did not have this "mental block" we would all be the victims of such anxiety and concern that we could not stand it. We would become insane. You gentlemen, like the trial lawyer and the trial jury, have the duty to overcome that abhorrence and look at pain and see it for what it is. It is like opening a window into Hell.

Portia observed that mercy is an attribute of God. Pain is an attribute of the Devil. Pain is the blood brother of death. They are partners and allies and the chief enemies of man. A man in great pain has asked for death to give him peace, but no man ever asked for pain.

Pain is a cruel monster—choosing as its victims the helpless and sick who are the least able to bear it. It loves to prey on children. It attends every human birth, and it torments the last minutes of the dying who have little enough time to make their peace with God and say goodbye to their loved ones.

When the time comes for a defendant to pay for the misery he has inflicted, he asks that you take an attitude of tolerance toward pain as if it were nothing really worth a lot of money. He is asking that your mind tolerate pain, which is something your body will never do. An hour of pain is a sample of hell. It is this sickening horror, this tool of torturers, this scourge of mankind that you are asked to belittle and ignore.

If you believe in religion, you believe that an Omnipotent God thought nothing worse as a supreme punishment in hell than to make it a place of pain. If you don't, then you believe that the accumulated imagination of man could imagine nothing worse.

Look at the law's attitude toward pain—wherever it arises outside of an action for damages. The law forbids cruel and unusual punishments. The law says to the state:

"You can inflict any other punishment, but you cannot use the lash on any man. Many say you can take a man's life so long as you do it without pain. You can kill him, but you may not hurt him."

What about the men who invented anesthesia? The men of medicine who taught us how to get rid of pain for an hour during an operation are immortal. They are heroes of science because they taught us to push back pain for an hour.

I do not see how a man can ask you to make friends with the idea of pain, or to tolerate it or belittle it any more than he would ask you to accept and fraternize with a murderous enemy of your country, or to say of a malignancy in your body—"It is nothing but a cancer."

Penology will not tolerate pain for murderers and criminals. By the same token, the innocent victim of an accident is not unreasonable in insisting that when it comes to payment in dollars, his pain should be considered with the same enormity as it is considered by God and man, by law and medicine, by human experience, and as you will one day come to measure it when your time comes.

Sir Geoffrey Jefferson, in his foreword to "Pain," by White and Sweet, said:

"Pain works to such a degree on man's emotions, so reduces his usefulness to himself and others, so shakes his morale, that we must rehabilitate him if we can."

The finger of pain leaves its own traces on the human face, with a look in a man's eyes and the very way he carries himself. Long continued pain enervates and saps the life and strength from a man and his organs.

Dr. C. M. MacBryde [1] has said:

"Continued pain has been demonstrated to have deleterious action upon vital organs, such as the heart and kidneys . . . elevation of arterial blood pressure, cardiac arrhythmias, cardiospasm, disturbances of gastric and colonic function . . . the facial expression of true pain—the pinched features, the pallor, the clammy skin, the dilated pupils, the knotted brow—cannot be imitated by the malingerer: These, with the intermittent involuntary cry or groan and the characteristic writhing or bodily contortions, present an unmistakable picture of suffering."

On page 17, he says:

"Pain may * * * cause profound disturbance in the function of vital organs. Shock from pain may be so profound that death results. * * *"

Pain is the opposite of pleasure, the antithesis of comfort. A man thinks nothing of spending as much money as he can get for an evening of pleasure or a day of comfort, but it is hard for him to see how heartless it is to deny some miserable wretch a few dollars a day compensation for suffering pain the rest of his life.

The judge can only say to the jury:

"I can give you no yardstick by which you can measure pain in dollars."

Judges have no yardstick to measure pain, but man has measured pain in the laboratories of human experience in many ways. And everywhere that mankind has had occasion to put pain in one side of the scales and money in the other, he has not hesitated to decide that pain tilts the scales as men count values. We pay the dentist or the surgeon a lot of money for an anesthetic to escape pain for a short while.

I had a friend whose little child had an ailment which caused constant and daily pain. Fortunately there was a medicine that could relieve this pain, but which cost $5 a day's supply. Can you imagine her parents sitting with her one morning almost feeling her pain themselves and saying to her:—

"$5 a day is excessive even for severe pain. We will withhold the medicine today and invest the $5 in some practical investment such as common stock in a railroad or in an insurance company."—

No parent would insist on that position while the child suffered ten minutes, and any parent who did so would be unworthy to have the child's custody.

The bank robber who points his pistol at the teller and says—"Your money or your life."—knows what the answer will be. When a criminal inflicts pain upon his victims, there is never any doubt about the choice between giving up his hidden money rather than suffer.

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[1] *Signs and Symptoms*, 2nd Ed., J. B. Lippincott Co., 1952.

The court room is the only place in all human experience where anybody contends that pain is of less account than money. We administer justice in a court room by the same standards and the same values that rule the outside world of men and affairs. The man who says that a few dollars a day are too much to award for pain, because it comes to a large amount in a lifetime, stands utterly alone and without precedent or support in human experience.

They have sought to desensitize you to the precious human value of freedom from pain and ask that like Pontius Pilate you wash your hands of this troublesome subject.

On January 14, 1974 on Channel 10 at 7:30 PM, Dr. Alon P. Winnie of the College of Medicine at the University of Illinois gave a television program in the series "Consultation." The subject was medicine's attempt to relieve uncontrollable pain. The contents of this program dramatically parallel the dedicated effort of our sister profession of medicine to realize the importance of pain and the callous indifference of lawmakers that would be evidenced if we enacted a bill that would substantially deny compensation for pain.

In a word, Dr. Winnie explained that medicine regards pain by human beings as the most important thing on earth and the No-Fault legislation regards pain in the eyes of lawmakers as relatively minor—as if pain is something invented by lawyers.

The No-Fault plan will pay for doctor bills and possibly for dented fenders, but substantially denies relief for the most exquisite and intense pain or limits it by the entirely irrelevant yardstick of the doctor bill.

It is dramatically important that Dr. Winnie stated that probably the most intractable and exquisite pain known to man is that which results from trauma referring to the reflex sympathetic distrophy as one sort of pain and causalgia as another and finally pointed out a peculiar persistent pain syndrome before which doctors are relatively helpless. The pain being caused by a blow to an elbow or other sensitive place which causes the messages of pain to be sent to the brain for the indefinite future.

He was asked about acupuncture and replied that to the extent of his knowledge this was unproven but he said—"Anything that will offer any hope of relieving the pain of human beings is on the side of the angels and must be fully explored. It is the highest duty of our profession to relieve pain."

The contrast is accentuated when we see the dedicated attitude of medicine taking affirmative steps to relieve pain and compare the attitude of lawmakers who not merely stand indifferent against the challenge of pain with reference to the duty of lawyers, but are asked to take affirmative steps to deprive citizens of their right to relief against wrongdoers for pain contrary to the standards of Western civilization.

THE READER'S DIGEST ARTICLE

We are told that when lawyers quote somebody else's literary product that it is not plagiarism but research. Let me quote verbatim to you some passages from a vivid article published in the Reader's Digest first in 1953 and re-published about ten years later. The name of it was "And Sudden Death." The Automotive Safety Foundation said of this article that "it succeeded as no other piece of writing has in stirring the nation into realization of the traffic accident problem." The portions which I quote deal with this business of pain. It begins by saying of dry statistics:

"Figures exclude the pain and horror of savage mutilation which means they leave out the point ... what is needed is a vivid and sustained realization ... that single horrible accident you may have witnessed is no isolated horror ..."

"That picture would have to include motion-picture and sound effects too—the flopping, pointless efforts of the injured to stand up; the queer, grunting noises; the steady, panting groaning of a human being with pain creeping upon him as the shock wears off. It should portray the slack expression on the face of a man, drugged with shock, staring at the Z-twist in his broken leg, the insane crumpled effect of a child's body after its bones are crushed inward, a realistic portrait of an hysterical woman with her screaming mouth opening a hole in the bloody drip that fills her eyes and runs off her chin. Minor details would include the raw ends of bones protruding through flesh in compound fractures, and the dark red, oozing surfaces where clothes and skin were flayed off at once. . . .

"It's like going over Niagara Falls in a steel barrel full of railroad spikes. . . .

"The driver is death's favorite target. If the steering wheel holds together it ruptures his liver or spleen so he bleeds to death internally. Or, if the steering wheel breaks off, the matter is settled instantly by the steering column's plunging through his abdomen."

Then it tells about "a man, walking around and babling to himself, oblivious of the dead and dying, even oblivious of the daggerlike sliver of steel that stuck out of his streaming wrist; a pretty girl with her forehead laid open, trying hopelessly to crawl out of a ditch in spite of her smashed hip. A first-class massacre. . . .

"Overturning cars specialize in certain injuries. Cracked pelvis, for instance, guaranteeing agonizing months in bed, motionless, perhaps crippled for life—broken spine resulting from sheer sidewise twist—the minor details of smashed knees and splintered shoulder blades caused by crashing into the side of the car as she goes over with the swirl of an insane roller coaster—and the lethal consequences of broken ribs, which puncture hearts and lungs with their raw ends. The consequent internal hemorrhage is no less dangerous because it is the pleural instead of the abdominal cavity that is filling with blood.

"Flying glass—safety glass is by no means universal yet—contributed much more than its share to the spectacular side of accidents. It doesn't merely cut—the fragments are driven in as if a cannon loaded with broken bottles had been fired in your face, and a sliver in the eye, traveling with such force, means certain blindness. A leg or arm stuck through the windshield will cut clean to the bone through vein, artery and muscle like a piece of beef under the butcher's knife, and it takes little time to lose a fatal amount of blood under such circumstances. . . .

"None of all that is scare-fiction; it is just the horrible raw material of the year's statistics as seen in the ordinary course of duty by policemen and doctors, picked at random. The surprising thing is there is so little dissimilarity in the stories they tell.

"It's hard to find a surviving accident victim who can bear to talk. After you come to, the gnawing, searing pain throughout your body is accounted for by learning that you have both collarbones smashed, both shoulder blades splintered, your right arm broken in three places and three ribs cracked, with every chance of bad internal ruptures. But the pain can't distract you, as the shock begins to wear off, from realizing that you are probably on your way out. You can't forget that, not even when they shift you from the ground to the stretcher and your broken ribs bite into your lungs and the sharp ends of your collarbones slide over to stab deep into each side of your screaming throat. When you've stopped screaming, it all comes back—you're dying and you hate yourself for it. That isn't fiction either. It's what it actually feels like to be one of that 36,000." (now 60,000)

This sort of permissive legislation which admittedly in the field of automobile trauma begins by abolishing the difference between right and wrong is a part of the present day trend away from standards or morality. We view "permissiveness" with alarm but where could it conceivably be more dangerous than when it expressly at the threshold abolishes the difference between right and wrong in a court otherwise a court of justice and does it with reference to a type of accidental injury, the most dangerous known to our people, one which kills over 60,000 a year and seriously injures half a million. If we were going to lower moral standards and extend permissiveness somewhere, we began at the very maximum contraindicated end of the spectrum by abolishing the standards of morality absolutely and entirely with reference to the most dangerous instrumentality in our society.

Our race remembers Magna Carta as a historic advance toward justice and civilization. This Bill will be remembered in history as an equally great step in the opposite direction.

I resent most of all the suggestion that a man is a demagogue who says what I have said. Why is a man a demagogue who opposes a bill which abolishes the difference between right and wrong in a theatre called a court of justice where the difference between right and wrong is the first of the Ten Commandments. Why is a man a demagogue who insists on a citizen's right to relief for pain?

THE BILL IS A FINANCIAL FRAUD

The present system pays only the plaintiff and the proponents of the Bill pretend that they will pay both the plaintiff and the defendant and that instead of doubling the premium to do so, they will reduce the premium. Unless the miracle of the loaves and the fishes is repeated, this is obviously impossible. In order to pay twice as many motorists for the same premium, they will have to cut the compensation half in two. In order to reduce the premium, to say nothing of getting back the one hundred million dollars they have spent pushing this Bill, they must reduce the payments drastically. By eliminating lawyers' fees, they may save 7%. The actual program is to eliminate the two principal losses for which payment is made under the present law. The first is property damage, which accounts for about two-thirds of the premium dollar and the second is pain which is the primary subject of my remarks today. It is a matter of no small importance that to the average man on the street, his automobile is his most valuable piece of property and to deny him a right to recover for property damage when a drunk driver or a speeding truck destroys the car he has sweated blood to pay for. It is a serious thing indeed.

In order to fund and finance the object of the bill to pay not only the victim but the wrongdoer, and thereby pay twice as many people, the average of 7% of the premium which goes to lawyers, is obviously not enough. The place that money is coming from is by taking the benefits that would otherwise go to widows and orphans and cripples. At the same time the removal of the lawyers leaves the plaintiff, the injured citizen, without the power to say: If you don't pay me, I will take you to court. The vast majority of these cases are settled and the principal reason why the plaintiff gets as much as he does in these settlements is the knowledge on the part of both parties that if necessary the plaintiff can get a lawyer. The insurance companies already have lawyers as well as lobbyists.

I still cannot contain my amazement that the most august deliberative body on earth is affording a serious consideration to a Bill that does two terrible wrongs: First, at the threshold, it abolishes the difference between right and wrong and second, it denies any substantial remedy for pain, when pain is the most important enemy of mankind on earth. No civilized nation on earth has any such law. Why in God's world can statesmen be asked to adopt such a law in the United States of America?

I have tried to express to you in behalf of the bench and bar their profound criticism of this Bill. The proponents of the No-Fault legislation knew from the beginning that it was as much the business of the bar to point out the fallacies and frauds in this Bill as it is the business of their sister profession of medicine to warn of dangers to human life and health. Who else but lawyers have this duty?

Therefore, their first move was to discredit lawyers and say that the savings to the public would be funded and financed by abolishing lawyers' fees. That is not my topic but in a very few words I reply: One, if this legislation imposed great loss and harm to the legal profession that itself is not a desirable or admirable thing. Secondly, since lawyers' fees are a very minor and trifling percentage of the cost of enforcing the tort system, it is ridiculous to say that we can pay twice as many people the substantial amount of their loses by eliminating fees.

And finally, there is another major objection to the No-Fault program concerning which very little has been said. It would involve the virtual elimination of the jury system in civil cases. That jury system which brings every year several hundred thousand citizens into the court room is the last and best example of judicial democracy. Citizens have a very slight connection with elections which occur every few years. But when the jurors sit for a week or so and apply the law given them by the judges and do justice between their fellow citizens, the result is a wholesome transfusion of democracy into the processes of government.

Watergate simply is an example of what happens to government when it is isolated and removed from the influence of people and the deep rooted moral values of our society. The work of juries strengthens and enriches the administration of justice and preserves the standards of law and order in a way that cannot be duplicated otherwise. They certainly cannot be duplicated by a computer that has no wisdom and no judgment and no conscience and no sense of right and wrong.

THE BILL IS NOT CONSTITUTIONAL

I call your deliberative attention to the fact that the Federal Constitution declares void any law which takes away from a citizen his remedy for breach of contract. Unlike the Workmen's Compensation Acts cited by Dean Griswold, this plan would not be elective. Dean Griswold knows that is the only thing that makes the compensation acts constitutional. But I submit to you a more profound reason why this law is just as void as would be a law that impaired the obligations of a contract. I now ask you to compare that with taking away from a man his remedy for the breach of duty imposed by tort law. A tort claim enforces a debt based upon a higher moral and ethical obligation than contract debt. First, a contract arises out of a transaction into which both parties enter willingly and voluntarily, with the expectation of making a profit or deriving a benefit; secondly, the transaction involved in such a claim was lawful. The plaintiff in a tort case did not enter into the "transaction" with the defendant willingly, and the conduct of the defendant was, by definition, wrongful. Thirdly, if the merchant suing for the price of a room full of furniture loses his suit, he has a profit in it and he can recoup his loss by selling another room full of furniture. If he wins, he gets interest.

The tort plaintiff however did not ask to be run over. If he loses, he cannot sell another arm or leg to get his money back, and he did not have any profit in the deal at the start. If he wins, he gets no interest and the best he can possibly expect is to break even, less his costs.

The ancient reverence for property rights did not extend to human rights. The English Lords were rich in property. Corporations have property, but they do not have bodies. Logic and insight will banish the absurd distinction and discrimination against bodily rights. In a decision which is almost set to poetry, William Pitt, Lord Chatham, said of the humble cottage of the lowest man in England:

"The storm and the rain may enter, but the King may not enter, and all the forces of the Crown may not cross the ruined threshold."

Those are stirring and noble words. But what is a cottage for, or why is a home so sacred, except as a place to shelter a human being and keep his body safe? If the storm or the King cannot enter with impunity, can the front bumper of an automobile enter a citizen's skull or rib cage with impunity? Why is it that the law views with less solicitude the temple of the soul, the tenement of a man's life, than it does the clapboard cottage, though it may be a 200-year-old English one?

Yet at the time William Pitt wrote his immortal words which prevented the King from harming the poor man's property, any defendant could have half killed one of his children for ten pounds sterling. That was the climate in which relief from a broken contract regarding property was written into the Constitution.

A generation from now, I would hate to be the statesman of whom it could be said that it was I who wanted the United States, of all nations on earth, a nation with a motto, "In God We Trust," at a time when probably the greatest danger to our institutions is the danger of a permissive society, at such a time that I was among those responsible, I say, for the proposition that America alone in the civilized world, would deny to crippled men, woman and children any substantial, practical remedy for pain, by making the first law in history that abolished the difference between right and wrong.

What would you think of a proposal to impose upon the whole nation a state religion that began by announcing: There is no God? How does that differ from a proposal to take down the ancient monuments of the common law and substitute in the name of law the announcement that Justice is dead?

Mr. MOSS. Mr. President, I ask unanimous consent that the Senate return to the consideration of the amendment that was temporarily laid aside, amendment No. 1220.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MOSS. Mr. President, I had just about completed my discussion of the amendment and I asked that it be temporarily laid aside to provide an opportunity for Senators who were not present on the floor of the Senate to express themselves on this amendment, if they care to do so. Then, I intend to move the adoption of the amendment.

Does the Senator from Nebraska have any comments that he wishes to make on my amendment?

Mr. HRUSKA. I thank the Senator. Mr. President, as currently drafted, the bill (S. 354) provides that a State may enact a no-fault plan in accordance with the requirements of title II. However, if the State fails to enact the plan under title II, title III will impose a federally designed and contrived no-fault plan to be funded and administered by the States. Federal funds are not made available to implement a program under title II or title III.

Now we have the amendment offered by the Senator from Utah (Mr. Moss) which would establish a one-shot $10 million program in order to authorize the Secretary of Transportation to make a grant of not to exceed $200,000 per State in order to defray the costs of implementation and administration. This amendment has some defects to which attention should be called.

In the first place, it is discriminatory and not mandatory. There are no standards, there are no guidelines set out; grant allocation would be within the total discretion of the Secretary of the Department of Transportation.

The Secretary is authorized by regulation to establish procedures for awarding the grants on a fair and equitable basis. Whatever he determines to be fair and equitable would be the standard. Second, it provides for only one shot of funding. Third, the funding levels are simply not realistic.

The fundamental objection to the entire bill, and title III in particular, is recognized by this amendment that the Senator from Utah proposes since it recognizes that duties and responsibilities are placed on the States that they do not now have.

In regard to point three, attention is called to the fact that section 108 of S. 354 calls for the establishment of a State-assigned claims bureau, if the State does not have one already. The cost of administering and implementing such a bureau would not, of course be confined to the first year in order to make the change. It is going to cost money to maintain and to continue this operation for years to come.

Section 109 of the bill would require a State evaluation of medical and rehabilitation services, and the charges therefor. Section (E) sets out a State reporting function that requires reports to be made regularly to the Department of Transportation so the Secretary may evaluate these plans. That takes annual administration and maintenance.

Section 111(D) would require the establishment of State rehabilitation agencies, a very expensive operation. Certainly $200,000 would not even commence to draw the plans and set forth requirements for such an agency, let alone maintain and operate it.

Section 201(D) requires the State to file periodic reports to the Secretary of Transportation and to establish procedures. Hearings would be required by the State insurance commissioner and the State insurance authority. All of these items would be within the sum of $200,000 for the one year only. It is not very realistic at all.

If the Federal Government can say to a State that it must create and maintain a State vocational rehabilitation system to comply with the Federal law and pay for it, if they can do that they could order them to build harbors, they could order them to build landing fields, they could have the State comply with any enactment of Congress and say to the State, "You must pay for it."

That is where the fundamental objection on constitutional grounds is based. That kind of approach and result is totally destructive of a Republic of federated States. There cannot be any question about it. It is a new federalism. It is a brand new concept that does away with State lines, State authority, and State discretion.

Mr. MOSS. Mr. President, the Senator from Nebraska is concerned about the provision for funding for the States. I gathered, first of all, he thought it might be inadequate. Then his argument seemed to change—that States ought to have their independence to decide what they want to do.

Mr. President, at the present time each of the States has an insurance commissioner and a department or staff that works under the insurance commissioner. Each of the States is presently administering the insurance laws of that State, including the insurance on motor vehicles. Consequently, the general structure is in existence now. All this amendment seeks to do is to provide that States which incur additional expenses by reason of converting over to another system may receive grants from the Secretary of Transportation.

The Secretary is required—he shall by regulation meaning that he will have to have a rule in a regular Administrative Procedure Act proceeding—establish procedures for awarding the grants on a fair and equitable basis among the States. The amendment would authorize the appropriation of not to exceed $10 million to be used for this purpose, such sums to remain available until expended.

So it is not a 1-year program. It might be as long as 3 to 4 years.

As the Senate will recall, we adopted the Biden amendment, by which the States that wish to enact no-fault legislation in order to comply will have up to 4 years' time to do it. So it is conceivable that some States might just be getting their programs into effect 4 years hence, but this money will remain available until it is expended. Therefore, it is possible that a grant would be made at that time to a State that was in need.

But the whole idea is not to subsidize the States. It is simply to be an element of assistance to a State that encountered some difficulties by reason of changing its regulatory structure over to that of no-fault, in accordance with the standards laid down here.

Therefore, I think it is an improvement to the bill and should allay the objections of some who fear that, in a way, it puts an extra burden on a State without that State's having first elected to take that burden; and if it does put an economic burden on the State, a grant may be made to help the State meet that burden.

I think a great many of the States would not claim it. For example, we do have some States with no-fault programs now that would qualify, and many that are very close to it would not have to have very much of a change. So I would expect there would be a fair number of States that would not have to apply to get the grant, or would not be eligible for it; only those States that would have financial difficulty.

For that reason, I urge the adoption of the amendment, and I am prepared to submit it to a vote at this time.

Mr. HRUSKA. Mr. President, will the Senator yield for a question?

Mr. MOSS. Yes, I am glad to yield to the Senator from Nebraska.

Mr. HRUSKA. In regard to the fact that some States now have a no-fault system and the allegation that they would, therefore, be under no additional expenses, how would the Senator answer this question? Every one of the no-fault systems, with the possible exception of Michigan's will be scrapped, will be thrown to one side by the subject bill. Every one of these States will have to start from scratch and implement a plan of no-fault insurance such as that described in title II. Thus, there will be expenses, regardless.

Mr. MOSS. The Senator's argument that all the no-fault plans would have to be scrapped I do not believe to be wholly accurate. There are some States that have no-fault procedures now, but simply do not meet the threshold requirements that would be established here, and they would have to make some adjustments on the threshold requirements; but they would be very minor and I think would not involve any appreciable or measureable increased cost of administration. And if a State did not enact no fault and under title III the Federal Government finally, after the 4-year period, preempted it, there would be funding under this section given to the State so that it could come into compliance.

Mr. HRUSKA. Is there any limit for any one State contained in the Senator's amendment?

Mr. MOSS. That would have to be done by regulation establishing procedures for awarding the grants on a fair and equitable basis. Therefore, I would expect the regulations would have to do not only with entitlement to the States, but would have something to do with population, vehicle numbers, and things of that sort, to measure what is fair and equitable for each of the States.

Mr. HRUSKA. So the Secretary would have x amount of dollars for California, for example, with 21 million people, and the neighboring State of Nevada would get——

Mr. MOSS. Much less.

Mr. HRUSKA. Much less.

Mr. MOSS. Yes, and my State would get much less. We are relatively small in population.

Mr. HRUSKA. And the name of the Secretary of Transportation is not Solomon; is it?

Mr. MOSS. No.

Mr. HRUSKA. Yet he is going to have to decide what is fair and equitable just on the basis of this simplistic directive which authorizes him to devise a plan for the distribution of $10 million on a fair and equitable basis.

Mr. MOSS. Well, it is not quite like Solomon. He does not have to decide right there with the mother in front of him. This is a rulemaking procedure, with which the Senator is acquainted, whereby the rule is proposed, has to be published in the Federal Register, those who have comments may be heard, and they go through a regular procedure to try to work it out.

I am not naive enough to believe that a formula can be devised that would be absolutely fair down to the penny so that everybody would say in unison what it would be, but I think, in accordance with the rulemaking power, it can meet the standards that are required for equal distribution of the grants that are needed by the States. As I say, I believe many States would not seek the grant because they can come into substantial compliance with relatively little change in the personnel of their departments. They are already in the business. They are already regulating insurance. They simply would have to adapt it to a system that is a little bit different, where the thresholds are somewhat different. That is all.

Mr. President, I move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Utah (Mr. Moss). (Putting the question.)

The Chair is in doubt.

Mr. MOSS. Mr. President, I suggest the absence of a quorum. We obviously need more Senators on the floor.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MOSS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOSS. Mr. President, I again move the adoption of the amendment that is before the Senate.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Utah (Mr. Moss). (Putting the question.)

The amendment was agreed to.

Mr. MOSS. Mr. President, I move that the Senate reconsider the vote by which the amendment was agreed to.

Mr. ABOUREZK. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ABOUREZK. Mr. President, I call up my amendment which is at the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> On page 105, line 13, insert the following: Following "disability" delete the period and insert the following: "or $600 in reasonable medical expenses."

Mr. ABOUREZK. Mr. President, I am offering the amendment as another alternative basis for being able to recover damages for noneconomic detrimental pain and suffering. Six hundred dollars, according to the Milliman & Robertson study, is equivalent to 60 days of minimal disability.

I am not sure as to how the consultants arrived at that figure. Nevertheless, it is the figure they used. It is in line with my belief that anybody who is involved in an automobile accident ought to be entitled to sue for noneconomic damages. I should like to see this particular threshold basis lowered to this amount.

I yield to the Senator from Utah.

Mr. MOSS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MOSS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOSS. Mr. President, the amendment offered by the Senator from South Dakota is similar in its import to the one that he presented before this body last week and on which there was a yea-and-nay vote. That was a 60-day threshold vote.

This amendment, I think, is ill-advised. For one thing, it has the potential of raising the cost of insurance. The Milliman & Robertson study showed that a number of States would, indeed, be required to raise the premiums, rather than effect a saving, which the amendment is designed to effect, and which will be the case if we leave the threshold where it is.

Mr. President, the amendment to permit lawsuits in tort for noneconomic detriment—pain and suffering—whenever the injured person incurs $600 worth of medical expenses is ill-conceived and ill-advised. It would increase automobile insurance premium costs for the average consumer, discriminate in favor of cities and urban areas and against rural areas, and it would invite fraud and a new brand of that obnoxious practice known as "ambulance chasing." It might also be declared unconstitutional by the U.S. Supreme Court. Finally, the amendment amounts to another motion for a reconsideration of the rollcall votes on April 24, 1974, with respect to the restrictions on tort lawsuits, inasmuch as the independent actuaries, Milliman & Robertson, found that a 60-day disability threshold and a $600 medical expense threshold are the same from a costing point of view. The Senate voted nay to a 60-day threshold on Wednesday.

First and foremost, this amendment would increase auto insurance premiums in all of the 50 States. It may properly be called a tax on the consumer for the benefit of the trial lawyers since its practical effect is to open the sluice gates of automobile negligence lawsuits and increase contingent fees for trial lawyers by a tremendous amount. Those fees are going to be paid by the average consumer of automobile insurance in the form of higher premiums.

Second, there is an inherent and built-in discrimination in a threshold based on a dollar value rather than a time period of disability. Medical and hospital costs are much lower in some areas and States than in others. I refer you to the Index of Daily Hospital Costs for each of the 50 States in the latest edition of the Statistical Abstract of the United States. What this amendment will do is to make it quite easy for almost any auto accident victim with a sharp lawyer in New York City or Miami or Chicago to recover damages for pain and suffering in tort if he can establish that the other driver was at fault, but it would remain extremely difficult for all but the seriously injured victim in Alabama or New Hampshire or North Dakota to recover damages for pain and suffering. I agree with the concern of the senior Senator from New Hampshire (Mr. COTTON) that the bill must not discriminate against rural States. I submit that this amendment would so discriminate.

Third, this provision invites dishonest lawyers and dishonest doctors to collaborate to "manufacture" $600 worth of diagnostic X-rays, sauna-bath treatments, and rest-home and hospital observation care purely and simply to earn the contingent fees and treatment charges that can be garnered through tort litigation. This is not a paranoid observation based on the tactics the trial lawyers have used to oppose this bill, but a mere deduction from existing experience.

It is not fantasy but a fact that the State of Florida and the district attorney of Dade County have sought and obtained indictments against a substantial number of lawyers and doctors for conspiring to manufacture $1,000 in medical expenses—the threshold under the Florida no-fault law. The Congress should be careful about establishing any provision that might lend itself to abuse by the unscrupulous. "Medical expenses chasing" under no-fault would be no more satisfying than ambulance chasing is today. Even in areas where fraud would be unlikely or easily detected and prosecuted, the effect of the amendment would be to promote overutilization of hospitals and other scarce medical resources, simply for the purpose of crossing the threshold.

Further, I should point out that the dollar figure tort threshold invites a constitutional challenge to the validity of this legislation on the ground that it constitutes a denial of the equal-protection clause of the 14th amendment. It is true that such challenges have been rejected by the highest courts of Massachusetts and Florida, but on a national basis there is at least a possibility that the U.S. Supreme Court might rule that this is not a "reasonable classification" for purposes of compliance with the requirements of the 14th amendment. Where there are alternatives, it is certainly our constitutional responsibility to eschew the course which is the least apt to be declared unconstitutional.

Having summarized the reasons why the Managers on behalf of the bill cannot accept this amendment, I would like to ask, Mr. President, the following questions for purposes of clarification:

Having summarized the reasons why the managers in behalf of the bill cannot accept the amendment, I would like to ask the Senator the following questions for the purpose of clarification.

In computing the $600 are hospital costs to be included, and would the hospital costs include the hospital costs other than treatment and drug expenses, that is, daily room and board costs?

Mr. ABOUREZK. Yes, all medical costs.

Mr. MOSS. In computing the $600, are care in nursing homes, osteopathic hospitals, and self-proclaimed treatment centers to be included? If the victim suffered mental anguish, would the cost of a psychiatric program be included toward the sum of $600?

Mr. ABOUREZK. Whatever is already determined to be a medical cost would be included under this amendment.

Mr. MOSS. And who would define that? Who would define what medical costs were?

Mr. ABOUREZK. That would be determined under each State jurisdiction, and has already been determined. Whatever is a medical cost in a State now would remain so.

Mr. MOSS. It is not defined now under tort law that I know of; but the Senator would have each of the States define, then, what hospital expenses and other medical costs would be?

Mr. ABOUREZK. The State courts, the courts of my State of South Dakota, have already determined, under their decisions, what constitutes medical expenses, and I do not assume that that would change any at all. I do not intend to change the definition of medical expenses with this amendment. What I propose to do is lower the threshold. As to what the Senator from Utah is trying to inquire about, there will be no change so far as this amendment is concerned.

Mr. MOSS. Well, it would be necessary for the person bringing the action in court, then, to establish the various costs and to establish to the satisfaction of the court that they were truly medical expenses?

Mr. ABOUREZK. As they do now. They would have to establish that they are truly medical expenses, and that they are reasonable, as the courts have jurisdiction to do now.

Mr. MOSS. Would the Senator include the cost of diagnosis, of X-rays, for example?

Mr. ABOUREZK. Yes, I think that is included already.

Mr. MOSS. But that is simply for diagnosis, and has nothing to do with treating the injury; is that correct?

Mr. ABOUREZK. Well, I know that when such a lawsuit occurs now, in my own jurisdiction, which is South Dakota, if someone is injured by virtue of the fault of someone else, if he is injured, he has to have some kind of diagnosis. He has to be X-rayed, and presumably that X-ray is not required through his own fault; he is being forced to do that because someone else caused the accident and caused his injuries. So I would assume that in Utah as well as South Dakota, that is all part of the medical expense.

Mr. MOSS. But if we presume that there are medical practitioners who also like to participate in the rewards of tort suits, they might well have a whole body of X-rays, whereas an X-ray of an arm might have been enough to determine whether there had been an injury; is that not correct?

Mr. ABOUREZK I cannot do away with corruption by this amendment. The only thing I can do is change from a barter to a system of dollars by which these people make a living. If some doctor or some lawyer is unscrupulous, there are other laws which exist to take care of that if it happens. This amendment cannot, of course, propose to do that all by itself. All it proposes to do is lower the threshold, as I said.

Mr. MOSS. I agree with the Senator that he cannot abolish corruption by introducing this amendment; but by offering the amendment, he certainly enlarges the temptation and broadens the field of activity for the unscrupulous. Without the amendment there is a great deal less opportunity for abuse in this area.

The Senate, after having considered the matter at great length and having had optional alternatives, determined against the 60-day threshold, but did meet the Senator halfway by bringing the 180 days down to 90 days. If we go any lower than that, we practically destroy the thrust of the bill, and I do most vigorously oppose the amendment of the Senator from South Dakota. I think it would be ill-advised to do it, and would destroy a large part of the efficacy of the bill. Therefore, I am opposed to the amendment.

Mr. ABOUREZK. Mr. President, I would like to ask for the yeas and nays on this amendment. I understand there is an agreement that there will not be any votes until tomorrow. Is that correct?

Mr. MOSS. Well, as I understand it, the agreement did not specifically forbid votes today, but other votes were set off until tomorrow, on the Helms and Mondale amendments, which are yet to come up.

Mr. ABOUREZK. I would like to ask unanimous consent, in view of that, that it be in order to set aside this amendment until tomorrow, and that tomorrow, as soon as there are enough Senators to provide a second, we may ask for the yeas and nays.

Mr. MANSFIELD. Mr. President, there was no agreement that there would be no votes this afternoon.

If the Senator wants the yeas and nays——

Mr. ABOUREZK. I woud like to ask for the yeas and nays.

Mr. MANSFIELD. Will the Senator withhold for a moment? Are we under controlled time, Mr. President?

The PRESIDING OFFICER (Mr. Helms). We are not under controlled time.

Mr. MANSFIELD. Will the Senator from Utah yield me 3 minutes for the purpose of suggesting the absence of a quorum?

Mr. MOSS. Yes.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Bartlett). Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays on the Abourezk amendment.

The yeas and nays were ordered.

Mr. ABOUREZK. Mr. President, I am ready to vote.

Mr. MOSS. Mr. President, I am prepared to vote at this time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from South Dakota (Mr. Abourezk).

On this question the yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Florida (Mr. Chiles), the Senator from Iowa (Mr. Clark), the Senator from Arkansas (Mr. Fulbright), the Senator from Ohio (Mr. Metzenbaum) and the Senator from Connecticut (Mr. Ribicoff), are necessarily absent.

I further announce that the Senator from Georgia (Mr. Talmadge) is absent on official business.

I further announce that, if present and voting, the Senator from Ohio (Mr. Metzenbaum) and the Senator from Iowa (Mr. Clark) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. Baker), the Senator from Oklahoma (Mr. Bellmon), the Senator from Oregon (Mr. Hatfield), and the Senator from Connecticut (Mr. Weicker) are necessarily absent.

I further announce that the Senator from Florida (Mr. Gurney) is absent due to illness in the family.

I further announce that, if present and voting, the Senator from Connecticut (Mr. Weicker) would vote "nay."

The Senator from Hawaii, Mr. Fong voted "present."

The result was announced—yeas 24, nays 64, as follows:

[No. 158 Leg.]

YEAS—24

Abourezk
Allen
Brock
Buckley
Byrd, Harry F., Jr.
Byrd, Robert C.
Cotton
Curtis
Eagleton
Ervin
Hansen
Hartke
Hathaway
Hollings
Hruska
Johnston
Mathias
McClellan
McGovern
Nunn
Stafford
Symington
Tower
Williams

NAYS—64

Aiken
Bartlett
Bayh
Beall
Bennett
Bentsen
Bible
Biden
Brooke
Burdick
Cannon
Case
Church
Cook
Cranston
Dole
Domenici
Dominick
Eastland
Fannin
Goldwater
Gravel
Griffin
Hart
Haskell
Helms
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Kennedy
Long
Magnuson
Mansfield
McClure
McGee
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Roth
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stennis
Stevens
Stevenson
Taft
Thurmond
Tunney
Young

ANSWERED "PRESENT"—1

Fong

NOT VOTING—11

Baker
Bellmon
Chiles
Clark
Fulbright
Gurney
Hatfield
Metzenbaum
Ribicoff
Talmadge
Weicker

So Mr. Abourezk's amendment was rejected.

Mr. MOSS. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. MANSFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

STATE SOVEREIGNTY AND THE NATIONAL NO-FAULT BILL

Mr. GOLDWATER. Mr. President, as the debate on S. 354, the national no-fault legislation, has progressed, I have listened carefully to all the arguments presented on both sides of the issue. When I could not be able to attend the debates, I read the discussion printed afterward in the Congressional Record. Nothing in all the hours of discussion about this bill has altered in one degree my strong conviction that it is a serious and unconstitutional invasion of State sovereignty.

The debates have only convinced me of one fact, that the bill is being sold under a false label. Time and again as I have sat in the Senate, I heard the proponents of this bill assert that it is going to save the American motorist from the general inflation that racks the country. The claim is made that national no-fault auto insurance could save more than $1.5 billion a year on premiums.

Mr. President, it just is not so. I have gone back through the cost estimates presented in support of this bill and, if there is one thing new that the debate on S. 354 has demonstrated, it is that these original cost figures are wrong. The truth is that when the provisions of S. 354 are analyzed against the facts of real life insurance practice, there is strong evidence to believe that it will increase premium costs for the average driver. In fact, there is a strong likelihood that S. 354 would cause automobile insurance premiums to increase in 44 out of the 50 States.

There would be a considerable savings for commercial owners of taxi fleets, rental cars and so forth, amounting to almost $1 billion a year, but this savings would not benefit or flow directly to the typical American motorist who owns his own car. His premium, that of the private passenger car owner, will rise in nearly every State, including about a 17 percent cost rise in my own State of Arizona.

Mr. President, I also wish to correct the impression, which has been repeated throughout these proceedings, that automobile insurance has generated inflation. It is true that between August of 1971 and February of this year, the overall price index of goods and services has increased almost 16 percent. But, over the same period, automobile insurance rates have decreased 3.4 percent. This information is based on official Bureau of Labor Statistics figures and proves convincingly that the issue is not over "inflated" insurance rates.

Mr. President, the true issue which should be of grave concern, especially in the Senate of the United States, is the conflict between S. 354 and the rights of the individual States. For, if anyone will review the words of the Framers of the Constitution, he will see in the clearest of language their intent to use the Senate—as Madison put it—as a "constitutional recognition of the portion of sovereignty remaining in the individual States, and an instrument for preserving that residuary sovereignty." Large and small States together, Madison advised, ought "to guard, by every possible expedient, against an improper consolidation of these States into one simple republic."

What we must remember in this body above all others, Mr. President, is that in providing each State with an equal vote in the Senate, the Founders intended for our branch to defend and preserve the residual sovereignty of each State.

Mr. President, the basic purpose of the framers is directly applicable to the national no-fault bill. I have previously documented that the bill imposes at least 10 unproven and untested requirements onto State insurance systems before the States can have a fair period of time in which to experiment and perfect their own remedies in the field. By mandating national requirements in all the States when not a single present State system would appear to conform to the Federal one and when only four State no-fault systems have been in operation as long as 1 year, S. 354 would handicap continued research and work by the States in the automobile insurance area before much is known about the impact of those systems which are already in effect.

In other words, S. 354 would abrogate the insurance systems presently in existence in virtually every State by imposing upon them a new system whose features are generally unknown among any sizable number of the States. Nothing, in my opinion, could be more damaging to the health of the Federal system—in which the several States are to be treated as important governing bodies in their own right.

Instead of abrogating longstanding State practices in traditional State areas, we should be inquiring whether there are adequate precedents in State practice for what we are proposing to require on a uniform basis among all the States. We should be examining whether the proposed Federal requirements have been proven workable at the State level in those States which have had to administer similar provisions in day-to-day practice. Tested by these legitimate principles of federalism, it is obvious that S. 354 falls short of constitutional expectations.

A second area, Mr. President, in which I believe S. 354 invades State sovereignty is its violation of some nine State constitutions which prohibit limits on the right of recovery in tort. For example, article 18, section 6, of our State constitution in Arizona, provides that:

> The right of action to recover damages for injuries shall never be abrogated, and the amount recovered shall not be subject to any statutory limitation.

In direct contradiction of this constitutional provision and of eight similar State constitutions, S. 354 would severely restrict the tort law suit remedy for automobile accident injuries. Whether or not Congress arguably may possess the power to overturn these guarantees of State constitutions, it is clearly an affront to the integrity of States to run roughshod over their individual constitutions in an area, such as automobile insurance, where there is not the slightest infringement by State laws or customs of any right of citizens by the U.S. Constitution.

Third, Mr. President, S. 354 directly infringes upon State prerogatives by compelling each of the 50 States to administer the national insurance system created by the bill. At least eight eminent legal authorities testified at the recent no-fault hearings by the Senate Judiciary Committee to the effect that this feature of the bill would be unconstitutional.

Mr. President, S. 354 would mandate the administration by State officials of a congressionally imposed statutory system in a field of traditional State jurisdiction. The scheme of S. 354 could become a precedent compelling the States to assume the cost and role of administering every conceivable kind of national program. It could transform our constitutional system of several independent State governments into one sweeping, centralized government, operating in every sphere of local operations.

Mr. President, I will repeat what I predicted in my first statement on S. 354. If we allow the civil administrators of the States to be manipulated as puppets of the national government; if we grasp from the States their responsibility over domestic local matters affecting the people in areas which the States are now actively pursuing; and, if we impose upon the States programs which are unproven and untested among any great number of them—there will be no States left as we know them. All powers will have been absorbed into a massive, national creation, devouring of all other governmental units and alien to the designs of the architects of the Constitution.

Mr. MANSFIELD obtained the floor.

Mr. MANSFIELD. Mr. President, I yield briefly to the distinguished Senator from Minnesota for the purpose of offering an amendment, but I would hope that he would just call it up and allow me to make a unanimous-consent request, and then the floor will revert to him.

AMENDMENT NO. 1197

Mr. MONDALE. Mr. President, I call up my amendment No. 1197.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. MONDALE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the Record.

The amendment is as follows:

On page 109, between lines 17 and 18, insert the following new subsection:

(c) ALLOWABLE EXPENSE DEDUCTION OPTION.—Benefits or advantages that an individual receives or is entitled to receive for allowable expense from a source other than no-fault insurance shall be subtracted from loss in calculating net loss for allowable expense where—

(1) such source other than no-fault insurance provides or is obligated to provide such benefits or advantages for allowable expense, as defined in section 103(2) of this Act, without any limitation as to the total amount of such benefits or advantages obligated to be provided.

(2) such benefits or advantages are provided by such source other than no-fault insurance on terms and conditions which comply wholly with the provisions of sections 103 (6), (7), and (16), 109 (c) and (d), and 111 (d) of this Act and subject to all authority set forth therein;

(3) such source other than no-fault insurance is required by the applicable State no-fault plan for motor vehicle insurance in accordance with this Act to share, on an equitable basis, in the financial burdens and costs of operation of plans established pursuant to sections 105 and 108 of this Act;

(4) such benefits or advantages are provided by such source other than no-fault insurance through group insurance where the individuals who are likely to be the beneficiaries under such group insurance have received notice that there will be such subtraction; and

(5) the commissioner finds that such subtraction will result in economic benefits greater than those which would result from coordination pursuant to section 204 (f) of this Act on the basis of a hearing in which interested parties present competent evidence.

The commissioner shall promulgate rules to assure that the economic benefits found under paragraph (5) of this subsection are realized. As used in this subsection (A), "group insurance" means any plan of insurance offered or provided to members of a group not organized solely for the purpose of obtaining insurance, under the terms of a master policy or operating agreement between an insurer and the group sponsor, and incorporating group average rating, guaranteed issue with or without minimum eligibility requirements, group experience rating, employer contributions, and any other benefit to the members as insureds that they may be unable to obtain in the ordinary channels of insurance marketing on an individual basis; and (B) "group sponsor" means the employer or other representative entity of an employment-based group. Sections 103 (10), (11), and (12) of this Act are inapplicable with respect to such definitions.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider three nominations which I understand have been cleared, two of them having been reported earlier today.

There being no objection, the Senate proceeded to the consideration of executive business.

DEPARTMENT OF THE TREASURY

The second assistant legislative clerk read the nomination of David Robert Macdonald, of Illinois, to be an Assistan Secretary of the Treasury.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

The second assistant legislative clerk read the nomination of Mary T. Brooks, of Idaho, to be Director of the Mint.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

The second assistant legislative clerk read the nomination of William E. Simon, of New Jersey, to be Secretary of the Treasury.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of the nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

NATIONAL NO-FAULT MOTOR VEHICLE INSURANCE ACT

The Senate continued with the consideration of the bill (S. 354) to establish a nationwide system of adequate and uniform motor vehicle accident reparation acts and to require no-fault motor vehicle insurance as a condition precedent to using a motor vehicle on public roadways in order to promote and regulate interstate commerce.

Mr. STEVENS. Mr. President, will the Senator from Minnesota yield for an inquiry?

Mr. MONDALE. I yield.

Mr. STEVENS. Mr. President, it is my understanding that the Senator from Minnesota has called up amendment No. 1197. I have an amendment to his amendment. It is my further understanding that the time for the Senator's amendment expires tomorrow, and there is unanimous consent that after 20 minutes' debate tomorrow a vote is scheduled on his amendment.

Am I correct that I cannot call up my amendment to his amendment until all time has expired?

The PRESIDING OFFICER. The Senator cannot call up his amendment tomorrow until all the time has expired.

However, the Senator could call up the amendment today.

Mr. STEVENS. Is it in order for me to call up my amendment to his amendment before his time has expired under the unanimous-consent agreement tomorrow?

The PRESIDING OFFICER. If the Senator waits until tomorrow it would not be in order. If he proceeds today it would be in order.

Mr. STEVENS. I thank the Presiding Officer. If it is agreeable with the Senator from Minnesota, I shall try to call up the amendment this afternoon, at the Senator's convenience.

Mr. MONDALE. I thank the Senator.

The PRESIDING OFFICER. The Senator from Minnesota may proceed.

Mr. MONDALE. Mr. President, I have called up amendment No. 1197 because I think there is a fundamental and important improvement needed in the pending no-fault insurance bill.

This amendment is a consumer amendment. It is designed to insure that the benefits of no-fault insurance will be available to the consumer at the lowest possible cost. Although no-fault is designed to achieve many goals, we must never lose sight of the important goal of serving the American insurance consumer. This amendment will serve the consumer in an extremely important way—it will save him money.

My amendment will permit health insurers a role in the new nationwide auto insurance system. Specifically, it will allow the health insurers a chance to effectively compete with the auto insurers. The amendment provides, as a national standard, that the obligation of a motor vehicle owner to purchase no-fault insurance can be satisfied in an alternative way with respect to the allowable expense portion of the no-fault package. Allowable expense benefits are those for professional medical treatment and care, emergency health services, medical and vocational rehabilitation services, and funeral expenses in the case of death. Subject to certain conditions, the motor vehicle owner can satisfy this requirement to provide allowable expense protection by having a group health insurance policy provide the allowable expense benefits.

In order for the owner to satisfy the requirement through his group health insurance policy, the nonauto insurer—the health insurer—must, like the auto insurer, pay all reasonable medical, rehabilitative, and other allowable expenses without limitation; must subject itself to the same legal responsibilities as the auto insurer—such as, for instance, the obligation under section 111 (d) of the bill to "promptly refer each victim to whom * * * benefits are expected to be payable for more than 2 months to the State vocational rehabilitation agency"; and must share, on an equitable basis, in the financial burdens and costs of operation of the plans which national standards require for the hard-to-place risk and the victim of an uninsured motorist. In short, all insurers—auto and nonauto—are subject to the same requirements. Only in this way can true competition be fostered.

Mr. HATHAWAY. Mr. President, will the Senator yield?

Mr. MONDALE. I yield.

Mr. HATHAWAY. I thank the Senator for yielding. I have to return to a conference on the legal services bill. I would like to ask one question.

I am in favor of the Senator's amendment but I have one problem, and that is with respect to the State insurance commissioner's evaluation. Actually, I have two questions. First, how is the commissioner going to make this evaluation, and second, is there a provision in the amendment for review of that evaluation upon petition by the carrier that loses out in the first instance?

Mr. MONDALE. The determination by the commissioner of insurance must be made at a public hearing in which all interested parties may participate, and that approval must be based on a finding by him that the use of the health insurance option—and I use the words out of the bill—"will result in economic benefits greater than those which would result from coordination pursuant to section 204(f) of this Act, on the basis of a hearing in which the interested parties present competent evidence."

In other words, the commissioner, after hearing, can coordinate against the auto insurance, rather than the other way around, if they find the consumer will make a savings in that way. There are no specific procedural rules concerning appeals and the like but there is nothing to prevent a commissioner of insurance from opening it up and having a rehearing, and so forth.

Mr. HATHAWAY. I wish to ask the Senator's opinion as to whether it would be advisable to amend his amendment to require a State insurance commissioner to hold a review, say, every 2 years.

Mr. MAGNUSON. Mr. President, may we have order so we can hear the discussion? No one can hear. The conference that is going now could take place in the cloakroom. It should not be held on the floor.

Mr. MONDALE. I thank the Senator.

The PRESIDING OFFICER. The Senate will be in order.

Mr. MONDALE. I wish to say to the Senator from Maine that I would like to ponder the question as to additional procedural protection. I will try to respond later.

Mr. HATHAWAY. I thank the Senator.

Mr. TUNNEY. Mr. President, will the Senator yield?

Mr. MONDALE. I yield.

Mr. TUNNEY. Mr. President, I ask unanimous consent that Jane Frank of my staff be granted the privilege of the floor during the remainder of the day.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MONDALE. Mr. President, I ask unanimous consent that Mr. Robert Barnett be given the privilege of the floor during the course of the consideration of this legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MONDALE. In addition, the arrangement or option sanctioned by my amendment can only apply if the benefit source other than no-fault insurance is true group insurance, as specifically defined in the amendment, and if the members of the group are first notified of this option and advised of what steps to take to insure that their auto insurance premiums are reduced accordingly.

Finally, this option, like all others in S. 354, must be subject to and approved by the State insurance commissioner of the applicable State on the basis of full, public hearings by him and a finding by him that use of the health insurance option "will result in economic benefits greater than those which would result" from coordination between auto and health insurance under section 204(f) of the bill. This absolutely guarantees that savings to consumers will be real, and not illusory.

I have heard many arguments with respect to whether or not the consumer will save if health insurance is made "primary." I believe it is only fair to permit health insurers to participate on an equal footing if they can save consumers money without lessening the protection of the buyer of insurance and the victim of highway accidents.

There is another advantage to allowing the option of health insurance as "primary." The entire free-enterprise system of insurance will benefit. The amendment will foster competition in the insurance industry. It is consistent with the overall philosophy of this legislation which is to provide protection to the American motorist at the lowest possible cost in his role as a consumer of auto insurance and in his possible future role as a victim of an automobile accident.

I am happy to add that Prof. Jeffrey O'Connell, the coauthor of the principal work on no-fault insurance, supports the concept embodied in my amendment.

Mr. President, this amendment involves a great deal of complexity, but the principle is very simple. Under the present bill it is possible to coordinate in instances in which there is duplicate insurance—that is, insurance under an auto insurance policy which covers health and rehabilitation costs, and another policy for which one is paying full premiums but covers the same costs under health insurance, so that, in effect, one has double coverage.

Under the pending bill as it now reads, it is possible to reduce the health insurance premiums to avoid duplication, but it is not possible to reduce the auto insurance. In other words, one can coordinate against health coverage, but one cannot coordinate against the auto insurance coverage. What this amendment tries to do is simply this: Where one can save more money, yet receive the same coverage, by reducing the auto insurance premiums, rather than the health insurance premiums, he ought to be able to do it that way.

Mr. HARTKE. Mr. President, will the Senator yield?

Mr. MONDALE. I yield.

Mr. HARTKE. Under a national health insurance program, what would be the effect of it under the bill as now written, and what would be the effect under the Senator's amendment?

Mr. MONDALE. The way the bill reads now, any government required health insurance is primary. In other words, right now, under the pending bill, if one is under medicaid, that is the primary coverage. So when the Senator talks about a national health insurance program that may be passed, that would be primary under the bill.

Mr. HARTKE. So, in effect, the coverage itself would come from the health insurance carrier?

Mr. MONDALE. That is correct.

Mr. HARTKE. And that would mean that, as far as the insurance carrier is concerned, there would be no liability for the health part. Is that correct?

Mr. MONDALE. Yes, to the extent that the Government mandated health coverage and gave one a complete return on the economic loss and health care.

Mr. HARTKE. What about to the extent that there is partial coverage?

Mr. MONDALE. To the extent that there is partial coverage, it would be the primary coverage. Then the auto insurance would take over after that, if there is partial coverage.

Mr. HARTKE. As the bill is written, take the Government employee who goes into the health insurance program. The primary coverage would come from his health policy?

Mr. MONDALE. That is correct, if it is a government-mandated policy.

Mr. HARTKE. If it is a government what?

Mr. MONDALE. Government-mandated or provided policy.

Mr. HARTKE. Or provided, But under the health insurance policy——

Mr. MONDALE. If one is a member of the military forces, for example, he is covered for his health costs. That would be the primary coverage under this bill.

Mr. HARTKE. I am talking about an employee of the Department of Health, Education, and Welfare, for example, who goes into the health insurance program with the Government.

Mr. MONDALE. The Senator is talking about the health insurance coverage for Government employees generally?

Mr. HARTKE. That is correct.

Mr. MONDALE. That is not mandated at this time.

Mr. HARTKE. It is not mandated, but would it not be the primary coverage because it is a government-paid-for policy, and they would give primary coverage to that carrier?

Mr. MONDALE. Under the present bill, it says "coordinated," which would mean that the premiums under the government health insurance policy would be reduced.

Mr. HARTKE. Not would be, could be, reduced.

Mr. MONDALE. Could be.

Mr. HARTKE. There is a difference.

Mr. MONDALE. If there is coordination, the bill under present consideration would require a reduction in that premium.

Mr. HARTKE. Under the Senator's amendment, it would permit or require that the automobile insurance coverage be reduced?

Mr. MONDALE. What it would do is this: As I understand the present bill—I think I have it right; it is very complicated—where there is duplicate coverage between auto insurance and one's private health insurance, he can coordinate in only one way, to prevent duplication——

Mr. HARTKE. By coordinate——

Mr. MONDALE. Let me finish my explanation. One can coordinate—which means eliminate duplicate coverage—by reducing the premium on his health insurance, but he cannot coordinate the other way around, by reducing his auto insurance, even if he gets a better deal on his health insurance than he does on his auto insurance covering the same health problem.

What this amendment seeks to do is this: Where one is a member of a group health policy and the State commissioner of insurance determines that he has the same coverage mandated under this law with a lower premium than he had under the auto insurance policy, he is permitted to keep his health insurance policy, in this case, as the primary coverage for health cost, but then reduce the auto insurance premium accordingly since it would no longer be the coverage for the health cost.

Mr. HARTKE. To that extent, the Senator would change the present bill.

Let me ask the Senator a question with a specific example in mind. Take a union contract where there is group health insurance at the present time. What the Senator is saying is that at the present time the group health insurance would automatically be reduced by the State Insurance Commissioner to the extent that there would be an attributable factor for automobile liability.

Mr. MONDALE. Is the Senator talking about the pending bill or about my amendment?

Mr. HARTKE. I am trying to get the bill straightened out.

Mr. MONDALE. But is the Senator talking about the bill or my amendment?

Mr. HARTKE. I am talking about the bill first.

Mr. MONDALE. The Senator is correct. If the question is directed to the pending bill, the answer is "Yes."

Mr. HARTKE. If there is a negotiated contract between the union and the employer, the insurance commissioner would have authority to go in and reduce that premium under the bill.

Mr. MONDALE. If there is coordination, that is correct.

Mr. HARTKE. If there is coordination.

Mr. MONDALE. That is correct.

Mr. HARTKE. That would mean that the insurance carrier, as far as the group policy is concerned, would have automatic rejection of the contractual obligation which had been entered into by the union.

Mr. MONDALE. There is no mandated coordination. It would have to come about as a result of an agreement of the two parties.

Mr. HARTKE. My understanding is that the insurance commissioner could mandate the reduction under the bill.

Mr. MONDALE. Only if there is coordination.

Mr. HARTKE. So what we are faced with at this time is the possibility of paying for two coverages. Is that right?

Mr. MONDALE. Mr. President, at present that is often the case. We have automobile insurance coverage and private health insurance coverage which is duplicative.

Mr. HARTKE. That would mean that we would have in effect, as far as union contracts are concerned, an operation which would force the insurance carrier for organized labor to forfeit part of his premium income——

Mr. MONDALE. Once again, the Senator is talking about the pending bill?

Mr. HARTKE. I am talking about the present bill. We could not force it. However, that would be the effect.

Mr. MONDALE. That would be for 5 percent. The Senator is correct.

Mr. HARTKE. The 5 percent factor is not necessarily a determinative factor at the moment. Is that correct?

Mr. MONDALE. That is basic, according to the best estimate. It is not based on any actuarial determination. It is based strictly on an estimate.

The group health concerns, which are the ones that we are talking about, report that 5 percent is their figure of the business they have that is attributable to this.

Mr. HARTKE. I understand. However, what the Senator is saying is that the so-called coordination, which is really the remainder of the insurance premium, could be applicable in either direction.

Mr. MONDALE. The Senator is correct.

Mr. HARTKE. But it would still be voluntary and it would have to be arranged between the parties.

Mr. MONDALE. The Senator is correct.

Mr. HARTKE. What the Senator is doing is going to the carriers and asking them to give up a part of their business?

Mr. MONDALE. Where there is duplicative coverage, the bill provides that there can be coordination only in one direction by reducing the premiums paid to a group health plan.

Mr. HARTKE. I understand.

Mr. MONDALE. That would be true even if one could save money if he coordinated in the other direction.

Mr. HARTKE. I understand that.

Mr. MONDALE. What we are saying is that obviously, since the key purpose underlying this bill is to give the coverage mandated at the lowest possible cost to help the consumers, we ought to be able to go in a direction which would save the consumer the most money. That is why the amendment I am proposing permits coordination against the insurance companies in those circumstances where it can be determined to the satisfaction of a State insurance commissioner that there will be a saving to the group health policyholder by such procedure.

Mr. HARTKE. But under each circumstance, the operation would be permissible.

Mr. MONDALE. It has to be permissible.

Mr. HARTKE. That is where we get into the question of coordination. It is necessary to coordinate the whole operation. What the Senator is saying is that if it is fair for the insurance carrier to be permitted to be a secondary carrier, it should be fair the other way around.

Mr. MONDALE. The Senator is correct.

Mr. HARTKE. The net result is that it will have the effect of establishing who will pay the premium.

Mr. MONDALE. The Senator is correct. It is really a squabble that is necessary. I am proposing that it be the most important person, and we say that the most important person is the person who pays the premium. It is his money or her money, and we want to be sure, when we are at it, that the American public can buy insurance and get the best possible coverage under the lowest prices. This amendment is designed to do just that.

Mr. HARTKE. Mr. President, I am not arguing the merits of the amendment as the Senator explains it because I think the Senator is right. However, the difficulty is that it is permissible and not mandatory. Why does not the Senator make it mandatory and provide that the person buying the coverage shall pay the lowest possible cost as determined by the State insurance commissioner.

Mr. MONDALE. Mr. President, we state that the option must be available and that the State insurance commissioner on the basis of a full public hearing and a finding by him that the health insurance option will result in health insurance benefits at his option greater than those which would result from coordination against the insurance company than in the alternative where that savings has been established. I think that is the way to do it.

Mr. HARTKE. Then the Senator is making two changes in the bill. He is making it coordinate to run in both directions, and he is also changing it from a permissive to a mandatory character. Is that correct?

Mr. MONDALE. It mandates the existence of the option. That is what it does.

Mr. President, I yield to the Senator from Washington, the chairman of the committee.

Mr. MAGNUSON. Mr. President, the Senator talks about health insurance programs, about national health insurance. I hope Congress will pass national health insurance in some form, and quickly. But in the meantime, as long as it does not exist, this program can be called upon to save the American public many dollars in premiums until the other legislation shows up. Then they can make a choice.

If one is a member of the union, he has pretty good medical coverage. At any rate, most of them do. They also have taken out auto insurance.

If the no-fault insurance legislation becomes law, what the Senator is suggesting means that a person who belongs to a group may be able to avoid spending as much money for auto insurance. But only if the group health insurer pays the same unlimited benefits, meets the same standards, will the consumer save more money than he would by coordination under section 204(f).

There is the option that a lot of people in this country have right now, the option of having double coverage. We in Congress have a health insurance program. We all contribute to it, both in the House and the Senate. Also, I suppose that many of us carry a medical payments rider on our auto insurance policies. We can get double payment now, triple payment if we also have a good tort lawsuit. I have that double coverage now.

Mr. MONDALE. Mr. President, let me comment on another point which the Senator from Indiana wants to raise. It seems to me that one of the approaches I am suggesting is that it will get auto insurance companies to provide health insurance coverage and have the insurance companies compete with one another and get the premiums down. That is what we want. We want competition in order to reduce the premiums to the lowest extent possible, and thus benefit the consumers. Under the pending bill, there will be some competition. However, I think that this amendment will improve it.

Mr. HARTKE. Mr. President, I will take up the national health measure in a moment, but I will drop it for the moment. However, I think I understand it. The point still is that under the bill as the Senator proposes it, if we had a group health insurance program which provides all the benefits and covers medical and hospital expenses——

Mr. MONDALE. It has to give the benefits mandated under the bill.

Mr. HARTKE. Then we would have no need to have any automobile insurance for personal injuries whatsoever. Is that right or wrong? I understand what the Senator wants.

Mr. MONDALE. It depends on what one wants. If some group wants the option, all we do is to mandate the option.

Mr. HARTKE. But it would apply to the same program.

Mr. MONDALE. But we want the option. One could have duplicate coverage, if he wants it, or single, primary coverage, if he wants that. He could then go either way. However, we want to mandate the options so that one could have his choice, which he cannot have today.

Mr. HARTKE. Mr. President, will the Senator from Minnesota yield?

Mr. MONDALE. I yield.

Mr. HARTKE. Let me state my understanding of the situation and the Senator from Minnesota may correct me if I am wrong. Under the bill as it is now written, the primary coverage really comes from the nonautomobile insurance carrier; is that not correct?

Mr. MONDALE. Under the bill, the primary insurance comes from the auto insurer.

Mr. HARTKE. Under the bill, yes. Under the situation or under such a circumstance, in the event there is apparent duplicate coverage found by the insurance commissioner to be duplicate coverage, there could be a reduction of the premium cost so far as the nonautomobile insurance carrier is concerned; is that not correct?

Mr. MONDALE. That is correct.

Mr. HARTKE. That would have to be done with the consent of the parties and not enforced by this legislation; is that not correct?

Mr. MONDALE. That is correct.

Mr. HARTKE. What the Senator from Minnesota proposes to do is to make that work in both directions; is that not correct?

Mr. MONDALE. That is correct.

Mr. HARTKE. It would permit the insurance carrier—the automobile insurance carrier and the nonautomobile insurance carrier to work, so far as they are concerned, to reduce the premium in accordance with whichever provided the best benefits at the lowest possible cost as found by the insurance commissioner; is that not correct?

Mr. MONDALE. That is essentially correct, under the bill, at the lowest premium cost.

Mr. HARTKE. That cannot be done in either case under the mandatory form—both the bill and the amendment by the Senator from Minnesota still are permissive and not mandatory——

Mr. MONDALE. There are three alternatives. One is total duplicative coverage. The second is that the auto insurer has primary coverage; and the third alternative is a group health policy as the primary coverage. There are three possibilities, depending on the group. There may be groups which want health coverage, and they should have that right. Other groups may want auto insurance coverage—others a health policy coverage. What this does is to mandate that all three options will be available. It does not seek to predetermine in any particular instance what the consumer of health coverage in the event of an auto accident may want. It leaves it up to the group. What it does mandate is that all the options shall be there under the bill and, as the Senator from Indiana has pointed out, even if the consumer can get a better break through the health insurance route rather than the auto insurance route, it is not possible.

Mr. HARTKE. What I am trying to straighten out are the facts, not the judgment. Under the bill as it is now written, it is permissive. Under the Senator's amendment, it is also permissive. But it is mandated to be permissive.

Mr. MONDALE. It is not permissive in this bill, if we mandate the options of primary coverage under health insurance.

Mr. HARTKE. It is permissive under the bill, too, because there is no way to force, even under the bill, the nonautomobile carrier to forfeit his premium unless there is an agreement.

Mr. MONDALE. Under the present bill, we can mandate the consumer to buy automobile insurance and then his only recourse is to get a break on the health insurance.

Mr. HARTKE. That is right. The consumer has the option of having the benefits if the carriers agree to give it to him.

Mr. MONDALE. Under the bill.

Mr. HARTKE. Under the bill and your amendment, both.

Mr. MONDALE. Our amendment gives the members of a group health organization the option to go to—we mandate the option of going to the State insurance commissioner and if they can establish that they have a better break, to do so, and then there will be a reduction in auto insurance premiums in that amount, with the coverage under health insurance mandated by the State insurance company.

Mr. HARTKE. Is the Senator telling me that they can be mandated to reduce the insurance premium of the automobile carrier, under the Senator's amendment?

Mr. MONDALE. That is correct. That is the idea.

Mr. HARTKE. It may be the idea. I did not understand that it could be mandated.

Mr. MONDALE. Presently they have that authority to adjust rates. Under my amendment, if they determine that the group health insurance carrier is the best bargain for the insured, they would then declare the health insurance as the primary coverer, and they would reduce, by an insurance commission order, the auto insurance premiums accordingly.

Mr. HARTKE. I say to the Senator from Minnesota that I intend to support the amendment. It is better than the bill. I think that if the Senator will read that carefully, he will find that it is not the consumer who has the option in this field; but I am willing to go ahead and accept that for the moment, because I am going to vote for the amendment, anyway.

If the national health insurance bill becomes law and if it provides the same basic benefits as are required under the bill, then who becomes the primary carrier, if the Senator's amendment becomes the law?

Mr. MONDALE. The health insurance.

Mr. HARTKE. The Government. So, if we have a national health insurance program, what the Senator has done, in effect, is to completely eliminate all tort liability and insurance carrier necessity so far as automobile insurance for personal injury is concerned.

Mr. MONDALE. I think the Senator is getting into another area. We are talking here only about what is called allowable expense benefits. We are talking specifically about professional medical treatment and care, emergency health services, medical and vocational rehabilitation services, and funeral expense in case of death. We are not talking about pain and suffering and the intangible returns. That comes under different provisions.

Mr. HARTKE. At the present time, even to recover hospital expenses and medical expenses and loss of earnings, that is a tort liability.

Mr. MONDALE. Under the present law.

Mr. HARTKE. And the Senator's amendment would abolish that part of the present law.

Mr. MONDALE. That is correct.

Mr. HARTKE. If we have a national health insurance bill which provides for the same basic benefits, there is absolutely no need for this law whatsoever, because the national health insurance becomes the primary carrier. Under such circumstances, there is no need for the secondary carrier to be there, because you will have all the coverage.

Mr. MONDALE. National health insurance, as proposed, does not cover disability income, replacement services loss, survivor's loss, or residual tort liability. In other words, there are areas in the proposed national health insurance, even if it is passed—and one of the problems in answering the Senator's question is that we do not know whether it is going to pass or if anything will pass. I know of the Senator's deep interest in this matter, but even if it does pass, it will not take care of all the costs envisaged in this measure.

Mr. HARTKE. My understanding is that as the amendment by the Senator from Minnesota is written, it would permit coordination against a national health insurance program, too, unless we specifically excluded that and reverted to the original provisions of the bill as it is now written.

Mr. MONDALE. That is not correct.

Mr. HARTKE. What is wrong with that?

Mr. MONDALE. Under the bill, the Government-provided benefit is primary to the auto insurance. Under our amendment, it would be subtracted from the health insurance coverage.

Mr. HARTKE. So what we have here, in effect, if we have a national health insurance bill, is a bill left with a limitation on tort liability for pain and suffering, with the continuation of the tort liability for enonomic loss, with limitation upon that. Is that not correct?

Mr. MONDALE. The wage losses are substantial.

Mr. HARTKE. I understand that.

Mr. MONDALE. They are covered under this bill.

Mr. HARTKE. I understand that. I am not saying that the wage losses are not substantial. There is a limitation on wage losses, is there not?

Mr. MONDALE. Yes.

Mr. HARTKE. There is a limitation on wage losses. There is a limitation on tort liability for pain and suffering above a certain amount, upon a limitation of days.

So what we have here is a bill which, for all intents and purposes, is going to take that section which is the ordinary primary cost—that is, the hospital expenses, the doctors' expenses, and those incidental to that—those items, if they are covered by national health insurance, become primarily covered under national health insurance, and then you have just that much segment left with property damage and a limitation section on automobile liability insurance. Is that a fair statement?

Mr. MONDALE. Except for the wage loss protections. It is probably a much larger portion of the primary than the Senator indicates.

Mr. HARTKE. I am not arguing against the amendment of the Senator from Minnesota. I hope he understands that. I am just showing him the trap he is getting into and the whole trap of no-fault. All the options are given to the insurance companies.

Mr. MONDALE. We want the consumer to have more options, to get the best bargain, and we do so by providing that if he can get better coverage for his health costs under this bill through his private health insurance carrier than he can under auto insurance, he ought to be able to do that.

Mr. HARTKE. But the consumer ought to be able to do it, and the insurance carrier ought not be able to preempt that consumer option.

If the Senator wants to make it really effective, why does he not make it mandatory? I can give the Senator the answer, I think, but I want to know the answer of the Senator from Minnesota.

Mr. MONDALE. I think there should be options. In other words, some groups may want duplicate coverage; they may want both. Some groups may want auto insurance rather than private. They have to have an option. That is why we mandate the option but leave it up to the groups to decide what they want.

Apparently, the Senator from Indiana

suggests that we should decide what is best for them and mandate under all circumstances what that result ought to be. My amendment does not go that far. Perhaps the Senator from Indiana is correct. I do not think we should mandate it to that degree of specificity.

Mr. HARTKE. All I am saying is that if the Senator really wants to treat the consumer right, he should not make him pay twice for the same benefit if he can collect only once.

Mr. MONDALE. But suppose he wants to have double coverage. He can collect twice.

Mr. HARTKE. No. He has a primary coverage.

Mr. MONDALE. The primary does not mean that he can collect twice.

Mr. HARTKE. Under most policies they are exclusionary.

Mr. MONDALE. That is what coordination is about.

Mr. HARTKE. He is going to collect twice for his hospital bill?

Mr. MONDALE. That is what coordination is about.

Mr. HARTKE. I thank the Senator.

Mr. MAGNUSON. I point out to the Senator from Indiana that any State can exceed the national standards if it wishes. We leave it open. This is only a minimum standards bill, and any State can go upward. I hope these States will exceed the minimum. This bill will only take effect after 4 years, with the amendment, offered by the Senator from Delaware (Mr. BIDEN), in States that are doing something already.

Mr. HARTKE. My understanding is that this cannot be made mandatory, that it still has to be permissive, and that the insurance carrier would have to agree. Am I correct in that? If the Senator from Washington is correct, that is an entirely different ball game. That is not my understanding of the amendment.

Mr. MONDALE. If an insurance carrier will not do it, then the policyholder will change policies and go where he can get the break.

Mr. HARTKE. He might; but if he is working for General Motors in Detroit, I cannot see how he is going to change his group policy very easily and get another carrier.

Mr. MONDALE. That comes under collective bargaining.

Mr. DOMENICI. Mr. President, will the Senator yield for a question?

Mr. MONDALE. I yield to the Senator from New Mexico.

Mr. DOMENICI. I wish to ask the Senator whether I understand correctly what he is trying to do. I certainly want to indicate first that I favor any broadening of the options to give the alternative in terms of primary coverage, but I have a couple of observations and I would like to share them with the Senator from Minnesota and see if I am correct.

The Senator's amendment deals only with group health policies that would supply all or some of the coverage required by the no-fault bill as it is before the Senate.

Mr. MONDALE. The Senator is correct.

Mr. DOMENICI. On the other hand, the bill makes all no-fault policies primary coverage for medical coverage. If individuals have another policy they are nonetheless required to take out primary coverage on themselves, covering them for injury to themselves to the extent this bill mandates unlimited medical coverage in its present form.

Mr. MONDALE. The Senator is correct.

Mr. DOMENICI. I suggest the Senator's concern for group coverage that could become primary in whole or in part, if as the Senator indicated the consumer benefits from that, is that there is a significant void because no procedure is provided—if I am correct, if I am not correct I hope the Senator will correct me—for the insurance commissioners of States to permit private coverage, non-automobile in nature, to cover for that same medical that we are requiring under no-fault.

If we could find a way to do that it would seem that one could comply without the fear I have, and I have shared it with the Senator, that if we put this bill into effect, we are going to find millions of Americans who for a substantial period of time are going to be paying two substantial premiums without understanding why and they are going to get unlimited medical coverage, and they will have some individual policy covering them for the same thing. There is no mandate other than under section 204(F) that anyone can do anything about that. Does the Senator agree it is a serious problem and is there any way we could further protect against double coverage, the primary responsibility being on no-fault?

Mr. MONDALE. There is a practical reason for the limitation on my amendment to apply to group policies. That is the only way that makes administrative sense. Otherwise it would be an administrative impossibility to administer at the State level. It should be observed, however, that this double coverage involves about only 5 percent of the premium cost, and if there is duplication, it entitles a person to double coverage in the case of loss. I think that reality has to be borne in mind. This is the best we could do to bring the consumer the best possible coverage.

Mr. DOMENICI. I have one last observation. I understand it is very difficult administratively. On the other hand, it is obvious we are talking about primary coverage on one's own person; it is really medical coverage on one's self that we are talking about. I know it is a difficult problem administratively but it seems to me if we are looking to the individual to find some way to cover himself and certify to the insurance commissioner he has such coverage, the point is it is on himself and not on other parties, and I wonder if we would be remiss in not considering that matter even if it is difficult administratively.

Mr. MONDALE. In effect, there would be no savings if anything other than group policies were considered. Reference was made to 5 percent. This amendment is operative only in those circumstances where premiums will actually be less than they would be with primary automobile insurance coverage. If you proceed on an individual basis other than the true group policies, it is believed that possibly all savings would not exist. That is a fact that should be kept in mind.

Mr. DOMENICI. I thank the Senator.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. MONDALE. I yield.

Mr. STEVENS. I would like to have a discussion with the distinguished Senator as to the cause for my amendment. I would like to relate for the RECORD a bit of history.

When this bill was first presented to the Senate, it was presented as a Federal no-fault bill. That bill would have preempted the States entirely in terms of their insurance programs in the automobile insurance field. It was at my request that the chairman of our committee authorized us to go into, and we went into a special type session with the insurers and the various consumer groups. We worked out a concept which is in the bill now, a concept which deals with national standards for State no-fault motor vehicle insurance. We are not dealing with health insurance. We are dealing with motor vehicle insurance on a concept of a total reparation plan so that the automobile insurance system that is prevalent in this country would cover the losses that come from the utilization of the system.

It is a different concept than in the original bill, although title III contains most of the original bill which becomes applicable if the State does not see fit to adopt the State plan.

In this bill we set standards for State action. We did not mandate State action.

The Senator from Minnesota's option is really not an option to the State. It is an option to allow a particular group of citizens covered by a State plan to take action. Therefore, would not the Senator from Minnesota agree with me that his amendment mandates that a State must include in its plan the provisions contained in his amendment?

Mr. MONDALE. There are three possible options. First, duplicate coverage of health and automobile; second, auto insurance primary coverage; and the third alternative, which is mandated by this amendment, is that the States must allow primary coverage by group health where, after a hearing, the commissioner determines those covered would have a lower cost by that alternative than the others. When he does, it mandates the existence of a third option.

Mr. STEVENS. But under the Senator's approach every State plan that is adopted pursuant to title II would have to contain the provisions of those three options. Is that correct?

Mr. MONDALE. That is correct.

Mr. STEVENS. The Senator does not conceive of any circumstances under which a State might decide that any one of those options should not be available under this plan because of other circumstances that exist in the insurance field in that State?

Mr. MONDALE. The pending bill, in effect, mandates the absence of an option that would save the consumers money. So there is a mandate against the consumer. We are mandating availability of all the options, not to the exclusion of the others. It depends on how one wants to define the word "mandate," but we are broadening the availability of the options under which the consumer will get the best bargain in each of the States.

We see no reason why a State should be able to deny an option under a national no-fault bill which would have the effect of allowing the consumer to pay lower premiums than he would have to pay otherwise.

Does the Senator from Alaska know any reason why we should have a bill that artificially causes higher premiums because of that objective?

Mr. STEVENS. I would say to my friend from Minnesota that he does not understand the bill.

Mr. MONDALE. I understand it, and I think I understand the amendment of the Senator from Alaska. What it means is that, if a State legislature was close enough to the auto insurance industry that it wanted to keep higher premiums by denying the third alternative, it could get away with it. That is what that amendment would do.

Mr. STEVENS. If the Senator from Minnesota understood the bill, he would understand the concept involved of trying to get the insurance coverage for the automobile system to be all-inclusive so that a portion of that system was not borne by people outside of it.

Under this system, if one has an automobile, he carries his own insurance for himself and the people in his automobile. He knows whether he has insurance which is health insurance. The Federal Congress does not know that.

The Senator from Minnesota asked: Can I imagine a Federal no-fault bill which would mandate what the Senator says is double coverage? This is not a Federal no-fault bill. This is a bill setting standards for State action. It says any State which has a no-fault system which meets certain minimum standards would not be subject to title III, which is a Federal no-fault system.

If the Senator wants to put a mandate in, under his interpretation of what protects a consumer, he should put it in title III. My amendment would leave it to the States. It does not leave it to the States to double the consumer's cost; it leaves it to the State legislatures to devise the best standards possible in that State—which is entirely consistent with the concept of the insurance system.

It so happens that most of the people the Senator is talking about covering here would come under group coverage. There are some States that do not have much group coverage—my State, for instance. There are not large groups of people covered by group insurance. We are individuals. We carry individual policies. Most of the people are not covered by group innsurance, although the Government employees are.

I invite attention to what the Senator's amendment would mean in terms of Government employees. We have a system which is based on a biannual review of insurance costs. Under my amendment, if a State has adopted a system which makes that insurance the primary one and a person is covered by a group policy which does take the loss experience concept into consideration in the premiums, the premiums are going to go down; they are not going to go up. Groups are not going to be hurt. Again, it is a system for each State to adopt under title II.

Senator from Minnesota says "no." He says we want to mandate each State so that it must have in any plan a provision that makes health insurance the primary one, and if there is a duplication, it means that the nonautomobile insurance must pay for the losses in the accident field.

Mr. MONDALE. That is wrong. What we are talking about in my amendment is a very simple proposition. As we pass this bill, we say that the consumer should come first with this insurance, it is his money, and we ought to mandate a system which brings all possible savings to consumers.

The present bill says that, in instances where an owner of a group health insurance policy could buy the health coverage mandated by this bill for a lower premium that he could buy through an auto insurance policy, then he should have the right to save that money .

The Senator from Alaska's amendment says he should not have the right to save that money in States where the insurance industry is strong enough for the State legislature to deny it to them. I do not see any reason for that amendment, because what we want to do here is to give the consumer the best possible break.

The bill that is here right now mandates a requirement which goes part of the way, because it gives two of three options, but it does not mandate the other option, namely, the mandate of the less expensive coverage under mandated group health insurance policies.

I do not see any merit at all to a measure which says, let us turn this issue over to the State legislatures and makes the consumers fight this issue as to whether they can get the best break for their money. After all, we are mandating a no-fault insurance system in every State of the Union. We are mandating a policy coverage against economic loss in every State of the Union. We have gone that far. Why do we not also mandate that the people paying the premiums get the best possible bargain?

Mr. STEVENS. I will answer, if the Senator will allow me. If the Senator will look at the bill properly, what we are saying to the States is that the people who use automobiles in a certain State are a group and the State legislature should devise a plan under the no-fault system so the people in that group receive the lowest possible coverage so they can cover the people who are in their cars.

What the Senator from Minnesota is saying is that when any group is covered by a health group insurance policy, it can be taken out. The result is, in my State, that the individuals who are not members of a group are going to pay more for no-fault insurance and more for health insurance because groups are going to pay less. I want the State to make that determination.

Mr. MONDALE. The Senator is absolutely wrong.

Mr. STEVENS. I understand the Senator from Minnesota has the floor, but I wish he would allow me to continue.

Mr. MONDALE. All right.

Mr. STEVENS. The Senator from Minnesota is the one who is wrong, because all automobile users are one group, and he is concerned with group health beneficiaries. We are trying to set up a system of automobile reparations so that people in a particular State will get the lowest possible automobile insurance, and the Senator from Minnesota insists that groups as consumers get this benefit, and that any small group, by getting a better price, can get themselves out of the no-fault group. That reduces the bill for certain people, but the people in my State are going to find their no-fault premiums going up.

The State legislatures ought to be able to define that. It may be different in the Senator's State. The experience in his State may be different, but in my State we believe the State ought to be able to determine what is best for the people under a no-fault plan.

My good friend from Washington accepted that approach. Under this bill every State can make up its own mind what is best for its people, consistent with national standards.

My amendment to the amendment simply says that everything the Senator wants is available, subject to the approval of the State legislature. I think that is consistent with a Federal minimum standard approach.

If the Senator's State decides it wants to go that way, fine, but in the States that do not have large industrial complexes covered by large negotiated agreements, the individual States ought to be able to decide if we are better off if everybody buys the same kind of policy and cannot opt to get out because of a very small group on the outside.

If we follow the Senator's approach and do not leave it to the States, and then get a national health insurance program, we will find we have driven out the private carriers in the health insurance field. There may be very few left in the health insurance field in the private sector under the Senator's amendment. That is wrong. That is not what we are seeking under a national health plan. We are not trying to eliminate the private carriers; we are trying to complement them, and I believe the Senator misreads title II.

Title II leaves it to the States subject to the minimum standards. However, the Senator is mandating and not permitting them any option at all.

I really think that if the Senator wants to do this he should put it in title III. Then, if a State wants to do this, it does not have to put in a no-fault insurance plan, and the Federal plan will come into effect.

If the Senator wants to write it that way and take out title II and write a national no-fault insurance plan, he can. I believe that most of the insurance people would prefer that, incidentally. I believe that most national insurance companies would rather have to deal only with the Federal jurisdiction.

I happen to believe that the States want this to be preserved. Under my amendment it would be preserved. The Senator in his amendment confuses title II with title III.

Mr. MONDALE. Mr. President, I have enjoyed the debate with the Senator from Alaska because my amendment provides that the carrier that can deliver the coverage at the lowest possible cost will be the primary carrier. If an auto insurance company can provide health coverage for a lower premium as the primary carrier in a group health policy, the auto insurance company gets the business.

What the Senator from Alaska is saying in his amendment is that he would still let the auto insurance company have the business, even though the premiums are higher, if the insurance company can get the State legislature to refuse to accede to what I think ought to be the right of those who are being covered, namely, to get a lower premium.

That is what the amendment offered by the Senator from Alaska says. That is what it will do. It will deny to those living in States that have legislatures that will not give them the lowest possible expensive option, the right to have it.

The Senator makes another point, one which I think is answered clearly by the pending measure.

The Senator says that all of the insurance must be included under the same system, a single system of auto insurance. But, of course, if one reads the pending bill, there are several exceptions to it already. There are recognized exceptions in the bill such as workmen's compensation, social security, medicare, and the plans of States that require disability insurance. The reason for such exceptions is that—the aggregate effect is—that they do not eliminate loss of incentive.

The exception which we create in the pending amendment is narrowly drafted and will do no injustice or loss. The provision in the bill is limited to those situations where greater cost savings will result.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. MONDALE. Mr. President, I would first like to yield to the Senator from Maine. The Senator from Maine has an amendment to my amendment, which I think makes a great deal of sense.

Mr. HATHAWAY. Mr. President, I thank the Senator from Minnesota very much for yielding.

Mr. President, I call up my unprinted perfecting amendment to the amendment of the Senator from Minnesota and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> On page 3, line 2, strike the period after the word "evidence" and insert the following: ", and such finding is reviewed in a similar procedure by the commissioner not less than once every three years."

Mr. HATHAWAY. Mr. President, I am going to support the amendment of the Senator from Minnesota whether my amendment is accepted or not. I do think, however, that my perfecting amendment that would compel the State insurance commissioner to review his initial findings every 3 years does improve the amendment of the Senator from Minnesota. Under my perfecting amendment, if an insurance carrier was not able to show in the first instance that it could cover the accident insurance involved at a lower cost than its competitor, but later was able to cut its cost during the 3-year period, it would have a second chance to prove that it could do the job for less. This decrease in cost would then inure to the benefit of the insured or the consumer.

Mr. MONDALE. Mr. President, the amendment makes a good deal of sense. It is designed to assure that these determinations by the commissioners are reviewed and it is for the purpose which we approve of and all seek to achieve, and that is an amendment for the benefit of the consumers.

Mr. President, I modify my amendment to incorporate the amendment of the Senator from Maine.

The PRESIDING OFFICER. It will require unanimous consent to do that.

Mr. MONDALE. Mr. President, I ask unanimous consent that I be permitted to modify my amendment to incorporate the due process selection amendment offered by the Senator from Maine.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MONDALE. Mr. President, I thank the Senator from Maine. His amendment is a strengthening amendment.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. MONDALE. Mr. President, I want to comment first on one point; then I will yield to the Senator.

The Senator from Alaska argues that for some strange reason, by persisting in reducing the premiums to persons by offering this standard option, we somehow raise the premiums for those who are not covered by the health group, as I understand it.

That is not the key to the problem. The key is those who are covered under the primary coverage under the third option. The group health policyholders pay premiums for their own coverage. It is still under health insurance coverage for health costs.

Those still under auto insurance coverage for health costs do not pay any of the costs for those who are being primarily covered by group health policies. Neither auto insurance nor primary group health insurance have underwriting policies for the purpose of health costs. So there is no insurance rating differences that would call for a difference in premiums.

Finally, Mr. President, under my amendment the group health concerns would have to pick up the risks along with the other carriers, public or private, of uninsured motorists and the high risks. They would have to spread those risks among all those in the business. Thus, there would be no special experience rating that would dictate a higher premium for the one than for the other.

All this amendment does is to try to deliver a lower premium where the company will produce it, and deliver reduced premiums because it will produce competition. That is the key.

Under the bill in its present form, private auto insurance carriers are guaranteed a monopoly as the primary coverer of health costs. It ignores the fact that we have large health insurance carriers that have the same costs. All it says is: Let us have competition. Let us give the business to the concern which produces the identical coverage at a lower cost.

The Senator from Alaska says: Let us do that only in States where the legislatures will give the consumers a break.

I do not see any reason for that limitation on serving the interests of the consumer. I think the argument for the increased premiums for those who are in the group health plan is, as a result, without foundation.

Mr. STEVENS. Mr. President, I have listened to the Senator from Minnesota as to what my amendment would do.

My amendment merely takes his amendment and makes it optional as to any State plan. The Senator from Minnesota is really criticizing his own approach. All I say is that every State ought to be able to refuse any plan in terms of whether his approach is consistent with the interest of its own people.

The real hooker about the amendment of the Senator from Minnesota is this, and I did not discover this until just now: If a health insurer agrees to participate in the approach set forth by the Senator from Minnesota, it suddenly becomes, even though it is not in the no-fault insurance field, a participant in the assigned risk pool to take care of those injuries that are not covered by any insurance, because there are some people who drive without insurance.

In other words, if you have a person who is driving an automobile and does not have insurance, and strikes a pedestrian, that pedestrian will be paid partially by a health insurance plan that is negotiated, for example, for retired teachers, and has nothing to do with motor vehicle insurance.

The Senator from Minnesota suggests that my approach is going to somehow or other be contrary to the best interests of the consumers. That is a very interesting approach, in view of the fact that I am on the national committee that is dealing with this bill, that provided this bill to meet the consumer demand consistent with the State insurance system. And that State insurance system is based upon a concept of automobile insurance.

What the Senator from Minnesota is saying is, "No, we are not writing an automobile insurance bill, we are writing a health insurance bill," and he wants to put health insurance into a situation where it is primary but only for groups.

If you look at page 2 of the Senator's amendment, it reads:

> Such benefits or advantages are provided by such source other than no-fault insurance through group insurance where the individuals who are likely to be the beneficiaries under such group insurance have

received notice that there will be such subtraction;

In other words, no individual can participate. So what we do is, if anyone is lucky enough to be a part of a group that has health insurance, he gets a ripoff, and the ripoff is that the individual who is not a part of a group, the retired person or person who is not part of an organized union or some other group with leverage in terms of negotiation, is going to pay higher premiums for no-fault insurance, and the result will be that no State will pass no-fault insurance unless the overwhelming majority of their people are covered by group health insurance. The net result is that the Senator from Minnesota will kill the bill. If you are really against no-fault insurance, you will support the approach of the Senator from Minnesota.

Mr. MONDALE. Mr. President, will the Senator yield?

Mr. STEVENS. No, the Senator from Minnesota would not allow me to interrupt. Just 1 minute.

Mr. MONDALE. I thought I did.

Mr. STEVENS. The Senator from Minnesota says my amendment is contrary to consumer interests. What he is doing is so arranging it that the group health insurance people get such a ripoff out of the total no-fault insurance pool that no one will want to stay in the no-fault insurance pool.

If we do that, we will destroy the very concept I have spent two and a half years now trying to work out, and that is a no-fault insurance system that will save the consumers billions of dollars annually, which is consistent with the total rights, and not designed just for those individuals who happen to be a part of a group.

Now I am happy to yield to the Senator from Minnesota.

Mr. MONDALE. Well, the first thing I would say is that the amendment offered by the Senator from Alaska makes the same distinction I do. It applies only to the members of group health policies. So if that argument is so good, and I do not think it is, it runs equally to his advantage against mine.

If we took the amendment of the Senator from Alaska, as amended, it would apply only to members of group health policies.

Mr. STEVENS. That is not so at all. That was the stipulation under the amendment pertaining to motorcycles. When that was offered, I raised the same objection I have raised to the amendment of the Senator from Minnesota, and the sponsors of that amendment realized that it was consistent with the approach of the bill to leave the option up to the States.

If there were States with so much group insurance that members of the group dominate the insurance field, it would be consistent with the total consumer interest to adopt the approach the Senator from Minnesota is talking about. I can think, for instance, of the State of Michigan or Illinois or Ohio, which could probably have that approach. But as you get out West, where people are not members of groups in such enormous numbers as they are in the industrial States, you will find the net effect of mandating that State to follow the Senator's approach is that any group that can go to an insurance commissioner and prove that that group alone would be better off with the approach outlined by the Senator from Minnesota, they can prevail even though everyone else in that State would suffer, and if they suffer they would say no to no-fault insurance; and there is no way you can do it, unless you can do it under the terms of section 2.

Mr. MONDALE. Will the Senator yield?

Mr. STEVENS. I yield.

Mr. MONDALE. Under the terms of my amendment, if the Senator will read it, a group policy that does not follow underwriting principles does not qualify. In other words, it has to be an open group policy; it cannot be a special low-risk group. It has to be a cross-section group policy, or it is not eligible, and it has to have an employer contribution, which means it is a cross-section of employees, and the premium must be lower or they cannot meet the primary terms.

Mr. STEVENS. And the Senator specifically says "lower for that group." He does not say "lower for the consumers as a whole, for the Nation or for a State."

Under my approach, the legislature would look at it and determine whether the consumers of that State would be better with the approach outlined by the Senator from Minnesota, and if in addition it is entirely consistent with the approach of the Senator from Minnesota to adopt the best procedure for that State.

Mr. MONDALE. Will the Senator yield?

Mr. STEVENS. Yes.

Mr. MONDALE. My amendment introduces the principle of competition, which is an old idea in America, that when people compete for business they sometimes lower their profits in order to get it. If you get enough automobiles, you can have double coverage, full health insurance, auto insurance, or just auto insurance, or if it is a better deal for you, health coverage.

What happens under my amendment is that the private insurers and group health programs would be competing with the others to get these health coverages for the lowest premiums.

Competition is a wonderful idea in America. The Senator's amendment would prevent that competition where State auto insurance carriers could prevail on the State legislatures to deny that opportunity.

Mr. STEVENS. I certainly do not agree with the Senator's interpretation of either my approach or his approach, because what the Senator from Minnesota says is that where there is a group that is big enough to dictate the terms of health insurance coverage, it can remove its members from a no-fault insurance plan effectively by proceeding under the procedure set forth in the Senator's amendment.

Where you have individuals who want the protection, and I think there are many individuals in this country who need the protection of no-fault insurance, they will be denied that protection in the States where the groups are so large that they will help insure that covered groups will be weeded out of the no-fault system by the approach of the Senator from Minnesota. I think that is entirely contrary to the spirit of the bill.

I might add that as members of the committee will recall, we explored this question of primacy to a great extent when the matter was before the committee, and all members of our committee who supported agreed at that time that the question of coverage of those injured by the automobile system ought to be first. If you are going to have no-fault insurance, automobile insurance has to be first.

I do not object to the concept of having them paid twice. That is the question of whether they are first or not. If that group insurance policy or health policy is first, in a State that has massive group coverage, you will not have no-fault insurance.

Mr. MONDALE. Mr. President, I will make one more stab at it. The whole idea behind this amendment is to introduce competition. Under the bill as it now stands, it is possible only that auto insurance coverage by private auto insurance carriers will be the primary coverage for health insurers. The only thing my amendment does is say that where the State insurance commissioners can be persuaded that the premium will be lower under group policies, they could order the lower premiums.

That decision would have no effect whatsoever on the premiums of those still covered by the private auto insurer because under the amendment the group policies cannot have special exclusionary rules. The rates would be those for a cross-section of the American public. Under the amendment, they have to participate along with the private insurance companies to pick up the special losses and the high risk of the uninsured motorist, and even with the cost, the premiums must be lowered in order to be eligible.

So I think the concerns of the Senator from Alaska are unfounded. The amendment will strengthen the measure and make it more attractive and, above all, deliver more justice and competition in favor of the American consumer.

Mr. PERCY. Mr. President, after considerable study and discussion, I have concluded that minimum Federal no-fault automobile insurance standards should be enacted and enacted now.

My enthusiasm for this approach has been tempered by my preference for allowing the States to act in this area as they see fit. My earlier question about supporting S. 354 as presently drafted and amended was not due to allegations about its questionable constitutionality. Nor have I felt concern on the grounds that S. 354 will eventually create an enormous new Federal insurance bureaucracy not now contemplated. My initial caution about supporting this legislation has been based on my strong preference for allowing the States, which are the traditional regulators of the insurance industry, to adopt genuine no-fault insurance plans tailored to their own special needs.

But the time for action by the Congress is now. Evidence of the unsatisfactory operation of the present automobile liability system is everywhere to be seen. Overpayment of those not seriously injured, underpayment of those seriously and permanently harmed, and low payout ratios are only three of the major deficiencies of the current system. These failings have been noted in all scholarly studies of this subject. The conclusion of Department of Transportation's study of the automobile insurance business as presently constituted was unequivocal:

> In summary, the existing system ill serves the accident victim, the insuring public and society. It is inefficient, overly costly, incomplete and slow. It allocates benefits poorly, discourages rehabilitation and overburdens the courts and legal system. Both on the record of its performance and on the logic of its operation, it does little if anything to minimize crash losses.

The States have been given adequate time to debate, develop, and implement meaningful no-fault insurance plans of their own. Unfortunately, many States have done nothing or have not yet acted in a meaningful fashion.

My conclusion that Federal legislation laying out a basic national framework for State no-fault insurance schemes is now necessary has been buttressed in no small part by the lengthy and learned reports of the Commerce and Judiciary Committees in support of S. 354. These reports clearly indicate that a Federal no-fault insurance system offers the possibility of lower premium rates for most drivers, broader coverage for most victims, and quicker, more equitable payment to those most seriously injured.

During the past week a number of excellent amendments have been offered and passed. Most have been designed to give the States greater flexibility in administering the proposed Federal minimum standards. I have supported most of these proposals enthusiastically for two reasons: their intrinsic merit and the likelihood that their enactment would increase the chances of final passage of the bill.

Today an amendment of an entirely different nature is being offered. This is the Mondale amendment, which would permit group health insurers to be the primary provider of required allowable expense coverage—all medical expenses and funeral expenses up to $1,000—if certain conditions are met. For example, a group health insurer would have to offer unlimited and rehabilitation coverage and the State insurance commissioner, after extensive hearings, would have to find that making group health insurers the primary source of medical benefits would result in cost savings to consumers.

Mr. President, this amendment seems to provide for nothing more than open competition between automobile and group health insurers for the medical insurance premium dollar and for the elimination of overlapping insurance coverages. In reality, it will only complicate the recovery of automobile insurance benefits, vastly increase administrative costs to the insurance industry and the State insurance departments, cause nonmotoring group health insureds to subsidize those who drive, and do all this at a doubtful saving in premium rates.

The Mondale amendment is addressed to the problem of "coordination"—or nonduplication—of insurance benefits. It seems to me that S. 354 handles this problem with admirable efficiency and equity. S. 354, as presently written, basically allows for coordination of overlapping health coverages under automobile and health insurance plans but retains the automobile insurer as the primary source of these benefits. Under section 204(f) of the bill duplicative coverages can be eliminated with a minimum of administrative problems and with an assurance that all savings must be passed on to consumers.

The operation of section 204(f) would have the advantage of ease of administration. Any accident and health insurer is permitted to make its coverage excess over the no-fault benefits provided by automobile insurers. If it does make its coverage excess, there must be a premium saving reflected in the accident and health premium and such saving must be passed on to the policyholder. In cases where the employer purchases accident and health insurance for his employees, the saving must be passed on in some form to the employees.

After thorough study and analysis, the Commerce and Judiciary Committees have concluded that the approach to the question of coordination of overlapping medical benefits provided for in section 204(f) of the bill is best designed to eliminate duplication of benefits and reduce premium costs. The reasons for this conclusion are compelling:

First. The convenience of imposing primary responsibility on automobile insurers for all accident losses.

Accident victims should be able to receive benefits from one source and not have to go to a group health insurer for medical expenses and an automobile insurer for work loss benefits. If automobile insurance pays the primary benefits, compensation can be made swiftly on presensation of evidence of loss—a prime purpose of no-fault automobile insurance. An accident victim need deal with only one entity for compensation of all his losses. In addition, the insurer does not need to go to the added administrative expense of determining what additional sources of insurance the victim might be entitled to receive.

Second. The possibility of greater savings generated by retaining primary responsibility with automobile insurers.

Under the Mondale amendment, if the medical component of automobile accident compensation were carved out of an automobile insurer's responsibility, its total administrative expenses incident to investigating, adjusting, and processing each claim would probably remain relatively constant. In fact these costs could be increased by the necessity for each automobile insurer to compile detailed, up-to-date records as to which policyholders have what group health insurance policies. At the same time, the health insurer would be required to incur new administrative costs incident to coordinating their coverage with the automobile insurer.

If the coordination of benefits approach is used, as provided for in Section 204(f) of the bill, the auto insurer is given primary responsibility for medical as well as other accident costs and this duplication of administrative expense will not occur. Since no-fault insurance provided by S. 354 will cover all citizens, the health insurer will coordinate benefits simply by excluding automobile accident-caused injuries from its coverage.

In short, if a single source—the auto insurer—is primarily responsible for all automobile accident costs, coordination of benefits under section 204(f) of the bill should result in a definite saving on each insured's total health insurance premium. In contrast, if primary responsibility for automobile accident compensation is divided between two insurers, administrative expenses will likely remain constant and may in fact increase somewhat. The net result is greater savings for consumers if no-fault benefits are provided in a single comprehensive package.

The fact that administrative expenses of the automobile insurers remain relatively constant, regardless of whether they are the primary source of medical benefits, makes any comparison of the overall loss ratios of automobile and health insurers illusory and misleading.

Third. The social value of internalizing automobile accident costs to motorists.

From the viewpoint of society, victims, and consumers, an activity that generates costs should bear those costs. In the case of motoring, those who use automobiles should pay for losses caused by their use. By allowing group health insurers to be the primary source of medical benefits, the Mondale amendment would insure that some nonmotorists—primarily the poor and elderly—will be subsidizing a portion of the costs of automobile accidents.

Mr. President, S. 354, as presently written, is a solid piece of legislation, the product of lengthy debate and close analysis. Regardless of the admirable objectives of the Mondale amendment, I feel that all available information indicates that it seeks to meet consumer demands for lower premium costs with a misguided approach. Most who have studied the question of the coordination of duplicative benefits, including the Department of Transportation, the Senate Commerce Committee, and virtually all States that have enacted no-fault statutes, have concluded that automobile insurers should retain their primary role, for paying all no-fault benefits, including medical expenses.

Mr. President, attempting to alter a basic provision of a complicated piece of legislation, only 24 hours before a vote on final passage, is a questionable practice at best. At worst it can lead to irreparable harm to a carefully drafted bill and galvanize opposition to the legislation.

An amendment which works a fundamental change in the operation of a bill, such as S. 354, should be closely studied in committee and be the subject of extensive hearings. Now, in the closing hours of debate on S. 354, is not the time to revamp the bill with a provision so complex and so potentially drastic in impact as the Mondale amendment. If such a procedure is to be followed, at this time, it is the proponents of the amendment who must present overwhelming proof of the wisdom of the course they suggest.

The advocates of the Mondale amendment have failed to carry this heavy burden. Senator MONDALE himself, in his statement introducing this proposal, admitted that he is far from certain what the real cost effects would be of allowing group health insurers to be the primary provider of medical benefits for automobile accident victims. Far from offering affirmative substantiation for their departure from S. 354, as reported by the Commerce and Judiciary Committees, supporters of the Mondale amendment have been unable to show that their approach does not do positive harm to the interest of consumers.

Obviously the Mondale amendment is more acceptable if the Stevens amendment to make the State action optional is accepted.

(The following colloquy, which occurred during the discussion of the Mondale amendment, is printed here by unanimous consent.)

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. MONDALE. I yield.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that it be in order at this time to ask for the yeas and nays on the Stevens amendment, which will be offered.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays on the Stevens amendment.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, under the same circumstances.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE PROGRAM

Mr. ROBERT C. BYRD. May I ask the distinguished majority leader if there will be a session on Friday?

Mr. MANSFIELD. Oh, yes, and very likely votes, because it is the intention of the joint leadership to take up the supplemental appropriation bill on that day. We will have a pretty full schedule the rest of the week.

Next week we hope to take up the energy bill, providing no obstructions occur along the way. But when we get through with the pending business, then we go back to the bill from the Banking, Housing and Urban Affairs Committee which has the wage-price amendments. That will be followed by the aid to education bill, which will take some time, but we intend to bring in second-track items, and it is the present intention to bring up the military authorization supplemental bill on Friday of this week.

Mr. ROBERT C. BYRD. The supplemental appropriation bill?

Mr. MANSFIELD. The supplemental authorization or the supplemental appropriation, whichever is most conducive at the time.

Mr. ROBERT C. BYRD. The reason I asked, is that I had heard a rumor that the Senate would not be in session Friday, and it caught me somewhat unawares.

Mr. MANSFIELD. No, we will be in session on Friday. We are operating on at least a 5-day basis. I thought the Senate was very much aware of that fact.

There will be no days off, because we have a lot of business to do, and the Lord only knows what will happen later in the year, so the Senate had better be prepared to work a 5-day week and where need be a 6-day week, because we have an election year as well.

Mr. ROBERT C. BYRD. Is it the understanding of the majority leader that there is no assurance that there will not be additional votes today?

Mr. MANSFIELD. None at all. The leadership has not indicated, nor will it indicate on a Tuesday, that there will be no further votes today. If there are votes, if Senators want to offer amendments and request the yeas and nays, the leadership is prepared to support them, because we have a difficult schedule tomorrow.

The Senate has made a tremendous record so far this year. I want to see that record maintained and the responsibility of the Senate upheld.

Mr. MONDALE. Mr. President, will the Senator yield?

Mr. MANSFIELD. Yes, indeed.

Mr. MONDALE. The Senator from Alaska (Mr. STEVENS) has an amendment which he intends to offer tomorrow. I would propose that we could debate that today, perhaps, and then vote on it just prior to the vote on my amendment tomorrow.

Mr. MANSFIELD. That is perfectly all right——

Mr. MONDALE. There is a time certain for the vote on my amendment tomorrow. It involves the same issues as those raised in the amendment of the Senator from Alaska. So I would hope that can be done.

Mr. MANSFIELD. If the Senator wants to do that, of course, he is within his rights, but that will not preclude the possibility of further rollcall votes this afternoon, if they are requested. And I would point out to the distinguished Senator that the time is pretty compacted tomorrow, and he will have to take his chances if he wants to keep on putting off votes on amendments offered today until tomorrow, because we have a pretty locked-in situation on amendments which are offered or will be offered by the distinguished Senator from North Carolina, the present Presiding Officer (Mr. HELMS), and others.

The final vote will occur on passage at 3 o'clock, and before that there will be a vote on a motion to recommit, I understand, to be made by the Senator from Nebraska.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. KENNEDY. The majority leader had indicated that there might be additional items which would be worked into the program tomorrow. Has he considered that vessel tariff bill on which the Senator from Minnesota (Mr. MONDALE) and I are offering amendments?

I wanted the leadership to know, if I may have the attention of the Senator from Minnesota, that we would be prepared to agree to a time limitation, any time that the leadership felt would be reasonable. We just wanted to raise that. It deals with both a question of a tax cut and some stimulation to the economy, and given the figures and the statistics and information that has been coming out about that subject, which I know the majority leader has been concerned about, I want to assure him that we are prepared to fit this item in at any time of the leadership's preference, and on any time limitation the majority leader would want to request.

Mr. MANSFIELD. Mr. President, the distinguished Senator from Massachusetts (Mr. KENNEDY) has talked with me about this previously. I have looked into the matter. It will not be possible to take it up this week. Perhaps next week. It all depends.

If there is a chance for a time limitation agreement before it is brought up, that would be fine with me. We will see what, if anything, can be worked out. But I would indicate again that when we dispose of the pending business—and we will one way or the other no later than about 3:15 tomorrow—it is then the intention of the joint leadership to return to the consideration of S. 2986 to which wage and price control amendments, or at least one amendment, has been attached.

Whether or not we can finish that bill tomorrow remains to be seen. If not, we will try to finish it on Thursday.

Following that, we will take up the aid to education bill, which will take some time to consider, and at that time the second track items will be S. 3203, a labor bill in which the Senator is interested, the supplemental appropriation bill, S. 3331, the small business bill, S. 411, postal rates, and H.R. 11385, having to do with health.

That is going to be a heavy schedule, so the Senate is on warning that there will be a session on Friday of this week, and there may be votes.

I have heard rumors going around that certain Senators have been told that there will be no votes on Friday. Do not bet on it.

Next week we will have the tariff bill, maybe the energy bill, and we will still be with aid to education.

I hope this explains the situation fully, thoroughly, completely, succinctly, and to the point.

Several Senators addressed the Chair.

Mr. MANSFIELD. I yield to the Senator from Michigan.

Mr. GRIFFIN. Mr. President, I understand that the Senator from Alaska is prepared to go to a vote on his amendment today, and I would say, looking at the clock, that if we are going to have any votes tonight it would probably be on that amendment. I wonder if we could suggest the possibility of an agreement to vote, say, at 4:30 on the amendment of the Senator from Alaska.

Mr. MONDALE. Mr. President, will the Senator yield?

Mr. GRIFFIN. I yield.

Mr. MONDALE. The distinguished floor manager of this underlying measure (Mr. Moss) is not with us for the remainder of the day. I very much want him here at the time that vote takes place. I would therefore object to a vote this afternoon.

Mr. MANSFIELD. It is possible that other amendments may be called up. Again, as far as the joint leadership is concerned, if there is a possibility of votes this afternoon, they will be undertaken. We feel that we have a responsibility and we cannot be delayed or turned around because of the whims of one Senator, no matter who that Senator may be. We have a lot of business to attend to. We have made an excellent record so far. We do not have too much time left in this session, and we do not know what complications will arise, so I am laying it out for the Senate, and I would hope that the Senate, in its usual manner, would conform.

Mr. MAGNUSON. Mr. President, will the distinguished majority leader yield?

Mr. MANSFIELD. I promised to yield to the Senator from Virginia (Mr. Harry F. Byrd, Jr.) first.

Mr. HARRY F. BYRD, JR. Mr. President, may I ask the Senator from Montana in regard to the tax bill and in regard to the Kennedy amendment to the tax bill, would the leadership consult with the Senator from Virginia before making a time agreement?

Mr. MANSFIELD. I shall be delighted to do so. May I say that I noticed the attitude and the attention the Senator from Virginia gave to the proposal made by the Senator from Massachusetts when it was made. He will be contacted.

Mr. HARRY F. BYRD, JR. I thank the distinguished majority leader.

Mr. MAGNUSON. Mr. President, I appreciate that we want to get the votes out of the way as soon as we can. I do not know of any amendments pending tonight. It will not make much difference time-wise if we go on this tomorrow because we will be through with it anyway by 3 o'clock. The two amendments happen to be right together. We can vote on the Stevens amendment immediately before we vote on the Mondale amendment. It deals with the same subject. There is a time limitation so that time-wise, as I told the Senator from Montana, we will not lose any time by doing it tonight.

There will be some more discussion tonight. I have heard that there are some other amendments not linked to these two so that I would agree we should dispose of them.

Mr. MANSFIELD. The Senator from Washington is considerate, as always. I know that if there was not this connection between the two amendments I would be perfectly willing to have the votes this afternoon. We do not know of any at the moment but we cannot tell when one will show up.

Mr. STEVENS. Mr. President, I am perfectly willing to discuss the amendment this afternoon or tomorrow. My problem is that unless I call it up this afternoon I will not get a vote on it tomorrow.

Mr. ROBERT C. BYRD. The Senator from Alaska is entitled to a vote on his amendment regardless of when it is called up. The catch comes from the fact that he would not have any time to debate it tomorrow. We do not have it clocked out in accordance with the agreement entered into earlier. It may be that Senators on both sides of the question would want a little time tomorrow—5 minutes—to debate that amendment.

Mr. STEVENS. I understand the reason. There will not be any time to explain the amendment tomorrow, so that it must be explained today. Of course, I will be glad if we can vote on it today.

Mr. MAGNUSON. Do what the Senator from Minnesota (Mr. Mondale) is doing, explain it tonight and vote on it tomorrow.

Mr. MANSFIELD. Mr. President, what is the first amendment to be considered tomorrow?

The PRESIDING OFFICER. If called up, the Stevens amendment will be the first amendment to be voted on.

Mr. MANSFIELD. What time have we decided to come in tomorrow?

Mr. ROBERT C. BYRD. May I state for the leadership a recapitulation of the order already entered.

At 10:30, the Senate will convene tomorrow, with an order for routine morning business up to 11 a.m. At 11 a.m. the Mondale amendment will be resumed. There will be 20 minutes debate on that amendment and then a vote. Following the Mondale amendment, the Helms amendment will be brought up. There is 20 minutes on that amendment and then there is the vote.

Upon disposition of the Helms amendment, there will be a motion to recommit the bill by the Senator from Nebraska (Mr. Hruska), with an hour and a half on that motion. Then, upon disposition of that motion to recommit, if the bill is not recommitted, there would be 1 hour—something like an hour and 5 or 10 minutes—remaining for debate, and final passage to occur at 3 o'clock.

The leader should understand that the program as it has been stated could take from the time for debate at the end of the day and allow some time for debate on this amendment prior to the vote on the Mondale amendment.

Mr. MANSFIELD. Would the assistant majority leader work out the picture so that the rights of the Senator from Minnesota (Mr. Mondale) will continue to be protected and so that the rights of the Senator from Alaska (Mr. Stevens) will be protected, so that he can make his case this afternoon and that there be the possibility of a 10-minute period tomorrow—with 5 minutes to be controlled by the Senator from Alaska and 5 minutes to be controlled by the Senator from Washington (Mr. Magnuson) or whomever he may designate, before a vote would be taken on the Stevens amendment to the Mondale amendment.

Mr. ROBERT C. BYRD. If I may make a suggestion to the distinguished majority leader, I propose the following unanimous-consent request:

I ask unanimous consent that at the hour of 10:45 a.m. tomorrow the Senate resume consideration of the unfinished business. This will allow about 10 minutes for speeches or morning business prior to 10:45. At 10:45 the Senate will resume consideration of the unfinished business. At that time, there will be a 10-minute limitation to be equally divided between the author of the amendment (Mr. Stevens) and the Senator from Washington (Mr. Magnuson) or his designee; at the conclusion of these 10 minutes, a vote will occur on the Stevens amendment; that upon disposition of the Stevens amendment to the Mondale amendment, the 20 minutes for debate on the Mondale amendment would then ensue and the rest of the order would follow as it was ordered yesterday, with the time for the Stevens amendment to be taken out of the time for debate on the bill itself so that the vote would still occur at 3 o'clock.

The PRESIDING OFFICER. Without objection, it is so ordered.

(This marks the end of the colloquy that occurred during the discussion of the Mondale amendment.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the bill (H.R. 8101) to authorize certain Federal agencies to detail personnel and to loan equipment to the Bureau of Sport Fisheries and Wildlife, Department of the Interior.

NATIONAL NO-FAULT MOTOR VEHICLE INSURANCE ACT

The Senate continued with the consideration of the bill (S. 354) to establish a nationwide system of adequate and uniform motor vehicle accident reparation acts and to require no-fault motor vehicle insurance as a condition precedent to using a motor vehicle on public roadways in order to promote and regulate interstate commerce.

AMENDMENT NO. 1207

Mr. HELMS. Mr. President, I ask unanimous consent that it may be in order for me to call up my amendment No. 1207 at this time.

The PRESIDING OFFICER (Mr. Haskell). Without objection, it is so ordered, and the clerk will state the amendment.

The legislative clerk read as follows:

> On page 59, line 10, strike out "or section 304".
>
> On page 68, line 12, strike out "or title III".
>
> On page 83, lines 3 and 4, strike out "or title III".
>
> On page 90, line 14, strike out "or title III".
>
> On page 95, line 7, strike out "or title III".
>
> Beginning on page 96, line 18, strike out all through page 97, line 20.
>
> On page 97, line 21, strike out "(f)" and insert in lieu thereof "(e)".
>
> On page 99, line 20, strike out "or title III".
>
> On page 113, line 8, strike out "or title III".
>
> On page 113, beginning on line 18, strike out all through page 117, line 10.

Mr. **HELMS.** Mr. President, I should like to ask the cooperation of the leadership in getting the yeas and nays tomorrow, as I realize there are not enough Senators here now.

Mr. President, as I stated last week, on April 23 to be exact, I have a number of reservations about the so-called National No-Fault Motor Vehicle Insurance Act. In my view, the policy underlying the McCarran-Ferguson Act which states that the "continued regulation and taxation by the several States of the business of insurance is in the public interest" is as sound and viable today as it was in 1945, the date of its enactment. Congress should abide by its dictates. I deeply fear that to deviate from the current policy in favor of the course suggested by National No-Fault Motor Vehicle Insurance is to recognize the inevitability of eventual Federal control over all types of insurance. Such a result is to be feared because it is manifestly not in the best interest of the American motorist.

While it is not my primary purpose today to address the constitutional questions presented by the bill, I do feel a duty to register my belief that this proposed legislation may very well be unconstitutional. It would compel the States to create and utilize their own instrumentalities, officials, and facilities to implement and administer the pervasive and far-reaching Federal program contemplated by this bill. Title III provides that in the event a State does not enact conforming legislation, the provisions of title III will be imposed upon the State to be administered and regulated by it. State agencies would be compelled to administer federally established requirements, and they would be required to legislate in response to Federal directions. One may very properly question whether Congress has the power to compel the States to administer a Federal law even if the States are not willing to adopt such provisions.

For my own part, I believe that Congress has a duty to abide by the U.S. Constitution and not enact legislation in derogation of it.

However, it is not my purpose today to debate the constitutional questions presented by this proposed legislation, however meritorious they may be. I am very concerned about the cost consequences which must inevitably result from the approval of this bill. It cannot be said that cost consequences are mere abstractions, or that they are academic considerations only. The increased insurance rates which will surely result from such a plan will be borne by the already overburdened American taxpayer and consumer.

It has been suggested that the impact of this cost increase would fall hardest on the private passenger driver and any savings that might accrue would be to the benefit of commercial vehicle operators. No one wishes to overburden commercial operators, but they do not expect their insurance rates to be subsidized by the private motorists.

Much has been said about the cost estimates of the Milliman and Robertson study. As Senators are aware, this independent actuarial firm was retained to establish credible methodolgy and data bases for costing various no-fault proposals including the Federal proposals. Some would offer the results of this study as evidence that national no-fault will produce lower insurance rates. However, I would urge every Senator to read the caveats on these cost estimates as they appear on page 126 of the Commerce Committee report. Let me quote in part:

> Although our attached conclusions as to the likely cost implications of enactment of S. 354 are probably the best estimates available, it must be recognized that they are nonetheless subject to a rather high degree of variability as well as being susceptible to misinterpretation.

"A high degree of variability" and "very susceptible to misinterpretation." Yet, the proponents of Federal no-fault are willing to base their promise of reduced insurance costs for the American motorists on such uncertain estimates.

On page 50 of the report of the Judiciary Committee, it is stated that:

> The early promise of no-fault insurance was that it would pay all losses of all victims and produce vast savings in automobile insurance programs at a cost to the consumer which was substantially less than the cost of the existing tort system. However, during the ninety-second Congress, the Committee on Commerce received conflicting cost information on the predecessor to the instant bill. Indeed, the only one of the three actuaries actually to conduct a State-by-State survey of projected premium costs at that time testified that forty-two States would experience a total increased premium under no-fault of thirty-seven per cent to sixty-five per cent in the medium coverage category with only one State projecting less than a twenty-five per cent increase. National averages projected a forty-two per cent increase in that category.

In fact, many have suggested that a sound analysis of the Milliman and Robertson study suggests that the no-fault system proposed in this legislation might cost substantially more than the present tort system.

The minority view of the Judiciary Committee concluded that a comparison of the total tort system claim costs to S. 354's low benefit loose threshold and $2,500 per claim deduction makes it apparent that consumers in 44 States will experience an increase in costs. The deletion of the $2,500 per claim deduction will serve to further increase these costs. Only six States could have a decrease. And, of those six States, five have adopted versions of no-fault motor vehicle insurance. Thus, for the most part, any benefit that this legislation might confer in decreasing costs has already been achieved.

The system of motor vehicle insurance for the entire Nation is simply too important and too massive for guess-work. I am convinced that our National interest would be best served by allowing the States to continue to adopt whatever form of insurance they consider to be best suited to the needs of their people. And, I might add, most economical for their people.

Mr. President, the amendment that I have submitted would help alleviate this unwise invasion of the prerogatives of the States. It would delete the alternative Federal plan for no-fault motor vehicle insurance which becomes effective if a State legislature fails to adopt a no-fault plan consistent with the so-called Federal standards. In other words, it would remove the element of compulsion. It reserves the right of the States to experiment with motor vehicle insurance plans. If a State chooses a no-fault plan, it would have to conform to the standards of the bill. But, the States would not be required to establish a no-fault plan if such a plan is considered to be unsuitable to the needs of its citizens. Where no-fault motor vehicle insurance is established, it would be substantially uniform on a national basis. This amendment is compatible with the basic spirit of the legislation, but it removes the element of compulsion. I urge its approval.

QUORUM CALL

Mr. **MANSFIELD.** Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. **HUDDLESTON.** Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

THE KENTUCKY DERBY

Mr. **HUDDLESTON.** Mr. President, on Saturday, May 4, 1974, the 100th consecutive Kentucky Derby will be run at Churchill Downs in Louisville, accompanied by festivities appropriate to the centennial celebration of an event filled with history, tradition, and lore.

While the "Run for the Roses" does happen to be one of America's great sports spectaculars, attended by some 125,000 to 150,000 persons and viewed by millions more, the derby is more than just a horserace. The derby is people. It is hospitality. It is tradition.

The derby is people—from all walks of life—from every corner of the United States and many foreign countries—people gathered at Churchill Downs for celebration of sport, competition and fair play.

The derby is hospitality. It is Kentuckians welcoming all those that come into Louisville, with the goodwill and friendliness which pervades the spirit of the State's people all year round.

The derby is tradition. It is meeting friends in the warm Kentucky sun and hearing the masses break into "My Old Kentucky Home" as the horses come onto the track.

But most of all, the derby is a symbol of our State and Nation's heritage and a past we should, indeed, remember and celebrate.

For weeks preceding and following the "most exciting 2 minutes" in sports, thousands of words are written in publications around the globe about this spectacular event. One of particular significance was authored by a former Member of this body, the Honorable Thruston B. Morton, who now serves as chairman of the board of directors of Churchill Downs. The article appeared in the April edition of Antiques magazine.

I ask unanimous consent, Mr. President, that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE CENTENNIAL OF THE KENTUCKY DERBY, 1875–1974

(By Thruston B. Morton)

"They're off . . .": that ringing announcement now brings more than 130,000 spectators to their feet at the running of the Kentucky Derby at Churchill Downs every year on the afternoon of the first Saturday in May. The first jewel in racing's Triple Crown, the Derby is the most glamorous, famous, and most publicized horse race in the world. It brings together the nation's finest Thoroughbred three-year-olds who are nominated to the field of this grueling mile-and-a-quarter race on the basis of pedigree and past track performance.

The first Kentucky Derby was run on May 17, 1875; that to be run on May 4, 1974, will mark the one-hundredth consecutive running of the race. It is not the oldest sporting event in the world, nor does it attract as many spectators as the Indianapolis 500 or the Grand National Steeplechase in England, yet it is unquestionably the most famous race of its kind. This was impressed upon me when I served as assistant secretary of state under the late John Foster Dulles. I had the privilege of visiting many capitals of the world with him. We frequently had to attend state dinners where, because of my relatively junior status, I was generally seated "below the salt." When it came out that I was from Louisville, Kentucky, more often than not my opposite number would immediately associate that with the Kentucky Derby and Churchill Downs. It was a happy surprise to me to find it was always the same refrain, whether in Belgrade or Bangkok, Paris or Prague, Manila or Madrid.

How did this come about? Colonel Meriwether Lewis Clark organized the Louisville Jockey Club and Driving Park Association in June 1874—a time when horse racing was at a low ebb in Kentucky and when breeders were considering closing their stock farms because yearlings were selling for around $100. There were only half a dozen race tracks of any consequence around the country at this time. Clark and his associates believed that the formation of the Jockey Club with the purpose of holding a race meet in Louisville might alleviate the depressed situation. They believed that a series of stakes for certain classes and ages would create a renewed demand for Thoroughbreds. Three of these stakes at Churchill Downs—the Derby, the Oaks, and the Clark—will celebrate their hundredth consecutive running this year. The name Derby was first applied to racing in 1780 when an ancestor of the present Lord Derby staged a race for three-year-old colts at his English estate, The Oaks. A companion race exclusively for fillies, first run there in 1779, became known as the Oaks. In 1896 the Kentucky Derby was shortened from a mile and a half to a mile and a quarter and the blanket of roses was awarded to the winner for the first time. The Kentucky Oaks, for fillies only, is held during the spring meet and precedes the Derby by a day; it is run over a course a mile and a sixteenth long. The Clark was originally run in the spring over a two-mile course as a stake for three-year-olds. In 1902 it was changed to a mile and an eighth handicap for three-year-olds and up, and since 1953 it has been included in the fall meet.

Clark leased from his uncles John and Henry Churchill the 180-acre lot then outside the city limits which became the home of the Jockey Club and the Derby. It was called the Louisville Jockey Club Course or the Louisville Race Track until 1886, when an unsigned article in the New York City sporting journal the *Spirit of the Times* referred to it as Churchill Downs, a name which immediately caught on with the public but which did not become official until 1928.

The first Kentucky Derby of 1875 was won by Aristides, a little red horse ridden by Oliver Lewis, a Negro jockey. A crowd of ten thousand watched the race; now a staff of ten thousand is required to take care of the more than 130,000 spectators. More than a thousand of the employees guard and tend twelve hundred Thoroughbreds stabled at the track.

In its first quarter century the Derby grew in prestige. It featured such horses as Baden-Baden, Hindoo, Ben Ali, and Ben Brush; such jockeys as Willie Simms and the incomparable Isaac Murphy; and such owners and breeders as J. B. Haggin, George J. Long, M. F. Dwyer, and William Astor. After the May meeting in 1894 the layout of the track was changed and the old grandstand, almost exactly opposite the present one, was torn down. It faced west and the late afternoon sun glared into the patrons' eyes. The stables now occupy the site of the old grandstand. The present grandstand, capped with the familiar twin spires, was completed in 1895.

Despite the progress made in establishing the Derby as a notable annual event, the twenty-fifth running was overshadowed by the suicide on April 22, 1899, of Colonel Clark, probably because of declining health and financial reverses. The next three years were difficult ones for Churchill Downs. Then the directors appointed a Louisville tailor, Matt Winn, to take over the management of the track. Winn was not a horseman by training but he did have a flair for promotion that he used to good purpose in making the Kentucky Derby the most popular and prestigious race for Thoroughbreds in the world. Nonetheless, the Derby has had its problems: in 1892 and 1905 only three horses went to the post; in 1929 over an inch of rain fell just before the race to create the wettest Derby of all time; in 1932 a field of twenty horses milled around the starting gate for over fifteen minutes as Tick On, the favorite, created most of the disturbance leading to the delay; also in 1932 more than five thousand fans crashed through the backside fence and into the center field; in 1945 the running of the Derby was delayed until June 9, after VE Day.

During the twentieth century the Derby has been enriched with record-breaking achievements. Four jockeys—Earl Sande, Eddie Arcaro, Willie Shoemaker, and Bill Hartack—account for sixteen winning races; three breeders—John E. Madden, E. R. Bradley, and Calumet Farm—for sixteen; and five trainers—the father and son combination of Ben and Jimmy Jones, H. J. Thompson, Max Hirsch, and Sunny Jim Fitzsimmons—for eighteen. Among the winners have been Bold Venture, Bubbling Over, Count Fleet, Determine, Gallant Fox, Halma, Pensive, Ponder, Reigh Count, and Swaps, each of which also had a son who won the Derby. And a salute is due to Regret, the only filly to win the blanket of roses. The managerial skills of Matt Winn were succeeded by those of Wathen Knebelkamp as president and by his successor, Lynn Stone. Together they supervised a number of improvements to the facilities at Churchill Downs.

The second century of the Kentucky Derby undoubtedly will have its own celebrities and establish its own record-breaking statistics. But, with the hundredth running of this classic race on May 4, there are many who will look back with nostalgia to the closing of one era, rich in its own history, and forward with anticipation to the opening of an equally promising epoch.

QUORUM CALL

Mr. HUDDLESTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR McCLELLAN TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders or their designees have been recognized under the standing order, Mr. MCCLELLAN be recognized for a period not to extend beyond 10:45 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. That would mean that Mr. MCCLELLAN would have 15 minutes or less, depending on how much time the two leaders or their designees would consume under the standing order.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene tomorrow at 10:30 a.m.

After the two leaders or their designees have been recognized under the standing order, Mr. MCCLELLAN will be recognized for a period not to extend beyond 10:45 a.m., which would mean that he would be speaking for a period of 15 minutes or less.

At 10:45 a.m., the Senate will resume consideration of the no-fault insurance bill. The question at that time will be on the adoption of the amendment by Mr. STEVENS to the amendment by Mr. MONDALE, with a 10-minute limitation on the Stevens amendment. A yea and nay vote has been ordered on the Stevens amendment and will occur about 10:55 a.m.

Upon the disposition of the Stevens

amendment, debate will resume on the Mondale amendment as amended, if amended, and under a time limitation of 20 minutes. A yea-and-nay vote will occur then on the Mondale amendment about 11:30 a.m.

Upon the disposition of the Mondale amendment, the Senate will take up the amendment by Mr. HELMS, under a 20-minute time limitation. A yea-and-nay vote will occur on the Helms amendment at 12:05 p.m.

Upon the disposition of the Helms amendment, the Senate will take up the motion by Mr. HRUSKA to recommit the bill, under a time limitation of 90 minutes. If the full 90 minutes are taken, the vote on the motion to recommit the bill will occur about 1:50 p.m.

Upon the disposition of the Hruska motion to recommit, if the recommittal motion fails, the Senate will debate the bill for the remaining time, approximately 55 minutes, until final passage of the bill on a rollcall vote at 3 p.m.

Upon the disposition of the no-fault insurance bill, action will be resumed on the wage and price controls amendment. It is anticipated that yea and nay votes will occur on a division of the amendment, and possibly on other amendments, and hopefully action can be completed on the bill tomorrow. If not, final action will hopefully occur on Thursday.

The Senate will operate on a double track beginning tomorrow and proceeding daily thereafter.

On Thursday, the main track item, in all likelihood, would be the education bill, S. 1539.

Mr. TOWER. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. TOWER. Where would S. 2986 come in, in the event it were not disposed of tomorrow night?

Mr. ROBERT C. BYRD. On Thursday.

Mr. TOWER. It would come in the second track on Thursday?

Mr. ROBERT C. BYRD. It would be one of the track items, with the main track item being the education bill.

I think it would be the intention of the leadership, if at all possible, to finish the wage and price control amendments tomorrow, and hopefully the bill. If not, it would be desired that the action on the bill would then be completed on Thursday.

Possible second track items on Thursday, Friday, and into next week would be the following, but not necessarily in the order listed:

The supplemental appropriation bill which was reported today by the Committee on Appropriations;

S. 3203, the NLR extension to hospital employees;

S. 3331, Small Business Administration;

S. 411, Postal Service;

H.R. 11385, health services;

S. 3267, the energy bill;

H.R. 8217, the bill to exempt from duty certain vessels, equipment and repairs; and

H.R. 12920, the Peace Corps bill.

Conference reports and other measures may be called at any time.

Senators are urged, in arranging their schedules, to consider the strong possibility of rollcall votes daily from here on, keeping in mind that a "glut" of legislation is beginning to accumulate.

ADJOURNMENT TO 10:30 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate—and the distinguished assistant Republican leader has indicated he has nothing else for the moment—I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 10:30 a.m. tomorrow.

The motion was agreed to; and at 5:21 p.m. the Senate adjourned until Wednesday, May 1, 1974, at 10:30 a.m.

NOMINATIONS

Executive nominations received by the Senate April 30, 1974:

ORGANIZATION FOR ECONOMIC COOPERATION AND DEVELOPMENT

William C. Turner, of Arizona, to be the Representative of the United States of America to the Organization for Economic Cooperation and Development, with the rank of Ambassador.

CORPORATION FOR PUBLIC BROADCASTING

The following-named persons to be members of the Board of Directors of the Corporation for Public Broadcasting for the terms indicated:

For the remainder of the term expiring March 26, 1976:

Virginia Duncan, of California, vice Thomas B. Curtis, resigned.

For a term expiring March 26, 1980:

Durward Belmont Varner, of Nebraska, vice Jack J. Valenti, term expired.

FEDERAL TRADE COMMISSION

Stephen A. Nye, of California, to be a Federal Trade Commissioner for the unexpired term of 7 years from September 26, 1970, vice David S. Dennion, Jr., resigned.

U.S. TAX COURT

Theodore Tannenwald, Jr., of New York, to be a judge of the U.S. Tax Court for a term expiring 15 years after he takes office. (Reappointment.)

CONFIRMATIONS

Executive nominations confirmed by the Senate April 30, 1974:

DEPARTMENT OF THE TREASURY

William E. Simon, of New Jersey, to be Secretary of the Treasury.

David Robert Macdonald, of Illinois, to be an Assistant Secretary of the Treasury.

Mary T. Brooks, of Idaho, to be Director of the Mint for a term of 5 years.

(The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

HOUSE OF REPRESENTATIVES—*Tuesday, April 30, 1974*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

If My people, who are called by My name, shall humble themselves, and pray, and seek My face and turn from their wicked ways; then will I hear from heaven, and will forgive their sin and will heal their land.—II Chronicles 7:14.

Almighty God and Father of us all, on this day when the call to prayer comes to us as a nation, teach us to pray and to so pray that in Thee we may find strength for every day, wisdom for every hour, courage for every minute, joy for every second, and love for all of life.

Thou hast promised forgiveness to all those who with hearty repentance turn to Thee. Pardon and deliver us from all our sins as a nation, conform and strengthen us in all goodness, and unite us in mind and heart that we may be one people living with new life, thinking great thoughts, fruitful in our faithfulness to Thee, and compassionate in our concern for one another.

We pray for our President, our Vice President, our Speaker, our Members of Congress, and our leaders in all areas of government, business, and labor. May they feel Thy presence near and in the assurance of Thy love find deliverance from every evil way.

We pray for all the citizens of this free land. May they learn to live together in peace and with good will seeking the welfare of all.

We offer our prayer in the spirit of Him who calls us to pray with Him: "Thy kingdom come, Thy will be done on Earth." Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to an amendment of the House to a bill of the Senate of the following title:

S. 1647. An act to extend the Environmental Education Act for 3 years.

WATERGATE COVERUP

(Mr. RIEGLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RIEGLE. Mr. Speaker, the House of Representatives and the American people were invited by the President last evening to join him in the continuing Watergate coverup.

Those censored transcripts from technically unverified tapes are the equivalent of the apple in the Garden of Eden. If we accept such transcripts, no one in America will ever know for sure whether we learned the full truth—or whether justice was really done.

There is only one way to finally establish the President's true role in White House inspired crimes:

First, the House Judiciary Committee must be given the original tape recordings they have subpenaed, as constitutional law requires.

Second, and critically important, a panel of technical experts must carefully test and verify the integrity of the tapes. We must have independent proof to establish whether portions of conversations have been re-recorded, erased, or spliced out. Given the known history of missing and deliberately erased tapes, technically unverified tapes or censored transcripts are worthless.

America must avoid the thicket of censored and technically unverified tapes—and push forward until we have the truth—the full truth. To do otherwise would abandon our system of justice and our own integrity.

NATIONAL DAY OF HUMILIATION, FASTING, AND PRAYER

(Mr. BAKER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BAKER. Mr. Speaker, the U.S. Senate has passed a resolution (S.J. Res. 183) designating today, April 30, as a National Day of Humiliation, Fasting, and Prayer. Although the House did not act on this resolution, I am confident every Member will agree it is worthy of our attention today, and every day. Beset by problems and crises on every side, it is well to remember that this Nation was founded on faith in our Creator and we must renew that faith constantly.

Let us acknowledge in humility our dependence on divine guidance. Let us make our deliberations and our decisions in the sure knowledge that sincere prayer is, indeed, answered. If we act in humility and with a prayer for guidance, our land will be healed.

CONGRESSIONAL COUNTDOWN ON CONTROLS

(Mr. STEELMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEELMAN. Mr. Speaker, today marks the 43d and hopefully the last day of the "congressional countdown on controls" begun on January 28. Over 30 of my colleagues have joined me in 1-minute speeches citing dislocations of the economy that have resulted from wage and price controls. Their poignant testimony of letters from constituents, various regional dislocations and analyses from newspapers and magazines has provided a vivid picture of the unfortunate manifestations of controls on the local level that is reflected in such abysmal national economic indexes.

Figures for 1973 show consumer prices increasing 160 percent faster than in the previous 2 years at 8.8 percent and wholesale prices rising at almost twice the rate of 1972 and over four times the rate of 1971 at 26.7 percent. This year, wholesale prices, often an indication of what is ahead for future retail prices, climbed again in March at a seasonally adjusted rate of 15.6 percent a year.

Joining me in this "congressional countdown on controls" were the following: Bill Armstrong, Robin Beard, Clair Burgener, John N. "Happy" Camp, Thad Cochran, Phil Crane, Ron Dellums, Bill Frenzel, Ben Gilman, Tennyson Guyer, John Hammerschmidt, Henry Helstoski, Marjorie Holt, Robert Huber, James Johnson, Jack Kemp, William Ketchum, Carleton King, Dan Kuykendall, Clarence Long, Trent Lott, Stan Parris, Joel Pritchard, John Rarick, John Rousselot, Sam Steiger, Steve Symms, David Treen, Victor Veysey, and Ed Young.

Mr. Speaker, it is not only time to end wage and price controls, but it is over time. Working people, businessmen, the housewife are all tired of the political maneuvering with regard to controls that seems to be once again on the forefront of the Nation's media. These people do not want standby authority or partial wage and price controls or any more meddling in the economy. The American people know, believe in, and want the give and take of supply and demand and can plan ahead if the marketplace is run on this traditional principle.

The time is now, the answer is simple. All vestiges of wage and price controls must go—and they must go now.

TWO BILLION DOLLARS NO HANDOUT

(Mr. GROSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GROSS. Mr. Speaker, in 1970 postal reform was sold to the American people and to the Congress largely on the basis of the need to eliminate continuing deficits in the Post Office.

The first recommendation of the Kappel Commission was that the Postal Service should "operate on a self-supporting basis." Americans throughout the land were implored to support postal reform, both financially and otherwise, in order to end the "deficit-ridden Post Office."

I submit, Mr. Speaker, that we in the Congress and the American people were victimized beyond belief by the postal reformers.

As I pointed out here yesterday, the postal deficit has doubled since 1970. In this fiscal year the total gap between postal revenues and postal costs will be $2.4 billion, $2 billion of which will come as a direct subsidy from the Federal Treasury.

And I would remind you, Mr. Speaker, that only a little more than a year ago, on March 7, 1973, on the CBS morning news, Postmaster General Klassen, when asked about his relations with Congress, was quoted as saying:

> I'm not going with my hand out for more money, so I really don't give a damn what the politicians say.

NATIONAL DAY OF HUMILIATION, FASTING, AND PRAYER

(Mr. REGULA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. REGULA. Mr. Speaker, today, millions of Americans all over the country will be spending a few moments in reflection and prayer, both individually and in collective thought, asking forgiveness for our transgressions and for rededication to the goals that have made this Nation great.

In 1863 President Abraham Lincoln proclaimed April 30 of that year as a national day of humiliation and prayer. Then, a nation torn by civil war was struggling to find a national purpose. Today, though we are not at war, there is similar despair.

Today, as in 1863, a "national response unmatched for enthusiasm by anything short of major tax cuts"—according to the front page of today's Washington Post—has resulted from a similar resolution passed by the other body, and introduced by Senator Mark O. Hatfield, designating April 30, today, as a National Day of Fasting, Humiliation, and Prayer.

I have introduced a similar resolution in the House as have my colleagues John B. Anderson and Frank Horton.

Even though the House has not acted upon this resolution, church groups, clubs, and individuals throughout the 16th Congressional District of Ohio are participating in this call to faith and purpose.

As I stand here on the floor of the House of Representatives, I am reminded that our national motto placed above and behind the Speaker's rostrum in this Chamber in 1965 "in God we trust," marks the path we must follow to retain the confidence necessary to our form of government.

Let us take time to contemplate and reevaluate our purpose so that together and with God's guidance we shall attain the lofty goals our forefathers have set.

VERIFIED TRANSCRIPTS WILL BE ACCURATE TRANSCRIPTS

(Mr. MARAZITI asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and to include extraneous matter.)

Mr. MARAZITI. Mr. Speaker, the gentleman from Michigan just a few moments ago referred to the transcripts submitted by the President as censored transcripts. Perhaps the gentleman from Michigan has missed a vital point made by the President that he will submit the original tapes for verification by the chairman of the committee, the the gentleman from New Jersey (Mr. Rodino), and the ranking minority member, the gentleman from Michigan (Mr. Hutchinson).

Let me say very simply that I have faith and confidence and trust in Mr. Rodino, the chairman of the committee, a member of the majority, to properly verify these tapes with Mr. Hutchinson, and certainly they will not be, therefore, censored transcripts but accurate transcripts.

ENVIRONMENT AND POLITICS

(Mr. TALCOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TALCOTT. Mr. Speaker, thinking men and women live with a responsibility to preserve and protect their environment. The ecological cycle of which all living things share must be guarded with a reverence that is above narrow partisan interests because should this delicate cycle ever be carelessly regarded, and broken, life could not be sustained.

I can think of no worthier cause to champion than that of guardian of Nature's interests. I can also think of no graver or more serious responsibility—one which demands dispassionate and intelligent stewardship. To remain a viable and respected environmentalist one must never subject the imperatives of Nature to the changes of politics. The needs of the environment should never be politicized.

Unfortunately, there are groups in this country who masquerade as environmental protection societies only to advance their own narrow political interests. The American people should beware of such sham organizations for it is by their maneuverings that our vital environmental interests will be lost in the shuffle of confusing partisan thrusts.

With these thoughts in mind, I urge Congress to always consider environmental legislation on the basis of its substance and not on its politics.

A CONTEST OF WILLS

(Mr. WALDIE asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and to include extraneous matter.)

Mr. WALDIE. Mr. Speaker, the issue involving whether the President's speech of last night constitutes sufficient compliance with the subpena issued by the Committee on the Judiciary is an issue that transcends just the contents of the transcripts, and as to whether they, in fact, are accurate reflections of what is contained on the tapes.

What is really involved here is a contest of wills between the Congress and the President. Is the will of the Congress to procure evidence in the possession of the President as strong as the will of the President to resist giving up any of that evidence? If the Congress permits the President to do less than comply fully with the subpena, that question has to be answered that the President's will is stronger than is the will of Congress.

The President has no right to determine the extent, the nature, and the scope of the inquiry into whether he has committed impeachable offenses. If he has that right, he can determine its result. The constitutional responsibility is on the part of the House to determine the nature, the scope, and the extent of the inquiry, and if we permit the President in any way to erode that constitutional authority, we do the institution of Congress great damage.

PERMISSION FOR COMMITTEE ON FOREIGN AFFAIRS TO FILE CERTAIN REPORTS

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs may have until midnight tonight to file certain reports.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

THE COMMITTEE ON THE JUDICIARY SHOULD BE SATISFIED WITH THE OFFER WHICH HAS BEEN MADE BY THE PRESIDENT

(Mr. McCLORY asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and to include extraneous matter.)

Mr. McCLORY. Mr. Speaker, I feel that the House Committee on the Judiciary should acquiesce in the offer which has been made by the President to submit transcripts of all of the taped conversations which the committee has requested in its subpena, with the further provision that the accuracy and the completeness of these transcripts would be verified by the chairman of the committee and the ranking Republican member of the committee who would have access to all of the tapes which our committee has requested in the subpena.

If the purpose of our committee is to secure information—and that is the purpose—then procedure would seem to provide a sufficient answer to our demand for information.

As has been stated here earlier, the form in which the committee is receiving its information from the other taped conversations is in the form of transcripts. That is the only practical form in which we can review and study the evidence, that is, in the form of transcripts of the taped conversations. We cannot sit there—38 members of the committee—with earphones on and listen to all of these taped conversations.

Mr. Speaker, on the basis of my present information I feel that this is a good and adequate response.

PERMISSION FOR COMMITTEE ON RULES TO FILE CERTAIN PRIVILEGED REPORTS

Mr. YOUNG of Texas. Mr. Speaker, by direction of the Committee on Rules, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Ar-Texas?

There was no objection.

CALL OF THE HOUSE

Mr. MONTGOMERY. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 191]

Anderson, Ill.
Bafalis
Blatnik
Broomfield
Brown, Calif.
Buchanan
Burke, Calif.
Carey, N.Y.
Chappell
Chisholm
Clark
Cleveland
Cohen
Conyers
Coughlin
Devine
Diggs
Dorn
Drinan
Findley
Ford
Fraser
Gray
Gubser
Haley
Harrington
Hébert
Karth
Kazen
McSpadden
Milford
Murphy, Ill.
Myers
Nix
Owens
Parris
Patman
Pickle
Pike
Powell, Ohio
Quie
Rangel
Reid
Roberts
Rodino
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, N.Y.
Rose
Rosenthal
Shuster
Sikes
Skubitz
Steiger, Ariz.
Stokes
Stubblefield
Stuckey
Traxler
Vander Jagt

The SPEAKER. On this rollcall, 374 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PERMISSION FOR COMMITTEE ON WAYS AND MEANS TO HAVE UNTIL MIDNIGHT, SATURDAY, MAY 4, 1974, TO FILE A REPORT ON H.R. 14462, THE OIL AND GAS ENERGY TAX ACT OF 1974

Mr. MILLS. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have until midnight Saturday, May 4, 1974, to file a report on the bill, H.R. 14462, the "Oil and Gas Energy Tax Act of 1974," along with any minority and/or supplemental views, and also to advise the House that the committee has instructed the gentleman from Pennsylvania (Mr. SCHNEEBELI) to request a closed rule.

The SPEAKER. Is there objection to the request of the gentleman from kansas?

There was no objection.

FRANKABILITY OF PICTURES AND SKETCHES OF MEMBERS

(Mr. UDALL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. UDALL. Mr. Speaker, I submit for printing into the RECORD at this point regulations affecting the frankability of pictures and sketches of Members under the Congressional Franking Act as adopted by the House Commission on Congressional Mailing Standards.

In addition, the Commission has prepared some guidelines designed to assist the Members in determining the proper size, number, and content of such pictures and these are also included.

FRANKABILITY OF PICTURES AND SKETCHES OF MEMBERS

For many years, it has been the usual and customary practice for Members of the House to include pictures and sketches bearing their likeness in mail matter sent under the frank.

The former Post Office Department, which regulated the use of the frank until 1968, had ruled that inclusion of such pictures in franked mail was proper, provided that such pictures did not tend to advertise the Member. There is little doubt that, from 1968 until enactment of the new franking law in December 1973, when the proper use of the franking privilege was, for the most part, determined by each Member, the use of such pictures, in some few instances, had expanded considerably.

During consideration of this matter by the Committee on Post Office and Civil Service and subsequently by both the House and Senate, it was determined that inclusion of such pictures in mail matter was a valuable tool in keeping constituents informed, thereby assisting Members in performing their official duties. However, in writing this authority into law, the Congress also recognized the possible resultant abuses and, therefore, also adopted restrictive language to the provisions which finally became law. The pertinent provisions [39 U.S.C. 3210(a) (3) (J)] follow:

"§ 3210(a) (3) It is the intent of the Congress that mail matter which is frankable specifically includes, but is not limited to—

"(J) mail matter which contains a picture, sketch, or other likeness of any Member or Member-elect and which is so mailed as a part of a Federal publication or in response to a specific request therefor and, when contained in a newsletter or other general mass mailing of any Member or Member-elect, is not of such size, or does not occur with such frequency in the mail matter concerned, as to lead to the conclusion that the purpose of such picture, sketch, or likeness is to advertise the Member or Member-elect rather than to illustrate accompanying text."

During its consideration of the regulations concerning the use of pictures mailed under the frank, the Commission determined that it would not be possible to cover each and every possible contingency which might arise in the use of such pictures. The Commission concluded, therefore, that it would adopt only those regulations which it deemed to be necessary and that it would also publish guidelines to assist Members in this regard.

The regulations, which follow, are designed to cover only those circumstances where such pictures are clearly frankable or not frankable:

REGULATIONS ON PICTURES AND SKETCHES

1. Mail matter consisting of newsletters, the usual and customary congressional questionnaire, or other general mass mailings, including covering letters in connection therewith, may include as a part of the masthead thereof a picture, sketch, or other likeness of the Member which is in reasonable proportion to the size of the masthead.

2. Press releases which are frankable, if mailed to the communications media, may be accompanied by photographs which are directly related to the subject matter of the press release being so mailed.

The guidelines, which are set forth below, are intended to assist Members of the House in determining the proper size, number, and content of such pictures:

GUIDELINES FOR PICTURES AND SKETCHES

1. Mail matter consisting of newsletters and other general mass mailings may contain pictures and sketches bearing the likeness of a Member of or Member-elect to the House of Representatives.

2. Such matter should not include more than two such pictures or sketches on any one page thereof, and the area covered by such pictures and sketches should not exceed 20 percent of each such page.

3. A picture or sketch bearing the likeness of the spouse or other member of the family of a Member should not be included in such mail matter.

4. Except for a picture which is part of a masthead, the accompanying text of a picture or sketch should consist of more than a caption which merely identifies such picture or sketch.

5. A picture, sketch or other likeness of the Member, which is part of the masthead of such mail matter, should not cover an area exceeding six square inches.

The Commission is cognizant of the fact that the information contained in this announcement does not cover all circumstances which Members may face with regard to the frankability of pictures. Therefore, the Commission wishes to emphasize that we and our staff are always available to assist you with any question you may have in this regard, or for that matter, any other question concerning the use of the frank.

Issued in Washington, DC on April 30, 1974.

MORRIS K. UDALL,
Chairman.

AUTHORIZING CERTAIN FEDERAL AGENCIES TO DETAIL PERSONNEL AND TO LOAN EQUIPMENT TO THE BUREAU OF SPORT FISHERIES AND WILDLIFE, DEPARTMENT OF THE INTERIOR

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 8101) to authorize certain Federal agencies to detail personnel and to loan equipment to the Bureau of Sport Fisheries and Wildlife, Department of the Interior, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments. as follows:

Page 2, line 15, strike out "Director," and insert "Director."

Page 2, after line 15, insert:

"(C) The Director of the Bureau of Sport Fisheries and Wildlife shall make an annual report at the end of each fiscal year to the Congress concerning the utilization of the provisions of this subparagraph and the additional cost, if any, to the Federal Government resulting therefrom. Such annual report shall be referred in the Senate to the Committee on Commerce and in the House of Representatives to the Committee on Merchant Marine and Fisheries."

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

Mr. GROSS. Mr. Speaker, reserving the right to object, what is the purpose of this arrangement of a loan for employees?

Mr. DINGELL. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Michigan.

Mr. DINGELL. Mr. Speaker, briefly explained H.R. 8101 as it passed the House would authorize the Department of Transportation, the Department of the Army, the Department of the Navy, the Department of the Air Force, the Atomic Energy Commission, and the National Aeronautics and Space Administration to detail personnel and loan equipment to the Director of the Bureau of Sport Fisheries and Wildlife, in order to enable him to more effectively carry out his responsibilities to manage and protect our fisheries and wildlife resources.

The Senate amended the bill in two respects:

The first amendment was technical in nature—it merely eliminated the quotation marks after the word "Director" in order to allow for the addition of a new subsection (C).

The second amendment would add a new subsection (C) to require the Director of the Bureau of Sport Fisheries and Wildlife to make an annual report to the Congress concerning the utilization of personnel and equipment provided to the Director by the various agencies and the cost, if any, to the Federal Government resulting from the utilization of such personnel and equipment.

On the Senate side, the annual report would be referred to the Senate Commerce Committee and, on the House side, to the Merchant Marine and Fisheries Committee.

Mr. Speaker, I think the Senate amendments are good; they make the legislation more workable, and I recommend that the House concur in the Senate amendments.

Mr. GROSS. Mr. Speaker, let me ask the gentleman this question:

This does not mean an expansion of the Federal payroll, because I understand it uses employees who are already on the payroll?

Mr. DINGELL. Mr. Speaker, I assure the gentleman it is my expectation that there will be minimal cost associated with the legislation before us.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Michigan (Mr. DINGELL)?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

ENERGY RESEARCH AND DEVELOPMENT APPROPRIATIONS ACT, 1975

Mr. YOUNG of Texas. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1071 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 1071

Resolved, That during the consideration of the bill (H.R. 14434) making appropriations for energy research and development activities of certain departments, independent executive agencies, bureaus, offices, and commissions for the fiscal year ending June 30, 1975, and for other purposes, all points of order against chapters I and II, the provisions of chapter IV under the heading Atomic Commission, Operating Expenses, and Plant and Capital Equipment, and chapter VI of said bill are hereby waived for failure to comply with the provisions of clause 2, rule XXI.

The SPEAKER. The gentleman from Texas (Mr. YOUNG) is recognized for 1 hour.

Mr. YOUNG of Texas. Mr. Speaker, I yield 30 minutes to the gentleman from California (Mr. DEL CLAWSON), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1071 provides for an open rule on H.R. 14434, a bill making appropriations for energy research and development activities of certain departments, independent executive agencies, bureaus, offices, and commissions for the fiscal year ending June 30, 1975.

House Resolution 1071 provides that all points of order against chapters I and II, the provisions of chapter IV under the heading Atomic Energy Commission, Operating Expenses, and Plant and Capital Equipment, and chapter VI of the bill are waived for failure to comply with the provisions of clause 2, rule XXI of the Rules of the House of Representatives (unauthorized appropriations).

H.R. 14434 provides a grand total of $2,269,828,000 in new budget (obligational) authority. The bill allocates $1,507,760,000 for energy research and development efforts of the Atomic Energy Commission, $571,933,000 for the Interior Department which includes significantly expanded coal research activities, $101,800,000 for the National Science Foundation, $54,000,000 for the Environmental Protection Agency, and $19,000,000 for the Federal Energy Office. expanded coal research activities, $101,800,000 for the National Science Foundation, $54,000,000 for the Environmental Protection Agency, and $19,000,000 for the Federal Energy Office.

Mr. Speaker, I urge the adoption of House Resolution 1071 in order that we may discuss and debate H.R. 14434.

Mr. GROSS. Will the gentleman yield?

Mr. YOUNG of Texas. I yield to the gentleman from Iowa.

Mr. GROSS. I must take issue with the gentleman's statement that this is an open rule when it provides for the waiving of points of order on some four chapters of the bill. This is an amazing rule as far as I am concerned, and I am opposed to it .

I thank the gentleman for yielding.

Mr. DEL CLAWSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1071 provides a waiver of order against specified sections of H.R. 14434, a bill to make appropriations for energy research and development for fiscal year 1975. These energy related appropriations have been put into a special bill for the first time in order that they may be expedited. In his testimony before the Rules Committee the distinguished chairman of the Appropriations Committee indicated that the intent is to have these appropriations enacted into law by the first day of the new fiscal year so that planning of energy research and development can progress in an efficient way.

Mr. Speaker, the waiver of clause 2 of rule XXI, which is provided in this rule, is necessary because several appropriations in this bill have not yet been authorized.

The bill contains funds for the National Aeronautics and Space Administration and the National Science Foundation. Authorizing legislation for these items passed the House last week but has not been enacted into law and thus these appropriations are technically not in compliance with clause 2 of rule XXI.

The bill also provides funds for the Atomic Energy Commission which similarly are not authorized although such legislation has passed both the House and Senate.

The appropriation of funds for the Federal Energy Office is also technically in violation of clause 2, rule XXI, although authorizing legislation has passed both the House and the Senate and the conference report was adopted in the House yesterday.

With respect to the $54 million recommended in the bill for the energy research and development activities of the Environmental Protection Agency there is presently no basic authorizing legislation for appropriations for fiscal year 1975.

Mr. Speaker, in general I am not in favor of waiving the Rules of the House. However, as the distinguished chairman of the Appropriations Committee pointed out in his appearance before the Rules Committee, this waiver is necessary if we are going to get this appropriation bill through at this time, and therefore, with some reluctance, I support this resolution.

Mr. ROUSSELOT. Will the gentleman yield?

Mr. DEL CLAWSON. I yield to the gentleman.

Mr. ROUSSELOT. So really we have a rule waiving points of order for three titles here. Is that correct?

Mr. DEL CLAWSON. We have a rule waiving points of order on several of the titles.

Mr. ROUSSELOT. But it has the effect of our being unable to amend those three important areas of this bill.

Mr. DEL CLAWSON. You can amend, but points of order are waived. As far as amending it is concerned, you can offer amendments.

Mr. ROUSSELOT. I thank the gentleman.

Mr. DEL CLAWSON. Mr. Speaker, I have no further requests for time and reserve the balance of my time.

Mr. YOUNG of Texas. Mr. Speaker, I have no requests for time.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. MAHON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 14434) making appropriations for energy research and development activities of certain departments, independent executive agencies, bureaus, offices, and commissions for the fiscal year ending June 30, 1975, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate continue not to exceed—and I emphasize not to exceed—3 hours, the time to be equally divided and controlled by the gentleman from Michigan (Mr. Cederberg) and myself.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 14434, with Mr. Hamilton in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from Texas (Mr. Mahon) will be recognized for 1½ hours, and the gentleman from Michigan (Mr. Cederberg) will be recognized for 1½ hours.

The Chair recognizes the gentleman from Texas.

Mr. MAHON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this special bill before us today provides $2,269,828,000 in new budget authority for energy research and development activities of the Federal Government for 1975. The amount recommended is $66,100,000 over the budget request and represents an increase of about 70 percent over energy research funding for the current fiscal year.

The $2.2 billion which the bill provides will significantly accelerate the Federal program of energy research and development, particularly in the fields of atomic energy and coal gasification and liquefaction. This bill will help move the Nation toward the objective of energy independence.

Major items recommended in the bill include the following: $1,507,760,000 for energy research and development efforts of the Atomic Energy Commission, including funds for accelerated research for the Liquid Metal Fast Breeder Reactor, nuclear reactor safety research, development of nuclear materials, space nuclear systems, nuclear fusion, biomedical and environmental research and safety, and plant and capital equipment; $571,933,000 for the Interior Department which includes significantly expanded coal research activities including gasification and liquefaction and mining research efforts and $59.7 million for the Office of Petroleum Allocation; $101,800,000 for the National Science Foundation which includes major funding for solar and geothermal energy research and also basic research involving energy conservation, automotive propulsion, and oil, gas, and coal resources; $54,000,000 for the Environmental Protection Agency to develop methods to control pollutants associated with energy extraction, transmission, production, conversion, and use; $19,000,000 for the Federal Energy Office for the overall management of national energy policy; $8,935,000 for the National Aeronautics and Space Administration for energy research and development projects which utilize capabilities developed in the space program; $6,400,000 for the Department of Transportation to continue and accelerate its program of improving the efficiency of energy utilization of the Nation's transportation system.

This bill is a unique product of six of the subcommittees of the Committee on

Appropriations and demonstrates that the House through its committee system possesses the flexibility and capability to meet urgent situations in a timely and responsive manner.

In consultation with the leadership of the House, the Appropriations Committee decided several months ago that it was imperative to move as quickly as possible on energy research and development funding. By doing this, money would be available at the beginning of the fiscal year on July 1 so that progress on energy research and development could proceed as rapidly and efficiently as possible.

Also, by providing these appropriations in a single bill, rather than in six bills as would otherwise be the case, we could gain an overview of the thrust of the Federal energy research and development effort.

The subcommittees of the Committee on Appropriations developed this bill, and they have done an excellent job in the conduct of hearings, the review of budget estimates, and the recommendation of funding levels. They have had to increase the speed of their hearings and to work much harder and longer, on top of an already crowded schedule, in order to have this bill before you at this early date.

The six subcommittees that developed this bill are as follows: The Agriculture, Environmental, and Consumer Protection Subcommittee headed by the gentleman from Mississippi (Mr. WHITTEN), the ranking minority member being the gentleman from North Dakota (Mr. ANDREWS);

The HUD, Space, Science and Veterans Subcommittee, headed by the gentleman from Massachusetts (Mr. BOLAND), the ranking minority member on that subcommittee being the gentleman from California (Mr. TALCOTT);

The Interior Subcommittee, headed by the gentlewoman from Washington (Mrs. HANSEN), the ranking minority member being the gentleman from Pennsylvania (Mr. MCDADE);

The Public Works, AEC Subcommittee, headed by the gentleman from Tennessee (Mr. EVINS), the ranking minority member being the gentleman from Wisconsin (Mr. DAVIS);

The Transportation Subcommittee, headed by the gentleman from California (Mr. MCFALL), the ranking minority member being the gentleman from Massachusetts (Mr. CONTE); and

The Treasury, Postal Service, General Government Subcommittee, headed by the gentleman from Oklahoma (Mr. STEED), the ranking minority member being the gentleman from New York (Mr. ROBISON).

Mr. Chairman, I shall not take further time at this point; however, later I will ask unanimous consent that Members may revise and extend their remarks. I think that it is important that the House have a good understanding of this bill and I am going to yield to the chairmen of these subcommittees to explain their portion of the bill.

Mr. Chairman, at this point in the RECORD I offer a comparative summary tabular statement of the bill:

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1974 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1975—SUMMARY

Agency and item	New budget (obligational) authority enacted to date, fiscal year 1974	Budget estimates of new budget (obligational) authority, fiscal year 1975	New budget (obligational) authority recommended in bill	Bill compared with—	
				New budget (obligational) authority, fiscal year 1974	Budget estimates of new (obligational authority) fiscal year 1975
(1)	(2)	(3)	(4)	(5)	(6)
SUBCOMMITTEE ON AGRICULTURE-ENVIRONMENTAL AND CONSUMER PROTECTION					
Environmental Protection Agency: Energy research and development	$6,100,000	$54,000,000	$54,000,000	$+47,900,000	
Total, ch. I: New budget (obligational) authority	6,100,000	54,000,000	54,000,000	+47,900,000	
SUBCOMMITTEE ON HUD-SPACE-SCIENCE-VETERANS					
National Aeronautics and Space Administration: Research and development	4,693,000	4,435,000	8,935,000	+4,242,000	+$4,500,000
National Science Foundation: Salaries and expenses	31,600,000	101,800,000	101,800,000	+70,200,000	
Total, ch. II: New budget (obligational) authority	36,293,000	106,235,000	110,735,000	+74,442,000	+4,500,000
SUBCOMMITTEE ON DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES					
Geological Survey: Surveys, investigations, and research	10,123,000	43,125,000	43,125,000	+33,002,000	
Bureau of Mines: Mines and minerals	32,541,000	137,108,000	144,308,000	+111,767,000	+7,200,000
Office of Coal Research: Salaries and expenses	123,400,000	283,400,000	283,400,000	+160,000,000	
Fuel allocation, oil and gas programs: Salaries and expenses	36,130,000	70,100,000	59,700,000	+23,570,000	−10,400,000
Office of the Secretary: Energy conservation and analysis	8,300,000	27,900,000	27,400,000	+19,100,000	−500,000
Total, ch. III: New budget (obligational) authority	210,494,000	561,633,000	557,933,000	+347,439,000	−3,700,000
SUBCOMMITTEE ON PUBLIC WORKS—ATOMIC ENERGY COMMISSION					
Atomic Energy Commission:					
Operating expenses	820,385,000	1,009,890,000	1,043,790,000	+223,405,000	+33,900,000
Plant and capital equipment	259,692,000	432,570,000	463,970,000	+204,278,000	+31,400,000
Total, Atomic Energy Commission	1,080,077,000	1,442,460,000	1,507,760,000	+427,683,000	+65,300,000
Department of the Interior—Bonneville Power Administration:					
Construction		5,500,000	5,500,000	+5,500,000	
Office of the Secretary: Underground and other electric power transmission research	2,000,000	8,500,000	8,500,000	+6,500,000	
Total, ch. IV: New budget (obligational) authority	1,082,077,000	1,456,460,000	1,521,760,000	+439,683,000	+65,300,000
SUBCOMMITTEE ON DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES					
Transportation planning, research and development	2,100,000	6,400,000	6,400,000	+4,300,000	
Total, ch. V: New budget (obligational) authority	2,100,000	6,400,000	6,400,000	+4,300,000	
SUBCOMMITTEE ON TREASURY-POSTAL SERVICE-GENERAL GOVERNMENT					
Federal Energy Office: Salaries and expenses	9,360,000	19,000,000	19,000,000	+9,640,000	
Total ch. VI: New budget (obligational) authority	9,360,000	19,000,000	19,000,000	+9,640,000	
Grand total, new budget (obligational) authority	1,346,424,000	2,203,728,000	2,269,828,000	+923,404,000	+66,100,000

Mr. CEDERBERG. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, the distinguished chairman of the committee, the gentleman from Texas, has alluded to the reasons for the bill and the mechanics with which it is being brought to us here today. I concur with the statements of the chairman.

There is only one thing that I think that I should do and that is caution the Members of this body, and the public in general, that just because we pass this energy appropriation bill, having brought it out early, we are not going to see our energy problems go away; but it is a step in the right direction, I hope it will place added impetus on the research that is so vital if we are going to solve this problem in the years ahead.

Of course, this is long-range research, and in most of the programs in this legislation today research is already underway. The hope of the committee is that this will expedite this research and will probably bring about some breakthroughs in the field of energy that will be beneficial.

So I concur in the idea, which is a new one for our committee, of breaking these items that have particular interest in energy research from these six subcommittees and bringing them into this final package. Hopefully, this will expedite research for our future energy needs and problems, but, of course, this is not an immediate answer to some of the problems that we have existing at this time.

Mr. MAHON. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts (Mr. BOLAND)

Mr. BOLAND. Mr. Chairman, chapter II covers funds recommended for the energy research activities of NASA and the National Science Foundation.

The Foundation requested $252,600,000 for energy-related research. Of this amount $101,800,000 was identified for direct energy research and $150,800,000 was identified for supporting programs. The committee has recommended the full amount requested for direct research. The balance is primarily associated with the Foundation's basic research work, and will be considered in the regular bill.

Mr. Chairman, the President has designated four principal research and development agencies as lead agencies for different aspects of the energy R. & D. effort. The National Science Foundation is one of those four agencies. It has been designated as having the lead role for solar and geothermal research. In fiscal year 1975 $50,000,000 has been provided for solar energy work. These funds will be used to support a variety of proof-of-concept experiments for the heating and cooling of buildings, including the retrofitting of existing buildings with solar collectors. Experiments will also be conducted in cooperation with NASA to advance the technology of wind generator systems. A 100-kilowatt wind generator will be constructed at the Lewis Research Center to test various systems and determine the economic viability of wind energy.

In the geothermal area, the Foundation will attempt to determine whether geothermal resources can be utilized economically and without adverse environmental effects. A hot dry rock experiment will be conducted at Marysville, Mont., and a low-temperature convective facility will be constructed in the Imperial Valley area of California. Both of these experiments will give us a better picture of what we can or cannot expect from geothermal possibilities.

For NASA, the committee identified and recommended $4,435,000 for a number of direct energy research and development projects. NASA is not a lead agency for any energy research discipline—but with their wealth of facilities and talent, it will play a key supporting role. The funds recommended in this bill will augment the work of other agencies in the areas of solar power, engine and aerodynamic research for ground transportation and energy conversion, transmission, storage and conservation systems using capabilities developed in the space program.

Finally, the committee has recommended $4,500,000 to implement the Solar Heating and Cooling Act. These funds are made available to NASA contingent upon the final enactment of this legislation which has passed the House and is pending in the Senate.

Mr. Chairman, all of the funds recommended in this chapter will make a significant contribution in helping our Nation solve what will be a continuing and ongoing energy shortage. Without a strong energy research and development effort, we will continue to be far too dependent on foreign energy sources. The money provided in this chapter and in this bill will make an excellent beginning. But, before closing I want to say a word about the possibility of energy R. & D. duplication. We may as well face the fact that within this bill—even within this chapter—there will be some overlapping or duplication. It may even be useful to promote some duplication. I doubt that the search for a cancer cure is being conducted without research duplication. Some duplication can be healthy. For example, although NSF is the lead agency for solar work, NASA is contributing to the same effort. Last week it announced a new surface coating, invented by an engineer at the Marshall Space Flight Center, that will absorb about 93 percent of the total solar heat radiated by the Sun. This may or may not represent a significant breakthrough in the solar heating and cooling of buildings. But the point is, that a modest level of duplication could produce that cheap, environmentally sound source of energy that we all know is vitally needed.

On the other hand, while some duplication may be healthy, without proper coordination we will waste an enormous amount of money. Energy is a very sexy word today. Unless this committee and the Congress is diligent many sins are going to be committed in the name of energy research. The key is coordination and for some restraint not to throw money at the problem. Many research efforts funded in this bill will wither and die. Some will bear fruit. But if we are going to separate what is workable, from what is unworkable, we will have to coordinate our efforts and put this Nation's limited resources in the right place.

Thank you Mr. Chairman.

Mr. CEDERBERG. I yield 5 minutes to the gentleman from California (Mr. TALCOTT).

Mr. TALCOTT. Mr. Chairman, today we are considering the special energy research and development appropriation bill for fiscal year 1975. This bill has assumed major importance because of the nationwide energy crisis. In response to the crisis the Committee on Appropriations has lifted from the budgets of a dozen departments, agencies, bureaus, and offices of Government the estimates for energy research and development for fiscal year 1973.

The separation of energy into a single special bill is not parliamentary necessarily—although politically pragmatic.

Perhaps we can move ahead with a little more alacrity by early and special passage of the energy appropriations bill. Some problems:

We cannot do this with every bill—and when we remove the energy portions from other bills now, we may leave the balance of some future bills without sufficient appeal to pass;

Perhaps we should be accelerating all appropriation bills. Nevertheless, all portions of our bill are worthy of passage now or later;

Our subcommittee is unanimous, on both sides of the aisle;

We were concerned about duplication;

We were concerned about the waste that generally accompanies crash programs; and

We were worried that excess amounts would be allocated to energy, because of the hysteria and crisis syndrome imposed upon us by the few gas lines and fuel shortages, and that other programs, which are just as essential but which have not shared the headlines, might suffer.

In my judgment we should be spending a good deal more on conservation promotion.

Of the grand total of $2.2 billion, only $101,800,000 is for the National Science Foundation and $8,935,000 for the National Aeronautics and Space Administration—both of which are for research.

Productive results may not accrue for years, but we must commence now—and continue our research and conservation programs indefinitely.

Greater domestic production of oil, gas and coal are certain to increase prices of energy.

In the long run, we must discover and develop new sources—the best prospects are thermal, solar, wind, and tide. This bill will greatly expedite research in alternate sources of energy.

Basic research is essential. Most of the projects are ongoing—and not just a hysterical reaction to a temporary crisis.

There may be some duplication—but duplication, competition and individual effort are essential if we are to discover new ideas and develop new techology.

This omnibus energy bill, rather than six individual bills as would otherwise be the case, gives us an overview of the thrust of Federal energy research and development efforts. For the next fiscal year the Committee on Appropriations is recommending a grand total of $2,269,828,000 in new budget authority. This amount is $923,404,000 greater than the amounts appropriated for these purposes during the current fiscal year, an increase of almost 70 percent.

Highlights of the bill's $2.2 billion thrust to move the Nation toward the objective of "energy independence" include: $1,507,760,000 for energy research and development efforts of the Atomic Energy Commission; $571,933,000 for the Department of the Interior which includes significantly expanded coal research activities including gasification and liquefaction and mining research activities, and $59.7 million for the Office of Petroleum Allocation; $101,800,000 for the National Science Foundation which includes major funding for solar and geothermal energy research and also basic research involving energy conservation, automotive propulsion, and oil, gas, and coal resources; $54,000,000 for the Environmental Protection Agency to develop methods to control pollutants associated with energy extraction, transmission, production, conversion and use; $19,000,000 for the Federal Energy Office for the overall management of national energy policy; $8,935,000 for the Naitonal Aeronautics and Space Administration for energy research and development projects which utilize capabilities developed in the space program; and $6,400,000 for the Department of Transportation to continue and accelerate its program of improving the efficiency of energy utilization of the Nation's transportation system.

Energy consumption in the United States has grown at a rapid rate since World War II. Since 1950 energy consumption increased about 3.5 percent per year through 1970 and then increased to a rate of about 4.5 percent through the first half of 1973.

During these same years, from 1950 to 1970, domestic production of energy, mainly from oil and gas, grew at about 3 percent per year. By 1970 the growth in domestic energy production had virtually come to a halt, with the only gains coming from small increases in nuclear energy that could be used only for electrical power purposes.

I am particularly familiar with the budget requests of NASA and the National Science Foundation. I can assure you that they are doing important work toward meeting our goal of national self sufficiency in energy.

The committee recommends an appropriation of $8,935,000 for energy related research and demonstration programs to be undertaken by the National Aeronautics and Space Administraton. Of this amount, $4,435,000 is available for direct energy research and development projects in solar power, heating and cooling; engine and aerodynamic research for ground transportation; and energy conversion, transmission, storage and conservation systems studies utilizing capabilities which were developed in the space program.

The remaining $4,500,000 for NASA is provided for initiating demonstration projects in the event of enactment of the Solar Heating and Cooling Demonstration Act or similar legislation.

The committee is also recommending $101,800,000 for the National Science Foundation for direct energy research, the full amount that NSF requested and identified as direct energy research.

The Foundation has been designated as the lead agency for solar energy, and for a significant role in geothermal energy research. The amount provided includes $50 million for solar energy research and $22,300 for geothermal energy research.

The Foundation's responsibility for solar energy includes support through proof-of-concept experiments for heating and cooling of buildings; advancing the technology base of wind generator systems; and studying solar thermal, ocean thermal, photovoltaic, and other energy conversion possibilities.

Geothermal experiments will attempt to determine whether geothermal resources can be utilized economically and without adverse environmental effects. These investigations will include a hot dry rock experiment at Marysville, Mont., and a low temperature convective facility in the Imperial Valley of California. Other direct energy research programs will assess many aspects of energy conservation, automotive propulsion, and oil, gas, and coal resources.

During our hearings on these appropriations requests a great deal of testimony was presented which showed that much imaginative research is being conducted now which will have great impact in the near future. The Foundation is already conducting an experiment at four schools. The Fauquier County Public High School in Warrenton, Va., the North View Junior High School in Osseo, Minn., the Timonium Elementary School outside of Baltimore, Md., and the Grover Cleveland Junior High School in Dorchester, Mass., near Boston, to test new designs of experimental solar heating augmentation units.

At the NASA Lewis Research Center in Cleveland work is progressing on a wind generator capable of producing 100 kilowatts of electrical power at a wind speed of 18 miles per hour. This 100-kilowatt windmill is a step toward projected future windmills capable of producing 1 to 2 megawatts each—that is, systems generating millions of watts of electricity.

Mr. Chairman, this is a good bill. It represents an effort by our committee to have these appropriations enacted into law by the first day of the new fiscal year so that planning and administration of critical energy research and development programs can progress in the most efficient and timely manner. Abundant, secure, and cheap energy has been one of the key factors in the building of this Nation. Although the United States faces difficult energy problems in the years ahead, I am confident that in the long run this Nation will solve its energy problems.

The Congress must act now to make sure that adequate funds are available for efficient development of new resources, and new methods of utilizing older resources. We must also make sure that in the rush to meet the energy challenge we do not forget the necessity of protecting our environment and resources. This bill will allow a coordinated Federal effort in the field of energy research and development while providing sufficient funds to the Environmental Protection Agency to safeguard our fragile environment.

Mr. MICHEL. Mr. Chairman, will the gentleman yield?

Mr. TALCOTT. I yield to the gentleman from Illinois (Mr. Michel).

Mr. MICHEL. Mr. Chairman, Congressman Paul Findley is in the Middle East on official business this week and therefore, will not be able to vote on the Special Energy Research and Development Appropriations Act for fiscal year 1975. He has, however, a strong commitment to the passage of this bill and has outlined his views on it in a letter to me. I would like to insert the text of his letter in the Congressional Record at this point:

April 29, 1974.

Hon. Robert H. Michel,
House of Representatives,
Washington, D.C.

Dear Bob: The Appropriations Committee is to be congratulated for its fine work on the Special Energy Research and Development Appropriations Act for FY 75. This is an extremely important measure and only a matter of great humanitarian concern prevents me from being in Washington to vote in favor of the bill.

This funding proposal assumes great importance because of the continuing energy shortage, and will provide the necessary appropriations to carry forward with "Project Independence" at the most rapid pace possible. As you know, the bill contains a 70 percent increase in funding over last year, and hopefully will significantly accelerate the Federal energy research and development effort, especially as it relates to atomic energy and coal gasification and liquefaction.

In particular, I am pleased with the $54 million provided to the Environmental Protection Agency to develop methods to control pollutants, beginning with energy extraction through end use. Over half of this amount is to be used to initiate commercial demonstration of chemical coal cleaning technology.

Other agencies also receive a substantial commitment. The Interior Department will now be able to undertake extensive research activities on coal gasification and mining, which is so important to Illinois.

The Atomic Energy Commission will be enabled to develop advanced reactors and expand laser research. NASA, DOT, and FEO also will be able to carry forward with important energy-related programs.

In my view, the $2.27 billion recommended by the committee for energy research and development represents a wise investment in our nation's future, and I am hopeful the entire amount will be available for this purpose.

Sincerely yours,

Paul Findley,
Representative in Congress.

Mr. MAHON. Mr. Chairman, I yield to the gentleman from Mississippi (Mr. Whitten), the chairman of the Subcommittee on Environmental and Consumer Protection.

ENVIRONMENTAL PROTECTION AGENCY

Mr. WHITTEN. Mr. Chairman, in cooperation with the chairman of the full committee, the gentleman from Texas (Mr. Mahon), our subcommittee held hearings to determine which items in the budget of the Environmental Protection Agency would be appropriately included in this overall energy package.

The budget request for the Environmental Protection Agency, as submitted to our committee, totaled $191,000,000. However, the committee in reviewing the request determined that $137,000,000 of the request was more directly related to the agency's ongoing programs than to the special energy program. Therefore, the committee has deferred consideration of the $137,000,000, without prejudice, and will consider that portion of the request in reporting the agency's regular appropriation bill for fiscal year 1975.

Therefore the committee has recommended an appropriation of $54,000,000 for energy research and development activities of the Environmental Protection Agency. These funds will be used by the agency in their control technology program to develop methods to control pollutants associated with energy extraction, transmission, production, conversion and end use.

The committee recommends that the $54,000,000 be distributed by program as follows:

Complete pilot scale evaluation of fine particulate control technology on combustion sources, $4,000,000;

Demonstrate advanced waste heat control and utilization technology including dry cooling towers and closed loop systems, $3,000,000;

Develop commercially practicable fuel cell designs for both stationary and mobile energy storage and transmission application, $6,000,000;

Demonstrate the commercial application of municipal waste as an energy source for industrial combustion, $1,000,000;

Initiate commercial demonstration of chemical coal cleaning technology, $34,000,000; and

Improve stationary combustion techniques for the control of nitrogen oxide emissions, $6,000,000.

In conclusion, I want to emphasize that the other items in our bill that are not included here have in no way been jeopardized so far as inclusion in our regular bill for fiscal year 1975. The remaining $137,000,000 will be considered as a part of our regular agriculture—Environmental and Consumer Protection Appropriation bill for fiscal year 1975.

Mr. Chairman, I join in supporting the passage of this bill without undue delay.

Mr. CEDERBERG. Mr. Chairman, I yield 5 minutes to the gentleman from North Dakota (Mr. ANDREWS).

Mr. ANDREWS of North Dakota. Mr. Chairman, I join fully in the remarks made by the chairman of the subcommittee, the distinguished gentleman from Mississippi.

I would like to point out that the $54,000,000 we included in this bill is for high priority items, such as completing the pilot scale evaluation of fine particulate control on combustion sources, chemical coal cleaning, and fuel cell work. These are needed so we can make the shift back from scarce energy fuels, such as oil and natural gas, to the use of coal in the production of electricity. This is particularly important for the east coast where we are bothered by the emissions from coal-burning generators.

It is in the interest of all of the country that this research be expedited. The committee recognized that. Funds for this important research are included in the bill and, as the chairman pointed out so well, the remaining $137,000,000 of the budget request has been deferred and will be considered along with our regular bill for fiscal year 1975.

I would urge adoption of this section of the bill and of the entire bill.

Mr. MAHON. Mr. Chairman, I yield 10 minutes to the gentlewoman from Washington (Mrs. HANSEN), the chairman of the Interior subcommittee which deals with many of the very important aspects of the measure.

Mrs. HANSEN of Washington. Mr. Chairman, the total amount recommended in chapter III is $557,933,000. This is an increase over fiscal year 1974 of $347,439,000. It is $3,700,000 below the budget estimates. The major changes made by the committee were additional funding for research on secondary and tertiary recovery of oil and gas and research on tar sand and heavy oil production.

Also, there is an increase for geothermal research. A $10 million contingency fund in the fuel allocation, oil and gas programs was deleted by the committee because of a lack of authorization. We also reduced the Office of Petroleum Allocation by $400,000, because we felt that their budget was sufficiently reflective of their needs. There is also a small reduction in the energy conservation and analysis account.

The total budget requests were provided for the Office of Coal Research and the Geological Survey. May I say to the members of the committee that I urge each Member to read the hearing record, because there is a tremendous amount of information on the entire energy problem. This committee has been dealing with the energy problem for a number of years. We have, through the years, provided additional funds for energy research so that the agencies we fund have adequate knowledge on the resources of this Nation.

Mr. Chairman, may I say also to the members of the committee that this is not the complete energy picture. Most of the reclamation research programs relative to strip mining are not included in this bill. These programs will be reflected in the subcommittee's regular appropriation bill.

Also, the funds for health and safety research and enforcement are not included in this bill but will be contained in the regular bill. Subcommittee hearings have not yet been completed.

Mr. Chairman, I would like to remind the members of the committee that several years ago Dr. Pecora, the Director of the Geological Survey and later the Under Secretary of the Interior, stated to the committee that if the United States was to survive as a free Nation, it must have an option of choices for development of its energy. This is why, long ago, the committee began to increase funding for areas such as the Geological Survey and for offshore leasing. The committee tried as best it could to increase the research effort to discover more sources of energy.

Mr. Chairman, I want the committee also to realize that our total Outer Continental Shelf area is 515 million acres, of which 5.6 million acres have been leased, or 1.1 percent. These leases yield currently 11 percent, or about 1,320,000 barrels of oil per day, of the current U.S. total production, which is about 12 million barrels of oil per day.

Also, the committee should realize that two-thirds of the oil in the United States is currently still in the wells. There is money in this bill to provide the Bureau of Mines with the funding necessary for research on secondary and tertiary recovery of oil.

The subject of oil shale is being widely discussed in the United States by a variety of agencies. The committee has funded necessary research in this area, which we feel is tremendously important. There are several high risks in the development of oil shale, particularly in the environmental category. One is the displacement of spoils and the placement of those spoils. The second thing is the problem of water. This land lies in the arid areas of the West where there is a shortage of water. There is money added to the Geological Survey for research in hydrology relating to the six oil shale leases which have or will be granted. The leases will be granted as pilot projects to see what results occur. These leases will be continually monitored including the results of disposition of spoils and water.

There are various processes in the development of oil shale, and the committee has some thoughts about which will be most appropriate. I think the answers will be more fully developed after the research has been conducted.

Mr. Chairman, I think it well to remind the committee that it takes a ton of rock to secure one barrel of oil, so once we begin, the Western part of the United States could well become a desert if caution is not exercised.

Mr. Chairman, if we are to greatly expand coal production, of which we have an estimated reserve of approximately 3 trillion tons and a known reserve of 1.6 trillion tons, we are going to be faced with difficult problems and these problems are going to require a great deal of research and a lot of analysis and discussions. Remember that our current production of coal is only 650 million tons per year.

For instance, in strip mining, there is a problem of reclamation and a problem of water. In the use of coal, we also have the problem of the labor force.

At the current time, according to statistics received by the committee, the average age of the labor force is over age 40, so there is the training of a brand new labor force to be considered.

Mr. Chairman, we are also faced with problems in our transportation industry, and we must also develop better deep-mining technology. Part of the money in the bill today provides for some new work in the deep mining.

In summary, may I say that 50 percent of the coal reserves are on the public lands of the United States; 36 percent of the petroleum, onshore and offshore, is on U.S. public lands; 43 percent of natural gas is on the offshore and onshore public lands; 60 percent of the geothermal resource is in public lands; and 85 percent of the oil shale of the United States is in public lands. The trans-Alaska oil is projected to yield 2 million barrels of oil per day by the year 1978.

From all sources today we domestically produce about 12 million barrels of oil per day, and the total use of the United States is approximately 18 million barrels per day.

Now, when we consider what the total use is we must note that any attempt to meet the escalating use for the future demands: First, future secondary and tertiary oil recovery; second, conversion of coal to substitute fuels, with environmental safeguards provided; third, the development of geothermal solar and atomic energy; fourth, the fullest use of whatever hydro facilities we have on line at the current time.

Mr. Chairman, the committee urges the support of this research, because we must have it if we are to survive. We also urge that a maximum program of conservation of energy, as well as protection of environment, be completely complied with throughout the United States, because we must remember that fossil fuels are not replaceable.

The Appropriations Committee's decision to present a special energy research and development appropriations bill for fiscal year 1975 was in recognition of the "energy crisis." Certainly, such special attention and realistic funding has appeal and will yield results.

Yet, I submit to the ladies and gentlemen of this Congress, that equally devastating crises exist in other areas of our Nation's natural resources such as nonenergy minerals; timber and lumber; and water.

Should this Congress, the Office of Management and Budget, and this Nation fail to see that these other vital and necessary resources are investigated, conserved and used more wisely, then our future will be clogged increasingly with crises and never-ending shortages.

Mr. Chairman, I include the following breakdown and other information for the information of the Members:

GEOLOGICAL SURVEY

	1974	Estimate 1975	Committee 1975
Geothermal	($2,556,000)	($9,774,000)	($9,774,000)
Develop geophysical, geochemical, and hydrologic techniques for locating geothermal resources	775,000	1,978,000	1,978,000
Identify geothermal target areas and appraise national resource base	747,000	3,252,000	3,252,000
Develop methodology for predicting energy potential and longevity of geothermal reservoirs	748,000	2,852,000	2,852,000
Develop capability to predict environmental impact of geothermal fluid withdrawal	150,000	1,051,000	1,051,000
Develop knowledge of interactions of rocks, minerals, and geothermal fluids at various temperatures and pressures		400,000	400,000
Determine energy potential of deep unexplored geothermal reservoirs	239,000	241,000	242,000
Geological and mineral surveys	($7,567,000)	($30,851,000)	($30,851,000)
Regional geologic hazards mapping		4,500,000	4,500,000
Determine location and properties of coal resources; coal environmental analysis	1,011,000	2,496,000	2,496,000
Develop information leading to expanded onshore exploration possibilities for oil and gas	1,393,000	4,888,000	4,888,000
Identify the distribution, quantity, and grade of oil shale resources	403	1,040,000	1,040,000
Exploration research and uranium resource assessment	1,239,000	4,174,000	4,174,000
Develop energy resource data system		1,400,000	1,400,000
Assessment of non-energy mineral resource requirements necessitated by expanded energy development		500,000	500,000
Resource and environmental assessment for OCS oil and gas	3,885,000	11,853,000	11,853,000
Water: Investigations on oil shale hydrology and coal hydrology (water needs for development of these resources)		2,500,000	2,500,000
Total	10,123,000	43,125,000	43,125,000

BUREAU OF MINES

	1974	Estimate 1975	Committee 1975
Energy	($22,796,000)	($81,108,000)	($88,108,000)
High Btu gasification	7,400,000	22,200,000	19,200,000
Coal liquefaction	1,879,000	27,388,000	27,388,000
Basic research data on chemistry of coal and conversion processes	2,200,000	3,200,000	3,200,000
Combined power cycles—gas turbine, steam turbine	400,000	1,300,000	1,300,000
Environmental problems associated with situ oil shale retorting	2,595,000	2,995,000	2,955,000
Stimulation of oil and gas	3,600,000	17,000,000	25,000,000
Heavy oil recovery	3,025,000	4,025,000	6,025,000
Other coal projects	2,712,000	2,712,000	2,712,000
GSA and pay annualization		288,000	288,000
Metallurgy	(785,000)	(3,900,000)	(4,100,000)
Sulfur-oxides removal from power plant stack gases (citrate process)	100,000	2,000,000	2,000,000
Energy use patterns in metallurgical processing	$200,000	$500,000	$500,000
Extraction of uranium from low grade domestic ores	200,000	1,100,000	1,100,000
Geothermal	300,000	300,000	500,000
Mining	(7,460,000)	(52,100,000)	(52,100,000)
Improved coal mining technology	7,460,000	46,200,000	46,200,000
Oil shale mining research		5,600,000	5,600,000
Other mining research		300,000	300,000
Data collection and analysis (Decrease is due to a transfer of a portion of these activities to FEO. Bureau of Mines will still retain basic data collection responsibility)	(4,500,000)	(3,000,000)	(3,000,000)
Total	32,541,000	137,108,000	144,308,000

OFFICE OF COAL RESEARCH

	1974	Estimate 1975	Committee 1975
Coal liquefaction	$43,500,000	$79,600,000	$79,600,000
High Btu gasification	25,400,000	37,800,000	37,800,000
Low Btu gasification	19,700,000	49,000,000	49,000,000
Advanced power systems (including $7,500,000 for MHD)	9,600,000	12,700,000	12,700,000
Direct boiler combustion	14,200,000	34,000,000	34,000,000
"Pioneer plant" projects		$42,100,000	$42,100,000
Advanced research and supporting technology; systems studies	$8,600,000	21,637,000	21,637,000
Administration	2,400,000	6,563,000	6,563,000
Total	123,400,000	283,400,000	283,400,000

FUEL ALLOCATION, OIL AND GAS

	1974	Estimate 1975	Committee 1975
Office of Petroleum Allocation includes 2,107 positions; implementation of Emergency Petroleum Allocation Act	[1] $23,800,000	$57,200,000	$56,800,000
Office of Oil and Gas; includes 118 positions; emergency preparedness; oil import; etc	2,330,000	2,900,000	2,900,000
"Contingency fund"—contingent upon enactment of Emergency Energy Act	$10,000,000	$10,000,000	
Total	36,130,000	70,100,000	59,700,000

ENERGY CONSERVATION AND ANALYSIS

	1974	Estimate 1975	Committee 1975
Office of Energy Conservation; includes 42 positions	$900,000	$6,400,000	$5,900,000
Energy Conservation Research	5,000,000	16,500,000	16,500,000
Office of Energy Data and Analysis; includes 90 positions	$2,400,000	$5,000,000	$5,000,000
Total	8,300,000	27,900,000	27,400,000

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[1] Does not include the $18,000,000 provided in the 2d supplemental appropriation bill, 1974.

DEPARTMENT OF THE INTERIOR

Geological Survey

Surveys, investigations, and research

Appropriation, 1974	$10, 123, 000
Estimate, 1975	43, 125, 000
Recommended, 1975	43, 125, 000
Comparison:	
Appropriation, 1974	+33, 002, 000
Estimate, 1975	------------

The total amount recommended by the Committee compared with the 1974 appropriation to date, by activity, is as follows:

Activity	Enacted to date, 1974	Committee bill, 1975	Change
Geothermal investigations	$2, 556, 000	$9, 774, 000	+$7, 218, 000
Geologic and mineral resource surveys and mapping	7, 567, 000	30, 851, 000	+23, 284, 000
Water resources investigations related to energy		2, 500, 000	+2, 500, 000
Total	10, 123, 000	43, 125, 000	+33, 002, 000

Funds provided under the geothermal investigations activity will provide for development of techniques for locating geothermal resources, for identification of target geothermal resource areas, for development of techniques for predicting the energy potential and longevity of specific geothermal reservoirs, for assessing the environmental impact of fluid withdrawal from geothermal reservoirs, and for measuring the energy potential of deep unexplored reservoirs.

Under the geologic and mineral resource surveys activity, funds recommended will provide for regional geologic hazard mapping to identify areas where there is a potential for floods, earthquakes, and other hazards. Such an effort will assist in making intelligent decisions with respect to the location of energy facilities. Funds recommended under this activity will also provide for an accelerated program to identify the location and properties of domestic energy resources such as coal, oil and gas, oil shale, and uranium. In addition, the funds recommended under this activity will provide for offshore oil and gas resource investigations and the assessment of environmental problems related to off-shore oil and gas operations.

Funds included in the bill for water resources investigations will provide for assessments of the impact on various hydrologic systems of development of energy resources such as coal and oil shale.

The Committee bill includes $2,625,000 which was transmitted to Congress as a budget amendment in H. Doc. 93-286. These additional funds will provide increased capability for assessment of energy-related offshore environmental problems in target areas for oil and gas leasing.

BUREAU OF MINES

Mines and minerals

Appropriation, 1974	$32, 541, 000
Estimate, 1975	137, 108, 000
Recommended, 1975	144, 308, 000
Comparison:	
Appropriation, 1974	+111, 767, 000
Estimate, 1975	+7, 200, 000

The total amount recommended by the Committee compared with the 1974 appropriation to date, by activity, is as follows:

Activity	Enacted to date, 1974	Committee bill, 1975	Change
Energy research	$22, 796, 000	$88, 108, 000	+$65, 312, 000
Metallurgy research related to energy	785, 000	4, 100, 000	+3, 315, 000
Mining research	7, 460, 000	52, 100, 000	+44, 640, 000
Data collection and analysis	1, 500, 000		−1, 500, 000
Total	32, 541, 000	144, 308, 000	+111, 767, 000

The net increase of $7,200,000 above the budget estimate consists of a decrease of $3,000,000 for the Hydrane high-Btu gasification project at Morgantown, W. Virginia, and increases of $8,000,000 for research on stimulation of petroleum and gas production, $2,000,000 for research on tar sand and heavy oil production, and $200,000 for geothermal research.

The Committee believes that an effective short-term answer that research can offer to help solve the energy problems facing the Nation is to develop the capability to recover petroleum and natural gas already located but unproducible by methods now in use. In the course of its hearings, the Committee found that the budget request for this type of research was below that recommended by the interagency working panel which proposed the program for increased oil and gas recovery. The Committee believes that through additional testing, with emphasis on technological development, many recovery methods may provide the means for freeing billions of barrels of oil and trillions of cubic feet of natural gas.

The major component of the energy research activity, other than the oil and gas recovery program discussed above, is an acceleration of several processes developed by the Bureau of Mines for conversion of coal to high-Btu gas and to liquid fuels. In the high-Btu gas program, funds are provided to accelerate completion and startup of the large Synthane pilot plant scheduled for the fall of 1974. Also, a major effort will be made to provide supporting R & D information vitally needed for successful operation of all processes—materals of construction able to withstand high temperatures and corrosive atmospheres, development of valves and apparatus capable of feeding coal and withdrawing char from pressure vessels, and basic engineering data such as for fluid beds operating at high temperature and pressure.

In the liquefaction program, funds are included for the construction and operation of a process development unit for testing the Synthoil process developed by the Bureau. The Synthoil process has proved in the laboratory that even low-grade, high sulfur and ash coal can be converted into a premium quality fuel oil that can be burned in power and industrial plants without exceeding pollution emission standards.

Projects conducted under the metallurgy research activity include the development of the citrate process for removal of sulfur oxides from power plant stack gases, determination of the energy use patterns in metallurgical processing, development of techniques for extraction of uranium from low grade domestic ores, and research on the corrosive effects of geothermal steam on metals.

Under the mining research activity, the bulk of the increase above 1974 is for expansion of the comprehensive coal mining research and development program which the Bureau of Mines initiated in FY 1974 to help to provide the improved mining systems required to assure the continued availability of this vital energy resource at competitive cost with the environmental and other safeguards demanded by society. If coal is to meet the Nation's energy needs, coal production must increase significantly. Present projections show that this increase may require a trebling of production between now and 1985.

Elements of the expanded mining research program include: improvements in coal mine development systems to reduce the time-to-production requirements for underground mining, adoption of the longwall mining method to mining conditions in the United States and automation to improve productivity, automation of the continuous miner to increase the efficiency of the system which produces more than half of our underground coal, development of mining methods and equipment for the efficient mining of thick or pitching coal and lignite seams which constitute a substantial portion of recoverable fossil fuel reserves, and development of technology to predict and control environmental aspects of underground mining such as subsidence, acid mine drainage, coalbed fires, and waste disposal.

The reduction shown in the data collection and analysis activity reflects the transfer of a portion of this activity related to energy to the Federal Energy Office. Included in the 1974 base program for this activity is $4,500,000 for on-going work in data collection and analysis relating to energy.

The accompanying bill contains a prohibition on the use of funds in this appropriation for the field testing of nuclear explosives in the recovery of oil and gas.

OFFICE OF COAL RESEARCH

Salaries and expenses

Appropriation, 1974	$123, 400, 000
Estimate, 1975	283, 400, 000
Recommended, 1975	283, 400, 000
Comparison:	
Appropriation, 1974	+160, 000, 000
Estimate, 1975	------------

The total amount recomended by the Committee, compared with the 1974 appropriation to date, by activity, is as follows:

Activity	Enacted to date, 1974	Committee bill, 1975	Change
Coal liquefaction	$43, 500, 000	$79, 600, 000	+$36, 100, 000
High-Btu gasification	25, 400, 000	37, 800, 000	+12, 400, 000
Low-Btu gas/power	19, 700, 000	49, 000, 000	+29, 300, 000
Advanced power systems	9, 600, 000	12, 700, 000	+3, 100, 000
Direct boiler combustion	14, 200, 000	34, 000, 000	+19, 800, 000
"Pioneer Plant" projects		42, 100, 000	+42, 100, 000
Advanced research and supporting technology and systems studies	8, 600, 000	21, 637, 000	+13, 037, 000
Administration and supervision	2, 400, 000	6, 563, 000	+4, 163, 000
Total	123, 400, 000	283, 400, 000	+160, 000, 000

The increases provided in this appropriation are to scale-up and accelerate on-going research projects aimed at developing technology for the clean, efficient utilization of coal. The "Pioneer Plant" program, for which $42.1 million is provided, is a new program which will make use of private sector plants which are under construction or in operation for the production of refined fossil fuels. The major purpose of this program is to share the risk with private developers in taking old technology, upgrading it to be consistent with new safety and environmental requirements, and putting it into use with the Federal investment covering only that part of the process which involves significant technical risks. It is anticipated that this program will attract substantial co-sponsorship funding from the private sector.

The Committee is aware that several of the pilot plant projects funded in this appropriation have experienced some cost overruns. The Committee expects the Department to keep it fully apprised of actions taken to reduce these overruns and proposed actions to deal with future overruns.

FUEL ALLOCATION, OIL AND GAS PROGRAMS

Salaries and expenses

Appropriation, 1974	$36, 130, 000
Estimate, 1975	70, 100, 000
Recommended, 1975	59, 700, 000
Comparison:	
Appropriation, 1974	+23, 570, 000
Estimate, 1975	−10, 400, 000

The Committee recommendation will provide $56,800,000 for the Office of Petroleum Allocation for carrying out the provisions of the Emergency Petroleum Allocation Act.

This is a decrease of $400,000 below the budget estimate. The bill also provides $2,900,000 for the Office of Oil and Gas. The increase over 1974 for the Office of Petroleum Allocation will provide for annualization of funding and personnel provided in the two 1974 supplemental appropriations.

The budget estimate included a $10,000,000 contingency appropriation, the same as provided in the Supplemental Appropriation Act, 1974. These funds are to be available only upon enactment of the Emergency Energy Act. The Committee bill for 1975 deletes this contingency fund. If additional funds are required by future energy legislation, the requirements can be provided in a future supplemental appropriation bill.

OFFICE OF THE SECRETARY

Energy Conservation and Analysis

Appropriation, 1974	[1] $8,300,000
Estimate, 1975	27,900,000
Recommended, 1975	27,400,000
Comparison:	
Appropriation, 1974	+19,100,000
Estimate, 1975	−500,000

The Committee recommendation will provide $22,400,000 for the Office of Energy Conservation, a decrease of $500,000 below the budget estimate. The bill also provides $5,000,000 for the Office of Energy Data and Analysis.

The purpose of the Office of Energy Conservation is to reduce energy demand growth as rapidly as possible under conditions of acceptable socio-economic impacts. Major functions include developing and implementing voluntary and mandatory energy conservation policies and actions for both public and private sectors; developing motivational education programs on energy conservation for the American public and carrying out an aggressive multi-media public information and consumer awareness program; managing, monitoring and reporting on the Federal agency energy reduction program; providing technical assistance on energy conservation to state, local governments, and others including Federal agencies and the Congress; evaluating the success of conservation actions; and acting as "lead agency" in conducting and managing the Federal R&D program in end-use energy conservation.

Of the $22,400,000 provided for the Office of Energy Conservation, $16,500,000 will be used for energy conservation research in the industrial sector ($6,000,000), the buildings sector ($6,000,000), the transportation sector ($1,000,000) and for various systems studies related to energy conservation ($3,500,000). The remaining $5,900,000 will provide for operating expenses of the Office.

The purpose of the Office of Energy Data and Analysis is to formulate and recommend policy for energy data development, providing a focal point in the Federal government for energy data analysis. This analysis involves monitoring emerging trends in energy utilization and availability; developing models for short- and long-range forecasting of energy conditions; and establishing the interrelationships between energy, other factors of production, and national economic growths. The results of such analytical work are also used in support of energy policy studies.

The $5,000,000 included in the bill for the Office of Energy Data and Analysis will provide for annualization funds provided in the Supplemental Appropriation Bill, 1974, and for an additional 40 positions for the Office.

Mr. CEDERBERG. Mr. Chairman, I yield such time as he may consume to the gentleman from Pennsylvania (Mr. McDADE).

Mr. McDADE. Mr. Chairman, I rise in support of the bill H.R. 14434 making special energy appropriations for fiscal 1975 and to urge its adoption by the Members of this House.

The past 6 months have shown us the dimensions of the American energy problem, both now and in the future. Our energy policies have not withstood the country's scrutiny and we must demand new ones.

Our scrutiny revealed that the United States, with about 6 percent of the world's population, is now consuming over 35 percent of the planet's total energy and mineral production. The average American uses as much energy in a few days as half the individuals in the world consume in 1 year. America has been developed with almost unrestricted use of energy or mineral resources. But, we are now seeing indications of the fact that the United States cannot maintain for long its soaring energy demands without major changes in its energy supplies. We are therefore being forced to evaluate our whole energy use pattern. The long-term pattern is complex.

This bill is complex. We are appropriating over $2.2 billion dealing exclusively with significant changes in all aspects of our energy sources, energy consumption, and energy conservation. This involves the expertise of many Federal agencies. I am convinced this is the first significant step toward energy self-sufficiency, toward energy independence. I want to point out to my colleagues a remark Daniel Webster made about a commitment that is especially appropriate today. Almost 200 years ago, he said:

> Let us develop the resources of our land, call forth its powers, build up its institutions, promote all its great interests, and see whether we also in our day and generation may not perform something worthy to be remembered.

We are beginning to do this. We are beginning to formulate a realistic energy policy for ourselves, and this has been coupled with consultation with other nations concerning global energy problems. We are starting to define some economies we can practice in the use of our energy. And above all, we have begun a concerted search for new sources of energy which we must have—solar energy, geothermal, coal liquefaction, coal gasification, MHD—any new form of energy that may arise from research and has a technical and practical capability to serve us. That is the area where this bill is making a tremendous beginning.

While this bill is not an immediate panacea to our energy problems—it is a beginning. This bill is the first step for the long term. For in the long run, we must look to our potential resources—and make them our usable reserves. It is estimated that our country may have coal resources to last us 300 years, and existing oil and oil shale resources to last us 500 years.

But potential resources are transformed into reserves, not by moving rock, but by expanding the artificial boundaries of geological knowledge and economic availability that separates the two. The potential of our resources can only be realized as a result of applied research. Major development of new technologies will be the key to this.

For instance, we must tap the offshore oil and gas. The U.S. Geological Survey tells us that there is much more oil and gas yet to be discovered in the United States than all the energy we have used up to now in our entire history. The USGS estimates that on our Outer Continental Shelf alone we have reserves of: 181 billion barrels of oil and 899 trillion cubic feet of natural gas. Those are incredible figures and we can greatly increase our offshore oil production—with the will to do so.

The bonuses and royalties from the sale of OCS leases brought $8 billion in revenues to the Treasury in fiscal 1974. This is a sum far greater than the entire investment we are making today. An investment, that quite obviously will yield both additional revenues and additional energy to our national economy.

Additionally, the ominous projections for the future do not consider the potential major shift to coal this country can fortunately make. We have enough coal resources to last us 300 years.

Our Nation has been described as the Saudi Arabia of the world in terms of the huge deposits of fossil fuels beneath our surface. This bill makes a tremendous dollar commitment to develop the technology necessary for the orderly development of our vast coal and other fossil fuel resources. It strengthens and accelerates ongoing programs in the Bureau of Mines and the Office of Coal Research aimed at converting coal to new clean burning petroleum substitutes. The utilization of these techniques will enable us to convert coal to clean energy for use in power plants as pipeline gas, for industrial space heating, and for heavy industrial fuel.

This bill provides funds for new programs in an attempt to capitalize on existing facilities and technologies in the private sector to multiply private initiatives in energy research. It funds programs aimed at using coal directly in direct boiler combustion with a clean gas fuel as a result.

If we can minimize the technical problems, if we can produce the coal necessary for these projects, and if we can perfect new mining techniques we could conceivably realize commercial results from this investment by the end of the decade or the beginning of the next.

This bill not only provides funds for new technology to develop our fossil fuels, but it also funds the vitally important work of improving the yield from existing mineral deposits. One important item to accelerate this technology is the committee's action increasing funds for tertiary and secondary recovery.

Tertiary and secondary recovery is one of the essential factors in our achieving energy self-sufficiency that I would like to highlight. The astounding fact is that present oil production methods leave almost one-half to two-thirds of the oil in the ground. This represents a tremendous reserve that we must tap. Vastly increased additional recovery can be achieved through pressurized injections of detergents called "surface active agents" which will remove virtually all the oil it comes in contact with. These surface active agents are expensive and tertiary recovery is a high risk endeavor. Government assistance in the initial stages is critical if we are to reap the results of this program. The energy gains are potentially tremendous; according to the USGS and the American Petroleum Institute statistics, approximately 38 billion barrels of oil remain to be recovered domestically, yet tertiary recovery could add an additional 50 to 75 billion barrels to that domestic recoverable reserve.

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[1] Included in "Salaries and Expenses," Office of the Secretary.

This bill is not an immediate panacea to our energy problem and it would be misleading for anyone to convey that. Indeed, we must dispel such an impression, for the cooperation of the American public is essential if the critical energy conservation policies are to be believed.

And conservation research is a necessary part of this policy. For instance, in this bill we are providing funds for the research of such unexamined areas as the fact that the same amount of energy, when channeled into a sodium bulb, as opposed to the conventional incandescent bulb, will produce many times as much light; the fact that the fuel flow to our steel furnaces varies significantly from furnace to furnace, and a fuel flow management study in Europe has reduced the steel furnace flow as much as 25 percent; we are also funding studies to determine the potential industrial interaction, by that I mean what may be one industry's waste in the form of heated air going up the stack may well be a usable energy form for another industry having to produce heated air; further, we are providing funds to investigate the amount of diesel and petroleum product that is really necessary in producing high grade asphalt. Simple alterations of a few percentage points in the amount of petroleum product necessary in any of these areas could obviously prove a tremendous savings, leaving a significant amount of product available for other use, thus reducing our inefficiency.

Conservation research can also play a significant role in agriculture. For example, instead of the three trips a tractor makes through a field now to plow—turn over the deep soil—till—round discs to break up the clods—and harrow—rake and smooth for planting, the farmer could make one trip if the technology existed for the machinery or attachments that would accomplish all three tasks. That would be a savings of two-thirds of the fuel tractors would use in such operations. I expect conservation, and conservation research, to play a major role in energy economies.

Today, for the first time in history, the House of Representatives is passing a $2.2 billion appropriations bill dealing entirely with major changes in our energy sources, energy consumption, and energy conservation. I strongly recommend this bill, as the first significant step toward energy self-sufficiency, toward energy independence.

Mr. MAHON. Mr. Chairman, I yield such time as he may consume to the distinguished chairman of the Public Works Subcommittee of the Committee on Appropriations, the gentleman from Tennessee (Mr. EVINS).

Mr. EVINS of Tennessee. Mr. Chairman, as the distinguished chairman of the Committee on Appropriations, the gentleman from Texas (Mr. MAHON), has indicated, this is a special energy research and development appropriations bill.

This is the first bill of its kind in the history of the Congress where a special appropriation has been made to contribute to a solution of the problems of the energy crisis.

The total appropriation recommended in this bill is $2,269,828,000.

In chapter IV of the report, the Subcommittee on Public Works and Atomic Energy Commission Appropriations—which I am honored to serve as chairman—is recommending appropriations totaling $1,521,760,000 for a number of research and development programs for 1975.

This is the largest item in the bill.

The Committee on Appropriations is concerned about the energy crisis.

Certainly the people of the country are concerned.

And this bill represents a strong and vigorous response and effort to find solutions to the complex problems of the energy crisis.

There are three separate appropriations contained in chapter IV—namely the Atomic Energy Commission, the Bonneville Power Administration, and the Office of Underground and Other Electric Power Transmission Research of the Office of the Secretary of the Interior.

The largest amount indicated is for the Atomic Energy Commission. This bill, Mr. Chairman, should provide a breakthrough for this Nation to achieve self-sufficiency and independence in energy production in the years ahead.

We are making progress and I would point out that in the United States today, we have 42 nuclear powerplants in operation—54 under construction and 123 plants on order or planned.

We are just beginning to achieve a breakthrough in seeing results from our investment in the past in nuclear power.

Today 6 percent of the electricity which the people of the United States consume is from nuclear power.

With nuclear power we are moving forward with this alternative source of power and we are saving millions—or indeed billions—of gallons of oil and cubic feet of natural gas and large quantities of other fossil fuel in the process.

It is pointed out on page 25 of the report that 1,000 megawatts of nuclear power is equivalent to fossil fuel requirements for one year as follows: 11 million barrels of oil—or 62 billion cubic feet of natural gas—or 2 million tons of coal.

So with nuclear power we are providing a substitute for conventional methods of achieving electricity and, as indicated, we are making a breakthrough—this science and technology is now paying dividends.

Mr. Chairman, in providing the funds in this bill, the Atomic Energy Commission will be doing vital and important research in the following areas:

The liquid metal fast breeder reactor, LMFBR;

Development of other advanced reactors, including the light water breeder reactor, high-temperature gas reactor, gas-cooled reactor, molten salt reactors, among others; and

Other programs include controlled thermonuclear fusion, gas centrifuge technology, solar energy, coal liquefaction and gasification, biomedical and environmental research and safety.

Although there may seem to be some duplications in this bill in certain areas of research, I should point out that all duplication in research is not necessarily bad—especially in the face of urgent and pressing public need and necessity.

I might point out further that any duplication is in the achievement of objectives—not in the particular avenues of research being pursued.

Therefore, the duplication may result in finding the answer to practical alternative sources of energy by achieving a breakthrough in an area not under study by other Federal research and development efforts.

Dr. Edward H. Fleming, Acting Director of the Division of Applied Technology of the Atomic Energy Commission, pointed out during his testimony before our Subcommittee that, for example, there are several alternative approaches to coal liquefaction—the production of gasoline from coal.

He pointed out further that the AEC is pursuing one or more promising approaches to the achievement of this goal not presently in any other research and development program of any other Federal agency.

Current estimates indicate that our total demands for energy will triple in the next 30 years.

We know that the Halls of Congress are darkened almost daily now in a "brownout" to conserve energy.

Shortages of energy have resulted in school closings, industrial and transportation disruptions, inflated prices for power and fuel, growing unemployment and a general slowdown in the real economic growth of this Nation.

The Appropriations Committee feels this is one of the most serious domestic crises in our Nation's history. Although there appears to be some temporary easing of the energy crisis, long-range solutions must be found.

This bill provides both immediate and some long-range solutions to the energy problem.

As we all know, following the Arab oil boycott, Congress moved quickly to provide the executive branch with additional authority to react to the crisis.

Congress has not only been conducting investigations and hearings into the energy crisis, pointing up deficiencies in the administration of the Federal energy program and the lack of full and adequate information on oil reserves held by major oil companies—Congress has also passed vital and important legislation in an effort to resolve the crisis.

This legislation included the Emergency Energy Act, which would have provided for a freeze on prices of "new" domestic crude oil and a rollback of prices within 30 days.

The bill also would have required oil companies to produce vital information concerning their reserves—restricted oil exports—established the Federal Energy Administration, FEA, to replace the Federal Energy Office, FEO—and required electric utilities to switch from oil to coal.

Unfortunately, the President vetoed the bill.

Congress also has passed the mandatory fuel allocations bill which provides the administration with authority to establish a fair and equitable system of distribution of gasoline and other petroleum products.

The implementation of this act, however, has left much to be desired and has created regional shortages with long lines of motorists waiting at service stations for gasoline.

Congress passed the Alaska Pipeline Act which will make available large additional quantities of oil from the north slopes of Alaska, from lands owned by the Federal Government.

To conserve energy Congress passed legislation recommending that States reduce automobile speed limits to 55 miles per hour.

Congress is also moving forward with legislation to provide for a national system of strategic reserves and a massive energy research and development program.

Notwithstanding these actions by Congress, it is imperative, in the meantime, that we as a nation think conservation—we must practice conservation—we must teach our children to practice conservation.

Indeed we have been warned that we must make conservation a way of life for the American people.

I have confidence that the American people will respond to this challenge, as they have responded in the past.

Energy is the life blood of our civilization—it must be geared to technology which, in turn, can produce our future energy supply and needs.

It is imperative that our long-term energy problems be solved.

I feel that American technology can come through with solutions that in time will ease the shortages and over the long-term develop new and improved technology to achieve our goal of energy self-sufficiency for this Nation.

I repeat it is imperative that we find long-term solutions to the problem. This bill is an important step in this direction. This special energy appropriations bill is a response to the problem.

Mr. Speaker, while I have the floor and the time, I want to take advantage of this opportunity to make further comments on the energy crisis and express my views on actions that need to be taken in addition to the passage of the pending research and development funding appropriations bill.

The Federal Energy Office has provided a liberal supply of words and claims and announcements of new allocations and revisions of prior allocations—and yet for months the long lines continued at service stations and there was no appreciable relief. Fuel prices continue to rise higher and higher—and they are still high.

Administration pronouncements on the energy crisis have tended to confuse the American people—one official announced cn one day that we were in a short-term crisis that would be over this year—the following day another official told this official to keep "your cotton pickin' hands off energy policy" and insisted the crisis would last for years.

Our people do not want words—they need assurance of adequate supplies of energy—the lifeline of our Nation's economy.

The President said in a recent press conference—on February 25 last—that the energy crisis has passed although a problem remains.

Other administration officials insist that the crisis remains. This special energy appropriations bill is one answer and response to the problem.

Certainly we all hope the crisis or problem—will pass, but we are all apprehensive over the possibility of another sudden "crisis" and another siege of higher prices.

Many service stations are closed on interstate highways and in our cities, small towns and rural areas. Many are open only a part of the time—many are closed on weekends.

Unemployment is a problem as the impact of the shortages bites deeper into industrial production and forces more service stations and other small businesses to close.

My personal evaluation is that, all things considered, the crisis remains with us—it is not as apparent now, but the Damocles sword hangs over our head—and the fine thread holding the blade is indeed tenuous.

Our people need to know the facts and they need to know where they stand with respect to oil and gas shortages.

The key to the situation is securing the facts on petroleum reserves from the major oil companies so the Nation will know and understand what the true situation is at this time.

William Simon, formerly Director of the Federal Energy Office and now Secretary of the Treasury, said recently that audits by the Federal Energy Office indicated the oil companies were providing correct figures in oil reserves.

This raises any number of questions.

Mr. Simon insists there was an oil shortage—we all know that.

The question is: Why? Why?

Was the shortage deliberately created, as the Federal Trade Commission investigation indicates? Or was the shortage unavoidable?

In my view the oil shortage was in large part contrived—but got out of hand because the oil companies did not anticipate the Arab boycott.

Some of us in Congress who have been observing the development of the energy crisis have warned for some time that demand was exceeding projected supplies of petroleum products.

The House Small Business Committee, which I am honored to serve as chairman, in 1970 conducted investigations and hearings which laid bare the potential for a monopolistic concentration in the energy field—with "big oil" controlling not only all phases of the petroleum industry—but competing sources of energy as well—coal, natural gas, and uranium.

Testimony and evidence introduced at these important hearings outlined the dimensions of the "big oil" takeover of competing energy sources.

This is the picture that emerged:

Major oil companies were rapidly becoming energy conglomerates by acquiring competing energy resources in apparent violation of antitrust statutes;

Major oil companies account for 84 percent of all refining capacity in the United States;

Major oil companies account for 72 percent of all natural gas production and reserve ownership;

The four largest oil companies account for about one-third of all coal production in the United States; and

Major oil companies own half of all uranium deposits.

Therefore, based on available evidence, it is clear that "big oil" had set about to deliberately restrict supply to drive up prices—however, the Arab oil embargo turned a shortage into a crisis—and the American people were caught in the middle, paying monopoly prices.

Our committee called these facts to the attention of the Justice Department and the Federal Trade Commission, and also urged that these agencies use their antitrust powers to break up these big oil combines.

It was not until July of 1973 that the Federal Trade Commission finally filed an official complaint and not until February of 1974 that a bill of particulars was filed, detailing the workings of the monopoly and requesting that the big oil companies be divested of their refining operations to assure competition and an adequate supply of gasoline and other petroleum products.

This complaint will be tried first by an administrative law judge at FTC—and, according to FTC spokesmen, is expected ultimately to go on appeal to the full Commission and then an appellate court before a final decision is rendered—possibly by the U.S. Supreme Court.

Finally confirming the findings of our Committee, this official FTC complaint said:

> Respondents (Exxon, Texaco, Gulf, Mobil, Standard Oil, Shell, and Atlantic Richfield) control, directly and indirectly, a substantial portion of the market's refining capacity and are able to exercise monopoly power at this level of production because of the formidable barriers to entry (by independent refiners) they have erected.
>
> (The big oil companies') behavior threatens the viability of independent refiners and marketers resulting in losses to consumers . . .
>
> Major oil firms, which consistently appear to cooperate rather than compete in all phases of their operation (the promotion, distribution and sale of gasoline) have behaved in a similar fashion as would a classic monopolist: they have attempted to increase profits by restricting output . . .
>
> (The big oil companies) and some other large integrated firms have forsaken resort to genuine markets, preferring instead an artificial structure of non-market institutions resulting in costly distortions and anti-competitive exclusions of independent rivals.
>
> Indeed, had the petroleum industry been organized to depend upon free markets, it is doubtful that the present shortage of refinery capacity would have arisen.

The complaint calls for a return to an open market in the oil industry and asks for divestiture of 40 to 60 percent of the companies' refining capacity by establishment of 10 to 13 new firms. The complaint also calls for divestiture of some pipeline assets to break up the monopoly within the oil industry itself.

As American motorists wait in long

lines for gasoline, we hear that Exxon—the world's biggest energy company—earned profits last year of $2.4 billion—a 59 percent increase over 1972.

And the profits of all major oil companies have increased by huge percentages.

Texaco, the largest seller of gasoline in the United States, pocketed profits last year of $1.3 billion—an increase of 45 percent.

Gulf earned $800 million, for an increase of 79 percent.

British Petroleum hiked its profits in the first 9 months of last year by an incredible 483 percent. Its earnings during that period amounted to $204 million.

Mobil earned $843 million last year—an increase of 47 percent.

Royal Dutch-Shell pocketed $1.1 billion—an increase in profits of 139 percent.

And California Standard hiked its profits by 54 percent to $843.6 million.

Profits for the first quarter of this year tell the same story.

As chairman of the Subcommittee on Public Works and Atomic Energy Commission Appropriations and as chairman of the House Small Business Committee, your Representative has been warning for several years that the policies of the major oil companies, coupled with increased use of energy, could create a shortage unless action was taken.

In my view, the Justice Department should assist the Federal Trade Commission in prosecuting to the fullest extent the suit filed in Federal court to accomplish the goal and objective of breaking up the "big oil" combines and returning competition to this industry.

I am very much in favor of curbing the windfall profits of oil companies.

The oil companies should not profit from the crisis and its hardships on the American people.

I am in favor of tax reform to close the tax loopholes that permit the big oil companies to pay a very small percentage of taxes on their incomes—I favor elimination of exorbitant overseas tax credits that permit the big oil companies to charge off royalties they pay other nations as tax credits.

I favor an intensive audit of the major oil companies' books and records of their reserves—to determine the nature and extent of any shortage—and to determine whether the shortage is as serious as reported—real or contrived.

I favor proper Government regulations and control over all oil exports during this time of crisis.

Americans enjoy the world's highest standard of living—and yet Americans today are worrying about whether they will have gasoline tomorrow to drive to work. Real and free competition in the oil industry will contribute to energy self-sufficiency for this Nation.

This Nation must become self-sufficient and not dependent on foreign sources for its energy resources.

Congress is pressing forward and continuing to provide funds and legislation to assist in the solution of these problems—problems of shortages and unemployment.

I am convinced that a good dose of private enterprise—competition in the marketplace—will cure many of the defects and evils of the petroleum monopoly—and provide for greater refining capacity—keener competition—and a healthy, vigorous, competitive industry that is so desperately needed to help solve the energy crisis.

I favor these additional actions and certainly will lend my efforts to assist in a solution to the continuing problems of the energy crisis—in the public interest.

I have listened to literally months of testimony on energy problems—and reports by our committee dating back to 1970 have issued warning after warning and made recommendation after recommendation which were all too often ignored.

One of the major reasons for my continuing battle with the Office of Management and Budget is the continued practice of impounding funds appropriated by our Subcommittee on Public Works Appropriations for projects which produce electric power or fund research and development into new alternative sources of energy.

This arbitrary and capricious impoundment of funds has not only delayed projects beneficial to our people, but also has increased the costs of construction on many projects.

I would point out that in 1 year—fiscal 1971—the administration impounded all public works projects which were added on by Congress following weeks and weeks of hearings and a careful analysis of problems and priorities.

This had the effect of delaying power on line—availability of urgently needed water supplies—flood control—navigation and other benefits for at least 1 year.

It was estimated that this impoundment cost the American people $242 million in added costs and benefit losses.

This certainly shows that Congress was in 1971 endeavoring to meet anticipated increases in energy demands—but that OMB and others in the administration deliberately halted and slowed down public works projects needed to provide these essential services to an expanding population.

I am pleased to report that the budget for 1975—after the energy crisis developed—was more generous in its recommended funding of public works projects and research and development into new sources of energy.

OMB officials now suggest that the word "impoundment" can be retired from our vocabulary.

The current energy crisis and the blackouts, brownouts and electric power shortages that have occurred underline the shortsighted deficiencies in the prior policy of arbitrary impoundment of funds for public works projects.

My Subcommittee on Public Works and AEC Appropriations has long recognized the need to move ahead with public works projects on a planned and consistent basis in line with the needs of the people of our great Nation.

Also, we have moved forward with substantial appropriations for energy research and development.

During the past 5 years, our subcommittee has approved almost 80 percent—or $5 billion—of all appropriations provided by Congress for energy.

Thus the Congress has been farseeing. The Congress has provided some funds for research and development—looking to long-term solutions to our energy problems.

The magnetohydrodynamic technology, for example, is another vital and important line of research currently considered desirable. This research concept is being explored in research by the Arnold Engineering Development Center and University of Tennessee Space Institute, both at Tullahoma, Tenn.

Coal-fired MHD generators could increase the efficiency of steamplants by as much as 40 to 60 percent.

Much of the research provided for in this bill will be carried out at the Oak Ridge National Laboratory at Oak Ridge, Tenn.—one of the great laboratory facilities of the AEC.

Coal gasification and liquefaction research under the direction of the Office of Coal Research, Department of the Interior, is also most important because the Nation has more coal reserves than any other fuel.

Coal gasification is the production of natural gas from coal—and liquefaction, as I indicated earlier, is the production of gasoline from coal.

Funds provided in this bill will not only help solve the problems with which we are faced now, but are aimed at finding solutions which will enable our great Nation to be self-sufficient in energy in the years ahead.

Mr. Chairman, in the appropriations bill for 1973 and 1974, the Subcommittee on Public Works-AEC Appropriations, pointed out the dangers of the energy crisis, warned of the potential for the energy crisis, and made comments in the report of the need to accelerate appropriations to find solutions.

I call your attention to pages 23 and 24 of our report, which sets forth our views at that time, which have been repeated.

I would point out further that the President sent a special message to the Congress on January 23, 1974, on the energy crisis.

The President has addressed most of his remarks to the legislative committees, calling for legislation. The Appropriations Committee is responding by providing appropriations and funding for solutions.

For operating expenses for the AEC we are recommending in this bill $1,043,790,000. This is $223,405,000 more than last year, but all of which is budgeted.

The committee has added $33,900,000 for operating expenses above the budget.

In other words, the administration and the Office of Management and Budget—at long last—have recognized the need for increased funding and have recommended an increase of $223,405,000, to which amount the committee has added $33,900,000.

I want to point out again concerning nuclear power "on line" that today we have 42 nuclear power plants in operation, 54 under construction, and 123 on order or planned, making a total of 219.

We are truly making progress in achieving a breakthrough with this technology, as 6 percent of our Nation's electricty is now nuclear powered.

This percentage will expand with nuclear plants providing over 20 percent of America's electric power by 1980.

SAFETY OUTSTANDING

Let me stress at this point that the Atomic Energy Commission's safety record is outstanding—there have been no death or tragedies from nuclear accidents as extensive safety precautions are provided in both construction and operation of nuclear powerplants.

I would point out that safety is "sprinkled" throughout the budget for AEC, both in research and development, in design of facilities, construction, inspection and in operation.

The record for safety is outstanding, and the fears and concerns and alarms over the dangers of nuclear radiation thus can be minimized because of the safety factors provided.

PROJECT INDEPENDENCE

America's large and expanding reliance on imports for sources of energy was dramatically exposed during the Arab oil embargo. The results of that embargo were unemployment in various industries, the threat to national security, soaring costs for fuel, the potential of a deep recession if the embargo were continued.

These considerations have led to the emergence of a national goal of attaining self-sufficiency in energy—that is "project independence".

While some witnesses testified before the committee that the goal of self-sufficiency by 1980 was overly optimistic, they nevertheless supported the concept of the policy and urged that America proceed at a rapid pace to attain this goal.

I believe the goal can be achieved.

For instance, the presently operating light-water reactors utilize only 1 to 2 percent of the potential energy in uranium. In the development of the Liquid Metal Fast Breeder Reactor, when operational, this plant, experts advise, will utilize uranium from 30 to 40 times more efficiently.

The liquid metal fast breeder reactor may be the answer to the solution of our energy problems, as the fast breeder reactor is designed to produce more fuel than it consumes.

On page 27 of the report is a breakdown of the recommended appropriations for operating expenses of the AEC.

It must be noted, in most instances, that the budget estimates for 1975 have been substantially increased over 1974 and that the Committee on Appropriations has recommended the budgeted amounts or the amounts recommended by the Joint Committee on Atomic Energy.

In four instances the committee has recommended increases and in four instances the committee has recommended some decreases from the authorization level.

The increases are for civilian reactor research and development for a total of $11,200,000, controlled thermonuclear research $9 million.

The decreases recommended are $3.7 million for applied energy technology, $1.2 million for changes in selected resources, $12 million in modification of gaseous diffusion plants—with $20 million being provided in the bill—we think this is adequate—and a $3 million reduction for the Cascade uprating—a $10 million increase over previous recommended amounts will provide adequate funding for this program.

The table for operating expenses follows:

ATOMIC ENERGY COMMISSION

Operating Expenses

Program	Fiscal year 1974 appropriation	Budget estimate fiscal year 1975	Committee bill	Bill compared to budget estimate
Nuclear materials:				
Source materials	$1,950,000	$5,700,000	$5,700,000	
Process development	30,175,000	35,055,000	35,055,000	
Total nuclear materials	32,125,000	40,755,000	40,755,000	
Weapons:				
Weapons activities:				
Research and development (laser fusion only)	34,300,000	44,400,000	44,400,000	
Advanced isotope separation technology	1,475,000	10,700,000	10,700,000	
Total weapons	35,775,000	55,100,000	55,100,000	
Civilian reactor research and development:				
Central station power development	193,890,000	263,900,000	273,100,000	+$9,200,000
Cooperative power reactor demonstration	20,000,000	14,000,000	16,000,000	+2,000,000
Nuclear safety	31,500,000	40,110,000	40,110,000	
Technology and engineering	45,000,000	67,500,000	67,500,000	
Total civilian reactor research and development	290,390,000	385,510,000	396,710,000	+11,200,000
Reactor safety research	40,683,000	52,940,000	52,940,000	
Applied energy technology	13,650,000	31,820,000	37,020,000	+5,200,000
Space nuclear systems	700,000	800,000	800,000	
Physical research:				
Nuclear science	$6,300,000	$7,600,000	$7,600,000	
Materials sciences	9,400,000	18,500,000	18,500,000	
Molecular sciences	5,800,000	16,800,000	16,800,000	
Total physical research	21,500,000	42,900,000	42,900,000	
Controlled thermonuclear research	53,000,000	82,000,000	91,000,000	+$9,000,000
Biomedical and environmental research and safety:				
Biomedical and environmental research	88,000,000	116,500,000	116,500,000	
Waste management	5,913,000	10,515,000	10,515,000	
Total biomedical and environment research and safety	93,913,000	127,015,000	127,015,000	
Program support:				
Operational program direction	69,000,000	80,000,000	80,000,000	
Information services	5,369,000	6,660,000	6,660,000	
Total program support	74,369,000	86,660,000	86,606,000	
Total program costs funded	656,105,000	905,500,000	930,900,000	
Change in selected resources	164,280,000	104,390,000	112,890,000	+8,500,000
Total operating expenses	820,385,000	1,009,890,000	1,043,790,000	+33,900,000

Some additional specific recommendations include:

Nuclear materials—$40,755,000, $5.7 million of which amount is for analysis and evaluation of U.S. uranium ore reserves.

Presently uranium ores are being purchased from Canada and from a number of the Western United States, and there are other areas of source materials for which an evaluation of supply needs to be made.

For reactor safety research, the committee recommends $52,940,000, as we are all concerned—the Nation is concerned—about reactor safety from the inception of reactor planning, construction, to completion and operation.

For controlled thermonuclear research the committee is recommending $91 million the primary goal of this program being development of a new energy source based on the nuclear fusion process.

AEC witnesses testified that many promising breakthroughs have been made which will accelerate the timetable for proving the scientific feasibility of this process.

The committee, as I earlier indicated, recommended an increase of $9 million—for a total of $91 million—for controlled thermonuclear research.

Controlled thermonuclear research is being pushed throughout the Government, and many enthusiasts in the Congress consider that controlled thermonuclear research may be the answer to mankind's long-range energy requirements.

This process will utilize as fuel a form of hydrogen—it is estimated that energy produced by this technology in 1 gallon of seawater will equal the amount of energy obtainable from the combustion of 300 gallons of gasoline. Thus this process, if successful, will provide us with an inexhaustible source of energy.

The hopes of this process are promising—and worth the investment.

The committee is recommending an increase of $5,200,000 for applied energy technology, with $1,200,000 of this increase to be used for solar energy research.

The committee feels that accelerated research in solar energy is highly important and that this technology should be advanced as rapidly as possible.

Within applied energy technology we are recommending funds for the synthetic fuels program, which is primarily a catalytic process for coal liquefaction.

The committee was impressed with testimony which indicated the potential of chemical explosives for in situ oil shale processing. Funds are provided for technological studies and evaluation—but no funds are provided for underground nuclear explosions. I would emphasize that we are interested in the oil shale processing—but none of the funds in this bill are provided for underground nuclear explosions.

Mr. Chairman, I would point out that the Atomic Energy Commission has more than 25,000 scientists in its employment. The Commission has more than 65 laboratory stations and facilities.

A breakdown of the facilities is as follows:

Headquarters	1
Field offices	11
Major multiprogram laboratories	7
Minor specialized laboratories	20
Testing stations and other facilities	26

Hopefully this vast array of scientists at these laboratories will provide us with some solutions.

In summary, Mr. Chairman, again I would point out that we are recommending for the Atomic Energy Commission, the Bonneville Power Administration, and the Office of the Secretary of the Interior for underground and other electric power transmission research a total of $1,521,760,000.

While this is a large amount, increases recommended over the budget estimates are minimal—only $33,900,000 for operating expenses and $31,400,000 for plant and capital equipment—a total of $65,300,000 above the budget.

Certainly we can afford this amount—this increase—as an investment in the solution of the energy problem and a long-range investment in self-sufficiency in energy for this Nation.

The public interest demands fast, decisive, and effective action. I urge approval of this special energy appropriations bill, recommended by the Committee on Appropriations.

Mr. CEDERBERG. Mr. Chairman, I yield 7 minutes to the gentleman from Wisconsin (Mr. DAVIS).

Mr. DAVIS of Wisconsin. Mr. Chairman, this subcommittee, of which the distinguished gentleman from Tennessee is the chairman, has not been a Johnny-come-lately group to our effort to solve our energy problems. Through the years I think we, on the subcommittee, have been as much aware as anyone in the Congress in, first, recognizing and, second, in taking some practical steps to deal with the energy problem both in the short term and the long term.

As the chairman mentioned, on page 24 of our committee report there is reference made to some of the language that we used a year ago before people generally seemed to be aware that we did have an energy problem in this country. Not all of the energy sections of this bill can be traced to direct actions to deal with the energy problem; but I think everything that is found in the bill does have a relation to it. For instance, we cannot take some of these steps that need to be taken and are provided for in this bill without dealing with the related problems of safety, environmental and biological research. Provisions are made in this bill for those areas as well.

For those that might be concerned that there are some things in this bill that they cannot identify as directly related to energy research, I think it might be well to keep in mind that when our regular public works appropriation bill is brought to the floor later this year, it will contain language that will merge the appropriations here found with the appropriations that will be later made in the general public works-atomic energy appropriation bill for 1975, thereby providing a total of AEC appropriation for the coming year.

We have recommended an increase of $65.5 million over the budget. This is not generally a happy circumstance. Chairman Ray of the Atomic Energy Commission did indicate to us that the figures in the budget were adequate for the purposes which she outlined; but these increases do represent an accommodation to the strongly expressed desires and the authorizations that were made by the legislation recommended by the Joint Committee on Atomic Energy. However, as the chairman has indicated, we did make reductions of between $24 million and $25 million overall from the authorization level which has passed the House.

In this bill, not only in the various sections of it, but within our section as well, there will be found duplications among different agencies of Government working in the same direction.

Perhaps this is inevitable when we deal with a crash program; as our efforts to cope with the energy problem, I suppose, must be so properly described, but sometimes in research a duplication does not always represent a waste. Different agencies, different scientists, and different institutions may take different approaches toward the same goal, and one of them may turn out to be superior to the others.

In this bill, we have laser energy development directed toward civilian orientation. This program has been emphasizing the military side of the program. Funds in this bill will use some of the military developed technology for civilian purposes.

Mr. Chairman, there are many things that are difficult to measure in an appropriation such as this. How—in dealing with laboratories and research institutions and programs that have their payoff way in the future—how does one measure the amount of dollars that may be necessary in order to accomplish the objective? As the gentleman from Massachusetts (Mr. BOLAND) said, we do need to be somewhat careful that we do not attempt to equate extra dollars with extra accomplishments, but what we have done in this bill is to bring to the committee the benefit of our combined judgment as to the dollars that will do the job. Although, obviously people will differ on matters of judgment.

Mr. Chairman, I suspect there will be some amendments to increase the amount of dollars that we have recommended, and I suspect also that there will be some efforts made to increase the dollars that are to be made available. But, this again gets down to a matter of judgment, and we did exercise judgment based upon the facts that were available to us from our hearings and from the recommendations of the capable staff people that we had available to us.

And so, because it is difficult to collate dollars to effort, it may be that we made some mistakes, but I am not aware of any such mistakes. I consider this bill to be a reasonable and prompt response to the energy problem that we have in this country.

Mr. MAHON. Mr. Chairman, I yield such time as he may consume to the gentleman from California (Mr. McFALL).

Mr. McFALL. Mr. Chairman, the United States with 6 percent of the world's population consumes 35 percent of our planet's energy production. That amounts to the equivalent of 35 million barrels of oil per day. By the year 2000, if present trends continue, our Nation will require the equivalent of 95 million barrels per day.

Transportation is by far the Nation's most wasteful user of energy. Our ships, planes and cars burn up 8 million barrels of oil a day—22 percent of all the energy we use. Yet because of the nature of these vehicles, they convert only one-fourth of their fuel into propulsion; fully three-fourths of the energy input is wasted.

If you drive a large, fully equipped automobile, you are losing 90 percent of your energy input.

By contrast, our largest user of energy—industry—and our third largest—residential and commercial—successfully convert more than 70 percent of their fuel into useful work.

In an effort to improve fuel use efficiency in transportation, we are recommending an appropriation of $6,400,000 to the Department of Transportation for its automotive energy efficiency program. Of that amount, $3,950,000 is for automotive component evaluation and testing and $2,450,000 is for the assessment of energy efficient vehicles in the highway system. Although this is the only Department of Transportation program included in this bill, other energy efficiency-related activities of the Department will be funded in the regular fiscal year 1975 appropriation bill.

The Department of Transportation's ongoing automotive energy efficiency program is assessing the technology for improving the effectiveness and flexibility of energy utilization by our Nation's transportation system. The program's major objective is to assess comprehensively the technological capability of the automotive industry to substantially improve the fuel economy of the cars and trucks they produce between now and the end of the decade.

The automotive component evaluation testing portion of the program supports hardware testing and analyses of devices and techniques that offer significant opportunities to improve automobile and truck fuel economy in the next few years. The other major aspect of this program, assessment of energy efficient vehicles in the highway system, seeks to provide the necessary technical data-base and analytical tools to assess the energy usage, emissions, safety, and economy of the projected highway vehicle fleet.

Unfortunately, the $2.1 million appropriated for this program last year will have little or no impact on the 1975 model automobiles. We have directed that the Office of the Secretary of Transportation report back to us on the direction, progress, results and application of these studies not later than December 31, 1974.

Mr. CEDERBERG. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts (Mr. Conte).

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. CONTE. Mr. Chairman, I yield to the gentleman from New York.

Mr. GILMAN. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I rise in support of H.R. 14434, the Special Energy Research and Development Appropriations for 1975.

Over the past few months the startling recognition of the urgent need for increasing our energy supplies has hit home in every American household. We would be hard pressed to find one citizen whose life style was not altered by the energy shortages we have recently experienced.

These shortages have forcefully registered America's need for self-sufficiency in energy. While we are fortunate to have not only many of the natural resources to accomplish self-sufficiency, we also have the necessary technology to progress in that direction. What is needed now, to bring us closer to our energy goals, is massive research and development of our existing and new programs.

Appropriating funds to beef up energy research is a logical and necessary step forward in our search for resolving our energy needs.

The Appropriations Committee has prudently brought before us today a measure incorporating many of the efforts we are making in seeking new sources of energy—farsighted, long-range developments such as solar and geothermal energy are specifically cited, as are plans for interim, short-term energy solutions of securing new sources of fossil fuels and plans for converting coal to a more environmentally sound liquid fuel.

The committee's proposal for this research and development legislation is recognition of the critical urgency of our energy needs. This proposed appropriation is urgently needed and will be wisely spent; we have found that we are a nation whose survival depends upon energy abundance. For this reason, I strongly support this $2.2 billion appropriation of funding for energy research and development and urge my colleagues to join in adopting this measure.

Mr. CONTE. Mr. Chairman, I rise in support of this appropriations bill, but not with great enthusiasm.

This is a shotgun approach to funding our energy programs. We are throwing money at the energy problem, and in this bill we are throwing it eight different ways.

Instead of appropriating separate sums for the EPA, NASA, National Science Foundation, Interior Department, AEC, Bonneville Power Administration, DOT, and FEO, the Congress should be making one appropriation to a single agency.

I hope this appropriations bill serves notice on the Democratic leadership that reorganization bills for the Federal agencies and the House of Representatives are overdue. Enactment of H.R. 11510, the Energy Reorganization Act, is a first priority. This bill passed the House last December, and 5 months later it remains buried in a committee of the other body.

Furthermore, it is time to pass the Bolling plan to put our own House in order.

The type of special energy appropriations bill we are considering today is chaotic, but it is the best we can do under the present setup. Early passage of this bill would at least give the eight Federal agencies a better opportunity to plan for the coming fiscal year.

But this bill will not fill the vacuum that exists where the Federal Government's long-range energy planning mechanism should be. I would remind my colleagues that a special energy funding bill constitutes merely a holding action, not a step forward. If this Nation is to come anywhere close to the goal of project independence, it must have leadership on energy issues in both the administration and the Congress.

I ask my colleagues to consider my plea as this bill is passed.

Mr. WHITTEN. Mr. Chairman, I yield such time as he may consume to the gentleman from Oklahoma (Mr. Steed).

Mr. STEED. Mr. Chairman, the section I want to discuss is chapter VI of this bill which deals with the budget for the Federal Energy Office.

The amount provided for here is $19 million, which is a full year's cost at the present rate of operation of this Office. They plan to have about 1,040 people on board.

The history of the Federal Energy Office is that it was originally set up as the Federal Energy Council, and then when the crisis came last year it evolved into what is now a management operation. It will be the control and directing branch of this new Federal energy agency that was approved by the House yesterday when the conference report on the authorizing legislation was approved.

They have two major duties that are, I think, worthy of note in this particular regard. As you know, the first big test of this agency was in the fuel allocation program that the energy crisis brought on. We are all aware that under great stress and difficulty they were able to meet the crisis and got us through the first part of the problem. They are still carrying on. So far nationally we have settled down to where there is a minimum of distress resulting from the shortage of fuel. That is the short-range part of the problem they are trying to cope with.

The long-range part of the problem is involved in the accumulation of and analysis of data concerning energy. The big problem that we face so far is that there is a great deal of disagreement and lack of faith throughout the country with regard to what the real figures on energy are. We need a source of factual information which everybody can rely on, can trust and believe in, before we can begin to make the long-range policies that we need in order to solve our Nation's energy needs. That means we need to know what oil reserves we have and what drilling we need to carry on to meet the long-range needs of the country in the future and what we need to meet our needs today. We need to know more about the sources of foreign energy and what we can get from oil shale, coal, natural gas, and atomic energy and other sources. Hopefully, this agency in a very short time will have a new bank of reliable statistics of all sorts so anyone interested in the policy of energy will have some facts and figures they can rely on.

Mr. Chairman, I think everybody is aware that this whole energy problem has grown to the point where this type of energy expertise is needed. So, Mr. Chairman, I urge approval of this item as being a very necessary and important part of the whole energy agency bill.

Mr. GUNTER. Will the gentleman yield for a question?

Mr. STEED. I will be happy to yield.

Mr. GUNTER. Mr. Chairman, I am concerned about the printing of some 4.8 billion gas rationing coupons by the Federal Energy Office, at a cost of better than $12 million, without specific authorization by the Committee on Appropriations. I would like to ask the gentleman if the item under chapter 6 in this bill provides for retroactive payment for that expenditure authorized by Mr. Simon of the FEO?

Mr. STEED. No. There is no reimbursement for the gas rationing stamps in this bill. The stamps were printed by the Bureau of Engraving and Printing out of their revolving fund, and they are still maintained in their possession.

If at some time in the future the stamps are drawn down and used, then that fund will be reimbursed. Or if a decision is made at some time in the future to dispose of the stamps, then a decision will have to be made as to what restoration to the revolving fund is going to be made.

Mr. GUNTER. Mr. Chairman, if the gentleman will yield still further, as I understand the explanation given by the gentleman from Oklahoma (Mr. Steed) the expenditure for the gas rationing stamps which were not authorized specifically by the gentleman's committee, was made with funds from the revolving fund by the Bureau of Engraving and Printing, and would not come within the general transfer authority under chapter 6 of this bill.

Mr. STEED. That is right, because, you see, there would be no reimbursement involved until and unless an agency of the Government drew out of the warehouse of the Bureau of Engraving and Printing any product that was made such as bonds, stamps, currency, whatever it is. These are still in storage by the Bureau of Engraving and Printing.

Mr. GUNTER. I wonder under what authority the Bureau of Engraving and Printing accepted the contract and expended the $12 million for printing these gas rationing coupons if the Committee on Appropriations did not give that authority.

Mr. STEED. Under the same authority that they would do work for any agency of the Government authorized by law. That is what the revolving fund is for.

Of course, this was an emergency situation where they had to have some leadtime. So they went ahead and printed them under their basic revolving fund authority.

Mr. GUNTER. If the gentleman will yield still further, of course, the thing that is of concern to me is the fact that even after the administration knew the Arab oil embargo was to be lifted, and even after the President announced that we would not have gasoline rationing, the printing of these gas ration coupons continued on and on in the Bureau of Engraving and Printing. I am wondering if the gentleman's subcommittee, or the full Committee on Appropriations, was able to review that situation. It seems to me that it is a terrible example of inefficiency in Government and a waste of taxpayers' dollars. I understand the gas ration coupons are now being stored in Government warehouses under armed guard, again at considerable taxpayers' expense.

Mr. STEED. We went into the matter with the Bureau of Printing and Engraving. But there are those in the House who think that we are not out of the woods yet on this energy problem; that we are merely having a temporary respite, and that there could well be a change by next year, and we would need the stamps. As of now it is just a piece of insurance that they want to hang onto them.

Mrs. HANSEN of Washington. Mr. Chairman, if the gentleman will yield, I think I can respond to the gentleman from Florida on this matter. The Interior Appropriation Subcommittee held supplementary hearings with the Federal Energy Office on this matter, and discovered in those hearings that the rationing stamps were printed. I would suggest that the Members read the hearings because quite a detailed statement is contained in the hearing record.

The Senate committee made it very plain that the United States should be in a position to move instantly if the need arose, and the Members of the House Committee felt that this was the correct approach. The committee, for further verification, asked the Department of the Interior to send to us, what they considered a justification and authorization for the expenditure of these funds, and that document is on file with the committee. Therefore, the committee felt that it had no alternative but to pay the bill, and the House subsequently voted for inclusion of these funds. The House report on the second fiscal year 1974 supplemental bill sets forth very completely the cost of printing the coupons, and it is a little above $13.7 million.

These rationing coupons are ready and available should be the crisis arise again. May I say to the gentleman from Florida that if the United States continues to use energy at the present rate, with people driving 70 miles an hour, will probably have to use them.

I would again emphasize to the gentleman from Florida that the committee thoroughly investigated this whole matter. We did not particularly enjoy appropriating funds for this purpose but, on the other hand, had we not been in a position to have rationing coupons available if necessary then I think the Congress would have been criticized as much as the administration has been.

Mr. GUNTER. Mr. Chairman, if the gentleman will yield still further, so that I may add a comment, I did take note of a letter which I believe is a part of the committee files the gentlewoman from Washington has referred to, from General Counsel William Walker of the Federal Energy Office.

As I read that letter, there is indication that the contract was signed prior to the first supplemental appropriation which became law January 3 of this year. I am concerned that the FEO took action prior to the approval of the gentlewoman's subcommittee, and of the Congress and I am vitally concerned that we reviewed such a situation after the fact.

Mrs. HANSEN of Washington. May I remind the gentleman that during the House hearings on the first fiscal year 1974 Supplemental bill with the Office of Oil and Gas we asked Admiral Reich, the Administrator of the mandatory petroleum allocation program, if the budget was sufficient to take care of this emergency. This was late last fall, in November. He said, "Frankly, it is not."

We asked him to present to the committee a revised budget request that would provide adequate funds to take care of all contingencies. He submitted a revised request and indicated that he needed a minimum of $21.1 million to take care of all of the contingencies. In this first supplemental Congress did not say "No" to providing funds for printing of coupons, neither did it specifically approve. We did ask them to explain their reasoning for it and to provide the committee with the authorization on which it could be funded.

Mr. GUNTER. I did read the testimony on this matter thoroughly and it appeared to relate to personnel needs. Even in the letter from Mr. Walker there was not any mention made in his quotation of testimony with regard to the printing of gas rationing coupons.

Mrs. HANSEN of Washington. There was no mention made to the committee on the printing of gas rationing coupons until after they had been printed. But as the gentleman well knows, the Members of Congress would have been the first ones to speak out if we had not had coupons ready for a rationing program if it became necessary.

I want to point out that another difficulty in printing these rationing coupons was the necessity for the highest type of security so that they could not be counterfeited. This was another part of the total problem. So, when it came to paying the bill, I certainly did not feel, and neither did the committee, that we should withhold these funds and drag our feet and have real problems sometime later.

Mr. GUNTER. Am I to understand the gentlewoman from Washington that her committee gave, if not specific, implied approval after the fact of the printing bill for these 4.8 billion gas rationing coupons?

Mrs. HANSEN of Washington. I will say to the gentleman that we did the things that would make sure that the gasoline distribution and the oil distribution in this country would be done as fairly and as swiftly and as expeditiously as possible. We had the problem of the economy. We had the problem of people out of work. We had major problems in this country and we set about solving them as expeditiously as possible. The Senate said it even more emphatically than we did, but the major thing we wanted was to be ready for all contingencies. We did not specifically approve printing of ration coupons. We did not specifically approve any single step.

Mr. STEED. Let me reassure the gentleman that there are no funds in this bill on the subject he is discussing.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. STEED. I yield to the gentleman from Iowa.

Mr. GROSS. I thank the gentleman for yielding.

Is there some reason why the Bureau of Printing and Engraving cannot crank up its presses and print the greenbacks necessary to pay for the printing of the coupons?

Mr. STEED. The problem of producing paper goods at the Bureau of Printing and Engraving requires some time and the size of this order of gasoline stamps has strained even their considerable capacity.

Mr. CEDERBERG. Mr. Chairman, I yield 5 minutes to the gentleman from New York (Mr. ROBISON).

Mr. ROBISON of New York. Mr. Chairman, my colleagues have been told in some detail of the importance of this bill and its implications for the future; so, for the sake of brevity, I will restrict my comments to two specific areas in the proposal which I find of particular importance. Both of these items, in situ oil shale processing and thermonuclear fusion, are research and development programs in the strictest sense of the term, because both hold a tantalizing promise for the future, yet neither can now provide the certainty that their promise will be delivered.

If there is any answer to the environmental dilemma that is shaping up over oil shale processing, it is the prospect that the in situ method will allow the least disturbance and scarring of the ground in the oil shale areas of Colorado, Utah and Wyoming. As most of my colleagues understand, the in situ method does not require that raw oil shale be stripped or mined underground and then processed above ground. In contrast to above-ground processing, the in situ process takes place in an underground cavern. Air and hot gases are injected into the cavern at temperatures which will draw the hydrocarbons out of the shale within the cavern. In simplest terms—and if everything goes well—there should be a pool of oil at the bottom of the cavern which can be pumped out.

On the basis of test runs already completed by Occidental Oil, it appears that if the technology for this process is successfully developed, it could require less than half the capital costs of above-ground processing, and it may be able to produce oil at $1 to $2 per barrel less than the present world price. However, even more significant to those of us who serve on the Public Works-AEC Appropriations Subcommittee, and who must constantly concern ourselves with the water needs of the Western States, is the fact that the in situ process may require only a fraction of the water which will be necessary for above-ground processing of oil shale.

Mr. EVINS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. ROBISON of New York. I am happy to yield to my chairman, the gentleman from Tennessee (Mr. EVINS).

Mr. EVINS of Tennessee. Mr. Chairman, the gentleman is addressing himself to a very important area of research, the in situ process through which oil may be made available. Yet I understand an amendment is to be offered to strike out funds for this important research. I hope the gentleman's position will prevail.

Mr. ROBISON of New York. Mr. Chairman, I thank the gentleman from Tennessee.

As I started to say, according to a Department of the Interior study made last year, and supplemented within the last few weeks, there may be adequate amounts of surface water available to support a 1-million-barrel-per-day, aboveground oil shale industry in the West; however, a 3- to 5-million-barrel-per-day industry—required to make full use of this resource—could conceivably require every drop of water in the oil shale regions of Colorado, Utah, and Wyoming, leaving absolutely nothing for the other water needs of the area.

It is understandable then why we ought to encourage a vigorous research and development effort which seeks to prove the feasibility of the underground method; and, as you will see in the bill before us, the Atomic Energy Commission will share in some of the R. & D. work through the "applications of underground explosions" research program.

The AEC possesses a unique competence in underground rock fracturing as a result of its weapons testing program and the work it has performed on the Plowshare program, and we are wise to make full use of this expertise. However, as our colleague from Wyoming (Mr. RONCALIO) explained to the House last week, the "applications of underground explosions" program, which is to do basic research on rock fracturing, is the frail stepchild of the incomplete—and in some respects unsatisfactory—Plowshare program. This being the case I would ask the gentleman from Wyoming, and the rest of my colleagues, to note carefully the language which appears on pages 28 and 29 of the report. our committee has attempted to move the AEC away from any present planning for the use of nuclear explosives in oil shale fracturing. We suggest on page 29 of the report that "greater emphasis be placed on underground chemical explosion research," and we do this because chemical explosives do offer important short-term prospects for tapping the energy potential of oil shale.

I personally believe that the public would be highly critical of the use of nuclear explosives for underground oil shale processing, and I fail to see the reasoning in moving toward research and development of nuclear explosives, when so much work remains to be done with chemical explosives. We are still at such a basic stage in this technology that effective research can be conducted with chemical explosives, and with a much more immediate payoff than the lengthy program which will be necessary to refine the art of nuclear explosives for this purpose, and I think we ought to move forward with it.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CEDERBERG. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. JOHNSON of Colorado. Mr. Chairman, will the gentleman yield?

Mr. ROBISON of New York. I yield to the gentleman from Colorado.

Mr. JOHNSON of Colorado. Mr. Chairman, I would like to discuss for a moment the efficacy of the Occidental method. I was on a trip out there with the subcommittee. Is it the gentleman's understanding that the in situ method that has been developed is actually working?

Mr. ROBISON of New York. I cannot say it is actually working in anything other than a theoretical sense and, as the gentleman is suggesting, a good deal of work needs to be done before the Occidental method is economically feasible.

Mr. JOHNSON of Colorado. I am sure the gentleman is aware that other companies have made commitments of hundreds of millions of dollars in other methods of developing oil shale.

Mr. ROBISON of New York. I think that is true, but I should think the gentleman would want to go forward with the underground method if it can be made to work, because it does involve the least scarring and disturbance to the environment of the great States of Colorado, Utah, and Wyoming.

Mr. JOHNSON of Colorado. Of course, if the gentleman will yield further, that is true, especially what the gentleman is saying about the water requirements. Is the gentleman aware that there are 25 million acres of salt water underlying this process?

Mr. ROBISON of New York. The gentleman from New York is fully aware that there are plenty of problems with this entire approach; however, I think it is feasible to have included here a small amount of money, relatively speaking, for the AEC to conduct research into the underground fracturing method through the use of chemical explosives.

Mr. JOHNSON of Colorado. The point of the whole delegation from Wyoming and the delegation from Colorado is not to stop this work. I was in favor of the Plowshare program but it was the understanding of the State of Colorado there would be no further planning, at least that is the understanding most of the citizens got, there would be no further planning or no further appropriation until we had final evaluation of Rio Blanco.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. CEDERBERG. I yield the gentleman 1 additional minute.

Mr. JOHNSON of Colorado. Mr. Chairman, will the gentleman yield further?

Mr. ROBISON of New York. I yield to the gentleman from Colorado.

Mr. JOHNSON of Colorado. That there would be no further testing or planning until we got a response back from the Rio Blanco shots. We want to be realistic about something that involves hundreds or thousands of nuclear blasts in our State. We want to have the response of the Rio Blanco shots.

Mr. ROBISON of New York. Let me say to the gentleman, and others can correct me if I am wrong, that there are no funds included in this bill for nuclear explosions underground.

Mr. JOHNSON of Colorado. There is no question about that, but this is what we understand the $107 million of the program is for, to develop that.

Mr. ROBISON of New York. Well, subject of course to future appropriations.

Continuing, Mr. Chairman, there is another item I wish to bring to the attention of my colleagues—for the second time in recent days—because I believe it important that this body be fully aware of the decisions which may soon be facing it. We have increased the appropriation for the fusion research program by almost $77 million over last year's appropriation; however, the total proposed appropriation for fusion research and development, $177.6 million, ought to be placed in some perspective with the $473.4 million total which is proposed for the liquid metal fastbreeder program.

During our debate, last week, on the AEC authorization bill, my colleagues may remember I urged even greater emphasis on the fusion R. & D. program, because it is so important to future energy resource planning that we know whether fusion will or will not work.

The House, in its wisdom, chose to accept the recommendation made by our Joint Committee on Atomic Energy. However, I do hope my amendment last week served notice that, sooner or later, Congress must make some far-reaching decisions on the course of our long-term energy research program. As the report on the special energy bill makes clear, we are placing a good deal of our money and our reliance on the prospects of the liquid metal fast breeder reactor. I would urge my colleagues to pay very close attention to this program in coming years, because I believe I detect some serious problems with it at this early stage.

It is now apparent that the fast breeder is going to be far more costly to develop than we ever imagined. The cost of construction of the Fast Flux Test Facility, which is a predemonstration breeder reactor of sorts, may be in the vicinity of $600 million when it is finally ready to operate. Yet when we first authorized this project in fiscal year 1967, we were given a total cost estimate of $87,500,000.

The figures here speak for themselves, but they are only part of the package. The actual demonstration breeder reactor, Demo No. 1, is yet to be built. In fiscal year 1967, we were talking about a $200 million demonstration reactor project. At this year's hearings of the AEC Appropriations Subcommittee, AEC representatives indicated that the price could go as high as a billion dollars; and I have good reason to believe that the final price will be in the vicinity of $1.5 billion.

Perhaps I should emphasize, here, that the fast breeder is a research project, and no one can contest that we always expected there would be unforeseen problems and, therefore, added costs. Yet, from our perspective today, we had better ask two things of the breeder reactor program. How much will it finally cost? And, what will we get for that price?

We have asked in our report on the special energy appropriations that a detailed breakdown of total planned costs for the breeder demonstration program be submitted to our committee prior to next year's action on the fiscal year 1976 appropriation for the program. So that, by next year at this time, my colleagues should have the answer to my first question, and a much more precise idea of what they are going to have to pay for the breeder.

Second, what are we going to get? As best I can determine, we are going to get a working breeder reactor, which will breed enough fuel for another, similar reactor in 60 years time. This so-called doubling time of 60 years does not meet the objective we have foreseen for the breeder, since its theoretical promise is that it will breed enough fuel to meet the growing energy demands of the 21st century. For purposes of this program, we have been operating on the assumption that when the breeder is put to full commercial use, energy demand will be doubling about every 10 years. Even if this projection proves largely inaccurate, it will still take one or more additional demonstration breeder reactors to increase the fuel-producing properties of the reactor and, as my colleagues may have noted, the bill before us proposes a $2 million appropriation for the first stages of work on a second demonstration breeder reactor.

Added costs, time delays, and the need to build another generation of demonstration breeder reactors suggest the possible dilemma that the breeder demonstration program might overlap the demonstration of other energy alternatives which are now on the planning boards. It is conceivable, for instance, that the scientific feasibility of the fusion reactor may be demonstrated before the end of this decade, and that a demonstration fusion reactor may be successful at the end of the next decade. There are similar prospects for the generation of electricity through solar power, as well as geothermal processes now under study.

I do not suggest that we can afford to rely on such prospects, but it will be the responsibility of the Congress to carefully weigh the progress of alternative energy R. & D. programs during the next few years, and to be prepared to revise research priorities when the test results suggest such revision. This is particularly true of the thermonuclear fusion program, which could possibly provide a vast energy resource, using cheap, easily accessible fuel.

The basic fusion fuels are effectively in infinite supply, since they are derivatives of hydrogen which can be extracted from water at negligible cost, and with no negative environmental impact. Second, a successful fusion reactor would be much safer than a breeder reactor, because there will be no emergency core cooling problems in fusion systems, and there are no weapons grade nuclear materials involved. And, it now appears that radioactivity associated with the fusion reactor can be kept at very low levels, possibly less than one-thousandth of the radioactive levels resulting from the breeder reactor.

Each of the alternatives to the breeder I have mentioned—fusion, solar power, and geothermal power—has the critical shortcoming that scientific and commercial feasibility have not been established. Yet, none of them has the enormous shortcoming of the breeder reactor, which will leave to future generations plutonium wastes with a half-life of 24,000 years. By carrying the breeder to full commercial deployment we are not only signing up for an enormously costly research and development program which may not complete its work until the 1990's, we are also consenting to the production of considerable volumes of lethal waste materials which must be cared for by hundreds of future generations.

The demands of the present dictate that we continue our Faustian bargain with the future by completing technological development of the fast breeder reactor. Its feasibility is beyond question, and it is the only present alternative which will add to the nuclear fuel stockpile, rather than further depleting diminishing uranium reserves. We should not, however, commit ourselves to total reliance on the breeder.

Other alternatives are in the offing, and they must be encouraged as our funding and manpower resources will allow. Many of my colleagues here today will participate in determining what energy resources will be available to the next generation, and what price that generation will have to pay. I emphatically appeal to those of you who will make these decisions to keep your research and development options as open as this country's resources will allow.

Mr. VEYSEY. Mr. Chairman, will the gentleman yield?

Mr. ROBISON of New York. Mr. Chairman, I yield to the gentleman from California.

Mr. VEYSEY. Mr. Chairman, we have before us today a most unusual bill and a most unusual procedure. I have no doubt that this legislation will go winging out of the House with few negative votes, because it states a popular position on a popular subject.

This bill says to Americans: "Your Congress is solving the energy shortage by taking bold steps to establish all manner of good research and development projects at high levels of funding." Every Member knows that Americans want aggressive programs to move us to a position of independence and sufficiency in energy.

The Congress has been accused of neglect in energy development and of failing to act on meaningful legislation, but this bill claims "not guilty" on both accounts. This bill implies that the Congress is moving with care, forethought and wisdom to channel national resources to meet a pressing need.

But what do we really have here? This is a special energy development appropriation put together in haste with little consideration other than a quick look by the committee. It lacks the careful craftsmanship typical of the Appropriations Committee, and it comes to the floor of the House without adequate subcommittee hearings or staff work to establish appropriate levels of funding.

Even further, flying in the face of long defended tradition, this appropriation certains many programs which are not yet authorized. Under the rule, these cannot be attacked.

This is an appropriation—not an authorization. Sometimes we posture and overpromise with authorizing legislation, but we generally do not handle taxpayers' dollars with such disdain. When one looks at the economy and the health of the dollar, appropriations such as this are astounding. Since 1965 we have undercut the purchasing power of the dollar with deficit spending, and this bill will continue to feed the fires of inflation. As proposed, expenditures will exceed the budget by $66,100,000 with a total appropriation of $2,269,000,000 of hard-earned taxpayers' dollars and little more than hope and trust that it will be spent wisely. Over all, this is a $923,404,000 income over the budget for these items this year.

This bill is a hit-and-miss proposition. Every line item that could be labeled "energy" was pulled into this appropriation, regardless of its subcommittee assignment. There is duplication and overlapping among many items. Such spending measures as this could only be contrived in a "political" year when the majority party is eagerly trying to avoid being dubbed a "do-nothing" party Congress.

In December 1973, the House passed and sent to the Senate a bill to consolidate the energy-related functions of various Federal agencies, including many of the agencies mentioned in this appropriation bill. This approach would certainly provide a more effective method to coordinate research and development programs and to avoid costly overlap and duplication. However, this bill has been bottled up on the other side of Capitol Hill.

Knowing that some leaders in the other body believed the energy reorganization bill to be too weak, I proposed H.R. 12265, to establish an Energy Research and Development Administration. This is a stronger bill with the stated goal of making the United States self-sufficient in energy resources by 1980. However, this bill, too, is languishing in committee.

The congressional approach to solving the energy problems, as illustrated by this appropriations bill, can be compared to the man who mounted a horse and rode off in all directions. Until the Congress develops a single administrative body to oversee the energy research and development programs, we will continue to have unsuccessful, uncoordinated, costly, and wasteful programs. Whenever a single administrative agency becomes a reality, the committee structure of the House can be realigned so that one committee has oversight of energy related legislation and one subcommittee of appropriations can handle the funding. Until that decisive step is taken, the cross-jurisdictions of the executive department will continue to siphon taxpayers' dollars into a bottomless pit.

Finally, let me add that this energy appropriation bill appears to me to be in direct conflict with the spirit of the budget reform measure (H.R. 7130) passed by the House last year. Members of this body have complained bitterly because the executive branch through OMB has usurped budgetmaking powers of Government, but it is irresponsible action such as this that forced the administration to ride herd on congressional appropriations.

It seems to be an ingrained philosophy with many of my colleagues to solve a problem by throwing money at it, but a responsible Congress will require assurance that dollars invested in research and development programs are used wisely. Until the mechanism to safeguard the administration of these funds is established the Congress is shirking its duty.

As I said in the beginning of these remarks, this bill will go winging through the House today with few negative votes, but it is a sad monument, indeed, to the cosmetic decision by the leadership.

Mr. MAHON. Mr. Chairman, I yield 5 minutes to the gentleman from Wyoming (Mr. Roncalio).

Mr. RONCALIO of Wyoming. Mr. Chairman, I want to thank the distinguished chairman of the Committee on Appropriations, Mr. Mahon, and to express my appreciation for what I believe is an excellent format on presenting the appropriations for the various energy oriented agencies in one bill. This was subject to some criticism, but I believe that it does expedite the matter.

Mr. Chairman, I am not going to make a German opera out of this—or as some people might say, an Italian opera—about my proposition to strike $4 million from the appropriation. I will speak further on that when my amendment comes before the committee.

Mr. Chairman, we have the assurance from the chairman of the committee that Wyoming's Plowshare program wagon wheel is dead as a doornail. We have the assurances of my good friend, the competent chairman of the Subcommittee on Public Works, Mr. Evins of Tennessee, that there are not funds here for nuclear detonations.

I do, however, join with the entire Colorado delegation in hoping that the Atomic Energy Commission will be kept to its word and fulfill the instruction from the Joint Committee on Atomic Energy, which was to assess and evaluate objectively and truthfully the results of the Rio Blanco shot before any further funds are to be expended for nuclear detonations in gas fields in Plowshare work.

On page 60 of the report on the authorization last week—

> Plowshare's work is restricted to development of explosive devices capable of sequential firing in spite of exposure to nuclear shocks, and AEC Chairman Dixy Lee Ray has stated that the next test event, Wagon Wheel, which is to involve for the first time sequential detonations of five 100 kiloton explosives and which is planned for the Green River Basin in Wyoming, is in truth "dead as a doornail."

Yet, Mr. Chairman, in spite of it being dead as a doornail, in Wyoming, we see that there is $179 million earmarked for the next 10 years for nuclear detonations, including $56 million for demonstration field experiments in Colorado, with five to six wells with three to five explosions per well.

I listened to the Colorado deal, since they are planned for Colorado, rather sympathetically, and I say the monkey is off my back. I am not carrying the load any more on efforts to keep the Atomic Energy Commission to its word. I submit that for Members who wish to get to the end of this matter, it will be too late, after a couple of hundred detonations underground have occurred, to decide to do so. We will be irrevocably committed.

In the Record for April 24, 1974—and if the Members ever read anything of importance in their lives, this will be it—in the Congressional Record on page 11761, on the subject of radiation doses from Plowshare gas, there is an article on potential radiation doses from Plowshare gas done by C. J. Barton of the Oak Ridge Laboratories. I urge the Members to read what he has to say about this matter. Probably we can live with usage of this gas if it is diluted with massive ratios of nonnuclear produced gas.

It is in any event a true record for those who want to know the facts about use of Plowshare gas. Some risk is clearly pointed out. The continuation of nuclear detonations on the shale oil fields jeopardizes recovery of this resource. We will have waste in both resources, uranium feed stock and the gas or shale being sought. We now have five glazed big chimneys underground, containing massive concentrations of natural gas, all unusable, contaminated gas.

Mr. Chairman, there has not been one single cubic foot of gas usable or proven usable, and a good many scientists agree to that. There is not one penny in this appropriation of $3.6 billion, not one penny of this amount that will go to clean one cubic foot of that natural gas or to decontaminate it. All we are doing is continuing to flare it and to waste it, and spend money for more explosions to create more caverns of unusable gas.

Mr. Chairman, I hope that the Members will move forward on the issue of the appropriation. It is a simple enough step to delete $4 million from the funds to be spent by the Atomic Energy Commission until there is an assessment of Rio Blanco.

Mr. Chairman, once the assessment is in, and if the decision is that we can live with radiated natural gas, I have no objection to the program going ahead. I am not fearful of the program. I merely want the Atomic Energy Commission to complete what they promised.

Mr. CEDERBERG. Mr. Chairman, I yield such time as he may consume to the gentleman from Iowa (Mr. Gross).

Mr. GROSS. Mr. Chairman, perhaps the gentleman from Michigan will regret yielding me unlimited time. Nevertheless, I thank him.

Mr. Chairman, as I understand it, this bill calls for the appropriation of $2,269,828,000, which exceeds the budget by $66,100,000.

I will ask my good friend, the gentleman from Texas (Mr. Mahon) the distinguished chairman of the Committee on Appropriations, if I have addressed myself to the proper figures.

Mr. MAHON. Yes, the gentleman is correct that the bill does contain an appriation of $2.2-plus billion for special energy research, which is about 70 percent more than we provided for this purpose last year. And this increase is for the purpose of accelerating the ways and means to meet the energy shortage, not tomorrow, not the day after tomorrow, but 10 years or more from now. Some of the money in this bill will hopefully bear some fruit long before that.

Mr. GROSS. In passing I should like to make an observation concerning the unbelievable interest in this bill. Beyond the members of the Committee on Appriations, and those associated with it, I doubt that there have been more than 20 others Members on the House floor this afternoon on this $2.2 billion issue. There has been much talk and professed concern about energy but there is little demonstration of interest here today.

Mr. MAHON. Will the gentleman yield?

Mr. GROSS. I am delighted to yield to the gentleman.

Mr. MAHON. Mr. Chairman, it is in

effect a compliment to the committee which brings out this bill and the subcommittees of the Committee on Appropriations that people have such great confidence in our judgment and in our effort here that they have felt it best to leave the matter in our hands. So that, I think, is the chief explanation. Of course, there is another reason here.

Mr. GROSS. There must be another reason.

Mr. MAHON. Mr. Chairman, a further reason is that this bill deals with atomic energy; it deals with solar energy; it deals with geothermal energy, with coal and many other new sources of energy. It does not deal specifically with petroleum in a major way. And that is what the fighting has been about in the consideration of some of the other energy bills.

Mr. Chairman, of course, there have been efforts to overregulate the petroleum industry in this country, and there have been efforts to roll back prices. Some punitive legislation has been proposed.

Many of these efforts which have been suggested would, in my opinion, tend to produce less rather than more energy. Certainly there can be no doubt but that this bill is a move in the right direction and in a less controversial field.

I believe this is a landmark bill. I believe we will look back on it with pride. Despite the lack of enormous interest everybody will vote for it.

Mr. GROSS. I would hope, I will say to my distinguished friend from Texas, this would be the means of ascertaining what has really been going on with respect to the alleged petroleum shortage. It is hard for me to understand why there has been such an enormous increase, for instance, in the price of gasoline in the last few months. Why has there been such price increases when the domestic supply constitutes a tremendous amount of what we consume. I think the figures show that we import only about 1 percent. I can understand the increase in the cost of gasoline as it relates to petroleum imports from foreign countries, but I cannot understand the overall increase considering the 85 to 90 percent supply of domestically produced petroleum products. I hope that some committee of the Congress even at this late date would give us the facts and figures to which we are entitled. We have not been able to get them from the Federal Energy Office. Maybe $2.2 billion will produce some information. I doubt it.

I would like to ask the gentleman a question concerning another item in the report.

Mr. MAHON. Will the gentleman let me comment on that?

Mr. GROSS. I would never refuse the gentleman.

Mr. MAHON. Of course, the gentleman knows that we do import several million barrels of oil per day for U.S. consumption, approximately 6 million barrels a day or 17 percent of all energy consumed in the United States. The price of this imported petroleum has been greatly increased in this hemisphere, and in the Middle East; so prices have gone very high. There is an effort to secure more domestic production of oil, and the stripper wells—and there are thousands of them which produce 10 barrels or less of oil per day—are being encouraged by better prices ranging to $10 per barrel to produce more. Of course, it also costs more to produce from these wells.

Then there is an effort to stimulate additional production and more exploration and further drilling of wells. So it seems to me this is very important. If we are going to solve the energy problem and become more self-sufficient, we have to be willing to pay the price necessary to get our marginal wells working and get on with the additional task of creating more drilling rigs, producing more oil equipment, and so on, and pay the prices necessary to sustain this.

I think it is unfortunate that some of our friends in and out of the Government have gone too far overboard in blanket attacks on the oil industry. It has been alleged that there has been some price gouging and I certainly support efforts to obtain proper information that will assist Government officials in taking proper action.

However, I think if we can give sufficient latitude and flexibility to the oil industry, the ingenuity of American enterprise will be such that we will move toward almost total self-sufficiency in the field of petroleum and energy, and that is what we are seeking to do.

Mr. GROSS. I think that what many millions of Americans are interested in is whether there has been and whether there will continue to be gouging in prices relating to petroleum products. Up to this point we have had no reliable information on that subject. I hope that somewhere along the line, I say again, we can get some hard and fast information that we can rely upon as to the justification for what has already taken place.

Mr. MAHON. Will the gentleman yield further?

Mr. GROSS. I yield.

Mr. MAHON. We must be able to get more and better information in regard to our energy program.

The Congress and the executive department are taking steps in that direction. I share in the gentleman's hope that we can get better and more trustworthy information to be of assistance to us in making our government policy.

Mr. GROSS. If we do not stop runaway inflation we will have some form of regimentation in this country, some form of a government takeover. In the opinion of the gentleman from Iowa, for whatever that may be worth, unless somebody stops the inflation that is chewing at the vitals of our economy, we are going to walk right into a crisis in this country.

Mr. MAHON. If the gentleman will yield further, if we can stimulate production of fuel and energy sufficiently then the price situation will tend to take care of itself, and the same will be true with regard to other scarce items. That in my opinion will assist in the fight against inflation.

Mr. GROSS. I would now like to ask a question about an item on page 31 entitled "Underground and Other Electric Power Transmission Research," and the appropriation of $8.5 million for that purpose.

I would ask what is intended to be accomplished by the expenditure of that amount of money?

Mr. MAHON. Mr. Chairman, if the gentleman from Iowa will yield further, the gentleman from Tennessee (Mr. Evins) is more familiar with that situation. The gentleman from Tennessee conducted the hearings, and I would like the gentleman to yield to the gentleman from Tennessee (Mr. Evins) for that purpose.

Mr. GROSS. I will be glad to yield to the gentleman from Tennessee.

Mr. EVINS of Tennessee. Mr. Chairman, the Office of the Secretary of the Interior testified in favor of a stronger budget for this purpose because of the feeling in this country concerning the transmission of power.

The people of the country would also like underground transmission of electricity which, of course, is going to require a great deal of research in order to be able to develop the technology. This is not only to convey energy underground, but also to improve the overhead transmission of electricity. There is a definite need to go forward with energy research in this area.

Mr. GROSS. Let me ask my friend, the gentleman from Tennessee (Mr. Evins) do not those in the field of electrical transmission, the public utilities and private utilities, already know the efficiency of underground transmission of electricity as opposed to overhead transmission? Is this not a question of money necessary to bury transmission lines rather than research for that purpose?

Mr. EVINS of Tennessee. No. It is largely for research because through improved transmission of electricity we can conserve energy.

Mr. GROSS. How does the gentleman know that?

Mr. EVINS of Tennessee. Because there has already been some research in this area.

Mr. GROSS. That is what I thought. Then why spend $8.5 million for such purpose?

Mr. EVINS of Tennessee. Because we need to improve our transmission of electric power, so that we can save electricity. We can save a great portion of the electric power presently lost in transmission through more efficient means of transmission of that power.

Mr. GROSS. Sure we want to save electricity, but I will wager dollars to doughnuts—and the House floor is no place to be talking about wagering—that the electrical industry already knows the feasibility and differences between transmission lines underground and transmission lines above ground.

Mr. EVINS of Tennessee. Will the gentleman yield further?

Mr. GROSS. Of course I yield further to the gentleman from Tennessee.

Mr. EVINS of Tennessee. Mr. Chairman, I will read from the report where it says that:

> Electric energy lost between generation and customer utilization varies between 5 and 15 percent of energy generated, for an average loss of about 10 percent. The Committee is informed that distribution efficiency improvements of 5 to 10 percent by the year 2000, assuming a continued 8 percent annual growth for electrical energy generation, could mean annual savings of 1 to 2 billion barrels of oil.

Mr. GROSS. Mr. Chairman, I still submit to my friend, the gentleman from Tennessee, that they already know all they need to know about burying electrical transmission lines underground, and that this is an $8.5 million expenditure that could very well be saved for the taxpayers.

Mr. McCORMACK. Mr. Chairman, if the gentleman will yield, I would be happy to try to help shed some light on this subject. Part of this research and development has to do with superconducting underground lines. This is a completely new type of transmission of electricity. If we can develop super conducting transmission, we might, for instance, be able to provide all of the electricity for the city of New York in two cables, 6 inches in diameter, buried in the utilities, but it is in the national interest just the same as any other research and development we are doing.

Quite obviously, any energy research and development, including nuclear energy, fusion, solar energy, geothermal, oil shale and others ultimately is going to be exploited by public or private utilities, but it is in the national interest to do the R. & D., and provide the relevant information. Today we do not have this technology ready for use, but it has great potential. It will save, as the chairman has said, a great deal of electricity. It will save a great deal of material, but it is a new technology, and must be developed.

Mr. GROSS. Let me ask my friend, the gentleman from Washington, this question: research on this particular subject as provided in this bill would not be for the purpose of coming to Congress later and asking good old Uncle Sugar to pay the costs of burying the powerlines in this country; would it?

Mr. McCORMACK. I do not know about that. All I know is that the research and development is needed.

Mr. GROSS. The gentleman would not use this for that kind of springboard; would he?

Mr. McCORMACK. I would not use it. I would not pretend to speak for the utilities companies in the future, as the gentleman recognizes.

Mr. MILLER. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Ohio.

Mr. MILLER. I thank the gentleman for yielding.

I would like to ask the gentleman from Washington, (Mr. McCormack) why we have heard very little about research concerning hydrogen as a replacement for fossil fuels.

Mr. McCORMACK. If the gentleman from Iowa will yield, the gentleman from Ohio must understand, first of all, that hydrogen is not a source of energy. We must create hydrogen before we can use it. That is, we must dissociate water.

Mr. MILLER. That is exactly what I am talking about—research to do this.

Mr. McCORMACK. If the gentleman from Iowa will yield further, the research to do this is being carried out by the National Science Foundation primarily, although there is some work going on in NASA and in the AEC. The programs are still fairly embryonic, and are not ready for commercialization. There is much to be done to determine whether or not the use of hydrogen will be economically competitive. This requires long-range research. I believe it will become a much more important and significant part of our research and development program in the years to come.

Mr. MILLER. But my question is, What do we have in this bill that would allow us to do the research that will tend to give us the hydrogen that is necessary?

Mr. McCORMACK. If the gentleman from Iowa will yield again, this is in the National Science Foundation budget, and in NASA and the AEC.

Mr. MILLER. What amount is in this bill?

Mr. McCORMACK. I cannot answer that question; I am sorry.

Mr. MILLER. Apparently, then we have no money in the bill for basic research and, therefore, we would have no money in the bill in order to do research for the use of hydrogen as a fuel.

Mr. McCORMACK. Will the gentleman from Iowa yield again?

Mr. GROSS. I will yield to the gentleman.

Mr. McCORMACK. There is money in the National Science Foundation for this purpose, but because I cannot quote the exact amount does not mean that research and development for the use of hydrogen is not adequately funded for the present time.

Mr. MILLER. Mr. Chairman, I must say that I am extremely disappointed to find less than 30 of my colleagues here on the House floor as this crucial appropriations bill is being discussed. This bill contains $2.27 billion in funds for energy research and development activities. Mr. Mahon, the distinguished chairman of the Appropriations Committee, in recognition of our current energy problems, has assembled these energy appropriations into a single bill. It is indeed sad to see so few of my colleagues present for this debate. It was only a few short months ago that almost every Member was eager to be involved in finding a solution to the energy crisis. Now it seems that with the fading of the gasoline lines their interest has also passed from the scene.

Under Project Independence President Nixon has set 1980 as the target date for the United States to achieve self-sufficiency in its energy needs. The funds that are provided in this bill will help us take the first step down that difficult path, but without the cooperation and active participation of each Member of Congress the goal will be difficult to achieve. The energy efforts supported by this appropriation provide several avenues of approach to the energy problem. Among these research approaches are a commercial demonstration of chemical coal cleaning technology; energy research and development projects in solar power, heating, and cooling; engine and aerodynamic research for ground transportation; and expanded research activities into coal gasification and liquefaction. An equally important part of these appropriations is the $19 million for Federal Energy Office salaries and expenses. These funds are needed to insure retention of a fully competent and professional staff in this important office.

Mr. DAVIS of Wisconsin. Mr. Chairman, if the gentleman will yield, in the atomic energy bill there is a considerable amount of research provided here for using the hydrogen nuclei as a basis for developing tremendous sources of energy. The gentleman from Tennessee mentioned that in his remarks. It is looked upon, while we are not in any practical stage as yet, as a possibility for unlimited supply of power if we can develop the technique for using it, an unlimited supply as widespread as the seven seas themselves. So I think there is a tremendous potential referred to in this, but we are not talking in terms of hydrogen as such. I think there is a little something in here on hydrogen storage, but that does not have the potential for overall energy development as the program I referred to.

Mr. MILLER. Mr. Chairman, I thank the gentleman.

(Mr. MILLER asked and was given permission to revise and extend his remarks.)

Mr. GROSS. Mr. Chairman, I cannot support this $2.2 billion bill, which is more than $66 million above the budget, because it has duplication, waste and extravagance written all over it.

Moreover, the $8.5 million for research claimed to be necessary for putting transmission lines underground cannot, in my opinion, be justified. All of us want to solve the energy shortage but not on the terms and conditions of this legislation.

Mr. MAHON. Mr. Chairman, I yield 5 minutes to the gentleman from Kentucky (Mr. Perkins).

Mr. PERKINS. Mr. Chairman, I am glad to support H.R. 14434, the special energy research and development bill, but as we discuss this crucially important subject there is one thing we ought to keep uppermost in our minds—the simple fact that the technology is now available to convert coal into liquid and gaseous fuel.

In saying that I do not wish to imply that there is no need for research, and no need for these funds, because the opposite is actually true—as a matter of fact we need more coal research funds than the bill contains.

But I want to point out today—as I have in the past on the floor of the House—that right now in South Africa coal is being converted into liquid fuel, and it is being done on a commercially profitable scale.

This is nothing new in South Africa—they have had a process that is economically efficient for many years.

It is also nothing new to those of us who were in Europe during World War II, and saw the German war machine fueled through coal which had been converted into liquid fuel.

So I am glad that the funds for coal gasification and coal liquefaction research have been increased—both for the Bureau of Mines and the Office of Coal Research, but I must emphasize that what the Nation needs to solve the energy crisis permanently is an appropriation that would start construction of commercial scale plants to convert coal into liquid fuel and gas.

With the tremendous coal resources we have—in my area as well as other areas of the country—we will insure ample energy supplies at a feasible price once we commit ouselves to the extent necessary to build a real coal conversion industry.

We should start on that now, and at the same time we must begin the other efforts that will tie in with coal conversion—training the coal technicians and miners and engineers and chemists, building the coal cars and other vital elements in the transportation system for this new industry.

We must move this all together, and not let one element fall behind.

But I would like to point out that all this would not have been necessary if the administration and the Congress had used a little foresight more than 20 years ago. We were operating several demonstration plants then near St. Louis which were just pennies away from a process to convert coal into liquid fuel as cheaply as it was being done from petroleum.

The administration—at the behest of the oil industry—refused to budget a few million dollars to keep those plants going, and the Congress went along.

The plants were shut down—dismantled—and for years afterward we lagged behind in developing a coal conversion process that would have insured cheap and readily available fuel today.

Let us not let that happen ever again.

Mr. CEDERBERG. Mr. Chairman, I have no further requests for time. I yield back the balance of my time.

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee.

Mr. EVINS of Tennessee. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from California (Mr. HOLIFIELD).

Mr. HOLIFIELD. Mr. Chairman, in conjunction with my support of this bill—which I consider a good bill—because it reflects the special focus and priority of attention that energy R. & D. must receive from the standpoint of the best interests of our Nation—I want to commend the distinguished chairman, GEORGE MAHON, and the Appropriations Committee, for the quality of their report accompanying the bill. Among other things, it depicts quite clearly the widespread and disjointed posture of our Federal energy R. & D. efforts. These efforts are scrambled among various executive agencies; and effective coordination of kindred efforts as well as elimination of unnecessary duplication cannot be assured under the present system.

Fortunately, this body passed several months ago a bill to create a new, independent executive agency—ERDA, the Energy Research and Development Administration. ERDA will be charged with the responsibility to provide central policy planning and management of R. & D. programs and projects involving all energy sources and energy utilization technologies. Many of the presently fragmented energy R. & D. activities funded by this $2.2 billion appropriation will forthwith be transferred to ERDA's jurisdiction; others will follow eventually. For the first time, and at long last, a central Federal R. & D. agency will give comprehensive and systematic direction to the long-range dimensions of our energy problem. A Senate version of the ERDA bill is before the full Committee on Government Operations in the Senate. Early favorable action by the committee and the Senate is expected.

The appropriations bill now before us will complement the ERDA approach. I applaud these vigorous and timely actions by the House to meet the great energy R. & D. challenge that faces us.

Mr. Chairman, I have a question for the distinguished chairman of the Appropriations Committee concerning chapter VI of the bill, related to the Federal Energy Office, and the explanatory remarks on page 36 of the committee's report accompanying the bill.

I note there is no indication that the Federal Energy Office, which was established and is functioning pursuant to an Executive order, will soon be superseded by a statutorily created agency called the Federal Energy Agency FEA. FEA's authority, responsibilities, and functions will be those provided for by the FEA bill and other statutes, not by the Executive order establishing FEO. The FEA bill recently emerged from Senate-House conference, and yesterday, this body approved the resultant measure by a vote of 356 to 9; favorable Senate action is expected very soon.

Mr. Chairman, I am aware that the committee has—and this is not a criticism of the committee at all, but this is done for the purpose of establishing legislative history—in the FEA bill on page 10 of the conference report, there is the following section of the bill:

> Sec. 9. The Director of the Office of Management and Budget is authorized and directed to make such additional incidental dispositions of personnel, personnel positions, assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds held, used, arising from, available to, or to be made available in connection with, functions which are transferred by or which revert under this Act, as the Director deems necessary and appropriate to accomplish the intent and purpose of this Act.

It was the intent of our committee that the function of the Federal Energy Office would be superseded by the Federal Energy Agency.

My question is this: Is it not intended that, notwithstanding any of the explanatory remarks in the accompanying report from the Committee on Appropriations, FEA's authority, responsibilities and functions—when the FEA bill becomes law — will only be as authorized by such statute and other laws, excluding this appropriation bill?

Mr. STEED. Mr. Chairman, the gentleman is correct. The gentleman will remember that first it was the Energy Council, which became the Federal Energy Office, and it was with that title that we were dealing when we wrote this bill.

As the gentleman points out, the Federal Energy Agency bill now has cleared the House and presumably it will become law. The gentleman from California, the chairman, very thoughtfully placed in the energy bill the transfer language that we need to clear up the matter he is talking about.

We have discussed this point with legal counsel at the Federal Energy Office, and they say the language in the gentleman's bill is all the authority they need and there will be absolutely no difficulty at all. The transition will be a routine matter.

Mr. HOLIFIELD. Mr. Chairman, I thank the gentleman for his reply.

Mr. ROUSSELOT. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The chair will count. 42 Members are present, not a quorum.

The call will be taken by electronic device.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 192]

Anderson, Ill.
Bafalis
Blatnik
Breaux
Brown, Calif.
Carey, N.Y.
Chisholm
Clark
Conyers
Davis, Ga.
de la Garza
Devine
Diggs
Dingell
Dorn
Drinan
Dulski
Esch
Findley
Fraser
Giaimo
Gray
Gubser
Haley
Hanna
Hébert
Kastenmeier
Kazen
Mezvinsky
Milford
Murphy, Ill.
Myers
O'Neill
Owens
Parris
Passman
Patman
Pettis
Pickle
Powell, Ohio
Railsback
Reid
Roberts
Rodino
Roncallo, N.Y.
Rooney, N.Y.
Rose
Sisk
Smith, N.Y.
Stokes
Stubblefield
Wilson, Charles H., Calif.

Accordingly the Committee rose; and the Speaker having resumed the chair (Mr. HAMILTON), Chairman of the Committee of the Whole House on the State of the Union reported that that Committee, having had under consideration the bill H.R. 14434, and finding itself without a quorum, he had directed the Members to record their presence by electronic device, whereupon 381 Members recorded their presence, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. MAHON. Mr. Chairman, I yield 5 minutes to the gentleman from Washington (Mr. McCORMACK).

Mr. McCORMACK. Mr. Chairman, I want to take this opportunity to congratulate the members of the Committee on Appropriations, the chairman of the committee, the gentleman from Texas (Mr. MAHON), and the chairmen of the subcommittees, as well as the ranking minority members, for this consolidated energy appropriations bill.

For several years I have been expressing the need for a systems approach to an integrated national energy policy, and this appropriations bill is a step in that direction. If we can develop a national energy policy and the programs to carry it into effect to integrate the use of all fuels and all sources of energy; nuclear energy research, and development demonstration, including nuclear fusion; our solar and geothermal energy research; our coal research, including new techniques for coal mining and coal liquefaction and gasification; for new oil and gas exploration and exploitation; for secondary and tertiary recovery of gas and oil; for oil shale development; for programs for transmission and storage of energy; for conservation and environmental protection in every step of everything we do.

If we can include fuels requirements and water requirements and capitalization requirements, with the huge cost in dollars that these programs will require, if we can include the technical manpower requirements, the logistics and transportation, the essential materials such as steel and copper, and other critical materials, and how each of these relate to the other, and how each of these demands relates to the other for this year and next and for 1980 and 1985 and 1990—if we can develop such a systems approach to a national energy policy, then we will have an opportunity to solve the energy crisis.

But I want to emphasize that if we do not develop such a systems approach to an integrated national energy policy, the result will inevitably be catastrophe.

So, Mr. Chairman, I want to congratulate the chairman and the members of the Appropriations Committee. This action today is a significant step forward for our Nation.

Mr. MAHON. Mr. Chairman, we have had an interesting and worthwhile debate in regard to the pending $2.2 billion appropriation bill. The purpose of this appropriation bill is to expedite the development of new sources of energy, sources of energy that are not now available to us. I anticipate that as a result of the additional thrust represented by this bill within 10 years or so something dramatic will be achieved by way of production of energy from additional sources.

While the bill today speaks well for the long-range future, it means very little for the immediate situation with respect to our energy requirements. In the closing of the debate on this bill I would like to point out to the House that the short-range solution to the energy crisis does not lie with this bill but lies with a policy of certainty and stability with respect to the traditional means of producing oil and gas in this country.

The greatest threat, Mr. Chairman, to the solution of our immediate energy problem is not lack of supplies or lack of know-how. The greatest threat to the solution of our energy problem is uncertainty. The Congress and the executive branch must hasten to make basic decisions that will provide certainty and stability. Until the producers of energy—until these free enterprise people know what the rules of the game are and know what they can count on tax-wise and otherwise and know that the climate will be stable, they cannot move forward with any degree of confidence.

There must be stability. Today there is not stability.

About 75 percent or 80 percent of all the gas and oil wells are drilled by independent oil men, many of whom must seek financial support in their efforts. They have to know that if they strike oil and gas they at least have an opportunity to make a profit and liquidate their debts.

I felt it appropriate to point out this at this time.

When we go back into the House I shall obtain permission to revise and extend my remarks and insert into the RECORD certain materials which I think will be of significance, but I thought it well as we debate this bill today that we grapple in our minds with the major problem of moving as rapidly as possible toward stability in the energy industry so that our private enterprise system can operate effectively.

Mr. Chairman, through nearly all our Nation's history we have been blessed with an abundance of cheap and secure energy. This is one of the vital factors that allowed our Nation to grow and prosper.

That situation has now changed. Since 1958 the United States has been a net importer of energy. Today, we face difficulties in obtaining enough energy and no longer is it either cheap or secure.

The reason for this is a straightforward one. Since 1950 energy consumption increased about 3.5 percent per year and since 1970 at 4.5 percent per year while domestic energy production increased only 3 percent from 1950 to 1970 and after 1970 virtually came to a halt.

This gap between supply and demand was filled principally by imports of foreign oil, with the big increases coming from the politically volatile Middle East.

By 1973, the United States was receiving 17 percent of its total energy supply, or 6 million barrels of oil per day, from the Middle East.

I would now like to quote directly from the committee report.:

> The Arab oil embargo caused, almost overnight, a national consensus which called for energy independence as soon as possible. That consensus remains today although probably not with the same degree of intensity, now that gasoline is more easily available.
>
> If U.S. energy growth continued at its pre-oil embargo rate and domestic production did not significantly change, it is estimated that by 1980 the U.S. would be required to import 19 million barrels of oil per day and the equivalent of 2 million barrels per day of natural gas in liquified form.

Clearly such dependence is unacceptable. We could never be assured of a consistent supply, and the payment for this oil would be extraordinarily high. Estimates of our foreign oil payment in 1980 under these circumstances range from $35 to $45 billion per year.

All of these factors now make U.S. energy independence a national goal of the highest urgency and priority.

The Committee on Appropriations believes that the funds in this bill for energy research and development will greatly assist the Nation in moving toward its long-term goal of energy independence.

However, and again I quote from the report:

> Much of the research and development which this bill provides, as absolutely essential as it is, will not have productive, useable results on a significant scale for 10 years or more. Thus, an energy problem and a need for foreign imports will continue to exist for many years to come.
>
> In the short run—between now and the mid-1980's—it will be essential that the American people continue and even expand their energy conservation practices.
>
> Additionally, it is essential that more oil and gas be discovered and produced as rapidly as possible in the United States and that coal be used wherever reasonably possible and acceptable. The immediate need is to use less energy and to set about providing more.
>
> Although the U.S. faces difficult energy problems in the years ahead, the Committee is confident that in the long run this nation will solve its energy problems.
>
> Fortunately, sizeable reserves of oil and gas still exist in the U.S. along with huge reserves of coal and oil shale. Immediately increased production of oil and gas is crucial. In fact this, along with disciplined conservation practices offers the only hope for short term solutions to the energy problem.
>
> The Federal Government is in a unique position of responsibility with respect to the future availability of energy to sustain the growth and strengthen the economy of our nation. Public lands account for about 36 percent of the nation's petroleum resources, 43 percent of the natural gas, 50 percent of the coal, 40 percent of the uranium, 60 percent of the geothermal, and 85 percent of the oil shale reserves. These resources constitute a national trust of massive proportions.
>
> From a resources standpoint—both those in private hands and on public lands—we are in an excellent position relative to the other developed nations of the world. Furthermore, the scientific and managerial capabilities within the business, academic, and governmental sectors of our society are enormous. If we as a nation are to meet the challenges of the energy crisis, this potential must be marshalled, organized, and oriented in a skillful, dedicated manner. The role of the Federal Government in our energy future is crucial. This bill will contribute to

the effort by providing adequate funding for the Federal energy research and development programs for the coming fiscal year in a timely manner.

Mr. Chairman, at this point I would like to state some personal views of what must be done in order to have a successful energy policy for this Nation.

First, we must have a stable economic climate in terms of taxes, prices, and regulatory policy. Oil and gas producers must be allowed sufficient profits to increase exploration, production, refining, distribution, and marketing, to meet consumer needs. We must stop this foolish talk of rolling back by law crude oil prices so that the oil industry can proceed with confidence toward making the necessary efforts, through massive investments and otherwise, to meet the Nation's energy needs.

Second, we must deregulate the wellhead price of natural gas. Many are aware of the disastrous consequences that Federal price regulation has had on natural gas exploration and discovery and the energy problem generally.

Probably quicker than any other single action, this could produce substantial additional energy.

Third, we all must increase our efforts to conserve. The wasteful energy habits that we have all allowed ourselves to drift into must be turned around. An energy conservation ethic must become a part of our lives.

Fourth, we must greatly increase our search for new oil and gas reserves in this country. Independent oil and gas producers represent the only realistic hope this country has of rapidly expanding our domestic production of energy. I say this because about 75 percent of all exploratory wells are drilled by the independents. And, of course, the independent producer cannot provide the capital and proceed effectively unless he has a reasonable expectation of a fair return on his investment.

Fifth, we must develop policies that will permit the construction of domestic refineries and support facilities.

And sixth, we must of course pursue the development of other forms of energy, such as nuclear fusion, coal gasification and liquefaction, and geothermal and solar and wind power, such as this bill provides.

In this energy research appropriation bill before us today we are looking far down the road toward the development of new methods for energy production. The measure before us, I say again, provides no immediate relief. It is only through a massive effort to increase production of gas and petroleum, by more or less traditional methods, that we have any hope of meeting the intermediate range problem.

Mr. JONES of Oklahoma. Mr. Chairman, this legislation represents a major step forward by Congress. If the administration continues to be unwilling or incapable of providing the leadership and direction for a comprehensive national energy policy, then this body must marshal its forces as best it knows how, and that is through the appropriations process.

The Appropriations Committee is to be commended for combining energy research and development activities into one legislative measure. Not only does this indicate to the Nation the high priority in Congress for energy R. & D., but it also allows us to deliberate our energy spending with a total overview.

The citizens of this Nation fully support energy research and development. Over 77 percent of the constituents of the First Congressional District of Oklahoma recommended in my most recent questionnaire, that Congress spend additional funds for energy R. & D.

It did not take long for Americans to fully understand the impact of an energy shortage to our economy. Layoffs and plant shutdowns increased, and the decreased supply caused higher prices which added significantly to our uncontrolled inflation.

I fully support the entire range of R. & D. efforts also outlined in this legislation, including atomic energy and renewable resources such as solar and geothermal energy. But as the committee so accurately indicated in its report, one of the few actions we can take which would significantly increase our energy supplies in the short term is to develop the capability to recover oil and natural gas already located but unproducible by methods now in use.

My particular interest in oil and gas research is due to the fact that the First Congressional District of Oklahoma contains a unique concentration of oil and gas research facilities and technical talent which is already hard at work on these problems. The money to be appropriated to the Bureau of Mines for oil and gas research will be among our most intelligent investments.

The BOM expects that such research can add 100 million barrels of oil and 1 trillion cubic feet of gas annually by 1980. In the perspective of our recent energy shortfall of approximately 2 million barrels a day and with a maximum of 2 million barrels a day to be provided by the trans-Alaska pipeline, this is a target well worth our most diligent efforts.

We must always keep in mind that oil and natural gas are nonrenewable and precious resources. Of the approximately 425 billion barrels of crude oil discovered in the United States, 290 million barrels remain in the ground after conventional recovery methods have been applied. In the interest of conserving these precious resources, we must not let short-range economic consideration and out-dated methods cause producers to "kill the well" or "pull the pipe," and leave over two-thirds of this oil in place.

This oil and gas research is the foundation for our future self-sufficiency. The recovery of oil from operating fields averages only 30 percent of the oil in place, and is only some 40 percent in the newest fields. Every 1 percent increase in recovery rates adds 4 billion barrels to proven U.S. reserves.

Earlier this year I had the opportunity to visit several of the major oil and gas research facilities in the Tulsa area, including the Bureau of Mines Energy Research Center in Bartlesville and private industry facilities. I was extremely impressed by the sophistication of the work now underway, both in the public and private sector, and of the vast potential of the future.

Congress must act now to expand these opportunities and to make them into realities. Americans care very deeply about our energy problem, for they know how fundamentally it impacts their jobs, their health, and their national security.

Passage of this legislation is essential if we want to be able to tell the people of America that we are taking positive action, that we are responding to this critical problem, and that we are willing and capable of assuming the leadership in this vital area.

Mr. TIERNAN. Mr. Chairman, our Nation is now experiencing a tremendous financial burden caused in part by the present energy shortage. Our balance of payments has again swung to a deficit and recent price rises may cost the American consumer $40 billion in the next year. Our heavy dependence on foreign oil, dramatically highlighted by the Arab oil boycott, has made us vulnerable to the national policies of a group of foreign countries. A solution to this situation requires immediate and effective Federal initiative.

Realizing the importance of energy research and development activities, the House Appropriations Committee has incorporated all energy measures funded by the Federal Government into a single bill. Passage of this bill today will assure that these appropriations will be available by the first day of the new fiscal year. This will prevent any delays in the planning and administration of critical energy programs.

The committee recommends over $2.2 billion in new budget authority for energy research and development activities as a significant step in moving our Nation toward energy independence. The bill represents a 70-percent increase in appropriations over the previous year, stressing energy research and development in the fields of atomic energy and coal gasification and liquefaction.

Today with passage of this appropriation bill, H.R. 14434 we will, again as a Nation, be taking a dramatic step to overcome another crisis, the energy shortage.

The major items recommended in this bill include: $1,507,760,000 for energy research and development efforts of the Atomic Energy Commission, including funds for accelerated research for the liquid metal fast breeder reactor, nuclear reactor safety research, development of nuclear materials, space nuclear systems and nuclear fusion; $571,933,000 for the Interior Department which includes significantly expanded coal research activities including gasification and liquefaction and mining research efforts and $59.7 million for the Office of Petroleum Allocation; $101,800,000 for the National Science Foundation which includes major funding for solar and geothermal energy research; $54,000,000 for the Environmental Protection Agency to develop methods to control pollutants associated with energy extraction, transmission, production, conversion, and use; $19,000,000 for the Federal Energy Office for the overall management of national energy policy; $8,935,000 for the National Aeronautics and Space Administration for energy research and development projects which utilize capabilities developed in the space program; and $6,400,000 for the Department of Transportation to continue and accelerate its program of improving the efficiency of energy utilization of the Nation's transportation system.

Mr. DON H. CLAUSEN. Mr. Chairman, I rise in support of H.R. 14434 but, moreover, in support of the overall concept it represents.

It is essential that the Congress bring the Federal budget under control. It is one of the major causes of today's inflation. To do this, we must first set priorities and then provide the necessary funds in a reasonable, orderly manner.

The Appropriations Committee has done just this in approving a special energy appropriations bill. Recognizing that energy independence at the earliest possible date is of the highest priority, the committee has set out to group together all the funds from the budgets of the various agencies and departments involved in energy research and development into one bill which can then be acted on by the Congress in an organized and timely fashion.

The departments and agencies responsible for finding the answers to our energy demands need a clear and definite go ahead signal from the Congress so that they can begin planning and administering the critical energy research and development programs promptly and efficiently. Not knowing where they stand or how comprehensive a program they should set up causes great confusion and results in misdirected efforts and wasted funds.

We have seen the identical problem result from the uncertainty and delay that has characterized educational funding in recent years. It is a prime example of the problems that can arise from uncertain funding practices.

I would strongly urge the committee to adopt a similar practice for education spending plans and bring a bill promptly before the House.

The major emphasis of the bill before us is to accelerate the Federal energy research and development effort. We are keenly aware now that unless we make a strong, dedicated commitment to this goal, our national energy needs will continue to grow at a far greater rate than our ability to find domestic sources.

There is no one among us who does not know that dependence upon foreign sources is a precarious and dangerous position to be in.

But we also know that independence does not come overnight. It can only follow a tremendous effort toward finding and developing new sources and more efficient use of those already at hand.

H.R. 14434 provides the funding to get this effort underway and, at the same time, provides money for the interim measures needed to cope with our present situation.

Mr. BINGHAM. Mr. Chairman, I rise in support of the energy research and development appropriations bill, H.R. 14434. This legislation would appropriate some $2.27 billion for energy research and development, essential in order to develop new sources of clean energy to help meet our growing needs.

The intent of this legislation is clear; to accelerate the Federal program of energy research. Naturally, I am in favor of such measures, but I must take exception to the proposed levels of appropriation. The major emphasis of this bill lies with the development of atomic energy. Over $1.5 billion or over two-thirds of the total, is earmarked for atomic energy research. In contrast, only $100 million is to be expended on solar and geothermal energy research, and only $34 million on chemical coal cleaning technology. This heavy emphasis upon nuclear power overlooks the benefits of developing techniques which would enable us to use coal, our most abundant resource, cleanly and efficiently. It strikes me as terribly wasteful to ignore the immediate advantages of coal in exchange for developing nuclear powerplants in the United States, which would expose Americans to nuclear pollution and possible thermonuclear accidents.

I find it particularly disheartening that this bill would recommend the widespread use of coal without first specifically appropriating funds for the development of powerplant scrubbing techniques. In many of our major cities the use of coal could exacerbate existing health problems because of the resulting pollution. However, if research is encouraged, methods could be developed to burn coal in our existing powerplants cleanly and efficiently so that air quality standards can be adhered to. We must develop the necessary technology for clean coal as well as coal gasification and liquefaction.

In order to develop all possible clean energy sources, greater sums for solar and geothermal research are required. The disparity between the amounts appropriated for atomic energy and solar energy clearly illustrates the second-class status of the latter. It is noteworthy that a recent report by the Atomic Energy Commission which promoted the use of solar energy as a clean and plentiful source of energy was suppressed. For years solar energy research has been unfairly downgraded because it threatens the private sector's commitment to nuclear power. The technology for solar energy is well know, this bill could foster its use by increasing the funding and thus encourage pilot projects to take place all over the country.

At this time I would also like to exgress my support for the Roncalio amendment which would eliminate the "Plowshare" program. This program, which would encourage the use of nuclear explosive to extract oil and gas, is an unnecessary hazard.

In the past, this Nation has supplied itself with abundant and efficient sources of energy. Wood, coal, petroleum, and natural gas were secured easily and made human and industrial expansion in the United States possible. We must turn once again to our technology for new methods of securing clean energy. I am encouraged that this bill provides the National Aeronautics and Space Administration with funding to utilize capabilities developed in the space program to meet our energy shortage.

While I have doubts about the emphasis placed on nuclear fuels, I intend to support this measure. I do so because it is essential that we start immediately to develop the technology required to meet our energy needs in the years ahead.

Mr. FLOOD. Mr. Chairman, I represent the hard coal capital of the world, the coal-ripe land of northeastern Pennsylvania, where there sits the largest hard coal veins in the world. Many of those veins are in my district, particularly in Luzerne, Carbon, and Sullivan Counties.

I know coal well. My father worked the mines for many years, and my grandfather, Attorney Daniel McCartney, was the first general counsel of the United Mine Workers of America, a friend of John Mitchell. So, you see, I am familiar with the anthracite in a very real way.

In the mid-1920's, there were 64,000 persons employed in the anthracite coal mines. When I first came to the House, there were about 35,000, at the end of World War II. Today, there are scarcely 3,000.

The anthracite coal industry of Pennsylvania should receive special treatment under the legislation we are considering. Prior to the closing of the Anthracite Coal Research Laboratory in 1964, the Bureau of Mines conducted extensive research in anthracite. This research was both basic and applied, relating to new mining methods and to new uses for anthracite. Large-scale demonstrations were conducted on gasification of the Keystone State's anthracite in gasification research on Lurgi equipment in Dorsten, Germany. In addition, in the underground mines of Luzerne County, mining research was conducted in long wall mining and mining of anthracite hydraulically. These experiments were quite successful but the industry was then on the downgrade, other fuels were plentiful, and the economic situation favored other fuels.

The research laboratory was staffed with highly qualified scientists and engineers, but it was closed by the Bureau of Mines with the thought that such research could be conducted at the Bureau's research stations at Pittsburgh and Morgantown, W. Va. It is, Mr. Chairman, well-known that very little research on anthracite has been undertaken by the Bureau of Mines since the closing of the laboratory. Funds actually expended on the anthracite mining industry and utilization research from fiscal 1964 through fiscal 1973 have been virtually nil. There should, therefore, be some authority calling for a laboratory in the anthracite area dedicated to this large, low-sulphur energy resource.

Remaining anthracite reserves total approximately 16 billion net tons, of which 8 billion are considered minable. Any figures on coal reserves considered recoverable are dependent largely on current technology, method of mining and value received for the product. Anthracite was considered a costly fuel at the time of past research. The cost of other fuels has increased greatly in recent months, possibly placing anthracite in a better economic position. In view of the energy situation confronting the United States today and in the foreseeable future, the 16 billion tons of low-sulphur fuel, located approximately 100 miles from Metropolitan New York and Philadelphia, should not be overlooked.

The CHAIRMAN. If there are no further requests for time, the Clerk will read.

The Clerk read as follows:

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

RESEARCH AND DEVELOPMENT

For necessary expenses of the National Aeronautics and Space Administration relating to programs and other activities in research and development, including services as authorized by 5 U.S.C. 3109, $8,935,000, to remain available until expended: *Provided*, That $4,500,000 of the foregoing amount shall be available only upon the enactment of H.R. 11864 or similar legislation.

AMENDMENT OFFERED BY MR. HECHLER OF WEST VIRGINIA

Mr. HECHLER of West Virginia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HECHLER of West Virginia: Page 2, line 21, strike the amount "$8,935,000" and insert in lieu thereof the amount "$9,935,000".

Page 2, lines 22 through 24, strike all after the word "expended" and insert in lieu thereof a period.

Mr. HECHLER of West Virginia. Mr. Chairman, I have listened for the past 3 hours very carefully to every word of this debate. It has been an excellent debate. The Committee on Appropriations is to be congratulated for coming forward with a bill which comprehensively packages all the energy-related appropriations of the many agencies.

During the consideration of the NASA authorization bill last Thursday, the House supported my amendment to provide an increase of $3.9 million for transfer of space-related technology from NASA for improving the extraction of coal and providing for more efficient combustion of coal; $3.9 million was authorized.

I had a very pleasant conference with the very able gentlewoman from Washington (Mrs. HANSEN) who chairs the Interior Appropriations Subcommittee. She persuaded me it would be more acceptable to the committee to offer an amendment for only a $1 million increase for NASA, rather than the fully authorized $3.9 million. So in a burst of rampant economy, Mr. Chairman, I have decided to reduce this amendment to $1 million. If the space program is going to mean anything, it must consist of more than just picking rocks off the Moon and the billions of dollars that we have spent and are spending on space can very easily be utilized to speed up and to apply the excellent technology that we have developed in the space program.

Let me give several illustrations. At the Marshall Space Flight Center in Huntsville, Ala., 20 General Electric hydrocarbon detectors have been used for the purpose of detecting hydrogen leaks in the fuel tanks of launch vehicles. Currently, under funding by NASA in collaboration with the Bureau of Mines, these hydrocarbon detectors are being tested for detecting methane in coal mines.

At the Ames Research Center in California, NASA-funded research work is proceeding in testing fire-retarding material and to apply the technology in quickly suppressing fires at the instant of ignition. This research can be applied to reduce the danger of fire and explosion in coal mines.

The additional $1 million can be utilized by NASA for such useful research as the application of NASA's work in magnetic fluids to the separation of scrap from coal. These are only a few of the illustrations of how NASA can profitably use this modest increase to improve the efficiency of coal extraction and combustion.

Work is going on at the University of Kentucky presently jointly funded by NASA and the Bureau of Mines to utilize the technology of the lunar rover vehicle for an unmanned surveillance vehicle that can go into mines and test safety, both after explosions and in the ordinary course of mining.

I congratulate the Members of the Committee on Appropriations, the gentleman from Wisconsin (Mr. DAVIS), the gentleman from Tennessee (Mr. EVINS) and the gentleman from Massachusetts (Mr. BOLAND) all of whom emphasized the advantages of duplication of basic research from different approaches in the several agencies charged with responsibility. Thus, the fact that the Bureau of Mines, the Atomic Energy Commission, Environmental Protection Agency, National Science Foundation, and National Aeronautics and Space Administration are all doing research in coal is a plus in terms of speeding up the solution of difficult problems in the extraction and burning of coal.

Mr. BELL. Mr. Chairman, will the gentleman yield?

Mr. HECHLER of West Virginia. I yield to the gentleman from California.

Mr. BELL. I want to commend the gentleman for his amendment and I intend to support it.

On another note, would the gentleman answer me this question relative to what the chairman of the committee, Mr. MAHON, was taking about; that is, the difficulty that has caused our search for new sources of energy when "roadblocks" are sometimes, placed as a hindrance to further this search rather than incentives. For example, would it not present an additional difficulty to those who were doing the testing of coal to find out whether or not we could make oil or gas out of coal, if the cost of the extraction was $7.50 a barrel to get oil out of coal, and the price of the final product was $7.50 per barrel. That rollback price of $7.50 a barrel would serve to discourage rather than encourage people to work on the development of gas or oil out of coal; would it not?

Mr. HECHLER of West Virginia. Certainly, there has been a tremendous increase in both the price of coal and oil over the past few months, such as to cause the consumer to suffer. I would not conceive that a price rollback would affect research in the area affected by my amendment.

Mr. BELL. Mr. Chairman, I can see where under certain circumstances it could, but nevertheless I think the gentleman's amendment is very good.

Mr. HECHLER of West Virginia. Mr. Chairman, I would point out to the gentleman from Massachusetts who so brilliantly presides over the HUD-Space-Science-Veterans Appropriations Subcommittee, that he very well said during the hearings, on page 199:

> We think that NASA ought to be the lead agency in solving the great problems we have regarding energy. We established NASA as the cutting edge of technology, and technology apparently is absolutely essential in trying to solve the energy crisis. This agency, which has magnificent expertise, great knowledge, great leadership, and fantastic personnel, it would seem, should be the agency that ought to be at the eroding edge of the energy crisis, and using some of its talents and its knowledge to solve some of the problems.

Mr. Chairman, I urge support for my amendment, which provides a modest increase of only $1 million.

Mr. BOLAND. Mr. Chairman, I reluctantly oppose this amendment for a number of reasons, one of them being that I have a high regard for the distinguished gentleman from West Virginia and have always commended him for his concern with coal research and the use of coal in solving the energy problem.

Mr. Chairman, what his amendment seeks to do is to add $1 million to chapter II, specifically with reference to that amount for the National Aeronautics and Space Administration.

The committee reported in this chapter for NASA, $2 million for space applications projects related to energy, and another $2,435,000 for studies and research in the space and nuclear research and technology program. In addition to that, we added a proviso that the gentleman from West Virginia would strike out. That proviso would provide $4,500,000 to be made available upon the enactment of H.R. 11864, the Solar Heating and Cooling Demonstration Act, which was overwhelmingly passed by this House not too long ago.

Mr. Chairman, I think the gentleman makes a mistake here because, as I read the information that was developed by the Science and Astronautics Committee that reported that bill, some 25 percent of energy demands are used in heating and cooling residences and buildings.

Mr. HECHLER of West Virginia. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. Mr. Chairman, I yield to the gentleman from West Virginia.

Mr. HECHLER of West Virginia. Mr. Chairman, if the gentleman would agree to a unanimous-consent request that this language be retained, I would like to get that language in the bill. I ask unanimous consent that my amendment be amended to read simply, "Page 2, line 21, strike the amount '$8,935,000' and insert in lieu thereof the amount '$9,935,000'."

Mr. BOLAND. Mr. Chairman, I would be delighted to yield for that purpose.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. BOLAND. Mr. Chairman, even with the proviso back into this section of the bill, I again reluctantly oppose this particular amendment. The Department of the Interior is the lead agency for coal research and this bill now carries—and I hope this makes an impression upon the members of the committee who are on the floor—this bill now carries $390 million for the Department of the Interior, $4.5 million for the Atomic Energy Commission, and $4.2 million for the National Science Foundation. All of this is to be directed to coal research.

One of the problems in dealing with this energy bill is the potential for duplication. This could waste both funds and manpower resources.

Are we getting into an overlapping which will run the cost of energy research up to a point where we are actually wasting an awful lot of money on programs that may not be feasible? That is the problem we face.

This is not to say that the programs outlined in the additional views of the distinguished gentleman from West Virginia on the NASA authorization bill are not worthwhile.

Mr. Chairman, what I am saying is that many of these programs are now being researched by the Department of the Interior or by the Atomic Energy Commission or by the National Science Foundation. As has been indicated, there are four lead agencies in energy: The Environmental Protection Agency, the Department of the Interior, the National Science Foundation, and the Atomic Energy Commission. All of them are supposedly coordinating their efforts.

Mr. Chairman, I think there is an absolute necessity on the part of the Members of Congress to be sure that we are not wasting money in this area. A great many sins can be committed in the name of energy. I think we all realize that. Because of that, but primarily because there is $400 million in this bill for the very purposes that the gentleman from West Virginia wants to accomplish, we ought to vote the amendment down.

Mr. TALCOTT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I should like to take one minute to reiterate what the gentleman from Massachusetts has said. We can all agree in principle with what the gentleman from West Virginia wants, but I believe that the necessary amounts are already in the budget in several places. NASA testified that they were satisfied with their budget request, and I believe they want to go ahead with some of the things that the gentleman asked for. We have many millions of dollars in the energy portion of this bill that we are taking up now, and there are other bills coming up later, which are for NASA appropriations and which will include some of the things that the gentleman from West Virginia seeks. Therefore, Mr. Chairman, I urge that this amendment be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from West Virginia (Mr. HECHLER).

The amendment was rejected.

AMENDMENT OFFERED BY MR. VANIK

Mr. VANIK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VANIK: On page 2, line 21, strike "$8,935,000" and substitute "$10,935,000".

Mr. VANIK. Mr. Chairman, my amendment seeks to increase the funds appropriated to NASA by an additional $2 million. These additional funds will be used by NASA to conduct studies into the production and utilization of hydrogen as a fuel.

Mr. Chairman, I was gratified by the action of the House last Thursday when it was agreed to increase NASA's budget authorization to enable this vital research to be conducted. I know the Committee is well aware of the tremendous potential of hydrogen as a fuel source for the future. It offers us a limitless supply of pollution-free energy with a wide range of potential uses. Most research is now focused on utilizing hydrogen as a substitute for gasoline. Beyond this application, hydrogen also offers us a possible alternative to our dwindling supplies of natural gas. However, in order to exploit the vast potential of this remarkable fuel, we must first develop the technology to produce hydrogen economically and utilize it safely. At present, there is little Government involvement in hydrogen research—the burden of funding has fallen to the inadequate resources of the private sector.

We must not allow this situation to continue. My amendment offers us an opportunity of establishing a direction, a goal, and a timetable for hydrogen research. We must begin now to explore the future benefits of an economy based on the use of hydrogen fuel.

As the Committee knows, the administration has followed a policy of designating a lead agency to coordinate research efforts into new energy technologies. For example, the National Science Foundation is the lead agency in solar research; the Department of Interior is the lead agency in coal and geothermal research; and of course the Atomic Energy Commission is the lead agency for the development of nuclear technology.

However, I know of no lead agency that has been designated for hydrogen research. It is my hope that this amendment will bring the administration to consider designating NASA as the lead agency for research into hydrogen as a general purpose fuel. NASA already has unqualified expertise in dealing with hydrogen as a fuel for spacecraft. I know, for example, that the Lewis Flight Research Center in Cleveland has conducted extensive studies in spacecraft propulsion systems. It is time we utilized the benefit of the space program—and the excellent facilities such as NASA Lewis—to help us solve the tremendously perplexing problems in our energy future.

I hope the Committee will accept this amendment.

Mr. BOLAND. Mr. Chairman, I rise in opposition to the amendment.

What my distinguished and longtime friend, the gentleman from Ohio, seeks to do is add more funds for hydrogen research. The gentleman from Ohio is absolutely correct as to the potential hydrogen offers as clean energy fuel source in the future. I could not agree with him more as to its merits.

It is one of the cleanest and probably one of the best fuels that may be developed down the road some day.

Mr. Chairman, this bill carries at least $270,000 for the express purpose that the gentleman from Ohio seeks to accomplish. It is in the NASA budget and is listed as a project for research on hydrogen production and utilization systems. There is also money in here for hydrogen injection into fuel.

Beyond the funds included in this bill for NASA there is another $5 million in the National Science Foundation budget attuned to hydrogen research in a great number of areas.

I do not disagree with the statement made by the gentleman from Ohio, because I think he is absolutely right when he says hyrodgen is a fuel which may meet a great deal of the energy demands of this Nation. I am delighted to say to him that one of the best laboratories in the whole NASA complex is the Lewis Research Center in Ohio, which is conducting the very research he is interested in.

I can assure the gentleman that this is a matter we will be very careful to look at because it has tremendous potential. I do not think, though, that this is the bill, the time, nor the place to insert $2 million for this research.

Mr. VANIK. Will the gentleman yield?

Mr. BOLAND. Yes. I will be glad to yield to the gentleman.

Mr. VANIK. In view of the colloquy I had with the distinguished chairman and his assurance that hydrogen research will be given greater emphasis in appropriation bills and in pending programs, Mr. Chairman, I ask unanimous consent to withdraw my amendment.

Mr. BOLAND. I appreciate the position of the gentleman from Ohio, but I agree with him totally that NASA has tremendous expertise and knowledge and has been working for many, many years with hydrogen as a fuel. I hope when the Policy Committee of the Energy Research and Development Administration establishes policy and responsibilities that it will be sure NASA gets enough research money to make the hydrogen program a feasible one.

Mr. VANIK. And a meaningful program.

The CHAIRMAN. Is there objection

to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

ADMINISTRATIVE PROVISION

The Secretary is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies. Federal, State, or private: *Provided*, That the Bureau of Mines is authorized during the current fiscal year, to sell directly or through any Government agency, including corporations, any metal or mineral product that may be manufactured in pilot plants operated by the Bureau of Mines, and the proceeds of such sales shall be covered into the Treasury as miscellaneous receipts.

Mr. HECHLER of West Virginia. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I use this time to ask the able gentlewoman from Washington, the chairman of the Interior Subcommittee, whether a separate bill will be brought in to cover health and safety in coal mines. We are putting in a tremendous amount of money here to increase production. We have a shortage of manpower, as everyone knows, in the mines. One of the deterrents to getting that manpower is the fact that the accident rate in our mines is still so high that it is the most hazardous occupation in the Nation. It is very, very important that the Congress vote additional funds for the protection of the health and safety of miners if we are going to increase production.

I would simply like to ask the gentlewoman from Washington if it is her intention in a future bill to increase the funding for protecting the health and safety of coal miners.

Mrs. HANSEN of Washington. Will the gentleman yield?

Mr. HECHLER of West Virginia. I am glad to yield to the gentlewoman.

Mrs. HANSEN of Washington. I would say to the distinguished gentleman from West Virginia that when I made my earlier comments about this bill I mentioned that certain energy-related programs were left out of this bill and will be considered in the context of the regular appropriation bill for the Department of the Interior and Related Agencies. One program left out of this bill is strip mine reclamation research conducted by the U.S. Forest Service. Coal mine health and safety programs, both research and enforcement, will be considered in the regular Interior bill.

I would say to the gentleman from West Virginia that there is money in this bill for research work on better technology for deep coal mining, which has some relation to health and safety. But the gentleman is correctly advised that we will treat the matter of mine health and safety programs in the regular Interior bill.

Mr. HECHLER of West Virginia. Mr. Chairman, I appreciate the comments made by the gentlewoman from Washington (Mrs. HANSEN). Because of the fact that our deep-minable resources and reserves far exceed strippable reserves, I am very heartened by her comments on the improvements in deep mining techniques.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

ATOMIC ENERGY COMMISSION

OPERATING EXPENSES

For necessary operating expenses of the Commission in carrying out the purposes of the Atomic Energy Act of 1954, as amended, including the employment of aliens; services authorized by 5 U.S.C. 3109; hire, maintenance, and operation of aircraft; publication and dissemination of atomic information; purchase, repair, and cleaning of uniforms, reimbursement of the General Services Administration for security guard services; hire of passenger motor vehicles; $1,043,790,000 and any moneys (except sums received from disposal of property under the Atomic Energy Community Act of 1955, as amended (42 U.S.C. 2301)) received by the Commission, notwithstanding the provisions of section 3617 of the Revised Statutes (31 U.S.C. 484), to remain available until expended: *Provided*, That from this appropriation transfers of sums may be made to other agencies of the Government for the performance of the work for which this appropriation is made, and in such cases the sums so transferred may be merged with the appropriation to which transferred.

AMENDMENT OFFERED BY MR. COUGHLIN

Mr. COUGHLIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COUGHLIN: Page 8, before the period in line 2, insert the following: ": *Provided further*, That no part of this appropriation shall be obligated, expended, or used for research, development, or other activities relating to the Liquid Metal Fast Breeder Reactor until the Commission has submitted to the Appropriations Committees of the House and Senate and to the Joint Committee on Atomic Energy a detailed breakdown of the total planned costs for the Liquid Metal Fast Breeder Reactor program research operations and construction and (1) a period of thirty days has passed (after the submission of such breakdown), or (2) such committees (before the expiration of such period) have transmitted to the Commission written notice to the effect that they have no objection to any such obligation, expenditure, or use".

POINT OF ORDER

Mr. EVINS of Tennessee. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. The gentleman will state his point of order.

Mr. EVINS of Tennessee. Mr. Chairman, I make a point of order against the amendment in that the amendment as proposed would impose additional duties and would also be contingent legislation on an appropriation, and therefore is subject to a point of order.

The language of the amendment says:

> That no part of this appropriation shall be obligated, expended, or used for research, development, or other activities relating to the Liquid Metal Fast Breeder Reactor until the Commission has submitted. . . .

A report, and so forth; so this would impose additional duties, and is therefore legislation on an appropriation bill.

The CHAIRMAN. Does the gentleman from Pennsylvania (Mr. COUGHLIN) desire to be heard on the point of order?

Mr. COUGHLIN. I do, Mr. Chairman.

Mr. Chairman, the amendment merely seeks to delay the obligation of funds for the liquid metal fast breeder reactor until a report, which the committee has already directed be provided, and this is so stated in the committee report, until that report is available. The amendment seeks only to have a cost breakdown of what expenditures are going to be made for the liquid metal fast breeder reactor, and what the total estimated costs of the liquid metal fast breeder reactor are.

It seems to me that these must be available to this committee before we are to evaluate whether we are going to appropriate almost half a billion dollars for the liquid metal fast breeder reactor. Such a report has already been requested by the committee as indicated in the committee report.

Mr. EVINS of Tennessee. Mr. Chairman, I insist on the point of order.

The CHAIRMAN (Mr. HAMILTON). The Chair is prepared to rule.

The gentleman from Pennsylvania (Mr. COUGHLIN) makes the statement against the point of order raised by the gentleman from Tennessee (Mr. EVINS) that the committee report requests the Atomic Energy Commission to submit a breakdown of the total planned costs but the Chair is not aware of such a specific requirement under existing law. Under Cannon's Precedents, volume 7, section 1442, a proposition to establish new affirmative directions for an executive officer constitutes legislation, and is not in order on a general appropriation bill.

The amendment offered by the gentleman from Pennsylvania (Mr. COUGHLIN) does require submission to Congress by the AEC of an entire breakdown of the total planned cost for the liquid metal fast breeder reactor. The amendment is thus in violation of clause 2, rule XXI, and the Chair therefore sustains the point of order.

Mr. HOLIFIELD. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I appreciate the ruling of the Chair. I think it is not only parliamentary right, but I think it was right on the basis of the merits. I was prepared to speak against this amendment. If there is anything that has been looked at carefully, it is the liquid metal fast breeder reactor. We started on research and development on this, and the Joint Committee authorized the first money about 12 years ago. There are at least 10 years of research and development on this particular item. We have had repeated estimates. There have been delays, and in the meantime inflation has taken place.

In the last 2 or 3 years inflation has gone up about 22 percent on materials and on labor and on every other factor that goes into it. It is impossible to go into a long-range program of research and development of massive proportion and estimate to the penny what it is going to cost. We can have general estimates, but as we go along developing anything that is of very much importance, the prices change, and the inflation occurs.

So the basis of the gentleman's amendment is not realistic for a research and development program of the tremendous size of this project.

However, I want to speak for just a minute on what we are talking about in this liquid metal fast breeder reactor. We have proven the principles in the laboratories of the AEC. This means, to the best of the testimony that we have from the greatest scientists in the United States and the greatest engineers, that if we are successful in this program, as we have been successful in the laboratory, and if we are successful in building the full-sized reactor which we plan to do, and which already has been authorized, we will bring into existence a quantity of energy which will amount to at least 40 to 50 percent of the total energy we need by the year 2000. By the year 1990 we should be well into this with probably the second or third reactor. We know what this is going to cost in general, but we cannot know exactly.

However, we know this much—that it will give 60 to 80 percent more heat out of a gram of uranium than we get now. This means if we have 100 years of supply of uranium at this time and we get 60 times the heat out of a gram of uranium, we will have a heat source for 6,000 years. That is what we are talking about, and we do not want to be under bondage to the sheiks in the Middle East for oil at blackmail prices.

We imported $7½ billion worth of oil in 1973 at $2.75 to $3.25 a barrel—$7½ billion. If we imported the same amount of oil today, it would cost us $22 billion. Think what that would do to the value of the dollar. The thing that we are trying to do is to become self-sufficient. We are not going to do it in a few years; we are going to have to do it over the balance of this century. We are going to be working on it by the year 2000, and still we will not have all of the energy we need because the constant need for energy goes up.

We have to learn a lot of things. We have to learn to burn coal without the environment being polluted. We have to learn to burn oil without air pollution, and we have to increase our supply of oil with offshore development. We are going to have to liquefy coal. We are going to have to learn to gasify coal for cleaner transportation. So, when we start fooling with something that has had the attention of the committee now, and the approval of this Congress, for the last 13 years, and we start throwing monkeywrenches in this kind of machinery, we do violence to the goal of self-sufficiency in energy in this country.

I say it is a serious matter, and I hope that no similar amendments will be offered to this part of the bill, or to any other part that seeks to give us an energy supply that we have to have in this country if we are going to keep the standard of living the way it is, and if we are going to take care of the million young men who come into employment status every year.

We are going to have to do something because energy is the basis of all of our employment and our standard of living.

Mr. COUGHLIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, my concern with the liquid metal fast breeder reactor is not in opposition to nuclear energy as such. I served, before going on the House Appropriations Committee, on the Task Force on Energy of the House Science Committee and that experience led me to very serious concerns about the costs involved in the liquid metal fast breeder reactor program as well as whether that process would be obsolete before it even became effective.

I have tried in vain to get figures about the cost of this program. I have tried through the Committee on Atomic Energy and through the Office of Management and Budget, but the figures that we have been able to get are not very reassuring.

The original cost estimate in April of 1969 estimated a total cost of $3.8 billion and a completion date of 1984. That has now escalated to $8.3 billion and a completion date of 1987. In the breakdown the fast flux testing facility which is part of this program originally was estimated to cost $87.5 million and will now cost $925 million, an increase of 1,000 percent. The demonstration plant for the liquid metal fast breeder reactor which was expected to cost initially $400 million is now up to $700 million and will probably be closer to $1 billion, or 2.5 times its original cost.

I repeat that I am not opposed to nuclear energy, but I am opposed to research projects where we do not know what we are spending the money for and where we do not know how much it is going to cost and where there is a tremendous likelihood that the money will be spent for something that will be obsolete as soon as it is produced.

Mr. EVINS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. COUGHLIN. I yield to the gentleman from Tennessee.

Mr. EVINS of Tennessee. Mr. Chairman, the committee has expressed some of the concerns the gentleman has indicated. We put language in our report indicating that we want a current cost estimate before we fund this project further. We are concerned about cost overruns and we are concerned about cost escalation. So we have directed that the AEC give us more precise figures. However, at this juncture we know it is going to cost in excess of $1 billion. We know it will cost a tremendous amount of money. We know that and we have asked for an up-to-date cost estimate before proceeding.

Mr. COUGHLIN. But we are appropriating a half billion for something, and we do not know what it is going to be spent on.

Mr. EVINS of Tennessee. We know it will be spent on developing the LMFBR technology.

AMENDMENTS OFFERED BY MR. RONCALIO OF WYOMING

Mr. RONCALIO of Wyoming. Mr. Chairman, I offer two amendments and ask unanimous consent that they be considered en bloc.

The Clerk read the amendments as follows:

Amendments offered by Mr. RONCALIO of Wyoming: Chapter IV, Atomic Energy Commission, page 7, line 15, strike the figure "$1,043,790,000" and insert in lieu thereof "$1,039,765,000".

Chapter IV, Atomic Energy Commission, page 8, line 11, under Plant and Capital Equipment, strike the figure "$463,970,000" and insert in lieu thereof "$463,660,000".

The CHAIRMAN. Is there objection to the request of the gentleman from Wyoming?

There was no objection.

Mr. RONCALIO of Wyoming. Mr. Chairman, I heartily endorse prompt approval of full funding for all but one of the very worthy energy research and development activities assembled in this special appropriations bill. After carefully studying the Atomic Energy Commission's fiscal year 1975 plans for their work with development of nuclear natural resource recovery technologies, I am once again bound in good conscience to rise in opposition.

I would like to offer amendments which will strike all operating expenses and additional equipment funding for the applications of the underground explosions program, except those moneys needed to complete evaluation of the Rio Blanco nuclear gas stimulation experiment.

Mr. Chairman, the AEC program plans for fiscal year 1975 call for $1.925 million for developing nuclear explosive methods for in situ recovery of oil from shale, $1.6 million for research, development, and testing of nuclear explosives for natural resource recovery, $300,000, for studies of nuclear explosive effects, $200,000, for development of nuclear methods for in situ mining of large ore bodies, and $310,000, for new plant facilities and equipment. Only $375,000 is requested for nuclear gas stimulation, and only a portion of that is planned for evaluation of Rio Blanco's disappointing results.

My colleagues, $4.335 million of this funding is earmarked for development of virtually new nuclear blasting methods. I ask you to support my amendments which will delete funding for all of these new major undertakings, including those with oil shale and ore recovery.

Before proceeding, I would like to acknowledge the solid support which the Colorado delegation has expressed for my amendments.

I am very grateful to each of them for joining me today in sending a joint letter asking the support of all of the House Members.

My colleagues, I call upon each of you to consider, as we from Wyoming and Colorado must, the goals of this program. To be effective, nuclear natural resource recovery will, by the AEC's own admission, entail detonation of literally thousands of nuclear explosions. Yet, it is a fact that the recovered resources could at best meet only a few percent of our national energy needs.

We, the representatives of Wyoming and Colorado, know that our people oppose the wastes and fear the potential dangers which these nuclear blasting technologies will bring to our western lands.

My colleagues, I have upon almost every suitable occasion filled the record with my findings and questions about Plowshare failures and disappointments. I have noted for you the growing ranks of those who have serious reservations about the Plowshare program.

I have reported to you that Secretary of Interior Rogers C. B. Morton in a February 22, 1974, letter to me stated:

> Indeed it has been the position of the Department that implementation of the full-field Rio Blanco development would preclude orderly and efficient development of the overlying oil shale resource . . .

Clearly, we cannot afford this.

I have pointed out more doubts, raised on April 2, 1974, when the General Accounting Office released its report "Progress and Problems in Developing Nuclear and Other Experimental Techniques for Recovering Natural Gas in the Rocky Mountain Area." The GAO noted that there was disagreement between the AEC and the Bureau of Mines over whether fractures created in the Gasbuggy and Rulison nuclear gas stimulation experiments are closing, and stated that if the fractures created by nuclear detonation close, the wellhead cost of gas increases significantly. The Comptroller General then concluded:

> Because this issue is important to the economics of nuclear stimulation and its cost comparison with massive hydraulic fracturing, more should be done to minimize the uncertainty on this issue before nuclear stimulation can be considered economically acceptable . . .

And that—

> Underground mining of oil shale might be incompatible with the prior or concurrent use of nuclear stimulation because fractures created by the nuclear explosives might collapse underground mines in the area of the explosion . . . we consider it important to resolve this question as soon as practicable . . .

I have also directed your attention to the objections of former Governor of Colorado and Director of the Energy Policy Office, John Love, and to the doubts about the effectiveness of recovering resources through underground nuclear explosions that have been raised by the U.S. Geological Service, by the Shell Oil Co., and a number of other private studies.

Mr. Chairman, I view the fiscal year 1975 AEC budget plans for its applications of underground explosions program as directly counter to the recommendation of the Joint Committee on Atomic Energy that Rio Blanco's uncertainties be resolved before proceeding with other major experiments. I view them as counter to the Appropriations Committee report which itself recommends that greater emphasis be placed on chemical—as opposed to nuclear—explosion technology research.

I would also like to point out to my colleagues that continuation of this program, now in progress for more than 16 years and still remaining without successful recovery of any usable natural resource, is even contrary, in my judgment, to recent statements by AEC Chairman Dixy Lee Ray. In testimony before the Joint Committee on Atomic Energy, on her report to the President on "The Nation's Energy Future," Dr. Ray said that each of our national energy research programs "should be funded on its merits, accelerated when it succeeds, and terminated or cut back severely when it fails after a reasonable amount of effort." I think that you will have to agree that Government investment—not to mention that of industry—of more than $150 million and more than 16 years of study and experimentation is more than a reasonable amount of time, money, and effort.

The Plowshare program still remains unsuccessful in virtually all of its endeavors, as you can even see from the very latest April 29, 1974, issue of Time magazine—pages 100–102—that carries an article entitled "A Blank for Blanco" which is being inserted in today's RECORD. I must contend therefore, that Plowshare should be subject to the modest cutbacks called for in my amendments.

I would like to repeat my firm belief that full-field use of the literally thousands of nuclear explosions, which will be required for effective energy resource recovery will never receive the approval of the people of this Nation. This being the case, I respectfully ask your support for my amendments which will insure compliance with the Joint Committee recommendations against Plowshare's expansion into new areas and insure compliance with the Appropriations Committee recommendation of a greater and more balanced effort using the nonnuclear methods now being undertaken in the Department of the Interior.

I ask that you join me in deleting funding for all underground nuclear explosion work other than the $375,000 needed for completion of Rio Blanco's evaluation. In my view, it is unconscionable for us to authorize $4.335 million for experiments which will again allow Plowshare to leave its most recent failures in gas stimulation and move on into another new area of disappointment.

I appeal to all of you to vote for the amendments I am submitting here today.

Mr. EVINS of Tennessee. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I do so with great reluctance because of my high regard and respect for the gentleman from Wyoming. I would say that he is a distinguished member of the Joint Committee on Atomic Energy. But, he was the sole member of that committee who voted to cut this item. He was a single voice. The gentleman did come before our committee and asked that this program be cut, but again our committee was unanimous in voting to provide the funds recommended in the bill.

This item was in the President's budget. It is recommended by the Joint Committee on Atomic Energy, and it is recommended by the Appropriations Committee.

Mr. Chairman, I would point out, as I did in the general debate, that there are no funds in the bill for this program to conduct a nuclear explosion in fiscal year 1975. These funds are incidental to the research efforts needed for the development of our energy resources such as natural gas, oil shale, which have been unavailable and uneconomical to mine by conventional means for commercial purposes. These funds really continue a low level of funding for continued research in developing new technology; research and evaluation of previous tests, such as the Rio Blanco and other tests. The funds included in the bill are not for nuclear explosions in 1975. We feel that it is essential to develop this technology for the future, in the event it is needed.

I ask that the amendment be defeated.

Mr. JOHNSON of Colorado. Mr. Chairman, I rise to speak in favor of the amendment.

Mr. Chairman, the whole Colorado delegation is asking the membership of this House to vote for this amendment and to strike this $4 million from the program. This is not a partisan issue; neither is this an issue where we are taking an environmental position versus a developmental position; neither are any of us opposed to the development of an energy resource which is supposed to save the world, at least according to some of the proponents of this $4 million program.

Mr. Chairman, let me point out to the membership of the House what we are actually talking about. The Plowshare program is a three-shot program. Two of those three took place in my district in western Colorado. There has been no gas commercially marketed as a result of those shots. The third shot has yet to be fully evaluated.

The people of Colorado were led to believe that after the third shot there would be no further test and no further planning until the last shot was fully evaluated, and then we could come back and say, "Okay, the program is either successful and we will continue with it, or it is not successful and we will stop it."

But, the $4 million planned here is part of a $107 million program. The $4 million is planning, as the colloquy which took place between the gentleman from California and myself last week indicated, the first plans for the continuation of this $107 million program for which the tests will be conducted at the Nevada test site after the plans are prepared, if this $4 million program goes through. Next year, they will come before the House and ask for funds to continue the testing program in Nevada. When are we going to be willing to say, "Let us wait and evaluate?"

Mr. EVINS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Colorado. Mr. Chairman, I yield to the gentleman from Tennessee.

Mr. EVINS of Tennessee. Mr. Chairman, since the gentleman used the word "evaluate," he would be in favor of getting information from the previous test to evaluate.

Mr. JOHNSON of Colorado. Mr. Chairman, there is $375,000 left in this program which we are requesting be left in for final evaluation of the Rio Blanco shot. We are simply saying that the $4 million, which is not part of the evaluation program, be deducted until we get the final evaluation of the Rio Blanco shot. Now, is that unreasonable?

Why should we go ahead with additional planning until we have final results back on the last shot? That seems to me to be an eminently reasonable position.

It is not an environmental position. It seems to me it is not scientific to go ahead until we have the final results back on Rio Blanco.

Mr. Chairman, all we say is that we should wait. The entire delegation is asking for this. There is no particularly big rush on this kind of program.

I would like to point out that the oil companies have committed themselves to spending hundreds of millions of dollars in oil shale development by conventional means. They are already going ahead with the development of oil shale. They are not waiting for the Government to go ahead and blast to develop an atomic method of extracting shale. The companies have already made a commitment for hundreds of millions of dollars to extract shale by other means.

So we are not going to hold up the development of oil shale until this program is continued. They have already committed themselves for $317 million on 10,000-leased acres out of a total of 7 million acres in western Colorado. So we can see that they are very serious about developing this under conventional means.

Mr. Chairman, I believe that the gentleman from Wyoming has taken an eminently reasonable position, and I do not understand why everyone is insisting that we spend the $4 million. We do not want it yet. As a matter of fact, we have appealed for planning, the amount of a few hundred thousand for planning money for water resource development. We cannot get that money. We cannot develop the oil shale fields in western Colorado until we have the water resources developed to provide for the people. We cannot get a few hundred thousand for water resource planning, but we insist on spending $4 million for this program, and we do not know whether it is successful or not, because we do not know the results of the last shot.

So let us please wait and let us adopt this amendment which has been offered by the gentleman from Wyoming.

Mr. Chairman, the entire Colorado delegation asks the Members to do that. Let us wait and see what the results of the Rio Blanca shot are.

Mr. EVANS of Colorado. Mr. Chairman, I rise in support of the amendments.

Mr. Chairman, I think that the remarks just made by the gentleman from Colorado were most appropriate. Those remarks certainly speak my feelings, as do the statements which were made by my colleague, the gentleman from Wyoming (Mr. RONCALIO).

I would like to add a new aspect to this, as to how the people of Colorado feel about these continued shots.

Unlike some areas of this country, water is the lifeblood of our current economy and any possibility for future development.

Mr. Chairman, let me say to the Members that if we begin setting off these underground atomic explosions, if the Members do not think that this grabs at the vitals of the people of Colorado they are mistaken. I can assure you that this will scare them to death, particularly insofar as it concerns the possibility of contamination of our water supply.

Mr. Chairman, when my distinguished friend, the gentleman from Tennessee (Mr. EVINS) suggests that sometime in the future this means it may be that underground atomic explosions may be used to develop water, we are even more concerned, because we are worried now that our underground water may be contaminated if we get to the point of a large-scale production of atomic explosions for the purpose of securing gas.

Mr. Chairman, I agree with my colleagues, the gentleman from Colorado (Mr. JOHNSON) and the gentleman from Wyoming (Mr. RONCALIO) that if at this moment the Atomic Energy Commission could come before this body and say, "We have successfully developed the safe production of underground gas by the use of atomic explosions underground," I would be with them on this appropriation. This, however, they cannot do.

It is our strong hope that in the production of that gas they are not going to adversely affect either the oil shale production or the continued production of water in the State of Colorado. So, Mr. Chairman, I join with my colleague, the gentleman from Wyoming (Mr. RONCALIO) and my colleague, the gentleman from Colorado (Mr. JOHNSON) in asking the Members just simply to slow down and wait until we have had this proof presented to us.

Let us have the money which this amendment leaves in the bill for the study of the last explosions that were set off, and let us not get the cart before the horse with more money spent in planning more explosions at this time.

Mr. EVINS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. EVANS of Colorado. I yield to the gentleman from Tennessee.

Mr. EVINS of Tennessee. Mr. Chairman, the gentleman has several times referred to "explosions." I call the gentleman's attention to the report and I call his attention to my own words; there are no funds in this bill for nuclear explosions.

Mr. EVANS of Colorado. Mr. Chairman, I am glad my colleague has mentioned that again, and I also mention to my friend that I understand as well that this money is for the planning of additional explosions.

I have learned in the 9 years I have been here that sometimes we can find ourselves in the position of having spent so much money that we may say, "Why not go ahead and plan another explosion?"

Mr. Chairman, I hope we will support this amendment. This amendment cuts out the $400 million, and it does leave the money in here which is necessary to study those explosions which have occurred in the past.

Mrs. SCHROEDER. Mr. Chairman, I rise in support of the amendments to reduce funding for the AEC program to use underground nuclear explosions for recovering natural resources.

These amendments would leave $375,000 to complete the Rio Blanco test evaluation, but would strike out $4,335,000 in funds unnecessary at this time. I agree with my colleagues from Colorado and Wyoming that Congress should not appropriate money for future underground explosions until we have a complete and final analysis of the Rio Blanco results.

Many have doubts about AEC's Plowshare program—a program where technology is in search of a use. The Department of Interior, the General Accounting Office, Shell Oil Co., the U.S. Geological Survey, and a University of Colorado study have all expressed significant doubts about the program to recover natural resources by underground nuclear explosions.

Last week when we debated this issue I had with me two articles from the Denver Post which reported that a pin hole leak in a disposal well for radioactive water from the Rio Blanco project had caused the release of this water back into the environment. Today, I have with me a recent article from Time magazine entitled "A Blank for Blanco." I would like to share it in full with my colleagues:

A BLANK FOR BLANCO

The project is part of the Atomic Energy Commission's Plowshare program and seemed like a promising peaceful use of nuclear energy. It calls for exploding small atomic bombs deep beneath the earth's surface to release trillions of cubic feet of natural gas trapped in subterranean rock formations. Now, after the latest in a series of test explosions in New Mexico and Colorado, AEC officials may be forced to acknowledge what some scientists predicted from the start: nuclear blasting for gas is neither economical nor practical.

Last May, in an operation named Project Rio Blanco, the AEC exploded three 30-kiloton devices that had been placed about 450 ft. apart in a vertical tube more than a mile underground near the hamlet of Meeker in western Colorado. The goal was to crack the surrounding sandstone and create a huge cavern into which the escaping gas could seep. But when the AEC and its private-industry collaborator, CER Geonuclear Corp. of Las Vegas, began test drilling at the site after the explosions, they made an embarrassing discovery. The blasts had apparently created three separate gas-filled caverns instead of one. Thus the amount of gas that flowed through the hole drilled into the uppermost cavern was disappointingly small.

Rio Blanco sponsors say that they are willing to spend another $1.5 million for additional drilling to recover gas from the lower cavities. But even if they can, the future of nuclear blasting for natural gas looks quite bleak. The program is already under attack from environmentalists who fear that the atomic explosions may damage buildings on the surface, trigger earthquakes and leave behind dangerous radiation. The General Accounting Office recently noted that nuclear recovery of gas could be costlier than its proponents originally thought; the cracks created in the sandstone by the A-bombs may close faster than the AEC's experts had predicted, limiting the amount of gas that could escape. In addition, the GAO touched on a subject worrying many oil companies. The natural gas deposits lie under much of the nation's reserves of shale, from which the companies hope some day to extract large quantities of oil. But the shale could become radioactive or otherwise damaged by the blasting, making it dangerous to mine.

> Undaunted, the AEC has gone so far as to propose the use of nuclear explosions to get at the shale. Commission experts say that it would take some 50,000 separate nuclear explosions to help free the oil from the rock. Yet even the AEC's nuclear diehards may be having second thoughts about nuclear blasting. Last month the commission announced that it will help foot the bill for testing an alternate, nonnuclear gas recovery scheme called hydraulic fracturing. Employing high-pressure fluids rather than explosions to crack the gas-bearing sandstone, the test will take place only about a mile from the site of the multikiloton Rio Blanco fiasco.

Mr. Chairman, these amendments are backed by the entire Colorado delegation, the State were the Rio Blanco blast took place. They are an expression of a very simple and basic concept: That knowledge from an evaluation of Rio Blanco should set our future course, rather than a blind reliance on technology.

Mr. Chairman, let us put some faith in knowledge and save some taxpayers' money by supporting these amendments.

Mr. HOSMER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, it seems to me we have been down this bumpy road a few times before.

My great and good and able and assidious and alert and agreeable and perspicacious and persistent friend from Wyoming (Mr. Roncalio) has tossed this amendment in every time he has had an oportunity to do so. As a matter of fact, I heard him giving grace at the dinner table one day, and I think he threw in something about it at that time, although I was not quite sure.

This thing has gone around so many times, each time I hear this debate it reminds me of the story the Congressman who went up in a balloon and got into some clouds and fog and got lost. When he came down he was close to a farm. He saw a farmer out there. He looked at the farmer and asked, "Where am I?" The farmer looked up at him and said, "You are in a balloon." Well, he was kind of taken aback at that, but he thought about the answer and he said, "Yes. That is indeed, indeed an answer that would be worthy of debate in the House of Representatives for these reasons: First, it is accurate insofar as it goes, but it does not go very far. It does address itself to the issue even though very, very ambiguously, and to the discussion, it contributes absolutely nothing not already known."

Indeed, we have nothing new here. It is the same old saw playing the same old Colorado tune. The oil shale program is moving relatively swiftly right now. The oil shale interests have sold a lot of people a bill of goods about the explosions used to release another form of energy, natural gas, allegedly endangering new oil shale with radioactivity. They have managed to scare a lot of people with this misinformation. It is not true that this oil shale might become contaminated if you explore for natural gas with Plowshare methods in the same general area.

For a little variation on the arguments from this balloon they throw in a scare sometimes about the water supply. Well, there have been three of these underground explosions or experiments in the Colorado area. They have been conducted only following the most minute and exhaustive planning and totally accurate geological information with respect to the formations. All this is to insure that the water supply is protected with 100-percent assurance.

These attempts to scare people are simply a lot of hogwash. The amendment addresses a danger that does not exist.

Now, insofar as stopping this program is concerned, as my friend from Colorado on my side of the aisle wants to do, in order to get the results and evaluate them, he is asking you to come in and by law to violate every principle of scientific research that has contributed to the quality of American life. In scientific research you never proceed by making just one experiment, thoroughly analyze it and then move to another at some leisurely pace. You take the entire problem and work on it simultaneously. That is the way this United States of ours has been able to develop through research the technology that has produced a rich and great nation.

I would ask that this amendment be defeated if for no other reason than it attempts to turn back the scientific clock, and to lower upon us again the darkness of ignorance.

Mr. EVANS of Colorado. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Eighty-one Members are present, not a quorum. The call will be taken by electronic device.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 193]

Anderson, Ill.
Archer
Bafalis
Blatnik
Brown, Calif.
Carey, N.Y.
Clark
Conyers
Davis, Ga.
Devine
Diggs
Dorn
Esch
Findley
Foley
Fraser
Fulton
Giaimo
Gilman
Goldwater
Gray
Gross
Gubser
Haley
Harsha
Hawkins
Hébert
Hudnut
Jarman
Kastenmeier
Kazen
Landrum
McKinney
Mathis, Ga.
Milford
Mills
Minshall, Ohio
Mollohan
Murphy, Ill.
Murphy, N.Y.
Myers
O'Brien
Patman
Pickle
Pike
Powell, Ohio
Reid
Roberts
Rodino
Roncallo, N.Y.
Rooney, N.Y.
Rose
Satterfield
Sisk
Steele
Steiger, Ariz.
Stokes
Stubblefield
Stuckey
Wilson, Charles H., Calif.
Wyatt

Accordingly the Committee rose; and the Speaker having resumed the chair (Mr. Hamilton) Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 14434, and finding itself without a quorum, he had directed the Members to record their presence by electronic device, whereupon 372 Members recorded their presence, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. ROBISON of New York. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, the pending amendment is one offered by the distinguished gentleman from Wyoming (Mr. Roncalio). It is the same amendment that we considered last week in the House when we were considering and voting upon the authorization bill for the Atomic Energy Commission. The amendment is endorsed by several Members from Colorado. Their concern and that of its author, is with the further application of nuclear underground explosions in the States of Wyoming, Colorado and Utah or affecting that general area.

Now, the committee bill includes $4.4 million in operating expenses for the Atomic Energy Commission for its program known as "Applications of Underground Explosions."

Another $310,000 in the bill is for plant and capital equipment for the same program. The amendment before us would knock out of our bill those two items with the exception of $375,000, which would be left in the bill. It would strike from the bill all funds for "Applications of Underground Explosions" and for additional equipment therefor except for the $375,000 left to complete the Rio Blanco explosion evaluation. The Rio Blanco explosion is the third in that series of explosions conducted by the AEC, known as Plowshare underground nuclear testing.

Mr. Chairman, it is the committee's position that we fully understand the concerns expressed by the people of Wyoming, Colorado, and perhaps from Utah, over the further use of nuclear explosions for underground testing in that area, but there is a potential for using the AEC's expertise in underground fracturing of rock through explosive methods other than nuclear.

We were told during our hearings that the AEC could explore the so-called in situ process for developing oil shale or oil from oil shale rock with the use of conventional or chemical explosive rather than nuclear explosives.

I say again to the Members who were not here earlier that there are no funds included in this bill for actual nuclear underground explosions. There may be some moneys in this item for future planning for nuclear explosions, but if we should cut out all of this money by adopting this amendment then, as I understand the situation, the AEC will not have any funds with which to apply its expertise, and its experience in this field, to the question of research and development into the so-called in situ oil shale process underground, using, of course, chemical rather than nuclear explosives in that research effort.

Therefore, Mr. Chairman, I hope very much that the amendment is defeated.

Mr. MAHON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I wholly endorse the remarks in opposition to the amendment made by the gentleman from New York, who has astutely addressed himself to this problem, as has the chairman of the subcommittee, the gentleman from Tennessee (Mr. Evins).

Mr. Chairman, the House has previously defeated this type of amendment. We must, in my opinion, explore ways and means to deal effectively with the energy crisis. This is one of the things that the experts think is required. However, each Member should fully understand that this bill does not provide funds for any nuclear explosions, and in fact the report prohibits underground nuclear explosions in this program for the coming year.

Mr. Chairman, I urge the committee to vote down the amendment.

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. MAHON. Mr. Chairman, I yield to the gentleman from Michigan.

Mr. CEDERBERG. Mr. Chairman, I wish to associate myself with the remarks of the distinguished chairman of the committee, the gentleman from Texas. I also wish to say that I hope this amendment will be defeated.

Mr. DAVIS of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. MAHON. Mr. Chairman, I yield to the gentleman from Wisconsin.

Mr. DAVIS of Wisconsin. Mr. Chairman, I simply want to confirm what the distinguished chairman has said. This is not an appropriation for a nuclear explosion. What we are doing here is to keep the option open so that if at some later time, not sooner than 2 or 3 years from now, it appears from all we learn through this research and evaluation here that this may be a practical way of doing something that badly needs to be done in developing an energy resource, that we have capability to do it at that time.

Mr. ARMSTRONG. Mr. Chairman, I rise in support of the amendments.

Mr. Chairman, I rise in support of the amendment and commend my colleague, the gentleman from Wyoming (Mr. RONCALIO) for offering this proposal.

I believe that there is some misunderstanding as to the exact effect of the gentleman's amendment, and I would like to offer it in this perspective: The question is not whether or not we are for or against this kind of testing, nor whether or not we are for or against conducting these tests next year or the year after that or at any particular time.

The question, as I understand the amendment which my colleague, the gentleman from Wyoming, has offered, is very simply whether or not we are going to evaluate the tests that have already been conducted before we begin planning the next test.

Mr. Chairman, I have supported these tests and I expect to do so in the future. But to me it is really foolish and it is unbecoming to the House to begin planning the next tests until we have fully evaluated the tests which have preceded this time. This, in fact, is the scheduling originally recommended by the AEC, and I think we ought to stick to it.

Mr. JOHNSON of Colorado. Will the gentleman yield?

Mr. ARMSTRONG. Mr. Chairman, I yield to my colleague, the gentleman from Colorado (Mr. JOHNSON).

Mr. JOHNSON of Colorado. Mr. Chairman, I would like to point out to the House what these funds we are actually talking about have really been programed for, because there has been a lot of discussion directed toward that point: $1,925,000 is for the investigation of techniques to use nuclear methods for the possible recovery of oil from oil shale by in situ methods.

It is true that no actual nuclear experiment will be conducted during the fiscal year 1975, but it is for that specific purpose.

Mr. Chairman, $200,000 of the money is for the investigation of techniques for underground extraction of minerals, in situ, as the gentleman from New York pointed out; $300,000 is for the continued investigation of explosion effects; $1,600,000 is for research and development directed toward providing appropriate nuclear explosive designs for use in application for recovery of natural resources.

So, Mr. Chairman, we are kidding ourselves if we do not acknowledge that this money is to be used to plan for additional nuclear underground tests. All we are saying is wait until we have the evaluation of the Rio Blanco shot. That seems to me to be the most reasonable position we can have.

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. ARMSTRONG. I yield to the gentleman from Colorado, a member of the committee.

Mr. EVANS of Colorado. Mr. Chairman, I thank the gentleman for yielding.

I take this opportunity to say to those Members who were not here during the previous debate on this question to look at it in this light: We support this amendment. All we are asking for is some delay, some businesslike delay so that the Atomic Energy Commission can assess what it has already done. After 16 years and $150 million, we still have not produced one iota of gas that could be commercially used.

Again, in this area of Colorado and Wyoming in order to commercially bring it to production, they would have to fire off thousands of these shots, thousands of them.

Mr. Chairman, this amendment simply says, "Slow down. Take your time. Evaluate what you have already done before you ask for additional funds to plan additional explosions."

Mr. Chairman, I certainly hope the Members will support this amendment.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Wyoming (Mr. RONCALIO).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. EVANS of Colorado. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 190, noes 207, answered "present" 1, not voting 35, as follows:

[Roll No. 194]

AYES—190

Abdnor
Abzug
Adams
Addabbo
Andrews, N. Dak.
Annunzio
Armstrong
Ashbrook
Badillo
Bauman
Bennett
Bergland
Biaggi
Biester
Bingham
Brademas
Brasco
Brinkley
Brotzman
Broyhill, N.C.
Burgener
Burke, Calif.
Burton
Camp
Carney, Ohio
Chisholm
Clark
Clausen, Don H.
Clay
Cochran
Cohen
Collins, Ill.
Conlan
Conte
Conyers
Culver
Daniels, Dominick V.
Delaney
Dellums
Denholm
Dent
Drinan
Dulski
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Esch
Evans, Colo.
Fascell
Fish
Foley
Ford
Forsythe
Frenzel
Gettys
Gilman
Goodling
Grasso
Green, Pa.
Gross
Gude
Gunter
Guyer
Hanna
Hanrahan
Harrington
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Helstoski
Hicks
Hillis
Holt
Holtzman
Howard
Hunt
Johnson, Colo.
Jones, Ala.
Jones, Okla.
Jordan
Karth
Kastenmeier
Kemp
Ketchum
Kluczynski
Koch
Kuykendall
Kyros
Lagomarsino
Leggett
Lehman
Long, Md.
Lott
Luken
McCloskey
McCollister
McKinney
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Minish
Mink
Mitchell, Md.
Mizell
Moakley
Moorhead, Calif.
Moorhead, Pa.
Moss
Murphy, N.Y.
Murtha
Nedzi
Nelsen
Obey
O'Hara
Owens
Pettis
Pike
Podell
Pritchard
Quie
Rangel
Rees
Regula
Reuss
Riegle
Rinaldo
Rodino
Roe
Roncalio, Wyo.
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Roybal
Ryan
Sandman
Sarasin
Sarbanes
Schroeder
Sebelius
Seiberling
Shoup
Shriver
Shuster
Sisk
Skubitz
Smith, Iowa
Smith, N.Y.
Stanton, J. William
Stanton, James V.
Stark
Steele
Steelman
Studds
Symms
Taylor, Mo.
Thompson, N.J.
Thone
Towell, Nev.
Traxler
Udall
Van Deerlin
Vander Veen
Vanik
Vigorito
Waldie
Whalen
Widnall
Wilson, Bob
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wydler
Wylie
Yates
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Zwach

NOES—207

Alexander
Anderson, Calif.
Andrews, N.C.
Archer
Arends
Ashley
Baker
Barrett
Beard
Bevill
Blackburn
Boggs
Boland
Bolling
Bowen
Bray
Breaux
Breckinridge
Brooks
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill, Va.
Buchanan
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clawson, Del
Cleveland
Collier
Collins, Tex.
Conable
Corman
Cotter
Coughlin
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Dellenback
Dennis
Derwinski
Dickinson
Donohue
Downing
Duncan
Eilberg
Erlenborn
Eshleman
Evins, Tenn.
Fisher
Flood
Flowers
Flynt
Fountain
Frelinghuysen
Frey
Froehlich
Fuqua
Gaydos
Gibbons
Ginn
Gonzalez
Gray
Green, Oreg.
Griffiths
Grover
Hamilton
Hammerschmidt
Hanley
Hansen, Idaho
Hansen, Wash.
Harsha
Hastings
Henderson
Hinshaw
Hogan
Holifield
Horton
Hosmer
Huber
Hungate
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Pa.
Jones, N.C.
Jones, Tenn.
King
Landgrebe
Landrum
Latta
Lent
Litton
Long, La.
Lujan
McClory
McCormack
McDade
McEwen
McFall
McKay
McSpadden
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Mayne
Michel
Miller
Mills
Minshall, Ohio
Mitchell, N.Y.

Montgomery
Morgan
Mosher
Natcher
Nichols
Nix
O'Neill
Parris
Passman
Patten
Pepper
Perkins
Peyser
Poage
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Quillen
Railsback
Randall
Rarick
Rhodes
Robinson, Va.
Robison, N.Y.
Rogers
Rooney, Pa.
Runnels
Ruppe
Ruth
St Germain
Satterfield
Scherle
Schneebeli
Shipley
Sikes
Slack
Snyder
Spence
Staggers
Steed
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stuckey
Sullivan
Symington
Talcott
Taylor, N.C.
Teague
Thomson, Wis.
Thornton
Tiernan
Treen
Ullman
Vander Jagt
Veysey
Waggonner
Walsh
Wampler
Ware
White
Whitehurst
Whitten
Wiggins
Williams
Wilson, Charles H., Calif.
Wyatt
Wyman
Yatron
Young, S.C.
Young, Tex.
Zablocki
Zion

ANSWERED "PRESENT"—1

Bell

NOT VOTING—35

Anderson, Ill.
Aspin
Bafalis
Blatnik
Brown, Calif.
Carey, N.Y.
Devine
Diggs
Dingell
Dorn
Findley
Fraser
Fulton
Giaimo
Goldwater
Gubser
Haley
Hébert
Heinz
Hudnut
Kazen
Milford
Mollohan
Murphy, Ill.
Myers
O'Brien
Patman
Pickle
Reid
Roberts
Roncallo, N.Y.
Rooney, N.Y.
Rose
Stokes
Stubblefield

So the amendments were rejected.

The vote was announced as above recorded.

Mr. BUCHANAN. Mr. Chairman, I move to strike the requisite number of words.

(By unanimous consent, Mr. BUCHANAN was allowed to proceed out of order.)

SUIT FILED AGAINST U.S. POSTAL SERVICE

Mr. BUCHANAN. Mr. Chairman, I take this time to inform the House that I filed suit today in the U.S. District Court for the Northern District of Alabama against the U.S. Postal Service for myself and as a class action suit on behalf of people across the United States who will in my judgment be adversely affected by decisions involving a further decline in services without the Postal Service having gone through the review and hearing procedures prescribed by law in the Postal Reorganization Act.

One of these changes involves the relocation and reduction of facilities in 25 cities across the Nation, one of which is Birmingham, Ala. It is my understanding that the Postal Service has yet to notify these cities of their good fortune, so I will, as a public service, publish this information which I have just received from the Postal Service. The cities are:

Birmingham, Alabama.
Flushing, New York.
Oakland, California.
San Francisco, California.
Miami, Florida.
Houston, Texas.
Raleigh/Durham, North Carolina.
Tulsa, Oklahoma.
Atlanta, Georgia.
Seattle, Washington.
Colorado Springs, Colorado.
Oklahoma City, Oklahoma.
St. Louis, Missouri.
Dallas, Texas.
Des Moines, Iowa.
Amarillo, Texas.
Milwaukee, Wisconsin.
Knoxville, Tennessee.
Denver, Colorado.
Detroit, Michigan.
Mobile, Alabama.
Peoria, Illinois.
Fort Worth, Texas.
Lubbock, Texas.
Kansas City, Missouri.

The second change involves some 86 cities in which postal districts will be consolidated. Again Birmingham is among the chosen. Although I have requested information concerning the remaining districts, it has not been forthcoming. I have therefore filed suit seeking injunctive relief until the review required by law is completed and hearings are held by the Postal Rate Commission, as required by law. I hope we can strike a blow for freedom in this suit.

The CHAIRMAN. The Clerk will read.

The Clerk completed the reading of the bill.

Mr. MAHON. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House, with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair (Mr. HAMILTON) Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 14434) making appropriations for energy research and development activities of certain departments, independent executive agencies, bureaus, offices, and commissions for the fiscal year ending June 30, 1975, and for other purposes, had directed him to report the bill back to the House, with the recommendation that the bill do pass.

Mr. MAHON. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. DELLENBACK. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 392, nays 4, not voting 37, as follows:

[Roll No. 195]

YEAS—392

Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Ashley
Badillo
Baker
Barrett
Bauman
Beard
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blackburn
Boggs
Boland
Bolling
Bowen
Brademas
Brasco
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Butler
Byron
Camp
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Dickinson
Donohue
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Fish
Fisher
Flood
Flowers
Flynt
Foley
Ford
Forsythe
Fountain
Frelinghuysen
Frenzel
Frey
Froehlich
Fuqua
Gaydos
Gettys
Gibbons
Gilman
Ginn
Gonzalez
Goodling
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gude
Gunter
Guyer
Hamilton
Hammerschmidt
Hanley
Hanna
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Hastings
Hawkins
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Holtzman
Horton
Hosmer
Howard
Huber
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kemp
Ketchum
King
Kluczynski
Koch
Kuykendall
Kyros
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
Luken
McClory
McCloskey
McCormack
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Madigan
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Miller
Mills
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, N.Y.
Murtha
Natcher
Nedzi
Nelsen
Nichols
Nix
Obey
O'Hara
O'Neill
Owens
Parris
Passman
Patten
Pepper
Perkins
Pettis
Peyser
Pike
Poage
Podell
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rarick
Rees
Regula
Reuss
Rhodes
Riegle
Rinaldo
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Rooney, Pa.
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Roybal
Runnels
Ruppe
Ruth
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Scherle
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Veysey
Vigorito
Waggonner
Waldie
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob

Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—4

Crane
Gross
Landgrebe
Symms

NOT VOTING—37

Abdnor
Anderson, Ill.
Aspin
Bafalis
Blatnik
Brown, Calif.
Carey, N.Y.
Devine
Diggs
Dingell
Dorn
Findley
Fraser
Fulton
Giaimo
Goldwater
Gubser
Haley
Heinz
Hudnut
Kazen
McCollister
Mahon
Milford
Mollohan
Murphy, Ill.
Myers
O'Brien
Patman
Pickle
Reid
Roberts
Roncallo, N.Y.
Rooney, N.Y.
Rose
Stokes
Stubblefield

So the bill was passed.

The Clerk announced the following pairs:

Mr. Stubblefield with Mr. Pickle.
Mr. Rooney of New York with Mr. Patman.
Mr. Carey of New York with Mr. Dorn.
Mr. Blatnik with Mr. Abdnor.
Mr. Fraser with Mr. Aspin.
Mr. Diggs with Mr. Reid.
Mr. Kazen with Mr. Findley.
Mr. Mahon with Mr. Devine.
Mr. Giaimo with Mr. Anderson of Illinois.
Mr. Fulton with Mr. Goldwater.
Mr. Rose with Mr. Stokes.
Mr. Haley with Mr. Gubser.
Mr. Roberts with Mr. McCollister.
Mr. Mollohan with Mr. Heinz.
Mr. Murphy of Illinois with Mr. Roncallo of New York.
Mr. Brown of California with Mr. Hudnut.
Mr. Milford with Mr. Myers.
Mr. Dingell with Mr. O'Brien.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include tables and extraneous matter on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PRESIDENT'S PROCEDURE FOR SUPPLYING INFORMATION TO HOUSE COMMITTEE ON THE JUDICIARY

(Mr. LATTA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LATTA. Mr. Speaker, I wish to commend the President for the procedure he has adopted for supplying information to the House Judiciary Committee in accordance with its subpena. He will provide transcripts to the committee and will be following the rules of confidentiality of the House Judiciary Committee in that he will permit the chairman of the committee and the ranking member of the committee to listen to the tapes for purposes of verification. The only exceptions to the committee's own rules which was adopted on February 22, 1974, are: First, the transcripts are being furnished in the first instance to the members of the committee and are being made public. Under the committee's rules, this would not have been possible until after the chairman, the ranking member, and the staff had gone over the information and recommended the material to be presented for the other committee members consideration under rule No. 3 of the procedures adopted on February 22, 1974; second, the two staff members given the privilege of listening to tapes under the committee's rules were not included under the President's procedure. I find this omission not of great importance as the American people will prefer having their elected representatives listening to these tapes and if any person is to be denied the opportunity of listening to a tape it should be the hired staff and not the elected representative of the people.

The Committee on the Judiciary has had tapes under its control for some time now and, under the rules adopted by the committee, the only members of the committee permitted to listen to these tapes are the gentleman from New Jersey (Mr. RODINO), and the gentleman from Michigan (Mr. HUTCHINSON). As a member of the committee, if I wanted to go over there right now and listen to one of those tapes, I would be denied that right under the committee's own rules.

So what the President of the United States was saying last night was that he was going to adhere to the rules of the Committee on the Judiciary with the exceptions I have noted, and I commend the President for taking this action. I wish he had taken this step months ago.

THE HOUSE NEEDS AN URBAN AFFAIRS COMMITTEE

The SPEAKER pro tempore (Mr. RONCALIO of Wyoming). Under a previous order of the House, the gentleman from New York (Mr. BADILLO) is recognized for 15 minutes.

Mr. BADILLO. Mr. Speaker, I am deeply concerned that in its long deliberations the Select Committee on Committees failed to deal with the overwhelming problems of America's major cities. Consequently, when the committee reform bill is reported to the full House of Representatives, I will offer an amendment to create a standing Committee on Urban Affairs.

This proposal stems from my conviction that the urban crisis in this country is not being met in any meaningful way by the Congress or any of its committees. I see no coordinated approach to urban problems under the new committee alinement drafted by the House Select Committee on Committees with the intention of modernizing the operations of the House.

The purpose of the committee reform amendments is to eliminate overlapping jurisdictions and to adjust our congressional work to the realities of the times. But even if the proposed amendments are approved, a mayor or other metropolitan spokesman who wishes to meet with the appropriate Congressmen on matters of concern to his city will have to continue to address his pleas to half a dozen or more committees under the reform plan, while the rural official with a problem can get comprehensive consideration of the problems of his constituents through one committee alone—the Committee on Agriculture.

The deterioration of America's inner cities requires a coordinated remedial approach. This will not happen in the U.S. Congress unless a committee is established to be the focal point for urban concerns and carry the fight for urgently needed programs to help the cities.

Our great cities, the economic and cultural centers of the Nation, are falling into decay because of the absence of a national commitment to attack their problems. With the flight of the articulate and affluent to the suburbs, political power and the focus of legislation have fled with them. The fact that no housing bill is pending in the House of Representatives today, with all Federal housing programs expiring on June 30, is a prime example of this absence of congressional focus.

Housing, although it is not strictly an urban issue, is only one example of the misordered priorities in areas where urban dwellers have an important stake. Legislation affecting urban areas has in the past years been defeated, amended, or blocked until the beneficial effects have been destroyed. One example of the disjointed and prejudicial treatment of urban problems appeared in the deliberation on mass transit this year. Under a contingency gas rationing plan formulated in January, New York City and other urban jurisdictions were slated to get 20 percent less gas than other areas of the country because of the availability of extensive mass transit systems. Yet a few short months later, when the Minish-Williams mass transit bill was brought to the Rules Committee, it was blocked because it allocated major portions of its funds to cities with developed mass transit systems.

Other examples of this double standard for legislative priorities abound but I believe that it is clear that a permanent committee with urban Congressmen dealing daily with urban matters is a first step toward reorienting our Nation's priorities. Under the amendment I will propose, all housing programs, urban mass transportation, relocation assistance, urban development, and oversight over all Government laws and programs with a substantial impact on the cities will be under the jurisdiction of a House Urban Affairs Committee. I also have made provision for regional planning of urban affairs, including matters of mutual concern to nearby cities, or to cities and their suburban neighbors, that can best be handled by cooperation across jurisdictional lines.

For example, the inclusion of urban mass transportation under an Urban Affairs Committee is necessary because of the historic failure of Congress to consider mass transit as an integral part of a national transportation system. The select committee proposes that responsibility for urban mass transit reside in a new Public Works and Transportation Committee, but that body will undoubtedly reflect much of the present composition of the Public Works Committee which is dominated by Congressmen from rural areas who are unfamiliar with urban mass transit problems. With the continuing energy shortages, and with the ever-present pollution caused by America's massive commuting pattern, we should have long ago spurred the development of public mass transit systems around the Nation—a default which I believe can be best remedied now by a committee with experience, expertise, and a sense of urgency.

It will be argued that problems of great magnitude in inner cities—housing, drugs, unemployment, crime, poor schools—are not uniquely urban. I agree that to some extent these issues cut across congressional district lines. But these problems are of greater intensity in center cities and require immediate and knowledgeable consideration in the Congress.

But a further argument must be advanced in considering current reform proposals. Under these proposals, many subject areas are assigned to standing committees that are multijurisdictional as well, with a recommendation for a new system of multiple referrals and consecutive referrals of bills. Such a system means that more than one committee will contribute to the drafting of some legislation prior to action in the full House. Such an arrangement will only lead to jurisdictional disputes that can only continue to undermine the need for responsive action by the House.

While the purpose of committee reform is to adjust our congressional work to the realities of the times, some will argue that committee reform should be a streamlining process, not an additive one. But avoiding a committee dealing with the specific and most pressing problems of our urban areas will not adjust congressional work to those needs, and consolidating the number of committees will only serve to concentrate power in the House rather than meeting the committed goal of dispersal of responsibility among more Members of the House.

Almost 69 percent of our population currently lives in our Nation's 243 metropolitan areas, 31 percent in our central cities. They deserve the attention and consideration that the rest of our population currently receives. My proposal seeks to create a mechanism for bringing the urban crisis to the forefront of the country's attention and to develop public support for making our cities once again enjoyable and stimulating places in which to live.

Mr. Speaker, the text of my amendment follows:

Page 20, after line 6, insert the following new paragraph (and redesignate the succeeding paragraphs accordingly):

"(u) Committee on Urban Affairs, the legislative jurisdiction of which shall include—

"(1) Public and private housing.

"(2) Urban development.

"(3) Urban mass transportation.

"(4) Relocation assistance.

"(5) Regional planning for urban affairs, including environmental protection, economic development, residential patterns, and other matters which have a related or simultaneous impact on a large metropolitan center and adjoining suburbs or nearby cities and towns."

In addition to its legislative jurisdiction under the preceding provisions of this paragraph (and its general oversight functions under clause 2(b)(1)), the committee shall have the special oversight functions provided for in clause 3(g) with respect to urban planning and the impact of government programs on major urban centers.

Page 5, line 1, strike out "Banking, Currency, and Housing" and insert in lieu thereof "Banking and Currency".

Page 5, strike out lines 9 and 10 (and redesignate the succeeding subparagraphs accordingly).

Page 16, line 16, strike out "urban mass transportation,".

Page 16, strike out line 20 (and redesignate the succeeding subparagraphs accordingly).

Page 25, add a new section beginning on line 17:

"(g) The Committee on Urban Affairs shall have the function of reviewing and studying, on a continuing basis, all laws, programs, and Government activities having a substantial impact on major urban centers.

PRESENT INACTION ON CONTROL AUTHORITY WILL BE REGRETTED IN THE MONTHS AHEAD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri (Mr. RANDALL) is recognized for 5 minutes.

Mr. RANDALL. Mr. Speaker, today, April 30, marks the end of the Economic Stabilization Act which authorizes wage and price controls. Some will regard this as a day of rejoicing that this is the end of all controls. Others may take no particular note of the event but regard it simply as the last day of April. Still others may on this last day of controls begin to view with genuine apprehension just what may or will happen in the months ahead without controls.

For my part I prefer to be classified in the latter category. I am greatly concerned as to what may happen in the months ahead. Inflation may very well take off in a gallop with strides like we have not heretofore experienced. Of course we hope and pray this will not happen.

Mr. Speaker, I take this time to announce that today I have introduced two bills which hopefully may be considered by the appropriate committees in the not-too-distant future. Because bill numbers have not yet been assigned, as I make these remarks I must therefore refer to these two measures as the first bill and/or the second bill.

The proposals in my first bill are as follows: all prices and interest rates will be frozen as of the January 1, 1974, level. In the area of wages and salaries, when the Consumer Price Index exceeds a 3-percent annual rate for 3 consecutive months or a 2½-percent annual rate for 12 consecutive months, wages may, but not necessarily shall, be frozen at the January 2, 1974, level. It is proposed that rents shall be frozen at the January 2, 1974, level but permitted to increase by exactly the amount of increased taxes or amortization of capital improvements.

My first bill will provide a measure of control over commodity speculation and until other legislation is passed and signed into law such shall be administered by the Federal Reserve System. Until other consumer legislation is fully enacted and signed into law, my first bill would create an Office of Consumer Counsellor to provide consumer guidance and information. In my first bill the General Accounting Office would review and publicize reports concerning prices, profits, wages, interest rates, and rents. All reporting requirements shall provide that the reports be made public. The following reports are required to be published: productivity and compensation; consumer prices; wholesale prices; corporate earnings; interest rates; average hourly earnings; statistics on employment and unemployment.

Now, Mr. Speaker, I announce that I have today introduced a second bill which might at first inspection seem to be inconsistent or going in a different direction from my first bill. However, such is not the case. My objective on this last day is to take some action that may lead to some hearings and hopefully some action that will stem the rush of inflation. My second bill provides for continuing to monitor the various decontrol agreements made between business and the Cost of Living Council. It provides for a review of all industries in the area of production capacity, product demand, labor matters, and wages paid. It directs the President to hold hearings and take such other steps as are needed to focus attention on the need for increased productivity and to require reports from all sectors of the economy.

Perhaps the most important provision of this second bill is the fact that it directs the President to conduct an intensive and long-term study of inflation, its causes, and recommendations for its control and to publicize the results.

Mr. Speaker, I do not have great pride of authorship of either of these measures. They are drafted very hurriedly. Perhaps there are some dates which should be changed or amended. Certainly I shall not stop my efforts with the introduction of these two bills.

One reason that I decided to act decisively and do something is the fact that it seems that so very few on our side of the Congress are inclined to do anything. Ther have been many times that I have not been one of the foremost cheerleaders of our colleagues on the north side of the Capitol. But at the present moment they seem to be the only ones who are doing anything about any kind of legislation to control inflation. For my part I salute them and wish them well and truly hope that they can set an example that will be followed on our side of the Capitol dome. I repeat that there may be those in the House who are not concerned at the present moment over the expiration of controls. But I make the solemn prediction that with the passage of 60 to 90 or perhaps 120 days they will become greatly concerned. But the time to do something is not at the end of the summer but now.

HEARING ON SOARING FOOD PRICES

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Massachusetts (Mrs. HECKLER) is recognized for 30 minutes.

Mrs. HECKLER of Massachusetts. Mr. Speaker, while in my district during the Easter recess, I conducted a day-long public hearing on soaring food costs and their effects on the lives of my constituents in the 10th Congressional District of Massachusetts.

Since Congress reconvened last week I have been submitting to the Record the dramatic and informative testimonies heard at the food hearing which was held in Natick on April 18. Each witness explained how inflationary food costs have adversely affected their individual lives and the businesses or organizations they represented.

I have learned a great deal from the statements made during this hearing by food retailers, distributors, representatives of consumer organizations, the elderly, those on welfare, and hospital and school directors of food service departments.

Today I am submitting two additional statements for the Record so that my colleagues in the House may also benefit from the information I received:

Statement of John M. Bell, Director of Food Services for Natick Public Schools

Doctor Gail Cosgrove, the school committee chairman, asked me to testify and he wants you to know that the school committee is very concerned about the rise in food cost. In the May 21st issue of the Community Nutrition Institute Weekly, the headline story was "Signs Point to Watch Bread Decline in School Lunch Program." One of the causes that they list is the rising cost of food.

They state, and I want to quote this, "The steady upward climb of wholesale food costs suggest the meals served in public schools are going to rise substantially in price in the years ahead. Accompanying the rise in food cost have been a decline in donated commodities which USDA wants to replace with cash payments. Higher school prices will inevitably lead to fewer paying children, and thus, to lower participation overall. A leveling off in Federal financial support will lead to a halt in the expansion of free and reduced price lunches.

It is estimated that every time the price of a school lunch is raised five cents we lose five per cent of the participation. When the Natick schools have had to raise prices on the lunch five cents twice in the past two years and the participation in both years in the Coolidge Junior High School and the high school has declined. Both of these schools have had an increase in enrollment each year. And I'd just like to quote you these figures; these are cumulative figures through November of each year. At Coolidge Junior High School in 1971, we served 22,654 meals, in '72 we served 21,140 and in 1973 we served 20,597. Now, that was a loss of nine per cent. In high school, it ran 67,660, 64,148, and 50,074, which was a loss of fourteen per cent. Now in the high school, I think the advent of the open campus had some adverse effect on the participation. However, it shows definitely that there is a loss of participation. Why has the cost of food hurt participation? There's an old and very true axiom, if you want to increase your participation, upgrade the menu.

This holds not only for the school lunch program, but for any food service operation. What we've had to do is not upgrade our menu, but rather substitute lower price foods for ones which the children have come to know and like. Certainly, we do not and can not serve steak, but such things as pastrami, an occasional tuna salad, or a roast beef sandwich have had to be replaced by egg salad or more hamburger or preproportioned meats.

We've had to use protein substitutes which maintain the type "A" pattern which though nutritious and good for the children are not pleasing to many palates. Of course, then, we have menu fatigue because they become repetitious. The worst part in the loss of participation is not that we're not getting as many kids to eat because that's a numbers game that I don't really care to play, but it's the section of the student population that we're losing that can least afford to pay. They do not qualify for free lunch and cannot afford to give up the forty cents for each child for each meal for each day. Or, they don't want to be classified as welfare recipients and would rather have their children go without, than to be so designated. And mom usually has a jar of peanut butter and jelly that she sends them off with a sandwich. But this doesn't provide a child with what he really needs and that's a well balanced meal every day at noontime.

Again, I'd like to quote the C.N.I. weekly report of August 16, when it was reported that the Senate Nutrition Committee poll shows school boards across the country are adjusting to rising costs by raising prices of school lunches by five to ten per cent. Committee aides fear that this development may aid to drive out of the program the near poor, those children whose families are not eligible for free lunches, but cannot afford the extra nickel or dime a day. Such development will accelerate trends to declining participation and fewer paid lunches. In Michigan, where the school lunch price will probably go up a nickel, the hike is being taken reluctantly. Now this is a quote, "When you raise prices you take a chance of defeating the whole purpose of the program," Jim Borrow, the state director, told C.N.I. I think one of the underlying purposes that does not legally show itself is the fact that we're trying to teach the children, at least in somewhat of a passive manner, what a good meal should contain. In other words, we're trying to give them some nutrition education. This is not possible if the child does not participate in the program. And, it's a known fact, it's a proven fact, that children learn better if they have something in their stomach. As Director of Food Services of the Natick schools, I'm concerned more and more with spiraling costs of food. The effects are many and seem to compound themselves. For example, the fewer the commodities purchased with the funds allotted, the more we have to buy at street prices. And the more we have to buy at street prices, the greater is the cost to the child.

Statement of Ken Mullen, Owner of Hazel's Bakery, Wellesley, Mass.

I am also a vice president of the Massachusetts Retail Bakers Association and I think that I am a typical member of the association, so I am going to report from my own personal business and I feel that it's very typical across the complete association of three hundred bakers, certainly very similar to the fifteen hundred of Mr. Sands' services.

I am a retail baker operating a forty year old family business I recently bought from my father. During the years previous to my ownership of this business, they employed an average of fifteen people and supplied my father with what I would consider a higher middle class income. From the time of my ownership in January of 1972 to April of 1973, the business grew to the point where it could support twenty employees and continue to give my father a retired income and support my family on a middle class basis. The business was also able to build enough capital to purchase a second bakery now known as Hazel's in Westwood. Because I have no records of previous sales in this location, percentages in this testimony will refer only to my Wellesley shop. Since April of '73, the business still employs twenty people and still gives my father and myself the same income. But there is no capital to reinvest in the business in the way of some much needed new equipment and another location. My employees have not had a raise during this period. When you look from their side of the picture with the increased cost of living, they are well overdue for a raise. High prices of raw materials and shortages have slowed the growth trend of my business because the consumer is not able, or does not have the desire to pay my higher prices. In support of this I refer to the comparison Mr. Sands (testimony submitted to the record on April 25) made on flour. My bakery products have gone up on an average of 20 percent. This does not cover my new ingredient cost but it seems to be all the customer can bear. This is proven by the fact that my dollar volume has dropped 2 percent. When you take into consideration my prices are up 20 percent, this means my production is down 22 percent.

Note that I have kept all my employees working. I have been forced to take on a wholesale stock which shows no profit. My customer reaction to the price increase has been a lot less verbal than in past years when we've had to increase prices. With all the publicity of food price increases they seem to expect it and accept it quietly. Of course, my dollar volume shows that they are not buying as much of my type of product, except on the important events such as holidays and birthday business, and I think this shows it and it almost has pushed me into a luxury item.

I firmly believe in our nation's business system of supply and demand, and I believe the farmer has the ingenuity and the technology to produce more out of his land and consequently when he can meet this new world market we will have a reverse trend. I'm sure we will never stop paying $7.00 for a bag of flour which we're paying $15.00 for now, in the past we have paid $7.00, $7.95.

I think controls are necessary now because the farmer is just not ready to feed the world and whether or not the United States farmer can feed the world, I don't know. But they've come to the right country if there is a farmer that can do it—I think it's our farmers. Until they gear up I'm afraid we do need some controls and I certainly do believe that when the farmer can sell a bushel of wheat for six dollars, he's going to make more wheat.

I think that it's important to realize that these new countries which can now live at our levels, for example, Japan—a Japanese baker over there producing let's say, a raisin cookie, has absolutely no guidelines on his prices. Maybe his customers have never bought a raisin cookie, but I have an established tradition on my prices and consequently he can come over to this country or his distributors can come and buy the raisin product and they really don't care what they pay for it because the customer is not knowledgeable on what a raisin cookie costs in the United States. But when I compete with that man, the Japanese baker, in the market place for raisins and he pushes my price up to now what is 63 cents—my customers cannot understand this increased cost and his customer doesn't know.

NEW YORK STATE COMPTROLLER ARTHUR LEVITT'S ADDRESS BEFORE THE 30TH ANNUAL ERIE COUNTY MASONIC SUNDAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. Kemp) is recognized for 15 minutes.

Mr. KEMP. Mr. Speaker, on April 28, 1974, following church services at the Episcopal Church of the Ascension and Temple Beth Zion in Buffalo, those in attendance at the 30th Annual Erie County Masonic Sunday had the high honor and profound privilege of hearing New York State Comptroller and our Brother Mason, Arthur Levitt, speak about the inspiration and direction of our Nation and its people.

Another honored guest at this inspirational event was my good friend, the Most Worshipful Lloyd S. Cochran, grand master of Masons in the State of New York, a member of the First Baptist Church of Lockport, and a distinguished and dynamic leader of our craft in New York.

The chairman of this outstanding event was Bernard W. Woodward who, with skill and tireless effort, made the day a memorable event in Erie County Masonic history.

Introduced by another cherished friend, Mike Ellis, Comptroller Levitt delivered an address which was overwhelming in its beauty.

He spoke not only to us who are Masons that morning, but to all good men who care about their God, their country and their fellow men. He said:

> The true destiny of America is the destiny of the smallest town within her borders, the desire to live peacefully, to work honorably, to worship according to conscience and to prosper according to merit.

Mr. Speaker, many of us in the political arena feel that the sense of community and citizen involvement which has guided our Nation for nearly two centuries is on the verge of being lost, perhaps on the verge of being preempted by the Government.

Arthur Levitt's words are telling:

> I am particularly concerned with the vitality of our community life because I see some danger that we are increasingly turning civic activity over to the State. With every increase in governmental budget comes an increase in state participation in social causes. I do not think that our democracy is strengthened when this happens. The causes, themselves, are worthy, but we do not need more bureaucracy. We need citizen involvement.

I know that many of my colleagues in this chamber, in their desire to instill, particularly in the young people of our districts, a sense of urgency to the need for citizen involvement, will reaffirm the insight of Mr. Levitt's remarks:

> It is indeed evil to stand still and do nothing, for we waste the precious gift of mind, of spirit, of freedom. We become parasites on those who care enough to serve humanity; we are not builders in the tradition of our ancient craft, but despoilers. If we are really to have both persuasion and purpose, may we never stand still for long.

Many of us had the exceeding good fortune to hear Comptroller Levitt's remarks. To those who did not, I include them in the Record. The cogency, the wisdom, the urgency and the eloquence speak for themselves.

The address follows:

(Address by State Comptroller Arthur Levitt, at the annual Masonic breakfast, April 28, 1974, Hotel Statler Hilton, Buffalo, N.Y.)

PERSUASION AND PURPOSE

There is a special reason I am happy, even relieved, to be your speaker this morning. Eight years ago I gave the address at the annual banquet of the Buffalo Consistory, in this very room. And for eight long years I didn't hear from the Buffalo Masons again.

So I was sure that you had written off all comptrollers from your guest list.

So it was a great pleasure three months ago to receive your invitation through Brother Ellis. And there are other reasons I am glad to be back in Buffalo.

It was here that I received my second nomination for public office; and here that I have met with so many civic and business organizations on questions of public finance.

I am thankful that we are not meeting this morning on any question of public affairs. You did not invite me here because you want more state money, or because you want to condemn high taxes or the energy shortage or water pollution; important as these subjects may be.

And as I look around this ballroom, there are no signs of the usual conference. There are no tables set up for panel discussions, no visual aids, no side rooms for group seminars, and no exhibits of what is supposed to be right or wrong.

No, you are not meeting to spend somebody else's money, or to condemn somebody else's program.

We have had breakfast together, and we meet together, to further the cause of universal fraternity, of brotherhood, of fellowship.

And earlier this morning we drew spiritual strength from the wellspring of all that we may accomplish in life—our common belief in the one great Architect, through whom there is all light, meaning and power.

Here this morning, in this spirit, is the soul of our great fraternity. And here this morning, in this goodwill, is the answer to every critic of American society.

To be sure, we meet in troubled times—extending to our own fraternity. I do not speak here of any worry about total membership. This is not so important, in my opinion, as some would have us believe. If we have learned anything in our American life of recent years, it is just this: Success is no longer measured by growth in quantity. Rather, success should be measured by the way we improve the quality of life. And so it is with Masonry.

In short, the important thing is that we have persuasion and purpose in whatever we do. It is on this theme that I would speak this morning.

THE MEANING OF "PERSUASION"

The word I used a moment ago—persuasion—is found in a Masonic document some 240 years old. I refer to Anderson's Book of Constitutions, published in England long before we became a nation. In a moment I shall quote from it, but please note that this ancient text had nothing to do with ritual or secrecy much as it has a familiar ring. Rather, it expressed universal moral law, with deep spiritual conviction. Here, then, is what Anderson's book of Constitutions proclaimed:

"A Mason is oblig'd, by his tenure, to obey the moral law; and if he rightly understands the art, he will never be a stupid atheist, nor an irreligious libertine. . .

"'Tis now thought more expedient only to oblige Masons to that religion in which all men agree, leaving their particular opinions to themselves; that is, to be good men and true, or men of honour and honesty, by whatever denominations or persuasions they may be distinguished."

It is in this manner, and in these beliefs, that we find a common fellowship in our fraternity—each according to his own persuasion, but the word "persuasion" means more than mere acceptance. The word was used in the first "Book of Constitutions" when to be a man of God was to risk life itself for a cause; and when to be a good Mason, whether operative or speculative, was to be a builder for mankind.

It is precisely in these two areas—in spiritual affairs and in public affairs—that we need strengthening today if we want to achieve the better society we proclaim. "Dedicate" means to declare, according to the Latin derivation. We best declare our beliefs by the witness we give to others.

Now I am not about to urge you to desert home and family for church or synagogue, nor am I about to urge you to resign from business for political action. I am not going to ask you to become involved in a variety of causes and community programs. Many of you are already involved too much. And this is just the point. We waste the impact of our efforts because we lack economy of direction.

This morning, then, we think back on that old Book of Constitutions and its simple precept that we be "good men and true, and men of honor and honesty." How do we really achieve this in the mad competition, in the multiple demands and the impossible schedules, of the modern world? We do it, I submit, by economy of direction—which really means honesty of purpose.

We do not do it at the expense of health or family; on the contrary, we improve both by the inner well-being which springs from meaningful effort. And there is a valuable by-product: the right use of leisure, something which is slowly vanishing from American life.

When a man is a witness for his beliefs, a contributor to his community, he needs no artificial stimulants for his leisure time. He will know what the ancient philosophers referred to as contemplation and contentment. He will rediscover the wonder of his own mind.

Today, the expanding frontiers of our knowledge reveal the limitless wonders of creation. But in all the universe the human mind finds no wonder as great as the mind itself, no mystery as deep as the human spirit. Through mind and spirit man reaches out to seek the true purpose, the true meaning of what we know as life. As our minds are enriched, as we are lifted up in spirit, so do we come nearer to a perception, however dim, of eternal truth. There is no greater knowledge.

Now I know that it is not intellectually fashionable in certain circles these days to speak of the spirit, the soul or even of things divine. The analyst can't measure them, the biologist can't dissect them, the lawyer can't put them on the witness stand. But some things will remain forever beyond the scope of the computer, or the laboratory, or the rules of evidence.

As the physical limits of the universe are pushed beyond millions of light years, so does the mystery of life, the wonder of creation, deepen. Thinking scientists bear witness to this today as readily as do theologians.

Now then, why should a speaker with a background in law and government be saying these things to you this morning?

My answer is that intellect and faith should be part of every walk of life. I go further and say to you that never before have we so needed in government men and women of intelligence, of faith and conviction, of vision and culture. A republic is truly representative only when it is responsible to all the interests, all the aspirations, of a free society. Here is the hope of America and here is your place in a viable age of challenge and opportunity.

THE MEANING OF "PURPOSE"

This brings us to the second area in which I urge your activity—the area of public service, speaking very generally. Here again, we have an ancient precedent in the history of our craft.

Did you know that Masons, including three early Governors, were pioneers in establishing free education in public schools in the State of New York? They were truly builders for mankind, regardless of individual persuasions.

Our story begins one hundred sixty-five years ago, in the city of New York. At that time, there were no public schools as we know them today. Students paid for their education in private schools, or attended schools established by various religious groups. Our brethren of that day resolved to do something about it, the first idea being to establish a school under the auspices of the grand lodge. This would have been a free school for children of Masonic families.

We may be glad today that this first idea was eventually changed, because it would not truly have been in the spirit of our precepts. Our brethren would have been builders for fellow Masons, not for mankind.

A much better idea evolved.

Although a first school was opened in 1809 for the education of fifty children of poor Masons, in eight years this school was converted into a true public school under the supervision of the State. The support of the Masonic fraternity at that point ceased, but Masons had been instrumental in establishing the idea on which the common school was founded. It is a most noteworthy chapter in the history of our New York State lodges.

From these early beginnings, the interest of our fraternity in education has continued down to the present day. And there have been some very special contributions.

King Solomon Lodge in New York City established a permanent educational fund for post-graduate work.

Parish Lodge in Buffalo established an educational foundation in 1919.

Allegany County Masons established a free scholarship fund at Alfred University in 1940.

Other lodges throughout the State have contributed to endowment funds and their members have quietly helped deserving students complete their college educations.

And certainly we can take pride in the great amount of charitable work done by our Masonic bodies today.

But I would not have you think this morning that these events, these contributions, are the sum and substance of our search for light, nor the only way in which we must build for mankind. There is a higher meaning to which we must dedicate ourselves, to which all men must dedicate themselves, if the eventual temple of universal fraternity is to be built.

Education in this higher sense pervades all of our rituals, all of our interest in the square and compass of our actions. It is the total of our human experience.

You may recall the famous epigram of Albert Einstein, who defined education as "that which is left over, when we have forgotten everything we learned in school".

What we seek is direction in our search for light—guided by purpose, aware of our obligations to other men, and unwavering in our belief in the supreme design of life.

But if we are to adhere to purpose, we must first cleanse our minds of the clutter of other things.

Do you remember the story of the old prospector out west, whose food was so bad that he became thinner and thinner? A friend stopped by one day and said: "Why don't you get yourself a decent cookbook"? "Can't use a cookbook", the prospector replied, "every recipe starts by saying: "First, take a clean dish".

There is a point for us in the anecdote. Every challenge of life requires that we first have an open mind. And we may be proud that so many Masons in our history have had open minds, eager and willing minds, to be builders of America in every walk of life.

Today the challenges were never greater. And looking beyond our own fraternity, we find that much of the work of our society is done by many fine organizations throughout the Nation.

I refer to all of the civic groups in hundreds of our cities, thousands of our villages, and more thousands of our towns all across the face of America, each vibrant with group after group of spirited citizens.

The true destiny of America is the destiny of the smallest town within her borders—the desire to live peacefully, to work honorably, to worship according to conscience, and to prosper according to merit. I think our young people have been desperately trying to remind us of these basic goals in life.

I am particularly concerned with the vitality of our community life because I see some danger that we are increasingly turning civic activities over to the State. With every increase in governmental budgets comes an increase in State participation in social causes. I do not think that our democracy is strengthened when this happens.

The causes themselves are worthy, but we do not need more bureaucracy. We need citizen involvement.

CONCLUSION

Perhaps the greatest weakness in our public life, in our education, even in our fraternal life, is that so many of us leave action to other people—we resist involvement.

And it reminds me of something written by Le Compte Du Nouy years ago in his work on "Human Destiny." It will serve well to bring together the two themes I have been stressing this morning.

The author was a French scientist who grew out of a purposeless life, out of an original agnosticism, into productive scholarship and a deep faith. His conversion was through science itself.

In the closing chapters of his great book, he dealt with the ancient problem of distinguishing good from evil, not in a moral sense but in an absolute sense. And he came to the conclusion that good is that which contributes to the continual progress of man upward from an animal existence, evil is that which pulls man backward from his progress, from his true destiny.

Then he added something, which I oversimplify, but it was to the effect that evil is also that which stands still and does nothing.

It is indeed evil to stand still and do nothing, for we waste the precious gift of mind, or spirit, of freedom. We become parasites on those who care enough to serve humanity; we are not builders in the tradition of our ancient craft, but despoilers. If we are really to have both persuasion and purpose, may we never stand still for long.

Those in attendance at the breakfast, whom I should like to bring to the attention of my colleagues, included:

Irving C. Tepas, past grand chaplain of the Grand Lodge of the State of New York.

Sylvanus F. Nye, grand master, Grand Council Royal and Select Masters, State of New York.

Nelson H. Galster, grand representative of the Grand Lodge of Western Australia near the Grand Lodge of New York.

Gordon Lohman, grand director of ceremony of the Grand Lodge of the State of New York.

Paul N. O'Neill, grand marshal of the Grand Lodge of the State of New York.

Phillip B. Milliron, district deputy grand master, Third Erie District.

Edward G. Eschner, district deputy grand master, Second Erie District.

Albert H. Morgan, district deputy grand master, First Erie District.

Fred R. Sears, past junior grand warden of the Grand Lodge of the State of New York.

Calvin G. Bond, past senior grand warden of the Grand Lodge of the State of New York.

Bruce Widger, junior grand warden of the Grand Lodge of the State of New York.

Albert E. Boxall, 33d commander-in-chief, Buffalo Consistory, Ancient Accepted Scottish Rite.

Angus A. MacKinnon, illustrious potentate, Ismailia Temple, Ancient Arabic Order of the Nobles of the Mystic Shrine.

Ralph Fraser, grand representative of the Grand Lodge of Vermont near the Grand Lodge of New York.

David S. Greenwood, grand representative of the Grand Lodge of California near the Grand Lodge of New York.

Osborne S. Stoddart, grand representative of the Grand Lodge of Arkansas near the Grand Lodge of New York.

C. Jerald Klemp, grand steward of the Grand Lodge of the State of New York.

Alfred M. Zisser, grand sword bearer of the Grand Lodge of the State of New York.

J. Raymond Berg, grand standard bearer of the Grand Lodge of the State of New York.

Frederick M. Marshall, justice of the supreme court and member of the Commission of Appeals of the Grand Lodge of the State of New York.

Raymond D. Kurtz, trustee of the Masonic hall and asylum fund, past district deputy grand master, First Erie District.

Albert H. Hunt, past senior grand warden of the Grand Lodge of the State of New York.

Albert W. Schneider, past senior grand warden of the Grand Lodge of the State of New York.

Wendell K. Walker, grand secretary of the Grand Lodge of the State of New York.

Frederick L. Stutz, senior grand warden of the Grand Lodge of the State of New York.

Charles F. Miller, president, Past District Deputies Association of Erie County, past district deputy, Second Erie District.

William Blumreich, Jr., cochairman of this breakfast, past district deputy grand master, First Erie District.

Richard Southard, president, National Sojourners, Buffalo Chapter No. 39.

Richard W. Hillman, eminent grand senior warden, Grand Commandary Knights Templar, State of New York.

Gregory B. Wildridge, representing brother Alfred G. Russert, monarch, Zuleika Grotto.

Robert E. MacPherson, president, Masonic Service Bureau.

Robert M. Fairchild, president, Erie County Masters Association.

George Freeberg, president, Erie County Wardens Association.

Irving Vogel, president, Past Masters Association of Erie County.

Wallace B. Fox, president, past grand lodge staff officers of Erie County.

James E. Bews, manager of the Masonic Service Bureau, past district deputy grand master, Third Erie District.

John A. Graci, assistant manager of the Masonic Service Bureau of Erie County.

Herman Knochenhauer, president, Erie County Masonic Foundation, past district deputy grand master, Third Erie District.

Lester H. Grawunder, member of this breakfast committee and parade marshal.

Louis E. McGee, member of this breakfast committee on police escort.

Emmett J. Selden, member of this breakfast committee on transportation, past commander of Lake Erie Commandery No. 20.

Sheldon K. Blank, chairman of the Masonic State Youth Committee of the Grand Lodge of the State of New York, past district deputy grand master, Oswego District.

Thomas A. Hughes, member of this breakfast committee on protocol, vice chairman, Grand Lodge Committee on Endowments, past district deputy grand master, First Erie District.

PANAMA CANAL: PAWN IN INTERNATIONAL POWER POLITICS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. CRANE) is recognized for 5 minutes.

Mr. CRANE. Mr. Speaker, among the issues of major significance now before the Congress are those relating to the Panama Canal.

The Member of Congress who for many years has been the recognized leader in bringing them into focus is our most distinguished and scholarly colleague from Pennsylvania (Mr. FLOOD). His latest contribution was as the principal speaker on April 22, 1974, before a distinguished gathering at the National Aviation Club in Washington, D.C., of which Maj. Gen. Clifton F. Von Kann, U.S. Army, retired, is president, and Col. John P. Sigman, U.S. Marine Corps, retired was in charge of arrangements.

The guests included high officials from the following organizations: AFL–CIO, Air Transport Association of America, American Association of Port Authorities, American Institute of Merchant Shipping, American Legion, American Maritime Association, Committee for Constitutional Integrity, Masters, Mates and Pilots, AFL–CIO, Propeller Club of the United States, Radio Technological Commission for Aeronautics, U.S. Army, Corps of Engineers, and U.S. Strategic Institute.

Mr. Speaker, the program was highly informative and should be of interest to all Members of Congress and the Nation at large. Accordingly, I quote the principal parts as follows:

REMARKS OF MAJ. GEN. VON KANN, INTRODUCING CONGRESSMAN FLOOD

Members of the National Aviation Club, Distinguished Guests, Ladies and Gentlemen:

In May 1955, in connection with a treaty then being negotiated with the Republic of Panama, an attempt was made by certain elements in our government to liquidate the Panama Railroad. The member of the Congress most responsible for saving it is our speaker today. What is it in his background that enables him to address us with authority?

Born in Hazleton, Pennsylvania, on November 26, 1903, only 23 days after the secession of Panama from Colombia, he spent some of his earliest years in St. Augustine, Florida, where he learned to speak Spanish before he could talk in English. Other years of his boyhood were lived in Wilkes-Barre where former President Theodore Roosevelt was an occasional house guest at the home of our speaker's grandfather. Thus, the youngster had the unique privilege of hearing the dynamic T. R. himself explain how he launched the Panama Canal and some of his problems in doing it. That rich experience made a lasting impression causing Roosevelt to be his youthful ideal.

During his teens, our speaker spent some of his summers in Caribbean and Central American countries where his fluency in Spanish was a great asset. Many in those countries from Presidents down took an interest in teaching him local history, notably about interoceanic canals.

Majoring in history at Syracuse University where he won an M.A. degree, he then studied law at Harvard and Dickinson, obtained an LL.B. degree in 1929, and started upon an outstanding career that led to his first election in 1944 to the Congress.

In this body, as Vice Chairman of the Special Sub-Committee to investigate the murder by the Soviets of Polish Army Officer prisoners of war, 1951–52, and subsequently as leader of the Captive Nations Program, he has gained a profound insight into communist operations and practices. As a member of the Sub-Committee on Defense of the House Committee on Appropriations, he has attained a vast knowledge of National Defense, including Panama Canal history and problems.

Thus, after the 1955 treaty with Panama had weakened our Country's position on the Isthmus, his understanding of the hostile influences then converging on the Canal and knowledge of defense, enabled him to assume an effective leadership in the Congress on vital canal issues. His numerous contributions on these matters are the most comprehensive treatments on them by a Congressional leader in United States history. In recognition of their importance, the Congress has published a volume of his selected addresses under the title of *Isthmian Canal Policy Questions* (Ho. Doc. No. 474, 89th Congress).

For nearly two decades our speaker's scholarly addresses in and out of the Congress and courageous leadership have won him national and international acclaim as a leading Congressional authority on canal problems. He will soon speak on this subject over the Manion Forum radio network and over the CBS TV "60 Minutes" program.

Theodore Roosevelt always considered that the most important contribution of his administration was the construction of the Panama Canal, which opened the Gateway to the Pacific. In view of the tremendous services of our speaker in defending it, it is fitting that his place in history should be as the savior of the Canal.

It is now my honor to present Representative Daniel J. Flood of Pennsylvania who will address us on the timely and challenging subject "Panama Canal: Pawn in International Power Politics."

PANAMA CANAL: PAWN IN INTERNATIONAL POWER POLITICS

Mr. President, Members of the National Aviation Club, Distinguished Guests, Ladies and Gentlemen:

Among the most gravely vital issues now before the Congress are those affecting what is the jugular vein of the Americas: (1) the threat to continued undiluted United States sovereign control of the Canal Zone and Panama Canal; and (2) the completion of the Canal's suspended major modernization (Ho. Rept. No. 92–1629, p. 36).

Before these subjects can be properly understood and evaluated, it is essential to know certain elemental facts in canal history:

First, in 1901, in a treaty with Great Britain, the United States made the long term commitment to construct and operate an Isthmian canal under the rules governing the operation of the Suez Canal.

Second, in 1902, the Congress authorized the President to acquire by treaty the "perpetual control" of a Canal Zone, as well as the purchase of all property in it, for the "perpetual" operation of the Canal.

Third, in 1903, after the secession of Panama from Colombia, the United States purchased from Panama a grant "in perpetuity" of sovereign rights, power and authority over the indispensable protective frame of the Canal known as the Canal Zone for $10,000,000. This sum, though small on the basis of 1974 values, is greater than that paid for either Florida or Alaska. In the same treaty, our country assumed the annual obligation of the Panama Railroad for $250,000, previously paid by that company to Colombia. This annuity, justifiably adjusted in the 1936 treaty and gratuitously increased in the 1955 Treaty, is not a "rental" for the use of the Canal Zone, as so often stated in the press, but only the augmented annuity of the Panama Railroad, the entire stock of which was bought by the United States for the unrestricted use of that rail line for constructing the canal and its later maintenance and operation.

Fourth, after acquiring the Zone, the United States obtained title to all privately owned land and property in it from individual owners, making the Zone our most expensive territorial acquisition, estimated in 1973 to have cost $161,938,571, which is more than the costs of all our other acquisitions combined (Congressional Record, Vol. 119, pt. XIV, p. 18431).

Fifth, the United States between 1904 and 1914 constructed the Canal in a spot that was the pest hole of the world and a land of endemic revolution, transforming the Zone and surrounding areas into models of tropical health and sanitation that won world acclaim and has served as a force for political stability.

Sixth, the United States under a 1914 Treaty with Colombia, ratified in 1922, paid that country $25,000,000 and gave it valuable transit rights in the use of both the Canal and Railroad. In return Colombia, the sovereign of the Isthmus prior to November 3, 1903, recognized the title to both the Canal and Railroad as vested "entirely and absolutely" in the United States.

Seventh, the total investment of the taxpayers of our country in the canal enterprise, including its defense, from 1904 through June 30, 1971, was $5,695,745,000.

Eighth, Article IV, Section 3, Clause 2 of the U.S. Constitution vests the power to dispose of territory and other property of the United States solely in the Congress, which includes the House of Representatives as well as the Senate.

From all of the above, the evidence is conclusive that the United States is not a squatter resting on the banks of the Panama Canal but its lawful owner. In addition, the validity of the title of the United States to it has been recognized by the Supreme Court (Wilson vs. Shaw, 204 U.S. 24, 1907, at 31–3) and no amount of demagoguery or sophistry can alter the essential facts.

As was foreseen by the able leaders of our government, in the early part of the 20th Century, who developed our historic Isthmian Canal policies, the Canal Zone and Panama Canal, in a realistic sense, form part of the coast line of the United States; and today it transits some 15,000 vessels annually. Thus its continued efficient operation and protection are just as vital to interoceanic commerce and Hemispheric security as are the safe navigation and defense of the Chesapeake Bay or the Mississippi River.

Perceptive students of U.S. foreign policy in recent years have increasingly recognized that the U.S. Department of State has been infiltrated by elements hostile to continued United States sovereign control over the U.S. owned Canal Zone. Its record has been one of misrepresentation and falsification. Its purpose has been not the protection of United States interests at Panama but the waging of campaigns of deceit against the people of our country as so often illustrated by that agency's repeated efforts to dismember the Canal Zone by piecemeal erosions. For example, in the case of the Panama Railroad, the State Department planned to liquidate that important rail link and actually succeeded in giving away its freight yards and passenger stations in Panama City and Colon. The Congress stepped into the situation and after thorough study of the road's operations, saved the main line. Now, you have a railroad without its designed terminals. Can you imagine anything more stupid?

It was, therefore, no surprise to a growing number of well informed members of the Congress, when on February 7, 1974, U.S. Secretary of State, Henry A. Kissinger, and Panamanian Foreign Minister, Juan A. Tack, without advance authorization by the Congress, signed an 8-point "agreement on principles" to govern the negotiation of a new canal treaty. (Congressional Record, Vol. 120, Feb. 13, 1974, p. 2998.)

Stripped of its ambiguities, contradictions and fallacies, this piece of diplomatic trickery is a blueprint for an abject surrender of United States treaty-based sovereign rights, power and authority over our most strategic waterway that is certain to open a Pandora's Box of difficulties. Related to these will be the treaty rights of Great Britain and Colombia as well as the interests of all maritime nations that use the canal and have to pay tolls. Some of these countries are already delving into the situation and will undoubtedly take steps to protect their interests.

As to the appeal so often made to North American idealism and generosity in the form of "returning" the Canal Zone to Panama, what are the facts? That country prior to November 3, 1903, was a part of Colombia, from which it seceded. It did this only after years of frustrated waiting for Colombia to arrange for the construction of the canal at the Panama site. When Panamanian leaders saw their long hoped for project endangered by the authorized construction of a canal at Nicaragua, Panama revolted and declared its independence from Colombia to obtain this vital waterway.

When construction by the United States was started in 1904 the jubilation of the Panamanian people was practically unanimous. As foreseen, extensive employment of Panamanians and other economic advantages quickly brought a prosperity to Panama not equalled elsewhere in Central America.

Panama's jurisdiction over what was to become the Canal Zone territory was brief, officially ceasing on ratification of the 1903 Treaty, which was February 26, 1904. This means that Panama had jurisdiction over the Zone for only three months and 23 days—a very weak basis on which to justify giving Panama the Zone territory. If the Zone is to be given to any country it should not be given to Panama but to Colombia; but I feel certain that the Congress would be just as adamant in opposing such proposal as it is to giving it to Panama.

The President of the United States, in a mistaken gesture of friendship and on recommendation of the State Department, on September 14, 1960, after the adjournment of the Congress and in disregard of a resolution adopted by the House of Representatives by a vote of 382 to 12 in opposition to the display of the Panama flag in the Zone, directed that it be flown at one place in the Canal Zone as "visual evidence" of Panama's "titular sovereignty" over that territory. Instead of improving relations this action served to extend the breach in the dikes of our juridical structure on the Isthmus caused by the 1936 and 1955 Treaties, with the predicted result that Panama would interpret such display as an admission by the United States of full Panamanian sovereignty. Today, Panama flags are flying from one end of the Zone to the other equal with those of the United States, and even on such vital structures as the locks, thus tending to promote agitations for full Panamanian control. Most certainly, these flags should be removed for the flag has only one meaning and that is sovereignty; and the only flag that should fly in the Zone is that of the United States.

What is meant by "titular sovereignty" that has been so often used in the press? This expression has a long history going back to the time of Secretary of State Hay and Secretary of War Taft, who recognized that by the terms of the 1903 Treaty Panama retained what those statesmen in an unfortunate slip of language, called a "titular sovereignty" over the Canal Zone.

Actually no such phrase can be found in the treaty by which the United States acquired the Canal Zone. Neither a Secretary of State nor any government functionary had the authority then or at any time to imply any curtailment whatever of the total sovereignty as defined in the Treaty. Any abridgment involving the disposal of territory or other property of the United States would require the preponderant action of both Houses of the Congress, At best, "titular sovereignty" can only mean a reversionary interest on the part of Panama in the sole event the United States should abandon the Canal or fail to meet its treaty obligations to maintain, operate, sanitate and protect it. Despite my repeated requests, the State Department has failed to correct that unfortunate error, "titular sovereignty", which failure has added to the public confusion surrounding the Canal Zone sovereignty question.

As previously indicated, there are only two basic issues regarding the Panama Canal: (1) continued undiluted U.S. sovereignty over the Canal Zone; and (2) the major modernization of the existing canal. All other matters, however important, including the extensively propagandized sea level proposal, are asserted to be "irrelevant" (Ho. Rept. No. 92–1629, p. 36).

The prolonged agitations over Canal Zone sovereignty have served to delay and confuse the proper solution for major modernization, with resulting inconvenience to the users of the Canal and those who operate it.

As to whether the United States should surrender its sovereignty over the Canal Zone to Panama, there is no doubt as to how our people feel. Following a national TV debate on this question over *The Advocate* program on March 15, 1973, more than 12,000 citizens reported their views, with 86 percent of them against any surrender to Panama. In recent weeks, my own correspondence from 48 of the United States and abroad is almost unanimous in opposition to the projected giveaway. In addition, State Legislatures have passed resolutions opposing it and more are in the process of doing so.

As stated on other occasions, I can think of no better way to cause another time-wasting confrontation with the Congress than to send to it a treaty calling for the transfer to Panama of the U.S. Canal Zone territory. In that event, the Congress, in the exercise of its Constitutional responsibility (U.S. Constitution, Art. IV, Section 3, Clause 2) will dispose of such a pact of intended subservience where it belongs—in the waste basket.

United States policy of exclusive sovereign control over the Canal Zone and Canal is based upon realities, including treaties with Great Britain and Colombia. For the United States to assume the obligation of operating and defending the Canal after surrender of sovereignty over its protective frame of the Canal Zone, would place our country in the position of having grave responsibility without requisite authority, which is unthinkable in the management of a project of such magnitude of importance.

The operation of the Canal by the United States on an extra-territorial basis in a land of endless intrigue and turmoil could only result in endless conflicts and recriminations. Besides, it would result in the removal of an island of stability on the Isthmus that has often served as a haven of refuge for Panamanian leaders seeking to escape assassination. One of the most recent Panamanians to seek refuge there was Senor Torrijos, the wife of Panama's Chief of Government, during an attempt to depose her husband while he was out of his country. Most certainly, the Congress will never appropriate huge funds for a canal project in an area that the United States does not control and that during the last 70 years has had 59 presidents.

To clarify the sovereignty question there have been introduced in both House and Senate multi-sponsored and fully pro-United States resolutions expressing in the strongest possible terms opposition to the surrender at Panama of any of our sovereign rights, power, authority or property, except by treaty authorized in advance by the Congress and ratified by the United States. The giveaways contemplated in the previously mentioned "agreement on principles" for the negotiation of a new canal treaty were not authorized by the Congress and are obvious attempted usurpations of power that must be put down.

The recent attitude of the State Department as regards the sovereignty issue can have no reasonable interpretation as an honest effort to ease tensions. Instead, its officials know that Dictator Torrijos of Panama has publicly proclaimed his esteem for the Castro regime in Cuba, expressed his admiration for the Soviets, and openly threatened violence against the Canal Zone. This is the strong man of the pro-Red defacto government in Panama to which self proclaimed liberals in the State Department seek to deliver our Panama Canal. These officials have not even troubled to stipulate any terms for payment by Panama for the billions that the taxpayers of the United States have spent on the Canal enterprise and its defense.

As for the major modernization of the existing Canal, this project was authorized in 1939 under existing treaty provisions, started in 1940, but suspended in 1942 because of more urgent war needs after the expenditure of some $76,000,000, mostly for huge lock site excavations at Miraflores and Gatun that are usable. When to this sum are added $95,000,000 spent on the widening of Gaillard Cut that was completed in 1970, the amounts already applied toward the major modernization of the Canal Zone total more than $171,000,000.

During World War II there was developed in the Panama Canal organization, as a result of war experience, what is known as the Terminal Lake-Third Locks Plan which won the approval of President Franklin D. Roosevelt as a post war project. Most significantly, this plan does not require a new treaty with Panama, which fact is a paramount consideration. Legislation for it, now pending in both Senate and House, has aroused strong support among important shipping interests, engineers, ecologists, navigators, and other experts, including Panama Canal pilots, who know more about the marine operations of the canal than any other professional group in the world. Moreover, the Terminal Lake-Third Locks solution has the great advantage of preserving the fresh water barrier of Gatun Lake between the oceans, thus preventing the infestation of the Atlantic Ocean with the poisonous Pacific sea snake and the voracious crown of thorns starfish.

When the long overdue work on the major modernization proposal is resumed, its economic and other advantages to the Isthmus and inter-oceanic commerce will be so obvious that current agitations in Panama over sovereignty should vanish like a tropical fog in the morning sun.

Historically, the Caribbean has long been a focal area of conflict because its location is strategic. Today, Soviet power has Cuba, Soviet submarines cruise regularly in nearby waters, and the main Soviet objective is directed toward wresting control of the Panama Canal from the United States, making that vital waterway a pawn in international power politics. Thus, the real issue involved in the Canal Zone sovereignty question is not United States control versus Panamanian but continued undiluted U.S. sovereignty over the Zone versus U.S.S.R. control; and these are the issues that should be debated in the Congress and the mass news media. The importance of these questions is shown by the recent co-sponsorship in the U.S. Senate by 35 members of a resolution opposing any surrender at Panama and their discussion in Atlanta at the current meeting of O.A.S. foreign ministers.

The elements of the news media that most loudly advocate surrender of the Canal Zone to Panama are precisely those that urged United States support to Communist Mao Tse-Tung in China with the claim that he was only a mild agrarian reformer and later urged the installation of Fidel Castro in Cuba while ridiculing evidence that Castro was a Red revolutionary.

What is needed now is prompt action on pending measures in the Congress concerning sovereignty and major modernization. Their adoption and enactment, respectively, will quickly clear up the present confused atmosphere as regards United States sovereign control over the Canal Zone and facilitate resumption of work on the major increase of transit capacity and long needed operational improvements. Completion of this project will provide at least cost the best canal for the transit of vessels practicable of achievement and greatly increase its concentrational capabilities for our naval forces. The last will be of increasing importance as the numbers of our naval vessels go down toward their pre-World War II level.

Thus to get on with our great responsibility and obligation to enlarge the Panama Canal and improve its operations, we must be uncompromisingly emphatic in declaring that our answer to any proposed abrogation or curtailment of complete United States sovereignty over the Canal Zone is a resounding no; and we will say it again, again

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STATES IMPROVE VOTER REGISTRATION SYSTEMS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. Frenzel) is recognized for 15 minutes.

Mr. FRENZEL. Mr. Speaker, proponents of the national postcard voter registration bill (H.R. 8053) argue that the postcard system is needed because the States have refused, or at least have been reluctant, to institute changes in their systems of voter registration.

I believe that the assumption that the States have not acted is a Washington-type assumption, based on ignorance of local conditions. Many changes have occurred in the various States throughout this country in the past several years, particularly since the passage of the Voting Rights Act of 1965. Registration systems and requirements have been simplified. Procedures have been modernized. Southern States, particularly, have made great improvements. North Carolina has what is generally considered to be the best data processing program for its registration system, and the Virginia registration law has been completely rewritten and is considered a model.

Since the Congress has been considering a postcard registration bill, I have had much correspondence with Secretaries of State and local registration officials. While the communication was directed toward analysis of postcard registration, I would like to share with my colleagues some of the statements contained in that correspondence from the Secretaries of State which reveals some of the interesting changes and new programs of registration.

Here are some of the examples:

> Missouri did not have a state-wide registration until last year when a bill was passed which modernized and simplified their registration procedures in the following ways:
>
> Voters may register by mail if they are unable to get to a registration office because of illness, disability, absence from the county, or by reasons of employment.
>
> A voter's registration is not automatically stricken if the voter does not exercise his right to vote.
>
> Transfers of registration (when a voter moves) may be made entirely by mail.
>
> Voters who move after the close of registration are not prohibited from voting, but may cast their ballots at their old polling places.
>
> The primary method of canvassing the rolls is in conjunction with the United States Postal Service (a sharp distinction from the old method of door-to-door canvassing, where frequently voters were stricken from the rolls because they were not at home when they were canvassed.)
>
> Registration officials may appoint as many deputies as they need.
>
> Registration can be conducted in county court houses, city halls, and at any other location.
>
> Finally, the bill enacting these provisions has an unusual "purpose clause" which is worth noting: "It is the intent of this act that the election officials of each county, in connection with the registration of voters and in order to promote and encourage voter registrations, shall establish a sufficient number of registration places throughout the county and at such days and hours for the convenience of persons desiring to register, to the end that registration may be maintained at a high level."
>
> James C. Kirkpatrick,
> *Secretary of State, Missouri.*

The State of Colorado increased their registration roles between the primary election and the general election in 1972 by approximately 25 percent throughout the State and in some of the larger counties it exceeded 35 percent during that same period. This dramatic increase came about because:

> The County Clerks' offices throughout the State are very strategically located for the registration of new voters in that, besides branch offices of the County Clerk in the larger counties and branch registration offices before elections, our law also permits the City Clerks or Municipal Clerks of all the municipalities in Colorado, of which there are over 250, to be ex-officio registrars of the County Clerks for registration of electors.
>
> James L. Eitemiller,
> *Elections Officer,*
> *State of Colorado.*

One of the chief arguments in favor of a national postcard system is that existing State registration systems serve as an obstacle to voter participation. However, in Idaho almost 90 percent of their voting population is now registered under a semipermanent card registration system:

> Existing registration provisions do not require re-registration unless an elector: (1) changes residence, (2) changes name, or, (3) fails to vote at least once during an eight-year period.
>
> Pete T. Cenarrusa,
> *Secretary of State, Idaho.*

Many States have instituted law which provides for evening registration and additional registration localities such as New Jersey and Wyoming:

> The State Law also provides that, "in each county the commissioner of registration shall submit to the Secretary of State on or before June 15 of each year a plan of evening registration for the general election. Such plan shall include making available in each municipality, the place or places to be opened between the hours of 6 o'clock and 9 o'clock in the evening for at least 6 working days immediately preceding the close of registration. Evening registration facilities shall also be made available in each municipality once each week during the 6 calendar weeks immediately preceding the close of registration for the general election."
>
> The commissioner or county board of elections may provide for mobile registration within their counties. This plan has worked well over the years, since it is convenient for most individuals and it saves them time and eliminates traveling any great distance to reach the county or municipal offices.
>
> J. Edward Crabiel,
> *Secretary of State, New Jersey.*
>
> Wyoming makes registration for voting quite simple. Registration may take place in the office of the county clerk or at special localities set up by the county clerk. In addition, Wyoming presently allows for absentee registration by mail. Upon request a registration oath card is mailed to the elector.
>
> Thyra Thomson,
> *Secretary of State, Wyoming.*

Other States, like Nebraska, who has approximately 850,000 voters registered, have just stopped short of imposing criminal sanction for failure to cast a ballot:

> Here in Nebraska we have a voter registration deadline of ten days before the election—not thirty. We provide for registration with the absentee and disabled ballot. Our absentee and disabled ballots are ready for distribution thirty five days before the election. We have provided hundreds of additional places of registration.
>
> In Nebraska during the last week of registration, the various registration officials maintain office hours each evening in addition to the regular hours. We have ruled that the students can register within their home town or the college town. We have substantially liberalized the disabled voter situation. For example, the ballots can be removed from the polling place and taken to a wheelchair patient parked outside of the polling place. We provide that any other voter can attest to the disability of a person applying for a disabled ballot. Our law provides for transpor-

tation of disabled voters to the polling place. We also have special laws to help the blind and paraplegic voters in that they may be assisted in the voting booth by a member of the immediate family.

ALLEN J. BEERMANN,
Secretary of State, Nebraska.

The significance of these changes is that they demonstrate the awareness of the States that registraton procedures have been too restrictive in the past. The States are moving ahead quite vigorously in this area, and can be expected to do more in the future.

APPRECIATION SHOWN FOR SMALL BUSINESS ADMINISTRATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Rhode Island (Mr. ST GERMAIN) is recognized for 5 minutes.

Mr. ST GERMAIN. Mr. Speaker, a year ago the economy of Rhode Island suffered a stunning blow when the Department of Defense ordered huge cutbacks in the naval facilities at Quonset, Davisville, and Newport. With the loss of the Navy, the largest single employer in Rhode Island, prophets of doom speedily arose to voice dire forebodings. Once again, as it has since the days of founder Roger Williams, the resilient spirit inherent in the character of Rhode Islanders bounced up to confront adversity and turn it to advantage.

With courage and initiative, the citizens took positive action toward economic recovery, first seeking aid from the appropriate Federal agencies, such as the Small Business Administration.

In similar circumstances, Federal agencies proffering help are often abused and slandered by the populace, and rarely accorded the smallest degree of gratitude or acknowledgement. From Newport, R.I., one of the hardest hit areas in the naval cutbacks, Councilman Lawrence E. Newsome has extended thanks and appreciation for the Small Business Administration's endeavors on behalf of that city. I would like to acquaint my colleagues with the sentiments of Newport, Mr. Newsome, and all Rhode Island, as addressed to Mr. Thomas S. Kleppe, Administrator of the Small Business Administration:

NEWPORT, R.I., *March 31, 1974.*

Mr. THOMAS S. KLEPPE,
Administrator, Small Business Administration, Washington, D.C.

DEAR MR. KLEPPE: It has been almost a year since the Department of Defense announced the cutback in Newport, Rhode Island, and I felt this was a good time to reflect on what has been accomplished during the past year to facilitate our economic recovery.

As a city official who has been deeply involved in improving the business climate, I thought you would be interested in one of the foremost impressions that has been left with the City Council. From the day of the disestablishment announcement we have received more attention and cooperation from the Small Business Administration than all the other agencies combined. The direction we have received has made our job much easier.

We would especially like to thank Dan Koehler of the Washington Office and locally, Charley Fogarty and his team including Ed Migliaccio and Sal DeSimone. These gentlemen have made countless trips to Newport to participate in workshops, meetings, and individual conferences. Their understanding and expertise have been warmly welcomed by the City Council and especially by the small business community. It is hoped that this cooperation will continue as long as there are small business people in Newport who need your help.

Sincerely yours,
LAWRENCE E. NEWSOME.

EGLIN AFB WINS 1974 HENNESSY TROPHY AWARD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. SIKES) is recognized for 5 minutes.

Mr. SIKES. Mr. Speaker, I take pride in the fact that Eglin Air Force Base in Florida's first and finest district has been named a winner of the 1974 Hennessy Trophy Award. I am proud of this base for its many outstanding contributions to the Nation's defense.

Details on the Hennessy Trophy Award are contained in the release which I submit herewith for printing in the RECORD:

EGLIN AIR FORCE BASE, FLA.—AFSC—AND SHU LIN KOU AIR STATION, TAIWAN—USAFSS—HAVE BEEN NAMED THE WINNERS OF THE 1974 HENNESSY TROPHY AWARDS

The Hennessey Trophy competition honors the memory of John L. Hennessy, a member of the World War II civilian board appointed by President Franklin D. Roosevelt to assist the military with food service problems. The Air Force Hennessy Awards are designed to recognize and commend those special Air Force bases which excel in the management, preparation, and service of food to their personnel.

Eglin won in the multiple-unit category which is for bases with more than one food service facility. Eielson Air Force Base, Alaska (Alaskan Air Command), was second.

For the second year in a row, Shu Lin Kou Air Station won in the single unit competition; the Air Force Academy placed second.

Two evaluation teams, composed of Air Force and civilian food industry representatives, visited dining halls of 15 major command nominees before making their selections. Team members examined management effectiveness, customer service, and food service techniques.

Lt. General William W. Snavely, Deputy Chief of Staff/Systems and Logistics, Hq USAF, will represent the Air Force Chief of Staff and present the trophies to the winners May 18 in Chicago at the annual convention banquet of the National Restaurant Association (which has sponsored the awards program since 1956).

W. HENSON PURCELL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. GRAY) is recognized for 5 minutes.

Mr. GRAY, Mr. Speaker, during the Easter recess while the CONGRESSIONAL RECORD was not being printed I was unable to announce to the Congress the passing of one of America's most outstanding senior editors, columnist and humanitarians of all time. I am sorry to announce that on Saturday, April 13, 1974, Mr. W. Henson Purcell, senior editor of the West Frankfort, Ill. Daily American passed away in the Union Hospital in that city. Mr. Speaker, this RECORD would not hold all of the sterling qualities and accomplishments of Henson Purcell. He had received almost every National, State, and local award that the journalism profession could offer. His "A Father's Farewell to His Soldier Son" feature story in 1947 won the National Headliners top award, the Silver Medallion for consistently excellent feature writing. In addition to dozens of other awards from the wire services and other media Mr. Purcell wrote a daily column called "Mine Run", which was read and enjoyed all over the country.

Mr. Speaker, the age which seems to be passing into history has been an age of strong men. Strong in character. Strong in dedication and loyalty to God and country. Strong in the bond of family love. Henson Purcell was the epitome of all of these strong attributes and many more too numerous to mention.

Mr. Speaker, during my 20 years in Congress I learned much from the friendship and writings of Henson Purcell. He has created a void in our community that cannot be filled. His lovely wife whom he called affectionately in his column, "Lona Beth Lee" their two daughters, Mrs. Ray Curry of St. Louis, Mo. and Mrs. Andrew Patterson, El Cajon, Calif., a son, Dr. Thomas Purcell, of Southern Illinois University, Carbondale, Ill., two brothers and two sisters and a host of grandchildren and great-grandchildren can be truly proud of this dedicated Christian American. Mr. Speaker, Henson Purcell loved southern Illinois with a fierce passion.

Traveling about the beautiful countryside motivated him to achieve great things for his fellow man. He was active in church work, civic, and fraternal organizations, the Salvation Army, and many other worthwhile organizations in addition to his great contribution to the journalistic field. Henson Purcell has left a great monument in his community for his life and work. His death has saddened us very deeply but we thank God for having sent him our way.

Mr. Speaker, Mr. Purcell's colleagues at the West Frankfort Daily American have written an editorial that speaks far more eloquently than any words I can utter, therefore, under previous order granted me I herewith include an editorial from the Monday, April 15, 1974 edition of the Daily American entitled "W. Henson Purcell. He's Cast a Long Shadow":

W. HENSON PURCELL—HE'S CAST A LONG SHADOW

The news story on page one of this issue, announcing the passing of Henson Purcell, does not adequately portray the full significance of his contributions to The Daily American or to the West Frankfort community over the past 57 years.

He had the finest character of any man we have ever known.

He had understanding and compassion.

He was unafraid to take an editorial position because it was unpopular.

W. Henson Purcell was a great editor because he was a great human being. He was the epitome of character in upholding the public interest for almost 60 years.

Some men love money. Others love power. W. Henson Purcell loved the truth.

A primary reason for Henson's success

over the years in his many endeavors, both journalistic and civic, had been the great human qualities of the man—his compassion, understanding and concern for others. Their problems became his problems. Others sorrows caused him grief. And nothing made him happier than to rejoice in the good fortune of his friends and associates.

These great qualities were reflected in his management of The Daily American—in his dealings with the public and with his staff.

These same qualities were reflected in the type of civic activity that drew his interest and attention—his church, the local Salvation Army, the Chamber of Commerce, The West Frankfort Community Council, the city government, the public school system and countless others. Selflessness and love of mankind prompted him to work long hours in trying circumstances in which he believed.

While the entire West Frankfort community has suffered a great loss with the passing of Henson Purcell, The Daily American family has suffered an irreplaceable loss. As stated in the news story, for many of us working at The Daily American, it will no longer seem the same. His death marks the passing of an era—of a generation of great newspaper people whose skills and devotion have made The Daily American what is is today.

If, as Ralph Waldo Emerson wrote, "an institution is the lengthened shadow of one man," W. Henson Purcell's shadow looms large over The Daily American and the entire West Frankfort Community.

NEED FOR SOME CONTROL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. REES) is recognized for 5 minutes.

Mr. REES. Mr. Speaker, today, April 30, marks the last day for the Economic Stabilization Act. On May 1 not only will there be no more wage and price controls, but all of the Economic Stabilization Act's monitoring machinery will cease to exist.

As one Member of Congress, I feel very strongly that we have let the country down. While wage/price controls, especially in phases III and IV were not very effective, this country still needs an agency which can oversee the problems of inflation. I believe it is an unfortunate overreaction by Congress that brings us to a situation where we are willing to completely dismantle the wage/price monitoring machinery. It is ironic that this overreaction comes at a time when the United States is facing a soaring double-digit inflationary spiral.

I would hope that Congress might reconsider its earlier inaction and at least approve the existence of a watchdog agency, even if this agency is devoid of specific power to institute controls on wages and prices.

I would like to conclude my remarks by inserting an excellent article written by Hobart Rowen, the financial editor of the business section of the Washington Post.

REQUIEM FOR CONTROLS

(By Hobart Rowen)

Thanks to an extraordinarily efficient lobbying job by business and labor groups—especially the AFL-CIO—the prospect that any form of wage and price controls will be continued after April 30 is dead.

The Nixon administration, which never wanted controls in the first place, lost the opportunity for standby controls by equivocating on the issue.

Even the skeleton authority provided in an eleventh-hour bill introduced by Rep. William J. Stanton (R-Ohio) that would monitor decontrol commitments previously made by large companies has been killed by the House Banking Committee.

To abandon all government controls, as Sen. Jacob Javits (R.-N.Y.) has said, is irresponsible at a time when inflation rates in the United States are higher than at any time since the First World War.

When the administration proposed dropping virtually all controls on April 30, it confidently expected that a Democratic Congress, anxious to keep the monkey on Nixon's back, would say "no." By keeping controls in force, the Congress would have saddled the administration with the responsibility of decontrolling at a time of high inflation.

"We gave Nixon all the ammunition he needed," the Democrats on the Hill might have said. In fact, that reasoning accounts for the origin of the original economic stabilization act in 1970, which the Democrats passed over Nixon's objection—and which, when he used it on Aug. 15, 1971, stunned Democrats as well as Republicans who knew Mr. Nixon's record of opposition to controls.

But now, the Democratic leadership on the Hill has caved in completely to the business and labor pressures. With some validity, labor argues that in the past year, price control has been allowed to become ineffective but wages have been kept under tighter control.

Labor can even cite one of its current arch enemies, Federal Reserve Board Chairman Arthur Burns, to validate its claims that workers' real purchasing power has been cut by as much as 4 per cent during the past 12 months.

"There's nobody left for controls except a few economists," says a procontrols senator quite sadly, "and nobody is quiet sure these days that you should believe what the economists say."

Nevertheless, the prospect that the plug would be pulled all at once on April 30 disturbs Cost of Living Council Director John T. Dunlop, who has been conducting a one-man campaign for support of a compromise Democratic measure sponsored by Senators Adlai E. Stevenson (D-Ill.) and J. Bennett Johnston Jr. (D-La.) which would have kept controls for another six months, with stand-by authority for six months beyond that.

Originally, the administration asked for extension of mandatory controls only on health and petroleum, and intended to keep them on the construction area as well.

But the Senate Banking Committee overwhelmingly killed the Stevenson-Johnston bill, which sent Dunlop scampering valiantly for something like the Johnston bill.

There is no question that public enthusiasm for controls has dwindled.

ECONOMIC IMPACT

With prices skyrocketing, consumers obviously believe they have become useless. Ever since the unhappy—even idiotic—abandonment of Phase II in January 1973 the effectiveness of price controls has been all downhill.

So there was little doubt that April 30 was to have marked the end of one era, that of mandatory controls. But it should have marked the beginning of another—the availability to the government of formal stand-by controls. This is the route that an expert like Arnold Weber, the first COLC director, advocates.

The reasoning is that some governmental authority has to be available and sensitive to the price mechanism in this country so as to neutralize the powerful special interests that exist. Stand-by controls relating to wages are necessary as well: It is considered likely, for example, that with no government "club in the closet," construction wage increases this year will again zoom to the 10–14 per cent bracket.

Much of the potential for controlling inflation today relates to encouragement of improved supply and, again, that calls for a governmental presence to work with industry and labor.

None of this is compatible with the passionate antipathy to controls exhibted by the "free market" men of the Nixon administration: Shultz, Stein and Ash. To recall Bob Nathan's witticism, it's been like having the famous madam, Polly Adler, running a convent.

But Democrats on the Hill no longer can point to the administration as bearing the sole responsibility for a runaway inflation. They have failed the country by succumbing to business and labor interests.

As Weber says, "the (controls) orphan may not have been rolled under a truck, but it's been allowed to waste away in the snow."

HEAVY LIFT HELICOPTER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. ASPIN) is recognized for 5 minutes.

Mr. ASPIN. Mr. Speaker, quietly and with little internal discussion or congressional oversight, the Army has converted an $80.6 million advanced technology component program—ATC—for a proposed heavy lift helicopter—HLH—into a huge $252 million program that includes the building of two complete prototypes of the proposed HLH.

Boeing Aircraft, the principal contractor for the HLH program has enjoyed an increase in its contract from an initial award of $67.3 million to a current value of $137 million—a lucrative 100 percent increase in their contract. The total cost increase from $80 million to $252 million represents a 213 percent cost growth on the program.

While violating both congressional mandates and Department of Defense regulations, the Army through bureaucratic maneuvering and quiet prodding has converted a simple, relatively low-cost program into a huge helicopter program. The history of the Army's efforts to build this flying white elephant is a perfect example of how minor research and development projects acquire a bureaucratic life of their own and are converted without adequate internal or congressional review into major programs.

A careful review of the HLH program indicates that the project confronts so many problems that I believe that the proposed $57.7 million in this year's fiscal year budget should be deferred pending a detailed and comprehensive review by the senior officials of the Pentagon, the completion of a thorough investigation by a special General Accounting Office team specifically assigned to study this program for 6 months, and a complete and thorough review by appropriate congressional committees.

Mr. Speaker, this helicopter known as the heavy lift helicopter—HLH—is so gigantic that as presently designed it will not even fit into any of the Army's hangars. This flying monstrosity will be 162 feet 3 inches in length and 38 feet 6 inches high. Its rotary blades will be 92 feet in diameter and the entire aircraft will have a design weight of 118,000 pounds. It is designed normally to carry a payload of 22.5 tons.

Even before the Army began its quiet

movement to convert a minor program into a major and costly effort, the Pentagon had consciously and arrogantly violated a specific congressional directive by permitting the building of two heavy lift helicopters—one by the Army and the other by the Navy—instead of one. In 1971 the Defense Appropriation Act conference report said that "the Department of Defense is directed to revise the heavy lift helicopter program" so that one aircraft could be built for the Army and the Navy/Marine Corps. In January 1972 the Pentagon decided to build two different heavy lift helicopters—HLH for the Army and the CH53E for the Navy/Marine Corps. The crucial difference between the capabilities of the two aircraft is the HLH's ability to lift 22.5 tons as opposed to the CH53E's capacity for lifting 16 tons.

The Army's bureaucracy has converted in five steps the award of the $67.3 million advanced technology component—ATC—contract to Boeing Vertol in June 1971 into a $252 million program which may snowball into a multibillion dollar procurement disaster involving huge cost increases.

Step one was selecting the contractor. Originally the request for proposal—RFP—indicated that several contractors should compete in the ATC program for the development of advanced technology components for the HLH helicopter. Then something strange happened. One complete proposal offered by the Sikorsky Helicopter Co., was for some unknown reason, labeled nonresponsive. The Boeing Co. was selected for the ATC program. Even though Sikorsky was willing to build and flight test for 50 hours the complete helicopter for $78.6 million Boeing was selected. Two unanswered questions are: why was the Sikorsky proposal never evaluated and why was Boeing selected without any other competitors? Ignoring the provision of the original RFP obviously stifled industrial competition and made Boeing the primary beneficiary of this unfolding boondoggle.

Step two was adding to the ATC program a complete engine which could be flight tested.

Originally the ATC or the advanced technology component program was planned to include the so-called bench testing of the rotor system, cargo system, and flight control system of a new heavy lift helicopter using a simple diesel engine—not one designed to actually fly the HLH. In addition, a dynamic system test rig—DSTR—was to be erected in order to test various parts of these crucial components at the same time.

But, in April 1972 the Department of the Army awarded a specific $15.5 million addition to Boeing's existing contract to provide specific flight engines which could be used to actually fly a HLH helicopter. Under the initial ATC plan, a simple diesel engine would be provided since only the rotor system, the cargo system and flight control system are actually being tested. Now, the Army suddenly made a change which resulted in a quantum jump in the level of research and development effort. The HLH was off and running and it had acquired a bureaucratic stamina of its own.

When the ATC program was expanded to include a full-scale flight engine Boeing Vertoil was authorized to award a $9.5 million subcontract to the Allison Corp. to build new engines for ATC tests. According to Boeing's original ATC contract, the company can earn a 3-percent fixed fee and a potential 12-percent award fee. According to the recent investigation of the General Accounting Office, Boeing could earn award fees potentially valued at $1.6 million. The GAO determined that these fees were "unrealistic and excessive." Since Boeing's management effort on the $15.5 million contract was only $1 million and its overhead about $3 million, this special incentive of $1.6 million is totally unnecessary.

The contracting officer for the HLH program realized this fee was incredibly excessive and decided to redistribute $800,000 to other ATC technical projects. GAO attempted to determine whether the redistribution of the $800,000 and potential award fees were justified or not. They concluded that they could not find any additional work or risk to justify the additional award fees.

In other words, Boeing will probably earn a totally unjustified and completely unnecessary fee for its work on this contract. In addition, by selecting one contractor now for the prototype engines Boeing has probably limited future competition on production engines. In fact, project office officials admitted to GAO that "only a small possibility exists for any competition developing HLH production engines."

Step three took place on January 29, 1973, when the Army again expanded Boeing Vertol's contract on the HLH program. They added $56.5 million in order to build a so-called austere prototype. The prototype would be flight tested and now all components of a proposed HLH helicopter would actually be built.

Congress reacted coolly to the proposal for the first prototype. In fact, in fiscal year 1973 the Congress reduced the amount for the HLH program from $53 million to $38 million—the difference of $15 million representing the amount requested to initiate the development program.

The Army chose once again to ignore specific congressional directives from the House Appropriations Committee and proceeded to award the development contract for the program. The Army disregarded a clear congressional indication by the House Appropriations Committee of its disapproval of the prototype program.

Like all other major weapons systems the Army began preparing a so-called selected acquisition report—SAR—on the HLH program. According to the Pentagon instruction—7000.3—the SAR report which is provided to Congress on a quarterly basis requires that total program acquisition costs include the development, procurement and construction costs of any of the major defense systems. The Army, in its SAR report has never provided an estimate of the total program cost or the cost of procurement of this particular helicopter. The Army's refusal to disclose the total procurement in the SAR report is a blatant and conscious defiance of Pentagon regulations.

In fact, the Army has been very slippery in providing adequate cost estimates of the HLH even when pressed by congressional committees. In 1973 testimony the Pentagon indicated that the approximate cost per aircraft for the HLH would be $6.7 million if 250 helicopters were purchased and $8 million if only 100 helicopters were purchased.

This year in response to congressional inquiries the Army has claimed that the cost of the helicopters—the airframe and engines—will only be approximately $5.8 million.

Mr. Speaker, the Army's various estimates of the cost of the HLH are almost comical and, frankly, ludicrous. First of all, no one seriously believes that more than 100 of these aircraft will be purchased. Hence, the minimum price is $8 million. Second, these cost figures are not based on any detailed analysis study which normally accompanies such a cost estimate. Third, the estimates have been based on 1973 or earlier dollars which do not take into account any inflation. After discussions with various experts on helicopter procurement I am convinced that this cost estimate is unrealistic and bears little if any relationship to the final cost of the helicopter.

Step four occurred in January 1974 when the Army approved a plan to build a second prototype which would cost approximately $38.5 million and bring the total cost of the two prototypes scheduled to $88 million.

Step five is a plan developed by the Army to expand Boeing contracts by a $23.6 million program for so-called reliability and maintainability tests for the HLH.

As its recent General Accounting Office report noted without any reliability and maintainability projects "Boeing Vertol anticipates having to reduce its HLH engineering manpower by 50 percent at the scheduled completion of the prototype phase."—June 1975. Since the decision to begin formal engineering development will not be made until April 1976, Boeing needs a little cash to tide itself over for this 10-month period. In other words, we are paying funds to "keep the line open" even before the line has really entered production. These additional reliability and maintainability contracts are an undisguised effort to pump more cash into Boeing's corporate coffers before a decision to proceed with further development in April 1976.

Thus, since June 1971 when the first ATC contract was awarded to Boeing Vertol, the program has been increased first with an advanced engine, second with a first prototype, third with a second prototype, and now, fourth, with expensive reliability and maintainability tests.

Throughout its whole history of expanding this HLH program, the Department of the Army has never provided any persuasive evidence to indicate that they need this giant helicopter. In fact, I believe that the Department of the Navy is at the moment producing a version of its CH53E helicopter which at a relatively low cost can perform almost exactly the same mission as the HLH. In any case, it is absolute foolishness and bordering on the irrational to build two heavy lift helicopters—one Army and one Navy aircraft.

The HLH has also encountered serious technical problems. On December 2, 1973, there was a catastrophic failure of the aft transmission during the initial testing. This is the first warning sign that the program may encounter serious technical difficulties which can result in costly redesigns.

There is also a problem connected with the total weight of the HLH. In September 1973, Boeing estimated that there was a 50-percent probability that the production HLH will weigh 121,200 pounds—more than 3,000 pounds over the original plans. Based on this estimate, two of the performance factors will not be met—the power margin of the transmission and the total load factor.

Because of its huge size the HLH helicopter will create maximum ground downwash with velocities which will be hurricane force. In fact, huge containers 8 feet by 8 feet by 20 feet could easily be blown over by the full impact of the HLH's ground washwinds.

Finally, there may be technical problems connected with the building of tandem rotor helicopters. In the past, both the Soviet Union and the United Kingdom have given up plans to build tandem rotor helicopters currently in use in civil air services in the United States. The CH-47 Chinook is the principal tandem rotor helicopter within the current U.S. inventory and this aircraft has recently encountered some problems resulting in partial or total grounding of the helicopter.

Throughout this entire controversy the Army has made a strenuous effort to involve the Navy in its program. Mr. Speaker, I am publicly releasing today a memorandum from Mr. Norman R. Augustine, Assistant Secretary of the Army for Research and Development to Mr. David Potter, the Navy's R. & D. Chief. In his memorandum, Mr. Augustine indicates that the Army is attempting to involve the Navy in the second prototype for the HLH by making the aircraft compatible with Navy requirements. The Army is trying to persuade the Navy to become involved with this program even though the Navy is already procuring a perfectly adequate helicopter compatible with Navy requirements. Apparently, within the last 5 days the Navy has finally rejected the Army's efforts and will not participate in this program.

Compounding existing technical problems are potential schedules slippages. The GAO points out that even for the current ATC program its schedule is "highly success-oriented and leaving latitude for the reexamination if unusual problems" occur.

At the moment with such a tight schedule there may be a temptation to leave some testing incomplete in order to meet the schedule. There is also the possibility that the schedule has seriously slipped and costs increase as a result.

Mr. Speaker, the history of the HLH program is an excellent case history in how the Pentagon botches major acquisition programs. Both DOD regulations and congressional mandates have been consistently ignored. The program has been expanded without adequate DOD congressional review. There is little if any military justification for the program and the Navy is duplicating the Army's efforts. There are questionnable practices and excessive awards being given for the contractor. In short, we are heading for a major procurement disaster.

It is my hope that the Congress will eliminate funds this year for the HLH to permit a complete and total reexamination of the program.

HOUSING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. METCALFE) is recognized for 15 minutes.

Mr. METCALFE. Mr. Speaker, today I am introducing legislation which would establish within the Department of Housing and Urban Development a direct low-interest loan program to assist low- and middle-income homeowners in the maintenance and improvement of their homes. This legislation would also provide for an annual General Accounting Office review and audit of the housing programs of the Department of Housing and Urban Development. Legislation of this nature is essential if we are to seriously address ourselves to the problems of deteriorating housing in both our urban and our rural areas and to the inefficient management of our housing programs. This inefficiency has been brought to our attention recently by the Federal Housing Administration scandals.

One step which we can take to arrest the deterioration of our cities is to provide incentives for individuals to remain within their respective communities. Individual homeowners are an important element of stability in our communities. They have a pride in their home and in their neighborhood. Further, homeowners have a community interest, and community involvement which is necessary for the creation and maintenance of safe, clean, and viable communities. This element of stability is especially important for inner-city communities.

I have walked the streets of my congressional district countless times and each time I do so it seems as though the number of abandoned buildings has increased. Abandoned houses, partially deserted blocks, each contributes to a decay that must be stopped and to a condition that must be reversed.

Members of the First Congressional District of Illinois Housing Task Force have been of great assistance in drafting this legislation. These individuals are concerned about the state of the inner city and want, as I do, to make the district a viable entity.

Increasing numbers of inner-city homeowners are either moving to outlying areas or are moving into rental units. This occurs because one of the major problems facing low- and middle-income homeowners is the inability to properly maintain their homes. Often the reason for improper home maintenance, which leads to neighborhood deterioration, is a lack of financial resources. After an individual has spent a disproportionate amount of his income on a mortgage with high interest rates, the homeowner has little, if any, money left for necessary repairs and upkeep. This problem is further compounded by the reluctance of many financial institutions to grant home improvement loans to low- and middle-income homeowners, especially if they are members of a minority group. The practice of "red-lining"—that is, the policy of banks and financial institutions to refuse loan applications from homeowners who live in high risk or "red-lined" neighborhoods—is familiar to many low- and middle-income homeowners. These homeowners have either been refused loans or forced to accept unusually high interest rates on loans.

It is the purpose of title I of this bill to remedy this situation, and to arrest neighborhood deterioration, by making low-interest home improvement loans available to these homeowners under a new Federal program. Eligibility for these loans would be restricted to those individuals and families who own one, two, or three-family residential structures and whose net income, as determined by the Secretary of Housing and Urban Development, and taking into account the Federal income tax return most recently filed by the applicant and any other current and projected information and data as may be appropriate, does not exceed $15,000. The maximum amount of any loan would be determined according to the following sliding scale:

Income	*Maximum amount of loan*
Under $6,000	$10, 000
$6,001 to $9,000	7, 500
$9,001 to $15,000	5, 000

Each application for a loan would be accompanied by detailed plans for the repairs involved and include an estimate of the costs involved. No application would be approved unless the Secretary of Housing and Urban Development or his delegate found that the proposed repairs were reasonably necessary, that the costs would not be excessive, and that the work would not involve elaborate or extravagant design or materials. Upon approval of the loan application, the actual amount of the loan granted would be only that amount necessary to effect the proposed repairs, up to and including the maximum amount allowed for the respective income group.

These loans could be used for substantial repairs to a residential structure which are reasonably necessary for its maintenance and upkeep, or to prevent damage or deterioration, or which are required in order to comply with applicable code requirements, such as structural, plumbing, and electrical repairs. These loans could not be used for improvements which are essentially decorative in nature, such as yard improvements or the replacement of otherwise sound fixtures for decorative purposes. Nor could these loans be used for additional facilities not necessary for the maintenance and upkeep of the structure, such as a new room.

By providing these loans to low- and middle-income homeowners, we would increase their ability to maintain their homes, thereby increasing their ability to maintain their neighborhoods.

Recent reports concerning the mishandling of Federal Housing Administration funds raise serious questions as to the proper administration of federally administered housing programs. Inefficiency and waste have plagued not only the Federal Housing Administration programs but also other housing programs, both at the Federal level and at State and local levels. In an article which appeared in the May 1974 issue of the Progressive, Mr. William Chapman, national affairs correspondent for the Washington Post, reported that:

> At least sixteen Federal grand juries are now delving into allegations of housing corruption. Federal task forces which include agents from the FBI, Internal Revenue Service, and Department of Housing and Urban Development are combing the files in twenty-one "target cities." Already, the Justice Department reports, there have been 180 indictments involving 317 persons for fraud, bribery, and other crimes associated with HUD's inner-city programs for the poor.
>
> In both Philadelphia and Detroit the criminality did not consist merely of isolated cases of corruption by a few fraudulent middlemen; it was systematic thievery involving rich realtors, FHA bosses, lenders, minor appraisers, and inspectors. "It's unbelievable what went on in this city," Deputy U.S. Attorney John Housner said in Detroit. "Paying bribes was just like delivering the mail. It was a daily phenomenon."

It is the purpose of title II of this bill to make the Department of Housing and Urban Development more responsive to the needs of the community and the intentions of Congress by promoting the effectiveness of the housing programs and the efficiency and fairness of the administration of these programs through the means of the annual General Accounting Office review of these programs. Such a review would include:

First, an evaluation of the housing programs involved in order to determine whether State, regional, and local governments and agencies have adequately followed applicable comprehensive housing and community development plans, whether there has been excessive waste in the administration of such programs, and whether the funds involved have been used in conformity with applicable civil rights legislation;

Second, an evaluation of the effectiveness and fairness of the Federal administration of such programs;

Third, a determination of whether the criteria used by the Department of Housing and Urban Development in approving comprehensive housing and community development plans are adequate and effectively enforced; and

Fourth, such comments and recommendations for the administrative or legislative improvement at all levels of the housing programs involved as the Comptroller General deems advisable.

This review would not only make the Department of Housing and Urban Development more accountable to Congress, but also would provide an additional incentive to the Department of Housing and Urban Development to effectively administer its housing programs. The General Accounting Office would be directed to complete its review and audit within 6 months after the end of each fiscal year. A copy of the final report and any preliminary reports would be sent to the appropriate committees of the Congress and to the Secretary of Housing and Urban Development.

Mr. Speaker, this annual review would insure that the Department of Housing and Urban Development would be responsive to the needs of the community which the Department should serve.

This bill is especially important if we are to make our urban areas livable. It is essential that individuals living in our cities, or individuals of low or moderate income residing in rural areas, be provided with the means and incentive to remain in their communities.

This bill will provide these Americans with the financial incentive to improve their own homes and give needed stability to our urban areas.

LAW DAY, USA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. CORMAN) is recognized for 5 minutes.

Mr. CORMAN. Mr. Speaker, I would like to announce that once again I am reserving a special order for May 1, Law Day USA. Law Day has been set aside by joint congressional resolution and Presidential proclamation as a special day for the American people to rededicate themselves to the ideals of equality and justice under law.

This country was founded upon the principle that we are a nation of laws, not of men. It is not an exaggeration to say that a reaffirmation of the rule of law is more important today than ever before in our history. I respectfully invite all my colleagues to join me in this special order to recommit ourselves to that principle.

INTRODUCTION OF LEGISLATION TO END TAX LOOPHOLES FOR UNNECESSARY BUSINESS USE DEDUCTION OF PERSONAL RESIDENCES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 10 minutes.

Mr. VANIK. Mr. Speaker, I have today introduced legislation to end one of the most serious and rapidly growing tax loophole abuses in the Internal Revenue Code. The loophole involved, which is generally available only to those in the higher income brackets, involves the improper use of business deductions for the expenses of depreciation on a taxpayer's personal residence. The loophole was one which the President attempted to use in his San Clemente and Key Biscayne homes. It is used by many other professionals and higher income persons with "Aspen ski lodges" and "Florida beach cottages." It is beginning to cost the Treasury hundreds of millions of dollars. Unless legislation is enacted soon, the revenue loss from the increasing and improper use of business deductions on personal residences could cost the Treasury billions.

Basically, the legislation which I have introduced reaffirms the intent of 26 U.S.C. 262 which states—quite simply—that:

> Except as otherwise expressly provided in this chapter, no deduction shall be allowed for personal, living, or family expenses.

My bill—prepared by the expert draftsmen of the Joint Committee on Internal Revenue Taxation—would spell out and clarify the exceptions which would be permitted:

> The ban shall not apply "with respect to that portion of a dwelling (1) which constitutes an office, shop, or other place of doing business utilized by patients, clients, or customers in meeting or dealing with the taxpayer in the normal course of his conduct of his trade or business; or (2) which the taxpayer operates as a hotel, rooming house, or similar establishment.

In other words, there generally will be no change in the tax treatment of a "Mom and Pop" grocery store where the owners live upstairs or in the back room. There should be no change in the tax treatment of the physician who uses the first floor of his home as his office and clinic.

What will be prohibited is the attempt by, say, a stockbroker to deduct a portion of his living room where he reads the morning Wall Street Journal. Not only will this amendment prevent this type of deduction in a person's principal residence, but it will also prevent that same stockbroker from deducting a portion of his Martha's Vineyard summer home because he uses a room of the summer home to keep abreast of his reading.

The legislation includes one other important section. The bill provides that if rental income is received by the taxpayer during the taxable year from his rental of a dwelling which is used as a personal residence, the ban on the deduction of expenses for the maintenance, care and use of such dwelling shall apply "to the extent such expenses exceed the amount of rents received minus the amount of taxes and interest on indebtedness which are deductible for the taxable year and attributable to such dwelling." Again, this provision is designed to deter the spreading use of tax provisions to finance second homes and vacation homes. This provision attempts to prevent the turning of homes and shelters into tax shelters.

Quoting from the staff report of the Joint Committee on Internal Revenue Taxation, "Examination of President Nixon's Tax Returns for 1969 through 1972," the following is a statement of the tax law governing the use of homes and involving business expenses:

> Generally, there are three relevant classifications of these expenses [for business use deductions for personal residences] for tax purposes: (1) expenses incurred in connection with carrying on a trade or business; (2) expenses incurred for the production of income or for the management, conservation,

or maintenance of property held for the production of income; or (3) expenses incurred as nondeductible personal, living, and family expenses.[1]

Section 162 of the Code allows a deduction for "all the ordinary and necessary expenses paid or incurred during the taxable year in carrying on any trade or business."

With respect to the trade and business deductions of an employee, section 62(2) of the Code provides that certain of these expenses are deductible in computing adjusted gross income. Generally, these expenses are for (1) expenses paid or incurred in connection with the performance of services as an employee under a reimbursement or expense account allowance with his employer; (2) expenses for travel, meals, and lodging, while away from home,[2] which are paid or incurred in connection with the performance of services as an employee; (3) transportation expenses paid or incurred in connection with the performance of services as an employee; and (4) the trade or business expenses of an outside salesman. All other "trade or business expenses" of an employee are deductible as an itemized deduction in computing taxable income rather than as a deduction in computing adjusted gross income for purposes of section 62 of the Code.

Section 212 of the Code allows, for individuals only, a deduction for "all the ordinary and necessary expenses paid or incurred during the taxable year (1) for the production or collection of income; (2) for the management, conservation, or maintenance of property held for the production of income; or (3) in connection with the determination, collection, or refund of any tax."

Section 262 of the Code provides that, except as otherwise expressly provided, no deduction shall be allowed for personal, living, or family expenses. Personal and family expenses for which a deduction is expressly allowed under the Code include, for example, certain medical and dental expenses, certain household and dependent care services which are necessary to enable the taxpayer to be gainfully employed, and certain moving expenses incurred in connection with obtaining a new principal place of work.

Section 274 of the Code provides special limitations with respect to the deductibility of entertainment, amusement, or recreation expenses which would otherwise qualify as a trade or business expense.

Section 167 of the Code allows a deduction for the depreciation of property used in a trade or business (as in Sec. 162) or held for the production of income (as in Sec. 212).

Thus, any expense or depreciation amounts, which are deducted by the President, must represent ordinary and necessary expenses either for the carrying on of a trade or business or for the production of income.

As the Joint Committee pointed out, the Internal Revenue Service has been quite firm, quite concerned about limiting the nature of deductions available for the unnecessary use of one's home as a business expense. Again, quoting from the Joint Committee's monumental staff study:

Standards under which employee business expenses are determined to be "ordinary and necessary" were originally rather strictly defined in Internal Revenue Service rulings. However, more recently court decisions have been less restrictive than the Internal Revenue Service position. Given the status of the present law, it is not always clear exactly which standard is appropriate for the deduction of employee business expenses.

With respect to home office expenses, the position of the Internal Revenue Service regarding employee business expense deductions is that such expenses must be required by the taxpayer's employer as a condition of employment. Revenue Ruling 62-180, 1962-2 C.B. 52, sets forth these standards as they apply to determining the deductibility of home office expenses. That revenue ruling states:

"An employee who, as a condition of his employment, is required to provide his own space and facilities for performance of his duties and regularly uses a portion of his personal residence for that purpose may deduct a pro-rata portion of the expenses of maintenance and depreciation on his residence. However, the voluntary, occasional, or incidental use by an employee of a part of his residence in connection with his employment does not entitle him to a business expense deduction for any portion of the depreciation and expenses of maintaining his residence."

The test that employee expenses cannot be deducted unless they are required as a condition of employment was affirmed for certain expenses other than home office expenses in Revenue Ruling 70-474, 1970-2 C.B. 35, which dealt with an employee's cost of maintaining and acquiring uniforms. In that ruling the IRS stated that:

"Generally, the cost of acquisition and maintenance of uniforms is deductible [by an employee] as an ordinary and necessary business expense under section 162 of the Internal Revenue Code of 1954 if the uniforms are (1) specifically required as a condition of employment and (2) [do not take the place of regular clothing]."

However, at times the Internal Revenue Service has wavered somewhat from the "required as a condition of employment" test in arguments before courts and in occasional revenue rulings. For example, in Revenue Ruling 64-272, 1964-2 C.B. 55, the IRS ruled that a college professor could deduct the cost of maintaining an office at home. The professor had research and publication duties in addition to the usual lecture and teaching duties. Because the college did not furnish adequate space and facilities for carrying on such research, the IRS ruled that the professor could deduct depreciation on a portion of the maintenance expense for his personal residence. Although the ruling found that it was necessary that the professor furnish his own facilities, the standard implied by this ruling appears to come closer to a test of whether the expense is necessary to enable the employee to perform his job well in the most convenient manner rather than whether the expenditure is required as a condition of employment.

Moreover, in a recent Tax Court case, *Steven A. Bodzin*, 60 T.C. 820 (1973), the IRS argued that an employee should not be allowed deductions for a home office because the expense "was not required in order for the [taxpayer] to properly perform his employment duties." According to the IRS, the taxpayer must prove "that the nature of his duties required working after normal working hours and that his employer failed to provide him with an office that was adequate and reasonably accessible for the performance of such work."

However, some courts which have heard this issue have decided that a less restrictive standard than that urged by the Internal Revenue Service is appropriate. In the *Bodzin* case mentioned above, a majority of the Tax Court held that (60 T.C., at 825)

"The applicable test for judging the deductibility of home office expenses is whether, like any other business expense, the maintenance of an office in the home is appropriate and helpful under all the circumstances."

The court stated that a finding that the home office was simply for the taxpayer's personal convenience would bar a deduction if the court concluded that personal convenience was the primary reason for maintaining the office. Such a finding would displace any conclusion to "appropriateness" and "helpfulness."

The IRS is presently appealing the *Bodzin* case. Thus, whether the IRS position or the position taken by the Tax Court and the Second Circuit will become generally applicable to all taxpayers is yet to be decided.

Finally, to provide some idea of the type of problem being created by recent rulings, I would like to include at this point in the RECORD, some examples from a book entitled, "More Tax Tips and Tax Dodges as Reported in the Wall Street Journal." As you can see, the courts are holding that one may get a tax break for watching television at home and, in essence, taking work home. The third example explains the legal problems surrounding the personal use-rental use of a vacation home.

An office at home may be deducted more easily under a circuit court decision.

When an employe keeps an office at home, the IRS has restricted any deduction for its cost to someone whose employer required him to do so. However, the Second Circuit ruled in favor of a television time salesman for ABC who deducted part of his rent, cleaning expenses and electric bill. He used a small study every evening to plan his rounds and watch ads on ABC and competing networks.

The IRS denied the deduction because ABC didn't require the study. If the salesman wanted to work late, the IRS said, the ABC office was open and little more than 20 blocks away. But the circuit court said no law restricts a business expense to an outlay required by one's employer. It was enough for the expense to be "appropriate and helpful" in one's work. The salesman had to see as much TV as he could, the court said, and what better place than "in the isolation of his study den"?

The salesman originally deducted one-fourth the expenses of a four-room apartment. But a lower court cut the deduction to 20% because the study was so small. (Newi v. Commissioner, U.S. Ct. of Appeals, 2nd Cir., 1970.)

And office at home is ruled deductible for an insurance man over IRS objections.

The IRS still sticks pretty close to its traditional view that an employed person can't deduct an office in his home unless his employer requires him to have one. But, fortunately for people who work at home and know enough to challenge the IRS, the Tax Court isn't so rigid. It says only that a home-office must be "appropriate and helpful under the circumstances."

The sales superviser for an insurance company worked most weekday evenings in one room of his home. He read reports and sometimes interviewed prospective salesmen. The IRS contended the room duplicated the man's regular office at his company's district headquarters and he could just as well have worked there.

But the Tax Court allowed him to deduct 80% of the cost of his home office. (Gillis v. Commissioner, T. C. Memo. 1973-96).

A court rebuffs an effort to mix business with pleasure.

It's estimated that Americans are building second homes at better than 150,000 a year. But the Tax Court rejected one effort to ease the expense of a home-away-from-home. A couple owned a $75,000 "cottage" at Sea Island, Ga., which they used four months a year and offered for rent the other eight. Rents never matched cash expenses plus depreciation, however, and they tried to deduct the difference from taxable income. (They only included expenses for the eight months.)

The Tax Court refused the deduction. It said the couple failed to show any intent to make a profit, rather than simply defray expenses. It noted that over 12 years, actual rentals averaged one month a year. But the court ducked the tougher question of whether a property could be used for pleasure part of a year and genuinely run for

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Footnotes at end of article.

profit during the remainder. (Carkhuff v. Commissioner, T. C. Memo. 1969-66).

Mr. Speaker, I hope that when the Ways and Means Committee and the House of Representatives considers tax reform legislation this year, they will be able to adopt this important amendment.

CONGRESSMAN JOHN BRADEMAS ADDRESSES THE INDIANA UNITED METHODIST CHURCH CONFERENCE ON PEACE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. Brademas) is recognized for 5 minutes.

Mr. BRADEMAS. Mr. Speaker, on April 27, 1974, I had the privilege of delivering the keynote address at a statewide convocation of the Indiana area of the United Methodist Church.

The conference, in which, via closed circuit television 3,000 clergy and lay leaders throughout Indiana participated, was in response to the United Methodist Church "Bishops' Call for Peace and Self-Development of Peoples."

The moderator of the program was the Rev. Ralph T. Alton, bishop of the Indiana area of the United Methodist Church.

The discussions originated from the campus of Indiana University-Purdue University at Indianapolis and were carried live via the Indiana Higher Education Telecommunication system there and to 12 other State university centers in Bloomington, Evansville, Fort Wayne, Hammond, Kokomo, Lafayette, Muncie, New Albany, South Bend, Terre Haute, Vincennes, and Westville.

Mr. Speaker, I insert in the Record the text of my address on this occasion:

Address of Congressman John Brademas at United Methodist Church Bishops' Call for Peace and Self-Development of Peoples, Indianapolis, Ind., April 27, 1974

I am honored to have been invited to join my fellow United Methodists throughout Indiana for this discussion today of "Peace and Self-Development of Peoples".

And I salute Bishop Ralph Alton, head of the Indiana Area of our church, and all those insight, imagination and commitment have made possible this unusual statewide conference on a subject that is crucial to the future of mankind and that should be of compelling concern to Christians everywhere.

For when confronted by the deepening deprivation and despair of the peoples of the poor nations of the world, we cannot, as Christians, walk by on the other side.

Indeed, our meeting today takes place in an extraordinary context.

Leaders of this country and of other countries of the world have in only recent months and weeks and days given voice to their rising apprehension about the situation of hundreds of millions of our fellow human beings who are, even as we speak, suffering malnutrition and, many, even starvation.

Earlier this month, our Secretary of State, Henry Kissinger; the Secretary General of the United Nations, Kurt Waldheim; and the President of Algeria, Houari Boumediene all addressed the United Nations General Assembly on the future of the developing world.

Only this week President Nixon sent Congress his foreign aid proposals.

The World Bank has just published a major report on the subject.

The Overseas Development Council, an independent, nonprofit organization seeking to increase American understanding of the developing world, and headed by our distingished fellow citizen of Indiana, the Rev. Theodore M. Hesburgh, C.S.C., President of the University of Notre Dame, has just published a most valuable volume by James W. Howe entitled The U.S. and the Developing World: Agenda for Action, 1974 (Praeger Publishers, Inc., New York, New York).

And you will have all read of the declaration presented only this week to Secretary General Waldheim by the British author, C. P. Snow, on behalf of over 1000 world leaders warning of "severe malnutrition of hundreds of millions and death for many millions" unless the governments of the world act soon.

It is therefore surely most appropriate that we as Christians should address ourselves to the whole range of problems that affect so huge a percentage of the world's population.

Only yesterday I left Washington, D.C., where the air is heavy with talk of the possible impeachment of Richard Nixon.

IMPEACHMENT OF RICH NATIONS BY POOR NATIONS

But, as James Reston wrote this week in the New York Times: In New York at the United Nations, "The poor nations are drawing up the articles of impeachment every day against the rich nations."

Article I, said Reston, will charge that one of every three children born in most nations dies before the age of five.

Article II: Those who survive can expect a life of "deprivation, desperation, and degradation." But it will be mercifully short—for their life expectancy is only 30 years.

Article III: One of the worst tragedies in mankind's history unreels even now, in our time, in the draught-stricken countries of Africa—Mauritania, Mali, Niger, Chad, Upper Volta, and Ethiopia.

Article IV, said Reston, what used to be called the Christian West, and is now called the Industrial West, is systematically cheating poor nations by buying their products cheaply and selling their own at inflated prices.

Article V: Rich nations pay their workers between ten and twenty times what the laborers in poor countries receive.

The bill of impeachment is a harsh one, but who will say that it is not accurate?

THE GRIM SITUATION

And here are some of the reasons that the frustrations of the Third World have reached the level described by Mr. Reston.

Consider that, in 1971, the most developed nation in the world, the United States, had an average annual income of $5,000 per person, while the 2.3 billion people living in the under-developed nations had a yearly per capita income of only $212.

Consider that 40% of the total population of all the developing nations of the world exist below minimal levels of nutrition, literacy, and health.

Consider the words of the President of the International Bank, Robert S. McNamara, that 800 million people living in 100 underdeveloped nations "are barely on the margin of life."

And consider how much more serious is that situation today as a result of the economic events of the past twelve months.

Says James W. Home, author of the Overseas Development Council study, Agenda for Action: 1974:

"By midsummer of 1973, the world economy was in tumult. Global food scarcity, caused by a combination of rising affluence in the industrial countries, population increase in the poor countries, and drought in Asia and Africa, had become a dominant issue. Grain and soybean prices doubled and tripled—to the grave detriment of the poorest people in the countries of Asia, Africa, and Latin America and to the benefit of American farmers and the U.S. balance of payments. The year ended with the energy shock, as the combination of the oil embargo, production cutbacks, and price increases threatened the world economy more than any other event of the past quarter century."

The world today faces the lowest reserves of grain in history—enough on hand right now, we are told, for but 27 days.

And the tripled price of oil used to extract nitrate fertilizer from the air, has made, for many, fertilizer almost impossible to obtain at any price.

As a consequence of these and other developments, the world is now moving into an era of chronic shortages of basic foodstuffs such as grains.

James P. Grant, President of the Overseas Development Council, predicts:

"The doubling to quadrupling of food and energy prices dooms millions to premature deaths from increasd malnutrition and even outright starvation. The only question, and one Americans *can* influence, is: how many millions?"

The task, then, is enormous. And the shattering domestic problems which we have been experiencing in the United States have pushed into the background the fact that 800 million people are living "barely on the margin of life" and that we face the appalling prospect of millions threatened by, and succumbing to, famine.

The conditions I have sketched will be particularly grim for the people living in what has been described as the "poorest of the poor" 30 nations by Richard Critchfield, whose latest book, *The Golden Bowl Be Broken*, published by the Indiana University Press, shows the impact of over-population on Arab Bedouins, African fishermen, Indian farmers and Indonesian urban migrants.

The "poorest of the poor" live in South Asia, where India and Ceylon face grim prospects.

They live in Africa, where five years of relentless drought resulted, last year in deaths of 100,000 people in the sub-Saharan region of West Africa known as the Sahel; and they live in the Central American-Caribbean area.

Almost a quarter of the earth's four billion population inhabits these thirty nations. Economists estimate that these countries will need an additional $3 billion annually in the next several years in order to avoid bankruptcy, social breakdown, and widespread malnutrition and famine.

We should not therefore be surprised that Mahbus Haq of the World Bank should have told a group of Members of Congress that the developing nations are growing increasingly restive and frustrated over the harsh reality that 20% of the world's population controls 80% of its resources.

Moreover, although developed nations now account for 30% of the world's population, by the year 2000, the proportion may drop to 10%.

Yet Mahbus Haq was raising not the specter of a "yellow peril" or even a "multi-hued peril." Rather he was warning of the economic consequences of the continuing accumulation of capital by a small proportion of the world population while the rest of the world grows poorer.

THE CASE OF INDIA

Let me here cite the case of India, the largest democracy in the world, as an example of what lies in store.

Here's what an Indian economist said recently:

"Economic success in this country always has amounted to keeping the wolf from the door. This year the wolf is halfway into the house."

"Of course," he added bitterly:

"Mr. Wolf will be disappointed because he will find nothing in the house to eat."

Only last week, in a special report, the Wall Street Journal noted:

For India this is a year of crushing world price pressures, shattered economic plans, rampant inflation, stagnant productivity, yawning trade and budget gaps, public anger, political violence and—most alarming of all—growing fear of approaching widespread hunger. "The only things going up these days are prices and population," an Indian economic planner says.

India is also a stark case of the difficulties developed nations will experience in attempting to help resolve some of these problems—assuming the will exists in the developed world.

The transportation system is inadequate for the delivery of food.

The bureaucracy of the country is rife with incompetence and corruption.

The continued existence of a caste system reminds us that many foreign aid programs in the past have benefitted only local elites.

Industrial capacity in India stagnants under what the Wall Street Journal termed "vicious circles" in which steel plants complain of insufficient coal, which sits outside mines because railways don't have the cars to carry it, because the plants manufacturing rolling stock complain that they have insufficient steel to build the cars.

And to all these problems that face the people of India we must add those of income redistribution, land reform and population control as well as lack of public confidence in the political process and government officials.

THE ROLE OF THE UNITED STATES

Although I realize fully that merely to recite the problems facing the Third World is not to solve them, I take it as given that we cannot begin effectively to attack them until we have first a clear understanding of the difficulties.

Let me now, therefore, turn to where we are today in our own country with respect to assisting the Third World and where we might be going.

It will not shock anyone who can hear me if I observe that foreign aid has been for some time unpopular on Capitol Hill.

Some Members of Congress complain of nations which have benefitted from U.S. aid, but, unappreciative, have "bitten the hand that fed them" by their willingness to accept Soviet aid as well and by not always supporting the United States' viewpoint on international issues.

Others on Capitol Hill have charged that foreign aid has been misspent on military equipment and the training of repressive police forces and not on developing industrial, technological and agricultural capabilities.

And, I confess, I share some of these criticisms, particularly the second one.

But I believe there are some steps we can take substantially to improve our development policy.

We must, first, greatly expand our programs of bilateral assistance for food and nutrition, population planning, health and education and human resources. And I am pleased to tell you that Congress last year wrote just these mandates into the Foreign Assistance Act of 1973.

We must also make good on Secretary Kissinger's pledge early this month to expand U.S. technological assistance for agricultural and industrial development in the underdeveloped world.

As part of our trade policy, we must include tariff preferences for the exports of developing nations as well as most-favored nation treatment so that they can find markets for their goods.

We must seek to reverse the direction of our Food for Peace program under P. L. 480, for that program was reduced by one-third this year and the President is requesting for Fiscal 1975 a further cut of 10 percent.

Such a decrease, given the doubling of rice and other grain prices, will slash in half the food available under this program.

But, in addition to strengthening our bilateral aid programs, we must also encourage far greater participation on the part of all developed nations in multilateral developmental assistance.

In particular, we must encourage the food and oil exporting nations to pay special heed to the needs of the most vulnerable nations.

Here, I regret to note, our record in the United States is not impressive.

CONGRESS AND IDA

For, in what Robert McNamara termed "an unmitigated disaster," the House of Representatives in January defeated the Congressional authorization needed to make good on the United States' pledge of $380 million annually for the International Development Association (IDA), the soft loan window of the World Bank. These loans are used for basic development requirements of underdeveloped nations such as the farm-to-market roads, irrigation, and electrification.

Happily, earlier this week, on April 23, the Senate Foreign Relations Committee approved this legislation for consideration by the full Senate, and I hope the House can be persuaded to change its mind.

But I must warn you—since I presided over the debate preceding that astonishing House action—that the speeches and the votes seemed to me to be evidence of continued distaste for foreign aid, and, in particular, irritation over the Arab oil embargo and the skyrocketing price of petroleum.

The House vote demonstrated as well the continuing preoccupation of the Nixon White House with Watergate and the declining influence of the Administration.

For the President neglected to lobby for this measure when his action might have been effective, and by January his appeals held little sway, even with members of his own party.

Nevertheless, the President's April 24 Message on Foreign Aid included several significant items including, most particularly, a request for $255.3 million for the Agency for International Development, and a request for $412 million for the new Asian Development Bank.

I should tell you also that in his United Nations address, Secretary Kissinger pledged the United States to a wide-ranging multilateral effort. He promised specifically to join other governments to rebuild food reserves, to assign priority to the poor nations to help them boost their agricultural production and to attempt to increase the quantity of food aid from the United States over the level provided last year.

The Arab oil states have at least begun to acknowledge their responsibilities in this regard, by extending sizable grants and credits to other Arab nations, creating a $300 million Arab Fund for Economic and Social Development, and a $125 million Fund for African Development.

Clearly, however, the newly rich nations of the Arab oil world still have much to do.

Let me add that the U.N. conference on population, scheduled to be held in Bucharest in August, and a U.N. food conference, scheduled for November in Rome, are promising opportunities to develop the kinds of action needed.

It was in large part in the hope of stimulating constructive action at these conferences that C.P. Snow, as I observed earlier, presented to Secretary General Waldheim the declaration demanding action by the governments of the world in order to prevent "severe malnutrition of hundreds of millions and death for many millions."

But if we are in fact to have such action, clearly the United States of America must lead.

THE GAP BETWEEN U.S. RHETORIC AND THE U.S. RECORD

For I must here echo the charge of the syndicated columnist, Carl T. Rowan, who called Dr. Kissinger's U.N. speech "disappointing."

Compared to the huge increases in military expenditures which the Nixon Administration requested for Fiscal 1975, and in view of the soaring prices of commodities on the world market, Dr. Kissinger's promises—and the reality quite paltry sums which Mr. Nixon is asking—fall far short of what we in this great and wealthy land should be doing in the face of burgeoning economic and nutritional disaster around the globe.

For evidence of the great gap between our rhetoric and our achievements is the following startling figure: as a percentage of Gross National Product, the United States ranks at the bottom of the industrialized nations in the amounts it gives to the International Development Association.

Or to look at it another way: of the sixteen richest countries donating funds for all development assistance, the United States ranks 14th in terms of the relative wealth it devotes to this cause.

Surely an Administration proud of its "firsts" in foreign affairs can do better—we must.

And although I have today centered my attention on the need for action now to cope with the impact on the poor nations of the sudden price rises of food, fuel, and fertilizer, I do not want for a moment to leave the impression that such action can be regarded as a substitute for solutions to the more basic problems of the world economy that leave the developing countries so vulnerable.

And, to reiterate, solutions to the progress—and survival—of these countries depend on cooperative efforts by the industrialized nations, particularly the United States, and of the newly rich Arab oil producing states.

A. SUMMARY

Let me quickly summarize.

I have told you that grave shortages of food stocks and fertilizers, high prices, rapid population growth, the energy crunch and drought in Asia and Africa are factors that spell doom for many human beings in the last third of the 20th Century.

I have told you that eight hundred million of the two billion people in 100 poor Nations of the world are subsisting on the bare margin of life.

I have told you that we in the Christian West are watching unfold one of the worst tragedies in human history as famine strikes country after country across Africa.

I have told you of the despair affecting the great country of India.

And I have told you that the hunger that stalks the lives of millions of people throughout the world must challenge the conscience of Christians everywhere.

Finally, I have told you that although the United States is beginning to respond affirmatively, we still have much to do.

Surely, therefore, it must be obvious that the churches of the affluent, industrialized nations have a responsibility—a religious responsibility—to encourage the governments of their countries to adopt more civilized and enlightened policies toward the poor nations.

And in this connection, I think of the message I heard last summer in Geneva on the occasion of the 25th anniversary of the World Council of Churches.

Here is part of what that message, prepared by the Central Committee of the Council, said:

> In the Gospel of Luke, Jesus begins his ministry by speaking of the nature of the kingdom, quoting the words of the prophet: "The Spirit of the Lord is upon me, because he has anointed me to preach good news to the poor."

But, the document continues by observing that today: there is bad news for the poor all over the world—they are getting poorer. Those who are oppressed in today's world have little or no hope of liberation.

And, the message concludes:

> There is therefore no doubt that our task as partners with Christ is a world historical

task, a public, political responsibility since it concerns his kingdom. The whole of life and the whole of mankind is the sphere of our calling. . . . It is therefore bibically right and proper that the World Council and its member churches should be concerned about poverty, oppression, blindness and despair everywhere.

This is why I have no hesitation in urging upon each of you, whether clergy or layman, a course of political action motivated by your religious concern.

You should be, first, getting in touch with your elected Senators and Representatives.

You should tell them that a humane and peaceful world depends in large measure upon the compassionate and constructive response of the government of the United States to the deprivation and despair that confront so many of the peoples of Asia, Africa, and South and Central America.

You should tell them that economic and political common sense requires their support of a wise and far-sighted development policy.

And you should tell them that justice and the demands of the Christian conscience requires their action.

But you will also, I hope, as United Methodists, as Christians, also be witnesses within your own communities on behalf of the poor of the world—the ministers among you in your sermons; the laymen among you in your several callings.

For, in the words once again of the Gospel of Luke:

"The Spirit of the Lord is upon me, because he has anointed me to preach good news to the poor. He has sent me to proclaim release to the captives and recovering of sight to the blind, and set at liberty those who are oppressed, to proclaim the acceptable year of the Lord."

TRANSIT NEEDS OF DADE COUNTY, FLA.

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, on yesterday, the 29th, the distinguished mayor of Dade County, Fla., a metropolitan government of the Greater Miami area, Hon. John B. Orr, Jr., appeared before the Subcommittee on Urban Affairs of the Joint Economic Committee of the Congress and made an exceptionally able presentation concerning the need for public transit in Dade County, Fla. and the necessity of very substantial Federal assistance in making such transit possible.

Mayor Orr pointed out what would be the effect of an adequate public transit system upon the environment, conservation of energy, the desirable development of the area, increasing the number of jobs, and the distribution of income. Mayor Orr also ably defined the requisites of an effective public transit system. It was Mayor Orr's opinion and the opinion of other distinguished mayors who appeared with him that the Federal Government should contribute at least two-thirds of the cost of the establishment of effective public transit systems in the urban areas of our country—the other one-third or a lesser amount to be borne by the urban areas or by them and their respective States.

Mayor Orr and the other important mayors emphasized how the cities of the country had relied upon the Federal Government providing 80 percent of the cost of providing effective public transit in the cities and many of them had made commitments upon that assumption which unhappily the Federal Government shows no prospect of meeting.

Mayor Orr's statement upon this critical subject will be informative and stimulating to all who read it. I, therefore, include Mayor Orr's statement in the RECORD immediately following these remarks:

(Statement of the Honorable John B. Orr, Jr., Mayor of Miami-Dade County, Fla.)

PUBLIC TRANSIT IN DADE COUNTY, FLA.

Urbanized Dade County is an American city, built this century, of 1.3 million, with relatively low density development spread in a long thin pattern along the coast coral ridge. Though there is a downtown, the Central Business District of Miami, it provides only 8% of the jobs. There are 12 other main employment centers scattered throughout the urbanized area.

The County has completed its urban freeways. These roads are badly overcrowded. In 1972, there were at least 50 miles of arterial streets and freeways carrying 150% of their designed capacity, and at least 100 other miles of arterials carrying 115% of capacity. Since 1972, vehicle registration and gasoline consumption, and therefore miles driven, have increased 18%, and almost no new roads have been opened. This overcrowding reduces speed and increases accidents. In rush hours, the average automobile speed is 11–12 m.p.h.

The bus system is publicly owned and has been gradually improving service. But buses currently do not provide adequate transportation. The running times are slow—their average speed is 11 m.p.h.—and service between many points is not available.

We have a transportation "problem" in Dade County. Mobility is limited, inefficient, slow and expensive. The large elderly population, many of whom cannot drive, and the poor and the young who do not have cars, are severely restricted in their mobility. Our transportation facilities consume too much space—40% of the Central Business District—consume too much fuel, and cause rising levels of air and noise pollution.

In trying to solve our transportation problem, we set out the following objectives for public transportation:

1. TRANSPORTATION

We want to enable all residents and visitors to travel to all points in the urban area safely, with a reasonable expenditure of time and money. We are especially concerned about mobility for the elderly, the infirm, the young, the poor and visitors.

2. ENVIRONMENT

We intend to reduce air and noise pollution caused by transportation and to minimize the amount of land surface devoted to transportation. We intend to keep our air within the federal ambient air quality standards.

3. ENERGY

We want to reduce fuel consumption while improving mobility. During the gasoline shortage in the winter of 1974, our area had a 38% shortfall. We are especially dependent on imported oil and oil products. We would like, at the least, for the increase in fuel consumption to lag behind population growth. We aim for an absolute reduction in fuel consumption.

4. DEVELOPMENT

We intend for public transportation to influence development patterns toward the following goals:

(a) Urban sprawl should be contained and shaped into efficient service units.

(b) Vacant land between fragmented residential areas should be developed and population densities surrounding urban cores should be increased.

(c) Declining urban areas should be revitalized, the spread of blight should be stopped, and slums and decay should be eliminated. (In this regard, it would be well to remember that surveys showed two of the main causes of the Watts riot were the physical isolation of the area and the absence of public transportation.)

(d) We intend for improved public transportation to facilitate the dispersal of racial and ethnic ghettoes.

5. ECONOMIC OPPORTUNITIES

Improved public transportation should make more jobs accessible to more people.

6. INCOME REDISTRIBUTION

Today it is the poor who ride the buses. The improvement of transit will increase the value of this good to these riders. Since we will finance these improvements by *ad valorem* property taxes and by federal income taxes, and will not raise the fare, there will be a redistribution of income.

We aim for and project a six-fold increase over current public transportation ridership.

We have specific standards for the near term improvement of bus service:

(a) Provision of bus service countywide, with bus route spacing determined by population density and auto ownership levels;

(b) Seat availibility to all express service patrons, and to all local route patrons except during peak hours;

(c) Guaranteed bus service at least every hour on all routes, and local bus service at least every 20 minutes during the peak period;

(d) Assurance that a high percentage of buses operate on time—at least 90% on most routes;

(e) Operation of unprofitable routes, subject to specific patronage criteria;

(f) Maintenance of the current 30¢ bus fare;

(g) Evaluation of Dade County transit performance against other systems nationwide on a periodic basis.

In measuring solutions to our transportation problem by our objectives, we determined that we cannot put additional reliance on the automobile. Even assuming a massive switch to smaller cars, and economical non-polluting engines, reliance on the automobile would fail to meet our objectives in the following particulars:

(a) We would need more roads and therefore more land. Smaller cars reduce congestion to some degree, but no increase in traffic could be accommodated on existing roads.

(b) Noise pollution would be increased.

(c) Fuel efficiency, though improved, could not approach the levels that public transit can attain.

(d) The transportation needs of the elderly, the infirm, the poor and the young will not be met.

We decided upon a system with the following components:

(a) A 53.7 mile rapid transit system operating on an exclusive guideway with 54 stations serving the major travel desires of county residents.

(b) A system of trunk line bus routes operating on expressways and arterial streets to serve areas of the county not directly served by rapid transit.

(c) A network of feeder bus routes complementing the trunk line bus routes and serving rapid transit stations.

(d) "Mini-systems" within major traffic generating areas providing increased circulation and distribution to nearby rapid transit stations.

We chose this form of public transportation by a cost/benefit approach that considered speed, capacity, safety, noise and air pollution, comfort, fuel consumption and usefulness to the infirm and elderly.

1. Cost

(a) Guideway vs. Freeways

Fixed guideways are cheaper than freeways. Four lane urban freeways in Dade

County cost $75 million per mile. A tracked system would cost $12 million per mile including stations. We are looking at a new technology employing overhead cables that can be put in place for $1 million per mile, exclusive of stations.

(b) Guideways vs. Buses

If an exclusive guideway were built for buses, it would need to be 40′ wide, compared to 22′ for rail. The capital costs would be comparable.

The rail cars cost more than buses. Our 380 vehicles will cost $225,000 each, and will seat about 70. A new bus today costs $38,000 and seats about 50. The rail car will be depreciated over 20 years while the bus has an economic life of only 10. Nevertheless, the rail car costs $160 per seat per year while the bus costs about $85.

While capital costs are higher, operating costs will be lower for a fixed guideway system.

An automated rail system will cost only 41% of what buses cost to operate—46¢ per vehicle mile compared to $1.11 for buses. The rail vehicles are substantially larger than buses. The reason for this is the labor intensiveness of buses. When you add capacity, you add drivers to the same extent. Labor costs are 61¢ of the bus costs of $1.11 per mile. With rail, labor costs are 56% of rail operations, 26¢ of 46¢.

2. Capacity

A four lane freeway can carry 10,000 persons per hour, assuming a normal mix of buses and cars. A fixed guideway system can transport 15,000 persons per hour. We project a need for a capacity of 13,500 persons per hour at several points.

3. Speed

The average speed of a rail system can be 23 m.p.h., with no reduction in rush hour. The average speed for all buses now is 11 m.p.h. This is reduced somewhat in rush hours. Bus speeds can be improved on some routes by making express lanes and bus-only lanes, but the opportunities are limited. Without exclusive guideways, buses must use city streets to pick up and discharge passengers. The average automobile speed is 23 m.p.h., but in rush hour this is lowered to the 11–12 m.p.h. level of buses.

Currently, the bus trip the length of Miami Beach takes one hour. Guideway transit can schedule 18 minutes. There is little opportunity for improving bus schedules on this route. Miami Beach to downtown Miami now takes 45 minutes by bus. The transit will take less than 20.

4. Service

Fixed guideway cars are smoother in ride and are roomier. They are easier for the infirm because there are no steps.

5. Pollution

With present technology, buses cause far more air pollution and the multiple sources make abatement difficult. An electric system produces pollution at only one source, so reduction is simplified. Bus pollution is emitted where people are, while electric generation emissions are generally away from concentrations of people.

Buses can never be as quiet as the rail cars. With a rail or cable system, the source of noise is removed from the pedestrians and residences.

Cars will always produce more noise pollution, even if engines can be made clean.

6. Land use

Freeways use four times as much land as a fixed guideway. The new cable technology can utilize existing right of way requiring very little new land. Guideways for buses need to be wider than for rail.

7. Safety

The national experience is that rail transit has half of the accidental injury rate of bus transit. Cars are the most dangerous form of transportation.

8. Fuel consumption

All public transportation is far more economical than the private car. We did not see a substantive difference between bus and rail. Electric power can be based on a variety of fuels.

We are aware of the conventional wisdom that fixed guideway systems can only work where there are highly concentrated Central Business Districts and high density residential development. We are convinced that only a fixed guideway system can achieve the speed, service and environmental characteristics necessary for success in our area according to our objectives.

RESPONSE TO SPECIFIC QUESTIONS SUBMITTED BY CONGRESSMAN WILLIAM S. MOORHEAD, CHAIRMAN, URBAN AFFAIRS SUBCOMMITTEE, NOT COVERED IN THE FORMAL STATEMENT

The Metro Transit Authority operates buses on 15.3 million route miles per year, carrying 54.6 million passengers. Ridership was up 3.3% in FY 1971–72 over the prior year. This was the first increase since a fare rise in 1968.

The subsidy for FY 1973–74 is $4,025,000, an increase of 27% over the $3,170,000 in FY 1972–73. The sources for the subsidy are as follows:

Seven cent gas tax	$2,950,000
Federal revenue sharing	1,000,000
Mini bus (general operating fund)	75,000
Total	4,025,000

Since it is intended to hold the 30¢ fare and since that fare does not cover operating costs, increases in service will probably entail increased subsidies.

At the present time, a high percentage of public transit riders are the poor, the elderly, the young and visitors. Ten percent of bus riders are non-residents. We intend to improve transportation services for these rider groups and to attract riders from new groups.

ALWAYS SEARCHING FOR GOALS

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, one of the most vital ladies of the Greater Miami area, indeed Florida and the country, is Ruth Kassewitz, director of communications for the Metro Government of Dade County and wife of Jack Kassewitz, chief editorial writer of the Miami News. Mrs. Kassewitz is a dynamic lady who has had an exciting career in civic affairs, in business, and in government; also as a wife and mother. One thing that distinguishes her, as a friend says, is that she is always learning, always searching for higher goals. Mr. Kassewitz is a stimulating example of women who can be a lovely lady, a good wife and mother, and yet have a distinguished career and contribute much to the betterment of her community, State, and country. Mr. Speaker, I include the very interesting article appearing in the March 3, 1974, issue of the Coral Gables Times-Guide about Mrs. Kassewitz in the RECORD immediately following my remarks:

SHE IS ALWAYS LEARNING, SEARCHING FOR GOALS

(By Annette Brin)

When people say they believe that everything happens for a reason, there is at least one woman in Coral Gables who would certainly agree. Her name is Ruth Kassewitz, director of communications for Metro.

She graduated from Ohio State University in 1951 with a major in journalism management—a split between journalism and business administration.

Following graduation Mrs. Kassewitz took a job as copy writer with Ohio Field Gas Company. She was in charge of producing material for the print media.

After a time she moved to Kansas City and began working with an advertising agency dealing with car sales, road equipment and fork lift trucks.

During this period one of the "bridges" in Mrs. Kassewitz' life began to build which ultimately led her to Dade County.

"My grandfather many years ago purchased the Magnolia Arcade in St. Petersburg," she said, "and my dad always wanted to come to Florida. Unfortunately, he died before realizing his dream. But my brother Dick, while I was in Kansas, decided to transfer to the University of Florida from Ohio State University. He later married and moved to Daytona."

During a two week vacation in Florida, supposedly to visit her brother and sister-in-law, Mrs. Kassewitz actively sought out new employment. She landed a job with Grant Advertising and in 1956 moved to Miami.

"Grant did a lot of work for Florida Power and Light," she recalled, "and I had to learn to write about electricity. It was quite a switch from my old days with the gas company."

She worked for the Grant agency for two and a half years, during which time she switched from FP&L copy and found herself doing a great deal of public relations work in other areas of the Grant operation.

"When FP&L asked me to come back and write copy for them I declined, realizing that I loved the extroverted atmosphere of public relations," she said.

She joined the Florida Public Relations Associates, The Advertising Club of Greater Miami and Women in Communications (formerly Theta Sigma Phi), when her interest in public relations was triggered. In 1959 she became the first woman to serve on the board of directors for the Advertising Club of Greater Miami.

In 1960 she became an Account Executive with Buildorama under Venn-Cole and Associates and worked with her first secretary. Together they put out a bilingual newsletter. It was during this time that she met her husband—Jack Kassewitz, now chief editorial writer for The Miami News.

"That was in 1961," she recalled. "I used to walk into The Miami News with stories. I was awed by the size of the city rooms in both The Miami Herald and The News. Jack used to sit near the entrance when I walked in and he always had such a bright smile and friendly hello. He was in charge of one of the paper's special sections at the time."

Later in 1962, Jack began courting Ruth. He proposed to her in Palm Beach while she was in charge of the Parade of Homes through Buildorama.

"He used to come up and see me and during the weekend of the opening he proposed." On July 28, 1962, Ruth became Mrs. Jack Kassewitz.

Later Bill Venn began his own corporation and Mrs. Kassewitz became an executive vice president in the Venn Corporation. One of her last responsibilities while with the corporation was handling public relations with concerns in the Bahamas. This began construction of still yet another "bridge" in her life.

It was during this time that she met architect Ed Grafton, then president of the American Institute of Architects. In 1969 Grafton offered her a position as Director of Communications in his firm. Her job was to promote his work locally, which included the Dade School Board, Miami-Dade Community College and more significantly for Mrs. Kassewitz, HUD.

"Ed was busy working with the then Model

Cities Director Gordon Johnson to get funding for the project," Mrs. Kassewitz said. "They were up against a deadline and needed someone to coordinate the material and have it ready on time. I was selected. I hired several Kelly Girls and together we typed the paperwork and got it off to Atlanta."

Her efficient handling of the Model Cities paperwork was never forgotten and later Johnson asked her to become the first Director of Communications for HUD.

"I created their department," she said. "It was a marvelous challenge and a great position. The information I learned during those two years was invaluable."

County Manager Ray Goode met Mrs. Kassewitz during this time and when he decided that Metro needed its own office of communications, Mrs. Kassewitz was asked to head the department, crossing another "bridge."

"This position is the most challenging I have ever held," she said. "Feeling as I do that Metro is doing a good job for the people, it is not difficult for me to attempt to convey this to the people. The methods and wherefores, however, are a challenge."

Although her husband's job and her position could cause conflict in many homes. Mrs. Kassewitz said that this has never been a problem in their lives. Neither have their different religious backgrounds. Mrs. Kassewitz belongs to the Plymouth Congregational Church. Jack Kassewitz is Jewish.

"I work hard for my church and Jack attends our 'stately' events. At other times we go to synagogue together. I think our marriage has helped to unite a lot of people of varying backgrounds."

Always learning and searching for higher goals, Mrs. Kassewitz is now president of the University of Miami Women's Guild.

"I just believe that I should be active in my community," she said.

ENERGY NEEDS: THE DILEMMA AND THE OPTIONS

(Mr. PRICE of Illinois asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PRICE of Illinois. Mr. Speaker, the pages of this RECORD in the past several years have been stuffed with information on the energy crisis and related matters. I would hope by this time that Members of this body would feel as I do that the available information has been aired publicly and that considerable discretion should be used in adding to that compilation. The more recent entries in the RECORD concerning energy have rightfully called for action rather than continued debate.

Nevertheless, from time to time one finds that a particular article, speech, or editorial states perhaps more succinctly than earlier writings the real heart of the problem that must be addressed. I have found that the recent article, "The Hard Energy Choices Ahead," by Dr. Ralph Lapp in the April 23, 1974, Wall Street Journal, is a scholarly and well-considered presentation of the dilemma with which we are faced and the realistic alternatives that lie before us. Dr. Lapp's article is one of practicality and good sense. It is quite unlike some of the writings which are quite plentiful these days by persons whose heads are in the clouds and who proclaim that our salvation lies in the immediate utilization of windmills floating in the Atlantic, solar panels coverings of our Southwestern States and burning of garbage and other waste materials to make up our electrical energy deficits. I am not saying that some of these approaches should not be considered and do not have their proper place. I suspect that some portion of our future electrical needs may well be filled by the utilization of such longer range developments. Our most immediate needs, however, cannot be solved by research and development. They must be solved by utilization not only of proven techniques but techniques which our industrial capability can bring into reality—in the form of operating electric powerplants—in rather short order. In large part, therefore, we must depend upon coal and nuclear power to compensate for oil shortages which we have experienced recently and which in all likelihood we will continue to experience.

I commend to my colleagues this fine article by Dr. Lapp:

THE HARD ENERGY CHOICES AHEAD

(By Ralph E. Lapp)

The United States is entering a disquieting new era in its economic history. We are moving out of an era when energy was easy to find and easy to exploit—a fundamental development whose implications will reach well into the 21st Century.

The Arab oil embargo has ended, the long lines at the service stations have disappeared at least temporarily and the short-run "energy crisis" has eased. Yet we remain an energy-short nation even now and the long-run trends are not comforting. An analysis of this nation's future energy needs leads inevitably to these conclusions:

—There is no way we can meet the self-sufficiency goals of "Project Independence" by President Nixon's 1980 deadline, and probably not even by 1985. Dependence on foreign oil will be a brutal fact of life for at least a decade, more likely two.

—There is no way we can sustain the giddy growth rates in energy consumption of recent years. Even under the best of circumstances energy conservation is going to be mandatory. We are going to have to adapt our transportation system—indeed our whole system of generating and using energy—to an age of energy scarcity, and this will require a whole series of profound political and economic adjustments.

—There is no alternative, in the long run, to primary reliance for our energy needs upon coal and atomic power. Simultaneously, we are going to have to move toward an "all-electric" economy, perhaps even to the extent of eventually substituting electric automobiles for gasoline-burning ones.

Increasing U.S. energy consumption has accompanied a growing Gross National Product for well over a decade. Last year the U.S. consumed an amount of energy equivalent to the heat produced by burning 3 billion tons of high-rank coal or 13 billion barrels of oil. Actual oil consumption in 1973 amounted to 6.3 billion barrels; add to this the natural gas consumed and it develops that 77 percent of our energy was delivered in the form of pumpable fuels.

GROWTH EVERY YEAR

Last year our energy consumption increased 4.8 percent over that of the year before, and consumption increased 4.9 percent the year before that. If we were to continue growing at this rate, then in 1984 we would be using the energy equivalent of 24 billion barrels of oil annually. Of course, we could get some of this energy from non-petroleum sources, but even so, we would need some 11.6 billion barrels of petoleum products in 1985.

There is no way we can get those 11.6 billion barrels, unless the Arabs decide to act against their own self-interest and authorize greatly stepped-up production at low prices. There is no way we can get even the 9.5 billion barrels that the National Petroleum Council estimates we will need in 1985. And there is no easy way we can make up the difference out of U.S. resources, either. America, to repeat, has run out of easy energy sources. It must now grapple with the tough choices.

What are those choices? Although our petroleum resources are not fully exploited, they hold little promise of keeping pace with demand. This means we must now look to coal, lignite and oil shale, all of which, unfortunately, must be mined. Mining, of course, entails many problems—not the least of which is the sheer volume of earth which will have to be moved. For example, production of 1 billion barrels of synthetic crude oil from oil shale would require mining and processing 1.7 billion tons of the shale, not to mention disposing of the talc-like waste. By way of comparison, the U.S. coal industry mines only about 0.6 billion tons annually.

The Fort Union Formation in the Upper Missouri Basin holds a vast treasure of sub-bituminous coal, some of it reaching 100 feet or more in bed thickness. Luckily, it's low in sulfur and is quite close to the surface; and, because coal is a close chemical cousin to oil, it can be liquefied and/or gasified.

But will a Northern Plains state like Montana allow the industrialization that could convert it into a new Texas on the U.S. energy map? Can the necessary water be found to operate huge synthetic fuel plants? What price-per-barrel has to be assured the synthetic fuel industry to attract the necessary capital? What should be the use of the coal which is now being unit-train shipped to midwestern electric utilities? Who decides what fraction of the coal goes to boilers in steam-electric plants and what goes to making gasoline or aircraft fuels? These are critical questions for the nation's energy future.

But here's an even more fundamental question: Just what is an "allowable" annual growth rate in energy consumption? Our present growth rate of nearly 5% a year simply cannot be sustained. On the other hand, a "zero growth" policy, advocated by some environmentalists, would have an economy-wrecking potential.

Rather arbitrarily, I have calculated that each barrel of oil (or its energy equivalent) is linked to about $100 of Gross National Product. If so, a cutback of 1 billion barrels in annual oil consumption would mean a $100 billion dent in the GNP. Of course, this is a grossly simplified calculation, but it does indicate the scope and painfulness of the economic decisions we are going to have to make.

Detroit's monomania for the super-horsepower engine, coupled with the fuel robbery perpetrated by lowered compression ratios and air pollution controls, has contributed mightily to our fuel crisis. Yet with so much of the nation's well-being linked to the motor car, we can hardly afford to dislocate our economy by precipitous, ill-considered responses. Nor can we let environmental considerations alone dominate policymaking for such things as transportation, the location of power plants and the development of energy resources. I believe the much-publicized Environmental Impact Statement must be replaced by a "Triple E" statement that strikes a balance between environmental, economic and energy considerations.

SHIFT TO LIGHTER CARS

It seems obvious, however, that for the nation to live within its energy means, Detroit must at least shift to lighter, higher-performance cars. I see no reason why Detroit cannot continue to increase unit sales, adding 25 million more vehicles to the car population by 1980—provided the gasoline mileage goes up to an average of 18 miles per gallon. This would allow full mobility for Americans—that is, 10,000 miles per vehicle-year—while consuming no more fuel than automobiles did in 1973. It would, however, mean flushing the low-performance cars out of circulation.

Similarly, it is obvious that the air cargo business cannot rocket ahead on the vertiginous growth rate of past decades. Shipping cargo by air is energy lunacy, much more wasteful of fuel than transporting things by rail, measured on a ton-mile basis. Trucks, too, are less efficient than trains. Inevitably, we must return to the rails, and this will require a national metamorphosis that will occupy the remaining decades of this century.

The fact that the United States is running out of pumpable fuels places high priority on central station generation of power, using either solid fossil fuels or uranium. Next year about 30% of all U.S. fuel consumption will be directed to electric energy generation and this is expected to grow to 50% by the end of the century. By then, up to 60% of all electric generation is projected to come from nuclear power sources—from 1,000 nuclear stations. By the year 2000, uranium should be substituting for the annual burn-up of more than 2 billion tons of coal.

Atomic power raises environmental and safety issues which must be faced. But for anyone concerned about the ravages of strip-mining, it also offers immense advantages over coal and oil shale. In fact, once the power-breeder reactor comes on line, it will be possible to coast through the entire 21st Century without mining a single ton of uranium ore; industry will merely rework ore already mined and tap the full potential of the atom.

As we move toward massive reliance upon coal and atomic energy, we also will move toward an all-electric economy. Unlike oil and gasoline, which can be distributed easily for utilization in automobile engines and other small power plants, coal and atomic energy lend themselves best to exploitation in central power plants. If advances in electric batteries or other methods of storing energy make the electric car a reality, each garage in effect, will become a private filling station, with the car charged up there overnight for use the next day.

The U.S. energy economy is so often projected only as far as the year 2000 that people overlook the energy requirements of the next century. Whereas this century will be reckoned by energy historians as 90% fossil and 10% nuclear, the relationship will become increasingly nuclear in the future. Although it's unlikely that 21st Century Americans will be free to waste energy the way we have, many experts think that the U.S. population will grow very slowly in the next century and not exceed 400 million by the year 2100. Thus, I would expect that total energy consumption would no more than triple in the next century and that nuclear sources could maintain a viable U.S. energy economy through the 21st Century.

A BLEAK PICTURE

The world-wide energy picture, on the other hand, is very bleak. The "easy energy" sources of other nations should run out rather soon in the 21st Century. The proved reserve of 500 billion barrels of oil in the Persian Gulf may seem immense, but it cannot satisfy the rising energy expectations of developing countries for very long. The run-out of "easy energy" and the on-set of "tough energy" could have revolutionary consequences for the growth of the planet's population. Merely feeding the growing populations of underdeveloped nations may eventually impose energy requirements that many nations will not be able to meet. Nor will many of these nations be able to afford the U.S. solution: a highly-electric economy designed to mate with nuclear power. Result—a widening of the gap between the have and have-not nations.

I have found that in lecturing about the subject of future energy supply people discount rather gloomy forecasts as these by saying that "scientists will come up with a solution!" There are, of course, a number of energy options already in sight, but all have their drawbacks. None qualify as "easy energy," especially if all costs are reckoned, and it is this advent of "tough energy" that has such fundamental significance to our future way of life.

DEATH OF THE HONORABLE CARL DURHAM

(Mr. PRICE of Illinois asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PRICE of Illinois. Mr. Speaker, it is with sadness that I report the passing yesterday of a man who served for a great many years in the House of Representatives as a Representative of the Sixth District of North Carolina, the Honorable Carl Thomas Durham. Carl Durham came to the Congress in 1939 and served with distinction as a member of the Committee on Military Affairs—later the House Armed Services Committee—and on the Joint Committee on Atomic Energy. Cary Durham was one of the original members of the Joint Committee on Atomic Energy when it was founded in August of 1946. He served as the chairman of the Joint Committee during the 82d and 85th Congresses. He was vice chairman of the committee during the 81st, 84th, and 86th Congresses.

Carl Durham was born in Orange County, N.C., on August 28, 1892. He was graduated in 1917 from the University of North Carolina majoring in pharmacy. He served in the Navy during World War I as a pharmacist's mate. After returning to civilian life, Carl Durham could be found behind the pharmacy counter of Eubank's in Chapel Hill dispensing pharmaceuticals, smoking his ever-present pipe and providing sound counseling to the students of the University. For many years, Carl Durham served the people of Chapel Hill as a pharmacist, as a member of the City Commission and in other capacities. In the late 1930's someone suggested to the "Doc" that he run for Congress. He did this and was elected to the 76th Congress in 1939 and to the succeeding Congresses through the 86th. In 1960, of his own volition, he elected to retire from the Congress and return to his native North Carolina to enjoy peace, serenity, and the good fellowship of his lifelong friends.

I had the privilege of serving with Carl Durham over a period of 14 years during which I learned to know the man and to respect his keen sense of judgment and his unparalleled ability as a legislator. On September 1, 1960, I stood on this floor and delivered a tribute to Carl Durham upon his retirement citing the important contributions which he made to our country and in particular to its military posture through his many years of work on the Armed Services Committee. My esteemed colleague was an outstanding statesman. His efforts in the field of defense provided the foundation for our security. Our successes in the early days of the development of nuclear energy were largely due to the leadership Carl Durham provided. His vision in getting the initial steps started in the cooperative development of the peaceful uses of nuclear energy for all of mankind was clear. He, for example, was the one who managed the passage of the EURATOM Act here in this Chamber. This act was passed in 1958 and made it possible for us to work jointly with European nations to develop many peaceful uses of nuclear energy. This included nuclear power which is now the hope of Europe and many nations to counteract the world petroleum problems with which we are faced. A grateful Nation mourns the passage of this great man.

All of us who knew Carl Durham will miss him. I know of no finer gentleman who has ever served the Congress. He was known by all as a gentleman and a person about whom many said he surely has not an enemy in the world. All who have known him have benefited from that experience.

Carl Durham was active in his retirement. He continued to keep in touch with many of us in the Congress. Every now and then a number of us would gratefully receive a note from him containing some sage advice on issues we had before us. We were all proud to know him. He was a very patriotic man who served his Nation unstintingly. Our country owes a great tribute to Carl Durham for his services. We shall miss him as will his family, the many graduates of the university who partook of his counsel during their study years, as well as the many members of the faculty of the university. We all join in mourning his passing.

I want to especially convey my heartfelt sympathy to Mrs. Durham and the children. I know the deep sorrow they are experiencing. I hope the sorrow they must bear is somewhat ameliorated by the reminiscences of a life with a great and compassionate person. Theirs is a justified and a unique pride which I hope will be a source of deep satisfaction to each one of them.

HANS MORGENTHAU'S ADVICE TO SECRETARY OF STATE HENRY KISSINGER

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, recently I was visited by a spokesman for the National Committee on American Foreign Policy, an organization chaired by the distinguished Prof. Hans J. Morgenthau. For the Record, I am submitting an open letter to Secretary of State Henry Kissinger signed by Professor Morgenthau which cautions against "phoney détente" and urges careful review of American foreign policy. I share the concerns of Professor Morgenthau:

An Open Letter to Secretary Kissinger

The popular conception of détente has created the illusion that the United States and the Soviet Union are working hand-in-hand throughout the world. This is certainly not the case in the Middle East. Under cover of détente, the Soviets have not missed an opportunity to expand their sphere of influence and power throughout the eastern Mediterranean, the Middle East, the Persian Gulf and the Indian Ocean.

Last October, the Soviet Union was aware of the impending Arab attack on Israel and did not inform the United States, as it was obligated to do by the Brezhnev-Nixon agreement. Furthermore, the Soviet Union incited the Arab states, not involved in the original attack, to join in the war. It has urged the oil-producing Arab states to continue the embargo against the United States.

It is in the context of these realities that we should judge the new American posture in the Middle East, which has been shifting in a pro-Arab direction. However, such a policy is up against the unchanged objective of all Arab states, "moderate" as well as radical, to destroy Israel.

The risk with which that new policy confronts both the United States and Israel lies in the ability of the Soviet Union to outbid the United States in supporting the Arabs against Israel, the only democratic and reliably anti-Soviet force in the Middle East. It thereby would compel the United States into pressuring Israel to make ever more far-reaching concessions until its very existence would be jeopardized.

It is against this danger that the United States must guard. It must refrain from exerting pressures which can only lead to Israel's piecemeal dismemberment. The fate of Czechoslovakia after the Munich Settlement of 1938 comes to mind. We must not pursue a policy of peace at any price, blind to Arab and Soviet objectives. If the Soviet Union can compete successfully with the United States for the Arabs' favor only at the price of Israel's destruction, it will not hesitate to help the Arabs attain that objective. Already, it appears that the Soviets are re-arming the Arab armies on a massive scale.

Genuine peace, like genuine détente, imposes restraints on both sides; phony détente can be used by one side as a cover behind which to do the other side in.

Respectfully,

Prof. Hans J. Morgenthau,
Chairman, National Committee on American Foreign Policy.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Gilman), to revise and extend their remarks, and to include extraneous matter:)

Mr. Kemp, for 15 minutes, today.
Mrs. Heckler of Massachusetts, for 30 minutes, today.
Mr. Crane, for 5 minutes, today.
Mr. Frenzel, for 15 minutes, today.

(The following Members (at the request of Mr. Long of Louisiana) and to revise and extend their remarks and include extraneous matter:)

Mr. St Germain, for 5 minutes, today.
Mr. Sikes, for 5 minutes, today.
Mr. O'Neill, for 5 minutes, today.
Mr. Gonzalez, for 5 minutes, today.
Mr. Gray, for 5 minutes, today.
Mr. Rees, for 5 minutes, today.
Mr. Aspin, for 5 minutes, today.
Mr. Metcalfe, for 15 minutes, today.
Mr. Corman, for 5 minutes, today.
Mr. Vanik, for 10 minutes, today.
Mr. Brademas, for 5 minutes, today.
Mr. Corman, for 60 minutes, on May 1.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. Gilman) and to include extraneous matter:)

Mr. Wyatt.
Mr. Hanrahan.
Mr. McClory in three instances.
Mr. Archer in two instances.
Mr. Wyman in two instances.
Mr. Frey.
Mr. Broyhill of Virginia.
Mr. Wydler.
Mr. Rinaldo.
Mr. Hogan.
Mr. Hudnut.
Mr. Roncallo of New York.
Mr. Froehlich.
Mr. Thomson of Wisconsin.
Mr. Crane in five instances.
Mr. Symms.
Mr. Young of Alaska.
Mr. Ashbrook in three instances.
Mr. Young of South Carolina.
Mr. Landgrebe.
Mr. Huber in two instances.
Mr. Hosmer in three instances.
Mr. Maraziti.
Mr. Frenzel in five instances.
Mr. Rousselot.
Mr. Gilman.
Mrs. Heckler of Massachusetts.

(The following Members (at the request of Mr. Long of Louisiana) and to include extraneous material:)

Mr. Dingell in two instances.
Mr. Harrington in 10 instances.
Mr. Aspin in 10 instances.
Ms. Holtzman in 10 instances.
Mr. Burton.
Mr. Sikes in five instances.
Mr. Rosenthal in five instances.
Mr. Gray in two instances.
Mr. O'Neill.
Mr. Gonzalez in three instances.
Mr. Rarick in three instances.
Mr. Hicks.
Mr. Carey of New York.
Mr. Macdonald.
Mr. Cotter in 10 instances.
Mr. Fascell in five instances.
Mr. Hawkins.
Mr. Rooney of Pennsylvania.
Mr. Vanik in two instances.
Mr. Hungate.
Mr. Bingham in 10 instances.
Mr. Murtha in two instances.
Mr. Ginn.
Mr. James V. Stanton.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1647. An act to extend the Environmental Education Act for 3 years.

ADJOURNMENT

Mr. LONG of Louisiana. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 23 minutes p.m.), the House adjourned until tomorrow, Wednesday, May 1, 1974, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2254. A letter from the Chairman, Washington Metropolitan Area Transit Authority, transmitting the Seventh Annual Report of the Authority, covering calendar year 1973, together with financial statements for fiscal year 1973, pursuant to Public Law 89-774; to the Committee on the District of Columbia.

2255. A letter from the Secretary of Health, Education, and Welfare, transmitting the final report of his investigation of youth camp safety, pursuant to section 602 of Public Law 92-318; to the Committee on Education and Labor.

2256. A letter from the Acting Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to extend the National Health Service Corps and for other purposes; to the Committee on Interstate and Foreign Commerce.

2257. A letter from the Director of Federal Affairs, National Railroad Passenger Corporation, transmitting a report for the month of February 1974, on the average number of passengers per day on board each train operated, and the on-time performance at the final destination of each train operated, by route and by railroad, pursuant to 45 U.S.C. 548(a)(2); to the Committee on Interstate and Foreign Commerce.

2258. A letter from the Director of Federal Affairs, National Railroad Passenger Corporation, transmitting a report for the month of March 1974, on the average number of passengers per day on board each train operated, and the on-time performance at the final destination of each train operated, by route and by railroad, pursuant to 45 U.S.C. 548 (a)(2); to the Committee on Interstate and Foreign Commerce.

2259. A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a draft of proposed legislation to provide for the employment and compensation of employees of the White House, and for other purposes; to the Committee on Post Office and Civil Service.

2260. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, submitting a report on St. Lucie Inlet, Fla. (H. Doc. No. 93-294); to the Committee on Public Works and ordered to be printed with illustrations.

2261. A letter from the Deputy Administrator of Veterans' Affairs transmitting a draft of proposed legislation to amend title 38, United States Code, by revising provisions relating to the payment of monetary benefits to persons under legal disability, including minors; to the Committee on Veterans' Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Miss JORDAN: Committee on the Judiciary. H.R. 11691. A bill to amend the act of August 24, 1935 (commonly referred to as the "Miller Act"), to provide for the inclusion of interest and legal fees in judgments granted on suits by subcontractors based upon payment bonds, and for other purposes (Rept. No. 93-1015). Referred to the Committee of the Whole House on the State of the Union.

Mr. PEPPER: Committee on Rules. House Resolution 1079. Resolution providing for the consideration of H.R. 6175. A bill to amend the Public Health Service Act to provide for the establishment of a National Institute on Aging, and for other purposes (Rept. No. 93-1016). Referred to the House Calendar.

Mr. SISK: Committee on Rules, House Resolution 1080. Resolution providing for the consideration of H.R. 12993. A bill to amend the Communications Act of 1934 to provide that licenses for the operation of broadcasting stations may be issued and renewed for terms of 4 years, and for other purposes (Rept. No. 93-1017). Referred to the House Calendar.

Mr. MATSUNAGA: Committee on Rules. House Resolution 1081. Resolution providing for the consideration of a bill to amend the Public Health Service Act to improve the national cancer program and to authorize appropriations for such program for the next 3 fiscal years, and for other purposes (Rept. No. 93–1018). Referred to the House Calendar.

Mr. BOLLING: Committee on Rules. House Resolution 1082. Resolution providing for the consideration of a bill to provide for means of dealing with energy shortages by requiring reports with respect to energy resources, by providing for temporary suspension of certain air pollution requirements, by providing for coal conversion, and for other purposes (Rept. No. 93–1019). Referred to the House Calendar.

Mr. FRASER: Committee on Foreign Affairs. H.R. 14291. A bill to amend the Northwest Atlantic Fisheries Act of 1950 to permit U.S. participation in international enforcement of fish conservation in additional geographic areas, pursuant to the International Convention for the Northwest Atlantic Fisheries, 1949, and for other purposes (Rept. No. 93–1020). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MILLS (for himself and Mr. Schneebeli):

H.R. 14462. A bill to amend the Internal Revenue Code of 1954 with respect to the tax treatment of oil and gas production; to the Committee on Ways and Means.

By Mr. ANDERSON of California:

H.R. 14463. A bill to establish in the State of California the Madrona Marsh National Wildlife Refuge; to the Committee on Merchant Marine and Fisheries.

By Mr. BIAGGI:

H.R. 14464. A bill to amend title 38, United States Code, to provide a 10-year delimiting period for the pursuit of educational programs by veterans, wives, and widows; to the Committee on Veterans' Affairs.

By Mr. BIESTER:

H.R. 14465. A bill to amend the Truth in Lending Act to prohibit discrimination on account of age in credit card transactions; to the Committee on Banking and Currency.

H.R. 14466. A bill to amend the National School Lunch and Child Nutrition Act Amendments of 1973, and for other purposes; to the Committee on Education and Labor.

By Mr. BROTZMAN (for himself, Mr. Armstrong, Mr. Burleson of Texas, and Mr. Conable):

H.R. 14467. A bill to amend the Internal Revenue Code of 1954 with respect to certain charitable contributions; to the Committee on Ways and Means.

By Mr. DINGELL (for himself and Mrs. Sullivan):

H.R. 14468. A bill to amend the National Environmental Policy Act of 1969 to fund and establish a nonprofit National Environmental Policy Institute, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. DOWNING:

H.R. 14469. A bill to provide for the establishment of an American folklife center in the Library of Congress, and for other purposes; to the Committee on House Administration.

By Mr. FULTON:

H.R. 14470. A bill to authorize payments to any small business which suffers financial loss because customer access to such business is interferred with by certain Federal urban development projects; to the Committee on Banking and Currency.

By Mrs. GRASSO:

H.R. 14471. A bill to amend the Regional Rail Reorganization Act of 1973 to allow adequate time for citizen participation in public hearings, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MANN:

H.R. 14472. A bill to amend chapter 67 of title 10, United States Code, to provide an annuity for the dependents of persons who perform the service required under chapter 67 of title 10, United States Code, and die before being granted retired pay; to the Committee on Armed Services.

By Mr. MATHIS of Georgia (for himself and Mr. Broyhill of North Carolina):

H.R. 14473. A bill to prohibit the exportation of fertilizer from the United States until the Secretary of Agriculture determines that an adequate domestic supply of fertilizer exists; to the Committee on Banking and Currency.

By Mr. MATSUNAGA (for himself, Mrs. Boggs, Mrs. Burke of California, and Mrs. Schroeder):

H.R. 14474. A bill to provide for additional Federal financial participation in expenses incurred in providing benefits to Indians, Aleuts, native Hawaiians, and other aboriginal persons, under certain State public assistance programs established pursuant to the Social Security Act; to the Committee on Ways and Means.

By Mr. METCALFE:

H.R. 14475. A bill to establish in the Department of Housing and Urban Development a direct low-interest loan program to assist low- and middle-income homeowners in the maintenance and improvement of their homes, and to provide for an annual GAO audit of the housing programs of such Department to promote their more efficient administration; to the Committee on Banking and Currency.

By Mr. MINISH:

H.R. 14476. A bill to amend the Internal Revenue Code of 1954 to increase to $1,000 the personal income tax exemptions of a taxpayer (including the exemption for a spouse, the exemptions for dependents, and the additional exemptions for old age and blindness); to the Committee on Ways and Means.

By Mr. REID:

H.R. 14477. A bill to amend title XVI of the Social Security Act to provide for emergency assistance grants to recipients of supplemental security income benefits, to authorize cost-of-living increases in such benefits and in State supplementary payments, to prevent reductions in such benefits because of social security benefit increases, to provide reimbursement to States for home relief payments to disabled applicants prior to determination of their disability, to permit payment of such benefits directly to drug addicts and alcoholics (without a third-party payee) in certain cases, and to continue on a permanent basis the provision making supplemental security income recipients eligible for food stamps; to the Committee on Ways and Means.

By Mr. ROE:

H.R. 14478. A bill to amend the Internal Revenue Code of 1954 to provide an additional personal exemption of $750 for members of a volunteer fire company, ambulance team, first aid corps or rescue squad; to the Committee on Ways and Means.

By Mr. ROONEY of Pennsylvania (for himself, Mr. Schneebeli, Mr. Sikes, Mr. Collins of Texas, Mr. Hudnut, Mr. Fisher, Mr. Davis of South Carolina, Mr. McCloskey, and Mr. Waggonner):

H.R. 14479. A bill to amend the Federal Trade Commission Act to provide that under certain circumstances exclusive territorial arrangements shall be deemed lawful; to the Committee on Interstate and Foreign Commerce.

By Mr. ROUSSELOT:

H.R. 14480. A bill to amend the Par Value Modification Act; to the Committee on Banking and Currency.

By Mr. SNYDER (for himself, Mr. Bafalis, Mr. Bray, Mr. Burgener, Mr. Clancy, Mr. Dan Daniel, Mr. Fisher, Mr. Hammerschmidt, Mr. Huber, Mr. Hudnut, Mr. Landgrebe, Mr. Milford, Mr. Rarick, Mr. Roncallo of New York, Mr. Treen, and Mr. Whitehurst):

H.R. 14481. A bill to prescribe uniform criteria for formulating judicial remedies for the elimination of dual school systems; to the Committee on Education and Labor.

By Mr. SNYDER (for himself, Mr. Bafalis, Mr. Bray, Mr. Clancy, Mr. Dan Daniel, Mr. Fisher, Mr. Hammerschmidt, Mr. Huber, Mr. Hudnut, Mr. Milford, Mr. Rarick, and Mr. Whitehurst):

H.R. 14482. A bill to clarify the jurisdiction of certain Federal courts with respect to public schools and to confer such jurisdiction upon certain other courts; to the Committee on the Judiciary.

By Mr. SNYDER (for himself, Mr. Bafalis, Mr. Bray, Mr. Burgener, Mr. Clancy, Mr. Dan Daniel, Mr. Fisher, Mr. Hammerschmidt, Mr. Huber, Mr. Hudnut, Mr. Landgrebe, Mr. Milford, Mr. Rarick, Mr. Roncallo of New York, Mr. Treen, and Mr. Whitehurst):

H.R. 14483. A bill to limit the jurisdiction of Federal courts to issue busing orders based on race, and for other purposes; to the Committee on the Judiciary.

H.R. 14484. A bill to amend the Civil Rights Act of 1964 to provide for freedom of choice in student assignments in public schools; to the Committee on the Judiciary.

By Mr. STAGGERS (for himself and Mr. Devine):

H.R. 14485. A bill to extend the appropriation authorization for reporting of weather modification activities; to the Committee on Interstate and Foreign Commerce.

By Mr. STEELE (for himself, Ms. Abzug, Mrs. Chisholm, Mr. Cleveland, Mr. Cotter, Mr. Cronin, Mr. Davis of South Carolina, Mr. Edwards of California, Mr. Eilberg, Mr. Forsythe, Mr. Fraser, Mr. Harrington, Mr. Hawkins, Mr. Helstoski, Ms. Holtzman, Mr. Hudnut, Mr. Lehman, Mr. Metcalfe, Mr. O'Hara, Mr. Rodino, Mr. Roe, Mr. Rosenthal, Mr. Roybal, Mr. Stark, and Mr. Charles H. Wilson of California):

H.R. 14486. A bill making an additional appropriation for the fiscal year ending June 30, 1974, for the Department of Health, Education, and Welfare for research on the cause and treatment of diabetes; to the Committee on Appropriations.

By Mr. VANIK:

H.R. 14487. A bill to provide that no part of expenses or depreciation on a taxpayer's personal residence can be deducted for income tax purposes as a business expense; to the Committee on Ways and Means.

By Mr. VANIK (for himself, Mr. Bingham, Mr. Clay, Mr. Conyers, Mr. Fascell, Mr. Gunter, Mr. Ichord, Mr. Lent, Mr. O'Hara, and Mr. Roy):

H.R. 14488. A bill to amend the Internal Revenue Code of 1954 to eliminate, in the case of any oil or gas well located outside the United States, the percentage depletion allowance and the option to deduct intangible drilling and development costs, and to deny a foreign tax credit with respect to the income derived from such well; to the Committee on Ways and Means.

By Mr. YATRON:

H.R. 14489. A bill to prohibit for a temporary period the exportation of ferrous scrap, and for other purposes; to the Committee on Banking and Currency.

By Mr. BARRETT (for himself, Mrs. Sullivan. Mr. Ashley, Mr. Moorhead of Pennsylvania, Mr. Stephens, Mr. St Germain, Mr. Gonzalez, Mr. Reuss, Mr. Hanna, Mr. Widnall, Mr. Brown of Michigan, Mr. J. William Stanton, Mr. Blackburn, and Mrs. Heckler of Massachusetts):

H.R. 14490. A bill to establish a program of community development block grants, to amend and extend laws relating to housing and urban development, and for other purposes; to the Committee on Banking and Currency.

By Mr. BROWN of Michigan (for himself, Mr. Hanna, Mr. Stephens, Mr. Ashley, Mr. Blackburn, and Mr. Barrett):

H.R. 14491. A bill to amend the Housing and Urban Development Act of 1968; to the Committee on Banking and Currency.

By Mr. DENHOLM:

H.R. 14492. A bill to amend the Emergency Highway Energy Conservation Act to provide for a national highway speed limit of 65 miles per hour; to the Committee on Public Works.

By Mr. GOLDWATER (for himself and Mr. Koch):

H.R. 14493. A bill to protect the right of privacy of individuals concerning whom identifiable information is recorded by the Federal Government by enacting principles to govern Federal agency information practices; to the Committee on Government Operations.

By Mr. HOLIFIELD (for himself and Mr. Horton):

H.R. 14494. A bill to amend the Federal Property and Administrative Services Act of 1949, and other statutes to increase to $10,000 the maximum amount eligible for use of simplified procedures in procurement of property and services by the Government; to the Committee on Government Operations.

By Mr. OWENS (for himself, Mr. Brown of California, Mr. Rodino, Mr. Matsunaga, Mr. Podell, Mr. Moakley, Mr. Rees, Ms. Abzug, Mr. Tiernan, Mr. Hunt, Mr. Cronin, Mr. Vander Veen, Mr. Lagomarsino, Mr. Harrington, and Ms. Burke of California):

H.R. 14495. A bill to amend the Mineral Lands Leasing Act to advance oil shale research and development by establishing a Government-industry corporation to further the technology required for commercial development of nonnuclear in situ processing of oil shale resources located within the United States; to the Committee on Interior and Insular Affairs.

By Mr. RARICK (for himself, Mr. Alexander, Mr. Andrews of North Dakota, Mr. Bauman, Mr. Bergland, Mr. Buchanan, Mr. Burton, Mr. Burke of Massachusetts, Mr. Burleson of Texas, Mrs. Boggs, Mr. Camp, Mr. Dellums, Mr. Downing, Mr. Davis of South Carolina, Mr. Froehlich, Mr. Gross, Mr. Hays, Mr. Henderson, Mr. Hicks, Mr. Hogan, Miss Jordan, Mr. Jones of Tennessee, Mr. Lujan, Mr. Mathis of Georgia, and Mr. Mizell):

H.R. 14496. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for social agency, legal, and related expenses incurred in connection with the adoption of a child by the taxpayer; to the Committee on Ways and Means.

By Mr. RARICK (for himself, Mr. Burlison of Missouri, Mr. Chappell, Mr. Donohue, Mr. Frey, Mr. Fuqua, Mr. Gonzalez, Mr. Jones of North Carolina, Mr. Mann, Mr. Mazzoli, Mr. McKay, Mr. Passman, Mr. Rhodes, Mr. Rousselot, Mr. Runnels, Mr. Satterfield, Mr. Sisk, Mr. Smith of Iowa, Mr. Stephens, Mr. Symms, Mr. Minshall of Ohio, Mr. Taylor of Missouri, Mr. Teague, Mr. Treen, and Mr. Waggonner):

H.R. 14497. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for social agency, legal, and related expenses incurred in connection with the adoption of a child by the taxpayer; to the Committee on Ways and Means.

By Mr. RARICK (for himself, Mr. Bowen, Mrs. Hansen of Washington, Mr. Steiger of Arizona, Mr. Young of South Carolina, Mr. Young of Alaska, Mr. Flynt, Mr. Stark, Mr. McCormack, Mrs. Holt, Mr. Montgomery, and Mr. Hanrahan):

H.R. 14498. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for social agency, legal, and related expenses incurred in connection with the adoption of a child by the taxpayer; to the Committee on Ways and Means.

By Mr. RANDALL:

H.R. 14499. A bill to extend and amend the Economic Stabilization Act of 1970; to the Committee on Banking and Currency.

H.R. 14500. A bill to reenact, amend and extend the Economic Stabilization Act of 1970; to the Committee on Banking and Currency.

By Mr. SISK:

H.R. 14501. A bill to direct the Secretary of the Treasury to determine if bounties, grants, or export subsidies are paid by foreign countries with respect to dairy products imported into the United States, and for other purposes; to the Committee on Ways and Means.

By Mr. BINGHAM (for himself, Ms. Abzug, Mr. Badillo, Mr. Brademas, Mr. Eckhardt, Mr. Fascell, Mr. Meeds, Mrs. Mink, Mrs. Schroeder, and Mr. Thompson of New Jersey):

H.J. Res. 993. Joint resolution proposing an amendment to the Constitution of the United States relating to the eligibility of a citizen to hold the Office of President; to the Committee on the Judiciary.

By Mr. JARMAN:

H.J. Res. 994. Joint resolution proposing an amendment to the Constitution of the United States relative to the balancing of the budget; to the Committee on the Judiciary.

By Mr. BLACKBURN (for himself, Mr. Delaney, Mr. Robert W. Daniel, Jr., and Mr. Taylor of Missouri):

H. Res. 1075. Resolution in support of continued undiluted U.S. sovereignty and jurisdiction over the U.S.-owned Canal Zone on the Isthmus of Panama; to the Committee on Foreign Affairs.

By Mr. FROEHLICH:

H. Res. 1076. Resolution to amend the House rules to require that the report of each House committee on each public bill or joint resolution reported by the committee shall contain a statement as to the inflationary impact on the national economy of the enactment of such legislation; to the Committee on Rules.

By Mr. MANN:

H. Res. 1077. Resolution in support of continued undiluted U.S. sovereignty and jurisdiction over the U.S.-owned Canal Zone on the Isthmus of Panama; to the Committee on Foreign Affairs.

By Mr. WALSH (for himself, Mr. Mathis of Georgia, Mr. Wydler, Mr. Eshleman, Mr. Derwinski, Mr. Treen, Mr. Lent, and Mr. Beard):

H. Res. 1078. Resolution requiring the administration of an oath to each Member of the House prior to the consideration of any resolution of impeachment; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BROTZMAN:

H.R. 14502. A bill for the relief of Eugene M. Osman, lieutenant colonel, U.S. Air Force (retired); to the Committee on the Judiciary.

By Mr. McCLOSKEY:

H.R. 14503. A bill for the relief of Jesus Cruz-Figueroa; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

442. By the SPEAKER: A memorial of the Senate of the State of Washington, relative to the Community Action Program; to the Committee on Education and Labor.

443. Also, memorial of the Senate of the State of New York, relative to the persecution of Soviet Jews; to the Committee on Foreign Affairs.

444. Also, memorial of the Senate of the State of Washington, relative to requiring the marking of the sides of railroad cars with light reflecting material; to the Committee on Interstate and Foreign Commerce.

445. Also, memorial of the Senate of the State of Washington, relative to State regulation and preservation of natural resources; to the Committee on Interior and Insular Affairs.

446. Also, memorial of the Senate of the State of Washington, relative to the establishment of a national health care system; to the Committee on Ways and Means.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

432. By the SPEAKER: Petition of the Common Council, Buffalo, N.Y., relative to the designation of April 30 as "National Pledge of Allegiance to our Flag Day"; to the Committee on the Judiciary.

433. Also, petition of Gary Grant and other members of the Washington State Senate, relative to impeachment of the President; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

"NU-LIFE" FOR AMPUTEES AND PARALYZED PATIENTS

HON. JAMES B. ALLEN

OF ALABAMA

IN THE SENATE OF THE UNITED STATES

Tuesday, April 30, 1974

Mr. ALLEN. Mr. President, it is with no small amount of pride that I bring to my colleagues' attention a medical and scientific "breakthrough" which can ease the suffering of thousands of patients who are forced by accident or disease to depend either in whole or in part on the services of hospital personnel or others for even the simplest personal, daily activities.

The thought of lying in bed totally incapable of performing a function as simple as turning a dial to call a doctor or nurse, or helplessly awaiting the "rounds" for someone to dial a telephone number, is almost beyond the comprehension of the healthy. Nevertheless, there are many persons throughout the country who are afflicted to such an extent that their lives, literally, have become a series of minor movements. Without help from the healthy, such persons have been doomed to total reliance on institutional compassion and/or the compassion of friends and relatives. There is a good chance that some of the agony of suffering of those so afflicted can now be alleviated.

A small Alabama concern, Scientific Systems International, has devised a proven, electromechanical system which could immeasurably brighten the future of many severely disabled persons. Called "Nu-Life," it is a system of environmental controls using the most advanced techniques and products of solid state physics and space technology. It is especially designed for the hospital, rehabilitation center, extended care facility, and home. Its modular design makes it highly flexible; it can be adapted to the needs of a variety of medical institutions; and it can be quickly modified to accept new, practical, functional components as they are developed. The Nu-Life is a system using different types of input devices operated by the patient to perform a variety of "activities of daily living—ADL."

These devices are switches that are activated by bodily functions which the patient still possesses—even if he or she is a quadraplegic.

Scientific Systems International of Huntsville, Ala., is a small, new, but vibrant firm that has the potential of bringing relief to the severely inflicted at a reasonable cost. I should like to emphasize the last point once more: The SSI systems are obtainable for a reasonable cost. We are not talking about millions of dollars, we are considering a new product or group of products which can go into use—right now—selling in the neighborhood of $4,000. Dr. Sener Sancar, is struggling to bring this Nu-Life system to the attention of the public at large.

I have no hesitation in asking our colleagues and interested professionals to investigate the concept more fully. A complete descriptive brochure about the company and the concept is available from Scientific Systems International, 2024 Wooddale Drive, Huntsville, Ala. 35801. SSI has brought space-age technology to bear on one of the great physical and psychological problems in the medical rehabilitation field. I commend your attention to this new-life, space-age concept.

PROBE AIMS AT CEA'S CALDWELL; INQUIRY STEMS FROM 1960 INCIDENT

HON. NEAL SMITH

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. SMITH of Iowa. Mr. Speaker, in recent months the spotlight has been turned upon activities of the commodities futures markets. The Des Moines Register in some investigatory reporting has helped to interpret the problems and changes in this very important industry so that the millions of people who are affected could better understand how it works and what changes were needed. Recent legislation passed in the House should go a long way toward correcting some of these problems. However, a great deal of the necessary activity cannot be spelled out specifically in legislation and must continue to be the responsibility of the boards of trade and the Government commissions involved in their regulation.

One example of this is the handling of individual grievances by investors who believe the rules have not been complied with or that they have been damaged in a way warranting recovery. A recent article by Clark Mollenhoff and George Anthan in the Des Moines Register, deals directly with an example of this. It involves a case of an individual by the name of Bernard Rosee. It now appears that the Commodities Exchange Commission is concerned and that the board of trade involved will be asked to provide the answers to certain questions connected with this case. If this is true, it illustrates an awareness of the importance of due process at the level of the Commodities Exchange Commission and the board of trade to assure that it gives fairplay to the public and for investors generally. There will need to be a continuing and activated procedure and a better understanding of how this has operated as well as how it can be expected to operate in the future. The Rosee case can be an example to illustrate these processes and procedures. The article is as follows:

PROBE AIMS AT CEA'S CALDWELL; INQUIRY STEMS FROM 1960 INCIDENT

(By Clark Mollenhoff and George Anthan)

WASHINGTON, D.C.—The long-dormant Community Exchange Commission (CEC) is stirring and is deeply involved in a precedent-shattering investigation that could have widespread repercussions in the policing of the $400-billion-a-year commodity markets.

The investigation is aimed at Alex Caldwell, the veteran administrator of the Commodity Exchange Authority (CEA), who has been a one-man show in the regulation of the commodity markets since January, 1960.

Before that he was deputy administrator for several years, responsible for policing of boards of trade to assure that the public was properly protected through segregated accounts.

THE CHARGES

The charges against Caldwell, the Chicago CEA office, and the Chicago Board of Trade stem from a complaint filed by Bernard Rosee, a veteran Chicago commodity trader who lost his seat on the Chicago Board of Trade in 1960.

Rosee claims he was defrauded of more than $500,000 by the Baggot and Morrison commission house, and that Caldwell and others have engaged in a pattern of collusion that has included malfeasance, misfeasance and nonfeasance in office in violation of the federal laws and the rules and regulations of the Chicago Board of Trade.

Although an Illinois court awarded Rosee a $750,000 verdict against Baggot and Morrison and its partners, Caldwell has persisted in asserting that he finds no federal law violations in the admitted destruction of commodity records by Baggot and Morrison officials.

Within the last two months Agriculture Secretary Earl Butz has stepped into the case and has requested Ervin Peterson, chairman of the CEC, to get to the bottom of the long-standing case.

Rosee contends that reconstruction of Baggot and Morrison's trading records in a crucial period in the fall of 1959 will prove that officials of the firm embezzled his funds, by crediting his account with "accounts number 35 and number 45" that were not his.

For more than 12 years Caldwell has rejected Rosee's plea for access to those accounts and the original daily trading card records of Baggot and Morrison in the crucial period.

ASKED CALDWELL

Peterson told The Register last week that he has asked Caldwell to supply the records for him to examine along with the record of the hearing by the Chicago Board of Trade that led to Rosee losing his seat.

Peterson, whose regular job is administrator of the agricultural marketing service, has a long background in federal and state government that has included regulatory work for Oregon.

Peterson who makes no judgment on the validity of Rosee's charges against Caldwell, other CEA officials or the Chicago Board of Trade, says the charges "are sufficiently serious" to warrant an unprecedented investigation of the administration of the CEA.

Peterson says the seriousness with which he is taking the charges against Caldwell is indicated by his enlistment of the personal help of John A. Knebel, the 37-year-old general counsel for the Department of Agriculture.

"The secretary of agriculture told me he wants this thing investigated thoroughly, and cleaned up once and for all," Peterson said.

"My first job is to get all of the trading records that are available from the CEA, from the Chicago Board of Trade, and from the Baggot and Morrison firm, to examine them and determine whether they generally support the charges that Rosee and his lawyers have made against CEA officials," Peterson said.

The 65-year-old former Oregon County judge said he already is convinced that there has been a general laxity in the policing of the commodity markets as a result of the part-time nature of the jobs on the CEC.

The CEC, as originally conceived in 1920, was to provide cabinet-level authority for protection of the integrity of the commodity markets. The chairman was the secretary of agriculture and the other two members were the secretary of commerce and the attorney general.

By its inactivity over the years, it abdicated its responsibility to the single-headed CEA, which has been permitted to operate as a one-man show under Caldwell because the CEC, without staff or offices, depended upon him to call their attention to problems in the commodity field.

It was obvious that Caldwell would not call attention to any matters that would reflect unfavorably upon him, and he was the one CEC members would call if they heard complaints from others.

Despite a highly critical report on the CEA by the General Accounting Office (GAO) in 1965, the CEC has never conducted an investigation of CEA's administration of the commodity markets beyond asking a few questions of Caldwell who has always assured Democratic and Republican administrations that all was well.

The "all is well reports" have continued even in the face of several congressional investigations of CEA, and overwhelming House Agriculture Committee approval of a drastic commodity market reform law.

Peterson's decision follows a House Small Business Committee report lambasting the inadequacies of the CEA in policing the commodity markets, with the threats of the Senate investigation getting into the specific problems of the 14-year-old Roscoe case.

On the one hand, it is regarded as such an old case that it will cause relatively little furor, and yet the mere fact that it remains unresolved and active after 14 years makes it a classic study of the inadequacy of CEA in protecting the commodity traders and the public.

INTERNAL REPORTS

Internal reports of the Agriculture Department have long been highly critical of Caldwell's weak administration of laws that were originally designed to protect the public and traders from the very pattern of fraud that Rosee says he experienced.

Peterson and the CEC members will not be able to make final judgments on Rosee's case until they have reviewed the 14-year record of Rosee's effort to obtain access to daily trading records and cards that are required to be kept by law.

Rosee has contended that the records of daily trading can be reconstructed to prove that Baggott and Morrison's firm had cheated him out of between $500,000 and $1 million.

If he is successful in his appeal to the CEC to force the Chicago Board of Trade to give him back the seat he is expected to seek reinstatement of a multimillion-dollar damage suit against the Chicago Board of Trade, which he contends was involved in collusion with the Baggot and Morrison officials to deny him due process of law. And he is also expected to seek a reconstruction of the trading records he had been promised by the then-secretary of the Chicago Board of Trade, Warren W. Lebock. Lebock has since become president of the Chicago Board.

Baggot and Morrison officials, the Chicago board, and the CEA officials in Chicago and Washington have firmly resisted the efforts of Rosee and his lawyers to obtain the records under the Freedom of Information Act.

Although the commodity trading records are required to be preserved, as a barrier against fraud, Caldwell and his CEA associates have contended that the records involving his own trades and trades credited to him by Baggot and Morrison are "confidential business records" and one of the exceptions to the act.

Rosee's lawyers have argued unsuccessfully to the CEA that since the trades in two particular accounts—accounts 35 and 45—are the heart of Rosee's dispute with Baggot and Morrison officials, there should be no question of access.

Caldwell has remained adamant in preserving the secrecy of those records even in the face of a 1973 U.S. Supreme Court decision (the Ricci case) which declared that the CEA officials should make such trading records available for examination in carrying out the public protection intent of the commodity exchange laws.

RECENT RULINGS

But more important than the recent Supreme Court ruling ordering the CEC to conduct the unprecedented investigation of CEA are the highly critical investigations of CEA in 1973 and the likelilhood that more congressional investigations loom ahead.

There is a good chance that one or more of these Senate inquiries of the regulation of the commodity market will touch at least briefly on the Rosee matter, and the trouble-plagued Department of Agriculture does not wish to be any more vulnerable to charges of mismanagement. The criticism on the Soviet wheat deals and on the dealing with the dairy lobbyists on the 1971 boost in milk price supports has been more than enough.

Peterson, with experience as director of the agricultural stabilization organization in Oregon, and with long experience as an assistant secretary of agriculture with duties in the regulatory field, comes to the CEA investigation with the freedom to take whatever action is necessary to clean up commodity regulation.

THE QUESTION OF IMPEACHMENT

HON. FLOYD V. HICKS

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. HICKS. Mr. Speaker, in January of this year my office sent out a questionnaire on impeachment and public financing of campaigns. In March, under a special order, I announced the results of that poll which showed that 62 percent of those answering were in favor of impeaching the President. A reprint of my statement, sent to the residents of the Sixth District of Washington, generated an occasional strong response from those who do not favor impeachment. One of those so responding requested that I bring to the attention of my colleagues his letter. Consequently, I submit the following from Rev. Charles F. Schreiner of Port Orchard, Wash.:

Port Orchard, Wash.,
April 10, 1974.

Congressman Floyd V. Hicks,
6th District, Washington, House of Representatives, Washington, D.C.

Dear Congressman Hicks: Thank you for your copy of the speech you entered into the Congressional Record concerning impeachment of Mr. Nixon.

However, I do not believe there is any way that the President of the United States can get a fair hearing from The Congress of the United States! With so many members of the House of Representatives, and of the United States Senate already passing judgment, even before testimony has been taken or witnesses have been cross examined by Mr. James St. Clair, it appears that the professed announcement to impeach has already precluded even a minimal rule of moral conduct or fairness.

With inflation that is rising in every spectrum of our economics, what does Congress do about this? Apparently nothing! What does the White House do? Sends a lop sided inflated budget. It does nothing! All that Congress (and this I'm sorry to have to write during Holy Week,) does . . . is carry on the vendatta against Mr. Nixon, with no rule of conduct to at least censure the verbal headline getters. It's becoming like a carnival, with Mr. Nixon in the cage; the Judiciary Committee as the "seller" or "barkers" and the Country seems to be forgotten.

You had your staff take a poll for you. But you did not suspend judgment. Hence your speech in the Congressional Record. The Grand Jury leaked reports that were given to Judge Sirica, and one was reported by CBS, NBC as if it were an indictment of the President. Innuendo corrupts through propaganda, and you in the Congress seem to think that you're giving us something as a people that we can all take. Well, as one historian from Seattle University I cannot do this, and I ask you as my representative to read this into the Congressional Record. It may not do any good, but at least, there may be some members left with a minimum standard of fair play and perhaps some may take a new look at what they are doing to the Nation. With kind regards, I remain,

Faithfully yours,
Charles F. Schreiner.

CONSUMER PRICE INDEX MODIFICATION

HON. MIKE GRAVEL

OF ALASKA

IN THE SENATE OF THE UNITED STATES

Tuesday, April 30, 1974

Mr. GRAVEL. Mr. President, the Bureau of Labor Statistics is currently making alterations in the Consumer Price Index. Now tailored to meet the needs of millions of average Americans who seek and need information on the impact of inflation on their earnings and family budgets, the Consumer Price Index plays an important role in adjusting our economy to changes in the cost of living. Over 50 million people, including many wage earners, approximately 29 million social security recipients, and retired civil service employees receive increases in income based on changes in the CPI.

The current method of calculating the price index satisfactorily meets these individuals' needs. Based on the cost of goods purchased by urban wage earners and clerical workers, the index is extremely accurate for people covered by cost-of-living escalators in their contracts and for social security recipients. It also provides the information needed by millions of other workers who need to evaluate the impact of inflation on their wages.

Unfortunately, the administration has already set in motion the machinery to alter the CPI to include the expenditure patterns of the more wealthy. Including those who spend less of their income on such basic items as food and fuel will result in smaller increases in the Consumer Price Index, because these items, which are in large part responsible for the rapidly rising rates of inflation, will be weighted less heavily in the new index.

Implementing these changes will distort the index Americans have come to understand, use, accept, and depend on. They cannot depend upon a new, expanded, average index that does not accurately measure the impact of inflation at their budget level.

I have cosponsored S. 3361, legislation that would prohibit altering the current index in the manner planned by the administration. This bill would not prohibit, however, the computation of any additional indexes the administration might desire to produce.

In addition to the Consumer Price Index which measures changes in the cost of living over time, the Bureau of Labor Statistics also compiles an urban family budget study to compare the relative cost of living in different areas of the country. Recognizing that these relative differences between areas depend on the market basket of goods selected for the survey, and that different expenditure patterns are found at different income levels, the budget study data is already reported for three budget levels. If the administration wants additional Consumer Price Index information, it should follow this pattern.

The budget study data now collected

for Anchorage, Alaska, illustrates the inadequacy of trying to use one index to cover all income levels. At the lower, intermediate, and higher budget levels, the differences in the cost of living between Anchorage and the U.S. urban averages are 50 percent, 32 percent, and 27 respectively. The differences in these levels are due to the relative weights of goods in the various market baskets used for each budget level. While the Consumer Price Index is computed in a different way, this example illustrates that the relative weight of goods used to compute cost-of-living variations has a significant impact on the final determination of the cost of living. Thus, it would be a great injustice to a majority of the American people to expand the CPI and distort its accuracy as applied to their income level.

In addition to vehemently disagreeing with the alleged merits of altering the index, I take strong issue with the secretive manner in which BLS set about making the change. On February 7, without telling Congress or the American people, BLS decided to implement the expanded index. Without checking with anyone outside the administration, millions of dollars were spent to develop the data base needed to institute the new index. There were no outside discussions or independent evaluations.

The administration has operated behind closed doors. It disregarded traditional methods of involving citizens in the decisionmaking process and, instead, announced a de facto decision. This is not the way a democracy should work.

In summary, Mr. President, I would hope that my colleagues will support S. 3361, not only to prohibit a hastily conceived and injurious change in the method used to compute the Consumer Price Index, but also to assert the right of the people to be involved in making the policies of Government.

CONSERVATION FEDERATION SUPPORTS THOMSON BILL

HON. VERNON W. THOMSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. THOMSON of Wisconsin. Mr. Speaker, further support for my bill, H.R. 11603, to create an Upper Mississippi River National Recreation Area, was recently voiced by the Conservation Federation of Missouri during its annual convention on March 24. Those of us concerned about the environment need to take a long look ahead so that our preparations today preserve for future generations those benefits of our tremendous natural heritage. The coordinated use of the recreational resources along the Mississippi River between St. Louis and the Twin Cities should be an important priority now to preserve the unique resources of the river. I include at this point in the RECORD the resolution adopted by the Conservation Federation of Missouri favoring passage of H.R. 11603.

RESOLUTION NO. 10

Whereas the Upper Mississippi River from St. Louis to Twin Cities, Minnesota possesses some of the finest wildlife habitat and other recreational resources left in the Midwest; and

Whereas there has recently been introduced in the Congress by Congressman Vernon Thomson H.R. 11603 to establish the Upper Mississippi River National Recreation Area; and

Whereas the present plan for the National Recreation Area would be administered by the Bureau of Sport Fisheries and Wildlife and would be advised by a thirteen-member Upper Mississippi Recreation Area Council; and

Whereas 565,000 acres of the proposed area is already in federal ownership and only 58,300 acres of additional lands would need to be acquired in fee title or lesser interest; and

Whereas the establishment of the National Recreation Area would give protection to this unique resource in the future;

Now, therefore, be it resolved that the Conservation Federation of Missouri assembled in Annual Convention in Jefferson City, Missouri, this 24th day of March 1974 joins with organizations from the four other states involved and the many national organizations in endorsing and supporting H.R. 11603 or similar legislation to establish the Upper Mississippi River National Recreation Area; and

Be it resolved that Congressmen Hungate, Sullivan, Symington and Clay, whose constituents are most directly affected be asked to join in the sponsorship of H.R. 11603 and we request our Senators to consider joining in Senate legislation for the same purpose; and

Be it further resolved that copies of this resolution be forwarded to the Missouri Delegation in Congress, Governor Christopher S. Bond, the Secretary of the Interior, Assistant Secretary of the Interior for Fish and Wildlife, Bureau of Sport Fisheries and Wildlife, Bureau of Outdoor Recreation, National Park Service, and the Army Corps of Engineers.

WATERGATE TAPES

HON. JAMES V. STANTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. JAMES V. STANTON. Mr. Speaker, I would like to urge respectfully that our Judiciary Committee refuse to accept the transcripts of the Watergate tapes that the President is pretending to be so generous about. I would hope that the committee sees fit to return the material, unopened, to the White House—on the ground that Mr. Nixon has not been responsive to the subpena which he forced the committee to have served on him. That subpena, Mr. Speaker, does not say transcripts. It says tapes. We should not back off. If we had to settle for mere transcripts—and how can we be so submissive as to abandon our constitutional responsibility by accepting a White House handout?—we could get the transcripts for 10 or 15 cents by buying a newspaper. For what the President is proposing to give to us he is also, very generously, furnishing to the newspapers.

I heard the President's speech last night, and I did not miss the point. His point was that he still insists on setting the ground rules for his own impeachment. But, of course, Mr. Speaker, how can he be the fair judge of a matter in which he might end up being accused? How can we believe him when he says the transcripts are complete as to Watergate? It begins to look more and more, Mr. Speaker, that he refused to turn over the tapes themselves, because for him to do so might be tantamount to submitting a signed confession.

His offer to permit the chairman and ranking minority member of the committee to verify the transcripts by listening to the tapes is also unacceptable. The committee, Mr. Speaker, needs to have actual physical possession in order to assure the integrity not only of the transcripts but also of the tapes. Otherwise, there would be no telling how many more 18½-minute gaps might exist.

WHAT CONSTITUTES GROUNDS FOR IMPEACHMENT?

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. HUBER. Mr. Speaker, there are new experts on the subject of impeachment appearing every day. Depending upon how they feel about the President, they each have many and varied reasons why he should be impeached. Recently, Paul Harvey, the columnist and radio newscaster, wrote a very provocative column on this subject which points out some very serious charges that could have been used against recent Presidents, but the question of impeachment was never raised. I commend this column to the attention of my colleagues as we further consider this question:

PAUL HARVEY NEWS

If impeachment had threatened President Truman, he'd never have dared fire Gen. Douglas MacArthur; maybe that would have been good.

But neither would he have dared drop the big bombs which ended the Pacific war and saved thousands more lives than they cost—and that would have been bad.

Every President is prone to mistakes in judgment.

And because your hindsight is so much better than their foresight could possibly be, a review of some old newspapers would make some of them appear grotesquely inept.

But did they deserve to be impeached?

I was at Pearl Harbor when our Navy's ships, theretofore dispersed, were brought into the harbor and lined up side-by-side so that it would be more convenient for naval officers to attend social events ashore.

So the Sunday it rained bombs they sank in bunches.

And 4,675 Americans died that day, and there were a million more casualties in the war that followed.

Whoever let the Japanese get the drop on us, our own Commander in Chief, Franklin Roosevelt, was responsible.

Yet in no back issue of The New York Times or The Washington Post do I see any demand for "impeachment."

When President John Kennedy authorized and aided the reinvasion of Cuba in 1961, then mistakenly withheld the promised U.S.

air power—and so wasted the lives of 1,500 brave men—that was not one of our nation's finest hours.

Yet rereading The Post and The Times of those dates I see no mention of "impeachment."

In 1964 President Lyndon Johnson contrived a false alarm in the Gulf of Tonkin as an excuse to intensify our military involvement in Vietnam.

The essential facts concerning this misrepresentation were duly noted by The Post and The Times, but neither of them nor any of the papers nor pundits which parrot them ever suggested "impeachment."

Hindsight shows the buggy burglary of Watergate to have been a goofy exercise in overkill, yet it killed nobody.

It did not leave any bomb-dismembered bodies on sunken ships or blood-soaked beaches.

Indeed, the only casualties of the abortive invasion of Watergate are the perpetrators caught in their own backfire.

Yet, for this misdemeanor by his subordinates, President Nixon is the target of impeachment proceedings.

Our nation's founders intended the President, the Congress and the courts to checkrein one another. But when news writers presume to law-making—or law-interpreting—that balance is distorted.

And if the day ever comes in our country when this coalition can harangue and harass and hound and overwhelm anybody, then it can "anybody."

INFLATION IMPACT STATEMENT

HON. HAROLD V. FROEHLICH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. FROEHLICH. Mr. Speaker, the American people are concerned about inflation.

Rising costs and rising prices make it difficult for people to maintain, much less improve, their standard of living. For people living on fixed incomes, the burden of coping with inflation is nearly impossible.

Although every Member of Congress shares the public's concern about inflation, many of us feel hard-pressed to contribute any realistic solution to the problem. The experiment of wage and price controls has proven a false panacea, with deeply disturbing economic fallout, and it is proper now for this authority to expire.

Today I am introducing a small but important resolution to help assure that we in the Congress do not unconsciously worsen the problem of inflation through our own legislative actions. My resolution provides that each committee report on a bill or joint resolution of a public character in the House "shall contain a detailed analytical statement as to whether the enactment of such bill or joint resolution into law may have an inflationary impact on prices and costs in the operation of the national economy."

There are times, Mr. Speaker, when Congress will enact legislation that has an adverse inflationary impact because we have decided that some other objective has a higher priority. This is inescapable. But when we take action of this nature, let us acknowledge forthrightly what we are doing and why we are doing it. Let us not try to conceal the expected consequences of our actions.

The case for an economic impact statement was extremely well stated by Dr. Richard W. Rahn in the October 1973 issue of the Ripon Forum. Dr. Rahn's article is highly relevant to my somewhat narrower proposal, and I insert it at this point in the Record.

THE NEED FOR ECONOMIC IMPACT STATEMENTS

(By Richard W. Rahn)

Should economists and legislators who determine economic policy be held accountable for the results of their policies? Traditionally, economics has been viewed as such a mystical science that it seemed perhaps no more fair to blame the economist for the world's economic situation than it was to blame the preacher for the world's moral situation. In reality, however, the science of economics has now developed to the stage where the effects of most policy changes are reasonably predictable.

The economic problems now facing our country result largely from the implementation of policies whose probable outcome could have been forecast by the policy framers. For instance, our present inflationary cycle began when the Johnson Administration greatly increased both domestic and Vietnam War spending without increasing taxes to pay for the spending. The resulting inflation was predictable.

For the most part, bad economic policy is implemented because both Administration and congressional economic policy makers feel pressured to respond to the political realities of the short run rather than the long run needs of the nation. Economic policymaking could be substantially improved if each new policy proposal were accompanied by an economic statement of the long run results of such a policy.

If we compare our economic environment to our physical environment, we recognize that induced changes usually have both positive and negative effects. It has become apparent that we cannot continue to alter our physical environment without considering the long run effects of such alterations. The same is true with our economic environment. In order to grow and prosper in a healthy environment, we must adopt policies which have long run beneficial effects rather than short run policies which tend to exacerbate current difficulties over a period of time.

Specifically, it is recommended that, in the case of any new legislative proposal or administrative policy that would have major impact on the economy, the Congress or the Administration be required to append a formal and detailed statement of the expected long run effects of such an action to the proposal.

The Russian wheat deal, the recent price and wage controls, and the recently vetoed minimum wage bill all illustrate the need for such "economic impact statements." The Russian wheat deal is acknowledged by most observers, including Treasury Secretary George Shultz, to have been a colossal blunder. It now appears that when the Department of Agriculture gave its approval to sell one-fourth of the entire U.S. wheat crop to the Soviet Union, not one official in the department first evaluated the effect of such an agreement on our existing grain stocks, let alone the price of wheat given the anticipated harvest in relation to expected domestic and foreign demand. A careful economic analysis of the deal may not have revealed that the price would eventually rise to $4 a bushel as it did, but it would certainly have revealed that such a transaction would cause major upward pressure on the price of wheat.

The shortages, the cessation of production of marginally profitable products (e.g. lower priced grades of paper), the rise of black markets, and the ballooning of prices when the controls were lifted, were all easily predictable results of the recent price freeze. If the Administration had been required to produce an "economic impact statement" describing the negative aspects of the freeze, there probably would have been a far more healthy opposition to the freeze. Perhaps then it would not have been allowed or at least would have been shortened. It is unlikely that prices for the American consumer are not now any lower as a result of the freeze, and he has been forced to accept artificially created shortages.

Minimum wage legislation provides a prime example of the need for an "economic impact statement." Those advocating an increase in the minimum wage from $1.60 to $2.20 an hour have provided a rather persuasive emotional case for raising the living standards of millions of impoverished workers, particularly in these inflationary times. A generation's experience with minimum wages has shown that they are not the panacea for poverty that they would appear to be.

We know that no rational employer is going to pay an employee $2.20 an hour when he only produced $2.00 per hour's worth of product. In reality, many low wage workers will not have their wages increased, but will be fired. Even the distinguished economist Paul Samuelson (a notorious non-conservative) has said: "*Minimum wage rates*. These often hurt those they are designed to help. What good does it do a black youth to know that an employer must pay him $2.00 per hour if the fact that he must be paid that amount is what keeps him from getting a job." [1]

Kosters and Welch found in their highly regarded study of the minimum wage that: "Minimum wage legislation has had the effect of decreasing the share of normal employment and increasing vulnerability to cyclical changes in employment for the group most marginal to the work force—teenagers. Thus, as a result of increased minimum wages, teenagers are able to obtain fewer jobs during periods of normal employment growth and their jobs are less secure in the face of short-term employment changes . . . A disproportionate share of these unfavorable employment effects appears to have accrued to non-white teenagers. The primary beneficiaries of the shifts in the pattern of employment shares occasioned by minimum wage increases were adults, and among adults, particularly white males." [2] The President's proposal to have a lower minimum wage might have received far more favorable treatment in Congress if the opposition had been required to show that their proposals to increase the wage for all workers to $2.20 an hour would *in all likelihood* substantially increase the rate of teenage unemployment—particularly among black teenagers.

This proposal for required "economic impact studies" is predicated on the notion that the long run effects of our actions are at least as important as the short run results, and that economic forecasting has developed to the point where it is at least as much of a science as it is an art.

Economic policy makers ought to be as accountable to the public for their actions as are other professionals. As John Kenneth Galbraith recently said: "Then there is the remarkable nonaccountability of economists—something of which, as an economist, I am very reluctant to complain. A surgeon, in a general way, is held accountable for results. If, delving for a brain tumor, he gets a prostate, he is open to criticism. Even lawyers are held to certain standards of performance; John Mitchell is in trouble for changing sides on the matter of crime. But not economists. No matter how great the disaster, we are still revered."[3]

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[1] Paul A. Samuelson, Economics, 9th Edition, McGraw-Hill Book Company, New York 1973 pp. 393–394.

[2] Marvin Kosters and Finis Welch, "The Effects of Minimum Wage on the Distribution of Changes in Aggregate Employment," The American Economic Review, (June 1972) p. 330.

It is hoped that the requirement of an "economic impact statement" by economists and other public practitioners of the economic sciences will help bring closer the day when economists are reversed for a reason.

Resolution to amend the House rules to require that the report of each House committee on each public bill or joint resolution reported by the committee shall contain a statement as to the inflationary impact on the national economy of the enactment of such legislation

Resolved, That clause 27(d) (1) of Rule XI of the Rules of the House of Representatives is amended by adding at the end thereof the following: "Each report of a committee on each bill or joint resolution of a public character reported by such committee shall contain a detailed analytical statement as to whether the enactment of such bill or joint resolution into law may have an inflationary impact on prices and costs in the operation of the national economy."

THREE GOVERNMENT BRANCHES UNEQUAL

HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. HUNGATE. Mr. Speaker, at a time when we face separation of power questions, the following analysis may be instructive:

CLASH COMING: THREE GOVERNMENT BRANCHES UNEQUAL

(By Jeffrey Hart)

We keep hearing—from pundits, the President, and professors of political science—that the U.S. government consists of three separate but equal branches. That is false. The system established by the founders and set forth in the Constitution is, in the last resort, one of absolute congressional supremacy.

One of the fascinating features of the current impeachment process is the way in which the separate-but-equal theory is being shown up for the myth it really is.

The White House thus may twist, turn, and delay—but it knows that it has no choice but to surrender to the Peter W. Rodino committee any required tapes and other evidence. Backed by the weight of the full House, the Rodino committee, is, quite simply, irresistible. To resist is to be impeached. The committee is restrained, if at all, only by the sentiment of Congress. In this confrontation, the White House is hardly an "equal branch."

The truth about the American system, though it is hardly ever mentioned, is that Congress possesses ultimate, decisive weapons that it can use against the other two branches. Neither the President nor the court has any comparable weapons to use against Congress.

In a mild collision with the President, for example, Congress can override his veto. In a serious collision, it can impeach him. It can refuse to appropriate salaries and operating expenses for the executive branch. As in the legislated end to the Cambodian bombing, it can even have the final say in foreign policy. An "equal branch?"

The nation's highest court has the adjective "supreme" attached to it, but that doesn't mean that is it "supreme" relative to Congress. Congress has been reluctant to collide with the court, even under severe provocation, but there is no doubt about what the result of such a collision would be.

Under Article III, Section 2 of the Constitution, Congress has the power to remove specific legislation from the appellate jurisdiction of the court. It can do this with regard to busing, abortion, or any other issue. It can impeach judges, refuse to pay their salaries, refuse to confirm them. That doesn't sound like the relationship between "equal branches."

Or consider the following scenario: Mr. Nixon is impeached by the House and then convicted by the Senate. He refuses to leave the Presidency and carries his appeal to the Supreme Court. James St. Clair, Mr. Nixon's lawyer, argues that the phrase "treason, bribery, or other high crimes and misdemeanors" does not describe the specific acts for which the Senate convicted Mr. Nixon. By a 5-4 vote, astounding everyone, the court overturns Mr. Nixon's conviction.

At that point, Congress could reach for the ultimate weapon, the untrumpable trump, and impeach the justices.

What the separate-but-equal myth actually does is describe not a system of government but a system of manners. In practice, and tacitly, over much of the course of American history, the three branches have agreed to behave "as if" they were really equal—though in fact, as we have seen, they are not. The myth of separate-but-equal branches expresses the fact of mutual restraint. By and large, Congress has not been obliged to flex, let alone use, its constitutional muscles.

In our time what we have seen is the breakdown of that traditional restraint. In the post-World War II era, the first serious assaults, came from the court—in rulings on busing, pornography, prayer. Restraint gave way to ideological aggression. And now Congress finds itself on collision course with the President. The sleeping constitutional giant of congressional supremacy has begun to awaken.

TOCKS ISLAND DAM CALLED PORK BARREL LEGISLATION BY THE WASHINGTON POST

HON. JOSEPH J. MARAZITI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. MARAZITI. Mr. Speaker, for the RECORD, I would like to submit an editorial by one of the Nation's leading newspapers on an environmental issue that is of interest to all those in the Nation who are concerned about preserving our natural resources and cutting out waste in Government spending:

PRESERVING AN ISLAND—AND A VALLEY

A few hours north of Washington, along the upper New Jersey-Pennsylvania border, is an amazingly beautiful valley. Above the Delaware Water Gap, a 40-mile stretch of magnificent land is flush with wildlife—including black bear, deer, trout and foxes—and is a preserve of natural and historic scenery not usually associated with the industrial areas of northern Jersey and eastern Pennsylvania. Somehow, the polluters and exploiters have stayed away from this land that was settled by English and Dutch colonials in the mid-1600s. Currently, though, the purity of the Delaware Valley and the Delaware River that winds through it are threatened by the proposed construction of the Tocks Island Dam.

As authorized by Congress 14 years ago, the purpose of the dam was flood control. At the time, the idea of a dam may have seemed feasible, because hurricanes in the area had caused floods a few years earlier. But now, years later, too many arguments against the proposed dam suggest that it would be better not to build it at all. Rep. Joseph J. Maraziti (R-N.J.) told the Subcommittee on Public Works of the House Appropriations Committee that the dam project "is fiscally irresponsible, unjustified from a cost-benefit-ratio point of view, environmentally dangerous and unnecessary. Alternatives still exist for flood control, water supply, power and recreation in the Delaware Basin at far less cost without destroying one of the last free flowing rivers in the East."

In the past, public works projects like this were often constructed with few environmental or social considerations given. The U.S. Army Corps of Engineers—involved here too—usually went ahead with little opposition beyond what a few unorganized conservationists offered. But those bulldozing days are over, as such recent examples as the halted Florida barge canal illustrate. As for the Tocks Island Dam, the pork barrel temptations may still be present but the strong opposition from a local representative, Mr. Maraziti suggests that Washington should keep its pork. Significantly, the congressman's views are shared not only by many of his constituents but also by the federal Council on Environmental Quality. Chairman Russell Peterson said: "I feel strongly that there is a pressing need to evaluate alternative measures to the Tocks Island Dam project, particularly to assure that water supply, power and recreation needs of that region can be met in a reasonably effective and economically efficient manner."

The opposition raised to the construction of the dam is not from isolated parties who might be labeled as being "anti-progress." Instead, the coalition of local citizens, politicians, and federal environmentalists suggests a broad realization that the preservation of this valley far outweighs any benefits the Corps of Engineers or real estate speculators might envision. On the state level, New Jersey Gov. Brendan T. Byrne has the opportunity to take decisive action, and Congress can do its part by refusing any further funds. If anything, what is needed is more funds to preserve the area, not to maul it.

POSTCARD VOTER REGISTRATION

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. FRENZEL. Mr. Speaker, throughout the discussion and debate on the postcard voter registration bill, a great majority of State and local officials have been critical of the bill and fear that it would result in administrative chaos.

Following is a very thoughtful analysis of the proposed legislation from Mr. George A. Mann, registrar of voters-recorder for Santa Clara County in California. It was prepared by the county and distributed to Members from California, but its criticisms are universal and will probably interest all Members.

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[3] John Kenneth Galbraith, "Why the Nixon Economic Policy is so Bad." New York, (September 3, 1973) p. 29.

ANALYSIS OF PROPOSED FEDERAL POSTCARD REGISTRATION LEGISLATION

While I am generally in favor of a well-conceived statewide system of voter registration by mail, I have grave concern that the proposed national programs, specifically H.R. 8053, would result in administrative chaos.

Major examples:

1. The biennial mailing of postcard registration forms to every postal address would result in hundreds of thousands of persons who are already registered submitting the new forms merely as a matter of insurance. This would require that countless wasted hours be spent in searching the files to eliminate duplicate registrations.

2. If the State were not to enact legislation to permit persons registered under the federal system to vote in state and local elections, the number of complaints received from persons not eligible to vote in other than federal elections would be staggering. While the county would have no legal liability in this matter, the sheer volume of complaints would paralyze the office in terms of carrying out our regular responsibilities.

3. The time in which the mailing, return and processing of postcard registrations must be accomplished (150 days maximum—90 days minimum) is entirely inadequate considering the potential volume of work.

4. The single copy of the postcard affidavit is not compatible with existing State law governing the manner of identifying voters at the polling places; i.e., comparing the voter's signature in the precinct roster with that on his affidavit of registration. In order to ensure against loss of the postcard affidavits it would be necessary to photocopy or microfilm each one.

In summary, we would encounter major technical difficulties and exorbitant costs if this type of legislation is enacted. The ultimate victim, however, would be the voter whom this bill is purportedly designed to accommodate. Any program so technically complex and cumbersome has a high potential for crumbling under its own weight, and this could only result in the disenfranchizement of thousands upon thousands of voters.

As an alternative, the Frenzel Substitute (H.R. 11713) appears to be a sound method of allowing individual states, embracing a wide variety of registration systems and regulations, to obtain financial assistance to develop improved and more liberal methods of voter registration along lines which best fit their unique needs. Many states, for example, might be able to function under provisions similar to those in H.R. 8053 because they do not provide such services as mailing sample ballots, notices of polling place location, arguments and other literature to voters; nor are they required to provide precinct voter lists and computer tapes to political parties and candidates. In California where these, and many other services are provided, we need considerably more lead time than is allowed under H.R. 8053.

There is a Joint Senate-Assembly Committee for the Revision of the Elections Code in California, and an advisory committee composed of registrars, city clerks and representatives from State agencies and the public. The advisory committee has been attempting to develop a proposal for a statewide system of registration by mail which would be compatible with the requirements and safeguards deemed necessary to insure fraud-free elections in this State. One of the major delaying factors in the progress of the committee's work has been the lack of funds for adequate staff, necessary travel, etc. Funds made available by the Frenzel Substitute could aid in accelerating the modernization of California's registration and election laws.

FEO AND THE GAS LINES

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. SYMMS. Mr. Speaker, Milton Friedman probably is one of the best known and respected economists in the country, if not the world. I would like to offer to my colleagues the opportunity of reading the views of Dr. Friedman as presented in "The Freeman," a publication of the Foundation of Economic Education—FEE—at Irvington on the Hudson, N.Y.:

FEO AND THE GAS LINES

(By Milton Friedman)

As I write this in Chicago, lines are forming at those gas stations that are open. The exasperated motorists are cursing; the service station attendants are fuming; the politicians are promising. The one thing few people seem to be doing is thinking.

How is it that for years past, you and I have been able to find gas stations open at almost any hour of the day or night, and have been able to drive up to them with complete confidence that the request to "fill up" would be honored with alacrity and even with a cleaning of the windshield? To judge from the rhetoric that pollutes the air these days, it must have been because there was a powerful Federal Energy Office hidden somewhere in the underground dungeons in Washington, in which an invisible William Simon was efficiently allocating petroleum products throughout the land, riding herd on greedy oil tycoons lusting for an opportunity to mess things up and create long lines at their gas stations.

Of course, we know very well that the situation is precisely the reverse. The lines date from the creation of a real Federal Energy Office run by a very visible, able and articulate William Simon. Which is the cause and which the effect? Did the lines produce the FEO or the FEO the lines?

After the Arabs cut output, Germany imposed no price controls on petroleum products. It did initially restrict Sunday driving but soon removed that restraint. The price of petroleum products jumped some 20 or 30 per cent, but there were no long lines, no disorganization. The greedy consumers found it in their own interest to conserve oil in the most painless way. The greedy oil tycoons found it in their own interest to see to it that petroleum products were available for those able and willing to pay the price.

Other European countries, like the U.S., imposed price controls. And, like us, they had chaos.

The Arab cut in output can be blamed for higher prices, but it cannot be blamed for the long lines. Their creation required the cooperation of shortsighted governments.

The world crisis is now past its peak. The initial quadrupling of the price of crude oil after the Arabs cut output was a temporary response that has been working its own cure. Higher prices induced consumers to economize and other producers to step up output. It takes time to adjust, so these reactions will snowball. In order to keep prices up, the Arabs would have to curtail their output by ever larger amounts. But even if they cut their output to zero, they could not for long keep the world price of crude at $10 a barrel. Well before that point, the cartel would collapse.

The effects of consumer and producer reactions are already showing up. The European countries that introduced rationing and restrictions on driving have eliminated them. World oil prices are weakening. They will soon tumble. When that occurs, it will reveal how superficial are the hysterical cries that we have come to the end of an era and must revolutionize our energy-wasting way of life. What we have been witnessing is not the end of an era but simply shortsightedness.

At home, unfortunately, our problems will not be over so soon. The panicky FEO forced oil companies to shift so much production to heating oil that we face a glut of heating oil but a paucity of gasoline. The FEO's allocations among states have starved some, amply supplied others. Its order that refineries operating at high levels must sell oil to those operating at low levels sounds fine. In practice, however, it reduces the incentive for the recipients to buy oil abroad and produces a wasteful use of oil at home.

We have the worst of both worlds: long lines and sharply higher prices—indeed, higher than I believe they would have been without the waste resulting from FEO controls.

Is rationing the solution? Far from it. It is the problem. We already have rationing of producers and distributors. Coupon rationing of final consumers would simply be the hair of the dog that bit you.

The way to end long lines at gas stations is to abolish FEO and end all controls on the prices and allocation of petroleum products. Within a few weeks, your friendly dealer would again be cleaning your windshield with a smile.

How can thinking people believe that a government that cannot deliver the mail can deliver gas better than Exxon, Mobil, Texaco, Gulf and the rest?

SOVIET-UNITED STATES SPACE COOPERATION OR MASSIVE SOVIET TECHNOLOGY GRAB?

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. HUBER. Mr. Speaker, the forthcoming space linkup between Soviet and U.S. spaceships raises some interesting questions. The Soviets have traditionally treated their space program, with certain limited exceptions, as a matter of national security. However, it is well known that Soviet space technology lags behind ours in certain categories. However, given the generous and naive nature of most Americans, there is no doubt that this space cooperation will enable them to catch up even as the transfer recently of some of our computer technology enabled the U.S.S.R. to speed up its schedule for MIRV missiles. Therefore, it was with a great deal of interest that I recently learned there are no less than 75 Soviet engineers and other technicians now in Houston gathering information. The number of U.S. people that will be in the Soviet Union is 10, and you can expect their access to Soviet information to be severely limited.

The article from the London Daily Telegraph of April 16, 1974, follows:

[From the London Daily Telegraph, Apr. 16, 1974]

SOVIET-UNITED STATES SPEED-UP FOR SPACE LINK

Preparations for the Russo-American space rendezvous next year are being stepped up at the Johnson Space Centre in Houston this week.

This follows the arrival yesterday of a group of Russian cosmonauts and other members of the Russian team. Some members of the team have been in Houston for various periods, and it now numbers no fewer than 75 engineers and other technicians.

The purpose of the present trip is not training but discussion of plans, although some of the cosmonauts may seize the opportunity to take spins in American space simulators.

TRAINING PERIODS

The first training period is to start in July at Star City, outside Moscow, where the cosmonauts have their quarters, and for that the American prime and back-up crews and a few members of the American team, a total of nine or 10 in all, will travel to Russia.

Russian spacemen and some of their support team will go to Houston for the second training period in September.

For the space rendezvous the Russian Soyuz spacecraft is to carry a crew of two, and the larger and much more sophisticated American Apollo, designed for trips to the Moon, a crew of three.

The target date for the launch in Russia of the Soyuz is July 15, 1975, followed about seven hours later by the Apollo launch at Cape Canaveral, and then by rendezvous and docking in earth orbit.

The American prime and back-up crews and some other members of the American team are learning Russian, and many of the Russians involved understand English. But an interchangeable "space lingo" is one of the things that has to be worked out.

NATURALIZED CITIZENS AND THE OFFICE OF THE PRESIDENT

HON. TORBERT H. MACDONALD

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. MACDONALD. Mr. Speaker, this morning I had the privilege to testify before the Subcommittee on Constitutional Amendments of the Senate Judiciary Committee regarding a resolution which I have introduced to enable naturalized citizens to hold the office of President of the United States.

I was accompanied by two young people from Joyce Junior High School in Woburn, Mass. They were representing their classmates who had first written to me 2 years ago to raise the problem created by the language in article II, section I, clause 5 of the Constitution which provides that only "natural born" citizens shall be eligible to hold the Office of President. It is this barrier which House Joint Resolution 491 is intended to remove.

These young people—Nanci Donahue and Thomas Foley—were chosen from over 400 of their classmates to come to Washington for these hearings today. The selections were made on the basis of essays which were written by students at Joyce Junior High School under the direction of Mr. Laurence Gilgun, principal, and Mr. Daniel Sweeney, who is a member of the faculty.

Nanci Donahue has been a straight A student since the first grade and is pursuing an honors program at Joyce Junior High School. Thomas Foley is in the college preparatory program and also has a good academic record.

The essay contest became a matter of community interest and was sponsored by the Woburn Daily Times and Woburn Kiwanis Club. I would like to extend my personal thanks to Mr. Paul Haggerty, Sr., publisher of the Daily Times, and Mr. Joseph Breen, Esq., first vice president of the Kiwanis Club, for their participation in judging the essays.

I would like to include at this point the statement which I gave to the subcommittee this morning and the two essays:

STATEMENT OF THE HONORABLE TORBERT H. MACDONALD

I am pleased to appear before this distinguished Committee this morning, and I commend Senator Fong for bringing this important legislation to a hearing.

As I am certain the members of this Committee are aware, Article II, Section I, clause 5 of the Constitution provides that only "natural born" citizens shall be eligible to hold the Office of President. This provision precludes naturalized citizens, who otherwise have the same rights as natural born citizens, from holding the highest elective office in the country. No similar prohibition exists with regard to the offices of Representative or Senator.

While the Founding Fathers might have been justified in limiting the Office of President to natural born citizens, obviously times have changed since the Constitution was ratified 183 years ago. This nation's greatness is due to the contributions of men and women who immigrated here from all over the world, and it is inequitable to perpetuate a barrier which prevents naturalized citizens from seeking the Office of President.

The 1970 Census revealed that there are over 6 million naturalized citizens in this country. In the past decade, more than 500 thousand persons have attained this status, and last year alone the Immigration and Naturalization Service reports that 120 thousand persons earned the rights of American ctiizens. As long as these millions of citizens are barred from seeking the Office of President, they are being accorded only second-class citizenship.

There is no reason to perpetuate this injustice by preventing a naturalized American from holding the Office of President and serving his country if he or she is the choice of the majority of citizens of the United States.

For a few examples—the son of a great U.S. President who was born in Canada, namely Franklin Roosevelt, Jr., would have been excluded from running for President. The status of past Presidential contenders such as George Romney, the former Governor of Michigan who was born in Mexico, had been clouded as a result of this inequity. I note that Senator Barry Goldwater was born in the Territory of Arizona, three years before it entered the Union, and that Senator Lowell Weicker was born in Paris, France.

I have introduced legislation which provides for an amendment to the Constitution to allow a citizen who is not native born to be eligible to hold the Office of President if he or she has been a citizen for at least twelve years on the date of election for such Office, and if he or she has been a resident within the United States for fourteen years on such date.

The fourteen-year residency requirement is the same as that which now exists in Article II for natural born citizens, and the twelve-year requirement assures that any naturalized citizen who chooses to seek the Office of President will have held his status for a sufficient time during this period of residency. I realize that in this latter respect H.J. Res. 491 and H.J. Res. 589 which I have introduced differ from your bill, Mr. Chairman; however, I am not as much concerned about the form which this amendment takes as I am that we take some action to remove this long-standing inequity in our Constitution.

I first introduced this legislation two years ago after I received a letter and a petition pointing up the problem signed by several hundred students at Joyce Junior High School in Woburn, Massachusetts, which is part of my Congressional District. At the time that I introduced my legislation during the last Congress, the only other bill was the one that you had introduced, Mr. Chairman, in 1971. There was no similar legislation before the House.

The 92nd Congress adjourned without taking action on these measures, and I reintroduced my bill again this past year along with several cosponsors. When I received the invitation from this Committee to appear this morning, I spoke with officials at Joyce Junior High School and suggested that the school be represented at these hearings. As a result, the school asked those students who had originally written to me two years ago as seventh graders and are currently in the ninth grade to submit essays explaining why they feel this Constitutional amendment is necessary. From over 400 entries, two essays were chosen, and the students who wrote those essays are with me here today.

They are Nanci Donahue and Thomas Foley and have been accompanied in their trip to Washington by Mr. and Mrs. Daniel Sweeney. Mr. Sweeney is the member of the faculty who encouraged the original petition. I might mention that this has become something of a community project in Woburn, because the students' trip is being sponsored by the Woburn *Daily Times* and the Woburn Kiwanis Club.

I would appreciate it, Mr. Chairman, if these two essays could be included in the record of these hearings at this point, and I would like to personally commend these young people and the hundreds of others whom they represent for their continuing interest in our system of government.

ESSAY

(By Nanci Donahue)

I feel that a naturalized citizen should be allowed to run for the office of the presidency of the United States of America for a number of reasons. First, consider the people who have become naturalized, and in having done so, the things that they have gone through and given up. They have chosen to leave their homes and families, and to relinquish their citizenship in their native land in order to become naturalized citizens. This is only one way that they have shown their devotion and respect for the United States.

Throughout the past, many foreign born people who had come to this country have helped a great deal to make the United States the world power that she is today. For example, the Marquis de Lafayette was very influential in persuading the French king to come to the assistance of the colonists in their battle for freedom at the time of the Revolutionary War. Irish and Chinese immigrants helped to build a system of railroads in the 1870's, and in doing so increased trade and prosperity within the nation. Henry Kissinger, our internationally famous Secretary of State, helped end the cold war between the United States and the Communist nations of the world. These people who have been mentioned are only a few out of the great number who have contributed to the growth of the United States.

Although the President of the United States is considered as one of the most powerful officials in the world, his power is somewhat limited. Stated in the Constitution are the duties of the President. They are basically to observe that laws and treaties be executed and enforced, and to also preserve, protect, and defend the Constitution. He does not make the laws. Therefore, with our democratic system of checks and balances, there should be no fear that any naturalized citizen who has attained the office of the presidency, could lead this country into the hands of any foreign power.

The Declaration of Independence states, "We hold these truths to be self-evident: that all men are created equal, that they are endowed by their Creator with certain inalienable rights, that among these are life, liberty, and the pursuit of happiness." Therefore, should we deny those people who may have been born in another country an equal opportunity to contribute to the future growth of our nation? Without such people, where would America be today?

Essay

(By Thomas Foley)

A naturalized citizen should be allowed to become President because many naturalized citizens have more respect and knowledge concerning our government than many native born American citizens. People in the United States tend to take rights and privileges for granted, whereas a person from another country with fewer rights would relish the opportunity to live, work, and vote here. If a naturalized citizen can vote for the President, why should we deny him the right to *be* President?

According to Constitutional law, in order to become President, a person must have been born an American citizen, lived in this country for fourteen consecutive years, and be thirty-five years of age. A native American does not choose his place of birth, yet he is given the right to the presidency because of it; the naturalized citizen has chosen the United States as his country, yet he is denied the right to be President. It seems to me that if a naturalized citizen fulfilled the other requirements, and had lived in this country for fourteen years since becoming a citizen, he should have the right to become President.

Some people say that our foreign policy might be a little lenient toward the country of the President's origin. In the same light, couldn't you say that a President might be lenient toward the country of his heritage? Since there are no real natives of the United States but the American Indian, and no American Indian has ever become President, all our Presidents have been of foreign descent.

Becoming President is now possible for citizens of Hawaii or Alaska, who have all become naturalized citizens as a result of the acquisition of their lands, yet a person who has taken an oath of allegiance to the United States is denied the right to govern because of something he couldn't control—his place of birth. It is not fair to deprive a person of the right to lead his adopted country to prosperity and peace. If we were to deny a brilliant leader of men the right to the presidency and the power over world peace that it holds, it would be a tremendous loss, not only to the United States, but to the world and to posterity.

Thomas Foley.

CHRISTIAN SOCIAL CONCERNS

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. LANDGREBE. Mr. Speaker, I wish to have the following article reprinted in the Congressional Record for the interest and enlightenment of all my colleagues. It is taken from the Reformation Visitor, a publication of the Lutheran Church of the Reformation, 212 East Capitol Street, Washington, D.C.

Christian Social Concerns

The mental health of the individual and the family is the strength of a nation. Religion is a prominent factor in achieving good mental health and remaining emotionally secure. In Reformation's poll of social concerns, mental health was among the first listed and is to be the topic of the sixth social concerns forum to be held in the Parish Hall Sunday, May 12, at 9:45 a.m. Dr. Joseph J. Baker, Director of Mental Health and Behavioral Sciences Service of the Veterans Administration and a member of Reformation Church, will be the moderator. The following statement is presented as background information for the forum. You are invited to share in the discussion of how to achieve and maintain good mental health.

MENTAL HEALTH

Mental health implies a healthy mind, a good personal adjustment, and a well-organized life. It is synonymous with good emotional balance. The person who has good mental health is a mature person. He deals with his problems effectively and he adapts successfully to both the inner and outer demands being made upon him.

Psychiatrist Earl Menninger defines mental health as "the adjustment of human beings to the world and to each other with a maximum effectiveness and happiness . . . It is the ability to maintain an even temper, an alert intelligence, socially considerate behavior, and a happy disposition." People with good mental health feel comfortable about themselves and with other people. He who has good health enjoys people, has affectional ties, friendship, love, compassion, understanding, and concern for his fellow man, and feels the need to share. The kind of life he lives is momentous for himself, his community, and the world. Mental health requires a proper balance of love, play, work, and worship.

The person with mental health has a sense of well-being, personal dignity, and self-respect. He feels he is wanted, appreciated, and understood. He has a feeling of being purposeful and productive. He has the ability to meet the ordinary demands of living. He identifies with worthwhile work, significant causes, and high social values. He is constantly widening his interests. He is generally good natured, amiable, and cheerful. He has stability, peace of mind, and control over his emotions. He has confidence in himself and in what he is doing. He accepts things he cannot change. His worries are passing. He does not carry grudges. He readily admits his own mistakes, is able to laugh at himself, and maintains a sense of proportion.

Dr. George S. Stevenson, long-time consultant for the National Association for Mental Health, offers 10 signs of good mental health. They are:

1. A tolerant easygoing attitude toward yourself as well as others.

2. A realistic estimate of your own abilities—neither underestimating or overestimating.

3. Self-respect.

4. Ability to take life's disappointments in stride.

5. Ability to give love and consider the interests of others.

6. Liking and trusting other people and expecting others to feel the same way about you.

7. Feeling part of a group and having a sense of responsibility to your neighbors and fellow man.

8. Acceptance of your responsibilities and doing something about your problems as they arise.

9. Ability to plan ahead and setting of realistic goals for yourself.

10. Putting your best efforts into what you do and getting satisfaction out of doing it.

HOW TO ACHIEVE GOOD MENTAL HEALTH

"Without exaggeration," says Dr. Harry Emerson Fosdick, "it can be said that frustrated, disintegrated, inhibited, unhappy people who cannot match themselves with life and become efficient personalities, constitute the greatest single tragedy in the world." There is no rule of thumb, no standard for achieving and preserving mental health, but there are things we can do.

We start with a child. In helping him grow up we should safeguard his mental health and happiness. Parents have the responsibility for building and perfecting the physical and mental health of their children. Mental health comes most easily to children who have good relations with parents who are happy and relaxed. Family quarrels and parental division of authority should be avoided. Parents should examine their own prejudices and beliefs and discover and shore up their own deficiencies. As the child grows, he should be given a feeling of self confidence and security. He should not be compared unfavorably with others. His needs for recognition and status should be satisfied. Projecting fears into children should be avoided. If fears are present, the child should not be shamed out of his fears. A feeling of being loved, calm assurance, and an explanation that there is nothing to be afraid of are the best care. And it should be kept in mind that each child has his own characteristics and rate of development. He should be accepted for what he is—an individual with unique potentialities. He should not be forced into anyone's mold of a "perfect" child.

Most of us have good mental health traits as well as some not so good. Our task is to discover which are the bad ones and then try to correct or alleviate them. Some of us are able to change our mental habits and attitudes by recognizing our difficulties and understanding our problems. If we are unable to resolve them we should seek help from a reliable person. The pastor, a trusted friend, a teacher, a member of the family, a counselor or sometimes a co-worker, often can be helpful.

To achieve good mental health we must engage in worthwhile tasks. We should cultivate a wide range of wholesome interests, activities, and social contacts related to good health and high morals. The more we can socialize our desires, the more comfortable we can live. Being needed and standing for something greater than ourselves gives us a sense of personal worth and self-respect. Without self-respect, no great living is possible. We must learn to cope with frustrations and disappointments and roll with the punch in case of personal adversity. We must be able to turn a minus into a plus.

SPIRITUAL LIFE AND MENTAL HEALTH

Nothing stabilizes a shaken life more effectively and helps a person achieve and preserve good mental health than a positive faith. "Through religious experience, confidence, stability, and courage." The sovereign cure for worry is religious faith, says William James, world renowened philosopher-psychologist. "Every sort of energy and endurance of courage and capacity for handling life" James asserts, "is set free in those who have religious faith."

Commenting on his 30 years of dealing with emotionally disturbed patients, Carl Jung, eminent psychiatrist, said: "It is safe to say that everyone of them fell ill because he had lost that which living religions of every age have given to their followers, and none of them has been readily healed who did not regain his religious outlook." Side by side with the decline of religious life among his patients, Jung found neuroses were noticeably more frequent.

A constructive faith, Dr. Fosdick states, is the supreme organizer of life and is necessary for mental health. The ebbing of religion as an effective force in multitudes of people has been accompanied by an incalculable increase in nervous disorders. One of the main therapeutic functions of religion, he points out, is the dissipation of guilt and a troubled conscience through the gospel of God's forgiveness. Self-respect must be relieved if healthy personal living is to be achieved.

Fosdick reminds us that through Christ's ministry he kept laying his hand on unlikely people, saying you are needed, and so awakened in them a transforming respect for the importance of their lives.

HOUSE JOINT RESOLUTION NO. 15 OF THE NEW MEXICO STATE LEGISLATURE

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. HAWKINS. Mr. Speaker, today I was pleased to receive in the mail a copy of House Joint Resolution No. 15 of the New Mexico State Legislature urging congressional action to establish a lands claims commission to deal with the matter of restoring the Mexican and Spanish community land grants in the Southwest, including New Mexico.

It was on June 24, 1971, after first receiving correspondence from Sr. Santiago Tapia y Anaya, president of the Alianza Federal de Pueblos Libres, a Mexican-American organization based in Albuquerque, N. Mex., that I introduced initially H.R. 9422, the Community Land Grant Act. Subsequently, during this Congress, I have introduced the Community Land Grant Act as H.R. 4532, H.R. 4953, H.R. 5230, and H.R. 10205, together with 24 cosponsors.

In a letter of September 27, 1973, to Chairman John Melcher of the Public Lands Subcommittee of the House Interior and Insular Affairs Committee, I requested a "full and early hearing" on the Community Land Grant Act. In that letter I asked that all interested groups and organizations be invited to come and present their views.

For the above reasons, I am particularly glad to see the New Mexico State Legislature taking this action to urge us here in the Congress to do our duty in respect to the rightful claims and lands of so many of our Mexican-American citizens.

As I have told this body on more than one previous occasion, the Community Land Grant Act would return over 100 million acres of rural public and private land from Texas to California to several million descendants of Mexican-American—Chicano—settlers in that area for rural community homesteading purposes. These lands had originally been protected to these settlers under the United States-Mexico Treaty of Guadalupe-Hidalgo of 1848. Most of the ground involved was taken from the present-day Mexican-American citizens of the Southwest or from their forebears through illegal means of all sorts—both official and unofficial—and ranging from tainted court proceedings to raw violence.

Much of the poverty of the Chicano of the Southwestern United States can be directly or indirectly traced from this theft of his land that began in 1848 and continues even to the present day.

It is because the Community Land Grant Act constitutes a major effort at fulfilling the claims for historical and social justice upon our society by our Nation's Mexican-American citizens that I was, indeed, happy to see the action by the New Mexico Legislature.

It is with pleasure that I insert the full text of the short resolution in the Record:

[The Legislature of the State of New Mexico]

A Joint Resolution Requesting the Congress of the United States To Establish a Spanish-Mexican Land Claims Commission

Whereas, New Mexico has a unique history of the acquisition of ownership of land due to the substantial number of Spanish and Mexican land grants that were an integral part of the colonization and growth of this area of the country; and

Whereas, various provisions of the treaties agreed upon by the parties concerned under prior sovereigns have not yet been fully implemented in the spirit of Article VI, Section 2 of the constitution of the United States; and

Whereas, congress did establish an Indian claims commission which successfully adjudicated hundreds of disputed land possession questions; and

Whereas, there still exist serious questions about prior ownership, particularly about certain public lands; and

Whereas, many of these questions involve lands in several of the United States; and

Whereas, the legislature has yet to receive a response from congress on its petition for assistance on the question embodied in House Memorial 32 of the first session of the thirty-first legislature;

Now, therefore, be it resolved by the legislature of the State of New Mexico that the congress of the United States is respectfully requested and urged to establish by appropriate legislation a Spanish-Mexican land claims commission to adjudicate and make conclusive determinations, including where possible the restitution of public lands, rights and appurtenances thereo, and the awarding of monetary damages for the taking of property, and the subsequent alienation of those equities, by other than honorable means from the various claimants and their heirs, whose rights derive from the prior sovereigns of the southwest; and

Be it further resolved that copies of this resolution be sent to the presiding officers of each house of congress.

CAN THE UNITED STATES AFFORD MASS TRANSIT?

HON. NEAL SMITH

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. SMITH of Iowa. Mr. Speaker, in the past several months there has been a lot of talk about mass transit but all of the articles that I have seen dealing with the subject matter are based upon what I believe to be incorrect or incomplete assumptions. The kind of mass transit that could work in an area where a new city is being built is not necessarily the kind of mass transit which should be constructed in existing cities to carry suburban Americans to their jobs.

Most of the opinions and articles that I have seen fail to fully consider where Americans are traveling to and from and where the increases in travel problems are occurring. The only article that I have seen that deals with these kinds of very important questions is an article in the Des Moines Sunday Register of April 28 by George Anthan. I think it is worthwhile reading for everyone who has access to the Congressional Record and I am therefore inserting it at this point.

[From the Des Moines Sunday Register, April 28, 1974]

Can the United States Afford Mass Transit? D.C. Subway Cost To Be $4 Billion—Nearly Equal to Highway Budget

(By George Anthan)

Washington, D.C.—When the long lines began forming at gasoline stations around the country early this year, many citizens, including President Nixon, began extolling the virtues of mass transit.

By revitalizing America's bus, subway and commuter rail systems, the President said, the country could save scarce oil, lessen congestion and improve the environment as well.

Now, there is a strong push in Congress to provide a substantial increase in aid to transit systems and to allow local communites to use some of their federal highway money to improve various modes of transportation.

But at the same time, evidence is mounting that Americans, from the President to members of Congress and ordinary citizens, may have underestimated the capital costs involved in mass transit, especially in constructing urban subway and rail systems.

CAPITAL SUBWAY

For example, some congressional transportation experts estimate the subway system now under construction in the nation's capital eventually will cost $4 billion, almost as much as the Nixon administration is spending this year for all the highways, roads and streets in the U.S.

The Urban Mass Transportation Administration (UMTA) have estimated the Washington subway will have a per capita cost of $913.

The UMTA has estimated that residents of the San Francisco-Oakland, Calif., area will pay $413 each for their new BART system. Per capita capital costs of other proposed rail or rail-bus systems are: Seattle, Wash., $787; Baltimore, Md., $647; Minneapolis-St. Paul, Minn., $623; Honolulu, $476; Atlanta, Ga., $467; Pittsburgh, Pa., $322, and Los Angeles-Long Beach, Calif., $265.

This estimate, according to agency officials, does not take into account the inflation of costs that is certain to hit such projects before they are completed.

Take, for example, the financial history of one of the most highly touted of the new "people movers"—the 2.2 miles of elevated concrete guideway that runs from the business district of Morgantown, W. Va., to the campus of West Virginia University.

Morgantown was designed to be the U.S. Transportation Department's showcase example of how new technology could be used to lessen motor car congestion and pollution and at the same time provide a fast, convenient and cheap method of moving people to places they want to go.

COSTS SOAR

Costs have increased to $64 million, and the total could go as high as $125 million.

Yet the system, which was ceremoniously dedicated by President Nixon in 1972, has not carried a single fare-paying passenger.

As a result, officials of West Virginia University have hinted they may insist the system be dismantled. Also, a Transportation Department plan for a "second generation" Personal Rapid Transit (PRT) system at Denver, Colo., has been downgraded from an $11 million project to a $500,000 study.

There is little question but that some major American cities could not function for long without public transit, and that some form of readily available transportation is needed in virtually every metropolitan area.

A strike last year by Long Island Railroad employes, for example, resulted in monumental traffic jams in the area, even though only a fraction of the commuters on the island travel to New York City by train.

But within the Transportation Department, opposition to rail or fixed guideway mass transit as the universal public transportation solution is mounting.

Transportation Secretary Claude Brinegar told a House appropriations subcommittee recently, "Cities that do not now have rail transit systems should carefully consider all alternatives prior to starting new systems."

He emphasized, "the solution for most cities is more in the direction of traffic management, special bus systems, incentives for car pools and peak-hour stretch-outs."

Brinegar echoed the argument of highway and automotive interests by adding:

"Improved public transit can attract a great many new riders, yet the automobile will likely remain the dominant form of transportation for all but the largest cities for a long time. We should recognize this and move to do all we can to make sure that the automobile is energy efficient and nonpolluting and that its role in the city is effectively managed."

DOT experts are skeptical that Americans can, in any large numbers, be convinced to abandon their cars.

They base their arguments not only on the much-discussed love of the American for his car, but on economic factors.

Government economists have estimated that for every 10 per cent jump in gasoline prices, there is a 2 per cent drop in consumption, but that this soon can be offset by a shift to smaller cars with greater mileage.

There also is strong evidence that such disincentives to auto commuting as hefty parking taxes in downtown districts do little more than encourage a shift from long-term parking to cheaper short-term arrangements.

Martin Wohl, professor of transportation system planning at Carnegie-Mellon University, believes that gasoline prices could double "without significantly affecting community patterns."

For one thing, the average commuter trip from home to work is something like seven miles, so that the fuel price is a relatively small part of the fixed expenses involved in owning a car.

And despite infusions of federal money into public transit systems and loudly-voiced concerns by public officials over the automobile's influence on the American lifestyle, one basic reason the U.S. has such poor public transportation will not change in the near future.

SHIFT TO SUBURBS

Over the last 15 years, and ironically since the end of World War II, public transit has declined as large masses of people used their new affluence to buy cars and move out of the cities into the countryside.

From 1960 to 1970, the population outside central cities increased by 33.5 per cent as against 1.5 per cent in the cities. In 1970, there were 14 million more people living outside the central cities.

It's clear to just about everybody that America's suburbs are automobile-oriented. Housing and population densities are low, and parking is readily available.

Because of the low population densities and because the places suburbanites want to travel to in the metropolitan area are widely scattered, conventional public transit normally has not been able to operate profitably there.

Washington's subway is being extended into the city's Maryland and Virginia suburbs, at great expense to the taxpayers of those states, but most surban commuters will have to take a bus or drive to a rail station.

Also, U.S. Census Bureau figures show that an increasing number of suburbanites work in the suburbs, indicating that new public transportation systems should not be geared exclusively to moving people into and out of the old central business districts, as Washington's subway will do.

This is countered, though, by some transit experts who say rapid transportation lines eventually will create the densities and demand, inducing people and companies to locate around them.

Dr. William J. Ronan, chairman of New York's Metropolitan Transportation Authority and president of the Institute for Rapid Transit, asked:

"Had we waited for density to materialize before building our rapid transit system in New York, where would we be? The development of New York City, or of Boston or, to take a more recent example, of Toronto, reflects a planning decision to proceed with urban transportation investment in order to shape development . . ."

BOTTOMING OUT?

The American Transit Association currently is enthused because of indications that a 25-year decline in passengers may have bottomed out.

While bus, subway and commuter rail systems have been losing patrons at a rate of 4 per cent to 6 per cent a year since 1950, totals for 1973 show a 1.4 per cent gain.

And some big mass transit bright spots are emerging across the country.

In Denver, a transit company characterized by dirty buses and haphazard schedules has been transformed into a publicly-owned system that has grown by about 15 per cent since 1971, and this year has enjoyed a 22 per cent increase in passengers.

After area voters approved a $4-million bond issue to buy the old system, the fare was dropped to 35 cents, a "tell us where to go" promotional campaign was launched, and new buses were bought with federal help.

But like just about everywhere else, Denver's system doesn't pay for itself. Local sales taxes make up a deficit estimated to reach $2.5 million this year, part of the $700 million that public transit systems across the country are expected to lose in 1974.

BRIGHTEST SPOT

The brightest transit spot on the populous East Coast is the 14.5-mile Lindenwold line, between Philadelphia, Pa., and its New Jersey suburbs. It pays its operating expenses entirely from farebox receipts from 42,000 daily riders. A recent survey showed that 42 per cent of its riders had switched from cars.

But the Lindenwold line was built on existing railroad, subway and bridge facilities, and it cost the owners, the Delaware River Port Authority, $88 million in 1969. Today, it probably would cost up to $250 million.

The staff of the U.S. House Public Works Committee believes that relatively inexpensive bicycle paths and other bicycle facilities could do more to lessen auto congestion than expensive transit improvements.

"Who is to say," the committee staff asked in a report, "that the legal use of state gas tax funds . . . to construct bicycle paths, and tax-supported bicycle facilities that are underway in a number of cities, is not the cutting edge of a movement that eventually will have more impact on ameliorating rush-hour congestion than many conventional methods?"

The Nixon administration has sent to Congress a new unified transportation assistance program, to provide some $16 billion in transit aid over the next six years, including $2.5 billion in the fiscal year starting July 1.

Much of the money would come from existing programs, but federal capital assistance for transit systems would increase to $1.4 billion, from the present $1 billion. Also under the administration plan, local communities could use more highway money for transit improvements.

The American Transit Association also advocates federal operating subsidies of some $600 million a year and an emergency transit aid program totaling $1 billion a year for at least two years.

ARTHUR SAMPSON

HON. KENNETH J. GRAY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. GRAY. Mr. Speaker, I was very pleased to learn recently that Arthur Sampson, Administrator of the General Services Administration has been named the 1973 Outstanding Public Official by the D.C. Metropolitan Subcontractors Association—MSA. This is the latest in a series of major public awards won by Mr. Sampson for his leadership in the design and construction industry. Other recent awards include the Fire Protection Man of the Year award from the Society of Fire Protection Engineers, honorary membership in the American Institute of Architects for "distinguished contributions to the architectural profession," the American Public Works Association's man of the year award, and honorary membership in the Federal Government Accountants' Association for his management record. In my position as chairman of the Subcommittee on Public Buildings and Grounds, I have had the opportunity to work closely with Mr. Sampson, and I know these awards have been richly deserved.

I would like to commend Mr. Sampson for this most recent award and share with my colleagues some of the background on the awards presentation.

GSA ADMINISTRATOR RECEIVES SUBCONTRACTORS AWARD

Arthur F. Sampson, Administrator of the General Services Administration, has been named the 1973 Outstanding Public Official by the D.C. Metropolitan Subcontractors Association (MSA).

The MSA presented Sampson with a "Subby Award" plaque during its annual banquet held Saturday night at the Washington Hilton Hotel, which was attended by nearly 800 people. Six other persons and companies also were honored at the banquet for their individual and collective leadership contributions to the construction and building industry.

Sampson was selected for the 1973 R. L. Jackson First Presidents Award by the 250 corporate members of the local MSA. The GSA Administrator was specifically cited for his sponsorship and support of favorable legislation, regulations, policies and programs which pertain to the construction industry.

The six other MSA award recipients include the George Hyman Construction Company, the MSA's 1973 Outstanding General Contractor; Kettler Brothers, Outstanding Owner/Builder; Vosbeck, Vosbeck, Kendrick and Redinger, Outstanding Architect; Heinzman, Clifton and Kendro, Outstanding Engineer; Schnabel Foundation Company, Outstanding Subcontractor; and Joseph Burns of the Charles L. Smith Company, Outstanding Job Superintendent.

The MSA's 1972 Outstanding Public Official was Chief Jerry V. Wilson of the D.C. Metropolitan Police Department.

THE THREAT OF REIMPOSING CONTROLS WILL ENCOURAGE INFLATION

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. ROUSSELOT. Mr. Speaker, the wage-price control authority expires at midnight tonight, and we must let it expire completely.

As long as Congress indicates that there is a possibility that the control authority might be extended or reinstated, American industry and American workers will be panicked into raising prices and seeking higher wages. An article in today's Wall Street Journal points out that administration economic officials have substantial reasons to believe that the threat of Senate action to extend the control authority will actually encourage an immediate increase in prices and wages. The article quotes a Treasury official as saying,

> Businessmen and unions will be encouraged to grab everything they can while the getting is good, so they will be in a good position if controls are reimposed.

Congress is, itself, encouraging inflation by holding controls over the heads of our industries and labor, and at the same time ignoring the answer to curbing the inflationary spiral—reduce Federal spending. Inflation must be attacked through its cause rather than its symptoms. I urge all Members to read the following Wall Street Journal article carefully:

[From the Wall Street Journal, Apr. 30, 1974]

Administration Worries That Price Bulge May Be Worsened by Fears of New Curbs

(By James P. Gannon)

Washington.—Even as their wage and price controls expire, some Nixon administration economic officials are worried that the possibility of a revival of the curbs could worsen the post-control price bulge.

Their concern is that businessmen and labor unions may rush to raise prices and wages substantially in the fear that Congress will move to reimpose controls soon. The worry of these officials has been heightened by a move by Senate Democrats to retain standby controls authority—a measure the Senate will consider tomorrow.

As of midnight tonight, the Phase 4 program of controls will legally die—two years, eight months and 15 days after President Nixon imposed the first mandatory peacetime wage-price restraints in U.S. history. The controls are expiring because Congress so far has refused to extend the basic law authorizing them, despite the worst inflation rate since the Korean War price spiral of 1951.

But administration economists, eyeing the last-ditch attempt of Senate Democrats to keep controls authority alive, are concerned that uncertainties about a possible future reimposition of controls may worsen inflationary pressures stemming from decontrol. If company and union officials fear a new round of controls a few weeks or months from now, they will be more inclined to immediately use their new economic freedom to push prices and wages much higher, the officials reason.

"Businessmen and unions will be encouraged to grab everything they can while the getting is good, so they will be in a good position if controls are reimposed," a top Treasury official said in an interview. Such an attitude could "worsen the inflation problem" immediately after expiration of Phase 4, he added.

Another Nixon administration economist said the uncertainty over controls "creates an environment that gives people an incentive to anticipate" any future recontrol. He said such anticipatory price and wage behavior was evident in mid-1971 before the Phase 1 wage-price freeze and during Phase 3 before President Nixon imposed a second price freeze in June 1973. In both cases, there were widespread expectations of tough controls action by the government.

The Senate could ease the administration officials' fears tomorrow by defeating the standby-controls bill backed by liberal Democrats. The administration in asking last February for only a narrow controls extension that would apply just to the health-care and construction industries, had argued against such broad standby powers on the ground that they would prompt anticipatory wage-price boosts.

The banking committees of both the Senate and House killed all moves to extend controls, reflecting a consensus that the controls were ineffective, unfair and doing more harm than good in causing shortages and other economic dislocations. The Nixon administration had argued that most controls had outlived their usefulness, though it wanted the limited health and construction curbs and authority for its controls agency, the Cost of Living Council, to keep functioning as an inflation watchdog.

In view of strong business and labor opposition to any controls renewal, the Senate move faces an uphill fight. And even if the Senate adopts the Democrats' bill, its prospects in the House wouldn't be bright.

Defeat of the Senate bill would lessen, but mightn't end, the uncertainty over the future of controls. One White House economist yesterday expressed worry that a continuation of recent inflation rates would build political pressures for new controls.

At a forum on inflation sponsored by the Chamber of Commerce of the U.S., Gary L. Seevers, a member of President Nixon's three-man Council of Economic Advisers, said he thinks "there would be great pressure for rigorous wage and price controls" if a 10% inflation rate continued for 10 to 12 months. Mr. Seevers repeated, however, the Nixon administration view that inflation will abate in 1974's second half.

Another panelist at the forum, Federal Reserve Board member Henry C. Wallich, indicated the Fed will continue its fight against inflation by restraining the growth in the nation's money supply, which consists of checking accounts and currency in circulation.

"Inflation must be controlled—we have no alternative," Mr. Wallich declared. Noting that the nation is "confronting two-digit inflation," he said "the problem has to be given priority if we don't want inflation to continue accelerating."

Mr. Wallich, echoing views recently expressed by Fed Chairman Arthur Burns, said the central bank's policy should be one of "permitting a moderate growth" of the money supply but "not an explosive growth of the kind we have had in some months recently."

But he asserted that "certainly a recession isn't the means" for bringing inflation under control. "What is needed is a gradual winding down" of inflation pressures, he said, implying that the Reserve Board is pursuing a policy of gradualism rather than a policy of severe restraint that could produce a bad business slump.

On another front, officials confirmed that restraints on interest rates and dividends will end along with other controls tomorrow as expected. The White House is expected to announce formally the demise of the voluntary interest and dividend guidelines that have been administered by the administration's Committee on Interest and Dividends since late 1971. Officials indicated the committee will be disbanded.

Termination of the panel and its guidelines may trigger dividend boosts and increases in interest rates on small-business and consumer loans, which the committee has watched closely.

ALBERT PARKER—A DEDICATED MAN

HON. BO GINN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. GINN. Mr. Speaker, I know that all Members of Congress have constituents who they rightfully praise for their important contributions to this Nation. I would like to say to the House today, however, that in the First District of Georgia we have a man whose accomplishments are exceptional. I am referring to Mr. Albert Parker, a skilled businessman, an active participant in community activities, and one of the dynamic leaders in the State of Georgia.

It was my pleasure recently to read an article in the Claxton Enterprise concerning Mr. Parker and I insert this in the Record at this point.

Albert Parker—A Dedicated Man

As Editor of The Claxton Enterprise, I have been going through the old newspaper files for the past few years and have become very interested in Mr. Parker and the Claxton Fruitcake Bakery.

The Claxton Fruitcake is world famous and can be purchased anywhere in the world. Claxton and Evans County has been the benefactors of the success of the Claxton Fruitcake in several ways.

Our files reveal to us that early in Mr. Parker's career as Mr. Fruitcake, he became interested in the community in which he lives; determined to share his good fortune with the city that helped him succeed by using the name of Claxton as the name of his product.

In the early 50's, Albert Parker and others realized that industrial development and growth was the key to our survival as a community here in Evans County. Albert Parker played a major role in helping establish Claxton's first industries. At this time, two of these industries are employing in the excess of a thousand people, creating within the Evans County area several hundred additional jobs and causing stable economy to exist.

Our files reveal that the Evans Memorial Hospital has also received the leadership of

Albert Parker, and is considered one of the finest small town hospitals in existence today, because people like Albert Parker have cared enough to serve as a member of the Board in furnishing good, sound, leadership in administering the program of the Evans Memorial Hospital.

The Pinewood Christian Academy in Bellville certainly owes Albert Parker a debt of gratitude for his interest in education.

U.S. Highway 301 has helped make the Claxton Fruitcake famous and with the opening of I-95, U.S. Highway 301 stands to lose in the excess of 75% of its traffic flow. The Claxton Fruitcake, being a national tourist attraction, can now help save U.S. Hwy. 301 by bringing the people to Claxton to see the bakery and to get that "world-famous" fruitcake.

In talking with people in Claxton in regards to Albert Parker, we have been told that all of the churches in Evans County have been helped by Albert Parker, especially the First United Methodist Church in Claxton. The large social hall at the First United Methodist Church in Claxton was built by Mr. Parker in memory of his mother, Mrs. I. D. Parker.

The Parker Recreation Center was built by Albert Parker and donated to the First United Methodist Church for its use in building a better Christian recreational program within the city.

Our files reveal that Albert Parker is a member of the Board of Directors of the Evans County Industrial Authority. He is one of the nine persons that are now in the process of developing a 250 acre Industrial Park just west of Hagan, Georgia. Our prediction is that this project will be a success because of the outstanding leadership that this Board is giving.

In conclusion of these remarks, we have only begun to tell the story of Albert Parker.

Claxton and Evans County will never repay the debt of gratitude due this man for his willingness to get involved and share with the community his success in becoming the King of the Fruitcake Capital of the World.

FORCED BUSING

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. ARCHER. Mr. Speaker, one of the great controversies facing our country has been the forced busing of schoolchildren in order to achieve "racial balance." While we may endorse the concept of equality of opportunity in the education of all Americans, the busing of schoolchildren across cities and towns throughout the country has proved to be disruptive to the educational process and disruptive to our entire society. This forced busing of schoolchildren to enforce bureaucratic regulations regarding equality has caused more problems than it has solved. Poll after poll has revealed overwhelming opposition to forced busing by the American people.

The House of Representatives by a vote of 233 to 124 adopted a prohibition against the use of Federal funds to promote busing on November 4, 1971, during the debate on the bill which became the Education Act Amendments of 1972. This amendment, unfortunately, was weakened as a result of the conference committee report and was made meaningless in the adoption of the final law. The House voted on March 27, 1974, 239 to 168 to add the same language of the 1971 amendment to the Elementary and Secondary Education Act Amendments of 1974.

This anti-busing amendment states the intention of the House of Representatives and the majority of the American people very clearly. It emphatically states that no Federal funds can be used for carrying out a program which would provide for the transportation of students or teachers or for the purchase of such equipment for busing students or teachers in order to overcome racial imbalance in any school or school system. This amendment would also prohibit Federal funds being used for transportation or busing in order to carry out a plan of racial desegregation of any school or school system. This amendment expresses a message loud and clear: Federal funds should not be used to aid, encourage, or provide an incentive for busing schemes.

It is my sincere hope that if this bill is signed into law, it will become law with this strong anti-busing amendment as a part of it.

It is time that Congress take a long range view of this entire problem and pass a constitutional amendment which will prohibit forced busing.

A LOSS TO OREGON

HON. WENDELL WYATT

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. WYATT. Mr. Speaker, it is with regret that I rise today to inform my fellow Members that Louis Raymond Norris, the director of the Oregon Retail Council and an authority on taxation for Associated Oregon Industries since 1969, succumbed to a chronic heart condition early on the morning of January 24 of this year.

Memorial services were held in Salem on February 12 by the Reverend John R. Stewart, and there, former State Senator Harry D. Boivin delivered the following tribute:

A LOSS TO OREGON

Louis Raymond Norris was born the son of Perry and Edna Norris in Dresden, Kansas on Nov. 4, 1923. He left us on January 24, here in Salem at the age of 50.

Lou graduated from Kansas State University in Manhattan. He served with the Marines second amphibious division during World War II and came home after the war to marry Betty Jane Moore in Salinas. They have four children: Kathleen, Lindsay, Perry and Todd and one granddaughter, Gina Lou.

A wise philosopher once said: three things a man must learn to do; If he would make his record true. To talk without confusion clearly—to love his fellowman sincerely—and to act from honest motives purely—

This is how I knew Lou Norris, a dedicated tireless worker, and a clear thinker to whom honesty and sincerity were natural attributes.

All of you here were friends of Lou. Many of you have been closer to him and have known him longer than I—but by chance we happened to work closely together during past legislative sessions when I served as chairman or member of the senate committee on taxation.

We have many so-called experts in the field of taxation. But during the years I spent working in this area of state government, there were always two men in Oregon whose opinions I respected and whose advice and counsel I sought and who over the years have made such a distinct contribution to Oregon's tax system. One of these men was Lou Norris.

Lou was with the Oregon Farm Bureau when we first met. And I was immediately impressed with his interesting ideas about state government and his simple and practical approach to many of its problems. He was a student—perhaps even a scholar of that nebulous thing we call the Oregon system. He liked the people of this state and was sincerely interested in their welfare.

Lou was honest. On many occasions he would say this is what my employers think, but this is my own personal opinion and what I believe in.

He had a tendency to apply his own reasoning to a problem. A legislative approach, that when coupled with knowledge of the subject and ability to convey ideas clearly, was most convincing.

At the same time, Lou represented his people with a knack not generally found among those in or connected with government service.

Gradually, I hope through mutual respect, our association ripened into a friendship both in and out of the legislature.

Lou had a knack of being critical but never mean. Looking back I don't ever recall him saying anything real unkind about anyone.

He was a great man, a great story teller and a very special person.

We join in expressing to Jane and her family our sincere sympathy.

His loss is not just that of a friend, but a loss to Oregon.

SPEECH BY SENATOR HELMS AT WORLD FREEDOM DAY RALLY IN TAIPEI

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. LANDGREBE. Mr. Speaker, last January the World Anti-Communist League sponsored a World Freedom Day Rally in Taipei commemorating the decision of over 14,000 Korean Communist soldiers to stay in South Korea rather than return to the North Korean "Workers' Paradise." Our own Senator HELMS, a man of great insight and ability, attended the rally on January 23, and addressed the participants who had traveled from all over the globe. I would like to place Senator HELM's speech in the RECORD for the information of my colleagues:

SPEECH BY HONORABLE JESSE A. HELMS, SENATOR OF THE UNITED STATES OF AMERICA, AT WORLD FREEDOM DAY RALLY IN TAIPEI, JANUARY 23, 1974

My dear friends, I come today to thank you on behalf of my fellow countrymen who believe, as you do, that the nations of the Free World must stand together in defense of the liberties of man. And I salute the Republic of China—which to me will forever be the only real China, and the only China that is interested in a true and lasting peace.

This day marks an epochal event in the history of modern mankind. For on this day, twenty years ago, 14,340 Communist soldiers, captured during the Korean War, chose to live under the government of the Republic of China rather than return to those areas of China dominated by the Communist regime of Mao Tse-tung.

Think of that, my friends. These were the crack troops, the heavily indoctrinated and motivated troops, molded by every trickery of brainwashing developed by Communist ideology. They had performed to the utmost for the Communist cause. Thousands of their comrades lay dead in the campaign they had fought. But the moment that they were given the choice, they chose freedom.

But is it really so remarkable that they chose freedom? Isn't it the natural instinct of mankind to choose freedom, if and when given the choice? Is there any man alive, anywhere in the world, who would not leap at the chance to throw aside a tyranny that controls his every action, that destroys his personal and family relationships, that attempts to dictate even his very thoughts?

My friends, the evidence is very clear. The fourteen thousand prisoners of war made their decision in 1954. But in Germany, the Communists are still shooting at men who make the same decision every day at the Berlin Wall. And thousands brave the cold waters for the exhausting and dangerous swim to Hong Kong. Meanwhile, men who want their freedom in the Soviet Union are thrown into mental hospitals and jails.

Occasions like this remind us of the eternal truth that the natural laws of human nature cannot be repealed. No treaty, no communique, no diplomatic agreement can permanently abrogate the natural laws. When given a choice, men will always choose freedom.

We need to remember this because there are some who would have us believe that tyranny is good for people. Tryanny, the people are told, can feed their bodies. The people are told that tyranny can build factories and tyranny can sweep the streets. People who live under tyranny are told that they ought to be grateful that tyranny is so good to them. And those who tell us this propose to deal with tyranny by drinking toasts to each other.

My good friends, I come today as one United States Senator who does not believe in tyranny, and as one who is proud to join hands with you in every way, at any time, to combat the forces of tyranny in the world, wherever they may be.

My good friends, let us be plain. Not all Americans agree that the United States' policy of dealing with the Communist regime on China's mainland as though they were legitimate rulers has been a triumph of statecraft and diplomacy. You must remember that some Americans often confuse actions with wisdom. In the brief history of our nation, a quarter of a century is a millenium, while in the rich history of the Chinese people, a millenium is only a moment's pause.

But a policy that is so fraught with error cannot long endure. The novelty of secret diplomacy and dramatic shifts in alliances is fading. As the fruits ripen, their taste is surprisingly bitter.

We set out on a policy of stepping up trade with the Soviet Union so as to increase mutual understanding. But we found out that the Communists understood the capitalist markets perhaps better than we. With typical Communist duplicity, they secretly negotiated for feed grains while they secretly bought our wheat in such huge quantities that a market of surplus turned into a market of scarcity. Food prices in the United States went up twenty-two percent in one year. Now the United States, which emptied its granaries for political reasons, is faced with the possibility that it may have to import wheat this year.

We set out on a policy of bringing the Vietnam War to a close. But the costly victories on the battlefield were swept aside by the secrets of the conference table. The tragic result was an incredible document giving de facto recognition to the enemy in the South, leaving even the enemy troops and supply lines effectively in place. It is only the heroic determination of the people of South Vietnam that has kept the enemy from launching its long-planned assault on the free regions of the country.

We set out on a policy of detente with the Soviet Union so that the two so-called superpowers could work together to bring peace to the world. But while we were speaking daily to officials of the Soviet Union about peace, the Soviet Union was shipping arms of war to the Arab nations and laying plans for war. And not only did war break out because we were blinded by the illusions of detente, but the economic systems of the free world have been placed in jeopardy and the freedoms of our people have been under constraint. In my view, if we had worked directly to satisfy the legitimate grievances of all peoples in the Middle East we would have been much more quickly successful in preventing war than by pursuing the illusions of detente.

My friends, if I speak in criticism of some of my country's policies, I do so because it is a sign of hope. The American people are learning that foreign policy and domestic policy are no longer separate categories. The politics of the negotiation table abroad affect the menu of the dining table at home. We are learning, the hard way, that you cannot simultaneously and separately out-double-deal the two greatest masters of duplicity and expect to divide anything except our own freedoms.

And that is why the United States needs the firm friendship of the Republic of China. Oh, it is true that there are differences in the amount of territory our respective governments control, and the size of our economic and military power. But the United States needs the Republic of China more than the Republic of China needs the United States. For size and economic power will not be the determining factors in the struggle for the survival of freedom. History is filled with the records of great and powerful civilizations that have ceased to exist. The determining factors are the will to resist and the conviction of the rightness of your cause. Maintain that conviction and the American people will not be able to abandon you.

For who really represents the Chinese people? Is it a regime that imposes its power through force and thought control? Or is it the government of the Republic of China, which encourages each man to work out his own destiny?

Is it the ideology tyranny that has swept away centuries of Chinese culture and philosophy? Or is it the Republic of China where universities are flourishing, art treasures are protected, the theater is recreated, and poetry is recreated, and poetry is cherished?

Are the Chinese people represented by a morally corrupt regime, torn with purges and executions, that wipes out individual property and choice of livelihood? Or is their true representative the government that enables the farmers to buy and till his own land, the businessman to use his own initiative, and the worker to choose his employment? In my mind, there is no choice between freedom and tyranny. For my part, my choice is the Republic of China.

The Republic of China can be proud of its accomplishments here on Taiwan. But never forget that your economic success is strong only because it grows out of individual freedom. And your freedom is strong only when it is based on a determination to stand up against tyranny as well as against the foolish mistakes of your friends. You are a beacon in a world that sometimes is not sure of its bearings. Do not forget that history has appointed you to set an example for the free world; the American people need that example, and they will never be able to forget your courage.

AN "IMMODEST PROPOSAL"

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Ms. ABZUG. Mr. Speaker, screams of anguish have been coming from thousands of New Yorkers and suburbanites as they have been opening their electric bills. Con Edison, that mismanaged, incompetent monopoly which thinks only about its stockholders and never about consumers, has tripled and quadrupled its charges, blaming it all on the energy crisis. In some cases, New Yorkers are finding their electric bills are higher than their rents or carrying charges. Can you imagine electric bills of $300 or $400 a month?

This is an impossible situation, and demands are increasing for an investigation of Con Edison. In the meantime, writer Dan Greenburg has come up with a proposal for a consumer boycott and I believe that people are desperate enough to do just that. Here is Mr. Greenburg's suggestion:

Mr. CHARLES F. LUCE,
Chairman, Con Edison Co., 4 Irving Place,
New York, N.Y.

DEAR MR. LUCE: A funny thing happened while paying my bills this month. I found out that Con Edison is charging me $336.33 for one month's service. Funny, huh?

I was sure there was some mistake, even though I have an all-electric apartment, so I phoned my friendly Con Ed office. A nice man named Mr. Deitch told me there was no mistake—Con Ed really *does* think I owe $336.33 for service from February 1 to March 6.

I said my Con Ed bills for the past 13 months average out to $75 a month and that the curent bill is more than a 400% increase. Mr. Deitch didn't seem upset by this. I said maybe that was because he was too close to the situation, working for Con Ed and all. I said "Imagine you walked into your grocery store to buy a quart of milk and found it was $55—do you think you'd squawk?" Mr. Deitch chuckled and said he guessed he would squawk all right. "Well," I said, "that's what *I'm* doing—squawking."

Mr. Deitch explained that of the $336.33, only $136.14 was for the electricity I actually used. The other $160.12 was a Fuel Adjustment. I was too polite to point out that the two figures didn't add up to $336.33 but, more importantly, I didn't understand what a Fuel Adjustment was. Mr. Deitch said that a Fuel Adjustment was the extra cost Con Ed had to pay for its *own* fuel, on account of the energy crisis.

Well, I sure was sorry to hear that Con Ed had to pay so much for its own fuel, but as far as I can see, that's Con Ed's problem and not mine. I mean Con Ed is running a business and so am I. Con Ed is in the energy game, I'm in the writing game. If *my* fuel bills go up 400% I can't pass that along by upping my writing fees 400%, so I don't think *Con Ed* should be allowed to lay off *its* excess fuel bills on me either. Fair is fair.

Well sire, Mr. Deitch said he'd have to get his supervisor to talk to me. Now what could his supervisor possibly tell me that would make me happy? That I don't have to pay the $336.33? His supervisor doesn't have that kind of power at Con Ed. Nobody does, except for the top guy.

So, Mr. Luce, I've decided to save everybody's time (except yours, of course) and go straight to the top guy. I want my bill reduced, Mr. Luce. I'm sorry as hell you folks have to pay so much for your fuel these days but, my Heavens, I expect you can afford it better than I can. I want my rates reduced because, quite frankly, I can't afford the new ones and I don't intend to pay them either.

What can one guy do against a powerful company like Con Edison? Not much, probably, but I sure mean to try. Maybe there are a few other folks out there who feel the way I do. If there are enough of us, maybe we can do something together. Like what? Oh, I don't know, like have a consumer boycott or something.

Hey, how about that *A Consumer Boycott—nobody pays their Con Ed bills till the rates come down to reasonable levels. Maybe they pay their money into an escrow account, like during a rent strike*. Shucks, probably not many folks would go along with that. Maybe only 30 or 40% of your customers at *most* would go along with it. Maybe only 10% would go along at first. Still, even 10% is a start. Look how few guys it took to get the United States of America going, right?

Anyway, that's why I'm writing. And I figured as long as I was at it I might as well let some others in on what I'm doing, so I'm sending copies of this letter to the Public Service Commission, to my attorneys, to various consumer groups, to my congressman Ed Koch, to your old buddy Ralph Nader, and to the editors of various newspapers and magazines and TV stations. I thought maybe they'd get a kick out of my Consumer Boycott idea.

Maybe you can even use it yourself—have Con Ed boycott the oil companies who overcharged *you* so shamefully. At the very least this should temporarily get your mind off all the fuss Nader has been kicking up about your nuclear generators and how, if they don't blow up and kill several million of us, the radioactive wastes will only get a couple hundred thousand of us.

Well, that's about it for now. I'll sure be anxious to see how all this comes out, won't you? Do drop me a line if you get a minute free.

Sincerely yours,

DAN GREENBURG.

P.S. Listen, I hate to mention it at a time like this, but as a good businessman I have to charge for my time. I'm sure you sympathize. I get about a buck a word for writing stuff like this, so you can either send me a check directly or credit my account for the $900. I should warn you I may be forced to raise this figure to $3,600. My overhead has risen drastically, what with the energy crisis and all.

TRAGIC COMMEMORATION OF ARMENIAN MASSACRE

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. BIAGGI. Mr. Speaker, this past week millions of Armenians both in this country and throughout the world commemorated the solemn occasion of the Turkish massacre of the Armenian people in 1915. This shocking and tragic event was responsible for the killing of over 2 million Armenian citizens who at that time were under the rule of the Ottoman Empire. This represented the first instance of genocide recorded in modern history.

This occasion takes on added significance this year in light of actions taken by the U.S. delegation to the United Nations Commission on Human Rights. The delegation supported Turkey and other nations in their efforts to delete any references to the Armenian massacre from the final report of the Commission. I and thousands of other Americans were shocked at this inconsistency by the United States which has always been in the forefront of opposition to the persecution of any minority group.

The Armenian nation and their people have endured years of oppression and ruthless occupation by foreign nations. Many of the Armenians living in America today were forced to flee to this country to avoid death. Now, after many years here, these citizens have proven themselves to be outstanding contributors to the welfare of this Nation.

Mr. Speaker, as we commemorate this black day in world history, let us take time to acknowledge the contributions of the Armenian-American. And let us as a Nation begin to champion the causes of all oppressed minorities so we can, indeed, make this a generation of peace in the world.

U.S. RELATIONS AND SUPPORT OF ISRAEL

HON. ANGELO D. RONCALLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. RONCALLO of New York. Mr. Speaker, this past Sunday, I was priviliged to attend the combined campaign breakfast of Temple Judea of my home town of Massapequa, Long Island, which was held on behalf of the United Jewish Appeal, Federation of Jewish Philanthropies, and State of Israel Bonds.

This breakfast, in celebration of the 26th anniversary of the independence of the State of Israel, honored two outstanding men of our community, Stan Albert and Abe Broizman. Both these gentlemen exemplify the finest qualities of unselfish giving and community service and I was proud to be present to share in their joy. I would be pleased to share my remarks addressed to the congregation and friends of Temple Judea with my colleagues:

REMARKS OF HON. ANGELO D. RONCALLO

I am pleased and honored to be here with you this morning. Had this breakfast been held for just one purpose, to celebrate the 26th Anniversary of the independence of the State of Israel, this alone would have been enough. Yet this occasion is even more meaningful to me because you mark this joyous event as an opportunity to honor two outstanding men of our community—Stan Albert and Abe Broizman—and to serve your fellowmen by holding this breakfast on behalf of the United Jewish Appeal, State of Israel bonds, and the Federation of Jewish Philanthropies.

I know that throughout history, an integral part of Judaism has been the mitz-vah of giving and I was very moved to learn that the reason behind this being a combined campaign, the UJA and State of Israel bonds as well the Federation of Jewish Philanthropies, was to see that in the great outpouring of assistance to Israel in the wake of the Yom Kippur war, the needs of the more than 425,000 Jews living at poverty levels in Greater New York would not be forgotten. This to me is a wonderful thing.

At the time of Israel's formation, President Truman stated that his support for the new country was ". . . based on the desire to see promises kept and human misery relieved." The support of the United States for Israel, over the past quarter of a century, has been reflected not only in the Truman Doctrine but also in the Eisenhower and Nixon Doctrines—all of which have constituted pledges of assistance to nations which would defend their democratic institutions against aggression and subversion. We cannot forget that now, as then, the national interest of the United States continues to be clearly involved directly in the survival and security of Israel.

Surrounded by hostile Arab nations, dedicated to its destruction, Israel has had to feel strong and secure and confident of its survival before it could turn to thoughts of tomorrow—or even the day after tomorrow. These Arab states have perpetrated four wars and numerous vicious acts of terrorism against the people of Israel. The attacks were made possible by massive quantities of arms which have been poured into the region by the Soviet Union. They exacted a cruel toll upon the Israeli defense forces, especially in light of Israel's very limited reserve of manpower and material. Despite the overwhelming odds, Israel's forces rallied each time and repulsed the attackers. Losses in Israeli lives and material always were great. Today, the Soviet Union continues to fill the insatiable demands of the Arab armies.

During these past twenty-six years, Israel has often felt that it stood alone. There is no doubt, however, that the support of the United States, both moral and material, has contributed to a major extent to the creation, to the growth, and to the survival of this democratic nation. We strongly demonstrated our support during the recent Yom Kippur war even as others turned away.

On the eve of Israel's independence day last week, Mrs. Golda Meir stated that, "At such a time we must be prepared for two things; to make thorough preparations for war, should it come—and no one can guarantee it will not; at the same time, we must make every possible effort to achieve peace or at least a partial settlement which could perhaps, and I say perhaps, open the way for peace." We here all hope a meaningful peace agreement will emerge in the region. But we cannot be blind to the lesson that the radical Arab states scorn weakness and continue to probe for signs of Israel's military vulnerability. The United States must continue to support Israel's continuing strength, not only to insure the integrity and survival of these indomitable people, but also because only in Israel's strength can a meaningful peace finally merge.

I would just like to add this one last comment. As you know on Wednesday, the UN passed a resolution condemning the Israeli action into Lebanon without making one mention of the unprovoked Arab terrorist attack which murdered 18 Israeli men, women and children. I have written to Secretary of State Kissinger expressing my protest that the United States did not veto such a resolution. However, there is an important lesson to be shown here—one which Jews throughout time have known and which I too understand. The Jew has always been a minority and has often had to endure being falsely blamed and accused by others who strove to serve their own selfish ends. This again is the case in the UN as the majority of nations seek to serve their own purposes at the expense of Israel.

The lesson here is that each of us must conduct his life in an unfaltering moral fashion no matter what others may do or say falsely. So long as we continue our lives in this manner, always trying to convince the world that what we do is right, but never losing faith if they fail to listen, then we shall survive and live in peace with ourself, our G–d, and our fellow man.

SENIOR CITIZEN HELP

HON. HUGH L. CAREY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. CAREY of New York. Mr. Speaker, although the responsibility of aiding the Nation's senior citizens rests with the Federal and State Governments, there are certainly many activities that communities can undertake to improve the lives of their senior citizens.

Mrs. Maria Redo of Manhattan's Yorkville section has demonstrated what can be accomplished on a community level to help senior citizens. After nearly 2 years of hard work, she has been able to pursuade more than 1,300 businesses in New York to provide sales discounts to senior citizens who live on fixed incomes.

I would, therefore, like to take this opportunity to express my admiration for this woman's efforts on behalf of the elderly, and to include in the RECORD for the benefit of my colleagues the article which recently appeared in the New York Times on her project:

ELDERLY GETTING RETAIL DISCOUNTS

(By Reginald Stuart)

After nearly two years of virtual store-to-store solicitation, a small but growing number of citizens led by a Manhattan housewife have persuaded more than 1,300 small businesses in the city to establish a retail sales discount for elderly persons on fixed incomes.

Mrs. Maria Redo, a 48-year-old mother of two living in Yorkville, has seen her one-woman campaign spread from Yorkville, where a handful of merchants were involved in late 1972, into a project extending into almost every community where there is a concentration of older persons on fixed incomes.

Most of the businesses perticipating in the project, which now operates under the name of Community Concern for Senior Citizens, provides merchants where involved in such services as dry cleaning, shoe repair, drug store products and housewares. Among the larger stores in New York City only Korvette's participates in the project by offering a reduction on the price of hearing aids.

The discounts are set by the individual merchants, Mrs. Redo said in a recent interview. Businesses post the green and white Community Concern decal in their display windows to alert citizens that they can get price reductions in the store. Prices are reduced for senior citizens on fixed incomes from 5 per cent to 20 per cent of the regular price.

A Medicare or half-fare transit card establishes eligibility.

"It's good will, that's all it is," said Mrs. Redo, who tells her story to various groups in the city each week. "All you have to do is simply approach the businesses with the idea and usually they respond," she said.

There are more than 500,000 persons over age 65 living in New York City on fixed incomes of $3,880 a year or less, according to the Mayor's Office for the Aging, which has assisted Mrs. Redo for more than a year in printing and typing materials to distribute to merchants and community groups.

Businesses that participate in the project are mentioned in handbills distributed in their communities.

"We can't always guarantee they will get the cheapest price, but they will get a break from whatever the price normally is," Mrs. Redo said. "We're trying to extend discounts from college students to another group of people who need them as much."

TELEVISION AND IMPEACHMENT

HON. SIDNEY R. YATES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. YATES. Mr. Speaker, the Washington Post editorially supports the position to televise possible impeachment proceedings. Also appearing on the same page are two articles debating the issue. George Reedy, known well to almost all of us as President Johnson's brilliant and effective press secretary and now dean of the College of Journalism at Marquette University, acknowledges the need for my resolution which is now before the Rules Committee. Jerome Barron, distinguished professor of law at George Washington University, articulately presents the other view. I commend the Post for giving its readers an opportunity to read both opinions. I am therefore inserting the texts of their remarks in addition to the Washington Post editorial, Television and Impeachment:

TELEVISION AND IMPEACHMENT

With the impeachment inquiry gaining speed, Congress should no longer put off serious debate about what role television and radio should play in informing the country about the House Judiciary Committee's public sessions, the House floor debates and, if it comes to that, the Senate trial of the President. Unless congressional rules are changed, live and taped broadcasting of all those sessions will be barred. Thus one arm of the media will be grossly restricted in its reporting of deliberations which will be open to the writing press and to as many citizens as the galleries can hold. The question is whether the nation's interest will be advanced if the rules are amended to enable radio and television to perform their unique service of providing complete, direct, nationwide coverage of these somber and momentous events.

Opponents of full coverage advance, in essence, two overlapping arguments, one by analogy and one from fear. The first, summarized by Jerome Barron in an article elsewhere on this page, is that because impeachment is a quasi-judicial proceeding, the cameras have no more place in the Senate chamber than they would have in any common court. The second assertion is that television is some kind of pernicious force which is likely to poison the proceedings by turning the most responsible legislator into a posturing demagogue and converting sober deliberations into a raucous spectacle. This adds up to the suggestion that full television coverage will somehow fundamentally change the nature of the impeachment process, and that something or other—the Congress, the system, the country—could not stand the added strain.

This is a little hard to swallow. For one thing, it involves a massive mistrust of the people's elected representatives, suggesting that they are so immature, undisciplined or publicity-hungry that they would trifle with the most important responsibility which they may ever bear. That possibility does of course exist, but the very restrained, careful performance of the House Judiciary Committee and most other legislators so far is welcome evidence that they recognize the danger and are resisting it. Moreover, to the extent that mistrust might be justified, it seems a bit misplaced. One can argue with equal facility that members would be much less likely to manufacture sensation, strike poses or otherwise misbehave under the watchful eye of television than they would when they have only a passing reference in a newspaper or 30 seconds on the nightly news to worry about—or to play to.

The more basic consideration is the nature of the process at stake. For all the obvious similarities, a Senate trial of a President is not an ordinary criminal trial writ large. The Judiciary Committee's inquiry is even less a grand version of a grand jury probe. Impeachment, however judicious it ought to be in its findings and its processes, is not strictly speaking, judicial. It is a political process in the most fundamental, constitutional sense, the means by which the people's representatives deal with alleged gross abuses of the public trust. Its purpose is not to punish—in the sense of fines or imprisonment, removal from office is the only penalty. Moreover, while Congress will be judging the conduct of the President, the public will be evaluating the conduct of both, and will be arriving at the ultimate and essentially political verdict both on the judgment and on the manner in which it is attained.

From this perspective, it is hard to see how the national interest will be served if the deliberations on Capitol Hill are not transmitted fully and directly to the people, but instead arrive only through the necessarily selective, compressed and confined form of news summaries and the printed press. The difference is roughly the difference between listening to an entire tape and reading an edited transcript. Last summer's Watergate hearings should have made this point, for those weeks of complete coverage enabled millions of Americans not only to hear and weigh significant testimony about startling events, but also to observe and assess the character and conduct of every participant. Whether those evaluations were favorable or not is beside the point. The point is that there is no substitute for full information as the raw material for judgment.

The issue, as George Reedy writes, is the restoration of public trust in the integrity, capacity and accountability of government. Whatever the outcome of the impeachment inquiry, that cause will be advanced if the Congress permits—and the broadcasting industry fulfills its obligation to provide—full coverage of the proceedings which have now begun.

PUBLICITY WOULD BECOME ALL PERVASIVE

(By Jerome Barron)

Impeachment trials, fortunately, are such rare events in this country that there is little direct, authoritative guidance on whether impeachment of a President should be televised: We have no experience on the question of mixing impeachment with television.

When the Billie Sol Estes case came before the Supreme Court in 1965, Justice Tom C. Clark, speaking for the court, said that the "chief function" of judicial machinery was to "ascertain the truth." Rather tartly, the court said: "The use of television, however, cannot be said to contribute materially to this objective."

In an impeachment proceeding, the senators are the jurors.

"If the community be hostile to an accused, a televised juror, realizing that he must return to neighbors who saw the trial themselves, may well be led 'not to hold the balance nice, clear and true between the state and the accused,'" the Supreme Court said. Furthermore, is there any real answer to the court's anxiety that television inevitably fixes the jury's eyes on the camera rather than on the testimony?

In an era when the law has extended due process concepts to more and more areas of American life, surely it is hard to argue that due process and its implications for criminal trials should not also apply to the question of televising an impeachment.

It may be said that hearings of the Senate Watergate Committee were televised, and that if the proceedings of the committee that led to an impeachment could be televised, why shouldn't the impeachment trial also be televised?

The two are not comparable. Only at the outermost perimeters of its legislative responsibilities did the Watergate Committee touch on questions of guilt or innocence as they might affect criminal defendants; the *raison d'etre* of the impeachment trial, however, is the guilt or innocence of the accused.

Excluding the television cameras would not deprive the public of its right to know. Coverage by the print press of any impeachment will be continuous, extensive and free-wheeling. News and commentary on radio and television would be similarly free and extensive. That is our tradition, and the precedent of the Andrew Johnson trial. But televising an impeachment would allow publicity to become all pervasive.

In an impeachment, the Senate is, in effect, a courtroom, and we therefore should remember the counsel of Chief Justice Earl Warren in his separate opinion in the Estes case: "We must take notice of the inherent unfairness of television in the court room and rule that its presence is inconsistent with the 'fundamental conception' of what a trial should be."

I think the conclusion is clear. Televising the national torment of a President's impeachment would be unwise.

No Barriers Between Public and the Facts

(By George Reedy)

Even though Congress still has to decide wether President Nixon should be impeached and tried, it is not too early to give careful—and, I hope, favorable—consideration to allowing full, live television coverage of the proceedings.

There are issues of public confidence at stake which go beyond the usual questions of press freedom and access to news—and the decision should not be made casually.

Traditionally, both Congress and the Judiciary have been reluctant to admit television cameras to their proceedings. I can concede that there are coherent reasons for this reluctance even though I am not certain the reasons are wise. But impeachment is an extraordinary procedure, and whatever may be the merits of the precedents, they cannot be made to apply without some unusual logical acrobatics.

After all, impeachment is a device whereby 535 men and women—435 through indictment, and 100 through trial—can take from a man a grant of ultimate power which was given to him by all the people. In the best of circumstances, it would be hazardous for a small group to reverse a decision made by the entire electorate. Our constitution provides no method for direct public participation in the deliberations. But television provides a method for direct public witnessing of the proceedings, and there are values to this that are incalculable.

Admittedly, no device can make the final decision satisfactory to everyone. President Nixon's implacable foes—those who hated him even before Watergate—would regard anything less than 100 per cent impeachment and conviction as evidence of legislation cowardice. His last-ditch defenders would regard anything less than 100 per cent acquittal as evidence of a sinister plot to railroad their hero. A Senate vote somewhere between 50 per cent and the two-thirds required to convict would open up nightmares of recriminations.

But the ultimate popular verdict will rest upon the majority which is in between the two poles. This is a group which can render a reasonable judgment—especially when its members have seen events with their own eyes. In terms of the future of American unity, the popular verdict is fully as important as the legislative verdict. There should be no barriers whatsoever between the public and the facts.

Legislators, of course, have always resisted the presence of television cameras during legislative sessions. The reason is simply that floor sessions are only a small part of the legislative process and here the lens can distort because it makes one—and not the most interesting—part look like the whole. But an impeachment session would not be a legislative session. All of the events of major importance would take place right on the floors of the House and Senate chambers. The legislators could be relied upon to be present and to listen to the arguments. The speeches would be relevant and cogent. And finally, there would be no precedent established other than the presence of television during an impeachment session—not during a legislative session.

When everything is added together, it seems to me that there is more than ample justification for televising the proceedings in both the House and the Senate. The President should have an interest in having his side of the case stated directly to the people as well as to the Congress. The Congress should have an interest in giving the people an opportunity to see for themselves that the legislative conduct is rigidly fair. The print media should have an interest in permitting the readers to observe for themselves that interpretation and backgrounding is based upon fact and not distortion.

But the most important interest to be served is that of the people themselves. The presidency belongs to them—not to the Congress or to the media. If Congress is to direct a change in the occupancy of the office, they have the right to be present, at least as spectators, and there could be grave consequences were they to be denied a right so readily available.

BILINGUAL EDUCATION

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. YOUNG of Alaska. Mr. Speaker, on May 15–18 the Annual International Bilingual Bicultural Educational Conference will be held in New York City and will be officially welcomed by the United Nations. This perhaps has inspired the President to proclaim the week of May 13 "Bilingual Education Week." It is my hope that a growing number of people are beginning to recognize the long overdue need to properly educate our Nation's several million non-English speaking children.

Whereas Alaska is the home of 70,000 Eskimos, Indians, and Aleuts, it is of utmost concern that the educational system in Alaska be geared to foster the teaching and knowledge of foreign languages and therefore provide a suitable and upgraded system of education. If we are ever to expect these children to become productive citizens of our Nation, we must realize the importance of the concept of bilingual education in giving them equal educational opportunities. It is of great sadness to think that because a child is not taught his own language that that language, an important part of a whole culture, will eventually die.

H.R. 69 has authorized $135 million for title VII which is the Extension and Amendments of the Bilingual Education Act, for fiscal year 1975. This act has been strengthened by both the House and Senate education committees, but it must be understood that the programs must be developed and administered properly or this will remain a fruitless endeavor.

At a time when all cultures are finally beginning to be appreciated, it is of extreme importance that bilingual education be recognized for its very possible influence in the promotion of peace and harmony among all peoples of the world.

SHOULD UNITED STATES INVEST IN SOVIET GAS AND OIL?

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. CRANE. Mr. Speaker, the Export-Import Bank has recently approved $38 million in loans to the Soviet Union for four projects. This means that the bank has granted, since the beginning of 1973, loans totaling $160 million to the U.S.S.R. and is understood to have made preliminary commitments to the Soviet Union for another $200 million.

Why our Government wishes to finance Soviet gas explorations—one of the key elements involved in future plans for U.S. aid—is difficult to understand. A nation's defense capacity is directly related to its resources in the field of energy. With less than half of the GNP of the United States, the Soviet Union spends as much as we do on defense, perhaps more. How can we, in the face of this situation, pursue trade and credit policies which will permit the Soviet Union to further expand its military machine?

Beyond this, recent events show us the lack of reliability of the Soviet Union in its relationship with other countries, particularly in the energy field.

The Washington Post noted that:

> A sobering comment on Moscow's reliability as a supplier of natural gas and oil is contained in recent accounts of its dealings with two veteran customers in Western Europe. Finland, for one, found that the Russians raised their price last fall to the level of the world price set by the oil cartel. This added at least half a billion dollars to Finland's annual energy bill. . . . So great was the shock that the socialist premier of Finland was led to compare the additional burden, five per cent of GNP, to the postwar reparations which Moscow imposed on the Finns. . .

In another instance, the Soviet Union simply stopped delivering natural gas and oil to West Germany and then resumed the flow but at much higher prices. In its editorial of March 29, 1974 the Washington Post declared that:

> . . . neither on the supply front nor the price front have they treated their traditional customers well . . . If the Russians began to run short of energy themselves, as many foreign experts expect they will, would they fulfill their contracts for export sales? These are matters which must be taken into account in the United States' own deliberations on the advisability of making large long-range investments in Soviet gas and oil.

I wish to share this editorial with my colleagues, and insert it into the Record at this time:

MOSCOW'S HAND ON THE PUMP

A sobering comment on Moscow's reliability as a supplier of natural gas and oil is contained in recent accounts of its dealings with two veteran customers in Western Europe. Finland, for one, found that the Russians raised their price last fall to the level of the world price set by the oil cartel. This added at least half a billion dollars to Finland's annual energy bill. But the price of the goods which the Finns sell to Russia remained the same. So great was the shock that the socialist premier of Finland was led to compare the additional burden, five per cent of GNP, to the postwar reparations which Moscow imposed on the Finns—about two per cent of GNP. By their particular political dependence on the Soviet Union, the Finns are locked into this one-sided arrangement, which illustrates all too well the economic aspect of "Finlandization."

In respect to West Germany, the Russians evidently realized during the oil panic last fall that they could get a higher price by exporting elsewhere. So they slowed and then stopped delivering crude oil, though a contract had been in force for more than 15 years. They had contracted to deliver 3.4 million tons of crude in 1973; actual deliveries were 2.86 million tons. Exploiting Germany's temporary duress, the Russians pushed their price to $18 a barrel. Veba, the German oil buying agency, then suspended its contract with the Russians. It was put back into effect, at new higher prices, only a few days ago.

Meanwhile, Moscow Radio has just felt compelled to deny an Iranian newspaper's report that the Soviet Union is buying natural gas cheap from Iran and selling it dear in the West. Even if the Kremlin wanted to perpetrate such an uncomradely deed, Moscow Radio says, it couldn't because there is no pipeline. But there is a pipeline—a fact which has to be set against Moscow Radio's denial.

The Soviet Union has made a good thing in the past about being a fair and reliable trading partner. This reputation has served it well, the Economist recently noted, in inducing West Europeans to deliver large quantities of steel pipe and other equipment, against promises to be paid in future oil or gas. Yet in the Finnish case, the Russians jacked their prices through the roof. With Germany, they simply stopped delivering for a while and then resumed the flow but, again, at much higher prices. In brief, neither on the supply front nor the price front have they treated their traditional customers well—customers with whom they have no outstanding political differences, moreover. If the Russians began to run short of energy themselves, as many foreign experts expect they will, would they fulfill their contracts for export sales? These are matters which must be taken into account in the United States' own deliberations on the advisability of making large long-range investments in Soviet gas and oil.

DAMAGE BY FIRE ANTS

HON. DAWSON MATHIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. MATHIS of Georgia. Mr. Speaker, the Environmental Protection Agency is currently conducting hearings to determine if the pesticide, Mirex, should continue to be used to control fire ants. Mirex is the only known deterrent to this deadly insect, and because some officials in the Environmental Protection Agency apparently have doubts about the danger of this insect, I am submitting a copy of an article from the Macon, Ga., Telegraph, which illustrates explicitly what damage these insects can render:

[From the Macon Telegraph, Apr. 23, 1974]

FIRE ANTS PUT TWO IN HOSPITAL

ST. PETERSBURG, FLA.—The sting of vicious little fire ants left one person in shock and another hospitalized with cardiac arrest in what officials say is becoming a menacing infestation of the insects in Florida.

The bite of the imported South American fire ant—nearly indistinguishable from the common ant—causes blisters similar to chicken pox. In some instances the sting produces severe redness over the body, shock and heart failure.

Two Pinellas County residents recently suffered severe reactions.

Vera Busk, 51, of St. Petersburg was hospitalized for two weeks after being stung.

"I had on open sandals and was bitten on the bottom of my feet," she says. "When I got home my feet started swelling, and it got worse and spread up to my waist. I started to get giant hives and a rash. . . It spread up to my neck and my tongue swelled up.

"By the time I got to the hospital I felt like I was slipping. One nurse held my tongue down . . . It swelled so much I couldn't breathe. I had cardiac arrest. I knew I was dying," Mrs. Busk said.

Doctors say she suffered temporary loss of memory and paralysis and damage to the heart.

James Paradiso, 66, of Madeira Beach stumbled into his kitchen and collapsed after being stung in a vacant lot next door.

Dr. Roger Laughlin, who treated him, said he was red and blotchy. "He had no heartbeat that I could detect," said Laughlin. "He was going to go into cardiac arrest. I thought he was going to die."

Laughlin said by applying massive doses of adrenaline and by treating Paradiso for shock he was able to keep the retiree alive.

"He was in my office 45 minutes after being stung," said Laughlin. "I would have given him another five minutes and he probably would have been pronounced DOA (dead on arrival)."

Dr. William Schmid, a St. Petersburg allergist who is helping a University of Florida research team investigate fire ant stings, describes both conditions as "extreme."

He says many people react only at the point of contact, but others allergic to the venom can develop systemic or general reactions that can lead to death if not promptly treated.

The American Academy of Allergy says 40-50 people die annually from the sting of wasps, fire ants, bees and hornets.

The Florida Department of Agriculture Extension Service says it has received numerous compaints of fire ant stings recently.

A report from the University of Florida research team notes that the fire ant has heavily infested the Tampa-St. Petersburg area, Orlando, Jacksonville and the stretch across the Panhandle from Pensacola to Madison.

SHAKING UP THE COMMITTEE SYSTEM

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. HANRAHAN. Mr. Speaker, the Committee on Committees has been discussing changing the jurisdiction of certain House committees to other committees. It has been said this will not change the power structure of the House of Representatives. For the interest of my colleagues, I would like to insert this article which is one man's opinion on this issue:

SHAKING UP THE COMMITTEE SYSTEM

(By John Pierson)

WASHINGTON.—Dick Bolling is too modest. Here he comes with a plan to shake up the committee system in the House of Representatives. Yet he has the nerve to sit there and say it won't change the power structure.

"No, sir," declares the Missouri Democrat, a bit too blandly, "my reforms are *neutral* on the subject of power. All they would do is make the House *work better*."

Rep. Bolling's modesty has a purpose. It's in his interest now to soft-pedal his revolution. No sense in riling up the very people whose votes he still needs to pass it.

What's more, it could well be the Bolling reforms *will* make the House work better by letting members serve on only one major committee (and thus stop spreading themselves too thin), by forcing the House to organize right after the fall election (and thus get off to a running start in January), and by pulling the myriad strands of energy and the environment together in a single committee (where interests can clash more intelligently.)

But this author of a fine book called "Power in the House" knows better than to think his plan is "neutral" on the subject of who's in charge when it would:

Drastically reduce the power of the single most powerful man in Congress, Rep. Wilbur Mills (D., Ark.), and of the Ways and Means Committee he chairs. Mr. Mills and his committee would lose control over Social Security, unemployment and medical benefits and foreign trade. (They also would lose their awesome monopoly over tax expertise, because every committee would be required to study the impact of tax policy on subjects within its jurisdiction.)

Lessen the authority of all committee chairmen by establishing the principle and practice that the House membership—the sweaty, anonymous, rank-and-file—can rearrange committee jurisdictions and decide who gets what piece of the legislative action whether the chairmen like it or not.

Add to the clout of Speaker Carl Albert by cutting his rival, Rep. Mills, down to size and by formalizing and broadening the Speaker's authority to refer bills to committees.

Add to the responsibilities of the Rules Committee, the House's traffic cop, by letting it play referee when a committee wants to dispute the Speaker's decision on where to refer a bill. (Rep. Bolling is likely to chair the Rules Committee one day.)

Give additional muscle to the rank-and-file by providing even the most junior member with a major committee assignment, and by improving the flow of information to committee members, who in times past have had to depend on their chairmen for facts.

HARD TO BE NEUTRAL

To humble Rep. Mills and other chairmen while elevating the Speaker and the membership is hardly to be "neutral" on the subject of power.

One must admit however, that while Rep. Bolling's plan would shake up power in the House, it would not move that body in any radically new direction, but rather the same way it has been jiggling in recent years—seniority and the chairmen down, the Speaker and the members up.

Things run in cycles. As Rep. Bolling shows in his book, the rise of the chairmen—buttresed by the seniority system—followed almost inevitably the overthrow in 1910 of a powerful and arbitrary speaker, Rep. Joe Cannon of Illinois. "Czar Cannon," they called him.

Now, the worm is turning again. No longer do years of service automatically entitle a member to chair a committee. The Democratic Caucus, composed of all members of the majority party, has begun electing chairmen. Thus far, the caucus has chosen to reelect all the senior men. But the threat of dismissal cannot hang lightly over the less popular or less able chairmen.

Other changes testify to the gradual and still-incomplete erosion of the once mighty power of chairmanship; open meetings; chairmen not allowed to head more than one of their own subcommittees; subcommitte chairmen entitled to hire at least one staff member of their own; chairmen obliged to announce meetings at least 24 hours in advance and to call caucuses of their committee Democrats.

The trend is accentuated by the retirement, death or defeat of the old giants and their replacement by a new breed of chairmen, less schooled in the arts of leadership. The House Judiciary Committee, now conducting the impeachment inquiry, is a case in point.

Judiciary's former chairman, Emanuel Celler, represented a Brooklyn district that returned him to the House 25 times. With job security like that, Rep. Celler could stay in Washington, master his committee's subject matter and learn how to get things done, a fact worth pondering when some deplore the existence of "safe" districts.

Judiciary's new chairman, Peter Rodino, is from Newark and until recently, has had to tread water fiercely just to keep from drowning in a sea of ethnic and racial animosities; Irish against Italian against Black. Rep. Rodino's lack of leadership training—plus the new mood of democracy in committees—has forced him to run his panel in a far more collegial, far less autocratic way than Rep. Celler ever did.

Chairman Mills' decline began, perhaps, when he ran unsuccessfully for the presidency in 1972. Ill health further eroded his authority by keeping him away from the House for long periods.

Meanwhile, House Democrats have found a mechanism for overriding Rep. Mills' practice of bringing bills to the floor under a closed rule, which permits no amendments. The new weapon has been brandished once, on the trade bill, to force floor consideration of an amendment that would deny Export-Import Bank credits to the Soviet Union if it persists in making it hard for Soviet Jews to emigrate.

The 15 Democrats on Ways and Means have long served as the majority's committee on committees; under Rep. Mills' lead, they decide what committee assignments go to each Democratic Congressman. But this authority has now been diluted by the addition to the committee on committees of the chairman of the Democratic Caucus, the Majority Leader and the Speaker.

As the power of the chairmen has declined, Speaker Albert's authority has been enhanced somewhat by the packing of the Rules Committee with Democrats usually loyal to him, and by formation of a Democratic steering and policy committee, chaired by the Speaker, to shape legislative proposals. The steering and policy committee not long ago pressured the Rules Committee to send the consumer protection agency bill to the floor.

There is, however, little likelihood that the Speaker will replace the chairmen as the real power in the House. Rep. Albert is not that ambitious, and he plans to retire after another term or two. His likely successor, Majority Leader Thomas P. O'Neill of Massachusetts, is more comfortable with power.

But it may be the country has become too complex for any Speaker of the House ever to wield the power of a Czar Cannon and some of his 19th-Century predecessors. "In those days," observes a key Democratic staffer, "the country didn't want anything done. Congress would pass the tariff and go home. Blacks didn't vote. Immigrants weren't registered. The country was white, middle class and reasonably happy.

"It's easy for a Speaker to be effective when he doesn't have anything to do."

ASSERTIVE AND INDEPENDENT

Along with a more complex country comes a more independent House membership—better educated, more assertive, more interested in issues and ideology than in going along and cutting deals.

Democracy, then, may be the watchword in the House in the years ahead. And democracy could mean achievement or chaos.

Some members put their hopes in the caucus of the majority party as the means of organizing democracy and channeling it into useful talks. To date the caucus has been mostly promise, except perhaps in 1972 when it forced a reluctant Foreign Affairs Committee to approve an end-the-war amendment to the foreign aid bill.

For the caucus to exercise real power would require party discipline. The caucus, through the steering committee, might hammer out a party position on a bill and then force a committee chairman to send it to the floor on pain of losing his job. A two-thirds vote in caucus might bind members to support the party's position on the floor.

In the past, the Democrats have shunned this kind of "binding." The party was so divided between North and South that any attempt to apply discipline just would have widened the split. Now that the enrollment of black voters has worked a wondrous moderation of Southern Democratic politics, perhaps the time is ripe for a little party discipline.

One old-style Southerner doesn't agree, Democratic Rep. Joe Waggonner Jr. of Louisiana, leader of a declining band of Southern conservatives, maintains that as the South moves toward the center, the North moves toward the left. "So the gap remains," says Rep. Waggonner, not without satisfaction.

Even if he's wrong about the North-South gap, a new division may be emerging in the Democratic ranks, and one just as poisonous—a division between old-style labor Democrats and newer Democrats who haven't much use for organized labor or New Deal solutions.

So suppose the caucus can't get it all together. What then?

"Chaos," replies Rep. Waggonner, "I don't have any reservation about it." Nor is he alone in having forebodings.

Rep. Bolling, the reformer, sees a good chance that if Democrats win a lot of seats from Republicans this fall—because of Watergate—they'll accomplish nothing at all after the election for want of agreement on what to do. Or they'll try to ram a mess of liberal legislation down an unwilling country's throat, much as they did after the GOP's Goldwater debacle in 1964.

"If they behave as they usually do, they'll throw it out the window," says Rep. Bolling, "and that'll insure the election of a Republican President in 1976."

AFTER THE LANDSLIDE

Laments a liberal Democratic staffer who spends a lot of time trying to elect liberal Democrats to Congress: "I just hate to think of what this place will be like next year, if we have the kind of landslide they've been talking about. . . . It'll be a zoo."

Another liberal staff man puts a brighter face on things. "We're heading back into the 1840s, to a genuinely rowdy, boisterous House of Representatives," says he. In the early days of the republic, the House was often the scene of fistfights, canings and similar expressions of a backwoods democracy's animal spirits.

"In the future," the staff man says, "you're going to see a good old legislative slugfest on the floor, where competing interests go at each other openly and the majority wins.

"It won't be good for the special interests, but it may be good for the country."

Picture it, Peter Rodino, all five-feet-seven-inches of him, strides onto the floor of the House in muddy boots, his coon hounds baying about his heels. He sits down with a careless manner, props his feet on the back of the chair in front of him and commences to eat an apple. . . .

ADJUSTMENT URGED ON TAX RETURN FORM

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. GAYDOS. Mr. Speaker, for nearly 4 years, since August 1970, I have returned to my district each weekend and conducted a Saturday morning "Congressional Workshop" with the residents of a specific community. I have held approximately 150 such meetings, visited every municipality in the district at least once and talked with an estimated 15,000 people. I am proud to say that frequently the people of the 20th District have made constructive recommendations for the improvement of our Government and the betterment of all Americans.

The most recent example occurred a few weeks ago during a "Workshop" in the community of Munhall. A gentleman pointed out an omission on the present Federal income tax form which provides the opportunity for the violation of rights of millions of taxpayers and the illegal diversion of millions of dollars of tax funds for the purpose of financing presidential election campaigns.

Mr. John J. Tarabek of 3447 West Run Road, Munhall, astutely noted the present tax form provides a "checkoff" space for individuals desiring to contribute a dollar of tax funds to presidential campaign funding. But, he also noted, there is no provision made on the form for individuals to record their desire not to contribute.

Such persons signify their choice on this question merely by leaving the present "check off" space blank. As Mr. Tarabek points out, this permits the opportunity for the form to be altered somewhere during its processing. The blank "check off" space could be filled in, designating the taxpayer as wishing to contribute to campaign funding.

The taxpayer would not know his form was altered since he never sees the original copy after it leaves his possession. He would never know a dollar of his taxes had been diverted to finance a Presidential election campaign since the contribution does not affect either his tax payment or refund. He would never know his right as an American to a freedom of choice had been violated.

I am sure we all agree that if only one taxpayer was so treated, it would be a grevious wrong; one that must be corrected. But, gentlemen, as Mr. Tarabek observes, there are millions of taxpayers who indicate on their original forms they oppose tax contributions to finance Presidential elections. If it should ever occur that even a small percentage of these forms be altered, a grevious wrong graduates into a crime of great magnitude.

The rights of millions of taxpayers would be violated and millions of tax dollars, intended for use in other Federal programs and projects, would be illegally channeled into a poiltical pipeline.

In response to Mr. Tarabek's plea that corrective action be taken to eliminate such a possibility, regardless of how improbable it might be, I have contacted our esteemed chairman of the House Ways and Means Committee, the Honorable WILBUR D. MILLS. I have asked him to consider revising the present tax return form to include an extra "check off" space, giving the taxpayer a "yes" or "no" choice on the question of contributing to Presidential campaign costs and protecting that choice. The simple addition of this extra space would also eliminate any tinkering or tampering with the taxpayer return.

Mr. MILLS has assured me he will give this suggestion serious consideration. He also has graciously asked that I convey his thanks to Mr. Tarabek for his interest and willingness to help our Government operate as effectively and efficiently as possible. It is a request I am most happy to comply with for I feel Mr. Tarabek has earned the appreciation of millions of Americans.

NATIONAL DAY OF PRAYER

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. MURTHA. Mr. Speaker, today, April 10, 1974, is a day that has been set aside by the U.S. Senate as a "National Day for Humiliation, Fasting, and Prayer."

In the last few days and weeks, millions of words have been written and spoken about what is wrong in America. One event has followed another so rapidly in the past few months that some of them seem almost like ancient history.

During the nearly 10 weeks in which I have had the privilege of representing the people of the 12th Congressional District of Pennsylvania, I have been continually asked, "What is wrong in America?"

It is almost a paradox that our Nation, which possesses all the economic affluence for enjoying life, virtually leads the world in immorality, crime, and narcotics abuse.

This country has at its command all the necessary armaments for national security, but we are still insecure. We have all the material possessions deemed essential for happiness, but we are unhappy.

No one can deny that our Nation faces one of the gravest crises of its history. We have always survived past crises and have become all the more strong because of them. However, the past crises have been external ones whereas the problem facing our country today is an internal one.

We face the crisis of disintegration from within. One of the factors of the present crisis is, of course, the political atmosphere in our country. Watergate has had a profound and unsettling effect on our Nation. This sordid affair has sent shock waves through our whole political system. The worst tangible evidence of this affair is the lack of confidence in our political system.

Democracy cannot survive when people have lost confidence in it. No democracy can function efficiently and effectively in an atmosphere of mistrust.

Second, we face an economic crisis. We enjoy the highest standard of living of any nation in the history of the world, but we are paying the price for our luxurious living and our deficit spending. Inflation has hit every American, especially those on fixed incomes.

The worst crisis, however, is neither economic nor political. It is a crisis of our moral fiber as a Nation. We have forgotten, both individually and collectively, how we became the greatest Nation in the world. We have no real belief in our money which states "In God We Trust." The words on the back of our Great Seal, "God hath ordained our undertaking," is no longer a viable consideration in our daily evaluation of the decisions which need to be made.

We tend to live as though our national self-righteousness has no need of further acknowledgement of God.

Our Nation, which comprises only 6 percent of the world's population, last year consumed 40 percent of all energy used on this planet. Regardless of this experience, we are now realizing, through the aid of the energy crisis, that our materialism, our wealth, and our gross national product are not the ultimate answers for the future of our country.

I am proud, Mr. Speaker, to join with my colleagues, especially the Senator from Oregon, the Honorable MARK HATFIELD, in recognizing this day as a "National Day for Humiliation, Fasting and Prayer."

MAYOR JOHN HOGAN

HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. HELSTOSKI. Mr. Speaker, Mayor John Hogan of Northvale, N.J., died April 20 of cancer at the age of 50. Not only is this a loss for the people of Northvale, but it is a sad occasion for the people of Bergen County and the State of New Jersey as well. We all have lost a friend.

John Hogan was a man of integrity and diligence; a man who won and retained the respect of people of all political persuasions. Hard working his entire life, Mayor Hogan was working in his Northvale office a few hours before he was rushed to the hospital for the last time. In fact, just a few weeks ago, in the midst of his final battle with the disease which would claim his life, John Hogan announced that he would seek another 4-year term.

The town of Northvale, as it stands today, is a vibrant tribute to the legacy of John Hogan. He was instrumental in such things as bringing sanitary sewers to the area, establishing a public library, building a volunteer ambulance corps, and helping Northvale obtain its Borough Hall. Moreover, he was a credit to the profession of politics, a friend to the people of his community, and a credit to his family and himself.

I would like to take this opportunity to extend my deepest sympathy to Mayor Hogan's family and to the people of Northvale. Having had the privilege of working personally with Mayor Hogan for many years, I share their grief.

Mr. Speaker, an article concerning Mayor Hogan appeared April 21 in the Record, a Bergen County daily newspaper, and it provides some additional insight into Mayor Hogan's achievements. As a result, I would like to share this article with my colleagues. The article follows:

NORTHVALE MAYOR JOHN HOGAN, 50

(By John H. Kuhn)

NORTHVALE.—John L. Hogan, mayor for the past 9½ years, yesterday lost his three-year battle against cancer. He was 50.

Hogan, who underwent a laryngectomy in September 1971, died early yesterday morning at Pascack Valley Hospital where he was taken Thursday night.

Active to the last at his first love—politics and government—Hogan was in the Borough Hall working on town business only a few hours before he was hospitalized.

Only two weeks ago, Hogan had announced he would seek another four-year term as mayor, mentioning he was encouraged to do so by his doctor.

Known as Jack by both friend and foe, Hogan continued his mayoral duties despite the loss of his voice. Speech therapy after his first operation brought back some speech, but he lost this after additional operations. His written comments at meetings were read by a councilman.

Hogan learned politics as a boy, the eighth of 15 children. His father was elected mayor of Piermont, N.Y., when Hogan was 10.

After graduation from high school, Hogan enlisted in the Army for World War II. He was assigned to Panama where he contracted malaria.

After the war he entered the milk distribution business, married the former Viola Iannaccone, and built his home in Northvale 21 years ago.

Hogan's first try at political office in 1957 was his only defeat, as he lost a council seat by 85 votes. He came back the next year to win the first of two, three-year council terms. Hogan was elected mayor in 1964, and re-elected in 1966, 1968, and 1970.

Hogan was appointed to the district state sales tax office in 1966, working there a short time before entering the real estate business.

The mayor served on the Bergen County Sewer Authority for a brief period and was president of the Bergen County Democratic Mayors Association in 1966 and 1967.

Hogan is credited with bringing sanitary sewers to the area. He helped establish a public library, helped build a volunteer ambulance corps, and saw the town obtain its Borough Hall. He was a Lions Club member.

Even Hogan's political enemies respected Jack's knowhow in getting things done.

One comment after the mayor's first operation was, "You may not like him, but you have to admit he has guts."

Besides his wife, Hogan is survived by a son, John S.; a daughter, Frances; his mother, Margaret Hogan of Piermont; three sisters, Cecilia Goswich of Piermont, Margaret Rogers of New York, and Helen; and eight brothers, William of Nyack, Francis and George of Tappan, N.Y., Paul of Orangeburg, N.Y., Robert of Haverstraw, N.Y., Edward of

Mahwah, Roger of California, and Aloisious of Piermont.

The funeral will be from the Northern Valley Memorial Home, 120 Paris Ave., Tuesday at 9 a.m. with a mass at St. Anthony's R.C. Church at 10 a.m. Interment will be in Rockland Cemetery, Sparkill, N.Y.

NATIONAL CANCER CONTROL MONTH

HON. LOUIS FREY, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. FREY. Mr. Speaker, on this, the last day of National Cancer Control Month, I would like to reprint two more of Mr. Stewart Alsop's columns dealing with his personal battle with cancer.

He writes with graphic description of the agony of the cancer patient and how the patient grasps for any straw that may mean continued life, providing us with a rare opportunity for special insight into the suffering of a victim of cancer.

Mr. Alsop is only one of millions of Americans who hold out the hope, no matter how remote, that the Nation which sent man to the Moon can meet the challenge with equal success to identify the cause and find a cure for one of the most painful and cruel killers.

Since we will be considering the authorization of appropriations for the national cancer program this week, I believe my colleagues will find these articles of particular interest.

[From Newsweek, July 31, 1972]

"All Will Be Well"

(By Stewart Alsop)

WASHINGTON.—Last week, it was just a year since I was told that I had a kind of leukemia that was quite likely to kill me in a year, and almost surely in two years. I wrote a couple of columns about this experience, and then promised to shut up about it. But one more column seems to be justified, after a year, on what it is like to live with a life-threatening disease.

There was a glorious time, last fall, when the cancer specialists at the National Institutes of Health suspected that I might not have leukemia at all, but a kind of mimic cancer. In September, I had a mysterious flu-like sickness, and thereafter, the bad cells in my marrow began to fade away—from more than 50 per cent to 6 per cent—and my blood came back to normal. The hemoglobin, which gives you energy and *joie de vivre*, was supernormal, and I felt just dandy.

I felt dandy until February, and then the bad cells began to come back—16 per cent in February, 23 per cent in March, 40 per cent again by April. John Glick, my brilliant 28-year-old doctor, kept me working—and even playing indifferent tennis—with blood transfusions. But by late April, it was clear that something had to be done.

BAD CELLS

Doctor Glick, Dr. Ed Henderson, his able chief, and the other NIH cancer specialists had a conference to decide what my disease was and what to do about it. Leukemia is caused by malignant cells in the marrow, which makes the blood. The bad cells gnaw away at the marrow, so that the marrow ceases to make the life-giving blood cells. An untreated victim soon dies of infection, or congestive heart failure, or uncontrolled bleeding.

The only defense against classic leukemia is to use powerful chemicals to kill the bad cells and induce a "remission." But chemotherapy kills the good cells too, and it also tends to destroy the mysterious X factor that resists the cancer. So a relapse—and death sooner or later—is statistically almost inevitable after chemotherapy.

I had had no chemotherapy, and if I had had the kind of leukemia originally diagnosed, I would certainly have been dead. Moreover, most atypically, I had no malignant cells in the blood. So the doctors decided that I must have a very rare kind of leukemia—a "smoldering" or "a-leukemic" leukemia.

Chemotherapy, the doctors agreed, was a last resort. There is evidence that flu, like the sickness I had had in September, can induce a remission by stimulating the resistance of the body to the bad cells. A drug called Poly I–C, which causes a kind of artificial flu, might do the same thing. It was a shot in the dark, but at least it was worth a try, the doctors decided.

John Glick explained this "highly experimental" treatment to me—the idea, he said, was to use Poly I–C to prod the marrow into producing the life-giving blood cells. I said it sounded like trying to get an old bird dog, who wanted only to lie by the fire and doze, out into the field hunting birds again, and John said the analogy was about right.

CHILLS AND FEVER

On Friday, June 9, I had my first dose of Poly I–C. John Glick stuck a needle into a vein, and a bottle of colorless liquid, about the size of a beer bottle, dripped into my body. In about two hours, I had a violent chill, so violent that the bed shook, while my wife, Tish, piled heated blankets on top of me. The chill lasted for 45 minutes, and then my temperature zoomed to 104. It seemed to me that John Glick was looking a bit nervous. But the temperature soon dropped, and I felt well enough to play tennis over the weekend.

For three weeks, on Mondays, Wednesdays and Fridays, I repeated this chills-and-fever routine. Intermittently, there were signs that the old bird dog was at least trying to stagger to his feet. Then there was a marrow test, and good news—the bad cells were down from 40 per cent to 25 per cent, and blood tests showed that the marrow was making more blood.

But last week, the tests showed that the lazy old dog was lying down again, and so I am to have another three-week course of Poly I–C. During that first three-week course, I managed to fill this space, but it wasn't easy, so for a while my myopic political musings will not appear here.

What has it been like, then, to live for a year with this peculiar kind of leukemia?

Oddly enough, it hasn't been as bad as it sounds. There have been some moments of fear, and some pain (a marrow test is no fun).

There have been a few times when I felt very sick, and when my blood was so thin as to put my life at risk. But when you feel sick enough, you don't much fear death, and even half-welcome it. In such ways, God tempers the wind to the shorn lamb.

A good deal of the time, I have felt fine—a blood transfusion is better than a couple of Martinis—and all the finer because I seemed to be defying the undefiable. And most of the time I have been able to forget about my damnable marrow, aided by the need to fill this page. It is a dusty old cliché that work is an anodyne, but it is true.

I wish I could claim that the past year has given me profound spiritual insights, but it hasn't. I was an agnostic before I got sick, and I am an agnostic still.

Among the adults in the NIH leukemia clinic, there is a kind of almost cheerful fellowship, as in an elite military unit under fire—I think of the clinic as the Nos Morituri Brigade. People are brave, when there is nothing else to be. It is the children that make the clinic so hard to take. Some of them are beautiful, and on some of their wasted small faces there is already clear the mark of death.

MYSTERIOUS

If there is a God, why did He choose them? Mind you, I am an agnostic, not an atheist. But if there is a God, He surely "moves in a mysterious way."

It may seem a bit fatuous to say so, but what has surprised me most about this experience is how nice people are. Most of us live out our lives behind a thick outer tegument, or carapace, that separates us from other people. The threat of death breaks the carapace. It makes you deeply dependent on other people—in my case, my wife, my family, my doctor, my friends and colleagues, above all my wife. Once the carapace is broken, you realize how amazingly nice—there is really no other word for it—most people are.

When I first got sick, I came across a sentence in an old piece by Winston Churchill: "For the rest, live dangerously; take life as it comes; dread naught; all will be well." I repeat it like a talisman, and so I expect to be back filling this page shortly, with my old dog of a marrow doing its job again.

[From Newsweek, March 11, 1974]

I Didn't Stop in Baltimore

(By Stewart Alsop)

WASHINGTON.—I woke up suddenly, feeling very wide awake, pulled the light cord, and sat straight up in bed.

"We'll be stopping in Baltimore," I announced loudly, in an authoritative voice. I looked around me. A private car, evidently. Good of the railroad people to supply those fruits, and all those flowers. The furniture looked a bit shoddy, but what can one expect these days? My wife was no doubt in the next stateroom. Where was the connecting door? I got up to explore.

The car was swaying heavily—the roadbed must be a disgrace. I supported myself on a table, and then a desk. Then there was a space of empty floor. I was halfway across it when the car gave a lurch, and I fell down. I sat on the floor for a bit, getting my bearings, then scrambled to my feet again, and opened a narrow green door. A locker, with my own clothes in it. I opened another door—a small bathroom.

Then I came to a much bigger door, and opened it, and leaned against the doorjamb. The swaying had stopped the train, apparently, had halted. Outside was what I assumed was the Baltimore station—wide platform, dim lights, green tile. A whimpering noise, then silence, and no one to be seen. There was something hellishly grim about the place. Suddenly I was quite sure I didn't want to stop in Baltimore.

"We won't stop here," I said, again in a firm, authoritative voice. "Start up the train, and carry on."

SAFE

I turned back toward my bed, and the big door closed behind me. I fell down twice on the way back—the crew must be pouring on the power, I thought—and getting into bed was like mounting a bucking horse. Safe in bed, I turned off the light, and was asleep in an instant.

This small episode did not happen on a private railroad car. (Who the hell did I think I was? Some ancient Belmont or Vanderbilt?) It happened in my room on Floor 12, the Solid-Tumor Ward of the cancer clinic of the National Institutes of Health. My room, a room I'd been in for going on eight weeks, was the private car, and the corridor of the Solid-Tumor Ward was the Baltimore platform. But the falling down was real enough—the next morning I had the bruises to prove it.

I was in the Solid-Tumor Ward because NIH, for mysterious bureaucratic reasons, has ended the adult leukemia program, and the adult leukemics who are still about are taken care of in other wards. Leukemia is a sneaky disease—it attacks by indirection. It weakens the blood cells that fight infection, and then sends in surrogate diseases to finish off the victim.

In the two months I was in the Solid-Tumor Ward my leukemia (or whatever it is—it is a most atypical disease) tried hard to finish me off. I had pneumonia; then an infection of the lower intestines; then a lung clot; then an edema of the lungs; then a second pneumonia; then two minor operations and a major operation; then another infection.

STUBBORN

The major operation—opening my chest and snipping off a thumbnail-size bit of lung—was necessary because pneumonia can't be treated unless the doctors know what kind it is, and my second pneumonia stubbornly refused to identify itself. The bit of lung was given every known test—and the brilliant doctors at NIH know every known test—but it still refused to identify itself. Meanwhile the lethal "infiltrate" continued relentlessly to spread across both lungs, and my wife was told that the prognosis was "grim."

It was four days after the operation that I decided not to stop in Baltimore. The next day the able young doctor in charge of my case, Jack Macdonald, told me that he might be imagining things, but the X-rays of my lungs looked a bit better—certainly no worse. The day after, he said there was no doubt about it—the infiltrate was receding. Some days later, my battered old lungs were as close to normal as they will ever be.

Why? Jack Macdonald and the other doctors say frankly they don't know, though they all have a favorite guess. I have a favorite guess, too. My guess is that my decision not to stop at Baltimore had something to do with it. In a kind of fuzzy, hallucinated way, I knew when I announced the decision that it was a decision not to die.

Death is a word rarely mentioned in the NIH cancer clinic. But one is more aware of its presence in the Solid-Tumor Ward than in the now defunct leukemia ward. Leukemia is a sneakier disease than solid-tumor cancer, but it is also kinder at the end. Most leukemics drift into a quiet death, while the victims of a solid tumor can (although they by no means always do) suffer agonies before death comes.

All the rooms at NIH are double rooms, and almost all the patients (except those thought soon to die, which may be why I was alone on my private car) have roommates. Several of my roommates were terminal solid-tumor patients, who were given opium-based analgesics or painkillers at predetermined intervals, usually four hours. Almost always, the analgesic wore off too soon. To hear grown men, and brave men, whimpering, or howling, or pleading with a helpless nurse for another "shot" is not an experience likely soon to be forgotten.

As a result of that experience, I reached certain conclusions. NIH, like most hospitals, goes to great lengths to prevent suicide—patients are forbidden pills of their own, and the windows and even the rooftop solarium are firmly screened. It seems to me that a patient suffering beyond endurance should be given the option of ending his own life, and the means to do so should be supplied on request. An unquestionably terminal patient should be given another option. He should be given as much painkilling drug as he himself feels he needs. The drug probably ought to be heroin, which is estimated to be about four times as effective an analgesic as the synthetic painkillers now mostly in use. If a human being must die, it is surely better that he die in the illusion of painless pleasure—and heroin is very pleasurable—than in lonely agony.

MYSTERIES

Another conclusion is harder to define. Shakespeare, as usual, came closest, in the familiar cliche-quote from Hamlet: "There are more things in heaven and earth, Horatio, than are dreamt of in your philosophy." Perhaps my decision not to stop in Baltimore had nothing to do with my astonishing recovery. But there are mysteries, above all the mystery of the relationship of mind and body, that will never be explained, not by the most brilliant doctors, the wisest of scientists or philosophers.

For the rest, I hope to put back some (but not all) of the 43 pounds I have lost, to get a bit of rest, to get rid of the tail end of that second infection, and then again to examine in this space the more mundane mysteries of political Washington.

THE NASSAU HIGHER EDUCATION CONSORTIUM: A PUBLIC-PRIVATE INSTITUTIONAL PARTNERSHIP

HON. JOHN W. WYDLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. WYDLER. Mr. Speaker, recently the Nassau Higher Education Consortium—NHEC—was established to further and strengthen the Nassau college spectrum. Dr. William M. Heston of Garden City, a very able and competent educator, was selected as executive director. His recent remarks on this event should be considered by my colleagues in the Congress and they follow:

THE NASSAU HIGHER EDUCATION CONSORTIUM: A PUBLIC-PRIVATE INSTITUTIONAL PARTNERSHIP

(Remarks presented by Dr. William M. Heston, Executive Director of the Nassau Higher Education Consortium at the Nassau HUB Executive's Breakfast, February 13th, 1974, Hofstra University, Hempstead, New York)

I appreciate the opportunity to present a thumbnail sketch of our newly established Nassau Higher Education Consortium (NHEC), composed of five nonpublic and two public colleges in Nassau County. The sponsoring institutions are Adelphi University, Hofstra University, Molloy College, Nassau Community College, New York Institute of Technology, C. W. Post College of Long Island University, and SUNY College at Old Westbury. There are 53,000 students, both full- and part-time, currently attending these seven institutions, which employ 6,500 persons and have a combined operating budget of $109,000,000 this academic year. The economic implications of expenditures of this magnitude on the local economy I know I need not dwell on. Suffice to say, however, it is generally agreed that institutions of higher education generate approximately three times their budgets in economic benefits to their areas. Nathaniel Giffin,[1] President and Chairman of the Suffolk County Federal Savings and Loan Association, spoke of this and its importance to Long Island's economy in a very interesting article he published in the December 10th issue of the *American Banker* entitled "Long Island's Future Is Tied to Education and Research". A national study released two years ago noted that the 31 most economically advantaged areas in the United States were the very same 31 areas in which their colleges and universities were the most healthy educationally and economically.

If one were to attempt to make a generalized statement about what is the single most important trend in higher education today, I would say it is the development of conditions leading to the need to rely increasingly on centralized planning, coordination and control of all postsecondary institutions, public, private and proprietary. As Lyman A. Glenny [2] noted "The challenge to planners and coordinators . . . is to encompass all new postsecondary educational forms, delivery systems, and types of programs, while promoting innovation, flexibility, adaptability, and opportunity". Roger Heyns [3] in October 1972 noted that cooperation was one of the three principal challenges facing higher education in this decade. He said, "The third task . . . is that of developing and strengthening mechanisms for collective planning, coordination, and control. I refer to the whole range of regional and state commissions and councils, both statutory and voluntary, advisory and decision-making. No one else can seriously doubt that such mechanisms are needed if we are effectively to utilize our resources and respond intelligently to the requirements of our society."

Recognition of the need to develop the ability to respond intelligently to the rapidly changing demands of our society that Dr. Heyns spoke about is the basic reason for the formation of the Nassau Higher Education Consortium. We saw in such a cooperative approach the opportunity to explore an entirely new range of solutions to difficult problems no longer available to each of the members singly. The formation of the Consortium is also consistent with the position taken by the Board of Regents of the State of New York in their Paper No. 13, which discusses the financing of postsecondary education in New York State and the need to develop cooperative regional approaches to planning and implementation. Clearly, the Consortium is an idea whose time has come.

The Consortium, although legally chartered by the Regents only last March 23rd, had its beginnings on December 1, 1970, when five of us agreed (Old Westbury and Molloy joined us later) to meet to discuss the advantages of developing a more formal and committed vehicle for improving interinstitutional cooperation among ourselves. We began by discovering what other consortia were attempting, where they had succeeded or failed, how they were organized and funded, and where and how we could improve our own individual institutions through such an association. We quickly came to the conclusion that we enjoyed certain highly favorable attributes, such as geographical proximity, different types of institutions with differing strengths and weaknesses, which enhanced our flexibility to respond, a clearly circumscribed geographical perimeter, and a growing population which placed a premium on higher education, to mention a few of the more obvious.

We then began developing a set of purposes and objectives and an organizational framework we believed would maximize our chances of success. Simply stated, we said that the overriding purpose of the Consortium is to act and serve primarily as a coordinating organization by and through which its members may by joint and united action improve their educational effectiveness and fiscal efficiency without losing their individual identities. More specifically, we saw this as an opportunity to improve the number and variety of educational opportunities available to students; to share institutional resources; to reduce or avoid unnecessary or wasteful duplication; to make full use of specialized faculty talents, quality program offerings, and unique instructional and research facilities; to structure solutions to problems that cannot be dealt with effectively by one institution alone; to provide mechanisms for the exchange and dissemination of information needed to improve the operating efficiency of the Consortium members; to pool programs through which contributions to solutions of regional problems can be upgraded.

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[1] Giffin, Nathaniel M. "Long Island's Future is Tied to Education and Research", *American Banker*, p. 17 (Dec. 10, 1973).

[2] Glenny, Lyman A. "Pressures on Higher Education." College and University Journal, Vol. 12, No. 4 (1973).

[3] Heyns, Roger W. "Renewal, Financing and Cooperation: Tasks for Today" (October, 1972).

We also saw the Consortium enlisting the cooperation of other area educational, cultural, service and governmental institutions in programs beneficial to the Nassau County area. We insisted from the very beginning that any real success was based on close relationships between both public and private institutions, and therefore we deliberately did not become chartered until the legal and financial intricacies of full membership by the public institutions had been resolved.

We also spent a lot of time talking about the feasibility of extending our Consortium to include all educational institutions in Suffolk County as well. As a matter of fact, our Charter contains a provision to include institutions in Suffolk County. We concluded the Consortium should concentrate on operational, project-oriented activities having identifiable results and visible impact. With this uppermost in our minds, we reasoned that until we achieved a good track record we would limit the number of member institutions, taking advantage of the geographical proximity of the present seven member institutions. Each member institution is free to participate or not to participate in any program or project proposed through the Consortium. Appropriately, the legal responsibilities of the participating member institutions are to be spelled out in each project that is undertaken. These features are characteristic of voluntary consortia of which the Nassau Consortium is a good example.

With action as our goal, we then set about developing a governing and operating structure to support this goal. While it is undeniable that no Consortium will endure without active support of each member institution's president, it is just as undeniable that presidents simply do not have sufficient time to develop and finally implement detailed cooperative action projects. Enter the Vice President, Provost, Dean of Faculty, or whomever else the Presidents designate. Thus, we established in our by-laws an Administrative Committee composed of the seven, second trustees from our seven member institutions and the Executive Director. There are fifteen trustees altogether: the seven presidents, a second trustee designated by each president, and the Executive Director. The Chairman of the Trustees is one of the prexies; the Vice Chairman, one of the second trustees. The Vice Chairman also serves as chairman of the Administrative Committee which meets every other Wednesday morning. This Administrative Committee acts on behalf of the corporation in any matter when the Board of Trustees is not in session, except with respect to membership in the corporation and appointment of the Executive Director. Thus, virtually all resolutions for action come from the Administrative Committee composed of the seven second trustees and the Executive Director to the full Board for ratification. We believe this type of arrangement points us toward our goal of action-oriented projects.

My duties as Executive Director are to: (1) seek out, evaluate and recommend specific activities, programs and projects for joint action; (2) request the assistance and cooperation of the Consortium's member institutions to obtain background, concepts and information necessary for such activities, programs and projects; (3) guide the activities, programs and projects approved for operation and periodically evaluate their effectiveness; (4) prepare and distribute reports on all such activities, programs and projects as well as information requested by the Board of Trustees of the Consortium; (5) prepare and manage the Consortium budgets.

The most difficult task facing any Consortium is to establish a well defined and achievable list of priorities for action. To accomplish this, the Consortium itself must be a priority. To this end the Trustees established a set of eight action priorities for the first 18 months, committed their institutions to three years of support at an annual core staff budget of approximately $66,000, hired a full-time Executive Director effective June 1, 1973, and committed themselves to a three-year lease of suitable office space off campus. It is obvious that in so doing they placed a high priority on the Consortium. Thus, the Consortium began full-time operation on June 1st after having been on a half-time basis for the preceding nine months.

We believe that action can best be obtained by involving in our feasibility studies those who eventually will be called upon to implement any recommendations that result. Thus, we have established a number of task forces usually composed of one individual from each member institution. These task forces make recommendations based on their studies and then are either disbanded or are asked to develop procedures to implement and monitor an approved project. These task forces are based upon the eight priorities the Trustees selected for action: (1) establish and maintain an inventory of academic and other supportive institutional resources, the main purpose of which is to facilitate cross registration among member institutions and other cooperative efforts; (2) establish a common academic calendar; (3) explore the prospects for a transportation network among the member institutions and other depots; (4) effect a central information service utilizing available media with the intention to improve retention of college-bound students in Nassau County; (5) develop health and insurance programs, medical counseling and drug and alcohol education; (6) establish centralized career counseling and placement services; (7) build a common data glossary to facilitate information sharing; and (8) identify specialized library collections, work with the Nassau County Reference Library, and consider developing a central depot for relatively inexpensive storage. All task forces are now in operation, and three have already submitted their reports for Trustee consideration. Altogether, 18 such task forces have been established to date.

Where are we now after just seven months of full-time operation? Are we going to meet our deadline of September 1, 1974, for recommendations on those eight priority objectives? Since last June 1st when the Consortium's office was opened in Hempstead at 393 Front Street, there have been 60 meetings of 16 different task forces. It has been a most interesting and rewarding experience to see seemingly impregnable barriers begin to give way to a willingness to explore other ways of responding. I know I need not remind you that it *does* take time to change from the competitive mode to the cooperative mode, but I am convinced we are making good headway. For example:

1. We have agreed on the broad parameters of a cross registration program in which students can register with the approval of their academic advisors for courses at one of the other Consortium institutions and receive regular grade credit at his home institution. This program will focus initially on those areas of strength in each institution and will begin no later than the spring semester of 1975.

2. Six of the seven institutions are on virtually the same calendar, thus greatly facilitating cross registration, the sharing of faculty, and the developing of Consortium programs. We have agreed to plan future academic calendars to be as facilitative to cross registration as possible.

3. We now have an analysis by zip code of where our students, faculty and staff live, thus giving us an opportunity to study the potential for the development of car pools, bus routes, and interinstitutional bus routes. Post, Old Westbury and New York Tech have already instituted bus service among themselves and the LIRR, which undoubtedly will be expanded as our cross registration programs gain headway.

4. In the area of affirmative action, we have shared information about individual programs and sources of qualified minorities and women, have developed common reporting forms to meet EEOC regulations, and are just now completing work on an internal administrative fellowship program for women faculty and administrators on our campuses. A brief report on this work is being prepared for national distribution upon request from the American Association of Higher Education.

5. We have developed a proposal jointly with Nassau BOCES to fund a three-year cooperative program of faculty/staff interchange in the three areas of guidance, special education and career education. This joint proposal is now being reviewed by a federal granting agency. We will know within two weeks whether this proposal has been selected for the next review process.

6. The Career-Counseling and Placement Task Force has submitted its report to the Administrative Committee. Many areas for cooperative activities in placement and career counseling have been identified and are now under intensive review by the Trustees.

7. We have agreed to develop a common brochure to encourage students to remain in Nassau County and are now in the process of preparing the brochure with a convenient tear-out form for admissions information.

8. In the area of computers, we have analyzed the equipment the seven institutions have and their plans for the development of administrative data processing systems in an effort to explore the potential for joint systems development and equipment sharing. We are now also sharing academic computing programs and techniques with each other.

9. In the business affairs areas, we have established subcommittees to explore joint purchasing, to investigate cooperative approaches in plant operations matters, and to review cooperative food service contracts.

10. We have analyzed the holdings of each of the libraries of the member institutions together with that projected for the Nassau County Reference Library and are now in the process of formulating plans for the coordinated, selective development of strength, the reduction of duplication, and the development of a workable call system drawing on computer techniques for college-to-college book transfer.

11. We have developed a Consortium-wide Student Volunteer and Community Services Program based on the H.E.L.P. program initiated at Hofstra five years ago. The Consortium received a grant of $14,000 to expand this program to the seven campuses. This consortium program is unique, to the best of my knowledge.

12. The Student Cultural and Social Affairs Task Force is now well along in developing proposals for a series of Consortium-sponsored lectureships and special charter flights for overseas learning experiences during the January intersession.

Time does not permit me to go into further detail. However, these few samples are representative of the progress we have already made toward reaching the goals we established at the time the decision was made to launch the Consortium on a full-time basis last June. Incidentally, there are a substantial number of cooperative projects between two or more of the Consortium institutions such as joint use of biology laboratory space as NYIT between OW and NYIT, joint use of chemistry laboratory space at Post by OW and Post, and joint use and development of library resources for the MBA and teacher education programs at Post and MYIT, to mention a few.

Yes, much yet remains to be accomplished, but we are making progress toward our common objectives and we are sitting down together on a regular basis and talking very openly and very directly with each other. We believe this partnership approach utilizing the resources of both the public and private colleges in Nassau County will provide the educational and economic benefits we are seeking. Much is at stake, not only for our students but for Nassau County as well, for as I indicated at the beginning of my remarks, the economic health of our area is closely linked to the educational and economic vitality of the colleges that make up the Nassau Higher Education Consortium.

SKYLAB MAPS WAY FOR SHUTTLE

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. TEAGUE. Mr. Speaker, in 1979 we are scheduled for the first time to launch a true low-cost transportation system for the routine utilization of space—the Space Shuttle. From our Nation's experience in Mercury, Gemini, Apollo, and Skylab, we already know that large and direct benefits await us when we use space on a routine basis with a reusable low cost transportation system. Mr. David F. Salisbury, staff writer of the Christian Science Monitor, points out in a recent article the gains provided from Skylab and the importance in indicating the need to vigorously pursue the development of the Space Shuttle for the benefit of the Nation.

The article follows:

SKYLAB MAPS WAY FOR SHUTTLE

BOSTON.—With the successful return of Skylab's last crew Friday, a chapter in man's adventure into space has ended. The next is already coming off the drawing boards.

In 1975 an American and Russian crew will rendezvous in orbit in Apollo and Soyuz capsules designed so they can link together. All future U.S. and Russian spacecraft will use this design, so that they will be compatible.

After that, U.S. efforts will center on development of the space shuttle. This is a glider piggybacked on a rocket—a system designed to be recyclable and provide a less expensive boost into space. Contracting has begun, and in 1974 $475 million will be spent.

70 MILLION MILES LOGGED

Three Skylab crews spent a total of 171 days in space, where they circled the globe almost 2,500 times and traveled 70.5 million miles. Space agency officials are proclaiming that the mission illustrated, in several ways, the potential of the shuttle and prolonged space flight.

Man's first attempt to build a home in space was a qualified success. The three crews were able to live and work there effectively.

Medical experimenters working with the crew have seen no reason that human beings cannot spend long periods in weightlessness—either traveling to other planets or manning an orbiting space-station.

Because of their rigorous exercising, the final crew is re-adapting to earth even faster than anticipated after their record 84 days in weightlessness, doctors report. A measure of how adapted they were to space comes from the report that one of the returned astronauts, without thinking, let go of a bottle in mid-air. In Skylab it would have just hung there, but not on earth. He caught it just before it hit the floor.

During the more than 500 man-days that the three Skylab crews spent in orbit, they performed a series of experiments and, more important, repair work that has convinced some skeptical scientists manned space flight may have a secure place in astronomy and other scientific exploration.

THEORIES DISPROVED

Preliminary results on all the Skylab experiments are promising. Pictures of the sun have disproved many former theories. Earth resources satellites of the future may be based on Skylab designs, NASA scientists predict.

Experiments with manufacturing exotic alloys and materials in space have been successful. They have opened the door for placing small factories in the shuttle bay to make materials that are impossible to fabricate on earth.

INTERNAL SECURITY—NOW MORE THAN EVER

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. ASHBROOK. Mr. Speaker, under a special order of the House on Monday, April 29—CONGRESSIONAL RECORD, page 12059—I mentioned briefly a few of the many fine organizations which have gone on record against the abolition—in whatever parliamentary guise it may be clothed—of the House Internal Security Committee.

Two of the major organizations, representing a combined membership of almost 4½ million members, are the American Legion and the Veterans of Foreign Wars.

VETERANS OF FOREIGN WARS

In an article in the April 1974 issue of the American Security Reporter entitled "Internal Security—Now More Than Ever!" the VFW stated that it was mandated to support the embattled House Internal Security Committee. "This we shall do," it declared. The text of the article follows:

INTERNAL SECURITY—NOW MORE THAN EVER!

With the recent and continuing breakdown in internal security, as exemplified by the Patricia Hearst kidnapping by the self-styled Symbionese Liberation Army and airplane hijackings, the need for an effective and vigilant Congressional body charged with internal security matters would seem to self-evident.

Not so, it now appears, to some in Congress and the Administration.

The Subversive Activities Control Board was permitted to die on the vine.

The old Internal Security Division in the Department of Justice is now but a far smaller "section."

In the United States Senate this function has been relegated to a "Subcommittee."

Finally, the Internal Security Committee of the United States House of Representatives is now under attack, but it is fighting back.

Rep. Richard H. Ichord (Mo.), its Chairman, recently reiterated his opposition to any transfer of the Committee's jurisdiction which would not give assurance that its work would be done.

Ichord said he intends to fight the transfer proposal which has been made as part of an overall committee reorganization plan proposed by the Select Committee on Committees chaired by fellow Missourian Rep. Richard Bolling.

In a letter to Bolling, Ichord said his opposition is based on the fact that the proposal, which would shift internal security jurisdiction to the Committee on Government Operations, "does not give full assurance to Congress that the work in the internal security field . . . will be pursued continuously and vigorously."

Ichord said he intends to offer an amendment on the floor of the House to retain the present Committee on Internal Security.

To do the needed job, the House Internal Security Committee should be empowered with a mandate which would cover internal security generally, subversive activities, whether of domestic or foreign origin; treason, sedition, espionage, sabotage, conspiracy, assassination, kidnapping, or assault of federal officers and employees, riots, mutiny, malicious mischief and related activities, and federal personnel loyalty and security, including United States personnel employed with international organizations.

Also, security of classified information, federally-administered industrial and industrial defense facilities security programs, internal security aspects of immigration and naturalization and activities of organizations or groups having a purpose to overthrow or destroy the government of the United States or of any state by unlawful means, or by such means to obstruct and oppose the lawful authority of the government of the United States in the execution of any law or policy affecting its internal security, as well as federal investigative agencies in relation to their internal security functions.

The Veterans of Foreign Wars is mandated to support the embattled House Internal Security Committee. This we shall do.

VFW Commander in Chief, Ray Soden, also dispatched telegrams in mid-April to a number of key House Members which firmly endorsed the continued existence of HISC and the VFW's strong feelings against any "legislative sleight-of-hand or package proposal." The Commander's wire follows:

On behalf of your many friends in the Veterans of Foreign Wars of the United States, I urge you to support the continued existence of the House Internal Security Committee and not permit this irreplaceable national asset to disappear through any legislative sleight-of-hand or "package" proposal.

The V.F.W. mandate in support of the HISC is clear and the growing pattern of political terrorism, alone, argues convincingly that the crucial work of the HISC should continue undiluted.

I call upon you and all responsible members of the U.S. House of Representatives to reject the paranoid pressure tactics of the so-called "National Committee Against Repressive Legislation" and support the only duly constituted body in the Congress charged with overwatching and countering extremist groups committed to the violent destruction of American lives, values and processes.

THE AMERICAN LEGION

The position of the Legion, always a loyal and staunch supporter of HISC as stated in its biannual, and still valid resolution of 1972—CONGRESSIONAL RECORD March 21, 1974, page 7832—was expressed in its April 8, 1974, letter to House Members by the Legion's National Commander, Robert E. L. Eaton, which follows:

> As you know, the Select Committee on Committees has reported H. Res. 988 to reform the structure, jurisdiction and procedures of the House of Representatives. The American Legion applauds the efforts of the Select Committee to overhaul and streamline the House Committee structure for more efficient operation. We are deeply concerned, however, about the proposal to abolish the Committee on Internal Security and transfer its jurisdiction to the Committee on Government Operations. Many of our members feel very strongly that such action will mark the beginning of the end of House efforts in the field of internal security.
>
> The American Legion has long supported the work of the Committee on Internal Security. We believe this standing Committee of the House has rendered valuable service to the Congress and to the Nation. The phase-out of surveillance operations in the Executive Branch makes its work more important than ever before. We believe that the increased activity of terrorist organizations in recent months makes it imperative that the American people be reassured that work in the field of internal security is vigorously pursued.
>
> The American Legion supports the recommendation contained in H. Res. 988 to retain the Committee on Merchant Marine and Fisheries as a standing Committee of the House. Retention of this Committee with jurisdiction over the Merchant Marine and Coast Guard is in accord with the Legion's long standing belief that a strong and viable maritime fleet is an economic necessity in time of peace and vital to our national security in time of war.
>
> In order that all Members may have an opportunity to express their views and properly discuss this sweeping proposal, it is our hope that the Committee on Rules will send H. Res. 988 to the House floor under a rule whereby amendments are in order. We urge you to lend your influence and support to that end.
>
> Sincerely yours,
>
> ROBERT E. L. EATON,
> *National Commander.*

GUS LESNEVICH

HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. HELSTOSKI. Mr. Speaker, many great athletes have come out of North Jersey and one of the greatest was a fighter by the name of Gus Lesnevich. Mr. Lesnevich, who died in 1964, was elected recently to the Boxing Hall of Fame. A lifelong resident of Bergen County, he held the light-heavyweight championship from 1941 to 1948.

The story of Gus Lesnevich is one of a man who never stopped punching. Tough, courageous and resourceful, he brought skills into the ring which still sparkle 10 years after his death. Upon his death in 1964, the Associated Press wrote,

> In an era of big-name boxers—the nineteen forties—Gus Lesnevich reigned alongside such champions in other weight divisions as Joe Louis, Rocky Graziano and Sugar Ray Robinson.

Mr. Speaker, one of boxing's foremost achievements is induction into the Hall of Fame, and this honor is a fitting tribute to the career of Mr. Lesnevich. In his 15-year career, he fought 76 fights, winning 57, 21 by knockouts, and losing 14. He fought five draws and later was a referee in New Jersey and New York.

An excellent article concerning Mr. Lesnevich appeared recently in The Record, a Bergen County daily newspaper. Written by Bob Kurland, the article focused on the achievements of Gus Lesnevich and gives additional insight into what this great fighter meant to the sport of boxing. As a result, I would like to insert this article into the RECORD, along with a summary from Nat Fleischer's Ring Record Book of Mr. Lesnevich's 76 fights:

LESNEVICH ELECTED TO HALL OF FAME

(By Bob Kurland)

CLIFFSIDE PARK.—It began in the Hackensack YMHA gymnasium in 1933 and came to a triumphant conclusion yesterday when the late Gus Lesnevich was elected to the Boxing Hall of Fame.

Lesnevich, who died in 1964 at the age of 49, held the lightheavyweight championship from 1941 until 1948 when he lost a close decision to Freddie Mills in London.

"I thought Gus won that one," reminisced Joe Vella who managed the Cliffside Park battler throughout his career. "Mills backed up for the first nine rounds. But I had warned Gus he would never get a close decision in the guy's backyard."

Lesnevich grew up in Bergen County and lived there all his life. He entered boxing when his brother bought him a pair of gloves. His career got underway when he took the welterweight title in a tourney at the aforementioned Y.

"He was a natural right from the start," Vella said. "And we were a natural. Unlike a lot of managers and fighters who are always fighting over something, he and I were buddies to the end."

After winning the Golden Gloves subnovice and later inter-city championships, Gus turned pro. And he was tremendous, winning 27 of his first 30 outings with two ending in draws.

By 1936 he had grown into the middleweight division where he took on champion Freddie Steele in a nontitle fight. It's hard to say what the young Lesnevich would have done against the experienced champ because a deep cut ended his hopes in the second round.

Lesnevich kept filling out and in 1939 dropped a 15-round decision to lightheavy king Billy Conn. "We scheduled for a rematch," Vella said, "But four times the fight was put off. Then we were getting ready when Gus hurt his leg. We were afraid to ask for a postponement because we felt we wouldn't get another chance."

So the fight went on in 1940 and again Conn won but this time on a very narrow decision. "Conn told me after the fight Gus hit him the hardest punch he'd ever taken but luckily it was to the chest."

It was the same Conn who the following year challenged Joe Louis for the heavyweight crown and was leading on all cards going into the 13th round. However, he became cocky and tried to slug Louis only to find himself flat on his back.

Around the same time Conn was getting knocked out, Lesnevich pounded out a decision over Anton Christofordis to win the National Boxing Association title. He followed it up with two wins over Tami Mauriello.

Lesnevich made it a World title after coming out of the Coast Guard by knocking out Mills in 10 rounds.

Lesnevich's career wound up in 1949 when he was knocked out by Ezzard Charles. "I told him then he would never fight again," Vella said. "And he never did although he was thinking about a comeback. He fought as a pro for 15 years and that was enough."

Joining Lesnevich in the Hall of Fame, which is housed in the offices of The Ring Magazine is former lightweight champion Sammy Angott who posted a 72–23–8 record. Both were elected by boxing writers and sportscasters gaining the 75 per cent of the needed votes.

And entering the Hall via the oldtimers committee are Paddy Ryan, the heavy king during the bareknuckle days of 1880, who lost it to John L. Sullivan, former flyweight champ Frankie Genaro and ex-light heavy king Jack Delaney.

GUS LESNEVICH

Born, Feb. 22, 1915, Cliffside Park, N.J. Nationality, Russian-American. Light-heavyweight. Height, 5 ft. 9 in. Managed by Joe Vella.

1934

Golden Gloves Inter-City Champion

May 5	Justin Hoffman, Brooklyn	KO	2
May 19	Sid Cohen, Brooklyn	KO	3
May 29	Jimmy Calabrese, Ft. Lee	KO	1
June 9	Willie Klein, Brooklyn	W	6
June 23	Roy Frisco, Brooklyn	W	8
July 23	Tony Kalb, Jersey City	KO	2
Sept. 13	Nicky Williams, Jersey City	W	6
Sept. 22	Charlie Weisse, Brooklyn	W	6
Oct. 3	Mark Hough, Brooklyn	W	6
Nov. 3	Tom Chester, Brooklyn	W	6
Nov. 24	Jackie Aldare, Brooklyn	L	6
Dec. 8	San Willardon, Brooklyn	W	6
Dec. 29	Jackie Aldare, Brooklyn	W	8

1935

Jan. 12	Bucky Lawless, Brooklyn	KO	2
Feb. 2	Jackie Aldare, Brooklyn	W	8
Mar. 2	John Anderson, Brooklyn	W	8
Mar. 22	John Anderson, N. Y	D	8
Apr. 12	Mark Hough, Brooklyn	W	8
May 2	Charley Weise, Brooklyn	W	8
May 25	Tony Celli, Brooklyn	W	8
Dec. 17	Butch Lynch, Newark	W	10

1936

Feb. 4	Eddie Kid Whalen, N. J	KO	5
Mar. 16	Frankie Caris, Newark	D	10
Apr. 13	Frankie Caris, Newark	W	10
May 12	Sammy Christian, Los Angeles	W	6
May 30	Lou Rogers, Hollywood	KO	1
Aug. 21	Ray Actis, Hollywood	W	10
Oct. 9	Carmen Barth, Hollywood	W	10
Oct. 23	Marth Simmons, Hollywood	D	10
Nov. 4	Young Stubley, San Francisco	KO	9
Nov. 17	Freddie Steele, Los Angeles	KO by	2

1937

Feb. 20	Tony Celli, N.Y	W	8
Mar. 12	Young Corbett, San Francisco	KO by	5
June 22	Young Stuhley, Los Angeles	W	10
Aug. 24	Attilio Sabatino, San Francisco	W	10
Sept. 3	Alabama Kid, San Francisco	W	10
Oct. 5	Allan Matthews, Seattle	D	10
Nov. 19	Herbie Katz, N.Y	W	10

1938

Jan. 7	Joey Parks, St. Louis	D	10
Feb. 8	Ben Brown, Miami Beach	W	11
Feb. 24	Jack Kirkland, Miami Beach	KO	0
Mar. 23	Lou Brouillard, N.Y.C	W	10
June 1	Buddy Ryan, West N.Y	W	10
June 16	Stanley Hasrato, West N.Y	KO	1
Oct. 27	Ron Richards, Sydney, Australia	L	12
Dec. 8	Ambrose Palmer, Sydney, Aust	W	12

1939

Jan. 19	Alabama Kid, Sydney, Aust	KO	9
Feb. 2	Bob Olin, Sydney, Aust	W	12
May 15	Larry Lane, Trenton, N.J	W	10
June 22	Dave Clark, Nutley, N.J	KO	1
Nov. 17	Billy Conn, N.Y.C (For World Light-heavyweight Title)	L	15

1940			
Jan. 1	Dave Clark, Detroit	W	10
June 5	Billy Conn, Detroit (For World Light-heavyweight Title)	L	15
July 22	Wally Sears, Garfield, N.J	W	10
Sept. 5	Henry Cooper, Garfield, N.J	KO	5
Nov. 23	Al Delaney, Brooklyn	L	5
Dec. 16	Jack Marshall, Newark	KO	4
1941			
Feb. 27	Nathan Mann, Detroit	W	10
May 22	Ant. Christoforidis, N.Y.C (For N.B.A. Light Heavyweight title)	W	15
Aug. 26	Tami Mauriello, N.Y.C (Won International recognition as world light-heavyweight champion)	W	15
Nov. 14	Tami Mauriello, N.Y.C. (Title bout)	W	15
1942			
Jan 30	Bob Pastor, N.Y.C	L	10
Mar 1	Jimmy Bivins, Cleveland (in U.S. Coast Guard)	L	10
1943			
Oct 22	Joe Thomas, Wilmington Exh	KO	3
1946			
Jan 11	Joe Kahut, Portland	KO	2
Feb 15	Paul Crosby, Danbury	Exh.	5
Feb 22	Lee Oma, N.Y.C	KO by	6
May 14	Freddie Mills, London (world light heavyweight title)	KO	10
Sept 17	Bruce Woodcock, London	KO by	8
1947			
Feb 28	Billy Fox, N.Y.C. (world light-heavyweight title)	KO	10
May 23	Melio Bettina, N.Y.C	KO	1
July 30	Tami Mauriello, Brooklyn	W	10
Oct. 31	Tami Mauriello, N.Y.C	KO	7
1948			
Mar. 5	Billy Fox, N.Y.C. (world light heavyweight title)	KO	1
July 26	Freddie Mills, London (lost world light heavyweight title)	L	15
1949			
Mar. 3	Eldridge Eatman, Newark	KO	1
May 23	Joey Maxim, Cincinnati (for vacant American light heavyweight title)	L	15
Aug. 10	Ezzard Charles, New York (for world heavyweight title)	KO by	7

Later became a referee in New York and New Jersey.
Died Cliffside Park, N.J., February 28, 1964.

TB	KO	WD	WF	D	LD	LF	KOBY	ND	NC
76	21	36	0	5	9	0	5	0	0

THE CASE FOR A FEDERAL OIL AND GAS CORPORATION—NO. 24

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. HARRINGTON. Mr. Speaker, on April 22 a noted economist, Professor W. N. Peach of the University of Oklahoma testified before the Senate Commerce Committee on the concept of a Federal Oil and Gas Corporation. Disputing contentions by the major oil firms that the Federal Oil and Gas Corporation would enjoy unfair advantages over private oil companies and would lead to nationalization of the petroleum industry, Professor Peach stated that the public oil company would provide desperately needed competition in the petroleum industry. In addition to increasing our Nation's supply of oil and gas, the Corporation could also perform a useful service in the development of oil shale, geothermal and other energy resources, the Professor maintained. Professor Peach's statement eloquently underscores the need for a Federal Oil and Gas Corporation, and I would like to insert excerpts of his testimony at this time.

The excerpt follows:

EXCERPTS FROM PROFESSOR PEACH'S TESTIMONY BEFORE THE SENATE COMMERCE COMMITTEE

In recent years, governments throughout the world have been playing a more important role than formerly in the energy field. This has been true of producing countries and consuming countries, left wing and right wing, or if you prefer, capitalist and socialist countries. Only in the United States is increased government activity opposed as religious heresy. Elsewhere in the world, an increasing role for government in the basic industry seems to be accepted as desirable and necessary. To many groups in the United States, some of them powerful—the prospect of having their government participate directly on a modest scale in the production and other aspects of the energy industry seems to provide an excuse for another round of the crusades.

As I understand it, the Federal Oil and Gas Corporation is not scheduled to take over a single oil well now owned by a private company, nor a single gas well, nor a single geothermal well, nor any shale oil deposit owned by a private company. But the proposed Federal Corporation is designed to develop a fraction of the new wells. Most of these new wells are located on land owned by the federal government.

The arguments advanced in opposition to the proposed Federal Oil and Gas Corporation are almost identical with those advanced four decades ago against the TVA. It would ruin the private electrical industry, lower the profits of private electric companies, would lead to socialism, would be subsidized with tax dollars, would be inefficient, would have overwhelming advantages over private firms, would be exempt from taxes, would be a loser for the taxpaying public, would lose money for the Treasury, would fail in its objectives, would undermine systematically every private electric utility, would discourage investment in the private electric industry, and would have serious negative implications. What were the effects of TVA? Despite all the dire predictions, the TVA had the effect of lowering electric rates throughout the nation and vastly increased the profits of private companies. It has not led to socialism of the electric power industry. It has not discouraged investment. Nor has it had any of the other dire effects that were predicted.

Every responsible person agrees that the United States is abundantly endowed with energy resources. What we need is to develop and use them. One of the most important things the proposed Federal Oil and Gas Corporation could do is to assure that we never again find ourselves in the position of an "energy crisis." That is intolerable in the face of our abundant supplies.

We have the abundant supplies in the offshore areas of the Gulf Coast, the East Coast and the West Coast, in the oil shale deposits in the Green River area of Colorado, Utah and Wyoming where there are trillions of barrels of high quality oil, compared with the 100 or so billion barrels produced in the past century in the United States.

Although production of oil from shale is not specifically included in the operations of the proposed Federal Oil and Gas Corporation, it seems to me this would be an appropriate activity. The Federal government owns most of this land and has been operating prototype plants there for many years.

We have enough coal to last for hundreds—even thousands of years, which can be gasified and liquified. It is not necessary to wait for another century while additional experiments are conducted. Other countries, including Germany, England, the U.S.S.R., Japan and other countries have the technology now. They are willing to share it with us. We have untold amounts of geothermal energy in the west. There are recent developments which suggest that geothermal heat may be made available in other parts of the nation. There is an unlimited amount of solar energy available. The technology for heating and cooling is already available, although further development is needed to make electricity for large cities available. Helium is available wherever there is water, and can be used for many purposes, now.

Then there are the so called exotic sources of energy which will require decades of further experimental work. But there is no need to wait until the year 2,000 to develop all the energy America needs, as a flood of self-serving propaganda would have us believe. We have the energy resources now. All we need do is develop them. And the proposed Federal Oil and Gas Corporation is a promising way of doing just what is needed.

As has been pointed out elsewhere in these hearings, the federal government now owns most of the land from which our future energy resources will come—offshore, oil shale, geothermal, etc. The federal government, plus state and local governments, are large consumers of energy both in times of peace and war. The federal government spends most of the money on research and development of energy resources.

The proposed Federal Oil and Gas Corporation can perform a useful service in such areas as oil shale, geothermal and other energy resources. Over the next decade it can increase the supply of energy. Second, it can introduce an element of competition in an industry that is not known around the world as one characterized by vigorous competition. It can give preference to cities, states and the federal government, and the independent. Third, in some areas, such as oil shale, it can do some experimenting and set environmental standards and determine their costs. Once the standards and their costs are settled, private industry can take over with the knowledge of these important costs.

POLL IN CHICAGO BACKS PRESIDENT 5 TO 1

HON. HAROLD B. COLLIER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. COLLIER. Mr. Speaker, a poll taken recently by the DownTown News, a Chicago publication, shows that the overwhelming majority of the people of downtown Chicago and nearby areas retains confidence in President Nixon and believes he should stay on the job. The pro-Nixon vote was 5 to 1.

I herewith submit the DownTown News comments on its poll:

THE NIXON POLL WRAP-UP: SOME ASTONISHING QUESTIONS REMAIN

The final tally of our straw poll of several weeks back regarding the public's confidence in President Nixon is now complete. And the results, we think, are quite astonishing. After careful evaluation we must conclude that the final tally is overwhelmingly in favor of President Nixon remaining in office. Indeed our random poll indicates that he can do so with full public confidence in his ability to lead!

As you may recall, the DownTown News posed two simple questions in a non-biased editorial:

1. Do you still have confidence in President Nixon?

2. Do you think President Nixon should remain in office?

In addition to the hundreds of mailed-in coupons, hundreds more poured in from coupon boxes the DownTown News had distributed in several key downtown and near north locations. Now, after five weeks of careful tabulation and analysis from the thousands of replies the final count indicates that the respondents DO have faith in the president and wish to see him stay in office by a ratio of 5 to 1. There were only two undecided replies.

Our staff was very pleased at the great response the straw poll received and wish to thank everyone who took the time to reply. However, we were, frankly a bit perplexed. When you run an unbiased, random survey to determine the public's temperament on a controversial subject and the result clearly flies in the face of everything you've read and heard previously, it, frankly, gives one cause to wonder. The daily press and all the prestigious polls report that the President's popularity is at an all time low and that public confidence is worn thin. Where, exactly does the contradiction lie? Is it that Chicago is secretly a Republican bastion? Hardly. Could it be that this part of the country, the Loop and near north, just happen to have the complete opposite view as we're told the rest of the country? (In fact, many of our responses were from the far suburbs, many even from out of state!) Or are there larger questions involved?

For example, are we really being given the full story by our news media? How is it possible that a simple grassroots poll can register such an enormously different result than what nearly everyone else is reporting? Are the big-time polls and media really being sensitive to the feelings and the mood of the public?

One wonders! One really wonders!

TAX POLICY AND CHARITABLE CONTRIBUTIONS

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. ARCHER. Mr. Speaker, there has been great concern expressed by many people throughout the country over a bill introduced in the 92d Congress, H.R. 15230, the Tax Review Policy Act. Among the changes proposed in this bill was the removal of major deductions for charitable activities.

The bill was a measure introduced to stimulate a discussion of tax reform measures. It appears that some citizens believe this proposed legislation is about to be enacted by Congress. Let me reassure those concerned that this is not the case.

American citizens can be proud of their record of generosity to private charities. Our tax laws have recognized this commendable impulse by providing certain deductions in our tax laws to encourage private charitable contributions. Tax exemptions are provided for religious and charitable organizations.

It is my opinion that the overwhelming majority of the Congress recognizes the advantages of this tax policy and would not vote to repeal or change these provisions. Removal of deductions and exemptions would be a serious blow to the outstanding work of private charities. A bill to remove the benefits for charitable organizations would stand little chance of passage. I personally would actively oppose such a measure.

NUTRITION AND PREGNANT WOMEN

HON. RICHARD T. HANNA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. HANNA. Mr. Speaker, I wish to bring to the attention of my colleagues a grave situation. Several scientific studies have pointed to a direct relationship between poor diets on the part of pregnant women and stunted brain development of the fetus. Malnutrition both before and after birth can affect a child's mental development for his entire life.

I would like to recommend to my colleagues an article dealing with this problem which appeared in the September 1973 issue of Playgirl magazine, by Stephanie Caruana, entitled "Pregnancy and Nutrition," which is too long to reproduce here, but which contains much important information on this subject.

Attached is an article which appeared in the March 23, 1974, issue of Saturday Review/World, which indicates the international need for improved agricultural technologies in order to provide adequate diets for everyone. H.R. 14242, which I introduced earlier this month, would enable this country to share its agricultural technology with others in a more organized and expeditious manner than is presently in operation. The following article demonstrates one area where the need for such assistance would fill an important void:

Starve the Child, Famish the Future

In the late Sixties two pioneer investigators into the effects of malnutrition on brain development—Myron Winick and Pedro Rosso of The New York Hospital—Cornell Medical Center—came to some important conclusions, based on studies of the brains of Chilean children: A child who is poorly fed during early infancy may never attain his full brain growth, even though he is well fed thereafter. Similarly, a fetus, malnourished in the womb, may never make up for the brain cells and structures that never came properly into being. Malnutrition both before *and* after birth virtually dooms a child to stunted brain development and therefore to considerably diminished mental capacity *for the rest of his life.*

At around the same time as Winick and Rosso were carrying out these and related studies, Stephen Zamenhof of UCLA, another pioneer in this area of research, was conducting rat experiments that confirmed these conclusions. But Zamenhof and his colleagues carried the revelations a step further. When an underfed female rat was mated with a well-fed male, the resulting newborns showed distinct signs of brain malnutrition—as expected—even though they were put on an adequate diet starting at birth. The surprise came when the offspring, the second generation of females which had been well nourished throughout their lives and during their own pregnancies, nevertheless gave birth to newborns with brain growth likewise retarded. The mothers were apparently unable to develop a placenta adequate to the proper nutrition of the fetus. Thus, in the case of these rats at least, the curse of malnutrition was carried into the third generation!

Rats, of course, are not people. Nevertheless, over the past several years many researchers in embryology, pediatrics, neurology, nutrition, and allied disciplines have been learning more and more about the disquietingly long-range effects of malnutrition on brain, behavior, and intellectual ability. Familiarity with this growing body of literature gives one a new outlook on hunger.

Consider the latest outbreak of famine, this time in several drought-stricken nations of Africa. Once more the newspapers carry numbing statistics of the dead and near-dead. Again we see pictures of rickety children with swollen bellies, of old people with hope-emptied eyes, the skin clinging to their bones. The human mind does not relate well to statistics, but it does relate—at least fleetingly—to the visible suffering of other human individuals. Those who can do so will undoubtedly respond to the appeals for aid. Food distribution will almost certainly be inadequate and ill organized. But it will begin to bring some nourishment and relief to the victims. The overall situation will gradually improve, the crisis will abate, and the famine will be declared over.

For us, it will all have been a transient, remote episode in the midst of our other preoccupations. When new headlines tell us of another famine somewhere in the world, we will notice again. But hunger is always with us, over vast regions of the planet. Our own continent, and our own country, is certainly not exempt. Though "famine," so labeled, seldom occurs, there exists chronic, widespread malnutrition. During a famine it simply occurs on an accelerated, wholesale scale.

For survivors of a famine, the ordeal is never really over. Its ravages, as studies have now made clear, may be lifelong and irrevocable. In the first few years of life, the brain grows much faster than the rest of the body. If this growth does not occur on schedule, there is no second chance. This is even truer of prenatal brain development. From fertilized egg to embryo to fetus to infant, growth takes place according to a rigidly timed genetic program, with not much give in it. When brain cells need to divide and new structures need to be formed, the materials—all the materials—and the energy to put them together must be at hand right there and then. DNA can provide the instructions, but the nutrients must come through the placenta. A poorly supplied assembly line cannot be expected to turn out a perfect product.

We have all known that physical growth may be stunted by malnutrition, but we have not understood the extent to which brain function and mental capacity can be impaired. (An excellent new book on the subject is *The Malnourished Mind* by Elie Shneour. The author argues convincingly that the nutrition factor has been too lightly considered by those currently debating the comparative IQs of blacks versus whites.) We have certainly recognized that famine and chronic hunger are tragic circumstances, but we have not recognized the true dimensions of the tragedy. When we think of entire populations undergoing a long siege of near-starvation, of children and fetuses by the hundreds of thousands deprived of their basic nutritional needs, we must now understand that these populations may have to function at a considerably diminished intellectual level compared with their genetic potential.

> The children who survive will be less able to cope with their ordinary problems, let alone rise to the challenge of situations that require superior intellect or creative ingenuity. The irony is that a nation already afflicted with a plethora of problems, hoping that the new generation will come up with imaginative solutions, may find that the new generation has been sentenced in advance to add to the problems instead—a case of taking away from him that already hath not.
>
> It is patently unfair either for individuals or for nations to be cheated of an equal chance at the future. The human brain, like Mark Antony's crocodile, "lives by that which nourisheth it." If the nourishment is missing, an adult brain can recover; but a developing brain loses forever. This new realization should spur us, through our national and international planning bodies, to renewed vigor in our attack on worldwide malnutrition—with special emphasis on the proper feeding of small children and expectant mothers. Easy answers are not readily at hand. Science and its continuing research effort can point us along the way, but the solutions must ultimately be political—and moral.

FEA CONFERENCE REPORT

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1974

Mr. FORD. Mr. Speaker, yesterday I was pleased to cast an affirmative vote on the conference report of H.R. 11793, the Federal Energy Administration Act of 1974.

While granting its statutory base as an independent energy agency, we in Congress have also charged the FEA with the critical task of formulating a sensible and far-reaching energy policy. There is little doubt but that this Nation is in considerable need of long-range initiatives so as to satisfy the Nation's energy demands in the coming years.

For several months, many persons have expounded on the concept and feasibility of energy independence. Whether or not we attain this status is of course dependent on how quickly we develop every potential source of energy.

One such source is hydroelectric power.

I was especially pleased to see that the conference report took cognizance of hydroelectric power by authorizing the new FEA to transmit to Congress, within 90 days, a thorough report on the generating capability as well as the number of hydro facilities now in operation throughout the country.

Mr. Speaker, recent FPC statistics indicate that only 30 percent of this Nation's total conventional hydroelectric capacity has been developed.

Our neighbor to the north has harnessed this abundant, nonpolluting renewable energy source to the extent that it supplies Canada with 75 percent of its electrical demand.

In my own State, there are approximately 65 hydroplants in operation. Ludington, Mich., has the largest pump storage hydroelectric facility in the world. This plant generates enough electricity during peak demand to not only service its surrounding communities, but also to satisfy the partial needs of Chicago and Detroit. Although Michigan has reached its total hydroelectric output, the Northeast as well as the Northwest segments of our country hold great promise as future suppliers of electrical energy.

Mr. Speaker, I hope that when this report is transmitted to Congress in the, hopefully, very near future, it does not find its way into an obscure file. Rather, I hope it will provide Congress with a useful study on the merits of hydroelectric power and will serve as the basis for the continuing development of hydroelectric power resources.

Again, Mr. Speaker, I was pleased to support this legislation and particularly, the section authorizing the study of this Nation's hydroelectric capabilities.

NATIONAL DAY FOR HUMILIATION, FASTING, AND PRAYER

HON. WILLIAM H. HUDNUT III

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. HUDNUT. Mr. Speaker, as we all know, the Senate earlier this year passed a joint resolution calling for a Day of National Prayer, Humiliation, and Fasting on April 30, but for technical reasons, the resolution was never reported out of the House Judiciary Committee or passed by the House, and consequently, this proposed day of prayer has no official sanction. However, many mayors and Governors have made proclamations designating this day for this purpose, and many groups around the country have chosen it for a spontaneous response to a felt need in the heart of the American people for such a day.

Even though I had two reservations about the joint resolution, I am still sorry that it did not receive positive action in the House. My reservations were first, that the beautiful wording of the main body of the resolution was taken almost in its entirety from Abraham Lincoln, and I thought he should have been given credit; and second, I feel that "humility" or "humbling" would have been a better word than "humiliation," because the word "humiliation" implies something that is done to one by someone else rather than something that one does on one's own. Humiliation implies an abasement and mortification that is destructive of one's self-respect or dignity, whereas "humility" implies simply the quality or state of being humble, not proud or haughty, not arrogant or assertive.

However, be these reservations as they may, the general thrust of the resolutions—Senate Joint Resolution 183 and House Joint Resolution 947—is most appropriate, because they call our Nation to express gratitude for our blessings and penitence for our shortcomings and failure to do the good that often we should. Surely there is much to be grateful for as we contemplate the blessings we enjoy in this country, and surely there is much of which we should repent when we contemplate the gap that exists between our ideals and the realities of life around us.

Abraham Lincoln knew all this and part of his legacy to us is his remarkable embodiment of the virtues of gratitude and humility.

Lincoln had a marvelous capacity to be grateful. He showed us the truth of William Wordsworth's observation that "the religion of gratitude can never mislead us." When he issued one of his Thanksgiving proclamations, Lincoln paraphrased a passage from the eighth chapter of Deuteronomy:

> We have been the recipients of the choicest bounties of Heaven. We have been preserved, these many years, in peace and prosperity. We have grown in numbers, wealth and power, as no other Nation has ever grown. But we have forgotten God. We have forgotten the gracious Hand which preserved us in peace, and multiplied and enriched and strengthened us. . . .

Words which are duplicated in the resolution to proclaim April 30, 1974, as a National Day of Humiliation, Fasting, and Prayer.

Lincoln knew how to thank men as well as God. He never took credit for himself. He always gave thanks for the hard work and sacrifice of the people and the soldiers who made the victories in the field possible. He realized that there is no such thing as a self-made man and that we are all indebted to others:

> It is hard to say anything has been more bravely and well done, than at Antietam, Murfreesboro, Gettysburg, and on many fields of lesser note. Nor must Uncle Sam's webbed feet be forgotten. At all the watery marshes they have been present. Not only on the deep sea, the broad bay, and the rapid river, but also up the narrow muddy bayou and wherever the ground was a little damp, they have been and made their track. Thanks to all. For the Great Republic, for the principle it lives by and keeps alive, for man's vast future—thanks to all.

The corollary of gratitude is humility, because if we can give thanks to God and others for our blessings it will mean that we will avoid congratulating ourselves. Lincoln was never puffed up. He never pontificated. He eschewed dogmatism. He held strong moral positions, but always with modesty, never with arrogance. Blessedly divested of selfrighteousness, he often mentioned his desire to serve as "a humble instrument in the hands of the Almighty." Constantly visited by people who claimed that the Lord was on this side or that in the Civil War, Lincoln would remark:

> I'm not at all concerned about that, for I know the Lord is always on the side of the right. It is my constant anxiety and prayer that I and this Nation should be on the Lord's side.

Lincoln was free of the fanaticism that frequently accompanies and curses the zealous idealism and excessive chest-pounding nationalism. He could see truths in positions other than his own. He appreciated that all human points of view are finite, all human positions tentative, all human achievements partial. He had the humility to submit his own judgments, as well as the course of his Nation's destiny, to devine judgment. He was deeply sensitive to the "infinite qualitative difference" between God and man. So he spoke of America as "God's almost chosen people." He never fell into the trap of idolatry. He never made a God out of the Nation.

I am confident that Abraham Lincoln's gratitude and humility can serve a useful purpose today, and if we a century or more later can learn from him, we will become better Americans as a result.

Consequently, I am glad to be joining with some of my colleagues today in an informal gathering on the west front of the Capitol for the purpose of silent mediation and prayer in behalf of our Nation and her leaders—and would encourage my fellow Americans to use this occasion as an opportunity, unofficial though it may be, for saying a grateful word of thanks and a humble word of contrition, as we contemplate the opportunities and problems with which we are confronted as a nation, pausing to express appreciation for all the blessings we enjoy in America and penitence for the things we have left undone that we ought to have done, and the things we have done that we would have been better off not doing. For the resolution is right:

> It . . . behooves us to humble ourselves before our Almighty God, to confess our national sins, and to pray for clemency and forgiveness.

CINCINNATI ENQUIRER EDITORIZES ON ASHBROOK DISCLOSURES ON ABORTION POLICIES

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. KEMP. Mr. Speaker, in the continuing debate on the issue of abortion, it is helpful and refreshing to have the Supreme Court's decision set in the perspective of past and present Federal court rulings.

I have recently read a thoughtful and provoking editorial in the Cincinnati Enquirer which underscores remarks made here in this Chamber by our colleague from Ohio, Mr. Ashbrook.

It is my belief that Mr. Ashbrook's comments in regard to the paradox of granting aid to dependent children to mothers of a child conceived but not yet born, contribute significantly to the case for deliberative review of the Supreme Court decision.

Clearly, legal discrepancies such as this must not be allowed to stand.

At this point, Mr. Speaker, I insert the editorial:

OHIO HAS A PARADOX

Ohio's Rep. John M. Ashbrook (R) claimed enough of his colleagues' time on the floor of the House the other day to draw their attention to one of a number of paradoxes to grow out of the Supreme Court's landmark decision on abortion.

Representative Ashbrook noted that, as the result of a recent federal court ruling in Ohio, the Ohio Department of Public Welfare may pay pregnant mothers as much as $100 a month in Aid to Dependent Children (ADC) for *a child conceived but not yet born.*

The Ohio lawmaker quoted Miss Ruth Strong, director of the Richland County (Ohio) Welfare Department, as saying that prior to the decision in Stuart vs. Canary, an expectant mother would not have received any ADC allowance because of her new pregnancy.

The paradox posed by the new ruling is obvious: One arm of the federal judiciary, the Supreme Court, has maintained that a child conceived but not yet born is not a "person" within the scope of the Constitution; yet a federal court in Ohio has maintained that an unborn child is enough of a person to qualify for Aid to Dependent Children.

Ultimately, since the same issue has arisen in other states, the paradox may work its way up to the Supreme Court and require the justices themselves to reconcile the glaring conflict. Such a case would permit the court to take a fresh look at the abortion issue.

IT'S TIME TO BE QUIET

HON. JOEL T. BROYHILL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. BROYHILL of Virginia. Mr. Speaker, at the request of Mr. George E. Stringfellow and under leave to extend my remarks, I would like to insert into the Congressional Record, an excellent and timely editorial by Howard Flieger. It appeared in the April 22 issue of the U.S. News & World Report.

The article follows:

IT'S TIME TO BE QUIET

(By Howard Flieger)

Now is the time for all members of Congress to stop sounding off for or against the impeachment of the President.

In fact, the time to keep quiet arrived many weeks ago.

Both Senators and Representatives should have silenced themselves on the subject the instant the House Judiciary Committee began studying the matter of impeachment.

This is not being written in defense of Richard M. Nixon.

Rather, it is simply to point out something a lot of people tend to overlook: The President is not now a defendant in anything.

There are no articles of impeachment before the House. As a matter of record, the Judiciary Committee will not begin hearing sworn testimony until May 7, though its staff has been doing preparatory work for weeks.

Nobody who isn't directly involved could possibly know what the evidence will show.

The point to all this: When and if articles of impeachment emerge from the Committee, it will be up to the members of the House of Representatives—every last one of them—to decide whether the accusations are of substance sufficiently serious to be placed before the Senate for trial.

In simpler terms, the members of Congress are the persons who at some point will be required to sit in judgment on Mr. Nixon.

Under the circumstance it is unseemly, to say the very least, for Senators and Representatives to be making guesses now on the number of votes one way or the other, to be publicly discussing the President's guilt or innocence, to engage in head-counts to try to predict the outcome far in advance of the fact.

Several members and their staffs have been doing just this, and talking about it openly—though sometimes anonymously. "Will he be impeached?" has become a commonplace topic of conversation in Washington, and the question too often brings forth a publicized answer.

You'd think anybody could see that this popular guessing game does violence to justice. It is basic in our society that everybody—of high station or low—is presumed innocent of any wrongdoing or misconduct until proved otherwise beyond all reasonable doubt.

So what is all this loose-tongued chatter, verbally batting the grave issue of impeachment back and forth like a badminton bird?

In a way, it is the same as members of a jury pronouncing a defendant guilty or not guilty without waiting to hear the case.

It reminds one of the old, unfunny joke about the vigilants who collared a suspected horse thief and announced they would "give him a fair trial and hang him."

As Rep. John J. Rhodes of Arizona, the Republican leader in the House, said recently on NBC's "Meet the Press":

"It is necessary for each member to make up his mind after the evidence is in, and not before. If he were to do otherwise—as some have, I think, injudiciously done—it would be similar to the situation in which a judge might mount the bench and say, 'Order in the Court. The plaintiff is going to win.' "

Aside from the blatant injustice, there is a matter of practical politics involved here that no politically sensitive member of Congress can afford to ignore.

According to the polls, this Congress is not held in very high esteem by the voters who elected it. If the idea becomes widespread that it is playing party politics with the fate of a President, a lot of incumbents could be in for a shock, come November.

The following campaign bumper sticker arrived in the mail the other day: "Don't Re-Elect Anybody".

It's just a gag, of course. But in the present atmosphere there is something unnerving about it—like an ominous tap on the shoulder.

THE YOUTHFUL SPIRIT IN TIME OF NATURAL DISASTER

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mrs. SULLIVAN. Mr. Speaker, in the years in which I have served in the House of Representatives, I have seldom placed in the Congressional Record poetry written by constituents. But after giving it a good deal of thought, I have come to the conclusion that a long poem by Mr. Wayne Conner, of 3523 Osage, St. Louis, celebrates more than a local event—it speaks eloquently of the courage and dedication of American youth in facing a great challenge, and working tirelessly to hold back a history-making flood, even at the cost of human life. It is a fine tribute to our young citizens.

The events described in Mr. Conner's poem occurred in Missouri in 1973, but undoubtedly have been duplicated many times in many areas of the Nation in time of natural disaster. Those who give of themselves to meet the challenge are a multitude of anonymous individuals joined together in a mutual effort to translate citizenship into public service. After the crisis has passed, their efforts are often forgotten.

Mr. Speaker, under unanimous consent, I submit for inclusion in the RECORD the poem "The Youthful Spirit" by Wayne Conner, which tells how our youth responded with such magnificent heroism and hard work to the great flood of 1973, as follows:

THE YOUTHFUL SPIRIT

(By Wayne Conner)

To a confluence. . .
Breathing life from out of the north,
Sprightly southward in pools and rapids, always rising,
The Mississippi, Father of Waters, coming in flood . . .
Spring of '73
A drop of rain in the east,
To the west, a crystal of snow,
Young, robust, multiplying
To a confluence with the spirit of youth,
Coming . . .

Like the ourling fingers of a giant fist,
All the tributaries of the upper basin, rushing,
Clutching America's broad chest,
Swift, rapid, quickening
To a confluence with the youthful spirit,
Coming . . .

Turbulent now, amassing all waters, unwavering,
Contankerous, grouchy, teaming
With the spoils of man, transcontinentaling,
Hooking in the Missouri, broad and muddying,
Volatile, pulsating, snappishly speaking
To a confluence with the young spirit
And their waiting hands,
Coming . . .

To a meeting of the converging undertows, challenging
The St. Louis people with velocity roaming free,
Cutting, scouring, massing
Flat and relentless to sprawl in wall to wall deluge
Over portions of Missouri and Illinois, submerging
Communities, farms, highways, tracking
Through Grafton, West Alton, Winfield, Ste. Genevieve,
Hannibal, Lemay, Crystal City, Festus,
Vest pocket disasters of debris along streets, trending
Through Germania, Alabama, Broadway, Riverview, Wharf,
Eroding, warping, twisting,
And always the young spirit, fighting back,
Thousands now, to the confluence,
Coming . . .

Selfless, caring, unassuming,
Passing sandbags, hand to hand to hand
A ninety pound girl, a husky boy, children heaving,
Showing around the clock their reservoir of concern, rubbing
Shoulder to shoulder with a Nun, a faceless adult,
Volunteers all, piling with Guardsmen, Reservists,
Supplementing the Salvation Army, the Red Cross,
As helping hands go forth under leaden skies to the beleaguered people
As still to the confluence the youthful spirit
Coming . . .

With blistered fingers, bent backs, hearts flowing
To save a hunching lone rabbit, a land, a home,
A lifetime accumulation of loved things,
Lifting, ever lifting, as the water encroaches, inundating
Hog Island, Kaskaskia, Chouteau,
Pushes to Old Monroe, Valley Park, Portage Des Sioux,
Sloshes to the feet of the Tom Sawyer statue,
Our Lady of the Rivers shrine.
And still to the confluence
The young spirit, and their young hands
Coming . . .

With refreshing attitudes, heroic
With teenage determination, toughness, life breathing
Enthusiastically, energetically, sometimes cavaliering,
But always knee-deep in the river's washes, struggling
As the Meramec, the Cuivre, River Des Peres, Moline Creek
Fills to bridges with unsalvageable rubble, surging,
Levees seeping, MKT rail tracks breaking.
And with their outstretching hands
To the confluence still, the young spirit
Coming . . .

From the schools, private and public, youth streaming,
Assembling, assisting, allaying, all shapes and sizes
As the 200-year history-making flood rolls, sweeping
Counties of St. Charles, St. Louis, Jefferson,
Lincoln, St. Clair, Madison, and others, perching
To the grassy slopes of the Gateway Arch,
As the colleges, the churches, all denominations open doors

As with their wide hearts and supporting hands
To the confluence, the young spirit keeps buoyantly
Coming . . .

In tee shirts, frayed shorts, wet flare-legged denims, a Godsending
The boy next door, the girl down the street, gathering, distributing
Canned goods, used clothing, the constant sandbags, love performing
As Mothers collect sandwiches door to door, helping
The stricken, the vulnerable, the homeless people.
Furniture to second floors, suitcases hastily filling,
Trains rerouting, traffic snarling,
And still to the confluence with their loving hands
The youthful spirit,
Coming . . .

Football numbers on their backs, long-hairing,
For some a gay lark, a day out of school,
But always with hands reaching
As Senators and Reps speak, divers go down, copters up
With Mayors, newsmen, and a Governor to Fox school,
A U.S. President overhead, surveying
The water saturated reaches to instant setback levees, seeing
Floating roofs, flooding trailer courts, telephone wires
And tops of trees, ribbons going nowhere of spring leafing,
And the spirit of youth to the confluence,
Their glad hands still
Coming . . .

Some in prayful attitudes as at
36.4 feet . . . the Missouri, at 43.3 . . . the Mississippi crests
And in flood stage flows on to the lower basin, carrying

Once deposited, lifegiving topsoil
To sweep and silt the Gulf of Mexico.
And so a confluence of water and young spirit has been,

And youth has stood, mood-glad, knowing no defeat,
Flushed with idealism, fresh and invigorating to all
As their tender hands never hesitated,
Their young spirit never quit
Coming . . .

And now back to school slightly boring,
To Chemistry, Chaucer, Cheerleaders,
To books, blackboards, and bellyaching,
Back to authoritive teachers, do-this parents,
Complaining little brothers and sisters,
All who love them, proud and caring
That their *very own* young adults fought and labored
In the great watery confluence,
Saddened that two of their number met death
As in spirit all the young reached out hands in their
Coming . . .

DEATH TO THE BOLL WEEVIL

HON. EDWARD YOUNG

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. YOUNG of South Carolina. Mr. Speaker, over the years, Progressive Farmer magazine has enlightened and led the agricultural community. I am pleased to see they have editorially endorsed plans to wipe out the boll weevil in this country.

BOLL WEEVIL ERADICATION IS A MUST

No prospect other than 60-cent or higher priced cotton excites producers so much as the hope of eradicating the boll weevil. For more than three quarters of a century, this pest has taken a toll that staggers the imagination. Now a committee of distinguished scientists and producers, after several years of extensive tests, have concluded "it is technically and operationally feasible to eliminate the boll weevil as an economic pest in the United States by the use of techniques that are ecologically acceptable."

Eradication of the boll weevil will be a huge undertaking. It presents a far greater challenge to science than anything of the sort in past agricultural history. In scope and economic impact, it would far exceed the eradication of the cattle fever tick during the early years of the century and more recently of the screwworm.

A number of people, including several eminent entomologists, say "No. We are not ready for so enormous a job." They claim we do not have at this time the basic technology that is the knowhow. They say that if the attempt failed we would waste the huge amount of money required for such a program. Moreover, they conclude that in making the attempt we would hasten weevil resistance to presently used insecticides.

But Progressive Farmer believes the attempt should be made. In our opinion, obvious benefits far outweigh costs and risk of failure.

We perhaps don't now have all the technology needed for the eradication job. But we learn by doing. Once into the eradication effort, we would develop important new techniques and new ways of applying them that can be learned in no other way.

If the eradication attempt is made and it fails to eliminate this pest, we do not believe it will be due to lack of technique. It is much more likely to be a "people's failure"—that is, a failure of growers to give the program the nearly 100% support and compliance required for its success.

Would the $650 million estimated cost of the program be wasted should the program fail to attain its eradication objective? Not by any means. According to Dr. E. F. Knipling, ARS, U.S. Department of Agriculture: "Perhaps no more than $100 million to $150 million would be involved during an initial period of two to three years." By that time we would know with reasonable certainty whether or not we could achieve eradication. Even if the primary objective of eradication seemed out of reach, there would be important benefits such as:

1. Increased yields and reduced cost of weevil control for the one or two years of eradication effort.

2. New information and operational experience that might lead to an effective boll weevil management system without the use of broadspectrum insecticides.

3. Economic and environmental benefits far exceeding costs.

On the other hand, suppose we decided not to undertake an eradication program that would have been successful. What would this mean in losses and effects on our environment?

1. Economic losses to the industry might well climb to tens of billions of dollars in the next 30 years.

2. It could jeopardize a profitable cotton industry on millions of acres with dire economic and social effects.

3. It could result in a continuation of insecticide use on cotton and other crops indirectly affected that would amount to more than one-third of all insecticides used in agriculture. This unnecessary environmental pollution could be as important as the total economic losses.

Finally, the assumption that the proposed eradication program will increase the chances of the weevil's becoming resistant to insecticides doesn't seem reasonable. The eradication program calls for the heavy use of insecticides only one year, followed by cultural controls, traps, and sterile males—few, if any, insecticides.

Compared with the diversified all-out attack proposed in the eradication program, the chances that growers will experience a resistance problem are many times greater if we continue to supply insecticides year after year under present control methods.

All in all, there is too much at stake if we delay the eradication attempt. Let USDA and Congress know that you want their full support. Let's get on with the job.

JOHN H. HAST TOP PARKS SAFETY MAN

HON. GOODLOE E. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. BYRON. Mr. Speaker, recently John Hast, a native of Cumberland, Md., was named Director of Safety Management by the U.S. Department of Interior. I commend to you a news article in the Cumberland Sunday Times concerning this energetic and remarkable man to point up the pride we can all share in his appointment to this high position:

JOHN HAST TOP PARKS SAFETY MAN

(By J. Suter Kegg)

Longfellow once wrote that life is the gift of God and therefore divine.

John H. Hast agrees. As a longtime expert on safety, the 46-year-old Cumberland native also regards life as a dream and death as an awakening.

It was his comprehensive report several years ago following a tragedy in Yellowstone National Park that led to an awakening and some sweeping improvements in safety programs throughout the nation's parks. At the time, Mr. Hast was chief of the Safety Division for the National Park Service.

Four weeks ago (April 1) the 1945 graduate of Allegany High School was elevated by the Department of the Interior to the position of director of safety management.

BOY DIES INSTANTLY

Mr. Hast, involved in the safety field for almost 25 years, was sent to Yellowstone in late summer of 1970 for the purpose of reviewing safety procedures after two youngsters had toppled into thermal pools. One of them died instantly. The other suffered severe burns over 70 per cent of his body.

Thermal pools, Mr. Hast explained, contain boiling water and there are 10,000 such pools in Yellowstone. The water in the one into which nine-year-old Andrew Hecht of Buffalo, N.Y., fell was over 200 degrees. Only his bones and clothing were recovered.

The youngster was in the company of his parents at the time of the tragedy in June of 1970. It was the efforts of his father, Dr. James L. Hecht, a research associate for the E. I. duPont de Nemours and Company, that triggered the safety study made by Mr. Hast. Newspapers across the country, as well as several national magazines, carried the story of Dr. Hecht's pressing demands.

These demands resulted in a confrontation between Dr. Hecht and Mr. Hast. The safety expert, who calls Dr. Hecht "a man with a purpose," said he talked hundreds of hours with the father of the dead boy, both on the telephone and during hearings conducted by House and Senate committees.

FINDS HAST SYMPATHETIC

Dr. Hecht found in Mr. Hast a sympathetic person.

"Being a father, I tried to put myself in his shoes," said Mr. Hast during a telephone conversation from his office in Washington. "There had been some criticism about either the father or mother not holding the hand of the boy as the family was touring the walk from which he fell," Mr. Hast said. "But a nine-year-old doesn't require that much attention, especially in an area where the danger was not properly marked."

At Crested Pool, not too far from the famous Old Faithful Geyser, Mr. Hast found no cautionary signs of any kind. He recommended that the walk at Crested Pool, scene of the fatal accident, as well as some of the other thermal-pool walks, be redesigned.

In his report, Mr. Hast noted that in observing visitors he was alarmed at the lack of parental control along a walkway that had no guard rails. "This indicates all too clearly that we must find a better way to reach people with a message on the hazards of the area," his report pointed out.

The National Park Service lost no time introducing a new safety program at Yellowstone following Mr. Hast's investigation. Warnings were broadcast to car radios in the Old Faithful area, more emphatic warning signs were erected and walkways were installed, as were guard rails and barriers.

SAFETY PERSONNEL EXPANDED

In addition to implementing the more strenuous warning system at a cost of more than $30,000, the National Park Service, thanks to a sympathetic Congress, began to spread eagle in safety personnel. At the time of the Yellowstone tragedy, Mr. Hast was the only professional safety man in the system available for the entire country. Five other men were stationed in the Washington, D.C. area. Now there are 26 full-time safety men in the field.

Prior to joining the National Park Service, Mr. Hast was employed as a sales engineer with the Mine Safety Appliance Company, Pittsburgh, for 15 years. Son of Mr. and Mrs. Norman R. Hast, Bedford Road, he was graduated from the University of Maryland in 1951 following a two-year tour of Army duty, starting in the latter stages of World War II. During that time he studied engineering at Virginia Military Institute in an Army specialized training program.

He is a professional member of the American Society of Safety Engineers, the National Safety Management Society, the Veterans of Safety and numerous other professional societies and national committees. He is also a member of the board of directors of the National Safety Council and serves on the executive committee of the National Safety Council Public Safety Conference.

Married to the former Jean Walker of Orlando, Fla., the Hasts are the parents of a son, Steven L., a junior in aeronautical engineering at Penn State University, and a daughter, Catherine. The Hasts reside in Rockville.

SOLIDARITY DAY

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. BINGHAM. Mr. Speaker, on Sunday, Apri 28, 1974, along with Senator MONDALE and many other public officials, I had the privilege of joining an estimated 100,000 marchers in New York City in voicing solidarity with Soviet Jews. It was heartening to see so many people join in this effort to demonstrate to the Soviet government that people throughout the world recognize and condemn the denial to Soviet Jews and all Soviet citizens of the freedoms which are guaranteed by the constitutions of all civilized countries, including the Soviet Union.

Solidarity Day was a reminder to all that Jews in the Soviet Union are mercilessly denied the means to practice their religion and sustain their ethnic identity, including the basic right to emigrate to the country of their choice. It was a moving call for our Government to press for the end of Soviet persecution of Jews.

Appended herewith is a recent resolution introduced in the New York State Senate expressing the solidarity of that legislative body with the plight of Soviet Jews and urging our Government to use all appropriate diplomatic means to end the perspection of Soviet Jews.

The resolution follows:

SENATE RESOLUTION No. 62

Senate Resolution memorializing the President and the Congress of the United States to consider the plight of Soviet Jews prior to granting favored nation status to the Soviet Union and calling upon the Governor to proclaim April 28, 1974 as Solidarity Day

Whereas, In the Soviet Union men and women are denied freedoms recognized as basic by all civilized countries of the world and indeed by the Soviet Constitution; and

Whereas, Jews and other religious minorities in the Soviet Union are being denied the means to exercise their religion and sustain their identity; and

Whereas, The Government of the Soviet Union is persecuting Jewish citizens by denying them the same rights and privileges accorded other recognized religions in the Soviet Union and by discrimination against Jews in cultural activities and access to higher education; and

Whereas, The right freely to emigrate, which is denied Soviet Jews who seek to maintain their identity by moving elsewhere, is a right affirmed by the United Nations Declaration of Human Rights, adopted unanimously by the General Assembly of the United Nations; and

Whereas, These infringements of human rights are an obstacle to the development of better understanding and better relations between the people of the United States and the people of the Soviet Union; and

Whereas, The State of Israel, now celebrating its 26th Independence Day, has expressed its solidarity to freedom-loving people everywhere; and

Whereas, An attempt was made to destroy the State of Israel on October 6, 1973; and

Whereas, The State of Israel continues to remain a symbol of the strength of the democratic system and has earned the respect and admiration of all people who champion the cause of freedom; now, therefore, be it

Resolved, That the Senate of the State of New York express its solidarity in asking that the President and the Congress of the United States consider the plight of Soviet Jews when granting most favored nation status to the Soviet Union, and to call upon the Soviet government to end its persecution of the Jews and other minorities and to permit the free exercise of religion by all its citizens in accordance with the Soviet Constitution; and be it further

Resolved, That the Senate of the State of New York, in the interest of justice and humanity, express its solidarity in requesting that the President and the Congress of the United States call upon the Soviet government to permit its citizens to emigrate from the Soviet Union to the countries of their choice as affirmed by the United Nations Declaration of Human Rights; and be it further

Resolved, That the Senate of the State of New York express its solidarity, in urging that the United States government use all appropriate diplomatic means to engender the fullest support possible among other nations for such a request to the Soviet Union; and be it further

Resolved, That the Senate of the State of New York express its solidarity with the people of Israel on its 26th Independence Day; and be it further

Resolved, That the Honorable Malcolm Wilson, Governor of the State of New York be and he hereby is respectfully requested to issue, publish and declare to the people of the State of New York an appropriate proclamation designating April 28th, 1974 as Solidarity Day; and be it further

Resolved, That in order to effectuate the purposes of this resolution, copies of this resolution be transmitted to the President, Vice President and Secretary of State of the United States, to the Secretary of the Senate and the Clerk of the House of Representatives of the United States, and to each member of the Congress of the United States from the State of New York.

UNDERESTIMATING COSTS

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. ASPIN. Mr. Speaker, the Air Force is underestimating the cost of the new A–10 fighter by $229.6 million by not including the costs of essential electronic equipment needed by the fighters to perform in combat.

According to a General Accounting Office report the Air Force is excluding in its estimate to Congress $315,000 in electronic equipment for each of the 729 production A–10 jet fighter aircraft. According to the GAO the Air Force's Tactical Air Command which will operate the A–10's believe that the $315,000 in electronics will be needed on every A–10 used in combat. An SPO (System Project Office) official told us that all 729 production A–10's could be used in combat if needed.

At the moment, the A–10 is involved in a competitive fly-off with the A–7 to determine which plane is best equipped to provide close air support to U.S. troops.

Mr. Speaker, I am calling upon Air Force Secretary John McLucas to immediately include the cost of these needed electronics in the total estimate for the A–10.

I have no idea whether the A–10 or the A–7 should win this fly-off but believe this competition should be as objective as humanly possible. Since relative cost is an important consideration in any competition the total cost of the A–10 should be realistically calculated to evaluate the relative merits of the two planes.

Currently a group of Air Force pilots is test-flying both the A–7 and the A–10 to determine which weapon is most cost-effective in close air support for troops. The total cost of the A–10 is now $2.5 billion compared to the original estimate in 1970 of $1,025.5 million. The cost per plane is approximately $3.35 million compared to the A–7's cost of $3.44 million plus inflation.

If this electronic gear which includes radar and computers is needed for combat, then the price estimate should be increased.

Of course, Mr. Speaker the competitive fly-off was forced on the Air Force and it is the worst kept secret in Washington that the Air Force wants the A–10 to win the fly-off.

Mr. Speaker, I am asking the General Accounting Office to evaluate the even-handedness of the competitive fly-off conducted by the Air Force and report its findings to Congress. In view of the Air Force's underestimation of the cost of the A–10 and the Air Force's well-known preference for the A–10, close monitoring is an absolute necessity.

It is my understanding that GAO does plan some work on the A–10 but I am requesting a detailed report which will be made available to Congress before final action on this year's defense budget.

The Pentagon is seeking $267.7 million in this year's budget including $173.8 million to build the first 26 A–10's.

My concern is that a fair and even-handed competition be held and I think GAO monitoring will help assure the best fly-off possible.

THE COMMITTEE REFORM AMENDMENTS OF 1974

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. BROWN of California. Mr. Speaker, the report of the Select Committee on Committees should be adopted. The effective functioning of the House is a matter of paramount importance to the whole Nation. The low repute of the Congress can only be corrected if we arrange our own affairs in order to function in the public interest. This proposed reorganization will enable the Congress to be more effective in conducting the Nation's business.

This report is being opposed for a variety of reasons. However, the only valid reason for opposing it is that it will not increase the effectiveness of Congress. To attack it because it inconveniences lobbyists, or causes the loss of a committee chairmanship, or creates committees of a temporarily different ideological complexion, or, worst of all, merely to resist change, does not serve the Nation's interest, or the interest of the vast majority of the Members of Congress who are interested in doing the best job they can for their constituents.

No reorganization is perfect. This one is not perfect. However, the report the Select Committee on Committees has adopted is a good and necessary reform. I would like to insert for the Record the editorial from the Washington Post this morning on the same subject.

The article follows:

Housecleaning in the House

If ideas can be measured by the opposition they arouse, the package of House reforms advanced by Rep. Richard Bolling's Select Committee on Committees must be either very good or very bad. The swarm of active opponents of the plan includes Ways and Means Committee Chairman Wilbur D. Mills, Merchant Marine and Fisheries Committee Chairman Leonor K. Sullivan, Rep. John D. Dingell, Rep. Philip Burton, the AFL–CIO, the National Association of Manufacturers, transportation lobbies and some environmental groups. When such a formidable array of powers and interests becomes mobilized, something substantial has to be afoot.

What has stirred up all of these forces is an ambitious, bipartisan plan to overhaul the House committee system. Many in and outside Congress have been advocating such a housecleaning for years, in order to enhance the efficiency, capacity and image of the House and to improve members' ability to deal with complex subjects and to ride herd on the executive branch. But now that the select committee, under Rep. Bolling's determined leadership, has finished its year of study and presented a bold blueprint for reform, the predictable howls of protest have begun.

Many of the complaints arise from the select committee's attempts to equalize and rationalize committee workloads and jurisdictions. Rep. Mills, for instance, is mightily displeased because the Ways and Means Committee, which has gradually extended its domain over about 20 per cent of all the measures introduced in the House, would lose most of its authority over health and trade legislation. Others object to splitting the Education and Labor Committee, or to consolidating subjects such as transportation and environmental affairs, which are now fragmented among several groups. Some liberals and labor groups also fear that their influence would be diluted by other proposed reforms which would prohibit proxy voting and limit representatives to service on one of the 15 major committees.

Many of these objections obviously spring from self-interest or a fear that cozy relationships between legislators and lobbyists would be disturbed. Others are based on pessimistic speculation. Some environmental groups, for instance, worry that the proposed committee on energy and the environment would be industry-dominated, but that seems hard to demonstrate in advance, especially at a time of such extensive turnover in the membership of the House. What does seem clear is that many small baronies would be shaken up and substantial power would be reapportioned among more members of the House. The impact may be hard to predict in terms of issues or ideologies. In institutional terms, however, such a periodic reordering is both healthy and overdue, since House committees were last overhauled in 1946.

Whatever its imperfections, the select committee's plan is the most serious—and promising—attempt in a generation to inject coherence and vitality into a legislative scheme which is now burdened with overlaps, imbalances and incongruities. It would be silly to expect too much; no reorganization, by itself, can restore the effectiveness and public esteem which the Congress has squandered over the years. At minimum, however, the committee's plan seems likely to make the domains of many House committees more rational, to open many panels to new viewpoints and considerations, and to insure that many complicated subjects will receive better scrutiny. All this is highly desirable. Important hurdles are still ahead: the House Democratic caucus, which has promoted many useful changes in the workings of the House, is still stewing over this plan, and action by the Rules Committee has not been scheduled yet. It would be a sad day if either panel put a few selfish concerns ahead of the long-range institutional interests of the House, and failed to advance one of the most provocative and potentially valuable reforms in many years.

NATIONAL ENVIRONMENTAL POLICY INSTITUTE

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. DINGELL. Mr. Speaker, I am introducing today, for myself and for the able and distinguished chairman of the Committee on Merchant Marine and Fisheries, the Honorable LEONOR K. SULLIVAN, a bill to create a National Environmental Policy Institute.

This is an unusual bill, and it was designed to meet an unusual need. I have become concerned, and I know that my concern is shared by a number of my colleagues, that there is little if any capability, inside or outside the Federal Government, to develop national long-term strategies for the future. Accordingly, my Subcommittee on Fisheries and Wildlife Conservation and the Environment held 1 day of hearings last year on the general subject of growth and its implications for the future. In the course of those hearings, we heard from knowledgeable and distinguishable witnesses about some of the problems associated with growth, and what these problems might mean to us in the future.

Clearly the energy crisis was foreseeable long before it happened, and just as clearly other shortages in other important resources are foreseeable today—the prospects of these shortages are creating a great deal of concern throughout the world. The United Nations has devoted considerable attention to this issue in the past few weeks, since it is beyond question that we are now looking just at the tip of the iceberg.

Economic growth, population growth, resource scarcities, environmental deterioration, increasing social unrest, and other contemporary problems are strongly linked and are issues with which we and other countries must meet and handle on something other than a casual day-to-day basis. The problem is that we have not developed the tools to help us do so. This is the issue to which the proposed National Environmental Policy Institute Act of 1974 is addressed.

The planning horizon of the Government and its constituent elements is incredibly short. The most optimistic assessment of the foresight capabilities of the executive branch is 4 years, while other observers consider that in the best of cases this shrinks to a few weeks. Congress is not free from the same criticisms; short-term considerations play more of an important role in many decisions we make than they should. This is perhaps inevitable given the nature of the issues with which we have to deal on a daily basis, but it is not desirable.

We need to create an institution which is able to stand far enough back from these day-to-day issues to be able to predict the issues coming further down the line. If it had been created in time, the Institute we propose, for example, could, and I am sure would, have told us much about the dimensions of the energy crunch before it happened, and about various strategies which might have been adopted far enough in advance to have drawn much or most of the sting from it when it happened. There is no institution in existence today which fills this need, and none are contemplated. I might paraphrase George Santayana to say "Those who are disposed to ignore the future must be prepared to suffer in it."

The problem in drawing up legislation to meet this need is to create an institution which is independent enough to be credible while being close enough to the decisionmaking process to be relevant. Both of these attributes must, I believe, be present in such an institution or it must founder. It is for this reason that I cannot support the concept of the creation of yet another agency within the executive offices of the President as the primary focus for any such effort. Without any doubt the executive branch needs better planning capabilities and must develop these at the earliest possible date; at the same time, however, I feel that it would be a serious error to make this the sole, or even the principal agency for this purpose within the Government.

The Office of Management and Budget, in theory, concerns itself with policy planning within the Government. I am aware of no one, however, who deludes himself that this policy planning is more than a mechanism by which the President makes his voice known to the rest of the agencies; it is the filter through which the agencies must pass their statements and funding proposals to the Congress.

If a President, of whatever party or philosophy, were to make a decision on national energy policy, it is unlikely that any agency within the executive branch would release a study which cast doubt upon the wisdom and long-term implications of that decision. It is here that independent voices must be heard, and it is for this reason that I do not believe that a policy planning institute, located within the offices of the President, would be credible, or that its conclusions would be accepted.

The correlative risk, of course, is that an institution without inputs from the Federal agencies would exist so far from the policy decisions which they make as to be inconsequential. This is not to decry ivory towers so much as it is to suggest that we need not create another such at this time and for the purpose. I think it critically important that any such institution have access to any unclassified information in the hands of the agencies, and that the agencies feel free to consult with it on long-term implications of policies which they have under active consideration. The Institute described in our bill was designed with this objective in mind.

To meet these needs, we propose a federally chartered corporation, the Board of which would be chosen in part by the President and in part by the Comptroller General, as head of any agency which is not subject to executive direction. It will have the power to contract with private and public agencies for the performance of studies, and may carry out studies in any areas which seem appropriate and are within its financial capabilities. To a very large extent, it will operate in a goldfish bowl: the results of all its efforts will be made available to the President, the Congress and the public, and unclassified, abstract reports will be furnished on areas which involve national security. The Institute will be publicly audited, and will submit an annual report on its activities for general review.

I expect that the proposal can be significantly improved over its present form, and we have introduced it at this time in the hopes that suggestions for its amendment will be forthcoming. We expect to continue our hearings on the implications of growth in the next few months, and will seek the assistance of participants in those hearings for this purpose.

The text of the bill (H.R. 14468) follows:

H.R. 14468

A bill to amend the National Environmental Policy Act of 1969 to fund and establish a nonprofit National Environmental Policy Institute, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the National Environmental Policy Act of 1969 (42 U.S.C. 4321–4347) is amended by adding at the end thereof the following new title:

"TITLE III

"SHORT TITLE

"SEC. 301. This title may be cited as the 'National Environmental Policy Institute Act of 1974'.

"ENVIRONMENTAL POLICY INSTITUTE

"SEC. 302. (a) The Congress hereby finds that—

"(1) as presently constituted, local, State, and Federal governments do not have an adequate capacity to analyze, integrate, and evaluate the growing body of environmental research now underway, nor to develop in a systematic and critical manner the alternatives such research presents for the development of new, and the restructuring of existing, governmental policies and programs; and

"(2) there are no existing independent nongovernmental institutions capable of adequately performing these functions in an objective and comprehensive manner and on a full-time basis.

"(b) The Congress further finds that—

"(1) there is a need for objective and impartial strategic policy analysis, including a broad program of research and for the identification and development of alternative solutions to existing and emerging environmental problems, to be conducted by an appropriate institute which is independent of government and private enterprise;

"(2) such an institute should be a center for systematic environmental problem solving and policy-oriented research conducted on a broad, interdisciplinary basis;

"(3) such an institute should be available to local, State, and Federal governmental agencies and the Congress to assist in the assessment, development, and presentation of policy alternatives, but should have the freedom and independence to extend its studies to matters other than those specified by its governmental sponsors; and

"(4) it is a responsibility of the Federal Government, in conjunction with appropriate charitable foundations, to establish, assist, encourage, and assist in the funding of such an independent institute.

"SEC. 303. There is hereby authorized to be created a nonprofit corporation to be named the National Environmental Policy Institute (hereinafter referred to in this title as the 'Institute') which shall not be an agency or establishment of the Federal Government. The Institute shall be subject to the provisions of this title and, to the extent consistent with this title, to the District of Columbia Non-Profit Corporation Act.

"SEC. 304. The incorporators of the Environmental Policy Institute shall consist of the Director of the National Science Foundation, the Chairman of the Council on Environmental Quality, the Administrator of the Environmental Protection Agency, and the Chairman of the Board of Directors of the Inter-American Institute of Ecology.

"SEC. 305. (a) The Institute shall have an eleven member Board of Directors (hereinafter referred to in this title as the 'Board') consisting of individuals who are citizens of the United States, of whom one shall be elected annually by the Board to serve as Chairman. Members of the Board shall be—

"(1) the four initial incorporators and their successors;

"(2) two members appointed by the President of the United States, with the advice and consent of the Senate, on the basis of their interest in environmental problems and their professional competence in technology assessment or systems analysis; and

"(3) five members appointed by the Comptroller General of the United States, with the advice and consent of the Senate, as follows:

"(A) one on the basis of professional competence and knowledge with respect to the environment;

"(B) one on such basis with respect to consumer affairs;

"(C) one on such basis with respect to labor interests;

"(D) one on such basis with respect to industry interests; and

"(E) one on such basis with respect to technology assessment or systems analysis.

"(b) The term of office for each member appointed pursuant to subsection (a)(2) and (3) shall be five years; except that—

"(1) of the members initially appointed pursuant to subsection (a)(2), the term of office of one member shall be two years; and

"(2) of the members initially appointed pursuant to subsection (a)(3), the term of office of one member shall be for one year, the term of one member shall be for two years, the term of one member shall be for three years, the term of one member shall be for four years, and the term of one member shall be for five years.

Members appointed pursuant to subsection (a)(2) and (3) are eligible for reappointment. Any member may serve after the expiration of his term until his successor has taken office.

"SEC. 306. The Institute shall have a President who shall be named and selected by the Board and such other officers as may be named and appointed by the Board, at rates of compensation fixed by the Board, and serving at the pleasure of the Board. No officer of the Institute shall receive any salary from any source other than the Institute during his period of employment by the Institute.

"SEC. 307. The duties of the Institute shall include, but are not limited to—

"(1) the development and analysis of policy alternatives for dealing with environmental problems by utilization of a systematic interdisciplinary approach which will insure the integrated use of all relevant disciplines;

"(2) the identification and development of methods and procedures, in consultation with the Council on Environmental Quality, whereby presently unquantifiable environmental amenities and values may be given appropriate consideration in policy evaluation together with technical and economic considerations in governmental and private decision;

"(3) making available to Congress, to Federal, State, and local agencies, to public or private institutions, and to individuals such advice and information developed by the Institute which is useful in restoring, maintaining, and enhancing the quality of the environment;

"(4) undertaking, after consultation with the Council on Environmental Quality, contract studies for Federal agencies which involve problems of environmental policy analysis of regional or national significance, or which will be of assistance in the performance of the agencies' missions, but the conduct of such studies shall not interfere with the carrying out of the other duties of the Institute which are listed in this section;

"(5) identifying areas where additional environmental research and data collection is needed to deal with emerging and potential problems;

"(6) reviewing on a continuing basis national capability and programs for technology assessment; and

"(7) supporting the laboratory research and the biome modeling and synthesis research programs of the Institute of Ecology within the availability of funds provided under section 310 of this title.

"POWERS OF THE INSTITUTE

"SEC. 308. To carry out the puposes of this title to engage in the activities set forth in section 307 of this title—

"(1) the Institute shall have the usual powers conferred upon a nonprofit corporation by the District of Columbia Nonprofit Corporation Act; and

"(2) the Institute is authorized—

"(A) to obtain grants from, and make contracts (other than contracts referred to in section 307(4) of this title) with, individuals and with private, State, and Federal agencies, organizations, and institutions, and

"(B) to hire or accept the voluntary services of consultants, experts, advisory boards, and panels to aid the Institute in carrying out the puposes of this title.

"PUBLIC DISCLOSURE

"SEC. 309. Upon the inception of any study or project under the authority of section 307 of this title, the Institute shall make a public announcement of the purpose of the study, the estimated time of completion and the circumstances under which it is to be carried out. Upon completion of any such study or project, its results shall be published by the Institute; except that the results of any study or project, the disclosure of which would in the opinion of the President of the Institute adversely affect national security, shall be published only in an unclassified, abstract form.

"FINANCING

"SEC. 310. (a) There is authorized to be appropriated for expenses of the Institute for each of the fiscal years ending June 30, 1974, 1975, 1976, 1977, and 1978 the sum of $10,000,000.

"(b) In addition to the sums authorized to be appropriated by subsection (a) of this section, there are authorized to be appropriated for payment to the Institute for each fiscal year during the period July 1, 1974, to June 30, 1978, amounts equal to the amount of total grants, donations, bequests, or other contributions (including money and the fair market value of any property) from non-Federal sources received by the Institute under section 307(2)(A) during such fiscal year; except that the amount appropriated pursuant to this paragraph for any fiscal year may not exceed $5,000,000.

"AUDITS OF THE INSTITUTE

"SEC. 311. (a)(1) The accounts of the Institute shall be audited annually in accordance with generally accepted auditing standards by independent certified public accountants or independent licensed public accountants certified or licensed by a regulatory authority of a State or other political subdivision of the United States. The audits shall be conducted at the place or places where the accounts of the Institute are normally kept. All books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the Instiute and necessary to facilitate the audits shall be made available to the person or persons conducting the audits; and full facilities for verifying transactions with the balances or securities held by depositors, fiscal agents and custodians shall be afforded to such person or persons.

"(2) The report of each such independent audit shall be included in the annual report required by section 311 of this Act. The audit report shall set forth the scope of the audit and include such statements as are necessary to present fairly the Institute's assets and liabilities, surplus or deficit, with an analysis of the changes therein during the year, supplemented reasonable detail by a statement of the Institute's income and expenses during the year, and a statement of the sources and application of funds, together with the independent auditor's opinion of those statements.

"(b)(1) The financial transactions of the Institute for any fiscal year during which Federal funds are available to finance any portion of its operations may be audited by the General Accounting Office in accordance with the principles and procedures applicable to commercial corporate transactions and under such rules and regulations as may be prescribed by the Comptroller General of the United States. Any such audit shall be conducted at the place or places where accounts of the Institute are normally kept. The representative of the General Accounting Office shall have access to all books, accountings, records, reports, files, and all other papers, things, or property belonging to or in use by the Institute pertaining to its financial transactions and necessary to facilitate the audit, and they shall be afforded full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents, and custodians. All such books, accounts, records, reports, files, papers and property of the Institute shall remain in possession and custody of the Institute.

"(2) A report of each such audit shall be made by the Comptroller General to Congress. The report to Congress shall contain such comments and information as the Comptroller General may deem necessary to inform Congress of the financial operations and condition of the Institute, together with such recommendations with respect thereto as he may deem advisable. The report shall also show specifically any program, expenditure, or other financial transaction or undertaking observed in the course of the audit, which, in the opinion of the Comptroller General, has been carried on or made without authority of law. A copy of each report shall be furnished to the President and to the Institute at the time the report is submitted to Congress.

"REPORT TO CONGRESS

"SEC. 312. The Institute shall submit an annual report for the preceding fiscal year ending June 30 to the President for transmittal to the Congress on or before the 31st day of December of each year. The report shall include a comprehensive and detailed report of the Institute's operations, activities, financial conditions, and accomplishments under this title and may include such recommendations as the Institute deems appropriate."

LARRY BARTON PLACES SECOND IN AMERICAN LEGION NATIONAL ORATORICAL COMPETITION

HON. THOMAS P. O'NEILL, JR.

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. O'NEILL. Mr. Speaker, I am very proud to have the honor of representing Lawrence Barton of Arlington, Mass., in the U.S. House of Representatives. Mr. Barton is a senior at Arlington Catholic High School who participated in the American Legion National Oratorical Contest. Mr. Barton won the Massachusetts championship and went on to win the New England regional championship and sectional.

Mr. Barton has just returned from Sioux Falls, S. Dak., where he placed second in the American Legion National Oratorical Contest for 1974 and was awarded a $5,000 scholarship. So that the other Members of Congress may have the benefit of reading Mr. Barton's speech entitled "A Nation of Laws and Not of Men," I am now placing it in the RECORD:

A NATION OF LAWS AND NOT OF MEN

(By Lawrence Barton)

Consider a President who takes the following actions, a man who ignores the dictates of Congress, who impounds funds illegally, who spends money Congress has not authorized, who uses the Secret Service to spy on citizens, and who flagrantly breaks both state and federal law.

You may see these accusations appearing in our newspapers today. But in actuality, I am speaking of the 16th President of the United States, Abraham Lincoln; for it was Lincoln who in the early days of the Civil War, had to in a sense, learn to bend our Constitution in order to prevent others . . . from breaking it.

Of course it is difficult to defend a President who takes these actions, even a President as great as Abraham Lincoln. We must realize that the United States Constitution is a document that is only as good as the individuals who interpret it—the President, the Supreme Court, and . . . You!

We have gone through two eras in this nation, eras that could be called the age of Constitutional despair. One was during President Lincoln's administration when there was much talk of impeachment. Another, during Andrew Johnson's time when impeachment was attempted and conviction failed by only one vote. Friends, our present age can certainly be described as an age of a Constitutional crisis, for it is indeed an age of despair and dark doubt. Our only hope is that we can return to being a nation of laws and not of man.

Ladies and gentlemen, a President of the United States is a citizen, as you and I are citizens. It is his duty to obey the law—as it is ours.

Recently, when the American people felt that the President had broken his trust by accepting the resignation of the Attorney General, the Assistant Attorney General, and the Special Prosecutor, they raised their voices in a clamor of indignation that shook the walls of Congress and that made a hasty and imperious President reverse his own actions. This was not simply arrogance, this was tyranny—tyranny as odious as that practiced by George III. "The President," said Andrew Jackson, "must be at the bar of public opinion accountable for every act of his Administration."

Friends, Americans have always believed that no man is above the law. This is not just a platitude, but a belief deeply embedded in the American spirit. Most people were shocked at the Watergate scandal, not because a few men acted out of greed, but because the highest men sought to put themselves beyond the reach of our Constitution. As the old saying goes, "Power corrupts; and absolute power corrupts absolutely."

Ladies and gentlemen, to my way of thinking, the serious question today is whether or not we have become so terrified of responsibility in this haphazard and baffling world that we would rather have someone else wield the power and make the decisions. If we want to contain the Presidency, in my opinion in this nation the only effective way is to show the value of our laws, found in the Constitution, and to believe that men, events, and quarrels can shape and re-shape our Constitution, for the Constitution is not merely a frail and crumbling piece of paper, but a document that is deeply embedded in the American spirit.

In the opening lines to Shakespeare's play, "Richard III," it says:

Now is the winter of our discontent,
Made glorious summer by that sun of York.

Friends, was 1973 the winter of our discontent? With Mr. Nixon's mandate dissolved, a Vice-President convicted as a felon, three ex-cabinet officers under indictment, a Middle East crisis aggravated by Presidential inaction and Congressional apathy, and that energy crisis, threatening to wreck our economic stability, and even . . our way of life?

Many believe so. But I would point to those who are discontented, to those who are cold and thread-bare this winter that it was the very machinery, that same Constitution that in being challenged, brought to light our present problems. Yes, it is the Constitution that keeps us free.

For over two centuries, Americans have been engaged in a self-conscious search for a way to behave. In the process, they have followed the advice of Cotton Mather, and Ann Landers, they have aped the examples of Queen Victoria and . . . the Beatles. They have embraced temperance, and then fought prohibition. They have clung to the Puritan ethic . . . and then . . . they endorsed the pill. But one, one constant factor in the American behavorial pattern is an abiding respect for the Constitution, and a determination to keep our government under that Constitution a nation of laws, and not of men.

The American people now realize that we must never again let ourselves be deluded by self-indulgence to the point where our way of life hangs on mere promises. Ladies and gentlemen, our Constitution has been neglected and torn apart—the time is now for us to join together as a nation, as a people, pick up the pieces and put them together—by laws, and not by men.

It is only through the Constitution that remedies will come. And once again we shall see that long, glorious summer of the American Constitution shine brightly on our rule of law. Like Woodrow Wilson, I believe that the American people will see the truth, eye to eye, and face to face. For there is one thing that the American people will always rise to, and extend their hand to . . . and that is the truth of justice, of liberty, and of peace.

In closing, I think the words of the late John Fitzgerald Kennedy are very apropos in this present Constitutional crisis:

Neither complacency nor conformity will do. Neither fanatics nor fainthearted are needed. Let us stand together with renewed confidence in our cause . . . This . . . is a time for courage, for challenge.

FACTSHEET ON PARTIAL SUSPENSION OF AUTO EMISSIONS CONTROLS

HON. LOUIS C. WYMAN

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. WYMAN. Mr. Speaker, as Members consider their vote on the amendment to be offered to the energy bill before the House on Wednesday, May 1, to suspend auto emissions controls requirements for the geographical areas in the United States with no auto emissions-related air pollution, it is helpful to have before them a general factsheet for ready reference. This is particularly important in anticipation of some rather serious misrepresentations that will be predictably made in the course of debate by proponents of continuation of the hugely expensive and totally unnecessary overkill in the present far too stringent standards of the 1970 clean air law as it relates to light-duty automotive vehicles.

The above-mentioned factsheet follows:

GENERAL FACTSHEET

1. The amendment proposes suspension of emissions requirements on light-duty vehicles until September 30, 1977. How many cars will be affected?

Answer: Approximately 70 percent of all new cars manufactured 60 days after passage and a substantial number of older cars already on the road that may legally be modified by dealers to achieve greater mileage and economy.

2. Whose cars are affected?

Answer: Those belonging to persons resident outside of thirteen air quality regions the boundaries of which must be designated by the EPA administrator within 60 days after passage.

3. Will this impair air quality or mess up the clean air of the non-air quality regions?

Answer: Not in the slightest. Most of the United States has no significant air pollution from automobile emissions that adversely affects public health. The winds blow, the air moves, the rains fall. The emissions are not cumulative. They are dispersed and they do not exist in quantities that make people sick or impair their required air quality except in heavy concentrations and these areas are specified as "air quality regions".

4. Will it save gasoline?

Answer: In the billions of gallons each year.

5. Will it save money?

Answer: Hundreds of millions of dollars in costs to consumers in what they must pay for their cars (approximately $314 per car) and for their operation thereafter.

6. Can the automobile industry live with what amounts to a two car standard?

Answer: Yes; the industry will make two types of cars, one with emissions controls and the other without. This assembly line technique is not unduly burdensome.

7. Can automobile dealers live with the requirement?

Answer: Yes; persons (customers) will purchase the same number of cars but residents outside of air quality regions will mostly purchase cars without emissions controls because they will cost less and operate more inexpensively.

8. What is to prevent persons who reside in air quality regions from going to dealers with emissions free cars and buying one?

Answer: This is a criminal misdemeanor under the amendment punishable by fine and imprisonment.

9. What will be the effect of the amendment on the gas shortage?

Answer: It will cut it virtually in half (or at present levels eliminate it entirely). Under the amendment persons owning earlier model cars may have them modified by professional experts to increase their gas mileage. This is prohibited by dealers under existing law. Manuals of instruction on this will be prepared and furnished to dealers by manufacturers.

10. What savings in gas mileage is involved in terms of present cars and new cars yet to be manufactured?

Answer: EPA itself estimates the overall fuel penalty under the 1974 standards ranges downward from 18% on larger cars to an overall average exceeding 10 percent. 70% of new cars will have no fuel penalty because they will have no emissions controls. Older cars may be modified at individual owners option. Net gas savings at least one gallon in ten, and in some instances much more.

11. What about the in-and-out traffic into air quality regions of cars without emissions controls?

Answer: It will not significantly adversely affect the air quality in those regions because the traffic in and out is not that heavy, it ranges from 2–6 percent.

12. What about the inequity between persons who live in such regions and those who live outside of them is terms of what they have to pay for their cars?

Answer: Why require the entire nation to bear the hugely energy wasting burden that is a problem only in a small part of the country? When a person moves from an air quality region to an unrestricted area he may acquire an emissions control free vehicle if he desires. Similarly when the reverse applies the additional cost is part of the price of maintaining clean air standards in the controlled region. There is little sense, for example, in requiring all of the residents of the entire State of North Dakota to purchase emissions control equipped cars when the area has no emissions control related air pollution. Multiplied nationwide the energy cost of such a requirement becomes both ridiculous and energy wasteful to a point deserving of the rising public criticism that prevails in the United States on this matter at this hour.

POOR GOLIATH

HON. FRANK J. BRASCO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. BRASCO. Mr. Speaker, in the last few months, there have been some harsh things said about our top oil companies, and in recent days, angry rhetoric has grown even rougher. People are accusing them of overcharging the public, making tax-exempt fortunes at consumer expense, creating shortages, and driving little competitors out of business. How people can say such nasty things about these fine, public-spirited fellows is beyond me. It is about time we stopped picking on them and understood the truth of the matter. So let us look behind the 60-cent-per-gallon prices at the pump for some truth.

First of all, we have to dismiss out of hand the nasty things revealed in previous months. Forget about the fact that major oil companies, at least the top 22 of them, made $9.1 billion after paying minimal Federal income taxes last year, an increase of 53 percent over 1972. And forget about predictions that these profits will rise even higher in the coming year. Forget about recent first quarter profit figures released, showing that every day in every way the big oil outfits are making more and more.

We have got to understand that Exxon, for example, had every right to announce earnings for the first quarter of 1974 of $705 million, a gain of 38.8 percent. And the average person has the right to suffer as a result. Texaco has a right to register an even higher jump in its earnings, showing an increase of 123.2 percent. Gulf, poor downtrodden souls that they are, scored a 76 percent rise in profits. Standard of Indiana, or Amoco, made $219 million in profits in the first quarter, up 81 percent from last year's matching quarter.

As for any ingrates among America's consumers, you can just swallow hard and keep your complaints to yourself, because all indications point to even faster price hikes for all kinds of energy, whatever its source. And remember that in whatever form you get your power, it is probably controlled by the same companies who put a tiger in your tank.

If coal costs more, remember major coal companies are controlled by major oil companies. If natural gas costs more, remember that oil companies own and operate most natural gas wells and distribution systems. There are a few cruel doubters who even claim they own and operate a few Federal agencies, including the one which sets gas prices. But we do not really believe that; do we? Those nice fellows at the Federal Power Commission just keep trying to raise natural gas rates because they think big oil and gas companies deserve a fair rate of return at consumer expense. After all, what is a price hike of a few pennies per thousand cubic feet of natural gas at the wellhead? A 1-cent raise only means a $200 million hike in utility bills for 40 million U.S. homes heated with gas. That is not much; is it?

We know those fellows are honest, because the Federal Energy Office, Mr. Simon and Mr. Sawhill, told us so. So it must be true. Mr. Sawhill, new FEO head, has told us disastrous fuel price levels of today are legitimate and good for us. He says they pay off in increased supplies, even though Government figures show this ain't necessarily so. But once the embargo was called off, all of a sudden the lines were gone. Where did they go? How come the big oil boys found all that gas and oil all of a sudden. Coincidence, I guess. Now Mr. Sawhill says we are going to have to pay at least 5 cents more per gallon of gas. Some people might say he was encouraging big oil to raise prices that high immediately. But we would not say it, because we think he is a nice fellow.

He opposes a Consumer Energy Act, which would among other things create a Federal Energy Corporation, which some unfair oil industry critics claim would create a yardstick against which to measure oil company performance. We are making him feel like a lion in a den of Daniels.

As for the consumer, just drive up to the pump, pay your 60 cents plus per gallon and shut up. Do not you know big oil monopolies need all that extra money to look for more oil? You are thinking they are really just taking it for profits and dividends and huge salaries for their officers. Shame on you. How could you think such a thing. Exxon is only declaring a measly $3.15 per share dividend on each share of common stock and is paying its top man close to a mere million dollars annually in salary. How can you begrudge those poor fellows these tiny rewards?

Take away their tax preferences like the foreign tax credit and depletion allowance? Sacrilege. Another outrageous proposal like that and we may have to tear up your credit card. Turn around and face the wall. Not another word. Next thing you know you will be blaming Congress for not doing something about oil tax privileges enjoyed by the big oil giants. Or you will even blame the President for vetoing the bill Congress passed rolling back oil prices. Shame.

Nothing is sacred anymore, I am afraid. Why, next they will be telling us that the Tooth Fairy does not exist or that the President's anti-inflation policy is a failure.

HAVERHILL INDEPENDENT ARTICLE LAUDS JOHN T. SULLIVAN FOR EXEMPLARY SERVICE TO VETS

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. HARRINGTON. Mr. Speaker, in recent weeks the press has been full of stories about the inefficiencies of the Veterans' Administration and its neglect of the young men who fought in the Vietnamese conflict.

There is ample cause for this criticism. But, fortunately, there are cases where veterans are getting good service. John T. Sullivan, the veterans' service officer in Haverhill, Mass., is but one example of how a good man can do the job well, with compassion and effectiveness.

I hope that the VA can find more John T. Sullivans and it is with commendation for his efforts that I insert into the RECORD this article that appeared in the Haverhill Independent, on February 28, 1974:

THE NEGLECTED VETERAN

(By W.M.C.)

For many years the veteran of World War I, II, Korea and Vietnam has been sadly neglected in that the Congress has failed to provide the many necessary benefits due to the men who gave their lives freely and served their country honorably. All this was done when they were called up to help the peoples in other various parts of the world.

The writer, a veteran of World War II, is greatly and deeply concerned. It is high time that the many veterans be made aware of how to obtain benefits rightfully due them.

There are veterans' organizations who have done very efficient work in helping members get some benefits due them, through their service officers. While other veteran's groups have failed to provide the information needed on how to obtain benefits.

What is needed is men who have the contacts with the Veteran's Administration. Haberhill, is indeed fortunate in having John T. Sullivan as Veterans Service Officer. Sullivan, a past commander of the V.F.W. and also the guiding light for the reknown Bugle and Drum Corps, is one who for many years has had compassion for the veteran. His small staffed office, 25 Kenoza Ave., has done an outstanding job in giving all and in easing the veteran's plight. He is obtaining what is rightfully due them. The writer's experience with Sullivan has been most fulfilling. His cooperative spirit has culminated many almost impossible cases.

In conclusion, it is the writer's belief that Sullivan's understanding of the plight of the many veterans, has definitely been a deciding factor which has proved beneficial to the "G.I. Joe." All veterans would be wise to contact the Veterans' Service Center regarding their problems. Time will show the public that his office is going all out for all veterans.

This is the beginning of a series having to do with the neglected veteran. The second article will be forthcoming.

SHICK LABORATORIES TREAT ALCOHOL AND NICOTINE ADDICTION

HON. JOHN V. TUNNEY

OF CALIFORNIA

IN THE SENATE OF THE UNITED STATES

Tuesday, April 30, 1974

Mr. TUNNEY. Mr. President, a unique and successful treatment of alcohol and nicotine addiction has been introduced by the Shick Laboratories in Los Angeles.

The method used to treat alcoholism is termed "aversion therapy" whereby the patient learns to relate his drinking with unpleasantness. This treatment has proven so successful that an attempt was made to use this same therapy on nicotine addiction. Once again it met with overwhelming success. Since its inception, more than 60,000 people have received help and support from the Shick Centers.

Shick Laboratories has done a tremendous job in its effort to control and eliminate the health problems that are associated with alcohol and nicotine addiction. I commend them for the outstanding results that have come from their associated centers. I am certain that the splendid public service they are providing will continue to expand to other hospitals serving communities throughout the country.

OLDER AMERICANS MONTH: WHAT'S IN A NAME?

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. RANGEL. Mr. Speaker, as the American people have learned, there is little substance behind the President's promises and rhetoric. One area where this has become tragically clear is that of senior citizens. As Max Manes, chairman of Seniors for Adequate Social Security and a constituent of mine, pointed out in the following letter, senior citizens should not be duped by the President. Mr. Manes' letter appeared in the New York Post on April 24, 1974:

SENIOR CITIZENS

I understand that May, 1974, will be designated by President Nixon as "Older Americans Month" this year, rather than "Senior Citizens Month," as previously.

The change reminds me of a Jules Feiffer cartoon in which the character is first referred to as "poor," then "needy," then "deprived," and finally as "disadvantaged"—ending with the character saying that, although he still doesn't have a dime, he has acquired a rich vocabulary.

I wonder if the change was made because seniority calls for respect and special consideration, and implies a certain dignity. President Nixon may have been fearful that senior citizens could get the wrong idea and feel they're entitled to something.

MAX MANES.

ISRAEL'S 26TH ANNIVERSARY

HON. PHILLIP BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1974

Mr. BURTON. Mr. Speaker, I should like to take the opportunity to congratulate the people of Israel on this, the 26th anniversary of the establishment of the State of Israel.

The years that have intervened since May 14, 1948, when the establishment of the State of Israel was proclaimed by the great Israeli statesman, David Ben-Gurion, have been years of progress and years of continued trial and testing.

Desert and swamp have been reclaimed. Cities and universities have been built. A nation and a people have toiled, have moved ever forward, despite the constant struggle to survive in the face of continued opposition, constant harassment and the open belligerence of her Arab neighbors.

Yet, each succeeding anniversary, despite adversity, finds Israel stronger, her people more determined and, hopefully, her future more secure.

I salute Israel and her courageous people on this 26th anniversary. I extend to them my warm best wishes and my fervent hope that the word which is the traditional greeting in Israel—Shalom, or in English—peace, shall become for them a reality.